

2021 HALF YEAR REPORT

Blackstone Property Partners Europe Holdings S.à r.l.



Blackstone



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H1 2021 Update

Portfolio

- Continued portfolio growth and diversification with a GAV of €8.7 billion as of 30 June 2021
 - 705 high-quality, well-located properties across 14 countries
 - Diversified across the logistics, residential and office sectors
- Substantially stabilised portfolio with 95% occupancy and a 4-year WALL¹
 - During H1 2021, occupancy in our portfolio increased by 41 bps and passing rent per square metre increased by 5% on a like-for-like basis driven by our residential and office portfolios, as rents remain 13% below market on average
- As the operating environment in Europe improves, we continue to believe BPPEH is well-positioned
 - Over half of our GAV is concentrated in the logistics sector, which continues to benefit from strong e-commerce related demand
 - Knowledge-centre office properties leased below market levels and high-quality residential assets are expected to benefit from proximity to talent, universities, innovation and technology
- Continued to invest in our highest conviction themes, selectively entering new office markets and expanding our logistics portfolio
 - Acquired controlling stakes in two high-quality offices in Dublin's city centre for an all-in cost of €316 million
 - Acquired a high-quality office in Stockholm for an all-in cost of approximately €104 million
 - Acquired a four-unit logistics park strategically located near London for an all-in cost of approximately €145 million
- Post 30 June 2021, we further expanded our logistics footprint
 - Acquired a U.K. logistics portfolio via a sale-and-leaseback agreement. The portfolio is comprised of high-quality warehouses and is concentrated in key distribution and population hubs including London, the South East and the Midlands. As part of the transaction, BPPEH signed a forward sale agreement for approximately half the portfolio, upon completion of which, we expect to retain a portfolio of 17 assets for a gross purchase price of £840 million (approximately €980 million)
 - Signed an agreement to acquire a high-quality warehouse in Copenhagen adjacent to two assets in our existing portfolio for a gross purchase price of DKK 215 million (approximately €29 million)
 - Signed an agreement to dispose of an Italian logistics property for €19 million

Capital Structure

- Successfully issued €550 million of unsecured notes due 2028 at an interest rate of 1.00% in May 2021
- Strong debt profile consisting of 97% unsecured debt and 93% fixed rate debt, with no debt maturing until H2 2022
- Net LTV as of 30 June 2021 stood at 48%, within our target range of 45-50%
- Post 30 June 2021, BPPEH increased the size of its EMTN programme to €10 billion

ESG²

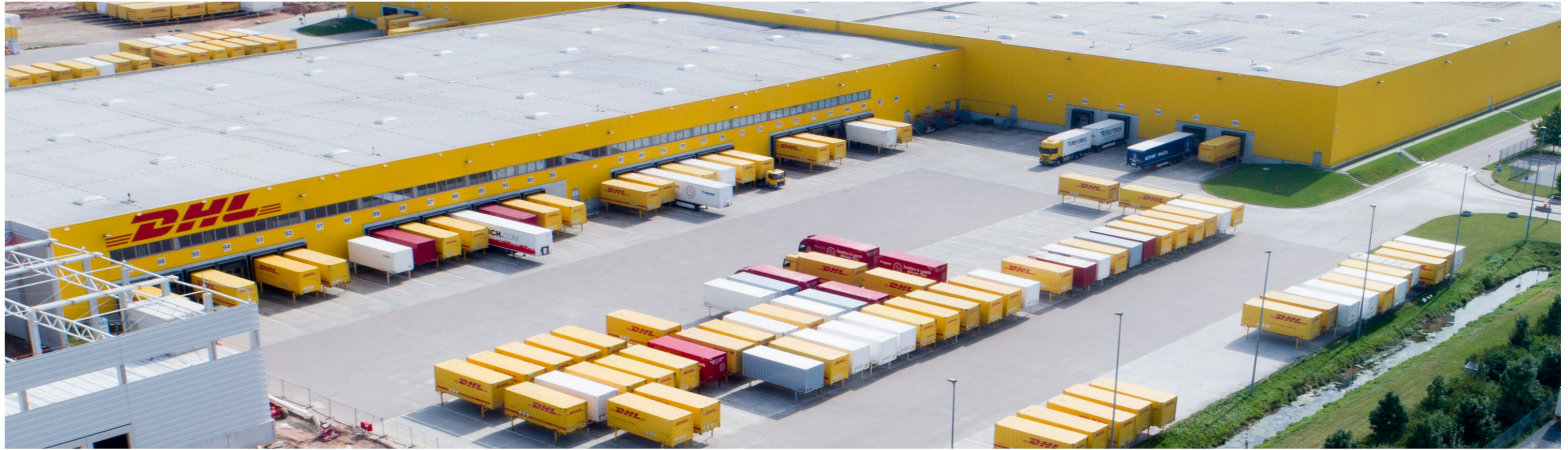
- During H1 2021, BPPEH has continued to progress on its ESG initiatives
 - BPPEH published its first Green Financing Framework which received a positive Second Party Opinion from Sustainalytics
 - 73% of office properties in the portfolio have achieved green certifications and we are working towards certifying the entire portfolio
 - We completed 53 full refurbishments in our residential portfolio with 100% achieving an A or B energy label certification
 - Across our logistics portfolio we are making progress on our data collection initiatives and continue to evaluate and execute on the installation of solar panels across our assets

Note: H1 2021 represents the period from 1 January 2021 to 30 June 2021.

1. WALL excludes residential assets.

2. There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses, or that these ESG initiatives will be available in the future. Past success of Blackstone's initiatives is not necessarily indicative of future success or savings. While Blackstone believes ESG factors can enhance long-term value, BPPEH does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria or standards. Any reference herein to environmental or social considerations is not intended to qualify our duty to maximize risk-adjusted returns.

Key Highlights



Large, Diversified Portfolio

14 countries

€8.7B GAV

705 assets

Stable Cash Flows with Operational Upside

95% occupancy

4-Year WALL

13% below market rents

Strong Credit Profile

48% net LTV

1.5% weighted average interest rate

93% fixed rate debt

Blackstone's European Management Platform

€103B real estate portfolio

21,000+ employees¹

24 years of investing experience in Europe

Note: All BPPEH metrics in this Half Year Report are calculated at 100% share (including the portion attributable to minority owners). See definitions on page 60.

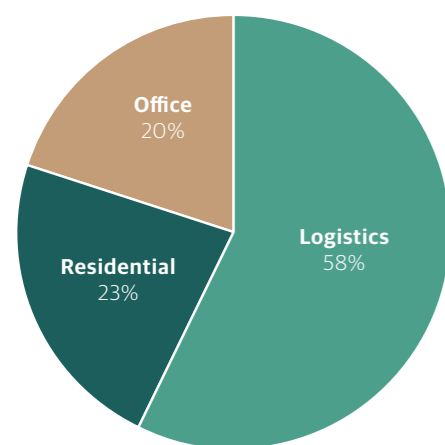
1. Includes Blackstone's portfolio companies.

Portfolio Overview

BPPEH owns a diversified portfolio of high-quality, well-located properties in the logistics, residential and office sectors. The portfolio consists of 705 assets spanning 5.0 million sqm across 14 countries, with a GAV of €8.7 billion as of 30 June 2021.

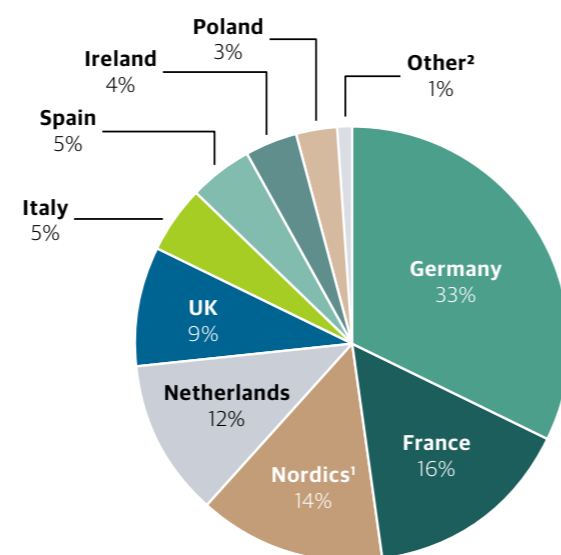
Sector Allocation

(% of GAV)



Geographic Allocation

(% of GAV)

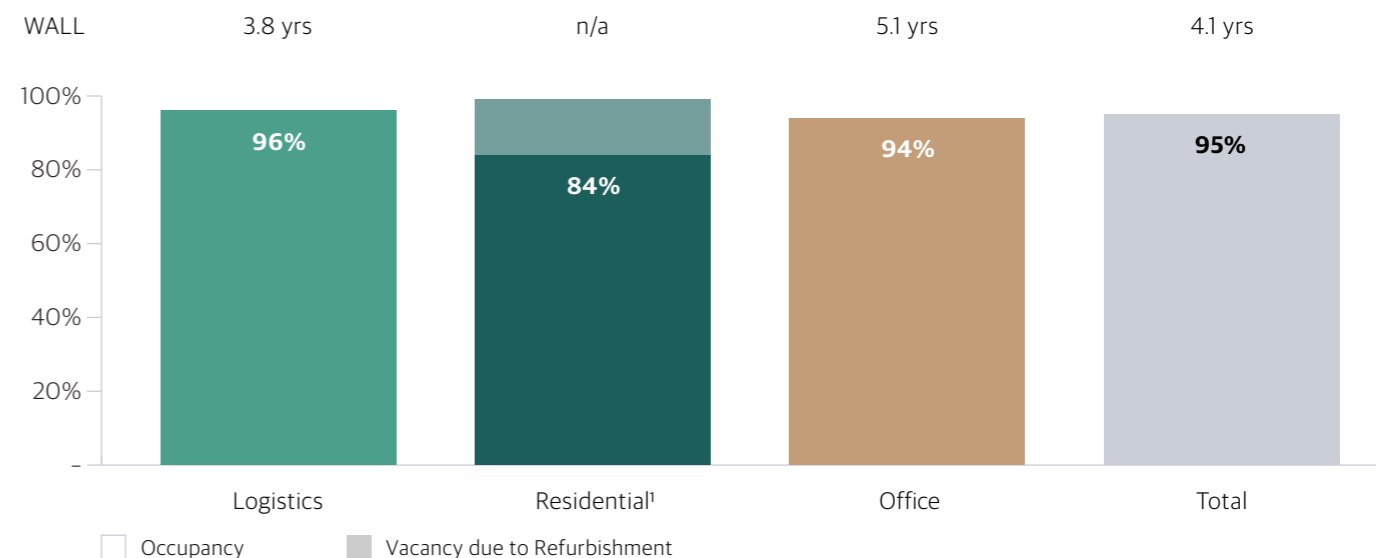


Note: Totals may not sum due to rounding.

1. Nordics includes Sweden (9%), Denmark (4%), Norway (1%) and Finland (<1%).

2. Other includes Switzerland (1%) and Greece (<1%).

Occupancy and WALL by Sector



Acquisitions

BPPEH follows a disciplined investment approach, with a focus on acquiring high-quality assets in major European markets and gateway cities at attractive pricing.

Logistics: During H1 2021, BPPEH acquired a four-unit logistics park strategically located near London for an all-in cost of £125 million (approximately €145 million). The park is comprised of 317k sqf with Grade-A specifications.

Office: BPPEH entered two new office markets in H1 2021 with the acquisition of office properties in Dublin and Stockholm. BPPEH acquired controlling stakes in two high-quality office assets in Central Dublin for an all-in cost of €316 million. These offices comprise 394k sqf and are located in two of Dublin's top submarkets, the CBD and the Docklands, and are leased to blue-chip tenants like Amazon and the mobile operator Three. BPPEH also acquired a high-quality BREEAM-rated office in Södermalm, Stockholm's technology district, for an all-in cost of SEK 1.1 billion (approximately €104 million). The 12k sqm office property primarily leased to Spotify is newly refurbished to Grade-A specifications with an industrial loft-style design, which facilitates collaboration.

Dispositions

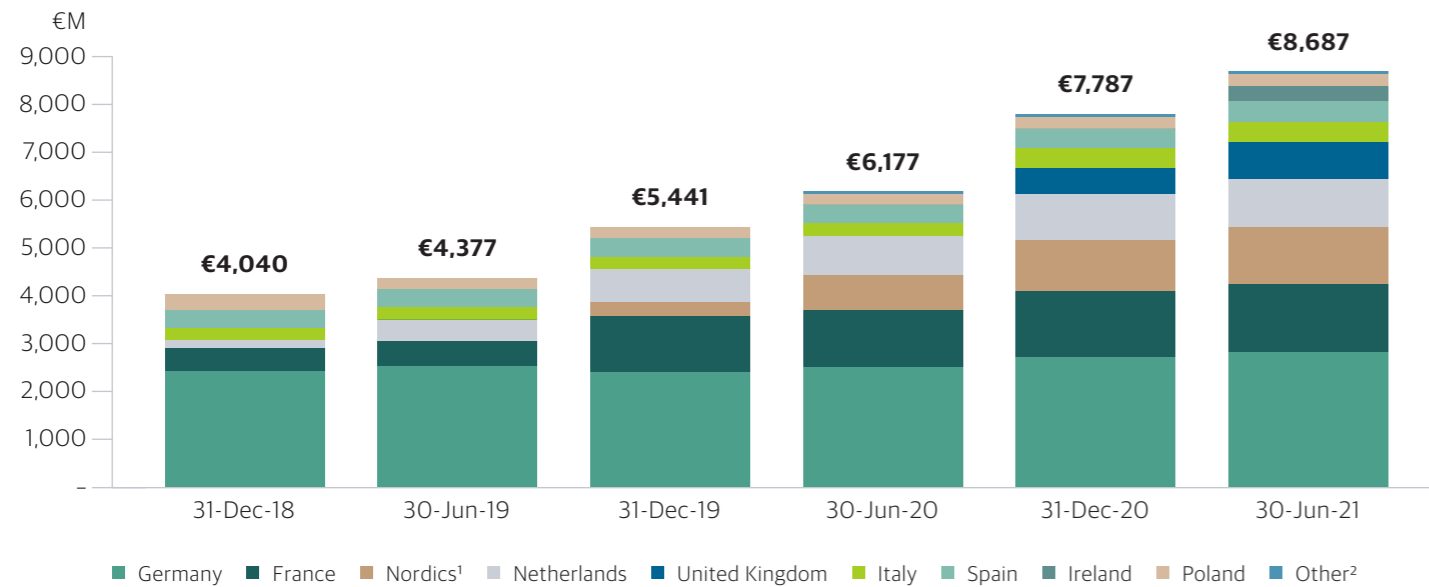
While BPPEH generally intends to pursue a long-term buy and hold strategy, we may seek to selectively dispose of assets that we deem to be non-core or that we believe offer only modest growth potential over the medium term.

During H1 2021, BPPEH sold one unit in our German residential portfolio for €0.7 million. The unit was deemed to be non-core as it was located in an asset only partially owned by BPPEH.

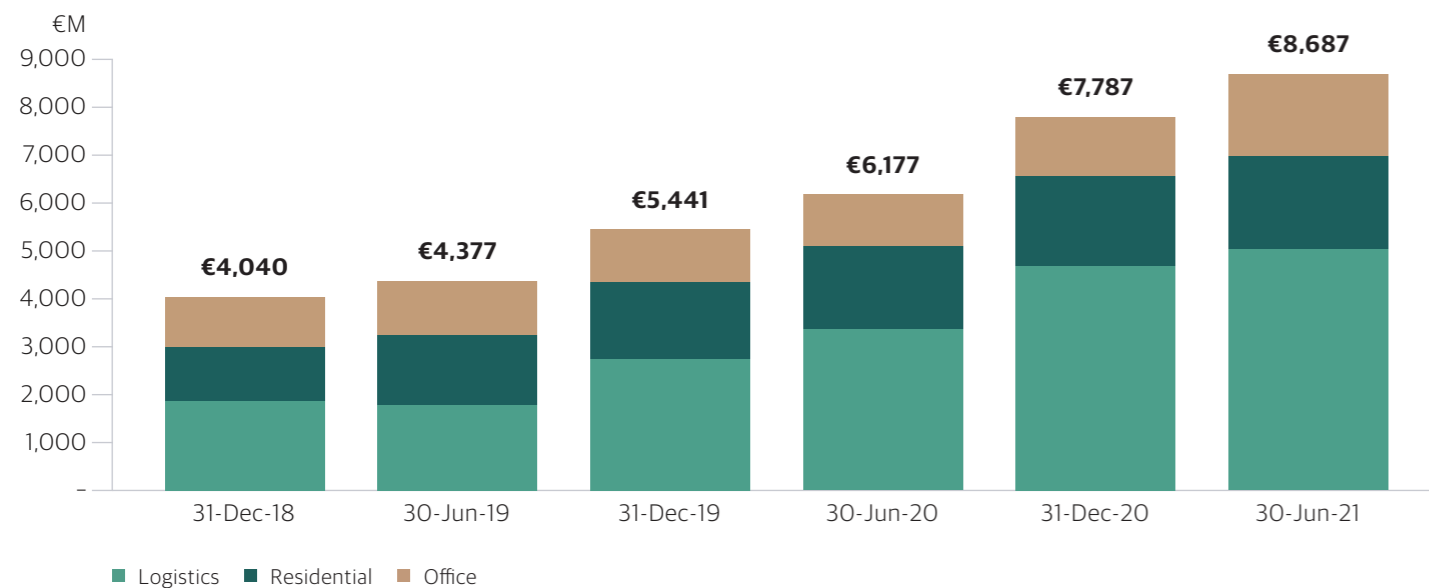
1. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 99% as of 30 June 2021.

