Lar España’s presenting team

MIGUEL PEREDA
Board Member of Lar España and Co-CEO of Grupo Lar

SERGIO CRIADO
CFO of Lar España

JON ARMENTIA
Corporate Manager of Lar España

JORGE PEREZ DE LEZA
Head of European Operations of Grupo Lar

JOSE MANUEL LLOVET
Head of Retail Operations of Grupo Lar
Financial Highlights

Accelerating business performance and portfolio growth

Strong asset contribution

Solid signs of asset value generation and confirmation of consumption improvement
+2% Growth in Footfall; +6% in average sales per customer; +7% in total sales, vs. market (+4%)

Rental Income of €23.5m in 9M 2015 vs. €14.1m in 1H 2015

€223m Investment (ex-Megapark) added to the portfolio throughout the year

Accelerating Portfolio Growth since 1H2015

Excellent accretive deals since last capital increase strengthens portfolio’s rent generation:

€393m in assets year to date

On track to finish the year with more than 1 Billion Euros of investments

Very attractive pipeline of more than €800m
Agenda

1 Financial Results Q3 2015

2 Excellent accretive deals since July’s capital increase

3 On track to meet targets / Attractive pipeline ahead
Positive financial performance, but still expecting ramp-up phase

### Consolidated Income Statement (Thousands of Euros)

<table>
<thead>
<tr>
<th></th>
<th>9M 2015</th>
<th>9M 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>23,507(1)</td>
<td>3,822</td>
</tr>
<tr>
<td>Other income(2)</td>
<td>3,131</td>
<td>355</td>
</tr>
<tr>
<td>Change in fair value of investment properties</td>
<td>11,943</td>
<td>-42</td>
</tr>
<tr>
<td>Personnel costs</td>
<td>-243</td>
<td>-36</td>
</tr>
<tr>
<td>Other expenses(3)</td>
<td>-9,243</td>
<td>-4,623</td>
</tr>
<tr>
<td><strong>Results from operations</strong></td>
<td>29,095</td>
<td>-524</td>
</tr>
<tr>
<td>Financial Income</td>
<td>1,701</td>
<td>1,998</td>
</tr>
<tr>
<td>Financial Expenses</td>
<td>-4,391</td>
<td>-</td>
</tr>
<tr>
<td>Impairment and results of disposals fin. instruments</td>
<td>-250</td>
<td>-</td>
</tr>
<tr>
<td>Share in profit (loss) of equity-accounted companies</td>
<td>181</td>
<td>-</td>
</tr>
</tbody>
</table>

**Profit/loss before Tax** | 26,336 | 1,474 |

**Income Tax** | - | - |

**Profit/loss for the period** | 26,336 | 1,474 |

---

(1) Revenues from Portal de la Marina amounts to €3,748m. This amount is included in the line “Share in profit (loss) of equity accounted companies” because this shopping center is accounted for using the equity method.

(2) Other Income: Mainly made up of the difference between the cost of the business combination and the value of the identifiable assets acquired and the liabilities taken on corresponding to the acquisition of the company El Rosal Retail, S.L.U.

(3) Other Expenses: Mainly related to:
  - Management fees for management services provided to the Company by Grupo Lar Inversiones Inmobiliarias ("Grupo Lar") (2,907 thousand Euros).
  - Professional services (accounting and legal advisory services, audit and property valuations) amounting to 2,564 thousand Euros.

---

### Consolidated Balance Sheet (Thousands of Euros)

<table>
<thead>
<tr>
<th></th>
<th>Sep 30, 2015</th>
<th>Dec 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment properties</td>
<td>594,937</td>
<td>357,994</td>
</tr>
<tr>
<td>Equity-accounted investees</td>
<td>30,278</td>
<td>18,087</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>32,507</td>
<td>3,841</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td>657,722</td>
<td>379,922</td>
</tr>
<tr>
<td>Cash &amp; cash equivalents</td>
<td>146,987</td>
<td>20,252</td>
</tr>
<tr>
<td>Other current assets</td>
<td>54,659</td>
<td>36,981</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>201,646</td>
<td>57,233</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>859,368</td>
<td>437,155</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Sep 30, 2015</th>
<th>Dec 31, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities and Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Equity</td>
<td>547,723</td>
<td>389,493</td>
</tr>
<tr>
<td>Fin. Liabilities from issue bonds</td>
<td>138,166</td>
<td>-</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>143,429</td>
<td>37,666</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>10,180</td>
<td>5,143</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td>291,775</td>
<td>42,809</td>
</tr>
<tr>
<td>Fin. Liabilities from issue bonds</td>
<td>2,480</td>
<td>-</td>
</tr>
<tr>
<td>Loans and borrowings</td>
<td>5,517</td>
<td>156</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>11,873</td>
<td>4,697</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>19,870</td>
<td>4,853</td>
</tr>
<tr>
<td><strong>Total Equity and Liabilities</strong></td>
<td>859,368</td>
<td>437,155</td>
</tr>
</tbody>
</table>

