



Madrid, 12 de marzo de 2018

En virtud de lo previsto en el artículo 17 del Reglamento (UE) no 596/2014 sobre abuso de mercado y en el artículo 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, así como en la Circular 15/2016 del Mercado Alternativo Bursátil (“**MAB**”), VBARE Iberian Properties SOCIMI, S.A. (en adelante, la “**Sociedad**” o “**VBARE**”) pone en conocimiento el siguiente

HECHO RELEVANTE

Con motivo de las reuniones que VBARE tendrá con accionistas de la Compañía e inversores potenciales durante las próximas semanas, a continuación se adjunta la presentación corporativa que será empleada.

Quedamos a su disposición para cuantas aclaraciones precisen.

Iñigo Sánchez del Campo Basagoiti
Secretario NO consejero del Consejo de Administración
VBARE IBERIAN PROPERTIES SOCIMI, S.A.



VBARE Iberian Properties SOCIMI, S.A.

Investors Presentation

March 2018





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Who we are

- First, publicly traded Spanish REIT **exclusively dedicated on the Residential Rental Market** (traded on the Spanish Alternative Investment Market – MAB)
- Focused on creating a portfolio of assets with a **stable rental yield** and **high capital gain potential**
- Founded by VALUE BASE and AURA Real Estate Experts, two sponsors with **extensive experience** and **know-how in Capital Markets** and **Real Estate**, respectively
- Efficient vehicle structured as a Spanish REIT (SOCIMI) taking advantage of **tax benefits** and **dividend driven policy**

Who we are – Sponsors

VALUE BASE

- Leading Investment Bank in Israel
- Established in 2013 by Victor Shamrich and Ido Neuberger, previously co-CEOs of Meitav-Dash, second largest investment house in Israel
- Offering full spectrum of investment banking and advisory services for both privately held and publicly traded companies
- Strong shareholders' base comprised of institutional investors and large family offices

AURA REE

- Leading portfolio valuation advisor in Spain with more than 5 million transactions
- Specialized in advising Spanish and international buyers on acquisition of large NPL and REO portfolios
- Unique Real Estate tech platform with over 20 million comparable and more than 600.000 transaction prices
- >50 professionals and offices in Spain, Portugal and Italy



Who we are – Team

Results driven Management team and Board of Directors with strong track-record

Fernando Acuña, MRICS

Chairman of the board

Founder & CEO of Aura REE

Over 10 years of experience in Real Estate

CEO of Mortgage & Consumer Finance Bank - Deutsche Bank Credit

Juan Manuel Soldado

Vice chairman

CEO at Aura Asset Management

Over 15 years of experience in Real Estate

CEO of Nuphar Gestión Inmobiliaria (RE developer firm)

Juan José Nieto

Independent Director

Founder and CEO at Palmera Capital y Servicios.

Currently Director at 'La información', Norfin, Uralita, Banco

Sabadell Este and Havas Media.

Fabrizio Agrimi

General manager

General manager at VBARE Iberian properties SOCIMI, S.A.

Over 14 years of experience in Real Estate

Managing Director and Partner in Altan Capital

Ido Nouberger

Director

CEO & Co-Founder, Value Base Ltd

More than 20 years of experience in the financial sector

Co-CEO of Meitav-Dash

Yair Ephrati

Director

CEO, Value Base Mergers & Acquisitions Ltd

Over 20 years of investment banking and corporate finance experience

CEO, Meitav-Dash Mergers & Acquisitions

Yeshayahu Manne

Independent Director

Director of Zafiro Technologies

Over 25 years' experience in business development

Founded numerous companies in Israel, Spain, Cuba and the Dominican Republic



Our Strengths

Unique database

Exclusive access to a unique proprietary data base with more than 20 million comparables allowing a very precise underwriting of each transaction

Fully compliant vehicle

A vehicle compliant with all requirements set out by the Stock Exchange Regulator

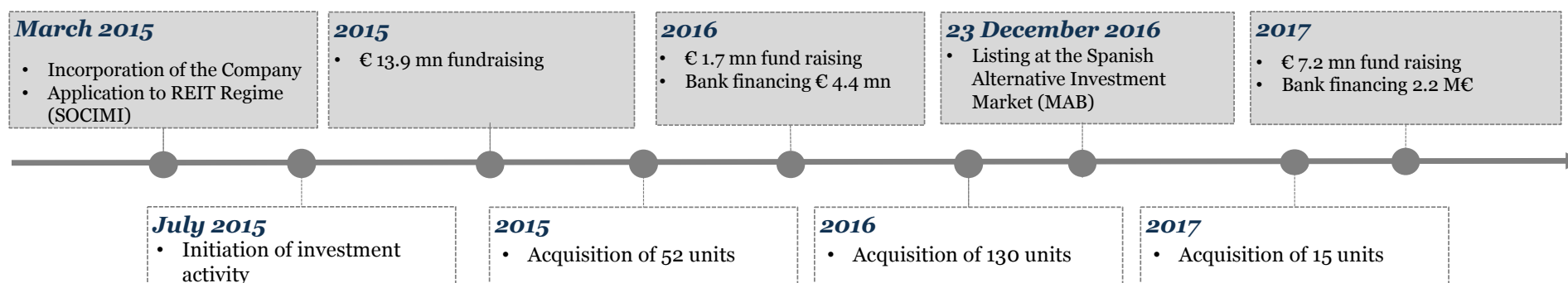
Transparency

IFRS Financial Statements audited by PwC.
100% of the portfolio is valuated by an independent RICS appraiser on a quarterly basis

Team Expertise

The Management Team as well as the Board of Directors is composed by international well-renowned professionals with extensive knowledge in real estate investments and capital markets

Main events

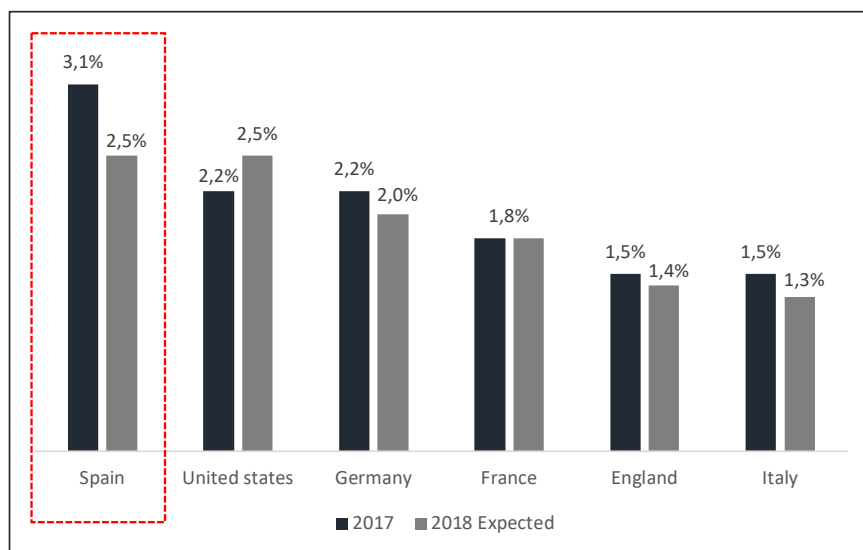


Goals set and achieved

- Created and structured the vehicle from the legal, tax & financial perspective
- Built capabilities and assembled a team to handle the day-to-day operations, including deal sourcing, analysis and due diligence, refurbishment, asset and property management and leasing, and has constructed specific procedures for such activities
- Acquired approx. 200 apartments, evaluated more than 550 million euros of opportunities, obtained mortgages, performed refurbishments of owned apartments and rented the apartments at very low vacancy rates
- Listed on Madrid's Alternative investment market (MAB)
- Raised approx. € 23 mn up to date

