De conformidad con lo establecido en el artículo 228 del texto refundido de la Ley del Mercado de Valores (la “Ley del Mercado de Valores”) aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, Inmobiliaria Colonial, SOCIMI, S.A. (“Colonial” o la “Sociedad”) comunica el siguiente

HECHO RELEVANTE

Como continuación al Hecho Relevante publicado con fecha 23 de febrero de 2017 con número de registro 261914, Colonial remite documentación de soporte a la presentación a analistas e inversores relativa a los resultados correspondientes al ejercicio 2017, que se celebrará hoy lunes día 26 de febrero de 2018 a las 15:00 horas (CET) a través de un webcast.

Los datos de conexión a la conferencia se detallan a continuación:

Desde España: +34 914142021 + Pin Code 94225393#
Desde Holanda: +31 107138194 + Pin Code 94225393#
Desde el Reino Unido: +44 2030432440 + Pin Code 94225393#

La presentación online será visible a través del siguiente link:

http://event.onlineseminarsolutions.com/r.htm?e=1610979&s=1&k=FA33239AAE07B31029346ED3608AB92E

Adicionalmente, la presentación de resultados estará disponible en la página web de la Sociedad.

En Madrid, a 26 de febrero de 2018.
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Agenda

01 Highlights
02 Market
03 Operational performance
04 Financial performance
05 Growth drivers
06 Conclusion
PRESENTING MANAGEMENT TEAM

Pere Viñolas
Chief Executive Officer

Carmina Ganyet
Corporate Managing Director

Carlos Krohmer
Chief Corporate Development Officer
Solid delivery on Business Plan
## Highlights 2017

A year of excellent achievements

### Financial Results

<table>
<thead>
<tr>
<th>+21% TSR&lt;sup&gt;1&lt;/sup&gt;</th>
</tr>
</thead>
</table>

### Operational Performance

<table>
<thead>
<tr>
<th>134,800 sqm let</th>
<th><strong>Strong Rental Growth</strong></th>
</tr>
</thead>
</table>

### Disposals

<table>
<thead>
<tr>
<th>€ 445 m</th>
<th><strong>+ 27% premium&lt;sup&gt;2&lt;/sup&gt;</strong></th>
</tr>
</thead>
</table>

### Acquisitions

<table>
<thead>
<tr>
<th>€ 389 m</th>
<th><strong>Alpha II</strong></th>
</tr>
</thead>
</table>

### M & A

<table>
<thead>
<tr>
<th>Take over bid</th>
</tr>
</thead>
</table>

### Equity Raising

<table>
<thead>
<tr>
<th>€669m</th>
<th>2 ABBs</th>
</tr>
</thead>
</table>

### Bond Issuances

<table>
<thead>
<tr>
<th>€800m</th>
<th>2 tranches</th>
</tr>
</thead>
</table>

### Rating Upgrade

<table>
<thead>
<tr>
<th>Colonial</th>
<th>α</th>
<th>Baa2</th>
<th>Moody’s</th>
<th>SFL</th>
<th>BBB+</th>
</tr>
</thead>
</table>

### REIT conversion & IBEX inclusion

<table>
<thead>
<tr>
<th>Colonial SOCIMI, S.A</th>
</tr>
</thead>
</table>

### Integration of Co-Working Platform

<table>
<thead>
<tr>
<th>utopic_US</th>
</tr>
</thead>
</table>

---

<sup>1</sup> 2017 Total Shareholder Return per share = NAV growth per share + Dividend yield

<sup>2</sup> Premium on 2016 GAV
OUTSTANDING FINANCIAL RESULTS

> Total Shareholder Return: +21%
> EPRA NAV of 8.60€/share: +19%
> Net Rental Income, +4% like for like
> Recurring earnings, +22%
> Recurring EPS +14%
> Net Profit of €683m, +149%

STRONG OPERATIONAL PERFORMANCE

> More than 134,000 sq m let with top tier clients
> Very healthy vacancy levels at 4%
> Strong growth in rental prices - double digit release spreads
  √ Setting the benchmark in Prime
  √ Driving GRI growth
  √ Driving Capital Value growth

SMART CAPITAL ALLOCATION

> €445m disposals with +27% premium
> Reinvestment of capital in Alpha projects
> Strong balance sheet
> Confident outlook on growth
Highlights 2017
Excellent financial results with healthy growth

> Total Annual Shareholder Return + 21%
> Solid GRI growth: +4% EPRA like for like
> Strong momentum in net profit, +149%

<table>
<thead>
<tr>
<th>Return - € per share</th>
<th>2017</th>
<th>YoY Var</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL SHAREHOLDER RETURN</strong></td>
<td></td>
<td>+21%</td>
</tr>
<tr>
<td>EPRA NAV per share</td>
<td>8.60</td>
<td>+19%</td>
</tr>
<tr>
<td>FFO per share(^1)(^2)</td>
<td>0.220</td>
<td>+8%</td>
</tr>
<tr>
<td>EPS Recurring(^1)</td>
<td>0.215</td>
<td>+14%</td>
</tr>
<tr>
<td>DPS</td>
<td>0.180(^3)</td>
<td>+9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Profit &amp; Loss - €m</th>
<th>2017</th>
<th>YoY Var</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Rental Income</td>
<td>€283m</td>
<td>+4% EPRA LFL(^4)</td>
</tr>
<tr>
<td>Recurring Net Profit</td>
<td>€83m</td>
<td>+22%</td>
</tr>
<tr>
<td>Net Profit</td>
<td>€683m</td>
<td>+149%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balance Sheet - €m</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAV Group</td>
<td>€9,282m</td>
</tr>
<tr>
<td>Group LTV</td>
<td>31%</td>
</tr>
<tr>
<td>Cost of Debt</td>
<td>1.86%</td>
</tr>
</tbody>
</table>

---

(1) Recurring EPS & FFO per share based on average NOSH
(2) Recurring FFO: Recurring Net Profit excluding amortisations and accrual of share remunerations
(3) Dividend proposal charged against 2017 results, subject to approval of to be approved in the General Shareholder Meeting 2018
(4) EPRA like for like: Like for like variance base on EPRA BPR methodology
(5) Portfolio in operation
Outstanding operating performance

> Significant rental growth in all segments
> Strong fundamentals with low vacancy
> Disposal at substantial premium

**OPERATIONAL PERFORMANCE**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td># Transactions signed</td>
<td>99</td>
</tr>
<tr>
<td>Volume of sq m signed</td>
<td>134,831</td>
</tr>
<tr>
<td>EPRA Vacancy</td>
<td>4%</td>
</tr>
</tbody>
</table>

