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## **SPANISH STOCK MARKET COMMISSION (CNMV)**

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

### **SIGNIFICANT INFORMATION ANNOUNCEMENT**

Axiare Patrimonio releases its trading update for the third quarter of 2016, which is available on the company’s website:

[Trading update third quarter](#)

Please find press release enclosed.

Madrid, November 14, 2016,

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

The company announces the signing of 4,000 sqm of office rentals and expects to finalise another 14,000 sqm before year-end

## Axiare Patrimonio's profits increase 145% in Q3

- The Socimi obtained net profits of EUR 91.3 million in the third quarter of 2016, up 145% year-on-year.
- Rental income from real estate assets reached EUR 30.5 million in the third quarter of 2016, up 22.5% year-on-year.
- In the first nine months of the year, the company signed a total of 22 new rental agreements and renegotiations, with considerable rent increases, on more than 91,000 sqm of gross leasable area (GLA).
- Analysts estimate its target price at between EUR 14-16 per share.



Photo: Avenida de la Vega Office building

**Madrid, 14 November 2016.-** Axiare Patrimonio obtained net profits of EUR 91.3 million at the close of the third quarter, representing an increase of 145% relative to the same period in 2015. The active management strategy of the real estate portfolio has enabled the company to obtain EUR 30.5 million in rental income in the first nine months of the year, up nearly 23% in comparison to the same period in 2015.

Axiare Patrimonio has improved its properties by positioning them as the best in their respective catchment areas. Consequently, rents on these properties have increased considerably given their quality. The occupancy rate of the company's portfolio has risen 7% in just nine months, and registering 87% on 30 September.

From January through to September, the Socimi signed a total of 22 rental agreements, including rent revisions and renewals, corresponding to more than 91,000 sqm of gross leasable area (GLA). In the third quarter alone, new contracts were finalised in Fernando el Santo, Cristalia 2&3 and Avenida de la Vega 15, for a total of 4,000 sqm.

Luis López de Herrera-Oria, Axiare Patrimonio's CEO, explains, "These results reinforce the line of value creation that we consistently pursue for our shareholders. The company is achieving its business plan and expects to maintain strong, steady growth. The market is recognising and responding to our strategy and management initiatives". López de Herrera-Oria adds, "Through our ability to detect and acquire quality assets at attractive prices, the active management of our real estate portfolio, and cost containment, we will continue on this successful path".

In June 2016, the company's asset portfolio exceeded EUR 1 billion according to the valuation issued by CBRE Valuation Advisory. This figure reflects a 25% increase over acquisition price, as a result of the company's strategy and management: to acquire properties at highly competitive prices and manage them to become the best in the catchment area, thereby increasing their value. ESTO SE REPITE ARRIBA

By asset type, as of 30 September 2016, 68% of the portfolio's value corresponded to the office sector, 19% to logistics assets, and 13% to retail, consistent with the commitment to our shareholders. By location, 97% of the portfolio is located in the most consolidated regions of Madrid and Barcelona. Axiare Patrimonio's offices are considered prime real estate with a clear vision focused on sustainability and technological innovation.

### **About Axiare Patrimonio:**

Axiare Patrimonio is a Spanish company that began trading on the Madrid Stock Exchange as a REIT (Real Estate Investment Trust, known as a SOCIMI in Spain), on 9 July 2014. Its primary activity is the identification of investment opportunities in the Spanish real estate market and the creation of a prime property portfolio that provides attractive yields for its shareholders.

The company's value creation strategy is based on the active management of its portfolio—conducted by a fully dedicated expert team—to maximise its quality, occupancy, and value, and position the properties as benchmarks in their respective catchment areas. Axiare Patrimonio's investment activity focuses on the acquisition of Grade A offices (or those with the potential to become so) in the most sought-after central and business districts in Madrid and Barcelona, as well as logistics platforms along the major distribution corridors and shopping centres in Spain's most consolidated areas.

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

### **For more information:**

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