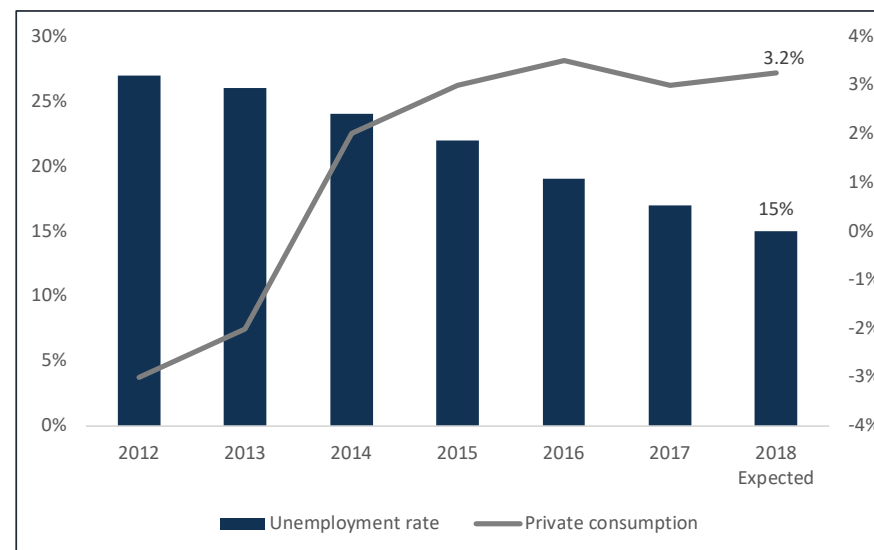
Why we invest in the Spanish Residential Rental Market (1/3)

Solid growth of the Spanish economy over performing other OECD countries



Source: Bloomberg Consensus

Strong job creation and increasing private consumption in Spain

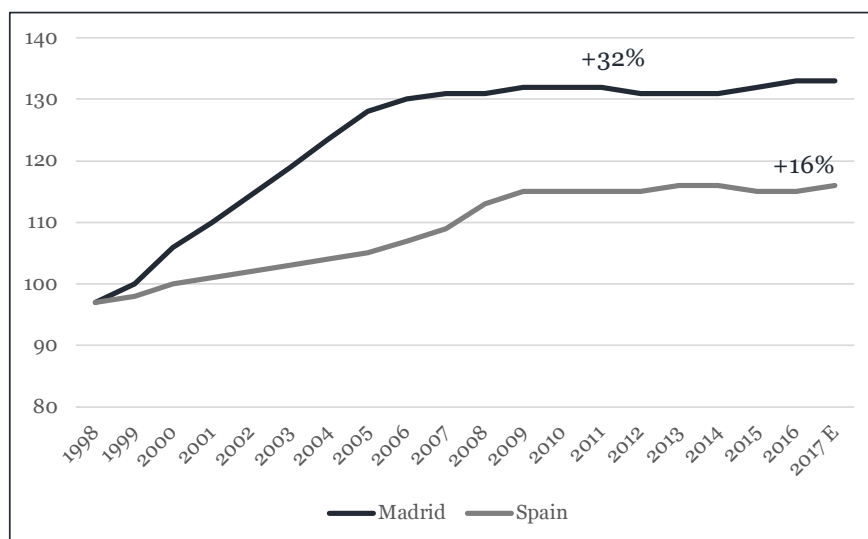


Source: INE

Favorable macroeconomic recovery trends.....

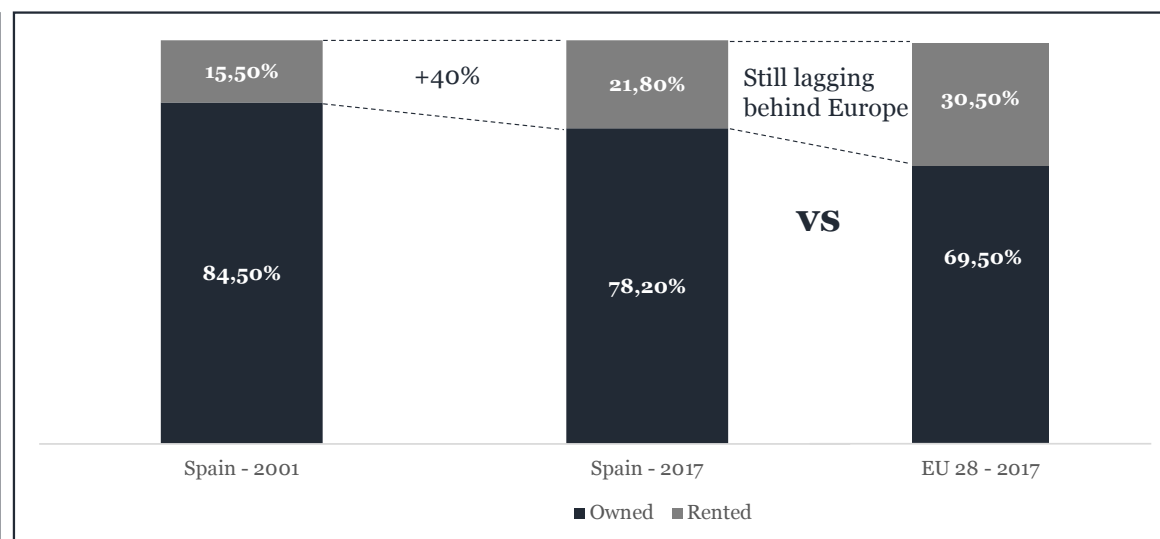
Why we invest in the Spanish Residential Rental Market (2/3)

