

The image features a blue sky with scattered white clouds. On the right side, there is a large, curved, grid-like structure that resembles a modern architectural facade or a large-scale data visualization. The letters 'BCP' are prominently displayed in the center in a large, white, serif font. Below them, the text '50 Years of Risk Managed Investment Solutions' is written in a smaller, white, serif font.

# BCP

50 Years of Risk Managed Investment Solutions

We specialise in providing Irish investors with **lower risk investment options** .....

....that have been designed to perform in specific market conditions.....

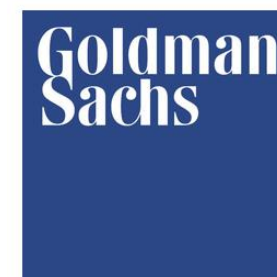
....and enhance investor portfolios

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# Security of Client Money is Our Priority

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*We only work with highly rated institutions:*



# What's Happening Today?

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- Irish banks offering customers some of the lowest deposit rates in Europe
- **One third of global Gov. bond market has negative yields** – i.e. guaranteed to lose money for investors if held to maturity
- Because Investors are searching for low risk assets to protect against rising market uncertainty
- Some investors therefore happy to lose money as long as it's a known fixed amount
- Trade war uncertainty is the major headwind and resolution is not clear cut

# Uncharted Territory

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- 10 year **US** government bond rate went below the 2 year rate (yield curve inversion)
- **Switzerland** – every bond from 1 yr. to 50 yrs. has a negative yield
- **Denmark** – banks offering home mortgages with negative interest rates
- Trade is shrinking, economies are slowing, recession fears are on the rise and the only weapon deployed is the rate cut
- **Monetary Policy** will keep rates low/negative for years to come
- **Fiscal Policy** in the form of increased spending is unlikely to kick in but possible

# The Equity Story



Source: Bloomberg as of September 2019

## Solutions

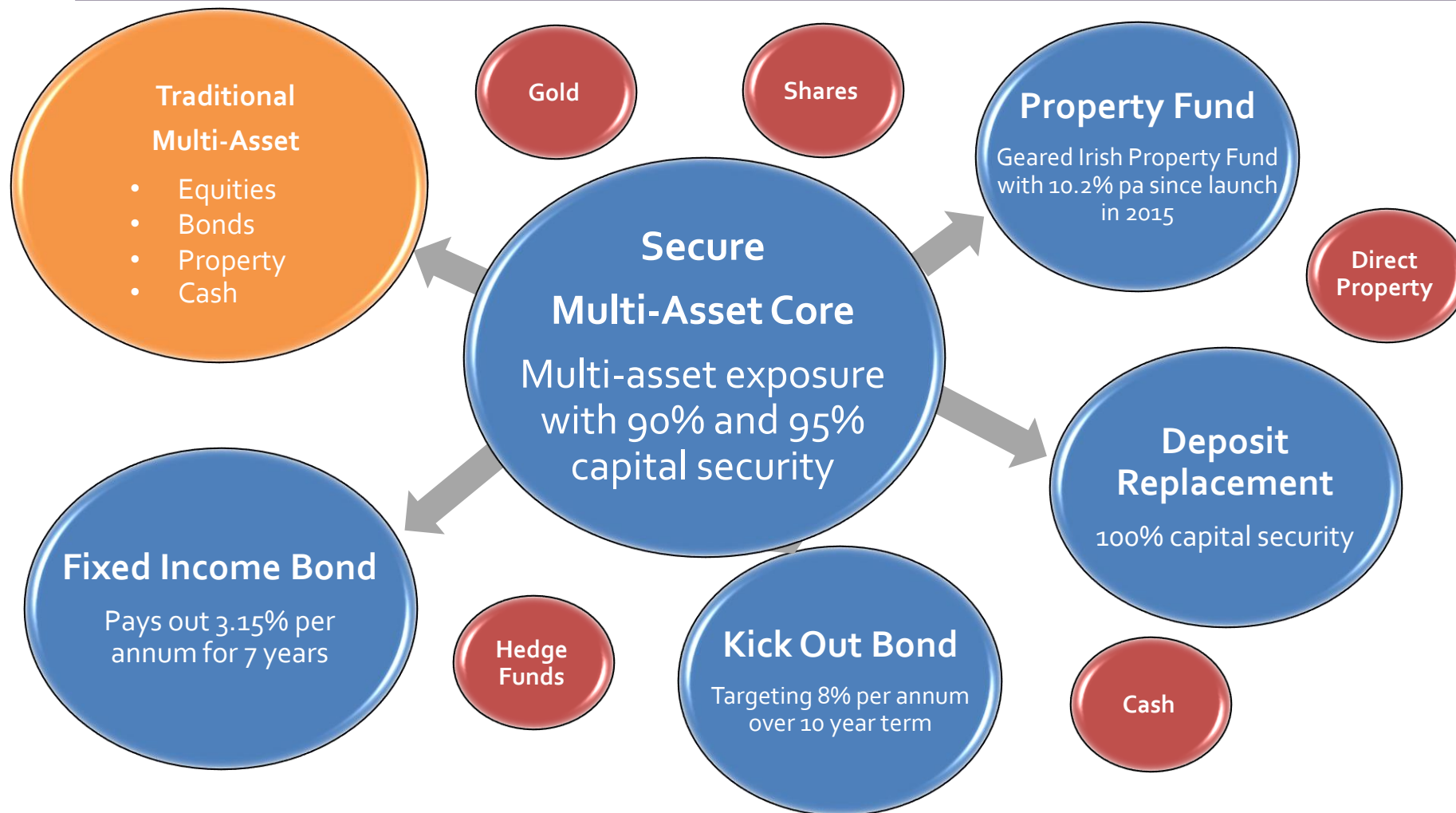
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Q) What choices do investors have today?

