



Real Estate

THIRD
QUARTER
REPORT
Q3 2015





Arturo Soria
Office Building
(Madrid)

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Txingudi
Shopping Centre
(Guipúzcoa)



1

EXECUTIVE SUMMARY

1.1. Main Events

1.2. Portfolio at 30 September 2015

1.3. Key Indicators

Economic & Financial Figures

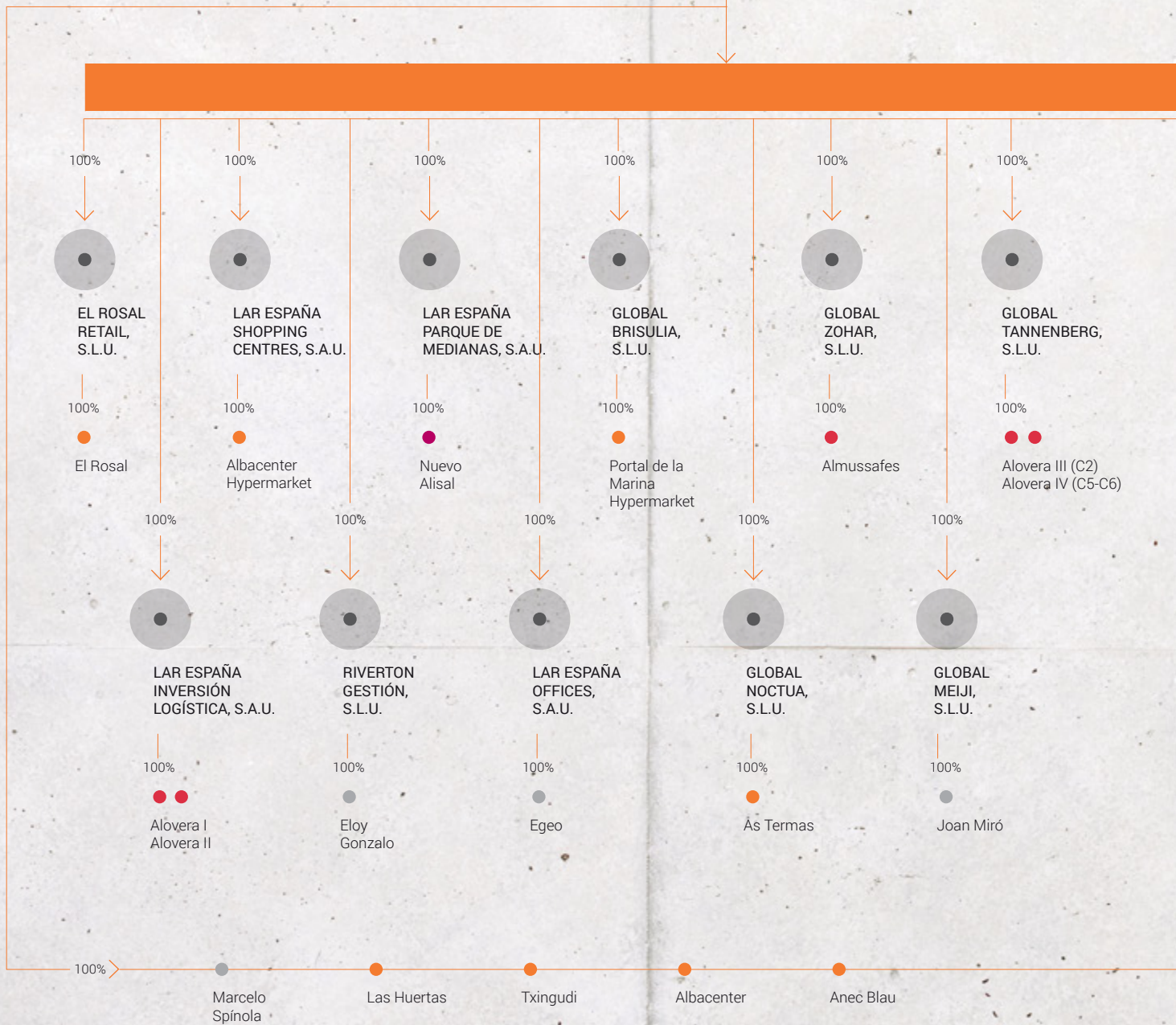
Other Financial Figures

1.4. Business Performance

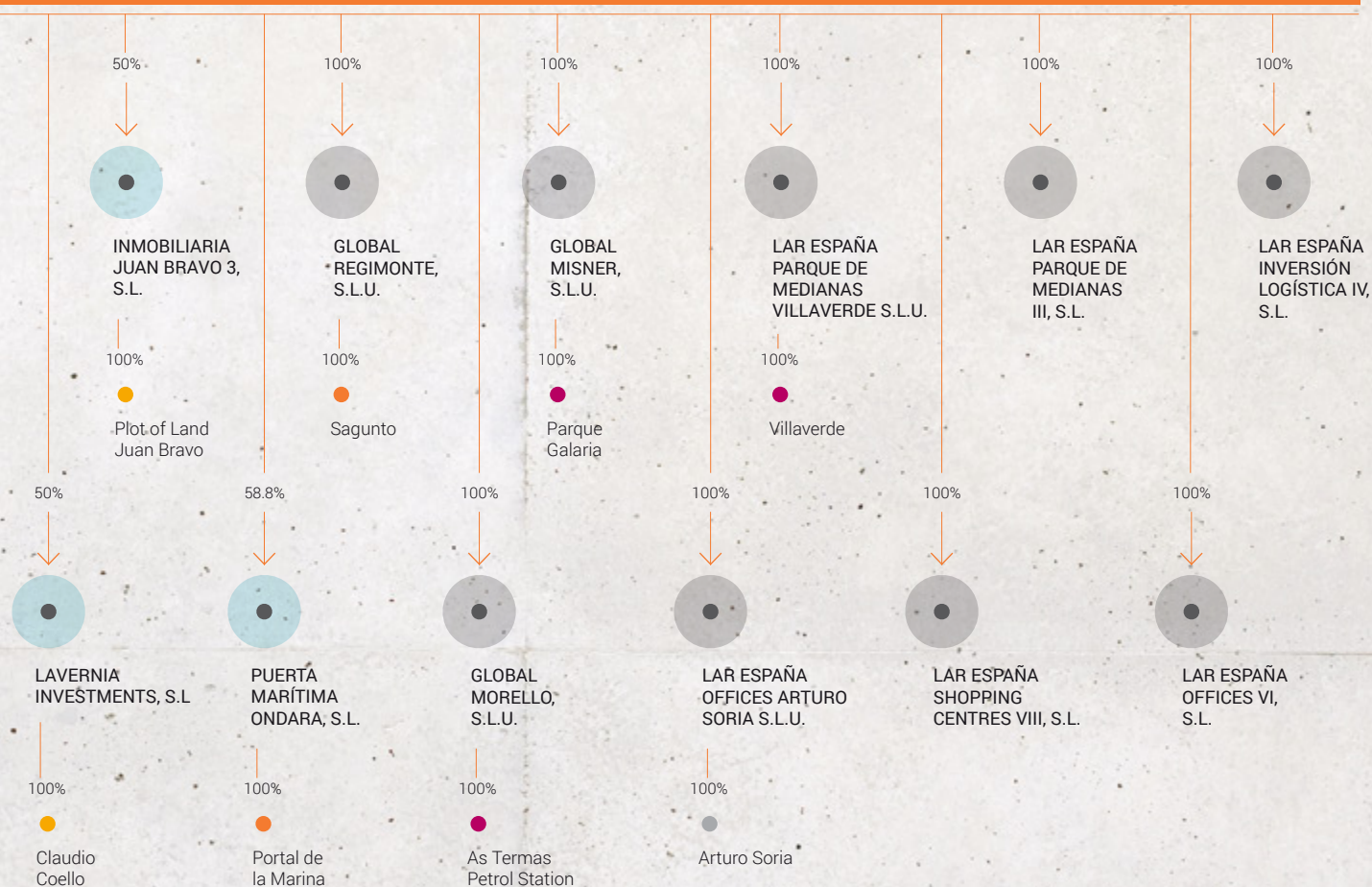
At 30 September 2015, the consolidated financial statements of the consolidated Lar España Group (hereinafter the "Group") were presented in accordance with the accounting principles established in the International Financial Reporting Standards adopted by the European Parliament (EU-IFRS) up until this date.

