2023

Annual Results January-December 2023
29 February 2024

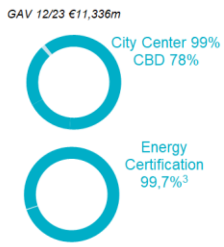
Colonial

Colonial captures rental growth and increases the EBITDA by +12%

The Recurring Net Earnings per Share grow by +7%

Financial Highlights	2023	2022	Var	LFL
Net Tangible Assets (NTA) - €/share	9.95	11.83	(8%)	6 months
Recurring EPS - €Cts/share	31.9	29.8	+7%	
Recurring EPS Continued Op. - €Cts/share[4]	31.3	26.4	+18%	
Net Tangible Assets (NTA) - €m	5,372	6,384	(8%)	6 months
GAV Group €m	11,336	13,005	(6%) LFL	6 months
Gross Rental Income - €m	377	354	+6%	+8%
EBITDA - €m	316	283	+12%	
Recurring Net Profit - €m	172	161	+7%	
Attributable Net Profit - €m	(1,019)	8	-	

Portfolio Grade A Prime



Operational Highlights	
EPRA Occupancy	97%
Indexation YTD	**+5%**
Madrid & Barcelona	+4%
Paris	+6%
Rental Growth - Offices [1]	**+7%**
1Q 23	+3%
2Q 23	+7%
3Q 23	+9%
4Q 23	+11%

Recurring Net Profit growth

- Net Rental Income of €353m, +9% like-for-like
- Group EBITDA of €316m, +12%
- Recurring Net Profit of €172m, +7%
- Recurring EPS (Earnings Per Share) of €32 cts/share, +7%
- Recurring EPS of continued operations[4], +18%

Solid operating fundamentals

- More than 158,000 sqm of letting volume, repeating historically high levels
- Occupancy levels of 97% (full occupancy in the Paris portfolio)
- Rental growth of +7%[1] in office contracts signed during the year
- Acceleration in rental growth of +11%[1] in 4Q 2023

Asset valuation

- Portfolio Gross Asset Value (GAV) of €11,336m, (9%) like-for-like in 12 months
- Net Asset Value (NTA) of €5,372m corresponding to €9.95/share
- Net profit of the Group impacted by the asset value adjustment

Active management of the portfolio and capital structure

- Total disposals to date of €150m[2], in 4Q 2023 with a premium on appraisals
- Disposal programs of €723m, executed at prices in line with appraisals:
  - ✓ €574m were realized during Q4 2022 and the first nine months of 2023
  - ✓ €150m[2] during the last quarter of 2023 and the first months of 2024
- Increase in liquidity up to €2,903m[5], +€503m vs the previous year
- 100% of the current debt is hedged at a fixed rate. Spot financial cost of debt of 1.75% & a Proforma LTV of 39.5%[7]

Leadership in ESG and Decarbonization

- Leader on Sustainalytics: #1 on IBEX 35 & Top 26 out of 15,536 globally
- CDP "A" rating for the 3rd consecutive year: leadership in the IBEX 35 and globally
- GRESB 94/100[6]: Top 3 of the listed Real Estate companies in Europe
- Portfolio[3] with 100% BREEAM & LEED Certificates: leader in Europe

(1) *Signed rents vs ERV 31/12/22*
(2) *Binding disposal commitments subject to final settlement in 2024*
(3) *Portfolio in operation*
(4) *Adjusted for the impact of asset disposals*
(5) *Cash and undrawn balances*
(6) *GRESB Standing Investments Benchmark*
(7) *LTV including the sales agreements already signed and the sale agreement for the Méndez Álvaro residential complex (Excluding the sales commitments for 2024, the LTV stands at 39.9%)*