---

Q3 2015 Financial Results - Lar España Real Estate
Financial Indicators as of September 30th, 2015

+ 10% of EPRA Annualized rent compared to Q2 2015

**EPRA Annualized Net Rent of c. €40m as of 30th of September, +10% more than Q2**

<table>
<thead>
<tr>
<th>Financial Indicators</th>
<th>30/09/2015</th>
<th>31/12/2014</th>
<th>%Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPRA Earnings (€’000)</td>
<td>12,062</td>
<td>2,516</td>
<td>299.9%</td>
</tr>
<tr>
<td>EPRA Earnings per share (€)</td>
<td>0.20</td>
<td>0.07</td>
<td>185.7%</td>
</tr>
<tr>
<td>EPRA NAV (€’000)</td>
<td>549,313</td>
<td>389,862</td>
<td>41%</td>
</tr>
<tr>
<td>EPRA NAV per share (€) (2)</td>
<td>9.18</td>
<td>9.87</td>
<td>-7%</td>
</tr>
<tr>
<td>EPRA NNAV (€’000)</td>
<td>547,722</td>
<td>389,493</td>
<td>41%</td>
</tr>
<tr>
<td>EPRA NNAV per share (€) (2)</td>
<td>9.15</td>
<td>9.86</td>
<td>-7%</td>
</tr>
<tr>
<td>LTV</td>
<td>31% (3)</td>
<td>16.60%</td>
<td></td>
</tr>
</tbody>
</table>

**GAV¹ Relative growth figures by segment up to June 2015**

- Logistics: 6.10%
- Offices: 3.50%
- Retail: 2.30%
- Total: 3%

**EPRA Indicator**

<table>
<thead>
<tr>
<th>EPRA Indicator</th>
<th>30/09/2015</th>
<th>31/12/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPRA Net Initial Yield (NIY)</td>
<td>6.3%</td>
<td>7.0%</td>
</tr>
<tr>
<td>EPRA “topped-up” NIY</td>
<td>6.6%</td>
<td>7.1%</td>
</tr>
<tr>
<td>EPRA Vacancy Rate</td>
<td>7.22%</td>
<td>7.27%</td>
</tr>
<tr>
<td>EPRA Cost Ratio</td>
<td>41.3%</td>
<td>91.3%</td>
</tr>
<tr>
<td>EPRA Cost Ratio (excluding costs of direct vacancy)</td>
<td>37.7%</td>
<td>86.0%</td>
</tr>
</tbody>
</table>

(2) Calculated excluding treasury shares
(3) LTV = Total Loans & Borrowings & Notes (Net of Cash) / Total GAV
Q3 2015 Portfolio Breakdown and EPRA KPI's

Lar España’s portfolio at a glance (Q3’15)

GLA breakdown by asset class

- Retail: 58%
- Offices: 9%
- Logistics: 4%
- Residential: 4%

Rental Income by asset class

- Retail: 62%
- Offices: 21%
- Logistics: 17%
- Residential: 4%

EPRA Net Initial Yield breakdown by asset class

- Retail: 6.6%
- Offices: 4.9%
- Logistics: 7.5%

Total Lar España EPRA NIY: 6.3%

EPRA Occupancy Rate by asset class

- Retail: 91.46%
- Offices: 93.16%
- Logistics: 100%

Total Lar España EPRA OCC. RATE: 92.78%

[1] Marcelo Spinola’s EPRA NIY is not calculated due to the lack of representativeness. During Q4 2014, the office was prepared and evicted to refurbish the property. The refurbishment was started during Q2 2015 and is expected to be finished during Q2 2016. To calculate the NIY for the total portfolio we have excluded the data from Marcelo Spinola.
Active management in place to enhance shopping experience

Top anchored tenant mix with a balanced offer of attractive retailers, leisure activity and food & drink

960 mall operators and 81 pop-up stores

28.2 million visits

+10% sales increase YTD vs. 4% Spanish retail sales

Letting Activity: 2.3m of new rent and +6% over total GLA

Intense letting activity to refresh customer experience

c. €38m¹ of expected Retail Annualized Net Rent per year

¹Future rent contribution of Sagunto Retail development has not been included
Retail

Strong performance grounded on intense letting activity and boosting shopping experience

