



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 hereby informs that the Board of Directors, in the meeting held on 20 September 2018, has resolved to implement a Buy-Back Program of the Company’s own shares (the “**Buy-back Program**”) in accordance with the authorisation granted by the General Shareholders’ Meeting held on 29 May 2017.

The Buy-back Program is subject to Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (“**Regulation 596/2014**”), and to Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilisation measures (“**Delegated Regulation 2016/1052**”), and all other applicable legislation.

The purpose of the Buy-Back Program is, according to article 5.2.c) of the Regulation 596/2014, is the share capital reduction of Lar España.

The Buy-Back Program has the following features:

- The maximum net investment of the Buy-Back Program will be up to thirty million (30,000,000) euros.
- The maximum number of shares to be acquired under the Buy-Back Program will be 3,160,000, representing the 3.33% of the Company’s share capital.
- The shares will be acquired according to the price and volume conditions provided in article 3 of Delegated Regulation 2016/1052. In particular, regarding the price, Lar España will not purchase the shares at a price higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading



venue where the purchase is carried out, including when the shares are traded on different trading venues.

- In relation to the volume, Lar España will not purchase on any trading day more than 25% of the average daily volume of the shares on the trading venue on which the purchase is carried out, being applicable such limit to all the Buy Back Program. For this purpose, the average daily volume shall be based on the average daily volume traded during either of the following periods: (a) the month preceding the month of the disclosure information about the Buy-Back Program; (b) the 20 trading days preceding the date of purchase.
- The Buy-Back Program will remain in effect for the period of three (3) months since the publication of this material fact. Notwithstanding the above, Lar España reserves the right to early terminate the Buy-back Program if, prior to the last effective date, the Company has acquired the maximum number of shares authorised.

The Buy-Back Program will be implemented by JB Capital Markets, S.V., S.A.U.

The Buy-Back Program will start with the notice of this material fact. Also, the Liquidity Contract signed by the Company and JB Capital Markets, S.V., S.A.U., on 5 July 2018, notified by means of material fact with number 254421, on 10 July 2017, in accordance with the terms of Circular 1/2017, of 26 April, of the *Comisión Nacional del Mercado de Valores*, on liquidity contracts, shall remain in suspension as long as the Buy-Back Program is operational.

Lar España will inform all the transactions carried out under the Buy-Back Program, according to the legislation in force.

Likewise, it will notice the interruption, suspension, termination, and modification of the the Buy-Back Program of the Company.

Madrid, on 28 September 2018.

LAR ESPAÑA REAL ESTATE SOCIMI, S.A.

Mr. José Luis del Valle Doblado,
Chairman of the Board of Directors