

Madrid, 1st August 2017

EURO CERVANTES SOCIMI, S.A. (the "**Company**" or "**EURO CERVANTES**"), 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

The Company, in compliance with the provisions of section two, sub-section 1.b) of Circular 15/2016 "Information to be supplied by Expansion Companies and SOCIMI incorporated into trading in the Alternative Stock Market ", describes the Organizational structure and the internal control system that it has for the Compliance with the information obligations established by the MAB.

We remain at your disposal for any clarifications require.

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

REPORT OF THE EXISTENCE OF AN ORGANIZATIONAL STRUCTURE AND AN INTERNAL CONTROL SYSTEM

Euro Cervantes SOCIMI, S.A.U. (hereinafter referred to as the "Company" or "Company") is not the owner of any real estate property. The Company has only the exclusive property of a holding in the capital of GMP Propiedad SOCIMI, SA and another in the "La Maquinista" Shopping Center through two subsidiaries.

1. ORGANIZATIONAL STRUCTURE AND INTERNAL CONTROL SYSTEM

The structure of the Company is composed of the Board of Directors formed by four (4) dominical directors:

- D. Sébastien Pierre Abascal: president
- D.^a Lim Yoke Peng: vocal
- D. Leonardo José Britto León: vocal
- D.^a María Lorena Salamanca Cuevas: secretary of the Board of Directors

The Company does not have employees.

The board of directors has the support of several external service providers who are specialists in their field, among them an accountant, a legal adviser, a tax adviser and the Registered Adviser. The Company has not signed any management contract with third parties

The internal control system is governed by the quarterly meetings of the Governing Body (which will be held more frequently if necessary). Key company decisions are made during these meetings, and updates on the Company's investments are communicated to the directors to ensure that they are adequately supervising the business operations. The contributions of the various external service providers are also communicated to ensure that the Directors are fully aware of any technical problems facing the Company and can adequately address them.

2. PROCEDURES WITH WHICH THE COMPANY COUNTS IN RELATION TO THE PUBLISHED INFORMATION AND THE MEANS TO MEET THE OBLIGATIONS AS A COMPANY OF MAB

2.1 Availability of the appropriate procedures with which the Company has to make them coincide:

2.1.1 The relevant information published on the Company's website and the information sent to the Market.

All material constitutive information is consulted with the Registered Adviser. Since the Company does not have employees, the communications made by the representatives of the company are those made by the directors. The board of directors has articulated the communications through the figure of the chairman of the board, who is aware of the need to not divulge any privileged information.

The board of directors is informed of the management of the Company at all times through the reports that the managers of its two investees, which send a monthly report according to the instructions given by the board of directors.

2.1.2 The information disseminated in the presentations with the one communicated to the Market.

The company does not plan to use presentations and therefore there should be no risk of including different information within presentations and information that is notified to the Market. In the event that presentations are used, the board of directors will ensure that the information published in them is consistent with the information published on the Market.

2.1.3 The statements made by the representatives of the company to the media and the information communicated to the Market.

The representatives of the company will not speak directly with the media. Any request from the media will arise through the contact details provided on the website. The media will be redirected to the information that is available on the web, and no information will be given to the media prior to its publication in the market and web. In case the Company representative spoke to the media, they are aware of the need to limit their statements to public information.

2.2 Means available to the board of directors and its members, as well as the directors of the Company, to fulfill its obligations as a MAB company.

In order to comply with its obligations as a MAB company, the Company has a structure that allows it to carry out an adequate control both in financial information and internal control systems and in relation to the transmission of information.

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Regarding the transmission of information, it should be highlighted the figure of the chairman of the board of directors, who, given the close communication with the other members of the board of directors as well as with the registered adviser, allows to guarantee the homogeneity and consistency in the published information By the Company.

All members of the board of directors of the Company are aware of the requirements derived from the incorporation of the Company into the MAB, both in terms of communications to the market and in relation to the actions, measures and processes to be implemented at each moment And, in particular, those derived from the new implementing legislation. This information work is being carried out by the registered adviser (currently, Renta 4 Corporate, S.A.), consulting, as necessary, with the legal advisor of the Company (currently Clifford Chance, S.L.).

As indicated in the previous paragraph, the Board of Directors of the Company has the legal advice of Clifford Chance, S.L. In all matters relating to the necessary actions and obligations arising from the incorporation of the Company's shares into MAB.

3. RISK ASSESSMENT

The Company is continually exposed to a number of internal and external risks, understanding these as those factors that may negatively impact on the defined objectives and approved strategy. The Company, together with the agents that assist it in its management, has carried out a process of identification and evaluation of those risks considered more relevant that may affect the reliability of the information issued by the Company to the market.

As a result of the process, the following risks are among the most significant risks for the Company:

Operational risks: possible situations of conflicts of interest, regulatory changes, judicial and extrajudicial claims.

Risks associated with the real estate sector: cyclical nature of the sector, real estate investment, reconditioning activities, competition, political uncertainties that may generate mistrust in relation to obtaining funds that may jeopardize the expected growth of the Company.

Risks associated with the macroeconomic situation: possible situations of deflation, rising levels of unemployment.

Tax risks: changes in the applicable legislation, and implementation of the special tax regime SOCIMI.

Financial risks: level of indebtedness, difficulties in obtaining financing in a timely manner that may delay the Company's expansion policy, variable interest rate, lack of liquidity to comply with the dividend distribution policy and To deal with debt service.

Likewise, in view of the reliability of the financial information, the Company considers the following as the most significant ones:

Registration and valuation of the shares of the companies owned by the Company.

Registration of debt at amortized cost and monitoring of financial covenants included in financing contracts.