

Luxembourg, your privileged partner

Cannes, March 17, 2010

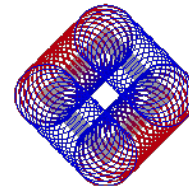
ELVINGER, HOSS & PRUSSEN
A V O C A T S À L A C O U R

FIDEOS
CORPORATE SERVICES
LUXEMBOURG

LOYENS & LOEFF

AVOCATS À LA COUR

KPMG



united trust

LuxembourgforFinance
Relying on Expertise, Building on Innovation

MIPIM March 17, 2010

REAL ESTATE INVESTMENT VEHICLES

- Fernand Grulms
Luxembourg for Finance
- Keith O'Donnell
Atoz Tax Advisers Luxembourg
- Patrick Reuter
Elvinger, Hoss & Prussen
- Birgit Höfer
KPMG Tax

AGENDA OF PANEL DISCUSSION

- Introduction to Luxembourg RE fund market

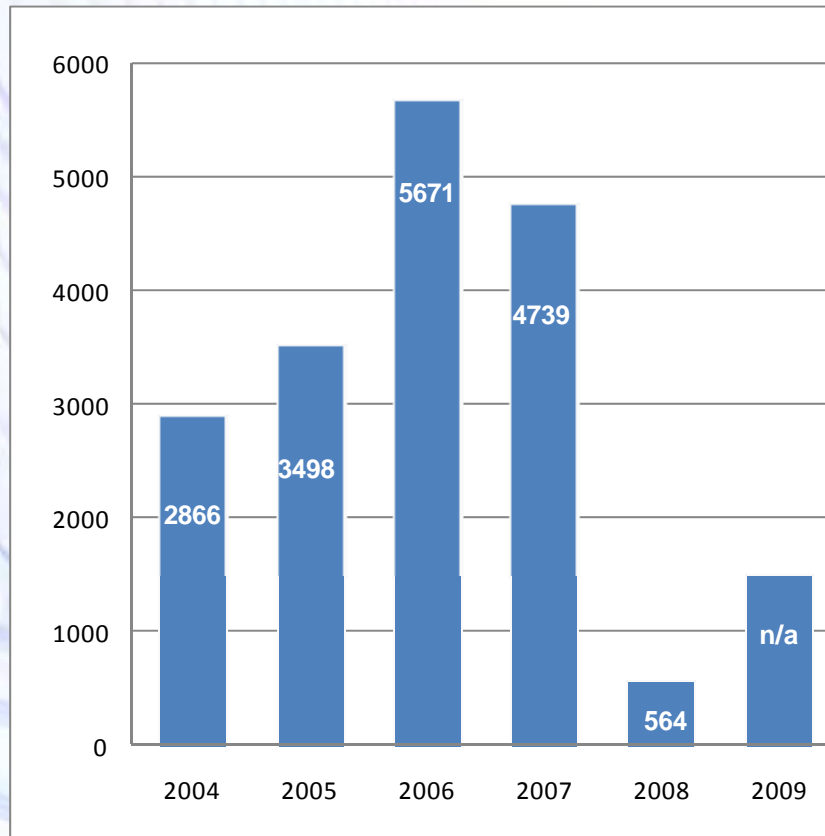
- The investor perspective
 - Types of vehicles
 - Case study: quoted fund
 - Case study: open-ended funds

