

## PRESS RELEASE

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### LAR ESPAÑA REAL ESTATE SOCIMI books a profit of EUR 46.6 million to September, up 77% year on year

- Rental income jumps 80%, reaching EUR 42.2 million
- Asset purchases and their improved management bring the yield up to 5.8%
- Sales in the shopping centres owned by LAR ESPAÑA grew 9.2% and footfall increased by 6.5%, outstripping the Spanish average

**Madrid, 15 November 2016** - LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, registered a profit of EUR 46.6 million in the first nine months of 2016, up 77% y-o-y.

Rental income proves key once again for these results, growing 80% and coming in at EUR 42.2 million. The acquisition of new assets over recent months and the management improvements implemented have fuelled this increased income.

The value of the company's assets at the end of September stood at EUR 1,201 million, 71% more than one year ago. The acquisition of the Gran Vía de Vigo retail complex for EUR 141 million is the standout purchase among recent acquisitions.

José Luis del Valle, Chairman of LAR ESPAÑA, highlighted that *"this significant increase in the asset portfolio underlines the SOCIMI's growing activity"*. Del Valle added: *"The excellent results achieved during the first nine months of the year confirm that we are on the right track and will allow us to guarantee to fulfil our commitments with our shareholders"*.

The sales and footfall figures of the shopping centres are testament to the management improvements that have been implemented. Sales rose 9.2% between January and September 2016 versus the same period in 2015, which is well above the Spanish average increase of 2.7%. There is also a significant difference in terms of footfall, which rose 6.5%, considerably higher than the 1.3% average increase registered by Spanish shopping centres.

LAR ESPAÑA REAL ESTATE owns 26 real estate assets valued at EUR 1,201 million, of which EUR 901 million equate to the purchase of fourteen retail schemes located in Madrid, Vigo, Valencia, Seville, Alicante, Cantabria, Lugo, León, Vizcaya, Navarre, Guipúzcoa, Palencia, Albacete and Barcelona; EUR 168 million to the purchase of four office buildings in Madrid and one in Barcelona; EUR 72 million to four logistics properties in Guadalajara and one in Valencia; and EUR 60 million to one residential asset in Madrid.



## ABOUT LAR ESPAÑA REAL ESTATE SOCIMI S.A.

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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 the retail sector, 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, and another EUR 147 million one in August 2016.

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 7 September 2016, for the second year running, 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 listing 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.

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