

Pursuant to the provisions of Article 228 of the consolidated Stock Market Act, approved by the Royal Decree 4/2015, of 23 October, Inmobiliaria Colonial, SOCIMI, S.A. ("**Colonial**", or the "**Company**") hereby gives notice of the following

## **REGULATORY ANNOUNCEMENT**

The Board of Directors of Colonial has agreed to call the Ordinary General Meeting of Shareholders of the Company, to be held in Madrid, at Hotel Villa Magna, Paseo de la Castellana, 22, 28046 Madrid, on 23 May 2018 at 12:00h, on first call, and at the same time and place on the following day, on 24 May 2018, on second call. The General Meeting is expected to be held on second call.

Appendices I and II contain the call notice and the complete texts of the proposed motions drawn up by the Board of Directors of Colonial, respectively.

Madrid, on 20 April 2018.

---

Mr. Juan José Brugera Clavero  
Chairman of the Board of Directors

**INMOBILIARIA COLONIAL, SOCIMI, S.A.****NOTICE OF ORDINARY GENERAL MEETING OF SHAREHOLDERS**

As agreed by the Board of Directors of Inmobiliaria Colonial, SOCIMI S.A. (the “**Company**”), the shareholders of the Company are hereby called to the Ordinary General Meeting of Shareholders to be held in the Hotel Villa Magna, Paseo de la Castellana 22, 28046 Madrid, on 23 May 2018, at 12:00, on first call, and at the same time and in the same place on the next day, 24 May 2018, on second call.

**The shareholders are notified that the Ordinary General Meeting of Shareholders is expected to be held on second call on 24 May 2018 at 12:00. In the event the foregoing schedule is altered, it shall be notified in due course.**

The General Meeting will be held based on the following

**AGENDA**

- I. Items relating to the annual financial statements, distribution of profit and conduct of the business**
  - First** Examination and approval of the individual and consolidated financial statements of Inmobiliaria Colonial, SOCIMI, S.A. for the year ended 31 December 2017.
    - 1.1** Approval of the individual financial statements of Inmobiliaria Colonial, SOCIMI, S.A. for the year ended 31 December 2017.
    - 1.2** Approval of the consolidated financial statements of Inmobiliaria Colonial, SOCIMI, S.A. for the year ended 31 December 2017.
  - Second** Examination and approval of the proposed distribution of profit for the year ended 31 December 2017. Distribution of dividends.
    - 2.1** Examination and approval of the proposed distribution of profit for the year ended 31 December 2017.
    - 2.2** Distribution of dividends.
  - Third** Examination and approval of the individual and consolidated directors' reports of Inmobiliaria Colonial, SOCIMI, S.A. and approval of the conduct of business by the Board of Directors in the year ended 31 December 2017.
- II. Item relating to the merger by absorption of Axiare Patrimonio SOCIMI, S.A. (as absorbed company) into Inmobiliaria Colonial, SOCIMI, S.A. (as absorbing company).**
  - Fourth** Approval of the merger by absorption of Axiare Patrimonio SOCIMI, S.A. (as absorbed company) into Inmobiliaria Colonial, SOCIMI, S.A. (as absorbing company), with the dissolution of the former and the transfer en bloc, by universal

succession, of its assets and liabilities to the absorbing company in accordance with the common draft terms of the merger approved by the respective boards of directors of the participating companies on 10 April 2018. For these purposes, the resolution comprises: (i) approval of the merger balance sheet; (ii) approval of the common draft terms of the merger; (iii) approval of the merger by absorption; (iv) capital increase of Inmobiliaria Colonial, SOCIMI, S.A. through the issue of a maximum of 19,273,622 ordinary shares of 2.50 euro par value each to service the merger exchange ratio and the consequent amendment of Article 5 of the Company Bylaws; (v) application of the tax neutrality regime to the merger; and (vi) the delegation of powers.

### **III. Items relating to authorisations of the Board of Directors**

**Fifth** Authorisation for the Board of Directors, pursuant to Article 297.1 b) of the Spanish Limited Liability Companies Law, to increase the share capital, once or several times, through monetary contributions up to half of the share capital within a maximum period of five years at the time and in the amount it deems appropriate. Within the maximum indicated amount, the Board of Directors holds the power to disapply preemptive rights up to a maximum of 20% of the share capital.

**Sixth** Authorisation given to the Board of Directors to issue, on behalf of the Company and on one or more occasions, for a maximum period of five years, new bonds convertible into company shares or other similar securities that may give the direct or indirect right to subscribe to Company shares, with the express option to disapply the preemptive rights of shareholders up to a maximum of 20% of the share capital and to increase the share capital by the amount necessary to cater for the conversion. Establishment of the criteria to determine the bases and means of conversion.

**Seventh** Authorisation to reduce the period for calling the extraordinary general meetings of Inmobiliaria Colonial, SOCIMI, S.A., in accordance with Article 515 of the Spanish Limited Liability Companies Law.

### **IV. Items regarding the appointment/re-election and remuneration of Directors**

**Eighth** Establishment of the number of members of the Board of Directors.

**Ninth** Appointment and re-election of directors.

**9.1.** Appointment of Mr Javier López Casado as director of the Company, with the status of proprietary director.

**9.2.** Re-election of Mr Juan José Brugera Clavero as director of the Company, with the status of executive director.

**9.3.** Re-election of Mr Pedro Viñolas Serra as director of the Company, with the status of executive director.

FOR INFORMATION PURPOSES ONLY. SPANISH VERSION PREVAILS

- 9.4.** Re-election of Mr Juan Carlos García Cañizares as director of the Company, with the status of proprietary director.
- 9.5.** Re-election of Ms Ana Sainz de Vicuña Bemberg as director of the Company, with the status of independent director.
- 9.6.** Re-election of Mr Carlos Fernández-Lerga Garrald as director of the Company, with the status of independent director.
- 9.7.** Re-election of Mr Javier Iglesias de Ussel Ordís as director of the Company, with the status of independent director.
- 9.8.** Re-election of Mr Luis Maluquer Trepas as director of the Company, with the status of independent director.
- Tenth** Voting, in an advisory capacity, on the Annual Remuneration Report of Directors of Inmobiliaria Colonial, SOCIMI, S.A. for 2017.
- V. Informative point**
- Eleventh** Information to the General Meeting on the amendment of the Regulations of the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A.
- VI. Item relating to the delegation of powers**
- Twelfth** Delegation of powers.

#### **SUPPLEMENT TO THE CALL AND SUBMISSION OF FURTHER MOTIONS**

Pursuant to the provisions of Article 16 of the Company Bylaws and Article 519 of the consolidated Spanish Limited Liability Companies Law as approved by Legislative Royal Decree 1/2010 of July 2 (the “**Spanish Limited Liability Companies Law**”), any shareholders of the Company representing at least 3% of the share capital may request that a supplement to the call of the Ordinary General Meeting of Shareholders be published, to include one or more items on the agenda, provided that the new items are accompanied by reasoning or, where appropriate, a supporting motion. Such right shall be exercised by delivering a certified notice to the Company, which must be received at its registered office, located at Paseo de la Castellana 52, 28046 Madrid, within a period of five days as from the date of publication of the call. The supplement to the call must be published at least 15 days prior to the date set to hold the General Meeting.

Likewise, shareholders representing at least 3% of the share capital may, within the same period described in the paragraph above, submit reasoned proposals for resolutions on matters that have already been or should be included on the agenda for a Shareholders’ Meeting that has already been called. Upon receipt of such proposals, the Company shall ensure that the proposals and any accompanying documentation, if any, are disseminated among the other shareholders by publishing them continuously on the corporate website ([www.inmocolonial.com](http://www.inmocolonial.com)).

### ONLINE SHAREHOLDERS' FORUM

Pursuant to Article 11 of the General Meeting of Shareholders' Regulations of the Company and Article 539.2 of the Spanish Limited Liability Companies Law, as from the publication of this call and until the end of the day prior to the date scheduled for the holding of the Ordinary General Meeting of Shareholders, the corporate website ([www.inmocolonial.com](http://www.inmocolonial.com)) will feature an Online Shareholders' Forum, which will be accessible, with all due safeguards, by individual shareholders and any specific and voluntary associations duly incorporated and registered in the special Registry operated for such purpose by the Spanish Securities Market Commission (CNMV). Any proposals that are intended for submission as a supplement to the agenda set forth in this call, requests for adherence to such proposals, initiatives to reach the percentage required to exercise a minority right as provided by law, and any offers and requests for voluntary representation may all be posted on the aforesaid Forum.

### RIGHT TO INFORMATION

As from the date of publication of this call, shareholders of the Company may request, up to five (5) days prior to the General Meeting, any information or clarifications as the shareholders may deem necessary regarding the items on the agenda, or submit any questions in writing as the shareholders may deem relevant. In addition, shareholders may also request the directors, in writing and within the aforesaid time period, or verbally during the General Meeting, to provide any clarifications as the shareholders may deem necessary regarding the information available to the public that the Company may have provided to the Spanish Securities Market Commission (CNMV) since the holding of the last General Meeting and regarding the auditor's report.

In accordance with the provisions of Articles 197, 272, 286, 287, 518 and 520 concordant of the Spanish Limited Liability Companies Law, and, with reference to the merger, Articles 39 and 40.2 of *Law 3/2009, of 3 April, regarding structural changes of trading companies (the "LME" or "Law on Structural Changes")*, the Company's shareholders hold the right to examine and consult the documents indicated below at the registered office, located in Madrid on Paseo de la Castellana 52, and on the corporate website ([www.inmocolonial.com](http://www.inmocolonial.com)), as well as request the free delivery or dispatch: Shareholders of the Company may also examine and consult this documentation at the Company's offices in Barcelona, located at Avenida Diagonal 532, 08006 Barcelona.

- The announcement of the call.
- The total number of shares and voting rights on the date of the call.
- The full texts of the motions on all and any items on the Agenda and, where appropriate, the motions submitted by shareholders.

In addition, regarding the items on the agenda concerning the annual financial statements, the application of the results and company management, the following is provided:

- The separate and consolidated Annual Financial Statements (i.e., Balance Sheet, Profit and Loss Statement, Statement of Changes in Shareholders' Equity, Statement of Cash Flows and Explanatory Notes) of Inmobiliaria Colonial, SOCIMI, S.A. for 2017, together with the respective Auditor's Reports.
- Separate and consolidated directors' reports of Inmobiliaria Colonial, SOCIMI, S.A. for 2017.

