



Nine Months
Report
9M 2019

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Shopping Centre
Lagoh (Sevilla)



1

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1.1

Highlights Q3 2019

Portfolio Information

GAV
1,562
Million €

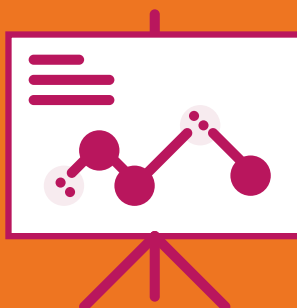
Annualised Net Rent
87.9
Million €

WAULT
3.5
years

Assets
16

GLA
579,014
sqm

2019 Divestments
77.0
Million €



Financial Information

EPRA NAV
1,010.6
Million €
(11.40€/share)⁽¹⁾

Net LTV
33%

Financial Debt
671.4
Million €

Average Cost of Debt
2.20%

Rental Income
57.8
Million €

EBITDA
37.8
Million €

Net Profit
79.1
Million €

ROE
12.90%



(1) When analyzing this measure it is important to take into account the dividend paid in Q2 2019 (0.80€/share).

Retail performance

Operating results

EPRA NIY
5.6%

EPRA topped-up NIY
5.9%

Reversionary Yield
6.2%

LfL GRI
+1.8% ⁽¹⁾

LfL NOI
+2.0% ⁽¹⁾

% Occupancy
96.0% ⁽²⁾

GAV (%)



Rental Income (%)



Shopping Centres. Retail Parks. Other Retail. Residential. Offices.

Commercial activity

Negotiated rent
7.2
Million €

Operations
99

Rotated area
42,060
sqm

Rent uplift
+11.1%

9M 2019 Footfall
49.8
Million of visits



9M 2019 Sales
529.2 ⁽⁴⁾
Million €



+2.4% ⁽¹⁾
vs. 9M 2018

-1.2% ⁽³⁾
Average Spanish Footfall

+2.2% ⁽¹⁾
vs. 9M 2018

+1.1% ⁽⁵⁾
Big Surfaces Spain Sales Index

⁽¹⁾ Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project and either Albacenter's data due to the division of the hypermarket into four retail units | ⁽²⁾ Ratio calculated according to EPRA recommendations | ⁽³⁾ Shoppertrak Index | ⁽⁴⁾ Declared Sales | ⁽⁵⁾ National Statistics Institute (INE)

1.2 Retail market context

Growth and GDP

Faced with weakening domestic demand and a complex foreign sector, Spanish economic growth is starting to ease, although it continues to outperform the Eurozone average. Advance figures from Oxford Economics indicate that **GDP grew by 0.4% during Q3**, in line with the figure for the previous quarter. Meanwhile, **forecasts** place the YE figure at **2% for 2019** and 1.7% for 2020.

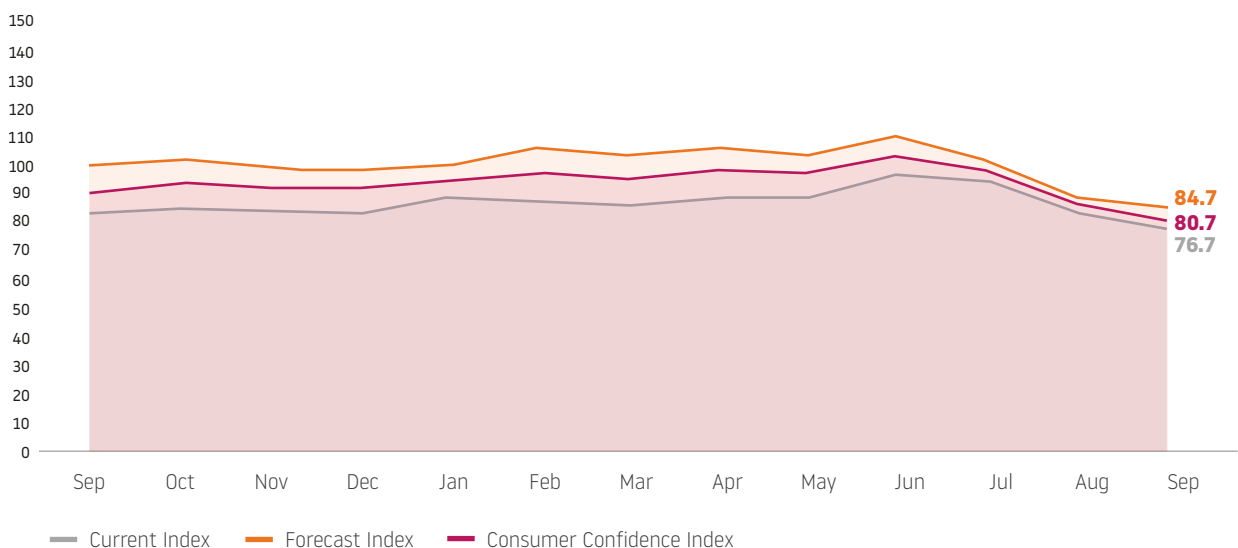
Inflation

Inflation fell to 0.3% in August, a slightly decrease versus the previous period. Forecasts from Oxford Economics suggest that inflation will remain stable for the rest of the year, reaching an average of **0.7%** for the whole of **2019**. Inflation is expected to increase slightly during **2020**, averaging **1.2%**.

Consumer Confidence Index (CCI)

The CIS **Consumer Confidence Index (CCI)** for September declined to **80.7 points**, on a par with the figures registered at the start of 2014.

Consumer Confidence Index (CCI)



Source: Centro de Investigaciones Sociológicas (CIS)

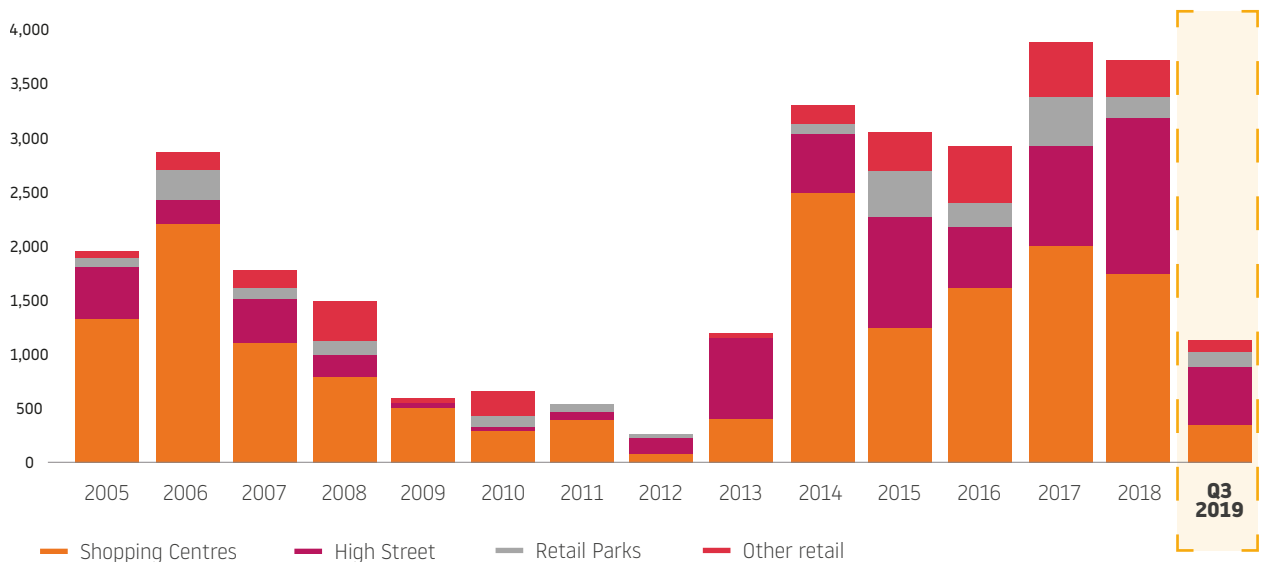
Investment

Retail investment slowed during Q3, falling by 65% y-o-y to **€286 million**. The **total YTD investment volume stands at €1,021 million**, down 61% on the figure for the first nine months of 2018. **High street** investment stands at €522 million, accounting for half of all investment in retail properties, followed by **shopping centre** investment, which stands at €338 million (33%). **Retail parks and other retail** properties accounted for €161 million, equating to 16% of the total retail investment figure.



Retail investment volume in Spain during 9M 2019: **€1,021 million**

Investment volume (€Mn)



Source: JLL

Prime rents

Prime rental growth for retail property is easing slightly and **remained flat** q-o-q. Prime high street rents also remained unchanged on last year, while **shopping centre rents** climbed **2.1% y-o-y**. Retail park rents, however, saw the largest growth, up 2.6% over the last year.

Prime rents (€/sqm/month)



Shopping Centres

€99

+2.1%

Rental growth Q3 2019 | Q3 2018



Retail Parks

€19.50

+2.6%

Rental growth Q3 2019 | Q3 2018



High Street

€294

0%

Rental growth Q3 2019 | Q3 2018

Source: JLL

Prime yields

Prime yields for high street stores and retail parks remain unchanged on the previous quarter, standing at **3.15% and 5.25%** respectively. Meanwhile, **shopping centre** prime yields are up by **15 basis points**, reaching **4.65%**.

Prime yields Q3 2019



Shopping Centres

4.65%

+15

Basic points variation
Q3 2019 | Q2 2019



Retail Parks

5.25%

0

Basic points variation
Q3 2019 | Q2 2019



High Street

3.15%

0

Basic points variation
Q3 2019 | Q2 2019

Source: JLL

Footfall

The ShopperTrak national footfall index **fell by 1.2% y-o-y** in September and by 6.7% compared to August.

Footfall at properties in **Lar España's** portfolio increased by **2.4% y-o-y**.

Sales

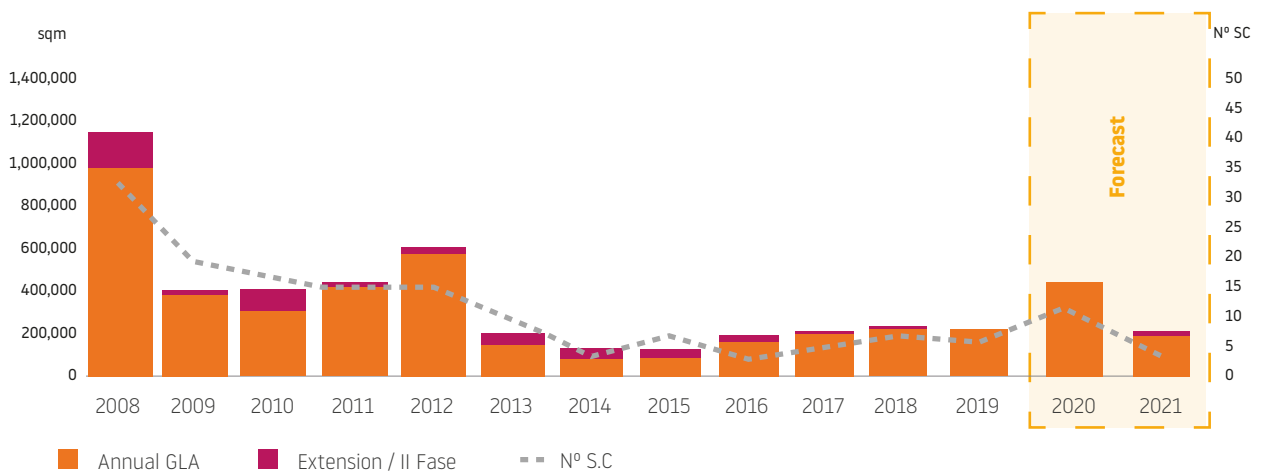
The **big surfaces Spain sales index** in Spain stands at **+1.1%** accumulated as of September 2019.

The declared sales of **Lar España** tenants exceed the index, registering an **increase of 2.2%** over the same period last year.

Stock

Close to **280,000 sqm of GLA are estimated to be opened** during 2019, the majority of which pertaining to six new retail properties that will open their doors during the year. Another small part of the GLA relates to extensions and second phases. These figures are higher than those registered in 2018.

In 2020, twelve assets are estimated to be opened with a total GLA close to 440,000 sqm.



Source: JLL



1.3 Opening of Lagoh



€17 million
in annual revenue

Opening of Lagoh shopping centre in Seville

The next generation of retail

On 26 September, on a day bursting with **excitement, music and fun**, our new **shopping and entertainment complex**, Lagoh, opened its doors for the first time.

With Eva González presiding over the festivities, and live music from India Martínez, Hombres G and Carlos Jean, Lagoh's launch day kicked off a packed weekend at the new centre.

Juan Manuel Moreno Bonilla, President of the Andalusian Regional Government, Jesús Lucrecio Fernández Delgado, representing the government, and Antonio

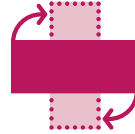
Muñoz, Deputy Mayor of Seville joined José Luis del Valle, Chairman of Lar España, Luis Pereda, Chairman of Grupo Lar, Miguel Pereda, CEO of Grupo Lar, José Manuel Llovet, Head of Retail at Iberia Grupo Lar and José Antonio García, Development Director at Grupo Lar, at the official ribbon-cutting ceremony to mark the grand opening of the largest shopping and family leisure hub in Andalusia.

It was a day brimming with technological wizardry, fireworks and a **stunning water show in the centre of the lake** entranced the crowds.





100,000 sqm
dedicated to leisure
and entertainment



Over 200
iconic brands

The following morning at 10 am, the centre opened its doors to an impatient public. During the first weekend **c. 160,000 visitors** flocked to be the first to see the new attraction and try out the activities on offer. A lot of the action took place around the centre's **6,000-sqm lake**, designed as a key focal point and a unique setting for play areas, chill-out zones and viewpoints as well as spectacular sound, light and water shows.

A 360° camera allowed visitors to film themselves getting stuck into activities like surfing, flying or diving, while a floating treasure trove drifted across the lake dispensing a range of prizes to lucky visitors through a special app. Meanwhile, wandering entertainers and a dizzying choice of in-store promotions and events made Lagoh's opening weekend an **experience to remember**.

Lagoh opens at full capacity (**c.100% of units let**), meaning shoppers can choose from an array of **200 stores all open and ready to trade**. Occupying over 100,000 sqm, the centre boasts an unbeatable mix of leading brands, many setting up shop in Seville for the very first time. It is expected to generate **€17 million in annual revenue** and, thanks to its prime location in a catchment area of 1.5 million people, Lagoh hopes to attract over **14 million visitors** each year.

Lagoh offers a unique range of entertainment options unmatched by any other destination in the province, but its ambition doesn't end there. Featuring **new access roads to keep traffic flowing in the vicinity**, it also aims for maximum accessibility. Lar España has invested **€9.4 million** to ensure smooth integration with the city outside, in the hope of creating a growth hub with benefits for the entire south Seville area.





1 million of visits
in less than a month

A cutting-edge design responds to the **latest architectural trends**, with geometric shapes, eye-catching variety to enrich the visitor experience and three airy central plazas facing onto the lake. The complex is crowned with an extensive **green roof** which, together with rolling landscaped areas, create a sense of being in a veritable natural oasis.

Overall, it marks the beginning of a new phase in the world of retail, with a much greater focus on visitor experience, personalization and the pulling power of big-name brands, while offering a range of leisure opportunities for families and the chance to discover a much more creative and engaging recreational experience.

Committed to the utmost respect for the natural world, Lagoh **sets new standards for sustainability**. The design includes a **system for making use of established renewable energy sources**. A process for collecting rainwater that can be used to irrigate landscaped areas and vegetation is being developed; a network of solar panels provides low-carbon electricity; while **geothermal technology** generates heat by drawing on warmth beneath the ground under visitors' feet.

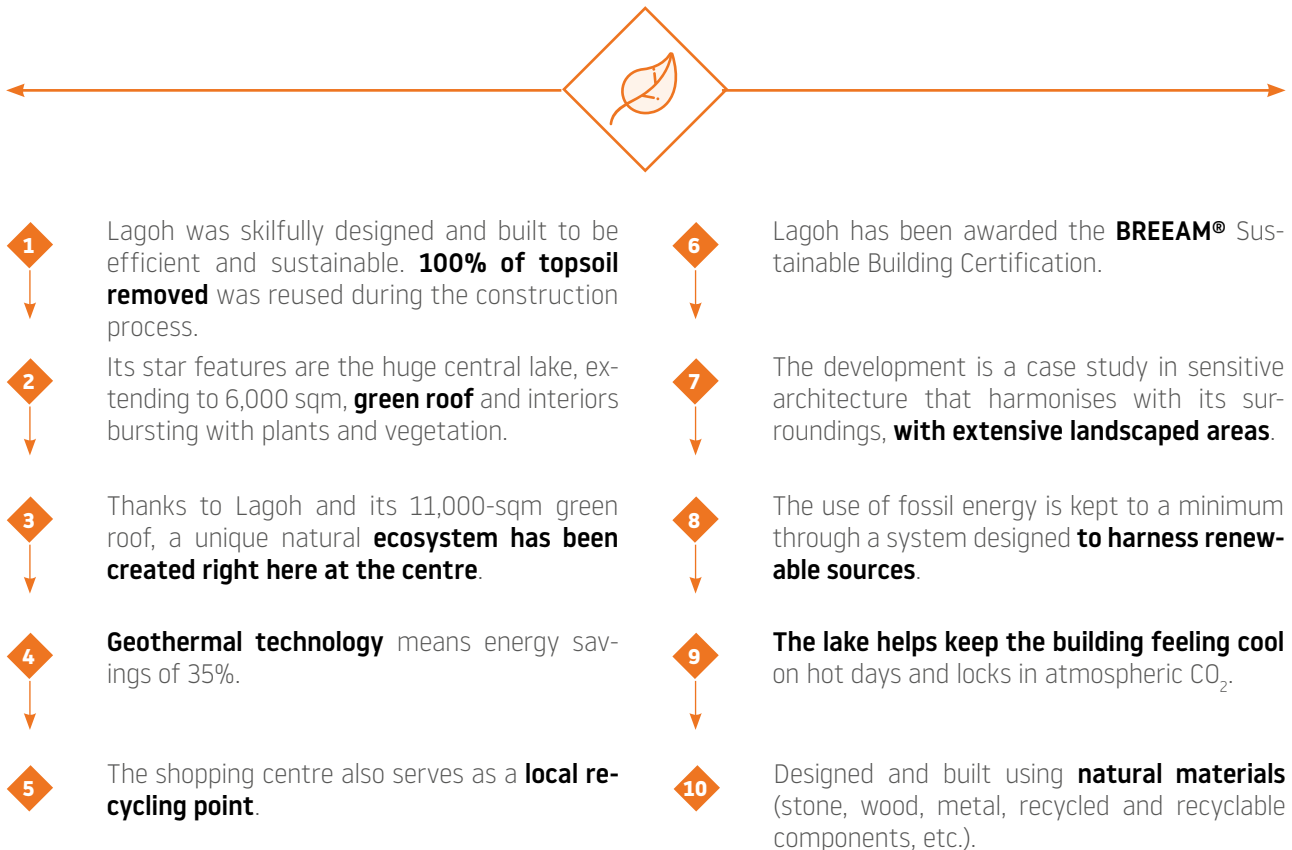




What makes Lagoh different

A sustainable and efficient shopping centre.

Lagoh was designed with the latest technology built in, and protecting the environment was paramount at all stages of the project. As a result, the development sets **multiple new standards for sustainability**:





A shopping centre designed for easy access (Universal accessibility).

- ✔ Right from the start, the goal was for Lagoh to be **universally accessible**.
- ✔ **No architectural barriers.**
- ✔ The entire building is **accessible** to all visitors.
- ✔ **All facilities and entrances have been designed with accessibility in mind**, so everyone can enjoy the shopping centre, car park and leisure areas.
- ✔ With the aim of smoothing traffic flows in the south of Seville, Lar España has invested significant sums in creating **new access roads**.
- ✔ A total of **€9.4 million** has been invested in access routes to keep Seville moving.
- ✔ New vehicle entrances have been matched with **routes and special entry and exit points for cyclists and pedestrians**.
- ✔ A combined **cycle/walkway** connects Lagoh to the neighbourhoods of Bermejales and Heliópolis.





