



Real Estate

Corporate Presentation

www.larespana.com

April 2017

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01

Company Description

The Company: Lar España

The Manager: Grupo Lar

Snapshot

✓ First IPO of a Spanish REIT listed on the Spanish Stock Exchange

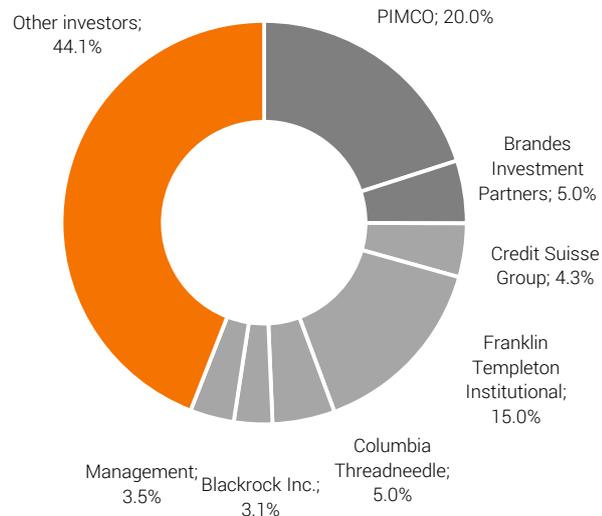
✓ Focused on creating both sustainable income and strong capital returns for shareholders

✓ Lar España is managed by Grupo Lar, private Real Estate Asset Manager, Investor and Developer with a 40 year track record of international experience

✓ Lar España is a leader in retail, due to the size of the portfolio and the quality of the assets as well as the capacity and quality of its management

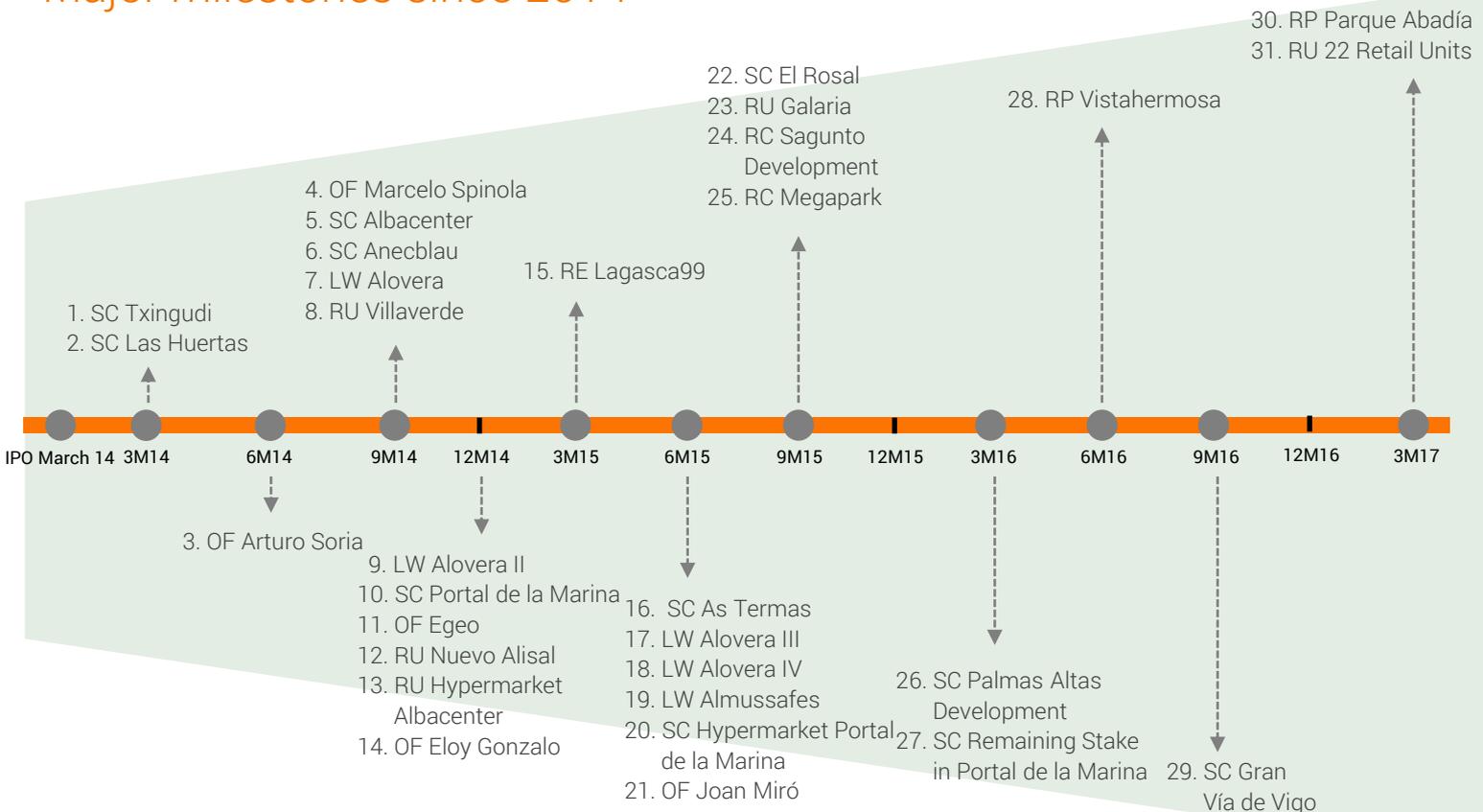
✓ A clear investment opportunity in a unique shopping experience platform

Shareholder Structure



Source: CNMV

Major milestones since 2014



€1.4 Bn of assets in 31 acquisitions since IPO

Retail platform + non-retail assets



Retail

Top retail player

Leading Shopping Centres in their catchment area

Retail parks with proven demand and profitability potential

Good quality properties with excellent access and visibility

77%
GAV



Offices

Offices in consolidated locations of Madrid and Barcelona with good connections / public transport

Recurrent activity with selective rotation

12%
GAV



Logistics

Focus on logistic properties on a selective basis with low rents, low capital values and high yields

6%
GAV



Residential

Development of first homes in niche markets without zoning risk, limited supply and clear demand

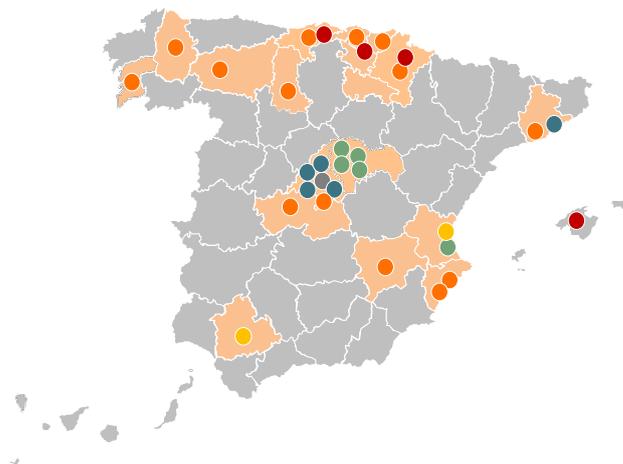
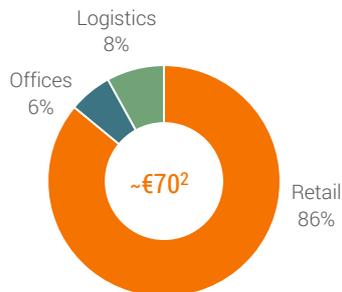
5%
GAV

Main Figures

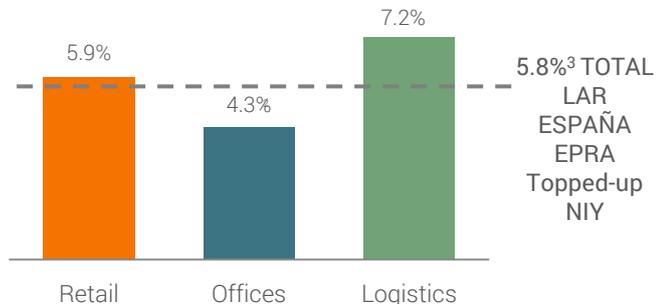
GAV (€Mn)



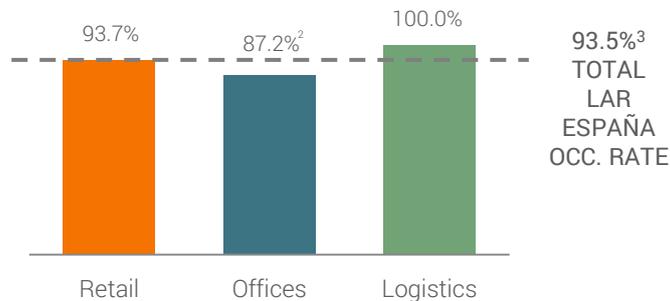
EPRA Annualized Net Rent (€Mn)



EPRA Topped-up NIY as of 31 December 2016



Occupancy Rate as of 31 December 2016



1. Total GAV = Valuation of assets as of 31 December + new acquisitions (Parque Abadia + 22 retail units) done in 2017

2. EPRA annualized rent as of 31 December 2016 + estimated EPRA annualized rent of new acquisitions in 2017

3. Marcelo Spinola's EPRA Topped-Up NIY and EPRA Occupancy rate is not calculated due to the lack of representativeness. To calculate the Topped-up NIY for the total portfolio we have excluded the data from Marcelo Spinola.

Strengths



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



Resilient prime dominant shopping centers in attractive catchment areas



Recurrent cash flow generation from a 6.6% Net Initial Yield on cost



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



Upside from our value added approach including repositioning and selectively development to create **unique shopping experience destinations**



A complementary opportunistic approach on **logistics and offices investments**

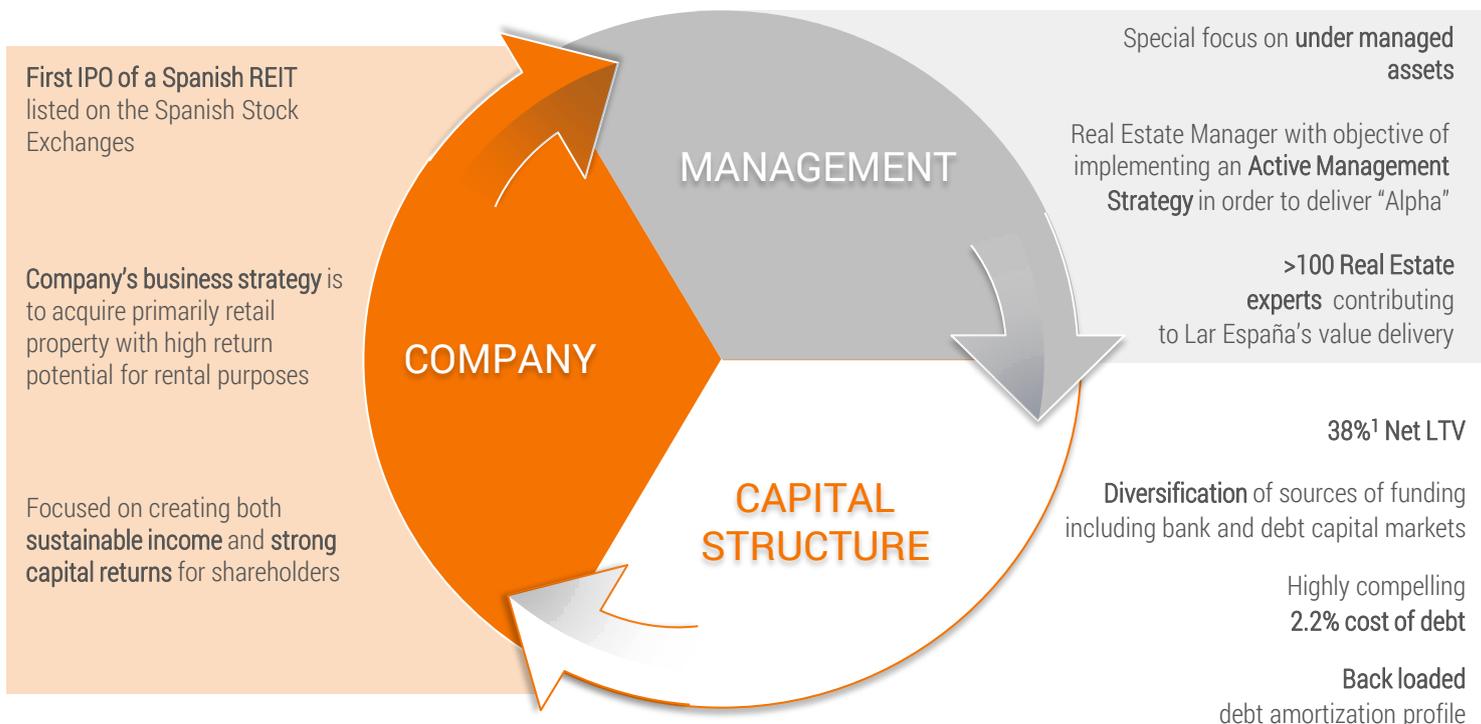


Proven recurrent access to **off-market transactions**



Top management team with strong track record and delivering results

Lar España Strategy



1. Net LTV calculated as at March 2017 taking into account new acquisitions in Q1 2017

Focus on shopping centres and retail parks



Key assets in their catchment areas

- Prime assets in their area of influence
- Close to 500,000 sqm GLA



Locations

Locations selected based on:

