

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

AUDITORS' REPORT ON INTERIM COMPLETE CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Inmobiliaria Colonial, S.A.,
at the request of the Board of Directors:

1. We have audited the consolidated statement of financial position at 30 June 2013 and the related consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended, together with the explanatory notes accompanying those consolidated financial statements, all of which are included in the half-yearly financial information for the first six months of 2013 of Inmobiliaria Colonial, S.A. and Subsidiaries ("the Group") formally prepared by the directors of Inmobiliaria Colonial, S.A., the Parent of the Group. As indicated in the accompanying explanatory Note 2-a, the directors of Inmobiliaria Colonial, S.A. present the aforementioned financial statements included in the half-yearly financial information in accordance with the accounting principles and standards provided for by International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim complete financial statements. Our responsibility is to express an opinion on the aforementioned financial statements included in the half-yearly financial information taken as a whole based on our audit work performed in accordance with the audit regulations in force in Spain, which require examination, by means of selective tests, of the evidence supporting the aforementioned financial statements and evaluation of whether their presentation, the accounting principles and policies applied and the estimates made comply with the applicable accounting rules referred to above.
2. In our opinion, the interim consolidated financial statements included in the half-yearly financial information referred to in paragraph 1 above present fairly, in all material respects, the consolidated equity and consolidated financial position of Inmobiliaria Colonial, S.A. and Subsidiaries at 30 June 2013, and the consolidated results of their operations and their consolidated cash flows for the six-month period then ended, in conformity with International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim complete financial statements.
3. Without qualifying our audit opinion, we draw attention to the accompanying explanatory Note 2-i, which indicates that Inmobiliaria Colonial, S.A. has initiated conversations with its main creditor banks for the purpose of exploring various alternatives which would enable it to reduce its borrowings and extend the maturity of its debt, which matures mainly in December 2014 (see Note 15). In the course of this process, the Parent's directors are analysing various alternatives which would enable them to optimise the capital and financial structure by reducing the level of borrowings, which include, inter alia, the possibility of increasing capital or disposing of assets, including the total or partial sale of the Parent's investment in SFL. The agreements arising as a result of this process could have a significant impact on the financial statements of the Colonial Group.

4. The accompanying interim directors' report for the first six months of 2013 contains the explanations which the Parent's directors consider appropriate about the significant events that took place in that period and their effect on the interim half-yearly financial statements presented, of which it does not form part, and about the information required under Article 15 of Royal Decree 1362/2007. We have checked that the accounting information in the interim directors' report is consistent with that contained in the interim consolidated financial statements included in the half-yearly financial information for 2013 referred to in paragraph 1 above. Our work as auditors was confined to checking the interim directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Inmobiliaria Colonial, S.A. and Subsidiaries.

DELOITTE, S.L.
Registered in ROAC under no. S0692



Rafael Abella

31 July 2013

COL·LEGI
DE CENSORS JURATS
DE COMPTES
DE CATALUNYA

Membre exercent:

DELOITTE, S.L.

Any 2013 Núm. 20/13/11854
CÒPIA GRATUÏTA

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Informe subjecte a la taxa establerta
a l'article 44 del text refós de la
Llei d'auditoria de comptes, aprovat per
Reial decret legislatiu 1/2011, d'1 de juliol.
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