Lagoh means fun. An Experience Resort offering far more than just shopping.

The Lagoh retail and family leisure complex offers visitors a **unique blend of adventure, recreation and gaming**, taking entertainment to a new level and incorporating the latest technology to make every visit an experience to remember.

Lagoh is **Seville's very first Experience Resort**, packed with everything you need for a fun-tastic day out. Its prime location to the south of Seville, in an area prized by families, makes it a must-visit destination for **family entertainment**.

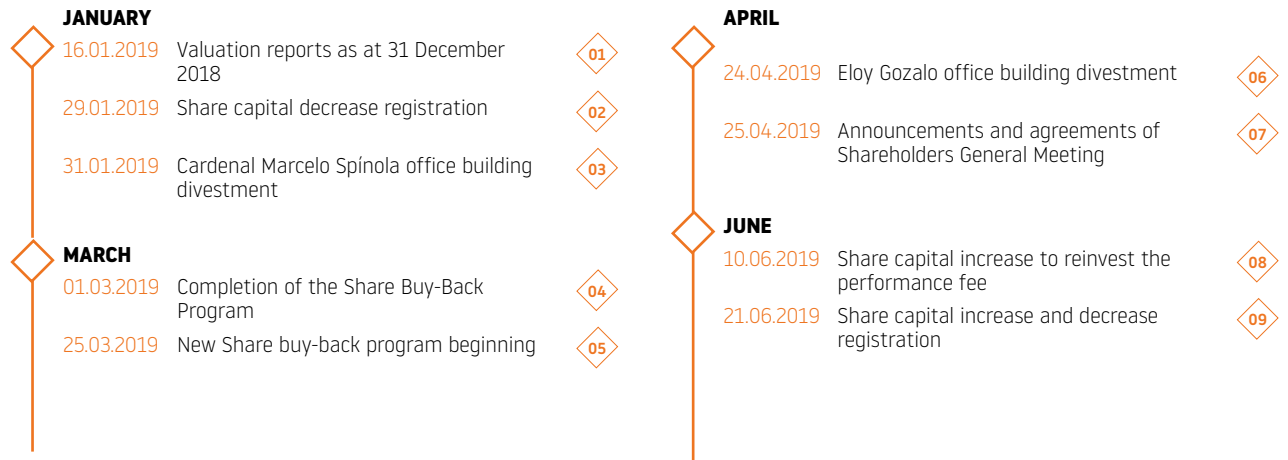
Among the many activities available, visitors can enjoy:

- **Yelmo Premium Cinema:** Each auditorium is equipped with cutting-edge technology to achieve unparalleled audiovisual quality, while a range of amenities and services supply all the makings of **an unforgettable cinematic experience**.
- **Boating on the lake:** Our **fleet of pleasure boats** invites families to enjoy the 6,000-sqm lake located at the heart of the shopping and family leisure complex.
- **Trampoline Park:** Can you picture a hall filled end to end with trampolines? Well your dream has now become a reality. Get a workout in while having fun, as you bound and twirl your way through this **unmissable experience for the young and young at heart**.
- **Wind Tunnel:** Perfect for the adventurous, let yourself be borne aloft by winds of over 200 km per hour, **strong enough to support your body weight, as all stresses and strains drift away**.
- **Surf Pool:** Now even residents of landlocked Seville can experience the buzz of surfing, thanks to our **48-sqm pool and wave machine**. If you hanker after the thrills of the sea, come and get your fix of this increasingly popular sport. Let Lagoh create the perfect Californian ambiance with tunes, sunshine, a barbecue and a range of options to quench your thirst.
- **Climbing Centre:** Defy gravity with this **42-sqm climbing wall** — you'll need all your skill, strength and agility to reach the summit.
- **Zip Wires:** Speed and adrenaline combine in **our six 25-metre zip wires**, creating one of Lagoh's most electrifying experiences.
- **Gaming:** Video game enthusiasts will love Lagoh's high performance centre, where visitors can test their skills in a dedicated space equipped with **state-of-the-art gaming technology**.





1.4 Main Events



The regulatory notices published and submitted to the Spanish Stock Market Commission (CNMV) during the first nine months of 2019 are listed below in chronological order:

JANUARY.

01

16.01.2019 Valuation reports as at 31 December 2018

Lar España has received the valuation reports for its property portfolio as of 31 of December 2018, carried out by JLL Valoraciones, S.A and Cushman & Wakefield Sucursal en España. The **total market value of the company's portfolio** as detailed in the abovementioned reports is **EUR 1,535.9 million**. The acquisition Price – transaction costs not included - of the assets subject to the valuation was EUR 1,087.2 million. The properties were valued according to the Royal Institution of Chartered Surveyors (RICS) valuation standards, based on net market value as at 31 December 2018.

02

29.01.2019 Share capital decrease registration

In connection with the Material Fact registered with the Spanish Securities Market Commission (Comisión Nacional del Mercado de Valores) on 28 December 2018 (Register number 273427), Lar España hereby informs that, on this date, the public deed regarding the reduction of share capital, granted on 28 December 2018, has been duly **registered with the Commercial Registry of Madrid. The share capital reduction was approved by the Board of Directors of the Company on 27 December 2018**, pursuant to the delegation granted by the General Shareholders Meeting held on 29 May 2017, that agreed, under item eleven of the agenda, to authorise the Board of Directors for the derivative acquisition of own shares, in accordance with the terms and conditions established in the abovementioned resolution of the General Shareholders Meeting, expressly authorising it to reduce share capital on one or more occasions in order to redeem the acquired own shares.

Consequently, **the share capital of Lar España has been reduced in the amount of EUR 3,088,980.00, through the cancellation of 1,544,490 own shares** with a face value of two euros each. Likewise, and in order to amend and clarify the information provided under the referred Material Fact of 28 December 2018, it is hereby stated that all of the cancelled shares were acquired under the Company's buy-back program that was announced through a Relevant Fact on 28 September 2018 (Register number 270006) and which expiration date was extended on 28 December (the "Buy-back Program"). **The share capital resulting from the reduction has been set at 186,438,088.00 euros, represented by 93,219,044 shares with a face value of two euros each.**

The purpose of this capital reduction, as envisaged in the Buy-back Program, is **to contribute to the Company's shareholder remuneration by increasing the profit per share.** It is hereby stated that the reduction does not involve the return of contributions to the shareholders since the Company is the holder of the canceled shares.

The reduction **has been carried out with a charge to free reserves**, through the provision of a capital cancellation reserve for an amount equal to the nominal value of the cancelled shares, which will only be available following the same requirements demanded for the reduction of the share capital, as provided by article 335 c) of the Spanish Companies Act. Consequently, in accordance with the provisions of such article, there is no right of opposition for the creditors included in article 334 of the Spanish Companies Act in connection with the capital reduction.

In the following days, the Company will request **the exclusion of the 1,544,490 cancelled shares** from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Stock Exchange Interconnection System (Continuous Market).



31.01.2019

Cardenal Marcelo Spínola office building divestment

Today, the Company (through its wholly owned company LE Offices Marcelo Spínola 42 SLU) has transferred to an **INVESCO company** named IRE-RE Espinola, S.L.U. **an office building at Calle Cardenal Marcelo Spínola 42** in Madrid, with a total gross leasable area (GLA) of approximately 8,875 square meters. The aforementioned sale has been formalized in public deed dated today, for a **total price of 37 million euros.** The sale price agreed for the transfer of the mentioned property represents a **capital gain of 94.7% on the acquisition price** paid by the Company for said property in July 2014 and matches the last valuation of this asset made in December 2018.



MARCH.

04

01.03.2019

Completion of the Share Buy-Back Program

Lar España reports that yesterday, the term for the Buy-Back Programme expired and, therefore, it is terminated. The Company has acquired, under the Buy-Back Programme, a total amount of **3,091,141 own shares, representing 3.31% of Lar España's current share capital**. The acquisition of own shares under the Buy-Back Programme has been periodically disclosed to the market, pursuant to article 2.2 and 2.3 of the Delegated Regulation (EU) N° 2016/1052, and has been carried out in accordance with the terms and conditions established in such Regulation.

The Buy-Back Programme has been implemented by JB Capital Markets, S.V., S.A.U. Additionally, it is reported that, once the Buy-Back Programme is finished, the Company will retake the Liquidity Agreement, which was suspended on 28th September 2018 (register number 270006), according to the terms notified by means of material fact with number 254421, on 10th July 2017, pursuant to Circular 1/2017, of 26 April, by the Comisión Nacional del Mercado de Valores, on liquidity contracts. Finally, Lar España reports that the shares from the Buy-Back Programme acquired until 28 February 2019 that have not been amortized yet will be amortized shortly.

05

25.03.2019

New Share buy-back program beginning

Lar España hereby informs that the Board of Directors, in the meeting held on 19 March 2019, has resolved to implement a **new 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 forty two million **(42,000,000 euros)**.
- The **maximum number of shares** to be acquired under the Buy-Back Program will be **4,660,000**, representing the **5% 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 nine (9) 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.



APRIL.

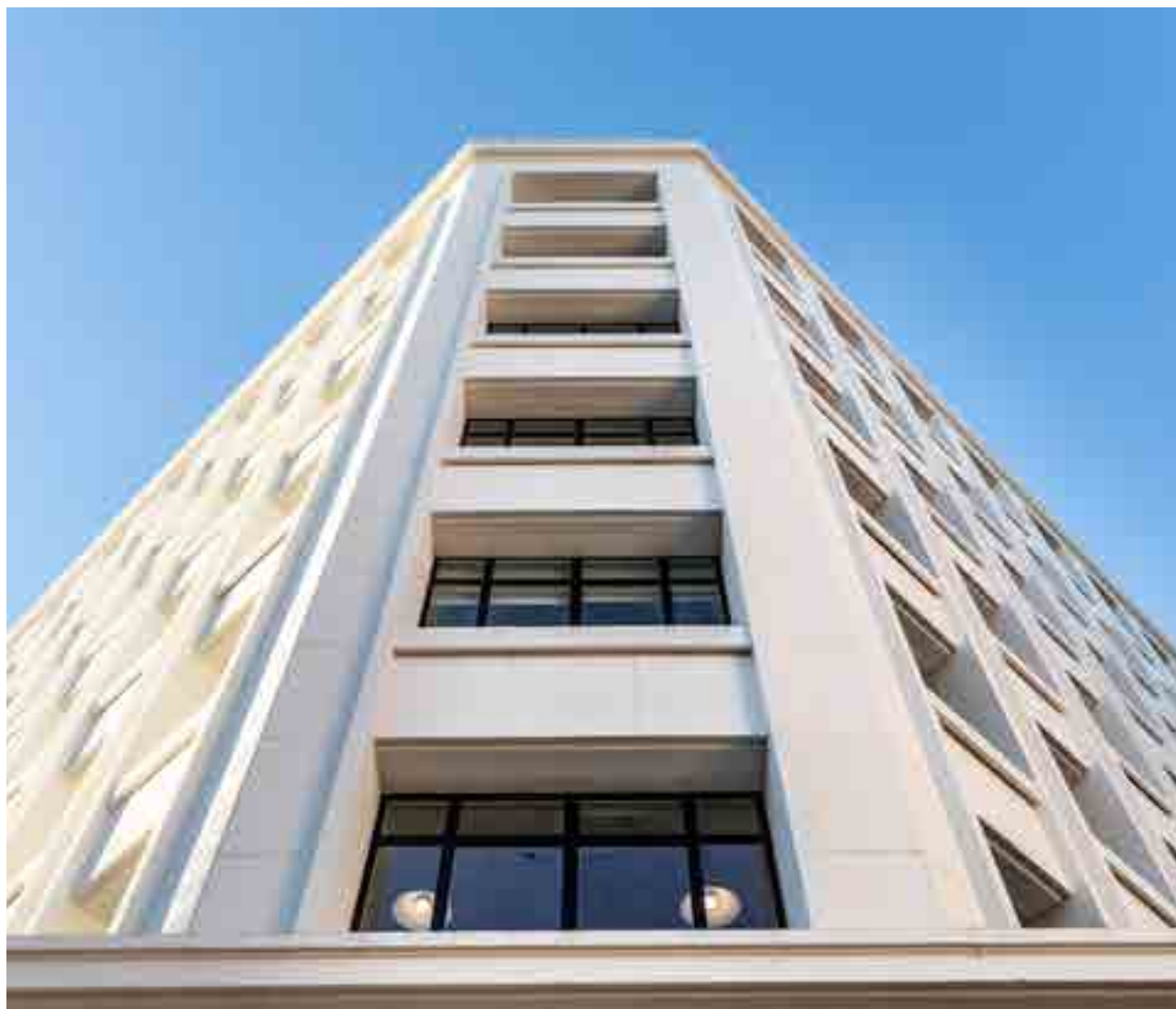
06

24.04.2019

Eloy Gozalo office building divestment

Today, the Company (through its wholly owned company LE Offices Eloy Gonzalo 27 SLU) has transferred to a SwissLife company named CARFEN SPV 2018, SL an office building at Calle Eloy Gonzalo 27 of Madrid, with a total gross leasable area (GLA) of approximately 6,295 square meters.

The aforementioned sale has been formalized in public deed dated today, for a **total price of 40 million euros**. The sale price agreed for the transfer of the mentioned property represents (i) a **capital gain of 214.21% on the acquisition price** paid by the Company for said property in December 2014; (ii) an increase of 1.52% over the valuation of these assets made in December 2018.



07

25.04.2019

Announcements and agreements of Shareholders General Meeting

The ordinary shareholders' meeting of Lar España announced on 22 March 2019 on "El Economista" and the Company's corporate web page —copy of which was submitted to the CNMV by means of a relevant fact with registration number 276,332—

and which took place on second call today, **25 April 2019, has approved the resolutions submitted to its consideration and vote**, as stated in the voting results report.



JUNE.

08

10.06.2019

Share capital increase to reinvest the performance fee

In connection with the Material Fact published on 25 April 2019 (registry number 277421), Lar España hereby announces that, on this date, the Board of Directors' resolution, dated 7 June 2019, executing the **share capital increase** approved by the ordinary General Shareholders Meeting of the Company on 25 April 2019, has been executed in the corresponding notarial public deed.

The share capital increase has been fully subscribed and paid for by the manager of Lar España, Grupo Lar Inversiones Inmobiliarias, S.A. ("Grupo Lar"), through monetary contributions **equivalent to the received performance fee**.

Consequently, the **share capital of Lar España has been increased by EUR 1,242,674.00 through the issuance of 621,337 registered shares**, with a nominal value of two euros each and with an issue price 10.34 euros per share (nominal value of EUR 2.00 and issue premium of EUR 8.34) for a **total effective amount of EUR 6,424,624.58**, of which EUR 5,181,950.58 correspond to the issue premium.

The new shares issued in the context of the capital increase will be subject to a lock-up period by Grupo Lar of three years, in accordance with the provisions included in the investment manager agreement entered into with Lar España.

Once the share capital increase resolution has been duly registered with the Commercial Registry of Madrid, the Company will begin the corresponding proceedings in order for the National Securities Market Commission and the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges to verify and approve the admission to trading of the new shares of the Company.

Furthermore, in relation to the Material Fact published on 25 March 2019 (registry number 276399), Lar España informs that, on this date, the Company executed the notarial deed regarding the **share capital reduction through the cancellation of treasury shares** that was approved by the Board of Directors on 7 June 2019, pursuant to the delegation granted by the General Shareholders Meeting held on 29 May 2017, that agreed, under item eleven of the agenda, to authorise the Board of Directors for the derivative acquisition of own shares, in accordance with the terms



and conditions established in the abovementioned resolution of the General Shareholders Meeting, expressly authorising it to reduce share capital on one or more 2 occasions in order to redeem the acquired own shares.

Consequently, the **share capital of Lar España has been reduced in the amount of EUR 6,505,640.00, through the cancellation of 3,252,820 own shares with a face value of two euros each.** The purpose of this capital reduction, as envisaged in the Buy-back Program, is **to contribute to the Company's shareholder remuneration by increasing the profit per share.**

It is hereby stated that the reduction did not involve the return of contributions to the shareholders since the Company was the holder of the cancelled shares. The reduction was carried out with a charge to free reserves, through the provision of a capital cancellation reserve for an amount equal to the nominal value of the cancelled shares, which will only be available following the same requirements demanded for the reduction of the share capital, as provided by article 335 c) of the Spanish Companies Law.

Consequently, in accordance with the provisions of such article, there is no right of opposition for the creditors included in article 334 of the Spanish Companies Law in connection with the capital reduction.

Once the resolution regarding the share capital reduction has been registered with the Commercial Registry of Madrid, the Company will request the exclusion of the 3,252,820 cancelled shares from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Stock Exchange Interconnection System (Continuous Market).

Finally, the Company informs that, after the execution of the capital increase and the capital reduction referred to in this Material Fact, **the share capital of the Company has been set at EUR 181,175,122.00, represented by 90,587,561 registered shares of two euros per value each.**



09

21.06.2019

Share capital increase and decrease registration

In connection with the Material Fact published on 10 June 2019 (registry number 279012), Lar España hereby announces that, on this date, the public deed relating to **the share capital increase of Lar España, approved on 25 April 2019 by the Board of Directors of the Company**—which was fully subscribed and paid for by the manager of Lar España, Grupo Lar Inversiones Inmobiliarias, S.A. (“Grupo Lar”), through monetary contributions equivalent to the received performance fee— **has been duly registered with the Commercial Registry of Madrid.**

Consequently, the share capital of Lar España has been increased by EUR 1,242,674.00 through the issuance of 621,337 registered shares, with a nominal value of two euros each and with an issue price 10.34 euros per share (nominal value of EUR 2.00 and issue premium of EUR 8.34) for a total effective amount of EUR 6,424,624.58, of which EUR 5,181,950.58 correspond to the issue premium.

It is expected that the National Securities Market Commission and the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges will verify and approve the admission to trading of the new shares of the Company in the following days. The new shares will be subject to a lock-up period by Grupo Lar of three years, in accordance with the provisions included in the investment manager agreement entered into with Lar España.

Furthermore, Lar España informs that **the public deed for the capital reduction through the amortization of own shares**, granted on 10 June 2019, **has also been registered today in the Mercantile Registry of Madrid.**

Consequently, the share capital of Lar España has been reduced in the amount of EUR 6,505,640.00, through the cancellation of 3,252,820 own shares with a face value of two euros each.

As expressly stated in the Material Fact published on 10 June 2019 (registry number 279012), the purpose

of this capital reduction, as envisaged in the Buy-back Program, was to contribute to the Company’s shareholder remuneration by increasing the profit per share. It is hereby stated that the reduction did not involve the return of contributions to the shareholders since the Company was the holder of the cancelled shares. The reduction was carried out with a charge to free reserves, through the provision of a capital cancellation reserve for an amount equal to the nominal value of the cancelled shares, which will only be available following the same requirements demanded for the reduction of the share capital, as provided by article 335 c) of the Spanish Companies Law. Consequently, in accordance with the provisions of such article, there was no right of opposition for the creditors included in article 334 of the Spanish Companies Law in connection with the capital reduction.

In the following days, the Company will request the exclusion of the 3,252,820 cancelled shares from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Stock Exchange Interconnection System (Mercado Continuo).

