AIFMD ANNUAL REPORT

2023 Annual Report for the purposes of Article 22 AIFMD by

Blackstone Europe Fund Management S.à r.l.

in respect of

Blackstone European Property Income Fund SICAV

June 2024

DEFINITIONS

1. This section of the AIFMD Annual Report sets out the meaning of certain defined terms used in this AIFMD Annual Report and makes provisions regarding the interpretation of certain references in the AIFMD Annual Report.

2. In this AIFMD Annual Report, the following capitalized terms shall have the following meanings, unless the context otherwise requires:

   (A) "AIF" means an alternative investment fund for the purposes of and as defined in the AIFMD.

   (B) "AIFM" means Blackstone Europe Fund Management S.à r.l., having its registered office at 2-4 rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.

   (C) "AIFM Remuneration Policy" has the meaning set forth in Annex 4 hereto.

   (D) "AIFM Senior Management" has the meaning set forth in Annex 4 hereto.

   (E) "AIFMD" means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as amended, as it has been implemented in the UK pursuant to the UK AIFM Regulations and in the member states of the EEA where the Fund has been registered for marketing, as applicable.

   (F) "AIFMD Annual Report" means this AIFMD Annual Report.

   (G) "Articles" means the articles of incorporation of the Fund, as amended, supplemented or restated from time to time.

   (H) "Blackstone" means Blackstone Inc. and, where applicable, its affiliates.

   (I) "Blackstone Compensation Process" has the meaning set forth in Annex 4 hereto.

   (J) "Blackstone Senior Management" has the meaning set forth in Annex 4 hereto.

   (K) "Board" has the meaning set forth in Annex 4 hereto.

   (L) "Control Functions" has the meaning set forth in Annex 4 hereto.

   (M) "CSSF" has the meaning set forth in "Disclosure Obligation" herein.

   (N) "CSSF Circular 91/75" means Circular IML 91/75 (as amended by Circulars CSSF 05/177, CSSF 18/697 and CSSF 22/811) relating to the revision and remodeling of the rules to which Luxembourg undertakings governed by the Law of 30 March 1988 on UCI are subject.

   (O) "EEA" means the European Economic Area.

   (P) "ESG" means environmental, social and governance.

   (Q) "ESMA" means the European Securities and Markets Authority.

   (R) "ESMA Guidelines" has the meaning set forth in Annex 4 hereto.

   (S) "EU" means the European Union.

(T) "EU Taxonomy" means Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment.

(U) "Financial Statements" has the meaning set forth in Annex 1 hereto.

(V) "Fund" means Blackstone European Property Income Fund SICAV, a Luxembourg undertaking for collective investment subject to part II of the UCI Law, as amended, incorporated under the form of an investment company with variable capital (*société anonyme*)**,** having its registered office at 11-13 Boulevard de la Foire, L-1528 Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés, Luxembourg*). under registration number B255958.

(W) "ICs" has the meaning set forth in Annex 4 hereto.

(X) "Investment Manager" means Blackstone Property Advisors L.P., having its principal place of business at 345 Park Avenue, New York, NY 10154, United States of America.

(Y) "Investment Manager Senior Management" has the meaning set forth in Annex 4 hereto.

(Z) "Management Report" means the report prepared by the board of directors of the Fund covering the activities of the Fund for the Reporting Period ending 31 December 2023, as appended in Appendix 2.

(AA) "Policies" has the meaning set forth in Annex 4 hereto.

(BB) "Prospectus" means the confidential prospectus of the Fund dated May 2022, as it may be amended, restated or supplemented from time to time.

(CC) "Regulation" means Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012.

(DD) "Reporting Period" means from start of the reporting period 1 January 2023 through 31 December 2023.

(EE) "SFDR" means Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector.

(FF) "SFT Regulation" means Regulation (EU) 2015/2365 on transparency of securities financing transactions and reuse amending Regulation (EU) No 648/2012.

(GG) "SICAV Balance Sheet" means the balance sheet of the Fund for the Reporting Period, as appended in Appendix 2.

(HH) "SIG" has the meaning set forth in Annex 4 hereto.

(II) "SMDs" means Senior Managing Directors.

(JJ) "UCI" means undertakings for collective investment.

(KK) "UCI Law" means the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended.

(LL) "UK" means the United Kingdom of Great Britain and Northern Ireland.

(MM) "UK AIFM Regulations" means the Alternative Investments Fund Managers Regulations 2013, as amended (including by The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019).

IMPORTANT NOTICES TO RECIPIENTS

3. This AIFMD Annual Report is being provided to investors of the Fund and regulatory bodies, as necessary, solely for the purpose of providing disclosures in connection with the requirements of the AIFMD, the UCI Law and the CSSF Circular 91/75. By accepting this AIFMD Annual Report, you expressly acknowledge that the accounting and certain other information contained in this AIFMD Annual Report is as of 31 December 2023 unless otherwise indicated and that more recent information, including performance data, is available and has been provided by the AIFM to the investors of the Fund and that other material changes with respect to the Fund and its investments may not be reflected in this AIFMD Annual Report. The delivery of this AIFMD Annual Report does not under any circumstances create an assumption that the information presented herein is correct as of any time subsequent to 31 December 2023. This AIFMD Annual Report is not, and may not be relied upon in any manner as, legal, tax, financial or investment advice or as an offer to sell or a solicitation of an offer to buy any security, product or service or to provide investment advice. This AIFMD Annual Report does not purport to contain all of the information that may be required to evaluate an investment in the Fund and each recipient is urged to consult its tax, legal, financial, accounting and other advisors about the matters discussed herein. Any investment performance information contained in this AIFMD Annual Report is presented for informational purposes only and is not indicative of future results. Due to various risks and uncertainties, actual events or results and the actual performance of the Fund may differ materially from those reflected or contemplated herein. It should not be assumed that the specific investments identified and discussed herein were or will be profitable or that any investments made in the future will equal the performance of the investments identified herein. No guarantee of investment performance is being provided and no inference to the contrary should be made. There can be no assurance that the Fund will be able to obtain comparable returns, be able to implement its investment strategy, achieve its investment objective or avoid substantial losses.

DISCLOSURE OBLIGATION

4. The AIFM is the alternative investment fund manager of the Fund for the purposes of the AIFMD. The AIFM is required to make this AIFMD Annual Report available to investors in the Fund upon request no later than six (6) months following the end of the Fund's Reporting Period. The AIFM is also required to make this AIFMD Annual Report available to the Luxembourg financial services regulator, the *Commission de Surveillance du Secteur Financier* ("CSSF").

SUBSTANCE OF DISCLOSURES REQUIREMENTS

5. In the interests of providing "materially relevant, reliable, comparable and clear information," the AIFM has in certain instances addressed the substance of the relevant disclosure requirement based on its own procedures and policies, where applicable.

INTERPRETATION

6. References to statutory provisions, regulations, notices or the AIFMD includes those provisions, regulations, notices or the AIFMD as amended, extended, consolidated, substituted, re-issued or re-enacted from time to time.

7. Unless the context otherwise requires and except as varied or otherwise specified in this AIFMD Annual Report, words and expressions contained in this AIFMD Annual Report shall bear the same meaning as in the Prospectus and/or the Articles, as the context requires; *provided that*, if there is any conflict between words defined in this AIFMD Annual Report and the Prospectus and/or the Articles, this AIFMD Annual Report shall prevail.

AIFMD ANNUAL REPORT

The following information has been included in this AIFMD Annual Report in order to comply with the obligations set out in the AIFMD and the Regulation.

AIFMD Reference	Information Requirement	Required Disclosure
Article 22.2 (a)	**Balance sheet or statement of assets and liabilities for the Reporting Period**	Please see Annex 1 for disclosure of the balance sheet / statement of assets and liabilities of the Fund.
Article 22.2 (b)	**Income and expenditure account for the Reporting Period**	Please see Annex 1 for disclosure of the Fund's income and expenditure account.
Article 22.2 (c)	**Report on activities for the Reporting Period**	Please see Annex 2 setting out the report on the activities for the Fund.
Article 22.2(d)	**Any material changes in the information listed in Article 23 AIFMD during the Reporting Period**	Please see Annex 3 for disclosure on the material changes in the information provided to investors pursuant to Article 23 AIFMD.
Article 22.2(e)	**The total amount of remuneration for the Reporting Period split into fixed and variable remuneration, paid by the AIFM to its staff and number of beneficiaries and, where relevant, carried interest paid by the AIF**	Please see Annex 4 for the remuneration disclosures.
Article 22.2(f)	**The aggregate amount of remuneration broken down by senior management and members of staff of the AIFM and Investment Manager whose actions have a material impact on the risk profile of the AIF**	Please see Annex 4 for the remuneration disclosures.
Article 29	**Specific provisions regarding the annual report of non-listed companies established in the EEA and the UK of which the Fund has acquired control during the Reporting Period**	Please see Annex 5 for the Article 29 AIFMD disclosures.
N/A	**The involvement in and exposures related to securities lending**	Please see Annex 6 for the disclosures required by the SFT Regulation.
N/A	**Sustainable Finance Disclosures of the Fund for the Reporting Period**	Please see Annex 7 for the disclosures required by SFDR and the EU Taxonomy.
N/A	**UCI Law and CSSF Circular 91/75 requirements**	Please see the SICAV Balance Sheet appended as Appendix 2 for the disclosures required pursuant to the UCI Law and the CSSF Circular 91/75.

ANNEX 1

AIF AUDITED FINANCIAL STATEMENTS FOR THE REPORTING PERIOD

1. Please see Appendix 1 for the Fund's audited consolidated and standalone financial statements and Independent Auditors' Report for the Reporting Period, as appended in Appendix 1 (the "Financial Statements").

2. Please see page 20 of the Fund's Financial Statements for a consolidated balance sheet / statement of assets and liabilities of the Fund as at the end of the Reporting Period.

3. Please see page 21 of the Fund's Financial Statements for the consolidated income and expenditure for the Reporting Period.

Realized/Unrealized Gains/Losses

4. Please see Note 4b.I, on page 42 of the Fund's Financial Statements for realized gains, realized losses, unrealized gains and unrealized losses for the Fund for the Reporting Period.

ANNEX 2

REPORT ON THE ACTIVITIES OF THE REPORTING PERIOD

Activities of the Reporting Period

1. This section of the AIFMD Annual Report sets out a report on the activities of the Fund for the Reporting Period. This report is prepared as at the end of the Reporting Period.

Investment Activities

2. Please see page 6 of the Fund's Financial Statements for a list of the Fund's investment activities as at the end of the Reporting Period.

Portfolio

3. Please see page 24 of the Fund's Financial Statements for a list of the Fund's portfolio investments as at the end of the Reporting Period.

Performance

4. Please see page 4 of the Fund's Financial Statements for the Fund's performance as at the end of the Reporting Period.

Principal Risks and Uncertainties

5. The purchase of units in the Fund entails a high degree of risk that is suitable for sophisticated investors for whom an investment in the Fund does not represent a complete investment programme, and who also fully understand the Fund's strategy, characteristics and risks, including the use of borrowings to leverage Investments, and are capable of bearing the risk of an investment in the Fund.

6. In addition to the risks and conflicts of interest detailed in Section XVII "*Risk Factors, Potential Conflicts of Interest and Other Considerations*" of the Prospectus, please also refer to Section VIII "*Principal Risks, Uncertainties and Conflicts of Interests*" of the Management Report setting notable risks for the Fund.

ANNEX 3

MATERIAL CHANGES TO ARTICLE 23 OF THE AIFMD DISCLOSURES

Material Changes

Please note that no further material changes have been made to the information disclosed to investors in the Prospectus pursuant to Article 23 AIFMD for the Reporting Period other than those already disclosed in this AIFMD Annual Report.

ANNEX 4

REMUNERATION DISCLOSURE

Preamble

The AIFM is an affiliate of Blackstone. It has delegated the portfolio management of the Fund to the Investment Manager.

Procedures and practices

For the AIFM

1. The AIFM has established a remuneration policy and procedures (the "AIFM Remuneration Policy") in line with the AIFMD and the ESMA Guidelines on sound remuneration policies under the AIFMD (ESMA/2013/232) ("ESMA Guidelines"). The AIFM Remuneration Policy reflects the AIFM's approach to remuneration and is designed to seek to ensure that compensation arrangements:

   - retain and motivate employees;
   - align employee interests with those of investors in the funds;
   - are consistent with and promote sound and effective risk management;
   - do not encourage inappropriate risk taking or risk taking that exceeds the level of risk tolerated by the AIFM;
   - include measures to mitigate conflicts of interest through ensuring a strong information exchange during the Blackstone Compensation Process (as defined below) and among the board of managers of the AIFM (the "Board") and other key control and support functions, and safeguarding the independence of the Control Functions (as defined below), and
   - are in line with the AIFM's business strategy, objectives, values and long-term interests, as well as the funds'.

   The underlying principles of the AIFM Remuneration Policy are:

   - all remuneration can be divided into fixed remuneration (payments or benefits without consideration of any performance criteria) specified in the employment contract and variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria);
   - the fixed and variable components of total remuneration are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration, including the possibility to pay no variable remuneration, and
   - variable performance-driven compensation must be closely aligned with the principles of the AIFM as defined below, supportive of the AIFM's strategy and must not incentivize inappropriate risk taking.

2. Blackstone's remuneration decision-making process is operated through Strategic Incentives Group ("SIG"), senior management and relevant Blackstone heads (the "Blackstone Compensation Process") and provides oversight of the design and operation of Blackstone's remuneration processes. The Blackstone Compensation Process also ensures that remuneration decisions are

consistently taken across Blackstone, with consideration of the overall risk profile and appetite of Blackstone. The Board is responsible for adopting the AIFM Remuneration Policy and providing oversight of the implementation of the AIFM Remuneration Policy with the support of the risk management, compliance, finance and internal audit functions (together the "Control Functions") and the remuneration committee of the AIFM. The Board, with input from the Control Functions and the remuneration committee, reviews the AIFM Remuneration Policy and remuneration practices at least annually in order to satisfy itself that they (i) comply with applicable EU and Luxembourg remuneration rules and guidance, (ii) are in line with the AIFM's business strategy, objectives, values and interests, (iii) are consistent with and promote sound and effective risk management, and do not encourage excessive risk taking compared to the investment policy of the funds under management, (iv) enable the AIFM to align the interests of the funds and their investors with those of the identified staff (as listed in section 7 below) that manage such funds, and to achieve and maintain a sound financial situation and (v) are consistent with the integration of sustainability risks in accordance with Article 5 of SFDR, where relevant for the particular individual. The internal audit annually reviews the implementation of the AIFM Remuneration Policy and reports its findings to the Board. The Board approves any changes to the AIFM Remuneration Policy, taking input from the Control Functions and the remuneration committee. In particular, the Board liaises with the Control Functions on the design, oversight, implementation and review of the AIFM Remuneration Policy and remuneration practices, and requests their input before making any decisions as appropriate.

3. In particular, the variable component of remuneration for the AIFM's identified staff is discretionary and dependent on the performance of the individual, the individual's business unit, the funds, the overall results of the AIFM, as well as of Blackstone. Variable remuneration is awarded based on performance against a number of financial and non-financial metrics (e.g. net profit of the AIFM, AIFM capital adequacy, significant financial loss impacting the AIFM risk profile occurred at the AIFM and/or Fund level, external and internal audit findings raised during the Reporting Period and that where not remediated within 12 months, conduct of the identified staff, significant breaches of the AIFM and Blackstone's policies and procedures and non-completion of mandatory AIFM and Blackstone trainings), in each case taking appropriate consideration of regulatory guidance bearing in mind the functions of the relevant staff member, performance in excess of that required to fulfil the staff member's job description as part of the terms of employment and the impact of the actions of that employee on the risk profile of the AIFM and relevant fund(s).

4. Performance is assessed over a full year and certain bonus schemes include the concept of deferral. Therefore, the assessment of performance is set in a multi-year framework based on a longer-term performance and the payment of performance-based components of remuneration is spread over a suitable period. Staff at higher total compensation levels are generally targeted to receive a greater percentage of their total compensation as variable compensation, payable in annual cash bonuses, participation in carried interest (if applicable) and deferred equity. The Board believes that as a staff member's level of responsibility rises, the proportion of compensation that is "at risk" should increase.

5. On the basis of the proportionality principle, the AIFM has decided:

- to disapply at individual level the following requirements on the pay-out process for identified staff whose variable remuneration attributable to such roles does not exceed EUR 100,000 (as an exemption to the aforementioned threshold, and in order to enter a level playing field with local-based asset managers, the *de minimis* threshold applicable for identified staff at the branches of the AIFM shall be EUR 200,000): (i) variable remuneration in instruments, (ii) retention, (iii) deferral and (iv) ex-post incorporation of risk for variable remuneration. Notwithstanding, the AIFM may apply any of the previous requirements on a voluntary basis regardless of the amount of variable remuneration received by any of its staff, and

- to establish, on a voluntary basis, a remuneration committee that is not required to comply with the relevant provisions of the ESMA guidelines on sound remuneration policies (ESMA/2013/232) ("ESMA Guidelines"). The remuneration committee is composed of three Board members, out of which two are independent non-executive managers. The remuneration committee is notably responsible for reviewing annual remuneration proposals for the identified staff in accordance with the AIFM Remuneration Policy.

6. AIFM staff includes all members of the Board, conducting officers and employees. AIFM staff may include staff also acting as employees of other Blackstone entities. For the avoidance of doubt, the remuneration mentioned herein does not include the remuneration paid to the AIFM staff by other entities of Blackstone for tasks not directly linked to their duties for the AIFM.

7. The following individuals have been classified as identified staff of the AIFM for the Reporting Period (due to the nature of their functions) in accordance with the criteria set forth in the ESMA Guidelines:

- executive and non-executive members of the Board;

- members of the management committee (the "AIFM Senior Management");

- branch managers, and

- control functions.

8. The disclosure below reflects the proportion of the total remuneration of the staff of the AIFM attributable to the Fund only. For this purpose, the total remuneration attributable to the activities of the AIFM has been allocated in proportion to the time spent on each applicable fund, hence the figures included below are an approximation only. For the avoidance of doubt, it does not include the remuneration paid to certain identified staff of the AIFM by other entities of Blackstone for tasks not directly linked to their duties for the AIFM. While the AIFM believes that the information and the sources used are reliable for the purposes of this AIFMD Annual Report, it should be specifically noted that the remuneration information presented herein is subject to the Important Notices to Recipients set out above.

For the Investment Manager

9. The Investment Manager is not subject to the requirements in the AIFMD that would require it, among other things, to implement and apply a remuneration policy that is compliant with Article 13 of the AIFMD (including Annex II) or the ESMA Guidelines. The description below of remuneration attributable to the Fund during the Reporting Period is therefore not representative of information compiled by the Investment Manager for its own internal management purposes, has not been audited, and has not been prepared on the basis of a set of compensation policies and procedures that would be required were the Investment Manager otherwise subject to Article 13 of the AIFMD.

10. The Investment Manager is subject to the remuneration policies and practices (the "Policies") of Blackstone. The staff included in the aggregate figures disclosed below are rewarded in line with the Policies.

11. Blackstone uses financial measures as a basis for compensation decisions across its businesses. Relevant senior management of Blackstone (the "Blackstone Senior Management") make operating decisions and assess the performance of each of Blackstone's business segments based on financial and operating metrics. Such Blackstone Senior Management would include the global heads of the businesses as well as the Chief Executive Officer and the Chief Operating Officer of Blackstone. The

Blackstone Senior Management ensure that compensation decisions are consistently taken across Blackstone, with consideration for the overall risk profile and appetite of Blackstone.

12. The Policies reflect Blackstone's ethos of good governance and encapsulate the following principal objectives:

- remuneration is comprised of fixed and variable elements, as described below, with a level of total reward that is competitive within Blackstone's peers, and

- variable performance-driven compensation must be closely aligned with the principles of Blackstone, supportive of Blackstone's strategy and must not incentivize inappropriate risk taking.

13. The Policies apply to staff globally. While Blackstone Senior Management is involved in determining and implementing the Policies, no individual is involved in setting his or her own remuneration.

14. The Investment Manager classifies as the senior management of the Investment Manager (the "Investment Manager Senior Management"):

- the Direct Owners and Executive Officers who appear on Part 1 of Schedule A of the Investment Manager's Form ADV;

- SMDs and risk related C-suite roles (*i.e.*, Chief Investment Officer, Chief Financial Officer, General Counsel and Chief Operating Officer of business unit), and

- the Chief Compliance Officer.

The Investment Manager classifies as other risk takers:

- members of investment committees ("ICs") who are not SMDs (if any);

- heads of Institutional Client Solutions Group at Blackstone, and

- professionals (other than SMDs or IC members) with independent investment approval authority (*i.e.*, which is not subject to prior approval of an SMD or IC/IC member).

15. Blackstone assesses various risk factors which it is exposed to when considering and implementing remuneration for staff and considers whether any potential award would give rise to a conflict of interest.

16. Mechanisms are in place to ensure that remuneration does not reward failure, whether on the early termination of a contract or otherwise. Where awards of carried interest and incentive payments are made, these are inherently risk-adjusted given that they are directly tied to the performance of investments or portfolios. In some cases, these payments are subject to a clawback obligation in the event of subsequent underperformance by the Fund and/or the Investment Manager.

17. Blackstone operates an annual total compensation process dependent on individual and business performance, taking into account financial and non-financial criteria. This includes the performance of Blackstone as a whole, performance of each business unit within Blackstone—which would include regional businesses—as well as the individual's performance. The individual's performance is evaluated through an annual comprehensive performance management process known as "360 Evaluations." The "360 Evaluations" performance process provides an evaluation of an individual's performance based on feedback from peers, managers and subordinates and assesses individuals quantitatively and qualitatively on a wide range of criteria including skills, values, collaboration and leadership. An individual's performance is also compared to agreed objectives and contribution to

business strategy. The results of the performance evaluation process are used to produce total compensation recommendations for each individual, which are subject to the review and approval by the Blackstone Senior Management. An individual's compensation is designed to align employee incentives with the interests of Blackstone's clients, shareholders and business strategy. Total compensation payable to an individual, including determination of awards, is based on an assessment of a sustainable and risk adjusted performance of the business and applicable business risks from time to time. Bonus deferral awards are a deferred component of year-end discretionary bonus awards, if awarded. These awards are intended to encourage retention, align the recipient to the performance of Blackstone globally and incentivize long-term financial performance. Special equity awards are a retention tool/long term incentive plan for select individuals who demonstrate exceptional performance, and are subject to a vesting schedule weighted to encourage retention. Carried interest and incentive payment participation is generally reserved for investment professionals who may significantly influence the performance of investments made by the funds managed by Blackstone.

18. The Investment Manager has adopted a methodology for the purposes of determining, or allocating, the remuneration paid that can be reasonably attributed to the services provided by the Investment Manager to the AIFM in relation to the Fund.

19. The disclosure below reflects the proportion of the total remuneration of the staff of the Investment Manager attributable to the Fund only. For these purposes, the total remuneration attributable to the activities of the Investment Manager has been allocated to each fund under management in proportion to the assets under management of each applicable fund; hence, the figures included below are an approximation only. While the Investment Manager believes that the information and the sources used are reliable for the purposes of this AIFMD Annual Report, it should be specifically noted that the remuneration information presented herein is subject to the "Important Notices to Recipients" set out above.

Remuneration – amount of remuneration paid

For the AIFM

The remuneration paid by the AIFM to its staff in respect of the Reporting Period (as attributable to the Fund in accordance with the methodology described above is as follows):

Total remuneration paid to AIFM staff	EUR 402,212
– Total fixed remuneration	EUR 138,709
– Total variable remuneration	EUR 263,503
Number of beneficiaries	69
Carried interest realized during the Reporting Period included with the total variable remuneration specified above	EUR 135,754
Total remuneration paid to the AIFM Senior Management	EUR 21,064
Total remuneration paid to staff whose actions have a material impact on the risk profile of the Fund	EUR 43,709

For the Investment Manager

The remuneration paid by the Investment Manager to its staff in respect of the Reporting Period (as attributable to the Fund in accordance with the methodology described above is as follows):

Total remuneration of Investment Manager staff	USD 2,341,424
– Total fixed remuneration	USD 433,033
– Total variable remuneration	USD 1,908,391
Number of beneficiaries	820
Carried interest realized during the Reporting Period included with the total variable remuneration specified above	USD 342,218
Total remuneration paid to the Investment Manager Senior Management	USD 1,049,102
Total remuneration paid to staff whose actions have a material impact on the risk profile of the Fund	USD 1,062,763

ANNEX 5

DISCLOSURE OBLIGATIONS UNDER ARTICLE 29 OF THE AIFMD

Control of EEA non-listed companies

With respect to the disclosure obligations under Article 29 AIFMD, the AIFM will request and use its best efforts to ensure, with respect to any non-listed company established in the EEA of which the Fund has acquired control (individually or jointly), that the annual report of such non-listed company is drawn up in accordance with Article 29(2) AIFMD and is made available by the board of directors of such non-listed company to the employees' representatives, or, where there are none, to the employees themselves within the period such annual report has to be drawn up in accordance with the national applicable law. The Fund has not acquired control of any non-listed company established in the EEA during the Reporting Period.

Control of UK non-listed companies

With respect to the disclosure obligations under Regulation 42 of the UK AIFM Regulations, the Fund has not acquired control of any non-listed company established in the UK during the Reporting Period.

ANNEX 6

SECURITIES FINANCING TRANSACTIONS DISCLOSURES

As at the end of this Reporting Period, the Fund is currently in the scope of the requirements of the SFT Regulation. Nevertheless, no corresponding transactions were carried out during the period referring to the Financial Statements.

ANNEX 7

SUSTAINABLE FINANCE DISCLOSURES

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Blackstone considers that the integration of material ESG factors into its investment decisions and ownership is an important part of fulfilling its mission to create strong returns for its investors. Based on its experience, Blackstone thinks that consideration of ESG factors not only enhances its assessment of risk – it helps Blackstone identify opportunities for transformation and value creation. More details on how the Fund takes into account ESG factors in the investment process are available in the relevant ESG Policy.

No consideration of principal adverse sustainability impacts. At present, the AIFM (and/or its delegate) does not, within the meaning of Article 4(1)(a) of the SFDR, consider the adverse impacts of its investment decisions on sustainability factors. The reasons why the AIFM (and/or its delegate) does not currently do so can be found at https://www.blackstone.com/european-overview/.

APPENDIX 1

FINANCIAL STATEMENTS

APPENDIX 2

SICAV BALANCE SHEET

2023 MANAGEMENT REPORT AND FINANCIAL STATEMENTS

Blackstone European Property Income Fund SICAV

Blackstone

Management Report

Management Report

This Management Report of Blackstone European Property Income Fund SICAV ("**BEPIF Feeder SICAV**") is prepared for the period from 1 January 2023 to 31 December 2023.[1] Any capitalised term not otherwise defined herein shall have the meaning ascribed to it in the version of the prospectus of BEPIF Feeder SICAV applicable at the date of issuance of this report (the "**Prospectus**"). The Prospectus is available on www.bepif.com.

I. Overview of Business

Corporate Structure

BEPIF is a real estate investment programme operated through several entities, and the term "**BEPIF**" is used throughout this Management Report to refer to the programme as a whole. The primary vehicles for investors to subscribe to BEPIF are BEPIF Feeder SICAV, BEPIF Master FCP and Blackstone Bepimmo (as defined below).

BEPIF Feeder SICAV is an open-ended, commingled fund organised as a multi-compartment Luxembourg investment company with variable capital (*société d'investissement à capital variable*) governed by Part II of the 2010 Law.

BEPIF Feeder SICAV is currently set up with one compartment, namely BEPIF Feeder SICAV – I (the "**Sub-Fund**"). This Management Report relates to BEPIF Feeder SICAV as a whole. For the avoidance of doubt, any reference to BEPIF Feeder SICAV in this Management Report shall be understood, as the case may be, as a reference to the Sub-Fund, BEPIF Feeder SICAV or BEPIF Feeder SICAV acting for the account of the Sub-Fund.

Blackstone European Property Income Fund (Master) FCP ("**BEPIF Master FCP**"), a Luxembourg mutual fund (*fonds commun de placement*) governed by Part II of the 2010 Law, is the master fund for BEPIF Feeder SICAV.

The investment objective and strategies, related risk factors and potential conflicts of interest, subscription and redemption terms, calculation of net asset value, fees and expenses, tax and regulatory considerations, and other aspects of the activities of BEPIF Feeder SICAV and BEPIF Master FCP are substantially identical except as specifically identified in their respective prospectuses.

In December 2021, a parallel vehicle, Blackstone European Property Income Fund S.L.P. ("**Blackstone Bepimmo**") was established to invest alongside BEPIF Master FCP.

Investment Objectives

BEPIF's investment objective is to generate attractive risk-adjusted returns on a diversified direct and indirect portfolio of real estate and real estate-related investments over the medium-to-long term. BEPIF's investment objectives are to:

- Provide attractive current income in the form of regular, stable cash distributions;
- Preserve and protect invested capital;
- Realise appreciation in net asset value (**"NAV**" or "**Net Asset Value**") from proactive investment management and asset management; and
- Provide an investment alternative for investors seeking to allocate a portion of their long-term investment portfolios to private real estate which historically has had lower pricing volatility than listed public real estate companies.

BEPIF targets substantially stabilised, income-generating assets in logistics, office, residential and net leases, among others, in European markets.

There can be no assurance that BEPIF will achieve its objectives, pursue any particular theme or avoid substantial losses. Diversification does not ensure a profit or protect against losses. See "Risk Factors, Potential Conflicts of Interest and Other Considerations" of the Prospectus.

[1] A separate annual report is made available by the AIFM in order to comply with the annual requirements for periodic and regular disclosure to investors set out under (i) AIFMD and (ii) the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 (the "**Regulation**"). The AIFMD report for the year ended 31 December 2023 as required under AIFMD and the Regulation will be available by 30 June 2024.

Investment Strategy

BEPIF applies Blackstone Real Estate's differentiated approach by focusing on thematic investing and active asset and portfolio management. BEPIF targets an allocation of approximately 90% of the Gross Asset Value of its investments primarily in substantially stabilised, income-generating European real estate[2].

BEPIF may invest up to 10% of the Gross Asset Value ("**GAV**") of its investments in public and private real estate-related debt, in order to provide income, facilitate capital deployment and as a potential source of liquidity.[3]

BEPIF targets real estate opportunities where Blackstone Real Estate's ability to navigate complexity, invest in scale, and provide speed and certainty of execution to motivated sellers allows BEPIF to make high-quality investments at attractive bases. BEPIF generally focuses on investments with the following characteristics:

- High-quality income-generating European real estate;
- Assets with capital appreciation potential;
- Assets that could benefit from Blackstone's active approach to asset management and its deep asset management expertise; and
- Large or complex investments that limit the number of competing buyers, and where BEPIF can benefit from Blackstone's strategic advantages of scale, speed and certainty of execution.

BEPIF focuses on driving income growth and maximising value through active portfolio management, efficient and flexible financing, and various asset management initiatives including selective asset sales.

To date, BEPIF has made multiple investments in Blackstone Real Estate's high-conviction themes, including high-quality U.K. and pan-European logistics portfolios, and green-certified[4] office assets in Dublin (Ireland) and Birmingham (U.K.). In December 2023, BEPIF successfully executed the sale of two lower-growth investments, Harbour Exchange (a data center in London) and Rose Logistics (a big box logistics asset in the Netherlands).

As a result of BEPIF's thoughtful sector and market selection, combined with a disciplined approach to portfolio management, the portfolio is well positioned in the medium term, with 69% of GAV concentrated in logistics.