Portfolio Update

GAV by Country



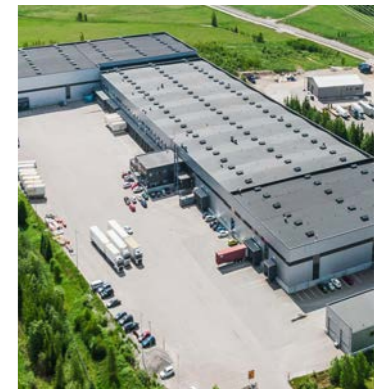
GAV by Sector



1. Nordics includes Sweden, Denmark, Norway and Finland.
2. Other includes Switzerland and Greece.

Logistics

Key Metrics	30-Jun-21	31-Dec-20	LfL Change
GAV (€m)	5,030	4,687	+4.1%
GLA ('000s)	4,336	4,313	-
Economic Occupancy (%)	96%	95%	+53 bps
Physical Occupancy (%)	96%	95%	+90 bps
WALL (years)	3.8	3.9	(0.1) years
Passing Rent (€/sqm/year)	55	55	+1.0%



Residential

Key Metrics	30-Jun-21	31-Dec-20	LfL Change
GAV (€m)	1,962	1,864	+5.2%
Number of Residential Units ¹	6,350	6,349	-
Occupancy ² (%)	84%	84%	+30 bps
Passing Rent (€/sqm/month)	10.5	9.1	+14.8%

Office

Key Metrics	30-Jun-21	31-Dec-20	LfL Change
GAV (€m)	1,695	1,235	+2.6%
GLA ('000s)	218	169	-
Economic Occupancy (%)	94%	95%	(219) bps
Physical Occupancy (%)	93%	94%	(219) bps
WALL (years)	5.1	3.9	-
Passing Rent (€/sqm/year)	336	272	+6.3%



Note: "LfL Change" represents the change in each metric for our like-for-like portfolio, which is comprised of assets owned throughout H1 2021 (i.e., excludes assets developed, acquired or sold during H1 2021). All like-for-like changes in area and number of units in this Half Year Report exclude the impact of development, remeasurement and combination/division of existing units.

1. Change in number of units due to unit splits, combinations and sales which resulted in a net one unit increase.
2. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 99% as of 30 June 2021.

Logistics

BPPEH owns a high-quality €5.0 billion pan-European logistics portfolio located in key distribution corridors. The portfolio consists of 162 properties comprising 4.3 million sqm across 13 countries. The portfolio is 96% occupied on a 3.8-year WALL.

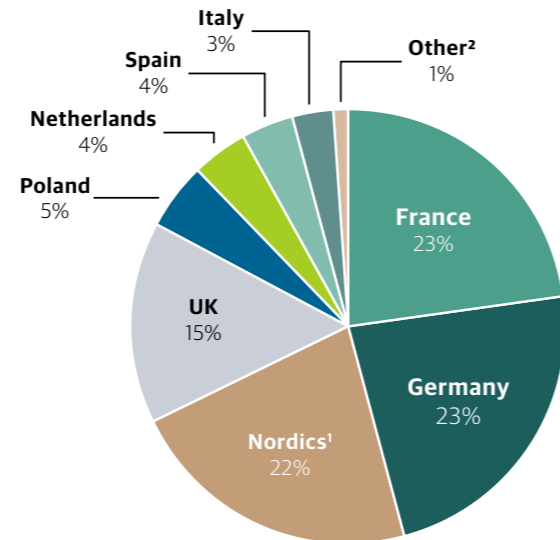
Our logistics portfolio continued to deliver strong operating performance with occupancy increasing 53 bps and passing rent per square metre growing 1% on a like-for-like basis from 31 December 2020 to 30 June 2021.

We signed lease agreements amounting to 316k sqm, including 87k sqm of new leases and 229k sqm of renewals during H1 2021. BPPEH achieved an average releasing spread of 7% for all leases on previously occupied space. Leases with break options or expiries in the period totalled 58k sqm, for which we achieved a retention ratio of 86%.

During H1 2021, we continued to expand our logistics portfolio with the acquisition of a logistics park in the United Kingdom strategically located near London. The property is comprised of four Grade-A units totalling 317k sqf and was 100% leased with a 5-year WALL at acquisition.

Geographic Allocation

(% of GAV)



Key Metrics	30-Jun-21	31-Dec-20	LfL Change
GAV (€m)	5,030	4,687	+4.1%
GLA ('000s)	4,336	4,313	-
Economic Occupancy (%)	96%	95%	+53 bps
Physical Occupancy (%)	96%	95%	+90 bps
WALL (years)	3.8	3.9	(0.1) years
Passing Rent (€/sqm/year)	55	55	+1.0%

Note: Totals may not sum due to rounding.

1. Nordics includes Sweden (13%), Denmark (7%), Norway (1%) and Finland (1%).

2. Other includes Switzerland (1%) and Greece (<1%).





Residential

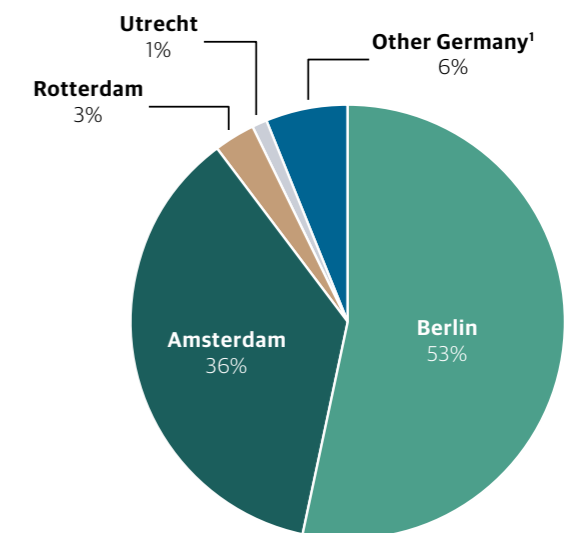
BPPEH owns a €2.0 billion portfolio of 530 high-quality residential properties in Germany and the Netherlands.

Our residential portfolio is concentrated in Berlin and Amsterdam, which together represent 90% of our residential portfolio by GAV. During H1 2021, passing rent per square metre increased 15% on a like-for-like basis primarily due to the reversion of rents in our Berlin portfolio, following recently overturned rent regulations.

While we remain confident in the long-term fundamentals of the Berlin residential market, we continue to monitor the political and regulatory climate in Germany as well as the other markets in which we operate.

Geographic Allocation

(% of GAV)



Key Metrics	30-Jun-21	31-Dec-20	LfL Change
GAV (€m)	1,962	1,864	+5.2%
Number of Residential Units ²	6,350	6,349	-
Occupancy ³ (%)	84%	84%	+30 bps
Passing Rent (€/sqm/month)	10.5	9.1	+14.8%

Note: Totals may not sum due to rounding.

1. Includes Brandenburg, Dresden, Magdeburg and Potsdam.

2. Change in number of units due to unit splits, combinations and sales which resulted in a net one unit increase.

3. Represents occupancy of residential units only. Adjusting for vacancy due to refurbishment, average residential occupancy would be 99% as of 30 June 2021.

Office

BPPEH owns a €1.7 billion portfolio of 13 high-quality office properties located in Dublin, Berlin, Paris, Munich, Barcelona, Milan, Rome and Stockholm. The portfolio is 94% leased with a 5.1-year WALL at rents on average 19% below market.

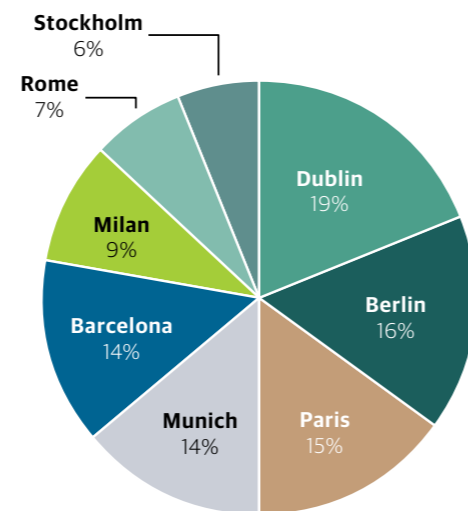
Our office portfolio was well-leased as of 30 June 2021, with 94% occupancy and a 5.1-year WALL. Occupancy declined 219 bps on a like-for-like basis during H1 2021 primarily driven by churn at our Rome and Barcelona offices. Leasing discussions are ongoing and we expect to capture meaningful rent reversion as spaces are released. In-place rents are 19% below market on average, offering embedded NOI growth potential over time.

Passing rent per square metre increased 6% on a like-for-like basis primarily driven by our Paris and Berlin offices. During H1 2021, we leased 3k sqm of office space at a 74% average releasing spread, with leasing activity concentrated in five leases at our German offices.

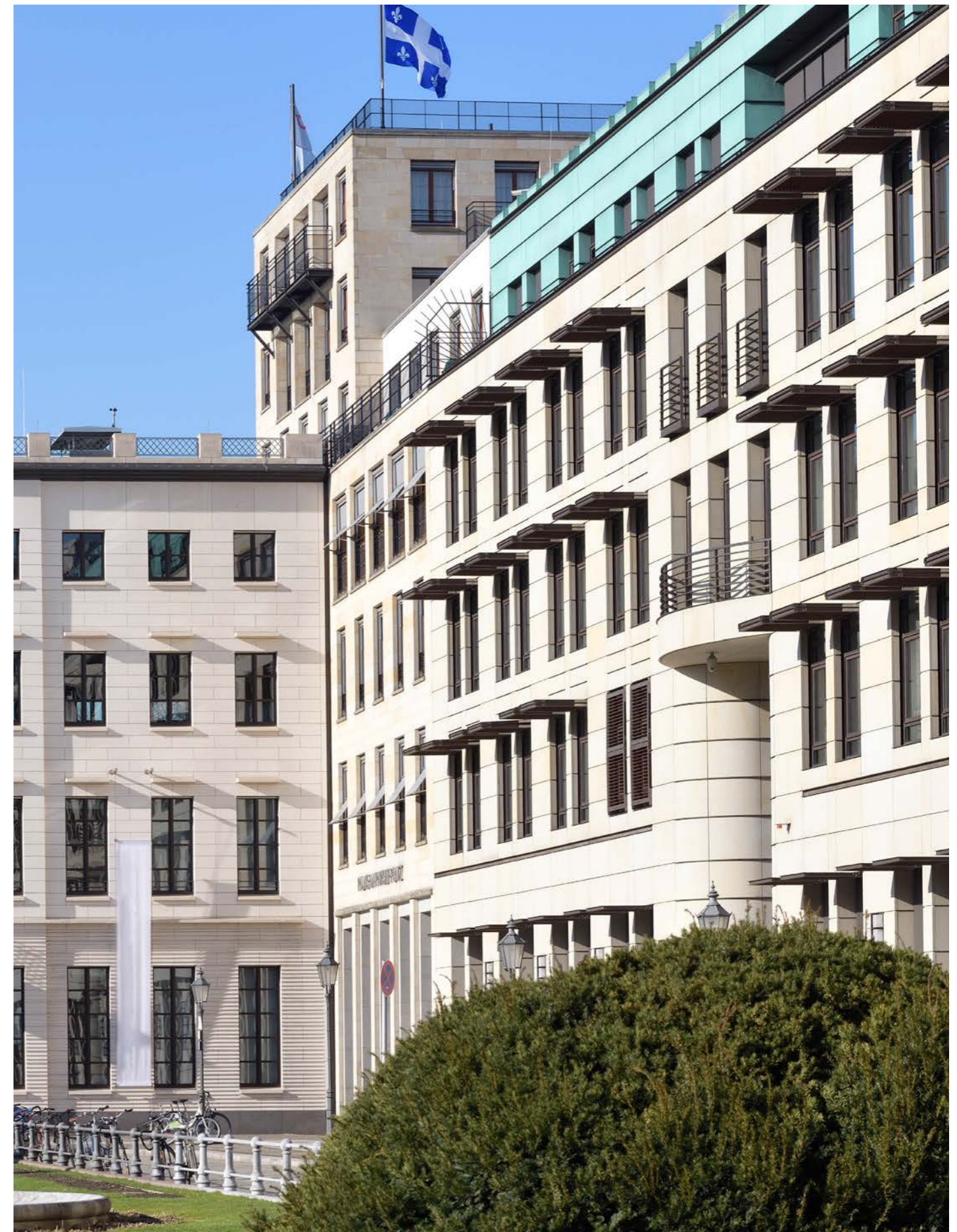
In H1 2021, BPPEH entered two new office markets with the acquisition of office properties in Dublin and Stockholm. In Dublin, BPPEH acquired controlling stakes in two high quality offices in the city centre for an all-in cost of €316 million. In Stockholm, BPPEH acquired a high-quality office in the Södermalm technology district for an all-in cost of SEK 1.1 billion (approximately €104 million). These assets are leased primarily to blue-chip multinational e-commerce and media companies such as Amazon, Three and Spotify, providing BPPEH additional exposure to high-growth themes.

Geographic Allocation

(% of GAV)



Key Metrics	30-Jun-21	31-Dec-20	LfL Change
GAV (€m)	1,695	1,235	+2.6%
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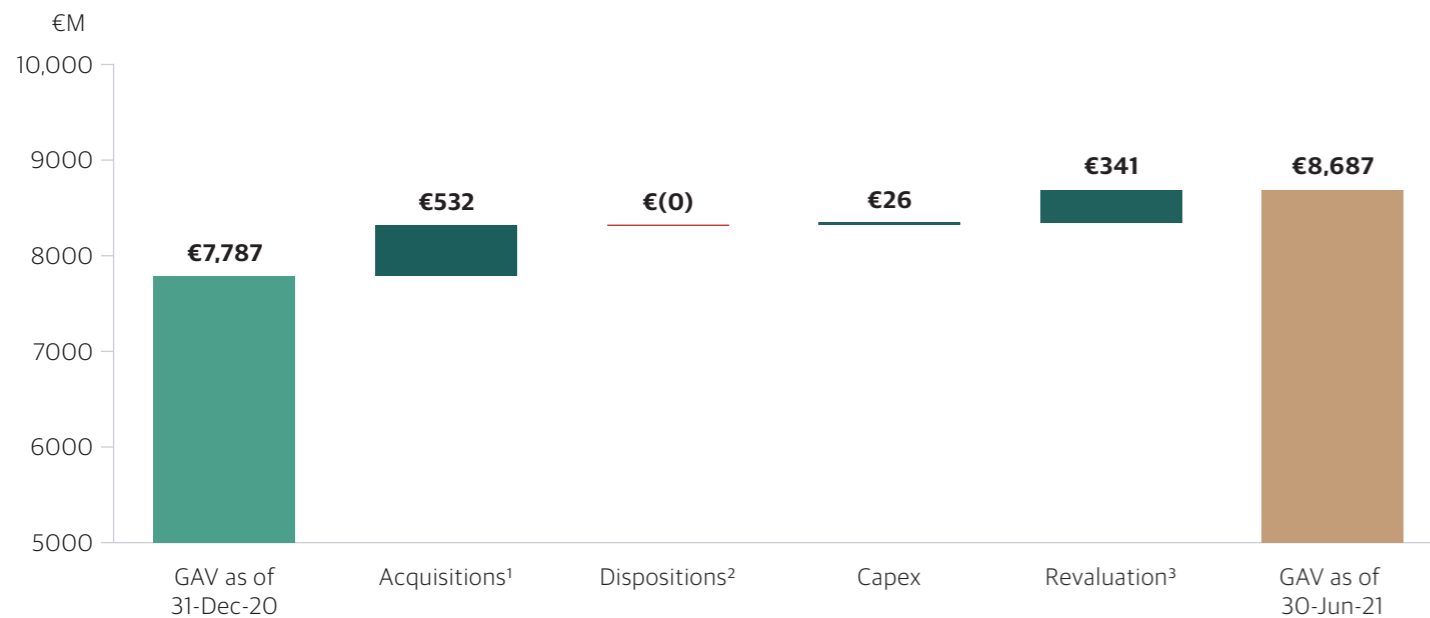


Portfolio Valuation

BPPEH's portfolio had a total value of €8.7 billion as of 30 June 2021, representing a weighted average NOI yield of 3.6%.

