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## **HECHO RELEVANTE**

Como continuación al Hecho Relevante publicado con fecha 7 de mayo de 2019 con número de registro 277831, Colonial remite documentación de soporte a la presentación a analistas e inversores relativa a los resultados correspondientes al primer trimestre de 2019, que se celebrará hoy jueves día 9 de mayo de 2019 a las 18:30 horas (CET) a través de un webcast.

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

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La presentación online será visible a través del siguiente link:

<https://event.on24.com/wcc/r/1982998-1/95CEFC8ED426ADFA307F044FDA373D6D?partnerref=rss-events>

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

En Madrid, a 9 de mayo de 2019.



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- 01 Highlights
- 02 Market
- 03 Operational performance
- 04 Financial performance
- 05 Growth drivers
- 06 Conclusion

PRESENTING MANAGEMENT TEAM

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**Pere Viñolas**  
Chief Executive Officer



**Carmina Ganyet**  
Corporate Managing Director

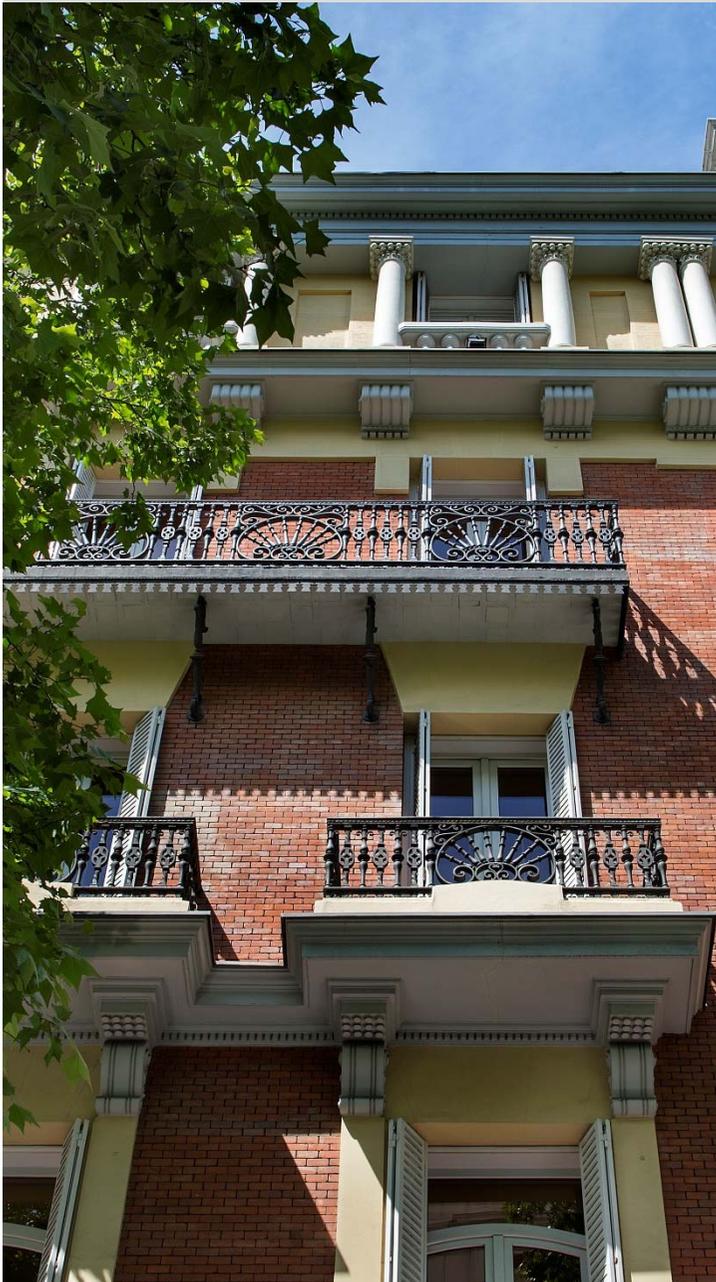


**Carlos Krohmer**  
Chief Corporate Development Officer

01 Highlights



*Delivering the Business Plan*



#### OUTSTANDING FINANCIAL RESULTS

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- > **Recurring EPS of €6.5 Cts. per share, +41% YoY**
- > Gross Rental Income of €87m, +4% like-for-like
- > Recurring earnings of €33m, +65% YoY

#### STRONG OPERATIONAL PERFORMANCE

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- > 32,375 sq m let with top tier clients
- > Very healthy vacancy levels at 4%
- > Successful pre-let of projects
- > Strong growth in rental prices
  - ✓ Capturing market rental growth
  - ✓ Double Digit Release Spreads
  - ✓ Solid base for Capital Value Growth

#### CONFIDENT OUTLOOK CONFIRMED

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- > Delivery of Business Plan on track
- > CBD outperforming Secondary
- > Best-positioned portfolio for future growth

**01 Highlights 1Q 2019**  
Business Plan delivery on track



- > High double digit growth in recurring EPS
- > Outstanding EPRA Like for Like growth of +4%
- > Double digit rental price increases

Profit & Loss - €m	1Q 2019	YoY Var
Gross Rental Income	€87m	+5%
Recurring Net Profit	€33m	+65%
<b>Recurring EPS</b>	<b>€6.5Cts</b>	<b>+41%</b>

Outstanding GRI like for like	1Q 2019	YoY Var
<b>Group like-for-like<sup>3</sup></b>	<b>€87m</b>	<b>+4%</b>
Madrid like-for-like <sup>3</sup>		+7%
Barcelona like-for-like <sup>3</sup>		+3%
Paris like-for-like <sup>3</sup>		+3%

**Solid Fundamentals**

<b>EPRA Vacancy</b>	<b>4%</b>
Volume of sq m signed	32,375
# transactions signed	25

**Capturing Rental Price Increases**

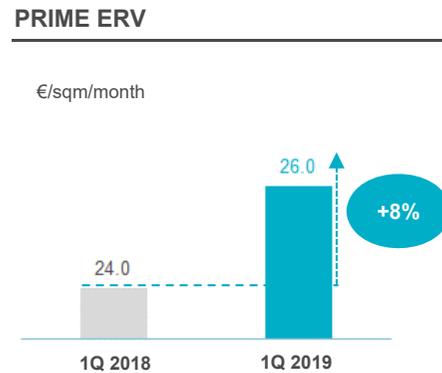
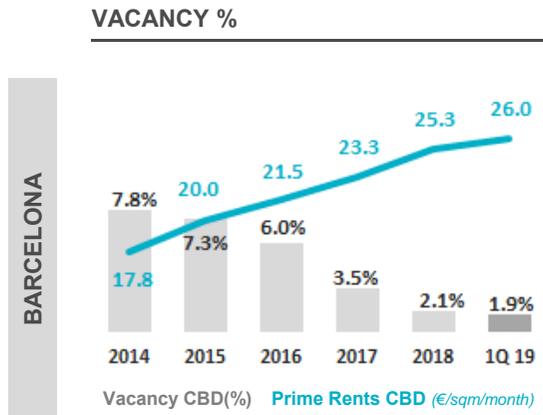
<b>Double-digit release Spread<sup>1</sup></b>	<b>+14%</b>
Barcelona	+23%
Madrid	+22%
Paris	+7%
<b>Strong rental growth<sup>2</sup></b>	<b>+11%</b>
Barcelona	+21%
Madrid	+5%
Paris	+10%

(1) Rental prices signed vs previous rents  
 (2) Rental prices signed vs ERV 12/18  
 (3) EPRA like-for-like variance based on EPRA BPR methodology

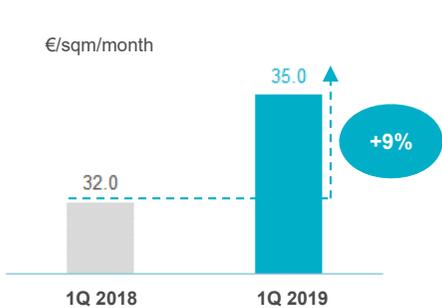
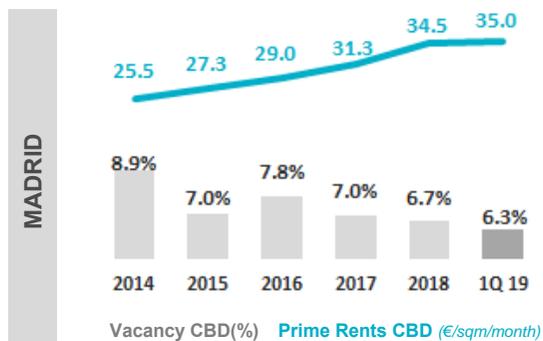


*Scarcity in Grade A*

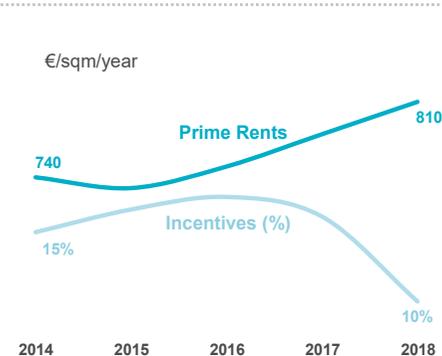
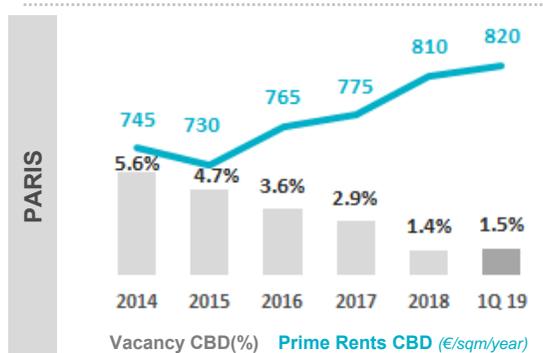
## 02 Market CBD outperforming the market



