



CORPORATE PRESENTATION



The Spanish Retail Specialist

www.larespana.com

October 2018

Index

01

Company
Description

02

Investment
Highlights

03

Financial
Results

04

ESG
Results

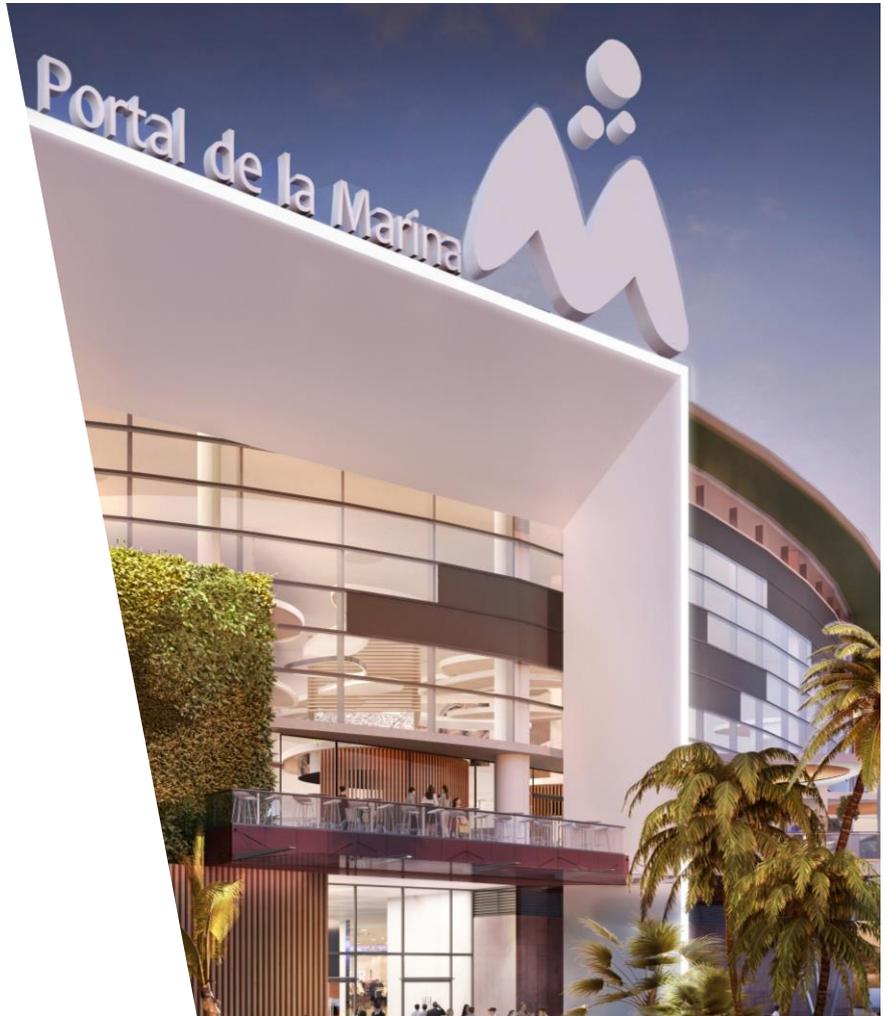
05

Appendix 1
Appendix 2



01

Company Description



Snapshot



First IPO of a Spanish REIT listed on the Spanish Stock Exchange



Focused on creating both sustainable income and strong capital returns for shareholders



Lar España is managed by Grupo Lar, private Real Estate Asset Manager, Investor and Developer with a 40 year track record of international experience

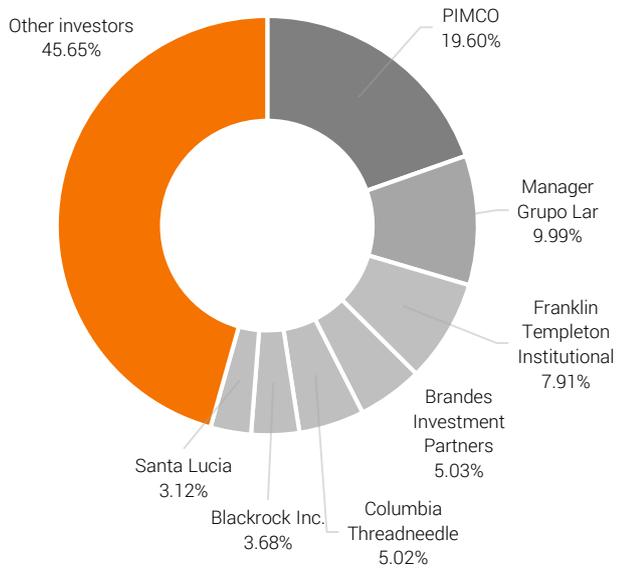


Lar España is a leader in retail, due to the size of the portfolio and the quality of the assets as well as the capacity and quality of its management



