3Q/2022

Quarterly Results January-September 2022

16 November 2022

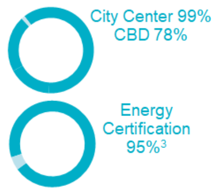
Colonial

Recurring Earnings per Share growth of +23% year-on-year

Colonial closed the third quarter of 2022 with a Net Profit Increase of +116%

Financial Highlights	3Q 2022	3Q 2021	Var	LFL
Recurring EPS - €Cts/share	22.11	17.91	+23%	
Attributable Net Profit - €m	398	184	+116%	
Recurring Net Profit - €m	119	92	+30%	
Gross Rental Income - €m	262	234	+12%	+7%
EBITDA Group - €m	205	184	+12%	

Unique exposure to Prime
GAV 6/22 €13,334m



Operational Highlights	
EPRA Vacancy	4.1%
Rental Growth[1]	+5%
Madrid	+5%
Paris	+5%
Barcelona	+2%
Release Spread[2]	+7%
Madrid	+8%
Paris	+6%
Barcelona	+4%

Net profit with significant growth

- Net profit of €398m, +116% vs. the previous year
- Recurring Net Profit of €119m, +30% vs. the previous year
- Recurring EPS (Earnings Per Share) of €22.11cts/share, +23% vs. the previous year

Increase of +12% in Gross Rental Income & EBITDA

- Gross Rental Income of €262m, +12% driven by Paris with +17%
- Gross Rental Income Like-for-like increase of +7%, among the highest in the sector
- Group EBITDA of €205m, +12% vs. the previous year

"Pricing Power" – Capturing of Rental Growth

- Captured indexation in all contracts with an average increase of +5%
- ERV growth of +5%[1] in signed contracts
- Release spread of +7%[2] in renewals

Record Letting Volume

- More than 136,000 sqm of letting volume, +16% vs. the previous year
- Occupancy levels of 96% (~100% in Paris)
- Project Portfolio: 7 out of 8 projects pre-let at maximum rental prices
- Renovation Program: 8 out of 9 projects pre-let at maximum rental prices

Active management of the portfolio

- Disposals for €84m[5] with a premium of +9% on GAV

A solid capital structure

- Best rating in the Spanish sector with S&P rating of BBB+
- LTV of 37.9% with a liquidity of €2,140m[4] covering all debt maturities until 2026
- 83% of the current debt is hedged in the event of interest rate increases

Leadership in ESG & Decarbonization

- 2022 Rating "5-Star" in GRESB: "Standing Portfolio" 90/100 & "Development Portfolio" 96/100

(1) Signed rents vs. market rents at 31/12/2021 (ERV 12/21)
(2) Signed rents on renewals vs. previous rents
(3) Portfolio in operation
(4) Cash and undrawn balances
(5) Includes the sale of Sagasta 27 for €25m after the end of the 3er quarter (October 2022)

Highlights

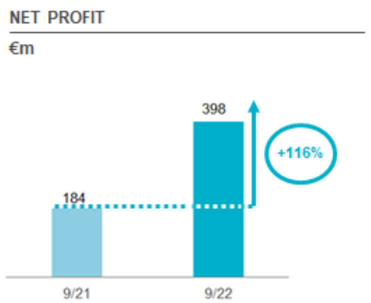
3Q Results 2022

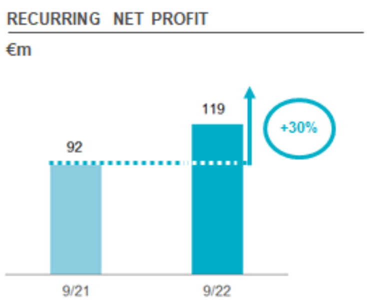
Strong growth in the Net Profit and the Recurring Profit

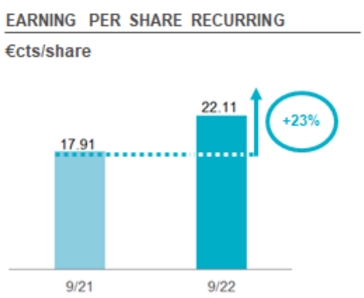
1. Recurring Net Profit of €398m, +116% vs. the previous year

The Colonial Group closed the third quarter of 2022 with a strong increase in the results in all metrics:

- Increase in the **net profit of €398m, +116% compared to the same period of the previous year.**
- **The recurring net profit increased by +30% compared to the previous year** and stood at €119m at the close of the third quarter of 2022.
- The **net recurring EPS increased by +23% compared to the previous year**, reaching a level of €22.11cts per share.





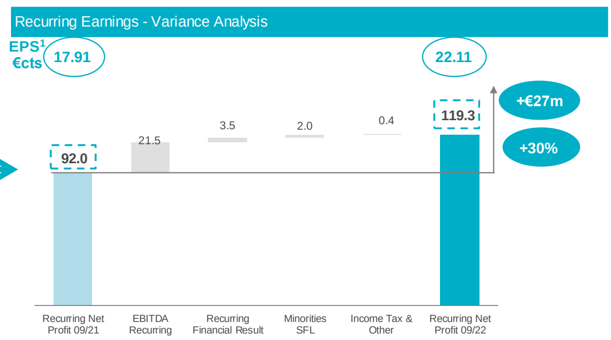


The significant increase in the **recurring earnings is mainly due to:**

1. **An increase of +12% in rental income and EBITDA of the Group**, **driven by the asset portfolio in Paris** (+17% in income growth)

   Income growth has been delivered in all segments of the Group, and is based on (1) captured indexation, (2) strong like-for-like growth, (3) additional income from delivered projects and (4) the successful execution of the renovation program
2. A year-on-year **decrease in financial costs** thanks to the **Liability Management** carried out in 2020 and 2021, which has resulted in a savings in the average financial cost of the Group's debt.
3. The **successful execution of the acquisition of the 16.6%** stake in Société Foncière Lyonnaise in 2021, with very attractive terms for Colonial's shareholders.

Results analysis - €m	3Q 22	3Q 21
Gross Rents	262	234
Recurring EBITDA	207	186
Recurring financial result	(58)	(62)
Income tax expense & others - recurring	(9)	(9)
Minority interests - recurring	(21)	(23)
Recurring Earnings	119	92
Change in fair value of assets & provisions	315	146
Non-recurring financial result & MTM	(3)	(30)
Income tax & others - non-recurring	2	(15)
Minority interests - non-recurring	(35)	(9)
Profit attributable to the Group	398	184



(1) Recurring earnings per share

The additional increase in the Net Profit of the Group is underpinned by the capital gains from the disposals, as well as the growth in value of the Group's portfolio, thanks to its prime positioning.

2. Gross rental income of €262m, +12% vs the previous year

Colonial closed the third quarter of 2022 with **€262m of Gross Rental Income, +12%** compared to the same period of the previous year, **significantly driven by the growth in the Paris market**.

Strong income growth levers - Pricing Power & Projects

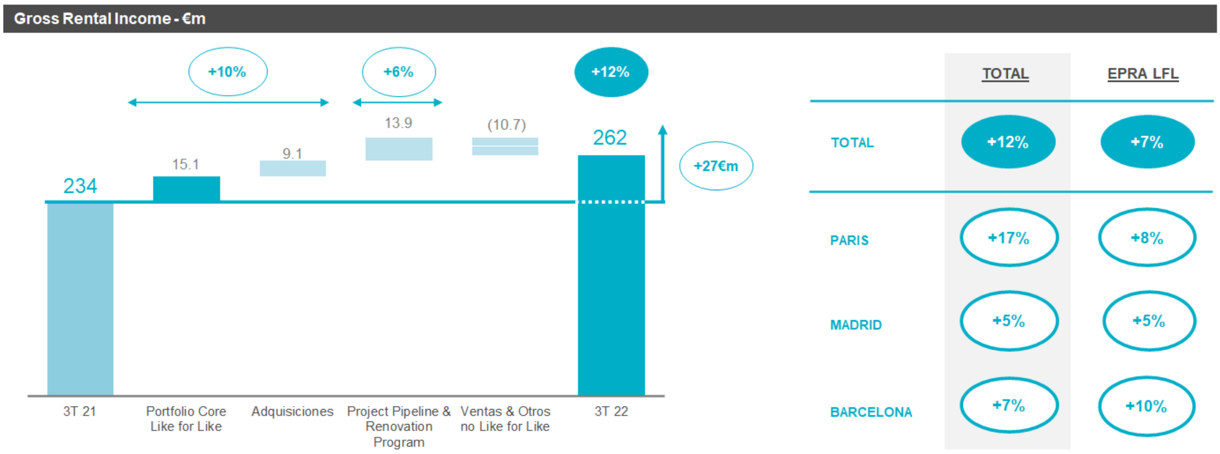
Excluding disposals and other non-comparable impacts, Gross Income increased by €38m compared to the previous year, an increase of +16%.

The main impacts are the following:

1. **Pricing Power: The Core portfolio contributed €15m to income growth (a contribution of +6% to overall growth),** based on a solid like-for-like growth of +7% due to the strong pricing power, that has enabled the indexation impact to be fully captured, and maximum market rents to be signed.

2. **The new acquisitions of the Amundi headquarter in Paris and the Danone headquarters in the CBD of Barcelona have contributed €9m to income growth (a contribution of +4% to overall growth).**

3. **Project deliveries and the renovation program have contributed €14m to income growth (a contribution of +6% to overall growth).** Highlighted is the income contribution from Marceau in Paris and Diagonal 525 in Barcelona.



4. The **disposal of non-strategic assets and other non-comparable impacts** have led to a **year-on-year decrease of (4.6%)** in the rental income.

