

Colonial

# 2025 First Quarter Results

May 8th, 2025





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# Agenda

**01** Highlights

**02** Financial Performance

**03** Portfolio Management

**04** Future Growth

# Our Strategic Positioning is set to deliver earnings and value growth

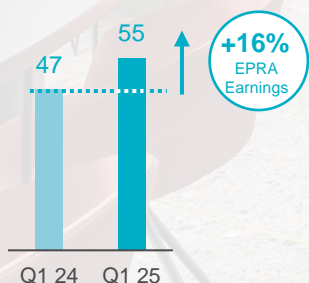
*Prime Asset Class delivers strong rental growth through superior pricing power*

## The Prime Asset Class delivers superior growth

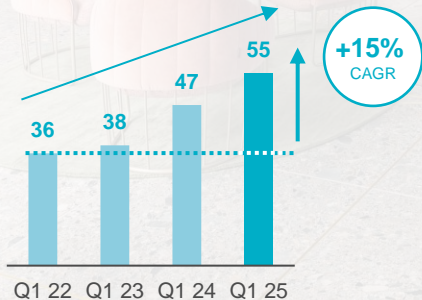
- **Pricing power** on the back of Prime CBD locations with strong connectivity, large efficient floor plates and amenities
- We **attract the best clients** and capture **above average rental growth** with our skills and capabilities
- **Strong earnings growth** on the back of a multi-layer growth platform

*Superior EPRA Earnings growth*

**Double Digit YoY growth**



**Double digit 3-year CAGR growth**



*Colonial to continue serving its clients' needs through Urban Transformation*

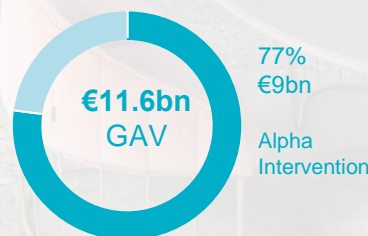
## Colonial product evolves with its environment

- **Cities are evolving** with new uses and regulations
- **Top clients require specific asset characteristics** and willing to pay above market rents
- New urban ecosystems to work & live & play – enhanced urban life-style experiences in attractive European cities

*Committed to Urban Transformation to Build Enduring Partnerships*

**Urban Transformation defines our portfolio**

**Best Clients targeting Prime assets**





## The strength of the Prime Asset Class delivers robust results

### Revenues

GRI - Group  
**€97m**

**+4%**  
*Like for  
Like*

NRI - Group<sup>3</sup>  
**€89m**

**+5%**  
*Like for  
Like*

### Release Spread<sup>1</sup>

Group

**+11%**

Paris  
Portfolio

**+20%**

### Rental Growth<sup>2</sup>

Group

**+7%**

Madrid  
Portfolio

**+9%**

### EPRA Earnings

EPRA Earnings  
**€55m**

**+16%**

EPRA EPS  
**€9Cts**

*Flat  
Guidance  
on track*

1) Signed rents vs. previous contracts & re-let office spaces

2) ERV Growth for Colonial commercial effort .Signed rents vs 12/24 ERV (new lettings & renewals).

3) Recurring Net Rental income

# The Best Prime Product delivers outperformance on rental growth

## Paris

Rental Growth<sup>1</sup>



Net Rental Income LfL



## Madrid

Rental Growth<sup>1</sup>



Net Rental Income LfL



## Barcelona

Rental Growth<sup>1</sup>



Net Rental Income LfL



1) ERV Growth for Colonial letting performance. Signed rents vs 12/24 ERV (new lettings, renewals & relet)