A clear investment opportunity in a unique shopping experience platform

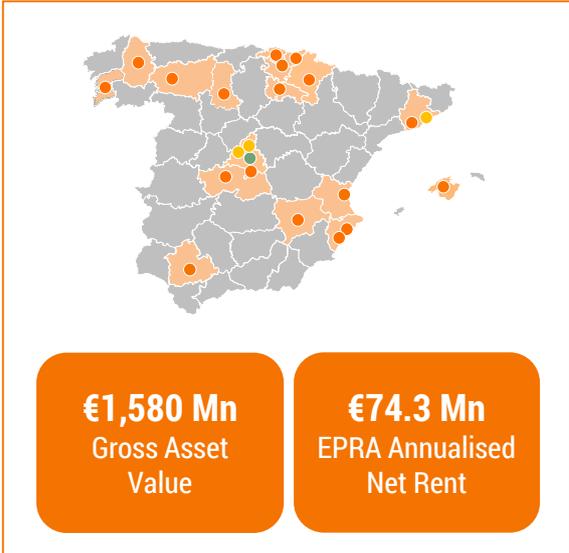
Shareholder Structure



Source: CNMV as of July 2018

Portfolio at a glance

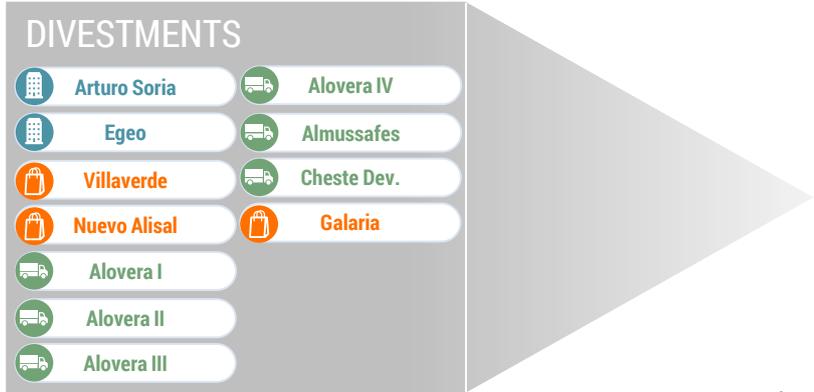
Unique shopping centres & retail parks



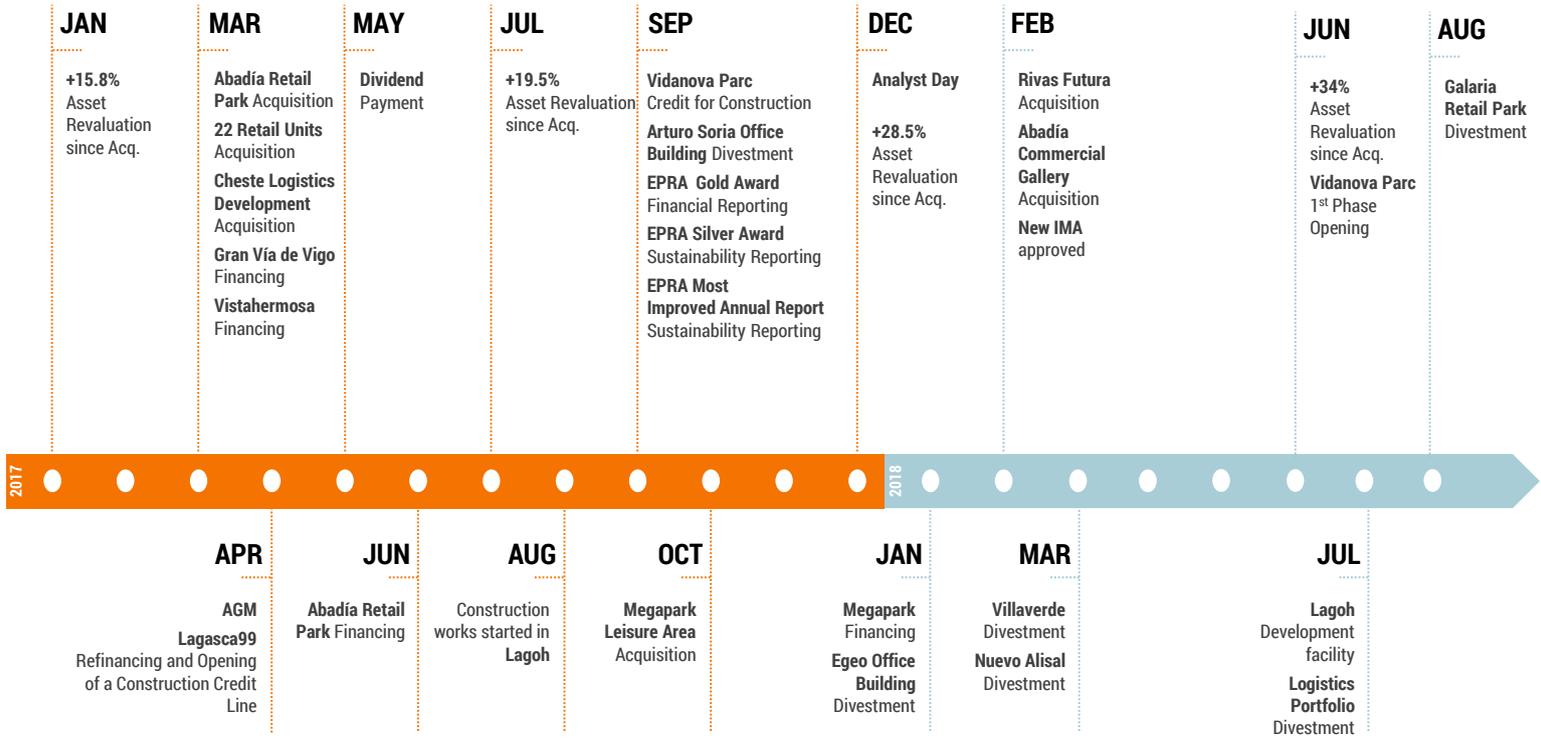
SHOPPING CENTRES & RETAIL PARKS MAIN CHARACTERISTICS

Dominant in their catchment areas	Value-creation potential	Core+
Unique exposure to real estate retail assets and the Spanish consumer and tourism recovery	Resilient prime dominant shopping centers in attractive catchment areas	Recurrent cash flow generation @ 5.4% Net Initial Yield
Upside potential from acquisitions done at attractive capital values with potential for revaluation	Value added approach: repositioning and development to create unique shopping experience destinations	Top management team with strong track record and delivering results
Remaining offices portfolio and unique residential project in process of divestment		

A Cherry Picked Portfolio



Major corporate milestones from 2017 & 2018 YTD



Board of Directors & Critical Activities

**Independent and experienced Board:
5 independent directors (5 out of 7)**

Critical Activities internalized

José Luis del Valle
Chairman and
Independent Director

Roger Cooke
Independent
Director

Leticia Iglesias
Independent
Director

Sergio Criado
CFO

Jon Armentia
Corporate
Manager

Susana Guerrero
Legal
Manager

Alec Emmott
Independent
Director

Isabel Aguilera
Independent
Director

Laurent Luccioni
PIMCO
Director

Miguel Pereda
Grupo Lar
Director

Hernán San Pedro
Head of Investor
Relations

José Díaz Morales
Internal Audit

Juan Gómez-Acebo
Secretary
Non Member

Susana Guerrero
Deputy Secretary
Non Member

External Manager: A Real Estate Reference



Grupo Lar now owns a 9.99% stake in Lar España, subject to a lock-up period

Grupo LAR Key Facts

 <p>Retail</p> <p>39 Shopping centres invested, developed or managed</p>	 <p>Offices</p> <p>9 Office buildings developed and managed</p>
 <p>Logistics</p> <p>10 Industrial Parks developed since 2003</p>	 <p>Residential</p> <p>10,000 Residential units sold in the last 10 years</p> <p>15,000 Units managed</p>

- 1 Family owned Company +40Y of experience
- 2 Strong Management Team
- 3 International Experience with Tiers 1
- 4 Geographical Diversification
- 5 Product Diversification
- 6 Strong Balance Sheet



Investment Strategy Focused in Retail

Investment Criteria

Value-Creation Potential

Dominant

Core+

Soundness

Protected



Creation of unique shopping experiences

Customer journey analysis

Optimum size for area of influence

Optimal and fine-tuned tenant line-up

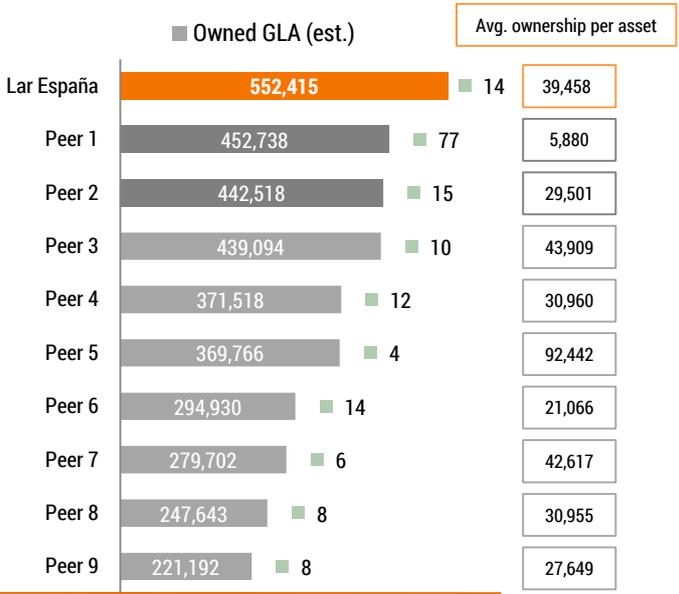
Enhancement of entertainment areas

Repositioning through targeted capex

Leverage on technology to know and influence clients

The value of a retail platform

Main market players by owned GLA, including GLA under development¹



Target market size: **4,5 Mn sqm GLA**
30% of the total market

Total of main competitors: 3,671,515m sqm 168 assets

Lar España has **consolidated among the top retail operators** in Spain. Now, the target is to selectively increasing GLA to **generate revenue synergies**

RETAIL LEADERS IN SPAIN

#1 IN SPAIN

sqm GLA¹

#1 IN SPAIN

Asset stake owned

#1 OWNER IN SPAIN

retail parks

Portfolio **Size** gives us benefits in:

- Global **Negotiations** with tenants
- Synergies** in procurement of services

Present in most regions of the Spanish territory

Millions of physical and digital customer contacts

Attraction for the development of new commercial formulas

1. Considering opening date of assets under development until 2020. Source: CBRE & Lar figures at September 9th, 2018. Source: AECC 2017. Very Large: (>79,999 sqm) / Large: (40,000-79,999 sqm) / Medium: (20,000-39,999 sqm) / Small: (5,000-19,999 sqm) / Others: Hypermarkets and Leisure Centers



Strong Transformation + Innovation



Transformation Strategy



33%

Rotation Rate since Acquisition



ATTRACT NEW AND INNOVATIVE TENANTS

c.107k sqm

Leased since Acquisition



CREATE A WELL-BALANCED TENANT MIX

74

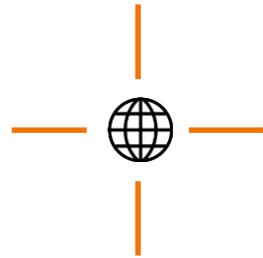
Relettings + New Lettings + Renewals in H1 2018



