

PRESS RELEASE

LAR ESPAÑA begins to deliver apartments at Lagasca 99

- 95% of the 44 units at Lagasca 99 have been sold
- This project will allow an extraordinary dividend to be paid following approval at the 2019 GSM
- The average sales price stands at EUR11,300 per sqm

Madrid, 20 December 2018. The Lagasca 99 project developed by Lar España Real Estate Socimi in a joint venture with the investor Pimco, is now moving into its final stage. The sales deeds of the first apartments to be sold are being signed at notary this week, and the keys are being handed over to their new owners.

The sales figures for the project speak for themselves: 95% of the 44 units at Lagasca 99 are no longer on the market, achieving an average sales price of EUR11,300 per sqm. The sales-marketing for the property is expected to be concluded in the coming weeks.

The delivery of the homes will allow the Socimi to pay an extraordinary dividend, pending approval at the next General Shareholders' Meeting, expected to be held in April 2019.

José Luis del Valle, Chairman of Lar España, pointed out that *“this development is a key milestone in our business plan and also allows us to meet our objective of creating value for our investors and shareholders”*. Del Valle added that *“Since it was first completed this property has become an icon of Madrid’s architectural heritage, a revolution of urban development in the very heart of the Salamanca neighbourhood”*.



Façade from Calle Juan Bravo

Miguel Pereda, Board Member of Lar España and CEO of Grupo Lar said he was *“proud of all of the teams involved in achieving the successful completion of this project. Lagasca 99 is the culmination of nearly 50 years of history since Grupo Lar was founded in 1969”*. *“A project of this scale can only be taken on with the right level of experience, market know-how and creativity, especially when the property in question is set to become a revered landmark in the residential landscape of Madrid.”*

At the start of 2015, the Socimi Lar España Real Estate acquired Juan Bravo 3, a plot of land that had remained undeveloped for some years. Following its acquisition, the pertinent licences were obtained in order to construct a new building on the plot located halfway down Madrid’s golden mile, in the block between Calles Juan Bravo, Maldonado, Claudio Coello and Lagasca.

The project proved to be a real architectural and technical challenge. Lagasca 99 posed a series of obstacles, including the external installation of 316 Merbau wooden panels from Indonesia, each weighing over 200 kilograms, 330 slabs of stone weighing 2.4 tonnes each, along with more than 540 tonnes of glass, distributed across nearly 4,300 sqm.

Among other materials, the property features more than 1,000 tonnes of travertine marble, with first-rate brands being used throughout. Quality and sustainability played an integral part in the construction of Lagasca 99, which is BREEAM certified, guaranteeing its accessibility and respect for the environment and surrounding area.

Internal teams coordinated the development of Lagasca 99 with support from several big names in every stage of the project, such as Rafael de la Hoz architects, who proposed a cutting-edge design and unique ideas for this Lar España property, as well as construction firm San Martin and Colliers, who helped with the marketing phase.

Miguel Pereda highlighted that *“this project will undoubtedly be studied as a reference for many reasons. Its iconic stature, the seamless combination of classicism and modernity, the use of space and practicality of each apartment, the use of natural resources, as well as the cross-border marketing process, are some of the features that truly define this property”*.

José Luis del Valle added that *“Lagasca 99 is a clear example of the quality of the properties developed by Lar España, a company where the standards of investment, management and returns are incredibly high, and are used as a reference for our actions in the mid and long term.*



LAR ESPAÑA REAL ESTATE currently owns 23 properties valued at EUR1,526 million, of which; EUR1,325 million relate to shopping centres (87% of all properties) located in Madrid, Toledo, the Balearic Islands, La Rioja, Navarre, Vigo, Valencia, Seville, Alicante, Lugo, León, Vizcaya, Guipúzcoa, Palencia, Albacete and Barcelona; EUR99.5 million to office buildings (6%); and EUR101.5 million to the construction of a residential development (7%).

About LAR ESPAÑA Real Estate SOCIMI S.A.

LAR ESPAÑA REAL ESTATE SOCIMI S.A. is a 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) in March 2014.

The SOCIMI is currently actively implementing its 2018-2021 strategic plan. LAR ESPAÑA aims to generate value uplift via developing new projects, investing in its existing portfolio and new retail acquisitions. It will also rotate and dispose of non-strategic assets. The SOCIMI currently plans to divest properties worth EUR522 million, EUR244 million of which have already been disposed of, and has also committed to investing EUR250 million in to its existing properties, which are currently 30% complete.

The company's objective is to invest in the Spanish real estate sector, particularly in the retail sector. It raised EUR400 million in initial capital from its IPO and in January 2015 completed the first bond issue carried out by a SOCIMI in Spain for EUR140 million.

In 2015, LAR ESPAÑA 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. In September 2018, for the fourth year running, Lar España received the EPRA Gold Award in recognition of the quality of the financial information it provided to its main stakeholders. In recognition of its information published on Corporate Social Responsibility and Sustainability, Lar España was awarded the highest distinction by EPRA, winning the Gold Award for the first time.

The company is managed by a highly-experienced and 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 management contract.

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