GAV Bridge

BPPEH's GAV increased by €0.9 billion to €8.7 billion as of 30 June 2021. The growth was primarily attributable to the acquisition of office properties in Dublin and Stockholm as well as a logistics park in the United Kingdom. The revaluation of €341 million represents a 3.8% increase on a like-for-like basis. Additionally, we invested approximately €26 million of capital expenditure into our portfolio during H1 2021, predominantly in our residential assets.

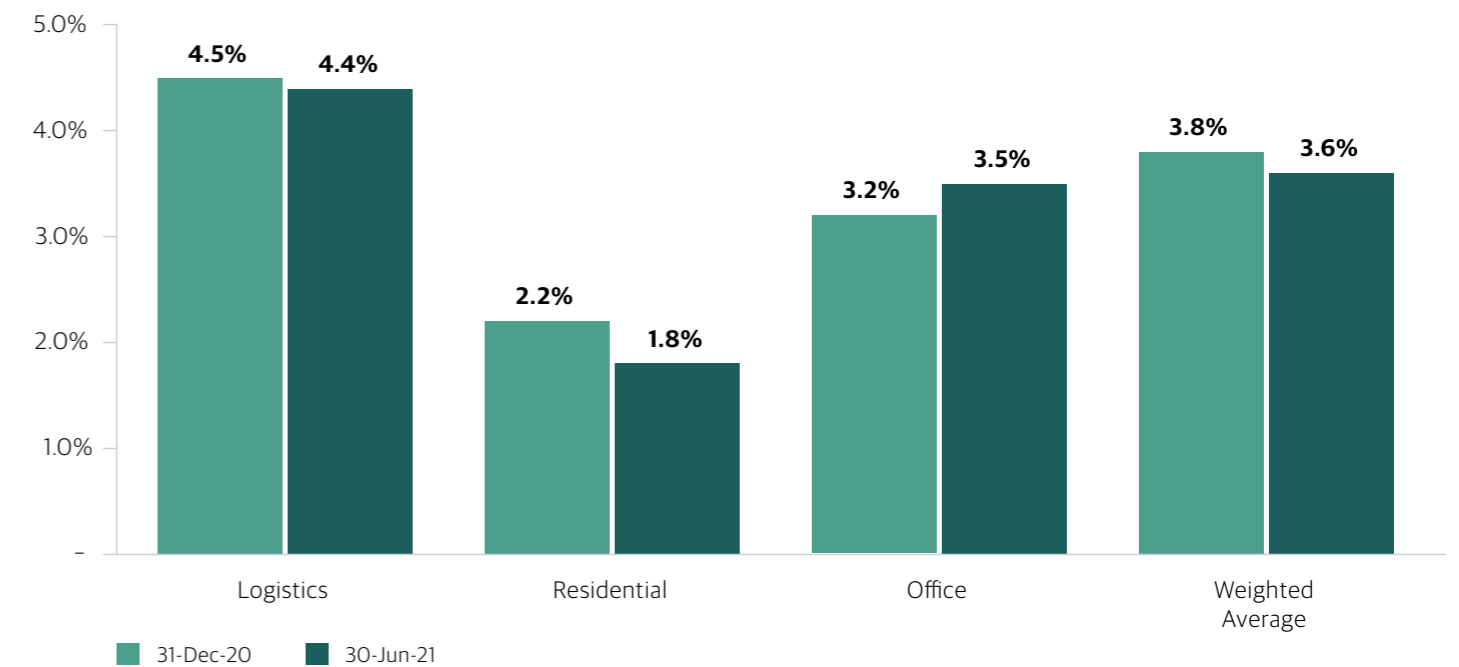


Note: "GAV" calculated at 100% share (including the portion attributable to minority owners). See definitions on page 60.

- 1. Investment cost adjusted for any latent capital gains tax liability. Excludes transaction costs.
- 2. Reflects carrying value as of 31 December 2020.
- 3. Includes FX movements.

NOI Yields

BPPEH's portfolio had an NOI yield of 3.6% as of 30 June 2021. Overall, yields for our logistics and residential portfolios tightened, while our office yields increased during H1 2021. The yield compression in the logistics portfolio is attributable to the continuation of favourable operating and investment market trends in the European logistics market. In our residential portfolio, the decrease in yield is primarily driven by an increase in the portfolio's valuation following the reversal of the rent regulations in Berlin, combined with the recognition of only a partial period of higher NOI. In our office portfolio, yields expanded primarily as a result of new acquisitions in Dublin and Stockholm at a higher NOI yield than that of the existing portfolio.



Note: "NOI Yield" calculated as Adjusted NOI divided by GAV. NOI Yield as of 30 June 2021 based on annualised Adjusted NOI. See definitions on page 60.

Capital Structure

BPPEH has a robust capital structure, with primarily unsecured debt and a staggered maturity profile.

48%
net LTV

BBB (stable outlook)
S&P credit rating

1.5%
weighted average interest rate

4.4 yrs
weighted average maturity

Overview

BPPEH employs a prudent financial policy, including a target LTV of 45-50%. As of 30 June 2021, BPPEH had €4.5 billion of debt outstanding at a weighted average interest rate of 1.5% and a weighted average maturity of 4.4 years. Net debt totalled €4.2 billion, implying a net LTV of 48%.

BPPEH has access to diversified debt financing sources and currently employs a mix of unsecured notes, bank facilities and limited secured debt. The bank facilities we have put in place enable us to continue our growth while accessing the bond markets in a disciplined manner.

BPPEH has a staggered debt maturity profile, with no maturities in 2021. In addition, BPPEH has a robust liquidity position with total available funds of €783 million as of 30 June 2021. This was comprised of €286 million of unrestricted cash and €498 million of availability under BPPEH's revolving credit facility.

As a wholly-owned indirect subsidiary of BPPE, Blackstone's open-ended European core+ real estate fund, BPPEH benefits from excellent access to new growth capital. The fund is supported by a strong institutional investor base and expects to continue to have quarterly closings going forward. Importantly, there is no legal obligation for BPPE to sell assets to meet any redemption requests. In addition, neither BPPE nor BPPEH have any pre-defined dividend commitments, providing further financial flexibility.

Debt Financing Sources

Unsecured Notes

BPPEH established an EMTN programme on 21 June 2018 and currently has €4.0 billion of unsecured notes outstanding. BPPEH's unsecured notes have robust covenant requirements¹, including:

- Total debt to total assets < 60%
- Secured debt to total assets < 40%
- Interest coverage ratio > 1.5x
- Unencumbered assets to unsecured debt > 150%

BPPEH was in compliance with all of its financial covenants as of 30 June 2021.

Acquisition Facilities

BPPEH generally finances acquisitions with borrowings under an acquisition facility at closing. As of 30 June 2021, BPPEH had €1.8 billion of soft commitments from a group of banks to provide unsecured term loans on new acquisitions at up to 50% loan-to-cost. The acquisition facilities have an interest rate of Euribor + 1.40% and a maturity of three years without prepayment limitations.²

Acquisition facilities allow BPPEH the flexibility to close on investments quickly while maintaining a prudent capital structure. BPPEH intends to repay these facilities periodically with proceeds from additional issuances under its EMTN programme. The medium term maturity of the acquisition facilities provides BPPEH the ability to access the bond markets in an orderly manner.

BPPEH had €207 million outstanding under its acquisition facilities as of 30 June 2021.

Revolving Credit Facility

As of 30 June 2021, BPPEH had a €600 million revolving credit facility bearing an interest rate of Euribor + 1.00%.³

BPPEH had €102 million drawn under its revolving credit facility as of 30 June 2021.

Mortgage Loans

While BPPEH intends to primarily utilise unsecured debt going forward, there may be certain instances where we use mortgage financing. As of 30 June 2021, BPPEH had a £130 million (approximately €151 million) mortgage loan outstanding, which was assumed as part of our acquisition of the underlying properties. We intend to refinance this loan with unsecured debt upon its maturity.

1. BPPEH's acquisition and revolving credit facilities are subject to the same requirements.

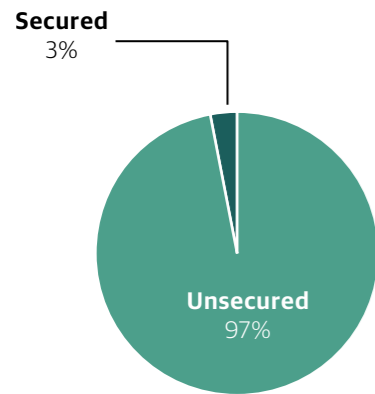
2. Interest rate steps up to Euribor + 1.65% in year 2 and Euribor + 1.90% in year 3. Euribor may be substituted by any other relevant interbank rate for non-Euro denominated draws.

3. Euribor may be substituted by any other relevant interbank rate for non-Euro denominated draws.

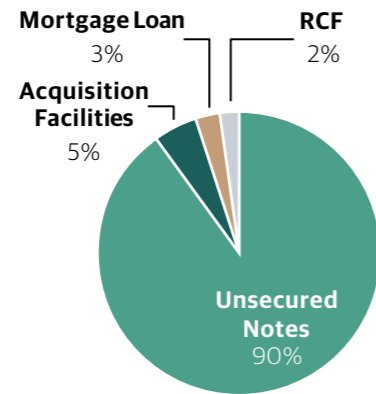
Debt Summary

As of 30 June 2021, BPPEH's debt consisted primarily of fixed rate unsecured notes.

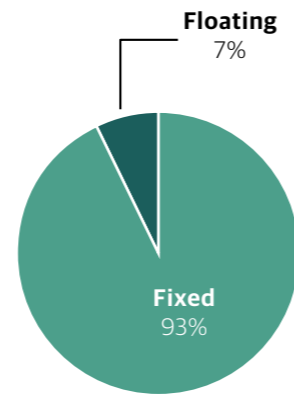
Secured vs. Unsecured



Debt by Type

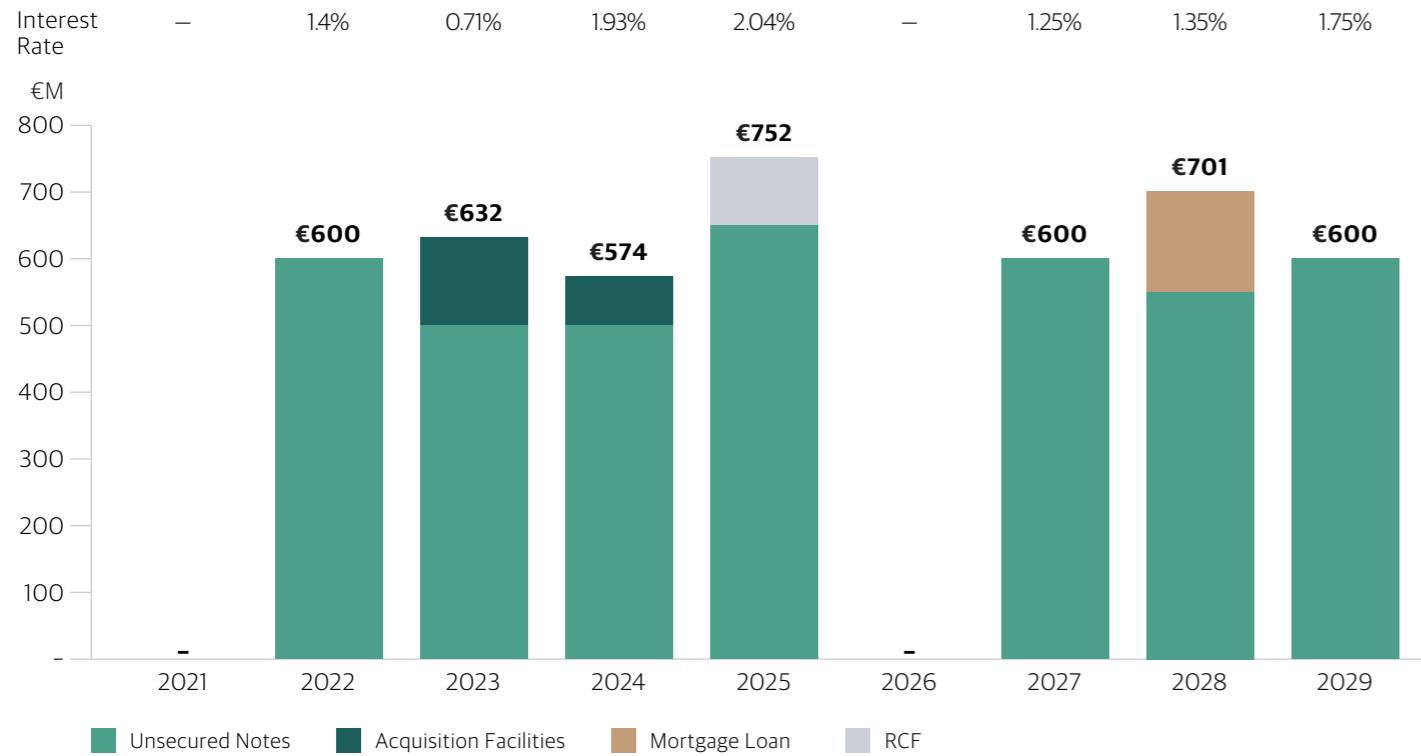


Fixed vs. Floating



Debt Maturity Profile¹

As of 30 June 2021, BPPEH's debt had a 4.4-year weighted average maturity, with no debt maturities until July 2022. BPPEH's weighted average interest rate was 1.5%.



1. Debt maturity profile reflects fully extended maturity dates and excludes principal amortisation. Interest rate represents weighted average all-in interest rate.

Capital Structure Summary

	As of 30-Jun-21			As of 31-Dec-20		
	€m	Interest Rate ¹	WAM ² (years)	€m	Interest Rate ¹	WAM ² (years)
Unsecured Notes	4,000	1.5%	4.4	3,450	1.5%	4.5
Acquisition Facilities	207	1.5%	2.6	332	1.4%	3.0
Mortgage Loan	151	2.6%	7.4	145	2.6%	7.9
Revolving Credit Facility	102	1.0%	3.9	30	1.0%	4.4
Total Debt	€4,460	1.5%	4.4	€3,957	1.6%	4.5
Less: Cash	(299)			(276)		
Net Debt	€4,161			€3,681		
GAV	€8,687			€7,787		
Net LTV	48%			47%		
% Unsecured Debt	97%			96%		
% Fixed Rate Debt	93%			91%		
Available Liquidity	€783			€836		

1. Weighted average all-in interest rate.
2. Weighted average debt maturity.

Key Financial Metrics

KPIs

Number of Assets	705
GLA	5.0m sqm
Occupancy	95%
WALL	4 years
Below Market Rents	13%

Balance Sheet Highlights

	€m
GAV	8,687
Total Debt	4,460
Cash	299
Net Debt	4,161
LTV	48%

Profit & Loss Summary by Sector

€m	Net Turnover	(Net Operating Expenses)	(Straight Line Rent Adjustment)	NOI	(Other Expenses)	+ Straight Line Rent Adjustment	EBITDA
Logistics	110.0	(3.9)	(3.2)	102.9	(13.0)	3.2	93.1
Residential	24.3	(6.4)	–	17.9	(7.1)	–	10.8
Office	23.6	(1.9)	(2.4)	19.3	(2.8)	2.4	18.9
Total	157.9	(12.2)	(5.6)	140.1	(22.9)	5.6	122.8

Profit & Loss Summary by Country

€m	Net Turnover	(Net Operating Expenses)	(Straight Line Rent Adjustment)	NOI	(Other Expenses)	+ Straight Line Rent Adjustment	EBITDA
Germany	45.9	(5.3)	(1.3)	39.3	(8.7)	1.3	31.9
France	29.9	(0.7)	0.5	29.7	(3.3)	(0.5)	25.9
Sweden	14.4	(1.1)	–	13.3	(1.6)	–	11.7
United Kingdom	14.4	(1.0)	(1.6)	11.8	(2.0)	1.6	11.4
Netherlands	13.3	(2.3)	(0.1)	10.9	(2.8)	0.1	8.2
Italy	10.2	(1.2)	(2.7)	6.3	(1.3)	2.7	7.7
Denmark	8.1	0.1	(0.3)	7.9	(1.0)	0.3	7.2
Spain	8.0	(0.3)	(0.5)	7.2	(0.7)	0.5	7.0
Poland	7.2	(0.2)	0.4	7.4	(0.7)	(0.4)	6.3
Ireland	3.2	(0.1)	–	3.1	(0.3)	–	2.8
Norway	1.2	–	–	1.2	(0.2)	–	1.0
Switzerland	1.0	–	–	1.0	(0.1)	–	0.9
Finland	0.9	–	–	0.9	(0.1)	–	0.8
Greece	0.2	(0.1)	–	0.1	(0.1)	–	–
Total	157.9	(12.2)	(5.6)	140.1	(22.9)	5.6	122.8

Note: KPIs and balance sheet data as of 30 June 2021. Profit & loss data for the six months ended 30 June 2021. See definitions on page 60.
Luxembourg GAAP Disclosure: During H1 2021, BPPEH did not carry out any research and development, buy back any of its own shares, or have any branches.

