H1 2016 Results

Lar España Real Estate SOCIMI, S.A. (LRE)

Sep 2016

12th September, 2016

Anec Blau Shopping Centre, Barcelona
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Lar España’s presenting team

MIGUEL PEREDA
Board Member and Co-CEO of Grupo Lar

SERGIO CRIADO
CFO

JOSE MANUEL LLOVET
Head of Retail Operations of Grupo Lar

HERNÁN SAN PEDRO
Head of Investor Relations
Key Facts H1 2016

1,050Mn

GAV $^1$

+52% vs H1 2015

€26.9Mn

Gross Rental Income

+90% vs H1 2015

40%

Net LTV $^2$

2.24%

Cost of Debt

+12.5%

Tenants Sales Growth outperforming the market

H1 2016

+8.6%

Footfall outperforming the market

H1 2016

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Total GAV = Valuation of assets as of 30th June

Net LTV as of 30 June 2016

Includes only operating assets generating rents by the end of H1 2016

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€10.1

EPRA NAV per share

+5% vs Dec 2015

€8.4

EPRA NAV per share pro forma post Rights Issue

6.1%

EPRA “topped-up” NIY

5.8%

EPRA Net Initial Yield

€11.4Mn

EPRA Earnings

€53.8Mn

EPRA Annualised Net Rent $^3$

41.9%

EPRA Cost Ratio

93.0%

EPRA Occupancy Rate

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$^1$ Total GAV = Valuation of assets as of 30th June

$^2$ Net LTV as of 30 June 2016

$^3$ Includes only operating assets generating rents by the end of H1 2016

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Lar España Real Estate SOCIMI, S.A. (LRE) – September, 2016
Vistahermosa Retail Park, Alicante
Delivering Strong Operational and Financial Results in H1 2016

**Financial Results**
- Gross Rental Income of €26.9 Mn, +69.5% YoY
- EBITDA of €24.2 Mn, +192% YoY / Net Income of €43.3 Mn, +124% YoY
- GAV of €1,050 Mn, +52% vs H1 2015
- EPRA Net Initial Yield 5.8% / EPRA Topped-Up NIY 6.1% / 6.6% Initial Yield on cost
- EPRA NAV of €10.1 p.s., +3.1% since March 2016

**Business Performance**
- Vidanova Parc (Sagunto): 50% pre-let
- 13,709 Sqm leased in H1 2016 (Leroy Merlin +9,472 Sqm): High interest from international retailers
- Marcelo Spínola Office: Project delivery on time and budget in Q3 2016
- Retail EPRA Occupancy +1.8 p.p since end of 2015 / Retail tenant Sales +12.5% in H1 2016
- Retail NOI +4.1% in H1 2016 since acquisition¹ driven by rental price recovery and reduction in discounts

**Corporate Highlights**
- H1 LTV of 40% with a cost of debt of 2.24%
- Acquisition of Vistahermosa in June 2016, a prime retail park in Alicante
- Capital increase of €147 Mn (July) which gives a firepower of >€230 Mn after Gran Vía acquisition
- Acquisition of Gran Vía de Vigo for c. €145 Mn, a prime dominant shopping centre, is underway

**Investor Day**
- Investor Day in October with strategical new info update

¹ Average holding period: 19 months.
H1 2016 Financial Results
Consolidated Income Statement (Thousands of Euros)