Robust demographic growth



Source: INE

Social trends making rental residential more attractive to young generation

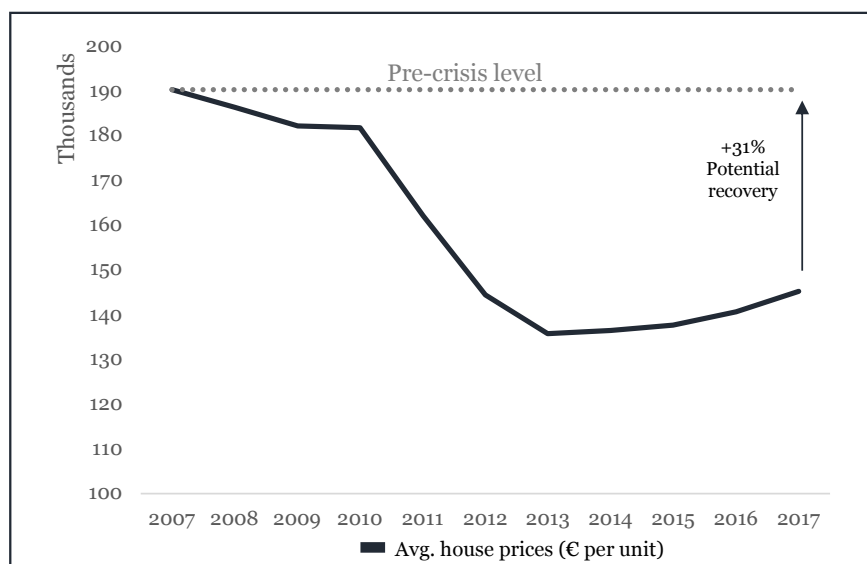


Source: Ministerio de Fomento

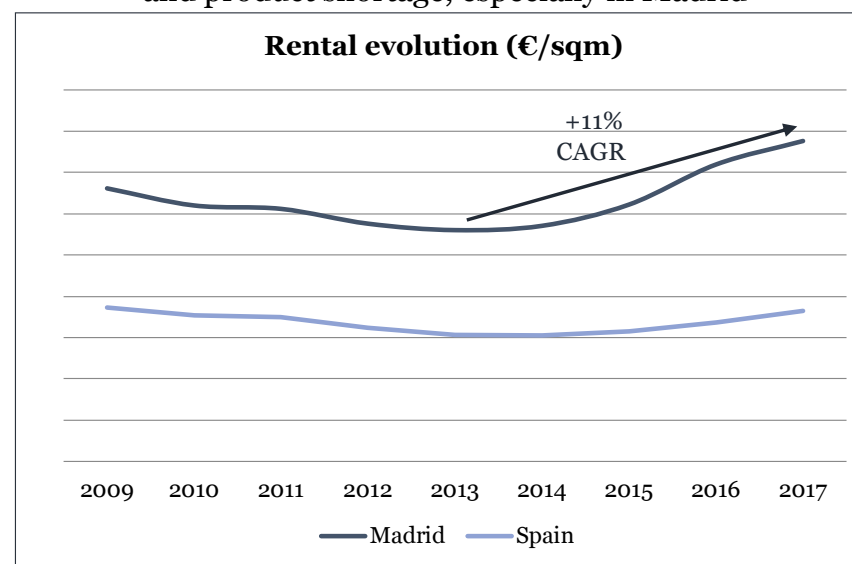
..... and positive sociodemographic trends

Why we invest in the Spanish Residential Rental Market (3/3)

House prices steadily increasing since 2013 bottom values

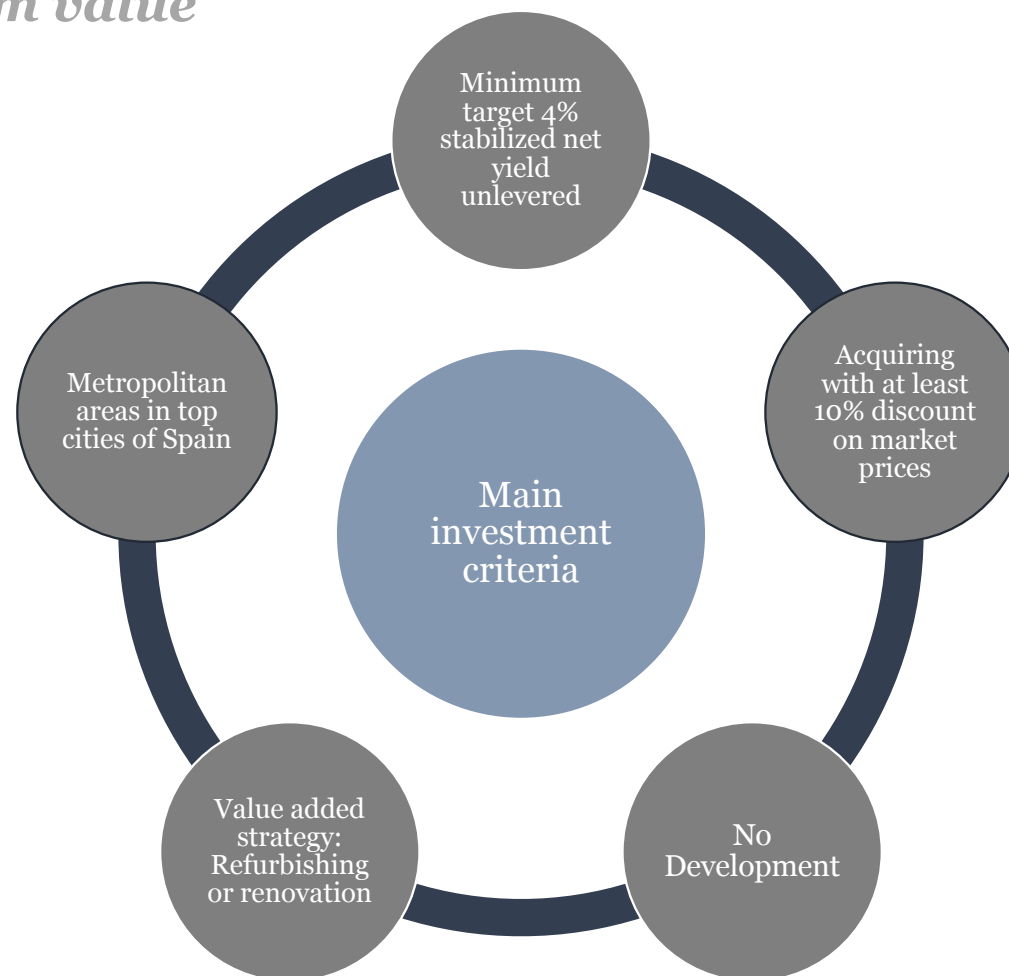


Increasing residential rental prices backed by high demand and product shortage, especially in Madrid



