

Colonial



Colonial – Investor Day
CLIENT & PRODUCT STRATEGY
Mr. Albert Alcober
Colonial Chief Operating Officer



MSCI 

European Property
Investment Awards
WINNER 2017

IBEX₃₅



Barcelona 17/10/17

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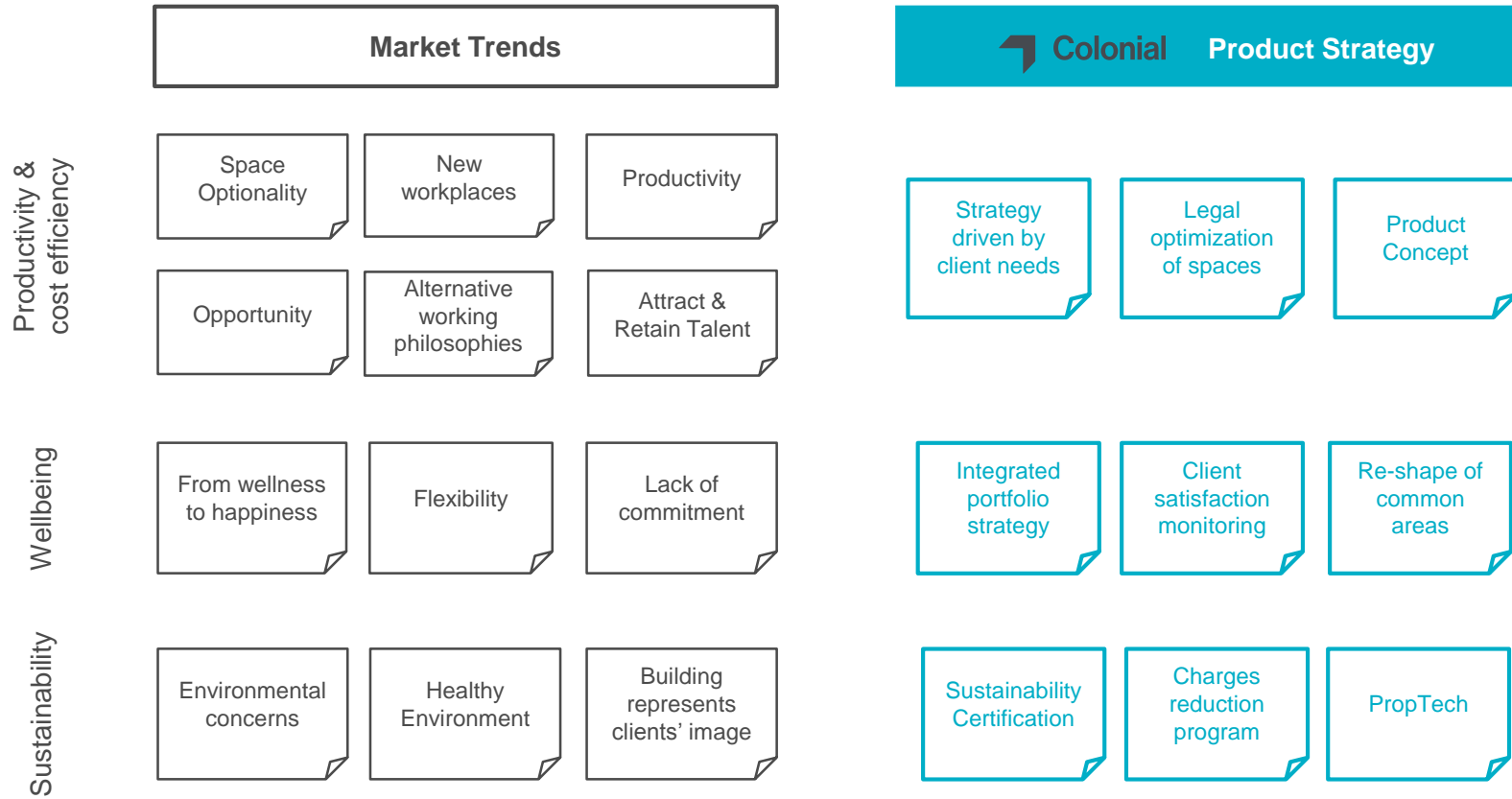


