



Colonial

A leading listed Pan-European Prime Office platform

Colonial

Company Presentation

June, 2015

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Group Key Portfolio Metrics⁽¹⁾

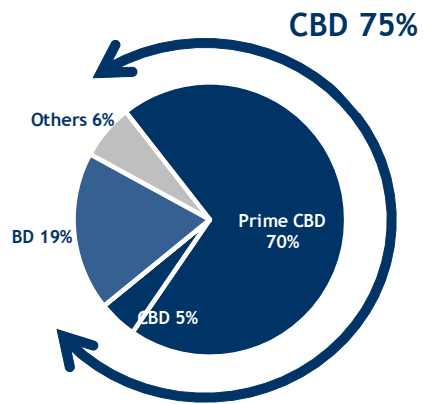
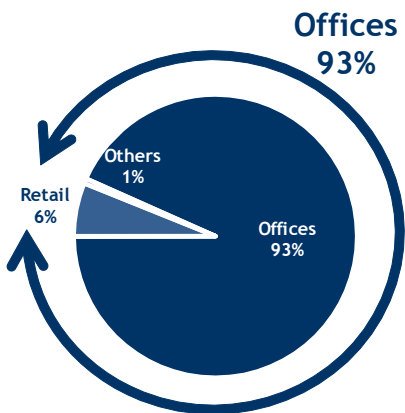
Group GAV 12/14	€5,757 m	+9.6% LFL
# of assets	32 Spain 19 France	
Surface Above Ground	725,342 sq m	
There of Projects	79,231 sq m	

Capital Structure Metrics⁽¹⁾

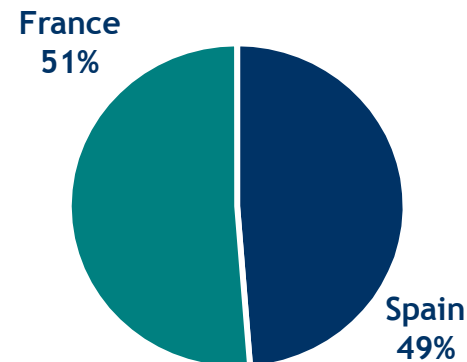
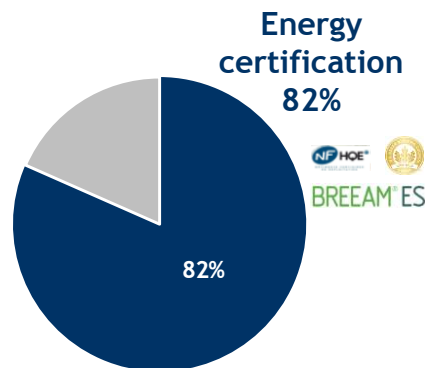
Market Capitalization ⁽²⁾	€1,964 m	
EPRA NAV 12/14 (cents €/share)	47,7 cents €/share	+6.3% (6 months)
LTV Parent 03/15	37%	
Investment Grade Rating	BBB- (Stable outlook) by S&P	

Business Mix⁽¹⁾

GAV GROUP



GAV HOLDING



Leading European Prime Office Platform

(1) Figures not including acquisition of Estébanez Calderon (transaction 5/2015)

