



NATIONAL SECURITIES MARKET COMMISSION

In compliance with the reporting requirements under article 228 of the Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Securities Market Act and article 17 of Regulation (EU) 596/2014 on market abuse, Lar España Real Estate SOCIMI, S.A. ("**Lar España**" or the "**Company**") hereby informs the National Securities Market Commission of the following

MATERIAL FACT

In connection with the Material Fact published on 7 May 2018, with registry number 265267, Lar España hereby announces that on this date the public deed relating to the share capital increase of Lar España, approved on 7 May 2018 by the Board of Directors of the Company—which was fully subscribed and paid for by the manager of Lar España, Grupo Lar Inversiones Inmobiliarias, S.A. ("**Grupo Lar**"), through monetary contributions equivalent to the received performance and divestment fee—has been duly registered with the Commercial Registry of Madrid.

Consequently, the share capital of Lar España has been set at EUR 189,527,068, divided into 94,763,534 shares, with a nominal value of two euros each, all of which belong to the same class and series.

It is expected that the National Securities Market Commission and the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges will verify and approve the admission to trading of the new shares of the Company in the following days.

The new shares will be subject to a lock-up period by Grupo Lar of three years, in accordance with the provisions included in the investment manager agreement entered into with Lar España.

Additionally, it is hereby announced that Grupo Lar has notified to Lar España the acquisition of 2,068,902 additional shares of the Company that, together with the new shares subscribed in the context of the share capital increase referred to in the previous paragraphs and the shares previously owned, add up to a total of 9,474,100 ordinary shares of Lar España, representing 9.998% of the share capital.

The referred acquisition reinforces the existing alignment of interests of Grupo Lar and Lar España and highlights the trust that Grupo Lar has in the potential of the assets that form Lar España's portfolio.

The above is hereby informed as a material fact for the appropriate effects in Madrid, on 12 July 2018.

Lar España Real Estate SOCIMI, S.A.
Mr. José Luis del Valle Doblado,
Chairman of the Board of Directors