

PRESS RELEASE -

LAR ESPAÑA REAL ESTATE SOCIMI completes its acquisition of the Megapark Barakaldo Outlet and Retail Park for EUR 170 million

- This acquisition was completed just two months after the company successfully completed its EUR 135 million share capital increase.
- This is LAR ESPAÑA REAL ESTATE's largest transaction to date.
- The complex comprises a gross lettable retail area of 64,000 sqm and benefits from top-tier brands such as El Corte Inglés, Decathlon, Conforama, Media Markt, Maison du Monde and Toys R Us.

Madrid, 19 October 2015 - LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, has completed the acquisition of the real estate complex Megapark Barakaldo (Vizcaya). In July, the SOCIMI announced the acquisition of 14 retail warehouses and a shopping centre with a gross lettable area of 64,000 sqm, for EUR 170 million. This is the SOCIMI's largest acquisition to date.

The purchase of Megapark Barakaldo was completed just two months after the company successfully completed its EUR 135 million share capital increase. José Luis del Valle, President of LAR ESPAÑA REAL ESTATE, noted "we have successfully managed to complete our target of investing all of the funds raised from the share capital increase ahead of schedule and prior to the end of the year, optimising these resources in record time".

Megapark Barakaldo, the largest retail scheme in the Basque Country and the fourth biggest in Spain, comprises an area of 128,000 sqm, of which LAR ESPAÑA has acquired 64,000 sqm. Barakaldo, with 100,000 inhabitants, is one of the largest cities in the Basque Country. It has excellent road transport links, thanks to its location next to the A-8 Bilbao-Santander motorway. Its catchment area includes one million people within 15 minutes drive and more than 3 million within 90 minutes drive.



The purchase of Megapark Barakaldo includes a retail park and an outlet. The retail park benefits from the main fashion, home and entertainment brands, among which we would note El Corte Inglés, Decathlon, Media Markt, Conforama, Maison Du Monde and Toys R Us. The outlet, the only one within a range of 400 km, features brands such as Nike, Mango, Puma, Desigual, Geox and Levi's. The retail park is 100% occupied. Other operators in the park include Ikea and Leroy Merlin, which own their own retail warehouse units.

To date, LAR ESPAÑA REAL ESTATE has acquired assets valued at more than EUR 852 million, of which EUR 588.7 million have been assigned to the purchase of twelve retail spaces located in Guipúzcoa, Palencia, Albacete, Barcelona, Alicante, Madrid, Cantabria, Lugo, León, Vizcaya, Navarra and Valencia; EUR 140.5 million to the purchase of four office properties in Madrid and one in Barcelona; EUR 63.4 million to four logistics assets in Guadalajara and one in Valencia; and 60 million for a residential asset in Madrid. The overall figure is expected to increase by EUR 39 million, which are expected to be invested in the construction and development of Cruce de Caminos, once the works have been completed in two and a half years.

ABOUT LAR ESPAÑA REAL ESTATE SOCIMI S.A.

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 EUR 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. In August 2015 it successfully completed a EUR 135 million share capital increase.

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. On 24 September 2015, the company was awarded the 'Gold Award' from the European Public Real Estate Association, EPRA) in recognition of the quality of the information provided by LAR ESPAÑA within the Index standards framework. The inclusion of LAR ESPAÑA REAL ESTATE on the index and the award received 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 forge ahead with its 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.

For more information please contact:

Victor Relano, Tel: 91 702 68 03 vrelano@eurocofin.com

Santiago de Juan, Tel: 91 702 68 08 sdejuan@eurocofin.com

Luis de Lojendio, Tel: 91 702 68 29 llojendio@eurocofin.com