

## **REPORT ON INCOME RELEASE**

FIRST SEMESTER 2019





## **Tander Inversiones SOCIMI**

is a listed real estate company specializing in the investment of prime commercial properties located in prominent arteries of the most sought-after cities in Spain and Portugal.



# RELEVANT FACTS

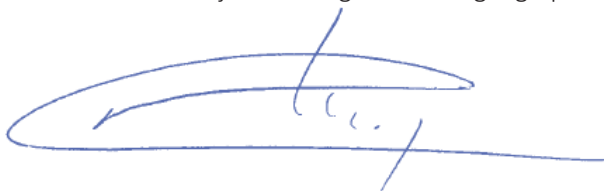
On behalf of Tander Inversiones Socimi, I am pleased to report the results and highlights of the first semester ending on June 30th 2019.

This is our second year in the Spanish alternative stock market, the “Mercado Alternativo Bursátil” (MAB) and Tander continued to consolidate its presence in the strongest high street retail market cities in the north of Spain by acquiring a new asset in San Sebastian and signing a new lease in this property. These achievements reinforced the outstanding stability of our portfolio (100% occupancy) and we are continuously aligning our investment strategy to match the evolving demands of the retail market. The combination of this new acquisition and the positive performance of the rest of the portfolio, have resulted in a growth of 3.5% of the market value of our portfolio. Furthermore, our Net Rental Income has increased by 6.7% compared to the first semester of 2018 and the company EBITDA is also performing very positively showing a 7.5% growth. Following these positive results, we were able to distribute dividends in the amount of 855,000 € for the first semester of 2019 as opposed to 585,000 € for the same period in 2018. This translates into an earning per share, before extraordinary items, for six months ending June 30th 2019 of 18.23 cents as opposed to 16.40 cents in 2018, representing an increase of 13%.

“Our asset portfolio continues to hold a remarkable and stable structure due to the long-term lease contracts and first-class tenants, providing an average of more than 7 years of mandatory periods.”

We pride ourselves of the fact that our asset portfolio has a remarkable long term stable structure due to the lease contracts that are presently in place and more so with the quality of the tenants that occupy our premises. The average mandatory period of our current leases is more than 7 years.

We are continuously looking for new opportunities to increase our presence in Spain and expanding in Portugal. In preparation for new anticipated acquisitions we incorporated three new vehicles in Portugal. The latter is in line with our investment strategy and our objectives of growth and geographic diversification.



Antoine Chawky




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# HIGHLIGHTS

| (in K €)          | Semester<br>1/2018 | Semester<br>1/2019 |
|-------------------|--------------------|--------------------|
| Net Rental Income | 1,834              | 1,958              |
| NOI               | 1,724              | 1,849              |
| NAV               | 49,257             | 49,054             |
| FMV               | 96,064             | 99,438             |
| Net Profit        | 372                | 950                |

**NOI:** Net Operating Income

**NAV:** Net Asset Value

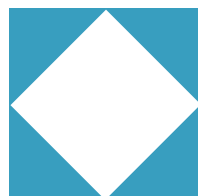
**FMV:** Fair Market Value



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# FINANCIALS



# FINANCIALS

## BALANCE SHEET

### Assets

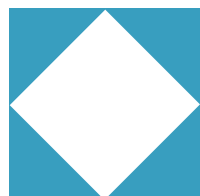
| (in K €)  | Semester<br>1/2018 | Semester<br>1/2019 |
|---|--------------------|--------------------|
| <b>Non-current assets</b>                                 | 67,363             | 68,534             |
| Equipment & intangible assets                             | 17                 | 14                 |
| Investment property <sup>[1]</sup>                        | 66,789             | 67,886             |
| Non current investments in group companies <sup>[2]</sup> | 0                  | 9                  |
| Other non-current assets                                  | 557                | 625                |
| <b>Current assets</b>                                     | 3,801              | 6,130              |
| Trade and other receivables                               | 131                | 253                |
| Current investments in group companies <sup>[2]</sup>     | 0                  | 1,575              |
| Cash & bank accounts                                      | 3,670              | 4,302              |
| <b>TOTAL ASSETS</b>                                       | <b>71,164</b>      | <b>74,664</b>      |

### Equity & Liabilities

| (in K €)                              | Semester<br>1/2018 | Semester<br>1/2019 |
|---------------------------------------|--------------------|--------------------|
| <b>Net equity</b>                     | 24,750             | 25,471             |
| Share capital                         | 5,242              | 5,242              |
| Share premium                         | 18,688             | 18,688             |
| Reserves                              | 744                | 877                |
| (Treasury shares)                     | (296)              | (286)              |
| Year Profit & Loss                    | 372                | 950                |
| <b>Non-current liabilities</b>        | 45,621             | 48,798             |
| Financial debt                        | 44,796             | 47,958             |
| Other non-current liabilities         | 825                | 840                |
| <b>Current liabilities</b>            | 793                | 395                |
| Financial debt                        | 48                 | 9                  |
| Trade & other payables                | 745                | 386                |
| <b>TOTAL EQUITY &amp; LIABILITIES</b> | <b>71,164</b>      | <b>74,664</b>      |

<sup>[1]</sup> Addition of a new asset into the portfolio (San Sebastian)

<sup>[2]</sup> In April 2019, Tander incorporated 3 companies in Portugal contributing 9K € of social capital and an initial loan of 1,575 K €. This loan is for the future acquisition of new assets in the second semester of 2019.