**Double digit release Spread**

- **Barcelona**: +19%
- **Madrid**: +11%

**Strong rental growth**

- **Barcelona**: +10%
- **Madrid**: +8%
- **Paris**: +8%

**Disposal**

€445m

**Premium on GAV**

+27%

---

(1) Rental prices signed vs previous rents
(2) Portfolio in operation
(3) Rental prices signed vs ERV 12/16
Scarcity in Grade A
Macro Outlook remains strong

- Eurozone with positive momentum
- Spain growing above EU average
- France improving significantly

MARKET TRENDS

WORLD & EU
- World GDP improving +3.6% in 2017 & +3.8% in 2018
- Euro area: positive momentum with increased confidence
- Opportunity for reforms post French & German elections

SPAIN
- Economy growing above EU average: +3.1% in 2017
- Improvement of private consumption and exports
- Mid term growth profile remains strong

FRANCE
- Strong upward revision – GDP at +2% levels
- GDP growth accelerating in 2018
- Reform agenda as catalyst for further growth

GDP GROWTH

Source: February Monthly report "la Caixa"
Office Markets remain strong

> Barcelona with solid fundamentals
> Madrid with accelerating take-up
> Paris strong with attractive outlook

MARKET TRENDS

**BARCELONA**

> Fundamentals remain strong: low vacancy rate combined with healthy take-up
> Fourth European city with highest volume invested in startups ($722m in 2017)
> Tech companies prepared to pay prime rents for Grade A product

**MADRID**

> Government bodies and multinationals leading the highest take-up in 10 years
> Scarcity of Grade A buildings, particularly in the city center
> Cities with one of the highest rental growth profiles in Europe

**PARIS**

> Strong job creation pushing annual take-up above 10-year average
> Several mid term catalysts: Macron reforms, Grand Paris, Olympic Games, Brexit
> Broker consensus expecting high dynamism and rental growth

*Source: “The state of the European Tech report 2017”*
Market Fundamentals remain solid in every market

**BARCELONA**

<table>
<thead>
<tr>
<th>VACANCY %</th>
<th>TAKE UP ('000 sq m)</th>
<th>HIGHLIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>CBD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.0%</td>
<td>7.7%</td>
<td></td>
</tr>
<tr>
<td>&quot;Grade A&quot;</td>
<td>5.4%</td>
<td></td>
</tr>
<tr>
<td>9.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

> Full Year 2017 take-up of 332,000 sqm, +9%
> Take-up Q4 of 72,000 sqm, +42% Q-o-Q
> Increased number of large transactions > 5,000 sqm
> CBD vacancy historically low levels

**MADRID**

<table>
<thead>
<tr>
<th>VACANCY %</th>
<th>TAKE UP ('000 sq m)</th>
<th>HIGHLIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>CBD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.8%</td>
<td>7.8%</td>
<td></td>
</tr>
<tr>
<td>&quot;Grade A&quot;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.1%</td>
<td>10.9%</td>
<td></td>
</tr>
</tbody>
</table>

> Full Year 2017 take-up of 560,000 sqm, +48%
> Highest take-up figure in the last 10 years
> Take-up Q4 taking the lead on large deals (10,000 sqm)
> CBD vacancy decreased to 7%

**PARIS**

<table>
<thead>
<tr>
<th>VACANCY %</th>
<th>TAKE UP ('000 sq m)</th>
<th>HIGHLIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2017</td>
<td></td>
</tr>
<tr>
<td>CBD</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.6%</td>
<td>2.9%</td>
<td></td>
</tr>
<tr>
<td>&quot;Grade A&quot;</td>
<td>6.4%</td>
<td></td>
</tr>
<tr>
<td>6.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

> Full Year 2017 take-up of 2,619,000 sqm, +8%
> Q4 Take-up historically high with 850,000 sqm
> CBD take-up, +13% y-o-y
> CBD vacancy below 3% (Grade A product inexistent)
02  Market
Colonial as leading market indicator for rental growth

> Colonial outperforming the market in the last two years
> Colonial portfolio setting the benchmark for prime rental levels

### ERV GROWTH – COLONIAL VS MARKET

<table>
<thead>
<tr>
<th>Location</th>
<th>12 months 2016</th>
<th>12 months 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>BARCELONA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colonial Portfolio¹</td>
<td>+18%</td>
<td>+16%</td>
</tr>
<tr>
<td>CBD Market</td>
<td>+8%</td>
<td>+8%</td>
</tr>
<tr>
<td>MADRID</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colonial Portfolio¹</td>
<td>+14%</td>
<td>+12%</td>
</tr>
<tr>
<td>CBD Market</td>
<td>+6%</td>
<td>+8%</td>
</tr>
<tr>
<td>PARIS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colonial Portfolio¹</td>
<td>flat</td>
<td>+21%</td>
</tr>
<tr>
<td>CBD Market</td>
<td>+5%</td>
<td>+1%</td>
</tr>
</tbody>
</table>

(1) ERV Growth 12 months: 4Q16 vs ERV12/15 & ERV Growth 12 months: 4Q17 vs ERV 12/16
Market
Investment Markets remain strong

> Interest for prime remains very strong
> Spread vs reference rates at healthy levels
> Rental growth main driver for future capital value growth

---

**HIGHLIGHTS**

- Investment volume of €0.7bn in line with 2016
- Lack of quality product for sale
- Prime yields around 4%
- Healthy spread of 240 bp

For **Barcelona**:

- Prime yields: 4.00%
- Spread vs 10Y Bond: 243 bp

For **Madrid**:

- Prime yields: 3.75%
- Spread vs 10Y Bond: 218 bp

For **Paris**:

- Prime yields: 3.00%
- Spread vs 10Y Bond: 221 bp

---

(1) Market consultants in Spain report gross yields and in France they report net yields

Source: JLL, CBRE & Bloomberg
Investor interest for prime product remains strong

> Significant capital value increases in recent quarters
> Colonial capital values significantly below recent transactions evidence
> Premiums on recent disposals highlight room for mark to market catch-up

### Madrid City Center (inside M30)

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>58</td>
<td>14,834</td>
</tr>
<tr>
<td>33</td>
<td>9,863</td>
</tr>
<tr>
<td>44</td>
<td>9,430</td>
</tr>
<tr>
<td>30</td>
<td>9,219</td>
</tr>
<tr>
<td>60</td>
<td>8,602</td>
</tr>
<tr>
<td>38</td>
<td>8,209</td>
</tr>
<tr>
<td>23</td>
<td>7,667</td>
</tr>
<tr>
<td>30</td>
<td>7,143</td>
</tr>
</tbody>
</table>