Subsequent Events

Since 30 June 2021, BPPEH has acquired a U.K. logistics portfolio via a sale-and-leaseback agreement. The portfolio is comprised of high-quality warehouses and is concentrated in key distribution and population hubs including London, the South East and the Midlands. As part of the transaction, BPPEH signed a forward sale agreement for approximately half the portfolio, upon completion of which, we expect to retain a portfolio of 17 assets for a gross purchase price of £840 million (approximately €980 million).

Additionally, BPPEH signed an agreement to acquire a high-quality warehouse in Copenhagen adjacent to two assets in our existing portfolio for a gross purchase price of DKK 215 million (approximately €29 million). BPPEH also signed an agreement to sell one Italian logistics property for €19 million. Closing on these transactions is expected to occur in late 2021.

BPPEH has also increased the size of its EMTN programme to €10 billion.



Interim Consolidated Accounts



Interim Consolidated Balance Sheet

Assets

€m	Notes	As at 30 June 2021 (unaudited)	As at 31 December 2020
Fixed assets		7,430.5	6,920.1
Tangible fixed assets	4	7,430.5	6,920.1
Land and buildings		7,430.5	6,920.1
Current assets		694.3	594.6
Inventories	5	16.0	-
Land and buildings held for resale		16.0	-
Debtors	6	379.5	318.3
Trade debtors	6.1	34.2	26.7
becoming due and payable within one year		34.2	26.7
Amounts owed by affiliated undertakings	6.2	281.3	226.7
becoming due and payable after more than one year		151.9	136.3
becoming due and payable within one year		129.4	90.4
Other debtors	6.3	64.0	64.9
becoming due and payable within one year		64.0	64.9
Cash at bank and in hand	7	298.8	276.3
Prepayments	8	152.9	77.9
Total assets		8,277.7	7,592.6

Note: The accompanying notes on pages 32 to 59 form an integral part of these interim consolidated accounts.

Capital, Reserves and Liabilities

€m	Notes	As at 30 June 2021 (unaudited)	As at 31 December 2020
Capital and reserves	9	1,779.1	1,577.6
Subscribed capital	9.1	1.4	1.4
Share premium	9.2	1,557.3	1,403.5
Reserves	9.3	19.3	11.6
Profit/(loss) brought forward		(101.7)	(52.2)
Profit/(loss) for the financial year/period		(21.6)	(49.4)
Non-controlling interests	9.5	324.4	262.7
Provisions	10	11.0	8.3
Provisions for taxation	10.1	11.0	8.3
Creditors	11	6,455.0	5,966.0
Unsecured notes	11.1	4,032.8	3,479.8
becoming due and payable after more than one year		4,000.0	3,450.0
becoming due and payable within one year		32.8	29.8
Amounts owed to credit institutions	11.2	461.4	508.6
becoming due and payable after more than one year		460.0	507.2
becoming due and payable within one year		1.4	1.4
Trade creditors	11.4	42.1	38.8
becoming due and payable within one year		42.1	38.8
Amounts owed to affiliated undertakings	11.5	1,819.1	1,851.9
becoming due and payable after more than one year		1,691.0	1,668.9
becoming due and payable within one year		128.1	183.0
Other creditors	11.6	99.6	86.9
tax authorities		56.9	49.2
becoming due and payable after more than one year		8.1	7.4
becoming due and payable within one year		34.6	30.3
Deferred income	12	32.6	40.7
Total capital, reserves and liabilities		8,277.7	7,592.6

Note: The accompanying notes on pages 32 to 59 form an integral part of these interim consolidated accounts.

Interim Consolidated Profit and Loss Account (Unaudited)

€m	Notes	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Net turnover	13	157.9	115.8
Other operating income	14	30.4	25.9
Raw materials and consumables and other external expenses		(12.8)	(10.9)
Other external expenses	15	(12.8)	(10.9)
Value adjustments		(86.8)	(60.2)
in respect of formation expenses and of tangible and intangible fixed assets	4	(85.6)	(59.7)
in respect of current assets		(1.2)	(0.5)
Other operating expenses	17	(50.9)	(38.2)
Other interest receivable and similar income	18	11.8	1.4
other interest and similar income		10.6	0.6
derived from affiliated undertakings		1.2	0.8
Interest payable and similar expenses	19	(69.5)	(56.8)
other interest and similar expenses		(40.9)	(29.9)
concerning affiliated undertakings		(28.6)	(26.9)
Tax on profit or loss	20	(7.3)	(4.5)
Profit/(loss) after taxation		(27.2)	(27.5)
Other taxes not included in the previous captions		(0.4)	(0.9)
Profit/(loss) for the financial period		(27.6)	(28.4)
Profit/(loss) attributable to:			
owners of BPPEH		(21.6)	(20.6)
non-controlling interests		(6.0)	(7.8)
		(27.6)	(28.4)

Note: The accompanying notes on pages 32 to 59 form an integral part of these interim consolidated accounts.

Interim Consolidated Statement of Changes in Equity

€m	Attributable to the owners of BPPEH						Non-controlling interests	Total capital and reserves
	Subscribed capital	Share premium	Reserves	Retained earnings/(accumulated deficit)	Total capital and reserves attributable to owners of BPPEH			
Balance at 31 December 2019	1.4	874.1	1.7	(51.7)	825.5	235.2	1,060.7	
Profit/(loss) for the financial period	-	-	-	(20.6)	(20.6)	(7.8)	(28.4)	
Foreign currency translation reserve	-	-	1.7	-	1.7	0.3	2.0	
Legal reserve	-	-	0.1	(0.1)	-	-	-	
Contributions	-	163.4	-	-	163.4	11.5	174.9	
Distributions	-	(11.9)	-	-	(11.9)	(8.1)	(20.0)	
Balance at 30 June 2020 (unaudited)	1.4	1,025.6	3.5	(72.4)	958.1	231.1	1,189.2	
Profit/(loss) for the financial period	-	-	-	(28.8)	(28.8)	(10.1)	(38.9)	
Foreign currency translation reserve	-	-	7.7	-	7.7	2.3	10.0	
Legal reserve	-	-	0.4	(0.4)	-	-	-	
Contributions	-	418.6	-	-	418.6	51.9	470.5	
Distributions	-	(40.7)	-	-	(40.7)	(12.5)	(53.2)	
Balance at 31 December 2020	1.4	1,403.5	11.6	(101.6)	1,314.9	262.7	1,577.6	
Profit/(loss) for the financial period	-	-	-	(21.6)	(21.6)	(6.0)	(27.6)	
Foreign currency translation reserve	-	-	7.6	-	7.6	1.3	8.9	
Legal reserve	-	-	0.1	(0.1)	-	-	-	
Contributions	-	158.5	-	-	158.5	66.7	225.2	
Distributions	-	(4.7)	-	-	(4.7)	(0.3)	(5.0)	
Balance at 30 June 2021 (unaudited)	1.4	1,557.3	19.3	(123.3)	1,454.7	324.4	1,779.1	

Note: The accompanying notes on pages 32 to 59 form an integral part of these interim consolidated accounts.

Interim Consolidated Statement of Cash Flows (Unaudited)

€m	Notes	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Cash flows from operating activities			
Profit/(loss) before tax		(19.9)	(23.0)
<i>Adjustments for:</i>			
Interest expense	19	69.5	55.8
Interest income	18	(11.8)	(0.8)
Depreciation and amortisation	4	85.6	59.7
Unrealised (gain)/loss on derivatives	18	-	(0.6)
Straight-line rent adjustments	8	(5.6)	(1.4)
Provision for allowance for bad debts	6	1.2	0.5
Net gain on disposal of tangible fixed assets	4, 14	(0.4)	(0.6)
<i>Changes in working capital:</i>			
(Increase)/decrease in trade debtors ¹		(8.7)	(3.1)
(Increase)/decrease in other debtors		1.2	(11.2)
(Increase)/decrease in prepayments ²		(1.8)	(2.6)
Increase/(decrease) in trade creditors		2.1	(1.3)
Increase/(decrease) in other creditors		9.9	11.7
Increase/(decrease) in deferred income ³		3.4	3.8
Net cash generated from operations		124.7	86.9
Interest paid on unsecured notes and to credit institutions		(31.9)	(18.5)
Tax paid		(4.3)	(1.1)
Net cash flow from operating activities		88.5	67.3
Cash flows from investing activities			
Additions to tangible fixed assets	4	(532.8)	(474.2)
Capital expenditures on tangible fixed assets	4	(27.6)	(32.7)
Deposit payments for future acquisitions	8	(97.0)	-
Proceeds from sale of tangible fixed assets	4, 14	0.7	1.2
Loans to affiliated undertakings		(59.5)	(21.6)
Repayment of loans to affiliated undertakings		4.5	-
Interest income received from affiliated undertakings		0.7	0.9
Net cash flow from investing activities		(711.0)	(526.4)

Note: The accompanying notes on pages 32 to 59 form an integral part of these interim consolidated accounts.

1. Before allowance for bad debts.
2. Excluding straight-line rent.
3. Excluding unrealised foreign exchange gains.

€m	Notes	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Cash flows from financing activities			
Contributions from:			
Owners of BPPEH		75.5	163.4
Non-controlling interests		14.9	11.5
Distributions to:			
Owners of BPPEH		(4.7)	(11.9)
Non-controlling interests		(0.3)	(8.0)
Proceeds from:			
Unsecured notes issuance		550.0	-
Bank loans		656.8	291.1
Repayment of bank loans		(715.5)	(181.0)
Deferred financing fees		(3.6)	(2.8)
Loans from affiliated undertakings		179.2	75.9
Repayment to affiliated undertakings		(109.4)	(114.8)
Net cash flow from financing activities		642.9	223.4
Net increase/(decrease) in cash and cash equivalents			
		20.4	(235.7)
Cash and cash equivalents at beginning of period		276.3	440.1
Effect of foreign exchange rate changes		2.1	2.3
Cash and cash equivalents at end of period		298.8	206.7

Note: The accompanying notes on pages 32 to 59 form an integral part of these interim consolidated accounts.

Notes to the Interim Consolidated Accounts (Unaudited)

Note 1 – General information

1.1 Corporate matters

Blackstone Property Partners Europe Holdings S.à r.l. (“BPPEH”) was incorporated on 7 December 2017 as a “Société à responsabilité limitée” in accordance with the Luxembourg Law of 10 August 1915, as subsequently amended. The registered office of BPPEH is established at 2-4, rue Eugène Ruppert, L-2453 Luxembourg. BPPEH is registered with the “Registre de Commerce et des Sociétés” under R.C.S. B 220.526. BPPEH’s immediate parent is Master Unsecured Topco S.à r.l.

1.2 Nature of the business

The primary business objective of BPPEH and its direct and indirect consolidated subsidiaries (collectively the “Group”) is to acquire and manage high-quality substantially stabilised real estate assets across Europe with a focus on major European markets and key gateway cities.

1.3 Financial year

BPPEH’s financial year begins on 1 January and ends on 31 December of each year.

The reporting period for the interim consolidated accounts is from 1 January 2021 to 30 June 2021. Comparative periods include the six months ended 30 June 2020 (“H1 2020”) and the year ended 31 December 2020 (“FY 2020”).

1.4 Significant events during the reporting period – COVID-19

The ongoing coronavirus (“COVID-19”) pandemic and restrictions on certain non-essential businesses have caused disruption in the E.U. and global economies. Although an economic recovery is partially underway, it continues to be gradual, uneven, and characterised by meaningful dispersion across sectors and regions. The estimates and assumptions underlying these interim consolidated accounts are based on the information available as of 30 June 2021, including judgments about the financial market and economic conditions which may change over time. In management’s view, COVID-19 did not have a material adverse impact on the Group’s interim consolidated accounts as of the reporting date.

1.5 Change in comparative amounts

Certain prior period amounts were reclassified in the interim consolidated accounts to conform to current period presentation.

As at 31 December 2020, €7.5 million of right-of-use assets were presented as “Intangible assets” in the consolidated annual accounts. In the current period, these comparative figures were reclassified to “Tangible assets”.

In the interim consolidated accounts as at and for the period ended 30 June 2020, €1.0 million of realised foreign exchange losses were presented as “Other external expenses”. In the current period, these comparative figures are presented as “Interest payable and similar expenses – other interest and similar expenses”.

Neither change has an impact on the profit/(loss) or capital and reserves for any reporting period.

Note 2 – Basis of preparation, scope of consolidation and consolidation policies

2.1 Basis of preparation

The interim consolidated accounts are prepared on a going concern basis, using the historical cost method, unless otherwise noted in significant accounting policies (see Note 3), in accordance with the laws and regulations of the Grand Duchy of Luxembourg and with generally accepted accounting principles in Luxembourg according to the Law of 19 December 2002, as subsequently amended.

The preparation of interim consolidated accounts requires the use of certain critical accounting estimates. It also requires the Board of Managers to exercise its judgment in applying the accounting policies. Changes in assumptions may have a significant impact on the interim consolidated accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the interim consolidated accounts therefore present the financial position and results fairly.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Scope and method of consolidation

The interim consolidated accounts of BPPEH for the six months ended 30 June 2021 include its interim stand-alone accounts and those of all directly or indirectly owned subsidiaries adjusted for non-controlling interests. Subsidiaries are all entities over which BPPEH exercises control, which is defined as the direct or indirect power to govern the financial and operating policies so as to obtain benefits from activities. The existence and effect of potential voting rights of other entities is considered when assessing whether BPPEH controls another entity. Subsidiaries, and their profit and losses, are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date that control is lost. The Group and non-controlling interests’ share of profit and losses or changes in the net equity of subsidiaries are generally determined based on existing ownership interests, without considering the effects of securities that are exercisable or convertible into ownership interests.

Entities included in the scope of consolidation of the Group are disclosed in Note 24.

2.3 Consolidation policies

2.3.1 General

The interim consolidated accounts include the interim consolidated balance sheet, interim consolidated profit and loss account, interim consolidated statement of changes in equity and interim

consolidated statement of cash flows of the Group, as well as the present accompanying notes.

The accounts of the Group entities are adjusted when necessary in order to comply with the Group’s accounting policies.

2.3.2 Transactions eliminated in consolidation

All intra-group balances and transactions are eliminated.

2.3.3 Foreign currency

Items included in the interim accounts of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). This may be different to the local currency of the country of incorporation or the country where the entity conducts its operations. The interim consolidated accounts are presented in Euro, which is BPPEH’s functional and presentation currency.

Foreign currency – transactions

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate prevailing at the date of the transaction. At any subsequent reporting date, monetary assets and liabilities denominated in foreign currencies are revalued at the exchange rate as of the reporting date, with any unrealised foreign exchange gains recognised in the interim consolidated balance sheet under “Deferred income” and any unrealised foreign exchange losses recognised in the interim consolidated profit and loss account within “Interest payable and similar expenses”. Any realised foreign exchange differences are recognised in the interim consolidated profit and loss account. Non-monetary items denominated in foreign currencies are recorded using the exchange rate as at the date of the initial recognition.

Foreign currency – operations

The assets and liabilities of the Group’s foreign operations which have a functional currency different from BPPEH’s presentation currency are translated at the exchange rate as of the reporting date. Capital transactions are translated in the presentation currency at the exchange rate prevailing at the date of the transaction and are not subsequently adjusted. Income and expense items are translated at the monthly average exchange rate for the period. Exchange differences arising are presented in the interim consolidated balance sheet under “Capital and reserves” and recognised in the Group’s foreign currency translation reserve. Upon disposal, the entity’s foreign currency translation reserve is released through its profit and losses.

