

SPANISH STOCK MARKET COMMISSION (CNMV)

In compliance with reporting requirements set forth in Article 82 of Act 24/1988, dated 28 July, on the Stock Market, Axiare Patrimonio SOCIMI, S.A. (hereinafter, "**Axiare Patrimonio**" or "The Company") notifies the Spanish Stock Market Commission (*Comisión Nacional del Mercado de Valores*) of the following

IMPORTANT INFORMATION ANNOUNCEMENT

Axiare Patrimonio announces the acquisition of two logistics warehouses in Madrid for EUR 14,180,000. The two assets comprise a total Gross Lettable Area (GLA) of 28,035 sqm and are on the Henares Corridor, one of the leading areas in the Spanish logistics market. Both properties are 100% let to top-tier tenants.

See attached press release.

Madrid, 2 December 2016

Luis López de Herrera-Oria
CEO
Axiare Patrimonio

The Company further bolsters its logistics portfolio, which now represents 20% of its overall portfolio

Axiare Patrimonio acquires two logistics warehouses for EUR 14 million

- The logistics warehouses – 30,000 sqm of fully-let high-quality properties– are located in the Henares Corridor, in a highly strategic location in the Spanish logistics market.
- The Company benefits from an excellent logistics portfolio comprising more than 400,000 sqm and an average occupancy rate of 89%. The income-producing warehouses were acquired at 32% below replacement cost.
- These assets form part of the investment pipeline announced by Axiare Patrimonio on 15 November, in line with its strategy of acquiring assets at competitive prices and with strong potential value uplift. With this deal, the Company's property portfolio is now worth in excess of EUR 1,100 million.



Photo: Azuqueca warehouse purchased by Axiare Patrimonio

Madrid, 2 December 2016 - Axiare Patrimonio completes three strategic acquisitions in the space of a week, thereby meeting its business plan and growth forecasts. Last week the Socimi led by Luis López de Herrera-Oria signed the acquisition of Sagasta 31-33 in Madrid for EUR 42 million and today it announces the acquisition of two logistics warehouses in Madrid for EUR 14.2 million. These assets comprise circa 30,000 sqm of gross lettable area and are fully let to top-tier tenants. The two assets stand out for their excellent technical specifications and their strategic location on the Henares Corridor, one of the leading areas in the Spanish logistics market.

After the completion of this deal, Axiare Patrimonio now has a logistics portfolio with a gross lettable area (GLA) of more than 400,000 sqm, which accounts for 20 per cent of the overall portfolio, in line with the company strategy. The income-producing warehouses were acquired by Axiare at 32% below replacement cost and on a yield of more than 9%, with an average occupancy rate of 89%. The portfolio stands out for its diversification and boasts leading tenants such as, Kuehne+Nagel, Fnac, the Auchan Group and Carrefour, among others.

Luis López de Herrera-Oria, CEO of Axiare Patrimonio, confirmed: “With this deal, Axiare Patrimonio continues to be firmly on-track to meet its business plan and as it draws towards the end of 2016 has an upbeat outlook”. López de Herrera-Oria added: “Axiare Patrimonio continues to demonstrate its disciplined investment strategy, finding good value-add opportunities. With this deal and in line with our strategy, we continue to maintain a balanced portfolio, with circa 20% invested in the logistics sector.”

The Socimi now owns more than EUR 1,100 million in real estate assets with strong potential value uplift: rents are expected to increase by 77% in the coming year. 70% of Axiare Patrimonio’s portfolio relates to office buildings; 20% to logistics platforms and 10% to retail warehouses.

The logistics assets were acquired in an off market deal from the European real estate fund Encore+, owned by Aviva Investors and managed by LaSalle Investment Management, in line with the company’s strategy to acquire assets at competitive prices and with strong potential value uplift. Axiare Patrimonio was advised on the deal by BNP Paribas Real Estate, with the firm EY and Aguirre Newman acting as technical and brokerage advisors.

Alcalá de Henares Warehouse: circa 9,000 sqm, 25 km from Madrid

The first of these two assets, with 8,971 sqm of GLA and two modules with separate entrances, is located in Alcalá de Henares, 25 km from the centre of Madrid and with direct access to the A-2 highway. The property is fully occupied by Hellman Worldwide Logistics and has a free-height of over 10 m, a large turning circle, 9 loading bays and 2 ramps, as well as offices and parking.

Azuqueca II Warehouse: circa 20,000 sqm, 40 km from Madrid

The second warehouse, which comprises a GLA of 19,064 sqm, as well as two modules with separate entrances, is located in the Miralcampo Industrial Estate in Azuqueca de Henares, 40 km from the centre of Madrid, and is accessible via the A-2 and R-2 highways. The property is 100% let to the Sport Street Group, which owns sports brands such as Décimas and Polinesia and has a free-height of 12 metres, as well as 18 loading bays, 2 ramps, offices and parking.

About Encore+:

Encore+ is a diversified, Continental European real estate fund which aims to deliver stable and growing income alongside long-term capital appreciation, from an actively-managed portfolio, in an open-ended fund structure. The fund has been successfully co-managed by LaSalle Investment Management and Aviva Investors for almost 10 years. Encore+ has consistently belonged to the three best-performing funds by total return (on three year rolling basis) in the Pan European Property Funds Balanced Funds Index (PEPFI).

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

Press Release



in Madrid and Barcelona; logistics platforms on the main distribution highways and retail schemes in established areas in Spain.

AXIARE Patrimonio is a member of EPRA (European Public Real Estate Association).

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