- The asset perspective
 - Case study: distressed funds

The Luxembourg financial centre in 2009

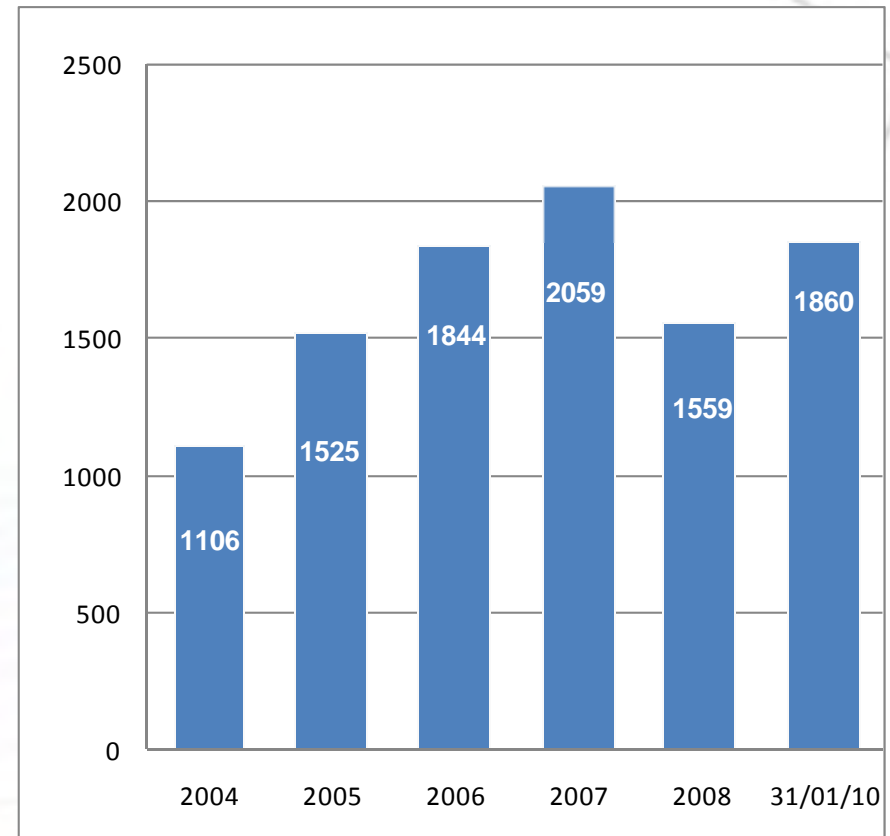
Net results of Luxembourg banks

MIO EUR



Assets under management in investment funds

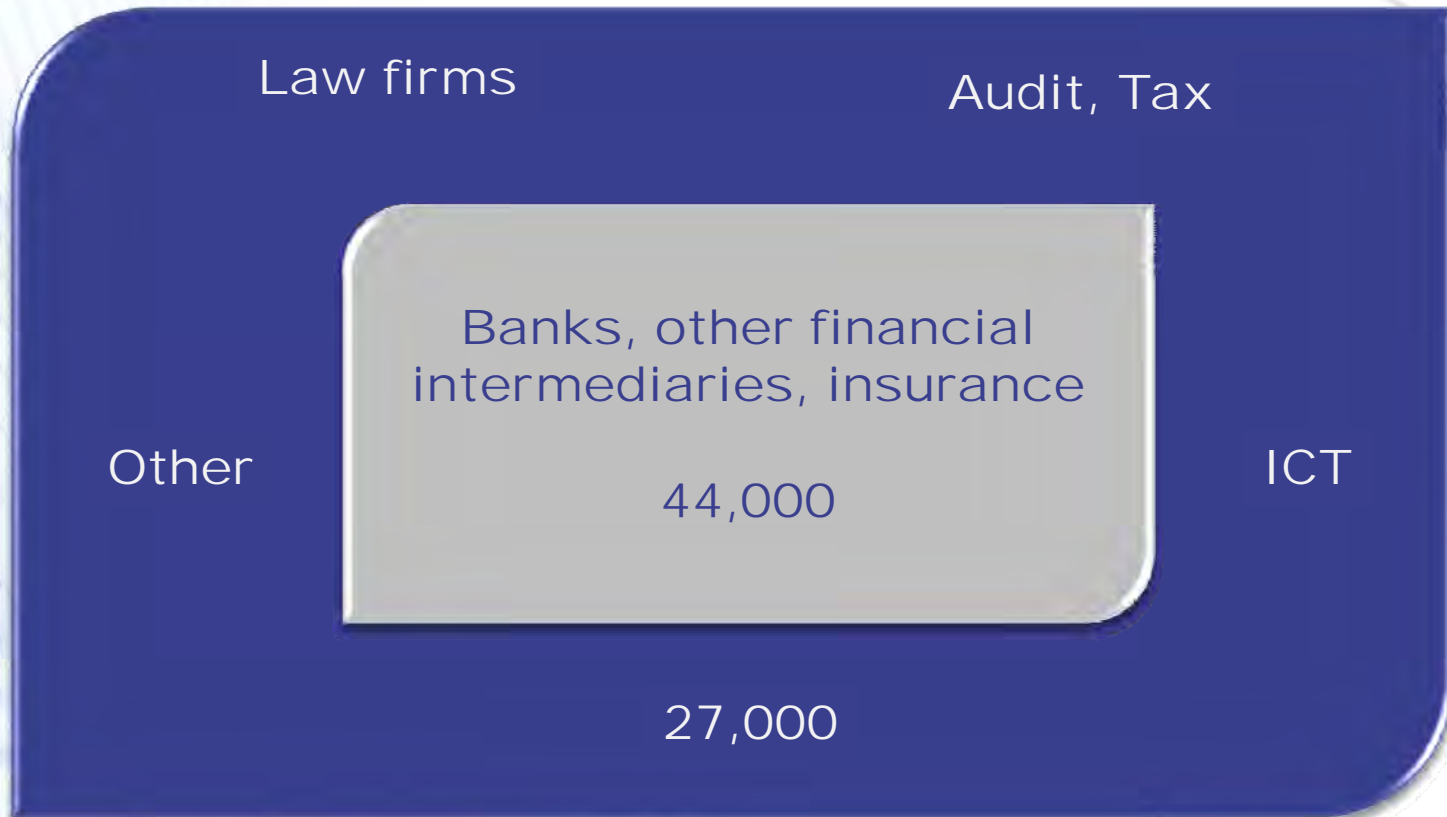
BN EUR



The financial centre today

- **150 Banks**
- **289 other professional intermediaries (asset managers, brokers, transfer agents...)**
- **3,480 Investment funds**
- **192 asset management companies for collective investments**
- **53 Life insurance companies**
- **40 P&C insurance companies**
- **261 reinsurance captives**
- **1 direct reinsurer (Swiss Re for EU business)**

Introduction: Financial services made in Luxembourg



Source: CODEPLAFI, 2007

Introduction: Main areas of competence

- **Investment funds**
- **Private banking & wealth management**
- **Insurance & reinsurance**
- **Corporate finance**
- **Pension funds**
- **Securitisation vehicles**
- **Venture capital & private equity vehicles**
- **Real estate structures**