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>Chg (%) 1H16/1H15</th>
<th>H1 2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recurring</td>
<td>Non-Recurring</td>
<td>Total</td>
<td>Recurring</td>
</tr>
<tr>
<td>Rental Income</td>
<td>26,872</td>
<td>-</td>
<td>26,872</td>
<td>14,116</td>
</tr>
<tr>
<td>Other income</td>
<td>794</td>
<td>6,978</td>
<td>7,772</td>
<td>400</td>
</tr>
<tr>
<td>Property Operating Expenses</td>
<td>(4,966)</td>
<td>-</td>
<td>(4,966)</td>
<td>(2,668)</td>
</tr>
<tr>
<td>Base Fee</td>
<td>(3,113)</td>
<td>-</td>
<td>(3,113)</td>
<td>(1,935)</td>
</tr>
<tr>
<td>Property Operating Results</td>
<td>19,586</td>
<td>6,978</td>
<td><strong>26,564</strong></td>
<td>9,912</td>
</tr>
<tr>
<td>Corporate Expenses</td>
<td>(1,733)</td>
<td>(586)</td>
<td>(2,318)</td>
<td>(856)</td>
</tr>
<tr>
<td>EBITDA (*)</td>
<td>17,853</td>
<td>6,392</td>
<td><strong>24,246</strong></td>
<td>9,056</td>
</tr>
<tr>
<td>Changes in the Fair Value</td>
<td>29,066</td>
<td>-</td>
<td>29,066</td>
<td>12,470</td>
</tr>
<tr>
<td>EBIT (*)</td>
<td>46,919</td>
<td>6,392</td>
<td><strong>53,312</strong></td>
<td>21,526</td>
</tr>
<tr>
<td>Financial Result</td>
<td>(3,694)</td>
<td>(4,104)</td>
<td>(7,798)</td>
<td>(1,715)</td>
</tr>
<tr>
<td>Share in profit (loss) for the period of equity-accounted companies</td>
<td>(1,773)</td>
<td>-</td>
<td>(1,773)</td>
<td>547</td>
</tr>
<tr>
<td>Impairment and gains/(losses) on disposal of financial instruments</td>
<td>-</td>
<td>29</td>
<td>29</td>
<td>-</td>
</tr>
<tr>
<td>EBT</td>
<td>41,452</td>
<td>2,318</td>
<td><strong>43,770</strong></td>
<td>20,358</td>
</tr>
<tr>
<td>Income Tax</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit for the Period (*)</td>
<td><strong>41,452</strong></td>
<td><strong>2,318</strong></td>
<td><strong>43,770</strong></td>
<td><strong>20,358</strong></td>
</tr>
<tr>
<td>FFO (EBITDA – Financial Result)</td>
<td>14,159</td>
<td>2,288</td>
<td>16,448</td>
<td></td>
</tr>
<tr>
<td>% FFO Annualized Yield /NAV</td>
<td>4.64%</td>
<td>-</td>
<td>5.39%</td>
<td></td>
</tr>
<tr>
<td>Accounting provisions (Performance fee)</td>
<td>(443)</td>
<td>-</td>
<td>(443)</td>
<td>-</td>
</tr>
<tr>
<td>Profit for the Period (post accounting provisions)</td>
<td><strong>41,009</strong></td>
<td><strong>2,318</strong></td>
<td><strong>43,327</strong></td>
<td>20,358</td>
</tr>
</tbody>
</table>

(*) pre performance fee
Diversified and prudent financing strategy with a highly competitive cost of debt

Key Figures of the financing as of 30 June 2016

40%¹
Net Loan to Value (LTV¹)

2.24%
Average Cost of Debt²

78%
Fixed Interest

5.4x
Interest Cover Ratio (ICR)

6.9 Y
Debt WALT

Back-loaded Amortization Profile

€ Mn

€140Mn Senior Secured Bond
€317Mn Bank Debt

3
7
23
36
91
151
291

1 Year
2 Years
3 Years
4 Years
5 Years
6 Years
> 6 Years

Stronger Financial solvency while optimizing Balance Sheet Structure

Long Term debt maturity and competitive cost of debt

¹ Net LTV as of June 2016; Net LTV= Total Loans & Borrowings & Notes net of Cash
² Excluding any impact from negative interest rate
Business Performance

As Termas Shopping Centre, Lugo
Spanish market benefits from strong macroeconomic tailwinds

**Greatest GDP Growth in Europe**

Yearly change 2016:
- Spain: 2.8%
- UK: 2.0%
- Germany: 1.6%
- France: 1.5%
- Italy: 1.0%
- EU average: 1.8%

**Source**: World Bank

**Largest Employment Creation in Europe**

LTM Q1 2016, New employments in Thousands:
- Spain: 567
- UK: 533
- Germany: 413
- France: 301
- Italy: 232

**Source**: Eurostat

**Growing Retail Sales**

YoY growth:
- 2011: -5.8%
- 2012: -6.0%
- 2013: -6.8%
- 2014: 0.1%
- 2015: 3.5%
- 2016: 3.7%