Digital Innovation

Big Data
Customer Intelligence

Full Connectivity
Webs
APPS
WIFI
Social Media



Market Knowledge
Seeking System
E-Beacons

Market Place
Transactional Web

Business Plan Guidance 2018-2021

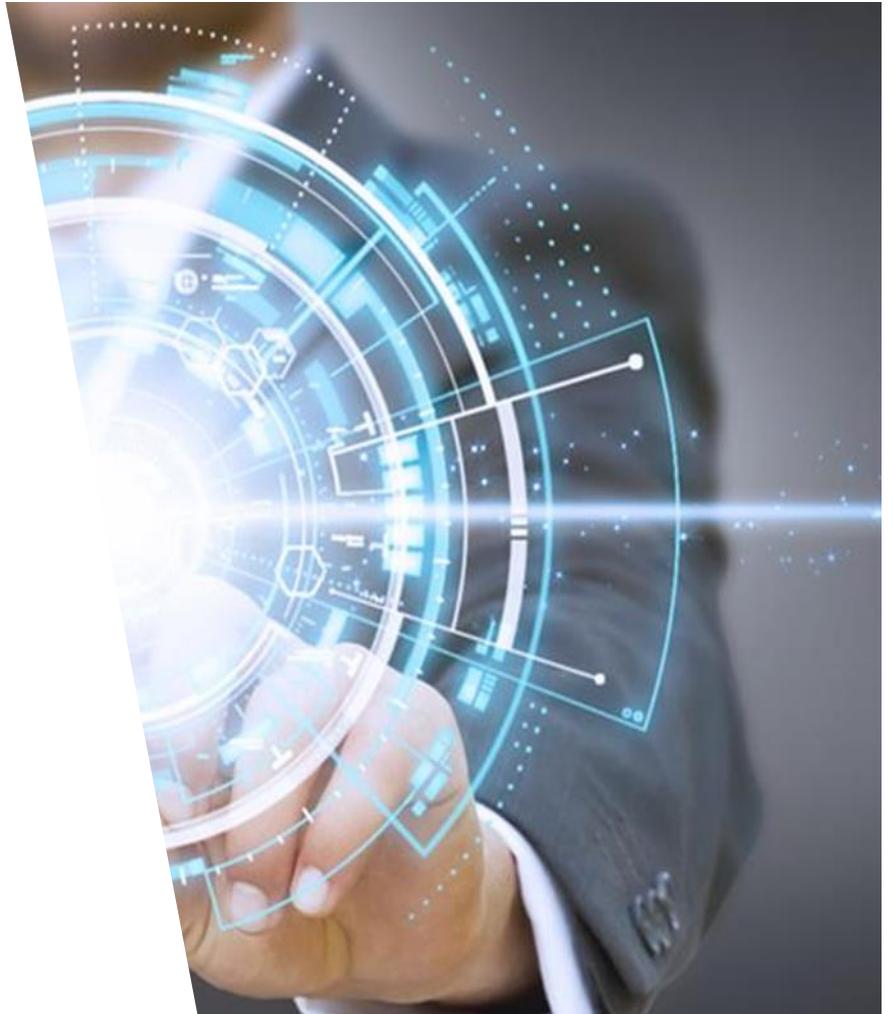
Target Returns	<ul style="list-style-type: none"> 12% Target Annual Return on investments 	
Divestments	<ul style="list-style-type: none"> €403 Mn of divestments From Office, residential and non-core retail assets >€119 Mn of divestments From all logistics portfolio (100% realized) 	<p>31% realized</p> <p>100% realized</p>
Capex Investment	<ul style="list-style-type: none"> Finance all existing capex commitments <ul style="list-style-type: none"> Refurbishment of existing assets: €66 Mn Developments: €199 Mn 	
New Investments	<ul style="list-style-type: none"> €250 Mn of new investments Mainly focused in retail assets 	<p>30% realized</p>
Distributions ¹	<ul style="list-style-type: none"> Ordinary dividend 5% of NAV Maximise distributions Extraordinary dividend Lagasca99 and other distributions linked to divestments 	



1. To be submitted to shareholders for approval

02

Investment Highlights



Top 10 Value Drivers



1. INE. Spanish Retail Index.
2. Shopper Track Index.

Value Driver 1: Momentum of RE in Spain / Yield Compression

1

Spanish economy has been surprising on the upside during the last years with >3% GDP growth

2

It is expected to continue outperforming the Eurozone

3

Consumer's Confidence keeps growing in line with income and stable earnings driven by strong employment creation

4

Unemployment Rate supporting further decreases

5

Future Investment supported by largest yield Gap in recent history

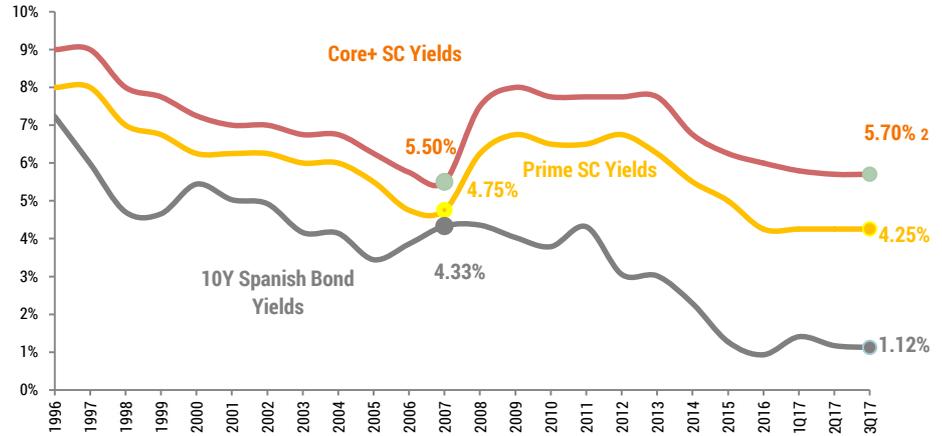
6

Spanish Real Estate benefits from tourism boom

Ultra-low interest rates have reduced headline yields in Spain and Europe in general, and shifted investors' appetite towards high-yielding assets...

...mainly Core+ assets within recovering Spanish economy (such as the Shopping Centre Market)

Spanish Shopping Centres yields ¹

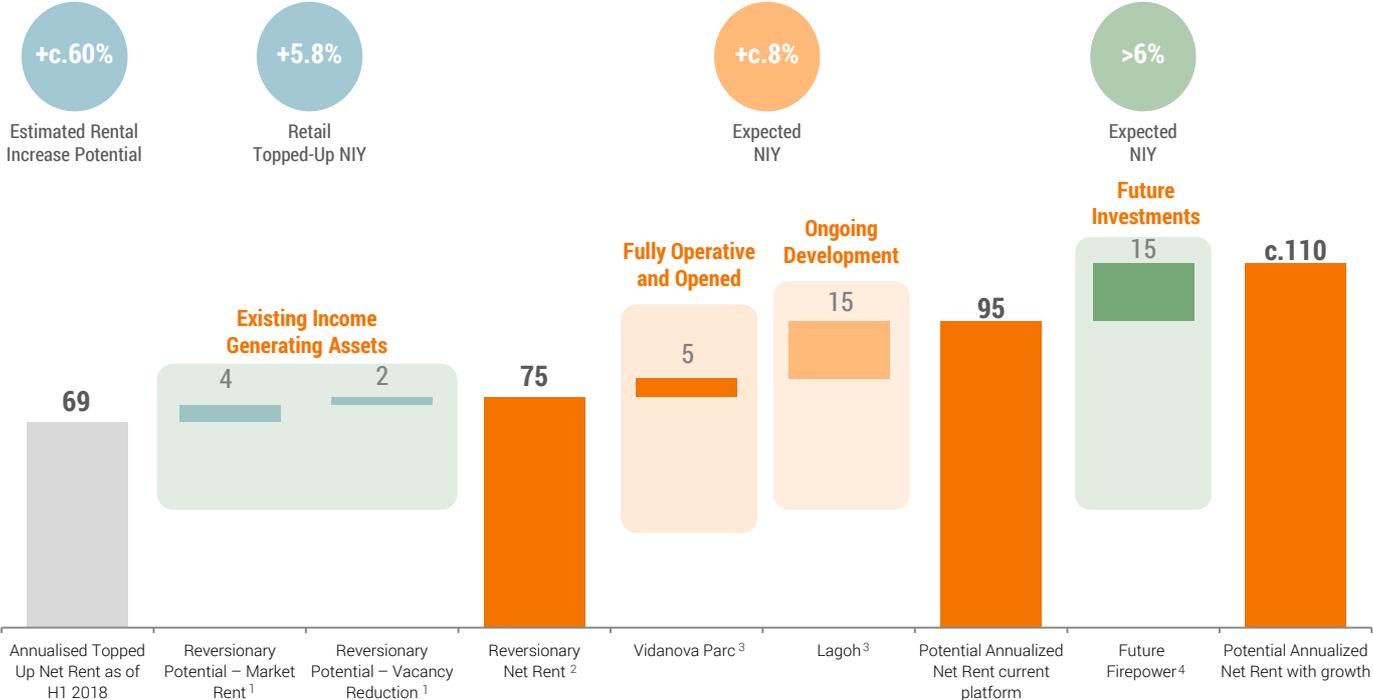


We estimate there is room for compression in the core plus segment

1. Source: JLL & Savills (Historical) & Grupo Lar (Forecast) / Bank of Spain (Actuals) & Bloomberg (Forecasts)
2. Data estimated considering last market transactions in 2017



Value Driver 2: Potential from the Existing Retail Portfolio



1. Illustrative potential additional rent calculated as the difference between the market net rent estimated by the Company's appraisal done by Cushman & JLL, as part of their valuation exercise and the annualized net rent obtained by the Company in 2017. Difference applied only to the current EPRA occupancy rate, considering the occupancy rate of the Company's properties as of 31 December 2017.