1. Take no risk and generate no returns / accept losses
  2. Take on greater risk than they are comfortable with to achieve returns
  3. Hold firm, and accept losses, and wait for eventual rebound
- OR
4. Try to weather-proof their portfolio for the conditions ahead

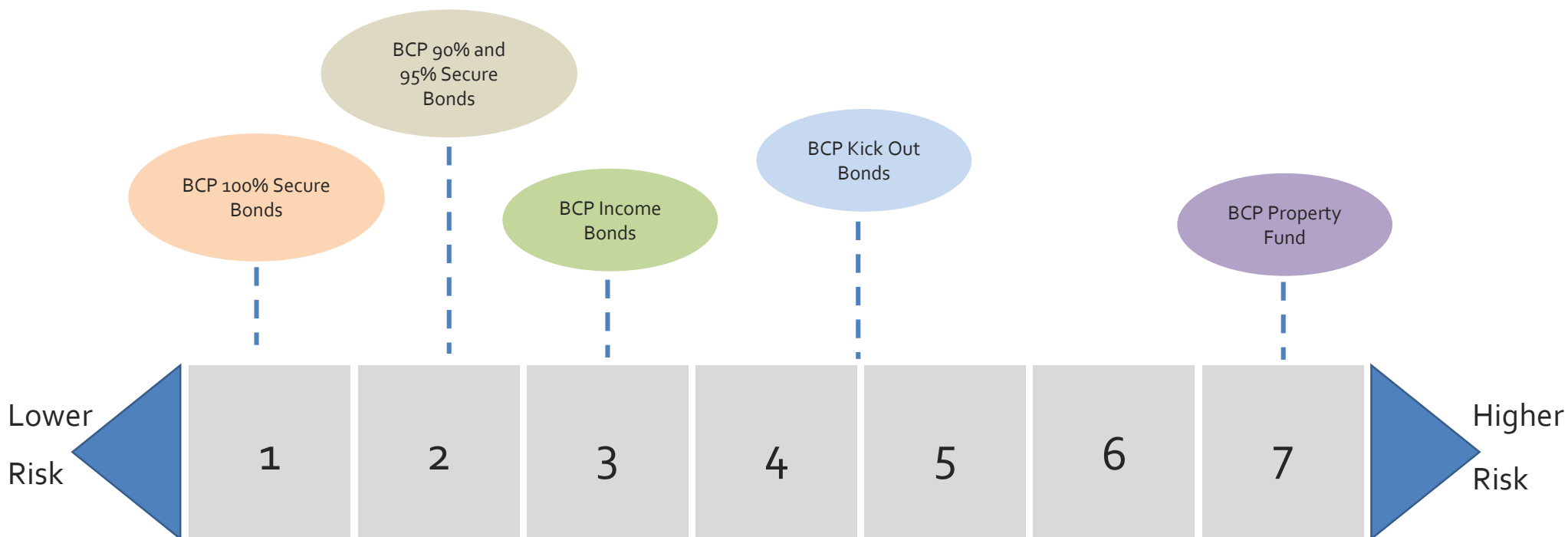
**BCP are providing options for investors to build in greater security/protection without losing out on market performance and investment returns**

# BCP – Enhancing Your Portfolio





## The BCP Risk Spectrum



Please note the above scale is an indicative and internally generated barometer designed to represent the risk of broad categories of BCP Bonds and specific risk ratings for specific Bonds can change within categories depending on the terms of the Bond, the bank providing the capital security and the risk rating formula utilised.

# Full Suite of BCP Lower Risk Investment Solutions

# BCP Structured Product Solutions - 2019

Asset Class	BCP Product	Term to Maturity	Underlying Asset/Fund	Capital Security at Maturity	Performance Feature
<b>Multi-Manager</b>	<i>Dynamic Multi-Manager Bond 6</i>	5 Years	BNP Dynamic Allocation Fund Stars Index	90%	200% Participation
<b>Multi-Manager</b>	<i>Diversified Return Bond 3</i>	5 Years	Goldman Sachs Diversified Funds Volatility Target Index	90%	200% Participation
<b>Deposit Replacement</b>	<i>Deposit Outperformance Bond 20</i>	6 Years	PIMCO Income Fund & Euro 70 Equity Index	100%	50% Participation
<b>Conditional Income (Capital at Risk)</b>	<i>Transatlantic Defensive Kick Out Bond</i>	10 Years	iStoxx Transatlantic 100 Equal Weight Decrement Index	100% (conditional on Index performance)	8% per year invested
<b>Fixed Return / Income</b>	<i>Income Bond</i>	7 Years	Euronext ESG Index	100% (conditional on Index performance)	3.15% paid out annually



BCP's Solution to Low/Zero  
Deposit Rates.....