The following exchange rates were used to translate foreign currency denominated amounts to €1:

	As at 30 June 2021	As at 31 December 2020
Danish Krone (DKK)	7.44	7.44
Norwegian Krone (NOK)	10.20	10.48
Pound Sterling (GBP)	0.86	0.89
Swedish Krona (SEK)	10.14	10.05
Swiss Franc (CHF)	1.10	1.08

	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Danish Krone (DKK)	7.44	7.46
Norwegian Krone (NOK)	10.18	11.11
Pound Sterling (GBP)	0.87	n.a.
Swedish Krona (SEK)	10.13	10.66
Swiss Franc (CHF)	1.09	1.06

2.3.4 Non-controlling interests

At the date of acquisition, the Group recognises any non-controlling interest (“NCI”) in the acquiree on an acquisition-by-acquisition basis, at the NCI’s proportionate share of the acquiree’s identifiable net assets. Subsequent to such acquisition, the carrying amount of any NCI is the amount of those interests at initial recognition plus the NCI’s share of subsequent changes in equity.

The NCI’s share in the net equity and profit/(loss) for the year/period of their subsidiaries is presented separately in the interim consolidated balance sheet and interim consolidated profit and loss account, respectively.

Changes in the Group’s interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

2.3.5 Asset acquisitions and business combinations

Management considers the substance of the assets and activities of the acquired entity in determining whether the acquisition represents an acquisition of a business.

Business combinations are accounted for using the acquisition method. Applying the acquisition method requires the (a) determination whether BPPEH will be identified as the acquirer, (b) determination of the acquisition date, (c) recognition and measurement of the identifiable assets acquired, liabilities assumed and any NCI in the acquiree and (d) recognition and measurement of goodwill.

The initial purchase price is measured as the aggregate fair value of the consideration transferred plus the amount of any NCI in the acquiree. For each business combination, BPPEH measures the NCI in the acquiree at the proportionate share of the acquiree’s identifiable net assets. Acquisition costs are expensed as incurred.

Asset acquisitions are not treated as business combinations. The initial purchase consideration is allocated among identifiable assets and liabilities of the entity acquired at the acquisition date. Accordingly, no goodwill or additional deferred taxes arise. Acquisition costs are capitalised and are amortised, if applicable, over the life of the property acquired.

All of BPPEH’s acquisitions in the period were deemed to be asset acquisitions.

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

Note 3 – Significant accounting policies

3.1 Formation expenses

Entity formation expenses are charged to the profit and loss account in the period in which they are incurred.

3.2 Tangible fixed assets

Tangible fixed assets are investment properties held for long-term income or for capital appreciation or both, which are not occupied by the Group and are classified as “Land and buildings” in the interim consolidated balance sheet. Tangible fixed assets may also include properties under construction or developed for future use, building, land and tenant improvements, and other fixtures and fittings. Tangible fixed assets are carried at cost, including related transaction costs (unless acquired in a business combination), less any accumulated depreciation, accumulated amortisation and accumulated impairment in value.

Properties are considered acquired when the Group assumes the significant risks and rewards of ownership. Properties are treated as disposed when the significant risks and rewards of ownership are transferred to the buyer. Typically, this will either occur on unconditional exchange or on completion. Where completion is expected to occur significantly after exchange, or where the Group continues to have significant outstanding obligations after exchange, the risks and rewards will not usually transfer to the buyer until completion.

The initial purchase price, including the related transaction costs, of the acquired investment property is allocated between land and building upon acquisition based on a preliminary split and is finalised within one year. Once the final split between land and building components of the purchase price is established, the related transaction costs, depreciation and amortisation are trued-up.

Depreciation and amortisation is calculated on a straight-line basis over the estimated useful lives of the investment properties as summarised in the table below (land is not depreciated):

	Useful lives
Office buildings	40 years
Residential buildings	40 years
Logistics buildings	30 years
Building improvements ¹	10 - 20 years
Other fixtures and fittings	5 years
Tenant improvements	Remaining term of the lease
Leasing commissions ²	Remaining term of the lease

1. Shorter of useful life or remaining life of the building.

2. Direct and indirect leasing costs to originate and renew operating leases, such as leasing commissions or legal fees, are included within tangible fixed assets and amortised over the related lease term. Direct leasing costs for residential leases are amortised over the average turnover period of three years.

Construction costs incurred are capitalised and included in tangible fixed assets. This includes cost of construction, property and equipment, and other direct costs as well as interest on borrowed funds incurred during the construction period. Construction in progress is not depreciated until the development is substantially completed.

Ordinary repair and maintenance costs are expensed as incurred. Costs relating to major replacements and improvements, which improve or extend the life of the asset, are capitalised and depreciated over their estimated useful lives.

Where the Group considers that a tangible fixed asset suffered a decline in value in excess of the accumulated depreciation recognised, an additional write-down is recorded to reflect this impairment. These value adjustments are reversed if the reasons for which the value adjustments were made no longer apply.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected from their use or disposal. The realised gain or loss on the disposal of tangible fixed assets is determined as the difference between disposal proceeds and carrying value at the date of disposal, less any transaction costs, and is included in the interim consolidated profit and loss account in the period of disposition.

3.3 Inventories

Tangible fixed assets which are under an active disposition plan or programme are considered to be held for sale and are separately presented in the interim consolidated balance sheet within “Inventories”. Such assets are recorded at the lower of their carrying value or estimated fair value less the cost to sell. Once an investment property is determined to be held for sale, depreciation is no longer recorded.

3.4 Borrowing costs

Borrowing costs are capitalised as part of the cost of the asset if they are directly attributable to the acquisition or construction of a qualifying asset under development. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially ready for their intended use and when it is probable that the assets will result in future economic benefits to the Group. All other borrowing costs are expensed as incurred.

3.5 Tenant security deposits

Tenant security deposits are measured at cost and represent rental security deposits received from the lessee upon inception of the respective lease contract. At the termination of the lease contracts, the deposits held by the Group are returned to tenants, reduced by unpaid rental fees, expense recoveries, penalties and/or deductions for damages and repairs, if any. Tenant security deposits may become redeemable upon a tenant’s vacancy and are presented in the interim consolidated balance sheet within “Cash at bank and

in hand” and “Other debtors becoming due and payable within one year” with the related liabilities within “Other creditors becoming due and payable within one year”. Tenant security deposits in the form of bank guarantees are not disclosed because they are unlikely to result in an economic benefit to the Group.

3.6 Debtors

Debtors’ balances are carried at their nominal value and stated net of allowances for doubtful accounts. When there is an indication that the Group will not be able to collect all amounts due according to the original terms of the receivable, the amount is recorded in the allowance for doubtful accounts presented in the interim consolidated profit and loss account within “Value adjustments in respect of current assets”. These value adjustments are reversed in the period in which the reasons for the value adjustments cease to apply.

Debtors’ balances include rent billed in advance related to non-cancellable contractual periods. The related liability is presented in the interim consolidated balance sheet under “Deferred income”.

3.7 Cash at bank and in hand

Cash includes cash in hand and money held on demand in banks and other financial institutions with maturities of three months or less that are subject to an insignificant risk of a change in value.

Restricted cash may consist of amounts related to operating real estate such as escrows for taxes, insurance, tenant security deposits and borrowing arrangements of the Group.

3.8 Prepayments

Prepayments are carried at their nominal value and represent expenditures incurred for the benefit of future periods and are amortised over such periods.

3.9 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges that originated in the financial period under review or in a previous financial period, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

3.10 Provisions for taxation

Current tax provision

The provision corresponding to the tax liability estimated by the Group for the financial period is recorded under the caption “Other creditors – Tax authorities” in the interim consolidated balance sheet. The advance payments for tax are presented as an asset in the interim consolidated balance sheet under “Other debtors”.

Deferred tax provision

Deferred tax assets and/or liabilities are recognised on temporary differences arising between the tax basis of assets and liabilities and their carrying amount in the interim consolidated accounts.

Deferred tax liabilities are generally recognised for all taxable temporary differences while deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the date of the interim consolidated balance sheet and are expected to apply when the deferred tax asset and/or liability is settled.

Deferred tax is not recognised at the moment of initial recognition of the asset or liability in any transaction other than a business combination (see Note 2.3.5).

3.11 Debts

Debts are recorded at their reimbursement value. Loan arrangement fees and other debt issue costs are capitalised and subsequently amortised over the term of the related debt instrument using the straight-line method for the revolving credit facilities and the effective interest method for all other debt. Such capitalised costs are presented as an asset in the interim consolidated balance sheet under “Prepayments”. The early repayment of debt results in the write-off of capitalised fees and costs related to such debt.

3.12 Leases - Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, plus any initial direct costs. The right-of-use asset is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The lease liability is initially measured at the present value of the future minimum lease payments, discounted using the Group’s incremental borrowing rate. Thereafter, the lease liability is measured at amortised cost using the effective interest method and is remeasured upon a change in future lease payments.

The Group presents right-of-use assets as part of “Tangible assets” and presents lease liabilities as part of “Other creditors” in the interim consolidated balance sheet.

The Group does not recognise right-of-use assets and lease liabilities for leases shorter than 12 months, leases of low-value or leases with contingent lease payments, but excluding variable indexed payments.

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

3.13 Deferred income

Income received during the reporting period but relating to a subsequent reporting period represents a liability of the Group and is presented in the interim consolidated balance sheet within "Deferred income".

3.14 Subscribed capital, share premium and legal reserves

Subscribed capital is stated at nominal value for all shares issued. The difference between the proceeds and the nominal value of the shares issued is presented in the interim consolidated balance sheet under "Share premium". Shares issued for consideration other than cash are measured at fair value of the consideration received. In case shares are issued to extinguish or settle a liability of BPPEH, the shares shall be measured either at fair value of the shares issued or fair value of the liability settled, whichever is more determinable.

Legal reserves are recognised in accordance with the local regulatory requirements and are generally not distributable. Luxembourg companies are required to transfer a minimum of 5% of annual net income, after deducting any losses brought forward, to the legal reserve until this reserve equals 10% of subscribed capital. This reserve may not be distributed in the form of cash dividends, or otherwise, except upon liquidation of an entity.

3.15 Net turnover and other operating income

Net turnover - Rental income

Net turnover includes rental income from investment properties. Rental income from logistics and office investment properties is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives offered to occupiers to enter into a lease, such as an initial rent-free period or a cash contribution, and lease incentives agreed subsequent to the initial lease that represent a lease modification are recognised as a reduction of rental income on a straight-line basis over the term of the lease. Lease incentives that are not lease modifications are recognised as a reduction of rental income in the period in which they are granted.

Rental income from residential investment properties is derived from short-term lease agreements and is recognised when earned. This policy effectively results in income recognition on the straight-line method over the related terms of the leases.

Other operating income - Service charge and other income

Service charge income relates to any service charges recoverable from tenants, recorded in "Other operating expenses" in the interim consolidated profit and loss account. Other income includes lease termination and other tenant related revenues that are not contractual rent.

Other operating income - Net gain/(loss) on disposals

Any realised gain or loss on disposals is recognised in the period of disposition. The net gain or loss is determined as the difference between disposal proceeds and carrying value at the date of disposal, less any transaction costs.

3.16 Interest income and interest expenses

Interest income and interest expenses are accrued at the nominal interest rate applicable.

3.17 Expenses

Expenses are recognised in the period they are incurred.

3.18 Promote payments

Promote payments payable to third-party operating partners are recognised in accordance with the governing documents when the payment amount can be readily and reliably estimated. Promote payments are determined based on the performance of the investment vehicles subject to the achievement of minimum return hurdles. As at 30 June 2021 and 31 December 2020, promotes were triggered.

3.19 Derivative financial instruments

BPPEH may enter into derivative financial instruments such as options, swaps, futures or foreign exchange contracts. Derivative financial instruments are recognised at fair value at the origination date and subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in the interim consolidated profit and loss account.

A derivative financial instrument with a positive fair value is recognised as a financial asset whereas a derivative financial instrument with a negative fair value is recognised as a financial liability. A derivative financial instrument is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months.

The fair value of financial instruments that are not traded on an active market is determined by using valuation techniques taking into account market conditions existing at the end of each reporting period.

3.20 Contingencies

Contingent liabilities are disclosed in the interim consolidated accounts unless the possibility of economic loss is remote. Contingent assets are not recognised in the interim consolidated accounts but are disclosed in the notes to the interim consolidated accounts when economic benefits are probable.

3.21 Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities.

3.22 Subsequent events

Material post period end events that would result in a significant change of the Group's financial position at the end of the reporting

period (adjusting events) are reflected in the interim consolidated accounts. Post period end events that are not adjusting events are disclosed in the notes to the interim consolidated accounts, when material.

Note 4 - Tangible fixed assets

The following table reconciles the gross book value of tangible fixed assets, including related transaction costs, to the net book value for the year ended 31 December 2020 and for the six months ended 30 June 2021:

€m	Land	Buildings	Total
Gross book value - 31 December 2019	1,536.9	3,484.8	5,021.7
Final purchase price allocation ¹	(65.6)	65.6	-
Acquisitions ²	532.7	1,528.1	2,060.8
Capital expenditures	-	53.5	53.5
Disposals	(0.2)	(0.6)	(0.8)
Effect of foreign exchange rate changes	9.1	27.9	37.0
Gross book value - 31 December 2020	2,012.9	5,159.3	7,172.2
Final purchase price allocation ¹	(0.9)	0.9	-
Acquisitions ²	165.1	401.4	566.5
Capital expenditures	-	26.4	26.4
Reclassification to inventories (Note 5)	(2.9)	(14.6)	(17.5)
Disposals/write-offs (Note 14)	(0.1)	(1.0)	(1.1)
Effect of foreign exchange rate changes	7.0	12.4	19.4
Gross book value - 30 June 2021	2,181.1	5,584.8	7,765.9
Accumulated value adjustments - 31 December 2019	-	(120.6)	(120.6)
Depreciation and amortisation	-	(131.1)	(131.1)
Effect of foreign exchange rate changes	-	(0.4)	(0.4)
Accumulated value adjustments - 31 December 2020	-	(252.1)	(252.1)
Depreciation and amortisation	-	(85.6)	(85.6)
Reclassification to inventories (Note 5)	-	1.5	1.5
Disposals/write-offs (Note 14)	-	0.8	0.8
Accumulated value adjustments - 30 June 2021	-	(335.4)	(335.4)
Net book value - 31 December 2019	1,536.9	3,364.2	4,901.1
Net book value - 31 December 2020	2,012.9	4,907.2	6,920.1
Net book value - 30 June 2021	2,181.1	5,249.4	7,430.5

1. Represents the finalisation of the initial purchase price allocation, including transaction costs.

2. Includes right-of-use assets of €0.8 million (FY 2020: €4.1 million). As at 30 June 2021, total right-of-use assets net book value was €8.1 million (FY 2020: €7.5 million).

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

Reconciliation of acquisitions of tangible fixed assets to cash flows from investing activities:

€m	For the six months ended 30 June 2021
Acquisitions	
Acquisitions, direct	428.8
Acquisitions, through shares	102.3
Capitalised acquisition costs	35.4
	566.5
<i>Cash flows related to 2020 acquisitions</i>	
Accrued acquisition costs	5.7
Deferred purchase price (Note 11.6)	0.9
	6.6
<i>Additions with no cash flows in the period</i>	
Acquisition deposit paid in 2020 (Note 8)	(29.3)
Capital expenditure trade creditors	(5.7)
Accrued acquisition costs	(2.4)
Deferred purchase price (Note 11.6)	(2.1)
Recognition of right-of-use assets	(0.8)
	(40.3)
<i>Net cash flow from investing activities</i>	
Additions to tangible fixed assets	532.8

There were no impairment adjustments triggered with respect to tangible fixed assets as at 30 June 2021 and 31 December 2020.

Note 5 – Inventories

In June 2021, BPPEH, through its subsidiaries, entered into exclusivity to dispose of a logistics asset in Milan, Italy. As at 30 June 2021, €16.0 million of tangible assets, net of related accumulated depreciation and amortisation, was reclassified to inventories (see Note 4).

Note 6 – Debtors

6.1 Trade debtors

The following table summarises trade debtors amounts, net of allowance for bad debts:

€m	As at 30 June 2021	As at 31 December 2020
Rental income and service charges - billed	28.5	25.2
Rental income and service charges - accrued	9.7	4.6
Allowance for bad debts	(4.0)	(3.1)
Total	34.2	26.7

6.2 Amounts owed by affiliated undertakings

The following table summarises the key terms of the amounts owed by affiliated undertakings, including BPPEH's parent entity and NCI shareholders:

€m	As at 30 June 2021			As at 31 December 2020		
	Interest rate	Term/maturity	Amount	Interest rate	Term/maturity	Amount
<i>Becoming due and payable after more than one year</i>						
Related party loans receivable ¹	0.60% - 1.59%	2022 - 2029	151.9	0.60% - 1.67%	2022 - 2029	136.3
			151.9			136.3
<i>Becoming due and payable within one year</i>						
Related party loans receivable - interest free	-	2022	58.6	-	2021	46.8
Other amounts receivable	-	2022	70.8	-	2021	43.6
			129.4			90.4
Total			281.3			226.7

1. There were no impairment indicators as at 30 June 2021 and 31 December 2020.

6.3 Other debtors

The following table summarises other debtors amounts:

€m	As at 30 June 2021	As at 31 December 2020
VAT receivables	46.8	52.5
Tax receivables	3.8	3.3
Tenant security deposits receivable	2.6	2.7
Other receivables ¹	10.8	6.4
Total	64.0	64.9

1. On 12 May 2021, BPPEH entered into currency forwards to sell SEK 4.0 billion for €392 million on 12 May 2022. As at 30 June 2021, BPPEH recorded an immaterial change relating to the revaluation of the derivatives.