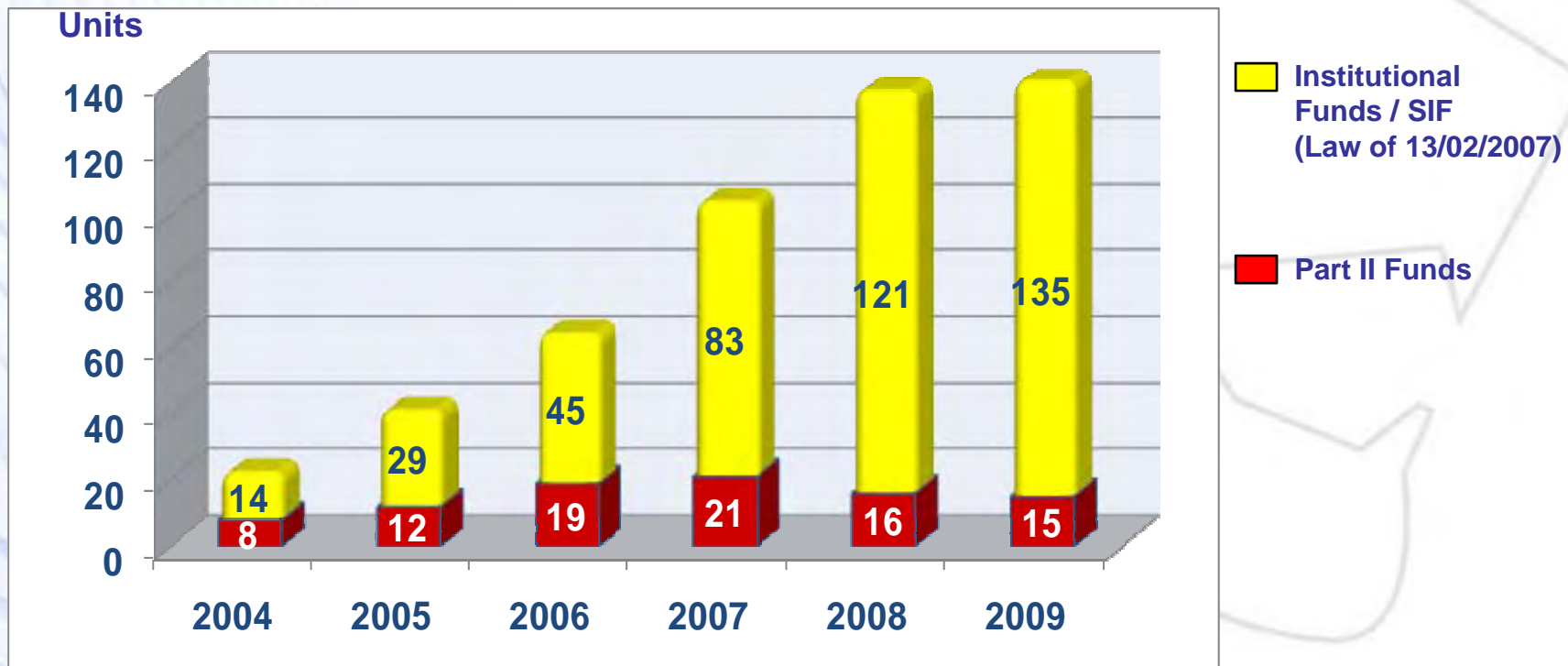
Market overview

Real estate promoters in Luxembourg



Market overview: Real estate funds in Luxembourg: number

Growth in the number of Luxembourg real estate fund units (*)