- Level of competition
- Current GDP per capita and future growth outlook
- Impact of tourism as an additional factor in some assets



Unique platform

A unique platform, which provides an attractive position with retailers and the opportunity to consolidate existing economies of scale



Strength of the portfolio

Strength based on:

- Size of the portfolio (top-3)
- Average size of the centres (2nd in Spain)
- Quality and attractiveness of assets

Non-Retail Assets

Opportunistic approach to other assets



Core locations

- Luxury residential for sale
- Offices in Madrid and Barcelona
- Logistics in main markets as a good complement to retail



Focus on value added assets

Management as a key element to make acquisitions and generate differential value, taking advantage of Grupo Lar's platform in Spain

All assets



Development

Using experience and capacity of development as a differentiating element to achieve better returns with moderate risk



Asset Rotation

Rotation of assets held for at least three years based on value generation and returns

Corporate Governance as a priority

Lar España has prioritized best-in-class corporate governance

Pledge to guarantee that the Company's governance structures are adequately integrated and functioning as intended

Objectives of the Action Plan



Ensuring strong governance

- ✓ Transparency
- ✓ Business ethics
- ✓ Corporate social responsibility



Transparency in management

- ✓ Director activities
- ✓ Selection and Remuneration
- ✓ Training



Continuous monitoring

- ✓ Regulatory compliance
- ✓ Evaluating & improving board's performance
- ✓ Regular reporting

Governance Structure

Independent and experienced Board: 4 independent directors (4 out of 5)

José Luis del Valle

Chairman and
Independent Director

Roger Cooke

Independent
Director

Pedro Luis Uriarte

Independent
Director

Alec Emmott

Independent
Director

Miguel Pereda

Grupo Lar

Juan Gomez-Acebo

Secretary
Non Member

Susana Guerrero

Vice-secretary
Non Member

Critical Activities internalized

Sergio Criado

CFO

Jon Armentia

Corporate
Manager

Susana Guerrero

Legal
Manager

Hernán San Pedro

Head of Investor
Relations

José Díaz Morales

Interim
Internal Audit

01 Company Description



The Company: Lar España

The Manager: Grupo Lar

Grupo Lar Snapshot

Family owned Company with more than 40-year of track record

+270 employees in 7 Countries

Long history of Real Estate of Residential, Shopping Centres and Office development

Gentalia, one of the foremost Shopping Centre Operators in Spain

A Real Estate Reference in Spain

1

Stable Ownership & Governance

2

Strong Management Team

3

Geographical Diversification

4

Product Diversification

5

Reliable manager and Partner of third party funds

6

Strong Balance Sheet

Experience in all asset classes

Long track record of experience investing, developing and managing shopping centres, offices, logistics and residential buildings



Retail



39 shopping centres invested, developed or managed

Historic Investment Volume:

€1,509 Mn

GLA 972,626 sqm



Offices



9 office buildings developed and managed

>140,000 sqm

Madrid & BCN



Logistics



10 Industrial Parks developed since 2003

Specializing in the concept of Industrial Park



Residential



10,000 residential units sold in the last 10 years

15,000 Units managed

Successful international experience

Retail co-investments – Joint Ventures with Tier 1 Investors

Whitehall



MSREF



GREENOAK



THE BAUPOST GROUP®



Commitment and exclusivity



Grupo Lar now owns a 3.5% stake in Lar España, subject to a lock-up period

Contract Summary

- 1** Grupo Lar is contracted to exclusively provide Management services to LRE. Initial five-year contract
- 2** The Manager is committed to exclusivity for commercial property investment opportunities in Spain
In the Residential sector in Spain, Lar España has the right to co-invest with the Manager
- 3** Real Estate related activities and expertise provided by the Manager. Critical activities reside in Lar España

02

Portfolio



Vistahermosa Retail Park, Alicante

Portfolio distribution

Location by asset class



16 RETAIL

74% GAV



22 RETAIL UNITS

3% GAV



5 OFFICES

12% GAV



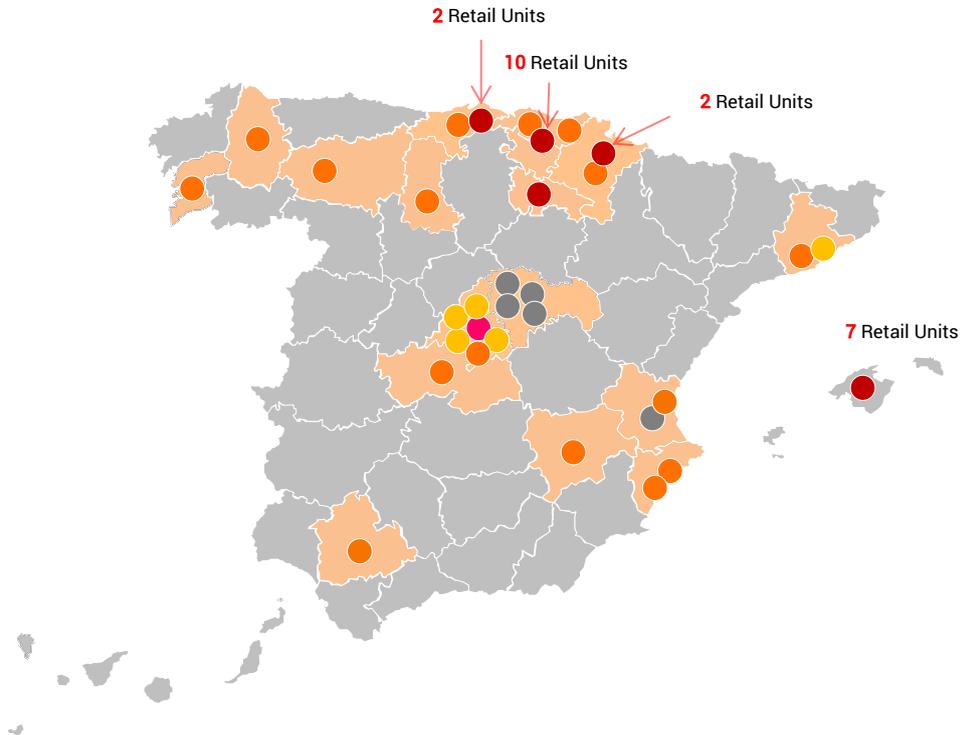
5 LOGISTICS

6% GAV



1 RESIDENTIAL

5% GAV



Retail portfolio largest assets: 59% GAV

LAR España largest assets represent

77% of its retail GAV



	Megapark	Gran Vía Vigo	Palmas Altas	P. Marina	El Rosal	Aneclubau	As Termas	P. Abadía
Dominant in its catchment area	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓	✓ ✓ ✓	✓ ✓ ✓
% of High Quality Tenants ¹	98%	100%	n.a.	95%	89%	98%	99%	99%
Value Added Potential	<ul style="list-style-type: none"> Occupancy Tenant mix 	<ul style="list-style-type: none"> Tenant mix Extension 	<ul style="list-style-type: none"> Development 	<ul style="list-style-type: none"> Extension Reposition 	<ul style="list-style-type: none"> Tenant mix Reposition 	<ul style="list-style-type: none"> Reposition 	<ul style="list-style-type: none"> Occupancy Extension 	<ul style="list-style-type: none"> Occupancy Tenant mix
EPRA NIY	5.2%	5.9%	8.0% ¹	6.4%	5.9%	5.4%	6.4%	6.0% ⁷

Location	Bilbao	Vigo	Seville	Alicante Coast	Ponferrada	Great BCN	Lugo	Toledo
Ownership	100% RP+FOC	100%	100%	100%	100%	100%	100% SC ⁴	100% RP
Asset Type	Retail Complex	Shopping Centre	Retail Park					
GLA ²	63,576 sqm	41,462 sqm	100,000 sqm	40,158 sqm	51,022 sqm	28,598 sqm	35,127 sqm	37,114 sqm
GAV ³	€190 Mn	€144.5 Mn	€46 Mn	€98.5 Mn	€99.8 Mn	€93.3 Mn	€78.1 Mn	€63.1 Mn ⁸
Occupancy Rate ⁵	94.0%	95.5%	N.A.	92.8%	93.8%	93.0%	94.7%	100%
Footfall	10 Mn	7.2 Mn	N.A.	3.8 Mn	5.5 Mn	5.5 Mn	3.8 Mn	6.0 Mn
Catchment Area ⁶	3 Mn	482,100	1.5 Mn	216,000	200,000	1 Mn	250,000	300,000

1. Yield on Cost for Palmas Altas is based on an estimation by the company
 2. GLA of international retailers, franchisees and retailers with multiple points of presence in Spain, as % of total GLA, excluding vacancies
 3. As of 2016 Q2, Cushman & Wakefield and JLL. Gran Vía de Vigo acquisition price.
 4. Excludes the Hypermarket
 5. Based on EPRA standards
 6. Catchment area may differ between assets depending on the amount of inhabitant living within a driving distance
 7. Net Initial Yield
 8. Acquisition price

Retail portfolio mid assets: 18% GAV

LAR España mid assets represent **23%** of its retail GAV

	Vistahermosa	Albacenter	Txingudi	Sagunto	Las Huertas	Other Retail Units
						
Dominant in its catchment area	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓	✓ ✓ ✓
% of High Quality Tenants¹	100%	85%	80%	90%	70%	100%
Value Added Potential	<ul style="list-style-type: none"> Occupancy Reposition 	<ul style="list-style-type: none"> Occupancy Transformation 	<ul style="list-style-type: none"> Retenancing Renovation 	<ul style="list-style-type: none"> Dominant Development 	<ul style="list-style-type: none"> Renovation Occupancy 	<ul style="list-style-type: none"> Security
EPRA NIY	5.8%	5.3%	6.1%	9.2% ¹	6.2%	7.6%
Location	Alicante City	Albacenter	Guipúzcoa	Sagunto	Palencia	-
Ownership	100%	100%	100%	100%	100%	100%
Asset Type	Retail Park	Shopping Centre	Shopping Centre	Retail Complex	Shopping Centre	Retail Units
GLA²	33,550 sqm	27,890 sqm	10,127 sqm	44,252 sqm	6,267 sqm	44.970 sqm
GAV³	€45.6 Mn	€35.5 Mn	€35.5 Mn	€17.3 Mn	€13.3 Mn	€87.1 Mn
Occupancy Rate⁵	89.6%	87.4%	97.5% ⁴	N.A.	84.9%	100%
Footfall	4.4 Mn	4 Mn	4 Mn	N.A.	5.5 Mn	N.A.
Catchment Area⁶	466,000	402,837	91,351	243,000	200,000	N.A.

