

PRESS RELEASE

Seville City Council and LAR ESPAÑA officially inaugurate the start of construction works at Palmas Altas

- The mayor of Seville, Juan Espadas, alongside Miguel Pereda, board member of the SOCIMI, laid the first brick of the family leisure and shopping centre today
- Palmas Altas is scheduled to open during 2019's first semester, and will generate 4,800 new jobs
- The project will be the largest real estate investment in the city from the last decade, and will become the SOCIMI's highest-valued asset

Seville, 17 October 2017. The Palmas Altas project has taken another great leap forwards. Today, the mayor of Seville, Juan Espadas, and Miguel Pereda officially inaugurated the start of construction works for what will become one of the largest family leisure and retail complexes in Andalusia. Notable local representatives from businesses and institutions, as well as highly regarded figures from Andalusian society, attended the ceremony in which the first brick was laid at Palmas Altas.

The Palmas Altas centre, which is due to open its doors during 2019's first semester, will create 4,800 new jobs. Of these, 1,500 are related to the construction of the shopping centre and the remaining 3,300 to permanent roles at the centre. This project will provide a real boost to the local economy and create employment in Seville. In fact, LAR ESPAÑA makes it a priority to contract local suppliers for the construction and maintenance of its properties.

The total investment required to develop this family leisure and retail complex will amount to €250 million, the largest investment in urban development that the city has seen in the last 10 years and the SOCIMI's highest-valued asset to date.

Palmas Altas will be the largest retail and entertainment hub in the city, comprising a total area of 123,500 sqm, 100,000 sqm of which will be retail and leisure space. The scheme will also feature a lake and entertainment activities for the whole family.

Palmas Altas, which aims to become a leading shopping centre, will be located in an expanding area of the city that currently lacks any similar retail or leisure offering. More specifically, the complex will be located in the La Palmera-Bellavista district, in a highly accessible area. This will provide the shopping centre with an extensive catchment area: 450,000 people live within a ten-minute drive from the site and a further one million are just half an hour away.

Juan Espadas, the mayor of Seville, stated that *“The Palmas Altas shopping centre is both an ambitious and monumental project, and will create a significant amount of new jobs. It will have a great impact not only on the city of Seville itself, but also on neighbouring towns. In short, it is a future concept for the short and medium term.”*

Miguel Pereda, CEO of LAR ESPAÑA, said that *“We are delighted to start the construction works on the Palmas Altas project, which will undoubtedly be a milestone in our property portfolio due to its sheer size and type of retail complex, one which meets the needs of the modern customer.”* Pereda highlighted that *“we are immensely proud that the investment we are making in this project will serve to boost the economy, as well as local and regional employment.”*

LAR ESPAÑA REAL ESTATE currently owns 30 real estate assets valued a EUR1,419.1 million, of which; EUR1,040.8 million relate to shopping centres located in Madrid, Toledo, The Balearic Islands, La Rioja, Vigo, Valencia, Seville, Alicante, Cantabria, Lugo, León, Vizcaya, Navarre, Guipúzcoa, Palencia, Albacete and Barcelona; EUR149.8 million to three office buildings; EUR83.3 million to four logistics properties; and EUR145.4 million to four developments under construction.

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 400million 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 EUR135 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 FTSA EPRA/NAREIT Global index, a select global index designed to showcase the general trends of listed real estate companies around the world. In September 2017, for the third 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. For the first time, in 2017 the SOCIMI also achieved the 'Silver Award' and the 'Most Improved Award' for Sustainability in recognition of its hard work and the improvements made during the past year in terms of the information published concerning Corporate Social Responsibility. The inclusion of LAR ESPAÑA REAL ESTATE on the index and the awards 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.

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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