**BCP Deposit  
Outperformance Bond  
20**

# Current Deposit Rate Environment

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DEPOSIT PROVIDER	INTEREST RATE	TERM	CATEGORY OF ACCOUNT
Bank of Ireland	0.15% AER	5 years	Fixed Term Deposit
An Post	0.50% AER*	4 years	National Solidarity Bond
An Post	0.98% AER*	5 years	Savings Certificate
Ulster Bank	0.30% AER	3 years	Fixed Term Deposit
KBC Bank	0.50% AER	4 years	Fixed Term Deposit

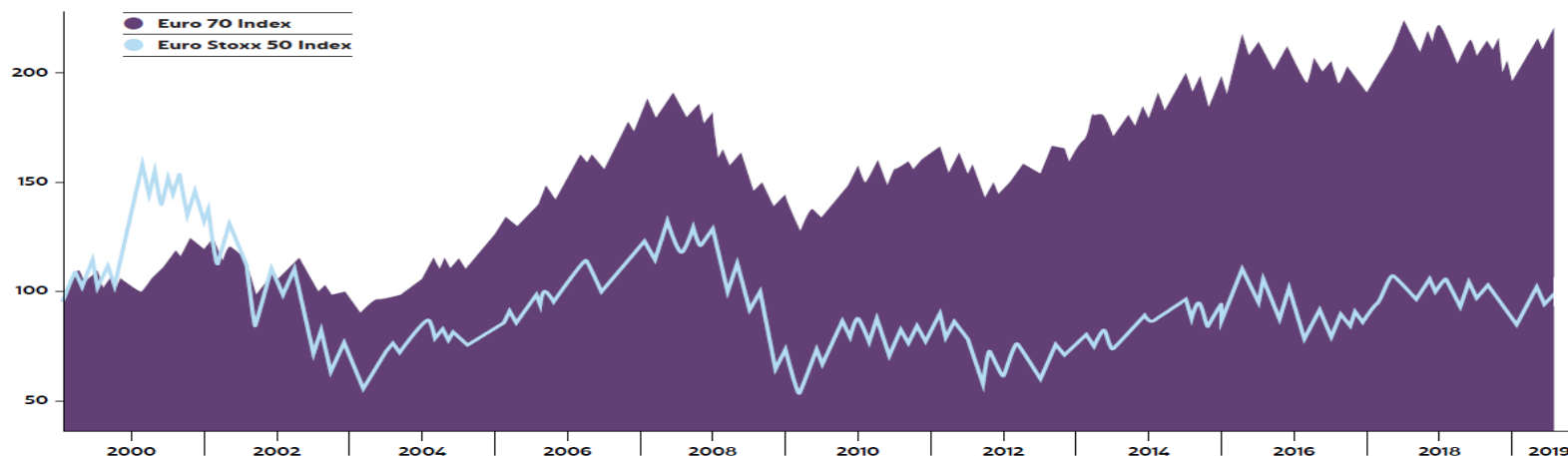
Source: [www.bonkers.ie](http://www.bonkers.ie) and [www.anpost.ie](http://www.anpost.ie), and relevant bank websites as of 31st July 2019. Qualifying terms and conditions apply to each of the above accounts. \*Not subject to tax.

# The Aim of the Bond

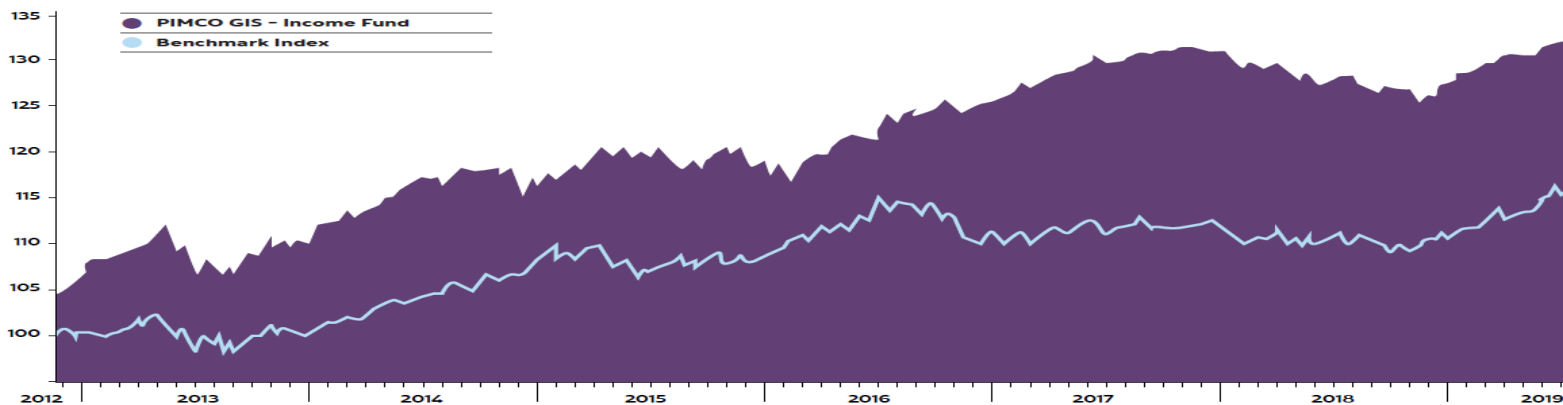
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- Deposit rates on the floor and projected to remain lower for longer
- BCP Bond provides **100% capital security** via an Investec Bank plc issued note
- Aim is to provide returns at maturity above vanilla term deposit rates without significantly increasing the risk profile for the investor
- Performance is derived from performance of equally weighted portfolio of two assets
  - **PIMCO Global Income Bond Fund**
  - **Euro 70 Low Volatility Equity Index**
- Performance of Bond is equal to **50% of the Performance of the Portfolio**
- In 6 years investor received 100% of capital plus returns

# Performance Analysis



Source: Bloomberg as of 31st July 2019. The Euro 70 Index was launched in August 2014 and performance shown prior to this date is simulated using the Index rules and live share performance.