The **scope of the Group's consolidation** is as follows:

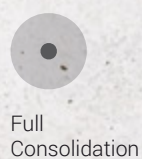
LAR ESPAÑA REAL ESTATE SOCIMI, S.A.



For comparative purposes, the balances of the Consolidated Comprehensive Income Statement are shown together with those for the same period the year before, whilst for the Consolidated Statement of Financial Position they are shown together with those corresponding to 31 December 2014.



Company



Assets

- Shopping Centres
- Retail Warehouses
- Offices
- Logistics
- Residential

1.1. Main Events

- On 30 January 2015 Lar España completed the acquisition, through two joint ventures shared 50% with the Luxembourg-based company LVS II LUX XIII S.a.r.l., whose investment adviser is Pacific Investment Management Company LLC ("PIMCO") or its subsidiaries, of the following real estate assets located in one of the prime areas of the **city of Madrid**:
 - A plot of land located at Calle **Juan Bravo, 3** which will be used for a residential development with a total area of 26,203 sqm, of which 19,453 sqm are buildable.
 - A Residential building located at Calle **Claudio Coello, 108**, with a total built area of 5,318 sqm, of which 4,479 sqm are above ground and 839 sqm are below ground, which is already occupied and rented out.
- On 12 February 2015, Lar España announced that, on this date, Morgan Stanley & Co. International plc, by virtue of the mandate granted by the Company, successfully completed a process of book building aimed exclusively at qualified investors for the **placement of ordinary (senior) guaranteed bonds** (the "Bonds") issued by the Company to investors for a total of 140,000,000 Euros, with maturity on 21 February 2022. In accordance with the bond agreement adopted by the company's board of directors, the bonds will be issued at par with a face value of 100,000 Euros and an annual coupon rate of 2.90%.
- On 15 April 2015 the Company, through its subsidiary Global Noctua, S.L.U., acquired **As Termas Shopping Centre** in **Lugo (Galicia)**, with a gross leasable area (GLA) of approximately 33,151 sqm, from Lugo Retail Gallery, S.A.

The acquisition was carried out for a maximum total amount (still pending adjustments) of 120 million Euros which have been paid up by the shareholders and the joint ventures through a combination of shareholder's equity and bank financing.

The acquisition was carried out for a total amount of 67 million Euros, fully paid up with the Company's shareholder's equity.



As Termas
Shopping Centre
(Lugo)



- The Company acquired a portfolio of **three logistics warehouses** from UBS REAL ESTATE GmbH's branch in Spain on 26 May 2015 through two 100% owned subsidiaries. Two of the warehouses are located in **Alovera (Guadalajara)** and have a total gross leasable area (GLA) of approximately 23,482 sqm. The third warehouse is located in **Almussafes (Valencia)** and has a gross leasable area (GLA) of approximately 19,211 sqm.

The acquisition was carried out for a total amount of 18.5 million Euros, fully paid up with the Company's shareholder's equity.

- On 4 June 2015, FTSE announced the results of its quarterly review of the **"FTSE EPRA/NAREIT Global Real Estate Index"** series including the shares of Lar España.
- On 9 June 2015, the Company acquired the **hypermarket** located in **Portal de la Marina Shopping-Centre** from Altadena Invest, SL. through its 100% subsidiary Global Brisulia, S.L.U. This hypermarket has a total gross leasable area (GLA) of 9,924 sqm.

The acquisition was carried out for a total amount of 7 million Euros, fully paid up with the Company's shareholder's equity.

- On 11 June 2015, the Company acquired an **office building** and a **ground floor retail unit**, located at **Joan Miró 21 in Barcelona**, with a gross leasable area (GLA) of approximately 8,610 sqm, from MUTUA PELAYO DE SEGUROS Y REASEGUROS A PRIMA FIJA through its 100% subsidiary Global Meiji, SLU.

The acquisition was carried out for a total amount of 19.7 million Euros, fully paid up with the Company's shareholder's equity.

- On 7 July 2015 the Company acquired 100% of the share capital of the company El Rosal Retail, S.L.U., owner of the **"El Rosal" Shopping Centre** in Ponferrada (León) with a gross leasable area (GLA) of approximately 51,142 sqm from DHCRE II NETHERLANDS II BV.

The acquisition was carried out for a total sum of 87.5 million Euros, subject to the subsequent adjustments that are customary with this type of operation, paid with a combination of shareholder's equity and bank financing.





Megapark
(Vizcaya)

Additionally, the Company reports the signing of **two bank loans** with **CaixaBank and ING** associated with the shopping centres **El Rosal** and **As Termas**, respectively, for a total sum of 87.34 million Euros.

- **On 16 July, the National Securities Market Commission approved the prospectus corresponding to the Capital Increase** to be carried out within the framework of the authorisation granted to the Board by the General Meeting of Shareholders of Lar España on 28 April 2015 to increase the capital by up to a maximum of 50% of its amount, with preferential subscription rights.

This prospectus, which contains the terms and conditions of the Capital Increase and the procedure established for the subscription of the New Shares, is available on Lar España's website (www.larespana.com) and will also be published on the CNMV's website (www.cnmv.es).

- On 20 July 2015 the Company reached an agreement with OCM Gaudí Master Holdco BV for the purchase of 100% of the share capital of Elisandra Spain VIII, S.L.U., the owner of a **shopping centre** that includes **14 single-tenant retail warehouses** with a gross leasable area (GLA) of 44,532 sqm and a set of single-tenant retail premises that includes **61 premises**, with a gross leasable area (GLA) of 19,395 sqm, both located within the real estate development **Megapark Barakaldo (Vizcaya)**. Overall, the Project is expected to have an initial occupancy of 92% and an initial yield on cost of 6.25%.

It is expected that this transaction, which forms part of the market opportunities that are being exclusively analysed by the company, and which are detailed in the capital increase prospectus filed by the Spanish Securities Market Commission (CNMV) on 16 July 2015 in the section "Real Estate Portfolio – Pipeline under exclusivity", will be closed in October for a total amount of approximately 170 million Euros. The 10 million Euros paid by the Company on account on 20 July as a deposit will be discounted from the aforementioned total (See point 5 Events After the Reporting Period).

- On 23 July 2015, the Parent Company, through its subsidiary company Global Misner, S.L.U. entered into an agreement with Galaria Superficie Comercial Pamplona, S.L.U. for the purchase of **two single-tenant retail premises at Parque Galaria (Pamplona)**, with a gross leasable area (GLA) of 4,108 sqm. The agreed amount of the purchase was 8.4 million euros.
- On 3 August 2015, the Company, through its wholly owned subsidiary Global Regimonte, S.L., entered into an agreement with ACTIVIDADES INTEGRADAS URBANÍSTICAS S.L. Urban Developer of the PAI for macrosector-IV and the adjoining PGOUs belonging to Sagunto for the acquisition of a **120,000 sqm plot in macrosector-IV- Sagunto (Valencian Community)**, on which the retail complex "Cruce de Caminos" is expected to be developed, with a 45,000 sqm gross leasable area (GLA). The complex will comprise a shopping centre of approximately 20,000 sqm (with a hypermarket and a retail arcade) and a retail park of 25,000 sqm with specialised "big-boxes". This project, which forms
- part of the pipeline under exclusivity referred to in the capital increase prospectus registered with the CNMV on 16 July 2015 under "Real Estate Portfolio - Pipeline under exclusivity", is expected to be completed between the end of 2016 and spring 2017, at a total cost of 53 million Euros, of which 14 million Euros relate to the purchase of the plot of land, and the remainder, to the development of the project.
- On 6 August 2015, the Company finalized its share **capital increase** for which 19,967,756 new ordinary shares were subscribed for a total issue price of Euros 2 each plus a share premium of Euros 4.76 per share, for a total issue price of Euros 6.76 per new share. As a result, **the new ordinary shares subscribed amount to gross proceeds of Euros 134,982,030.56**. The new ordinary shares were duly registered with the Commercial Registry of Madrid on 7 August 2015. The new ordinary shares started trading on the Spanish Stock Market on August 10 2015.