Strong business evolution

- Footfall 9M 2015
- Sales increase 9M 2015
- Business Evolution 9M 2015
- Letting Activity 9M 2015

+2.7% Average footfall growth
+10% Sales Increase
+64 signed contracts (15 of which are new lettings)
8,516 Total GLA, of which 1,193 GLA are new lettings

Diversified retail portfolio

Top 10 tenants represent 48% of retail sales

- INDITEX 14%
- Carrefour 7%
- H&M 6%
- Eroski 5%
- Cortefiel 5%
- Primark 4%
- Mercadona 3%
- Shana 2%
- Saga 2%
- 1%

1. Megapark
2. L’Anec Blau
3. Portal de la Marina
4. Albacenter
5. Txingudi
6. Las Huertas
7. As Termas
8. El Rosal
9. Nuevo Alisal
10. Cruce de Caminos
11. Villaverde
12. Galaria

Strong business evolution

Diversified retail portfolio

Retail

Top 10 tenants represent 48% of retail sales

- INDITEX 14%
- Carrefour 7%
- H&M 6%
- Eroski 5%
- Cortefiel 5%
- Primark 4%
- Mercadona 3%
- Shana 2%
- Saga 2%
- 1%

1. Megapark
2. L’Anec Blau
3. Portal de la Marina
4. Albacenter
5. Txingudi
6. Las Huertas
7. As Termas
8. El Rosal
9. Nuevo Alisal
10. Cruce de Caminos
11. Villaverde
12. Galaria
Positive Results achieved by active property management

- **Active Management Strategy in Office Properties and Logistics Warehouses**
  - **Offices:**
    - ~€8m of annualised Net Rental Income
  - **Logistics Warehouses:**
    - ~€6m of annualised Net Rental Income

**EGEO BUILDING**
- Optimization of the asset: Possible transformation of part of the ground floor in a commercial area.

**ARTURO SORIA 36 BUILDING**
- Improvements works of the 2nd and 8th floor in the office areas nearly concluded.

**ELOY GONZALO BUILDING**
- Managing current occupancy to renovate the asset in a gradual way.

**MARCELO ESPÍNOLA BUILDING**
- Full remodeling in progress.

**ALOVERA II**
- The Carrefour contract has been extended to Sept. 2017, as the tenant has not exercised the option to rescind the contract.

1 Undergoing total refurbishment. Initial Occupancy to be 65% for calculation purposes. The development of Marcelo Spinola has already started.
Residential
Juan Bravo project progresses on schedule and confirms high interest of potential buyers

Done
- Demand Test, Waiting List, selective off market reservations
- Fine tuned preliminary design with potential customers’ feedback
- VIP sales office in place, marketing plan launched

Action Plan
- Detailed project design in Q1-16
- Start underground construction Q4-15
- Full commercial launch Q1-16
- Estimated 2015-2017: €11m-€14m
- Delivery of first houses from Q4 2017

Update
- Conclusion of the preliminary design of the project and currently working in the amendment to adapt the existing license.
- Contact with potential clients: Great interest and acceptance in the project. Client feedback incorporated in the design
Agenda

1. Financial Results Q3 2015

2. Excellent accretive deals since July’s capital increase

3. On track to meet targets / Attractive pipeline ahead
Financial Highlights

Excellent Accretive deals since last capital increase strengthens portfolio’s rent generation

€852.6m invested, in a value added portfolio, with c.€90m of committed capex

C.50% of portfolio growth since 30th of June with c.€282m invested in top retail assets

Megapark Bilbao Retail Complex highlights the manager access to off market deals

c.€52m\(^1\) of expected annualized Net Rents from current portfolio

---

\(^1\) Future rent contribution of Sagunto Retail development has not been included.
July 2015 Capital Increase

€135m Capital increase enabling for accretive deals after mid 2015

The capital increase transaction was met with strong support from existing and new investors. Initial take-up of the rights offering was 99.48% and the New Ordinary Shares were 9.2X oversubscribed.

