

Madrid, 24 January 2017

EURO CERVANTES SOCIMI, S.A.U. (the "**Company**"), in compliance with article 17 of the EU Regulation nº 596/2014 on market abuse and the article 228 of the Consolidated Text of the Spanish Securities Market Act, approved by Spanish Royal Legislative Decree 4/2015 on April 23, and concordant provisions, as well as with Circular 15/2016 of the Mercado Alternativo Bursátil ("**MAB**") on information to be provided by growth companies and SOCIMIs incorporated in trading on the MAB, hereby issues the following

## **RELEVANT FACT**

On 19<sup>th</sup> December 2016, the Company formalized the acquisition of a 48.9% equity stake in Unibail Rodamco Steam, S.L.U. ("UR Steam") for 201 million Euros and a 48.9% equity stake in Proyectos Inmobiliarios Time Blue, S.L.U. ("Time Blue") for 0.2 million Euros (both companies which are ultimately owned by GIC (Realty) Private Limited - that is the ultimate shareholder of the Company). UR Steam and Time Blue in aggregate own 100% of the shopping center La Maquinista, which is located in Barcelona. The acquisition of the mentioned equity stakes has been financed with a 201.2 million Euros loan with an annual fixed interest of 8.1% that expires in December 2021, granted by the related party New Tower Real Estate, B.V. ("New Tower Real Estate"). The loan has been assigned by New Tower Real Estate to a related company – Euro Gaudi S.a.r.l.

As a result of these acquisitions (when the Company was listed on the MAB in September 2016, it only owned a 32.9% equity stake in GMP Property SOCIMI, S.A.), the Company has updated the FY 2017 and 2018 estimates included in section 1.14 of the Informative Document.

Therefore, the Company informs that yesterday, 23rd January 2017, the Board of Directors of EURO CERVANTES approved the updated estimates included in MAB's listing Informative Document, as follows:

# EuroCervantes

(€ '000)	FY 2017 (1 April '16 - 31 March '17)		FY 2018 (1 April '17 - 31 March '18)	
	Prior	Updated	Prior	Updated
Net revenues	-	-	551	551
Operating expenses	(372)	(385)	(143)	(143)
<b>Operating income</b>	<b>(372)</b>	<b>(385)</b>	<b>408</b>	<b>408</b>
Financial expenses	(11,920)	(16,539)	(10,079)	(26,379)
<b>Financial result</b>	<b>(11,920)</b>	<b>(16,539)</b>	<b>(10,079)</b>	<b>(26,379)</b>
<b>Earnings before tax</b>	<b>(12,292)</b>	<b>(16,924)</b>	<b>(9,671)</b>	<b>(25,971)</b>
Corporate income tax	-	-	-	-
<b>Profit or loss for the period</b>	<b>(12,292)</b>	<b>(16,924)</b>	<b>(9,671)</b>	<b>(25,971)</b>

The main difference in the updated estimates relates to the financial expenses on the 201.2 million Euros loan that has an annual fixed interest of 8.1% and matures in December 2021, granted by New Tower Real Estate on 19 December, 2016 in relation to the acquisition of equity stakes in UR Steam and Time Blue. The financial expenses on this loan will amount to 4,618 thousand Euros in FY 2017 (since 19<sup>th</sup> December, 2016) and 16,300 thousand Euros in FY 2018.

These updated estimates have been prepared taking into consideration comparable accounting principles already used in historic audited financial information.

Sincerely,

**EURO CERVANTES SOCIMI, S.A.U.**  
Mr. Sébastien Abascal  
Director