- HIGHLIGHTS**
- > New record take-up of 135,000 sqm, +67% YoY
  - > CBD vacancy below 2% -> historically low levels
  - > Prime rents at €26/sq m /month, +8% YoY



- > Last decade record take-up: 150,000 sqm, +25% YoY
- > CBD vacancy decreased to 6.3%
- > Prime rents up to €35/sq m /month, +9% YoY



- > Strong Q1 2019 with take-up of 540,000 sqm
- > CBD vacancy at historical lows: 1.5%
- > Prime rents at €820/sq m /year, +5% YoY
- > Incentives decreasing in CBD from above 15% to 10%

03 Operational performance

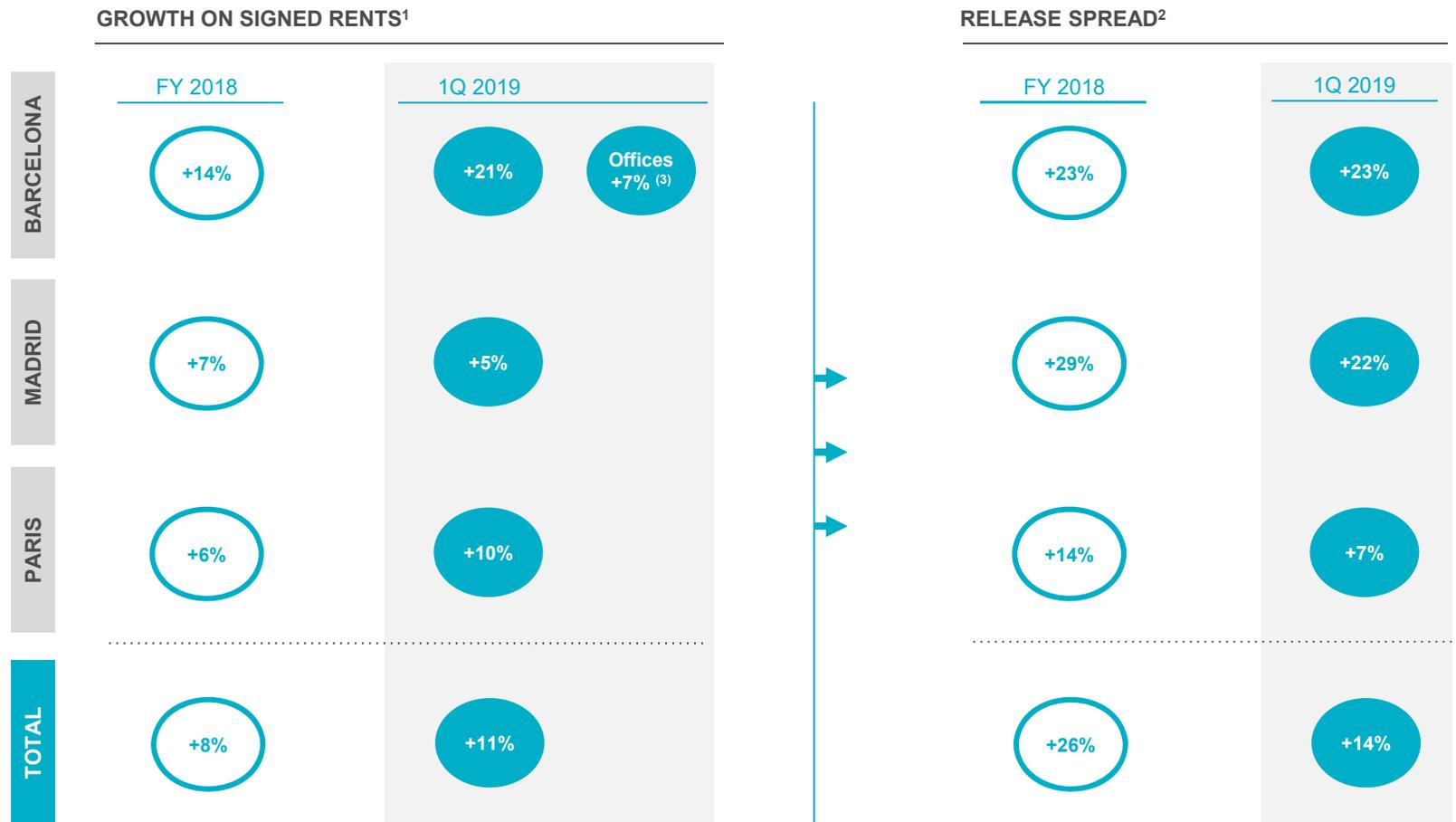


*Unparalleled exposure to CBD*

**03 Operational performance**  
**Strong delivery on rental price increases**

- > Outstanding rental growth in every segment
- > High double digit release spreads
- > Paris portfolio with additional growth through lower incentives - from 15% down to 8% YoY

**SOLID INCREASE IN RENTAL PRICES**



(1) Signed rents vs 12/18 ERV (new lettings & renewals)  
 (2) Signed rents vs previous contracts (renewals)  
 (3) Excluding contracts signed on Pedralbes

### 03 Operational performance

Strong delivery on rental price increases across the entire portfolio



#### GROWTH ON SIGNED RENTS<sup>1</sup>

#### RELEASE SPREAD<sup>2</sup>

Pedralbes Center



Sant Cugat



Av. Diagonal, 682



Illacuna



Tucumán



José Abascal, 45



Edouard VII



Francisco Silvela, 42



Sant Cugat



Miguel Ángel, 11



Arturo Soria, 336



103 Grenelle



Louvre Saint-Honoré



Louvre Saint-Honoré



- (1) Signed rents vs 12/18 ERV (new lettings & renewals)  
 (2) Signed rents vs previous contracts (renewals)

### 03 Operational performance

#### Significant letting-up post closing Q1 2019

- > More than 17,000 sq m signed post Q1 2019 closing
- > Avenida Bruselas 38 fully let just after project delivery
- > Ribera del Loira 22% let with prestigious tenant

#### AVENIDA BRUSELAS 38

100% LET post Q1

##### NEW HQ FOR 1<sup>ST</sup> LEVEL TECHNOLOGY COMPANY

- > 10 year contract for 15,033 sq m with 1st break option at year 7
- > Unique office building with best micro-location in the sub market of Arroyo de la Vega
- > Project delivered by Colonial in Q4 18 and fully let in 4/19
- > HQ for top candidate IBEX35 company



#### RIBERA DEL LOIRA

22% LET post Q1

##### DIGITAL COMPANY TAKES 22%

- > 2,866 sq m signed in April 2019
- > Company operating in the digital photo industry
- > Anchor to accelerate tenant attraction
- > Project delivered in 2018 by Colonial

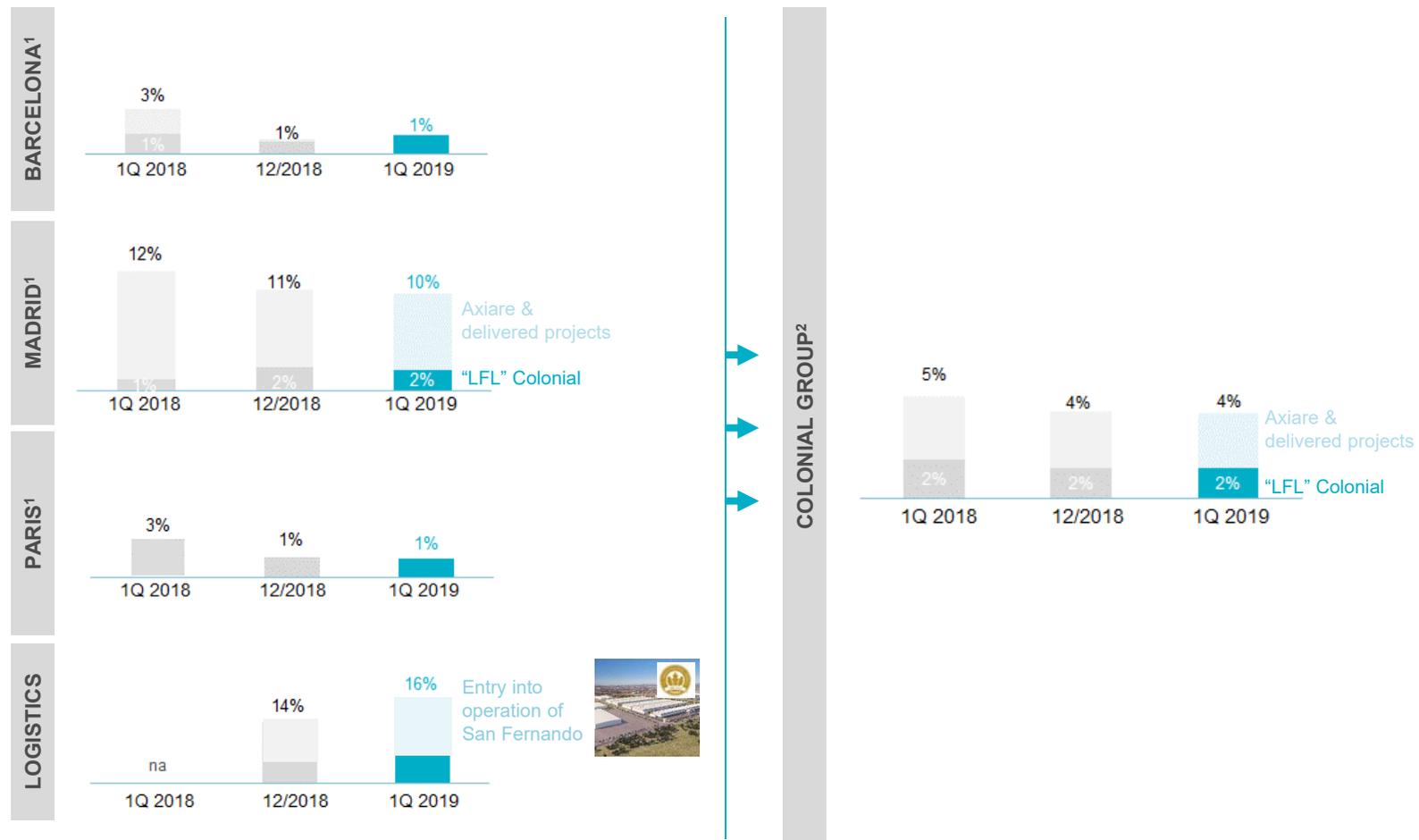


### 03 Operational performance

#### Vacancy remains at healthy levels

- > Colonial Group vacancy at a healthy 4%
- > Barcelona and Paris at 1%
- > Madrid traditional portfolio at 2%