## FOR INFORMATION PURPOSES ONLY. SPANISH VERSION PREVAILS

- Annual Corporate Governance Report of Inmobiliaria Colonial, SOCIMI, S.A. for 2017.
- Report of the Audit and Control Committee of Inmobiliaria Colonial, SOCIMI, S.A. on the independence of the external auditor.
- Report of the Audit and Control Committee of Inmobiliaria Colonial, SOCIMI S.A. on its operation.

Concerning the item on the agenda regarding the merger through absorption between Inmobiliaria Colonial SOCIMI, S.A. (as absorbing company) and Axiare Patrimonio, S.A. (as absorbed company), the following is provided:

- The common draft terms of the merger.
- The report of Inmobiliaria Colonial, SOCIMI, S.A.'s Board of Directors regarding the Common Draft Terms of the Merger.
- The report of Axiare Patrimonio SOCIMI, S.A.'s Board of Directors regarding the Common Draft Terms of the Merger.
- The single report of BDO Auditores, S.L.P. as independent expert appointed by the Commercial Registry, on the Common Draft Terms of the Merger.
- The individual and consolidated financial statements and management reports of the last three financial years (2015, 2016 and 2017), and the audit reports of Inmobiliaria Colonial, SOCIMI, S.A. and Axiare Patrimonio SOCIMI, S.A.
- The merger balance sheets of Inmobiliaria Colonial, SOCIMI, S.A. and Axiare Patrimonio, S.A. correspond to the last individual annual balance sheets of each company as of 31 December 2017, with the corresponding reports of the auditor.
- The complete text of the current Company Bylaws of Inmobiliaria Colonial, SOCIMI, S.A. and Axiare Patrimonio SOCIMI, S.A.
- The complete text of the Company Bylaws of Inmobiliaria Colonial, SOCIMI, S.A., applicable once the merger has been executed. The aforementioned Company Bylaws will be Inmobiliaria Colonial, SOCIMI, S.A.'s current Company Bylaws (as recorded in the Appendix to the Common Draft Terms of the Merger), in which, as a consequence of the merger, only the share capital figure will be modified (Article 5 of the Inmobiliaria Colonial, SOCIMI, S.A. Company Bylaws) as a result of the capital increase to service the merger exchange.
- The identity of Inmobiliaria Colonial, SOCIMI, S.A.'s and Axiare Patrimonio SOCIMI, S.A.'s directors, the date on which they took office and the identity of those proposed as directors of the Company as a result of the merger.

As foreseen in Article 40.2 of the LME (or the "Law on Structural Changes"), it is duly recorded that the aforementioned documents were posted on the Company's website ([www.inmocolonial.com](http://www.inmocolonial.com)) on the day before the announcement of the call and may be downloaded and printed. It is duly recorded that all the shareholders, bondholders, holders of special rights and workers' representatives have the right to examine copies of the aforesaid documents at the registered office and receive them free of charge, either delivered or dispatched.

## FOR INFORMATION PURPOSES ONLY. SPANISH VERSION PREVAILS

In connection with the items on the agenda regarding the authorisations of the Board of Directors, the following is provided:

- Report of the Board of Directors in connection with the motion to authorise the Board of Directors to increase the share capital pursuant to article 297.1.b) of the recast text of the Spanish Limited Liability Companies Law.
- Board of Directors' report regarding the motion to authorise the Board to issue new bonds that can be converted into new company shares or other similar securities that may give the direct or indirect right to subscribe to company shares, with the express option to disapply shareholders' preemptive rights, and to increase the share capital as required in order to cater for the conversion.

In connection with the items on the agenda regarding the appointment/re-election and remuneration of the Directors, the following is provided:

- Annual Remuneration Report for Directors of Inmobiliaria Colonial, SOCIMI, S.A. for 2017.
- Supporting report from the Board of Directors assessing the competence, experience and merits of the candidates proposed for appointment or re-election.
- Report from the Appointments and Remuneration Committee on the non-independent directors proposed for appointment or re-election.
- Information regarding the Directors whose appointment or re-election is subject to the General Meeting of Shareholders.
- Report of the Appointments and Remuneration Committee of Inmobiliaria Colonial, SOCIMI, S.A. on its operations. As regards the information item on the Agenda

In connection with the information item on the agenda, the following is provided:

- Report of the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A. in relation to the modification of an article of the regulations of the board of directors.

In relation to the share capital increase with the disapplication of shareholders' preemptive rights carried out by the Board of Directors in November 2017 as authorised by the General Meeting of Shareholders held on 29 June 2017, the following is provided:

- Report by the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A. on the capital increase with a charge to monetary contributions, with the disapplication of preemptive rights and a provision for incomplete subscription, as authorised at the General Meeting of Shareholders held on 29 June 2017.
- Independent expert report issued by Ernst & Young, S.L. in connection with the capital increase against cash contributions, disapplication of pre-emption rights and projection of an incomplete subscription, under the authorization of the General Meeting of Shareholders held on 29 June 2017.

Also, generally:

- Information on the channels of communication between the Company and the shareholders.
- Model attendance, proxy and remote voting card



FOR INFORMATION PURPOSES ONLY. SPANISH VERSION PREVAILS

- Means and procedures for granting proxies for the General Meeting and for casting a remote vote.
- Operating Rules for the Online Shareholders' Forum.

#### **RIGHT OF ATTENDANCE**

Pursuant to the provisions of Article 19 of the Company Bylaws and Article 12 of the Regulations of the General Meeting, shareholders may attend and vote at the General Meeting, in person or by proxy, where such shareholders by themselves or as a group, hold at least 500 shares, which must be entered in the shareholders register five (5) days before the date scheduled for the General Meeting. Such shareholders must furnish evidence of the foregoing by showing the relevant certificate of standing, or attendance, proxy and remote voting card issued by the Company or any entities responsible for keeping the shareholder register.

#### **RIGHT OF REPRESENTATION**

Pursuant to the provisions of Article 20 of the Company Bylaws and Article 13 of the Regulations of the General Meeting of Shareholders, any shareholder entitled to attend may be represented at the General Meeting by any person, even if he/she is not a shareholder. The proxy must be granted in writing or by means of remote communication, in the terms provided in the following section, and specifically for this Meeting, in accordance with the provisions of Article 184 of the Spanish Limited Liability Companies Law.

A proxy may represent more than one shareholder, without any restrictions on the number of shareholders he/she can represent. A proxy who represents several shareholders may cast both affirmative and negative votes in accordance with the instructions given by each shareholder.

The right of representation shall be exercised in accordance with the provisions set forth in the applicable regulations and in the corporate website ([www.inmocolonial.com](http://www.inmocolonial.com)). Representation may be revoked at any time. The attendance of the shareholder represented at the General Meeting, either personally or remotely, involves the revocation of any proxy, whatever the date thereof. The Chairman and the Secretary of the General Meeting shall have the broadest powers to recognise the validity of the proxy or any document evidencing such representation.

The exercise of the right of representation may be evidenced by the representative on the date scheduled to hold the General Meeting by showing the attendance, proxy and remote voting card, duly completed and signed.

Any proxies received with no indication of the specific person to whom the shareholder has granted his/her representation shall be deemed granted to the Chairman of the General Meeting or his/her substitute in case of conflict of interests.

In accordance with Articles 523 and 526 of the Spanish Limited Liability Companies Law, it is hereby notified that the following may be involved in a conflict of interests: (i) the Chairman of the Board of Directors, and any other member of the Board of Directors, regarding items 3, 9 and 10 of the Agenda; and (ii) the members of the Board of Directors, if any, falling in the situations envisaged in paragraphs b) and c) of Article 526.1 of the Spanish Limited Liability Companies Law that may arise beyond the Agenda. In connection with any of them, the proxy shall be deemed granted, if the principal has not given any specific voting instructions, to the Secretary of the General Meeting.



**PROXY AND DISTANCE VOTING**

Shareholders may provide the Company prior to the General Meeting with a notice of exercise of the right of representation, and cast their vote on the motions relating to any items included on the Agenda, in writing, and likewise notify the Company prior to the General Meeting via the following means:

- a) By delivering in person the attendance, proxy and remote voting card received from the depositary institutions or, as appropriate, the card form included on the corporate website ([www.inmocolonial.com](http://www.inmocolonial.com)), duly completed and signed in the "Proxy" section or, as appropriate, the "Remote voting" section, at the Company's registered office (Paseo de la Castellana 52, 28046 Madrid) or in the Company's offices in Barcelona (Avenida Diagonal 532, 08006 Barcelona), from 9:00 am to 2:00 pm, for the attention of the Shareholder Relations Office ("Oficina de Atención al Accionista").
- b) By delivering the attendance, proxy and remote voting card received from the depositary institutions or, as appropriate, the template card on the corporate website ([www.inmocolonial.com](http://www.inmocolonial.com)), duly completed and signed in the "Proxy" section or, as appropriate, the "Remote voting" section, to the Company's registered office (Paseo de la Castellana 52, 28046 Madrid) or the Company's offices in Barcelona (Avenida Diagonal 532, 08006 Barcelona), for the attention of the Shareholder Relations Office ("Oficina de Atención al Accionista").
- c) Through the proxy or electronic voting platform expressly enabled on the corporate website ([www.inmocolonial.com](http://www.inmocolonial.com)), in accordance with the procedure indicated thereon.

Any representation or vote reported by any of the means set forth in paragraphs a), b) and c) above shall be received by the Company at least twenty-four (24) hours prior to the time and date set for the General Meeting on the first call, without prejudice to the authority of the Chairman to admit any votes and proxies received thereafter. Otherwise, any votes shall be deemed as not cast or any proxies shall be deemed as not granted.

A remote vote will be void:

- a) If it is subsequently expressly revoked by the same means used to cast the vote and within the time limits established to do so.
- b) If the casting shareholder physically attends the meeting.

Shareholders who have cast their vote remotely shall be considered present for the purposes of constituting the quorum of the General Meeting.