Source: Bloomberg as of July 31st 2019. Benchmark Index is the Bloomberg Barclays Global Aggregate Total Return Index (Hedged EUR). Performance is quoted net of fees and gross of tax.



# Generating Income in a Low Yield / Interest Rate Environment



# New Launch - BCP Income Bond

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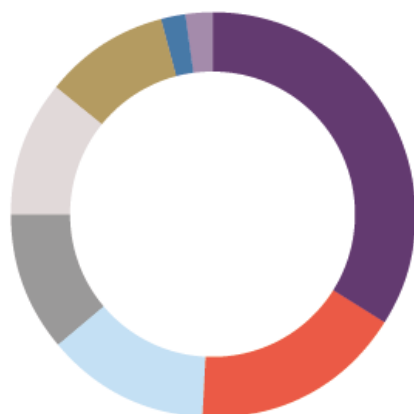
- Fixed income of **3.15% paid out** every year
- Income is paid regardless of underlying Index performance
- **7 Year Term**
- Total guaranteed **return over 7 years of 22.05%**
- Capital at risk if Index has fallen by more than 40% at maturity
- Underlying **World ESG Equity Index**
- Capital security at maturity provided by **Goldman Sachs**

# Income Bond - Potential Return Scenarios

AMOUNT INVESTED	INDEX PERFORMANCE	PROPORTION OF CAPITAL RETURNED TO INVESTOR	FIXED INCOME PAID TO INVESTOR	TOTAL RETURN FOR INVESTOR AT MATURITY	TOTAL € GAIN OR LOSS FOR INVESTOR
€100,000	-60%	40%	22.05%	62.05%	-€37,950
€100,000	-50%	50%	22.05%	72.05%	-€27,950
€100,000	-30%	100%	22.05%	122.05%	€22,050
€100,000	0%	100%	22.05%	122.05%	€22,050
€100,000	10%	100%	22.05%	122.05%	€22,050
€100,000	30%	100%	22.05%	122.05%	€22,050
€100,000	40%	100%	22.05%	122.05%	€22,050

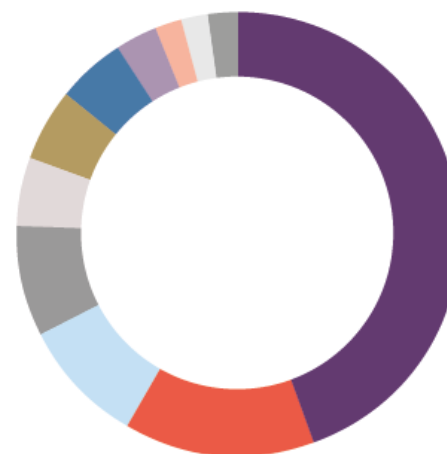
Warning: These gross return figures are estimates only. Forecasts are not a reliable guide of future performance.

# Index Analysis



SECTOR DISTRIBUTION OF THE INDEX

Financials	34%
Communication Services	17%
Information Technology	13%
Health Care	11%
Industrials	11%
Consumer Staples	10%
Energy	2%
Real Estate	2%

