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REPORT BY THE AUDIT AND CONTROL COMMITTEE ON THE INDEPENDENCE OF THE EXTERNAL AUDITOR

The Chair of the Audit and Control Committee has received a letter confirming the independence of Deloitte, S.L. (the “**Letter of Confirmation of Independence**”), the external auditor of Inmobiliaria Colonial, S.A. and its subsidiaries, in relation to the audit of the consolidated financial statements for the year ended 31 December 2016.

The external auditor reports as follows, to the best of its knowledge and belief:

- The team handling the audit engagement and Deloitte, S.L., with extensions as applicable, have met the requirements of independence applicable in accordance with the provisions of Spain’s Revised Law on Audits (“Ley de Auditoría de Cuentas”) issued by Royal Legislative Decree 1/2011 of 1 July, and its implementing regulations.
- The total fees charged to Inmobiliaria Colonial, S.A. and to the units controlled by it for the professional services furnished were 833,000 euros.

The breakdown by items of both audit services and non-audit services provided by Deloitte, S.L. and its network in the year ended 31 December 2016 is as follows:

- Audit services: 535,000 euros
 - Other verification services: 137,000 euros
 - Tax advisory services: 0 euros
 - Other services: 161,000 euros
 - **Total professional services: 833,000 euros**
- They have internal procedures for the purposes of identifying and assessing any threats that may arise from circumstances relating to companies subjected to audits, including those that may constitute a conflict of interests, and possible application of the necessary safeguard measures.
 - In relation to the audit services for the period covered by the financial statements and up to issuance of the Letter of Confirmation of Independence, no circumstances have been identified which, either individually or together, could entail a major threat to their independence that would therefore require safeguard measures to be applied or that could constitute a conflict of interests.

The Audit and Control Committee has analysed the fees paid by Inmobiliaria Colonial, S.A. and its subsidiaries for the services provided by Deloitte, S.L.

Following examination of the Letter of Confirmation of Independence and the fees received for the services provided in relation to auditing or services other than auditing, the Audit and Control Committee concludes there are no objective reasons to cast any doubts on the independence of the external auditor, and thus issues a favourable report concerning the independence of Deloitte, S.L. as the auditor of Inmobiliaria Colonial, S.A. and its subsidiaries.

Barcelona, 24 February 2017