01 Property Management

02 Product Strategy

Colonial produces prime product focusing and reacting to market trends

- > Colonial's is continuously reacting to its clients demands
- > Colonial designs its prime product strategy maximizing efficiency for both tenant and user



Multinational companies are redefining their real estate strategy

- > New working philosophies are reducing the space and cost per employee
- > Companies look after prime spaces adapted to their new demands

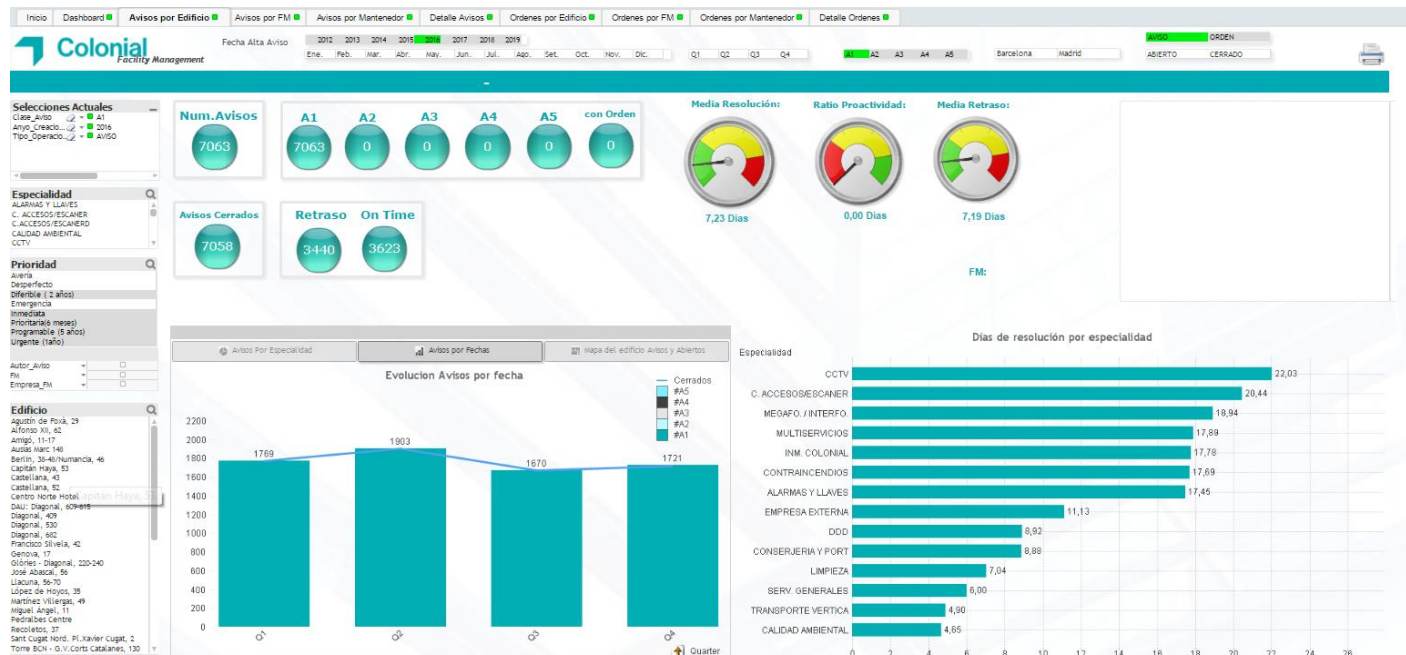
Case Study: Tech Company strategy for its European offices

		2005	2012	2020
Focus on few locations (Global Hubs)		48 Offices	18 Offices	15 Offices
Growing on Headcounts		6,500 Employees	4,990 Employees	6,000 Employees
Optimal size		166,000 sq m	115,000 sq m	80,000 sq m
Space efficiency		25 sq m/employee	23 sq m/employee	13 sq m/employee
Willingness to pay higher rents due to lower cost per employee		638 €/employee Centralized & Decentralized	576 €/employee Decentralized (Cost Cutting)	333 €/employee Central locations