Shareholder Structure after July Capital Increase

- PIMCO: 12.5%
- Franklin Templeton Institutional: 15.1%
- Bestinver Gestion: 4.2%
- Ameriprise Financial: 3.8%
- Blackrock Inc.: 3.4%
- Daiwa Securities Group: 2.9%
- Cohen & Steers: 3.0%
- Management: 2.5%
- Other investors: 49.6%
- PM Capital: 3.0%

As at November 2015

€282m in Assets acquired since July Capital Increase

- +c€17m\(^2\) in annualized rents

75% of the deals off market

<table>
<thead>
<tr>
<th>Deal</th>
<th>Price (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Megapark (Bilbao)</td>
<td>170.0</td>
</tr>
<tr>
<td>El Rosal (Ponferrada)</td>
<td>87.5</td>
</tr>
<tr>
<td>Cruce de Caminos (Sagunto)</td>
<td>14.0</td>
</tr>
<tr>
<td>Galaria (Pamplona)</td>
<td>8.4</td>
</tr>
<tr>
<td>Other assets</td>
<td>1.8</td>
</tr>
</tbody>
</table>

1 Acquisition Price
2 Future contribution of Sagunto Retail development has not been included.
Portfolio overview as of 31\textsuperscript{th} of October

Lar España consolidates a diversified and stable rental income portfolio

All figures stated at the acquisition date

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>12</td>
<td>€588.7m</td>
<td>320,049 sqm</td>
<td>2.4</td>
<td>13.82€</td>
<td>92.5%</td>
<td>6.57%</td>
<td>c.€38m\textsuperscript{(3)}</td>
</tr>
<tr>
<td>Offices</td>
<td>5</td>
<td>€140.5m</td>
<td>50,342 sqm</td>
<td>2.1</td>
<td>13.7€</td>
<td>95.6%</td>
<td>5.6%</td>
<td>c.€8m</td>
</tr>
<tr>
<td>Logistics</td>
<td>5</td>
<td>€63.4m</td>
<td>161,840 sqm</td>
<td>2.6</td>
<td>3.4€</td>
<td>100%</td>
<td>9.6%</td>
<td>c.€6m</td>
</tr>
<tr>
<td>Residential</td>
<td>1</td>
<td>€60m</td>
<td>23,932 sqm</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Total</td>
<td>23</td>
<td>€852.6m</td>
<td>556,163 sqm</td>
<td>2.2\textsuperscript{(2)}</td>
<td>13.0€</td>
<td>94.9%</td>
<td>6.6%\textsuperscript{(1)}</td>
<td>c.€52m\textsuperscript{(3)}</td>
</tr>
</tbody>
</table>

\textsuperscript{1}6.6% is the EPRA NIY on cost at the time of acquisition.
\textsuperscript{2}Marcelo Espínola is not included in the calculation as it is under refurbishment.
\textsuperscript{3}Future rent contribution of Sagunto Retail development has not been included.
Acquisition of Megapark, Bilbao

The acquisition of Megapark for €170m makes Lar España’s portfolio one of the most attractive real estate platforms in Spain.

Unique asset by location, size and tenant line up, located in one of the wealthiest regions in Europe

The largest retail area in the Basque country, with one of the strongest catchment areas in Europe

Game-changing, Off Market Deal, representing over 20% of Lar España’s Current Net Rental Income

New opening of Mercadona in Megapark in October:

✓ First Mercadona in Vizcaya
✓ Doubling footfall in Factory Outlet Centre during the first weeks of operation, exceeding expectations
Acquisition of Megapark, Bilbao

Game-Changing Off Market Deal, representing over 20% of Lar España’s Current Net Rental Income

Prime Regional Retail Park acquired @ above market prime yields

- Purchased @ 6.25% of Net Yield on Cost,
- Underpinning the high recurrent cash-flow generation of the real estate portfolio.
- **Game-changing deal** as it represents 20% of all of Lar España’s investments to date and generates more than €10m in Net Operating Rents per year.

![Passing Rent Distribution](image)

Excellent accretive deals since July’s capital increase - Lar España Real Estate
Retail Development Update

Project Cruce de Caminos: Retail Park and Gallery in Sagunto (Valencia)

Location and Profile

- Located in Sagunto 25 Km north of Valencia, in the east coast of Spain.
- Cruce de Caminos is divided into a Retail Park (60% GLA), a hypermarket (23% GLA), a Retail Gallery (17% GLA) and a petrol station. It has a car park with 2,598 parking spaces.
- Estimated 9.2% of Net Initial Yield and footfall of 4.5 million people.
- €5m of Net Rent Income per year

Capex

- Estimated 2015-2016: c.€39m. Plot already acquired for €14m.
- Estimated Opening: Q4 2016-Q1 2017,

UPDATE:

- Works / Construction in Progress.
- Administrative Procedures approved.
- Commercialization Process in Progress.
Agenda

1. Financial Results Q3 2015

2. Excellent accretive deals since July’s capital increase

3. On track to meet targets / Attractive pipeline ahead
Portfolio construction after share capital increase

Very attractive pipeline ahead: on track to end 2015 with more than 1 Billion of euros in assets invested

1 Includes c.€60m of development costs associated to Juan Bravo and Sagunto
Debt overview

**Flexible Balance Sheet structure provides stability to our strategy – Cost of Bank Debt Euribor + 1.87%, while >70% of the debt is fixed**