**Source**: Eurostat

**Increasing Shopping Centres Footfall**

YoY index change:
- 2011: 1.6%
- 2012: -5.3%
- 2013: -1.5%
- 2014: -1.5%
- 2015: 2.0%
- 2016: 3.1%

**Source**: Experian Footfall

**Accelerating Real Private Consumption**

Q2 2016, % YoY change:
- Spain: 3.6%
- UK: 2.9%
- Germany: 1.7%
- France: 1.5%
- Italy: 1.2%
- EU average: 2.2%

**Source**: OECD

**Decreasing Shopping Centres Vacancy**

Average vacancy change:
- 2011: 8.1%
- 2012: 8.9%
- 2013: 9.2%
- 2014: 8.8%
- 2015: 6.8%

**Source**: PMA
Portfolio at a glance

GAV (Mn€)

- Logistics: 7%
- Residential: 6%
- Offices: 15%
- Retail Develop.: 5%
- Retail: 67%

€1050

Rental Income (Mn€)

- Logistics: 10%
- Offices: 13%
- Retail: 77%

€53.8

EPRA NIY & EPRA Topped-up NIY

<table>
<thead>
<tr>
<th>Category</th>
<th>EPRA NIY</th>
<th>EPRA Topped-up NIY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>6.2%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Offices</td>
<td>6.1%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Logistics</td>
<td>7.4%</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

5.8% TOTAL LAR ESPAÑA EPRA NIY

1. Marcelo Spínola’s EPRA NIY and EPRA Occupancy rate is not calculated due to the lack of representativeness. The refurbishment was started during Q2 2015 and has been finished in Q3 2016. To calculate the NIY for the total portfolio we have excluded the data from Marcelo Spínola.

2. Office EPRA NIY & Topped-up NIY excludes Marcelo Spínola. Office EPRA Occupancy Rate is 84.8%. Nevertheless, 87% is excluding non-recurring effects.

EPRA Occupancy Rate

- Retail: 93.3%
- Offices: 87%
- Logistics: 100%

93.3% TOTAL LAR ESPAÑA EPRA OCC. RATE

1. 93.0% TOTAL LAR ESPAÑA EPRA OCC. RATE
**Strong Valuation Performance on the back of value added initiatives**

### Valuation Bridge Since Acquisition

<table>
<thead>
<tr>
<th>€ Mn</th>
<th>Acquisition &amp; Revaluation 2014-15</th>
<th>€42Mn</th>
<th>Revaluation H1 2016</th>
<th>GAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48</td>
<td></td>
<td>42</td>
<td>1,050</td>
</tr>
<tr>
<td></td>
<td>851</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Acquisitions H12016**

- 118

**Revaluation H1 2016**

- 42

**Yield Impact**

- 47%

**Management Impact**

- 53%

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5 Market Value determined by JLL and C&W as of 30 June 2016.
Top tenants showing great interest in both our operating and under development assets

High quality and diversified tenant base

New tenants improve profitability and risk adjusted returns of our assets

Signed in H1 2016

- lefties
  - Albacenter 1,044 Sqm
- Leroy Merlin
  - Vidanova Parc (Sagunto) 9,472 Sqm
- H&M
  - Txingudi 2,309 Sqm
- MANGO
  - As Termas 837 Sqm
  - Txingudi 495 Sqm

New Openings in H1 2016

- Las Huertas 541 Sqm
- As Termas 146 Sqm
- As Termas 150 Sqm
- Txingudi 398 Sqm
- Txingudi 346 Sqm
- El Rosal 346 Sqm
- Txingudi 152 Sqm
Offices

Torre Spinola: first class offices in Madrid business centre

- Works completed
- BREEAM certification
- The best office building in a consolidated office area
- Great visibility from M-30 ring, the most travelled highway in Madrid
- Stunning city views
- Commercialization started (CBRE & Aguirre Newman co-exclusive, main real estate agents in Spain, focused on corporate headquarters demand)
- Confirmation of the technical expertise of the manager

<table>
<thead>
<tr>
<th>GLA</th>
<th>Acquisition price</th>
<th>Redevelopment Capex</th>
<th>Total cost per sqm</th>
<th>Expected yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,875 sqm.</td>
<td>EUR 19.0 Mn</td>
<td>EUR 9.6 Mn</td>
<td>EUR 3,222/sqm</td>
<td>&gt; 7.5%</td>
</tr>
</tbody>
</table>
Outperforming the market on an intense letting activity and excellent operating performance

+12.5% Sales vs +3.1% Retail Sales index\(^1\) 1H 2016

+3.1% GRI Since Acquisition
Average holding period 19 months

+4% NOI Since Acquisition
Average holding period 19 months

+4.6% Comparable sales H1 2016

+8.6% Footfall H1 2016 vs 1.5% Avg. Footfall Index Spain

93.3% EPRA Occupancy H1 2016 +1.8p.p.

