

## PRESS RELEASE

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# LAR ESPAÑA books 9.3% value uplift in its assets

- The value of the assets acquired by the SOCIMI from its IPO up until 30 June 2016 has now reached EUR 1,050 million, EUR 89 million more than their initial acquisition price
- The value uplift achieved is significantly greater than the 5.4% attained at the end of last year, demonstrating its highly efficient property management strategy

**Madrid, 8 July 2016.** LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, announced today that as at 30 June 2016 the value of its assets exceeded EUR 1,000 million.

The exact value of the assets is EUR 1,049.5 million, an increase of 9.3% compared to the acquisition price - EUR 960.3 million. This means that the assets acquired by the SOCIMI since its IPO in March 2014 up until the end of June 2016 have increased in value by EUR 89.2 million; of this amount, almost half - EUR 41.6 million - solely relates to H1 2016.

The value uplift achieved up until 30 June is particularly noteworthy if it is compared to the same figure at the end of last year, which stood at 5.4%, meaning that in just six months the value uplift of the properties has almost doubled.

For José Luis del Valle, Chairman of LAR ESPAÑA, "the upsurge in the value of the assets over the past six months is particularly noteworthy when the instability and uncertainty in the Spanish market during this period is taken into consideration". "It is also a clear indication of the efficiency of the measures implemented to improve the assets". Some of these measures include layout adjustments, increasing occupancy rates, refurbishment works and rent renegotiations.

Del Valle pointed out that "we are making steady progress and moving in the right direction to successfully meet our objectives, with the aim of offering our shareholders a strong return on the assets that the SOCIMI acquires".



By asset class, shopping centres achieved a value uplift of 7.5%, compared to 4.4% at the end of 2015; office values increased by 13.7% - 6.6% in December 2015 and the value of the logistics complexes increased by 14.1% - 11.1% in the previous calculation – and finally, the SOCIMI's residential asset increased in value by 7.3%, in line with the percentage achieved at the end of 2015, which stood at 7.1%. The property valuation was carried out by Cushman & Wakefield and Jones Lang Lasalle.



Portal La Marina Shopping Centre

LAR ESPAÑA has thirteen retail assets located in Madrid, Valencia, Seville, Alicante, Cantabria, Lugo, León, Vizcaya, Navarre, Guipúzcoa, Palencia, Albacete and Barcelona; four office buildings in Madrid and one in Barcelona; four logistics assets in Guadalajara and one in Valencia; and one 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 the retail and offices sectors, 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.

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. The inclusion of Lar España on the index is a clear indication 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, featuring 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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