(2) As of 9 June, 2015

Colonial at a glance

Exclusive High Quality Pure-Play Prime Office Portfolio

Barcelona



Av. Diagonal 609-615



Av. Diagonal 682



Torre Marenostrum



Av. Diagonal 530

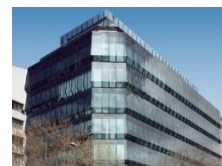
Madrid



P. Castellana, 52



Recoletos, 37



Miguel Ángel, 11



Alfonso XII

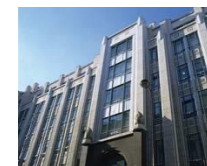
Paris



Edouard 7



Cezanne Saint Honoré



Washington Plaza

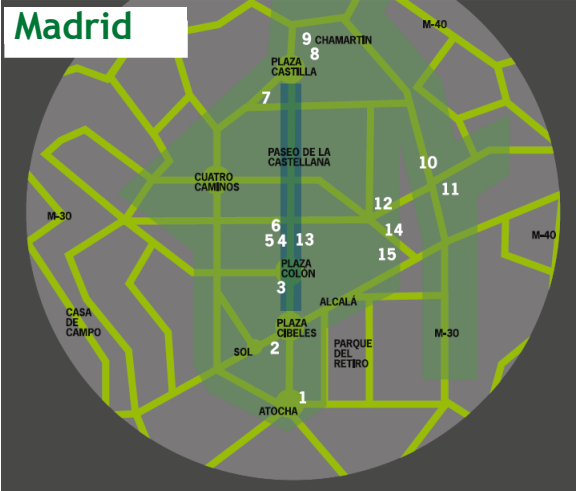


Le Louvre des Antiquaires

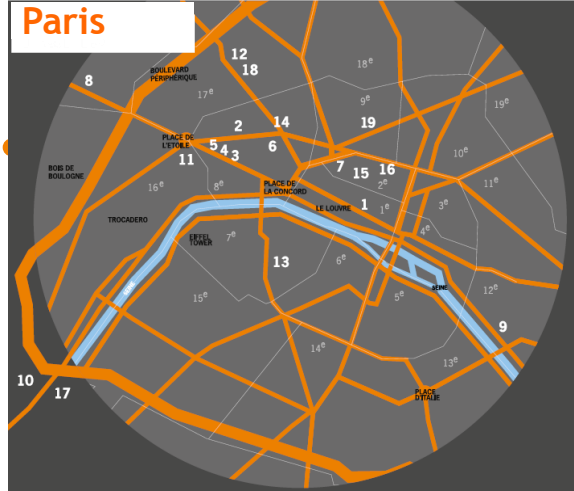
Barcelona



Madrid



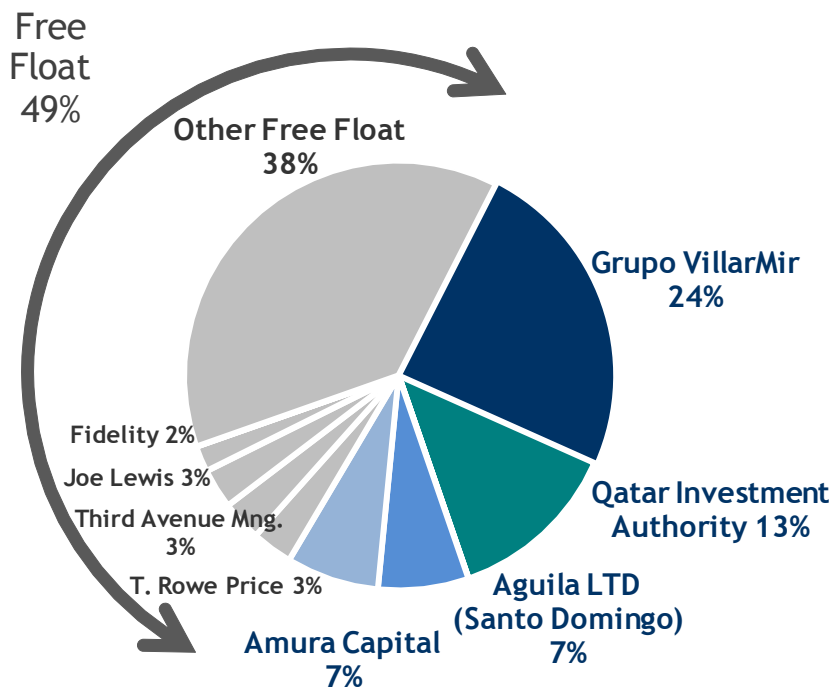
Paris



High Quality Assets Located in Prime Areas with Strong Tenant Base

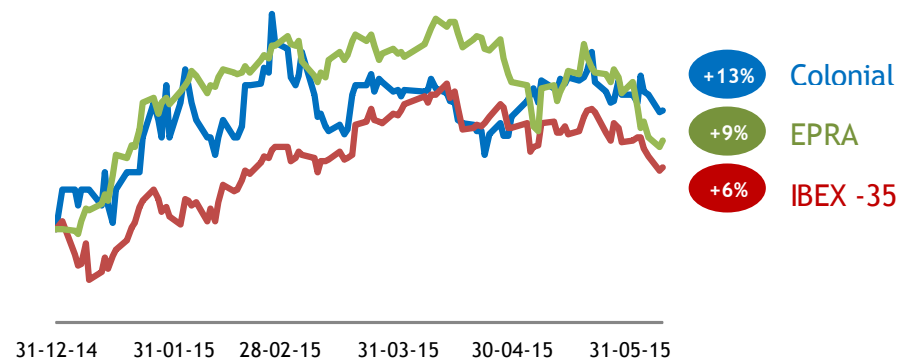
(1) Not including acquisition of Estébanez Calderon (transaction 5/2015)

