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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 2 August 2016, with register number 241777, it is hereby announced that the public deed relating to the share capital increase of Lar España for a nominal amount of EUR 59,826,958 through the issuance and placing of 29,913,479 New Ordinary Shares of Lar España of two euros nominal value each and a share premium of EUR 2.92 each, which are of the same class and series as the existing shares currently in circulation, has been duly registered with the Commercial Registry of Madrid. Therefore, the total amount of the Share Capital Increase amounts to EUR 147,174,316.68.

Consequently, the share capital of Lar España has been set at EUR 181,081,124, divided into 90,540,562 shares, with a nominal value of two euros each, all of which belong to the same class and series.

Likewise, the Company hereby informs that today has requested admission to listing of the New Ordinary Shares in the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, which is expected to be verified by the National Securities Market Commission on 4 August 2016. Admission to listing of the New Ordinary Shares will be communicated through the relevant Material Fact. Consequently, it is expected that on 5 August 2016 trading of the New Ordinary Shares will begin in the referred Spanish Stock Exchanges.

Madrid, 3 August 2016.

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



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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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