

PRESS RELEASE

LAR ESPAÑA secures EUR 35 million in financing

- The SOCIMI lowers its financing costs to 2.18% and its debt maturity stays at 6.2 years
- LAR ESPAÑA's net LTV, currently at 40% of its gross asset value, leaving the company room, up to the 50% mark, to obtain additional financing in the future
- LAR ESPAÑA's total debt reaches EUR 591.3 million; EUR 446.6 million corresponding to bank financing and EUR 140 million to a bond issuance

Madrid, 6 June 2017. LAR ESPAÑA REAL ESTATE SOCIMI S.A (LRE), the listed real estate investment company, has successfully secured a financing agreement totalling EUR 34.8 million, which will allow it to acquire new assets over the coming months.

LAR ESPAÑA's total debt now stands at EUR 591.3 million, of which EUR 446.6 million corresponds to bank loans and the remaining EUR 140 million to a bond issuance completed at the start of 2015, the first carried out by a SOCIMI in Spain.

LAR ESPAÑA's net LTV currently stands at 40% of its gross asset value, leaving the company room, more specifically until the 50% mark is reached, for further additional leverage.

The newly signed agreements lower the SOCIMI's financing costs to 2.18%. The average maturity for the financing stays at 6.2 years and the debt is 82% hedged via various financial instruments, thereby reducing its interest rate exposure.

Sergio Criado, CFO of LAR ESPAÑA, highlighted that *"this financing agreement, along with those achieved in March and that of Lagasca99, confirms our financial stability and the solvency of our asset."* LAR ESPAÑA has secured financing agreements linked to Gran Vía (Vigo) and Vistahermosa (Alicante) shopping centres and Lagasca99.



Parque Abadía shopping centre

The financing agreement that has been reached is linked to Parque Abadía shopping centre (Toledo), acquired in March 2017. 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. It is just ten minutes from Toledo's city centre and over 300,000 people live within just half an hour's drive.

LAR ESPAÑA REAL ESTATE currently owns 31 real estate assets valued at EUR1,399 million, of which EUR1,081 million relate to 16 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; EUR171 million to four office buildings in Madrid and one in Barcelona; EUR79 million to four logistics properties in Guadalajara and one in Valencia; and EUR68 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 EUR140 million. In August 2015 it successfully completed a EUR 135 million share capital increase, and another EUR147 million one in August 2016.

On 4 June 2015, LAR ESPAÑA REAL ESTATE SOCIMI was included on the FTSE 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.

For more information on the Lagasca99 financing:

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