**MINIMUM INFORMATION OF THE COMMON DRAFT TERMS OF THE MERGER BY ABSORPTION  
BETWEEN INMOBILIARIA COLONIAL, SOCIMI, S.A. (AS ABSORBING COMPANY) AND AXIARE  
PATRIMONIO SOCIMI, S.A. (AS ABSORBED COMPANY)**

Pursuant to the provisions of Article 40.2 regarding Articles 31 and 35 of the Law on Structural Changes, the minimum information legally required of the Common Draft Terms of the Merger subject to the approval of the General Meeting of Shareholders is indicated below and the complete content is

available on the Company's websites ([www.inmocolonial.com](http://www.inmocolonial.com)) and on Axiare Patrimonio SOCIMI, S.A.'s ([www.axiare.es](http://www.axiare.es)).

### **1. The name, corporate type and registered office of the merging companies and of the resulting company after the merger, and their identification data in the Commercial Registry**

*Absorbing company:* Inmobiliaria Colonial, SOCIMI, S.A., a Spanish corporation ("sociedad anónima"), with registered office in Madrid, Paseo de la Castellana Inmobiliaria Colonial, SOCIMI, S.A. is a Spanish public liability company ("sociedad anónima"), with registered office in Madrid, Paseo de la Castellana, 52, 5ª planta, post code 28046, with tax number (NIF) A-28027399 and legal entity identifier (LEI) 95980020140005007414. Colonial is registered at the Madrid Commercial Registry, in volume 36660, page 87, sheet number M-30822.

*Absorbed company:* Axiare Patrimonio SOCIMI, S.A., a Spanish corporation ("sociedad anónima"), with registered office in Madrid, Calle José Ortega y Gasset Axiare Patrimonio SOCIMI, S.A. is a Spanish public liability company ("sociedad anónima"), with registered office in Madrid, Calle José Ortega y Gasset, 29, 5ª planta, postcode 28006, with tax number (NIF) A-86971249 and legal entity identifier (LEI) 959800A9PB7NMEC9M863. Axiare is registered in the Commercial Registry of Madrid, in volume 32158, page 171, section 8, sheet number M-578698.

### **2. The share exchange ratio, the planned complementary cash compensation and, as appropriate, the procedure for converting the shares**

The exchange ratio of Axiare shares for Colonial shares has been determined on the basis of the real value of the assets and liabilities of both companies. Under this approach, the resulting exchange ratio is 1.8554 Colonial shares of 2.50 euro par value for each Axiare share of 10 euro par value. No additional cash compensation is provided.

Colonial will exchange the Axiare shares by delivering newly issued ordinary shares. In this regard, Colonial will increase its share capital by the amount necessary to service the exchange by issuing and delivering ordinary shares of Colonial. The subscription of the new shares of Colonial will be reserved for Axiare shareholders and, as a result, there will be no preemptive subscription rights for Colonial's shareholders.

The exchange of Axiare shares for Colonial shares will be executed through the corresponding depository entities, in accordance with *Royal Decree 878/2015, of 2 October, on registration, clearing and settlement of transferable securities represented by book entries, on the legal framework for central securities depositories and central counterparties and on transparency requirements for issuers of securities admitted to trading on an official secondary market* and in accordance with Article 117 of the Spanish Limited Liability Companies Law. All the shares of Axiare will be redeemed as a result of the merger.

### **3. Impact of the merger on industry contributions or ancillary provisions in the company being extinguished and compensations provided, where appropriate, to the affected shareholders in the company created by the merger**

Industry contributions: Given that Axiare is a public limited company, there are no industrial contributions and, therefore, no compensation will be granted for this item.

*Ancillary provisions:* Axiare has included Article 9 ("*Ancillary provisions*") and Article 52 ("*Special rules for the distribution of dividends*") in its Company Bylaws, which impose a series of duties on its shareholders (communication and compensation) in order to enable Axiare to comply with the special tax regime of the SOCIMI and to be compensated for the damages that may be caused by taxation.

Colonial, in its capacity as a SOCIMI, and for the same purposes of complying with the special tax regime of SOCIMI, as well as being compensated for the damages that may be caused by the taxation of certain shareholders, has included Article 8 bis. ("*Ancillary provisions*") and Article 37a. ("*Special rules for the distribution of dividends*") in its Company Bylaws. These bylaws similar to those contained in Axiare's Company Bylaws.

Notwithstanding the foregoing, as a result of Colonial's share in Société Foncière Lyonnaise ("SFL"), and to enable Colonial to comply with the special tax regime of SOCIMIs, and to be compensated for any damage that might be caused by the taxation of certain shareholders, Colonial's Company Bylaws lay down obligations for shareholders that are not natural persons and owners of at least 10% of the share capital. Given that there are no shareholders in Axiare who own shares that, if the Merger is approved and according to the exchange ratio established, will own a share in Colonial larger than 10% of the company's share capital (there would be no such shareholders even in the event all Axiare shares not held by Colonial were held by a single shareholder), the stipulations contained in Colonial's Company Bylaws as a result of its share in SFL will have no impact for the shareholders of the companies being merged, and no compensation will be granted for this concept; and all this notwithstanding the possibility that Axiare shareholders have been able to transfer their share under the framework of the public takeover bid over all Axiare's shares by Colonial.

#### **4. The rights granted in the resulting company to those holding special rights or holders of securities other than equity instruments or options offered.**

There are no special shares or holders of securities other than equity instruments at Axiare. Consequently, no special rights will be granted and no options will be offered.

#### **5. Benefits of any kind attributed at the resulting company to independent experts who are required to participate, where applicable, in the merger, as well as the directors of the merging companies, the absorbing company or the new company**

No benefits will be attributed to the independent expert who issues the related report on the Common Draft Terms of the Merger or to the directors of the companies involved in the Merger.

#### **6. Date on which the shareholders of the new shares will have the right to participate in company profits and any related peculiarity**

The new Colonial shares issued to service the exchange of Axiare shares will give the right to a share in Company's profit from the date of registration of the public deed of merger at the Commercial Registry.

#### **7. The date as of which the merger will have accounting effects in accordance with the provisions of the Spanish National Chart of Accounts**

In accordance with the Spanish National Chart of Accounts enacted by Royal Decree 1514/2007, of 16 November (the "**Spanish National Chart of Accounts**"), the date on which the Merger will take effect for accounting purposes will be 2 February 2018.

#### **8. The Bylaws of the company resulting from the merger**

The Company Bylaws of the company resulting from the Merger will be those of Colonial, which will be amended solely to reflect Colonial's new share capital as a result of the capital increase performed to service the exchange of Axiare shares for newly issued shares of Colonial.

#### **9. Information on the valuation of the assets and liabilities of each company transferred to the resulting company**

The assets and liabilities comprising the equity of Axiare that will be transferred en-bloc and by universal succession to Colonial will be valued in books pursuant to the General Chart of Accounts, specifically rules 19 and 21 thereof.

#### **10. The dates of the financial statements of the merging companies used to set the conditions under which the merger is carried out**

Colonial and Axiare's annual financial statements as of 31 December 2017 have been used. PricewaterhouseCoopers Auditores, S.L, audited the individual and consolidated financial statements of Colonial and Axiare for that year.

#### **11. The possible consequences of the merger on employment, as well as its possible gender impact on the administrative bodies and the impact, if any, on the company's social responsibility.**

In accordance with Article 44 of the revised text of the Workers' Statute, approved by Royal Legislative Decree 2/2015, of 23 October, regulating corporate succession, Colonial will be subrogated to Axiare's labour and social security rights and obligations.

Colonial and Axiare will fulfil their obligations of information and, as required, consultation with the legal representatives of the employees of each, pursuant to the provisions of labour regulations. In addition, the appropriate public bodies will be notified of the planned Merger, particularly the General Treasury of Social Security.

Following execution of the Merger, the labour rights of the employees of the participating companies shall be respected in accordance with the law. In like manner, the two entities are to undergo operational and functional integration, for which purpose Colonial is presently analysing the labour structure resulting thereof. In any case, it is possible that certain duplications and inconsistencies may arise in the jobs of both organisations. Colonial may, therefore, implement the necessary legal procedure with the aim of correcting them in the coming months. In any event, Colonial will assess and propose measures designed to retain talent in order to maximise the value of the group resulting from integration with Axiare.

Moreover, Colonial expects no gender impact as a result of the Merger.

Finally, the Merger is not expected to have an impact on Colonial's corporate social responsibility policy.

## **12. Resources and timeframes envisaged for the settlement of the debts acquired by the resulting company to acquire control over the absorbed company**

Colonial has incurred debts in order to acquire control over Axiare. In this respect, Colonial's Board of Directors, in its meeting held on 12 November 2017, agreed to the presentation of a takeover bid for the entirety of the shares of Axiare (the "**Bid**"), the consideration of which was met funds from (i) Colonial's capital increase for an effective amount of 338,065,197 euros; (ii) the sale of 9,907,257 treasury shares for the effective amount of 78,168,257.73 euros within the context of the aforesaid share capital increase; and (iii) the issue of ordinary bonds in the total nominal amount of 800 million euros. From this simple bond issue, 620 million euros were used to acquire Axiare shares within the framework of the Bid.

In relation to the debt it took on for the Axiare buyout (simple bond issue), in November 2017, Colonial issued simple bonds in the total nominal amount of 800 million euros, admitted for trading on the Irish Stock Exchange under the "Euro Medium Term Note Programme" approved by the Central Bank of Ireland. The purpose of the issue was to meet the general corporate needs of Colonial, including the funding of new investments, such as the acquisition of shares in Axiare and the repayment of Colonial's debt, as applicable.

The issue is divided into 2 series: (i) a series of ordinary bonds for a total nominal amount of 500 million euros maturing in November 2025, with an annual 1.625% coupon and an issue price of 99.577% of the nominal value; and (ii) a series of ordinary bonds for a total nominal amount of 300 million euros maturing in November 2029, with an annual 2.5% coupon and an issue price of 99.969% of the nominal value.

In accordance with the provisions of article 35.1 of the Law on Structural Changes, it is hereby stated that Colonial will pay the debt described above, as well as the interest accrued thereon, with the cash flows it generates in the normal course of its activities. The terms for the repayment of the debt and the interest accrued thereon shall be those provided for in the instruments representing the debt itself and detailed in the preceding paragraph.

