

Strong support from debt markets to long term financing

Colonial successfully places a bond issuance of €800 million

- The markets once again support Colonial, with a demand that has exceeded in almost 3x the volume of the issue
- The issue has been structured in two tranches: €500m with 8 years maturity and €300m with 12 years maturity
- The net amount of the issue will provide liquidity to reinforce the Company's investment plan and the eventual acquisition of shares of Axiare
- The support of the market to long term tranches endows the financial stability of Colonial

Barcelona, 21 of November 2017. Today Colonial successfully closed two issuance of senior unsecured notes (bonds) for the total nominal amount of 800 million euros structured in two tranches; 500 million euros with an 8 year maturity, due date 28 November 2025, and 300 million euros with a 12 year maturity, due date 28 de November 2029. The demand has exceeded the volume of the issue in almost 3x. The bonds will accrue an annual coupon of 1.625% for the 8 year tranche, and 2.5% for the 12 year tranche, payable annually in arrears. This structure adds a new financing with an average of 9.5 year maturity to the Colonial group with a resulting financial cost of 1.95%.

The Company expects to use the net proceeds of the issuance for the general corporate purposes of Colonial, including the financing of new investments as well as the eventual acquisition of shares of Axiare according to the transaction announced last Monday 13th of November.

"The result of this issuance highlights capital markets support of Colonial's successful value creation strategy and acknowledges the good positioning of the Company", says Pere Viñolas, CEO of Colonial.

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