**CBD Transactions - Average**

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>316</td>
<td>9,371</td>
</tr>
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</table>

**Colonial Average (12/17 appraisal)**

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,772</td>
</tr>
</tbody>
</table>

(1) Assets with significant Capex to be implemented
(2) €m
(3) €/sqm

### Barcelona City Center

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>65</td>
<td>8,414</td>
</tr>
<tr>
<td>20</td>
<td>6,030</td>
</tr>
<tr>
<td>12</td>
<td>5,838</td>
</tr>
<tr>
<td>90</td>
<td>5,294</td>
</tr>
<tr>
<td>142</td>
<td>3,775</td>
</tr>
</tbody>
</table>

**CBD Transactions - Average**

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>329</td>
<td>5,870</td>
</tr>
</tbody>
</table>

**Colonial Average (12/17 appraisal)**

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,415</td>
</tr>
</tbody>
</table>

(1) Source: JLL research Q4 2017

### Paris CBD

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>50</td>
<td>24,740</td>
</tr>
<tr>
<td>128</td>
<td>21,317</td>
</tr>
<tr>
<td>32</td>
<td>19,482</td>
</tr>
<tr>
<td>80</td>
<td>19,417</td>
</tr>
<tr>
<td>62</td>
<td>19,207</td>
</tr>
<tr>
<td>462</td>
<td>18,865</td>
</tr>
<tr>
<td>408</td>
<td>17,000</td>
</tr>
<tr>
<td>108</td>
<td>15,582</td>
</tr>
<tr>
<td>114</td>
<td>14,238</td>
</tr>
<tr>
<td>24</td>
<td>13,521</td>
</tr>
</tbody>
</table>

**CBD Transactions - Average**

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,468</td>
<td>18,337</td>
</tr>
</tbody>
</table>

**Colonial Average (12/17 appraisal)**

<table>
<thead>
<tr>
<th>Price</th>
<th>Cap. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16,437</td>
</tr>
</tbody>
</table>

(1) Source: Savills-Aguirre Newman and public information

---

Price Cap. Value
Carrer de Fontanella, 6-8 65 8,414
Carrer de Fontanella, 9 20 6,030
Enric Granados, 84 12 5,838
Carrer Tanger, 66 90 5,294
Av. Diagonal, 211 - Torre Agbar 142 3,775
CBD Transactions - Average 329 5,870

Price Cap. Value
Boulevard Haussmann, 91 50 24,740
Rue de la Baume, 20 128 21,317
Rue Leroux, 4 32 19,482
Rue de Lisbonne, 44 80 19,417
Rue la Boetie, 81-85 62 19,207
Boulevard Haussmann, 6-8 462 18,865
Rue de Londres, 43-51 408 17,000
Avenue de l'Opera, 5 108 15,582
Rue Bayard, 22 114 14,238
Rue de Choiseul, 25 24 13,521
CBD Transactions - Average 1,468 18,337

---

In recent quarters, there has been a significant increase in capital value across the market. Colonial capital values are notably lower than recent transactions, indicating room for mark-to-market catch-up. Premiums on recent disposals highlight the potential for further appreciation.

Source: Savills-Aguirre Newman and public information.
03 Operational performance

Offering the better site
## Operational Performance
Prime positioning ensures strong letting performance

- More than 134,000 sq m signed in 99 transactions
- Incentives far below market average
- Healthy vacancy levels across all segments

### # Contracts | SQM Signed | GRI Secured | Incentives | EPRA Vacancy

<table>
<thead>
<tr>
<th></th>
<th># CONTRACTS</th>
<th>SQM SIGNED</th>
<th>GRI SECURED</th>
<th>INCENTIVES</th>
<th>EPRA VACANCY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>32</td>
<td>51,614</td>
<td>€11m</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>2</td>
<td>39</td>
<td>62,175</td>
<td>€18m</td>
<td>3%</td>
<td>7%</td>
</tr>
<tr>
<td>3</td>
<td>28</td>
<td>21,042</td>
<td>€18m</td>
<td>14%</td>
<td>3%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>99</td>
<td>134,831</td>
<td>€48m</td>
<td>8%</td>
<td>4%</td>
</tr>
</tbody>
</table>

(1) Annualized figures of signed contracts
(2) Incentive ratio = economic rents/ facial rents -1
(3) Financial vacancy calculated according to EPRA vacancy methodology
Operational performance
Prime positioning captures top tier clients paying maximum rents

> High quality premises attract top tier tenants
> Colonial captures rental prices at the top of the market

<table>
<thead>
<tr>
<th># CONTRACTS</th>
<th>MAX. RENT SIGNED COLONIAL</th>
<th>PRIME RENTS MARKET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BARCELONA</strong></td>
<td>32</td>
<td>23.5 €/sqm/month</td>
</tr>
<tr>
<td><strong>MADRID</strong></td>
<td>39</td>
<td>32 €/sqm/month</td>
</tr>
<tr>
<td><strong>PARIS</strong></td>
<td>28</td>
<td>850 €/sqm/year</td>
</tr>
</tbody>
</table>
03 Operational performance
Strong delivery on rental price increases

> High rental growth in every city
> Double digit release spreads in Spain

<table>
<thead>
<tr>
<th>SOLID INCREASE IN RENTAL PRICES</th>
<th>ANNUAL GROWTH ON SIGNED RENTS&lt;sup&gt;1&lt;/sup&gt;</th>
<th>RELEASE SPREAD&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4Q 17</td>
<td>FY 2017</td>
</tr>
<tr>
<td>BARCELONA</td>
<td>+16%</td>
<td>+10%</td>
</tr>
<tr>
<td>MADRID</td>
<td>+12%</td>
<td>+8%</td>
</tr>
<tr>
<td>PARIS</td>
<td>+21%</td>
<td>+8%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>+16%</td>
<td>+9%</td>
</tr>
</tbody>
</table>

(1) Signed rents vs 12/16 ERV (new lettings & renewals)
(2) Signed rents vs previous contracts (renewals)
03  Operational performance
A highly resilient tenant portfolio

> Long term relationships with high quality clients
> Strong diversification across sectors

High quality tenants

- Law firms & Consultancy
  - Allen & Overy
  - Freshfields
  - Baker McKenzie
  - McKinsey & Company
  - Schibsted

- Finance & Insurance
  - AG2R La Mondiale
  - KBL Richelieu
  - CaixaBank
  - MoneyGram
  - Natixis