Shareholder structure at 31 March 2015



Share price performance

Market Capitalization ⁽¹⁾	€1,964 m
Free Float ⁽¹⁾	€963 m
Av. Daily Trading Volume 2015	€7.6 m



(* According to reports in the CNMV and notifications received by the company)

Colonial at a glance

Adequate Capital Structure with High Credit Credentials

High Credit Credentials

BBB- with stable outlook (by S&P)

Optimal Financial Structure

Group
LTV
43%

Parent
LTV
37%

First ever and only Spanish property company to be rated Investment Grade, setting a new benchmark in the sector

Successful issuance of €1.25bn of IG Bonds

	4-year	8-year
Size	€750 m	€500 m
Coupon	1.863%	2.728%
Spread to benchmark	ms + 160 bps	ms + 200 bps
Maturity	5 June 2019	5 June 2023

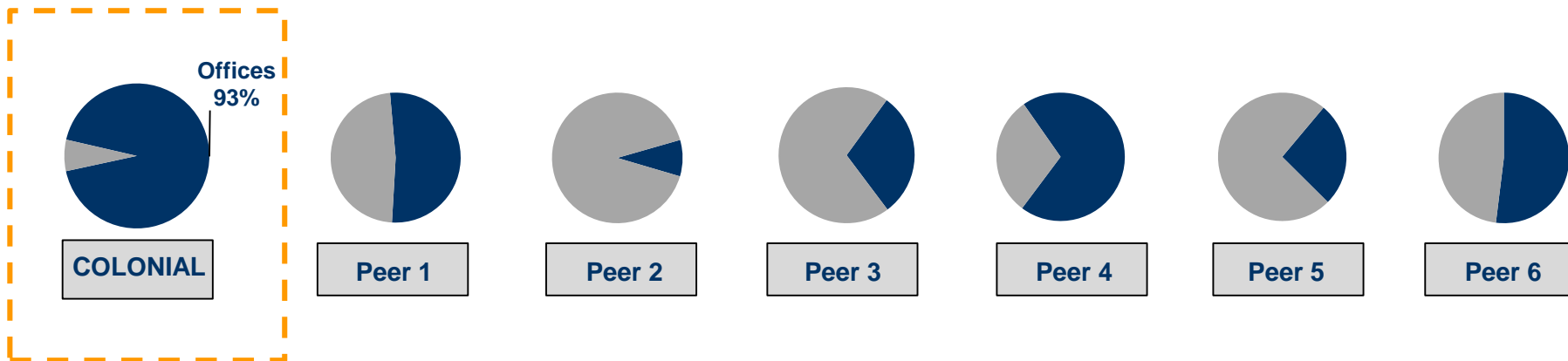
Total issue of €1.25bn with an average coupon of 2.2%

