

## PRESS RELEASE -

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LAR ESPAÑA REAL ESTATE SOCIMI acquires two prime commercial buildings in Parque Galaria, Pamplona, for EUR 8.4 million

- With this acquisition, the SOCIMI has now invested approximately EUR 836 million.
- The properties comprise a gross lettable area (GLA) of 4,108 sqm and are 100% occupied. Overall, the project has a net initial yield of 7.9%.
- Close to one million people live less than half an hour from Parque Galaria, which benefits from excellent highway transport links with Pamplona and its metropolitan area.

Madrid, 24 July 2015 - LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, has completed the acquisition of two premier commercial buildings occupied by El Corte Inglés Oportunidades, Aldi and Feuvert.

The retail units, acquired for a total of EUR 8.4 million, are located in "Parque Galaria", considered to be the most important retail park in Navarra. Other top tier brands in the retail park include Leroy Merlin, Media Markt, Forum Sport and Kiabi, which are complemented by La Morea Shopping Centre. With this acquisition, the SOCIMI has now invested approximately EUR 836 million.

The retail warehouses comprise a gross lettable area of 4,108 sqm and are 100% occupied. The tenants in the retail warehouses are the companies Aldi (1,250 sqm), Oportunidades El Corte Inglés (1,925 sqm) and Feuvert (933 sqm).

Parque Galaria has excellent transport links to the city centre via the PA-31 highway and the AP-15 and PA-30 ring roads, which allow the inhabitants of a large metropolitan area to easily access the retail area. Parque Galaria has a very large catchment area, with more than 240,000 people living ten minutes away and almost one million people living just half an hour's drive away.

Miguel Pereda, board member of LAR ESPAÑA REAL ESTATE SOCIMI, said: *"today's announcement is one of a highly appealing acquisition, as the properties are located in one of the most prosperous cities in Spain, with circa 200,000 inhabitants, and the city also has a very low retail density, which makes Pamplona an area with great retail potential."*

With this deal, the SOCIMI, which has just announced a EUR 135 million share capital increase, has now invested approximately EUR 836 million in assets, of which EUR 572.9 million have been allocated to the acquisition of eleven retail spaces located in Guipúzcoa, Palencia, Albacete, Barcelona, Alicante, Madrid, Cantabria, Lugo, León, Vizcaya and Navarra; EUR 140.5 million to the purchase of four office buildings in Madrid and one in Barcelona; EUR 63.4 million to four logistics assets in Guadalajara and one in Valencia; and EUR 60 million to a residential property in Madrid.

#### **ABOUT LAR ESPAÑA REAL ESTATE SOCIMI S.A.**

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Lar España Real Estate SOCIMI S.A. is a Spanish company that trades on the Spanish Stock Market, incorporated as a SOCIMI *"Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliaria"* (Listed Corporation for Investment in the Real Estate Market).

The company, whose objective is to invest in the Spanish real estate sector, particularly in commercial property (offices and retail) raised €400 million in initial capital from its IPO and in January 2015 completed the first bond issue carried out by a SOCIMI in Spain for EUR 140 million.

On 4 June 2015, Lar España Real Estate SOCIMI was included on the FTSA EPRA/NAREIT Global index, a select global index designed to showcase the general trends of listed real estate companies around the world. The inclusion of Lar España on the index is a clear demonstration of the Company's current positioning, which after carrying out the first IPO of a Socimi on the Spanish Stock Exchange, has created a highly attractive real estate portfolio and continues to have an ambitious acquisitions plan.

The company is managed by a highly experienced independent Board of Directors, which combines renowned Spanish and international professionals from the real estate and finance sectors. The management of Lar España has been solely mandated to Grupo Lar based on a 5-year management contract.

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