- Digital & Information Technology
  - Facebook
  - Akamai
  - IBM
  - NICE
  - Tecom

- Consumer Goods & Industry
  - Bertelsmann
  - Iberia
  - Fast Retailing
  - Gas Natural
  - Coty

- Government Bodies
  - Esma
  - Proparco
  - La Caixa
  - Loterías y Apuestas del Estado
  - Sacem

- Leisure & Others
  - NH Hotels
  - TV5 Monde
  - Lagardère
03 Operational performance
Barcelona Letting Performance

BARCELONA – LETTING PERFORMANCE

Solid Performance

51,614 sq m let

> Max. rent signed 23.5 €/sqm/month
> ERV growth +10% (1)
> Release spread² +19%

New Lettings 19,890 sq m

Renewals 31,724 sq m

Strong Rental Growth

> 9,338 sq m signed in 2016

More than 10,000 sqm of pre-let in Q4 2017

> 1,348 sqm signed in Oct’17
> 8,837 sqm signed in Dec’17

Strong rental growth - Highlights

Illacuna

Glories-Diagonal

Parc Glories

+35% release spread

+38% release spread

+17% vs ERV (1)

+29% vs initial underwriting

(1) Signed rents vs 12/16 ERV (new lettings & renewals)
(2) Signed rents vs previous contracts (renewals)
MADRID – LETTING PERFORMANCE

**Solid Performance**

62,175 sq m let

- Max. rent signed: €/sqm/month
- ERV growth: +8% (1)
- Release spread: +11%

New Lettings: 20,826 sq m
Renewals: 41,348 sq m

**Strong Rental Growth - Highlights**

- **Santa Engracia**
  - +20% release spread
- **Recoletos 37-41**
  - +4% release spread
- **Alcalá 30-32**
  - +21% release spread

- **Génova 17**
  - +119% release spread (3)
- **Alfonso XII 62**
  - +28% release spread (3)
- **Castellana 43**
  - +16% vs ERV

---

(1) Signed rents vs 12/16 ERV (new lettings & renewals)
(2) Signed rents vs previous contracts (renewals)
(3) New rent vs rent of previous tenant
PARIS – LETTING PERFORMANCE

Solid Performance

21,042 sq m let

- Max. rent signed 850 €/sqm/year
- ERV growth +8% (1)
- EPRA Vacancy 3%

Renewals 2,050 sq m

New Lettings 18,992 sq m

Strong Rental Growth - Highlights

92 Champs Elysées
- +23% vs ERV

131 Wagram
- +14% vs ERV

Washington Plaza
- +14% vs ERV

9 Percier
- +9% vs ERV

Cézanne Saint-Honoré
- +5% vs ERV

Galerie des Champs-Elysées
- +49% release spread

(1) Signed rents vs 12/16 ERV (new lettings & renewals)
(2) Signed rents vs previous contracts (renewals)
03 Operational performance
Vacancy remains at healthy levels

> Barcelona fully occupied
> Madrid at 2% excluding Discovery
> Paris remains at 3%

EPRA VACANCY

BARCELONA
> Solid ongoing letting performance
> Solid take-up on CBD assets
> 22@ with strong traction

MADRID
> Discovery project delivered
> Rest of portfolio at 2%

PARIS
> Vacancy remains at 3%
> Solid letting performance
Operational performance
Colonial portfolio outperforming the market on occupancy

> Colonial with solid vacancy levels in every city
> Colonial clearly beats market average
> Levels of vacancy provide a solid base to capture rental growth
Operating Performance
Corporate Social Responsibility at the core of strategy

- Colonial with strong commitment on CSR
- CSR as base to offer long term sustainable returns

EPRA BPR Gold
3rd year in a row

EPRA SBPR Gold
2nd year in a row

Green Star rating by GRESB

2017 BREEAM Awards for SFL

ENERGY EFFICIENCY STANDARDS

93% of operating portfolio with max. energy certificates

Projects to be delivered with maximum standards
Superior risk adjusted returns
Financial performance
Strong underlying rental growth

- More than half of like for like driven by rental price increases
- Barcelona + 10% like for like with outstanding rental price impact

GROSS RENTAL INCOME - €M

(1) Like for Like calculated following EPRA BPR recommendations
(2) Includes indemnities of tenant rotation
## Financial performance

**Strong underlying rental growth**

- Strong like for like in net rental income
- High efficiency and incentives clearly below market average

### LIKE FOR LIKE VARIANCE \(^1\) – GRI & NRI

<table>
<thead>
<tr>
<th>Region</th>
<th>GRI &amp; NRI Like For Like Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td></td>
<td>Adjusted</td>
</tr>
<tr>
<td><strong>GRI TOTAL PORTFOLIO</strong></td>
<td>+4%</td>
</tr>
<tr>
<td><strong>NRI TOTAL PORTFOLIO</strong></td>
<td>+4%</td>
</tr>
<tr>
<td><strong>BARCELONA</strong></td>
<td>+10%</td>
</tr>
<tr>
<td><strong>MADRID</strong></td>
<td>+2%</td>
</tr>
<tr>
<td><strong>PARIS</strong></td>
<td>+4%</td>
</tr>
</tbody>
</table>

\(^1\) Like for like variance calculation based on EPRA best practice methodology

**GRI=** Gross Rental Income  **NRI=** Net Rental Income
**REAL ESTATE VALUE CREATION**

**Capturing optimal point in asset life cycle**

- Disposal Price: €445m
- Premium on GAV: +27%
- Implied yield: 3.7%

**SMART CAPITAL ROTATION**

**In & Out**

Value creation through disposal of a mature asset

- Reinvestment in value add project in city center
- Estimated total investment of (€245m - €265m) based on current project analysis
### Financial performance

Strong underlying growth in Asset Values

**Gross Asset Value of €9,282m (€9,741m including transfer costs)**

- +12% like for like growth in year
- Solid growth rates in every segment
- Rental price increases become relevant value driver

---

#### GAV 2017 YoY GROWTH

- **Like for Like**: +12%
- **Total Variance**: +15%

#### LIKE FOR LIKE VARIANCE

<table>
<thead>
<tr>
<th></th>
<th>Total Variance</th>
<th>Price &amp; others</th>
<th>Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barcelona</td>
<td>+11%</td>
<td>+8%</td>
<td>+3%</td>
</tr>
<tr>
<td>Madrid</td>
<td>+11%</td>
<td>+7%</td>
<td>+4%</td>
</tr>
<tr>
<td>Paris</td>
<td>+13%</td>
<td>+2%</td>
<td>+10%</td>
</tr>
</tbody>
</table>

