



NATIONAL SECURITIES MARKET COMMISSION

In compliance with the reporting requirements under article 228 of the Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Securities Market Act, Lar España Real Estate SOCIMI, S.A. ("Lar España" or the "Company") hereby informs the National Securities Market Commission of the following

MATERIAL FACT

Lar España informs that, on 27 April 2017, it has reached an agreement to secure the bank financing of the asset Lagasca99. It is a loan in favor of its subsidiary Inmobiliaria Juan Bravo 3, S.L., for an amount of EUR 78 million, granted by Banco Santander, which will be used to finance the construction of the property; a part of it is also intended for potential buyers financing.

Part of the transaction is also the amendment of the terms and conditions of an additional balance of EUR 40 million from previous financing associated with the purchase of the plot of land.

This transaction betters both the cost and the amortization of the debt.

Madrid, 28 April 2017

Lar España Real Estate SOCIMI, S.A.
Mr. José Luis del Valle Doblado,
Chairman of the Board of Directors

PRESS RELEASE

LAR ESPAÑA secures financing for the Lagasca99 development

- A EUR78 million loan has been signed to finance the building's development project
- The financing secured by the SOCIMI includes a further EUR40 million to refinance, under more favourable conditions, the already existing debt which was taken on to acquire the property
- Over half of Lagasca99's future 44 apartments have already been sold and they are due for delivery in Summer 2018

Madrid, 28 April 2017. LAR ESPAÑA REAL ESTATE SOCIMI S.A (LRE), the listed real estate investment company, has signed an agreement to secure financing for Lagasca99. The company has secured a EUR78 million loan from Banco Santander, which it will use to finance the construction of the property. A tranche of this loan will be used to potentially finance the buyers.

The agreement also includes a further EUR40 million to refinance the already existing debt taken on to acquire the plot of land; this refinancing will allow the company to improve both the cost and the amortisation of the debt.

The agreement that has been announced today comes shortly after the company signed a EUR104 million financing deal mid-way through March to complete new acquisitions. This agreement was tied to two properties acquired by the SOCIMI in 2016: the Gran Vía de Vigo and Vistahermosa shopping centres.

Sergio Criado, LAR ESPAÑA's CFO, highlighted that *"the agreement that we have just announced not only allows us to secure financing for one of the most emblematic properties in our portfolio, it also demonstrates the SOCIMI's capacity to achieve agreements such as this with one of our main financing institutions, agreements that are only possible thanks to the quality of the assets."*





Lagasca 99, which is 50%-owned by both LAR ESPAÑA and Pimco, will feature a total of 44 apartments, ranging between 330 and 700 sqm and arranged over eight floors and penthouses. Over half of the property's apartments have already been sold and they are all scheduled to be delivered by Summer 2018.

LAR ESPAÑA REAL ESTATE currently owns 31 real estate assets valued a EUR1,385.7 million, of which; EUR1,072.4 million relate to 16 retail schemes located in Madrid, Toledo, The Balearic Islands, La Rioja, Vigo, Valencia, Seville, Alicante, Cantabria, Lugo, León, Vizcaya, Navarre, Guipúzcoa, Palencia, Albacete and Barcelona; EUR171 million to four office buildings in Madrid and one in Barcelona; EUR76.5 million to four logistics properties in Guadalajara and one in Valencia; and EUR65.8 million to one residential asset in Madrid.

ABOUT LAR ESPAÑA REAL ESTATE SOCIMI S.A.

LAR ESPAÑA REAL ESTATE SOCIMI S.A. is a Spanish company that trades on the Spanish Stock Market, incorporated as a SOCIMI "Sociedad Anónima Cotizada de Inversión en el Mercado Inmobiliaria" (Listed Corporation for Investment in the Real Estate Market).

The company, whose objective is to invest in the Spanish real estate sector, particularly in the retail sector, raised EUR 400million in initial capital from its IPO and in January 2015 completed the first bond issue carried out by a SOCIMI in Spain for EUR140 million. In August 2015 it successfully completed a EUR 135 million share capital increase, and another EUR147 million one in August 2016.

On 4 June 2015, LAR ESPAÑA REAL ESTATE SOCIMI was included on the FTSA EPRA/NAREIT Global index, a select global index designed to showcase the general trends of listed real estate companies around the world. On 7 September 2016, for the second year running, the company was awarded the 'Gold Award' from the European Public Real Estate Association (EPRA), in recognition of the quality of the information provided by LAR ESPAÑA within the Index standards framework. The inclusion of LAR ESPAÑA REAL ESTATE on the index and the award received is a clear demonstration of the Company's current positioning, which after carrying out the first listing of a SOCIMI on the Spanish Stock Exchange, has created a highly attractive real estate portfolio and continues to forge ahead with its ambitious acquisitions plan.

The company is managed by a highly-experienced independent Board of Directors, which combines renowned Spanish and international professionals from the real estate and finance sectors. The management of LAR ESPAÑA has been solely mandated to GRUPO LAR based on a 5 year management contract.

For more information on the Lagasca99 financing:

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For more information on the Lagasca99 project:

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Roatán Comunicación