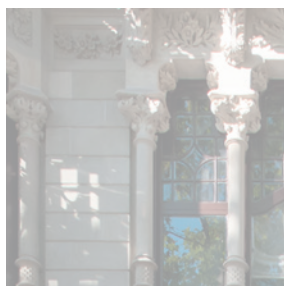


REPORT ON INCOME RELEASE
FIRST SEMESTER 2018





Tander Inversiones Socimi

is a listed real estate investment company specializing in prime commercial properties positioned in prominent locations of the most sought-after cities in Spain.



Relevant facts

I am happy to share the half-year results of Tander Inversiones Socimi after its incorporation into the Spanish alternative stock market, "Mercado Alternativo Bursátil", MAB, with you.

Such listing marks a turning point in the history of Première Alliance, a Canadian investment group being the main shareholder of the company, present in Spain since 2013.

Tander Inversiones Socimi is loyal to its investment strategy, which is based upon the acquisition of prime retail assets located in the main cities of Spain. During the past 12 months, the company has expanded its geographical presence through the incorporation of the best corner asset in the city of Santander and a trophy asset in the prime retail area of Bilbao.

These acquisitions have resulted in a growth of 18% in net rental income, an increase of 3.3% in the NAV (Net Asset Value) and a boost of 13% in company EBITDA. These figures are the outcome of bringing our investment strategy alive, along with the consolidated experience of our local management team.

Our asset portfolio holds an occupancy of 100% due to concurrence of stable long-term lease contracts and first-rate tenants. A substantial pipeline for the forthcoming months and available liquidity of the company confirm our strength and commitment to maintain a path of growth to provide excellent results in the future.

Antoine Chawky
CEO



Our asset portfolio holds an occupancy of 100% due to concurrence of stable long-term lease contracts and first-rate tenants."

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HIGHLIGHTS

(in K€)	Semester 1/2017	Semester 1/2018
Net Rental Income	1,552	1,834
NOI	1,502	1,782
NAV	47,523	49,083
FMV	80,385	96,064
Net profit	693	841
Net profit adjusted	693	372

NOI: Net Operating Income

NAV: Net Asset Value

FMV: Fair Market Value



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FINANCIALS

BALANCE SHEET

Assets

(in K€)	Semester 1/2017	Semester 1/2018
Non-current assets	52,465	67,363
Equipment & intangible assets	17	17
Investment property	51,962	66,789
Other non-current assets	486	557
Current assets	1,562	3,802
Trade and Other receivables	137	131
Short-term investments	1,270	0
Cash & banks accounts	155	3,671
TOTAL ASSETS	54,024	71,164

Equity & Liabilities

(in K€)	Semester 1/2017	Semester 1/2018
Net equity	22,966	24,750
Share capital	3,670	5,242
Share premium	17,966	18,688
Reserves	637	744
(Treasury shares)	0	(296)
Year Profit & Loss	693	372
Non-current liabilities	30,363	45,621
Financial debt	6,959	44,796
Other non-current liabilities	502	825
Related parties financial debt	22,902	0
Current liabilities	698	793
Financial debt	313	48
Trade & other payables	385	745
TOTAL EQUITY & LIABILITIES	54,027	71,164

BALANCE SHEET HIGHLIGHTS

- **Non-current asset**
Incorporation of two new assets into the portfolio (Santander & Bilbao).
- **Current assets**
Larger liquidity of the company as a result of the refinancing of global debt with ING.
- **Equity**
Capital increase due to the 1,330K€ shares charged to share premium and 2,300K€ in shares issued to and paid by minority shareholders with a share premium issue, being 296K€ own shares.
- **Non current liabilities**
Increase due to the refinancing of global debt with ING.