2. Illustrative potential additional rent in 2017 calculated, assuming the full occupancy of the Company's properties, as the application of the market net rent estimated by the Company's appraisers as part of their valuation exercise with respect to the vacant spaces in each of the Company's properties. Full occupancy has been estimated at 97% for Shopping Centres given structural vacancy and 100% for the remaining portfolio

3. Potential rent that may be derived from certain of the Company's assets under development (Vidanova Parc and Lagoh) based on the announced yield at the moment of their respective acquisition (9.2% and 8.0% respectively) as applied to the acquisition price and building capex for each asset

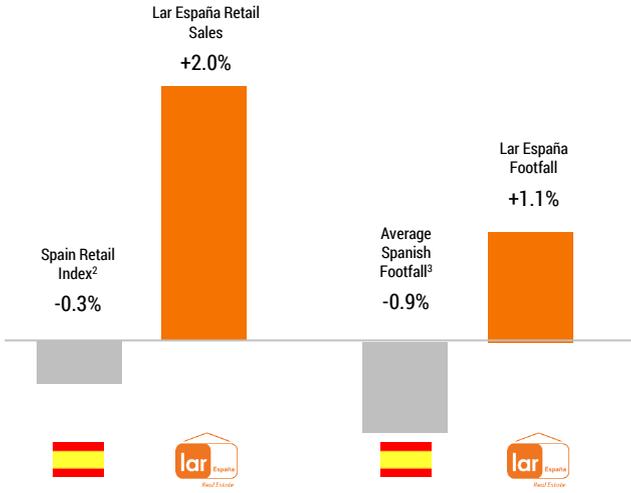
4. According to BP

Value Driver 3: Strong Operating Results

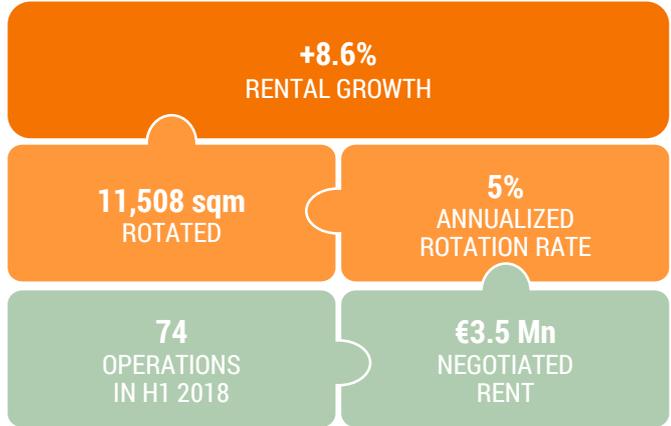
Lar España continues outperforming the market

Sales¹ H1 2018
€303.6 Mn

Visits H1 2018
26.9 Mn



Letting activity at the core of the strategy



New generation retail: New metric



1. Declared sales.
 2. INE (National Statistics Institute). Spanish Retail Index.
 3. Shopper Track Index.

Value Driver 3: Strong Operating Results

All figures refer to H1 2018 period

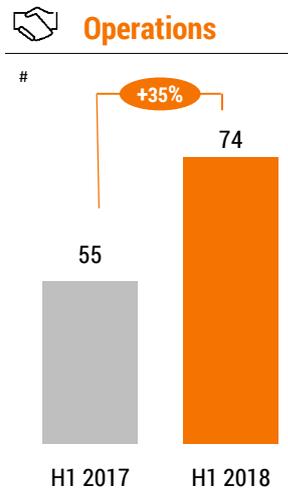
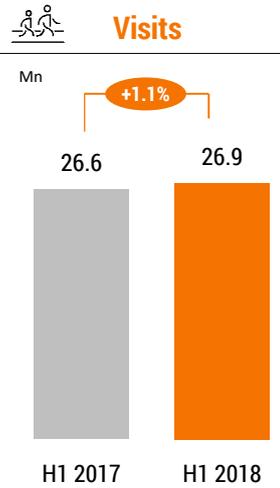
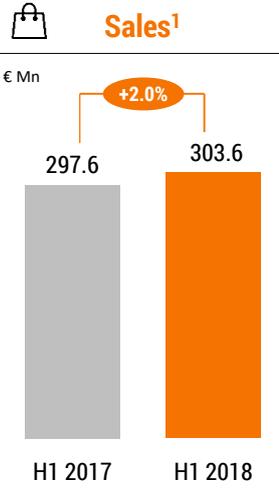
Active Asset & Tenant Management
+
Smart Capex in Operating Assets

33%

Rotation Rate since acquisition to improve shopping experience

€2.7 Mn

Retail Invested Capex H1 2018



Lfl. data excludes Megapark Ocio, and Rivas
1. Declared sales

Value Driver 4: Innovation Strategy

Disruptive projects differentiating among our competitors

To position Lar España as the **leader in digital transformation** in the retail sector

To change relations with customers and retailers, making them more efficient and "digital" and our way to interact between departments in the Company, creating a work environment much more efficient and modern

To create shared value to **lead economic and social progress**, and also generate financial returns for our shareholders

Lar España recognises its ability to have an impact on the world we live in and has therefore set itself the objective of improving people's living standards, bolstering socio-economic progress in Spain and generating a financial return for investors.



Value Driver 4: Innovation Strategy

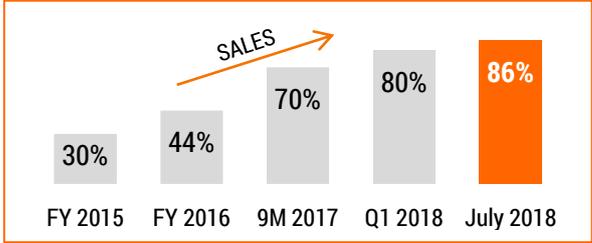
Disruptive projects differentiating among our competitors

<p>DIGITALIZATION & DIFFERENTIATION</p> <p>TECHNOLOGY</p>	<p>Big Data</p> <p>CUSTOMER INTELLIGENCE</p> 	<p>Full Conectivity</p> <p>WEBS APPS WIFI SOCIAL MEDIA</p> 	<p>Market Knowledge</p> <p>SEEKETING SYSTEM E-BEACONS</p> 	<p>Market Place</p> <p>TRANSACTIONAL WEB</p> 
<p>ENGAGEMENT</p> <p>EXPERIENCE</p>	<p>Geoblink</p> <p>geo-social analysis tool that allows us to know the main social and economic characteristics of our clients</p>	<p>Territorio Lar</p> <p>Asset differentiation through different initiatives:</p> <ul style="list-style-type: none"> - First drone tournament - "The Cube" 	<p>Customer Journey</p> <p>Implementation of a research program, in Lar España's main shopping centres, aimed at knowing and defining a client's behaviour when visiting our SCs.</p>	<p>APP</p> <p>New App for analysts and investors launched in September.</p> <p>Working on launching a new App for shopping centres.</p>
<p>ESG</p> <p>SUSTAINABILITY</p>	<p>Accessibility</p> <p>Working to achieve and maintain high accessibility standards via a design that is conceived by and for people</p> 	<p>Emissions</p> <p>Fighting and reducing the effect of Climate Change</p> <p>Reducing emissions and increasing the use of renewables</p>	<p>Social Action</p> <p>Assets have a major social impact, transforming and creating a positive effect on the community</p> 	<p>CSR Annual Report</p> <p>Continuously improving CSR information</p> 

Value Driver 5: Developments – Lagasca99

New residential concept
in the centre of Madrid

€188 Mn
Valuation¹



Last construction phase,
focused on interior works
500,000 tons of travertine marble
placed on the facade

Extraordinary dividend
announced

Avg. Price
c.11,300 €/sqm

€45 Mn
Est. development cost

1. Valuation as of 30th June 2018 for 100% of the development. 50% owned by Lar España.

Value Driver 5: Developments – Vidanova Parc

Fully operative & opened
27th September 2018

100%
GLA signed

Smart and balanced mix of attractive retailers, leisure activity and F&B offering