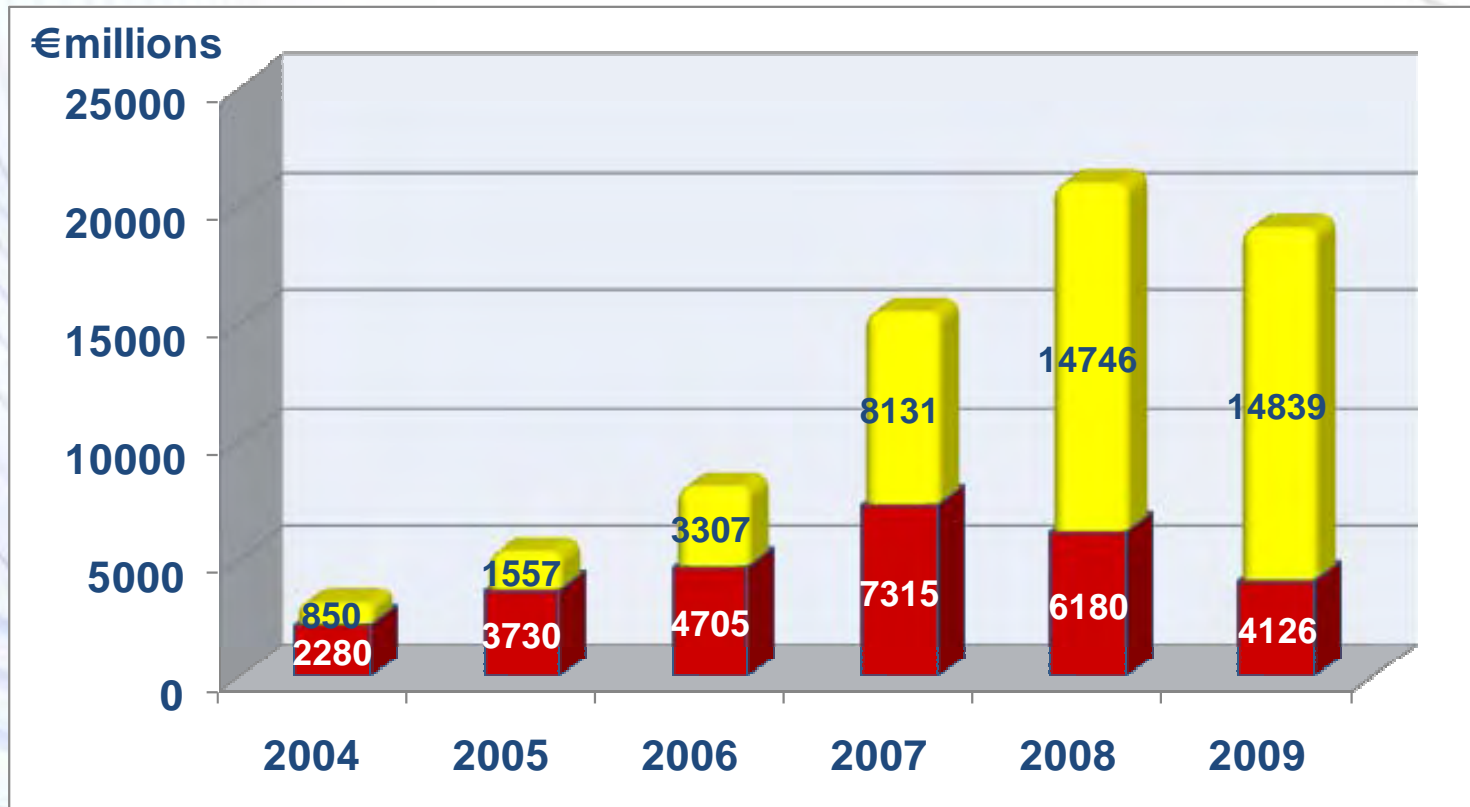


(*) The number of single funds plus the sub-funds of umbrella funds

Sources: ALFI / CSSF as at 31/12/2009

Market overview: Real estate