

Pursuant to Section 228 of the restated Spanish Securities Market Act (*Ley del Mercado de Valores*) approved by *Real Decreto Legislativo 4/2015, de 23 de octubre*, Inmobiliaria Colonial, SOCIMI, S.A. (“**Colonial**” or the “**Company**”) hereby discloses the following:

REGULATORY ANNOUNCEMENT (*HECHO RELEVANTE*)

In connection with the regulatory announcement (*Hecho Relevante*) published on October 15, 2018, with register number 270502, today it has been closed the transaction relating to the agreement (the “**Agreement**”) entered into between Colonial, Qatar Holding LLC (“**QH**”) and DIC Holding LLC (“**DIC**”) consisting in:

- (i) the contribution to Colonial by QH and DIC, respectively, of 4,386,310 and 2,750,197 shares of *Société Foncière Lyonnaise* (“**SFL**”), representing in aggregate, approximately, 15.34% of its share capital, as a consideration for the subscription of 32,897,325 new ordinary shares of Colonial in favor of QH and 20,626,478 new ordinary shares of Colonial in favor of DIC, which in aggregate represent 53,523,803 new ordinary shares of Colonial. In this regard, the relevant public deed of the non-monetary capital increase has been granted today;
- (ii) the exchange of 245,852 and 154,148 SFL shares owned by QH and DIC, respectively, representing in aggregate, approximately, 0.86% of its share capital, for 3,000,000 Colonial shares held by the Company as treasury shares; corresponding 1,843,890 shares to QH and 1,156,110 shares to DIC; and
- (iii) the sale to Colonial, by QH and DIC, respectively, of 1,713,266 and 1,074,209 SFL shares, representing in aggregate, approximately, 5.99% of its share capital, for a price of 125,068,418 Euros to QH and 78,417,257 Euros to DIC; resulting an aggregate price of 203,485,675.00 Euros, that is, at a price of 73 Euros per share.

As a consequence of said closing, as of today (“**Completion Date**”) have come into force the engagements that QH and DIC, respectively and individually, adopted with regards to Colonial shares arising from the non-monetary capital increase and Colonial’s treasury shares set forth in the Agreement (together, the “**Colonial Shares**”), according to the terms set forth in the report of the Board of Directors of Colonial in connection with the resolution “*Authorization to the purchase of shares in Société Foncière Lyonnaise held by Qatar Holding LLC and DIC Holding LLC, pursuant to the provisions of Sections 229 and 230 of the Spanish Limited Liability Companies Act*”, which was made available to the shareholders on Colonial’s web page at the time of the notice of call to the General Shareholders’ Meeting held on November 8, 2018.

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In this regard, pursuant to Section 531 of the restated Spanish Limited Liability Companies Act (*Ley de Sociedades de Capital*) approved by *Real Decreto Legislativo 1/2010, de 2 de julio*, it is attached to this regulatory announcement (*Hecho Relevante*) a verbatim transcription of the clauses of the Agreement that may be deemed as a shareholders' agreement pursuant to the provisions of the referred Act. In this regard, by means of this communication, the aforementioned clauses are communicated to the Spanish Securities and Exchange Commission (CNMV) and made public as a regulatory announcement (*Hecho Relevante*).

Madrid, on November 14, 2018.