Parque Galaria
(Pamplona)

1.2. Portfolio at 30 September 2015



● Shopping Centres

- 1 Anec Blau (Barcelona)
- 2 Portal de la Marina (Alicante)
- 3 Albacenter (Albacete)
- 4 Hypermarket Albacenter and Retail Units (Albacete)
- 5 Txingudi (Guipúzcoa)
- 6 Las Huertas (Palencia)
- 7 Hypermarket Portal de la Marina (Alicante)
- 8 As Termas (Lugo)
- 9 El Rosal (León)
- 10 Cruce de Caminos (Valencia)

● Retail Warehouses

- 11 Nuevo Alisal (Santander)
- 12 Villaverde (Madrid)
- 13 As Termas Petrol Station (Lugo)
- 14 Parque Galaria (Pamplona)

● Offices

- 15 Egeo (Madrid)
- 16 Arturo Soria (Madrid)
- 17 Marcelo Spinola (Madrid)
- 18 Eloy Gonzalo (Madrid)
- 19 Joan Miró (Barcelona)

● Logistics

- 20 Alovera I (Guadalajara)
- 21 Alovera II (Guadalajara)
- 22 Alovera III (C2) (Guadalajara)
- 23 Alovera IV (C5-C6) (Guadalajara)
- 24 Almussafes (Valencia)

● Residential

- 25 Juan Bravo / Claudio Coello (Madrid)

1 ANEC BLAU, BARCELONA

Location	Barcelona
GLA	28,863 sqm
Purchase Date	31 July 2014
Acquisition Price	EUR 80.0 m
Market Value (30 June 2015)*	EUR 82.7 m

2 PORTAL DE LA MARINA, ALICANTE

Location	Ondara (Alicante)
GLA	17,638 ⁽¹⁾ sqm
Purchase Date	30 October 2014
Acquisition Price	EUR 47.6 m
Market Value (30 June 2015)*	EUR 48.3 m

(1) Lar España has acquired 58.78% of Puerta Marítima Ondara, S.L. Total GLA: 30,007 sqm.

3 ALBACENTER, ALBACETE

Location	Albacete
GLA	15,488 sqm
Purchase Date	30 July 2014
Acquisition Price	EUR 28.4 m
Market Value (30 June 2015)*	EUR 31.0 m

4 HYPERMARKET ALBACENTER, ALBACETE

Location	Albacete
GLA	12,486 sqm
Purchase Date	19 December 2014
Acquisition Price	EUR 11.5 m
Market Value (30 June 2015)*	EUR 12.2 m

5 TXINGUDI, GUIPÚZCOA

Location	Irún (Guipúzcoa)
GLA	9,920 sqm
Purchase Date	24 March 2014
Acquisition Price	EUR 27.7 m
Market Value (30 June 2015)*	EUR 28.8 m

* The valuations have been made at 30 June 2015 by external independent valuers: JLL or C&W

6 LAS HUERTAS, PALENCIA

Location	Palencia
GLA	6,108 sqm
Purchase Date	24 March 2014
Acquisition Price	EUR 11.7 m
Market Value (30 June 2015)*	EUR 12.3 m

7 HYPERMARKET PORTAL DE LA MARINA, ALICANTE

Location	Ondara (Alicante)
GLA	9,924 sqm
Purchase Date	9 June 2015
Acquisition Price	EUR 7.0 m
Market Value (30 June 2015)*	EUR 7.5 m

8 AS TERMAS, LUGO

Location	Lugo
GLA	33,151 sqm
Purchase Date	15 April 2015
Acquisition Price	EUR 67.0 m
Market Value (30 June 2015)*	EUR 68.5 m

9 EL ROSAL, LEÓN

Location	Ponferrada (León)
GLA	51,142 sqm
Purchase Date	7 July 2015
Acquisition Price	EUR 87.5 m
Market Value (30 June 2015)*	---

10 CRUCE DE CAMINOS, VALENCIA

Location	Sagunto (Valencia)
GLA	43,091 sqm
Purchase Date	3 August 2015
Acquisition Price	EUR 14 m
Market Value (30 June 2015)*	---

* The valuations have been made at 30 June 2015 by external independent valuers: JLL or C&W

11 NUEVO ALISAL, SANTANDER

Location	Santander
GLA	7,648 sqm
Purchase Date	17 December 2014
Acquisition Price	EUR 17.0 m
Market Value (30 June 2015)*	EUR 17.1 m

12 VILLAVERDE, MADRID

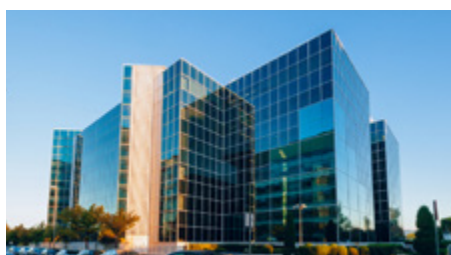
Location	Madrid
GLA	4,391 sqm
Purchase Date	29 July 2014
Acquisition Price	EUR 9.1 m
Market Value (30 June 2015)*	EUR 9.7 m

13 AS TERMAS PETROL STATION, LUGO

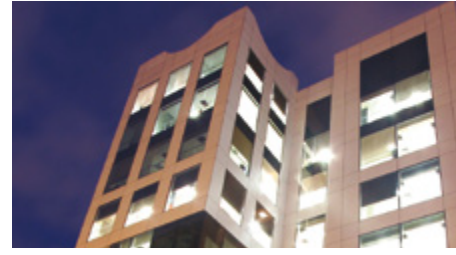
Location	Lugo
GLA	2,000 sqm
Purchase Date	28 July 2015
Acquisition Price	EUR 1.8 m
Market Value (30 June 2015)*	---

14 PARQUE GALARIA, PAMPLONA

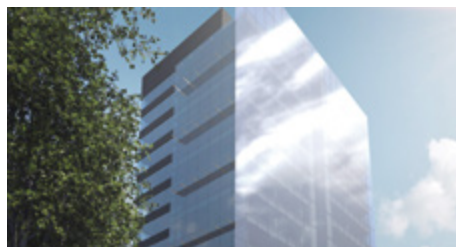
Location	Pamplona
GLA	4,108 sqm
Purchase Date	23 July 2015
Acquisition Price	EUR 8.4 m
Market Value (30 June 2015)*	---

15 EGEO, MADRID

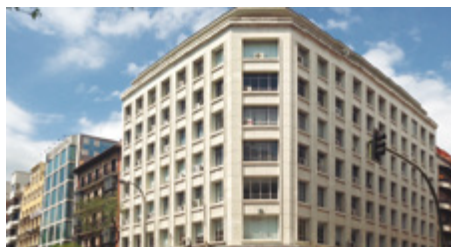
Location	Madrid
GLA	18,254 sqm
Purchase Date	16 December 2014
Acquisition Price	EUR 64.9 m
Market Value (30 June 2015)*	EUR 69.2 m

16 ARTURO SORIA, MADRID

Location	Madrid
GLA	8,663 sqm
Purchase Date	29 July 2014
Acquisition Price	EUR 24.2 m
Market Value (30 June 2015)*	EUR 25.3 m

17 MARCELO SPINOLA, MADRID

Location	Madrid
GLA	8,584 sqm
Purchase Date	31 July 2014
Acquisition Price	EUR 19.0 m
Market Value (30 June 2015)*	EUR 20.0 m

18 ELOY GONZALO, MADRID

Location	Madrid
GLA	6,231 sqm
Purchase Date	23 December 2014
Acquisition Price	EUR 12.7 m
Market Value (30 June 2015)*	EUR 13.0 m

19 JOAN MIRÓ, BARCELONA

Location	Barcelona
GLA	8,610 sqm
Purchase Date	11 June 2015
Acquisition Price	EUR 19.7 m
Market Value (30 June 2015)*	EUR 20.1 m

* The valuations have been made at 30 June 2015 by external independent valuers: JLL or C&W

Translation of information originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version shall prevail.

