

PRESS RELEASE -

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Lar España successfully completes its EUR 135 million share capital increase

- During the Preferential Subscription Period, which ended on 1 August 2015, 98.48% of the new shares issued were subscribed
- The remaining 1.52% were subscribed in the additional allocation period, which was oversubscribed by 9.2 times the number of new shares issued in the share capital increase
- Over the three weeks that the share capital increase was carried out, LAR ESPAÑA has formalised three new real estate deals and has now invested a total of €852 million
- The transaction was carried out via the issue of close to 20 million shares with a subscription price of EUR 6.76 each share. It is expected that the new shares will begin to trade on Monday 10 August

Madrid, 6 August 2015 - LAR ESPAÑA REAL ESTATE SOCIMI S.A. (LRE) has successfully completed the EUR 135 million share capital increase, with 100% of the offered shares subscribed. LAR ESPAÑA REAL ESTATE SOCIMI's shareholders have given their backing to the company's board, by subscribing for 98.48% of the new shares in the preferential subscription period. The remainder of the shares, 303,320 shares, were subscribed in the additional allocation period.

The investors requested a total of 183,535,809 new shares (19,664,436 in the preferential subscription period and 163,871,373 in the additional allocation period), hence the share capital increase was oversubscribed by 9.2 times.

The new shares represent 50% of the Company's share capital prior to the share capital increase and 33% of its share capital afterwards. It is expected that the new shares will begin to trade on the Spanish Stock Exchanges next Monday 10 August.

José Luis del Valle, president of LAR ESPAÑA REAL ESTATE SOCIMI, assured that the share capital increase *"has been a resounding success and will act as an important boost to the*

company's activity, as well as allow us to be significantly larger, in order to capitalise on the investment opportunities in the current market".

Over the three weeks in which this share capital increase has been carried out, LAR ESPAÑA REAL ESTATE SOCIMI has accelerated its investment activity in the real estate market, allowing it to consolidate its strategy on purchases made in the retail and logistic sector. The Company has announced the acquisition of the Megapark retail complex in Bilbao, the purchase of three warehouses at Parque Galaria, in Pamplona; and the Cruce de Caminos retail project in Sagunto. Over these three weeks, the company announced the investment of EUR 194.2 million, which equates to 23% of its whole portfolio.

To date, LAR ESPAÑA REAL ESTATE SOCIMI has acquired assets valued at more than EUR 852 million, of which EUR 588.7 million have been assigned to the purchase of twelve retail spaces located in Guipúzcoa, Palencia, Albacete, Barcelona, Alicante, Madrid, Cantabria, Lugo, León, Vizcaya, Navarra and Valencia; EUR 140.5 million to the purchase of four office properties in Madrid and one in Barcelona; EUR 63.4 million to five logistics assets in Guadalajara and one in Valencia; and 60 million for a residential asset in Madrid. The overall figure is expected to increase by EUR 39 million, which is expected to be invested in the construction and development of Cruce de Caminos, once the works have been completed in one and a half years.

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, who's objective is to invest in the Spanish real estate sector, particularly in commercial property (offices and retail) raised €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 EUR 140 million.

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. The inclusion of Lar España on the index is a clear demonstration of the Company's current positioning, which after carrying out the first IPO of a Socimi on the Spanish Stock Exchange, has created a highly attractive real estate portfolio and continues to have an 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.

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