VERBATIM TRANSCRIPTION OF THE CLAUSES OF THE AGREEMENT THAT MAY BE DEEMED AS A SHAREHOLDERS' AGREEMENT

<p>QH AND DIC'S LOCK-UP</p>	<p>During a period of 6 months following the Completion Date (the "Initial Period"), QH and DIC shall not Transfer (as defined below), whether wholly or in part, the Colonial Shares, except in the event of any Transfer of Colonial Shares to a company belonging to their respective Group (as defined below), provided that the acquirer complies with the undertakings set forth for the voluntary Transfer of such Colonial Shares to a company belonging to its Group described in section (ii) of <i>"Share transfer prohibition to a Competitor"</i> Clause below, with respect to said Colonial Shares.</p>
<p>TRANSFER OF SHARES AFTER THE INITIAL PERIOD</p>	<p>After the Initial Period, any transfer by QH and/or DIC of the Colonial Shares shall be made in an orderly manner and in accordance with the standard market practice in Spanish listed companies and in compliance with the applicable Spanish stock exchange regulations. For the avoidance of doubt, any transfer of Colonial Shares carried out after the Initial Period by means of either (i) an open order of sale in the market representing less than 25% of the average daily trading volume of the Company's shares, calculated over the 20 trading days prior to the transaction; (ii) a block sale; or (iii) a negotiated bilateral trade, shall be deemed to be transfers of shares in an orderly manner and in accordance with the standard market practice in Spanish listed companies.</p>
<p>SHARE TRANSFER PROHIBITION TO A COMPETITOR</p>	<p>QH and DIC will be entitled to Transfer their Colonial Shares to any counterparty without any restriction, except in the extraordinary case of a Transfer to a Competitor in the context of a block sale or a negotiated bilateral trade whereby QH and DIC shall be prohibited to Transfer in a block sale or a negotiated bilateral trade to a Competitor all or part of their Colonial Shares (or any voting rights inherent thereto).</p> <p>Notwithstanding the above, a Transfer of the Colonial Shares to a Competitor shall be possible (i) if it is a sale made in the context of a takeover bid to acquire 100% of the Company's share capital duly authorized by the Spanish Securities and Exchange Commission (CNMV); or (ii) if authorized by the Board of Directors of the Company.</p> <p>For the purposes of this Clause, "Competitor" shall exclusively mean any European office Real Estate Investment Trust (REIT) or <i>Sociedad Anónima Cotizada de Inversión Inmobiliaria</i> (SOCIMI) with real estate assets under management amounting to EUR 6 billion or more. For the purposes of this Clause, "Competitor" shall also mean any individual or legal entity, directly or indirectly, controlled by or controlling a REIT or SOCIMI with real estate assets under management amounting to EUR 6 billion or more, as well as any individual or legal entity acting in concert with said REIT or SOCIMI for the purpose of, directly or indirectly, acquiring a significant stake (i.e., 3% or more of its total voting rights) in Colonial.</p> <p>For the purposes of this Agreement, "Transfer" shall mean (i) the transfer by any means, whether direct and/or indirect, immediate or deferred, free of charge or not (including the sale, contribution, merger, spin-off, exchange, loan or enforcement of any encumbrance) of the ownership, the beneficial ownership, the legal ownership, the economic interest or any other rights deriving from a share such as the voting rights, the right to receive a dividend or the preferred subscription right to a share capital increase, (ii) the entry into any derivative, hedging or other transaction that is designed to or that reasonably could be expected to lead to or result in a sale of any shares, (iii) the entry into any transaction having a similar economic effect, (iv) the undertaking to do any of the foregoing or (v) the public announcement of the intention to do any of the foregoing; the verb "to Transfer" and any expression derived therefrom shall be interpreted accordingly. Notwithstanding the foregoing, it is permitted by QH and DIC at all times (including during the Lock-up period) and will not be subject to any restriction:</p>

	<p>(i) The pledge, encumbrance, hedge or entry into any kind of collateral in respect of the Colonial Shares with a financial institution, made in good faith and not as a means to avoid the covenants of this Agreement; and</p> <p>(ii) Any voluntary Transfer of all or part of the Colonial Shares owned by QH and/or DIC to a company belonging to its Group, provided that (a) the acquirer company, simultaneously with the Transfer, agrees unconditionally to be bound in respect of such Colonial Shares by the provisions of this Clause <i>“Share transfer prohibition to a Competitor”</i> and Clauses, <i>“QH and DIC’s Lock-up”</i>, and <i>“Transfer of shares after the Initial Period”</i> of this Agreement; (b) the transferor remains jointly liable in respect of such Colonial Shares with the acquirer; and (c) the acquirer remains a member of its Group and agrees to transfer back all of such Colonial Shares before ceasing to be a member of its Group.</p> <p>For the purposes of this section (ii) and the <i>“QH and DIC’s Lock-up”</i> Clause above, “Group” shall include any company directly or indirectly owned or controlled by either Qatar Investments Authority, Amiri Diwan of the State of Qatar or any other Qatari State entity.</p>
<p>TERM</p>	<p>The obligations provided for in Clauses <i>“Transfer of shares after the Initial Period”</i> and <i>“Share transfer prohibition to a Competitor”</i> of this Agreement shall remain in force until the earlier of (i) the end of a 4 year period as from the Completion Date; and (ii) the entry into an agreement by the Parties to terminate the effect of said Clauses.</p> <p>For the avoidance of doubt, the restrictions on transferability of shares in Colonial contained in this Agreement shall only apply to the Colonial Shares and not to the existing shareholding (and rights derived from such shareholding) held by QH Netherlands (i.e. the 46,151,954 shares).</p>

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