Finally, the Company informs that, after the execution of the capital increase and the capital reduction referred to in this Material Fact, **the share capital of the Company has been set at EUR 181,175,122.00, represented by 90,587,561 registered shares of two euros per value each.**

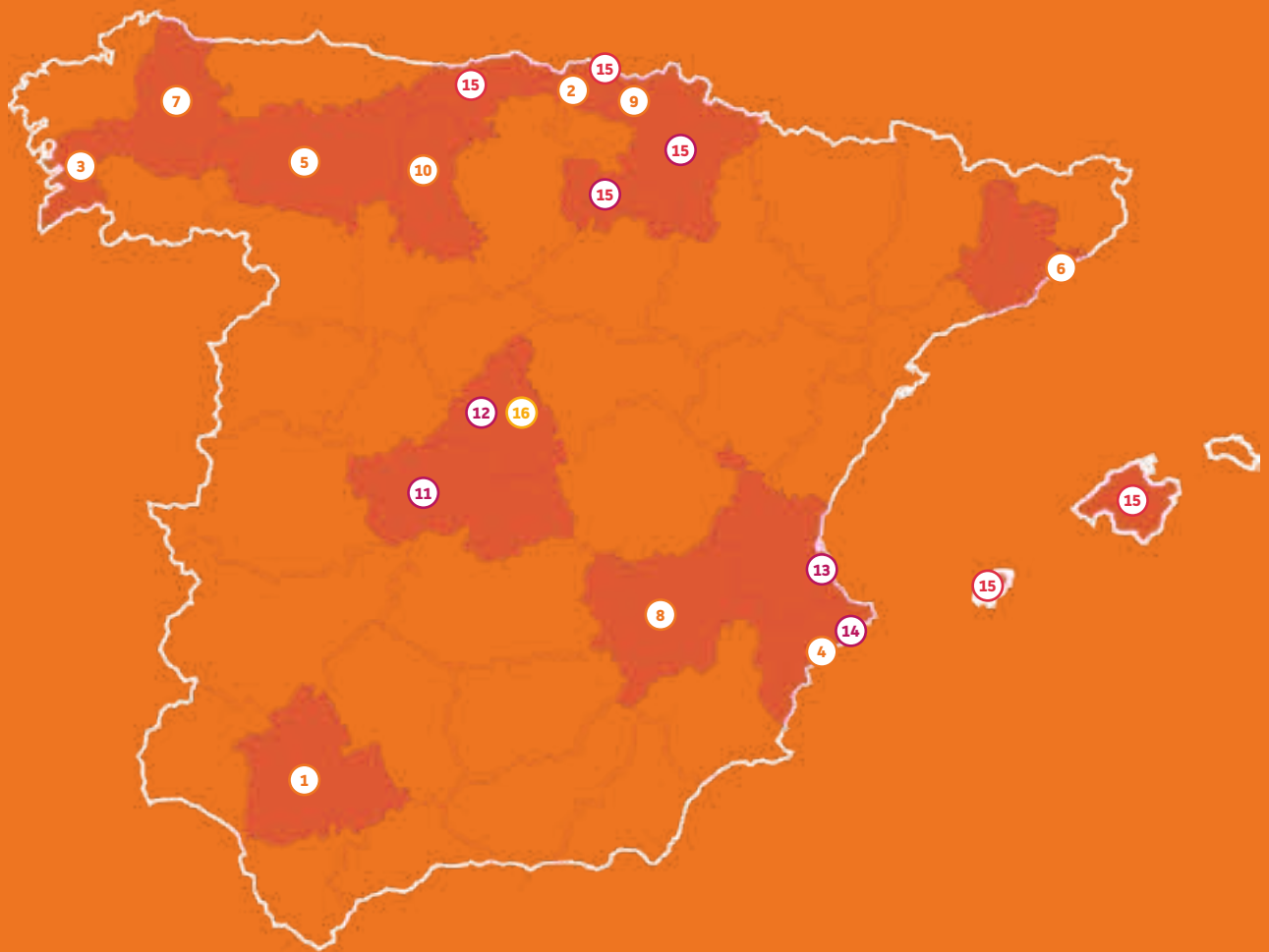


Shopping Centre
Gran Vía de Vigo (Vigo)



1.5

Portfolio at 30 September 2019



GAV
1.6
Billion €

Shopping Centres

- 1.** Lagoh (Sevilla)
- 2.** Megapark + Megapark Leisure Area (Vizcaya)
- 3.** Gran Vía (Vigo)
- 4.** Portal de la Marina + Hypermarket (Alicante)
- 5.** El Rosal (León)
- 6.** Anec Blau (Barcelona)
- 7.** As Termas + Petrol Station (Lugo)
- 8.** Albacenter + Hypermarket and Retail Units (Albacete)
- 9.** Txingudi (Guipúzcoa)
- 10.** Las Huertas (Palencia)



Retail Parks

- 11.** Parque Abadía and Commercial Gallery (Toledo)
- 12.** Rivas Futura (Madrid)
- 13.** VidaNova Parc (Valencia)
- 14.** Vistahermosa (Alicante)



Other Retail

- 15.** Supermarkets Portfolio (22 units) (Cantabria, País Vasco, La Rioja, Navarra and Baleares)



Residential

- 16.** Lagasca99 (Madrid)



Lagoh
Sevilla

Location	Sevilla
GLA	69,501 sqm
Purchase Date	1 March 2016
Land Acquisition Price	€38.5 million
Market Value (30 September 2019)*	€306.0 million
WAULT	5.6 years
EPRA Net Initial Yield	5.2%
EPRA Vacancy Rate	1.2%

Megapark
Bilbao

Location	Barakaldo (Bilbao)
GLA	82,332 sqm
Purchase Date	19 October 2015/ 27 October 2017
Acquisition Price	€178.7 million
Market Value (30 June 2019)*	€222.5 million
WAULT	2.9 years
EPRA Net Initial Yield	5.1%
EPRA Vacancy Rate	8.2% **

Gran Vía
Vigo

Location	Vigo
GLA	41,444 sqm
Purchase Date	15 September 2016
Acquisition Price	€141.0 million
Market Value (30 June 2019)*	€172.8 million
WAULT	1.8 years
EPRA Net Initial Yield	5.4%
EPRA Vacancy Rate	1.7%

**Portal de la Marina +
Hypermarket**
Alicante

Location	Ondara (Alicante)
GLA	40,332 sqm
Purchase Date	30 October 2014/ 30 March 2016/ 9 June 2015
Acquisition Price	€89.2 million
Market Value (30 June 2019)*	€128.1 million
WAULT	2.3 years
EPRA Net Initial Yield	5.6%
EPRA Vacancy Rate	4.6%

* The valuations have been made by external independent valuers : JLL or C&W.

** The property is undergoing significant refurbishments meaning that some units are being vacated temporarily.

El Rosal
León



Location	Ponferrada (León)
GLA	51,152 sqm
Purchase Date	7 July 2015
Acquisition Price	€87.5 million
Market Value (30 June 2019)*	€110.5 million
WAULT	2.5 years
EPRA Net Initial Yield	5.9%
EPRA Vacancy Rate	3.9%

Anec Blau
Barcelona



Location	Casteldefels (Barcelona)
GLA	28,998 sqm
Purchase Date	31 July 2014
Acquisition Price	€80.0 million
Market Value (30 June 2019)*	€96.8 million
WAULT	4.1 years
EPRA Net Initial Yield	**
EPRA Vacancy Rate	**

As Termas + Petrol Station
Lugo



Location	Lugo
GLA	35,127 sqm
Purchase Date	15 April 2015/ 28 July 2015
Acquisition Price	€68.8 million
Market Value (30 June 2019)*	€87.6 million
WAULT	2.2 years
EPRA Net Initial Yield	6.1%
EPRA Vacancy Rate	3.2%

Albacenter, Hyper and R.U.
Albacete



Location	Albacete
GLA	26,352 sqm
Purchase Date	30 July 2014/ 19 December 2014
Acquisition Price	€39.9 million
Market Value (30 June 2019)*	€60.0 million
WAULT	3.1 years
EPRA Net Initial Yield	5.5%
EPRA Vacancy Rate	5.2%

* The valuations have been made by external independent valuers : JLL or C&W.

** The property is undergoing significant refurbishments meaning that some units are being vacated temporarily.

Txingudi

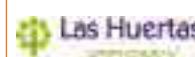
Guipúzcoa



Location	Irún (Guipúzcoa)
GLA	10,712 sqm
Purchase Date	24 March 2014
Acquisition Price	€27.7 million
Market Value (30 June 2019)*	€37.3 million
WAULT	2.6 years
EPRA Net Initial Yield	7.0%
EPRA Vacancy Rate	1.3%

Las Huertas

Palencia



Location	Palencia
GLA	6,267 sqm
Purchase Date	24 March 2014
Acquisition Price	€11.7 million
Market Value (30 June 2019)*	€11.9 million
WAULT	1.3 years
EPRA Net Initial Yield	6.5%
EPRA Vacancy Rate	9.3%

Parque Abadía and Commercial Gallery

Toledo



Location	Toledo
GLA	43,109 sqm
Purchase Date	27 March 2017/ 20 February 2018
Acquisition Price	€77.1 million
Market Value (30 June 2019)*	€84.2 million
WAULT	1.7 years
EPRA Net Initial Yield	6.0%
EPRA Vacancy Rate	6.8% **

Rivas Futura

Madrid



Location	Madrid
GLA	36,447 sqm
Purchase Date	6 February 2018
Acquisition Price	€61.6 million
Market Value (30 June 2019)*	€67.5 million
WAULT	1.8 years
EPRA Net Initial Yield	5.7%
EPRA Vacancy Rate	4.6% ***

* The valuations have been made by external independent valuers : JLL or C&W.

** As of the date of this report, the figure stands at **2.4%**.

*** As of the date of this report, the figure stands at **0.9%**.

VidaNova Parc
Valencia



Location	Sagunto (Valencia)
GLA	45,568 sqm
Purchase Date	3 August 2015
Land Acquisition Price	€14.0 million
Market Value (30 June 2019)*	€58.7 million
WAULT	3.9 years
EPRA Net Initial Yield	5.6%
EPRA Vacancy Rate	3.5%

Vistahermosa
Alicante



Location	Alicante
GLA	33,763 sqm
Purchase Date	16 June 2016
Acquisition Price	€42.5 million
Market Value (30 June 2019)*	€50.0 million
WAULT	4.9 years
EPRA Net Initial Yield	5.6%
EPRA Vacancy Rate	5.5%

Supermarkets Portfolio

(22 Units)



Location	Cantabria, País Vasco, La Rioja, Navarra and Baleares
GLA	27,909 sqm
Purchase Date	27 March 2017
Acquisition Price	€47.6 million
Market Value (30 June 2019)*	€53.1 million
WAULT	11.5 years
EPRA Net Initial Yield	7.2%
EPRA Vacancy Rate	0.0%

* The valuations have been made by external independent valuers : JLL or C&W.

Lagasca99

Madrid



Location	Madrid
GLA	26,203 sqm
Purchase Date	30 January 2015
Acquisition Price	€50.1 million ⁽¹⁾
Market Value (30 June 2019)*	€10.7 million ^{(1) (2)}
WAULT	N/A
EPRA Net Initial Yield	N/A
EPRA Vacancy Rate	N/A



(1) Corresponds to the 50% of the Joint Venture with PIMCO. (2) Valuation of properties for which no title deeds have been signed as at 30 September 2019

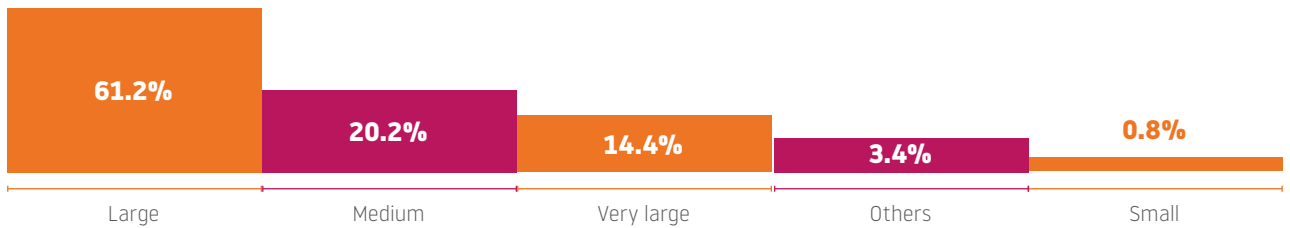
* The valuations have been made by external independent valuers : JLL or C&W

Our retail portfolio at a glance:

Dominant prime shopping centres in their catchment area in relevant locations

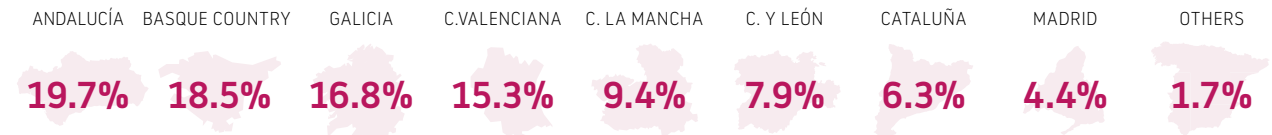
15 #Assets	579,014 GLA (sqm)	96.0 Annualised Gross Rent (€M)	1,552 GAV (€M)
5.9% EPRA "topped-up" NIY ⁽¹⁾	96.0% Occupancy ⁽¹⁾	49.8 9M 2019 footfall (Million of visits)	

By size^(*) (GAV)



^(*) According to Spanish Association of Shopping Centres (AECC):
Very Large (>79,999 sqm) | Large (40,000-79,999 sqm) | Medium (20,000-39,999 sqm) | Small (5,000-19,999 sqm)

By geography (GAV)



OTHERS: Baleares **0.7%** | Cantabria **0.4%** | Navarra **0.4%** | La Rioja **0.2%**

By type (GAV)



76% of our retail assets are classified as Large or Very Large

(1) Ratio calculated according to EPRA recommendation and excluding Anec Blau's data because the asset is going through a comprehensive refurbishment project.

1.6 Key Indicators

In the first nine months of 2019 Lar España generated revenues of **57,776 thousand Euros** and a net profit of **79,076 thousand Euros**.

Revenues

(Thousands of euros)



EBITDA

(Thousands of euros)



EBIT

(Thousands of euros)



EBT

(Thousands of euros)



Net profit

(Thousands of euros)



■ 9M 2019

■ 9M 2018

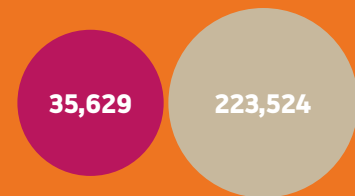
57,776
Thousands of euros
Revenues

37,773
Thousands of euros
EBITDA

+9%
EBITDA
vs 9M 2018

The Group presents the following financial indicators:

Working capital
(Thousands of euros)



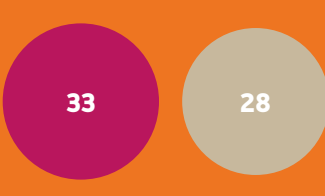
Liquidity ratio
(%)



Solvency ratio
(%)



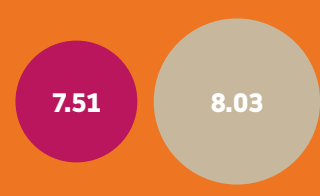
Net LTV
(%)



ROE
(%)



ROA
(%)



● 30/09/2019 ● 31/12/2018

At 30 September 2019, and 31 December 2018, the Group exhibited ratios related to liquidity (working capital and liquidity ratio) with very high values, showing that the Group has sufficient liquidity and a high safety margin to meet its payments.

At 30 September 2019, the **ROE (“Return on Equity”)**, which measures Group’s profitability as a percentage of shareholders equity, amounted to **12.90%** (13.42% at 31 December 2018) whilst the **ROA (“Return on Assets”)**, which measures the efficiency of Group’s total assets regardless of the sources of financing used, i.e. the ability of a company’s assets to generate income, was **7.51%** (8.03% at 31 December 2018).

1.7

Business Performance

a. Income Distribution

Rental Income

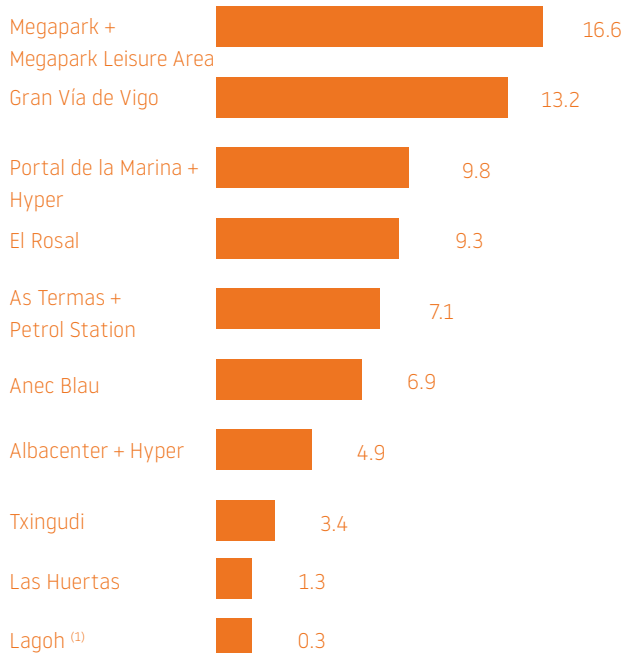
Rental income reached **57,776 thousand Euros** in the first nine months of 2019 (versus 58,611 thousand Euros in the same period of the year before).

The relative weigh of rental income by line of business at 30 September 2019 is as follows:

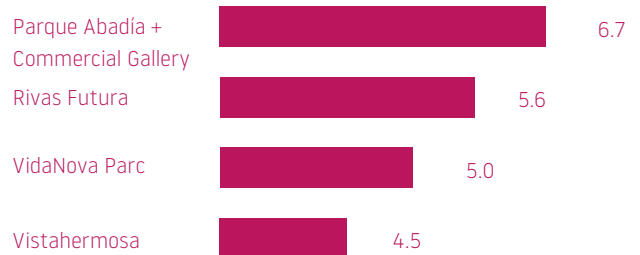


The breakdown of **income per asset type** during the first nine months of 2019 is as follows:

Income by Shopping Centre (%)



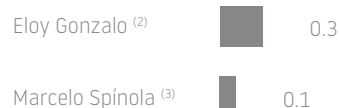
Income by Retail Park (%)



Income by Retail Units (%)



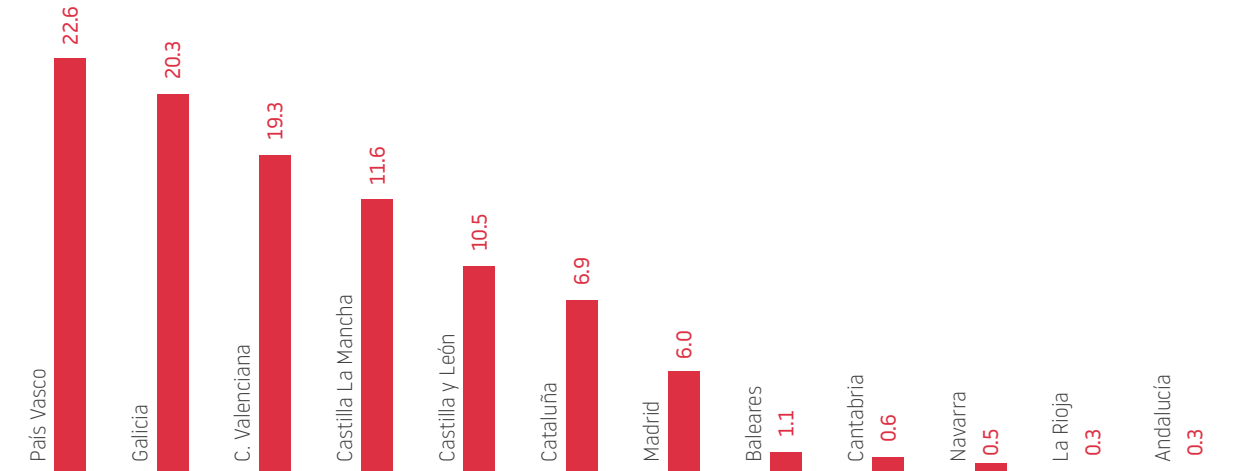
Income by Office Building (%)



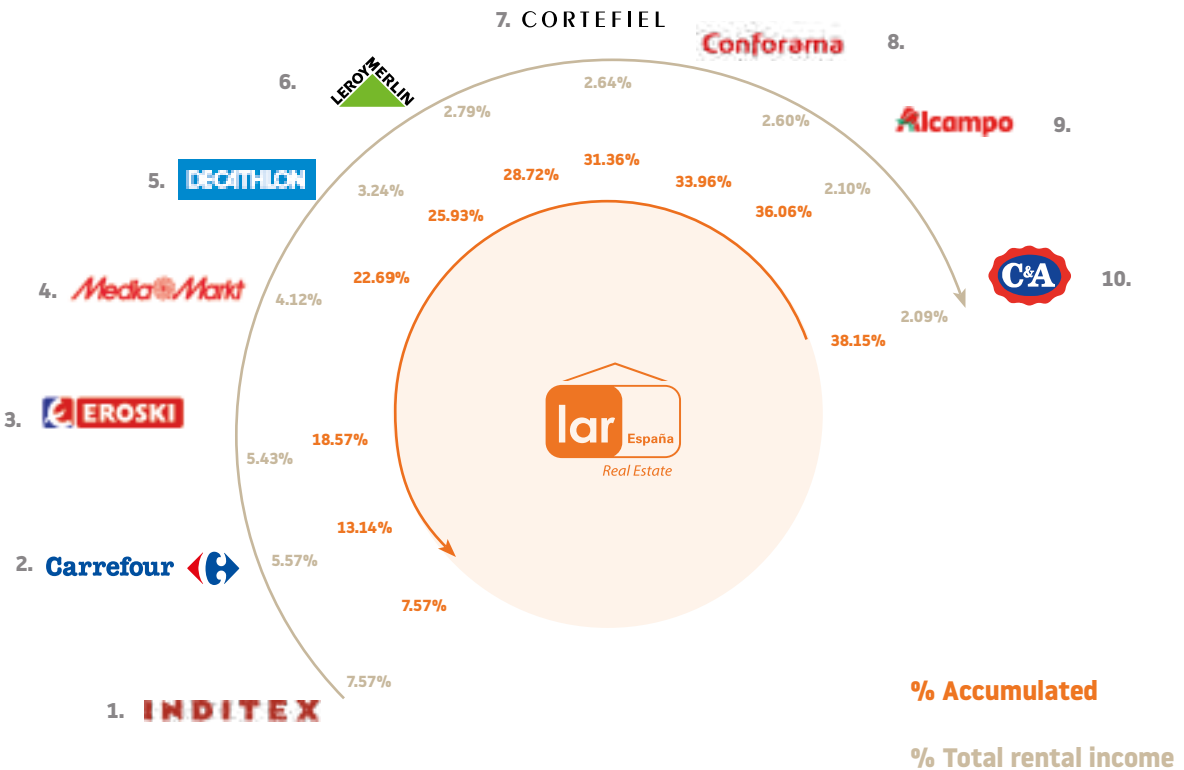
(1) Asset opened at 27 September 2019. | (2) Asset sold at 24 April 2019. | (3) Asset sold at 31 January 2019.

