

## PRESS RELEASE -

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### LAR ESPAÑA REAL ESTATE SOCIMI achieves a profit of EUR 26 million to September

- The net initial yield over the first nine months of the year reached 6.3%
- The SOCIMI's revenues accounted for EUR 23.5 million between January and September 2015
- It is estimated that the EUR 852 million that have currently been invested in property, will exceed EUR 1 billion before the end of the year

**Madrid, 13 November 2015** - LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, registered a profit of EUR 26.3 million in the first nine months of 2015. Hence, the SOCIMI's accounts are gradually improving, having registered a profit of EUR 19.3 million in the first six months of the year.

LAR ESPAÑA's revenues stood at EUR 23.5 million between January and September, well above the EUR 14.1 million achieved between January and June. The EPRA net initial yield reached 6.3% to September, as detailed in the SOCIMI's accounts, which were published today.

José Luis del Valle, chairman of LAR ESPAÑA REAL ESTATE, highlighted the "extremely favourable profit performance of the company thanks to the continued incorporation of assets and improved management". Del Valle also noted "the significant financial strength of the SOCIMI" and outlined that "we expect to exceed EUR 1 billion of investment before the end of the year, as notified after the last share capital increase."

To date LAR ESPAÑA has invested a total of EUR 852.6 million over 23 assets that occupy a total area of slightly more than 556,000 sqm. A large part of the investment growth has been made over recent months thanks to the share capital increase carried out; more specifically, the SOCIMI has acquired assets worth EUR 282 million since the end of June 2015.

During the January-September period LAR ESPAÑA's shopping centres have had a very good performance, thanks to their improved management. This, among other factors, has meant that sales in the retail properties owned by the SOCIMI have increased by 7% between January and September, which is higher than the 4% average increase in retail sales in Spain. A total of 28.2 million people visited LAR ESPAÑA's twelve shopping centres up to September this year.

Of the EUR 852 million that LAR ESPAÑA has invested to date, EUR 588.7 million have been assigned to the purchase of twelve retail schemes located in Guipúzcoa, Palencia, Albacete, Barcelona, Alicante, Madrid, Cantabria, Lugo, León, Vizcaya, Navarra and Valencia; EUR 140.5 million on the purchase of four office buildings in Madrid and one in Barcelona; EUR 63.4 million on four logistics properties in Guadalajara and one in Valencia; and EUR 60 million and one residential asset in Madrid. The overall figure is expected to increase by EUR 39 million, which is 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.**

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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 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.

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