Strong income growth in all segments with a solid like-for-like base

The income growth is solid, in total terms as well as in like-for-like terms, showing the strength of the Prime positioning of Colonial's assets**.**

This growth in rental income was obtained in all the markets in which the Colonial Group operates, particularly highlighting the Paris asset portfolio.

September cumulative - €m	2022	2021	*Var*	*LFL*
Rental revenues Group	**262**	234	***12%***	***7%***
Rental revenues Paris	***152***	*130*	***17%***	***8%***
Rental revenues Madrid	***74***	*71*	***5%***	***5%***
Rental revenues Barcelona	***36***	*33*	***7%***	***10%***

The analysis of the growth in rental income by market is as follows:

1. **In the Paris market**, **Gross Rental Income increased +17%**, mainly due to the acquisition of the Pasteur asset carried out in 2022, together with the entry into operation of the Marceau Project and assets from the renovation program, such as Washington Plaza and Cézanne St. Honoré. An additional important element has been the like for like increase of the rental revenues.
   The 8% like-for-like increase is mainly due to the higher rents and new contracts signed on the Edouard VII asset, higher rents on the #Cloud and 92 Champs Elysées.

2. **In the Madrid market, the rental revenue has increased +5%,** mainly due to the **like-for-like portfolio growth.**
   This increase is mainly due to the new contracts signed and the rental price increases on José Abascal 56, to the new contracts signed on José Abascal 45, as well as the higher rental price increases on Santa Hortensia, Almagro 9 and Serrano 73, among others.

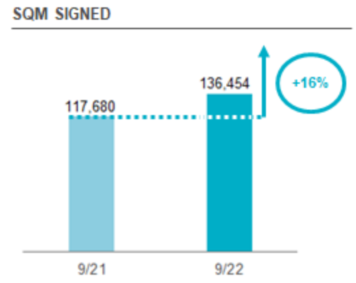
3. **In the Barcelona market, the rental revenue increased +7% and in like-for-like terms it increased by +10%,** due to higher rents on the Parc Glories asset and the new contracts signed on the Diagonal 609-615, Torre BCN and Diagonal 682 assets, among others.

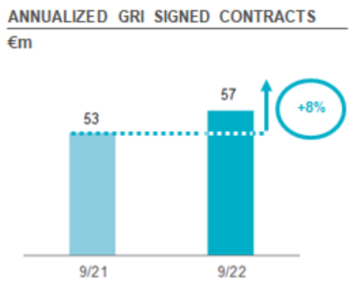
Significant acceleration in the operating fundamentals

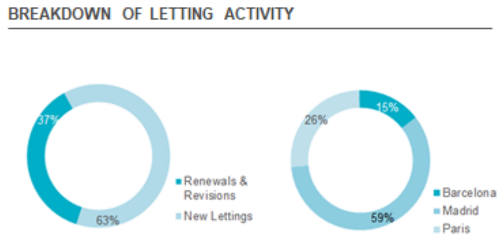
1. Increase in take-up levels compared to the previous year

The Group closed the first nine months of the year signing **80 office rental contracts**, corresponding to **136,454 sqm**.

This volume of signed contracts represents an increase of +16% compared to the same period of the previous year, which was a record year in terms of new contracts (2021 was the year with the second highest take-up volume in Colonial's history).





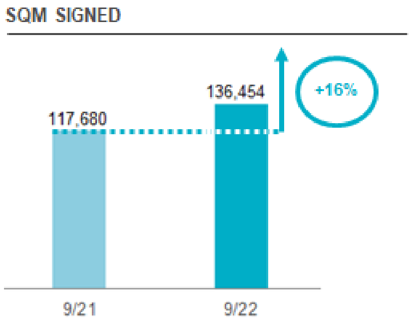


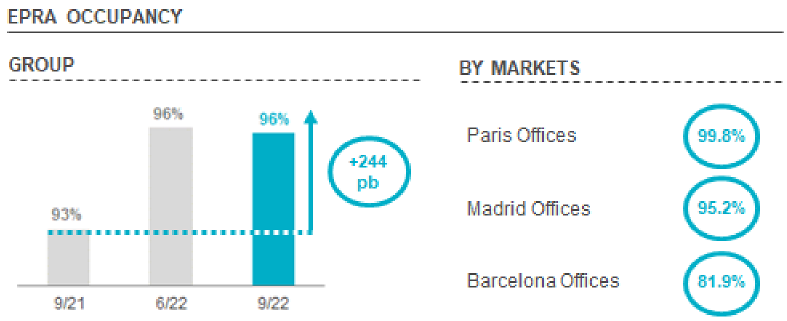
In economic terms (sqm signed multiplied by signed rents), **contracts were signed for an annualized rent amount of €57m**, resulting in an increase of +8% compared to the take-up volume in the same period of the previous year.

63% of the total letting activity (85,910 sqm) corresponds to new contracts signed, delivered across the three markets in which the Group operates. Regarding contract renewals, a total of 50,544 sqm were signed, highlighting 37,358 sqm renewed in Madrid.

2. Solid occupancy levels

The **occupancy of the Colonial Group stands at 96%.** Of special mention is the Paris market with **almost full occupancy at 99.8%.**





A large part of the current office vacancy corresponds to the entry into operation of the renovated assets. Worth highlighting are the entries into operation in Barcelona of Torre Marenostrum and Diagonal 530. At the current date, advanced talks are taking place for various floors in the Diagonal 530 building, being one of the best assets in the Barcelona market.

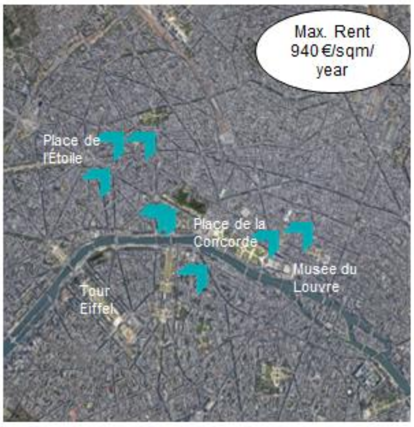
3. Pricing Power – Capturing rental price increases

Given the scarcity of Grade A product in the markets and taking into account the polarization of the demand toward a maximum quality product, Colonial's prime portfolio attracts clients who sign maximum rental prices.

The maximum rents signed in the portfolio of the Group reached **€940/sqm/year in Paris**, as well as **€40/sqm/month in Madrid** and **€28/sqm/month in Barcelona**. With these price levels, Colonial's portfolio clearly sets the benchmark for prime assets in each of the markets in which it operates.

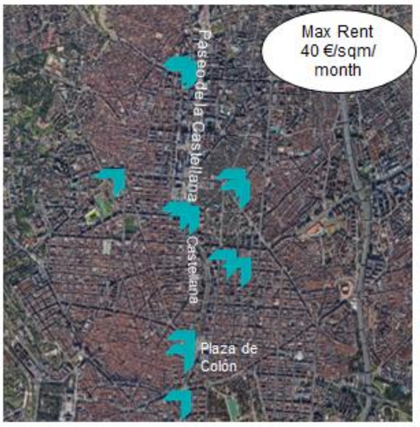
PARIS

Letting volume - sqm	
Total	35.825
Thereof CBD, 7ieme & 15eme	33,933



MADRID

Letting volume - sqm	
Total	80.378
Thereof CBD	62.517



BARCELONA

Letting volume - sqm	
Total	20.251
Thereof CBD & 22@	18.646

Captured indexation in all of the contracts with an average growth of +5%

The Colonial Group's asset portfolio captures the impact of the indexation on rents; at 30 September 2022 the indexation exercise has been performed on 73% of the contracts (71% of the contracts in Spain and 75% in Paris). It is important to highlight that the Colonial Group has applied in all the contracts the corresponding rental price indexation.

As a result of the successful execution of the indexation on the contract portfolio in the first nine months of 2022, the annualized passing rents of the corresponding contracts have increased by +5% (+7.0% in Spain and +3.3% in Paris).

These results show the strong Pricing Power of Colonial's Prime portfolio. Both, the quality of the clients and the nature of the Colonial Group's contracts enable the full capturing of the indexation impact. These provides a clear protection of the cash flow of the assets in an inflationary environment like the current one.

Increase in rental renewals. Release spreads[1] of +7%

Rental increases in renewals: **Colonial has increased the rents with current clients by +7% compared to the previous rents** they were paying (release spreads).
The increases compared to the previous rents (release spreads) were significant in the three markets in which the Group operates. **Worth mentioning is the Madrid portfolio with a release spread of +8%.**

In Paris, the release spread was at +6% and in Barcelona it was at +4%.

These increases highlight the pricing power of Colonial's assets that allow for unlocking the reversionary potential of Colonial's contract portfolio.

Rental growth: Signed rents above market rents at 31 December 2021

The market rents of the Colonial Group's assets register significant growth year-to-date.

The **Colonial Group** closed the third quarter of 2022 with **a growth of +5% in rental prices** compared to the market rent (ERV) as of December 2021.
In Paris and Madrid, prices were signed +5% higher than the market rents at 31 December 2021.

The breakdown of rental growth and the increases in renewals (release spreads) is shown in the table as follows:

Strong price increases	Maximum rent signed	Release Spread [1]				Rental Growth vs ERV [2]			
		1Q 2022	2Q 2022	3Q 2022	TOTAL	1Q 2022	2Q 2022	3Q 2022	TOTAL
Paris	940 €/sqm/year	+6%	+9%	na	+6%	+4%	+6%	+4%	+5%
Barcelona	28 €/sqm/month	+21%	+6%	+0%	+4%	+3%	(2,5%)/ +3,3%[3]	+5%	+2%
Madrid	40 €/sqm/month	+9%	+3%	+6%	+8%	+4%	+7%	+4%	+5%
TOTAL OFFICES		+9%	+6%	+3%	+7%	+4%	+6%	+4%	+5%

(1) *Signed rents on renewals vs previous rents*
(2) *Signed rents vs ERVs at 31/12/2021 (ERV12/21)*
(3) *Excluding the renewal with a tenant in an asset in 22@ with a market rent review in exchange for increasing the maturity of the contract*

Project Pipeline and Renovation Program

1. Project pipeline almost fully delivered and pre-let

The Colonial Group has a **project pipeline of 189,401 sqm across 9 assets.** At the date of publication of these results, the level of progress made in the portfolio is very significant.