Highlights

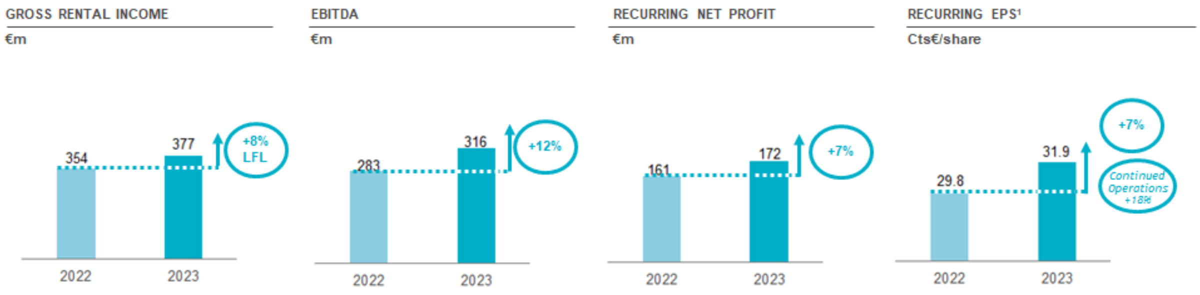
Annual results 2023

The double-digit increase in EBITDA boosts the recurring EPS

1. Recurring EPS on continued operations[2] with +18% growth

The Colonial Group closed 2023 with an increase in the Recurring Results driven by the strong growth in rental income.

- **Gross Rental Income of €377m, +8% vs the previous year**
- **Group EBITDA of €316m, +12% vs the previous year**
- **Recurring Net Profit of €172m, +7% vs. the previous year**
- **Recurring EPS of €32cts, +7% vs. the previous year**
- **Recurring EPS on continued operations[2], +18% vs. the previous year**

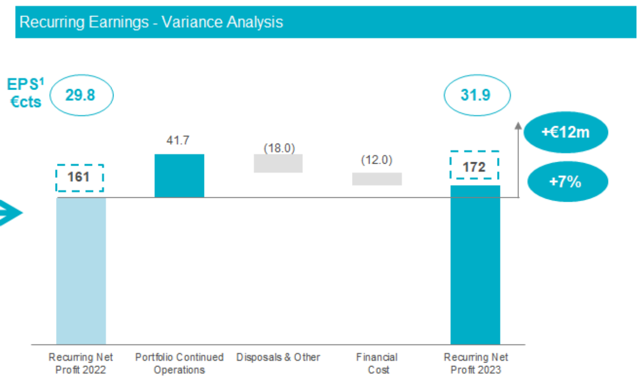


The **Recurring Results have increased based on solid growth in rental income**. The ***growth in income*** was achieved through a combination of factors: 1) the capacity to ***capture the indexation impact***, 2) the ***growth in rental prices and an increase in occupancy***, complemented by 3) additional income from ***project deliveries.***

The efficient management of operating costs has resulted in an **EBITDA growth of +12% year-on-year**, which has led to an increase of +7% in the Recurring Net Profit, reaching €172m.

The execution of the disposal program has meant that the increase in the net results was lower. Excluding this impact of the active management of the portfolio, **the Recurring EPS of the continued operations[2] has grown +18% compared to the previous year.**

Profit & Loss Account - €m	2023	2022
Gross Rents	377	354
Recurring EBITDA	316	283
Recurring financial result	(93)	(81)
Income tax expense & others - recurring	(15)	(13)
Minority interests - recurring	(35)	(28)
Recurring Earnings	172	161
Change in fair value of assets & provisions	(1,427)	(148)
Non-recurring financial result & MTM	(2)	(4)
Income tax & others - non-recurring	43	13
Minority interests - non-recurring	194	(13)
Result attributable to the Group	(1,019)	8



The valuation of the asset portfolio shows a like-for-like adjustment, resulting in a negative result of the Group of (€1,019m). It is worth highlighting that the value variation does not imply a cash outflow.