1. Yield on Cost for Vidanova Parc is based on an estimation by the company
2. GLA of international retailers, franchises and retailers with multiple points of presence in Spain, as % of total GLA, excluding vacancies
3. As of 2016 Q2, Cushman & Wakefield and JLL, Gran Via de Vigo acquisition price
4. Txingudi Occupancy pro-forma is 97.5%. Txingudi actual occupancy rate affected by current transition of tenants
5. Based on EPRA standards
6. Catchment area may differ between assets depending on the amount of inhabitant living within a driving distance
7. Other retail units include: Nuevo Alisal, Villaverde, Galaria and 22 retail units portfolio

Non Retail Assets Portfolio: LRE 25% GAV

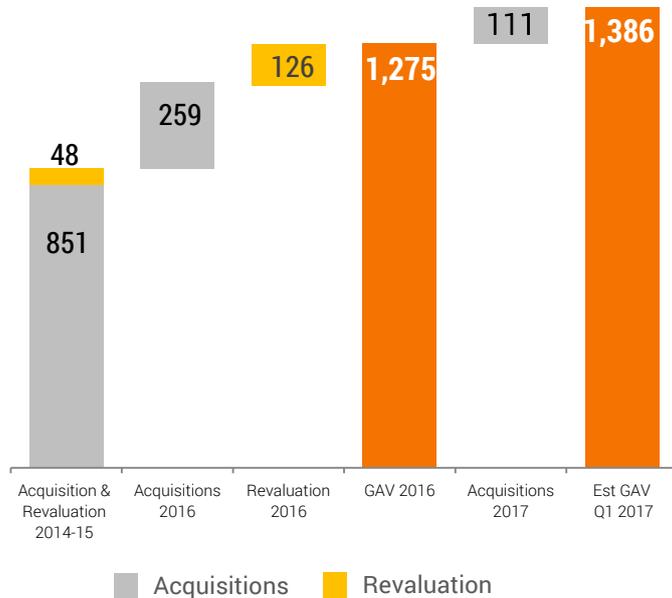
	Non-Retail Assets		
	Offices	Logistics	Residential
Number of Assets	5	5	1
GLA (sqm)	50,634	161,841	9,453
Occupancy rate ² (%)	87.2% ¹	100%	n.a.
GAV (€ Mn)	171.0	76.5	65.8
GAV (€/sqm)	3,377	473	6,961
Passing Rent (€ Mn)	4.6	5.6	n.a.
EPRA NIY (%)	2.9% ¹	7.0%	n.a.
EPRA Topped-up NIY (%)	4.3% ¹	7.2%	n.a.

1. Marcelo Spinola's Occupancy rate is not included in total occupancy rate due to its lack of representativeness
 2. Based on EPRA standards

Valuation

Valuation Bridge Since Acquisition

€ Mn

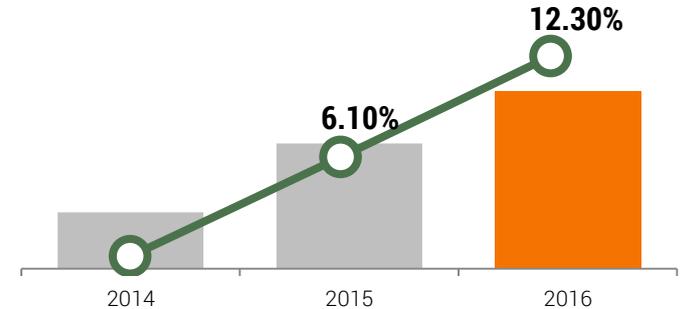


¹ Market Value determined by JLL and C&W as of 31 December 2016.

Portfolio Value evolution and LfL Change

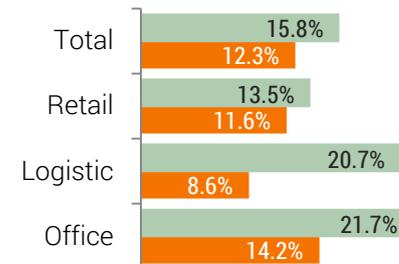
€ Mn

Portfolio Value (Orange), LfL Value Change (Green)

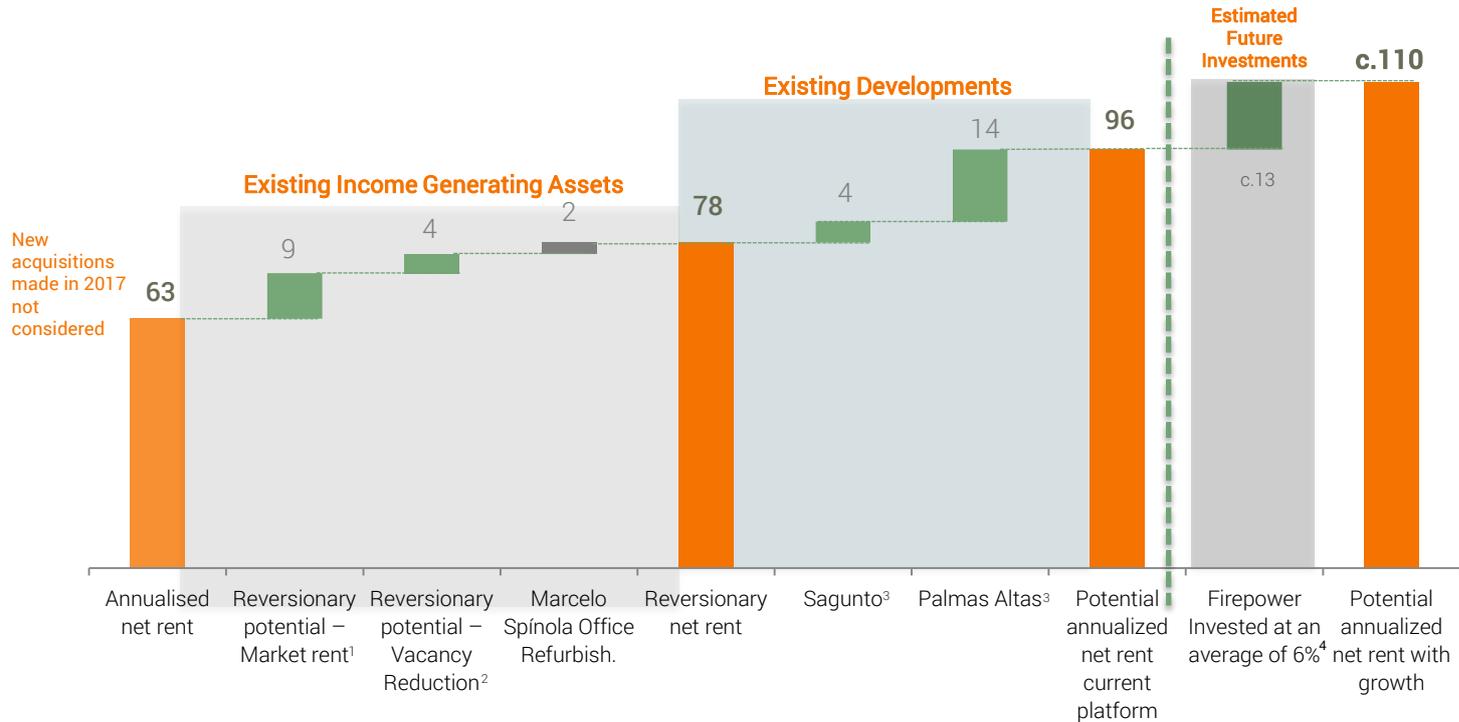


Value Change by Asset Class

Since Acquisition (Green), LfL 2016 vs 2015 (Orange)



Significant potential upside in rents from reversion potential and developments project – *For illustrative purposes* –



1. Illustrative potential additional rent in 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 2016. Difference applied only to the current EPRA occupancy rate, considering the occupancy rate of the Company's properties as of 31st December 2016.
2. Illustrative potential additional rent in 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%

03

Retail Strategy



Portal de la Marina Shopping Centre, Alicante

Well defined investment strategy



Asset Type

Shopping centres and retail parks



Asset
Quality and
Location

Prime dominant assets in their catchment areas
Large properties for their catchment (30,000 – 100,000 sqm)
Located in **high density population** areas



Segment

Value added: Creating shopping experience destinations



Ownership

Ownership of 100% of each asset

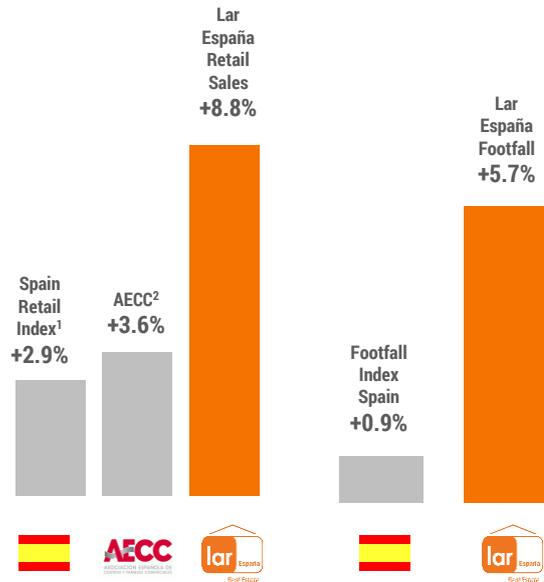
Target
Return

Target levered¹ >12%

1. This is a target only and not a profit forecast. There can be no assurance that this target can be or will be met

Outperforming the market

Lar España is outperforming the market



Top 5 tenants represent >30% retail rents

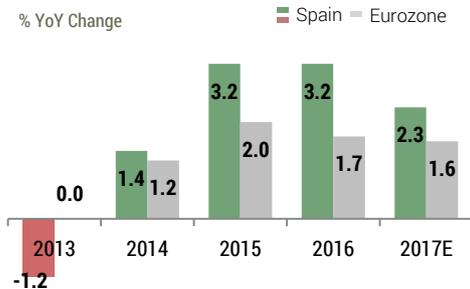
	% RETAIL RENTS	Nº UNITS
INDITEX	9%	52
<i>MediaMarkt</i>	7%	5
Carrefour	7%	2
<i>El Corte Inglés</i>	4%	4
C&A	4%	6

¹ INE - Spanish Retail Index.

² AECC - Spanish Shopping Centres Association (Asociación Española de Centros y Parques Comerciales)

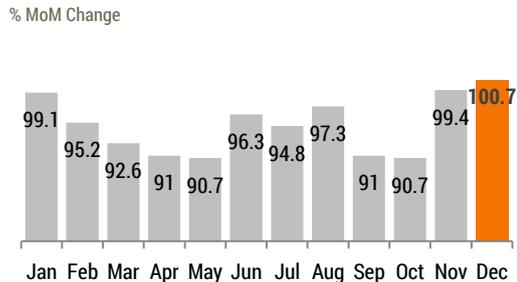
Good prospects of the Spanish Economy

Positive Outlook in GDP Growth



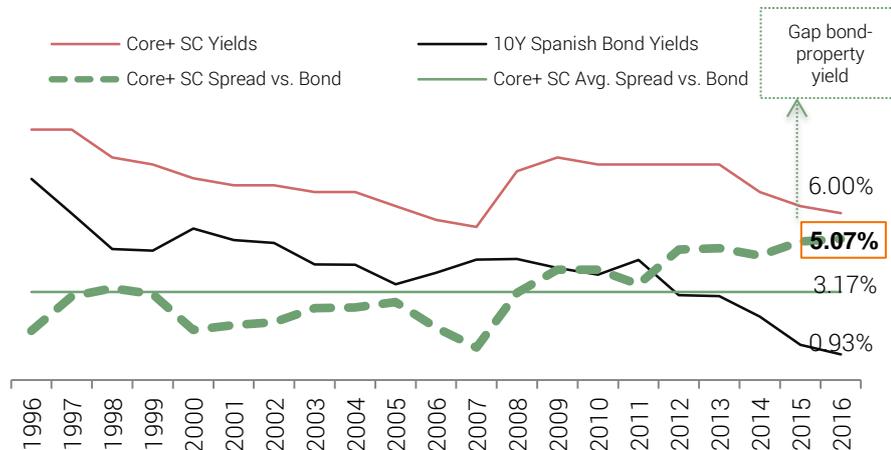
Source: IMF

Consumer Confidence Index 2016



Source: CIS

- ✓ Spanish economy has been surprising on the upside during the last years
- ✓ It is expected to continue outperforming the Eurozone
- ✓ Confidence of consumers keeps growing in line with income and stable earnings driven by strong employment creation
- ✓ No obvious correlation between bond and property yields
- ✓ Future Investment supported by largest Gap in recent history



The value of a retail platform

470,000 sqm, 850 shops, c.52 Mn visitors, 13 cities

Retail Leaders in Spain **#1 Controlling Stake**

#2 Investment Volumes

#3 GLA Acquired

Portfolio **Size** gives us benefits in: **Synergies** in procurement of services

Global **Negotiations** with tenants

Present in most regions of the Spanish territory

Millions of physical and digital customer contacts

Attraction for the development of new commercial formulas

Top 10 players own 167 shopping centres which represent c.25% of the total Spanish market