45,137 Sqm
GLA

€14.0 Mn
Acquisition Price

€35.8 Mn
Valuation¹

39
Tenants

c.5 Mn
Exp. Annual Rent

€45.7 Mn
All-in cost

1. Valuation as of 30th June 2018.

Value Driver 5: Developments – Lagoh

Excellent location,
4 km from Seville's city centre

Q2 2019
Opening



73%
GLA signed and committed

8 Inditex
Brands signed



14 Mn/year
Exp. Visits

200
Tenants

€88.5 Mn
Valuation¹

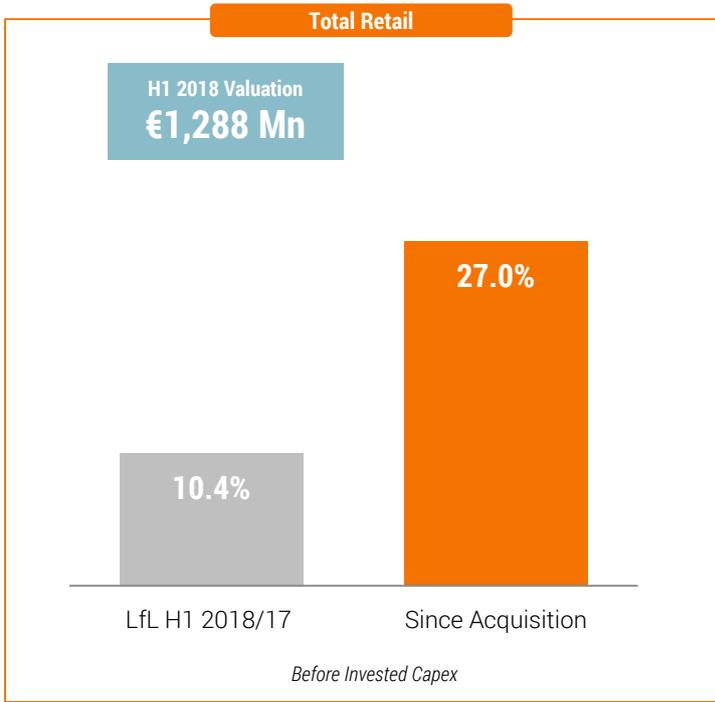
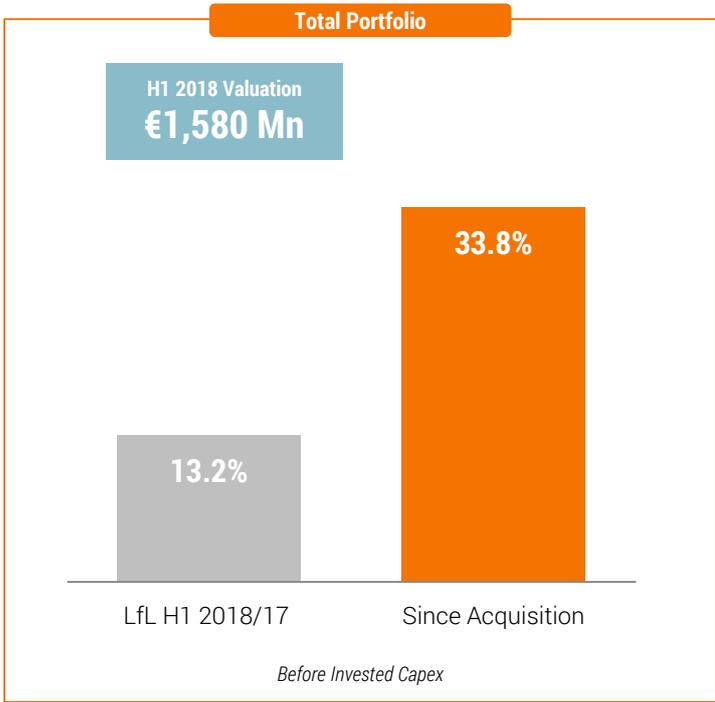
1.5 hours
Exp. Avg. Stay

c.15 Mn
Exp. Annual Rent

€151.6 Mn
Est. construction cost to completion

1. Valuation as of 30th June 2018.

Value Driver 6: Attractive valuation of the existing portfolio H1 2018



Value Driver 7: Asset Rotation Policy Aimed at Maximizing Returns



Arturo Soria Sale
Office Building

34.5%
over acq. price



Rivas Futura
Retail Park

€61.6 Mn
acquisition price



Logistics Portfolio & Chestre Sale

82.5%
over acq. price



Abadía's
Commercial Gallery

€14 Mn
acquisition price




Megapark
Leisure Area

€8.7 Mn
acquisition price



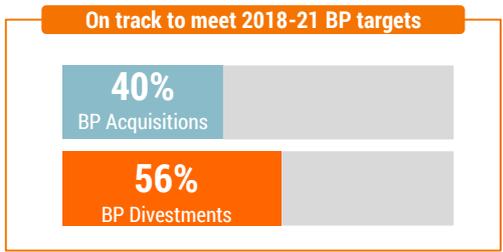
Egeo Sale
Office Building

22.2%
over acq. price



Villaverde & Alisal Sale
Retail Parks

27.1%
over acq. price



Value Driver 7: Asset Rotation Policy Aimed at Maximizing Returns

Remaining non-core assets will add value in the coming months

OFFICES

VALUATION¹
€97.5 Mn



LAGASCA99

VALUATION²
€188 Mn




MARCELO SPÍNOLA

VALUATION¹
€38.5 Mn




ELOY GONZALO

VALUATION¹
€37.5 Mn

**100%
Occupancy**




JOAN MIRÓ

VALUATION¹
€21.5 Mn





1. Valuation as of 30th June 2018
 2. Valuation as of 30th June 2018 for 100% of the development. 50% owned by Lar España.

Value Driver 8: Acquisition Pipeline Aimed at Increasing Retail Platform

Current Opportunities

- 

✓ Large and visible pipeline including actionable off-market acquisitions with yields in the 6% area
- 

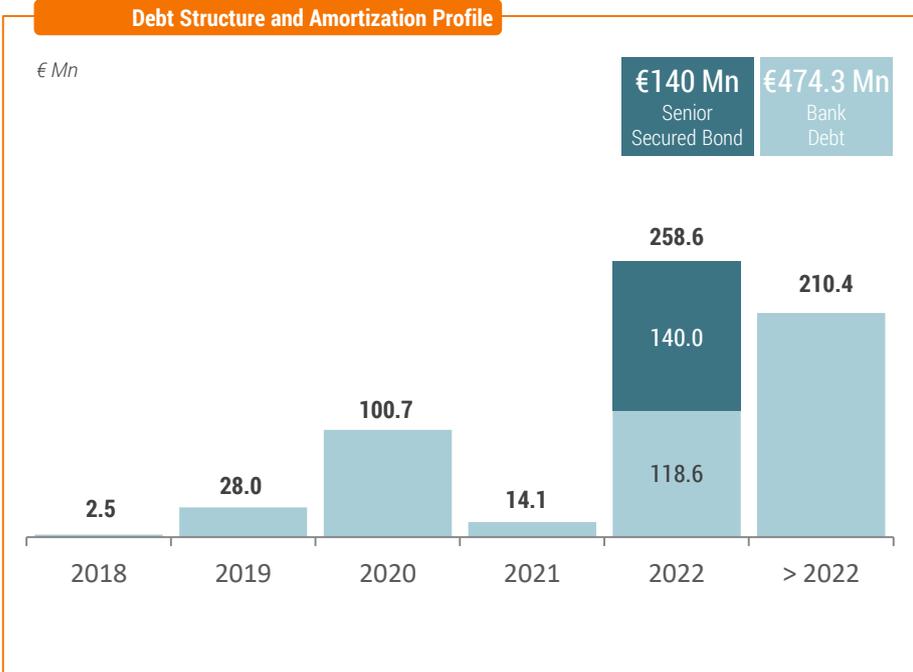
✓ High quality assets in prime locations focused on retail assets
- 

✓ Substantial upside potential through active asset management in line with previous acquisitions

+€220 Mn of Investment Pipeline

Short Term Pipeline			
	Asset Class	Aprox. GLA	Location
Asset 1	Retail	6,200	Centre Spain
Asset 2	Retail	37,000	Centre Spain
Asset 3	Retail	60,000	Prime Touristic Area
Asset 4	Retail	11,500	North Spain
...
...

Value Driver 9: Debt Management as a Means of Value Creation



Gross Financial Debt
€614.3 Mn

Net LTV
36%

Avg. Cost of Debt
2.19%

Interest Cover Ratio¹ (ICR)
4.5x

Fixed Rate
87%

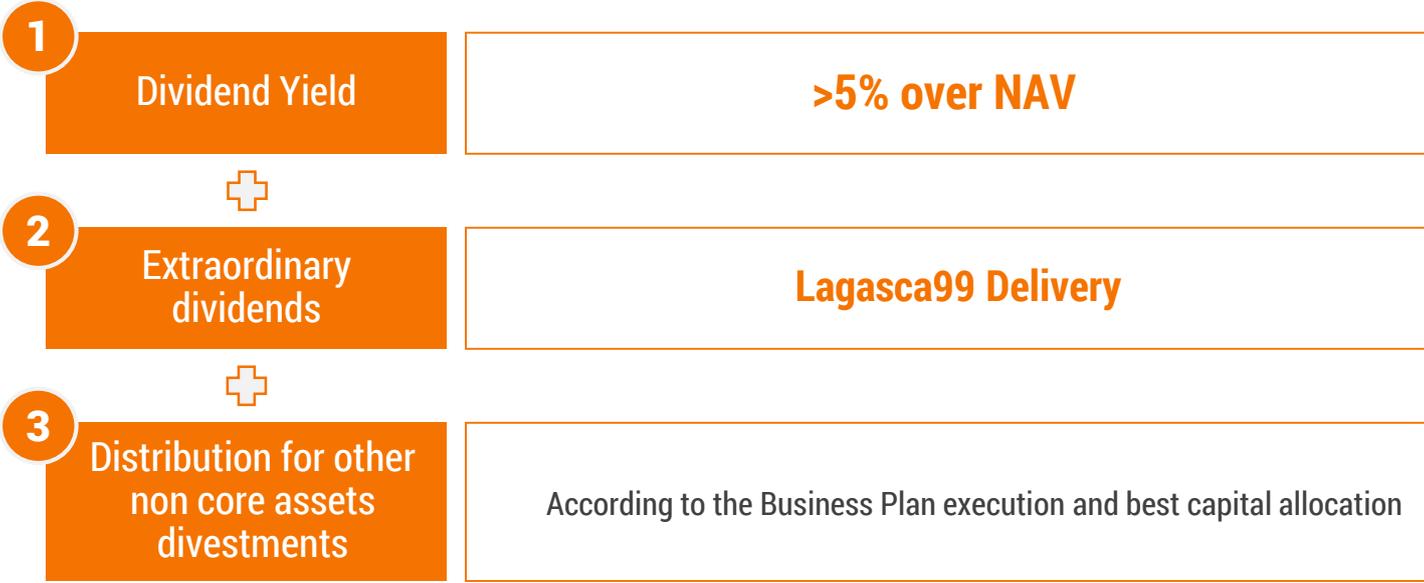
1. EBITDA (pre-revaluation) / Interest expenses as at H1 2018