	Project	City	Surface (sqm)	Let / Pre let	Delivery	Yield on Cost
1	Diagonal 525	Barcelona CBD	5,706	✓ 100%	✓	≈ 5%
2	83 Marceau	Paris CBD	9,600	✓ 100%	✓	≈ 6%
3	Velazquez 86D	Madrid CBD	16,318	✓ 86%	✓	> 6%
4	Miguel Angel 23	Madrid CBD	8,204	✓ 100%	✓ 10/22	> 5%
5	Biome	Paris City Center	24,500	✓ 100%	✓ 11/22	≈ 5%
6	Sagasta 27	Madrid CBD	4,896	✓ Sold	✓ Sold	
7	Plaza Europa 34	Barcelona	14,306	✓ Conversations for 100%	1H 23	≈ 7%
8	Louvre SaintHonoré	Paris CBD	16,000	✓ 100%	2024	7- 8%
9	Méndez Alvaro Campus	Madrid CBD South	89,871	4Q 22 Start commercialization	1H 24	7- 8%
	CURRENT PIPELINE		189,401			6- 7%

1. **Disposal of the Sagasta 27 project with a +34% margin over the total cost[1]**
   - At the beginning of October 2022, the Sagasta 27 asset was divested with a premium of +34% over the total cost.
   - The transaction involved (1) the disposal of a small asset with very no value potential for Colonial and (2) immediate cash proceeds, as well as a savings on future capex of the project development.

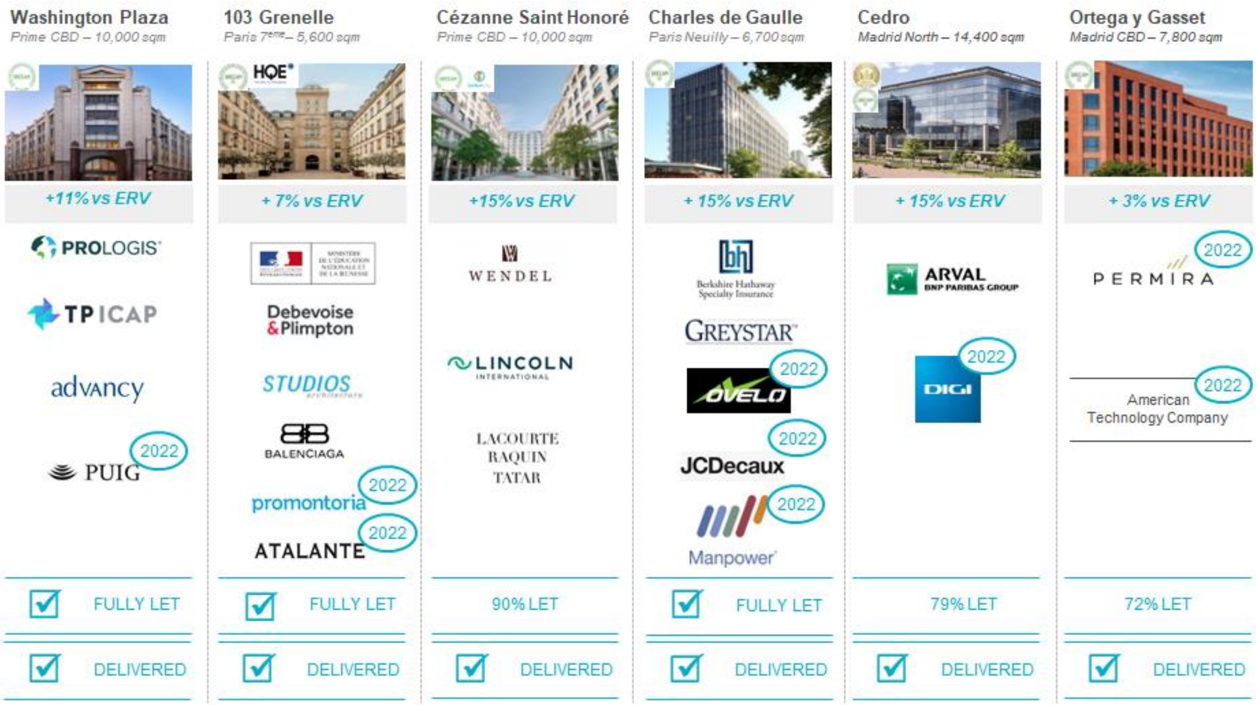
2. **High level of pre-letting in the portfolio: 7 out of 8 projects**
   - Of the 8 remaining projects in the project portfolio, 7 are already pre-let or with advanced conversations.
   - The current pre-let[2] volume is at €54m[2], corresponding to 67% of the total income from the project portfolio, amounting to €81m.
   - Those pre-lets[2] ensure significant future income that will crystallize throughout the delivery/entry into operation of the projects. The 2022 P/L results, to date, only include €10m of gross rental income attributable to the total project pipeline.

3. **High degree of progress in the delivery/entry into operation**
   - At the end of the current year, 5 of the projects will be delivered and the Sagasta 27 project will be divested.
   - Marceau and Diagonal 525 were delivered at the end of 2021. Velázquez 86D and Miguel Angel 23 in Madrid & Biome in Paris entered into operation in August 2022, October 2022 and November 2022, respectively.

(1) Acquisition Price + capex invested in project
(2) Includes advanced conversations in Plaza Europa, Barcelona.

2. Renovation program successfully executed

The **renovation program of the Colonial Group counts on 108,294 sqm spread over 9 assets**.
Out of the entire renovation program, 8 assets (with a surface area of 90,434 sqm) were delivered and pre-let with a significant price increase.



Continuation of the renovation program: Parc Glories II - Barcelona

The renovation program of the Parc Glories II building (18,000 sqm) will commence in the first half of 2023, following the departure of T-Systems at the end of this year.

The building has a unique location in the heart of the 22@ prime sector enabling Colonial to consolidate its footprint in the new CBD of Barcelona.

The renovation program will position the building with its efficient floors of 2,200 sqm, as a Grade A product with one of the best energy certificates in the market. This repositioning will enable a substantial increase of the current passing rent of €14/sqm/month, up to the prime rental levels of the 22@ market.

Active management of the portfolio

1. Disposals of €84m[1] with a premium on GAV

During 2022 to date, the Colonial Group has disposed 4 non-strategic assets (3 assets in Madrid and 1 asset in Paris) for €84m, with a premium of +9% over the last appraisal value. In Madrid, the disposals included the Josefa Valcárcel 24, Alcalá 506 and Sagasta 27 assets and in Paris the non-core asset Le Vaisseau.

The sale of the Sagasta 27 asset in Madrid was completed after the close of the third quarter of 2022. The asset was sold with a +34% premium over the total cost[2] and above the latest appraisal value.

Josefa Valcárcel, 24
MADRID – 5,652sqm

Alcalá, 506
MADRID – 6,259sqm

Le Vaisseau
PARIS – 6,332sqm

Sagasta 27
MADRID – 4,896sqm

Total sqm	23,139sqm
Disposal Price	€84m
Premium to GAV	+9%

A solid capital structure

At the close of the third quarter of 2022, the Colonial Group had a solid balance sheet with an LTV of 37.9%. and a liquidity of €2,140m.

The liquidity of the Group at September 2022 amounted to €2,140m, between cash and undrawn credit facilities. This liquidity enables the Group to cover all debt maturities until 2026.

The Colonial Group's debt has a high level of interest rate coverage thanks to a high volume of bonds together with hedging instruments contracted for long-term maturities.

- 83% of the Group's gross debt is composed by corporate bonds 100% green, with a fixed interest rate.
- 63% of the Colonial Group's debt has maturities from 2026 onwards.
- 53% of the future issues of the Group's debt have interest rate pre-hedging instruments at a 0.6% strike rate, significantly limiting the impact of the interest rate hikes after the bond maturities.

The strong financial profile of the Group has enabled, it to maintain its BBB+ credit rating by Standard & Poor's, the highest rating in the Spanish real estate sector.

(1) Includes the sale of Sagasta 27 for €25m after the end of the 3er quarter (October 2022)
(2) Acquisition Price + capex invested in the project

Appendices

1. Analysis of the Profit and Loss Account

Consolidated Analytic Profit and Loss Account

The **Colonial Group** closed **the third quarter of 2022 with a net profit of €398m, +116% compared to the same period of the previous year**.