01 Highlights

02 Financial Performance

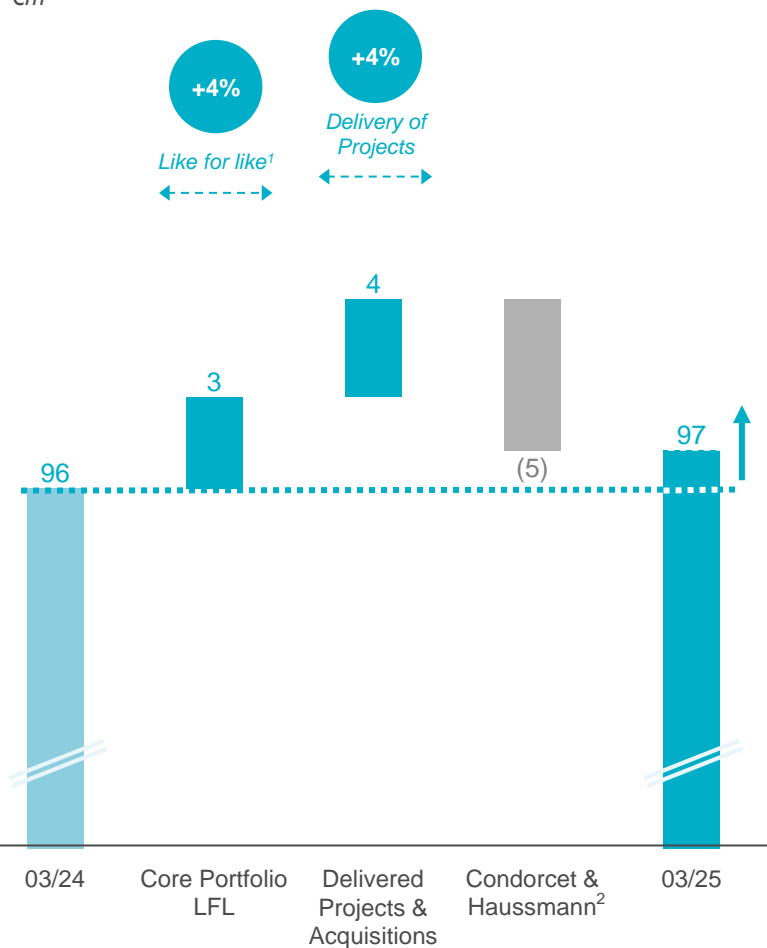
03 Portfolio Management

04 Future Growth

# Gross Rental Income growth on the back of Core Portfolio & Project deliveries

## Gross Rental Income Variance

€m



## Gross Rental Income Growth (%)

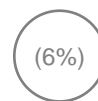
Core Portfolio  
Like for like



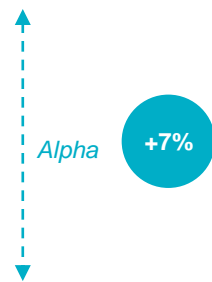
Delivered Projects  
& Acquisitions



Condorcet & Haussmann<sup>2</sup>



GRI Total Increase

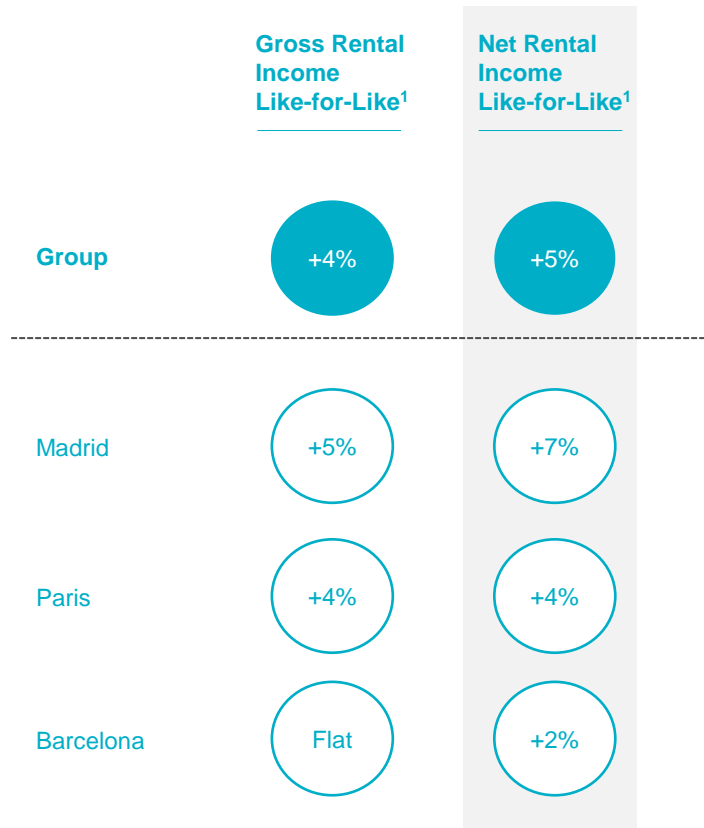


1) Like-for-like calculated following EPRA BPR recommendations  
 2) Includes Condorcet & Haussmann entries into refurbishment as well as small other non like for like impacts



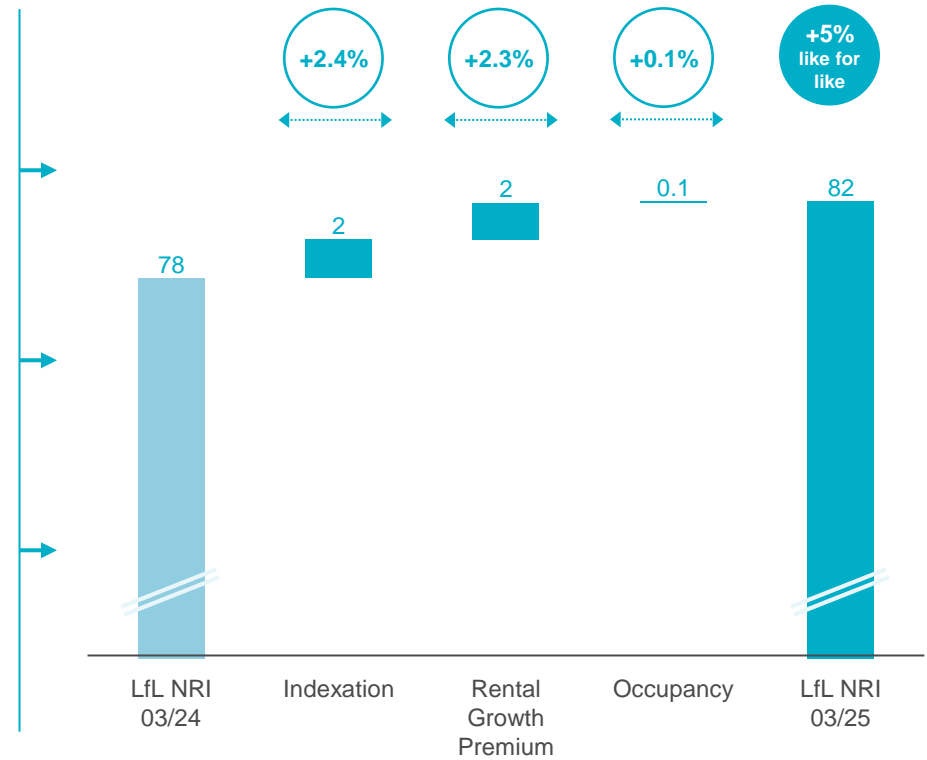
# Solid Gross Rental Income like for like growth through superior pricing power

Rental Income Variance



Net Rental Income Like for Like (%)