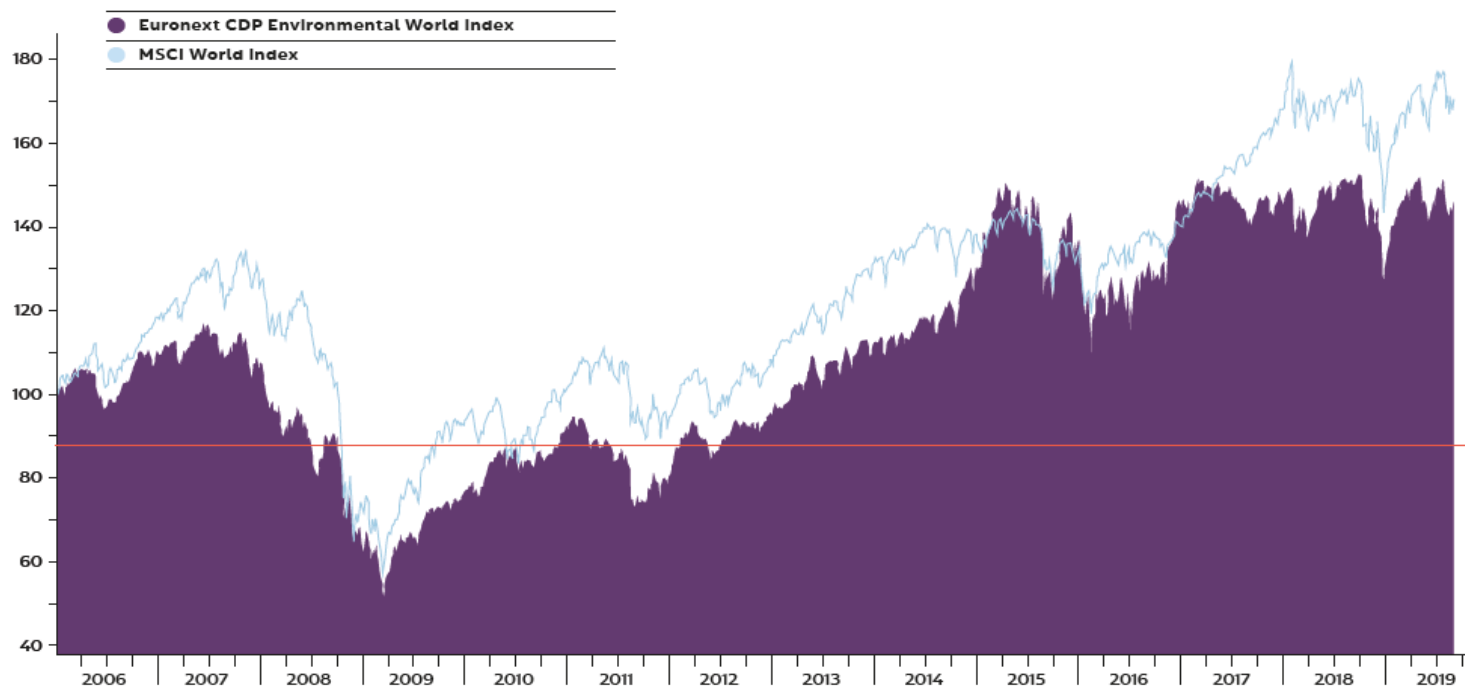


COUNTRY DISTRIBUTION OF THE INDEX

United States	44%
France	14%
United Kingdom	9%
Canada	8%
Germany	5%
Italy	5%
Netherlands	5%
Denmark	3%
Norway	2%
Switzerland	2%
Spain	2%

Source: Goldman Sachs as of August 2019

# Index Performance



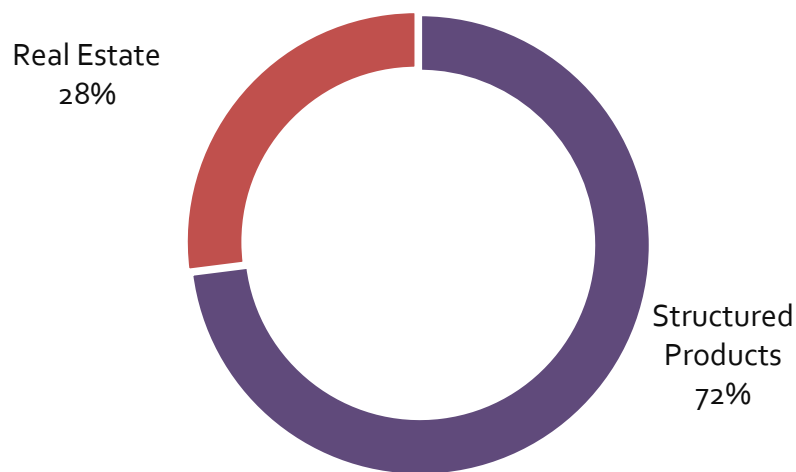
	10 YEARS	5 YEARS	3 YEARS	1 YEAR	YTD
<b>Euronext CPD Environmental World Index</b>	101.3%	22.5%	11.8%	-1.3%	14.7%
<b>MSCI World Index</b>	95.5%	22.3%	24.1%	1.4%	16.9%

Source: Bloomberg as of August 30th 2019. Returns are shown net of fees and gross of tax.

BCP Real Estate

## BCP Real Estate - €780m in Assets

### BCP Group AUM — €2.8bn



- **100%** of all BCP property investments have generated positive investment returns **over 30+ years**



- BCP has **655,000 sq. ft.** of asset experience in **26 properties** across Dublin and London
- **102 active tenant** relationships



- **Core skill set:** conservative research-led client-centric approach to investment

Source: BCP as of June 2019

# 4 Step Investment Approach

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Guiding Investment Philosophy:

**Only buy a building we think will experience rental growth due to long term fundamentals & active management**



Research rental tone to identify undervalued locations/buildings; develop deep networks in local markets

Establish, grow and manage stable annual cash flow by implementing value-add asset management strategy

Overlay real estate execution with conservative financial engineering to improve return profile

Constantly apply macro level screen to assess market level capacity, leverage and valuation risk

# Fundamental Strength of Dublin

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- Fastest economic growth in Europe for last 5 years (+7% in 2018)
- **60%** of the population is under 40 – youngest population in Europe
- Population of Dublin currently **1.9m** and projected to increase **25%** by 2026
- Ireland has highest population growth in Europe

- Global tourist destination
- **11.2** million tourists in 2018 – highest ever
- Tourist spending up 10% to **€6.1bn**

- **19 of worlds top 20** Tech companies have EMEA HQ in Dublin
- Highest growth in office based employment in Europe
- A vibrant capital attracting highly qualified and educated international workforce

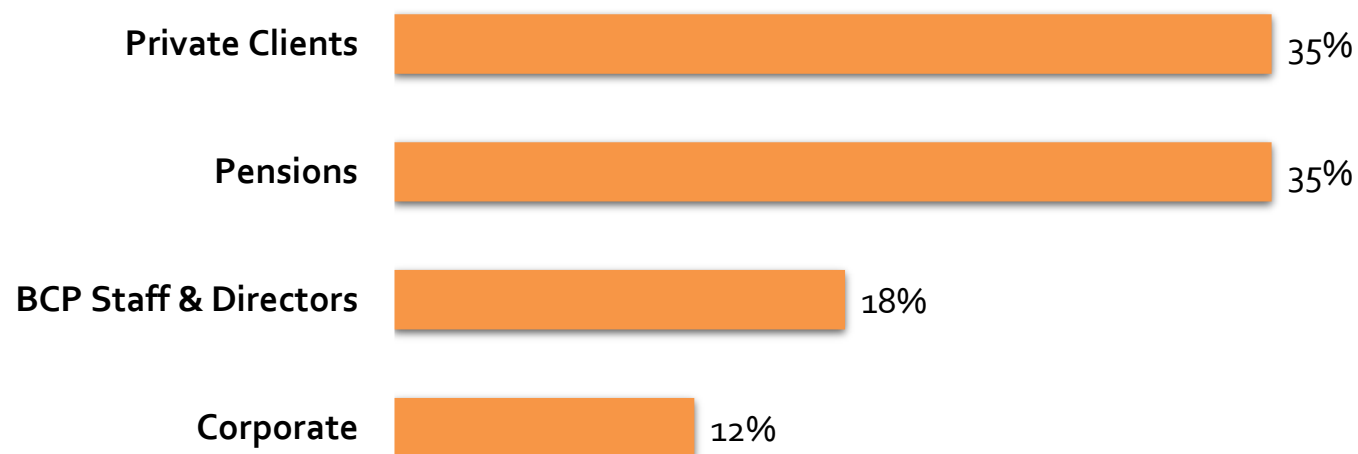
Source: BNP Paribas / Cushman & Wakefield