(1) *Recurring Earnings Per Share*
(2) *Adjusted for the impact of asset disposals*

2. Gross Rental Income and Net Rental Income with strong growth

Income Growth: Polarization & Pan-European Prime Positioning

Colonial closed 2023 with **€377m of Gross Rental Income, and a Net Rental Income of €353m**.

The Group's income growth is solid, in absolute terms growing at +6%, compared to the previous year, and in comparable terms, with an increase of +8% like-for-like, demonstrating the strength of Colonial's prime positioning**.**

December cumulative - €m	2023	2022	Var	LFL
Gross Rental Income Group	**377**	**354**	**6%**	**8%**
Gross Rental Income Paris	*234*	*205*	*15%*	*8%*
Gross Rental Income Madrid	*96*	*102*	*(6%)*	*9%*
Gross Rental Income Barcelona	*46*	*48*	*(3%)*	*3%*
Net Rental Income Group	**353**	**326**	**8%**	**9%**
Net Rental Income Paris	*223*	*194*	*15%*	*8%*
Net Rental Income Madrid	*90*	*90*	*(1%)*	*14%*
Net Rental Income Barcelona	*40*	*42*	*(3%)*	*4%*

The **+8% increase in like-for-like income** is **among the highest in the sector** and is a clear reflection of the **market polarization towards the best office product**.

Particularly worth highlighting are the portfolios in **Madrid (+9% like-for-like) and in Paris (+8% like-for-like**).

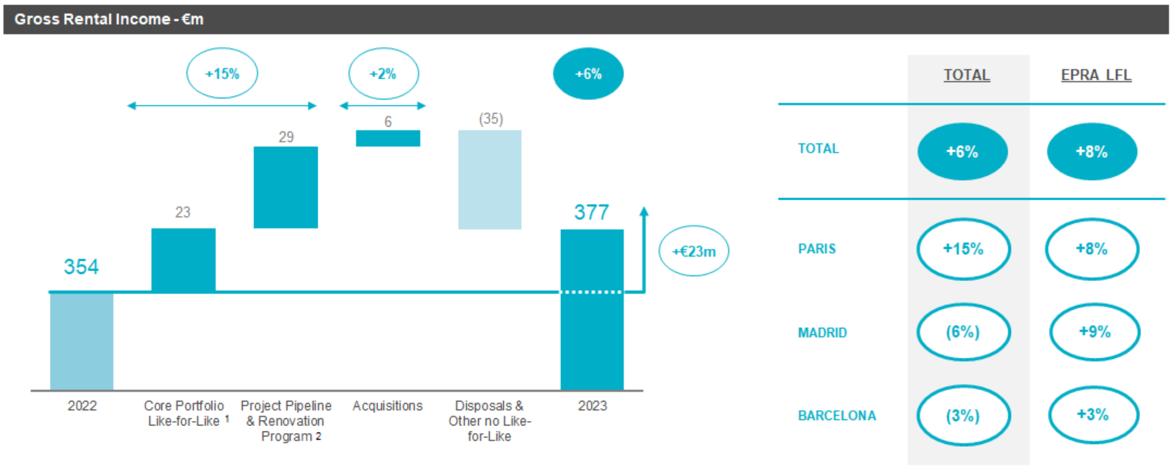
Net Rental Income increased by +8%, and in like-for-like terms, it increased by +9%.

1. **The Net Rental Income in the Paris portfolio** increased by **+15% in absolute terms and +8% in like-for-like terms.** This like-for-like increase is mainly due to the higher rents and occupancy levels in the Édouard VII, #Cloud, Louvre Saint Honoré, Washington Plaza and 103 Grenelle assets, among others.
2. **In the Madrid portfolio, the rental revenue remained stable in absolute terms. In like-for-like terms, the net rental income increased by +14%,** mainly due to higher rents on the Recoletos 37, Ortega y Gasset 100, Castellana 163, Santa Engracia and The Window assets, among others, based on a combination of higher rents and improved occupancy levels. These increases have compensated for the fewer rents obtained as a result of the disposal program carried out in previous quarters.
3. **In the Barcelona portfolio, the Net Rental Income decreased in absolute terms compared to the previous year,** mainly due to the entry into renovation of the Parc Glories II and Diagonal 197 assets. In **like-for-like terms, rental income increased by +4%**, highlighting the increase in rental income on the Diagonal 682, Diagonal 409 and Diagonal Glories assets, among others. These increases have compensated for part of the entries into renovation of the above assets.

