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NATIONAL SECURITIES MARKET COMMISSION

In compliance with the reporting requirements under article 228 of the consolidated text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, Lar España Real Estate SOCIMI, S.A. (hereinafter, "Lar España" or the "Company") hereby informs the National Securities Market Commission of the following

MATERIAL FACT

Further to the Material Fact published on 29 July 2016, with register number 241626, the Company hereby informs that the share capital increase notarial deed has been filed with the Commercial Registry of Madrid today and is expected to be registered tomorrow 3 August 2016. Its registration will be communicated through the relevant Material Fact.

Once the share capital increase notarial deed has been registered, Lar España will request admission to listing of the New Ordinary Shares in the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, which is expected to be obtained on 4 August 2016, with trading of the New Ordinary Shares on the Automated Quotation System (*Sistema de Interconexión Bursátil, SIBE*) expected to commence on 5 August 2016.

Admission to listing and commencement of trading of the New Ordinary Shares will be communicated through a Material Fact.

Madrid, 2 August 2016.

Lar España Real Estate SOCIMI, S.A.
Mr. José Luis del Valle Doblado,
Chairman of the Board of Directors



IMPORTANT INFORMATION

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The issue, exercise (in the case of preferential subscription rights) or sale of securities in the offering are subject to specific legal or regulatory restrictions in certain jurisdictions. Lar España assumes no responsibility in the event there is a violation by any person of such restrictions.

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investor as defined in Article 2(1)(e) of the Prospectus Directive; or (b) in any other circumstances which do not require the publication by Lar España of a prospectus pursuant to Article 3 of the Prospectus Directive. For the purposes of this paragraph, the expression an “offer of securities to the public” means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to exercise, purchase or subscribe for the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010/73/EU Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

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