**LIKE FOR LIKE**: +12%

---

(1) Includes the asset portfolio of shares in Madrid without taking into consideration the share in Axiare
Financial performance
Strong underlying growth in Asset Values

VALUE CREATION THROUGH PRIME PRODUCT IN SPAIN

GAV increase of €110m YoY in 8 assets

(1) 2017 YoY GAV growth in %
Financial performance
Strong underlying growth in Asset Values

VALUE CREATION THROUGH PRIME PRODUCT IN PARIS

GAV increase of +€500m YoY in 8 assets

Cézanne St. Honoré
+11%

Washington Plaza
+10%

Edouard VII
+11%

92 Champs Elys
+17%

Galeries Champs Elys
+39%

90 Champs Elys
+17%

#Cloud
+6%

Condorcet
+16%

(1) 2017 YoY GAV growth in %
Financial performance | Positive momentum in earnings

Significant increase in Group Net Profit through:
- Delivery of strong increase in Gross Rental Income
- Solid asset value growth through active real estate management
- Savings in financing costs & positive SOCIMI impact in taxes

STRONG TOP & BOTTOM LINE PERFORMANCE

GROSS RENTAL INCOME

<table>
<thead>
<tr>
<th>Year</th>
<th>€m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>271</td>
</tr>
<tr>
<td>2017</td>
<td>283</td>
</tr>
</tbody>
</table>

+4% LFL

RECURRING EARNINGS

<table>
<thead>
<tr>
<th>Year</th>
<th>€m</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>68</td>
</tr>
<tr>
<td>2017</td>
<td>83</td>
</tr>
</tbody>
</table>

+22%

EARNINGS PER SHARE

<table>
<thead>
<tr>
<th>Year</th>
<th>€/share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.189</td>
</tr>
<tr>
<td>2017</td>
<td>0.215</td>
</tr>
</tbody>
</table>

+14%

Profit & Loss Account

Results analysis - €m

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
<th>Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Rents</td>
<td>283</td>
<td>271</td>
<td>4%</td>
</tr>
<tr>
<td>Net operating expenses(^1)</td>
<td>(16)</td>
<td>(15)</td>
<td></td>
</tr>
<tr>
<td>Overheads</td>
<td>(37)</td>
<td>(36)</td>
<td></td>
</tr>
<tr>
<td>Recurring EBITDA</td>
<td>229</td>
<td>220</td>
<td></td>
</tr>
<tr>
<td>Recurring financial result</td>
<td>(77)</td>
<td>(80)</td>
<td></td>
</tr>
<tr>
<td>Income tax expense &amp; others - recurring</td>
<td>(10)</td>
<td>(12)</td>
<td></td>
</tr>
<tr>
<td>Minority interests - recurring</td>
<td>(59)</td>
<td>(61)</td>
<td></td>
</tr>
<tr>
<td>Recurring Earnings</td>
<td>83</td>
<td>68</td>
<td>22%</td>
</tr>
<tr>
<td>Asset revaluation</td>
<td>921</td>
<td>554</td>
<td>66%</td>
</tr>
<tr>
<td>Non-recurring financial result &amp; MTM</td>
<td>(2)</td>
<td>(25)</td>
<td></td>
</tr>
<tr>
<td>Income tax &amp; others - non-recurring</td>
<td>20</td>
<td>(98)</td>
<td></td>
</tr>
<tr>
<td>Minority interests - non-recurring</td>
<td>(338)</td>
<td>(225)</td>
<td></td>
</tr>
<tr>
<td>Profit attributable to the Group</td>
<td>683</td>
<td>274</td>
<td>149%</td>
</tr>
</tbody>
</table>

(1) Includes other income
04 Financial performance
Active Balance Sheet Management

> Proactive management of capital structure
> Providing a solid balance sheet with sufficient flexibility

ABB – €253m
> **Capital increase** of €253m
> Price of 7.1 €/share in line with trading price
> Neutral to reported NAV

Bond issuance - €800m
> Two tranches bond issuances
> Average Maturity: 9.5yrs
> All in cost: below 2%

ABB - €416m
> **Capital increase** of €338m
> Price: 7.9 €/sh., premium of 2% over share price
> €78m of **sale of treasury shares**

**Rating Upgrade**
> **Improvement** of Colonial rating to BBB by S&P
> Improvement of SFL rating to BBB+ by S&P
> Baa2 by Moody’s

**SOCIMI / REIT conversion**
> Enhancement of EPS
> Access to “REIT” only investors **enhancing liquidity**

**IBEX inclusion**
> Spanish **Blue-Chip index**
> Improvement of liquidity
Financial performance
A solid capital structure

> An unparalleled high quality collateral diversified in three cities
> A financial structure with solid LTV levels
> A strong credit profile with competitive costs

A FIRST CLASS COLATERAL WITH...

€9bn well diversified high quality assets

<table>
<thead>
<tr>
<th></th>
<th>76% CBD</th>
<th>93% BREEAM /LEED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barcelona</td>
<td>43%</td>
<td>41%</td>
</tr>
<tr>
<td>Madrid</td>
<td>41%</td>
<td>42%</td>
</tr>
<tr>
<td>Paris</td>
<td>17%</td>
<td>43%</td>
</tr>
</tbody>
</table>

Available cash & undrawn balances

<table>
<thead>
<tr>
<th></th>
<th>Spain</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>€1,651m</td>
<td>€776m</td>
</tr>
<tr>
<td>Total</td>
<td>€2,427m</td>
<td></td>
</tr>
</tbody>
</table>

Debt Maturity

<table>
<thead>
<tr>
<th></th>
<th>Spain</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>6.4 years</td>
<td>4.1 years</td>
</tr>
<tr>
<td>Total</td>
<td>5.5 years</td>
<td></td>
</tr>
</tbody>
</table>

...SOLID CAPITAL STRUCTURE

<table>
<thead>
<tr>
<th>LTV Group</th>
<th>Cost of Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>43%</td>
<td>3.31%</td>
</tr>
<tr>
<td>42%</td>
<td>2.27%</td>
</tr>
<tr>
<td>41%</td>
<td>1.96%</td>
</tr>
<tr>
<td>31%</td>
<td>1.86%</td>
</tr>
</tbody>
</table>

Easy access to bond market

> More than € 3.3bn issued
> 6 issuances in the last 3 years

(1) Including €1,034m, as guarantee for the takeover bid for Axiare Patrimonio, SOCIMI, S.A.
04 Financial performance
Superior Risk Adjusted Returns

+21% Total Shareholder Return
> EPRA NAV of 8.60 €/share, +19%
> Highest total return in Spain since recap. of the sector