September cumulative - €m	2022	2021	Var.	Var. % [(1)]
Rental revenues	262	234	27	12%
Net operating expenses [(2)]	(25)	(15)	(10)	(69%)
Net Rental Income	237	219	17	8%
Other income [(4)]	3	(3)	6	179%
Overheads	(34)	(33)	(2)	(5%)
EBITDA	205	184	21	12%
Exceptional items	(5)	(14)	9	62%
Change in fair value of assets & capital gains	320	145	175	121%
Amortizations & provisions	(5)	(6)	1	20%
Financial results	(61)	(92)	30	33%
Profit before taxes & minorities	453	217	237	109%
Income tax	1	(1)	1	167%
Minority Interests	(56)	(32)	(24)	(75%)
Net profit attributable to the Group	398	184	214	116%

Results analysis - €m	2022	2021	Var.	Var. %
Recurring EBITDA	207	186	21	12%
Recurring financial result	(58)	(62)	3	6%
Income tax expense & others - recurring result	(9)	(9)	0	4%
Minority interest - recurring result	(21)	(23)	2	9%
Recurring net profit - post company-specific adjustments [(3)]	119	92	27	30%
NOSH (million) [(5)]	*539.6*	*513.6*	*26*	*5%*
EPS recurring (€cts/share)	22.11	17.91	4.20	23%

(1) Sign according to the profit impact
(2) Invoiceable costs net of invoiced costs + non invoiceable operating costs
(3) Recurring net profit = EPRA Earnings post company-specific adjustments.
(4) Reinvoiced capex & EBITDA Utopic'us Centers
(5) Average number of shares outstanding without considering treasury stock adjustments

Analysis of the Profit and Loss Account

- Colonial closed the third quarter of 2022 with a Gross Rental Income of **€262m, a figure +12% higher compared to the same period of the previous year**. In **like-for-like terms**, **the rental income increased by +7%,** one of the highest increases in the sector.

- Net Rental Income amounted to **€237m, a figure +8% higher than the same period of the previous year**. In comparable terms, Net Rental Income increased +5% like-for-like. This increase was driven by the increase of +7% in the Paris portfolio.

- **The EBITDA of the Group amounts to €205m**, a figure **+12% higher than the same period of the previous year.**

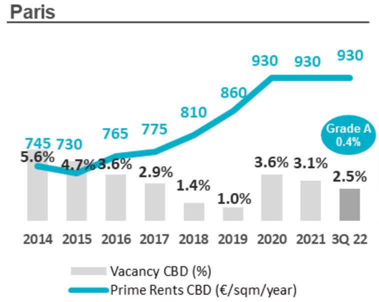
- The impact on the Profit and Loss account from the revaluation at 30 June 2022 and the capital gains from the disposals of property investments amounted to €320m. The revaluation was registered in France and in Spain, as a consequence of the first half 2022 increase in the appraisal value of the assets.

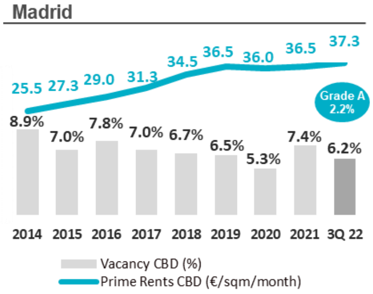
- The financial result of the Group amounted to (€61m), a +33% improvement compared to the same period of the previous year. This improvement is due to a reduction in the recurring financial results of the Group due to the active Liability Management carried out in previous quarters.

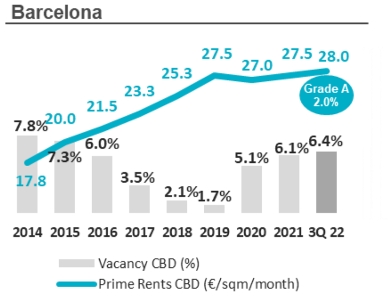
- **Profit before taxes and minority interests** at the close of the third quarter of 2022 **amounted to €453m, a figure +109%** higher than the results of the same period of the previous year.

- Finally, after deducting the minority interests of (€56m), as well as corporate income tax of €1m, the **net profit attributable to the Group amounted to €398m, an increase of +116%** compared to the same period of the previous year.

2. Office markets







Rental markets

In the Paris office market, **take-up in the third quarter** of 2022 reached **459,800 sqm**, an **increase of +11% compared to the figure of the same period of the previous year**. Of special mention is the **CBD where demand has increased +38% compared to the previous year**. **The vacancy rate in the CBD decreased to 2.5% and Grade A** supply remains low, with a **vacancy rate of 0.4%. Prime rents** remained **at €930/sqm/year.**

In the office market in Madrid, 385,000 sqm were signed in the first nine months of 2022, **up +30% compared to the same period of the previous year**. More than 50% of the contracts were signed in city centre locations, assets located within the M-30. The **total vacancy rate** of the market reduced to **11.6%.** The **vacancy rate in the CBD stood at 6.2%** and for **Grade A** product it was **2.2%**. Of special mention is the high volume and number of letting transactions in the Madrid CBD, placing the prime **ERV** at **€37.25/sqm/month.**

Take-up in the **Barcelona office market** stood at **227,000 sqm in the first nine months of 2022**, up **+16% compared to the same period of the previous year**. The entry of new product onto the market has increased the **vacancy rate in the CBD to 6.4%.** Demand continues to be led by the technology sector, capturing 39% of the market. **Prime rents** remained at a high of **€28/sqm/month.**

Investment market

The **investment volume** in the office market of **Paris reached €3,456m** at the close of the third quarter of 2022, **+26% more compared to the same period of the previous year**. 42% of the transactions were carried out in the city centre and Paris CBD by national investors, comprising 75% of the total invested**. Prime yields stood at 3.0%.**

In **Spain**, **the investment volume in offices reached a total of €1,480m in the first three quarters** of 2022. **Madrid** comprised 56% of the investment, reaching **€830m**. **In Barcelona**, the investment volume reached **€650m.** The area in most demand was the city centre with 55% of the transactions, overtaking the 22@ district, the main area of interest for investors in recent quarters. **Prime yields in Madrid remained stable at 3.25% and in Barcelona prime yields stood at 3.25%.**

Sources: CBRE and JLL

3. Business performance

Gross rental income and EBITDA of the portfolio

- Colonial closed the third quarter of 2022 with **Gross Rental Income of €262m**, **a figure +12% higher than the previous year**, mainly due to the entries into operation of the Group's pipeline projects, as well as the acceleration of the renovation program within the portfolio.

  In like-for-like terms, adjusting for disposals and variations in the project pipeline and renovation program, and other extraordinary items, **the rental income increased by +7% compared to the same period of the previous year.**

  In **France**, the rental income increased **+8% like-for-like,** mainly due to higher rents and new contracts signed on the Edouard VII asset, higher rents on the #Cloud and 92 Champs Elysées assets, as well as the new contracts signed on the 103 Grenelle and Washington Plaza assets, among others.

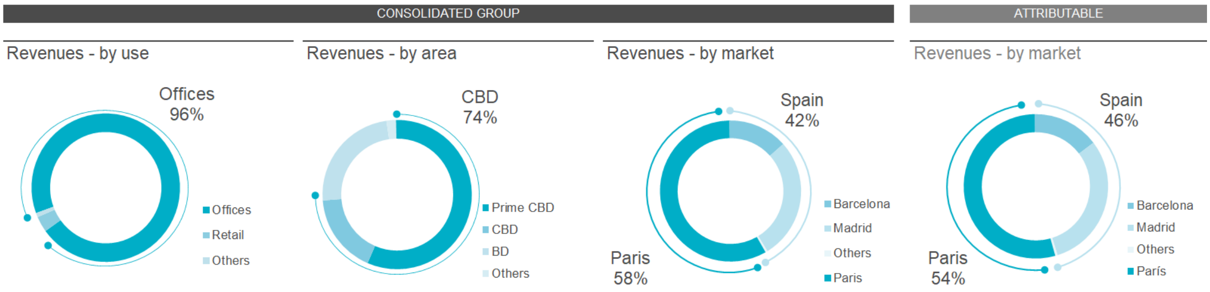
  In Spain, the rental income increased by +6% like-for-like.
  In **Barcelona**, the rental income increased by **+10% like-for-like**, thanks to higher rents on Parc Glories, and the new contracts signed on Diagonal 609-615, Torre BCN and Diagonal 682, among others.
  The increase in income of **+5% like-for-like** in Madrid was mainly due to the new contracts signed and rental price increases on the José Abascal 56 asset and the new contracts signed on José Abascal 45, as well as the higher rents on Sta. Hortensia, Almagro 9 and Serrano 73, among others.

  The like-for-like variance in rental income by market is shown below:

	Barcelona	Madrid	Paris	TOTAL
Rental revenues 2021R	**33**	**71**	**130**	**234**
EPRA Like-for-Like [1]	3	3	9	15
Projects & refurbishments	(1)	4	6	8
Acquisitions & Disposals	0	(2)	7	5
Indemnities & others	(0)	(1)	0	(1)
Rental revenues 2022R	**36**	**74**	**152**	**262**
Total variance (%)	*7%*	*5%*	*17%*	*12%*
Like-for-like variance (%)	10%	5%	8%	7%

*(1) **EPRA like-for-like:** Like-for-like calculated following EPRA recommendations.*

- **Rental income breakdown:** 96% of the Group's rental income comes from the office portfolio. Likewise, the Group maintains its high exposure to CBD markets, with 74% of the income.
  In consolidated terms, **58% of the rental income (€152m), came from the subsidiary in Paris** and 42% was generated by properties in Spain. In **attributable terms, 54% of the rents were generated in Paris** and the rest in Spain.



- **At the close of the third quarter of 2022, EBITDA rents reached €237m, an increase of +5% in like-for-like terms,** driven by an increase of +7% in the Paris portfolio.