Investment Restrictions

In accordance with the diversification requirements of Circular IML 91/75, BEPIF Feeder SICAV will not directly or indirectly invest more than 20% of its Net Asset Value at the time of acquisition in any single Property; provided that such diversification will be assessed on a look-through basis and no remedial action will be required if such restriction is exceeded for any reason other than the acquisition of a new Property (including the exercise of rights attached to an investment). For purposes of this restriction, BEPIF Feeder SICAV will treat its proportionate interest in each of BPPE's property investments as a property investment for BEPIF Feeder SICAV's investment limitations.

This 20% diversification requirement will not apply during a ramp-up period of up to four years after the initial subscription is accepted.

BEPIF's portfolio composition as of 31 December 2023 is in line with the Investment Objectives and Strategy stated above. BEPIF is compliant with the Investment Restrictions stated above.

There can be no assurance that BEPIF will achieve its objectives, pursue any particular theme or avoid substantial losses. Diversification does not ensure a profit or protect against losses.

[2] BEPIF deploys its investment strategy primarily through direct investments in Property and, to a lesser extent, through Blackstone Property Partners Europe ("**BPPE**"). BPPE is Blackstone's flagship European Core+ real estate fund for institutional investors, providing BEPIF exposure to BPPE's high quality, diversified real estate portfolio.

[3] BEPIF's investments at any given time may exceed and otherwise vary materially from the allocation targets above.

[4] BEPIF's office asset certifications include Adare Office (LEED Platinum), Gurston Office (BREEAM Very Good), and Infinity Office (LEED Gold). The total value certified accounts for 83% of the portfolio.

II. Performance Summary

BEPIF launched in October 2021 when base rates in Europe were negative and the geopolitical backdrop was broadly stable. Since then, however, BEPIF has experienced significant challenges, driven by surging inflation, a rapidly changing interest rate environment, liquidity pressures on its investors, and geopolitical uncertainty including the Ukraine war and, most recently, the Middle-East conflict. Together, these factors created significant volatility, negatively affected investor sentiment and resulted in capital market headwinds. Since the vehicle's launch, 5-year EUR interest rates have moved from -0.2% to a peak of 3.5%, and 10-year German Bund yields increased from -0.2% to a peak of 3.0%.[5] These factors have impacted both fundraising and fund performance causing both cap rates and discount rates to widen significantly in 2023 as these headwinds were reflected in BEPIF's real estate valuations.

BEPIF Feeder SICAV's Class I_A shares generated a negative 6.1% annualised inception to date ("**ITD**") net return and a negative 20.0% net return in 2023. BEPIF Feeder SICAV declared 12 monthly distributions for distributing share classes for the year ended 31 December 2023.

BEPIF Feeder SICAV Share Class	NAV per share (31 Dec 2023)	NAV per share (31 Dec 2022)	2023 Total Net Return (%)	ITD Total Net Annualised Return (%)	2023 Dividend Yield (%)[6]
Class I_A	€ 8.69	€ 10.86	(20.0)%	(6.1)%	NA
Class I_D	€ 8.11	€ 10.51	(19.5)%	(5.4)%	3.5 %
Class A_A	€ 8.54	€ 10.76	(20.6)%	(6.8)%	NA
Class A_D	€ 8.09	€ 10.49	(20.2)%	(6.2)%	2.8 %

The following were primary drivers of BEPIF's performance in 2023:

- Real estate investments continued to generate strong income growth throughout the year, positively contributing to BEPIF's performance. As of Q4 2023, the year-over-year growth in cash flows was 5%[7], driven by two main factors: ~90% of portfolio rents are either linked to inflation or with regular rent reviews and the signing of new leases or re-gearing of existing contracts throughout the year.
- The positive impact of income growth was offset by increase in exit cap rates and discount rates, which led to declines in real estate investment values:
  - During 2023 exit cap rates increased 8% from 4.5% to 4.9% and discount rates increased 6% from 6.3% to 6.7%
  - Since April 2022, BEPIF increased exit cap rates by 15% and discount rates by 10%
- The change in value of instruments used to hedge BEPIF's liabilities contributed negatively to 2023 performance (-4.4%) but has contributed positively to cash flows (ITD performance +2.0%). Substantially all of BEPIF's liabilities are fixed or hedged at low interest rates, which has mitigated the impact of rising rates. At 31 December 2023, 75% of liabilities were fixed or swapped[8] and the remaining 25% were capped.
- The portfolio includes some non-Euro denominated assets, and movement in currency markets positively impacted returns (+1.3%).

Past performance does not predict future returns. The inception date for Class I_A, Class I_D, Class A_A and Class A_D shares is 1 October 2021.

[5] Bloomberg, European Central Bank, Bank of England.

[6] The Dividend Yield represents dividends distributed over average NAV over the last twelve months. Calculation is consistent with the "Distribution-Dividend Yield" definition from NCREIF (National Council of Real Estate Investment Fiduciaries), INREV (European Investors in Non-Listed Real Estate Vehicles) and ANREV (Asian Association for Investors in Non-Listed Real Estate Vehicles). Dividends are incorporated into the Total Net Return of the applicable share class. Accumulation Sub-Class shares will, in lieu of receiving cash distributions, have any such amounts reflected in their respective NAV per share. Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations.

[7] Represents year-on-year same-store NOI growth Q4'23 vs Q4'22.

[8] Fixed-rate or hedged liabilities includes debt that has been swapped from floating to fixed-rate (inclusive of forward starting swaps) and matched debt.

Attribution Analysis *Class I_A Return*	ITD	2023
Investments	(4.9) %	(15.5) %
Liabilities[9]	2.0 %	(4.4) %
Currency	(0.4) %	1.3 %
Other[10]	(2.7) %	(2.1) %
Total Net Return[11]	**(6.1)%**	**(20.0)%**

Blackstone Investor Benefits

Blackstone remains committed to the long term success of BEPIF and has decided to support BEPIF in the short-to-medium term by implementing three investor benefits:

- Management Fee Waiver: Effective from 1 October 2023 to 31 December 2024,[12] Blackstone voluntarily waived the Management Fee (1.25% of NAV)
- Deferral of Fund Expenses: Effective from 1 October 2023 to 31 December 2024,[12] Blackstone voluntarily applied an Expense Cap of 0.50% (annualised) of BEPIF's NAV on the Fund Expenses and Organizational and Offering Expenses[13]
- Blackstone Preferred Equity Rate of 4% to 0%: in April 2022, Blackstone supported BEPIF by providing €500m of preferred equity at a fixed rate of 4.0% per annum. As of 31 December the outstanding balance of the Preferred Equity, including accrued dividends, was €453m. To further support BEPIF's returns, Blackstone agreed to waive the 4.0% fixed rate from 1 December 2023 to 31 December 2024[12].

The three investor benefits will provide ~450bps of annualised savings for BEPIF's investors.[14]

Note: There can be no assurance that BEPIF will achieve its objectives or avoid substantial losses.
[9] Reflects mark to market on all debt and interest rate hedges as well as crystallisation.
[10] "Other" includes Management Fee, Performance Participation Allocation, Fund Expenses, Organizational and Offering Expenses and, from 1 October 2023, the Expense Cap.
[11] Trailing period returns are calculated by geometrically linking monthly returns. The sum of the return components may not equal total returns due to the compounding effects of linking monthly returns.
[12] As of 31 December 2023 investor benefits were in place until 30 June 2024. They were extended subsequently until 31 December 2024.
[13] The Investment Manager may, in its sole discretion, apply a discretionary expense cap on certain Fund Expenses and Organizational and Offering Expenses to be borne by BEPIF in any given month for a defined period as determined by the Investment Manager in its sole discretion and defer the payment and/or reimbursement of the expenses in excess of such expense cap to subsequent periods. If such cap is applied, the Investment Manager may remove this cap at any time and in its sole discretion (including prior to expiration). Upon expiration, BEPIF will bear any unpaid or unreimbursed Fund Expenses and/or any other outstanding unreimbursed amounts of Organizational and Offering Expenses deferred pursuant to this arrangement, in equal instalments over the 60 months following the date such cap has expired or has been removed. This discretionary expense cap is in effect from 1 October 2023 through 31 December 2024, and may be removed or extended at any time by the Investment Manager and in its sole discretion, including prior to 31 December 2024.
[14] Represents the estimated annualised savings from the investor benefits.

III. Investment Activity

Investing activity in the period

Figures quoted below are BEPIF's share of the investment and are not prorated to the look-through ownership of BEPIF Feeder SICAV's shareholders. At 31 December 2023, BEPIF Feeder SICAV had a look-through ownership of 81% of BEPIF.

At 31 December 2023, BEPIF owns a high-quality portfolio with Gross Asset Value of €2.3bn. During 2023, in light of muted fundraising and elevated redemption requests, BEPIF did not acquire any new assets.

Dispositions

While BEPIF generally intends to pursue a long-term buy and hold strategy, we actively manage our portfolio to support long-term performance. This includes selectively disposing of assets that are deemed non-core, including those that offer modest growth potential over the medium to long term.

Real Estate

In 2023, BEPIF executed the sale of two lower-growth investments:

- Harbour Exchange: Acquired in 2021 and sold in December 2023, is a 26k sqm, network-dense, data center located in the Docklands of London. At the time of the sale, the property was fully occupied on a 17-year lease term (including tenant extension options), offering limited near-term reversion potential

- Rose Logistics: Acquired in 2021 and sold in December 2023, is a 87k sqm prime logistics asset in the Netherlands. Fully occupied at the time of disposal and with a 26-year lease term (including tenant extension options) the property offered limited cash flow growth potential for BEPIF

Amid a challenging environment, BEPIF ran an extensive marketing / sales process for each asset which we believe achieved the best outcome for shareholders on these disposals. By identifying the right buyer for each of the assets, ~€80m net proceeds were generated to enhance BEPIF's liquidity.

Real Estate Debt Investments

Over the course of the year the vast majority of the debt investments (€97m) was either repaid by the borrowers or sold. The debt investments repaid or sold were diversified throughout the capital stack, including mezzanine loans, corporate debt securities and CMBS with underlying real estate assets including residential office, hospitality and logistics sectors across the U.K., Germany and Italy.

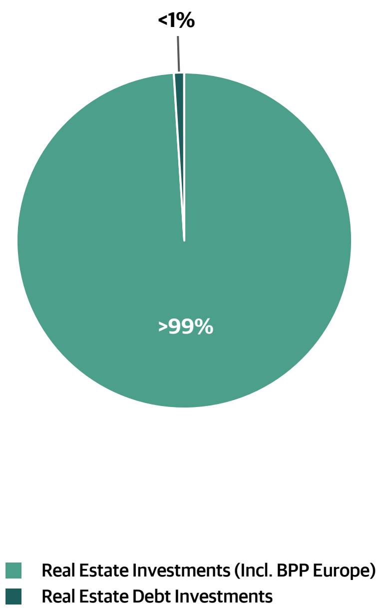
Note: There can be no assurance that BEPIF will achieve its objectives or avoid substantial losses. Alternative investments are generally illiquid and there may not be ready purchasers for these assets.

IV. Portfolio update

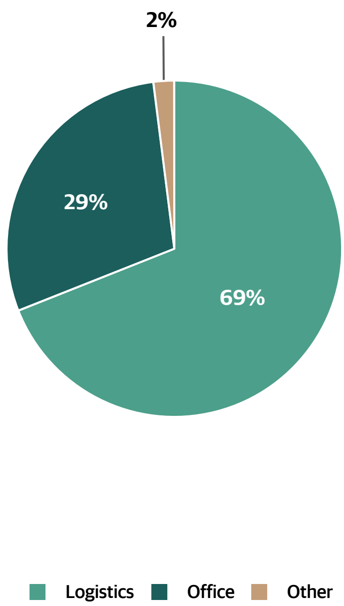
BEPIF has invested primarily in high-quality, substantially stabilised assets and portfolios across logistics and office in major European markets. BEPIF is focused on driving income growth and maximising value through active portfolio management, efficient and flexible financing, and various asset management initiatives.

As of 31 December 2023, BEPIF's Gross Asset Value is €2.3bn, and its portfolio comprises 9 real estate investments spanning 1.8m sqm[15] across 20 European countries. The investments have performed well operationally and are positioned for long term stability of cash flows. The portfolio is 96% occupied on an 7-year weighted average lease length to break ("**WALB**"), and the top 10 tenants account for 45% of rent received. We continue to believe that the portfolio is well positioned to capture embedded cash flow growth over time, driven by market rents being 12% above in-place rents[16] and more than 90% of leases linked to an inflation index (consumer price index or local market convention) or subject to regular rent reviews.[17]

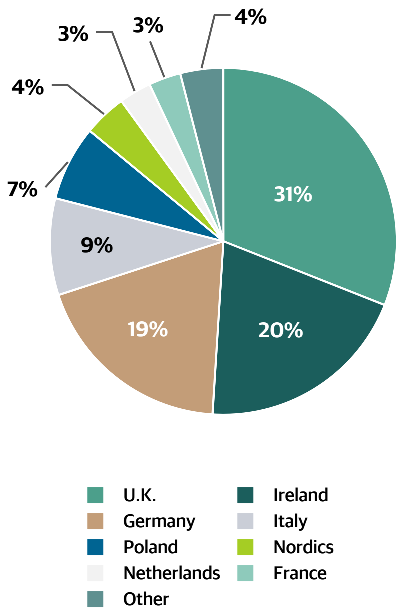
Investment Allocation[18]



Sector Allocation[19]



Geographic Allocation[15]



There can be no assurance that BEPIF will achieve its objectives, pursue any particular theme or avoid substantial losses. Diversification does not assure a profit or protect against a loss in a declining market. Cash flow growth does not guarantee a positive return.

[15] At BEPIF's share, including underlying investments within BPPE, excluding debt investments.

[16] Blackstone proprietary data. Any expectations that in-place rents have the potential to increase are based on certain assumptions that may change and do not constitute forecasts. Such growth potential is hypothetical, provided for informational purposes only, and does not represent the actual or estimated future performance of BEPIF.

[17] Represents direct real estate investments as of 31 December 2023.

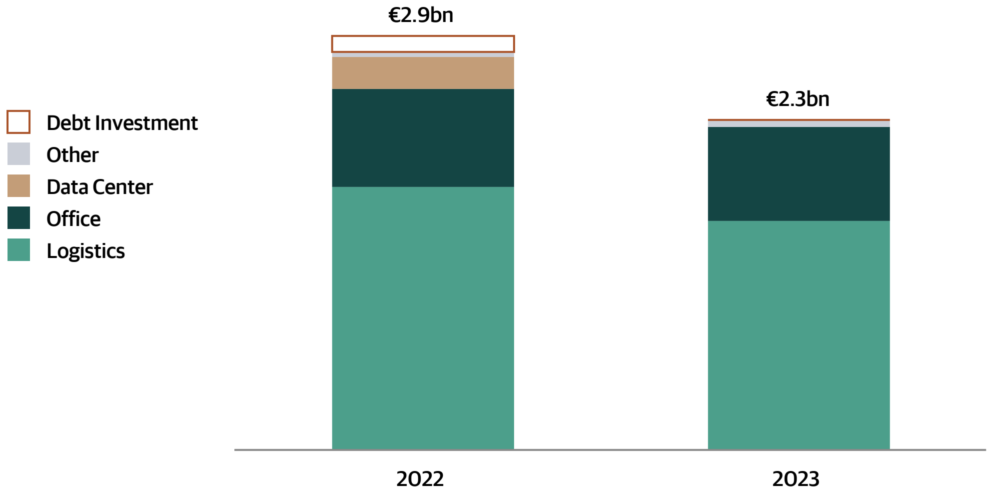
[18] 8% of Investment Allocation is through BPPE.

[19] Sector breakdown by GAV at BEPIF share including underlying investments within BPPE, excluding debt investments. "Other" in the sector allocation chart includes the Arch Company, residential, luxury retail and other assets. "Other" in the geographic allocation chart includes logistics assets in Austria, Belgium, Central and Eastern Europe, Greece, Portugal, Spain and Switzerland.

Sector Allocation

In 2023, BEPIF GAV declined from €2.9bn to €2.3bn primarily from disposal of Harbour Exchange and Rose Logistics, disposal / repayment of debt investments and valuation declines. BEPIF continues to be concentrated in pan-European logistics (69% of GAV) and office (29%) with 3 high-quality, well-amenitised office assets in Dublin and Birmingham.

Sector Allocation by GAV[20]



Sector Allocation by % GAV excluding Debt Investments

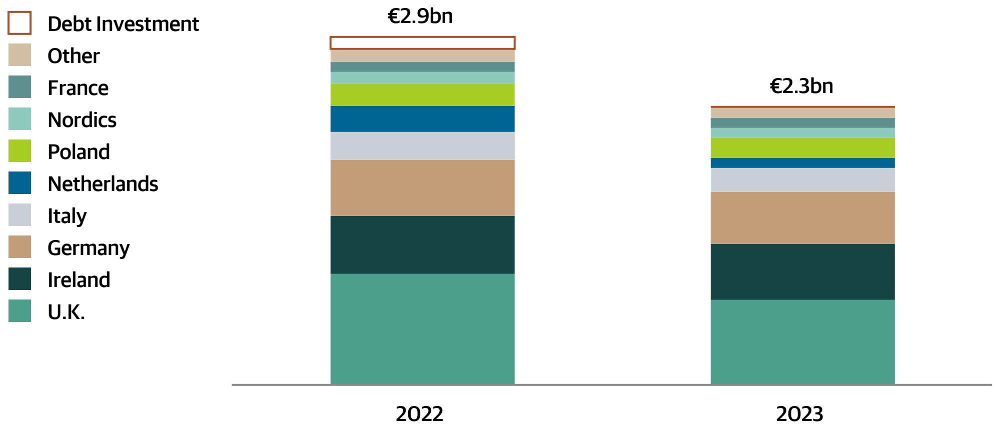
	2022	2023
Logistics	66%	69%
Office	25%	29%
Data Center	8%	–
Other	1%	2%
Total	**100%**	**100%**

Note: There can be no guarantee that BEPIF will achieve its objectives, pursue any particular theme or avoid substantial losses. Diversification does not ensure a profit or protect against losses.
[20] "Other" includes the Arch Company, residential, luxury retail and other assets through BEPIF's investment in BPPE.

Geographic Allocation

As of 31 December 2023, 95% of BEPIF's portfolio by GAV was invested across Europe's largest economies.[21]

Geographic Allocation by GAV[22]

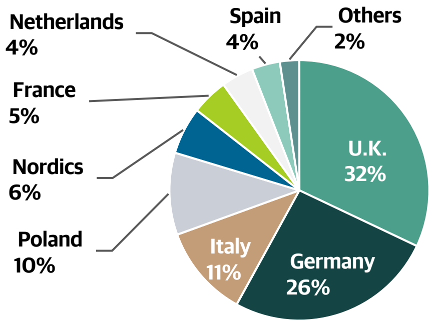


Geographic Allocation by % of GAV excluding Debt Investments

	2022	2023
U.K.	34%	31%
Ireland	17%	20%
Germany	17%	19%
Italy	8%	9%
Poland	6%	7%
Nordics	4%	4%
Netherlands	7%	3%
France	3%	3%
Other	4%	4%
Total	**100%**	**100%**

Note: There can be no guarantee that BEPIF will achieve its objectives, pursue any particular theme or avoid substantial losses. Diversification does not ensure a profit or protect against losses.
[21] IHS Markit. Actual Gross Domestic Product (GDP) in USD, as of 2022. Largest European economies represent European countries with GDP greater than $500bn.
[22] "Other" includes logistics assets in Austria, Belgium, Central & Eastern Europe, Portugal, Spain and Switzerland. Totals may not sum due to rounding.

Logistics Portfolio Summary[23]



Logistics	
GAV (€ bn)	1.6
GLA (k sqm)[24]	1,730
Occupancy (%)	96%
WALB (yrs)	6.5

Logistics is one of Blackstone Real Estate's highest conviction investment themes globally and represents 69% of BEPIF's GAV as of 31 December 2023. During 2023, BEPIF disposed of an asset in the Netherlands with lower cash flow growth potential. As a result the logistics portfolio now comprises 1.7 million square sqm of high-quality pan-European logistics assets, primarily located in key distribution corridors and last-mile locations.[25] Amidst the challenging macro-economic environment the portfolio continued to deliver strong operating performance achieving cash flow growth of 5.1% year on year[26] with 96% occupancy and 6.5 year WALB.

European logistics fundamentals at Q4 2023 remain solid albeit moderating compared to last year. BEPIF's logistics portfolio continues to benefit from long-term secular growth tailwinds including e-commerce growth, supply chain reconfiguration and onshoring. E-commerce penetration rates across Continental Europe are lagging the U.S. by ~40% but have been growing meaningfully since 2018 (+430bps).[27] Moreover U.S. prime logistics rents are 2.7x[28] Continental Europe rents, implying substantial catch up potential. In the markets where BEPIF is present, demand remains strong with limited new supply and low vacancy at 4.2%.[29]

On the supply side, increasing construction costs and the restrictive planning and lending environments are expected to cause new logistics completions to decline, which should be supportive for existing asset values over time.

Market rents in BEPIF's European markets have grown by 26% since inception and by 8%[29] year over year. These factors continue to drive operational performance across our logistics portfolio. For example, BEPIF's largest investment, Mileway, achieved 27% re-leasing spreads in 2023 across 1.8k leases, while in the Evergreen portfolio ~16% re-leasing spreads were achieved in Poland.

ESG Highlight

- Solar photovoltaic capacity as of 31 December 2023 was 32MW, equivalent to powering 5.5K+ homes per year[30]
- Continuing to evaluate the installation of additional solar panels with 1.3MW of capacity under construction
- Progressing enhanced data collection initiatives to identify further ESG

Note: There can be no guarantee that BEPIF will achieve its objectives, pursue any particular theme or avoid substantial losses. Diversification does not ensure a profit or protect against losses. Cash flow growth does not guarantee a positive return. While Blackstone believes ESG factors can enhance long-term value, BEPIF does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria. Such ESG factors do not qualify Blackstone's duty to maximize risk-adjusted returns. Some, or all, of the ESG-related highlights described herein may not apply to BEPIF's investments and none are binding aspects of the management of the assets of BEPIF. See "Important Disclosure Information", including "ESG".

[23] Metrics at BEPIF's share, including underlying investments within BPPE, excluding debt investments.

[24] Area at BEPIF's share.

[25] Last mile assets are typically below a 20-40-minute drive time of city centres and service population catchments of at least 150k-400k inhabitants. Last mile definition as per Green Street Advisors. Population data source: 2021 World Population Review.

[26] Based on Q4 2023 over Q4 2022.

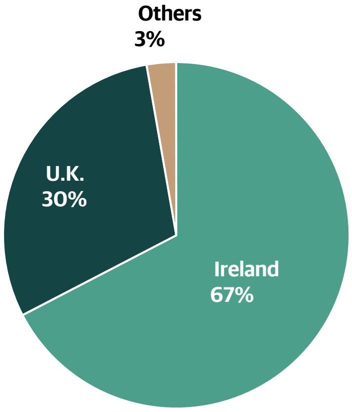
[27] Global Data, as of 31 December 2023. Continental Europe represents the weighted average of e-commerce penetration based on retail sales for Germany, the Netherlands, France, Spain and Italy. U.S. represents sales share of total retail sales excluding auto, gas and food services.

[28] As of 30 September 2023. U.S.: CBRE, Cushman & Wakefield and Blackstone Proprietary Data. Continental Europe: CBRE, FX rate EUR/USD 1.09. Continental Europe refers to Munich, Amsterdam, Paris, Madrid and Milan. Prime rents represent Class A stock. Headline rent figures do not adjust for regional tax differentials.

[29] CBRE, as of 31 December 2023. Includes countries in which BEPIF and BPPE own logistics assets and where data is available (France, Germany, Italy, Netherlands, Spain, U.K.). Vacancy rate and rents weighted by logistics exposure in BEPIF and BPPE (based on sqm owned). Rental growth based on Q4 2023 over Q4 2022. Based on country-level prime rent, weighted by rentable value (as calculated by CBRE).

[30] Reflects 100% of the solar capacity installed. Homes powered per year is based on U.S. home energy usage. According to Solar Energy Industries Association ("SEIA"), 1MW of solar capacity powers 173 U.S. homes (June 2022).

Office Portfolio Summary[31]



Office

GAV (€ bn)	0.7
GLA (k sqm)[32]	75
Occupancy (%)	96%
WALB (yrs)	7.4

As of 31 December 2023, office assets represent 29% of BEPIF's GAV. The direct office portfolio includes three high-quality office assets, built or refurbished to high ESG standards in the last 4 years. The properties are located in key cities within the UK and Ireland. The portfolio spans 72k sqm and is well leased with 96% occupancy and 7.4-year WALB.

Our two prime Dublin office assets are 100% leased to strong covenant tenants; Meta (market leading global tech firm with a market cap $0.9T[33]) and Salesforce (market-leading customer management software firm with a market cap ~$250bn33). These assets were built or renovated in the last 4 years and have long term leases (WALB 9 years) and 100% occupancy providing stability of cash flows.

The third asset, in Birmingham, accommodates multiple tenants including legal and professional service firms. During the year, 67k sqf of new leases were agreed increasing occupancy to 94%, realising ~30% re-leasing spreads, and achieving record rents at the asset during the year.

Although demand across the European office sector is moderating and investment volumes are at historic lows, flight-to-quality has persisted as tenants prioritise modern, sustainable assets. This trend is contributing to low vacancy and growing rents in selected prime submarkets with European office prime rents up 5%[34] Year over Year.

ESG Highlight

- 83% of BEPIF office portfolio has obtained a green building certification
- 100% EPCs are rated A-Cs

There can be no assurance that BEPIF will achieve its objectives or avoid substantial losses. While Blackstone believes ESG factors can enhance long-term value, BEPIF does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria. Such ESG factors do not qualify Blackstone's duty to maximize risk-adjusted returns. Some, or all, of the ESG-related highlights described herein may not apply to BEPIF's investments and none are binding aspects of the management of the assets of BEPIF. See "Important Disclosure Information", including "ESG".

[31] Metrics at BEPIF's share, including underlying investments within BPPE, excluding debt investments.

[32] Area at BEPIF's share.

[33] As of 31 December 2023.

[34] CBRE, as of 31 December 2023. Based on Q4 2023 over Q4 2022. Based on relevant sub-markets in Amsterdam, Berlin, Dublin, Milan, Paris, London, and Stockholm. Headline prime rents weighted by Q4 2023 total stock.

BPP Europe Units

In November 2021, BEPIF made a €100m equity investment into BPPE units, allowing BEPIF to further diversify its portfolio across sectors and geographies. The portfolio has been purposefully assembled over the past six years and is comprised primarily of high-quality logistics, residential and office properties across major European markets. Over the course of 2023 BPP Europe continued to strategically manage the portfolio, rotating out of stabilised assets with lower growth potential to further concentrate the portfolio into higher-growth sectors and markets, and it remains well positioned in the current environment. Nearly two thirds of BPP Europe's GAV is concentrated in the logistics sector, which continues to demonstrate strong fundamentals. As at 31 December 2023, BEPIF's investment comprised €189m of GAV at share (8% of BEPIF's total).

Real Estate Debt Portfolio

During 2023, the majority of BEPIF's real estate debt portfolio was either repaid or sold. As of 31 December 2023 the real estate debt portfolio consists of one investment, totalling €0.3m of GAV. The underlying real estate assets are office parks dedicated to life sciences and offices across the UK.

V. ESG

Blackstone believes that having a comprehensive ESG programme can drive value and enhance returns. Blackstone's Real Estate ESG Framework (the "**Framework**") outlines our ESG Pillars, as well as expectations for integration and management of ESG across our portfolio. The Framework aligns with global ESG reporting standards and guides the ESG engagement with Blackstone Real Estate portfolio companies and operating partners. We believe that Blackstone Real Estate is well positioned to leverage our scale and experience to pursue ESG initiatives that create long-term value for our stakeholders.

Blackstone — and by extension, BEPIF — remains committed to promoting the business case of sustainability across our portfolio. BEPIF seeks to incorporate the principles of Blackstone's ESG programme into the way we operate the business in order to enhance value and mitigate risk. BEPIF has progressed a number of ESG activities across the portfolio over the past year, including engaging Schneider Electric to facilitate enhanced data collection, engaging with tenants regarding commercially driven photovoltaic (PV) opportunities and achieving efficiency linked green certification across 83% of BEPIF's office assets. We look forward to advancing these and other initiatives in the year ahead.

BEPIF supports Blackstone in pursuing value enhancing Environmental, Social, and Governance initiatives:

- Expanding the use of renewable energy through on-site solar at select properties
- Launched a physical climate risk assessment to help evaluate potential climate risks to our portfolio
- Implementing green clauses in new commercial leases to facilitate sustainability initiatives[35]

- Supporting Blackstone's goal of hiring 2k refugees at portfolio companies and real estate properties[36]
- Tenant engagement surveys being administered across the portfolio
- Established a Diversity, Equity and Inclusion Community for European portfolio companies[37]

- Dedicated ESG leads being appointed at portfolio companies
- Incorporated ESG factors into Blackstone personnel performance reviews
- Regular portfolio company board reporting on ESG to track progress and highlight key initiatives

While Blackstone believes ESG factors can enhance long-term value, Blackstone does not pursue an ESG-based investment strategy or limit its investments to those that meet specific ESG criteria, except with respect to products or strategies that are explicitly designated as doing so in their Offering Documents or other applicable governing documents. Such ESG factors do not qualify Blackstone's objectives to seek to maximize risk-adjusted returns. In particular, references to ESG initiatives related to Blackstone's portfolio companies and investments should not be construed as anything to the contrary. BEPIF does not promote environmental or social characteristics, nor does it have sustainable investments as its objective. ESG initiatives mentioned above may not apply to some or all of the Fund's investments and none are binding aspects of the management of the Fund or its assets. There can be no assurance that ESG initiatives will continue or be successful. See "Important Disclosure Information", including "ESG".

[35] Green lease clause requirements were mandated in Q4 2020. Applicable to investments where Blackstone has majority control. Green clauses will be implemented on a rolling basis.

[36] Blackstone committed to hiring 2k refugees by year end 2025, including 1.5k refugees in the United States.

[37] As of 30 June 2020, meetings are held to share best practices.

VI. Capital Structure

BEPIF employs a prudent financial policy, including a Leverage Limit of 55%. As at 31 December 2023, BEPIF's Leverage Ratio was 37.6%. Please refer to page 58 for further details.

Debt Summary

BEPIF has €0.9bn debt outstanding as at 31 December 2023 for its share of majority-owned real estate currently drawn on an Acquisition Facility. For further details on debt, including BEPIF's share of debt in minority investments, please see page 44.

Hedging Summary

Including BEPIF's share of minority-owned investments, as at 31 December 2023, BEPIF had 75% of total debt fixed or swapped with a weighted average maturity of ~4 years. In addition, 25% of BEPIF's debt is subject to interest rate caps, resulting in 100% fixed rate or hedged debt in total. During 2023, £306m interest rate swaps had maturity shortened from 4 years to 2 years, crystallising ~€24m and enhancing BEPIF's liquidity.

VII. Capital Raising

In the year to 31 December 2023, BEPIF raised €89m in new subscriptions, bringing the total capital raised since inception to €1.5bn.

BEPIF permits shareholders to request redemptions on a monthly basis. BEPIF's redemption programme generally allows for redemptions up to 2% of NAV per month and 5% of NAV per calendar quarter[38]. The redemption limits were specifically designed to prevent a liquidity mismatch and protect long-term shareholder value.

During 2023, BEPIF saw elevated redemption requests, reflecting the volatile macro-economic environment characterised by high interest rates, capital market headwinds and the uncertain geopolitical outlook. Cumulative outstanding redemption requests exceeded the 5% of NAV quarterly limit every quarter. Accordingly, these redemption requests were prorated and satisfied up to the 5% limit, in accordance with the terms of the Prospectus.