funds in Luxembourg: assets

Net assets under management in Luxembourg real estate funds

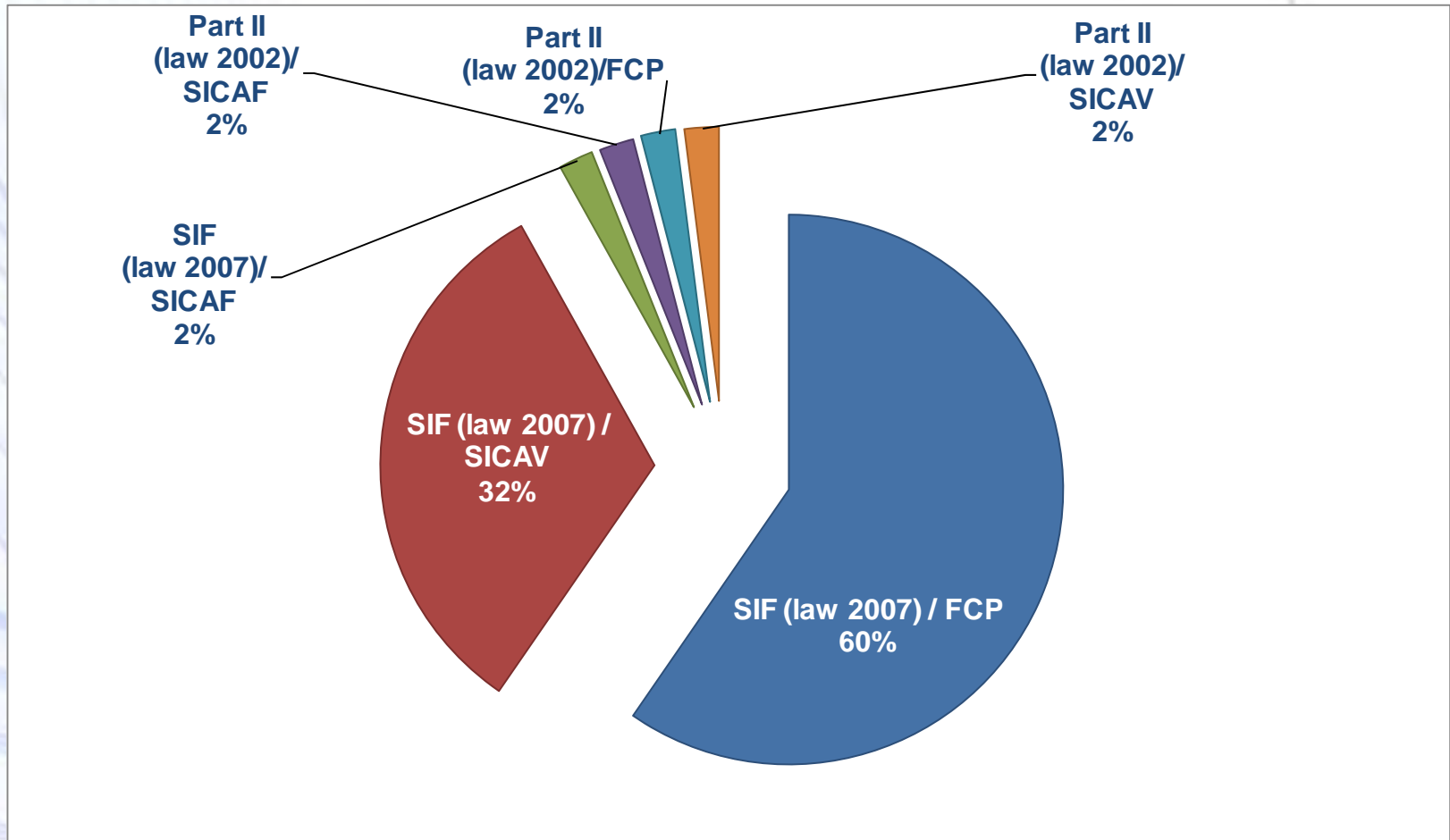


■ Institutional Funds / SIF (Law of 13/02/2007)