Value Driver 10: Predictable and Sustainable Dividend Distribution Policy

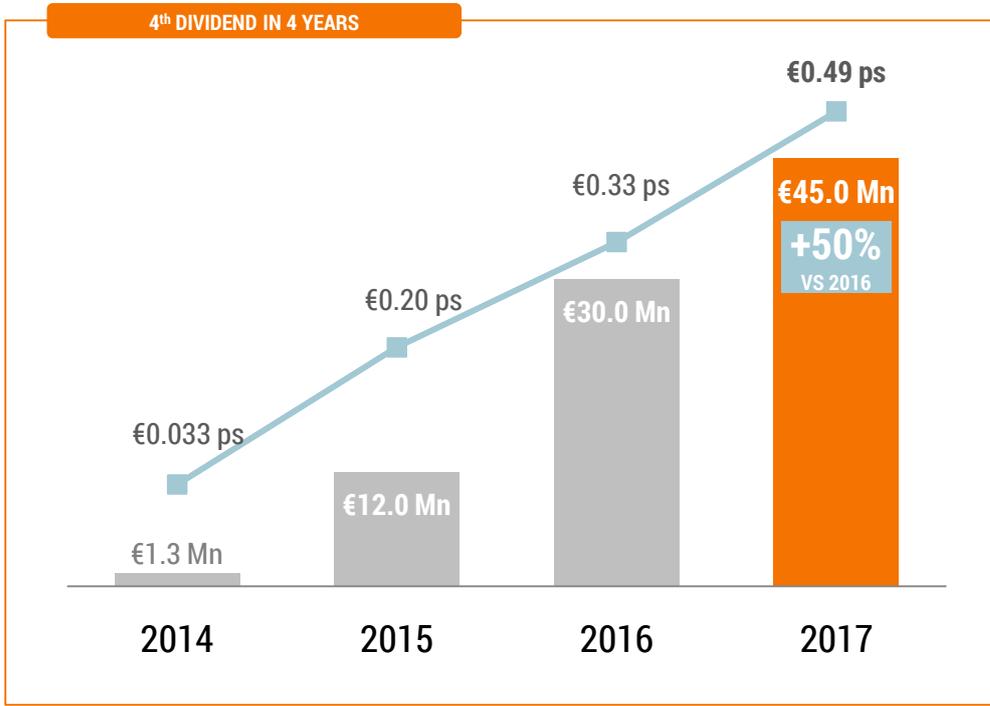
Dividend policy objectives

- ✓ Predictable and sustainable dividend and distribution schedule
- ✓ Competitive in the International Real Estate market
- ✓ Attractive vs Spanish equity market
- ✓ As a result of a solid cash flow generation



✓ **One payment per year** upon approval of the General Shareholders Meeting

Value Driver 10: Consistent dividend growth per share



€45.0 Mn
2017 DIVIDEND

5.1%
DIVIDEND YIELD
ON NAV¹

Dividend approved by the AGM
and to be paid on
18th MAY

IBEX TOP DIVIDENDO

Member since 5th February 2018

LAGASCA 99
EXTRAORDINARY DIVIDEND
2018 RESULTS

1. 2017's average quarterly EPRA NAV

03

Financial Results H1 2018



Solid Company performance in H1 2018



Operating Results

+20.9%
in Property operating result
+12.4% Recurring EBITDA

33.8%
Portfolio revaluation
since acquisition
(before invested capex)

10 quarters
outperforming the market
in retailers declared sales (+2.0%)
& footfall (+1.1%)



Developments & Refurbishments

Vidanova Parc
already opened
100% GLA signed

Lagoh
73%
of GLA signed & committed

Lagasca99
86%
already sold

Eloy Gonzalo
100%
occupancy reached



Asset Rotation

€119.7 Mn
in logistics portfolio disposal
82.5% over acq. price

€112.5
in rest of 2018 divestments
24% over acq. price

€75.6
in 2018 acquisitions
@ avg. NIY of 6.2%



2018 Financings

Lagoh Financing
c.€100 Mn
development facility

Rivas Futura Financing
c.€27.5 Mn
Mortgage Loan

Abadía Com. Gallery Financing
c.€8.7 Mn
Mortgage Loan



Corporate

€45 Mn Dividend
€0.49 per share
5.1% Div. Yield over EPRA NAV

Grupo Lar
reinforces its stake in
Lar España up to **9.99%**

BREEAM®
8 In-Use "Very Good" Certificated
2 In-Use "Good" Certificated
2 New-Build, "Very Good" rating

Successful & Strong Key Facts delivered in H1 2018

€1,580 Mn
GAV +9.1% vs H1 2017

€39.8 Mn
GRI +6.1% vs H1 2017

€33.5 Mn
Property Operating Result +20.9% vs H1 2017

€29.6 Mn
Recurring EBITDA +12.4% vs H1 2017

€232.2 Mn¹
2018 Divestments 56% BP Target

36%
Net LTV 2.19% Cost of Debt



€10.34
EPRA NAV per share

€979.3 Mn
EPRA NAV

10.7%
ROE

5.5%
EPRA "topped-up" NIY

5.4%
EPRA NIY

6.3%
ROA

93.3%
Occupancy Rate

€74.3 Mn
Annualised Net Rent

1.1
SOLVENCY RATIO



1. Logistics Portfolio divestment of €119.7 Mn is included, although it occurred in Q3 2018.

Consolidated Income Statement (€ Millions)

	RECURRING ³		Chg% H1 2018/17	NON-RECURRING ³		TOTAL ³		Chg% H1 2018/17
	H1 2018	H1 2017		H1 2018	H1 2017	H1 2018	H1 2017	
Rental Income	39.8	37.5		-	-	39.8	37.5	
Other Income	2.5	1.0		-	-	2.5	1.0	
Property Operating Expenses	(7.7)	(6.3)		-	-	(7.7)	(6.3)	
Base Fee	(4.3)	(4.5)		-	-	(4.3)	(4.5)	
Gain/(Loss) on Disposal of Investment Properties	-	-		3.3	-	3.3	-	
Property Operating Result¹	30.2	27.7		3.3	-	33.5	27.7	+20.9%
Corporate Expenses	(0.6)	(1.4)		(1.0)	(1.2)	(1.6)	(2.6)	
Other Results	-	-		-	0.7	-	0.7	
EBITDA²	29.6	26.3	+12.4%	2.3	(0.5)	31.8	25.8	
Changes in the Fair Value	-	-		42.7	46.9	42.7	46.9	
Amortisation Expenses	(0.1)	-		-	-	(0.1)	-	
EBIT²	29.5	26.3	+12.1%	45.0	46.4	74.5	72.7	
Financial Result	(7.0)	(4.5)		-	-	(7.0)	(4.5)	
Share in Profit/ (Loss) for the Period of Equity-Accounted Companies	(0.5)	(0.7)		-	-	(0.5)	(0.7)	
EBT²	22.0	21.1		45.0	-	67.0	67.5	
Profit for the Period (Pre Divestment/Performance Fee)	22.0	21.1		45.0	46.4	67.0	67.5	
FFO (EBITDA – Financial Result) ¹	22.6	21.8		2.3	(0.5)	24.8	21.3	+16.4%
% FFO Annualized Yield /NAV	4.6%	5.1%				5.1%	5.0%	
Performance Fee (Non-cash accrued provision)	-	-		(5.3)	(2.6)	(5.3)	(2.6)	
Divestment Fee (One-off due to Assets sold during 2018)	-	-		(17.9)	-	(17.9)	-	
Profit for the Period (Post Divestment/Performance Fee)	22.0	21.1		21.8	43.8	43.9	64.9	

1. On 18 July the logistics portfolio was sold for circa €119.7 Mn. This divestment will have a positive impact of approximately €17 Mn on the Group's operating profit.

