

Madrid, 1 August 2018

CASTELLANA PROPERTIES SOCIMI, S.A. (the “**Company**” or “**Castellana**”), in accordance with Article 17 of Regulation (EU) No. 596/2014 on market abuse, Article 228 of the consolidated text of the Spanish Securities Market Act, approved by Royal Legislative Decree 4 of 23 October 2015, and all its related provisions, and Alternative Spanish Stock Exchange (Mercado Alternativo Bursátil, “**MAB**”) Circular 6/2018, hereby gives notice the following:

### **SIGNIFICANT INFORMATION ANNOUNCEMENT**

According to the hypothetical transaction described in the section 2.6.4. of the Information Memorandum on the Listing to the MAB (DIIM), the Castellana Board of Directors has approved today to propose to the Shareholders the acquisition, through a subscribed capital raising operation by a non-monetary contribution of the participations in the share capital of the company Morzal Property Iberia S.L. (“**Morzal**”). Morzal acquired the 31 July the following four shopping centers in Spain, previously owned by Unibail-Rodamco-Westfield: Los Arcos Shopping Center in Seville; Bahía Sur Shopping Center in Cádiz; El Faro Shopping Center in Badajoz, and Vallsur Shopping Center in Valladolid. These four assets add a total gross lettable area of 121.338 square meters and were acquired by Morzal as a portfolio by a global price (including transaction costs) of 490 million of euros.

Morzal is a company in what Vukile (main Castellana shareholder) acquired recently a 51% participation.

Castellana Board Directors has approved to propose to the General Shareholders’ Meeting the capital raising by a non-monetary contribution consistent in the 100% of the participations in the Morzal share capital, and consequently its assets portfolio. After the described deal, Morzal would become in a 100% subsidiary company of Castellana.

If this deal would be approved by the General Shareholders’ Meeting, and through the mentioned shopping centers to the Castellana portfolio, it would increase the average value of the Castellana assets from 27 million to 48 million of euros, increasing the available lettable area from 197.000 square meters to 318.000 square meters.

According to the current corporate regulation, Castellana Board Directors is going to apply to Madrid Mercantile Registry for the designation of an independent expert, who will issue the required for the shares swap. Having in mind these formalities, it is expected the General Shareholders’ Meeting could be called in September or early October 2018, through the publication of the corresponding releases and the significant information announcement, for its holding in October or November of the same year.



We remain at your complete disposal for any further clarification you may require.

**Castellana Properties SOCIMI, S.A.**

Mr. Alfonso Brunet  
Chief Executive Officer