



## NATIONAL SECURITIES MARKET COMMISSION

In compliance with the reporting requirements under article 227 of the Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Securities Market Act, Lar España Real Estate SOCIMI, S.A. ("**Lar España**" or the "**Company**") hereby informs the National Securities Market Commission of the following

---

### MATERIAL FACT

In connection with the Material Fact registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) on 20 December 2019 (Register number 285152), Lar España hereby informs that the public deed regarding the reduction of share capital, granted on 20 December 2019, was duly registered with the Commercial Registry of Madrid on 30 December 2019.

The share capital reduction was approved by the Board of Directors of the Company on 19 December 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 occasions in order to redeem the acquired own shares.

Consequently, the share capital of Lar España has been reduced in the amount of EUR 5,907,662, through the cancellation of 2,953,831 own shares with a face value of two euros each. The share capital resulting from the reduction has been set at EUR 175,267,460, represented by 87,633,730 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.

Lastly, the Company hereby informs that on 23 January 2020 the 2,953,831 cancelled shares were excluded from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Stock Exchange Interconnection System (Continuous Market).

Madrid, on 28 January 2020.

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