.... creating strong momentum for the Spanish Rental Residential Market

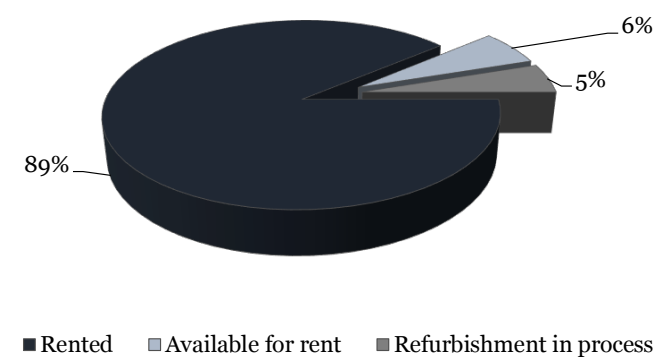
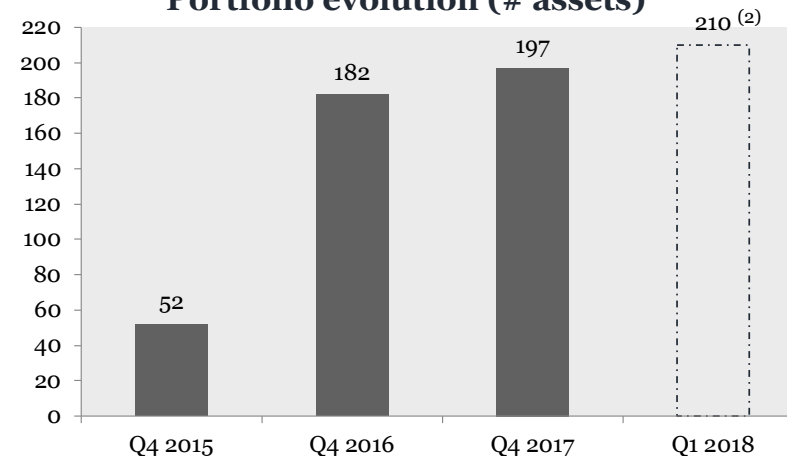
Creating long term value



Portfolio Overview ⁽¹⁾

- Number of assets 197
- GLA 8,616 sqm
- Occupancy rate 88.9%
- GAV € 28.5 mn
- GAV €/sqm € 3,307 per sqm
- Passing rent € 1.1 mn
- Gross yield 6.07%
- EPRA NIY 3.90%

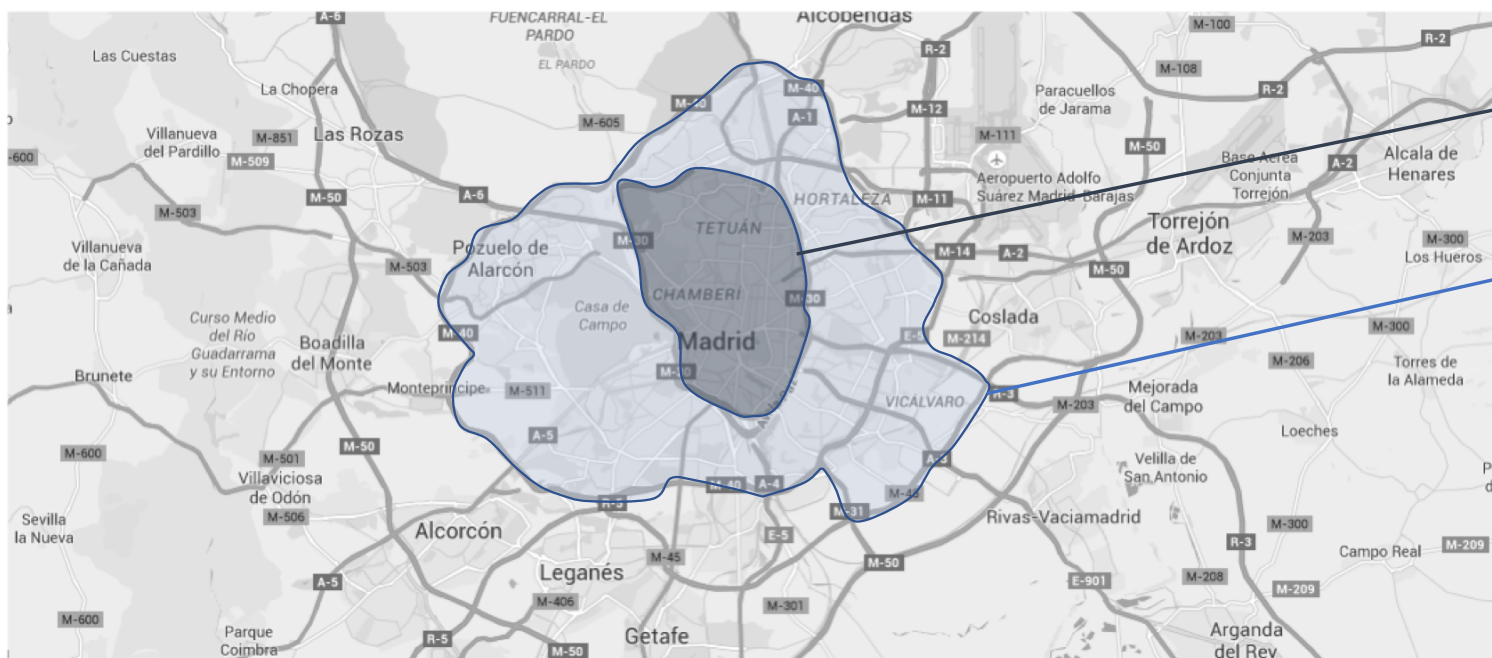
Portfolio evolution (# assets)



(1) As of 31 December 2017

(2) Including investment under exclusivity expected to close by the end of 1Q2018

Portfolio location



51.8% of GAV located in
Madrid center
(inside M-30)

42.5% of GAV in the
rest of the city of Madrid

5.7% of GAV
in the rest of Madrid
metropolitan area

100% of the portfolio is currently located in Madrid metropolitan area - benefiting from fast-growing rents and asset values