During 2023, a total of €238m redemption requests were satisfied, bringing the total amount of redemption requests satisfied since the launch of BEPIF to €326m. As of 31 December 2023, BEPIF had €256m of cumulative outstanding redemption requests, the majority of which were rolled over from previous months.

From 1 January 2024 to 31 May 2024, €30m of redemptions requests have been withdrawn and satisfied redemptions have been in excess of new redemption requests. As of 30 June 2024, BEPIF had €185m of cumulative outstanding redemption requests.

[38] The share redemption plan is subject to other limitations (including the caps above) and BEPIF may make exceptions to, modify, suspend or terminate the plan. Please refer to the Prospectus for the limitations of BEPIF's redemption plan.

VIII. Principal Risks, Uncertainties and Conflicts of Interests

Principal risks and Uncertainties

The purchase of shares in BEPIF Feeder SICAV entails a high degree of risk that is suitable for sophisticated investors for whom an investment in BEPIF Feeder SICAV does not represent a complete investment programme, and who also fully understand BEPIF's strategy, characteristics and risks, including the use of borrowings to leverage Investments, and are capable of bearing the risk of an investment in BEPIF Feeder SICAV.

In addition to the risks and conflicts of interest detailed in Section XVII – "Risk Factors, Potential Conflicts of Interest and Other Considerations" of the Prospectus, below please find additional notable risks for BEPIF Feeder SICAV:

Inflation

The UK, the Eurozone, other developed economies in Europe and globally experienced higher-than-normal inflation rates throughout 2023. It remains uncertain whether substantial inflation, and attempts to curb such inflation, in Europe, the UK and other developed economies will be sustained over an extended period of time or have a significant effect on such economies. Inflation and rapid fluctuations in inflation rates have recently, and may continue to have, negative effects on the economies and financial markets (including securities markets) of various countries, including those with emerging economies. For example, if a portfolio entity is unable to increase its revenue in times of higher inflation, its profitability may be adversely affected. Portfolio entities may have revenues linked to some extent to inflation, including, without limitation, by government regulations and contractual arrangement. As inflation rises, a portfolio entity may earn more revenue but incur higher expenses. As inflation declines, a portfolio entity may not be able to reduce expenses commensurate with any resulting reduction in revenue. Furthermore, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilise inflation, countries may impose wage and price controls or otherwise intervene in the economy, and certain central banks have raised interest rates. Governmental efforts to curb inflation often have negative effects on the level of economic activity. Certain countries and regions, including Europe, saw increased levels of inflation throughout 2023 and there can be no assurance that continued fluctuations in interest rates and attempts to curb inflation will not become serious problems in the future and have an adverse impact on BEPIF's returns.

Rising Interest Rates

In 2023, the European Central Bank, the U.S. Federal Reserve and other relevant central banks raised benchmark overnight interest rates on multiple occasions and may further increase interest rates in 2024. The real estate industry generally, and BEPIF's investment activities in particular, are affected amongst other things by rising interest rates. Fluctuating interest rates and attempts to curb inflation could adversely impact the value of BEPIF's debt instruments and thus the NAV price per Share, including due to (a) a decline in the market price of debt instruments generally (including due to a perceived increase in counterparty default risk) and (b) default from debt instruments' issuers and counterparties in which BEPIF invested or transacted with (including due to the recoveries' expenses incurred by BEPIF where applicable). Furthermore, rising and/or interest rate fluctuations could adversely affect the ability of BEPIF and its portfolio entities to carry on normal financing activities, such as obtaining committed debt financing for acquisitions, bridge financings or permanent financings (or increase the costs of such activity) thus adversely affecting BEPIF's ability to generate attractive investments returns. Finally rising and/or interest rates' fluctuations are likely to affect the level and volatility of securities prices and the liquidity of BEPIF's Investments, which could impair BEPIF's profitability, result in losses, impact BEPIF's investment returns and limit BEPIF's ability to satisfy Redemption Requests.

General Economic and Market Conditions

The real estate industry generally, and BEPIF's investment activities in particular, are affected by general economic and market conditions, as well as a number of other economic factors that are outside of the sponsor's control, such as interest rates, availability and spreads of credit, credit defaults, inflation rates, economic uncertainty, changes in tax, currency control and other applicable laws and regulations (including laws and rates relating to the taxation of BEPIF's Investments), trade barriers, general economic and market conditions and activity (such as consumer spending patterns), technological developments and national and international political, environmental and socioeconomic circumstances (including wars, terrorist acts or security operations) and foreign ownership restrictions. Market disruptions in a single country could cause a worsening of conditions on a regional and even global level and economic problems in a single country are increasingly affecting other markets and economies. For example, current ongoing global conflicts could have a negative impact on those countries and others in the region. General fluctuations in the market prices of securities and interest rates or worsening of general economic and market conditions would likely affect the level and volatility of securities prices and the liquidity of BEPIF's Investments, which could impair BEPIF's profitability, result in losses, impact BEPIF's investment returns and limit BEPIF's ability to satisfy Redemption Requests. The Sponsor's financial condition may be adversely affected by a significant general economic downturn, and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Sponsor's business and operations and thereby could impact BEPIF. Recent volatility in the global financial markets and political systems of certain countries may have adverse spill-over effects into the global financial markets generally and European markets in particular. A depression, recession, slowdown and/or sustained slowdown in the European or global economy or one or more regional real estate markets (or any particular segment thereof) or a weakening of credit markets (including a perceived increase in counterparty default risk) or an adverse development in prevailing market trends would have a pronounced impact on the Sponsor, BEPIF and the portfolio entities and could adversely affect their profitability, creditworthiness and ability to execute on their business plans, satisfy existing obligations and withdrawals, make and realise investments successfully and originate or refinance credit or draw on existing financings and commitments which in turn may have an adverse impact on the business and operations of BEPIF.

Real Estate Market Conditions

The commercial real estate markets in which BEPIF operates are affected by a number of specific conditions, such as planning, environmental, leasing, tax and other real estate-related laws and regulations, prevailing rental rates, prospective rental growth, occupancy rates, lease lengths, tenant creditworthiness and solvency, and benchmark investment yields and spreads that apply to real estate generally. Any deterioration of real estate fundamentals generally, and in Europe in particular, could negatively impact BEPIF's performance by making it more difficult for issuers to satisfy their debt payment obligations, increasing the default risk applicable to issuers, and/or making it relatively more difficult to generate attractive risk-adjusted returns. Additionally, these factors may affect the level and volatility of real estate prices, which could impair BEPIF's profitability or result in losses. Adverse general economic and market conditions and/or adverse market sentiment vis-à-vis the real estate sector, such as those which generally prevailed in the real estate sector globally in 2023, could have a material adverse effect on real estate assets, including by decreasing demand for real estate, reducing rental income, decreasing occupancy rates, causing tenants to terminate leases early or enter bankruptcy proceedings, and decreasing the value of real estate assets generally. Declines in rental income on real estate as a result of negative market conditions would not necessarily be accompanied by a decline in significant expenses associated with holding real estate, such as real estate taxes, utility rates, insurance rates, renovation and maintenance costs and inflation may increase such costs and expenses. This mismatch would accentuate the impact of a negative market event and/or adverse market sentiment vis-à-vis the real estate sector generally. Additionally, the adverse market sentiment vis-à-vis real estate investments that prevailed in 2023 may continue in 2024 and may limit the market for real estate assets and BEPIF's ability to dispose of an investment at a selling price at fair value and/or in a timely manner (including in order to satisfy redemption requests). Furthermore, while the AIFM is taking into account such adverse market sentiment as part of its valuation process, there is no guarantee that the fair value of investments, as determined by the AIFM at any given point in time, will represent the value that will be realised by BEPIF on the eventual disposition of such investment or that would, in fact, be realised upon an immediate disposition of such investment. Even though BEPIF will make reasonable efforts, acting in the best interest of the investors, to sell assets under optimal conditions, sales under prevailing market conditions could potentially result in lower returns or even losses to BEPIF. Finally, recent concerns about the real estate market, rising interest rates, inflation, energy costs and geopolitical issues have contributed to increased volatility and diminished expectations for the economy and markets going forward.

Redemption Limits

During 2023, BEPIF received Redemption Requests that exceeded the 2% monthly limit and the 5% quarterly limit under its share redemption programme as such limits are further described under Section V: "Subscriptions, Redemptions and Other Transactions—Redemption of Shares" of the Prospectus. Therefore, as a result of the aforementioned monthly and quarterly limits, BEPIF Feeder SICAV has in the past redeemed, and may in the future redeem, less than the full amount of shares requested in a given month and/or quarter.

Conflicts of Interest

Blackstone has implemented several processes in order to mitigate the effects of any potential conflicts of interest and has established several committees to oversee any potential issues. In addition, BEPIF Feeder SICAV has a board of directors including some non-affiliated directors. That board, including those non-affiliated directors, oversees BEPIF Feeder SICAV's activities and any potential conflicts of interest. Information walls (administered by Blackstone's Chief Legal Officer) exist to ensure there is no inappropriate flow of information between business groups. Conflicts are considered at various committee meetings including the Blackstone Real Estate Investment Committee, Valuation Committee, as well as the Global Firmwide Risks and Conflicts Committee which includes representation from every Blackstone business group.

In the conduct of its business, the AIFM's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the AIFM and BEPIF Feeder SICAV or its shareholders, and between the interests of one or more shareholders and the interests of one or more other shareholders. The AIFM has implemented procedures designed to ensure that business activities involving a conflict, which may harm the interests of BEPIF Feeder SICAV or its shareholders are carried out with an appropriate level of independence and that conflicts are resolved fairly.

Since inception, BEPIF acquired several investments alongside other Blackstone Core+ real estate investment funds (see note 13 to the consolidated financial statements for further details).

Risks and conflicts of interest are discussed in greater detail in Section XVII – "Risk Factors, Potential Conflicts of Interest and Other Considerations" of the Prospectus.

Consolidated Financial Statements

Audit Report

To the Board of Directors of
Blackstone European Property Income Fund SICAV
11-13 Boulevard de la Foire
L-1528 Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Opinion

We have audited the consolidated financial statements of Blackstone European Property Income Fund SICAV and Blackstone European Property Income Fund (Master) FCP, together referred to as "the Group", which comprise the consolidated statement of financial position, as of December 31, 2023, and the consolidated statements of comprehensive income, changes in amounts attributable to shareholders, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as of December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted in the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Consolidated Financial Statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 11 of the consolidated financial statements, which describes, among other matters, the redemptions events which occurred after the balance sheet date. Our opinion is not modified in respect of this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report and in the management report but does not include the consolidated financial statements and our report of réviseur d'entreprises agréé thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibility of the Board of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Audit Report (continued)

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For **Deloitte Audit, Cabinet de révision agréé**

Christian van Dartel, Réviseur d'entreprises agréé

Partner

26 June 2024

Consolidated Statement of Financial Position

€m	Notes	As at 31 December 2023	As at 31 December 2022
Assets			
Non-current assets			
Investments at fair value	4a	711.2	1,162.5
Current assets			
Cash and cash equivalents	5	6.4	12.0
Distribution receivable	4b	2.4	4.9
Redemption receivable	4b	29.6	7.5
Other receivables due from investments		–	0.2
		38.4	24.6
Total assets		**749.6**	**1,187.1**
Liabilities			
Current liabilities			
Trade and other payables	6	(6.8)	(4.5)
Management Fee payable	13a	–	(1.2)
Distribution payable		(1.2)	(1.5)
Unpaid redemptions		(29.6)	(7.5)
Subscriptions received in advance	7	–	(9.3)
Amounts due to minority investors in BEPIF Master FCP	8	(23.3)	(27.1)
Total liabilities excluding amounts attributable to shareholders		**(60.9)**	**(51.1)**
Amounts attributable to shareholders (IFRS)		**688.7**	**1,136.0**
Adjustment to IFRS to obtain Net Asset Value	2a	46.9	14.2
Net Asset Value attributable to shareholders		**735.6**	**1,150.2**
Net Asset Value attributable to holders of:			
Class I_A shares		120.4	173.2
Class I_D shares		104.1	155.9
Class A_A shares		211.1	321.2
Class A_D shares		300.0	499.9
		735.6	1,150.2

Net Asset Value per share	€	€
Class I_A	8.6875	10.8626
Class I_D	8.1077	10.5123
Class A_A	8.5423	10.7614
Class A_D	8.0937	10.4926

Consolidated Statement of Comprehensive Income

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Revenue			
Distribution income	4a	39.2	38.0
Interest income		0.3	–
Other income	9	–	3.9
Expenses (excluding servicing fees)			
Management Fees	10	(10.2)	(10.9)
Other expenses	10	(7.1)	(4.3)
		(17.3)	(15.2)
Group operating profit before revaluation of investments		**22.2**	**26.7**
Loss on change in fair value of investments	4a	(257.5)	(37.6)
Group loss before share class specific expenses		**(235.3)**	**(10.9)**
Loss attributable to minority investors in BEPIF Master FCP	8	7.6	1.0
Loss attributable to shareholders before share class specific expenses		**(227.7)**	**(9.9)**
Servicing fee on Class A shares	11	(5.3)	(5.7)
Finance cost: distributions to shareholders		(16.8)	(16.5)
Loss attributable to shareholders (IFRS)		**(249.8)**	**(32.1)**
Adjustment to IFRS to obtain change in Net Asset Value	2a	32.7	6.7
Depreciation of Net Asset Value		**(217.1)**	**(25.4)**
Attributable to holders of:			
Class I_A shares		(31.9)	(1.8)
Class I_D shares		(32.2)	(5.5)
Class A_A shares		(57.7)	(3.2)
Class A_D shares		(95.3)	(14.9)
		(217.1)	(25.4)

There are no items of other comprehensive income for the current or prior year.

Consolidated Statement of Changes in Amounts Attributable to Shareholders

Year to 31 December 2023	Share class				Total
€m	Class I_A	Class I_D	Class A_A	Class A_D	
Net Asset Value attributable to shareholders as at 31 December 2022	**173.2**	**155.9**	**321.2**	**499.9**	**1,150.2**
Adjustment to Net Asset Value to obtain IFRS	(2.1)	(1.9)	(3.9)	(6.3)	**(14.2)**
Amounts attributable to shareholders as at 31 December 2022 (IFRS)	**171.1**	**154.0**	**317.3**	**493.6**	**1,136.0**
Subscriptions and redemptions by shareholders					
Issue of shares	12.2	5.8	19.4	3.2	**40.6**
Redemption of shares	(30.4)	(27.3)	(74.2)	(106.2)	**(238.1)**
Net conversions between share classes	(2.7)	1.9	2.4	(1.6)	**–**
	(20.9)	(19.6)	(52.4)	(104.6)	**(197.5)**
Result for financial year					
Loss attributable to shareholders before share class specific expenses	(37.5)	(31.9)	(65.2)	(93.1)	**(227.7)**
Servicing fees	–	–	(2.1)	(3.2)	**(5.3)**
Distributions	–	(5.0)	–	(11.8)	**(16.8)**
	(37.5)	(36.9)	(67.3)	(108.1)	**(249.8)**
Amounts attributable to shareholders as at 31 December 2023 (IFRS)	**112.7**	**97.5**	**197.6**	**280.9**	**688.7**
Adjustment to IFRS to obtain Net Asset Value	7.7	6.6	13.5	19.1	**46.9**
Net Asset Value attributable to shareholders as at 31 December 2023	**120.4**	**104.1**	**211.1**	**300.0**	**735.6**

Year to 31 December 2022	Share class				Total
€m	Class I_A	Class I_D	Class A_A	Class A_D	
Net Asset Value attributable to shareholders as at 31 December 2021	**80.6**	**67.1**	**115.6**	**191.6**	**454.9**
Adjustment to Net Asset Value to obtain IFRS	(1.3)	(1.1)	(1.9)	(3.2)	**(7.5)**
Amounts attributable to shareholders as at 31 December 2021 (IFRS)	**79.3**	**66.0**	**113.7**	**188.4**	**447.4**
Subscriptions and redemptions by shareholders					
Issue of shares	111.6	108.6	231.1	357.4	**808.7**
Redemption of shares	(19.6)	(14.3)	(12.3)	(41.8)	**(88.0)**
Net conversions between share classes	2.4	–	(10.0)	7.6	**–**
	94.4	94.3	208.8	323.2	**720.7**
Result for financial year					
Loss attributable to shareholders before share class specific expenses	(2.6)	(1.8)	(3.1)	(2.4)	**(9.9)**
Servicing fees	–	–	(2.1)	(3.6)	**(5.7)**
Distributions	–	(4.5)	–	(12.0)	**(16.5)**
	(2.6)	(6.3)	(5.2)	(18.0)	**(32.1)**
Amounts attributable to shareholders as at 31 December 2022 (IFRS)	**171.1**	**154.0**	**317.3**	**493.6**	**1,136.0**
Adjustment to IFRS to obtain Net Asset Value	2.1	1.9	3.9	6.3	**14.2**
Net Asset Value attributable to shareholders as at 31 December 2022	**173.2**	**155.9**	**321.2**	**499.9**	**1,150.2**

A reconciliation of the number of shares and share price per share class is included in note 11.

Consolidated Statement of Cash Flows

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Cash flows from operating activities			
Distributions received		30.3	23.5
Interest income received		0.3	–
Management Fee paid	13a	–	(0.1)
Expenses paid		(9.8)	(6.7)
Cash flows before distributions		**20.8**	**16.7**
Distributions paid to shareholders		(17.1)	(15.0)
Net cash from operating activities		**3.7**	**1.7**
Cash flows from investing activities			
Contributions paid to investments		(32.8)	(787.5)
Proceeds from redemption of investments		216.0	59.6
Early Redemption Deduction paid to investments		(0.1)	(1.1)
Net cash from/(used in) investing activities		**183.1**	**(729.0)**
Cash flows from financing activities			
Cash flows with shareholders			
Proceeds for issue of shares	7	23.5	765.1
Redemptions paid		(215.9)	(79.3)
Net cash (used in)/from financing activities		**(192.4)**	**685.8**
Net decrease in cash and cash equivalents		**(5.6)**	**(41.5)**
Cash and cash equivalents at the beginning of the year		12.0	53.5
Cash and cash equivalents at the end of the year		**6.4**	**12.0**

Schedule of Investments

As at 31 December 2023

€m	Country	Ownership	Fair value of investment: BEPIF's share	Group's share	Percentage of Net Assets
Interests in BEPIF Aggregator (Group ownership: 84%)			**851.1**	**711.2**	**100 %**
The net assets of BEPIF Aggregator comprise:					
Investments[1]					
Direct real estate investments					
Logistics					
Mileway	Pan-European	5.1 %			
Evergreen Logistics Portfolio	Various[2]	89.9 %			
Alaska Logistics Portfolio	UK	15.9 %			
Coldplay Logistics Portfolio	Germany	89.9 %			
Luna Logistics Portfolio	Italy	100 %			
Total Logistics			923.6	771.7	108.5 %
Office					
Infinity Office Asset	Ireland	100 %			
Gurston Office Asset	UK	100 %			
Adare Office Asset	Ireland	25 %			
Total Office			231.8	193.7	27.2 %
Investments through BPPE	Pan-European	1.3 %	102.0	85.2	12.0 %
Total direct real estate (including BPPE)			**1,257.4**	**1,050.6**	**147.7 %**
Real estate debt investments					
Debt securities			0.3	0.3	0.0 %
Total direct real estate debt			**0.3**	**0.3**	**0.0 %**
Total investments			**1,257.7**	**1,050.9**	**147.8 %**
Other net assets					
Preference Interests			(452.9)	(378.4)	(53.2) %
Interest rate swaps (EUR)			(0.7)	(0.6)	(0.1) %
Interest rate swaps (GBP)			18.1	15.1	2.1 %
Other net working capital			28.9	24.2	3.4 %
			(406.6)	**(339.7)**	**(47.8)%**
Investments at fair value			**851.1**	**711.2**	**100 %**

1. The fair value of each investment represents the value of the equity held by the Group, determined in accordance with IFRS. Fair value comprises the value of real estate/debt investments less directly associated borrowings and other net working capital.

2. Evergreen Logistics Portfolio comprises properties in Poland, the UK, Germany, Spain and the Czech Republic.

Schedule of Investments

As at 31 December 2022

€m	Country	Ownership	Fair value of investment: BEPIF's share	Fair value of investment: Group's share	Fair value of investment: Percentage of Net Assets
Interests in BEPIF Aggregator (Group ownership: 90%)			**1,292.8**	**1,162.5**	**100 %**
The net assets of BEPIF Aggregator comprise:					
Investments[1]					
Direct real estate investments					
Logistics					
Mileway	Pan-European	5.1 %			
Evergreen Logistics Portfolio	Various[2]	89.9 %			
Alaska Logistics Portfolio	UK	15.9 %			
Coldplay Logistics Portfolio	Germany	89.9 %			
Luna Logistics Portfolio	Italy	100 %			
Rose Logistics Asset	Netherlands	100 %			
Total Logistics			1,083.2	974.0	83.8 %
Office					
Infinity Office Asset	Ireland	100 %			
Gurston Office Asset	UK	100 %			
Adare Office Asset	Ireland	25 %			
Total Office			304.5	273.8	23.6 %
Data Centre					
Harbour Exchange	UK	100 %			
Total Data Centre			87.2	78.4	6.7%
Investments through BPPE	Pan-European	1.3 %	112.7	101.3	8.7 %
Total direct real estate (including BPPE)			**1,587.6**	**1,427.5**	**122.8 %**
Real estate debt investments					
Bilateral loans			36.5	32.8	2.8 %
Debt securities			8.1	7.3	0.6 %
Total direct real estate debt			**44.6**	**40.1**	**3.4 %**
Total investments			**1,632.2**	**1,467.6**	**126.2 %**
Other net assets					
Preference Interests			(424.1)	(381.4)	(32.8) %
Interest rate swaps (EUR)			21.1	19.0	1.6 %
Interest rate swaps (GBP)			49.5	44.5	3.8 %
Other net working capital			14.1	12.8	1.1 %
			(339.4)	**(305.1)**	**(26.2)%**
Investments at fair value			**1,292.8**	**1,162.5**	**100 %**

1. The fair value of each investment represents the value of the equity held by the Group, determined in accordance with IFRS. Fair value comprises the value of real estate/debt investments less directly associated borrowings and other net working capital.

2. Evergreen Logistics Portfolio comprises properties in Poland, the UK, Germany, Spain and the Czech Republic.

Notes to the Consolidated Financial Statements

1. General information

Blackstone European Property Income Fund SICAV ("BEPIF Feeder SICAV") is a multi-compartment Luxembourg investment company with variable capital (*société d'investissement à capital variable*) governed by Part II of the Luxembourg law of 17 December 2010 (the "2010 Law"). Any capitalised term not otherwise defined in these financial statements has the meaning given to it in the version of BEPIF Feeder SICAV's prospectus applicable at the date of issuance of these financial statements ("the Prospectus").

The registered address of BEPIF Feeder SICAV is 11-13, Boulevard de la Foire, L-1528, Luxembourg.

Principal activities

BEPIF Feeder SICAV is a vehicle for investment into BEPIF. BEPIF is a real estate investment programme operated through several entities and the term "BEPIF" is used throughout these financial statements to refer to the programme as a whole.

BEPIF invests primarily in substantially stabilised, income-generating European real estate and, to a lesser extent, in real estate related debt. BEPIF seeks to bring Blackstone's leading institutional-quality European real estate investment platform primarily to income-focused individual investors.

Corporate structure

Blackstone European Property Income Fund (Master) FCP ("BEPIF Master FCP") is a Luxembourg mutual fund (*fonds commun de placement*) governed by Part II of the 2010 Law. It is the master fund for BEPIF Feeder SICAV. At 31 December 2023, BEPIF Feeder SICAV owned 97% of the units (by value) issued by BEPIF Master FCP. BEPIF Feeder SICAV together with BEPIF Master FCP are referred to as the "Group".

BEPIF Feeder SICAV and BEPIF Master FCP are alternative investment funds under the amended law of 12 July 2013 relating to Alternative Investment Fund Managers (the "2013 Law"). Blackstone Europe Fund Management S.à r.l. (the "AIFM"), an affiliate of Blackstone Inc., has been appointed as alternative investment fund manager of both funds under the 2013 Law in order to perform the investment management (including both portfolio and risk management), oversight, valuation and certain other functions. The registered office of the AIFM is 2-4 rue Eugene Ruppert, L-2453 Luxembourg. The AIFM is also the management company of BEPIF Master FCP (in this capacity the "Management Company"). The AIFM has delegated the portfolio management function to Blackstone Property Advisors, L.P. (the "Investment Manager"). The Investment Manager has discretion to make investments on behalf of BEPIF Feeder SICAV and BEPIF Master FCP.

BEPIF Master FCP makes investments in real estate alongside a Parallel Vehicle, Blackstone European Property Income Fund S.L.P. ("Blackstone Bepimmo"), an investment vehicle also managed by the Investment Manager. Collectively BEPIF Feeder SICAV, BEPIF Master FCP and Blackstone Bepimmo are referred to as the "Funds". BEPIF (Aggregator) SCSp ("BEPIF Aggregator"), a Luxembourg special limited partnership (*société en commandite spéciale*), is the vehicle through which the Funds hold their investments. BEPIF Master FCP and Blackstone Bepimmo are the limited partners of BEPIF Aggregator (the "Limited Partners").

2. Group accounting policies

These consolidated financial statements are presented for the year ended 31 December 2023 (with comparative financial information for the year ended 31 December 2022) and were approved for issue by the Board of Directors on 26 June 2024.

This financial information presented consolidates BEPIF Feeder SICAV and BEPIF Master FCP. Separate financial results for the same period of BEPIF Feeder SICAV are included, alongside these consolidated financial results, in the 2023 Annual Report of BEPIF Feeder SICAV. Shareholders can obtain the financial results for the year of BEPIF Master FCP on request to the AIFM.

a) Basis of accounting

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). No IFRS standards have been early adopted and there are no new or amended standards that are expected to have a material impact on the Group. Following revisions to IAS 1 *Presentation of Financial Statements,* the accounting policies disclosed in note 2 and 3 have been updated to cover only material accounting policy information. There have been no changes to the accounting policies in the year.

The functional and presentational currency is the euro. These consolidated financial statements have been prepared on a historical cost basis, except for investments in joint ventures which are measured at fair value.

As further described in note 2d, the Group has no financial instruments classified as equity. The Consolidated Statement of Changes in Amounts Attributable to Shareholders is presented in lieu of a statement of changes in equity.

Notes to the Consolidated Financial Statements

Net Asset Value attributable to shareholders

BEPIF Feeder SICAV's Net Asset Value is determined monthly in accordance with the valuation policy of BEPIF, as well as the terms of the Prospectus and the valuation policy of BEFM (collectively the "Valuation Policy"), and sets the price at which shares in BEPIF Feeder SICAV are subscribed/ redeemed. The Valuation Policy is generally aligned with the recognition and measurement requirements of IFRS. However, Net Asset Value is not a measure used under IFRS and the valuations of, and certain adjustments made to, assets and liabilities used in the determination of Net Asset Value may differ from IFRS. The determination of Net Asset Value takes into account the market impact of specific events as they occur, based on assumptions and judgments that may or may not prove to be correct, and may also be based on the limited information readily available at that time..

€m	As at 31 December 2023	As at 31 December 2022
Amounts attributable to shareholders (IFRS)	688.7	1,136.0
IFRS-related adjustments to obtain Net Asset Value		
Adjustments for expenses funded by the Investment Manager [1]		
Group's share of adjustment at beginning of year	14.5	7.6
Net (decrease)/increase in Group's share of liability	(1.4)	6.9
Amount attributable to minority investors in BEPIF Master FCP	(0.4)	(0.3)
	12.7	14.2
Adjusting events after the reporting period [2]		
Group's share of adjustment to Investments at fair value	35.4	–
Amount attributable to minority investors in BEPIF Master FCP	(1.2)	–
	34.2	–
Net Asset Value attributable to shareholders	**735.6**	**1,150.2**

1. Expenses funded by the Investment Manager (see note 13a) are recognised as a deduction to Net Asset Value only when they are reimbursed to the Investment Manager whereas under IFRS such expenses are recognised when the associated services are provided. During 2023, €3.3m of such expenses were charged against Net Asset Value attributable to shareholders (2022: €0.8m).

2. IAS 10 *Events after the Reporting Period* requires adjustment to amounts recognised in the financial statements to reflect 'adjusting events' after the reporting period to the extent those items are not reflected in Net Asset Value. Adjusting events are reflected in Net Asset Value at the valuation date after the information becomes available in accordance with the Valuation Policy.

Going concern

These consolidated financial statements have been prepared on a going concern basis. In the opinion of the Directors there are no material uncertainties in reaching this conclusion. The Investment Manager has prepared liquidity forecasts which show that, for at least the next 12 months, the Group will have sufficient funds to meet its obligations to third parties as they fall due. This assessment includes the impact of subsequent events as described in note 14. At the date of approval of these financial statements the Group had unsatisfied redemptions as described in note 11. Redemptions are satisfied in accordance with the Prospectus, including the redemption limits also described in note 11.

b) Basis of consolidation

These consolidated financial statements incorporate the financial statements of BEPIF Feeder SICAV and entities it controlled during the reporting period. BEPIF Feeder SICAV's only subsidiary is BEPIF Master FCP.

Significant accounting judgement - Classification of BEPIF Master FCP as a subsidiary

BEPIF Feeder SICAV has a greater than 50% share of the units issued by BEPIF Master FCP. The AIFM has rights of control over the management of BEPIF Master FCP, including appointing the Investment Manager. However, the AIFM does not have any significant economic interest in BEPIF Master FCP and therefore the AIFM is considered the agent of BEPIF Feeder SICAV in its relationship with BEPIF Master FCP. Therefore, the Directors conclude BEPIF Feeder SICAV has 'control', as defined under IFRS 10 *Consolidated Financial Statements*, over BEPIF Master FCP and classifies its investment as a subsidiary. This judgement is unchanged from the prior year.

c) Investment in joint ventures

BEPIF Aggregator is classified as a joint venture of the Group. The Group has taken the election available, under IAS 28 *Investments in Associates and Joint Ventures*, for entities similar to mutual funds to hold investments in joint ventures at fair value. Gains/losses on changes in fair value are recognised in profit or loss. Determination of fair value represents an area of significant estimation uncertainty. Methods and assumptions adopted are described in note 4c.

Notes to the Consolidated Financial Statements

Significant accounting judgement - Classification of BEPIF Aggregator as a joint venture

Blackstone European Property Income Fund Associates (Lux) S.à r.l. (the "General Partner") is the general partner to BEPIF Aggregator. The remuneration of the General Partner is not linked to the profitability of BEPIF Aggregator and therefore the General Partner is considered an agent of the Limited Partners. Under the Limited Partnership Agreement ("the LPA"), the voting rights of the Limited Partners are not proportional to their interests. Unanimous consent of the Limited Partners is required for certain reserved matters, including replacement of the General Partner. Therefore, despite owning more than 50% of the issued Limited Partners' interests, BEPIF Master FCP is not considered to 'control' BEPIF Aggregator as defined under IFRS 10 *Consolidated Financial Statements*. Therefore the investment in BEPIF Aggregator is a joint venture. The impact of this judgement is that the investment in BEPIF Aggregator is presented as a single line in the Consolidated Statement of Financial Position as opposed to a line-by-line consolidation of the results if BEPIF Aggregator were considered a subsidiary. This judgement is unchanged from the prior year.

d) Financial instruments

Financial assets

Other than the investment in joint ventures, all financial assets are classified as 'subsequently measured at amortised cost'. Financial assets include cash and cash equivalents, and receivables. Cash and cash equivalents includes cash in hand and cash held by the Depositary (as defined in note 12) from subscriptions received in advance (note 2e).