■ Part II Funds

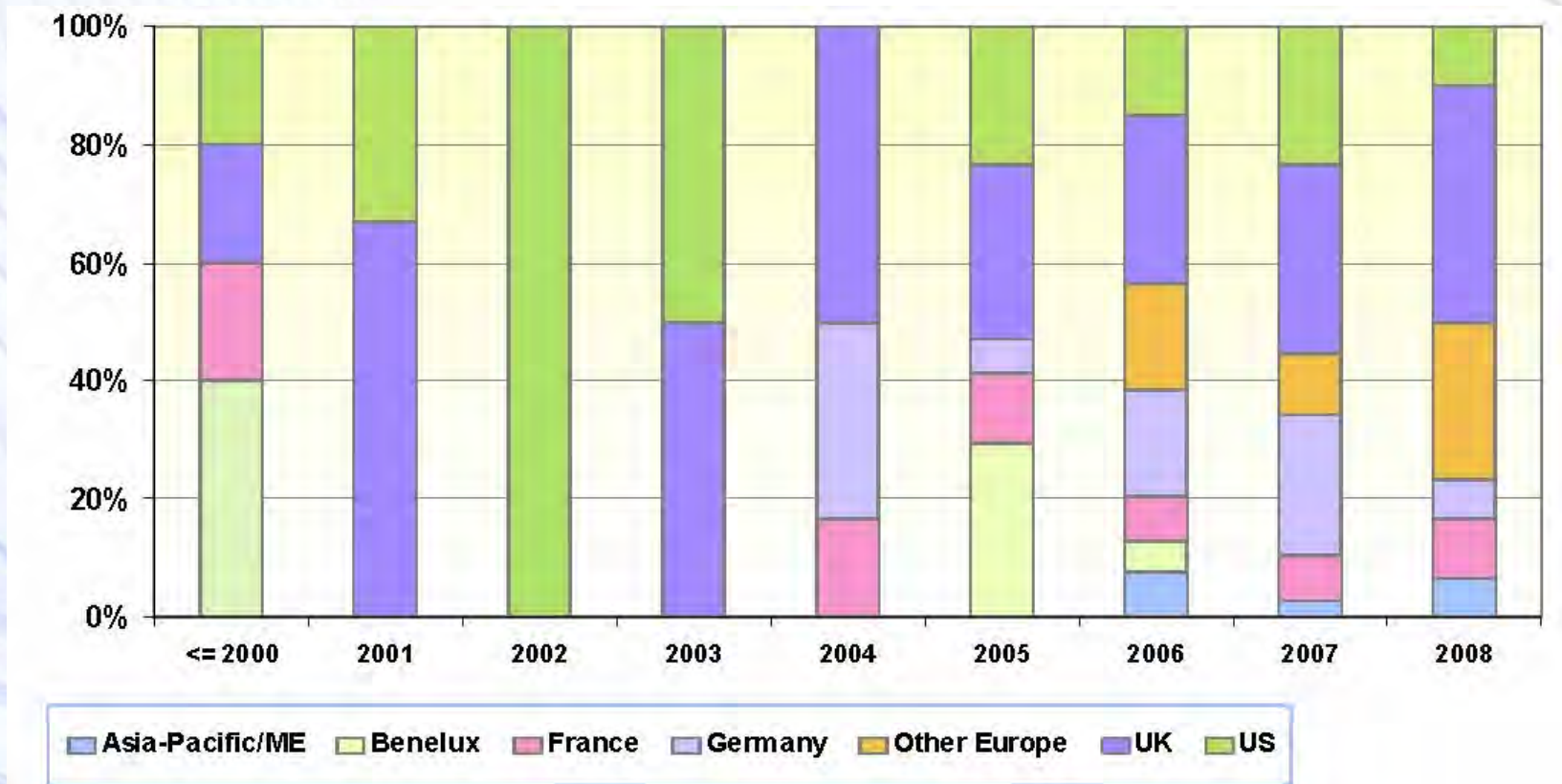
Sources: ALFI / CSSF as at 31/12/2009

Market overview: Real estate funds in Luxembourg



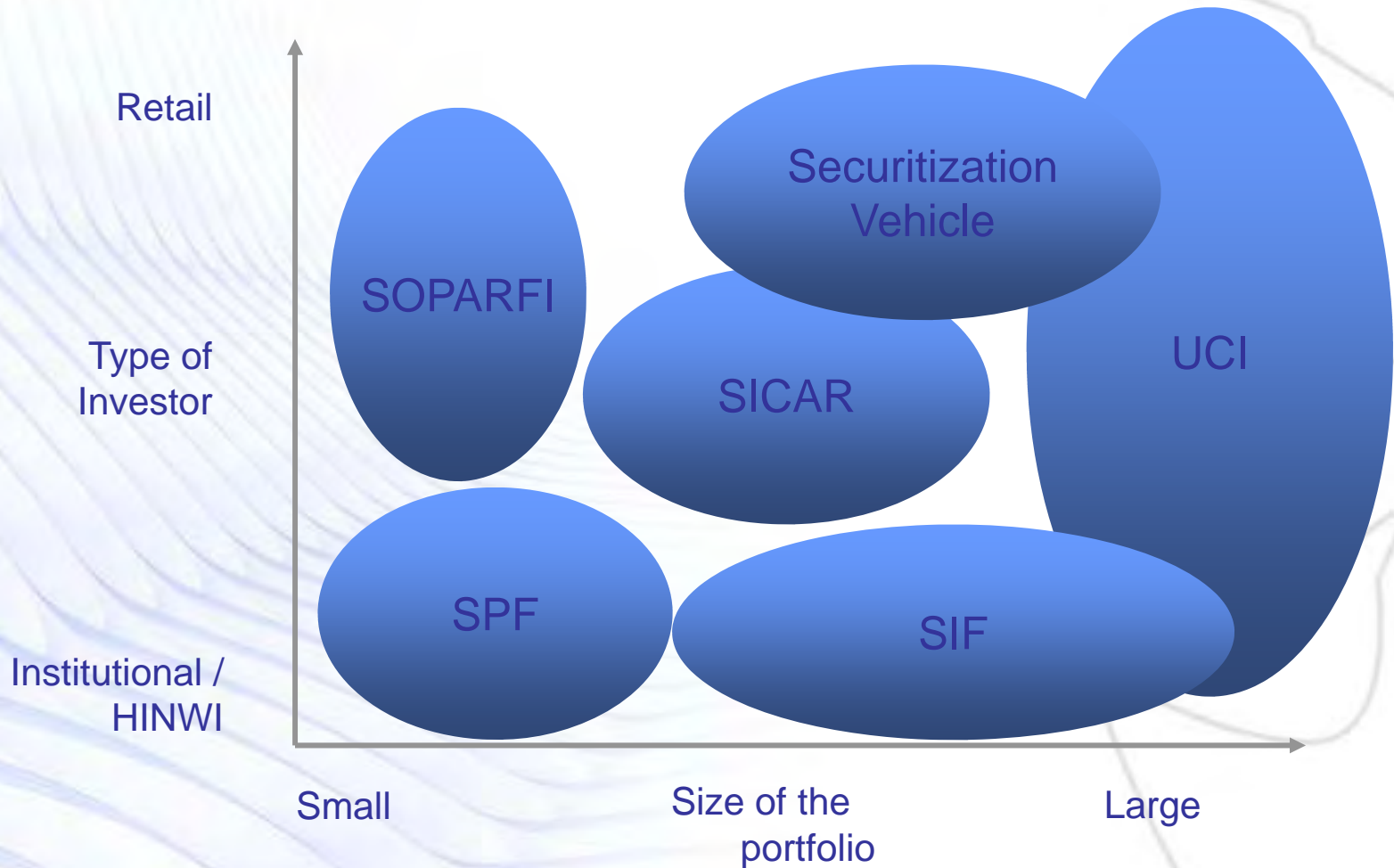
Market overview: Real estate funds in Luxembourg

Proportion of REIFs launched by initiator origins (*)