#### EPRA VACANCY

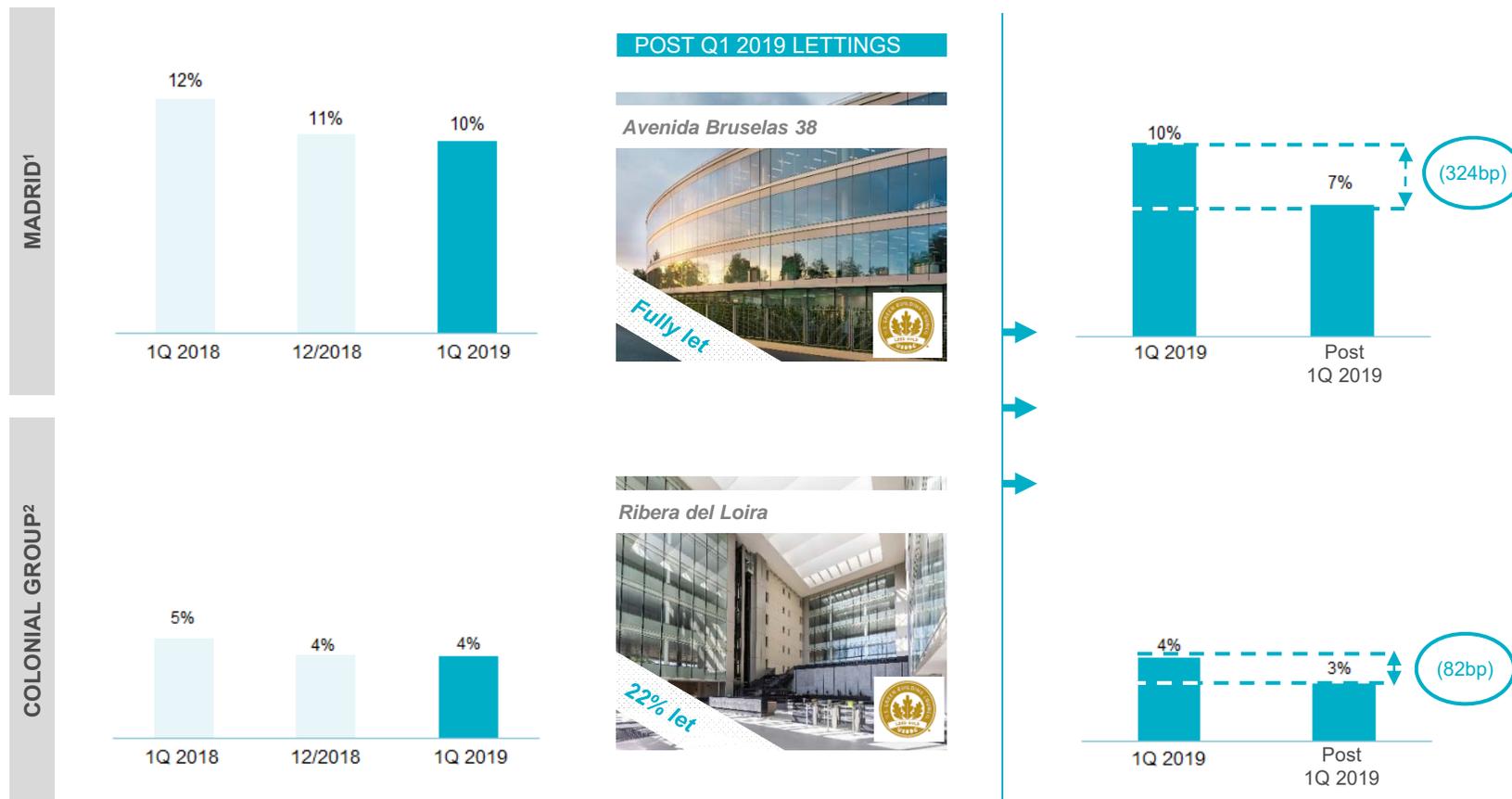


### 03 Operational performance

#### Capturing reversion through successful letting-up

- > Strong progress on letting-up Madrid portfolio
- > Madrid pro-forma vacancy at 7%
- > Group pro-forma vacancy at 3%

#### EPRA VACANCY



(1) EPRA Vacancy office portfolio  
 (2) EPRA Vacancy including all uses

03 Operational performance  
ESG Strategy on track

- > GRESB / BREEAM 2019 Award for Responsible Real Estate Investment
- > #1 Portfolio for Responsible Real Estate Investment in Europe
- > ESG excellence at the Core of Strategy

BENCHMARK / INDEX

ACHIEVEMENT / RATING



- > **GRESB / BREEAM 2019 Award for Responsible Real Estate Investment**
- > #1 in the Large Portfolio Category (more than €1bn)
- > 91% of portfolio with highest energy standards



- > **AA Rating (up from BBB)**
- > One of the highest ratings in Europe
- > Strong scoring on Governance



- > **Gold 3rd year in a row**
- > Gold since 2016
- > First mover in Spain



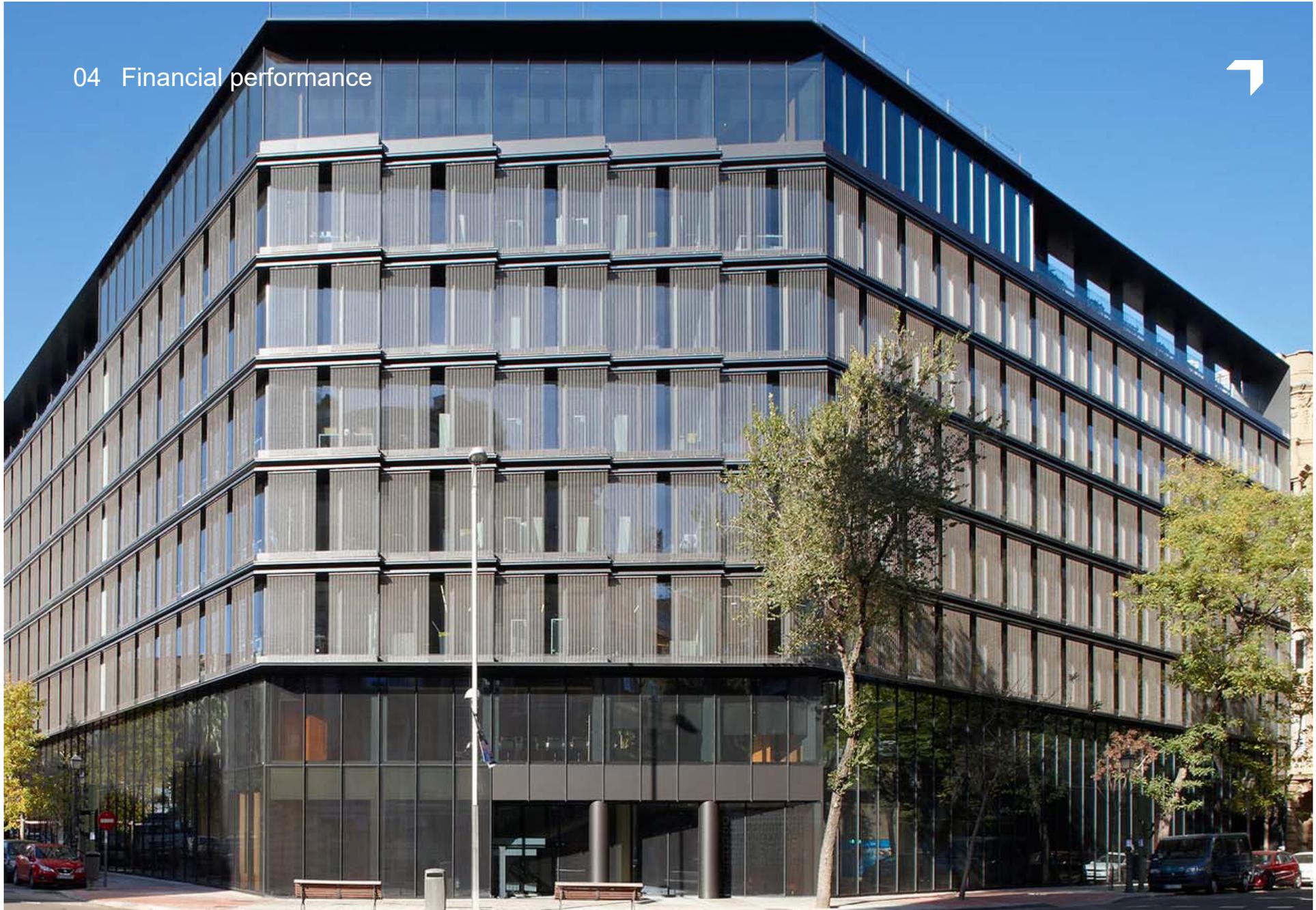
- > **Green Star 2nd year in a row**
- > Strong performance on building certificates
- > Gresb member