Louvre-Saint-Honoré | Washington Plaza | Édouard VII | #Cloud | Recoletos, 37-41 | Castellana, 163 | Ortega y Gasset | The Window | Diagonal, 682 | Diagonal, 409

Income growth derived from multiple drivers

The +€23m increase in income is based on a business model with multiple growth drivers.



(1) *Includes the like-for-like variation of assets in the renovation program*
(2) *Excludes the like-for-like variation of assets in the renovation program*

1. **Pricing Power: Growth in signed rents + capturing of indexation – a contribution of +6% to total growth.**

   The Core portfolio contributed +€23m to the increase in income, deriving from a solid like-for-like growth of +8% due to the strong Pricing Power, enabling the full capture of the ***indexation*** impact and ***maximum market rents.***

2. **Project deliveries – a contribution of +8% to total growth**

   Project deliveries and the renovation program ***contributed +€29m to income growth*** (a contribution of +8% to overall growth). Highlighted is the income contribution from the Biome, Cézanne Saint-Honoré, Louvre Saint Honoré and Galeries Champs-Élysées assets in Paris, the Velázquez 86D and Miguel Ángel 23 assets in Madrid, as well as the Diagonal 530, Plaza Europa 34, and Wittywood assets in Barcelona.

Biome | Cézanne St. Honoré | Louvre St. Honoré | Velázquez 86 | Miguel Ángel 23 | Wittywood | Diagonal 530

3. **Acquisition of Prime Assets – a contribution of +2% to total growth**

   The acquisition of the ***Amundi headquarters in Paris*** in April 2022 ***contributed +€6m to income growth.***

4. **Disposal program - Flight to Quality**

   The ***disposal of non-strategic assets and other non-like-for-like impacts*** have led to a ***(10%) year-on-year decrease*** in the rental income.

Solid operating fundamentals in all segments

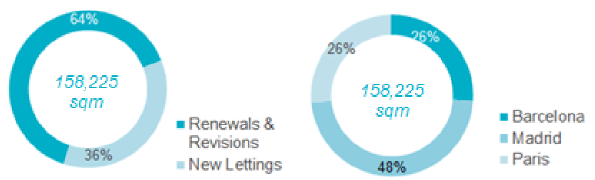
1. Strong letting performance

The prime asset portfolio once again captured a **historic high volume** of signed contracts, amounting to **105 rental contracts**, **corresponding to 158,225 sqm**, which is +7% above the average letting figure reached in the last three years.

LETTING ACTIVITY REMAINS SOLID AT THE END OF THE YEAR

Letting Performace	# contracts	Signed sqm	GRI €m
Paris	33	41,248	35
Madrid	38	75,339	21
Barcelona	34	41,639	11
TOTAL GROUP	105	158,225	68

BREAKDOWN OF LETTING ACTIVITY



Of the total letting activity, highlighted is the high volume signed in the Madrid market which rose to 75,339 sqm. In the Barcelona market, 41,639 sqm were signed, of which 55% (22,743 sqm) correspond to new contracts, improving the occupancy of the portfolio.
In Paris, a total of 41,248 sqm were signed, with 49% in renewals and 51% in new contracts.