Our assets – examples

Juan Pascual



Bariloche



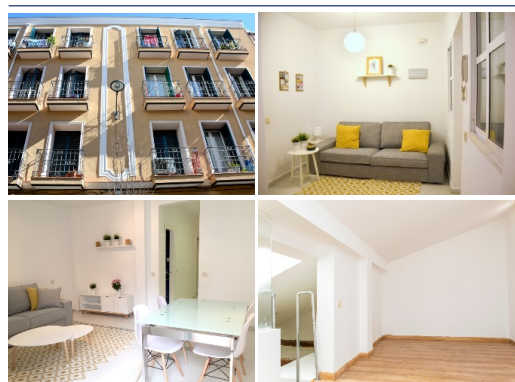
Santa Julia



Vicente Carballal



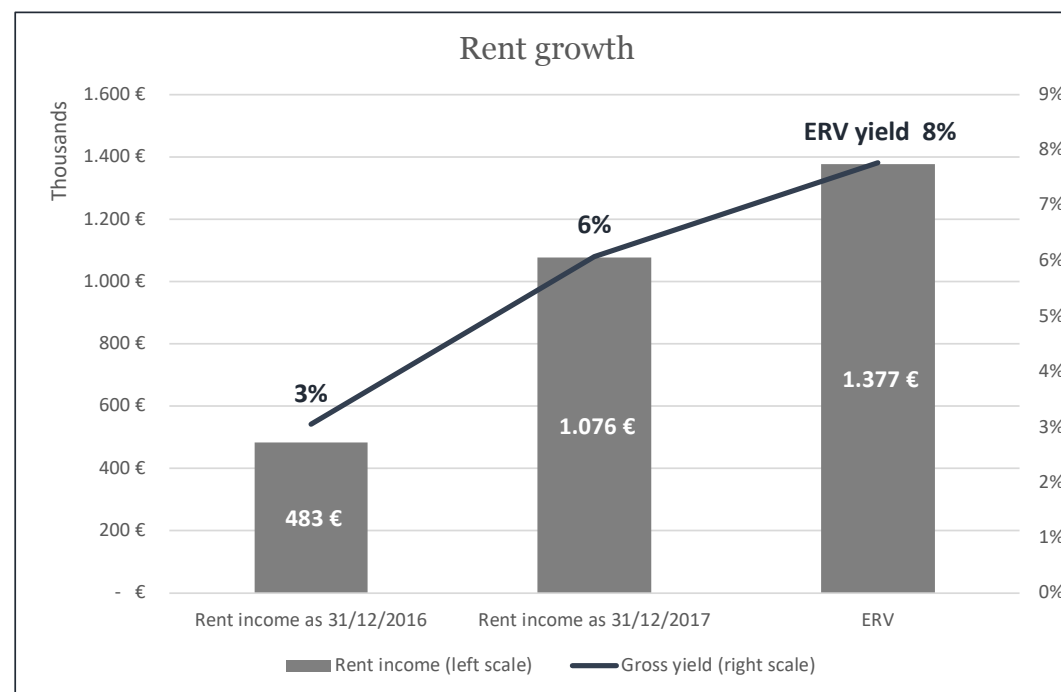
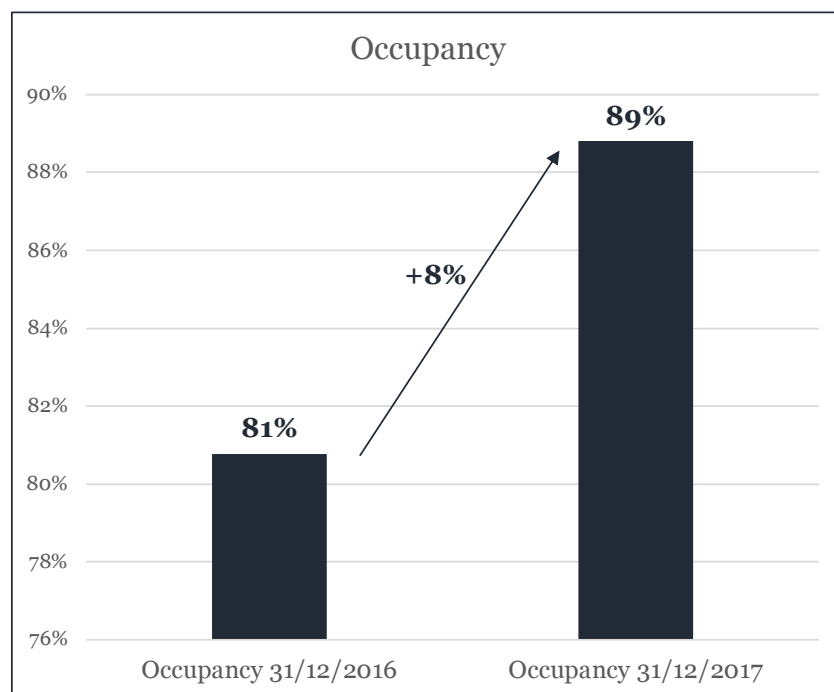
Carnicer



Antonia Ruiz Soro



Strong operating results



Revenues trending up primarily driven by increase in occupancy and renewals with high potential to create additional value

Proven Asset Management Capabilities

222 new leases signed

+ **11,8 %** rent uplift

€ 7,4K Avg. CapEx invested per unit

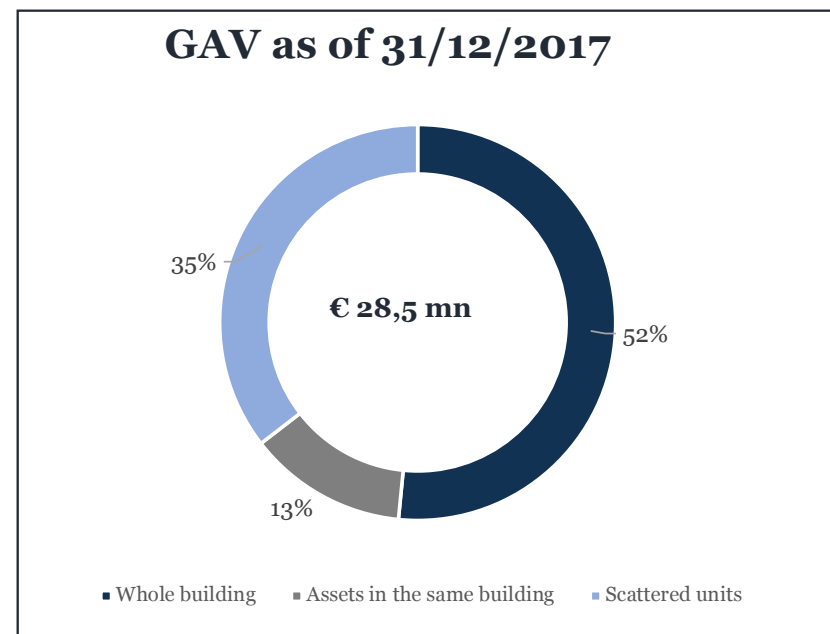
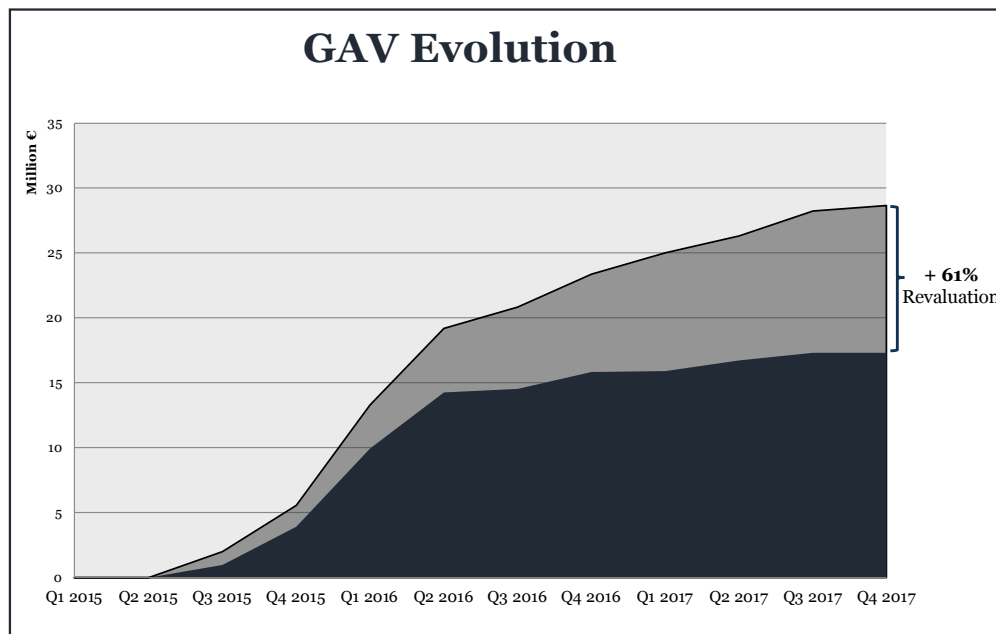
+**200%** occupancy growth