FTSE4Good

- > **“Good practice” rating**
- > Index inclusion 2018
- > Strong performance on Governance & Supply Chain

04 Financial performance

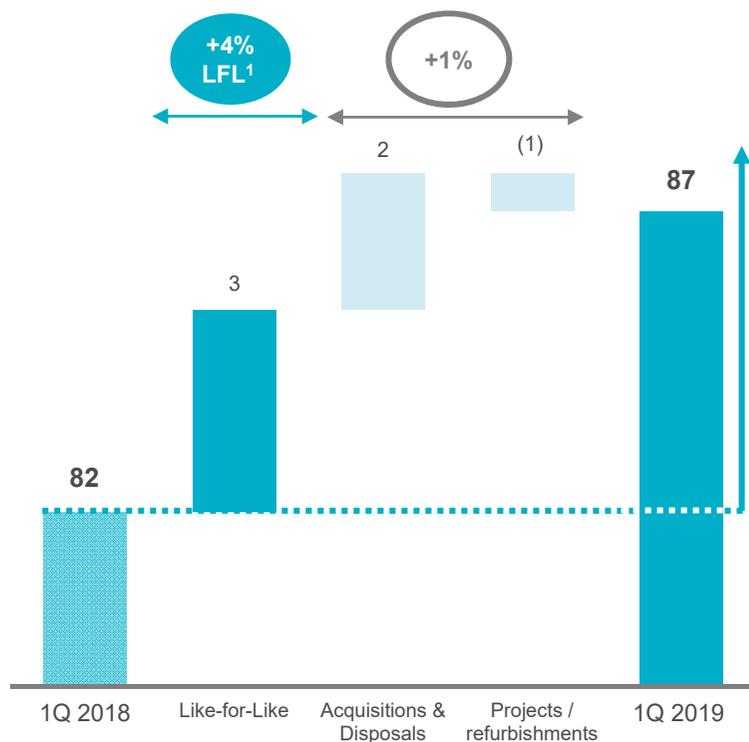


*Profitable Growth improving the quality of returns*

**04 Financial performance**  
Strong top line growth

- > +5% of top line growth in Q1 2019
- > Outstanding +4% like for like
- > Madrid with highest LFL of +7%

**GROSS RENTAL INCOME - €M**



	TOTAL	EPRA like-for-like <sup>1</sup>	Acquisitions & disposals	Projects & refurbishments
GROUP	+5%	+4%	+2%	(1%)
BCN	+18%	+3%	+7%	+7%
MADRID	+1%	+7%	(2%)	(3%)
PARIS	+1%	+3%	0%	(2%)
OTHERS	+53%	+2%	+51%	0%

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

## 04 Financial performance

### Like-for-like rental growth price driven

- > Like-for-like growth driven by rental price increases
- > Barcelona and Paris almost fully price driven
- > Madrid growth driven by a combination of price and volume

#### GROSS RENTAL INCOME - €M

#### STRONG EPRA LIKE-FOR-LIKE GROWTH

##### GRI LIKE-FOR-LIKE OF +4%

- > Barcelona with +3% like-for-like  
*Strong rental price increases and occupancy improvements*
- > Madrid with +7% like-for-like  
*Important rental price increases combined with solid letting up of vacant spaces*
- > Paris with +3% like-for-like  
*Strong rental price increases and occupancy improvements*

	<u>EPRA like-for-like<sup>1</sup></u>	<u>Price</u>	<u>Volume</u>
<b>GROUP</b>	+4%	2.3%	1.5%
<b>BCN</b>	+3%	1.8%	1.6%
<b>MADRID</b>	+7%	3.6%	3.0%
<b>PARIS</b>	+3%	1.8%	1.2%

(1) like-for-like calculated following EPRA BPR recommendation

## 04 Financial performance

### Improved credit profile through active liability management

- > Active liability management improving cost of debt
- > A stronger balance sheet with high liquidity
- > Highest Corporate Rating in Spanish Real Estate

#### ACTIVE LIABILITY MANAGEMENT ...

- 1 Refinancing of €151m of Axiare bilaterals

  - > Improved margin +45bps
  - > Partial cancellation of mortgage securities
  - > Conversion to sustainable loans

First sustainable loan granted to a real estate company in Spain
- 2 Cancellation of Axiare's remaining debt €131m
- 3 Tactical ECP program launched

  - > Taking advantage of short term negative interest rates
  - > Programs of €500m in Spain and €500m in France
- 4 Significant rating improvements YoY

#### ... ENHANCING THE BALANCE SHEET

##### Prime Collateral



##### Financial Policy

<i>Investment Grade Rating</i>	
LTV range	36-40%
ICR	> 2.5x

##### Cost of debt



##### Liquidity<sup>1</sup>

Cash	€178m
Undrawn balances	€1,795m
<b>Total</b>	<b>€1,973m</b>

##### Rating improvements YoY



(1) Cash and undrawn balances

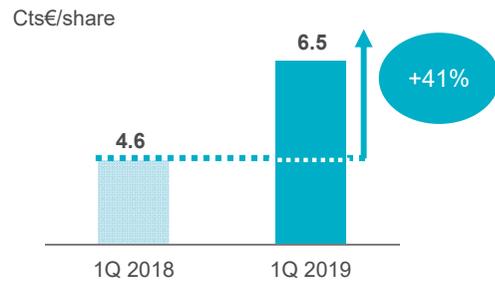
## 04 Financial performance

### Profitable growth with enhanced quality

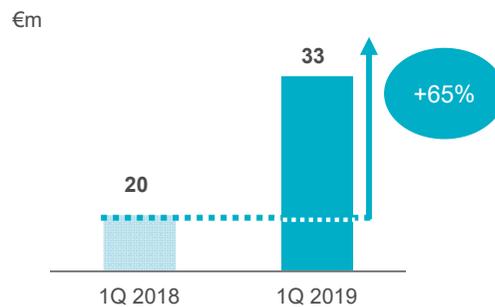
- > High double digit EPS growth
- > High double digit recurring earnings growth
- > Non-Core Disposals enhancing the quality of returns

#### STRONG EPS GROWTH

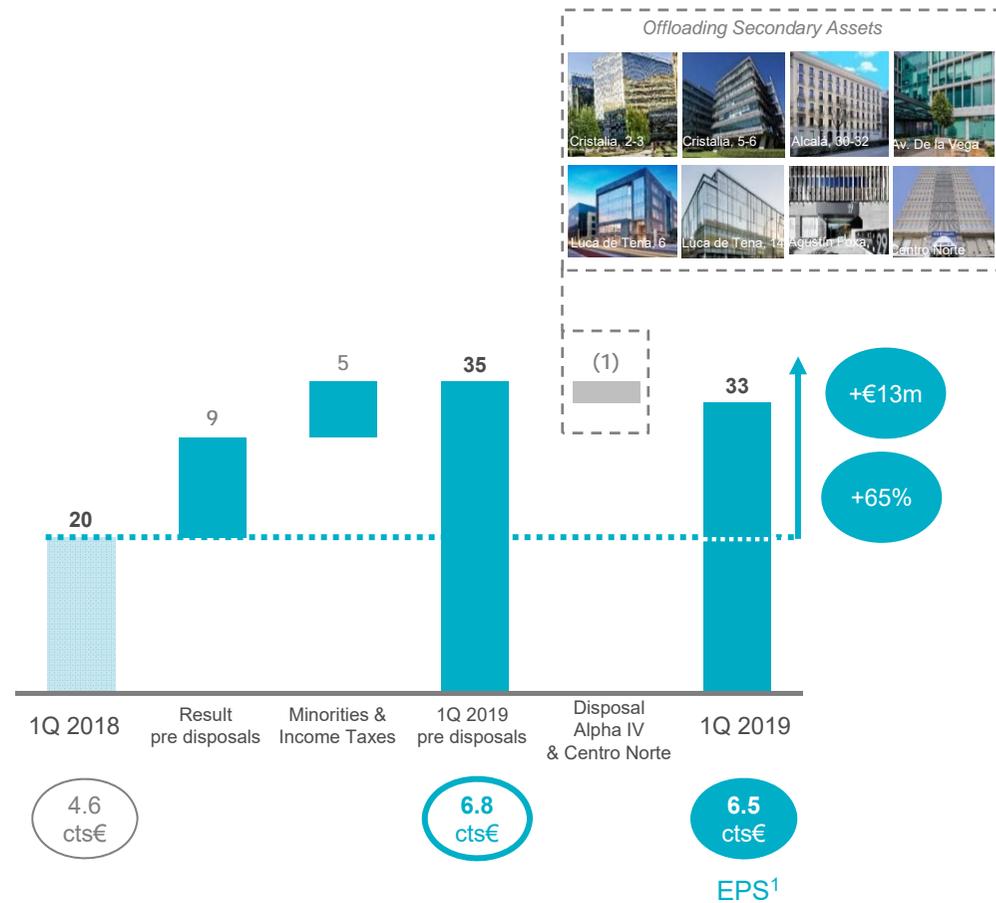
##### RECURRING EPS



##### RECURRING RESULT



#### VARIANCE ANALYSIS – RECURRING EARNINGS



(1) Recurring EPS

## 05 Growth drivers



*A strong platform for future value creation*



## FUTURE VALUE CREATION

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- 1 Leadership in Prime Offices
- 2 €1.3bn of project pipeline
- 3 Capturing reversion in rents
- 4 Strong investment market
- 5 Disciplined capital allocation