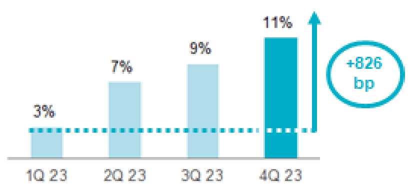
2. Rental Increase – Polarization & Pricing Power

Pricing Power" – Acceleration of growth in market rents[1]

The **Colonial Group** closed 2023 with a **+7% growth in signed office rents compared to market rents (ERV) as at 31 December 2022.**

RENTAL GROWTH VS ERV

OFFICES



Strong price increases	Rental growth vs ERV [1]				
	1Q 2023	2Q 2023	3Q 2023	4Q 2023	TOTAL
Paris Offices	+1%	+11%	+12%	+6%	+6%
Madrid Offices	+8%	+4%	+8%	+19%	+10%
Barcelona Offices	+2%	+8%	+2%	+12%	+6%
TOTAL OFFICES	+3%	+7%	+9%	+11%	+7%
TOTAL	+2%	+6%	+11%	+10%	+6%

In 2023, the growth in rental prices of the office portfolio accelerated, starting the year with a +3% increase and ending the fourth quarter of the year at +11%. The growth in rents achieved is clear evidence of the polarization trend in the office markets, characterized by a demand that prioritizes top-quality Grade A products in the CBD.

(1) Signed rents vs ERVs at 31/12/2022 (ERV 12/22)

Pricing Power - Release spreads[1] increase of +5%

At the close of 2023, the Colonial Group increased the office rents with current clients by +5% compared to the previous rents (release spreads).

Worth mentioning is the **Paris office portfolio with a release spread of +12%.**

Strong price increases	Release Spread[1]				
	1Q 2023	2Q 2023	3Q 2023	4Q 2023	TOTAL
Paris Offices	+10%	+13%	na	+15%	+12%
Madrid Offices	flat	+2%	(2%)	(1%)	flat
Barcelona Offices	+3%	(0.5%)	na	flat	flat
TOTAL OFFICES	+6%	+7%	(2%)	+4%	+5%
TOTAL	+6%	+5%	+3%	+4%	+5%

These increases highlight the reversionary potential of Colonial's contract portfolio with significant improvement margins on the current rents.

Pricing Power – Capturing of the indexation in all contracts with an average growth of +5%

Thanks to its prime client portfolio, the **Colonial Group has captured the impact of the indexation on rental prices,** applying the corresponding update on rents.

As a result of the indexation on the contract portfolio, at the close of 2023, the annualized passing rents of the corresponding contracts had increased by +5% (+4% in Spain and +6% 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 Group to capture the full indexation impact, providing clear protection of the cash flow of the assets in inflationary environments such as the current ones.

#Cloud

Velázquez 86

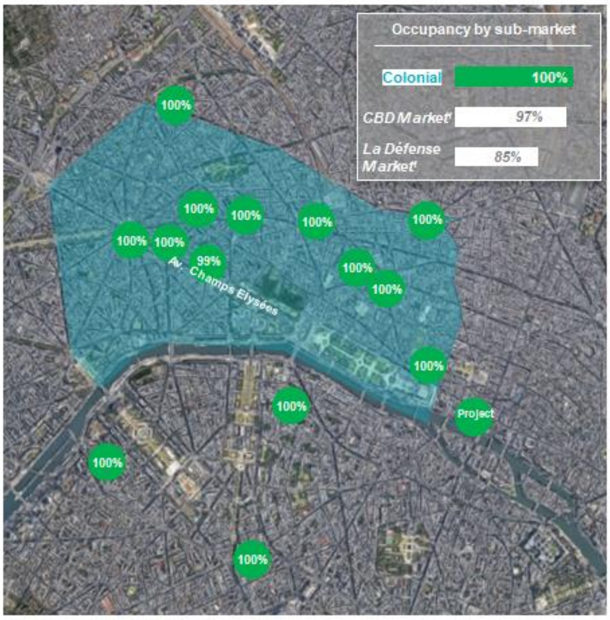
Diagonal 530

(1) *Signed rents on renewals vs previous rents*

3. Solid occupancy levels

The **occupancy of the Colonial Group stands at 97%**, reaching **one of the highest ratios in the sector**. Of special mention is **the Paris portfolio** with **full occupancy at 100%,** followed by the **Madrid portfolio at 96%.**

