



BNP Paribas Diversipierre

Second half report as at 31 December 2021

This is an English translation of the original document. In the event of any differences in translations or interpretations, the French version shall prevail and is authoritative.



NEWS

As at 31 December 2021, the net asset value of BNP Paribas Diversipierre was €125.67 per share, up by +1.23% over the semester (i.e. +€1.53/share). The contributions of the different asset classes are shown in the graph below.

BNP Paribas Diversipierre's performance since 1st January 2021 therefore stood at +3.33%, with dividends reinvested. In 2021, the increase in the NAV per share was driven by the good performance of real estate physical assets (+3.8%) as well as that of listed REIT shares (+9.1%). In a context of increasing rates, covered bonds recorded a negative performance (-2.3%).

Over the second semester 2021, the fund completed the following real estate operations:

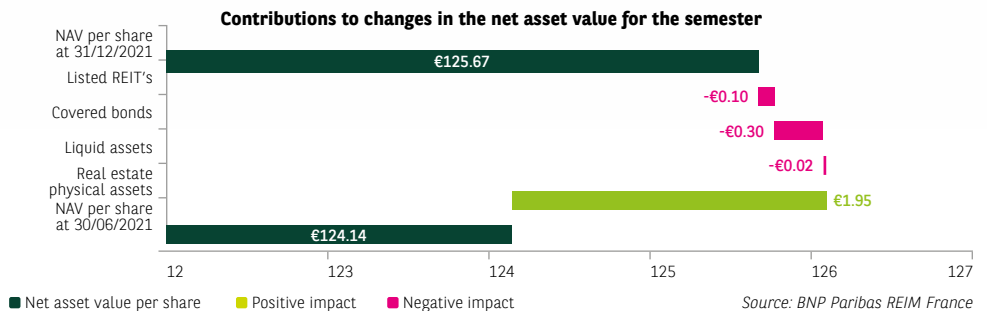
- The final acquisition of the «Tanger» office building of almost 7,200 sqm, completely renovated in 2018. Located in the popular «22^e district» in Barcelona, Spain, the asset is fully leased to Hewlett-Packard.
- The signing of a commitment to purchase for a group of six residential buildings located in Hamburg, Germany, in the family neighbourhood of «Bergedorf». The 155 apartments have been fully leased since their construction in 2010.
- The sale of the «l'Îlot Jallais» office building in Nantes, acquired in 2016. This sale generated a good level of performance with an IRR of 13.5%.

BNP Paribas Diversipierre also entered into an exclusive contract with a view to acquiring the following real estate physical assets:

- A residential building located in the city centre of Vienna, Austria, which is currently being developed and is scheduled for completion in 2023.
- A group of two luxury hotels/spas, located in San Pellegrino and Milan, Italy, and managed by a leading operator.
- A health campus project located in Steinfurt, near Münster, Germany, comprising nine buildings for almost 32,000 sqm, designed by a large architectural firm. The complex will be completed in 2023.

The signing of a purchase agreement to secure these investments should take place in the first half of 2022.

In addition, over the last month, the fund started to invest in listed REITs securities, negotiated on European financial markets in other currencies than Euro (and no longer only limited to the Eurozone), in order to strengthen portfolio diversification and reduce volatility. As at 31 December 2021, BNP Paribas Diversipierre was invested in 28 listed REITs securities, compared with 15 at the end of November.



Covid 19 - Note

In a still uncertain health context due to Covid-19, the ability of some tenants to honour their rents over the next few quarters or, where applicable, to catch up with any payment deferrals that may have been granted, is still being closely monitored. Our teams are committed to supporting any tenants in difficulty on a case-by-case basis in order to safeguard their business, which ultimately is in the best interests of shareholders. In addition, the real estate assets in the portfolio were valued in accordance with the methods described in the prospectus of the SPICAV (Société de Placement à Prépondérance Immobilière à Capital Variable — French company investing primarily in real estate), amid the continually evolving backdrop of the Covid-19 crisis. The valuation may not be representative of the potential of these assets over the lifetime of the SPICAV and the possible change in their value. There may be a difference between the valuations stated and the prices at which the disposals would actually be made if a portion of these portfolio assets were to be liquidated.