Colonial monitors clients satisfaction through its internally developed technology

- > New technologies in property company increases tenant satisfaction
- > Tech investments are focu

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01 Property Management

02 **Product Strategy**

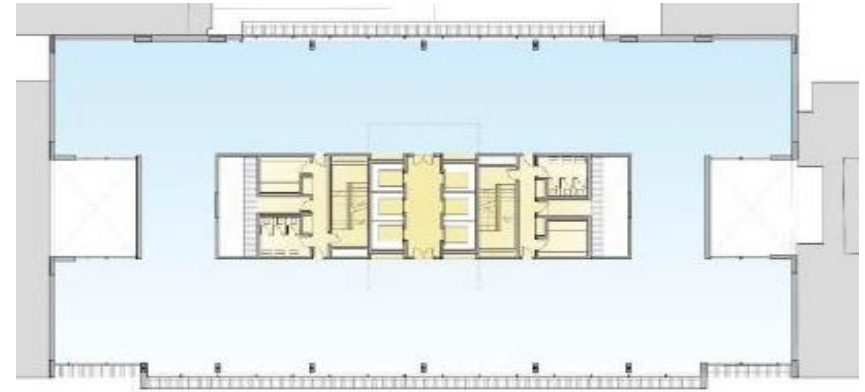
Product Strategy Example – Discovery Building

Colonial's prime product is focused on tenants needs

- > Innovative floor plant lay-out offering maximum space efficiency and adaptability
- > Capex focusing on value creation and client satisfaction

Traditional Floor Plan Design:

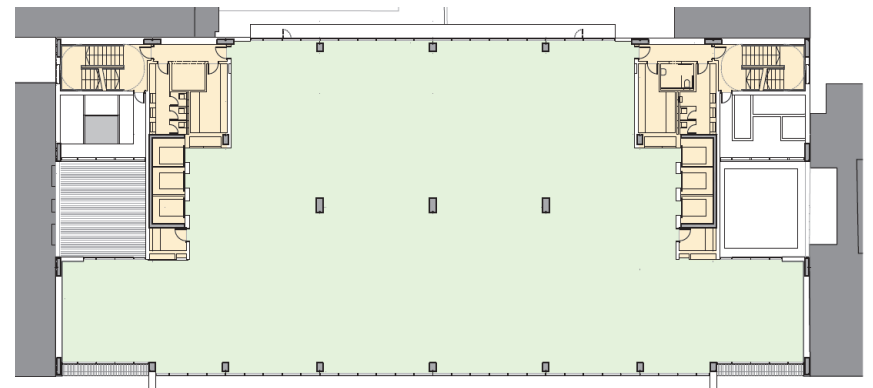
- > Reduced Lettable area due to internal divisions
- > Reduced natural light because of structure design
- > Low space efficiency increasing tenant's cost per sq m
- > 1 elevator core in the middle diminishing construction cost
- > Design mainly focuses on one main façade



Innovative New Floor Plan Design:

- > Reduced number of pillars highly increasing lay-out optionality
- > Façades design increasing natural light
- > 2 elevator cores allows the building to be mono & multi tenant
- > Floors can be easily and economically divided in up to 4 spaces
- > Legal restriction fulfilment allowing a lower person per sq m ratio