### **PROTECTION OF PERSONAL DATA**

Under the applicable rules on protection of personal data -mainly *the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and Organic Law 15/1999 of 13 December 1999 on the Protection of Personal Data*- shareholders are hereby informed of the existence of a file or automated processing, including personal data provided by shareholders or banks, Brokers and Dealers at which the shareholders have deposited their shares, through the agency legally authorised to keep the shareholder register, i.e. Iberclear, in connection with the General Meeting, and any other data as may arise as a result thereof. The purpose of such file or automated processing is only the management and administration of the relations between the Company and the shareholders (including, where appropriate, their proxies) in connection with the General Meeting of Shareholders of the Company. The legal basis of the data processing is the need to comply with the provisions of the Spanish Limited

FOR INFORMATION PURPOSES ONLY. SPANISH VERSION PREVAILS

Liability Companies Law. The Company will store the data for the duration of its obligations relating to the Ordinary General Meeting and for the 5 years following its termination.

Shareholders or their proxies have the right to access, rectify, cancel, delete and oppose the processing of their data, as well as to exercise the other rights recognised in current data protection legislation with the extension and limitations provided for in said legislation. To do so, they must send a notice (including the identification of the holder of the rights, e.g. a photocopy of their ID card) to the following address: Inmobiliaria Colonial, SOCIMI, S.A., Paseo de la Castellana 52, 28046 Madrid.

The Company, in its capacity as data controller, has adopted all security measures required by law on its facilities, systems and files, and will safeguard the confidentiality of the relevant personal data, save where such data must be disclosed as required by Law or by a court and/or governmental order.

### **NOTARISATION OF THE MINUTES OF THE MEETING**

Minutes of the Ordinary General Meeting shall be issued by a Notary Public upon request of the Board of Directors, in accordance with the provisions of Article 203 of the Spanish Limited Liability Companies Law and Article 101 of the Commercial Registry Regulations as approved by Royal Decree 1784/1996, of 19 July ("Reglamento del Registro Mercantil").

### **GENERAL INFORMATION**

For any clarification or additional information, shareholders may contact the Shareholder Relations Office ("Oficina de Atención al Accionista"), through the following means:

- Post: to the registered office (Paseo de la Castellana 52, 28046 Madrid) or the Company's office in Barcelona (Avenida Diagonal 532, 08006 Barcelona).
- Telephone no. (+34) 934 047 910, on business days, from 09:00 to 14:00
- Email address: [accionistas@inmocolonial.com](mailto:accionistas@inmocolonial.com).

Also, on the date of the General Meeting a Shareholder Relations Office ("Oficina de Atención al Accionista"), will be set up in a visible location within the premises where the meeting is to be held, in order to deal with any questions and doubts raised by the shareholders.

In Madrid, 19 August 2018

---

Mr Juan José Brugera Clavero  
Chairman of the Board of Directors

**PROPOSED RESOLUTIONS CONCERNING ON ITEMS ON THE AGENDA FOR THE ORDINARY GENERAL MEETING OF INMOBILIARIA COLONIAL, SOCIMI, S.A. TO BE HELD ON 23 MAY 2018 ON FIRST CALL OR, FORESEEABLY, ON 24 MAY 2018 ON SECOND CALL.**

**I. Items relating to the annual financial statements, distribution of profit and approval of the conduct of the company's business.**

***One.- Examination and approval of the individual and consolidated financial statements of Inmobiliaria Colonial, SOCIMI, S.A. for the year ended 31 December 2017.***

**1.1 Approval of the individual financial statements of Inmobiliaria Colonial, SOCIMI, S.A. for the year ended 31 December 2017.**

It is resolved to approve the individual financial statements of Inmobiliaria Colonial, SOCIMI, S.A. for the year ended 31 December 2017, comprising the Balance sheet, Income Statement, Statement of Changes in Equity, Statement of Cash Flows and the Notes to the financial statements for the year then ended.

**1.2 Approval of the consolidated financial statements of Inmobiliaria Colonial, SOCIMI, S.A. for the year ended 31 December 2017.**

It is resolved to approve the consolidated financial statements of Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries for the year ended 31 December 2017, comprising the Consolidated statement of financial position, Consolidated statement of comprehensive income, Consolidated statement of changes in equity, Consolidated statement of cash flows and the Notes to the consolidated financial statements for the year then ended.

***Two.-Examination and approval of the proposed distribution of profit for the year ended 31 December 2017. Distribution of dividends.***

**2.1 Examination and approval of the proposed distribution of profit for the year ended 31 December 2017.**

In view of the individual financial statements of Inmobiliaria Colonial, SOCIMI, S.A., which reflect profit for the year ended 31 December 2017 amounting to EUR 32,497,303.42, it is resolved to distribute profit as follows:

- 3,249,730.34 euros to the legal reserve.
- 29,247,573.08 euros to dividends.

**2.2 Distribution of dividends**

It is resolved to distribute a dividend of 0.18 euro per share, which, taking into account the number of shares currently outstanding, would entail a maximum total dividend of 78,357,124.08 euros. This maximum total dividend will be distributed with a charge to (i) 29,247,573.08 euro earmarked for dividends referenced in resolution 2.1 above; (ii) voluntary reserves, up to a maximum of 37,047,896.80 euros, and (iii) share premium, up to a maximum of 12,061,654.20 euros. The total amount of the dividend and, consequently, the amount of the reserves earmarked for payment of the



dividend will be determined prior to distribution on the basis of the treasury shares held by Inmobiliaria Colonial, SOCIMI, S.A.

The dividend provided for in this second resolution (2.1 and 2.2) will be distributed through the entities participating in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear). The Board of Directors, with express power of delegation, will be empowered to: (i) set the date on which to determine the registered holders entitled to receive the dividends (record date), which will, in all cases, be prior to registration of the merger referenced in item four on the agenda of this General Meeting; (ii) set the specific dividend payment date; (iii) designate the entity to act as paying agent; and (iv) perform such actions as may be necessary or appropriate to pay the dividend.

***Three.- Examination and approval of the individual and consolidated directors' reports of Inmobiliaria Colonial, SOCIMI, S.A. and approval of the conduct of business by the Board of Directors in the year ended 31 December 2017.***

It is resolved to approve the individual and consolidated directors' reports of Inmobiliaria Colonial, SOCIMI, S.A. ("the **Company**") for the year ended 31 December 2017, which include the Company's Annual Corporate Governance Report as of 31 December 2017.

It is also resolved to approve the conduct of business by the Company's Board of Directors, the Chairman and the CEO in the year ended 31 December 2017, in view of the Company's individual and consolidated directors' reports that have been made available to the shareholders.

**II. Item relating to the merger by absorption of Axiare Patrimonio SOCIMI, S.A. (as absorbed company) into Inmobiliaria Colonial, SOCIMI, S.A. (as absorbing company).**

***Four.- Approval of the merger by absorption of Axiare Patrimonio SOCIMI, S.A. (as absorbed company) into Inmobiliaria Colonial, SOCIMI, S.A. (as absorbing company), with the dissolution of the former and the transfer en bloc, by universal succession, of its assets and liabilities to the absorbing company in accordance with the common draft terms of the merger approved by the respective boards of directors of the participating companies on 10 April 2018. For these purposes, the resolution comprises: (i) approval of the merger balance sheet; (ii) approval of the common draft terms of the merger; (iii) approval of the merger by absorption; (iv) capital increase of Inmobiliaria Colonial, SOCIMI, S.A. through the issue of a maximum of 19,273,622 ordinary shares of 2.50 euro par value each to service the merger exchange ratio and the consequent amendment of Article 5 of the Company Bylaws; (v) application of the tax neutrality regime to the merger; and (vi) the delegation of powers.***

In accordance with the *Law 3/2009, of 3 April, on structural changes to companies* ("**Law on Structural Changes**") and other applicable legislation, the following resolutions are adopted as part of a single operation:

**4 (i) Approval of the merger balance sheet**

Approved as the merger balance sheet of Inmobiliaria Colonial, SOCIMI, S.A. ("**Colonial**" or the "**Company**") is the individual balance sheet included in the annual financial statements for the year ended 31 December 2017 prepared by the directors at their meeting on 22 February 2018, which were



duly audited by PricewaterhouseCoopers Auditores, S.L. and submitted for approval by the shareholders at this Ordinary General Meeting of Shareholders under item one of the agenda.

The annual financial statements of Colonial for the year ended 31 December 2017, together with the related auditor's report, have been posted on the Colonial website ([www.inmocolonial.com](http://www.inmocolonial.com)) and can be downloaded and printed in accordance with Article 39 of the Law on Structural Changes.

The merger balance sheet approved by this resolution shall be included as an **Appendix** to the minutes of the General Meeting of Shareholders.

#### **4 (ii) Approval of the Common Draft Terms of the Merger**

The Common Draft Terms of the Merger by absorption of Axiare Patrimonio SOCIMI, S.A. (as the absorbed company) into Inmobiliaria Colonial, SOCIMI, S.A. (as absorbing company), which were jointly approved by the respective boards of directors of the participating companies on 10 April 2018 (the "**Common Draft Terms of the Merger**"), are approved in full and without any amendment. They are deemed reproduced herein in full.

In accordance with Article 32 of the Law on Structural Changes, the Common Draft Terms of the Merger were posted on and can be downloaded and printed from the corporate websites of the companies participating in the merger ([www.inmocolonial.com](http://www.inmocolonial.com) and [www.axiare.es](http://www.axiare.es)). Without prejudice to the foregoing, a copy of the Common Draft Terms of the Merger was submitted to the Madrid Commercial Registry.

The Common Draft Terms of the Merger approved by this resolution shall be included as an **Appendix** to the minutes of the General Meeting of Shareholders.

#### **4 (iii) Approval of the Merger by absorption**

The Merger by absorption of Axiare Patrimonio SOCIMI, S.A. (as absorbed company) into Inmobiliaria Colonial, SOCIMI, S.A. (as absorbing company) through the dissolution without liquidation and transfer en bloc, by universal succession, of the assets and liabilities of the absorbed company to the absorbing company, which will acquire the rights and obligations of the absorbed company on the terms and conditions set out in the Common Draft Terms of the Merger.

