



**General Ordinary Shareholders' Meeting of Inmobiliaria Colonial,  
S.A.**

## **Colonial returns to profitability in 2011 and prepares to access the markets**

**Barcelona, 21 June 2011-** The General Ordinary Shareholders' Meeting of Inmobiliaria Colonial S.A, held today in Barcelona, approved the individual and consolidated annual accounts of Inmobiliaria Colonial S.A. and of its independent companies for the year ended on 31 May 2011. The shareholders also approved a package of measures intended to restore equilibrium in the company's equity with a first reduction in share capital of €1,452,627,516.31 and a second reduction of €1,032,427,331.89. Lastly, the Meeting also approved the reverse-split and cancellation of the 22,591,407,700 shares of which the share capital is composed, in order for these shares to be swapped for new shares at a ratio of one new share for each 100 existing shares, as well as the possibility of increasing the capital, by up to half of the share capital, on one or more occasions.

Colonial's chairman, Juan José Brugera, stressed in his talk to the shareholders that 2010 marked a "turnaround for the Company." The fulfillment of the February 2010 restructuring agreements has allowed the company to recapitalize and given it a long-term structure, in a process that Brugera, who included this analysis in his speech, described as "ground-breaking for the sector." Brugera stated that, having shored up its financial foundation, "the Group has focused on its property management business and finished cleaning up its balance sheet in order to prepare to access the markets."

### **In the ordinary and the extraordinary**

Pere Viñolas told the shareholders that Colonial's willingness to embark on a growth phase by seeking the support of the markets is made possible by the convergence of the "ordinary and the extraordinary." The ordinary, owing to the stabilization of rental office properties, which are now rising in markets such as Paris and have remained steady in Spain—these being the two markets in which the company currently holds its recurring-business assets, valued at close to €5.0 billion; and the extraordinary, as a consequence of the conclusion of the process of refinancing and cleaning up 100% of the company's non-strategic assets, which has allowed the it to make the most of the positive results of the recurring business.

Viñolas stated that in the end these financial and strategic measures have been supported by a series of technical steps such as the capital reduction and the reverse-split, approved at this meeting, which aim to "bring Colonial's situation on the stock market back to normal, making it less volatile and avoid speculative movements." "We are a company that seeks growth over the medium term and we are not interested in short-term fluctuations without a real foundation," Pere Viñolas told the shareholders.

# Colonial

## ***About Colonial***

***With over one million square meters of rental offices in the best locations in Paris, Madrid and Barcelona, Colonial has become a benchmark in property management in Europe.***

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