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LAR ESPAÑA REAL ESTATE ANNOUNCES INTENTION TO FLOAT ON THE SPANISH STOCK EXCHANGE

- **Grupo Lar has been appointed as the exclusive investment manager of the Company**
- **The Company will become a Spanish SOCIMI, “Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario”, to benefit from a special tax regime**

Lar España Real Estate, a newly-incorporated Spanish property investment company, announced on Thursday its intention to seek a listing for its ordinary shares on the Spanish Stock Exchanges, and admission to trading through the Automated Quotation System of the Spanish Stock Exchanges (Sistema de Interconexión Bursátil – SIBE).

Grupo Lar has been appointed as the exclusive investment manager of the Company that has elected to become a Spanish SOCIMI, “Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario” (Spanish legal comparable to REIT regimes present in other legislations).

The Company’s objective is to invest in the real estate sector in Spain through primarily investing in the commercial property sector (mainly offices and retail). The Company is seeking to maximise returns benefitting from attractive entry prices and opportunities to create value through active asset management and investments, in addition to the expected appreciation in capital values.

Luis Pereda and Miguel Pereda, one of the most experienced real estate professionals in Spain, will, through the Investment Manager, lead the Company in order to capture the recovery anticipated in the Spanish economy and the property market.



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According to Luis Pereda, CEO of Grupo Lar, “Spanish economy and property markets are showing signs of recovery and this offers good opportunities for long term investments in our country. Our vision for Lar España is to build the market leading Spanish REIT and we believe we are in a good position thanks to Grupo Lar’s long experience in active portfolio asset management and development in Spain”.

Lar España is seeking to raise gross proceeds between €350 to €400 million pursuant to an institutional placing of Shares, including €10 million subscription of shares from Grupo Lar. The Company has received binding commitment from LVS II LUX XII S.À R.L., a Luxembourg law governed limited liability company (société à responsabilité limitée) having Pacific Investment Management Company LLC (“**PIMCO**”) as investment advisor to invest in aggregate up to €50 million in the Issue, subject to certain conditions. The Company has appointed J.P. Morgan Securities plc as Sole Bookrunner for the proposed placing.

The Company intends to be listed in the Madrid, Barcelona, Valencia and Bilbao stock exchanges and traded on the Automated Quoted System (“Mercado continuo”).

About Grupo Lar

Grupo Lar is a Spanish diversified real estate company with international presence and over 29 years of track record in the sector. Its activities entail asset management, investment, development and property management in commercial and residential real estate, operating in 8 countries across European and Latin American markets.

The Company has been successful across the different economic cycles with diversified operations including the commercial and residential real estate sectors and is highly experienced in active portfolio and asset management, refurbishment and development.



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In addition, during these years Group Lar has built a strong and successful reputation working with third party investors as co-investors and JVs, including Axa, Fortress, GE Capital, Grosvenor, Morgan Stanley and Whitehall Funds.

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Note:

No action has been or will be taken in any jurisdiction that would permit a public offer of the Shares, or possession or distribution of this announcement or any other offering material, in any country or jurisdiction where action for that purpose is required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and this announcement or any other offering material may not be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this announcement and any other offering material comes should inform themselves about and observe any restrictions on the distribution of this announcement and any other offering material. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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Grupo Lar is not regulated as an alternative investment fund manager ("AIFM") within the meaning of Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers ("AIFMD") as Spain has not yet implemented the AIFMD. The Company may, however, constitute an alternative investment fund within the meaning of AIFMD ("AIF") under the laws of other EEA jurisdictions where the AIFMD has been implemented. Accordingly, Shares may only be marketed or offered in such jurisdictions in compliance with and



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subject to the terms of any transitional regime permitting such marketing or offering which exists under such jurisdiction's implementation of the AIFMD and any other laws and regulations applicable in such jurisdiction.