SUMMARY OF PERFORMANCE AS AT 31 DECEMBER 2021

Periodic performance	Since inception		Since 01/01/2021	Over the last semester		Over the last month		Over the last NAV	Annualised performance since 31/12/2014
	+34.76%		+3.33%	+1.23%		+0.47%		+0.70%	+4.25%
Calendar performance	2014	2015	2016	2017	2018	2019	2020	2021	Annualised performance over 7 years (2015-2021)
	+0.71%	+7.05%	+4.77%	+6.69%	+1.17%	+8.87%	-1.21%	+3.33%	+4.25%

The methodology for calculating performance is as follows:

$$\text{Performance} = \frac{\text{Net asset value per share at the end of the period} + \text{dividends paid over the period}}{\text{Net asset value per share at the start of the period}} - 1$$

Past performance is not an indicator of future performance.

2014 performance is calculated over the period from 20 January to 31 December.

KEY INDICATORS AS AT 31/12/2021

Net asset value per share (NAV per share): **€125.67**
Next net asset values: 14/01/2022
31/01/2022

Dividends paid since 01/01/2021: **€1.75**

Subscription fee payable to the Fund (Prospectus maximum: 6%): **2.95%**

Exit fees payable to the Fund (Prospectus maximum: none): **None**

Management and operating costs (Prospectus maximum: 1.5% incl. tax): **1.24% TTC in 2021***

Property operating charges: **0.61% TTC in 2021***

Net asset value: **€2,544.13m**

Number of property assets: **31 assets (20 of which are fully owned) and 2 non-controlling interests**

Financial debt (prospectus maximum: 40% of the value of property assets): **18.3%**

* Fees calculated on the basis of the average net assets for the year.

KEY CHARACTERISTICS

ISIN code: FR0011513563
Legal form: SPICAV
Currency: EUR
Form of the shares: Bearer shares
Management company: BNP Paribas REIM France
Custodian: BNP Paribas Securities Services
Appraiser: BNP Paribas Fund Services
Statutory Auditor: KPMG
Recommended investment period: 8 years
Deadline for receiving orders: NAV date, before 12.00pm
Minimum subscription: €100
Fractioning of shares: Thousandths
NAV frequency: Bi-monthly

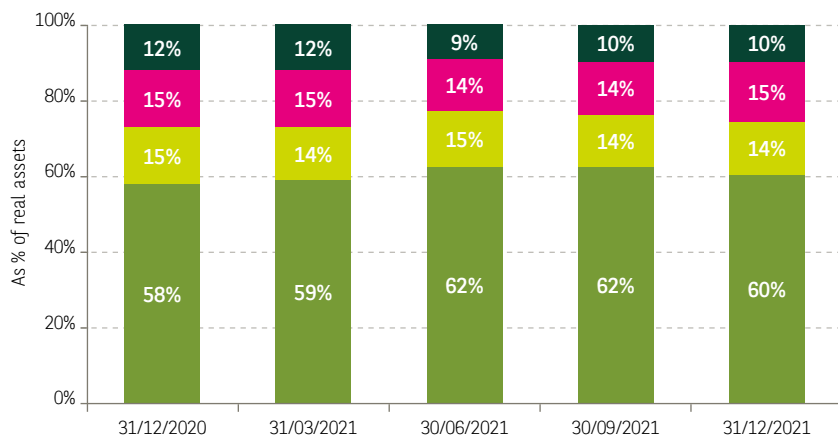
SFDR EU regulation: Articles 6 & 8
The Fund qualifies as Articles 6 and 8 under the so-called SFDR EU regulation dated 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Risk and performance profile: This OPCI, which is mainly invested in real estate physical assets, has a low risk of capital loss, i.e. a level of 2 (SRI PRIIPs). The risk category associated with this OPCI is not guaranteed and may change over time. The lowest category does not mean that the investment is «risk free». Real estate physical assets are less liquid. In periods of property market stress, the rapid sale of a property asset may result in a loss in value. The indicator does not take into account the risk associated with the use of debt.