Property portfolio

September cumulative - €m	2022	2021	Var. %	EPRA Like-for-like [1] €m	EPRA Like-for-like [1] %
Rental revenues - Barcelona	36	33	7%	2.9	10%
Rental revenues - Madrid	74	71	5%	3.0	5%
Rental revenues - Paris	152	130	17%	9.3	8%
Rental revenues Group	**262**	**234**	**12%**	**15.1**	**7%**
EBITDA rents Barcelona	31	32	(3%)	1.0	4%
EBITDA rents Madrid	62	62	1%	1.9	3%
EBITDA rents Paris	143	126	14%	7.6	7%
EBITDA rents Group	**237**	**219**	**8%**	**10.4**	**5%**
EBITDA rents/Rental revenues - Barcelona	*86%*	*95%*	*(8.8 pp)*		
EBITDA rents/Rental revenues - Madrid	*84%*	*87%*	*(2.9 pp)*		
EBITDA rents/Rental revenues - Paris	*95%*	*97%*	*(2.5 pp)*		

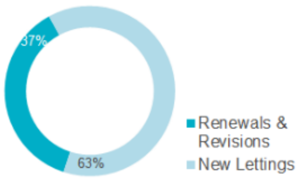
Pp: Percentage points
(1) ***EPRA like-for-like:*** *Like-for-like calculated according to EPRA recommendations*
(*) *The EBITDA/Rental revenues ratio has been adjusted, deferring the non-computable taxes to the close of the third quarter of 2022*

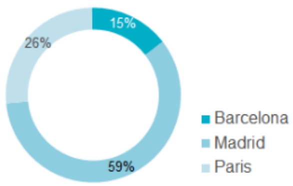
Portfolio letting performance

- **Signed leases - Offices:** At the close of the third quarter of 2022, the Colonial Group formalized leases for a **total of 136,454 sqm of offices**. 74% (100,629 sqm) corresponded to contracts signed in Barcelona and Madrid and the rest (35,825 sqm) were signed in Paris.

  Renewals: Out of the total office letting activity, 37% (50,544 sqm) are lease renewals, highlighting the 37,358 sqm renewed in Madrid**.**

  New lettings: New leases relating to 85,910 sqm were signed, highlighting the 43,021 sqm signed in Madrid and the 32,601 sqm signed in Paris.





Letting Performance - Offices

September cumulative - sq m	2022	Average maturity	% New rents vs. previous
Renewals & revisions - Barcelona	9,963	2	*4%*
Renewals & revisions - Madrid	37,358	3	*8%*
Renewals & revisions - Paris	3,224	5	*6%*
Total renewals & revisions	**50,544**	**3**	***7%***
New lettings Barcelona	10,288	4	
New lettings Madrid	43,021	6	
New lettings Paris	32,601	8	
New lettings	**85,910**	**7**	**na**
Total commercial effort	**136,454**	**6**	**na**

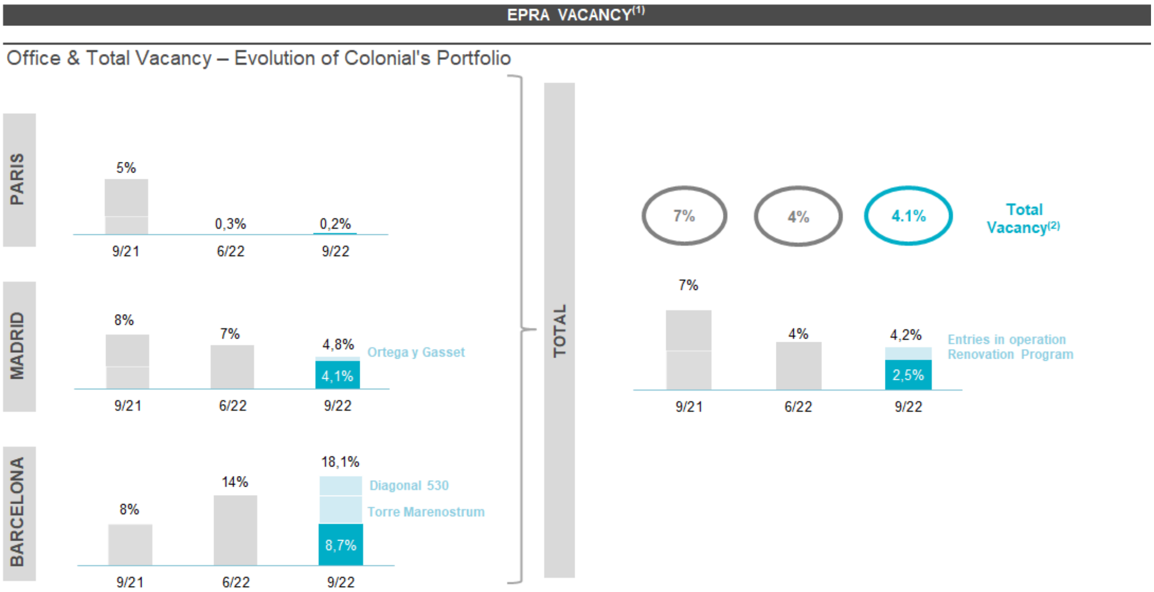
The new rents stood at +7% above previous rental prices: **Madrid +8%, Barcelona +4% and Paris +6%.**

Colonial's total letting activity is spread across the three markets in which the Company operates. In Spain, 100,629 sqm were signed during the first nine months of 2022, corresponding to 62 contracts, and in Paris 35,825 sqm were signed, corresponding to 18 contracts.

Stability in the portfolio occupancy

- **The total vacancy of the Colonial Group,** at the close of the third quarter of 2022**, stood at 4.1%, a vacancy rate in line with the last quarter reported and below the same period of the previous year.** This is mainly due to the improvement in the Paris office portfolio, which has compensated for the entry into operation of the renovated assets in Spain.

  Excluding the entry into operation of the renovated assets, the total vacancy rate of the Colonial Group would be 2.5%.



(1) *EPRA vacancy: financial vacancy according to the calculation recommended by EPRA (1- [Vacant floorspace multiplied by the market rent/operational floor space at market rent])*
(2) *Total portfolio including all uses: offices, retail, and logistics*

The office portfolio in Paris is almost at full occupancy, thanks to the successful implementation of the renovation program and the robustness of the Paris portfolio in general.

The office portfolio in Madrid has a vacancy rate of 4.8%, a rate below the last quarter reported, mainly due to the new lettings on the Window, Recoletos 37, and Ortega y Gasset assets.

The Barcelona office portfolio has a vacancy rate of 18.1%, a rate higher than the last quarter reported and higher than that from the same period of the previous year. This is mainly due to the entry into operation of the Torre Marenostrum and Diagonal 530 assets, as well as the tenant rotation in the Sant Cugat and Illacuna assets. Excluding the entries into operation of the Torre Marenostrum and Diagonal 530 assets, the portfolio occupancy of the Barcelona office portfolio stands at 8.7%.

Project pipeline and renovation program

Project pipeline

The Colonial Group has a **project pipeline of 189,401 sqm spread across nine assets**. The **commercialization is almost complete** for the projects that will be delivered in the **short term, and significant progress and agreements have been made for those which will be delivered from 2023 onwards.**

	Project		City	% Group	Delivery	GLA (sqm)	Total [1] Cost €m	Yield on Cost
1	Diagonal 525		Barcelona CBD	100%	Delivered	5,706	41	≈ 5%
2	83 Marceau		Paris CBD	98%	Delivered	9,600	154	≈ 6%
3	Velazquez 86D		Madrid CBD	100%	Delivered	16,318	116	> 6%
4	Miguel Angel 23		Madrid CBD	100%	10/22	8,204	66	> 5%
5	Biome		Paris City Center	98%	11/22	24,500	283	≈ 5%
6	Sagasta 27		Madrid CBD	100%	Sold	4,896		
7	Plaza Europa 34		Barcelona	50%	1H 23	14,306	42	≈ 7%
8	Mendez Alvaro Campus		Madrid CBD South	100%	1H 24	89,871	323	7- 8%
9	Louvre SaintHonoré	Prime Commercial	Paris CBD	98%	2024	16,000	215	7- 8%
	CURRENT PIPELINE					189,401	1,241	6- 7%

[1] Total Cost Finished Product = Acquisition Cost/ Asset Value pre Project + future Capex

In Paris, the **Biome building** of 24,500 sqm has been fully pre-let to the Banque Postale and SFIL Paris. The transaction covers the entire space of offices, as well as the adjacent areas (restaurant, facilities, conference centre, etc.). Two contracts for a term of 10 years have been signed at rental prices at maximum market levels.
The Colonial Group has finalized the refurbishment works on the building.

The project was delivered in November 2022.

Biome
Paris City Centre

In Madrid, at the close of the third quarter, **agreements were reached** on the **Miguel Ángel 23** and **Velázquez 86D assets for more than 22,000 sqm**. These agreements are equivalent to **90% of the total surface area** of both projects. With this, the 2022 project pipeline in Madrid is almost fully let.

In **Miguel Ángel 23,** one of the first Net Zero buildings in the CBD in Madrid, an agreement was reached **to rent the entire building of 8,204 sqm to McKinsey**. The contract term is for 10 years, with a rent higher than the market rent. The project was delivered in October 2022.

Miguel Ángel 23
CBD Madrid

In august 2022 the asset **Velázquez 86D** has been delivered and **86% of the building of 16,318 sqm has already been let,** with only one floor pending to be rented. **The building was let to top tier clients, such as Bain & Company, AON, White & Case and Sagardoy Abogados.** All the contracts were signed at **maximum rental prices**, establishing the prime benchmark in the Madrid market.

Velázquez 86D
CBD Madrid

Plaza Europa 34 is generating high interest in the market, **and talks are already underway to rent 100% of the asset.**

In addition, the Diagonal 525 project in the Barcelona CBD (new Headquarters of Naturgy) and the **83 Marceau project in the Paris CBD** (headquarters of Goldman Sachs) were delivered in 2021. Both assets are **100% let at maximum market rents.**

Finally, **Louvre Saint Honoré** of **16,000 sqm in the Paris Prime CBD** is totally pre-let to the Cartier Foundation. The works are progressing as planned for delivery in 2024.

