



## LAR ESPAÑA multiplies net first half earnings by 7 to 54.9 million euros

- **Total revenues rise 5% to 42.1 million euros**
- **The independent valuation of its 14 assets comes to €1.47 billion, 4.1% more than in June 2021 and 53.6% more than acquisition values**

**Madrid, 29 July 2022.** Real estate firm Lar España, the only company specialising in retail on the Continuous Market, recorded total revenues of 42.1 million euros between January and June 2022, up 5% on the 40 million euros obtained in the first half of last year.

In addition to increased revenues, the independent valuation of the nine centres and five retail parks owned by the company, carried out by the consulting firms JLL and Cushman & Wakefield, stood at 1.47 billion euros at the end of June this year, up 4.1% on the same date last year. Against December 2021 the rise was 3.2%, while compared to acquisition values the increase was 53.6%.

Increased book value of the assets contributed to Ebit standing at €67.7 million, 4.5 times higher than the €14.9 million recorded in the same half of 2021. Net profit for the first half of this year was 54,9 million euros, 7.1 times higher than the 7.7 million euros in the same period last year.

In information presented today by the company to the regulator and the markets, José Luis del Valle, Chairman of the Board of Directors of Lar España, described the 4.1% increase in the valuation of the company's assets as excellent news. *"These significant results are, across the board, the direct consequence of a successful strategy. The dominant nature and strong commercial influence of our assets make us particularly resilient. Being sole owner also allows us to optimise decision-making and attract the best tenants, highly important drivers that have led to a further increase in the value of our assets. From an operational point of view, we continue to demonstrate our capabilities and differentiation. If we add to this an optimal fixed-rate, long-term debt, and the investment and rotation plan projected to 2025, the company is in a position to consolidate its current sector leadership and maximise profitability for all its shareholders".*

The company maintained an occupancy rate of 95.3% in its assets in the first half of the year, while more than 60% of its contracts have maturities beyond 2025. In the first half of the year, 26,307 square metres of retail space was turned over, representing an annualised turnover rate of 10%. In addition, the company pursued its asset improvement and development policy, investing five million euros in the first half of this

**The REIT**

*for the new retail world!*



year, with the Megapark centre in Baracaldo and the Gran Vía centre in Vigo as the main recipients of improvements.

Between January and June 2022, final sales of 464.1 million euros were completed in its centres and retail parks, 21.3% more than in the first half of 2021 and in comparable terms 11.2% more than in the first half of 2019. Footfall at the 14 assets amounted to 37.8 million visits in the first half of this year, 13.8% more than in the same period a year ago.

### **Business plan**

In the information sent to the regulator, Lar España recalls that it has activated a new business plan, which includes investments of more than 500 million euros until 2025 to acquire centres or Tier 1 retail parks with strong growth potential and also to develop new projects in the medium term.

It also establishes the objective of increasing around 7% annually in the period 2022-2025 total portfolio income and, with it, the valuation of its assets. It also expects to increase average occupancy rate from the current 95.3% to around 98% and thus to increase operating margin by around 8% annually until 2025. In addition to investing more than 500 million euros over the next three years, the company will accelerate its policy of rotating non-strategic assets, which could approach 30% of the current portfolio and generate additional revenues of more than 400 million euros.

This combined policy will enable the company to further optimize its portfolio and raise total annual shareholder return to double digits, by adding extraordinary dividends obtained from divestments to the dividends on results. The objective is for the firm's debt to remain at moderate levels, because another of the central objectives of the plan is to maintain the Fitch rating at its current BBB stable rating, confirmed by the rating agency this month, both for the company and for its debt as a whole.

### **About LAR ESPAÑA Real Estate SOCIMI S.A.**

LAR ESPAÑA REAL ESTATE SOCIMI, S.A. is a company listed on the Spanish Stock Exchanges, incorporated as a SOCIMI "Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario" in March 2014. The company's objective is to invest in the Spanish real estate sector, especially in the retail segment. Today it is the Spanish market leader in retail, with more than 550,000 square meters for rent and 1.47 billion euros in asset value.

In 2015 LAR ESPAÑA was included in the FTSA EPRA/NAREIT Global index, a selective global index designed to represent general trends of listed real estate companies worldwide. It was also included in the Ibex Top Dividend index in 2018. In September 2021, for the seventh consecutive year, Lar España received the EPRA Gold

**The REIT**

*for the new retail world!*



Award for the quality of the financial information made available to its main stakeholders. As regards the information published on ESG, Lar España has obtained the highest distinction from EPRA, achieving the Gold Award for the fourth consecutive year.

**For more information:**

Juan Carlos Burgos and Elena Torres, 91 56377 22 (ext. 2261).  
jcburgos@llorenteycuenca.com, etorres@llorenteycuenca.com

**The REIT**  
*for the new retail world!*