Note 7 – Cash at bank and in hand

The table below represents cash at bank and in hand. Restricted cash primarily consists of tenant security deposits held in the Group's bank accounts.

€m	As at 30 June 2021	As at 31 December 2020
Cash at bank and in hand	285.6	266.2
Restricted cash	13.2	10.1
Total	298.8	276.3

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

Note 8 – Prepayments

Prepayments are comprised of the following amounts:

€m	As at 30 June 2021	As at 31 December 2020
Deposit payments for future acquisitions	97.0	29.3
Deferred financing fees - net	22.5	22.6
Straight-line rent adjustments	27.1	21.5
Other prepayments	6.3	4.5
Total	152.9	77.9

Deferred financing fees were related to the unsecured notes and amounts owed to credit institutions (see Note 11). Other prepayments included insurance, real property taxes and other prepaid expenses.

Note 9 – Capital and reserves

9.1 Subscribed capital

As at 31 December 2020, BPPEH had 1.4 million shares outstanding with a nominal value of €1 each. The subscribed capital was paid in full and amounted to €1.4 million. No new shares were issued during the six months ended 30 June 2021.

9.2 Share premium

During the six months ended 30 June 2021, BPPEH's parent entity invested €75.5 million (FY 2020: €582.0 million) in cash and €83.0 million (FY 2020: nil) as a contribution in kind to the share premium of BPPEH.

During the six months ended 30 June 2021, BPPEH distributed €4.7 million (FY 2020: €52.6 million) of share premium to its parent.

As at 30 June 2021, the share premium account amounted to €1,557.3 million (FY 2020: €1,403.5 million).

9.3 Reserves

Legal reserve

During the six months ended 30 June 2021, the Group allocated €0.1 million (FY 2020: €0.5 million) to legal reserves. The legal reserves as at 30 June 2021 amounted to €0.6 million (FY 2020: €0.5 million).

Foreign currency translation reserve

During the six months ended 30 June 2021, the Group recognised an effect of foreign currency translations of €7.6 million (FY 2020: €9.4 million). The effect of foreign currency translations as at 30 June 2021 amounted to €18.7 million (FY 2020: €11.1 million).

9.4 Interim dividends

During the six months ended 30 June 2021 and during 2020, BPPEH did not distribute any interim dividends to its parent.

9.5 Non-controlling interests

During the six months ended 30 June 2021, NCI shareholders invested €14.9 million (FY 2020: €63.4 million) in cash and €51.8 million (FY 2020: nil) as a contribution in kind into certain subsidiaries of the Group and received distributions of €0.3 million (FY 2020: €20.6 million).

During the six months ended 30 June 2021, the Group recognised an effect of foreign currency translations of €1.3 million (FY 2020: €2.6 million) attributable to NCI shareholders. As at 30 June 2021, a foreign currency translation reserve of €5.5 million (FY 2020: €4.2 million) was attributable to NCI shareholders.

Note 10 – Provisions

10.1 Provisions for taxation

The Group is subject to corporate income tax in numerous jurisdictions. The Group recognises liabilities for anticipated corporate income tax based on estimates of the amounts that will eventually be due, less corporate income tax already paid. Where the final tax charge is different from the amounts that were initially provisioned, such differences will be treated as prior year adjustments in the current tax charge of the following year.

The Group had recognised a deferred tax liability as at 30 June 2021 of €11.0 million (FY 2020: €8.3 million). The related deferred tax charge for the six months ended 30 June 2021 of €2.7 million (H1 2020: €1.3 million) was recognised in the interim consolidated profit and loss account within "Tax on profit or loss" (see Note 20).

Note 11 – Creditors

11.1 Unsecured notes

On 21 June 2018, BPPEH established its €5 billion Euro Medium Term Note Programme ("EMTN Programme"), listed on The International Stock Exchange ("TISE") in Guernsey, Channel Islands.

During the six months ended 30 June 2021, pursuant to the EMTN Programme, BPPEH issued €550.0 million (FY 2020: €600.0 million) of unsecured notes, bringing the total amount of notes issued to €4.0 billion.

The notes are redeemable at the option of BPPEH, subject to certain limitations, and are fully and unconditionally guaranteed, jointly and severally, by certain subsidiaries and affiliates of BPPEH. The notes are pari passu with the Group's other unsecured indebtedness and are subordinated to any secured indebtedness of the Group and/or other secured liabilities.

The following table summarises the key terms of the unsecured notes outstanding as at 30 June 2021:

€m	Interest rate	Maturity	Payable within 1 year	Payable after 1 year			Total
				1 to 5 years	After 5 years	Total 1 year or more	
Series 1	1.40%	06-Jul-22	8.3	600.0	–	600.0	608.3
Series 2	2.20%	24-Jul-25	13.4	650.0	–	650.0	663.4
Series 3	2.00%	15-Feb-24	3.7	500.0	–	500.0	503.7
Series 4	0.50%	12-Sep-23	2.0	500.0	–	500.0	502.0
Series 5	1.75%	12-Mar-29	3.2	–	600.0	600.0	603.2
Series 6	1.25%	26-Apr-27	1.4	–	600.0	600.0	601.4
Series 7	1.00%	04-May-28	0.8	–	550.0	550.0	550.8
Total			32.8	2,250.0	1,750.0	4,000.0	4,032.8
Principal			–	2,250.0	1,750.0	4,000.0	4,000.0
Accrued interest			32.8	–	–	–	32.8
Total			32.8	2,250.0	1,750.0	4,000.0	4,032.8

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

The following table summarises the key terms of the unsecured notes outstanding as at 31 December 2020:

€m	Interest rate	Maturity	Payable within 1 year	Payable after 1 year			Total
				1 to 5 years	After 5 years	Total 1 year or more	
Series 1	1.40%	06-Jul-22	4.1	600.0	-	600.0	604.1
Series 2	2.20%	24-Jul-25	6.3	650.0	-	650.0	656.3
Series 3	2.00%	15-Feb-24	8.8	500.0	-	500.0	508.8
Series 4	0.50%	12-Sep-23	0.8	500.0	-	500.0	500.8
Series 5	1.75%	12-Mar-29	8.5	-	600.0	600.0	608.5
Series 6	1.25%	26-Apr-27	1.3	-	600.0	600.0	601.3
Total			29.8	2,250.0	1,200.0	3,450.0	3,479.8
Principal			-	2,250.0	1,200.0	3,450.0	3,450.0
Accrued interest			29.8	-	-	-	29.8
Total			29.8	2,250.0	1,200.0	3,450.0	3,479.8

11.2 Amounts owed to credit institutions

The following table summarises the key terms of the amounts owed to credit institutions as at 30 June 2021:

€m	Interest rate	Maturity ¹	Payable within 1 year	Payable after 1 year			Total
				1 to 5 years	After 5 years	Total 1 year or more	
Acquisition facility II	1.49%	15-Nov-23 - 15-May-24	0.4	206.9	-	206.9	207.3
Revolving credit facility II	1.00%	15-May-25	0.1	102.1	-	102.1	102.2
Mortgage loan	2.64%	10-Dec-28	0.9	-	151.0	151.0	151.9
Total			1.4	309.0	151.0	460.0	461.4
Principal			-	309.0	151.0	460.0	460.0
Accrued interest			1.4	-	-	-	1.4
Total			1.4	309.0	151.0	460.0	461.4

1. Represents committed maturity dates.

The following table summarises the key terms of the amounts owed to credit institutions as at 31 December 2020:

€m	Interest rate	Maturity ¹	Payable within 1 year	Payable after 1 year			Total
				1 to 5 years	After 5 years	Total 1 year or more	
Acquisition facility II	1.40% - 1.45%	15-Nov-23 - 15-Feb-24	0.5	332.2	-	332.2	332.7
Revolving credit facility II	1.00%	15-May-25	-	30.1	-	30.1	30.1
Mortgage loan	2.64%	10-Dec-28	0.9	-	144.9	144.9	145.8
Total			1.4	362.3	144.9	507.2	508.6
Principal			-	362.3	144.9	507.2	507.2
Accrued interest			1.4	-	-	-	1.4
Total			1.4	362.3	144.9	507.2	508.6

1. Represents committed maturity dates.

Acquisition Facility II

Borrowings under Acquisition Facility II have an initial maturity of one year, subject to two one-year extension options upon BPPEH's request, and an interest rate of Euribor (or any other relevant interbank rate for non-Euro denominated draws) + 1.40% per annum. The interest rate increases by 25 basis points upon each extension.

As at 30 June 2021, BPPEH had GBP 177.3 million (€206.9 million) outstanding under Acquisition Facility II, with an initial maturity date between 15 November 2021 and 15 May 2022 and a final maturity date between 15 November 2023 and 15 May 2024.

As at 31 December 2020, BPPEH had SEK 1,356.2 million (€134.9 million), GBP 113.4 million (€127.0 million) and €70.3 million outstanding under Acquisition Facility II, with an initial maturity date between 15 November 2021 and 15 February 2022 and a final maturity date between 15 November 2023 and 15 February 2024.

Revolving Credit Facility II ("RCF II")

On 20 March 2020, BPPEH entered into a new revolving credit facility agreement with a total size of €600 million. RCF II has a maturity date of 15 May 2025 and an interest rate of Euribor (or any other relevant interbank rate for non-Euro denominated draws) + 1.00% per annum.

As at 30 June 2021, BPPEH had €102.1 million drawn under RCF II. As at 31 December 2020, BPPEH had €20.8 million and GBP 8.3 million (€9.3 million) drawn under RCF II.

Mortgage Loans

As at 30 June 2021, the Group had a mortgage loan, secured by investment properties, totalling GBP 129.5 million (FY 2020: GBP 129.5 million) or €151.0 million (FY 2020: €144.9 million) and maturing in December 2028.

Covenants

As at 30 June 2021 and 31 December 2020, the Group was in compliance with all of its covenants.

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

11.3 Movement in the amounts owed to credit institutions and unsecured notes

The following table summarises the movement in the amounts owed to credit institutions and unsecured notes for the year ended 31 December 2020 and for the six months ended 30 June 2021:

€m	Amounts owed to credit institutions	Unsecured notes	Total
Principal balance - 31 December 2019	73.1	2,850.0	2,923.1
Draws/issuances	1,528.3	600.0	2,128.3
Repayments	(1,532.9)	-	(1,532.9)
Acquired debt ¹	428.5	-	428.5
Effect of foreign exchange rate changes	11.4	-	11.4
Fair value of derivatives	(1.2)	-	(1.2)
Principal balance - 31 December 2020	507.2	3,450.0	3,957.2
Draws/issuances	656.8	550.0	1,206.8
Repayments	(715.5)	-	(715.5)
Effect of foreign exchange rate changes	11.5	-	11.5
Principal balance - 30 June 2021	460.0	4,000.0	4,460.0
Deferred financing fees - 31 December 2019	0.7	19.4	20.1
Capitalisation of financing fees	3.3	5.0	8.3
Amortisation of deferred financing fees	(0.3)	(4.4)	(4.7)
Write-off of deferred financing fees	(1.1)	-	(1.1)
Deferred financing fees - 31 December 2020	2.6	20.0	22.6
Capitalisation of financing fees	0.8	2.8	3.6
Amortisation of deferred financing fees	(0.4)	(2.5)	(2.9)
Write-off of deferred financing fees	(0.8)	-	(0.8)
Deferred financing fees - 30 June 2021	2.2	20.3	22.5

1. Acquired debt represents debt acquired as part of the acquisition of property owning subsidiaries and is presented within Additions to tangible fixed assets in the Interim Consolidated Statement of Cash Flows.

11.4 Trade creditors

The following table summarises trade creditors amounts:

€m	As at 30 June 2021	As at 31 December 2020
Transaction costs	10.5	13.8
Trade creditors	9.1	7.5
Professional fees	7.6	6.7
Capital expenditures	9.2	4.7
Service charges	4.3	3.6
Other accruals	1.4	2.5
Total	42.1	38.8

11.5 Amounts owed to affiliated undertakings

Amounts owed to affiliated undertakings are subordinated to unsecured notes and amounts owed to credit institutions. The following table summarises the key terms of the amounts owed to affiliated undertakings, including BPPEH's parent entity and NCI shareholders, as at 30 June 2021:

€m	Interest rate	Term/Maturity	Payable within 1 year	Payable after 1 year			Total
				1 to 5 years	After 5 years	Total 1 year or more	
Related party loans payable	0.50% - 7.93%	2022 - 2035	61.6	43.8	1,647.2	1,691.0	1,752.6
Related party loans payable - interest free	-	2022	63.7	-	-	-	63.7
Other amounts payable	-	-	2.8	-	-	-	2.8
Total			128.1	43.8	1,647.2	1,691.0	1,819.1
Principal			66.5	43.8	1,647.2	1,691.0	1,757.5
Accrued interest			61.6	-	-	-	61.6
Total			128.1	43.8	1,647.2	1,691.0	1,819.1

The following table summarises the key terms of the amounts owed to affiliated undertakings, including BPPEH's parent entity and NCI shareholders, as at 31 December 2020:

€m	Interest rate	Term/Maturity	Payable within 1 year	Payable after 1 year			Total
				1 to 5 years	After 5 years	Total 1 year or more	
Related party loans payable	1.00% - 7.93%	2022 - 2035	47.7	43.2	1,526.2	1,569.4	1,617.1
Related party loans payable - interest free	-	2021 - 2023	132.5	99.5	-	99.5	232.0
Other amounts payable	-	-	2.8	-	-	-	2.8
Total			183.0	142.7	1,526.2	1,668.9	1,851.9
Principal			135.3	142.7	1,526.2	1,668.9	1,804.2
Accrued interest			47.7	-	-	-	47.7
Total			183.0	142.7	1,526.2	1,668.9	1,851.9

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

11.6 Other creditors

The following table summarises amounts owed to other creditors as at 30 June 2021:

€m	Tax authorities	Payable within 1 year	Payable after 1 year	Total
Other payables ¹	56.9	3.4	8.1	68.4
Tenant security deposits payable	-	29.1	-	29.1
Deferred purchase price ²	-	2.1	-	2.1
Total	56.9	34.6	8.1	99.6

The following table summarises amounts owed to other creditors as at 31 December 2020:

€m	Tax authorities	Payable within 1 year	Payable after 1 year	Total
Other payables ¹	49.2	2.7	7.4	59.3
Tenant security deposits payable	-	26.7	-	26.7
Deferred purchase price ²	-	0.9	-	0.9
Total	49.2	30.3	7.4	86.9

1. Primarily consists of VAT payable of €39.0 million (FY 2020: €33.7 million), corporate income tax of €9.2 million (FY 2020: €8.7 million), property tax of €7.4 million (FY 2020: €1.5 million) and ground lease liability of €8.1 million (FY 2020: €7.4 million).

2. Represents amount payable to the seller related to investment properties acquired during the year.

Note 12 - Deferred income

As at 30 June 2021, deferred income included rent and service charges paid in advance by tenants, as well as advance rent and service charge billings of €27.5 million (FY 2020: €24.1 million). As at 30 June 2021, the Group recognised unrealised foreign exchange gains in the amount of €5.1 million (FY 2020: €16.6 million).