Strong Momentum in NAV Growth

Total Shareholder Return

Total Shareholder Return = NAV growth per share + dividends

NAV Growth per share: +19% in FY 2017, +92% in 6/14 – 12/17
Dividend paid per share: +2% in FY 2017, +7% in 6/14 – 12/17
Total Return per share: +21% in FY 2017, +99% in 6/14 – 12/17

Attributable GAV net of Capex:
- EPRA NAV 12/2015: €2,587m
- EPRA NAV 12/2017: €3,744m
Financial performance
“Alpha” as significant driver in value creation

Total Shareholder Return 2017 relies on “Alpha”

> More than half of the NAV growth per share through “Alpha” strategies
> High double digit shareholder return with one of the lowest LTVs among peers

TOTAL SHAREHOLDER RETURN

€/share

TOTAL SHAREHOLDER PER SHARE

Real Estate Transformation

+6%

Rental Price Increase

+7%

Market Yield\(^1\) Compression

+6%

Dividend per share

+2%

Total Return per share

+21%

Attributable GAV net of Capex

1) Net of other impacts
2) Includes SFL dividend payment to SFL partners in France
Financial performance
Share price follows fundamental value

> Share price driven by solid delivery of fundamentals
> Capital markets recognize successful execution of Business Plan & NAV growth

SOLID DELIVERY RECOGNISED BY CAPITAL MARKETS

1. Alpha II
2. 2016 Results, SFL
3. 2016 Results, Colonial
4. Rating upgrade, S&P
5. 1Q17 Results, Colonial
6. Capital Increase
7. SOCIMI announcement
8. IBEX35 Inclusion
9. AGM – SOCIMI approval
10. 1H17 Results, Colonial
11. 3Q17 Results, Colonial & OPA Axiare
12. Capital Increase

Share price driven by solid delivery of fundamentals
Capital markets recognize successful execution of Business Plan & NAV growth
A solid base for future growth
**Growth drivers**

A solid base for growth

<table>
<thead>
<tr>
<th>GROWTH DRIVER</th>
<th>KPIs</th>
<th>ADDITIONAL GRI&lt;sup&gt;1&lt;/sup&gt;</th>
<th>ATTRACTIVE TIMING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong> Capturing Reversion</td>
<td>Spain: 74% of contracts due in 3 years&lt;br&gt;France 52% of contracts due in 3 years</td>
<td>€33m</td>
<td>ADDEDAL UPSIDE</td>
</tr>
<tr>
<td><strong>2</strong> Project pipeline</td>
<td>11 Projects&lt;br&gt;GLA of more than 240,000 sqm&lt;sup&gt;(4)&lt;/sup&gt;</td>
<td>€71m</td>
<td>FROM MARKET</td>
</tr>
<tr>
<td><strong>3</strong></td>
<td>43 Assets&lt;br&gt;26 Grade A Office Assets&lt;br&gt;GLA of more than 841,061&lt;sup&gt;(3)&lt;/sup&gt; sqm</td>
<td>€102m&lt;sup&gt;(2)&lt;/sup&gt;</td>
<td>RENTAL GROWTH</td>
</tr>
</tbody>
</table>

---

<sup>(1)</sup> Potential topped up GRI

<sup>(2)</sup> Potential topped up GRI as of 6/2017

<sup>(3)</sup> Including offices, logistics and other assets

<sup>(4)</sup> Projects & partial refurbishments on operating assets
Growth drivers

1. Colonial well positioned to capture reversion

- Attractive rent roll profile with prime exposure to growth markets
- Double digit release spreads capturing reversion from under-rented contract portfolio
- Strong static price reversion as of 12/17 to be enhanced with market rental growth

SOLID POSITIONING IN GROWING MARKETS

COMMERCIAL LEASE EXPIRY DATES
First potential exit as of 12/17

CONTRACT PORTFOLIO

Release Spread captured 2017

Static upside 12/17

BARCELONA +19% +12%

MADRID +11% +8%

PARIS flat +4%

1) New rents signed vs previous
2) Market rents vs current passing rents as of 12/17 without including future rental growth
Growth drivers

Project pipeline

- Discovery
- Príncipe de Vergara
- Plaza Europa 34
- M Álvaro Office Scheme
- M Álvaro Campus
- Castellana 163

2018
- Parc Glories
- Gala Placidia
- Iena

2019

2020

2021

>2022
- Emile Zola
- Louvre St.Honoré
**Growth drivers**

**Project pipeline**

**Barcelona Projects**

**GLA of 43,169 sq m**

**Ungeread IRR 8-9%**

---

**Parc Glories**

**80% PRE LET**

---

**Gala Placidia**

**Plaza Europa**

---

**FINAL PRODUCTS - KPIs**

- **Total Cost**$^1$: €126m
- **Capital Value**: 2,900 €/sqm
- **Yield on Cost**: 7-8%

---

**BARCELONA PRIME MARKET**

- **Capital Value**: 6,975 €/sqm
- **Prime Yield**: 4%

---

(1) Acquisition cost + Capex
(2) 10 year ungeared IRR
05 Growth drivers

2 Project pipeline

Madrid Projects

GLA of 141,168 sq m
Ungeared IRR 8-9%²

Discovery

Príncipe de Vergara

Castellana 163

Méndez Álvaro Campus

Méndez Álvaro Office Scheme

FINAL PRODUCTS - KPIs

- Total Cost: €495m
- Capital Value: 3,500 €/sqm
- Yield on Cost: >7%

PRIME MARKET

- Capital Value: 10,000 €/sqm
- Prime Yield: 3.75%

(1) Acquisition cost + Capex
(2) 10 year ungeared IRR
Paris Projects

GLA of 49,300 sq m
Ungeared IRR >> 7%²

**Emile Zola**

**Iéna**

**Louvre St. Honoré**

---

**FINAL PRODUCTs - KPIs**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cost¹</td>
<td>€536m</td>
</tr>
<tr>
<td>Capital Value</td>
<td>11,000 €/sqm</td>
</tr>
<tr>
<td>Yield on Cost</td>
<td>&gt;6%</td>
</tr>
</tbody>
</table>

---

**PARIS PRIME MARKET**

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Value</td>
<td>25,800 €/sqm</td>
</tr>
<tr>
<td>Prime Yield</td>
<td>3%</td>
</tr>
</tbody>
</table>

---

¹ Acquisition cost or GAV at start of the project + Capex
² 10 year ungeared IRR
Growth drivers