Renovation program

The **renovation program has 108,294 sqm distributed over 9 assets**, of which 8 projects, with a total surface area of 90,434 sqm have entered into operation.

In 2022, 17,895 sqm were signed, already reaching a total of more than 78,000 sqm let**.**

In **Paris, 4,567 sqm were signed on the Grenelle and Charles de Gaulle assets**. As a result, the renovation program in Paris has reached 31,633 sqm pre-let, representing 96% of the entire scope of action.

	Asset	City	Delivery	Pre-let	GLA (sqm)
1	103 Grenelle	Paris 7ème	✓	100%	5,631
2	Charles de Gaulle	Paris Neuilly	✓	100%	6,742
3	Washington Plaza	Paris CBD	✓	100%	10,611
4	Cezanne SH	Paris CBD	✓	90%	9,951
5	Cedro	Madrid North	✓	79%	14,437
6	Ortega & Gasset 100	Madrid CBD	✓	72%	7,792
7	Torre Marenostrum	Barcelona 22@	✓	40%	22,394
8	Diagonal 530	Barcelona CBD	✓	40%	12,876
9	Parc Glories II	Barcelona 22@	2024	Project Start 2023	17,860
TOTAL RENOVATION PROGRAM					108,294

In this respect, the **Grenelle**, **Washington Plaza** and **Charles de Gaulle assets are 100% let** at maximum market rents.

The **Cézanne Saint Honoré building entered into operation in the second quarter of 2022** and is 90% pre-let to Wendel Investissement, Lacourte Raquin Tatar and Lincoln International, with mandatory contracts of between 9 and 12 years. **The signed rents are at the high end of the Paris prime market.**

In Madrid, 10,996 sqm were signed on two assets from the renovation program. On the **Ortega y Gasset asset,** contracts were closed for **more than 5,500 sqm** with top-tier companies such as an important technology company. In addition, **5,285 sqm were signed on the Cedro** building with Digi and Arval (subsidiary of BNP Paribas), bringing the asset close to full occupancy.

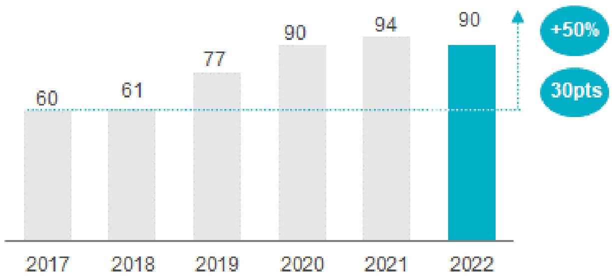
In **Barcelona**, the **Diagonal 530 and Torre Marenostrum** projects are in full commercialization phases with high market interest for both. Diagonal 530 was delivered in the third quarter of 2022.

4. ESG Strategy

The Colonial Group continues to consolidate its leadership in sustainability, a fundamental element of its corporate strategy, achieving the best ratings in ESG.

In recent years, continuous improvement has been made in GRESB, achieving the best rating of the listed office companies in Western Europe, with a rating of 90/100 for 2022 in Standing Investment. In addition, the Company obtained a rating of 96/100 in the Development Benchmark, positioning itself third among the listed ‘mid-rise’ offices in Europe.

Since 2017, Colonial has continuously increased its rating, scaling 30 points in the last five years. Likewise, Colonial has maintained the maximum rating of 5 stars on GRESB for the third consecutive year.



As proof of the Company’s strong commitment to ESG, the year 2030 has been established as the objective to reach carbon neutrality of the portfolio, through a decarbonisation plan approved by Science Based Targets (SBTi) and aligned with the target to limit the rise in the Earth’s temperature to below 1.5ºC.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In addition, for the 7th consecutive year, the Colonial Group has obtained the EPRA Gold sBPR rating which certifies the highest reporting standards in relation to ESG.

EPRA sBPR GOLD

5. Digital Strategy & Coworking

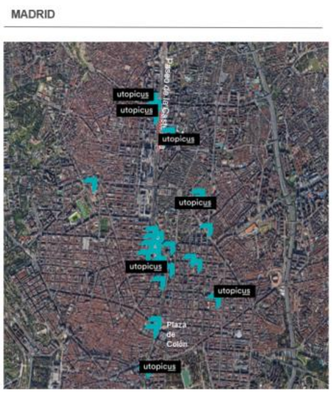
Coworking and Flexible Spaces

The Colonial Group, through Utopicus, offers its clients flexible spaces and value-added services to improve the experience of its users in the office spaces of the Group.

Colonial's ability to offer its clients flex spaces through Utopicus as part of Colonial's portfolio provides to our customers a proposition of added value, enabling them to combine traditional office spaces with new services and more flexible solutions.

In this respect, **strong demand is being seen from corporate clients for flex spaces under their own corporate identity**. In addition, there is a lot of interest in hybrid assets which provide both possibilities, Flex and traditional, such as Diagonal 530, Torre Marenostrum and Príncipe de Vergara, 112.

At the close of the third quarter of 2022, Utopicus had 13 centres in operation, corresponding to 37,570 sqm of surface area, following the recent opening in March 2022 of a new centre in Barcelona, located in Diagonal 530 (1,299 sqm). This asset also houses the headquarters of the Colonial Group in Barcelona.



As of 30 September 2022, occupancy in the coworking centres in **Barcelona was consolidated at high levels, at around 80%, and Madrid improved by 800 bps** compared to the close of the previous year, with **occupancy in mature centres close to 70%.**

Given the success of the hybrid flex-traditional concept and the high demand by clients for this value proposition, **the Colonial Group has decided to accelerate the expansion of the Flex business in its portfolio, as a complement to the rental of traditional offices.** In particular, following the recent openings of Paseo de Habana in Madrid in 2021 (5,791 sqm), and Diagonal 530 in Barcelona in 2022 (1,299 sqm), the Group will open a new centre, located at D. Ramón de la Cruz 84 (2,105 sqm) in Madrid. In addition, the centres at Diagonal 530 and Principe de Vergara, 112 will be expanded (by an additional 1,299 sqm and 1.504 sqm, respectively). These new centres are expected to enter into operation in the fourth quarter of 2022.

Therefore, the openings of Utopicus in 2022 will total 6,207 sqm.

6. Financial structure

In macroeconomic terms, 2022 has been characterized by the Russian-Ukraine conflict, high inflation, and volatile interest rates with strong increases. In the midst of this environment, Colonial continues to maintain a solid financial profile enabling the Company to maintain a BBB+ credit rating by Standard & Poor's, the highest rating in the Spanish Real Estate sector.

The Group's high liquidity levels at 31 December 2021 have been strengthened, extending the credit line of €1,000m to November 2027. SFL has contracted a line of credit in the amount of €100m, maturing in 2027 which at 30 September 2022 was fully available. At the close of the third quarter of 2022, the Group maintains a liquidity of €2,140m between cash and undrawn credit lines. This excess liquidity enables the Group to cover its debt maturities until 2025.

With the aim of mitigating interest rate risks, Colonial maintains its pre-hedging portfolio which enables the Company to cover 53% of the nominal value of its future debt issues. The strike rate is at 0.64% and the average maturity is 5.4 years. The reasonable value of the derivative instruments amounts to €269m at the close of the third quarter of 2022.

Through the proactive management of its financial structure, Colonial has carried out the following operations:

- In February 2022, Colonial and SFL converted all of the Group's bonds into Green Bonds, for a total amount of €4,602m. The reclassification of the current bonds to Green Bonds is a competitive advantage and an attractive investment for the capital markets, which has a growing interest in this type of investment. Both Colonial and SFL are committed to ensuring that all future issuances are made under the Green Bond Framework, subject to the availability of Eligible Assets. With this transaction, Colonial has become the first Spanish issuer with 100% of its bonds classified as green.

- Also in February 2022, the subsidiary Inmocol Torre Europa signed an unsecured loan for €20m, maturing in February 2027. This loan is sustainable as it is linked to compliance with the KPIs defined in the Green Bond Framework of the Colonial Group.

- Colonial signed a new corporate loan in the amount of €100m, maturing in April 2027. In addition, this loan is sustainable as its margin is linked to the rating Colonial obtains from the agency GRESB.

- In March 2022, SFL contracted a new credit line of €100m, maturing in March 2027. At 30 June 2022 it was fully available.

- In April and June 2022, SFL formalized two TAPs on its bonds, maturing in 2028 and 2027, respectively, amounting to €99m each.

- In September 2022, SFL bought back the entirety of its bonds maturing in November 2022, with a pending nominal amount of €289m, which will accrue a coupon of 2.25%.

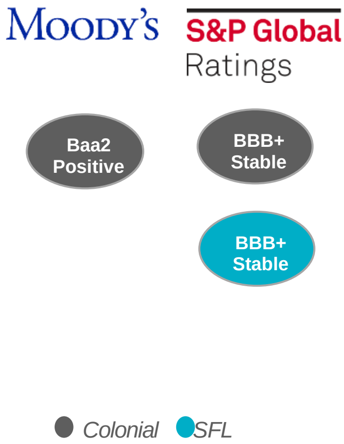
- Subsequent to the close of the third quarter, Colonial subrogated its mortgage-secured loan, obtaining an improvement in the margin and extending the maturity until October 2027.

- In addition, Colonial reached an agreement with the financial entities participating in the €1,0bn credit line, extending the maturity to November 2027.

