

PRESS RELEASE

LAR ESPAÑA REAL ESTATE SOCIMI acquires the Parque Abadía retail complex in Toledo for EUR 63 million and 22 retail units for EUR 48 million

- These investments are completed just one week after the SOCIMI secured EUR 104 million of bank financing
- With a GLA of 54,100 sqm, Parque Abadía is the largest retail complex in Castilla-La Mancha and home to retailers such as Alcampo, Media Markt, Decathlon, Leroy Merlin and Kiabi
- Over 300,000 people live within just half an hour's drive of the shopping centre, which is located on the Madrid-Toledo motorway, ten minutes from Toledo city centre
- The 22 retail unit portfolio comprises a total GLA of 28,822 sqm and features stores located in the Basque Country, the Balearic Islands, Navarre, Cantabria and La Rioja

Madrid, 23 March 2017 - LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE), the listed real estate investment company, has acquired the Parque Abadía retail complex in Toledo, for EUR 63.1 million and a portfolio of 22 retail units for EUR 47.6 million. These two transactions – totalling EUR 110.7 million - come just one week after the SOCIMI successfully secured EUR 104 million of bank financing to carry out new investments.

Parque Abadía is the largest retail complex in Castilla-La Mancha and is currently 100% occupied. It is a landmark retail complex in the area, with renowned retailers such as Media Markt, Decathlon, Leroy Merlin, Alcampo and Kiabi.

Parque Abadía's location is another one of its strong points. It is situated on the Madrid-Toledo motorway, thereby benefitting from excellent visibility and extremely easy access. Parque Abadía is just ten minutes from Toledo's city centre and over 300,000 people live within just half an hour's drive.

With a GLA of 54,100 sqm - 37,114 sqm of which are involved in this transaction-, Parque Abadía is now one of the most important assets in LAR ESPAÑA's portfolio. DLA Piper, KPMG and LKS were the advisors in the deal.



Aerial View of Parque Abadía

The 22 retail units, which are fully occupied and operated by Grupo Eroski, comprise a total GLA of 28,822 sqm. This is a highly geographically-diversified portfolio, with ten stores located in the Basque Country (the region where the retailer boasts its largest market share), seven stores in the Balearic Islands (another of Eroski's most important markets), two in Navarre, another two in Cantabria and one in La Rioja. Clifford Chance, KPMG, Savills and LKS were LAR ESPAÑA's advisors.

José Luis del Valle, chairman of LAR ESPAÑA, highlighted that "*these two acquisitions have been completed just one week after securing bank financing for EUR 104 million, once again proving LAR ESPAÑA's ability to efficiently manage its financial resources*".

"The addition of these assets to our portfolio is a further step to growing the retail area of our business, which already amounts to over €1,000 million, and accounts for over 75% of the SOCIMI's assets. It also allows us to further diversify our geographical presence", he added. Del Valle also highlighted that "*these acquisitions form part of LAR ESPAÑA's strategy to invest in retail schemes that are leaders in their catchment areas and in locations where the purchasing power is above the national average*".

LAR ESPAÑA REAL ESTATE owns 31 real estate assets valued a EUR 1,385.7 million, of which EUR 1,072.4 million relate to sixteen retail schemes located in Madrid, Toledo, the Balearic Islands, La Rioja, Vigo, Valencia, Seville, Alicante, Cantabria, Lugo, León, Vizcaya, Navarre, Guipúzcoa, Palencia, Albacete and Barcelona; EUR 171 million to the purchase of four office buildings in Madrid and one in Barcelona; EUR 76.5 million to four logistics properties in Guadalajara and one in Valencia; and EUR 65.8 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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