3 Axiare acquisition

Acceleration of Colonial’s Business Plan

Creation of a leader in offices

> More than €10bn of GAV

> GLA of 1.9 million sq m

> Potential GRI of more than €508m

> Consolidation in Spain with enhanced Madrid exposure

> Unparalleled offer of Grade A Products

> Value enhancement through synergies

Successful takeover bid

Full capital markets support for Colonial

<table>
<thead>
<tr>
<th>1</th>
<th>Announcement takeover bid</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Prospectus approval CNMV</td>
</tr>
<tr>
<td>3</td>
<td>Start of acceptance period</td>
</tr>
<tr>
<td>4</td>
<td>Opinion Board of Axiare</td>
</tr>
<tr>
<td>5</td>
<td>Alpha III</td>
</tr>
<tr>
<td>6</td>
<td>End of acceptance period</td>
</tr>
<tr>
<td>7</td>
<td>SFL 2017 Results</td>
</tr>
</tbody>
</table>

13/11/17

€7.5/share

23/02/18

€9.0/share

+19%
05 Growth drivers
A strong growth profile

> Potential GRI of more than 500 €m
> Reversion relies on solid delivery on Alpha with current rental prices
> Additional potential through market momentum and ongoing growth initiatives

Passing GRI \(^1\) – Uplift Potential (€m)

<table>
<thead>
<tr>
<th>Portfolio in Operation</th>
<th>Topped-up Initial Yield(^4)</th>
<th>High reversionary potential at current ERVs(^5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barcelona</td>
<td>4.4%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Madrid</td>
<td>3.9%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Paris</td>
<td>3.2%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

Project Portfolio
Yield on Cost ≥ 7%
Transformation to final product

\(^1\) Topped-up passing GRI
\(^2\) Cap rate for exit value in 10Y DCF valuation
\(^3\) Market analysts in Spain report gross yields and in France net yields

\(^4\) Topped-up Initial Gross Yield for Spain & Net Yield for Paris
\(^5\) 12/17 ERV Gross Yield for Gross & Net Yield for Paris with full reversion (100% occupied and at current market rent)
Mainly off market transactions
> High value added components
> City center locations with strong fundamentals

**INVESTMENTS SINCE 2015 - €m**

<table>
<thead>
<tr>
<th>Year</th>
<th>Value Add</th>
<th>Off-market</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisitions 2015</td>
<td>52%</td>
<td>38%</td>
</tr>
<tr>
<td>Alpha I 2016</td>
<td>51%</td>
<td>87%</td>
</tr>
<tr>
<td>Alpha II 2017</td>
<td>89%</td>
<td>21%</td>
</tr>
<tr>
<td>Alpha III 2018</td>
<td>76%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Close to €2.0bn of organic acquisitions

I. Attractive entry prices through off-market sourcing
II. Prime Factory opportunities
III. Markets with solid growth profile

Above average risk adjusted returns

Full delivery maintaining investment discipline
Conclusion
Conclusion

SOLID OPERATIONAL PERFORMANCE

> More than 134,000 sq m let with top tier clients
> Very healthy vacancy levels at 4%
> Strong growth in rental prices - double digit release spreads
  ✓ Setting the benchmark in Prime
  ✓ Driving GRI growth
  ✓ Driving Capital Value growth

STRONG FINANCIALS

> Solid like-for-like growth in rental income driven by price increases
> Healthy growth profile underpinned by high quality asset base
> Strong Alpha component of returns
> Active balance sheet management optimizing capital structure
> Strong top & bottom line performance
CONFIDENT OUTLOOK

Solid delivery on Business Plan as base for future growth

> CBD markets and Colonial portfolio with solid growth perspectives
> Colonial best positioned to capture rental cycle
> Significant value creation through attractive project pipeline
> Axiare accelerating Colonial’s Business Plan
> Strategy with superior risk adjusted returns

DIVIDEND GUIDANCE

Dividend proposal of 0.180 €/share subject to AGM approval

¹ Dividend Proposal charged against 2017 Results and subject to AGM in 2018
Positive momentum in earnings

High double digit profit increase based on high quality growth drivers

1. Solid GRI increase
2. Optimized financing through active liability management

PROFIT & LOSS ACCOUNT

GROSS RENTAL INCOME

<table>
<thead>
<tr>
<th>Year</th>
<th>€m</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>271</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>283</td>
<td>+4% LFL</td>
</tr>
</tbody>
</table>

NET PROFIT

<table>
<thead>
<tr>
<th>Year</th>
<th>€m</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>274</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>83</td>
<td>+149%</td>
</tr>
</tbody>
</table>

FFO per share\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>€/share</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.205</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>0.220</td>
<td>+8%</td>
</tr>
</tbody>
</table>

\(^1\) Recurring net result excluding amortizations and accrual of the incentive plan
Gross Asset Value of €9,282m (€9,741m including transfer costs)
> +12% like for like growth in year (+6% like for like in 12 months)
> Solid growth rates in every segment
> Significant value growth through real estate transformation
Important value potential through Re-Rating to current market

> Colonial valuation yields still above market levels
> Colonial capital values significantly below recent transactions evidence
> Full impact of rental growth still to come through

APPENDICES
Attractive valuation levels of current portfolio

VALUATION YIELDS (1)

<table>
<thead>
<tr>
<th>Location</th>
<th>Type</th>
<th>6M LfL Yield compression</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Colonial</td>
<td>4.92%</td>
</tr>
<tr>
<td></td>
<td>Prime CBD</td>
<td>4.00%</td>
</tr>
<tr>
<td></td>
<td>Bond ESP</td>
<td>1.57%</td>
</tr>
<tr>
<td></td>
<td>Colonial</td>
<td>4.55%</td>
</tr>
<tr>
<td></td>
<td>Prime CBD</td>
<td>3.75%</td>
</tr>
<tr>
<td></td>
<td>Bond ESP</td>
<td>1.57%</td>
</tr>
<tr>
<td></td>
<td>Colonial</td>
<td>3.26%</td>
</tr>
<tr>
<td></td>
<td>Prime CBD</td>
<td>3.00%</td>
</tr>
<tr>
<td></td>
<td>Bond FR</td>
<td>0.79%</td>
</tr>
</tbody>
</table>

CAPITAL VALUE 12/2017 - €/sq m

<table>
<thead>
<tr>
<th>Location</th>
<th>Colonial</th>
<th>Market</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,415</td>
<td>6,975</td>
</tr>
<tr>
<td></td>
<td>5,772</td>
<td>10,000</td>
</tr>
<tr>
<td></td>
<td>16,437</td>
<td>25,833</td>
</tr>
</tbody>
</table>