The table below shows the main debt figures of the Group at 30 September 2022:

Colonial Group (€m)	Sep-22	Dec-21	Var.
Gross financial debt	**5,556**	4,935	*12,6%*
Net financial debt	**5,356**	4,716	*13,6%*
Total liquidity (1)	**2,140**	2,359	*(9,3%)*
% debt fixed or hedged	**83%**	95%	*(13%)*
Average maturity of the debt (years)(2)	**4.7**	5.2	*(0.6)*
Cost of currente Debt (3)	**1.42%**	1.40%	*2 pb*
GAV Group (including transfer costs)	**14,142**	13,189	*7,2%*
LtV Group (including transfer costs)	**37.9%**	35.8%	*212 pb*
Mortage Debt	**1.36%**	1.53%	*(0,2%)*

(1) Cash & Undrawn balances
(2) Average maturity based on available debt and post issuance and liability management
(3) Cost of current debt including ECPs. Without taking into account the ECPs, the Cost of debt will be of 1,56%. (1.49% december 2021).



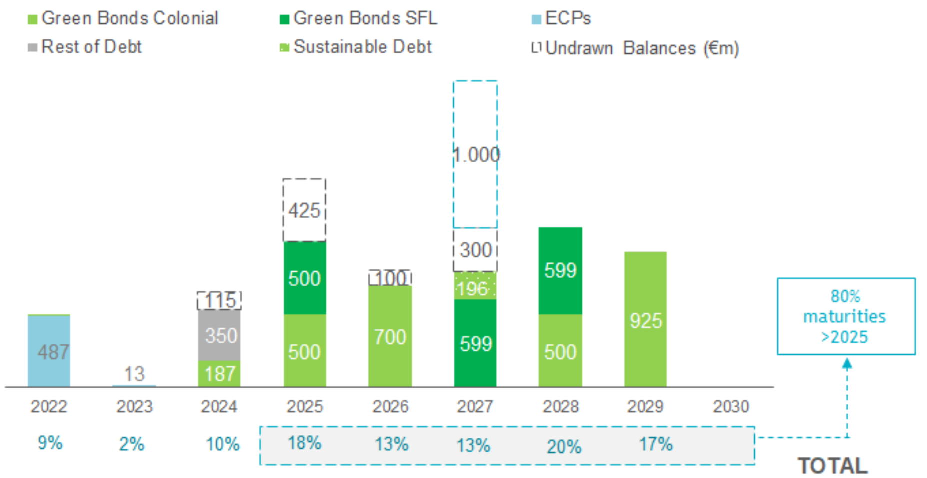
The net financial debt of the Group at the close of the third quarter of 2022 stood at €5,356m, the breakdown of which is as follows:

	September 2022			December 2021			Var	
€m	Colonial	SFL	TOTAL	Colonial	SFL	TOTAL	TOTAL	Average Maturity [3]
Non-mortatge debt	120	350	470	-	-	-	470	4.0
Mortatge debt	76	-	76	76	-	76	-	1.2
Bonds Colonial	2,812	1,698	4,510	2,812	1,790	4,602	(92)	4.8
Issuances notes	-	500	500	140	117	257	243	0.1
Gross debt	**3,008**	**2,548**	**5,556**	**3,028**	**1,907**	**4,935**	**621**	**4.7**
Cash	(124)	(75)	(200)	(104)	(115)	(219)	19	
Net Debt	**2,883**	**2,473**	**5,356**	**2,924**	**1,792**	**4,716**	**640**	
Total liquidity [1]	1,124	1,015	**2,140**	1,104	1,255	**2,359**	**(219)**	
Cost of debt - Spot (%)	1.62%	1.20%	**1.42%** [2]	1.50%	1.23%	**1.40%**	**2 p.b.**	

(1) Cash & Undrawn balances
(2) Margin + reference rate, without incorporating commissions
(3) Average Maturity calculated based on the available debt

At 30 September 2022, 81% of the Group's debt was comprised of bond issues on the securities market and the rest was formalized with financial entities and ECPs (only 1.36% have a mortgage guarantee). 80% of the debt matures as of 2025.

Debt maturity in years (€m)



	2022	2023	2024	2025	2026	2027	2028	2029	TOTAL
Colonial	-	76	187	500	700	120	500	925	3,008
SFL	487	13	350	500	-	599	599	-	2,548
TOT	487	89	537	1,000	700	719	1,099	925	5,556

Financial results

- The main figures of the financial result of the Group are shown in the following table:

September cumulative - €m	COL	SFL	Q3 2022	Q3 2021	Var. %
Recurring financial expenses - Spain	*(41)*	*-*	*(41)*	*(46)*	*9%*
Recurring financial expenses - France	*-*	*(24)*	*(24)*	*(26)*	*7%*
Recurring Financial Expenses	**(41)**	**(24)**	**(66)**	**(72)**	**8%**
Capitalized interest expenses	4	3	7	10	(26%)
Recurring Financial Result	**(37)**	**(22)**	**(58)**	**(62)**	**6%**
Non-recurring financial expenses	(3)	(0)	(4)	(30)	(88%)
Financial Result	**(40)**	**(22)**	**(62)**	**(92)**	**33%**

- The recurring financial expenses of the Group decreased by 8% compared to the same period of the previous year, due to a lower financing cost, which benefitted from the Liability Management operations carried out in 2021 by Colonial and SFL, and a greater volume of ECPs issued.

- The spot financial cost of debt was 1.42%, 2 bps higher than the financial cost at the close of 2021. Including formalization costs, accrued over the life of the debt, the financial cost amounted to 1.57%. Without considering the ECP program, the spot financial cost amounts to 1.56% (1.71% including the financing costs).

Main debt ratios and liquidity

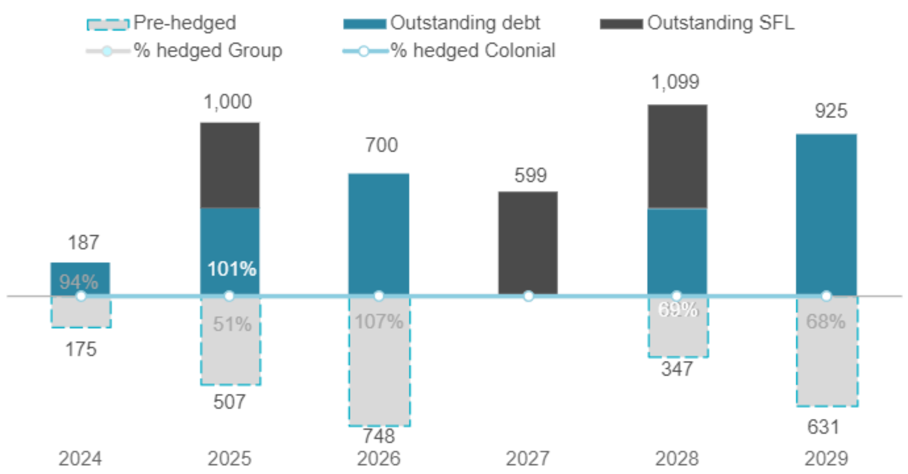
The undrawn balances of the Group at 30 September 2022 amounted to €2,140m. The average life of these credit lines amounts to 3.9 years, and the average spread is at 1.2%. This liquidity enables the Group to guarantee its financing needs in the coming years.

The breakdown of balances is shown in the following graph:

Cash & undrawn balances (€M)	Colonial	SFL	Group
Current accounts	124	75	200
Credit lines available	1,000	940	1,940
Total	**1,124**	**1,015**	**2,140**

Derivative financial instruments

The Group has contracted pre-hedging instruments adjusted to the debt maturities, covering the interest rates of future debt issuances. These instruments were contracted before the close of 2021, benefiting from the situation of low-interest rates, prior to the increase seen over the last few months. The notional value contracted by the Group for these types of instruments amounts to €2,407m and enables the Company to cover 53% of the nominal value of its future debt issues. The strike rate is at 0.64% and the average maturity is 5.4 years. The reasonable value of the derivative instruments amounts to €269m at the close of the third quarter of 2022. All of these comply with that provided in the hedging standards.



7. EPRA Ratios

1) EPRA Earnings

EPRA Earnings - €m	3Q 22	3Q 21
Earnings per IFRS Income statement	**398**	**184**
Earnings per IFRS Income statement - €cts/share	*73.70*	*35.82*
Adjustments to calculate EPRA Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	(315)	(145)
(ii) Profits or losses on disposal of investment, development properties held for investment and other interests	(5)	1
(iii) Profits or losses on sales of trading properties including impairment changes in respect of trading properties	0	0
(iv) Tax on profits or losses on disposals	0	0
(v) Negative goodwill / goodwill impairment	0	0
(vi) Changes in fair value of financial instruments and associated close-out costs	3	30
(vii) Acquisition costs on share deals and non controlling joint venture interests	0	0
(viii) Deferred tax in respect of EPRA adjustments	(5)	(3)
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation	0	0
(x) Minority interests in respect of the above	36	11
EPRA Earnings	**112**	**78**
Company specific adjustments:		
(a) Extraordinary provisions & expenses	8	16
(b) Non recurring financial result	0	0
(c) Tax credits	0	0
(d) Minority interests in respect of the above	(0)	(2)
Company specific adjusted EPRA Earnings	**119**	**92**
Average Nº of shares (m)	*539.6*	*513.6*
Company adjusted EPRA Earnings per Share (EPS) - €cts/share	*22.11*	*17.91*

(*) Diluted earnings per share: average shares of the period, including variations due to capital operations, without adjusting for the impact of treasury shares.