Colonial at a glance

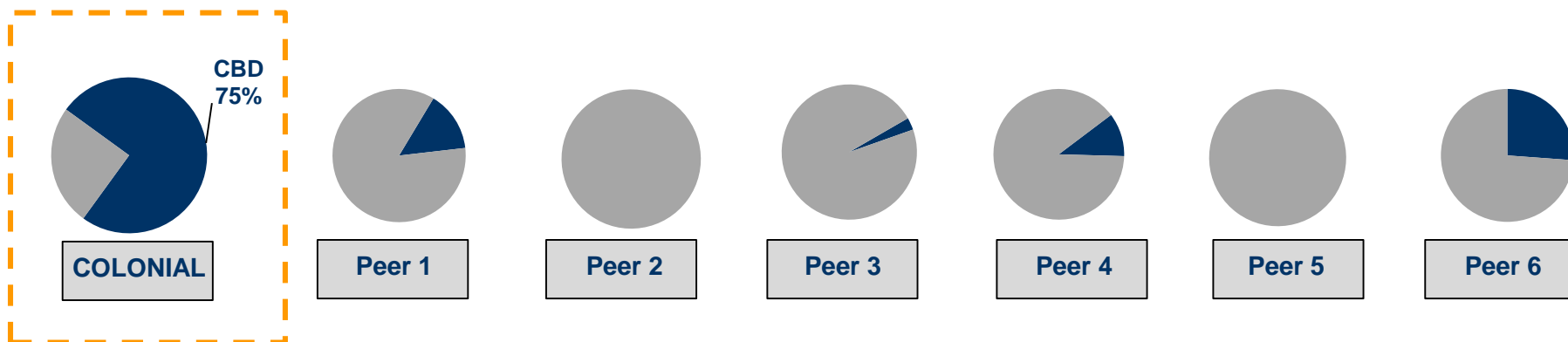
An unparalleled Prime Office Platform with unique business model

Colonial vs. Spanish Listed Peers

The only specialized office player in Spain



Clear focus on high quality product in prime location

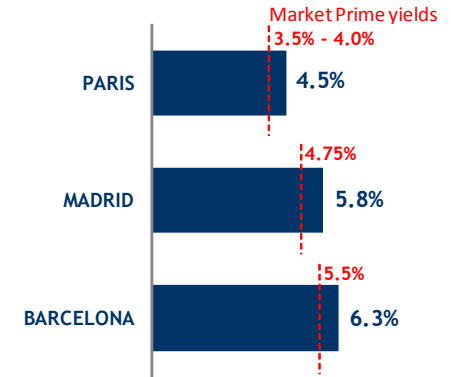
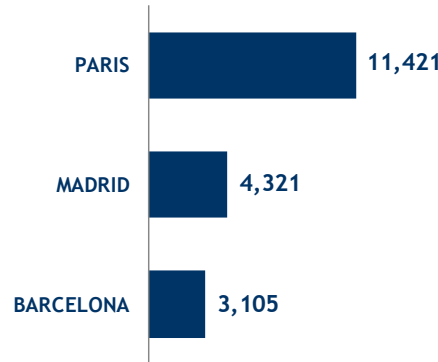
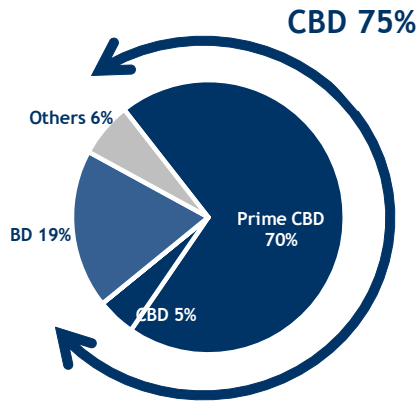