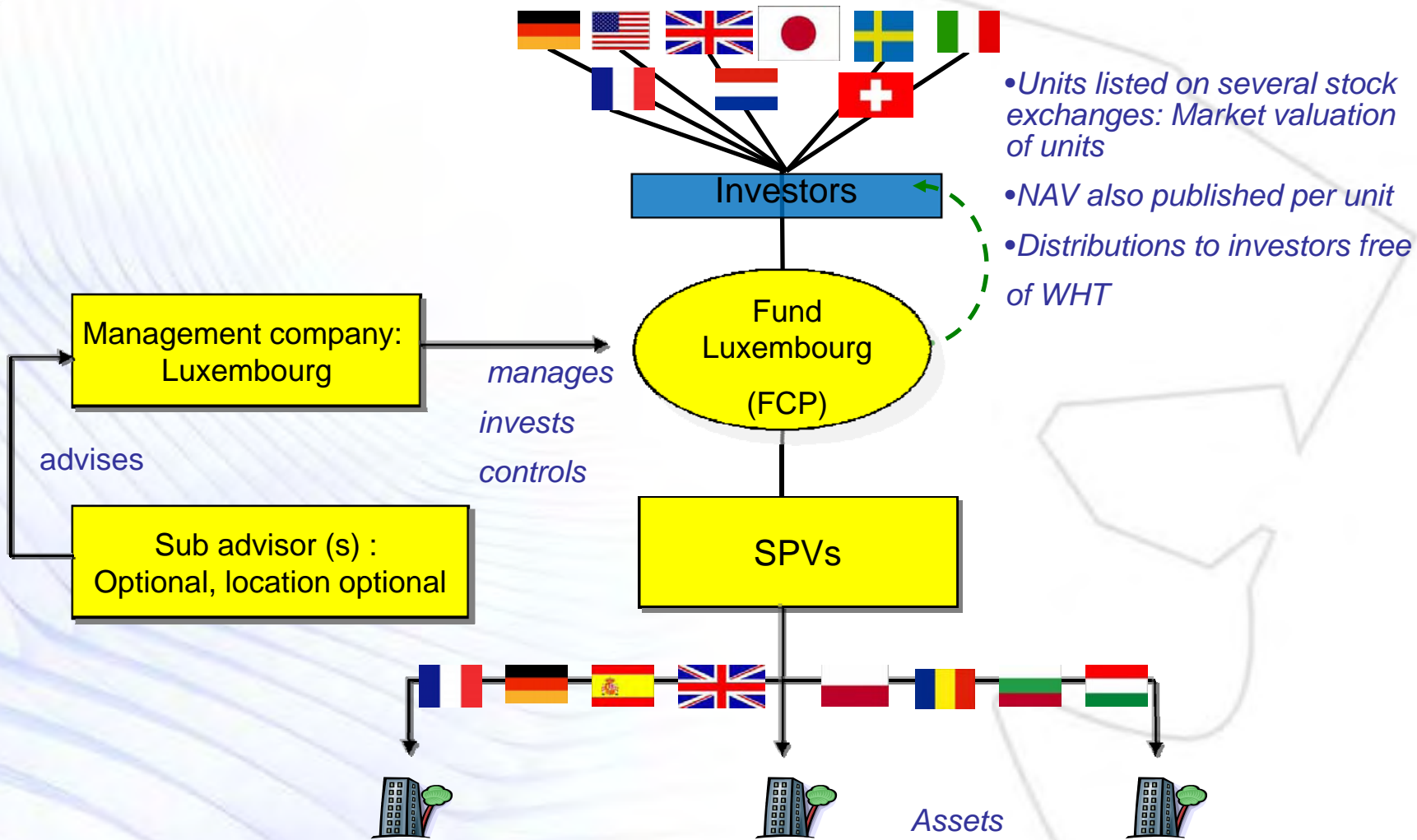


Source: ALFI Survey 09

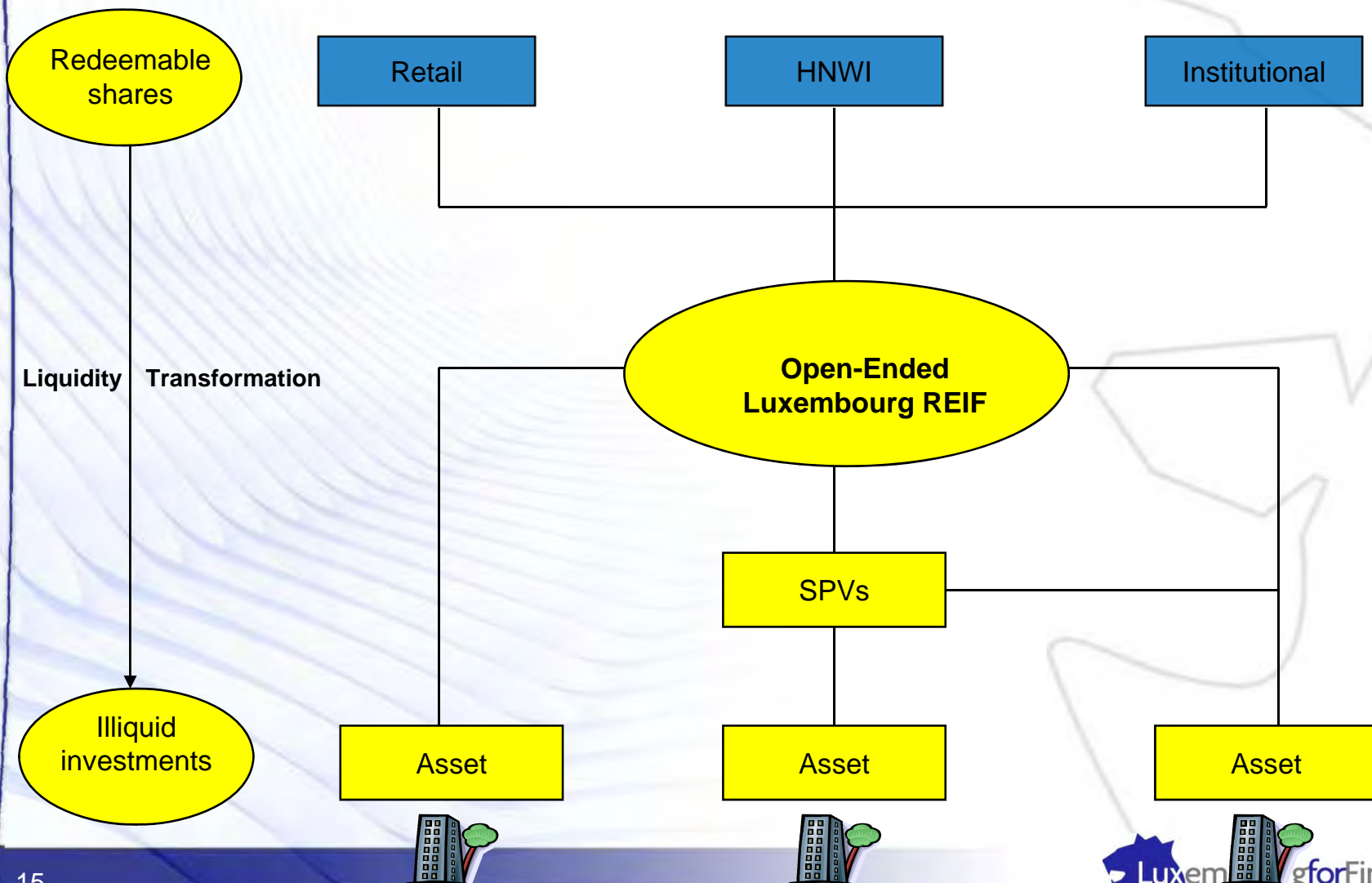
INVESTOR PERSPECTIVE: Choosing the right investment vehicle