This graph details the **breakdown of rental income per region** for 9M 2019:

Income per region (%)



Below are the **ten tenants that have generated the most revenue** during the first nine months of 2019:



Gross annualised rents

The **annualised GRI** (*) of Lar España is detailed below, as well as the **annualised GRI per occupied sqm** at 30.09.2019:

Asset	30.09.2019		
	Gross Annualised Rents (Thousands of euros)	GLA occupied (sqm)	Gross Rent (€/sqm/month)
Lagoh	18,060	69,032	21.8
Megapark + leisure area	13,688	70,980	16.1
Gran Vía Vigo	10,298	41,008	20.9
Portal de la Marina + hypermarket	8,067	39,248	17.1
El Rosal	7,834	48,828	13.4
Anec Blau	(**)	(**)	(**)
As Termas + petrol station	6,034	34,190	14.7
Albacenter + hypermarket	4,412	24,185	15.2
Txingudi	2,816	10,591	22.2
Las Huertas	960	5,861	13.7
TOTAL SHOPPING CENTRES	72,169	343,923	17.5
Parque Abadía + commercial gallery	5,681	40,639	11.6
Rivas Futura	4,416	33,239	11.1
VidaNova Parc	4,097	43,612	7.8
Vistahermosa	3,813	31,056	10.1
TOTAL RETAIL PARKS	18,007	148,546	10.1
Supermarkets portfolio	3,888	27,909	11.6
TOTAL OTHER RETAIL	3,888	27,909	11.6
TOTAL LAR ESPAÑA	94,064	520,378	15.1

Gross annualised rent / sqm occupied by asset class (€/sqm/month)



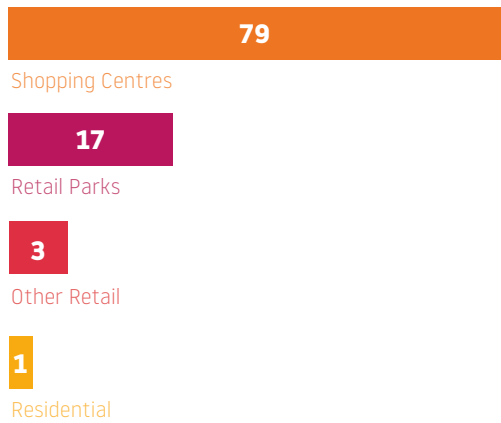
(*) The annualised GRI is calculated using the EPRA NIY of each asset. Annualised GRI = annualised passing rental income from real estate investments + effect of rent-free periods and temporary rental discounts. See section 3 "EPRA Information".

(**) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project.

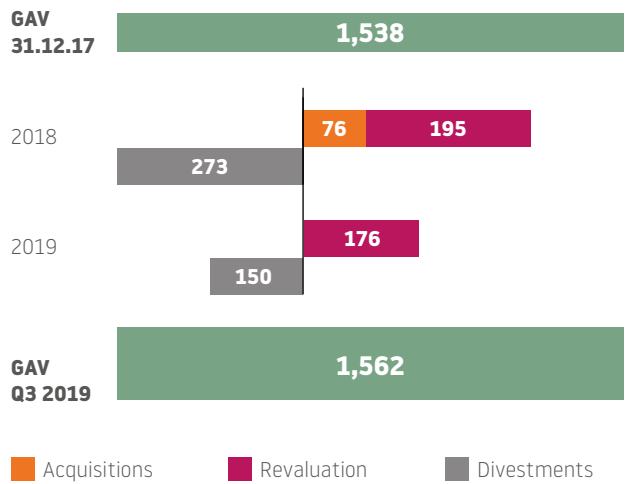
b. Value of Lar España's portfolio at 30.09.2019

As at 30 September of 2019, the total value of Lar España's portfolio amounts to **EUR 1,562 million**.

GAV by asset class (%)

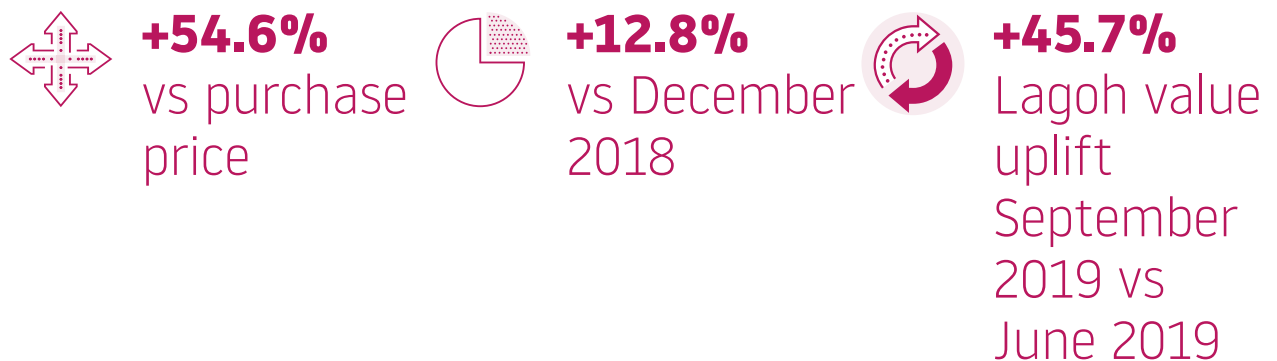


GAV reconciliation 30.09.2019 (millions of euros)



In the first nine months of 2019 Lar España sold Marcelo Spínola and Eloy Gonzalo office buildings for a total sum of **€77 million**, which represents an **aggregate of 142.9%** with respect to the **purchase price**. Additionally, Lar España has continued delivering residential units in the new Lagasca99 building.

Portfolio LfL value uplift at 30 September 2019

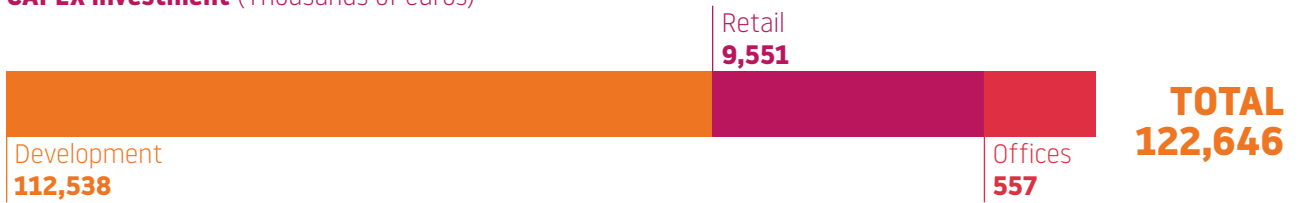


c. CAPEX

The company has continued revamping its portfolio of assets in order to generate more value, investing **€123 million** during the first three quarters of 2019.

The breakdown of investment by asset class is as follows:

CAPEX investment (Thousands of euros)



A total of €112.5 million has been invested in the retail project under construction **Lagoh** over the first nine months of 2019, representing **92%** of the overall investment. With an amount close to **€5.0 million** invested, **Anec Blau and El Rosal** shopping centres have led the way in terms of retail investment.

Lagoh shopping centre central square













Shopping Centre
As Termas (Lugo)



Refurbishment pipeline

Below, we describe the **main features and progress of all the refurbishment projects** currently underway at our properties:

	Scope	Budget (Million €)	Status	% Executed	GLA (sqm)	Delivery
	Image redesign and new leisure area	7.3	Phase 1 ✓ Executed Phase 2 Executing	Phase 1 100% Phase 2 10%	82,332	Phase 1 Outlet + retail park Q4 2018 Phase 2 Leisure area Q2 2020
	Image redesign and new dining area	3.8	Phase 1 ✓ Executed Phase 2 Executing	Phase 1 100% Phase 2 30%	40,332	Phase 1 Image redesign and entrance improvement Q4 2018 Phase 2 Dining area improvement Q4 2019
	Parking image redesign	1.0	In project	In project	41,444	Q2 2020
	Image redesign and new dining area	1.9	Phase 1 ✓ Executed Phase 2 ✓ Executed	Phase 1 100% Phase 2 100%	51,152	Q3 2019
	Comprehensive image redesign	15.0	Executing	35%	28,998	Q1 2020
	Image redesign	1.5	In project	In project	36,447	Q4 2020
	Improved user experience and car park waterproofing	1.5	In project	In project		
	Division of the hypermarket into four retail units	0.7	✓ Executed	100%	8,042	✓ Executed
	Image redesign	0.6	Bidding process	-		Q1 2020
	Sidewalks and terraces extension	0.2	Executing	60%	43,109	Q4 2019

Portal de la Marina

Description: Following on from its refurbishment in 2018, Portal de la Marina continues to upgrade its facilities. In Q4 2019, the centre will carry out a series of additional improvements to make its spaces **more comfortable** and **to enhance customer experience**. **The food court terraces** will enjoy greater privacy relative to passing footfall, thanks to screens and plants that will create a more welcoming environment. This new design reflects the centre's new look and feel and its improved organisation across the whole area. The shopping centre will also feature a **new, more modern, larger and more accessible information point**, new seating areas fitted with USB chargers, indirect lighting and pergolas. Following on from the huge success of the new **children's play area** last year, this space will be expanded, adding new games, whiteboards for drawing and benches, so that parents can relax, while their children enjoy themselves.

Status: At 30 September, a considerable amount of the preliminary work had been carried out at the furniture manufacturing workshop. After making the necessary changes to the project during the implementation phase, **work has now begun at the centre**.



Gran Vía Vigo

Description: After opening its doors more than 12 years ago in the city of Vigo – and considering the growing requirements of its customers – Gran Vía de Vigo Shopping Centre decided to undertake a major refurbishment project, in order **to boost accessibility and vertical mobility**, by installing two new high-capacity panoramic lifts. This year, the centre will **also upgrade its underground car park** to offer a warmer welcome to our customers.

Status: The tender for the **car park refurbishment project** has been awarded and is currently in the drafting phase. The tender for carrying out the works is due to be awarded in December.

Anec Blau

Description: Anec Blau shopping centre will be completely transformed to engage with its surroundings, via a complete refurbishment project incorporating a **new food court, leisure area and outdoor garden**. The project will involve a redistribution of spaces, in order to maximise **natural light** and reflect a Mediterranean lifestyle. It will also feature 20 new restaurants, with a rich gastronomic offering and new Yelmo Premium cinema screens, boasting the latest state-of-the-art technology.

Anec Blau has already been fitted out with a brand new fashion square, where Inditex brands have extended and refreshed almost all of their stores. One example of this is the extension of the Zara store, which has now become the brand's largest shopping centre store in Catalonia (3,150 sqm). Other stores, including Oysho, Guess and Tous have all had double-height façades installed. These improvements will help to further strengthen Anec Blau's status as the **leading fashion, leisure and dining hub in the region**.

Status: The refurbishment is currently in the **construction phase** and is 35% complete. The project is primarily focused on the **food court, leisure area and new garden**.



Megapark

Description: Megapark has begun the transformation process to turn it into an appealing, modern, urban space. **Upgrades to the retail park and the outside of the fashion outlet** have already made significant improvements to its appearance and feel, including a new landscaped area, where a diverse range of plants and a new children's play area now take centre stage. Renovations will continue inside the fashion outlet, ensuring visitors enjoy a fantastic shopping experience, while its new leisure and dining area – **which will bring together first-rate restaurants, terraces and alternative leisure spaces** – will complete one of the best retail offerings in the north of Spain.

Megapark is also adding leading brands to its roster, including Adidas, Skechers and Javier Simorra, which will undoubtedly add significant value to the park's retail mix. One of the highlights was the opening of the 1,238 sqm Adidas store in June, which boosted footfall at the centre by +30.7% y-o-y on its first weekend of opening.

Status: In the leisure area, **demolition has begun on the ground floor units**. The refurbishment project is due to be completed by Q2 2020.



El Rosal

Description: The refurbishment works at El Rosal shopping centre have finished, with the aim of **combining old and new**, adapting it to the preferences and requirements of shoppers that have always remained true to the centre since its opening. The works had been **focused on the mall and the terrace**. Particular attention has been paid to **the food court**, which suffered a radical transformation, including a full renovation of floors, furniture and plants. The **outdoor terrace**, which up until now has been underused, has become a unique space featuring lush greenery, a children's play area, **a chill-out zone**, an events area and a space with hammocks to soak up the summer.

A stunning **new information point**, including additional services, has been opened on the central plaza. This space features a six metre-tall tree, **new relaxation areas** (some of which are already open to the public) where customers can unwind, **a new children's play area**, brand new signage, improvements to the entrance halls and much more, enabling customers to continue to enjoy their favourite centre even more.

Status: The **refurbishment project has been completed**, and the final touches are now being added. The achieved end result is exactly as set out in the original project, from the indoor and outdoor greenery to the furniture, giving El Rosal a **new and appealing look and feel**.



Rivas Futura

Description: The entire retail park will be refurbished in order to **improve the customer experience**.

The project includes renovation of the interior and exterior façades and the canopies. Changes will also be **made to the car park**, including a new road plan, trees, signage and electronic billboards. The pedestrian routes will feature **new seating areas, children's play areas, kiosk spaces and improved pavements and greenery**.

Status: The tender for the refurbishment project **has been awarded** and is currently in the drafting phase.

Parque Abadía

Description: In order to accommodate three new retailers at the retail park, new **terrace areas** will need to be designed and built within the current car park. The pavement will be upgraded and extended, and new green spaces will be added. The refurbishment includes a **new road plan, canopy relocation and new parking spaces** for people with reduced mobility and motorcycles.

Status: The project is **60% complete** and is scheduled for completion by the end of the year.





At 30 September 2019, **over 65% of retailer leases** had expiration dates beyond 2023.

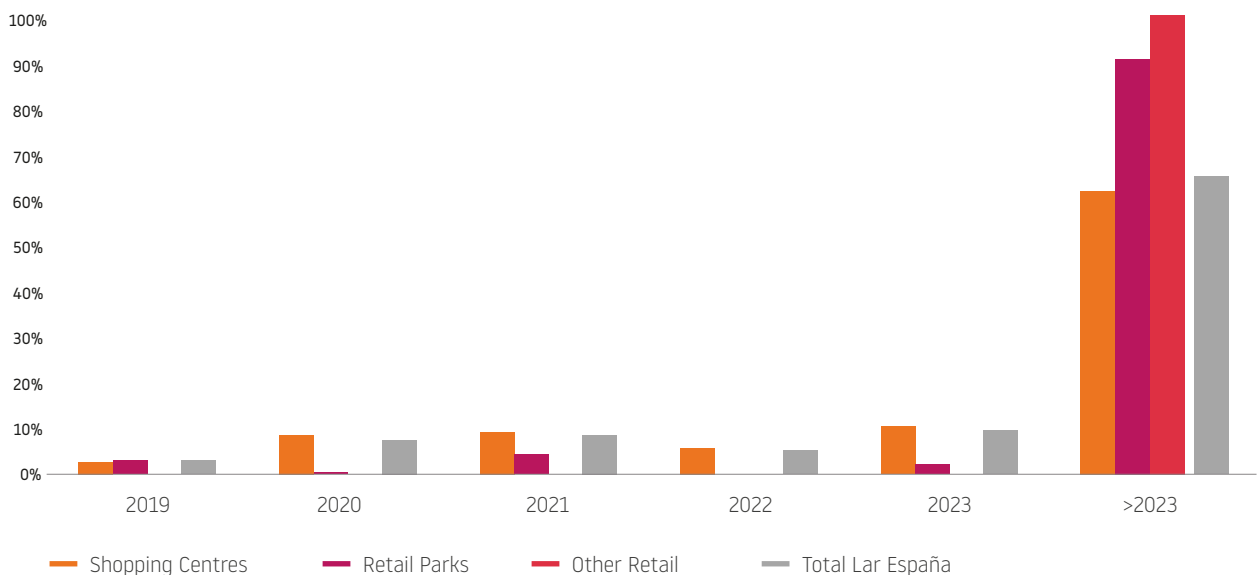
d. Lease expiration and WAULT

The proactive management carried out by Lar España allows us to have a **solvent and diversified tenant base**.

Renovations have been carried out at the properties occupied by our key tenants, thereby prolonging the lease terms, allowing us to have a significant level of guaranteed minimum rents. During Q3 2019 new long-

term lease agreements have been signed with new tenants. We note that as of 30 September 2019, **65% of all Lar España's** active lease agreements have lease expiries beyond 2023.

Lar España's portfolio lease expiry scheduled by year (%)





1,025
existing contracts

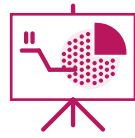
Thus, the **WAULT**^(*) (weighted average unexpired lease term) at 30 September 2019 of Lar España's portfolio is **3.5 years**. Below you find the detail by asset class:



^(*) Calculated as the number of years from the reference date to the first break option, weighted by the gross rent of each lease agreement. The WAULT of each asset is detailed in section 1.5 "Portfolio at 30 September 2019".



