



Millenium Hotels
Real Estate

MILLENIUM HOTELS publishes results for the first half of 2019, in full compliance with forecasts.

- **Millenium closes the first half of the year with a net profit of € 416,894, exceeding the forecasts provided for the entire fiscal year 2019, due to its listing on the AIM.**
- **Millenium's assets are revalued by 5.1% for the first half of the year, and with a market capitalization of 260 million (+ € 10M). It is among the 15 largest SOCIMIS in the Spanish market**
- **The company is in an advanced process of negotiation and closing of several high quality assets with high revaluation potential, which it intends to complete in the coming months.**



Madrid, October 10, 2019.- Millenium Hotels Real Estate, a Public Limited Investment Company specializing in the luxury hotel sector, has published results for the first time since its listing on the AIM last July, obtaining a net profit of 416,894 € and an EBITDA of 1.3 million euros, taking into account that only 2 of the 5 hotels that currently comprise the Group's portfolio are in operation. These numbers confirm that Millenium is on pace to meet the results forecasts for 2019, which was provided upon its listing on the AIM.

During the first half of the year, Millenium's investment activity has continued to be very intense. Thus, the Group's portfolio has had a remarkable boost to reach a GAV value of 117.3 million euros, up from the 74.5 million with which it closed 2018. This has been possible, due to the revaluation of existing assets at the end of 2018 (*Hotel Vía Castellana, Hotel Lucentum and Plaza Magdalena*) as well as the incorporation of 4 new properties.

In the first half of the year, a building located at number 4 Gran Vía López de Haro in Bilbao, and in Sevilla, the building at Calle Rioja 26, were incorporated into the perimeter of the company, which enabled expansion from 62 to 89 rooms of the hotel Plaza Magdalena, as well as two adjoining buildings in Plaza San Francisco. All of these are quality assets located in prime areas of their respective cities, offer very attractive profitability, and are completely aligned with the Millenium strategy. In terms of

value, the increase during the first half of the year has been notable, standing at 5.1% with respect to the previous valuation of the assets made by CBRE.

Also during the first semester, and prior to its listing on the AIM, Millenium expanded its capital to € 250M. It is important to note that the amount raised is the highest obtained in similar transactions of the Spanish market in the last 2 years, which shows the attractiveness of the Group's strategy of investing in prime assets in the main Spanish tourist cities, for conversion into 4 and 5-star hotels.

The positive support of the market has meant, firstly, a significant increase in the Group's investment capacity, up to 500 million euros. Secondly, and as important, there has been a significant increase in the number of shareholders to more than 440, among which is a stable core of shareholders, which includes the management team with a firm and clear commitment to the Group's strategy in the medium-long term.

The company continues to seek out interesting investment opportunities that meet the criteria for location, quality, and profitability, and that, due to the strategy based on the conversion and repositioning of assets into 4 and 5-star hotels, will enable an increase in value of the portfolio assets, as well as those in the process of being integrated into it.

The positive evolution that tourism continues to have on the Iberian Peninsula, especially in regard to the increase in quality tourism where Spain increasingly plays a more important role, particularly in certain locations where Millenium is present or intends to be in the Next months, confirms and reinforces the company's investment strategy.

The ability to detect *off-market* assets, the possibility of conversion into first-class hotel establishments, and the excellent relations that the company maintains with the main luxury operators worldwide, are other reasons that enable Millenium to continue to grow in size and value for its shareholders.

In the words of Javier Illán President of Millenium *“We are truly satisfied with the milestones reached in the first half of the year because we have not only fulfilled our commitment when listing on the AIM for the planned period, but we have significantly reinforced the company's capital, to being among one of the 15 most capitalized SOCIMIS in the Spanish market. All this while having significantly increased the size and value of our portfolio.. I am sure that, after the planned investments are closed, Millenium will have one of the most attractive hotel portfolios in terms of quality and value potential of the Spanish market”*.

About MILLENIUM HOTELS Real Estate:

Millenium Hotels Real Estate I SOCIMI, S.A. (“Millenium”), is a fiscally efficient real estate vehicle specialized in the development and investment in hotels of differentiated quality in excellent locations, which offers the possibility of participating in the constant growth of the tourist market in Spain and Portugal, particularly in the high quality sector.

Millenium has a significant portfolio of assets in operation and in the process of repositioning, and is managed by a multidisciplinary team of professionals with recognized prestige and trajectory, with extensive experience in the different fields that affect the hotel investment industry: real estate, financial, hotel, and project development sectors.

Millenium is listed on the Alternative Investment Market (AIM) since July 4, 2019.