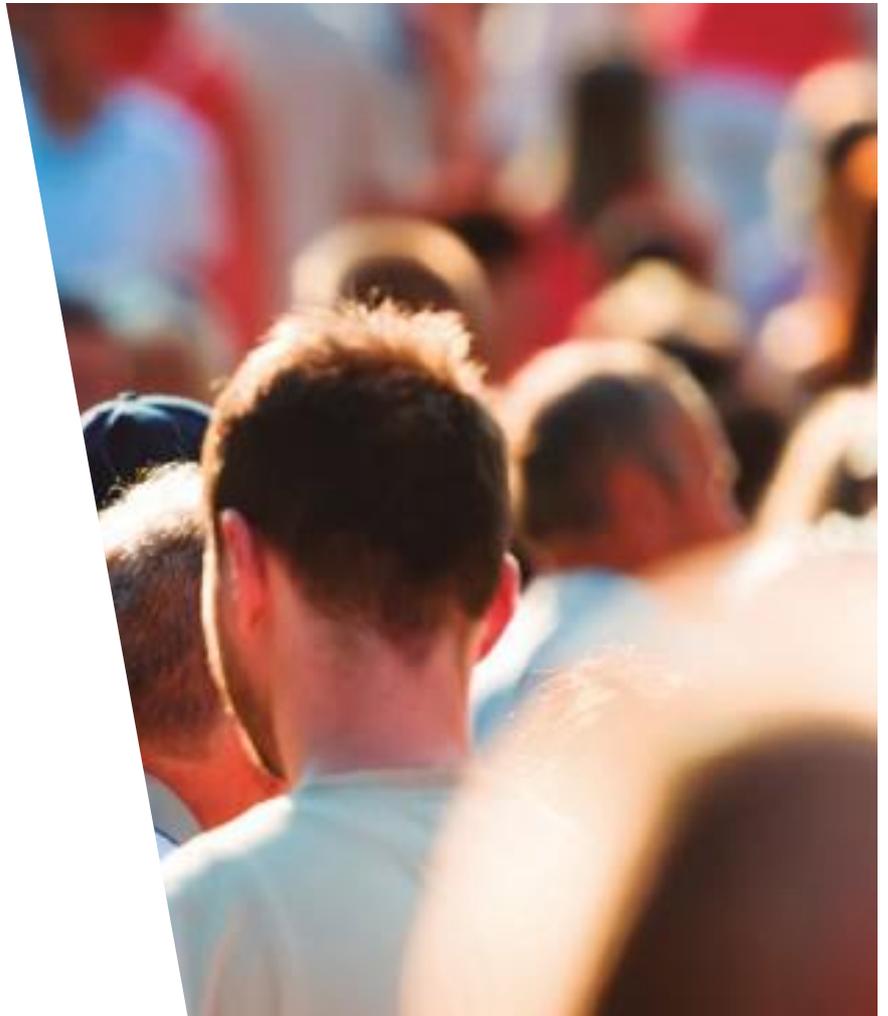
2. Pre divestment fee

3. May not foot due to rounding

04

ESG

Results



ESG - Asset Management & Environment

1 Responsible asset management focused on consumptions and emissions

Promoting sustainability certification measures, encouraging the use of new technology to improve our assets' environmental quality and management

CSR Master Plan to meet the most demanding sustainability standards

Lar España is improving the environmental performance of its shopping centres and offices and increasing the environmental awareness of its tenants. Implementing measures in its assets in:

Water	Electricity	Gas/Diesel	Additional environmental measures
-------	-------------	------------	-----------------------------------

2 Accessibility

Working to achieve and maintain high accessibility standards that will allow everyone to be able to access its properties correctly and comfortably, taking into account existing problems.



87% retail assets & 80% offices audited

Lagasca99: Excellent accessibility Technical Building Code (TBC)

commitment to promoting social integration

3 Society-based initiatives

>1,100 social and environment awareness days held in our shopping centres

>EUR300,000 invested in social initiatives and collaboration projects

>65 NGOs and foundations

>35,500kg of clothing has been donated

>16,000kg of food has been collected



ESG - Corporate Governance



Risk Control & Management System

Integrated enterprise risk management (ERM) system designed to mitigate the risks exposure

1

ERM system involves all Lar España's staff and supervising of third parties responsible for outsourced services

Risk management performed by specialist service providers

- ✓ Investment and asset management
- ✓ Preparation of the organisation's finance-tax information
- ✓ Half-yearly asset appraisals

2

Risk Map: the ERM system categorises risk into *high, medium and low* . Risk tolerance determination system reviewed at least annually

Response and monitoring plans

- ✓ Less critical risks. **Rationalisation and optimisation**
- ✓ Risks assessed to be of medium importance. **Assessment and surveillance**
- ✓ Risks deemed highly critical. **Exhaustive analysis**



Ethics and Compliance

To guarantee ethical conduct and enforce regulatory compliance

1

Code of Conduct and Whistle-blowing Channel

2

Crime prevention model

3

Anti-Money Laundering Manual

05

Appendix 1



Retail Assets



	Megapark Bilbao	Gran Vía Vigo	P. Marina Alicante	El Rosal Ponferrada	Anec Blau Barcelona	As Termas Lugo	Lagoh Seville Development	Abadía Toledo
Market Value (Jun 2018)	€217.9 Mn	€165.0 Mn	€122.5 Mn	€109.0 Mn	€95.9 Mn	€85.6 Mn	€88.5 Mn	€80.9 Mn
GLA (Sqm)	83,379	41,446	40,158	51,155	28,617	35,127	100,000 ³	43,154
Acquisition Date	19 Oct '15 27 Oct '17	15 Sep '16	30 Oct '14 9 Jun '15 30 Mar '16	7 Jul '15	31 Jul '14	15 Apr '15 28 Jul '15	1 Mar '16	27 Mar '17 20 Feb '18
Acquisition Price	€178.7 Mn	€141.0 Mn	€89.2 Mn	€87.5 Mn	€80.0 Mn	€68.8 Mn	€40.5 Mn	€77.1 Mn
EPRA NIY ¹	5.4%	5.6%	5.8%	5.8%	4.8%	5.7%	>8% ⁴	5.8%
Occupancy Rate ¹	91.9%	98.6%	95.3%	95.3%	89.0% ²	95.1%	-	98.9%

1. As of March 2018 and based in EPRA standards

2. The property is undergoing significant refurbishments meaning that some units are being vacated temporarily

3. Retail and family leisure space

4. Expected Yield on Cost based on company's estimates

Retail Assets



	Rivas Madrid	Albacenter Albacete	Vistahermosa Alicante	Vidanova Parc Valencia Development	Other Assets ³
Market Value (Jun 2018)	€65.4 Mn	€57.9 Mn	€49.7 Mn	€35.8 Mn	€103.0 Mn
GLA (Sqm)	36,726	27,890	33,550	44,137	44,888
Acquisition Date	6 Feb '18	30 Jul '14 19 Dec '14	16 Jun '16	3 Aug '15	NA
Acquisition Price	€61.6 Mn	€39.9 Mn	€42.5 Mn	€14.0 Mn	€87.0 Mn
EPRA NIY ¹	5.7%	5.9%	5.6%	>9% ²	6.9%
Occupancy Rate ¹	97.4%	94.0%	92.2%	-	97.2%

1. As of June 2018 and based in EPRA standards

2. Expected Yield on Cost based on company's estimates

3. Includes 22 retail units, Txingudi and Las Huertas

Offices and Residential

Offices



Residential

Lagasca99

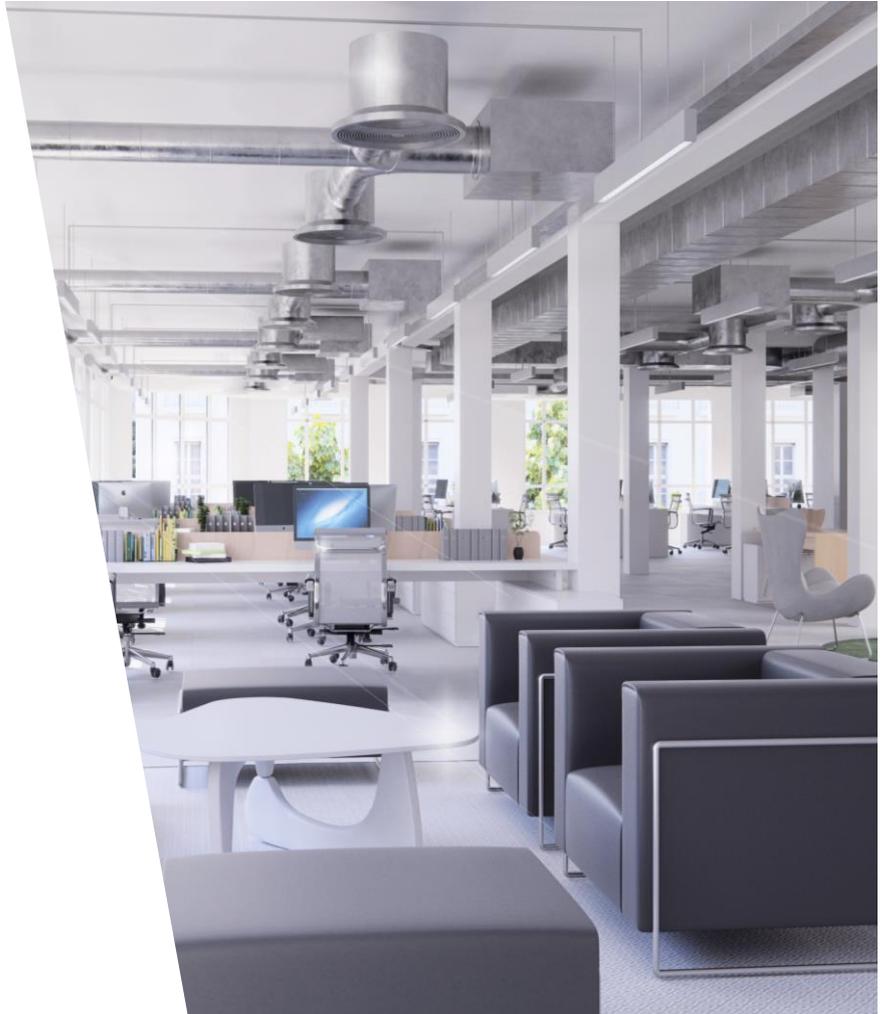


Market Value (Jun 2018)	€97.5 Mn ¹	Market Value (Jun 2018)	€188.0 Mn ²
GLA (Sqm)	23,816	GLA (Sqm)	26,203
Acquisition Date	NA	Acquisition Date	30 Jan '15
Acquisition Price	€51.4 Mn	Acquisition Price	€50.1 Mn ³
EPRA NIY ¹	0.2%	Construction Period	2016-2018
Occupancy Rate ¹	63.3%	Commercialization rate	86%