05 Growth drivers

2 €1.3bn of CBD Project Pipeline with strong visibility

- > 4 out of 12 projects pre-let YTD
- > Enhanced visibility on cash flow and value creation
- > Important value creation to be captured

Project	City	% Group	Delivery	GLA (sqm)	Total Cost €m <sup>1</sup>	Total Cost €/ sqm <sup>1</sup>	Yield on Cost
1 Pedralbes Center 	Barcelona CBD	100%	1H 19	6,917	38	5,502	6.3%
2 Gala Placidia / Utopic_us	Barcelona CBD	100%	1H 19	4,312	17	3,922	7.0%
3 Miguel Angel 23	Madrid CBD	100%	2H 20	8,036	64	7,999	5.8%
4 Castellana, 163	Madrid CBD	100%	2020 / 21	10,910	52	4,803	6.5%
5 Diagonal 525	Barcelona CBD	100%	1H 21	5,710	37	6,460	6.0%
6 Biome	Paris City Center	82%	2H 21	24,500	280	11,428	5.0%
7 83 Marceau	Paris CBD	82%	1H 21	9,300	147	15,801	5.0%
8 Velazquez Padilla 17	Madrid CBD	100%	1H 21	17,239	113	6,532	6.5%
9 Plaza Europa 34	Barcelona	50%	2H 21	14,306	32	2,257	7.0%
10 Mendez Alvaro Campus	Madrid CBD South	100%	2H 22	89,871	287 <sup>2</sup>	3,188	7.5%
11 Sagasta 27	Madrid CBD	100%	2H 22	4,481	23	5,044	6.5%
12 Louvré SaintHonoré 	Paris CBD	82%	2023	16,000	205	12,831	7.3%
<b>TOTAL OFFICE PIPELINE</b>				<b>211,582</b>	<b>1,295</b>	<b>6,119</b>	<b>6.3%</b>

<sup>1</sup> Total Cost Finished Product = Acquisition Cost/ Asset Value pre Project + future Capex

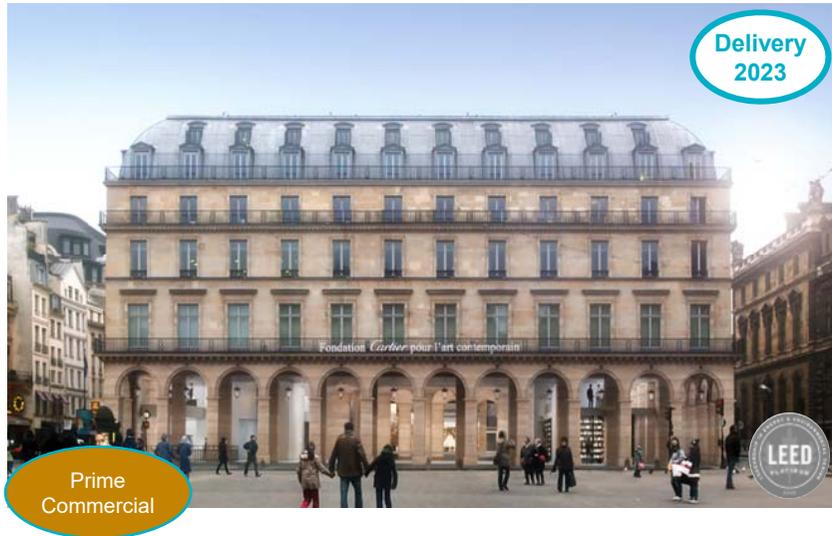
<sup>2</sup> Upper part of the range: €3,032/sq m - €3,188/sq m and €273m - €287m

4 of 12 projects pre-let



2 Louvre Saint-Honoré Project – Pre-let to Richemont

A MAJOR PARIS PROJECT TO CREATE A NEW DESTINATION



PRELET WITH RICHEMONT GROUP



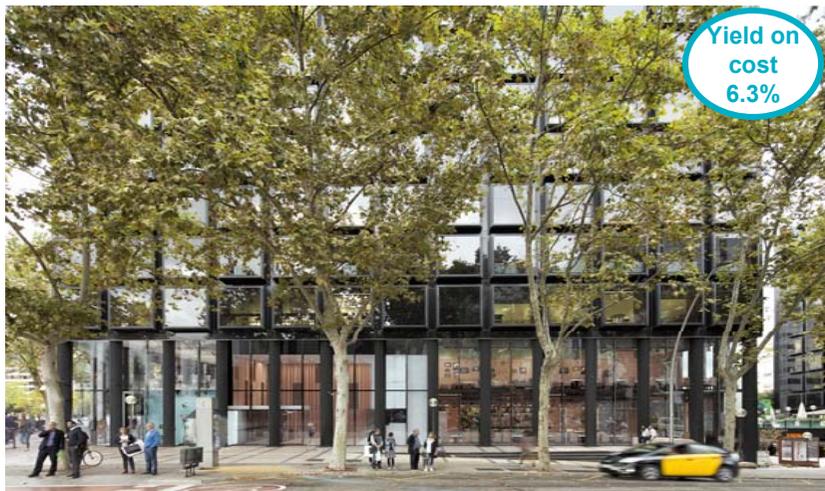
- > 20 Year turnkey contract signed with the Richemont Group
- > Redevelopment of over 18,000 sq m of retail space
  - Building permit obtained on 27<sup>th</sup> March
  - Prime contractor: B. Architecture and Jean Nouvel workshops
  - Start leasing period June 2023
- > Turn-key contract under conditions precedent

Strong value creation to be captured through unparalleled prime site

05 Growth drivers

2 Diagonal-Pedralbes Centre – Uniqlo Flagship

BARCELONA PROJECT PIPELINE



PRELET WITH UNIQLO



- > 17 year contract signed for UNIQLO flagship store
- > Blended rent of €46sq m /month, €63 sq m/month for ground floor
- > UNIQLO a strong anchor tenant
  - 1,947 sq m above ground signed with UNIQLO & other tenants
  - GLA below ground floor under advanced negotiations
- > Opex efficiencies: NRI + 59% vs asset before project



Strong value uplift to be captured in the short term

05 Growth drivers

3 Capturing reversion - Attractive CBD contract portfolio

- > Delivery of double digit release spreads
- > Renovation programs as rental growth accelerator
- > Solid positioning in growing markets

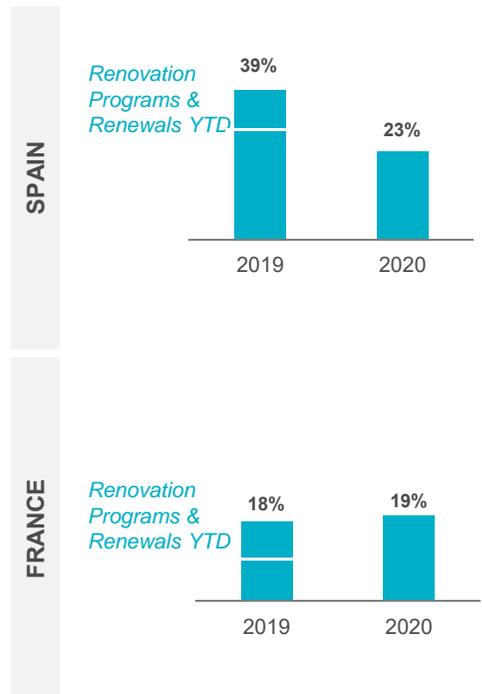
**STRONG DELIVERY ON REVERSION**

*Static upside*      *Release Spread*  
*as of 12/18<sup>2</sup>*      *captured<sup>1</sup> as of 1Q19*

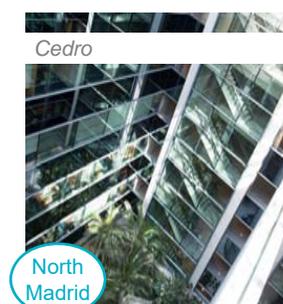


**ATTRACTIVE RENT ROLL**

COMMERCIAL LEASE EXPIRY DATES (12/18)  
 First potential exit



**RENOVATION PROGRAM TO MAXIMIZE GROWTH**



1) New rents signed vs previous

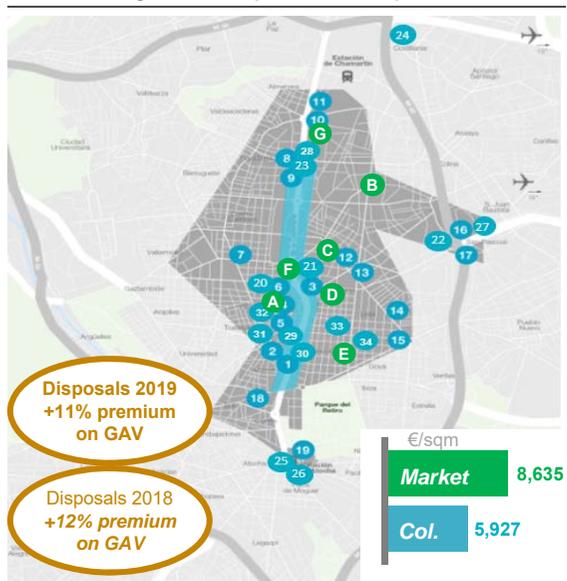
2) Market rents vs current passing rents as of 12/18 without including future rental growth

05 Growth drivers

4 Investment Market with strong support for Prime

- > Investor interest for prime product remains strong
- > Quarterly capital value increases ongoing
- > Colonial's assets with prudent appraisal values