Under Article 228 of the *Commercial Registry Regulations* enacted by *Royal Decree 1784/1996, of July 19*, the following are the mandatory disclosures for this Merger agreement, which must exactly reflect the provisions of the Common Draft Terms of the Merger. For the purposes of the disclosures below, all the words beginning with a capital letter and not specifically defined will have the same meaning as established in this connection in the Common Draft Terms of the Merger.

##### *1. Particulars of the participating companies*

###### *Absorbing company*

- **INMOBILIARIA COLONIAL, SOCIMI, S.A.**, a Spanish corporation ("sociedad anónima"), with registered office in Madrid, Paseo de la Castellana Inmobiliaria Colonial, SOCIMI, S.A. is a Spanish public liability company ("sociedad anónima"), with registered office in Madrid, Paseo de la

Castellana, 52, 5ª planta, post code 28046, with tax number (NIF) A-28027399 and legal entity identifier (LEI) 95980020140005007414. Colonial is registered at the Madrid Commercial Registry, in volume 36660, page 87, sheet number M-30822.

*Absorbed company*

- **AXIARE PATRIMONIO SOCIMI, S.A.**, a Spanish corporation (“sociedad anónima”), with registered office in Madrid, Calle José Ortega y Gasset Axiare Patrimonio SOCIMI, S.A. is a Spanish public liability company (“sociedad anónima”), with registered office in Madrid, Calle José Ortega y Gasset, 29, 5ª planta, postcode 28006, with tax number (NIF) A-86971249 and legal entity identifier (LEI) 959800A9PB7NMEC9M863. Axiare is registered in the Commercial Registry of Madrid, in volume 32158, page 171, section 8, sheet number M-578698.

2. *Bylaw amendments*

The Company Bylaws of the company resulting from the Merger will be those of Colonial, which will be amended solely to reflect Colonial's new share capital as a result of the capital increase performed to service the exchange of Axiare shares for newly issued shares of Colonial. See paragraph (iv) of this resolution.

The complete text of Colonial's Company Bylaws has been posted on the Colonial website ([www.inmocolonial.com](http://www.inmocolonial.com)) and can be downloaded and printed in accordance with Article 39 of the Law on Structural Changes.

3. *Share exchange ratio and, where applicable, any additional cash compensation provided*

The exchange ratio of Axiare shares for Colonial shares has been determined on the basis of the real value of the assets and liabilities of both companies. Under this approach, the resulting exchange ratio is 1.8554 Colonial shares of 2.50 euro par value for each Axiare share of 10 euro par value. No additional cash compensation is provided.

4. *Procedure for the exchange of the shares and date from which the new shares will entitle the holder to a share in the Company's profits*

Colonial will exchange Axiare shares based on the exchange ratio set forth in the preceding paragraph by delivering newly issued ordinary shares.

In this regard, Colonial will increase its share capital by the amount necessary to service the exchange by issuing and delivering new ordinary shares of Colonial. Subscribing the new Colonial shares will be reserved to Axiare shareholders and, consequently, Colonial shareholders will not have any preemptive subscription rights, in accordance with Article 304.2 of the recast text of the Spanish Limited Liability Companies Law enacted by Legislative Royal Decree 1/2010, of 2 July (the “**Spanish Limited Liability Companies Law**”).

Pursuant to Article 26 of the Law on Structural Changes, Axiare shares held by Colonial and, where applicable, any treasury shares held by Axiare will not be exchanged. The shares of Axiare will be redeemed as a result of the merger.

Colonial will apply for admission to trading of the new shares issued to service the exchange of shares in the merger on the Madrid and Barcelona stock exchanges and on any other markets in which Colonial's shares are traded at the time of execution of this resolution and that they be included on the Spanish Stock Market Interconnection System.

Axiare shares will be exchanged for Colonial shares once the following events have taken place: (i) the approval of the Merger by the shareholders at the general meetings of Colonial and Axiare; (ii) the execution of the public deed of merger and capital increase of Colonial; (iii) the registration with the Spanish National Securities Market Commission ("CNMV") of the "equivalent document" to the prospectus, in accordance with *Royal Decree 1310/2005, of 4 November, partially implementing Securities Market Law 24/1988, of 28 July, concerning the admission to listing (or trading) of securities in official secondary markets of initial and secondary public offerings and the required prospectus for these purposes*; and (iv) the entry of the public deed of merger and capital increase of Colonial at the Commercial Registry.

Since the shares of Colonial and Axiare are represented by registered book entries, the exchange of Axiare shares for Colonial shares will be executed through the corresponding depository institutions, in accordance with *Royal Decree 878/2015, of 2 October, on the registration, clearing and settlement of book-entry marketable securities, on the legal regime for central securities depositories and central counterparties and on transparency requirements for issuers of securities admitted to trading on an official secondary market* and Article 117 of the Spanish Limited Liability Companies Law. All the shares of Axiare will be redeemed as a result of the merger.

Shareholders of Axiare who hold a number of shares which, under the foreseen exchange ratio, do not entitle them to a whole number of Colonial shares may acquire or transfer shares so that the resulting shares entitle them, under the exchange ratio, to receive a whole number of Colonial shares. The decision to buy or sell shares for this purpose will be taken by each individual shareholder.

Notwithstanding the foregoing, Colonial and Axiare may appoint a fractional-share broker to act as counterparty for the purchase of fractions. Accordingly, any Axiare shareholder who, based on the exchange ratio and taking into account the number of Axiare shares held, is not entitled to receive a whole number of Colonial shares, will transfer his or her remaining Axiare shares to the fractional-share broker, who in turn will pay the related value in cash.

The new Colonial shares issued to service the exchange of Axiare shares will give the right to a share in Company's profit from the date of registration of the public deed of merger at the Commercial Registry.

5. *Date from which transactions of the extinguished company will be considered to have been performed for accounting purposes by the company to which its assets and liabilities are transferred*

In accordance with the Spanish National Chart of Accounts enacted by Royal Decree 1514/2007, of 16 November (the "**Spanish National Chart of Accounts**"), the date on which the Merger will take effect for accounting purposes will be 2 February 2018.

6. Rights to be granted at the absorbing company to holders of special-class shares and to those who have special rights other than the shares in the extinguished company or, as the case may be, the options offered to them

There are no special shares or holders of securities other than equity instruments at Axiare. Consequently, no special rights are granted and no options are offered.

7. Benefits of any kind attributed at the absorbing company to independent experts who are required to participate in the Common Draft Terms of the Merger and to the directors of the companies involved, as appropriate, in the Common Draft Terms of the Merger

No benefits will be attributed to the independent expert who issues the related report on the Common Draft Terms of the Merger or to the directors of the companies involved in the Merger.

**4 (iv) Capital increase of Inmobiliaria Colonial, SOCIMI, S.A. through the issue of 19,273,622 ordinary shares of 2.50 euro par value each to service the share exchange of the merger and the consequent amendment of Article 5 of the Company Bylaws.**

1. Amount of the increase

As a result of the merger and for the purpose of servicing the related share exchange, it is resolved to increase Colonial's share capital up to a maximum nominal amount of 48,184,055.00 euros by issuing up to 19,273,622 new ordinary shares of 2.50 euro par value each, of the same class and series as those currently outstanding. The Board of Directors, with express power of delegation, will determine the final amount of the capital increase within the maximum amount provided for on the basis of the final number of Axiare shares eligible for exchange.

2. Issue price

The new shares of Colonial will be issued at a par value of 2.50 euros and with a share or merger premium equal to the difference between (i) the real value of the Axiare assets and liabilities received by Colonial and (ii) the par value of the new shares issued by Colonial in the increase.

For these purposes, BDO Auditores, S.L.P., as the independent expert appointed by the Madrid Commercial Registry, issued its report on the Common Draft Terms of the Merger and on the capital increase, pursuant to Article 34 of the Law on Structural Changes. This report has been posted on Colonial's website ([www.inmocolonial.com](http://www.inmocolonial.com)) in accordance with Article 39 of the Law on Structural Changes.

3. Subscription and payment

Both the par value of the new shares and the related share premium will be fully paid as a result of the Merger through transfer en bloc, by universal succession, of Axiare's assets and liabilities to Colonial, which will acquire the absorbed company's rights and obligations.

4. Incomplete subscription

In accordance with Article 311 of the Spanish Limited Liability Companies Law, the possibility of incomplete subscription of the capital increase covered by this resolution is expressly provided for.

Consequently, the increase in share capital (with the limit established herein) will be limited to the amount corresponding to the par value of the new Colonial shares effectively subscribed and paid in the framework of the Merger.

5. Preemptive rights

The subscription of the new Colonial shares will be reserved to Axiare shareholders and, consequently, Colonial shareholders will not have any preemptive subscription rights, in accordance with Article 304.2 of the Spanish Limited Liability Companies Law.

6. Rights of the new shares

The new shares will confer on their holders the same voting and dividend rights as the shares of the Company currently outstanding as from the date on which they are registered in their name in the related accounting records. Notwithstanding the foregoing, as set out in the Common Draft Terms of the Merger, the new Colonial shares issued to service the exchange of Axiare shares will give the right to a share in Company's profit from the date of entry of the public deed of merger in the Commercial Registry.

7. Representation of the new shares

The newly issued shares will be represented by book entries, the accounting records of which shall be kept by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal ("**Iberclear**") and its participating entities.

8. Admission to trading of new shares

It is resolved to apply for admission to trading of the new Colonial shares on the Madrid and Barcelona stock exchanges and on any other domestic or international markets in which Colonial's shares are traded at the time of execution of this resolution and that they be included on the Spanish Stock Market Interconnection System (SIBE).

It is expressly stated that, in the event that Colonial's shares are subsequently requested to be delisted, such delisting will be adopted following the procedures and requirements of current legislation.

9. Guarantees of the contributions

Given the nature of the capital increase, no special guarantees are required or have been adopted.

10. Amendment to Article 5 of the Company Bylaws

The Board of Directors is expressly delegated to giving the new wording of Article 5 of the Company Bylaws on the basis of the shares that are effectively subscribed and paid.