€m

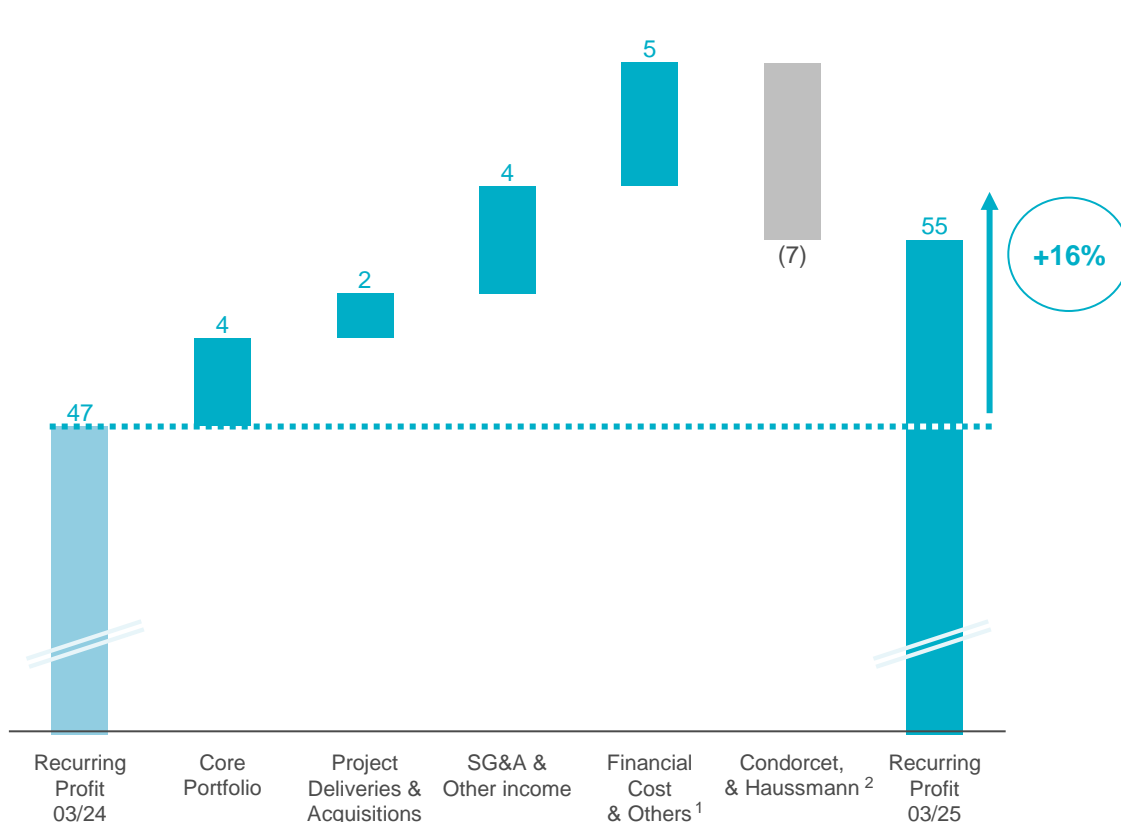


1) Like-for-like calculated following EPRA BPR recommendations

# High earnings growth driven by strong operations

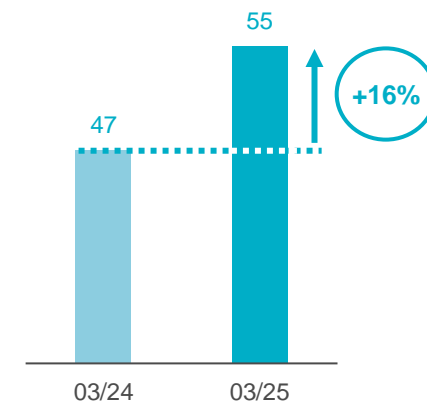
EPRA Earnings Variance

€m



EPRA Earnings

€m



EPRA EPS 03/25 flat  
2025 EPS Guidance on track

1) Includes taxes, minorities of SFL & others

2) Includes Condorcet & Haussmann entries into refurbishment as well as small other non like for like impacts



# Investor demand and ratings endorse Colonial's robust capital structure

## Highly successful refinancing: €500m Green Bond Issuance at 3.25% coupon

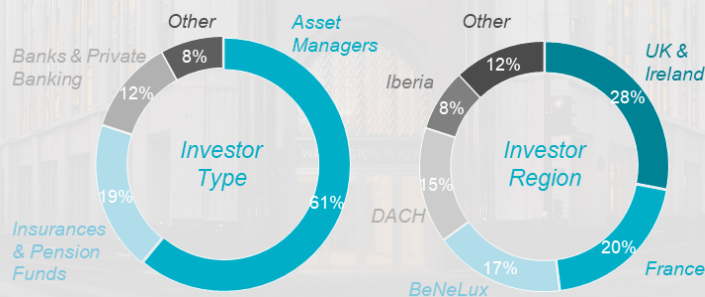
### 1 Unparalleled demand

- > 8 times oversubscribed
- > Highest demand in the sector in the last 24 months<sup>1</sup>
- > Highest demand in Colonial history

### 2 Very competitive cost of debt

- > 3.25% coupon
- > Hedging lowers effective yield to 2.75%
- > Lowest among comparable bonds

### 3 Top tier order book for high quality security



## BBB+ Rating confirmed by S&P in April-25

- > In April, S&P has confirmed Colonial & SFL Credit Rating at BBB+ Stable
- > S&P valuing Colonial's cash flow resilience, strong liquidity and limited impact of higher interest rates in coming years

**BBB+**  
S&P Global  
Ratings

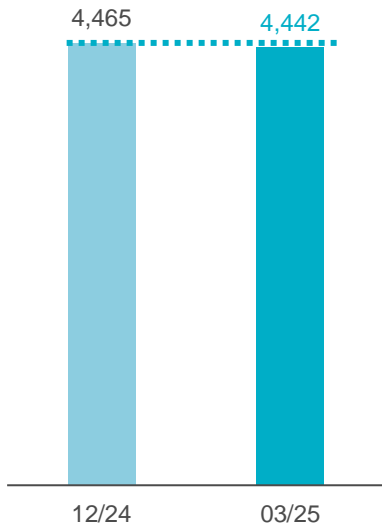
*“Colonial's financial risk profile is underpinned by the company's prudent financial policy and commitment to maintaining robust credit metrics commensurate with our rating”*