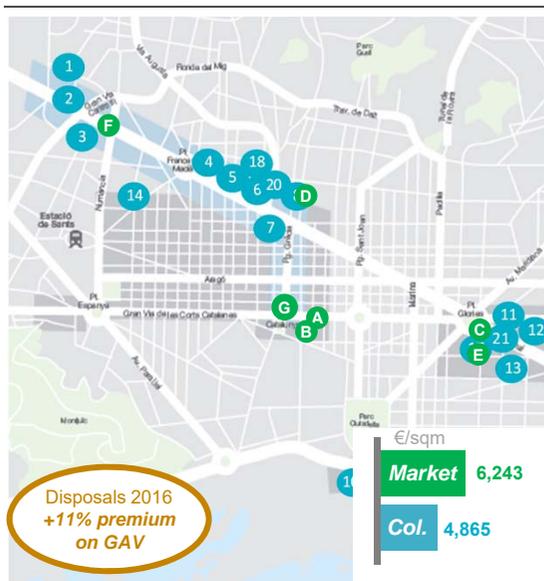
Madrid City Center (inside M30)



Latest investment transactions inside M30

	Price <sup>(2)</sup>	Cap Value <sup>(3)</sup>	
A	Fernando el Santo, 15	30	9,219
B	Suero de Quiñones, 40-42 <sup>(1)</sup>	38	8,209
C	Velázquez, 123 <sup>(1)</sup>	21	9,545
D	Velázquez, 94	46	8,498
E	Goya, 36	30	8,472
F	Paseo de la Castellana, 19	44	7,500
G	Paseo de la Castellana, 200	180	9,000
<b>CBD Transactions - Average</b>		<b>389</b>	<b>8,635</b>
<b>Colonial Average (12/18 appraisal)</b>			<b>5,927</b>

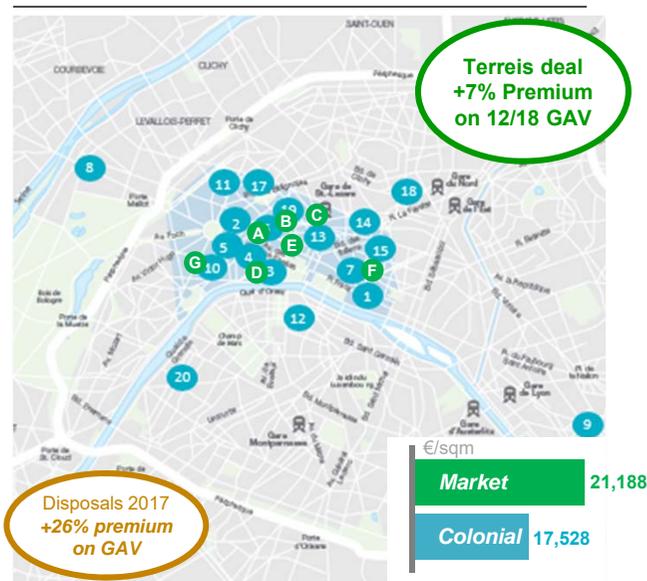
Barcelona City Center



Latest investment transactions in city center

	Price <sup>(2)</sup>	Cap Value <sup>(3)</sup>	
A	Carrer de Fontanella, 9	20	6,030
B	Carrer de Fontanella, 6-8	65	8,414
C	Carrer Tanger, 66	90	5,294
D	Avda. Diagonal, 595	30	5,254
E	Ciutat de Granada, 121	20	4,545
F	Avda. Diagonal, 662 <sup>(1)</sup>	210	8,400
G	Plaza de Cataluña, 9	10	5,765
<b>CBD Transactions - Average</b>		<b>444</b>	<b>6,243</b>
<b>Colonial Average (12/18 appraisal)</b>			<b>4,865</b>

Paris CBD



Latest investment transactions in Paris CBD

	Price <sup>(2)</sup>	Cap Value <sup>(3)</sup>	
A	Rue Pierre Charron, 64-66	187	23111
B	Rue La Boetie, 54-56	416	20,918
C	Rue Du Trudaine 39 <sup>(1)</sup>	150	20,548
D	Rue Jean Goujon, 27	71	20,882
E	Rue De Teheran, 7-7Bis	149	22,164
F	Rue Du Louvre, 40	190	20,000
G	Rue Lauriston, 94-96	120	20,690
<b>CBD Transactions - Average</b>		<b>1,282</b>	<b>21,188</b>
<b>Colonial Average (12/18 appraisal)</b>			<b>17,528</b>

(1) Assets with significant Capex to be implemented

(2) €m

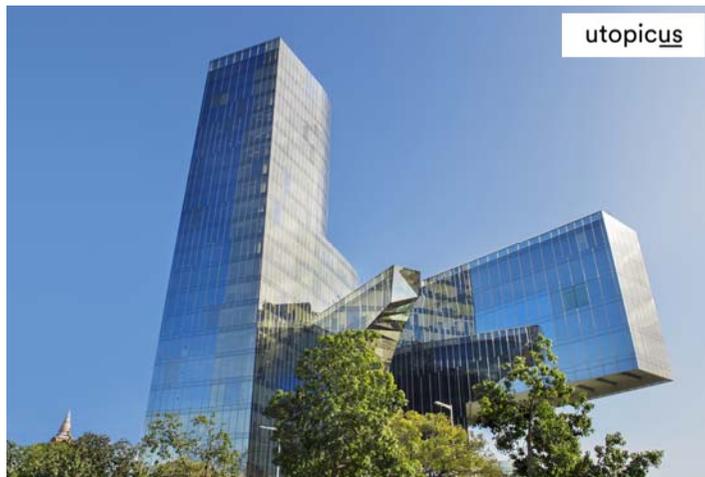
(3) €/sqm

Source: Savills-Aguirre Newman and public information

5 Alpha Rotation 2019 - Torre Marenstrum, 22@ Barcelona

Acquisition of the remaining 45% stake of Torre Marenstrum for €28.5m (implicit GAV of 4.508 €/sq m)<sup>1</sup>

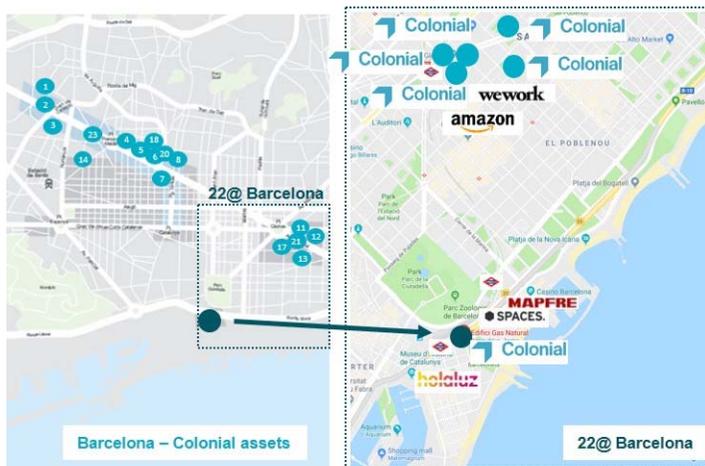
Torre Marenstrum



CORE WITH VALUE ADDED POTENTIAL

Creation of a unique product

- > Full ownership (previously 55% stake) of ICONIC asset developed by Colonial
- > GLA of 22,394 sqm with 540 parking units
- > Renovation program to capture rental growth
  - Progressive rotation of current tenant with under-rented contract (signed in 2016)
  - Reconversion to multitenant asset
  - Creation of hybrid product: combination of traditional office with more than 3,000 sqm of co-working space through Utopicus



22@ Barcelona – The technological hub of Southern Europe

- > Prime Location within the 22@ district in Barcelona
- > In front of the sea: area highly sought after by tech companies and flex operators



- > Asset with excellent communications (metro, bus and train)

(1) Implicit acquisition cost considering 100% of the asset

5 Alpha Rotation 2019 - Torre Marenstrum, 22@ Barcelona

Acquisition of the remaining 45% stake of Torre Marenstrum €28.5m (implicit GAV of 4.508 €/sq m)<sup>1</sup>



Sources of Value Creation

1. Acquisition of 45% stake at 13% discount to NAV 12/18
  - > 4% discount to 12/18 GAV
  - > Acquisition of the asset at a Capital Value €4,508/ sq m<sup>1</sup>
2. Real Estate Value Creation
  - > Renovation programme - creation of a hybrid product
  - > Significant reversion potential through tenant rotation
  - > Increased liquidity of the asset through full ownership
3. Tax optimization through fiscal consolidation
  - > Additional 45% stake fully tax efficient
  - > Initial 55% stake with full saving of recurring taxes
  - > EPS & Cash Flow accretive transaction



Superior Value Creation through high quality asset

Ungeared IRR <sup>2</sup>	7%-8%
Yield on Cost	>6%
Equity IRR	Double digit

(1) Implicit acquisition cost considering 100% of the asset (2) 10 year ungeared IRR

5 Alpha Rotation 2019 – Value Creation in 4 Steps

ALPHA ROTATION 2019 – VALUE CREATION IN 4 STEPS

1. Disposal of a secondary hotel at premium to 12/18 GAV
2. Acquisition of a 45% stake in Torre Marenostrum (prime22@) at a discount to 12/18 NAV
3. Renovation program in Torre Marenostrum
4. Full pre-let of Diagonal525-project to Naturgy

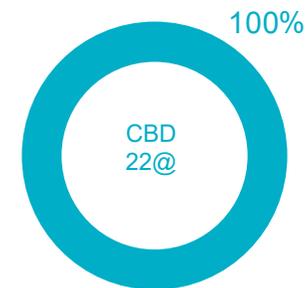
Divestment of Non Core – North of Madrid