Lower risk ← Higher risk
Potentially lower performance ← Potentially higher performance

ASSETS BREAKDOWN AS AT 31 DECEMBER 2021

Change in allocation over time



Source: BNP Paribas REIM France

As at 31 December 2021, the OPCI's financial allocation is close to its target allocation (as mentioned in the legal documentation applicable at the same date), comprising 65% in real estate physical assets, 14.5% in Listed REIT's shares, 14.5% in covered bonds and 6% in cash.

The significant proportion of cash in the financial allocation is explained primarily by the liquidity present in the fund's subsidiaries and holdings.

- Cash and other current assets/liabilities
- Covered bonds
- Listed REIT's
- Real estate physical assets net of debt

STATEMENT OF ASSETS AND CHANGES OVER THE PERIOD

	30/06/2021	31/12/2021	Inputs	Outputs
a) Immovable assets	1,910,173,032.84	2,122,175,549.08	421,840,437.92	230,165,334.48
Buildings constructed, being renovated or acquired for rental purposes	-	-	-	-
Shares of companies investing mainly in property	570,194,147.48	797,357,631.92	206,702,271.79	-
Shares of property-based companies traded on a regulated market	369,787,416.94	367,958,960.34	227,746,375.72	230,165,334.48
Units or shares of OPCI's or similar	117,853,748.50	117,129,446.49	-	-
Other immovable assets	852,337,719.92	839,729,510.33	-12,608,209.59	-
b) Non-property deposits and financial instruments	388,129,915.96	391,552,704.34	75,846,967.92	13,589,061.27
Term deposits	-	-	-	-
Shares and similar securities	-	-	-	-
Bonds/negotiable debt securities/equivalent securities	388,129,915.96	385,776,006.90	52,673,472.94	41,490,230.59
UCITS and AIFs	-	5,776,697.44	23,173,494.98	13,589,061.27
Temporary transactions on securities	-	-	-	-
Forward financial instruments	-	-	-	-
Disposal transactions	-	-	-	-
c) Rents receivable and other operating receivables	759,552.57	6,125,869.92		
d) Demand deposits	144,867,924.28	182,841,823.52		
e) Total assets held by the OPCI (e = a + b + c + d)	2,443,930,425.65	2,702,695,946.86		
f) Liabilities	10,658,165.07	158,569,519.71		
g) Net asset value (g = e - f)	2,433,272,260.58	2,544,126,427.15		

Source: BNP Paribas REIM France

The changes recorded for financial assets correspond to the investment made by the OPCI in financial assets as well as the purchases and sales carried out within each class of financial assets.

REAL ESTATE PHYSICAL ASSETS

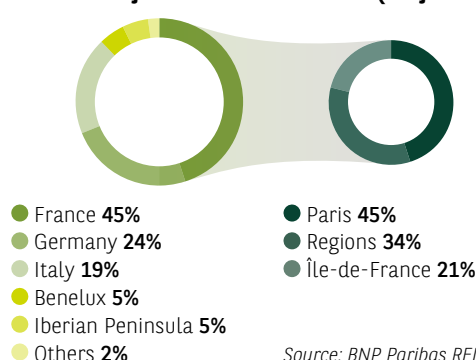
As at 31 December 2021, BNP Paribas Diversipierre held a portfolio comprising 31 real estate assets (20 of which are fully owned) located across France and in other countries, and 2 non-controlling interests.

74% of the real estate assets held by BNP Paribas Diversipierre are predominantly «office premises», 18% of the assets are predominantly «retail», 4% are hotels and 3% are residential (as a % of total market value).

As at 31 December 2021, the market value of real estate assets excluding fees and charges was €1,897m. On a like-for-like basis, the market value of property assets changed by around +3.8% over the semester, mainly due to upward movements in the office assets held by the OPCI.

At the end of the second semester, the financial occupancy rate of the OPCI's real estate assets (excluding developments and non-controlling interests) was 88% and 95% excluding the «51-53 Haussmann» asset (which is currently undergoing refurbishment), while the residual firm lease term was 4.6 years.

