

In compliance with Section 228 of the *Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*, Inmobiliaria Colonial, S.A. (“**Colonial**” or the “**Company**”) hereby discloses the following

## **REGULATORY ANNOUNCEMENT (HECHO RELEVANTE)**

In relation with the regulatory announcement (under number 243807) published on 20 October 2016, Colonial informs that, following completion of the book building process, it has successfully agreed an issue of senior unsecured notes under its €3bn Euro Medium Term Note Programme (the “**Notes**”) for an aggregate nominal amount of 600,000,000.00 Euros (the “**Issuance**”).

The Notes, which are expected to be listed on the Irish Stock Exchange, have a maturity of 8 years and an annual coupon of 1.45% and will be issued at an issue price of 99.223% of their nominal value.

Closing of the Issuance is expected to take place on 28 October 2016, subject to the satisfaction of customary conditions precedent for this type of transaction.

The Company, if deemed appropriate, expects to use the net proceeds of the Issuance for general corporate purposes of Colonial, including the repayment of financial indebtedness (including the Repurchase Offer, as defined in the aforementioned regulatory announcement).

In Barcelona, on 21 October, 2016.