Financial liabilities

All financial liabilities are classified as 'subsequently measured at amortised cost'.

'Amounts attributable to shareholders' and 'Amounts attributable to minority investors in BEPIF Master FCP' are initially recognised at fair value, which is taken to be the proceeds received for the shares/units issued. Subsequently the carrying amount is adjusted for the allocation of profit or loss attributable to that share/unit class, less any distributions or redemptions.

Liabilities to settle satisfied redemptions of shares of BEPIF Feeder SICAV are transferred to a separate liability in the Consolidated Statement of Financial Position at the Redemption Date (see note 11). Redemption Requests which are not satisfied (referred to as 'outstanding redemptions') remain included in 'Amounts attributable to shareholders'. Outstanding redemptions are disclosed in note 11. Distributions are recognised as a separate liability when they are declared.

Significant accounting judgement - Classification of shareholders' investment into BEPIF Feeder SICAV as a financial liability

Shareholders have the right to request a redemption of their investment. Payment of redemptions is subject to the redemption limitations as described in the Prospectus (redemption terms are summarised in note 11). These redemption limitations do not extinguish the contractual obligation to satisfy the Redemption Request, and hence deliver cash, to shareholders at a future date. Therefore, shareholders' investments are classified as financial liabilities. The impact of this judgement is that distributions are presented as an expense in the Consolidated Statement of Comprehensive Income. This judgement is unchanged from the prior year.

Significant accounting judgement - Classification of unitholders' investment into BEPIF Master FCP as a financial liability

BEPIF Master FCP has analogous redemption rights and terms for its unitholders as BEPIF Feeder SICAV has for its shareholders. Therefore, amounts attributable to BEPIF Master FCP unitholders included in BEPIF Feeder SICAV's Consolidated Statement of Financial Position are also classified as financial liabilities. The impact of this judgement is that amounts attributable to minority investors in BEPIF Master FCP are presented as a liability within the Consolidated Statement of Financial Position as opposed to a non-controlling interest within equity.

The impact of the two judgements above is that there are no equity instruments. Therefore, a consolidated statement of changes in equity is replaced by the Consolidated Statement of Changes in Amounts Attributable to Shareholders. This judgement is unchanged from the prior year.

e) Subscriptions received in advance

Subscriptions received in advance represent amounts received for subscriptions prior to the trade date when shares are issued. The cash from subscriptions is included in cash and cash equivalents along with an offsetting liability until shares are issued.

f) Revenue

Revenue comprises distributions from investments. Distributions are recognised when the right to receive payment is established.

g) Fees

The Management Fee, servicing fee and other administrative fees are recognised in profit or loss when the related services are received.

Notes to the Consolidated Financial Statements

h) Tax

The Group is not subject to any income taxes as defined in IAS 12 *Income taxes*. Instead, Luxembourg subscription tax is charged on net assets and reported in expenses in profit or loss.

i) Statement of Cash Flows

The direct presentation method for the Consolidated Statement of Cash Flows has been adopted. Distributions to shareholders are presented as an operating cash flow as these are funded from operational cash flows from investments.

3. Accounting policies applied by investments

The Group has applied the following accounting policies to its investments held through BEPIF Aggregator.

a) Basis of accounting

Consolidated financial information for the group headed by BEPIF Aggregator has been prepared on a historical cost basis, except that investment property, equity investments (including in associates), derivatives and certain debt investments are measured at fair value.

Significant accounting judgement - Consolidation

BEPIF Aggregator is not considered as an investment entity under IFRS 10 Consolidated Financial Statements. BEPIF's investment strategy is to acquire substantially stabilised, income-generating real estate, and therefore investment decisions are based on a range of factors beyond fair value, including an investment's income and cash generation. BEPIF Aggregator therefore prepares consolidated financial statements. This judgement is unchanged from the prior year.

IFRS classification of investments

The following table shows the classification of BEPIF's investments under IFRS. The classification is primarily driven by BEPIF's ownership in the investment.

Investment property	Investment in associates	Investment in BPPE / Investment in other equity investments
Ownership: >50%	**Ownership: 20-50%**	**Ownership: <20%**
Evergreen Logistics Portfolio	Adare Office Asset	Investments through BPPE
Coldplay Logistics Portfolio		Mileway
Luna Logistics Portfolio		Alaska Logistics Portfolio
Infinity Office Asset		
Gurston Office Asset		
Rose Logistics Asset (disposed)		
Harbour Exchange (disposed)		

b) Asset acquisitions and business combinations

The optional concentration test in IFRS 3 *Business Combinations* is used to assess whether an acquisition is a business combination. When substantially all of the fair value of the gross assets acquired is concentrated in a single group of similar assets, the transaction is accounted for as an asset acquisition. A threshold of 90% has been adopted to represent 'substantially all'.

Commonly, investment properties acquired via the purchase of the legal entity which holds the properties are not business combinations, as either the concentration test is met, or processes acquired (as defined in IFRS 3) are insignificant.

All acquisitions to date have been asset acquisitions and there have been no significant judgements made in reaching that conclusion.

Notes to the Consolidated Financial Statements

Accounting for asset acquisitions

The consideration paid is first allocated to any assets or liabilities which IFRS requires initial recognition to be at a value other than cost (this primarily applies to deferred tax subject to the initial recognition exemption described in note 3i), allocating those assets/liabilities that value. Secondly the consideration is allocated to the remaining assets and liabilities based on their relative fair values at the date of acquisition. Transaction costs are considered primarily to relate to the investment property acquired and are capitalised solely into the property.

When a transaction involves acquiring less than 100% of an entity, the non-controlling interest in the acquiree is initially recognised at the proportionate share of the acquired net assets.

c) Investment properties

Investment property is recognised when the purchase contract is completed and legal title transferred. Investment property is measured initially at its cost, including related transaction costs. If payment for an investment property is deferred, its cost is the cash price equivalent. Rent guarantees and top ups paid by a vendor to compensate for vacant space or rent-free periods are treated as part of the cost of the property and offset against the initial purchase consideration. Contingent consideration paid to the vendor, dependent, for example, on future occupancy or performance of the property, is recognised as part of the cost of the property when the associated liability for payment is recognised.

After initial recognition, investment property is carried at fair value. Fair value is determined on the basis of a sale of the investment property as opposed to sale of the legal entity which owns the property. The fair value of investment property includes the future cash benefit of any lease incentives granted to tenants or fixed/minimum rental uplifts. Therefore, the corresponding entry upon recognising such rental income is made to investment property. The fair value of any leasehold properties is adjusted by the carrying amount of the separately recognised lease liability.

Subsequent expenditure is capitalised to a property's carrying amount when it is probable there will be future economic benefits associated with the expenditure. Fees associated with leasing investment property are included in the carrying amount of the related investment property and subsequently amortised over the lease term.

Investment properties are derecognised when the associated sale contract is completed and legal title transfers to the purchaser. Realised gains or losses on the disposal of investment properties are determined as the difference between disposal proceeds and carrying value at the date of disposal, less any transaction costs, and are included in the statement of comprehensive income in the period of disposition. Carrying value of the property is determined by reference to the prior year valuation adjusted for capital expenditure and other movements (at cost) for the period of the year until disposal.

Sale and leaseback transactions

If, at acquisition, the minimum contractual rent due on the lease in a sale and leaseback transaction is not equal to the market rent the net present value of this difference is included in the initial cost of the property and subsequently amortised over the lease term as a component of rental income.

d) Financial instruments

Classification

Financial assets are classified in the following measurement categories:

- fair value through profit and loss ("FVPL");
- fair value through other comprehensive income ("FVOCI"); or
- subsequently measured at amortised cost.

i) Equity investments

All equity investments, including the investment in BPPE (defined in note 4b.I), are classified as FVPL financial assets.

ii) Investments in associates

The election available under IAS 28 *Investments in Associates and Joint Ventures* has been taken for entities similar to mutual funds to hold investments in associates as FVPL financial assets.

Notes to the Consolidated Financial Statements

iii) Debt investments

The classification of debt investments depends on the business model for that investment.

- *Debt held at amortised cost*
  Typically such investments are non-traded bilateral loans which are held for collection of contractual cash flows.

- *Debt held at FVOCI*
  Typically such investments are listed debt instruments which are held for both collection of contractual cash flows and potential sale.

iv) Trade receivables

Trade receivables, primarily rents due from tenants, are classified as 'subsequently measured at amortised cost'. A provision for expected credit losses is included in property expenses in profit or loss.

v) Cash and cash equivalents

Cash and cash equivalents include cash on hand and short term deposits.

vi) Derivatives

Derivative financial assets/liabilities primarily comprise instruments to manage interest rate or foreign currency risk and are classified as FVPL financial assets/liabilities. Hedge accounting is not applied. Gains or losses on changes in fair value are recognised in net finance expenses in profit or loss.

vii) Loans and borrowings

All loans and borrowings are classified as 'subsequently measured at amortised cost'.

When calculating the effective interest rate, future cash flows are estimated over the expected life of the loan. The expected life of the loan considers all contractual terms including extension options and the ability to repay the loan in advance of contractual maturity.

Interest expense is recognised within net finance expenses in profit or loss.

Borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the year end.

viii) Trade and other payables

Trade and other payables, including 'expense funding payable', are classified as 'subsequently measured at amortised cost'. Given the deferred repayment term expense funding payables are discounted to their net present value.

e) Amounts due to partners

Significant accounting judgement - Classification of amounts attributable to partners

As described below, all partners' interests in BEPIF Aggregator have a contractual obligation to deliver cash, as defined in IAS 32 *Financial Instruments Presentation*, to the partners and therefore all partners' interests are classified as financial liabilities (as opposed to equity instruments). The contractual obligation arises, in accordance with the LPA:

- Limited Partners have a right to withdraw their interests for cash.

- The Special Limited Partner has the right to receive a Performance Participation Allocation which may be settled in cash at the option of the Special Limited Partner.

- The Preferred Limited Partner will receive a minimum redemption of its interests contingent on subscriptions to the Funds.

- The General Partner has a minimum level of profit allocation payable in cash.

Given the above, BEPIF Aggregator has no equity (as defined by IFRS). The only equity included in its consolidated balance sheet arises from non-controlling interests in subsidiaries of BEPIF Aggregator. A Statement of Changes in Amounts Attributable to Partners is presented as a primary statement alongside the Statement of Changes in Equity (which solely relates to non-controlling interests).

The terms Special Limited Partner, Preferred Limited Partner and General Partner are defined in note 13, alongside information on the rights applicable to these interests.

Notes to the Consolidated Financial Statements

i) Amounts attributable to Limited Partners

'Amounts attributable to Limited Partners' are initially recognised at cost. Subsequently, such amounts are remeasured to the amount that would be payable if redemption requests for all Limited Partner balances were made and settled at the residual net assets of BEPIF Aggregator (calculated under IFRS after deducting all other liabilities).

Redemption requests are effective at the end of each month and the limited partner ceases to benefit from any allocation of profits related to those units from that date. The redemption liability is presented separately from 'amounts attributable to Limited Partners'.

Distributions are presented as an expense in profit or loss and are recognised as a separate liability to 'amounts attributable to Limited Partners' when declared.

Appreciation of Net Asset Value under the Valuation Policy is allocated between the Limited Partners monthly taking into account the relative holdings of those partners at each subscription date. Adjustments to obtain IFRS from the Net Asset Value (see note 4b.IV) are allocated based on the relative holding of the Limited Partners at the year end. Hence, the relative share each Limited Partner has in BEPIF Aggregator is the same under IFRS and the Valuation Policy.

ii) Amounts attributable to the Special Limited Partner

The Special Limited Partner Interest of USD 0.5m is the initial contribution of the Special Limited Partner to BEPIF Aggregator. In accordance with the LPA, this interest entitles the Special Limited Partner to a Performance Participation Allocation based on the Total Return of BEPIF Aggregator (see note 13 for further details).

The Performance Participation Allocation is calculated monthly, taking into account the required performance conditions and Net Asset Value of BEPIF Aggregator. Where that calculation indicates the performance conditions have been achieved (based on performance up to the measurement date only), a Performance Participation Allocation is accrued at the amount that would be paid to the Special Limited Partner were the Performance Participation Allocation to crystallise at the measurement date.

The change in Performance Participation Allocation is included in profit or loss with an expense representing an increase in the amount payable to the Special Limited Partner.

iii) Preference Interests

Preference Interests are initially recognised at cost, being the consideration received from the Preferred Limited Partner. Subsequently, such amounts are recognised at amortised cost.

Dividends on Preference Interests are presented as an expense in profit or loss, and as a separate liability in BEPIF Aggregator's consolidated statement of financial position.

Significant transaction - Preference Interests Rate Waiver

As described in note 13c, the Preferred Limited Partner, elected to voluntarily waive the 4% fixed dividend for the period 1 December 2023 to 30 June 2024. The waiver is a 'non-substantial modification' (as defined in IFRS 9 *Financial Instruments*) of the financial liability. The carrying amount of the Preference Interests has been adjusted to reflect the present value of the revised cash flows discounted at the original dividend rate. The resultant reduction in the carrying amount is offset by an increase in 'amounts attributable to Limited Partners', recognised directly in the Statement of Changes in Net Assets Attributable to Partners.

f) Leases

As the lessee

Lease liabilities relate to leases of investment property. Lease payments are discounted using BEPIF Aggregator's incremental borrowing rate. Lease payments that depend on an index, such as an inflation index, are included in the lease liability based on the current index and remeasured each time that index is updated. Variable lease payments that depend on the rent received from the property are not included in the lease liability and are instead recognised in profit or loss on an accrual basis.

As the lessor

All existing leases of investment property are considered operating leases as the lease terms do not substantially transfer the risks and rewards of ownership to the tenant.

Notes to the Consolidated Financial Statements

g) Provisions

Contracts for the purchase of, or capital expenditure on, investment properties are typically disclosed as capital commitments. Where the unavoidable costs of meeting such a contract exceed the economic benefits expected to be received, a provision is recognised at the present value of the net obligation.

h) Revenue recognition

i) Revenue from investment properties

Revenue from investment properties includes rental income, service charge income, and other property related income.

Rental income from operating leases is recognised on a straight-line basis over the lease term. Included in the straight-line basis are the effects of future fixed or minimum uplifts in rent and any incentives provided to tenants (such as rent-free periods or capital contributions). Any contingent rental uplifts, including rent reviews, are excluded until the amounts are known.

The lease term is the non-cancellable period of the lease. Tenant break clauses are assumed to be exercised unless it is reasonably certain at inception of the lease (or acquisition of the property) that the break will not be exercised. Considerations in making this assessment are the length of time until the break date, any difference between the contract terms and the market terms, any significant investments made by the lessee in the property, costs relating to the termination of the lease and the importance of the underlying asset to the lessee's operations. This judgement is not reassessed unless there is a change in the non-cancellable period of the lease.

Revenue from service charges is recognised in the accounting period in which the corresponding services are provided to the tenant.

ii) Revenue from equity investments

Revenue from equity investments comprises distribution income from the investment in BPPE and investments in other equity instruments. Distribution income is recognised when the right to receive a payment is established.

iii) Interest income on debt instruments

Interest income on debt instruments includes interest, exit fees and arrangement fees. Interest is recognised on an accruals basis, using the effective interest method.

iv) Revenue from investments in associates

Distributions from associates follows the same accounting policy as for distributions from equity investments. Interest on loans advanced to associates follows the same policy as for interest income on debt investments.

i) Current and deferred income taxes

Current tax

The current tax charge is based on the tax laws in the countries where BEPIF operates that are enacted or substantively enacted by the year end.

Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts under IFRS.

Deferred tax is not recognised for any temporary differences arising at initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, has no impact on either accounting nor taxable profits. This typically arises when investment property is acquired via the purchase of shares in an entity which owns property but under IFRS the acquisition is assessed to be an asset acquisition rather than a business combination (see note 3b).

Additional considerations for investment property

IFRS requires investment property to be valued assuming a sale of the property rather than a sale of the legal entity which owns the property. Deferred tax on investment property uses a consistent assumption of an asset sale. Should the legal entity owning the property be disposed then the actual tax payable may be significantly different.

Additional considerations for subsidiaries

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by BEPIF and it is probable that the temporary difference will not reverse in the foreseeable future.

Notes to the Consolidated Financial Statements

j) Consolidated Statement of Cash Flows of BEPIF Aggregator

Distributions to Limited Partners are presented as an operating cash flow as these are funded from operational cash flows from investments. Interest paid/received on loans, borrowings and derivatives is considered a reduction in funds available for distribution to limited partners and are hence presented as operating cash flows.

Payments of the Performance Participation Allocation and dividends on Preference Interests are presented as financing cash flows as they are considered capital in nature and do not determine funds available for distribution to Limited Partners.

When investment property is acquired via acquisition of the legal entity that owns the property and that acquisition is accounted for as an asset acquisition, the investing cash flow is presented as Acquisition of investment property rather than Acquisition of subsidiary, net of cash. This is considered to better reflect the substance of the acquisition. Analogous considerations are applied to disposals.

4. Investments at fair value

4a. Reconciliation of investments at fair value

BEPIF Aggregator is the vehicle through which the Funds hold their real estate related investments. Under IFRS, BEPIF Aggregator is classified as a joint venture of BEPIF Master FCP and Blackstone Bepimmo. The share of BEPIF Aggregator held by BEPIF Master FCP and Blackstone Bepimmo varies dependent on the level of subscriptions and redemptions from their respective investors. At 31 December 2023, BEPIF Master FCP held a 84% share (by value) of the Limited Partners' interests in BEPIF Aggregator (2022: 90%). After deducting allocations to minority investors in BEPIF Master FCP, BEPIF Feeder SICAV has an effective interest of 81% in BEPIF Aggregator (2022: 88%).

The following table reconciles the Group's investments for the years ended 31 December 2023 and 2022:

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Opening fair value (IFRS)		**1,162.5**	**457.1**
Contributions		44.3	827.0
Contributions of other income	9	–	3.9
Redemptions		(238.1)	(87.9)
(Loss)/gain on change in fair value:			
(Loss)/gain before Performance Participation Allocation		(257.5)	(29.5)
Share of Performance Participation Allocation	13a	–	(8.1)
		(257.5)	(37.6)
Closing fair value (IFRS)		**711.2**	**1,162.5**

The Group has distribution income for the year of €39.2m (2022: €38.0m). Distributions are declared by BEPIF Aggregator to the extent the Group requires funding to pay its expenses and distributions to shareholders, otherwise cash is retained by BEPIF Aggregator.

Notes to the Consolidated Financial Statements

4b. Summary financial information of joint venture investments

The following financial information summarises the consolidated financial results of the group headed by BEPIF Aggregator prepared under IFRS and the accounting policies in note 3.

BEPIF Aggregator Consolidated Statement of Financial Position

€m	Notes	As at 31 December 2023	As at 31 December 2022
Assets			
Non-current assets			
Investment property	4b.I	1,443.4	1,894.3
Investment in BPPE	4b.I	102.0	112.7
Investments in other equity instruments	4b.I	640.7	676.5
Investment in associates	4b.I	53.6	60.3
Investments in debt instruments at FVOCI	4b.II	0.3	19.3
Investments in debt instruments at amortised cost	4b.II	–	77.7
Derivative financial assets		11.5	56.7
Total non-current assets		2,251.5	2,897.5
Current assets			
Cash and cash equivalents		102.0	90.4
Trade and other receivables		24.9	31.2
Derivative financial assets		13.3	13.9
Quarterly Shortfall receivable	13a	2.1	2.0
Total current assets		142.3	137.5
Total assets		**2,393.8**	**3,035.0**
Liabilities			
Non-current liabilities			
Loans and borrowings	4b.III	(846.1)	(1,216.8)
Lease liabilities		(11.0)	(10.1)
Derivative financial liabilities		(7.4)	–
Expense funding payable	13a	(11.4)	(13.9)
Trade and other payables		(5.1)	(4.9)
Deferred tax liabilities		(3.0)	(16.1)
Total non-current liabilities		(884.0)	(1,261.8)

Notes to the Consolidated Financial Statements

BEPIF Aggregator Consolidated Statement of Financial Position (continued)

€m	Notes	As at 31 December 2023	As at 31 December 2022
Current liabilities			
Loans and borrowings	4b.III	(118.1)	(6.5)
Lease liabilities		(0.4)	(0.3)
Expense funding payable	13a	(3.7)	(3.7)
Trade and other payables		(26.7)	(24.0)
Provisions	4b.I	(15.0)	–
Deferred income		(11.7)	(13.1)
Income tax payable		(3.1)	(5.2)
Distribution payable[1]		(3.1)	(5.7)
Redemption payable[1]		(29.6)	(7.5)
Preference Interests - dividend payable	13c	(20.7)	(4.7)
Total current liabilities		(232.1)	(70.7)
Net assets before amounts attributable to partners and equity		**1,277.7**	**1,702.5**
Amounts attributable to partners			
Special Limited Partner Interest		0.4	0.4
Preference Interests	13c	423.0	424.1
BEPIF Master FCP	4b.IV	695.3	1,123.8
Blackstone Bepimmo		136.8	125.9
		1,255.5	**1,674.2**
Equity			
Non-controlling interest		22.2	28.3
Amounts attributable to partners and equity		**1,277.7**	**1,702.5**

1. BEPIF Master FCP's share of the distribution payable and redemption payable is €2.4m (2022: €4.9m) and €29.6m (2022: €7.5m), respectively.

Notes to the Consolidated Financial Statements

BEPIF Aggregator Consolidated Income Statement

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Revenue	4b.V	**120.6**	**102.8**
Operating expenses			
Property related expenses		(24.2)	(13.1)
Administrative expenses		(12.6)	(9.4)
Organizational & offering expenses	13a	–	(9.2)
		(36.8)	(31.7)
Gains/(losses) on change in fair value of			
Investment property	4b.I	(137.1)	(107.9)
Other real estate investments	4b.I	(62.3)	34.0
		(199.4)	(73.9)
Provision for loss on capital commitment	4b.I	(15.0)	–
Loss on disposal of			
Investment property	4b.I	(42.3)	–
Debt investments	4b.II	(1.5)	–
		(43.8)	–
Operating profit/(loss)		**(174.4)**	**(2.8)**
Net finance income/(expense)			
Net interest expense on loans and derivatives		(50.7)	(29.8)
Net gain/(loss) on change in fair value of derivatives		(31.4)	72.6
Net foreign exchange gains/(losses)		2.1	2.3
Other net finance income/(expense)		0.3	0.5
		(79.7)	45.6
Profit/(loss) before tax and amounts attributable to partners		**(254.1)**	**42.8**
Income tax			
Current tax		(4.3)	(8.9)
Deferred tax		13.2	1.1
		8.9	(7.8)
Profit/(loss) before allocations to partners		**(245.2)**	**35.0**
Distributions to Limited Partners		(48.0)	(43.1)
Dividend on Preference Interests	13c	(16.0)	(12.8)
Amortisation of Preference Interests modification	13c	(1.5)	–
Performance Participation Allocation	13a	–	(9.0)
Loss for the year		**(310.7)**	**(29.9)**
Attributable to:			
BEPIF Master FCP		(251.9)	(28.5)
Blackstone Bepimmo		(53.6)	(3.2)
Non-controlling interest		(5.2)	1.8
		(310.7)	(29.9)

Notes to the Consolidated Financial Statements

BEPIF Aggregator Consolidated Statement of Other Comprehensive Income

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Profit/(loss)		**(310.7)**	**(29.9)**
Other comprehensive income/(loss)			
Items that may be reclassified to profit or loss			
Change in the fair value of debt instruments held at FVOCI	4b.II	–	(1.8)
Losses on debt instruments held at FVOCI recycled to profit or loss	4b.II	1.8	–
Currency translation reserve		8.2	(23.3)
Income tax relating to these items		–	0.7
Other comprehensive income/(loss), net of tax		**10.0**	**(24.4)**
Total comprehensive loss for the year		**(300.7)**	**(54.3)**

Attributable to:			
BEPIF Master FCP		(243.6)	(50.2)
Blackstone Bepimmo		(51.9)	(5.6)
Non-controlling interest		(5.2)	1.5
		(300.7)	(54.3)

Notes to the Consolidated Financial Statements

BEPIF Aggregator Consolidated Statement of Changes in Equity and Amounts Attributable to Partners

€m	Notes	Amounts Attributable to Partners					Equity
		Limited Partners		Preferred Limited Partner	Special Limited Partner	Total	Non-controlling interest
		BEPIF Master FCP	Blackstone Bepimmo				
Balance as at 1 January 2022		**430.9**	**64.4**	**–**	**0.4**	**495.7**	**24.5**
Transactions with partners and non-controlling interests							
Issuance of units	4a	827.1	66.7	–	–	**893.8**	–
Redemption of units	4a	(87.9)	–	–	–	**(87.9)**	–
Contribution without issuance of units	4a	3.9	0.4	–	–	**4.3**	–
Issuance of Preference Interests	13c	–	–	500.0	–	**500.0**	–
Repayment of Preference Interests	13c	–	–	(75.9)	–	**(75.9)**	–
Non-controlling interest contributions		–	–	–	–	**–**	3.2
Non-controlling interest distributions		–	–	–	–	**–**	(0.9)
		743.1	67.1	424.1	–	**1,234.3**	2.3
Result for financial year							
Allocation of profit/(loss)		(28.5)	(3.2)	–	–	**(31.7)**	1.8
Allocation of other comprehensive income/(loss)		(21.7)	(2.4)	–	–	**(24.1)**	(0.3)
Balance as at 31 December 2022		**1,123.8**	**125.9**	**424.1**	**0.4**	**1,674.2**	**28.3**
Transactions with partners and non-controlling interests							
Issuance of units	4a	44.3	61.1	–	–	**105.4**	–
Redemption of units	4a	(238.1)	(0.1)	–	–	**(238.2)**	–
Issuance of Preference Interests	13c	–	–	8.1	–	**8.1**	–
Modification of Preference Interests	13c	8.9	1.8	(10.7)	–	**–**	–
Amortisation of Preference Interests modification	13c	–	–	1.5	–	**1.5**	–
Non-controlling interest distributions		–	–	–	–	**–**	(0.9)
		(184.9)	62.8	(1.1)	–	**(123.2)**	(0.9)
Result for financial year							
Allocation of profit/(loss)		(251.9)	(53.6)	–	–	**(305.5)**	(5.2)
Allocation of other comprehensive income/(loss)		8.3	1.7	–	–	**10.0**	–
Balance as at 31 December 2023		**695.3**	**136.8**	**423.0**	**0.4**	**1,255.5**	**22.2**

Notes to the Consolidated Financial Statements

BEPIF Aggregator Consolidated Statement of Cash Flows

€m	Year to 31 December 2023	Year to 31 December 2022
Cash flows from operating activities		
Loss for the year	(310.7)	(29.9)
Adjustments for:		
Distributions to Limited Partners	48.0	43.1
Dividend on Preference Interests	16.0	12.8
Amortisation of Preference Interests modification	1.5	–
Performance Participation Allocation	–	9.0
Income tax (credit)/expense	(8.9)	7.8
Net finance (income)/expense	79.7	(45.6)
Amortisation of upfront fees	(0.2)	(0.6)
Net loss on disposal	43.8	–
Provision for loss on capital commitment	15.0	–
(Gains)/losses on change in fair value of investments	199.4	73.9
Impact of lease incentives	(3.4)	(3.5)
	80.2	67.0
(Increase)/decrease in trade and other receivables	6.6	(11.7)
Increase/(decrease) in trade and other payables	(2.4)	1.4
Increase/(decrease) in deferred income	(1.4)	8.6
Cash flows from operations	**83.0**	**65.3**
Interest paid on loans and borrowings	(63.3)	(22.0)
Interest received/(paid) from/on derivatives[1]	38.6	(1.5)
Other finance costs paid	(0.3)	(0.6)
Tax paid	(2.1)	(3.7)
Operating cash flow before distributions	**55.9**	**37.5**
Distributions paid to Limited Partners	(39.3)	(27.8)
Distributions paid to non-controlling interests	(0.9)	(0.9)
Net cash from operating activities	**15.7**	**8.8**
Cash flows from investing activities		
Acquisition of investment properties, including deposits and transaction costs	–	(911.2)
Capital expenditure on investment properties	(10.5)	(2.5)
Net proceeds from investment property disposals	299.0	–
Investments in other equity instruments	(5.0)	–
Return of capital from investments in other equity instruments	–	14.8
Investment in associates	–	(57.1)
Return of capital from investment in associates	1.7	–
Investments in debt instruments	–	(99.3)
Repayment/disposal of debt instruments	97.4	95.1
Net cash from / (used in) investing activities	**382.6**	**(960.2)**

1. Interest received from derivatives in 2023 includes €23.1m of proceeds from the modification of derivatives (refer to note 12b).

Notes to the Consolidated Financial Statements

BEPIF Aggregator Consolidated Statement of Cash Flows (continued)

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Cash flows from financing activities			
Net cash from Limited Partners			
Issuance of units		93.9	854.3
Contribution without issuance of units		–	4.3
Redemption of units paid		(216.1)	(59.6)
Performance Participation Allocation paid	13a	–	(5.0)
Early Redemption Deduction received	11	0.1	1.1
		(122.1)	795.1
Net cash from non-controlling interests			
Non-controlling interest contributions		–	3.2
Proceeds from non-controlling interest loans		0.7	0.3
Repayments of non-controlling interest loans		(0.3)	(1.1)
		0.4	2.4
Net cash from Preference Interests			
Dividends paid on Preference Interests	13c	–	(8.1)
Repayment of Preference Interests	13c	–	(75.9)
		–	(84.0)
Net cash from external financing			
Proceeds from loans and borrowings		32.0	850.1
Repayments of loans and borrowings		(296.7)	(583.2)
Payment of loan arrangement fees		(0.2)	(4.5)
Payment of transaction costs for derivatives		–	(0.5)
Payment of lease liabilities		(0.4)	(0.4)
		(265.3)	261.5
Net cash from / (used in) financing activities		**(387.0)**	**975.0**
Net increase/(decrease) in cash and cash equivalents		**11.3**	**23.6**
Cash and cash equivalents at the beginning of the year		90.4	60.2
Cash and cash equivalents reclassified from disposal group		–	3.6
Effect of foreign exchange rate changes		0.3	3.0
Cash and cash equivalents at the end of the year		**102.0**	**90.4**

Notes to the Consolidated Financial Statements

Notes to the BEPIF Aggregator consolidation

4b.I. Investments in direct real estate

The following table reconciles movements in BEPIF's investment in direct real estate for the years ended 31 December 2023 and 2022. Details on ownership and location of investments can be found in the Schedule of Investments. The IFRS classification of BEPIF's investments can be found in note 3a.

	Investment in				
€m	Investment property	BPPE	Other equity instruments	Associates	Total
Balance at 1 January 2022	**910.7**	**101.7**	**181.2**	**–**	**1,193.6**
Purchases/additions[1]	918.6	–	500.2	57.1	1,475.9
Capital expenditure	2.4	–	–	–	2.4
Transfers from held for sale	198.3	–	–	–	198.3
Disposals/return of capital	–	–	(14.8)	–	(14.8)
Other movements[2]	3.4	–	–	–	3.4
Gain/(loss) on change in fair value[3]	(107.9)	11.0	19.8	3.2	(73.9)
Foreign currency gain/(loss)	(31.2)	–	(9.9)	–	(41.1)
Balance as at 31 December 2022[4]	**1,894.3**	**112.7**	**676.5**	**60.3**	**2,743.8**
Purchases/additions[1]	–	–	7.4	–	7.4
Capital expenditure	10.5	–	–	–	10.5
Disposals/return of capital	(338.6)	–	–	(1.7)	(340.3)
Other movements[2]	0.5	–	–	–	0.5
Gain/(loss) on change in fair value[3]	(137.1)	(10.7)	(46.6)	(5.0)	(199.4)
Foreign currency gain/(loss)	13.8	–	3.4	–	17.2
Balance as at 31 December 2023[4]	**1,443.4**	**102.0**	**640.7**	**53.6**	**2,239.7**

1. Purchases includes transaction costs of €nil (including any real estate transfer taxes) (2022: €45.4m) relating to investment property, €nil (2022: €0.2m) relating to other equity investments and €nil (2022: €9.9m) contributed to associates to fund transaction costs on its acquisition of investment property.