1) Based on comparable transactions of +€500m bonds

# Significant liquidity increase with cost of debt at attractive levels

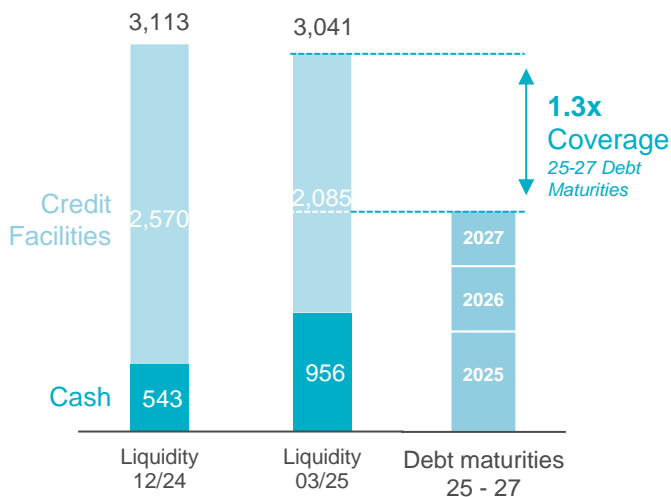
## Sound levels of indebtedness

Net Financial Debt  
€m



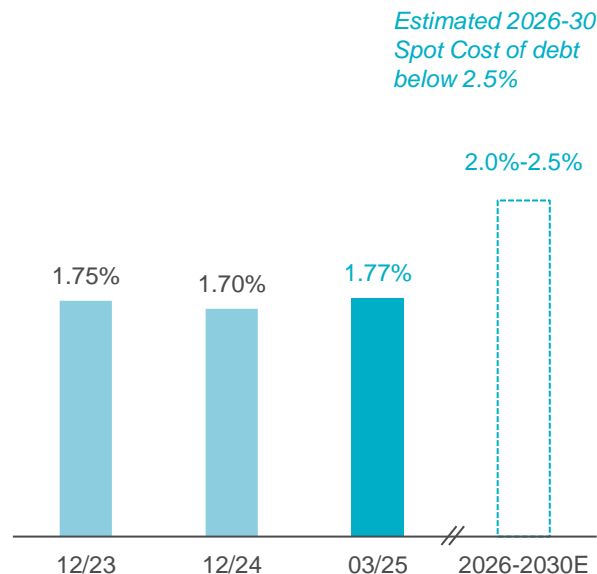
## Well-covered maturity schedule

Liquidity vs next bond maturities  
€



## Financial cost remain at attractive levels

Spot cost of current Gross Debt  
%







01

Highlights

02

Financial  
Performance

03

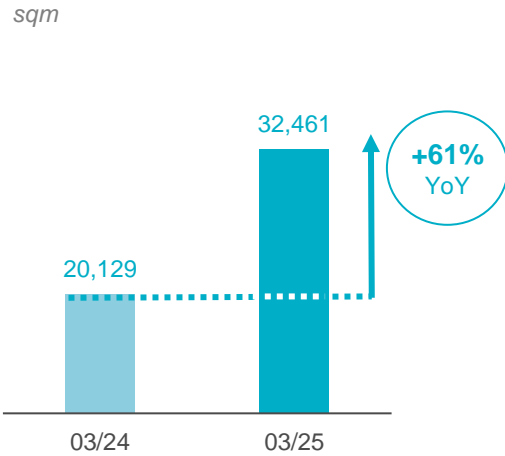
Portfolio  
Management

04

Future  
Growth

# Another Quarter with Outstanding Operations

Strong Letting Performance...



... with prime properties capturing the highest rents in the market



... on the back of top tier clients

BESTSELLER

BRUNSWICK



LVMH

abertis

Gestamp

Cartier

ALLEN & OVERY

squarepoint





## Strong pricing power - letting performance achieving record rental levels

### Strong pricing power across markets

YoY	Release Spread <sup>1</sup>	ERV Growth <sup>2</sup>	Indexation
<b>Group Offices</b>	<b>+11%</b>	<b>+7%</b>	<b>+3.4%</b>
<b>Paris</b>	<b>+20%</b>	<b>+7%</b>	<b>+4.0%</b>
<b>Madrid</b>	<b>flat</b>	<b>+9%</b>	<b>+2.8%</b>
<b>Barcelona</b>	<b>flat</b>	<b>+6%</b>	<b>+2.9%</b>

- 1) Signed rents vs. previous contracts & re-let office spaces  
 2) Signed rents vs 12/24 ERV (new lettings & renewals)

### Our assets outperform the market ERV Growth

- › Our Grade A assets have higher rental growth than the market
- › Colonial combines prime assets with prime management

2025 to continue growing on the base of sector trends

#### 1. Further Polarization

Demand needs to provide high-quality working environments

#### 2. Office supply is shrinking

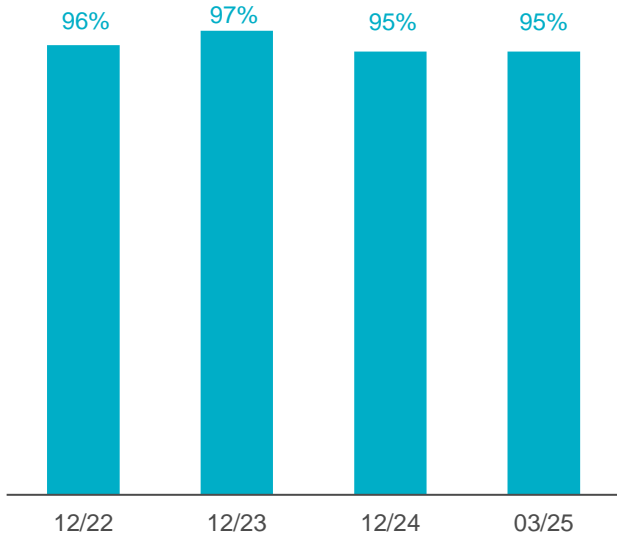
European Housing shortage is reducing city center office stock

#### 3. Spain with strong growth

Madrid and Barcelona economies are leading Europe growth

# High occupancy profile with attractive reversion potential

Strong Group EPRA Occupancy



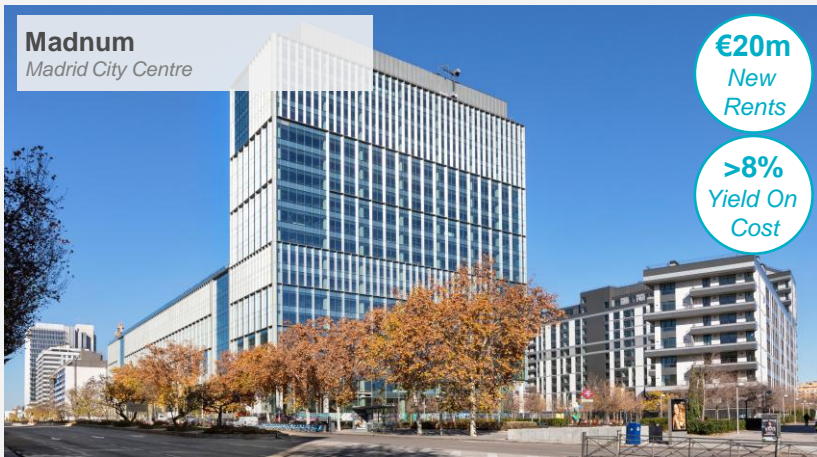
4.9% Availability with Attractive Reversion



1) Includes Alpha X portfolio, Madnum & Diagonal 197  
 2) Includes CBD & City Centre

## 2025: Strong Momentum for Project delivery & Letting

### Madnum Madrid City Centre



€20m  
New  
Rents

>8%  
Yield On  
Cost

Mixed use approach leads to outperformance

- ▶ **8,400 sqm signed with Gestamp**, who will relocate its headquarters
- ▶ **2,800 sqm signed with Bestseller**, to establish Financial & Tech hub for Iberia & Latam
- ▶ **4,800 sqm signed with other corporates** interested in large space demands
- ▶ **3,300 sqm of retail & F&B fully let**, gym operator signed