Colonial at a glance

Attractive valuation levels with significant growth potential

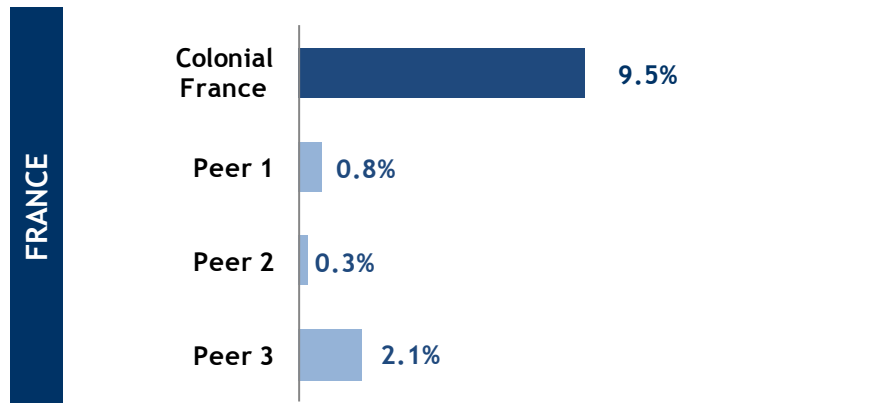
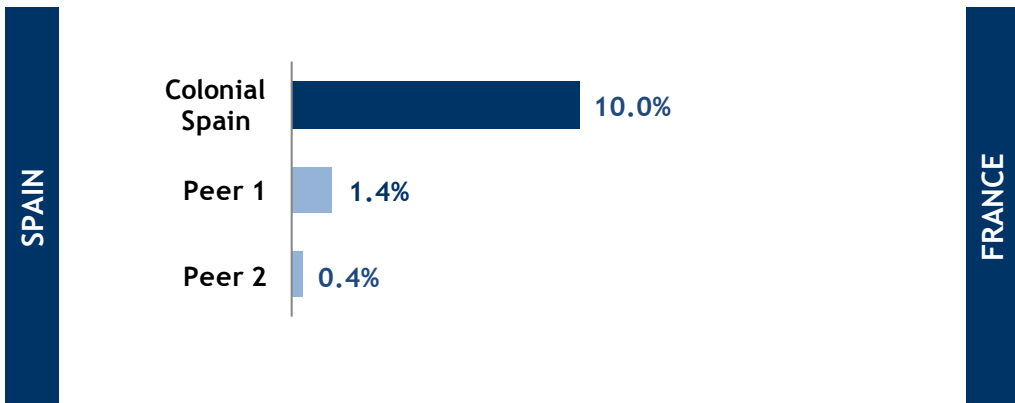
- Attractive valuation levels in the three markets
- Prime positioning delivers strong value creation, outperforming peers

Clear Prime Positioning	€ / sqm 2014	Valuation Yield Colonial
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In order to be able to compare the data with the market benchmarks of the consultants, the corresponding yields of the portfolio in Spain are gross and in France they are net.

Comparison vs. Peers - GAV (Var. % Like for like - 12 months)