11. Delegation of powers

Without prejudice to the specific delegation of powers contained above (which must be understood to have been granted with express powers to sub-delegate by the persons indicated herein), it is resolved to give the Board of Directors power, with express powers of sub-delegation to the Chairman

of the Board of Directors (Mr Juan José Brugera Clavero) and to the Company's CEO (Mr Pedro Viñolas Serra) so that any of them indistinctively with one single signature, may carry out all of the necessary or appropriate actions to execute the capital increase subject of this resolution.

#### **4 (v) Application of the tax neutrality regime to the merger**

In accordance with the Article 89 of Corporation Tax Law 27/2014, of 27 November, ("**Law 27/2014**"), the Merger is subject to the special tax regime provided in Title VII, Chapter VII and Additional Provision Two of Law 27/2014. To this end, the mandatory notification to the tax authorities will be made in accordance with Article 89 of Law 27/2014.

#### **4 (vi) Delegation of powers**

Without prejudice to the specific delegation of powers contained above (which must be understood to have been granted with express powers to sub-delegate by the persons indicated herein), it is resolved to give the Board of Directors powers, with express powers of sub-delegation to the Chairman of the Board of Directors (Mr Juan José Brugera Clavero) and to the Company's CEO (Mr Pedro Viñolas Serra) so that any of them, indistinctly by means of their signature, may carry out any actions necessary or appropriate for the execution of this resolution and, in particular, although not limited to, the following:

- (i) Expand on and develop this resolution in any way not provided for and adopt such resolutions as may be necessary or appropriate to execute and develop the decisions adopted. In particular, without limitation, to clarify, specify and complete the resolutions adopted and to resolve such doubts or issues as may arise, remedying and completing any defects or omissions that may prevent or hinder the effectiveness or registration of the related decisions, setting deadlines, appointing the entities participating in the merger and, in general, determining any other matter as may be necessary for the full effectiveness of this resolution;
- (ii) Publish such announcements and/or relevant event communications as may be necessary or appropriate within the framework of the Merger and including, in particular but not limited to, the announcements provided for in the Law on Structural Changes;
- (iii) Declare expiry of the period for the creditors' right to contest provided for in the Law on Structural Changes and, where appropriate, ensure the exercise of the right to contest of such creditors as may exercise it under the terms provided for in the law;
- (iv) Set the terms and conditions for delivery of the shares in all matters not provided by the shareholders at the General Meeting. In particular, and for illustrative purposes only, to designate the entity(ies) that will perform the functions of the fractional share brokerage firm and broker in relation to the exchange and to sign the related agreements on the Company's behalf. For these purposes, the acquisition, within a one-year period, of the Company shares that the fractional-share broker has received in the framework of the Merger at a price equivalent to the price that the broker would have paid to Axiare's shareholders as a result of its fractional brokerage functions is expressly authorised;
- (v) Declare subscribed and paid the share capital increase performed to service the exchange of shares in the merger, even in the event that, in accordance with Article 311 of the Spanish Limited Liability Companies Law, not all the securities issued are subscribed, leading to incomplete subscription. The aforementioned capital increase may be declared completed at

the amount of the subscriptions made. To this end, adopt all the legally necessary or appropriate resolutions to formalise the resolution or resolutions executing the capital increase, including the determination of the share premium according to the provisions of this resolution, and the related amendments to Article 5 of the Company Bylaws relating to Colonial's share capital;

- (vi) Request, as appropriate, the appropriate authorisations from the competition authorities;
- (vii) Appear before a notary to grant the merger deed and other such public deeds or notarial certificates as may be necessary or appropriate for this purpose, with the express power of ratification, correction, clarification and rectification;
- (viii) Apply for admission to trading of the new Colonial shares on the Madrid and Barcelona stock exchanges and on any other domestic or international markets in which Colonial's shares are traded at the time of execution of this resolution and that they be included on the Spanish Stock Market Interconnection System (SIBE);
- (ix) Prepare and submit to the Spanish Securities Market Commission (CNMV) the document considered an equivalent to a prospectus that, where appropriate, is required for the admission to trading of the new shares, assuming responsibility therefor, and perform such procedures and actions as may be necessary or appropriate for the new shares issued as a result of the capital increase to service the exchange ratio to be included in Iberclear's accounting records and admitted to trading on the Madrid and Barcelona stock exchanges and on any other domestic or international markets in which Colonial's shares are traded at the time of execution of this resolution and that they be included on the Spanish Stock Market Interconnection System (SIBE);
- (x) Request or submit any authorisations, verifications or communications to any other competent bodies, in particular, the stock exchange governing companies, Iberclear, the Spanish National Securities Numbering Agency and the Spanish Securities Market Commission; and
- (xi) Execute on behalf of the Company such public or private documents as may be necessary or appropriate for the Merger and, in general, perform such formalities as may be necessary and appropriate for the execution of the Merger and correcting, clarifying, interpreting, requiring or supplementing the resolutions adopted and, in particular, request partial registration and remedy such oral or written defects, omissions or errors of substance or form as may prevent registration of the resolutions and their consequences at the Commercial Registry, the Official Registries of the CNMV or any registries.

### III. Items relating to authorisations of the Board of Directors

***Five.- Authorisation for the Board of Directors, pursuant to Article 297.1 b) of the Spanish Limited Liability Companies Law, to increase the share capital, once or several times, through monetary contributions up to half of the share capital within a maximum period of five years and at the time and in the amount it deems appropriate. Within the maximum indicated amount, the Board of Directors holds the power to disapply preemptive rights up to a maximum of 20% of the share capital.***

It is resolved to authorise the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A. (“Colonial” or the “Company”), in accordance with Article 297.1 b) of the recast text of the Spanish Limited Liability Companies Law enacted by Royal Legislative Decree 1/2010, of 2 July (the “Spanish Limited Liability Companies Law”) and as broad as may be necessary, to increase share capital, once or several times and at any time, through monetary contributions within a five-year period as from the date this



meeting is held, without having to call or secure a subsequent resolution of the General Meeting of shareholders.

Such delegation includes the power to issue and put into circulation the new Colonial shares, either ordinary or of any other type permitted by law, with or without share premium and bearing voting rights or not, and to set the features of the shares and the terms and conditions of the capital increase, as well as freely offer the new shares not subscribed in the preemptive subscription period and establish that, in the event of incomplete subscription, the share capital may only be increased by the amount of the subscriptions made. Powers are also delegated to reword the article in the Company Bylaws concerning Colonial's share capital.

Any share capital increase agreed by the Board of Directors may not in any case exceed half of the Company's share capital at the time of authorisation. The Board is also empowered to disapply preemptive rights, fully or partially, in accordance with Article 308 -in relation to Article 506- of the Spanish Limited Liability Companies Law and related provisions. However, in line with good governance trends and recommendations, the powers of the Board of Directors are limited to increasing capital with the disapplication of preemptive rights to a maximum of 20% of the share capital at the time of authorisation. The capital increase with disapplication of preemptive rights and with the maximum indicated will also require the affirmative vote of two-thirds of the members of the Board of Directors.

Should the Board resolve to abolish the preemptive right in relation to any or all of the aforementioned capital increases, when adopting the related resolution on the capital increase, it will issue a report detailing the specific reasons in the interest of the Company that justify such measure, which will be the subject of the corresponding report by an independent expert other than the statutory auditor. These reports will be made available to shareholders and communicated at the first General Meeting held after the resolution of the issue.

The powers thus delegated extend to setting the various features and conditions of each issue based on the characteristics of each transaction resolved to be performed under the authorisation given in this resolution, including the power to redraft the article of the Company Bylaws relating to share capital, once the increase has been agreed and executed, and to perform all the necessary tasks for the new shares issued in the capital increase to be admitted to trading on the stock exchanges on which the Company's shares are listed in Spain and, as appropriate, other countries, in accordance with the procedures laid down by each of said Stock Exchanges.

Notwithstanding the specific delegations of powers in this resolution (which should be understood to have been granted with express powers to replace the persons indicated herein), it is agreed to empower the Board of Directors, with the scope required in law and with the express power to replace the Chairman, CEO and Secretary and Vice Secretary of the Board, so that any of them, indistinctly and with a single signature, may take any action that is necessary or advisable to execute this resolution, and specifically, although the following list is not exhaustive, to:

- Extend and develop this resolution, establishing, where no provision is made herein, the terms and conditions of any issues carried out, including in all cases the power to disapply preemptive rights. In particular, without limitation, establish the date on which the capital increases are to be carried out, establishing where applicable the commencement of the preemptive period, the share premium of the new shares and, therefore, the type of issue of the new shares; establish, in the event of an incomplete subscription, the number of shares to be issued and



the nominal amount of each capital increase depending on the issue price, timeframe, format and procedure for subscription and payment in each of the periods, where applicable, the exchange ratio for exercise of preemptive rights, including the right to propose to one or more shareholders a waiver of the number of preemptive rights held by them that may be necessary to ensure that the number of shares to be issued maintains exactly the same proportion as that arising from application of the agreed-on exchange ratio, establish scenarios to suspend the offer of the new shares if this proves necessary or advisable and, in general, any other circumstances that are necessary or advisable to carry out the increase and issue shares in exchange for monetary contributions.

