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AZORA, INDOSUEZ WEALTH MANAGEMENT AND BANCA MARCH CREATE A REIT TO INVEST €250M IN SENIOR LIVING

- **Azora has created a REIT with €120M of equity with funds coming from Indosuez Wealth Management Spain and Banca March's private banking clients, in addition to a direct co-investment of Azora and Banca March itself**
- **Adriano Care will focus its investment in assets linked to seniors, mainly operating senior homes**

Madrid, July 16th, 2019 – Azora will manage Adriano Care, the new REIT created to invest €250 million in real estate assets linked with Seniors. The funds come from private banking clients of Indosuez Wealth Management Spain and Banca March, who also coinvests along Azora in the venture.

The main strategy is the acquisition of senior homes, which will be operated by tier one operators under long term triple net contracts. Following Azora's DNA, Adriano Care will focus on acquiring senior homes which have potential to improve through repositioning and refurbishment, being able to offer a better product for its clients.

Up to today Azora has analysed investments worth more than €600 million and is in final negotiation and closing of transactions worth more than €100 million.

The company will operate under the SOCIMI regime (Spanish REIT) and will trade in the Spanish alternative stock exchange (Mercado Alternativo Bursátil español (MAB)).

With this project Azora continues to uncover new investment themes where to generate added value for its investors. This new strategy falls within the mega trend of the Seniors. The ageing of population as a result of a higher longevity is a reality, and in the next three decades world population of over 65 years will duplicate and world population over 80 years will triple, creating additional accommodation and specialised care needs. This tendency creates important investment opportunities, and Azora through Adriano Care, will tackle the accommodation needs created by these citizens.

Currently the senior homes sector is a very fragmented market where the 10 largest operators accumulate only 25% of the total available beds in Spain. The bed cover ratio for seniors over 80 years in Spain is 13%,



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well below the European Union average of 18%. This mismatch between the available offer and an exponentially growing demand, will generate in the next 10 years a need for 100,000 additional beds. Notwithstanding the lack of offer, there are 5,800 senior homes in Spain with 375,000 beds, which represent a wide asset base where to invest in, given the improvement needs of the majority of the operating assets.

“with this new venture we tackle a new real estate segment, honouring our DNA of investing in mega trends, and alongside tier one financial institutions” says Concha Osacar, founding partner of Azora.

“we are delighted to have agreed the management of Adriano Care Socimi with Azora in order to offer this opportunity among our client base, backed by an evident megatrend, which has successfully helped to covered all equity available in record time, and where Indosuez has provided 70% of total equity through its clients” states Antonio Losada CEO of Indosuez Wealth Management Spain.

Juan Antonio Roche, Product Director at Banca March, confirms: *“Adriano Care represents another step in our investment expertise in real economy, which we promote along our clients since 2008. Since then we have committed more than €1,4bn of capital, out of which 40% has come from the Group’s own capital, maximizing the interest alignment with our clients and the conviction of the importance of including illiquid assets within diversified portfolios”*.



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Sobre Azora

Azora Group (hereinafter "Azora") is an independent asset manager and leader in Spain, who started its business in 2003 and as of year-end 2018 had more than €5.3 Bn of AuM.

Its platform, one of the most important in Spain, has more than 200 professionals with great expertise through the whole real estate cycle, including deal sourcing, structuring and investment, new developments and repositioning, asset management and rental and sale of individual assets or portfolios.

Azora specialises in four asset classes: residential, hotels, offices and renewable energy, and is developing new investment themes in logistics, senior homes and alternative real estate debt. Azora currently manages one of the largest portfolios of residential units for rent, with more than 14,000 homes, and created the largest hotel portfolio in Spain under variable rent agreements with hotel operators with more than 13,000 keys, recently acquired by Blackstone through the take-over-bid of Hispania (July 2018).

Sobre Indosuez Wealth Management

Indosuez Wealth Management is the wealth management world brand of Credit Agricole, the 12th bank worldwide in equity volume (source: The Banker July 2019)

Shaped by 140 years of expertise advising families and businessmen all over the world, Indosuez Wealth Management offers a personalised focus which allows each client to manage, protect and transfer its wealth with its own specific needs. With a global vision, their teams provide expert advice as well as an exceptional service in a great number of activities towards the personal and professional wealth management.

Recognized by its international expertise and human dimension, Indosuez Wealth Management has 3,150 collaborators throughout 14 countries. With €122.7 bn of AuM (31/12/18) Indosuez Wealth Management is among the world leaders of wealth management.

Indosuez Wealth Management has strong local roots in Spain with over 25 years of experience through Banque Indosuez in the wealth management area in Spain.

They have offices in Madrid, Bilbao, San Sebastián, Valencia and Seville. Its team combines a local knowledge with a wide experience in the market and with the possibilities to offer a global network through Indosuez Wealth Management and Credit Agricole Group



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Sobre Banca March

Banca March is the head-co of one of the main financial groups in Spain and the only one 100% family owned. Banca March was awarded the most solvent bank in Europe in the two financial stress tests performed by the EBA in 2010 and 2011. Currently it has the lowest insolvency rate in the Spanish banking system and with one of the highest solvency levels in Europe. Banca March's strong business model has also been recognized by the rating agency Moody's, which has rated the long-term debt of the Bank up to A3, highest level in the Spanish banking segment, which currently holds a Baa2 rating. Banca March is one of the main shareholders of Corporación Financiera Alba, which holds significant shareholding in Naturgy (direct stake), Acerinox, Indra, Ebro Foods, BME, Viscofan, Euskaltel and Parques Reunidos, among other companies.

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