



LAR ESPAÑA records 14.3 million euro net profit in the first nine months of 2021

- The company launched two senior green bond issuances totalling 700 million euros, reducing the cost of debt to an average fixed 1.8% and extending maturity to six years
- At the end of September, occupation at its centres and retail parks stood at 95%, with all of its retail space open

Madrid, 14 December 2021. Real estate firm Lar España, the only company in this sector specialising in retail on the Continuous Market, recorded a net profit of 14.3 million euros between January and September 2021, compared to a negative result of 17.4 million euros in the same period last year. The company has returned to profit thanks mainly to solid operating performance, recurring revenues and stabilisation of independent valuations closed last June.

The independent valuation of Lar España's 14 assets at 30 June 2021, carried out by JLL and Cushman & Wakefield, came to 1.4 billion euros, a variation of only 0.4% compared to the previous valuation in December last year, and well below a corresponding average decrease of 3.9% for the main European listed companies in the retail sector.

The company's net financial debt stood at 584.4 million euros, equivalent to 41% of asset value. In addition, cash position remains at around 200 million euros, sufficient to cover all operating expenses for the next four years. Lar España has paid a dividend this year of 27.5 million euros, representing a yield per share of 6.7%. Last month it redeemed 3.9 million shares from the third buyback programme, as a result of which yield on remaining shares has increased by the equivalent of 4.5%.

At the end of the third quarter, Lar España maintained an occupancy rate of 95% in all its centres, with an average contract maturity of close to three years. In the first nine months of 2021, rental income amounted to 58.3 million euros, 50.6% more than at the end of the first half, but below the 71.4 million euros for the nine months of 2020, due, among other reasons, to the exclusion from the perimeter of the 22 Eroski commercial premises sold to Blackbrook. During the first nine months of 2021, Lar España completed 63 leasing operations, with rents negotiated amounting to €3.5 million and representing an average increase of 2.4%.

Geographical diversification and dominant asset locations, coupled with high vaccination rates in Spain, one of the highest in Europe, has enabled the real estate firm to open all of its space as at 30 September. After the successive restrictions in several of its centres during the first half of the year, its centres and retail parks had reached 115.6% of footfall and 124.3% of sales obtained



in the same nine months of 2020, as well as 86.8% and 94.6% of pre-Covid footfall and sales for the same period.

About LAR ESPAÑA Real Estate SOCIMI S.A.

LAR ESPAÑA REAL ESTATE SOCIMI, S.A. is a company listed on the Spanish Stock Exchanges, incorporated as a SOCIMI "Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliario" in March 2014. The company's objective is to invest in the Spanish real estate sector, especially in the retail segment. Today it is the Spanish market leader in retail, with more than 550,000 square meters for rent and 1,413 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 received the EPRA Gold Award for the quality of the financial information made available to its main stakeholders. As regards the information published on ESG, Lar España has obtained the highest distinction from EPRA, achieving the Gold Award for the fourth consecutive year.

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