# PVAF – Fund Overview

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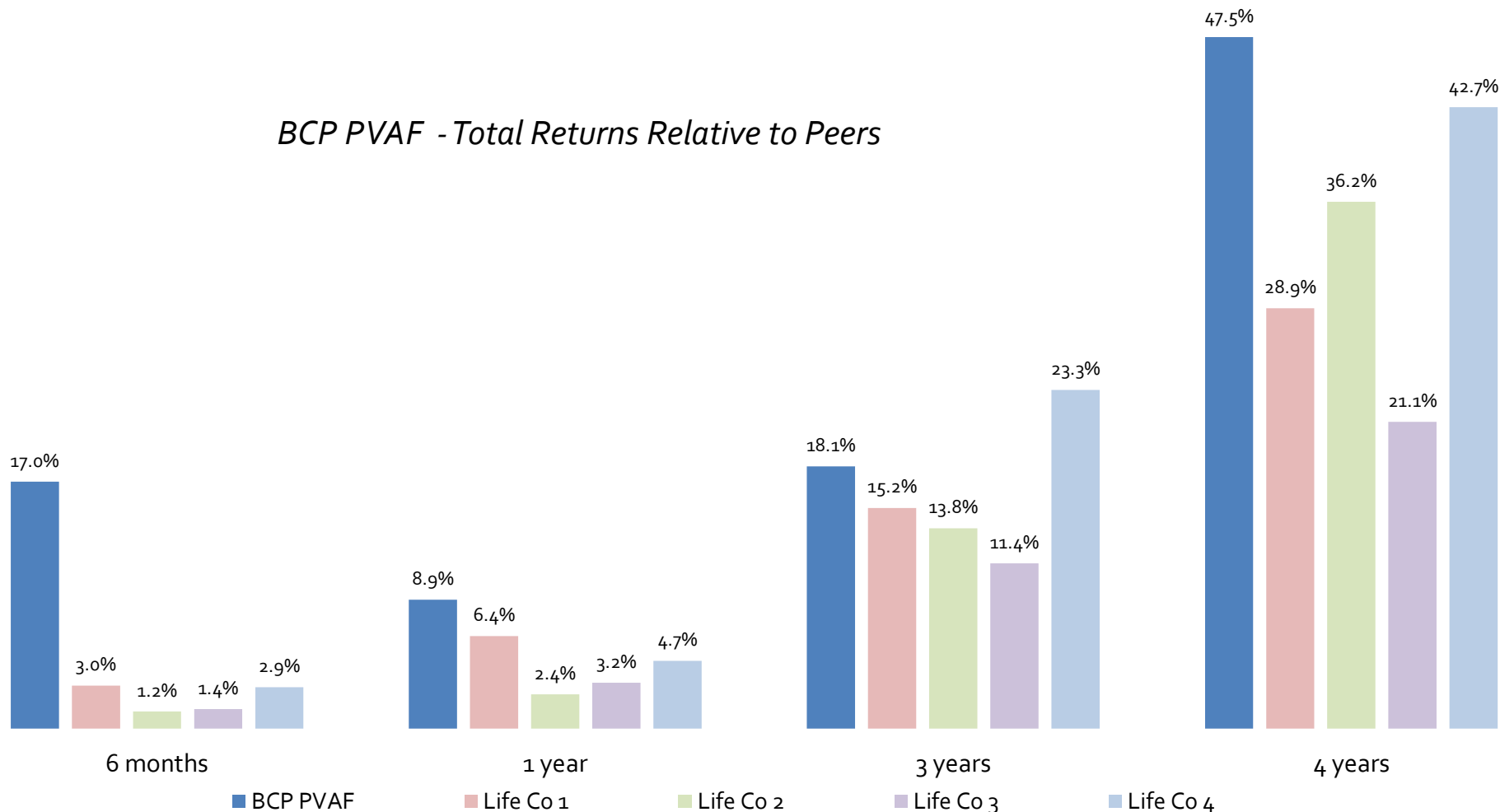
- Capital growth focused fund
- Disciplined and active approach to management of assets
- Currently targeting office & high street retail in Dublin city
  
- Rental Surplus currently increasing Unit Price by **3.6%** p.a. (after fees)
- **8-10%** target annualised return, net of fees
- **10.2%** pa return since June 2015, net of fees
- **42%** loan to value ratio



