

PRESS RELEASE -

LAR ESPAÑA achieves a profit of EUR 43.6 million in 2015 and distributes EUR 12 million in dividends, six times higher than in 2014

- The SOCIMI's net profit is up thirteen times on the EUR 3.5 million achieved in 2014, its first year of operations
- In 2015 property rental income amounted to EUR37.3 million, triple that of 2014
- LAR ESPAÑA's portfolio is now twice the size it was in 2014, up to EUR 852.6 million
- The active management of the assets has led to an occupancy of 93% and to a shopping centres sales increase of 7.5%, higher than Spain's average of 4.1%

Madrid, 29 February 2016. LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, has registered a profit of EUR 43.6 million in 2015, almost thirteen times more than the EUR 3.5 million recorded in the previous year.

The profit for 2015 was in large part due to the strong rental income from the assets, a consequence of active management. Rental income reached EUR 35.7 million in 2015, more than four times that of 2014.

2015 was an extremely busy year of property acquisitions. LAR ESPAÑA's portfolio is now twice the size it was in 2014. In 2015 the SOCIMI acquired properties valued at EUR 454 million, which puts the value of the company's portfolio at year-end at EUR 852.6 million. The assets have increased in value by 5.4%.

José Luis del Valle, chairman of LAR ESPAÑA REAL ESTATE, pointed out that "we have obtained very solid results, thanks to the active management of our investments and the positive contribution of new acquisitions." "We have fulfilled the commitments with our shareholders: in 2014 LAR ESPAÑA was one of the few companies in our sector to distribute dividends, with only nine months since our launch, and now we are going to distribute more than a quarter of our profit in 2015. This confirms LAR ESPAÑA's competitive dividend policy."



El Rosal shopping centre, in Ponferrada, acquired by LAR ESPAÑA in 2015

At the close of 2015 LAR ESPAÑA's properties comprised a total area of more than 556,000 sqm and occupancy stood at 93%. Of this total area, 58% corresponds to shopping centres, 29% are logistics assets, 9% corresponds to offices and the remaining 4% to residential.

Of particular note was shopping centre management, which increased sales by 7.5% - higher than Spain's average of 4.1% -, a 9% increase in gross lettable area - with 103 new retail units after the acquisition of the centres - and more than 38 million visits.

At the company's General Shareholders' Meeting LAR ESPAÑA will propose the distribution of a dividend equal to EUR 12 million, out of the EUR 43.6 million In profits. This translates into a EUR 0.201 per share, six times that of 2014 - EUR 0.033 per share -.

Among the main transactions in 2015, we would note the EUR 135 million share capital increase, a EUR 140 million bond issue and EUR 240 million of bank financing. 80% of its debt is hedged against interest rate risk.

To-date, LAR ESPAÑA REAL ESTATE has acquired assets valued at more than EUR 842.6 million, of which EUR 588.7 million have been assigned to the acquisition of twelve retail schemes 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 buildings in Madrid and one in Barcelona; EUR 63.4 million to four logistics warehouses in Guadalajara and one in Valencia; and EUR 50 million for a residential asset in Madrid.

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, who's 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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