



LAR ESPAÑA records first half net profit of 7.7 million euros

- **Asset value stabilised at the end of June at 1,411 million euros**
- **The real estate firm will end its current share buyback programme on 14 October, to be amortized in full**

Madrid, 30 September 2021. Real estate firm Lar España, the only retail specialist to be listed on Madrid's Continuous Market, recorded a net profit of 7.7 million euros in the first half of 2021, compared to a loss of 28.7 million euros in the same period of last year. The company has returned to a positive trend thanks mainly to strong operating performance and astabilisation of the independent valuations completed last June.

An independent valuation of Lar España's 14 assets at 30 June 2021, carried out by JLL and Cushman & Wakefield, came to 1,411 million euros, with a variation of just 0.4% compared to the previous valuation last December. In 2020 as a whole, the adjustment had been 4.9%, which underlines the improvement of the current stabilisation.

José Luis del Valle, Chairman of the Board of Directors of Lar España, said: "Results for the first half of the year represent another step forward in the company's commercial business, which is firmly on its way to recovering to pre-COVID levels. During the half year, the Board of Directors also approved the main terms and conditions for a renewal effective 1 January 2022 of the management contract signed by the Company and Grupo Lar Inversiones Inmobiliarias, which guarantees us optimal management and cost levels, in line with our high standards in terms of quality. In addition, in July, we reinforced our solidity, solvency and financial structure with the issue of a senior green bond, which has been very well received by the market and thanks to which our debt will have significant additional flexibility and remain at moderate leverage levels".

In addition to the positive business performance of the assets, the company successfully completed a 400 million euro senior green bond issue with a coupon of 1.75%, which was more than four times oversubscribed. As a result, the average maturity of the debt was extended to 2026 and average interest rate stands at just 1.9%. Lar España maintains a cash position of 167 million euros, enough to cover all expenses for the next four years, and a net debt which is 41% of the value of assets.



The company has also paid a dividend this year of 27.5 million euros giving a yield per share of 6.7%, and is nearing completion, on 14 October, its third share buyback issue up to a maximum of 5% of capital, which to date has repurchased nearly 4 million shares.

Lar España maintains an occupancy rate of 95% in all its centres, with rental maturities of close to three years for two thirds of the contracts. The real estate firm's rental income was 40 million euros in the first half, down from 47.9 million euros in the same period last year, mainly due to the exit from the perimeter of the 22 Eroski commercial premises sold to Blackbrook, as well as the result of the renegotiation of rents, completed with all the tenants during the past year.

Geographic diversification and dominant asset locations, coupled with the rapid progress of the vaccination programmes, have enabled the real estate firm to open almost all of its retail space as of today. After successive restrictions at several of its centres during the first half of the year, the firm's centres and retail parks had recovered almost all of their pre-covid footfall by mid-September. During the first six months of the year, Lar España finalized 35 new leasing operations, with a turnover of around 3% of the total surface area. Total occupancy remains above 95%.

About LAR ESPAÑA Real Estate SOCIMI S.A.

LAR ESPAÑA REAL ESTATE SOCIMI, S.A. is a listed company traded on the Spanish Stock Exchanges, constituted as SOCIMI "Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario" in March 2014. The company has the objective of investing in the Spanish real estate sector, especially in the retail segment. Today, it is the leader in the Spanish retail market, with nearly more than 550,000 square meters of leased space and 1,411 million euros in asset value.

In 2015 LAR ESPAÑA was included in the FTSA EPRA/NAREIT Global index, a selective global index designed to represent general trends of listed real estate companies worldwide. It was also included in the Ibex Top Dividend index in 2018. In September 2021, for the seventh consecutive year, Lar España was awarded the EPRA Gold Award for the quality of the financial information made available to its main stakeholders. With regard to ESG information, Lar España has obtained the highest distinction from EPRA, winning the Gold Award for the fourth consecutive year.

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