Colonial

S&P upgrades the credit rating of Colonial up to BBB with stable outlook

- Highest credit rating in the Spanish Real Estate sector
- Highly positive assessment of operating performance
- Diversified portfolio with a strong leadership in CBD
- Solid financial profile of the Colonial Group

Barcelona, April 19, 2017

The rating agency Standard&Poors (S&P) has announced the improvement of the credit rating of Colonial, upgrading its rating from BBB- to BBB, with stable outlook. S&P has assessed the positive operating performance of Colonial as well as the improvement of the financial profile of the Group.

The key considerations for the credit rating upgrade have been:

- A prime office portfolio located in the city centers of Barcelona, Madrid and Paris
- Leadership in CBD: a portfolio of high quality assets with a 75% CBD exposure throughout Paris, Madrid and Barcelona, CBD exposure above other peers in the office market
- An adequate geographical diversification in both assets and tenant base
- The positive trend in the office markets, both in Spain and France
- The growing demand in the office markets where Colonial operates, enabling like-for-like rental growth
- Commitment to maintain a capital structure with prudent leverage ratios
- Increase in rental income due to new acquisitions of assets

Currently, the Colonial Group has 80% of its debt in corporate bonds, with 7 issuances that prove the high acceptance from capital markets.

Colonial

"The information included in this document should be read together with all of the public information available, particularly the Company's website www.inmocolonial.com."

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