

PRESS RELEASE

LAR ESPAÑA unveils Palmas Altas, a €250 million investment project

- The Palmas Altas family retail and leisure complex will comprise a total area of 123,500 sqm
- Palmas Altas will provide 3,300 permanent jobs and a further 1,500 jobs during the construction phase
- The complex aspires to become a landmark property in Andalusia and is scheduled to open in Q1 2019

Seville, 15 November 2016. LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, unveiled the Palmas Altas project today in Seville, a €250 million investment project.

This project will breathe a new lease of life into the southern area of the city and will comprise a total area of 123,500 sqm, 100,000 sqm of which will be retail and leisure space and will also include a lake and entertainment activities for the whole family.

Representatives of LAR ESPAÑA gave a presentation on the project at the Chamber of Commerce headquarters at an event in which speakers also included the Andalusian Regional Government's Minister for Employment, Business and Commerce, José Sánchez Maldonado, Seville City Council's delegate for Urban Development, Culture and Tourism, Antonio Muñoz Martínez and the President of the Seville Chamber of Commerce, Francisco Herrero León.

The Palmas Altas project, which is scheduled for completion in Q1 2019, will help to considerably raise employment levels in the area, creating close to 5,000 jobs. More specifically, the complex will generate 3,300 jobs directly and indirectly and its construction will create a further 1,500 jobs.

Palmas Altas will be located in an expansion area of the city that currently lacks any similar retail or leisure offering.



Mock-up of the Palmas Altas project

The complex will be located in the La Palmera-Bellavista district, in an area with good visibility and that is easily accessed via city roads given that it will front on to the SE30 ring-road. The shopping centre will have an expansive catchment area: 450,000 people live within a ten-minute drive from the site and a further one million just half an hour away.

Although Seville is a city with extensive retail activity, it does not have a dominant family retail and leisure complex. As the city's largest retail and leisure area, Palmas Altas will fill this void. The principles of sustainability and respect for the environment are at the core of this unique project, one that will complement the current retail offering with a new, modern and competitive format.

José Manuel Llovet, LAR ESPAÑA's managing director for retail, said: "We are confident that Palmas Altas will become a landmark for retail and leisure activity, not just in Seville, but throughout Andalusia. Llovet also highlighted that "a large number of retailers have already shown an interest in forming part of the project" and added that "the complex will feature some 200 retail units".

LAR ESPAÑA REAL ESTATE owns 26 real estate assets valued a 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.

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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