



According to article 228 of the *Legislative Royal Decree 4/2015 of October 23 approving the revised text of the Securities Market Act*, Inmobiliaria Colonial, S.A. ("**Colonial**" or the "**Company**") hereby reports the following:

#### REGULATORY ANNOUNCEMENT

The capital increases by non-monetary contributions approved by the Annual General Shareholders Meeting celebrated on the 28<sup>th</sup> of June, 2016, under items 7 and 8 respectively on the Agenda, on June 30<sup>th</sup> the relevant public deeds were registered at the Spanish Securities and Exchange Commission:

- (i) the capital increase by non-monetary contributions for a nominal amount of €22,701,480, through the issue of 90,805,920 new ordinary shares at €0.25 each one for a compensation that consists of *Société Foncière Lyonnaise* shares with ownership by Reig Capital Group Luxembourg Sàrl; and
- (ii) the capital increase by non-monetary contributions for a nominal amount of €72,142,857.50, through the issue of 288,571,430 new ordinary shares at €0.25 each one for a compensation that consists entirely of the company shares of Hofinac Real Estate, S.L. with ownership by Hofinac B.V.

Consequently, the share capital of the Company was set at €892,058,497.50 represented by 3,568,233,990 shares.

The Company expects that the new shares corresponding to the capital increase will be admitted for trading in the next days, subsequent to necessary procedures with the CNMV, the Stock Exchanges and Iberclear.

Barcelona, the 1<sup>st</sup> of July, 2016.