Strong Pre-letting

>20,000 sqm  
Signed or strongly  
committed<sup>1)</sup>

Strong Pricing Power

ERV +7%  
Above  
underwriting

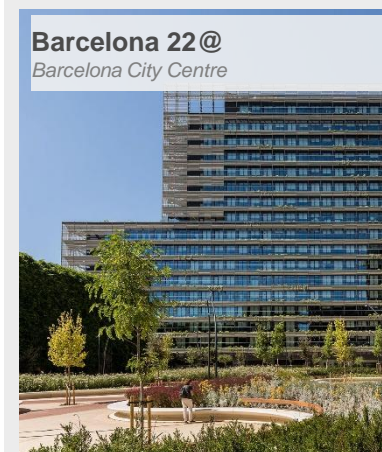
### Haussmann St-Augustin Prime CBD – 12,000 sqm



First Prelet signed

- ▶ +2,000 sqm signed to top law firm
- ▶ Signed rent of 1,050€/sqm with +16% re-let spread
- ▶ One of the most sought-after locations in Paris
- ▶ Repositioned property to be released in mid-25

### Barcelona 22@ Barcelona City Centre



Letting momentum

- ▶ Tenant with c.9,000 sqm in Parc Glories expands in +2,600 sqm to open a hub for European digital sales
- ▶ +7,900 sqm signed in Illacuna to Factorial who reallocates headquarters



1) Includes signed contracts and Head of Terms as of the date of this presentation





01

Highlights

02

Financial  
Performance

03

Portfolio  
Management

04

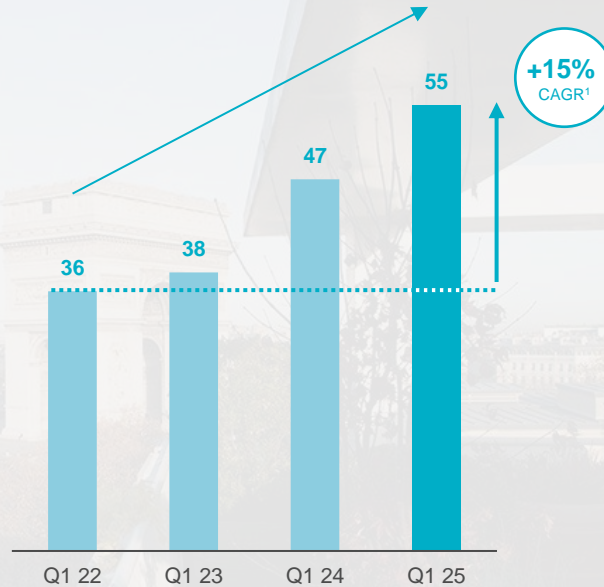
Future  
Growth

# We deliver strong earnings growth on the back of a multi-layer growth platform

## HIGH DOUBLE-DIGIT EPRA EARNINGS GROWTH

- 1 Rental Growth
- 2 Projects & Value Add Initiatives
- 3 Capital Recycling & Acquisitions
- 4 Financial Hedging

€m



1) Earnings CAGR between 1Q22 – 1Q25

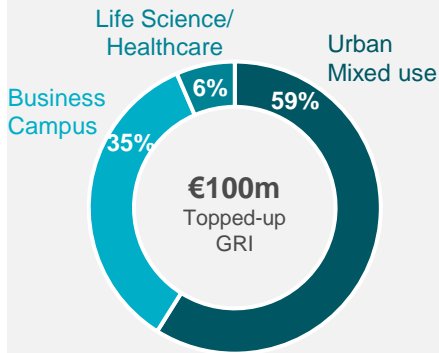


# Sustained growth in rents and value through urban transformation

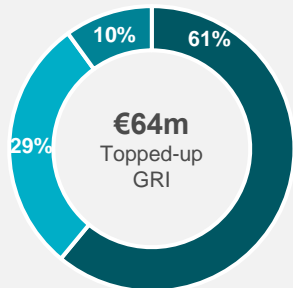
Colonial to continue serving its clients' needs through Urban Transformation

Close to 200,000 sqm in Urban Transformation Initiatives with €100m of rental income

## Urban Transformation



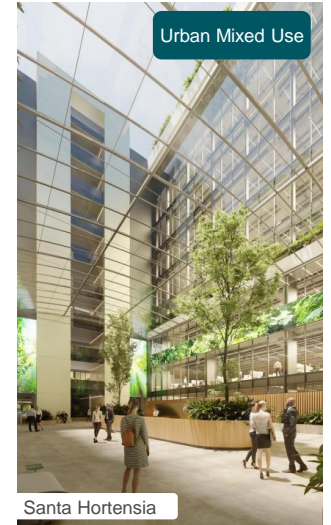
## New Alpha X Pipeline



## Additional EPRA EPS of more than 11 €/cts<sup>1</sup>: +33% on 2024 EPRA EPS

Madnum Project & Renovations  
87,000 sqm

Alpha X - Project Pipeline  
More than 110,000 sqm



1) Stabilized Earnings per share run rate



# €200m investment to Create the European Leading operator in Science & Innovation

**Existing Portfolio** to capture full value through stabilization

**Short Term Pipeline** with attractive Value Add Returns

**Pan European Ambition** Acceleration through 3<sup>rd</sup> Party Capital

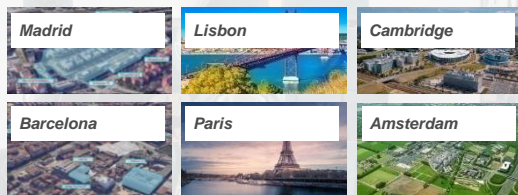
€0.4bn  
AuM

6 – 7%  
Stabilized yield  
on cost

€0.7bn  
AuM

7 – 8%  
Stabilized yield  
on cost

>€2.4bn  
Target  
AuM



**+15%**  
Geared IRR

**NTA**  
accretive

**+1%**  
Short-term  
EPRA LTV

# Colonial is accelerating its Urban Transformation portfolio

*Colonial to continue serving its clients' needs through Urban Transformation*

*Urban Transformation – Value Add Returns with exceptional growth*

*Strong Returns with superior Growth Profile  
85-90% Core with Pricing Power & 10 -15% Value Add*