Discovery Building



Colonial's innovative designs allow maximum space efficiency and modularity

Discovery Building



Common spaces are highly sought after by tenants

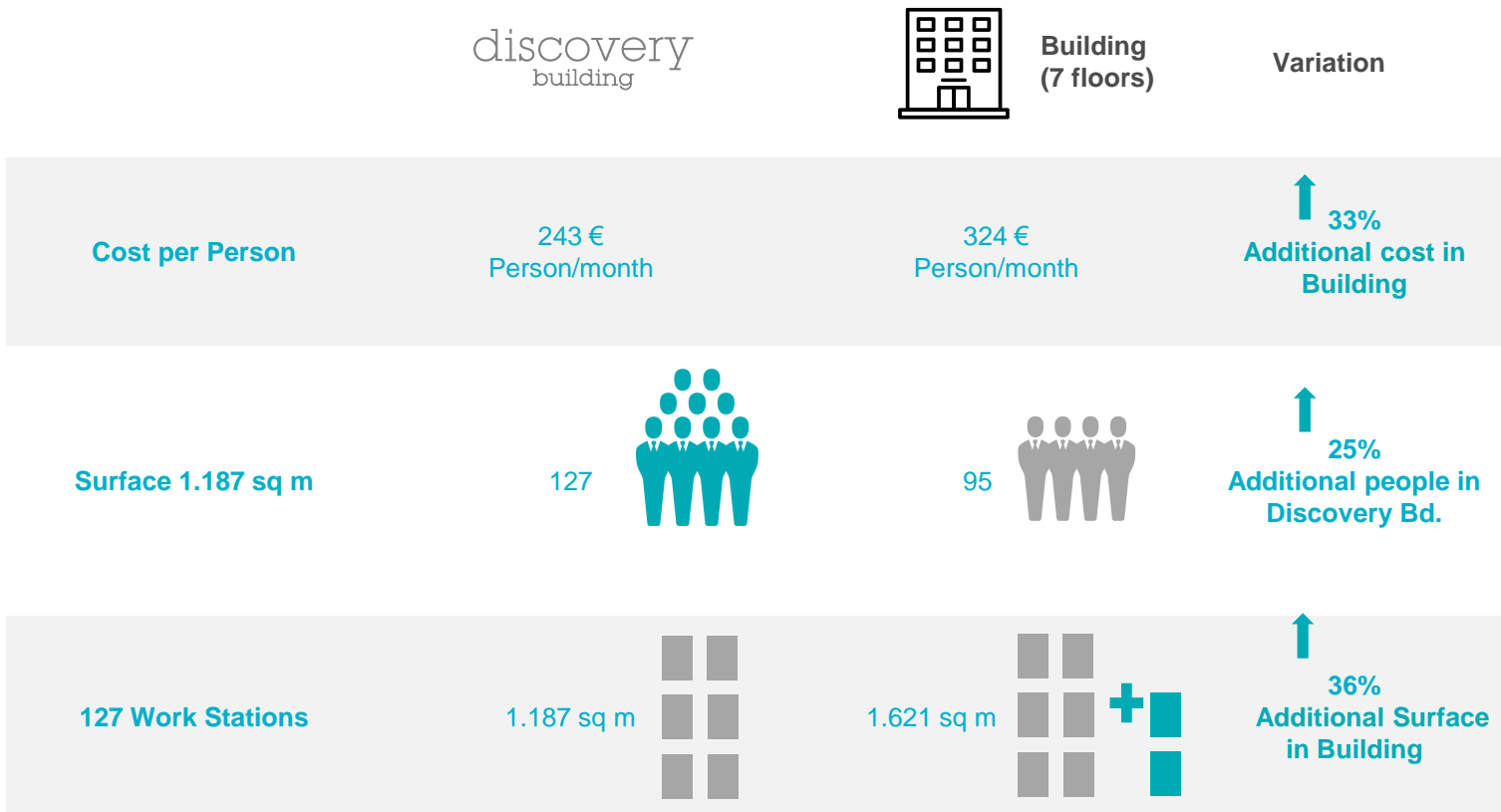
Discovery Building



Product Strategy Example – Discovery Building

Colonial’s prime product optimizes tenants cost per employee

- > Innovative Product design allow clients to increase the number of employees per sq m
- > Less space for the same number of people saves implantation costs



Multinational companies are redefining their real estate strategy

- > New working philosophies are reducing the space and cost per employee
- > Companies look after prime spaces adapted to their new demands

Companies ask for

1. Well designed spaces
2. Optimal Space efficiency
3. Sustainability
4. Good public transport connection
5. Lifecycle around city center
6. Corporate identity/ reputation



The best property for company's needs

It is also about employee cost

Example: Figures considering a company wants to rent a 5,000 sq m building

Rent	Central Location	Connectivity	Sq m /person	€/person
30 €/sq m/month	✓✓✓	✓✓✓	8 sq m/person	240 €/person
25 €/sq m/month	✓✓	✓✓	13 sq m/person	325 €/person
20 €/sq m/month	✓	✓	17 sq m/person	340 €/person

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