2) EPRA Vacancy Rate

EPRA Vacancy Rate - Offices Portfolio

€m	3T 22	3T 21	Var. %
BARCELONA			
Vacant space ERV	11	4	
Portfolio ERV	58	49	
EPRA Vacancy Rate Barcelona	**18%**	**8%**	*10 pp*
MADRID			
Vacant space ERV	5	8	
Portfolio ERV	101	95	
EPRA Vacancy Rate Madrid	**5%**	**8%**	*(3 pp)*
PARIS			
Vacant space ERV	0	10	
Portfolio ERV	219	181	
EPRA Vacancy Rate Paris	**0%**	**5%**	*(5 pp)*
TOTAL PORTFOLIO			
Vacant space ERV	16	21	
Portfolio ERV	378	324	
EPRA Vacancy Rate Total Office Portfolio	**4%**	**7%**	*(2 pp)*

EPRA Vacancy Rate - Total Portfolio

€m	3T 22	3T 21	Var. %
BARCELONA			
Vacant space ERV	11	4	
Portfolio ERV	60	51	
EPRA Vacancy Rate Barcelona	**18%**	**9%**	*9 pp*
MADRID			
Vacant space ERV	5	8	
Portfolio ERV	103	95	
EPRA Vacancy Rate Madrid	**5%**	**8%**	*(3 pp)*
PARIS			
Vacant space ERV	1	12	
Portfolio ERV	250	217	
EPRA Vacancy Rate Paris	**1%**	**5%**	*(5 pp)*
LOGISTIC & OTHERS			
Vacant space ERV	-	-	
Portfolio ERV	-	4	
EPRA Vacancy Rate Logistic & others	**-**	**0%**	-
TOTAL PORTFOLIO			
Vacant space ERV	17	24	
Portfolio ERV	413	367	
EPRA Vacancy Rate Total Portfolio	**4%**	**7%**	*(3 pp)*

Annualized figures

8. Glossary & Alternative Performance Measures

Glossary

Earnings per share (EPS)	Profit from the year attributable to the shareholders divided by the basic number of shares
BD	Business District
Market capitalization	The value of the Company's capital obtained from its stock market value. It is obtained by multiplying the market value of its shares by the number of shares in circulation.
CBD	Central Business District (prime business area). Includes the 22@ market in Barcelona.
Property company	Company with rental property assets
Portfolio (surface area) in operation	Property/surfaces with the capacity to generate rents at the closing date of the report.
EBIT	Calculated as the operating profit plus variance in fair value of property assets as well as variance in fair value of other assets and provisions.
EBITDA	Operating result before net revaluations, disposals of assets, depreciations, provisions, interests, taxes and exceptional items.
EPRA	European Public Real Estate Association: Association of listed European property companies that sets best market practices for the sector.
Free float	The part of share capital that is freely traded on the stock market and not controlled in any stable way by shareholders
GAV excl. transfer costs	Gross Asset Value of the portfolio according to external appraisers of the Group, after deducting transfer costs.
GAV incl. transfer costs	Gross Asset Value of the portfolio according to external appraisers of the Group, before deducting transfer costs.
GAV Parent Company	Gross Asset Value of directly held assets + Value JV Plaza Europa + NAV of 81.7% stake in SFL + Value of treasury shares.

Holding A company whose portfolio contains shares from a certain number of corporate subsidiaries.

IFRS International Financial Reporting Standards, which correspond to the *Normas Internacionales de Información Financiera (NIIF).*

JV Joint Venture (association between two or more companies).

Like-for-like valuation Data that can be compared between one period and another (excluding investments and disposals).

LTV Loan to Value (Net financial debt/GAV of the business).

EPRA Like-for-like rents Data that can be compared between one period and another, excluding the following: 1) investments and disposals, 2) changes in the project pipeline and renovation program, and 3) other extraordinary items, for example, indemnities from tenants in case of anticipated leave. Calculation based on EPRA Best Practices guidelines.

EPRA NTA EPRA Net Tangible Assets (EPRA NTA) is a proportionally consolidated measure, representing the IFRS net assets excluding the mark-to-market on derivatives and related debt adjustments, the mark-to-market on the convertible bonds, the carrying value of intangibles as well as deferred taxation on property and derivative valuations. It includes the valuation surplus on trading properties and is adjusted for the dilutive impact of share options.

EPRA NDV EPRA Net Disposal Value (EPRA NDV) represents NAV under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.

EPRA Cost Ratio Administrative & operating costs (including & excluding costs of direct vacancy) divided by gross rental income.

Physical Occupancy Percentage: occupied square meters of the portfolio at the closing date of the report/surfaces in operation of the portfolio

Financial Occupancy Financial occupancy according to the calculation recommended by the EPRA (occupied surface areas multiplied by the market rental prices/surfaces in operation at market rental prices).

EPRA Vacancy Vacant surface multiplied by the market rental prices/surfaces in operation at market rental prices. Calculation based on EPRA Best Practices guidelines.

Reversionary potential	This is the result of comparing the rental revenues from current contracts (contracts with current occupancy and current rents in place) with the rental revenues that would result from 100% occupancy at market prices, estimated by independent appraisers. Projects and renovations are excluded.
Projects underway	Property under development at the closing date of the report.
RICS	Royal Institution of Chartered Surveyors
SFL	Société Foncière Lyonnaisse
Take-up	Materialized demand in the rental market, defined as new contracts signed.
Valuation Yield	Capitalization rate applied by the independent appraisers in the valuation.
Yield on cost	Market rent 100% occupied/Market value at the start of the project net of impairment of value + invested capital expenditure.
Yield occupancy 100%	Passing rents + vacant spaces rented at the market prices/market value.
EPRA net initial yield (NIY)	Annualised rental income based on passing rents as at the balance sheet date, reduced by the non-recoverable expenses, divided by the market value, including transfer costs.
EPRA Topped-Up Net Initial Yield	EPRA Net Initial Yield, eliminating the negative impact of the lower rental income.
Gross Yield	Gross rents/market value excluding transfer costs.
Net Yield	Net rents/market value including transfer costs.
€m	In millions of euros

Alternative performance measures

Alternative performance measure	Method of calculation	Definition/Relevance
EBITDA (Analytic P&L) **(*Earnings Before Interest, Taxes, Depreciation and Amortization*)**	Calculated as the "Operating profit" adjusted by "Depreciation/Amortization" "Value variations in real estate investments", "Net changes in provisions" and "Result for variations in asset value or impairments" and the costs incurred in the "Amortization" and "Financial Result" deriving from the registration of "IFRS 16 on financial leases", associated with flexible business.	Indicates the Group's capacity to generate profits only taking into account its economic activity, eliminating allocations to depreciation/amortization, and the effect of debt and taxes.
Financial result	Calculated as the total of all items under "Financial income" and "Financial expenses" of the consolidated income statement and adjusted for the "Financial result" deriving from the registration of IFRS16 on financial leases.	Relevant figure for analysing the results of the Group
Gross financial debt	Calculated as the total of all items under "Bank borrowings and other and other financial liabilities" and "Issues of debentures and similar securities", excluding "Interest (accrued), "Origination fees" and "Other financial liabilities" from the consolidated statement of financial position.	Relevant figure for analysing the financial situation of the Group. .
Net financial debt	Calculated adjusting in the Gross financial debt, the item "Cash and equivalent means"	Relevant figure for analysing the financial situation of the Group. .
EPRA[1] NTA **(EPRA Net Tangible Asset**)	Calculated based on the Company's capital and reserves, adjusting certain items in accordance with EPRA recommendations.	Standard analysis ratio in the real estate sector and recommended by EPRA.
EPRA[1] NDV **(EPRA Net Triple Asset)**	Calculated adjusting the following items in the EPRA NTA: the market value of financial instruments, the market value of financial debt, the taxes that would be accrued with the sale of the assets at their market value, applying the tax credit recognized in the balance sheet, considering a going concern assumption	Standard analysis ratio in the real estate sector recommended by EPRA

(1) EPRA (*European Public Real Estate Association*) or European Association of listed property companies which recommend the standards of best practices to be followed in the real estate sector. The method of calculation of these APMs is carried out following the indications established by EPRA.

Alternative performance measure	Method of calculation	Definition/Relevance
Market value excluding transaction costs or Gross Asset Value (GAV) excluding Transfer costs	Measurement of the totality of the Group's asset portfolio carried out by independent appraisers of the Group, less transaction or transfer costs.	Standard analysis ratio in the real estate sector.
Market value including transaction costs or GAV including Transfer costs	Measurement of the totality of the Group's asset portfolio carried out by external appraisers of the Group, before deducting the transaction or transfer costs.	Standard analysis ratio in the real estate sector.
Like-for-like rental income	Amount of the rental income included in the item "Revenues" comparable between two periods. To obtain the calculation, the income from investments or disposals carried out in both periods are excluded, as well as the income deriving from assets included in the projects and refurbishments portfolio and other atypical adjustments (for example, penalties for early termination of rental contracts).	It enables a homogeneous comparison of the evolution of rental income of an asset or group of assets.
Like-for-like measurement	Amount of the ERV excluding the transaction costs or of the ERV including the transaction costs comparable between two periods. To obtain the calculation, the income from investments or disposals carried out in both periods are excluded.	It enables a homogeneous comparison of the evolution of the ERV of the portfolio.
Loan to Value, Group or LTV Group	Calculated as the result of dividing the gross financial debt (reduced by the amount in the item "Cash and cash equivalents") by the market valuation including the transaction costs of the Group's asset portfolio plus the treasury shares of the Parent Company at EPRA NAV.	It enables the analysis of the ratio between the net financial debt and the valuation of the Group's asset portfolio.
LTV Holding or LTV Colonial	Calculated as the result of dividing the gross financial debt (less the amount in the item "Cash and cash equivalents") of the Parent Company and 100% owned subsidiary companies by the market valuation, including transaction costs, of the parent company's asset portfolio and the EPRA NAV of all financial stakes in subsidiary companies.	It enables the analysis of the ratio between the net financial debt and the valuation of the parent company's asset portfolio.

9. Contact details & Disclaimer

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Datos de registro Mercado de Capitales – Mercado Continuo

Capital Market registry data – Stock market

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