Disposal of Secondary Hotel with +11% premium on 12/18 GAV



Acquisition & Pre-Let in Prime

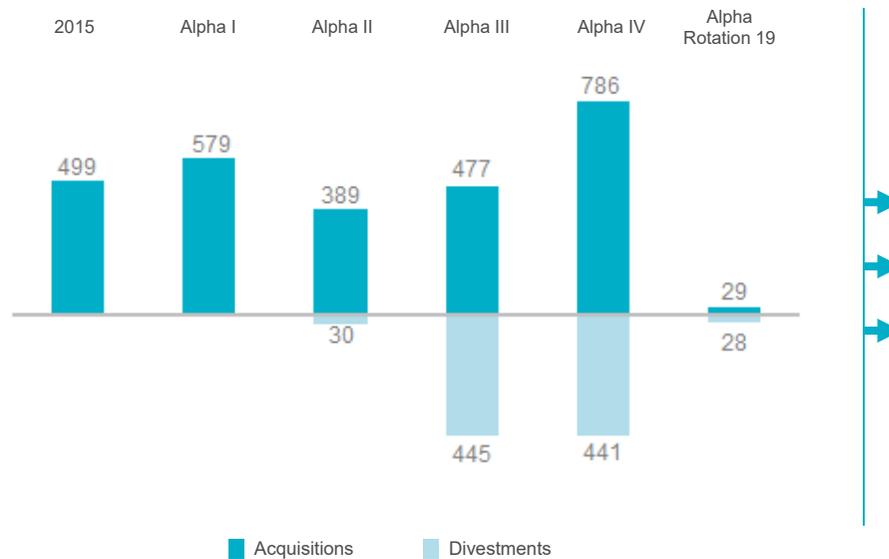
Acquisition of 45% JV with 13% discount on 12/18 NAV



5 Discipline on Capital Allocation

- > Ongoing flight to quality through disciplined capital allocation
- > Disposal of secondary assets for €0.9bn in 2017 & 2018
- > Alpha Rotation 2019 enhancing focus & prime exposure

INVESTMENTS & DIPOSALS SINCE 2015 - €m



CAPITAL ALLOCATION PRINCIPLES

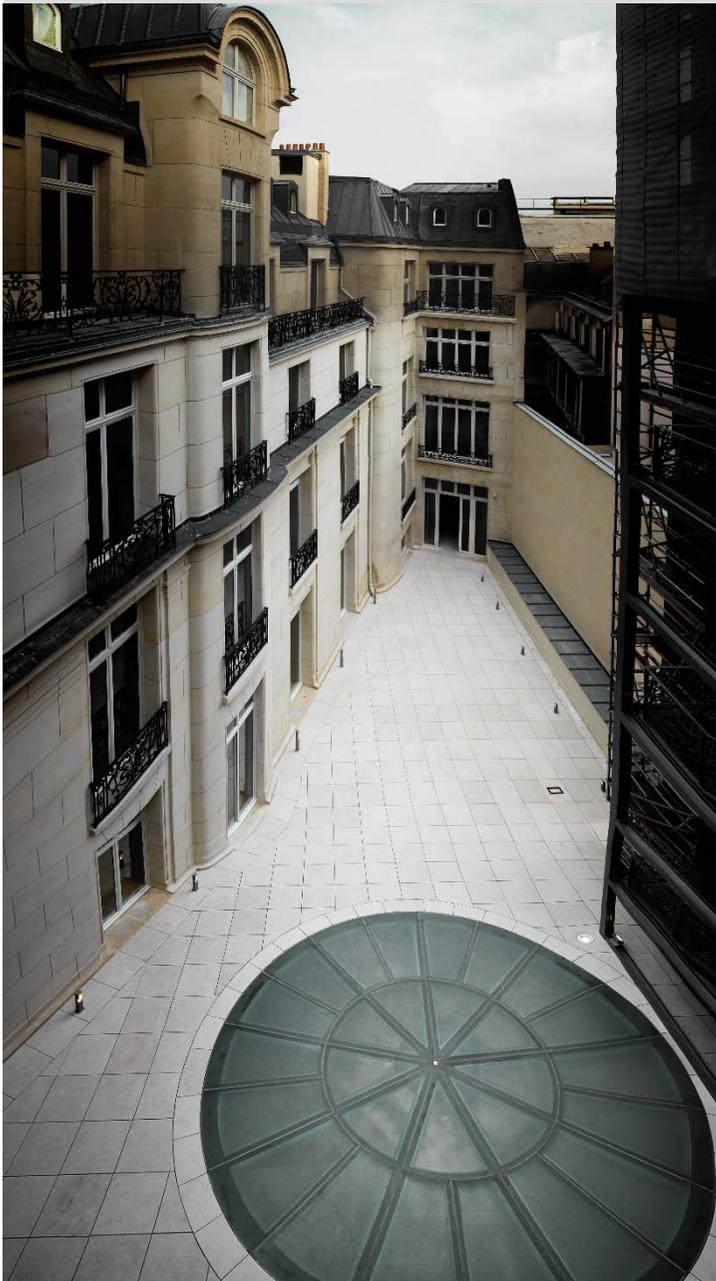
1. Prioritize value-added opportunities in prime
2. Enhance exposure to high quality offices
3. Maintain capital allocation discipline



European Property  
Investment Awards  
WINNER 2018

06 Conclusion





#### DELIVERY OF BUSINESS PLAN ON TRACK

---

##### *Financials*

- > Recurring EPS of €6.5 Cts. per share, +41% YoY
- > Recurring earnings of €33m, +65% YoY
- > Gross Rental Income of €87m, +4% like-for-like

##### *Operations*

- > Very healthy vacancy levels at 4%
- > Strong letting up of Madrid portfolio
- > Successful pre-let of 4 out of 12 projects
- > Strong growth in rental prices
  - ✓ Capturing market rental growth
  - ✓ Double Digit Release Spreads
- > Enhancing quality of returns through non core disposals

#### COLONIAL BEST POSITIONED FOR FUTURE GROWTH

---

- > Prime office leadership in every market
- > CBD outperforming Secondary
- > Delivery on operations capturing reversion
- > Enhanced visibility on project pipeline value path
- > Capital allocation program ongoing

# Q&A

## **“SAVE THE DATE”**

*Don't miss our next events*

> **July 5: Field Trip - BARCELONA**

> **Mid-October: Investor Day - MADRID**

## APPENDICES

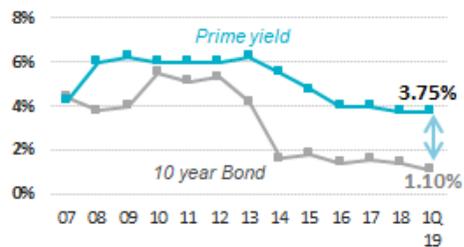
### Investment Markets remain strong



- > Scarcity of Grade A product
- > Strong investor interest for CBD
- > Spreads vs reference rates remain attractive

PRIME YIELDS <sup>(1)</sup>

BARCELONA



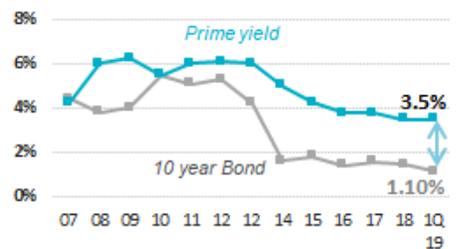
SPREAD VS 10Y BOND



HIGHLIGHTS

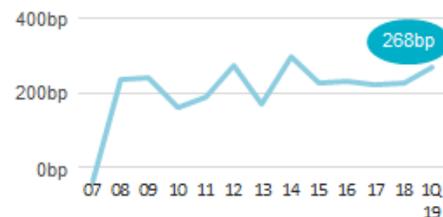
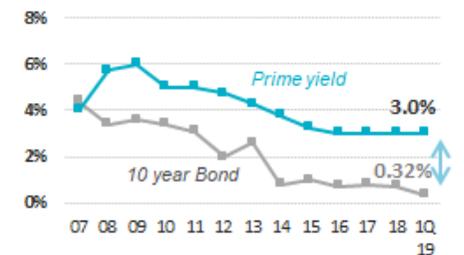
- > Investor interest faces scarce supply
- > Prime yields stabilizing at 3.75%
- > Healthy spread of 265 bp

MADRID



- > Record investment volume in 1Q 2019
- > Acceleration of transaction activity
- > Prime yields stabilizing at 3.5%

PARIS



- > 1Q 2019 with more than €2.4bn in investment volume
- > International investors represent 40% of total
- > Prime yield stable at 3%

(1) Market consultants in Spain report gross yields and in France they report net yields  
Source: JLL, CBRE & Bloomberg

# APPENDICES

## CBD focus ensures strong letting performance

	# CONTRACTS	SQM SIGNED	GRI SECURED <sup>1</sup>	INCENTIVES <sup>2</sup>	EPRA VACANCY <sup>3</sup>
<b>BARCELONA</b> 	7	9,867	€3m	10% 9% <sup>4</sup>	1%
<b>MADRID</b> 	9	12,716	€3m	8%	10%
<b>PARIS</b> 	9	9,792	€7m	8%	1%
<b>TOTAL</b> 	25	32,375	€13m	9%	4%

(1) Annualized figures of signed contracts  
 (2) Incentive ratio = economic rents/ facial rents -1  
 (3) Financial vacancy calculated according to EPRA vacancy methodology  
 (4) Excluding commercial contracts

## APPENDICES

### Capturing Reversion – Renovation Programs



- > Smart tenant rotation unlocking growth opportunities
- > Renovation programs with rapid execution
- > Solid base for further ERV and Capital Value Growth