	Total Assets		GLA per Asset (sqm)
	Owned GLA Estimate	No. Assets	
Peer 1		14	38,985
Peer 2		15	30,743
Lar España + Dev ¹	450.451	12	37,538
Peer 3		7	57,100
Peer 4		15	23,848
Peer 5		69	4,857
Peer 6		10	32,742
Peer 7		3	98,960
Peer 8		8	31,710
Peer 9		14	14,499
Total	3,360,899	167	21,742

Source: AECC 2014, CBRE 2015 & Grupo Lar as of July 2016 (all reported figures are estimates)

¹ Lar España Includes development projects (Palmas Altas and Vidanova Paro)

Retail Approach



#3 Retail Player in Spain

Lar España targets to exploit **revenue synergies** of its growing retail portfolio

Tenants showing great interest in both our **operating and under development assets**

Outstanding Off-market deal-sourcing network

Benefits of staying away from Madrid and Barcelona

1. **Dominance ensures long term value and resilience to any future downturns**
 - i. **Lower competition:** dominant assets often have no other competitor in the catchment area
 - ii. **Barriers to entry:** capital values prevent newer and larger developments
 - iii. **Greater impact of active management:** Creation of unique shopping experience destinations through repositioning especially impactful in those markets
2. **Our operational track record** shows the attractiveness of this approach

Retail 10-Top tenants

9% RETAIL RENTS

7% RETAIL RENTS

7% RETAIL RENTS

4% RETAIL RENTS

4% RETAIL RENTS

3% RETAIL RENTS

3% RETAIL RENTS

3% RETAIL RENTS

2% RETAIL RENTS

2% RETAIL RENTS

Retail Portfolio Key Metrics



1. TDC – Total Development Cost including Acquisition Costs
2. Market value includes acquisition of Parque Abadía and 22 retail units in Q1 2017

Lar España Digital

Market trends forecasted that individuals will shop increasingly by a combination of online and offline, versus a significant reduction of only online or only offline shopping



Customers

- New buying channel
- Better Brand experience
- Access to personalized promotions and new services
- Click & Collect Service and multiple delivery options



Retailers

- Better Customer Service and better CRO (Conversion Rate Optimization)
- Additional sales, cross-selling and opportunities through click & collect
- Improves stocks and operations control
- Access to more products and infinite aisle



Lar España

- Differentiation among its competitors
- Modern and updated perception. Digital transformation
- New income from the new channel
- Adds value to Lar España's properties

1st year Expectations

↑ 5%

Shopping centre's sales growth

7 Mn

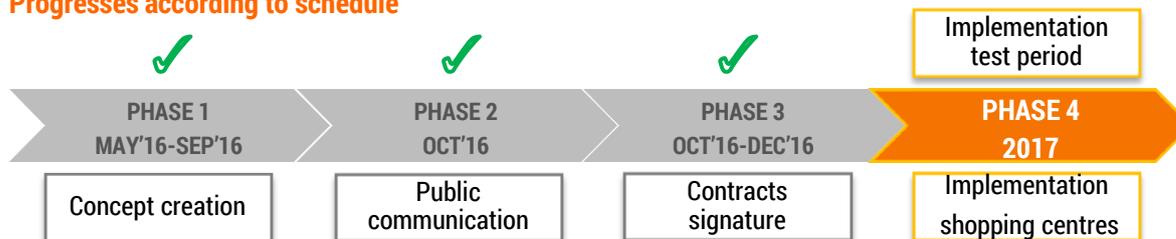
Online platform visitors

€3 Mn

Online platform sales volume



Progresses according to schedule





Sagunto

c.60%
GLA signed and pre-signed

€4 Mn
Expected annual rental
income

44,252 sqm
GLA

Palmas Altas

c.25%
Pre-agreement

€14 Mn
Expected annual rental
income

100,000 sqm
Retail and family leisure
space



04

Non-Retail Strategy

Egeo Office Building, Madrid

Opportunistic approach to non retail assets



Core locations

- Focus on liquid markets
- Luxury residential in Madrid
- Offices in Madrid and Barcelona
- Logistics in main markets (Madrid, Valencia) as a good complement to retail

Focus on value add assets



- Off market acquisitions
- Management as a key element to generate value, leveraging on Grupo Lar's platform
- "Assets that few players could find and turnaround"

APPROACH

- Opportunistically target offices and logistic assets
- Assets to be rotated respecting SOCIMI status to fund further growth in retail and shareholder remuneration



Development

- Development with a moderate weight as a source of return
- Always on selective locations with a leading proposition

Asset Rotation



- Selective asset rotation
- Based on generated return, strategic importance (and the absence of economies of scale)

Offices



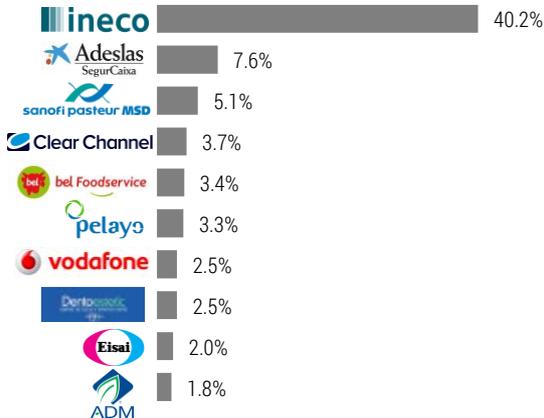
Strategy

Consolidated locations in Madrid and Barcelona

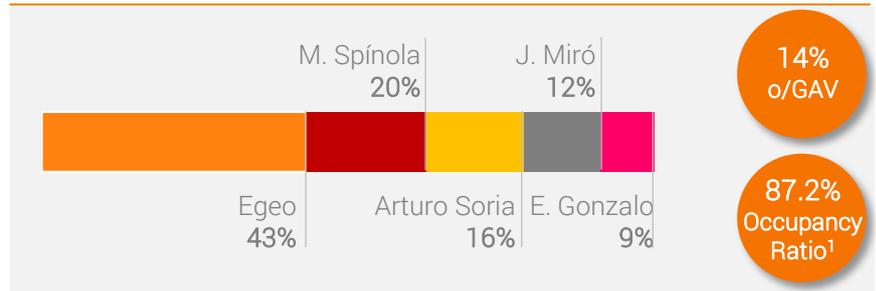
Good Connections/ Public Transports

Recurrent activity with selective rotation

10 Top-tenants by revenue generation



GAV Breakdown of Office assets



Location

Barcelona



Madrid



1. Based on EPRA standards. Marcelo Spínola's Occupancy rate is not included in total occupancy rate due to its lack of representativeness.

Logistics

Strategy

Focus on logistic properties on a selective basis with low rents, low capital values and high yields

Location

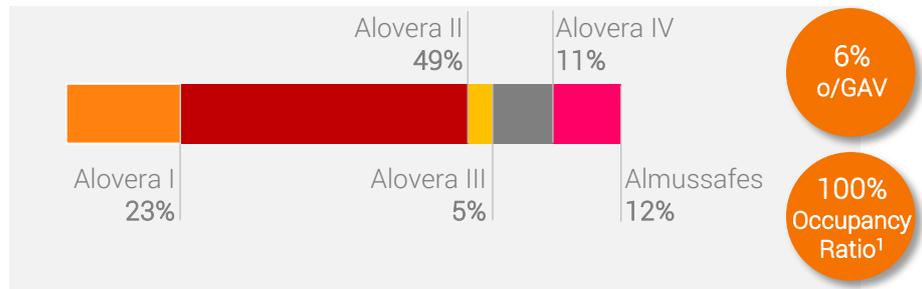
Valencia



Guadalajara



GAV Breakdown of Logistics assets



5-Top tenants by revenue generation - High quality tenant base



1. Based on EPRA standards.

New sources of value: Residential



2018

Estimated delivery date



Construction works on schedule

The building has reached the 10th floor and the structure will be completed in April



50%
sold

High interest from national and international investors
Price c.11,000€/sqm

+21%
revaluation
vs 2015

Strong revaluation due to scarcity of new prime residential product in Madrid city centre

Existing healthy pipeline of clients in signing process for Q1 2017 onwards

05

Financial Results – FY 2016



Lagasca 99 Residential Development, Madrid

FY2016 Highlights

1,275 Mn	GAV ¹	+42% vs FY 2015
€117 Mn	EBT ²	+130% vs FY 2015
€60.2 Mn	Rental Income	+69% vs FY 2015
€30Mn	Dividend ³ 2016	€0.33 dividend ⁴ per share
33%	Net LTV ⁴	2.2% Cost of Debt

 			
€9.20	EPRA NAV per share	€830.4	EPRA NAV (€ '000s)
5.8%	EPRA "topped-up" NIY	5.5%	EPRA Net Initial Yield
93.5%	Occupancy Rate	€62.9 Mn	EPRA Annualised Net Rent ⁵

13.4%	ROE	7.7%	ROA	1.1	Solvency ratio
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1. Total GAV = Valuation of assets as of 31st December 2016