Note 13 - Net turnover

The following table reflects net turnover of the Group's investment properties summarised by asset class and country for the six months ended 30 June 2021:

€m	Logistics	Residential	Office	Total
Germany	24.0	14.7	7.2	45.9
France	26.3	-	3.6	29.9
Sweden	14.4	-	-	14.4
United Kingdom	14.4	-	-	14.4
Netherlands	3.7	9.6	-	13.3
Italy	4.3	-	5.9	10.2
Denmark	8.1	-	-	8.1
Spain	4.3	-	3.7	8.0
Poland	7.2	-	-	7.2
Ireland	-	-	3.2	3.2
Norway	1.2	-	-	1.2
Switzerland	1.0	-	-	1.0
Finland	0.9	-	-	0.9
Greece	0.2	-	-	0.2
Total	110.0	24.3	23.6	157.9

The following table reflects net turnover of the Group's investment properties summarised by asset class and country for the six months ended 30 June 2020:

€m	Logistics	Residential	Office	Total
Germany	21.0	15.9	6.9	43.8
France	23.1	-	3.6	26.7
Netherlands	3.6	7.2	-	10.8
Spain	3.3	-	3.8	7.1
Poland	7.1	-	-	7.1
Italy	4.3	-	2.4	6.7
Sweden	6.0	-	-	6.0
Denmark	5.1	-	-	5.1
Finland	0.9	-	-	0.9
Switzerland	0.9	-	-	0.9
Norway	0.6	-	-	0.6
Greece	0.1	-	-	0.1
Total	76.0	23.1	16.7	115.8

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

Note 14 – Other operating income

The following table summarises the other operating income of the Group:

€m	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Service charge income	26.8	21.8
Net gain on disposals	0.4	0.6
Other income	3.2	3.5
Total	30.4	25.9

During the six months ended 30 June 2021, the Group disposed of 1 unit (H1 2020: 3 units) in one of its residential buildings located in Germany for gross proceeds of €0.7 million (H1 2020: €1.2 million) and recognised a €0.4 million (H1 2020: €0.6 million) gain on disposal.

Note 15 – Other external expenses

The following table summarises other external expenses comprised of general and administrative expenses, audit, legal and advisory fees, and other corporate costs incurred by the Group:

€m	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Administrative expenses	5.0	4.7
Advisory fees	2.5	2.2
Legal fees	1.7	1.4
Accounting fees	1.3	1.0
Audit fees	1.0	0.8
Other expenses	1.3	0.8
Total	12.8	10.9

Note 16 – Employees

As at 30 June 2021 and 30 June 2020, the Group had 33 and 35 full-time employees, respectively. Employee expenses are presented in the interim consolidated profit and loss account within "Other external expenses". No loans or incentives were provided to the management of the Group.

Note 17 – Other operating expenses

The following table summarises other operating expenses which primarily consist of service charge expenses and asset management fees incurred in connection with the operations of the Group's investment properties:

€m	For the six months ended 30 June 2021	For the six months ended 30 June 2020
Service charges and other expenses	40.4	30.5
Asset management fees	10.5	7.7
Total	50.9	38.2

Note 18 – Other interest receivable and similar income

The following table summarises the other interest receivable and similar income of the Group:

€m	For the six months ended 30 June 2021	For the six months ended 30 June 2020
<i>Other interest receivable and similar income</i>		
Realised foreign exchange gains	10.6	-
Fair value of derivatives	-	0.6
	10.6	0.6
<i>Concerning affiliated undertakings</i>		
Interest on amounts owed by affiliated undertakings	1.2	0.8
	1.2	0.8
Total	11.8	1.4

Note 19 – Interest payable and similar expenses

The following table summarises interest expense incurred in connection with the Group's external and affiliated borrowings as well as amortisation of deferred financing fees related to originating such borrowings (see Notes 8 and 11):

€m	For the six months ended 30 June 2021	For the six months ended 30 June 2020
<i>Other interest and similar expenses</i>		
Interest on unsecured notes	27.3	22.6
Interest on amounts owed to credit institutions	5.4	2.2
Amortisation of deferred financing fees ¹	2.9	2.3
Foreign exchange losses	2.4	1.0
Other financial expenses and bank fees	2.1	1.5
Write-off of deferred financing fees	0.8	0.3
	40.9	29.9
<i>Concerning affiliated undertakings</i>		
Interest on amounts owed to affiliated undertakings	28.6	26.9
	28.6	26.9
Total	69.5	56.8

1. Includes the effective interest rate adjustments.

Note 20 – Tax on profit or loss

The "Tax on profit or loss" consists of a current tax charge of €4.6 million (H1 2020: €3.2 million) and a deferred tax charge of €2.7 million (H1 2020: €1.3 million) (see Note 10).

Note 21 – Related party transactions

A number of the Group's investment properties are asset managed by related parties. For the six months ended 30 June 2021, the Group incurred €0.6 million (H1 2020: €1.3 million) of related party asset management fees. For the six months ended 30 June 2020, the Group incurred €0.3 million of related party accounting fees.

For the six months ended 30 June 2021 and 2020, the Group earned an immaterial amount of income from recharges to a related party.

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

Note 22 – Off balance sheet commitments and contingencies

Litigation and claims

The Group may be involved in litigation and claims in the ordinary course of business. As at 30 June 2021 and 31 December 2020, the Group was not involved in any legal proceedings that are expected to have a material adverse effect on the Group's operations, financial position or liquidity.

The Group has contingent liabilities in respect of legal claims, guarantees and warranties arising in the ordinary course of business. It is not anticipated that any material obligations will arise from these contingent liabilities.

Note 23 – Subsequent events

Since 30 June 2021, BPPEH has acquired a portfolio of logistics properties located in the United Kingdom. As part of the transaction, BPPEH signed a forward sale agreement for approximately half the portfolio, upon completion of which, BPPEH expects to retain a portfolio of 17 assets for a gross purchase price of £840 million (approximately €980 million).

BPPEH also signed an agreement to acquire a warehouse in Copenhagen, Denmark for a gross purchase price of DKK 215 million (approximately €29 million) as well as an agreement to sell a logistics asset located in Milan, Italy for a gross purchase price of €19 million. Closing on these transactions is expected to occur in late 2021.

BPPEH has also increased the size of its EMTN programme to €10 billion.

Note 24 – List of consolidated entities

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
1	Blackstone Property Partners Europe Holdings S.à r.l.	n.a.	n.a.	Luxembourg	Parent company
2	LZ German Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
3	Alpha German Super Topco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
4	Alpha German Topco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
5	SF German Master Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
6	Azurite Master Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
7	Azurite Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
8	Azurite Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
9	German Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
10	Azurite German Majority Topco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
11	Azurite German Majority Midco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
12	Azurite German Majority Holdco S.à r.l.	58.68%	58.68%	Luxembourg	Full consolidation
13	Gemini Unsecured Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
14	Gemini Master Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
15	Gemini Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
16	Thesaurus Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
17	Thesaurus Investment S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
18	Polaris Master Topco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
19	Polaris Finco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
20	BPPE Finco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
21	Azurite Non-German Finco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
22	German Resi Finco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
23	Azurite German Finco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
24	Alpha German Pledgeco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
25	Alpha German Holdco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
26	KC Chris GmbH	50.37%	50.37%	Germany	Full consolidation
27	KC Valentina GmbH	50.37%	50.37%	Germany	Full consolidation
28	KC Isabella GmbH	50.37%	50.37%	Germany	Full consolidation
29	KC Carolina GmbH	50.37%	50.37%	Germany	Full consolidation
30	KC Louise GmbH	50.37%	50.37%	Germany	Full consolidation
31	KC Berlin 1 GmbH	50.37%	50.37%	Germany	Full consolidation
32	KC Berlin 2 GmbH	50.37%	50.37%	Germany	Full consolidation
33	KC Berlin 3 GmbH	50.37%	50.37%	Germany	Full consolidation
34	KC Berlin 4 GmbH	50.37%	50.37%	Germany	Full consolidation
35	LZ German Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
36	LZ German Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
37	Peninsula Bidco BV	100.00%	100.00%	Netherlands	Full consolidation
38	Peninsula Pledgeco BV	100.00%	100.00%	Netherlands	Full consolidation
39	OPPCI Dyna Sppicav	100.00%	100.00%	France	Full consolidation
40	SCI Dynavia	100.00%	100.00%	France	Full consolidation
41	Perceval Topco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
42	Perceval Investment S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
43	Ermes Fund	52.81%	52.81%	Italy	Full consolidation
44	Logan (Bad Hersfeld) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
45	Logan (Borken 1) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
46	Logan (Borken 2) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
47	Logan (Bremerhaven) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
48	Logan (Hassfurt) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
49	Logan (Neunkirchen) Propco BV	52.81%	52.81%	Netherlands	Full consolidation
50	Jago European Club II S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
51	Tanzanite Topco BV	52.81%	52.81%	Netherlands	Full consolidation
52	Tanzanite Dordrecht BV	52.81%	52.81%	Netherlands	Full consolidation
53	Tanzanite Holdco BV	52.81%	52.81%	Netherlands	Full consolidation
54	Tanzanite Vianen I BV	52.81%	52.81%	Netherlands	Full consolidation
55	Tanzanite Vianen II BV	52.81%	52.81%	Netherlands	Full consolidation

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
56	Tanzanite Schiphol BV	52.81%	52.81%	Netherlands	Full consolidation
57	Tanzanite Tiel BV	52.81%	52.81%	Netherlands	Full consolidation
58	Canary Pledgeco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
59	Canary Holdco S.à r.l.	55.96%	55.96%	Luxembourg	Full consolidation
60	Taliesin Managing-Partner GmbH	52.61%	52.61%	Germany	Full consolidation
61	Taliesin I GmbH	50.37%	50.37%	Germany	Full consolidation
62	Phoenix Dutch BV	50.37%	50.37%	Netherlands	Full consolidation
63	Taliesin II GmbH	50.37%	50.37%	Germany	Full consolidation
64	Phoenix B2 -Glatzerstrasse S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
65	Phoenix D1 - Hohenstaufenstrasse S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
66	Phoenix II Mixed H S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
67	Phoenix II Mixed I S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
68	Phoenix II Mixed J S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
69	Phoenix II Mixed K S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
70	Phoenix II Mixed N S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
71	Phoenix III Mixed O S.à r.l.	50.37%	50.37%	Luxembourg	Full consolidation
72	Taliesin Deutschland GmbH	50.37%	50.37%	Luxembourg	Full consolidation
73	Adamma Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
74	Adamma Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
75	ADAMMA Home GmbH	89.99%	90.00%	Germany	Full consolidation
76	Arabella Topco S.à r.l.	99.70%	99.70%	Luxembourg	Full consolidation
77	Arabella Finco S.à r.l.	0.00%	0.00%	Luxembourg	Sold on 27/05/2020
78	Arabella Holdco S.à r.l.	99.70%	99.70%	Luxembourg	Full consolidation
79	Arabella Propco S.à r.l.	89.68%	89.73%	Luxembourg	Full consolidation
80	Azurite Mezzco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
81	Azurite Pledgeco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
82	Azurite Bidco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
83	Azurite France Propco I SNC	52.81%	52.81%	France	Full consolidation
84	Azurite France Bidco SAS	52.81%	52.81%	France	Full consolidation
85	Azurite France Propco II SNC	52.81%	52.81%	France	Full consolidation
86	Azurite France Propco III SNC	52.81%	52.81%	France	Full consolidation
87	Azurite Montélimar (France) SAS	52.81%	52.81%	France	Full consolidation
88	Azurite Mitry (France) S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
89	Azurite Immobilier EURL	52.81%	52.81%	France	Full consolidation
90	Azurite Properties Germany BV	52.81%	52.81%	Netherlands	Full consolidation
91	Azurite Werne Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
92	Azurite Viersen Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
93	Azurite Halle Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
94	Azurite Michelsrombach Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
95	Azurite Hamm Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
96	Azurite Schwäbisch Gmünd Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
97	Azurite Linsengericht Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
98	Azurite Waldlaubersheim Logistics S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
99	Azurite Poland Holdco S.à r.l.	52.81%	52.81%	Luxembourg	Full consolidation
100	Azurite Poland Propco I Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
101	Azurite Poland Propco II Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
102	Azurite Poland Propco IV Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
103	Azurite Poland Propco V Sp.z o.o.	52.81%	52.81%	Poland	Full consolidation
104	Gamma Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
105	Gamma Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
106	Wackenida GmbH	89.99%	90.00%	Germany	Full consolidation
107	St. Bonifatius Wohnungsbaugesellschaft mbH	89.99%	90.00%	Germany	Full consolidation
108	Speyerer Straße 3 Immobilienverwaltung GmbH	89.99%	90.00%	Germany	Full consolidation
109	Oldenburger Straße Betreuungs GmbH	89.99%	90.00%	Germany	Full consolidation
110	SK 96 - Wohnungsbaukombinat GmbH	89.99%	90.00%	Germany	Full consolidation
111	Richardstraße 60, 61 Berlin-Neukölln GmbH	89.99%	90.00%	Germany	Full consolidation
112	Ravenna Lodging GmbH	89.99%	90.00%	Germany	Full consolidation
113	Wustermarker Str. 38/39 Objekt GmbH	89.99%	90.00%	Germany	Full consolidation
114	Laser Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
115	Laser Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
116	Laser (Spain) Holdco, S.L.U.	100.00%	100.00%	Spain	Full consolidation
117	Laser (Spain) Propco II, S.L.U.	100.00%	100.00%	Spain	Full consolidation
118	Laser (Spain) Propco I, S.L.U.	100.00%	100.00%	Spain	Full consolidation
119	Laser (Spain) Propco III S.L.U.	100.00%	100.00%	Spain	Full consolidation
120	Garden Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
121	Garden Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
122	Garden (Spain) Holdco S.L.U.	100.00%	100.00%	Spain	Full consolidation
123	Garden (Spain) Propco S.L.U.	100.00%	100.00%	Spain	Full consolidation
124	Pariser Pledgeco S.à r.l.	99.66%	99.66%	Luxembourg	Full consolidation
125	Pariser Holdco S.à r.l.	99.66%	99.66%	Luxembourg	Full consolidation
126	Pariser Platz ZwischenHoldCo GmbH	89.68%	89.70%	Germany	Full consolidation
127	Pariser Platz Propco S.C.S.	89.68%	89.70%	Luxembourg	Full consolidation

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
128	Pariser Platz (Propco) GP S.à r.l.	89.68%	89.70%	Luxembourg	Full consolidation
129	Gemini Poland Topco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
130	Gemini Poland Holdco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
131	Gemini Finco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
132	Gemini (Poland) Propco I Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
133	Gemini (Poland) Propco II Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
134	Gemini (Poland) Propco III Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
135	Gemini (Poland) Propco IV Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
136	Gemini (Poland) Propco V Sp.z o.o.	90.00%	90.00%	Poland	Full consolidation
137	Gemini German Majority Midco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
138	Gemini German Majority Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
139	Gemini German Majority Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
140	Gemini Forchheim Logistics LLC	90.00%	90.00%	Delaware	Full consolidation
141	Gemini Sulzenbrucker Strasse 7 LLC	90.00%	90.00%	Delaware	Full consolidation
142	Gemini Karlsdorf LLC	90.00%	90.00%	Delaware	Full consolidation
143	Gemini Duisburg LLC	90.00%	90.00%	Delaware	Full consolidation
144	Gemini Nuremburg LLC	90.00%	90.00%	Delaware	Full consolidation
145	Summer Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
146	Summer Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
147	Summer Propco 1 GmbH	89.99%	90.00%	Germany	Full consolidation
148	Summer Propco 2 GmbH	89.99%	90.00%	Germany	Full consolidation
149	Leiko Finco S.à r.l.	89.46%	89.54%	Luxembourg	Full consolidation
150	Leiko Investments S.à r.l.	89.46%	89.54%	Luxembourg	Full consolidation
151	Leiko Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
152	Leiko Topco S.à r.l.	89.93%	90.00%	Luxembourg	Full consolidation
153	Leiko Holdco S.à r.l.	89.46%	89.54%	Luxembourg	Full consolidation
154	Spring Topco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
155	Spring Pledgeco S.à r.l.	90.00%	90.00%	Luxembourg	Full consolidation
156	Spring Investment S.à r.l.	89.98%	90.00%	Luxembourg	Full consolidation
157	Star Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
158	Star Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
159	Projekt Itaca GmbH	89.99%	90.00%	Germany	Full consolidation
160	Thesaurus Fund	100.00%	100.00%	Italy	Full consolidation
161	Honos Fund	100.00%	100.00%	Italy	Full consolidation
162	Rembrandt Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
163	Rembrandt Midco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
164	Rembrandt Pledgeco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
165	Rembrandt Holdco BV	100.00%	100.00%	Netherlands	Full consolidation
166	Rembrandt Propco I BV	100.00%	100.00%	Netherlands	Full consolidation
167	Rembrandt Propco II BV	100.00%	100.00%	Netherlands	Full consolidation
168	Rembrandt Propco III BV	100.00%	100.00%	Netherlands	Full consolidation
169	Rembrandt Propco IV BV	100.00%	100.00%	Netherlands	Full consolidation
170	Rembrandt Propco V BV	100.00%	100.00%	Netherlands	Full consolidation
171	Rembrandt Propco VI BV	100.00%	100.00%	Netherlands	Full consolidation
172	Rembrandt Propco VII BV	100.00%	100.00%	Netherlands	Full consolidation
173	Rembrandt Propco VIII BV	100.00%	100.00%	Netherlands	Full consolidation
174	Rembrandt Propco IX BV	100.00%	100.00%	Netherlands	Full consolidation
175	Rembrandt Propco X BV	100.00%	100.00%	Netherlands	Full consolidation
176	Mountain Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
177	Mountain Bidco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
178	Mountain Bidco II SNC	50.52%	50.52%	France	Full consolidation
179	Mountain Bidco I SNC	50.52%	50.52%	France	Full consolidation
180	Mountain Holdco II S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
181	Mountain Bidco II S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
182	Mountain Angers SCI	50.52%	50.52%	France	Full consolidation
183	Mountain Besançon SCI	50.52%	50.52%	France	Full consolidation
184	Mountain Amiens SCI	50.52%	50.52%	France	Full consolidation
185	Combs SCI	50.52%	50.52%	France	Full consolidation
186	Mountain Etoile SCI	50.52%	50.52%	France	Full consolidation
187	Mountain Hem 1 SCI	50.52%	50.52%	France	Full consolidation
188	Mountain Montbartier SCI	50.52%	50.52%	France	Full consolidation
189	Mountain Montoux 1 SCI	50.52%	50.52%	France	Full consolidation
190	Mountain Montoux 2 SCI	50.52%	50.52%	France	Full consolidation
191	Mountain Noyelles SCI	50.52%	50.52%	France	Full consolidation
192	Mountain Toufflers SCI	50.52%	50.52%	France	Full consolidation
193	Mountain Villebon SCI	50.52%	50.52%	France	Full consolidation
194	Monclair Bidco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
195	Monclair Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
196	Monclair Finco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
197	Monclair Logistics (Dammartin) SCI	100.00%	100.00%	France	Full consolidation
198	Monclair Logistics (Dunkerque) SCI	100.00%	100.00%	France	Full consolidation
199	Monclair Logistics (Ferrieres) SCI	100.00%	100.00%	France	Full consolidation

