

S&P confirms Colonial's credit rating at 'BBB+' with stable outlook

- The rating agency considers the value generation of the Spanish SOCIMI portfolio and its financial strength in a rising interest rate environment
- Colonial, funded 100% with green bonds, leads the IBEX in ESG matters

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Standard & Poor's rating agency has confirmed Colonial's credit rating at 'BBB+' with a stable outlook, based on the value generation of its portfolio and its prudent financial policy.

In its assessment, S&P highlights the business model of the Spanish SOCIMI, the European leader in the prime office segment, with a portfolio concentrated in the best locations in Paris, Madrid and Barcelona, and assets with high sustainability standards.

The rating agency points out that the quality of the portfolio provides high demand in markets with low supply, resulting in high occupancy levels and rent increases, also due to a portfolio of prime clients. Moreover, Colonial is making divestments in line with the latest valuations.

On the other hand, S&P highlights Colonial's prudent financial policy, and especially the pre-hedge portfolio, which is reflected in a controlled financial cost in a rising interest rate environment. The rating agency also appreciates the high liquidity of the Group, which as of December 31, 2023, exceeded €2,9 billion, and expects that Colonial will be able to reduce its debt through its divestment plan and income growth.

Colonial was the first Spanish real estate company to obtain an investment grade rating. S&P granted it in 2015, and since 2018 it has placed the SOCIMI in the 'BBB+' segment uninterruptedly, even during the pandemic, when Colonial maintained its credit rating in a context of downward revision of the sector.

Green Financing

Colonial was also the first Ibex-35 company to transform all its bonds into green bonds, in an environment in which companies' awareness of sustainability is becoming increasingly relevant. This type of debt is intended to finance "green assets", as the Group's real estate portfolio is characterized by its certifications of excellence in sustainability.

Along these lines, Colonial's commitment to sustainability is reflected in its leading position in benchmark international rankings. In the latest annual evaluation by Sustainalytics, a Morningstar subsidiary, Colonial has obtained the best ESG score on the IBEX 35 and one of the best globally, and for the last three years has held the highest CDP (Carbon Disclosure Rating), being the only real estate company based in Spain with this rating.

About Colonial

Colonial Group is a SOCIMI listed on the Spanish stock exchange, leader in the prime office market in Europe, present in the main business areas of Barcelona, Madrid and Paris with a prime office portfolio totalling more than 1 million sqm and a market value of more than €11,000m.



"The information contained in this document should be read in conjunction with all publicly available information, in particular the information available on Colonial's website www.inmocolonial.com."

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