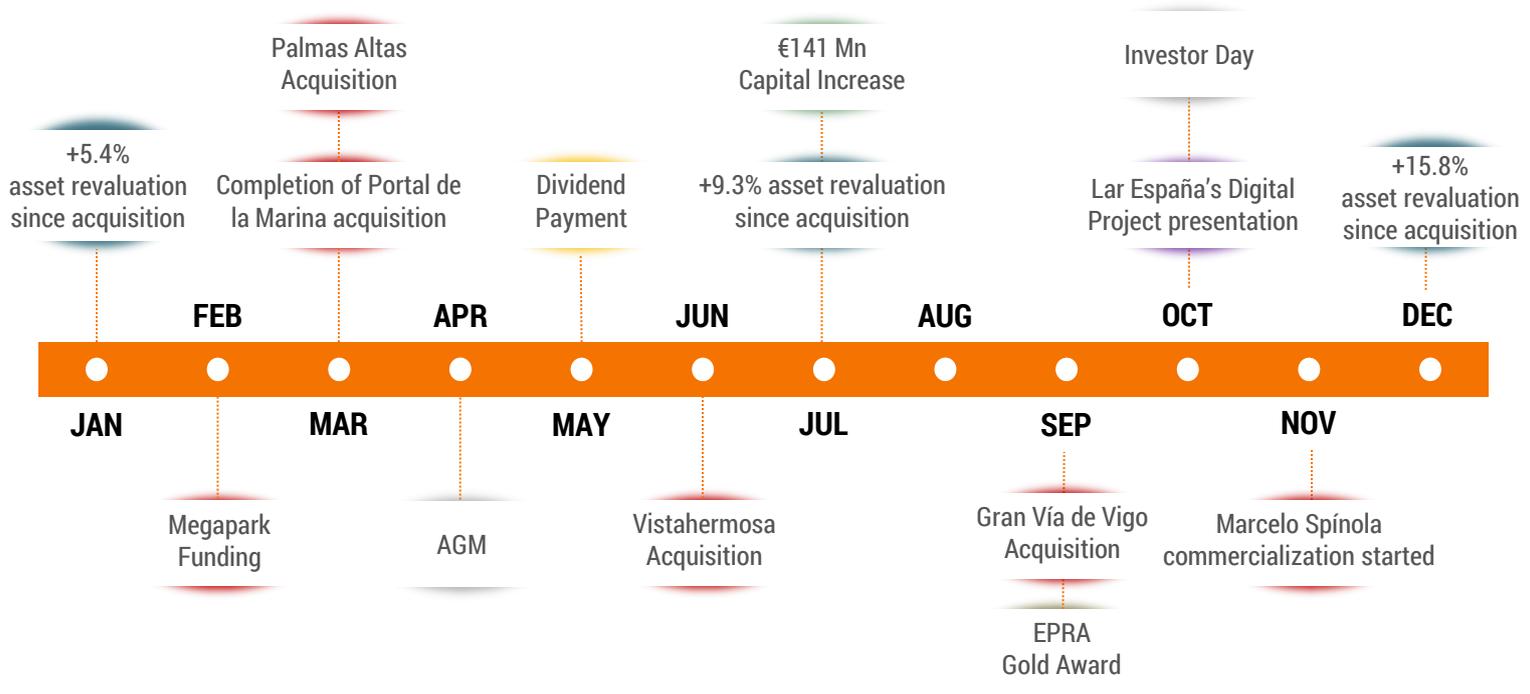
2. EBT pre-performance fee

3. To be approved in the AGM

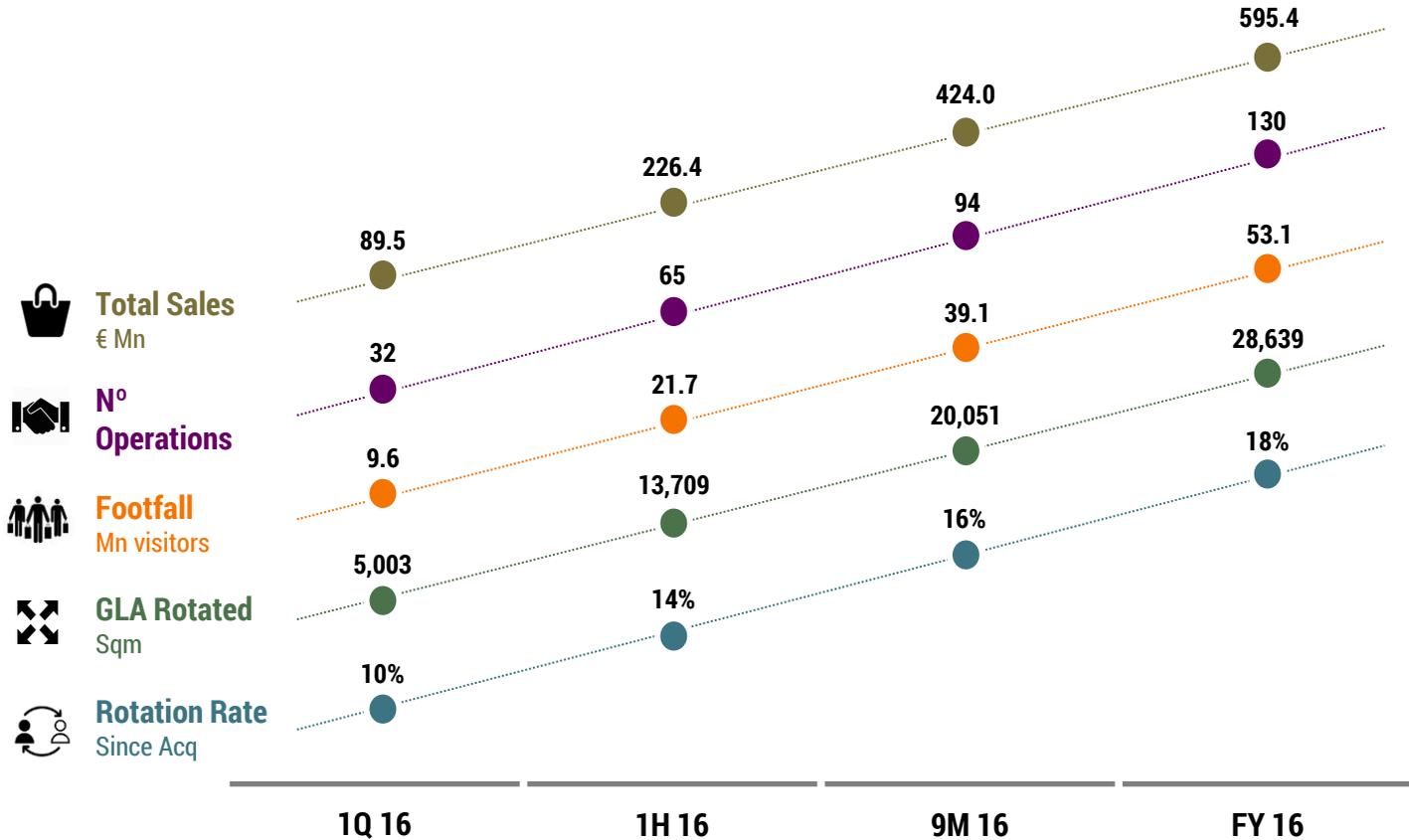
4. Net LTV as of 31 December 2016

5. Includes only operating assets generating rents at the end of December 2016

Major corporate milestones during 2016



Major operative milestones during 2016



FY2016 Operational and Financial Results

01 Solid 2016 Results and Balance Sheet

€60.2 Mn Revenues	+69% vs 2015
€117.0 Mn EBT ¹	+129.8 vs 2015
€25.9 Mn Adjusted EPRA Earnings	+38.6% vs 2015
€830.4 Mn EPRA NAV	+43.7% vs 2015
33% net LTV; €422 Mn Net Debt	2.2% cost of debt

02 Lar España Value Add performance

NOI Increase vs 2015 in Retail	+4.7% LfL
Footfall growth vs 0.9% of Average market	+5.7% LfL
Retail Occupancy vs 2015, up to 93.7%	+1.65 pp
Rotation Rate since Acquisition	18%

03 Stable and attractive shareholder remuneration

€30 Mn Dividend²	€0.331 ps
4.7% dividend yield³	
Above guidance and Business Plan	

1. Pre-performance fee
 2. To be approved in the AGM
 3. Dividend yield based on the market price as at 31st December 2016

Retail Operating Performance

01	#1 in ownership per shopping centre in Spain	#2 in GLA/average per shopping centre #3 in GLA in retail Spanish market
02	+4.7% in NOI Increase vs 2015	Megapark (+7%, TOR:+85%), Albacenter (+16%; TOR: +311%), As Termas (+13%, TOR: +84%)
03	-14% Discounts vs. 2015	Rosal (-56%), Megapark (-50%)
04	Occupancy +0,8p.p vs 2015, up to 91,9%	Vistahermosa occupancy +12 p.p. since acquisition
05	18% Rotation Rate since Acquisition	Rotation Rate since acquisitions: Txingudi: 68%; As Termas: 16%; Vistahermosa: 10%
06	+€53 MM Visitors up to December	Megapark peak in July 16: +13,75%
07	+8.8% Sales Growth vs. 2015	Albacenter (Total sales +11%), Portal de la Marina (Total Sales +5%), AnecBlau (+5% LFL)

Offices and logistics Operating Performance

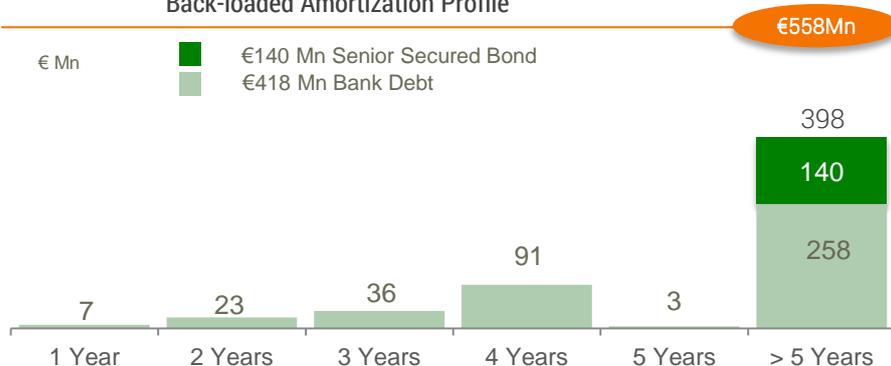
01	94.01% Offices and Logistics portfolio occupancy	<p>Progressive vacancy reduction in office portfolio Ongoing negotiations in Arturo Soria to increase building occupancy to 98% after several floors refurbishment</p> <p>Maintaining 100% occupancy in logistics portfolio. Renovation of Factor5 contract in Alovera</p>
02	Increasing commercial interest in offices portfolio	<p>Increasing visits in Arturo Soria and Eloy Gonzalo</p> <p>Marcelo Spínola Tower works finalized and commercialization in process</p>
03	+12.9% market revaluation vs. 2015	<p>Market value increase driven by capex investment, yield compression and NOI management</p>
04	Intensive capex investment €7.4 Mn in 2016	<p>Marcelo Spínola total refurbishment in 2016</p> <p>Conclusion of the basic refurbishment project in Eloy Gonzalo and works tender</p> <p>Embellishment of offices facades and improvement of hall entrances</p> <p>Improvements in logistics warehouses and study of global maintenance of the covers</p>
05	Office assets focused in achieving Breeam Certification	<p>Marcelo Spínola Breeam pre-calification: "Very Good"</p> <p>Eloy Gonzalo and Egeo in process to obtain Breeam certifications</p>
06	Global NOI reaching €11.7 Mn	<p>Offices and logistics NOI maximization even with refurbishment assets as Marcelo Spínola office building</p>
07	Assets energy consumption optimization	<p>Direct impact in tenant's cost reduction</p>

Debt Profile

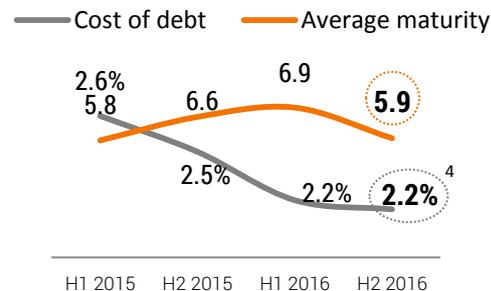
Key Figures of the financing ¹



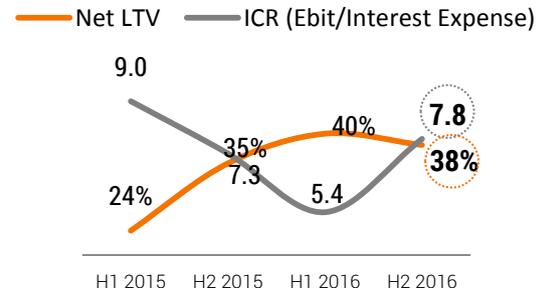
Back-loaded Amortization Profile



Long Term debt maturity and competitive cost of debt



Stronger Financial solvency while optimizing Balance Sheet Structure



1. All figures according to Last Reported Results on FY 2016

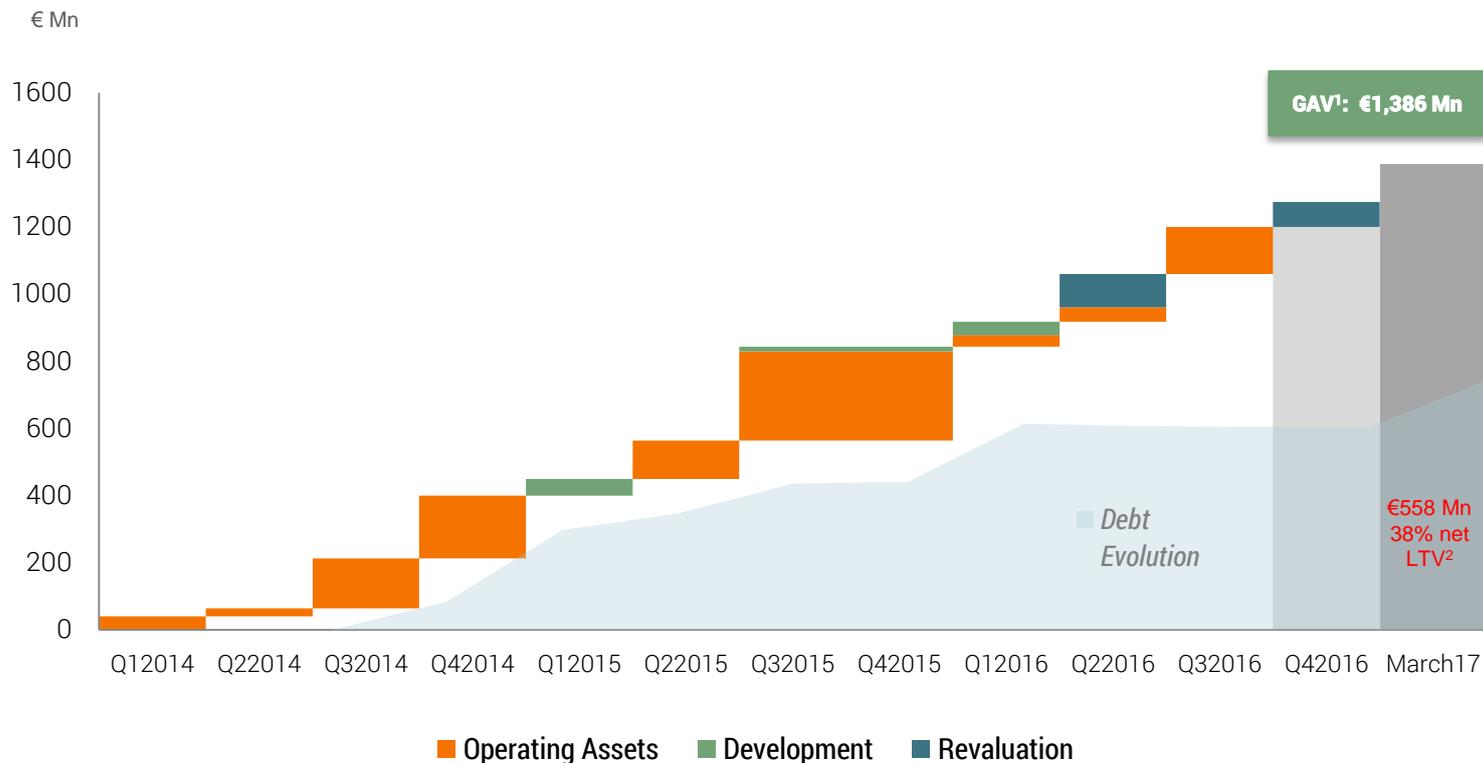
2. Net LTV calculated as at March 2017 taking into account new acquisitions in Q1 2017; Net LTV= Total Loans & Borrowings & Notes net of Cash