94.6%
Occupancy
(sqm)

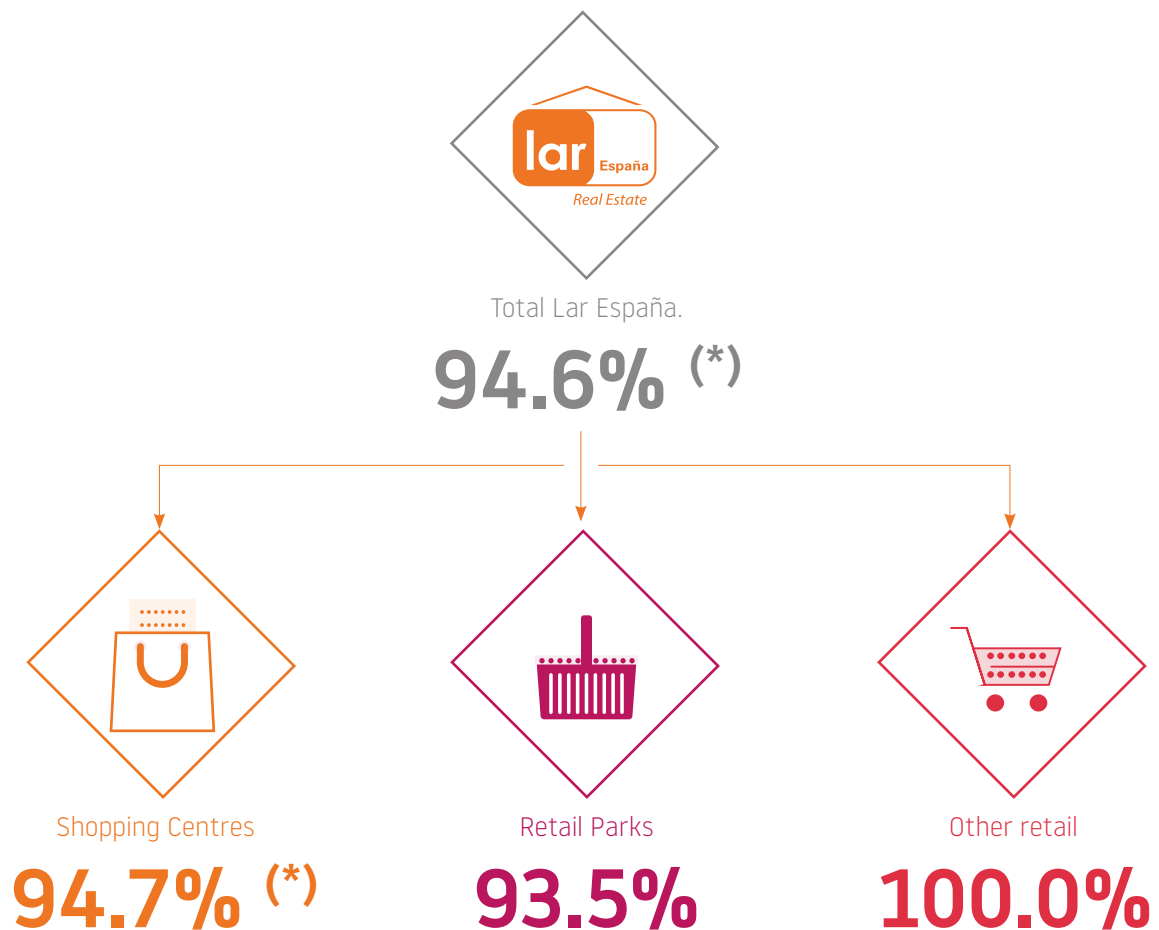


579,014 sqm
Total GLA

e. Occupancy (sqm) (*)

The gross leasable area (GLA) of Lar España's income producing assets at 30 September 2019 stood at **579,014 sqm**, whilst the occupancy rate stood at **94.6%**.

The occupancy rate by asset class at 30 September 2019 is shown below:



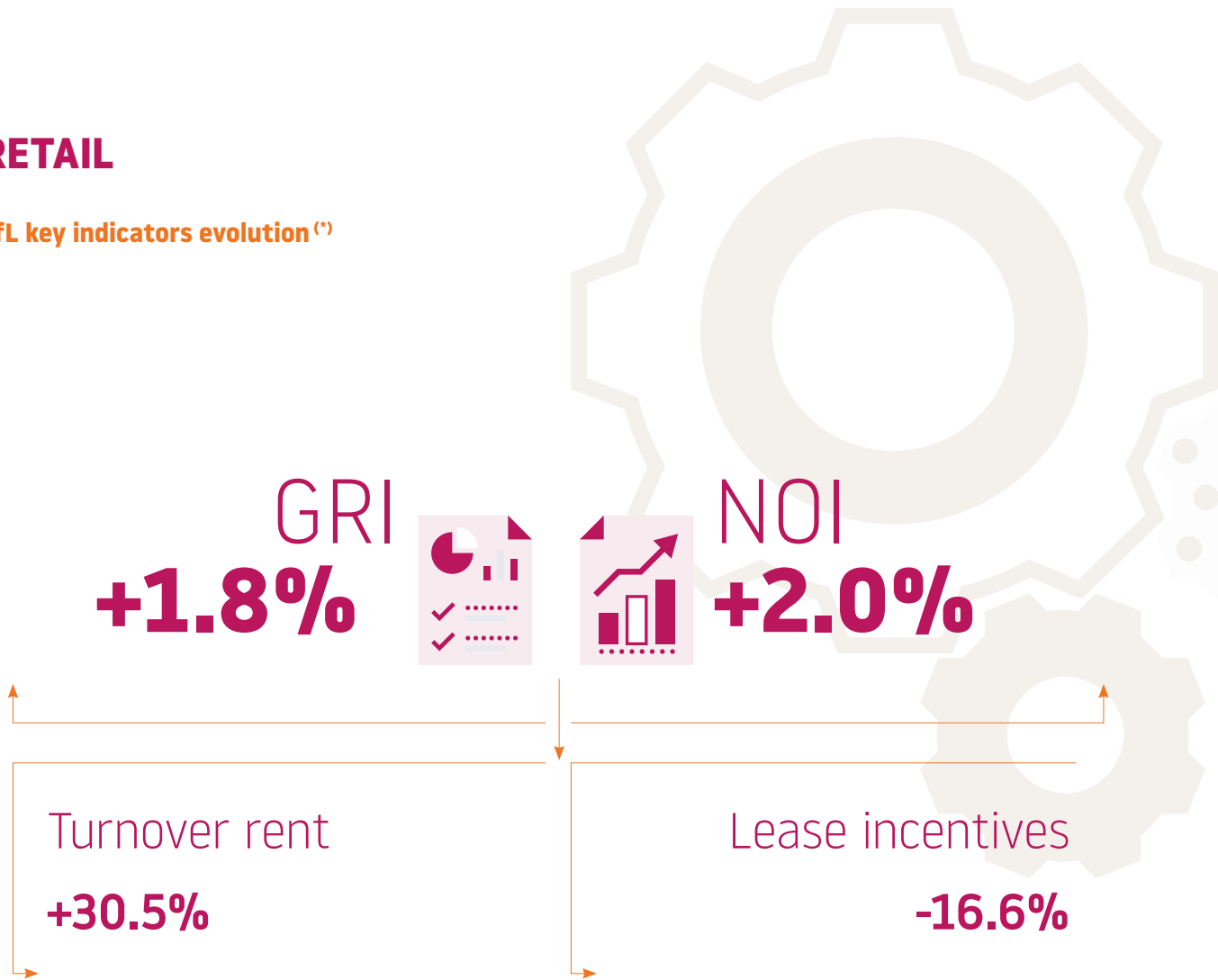
(*) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project.

f. Main milestones

The performance of the key indicators during the first three quarters of 2019 is detailed below:

RETAIL

LfL key indicators evolution (*)

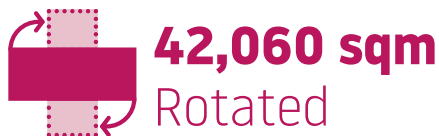


(*) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project and either Albacenter's data due to the division of the hypermarket into four retail units.

Major operative milestones

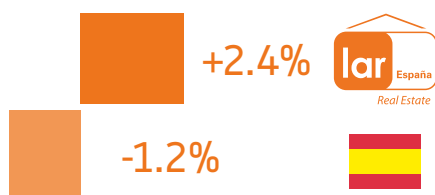
During the first nine months of 2019 Lar España continued to actively manage its retail portfolio. It closed **99 transactions** including renewals, relocations, relettings and new lettings, resulting in an annualised tenant rotation rate of **10%** for the portfolio.

	Renewals	Relocations and Relettings	New lettings	Total
Number of operations	32	42	25	99
sqm	13,575	13,627	14,858	42,060



9M 2019 Footfall

Footfall indicator in our shopping centres: **49.8 Million of visits.**

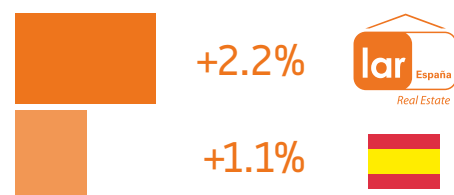


+2.4% ⁽²⁾
vs. 9M 2018
-1.2%
Average Spanish Footfall⁽³⁾

(1) Excluding non-comparable operations / (2) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project and either Albacenter's data due to the division of the hypermarket into four retail units / (3) Shoppertrak Index | (4) Declared Sales | (5) National Statistics Institute (INE)

9M 2019 Sales

Sales performance during the first nine months of 2019: **529.2 ⁽⁴⁾ million €.**



+2.2% ⁽²⁾
vs. 9M 2018
+1.1%
Big Surfaces Spain Sales Index⁽⁵⁾

Retail Users Data (*)

In order to **gain a better understanding of our customers' habits**, we are using the **Seeketing** tool in some of our main shopping centres (Albacenter, Anec Blau, As Termas, El Rosal and Portal de la Marina). This tool provides invaluable information, helping us to make more-informed management decisions for our properties.

Among the data we can extract from this tool, we would highlight the **average customer dwell time**, as

well as the **number of visits**. These two figures allow us to work out the total use of the shopping centre, by multiplying the average dwell time registered by the number of visits.

The results obtained in these shopping centres at 30 September 2019 were as follows:



86 min.
average
dwell time



796,312,216 min.
of total
use (**)

The shopping centres analysed registered **86 minutes** of average customer dwell, remaining at the same level of the year before.

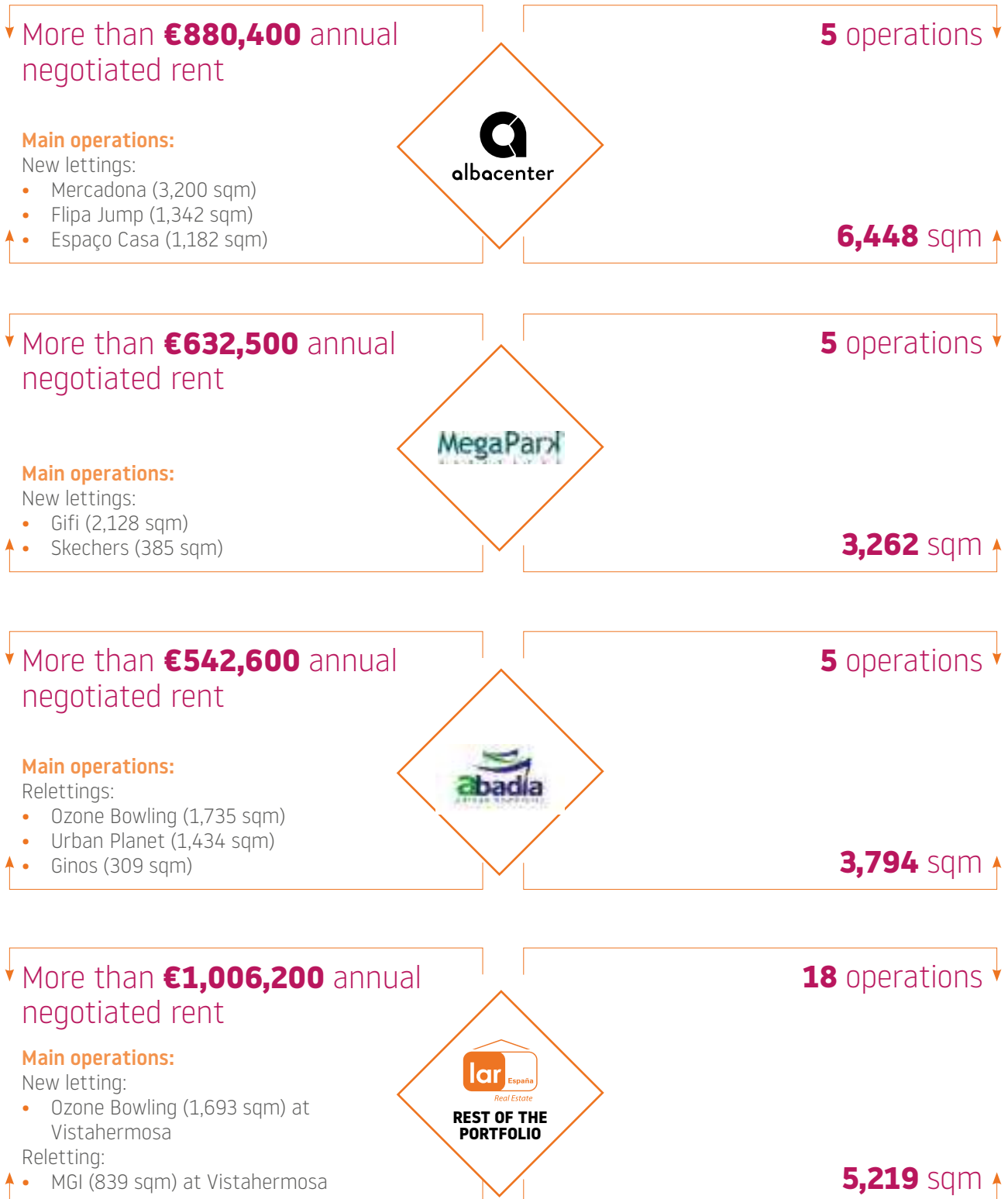
As well as the Seeketing tool, we are also introducing the "**Customer Journey**" project in our properties, a research programme that will allow us to map out the route customers take when they visit our centre, identifying profiles and how they spend their time during their visit.

These tools not only provide a better understanding of customer trends, but also about their biases, contributing with invaluable insights in terms of better managing our shopping centres, creating a unique and stand-out offering, and increasing overall customer satisfaction.

(*) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project

(**) Figure calculated by multiplying the average dwell by the number of visitors in the period.

Some of the **main operations** during the period between 1 July and 30 September 2019 are detailed below:



Key openings in Q3 2019

Opening of Yelmo Cines at As Termas Shopping Centre

Yelmo Cines, the leading cinema operator in Spain, opened a new cinema at As Termas Shopping Centre on 21 August, replacing the Ciproga cinema and bringing added value to the shopping centre's leisure and entertainment offering.

The Yelmo Cines As Termas **eight screen** cinema complex, comprising almost **3,000 sqm** and **1,265 seats**, offers the very best in audiovisual quality.

As with the other 47 complexes that Yelmo Cines operates across Spain, customers at Yelmo Cines As Termas will be able to enjoy the benefits of the MovieYelmo loyalty scheme, original language films every Tuesday and special live events broadcast via satellite.



Opening of KFC at As Termas Shopping Centre

October saw the opening of fast food fried chicken chain **KFC** – part of the Yum! Brands group – bolstering **the food offering** at As Termas Shopping Centre.

The recently refurbished unit is located on the top floor and comprises **230 sqm**.



Opening of Joma at Rivas Futura Retail Park

September saw the opening of the new **Joma** store – one of the **top sports fashion brands in Spain** – at **Rivas Futura** retail park.

The addition of this sports brand (occupying 870 sqm) completes the park's retail mix, which had been without a sports store since Deportes Halcón closed down. Joma will improve the retail park's offering and appeal, helping to draw more people to the park.



Opening of Muerde La Pasta at Megapark Shopping Centre

On 11 July, **Muerde La Pasta** – a leading brand in the Tastia Group – opened its second restaurant in the Basque Country in the **leisure area of Megapark shopping centre**, the largest retail area in the north of Spain. This addition further consolidates the shopping centre's food court, which already includes major names such as Burger King, La Tagliatella, Ribs, Tony Roma's and Don G.

The restaurant comprises **800 sqm**, has capacity for 284 people and has created 33 new jobs. Just two months prior to this, the chain opened its first establishment in Bilbao, as part of its strategic expansion plan in the Basque Country.

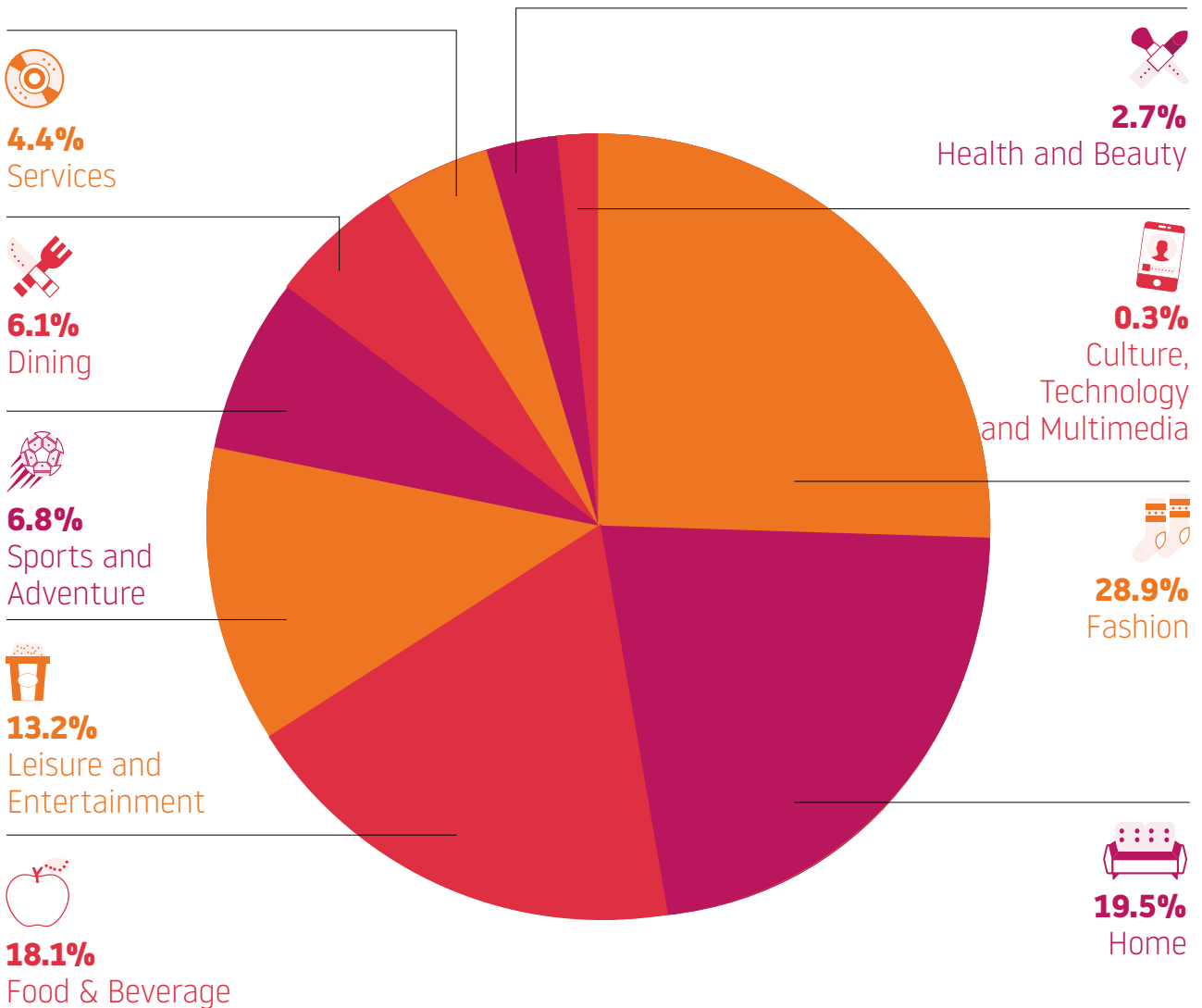




Effort Rate
10.1%

Retail Tenant Mix (%)

Below we display the **tenant mix** of Lar España's retail portfolio at 30 September 2019 by space let. The fashion, food & beverage, home and leisure and entertainment sectors account for 80% of the retail offering in Lar España's assets.