Geographical breakdown of assets as at 31/12/2021 (% of the total market value)



Tanger, Barcelone (Spain) - 100% hold

Reminder : past investments are not indicative of future acquisitions.

Source: BNP Paribas REIM France

► REAL ESTATE FINANCIAL ASSETS

An allocation of financial assets with real estate financial assets has supplemented the property assets of BNP Paribas Diversipierre since September 2014, in accordance with the fund's strategy.

In addition to traditional financial and non-financial criteria, liquidity and SRI (Socially Responsible Investment) criteria are used by managers in the selection of securities.

► Covered bonds

Number of holdings	Value at 31/12/2021 (€k)	Performance since inception (%)	Performance since 01/01/2021 (%)	Performance over the semester (%)
159	€385,776k	+5.38%	-2.26%	-0.97%

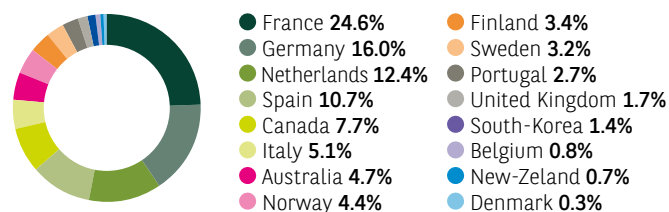
Covered bonds posted a performance of -0.97% over the semester and a performance of 5.38% since the bond portfolio was created.

As at 31 December 2021, France was the largest contributor, representing 25% of the total valuation of mortgage bonds. Next came Germany with 16% and The Netherlands with 12%.

During this semester BNP Paribas Diversipierre made no additions to its portfolio of covered bonds.

All covered bond securities are denominated in euros and are therefore without currency risk.

Breakdown of covered bonds by country as at 31/12/2021
(% of the value of all covered bonds - excluding cash)



Source: BNP Paribas REIM France

Term	Yield at maturity	Average rating
4.73 years	-0.04%	AAA

► Listed REITs

Number of positions	Value at 31/12/2021 (€k)	Performance since inception (%)	Performance since 01/01/2021 (%)	Performance over the semester (%)
28	€367,959k	+62.90%	+9.05%	+0.08%

Shares of listed REITs posted a performance of 0.08% over the semester and a performance of 62.90% since the equities portfolio was created.

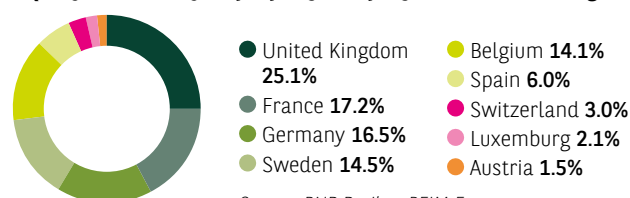
As at 31 December 2021, the top five property company shares held were, in decreasing order, Vonovia, Segro, LEG Immobilien, Gecina and Warehouses de Pauw. Their individual weighting within all listed REITs ranges from 9% to 5%.

At the same date, 25% of the listed REITs portfolio provides exposure to residential office sector, 23% to office sector, 19% to diversified sectors, 14% to healthcare, 11% to retail and 9% to logistics.

As at 31 December 2021, 57% of the listed REITs shares in the portfolio are denominated in euros (as a % of the value of all listed REITs - excluding cash).

As a reminder, the OPCI's equity portfolio also helps to strengthen the portfolio's geographical and sectoral diversification: French property company securities account for 31% of the assets held, while the selected companies primarily specialise in asset classes other than «office premises», the predominant asset type within the BNP Paribas Diversipierre property portfolio, and in residential development in Germany, in particular.

