



## Colonial announces the repurchase of bonds set to mature in 2019

- The pending nominal cost of the original bond issuance amounts to €375 million
- The average maturity of the debt improves to over 6 years
- The operation improves the short-term Recurring Profit of Colonial

**Madrid, July 12, 2018** - Colonial has announced the early repurchase of a bond issuance with a maturity in 2019, for a nominal amount of €375 million. With this operation, Colonial manages to improve its gross leverage and debt coverage ratios (ICR), in addition to reducing its financial costs and lengthening the average maturity of its debt in an interest rate environment with historical lows. In addition, with the repurchase of the aforementioned bond issuance, the company will substantially improve its recurring net profit in the short term.

After this operation, the Colonial Group will maintain net debt of approximately €4.2 billion, with a financing cost of around 2% and an average life of more than 6 years. The Group's liquidity amounts to more than €2,000 million, which allows Colonial to carry out its Strategic Plan for the coming years.

This announcement assumes the total cancelation of the 2015 bond issuance that had an original nominal issuance amount of €750 million. This issuance signified the beginning of Spanish real estate companies issuing "Investment Grade" bonds.

"With this early amortization, Colonial proves once again its capacity to create value for its shareholders through the active management of the balance sheet while at the same time maintaining a solid financial structure over the long term, with sufficient liquidity to continue financing the Strategic Plan," explains Carmina Ganyet, Corporate Managing Director at Colonial.



### About Colonial

Colonial is a Spanish listed REIT company (SOCIMI), leader in the European Prime office market with presence in the main business areas of Barcelona, Madrid and Paris with a prime office portfolio of more than one million of sqm of GLA and assets under management with a value of more than €10bn.

"The information included in this document has not been verified or revised by the external auditors of Colonial. In this sense, the information is subject to and should be read together with all of the public information available, at the CNMV as well as the Company's website [www.inmocolonial.com](http://www.inmocolonial.com)."

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