Proyectos de innovación, diferenciación y eventos

At a corporate level:

Lar España, sponsor of the 2019 Annual EPRA Conference

Lar España was proud to be among the sponsors of the EPRA **annual conference**, a chance for members to mingle with some of the biggest names in real estate. This year's conference was particularly special; held at the Westin Palace hotel in **Madrid** between **10 and 12 September**, it marked twenty years since the association was founded.

On the first day, delegates were able to enjoy to a **guided tour of a selection of the Madrid properties** owned by some of the leading Socimis, including Merlin Properties and Colonial.

The second day of the conference saw industry leaders such as Yanis Varoufakis and José Manuel Barroso present their take on the current global economic outlook — a prelude to a series of **round table discussions** that offered the chance to debate some of the real estate sector's hottest topics. The day was brought to a close with an after-dinner party held at the Círculo de Bellas Artes where guests were able to take in the stunning views and enjoy some live music.

The programme for the third and final day was focused on a range of **investor panels and networking sessions**. Twenty-eight of Europe's leading listed real estate companies took part in the day's events, with Lar España joining Merlin Properties, Arima and Castellana on the Iberia panel.



Lar España wins EPRA awards for excellence in financial and non-financial reporting

During the annual conference, EPRA announced its 2019 award winners — European real estate companies singled out for the quality, transparency and thoroughness of their financial and non-financial reporting to key stakeholders.

For the fifth year running, Lar España received the **EPRA Gold Award** for excellence in **financial reporting**.

And that's not all; for the second consecutive year, the company was presented with an additional **Gold Award**, EPRA's highest accolade, in recognition of its dedicated reporting on **Corporate Social Responsibility and Sustainability**. It was another example of the international acclaim enjoyed by Lar España's high-quality reports and shareholder communications.



Lar España occupies stand at the 17th AECC Spanish Convention of Shopping Centres and Retail Parks

The **17th Convention of Shopping Centres and Retail Parks**, organised by the AECC (the Spanish Shopping Centre Association), took place in Madrid between 2 and 4 October.

Lar España was in attendance, our stand making a splash largely thanks to its enticing frontal image of Seville's recently opened leisure and entertainment centre, **Lagoh**.

The various **stands** showcasing investors, developers, consultants, agents, architects and more proved a major draw, offering an unmissable opportunity to connect with industry professionals of every stripe and make the most of some exciting business prospects.

Panels and scale models gave visitors to the exhibition a glimpse of the latest shopping centre projects, illustrating cutting-edge designs and concepts, architectural innovations, imaginative retail mixes and the latest operators to arrive on the market.

Meanwhile, a range of **talks** by top industry figures brought delegates up to date with the current situation and trends in the real estate market.

This year, Lar España took a prominent role in the presentations. Jose Antonio García, Development Director at Grupo Lar, briefed attendees on the most distinctive features of the recently opened Lagoh Shopping Centre, in a talk entitled, "**Lagoh: the future is already here**".

On the second day of the convention, Jose Manuel Llovet, Director of Grupo Lar's Iberia Retail division, took part in a round table discussion on the theme of "**Retail: time to invest**". He was joined by other well-known faces from the sector, with representation from CBRE, Sonae, UBS and Harbert.

Lar España occupies stand at the 2019 Spanish Convention of Shopping Centres and Retail Parks



Vidanova Parc declared best retail park and “Cuánto te quiero mami”, an initiative by the El Rosal shopping centre, named best marketing campaign

The AECC’s awards scheme is part of its mission to put shopping centres at the front line of innovation in real estate and promote the continuous advances in this segment. Every year, a select group of professionals are recognised for their hard work in the **development, maintenance and renovation of retail properties**, and for devising innovative commercial, social and marketing projects.

Awards are allocated by an independent jury comprised of qualified professionals from various backgrounds with links to shopping centre development and management.

In 2019, a diverse crop of projects earned Lar España nominations in the following categories:

- ✔ Best retail park: **Vidanova Parc**
- ✔ Best redesign: **Albacenter shopping centre.**
- ✔ Best major marketing campaign:
 - ✔ **El Rosal** shopping centre: “El Rosal Chef”.
 - ✔ **Portal de la Marina** shopping centre: “Braulio el jefe de obras”.
 - ✔ **Gran Vía de Vigo** shopping centre: “Más en forma que nunca”.
- ✔ Best mini marketing campaign:
 - ✔ **El Rosal** shopping centre: “Cuánto te quiero mami”.
- ✔ Best CSR Initiative:
 - ✔ **Anec Blau** shopping centre: “Buscamos modelos a seguir”.
 - ✔ **Gran Vía de Vigo** shopping centre: “Encendido navideño solidario”.



VidaNova Parc

On 27 September 2018, after two years of construction and a €50 million investment from Lar España, the **VidaNova Parc retail park** launched in Sagunto. With a catchment area of 250,000 people, it boasts a gross lettable area of over **45,000 sqm and 2,349 parking spaces**, making it the **biggest retail park to open anywhere in Spain in 2018**. Home to over **40 big-name retail brands** like Decathlon, C&A, Worten, Norauto, Burger King and Urban Planet, the park is already close to 100% occupancy. It also features a nine-screen Yelmo Cines cinema equipped with the very latest in audiovisual technology.

Cuánto te quiero mami

At the El Rosal shopping centre, we wanted to **give mums a very special surprise**. That's why we reached out to local residents in El Bierzo and offered them the chance to record a personal video especially for their mothers. Expecting to meet their son or daughter for a coffee or a bit of shopping, on arriving at El Rosal's restaurant level they were stunned to find their **personalised videos** projected onto a giant screen. Visible to all diners and many shoppers on the ground and lower-ground levels, **family photographs** beamed out a message of love and gratitude. It certainly got the emotions flowing! Each lucky mum was led to a small stage set up close to the screen, where she was presented with a bouquet of flowers.

Lar España accepts the award for best retail park for VidaNova Parc



At an asset level:

A festival of colour at the Albacenter shopping centre: joy and solidarity in the fight against cancer

On Sunday 25 August, in the height of summer, **Albacenter embraced the rainbow with its annual festival of colour**, now an unmissable date in the local calendar.

The shopping hub threw open its doors and played host to an array of activities and competitions for all ages. Zumba classes, live music jams, workshops, games and a full programme of children's entertainment made for a packed day out in Albacete, against a riot of colour from thousands of bags of powdered pigment.

More than 3,500 people took part in the **festival of colour**, with each entrance fee giving them the chance to win one of the many prize draws worth over €500. Entrance donations were collected in support of the **fight against cancer** and presented to the **ACEPAIN Association**, a local cancer research charity.



“SummerQuack” at Anec Blau

With its food court closed for refurbishment, the Anec Blau shopping centre has whipped up a treat for foodies, with a **pop-up market and a programme of activities** to keep visitors well fed and entertained.

The space has been designed to accommodate a fleet of food trucks, a picnic area decked out with tables and loungers, a stage for kids’ activities, live music, an open-air cinema, yoga tasters and much more, offering visitors the chance to try something different on their next trip to the **Anec Blau shopping centre**.



“Donar es de Cine” at El Rosal

The **El Rosal shopping centre** teamed up with the El Bierzo and Laciana Blood Donors’ Association for a new edition of the **blood drive, “Donar es de Cine”**.

Between Monday 23 and Friday 27 September, around **500 people** came forward to give blood at the **mobile blood donation unit**. What’s more, Lar España installed an extra information point inside the shopping centre where visitors could find out all about the different ways of making a donation, such as how to donate plasma, and ask any questions they might have.

El Rosal presented each blood donor with a free **cinema ticket** for use in La Dehesa cinemas, to thank them for their civic-minded contribution.



“Cita a ciegas” at Gran Vía de Vigo

Carmen Albo, cookery whizz and author of the food blog “Guisándome la vida” was back in Vigo on 6 September for another round of her regular **cooking demos, with free entry for visitors to the Gran Vía de Vigo shopping centre.** This time, the format was a kind of gastronomic blind date, as participants were challenged to identify different recipes or products relying only specific senses (smell, touch, taste, etc.).

Once again, it was a chance to make a difference to the local community; to secure their place at the event, **each attendee was asked to donate 2 kg of food,** bound for the shelves of the **Vigo Food Bank.** The food collection point was open to any visitor to the shopping centre, with a total of 200 kg of food donated.



“Tree Tops” at Portal de la Marina

Between 1 and 15 August, the **Portal de la Marina shopping centre** invited young visitors to put their skills to the test with Tree Tops: an eclectic **adventure playground** with six different zones for youngsters to play, jump, climb and crown themselves kings and queens of the jungle. With safety paramount, the playground was fully equipped with a continuous lifeline, harnesses, helmets and special monitors to help guide children around the circuit.

Younger children were not forgotten: elsewhere, an **escape room** had them working together to crack the case of the theft of the crocodile’s tears. Groups of seven to ten children, accompanied by an adult, were given a set time to break out of the house after finding the clues and solving the mystery.

Overall, more than 1,600 children took on the escape room challenge or sampled the thrills of the Ondara adventure playground.



“Bike Blenders” at the As Termas, Gran Vía de Vigo and El Rosal shopping centres


Fun, healthy and for a good cause, these blender bikes which can be found in a selection of Lar España’s shopping centres, aim to encourage visitors **to donate food** items to various local food banks.

This very worthwhile initiative challenges amateur athletes to get their legs pumping, with Lar España pledging to donate **1 kilogram of food for every kilometre pedalled**. The idea couldn’t be simpler; a series of stationary bikes are connected to a blender that whips up tasty juices as riders get a workout.

As well as giving people the chance to taste the juice made with their own pedal power, the participating shopping centres have turned this challenge into a grand occasion to help others, with each tasked with the challenge of clocking up 200 kilometres in just three hours.

The event was a great success, attracting 682 volunteers keen to support a worthy cause, and smashing the target for **food bank donations**.





Shopping Centre
As Termas (Lugo)



Consolidated Financial Statements

2.1
Company Chart
30.09.2019
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2.2
Consolidated Statement
of Comprehensive Income
p.76

2.3
Consolidated Statement
of Financial Position
p.80

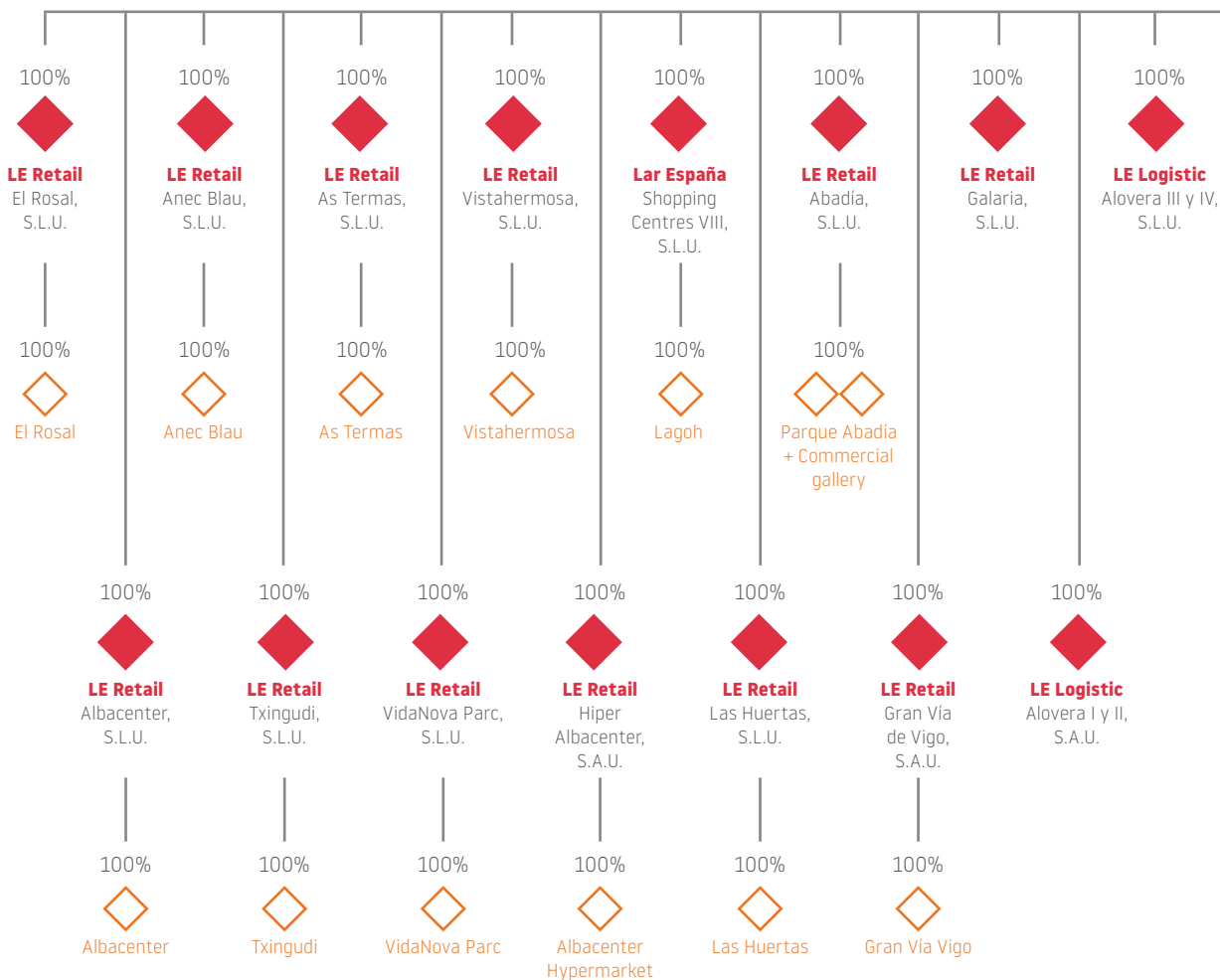
2.4
Consolidated Statement
of Cash Flows
p.88



2.1 Company Chart 30.09.2019

At 30 September 2019, the consolidated financial statements of the Group were presented in accordance with the accounting principles established in the International Financial Reporting Standards adopted by the European Parliament (EU-IFRS) up until this date.

The **scope of the Group's consolidation** is as follows:

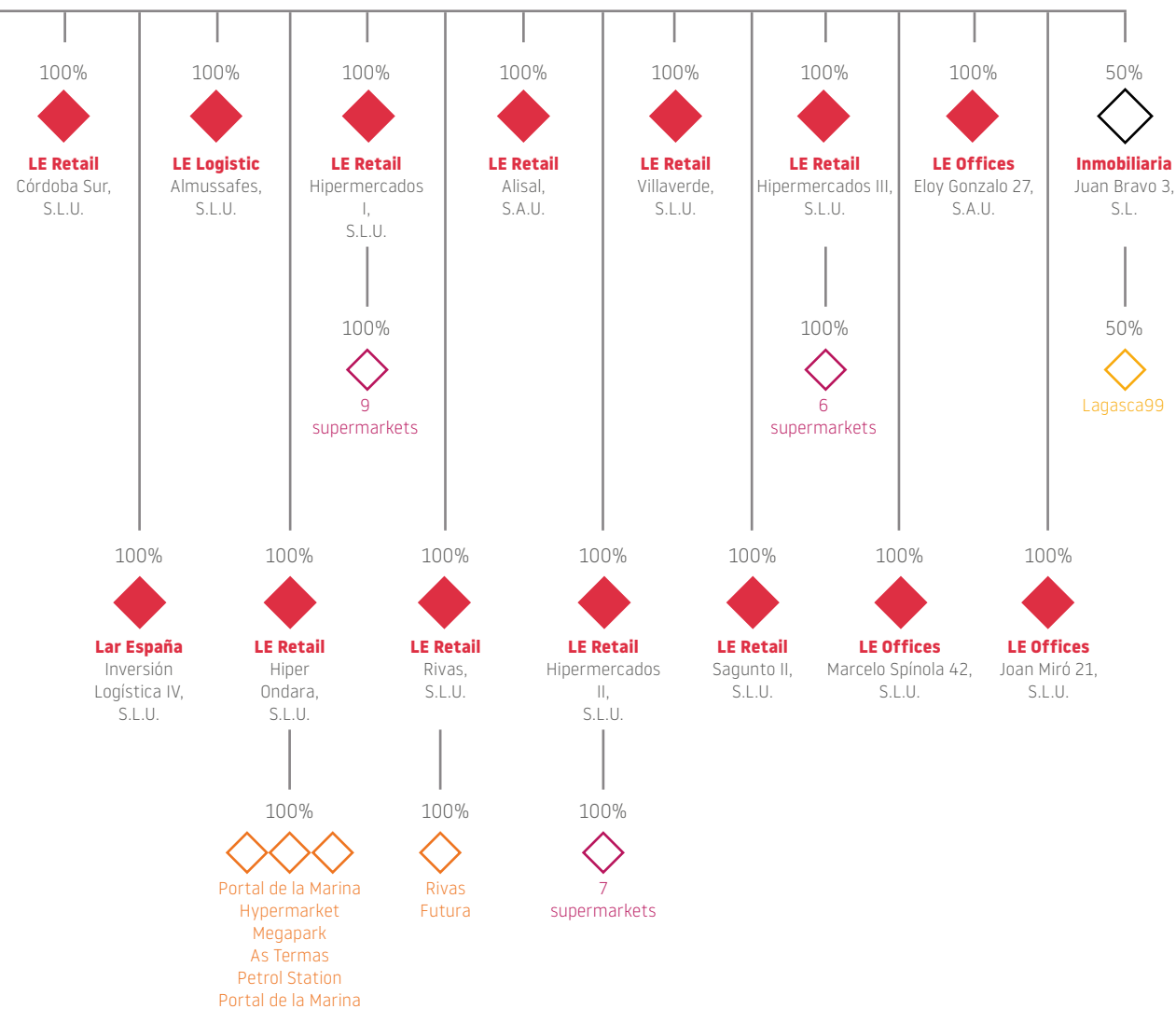


Company.

◆ Full Consolidation ◇ Equity Method



For comparative purposes, the balances of the Consolidated Comprehensive Income Statement are shown together with those for the same period the year before, whilst for the Consolidated Statement of Financial Position they are shown together with those corresponding to 31 December 2018.



Asset Class.

- Shopping Centres and Retail Parks
- Retail Units
- Residential

2.2 Consolidated Statement of Comprehensive Income

(Thousands of euros)	9M 2019	9M 2018
Revenues	57,776	58,611
Other income	1,738	3,082
Personnel expenses	(311)	(405)
Amortisation expenses	-	(249)
Other expenses	(21,461)	(47,142)
Changes in the fair value of investment properties	55,053	59,620
Results of disposals of investments properties	31	20,616
RESULTS FROM OPERATIONS	92,826	94,133
Financial income	3	885
Financial expenses	(14,679)	(11,499)
Share in profit (loss) for the period of equity-accounted companies	1,170	(832)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	79,320	82,687
Income tax	(244)	(2,026)
PROFIT FOR THE PERIOD	79,076	80,661

Data unaudited at 30 September 2019



Result from operating activities

At 30 September 2019, the Group presented a **positive operating results** amounting to **92,826 thousand Euros** (positive results from operations of 94,133 thousand Euros at 30 September 2018).

Revenues

Revenues during the first nine months of 2019 amounted to **57,776 thousand Euros** (revenue of 58,611 thousand Euros during the first nine months of 2018), 99% of which was rental income from retail assets (93% during the first three quarters of 2018).