2. Other movements includes remeasurement of right of use asset of €1.3m (2022: €nil), impact of lease incentives €3.4m (2022: €3.4m) and release of closing cost accruals €(4.2)m (2022: €nil).

3. Comprises €15.1m of unrealised gains and €214.5m of unrealised losses (2022: €88.2m of unrealised gains; €162.1m of unrealised losses).

4. Closing balance of investment property includes €78.3m (2022: €80.7m) attributable to non-controlling interests.

Acquisitions

During 2023, there have been no additional investments in direct real estate.

As part of the acquisition of the Coldplay Logistics Portfolio in 2021, BEPIF was under contract to acquire an additional asset for a maximum of €78.8m upon completion of the development of the property. A provision for a loss on this capital commitment of €15.0m has been recognised, reflecting the difference between the forecast valuation of the property at completion and the purchase price. Conditions under the contract were met, and the acquisition completed, in January 2024.

BPPE

BEPIF holds an investment in Blackstone Property Partners Europe (Lux) SCSp, the Luxembourg limb of Blackstone Property Partners Europe ("BPPE"), Blackstone's flagship European Core+ real estate fund for institutional investors. BPPE invests in Core+ real estate investments in Europe. BPPE invests primarily in high-quality, substantially stabilised assets and portfolios across logistics, office, residential and retail assets in major European markets and gateway cities. BPPE is focused on maximizing value and driving income growth through active portfolio management, efficient and flexible financing, and various asset management initiatives including selective asset sales.

The general partner of BPPE seeks to satisfy any redemption requests over time and at its sole discretion, while also giving due consideration to liquidity needs, leverage management and value preservation.

Notes to the Consolidated Financial Statements

Disposals

In December 2023, BEPIF disposed of its investments in Harbour Exchange and Rose Logistics Asset for £173.3m (€202.0m) and €94.3m, respectively, net of transaction costs (2022: no disposals).

€m	Year to 31 December 2023
Net proceeds for investment property	
Proceeds for investment property	299.0
Transaction costs	(2.7)
	296.3
Carrying value of properties disposed	
Historical cost of investment properties	(376.1)
Realised foreign currency (gain)/loss on disposal	1.1
Impact of lease incentives	(2.1)
(Gains)/losses previously recognised in profit or loss	38.5
	(338.6)
Loss on disposal	**(42.3)**
Realised historical cost loss on disposal	*(79.8)*

4b.II. Investments in real estate debt

€m	Debt at amortised cost	Debt at fair value	Total
Balance as at 1 January 2022	**94.4**	**–**	**94.4**
Acquisitions, including transaction costs	77.7	21.6	99.3
Amortisation of upfront fees	0.6	–	0.6
Repayments/disposals	(95.0)	(0.1)	(95.1)
Gain/(loss) on change in fair value (in OCI)	–	(1.8)	(1.8)
Foreign currency gain/(loss)	–	(0.4)	(0.4)
Balance as at 31 December 2022	**77.7**	**19.3**	**97.0**
Amortisation of upfront fees	0.2	–	0.2
Repayments/disposals	(77.9)	(19.2)	(97.1)
Foreign currency gain/(loss)	–	0.2	0.2
Balance as at 31 December 2023	**–**	**0.3**	**0.3**

Debt at amortised cost

The €77.9m mezzanine loan issued in 2022 was repaid in the current period.

Debt at fair value

During the year, the majority of listed debt securities were sold for aggregate proceeds of €19.4m (2022: no disposals). At 31 December 2023 the remaining investment comprises €0.3m of GBP-denominated securities (representing <0.1% of the Group's net assets).

Notes to the Consolidated Financial Statements

€m	Year to 31 December 2023
Proceeds on disposal of debt instruments	19.4
Carrying value of debt instruments disposed	
Historical cost of debt instruments	(21.1)
Realised foreign currency (gain)/loss on disposal	0.2
Losses previously recognised in other comprehensive income	1.8
	(19.1)
Previously recognised losses recycled to profit or loss	(1.8)
Loss on disposal	**(1.5)**
Realised historical cost loss on disposal	*(1.7)*

4b.III. Loans and borrowings

€m	As at 31 December 2023	As at 31 December 2022
Non-current		
Gross loans and borrowings		
Acquisition Facility	840.8	1,080.9
Mortgage loans	–	134.1
	840.8	1,215.0
Loans from non-controlling interests	6.7	6.3
Unamortised arrangement fees	(1.4)	(4.5)
	846.1	1,216.8
Current		
Gross loans and borrowings: Acquisition Facility	110.4	–
Interest payable	7.7	6.5
	118.1	6.5
Total loans and borrowings	**964.2**	**1,223.3**
Gross loans and borrowings comprises:		
Attributable to BEPIF	904.5	1,168.4
Attributable to NCI	46.7	46.6
	951.2	1,215.0

Acquisition Facility

BEPIF has a Senior Facility Agreement (the "Acquisition Facility") with a syndicate of lenders which can be used to finance acquisitions of investments, up to a 57.5% loan-to-value, with each acquisition subject to approval by the lenders. At 31 December 2023, all of BEPIF's majority owned investments in direct real estate are secured under this facility. The utilisations of the facility relating to the Rose Logistics Asset and investments in real estate debt were repaid on disposal of those investments.

The Acquisition Facility includes various financial and operational covenants. These have been complied with throughout the year and to the date of issuance of these financial statements.

Mortgage loans

During 2023, the mortgage loan secured against Harbour Exchange was repaid on disposal of the investment.

Notes to the Consolidated Financial Statements

Line of Credit

Blackstone Holdings Finance Co. L.L.C., a subsidiary of Blackstone Inc., has provided an unsecured, uncommitted line of credit (the "Line of Credit") to BEPIF. The facility can be drawn for any purpose in either Euros, Pound Sterling or Dollars. During the year the Line of Credit was extended by 12 months to July 2024, with a revised facility amount of €200m.

Key terms of these loans are summarised in the table below:

			Principal outstanding as at	
€m	**Interest rate**	**Maturity date**	**31 December 2023**	**31 December 2022**
Acquisition Facility		Nov 2024 - Aug 2025[1]		
EUR	EURIBOR + 1.92%[2]		745.2	875.2
GBP	SONIA + 1.91%[2]		206.0	205.7
			951.2	1,080.9
Mortgage loans				
GBP	SONIA + 1.60%	n/a[3]	–	134.1
Line of Credit	EURIBOR / SONIA + 2.50%	Jul 2024[4]	–	–
Gross loans and borrowings			**951.2**	**1,215.0**

1. The Acquisition Facility matures on the first interest payment date following two years after each utilisation of the facility. There are two 12-month extension options (the second extension requiring consent of the lenders). The maturity dates disclosed above include the impact of any unexcercised extension options which do not require lender consent. At 31 December 2023, facilities totalling €110.4m had been extended for the first time and €840.8m had not been extended.

2. The interest rate for the Acquisition Facility represents the weighted average margin of each utilisation as at 31 December 2023. The initial margin of 1.50% increases to 1.85% then 2.00% in years 2 and 3, respectively, after each utilisation date of the facility.

3. The mortgage loan was repaid upon the disposal of Harbour Exchange in December 2023.

4. The €200m uncommitted, unsecured Line of Credit may be utilised up to the maturity date in July 2024. Repayment occurs on the earliest of: i) 180 days after the maturity date; ii) 180 days after the lender demanding repayment; or iii) 45 days after a change in Investment Manager. During the year a 12-month extension option was agreed to extend the maturity from July 2023 to July 2024. Further 12-month extension options are available with consent of the lender. For the avoidance of doubt, as a result of the uncommitted nature of the Line of Credit, Blackstone Holdings Finance Co. L.L.C. is not obligated, and nothing in this paragraph shall be construed as an obligation for Blackstone Holdings Finance Co. L.L.C., to make loans under the Line of Credit.

Notes to the Consolidated Financial Statements

4b.IV. Amounts attributable to BEPIF Master FCP

The fair value of BEPIF Master FCP's interest in BEPIF Aggregator as reported in the Consolidated Statement of Financial Position differs to its share of the Amounts attributable to partners in BEPIF Aggregator's Consolidated Statement of Financial Position (note 4b). This difference arises due to differences in how IFRS requires certain items to be measured in BEPIF Aggregator's own financial results as opposed to the IFRS treatment in determining the fair value of BEPIF Master FCP's interest in BEPIF Aggregator. The difference is reconciled as follows:

€m	As at 31 December 2023	As at 31 December 2022
BEPIF Aggregator: Amounts attributable to BEPIF Master FCP	**695.3**	**1,123.8**
Adjustments:		
Exit strategy assumption[1]	39.3	64.4
Deferred tax in relation to investments[2]	(18.2)	(23.5)
Fair market value of debt investments at amortised cost[3]	–	0.2
Fair market value of loans and borrowings[4]	0.1	(2.5)
Modification of Preference Interests[5]	(7.7)	–
Other differences	2.4	0.1
	15.9	38.7
The Group: Investments at fair value	**711.2**	**1,162.5**

Explanation of adjustments:

1. For BEPIF Aggregator, IFRS requires investment property to be valued on the basis of an asset sale. In valuing its Investments, BEPIF, in line with market practice, adopts a probability-weighted assessment of a sale occurring via an asset or corporate sale. The BEPIF Aggregator valuation is consequently lower due to additional transaction costs in an asset sale.

2. For BEPIF Aggregator, IFRS requires deferred tax to be recognised only on any post-acquisition revaluation of investments. In valuing its investments, BEPIF adopts a probability-weighted assessment of the price reduction a purchaser would require to assume the potential tax liability; including any taxes for gains within the entity owning the property which predate BEPIF's ownership.

3. For BEPIF Aggregator, IFRS requires certain debt investments are held at amortised cost compared to their fair market value adopted when valuing BEPIF's Investments.

4. For BEPIF Aggregator, IFRS requires loans and borrowings to be held at amortised cost compared to their fair market value adopted when valuing BEPIF's loans and borrowings.

5. For BEPIF Aggregator, IFRS requires the carrying amount of Preference Interests to be remeasured following the Rate Waiver (see notes 3e.iii and 13c), whereas in determining its Net Asset Value, BEPIF continues to recognise the Preference Interests at the amount that would be required to settle the outstanding interests at the year end.

Notes to the Consolidated Financial Statements

4b.V. Revenue

€m	Year to 31 December 2023	Year to 31 December 2022
Property income	109.8	90.3
Distribution income from investments	4.9	7.6
Interest income from investments	5.9	4.9
Total revenue	**120.6**	**102.8**

Property Income

Investment properties are leased to tenants mainly under non-cancellable commercial property leases. Terms vary by jurisdiction and the nature of the property but typically include clauses for periodic upward only rent reviews and recovery of service charge expenditure. On review, rents are increased by either contractual formula (for example linked to an inflation index) or to current market rent. Single let properties are typically leased on terms where the tenant is responsible for repair, insurance and running costs whilst multi-let properties are leased on terms which include an allocation of such expenditure between tenants.

€m	Year to 31 December 2023	Year to 31 December 2022
Gross rents receivable	88.7	78.4
Impact of lease incentives	3.4	3.5
Rental income	**92.1**	**81.9**
Service charge income	17.7	8.4
Total property income	**109.8**	**90.3**

The geographic breakdown of property income is as follows:

€m	Year to 31 December 2023	Year to 31 December 2022
UK	32.6	26.8
Poland	20.0	14.8
Ireland	18.3	15.8
Germany	18.1	16.5
Italy	9.5	5.4
Netherlands	6.0	6.2
Spain	2.7	2.5
Czech Republic	2.6	2.3
Total property income	**109.8**	**90.3**

The future aggregate minimum rental income under non-cancellable operating leases is summarised below. These figures exclude the impact of any inflation-linked increases in rent but include any contractual minimum rental uplifts.

€m	As at 31 December 2023	As at 31 December 2022
Less than 1 year	73.0	83.6
1-2 years	65.7	78.2
2-3 years	64.4	70.6
3-4 years	61.9	69.9
4-5 years	58.0	69.0
Thereafter	126.7	370.8
Total	**449.7**	**742.1**

Notes to the Consolidated Financial Statements

4c. Fair value of investments

Valuation oversight

The AIFM is responsible for the proper and independent valuation of investments. The Investment Manager provides valuation advice and assists the AIFM in this valuation, while the AIFM ensures that the valuation function is independent from the Investment Manager and performed in accordance with applicable law. The AIFM has engaged Altus Group to serve as independent valuation advisor with respect to properties and certain real estate debt and other securities. Altus Group will review the internal valuations prepared by the AIFM quarterly.

Fair value methodology

The fair value of the interest in BEPIF Aggregator is based on the share of the aggregate fair value of BEPIF's investments less the fair value of loans and borrowings and other net assets. Methodologies used to determine fair value on material components of the valuation that are subject to significant estimation uncertainty are described below. For other material components (for example cash and other working capital) the fair value approximates the IFRS carrying value on a historical cost basis.

Investment property

The discounted cash flow methodology (income approach) is the primary methodology, whereby a property's value is calculated by discounting the estimated cash flows and the anticipated terminal value of the subject property by the assumed new buyer's normalized weighted average cost of capital for the subject property. Consistent with industry practices, the income approach also incorporates subjective judgments regarding comparable rental and operating expense data, capitalisation or discount rate, and projections of future rent and expenses based on appropriate evidence as well as the residual value of the asset as components in determining value. Other methodologies that may also be used to value properties include sales comparisons and replacement cost approaches. Under the sales comparison approach, an opinion of value is developed by comparing the subject property to similar, recently sold properties in the surrounding or competing area. The replacement cost approach relies on the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property, assuming that no costly delay is encountered in making the substitution. Investments may also be valued at their acquisition price for a period of time after an acquisition as the best measure of fair value in the absence of any conditions or circumstances that would indicate otherwise. A portfolio of properties may be valued as a single investment and the AIFM may determine what properties should be grouped in a portfolio. The AIFM assesses whether a disposal of the property would most likely occur via a sale of the property asset or a sale of the legal entity which owns the property. Adjustments a market participant would make for consequential transaction costs, transfer taxes or unrealised capital gains taxes are deducted from the gross value of the property.

Each property will be appraised by an independent third-party appraiser at least annually. Annual appraisals may be delayed for a short period in exceptional circumstances. Such valuations can take place at any month end during the year and hence may not coincide with the year-end valuation. In the month in which annual appraisal is received the AIFM's end-of-month valuation will fall within the range of the third-party appraisal; however, valuations thereafter may be outside of the range of values provided in the most recent third-party appraisal.

Equity investments

The investment in BPPE at the year-end is valued at the net asset value of the units held as valued by BPPE's alternative investment fund manager (which is also the AIFM). BPPE generally values its investments and liabilities quarterly (including at 31 December 2023 and 31 December 2022) in a manner otherwise consistent with the valuation of "investment property" above and "loans and borrowings" below.

Other non-listed equity investments and investments in associates are valued by the AIFM at BEPIF's share of the assets and liabilities of the investee using methods consistent with those described in this note.

Debt investments

Readily available market quotations - Market quotations may be obtained from third-party pricing service providers or, if not available from third-party pricing service providers, broker-dealers. When reliable market quotations for real estate debt and other securities are available from multiple sources, the AIFM will use commercially reasonable efforts to use two or more quotations and will value such investments based on the average of the quotations obtained. However, to the extent that one or more of the quotations received is determined in good faith by the AIFM to not be reliable, the AIFM may disregard such quotation if the average of the remaining quotations is determined in good faith to be reliable by the AIFM. Securities that are traded publicly on an exchange or other public market will be valued at the closing price of such securities in the principal market in which the security trades.

Notes to the Consolidated Financial Statements

No readily available market quotations - The AIFM will initially determine if there is adequate collateral real estate value supporting the investment and whether the investment's yield approximates market yield. If the market yield is estimated to approximate the investment's yield, then the investment is valued at its par value. If the market yield is not estimated to approximate the investment's yield, the AIFM will project the expected cash flows of the investment based on its contractual terms and discount such cash flows back to the valuation date based on an estimated market yield. Market yield is estimated based on a variety of inputs regarding the collateral asset(s) performance, local/macro real estate performance and capital market conditions.

Loans and borrowings

The fair value of loans and borrowings is determined by discounting the expected future cash flows on the loan at a market rate of interest.

Derivatives

The fair value of derivatives is determined by discounting the expected future cash flows on the derivative at a market rate of interest.

Estimation uncertainty

The fair value of the Group's investment in joint ventures falls within Level 3 of the fair value hierarchy as defined by IFRS 13 *Fair Value Measurement*. A significant proportion of the underlying assumptions are unobservable and hence there is significant estimation uncertainty associated with the valuation. Because of the inherent uncertainties associated with the valuation, the carrying amount of investments at the year end may differ significantly from the value that could be realised in an arm's length transaction. Fair value is based on events and conditions that existed at the year end. Subsequent events which provide information about conditions which existed at the year end are adjusted for. As BEPIF's Net Asset Value for 31 December is issued prior to the approval of these financial statements then such subsequent events may result in differences between that Net Asset Value and Amounts attributable to shareholders (IFRS) in the Consolidated Statement of Financial Position. No adjustment is made for subsequent events which do not provide more information about circumstances that existed at the year end. Non-adjusting subsequent information could include events specific to one or more of BEPIF's investments, or may be general economic, political and geographic conditions. Such events may have a significant impact on fair value in the future.

A summary of significant valuation methods, assumptions, and sensitivity to changes in assumptions for BEPIF's investments is presented in the tables below. To provide an indication of the uncertainty and significance of the inputs used in determining fair value, individual components of the valuation have been separated into the three levels of the fair value hierarchy prescribed by IFRS, defined as:

- Level 1: Derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Determined using valuation techniques where all significant inputs use market observable data and therefore rely as little as possible on BEPIF-specific estimation.
- Level 3: One or more significant input used in the valuation is not based on observable market data.

Notes to the Consolidated Financial Statements

Components of the valuation of the Group's Investments at 31 December 2023:

€m Category / name of investment	Gross assets[1,2] at 31 December 2023 Cost	Valuation	Fair value hierarchy	Valuation technique	Unobservable inputs for Level 3 valuations: Input	Range	Weighted average	Sensitivity[4] +25bps	-25bps
Direct real estate investments									
Logistics	1,621.2	1,495.6	Level 3	DCF	Discount rate	5.8% - 7.2%	6.6 %	(43.3)	44.4
					Exit cap rate	4.4% - 6.5%	5.0 %	(76.2)	84.6
Offices	695.7	597.1	Level 3	DCF	Discount rate	6.5% - 7.5%	6.8 %	(12.7)	13.0
					Exit cap rate	4.2% - 5.9%	5.0 %	(23.0)	25.6
Investments through BPPE[3]	183.6	189.4	Level 3	Reported value	Net asset value	n/a	n/a	n/a	n/a
Total direct real estate investments	**2,500.5**	**2,282.1**							
Real estate debt investments									
Transferable securities									
Admitted to an official stock exchange									
Denominated in GBP	0.5	0.3	Level 2	Quotation					
Total real estate debt investments	**0.5**	**0.3**							
Total Gross Asset Value	**2,501.0**	**2,282.4**							
Net loans and borrowings and derivatives		(991.5)	Level 2	DCF					
Other net working capital		(33.2)	Cost						
Total Investments in real estate per Schedule of Investments		**1,257.7**							
Preference Interests		(452.9)	Cost						
Interest rate swaps		17.4	Level 2	DCF					
Other net working capital		28.9	Cost						
Valuation of BEPIF's Investments		**851.1**							
Less value attributable to Blackstone Bepimmo		(139.9)							
Valuation of Group's Investments		**711.2**							

1. Gross asset cost basis and valuation figures for investments are for BEPIF. As at 31 December 2023 BEPIF Feeder SICAV had an 81% look-through interest in these investments.

2. Gross Asset Value is measured as the fair value of (i) real estate investments at BEPIF's share, plus (ii) real estate debt investments. "Real estate investments" is comprised of BEPIF's majority-controlled property investments, BEPIF's look-through share of property investments held by BPPE and BEPIF's equity in minority investments.

3. Investments through BPPE represent BEPIF's pro rata share of the Gross Asset Value of real estate investments of BPPE. The cost of the units acquired in BPPE is €100.0m with a fair value of € 102.0m.

4. Sensitivity figures are the change in value of investment property caused by each input in isolation. They do not consider: (i) the effect a change in one input may have on other inputs; or (ii) secondary impacts on other components of Net Asset Value (such as the fair value of borrowings or tax). The sensitivities provided are intended as indications of estimation uncertainty for the portfolio as a whole. The uncertainty may be greater for specific investments, sectors or jurisdictions.

Notes to the Consolidated Financial Statements

Components of the valuation of the Group's Investments at 31 December 2022:

€m Category / name of investment	Gross assets[1,2] at 31 December 2022 Cost	Valuation	Fair value hierarchy	Valuation technique	Unobservable inputs for Level 3 valuations Input	Range	Weighted average	Sensitivity[4] +25bps	-25bps
Direct real estate investments									
Logistics	1,772.2	1,723.7	Level 3	DCF	Discount rate	5.7% - 6.7%	6.3 %	(48.2)	49.3
					Exit cap rate	4.0% - 4.8%	4.5 %	(92.1)	103.3
Offices and Data Centre	930.5	885.6	Level 3	DCF	Discount rate	5.8% - 7.0%	6.2 %	(18.5)	18.9
					Exit cap rate	4.1% - 5.8%	4.7 %	(34.3)	38.3
Investments through BPPE[3]	183.6	189.5	Level 3	Reported value	Net asset value	n/a	n/a	n/a	n/a
Total direct real estate investments	**2,886.3**	**2,798.8**							
Real estate debt investments									
Bilateral loans	77.9	77.9	Level 2	Par value					
Transferable securities									
Admitted to an official stock exchange									
Denominated in EUR	13.7	12.4	Level 2	Quotation					
Denominated in GBP	7.9	6.9	Level 2	Quotation					
Total real estate debt investments	**99.5**	**97.2**							
Total Gross Asset Value	**2,985.8**	**2,896.0**							
Net loans and borrowings and derivatives		(1,247.0)	Level 2	DCF					
Other net working capital		(16.8)	Cost						
Total Investments in real estate per Schedule of Investments		**1,632.2**							
Preference Interests		(424.1)	Cost						
Interest rate swaps		70.6	Level 2	DCF					
Other net working capital		14.1	Cost						
Valuation of BEPIF's Investments		**1,292.8**							
Less value attributable to Blackstone Bepimmo		(130.3)							
Valuation of Group's Investments		**1,162.5**							

1. Gross asset cost basis and valuation figures for investments are for BEPIF. As at 31 December 2022 BEPIF Feeder SICAV had an 88% look-through interest in these investments.

2. Gross Asset Value is measured as the fair value of (i) real estate investments at BEPIF's share, plus (ii) real estate debt investments. "Real estate investments" is comprised of BEPIF's majority-controlled property investments, BEPIF's look-through share of property investments held by BPPE and BEPIF's equity in minority investments.

3. Investments through BPPE represent BEPIF's pro rata share of the Gross Asset Value of real estate investments of BPPE. The cost of the units acquired in BPPE is €100.0m with a fair value of € 112.7m.

4. Sensitivity figures are the change in value of investment property caused by each input in isolation. They do not consider: (i) the effect a change in one input may have on other inputs; or (ii),secondary impacts on other components of Net Asset Value (such as the fair value of borrowings or tax). The sensitivities provided are intended as indications of estimation uncertainty for the portfolio as a whole. The uncertainty may be greater for specific investments, sectors or jurisdictions.

Notes to the Consolidated Financial Statements

5. Cash and cash equivalents

€m	As at 31 December 2023	As at 31 December 2022
Cash at bank	6.4	2.7
Restricted cash	–	9.3
Total cash and cash equivalents	**6.4**	**12.0**

Restricted cash

Cash for subscriptions is received in advance of the subscription date on the first of each month. Such cash is held in a separate bank account managed by the Depositary (as defined in note 12) and is not available for use until the subscription date.

6. Trade and other payables

€m	As at 31 December 2023	As at 31 December 2022
Servicing fee payable	1.2	1.6
AIFM Fee payable	0.1	0.2
Other payables and accruals	5.5	2.7
Total trade and other payables	**6.8**	**4.5**

7. Subscriptions received in advance

€m	As at 31 December 2023	As at 31 December 2022
Balance at the start of the year	**9.3**	**52.9**
Proceeds for issue of shares	23.5	765.1
Issue of shares (for cash)	(32.8)	(808.7)
Balance at the end of the year	**–**	**9.3**

Subscriptions received in advance remain as unsecured creditors, in respect of amounts paid, until the issuance of the shares has been completed.

8. Amounts attributable to minority investors in BEPIF Master FCP

Amounts attributable to minority investors in BEPIF Master FCP represent the share of the Group's assets and liabilities (under IFRS) due to holders of Class I_A and Class I_D units in BEPIF Master FCP. Such units are subject to analogous terms as the shares in BEPIF Feeder SICAV (described in note 11).

The following table reconciles the amounts attributable to minority investors in BEPIF Master FCP for the years ended 31 December 2023 and 2022:

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Balance at the start of the year		27.1	9.4
Non-cash items			
Settlement of Management Fee in units	13a	3.8	9.6
Settlement of Performance Participation Allocation in units	13a	–	9.1
Share of loss of BEPIF Master FCP[1]		(7.6)	(1.0)
Balance at the end of the year		**23.3**	**27.1**

1. Comprises a loss of €6.3m (2022: loss of €0.8m) under the Valuation Policy and a loss of €1.3m (2022: loss of €0.2m) for adjustments to Net Asset Value to obtain IFRS (see note 2a).

Notes to the Consolidated Financial Statements

9. Other income

The other income in 2022 of €3.9m relates to the Group's share of a gain on crystallising a swap entered into by the co-investor (another Blackstone Inc. managed investment fund) in the Adare Office Asset. The swap was entered to hedge interest rate risk, for the benefit of both investors, ahead of completion of the acquisition and associated financing. The Group contributed the gain to BEPIF Aggregator without issuance of units (see note 4a).

10. Expenses

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Management Fee	13a	10.2	10.9
Other expenses			
Legal fees		1.9	–
Administration fees	13a	1.6	1.3
Valuation fees		1.0	0.5
Tax fees		1.0	0.4
Depositary fees		0.5	0.4
AIFM Fee	13a	0.5	0.3
Aborted transaction costs	13a	0.1	0.7
Other expenses		0.5	0.7
		7.1	4.3
Expenses (excluding servicing fees)		**17.3**	**15.2**

Management Fee Waiver

Refer to note 13a for details on the Management Fee Waiver which applied from 1 October 2023.

Expense Cap

Refer to note 13a for details on the Expense Cap which applied from 1 October 2023. Expenses included the table above are not directly impacted by the Expense Cap. The Expense Cap is determined based on Fund Expenses across BEPIF and is funded, in cash, by the Investment Manager to BEPIF Aggregator, for the benefit of all investors in BEPIF.

Legal fees

Prior to 1 October 2022, all legal expenses were considered to be Organizational and Offering Expenses (see note 13a) and were recognised as an expense in BEPIF Aggregator (see BEPIF Aggregator Consolidated Income Statement in note 4b). Subsequent to this date, legal expenses are charged to the Group as incurred.

Fees payable to the auditor

BEPIF Feeder SICAV's auditor is Deloitte Audit S.à. r.l ("Deloitte"). Deloitte's fee for the audit of these financial statements (including the separate financial statements which form part of the 2023 Annual Report) is €35.1k (2022: €31.5k). In addition, Deloitte is the auditor of BEPIF Master FCP, BEPIF Aggregator and certain of its subsidiaries for which Deloitte's fees (including fees for other Deloitte member firms) totals €416.8k (2022: €572.6k). Deloitte has provided tax compliance services to the Group. Fees for the year were €13.0k (2022: €16.5k).

Notes to the Consolidated Financial Statements

11. Amounts due to shareholders

Terms of the share classes set out below are intended to be an aide-mémoire and for compliance with the requirements of IFRS. Shareholders should refer to the Prospectus for the full terms applicable to their shares.

Classes of shares

BEPIF Feeder SICAV has issued shares in four classes: Class I_A, I_D, A_A and A_D. Except as otherwise described below, the terms are identical for each class of shares.

Class I_A and Class A_A shares are "Accumulation Sub-Class" shares and Class I_D and Class A_D shares are "Distribution Sub-Class" shares. Shareholders that subscribe into Distribution Sub-Classes will receive, in cash, any distributions that BEPIF Feeder SICAV pays in respect of such classes. No distributions are paid on the Accumulation Sub-Classes and the value of distributions that would have otherwise been paid is reflected in the value of those shares.

Servicing fee

Holders of Class A shares are subject to a servicing fee, payable to their financial intermediary, of 0.75% per annum (calculated monthly) on the net asset value of their shares prior to accrual of the servicing fee, distributions and redemptions. Class I shares do not incur a servicing fee.

Subscriptions

Subscriptions to purchase shares may be made on an ongoing basis and are effective as of the first calendar day of each month (a "Subscription Date"). The full purchase price of the shares being subscribed for must be received at least four business days prior to the Subscription Date. The offering price will equal the Net Asset Value per share of the applicable share class determined as of the last calendar day of the previous month. The Investment Manager may accept, delay acceptance, or reject subscriptions in its sole discretion, including choosing to reject or delay acceptance of all subscriptions for a given month.

Redemptions

Shareholders may request to have some or all of their shares redeemed (a "Redemption Request") as of the last calendar day of each month (each a "Redemption Date") by submitting a notice on or before the first business day of such month. Amounts distributed in connection with a redemption will be based upon the Net Asset Value per share of the applicable share class as of the last calendar day of the applicable month, except for shares that have been held for a period of less than 12 months in which case a deduction equal to 5% of the value of the Net Asset Value of the shares being redeemed will apply (the "Early Redemption Deduction"). Any Early Redemption Deduction will inure to the benefit of BEPIF Aggregator and hence indirectly to all investors in BEPIF. During the year ended 31 December 2023 investors in BEPIF incurred Early Redemption Deductions totalling €0.1m (2022: €1.1m).

The aggregate Net Asset Value of total redemptions across the Funds is generally limited to 2% of the aggregate Net Asset Value of BEPIF per month and 5% of such aggregate Net Asset Value per calendar quarter. As set out in the Prospectus, shares or units issued as payment of the Management Fee are not subject to the limitations related to the redemption programme. The Preference Interests issued by BEPIF Aggregator are not redeemable as part of the redemption programme. Therefore shares or units issued as payment of the Management Fee and Preference Interests are not subject to the calculations related to the redemption programme and are excluded from the calculation of Net Asset Value used to determine the redemption limits. In exceptional circumstances, and not on a systematic basis, BEPIF Feeder SICAV may make exceptions to, modify or suspend, in whole or in part, the redemption programme if, in the Investment Manager's reasonable judgment, it deems such action to be in BEPIF's best interest and the best interest of BEPIF's investors, such as when redemptions would place an undue burden on liquidity, adversely affect operations, risk having an adverse impact on BEPIF that would outweigh the benefit of redemptions of shares or as a result of legal or regulatory changes.