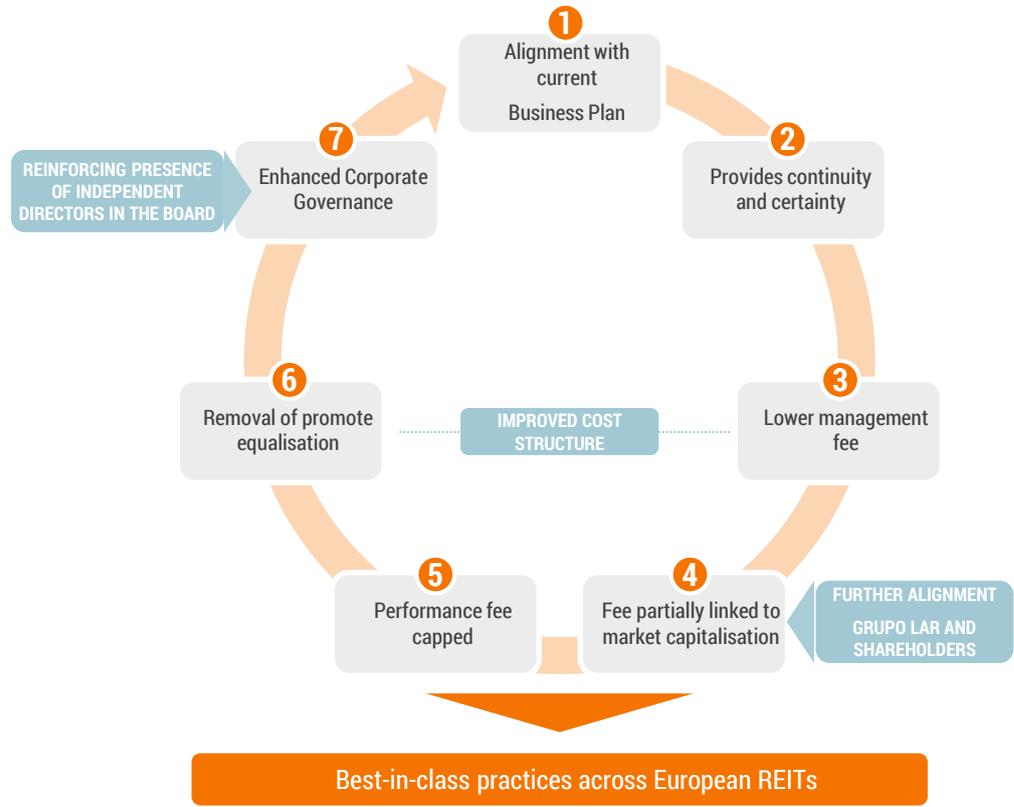
1. As of June 2018 and based in EPRA standards
 2. Valuation for 100% of the development (50% owned by Lar España)
 3. Cost of land + urbanization costs. Corresponds to the 50% of the JV with Pimco

05

Appendix 2



Highlights of the Investment Management Agreement



Unanimously approved by the seven members of the Board (5 independent + 2 proprietary)

Four year term effective from 1 January 2018

Aligned with the Business Plan period (2018-2021)

External management by Grupo Lar continues to be the optimal strategy for Lar España

Retail property requires skilled, hands-on management...

Operationally Intensive

- **Granular unit configuration** and **diverse tenant base**
- **Requires greater time and skill** than other asset classes (e.g. offices, logistics)

Active Management

- **60% of value uplift¹** to date has resulted from active asset management
- Active asset management will continue to be **key to delivering returns** in the coming years

Responding to Change

- **Retail** sector facing **new market demands**
- **Essential to innovate and adapt** to ensure **enduring appeal** to retailers and consumers



...which Grupo Lar is uniquely qualified to provide

Scale

- Lar España can draw upon the expertise of Grupo Lar's **investment professionals**
- External management provides **scalability and cost-efficiency**

Expertise

- Grupo Lar has over **45 years of experience** in the Spanish property market
- Full range of expertise through **sourcing, investing, developing and managing** across sectors and retail in particular

Profitability

- Access to **extensive platform** allowing Lar España to pursue **accretive opportunities**
- **Relevant savings** for Lar España since the agreement will take effect **15 months before** the previous agreement **ends**

1. In accordance with last independent appraisal as of December 2017.

Recognitions



Recognitions

2018 EPRA BPR & sBPR Awards



First SOCIMI to be awarded with the **"EPRA GOLD AWARD"** in Financial Reporting for the **4th consecutive year**



Recognized with the **"EPRA Gold Award"** in Sustainability Best Practices



Since June 2015:
Member of **FTSE EPRA/Nareit Global Estate Index**

Sustainability Certification



ISO 9001 – certified quality management systems

Health and safety management system endorsed by the OHSAS 18000 regulation

The certificate guaranteeing the renewable origin of the power used (issued by the CNMC, Spain's anti-trust authority and energy sector watchdog)



BREEAM® Certification

8 BREEAM
"Very Good" In-Use certification

El Rosal
Vistahermosa
Gran vía
Anec Blau
Megapark
As Termas
Albacenter
Portal de la Marina

Accessibility Certification



Eloy Gonzalo office building:
Refurbishment project certified with the **AENOR Universal Accessibility certification¹**



Lar España received recognition from **ILUNION Technology and Accessibility** in October 2017 for its **initiatives and projects aimed at improving universal accessibility**

Disclaimer

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 summarised 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 in the future 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 (including certain information relating to the Company's properties such as their catchment areas and performance indicators for periods preceding the time of acquisition by the Company). 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 any damages or losses that may derive from the use of this document or its contents. The information contained in this document has not been subject to independent verification. This document includes forward-looking representations or statements on purposes, expectations or forecasts of the Company or its management up to the date of release of this document. Said forward-looking representations and statements or forecasts are mere value judgments 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 statements. Moreover, these forward-looking statements are based on numerous assumptions (which are not stated in the presentation) regarding the Company's present and future business strategies and the environment in which the Company expects to operate in the future. There are many factors, most of them out of the Company's control, such as the termination of the Company's Investment Manager Agreement with Grupo Lar Inversiones Inmobiliarias, S.A. ("Grupo Lar") or adverse developments in the Spanish economy, which may cause the Company's actual operations and results to substantially differ from those forward-looking statements.

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 information does not constitute or form part of any offer to sell or issue, or invitation to purchase or subscribe for, or any solicitation of any offer to purchase or subscribe for, any securities of the company, nor shall the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision, this presentation should not be considered as a recommendation by the company, grupo lar or any other person that any person should subscribe for or purchase any securities of the company. prospective purchasers of securities of the company are required to make their own independent investigation and appraisal.

The securities of the Company have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") or the laws of any state or other jurisdictions of the United States. Such securities may not be offered or sold in the United States except on a limited basis, if at all, to Qualified Institutional Buyers (as defined in Rule 144A under the US Securities Act) in reliance on an exemption from, or transaction not subject to, the registration requirements of the U.S. Securities Act. The securities of the Company have not been and will not be registered under the applicable securities laws of any state or jurisdiction of Australia, Canada, Japan or Switzerland and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan or Switzerland and/or to or for the benefit of any national, resident or citizen of Australia, Canada, Japan or Switzerland.

The information contained herein does not purpose to be comprehensive or to contain all the information that a prospective purchaser of securities of the Company may desire or require in deciding whether or not to purchase such securities.

This document discloses neither the risks nor other material issues regarding an investment in the securities of the Company. The information included in this presentation is subject to, and should be read together with, all publicly available information. Any person acquiring securities of the Company shall do so on their own risk and judgment over the merits and suitability of the securities of the Company, after having received professional advice 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 securities or financial instruments of the Company. This document does not constitute an offer, bid or invitation to acquire or subscribe securities, in accordance with the provisions of article 35 of the consolidated text of the Spanish Securities Market Act approved by the Royal Legislative Decree 4/2015, of 23 October, and/or the Royal Decree 1310/2005, of 4 November 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.

Recipients of this document or those persons receiving a copy thereof shall be responsible for being aware of, and complying with, such restrictions.

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

All the foregoing shall be taking into account by 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.



Corporate Presentation

Follow us:

www.larespana.com



Lar España Real Estate SOCIMI



info@larespana.com



Lar España App