Breakdown of property company shares by country as at 31/12/2021
(% of the value of all property company shares - excluding cash)



Source: BNP Paribas REIM France

► LIQUID ASSETS

As at 31 December 2021, the liquid assets held directly by BNP Paribas Diversipierre represented a total of €223,587,574.48, i.e. 8.79% of net assets, allocated as follows:

OPCI liquid assets in €	31/12/2020	30/06/2021	31/12/2021
Financial instruments of a liquid nature	54,973,198.30	50,565,156.53	34,619,881.04
Sovereign bonds with a maturity of less than 397 days	54,973,198.30	50,565,156.53	28,843,183.60
Money market instruments	-	-	-
Treasury bills	-	-	-
UCITS and AIFs invested in the previous three classes	-	-	5,776,697.44
Liquid assets	154,452,581.88	145,627,476.85	188,967,693.44
Demand deposits/Bank deposits	152,217,410.18	144,867,924.28	182,841,823.52
Term deposits	-	-	-
Rents receivable and other operating receivables	2,235,171.70	759,552.57	6,125,869.92

N.B. The liquid assets indicated on page 2 (as a %) are higher as they include cash from the OPCI's subsidiaries, contrary to the regulatory ratio above.

OVERHEAD COSTS

€	31/12/2021
Custodian fees	571,761
Appraiser fees	179,834
Management fees	27,438,970
Total recurring expenses	28,190,565
% of net assets at the end of period	1.11%
Other structural expenses	5,095,688
Total overhead costs	33,286,253
% of net assets at the end of period	1.31%
Total property costs	14,188,480
% of net assets at the end of period	0.56%
Investment fees	2,033,399
% of the price of buildings acquired	1.38%
Other acquisition costs	1,114,398
Total acquisition costs	3,147,796
% of price excl. transfer taxes of buildings acquired	2.13%
Arbitrage fees	376,622
% of price excl. transfer taxes of buildings sold	0.97%
Other disposal costs	1,115,885
Total disposal costs	1,492,507
% of price excl. transfer taxes of buildings sold	3.85%
Net assets	2,544,126,427
Price of buildings acquired	147,643,152
Price of buildings sold	38,778,088

As at 31 December 2021, all overheads for the OPCI and its subsidiaries since the beginning of the year totalled €33,286k or 1.31% (incl. tax) of the net assets as at that date.

Management fees accounts for €27,439k here. The balance consists of charges associated with custodian fees, appraiser fees, statutory auditors' fees and appraisal fees, as well as the other costs related to the activities of the OPCI and its subsidiaries (in particular, charges relating to bank financing, and corporation tax).

Property expenses are made up of works fees, property taxes and non-recoverable expenses.

This statement shows all the fees paid directly by the BNP Paribas Diversipierre SPPICAV and its controlled subsidiaries, in proportion to their holding.

N.B. The fees are expressed inclusive of taxes when the VAT is non-recoverable.

FINANCIAL DEBT

AIFM leverage	Gross method	Commitment method
	102%	114%

As at 31 December 2021, the LTV (Loan to Value) ratio on property assets was 18.3%, i.e. a change of 2,0 points compared to the last semester. This increase in the debt ratio is due to the use of the fund's short-term credit line.

SUMMARY

	31/12/2020	30/06/2021	31/12/2021
Net asset value (€)	2,275,086,299	2,433,272,261	2,544,126,427
Number of shares	18,449,723.01	19,600,214.25	20,243,004.89
<i>Net asset value per share (€)</i>	<i>123.31</i>	<i>124.14</i>	<i>125.67</i>
Subscription fee payable to the fund	2.95%	2.95%	2.95%
Dividends paid since 1 January (€/share)	1.75	1.75	1.75

BNP Paribas Diversipierre

SPPICAV authorised under the number SPI20130020 on 26 July 2013

Registered office: 167, quai de la Bataille de Stalingrad – 92867 Issy-les-Moulineaux Cedex – France

BNP Paribas Real Estate Investment Management France (BNP Paribas REIM France)

French SA (société anonyme) with capital of €4,309,200

Registered office: 167, quai de la Bataille de Stalingrad – 92867 Issy-les-Moulineaux Cedex – France

Nanterre Trade & Companies Register (R.C.S) no. 300 794 278

Asset management company authorised by the AMF under no. GP07000031 on 1 July 2007 and 15 April 2014 under the AIFM Directive



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REAL ESTATE

Real Estate for a changing world