> **26K** Avg. views per month on online
leasing platforms

+**61%** GAV increase

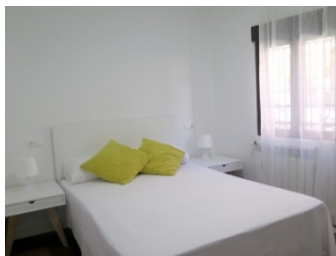
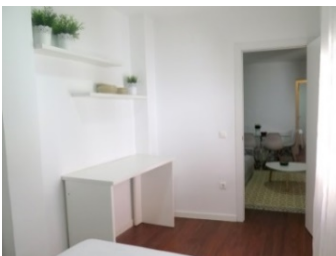
Outstanding performance through active Value Add asset management

Extraordinary performance



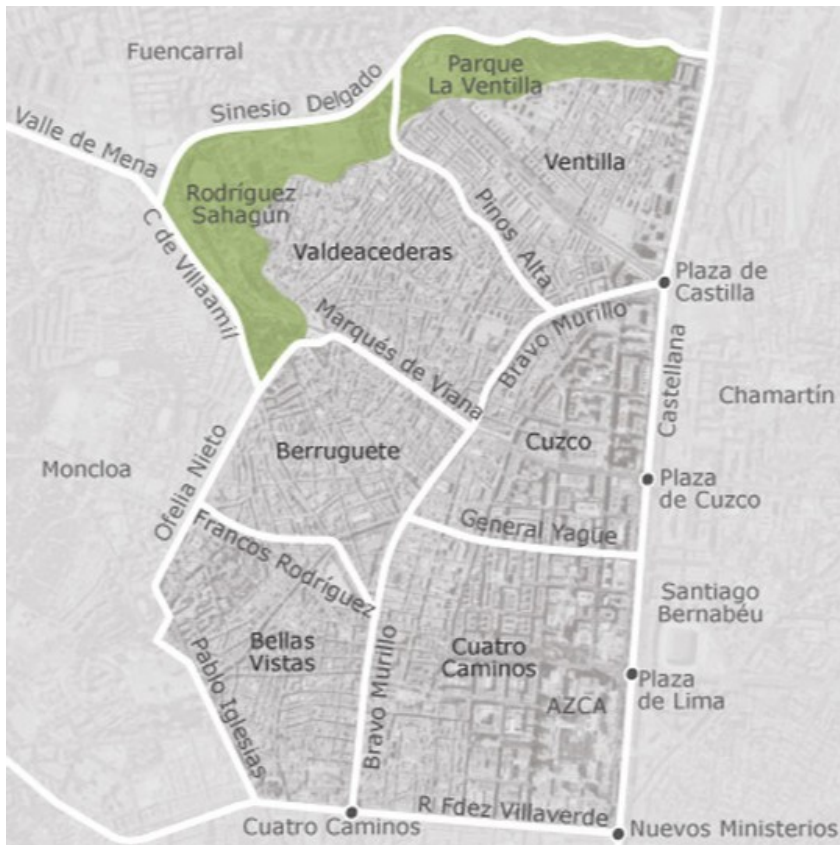
61% increase in portfolio value driven by our investment strategy and Value Add asset management capabilities

Case Study – Brihuega



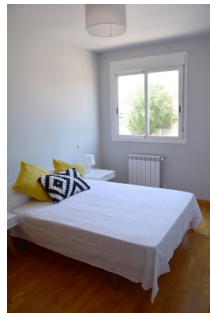
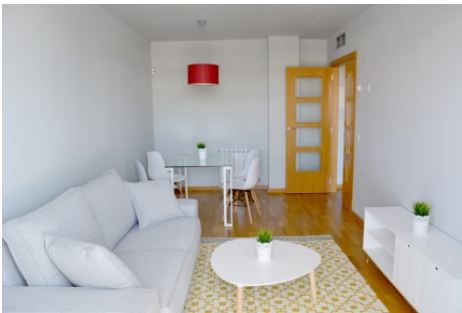
- Asset located in the south-west area of Madrid with good transportation options and nearby services
- Avg. purchase price per unit € 69.6K
- Additional CapEx invested per unit of € 3,200
- Rents increase +12,8%
- 8,85% stabilized yield on total invested capital
- +92% GAV revaluation

Case Study - Tetuán



- Tetuan is one of the most attractive and fast-growing neighborhood in Madrid
- 40% of portfolio units are located in this area
- € 7,2 mn total invested capital
- Additional CapEx invested of € 565K
- Rents increase +13,4%
- +36% GAV portfolio revaluation