<table>
<thead>
<tr>
<th>Year</th>
<th>Bank Debt</th>
<th>Corp. Bond</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>€7.6m</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>€5.3m</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>€20.6m</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>€33.4m</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>€53.1m</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>€3.1m</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td>€49.9m</td>
<td></td>
</tr>
<tr>
<td>2022</td>
<td>€143.2m</td>
<td></td>
</tr>
<tr>
<td>&gt;2022</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Back-loaded amortization of the debt**

- €140m Senior Secured Bond
- €176.9m Bank Debt

**c.39.7% of Debt amortization in 7 years**

**Prudent Financial Management: 72% exposure to fixed debt and diversified sources**

- **€316.9m of Financial Debt (30th of September)**

**Diversification of sources**

- Bank Debt: 56%
- Corp. Bond: 44%

**Exposure to variable / fixed rates**

- Variable: 28%
- Fixed: 72%
Conclusions

Accelerating business performance and portfolio growth

**Strong performance of the assets**

Solid signs of asset value generation thanks to active management strategy in place and confirmation of consumption improvement

Consolidating rent generation thanks to the contribution of the new assets

Accelerating Portfolio Growth since 1H2015

Excellent accretive deals since last capital increase strengthens portfolio’s rent generation

On track to finish the year at around 1 Billion Euros in assets invested and analysing new opportunities to increase the return to our shareholders
Disclaimer

DISCLAIMER. RISKS AND FORWARD-LOOKING STATEMENTS

• This document has been prepared by Lar España Real Estate SOCIMI, S.A. (the “Company”) for information purposes only and it is not a regulated information or information which has been subject to prior registration or control by the Spanish Securities Market Commission. This document neither is a prospectus nor implies a bid or recommendation for investment. This document includes summarized audited and non-audited information. The financial and operational information, as well as the data on the acquisitions which have been carried out, included in the presentation, correspond to the internal recordings and accounting of the Company. Such information may be subject to audit, limited review or any other control by an auditor or an independent third party. Therefore, this information may be modified or amended in the future.

• The information contained herein has been obtained from sources that the Company considers reliable, but the Company does not represent or warrant that the information is complete or accurate, in particular with respect to data provided by third parties. Neither the Company nor its legal advisors and representatives assure the completeness, impartiality or accuracy of the information or opinions included herein. In addition, they do not assume responsibilities of any kind, whether for misconduct or negligence, with regard to damages or loss that may derive from the use of this document or its contents. The internal analysis has not been subject to independent verification. This document may include forward-looking representations or statements on purposes, expectations or forecasts of the Company and do not imply undertakings of future performance. Additionally, they are subject to risks, uncertainties and other factors, which were unknown or not taken into account by the time this document was produced and released and which may cause such actual results, performance or achievements, to be materially different from those expressed or implied by these forward-looking representations and statements or forecasts.

• Under no circumstances the Company undertakes to update or release the review of the information included herein or provide additional information. Neither the Company nor any of its legal advisors or representatives assume any kind of responsibility for any possible deviations that may suffer the forward-looking estimates, forecasts or projections used herein.

• This document discloses neither all risks nor other material issues regarding the investment on the shares of the Company. The information included in this presentation is subject to, and should be understood together with, all publicly available information. Any person acquiring shares of the Company shall do so on their own risk and judgment over the merits and suitability of the shares of the Company, after having received professional advisory or of any other kind that may be needed or appropriate but not only on the grounds of this presentation. By delivering this presentation, the Company is not providing any advisory, purchase or sale recommendation, or any other instrument of negotiation over the shares or any other securities or financial instrument of the Company. This document does not constitute an offer, bid or invitation to acquire or subscribe shares, in accordance with the provisions of article 35 of Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Securities Market Act, and/or the Royal Decree 1310/2005, of November 4th and their implementing regulations. Furthermore, this document does not imply any purchase or sale bid or offer for the exchange of securities or a request for the vote or authorization in any other jurisdiction. The delivery of this document within other jurisdictions may be forbidden.

• Consequently, recipients of this document or those persons receiving a copy thereof shall become responsible for being aware of, and comply with, such restrictions.

• By accepting this document you are accepting the foregoing restrictions and warnings.

• All the foregoing shall be taking into account with regard to those persons or entities which have to take decisions or issue opinions relating to the securities issued by the Company. All such persons or entities are invited to consult all public documents and information of the Company registered within the Spanish Securities Market Commission.

• Neither the Company nor any of its advisors or representatives assumes any kind of responsibility for any damages or losses derived from any use of this document or its contents.