3. Excluding any impact from negative interest rate

4. Proforma Cost of debt with the incorporation of Gran Via de Vigo and Vistahermosa debt funding occurred in Q12017

Disciplined and prudent debt evolution

Portfolio and Debt evolution since IPO



1. Total GAV = Valuation of assets as of 31st December + acquisition of Parque Abadía and 22 retail units in Q1 2017
 2. Net LTV calculated as at March 2017 taking into account new acquisitions in Q1 2017

FY2016 P&L

Consolidated Income Statement (€ Millions)

	FY 2016			Chg (%) FY16/FY15	FY 2015		
	Recurring	Non-Recurring	Total		Recurring	Non-Recurring	Total
Rental Income	60.2	-	60.2		35.7	-	35.7
Other income	1.8	-	1.8		1.0	-	1.0
Property Operating Expenses	(10.0)	-	(10.0)		(5.5)	-	(5.5)
Base Fee	(6.4)	-	(6.4)		(3.9)	-	(3.9)
Property Operating Results	45.7	-	45.7	+66.6%	27.4	-	27.4
Corporate Expenses	(3.6)	(1.3)	(4.9)		(2.6)	(1.1)	(3.7)
Other results	-	2.9	2.9		-	2.3	2.3
EBITDA¹	42.0	1.6	43.7	+67.9%	24.8	1.2	26.0
Changes in the Fair Value	87.8	-	87.8		26.0	-	26.0
EBIT¹	129.9	1.6	131.5	+152.9%	50.8	1.2	52.0
Financial Result	(9.6)	(4.1)	(13.7)		(3.7)	-	(3.7)
Share in profit (loss) for the period of equity-accounted companies	(0.8)	-	(0.8)		2.6	-	2.6
EBT¹	119.5	(2.5)	117.0		49.7	1.2	50.9
Income Tax	-	-	-	+140.4%	-	-	-
Profit for the Period (pre performance fee)	119.5	(2.5)	117.0	+129.8%	49.7	1.2	50.9
FFO (EBITDA – Financial Result) ¹	32.4	-	29.9		21.1	-	22.3
% FFO Annualized Yield /NAV	3.9%	-	3.6%		3.7%	-	3.8%
Performance fee			(25.6)				(7.4)
Profit for the Period (post performance fee)			91.4	+109.6%			43.6

1. pre performance fee



06

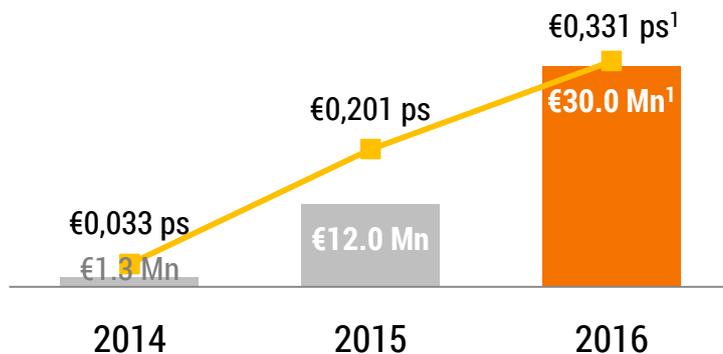
Closing Remarks

Marcelo Spínola Office Building, Madrid

Dividends

Dividend: €30 Mn¹
4.7% Dividend Yield²

€0.331 ps¹ – May 26th, 2017³



3rd dividend
in 3 years

Dividend
above
guidance

Highest
dividend
yield in
Spanish RE

¹ Dividend to be approved in AGM

² Dividend yield calculated as at 31/12/2016

³ Dividend payment date subject to tentative date celebration of AGM on April 28th, 2017



Closing Remarks

- ✓ Attractive €30 Mn dividend supported by a Strong set of Results with an €117 Mn EBT
- ✓ Attractive portfolio of €1,386 Mn¹, out of which €1,256,5 Mn are rents generating assets that produce c.€70 Mn underpinned by the acquisitions of two excellent assets in Q1 2017
- ✓ Upside potential from acquisitions done at attractive capital values with potential for revaluation
- ✓ Upside from our value added approach including repositioning and selectively development to create unique shopping experience destinations
- ✓ A complementary opportunistic approach on logistics and office investments
- ✓ Proven recurrent access to off-market transactions
- ✓ Excellent progress in the development of Lagasca 99 and the Retail developments
- ✓ Digital 360° project aimed at linking and enhancing off line and on line retail platform

Investment Opportunity

Value is our DNA

1. Total GAV = Valuation of assets as of 31th December + acquisition of Parque Abadía and 22 retail units in Q1 2017

Appendix - Assets

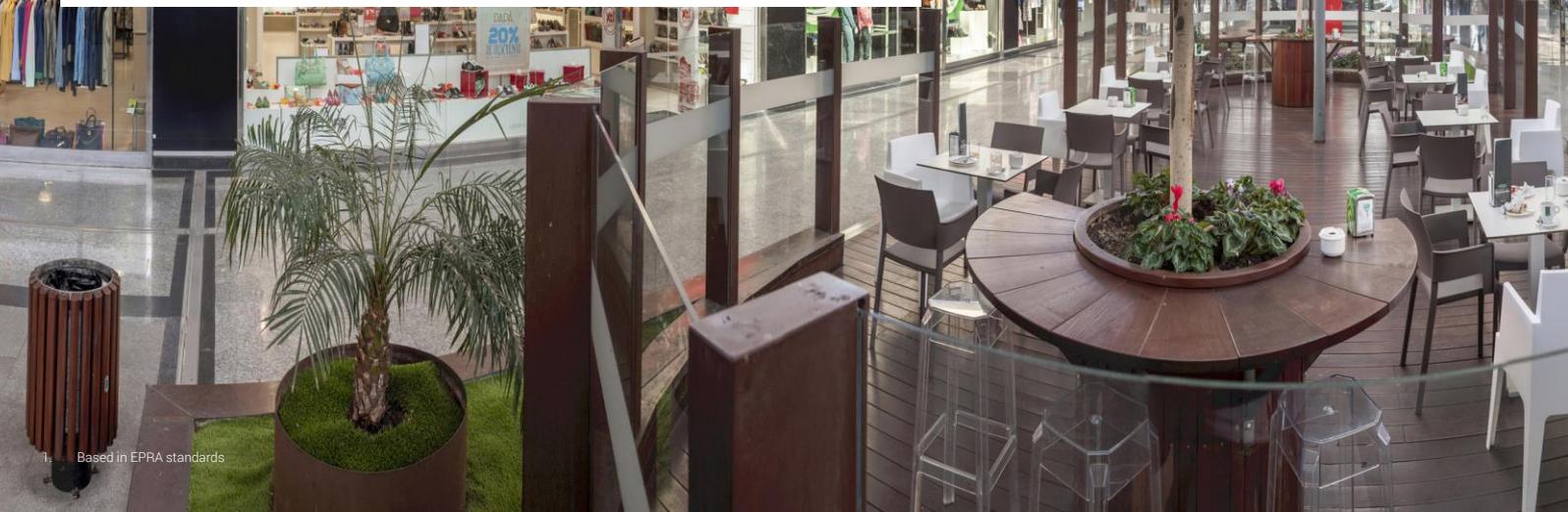
A high-angle, wide shot of a modern shopping mall's interior. The space is characterized by multiple levels connected by wide, white escalators with glass railings. People are seen moving up and down the stairs, some in motion blur. The ground floor is a brightly lit walkway with various retail stores. A prominent store in the center has a sign for 'UNIQLO'. To the right, another store is visible with a sign for 'L'ETTERIA'. The ceiling is a complex, multi-layered structure with recessed lighting and perforated panels. A large blue pillar stands on the upper level. The overall atmosphere is busy and contemporary.

Anec Blau Shopping Centre, Barcelona

RETAIL COMPLEX

Megapark, Bilbao

Location Bilbao	Acquisition Price EUR 170.0 Mn
GLA 63,576 Sqm	Market Value (Dec 2016) EUR 190.0 Mn
Purchase Date 19 October 2015	EPRA NIY 5.2%
WAULT 2.7 years	Occupancy Rate ¹ 94.0%



¹ Based in EPRA standards

SHOPPING CENTRE

Gran Vía de Vigo, Pontevedra

Location Vigo, Pontevedra	Acquisition Price EUR 141.0 Mn
GLA 41,462 Sqm	Market Value (Dec 2016) EUR 144.5 Mn
Purchase Date 15 September 2016	EPRA NIY 5.9%
WAULT 3.1	Occupancy Rate ¹ 95.5%



SHOPPING CENTRE

El Rosal, León

Location Ponferrada, León	Acquisition Price EUR 87.5 Mn
GLA 51,022 Sqm	Market Value (Dec 2016) EUR 99.8 Mn
Purchase Date 7 July 2015	EPRA NIY 5.9%
WAULT 2.7 years	Occupancy Rate ¹ 93.8%



1. Based in EPRA standards

SHOPPING CENTRE

Portal de la Marina, Alicante

Location Ondara, Alicante	Acquisition Price EUR 89.2 Mn
GLA 40,066 Sqm	Market Value (Dec 2016) EUR 107.1 Mn
Purchase Date 30 Oct '14/ 9 Jun '15/ 30 Mar '16	EPRA NIY 6.4%
WAULT 2.4 years	Occupancy Rate ¹ 93.4%

1. Weighted average price of acquisitions



SHOPPING CENTRE

Anec Blau, Barcelona

Location Barcelona	Acquisition Price EUR 80.0 Mn
GLA 28,598 Sqm	Market Value (Dec 2016) EUR 93.3 Mn
Purchase Date 31 July 2014	EPRA NIY 5.4%
WAULT 3.0 years	Occupancy Rate ¹ 93.0%



¹ Based in EPRA standards

SHOPPING CENTRE

As Termas, Lugo

Location Lugo	Acquisition Price EUR 68.8 Mn
GLA 35,127 Sqm	Market Value (Dec 2016) EUR 80.0 Mn
Purchase Date 15 Apr '15/ 28 Jul '15	EPRA NIY 6.4%
WAULT 2.8 years	Occupancy Rate ¹ 95.1%



1. Based in EPRA standards

RETAIL PARK

Parque Abadía, Toledo

Location Toledo	Acquisition Price EUR 63.1 Mn
GLA 37,114 Sqm	Market Value (Acq price) EUR 63.1 Mn
Purchase Date 27 March 2017	NIY 6.0%
WAULT -	Occupancy Rate 100%