# BCP Fund Performance

*BCP PVAF - Total Returns Relative to Peers*

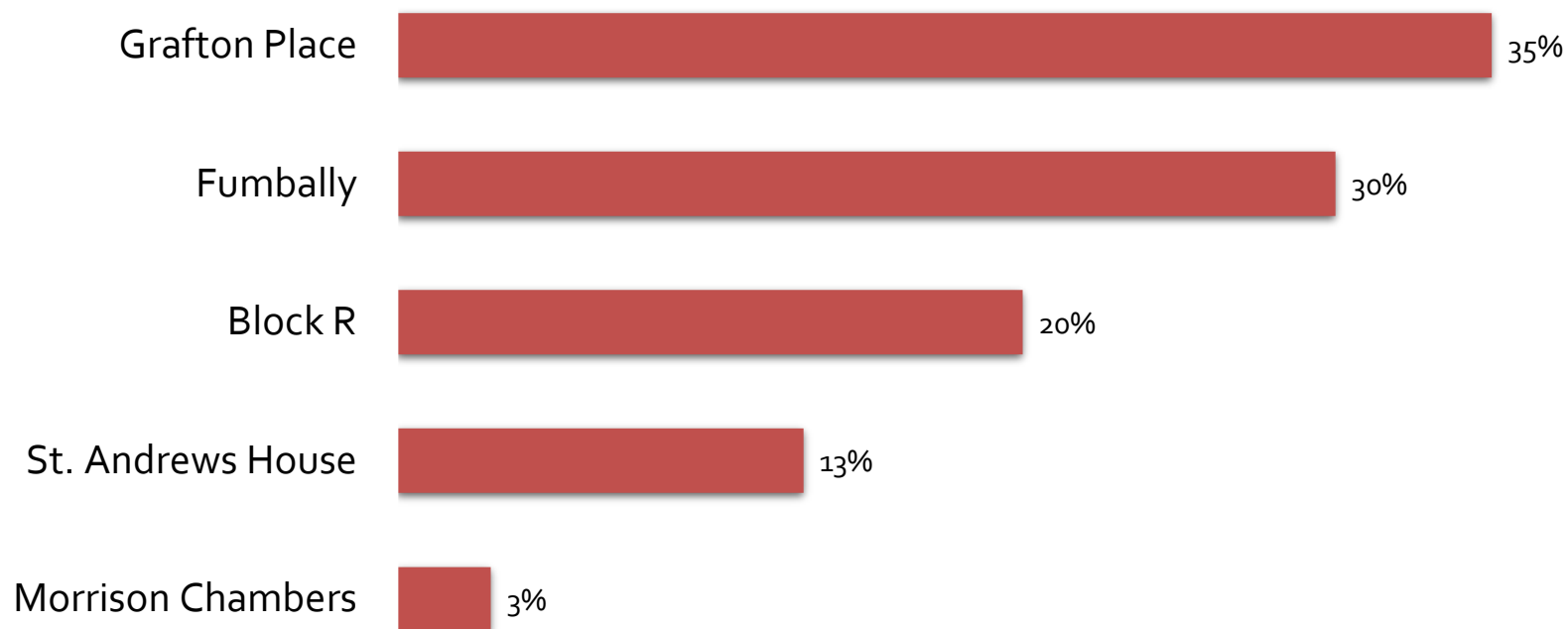
TOTAL CUMULATIVE RETURN



# Fund Properties

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## Split of Fund Assets - June 2019



Source: BCP as of June 2019

# Eastpoint, Block R

## PROPERTY OVERVIEW

Aquisition Date	June 2015
Aquisition Value	€7.5m/€190 psf
Occupancy	100%
Initial Yield	3.3%
Floor Area	39,524 sf
Tenant	Google

## EXPECTED RETURN

Reversionary Yield	12.4%
Reversionary Cash Yield	23.5%
Levered IRR	42.1%
Levered Equity Multiple	2.9X



Warning: Past performance is not a reliable guide to future performance. Source: BCP as of June 2019

# Fumbally

## PROPERTY OVERVIEW

Aquisition Date	August 2018
Aquisition Value	€33.5m/€380 psf
Occupancy	92%
Initial Yield	7.5%
Initial Cash Yield	12.7%
Floor Area	83,800 sf
Tenants Include	CMC Marketing; School House Thing; Maximum Media; Square

## EXPECTED RETURN

Levered IRR	23%
Levered Equity Multiple	2.2X

## RENT

Office	95.4%
Retail	0%
Residential	4.6%
Risk Profile	Value Add



Warning: Past performance is not a reliable guide to future performance. Source: BCP as of June 2019



# Grafton Place – Premier Retail Space

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- Largest new retail space in Dublin since 1996
- Delivering international quality retail space with 110 metres of street frontage



# Grafton Place

## PROPERTY OVERVIEW

Aquisition Date	June 2016
Aquisition Value	€93m/€350 psf GIA
All In Development	€86.3m/€365 psf GIA

## EXPECTED RETURN

Yield on Cost	6.4%
Levered IRR	12%
Levered Equity Multiple	1.7X

## RENT

Office	65%
Retail	35%
Residential	0%
Risk Profile	Development



Warning: Past performance is not a reliable guide to future performance. Source: BCP as of June 2019



# St. Andrews House

## PROPERTY OVERVIEW

Aquisition Date	August 2017
Aquisition Value	€11.3m/€728 psf
Occupancy	90%
Initial Yield	4.2%
Running Yield	5.1%
Floor Area	15,566 sf
Tenants Include	Patagonia; Ace & Tate; Skinful Affairs

## EXPECTED RETURN

Reversionary	6.9%
Levered IRR	22%
Levered Equity Multiple	2.8X

## RENT

Office	23%
Retail	67%
Residential	10%
Risk Profile	Value Add



Warning: Past performance is not a reliable guide to future performance. Source: BCP as of June 2019