PROFIT & LOSS

(in K€)	Semester 1/2017	Semester 1/2018
Net rental income	1,552	1,834
Other net income	57	49
Wages and salaries expenses	(126)	(151)
Overheads & administration expenses	(74)	(138)
EBITDA ¹	1,409	1,594
Amortization	(242)	(250)
EBIT ²	1,168	1,344
Net financial expenses	(474)	(503)
EBT ³	693	841
Exceptional items	0	(468)
Tax	0	0
NET PROFIT	693	372

¹ Earnings Before Interest Tax Depreciation Amortization and Exceptional items

² Earnings Before Interest Tax and Exceptional items

³ Earnings Before Tax and Exceptional items

PROFIT & LOSS HIGHLIGHTS

- Increase in rental income due to a 20% increase in gross rental income in Paseo de Gracia, 27 plus rents derived from new acquisitions.
- Exceptional expenses due to the cancellation of credit facilities initial costs.

Dividend distribution fiscal year 2017

Total number of shares	5,242,105
Share nominal Value (€/share)	1
Net Profit Year 2017 (€)	1,004,594
Legal reserve provision (€)	100,459
Other reserves provision (€)	–
Distributable amount (€)	904,135
Dividend Distribution (€)	904,135
€cents/share	17.25

FINANCIALS

FINANCING & LIQUIDITY

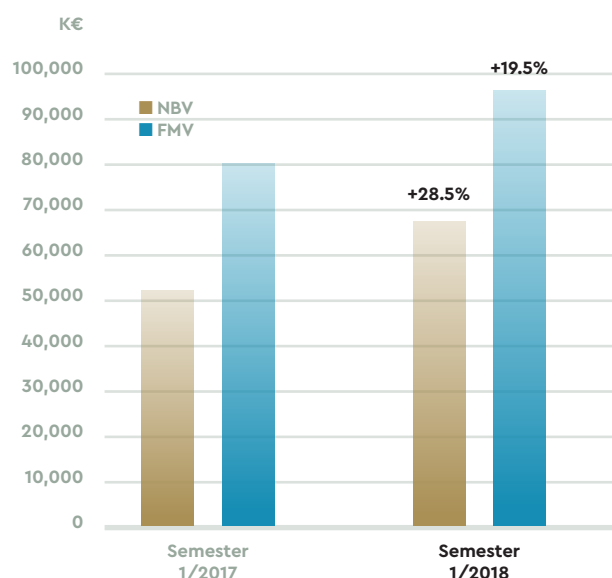
CURRENT INVESTMENTS

AND VALUE ADDED FOR SHAREHOLDERS:

At closing of the 1st semester in 2018, the company's portfolio has a NBV (Net Book Value) of 66,789 K€, and its FMV (Fair Market Value) has been valued at 96,064 K€ by independent experts.

Comparing these values to the 1st semester of 2017, the NBV and FMV have increased by 28.5% and 19.5% respectively, due to two new acquisitions carried out since. The lesser increase of FMV is a result of these two recent acquisitions which were booked according to the market value, without taking any latent capital gain into consideration.

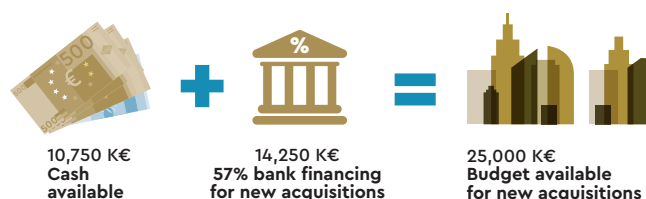
In addition to the portfolios increase in value, the shareholders have also benefited from a 100% distribution of all net profits, after reducing the provision of the corresponding legal reserve. This reserve increases the net equity value of the company.



CAPACITY FOR NEW ACQUISITIONS:

During the month of June 2018, the company has undergone a new financing agreement with ING, for a value of 54,275 K€, guaranteed for with the company's portfolio and substituting the previous existing financing (Bank & Internal Group loans). To the date, the company has disposed a total of 46,275 K€, leaving 8,000 K€ which can be used within June 2020.

Additionally, in June 2018, the company shows a cash balance of 3,600 K€, which when allocating 850 K€ for the ordinary operating costs of the company, and adding the remaining 8,000 K€ from the financing agreement, would amount to a total of 25,000 K€ for new acquisitions, providing that ING finances up to 57% of the total investment.



LEVERAGE:

The average leverage over the portfolio has increased from 58% to 67% of the total NBV and from 37% to 47% of the portfolios FMV. This 47% ratio is within which is considered a healthy ratio in the real estate sector (up to 60%).