(1) Market consultants in Spain report gross yields and in France they report net yields
APPENDICES

A solid capital structure

A high quality collateral underpinned with a solid financial structure

- An unparalleled high quality collateral diversified in three cities
- A solid finance structure with competitive financing costs
- A strong credit profile

A FIRST CLASS COLATERAL

More than €9bn of high quality assets

1. Strong CBD exposure with prime product
2. Highest sustainability standards
3. Adequate diversification

A SOLID FINANCIAL STRUCTURE

<table>
<thead>
<tr>
<th>Capital Structure</th>
<th>31/12/2016</th>
<th>31/12/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Debt Spain</td>
<td>1.96%</td>
<td>1.98%</td>
</tr>
<tr>
<td>Cost of Debt Group</td>
<td>1.96%</td>
<td>1.86%</td>
</tr>
<tr>
<td>Maturity Spain</td>
<td>6.0 years</td>
<td>6.4 years</td>
</tr>
<tr>
<td>Maturity Group</td>
<td>5.0 years</td>
<td>5.5 years</td>
</tr>
<tr>
<td>Cash</td>
<td>€105m</td>
<td>€1,105m</td>
</tr>
<tr>
<td>Undrawn balances</td>
<td>€768m</td>
<td>€1,322m</td>
</tr>
<tr>
<td>Group LTV</td>
<td>41%</td>
<td>31%</td>
</tr>
<tr>
<td>% Debt fixed or hedged</td>
<td>82%</td>
<td>90%</td>
</tr>
</tbody>
</table>

Strong credit profile with solid investment grade rating

Rating Standard & Poor’s
BBB Stable Outlook

Rating Moody’s
Baa2 Negative Outlook

![Diagram showing capital structure and financial metrics](image)
## Total Shareholder Return - Colonial (since June 2014)

<table>
<thead>
<tr>
<th>Date</th>
<th>€/share</th>
<th>Return per share</th>
<th>Group LTV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NAV</td>
<td>Dividend</td>
<td>NAV + Div</td>
</tr>
<tr>
<td>06-14</td>
<td>4.49</td>
<td>0</td>
<td>4.49</td>
</tr>
<tr>
<td>12-14</td>
<td>4.77</td>
<td>0</td>
<td>4.77</td>
</tr>
<tr>
<td>12-15</td>
<td>6.16</td>
<td>0</td>
<td>6.16</td>
</tr>
<tr>
<td>12-16</td>
<td>7.25</td>
<td>0.150</td>
<td>7.40</td>
</tr>
<tr>
<td>12-17</td>
<td>8.60</td>
<td>0.165</td>
<td>8.77</td>
</tr>
</tbody>
</table>

**Total Return since 6/14 (NAV per share growth + dividends)**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividend Return</td>
<td>7%</td>
</tr>
<tr>
<td>NAV growth</td>
<td>92%</td>
</tr>
</tbody>
</table>
**APPENDICES**
Project pipeline and value-add programme

**A very attractive Project pipeline**
> Significant amount of additional rental income for the coming years
> Additional value creation through created yield compression
> Top product at optional market timing

### PROJECTS AND REFURBISHMENTS

<table>
<thead>
<tr>
<th>Project Name</th>
<th>GLA (1)</th>
<th>2017 YTD</th>
<th>2017-18</th>
<th>2019-22</th>
</tr>
</thead>
<tbody>
<tr>
<td>Príncipe de Vergara, 112</td>
<td>11,368</td>
<td>[Cézanne St. H.]</td>
<td>[P. Vergara 112]</td>
<td>[Castellana 163]</td>
</tr>
<tr>
<td>Méndez Alvaro 1</td>
<td>89,871</td>
<td>[E. Calderón 3-5]</td>
<td>[Emile Zola 112-122]</td>
<td>[Emile Zola 112-122]</td>
</tr>
<tr>
<td>Méndez Alvaro 2</td>
<td>20,275</td>
<td>[Parc Glòries]</td>
<td>[Parc Glories]</td>
<td>[Parc Glories]</td>
</tr>
<tr>
<td>Parc Glòries</td>
<td>24,551</td>
<td>[Castellana 43]</td>
<td>[Plz.Europa 34]</td>
<td>[Plz.Europa 34]</td>
</tr>
<tr>
<td>Louvre Saint Honoré</td>
<td>16,000</td>
<td>[Plz. Europa 34]</td>
<td>[Méndez Alvaro campus]</td>
<td>[Méndez Alvaro campus]</td>
</tr>
<tr>
<td>Plaza Europa, 34</td>
<td>14,306</td>
<td>[Iena]</td>
<td>[Iena]</td>
<td>[Iena]</td>
</tr>
<tr>
<td>112 – 122 Avenue Emile Zola</td>
<td>24,000</td>
<td>[Cezanne Placidia (acq. 2018)]</td>
<td>[Louvre Saint Honoré]</td>
<td>[Louvre Saint Honoré]</td>
</tr>
<tr>
<td>Iena</td>
<td>9,300</td>
<td>[Castellana 163]</td>
<td>[Méndez Alvaro oficinas]</td>
<td>[Méndez Alvaro oficinas]</td>
</tr>
<tr>
<td>Cezanne Saint Honoré</td>
<td>1,787</td>
<td>[Champs Elysees 92]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Torre BCN</td>
<td>1,600</td>
<td>[Champs Elysees 92]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parc Central 22@</td>
<td>14,737</td>
<td>[Champs Elysees 92]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Areas</td>
<td>2,743</td>
<td>[Champs Elysees 92]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gal-la Placidia 1-3 (acq. 2018)</td>
<td>4,285</td>
<td>[Champs Elysees 92]</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **Total**                                        | **245,733** | **€14m** | **€57m** |
| **Capex program €m**                             | **€490m** |

(1) GLA above ground
(2) Figures as of 12/17 considering only marginal rental increases to passing rents on partial surface repositioning, excluding Discovery delivered in 12/17.
(3) Figures as of 12/17 adding Gal-la Placidia (acquired in 1/18) and excluding the development of Parc Central as well as marginal rental increases to passing rents on partial surface repositioning of Castellana 163. Not including impact of Iena project (currently in initial study phase)
(4) Excluding Parc Central development

**Additional Gross Rental Income**

<table>
<thead>
<tr>
<th><strong>2017-18</strong></th>
<th><strong>2019-22</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield on cost Spain &gt; 7%</td>
<td>Yield on cost France &gt; 6%</td>
</tr>
</tbody>
</table>

**Final Product**

- Created rental uplift & created yield compression
- Prime product to capture market recovery