- Agree the method used to place the shares, establishing the start date and, if necessary, modifying the term of the preemptive period and, where appropriate, establishing the length of any additional and discretionary allocation periods, with the power to declare early closure of the placement and issue period. Also delegated is the power to set the conditions and procedure for the subscription of shares, as appropriate, during the periods of additional allocation and discretionary allocation, with the power to assign the shares in the latter case to any third party in accordance with the placement procedure it may freely establish;
- Prepare, subscribe and submit, as appropriate, to the Spanish Securities Market Commission (the "**CNMV**") or such other supervisory authorities as may be appropriate, in relation to the issues and admissions to trading of the new shares issued under this resolution, the prospectus and such supplements thereto as may be necessary or appropriate, assuming the responsibility therefor, and such other documents and information as may be required pursuant to the Securities Market Law enacted by Royal Legislative Decree 4/2015, of 23 October, in Royal Decree 1310/2005, of 4 November, concerning the admission to listing (or trading) of securities in official secondary markets and public offerings for selling or subscription and the required prospectus for these purposes and other Spanish and foreign legislation applicable to the execution of this resolution;
- Take any action, make any statement or follow any procedure and draft, sign and submit such additional or supplementary documentation or information as may be necessary before the CNMV, Iberclear, the Stock Exchange Management companies and any other Spanish or foreign, public or private-sector body, entity or registry to secure the authorisations, verifications and subsequent executions of the capital increases made under this resolution and the admission to trading of the new shares on the Madrid and Barcelona Stock Exchanges and any other Spanish or foreign market in which the Company's shares are listed when any of the capital increases made under this resolution are performed and the inclusion thereof in the Spanish Stock Market Interconnection System (SIBE);
- Draft, sign and submit, as necessary or appropriate, an international prospectus in order to facilitate the dissemination of information relating to the capital increases to shareholders and international investors, assuming on behalf of the Company the responsibility for the contents thereof;

- Negotiate and sign, as appropriate, under the terms deemed most appropriate, any such contracts as may be necessary or appropriate for the proper performance of the capital increase, including such agency agreements and, as appropriate, placement and underwriting agreements as may be necessary or appropriate;
- Declare the capital increases executed, issuing the new shares subscribed and paid and re-writing the article in the Company Bylaws relating to the share capital effectively subscribed and paid, voiding, as appropriate, the part of the capital increase that was not subscribed and paid on the established terms; and
- Execute on behalf of the Company such public or private documents as may be necessary or appropriate for the issues of new shares under this resolution and the admission to trading thereof and, in general, perform such formalities as may be necessary for the execution thereof and correcting, clarifying, interpreting, requiring or supplementing the resolutions adopted by the Shareholders in a General Meeting and, in particular, such oral or written defects, omissions or errors of substance or form as may prevent registration of the resolutions and their consequences at the Commercial Registry, the Official Registries of the CNMV or any others.

The approval of this resolution will entail the annulment, from the time when the proposed resolution is approved by the shareholders at a General Meeting, of the unavailed portion of the preceding resolution authorising the Board of Directors approved under item nine of the agenda of the Company's Ordinary General Meeting of Shareholders on 29 June 2017.

***Six.- Authorisation given to the Board of Directors to issue, on behalf of the Company and on one or more occasions, for a maximum period of five years, new bonds convertible into company shares or other similar securities that may give the direct or indirect right to subscribe to Company shares, with the express option to disapply the preemptive rights of shareholders up to a maximum of 20% of the share capital and to increase the share capital by the amount necessary to cater for the conversion. Establishment of the criteria to determine the bases and means of conversion.***

It is resolved to authorise the Board of Directors of Inmobiliaria Colonial SOCIMI S.A. (the "**Company**"), with express powers to delegate said authorisation, pursuant to the provisions of Articles 297.1 (b), 401 *et seq.* and 417 and 511 of the Spanish Limited Liability Companies Law, and Article 319 of Commercial Registry Regulations, to issue securities in compliance with the following conditions.

**1. Securities to be issued**

The securities referred to in this delegation of powers may be bonds, debentures, preferential shares or any other similar fixed-income securities or similar instruments that may be converted into Company shares or that may give the direct or indirect right to subscribe to such shares, including warrants (the "**Securities**").

The Securities issued as a result of this delegation of powers may include an option to be additionally or alternatively exchangeable for Company shares or settled by differences, at the Company's decision.

**2. Term of the delegation of powers**

The securities may be issued on one or on more occasions, at any time within a maximum five-year period, to be taken from the date on which this agreement is adopted.

**3. Maximum amount covered by the delegation of powers**

The maximum amount of the issue or issues of the Securities that may be made through this delegation of powers may not exceed an aggregate amount of 500,000,000 euros or its equivalent in another currency.

**4. Recipients of the delegation of powers**

The securities issued through this delegation of powers may be acquired by any Spanish or foreign investor.

**5. Scope of the delegation of powers**

The Board of Directors shall determine the terms and conditions applicable to each issue, including, but not limited to the following:

- a) The amount (with respect to the quantitative ceilings to be applied).
- b) The place of issue – in Spain or abroad – and the currency of the issue and where the securities are issued outside Spain, the equivalent sum in euros.
- c) The denomination and type (bond or debenture, including subordinated debentures, preferential shares, warrants or any other type of security admissible in law).
- d) The date(s) of issue.
- e) The number of securities and their nominal value, which in the case of convertible securities shall be no less than the share price.
- f) The interest rate, the dates and coupon payment procedures, including the option of remuneration linked to the Company's share price or any other indices and benchmarks.
- g) The perpetual or redeemable nature of the securities, and, in the latter case, the (total or partial) redemption periods and conditions and the maturity date.
- h) The convertible nature of the securities, including the option of the total or partial cash redemption at any moment.
- i) Conversion. In particular, the circumstance of necessarily or voluntarily convertible or even contingent securities, and in the case of voluntarily convertible securities, the option of the holder of the shares or the issuer.
- j) The option for the securities to be additionally or alternatively exchangeable for Company shares or settled by differences.
- k) Settlement through the physical delivery of the shares or, where appropriate, for differences.

- l) In the case of warrants and similar securities, the issue price and/or premium, the exercise price -which may be fixed or variable- and the procedure, term and other terms applicable to the exercise of the right to subscribe the underlying shares or, where applicable, the exclusion of such right.
- m) Mechanisms and antidilution clauses.
- n) Priority rules and subordination clauses, where applicable.
- o) Recovery rate, premiums and prizes.
- p) Guarantee of issue, where applicable.
- q) The form of representation, by certificates, book-entries or any other form admissible in law.
- r) The exercising or disapplication of shareholders' preemptive right, and, in general, procedures for the subscription to and payment for the Securities.
- s) Provision for an incomplete issue subscription.
- t) Applicable legislation, either Spanish or foreign.
- u) Where applicable, the appointment of a Commissioner and the approval of the ground rules that govern legal relations between the Company and the Syndicate of Holders of the issued securities.
- v) The official or non-official secondary market, be it organised or not, Spanish or foreign, on which it is requested that the securities issued pursuant to the delegated powers be allowed to be traded, subject to applicable regulations and, in general, any other condition of the issue.

The Board of Directors is empowered to modify the redemption conditions of the issued securities and their respective term, as well as the interest rate that might be payable as a result of the issues made as a result of this authorisation, where it considers it appropriate to do so and subject to, where applicable, the obtaining of the relevant authorisation and, if appropriate, the consent of the corresponding syndicate and other bodies representing the holders of the securities.

#### **6. *Disapplication of preemptive rights***

Pursuant to Articles 417 and 511 of the Spanish Limited Liability Companies Law, the Board of Directors is expressly delegated the power to disapply, in whole or in part, the exercise of shareholders' preemptive right in the issue of Securities when this is necessary or appropriate to the interest of the Company. Where the issue of convertible securities disapplies shareholders' preemptive right, the Company will only issue convertible securities when the capital increase needed for conversion, plus increases with the disapplication of the preemptive right that may have been agreed under other authorisations given by the shareholders at a General Meeting, does not exceed 20% of the total share capital. The resolution to issue Securities with disapplication of shareholders' preemptive rights, to the indicated maximum amount, will also require the affirmative vote of two-thirds of the members of the Board of Directors.

In any event, should it be resolved to exercise the power conferred to disapply preemptive rights, the Board will prepare the necessary report. As provided for in the Spanish Limited Liability Companies Law, the report of an independent expert other than the auditor must be attached. These reports will

be made available to shareholders and communicated at the first General Meeting held after the corresponding resolution of the issue.

#### **7. *Basis for conversion and procedures***

When issuing convertible bonds, and for the purposes of determining the basis for conversion and procedures applicable, these shall be set by the Board of Directors for each issue undertaken, making use of the delegated powers, pursuant to the following criteria:

- a) The securities issued under this resolution will be convertible into new shares of the Company based on a fixed (determined or determinable) or variable (which may include maximum and/or minimum limits on the conversion price) conversion ratio. The Board of Directors will be empowered to determine whether they are convertible and whether they are necessarily or voluntarily convertible, even on a contingent basis or, where applicable, following any objective criteria. In the case of voluntary conversion, the board shall decide whether it is at the option of the holder or the issuer, with the frequency and for the period or periods established in the resolution relating to the issue, which may not exceed 10 years from the date of issue or perpetually where possible in accordance with applicable legislation.
- b) Where the conversion ratio for shares of the Company is fixed, the convertible securities or bonds shall be valued at their par value, while shares at the fixed rate shall be set by the Board of Directors' resolution resulting from this delegation of powers, or the rate that is determinable on the date(s) indicated in the resolution, and based mainly on the market price of the Company's share price on the Spanish Stock Market on the date(s) or period(s) taken as a reference in such resolution, with or without a premium or discount on such market price. Fixed maximum and minimum conversion prices may also be set.
- c) Where the conversion ratio for shares of the Company is variable, the price of the shares for the purposes of the conversion would be set mainly on the basis of the market price and may include a premium or, where appropriate, a discount on such price per share. The premium or discount may be different for each conversion date of each issue (or, as appropriate, each tranche of an issue) and a fixed maximum and minimum conversion price may also be set.
- d) Under no circumstances may the share value for the purposes of conversion of the bonds into shares be less than its par value. In accordance with Article 415 of the Spanish Limited Liability Companies Law, bonds may not be converted into shares when their par value is lower than that of the shares. Convertible bonds may not be issued at a price below the par value either.
- e) Where the issue is convertible and exchangeable, the Board may decide that the Company reserves the right to opt at any point for the conversion of the bonds into new shares or their exchange for outstanding shares, specifying the nature of the shares to be delivered at the time of conversion or exchange. Holders of securities may also opt to receive a combination of new and outstanding shares, or an equivalent amount in cash. In any event, the Company shall respect the principle of equal treatment of all holders of fixed-income securities that are converted or exchanged on the same date.
- f) Where the securities are converted, any fractions to be delivered to the holder of the bonds or debentures, if any, will automatically be rounded down to the nearest whole number and each holder will receive the difference in cash that may arise in such cases.

The Board of Directors is empowered to establish the basis and procedures for the conversion and, specifically, to determine the time of the conversion or exercise of the warrants, which may be limited to a period set in advance, the ownership of the conversion right (which may correspond to the Company or to the holders of the securities and/or bonds and/or warrants), how to meet the requirements of bondholders and warrants and, in general, any other aspect or condition that may be needed or deemed appropriate for each issue.