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PORTFOLIO

	Semester 1/2017	Semester 1/2018
Net rental Income (K€)	1,605	1,888
NBV (K€)	51,962	66,560
WALB (yrs)	5.79	6.26
WALT (yrs)	12.88	14.5
Occupancy (%)	100%	100%
Total Area (m ²)	6,032	6,501

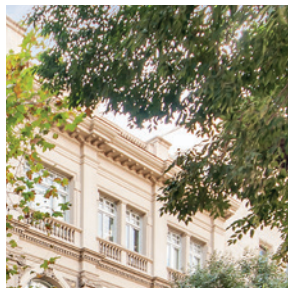
NBV: Net Book Value

WALB: Weighted Average Lease Break

WALT: Weighted Average Lease Term

PORTFOLIO

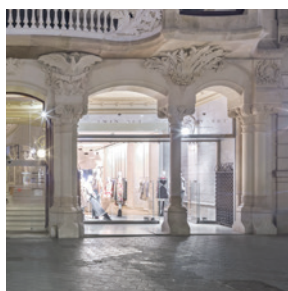
Carrer de
Casp 6-20,
Barcelona
3,467 m²



Vía Laietana
47,
Barcelona
1,100 m²



Passeig de
Gràcia 27,
Barcelona
792 m²



Passeig de
Gràcia 15,
Barcelona
527 m²



PORTFOLIO

Travessera
de Gràcia,
Barcelona

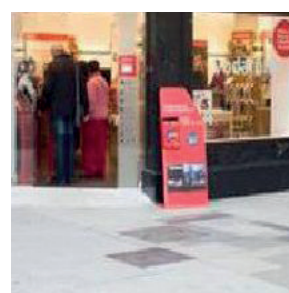
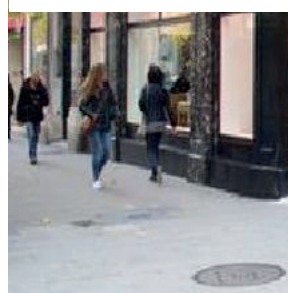
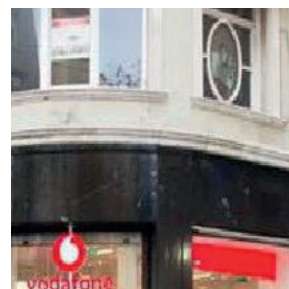
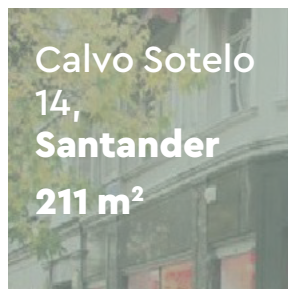
156 m²



Calvo Sotelo

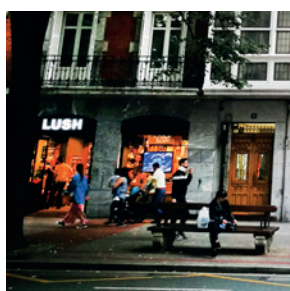
14,
Santander

211 m²



Gran Vía 6,
Bilbao

257 m²



A decorative graphic consisting of a 4x4 grid of squares. The grid is composed of 16 squares in total. The square at row 2, column 2 is a dark brown color and contains the number '4'. The square at row 2, column 3 is a dark brown color and contains the text 'ASSET MANAGEMENT UPDATES'. All other squares in the grid are a lighter brown color.