*Alpha X - Project Pipeline  
Total Cost €1bn*

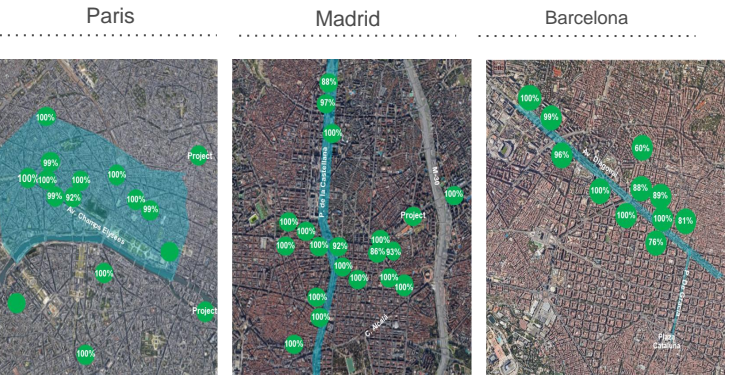
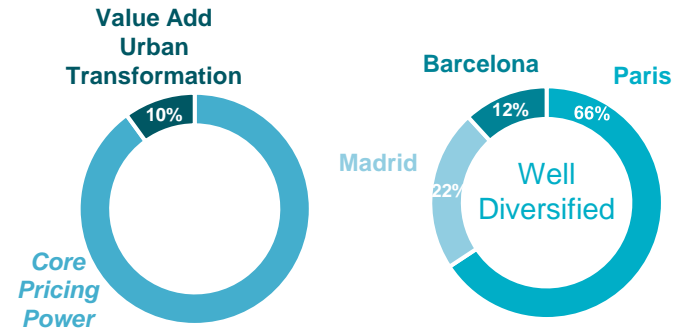
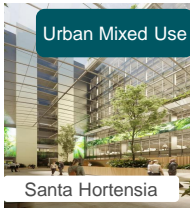
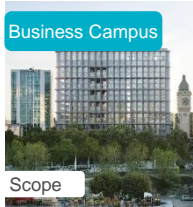
*Science & Innovation SOCIMI  
Initial GAV €0.4bn*

**+13%**  
Levered  
IRR

**6-7%**  
Yield on  
Cost

**+15%**  
Levered  
IRR

**7-8%**  
Yield on  
Cost





# Strong EPS Growth Profile with Double-Digit IRRs

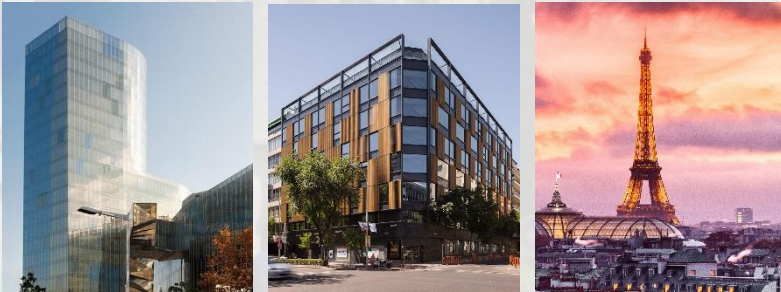
<p>I</p> <p>Urban Transformation Projects</p>	<p><i>EPS Impact</i> <b>+€11cts</b> <i>Mid-term</i></p>	<p><b>+13% Levered IRR</b></p>
<p>II</p> <p>Science &amp; Innovation + Third Party Capital</p>	<p><i>EPS Impact</i> <b>+€2-3cts</b> <i>Mid-term</i></p>	<p>Colonial Stoneshield /deeplabs</p> <p><b>+15% Levered IRR</b></p>
<p>III</p> <p>Prime Asset Reversion Superior Cash Flow Growth</p>	<p><i>GRI Impact</i> <b>+€47m</b> <i>Mid-term</i></p>	
<p>IV</p> <p>Opportunistic Capital Recycling</p>	<p><i>Playing the European Real Estate Cycle Recovery</i></p>	



## Strategy & Outlook

### Colonial's Prime Platform delivers profitable growth ...

- > EPRA Earnings growth with +16% YoY growth
- > EPRA EPS full year guidance on track
- > Net Rental Income with +5% like for like growth
- > Strong rental growth through pricing power
- > Further growth secured through project deliveries



### ... with a strong growth profile for the coming years

- 1 More than €150m of future rents through new pipeline and reversion
- 2 Enhanced Urban Transformation growth strategy through Science & Innovation and Third-Party Capital
- 3 Opportunistic Capital Allocation to benefit from European Real Estate Cycle Recovery

### Guidance for strong ongoing growth

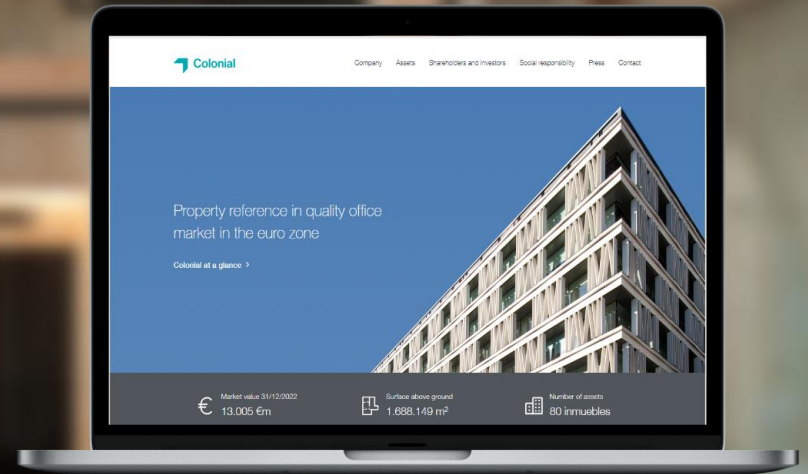
- Like for like revenue growth in-line with previous years
- Strong EPRA EPS CAGR growth for the next years
- Short term EPRA EPS 2025 of €32-35 cts
- 2025 DPS of 30 €cts/ share, + 11% YoY growth

# THANK YOU

## 2025 Annual General Meeting

Annual General shareholders' meeting to be held on 26 - 27<sup>th</sup> May 2025 in Madrid