22 RETAIL UNITS

North of Spain + Balearic Islands

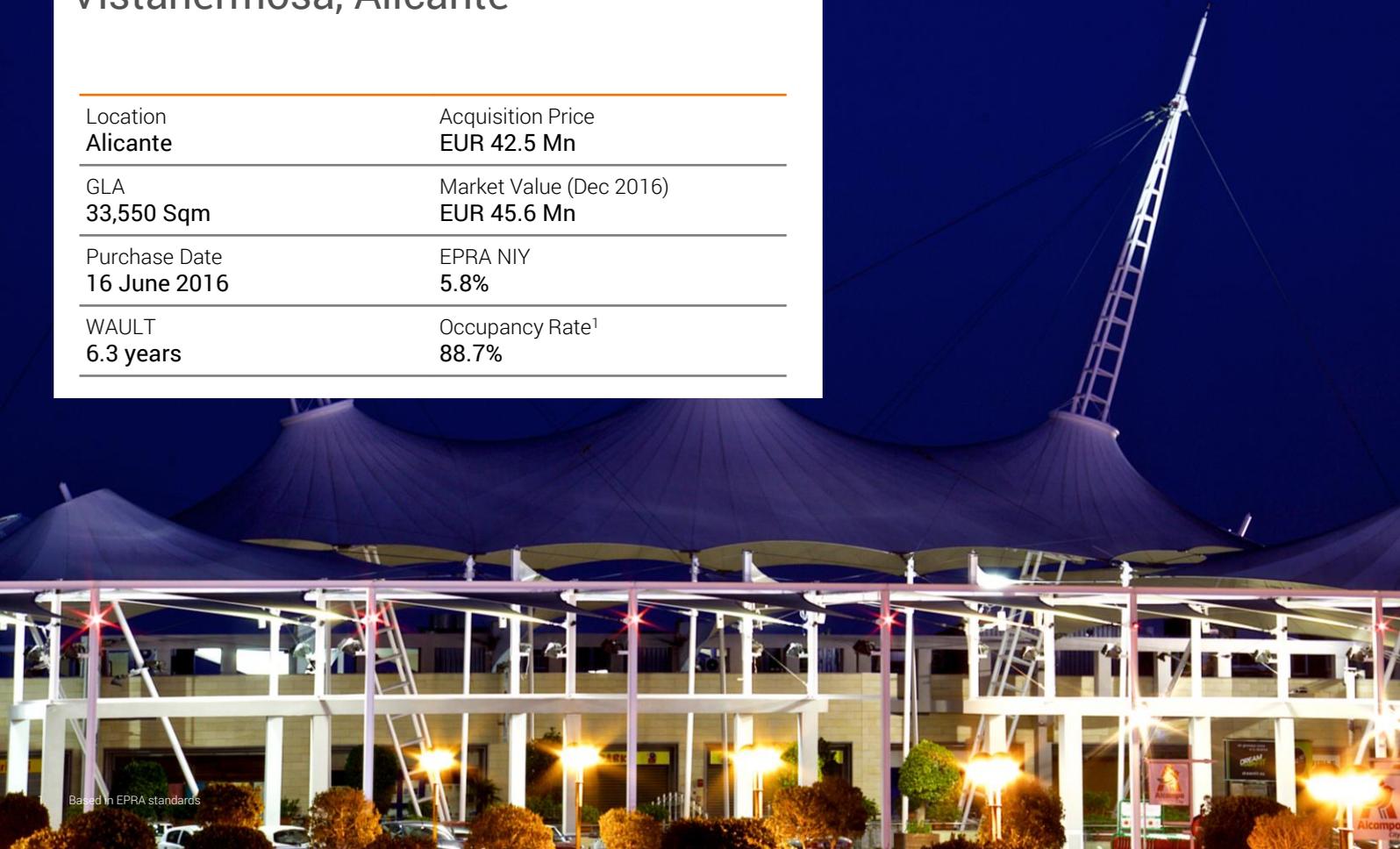
Location	Acquisition Price
North of Spain + Balearic Is.	EUR 47.6 Mn
GLA	Market Value (Acq price)
28,822 Sqm	EUR 47.6 Mn
Purchase Date	NIY
27 March 2017	7.6%
WAULT	Occupancy Rate
-	100%



RETAIL PARK

Vistahermosa, Alicante

Location Alicante	Acquisition Price EUR 42.5 Mn
GLA 33,550 Sqm	Market Value (Dec 2016) EUR 45.6 Mn
Purchase Date 16 June 2016	EPRA NIY 5.8%
WAULT 6.3 years	Occupancy Rate ¹ 88.7%



SHOPPING CENTRE

Palmas Altas, Seville

Location Seville	Acquisition Price EUR 40.5 Mn
Retail and family leisure space 100,000 Sqm	Market Value (Dec 2016) EUR 46.0 Mn
Purchase Date 1 March 2016	Expected NIY > 8%
Expected Opening Date Q1 2019	Expected development costs EUR 109.0 Mn



SHOPPING CENTRE

Albacenter, Albacete

Location
Albacete

Acquisition Price
EUR 39.9 Mn

GLA
27,890 Sqm

Market Value (Dec 2016)
EUR 49.8 Mn

Purchase Date
30 Jul '14/ 19 Dec '14

EPRA NIY
5.4%

WAULT
2.7 years

Occupancy Rate¹
88.4%

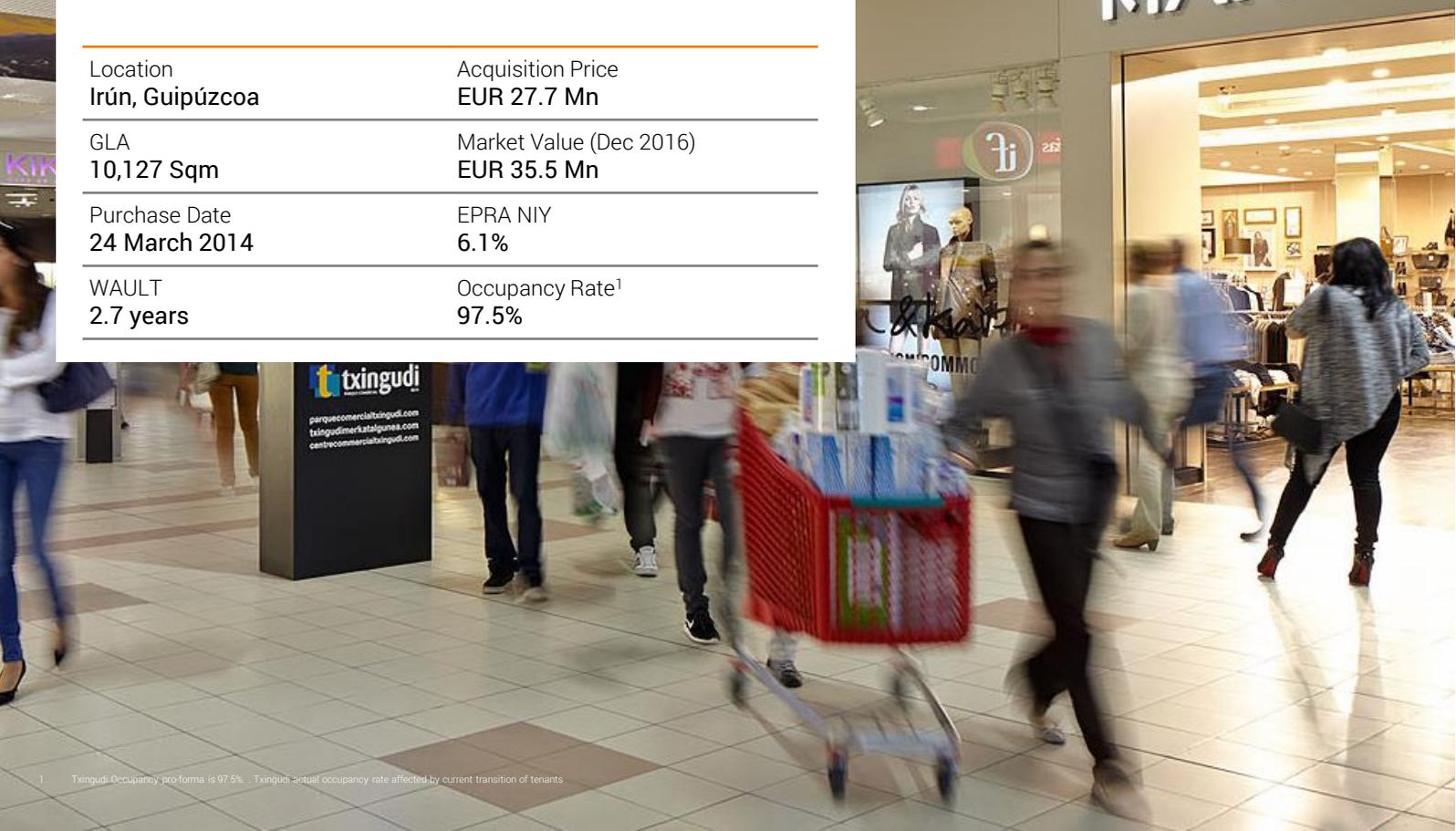


1. Based in EPRA standards

SHOPPING CENTRE

Txingudi, Guipúzcoa

Location Irún, Guipúzcoa	Acquisition Price EUR 27.7 Mn
GLA 10,127 Sqm	Market Value (Dec 2016) EUR 35.5 Mn
Purchase Date 24 March 2014	EPRA NIY 6.1%
WAULT 2.7 years	Occupancy Rate ¹ 97.5%



¹. Txingudi Occupancy pro-forma is 97.5%. Txingudi actual occupancy rate affected by current transition of tenants

RETAIL PARK

Sagunto, Valencia

Location Sagunto, Valencia	Acquisition Price EUR 14.0 Mn
GLA 44.252 Sqm	Market Value (Dec 2016) EUR 17.3 Mn
Purchase Date 3 August 2014	Expected NIY > 9%
Expected Opening Date Q1 2018	Expected development costs EUR 26.0 Mn



SHOPPING CENTRE

Las Huertas, Palencia

Location
Palencia

Acquisition Price
EUR 11.7 Mn

GLA
6,267 Sqm

Market Value (Dec 2016)
EUR 13.3 Mn

Purchase Date
24 March 2014

EPRA NIY
6.2%

WAULT
2.3 years

Occupancy Rate¹
84.9%



1. Based in EPRA standards

RETAIL PARK

Nuevo Alisal, Santander

Location Santander	Acquisition Price EUR 17.0 Mn
GLA 7,649 Sqm	Market Value (Dec 2016) EUR 18.3 Mn
Purchase Date 17 December 2014	EPRA NIY 6.2%
WAULT 3.1 years	Occupancy Rate ¹ 100.0%



Media Markt

RETAIL PARK

Villaverde, Madrid

Location
Madrid

Acquisition Price
EUR 9.1 Mn

GLA
4,391 Sqm

Market Value (Dec 2016)
EUR 10.8 Mn

Purchase Date
29 July 2014

EPRA NIY
6.2%

WAULT
5.8 years

Occupancy Rate¹
100.0%

MediaMarkt

Telecomunicación

ENTRADA
SIEMPRE LOS MEJORES PRECIOS



1. Based in EPRA standards

RETAIL PARK

Galaria, Pamplona

Location Pamplona	Acquisition Price EUR 8.4 Mn
GLA 4,108 Sqm	Market Value (Dec 2016) EUR 10.4 Mn
Purchase Date 23 July 2015	EPRA NIY 6.3%
WAULT 4.9 years	Occupancy Rate ¹ 100.0%



¹ Based in EPRA standards

OFFICES

Egeo, Madrid

Location Madrid	Acquisition Price EUR 64.9 Mn
GLA 18,254 Sqm	Market Value (Dec 2016) EUR 73.9 Mn
Purchase Date 16 December 2014	EPRA NIY 1.6%
WAULT 4.4 years	Occupancy Rate ¹ 89.0%