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ASSET MANAGEMENT UPDATES

ASSET MANAGEMENT UPDATES

New Acquisitions



Date: 05.12.2017

Location: Calvo Sotelo 14,
Santander

Tenant: Vodafone

Rent Renewal



Date: 01.01.2018

Asset: Passeig de Gràcia 27,
Barcelona

Old rent: 88,000€/month

New rent: 89,750€/month

CPI Reviews



Date: from April 2018

Asset: VL47 & TDG 171,
Barcelona

Rent increase: +2.75%

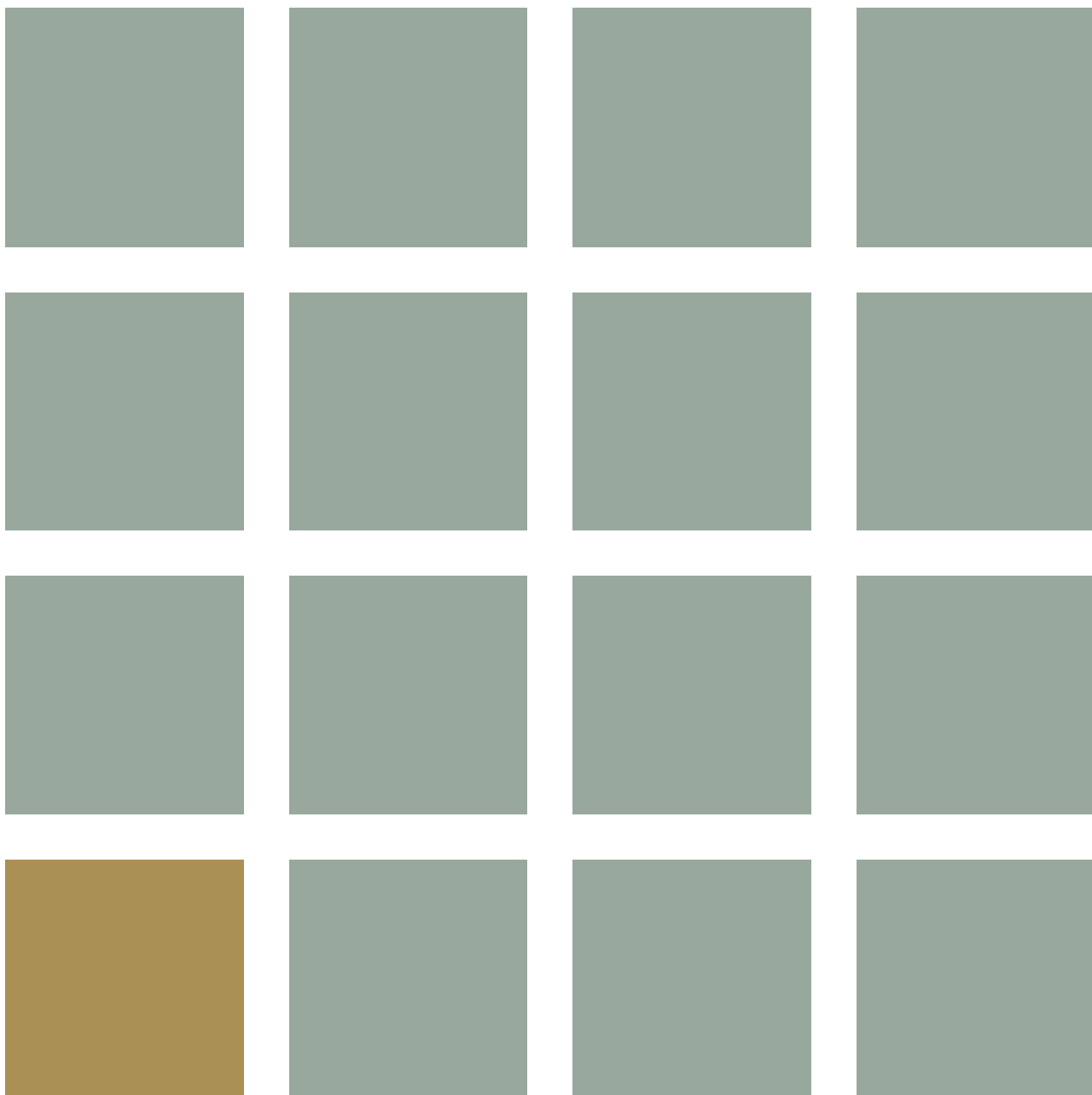
Tenant: Banco Sabadell



Date: 18.06.2018

Location: Gran Vía 6,
Bilbao

Tenant: Confidential



Avenida Diagonal 467, 4º2b

08036 Barcelona

www.tanderinversiones.com