14% Rotation rate Since Acquisition
Average holding period 19 months

+13,709 sqm leasing activity 1H 2016

\(^1\) Source: INE
Retail

Rotation rate in SC is increasing the quality of Occupancy

+1.4 p.p in physical Occupancy since acquisition of the SC platform

High Rotation rate of 14% since acq. due to active management to increase tenant quality

### Rotation Rate in H1 2016

<table>
<thead>
<tr>
<th>SC</th>
<th>Rotation Rate</th>
<th>Occupancy (Sqm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total SC</td>
<td>14%</td>
<td>93.1%</td>
</tr>
<tr>
<td>Las Huertas</td>
<td>58%</td>
<td>85.2%</td>
</tr>
<tr>
<td>Txingudi</td>
<td>59%</td>
<td>92.2%</td>
</tr>
<tr>
<td>Albacenter</td>
<td>12%</td>
<td>92.2%</td>
</tr>
<tr>
<td>As Termas</td>
<td>12%</td>
<td>93.6%</td>
</tr>
<tr>
<td>Anec Blau</td>
<td>15%</td>
<td>90.3%</td>
</tr>
<tr>
<td>El Rosal</td>
<td>4%</td>
<td>91.6%</td>
</tr>
<tr>
<td>Portal de la Marina</td>
<td>23%</td>
<td>94.4%</td>
</tr>
<tr>
<td>Megapark</td>
<td>5%</td>
<td>93.3%</td>
</tr>
</tbody>
</table>

Avge Occ. of 93.1%

Notes:
1. Relocation = deal signed with existing tenant on another unit (empty or previously rented)
2. Renewal = deal signed with existing tenant to renew its lease agreement on the same unit
3. New letting = deal signed with a tenant leasing the unit that was empty at acquisition
4. Reletting = Deal signed with a new tenant replacing an existing tenant
Portfolio of high quality assets dominant in their catchment area with strong growth

LAR España largest assets represent 90% of its retail GAV

<table>
<thead>
<tr>
<th>Location</th>
<th>Ownership</th>
<th>Asset Type</th>
<th>GLA</th>
<th>GAV</th>
<th>Initial Occupancy</th>
<th>Footfall</th>
<th>Catchment Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bilbao</td>
<td>100% RP+FOC</td>
<td>Retail Complex</td>
<td>128,000 sqm²</td>
<td>€178 Mn</td>
<td>96.2%</td>
<td>10 Mn</td>
<td>3 Mn</td>
</tr>
<tr>
<td>Seville</td>
<td>100%</td>
<td>Shopping Centre</td>
<td>60,000 sqm</td>
<td>€36 Mn</td>
<td>N.A.</td>
<td>N.A.</td>
<td>1.5 Mn</td>
</tr>
<tr>
<td>Alicante Coast</td>
<td>100%</td>
<td>Shopping Centre</td>
<td>40,083 sqm</td>
<td>€99 Mn</td>
<td>93.0%</td>
<td>3.8 Mn</td>
<td>216,000</td>
</tr>
<tr>
<td>Ponferrada</td>
<td>100%</td>
<td>Shopping Centre</td>
<td>51,022 sqm</td>
<td>€93 Mn</td>
<td>92.6%</td>
<td>5.5 Mn</td>
<td>200,000</td>
</tr>
<tr>
<td>Great Barcelona</td>
<td>100%</td>
<td>Shopping Centre</td>
<td>28,651 sqm</td>
<td>€87 Mn</td>
<td>93.3%</td>
<td>3.8 Mn</td>
<td>250,000</td>
</tr>
<tr>
<td>Lugo</td>
<td>100% SC</td>
<td>Shopping Centre</td>
<td>35,165 sqm</td>
<td>€72 Mn</td>
<td>94.0%</td>
<td>4.9 Mn</td>
<td>280,000</td>
</tr>
<tr>
<td>Albacete</td>
<td>100%</td>
<td>Shopping Centre</td>
<td>27,892 sqm</td>
<td>€46 Mn</td>
<td>91.1%</td>
<td>4.4 Mn</td>
<td>466,000</td>
</tr>
<tr>
<td>Alicante City</td>
<td>100%</td>
<td>Retail Park</td>
<td>33,550 sqm</td>
<td>€43 Mn</td>
<td>84.5%</td>
<td>4.4 Mn</td>
<td>466,000</td>
</tr>
</tbody>
</table>