A Redemption Request that has been agreed to be paid, and hence excluded from Net Asset Value, is referred to as a satisfied redemption. Redemptions Requests which are not satisfied are described as outstanding redemptions.

In the event that Redemption Requests for a given month exceed the limitations above, the Redemptions Requests will be satisfied on a pro rata basis (measured on an aggregate basis (without duplication) across BEPIF if applicable). All outstanding redemptions will be automatically resubmitted for the next available Redemption Date, unless such a Redemption Request is withdrawn or revoked by a shareholder before such Redemption Date.

During the year ended 31 December 2023, the Funds satisfied Redemptions Requests of €238.2m (2022: €88.0m), of which €238.1m related to BEPIF Feeder SICAV (2022: €88.0m). At 31 December 2023, there were outstanding Redemption Requests of €256.3m (2022: €80.1m), of which €255.9m related to BEPIF Feeder SICAV (2022: €80.1m). From 1 January 2024 to 30 June 2024, the Funds will have satisfied Redemption Requests of €85.9m. Up to and including the 30 June 2024 Redemption Date, outstanding Redemption Requests are estimated at €185.0m (based on the 31 May 2024 Net Asset Value).

Notes to the Consolidated Financial Statements

It is expected that settlement of satisfied redemptions will generally be made within 60 calendar days of the Redemption Date. No distributions are payable on shares once a Redemption Request has been satisfied.

Allocation of profits

Shareholders are allocated appreciation/depreciation of Net Asset Value monthly based on the relative Net Asset Value of each share class on the first of the month (including subscriptions for that month). Servicing fees are allocated solely to the share class to which the fee relates.

Distributions

BEPIF Feeder SICAV intends to declare and pay monthly distributions to holders of Distribution Sub-Classes. Any distributions made are at the discretion of the Investment Manager, considering factors such as earnings, cash flow, capital needs, taxes, general financial condition and the requirements of applicable law. The per share amount of distributions on Class I and Class A shares will generally differ because of servicing fees.

BEPIF Feeder SICAV has declared and/or paid the following distributions per share for the years ended 31 December 2023 and 2022:

	2023		2022	
€ per share	**Class I_D**	**Class A_D**	**Class I_D**	**Class A_D**
Paid in relation to prior year declarations				
December prior year	0.0300	0.0233	–	–
Declared and paid in the year				
January	0.0299	0.0233	0.0300	0.0233
February	0.0298	0.0233	0.0301	0.0233
March	0.0299	0.0233	0.0302	0.0233
April	0.0298	0.0233	0.0303	0.0233
May	0.0298	0.0233	0.0303	0.0233
June	0.0298	0.0233	0.0303	0.0233
July	0.0298	0.0233	0.0304	0.0233
August	0.0297	0.0233	0.0304	0.0233
September	0.0296	0.0233	0.0304	0.0233
October	0.0293	0.0233	0.0304	0.0233
November	0.0291	0.0233	0.0304	0.0233
Total distributions paid in the year	**0.3565**	**0.2796**	**0.3332**	**0.2563**
Declared in the year but not paid				
December current year	0.0288	0.0233	0.0300	0.0233
Paid in the year but declared in the prior year				
December prior year	(0.0300)	(0.0233)	–	–
Total distributions declared for the year	**0.3553**	**0.2796**	**0.3632**	**0.2796**

Distributions declared post year end and prior to issuance of these financial statements totalled €0.1412 per share and €0.1165 per share for Class I_D and A_D, respectively. This related to distributions for January to May 2024.

Notes to the Consolidated Financial Statements

Reconciliation of amounts attributable to shareholders

Class I_A	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**80.6**	**7,548**	**10.6865**
Issue of shares	111.6	9,916	–
Redemption of shares	(19.6)	(1,730)	–
Net conversions between share classes	2.4	215	–
Result attributable to shareholders before share class specific expenses	(2.6)	–	0.2172
Impact of share of adjustments to IFRS to obtain Net Asset Value	0.8	–	(0.0411)
Net Asset Value as at 31 December 2022	**173.2**	**15,949**	**10.8626**
Issue of shares			
for settlement of Management Fee	7.7	727	–
for cash	4.5	412	–
	12.2	1,139	–
Redemption of shares	(30.4)	(2,963)	–
Net conversions between share classes	(2.7)	(256)	–
Result attributable to shareholders before share class specific expenses	(37.5)	–	(1.4873)
Impact of share of adjustments to IFRS to obtain Net Asset Value	5.6	–	(0.6878)
Net Asset Value as at 31 December 2023	**120.4**	**13,869**	**8.6875**

Class I_D	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**67.1**	**6,284**	**10.6865**
Issue of shares	108.6	9,820	–
Redemption of shares	(14.3)	(1,276)	–
Net conversions between share classes	–	(3)	–
Result attributable to shareholders before share class specific expenses	(1.8)	–	0.2404
Distributions	(4.5)	–	(0.3632)
Impact of share of adjustments to IFRS to obtain Net Asset Value	0.8	–	(0.0514)
Net Asset Value as at 31 December 2022	**155.9**	**14,825**	**10.5123**
Issue of shares	5.8	568	–
Redemption of shares	(27.3)	(2,766)	–
Net conversions between share classes	1.9	206	–
Result attributable to shareholders before share class specific expenses	(31.9)	–	(1.4028)
Distributions	(5.0)	–	(0.3553)
Impact of share of adjustments to IFRS to obtain Net Asset Value	4.7	–	(0.6465)
Net Asset Value as at 31 December 2023	**104.1**	**12,833**	**8.1077**

Notes to the Consolidated Financial Statements

Reconciliation of amounts attributable to shareholders (continued)

Class A_A	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**115.6**	**10,835**	**10.6665**
Issue of shares	231.1	20,984	–
Redemption of shares	(12.3)	(1,074)	–
Net conversions between share classes	(10.0)	(903)	–
Result attributable to shareholders before share class specific expenses	(3.1)	–	0.2249
Servicing fees	(2.1)	–	(0.0831)
Impact of share of adjustments to IFRS to obtain Net Asset Value	2.0	–	(0.0469)
Net Asset Value as at 31 December 2022	**321.2**	**29,842**	**10.7614**
Issue of shares	19.4	1,840	–
Redemption of shares	(74.2)	(7,203)	–
Net conversions between share classes	2.4	233	–
Result attributable to shareholders before share class specific expenses	(65.2)	–	(1.4653)
Servicing fees	(2.1)	–	(0.0766)
Impact of share of adjustments to IFRS to obtain Net Asset Value	9.6	–	(0.6772)
Net Asset Value as at 31 December 2023	**211.1**	**24,712**	**8.5423**

Class A_D	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**191.6**	**17,952**	**10.6665**
Issue of shares	357.4	32,708	–
Redemption of shares	(41.8)	(3,719)	–
Net conversions between share classes	7.6	705	–
Result attributable to shareholders before share class specific expenses	(2.4)	–	0.2324
Servicing fees	(3.6)	–	(0.0840)
Distributions	(12.0)	–	(0.2796)
Impact of share of adjustments to IFRS to obtain Net Asset Value	3.1	–	(0.0427)
Net Asset Value as at 31 December 2022	**499.9**	**47,646**	**10.4926**
Issue of shares	3.2	314	–
Redemption of shares	(106.2)	(10,722)	–
Net conversions between share classes	(1.6)	(178)	–
Result attributable to shareholders before share class specific expenses	(93.1)	–	(1.4002)
Servicing fees	(3.2)	–	(0.0738)
Distributions	(11.8)	–	(0.2796)
Impact of share of adjustments to IFRS to obtain Net Asset Value	12.8	–	(0.6453)
Net Asset Value as at 31 December 2023	**300.0**	**37,060**	**8.0937**

Notes to the Consolidated Financial Statements

Capital Management

BEPIF Feeder SICAV's investment objective is to generate attractive risk-adjusted returns on a diversified direct and indirect portfolio of real estate and real estate-related investments over the medium to long-term. The Board, with the assistance of the Investment Manager, monitors BEPIF Feeder SICAV's capital so as to promote the long-term success of the business and achievement of its investment objectives. Proceeds from the issue of shares (which are classified as liabilities in the Consolidated Statement of Financial Position), external borrowings and retained profits are considered as capital. Under Luxembourg law BEPIF Feeder SICAV is required to maintain a minimum capital balance of €1.25m. There are no other externally imposed capital requirements.

Leverage

BEPIF may utilise leverage, incur indebtedness and provide other credit support for any purpose, including to fund all or a portion of the capital necessary for an Investment. Indebtedness will not be incurred, directly or indirectly, that would cause the Leverage Ratio (as defined in the Prospectus) to be in excess of 55% (the "Leverage Limit"); provided that no remedial action will be required if the Leverage Limit is exceeded for any reason other than an incurrence of an increase in indebtedness (including the exercise of rights attached to an Investment). BEPIF's proportionate interest in the leverage of BPPE will be included in the calculation of the Leverage Ratio. The Leverage Limit may be exceeded on a temporary basis to satisfy short-term liquidity needs, refinance existing borrowings or for other obligations. At 31 December 2023 the Leverage Ratio was 37.6% (2022: 39.2%).

12. Financial risk management

a) Risk management oversight

The AIFM

The AIFM is responsible for the risk management function of BEPIF Feeder SICAV. The AIFM is authorised as an alternative investment fund manager and supervised by the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (the "CSSF").

The AIFM has established and maintains a dedicated risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all risks relevant to BEPIF Feeder SICAV's investment objectives including in particular market, credit, liquidity, counterparty, operational and all other relevant risks.

The risk management staff within the AIFM supervise the compliance of these policies and procedures in accordance with the requirements of applicable circulars or regulation issued by the CSSF or any European authority authorised to issue related regulation or technical standards which are applicable to BEPIF Feeder SICAV.

The AIFM is also the alternative investment fund manager of BEPIF Master FCP and undertakes analogous responsibilities and procedures to those described for BEPIF Feeder SICAV.

The Depositary

The depositary bank and paying agent for BEPIF Feeder SICAV and BEPIF Master FCP is CACEIS Bank, Luxembourg Branch ("the Depositary"). Prior to the acquisition of RBC Investor Services Bank S.A by CACEIS on 3 July 2023, the depositary bank and paying agent was named RBC Investor Services Bank S.A.

The duties of the Depositary include: the safekeeping of financial instruments that can be held in custody and record keeping and verification of ownership of the other assets; oversight duties, and cash flow monitoring in accordance with applicable Luxembourg law.

Notes to the Consolidated Financial Statements

b) Financial instruments

This note presents information about the Group's exposure to risks from its financial instruments other than 'amounts attributable to shareholders' or 'amounts attributable to minority investors in BEPIF Master FCP', which are described in note 11 and 8, respectively.

Approximately all of the Group's directly held financial instruments are the interests in BEPIF Aggregator. The rights attaching to this investment are governed by the LPA. The LPA's terms are aligned with the investment objectives and liquidity requirements of the Group. In particular, any redemption satisfied by the Group is automatically considered satisfied by BEPIF Aggregator.

The objectives of IFRS 7 *Financial Instruments: Disclosures* are considered met by providing disclosures looking-through to the investments held via BEPIF Aggregator as well as for the Group's own financial instruments. Look-through figures are reported based on the IFRS consolidated results of BEPIF Aggregator (of which BEPIF Feeder SICAV has an 81% economic interest at 31 December 2023 (2022: 88%)).

i) Market risk

Market risk is the risk the fair value of, or future cash flows from, a financial instrument will fluctuate because of changes in market prices. Market risks arise from: market price for investments; foreign currency exchange rates; and interest rates.

Market price for investments

Price risk exposure arises on investments, which comprise both financial instruments (investments in BPPE, other equity investments, associates and debt investments) and non-financial instruments in the case of investment property. The methods used to determine fair value, and sensitivity to significant unobservable inputs, are described in note 4c.

Foreign currency exchange risk

Foreign exchange risk arises on non-euro denominated financial instruments. At 31 December 2023, the Group had no non-euro assets or liabilities (2022: none). BEPIF's investments are held in several jurisdictions where the euro is not the local currency. Exposure to foreign currency risk from BEPIF's investments (as reported in the Schedule of Investments) at the end of the reporting period, expressed in euro, is shown in the table below. Included in this analysis is the indirect exposure to foreign exchange risk which arises from the non-euro investments held by BPPE and Mileway (the direct investment into BPPE and Mileway being denominated in euro).

	EUR €m	GBP €m	Other €m	Total €m
At 31 December 2023				
BEPIF's investments by currency	**684.4**	**506.3**	**67.0**	**1,257.7**
BEPIF Feeder SICAV's share of investments by currency	**553.4**	**409.4**	**54.3**	**1,017.1**
Proportion of investments per currency (%)	54 %	40 %	6 %	100 %
At 31 December 2022				
BEPIF's investments by currency	**951.3**	**606.7**	**74.2**	**1,632.2**
BEPIF Feeder SICAV's share of investments by currency	**808.4**	**515.5**	**63.1**	**1,387.0**
Proportion of investments per currency (%)	58 %	37 %	5 %	100 %

In addition to foreign currency exchange risk from investments, BEPIF holds €18.1m of GBP-denominated derivatives (2022: €49.5m) and a net €15.3m liability of non-euro denominated other working capital (2022: net €12.8m liability).

Assuming all other variables are held constant, a 5% strengthening/weakening of the euro against other currencies would decrease/increase the result for the year and amounts attributable to shareholders by €24.5m (2022: €32.6m). The sensitivity is lower in 2023 than in 2022 because of the decreased number of non-euro denominated investments.

Foreign currency risk is managed by aligning the currency of loans and borrowings to the currency of non-euro investments. The Investment Manager frequently monitors its remaining exposure to foreign currencies and may use derivatives to reduce this exposure accordingly but has no requirement to do so. No foreign currency derivatives were held during 2023 (2022: GBP 64m 3-month rolling forward contract until October 2022).

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Interest rate risk

The Group has no material interest rate exposure. However, BEPIF has interest rate risk exposure through its investments which are primarily funded with floating-rate borrowings. Fluctuations in market interest rates will impact the cash flows on such borrowings (and any income from floating-rate debt investments). To the extent BEPIF has fixed-rate borrowings, or has fixed rates using derivatives, then changes in interest rates will then impact the fair value of such instruments.

Assuming all other variables are held constant, a 50 basis points increase in interest rates (in all jurisdictions) would increase the valuation of investments at 31 December 2023 by €21.0m (2022: €31.7m). This sensitivity figure is SICAV's share, including the look-through share of borrowings in unconsolidated investments. An analogous 50 basis points reduction in interest rates would reduce the value of investments €20.2m (2022: €25.9m). Sensitivities are lower in 2023 than in 2022 because of the decreased amount of fixed rate borrowings and reduced average term to maturity for swaps.

BEPIF has no prescribed policies on hedging interest rate risk. Commencing in February 2022, BEPIF began a hedging programme and entered into a number of euro and GBP interest rate derivatives. During 2023, BEPIF realised proceeds from the modification of GBP derivatives of €23.1m (€19.0m from the shortening of maturities and €4.1m relating to the disposal of Harbour Exchange). The tables below show the interest rate derivatives held directly by BEPIF at 31 December 2023 and 2022.

	Notional amount		Interest rate	Maturity
Currency	31 December 2023 LCY m	31 December 2022 LCY m		
GBP	187.2	187.2	1.0 %	May 2026 (2022: May 2028)
GBP	29.7	118.8	1.0 %	Nov 2025 (2022: Nov 2027)
	216.9	306.0		
EUR	200.0	200.0	2.6 %	Nov 2029
EUR	125.0	125.0	2.6 %	Nov 2029
EUR	100.0	100.0	1.4 %	May 2027
EUR	100.0	100.0	2.1 %	Jun 2027
	525.0	525.0		

Notes to the Consolidated Financial Statements

Exposure to interest rate risk at the end of the reporting period, before and after the impact of hedging activities, is shown in the table below. This analysis includes the indirect exposure to interest rate risk which arises from the floating rate borrowings and hedging in unconsolidated investments (being investments in BPPE, other equity investments and associates).

At 31 December 2023 €m	Fixed[2]	Capped[3]	Matched[4]	Floating	Total
Loans and borrowings					
Consolidated borrowings					
EUR denominated	–	–	–	745.2	745.2
GBP denominated	–	–	–	206.0	206.0
Attributable to NCI	–	–	–	(46.7)	(46.7)
	–	–	–	904.5	904.5
Unconsolidated loans and borrowings[1]					
EUR denominated	121.5	–	–	326.2	447.7
GBP denominated	98.7	–	–	327.6	426.3
Other currency denominated	–	–	–	77.3	77.3
	220.2	–	–	731.1	951.3
	220.2	**–**	**–**	**1,635.6**	**1,855.8**
Impact of hedging[5]					
EUR swaps	726.2			(726.2)	
GBP swaps	445.6			(445.6)	
EUR caps		175.0		(175.0)	
GBP caps		228.0		(228.0)	
Other currency caps		63.9		(63.9)	
EUR matched			1.2	(1.2)	
GBP matched			2.6	(2.6)	
	1,171.8	466.9	3.8	(1,642.5)	
BEPIF's net exposure to interest rates	**1,392.0**	**466.9**	**3.8**	**(6.9)**	**1,855.8**
BEPIF Feeder SICAV's net exposure to interest rates	**1,125.1**	**377.4**	**3.1**	**(5.6)**	**1,500.0**
Proportion of debt per interest rate category (%)	*75 %*	*25 %*	*<1%*	*<1%*	

1. Unconsolidated loans and borrowings are BEPIF's share of borrowings held by investments which BEPIF does not control. This includes investments in associates, other equity investments, and investments held through BPPE.

2. Fixed borrowings refers to the par value of borrowings with a fixed rate of interest and, after hedging, the notional amount on swaps held. The weighted average term to maturity for fixed borrowings is 4.1 years (2022: 5.6 years).

3. Capped borrowings corresponds to the notional amount of interest rate caps. The weighted average cap rate is 1.6% (2022: 2.0%) and the weighted average term to expiry is 0.6 years (2022: 0.6 years).

4. Matched borrowings refers to floating rate borrowings that are used to finance floating rate debt investments linked to the same interest-rate benchmark.

5. Hedged debt is inclusive of forward starting swaps.

Notes to the Consolidated Financial Statements

At 31 December 2022 €m	Fixed[2]	Capped[3]	Matched[4]	Floating	Total
Loans and borrowings					
Consolidated borrowings					
EUR denominated	–	–	–	875.2	875.2
GBP denominated	–	–	–	339.8	339.8
Attributable to NCI	–	–	–	(46.6)	(46.6)
	–	–	–	1,168.4	1,168.4
Unconsolidated loans and borrowings[1]					
EUR denominated	127.6	–	–	316.9	444.5
GBP denominated	98.1	–	–	320.6	418.7
Other currency denominated	–	–	–	80.9	80.9
	225.7	–	–	718.4	944.1
	225.7	**–**	**–**	**1,886.8**	**2,112.5**
Impact of hedging					
EUR swaps	696.9			(696.9)	
GBP swaps	406.4			(406.4)	
EUR caps		178.4		(178.4)	
GBP caps		201.4		(201.4)	
Other currency caps		64.0		(64.0)	
EUR matched			49.2	(49.2)	
GBP matched			2.6	(2.6)	
	1,103.3	443.8	51.8	(1,598.9)	
BEPIF's net exposure to interest rates	**1,329.0**	**443.8**	**51.8**	**287.9**	**2,112.5**
BEPIF Feeder SICAV's net exposure to interest rates	**1,167.3**	**389.8**	**45.5**	**252.8**	**1,855.4**
Proportion of debt per interest rate category (%)	*63 %*	*21 %*	*2 %*	*14 %*	

Footnotes are included after the current year table on the previous page.

Notes to the Consolidated Financial Statements

ii) Credit risk

Credit risk is the risk that a counterparty will fail to meet its contractual obligations. The Group has no material exposure to credit risk. Credit risk in investments principally arises from: rents due from tenants of investment properties (held directly or via equity investments or associates); amounts due from counterparties to debt investments; cash and cash equivalents; and derivatives.

Trade and other receivables

Exposure to credit risk is a key factor assessed before making any property or debt investment. The credit worthiness of tenants and borrowers is also assessed prior to any new or amended contract being entered into. This process includes seeking external ratings and reviewing financial information where these are available. Collection of amounts due is subject to at least a monthly review.

The following table presents the ageing of trade and other receivables in majority-owned investments at 31 December 2023 and 2022:

	At 31 December 2023			At 31 December 2022		
€m	Gross receivable	Loss allowance	Net receivable	Gross receivable	Loss allowance	Net receivable
Ageing analysis						
Not past due	10.4	–	10.4	11.8	–	11.8
1 - 30 days overdue	3.8	–	3.8	5.5	–	5.5
31 – 90 days overdue	–	–	–	0.3	–	0.3
Over 90 days overdue	–	–	–	0.1	–	0.1
Total	**14.2**	**–**	**14.2**	**17.7**	**–**	**17.7**

The total trade and other receivables differs to BEPIF Aggregator's Consolidated Statement of Financial Position as prepayments of €3.1m (2022: €1.3m) and cash held by service providers of €7.6m (2022: €12.2m) are excluded.

Collateral may be required from tenants in the form of a rent deposit, parent company guarantee or a bank guarantee. At 31 December 2023 €5.1m of such deposits were held (2022: €4.9m) which relate to €0.7m of trade receivables at the year end (2022: €2.7m). Therefore, the maximum exposure to credit risk from its trade and other receivables is €13.5m (2022: €15.0m). Ongoing exposure to credit risk on trade and other receivables is considered low. No receivables have been permanently written off during the year (2022: none).

Cash and cash equivalents

All of the Group's cash accounts are held with the Depositary which has a credit rating of AA- (2022: AA-). BEPIF's majority-owned investments use BNP Paribas as their primary banking counterparty (credit rating of A+ (2022: AAA)). At 31 December 2023, 91% of cash was held with BNP Paribas (2022: 80%). The remaining cash is held across ten banks (2022: ten banks).

Derivative instruments

BEPIF's directly held derivatives are with one banking counterpart, Merrill Lynch International. At 31 December 2023, the credit rating of this institution is AA (2022: AA).

Notes to the Consolidated Financial Statements

iii) Liquidity risk

Monitoring activities

Liquidity is monitored by the Investment Manager at least weekly considering committed and forecast investments, contractual cash payments and receipts, available cash and cash equivalents, and access to undrawn debt facilities. Sources of funding and the impact on future liquidity are assessed as part of the decision to proceed with any new investment. At the date of issuing these financial statements, there are no material uncertainties regarding the ability of BEPIF to meet its liabilities as they fall due for the foreseeable future.

Maturity analysis

All of the Group's financial liabilities have maturities of three months or less. The tables below summarise the maturity profile of financial liabilities held by majority-owned investments based on contractual undiscounted payments (including forecasted future interest payments). BEPIF has no obligation to provide additional funding to its minority-owned investments.

At 31 December 2023	Carrying value	Cash flows					
€m		Total	Less than 3 months	From 3 - 12 months	From 1 - 2 years	From 2 - 5 years	Later than 5 years
Loans and borrowings							
Principal[1]	949.8	951.2	–	110.4	840.8	–	–
Interest	7.7	72.5	23.8	40.2	8.5	–	–
Derivatives (inflow)/outflow	(17.4)	(21.0)	(2.8)	(12.4)	(8.3)	1.6	0.9
Loans and borrowings post hedging	**940.1**	**1,002.7**	**21.0**	**138.2**	**841.0**	**1.6**	**0.9**
Loans from non-controlling interests	6.7	11.1	0.1	0.2	0.3	1.0	9.5
Lease liabilities	11.4	14.0	0.1	0.4	0.5	1.4	11.6
Expense funding payable	15.2	16.0	0.9	3.0	4.2	7.7	0.2
Trade and other payables[2]	31.5	31.5	26.5	–	–	–	5.0
Total	**1,004.9**	**1,075.3**	**48.6**	**141.8**	**846.0**	**11.7**	**27.2**

At 31 December 2022	Carrying value	Cash flows					
€m		Total	Less than 3 months	From 3- 12 months	From 1 - 2 years	From 2 - 5 years	Later than 5 years
Loans and borrowings							
Principal[1]	1,210.5	1,215.0	–	–	110.4	1,104.6	–
Interest	6.5	167.1	20.7	50.4	67.0	29.0	–
Derivatives (inflow)/outflow	(70.6)	(77.2)	(0.8)	(12.9)	(18.3)	(39.9)	(5.3)
Loans and borrowings post hedging	**1,146.4**	**1,304.9**	**19.9**	**37.5**	**159.1**	**1,093.7**	**(5.3)**
Loans from non-controlling interests	6.3	10.6	0.1	0.2	0.3	0.9	9.1
Lease liabilities	10.4	12.7	0.1	0.3	0.4	1.3	10.6
Expense funding payable	17.6	18.6	1.0	2.9	3.9	10.8	–
Trade and other payables[2]	27.6	27.6	22.7	–	–	–	4.9
Total	**1,208.3**	**1,374.4**	**43.8**	**40.9**	**163.7**	**1,106.7**	**19.3**

These tables exclude liabilities due by BEPIF Aggregator to the Funds.

1. Cash flows for the Acquisition Facility assume the first 12-month extension options on all utilisations are exercised. No further extensions are assumed.
2. Balance excludes deferred income and any taxes payable which are not financial liabilities as defined by IFRS.

Preference Interests are excluded from the tables above as repayment is contingent on subscriptions received by the Funds. The repayment terms are described further in note 13c. The Preferred Limited Partner waived the minimum redemption obligations due by April 2023, October 2023 and April 2024 (refer to note 13c).

Capital commitments

As described in note 4b.I, as part of the acquisition of the Coldplay Logistics Portfolio in 2021, BEPIF was under contract to acquire a property for €78.8m upon completion of the development. Conditions under the contract were met, and the acquisition completed, in January 2024 .

Notes to the Consolidated Financial Statements

13. Related party transactions

Transactions with related parties in 2023 are described below. Comparative figures are given for recurring related party transactions only. One-off transactions with related parties in the comparative period can be found in the 2022 Annual Report.

a) Fees payable to affiliates of Blackstone Inc.

Management Fee

From April 2022, the Investment Manager is entitled to a Management Fee of 1.25% per annum of BEPIF Feeder SICAV's and BEPIF Master FCP's (without duplication) net asset value computed, and paid, monthly. The applicable net asset value is prior to deducting accruals for the Management Fee, servicing fee (note 11), the share of the Performance Participation Allocation in BEPIF Aggregator, any redemptions for the month, and any distributions declared in the month. The Investment Manager may elect to receive the Management Fee in cash, shares of BEPIF Feeder SICAV, units of BEPIF Master FCP or units in BEPIF Aggregator.

During 2023, the Investment Manager elected to voluntarily waive the Management Fee from 1 October 2023 to 30 June 2024. Subsequent to the year end the Investment Manager extended the Management Fee Waiver until 31 December 2024.

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Management Fee payable at the start of the year		1.2	–
Management Fee for the year	10	10.2	10.9
Settled in cash		–	(0.1)
Settled in units of BEPIF Master FCP	8	(3.7)	(9.6)
Settled in shares of BEPIF Feeder SICAV	11	(7.7)	–
Management Fee payable at the end of the year		**–**	**1.2**

AIFM Fee

From June 2022, the AIFM is entitled to payment of a fee (the "AIFM Fee") up to a maximum of 0.10% per annum of the Net Asset Value of BEPIF Feeder SICAV and BEPIF Master FCP (without duplication). The AIFM Fee for the year was €0.5m (2022: €0.3m). Of the total fee, €0.1m was outstanding at the year end (2022: €0.2m).

Performance Participation Allocation

Blackstone European Property Income Fund Associates LP, the "Special Limited Partner" of BEPIF Aggregator, is entitled to a Performance Participation Allocation of BEPIF's performance for each Reference Period. The Performance Participation Allocation charged is equal to 12.5% of Total Return subject to a 5% annual Hurdle Amount and a High Water Mark with 100% Catch-Up.

For the first time, the Performance Participation Allocation was measured for the Initial Reference Period (being the period from the date BEPIF took its first subscriptions on 1 October 2021 to 30 June 2022), was payable on 30 June 2022 and accrued monthly. Since then, it is being measured on a calendar year basis (ending on 31 December), is payable quarterly and accrues monthly (subject to pro-rating for partial periods including the period from 1 July 2022 to 31 December 2022).

The Total Return for any period since the end of the prior Reference Period equals the sum of all distributions accrued or paid on units outstanding at the end of such period over the course of the Reference Period; plus the change in aggregate Net Asset Value of such units since the beginning of the Reference Period; minus applicable expenses of Limited Partners and of their feeders but excluding applicable expenses for servicing fees or similar fees.

The Hurdle Amount for any period during a Reference Period means that amount that results in a 5% annualised internal rate of return on the Net Asset Value of units outstanding at the beginning of the then-current Reference Period and all units issued since the beginning of the then-current Reference Period.

The Loss Carryforward Amount shall initially equal zero and shall cumulatively increase by the absolute value of any negative Total Return and decrease by any positive annual Total Return; provided, that the Loss Carryforward Amount shall at no time be less than zero. The effect of the Loss Carryforward Amount is that the recoupment of past annual Total Return losses will offset the positive annual Total Return for purposes of the calculation of the Performance Participation Allocation.

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The Performance Participation Allocation attributable to the Special Limited Partner is an amount equal to:

(i) First, if the Total Return for the applicable period exceeds the sum of (i) the Hurdle Amount for that period and (ii) the Loss Carryforward Amount (any such excess, "Excess Profits"), 100% of such annual Excess Profits until the total amount allocated equals 12.5% of the sum of (a) the Hurdle Amount for that period and (b) any amount allocated pursuant to this clause (this is commonly referred to as a "Catch Up"); and

(ii) Second, to the extent there are remaining Excess Profits, 12.5% of such remaining Excess Profits

In addition to its entitlement to the Performance Participation Allocation for each Reference Period, the Special Limited Partner is also entitled to a Performance Participation Allocation with respect to all redemptions of a Limited Partner's interests. The relevant period of performance is the portion of the Reference Period up to the Redemption Date.

For each Reference Period after the Initial Reference Period, promptly following the end of each calendar quarter that is not also the end of a calendar year, the Special Limited Partner will be entitled to a Performance Participation Allocation as described above calculated in respect of the portion of the year to date, less any Performance Participation Allocation received with respect to prior quarters in that year (the "Quarterly Allocation"). After the Initial Reference Period, the Performance Participation Allocation that the Recipient is entitled to receive at the end of each calendar year will be reduced by the cumulative amount of Quarterly Allocations that year. If a Quarterly Allocation is made and at the end of a subsequent calendar quarter in the same calendar year the Recipient is entitled to a lesser amount than the previously received Quarterly Allocation(s) (a "Quarterly Shortfall"), then subsequent distributions of any Quarterly Allocations or year-end Performance Participation Allocations in that calendar year will be reduced by an amount equal to such Quarterly Shortfall, until such time as no Quarterly Shortfall remains. If all or any portion of a Quarterly Shortfall remains the end of a calendar year following the application described in the previous sentence, distributions of any Quarterly Allocations and year-end Performance Participation Allocations in the subsequent four calendar years will be reduced by (i) the remaining Quarterly Shortfall plus (ii) an annual rate of 5% on the remaining Quarterly Shortfall measured from the first day of the calendar year following the year in which the Quarterly Shortfall arose and compounded quarterly (collectively, the "Quarterly Shortfall Obligation") until such time as no Quarterly Shortfall Obligation remains; provided, that the Recipient (or any of its affiliates) may make a full or partial cash payment to reduce the Quarterly Shortfall Obligation at any time; provided, further, that if any Quarterly Shortfall Obligation remains following such subsequent four calendar years, then the Recipient (or any of its affiliates) will promptly pay BEPIF Aggregator the remaining Quarterly Shortfall Obligation in cash. For the period from 1 July 2022 to 31 December 2022, all the references to "year" in this paragraph shall be construed as references to the prorated period.