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
200	Monclair Logistics (Ormes) SCI	100.00%	100.00%	France	Full consolidation
201	Monclair Logistics (Saint Pierre) SCI	100.00%	100.00%	France	Full consolidation
202	Monclair Logistics (Salon) SCI	100.00%	100.00%	France	Full consolidation
203	Monclair Logistics (Saint Quentin Fallavier) SCI	100.00%	100.00%	France	Full consolidation
204	Monclair Logistics (SQF 2) SCI	100.00%	100.00%	France	Full consolidation
205	Monclair Logistics (Chalon) SCI	100.00%	100.00%	France	Full consolidation
206	Polaris Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
207	Polaris Bidco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
208	Polaris Bidco (Sweden) AB	50.52%	50.52%	Sweden	Full consolidation
209	Polaris Kommanditdelägare AB	50.52%	50.52%	Sweden	Full consolidation
210	Polaris Komplementär AB	50.52%	50.52%	Sweden	Full consolidation
211	Polaris Propco (Sweden) 1 AB	50.52%	50.52%	Sweden	Full consolidation
212	Polaris Propco (Sweden) 2 AB	50.52%	50.52%	Sweden	Full consolidation
213	Polaris Propco (Sweden) 3 AB	50.52%	50.52%	Sweden	Full consolidation
214	Polaris Propco (Sweden) 4 AB	50.52%	50.52%	Sweden	Full consolidation
215	Polaris Propco (Sweden) 5 AB	50.52%	50.52%	Sweden	Full consolidation
216	Polaris Propco (Sweden) 6 AB	50.52%	50.52%	Sweden	Full consolidation
217	Polaris Propco (Sweden) 7 AB	50.52%	50.52%	Sweden	Full consolidation
218	Polaris Propco (Sweden) 8 KB	50.52%	50.52%	Sweden	Full consolidation
219	Polaris Propco (Sweden) 9 KB	50.52%	50.52%	Sweden	Full consolidation
220	Polaris Holdco (Finland) Oy	50.52%	50.52%	Finland	Full consolidation
221	Polaris Propco (Finland) Oy	50.52%	50.52%	Finland	Full consolidation
222	Polaris Bidco Denmark ApS	50.52%	50.52%	Denmark	Full consolidation
223	Polaris Propco Denmark 2 ApS	50.52%	50.52%	Denmark	Full consolidation
224	Polaris Propco Denmark 1 ApS	50.52%	50.52%	Denmark	Full consolidation
225	Light Holdco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
226	Light (Germany) Propco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
227	Light (Switzerland) Propco S.à r.l.	50.52%	50.52%	Luxembourg	Full consolidation
228	Light (Greece) Propco S.A.	50.52%	50.52%	Greece	Full consolidation
229	Bjorn Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
230	Bjorn Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
231	Bjorn Norway Bidco AS	100.00%	100.00%	Norway	Full consolidation
232	Bjorn Sweden Bidco AB	100.00%	100.00%	Sweden	Full consolidation
233	Bjorn Denmark Bidco ApS	100.00%	100.00%	Denmark	Full consolidation
234	Bjorn Denmark Propco 3 ApS	100.00%	100.00%	Denmark	Full consolidation
235	Bjorn Sweden Bidco 1 AB	100.00%	100.00%	Sweden	Full consolidation

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
236	Bjorn Sweden Bidco 2 AB	100.00%	100.00%	Sweden	Full consolidation
237	Bjorn Sweden Bidco 3 AB	100.00%	100.00%	Sweden	Full consolidation
238	Bjorn Sweden Bidco 4 AB	100.00%	100.00%	Sweden	Full consolidation
239	Bjorn Denmark Bidco 1 ApS	100.00%	100.00%	Denmark	Full consolidation
240	Bjorn Denmark Bidco 2 ApS	100.00%	100.00%	Denmark	Full consolidation
241	Bjorn Denmark Bidco 3 ApS	100.00%	100.00%	Denmark	Full consolidation
242	Bjorn Denmark Bidco 4 ApS	100.00%	100.00%	Denmark	Full consolidation
243	Bjorn (Sweden) Propco 1 AB	100.00%	100.00%	Sweden	Full consolidation
244	Bjorn (Sweden) Propco 2 AB	100.00%	100.00%	Sweden	Full consolidation
245	Bjorn (Sweden) Propco 3 AB	100.00%	100.00%	Sweden	Full consolidation
246	Bjorn (Sweden) Propco 4 Kommanditbolag KB	100.00%	100.00%	Sweden	Full consolidation
247	Bjorn Norway Holding AS	0.00%	100.00%	Norway	Merged on 01/01/2021
248	Bjorn Norway Holdco 1 AS	0.00%	100.00%	Norway	Merged on 01/01/2021
249	Bjorn Norway Propco 2 AS	100.00%	100.00%	Norway	Full consolidation
250	Bjorn Norway Holdco 3 AS	0.00%	100.00%	Norway	Merged on 01/01/2021
251	Bjorn Norway Propco 4 AS	100.00%	100.00%	Norway	Full consolidation
252	Bjorn Denmark Propco 1 ApS	100.00%	100.00%	Denmark	Full consolidation
253	Bjorn Denmark Propco 2 ApS	100.00%	100.00%	Denmark	Full consolidation
254	Bjorn Denmark Propco 4 ApS	100.00%	100.00%	Denmark	Full consolidation
255	Bjorn Denmark Propco 5 ApS	100.00%	100.00%	Denmark	Full consolidation
256	Prox/Ast Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
257	Proximity (Germany) BPPE Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
258	Proximity (France) Holdco S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
259	Proximity Finco S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
260	CLMI S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
261	CLM 1.1 S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
262	CLM2 S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
263	CL French LML Holding S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
264	CL French LML S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
265	CL French LML Holding 2 S.à r.l.	75.10%	75.10%	Luxembourg	Full consolidation
266	France LML 1 SAS	75.10%	75.10%	France	Full consolidation
267	France LML 3 SAS	75.10%	75.10%	France	Full consolidation
268	France LML 2 SCI	75.10%	75.10%	France	Full consolidation
269	Astrid (Sweden) Holdco S.à r.l.	75.00%	75.00%	Luxembourg	Full consolidation
270	Hawk Holdco S.à r.l.	75.00%	75.00%	Luxembourg	Full consolidation
271	Astrid Finco S.à r.l.	75.00%	75.00%	Luxembourg	Full consolidation

Notes to the Interim Consolidated Accounts (Unaudited) (cont'd)

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
272	Astrid Sweden Bidco 1 AB	75.00%	75.00%	Sweden	Full consolidation
273	Astrid Sweden Bidco 2 AB	75.00%	75.00%	Sweden	Full consolidation
274	Astrid Sweden Örja 1:21 AB	75.00%	75.00%	Sweden	Full consolidation
275	Astrid Sweden Bromsregulatorn 1 AB	75.00%	75.00%	Sweden	Full consolidation
276	Astrid Sweden Söderarm 11 AB	75.00%	75.00%	Sweden	Full consolidation
277	Astrid Sweden Jordbromalm KB	75.00%	75.00%	Sweden	Full consolidation
278	Astrid Sweden Arendal 1:17 AB	75.00%	75.00%	Sweden	Full consolidation
279	Astrid Sweden Tunnan 1 AB	75.00%	75.00%	Sweden	Full consolidation
280	Astrid Sweden Torlunda 1:278 KB	75.00%	75.00%	Sweden	Full consolidation
281	Hawk PropCo (Sweden) AB (formerly Logistea Propco AB)	75.00%	75.00%	Sweden	Full consolidation
282	BPPE Swedish Residential Holdco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
283	Podium Super Topco S.à r.l.	100.00%	100.00%	Luxembourg	Full consolidation
284	Podium Finco S.à r.l.	0.00%	81.00%	Luxembourg	Sold on 04/02/2021
285	Podium Topco Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
286	Podium Midco Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
287	Podium Holdco 1 Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
288	Podium Litchfield Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
289	Podium Propco 1 Ltd.	81.00%	81.00%	Isle of Man	Full consolidation
290	Podium Bermuda Park Limited	81.00%	81.00%	Isle of Man	Full consolidation
291	Podium Eurocentral I Limited	81.00%	81.00%	Isle of Man	Full consolidation
292	Podium Eurocentral II Limited	81.00%	81.00%	Isle of Man	Full consolidation
293	Podium Industrial I Limited	81.00%	81.00%	Isle of Man	Full consolidation
294	Podium Industrial II Limited	81.00%	81.00%	Isle of Man	Full consolidation
295	Podium Midpoint Limited	81.00%	81.00%	Isle of Man	Full consolidation
296	Podium Newport Limited	81.00%	81.00%	Isle of Man	Full consolidation
297	Podium Oldham Limited	81.00%	81.00%	Isle of Man	Full consolidation
298	Podium Stockport Limited	81.00%	81.00%	Isle of Man	Full consolidation
299	Podium Warrington Limited	81.00%	81.00%	Isle of Man	Full consolidation
300	Podium Worcester III Limited	81.00%	81.00%	Isle of Man	Full consolidation
301	Podium UK XCV S.à r.l.	81.00%	81.00%	Luxembourg	Full consolidation
302	Podium UK XCVI S.à r.l.	81.00%	81.00%	Luxembourg	Full consolidation
303	Podium UK XCVIII S.à r.l.	81.00%	81.00%	Luxembourg	Full consolidation
304	Podium Northampton LLC	81.00%	81.00%	United States	Full consolidation
305	Podium Widnes LLC	81.00%	81.00%	United States	Full consolidation
306	Podium Worcester LLC	81.00%	81.00%	United States	Full consolidation
307	Lahinch Bidco I S.à r.l. (formerly Tirbido Investment S.à r.l.)	100.00%	100.00%	Luxembourg	Full consolidation

No.	Name	Effective ownership 30 June 2021	Effective ownership 31 December 2020	Country of incorporation	Consolidation method
308	Lahinch Holdco S.à r.l. (formerly Cecita Investment S.à r.l.)	100.00%	100.00%	Luxembourg	Full consolidation
309	Lahinch Bidco II S.à r.l. (formerly Parghelia Investment S.à r.l.)	100.00%	100.00%	Luxembourg	Full consolidation
310	Alaska Master Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
311	Alaska Super Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
312	Alaska Topco Ltd.	100.00%	0.00%	Jersey	Full consolidation
313	Alaska Propco Ltd.	100.00%	0.00%	Jersey	Full consolidation
314	Alaska Propco 2 Ltd.	100.00%	0.00%	Jersey	Full consolidation
315	Alaska Propco 3 Ltd.	100.00%	0.00%	Jersey	Full consolidation
316	Alaska Propco 5 Ltd.	100.00%	0.00%	Jersey	Full consolidation
317	Alaska Propco 4 Ltd.	100.00%	0.00%	Jersey	Full consolidation
318	Bedfont Topco Ltd.	81.00%	0.00%	Jersey	Full consolidation
319	Bedfont Propco Ltd.	81.00%	0.00%	Jersey	Full consolidation
320	Koge Denmark Bidco ApS	100.00%	0.00%	Denmark	Full consolidation
321	Brick Pledgeco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
322	Brick Lux Holdco S.à r.l.	98.57%	0.00%	Luxembourg	Full consolidation
323	Brick Sweden AB	98.57%	0.00%	Sweden	Full consolidation
324	AG Barnangen AB	98.57%	0.00%	Sweden	Full consolidation
325	Lahinch UK Management Limited	100.00%	0.00%	United Kingdom	Full consolidation
326	Lahinch Investments ICAV - Lahinch Fund 1	100.00%	0.00%	Ireland	Full consolidation
327	Lahinch Investments ICAV - Lahinch Fund 2	100.00%	0.00%	Ireland	Full consolidation
328	Leaf Living Luxco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
329	Leaf Living Opco Limited	100.00%	0.00%	United Kingdom	Full consolidation
330	Leaf Living REITCo Ltd.	100.00%	0.00%	Jersey	Full consolidation
331	Leaf Living Jersey Midco Ltd.	100.00%	0.00%	Jersey	Full consolidation
332	Rialto Topco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
333	Rialto Holdco S.à r.l.	100.00%	0.00%	Luxembourg	Full consolidation
334	Rialto Bidco Srl	100.00%	0.00%	Italy	Full consolidation

Definitions

Adjusted NOI	NOI annualised for investments acquired during the period, adjusted to exclude annualised rent abatements and non-recurring items and include rent top-ups provided by sellers
Blackstone	Blackstone Inc. or, as the context may require, one or more funds, managed accounts or limited partnerships managed or advised by Blackstone Inc. or any of its affiliates or direct or indirect subsidiaries from time to time
BPPE	Blackstone Property Partners Europe, an open-ended fund focused on core+ real estate investments in Europe (Legal entities: Blackstone Property Partners Europe L.P., Blackstone Property Partners Europe F L.P., Blackstone Property Partners Europe (Lux) SCSp, and Blackstone Property Partners Europe (Lux) C SCSp)
BPPEH	Blackstone Property Partners Europe Holdings S.à r.l., a wholly-owned subsidiary of BPPE
EBITDA	The profit/(loss) for the financial period, adjusted to add back net finance costs, taxation, depreciation and amortisation
EMTN Programme	€10,000,000,000 Euro Medium Term Note Programme established by BPPEH
GAV	Gross asset value calculated as the total market value of the properties under management, including the total value of related equity and debt positions as well as joint venture and co-investment ownership positions
GLA	Gross leasable area
LfL Change	Change in metrics for the like-for-like portfolio, which is comprised of assets owned throughout the period from 31 December 2020 to 30 June 2021 (i.e., excludes assets developed, acquired or sold during H1 2021)
Net LTV	Net loan-to-value ratio, calculated as the principal amount of interest bearing debt (excluding shareholder loans) less cash, divided by GAV, such that the amounts attributable to related equity and debt positions as well as joint venture and co-investment ownership positions are included in the calculation
NOI¹	Net operating income, calculated as total property and related revenues less property operating expenses
NOI Yield	Adjusted NOI divided by GAV
Occupancy	Occupied GLA divided by total GLA, including rental guarantees unless otherwise noted; where specified, economic occupancy includes rental guarantees and physical occupancy excludes rental guarantees
Passing Rent	The rent at which an asset is rented at a point in time. Passing rent per square metre is calculated based on rent and occupied area attributable to the asset's primary use
RCF	Revolving credit facility
Releasing Spread	Difference between the new rent signed and the old prevailing rent on renewals (same space, same tenant) or new leases (same space, different tenant)
sqf	Square feet
sqm	Square metres
WALL	Weighted average unexpired lease term, based on rent; calculated to first break unless otherwise noted

Note: All BPPEH metrics in this Half Year Report are calculated at 100% share (including the portion attributable to minority owners).

1. Total property and related revenues (adjusted for straight line rent, if any) less property operating expenses (excluding, for the avoidance of doubt, general and administrative costs, interest expense, transaction costs, depreciation and amortisation expense, realised gains (losses) from the sale of properties and other capital expenditures and leasing costs necessary to maintain the operating performance of the properties).



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