- **Notes:**
  1. GLA of international retailers, franchises and retailers with multiple points of presence in Spain, as % of total GLA, excluding vacancies
  2. GLA of 100% of asset of which LRE owns 63,666 sqm
  3. GLA of 100% of asset of which LRE owns 63,666 sqm
  4. Yield on Cost for Palmas Altas is based on an estimation by the company
  5. Catchment area may differ between assets depending on the amount of inhabitant living within a driving distance
  6. Excludes the Hypermarket
Lar España ranks first in Retail by Ownership rate and third retail platform by total GLA

#3 Retail Player in Spain

- **Ranking #3** when we finish our current developments
- **Tenants showing great interest** in both our operating and under development assets

Advantages of Location and Size of our SC

- **Low Competition**: dominant asset often is the only comparable player in its catchment area
- **Barriers to entry**: capital values prevent newer and larger developments
- **Higher Active Management**: Shopping experience destinations through repositioning specially impactful in those markets

Valuable management team

- **Off-market deal-sourcing** network untapping the best available investment opportunities
- **Operational track record** credits Manager and Asset Strategy

### Top retail players by GLA owned in Spain

<table>
<thead>
<tr>
<th></th>
<th>Owned GLA Estimate</th>
<th>% Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer 5</td>
<td></td>
<td>N/A</td>
</tr>
<tr>
<td>Peer 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer 8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peer 9</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lar España + Dev + Upcoming Acq ¹</td>
<td>450,451</td>
<td>80% #1</td>
</tr>
</tbody>
</table>

Source: CBRE & Grupo Lar as of July 2016 (all reported figures are estimates)

Assets included: Shopping centres, retail parks (excl. Standalone units) & hypermarkets

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¹ Includes development projects (Palmas Altas and Vidanova) and the upcoming acquisition of Gran Via de Vigo Shopping Centre
4 Growth Drivers

Marcelo Spinola Office Building, Madrid
Last Transaction accretive in NRI (c.+20%) / c.80% growth in NRI on the back of the investment in development projects and new investments

1 Raising of Development financing facilities according to the progress of the projects @ a LTV of 80%, while respecting the overall Leverage limits stated in the IPO Prospectus.
Attractive recent investments enhance the existing portfolio

**Vistahermosa**

- Consolidated retail area in **Alicante**, a touristic hotspot in the Mediterranean during the whole year
- Population living in the area are consumers with mid to high purchasing power
- **Adjusted risk-return assets**: 75% of total rent generated by the three top tenants with WAULT over 7 years

<table>
<thead>
<tr>
<th>GLA (Sqm)</th>
<th>33,550</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. tenants</td>
<td>9</td>
</tr>
<tr>
<td>Catchment Area</td>
<td>c.466,000</td>
</tr>
<tr>
<td>Date of Opening</td>
<td>2002</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exp. 2016 Footfall</th>
<th>6 Mn Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupancy¹</td>
<td>80%</td>
</tr>
<tr>
<td>Yield on Cost (run rate)</td>
<td>6.7%</td>
</tr>
<tr>
<td>Acq. Price</td>
<td>€42.5 Mn</td>
</tr>
</tbody>
</table>

**Gran Vía de Vigo**

- **Large, dominant and prime urban shopping center** in the heart of Vigo - large catchment area
- Strong Commercial Mix with dominant international retailers
- **100% ownership** to ensure decisions do not depend on 3rd parties
- Off-market transaction at attractive terms and **target returns expected** to be above our target threshold of 12%
- Room for **targeted capex** and other **active asset management** initiatives
- **Strong cash flow generation** and limited risk expected