Please Submit your vote

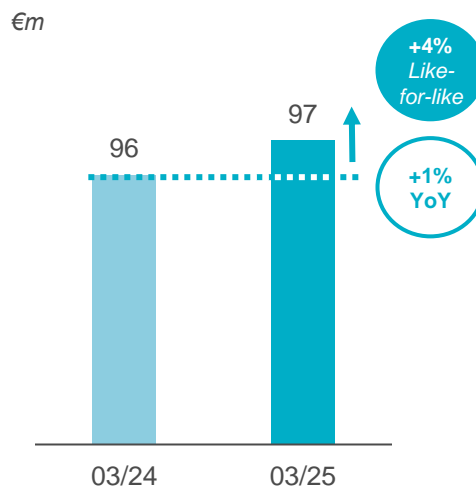


<https://www.inmocolonial.com/en/shareholders-and-investors>

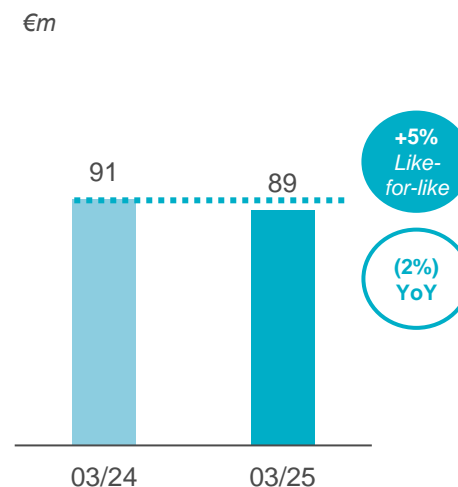
**PROFIT & LOSS ACCOUNT**

Results analysis - €m	Q1 2025	Q1 2024
<b>Gross Rents</b>	<b>97</b>	<b>96</b>
Net operating expenses & Overheads	(18)	(19)
<b>Recurring EBITDA</b>	<b>79</b>	<b>77</b>
Recurring financial result	(18)	(20)
Income tax expense & others - recurring	2	(0)
Minority interests - recurring	(9)	(9)
<b>Recurring Earnings</b>	<b>55</b>	<b>47</b>
Change in fair value of assets & provision	(0)	(0)
Non-recurring financial result & MTM	(1)	0
Income tax & others - non-recurring	(7)	7
Minority interests - non-recurring	0	0
<b>Profit attributable to the Group</b>	<b>46</b>	<b>54</b>
<hr/>		
Recurring earnings - €m	55	47
Nosh (mm)	627	540
<b>EPS recurring - Cts€/share</b>	<b>8.7</b>	<b>8.7</b>