20 ALOVERA I, GUADALAJARA

Location	Guadalajara
GLA	35,196 sqm
Purchase Date	7 August 2014
Acquisition Price	EUR 12.7 m
Market Value (30 June 2015)*	EUR 14.0 m

21 ALOVERA II, GUADALAJARA

Location	Guadalajara
GLA	83,951 sqm
Purchase Date	13 October 2014
Acquisition Price	EUR 32.1 m
Market Value (30 June 2015)*	EUR 35.3 m

22 ALOVERA III (C2), GUADALAJARA

Location	Guadalajara
GLA	8,591 sqm
Purchase Date	26 May 2015
Acquisition Price	EUR 3 m
Market Value (30 June 2015)*	EUR 3.3 m

23 ALOVERA IV (C5-C6), GUADALAJARA

Location	Guadalajara
GLA	14,891 sqm
Purchase Date	26 May 2015
Acquisition Price	EUR 7.2 m
Market Value (30 June 2015)*	EUR 7.5 m

24 ALMUSSAFES, VALENCIA

Location	Valencia
GLA	19,211 sqm
Purchase Date	26 May 2015
Acquisition Price	EUR 8.4 m
Market Value (30 June 2015)*	EUR 8.5 m

25 JUAN BRAVO Y CLAUDIO COELLO, MADRID

Location	Madrid
GLA	31,521 ⁽¹⁾ sqm
Purchase Date	30 January 2015
Acquisition Price	EUR 60 ⁽¹⁾ m
Market Value (30 June 2015)*	EUR 61.3 m

(1) 26,203 sqm for development in Juan Bravo 3 and 5,318 sqm corresponds to the Claudio Coello building.

(2) Corresponds to the 50% of the JV with PIMCO.

* The valuations have been made at 30 June 2015 by external independent valuers: JLL or C&W

Translation of information originally prepared in Spanish. In the event of a discrepancy, the Spanish-language version shall prevail.

1.3. Key Indicators

Economic & Financial Figures

During the first nine months of 2015, the Group generated an **EBITDA of 17,152 thousand Euros** and a **net profit for the business year of 26,336 thousand Euros**.

(Thousands of Euros)	Q3 2015	Q3 2014
Revenues	23,507	3,822
EBITDA	17,152	(482)
EBIT	29,095	(524)
PBT	26,336	1,474
Net profit	26,336	1,474

The Group is immersed in the analysis and evaluation of investment opportunities in line with its policies (see point 5 - Events after the reporting period).

Other Financial Indicators

The Group presents the following financial indicators:

	30/09/2015	31/12/2014
Working capital (Thousands of Euros)	181,776	52,380
Liquidity ratio	10.1	11.8
Solvency ratio	1.3	1.1
Return on Equity (ROE)	7.35% ⁽¹⁾	0.89%
Return on Assets (ROA)	4.68% ⁽¹⁾	0.79%

(1) Estimation calculated by annualising net profit at 30 September 2015

At 30 September 2015, the Group presented ratios related to liquidity (working capital and liquidity ratio) with very high values, showing that the Group has sufficient liquidity and a high safety margin to meet its payments.

At 30 September 2015, the **ROE ("Return on Equity")**, which measures the Group's profitability as a percentage of its shareholders equity, amounted to 7.35% (0.89% at 31 December 2014) whilst the **ROA ("Return on Assets")**, which measures the efficiency of the Group's total assets regardless of the sources of financing used, i.e. the ability of a company's assets to generate income, was 4.68% (as opposed to 0.79% at 31 December 2014).



Portal de la Marina
Shopping Centre
(Alicante)



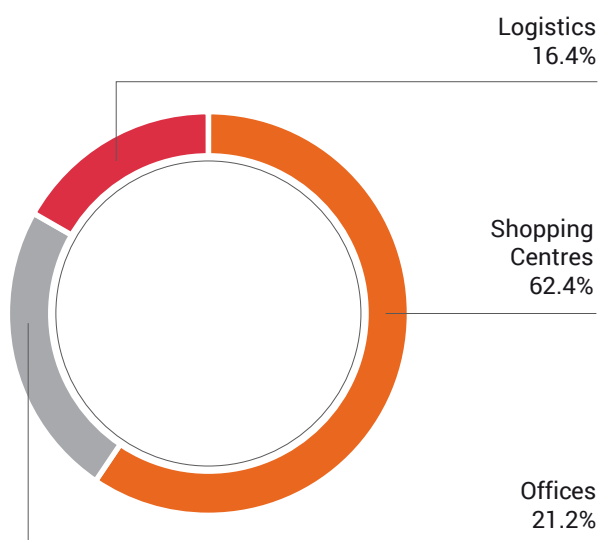
1.4. Business Performance

Income Distribution

Rental income reached **23,507 thousand Euros** during the first nine months of 2015 (versus 3,822 thousand Euros in the same period of the year before). The relative weight of rental income by line of business at 30 September 2015 is as follows:

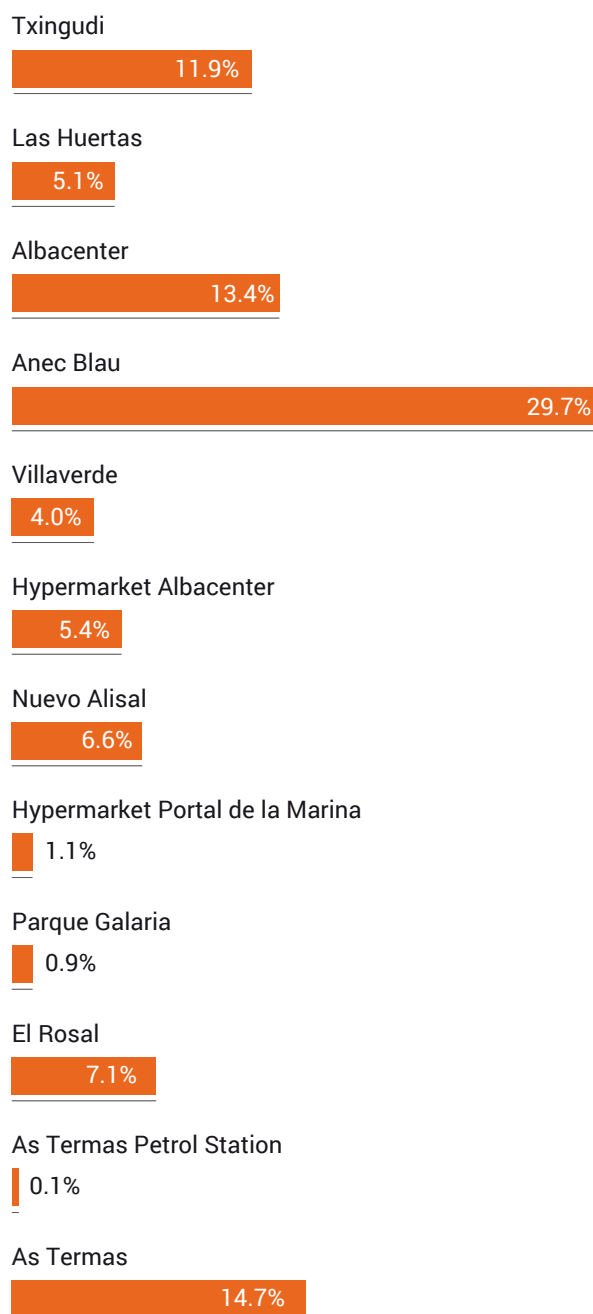
Q3 2015

% RENTAL INCOME BY BUSINESS UNIT



The breakdown of the **income per asset** for these three lines of business during the first nine months of 2015 is as follows:

PERCENTAGE INCOME BY SHOPPING CENTRE



PERCENTAGE INCOME BY OFFICE BUILDING

Arturo Soria

20.9%

Marcelo Spinola

3.0%

Egeo

55.2%

Eloy Gonzalo

13.6%

Joan Miró

7.3%

PERCENTAGE INCOME BY LOGISTICS WAREHOUSE

Alovera I

17.9%

Alovera II

66.1%

Alovera III (C2)

2.4%

Alovera IV (C5-C6)

6.8%

Almussafes

6.8%

Below are the ten **tenants that have generated the most revenue** during the first nine months of 2015 and their main characteristics:

Ranking	Trade name	Project	% of total rental income	% Accumulated	Expiry date	Sector
1	Centros Comerciales Carrefour, S.A.	Alovera II/El Rosal	12.09%	12.09%	2017 - 2028	Distribution
2	Ingeniería y Economía del Transporte, S.A.	Egeo	8.44%	20.53%	2021	Transport
3	Media Markt	Villaverde/As Termas/ Nuevo Alisal	5.03%	25.56%	2022 - 2036	Technology
4	Tech Data	Alovera I	2.83%	28.39%	2019	Technology
5	Cecosa Hipermercados, S.L.	Hyper Albacenter/Hyper Portal de la Marina/As Termas	2.15%	30.55%	2024 - 2031	Distribution
6	C&A Modas, S.L.	Txingudi/El Rosal/Anec Blau	1.93%	32.47%	2015 - 2025	Retail fashion
7	Zara España, S.A.	Anec Blau/El Rosal/As Termas	1.68%	34.15%	2025 - 2035	Retail fashion
8	Toys r us Iberia, SA	Nuevo Alisal	1.67%	35.82%	2036	Distribution
9	Segurcaixa Adeslas, S.A.	Arturo Soria	1.56%	37.38%	2020	Insurance
10	Cortefiel, S.A.	El Rosal/As Termas/ Albacenter/Txingudi/Las Huertas/ Anec Blau	1.46%	38.84%	2015 - 2025	Retail fashion



Anec Blau
Shopping Centre
(Barcelona)

2

CONSOLIDATED FINANCIAL STATEMENTS

- 2.1. Consolidated Statement of Comprehensive Income
- 2.2. Consolidated Statement of Financial Position
- 2.3. Consolidated Statement of Cash Flows

2.1. Consolidated Statement of Comprehensive Income

(Thousands of Euros)	Q3 2015	Q3 2014
Revenues	23,507	3,822
Other income	3,131	355
Personnel expenses	(243)	(36)
Other expenses	(9,243)	(4,623)
Changes in the fair value of investment properties	11,943	(42)
RESULTS FROM OPERATIONS	29,095	(524)
Financial income	1,701	1,998
Financial expenses	(4,391)	-
Impairment and results of disposals of financial instruments	(250)	-
Share in profit for the period of equity-accounted companies	181	-
PROFIT BEFORE TAX FROM CONTINUING OPERATIONS	26,336	1,474
Income tax	-	-
PROFIT FOR THE PERIOD	26,336	1,474

Non audited data at 30 September of 2015.

Results from operating activities

At 30 September 2015, the Group presented a **positive result for its operations** amounting to **29,095 thousand Euros** (versus losses of 524 thousand Euros at 30 September 2014).

Revenues

Revenue for the first nine months of 2015 amounted to **23,507 thousand Euros**, 83.6% of which was rent income from shopping centres and offices.

Other income

At 30 September 2015, **other income** is mainly made up of the difference between the cost of the business combination and the value of the identifiable assets acquired and the liabilities taken on corresponding to the acquisition of the company El Rosal Retail, S.L.U.

The calculations made related to the business combination are provisional and are subject to adjustment up to one year after the date of the acquisition.

Other expenses

At 30 September 2015, the Group incurred **other expenses** amounting to **9,243 thousand Euros**, mainly related to:

- Management fees for management services provided to the Company by Grupo Lar Inversiones Inmobiliarias ("Grupo Lar") (2,907 thousand Euros).
- Professional services (accounting and legal advisory services, audit and property valuations) amounting to 2,564 thousand Euros.

Changes in the fair value of investment properties

The amount in this entry is made up of the difference between the fair value of investment properties after last valuations made by external independent valuers (CW and JLL) at 30 June 2015.

Net financial result

The financial result was a negative balance of 2,690 thousand Euros at 30 September 2015 (versus a positive result of 1,998 thousand Euros at 30 September 2014).

The **financial income** amounting to **1,701 thousand Euros** in the first nine months of 2015 corresponds to the interest accrued on the current accounts and deposits held by the Group at financial institutions, whilst the **financial expenses** of **4,391 thousand Euros** correspond, on the one hand, to interest accrued on loans taken out by the Group with financial institutions, as well as the interest accrued on the bonds issued by the Group in February 2015 (see point 1.1. Main Events).

Consolidated Statement of Comprehensive Income by business unit

The income and expenses recorded by the Group at 30 September 2015 broken down by business unit are as follows:

(Thousands of Euros)	Shopping Centres	Offices	Logistics	Residential	LRE*	Total
Revenues	14,667	4,985	3,855	-	-	23,507
Other income	2,911	197	23	-	-	3,131
Personnel expenses	-	-	-	-	(243)	(243)
Other expenses	(2,515)	(950)	(412)	(11)	(5,355)	(9,243)
Changes in the fair value of investment properties	4,328	4,055	3,560	-	-	11,943
RESULTS FROM OPERATIONS	19,391	8,287	7,026	(11)	(5,598)	29,095
Net finance income/cost	(706)	(457)	-	712	(2,239)	(2,690)
Impairment and results of disposals of financial instruments	-	-	-	(250)	-	(250)
Share in profit for the period of equity-accounted companies	2,280	-	-	(2,099)	-	181
PROFIT FOR THE PERIOD	20,965	7,830	7,026	(1,648)	(7,837)	26,336

(*) The amounts included in LRE column are corporate expenses.

Non audited data at 30 September of 2015.

At 30 September 2015, shopping centres presented an operating profit of 19,391 thousand Euros; offices an operating profit of 8,287 thousand Euros; and the logistics warehouses an operating profit of 7,026 thousand Euros. The "LRE" column includes management fees amounting to 2,907 thousands Euros.

2.2. Consolidated Statement of Financial Position

(Thousands of Euros)	30/09/2015	31/12/2014
Intangible assets	1	-
Investment properties	594,937	357,994
Financial assets with associates	25,761	-
Equity-accounted investees	30,278	18,087
Non-current financial assets	6,745	3,841
NON-CURRENT ASSETS	657,722	379,922
Inventories	-	2,843
Trade and other receivables	3,659	1,970
Financial assets with associates	25,209	-
Other current financial assets	25,065	32,032
Other current assets	726	136
Cash and cash equivalents	146,987	20,252
CURRENT ASSETS	201,646	57,233
TOTAL ASSETS	859,368	437,155

(Thousands of Euros)	30/09/2015	31/12/2014
Share capital	119,996	80,060
Share premium	415,047	320,000
Other reserves	(11,056)	(9,185)
Treasury shares	(1,368)	(4,838)
Retained earnings	26,336	3,456
Valuation adjustments	(1,232)	-
EQUITY	547,723	389,493
Financial liabilities from issue of bonds and other marketable securities	138,166	-
Loans and borrowings	143,429	37,666
Other non-current liabilities	10,180	5,143
NON-CURRENT LIABILITIES	291,775	42,809
Financial liabilities from issue of bonds and other marketable securities	2,480	-
Loans and borrowings	5,517	156
Trade and other payables	10,958	4,679
Other financial liabilities	915	18
CURRENT LIABILITIES	19,870	4,853
TOTAL EQUITY AND LIABILITIES	859,368	437,155

Non audited data at 30 September of 2015.

Non-current assets

Investment properties

At 30 September 2015, **investment properties** are classified under non-current assets at a fair value of **594,937 thousand Euros** (357,994 thousand Euros at 31 December 2014). The Group's investment properties consist of eight shopping centres, four retail warehouses, five office buildings and five logistics warehouses. Of particular significance is the investment in shopping centres and offices amounting to 515,407 thousand Euros (311,923 thousand Euros at 31 December 2014), the rental income from which accounted for 83.6% of the Group's total revenues in the first nine months of 2015 (86% of the Group's revenues at 31 December 2014).

NET INVESTMENT

(Thousands of Euros)	30/09/2015	31/12/2014
Shopping Centres	367,787	189,053
Offices	147,620	122,870
Logistics	68,530	46,071
Others (*)	11,000	-
Investment properties	594,937	357,994

* The amount detailed in the item "Others", relates to the down payment for the purchase of the Megapark retail complex in Vizcaya (10,000 thousand Euros) and a 1,000 thousand Euros partial down payment for the plots of land in Sagunto (Valencia). See points 1.1 Main Events and 5 Events after the Reporting Period.

Non audited data at 30 September of 2015.