106 Haussmann



CBD

GLA of 6,237 sqm with 52 parking units

- > Rotation of current tenant on track
- > Building permit in place
- > Exclusive conversation with potential new tenant
- > Attractive Rental Uplift expected

Ortega y Gasset, 100



CBD

GLA of 7,742 sqm with 96 parking units

- > Rotation of public tenant in 2019
- > Asset with cost inefficiencies
- > Reshaping common spaces and internal layout
- > Attractive Rental Uplift expected

Torre Marenostrum



22@  
prime

GLA of 22,394 sqm with 540 parking units

- > Renovation program to capture rental growth
- > Progressive rotation of current tenant with under-rented contract (signed in 2016)
- > Reconversion to multitenant asset
- > Creation of hybrid product: combination of traditional office with more than 3,000 sqm of co-working space through Utopicus

BARCELONA – LETTING PERFORMANCE

Solid Performance

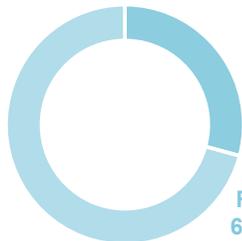
9,867 sq m let

> Max. rent signed **25.0**  
€/sqm/month

> ERV growth **+21%**<sup>(1)</sup>

> Release spread<sup>2</sup> **+23%**

New Lettings  
2.881 sq m



Renewals  
6.986 sq m

Strong rental growth - Highlights

Pedralbes Center



**+135%**  
vs ERV<sup>1</sup>

Sant Cugat



**+33%**  
vs ERV<sup>1</sup>

Av. Diagonal, 682



**+32%**  
vs ERV<sup>1</sup>

Illacuna



**+25%**  
release  
spread

(1) Signed rents vs 12/18 ERV (new lettings & renewals)  
(2) Signed rents vs previous contracts (renewals)

MADRID – LETTING PERFORMANCE

Solid Performance

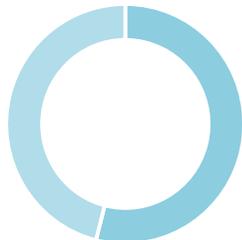
12,716 sq m let

> Max. rent signed **31.9**  
€/sqm/month

> ERV growth **+5%** <sup>(1)</sup>

> Release spread<sup>2</sup> **+22%**

New Lettings  
5.851 sq m



Renewals  
6.865 sq m

Strong rental growth - Highlights

Tucumán



**+24%**  
release  
spread

José Abascal, 45



**+24%**  
vs ERV<sup>1</sup>

Francisco Silvela, 42



**+19%**  
vs ERV<sup>1</sup>

Miguel Angel, 11



**+18%**  
release  
spread

(1) Signed rents vs 12/18 ERV (new lettings & renewals)  
(2) Signed rents vs previous contracts (renewals)

PARIS – LETTING PERFORMANCE

Solid Performance

9,792 sq m let

> Max. rent signed

852  
€/sqm/year

> ERV growth

+10%<sup>(1)</sup>

> Release spread<sup>2</sup>

+7%

New Lettings  
6.169 sq m



Renewals  
3.623 sq m

Strong rental growth - Highlights

Edouard VII



+21%  
vs ERV<sup>1</sup>

Louvre Saint-Honoré



+8%  
release  
spread

103 Grenelle



+6%  
vs ERV<sup>1</sup>

Louvre Saint-Honoré



+3%  
vs ERV<sup>1</sup>

(1) Signed rents vs 12/18 ERV (new lettings & renewals)  
(2) Signed rents vs previous contracts (renewals)

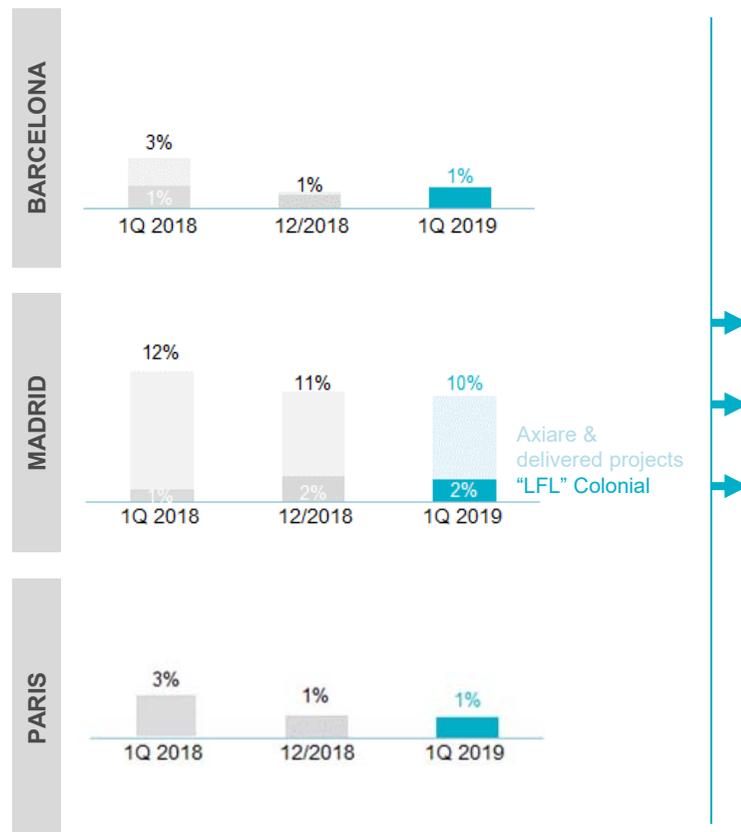
## APPENDICES

### Colonial portfolio outperforming the market on occupancy

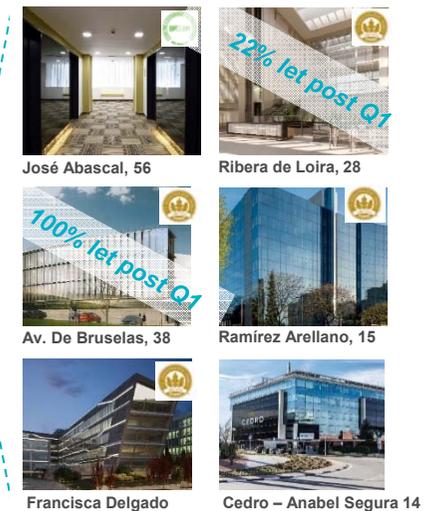
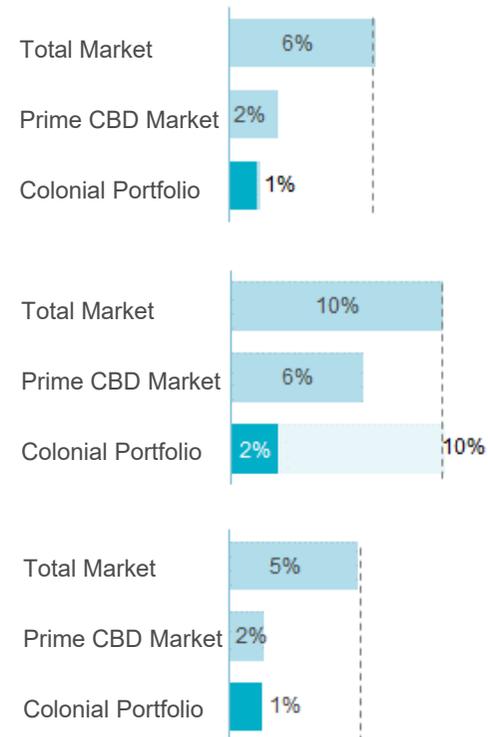


- > Colonial with solid vacancy levels in every city
- > Colonial strongly-positioned vs market average
- > Project deliveries in Madrid enhance reversion

#### EPRA VACANCY



#### VACANCY COLONIAL VS. MARKET



## APPENDICES

### Delivering the Business Plan



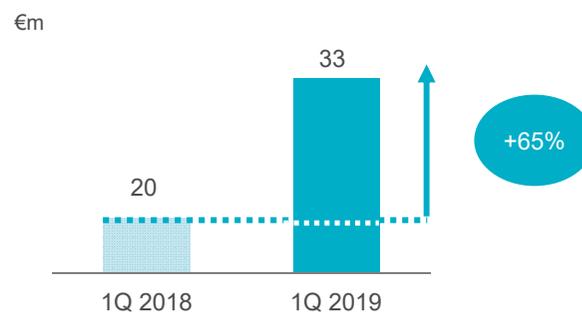
- > High double digit EPS growth delivered
- > High double digit recurring earnings growth
- > Business Plan delivery on track

#### STRONG EPS GROWTH

##### RECURRING EPS



##### RECURRING RESULT



#### PROFIT & LOSS ACCOUNT

##### Results analysis - €m

	1Q 2019	1Q 2018	Var.
<b>Gross Rents</b>	<b>87</b>	<b>82</b>	<b>5%</b>
Recurring EBITDA <sup>(1)</sup>	69	62	
Recurring financial result	(23)	(23)	
Income tax expense & others - recurring	(4)	(3)	
Minority interests - recurring	(9)	(16)	
<b>Recurring Earnings</b>	<b>33</b>	<b>20</b>	<b>65%</b>
Asset revaluation	3	6	
Non-recurring financial result & MTM	(5)	(1)	
Income tax & others - non-recurring	(9)	(3)	
Minority interests - non-recurring	1	0	
<b>Profit attributable to the Group</b>	<b>23</b>	<b>22</b>	<b>3%</b>

(1) Temporary adjustment Property Tax

Recurring Earnings - €m	33	20	+65%
Nosh (mm)	508	435	+17%
<b>EPS recurring - Cts€/share</b>	<b>6.5</b>	<b>4.6</b>	<b>+41%</b>

Colonial



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