INVESTOR PERSPECTIVE: Listed Luxembourg RE Fund

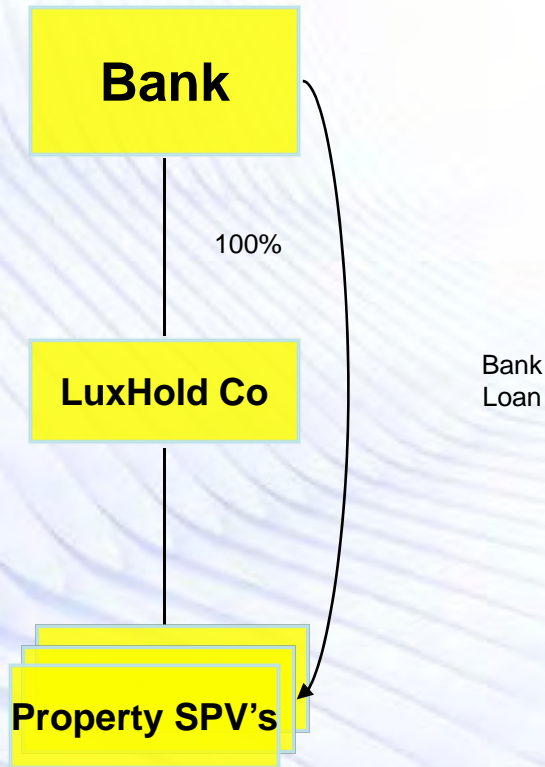


INVESTOR PERSPECTIVE: Open-Ended Real Estate Funds

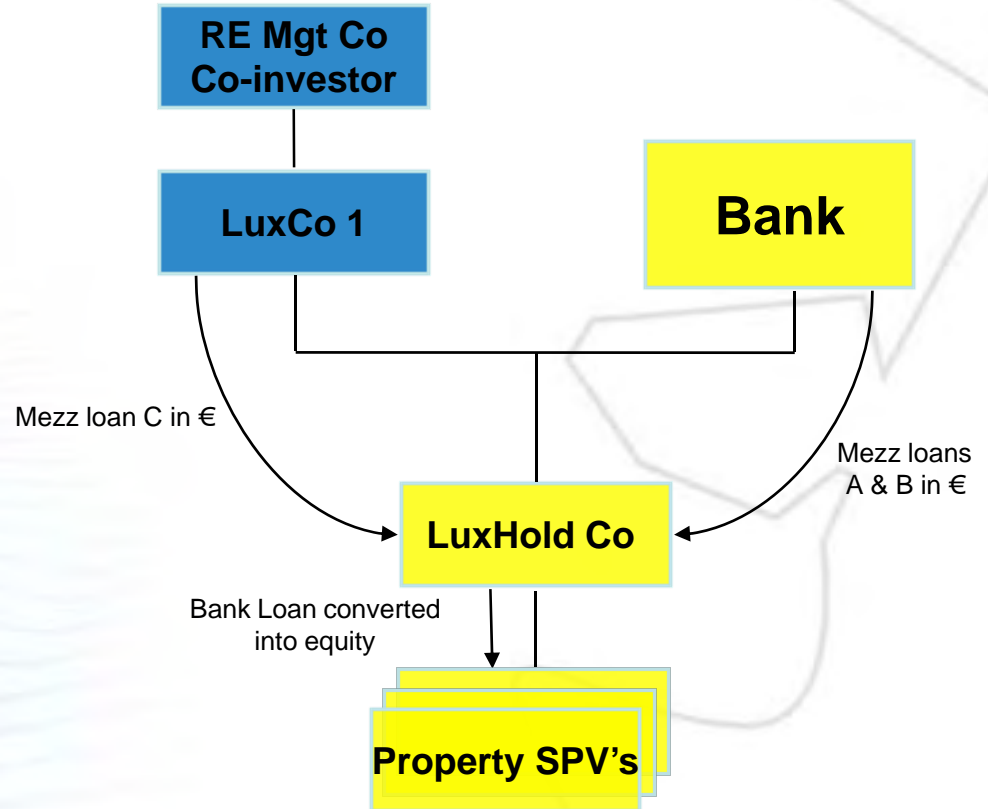


Distressed real estate structure

Initial structure



Structure after the deal



Q & A

- Fernand Grulms – Luxembourg for Finance
- Keith O'Donnell – Atoz Tax Advisers Luxembourg
- Patrick Reuter– Elvinger, Hoss & Prussen
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