Except as described above with respect to a Quarterly Shortfall, the Special Limited Partner will not be obligated to return any portion of the Performance Participation Allocation previously paid due to the subsequent performance of BEPIF.

The Special Limited Partner can elect to have the Performance Participation Allocation settled in cash, units in BEPIF Aggregator or shares/units (as applicable) in the Funds.

Notes to the Consolidated Financial Statements

A reconciliation of the Performance Participation Allocation for the years ended 31 December 2023 and 2022 is shown below:

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Performance Participation Allocation/(Quarterly Shortfall Obligation)			
Amounts (receivable)/payable at start of the year		**(2.0)**	**3.1**
Allocation of Total Return			
Reference Period to 30 June 2022		n/a	9.0
Quarterly Allocation to 31 March		–	n/a
Quarterly Allocation to 30 June		–	n/a
Quarterly Allocation to 30 September		–	2.0
Quarterly Allocation to 31 December		–	(2.0)
Recognised in profit or loss[1]		–	9.0
Quarterly Shortfall interest		(0.1)	–
Total (receivable)/payable for the year		**(2.1)**	**12.1**
Settlement in cash		–	(5.0)
Settlement in units of BEPIF Master FCP	8	–	(9.1)
Amounts receivable at end of the year		**(2.1)**	**(2.0)**

1. Of the amount recognised in profit or loss for the year, €nil was attributable to the Group (2022: €8.1m).

At 31 December 2023, the Loss Carryforward Amount (net of Total Return for the Reference Period ended 31 December 2023) was €282.0m (2022: €69.1m).

Administration fees

The Investment Manager charged fees for accounting and administrative services totalling €0.9m (2022: €1.0m) (included in administration fees in note 10). Of the total fee, €0.2m (2022: €0.1m) was outstanding at the end of the year.

Revantage Corporate Services, a portfolio company of a Blackstone Inc. managed fund, provides BEPIF Aggregator and its investments with corporate support services. Fees payable for the year were €6.2m (2022: €5.7m). Of the total fee, €1.2m (2022: €2.6m) was outstanding at the end of the year.

Aborted transaction costs

The Investment Manager recharged BEPIF Master FCP for costs related to aborted transactions for investments of €0.1 m (2022: €0.7m).

Expenses funded by the Investment Manager

The Investment Manager has provided the following support for BEPIF's expenses:

- Organizational and Offering Expenses - The Investment Manager agreed to advance all of BEPIF's Organizational and Offering Expenses (as defined in the Prospectus), such as legal, regulatory and advisory fees, until 30 September 2022. These costs are now being reimbursed in USD to the Investment Manager monthly until September 2027.

- Expense Cap - The Investment Manager has elected to voluntarily apply an expense cap of 0.50% (annualised) of BEPIF's Net Asset Value on Fund Expenses and Organizational and Offering Expenses (the "Expense Cap"). The Expense Cap came into effect on 1 October 2023 and currently applies (following an extension subsequent to the year end) until 31 December 2024. The Expense Cap may be removed or extended at any time by the Investment Manager and in its sole discretion, including prior to 31 December 2024. Upon expiration, BEPIF will bear any unpaid or unreimbursed Fund Expenses and/or any other outstanding unreimbursed amounts of Organizational and Offering Expenses deferred pursuant to this arrangement, in equal instalments over the 60 months following the date such cap has expired or has been removed.

Payments from, and to, the Investment Manager under these arrangements are made to/from BEPIF Aggregator for the benefit of all investors in BEPIF.

Notes to the Consolidated Financial Statements

The following table reconciles the change in the liability for expenses funded by the Investment Manager, after the effects of discounting for the deferred payment terms and foreign exchange, for the years ended 31 December 2023 and 2022. The liability in this table is the total amount due to the Investment Manager, the allocation of this liability between the Funds depends on their relative ownership of BEPIF. Therefore the actual impact on BEPIF Feeder SICAV's Net Asset Value will vary based on the relative holding of BEPIF over the repayment period.

€m	Organizational and Offering Expenses payable	Expense Cap payable
Balance at 31 December 2021	**9.7**	**–**
Amounts funded	10.2	–
Amounts repaid	(0.3)	–
Net impact of discounting and foreign exchange	(2.0)	–
Balance at 31 December 2022	**17.6**	**–**
Amounts funded	0.5	2.2
Amounts repaid	(4.8)	–
Net impact of discounting and foreign exchange	(0.1)	(0.3)
Balance at 31 December 2023	**13.2**	**1.9**

Asset Management Fees

Portfolio companies of Blackstone Inc. managed funds provide asset management services to BEPIF's investments. Fees payable for the year were €2.5m (2022: €2.4m). Of the total fee, €0.2m (2022: €0.8m) was outstanding at the end of the year.

General Partner of BEPIF Aggregator

Blackstone European Property Income Fund Associates (Lux) S.à r.l. is the general partner of BEPIF Aggregator (the "General Partner"). The annual amount payable to the General Partner is equal to the higher of (i) $10,000 or (ii) an amount equal to all out-of-pocket costs plus an arm's length margin. The amounts due for the current and prior year were less than €0.1m.

b) Investments with or in other Blackstone managed funds

Investment in BPPE

The general partner of Blackstone Property Partners Europe (Lux) SCSp is member of the Blackstone Inc. group and hence under common control with the Investment Manager. BEPIF is not charged management or performance fees by BPPE. BPPE is the majority owner, and ultimate controlling party, of the Alaska Logistics Portfolio, and has a 12.7% interest in Mileway.

Investments alongside other Blackstone managed funds

The following table shows the percentage holding of other Blackstone managed funds in the direct real estate investments of BEPIF (excluding investments held via BPPE). The percentage holdings are unchanged from the prior year end.

Investment	Held by other Blackstone managed funds
Adare Office Asset	75.0 %
Alaska Logistics Portfolio	74.9 %
Coldplay Logistics Portfolio	10.1 %
Evergreen Logistics Portfolio	10.1 %
Mileway[1]	94.2 %

1. Excludes Blackstone Inc.'s GP interest.

Notes to the Consolidated Financial Statements

c) Other transactions with affiliates of Blackstone

Line of Credit

The €200m (2022: €300m) uncommitted, unsecured Line of Credit is provided by Blackstone Holdings Finance Co. L.L.C., a subsidiary of Blackstone Inc., to BEPIF Aggregator. Terms of the facility can be found in note 4b.III.

The following table reconciles transactions on the Line of Credit for the years ended 31 December 2023 and 2022:

€m	GBP Loan	EUR Loan	Total
Balance at 31 December 2021	**167.1**	**106.2**	**273.3**
Proceeds from borrowings	36.8	88.5	125.3
Repayments of borrowings	(202.6)	(194.5)	(397.1)
Interest accrued	0.8	0.2	1.0
Interest paid	(1.1)	(0.4)	(1.5)
Foreign exchange gain	(1.0)	–	(1.0)
Balance at 31 December 2022	**–**	**–**	**–**
Proceeds from borrowings	–	32.0	32.0
Repayments of borrowings			
Paid in cash	–	(24.0)	(24.0)
Paid by issuance of Preference Interests	–	(8.1)	(8.1)
Interest accrued	–	0.1	0.1
Balance at 31 December 2023	**–**	**–**	**–**

Preference Interests

In 2022, Blackstone Funding Limited (the "Preferred Limited Partner"), a member of the Blackstone Inc. group, made a capital contribution of €500m to BEPIF Aggregator in exchange for Preference Interests. The Preference Interests pay a fixed dividend of 4% per annum and can be redeemed at the option of BEPIF, other than a minimum redemption of 20% of the amounts raised by the Funds calculated every six months from issuance. The minimum redemption due by April 2023, October 2023 and April 2024 have been waived by the Preferred Limited Partner.

The Preferred Limited Partner voluntarily elected to waive the 4.0% dividend (the "Rate Waiver") for a period of seven months from 1 December 2023 to 30 June 2024. Subsequent to the year end the Rate Waiver was extended to 31 December 2024. In addition, the Preference Limited Partner may, at its discretion, but is not obliged to, make additional contributions to BEPIF Aggregator in the form of Preference Interests (with such additional contributions also benefiting from the Rate Waiver for the relevant period of time). Subsequent to the year end, additional Preference Interests totalling €35m were issued.

€m	Year to 31 December 2023	Year to 31 December 2022
Opening balance	**428.8**	**–**
Issuance of Preference Interests	8.1	500.0
Dividend accrued	16.0	12.8
Preference Interests repayment	–	(75.9)
Dividend paid	–	(8.1)
Modification of Preference Interests[1]	(10.7)	–
Amortisation of Preference Interests modification[1]	1.5	–
Closing balance	**443.7**	**428.8**
Comprising:		
Preference Interests - par value	432.2	424.1
Preference Interests - unamortised modification	(9.2)	–
Dividend payable	20.7	4.7
	443.7	428.8

1. Under IFRS, the Rate Waiver is a modification of a financial liability and requires remeasurement as described in more detail in note 3e.iii.

Notes to the Consolidated Financial Statements

d) Directors' fees

Non-affiliated directors of BEPIF Feeder SICAV have been paid €75k (2022: €75k) for services rendered. Directors who are employees of the Blackstone Inc. group did not receive any directorship remuneration.

Non-affiliated directors of the board of the Management Company (as defined in note 1) have been paid €20k (2022: €20k) for services rendered to BEPIF Master FCP.

e) Investments in BEPIF held by related parties

The table below shows the Net Asset Value of shares/units in BEPIF held by related parties. All shares/units were acquired at the Net Asset Value on the subscription date.

Net Asset Value of shares/units held	As at 31 December 2023		As at 31 December 2022	
€m	BEPIF Feeder SICAV	BEPIF Master FCP	BEPIF Feeder SICAV	BEPIF Master FCP
Key management personnel[1]	7.1	24.8	1.2	27.3

1. Includes: the Investment Manager, Special Limited Partner and other key management personnel of BEPIF or Blackstone, Inc.

During the year to 31 December 2023 the Investment Manager subscribed for €3.8m of Class I_A units in BEPIF Master FCP and €7.7m of Class I_A units in BEPIF Feeder SICAV in settlement of Management Fees. On 1 April 2024, the Preferred Limited Partner subscribed €100m, in cash, in Class I_A shares in BEPIF Feeder SICAV.

14. Subsequent events

Subsequent events are described in the applicable notes to the financial statements as summarised below:

- Investment in Class I_A shares by the Preferred Limited Partner — note 13e;
- Extensions of the Management Fee Waiver, Expense Cap and Rate Waiver to 31 December 2024 — notes 13a, and 13c;
- Issuances of Preference Interests — notes 13c;
- Completion of the committed acquisition in the Coldplay Logistics Portfolio — note 4b.I;
- Changes in unsatisfied redemptions — note 11; and
- Dividends declared — note 11.

There were no other material events between the year end and the date of approval of these financial statements.

Separate Financial Statements

Audit Report

To the Board of Directors of
Blackstone European Property Income Fund SICAV
11-13 Boulevard de la Foire
L-1528 Luxembourg

REPORT OF THE RÉVISEUR D'ENTREPRISES AGRÉÉ

Opinion

We have audited the financial statements of Blackstone European Property Income Fund SICAV (the "Fund"), which comprise the statement of financial position, as of December 31, 2023, and the statements of comprehensive income, changes in amounts attributable to shareholders, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as of December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted in the European Union.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements" section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 8 of the financial statements, which describes, among other matters, the outstanding redemption requests. Our opinion is not modified in respect of this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report and in the management report but does not include the financial statements and our report of réviseur d'entreprises agréé thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we concluded that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibility of the Board of Directors and Those Charged with Governance for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Audit Report (continued)

Responsibilities of the "réviseur d'entreprises agréé" for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For **Deloitte Audit, Cabinet de révision agréé**

Christian van Dartel, Réviseur d'entreprises agréé

Partner

26 June 2024

Separate Statement of Financial Position

€m	Notes	As at 31 December 2023	As at 31 December 2022
Assets			
Non-current assets			
Investments at fair value	3	688.4	1,135.8
Current assets			
Cash and cash equivalents	4	2.4	11.4
Distribution receivable		1.7	2.2
Redemption receivable	3	29.6	7.5
		33.7	21.1
Total assets		**722.1**	**1,156.9**
Liabilities			
Current liabilities			
Trade and other payables	5	(2.6)	(2.6)
Distribution payable		(1.2)	(1.5)
Unpaid redemptions	8	(29.6)	(7.5)
Subscriptions received in advance	6	–	(9.3)
Total liabilities excluding amounts attributable to shareholders		**(33.4)**	**(20.9)**
Amounts attributable to shareholders (IFRS)		**688.7**	**1,136.0**
Adjustment to IFRS to obtain Net Asset Value	2a	46.9	14.2
Net Asset Value attributable to shareholders		**735.6**	**1,150.2**
Net Asset Value attributable to holders of:			
Class I_A shares		120.4	173.2
Class I_D shares		104.1	155.9
Class A_A shares		211.1	321.2
Class A_D shares		300.0	499.9
		735.6	1,150.2

Net Asset Value per share	€	€
Class I_A	8.6875	10.8626
Class I_D	8.1077	10.5123
Class A_A	8.5423	10.7614
Class A_D	8.0937	10.4926

Separate Statement of Comprehensive Income

€m	Notes	Year to 31 December 2023	Year to 31 December 2022
Revenue			
Distribution income	3	23.1	23.3
Interest income		0.1	–
Expenses (excluding servicing fees)			
Other expenses	7	(1.0)	(0.8)
Operating profit before revaluation of investments		**22.2**	**22.5**
Loss on change in fair value of investments	3	(249.9)	(32.4)
Loss attributable to shareholders before share class specific expenses		**(227.7)**	**(9.9)**
Servicing fee on Class A shares	8	(5.3)	(5.7)
Finance cost: distributions to shareholders		(16.8)	(16.5)
Loss attributable to shareholders (IFRS)		**(249.8)**	**(32.1)**
Adjustment to IFRS to obtain change in Net Asset Value	2a	32.7	6.7
Depreciation of Net Asset Value		**(217.1)**	**(25.4)**

Attributable to holders of:			
Class I_A shares		(31.9)	(1.8)
Class I_D shares		(32.2)	(5.5)
Class A_A shares		(57.7)	(3.2)
Class A_D shares		(95.3)	(14.9)
		(217.1)	(25.4)

There are no items of other comprehensive income for the current or prior year.

Separate Statement of Changes in Amounts Attributable to Shareholders

Year to 31 December 2023	Share class				Total
€m	Class I_A	Class I_D	Class A_A	Class A_D	
Net Asset Value attributable to shareholders as at 31 December 2022	**173.2**	**155.9**	**321.2**	**499.9**	1,150.2
Adjustment to Net Asset Value to obtain IFRS	(2.1)	(1.9)	(3.9)	(6.3)	**(14.2)**
Amounts attributable to shareholders as at 31 December 2022 (IFRS)	**171.1**	**154.0**	**317.3**	**493.6**	1,136.0
Subscriptions and redemptions by shareholders					
Issue of shares	12.2	5.8	19.4	3.2	**40.6**
Redemption of shares	(30.4)	(27.3)	(74.2)	(106.2)	**(238.1)**
Net conversions between share classes	(2.7)	1.9	2.4	(1.6)	**–**
	(20.9)	(19.6)	(52.4)	(104.6)	**(197.5)**
Result for financial year					
Loss attributable to shareholders before share class specific expenses	(37.5)	(31.9)	(65.2)	(93.1)	**(227.7)**
Servicing fees	–	–	(2.1)	(3.2)	**(5.3)**
Distributions	–	(5.0)	–	(11.8)	**(16.8)**
	(37.5)	(36.9)	(67.3)	(108.1)	**(249.8)**
Amounts attributable to shareholders as at 31 December 2023 (IFRS)	**112.7**	**97.5**	**197.6**	**280.9**	**688.7**
Adjustment to IFRS to obtain Net Asset Value	7.7	6.6	13.5	19.1	**46.9**
Net Asset Value attributable to shareholders as at 31 December 2023	**120.4**	**104.1**	**211.1**	**300.0**	**735.6**

Year to 31 December 2022	Share class				Total
€m	Class I_A	Class I_D	Class A_A	Class A_D	
Net Asset Value attributable to shareholders as at 31 December 2021	**80.6**	**67.1**	**115.6**	**191.6**	454.9
Adjustment to Net Asset Value to obtain IFRS	(1.3)	(1.1)	(1.9)	(3.2)	**(7.5)**
Amounts attributable to shareholders as at 31 December 2021 (IFRS)	**79.3**	**66.0**	**113.7**	**188.4**	447.4
Subscriptions and redemptions by shareholders					
Issue of shares	111.6	108.6	231.1	357.4	**808.7**
Redemption of shares	(19.6)	(14.3)	(12.3)	(41.8)	**(88.0)**
Net conversions between share classes	2.4	–	(10.0)	7.6	**–**
	94.4	94.3	208.8	323.2	**720.7**
Result for financial year					
Loss attributable to shareholders before share class specific expenses	(2.6)	(1.8)	(3.1)	(2.4)	**(9.9)**
Servicing fees	–	–	(2.1)	(3.6)	**(5.7)**
Distributions	–	(4.5)	–	(12.0)	**(16.5)**
	(2.6)	(6.3)	(5.2)	(18.0)	**(32.1)**
Amounts attributable to shareholders as at 31 December 2022 (IFRS)	**171.1**	**154.0**	**317.3**	**493.6**	**1,136.0**
Adjustment to IFRS to obtain Net Asset Value	2.1	1.9	3.9	6.3	**14.2**
Net Asset Value attributable to shareholders as at 31 December 2022	**173.2**	**155.9**	**321.2**	**499.9**	**1,150.2**

A reconciliation of the number of shares and share price per share class is included in note 8.

Separate Statement of Cash Flows

€m	Year to 31 December 2023	Year to 31 December 2022
Cash flows from operating activities		
Distributions received	23.6	21.2
Interest income received	0.1	–
Expenses paid	(6.3)	(4.8)
Cash flows before distributions	**17.4**	**16.4**
Distributions paid to shareholders	(17.1)	(15.0)
Net cash from operating activities	**0.3**	**1.4**
Cash flows from investing activities		
Contributions paid to investments	(32.8)	(808.5)
Proceeds from redemption of investments	216.0	80.4
Early Redemption Deduction paid to investments	(0.1)	(1.1)
Net cash from/(used in) investing activities	**183.1**	**(729.2)**
Cash flows from financing activities		
Cash flows with shareholders		
Proceeds for issue of shares	23.5	765.1
Redemptions paid	(215.9)	(79.3)
Net cash (used in)/from financing activities	**(192.4)**	**685.8**
Net decrease in cash and cash equivalents	**(9.0)**	**(42.0)**
Cash and cash equivalents at the beginning of the year	11.4	53.4
Cash and cash equivalents at the end of the year	**2.4**	**11.4**

Notes to the Separate Financial Statements

1. General information

Blackstone European Property Income Fund SICAV ("BEPIF Feeder SICAV") is a multi-compartment Luxembourg investment company with variable capital (*société d'investissement à capital variable*) governed by Part II of the Luxembourg law of 17 December 2010 (the "2010 Law"). Any capitalised term not otherwise defined in these financial statements has the meaning given to it in the version of BEPIF Feeder SICAV's prospectus applicable at the date of issuance of these financial statements ("the Prospectus").

The registered address of BEPIF Feeder SICAV is 11-13, Boulevard de la Foire, L-1528, Luxembourg.

Principal activities

BEPIF Feeder SICAV is a vehicle for investment into BEPIF. BEPIF is a real estate investment programme operated through several entities and the term "BEPIF" is used throughout these financial statements to refer to the programme as a whole.

BEPIF invests primarily in substantially stabilised, income-generating European real estate and, to a lesser extent, in real estate related debt. BEPIF seeks to bring Blackstone's leading institutional-quality European real estate investment platform primarily to income-focused individual investors.

Corporate structure

Blackstone European Property Income Fund (Master) FCP ("BEPIF Master FCP") is a Luxembourg mutual fund (*fonds commun de placement*) governed by Part II of the 2010 Law. It is the master fund for BEPIF Feeder SICAV. At 31 December 2023, BEPIF Feeder SICAV owned 97% of the units (by value) issued by BEPIF Master FCP.

BEPIF Feeder SICAV and BEPIF Master FCP are alternative investment funds under the amended law of 12 July 2013 relating to Alternative Investment Fund Managers (the "2013 Law"). Blackstone Europe Fund Management S.à r.l. (the "AIFM"), an affiliate of Blackstone Inc., has been appointed as alternative investment fund manager of both funds under the 2013 Law in order to perform the investment management (including both portfolio and risk management), oversight, valuation and certain other functions. The registered office of the AIFM is 2-4 rue Eugene Ruppert, L-2453 Luxembourg. The AIFM is also the management company of BEPIF Master FCP (in this capacity the "Management Company"). The AIFM has delegated the portfolio management function to Blackstone Property Advisors, L.P. (the "Investment Manager"). The Investment Manager has discretion to make investments on behalf of BEPIF Feeder SICAV and BEPIF Master FCP.

BEPIF Master FCP makes investments in real estate alongside a Parallel Vehicle, Blackstone European Property Income Fund S.L.P. ("Blackstone Bepimmo"), an investment vehicle also managed by the Investment Manager. Collectively BEPIF Feeder SICAV, BEPIF Master FCP and Blackstone Bepimmo are referred to as the "Funds". BEPIF (Aggregator) SCSp ("BEPIF Aggregator"), a Luxembourg special limited partnership (*société en commandite spéciale*), is the vehicle through which the Funds hold their investments. BEPIF Master FCP and Blackstone Bepimmo are the limited partners of BEPIF Aggregator (the "Limited Partners").

2. Accounting policies

These separate financial statements are presented for the year ended 31 December 2023 (with comparative financial information for the year ended 31 December 2022) and were approved for issue by the Board of Directors on 26 June 2024.

Shareholders can obtain the financial results for the year of BEPIF Master FCP on request to the AIFM.

a) Basis of accounting

These separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"). No IFRS standards have been early adopted and there are no new or amended standards that are expected to have a material impact on BEPIF Feeder SICAV. Following revisions to IAS 1 *Presentation of Financial Statements,* the accounting policies disclosed in note 2 have been updated to cover only material accounting policy information. There have been no changes to the accounting policies in the year.

The functional and presentational currency is the euro. These separate financial statements have been prepared on a historical cost basis, except for investments in joint ventures which are measured at fair value.

As further described in note 2c, BEPIF Feeder SICAV has no financial instruments classified as equity. The Separate Statement of Changes in Amounts Attributable to Shareholders is presented in lieu of a statement of changes in equity.

Notes to the Separate Financial Statements

Net Asset Value attributable to shareholders

BEPIF Feeder SICAV's Net Asset Value is determined monthly in accordance with the valuation policy of BEPIF, as well as the terms of the Prospectus and the valuation policy of BEFM (collectively the "Valuation Policy"), and sets the price at which shares in BEPIF Feeder SICAV are subscribed/redeemed. The Valuation Policy is generally aligned with the recognition and measurement requirements of IFRS. However, Net Asset Value is not a measure used under IFRS and the valuations of, and certain adjustments made to, assets and liabilities used in the determination of Net Asset Value may differ from IFRS. The determination of Net Asset Value takes into account the market impact of specific events as they occur, based on assumptions and judgments that may or may not prove to be correct, and may also be based on the limited information readily available at that time.

€m	As at 31 December 2023	As at 31 December 2022
Amounts attributable to shareholders (IFRS)	688.7	1,136.0
IFRS-related adjustments to obtain Net Asset Value		
Adjustments for expenses funded by the Investment Manager [1]		
Share of adjustment at beginning of year	14.2	7.5
Net (decrease)/increase in share of liability	(1.5)	6.7
	12.7	14.2
Adjusting events after the reporting period [2]		
Share of adjustment to Investments at fair value	34.2	–
Net Asset Value attributable to shareholders	**735.6**	**1,150.2**

1. Expenses funded by the Investment Manager (see note 10a) are recognised as a deduction to Net Asset Value only when they are reimbursed to the Investment Manager whereas under IFRS such expenses are recognised when the associated services are provided. During 2023, €3.2m of such expenses were charged against Net Asset Value attributable to shareholders (2022: €0.7m).
2. IAS 10 *Events after the Reporting Period* requires adjustment to amounts recognised in the financial statements to reflect 'adjusting events' after the reporting period to the extent those items are not reflected in Net Asset Value. Adjusting events are reflected in Net Asset Value at the valuation date after the information becomes available in accordance with the Valuation Policy.

Going concern

These separate financial statements have been prepared on a going concern basis. In the opinion of the Directors there are no material uncertainties in reaching this conclusion. The Investment Manager has prepared liquidity forecasts which show that, for at least the next 12 months, BEPIF Feeder SICAV will have sufficient funds to meet its obligations to third parties as they fall due. This assessment includes the impact of subsequent events as described in note 11. At the date of approval of these financial statements BEPIF Feeder SICAV had unsatisfied redemptions as described in note 8. Redemptions are satisfied in accordance with the Prospectus, including the redemption limits also described in note 8.

b) Investment in subsidiary

BEPIF Feeder SICAV's investment in subsidiary is held at fair value through profit and loss in accordance with IFRS 9 *Financial instruments*.

Significant accounting judgement - Classification of BEPIF Master FCP as a subsidiary

BEPIF Feeder SICAV has a greater than 50% share of the units issued by BEPIF Master FCP. The AIFM has rights of control over the management of BEPIF Master FCP, including appointing the Investment Manager. However, the AIFM does not have any significant economic interest in BEPIF Master FCP and therefore the AIFM is considered the agent of BEPIF Feeder SICAV in its relationship with BEPIF Master FCP. Therefore, the Directors conclude BEPIF Feeder SICAV has 'control', as defined under IFRS 10 *Consolidated financial statements*, over BEPIF Master FCP and classifies its investment as a subsidiary. This judgement is unchanged from the prior year.

c) Financial instruments

Financial assets

Other than the investment in subsidiary, all financial assets are classified as 'subsequently measured at amortised cost'. Financial assets include cash and cash equivalents, and receivables. Cash and cash equivalents includes cash in hand and cash held by the Depositary (as defined in note 9) from subscriptions received in advance (note 2d).

Notes to the Separate Financial Statements

Financial liabilities

All financial liabilities are classified as 'subsequently measured at amortised cost'.

Amounts attributable to shareholders are initially recognised at fair value, which is taken to be the proceeds received for the shares issued. Subsequently the carrying amount is adjusted for the allocation of profit or loss attributable to that share class, less any distributions or redemptions.

Liabilities to settle satisfied redemptions of shares of BEPIF Feeder SICAV are transferred to a separate liability in the Separate Statement of Financial Position at the Redemption Date (see note 8). Redemption Requests which are not satisfied (referred to as 'outstanding redemptions') remain included in 'Amounts attributable to shareholders. Outstanding redemptions are disclosed in note 8. Distributions are recognised as a separate liability when they are declared.

Significant accounting judgement - Classification of shareholders' investment into BEPIF Feeder SICAV as a financial liability

Shareholders have the right to request a redemption of their investment. Payment of redemptions is subject to the redemption limitations as described in the Prospectus (redemption terms are summarised in note 8). These redemption limitations do not extinguish the contractual obligation to satisfy the Redemption Request, and hence deliver cash, to shareholders at a future date. Therefore, shareholders' investments are classified as financial liabilities. The impact of this judgement is that distributions are presented as an expense in the Separate Statement of Comprehensive Income. This judgement is unchanged from the prior year.

d) Subscriptions received in advance

Subscriptions received in advance represent amounts received for subscriptions prior to the trade date when shares are issued. The cash from subscriptions is included in cash and cash equivalents along with an offsetting liability until shares are issued.

e) Revenue

Revenue comprises distributions from investments. Distributions are recognised when the right to receive payment is established.

f) Fees

The Management Fee, servicing fee and other administrative fees are recognised in profit or loss when the related services are received.

g) Tax

BEPIF Feeder SICAV is not subject to any income taxes as defined in IAS 12 *Income taxes*. Instead, Luxembourg subscription tax is charged on net assets and reported in expenses in profit or loss.

h) Statement of Cash Flows

The direct presentation method for the Separate Statement of Cash Flows has been adopted. Distributions to shareholders are presented as an operating cash flow as these are funded from operational cash flows from investments.

Notes to the Separate Financial Statements

3. Investments at fair value

Investments at fair value represent BEPIF Feeder SICAV's investment in BEPIF Master FCP. At 31 December 2023, BEPIF Feeder SICAV owned 100% of the Class F units issued by BEPIF Master FCP (2022: 100%), representing 97% (2022: 98%) of all units issued (by value).

€m	Year to 31 December 2023	Year to 31 December 2022
Opening fair value (IFRS)	**1,135.8**	**447.6**
Subscriptions[1]	40.6	808.5
Redemptions	(238.1)	(87.9)
Loss before revaluation of investments	(249.9)	(32.4)
Closing fair value (IFRS)	**688.4**	**1,135.8**

1. Of the subscriptions into BEPIF Master FCP in the year, €7.7m (2022: €nil) related to the settlement of the Management Fee (accrued in BEPIF Master FCP as described in note 10a) in Class I_A shares of BEPIF Feeder SICAV (see note 8).

BEPIF Feeder SICAV has distribution income for the year of €23.1m (2022: €23.3m). Distributions are declared by BEPIF Master FCP to the extent BEPIF Feeder SICAV requires funding to pay its expenses and distributions to shareholders.

Of the €238.1m redemptions satisfied in the year (2022: €87.9m), €29.6m was outstanding at the year end (2022: €7.5m).

4. Cash and cash equivalents

€m	As at 31 December 2023	As at 31 December 2022
Cash at bank	2.4	2.1
Restricted cash	–	9.3
Total cash and cash equivalents	**2.4**	**11.4**

Restricted cash

Cash for subscriptions is received in advance of the subscription date on the first of each month. Such cash is held in a separate bank account managed by the Depositary (as defined in note 9) and is not available for use until the subscription date.

5. Trade and other payables

€m	As at 31 December 2023	As at 31 December 2022
Servicing fee payable	1.2	1.6
Other payables and accruals	1.4	1.0
Total trade and other payables	**2.6**	**2.6**

6. Subscriptions received in advance

€m	As at 31 December 2023	As at 31 December 2022
Balance at the start of the year	**9.3**	**52.9**
Proceeds for issue of shares	23.5	765.1
Issue of shares (for cash)	(32.8)	(808.7)
Balance at the end of the year	**–**	**9.3**

Subscriptions received in advance remain as unsecured creditors, in respect of amounts paid, until the issuance of the shares has been completed.

Notes to the Separate Financial Statements

7. Expenses

€m	Year to 31 December 2023	Year to 31 December 2022
Tax fees	0.5	0.4
Depositary fees	0.2	0.1
Other expenses	0.3	0.3
Expenses (excluding servicing fees)	**1.0**	**0.8**

Management Fee and AIFM Fee

Fees payable to the Investment Manager and the AIFM are charged to BEPIF Master FCP. The Investment Manager elected to voluntarily waive the Management Fee from 1 October 2023. For further details, see note 10a.

Expense Cap

Refer to note 10a for details on the Expense Cap which applied from 1 October 2023. Expenses included the table above are not directly impacted by the Expense Cap. The Expense Cap is determined based on Fund Expenses across BEPIF and is funded, in cash, by the Investment Manager to BEPIF Aggregator, for the benefit of all investors in BEPIF.

