



NEWS RELEASE

All the future in a Lagoh

- The retail and family entertainment complex opens its doors in Seville on September 27, fully rented and with annualized net income forecast at 17 million euros, 13.5% more than initially planned.
- 100,000 square metres, 200 retailers, and an offer that makes Lagoh the best example of new-generation retailing.

Seville, 26 September 2019. Lagoh, the largest shopping and family entertainment complex in Andalusia, opens its doors in Seville on Friday 27 September at 10.00 am. It does so at full capacity, with its 200 commercial spaces already rented and operational. Boasting more than 100,000 metres of surface area, Lagoh brings together an exclusive range of shops and top brands, many of which have never been seen before in Seville.

In addition to the above, there is an open-air gastronomic experience around the central lake that gives its name to the complex, as well as the most avant-garde and innovative cultural, leisure and free time activities: from a wind tunnel to multi-adventure spaces, swimming pools with artificial waves for surfing, and an exclusive surface for virtual reality games.

In all, the complex represents the beginning of a new phase in the world of retail, much more experience-based, customized and harnessing the power of attraction of major brands, family leisure and a much more creative and participatory free time. The project has prioritized accessibility. Lar España has invested 9.4 million to ensure fluid mobility around the complex, and aspires to become a magnet for growth in the southern Seville zone. From the first day, the complex will have an express bus line, the L-35, which will connect to the city centre in a few minutes. It will also activate four preferential accesses for pedestrians and cyclists.

A 200 million euro investment

The complex has been developed by Lar España, and is managed exclusively by Grupo Lar, with a total investment of 200 million euros. It is expected to greet more than 15 million people each year. It opens at full capacity, which means 17 million euros of annualised net income, 13.5% more than initially forecast. Since the first stone of the complex was laid, total asset value has risen 446% (last valuation to 30 June), and it opens with a yield on cost of approximately 8.5%.

Lar España was the first Spanish SOCIMI (Reit) to go public. At the present time it holds 15 commercial complexes of which it is the 100% owner, and a gross leasable surface area of 580,235 square metres representing a gross asset value of 1,462 million euros.

For its president, José Luis del Valle, "the opening of Lagoh is the reflection that, five years after the IPO, the company continues to show it is capable of generating high value-added opportunities and revenue growth, despite the fact that the real estate cycle is at a more mature phase".

Lagoh represents the largest project to open in Spain in 2019, one of the largest in Europe and one of the most innovative in the sector.



From the outset, local and regional administrations supported this project as a focus of development for the south of the city. Its scope will be reinforced by several residential projects in the vicinity, with a total of 3,000 homes.

Management of the complex corresponds to Grupo Lar, which has exclusivity for Lar España commercial assets. According to Miguel Pereda, director of Lar España and CEO of Grupo Lar Iberia, "2019 has been an unparalleled level of challenge for both companies. At Lar España, we completed our plan to divest non-strategic assets with an average revaluation of 87.5%. Subsequently, we completed the delivery of Lagasca 99, in Madrid, the most emblematic and innovative residential development in the capital, and 12 months ago we opened the first of our new developments, Vidanova Parc. Now we end the year with the opening of Lagoh, the newest and most modern shopping centre that has been built in Spain in recent years".

From day one, Lagoh will be the largest shopping and entertainment area in Seville, with a total area of 123,500 square metres, of which 100,000 will correspond to shopping and leisure areas. With a 6,000 square meter lake conceived as one of the major features of the centre, creating unique moments, with playgrounds, relaxation areas and vantage points, as well as spectacles of water, light and sound.

An avant-garde design, in line with new architectural trends: geometric bodies, avoiding monotonous spaces, capable of creating routes with great spatial richness, and structured with three large public squares facing the lake. Architecture is integrated aesthetically into the environment, a practice increasingly common in new buildings. In addition to the lake, the complex has extensive vegetation cover that gives it, together with the extensive gardening areas, offering an appearance close to nature.

The materials used in the construction and design of Lagoh are natural: stone, wood, metal, all of which recyclable and in which light colours have been used. Concern for sustainability has led Lagoh to be certified under the Breeam standard, the main independent system for assessing and certifying the sustainability of buildings, as well as the various assets promoted by Lar España.

In addition, in order to maximise respect for the environment, a system has been set up to use energy from known clean sources. It includes the development of a rainwater collection system for subsequent use in the irrigation of green areas; a system of photovoltaic panels for electricity supply; and geothermal energy, which takes advantage of the underground resources of the area over which the facilities will be located.

In this respect, Lagoh will receive 100% renewable energy. The energy company hired will supply 100% renewable energy to the entire complex, certified by the National Markets and Competition Commission (CNMC), the sole body that provides such authorizations.

The space will complement the city's existing offer with a new, modern and competitive format in an area hitherto lacking commercial and leisure formats. Fashion and leisure will be the drivers of the complex, which will also have an unbeatable commercial offer in food, sport, DIY, home, restaurants, fashion, technology and leisure, with the main local, national and international brands.

Lagoh's area of influence is regional and includes 250,000 people within 10 minutes, and a total of 1.5 million Seville residents within half an hour. Plus the three million tourists who visit the city each year, many of whom will want to visit the complex. Lagoh has created 3,300 direct and indirect jobs, and 1,500 more linked to construction.

Growing with Seville

The company believes that all of these factors will make Lagoh a flagbearer for the next generation of large commercial and leisure assets. The sector is moving towards family activity formats, with more emphasis on outdoor activities, fashion and meeting spaces. The central lake aspires to become a meeting point for all Sevillians. Almost a hundred open-air terraces will be oriented towards it. Around the water there will be events and night lighting designed in such a way that each visit is an event and a unique experience.



About LAR ESPAÑA Real Estate SOCIMI S.A.

LAR ESPAÑA REAL ESTATE SOCIMI, S.A. is a listed company, incorporated as a SOCIMI (Reit) in March 2014. It currently has 15 assets, a commercial area of nearly 600,000 square metres and an asset value of 1.5 billion euros.

The first SOCIMI to list on the Spanish stock market, it is immersed in executing its 2019-2021 strategic plan. LAR ESPAÑA's objective is to generate profitability and value for its shareholders by increasing the value of its portfolio, growth in the retail sector and development of new projects.

In 2015 LAR ESPAÑA was included in the FTSA EPRA/NAREIT Global index, a selective global index designed to represent general trends of real estate companies listed around the world. It was later also included in the Ibex Top Dividend. In September 2019, for the fifth consecutive year, Lar España was awarded the EPRA Gold Award for the quality of the financial information made available to its main stakeholders. As regards the information published on Corporate Social Responsibility and Sustainability, Lar España was also awarded the highest distinction by EPRA this year, winning the Gold Award for the second year.

The company is managed by an independent and highly experienced Board of Directors, which combines renowned professionals from the real estate and financial sectors, both Spanish and international. The management of Lar España, by virtue of a management contract, has been entrusted exclusively to Grupo Lar.

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