PARIS

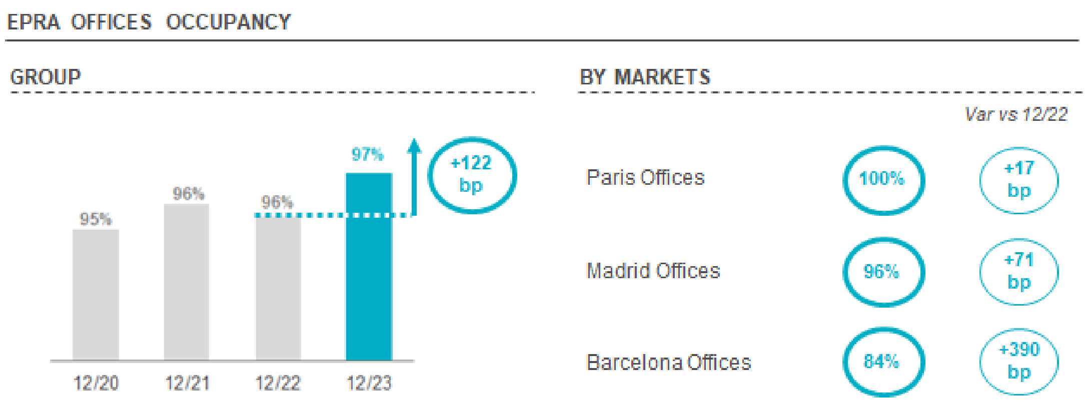


MADRID (Inside M-30)

(1) Source of Market data: CBRE Research

In 2023, **portfolio occupancy has increased by 122 bp**, boosted by an improvement in occupancy in all segments.

The most significant progress took place in Barcelona with an improvement in occupancy of more than +390 bp in the last 12 months.



It is worth mentioning that the current vacancy in the Barcelona portfolio is concentrated on the entries into operation of the renovation programs of Torre Marenostrum and Illacuna, as well as the client rotation in a secondary asset located in Sant Cugat.

Excluding these three assets, the occupancy of the rest of the Barcelona portfolio is at 98%.

Project Pipeline

1. The project pipeline is almost fully delivered and pre-let

The Colonial Group has a **project pipeline of 154,228 sqm across 8 assets**.

In 2023, the **Louvre Saint Honoré project was delivered in Paris.**
This delivery took place before the estimated delivery date and at maximum profitability, thanks to the controlled construction costs and high level of rents. This historic, iconic building, with exceptional views of the Louvre, is rented to the Cartier Foundation of the Cartier Group, with a contract for 40 years, of which 20 years are of mandatory compliance and at maximum market rental prices.

In Spain, the **Plaza Europa 34 project was delivered, fully let to the Puig Group**, with a mandatory 10-year contract. The asset has the **LEED Gold** environmental certification and is considered a ***Nearly Zero Emissions Building (NZEB).***

At the close of 2023, **7 out of the 8 projects in the project pipeline have been fully delivered and rented, confirming a yield on cost around 7%.**

	Project	City	Let / Pre-let	Delivery	GLA (sqm)	Total Cost €m	Yield on Cost
1	Diagonal 525	Barcelona CBD	100%	✓	5,706	41	≈ 5%
2	83 Marceau	Paris CBD	100%	✓	9,600	154	≈ 6%
3	Velazquez 86D	Madrid CBD	100%	✓	16,318	116	> 6%
4	Miguel Angel 23	Madrid CBD	100%	✓	8,155	66	> 5%
5	Biome	Paris City Center	100%	✓	24,500	283	≈ 5%
6	Plaza Europa 34	Barcelona	100%	✓	13,735	42	≈ 7%
7	Louvre SaintHonoré (Prime Commercial)	Paris CBD	100%	✓	16,000	215	7- 8%
8	Mendez Alvaro Offices	Madrid CBD South	On track	2Q-3Q 24	60,214	224	> 8%
	CURRENT PIPELINE				154,228	1,141	≈ 7%