Other expenses

At 30 September 2019, the Group incurred other expenses amounting to **21,461 thousand Euros**, mainly related to:

- Recurrent services that are directly linked to the ordinary management of the assets (supplies, IBI -property tax-, etc.) in the amount of 8,442 thousand Euros.
- Management fees (fixed fee included) for management services provided to the Company by Grupo Lar Inversiones Inmobiliarias ("Grupo Lar") totals 7,403 thousand Euros, discounting indirect fees paid in subsidiary companies (176 thousand Euros) and other expenses incurred by Grupo Lar and paid by Lar España (127 thousand Euros).

Change in the fair value of investment properties

On 30 September 2019, the amount in this entry, **55,053 thousand Euros**, is made up of the difference in the fair value of investment properties following the latest valuations conducted by independent experts (C&W and JLL) at 30 June and 30 September 2019 (Lagoh).

Results of disposals of investment properties

On 30 September 2019, this heading includes the net gain of **31 thousand Euros** from the sale of the Marcelo Spínola and Eloy Gonzalo offices buildings, which were owned by the subsidiaries LE Marcelo Spínola 42, S.L.U. and LE Offices Eloy Gonzalo 27, S.A.U (See significant events 3 and 6).



Net Financial Result

The **financial result** was a negative balance of 14,676 thousand Euros at 30 September 2019 (negative balance of 10,614 thousand Euros at 30 September 2018).

Financial expenses amounting to 14,679 thousand Euros mainly comprises the interest accrued on loans taken out by the Group with financial institutions and the bonds issued by the Group in February 2015.

Consolidated Statement of Comprehensive Income by business line

The income and expenses recorded by the Group at 30 September 2019 broken down by business line are as follows:

(Thousands of Euros)	Retail	Offices and Logistics	Residential	LRE (*)	Total
Revenues	57,548	228	-	-	57,776
Other income	1,661	77	-	-	1,738
Personnel expenses	-	-	-	(311)	(311)
Other expenses	(16,450)	(597)	-	(4,414)	(21,461)
Changes in the fair value of investment properties	54,076	977	-	-	55,053
Results of disposals of investments properties	-	31	-	-	31
RESULTS FROM OPERATIONS	96,835	716	-	(4,725)	92,826
Net financial result	(14,483)	-	-	(193)	(14,676)
Share in profit (loss) for the period of equity-accounted companies	-	-	1,170	-	1,170
PROFIT/(LOSS) FOR THE PERIOD BEFORE TAXES	82,352	716	1,170	(4,918)	79,320
Income tax	-	(244)	-	-	(244)
PROFIT/(LOSS) FOR THE PERIOD	82,352	472	1,170	(4,918)	79,076

(*) The amounts included in LRE column are corporate expenses not re-invoiced to the business lines.

Data unaudited at 30 September 2019

At 30 September 2019 retail assets presented an operating profit of 96,835 thousand Euros; and offices and logistics a positive operating result of 716 thousand Euros.





Shopping Centre
Megapark (Bilbao)



2.3

Consolidated Statement of Financial Position

Assets (Thousands of euros)	TOTAL	
	30/09/2019	31/12/2018
Intangible assets	2	8,556
Investment properties	1,541,855	1,363,646
Equity-accounted investees	5,797	4,627
Non-current financial assets	13,337	11,426
Trade and other receivables non-current	2,687	2,733
NON-CURRENT ASSETS	1,563,678	1,390,988
Non-current assets held for sale	12,213	78,081
Trade and other receivables	14,763	13,762
Other current financial assets	7,187	3,268
Other current assets	2,097	4,176
Cash and cash equivalents	153,912	191,328
CURRENT ASSETS	190,172	290,615
TOTAL ASSETS	1,753,850	1,681,603

Equity and liabilities (Thousands of euros)	TOTAL	
	30/09/2019	31/12/2018
Capital	181,175	186,438
Share premium	475,130	476,301
Other reserves	270,163	220,289
Retained earnings	79,076	129,308
Treasury shares	(13,959)	(1,228)
Valuation adjustments	(4,252)	(2,610)
EQUITY	987,333	1,008,498
Financial liabilities from issue of bonds and other marketable securities	139,300	139,077
Loans and borrowings	430,360	428,400
Deferred tax liabilities	17,445	19,405
Derivatives	4,717	1,892
Other non-current liabilities	20,152	17,240
NON-CURRENT LIABILITIES	611,974	606,014
Liabilities related to assets held for sale	252	810
Financial liabilities from issue of bonds and other marketable securities	2,458	3,482
Loans and borrowings	87,651	6,461
Derivatives	2,535	2,179
Other financial liabilities	3,161	-
Trade and other payables	58,486	54,159
CURRENT LIABILITIES	154,543	67,091
TOTAL EQUITY AND LIABILITIES	1,753,850	1,681,603

Non-current assets

Investment properties

At 30 September 2019, **investments properties** are classified as non-current assets, at a fair value of **1,541,855 thousand Euros** (1,363,646 thousand Euros at 31 December 2018), except for the shopping centre Las Huertas amounting to 12,033 thousands Euros which is classified under “Non-current assets held for sale” (see assets and liabilities held for sale).

The Group’s investment properties, including the assets classified under “Non-current assets held for sale”, consist of ten shopping centres, four retail parks and twenty-two retail units. Of particular significance is the investment in retail amounting to 1,551,600 thousand Euros (1,230,399 thousand Euros

at 31 December 2018), with revenue from leases representing 99% of the Group’s total revenues during 2019.

During the first nine months of 2019, the Group has sold Marcelo Spínola and Eloy Gonzalo office buildings, whose fair values at the transaction dates amounted to 37,000 and 39,944 thousand Euros (see notice of material facts 3 and 6).

Net Investment (Thousands of euros)	30/09/2019	31/12/2018
Retail (*)	1,551,600	1,230,399
Offices	-	76,400
Others	2,288	133,307
INVESTMENT PROPERTIES	1,553,888	1,440,106

(*) This amount includes Las Huertas investment properties for an amount of 12,033 thousand Euros, which has been reclassified to “Non-current assets held for sale”



The **GLA**, the **fair value** and the **initial yield** per asset is as follows:

Asset	TOTAL		Net Initial Yield (NIY) ^(*)
	Total Gross Leasable Area (GLA) (sqm)	Fair Value (Thousands of euros)	
Lagoh	69,501	306,000	
Megapark + leisure area	82,332	222,999	
Gran Vía	41,444	173,057	
Portal de la Marina + hypermarket	40,332	128,141	
El Rosal	51,152	111,304	
Anec Blau	28,998	97,995	
As Termas + petrol station	35,127	88,060	
Parque Abadía + commercial gallery	43,109	84,357	4.66%-7.48%
Rivas Futura	36,447	67,573	
Albacenter + hypermarket	26,352	60,934	
VidaNova Parc	45,568	58,670	
Supermarkets portfolio	27,909	53,130	
Vistahermosa	33,763	50,017	
Txingudi	10,712	37,330	
Las Huertas	6,267	12,033	
TOTAL RETAIL	579,014	1,551,600	
Others	N/A	2,288	
TOTAL OTHERS	-	2,288	
TOTAL LAR ESPAÑA	579,014	1,553,888	

^(*) Yields provided in the last valuations reports made by JLL and C&W.



Intangible assets

At 31 December 2018, intangible assets comprised the **right of use of the floor space where the Megapark Barakaldo leisure facilities are located** earning leasing income.

The leasehold, which expires in year 2056, was acquired on 27 October 2017 for EUR 8,686 thousand. Once the right of use expires, the assets contained on leased floor space will be delivered to the Barakaldo City Council.

In the first three quarters of 2019, the Group **has reclassified the right of use corresponding to the land on which the Megapark leisure area** stands to real estate investments; therefore, from now on this leisure area will be measured at its fair value pursuant to IAS 40, coming to **13,660 thousand Euros** based on the most recent appraisal performed on 30 June 2019 by independent experts (13,700 thousand Euros based on the appraisal performed on 31 December 2018).

The difference between the carrying value of the right of use at 31 December 2018 and its fair value has been recognised in "Other reserves" (see Net Equity).

Equity-accounted investees

At 30 September 2019 and 31 December 2018, the amount reflects investment of 50% held by the Group in Inmobiliaria Juan Bravo 3, S.L. that is accounted for using the equity method.

Non-current financial assets

At 30 September 2019 and 31 December 2018, the Group has recognised as non-current financial assets mainly security deposits received from tenants, which the Group has deposited at relevant public entities.

Current assets

Assets and liabilities held for sale

At 31 December 2018, this heading included the assets and liabilities of the companies **LE Offices Eloy González 27, S.A.U.** and **LE Offices Marcelo Spínola 42, S.L.U.**, which had been classified as held for sale. The investment properties that were owned by this companies were sold during the first nine months of 2019 (see notice of material facts 3 and 6).

At 30 September 2019, this heading includes the assets and liabilities of the company **LE Retail Las Huertas, S.L.U.**, which were classified as held for sale as per IFRS 5. (*)

At 30 September 2019 assets and liabilities held for sale are as follows:

Non current assets held for sale

(Thousands of euros)	30/09/2019
Investment properties	12,033
Non-current financial assets	180
Total assets held for sale	12,213

Liabilities related to assets held for sale

(Thousands of euros)	30/09/2019
Other non-current liabilities	252
Total liabilities held for sale	252

(*) IFRS (International Financial Reporting Standards).

Trade and other receivables

As of 30 September 2019 and 31 December 2018, this heading principally reflects other public administration credits in the amount of 9,531 thousand Euros and 10,019 thousand Euros, respectively.

Other current financial assets

As of 30 September 2019, this heading primarily corresponded to the amount of 6,975 thousand euros to be received as a result of the sale of the Marcelo Spínola office building.

Cash and cash equivalents

At 30 September 2019 and 31 December 2018, this heading includes 800 thousand Euros and 16,606 thousand Euros respectively, related to the share buy-back programme. This amount would not be considered available Company funds.

Net Equity

At 30 September 2019, the **Company's share capital** consisted of **90,587,561 registered shares** represented by book entries with a par value of 2 Euros each, fully subscribed and paid up, giving their holders equal rights.

During the first three quarters of the year, the most important milestones have been the following:

- On 25 April 2019, the General Shareholders' Meeting approved the **distribution of a maximum dividend** of EUR 68,353 thousand or EUR 0.73 per share (considering all outstanding shares) with a charge to 2018 profit, and a dividend of EUR 6,647 thousand or EUR 0.07 per share (considering all outstanding shares) with a charge to the share premium.

The total pay-out was **EUR 72,600 thousand** (after deducting the amount corresponding to treasury shares, which does not leave the Parent Company's equity and totals EUR 2,227 thousand in dividends charged to profit and EUR 173 thousand in dividends charged to the share premium), given the amount per share approved and shares outstanding at the time of approval by the General Shareholders' Meeting on 25 April 2019. The dividend pay-out was settled in full on 24 May 2019.



- On 25 April 2019, the Board of Directors resolved to **increase capital** by a nominal amount of EUR 1,243 thousand by issuing shares (621,337 ordinary shares with a par value of EUR 2 each) and with a share premium of EUR 5,182 thousand. **This capital increase was subscribed by Grupo Lar Inversiones Inmobiliarias, S.A. in accordance with the Investment Management Agreement**, which stipulates that the management company invest the performance fees received, net of taxes, in subscribing the capital increase performed by the Parent Company as per the terms of said agreement. This capital increase was performed without a pre-emptive subscription right and by delegating powers to execute the agreement to the Board of Directors. At the date of the accompanying interim condensed consolidated financial statements, the capital increase had been recorded in the Madrid Companies Register (see significant event 9).
- On 10 June 2019, pursuant to the Board of Directors' resolution in 29 May 2019, the Parent Company **reduced capital by EUR 6,506 thousand**, corresponding to 3,252,820 shares of EUR 2 par value each and representing 3.5% of share capital. The capital reduction was charged against unrestricted reserves by appropriating to a capital redemption reserve an amount equal to the par value of the redeemed shares. This reserve will be restricted. The shares were redeemed using treasury shares, the value of which at the capital reduction date was EUR 24,743 thousand (see significant event 9).

During the first nine months of the year, the Company has carried out its own share sale and purchase transactions, as described below:

	Number of shares	Thousands of euros
31 December 2018	164,925	1,228
Additions	5,155,734	38,232
Disposals	(3,347,815)	(25,501)
30 September 2019	1,972,844	13,959











The negative balance arising from the sale of own shares during the first nine months of 2019 amounted to 17 thousand Euros, recorded under "Other reserves".

Furthermore, an increase of 5,146 thousand euros has been recognised under other reserves corresponding to the difference between the carrying value of the right of use corresponding to the land on which the Megapark leisure area stands at 31 December 2018 and the fair value based on the appraisal performed by the independent experts at year-end 2018 (see intangible assets).

Financial liabilities

Loans & Borrowings

The characteristics of the Loans & Borrowings at 30 September 2019 are as follows:

Type	Project	Entity	Interest rate (*)	Maturity date	Nominal amount (Thousands of euros)	Current (Thousands of euros)	Non-Current (Thousands of euros)
Mortgage Loan	As Termas		EUR 3M + 1.8%	25/06/2020	37,345	37,189	-
Mortgage Loan	El Rosal		EUR 3M + 1.75%	07/07/2030	50,000	300	49,101
Mortgage Loan	VidaNova Parc		EUR 3M + 2.10%	14/09/2020	24,000	21,980	-
Mortgage Loan	Megapark + Megapark leisure area	  	EUR 3M + 1.70%	24/02/2023	105,250	230	100,798
Mortgage Loan	Portal de la Marina	  	EUR 3M + 1.70%	24/02/2023	60,000	143	58,382
Mortgage Loan	Vistahermosa		EUR 3M + 1.85%	02/03/2022	21,550	33	21,275
Mortgage Loan	Parque Abadia + commercial gallery		1.80% and 1.93%	23/05/2024	42,060	80	41,223
Mortgage Loan	Gran Vía Vigo		EUR 3M + 1.75%	14/03/2022	82,400	-	81,137
Mortgage Loan	Rivas Futura		2.28%	09/09/2020	27,500	27,462	-
Developer's Loan	Lagoh	   	EUR 3M + 2.25%	29/06/2025	98,500	234	78,444
VAT Credit	Lagoh		EUR 3M + 2.25%	-	-	-	-
Corporate Loan	LRE		EUR 12M + 1.20%	16/05/2020	25,000	-	-
Corporate Loan	LRE		1.25%	26/10/2025	70,000	-	-
LOANS AND BORROWINGS						87,651	430,360

(*) The 67% of the principal is covered by derivatives

Financial liabilities from the issue of bonds and other securities

Corresponds to the bonds issued by the Group amounting to 140,000 thousand Euros in 2015.

Below you will find the net Loan To Value calculation as at 30 September 2019:

(Thousands of euros)	30/09/2019
GAV	1,562,255
Full Consolidation Gross Debt	663,101
Equity Method Gross Debt	8,328
Total gross debt	671,429
Cash (Full Consolidation and Equity Method) (*)	155,213
Total net debt	516,216
NET LTV (**)	33.0%

(*) Only available cash considered | (**) Result of Total net debt/GAV

At 30 September 2019, Lar España's debt stood at **671,429 thousand Euros**, with an **average cost of 2.20%** and a **net LTV ratio of 33%**. The average debt maturity stood at 4.3 years.

The main debt indicators and the amortisation schedule is detailed below:

 **€671.4 MM**
Financial Debt

 **33%**
Net LTV

 **2.20%**
Average cost of debt

Deferred tax liabilities

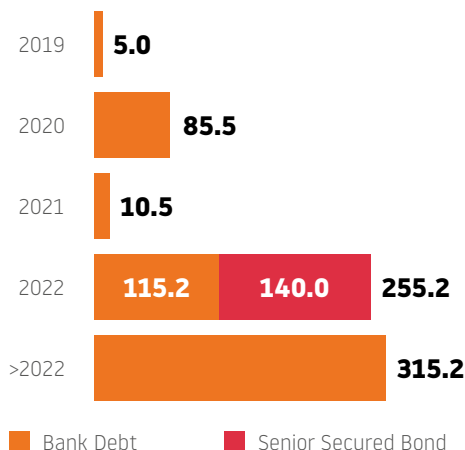
At 30 September 2019, this entry included deferred tax liabilities deriving from the business combination carried out by the acquisition of the subsidiary LE Retail Rivas, S.L.U. as well as the acquisitions of the subsidiaries LE Retail Abadía, S.A.U., LE Retail Hipermercados I, S.A.U., LE Retail Hipermercados II, S.A.U., LE Retail Hipermercados III, S.A.U. and LE Retail Gran Vía de Vigo, S.A.U. in 2017 and 2016. These amounts correspond to the tax effect derived from the difference between the fair value and the fiscal value of the acquired real estate investments.

This item also includes the deferred tax liability arising from the Marcelo Spínola offices building's divestment.

Other non-current liabilities

Correspond to security deposits received by way of guarantee from the tenants of the company's assets.

Back-Loaded Amortisation Profile (€ Million)



2.4 Consolidated Statement of Cash Flows

	30/09/2019 ^(*)	30/09/2018 ^(*)
A) CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	(4,575)	(21,280)
1. Profit/(loss) for the period before tax	79,320	80,661
2. Adjustments for:	(41,504)	(47,954)
Profit / (loss) from adjustments to fair value of investment properties (-)	(55,053)	(59,620)
Amortisation of intangible assets (+)	-	249
Impairment (+/-)	74	(29)
Financial income (-)	(3)	(885)
Financial expenses (+)	13,139	11,440
Changes in Fair value of financial instruments (+/-)	1,540	59
Share in profit (loss) for the period of equity-accounted companies (+/-)	(1,170)	832
Results of disposal of investments properties (-)	(31)	-
3. Changes in operating assets and liabilities	(27,735)	(43,173)
Trade and other receivables (+/-)	(597)	(18,065)
Other current assets and liabilities (+/-)	2,527	(9,926)
Trade and other payables (+/-)	(29,665)	(21,085)
Other current liabilities (+/-)	-	5,903
4. Other cash flows used in operating activities	(14,656)	(10,814)
Interest paid (-)	(14,656)	(10,814)
B) CASH FLOWS USED IN INVESTING ACTIVITIES	(16,476)	121,790
1. Payments for investments (-)	(89,467)	(97,162)
Net cash outflow from acquisitions of businesses	-	(33,331)
Investment property	(89,467)	(63,831)
2. Proceeds from divestments (+)	72,991	218,952
Other assets	-	46,629
Group companies and associates	-	5,000
Investment property	72,991	167,323
C) CASH FLOWS FROM FINANCING ACTIVITIES	(16,047)	(12,280)
1. Payments made and received for equity instruments	(31,056)	20,043
Proceeds from issue of share capital (+)	6,425	-
Acquisition/disposal of treasury shares (- /+)	(37,481)	20,043
2. Proceeds from and payments for financial liability instruments	87,609	12,643
a) Issue of:	84,448	45,915
Bank borrowings (+)	84,448	45,915
Bonds and other marketable securities (+)	-	-
b) Redemption and repayment of:	3,161	(33,272)
Liabilities with associates (-)	3,161	(33,272)
3. Payments for dividends and remuneration on other equity instruments	(72,600)	(44,966)
Dividends (-)	(72,600)	(44,966)
D) CASH AND CASH EQUIVALENTS IN NON-CURRENT ASSETS HELD FOR SALE	(318)	-
E) NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)	(37,416)	88,230
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	191,328	45,617
G) CASH AND CASH EQUIVALENTS AT END OF PERIOD (E+F)	153,912	133,847

^(*) Nine months period.