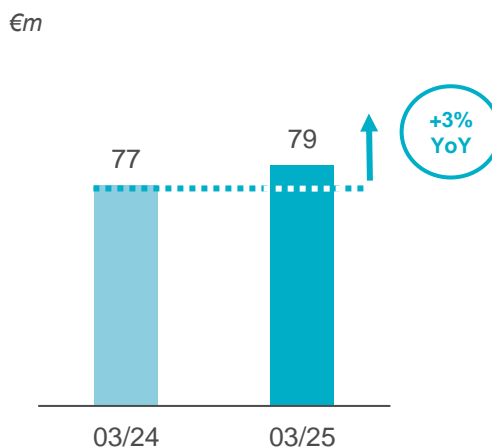
**GROSS RENTAL INCOME**



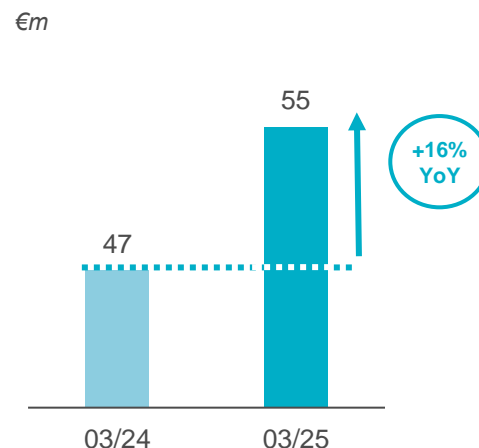
**RECURRING NET RENTAL INCOME**



**GROUP RECURRING EBITDA**



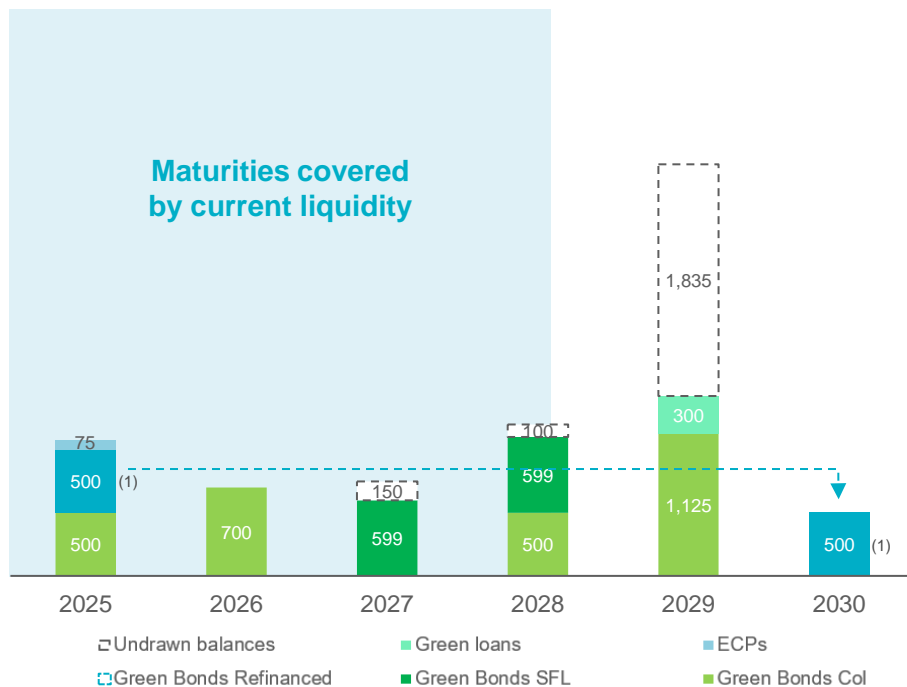
**EPRA EARNINGS**





### EXTENSION OF DEBT MATURITIES

Maturity profile of debt facilities - €m



### A Solid Financial Structure

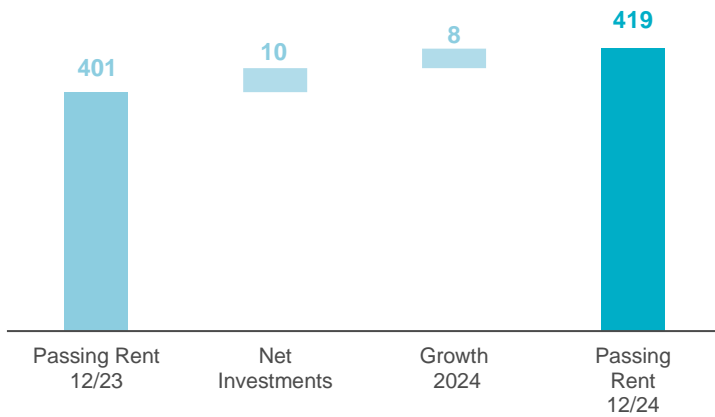
	31/12/2024	31/03/2025
Net Debt	€4,465m	€4,442m
LTV	36.0%	36.0%
Total Facilities	€2,570m	€2,085m
Cash	€543m	€956m
Liquidity	€3,113m	€3,041m
Debt Maturity Group	4.1 years	4.0 years
Non-Mortgage debt	100%	100%
Cost of Gross Debt Group	1.70%	1.77%
Cost of Net Debt Group	1.54%	1.54%

1) Proforma after the SFL's bond repayment in May 2025 with the funds obtained from the bond issued in Jan 2025

# Significant growth profile

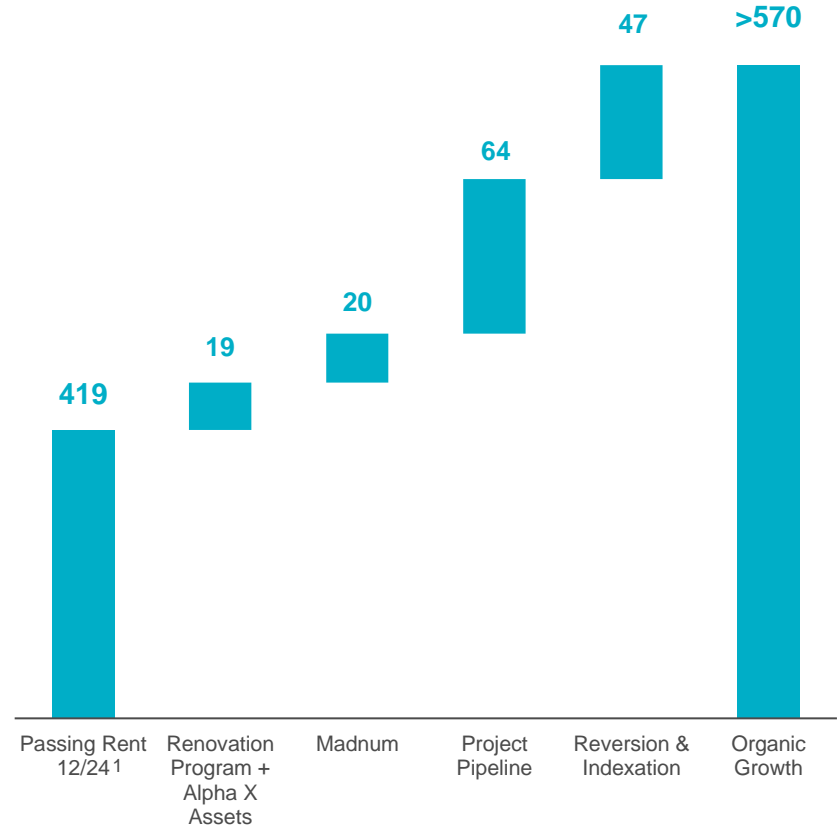
## Investments & Revenue Growth increasing passing rents

Annualized Topped-up GRI (€m)



## Significant Additional Revenue Growth








More than €150m of growth to be captured



1) Adjusted by Condorcet (tenant has left at 31/01/2025)








2) Includes Diagonal 197, Haussmann & Reversion from Alpha X assets

## Latest Market transactions

	Asset	Area	Price	GLA	Cap. Value
PARIS	 <p>134 Rue du Faubourg (Feb 25)</p>	CBD	€23.5m	1,850 sqm	€12,703/sqm
	 <p>23 Rue Taitbout (Feb 25)</p>	CBD	€32.5m	2,710 sqm	€11,993/sqm
	 <p>Centre d'Affaires Paris-Trocadéro <i>Transaction not completed</i></p>	CBD	€ 700m	41,234 sqm	€16,976 /sqm
	 <p>7-9 Rue Jacques Bingen <i>Transaction not completed</i></p>	BD	€120m	6,400 sqm	€18,750/sqm
	 <p>Rue de Vienne 19 - 21 <i>Transaction not completed</i></p>	CBD	€440m	32,227 sqm	€13,653/sqm
	 <p>Rue de Bercy 61 -69 <i>Transaction not completed</i></p>	BD	€155m	15,000 sqm	€10,333/sqm
	 <p>3 rue Scribe <i>Transaction not completed</i></p>	CBD	€91.6m	3,740 sqm	€24,500/sqm



## Latest Market transactions

	Asset	Area	Price	GLA	Cap. Value
MADRID	 Ramirez de Prado 5 (Apr 2025)	City Centre	€300m	60,000 sqm	€5,000/sqm
	 Paseo Doce Estrellas 5 (Feb 2025)	BD	€51m <sup>1</sup>	n.a.	n.a.
	 Avenida de Burgos 18 (Apr 2025)	BD	€50m <sup>1</sup>	6,355 sqm	n.a.
	 Jordán 11 (Nov 2024)	City Centre	€37m <sup>1</sup>	4,000 sqm	n.a.
	 Claudio Coello 124 (Mar 2025)	CBD	€37m	4,300 sqm	€8,605/sqm
BARCELONA	 Av. Diagonal 662 ( <i>Grupo Planeta</i> ) <i>Transaction not completed</i>	CBD	€240m	27,000 sqm	€8,889/sqm
	 Torre Diagonal Mar <i>Transaction not completed</i>	22@	€100m	22,515 sqm	€ 4,441 /sqm

1) For all three assets, the transaction price already includes the refurbishment costs

Source: public information, press and consultants