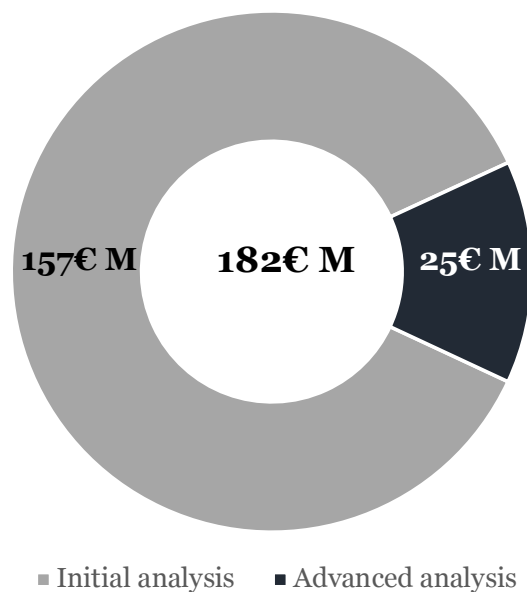
Case study – Vicente Carballal



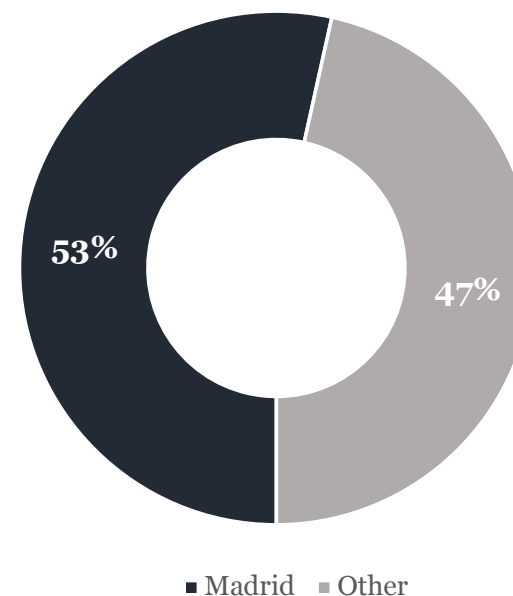
- 31 residential units located in the south east of Madrid
- Acquisition price € 2.1 mn
- Additional CapEx invested of € 100K
- Rents increase over initial underwriting +9,7%
- 9,1% stabilized yield on total invested capital
- +106% GAV revaluation

Market opportunities

Pipeline status



Pipeline by Location



- € 25 mn of investment opportunities in advanced analysis matching our investment strategy
- Increasing volume of investment opportunities outside of Madrid

Key financial figures

Main balance sheet figures

	Dec. 2017	Dec. 2016
GAV	28,542 K	23,390 K
Gross financial debt	6,323 K	4,259 K
Gross LTV	22.5%	18.2%
Weighted average cost	1.67%	1.60%
Fixed interest rate	68%	52%
Average maturity (years)	13.98	14.68
Cash	8,374 K	3,577 K

- Strong balance sheet to finance new acquisitions
- Stable and conservative profile
- High rental income growth
- Accumulated fair value gain over invested capital > € 10 mn

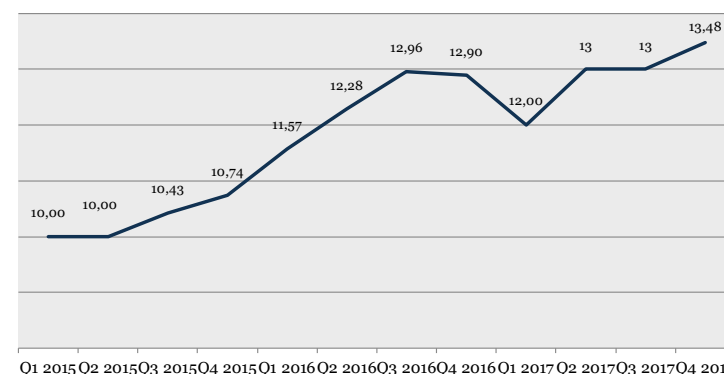
Consolidated Income Statement

	Dec. 2017	Dec. 2016
Gross Rental Income	1.076	483
Property operating expenses	(533)	(340)
Gross Profit	543	143
Gain from fair value on investment properties	3.266	5.905
Net result from real estate operations	3.809	6.048
General & Administrative expenses	(1.447)	(1.740)
Operating result	2.362	4.308
Finance result	(111)	(24)
EBT	2.251	4.284
CIT	-	-
Net profit	2.251	4.284
Basic earnings per share (Euro):	1,25	2,78

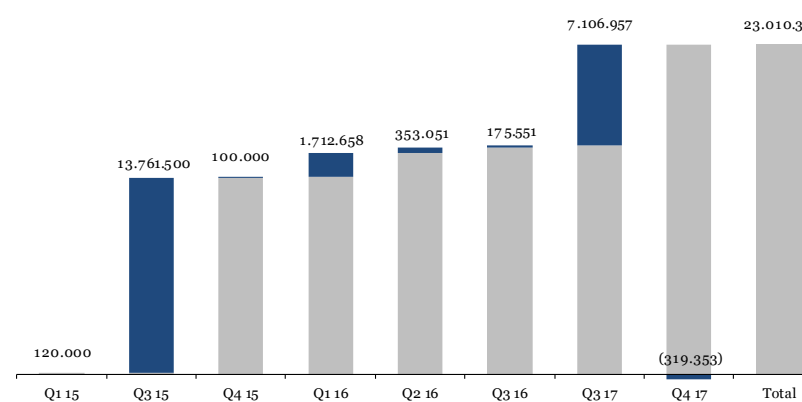
Capital structure ⁽¹⁾

- Market capitalization € 28.9 mn
- Share value € 13.98
- EPRA NAV € 29.9 mn
- EPRA NAV per share € 14.08
- Target annual dividend 3%
- Distribution of share premium per share (December 2017) € 0.15

Share Value evolution (€)



Fund raising evolution



Closing Remarks

- Excellent operating results driven by active asset management
- Outstanding portfolio revaluation of 61% over invested capital
- Solid financial position to fund future investments
- Strong investment momentum with € 25 mn of identified opportunities in advanced analysis

Annex

Annex 1 – CVs of Board and Management team (1/2)

Fernando Acuña – Board of Directors and Management team

- ✓ Founder & CEO of Aura Ree & Taurus (a Spanish real estate broker company)
- ✓ CEO of Mortgage & Consumer Finance Bank - Deutsche Bank Credit (former)
- ✓ McKinsey & Company, engagement manager, Madrid and New York (former)
- ✓ Over 10 years of experience in the Spanish real estate market
- ✓ BA, Universidad Complutense
- ✓ BA, Anglia Polytechnic University of Cambridge

Juan Manuel Soldado – Board of Directors and Management team

- ✓ CEO at Aura Asset Management
- ✓ Former CEO of Nuphar Gestión Inmobiliaria (RE developer firm)
- ✓ Former partner at Proyconsol, RE land management company
- ✓ Over 12 years of experience in the Spanish real estate market
- ✓ BA, Economic, Sciences & Marketing, CEADE

Juan José Nieto – Board of Directors (Independent)

- ✓ Independent Director
- ✓ Founder and CEO at Palmera Capital y Servicios
- ✓ Currently Director at 'La información', Norfin, Uralita, Banco Sabadell Este and Havas Media
- ✓ Worked for Goldman Sachs in London and Bankers Trust managing M&A department
- ✓ Former General Manager at Telefónica, and CEO at Antena 3, and Telefónica Media. Former Director at Onda Cero Radio, Endemol y Pearson Recoletos
- ✓ Former President of Service Point. Founder partner and CEO of Arcano, CEO at Arcano Capital
- ✓ BA, ICADE, London Business School and Stanford University

Fabrizio Agrimi – General Manager

- ✓ Former Managing Director and Partner in Altan Capital (real estate arm of the Altamar Group, leading alternative asset manager in Spain)
- ✓ Previously part of the Investment Team at Aguirre Newman (2004-2006)
- ✓ Worked in Milan and London in the law firm Vita Samory, Fabbrini e Associati (now part of Orrick) as part of the M&A, Private Equity and Financial Services team
- ✓ Wide knowledge of real estate industry and extensive experience in investment operations, mergers and acquisitions, not only in Spain but also in the United Kingdom and Italy
- ✓ MBA from ESADE Business School, Barcelona (Spain)
- ✓ Degree in Law from the University of Trento (Italy)