<table>
<thead>
<tr>
<th>GLA (Sqm)</th>
<th>41,384</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. tenants</td>
<td>133</td>
</tr>
<tr>
<td>Catchment Area</td>
<td>c.500,000</td>
</tr>
<tr>
<td>Date of Opening</td>
<td>2006</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Footfall²</th>
<th>7.2 Mn Visitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupancy²</td>
<td>94%</td>
</tr>
<tr>
<td>Net Yield on Cost</td>
<td>6 - 6.8% (run rate)</td>
</tr>
<tr>
<td>Acq. Price</td>
<td>c. €145 Mn</td>
</tr>
</tbody>
</table>

¹ Q1 2016 ² Full year 2015, ³ As of 30 June 2016
Investment in developments will improve our existing portfolio

Vidanova Parc (Sagunto)

- New and modern retail complex with a strong retail mix, becoming the largest retail centre in Sagunto, with the nearest retail park located 19 km away.
- Strong catchment area with very good visibility and accessibility, and benefiting from tourists during the summer season.
- +50% of GLA Pre-let. High interest from international retailers. Leroy Merlin will operate 9,472 GLA along with other top tenants.

| GLA (Sqm) | 43,626 |
| Expected Opening Date | Q1 2018 |
| Expected development costs | €26 Mn |
| Expect. Net Initial Yield | > 9% |
| Acq. Price | €14 Mn |

Palmas Altas (Seville)

- An iconic, sustainable and upscale centre in Seville, where our guests will enjoy shopping (75% GLA in fashion/electronics/home) and leisure (25% GLA restaurants/leisure and outdoors activities).
- No dominant shopping center in Seville.
- All licenses and permits in force.
- Will benefit from growth plans of all major international operators.

| GLA (Sqm) | 123,000 (Close & Open areas) |
| Expected Opening Date | Q1 2019 |
| Expected development costs | €109 Mn |
| Expect. Net Initial Yield | > 8% |
| Acq. Price | €36 Mn |
Significant potential upside in rents from reversion potential and developments project – *For illustrative purposes* –

**EPRA annualised net rental income**

€ Mn

<table>
<thead>
<tr>
<th>Existing Income Generating Assets</th>
<th>Existing Developments</th>
<th>Announced Transaction</th>
<th>Estimated Future Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPRA annualised net rent</td>
<td>Reversionary potential – Market rent</td>
<td>Reversionary potential – Vacancy Reduction</td>
<td>Marcelo Refurbish.</td>
</tr>
<tr>
<td>c.8</td>
<td>c.4</td>
<td>c.2</td>
<td>c.68</td>
</tr>
<tr>
<td>54</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

1. Illustrative potential additional rent in H1 2016 calculated as the difference between the market net rent estimated by the Company’s appraisal done by Cushman & JLL, as part of their valuation exercise and the annualized net rent obtained by the Company in H1 2016. Difference applied only to the current occupancy rate, considering the occupancy rate of the Company's properties as of 30 June 2016.

2. Illustrative potential additional rent in H1 2016 calculated, assuming the full occupancy of the Company's properties, as the application of the market net rent estimated by the Company's appraisers as part of their valuation exercise with respect to the vacant spaces in each of the Company's properties. Full occupancy has been estimated at 97% for Shopping Centres given structural vacancy and 100% for the remaining portfolio.

3. Potential rent that may be derived from certain of the Company's assets under development (Sagunto and Palmas Altas) based on the announced yield at the moment of their respective acquisition (9.2% and 8.0% respectively) as applied to the acquisition price and building capex for each asset.

4. Estimated Rental Income assuming an average yield of assets acquired @ 6%.
Closing Remarks

Nuevo Alisal -Retail Boxes-, Santander
Closing Remarks

- Attractive portfolio of €1050Mn of rental assets that generate €53.8Mn of annualised Net Rental Income, an EPRA NIY of 5.8% & EPRA Topped-up NIY of 6.1%

- Unique exposure to real estate retail assets and the Spanish consumer recovery

- Upside potential from acquisitions done at attractive capital values with potential for revaluation

- Medium term value drivers: Lagasca 99 on good track and retail developments attracting international tenants

- Proven recurrent access to off-market transactions