The **GLA**, the **fair value** and the **initial yield** per asset is as follows:

SHOPPING CENTRES

	Txingudi	Las Huertas	Albacenter	Anec Blau	Villaverde	Hypermarket Albacenter	Nuevo Alisal
Total gross leasable area (GLA) (sqm)	9,920	6,108	15,488	28,863	4,391	12,486	7,648
Fair value (Thousands of Euros)	28,750	12,300	31,046	82,720	9,717	12,165	17,069
Net initial yield	5.95% - 7.47%						

	Hypermarket Portal de la Marina	As Termas	As Termas Petrol Station	Parque Galaria	El Rosal	Total Shopping Centres
Total gross leasable area (GLA) (sqm)	9,924	33,151	2,000	4,108	51,142	185,229
Fair value (Thousands of Euros)	7,500	68,499	1,836	8,485	87,700	367,787
Net initial yield	5.95% - 7.47%					

OFFICES

	Arturo Soria	Marcelo Spínola	Egeo	Eloy Gonzalo	Joan Miró	Total Offices
Total gross leasable area (GLA) (sqm)	8,663	8,584	18,254	6,231	8,610	50,342
Fair value (Thousands of Euros)	25,320	20,000	69,180	13,000	20,120	147,620
Net initial yield	⁽¹⁾ 4.7% - 6.0%					

(1) Net Initial Yield does not take into account Marcelo Spinola due to it currently being under refurbishment.

LOGISTICS

	Alovera I	Alovera II	Alovera III (C2)	Alovera IV (C5-C6)	Almussafes	Total Logistics
Total gross leasable area (GLA) (sqm)	35,196	83,951	8,591	14,891	19,211	161,840
Fair value (Thousands of Euros)	14,000	35,280	3,250	7,500	8,500	68,530
Net initial yield	7.85% - 9.62%					

	Total Others	Total Group
Total gross leasable area (GLA) (sqm)	-	397,411
Fair value (Thousands of Euros)	11,000	594,937

Financial assets with associates

The amount recognised under this item at 30 September 2015 reflects loans extended to associates Lavernia Investments, S.L. and Inmobiliaria Juan Bravo 3, S.L. of 9,750 thousand Euros and 16,011 thousand Euros, respectively.

Equity-accounted investees

At 30 September 2015, the amount reflects investments held by the Group that are accounted for using the equity method: Puerta Marítima Ondara, S.L., Lavernia Investments, S.L. and Inmobiliaria Juan Bravo 3, S.L. (Puerta Marítima Ondara, S.L., and Lavernia Investments, S.L. at 31 December 2014).

The increase in this section during Q3 2015 is primarily due to the capitalization of part of the credits granted to Inmobiliaria Juan Bravo 3, S.L. and Lavernia Investments, S.L.

Non-current financial assets

At 30 September 2015 the Group has recognised as non-current financial assets mainly security deposits received from tenants, which the Group has deposited with the corresponding public bodies.

Current assets**Inventories**

At 30 September, the balance of inventories amounted to 2,843 thousand Euros and corresponded to the parking spaces purchased by the Group with the sole purpose of selling them. In July 2015, all of the parking spaces were sold without producing any profit for the Group.

Financial assets with associates

At 30 September 2015 the amount of this item mainly reflects the loan and current accounts with the associate Inmobiliaria Juan Bravo 3, S.L.

Other current financial assets

Other current financial assets primarily comprise current deposits in financial institutions.

Financial liabilities**Loans & Borrowings**

The characteristics of the Loans & Borrowings are as follows:

Type	Project	Entity	Interest rate	Maturity date	Nominal amount (Thousands of Euros)	Current (Thousands of Euros)	Non-current (Thousands of Euros)
Mortgage loan	Egeo	WestImmo	Eur 3M + 2%	15/12/2019	30,000	-	30,000
Mortgage loan	Nuevo Alisal	Bankinter	Eur 3M + 2.90%	16/06/2025	7,822	166	7,548
Mortgage loan	Juan Bravo	Banco Santander	Eur 3M + 2.83%	30/01/2018	25,000	5,090	19,848
Mortgage loan	As Termas	ING BANK N.V.	Eur 3M + 1.80%	25/06/2020	37,345	-	36,401
Mortgage loan	El Rosal	Caixabank	Eur 3M + 1.75%	07/07/2030	50,000	261 ⁽¹⁾	49,632

(1) Of the 261 thousand Euros, 207 thousand Euros relate to uncollected accrued interest for the loan with Caixabank and 54 thousand Euros relates to the uncollected accrued interest associated with this loan.

Financial liabilities from the issue of bonds and other securities

Corresponds to the bonds issued by the Group amounting to 140,000 thousand Euros (see point 1.1. of Main Events).

Other non-current liabilities

These correspond to the deposits received as guarantees from the tenants of shopping centres, offices and logistics warehouses.

Equity

At 30 September 2015, the Company's **share capital** consisted of **59,997,756** registered shares represented by book entries with a **par value of 2 Euros** each, fully subscribed and paid up, giving their holders equal rights.

- The Company was incorporated with a capital of 60 thousand Euros, which corresponded to 30,000 shares with a par value of 2 Euros.
- On 5 February 2014, it was decided to increase the share capital by 80 million Euros by issuing and putting into circulation 40 million common shares in the Company with a par value of 2 Euros each and an issue premium of 8 Euros each, to be subscribed and paid up in cash and to be offered in a subscription offer.
- In order to make the value of the subscribed shares equal to 10 Euros, the shareholders made a contribution of 240 thousand Euros, corresponding to 30,000 shares at a price of 8 Euros.
- On 6 August, the process of increasing Lar España's capital by 39,935,512 Euros was completed through the issuance and distribution of 19,967,756 new shares with a subscription price of 6.76 Euros each (with a nominal value of 2 Euros plus an issue premium of 4.76 Euros per share).

The Company has recognised **share issue costs** of **14,172 thousand Euros** as a reduction in reserves under equity.

During the first nine months of 2015, the Company has carried out its own share sale and purchase transactions, as described below:

	Number of shares	Thousands of Euros
31 December 2014	531,367	4,838
Additions	539,520	5,182
Disposals	(922,340)	(8,652)
30 September 2015	148,547	1,368

The 751 thousand Euros gain made from the sale of treasury shares during the first nine months of 2015 has been recognised under "Other reserves".

2.3. Consolidated Statement of Cash Flows

	30/09/2015	30/09/2014
A) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	20,859	2,978
1. Profit/(loss) for the period before tax	26,336	(1,474)
2. Adjustments for:	(11,494)	(2,095)
Impairment (+/-)	275	90
Finance income (-)	(1,701)	(1,998)
Finance cost (+)	4,391	-
Share in profit for the year of equity-accounted companies	(181)	-
Changes in Fair value of financial instruments (+/-)	(11,943)	(187)
Adjustments to the consideration provided against income for the business combination	(2,335)	-
3. Changes in operating assets and liabilities	6,835	2,029
Inventories (+/-)	2,843	(2,639)
Trade and other receivables (+/-)	(1,714)	(1,421)
Other current assets (+/-)	(590)	(333)
Trade and other payables (+/-)	6,296	2,726
Other current liabilities (+/-)	-	3,696
4. Other cash flows used in operating activities	(818)	1,570
Interest paid (-)	(1,262)	-
Interest received (+)	444	1,570
B) CASH FLOWS USED IN INVESTING ACTIVITIES	(231,479)	(353,534)
1. Payments for investments (-)	(238,446)	(353,534)
Acquisition of entities	(98,041)	-
Intangible assets	(1)	-
Investment property	(137,500)	(216,115)
Other financial assets	(2,904)	(137,419)
2. Proceeds from divestments (+)	6,967	-
Other financial assets	6,967	-
C) CASH FLOWS FROM FINANCING ACTIVITIES	337,355	388,942
1. Proceeds from and payments for equity instruments	138,368	388,942
Proceeds from issue of share capital (+)	39,936	-
Issue of equity instruments (+)	94,211	388,942
Acquisition/disposal of equity instruments (- /+)	4,221	-
2. Proceeds from and payments for financial liability instruments	200,318	-
a) Issue of:	200,318	-
Bonds and other marketable securities (+)	137,911	-
Loans and borrowings (+)	56,473	-
Other financial liabilities (+)	5,934	-
3. Payments for dividends and remuneration on other equity instruments	(1,331)	-
Dividends (-)	(1,331)	-
D) EFFECT OF EXCHANGE RATE FLUCTUATIONS	-	-
E) NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)	126,735	38,386
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	20,252	-
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD (E+F)	146,987	36,386

Non audited data at 30 September of 2015.



