

**SUPPLEMENT DATED 20 DECEMBER 2016 TO THE BASE PROSPECTUS DATED 5 OCTOBER 2016
AS PREVIOUSLY SUPPLEMENTED ON 19 OCTOBER 2016**



INMOBILIARIA COLONIAL, S.A.

(incorporated as a limited liability company (*sociedad anónima*) in the Kingdom of Spain)

€3,000,000,000

Euro Medium Term Note Programme

This base prospectus supplement (the “**Supplement**”) has been prepared by Inmobiliaria Colonial, S.A. (the “**Issuer**” or “**Colonial**” and together with its consolidated subsidiaries, “**we**”, “**us**”, “**our**” or the “**Group**”, unless otherwise indicated or the context otherwise requires) in connection with the Issuer’s Euro Medium Term Note Programme (the “**Programme**”) for the issuance of up to EUR3,000,000,000 in aggregate nominal amount of notes (the “**Notes**”).

This Supplement has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under Directive 2003/71/EC (the “**Prospectus Directive**”). The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This Supplement comprises a base prospectus supplement for the purposes of Article 16 of the Prospectus Directive. The Supplement is supplemental to, and should be read in conjunction with, the base prospectus dated 5 October 2016, as previously supplemented on 19 October 2016 (the “**Base Prospectus**”), prepared by the Issuer in relation to the Programme. Capitalised terms used, but not otherwise defined in this Supplement, shall have the meanings ascribed thereto in the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statement in (a) above will prevail.

The purpose of this Supplement is to supplement the sections entitled “*Documents Incorporated By Reference*” and “*General Information*” of the Base Prospectus to incorporate by reference certain financial and operating information as of and for the nine-month period ended 30 September 2016 in respect of the Issuer.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since the date of publication of the Base Prospectus.

Copies of this Supplement and the Base Prospectus can be viewed on the website of (i) the Central Bank of Ireland at www.centralbank.ie; and (ii) the Issuer at www.inmocolonial.com.

The distribution of this Supplement and the Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement, the Base Prospectus or any Final Terms come are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (as defined in the Securities Act). For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “*Subscription and Sale*” in the Base Prospectus.

Any websites referred to herein do not form part of this Supplement.

DOCUMENTS INCORPORATED BY REFERENCE

With effect from the date of this Supplement, the information appearing on page 26 of the Base Prospectus under the heading “*Documents Incorporated By Reference*” shall be amended in the manner described below.

By virtue of this Supplement, a new document shall be incorporated by reference as new paragraph (D) in the table of “Information incorporated by reference” (page 26 of the Base Prospectus) as follows:

“The Issuer’s unaudited condensed consolidated interim financial and operating information for the nine-month period ended 30 September 2016 may be obtained from https://www.inmocolonial.com/sites/default/files/3q_result_2016.pdf.

The page references indicated for each document are to the page numbering of the electronic copies of such documents as available at www.ise.ie. Information contained in the following document incorporated by reference but not listed in the table below is for information purposes only and does not form part of this Base Prospectus.

Information incorporated by reference	Page references
(D) The unaudited condensed consolidated interim financial and operating information of Inmobiliaria Colonial, S.A. for the nine-month period ended 30 September 2016:	
(a) <i>Analysis of the Consolidated Profit and Loss Account</i>	9-10
(b) <i>Office Markets</i>	11-14
(c) <i>Business Performance</i>	16-21
(d) <i>Financial Structure</i>	25
(e) <i>Appendix – Consolidated balance sheet</i>	37

GENERAL INFORMATION

With effect from the date of this Supplement, the information appearing on page 110 of the Base Prospectus under the heading “*General Information*” shall be amended in the manner described below.

By virtue of this Supplement, paragraph (3) shall be deleted and replaced in its entirety by the following:

- (3) There has been no significant change in the financial or trading position of the Issuer or of the Group since 30 September 2016 and no material adverse change in the prospects of the Issuer or of the Group since 31 December 2015.