Annex 1 – CVs of Board and Management team (2/2)

Yair Ephrati – Board of Directors and Management team

- ✓ CEO of Value Base M&A and director in various private and public companies, with over 20 years of investment banking and corporate finance experience
- ✓ CEO of Meitav-DS Mergers & Acquisitions, a leading firm in the Israeli investment banking industry (former)
- ✓ McKinsey & Co. In London and New York leading teams advising Fortune 100 companies on new market development, acquisitions, and strategy
- ✓ MBA (High Distinction) from the University of Michigan and a BA in Economics and Business from Tel Aviv University

Ido Nouberger – Board of Directors and Management team

- ✓ CEO & Co-Founder, Value Base Ltd. With more than 20 years of experience in the financial sector.
- ✓ Prior to founding Value Base, Mr. Neuberger served as Co-CEO of Meitav-DS and oversaw the investment management activities and the operational functions of the firm
- ✓ founded Apex (which later on became Meitav-DS) in 1993, and through organic, as well as M&A activity, grew it to become the second largest investment house in Israel with more than \$40B assets under management
- ✓ M.A and a B.A. in Economics from Tel Aviv University

Yeshayahu Manne – Board of Directors (Independent)

- ✓ Independent Director
- ✓ Director of Zafiro Technologies a Spanish company focused on technologic and engineering solutions
- ✓ More than 25 years' experience in business development and strategic implementation
- ✓ Founded numerous companies in Israel, Spain, Cuba and the Dominican Republic in the fields of IT, telecommunications, energy, infrastructure and real estate
- ✓ BD in electrical engineering , Ben Gurion University

Annex 2 – SOCIMI Requirements

	Requirement
Legal form	The SOCIMI must be a Spanish stock corporation (SA – Sociedad Anónima).
Capital requirements	Nominal capital of a SOCIMI must be at least €5m. There is no maximum threshold for external debt.
Listing requirements	SOCIMIs must be listed on an organised stock market in Spain, the EU, the EEA, or in any other country with an effective tax information exchange with Spain. MAB: typically SOCIMIs are listed in MAB, a secondary Spanish regulated market with less requirements and reduced costs.
Restrictions on investors	No minimum number of investors required (subject to further requirements of regulator – min. 20 shareholders) No specific restrictions on non-resident investors.
Asset/income/activity tests	The corporate activity of the SOCIMI must be: <ul style="list-style-type: none"> • The acquisition and development of urban real estate for lease; • The holding of shares in other SOCIMIs or in foreign companies subject to a similar REIT regime with regards to the corporate activity and the dividend distribution requirements; • The holding of shares in Spanish or foreign companies with the same corporate activity, dividend distribution obligations, asset and income tests as SOCIMIs; and • The holding of units in Spanish regulated real estate collective investment institutions. At least 80% of the value of the assets must consist of qualifying real estate assets and shares. In addition, at least 80% of earnings, exclusive of capital gains, must relate to rents and dividends from qualifying shares. Qualifying assets must be held for a minimum period of 3 years.
Restrictions on foreign assets	There are no restrictions on foreign assets assuming that they are similar to Spanish qualifying assets and are located in a jurisdiction with a tax information exchange with Spain.
Distribution requirements	The SOCIMI is obliged to distribute the following amounts: <ul style="list-style-type: none"> • 100% of profits derived from dividends received from other SOCIMIs, foreign REITs, qualifying subsidiaries and collective investment institutions; • At least 50% of capital gains derived from qualifying real estate assets and shares. The remaining gain shall be reinvested within a 3 year period or fully distributed once the 3 year period has elapsed and no reinvestment has been made; and • At least 80% of profits derived from income other than dividends and capital gains, i.e. including rental income and ancillary activities. Distribution of dividends shall be agreed within the 6 month period following the end of the financial year and be paid within the month following the date of the distribution agreement.

Annex 3 – Financial Statements

Consolidated Statement of Financial Position

€ Thousand	Dec. 2016	Dec. 2017
Property plant and equipment	1	4
Investment properties	23.390	28.542
Non - Current financial assets	26	74
Non- Current Assets	23.417	28.620
Trade and other receivables	68	53
Other current financial assets	273	18
Other receivables group companies and associates	9	9
Short term accruals	31	40
Cash and cash equivalents	3.577	8.374
Current Assets	3.958	8.494
Total Assets	27.375	37.114
Non-current financial liabilities	98	127
Borrowings	4.156	6.100
Non- Current Liabilities	4.254	6.227
Current financial liabilities	270	15
Borrowings	113	223
Trade and other payables	1.847	673
Current Liabilities	2.230	911
Total Liabilities	6.484	7.138
Net Equity	20.891	29.976
KPI's		
Net Debt	(692)	2.051
Working Capital	1.728	7.583

Source: Audited Consolidated Financial Statements under IFRS - EU

Consolidated Income Statement

	Dec. 2016	Dec. 2017
Gross Rental Income	483	1.076
Property operating expenses	(340)	(533)
Gross Profit	143	543
Gain from fair value on investment properties	5.905	3.266
Net result from real estate operations	6.048	3.809
General & Administrative expenses	(1.740)	(1.447)
Operating result	4.308	2.362
Finance result	(24)	(111)
EBT	4.284	2.251
CIT	-	-
Net profit	4.284	2.251
Basic earnings per share (Euro):	2,78	1,25

Source: Audited Consolidated Financial Statements under IFRS - EU

Annex 4– Terms & Conditions

Registered Advisor	Renta 4 Corporate, S.A.		
Legal & Tax Advisor	Thomas de Carranza Abogados, S.L.; Uría Menéndez Abogados, S.L.P.		
Auditor	PricewaterhouseCoopers Auditores, S.L.		
Liquidity provider and Bank Agent	Renta 4 Sociedad de Valores, S.A.		
Valuation company (RICS) Equity valuation Financial Due Diligence	Aguirre Newman Grant Thornton BDO Advisory		
Management Company	A Spanish limited liability company owned by Aura AM S.A (50%), Value Base (37.5%) and Yair Ephrati (12.5%) and managed by Spanish residents.		
Management fees	Asset Management Fees		Success Fee
	Calculated as a percentage of assets value (degressive / cumulative)		<ul style="list-style-type: none"> 16% + VAT carried interest over 8% hurdle. Catch-up mechanism. High watermark mechanism
	(€ M)	% (+ VAT)	
	X<60	1%	
	60<X<120	0.9%	
	120<X<250	0.8%	
	250<X<500	0.7%	
	X>500	0.6%	

General Company Information & Contact

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