



PRESS RELEASE

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LAR ESPAÑA REAL ESTATE – FIRST SOCIMI LISTED IN THE MAIN SPANISH STOCK EXCHANGES

- **Total offer size of €400 million, with PIMCO¹ acting as anchor investor with an initial investment of €50 million**
- **Grupo Lar is the exclusive investment manager of Lar España and has invested €10mm in the company**
- **IPO proceeds will be used to invest in the real estate sector in Spain primarily in the commercial property sector (mainly offices and retail)**
- **First Spanish SOCIMI (legal comparable to REIT regime) listed in the main Spanish Stock Exchanges**
- **The transaction re-opens the initial offering market in Spain for real estate companies since 2007**

Madrid, 6 March 2014.- Lar España Real Estate, a newly-incorporated Spanish property investment company, has successfully completed its €400 million initial offering. Funds raised were at the maximum of the targeted range and achieved a significant demand from a broad base of international investors. The Company has elected to become a Spanish SOCIMI, “*Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario*” (Spanish legal vehicle comparable to REIT regimes present in other legislations).

¹ 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



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The SOCIMI is managed by Grupo Lar, a family-owned business, led by Luis Pereda and Miguel Pereda. Grupo Lar has extensive experience in Spanish real estate and a track record of value creation throughout economic cycles.

Lar España Real Estate's objective is to focus 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 the opportunities to create value through active asset management and investments and the expected in capital values from current entry prices.

As part of the transaction, Grupo Lar and PIMCO², which have invested €10 million and €50 million in the company respectively, have subscribed a co-investment agreement with Lar España Real Estate to undertake jointly certain new investments.

The newly-listed Company has an experienced and reputable Board of Directors with a balanced combination of people from real estate as well as finance backgrounds, both in Spain and internationally. The Board is chaired by Jose Luis del Valle, Chairman of Global Energy Services, who has previously been advisor to the Chairman of Gamesa (2011-2012), Chief Strategy and Research Officer at Iberdrola (2008-2010), CEO of Scottish Power (2007-2008), Chief Strategy and Development Officer at Iberdrola (2002-2007) and CFO of Banco Santander (1999-2002).

According to Jose Luis del Valle: *"We are all really excited at having participated in the initial offering of Lar España. This is a unique opportunity, as the Spanish economy and property markets are showing signs of recovery. We expect being able to fulfill the*

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investor expectations, for which we believe we are in a good position thanks to Grupo Lar's long experience in active portfolio asset management and development in Spain".

The Company is listed in the Madrid, Barcelona, Bilbao and Valencia stock exchanges and traded on the Automated Quoted System ("Mercado Continuo").

J.P. Morgan acted as Sole Global Coordinator and Sole Bookrunner on Lar España Real Estate's initial offering.

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.

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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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 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.