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SPANISH STOCK MARKET COMMISSION (CNMV)

In compliance with reporting requirements set forth in Article 228 of the Consolidated text of the Securities Market Law (Royal Legislative Decree 4/2015), Axiare Patrimonio SOCIMI, S.A. (hereinafter “**Axiare Patrimonio**” or the “**Company**”) notifies the Spanish Stock Market Commission (*Comisión Nacional del Mercado de Valores*) the following

SIGNIFICANT INFORMATION ANNOUNCEMENT

Axiare Patrimonio has filed the Condensed Interim Consolidated Financial Statements for the first half of 2017 with the CNMV, which is also available on the company’s website.

Please find de **First half 2017 Earnings Report** in the following link.

[Earnings Report H1 2017](#)

Conference Call

A conference call for investors, analysts and media is scheduled for today, July 27 at 16:30 (CET), and will be accessible via the following phone numbers:

Spain:	+34 917 699 493
United Kingdom:	+44 (0) 20 3059 8125
The Netherlands:	+31 (0) 207 946 721
United States:	+1 7249 289 460
All other locations:	+44 (0) 20 3059 8125

The support material for the presentation will be filed with the CNMV prior to the conference call and will also be shared live with the participants through the following link:

[Conference call](#)

Please find press release attached.

Madrid, 27th July 2017,

D. Luis López de Herrera-Oria
Chief Executive Officer
Axiare Patrimonio

The Socimi's annual rental income reached EUR 28.4 million, an increase of 42.7% against the previous year

Axiare Patrimonio ends H1 2017 with a profit of EUR 114 million, 36% up Y-O-Y

- The EPRA NAV reached EUR 15.3, 11.4 per cent more than six months ago and 61.9 per cent more than at its initial listing on the Stock Exchange in July 2014
- The RICS-accredited Socimi, has let in record time, the five properties that have been repositioned since 2016, with a strong focus on technology and sustainability
- Axiare Patrimonio is the real estate company that has let the most office space in Madrid in Q2 2017 (24,253 sqm), yet again beating its own record for number of sqm signed
- Maintaining its investment strategy, the Socimi has acquired office and logistics assets for a total of EUR 215 million



Photo: Don Ramón de Cruz 84. Axiare Patrimonio

Madrid, 27 July 2017. Axiare Patrimonio continues to implement its strategic investment plan, further bolstered by its excellent financial results. The Socimi reported a net consolidated profit of EUR 114 million in H1 2017, 36.1% above the EUR 83.8 million in H1 2016. The Socimi has again increased its EPRA NAV, which stands at EUR 15.3, 11.4% higher than 6 months ago in December 2016 and 61.9% higher than at its initial listing on the Stock Exchange in July 2014.

Axiare Patrimonio has let the five properties that it started to reposition in 2016 in record time: Avenida de la Vega, Manuel de Falla, Ramírez de Arellano, Don Ramón de la Cruz and Juan



Press release

Ignacio Luca de Tena 14. This makes Axiare Patrimonio the leading Socimi in the amount of square metres of office space let in Madrid in Q2 2017, based on objective data provided by both CBRE and Savills. During the second quarter of the year, Axiare Patrimonio signed 24,253 sqm, once again beating its own record for the number of sqm signed, and achieving 7.1% higher rents than those estimated by the valuers in December 2016.

The Socimi has also let 77,180 sqm of logistics assets in the first six months of the year, which, coupled with the office space let, equates to 105,918 sqm let across the two sectors. In terms of rental renegotiations, the Company extended lease agreements for a total of 68,572 sqm in H1 2017. Occupancy in Axiare Patrimonio's investment properties at 30 June 2017 stood at 92.3%, 520 basis points higher than compared to December 2016 (like-for-like).

Based on the above, the Company's property portfolio has increased in value to EUR 1,710 million (representing a 9.1% like-for-like increase in the past six months and a 33.3% increase on acquisition price), according to the valuation certificate issued by CBRE Valuation Advisory, and carried out to RICS (Royal Institution of Chartered Surveyors) standards. RICS, the world's leading professional body for qualifications and standards in the real estate and construction sector, has recently regulated Axiare Patrimonio, making it the first real estate company in Spain to receive this recognition.

Axiare Patrimonio's CEO, Luis López de Herrera-Oria, confirmed: "The rental market is beginning to pick up speed, and we are witnessing levels of demand and rental growth unseen since the end of the economic crisis. The lack of grade A space in the market is causing rents to rise and Axiare Patrimonio is well positioned to capture a large part of this demand."

Axiare Patrimonio is currently working on the refurbishment of four office buildings (totalling 49,202 sqm) in Madrid and Barcelona, and two logistics projects (totalling 76,816 sqm), all of which are located in strategic locations.

Axiare Patrimonio's management team continues to work towards its existing business plan, which comprises acquiring high quality properties, with strong potential value uplift, providing new added value to its property rental portfolio, and thereby generating value for its shareholders. 81% of the funds raised in the 8 March share capital increase have now been invested in the acquisition of three new assets up to June. So far this year, Axiare Patrimonio has acquired six office and logistics properties in Madrid and Barcelona, all of which are located in strategic locations, for a total of EUR 215 million. The Company also has EUR 100 million in advanced phases of negotiation, in order to continue to acquire assets in line with its investment strategy, increase its portfolio and generate value.

Sustainability & Technological Innovation at Axiare Patrimonio

20% of the assets in Axiare Patrimonio's portfolio now benefit from LEED or BREEAM certification, including one LEED CS Platinum property, Don Ramón de la Cruz 84 (Madrid). The Company expect to have 65% of the portfolio certified by the end of this financial year, and that by the end of 2018 the whole portfolio will be green.

In terms of technological advances, Axiare Patrimonio's mobile app is fully up and running in its De la Vega Business Park (Alcobendas, Madrid), and its latest development "VIRTO" – a new



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virtual assistant aimed at transforming buildings into new smart office buildings, with spaces virtually connected via state-of-the-art technology such as machine learning and zero interface – expected to be launched before the end of the year.

About Axiare Patrimonio:

Axiare Patrimonio is a Spanish company that has been listed on the Madrid Stock Exchange as a SOCIMI (*Sociedad Anónima Cotizada de Inversión Inmobiliaria*), since July 9, 2014. Its primary activity is the identification of investment opportunities in the Spanish real estate market and the creation of a prime property portfolio with strong potential value uplift that provides an attractive yield for its shareholders.

The company's value creation strategy is based on the active management of its portfolio, carried out by an expert team solely dedicated to this task - in order to maximise its quality, occupancy and value and transform the properties in to the leading schemes in their catchment area. Axiare Patrimonio's investment activity is focused on the acquisition of Grade A office buildings - or that have the potential to be - in the CBD and the most sought-after business districts in Madrid and Barcelona; logistics platforms on the main distribution highways and retail schemes in established areas in Spain. Axiare Patrimonio forms part of EPRA (European Public Real Estate Association) and is the first rental property portfolio company to be regulated by RICS in Spain.

As well as defining and setting out the highest international professional standards, RICS aims to lead the way in terms of identifying solutions to the main challenges faced by the sector through professional expertise.

About RICS:

RICS is a global professional body. We promote and enforce the highest professional qualification and standards in the development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to the markets we serve. The work of our professionals creates a safer world: we are proud of our profession's reputation and we guard it fiercely.

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