OFFICES

Marcelo Spínola, Madrid



Location
Madrid

Acquisition Price
EUR 19.0 Mn

GLA
8,875 Sqm

Market Value (Dec 2016)
EUR 33.5 Mn

Purchase Date
31 July 2014

Redevelopment Capex
EUR 9.6 Mn

Expected Yield
> 7.5%

Total cost per Sqm.
EUR 3,222/Sqm



OFFICES

Arturo Soria, Madrid

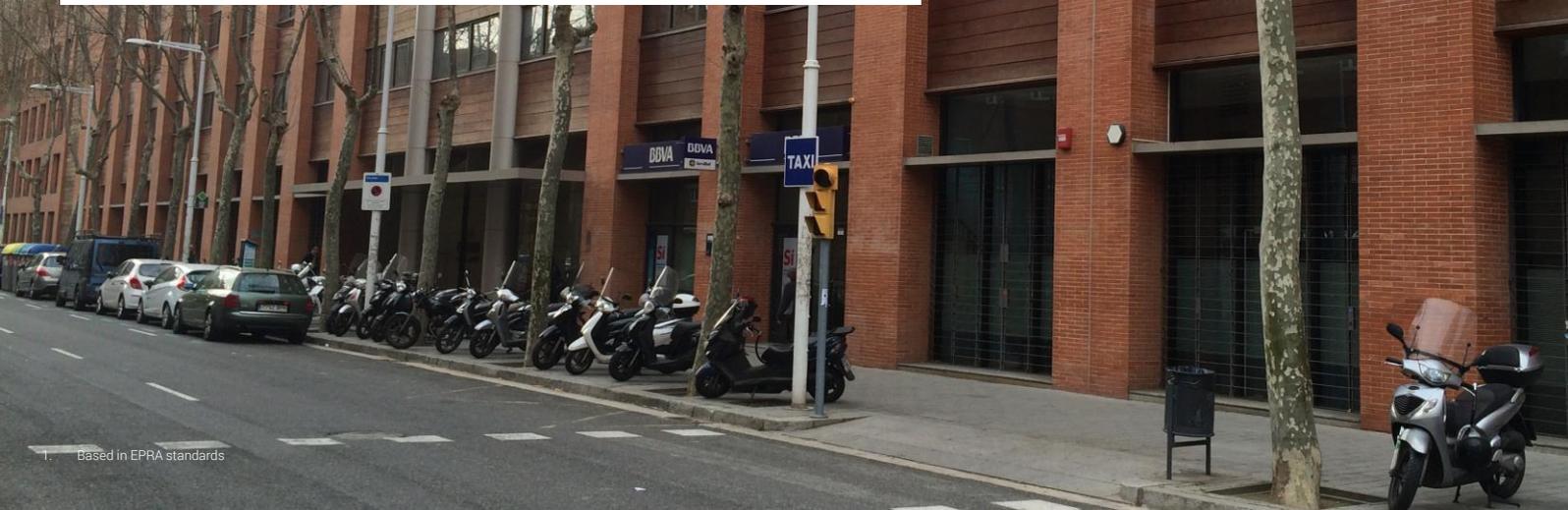
Location Madrid	Acquisition Price EUR 24.2 Mn
GLA 8,663 Sqm	Market Value (Dec 2016) EUR 27.2 Mn
Purchase Date 29 July 2014	EPRA NIY 4.8%
WAULT 2.3 years	Occupancy Rate ¹ 78.8%

1. Based in EPRA standards

OFFICES

Joan Miró, Barcelona

Location Barcelona	Acquisition Price EUR 19.7 Mn
GLA 8,611 Sqm	Market Value (Dec 2016) EUR 21.4 Mn
Purchase Date 11 June 2015	EPRA NIY 5.3%
WAULT 1.1 years	Occupancy Rate ¹ 97.3%



OFFICES

Eloy Gonzalo, Madrid

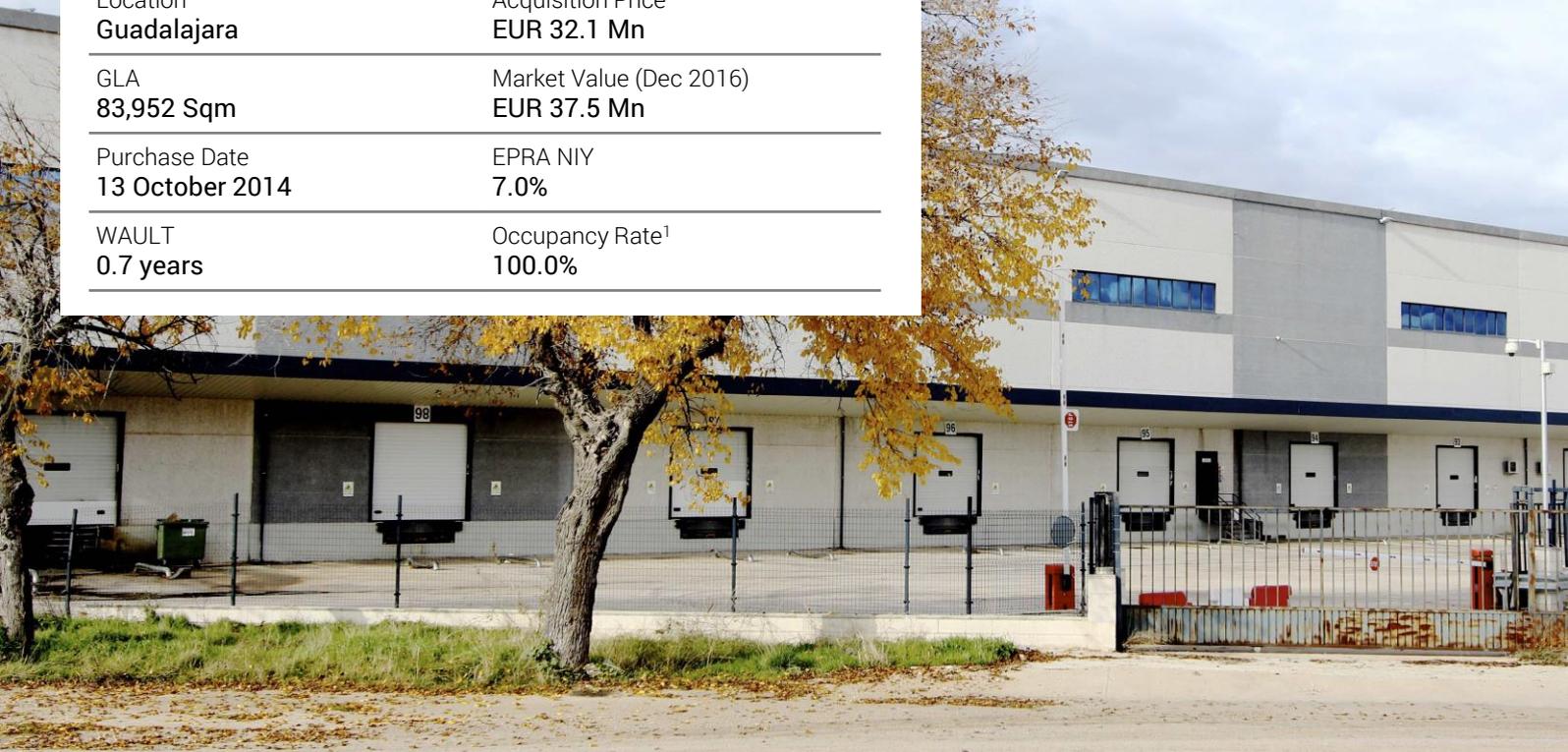
Location Madrid	Acquisition Price EUR 12.7 Mn
GLA 6,231 Sqm	Market Value (Dec 2016) EUR 15.0 Mn
Purchase Date 23 December 2014	EPRA NIY 2.7%
WAULT 1.9 years	Occupancy Rate ¹ 82.9%



LOGISTICS

Alovera II, Guadalajara

Location Guadalajara	Acquisition Price EUR 32.1 Mn
GLA 83,952 Sqm	Market Value (Dec 2016) EUR 37.5 Mn
Purchase Date 13 October 2014	EPRA NIY 7.0%
WAULT 0.7 years	Occupancy Rate ¹ 100.0%

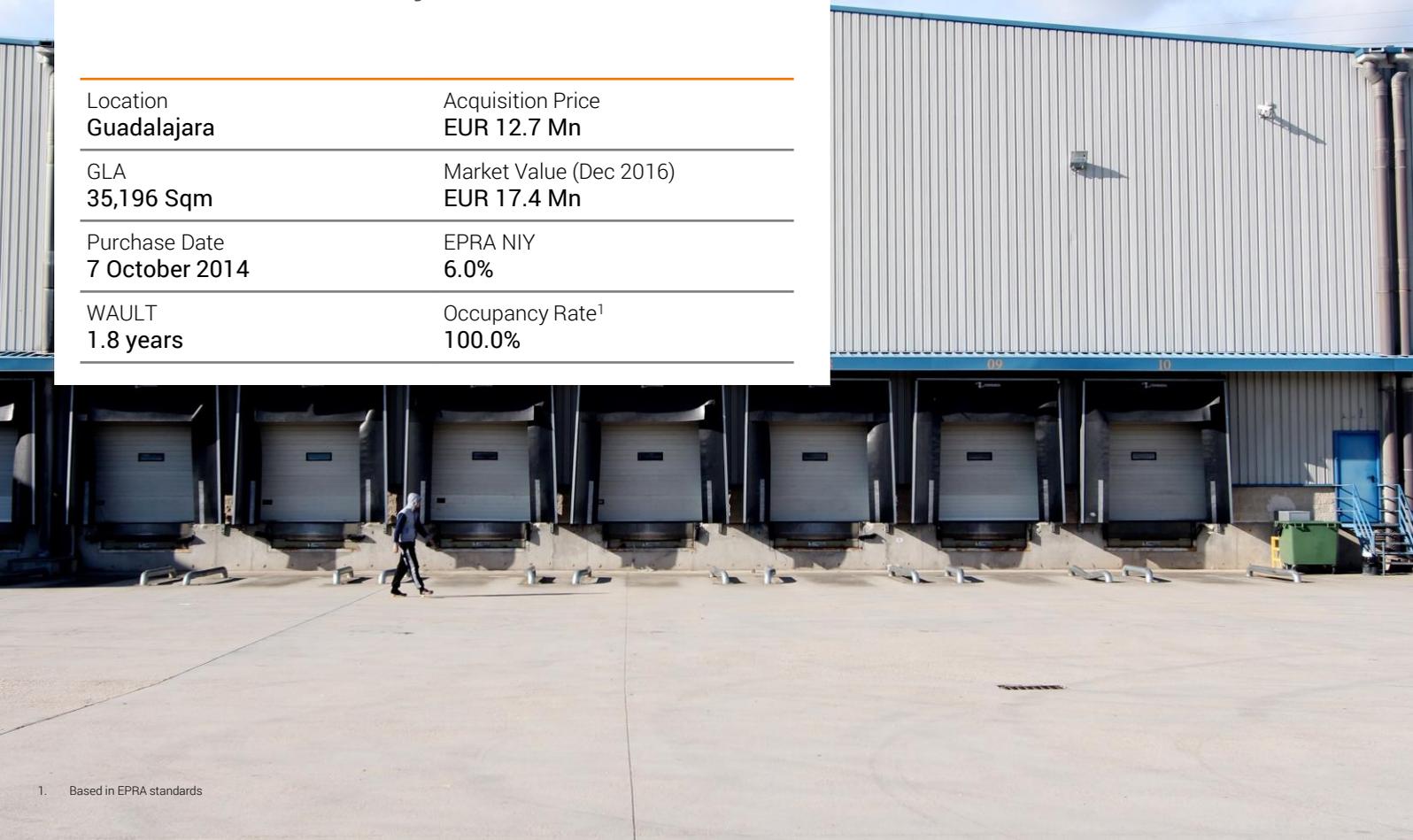


1. Based in EPRA standards

LOGISTICS

Alovera I, Guadalajara

Location Guadalajara	Acquisition Price EUR 12.7 Mn
GLA 35,196 Sqm	Market Value (Dec 2016) EUR 17.4 Mn
Purchase Date 7 October 2014	EPRA NIY 6.0%
WAULT 1.8 years	Occupancy Rate ¹ 100.0%



1. Based in EPRA standards

LOGISTICS

Almussafes, Valencia

Location Valencia	Acquisition Price EUR 8.4 Mn
GLA 19,211 Sqm	Market Value (Dec 2016) EUR 9.5 Mn
Purchase Date 26 May 2015	EPRA NIY 7.3%
WAULT 2.9 years	Occupancy Rate ¹ 100.0%

1. Based in EPRA standards

LOGISTICS

Alovera IV (C5-C6), Guadalajara

Location Guadalajara	Acquisition Price EUR 7.2 Mn
GLA 14,891 Sqm	Market Value (Dec 2016) EUR 8.5 Mn
Purchase Date 26 May 2015	EPRA NIY 8.3%
WAULT 2.2 years	Occupancy Rate ¹ 100.0%

1. Based in EPRA standards

LOGISTICS

Alovera III, Guadalajara

Location Guadalajara	Acquisition Price EUR 3.0 Mn
GLA 8,591 Sqm	Market Value (Dec 2016) EUR 3.6 Mn
Purchase Date 26 May 2015	EPRA NIY 6.7%
WAULT 1.0 years	Occupancy Rate ¹ 100.0%



1. Based in EPRA standards

RESIDENTIAL

Lagasca 99, Madrid

LAGASCA99

Location
Madrid

Acquisition Price¹
EUR 50.1 Mn

GLA
26,203 Sqm

Market Value (Dec 2016)
EUR 65.8 Mn

Purchase Date
30 January 2015

Construction Period
2016 - 2018

1. Corresponds to the 50% of the JV with PIMCO



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