# Morrison Chambers

## PROPERTY OVERVIEW

Aquisition Date	June 2016
Aquisition Value	€14m/€1,150 psf
Occupancy	100%
Initial Yield	3.7%
Floor Area	12,175 sf
Tenant	Costa Coffee; KC Peaches; Kevin & Howlin

## EXPECTED RETURN

Reversionary Yield	4.7%
Levered IRR	13%
Levered Equity Multiple	1.8X

## RENT

Office	0%
Retail	100%
Residential	0%
Risk Profile	Value Add



Warning: Past performance is not a reliable guide to future performance. Source: BCP as of June 2019

# In Summary

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- **Active management** of real estate will be essential in next stage of the cycle
- BCP have a **proven track record** of adding value
- BCP Fund is positioned to **outperform** the broad property fund market
- Targeting further acquisition in the **next 6 months**
- Next **asset revaluation** date is December 31<sup>st</sup> 2019
- Targeting returns of **8-10%** per annum over 5 year period

Warning: This is a capital at risk product

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Thank You!



# Important Regulatory Information

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## **BCP DEPOSIT OUTPERFORMANCE BOND 20**

WARNING: Past performance is not a reliable guide to future performance.

WARNING: The value of your investment may go down as well as up

WARNING: The return on your investment in this product may be affected by changes in currency exchange rates.

WARNING: If Investec Bank plc were to default, you will lose some or all of your investment and potential return.

WARNING: If you encash before maturity, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the capital secure amount. Liquidity is only available in normal market conditions. An administration fee will apply to early encashments.

Please refer to the Brochure and KID Document for full details

## **BCP INCOME BOND**

WARNING: Past performance is not a reliable guide to future performance.

WARNING: The value of your investment may go down as well as up

WARNING: In the event the Index has fallen by more than 40% at maturity, you will lose 1% of your capital for every 1% fall in the Index.

WARNING: If the relevant bank were to default, you will lose some or all of your investment and potential return.

WARNING: If you encash before maturity, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the capital secure amount. Liquidity is only available in normal market conditions. An administration fee will apply to early encashments.

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# Important Regulatory Information

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## **BCP DYNAMIC MULTI-MANAGER BOND 6**

WARNING: Past performance is not a reliable guide to future performance.

WARNING: The value of your investment may go down as well as up. If you invest in a Growth Version, at maturity you could lose 5% of the money you invest. If you invest in a Growth Plus Version, at maturity you could lose 10% of the money you invest.

WARNING: If you encash before maturity, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the capital secure amount. Liquidity is only available in normal market conditions. An administration fee will apply to early encashments.

WARNING: The return on your investment in this product may be affected by changes in currency exchange rates.

WARNING: If the relevant Bank were to default, you will lose some or all of your investment and potential return.

WARNING: Current Irish taxation legislation does not allow for a clear tax categorisation of this product. There is a risk an alternative taxation basis may apply.

## **BCP DIVERSIFIED RETURN BOND 3**

WARNING: Past performance is not a reliable guide to future performance.

WARNING: The value of your investment may go down as well as up. If you invest in a Growth Version, at maturity you could lose 5% of the money you invest. If you invest in a Growth Plus Version, at maturity you could lose 10% of the money you invest.

WARNING: If you encash before maturity, capital security will not apply to the portion of your investment being encashed. The encashment amount may be more or less than the capital secure amount. Liquidity is only available in normal market conditions. An administration fee will apply to early encashments.

WARNING: The return on your investment in this product may be affected by changes in currency exchange rates.

WARNING: If the relevant Bank were to default, you will lose some or all of your investment and potential return.

WARNING: Current Irish taxation legislation does not allow for a clear tax categorisation of this product. There is a risk an alternative taxation basis may apply.

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# Important Regulatory Information

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## **BCP TRANSATLANTIC DEFENSIVE KICK OUT BOND 2**

WARNING: The Term is 10 years. There is no guarantee the Index will be at or above the Autocall Barrier so as to generate a positive return.

WARNING: In the event of insolvency of Societe Generale you may lose some or all of the money invested.

WARNING: In the event the Index has fallen by more than 40% at maturity, you will lose 1% of your capital for every 1% fall in the Index.

WARNING: The Bond does not provide any regular income, it is therefore only suitable as a capital growth investment.

WARNING: If you cash in your investment before the maturity date, you may lose some or all of the money you invest. An administration fee will apply to early encashments.

WARNING: The value of your investment may go down as well as up.

WARNING: Certain investments may carry a higher degree of risk than others and may therefore be unsuitable for some investors.

Warning: Current Irish taxation legislation does not allow for a clear categorisation of the product as being subject to Capital Gains Tax. There is a risk an alternative taxation basis may apply.

The Bond is a security and all investment returns will be paid gross of tax. BCP are not tax advisors and are not offering tax advice on this product. Independent tax advice should be sought by each investor. Tax treatment may be subject to change in the future.

## **BCP PROPERTY VALUE ADD FUND**

WARNING: Past performance is not a reliable guide to future performance. WARNING: If you invest in this Fund you may lose some or all of the money you invest. The risks involved in geared property are greater than property without gearing. WARNING: If you invest in this Fund you will not have any access to your money for at least 2 years. Where redemption requests exceed the cash in the Fund, the Fund retains the right to freeze redemptions to avoid circumstances such as a forced sale of assets. WARNING: The value of your investment may go down as well as up. WARNING: This product may be affected by changes in currency exchange rates. WARNING: Target returns for the fund are estimates only and are not a reliable guide to future performance.

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