Colonial at a glance

Value creation through unique “Prime Factory” Investments

INVESTMENTS & ACQUISITIONS

2014
€234m

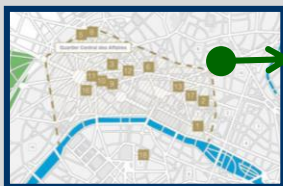
Acquisitions during 2014

2015
€30m

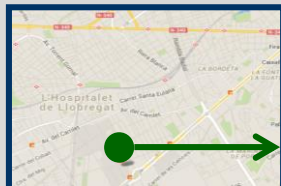
Acquisitions during 2015

Rue Condorcet - Paris

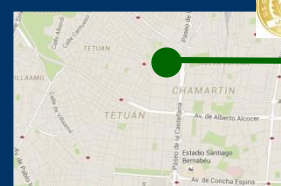
breeam



Plaza Europa 42-44 - Barcelona



Estébanez Calderon, 5 - Madrid



Project for a
Leed Gold Asset
in CBD



2014
€135m

1Q15
€40m

“Prime Factory” Investments - Prime repositing as ongoing value creation process

Paseo de los Tilos



Inaugurated
+ fully let



Jose Abascal

Uplift in
occupancy



Travessera/Amigó



Leed Gold
asset in CBD



90 Champs Elysées

breeam

Released
+ pre let



#Cloud



NF HOE green
certification

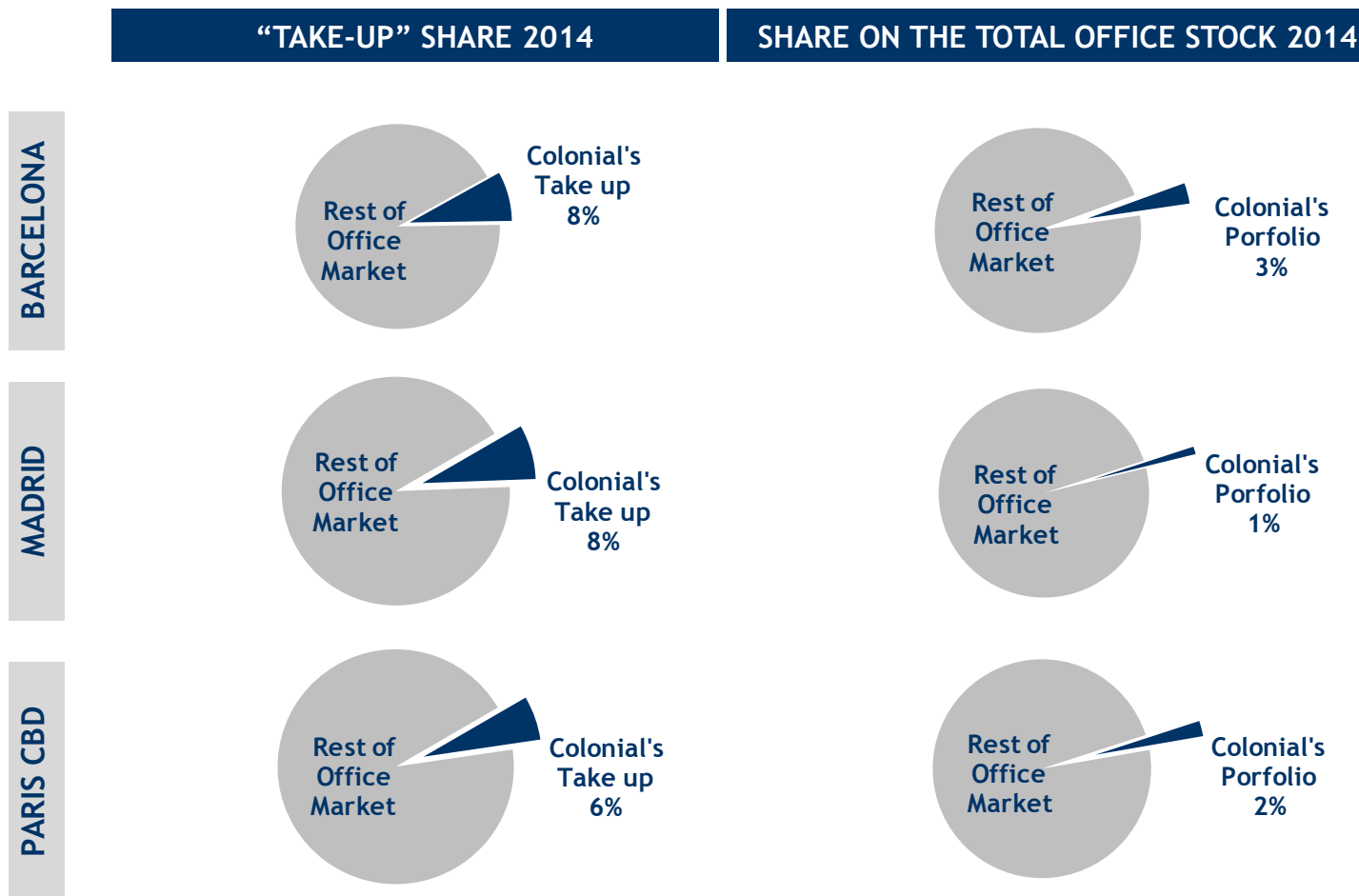
30% pre let



Colonial at a glance

Prime Positioning enables superior performance

- Take-up share of Colonial clearly above Colonial’s share on total stock
- Proven attraction of high quality premises

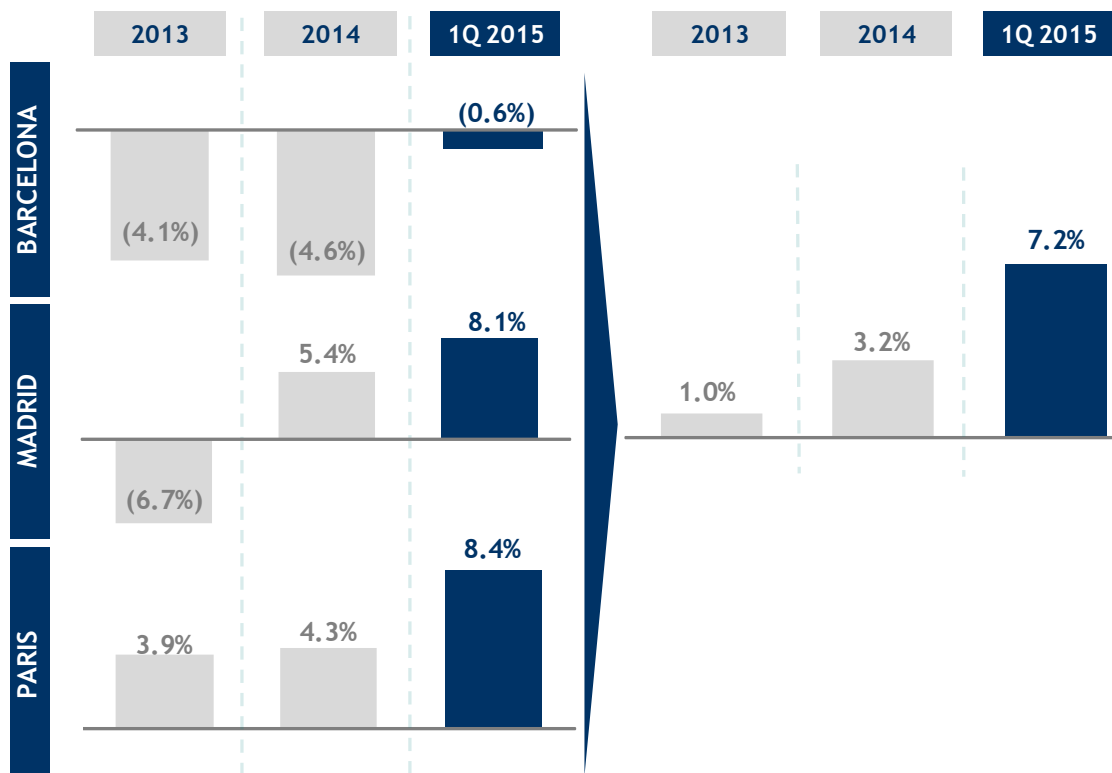


Colonial at a glance

Prime Positioning enables superior performance

- Strong rental growth ➔ +7.2% like for like
- Clear recovery of Colonial's portfolio in every market