# FINANCIALS

## PROFIT & LOSS

| (in K €)                         | Semester<br>1/2018 | Semester<br>1/2019 |
|----------------------------------|--------------------|--------------------|
| Net rental income                | 1,834              | 1,958              |
| Other net income                 | 49                 | 65                 |
| Wages and salaries expenses      | (151)              | (173)              |
| Overheads & admin. expenses      | (138)              | (136)              |
| EBITDA <sup>1</sup>              | 1,594              | 1,714              |
| Amortization                     | (250)              | (264)              |
| EBIT <sup>2</sup>                | 1,344              | 1,450              |
| Net financial expense            | (503)              | (500)              |
| EBT <sup>3</sup>                 | 841                | 950                |
| Exceptional items <sup>[1]</sup> | (469)              | 0                  |
| Tax                              | 0                  | 0                  |

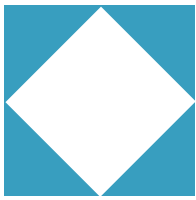
|                   |            |            |
|-------------------|------------|------------|
| <b>NET PROFIT</b> | <b>372</b> | <b>950</b> |
|-------------------|------------|------------|

<sup>1</sup> Earnings Before Interest Tax Depreciation Amortization and Exceptional items

<sup>2</sup> Earnings Before Interest Tax and Exceptional items

<sup>3</sup> Earnings Before Tax and Exceptional items

[<sup>1</sup>] Due to the incorporation of the new financing agreement, the opening expenses of the old financing pending of amortization were recorded as one-time expenses in the year 2018.

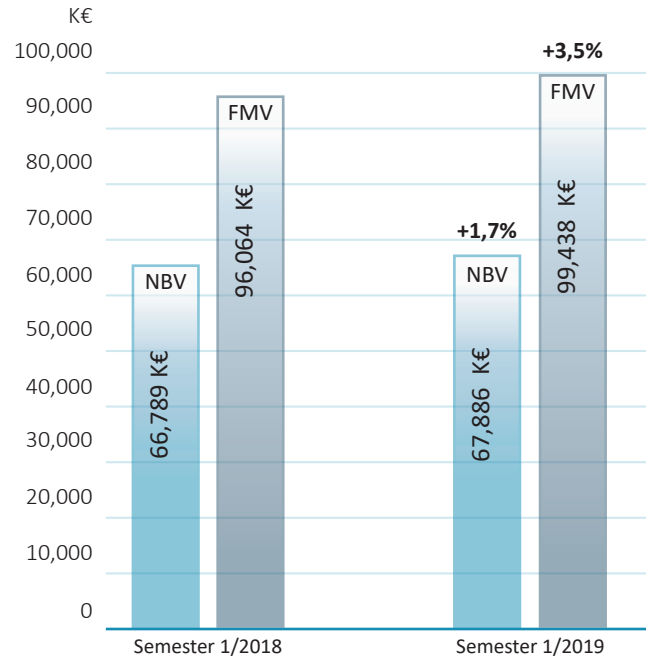


## FINANCIALS

# FINANCING & LIQUIDITY

### CURRENT INVESTMENTS AND VALUE ADDED FOR SHAREHOLDERS:

At closing of the 1st semester in 2019, the company's portfolio has a NBV (Net Book Value) of 67,886 K€, and a FMV (Fair Market Value) of 99,438 K€ based on an independent evaluation report. Comparing these values to the 1st semester of 2018, the NBV and FMV have increased by 1.7% and 3.5% respectively, due to a new acquisition.



### CAPACITY FOR NEW ACQUISITIONS:

As of June 30th, 2019, total available funds for future investments was around 20,000 K€, including potential leveraging of these acquisitions.

However, this figure does not include any capital increases that Tander may obtain from current shareholders to enhance its ability to acquire new assets.

### LEVERAGE:

The average leverage over the portfolio has increased from 47% to 48% of the portfolio's FMV. This 48% ratio is within which is considered a healthy ratio in the real estate sector (up to 60%).





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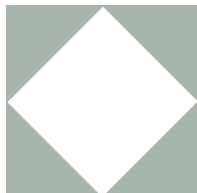
# PORTFOLIO

| (in K €)                     | Semester<br>1/2018 | Semester<br>1/2019 |
|------------------------------|--------------------|--------------------|
| Net Rental Income            | 1,834              | 1,958              |
| NBV                          | 66,789             | 67,886             |
| WALB (yrs)                   | 6.26               | 7.47               |
| WALT (yrs)                   | 14.5               | 16                 |
| Occupancy (%)                | 100%               | 100%               |
| Total Area (m <sup>2</sup> ) | 6,501              | 6,590              |

**NBV:** Net Book Value

**WALB:** Weighted Average Lease Break

**WALT:** Weighted Average Lease Term



# PORTFOLIO



Carrer de Casp 6-20,  
**Barcelona**  
3,467m<sup>2</sup>



Vía Laietana 47,  
**Barcelona**  
1,100m<sup>2</sup>

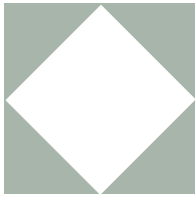


Passeig de Gràcia 27  
**Barcelona**  
792m<sup>2</sup>



Passeig de Gràcia 15,  
**Barcelona**  
527m<sup>2</sup>





# PORTFOLIO

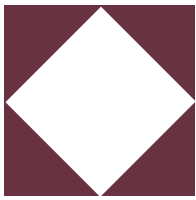




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# ASSET MANAGEMENT UPDATES





# ASSET MANAGEMENT UPDATES



Calvo Sotelo 14,  
**Santander**

- ◇ Refurbishment of the building facade



Arrasate 27,  
**San Sebastian**

- ◇ Signing of 10yr lease with Hawkers
- ◇ Capex plan including demolition of mezzanine and facade restoration to cover tenant fit-out needs



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