As provided for in Articles 417 and 511 of the Spanish Limited Liability Companies Law, when approving the issue of convertible bonds or securities with total or partial disapplication of preemptive rights under the authorisation set forth in this resolution, the Board of Directors shall produce a report based on the criteria set out above, outlining the basis and procedures for the conversion that are specifically applicable to this issue. This report must be accompanied by the corresponding auditor's report referred to in Article 414.2 of the Spanish Limited Liability Companies Law. This person shall be other than the Company's auditor and appointed for these purposes by the Commercial Registry. These reports will also be made available to shareholders and communicated at the first General Meeting of Shareholders held after the resolution for the issue.

#### **8. *Basis and procedures for warrants and other similar securities***

In the event of the issue of warrants or other similar securities that may directly or indirectly give the right to subscribe shares of the Company, to which the Consolidated Spanish Limited Liability Companies Law will apply by analogy for convertible bonds, the Board of Directors is empowered to determine, in the broadest terms, the basis and procedures for exercise, applying the criteria set out in the section 7 above in relation to such issues, with the adaptations necessary to make them compatible with the legal and financial regime for this class of securities.

#### **9. *Rights of the holders of securities***

The holders of Securities issued as a result of the authorisation contained in this resolution shall enjoy the rights provided for in the regulations applicable to the issue and the resolution of the issue.

#### **10. *Capital increase***

The Board of Directors is authorised to increase the Company's capital by issuing new ordinary shares in the amount necessary to meet the needs of the conversion of the securities issued under this resolution. This authorisation is conditioned on the assumption that all capital increases resolved by the Board of Directors, including those resolved in the exercise of the powers now delegated and those that may be granted in accordance with other authorisations granted by the shareholders, do not exceed the limit of half of the Company's current share capital, as stipulated in Article 297.1 (b) in fine of the Spanish Limited Liability Companies Law, or 20% of the total share capital, if in the issue of the convertible securities the preemptive rights of the shareholders are disapplied. This authorisation to increase the Company's share capital includes the right to issue and circulate, on one or several occasions, the shares that are necessary to carry out the conversion, as well as to redraft the article of the Company Bylaws relating to the share capital and, where appropriate, cancel the portion of the capital increase that is not necessary for the conversion into shares.

### **11. Admission to trading**

The Board of Directors has express authority for substitution by the Chairman, the CEO, the Secretary and Vice Secretary of the power to request admission to trading on official or unofficial secondary markets, organised or otherwise and either in Spain or abroad, of the shares issued by way of these delegated powers, as well as to undertake all such steps as required or appropriate to ensure the admission to trading by the relevant organisations on Spanish and foreign share markets.

The Board of Directors is also authorised to request the admission to trading of the new ordinary shares that may be issued to meet the requests for the conversion of shares made on the basis of this resolution on the Madrid and Barcelona stock exchanges and on any other markets in which the Company's shares are traded at the time of implementation of this resolution, and for them to be included on the Spanish Stock Market Interconnection System (SIBE).

In the event of a subsequent application for delisting, it is expressly placed on record that such application will be adopted with the same formalities as the application for admission, insofar as they are applicable, and, in such a case, the interest of the shareholders or bondholders who object or do not vote for the resolution under the terms set forth in the current legislation will be guaranteed. The Company is also subject to the rules that exist or may be issued in the future as regards stock exchanges and, especially, on the arrangement, permanence and delisting.

### **12. Delegation of powers**

Without prejudice to the delegations of specific powers contained in the foregoing sections (which must be understood to have been granted with express powers of delegation to the bodies and persons detailed herein), the Board of Directors is granted the broadest powers and the express powers of delegation to the Board members it deems appropriate, including the Secretary and the Vice Secretary to the Board, so that any of them, individually and with a single signature, might request such authorisations and adopt such resolutions as may be necessary or appropriate in order to comply with the legal regulations in force and the execution and successful conclusion of this resolution, including the performance of any formalities, the execution of any public or private documents, agency agreements, insurance, calculations and such other documents as may be required for the issue of securities of this nature, as well as such prospectuses as may be required in making use of the power of delegation under this resolution.

The approval of this resolution will entail the annulment, from the time when the proposed resolution is approved by the Shareholders at a General Meeting, of the unavailed portion of the foregoing resolution authorising the Board of Directors approved under item eleven on the agenda of the Company's Ordinary General Meeting of Shareholders on 24 April 2015.

### ***Seven.- Authorisation to reduce the period for calling the extraordinary general meetings of Inmobiliaria Colonial, SOCIMI, S.A., in accordance with Article 515 of the Spanish Limited Liability Companies Law.***

In accordance with Article 515 of the recast text of the Spanish Limited Liability Companies Law, enacted by Legislative Royal Decree 1/2010, of 2 July, it is resolved to authorise and approve that the extraordinary general meetings held by Inmobiliaria Colonial, SOCIMI, S.A. (the "**Company**") be called



with at least 15 days' notice, provided that the Company offers shareholders the effective possibility of voting by electronic means accessible to all.

This authorisation is granted until the date of the Company's next Ordinary General Meeting of Shareholders.

#### **IV. Items relating to the appointment and compensation of directors**

##### ***Eight.- Establishment of the number of members of the Board of Directors***

It is resolved to set the number of members of the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A. at 11 members, within the minimum and maximum number established in the Company Bylaws.

##### ***Nine.- Appointment and re-election of directors.***

#### **9.1. Appointment of Mr Javier López Casado as director of the Company, with the status of proprietary director.**

It is resolved, at the proposal of the Board of Directors and following a favourable report of the Appointments and Remuneration Committee, to appoint Mr Javier López Casado as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of proprietary director, for the four-year statutory period as from the date of adoption of this resolution.

#### **9.2. Re-election of Mr Juan José Brugera Clavero as director of the Company, with the status of executive director.**

It is resolved, at the proposal of the Board of Directors and following a favourable report of the Appointments and Remuneration Committee, to re-elect Mr Juan José Brugera Clavero as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of executive director, for the four-year statutory period as from the date of adoption of this resolution.

#### **9.3. Re-election of Mr Pedro Viñolas Serra as director of the Company, with the status of executive director.**

It is resolved, at the proposal of the Board of Directors and following a favourable report of the Appointments and Remuneration Committee, to re-elect Mr Pedro Viñolas Serra as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of executive director, for the four-year statutory period as from the date of adoption of this resolution.

#### **9.4. Re-election of Mr Juan Carlos García Cañizares as director of the Company, with the status of proprietary director.**

At the proposal of the Board of Directors and following a favourable report from the Appointments and Remuneration Committee, it is resolved to re-elect Mr Juan Carlos García Cañizares as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of proprietary director, for the four-year statutory period as from the date of adoption of this resolution.

#### **9.5. Re-election of Ms Ana Sainz de Vicuña Bemberg as director of the Company, with the status of independent director.**



At the proposal of the Appointments and Remuneration Committee, it is resolved to re-elect Ms Ana Sainz de Vicuña Bemberg as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of independent director, for the four-year statutory period as from the date of adoption of this resolution.

**9.6. Re-election of Mr Carlos Fernández-Lerga Garralda as director of the Company, with the status of independent director.**

At the proposal of the Appointments and Remuneration Committee, it is resolved to re-elect Mr Carlos Fernández-Lerga Garralda as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of independent director, for the four-year statutory period as from the date of adoption of this resolution.

**9.7. Re-election of Mr Javier Iglesias de Ussel Ordís as director of the Company, with the status of independent director.**

At the proposal of the Appointments and Remuneration Committee, it is resolved to re-elect Mr Javier Iglesias de Ussel Ordís as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of independent director, for the four-year statutory period as from the date of adoption of this resolution.

**9.8. Re-election of Mr Luis Maluquer Trepas as director of the Company, with the status of independent director.**

At the proposal of the Appointments and Remuneration Committee, it is resolved to re-elect Mr Luis Maluquer Trepas as a director of Inmobiliaria Colonial, SOCIMI, S.A., with the status of independent director, for the four-year statutory period as from the date of adoption of this resolution.

***Ten.- Voting, in an advisory capacity, on the Annual Remuneration Report of Directors of Inmobiliaria Colonial, SOCIMI, S.A. for 2017.***

It is resolved to approve, in an advisory capacity, the Annual Remuneration Report for Directors of Inmobiliaria Colonial, SOCIMI, S.A. for 2017, which has been made available to all shareholders at the time of calling the General Meeting.

**V. Informative point**

***Eleven.- Information to the General Meeting on the amendment of the Regulations of the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A.***

The shareholders are hereby informed of the amendment made to the Regulations of the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A., which has affected Article 1 thereof and whose sole purpose has been to adapt it to the new company name (Inmobiliaria Colonial, SOCIMI, S.A.).

**VI. Item relating to the delegation of powers**

***Twelve.- Delegation of powers***

It is resolved to expressly empower the Chairman of the Board of Directors of Inmobiliaria Colonial, SOCIMI, S.A. (the “**Company**”), Mr Juan José Brugera Clavero, the CEO, Mr Pedro Viñolas Serra, the Secretary to the Board, Mr Francisco Palá Laguna, and the Vice Secretary to the Board, Ms Nuria Oferil

Coll, to enable them, with respect to the resolutions adopted by this General Meeting of Shareholders, to:

- Place these resolutions on public record, with particular joint and several powers as necessary for the purposes of realisation and compliance.
- Sign any public or private documents that are necessary or advisable and to take any opportune action to do so after the best possible fashion, including the publication of legal notices with any public or private bodies or authorities, for the purposes of entry in the appropriate Commercial Registries or Property Registers, with the power to issue deeds of ratification, rectification, correction and clarification, following verbal suggestions or written appraisals by the Commercial Registry - also with the power to request partial entry of recordable agreements - and by any other official public or private body; and
- Prepare such public or private documents as may be necessary or appropriate and to take such steps as may be necessary before the Spanish Securities Market Commission (CNMV), Iberclear, the stock exchange companies and other competent bodies in order to execute and bring to a successful conclusion the resolutions passed and to perform the formalities relating to all manner of files and documents required vis-à-vis public- or private-sector bodies and, in general, such actions relating to the resolutions adopted at this General Meeting as may be required.

\*       \*