"Like for Like" Rental Growth



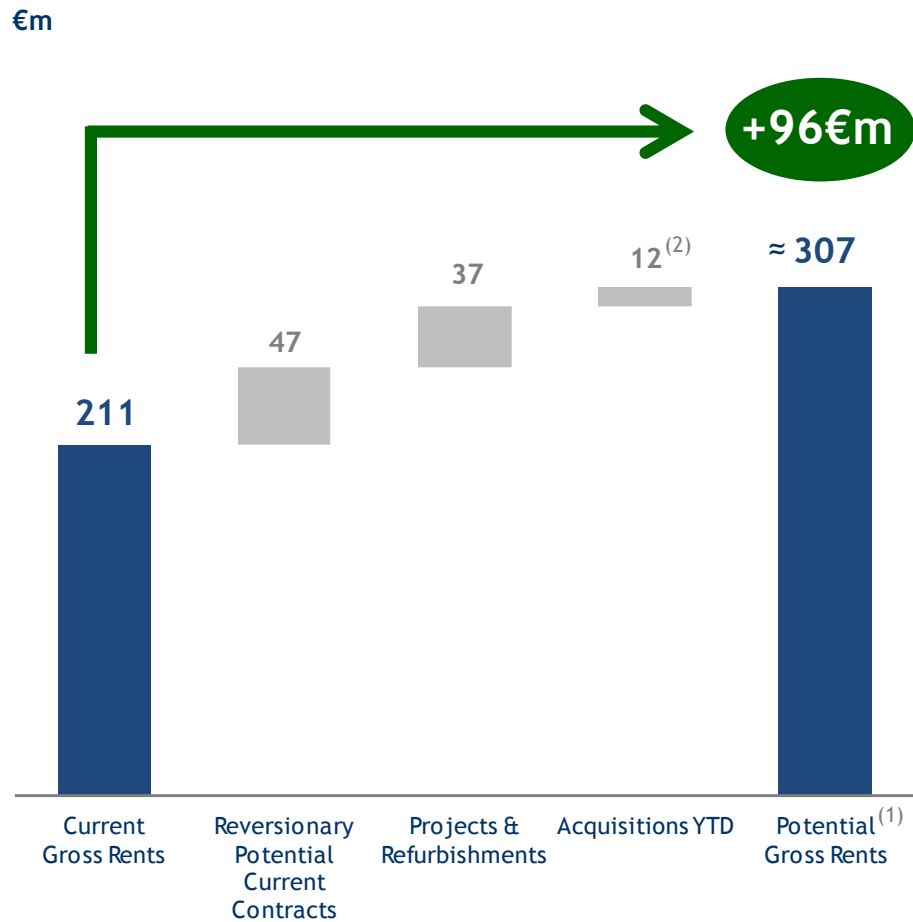
Strong Recovery of Rental Cash Flow

- ✓ Paris & Madrid above 8% rental growth
- ✓ Barcelona flat, but significant improvement versus previous years
- ✓ Total Portfolio +7,2% like for like

Prime Positioning that delivers superior rental growth

Prime Factory - Significant value & cash flow to be unlocked from current portfolio

Reversionary potential Current Portfolio & Projects & Acquisitions



Additional upside to come from:

- + Recovery of Spanish Office Cycle
- + Additional uplift through Prime Factory repositioning
- + New acquisitions

(1) 2014 full year rents + reversionary potential of contract portfolio and projects (excluding Parc Central) as of 31/12/2014 + marginal annual impact acquisitions

(2) Includes 12 months of Plaza Europa, 12 months of Estébanez Calderon and 11 months of rue Condorcet

Conclusion

An unparalleled Prime Office Platform

Unparalleled exposure to prime CBD offices in Madrid, Barcelona and Paris

1

Superior operating performance through “scarcity play” - prime office positioning

2

Attractive investment returns through unique “Prime Factory” approach

3

Best positioned platform to capture recovery in the Spanish office cycle

4

Low Cost of Capital through high credit credentials - Investment Grade Rating

5

Tax efficient listed Platform - Tax Credits > 1€bn

A leading listed Pan European Prime Office Platform