Fees payable to the auditor

BEPIF Feeder SICAV's auditor is Deloitte Audit S.à. r.l ("Deloitte"). Deloitte's fee for the audit of these financial statements (including the consolidated financial statements which form part of the 2023 Annual Report) is €35.1k (2022: €31.5k). In addition, Deloitte is the auditor of BEPIF Master FCP, BEPIF Aggregator and certain of its subsidiaries for which Deloitte's fees (including fees for other Deloitte member firms) totals €416.8k (2022: €572.6k). Deloitte has provided tax compliance services to BEPIF Feeder SICAV. Fees for the year were €6.6k (2022: €6.1k).

8. Amounts due to shareholders

Terms of the share classes set out below are intended to be an aide-mémoire and for compliance with the requirements of IFRS. Shareholders should refer to the Prospectus for the full terms applicable to their shares.

Classes of shares

BEPIF Feeder SICAV has issued shares in four classes: Class I_A, I_D, A_A and A_D. Except as otherwise described below, the terms are identical for each class of shares.

Class I_A and Class A_A shares are "Accumulation Sub-Class" shares and Class I_D and Class A_D shares are "Distribution Sub-Class" shares. Shareholders that subscribe into Distribution Sub-Classes will receive, in cash, any distributions that BEPIF Feeder SICAV pays in respect of such classes. No distributions are paid on the Accumulation Sub-Classes and the value of distributions that would have otherwise been paid is reflected in the value of those shares.

Servicing fee

Holders of Class A shares are subject to a servicing fee, payable to their financial intermediary, of 0.75% per annum (calculated monthly) on the net asset value of their shares prior to accrual of the servicing fee, distributions and redemptions. Class I shares do not incur a servicing fee.

Subscriptions

Subscriptions to purchase shares may be made on an ongoing basis and are effective as of the first calendar day of each month (a "Subscription Date"). The full purchase price of the shares being subscribed for must be received at least four business days prior to the Subscription Date. The offering price will equal the Net Asset Value per share of the applicable share class determined as of the last calendar day of the previous month. The Investment Manager may accept, delay acceptance, or reject subscriptions in its sole discretion, including choosing to reject or delay acceptance of all subscriptions for a given month.

Notes to the Separate Financial Statements

Redemptions

Shareholders may request to have some or all of their shares redeemed (a "Redemption Request") as of the last calendar day of each month (each a "Redemption Date") by submitting a notice on or before the first business day of such month. Amounts distributed in connection with a redemption will be based upon the Net Asset Value per share of the applicable share class as of the last calendar day of the applicable month, except for shares that have been held for a period of less than 12 months in which case a deduction equal to 5% of the value of the Net Asset Value of the shares being redeemed will apply (the "Early Redemption Deduction"). Any Early Redemption Deduction will inure to the benefit of BEPIF Aggregator and hence indirectly to all investors in BEPIF. During the year ended 31 December 2023 investors in BEPIF incurred Early Redemption Deductions totalling €0.1m (2022: €1.1m).

The aggregate Net Asset Value of total redemptions across the Funds is generally limited to 2% of the aggregate Net Asset Value of BEPIF per month and 5% of such aggregate Net Asset Value per calendar quarter. As set out in the Prospectus, shares or units issued as payment of the Management Fee are not subject to the limitations related to the redemption programme. The Preference Interests issued by BEPIF Aggregator are not redeemable as part of the redemption programme. Therefore shares or units issued as payment of the Management Fee and Preference Interests are not subject to the calculations related to the redemption programme and are excluded from the calculation of Net Asset Value used to determine the redemption limits. In exceptional circumstances, and not on a systematic basis, BEPIF Feeder SICAV may make exceptions to, modify or suspend, in whole or in part, the redemption programme if, in the Investment Manager's reasonable judgment, it deems such action to be in BEPIF's best interest and the best interest of BEPIF's investors, such as when redemptions would place an undue burden on liquidity, adversely affect operations, risk having an adverse impact on BEPIF that would outweigh the benefit of redemptions of shares or as a result of legal or regulatory changes.

A Redemption Request that has been agreed to be paid, and hence excluded from Net Asset Value, is referred to as a satisfied redemption. Redemptions Requests which are not satisfied are described as outstanding redemptions.

In the event that Redemption Requests for a given month exceed the limitations above, the Redemptions Requests will be satisfied on a pro rata basis (measured on an aggregate basis (without duplication) across BEPIF if applicable). All outstanding redemptions will be automatically resubmitted for the next available Redemption Date, unless such a Redemption Request is withdrawn or revoked by a shareholder before such Redemption Date.

During the year ended 31 December 2023, the Funds satisfied Redemptions Requests of €238.2m (2022: €88.0m), of which €238.1m related to BEPIF Feeder SICAV (2022: €88.0m). At 31 December 2023, there were outstanding Redemption Requests of €256.3m (2022: €80.1m), of which €255.9m related to BEPIF Feeder SICAV (2022: €80.1m). From 1 January 2024 to 30 June 2024, the Funds will have satisfied Redemption Requests of €85.9m. Up to and including the 30 June 2024 Redemption Date, outstanding Redemption Requests are estimated at €185.0m (based on the 31 May 2024 Net Asset Value).

It is expected that settlement of satisfied redemptions will generally be made within 60 calendar days of the Redemption Date. No distributions are payable on shares once a Redemption Request has been satisfied.

Allocation of profits

Shareholders are allocated appreciation/depreciation of Net Asset Value monthly based on the relative Net Asset Value of each share class on the first of the month (including subscriptions for that month). Servicing fees are allocated solely to the share class to which the fee relates.

Notes to the Separate Financial Statements

Distributions

BEPIF Feeder SICAV intends to declare and pay monthly distributions to holders of Distribution Sub-Classes. Any distributions made are at the discretion of the Investment Manager, considering factors such as earnings, cash flow, capital needs, taxes, general financial condition and the requirements of applicable law. The per share amount of distributions on Class I and Class A shares will generally differ because of servicing fees.

BEPIF Feeder SICAV has declared and/or paid the following distributions per share for the years ended 31 December 2023 and 2022:

€ per share	2023 Class I_D	2023 Class A_D	2022 Class I_D	2022 Class A_D
Paid in relation to prior year declarations				
December prior year	0.0300	0.0233	–	–
Declared and paid in the year				
January	0.0299	0.0233	0.0300	0.0233
February	0.0298	0.0233	0.0301	0.0233
March	0.0299	0.0233	0.0302	0.0233
April	0.0298	0.0233	0.0303	0.0233
May	0.0298	0.0233	0.0303	0.0233
June	0.0298	0.0233	0.0303	0.0233
July	0.0298	0.0233	0.0304	0.0233
August	0.0297	0.0233	0.0304	0.0233
September	0.0296	0.0233	0.0304	0.0233
October	0.0293	0.0233	0.0304	0.0233
November	0.0291	0.0233	0.0304	0.0233
Total distributions paid in the year	**0.3565**	**0.2796**	**0.3332**	**0.2563**
Declared in the year but not paid				
December current year	0.0288	0.0233	0.0300	0.0233
Paid in the year but declared in the prior year				
December prior year	(0.0300)	(0.0233)	–	–
Total distributions declared for the year	**0.3553**	**0.2796**	**0.3632**	**0.2796**

Distributions declared post year end and prior to issuance of these financial statements totalled €0.1412 per share and €0.1165 per share for classes I_D and A_D respectively. This related to performance for January to May 2024.

Notes to the Separate Financial Statements

Reconciliation of amounts attributable to shareholders

Class I_A	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**80.6**	**7,548**	**10.6865**
Issue of shares	111.6	9,916	–
Redemption of shares	(19.6)	(1,730)	–
Net conversions between share classes	2.4	215	–
Result attributable to shareholders before share class specific expenses	(2.6)	–	0.2172
Impact of share of adjustments to IFRS to obtain Net Asset Value	0.8	–	(0.0411)
Net Asset Value as at 31 December 2022	**173.2**	**15,949**	**10.8626**
Issue of shares			
for settlement of Management Fee	7.7	727	–
for cash	4.5	412	–
	12.2	1,139	–
Redemption of shares	(30.4)	(2,963)	–
Net conversions between share classes	(2.7)	(256)	–
Result attributable to shareholders before share class specific expenses	(37.5)	–	(1.4873)
Impact of share of adjustments to IFRS to obtain Net Asset Value	5.6	–	(0.6878)
Net Asset Value as at 31 December 2023	**120.4**	**13,869**	**8.6875**

Class I_D	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**67.1**	**6,284**	**10.6865**
Issue of shares	108.6	9,820	–
Redemption of shares	(14.3)	(1,276)	–
Net conversions between share classes	–	(3)	–
Result attributable to shareholders before share class specific expenses	(1.8)	–	0.2404
Distributions	(4.5)	–	(0.3632)
Impact of share of adjustments to IFRS to obtain Net Asset Value	0.8	–	(0.0514)
Net Asset Value as at 31 December 2022	**155.9**	**14,825**	**10.5123**
Issue of shares	5.8	568	–
Redemption of shares	(27.3)	(2,766)	–
Net conversions between share classes	1.9	206	–
Result attributable to shareholders before share class specific expenses	(31.9)	–	(1.4028)
Distributions	(5.0)	–	(0.3553)
Impact of share of adjustments to IFRS to obtain Net Asset Value	4.7	–	(0.6465)
Net Asset Value as at 31 December 2023	**104.1**	**12,833**	**8.1077**

Notes to the Separate Financial Statements

Reconciliation of amounts attributable to shareholders (continued)

Class A_A	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**115.6**	**10,835**	**10.6665**
Issue of shares	231.1	20,984	–
Redemption of shares	(12.3)	(1,074)	–
Net conversions between share classes	(10.0)	(903)	–
Result attributable to shareholders before share class specific expenses	(3.1)	–	0.2249
Servicing fees	(2.1)	–	(0.0831)
Impact of share of adjustments to IFRS to obtain Net Asset Value	2.0	–	(0.0469)
Net Asset Value as at 31 December 2022	**321.2**	**29,842**	**10.7614**
Issue of shares	19.4	1,840	–
Redemption of shares	(74.2)	(7,203)	–
Net conversions between share classes	2.4	233	–
Result attributable to shareholders before share class specific expenses	(65.2)	–	(1.4653)
Servicing fees	(2.1)	–	(0.0766)
Impact of share of adjustments to IFRS to obtain Net Asset Value	9.6	–	(0.6772)
Net Asset Value as at 31 December 2023	**211.1**	**24,712**	**8.5423**

Class A_D	NAV €m	Number of shares thousands	NAV per share €
Net Asset Value as at 31 December 2021	**191.6**	**17,952**	**10.6665**
Issue of shares	357.4	32,708	–
Redemption of shares	(41.8)	(3,719)	–
Net conversions between share classes	7.6	705	–
Result attributable to shareholders before share class specific expenses	(2.4)	–	0.2324
Servicing fees	(3.6)	–	(0.0840)
Distributions	(12.0)	–	(0.2796)
Impact of share of adjustments to IFRS to obtain Net Asset Value	3.1	–	(0.0427)
Net Asset Value as at 31 December 2022	**499.9**	**47,646**	**10.4926**
Issue of shares	3.2	314	–
Redemption of shares	(106.2)	(10,722)	–
Net conversions between share classes	(1.6)	(178)	–
Result attributable to shareholders before share class specific expenses	(93.1)	–	(1.4002)
Servicing fees	(3.2)	–	(0.0738)
Distributions	(11.8)	–	(0.2796)
Impact of share of adjustments to IFRS to obtain Net Asset Value	12.8	–	(0.6453)
Net Asset Value as at 31 December 2023	**300.0**	**37,060**	**8.0937**

Notes to the Separate Financial Statements

Capital Management

BEPIF Feeder SICAV's investment objective is to generate attractive risk-adjusted returns on a diversified direct and indirect portfolio of real estate and real estate-related investments over the medium to long-term. The Board, with the assistance of the Investment Manager, monitors BEPIF Feeder SICAV's capital so as to promote the long-term success of the business and achievement of its investment objectives. Proceeds from the issue of shares (which are classified as liabilities in the Separate Statement of Financial Position), external borrowings and retained profits are considered as capital. Under Luxembourg law BEPIF Feeder SICAV is required to maintain a minimum capital balance of €1.25m. There are no other externally imposed capital requirements.

Leverage

BEPIF may utilise leverage, incur indebtedness and provide other credit support for any purpose, including to fund all or a portion of the capital necessary for an Investment. Indebtedness will not be incurred, directly or indirectly, that would cause the Leverage Ratio (as defined in the Prospectus) to be in excess of 55% (the "Leverage Limit"); provided that no remedial action will be required if the Leverage Limit is exceeded for any reason other than an incurrence of an increase in indebtedness (including the exercise of rights attached to an Investment). BEPIF's proportionate interest in the leverage of BPPE will be included in the calculation of the Leverage Ratio. The Leverage Limit may be exceeded on a temporary basis to satisfy short-term liquidity needs, refinance existing borrowings or for other obligations. At 31 December 2023 the Leverage Ratio was 37.6% (2022: 39.2%).

9. Financial risk management

a) Risk management oversight

The AIFM

The AIFM is responsible for the risk management function of BEPIF Feeder SICAV. The AIFM is authorised as an alternative investment fund manager and supervised by the Luxembourg supervisory authority, the Commission de Surveillance du Secteur Financier (the "CSSF").

The AIFM has established and maintains a dedicated risk management function that implements effective risk management policies and procedures in order to identify, measure, manage and monitor on an ongoing basis all risks relevant to BEPIF Feeder SICAV's investment objectives including in particular market, credit, liquidity, counterparty, operational and all other relevant risks.

The risk management staff within the AIFM supervise the compliance of these policies and procedures in accordance with the requirements of applicable circulars or regulation issued by the CSSF or any European authority authorised to issue related regulation or technical standards which are applicable to BEPIF Feeder SICAV.

The AIFM is also the alternative investment fund manager of BEPIF Master FCP and undertakes analogous responsibilities and procedures to those described for BEPIF Feeder SICAV.

The Depositary

The depositary bank and paying agent for BEPIF Feeder SICAV and BEPIF Master FCP is CACEIS Bank, Luxembourg Branch ("the Depositary"). Prior to the acquisition of RBC Investor Services Bank S.A by CACEIS on 3 July 2023, the depositary bank and paying agent was named RBC Investor Services Bank S.A.

The duties of the Depositary include: the safekeeping of financial instruments that can be held in custody and record keeping and verification of ownership of the other assets; oversight duties, and cash flow monitoring in accordance with applicable Luxembourg law.

b) Financial instruments

This note presents information about BEPIF Feeder SICAV's exposure to risks from its financial instruments other than 'amounts attributable to shareholders', which are described in note 8.

Approximately all of BEPIF Feeder SICAV's directly held financial instruments are the investment in BEPIF Master FCP. The rights attaching to this investment are governed by the prospectus of BEPIF Master FCP. BEPIF Feeder SICAV invests in Class F units of the FCP; a class of units reserved solely for BEPIF Feeder SICAV. The terms of Class F units are aligned with the investment objectives and liquidity requirements of BEPIF Feeder SICAV.

All of BEPIF Feeder SICAV's cash is held with the Depositary which has a credit rating of AA- (2022: AA-). None of the remaining financial instruments have material credit risk. All financial liabilities (excluding 'amounts attributable to shareholders') have contractual settlements in less than three months. BEPIF Feeder SICAV has no non-euro balances.

Notes to the Separate Financial Statements

10. Related party transactions

Transactions with related parties in 2023 are described below. Comparative figures are given for recurring related party transactions only. One-off transactions with related parties in the comparative period can be found in the 2022 Annual Report.

a) Fees payable to affiliates of Blackstone Inc.

Management Fee

From April 2022, the Investment Manager is entitled to a Management Fee of 1.25% per annum of BEPIF Feeder SICAV's and BEPIF Master FCP's (without duplication) net asset value computed, and paid, monthly. The applicable net asset value is prior to deducting accruals for the Management Fee, servicing fee (note 8), the share of the Performance Participation Allocation in BEPIF Aggregator, any redemptions for the month, and any distributions declared in the month. The Investment Manager may elect to receive the Management Fee in cash, shares of BEPIF Feeder SICAV, units of BEPIF Master FCP or units in BEPIF Aggregator.

The Management Fee attributable to BEPIF Feeder SICAV is charged to BEPIF Master FCP and allocated against its Class F units. Therefore the fee is included as a component of the change in fair value of the investment in BEPIF Master FCP. The Management Fee attributable to BEPIF Feeder SICAV for the year ended 31 December 2023 is €9.9m (2022: €10.7m).

During 2023, the Investment Manager elected to voluntarily waive the Management Fee from 1 October 2023 to 30 June 2024. Subsequent to the year end the Investment Manager extended the Management Fee Waiver until 31 December 2024.

AIFM Fee

From June 2022, the AIFM is entitled to payment of a fee (the "AIFM Fee") up to a maximum of 0.10% per annum of the Net Asset Value of BEPIF Feeder SICAV and BEPIF Master FCP (without duplication). The AIFM Fee for the year was charged to BEPIF Master FCP. The amount attributable to BEPIF Feeder SICAV is €0.5m (2022: €0.3m), of which €0.1m (2022: €0.2m) was outstanding at the year end.

Performance Participation Allocation

Blackstone European Property Income Fund Associates LP, the "Special Limited Partner" of BEPIF Aggregator, is entitled to a Performance Participation Allocation of BEPIF's performance for each Reference Period. The Performance Participation Allocation charged is equal to 12.5% of Total Return subject to a 5% annual Hurdle Amount and a High Water Mark with 100% Catch-Up.

For the first time, the Performance Participation Allocation was measured for the Initial Reference Period (being the period from the date BEPIF took its first subscriptions on 1 October 2021 to 30 June 2022), was payable on 30 June 2022 and accrued monthly. Since then, it is being measured on a calendar year basis (ending on 31 December), is payable quarterly and accrues monthly (subject to pro-rating for partial periods including the period from 1 July 2022 to 31 December 2022).

The Total Return for any period since the end of the prior Reference Period equals the sum of all distributions accrued or paid on units outstanding at the end of such period over the course of the Reference Period; plus the change in aggregate Net Asset Value of such units since the beginning of the Reference Period; minus applicable expenses of Limited Partners and of their feeders but excluding applicable expenses for servicing fees or similar fees.

The Hurdle Amount for any period during a Reference Period means that amount that results in a 5% annualised internal rate of return on the Net Asset Value of units outstanding at the beginning of the then-current Reference Period and all units issued since the beginning of the then-current Reference Period.

The Loss Carryforward Amount shall initially equal zero and shall cumulatively increase by the absolute value of any negative Total Return and decrease by any positive annual Total Return; provided, that the Loss Carryforward Amount shall at no time be less than zero. The effect of the Loss Carryforward Amount is that the recoupment of past annual Total Return losses will offset the positive annual Total Return for purposes of the calculation of the Performance Participation Allocation.

Notes to the Separate Financial Statements

The Performance Participation Allocation attributable to the Special Limited Partner is an amount equal to:

(i) First, if the Total Return for the applicable period exceeds the sum of (i) the Hurdle Amount for that period and (ii) the Loss Carryforward Amount (any such excess, "Excess Profits"), 100% of such annual Excess Profits until the total amount allocated equals 12.5% of the sum of (a) the Hurdle Amount for that period and (b) any amount allocated pursuant to this clause (this is commonly referred to as a "Catch Up"); and

(ii) Second, to the extent there are remaining Excess Profits, 12.5% of such remaining Excess Profits

In addition to its entitlement to the Performance Participation Allocation for each Reference Period, the Special Limited Partner is also entitled to a Performance Participation Allocation with respect to all redemptions of a Limited Partner's interests. The relevant period of performance is the portion of the Reference Period up to the Redemption Date.

For each Reference Period after the Initial Reference Period, promptly following the end of each calendar quarter that is not also the end of a calendar year, the Special Limited Partner will be entitled to a Performance Participation Allocation as described above calculated in respect of the portion of the year to date, less any Performance Participation Allocation received with respect to prior quarters in that year (the "Quarterly Allocation"). After the Initial Reference Period, the Performance Participation Allocation that the Recipient is entitled to receive at the end of each calendar year will be reduced by the cumulative amount of Quarterly Allocations that year. If a Quarterly Allocation is made and at the end of a subsequent calendar quarter in the same calendar year the Recipient is entitled to a lesser amount than the previously received Quarterly Allocation(s) (a "Quarterly Shortfall"), then subsequent distributions of any Quarterly Allocations or year-end Performance Participation Allocations in that calendar year will be reduced by an amount equal to such Quarterly Shortfall, until such time as no Quarterly Shortfall remains. If all or any portion of a Quarterly Shortfall remains the end of a calendar year following the application described in the previous sentence, distributions of any Quarterly Allocations and year-end Performance Participation Allocations in the subsequent four calendar years will be reduced by (i) the remaining Quarterly Shortfall plus (ii) an annual rate of 5% on the remaining Quarterly Shortfall measured from the first day of the calendar year following the year in which the Quarterly Shortfall arose and compounded quarterly (collectively, the "Quarterly Shortfall Obligation") until such time as no Quarterly Shortfall Obligation remains; provided, that the Recipient (or any of its affiliates) may make a full or partial cash payment to reduce the Quarterly Shortfall Obligation at any time; provided, further, that if any Quarterly Shortfall Obligation remains following such subsequent four calendar years, then the Recipient (or any of its affiliates) will promptly pay BEPIF Aggregator the remaining Quarterly Shortfall Obligation in cash. For the period from 1 July 2022 to 31 December 2022, all the references to "year" in this paragraph shall be construed as references to the prorated period.

Except as described above with respect to a Quarterly Shortfall, the Special Limited Partner will not be obligated to return any portion of the Performance Participation Allocation previously paid due to the subsequent performance of BEPIF.

The Special Limited Partner can elect to have the Performance Participation Allocation settled in cash, units in BEPIF Aggregator or shares/units (as applicable) in the Funds.

Notes to the Separate Financial Statements

A reconciliation of the Performance Participation Allocation for the years ended 31 December 2023 and 2022 is shown below:

€m	Year to 31 December 2023	Year to 31 December 2022
Performance Participation Allocation/(Quarterly Shortfall Obligation)		
Amounts (receivable)/payable at start of the year	**(2.0)**	**3.1**
Allocation of Total Return		
Reference Period to 30 June 2022	n/a	9.0
Quarterly Allocation to 31 March	–	n/a
Quarterly Allocation to 30 June	–	n/a
Quarterly Allocation to 30 September	–	2.0
Quarterly Allocation to 31 December	–	(2.0)
Recognised in profit or loss[1]	–	9.0
Quarterly Shortfall interest	(0.1)	–
Total (receivable)/payable for the year	**(2.1)**	**12.1**
Settlement in cash	–	(5.0)
Settlement in units of BEPIF Master FCP	–	(9.1)
Amounts receivable at end of the year	**(2.1)**	**(2.0)**

1. Of the amount recognised in profit or loss for the year, €nil was attributable to BEPIF Feeder SICAV (2022: €8.0m).

At 31 December 2023, the Loss Carryforward Amount (net of Total Return for the Reference Period ended 31 December 2023) was €282.0m (2022: €69.1m).

Administration fees

The Investment Manager charged fees for accounting and administrative services totalling €0.9m (2022: €1.0m). Of the total fee, €0.2m (2022: €0.1m) was outstanding at the year end. These fees were charged to BEPIF Master FCP and include services provided to BEPIF Feeder SICAV.

Aborted transaction costs

The Investment Manager recharged BEPIF Master FCP for costs related to aborted transactions for investments of €0.1m (2022: €0.7m).

Expenses funded by the Investment Manager

The Investment Manager has provided the following support for BEPIF's expenses:

- Organizational and Offering Expenses - The Investment Manager agreed to advance all of BEPIF's Organizational and Offering Expenses (as defined in the Prospectus), such as legal, regulatory and advisory fees, until 30 September 2022. These costs are now being reimbursed in USD to the Investment Manager monthly until September 2027.

- Expense Cap - The Investment Manager has elected to voluntarily apply an expense cap of 0.50% (annualised) of BEPIF's Net Asset Value on Fund Expenses and Organizational and Offering Expenses (the "Expense Cap"). The Expense Cap came into effect on 1 October 2023 and currently applies (following an extension subsequent to the year end) until 31 December 2024. The Expense Cap may be removed or extended at any time by the Investment Manager and in its sole discretion, including prior to 31 December 2024. Upon expiration, BEPIF will bear any unpaid or unreimbursed Fund Expenses and/or any other outstanding unreimbursed amounts of Organizational and Offering Expenses deferred pursuant to this arrangement, in equal instalments over the 60 months following the date such cap has expired or has been removed.

Payments from, and to, the Investment Manager under these arrangements are made to/from BEPIF Aggregator for the benefit of all investors in BEPIF.

Notes to the Separate Financial Statements

The following table reconciles the change in the liability for expenses funded by the Investment Manager, after the effects of discounting for the deferred payment terms and foreign exchange, for the 31 December 2023 and 2022. The liability in this table is the total amount due to the Investment Manager, the allocation of this liability between the Funds depends on their relative ownership of BEPIF. Therefore the actual impact on BEPIF Feeder SICAV's Net Asset Value will vary based on the relative holding of BEPIF over the repayment period.

€m	Organisational and Offering Expenses payable	Expense Cap payable
Balance at 31 December 2021	**9.7**	**–**
Amounts funded	10.2	–
Amounts repaid	(0.3)	–
Net impact of discounting and foreign exchange	(2.0)	–
Balance at 31 December 2022	**17.6**	**–**
Amounts funded	0.5	2.2
Amounts repaid	(4.8)	–
Net impact of discounting and foreign exchange	(0.1)	(0.3)
Balance at 31 December 2023	**13.2**	**1.9**

b) Directors' fees

Non-affiliated directors of BEPIF Feeder SICAV have been paid €75k (2022: €75k) for services rendered. Directors who are employees of the Blackstone Inc. group did not receive any directorship remuneration.

c) Investments in BEPIF held by related parties

The table below shows the Net Asset Value of shares/units in BEPIF held by related parties. All shares/units were acquired at the Net Asset Value on the subscription date.

Net Asset Value of shares/units held	As at 31 December 2023		As at 31 December 2022	
€m	BEPIF Feeder SICAV	BEPIF Master FCP	BEPIF Feeder SICAV	BEPIF Master FCP
Key management personnel[1]	7.1	24.8	1.2	27.3

1. Includes: the Investment Manager, Special Limited Partner and other key management personnel of BEPIF or Blackstone, Inc.

During the year to 31 December 2023 the Investment Manager subscribed for €3.8m of Class I_A units in BEPIF Master FCP and €7.7m of Class I_A units in BEPIF Feeder SICAV in settlement of Management Fees. On 1 April 2024, a subsidiary of Blackstone Inc. subscribed €100m, in cash, in Class I_A shares in BEPIF Feeder SICAV.

11. Subsequent events

Subsequent events are described in the applicable notes to the financial statements as summarised below:

- Investment in Class I_A shares by a subsidiary of Blackstone Inc. — note 10c;
- Extensions of the Management Fee Waiver and Expense Cap to 31 December 2024 — note 10a;
- Changes in unsatisfied redemptions — note 8; and
- Dividends declared — note 8.

There were no other material events between the year end and the date of approval of these financial statements.

Glossary

The following are explanations of terms you may come across in this report. These definitions are not exhaustive and are intended as a guide only. Please refer to the Prospectus and Key Information Document (KID) for further details.

Acquisition Facility	a senior facility agreement with a syndicate of lenders which can be used to finance acquisitions of investments. For further detail see note 4b.III to the Consolidated Financial Statements
Alternative Investment Fund Manager (AIFM)	Blackstone Europe Fund Management S.à r.l. in its capacity as alternative investment fund manager of BEPIF Feeder SICAV and BEPIF Master FCP
BEPIF	the real estate investment program operated through the Funds, BEPIF Aggregator and any parallel vehicles
BEPIF Aggregator	BEPIF (Aggregator) SCSp
BEPIF Feeder SICAV	Blackstone European Property Income Fund SICAV
BEPIF Master FCP	Blackstone European Property Income Fund (Master) FCP
Blackstone Bepimmo	Blackstone European Property Income Fund S.L.P.
BPPE / BPP Europe	Blackstone Property Partners Europe, Blackstone's flagship European Core+ real estate fund for institutional investors
Core+	a real estate investment strategy characterised by substantially stabilised real estate with a long investment horizon, moderate leverage and potential capital appreciation through focused asset management
Early Redemption Deduction	a redemption within one year of the date immediately preceding the subscription date will be subject a deduction equal to 5% of the value of the redemption
Fixed-rate or hedged liabilities	a liability, such as a loan or a mortgage, which has a fixed or hedged interest rate for the entire term or a specified part of its term. Fixed-rate liabilities are commonly used to provide greater certainty of interest payments over the term of the borrowing. In addition, interest rates can be "hedged" (i.e. by using derivative instruments such as interest rate swaps with the intention of reducing the risk of adverse interest rate movements) or "matched" (i.e. by matching floating-rate loans to floating-rate assets) as a risk management tool
Floating-rate liabilities	a liability, such as a loan or a mortgage, which has variable interest rate for the entire term or a specified part of its term
Funds	collectively BEPIF Feeder SICAV, BEPIF Master FCP and Blackstone Bepimmo
Gross Asset Value (GAV)	measured as the fair value of (i) real estate investments at BEPIF share, plus (ii) real estate debt investments. "Real estate investments" is comprised of BEPIF's majority-controlled property investments, BEPIF's look-through share of property investments held by BPPE and equity in minority investments
Gross leasable area (GLA)	the total leasable floor space within a property
the Group	collectively BEPIF Feeder SICAV and BEPIF Master FCP
IFRS	International Financial Reporting Standards as adopted by the European Union
Investment Manager	Blackstone Property Advisors, L.P. in its capacity as the investment manager of the Funds
Leverage	leverage is the use of borrowed capital in an effort to increase the potential return of an investment. The use of borrowed capital is likely to increase any losses. Furthermore, fees associated with borrowing may impact fund performance
Leverage Ratio / Loan to Value	the amount of borrowed capital net of cash, divided by the Gross Asset Value. It would be higher if the pro rata share of debt for minority investments were included. See the Prospectus for further information
Line of Credit	an unsecured, uncommitted line of credit issued to BEPIF Aggregator by a subsidiary of Blackstone Inc. For further detail see note 4b.III to the Consolidated Financial Statements
Management Company	Blackstone Europe Fund Management S.à r.l. in its capacity as the management company of BEPIF Master FCP. For further detail see note
Management Fee	a fee payable to the Investment Manager equal to 1.25% per annum of the applicable net asset value. For further detail see note 10 of the Consolidated Financial Statements
Net Asset Value (NAV)	represents the value of an entity's assets, minus its liabilities as well as expenses attributable to certain share classes, such as servicing fees, in all cases as described in the Prospectus and determined in accordance with the Valuation Policy
Performance Participation Allocation	the Recipient's entitlement to an allocation of BEPIF's performance for each Reference Period. The Performance Participation Allocation charged is equal to 12.5% of Total Return subject to a 5% annual Hurdle Amount and a High Water Mark with 100% Catch-Up (each of these terms is defined in note 13a of the Consolidated Financial Statements)
Preference Interests	interests in BEPIF Aggregator issued to the Preferred Limited Partner which accrue/pay a fixed dividend
Preferred Limited Partner	Blackstone Funding Limited, the Preferred Limited Partner of BEPIF Aggregator
Redemption Requests	takes place when an investor submits a repurchase request
Special Limited Partner	Blackstone European Property Income Fund Associates LP, the Special Limited Partner of BEPIF Aggregator
Valuation Policy	collectively, the valuation policy of BEPIF, as well as the terms of the Prospectus and the valuation policy of the AIFM. Used to determine the Net Asset Value

Blackstone European Property Income Fund SICAV
11-13, Boulevard de la Foire, L-1528, Luxembourg
Grand Duchy of Luxembourg

Blackstone