Egeo
Office Building
(Madrid)

3

EPRA INFORMATION



- **In December 2014**, the Reporting & Accounting Committee of EPRA (European Public Real Estate Association⁽¹⁾) updated a Best Practices Recommendations⁽²⁾ document in order to improve the presentation, transparency, comparability and relevance of the published results of listed real estate companies in Europe.
- **On September 24, 2015**, Lar España, the listed real estate investment company, received 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.

Lar España fully supports and endorses the principle of standardising the reporting of performance indicators from the perspective of comparability and improving the quality of information provided to investors and other users of the annual report.

For this purpose, Key EPRA performance indicators are reported in a separate chapter at the end of our financial reporting.

Lar España has therefore become the first and only Spanish SOCIMI to receive this award, the most prestigious in the real estate sector. The companies awarded were selected from among 106 real estate companies (92 of which are European listed companies on the FTSE EPRA/Nareit index).



- (1) Not-for-profit association founded in 1999 registered in Belgium which aims to make the financial statements of public real estate companies clearer, more transparent and comparable across Europe.
- (2) "Best Practices Recommendations – BPR" available at www.epra.com

Key performance indicators described in the Best Practices Recommendations developed by EPRA are shown as follows:

EPRA Indicator	30/09/2015 (Thousands of Euros) / %	30/09/2015 (Euro per share)
EPRA Earnings	12,062	0.20
EPRA NAV	549,313	9.18
EPRA NNNAV	547,722	9.15
EPRA Net Initial Yield (NIY)	6.3%	-
EPRA "topped-up" NIY	6.6%	-
EPRA Vacancy Rate	7.2%	-
EPRA Cost Ratio	41.3%	-
EPRA Cost Ratio (excluding costs of direct vacancy)	37.7%	-

EPRA EARNINGS

(Thousands of Euros)

30/09/2015 31/12/2014

Earnings per IFRS income statement	26,336	3,456
Change in value of investment properties	(11,943)	(442)
Negative goodwill	(2,336)	(87)
Change in value of investment properties in associates	5	(353)
Change in fair value of financial instruments in associates	-	(58)
EPRA Earnings	12,062	2,516
Weighted average number of shares (excluding treasury shares)	59,709,230	38,276,618
EPRA EARNINGS PER SHARE (EUROS)	0.20	0.07

EPRA NAV

(Thousands of Euros)

30/09/2015

31/12/2014

Net Asset Value per the Financial Statements	547,722	389,493
Fair value of financial instruments	1,232	-
Deferred tax	-	-
Fair value of financial instruments in associates	359	527
Deferred tax in associates	-	(158)
EPRA NAV	549,313	389,862
Number of Shares (excluding treasury shares)	59,849,209	39,498,633
EPRA NAV PER SHARE (EUROS)	9.18*	9.87

* When analyzing this measure it is important to take into account the capital increase completed by Lar España on August 2015 (€135M with a subscription price of 6.76 Euros each).

EPRA NNNAV

(Thousands of Euros)

30/09/2015

31/12/2014

EPRA NAV	549,313	389,862
Fair value of financial instruments	(1,232)	-
Deferred tax	-	-
Fair value of financial instruments in associates	(359)	(527)
Deferred tax in associates	-	158
EPRA NNNAV	547,722	389,493
Number of Shares (excluding treasury shares)	59,849,209	39,498,633
EPRA NNNAV PER SHARE (EUROS)	9.15	9.86

EPRA NIY and “Topped up”

RETAIL														
Shopping Centres										Retail Warehouses				TOTAL RETAIL
Albacenter	Hypermarket Albacenter	Anec Blau	Las Huertas	Txingudi	As Termas	El Rosal	Hypermarket Portal de la Marina	Portal de la Marina (1)		Villaverde	As Termas Petrol Station	Parque Galaria	Nuevo Alisal	
Completed property portfolio	31,046	12,165	82,720	12,300	28,750	68,500	87,700	7,500	48,288	9,717	1,836	8,485	17,069	416,076
Allowance for estimated purchasers' costs	776	304	2,070	308	719	1,713	3,702	188	1,207	243	46	250	427	11,953
Gross up completed property portfolio valuation (A)	31,822	12,469	84,790	12,608	29,469	70,213	91,402	7,688	49,495	9,960	1,882	8,735	17,496	428,029
Annualised cash passing rental income	2,779	918	6,188	1,092	2,107	4,909	6,433	528	3,994	775	112	680	1,234	31,749
Property outgoings	(435)	-	(624)	(255)	(218)	(549)	(1,035)	(16)	(350)	(65)	-	(2)	(76)	(3,624)
Annualised net rents (B)	2,343	918	5,564	837	1,889	4,360	5,398	512	3,645	710	112	678	1,157	28,125
Notional rent expiration of rent free periods or other lease incentives	30	60	70	44	91	206	907	0	108	0	0	0	50	1,567
Topped-up net annualised rent (C)	2,374	978	5,634	882	1,980	4,566	6,305	512	3,753	710	112	678	1,207	29,692
EPRA NET INITIAL YIELD (B/A)	7.4%	7.4%	6.6%	6.6%	6.4%	6.2%	5.9%	6.7%	7.4%	7.1%	6.0%	7.8%	6.6%	6.6%
EPRA TOPPED-UP NET INITIAL YIELD (C/A)	7.5%	7.8%	6.6%	7.0%	6.7%	6.5%	6.9%	6.7%	7.6%	7.1%	6.0%	7.8%	6.9%	6.9%

(1) The share in PMO through LRE reaches 58,78%.

OFFICES						LOGISTICS						TOTAL
					TOTAL OFFICES						TOTAL LOGISTICS	
Arturo Soria	Egeo	Eloy Gonzalo	Joan Miró	Marcelo Spínola (2)		Alovera I	Alovera II	Alovera III (C2)	Alovera IV (C5-C6)	Almussafes		
25,320	69,180	13,000	20,120	20,000	147,620	14,000	35,280	3,250	7,500	8,500	68,530	632,226
801	2,006	325	624	580	4,336	280	1,125	65	150	170	1,790	18,079
26,121	71,186	13,325	20,744	20,580	151,956	14,280	36,405	3,315	7,650	8,670	70,320	650,305
1,382	3,492	1,001	1,161	(2)	7,036	989	2,890	218	746	749	5,592	44,377
(157)	(69)	(280)	(36)	(2)	(542)	(50)	(148)	(15)	(40)	(43)	(296)	(4,462)
1,226	3,423	721	1,124	(2)	6,494	939	2,742	203	706	706	5,297	39,915
0	0	0	0	(2)	0	333	0	0	0	0	333	1,900
1,226	3,423	721	1,124	(2)	6,494	1,272	2,742	203	706	706	5,629	41,815
4.7%	4.8%	5.4%	5.4%	(2)	4.9%	6.6%	7.5%	6.1%	9.2%	8.1%	7.5%	6.3% (2)
4.7%	4.8%	5.4%	5.4%	(2)	4.9%	8.9%	7.5%	6.1%	9.2%	8.1%	8.0%	6.6% (2)

(2) Data related to Marcelo Spínola Investment asset has not been included in both Total Portfolio and Office EPRA Vacancy ratio due to its lack of representativeness. During the fourth quarter of 2014, the asset had been preparing and evicting for a refurbishment that has begun during the second quarter of 2015 and is expected to finish during the second quarter of 2016. This fact explains the % EPRA Vacancy obtained for Marcelo Spínola.