Data unaudited at 30 September 2019



Shopping Centre
Lagoh (Sevilla)

LAGOH

Shopping Centre
Lagoh (Sevilla)





3

EPRA Information

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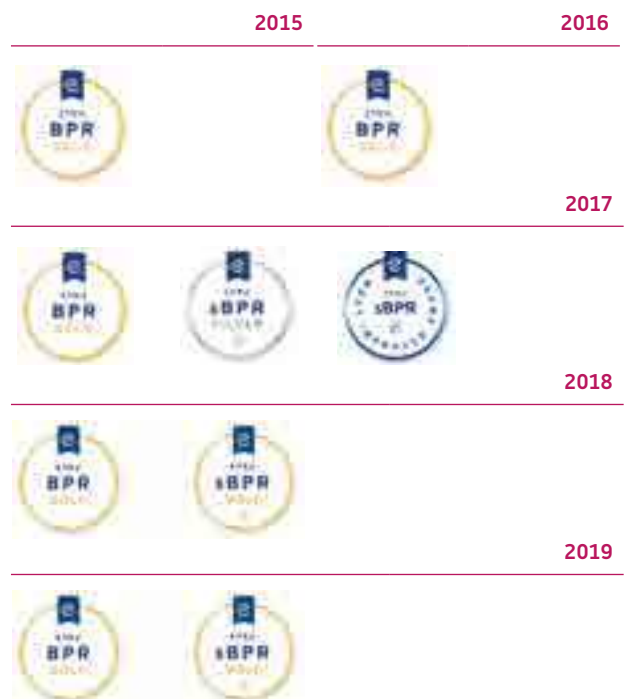


EPRA Awards

- In November 2016, the Reporting & Accounting Committee of EPRA (European Public Real Estate Association⁽¹⁾) updated its Best Practices Recommendations⁽²⁾ guidelines in order to improve the presentation, transparency, comparability and relevance of the published results of listed real estate companies in Europe.
- Lar España fully supports and endorses the principle of standardising the reporting of performance indicators from the perspective of comparability and improving the quality of information provided to investors and other users of the financial information.
- For this purpose, we have included an specific chapter with our main economic indicators following EPRA guidances.
- In **September 2019**, Lar España was awarded for the fifth year running the **Gold Award** from the European Public Real Estate Association (EPRA) in recognition of the quality of the **financial information** provided by the company. Lar España was also awarded for the second time with the most prestigious recognition from EPRA, the **Gold Award**, related to the information about **Corporate Social Responsibility**.
- This highlights **the international recognition for the information reported by Lar España** and made available to its shareholders.

(1) Not-for-profit association founded in 1999 registered in Belgium which aims to make the financial statements of public real state companies clearer, more transparent and comparable across Europe.

(2) "Best Practices Recommendations - BPR" available at www.epra.com





Key performance indicators described in the Best Practices Recommendations developed by EPRA are shown as follows:

Indicator	30/09/2019 (Thousands of euros)/%	30/09/2019 (Euros per share)
EPRA Earnings	25,532	0.28
EPRA NAV	1,010,570	11.40
EPRA NNNAV	987,333	11.14
EPRA Net Initial Yield (NIY)	5.6%	-
EPRA “topped-up” NIY	5.9%	-
EPRA Vacancy Rate	4.0%	-
EPRA Cost Ratio	22.4% (*)	-
EPRA Cost Ratio (excluding costs of direct vacancy)	19.5% (*)	-

(*) Ratio calculated considering recurring expenses
See terms definitions in Glossary, section 5.

3.1 EPRA Earnings

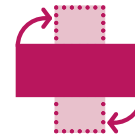
(Thousands of euros)	9M 2019	9M 2018
EARNINGS PER IFRS INCOME STATEMENT	79,076	80,661
Change in value of investment properties	(55,053)	(59,620)
Change in fair value of financial instruments	1,540	59
Companies divestments effect	(31)	(20,616)
Amortisation of intangible assets	-	249
Tax on profit on disposals	-	2,026
EPRA EARNINGS	25,532	2,759
Weighted average number of shares (excluding treasury shares)	90,570,904	93,318,955
EPRA EARNINGS PER SHARE (EUROS)	0.28	0.03
Company specific adjustment ^(*)	-	19,366
ADJUSTED EPRA EARNINGS	25,532	22,125
ADJUSTED EPRA EARNINGS PER SHARE (EUROS)	0.28	0.24

^(*) Corresponds to the part of the performance/divestment fee that the Manager would be obliged to reinvest in Lar España, thus avoiding any real cash outflow from the company.



**Adjusted EPRA
Earnings
per share
+19%
vs. 9M 2018**

3.2 EPRA NAV and EPRA NNNAV



**EPRA NAV
per share (*)
+10%
vs. 31/12/2018**

EPRA NAV

(Thousands of euros)	30/09/2019	31/12/2018
NET ASSET VALUE PER THE FINANCIAL STATEMENTS	987,333	1,008,498
Change in fair value of non current assets	-	5,146
Fair value of financial instruments	5,792	3,634
Deferred tax liabilities	17,445	19,405
EPRA NAV	1,010,570	1,036,683
Number of shares (excluding treasury shares)	88,614,717	93,081,129
EPRA NAV PER SHARE (EUROS)	11.40 (**)	11.14

(**) When analyzing this measure it is important to take into account the dividend paid in Q2 2019 (0.80€/share).

EPRA NNNAV

(Thousands of euros)	30/09/2019	31/12/2018
EPRA NAV	1,010,570	1,036,683
Fair value of financial instruments	(5,792)	(3,634)
Deferred tax liabilities	(17,445)	(19,405)
EPRA NNNAV	987,333	1,013,644
Number of shares (excluding treasury shares)	88,614,717	93,081,129
EPRA NNNAV PER SHARE (EUROS)	11.14 (**)	10.89

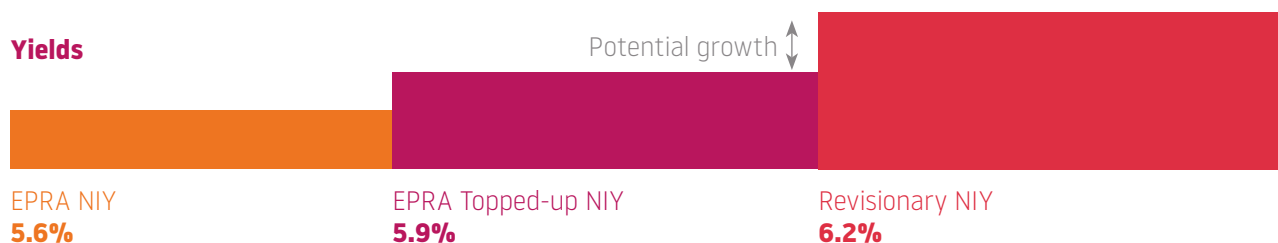
(**) When analyzing this measure it is important to take into account the dividend paid in Q2 2019 (0.80€/share).

(*) Including the dividend paid in Q2 2019.

3.3

EPRA NIY and EPRA “topped-up” NIY (30/09/2019)^(*)

Assets (Thousands of euros)	Completed Property Portfolio	Allowance for estimated purchasers costs	Gross up completed property portfolio valuation (A)
Lagoh	306,000	3,290	309,290
Megapark + leisure area	222,999	2,223	225,222
Gran Vía Vigo	173,059	4,326	177,384
Portal de la Marina + hypermarket	128,141	3,205	131,346
El Rosal	111,304	2,928	114,233
Anec Blau	97,995	3,049	(*)
As Termas + petrol station	88,060	2,190	90,249
Albacenter + hypermarket	60,934	1,890	62,824
Txingudi	37,330	378	37,708
Las Huertas	12,033	293	12,325
TOTAL SHOPPING CENTRES	1,237,853	23,772	1,160,581
Parque Abadía + commercial gallery	84,357	2,652	87,009
Rivas Futura	67,573	1,451	69,024
VidaNova Parc	58,674	1,320	59,994
Vistahermosa	50,017	1,325	51,342
TOTAL RETAIL PARKS	260,621	6,749	267,369
Supermarkets portfolio	53,130	859	53,989
TOTAL OTHER RETAIL	53,130	859	53,989
TOTAL LAR ESPAÑA	1,551,604	31,380	1,481,940



^(*) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project.

Annualised cash passing rental income	Property outgoings	Annualised net rents (B)	Notional rent expiration of rent free periods or other lease incentives	Topped-up net annualised rents (C)	EPRA NET INITIAL YIELD (B/A)	EPRA TOPPED-UP NET INITIAL YIELD (C/A)
16,953	(871)	16,082	1,106	17,189	5.2%	5.6%
12,898	(1,331)	11,567	789	12,356	5.1%	5.5%
10,214	(658)	9,556	84	9,640	5.4%	5.4%
7,968	(579)	7,388	100	7,488	5.6%	5.7%
7,587	(842)	6,746	246	6,992	5.9%	6.1%
(*)	(*)	(*)	(*)	(*)	(*)	(*)
5,803	(338)	5,465	230	5,695	6.1%	6.3%
4,072	(585)	3,487	340	3,827	5.5%	6.1%
2,801	(154)	2,647	15	2,662	7.0%	7.1%
926	(119)	807	35	842	6.5%	6.8%
69,223	(5,477)	63,745	2,946	66,691	5.5%	5.7%
5,527	(289)	5,238	154	5,392	6.0%	6.2%
4,163	(200)	3,963	252	4,215	5.7%	6.1%
3,830	(457)	3,373	267	3,640	5.6%	6.1%
3,549	(656)	2,893	264	3,157	5.6%	6.1%
17,069	(1,602)	15,467	937	16,405	5.8%	6.1%
3,888	(14)	3,875	0	3,875	7.2%	7.2%
3,888	(14)	3,875	0	3,875	7.2%	7.2%
90,180	(7,092)	83,087	3,883	86,971	5.6%	5.9%



5.6%
EPRA NIY



5.9%
EPRA
Topped-up
NIY



6.2%
Reversionary
Yield

^(*) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project.

3.4

EPRA Vacancy Rate ⁽¹⁾

Asset	ERV (Thousands of euros)	ERV Vacancy (Thousands of euros)	EPRA VACANCY RATE %
Lagoh	16,073	192	1.2%
Megapark + leisure area	14,591	1,193	8.2% ⁽²⁾
Gran Vía Vigo	9,969	174	1.7%
Portal de la Marina + hypermarket	7,770	356	4.6%
El Rosal	7,986	310	3.9%
Anec Blau	(1)	(1)	(1)
As Termas + petrol station	5,786	185	3.2%
Albacenter + hypermarket	4,496	232	5.2%
Txingudi	2,773	37	1.3%
Las Huertas	1,102	103	9.3%
TOTAL SHOPPING CENTRES	70,546	2,782	3.9%
Parque Abadía + commercial gallery	5,616	384	6.8% ⁽³⁾
Rivas Futura	4,322	197	4.6% ⁽⁴⁾
VidaNova Parc	4,415	156	3.5%
Vistahermosa	3,754	207	5.5%
TOTAL RETAIL PARKS	18,107	944	5.2%
Supermarkets portfolio	3,391	0	0.0%
TOTAL OTHER RETAIL	3,391	0	0.0%
TOTAL LAR ESPAÑA	92,044	3,726	4.0%



4.0%

EPRA Vacancy Rate

(1) Anec Blau's data has not been taken into account because the asset is going through a comprehensive refurbishment project. | (2) The property is undergoing significant refurbishments meaning that some units are being vacated temporarily. | (3) As of the date of this report, the figure stands at 2.4%. | (4) As of the date of this report, the figure stands at 0.9%.

3.5 EPRA Cost Ratios

(Thousands of euros)	Recurring		TOTAL	
	9M 2019	9M 2018	9M 2019	9M 2018
Administrative expenses	(311)	(405)	(311)	(405)
Operating costs net of recoverable income (*)	(11,873)	(13,952)	(16,579)	(42,151)
Administrative/operating expenses in associates	-	(612)	-	(612)
EPRA Cost (including vacancy cost) (A)	(12,184)	(14,969)	(16,890)	(43,168)
Direct vacancy costs	(1,607)	(1,768)	(1,607)	(1,768)
EPRA Cost (excluding vacancy cost) (B)	(10,577)	(13,201)	(15,283)	(41,400)
Gross Rental Income less ground rent costs-per IFRS	59,219	59,901	59,219	59,901
Net associated costs (net service charge)	(4,883)	(4,992)	(4,883)	(4,992)
Gross Rental Income (C)	54,336	54,909	54,336	54,909
EPRA COST RATIO (including direct vacancy costs) A/C (**)	22.4%	27.3%	31.1%	78.6%
EPRA COST RATIO (excluding direct vacancy costs) B/C (**)	19.5%	24.0%	28.1%	75.4%

(*) Fixed management fee included.

(**) Excluding costs directly related to development projects, as of 30 September 2019, the ratios would be 20.5% and 17.6% respectively

Shopping Centre
El Rosal (León)



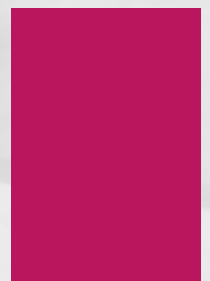


4

Share Price Performance

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Share price information
and performance
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4.2
Analyst
Recommendations
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4.1

Share price information and performance

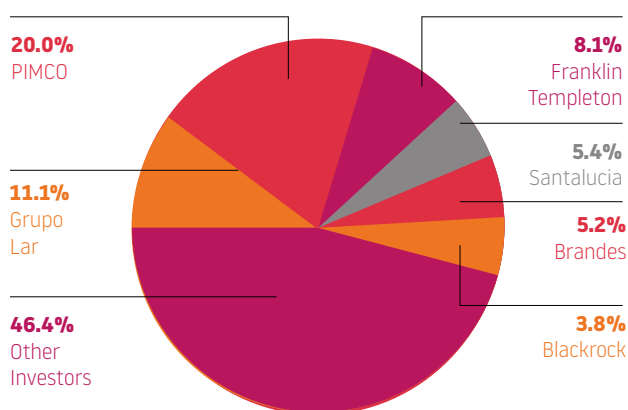
Share Price Performance

Detail of shares (€)

	Jan-Sep 2019
Price at the beginning of the period	7.45
Price at the end of the period	7.71
PERFORMANCE DURING THE PERIOD	3.5%
Maximum price for the period	8.55
Minimum price for the period	6.41
AVERAGE PRICE FOR THE PERIOD	7.37
ADTV (*)	177,520
Market Cap (Euros) 30/09/2019	698,430,095
Number of shares 30/09/2019	90,587,561

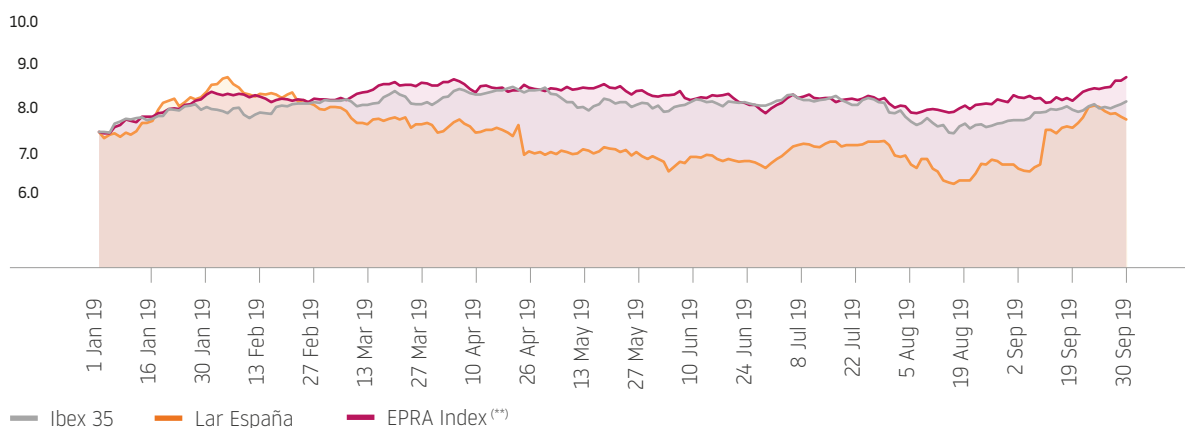
(*) Average Daily Trading Volumen in number of shares

Share distribution at 30 September 2019



The **share price performance** during the first nine months of 2019 compared with the IBEX 35 and EPRA Index performance can be seen in the following graph:

Lar España share price performance vs Ibex 35 and EPRA Index (January-September 2019)



(*) Sectoral European reference Index.

4.2 Analyst Recommendations



30.1% (*)
Potential Return

As of the date of this report, Lar España has the coverage of 12 analysts, whose average target price is **€10.03**.

Broker	Recommendation	Analysis Date	Target Price (Euros)
Kepler Cheuvreux	Hold	21/03/2017	Under Revision
MIRABAUD	Buy	27/02/2019	10.34
JP Morgan	Hold	27/02/2019	9.00
JBCapitalMarkets	Buy	30/07/2019	12.50
Alora Capital Markets	Buy	30/07/2019	10.70
Intermoney advisors sv	Buy	30/07/2019	10.00
bankinter	Buy	30/07/2019	9.10
Santander	Hold	30/07/2019	8.90
KAPPA & CO	Hold	30/07/2019	8.20
GVC Caesario Beka	Buy	17/09/2019	11.41
fidentiis	Buy	14/10/2019	10.40
Sabadell	Buy	25/10/2019	9.82

Source: Bloomberg

73%
Buy

27%
Hold

0%
Sell

(*) Taken into account the average target price and the price at the end of the period.



Shopping Centre
Txingudi (Guipúzcoa)

5

Glossary



Koroshi

SPRING

SAL
REDA
SAL
REDA

Glossary

PBT

Profit Before Tax.

Profit/(Loss) for the period after tax.

Net profit/(loss)

Dividend Yield

Profitability by dividend, that shows, in percentage, the shareholder performance by the dividends. Result of Dividend/ Average quarterly EPRA NAV of the last four quarters of the year and result of Dividend/Market capitalization.

EBIT

Earnings Before Interest and Tax.

EBITDA

Earnings Before Interest, Tax, Depreciation and Amortisation.

EPRA

European Public Real Estate Association.

EPRA Earnings

Earnings from operational activities.

EPRA Cost Ratio

Administrative & operating costs (including direct vacancy costs) divided by gross rental income.

EPRA Cost Ratio (excluding direct vacancy costs)

Administrative & operating costs (including & excluding direct vacancy costs) divided by gross rental income.

EPRA NAV

Net Asset Value adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a long-term investment property business model.

EPRA Net Initial Yield (NIY)

Annualised rental income based on the cash rents passing at the balance sheet date, less non recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchasers' costs.

EPRA NNNAV

EPRA NAV adjusted to include the fair values of (i) financial instruments, (ii) debt and (iii) deferred taxes.

EPRA "topped-up" NIY

This measure incorporates an adjustment to the EPRA NIY in respect of the expiration of rent free periods (or other unexpired lease incentives such as discounted rent periods and stepped rents).

EPRA Vacancy Rate

Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.

GAV (Gross Asset Value)

Gross Asset Value.

GLA

Gross Leasable Area in sqm.

GRI (Gross Rental Income)

Gross income for the period.

Like for like (LfL)

Comparison of one period, with that of the same period the year before, taking into consideration the same assets.

Net LTV (Loan to Value)

Ratio that measures the total amount of outstanding principal, discounted available cash, against the value of the assets. Net LTV = Net debt / GAV.

IFRS

International Financial Reporting Standards.

NOI (Net Operating Income)

Gross income discounting costs incurred during the period.

Liquidity ratio

The Company's capacity to meet its obligations with liquid assets, calculated as the ratio between the Company's current assets and current liabilities.

Solvency ratio

The Company's financial capacity to meet its payments obligations with all the assets and resources available. It is calculated by dividing equity plus non-current liabilities by non-current assets.

Reversionary Yield

Yield calculated as the ratio between the rental income that would be obtained from leasing the entire area at the market prices estimated by the independent valuers (ERV) and the gross asset value.

ROA (Return on Assets)

Return on assets, calculated by dividing profit for the last 12 months by the company's average assets of the last four quarters.

ROE (Return on Equity)

Return on equity, calculated by dividing profit for the last 12 months by the company's average equity of the last four quarters.

WAULT

Weighted average unexpired lease term, calculated as the number of years of unexpired lease term, as from the reference date, until the first break option, weighted by the gross rent of each individual lease contract.

