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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 financial results and management statement for the first quarter of 2016, which is available on the company's website:

[Q1 2016 Earnings Report](#)

Our General Shareholders' Meeting (GSM) will take place tomorrow 12th May 2016 at 12:00 CET at the Bloomberg Auditorium, Paseo de la Castellana 9, 1st floor, Madrid. Axiare Patrimonio will not be disclosing any new material financial information at the GSM. Please note that all GSM-related documents are available on the company website [www.axiare.es](http://www.axiare.es)

Please find press release enclosed.

Madrid, May 11, 2016,

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

The Company has acquired two properties for EUR 33 million, with an average occupancy of 97%

## **Axiare Patrimonio increases its profit by 22% during the first quarter of 2016**

- The Socimi continues to acquire properties at attractive prices, at an average of 15% below replacement cost.
- New leases reflect a significant increase of 16% over previous rents and 9% above current average market rent
- IPD, the global real estate index provider, gives Axiare Patrimonio a total property return of 18%, outperforming the Spanish benchmark.
- The Company is in advanced negotiations to rent 59,000 sqm of office and logistics space.



**Photo:** Luis López de Herrera-Oria, Axiare Patrimonio's Chief Executive Officer

**Madrid, 11th May 2016.** Axiare Patrimonio has increased its profits by 22% during the first quarter of 2016, with a total of EUR 5.1 million, compared to the same period last year. It also increased its revenue in the same period by 38% to EUR 10 million, compared to EUR 7 million in the first quarter of last year. The Company's management maintains its value creation investment strategy through the purchase of new assets with high potential and at attractive prices. Newly acquired assets are currently leased below

## Nota de Prensa

average market rents, but with significant growth potential. To date this year, the Company has acquired two properties for EUR 33 million, with an average occupancy of 97%. Axiare Patrimonio's latest acquisitions have been purchased at very competitive prices, at an average of 15% below replacement cost.

Recent rents signed across the portfolio have reached levels on an average 9% above market rents, which further implies the quality of Axiare Patrimonio's assets within their sub-markets. Similarly, renegotiations closed to date, have been closed at 16% above previous rents.

Axiare Patrimonio's CEO, Luis López de Herrera-Oria, states "we continue to make good progress, executing on our strategy to create value for our investors". López de Herrera-Oria adds that the Company's portfolio occupation has increased to 86% on a *like-for-like* basis, and he highlights that "Axiare Patrimonio's internally managed structure has generated operating margins of 72% in the first quarter, which reflects its lean cost base."

During the first quarter, Axiare Patrimonio has acquired two properties for a total of EUR 33 million. The assets have an average occupation of 97%, contributing significant immediate income to the Company. Following these acquisitions, Axiare Patrimonio's asset portfolio now totals EUR 900 million, split between offices (71%), logistics platforms (15%) and retail (14%). 96% of all assets are located in well-established areas in Madrid and Barcelona, primarily in both cities' financial districts. Axiare Patrimonio is also in advanced negotiations to lease 59,000 sqm of office and logistics space to international blue-chip tenants.

IPD Global Annual Property Index, the global real estate index provider, gives Axiare Patrimonio a total property return of 18%, outperforming the Spanish benchmark in 2015. IPD's 2015 report, published last April, places Spain as the 2<sup>nd</sup> strongest market globally, behind Ireland. The global benchmark sits at 15.8%, 220bps below Axiare Patrimonio's total return.

Axiare Patrimonio's investment strategy is focused on creating a portfolio of assets and maximizing its value via active management, with the objective of repositioning them as the best properties within their surrounding markets.

### 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*) (MC:AXIA), 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 areas. 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 is a member of EPRA (European Public Real Estate Association).

**For more information please contact:**

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