EPRA VACANCY RATE

Asset Class	ERV Vacancy (Thousands of Euros)	ERV (Thousands of Euros)	EPRA VACANCY RATE %
Retail	2,836	33,220	8.54%
Shopping Centres	2,836	30,470	9.31%
Albacenter	398	2,771	14.36%
Hypermarket Albacenter	0	865	0.00%
As Termas	544	5,368	10.13%
Anec Blau	201	5,807	3.46%
Las Huertas	297	1,301	22.83%
El Rosal	731	7,340	9.96%
Portal de la Marina	326	3,965	8.22%
Txingudi	339	2,517	13.47%
Hypermarket Portal de la Marina	0	536	0.00%
Retail Warehouses	0	2,750	0.00%
Villaverde	0	738	0.00%
Parque Galaria	0	641	0.00%
As Termas Petrol Station	0	112	0.00%
Nuevo Alisal	0	1,259	0.00%
Offices	481	7,034	6.84% ⁽¹⁾
Arturo Soria	278	1,299	21.40%
Egeo	141	3,395	4.15%
Eloy Gonzalo	50	1,152	4.34%
Joan Miró	12	1,188	1.01%
Marcelo Spínola	1,776	1,928	92.12% ⁽¹⁾
Logistics	0	5,710	0.00%
Alovera I	0	1,267	0.00%
Alovera II	0	2,770	0.00%
Alovera III (C2)	0	283	0.00%
Alovera IV (C5-C6)	0	583	0.00%
Almussafes	0	807	0.00%
TOTAL ERV	3,317	45,964	7.22% ⁽¹⁾

- (1) Data related to Marcelo Spínola Investment asset has not been included in both Total Portfolio and Office EPRA Vacancy ratio due to its lack of representativeness. During the fourth quarter of 2014, the asset had been preparing and evicting for a refurbishment that has begun during the second quarter of 2015 and is expected to finish during the second quarter of 2016. This fact explains the % EPRA Vacancy obtained for Marcelo Spínola.

EPRA COST RATIOS

(Thousands of Euros)

30/09/2015

31/12/2014

Administrative expenses	(243)	(108)
Operating expenses (including net service charges)	(9,243)	(7,231)
Administrative/operating expenses in associates	(1,307)	(875)
EPRA Cost (including direct vacancy costs) (A)	(10,793)	(8,214)
Direct vacancy costs	(929)	(474)
EPRA Cost (excluding direct vacancy costs) (B)	(9,864)	(7,740)
Gross Rental Income less ground rent costs – per IFRS	23,507	8,606
Gross Rental Income less ground rent costs in associates	2,628	393
Gross Rental Income (C)	26,135	8,999

EPRA COST RATIO (including direct vacancy costs) A/C

41.3%

91.3%

EPRA COST RATIO (excluding direct vacancy costs) B/C

37.7%

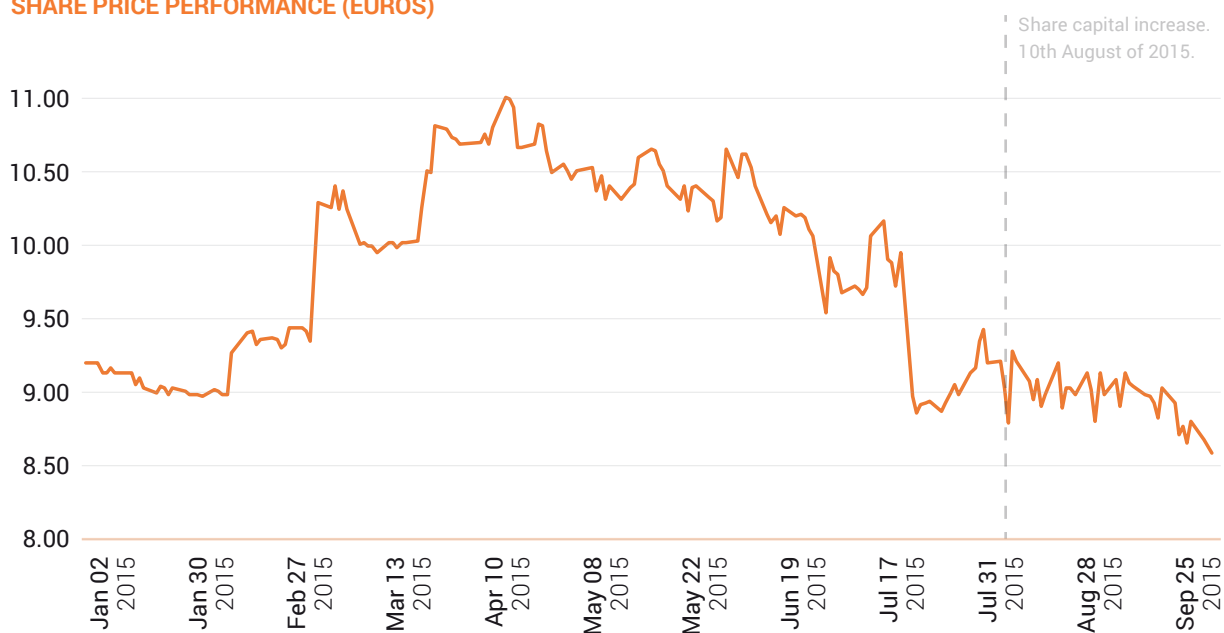
86.0%

4. SHARE PRICE PERFORMANCE

Details of shares (Eur)	Jan-Sep 2015
Price at the beginning of the period	9.18
Price at the end of the period	8.55
Performance during the period	-6.86%
Maximum price for the period	11.01
Minimum for the period	8.55
Average price for the period	9.69

The share **price performance** during the first nine months of 2015 can be seen in the following graph:

SHARE PRICE PERFORMANCE (EUROS)



* The process of increasing Lar España's capital on August 2015 was completed through the issuance and distribution of new shares with a subscription price of 6.76 Euros each.

* The weighted share price after the capital increase amounted to 8.92 Euros per share.

Broker	Recommendation	Analysis Date	Target Price (Euros)*
Santander	Buy	29/09/2015	11.00
Kempen & Co	Buy	22/09/2015	9.50
JP Morgan	Buy	15/09/2015	11.00
Banco Sabadell	Buy	13/08/2015	10.69
Ahorro Corporación	Buy	22/07/2015	10.37
Fidentiis Equities	Buy	20/07/2014	10.94

(*) The target market price of the shares after the share capital increase is as proposed by the above-mentioned institutions.

5. EVENTS AFTER THE REPORTING PERIOD

On 19 October 2015 and in conjunction with the regulatory news published on 20 July 2015, the Company notified that it had reached an agreement with OCM Gaudí Master Holdco BV (company controlled by Oak-tree Capital Management) to acquire 100% of the share capital of Elisandra Spain VIII, S.L.U., which owned (i) a **retail park**, which includes **14 retail warehouses** with a gross lettable area (GLA) of 44,532 sqm and (ii) an Outlet shopping centre, with **61 retail units** and GLA of 19,395 sqm, both of which are located in the **real estate complex Megapark Barakaldo (Vizcaya)**; this acquisition has now been completed.

As previously mentioned, the acquisition was carried out for a total amount of approximately **170 million Euros**, which have been fully paid up with Company equity.

This is the largest transaction that Lar España has carried out to date.

The complex comprises a leasable **retail area of 64,000 sqm** and features top-tier brands such as El Corte Inglés, Decathlon, Conforama, Media Markt, Maison du Monde and Toys R Us.



Megapark
(Vizcaya)

6. GLOSSARY

Concept	Description
PBT/(LBT)	Profit/(Loss) Before Tax.
EBIT	Earnings Before Interest and Tax.
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation.
Net profit/(loss)	Profit/(Loss) for the period after tax.
ROE	Return on equity, calculated by dividing profit for the year by average equity.
ROA	Return on assets, calculated by dividing profit for the year by average Company assets.
Liquidity ratio	The Company's capacity to meet its obligations with liquid assets, calculated as the ratio between the Company's current assets and current liabilities.
Solvency ratio	The Company's financial capacity to meet its payments obligations with all the assets and resources available. It is calculated by dividing equity plus non-current liabilities by non-current assets.
EPRA Earnings	Earnings from operational activities.
EPRA NAV	Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.
EPRA NNNAV	EPRA NAV adjusted to include the fair values of (i) financial instruments, (ii) debt and (iii) deferred taxes.
EPRA Net Initial Yield (NIY)	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.
EPRA "topped-up" NIY	This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and stepped rents).
EPRA Vacancy Rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.
EPRA Cost Ratio	Administrative & operating costs (including direct vacancy costs) divided by gross rental income.
EPRA Cost Ratio (excluding direct vacancy costs)	Administrative & operating costs (including & excluding direct vacancy costs) divided by gross rental income.



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