

PRESS RELEASE -

LAR ESPAÑA's assets reach a 5.4% market value increase

- The gross asset value of all assets acquired by LAR ESPAÑA since its IPO and up to last December 31 reached EUR 898.9 million, an Increase of EUR 46.2 million compared to the acquisition price
- Real estate market recovery and the improvement measures introduced in the asset management have been key for the revaluation

Madrid, 21 January 2016.- LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, announced today that its gross asset value reached EUR 898.7 million as of December 31 2015, a 5.4% increase from the total acquisition price of EUR 852.7 million. This means that the assets acquired by LAR ESPAÑA since its IPO in March 2014 reached a revaluation of EUR 46.2 million.

The revaluation of the retail assets acquired by LAR ESPAÑA in this period was 4.4%, office properties' value increased by 6.6%, logistic assets revaluation reached 11.1% and the residential asset the REIT has in Madrid, a 7.1%. The appraisal of LAR ESPAÑA's assets has been made by Cushman & Wakefield and Jones Lang Lasalle.

LAR ESPAÑA has acquired 12 retail assets located in Guipúzcoa, Palencia, Albacete, Barcelona, Alicante, Madrid, Cantabria, Lugo, León, Vizcaya, Navarra and Valencia; four office properties in Madrid y one in Barcelona; four logistic assets in Guadalajara and one in Valencia, and one residential asset in Madrid.

LAR ESPAÑA's chairman José Luis del Valle said: "*the positive performance of the REIT's assets reflects the real estate market recovery in Spain and it is a consequence of the ongoing improvement of the asset management.*"

Del Valle outlined that "*the assets' revaluation is even more significant when considering that a third of the total investment - EUR 282 million - was made in the second half of 2015, so with not much time to introduce the necessary changes in the assets to add value. We are convinced that the revaluation of our assets will keep on improving, strengthening LAR ESPAÑA investment interest.*"



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 further information please contact:

Victor Relaño, 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