

PRESS RELEASE

Lar España to invest EUR 145 million on developing a retail and leisure complex in Seville

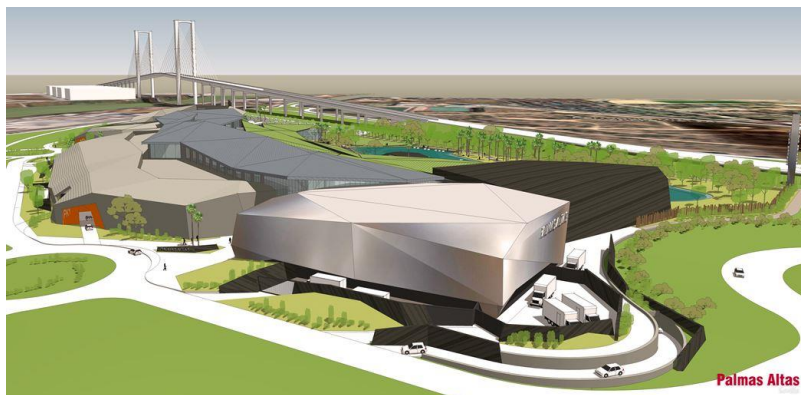
- Palmas Altas, which will complete towards the end of 2018, will occupy a total area of 123,000 sqm and will comprise a hypermarket, shopping arcade and leisure area.
- It benefits from a wide catchment area, with 450,000 people living within a ten minute drive and a further one million more just a half hour drive from the complex

Madrid, 2 March 2016 – LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), a listed real estate investment company, announced today that it has reached an agreement to acquire a 123,000 sqm plot of land in Seville, on which it will construct and develop a retail and leisure complex. The total investment (purchase of land and construction) stands at EUR 145 million, of which EUR 36 million relates to the purchase of the plot of land. Construction works are scheduled to complete by the end of 2018.

It will be located to the south of the city, between the Port of Seville and the Río Guadaira canal, with direct access via city roads and good visibility given that it fronts on to the SE30 ring-road. The shopping centre will have an expansive catchment area: 450,000 people reside a ten minute drive from the site, with a further one million just half an hour away.

Although Seville is a city with extensive retail activity, it does not have a dominant shopping centre. As the city's largest shopping centre, Palmas Altas will take on this role.

Miguel Pereda, Board Member of LAR ESPAÑA REAL ESTATE, highlighted, "a large number of retailers have shown an interest in forming part of the project," and added: "We are confident that in just a few years, Palmas Altas will become a landmark retail property, not just in Seville, but throughout Andalusia."



Concept Design

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 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 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, 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 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