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

The only ongoing project is **Méndez Álvaro Offices**, located in the South of the Castellana in Madrid, a unique complex that is generating a lot of market interest, **with an estimated yield on cost above 8%.**

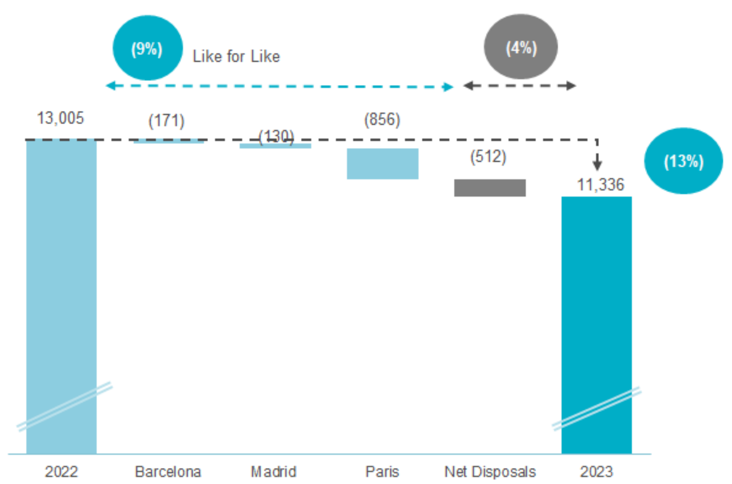
Méndez Álvaro

Asset Valuation and Capital Structure

1. Asset values - Polarization & Prime Positioning

The Gross Asset Value of the Colonial Group at the close of 2023 is **€11,336m (€11,944m including transfer costs),** 13% less than its value as of December 2022, specifically due to the sale of non-strategic assets carried out in 2023 and the value adjustments of 9%.
In **like-for-like terms, Colonial's portfolio was adjusted by 9% compared to the previous year (correction of 6% in the second half of the year).**

VARIANCE ANALYSIS VALUE 12 MONTHS - €m



GAV VARIANCE LFL

	2023	2H 23	1H 23
BARCELONA	(11.4%)	(7.5%)	(4.1%)
MADRID	(4.6%)	(3.1%)	(1.6%)
PARIS	(10.5%)	(7.3%)	(3.4%)
TOTAL LFL	(9.3%)	(6.4%)	(3.1%)
NET DISPOSALS	(3.6%)	(0.8%)	(3.0%)
TOTAL VAR	(12.8%)	(7.1%)	(6.1%)

Polarization & Pan-European Prime Positioning

In a highly volatile environment with interest rate hikes, the value of Colonial's asset portfolio has been impacted by an increase in the valuation yields[1] (+47 bp in the second half of the year).

Increases in rental cash flow are due to the indexation and rental growth, together with successful project delivery. The increases have led to an Alpha capital value creation partially offsetting the value adjustment due to the expansion of yields.

Likewise, the CBD and city centre locations have been much more defensive in nature than the secondary areas, resulting in the most moderate adjustments of the sector.

Resilient Net Asset Value (NTA)

The Net Asset Value at the close of 2023 amounted to €5,372m corresponding to €9.95/share. Including the dividend paid of €0.25/share, the total Net Asset Value for Colonial's shareholders was €10.20/share, registering an adjustment of (6%) in 6 months. In an environment with increased interest rates, the quality positioning together with the active management of Alpha value creation have enabled Colonial to maintain a resilient Net Asset Value.

1 Like-for-like variance of the valuation yield of the portfolio in operation

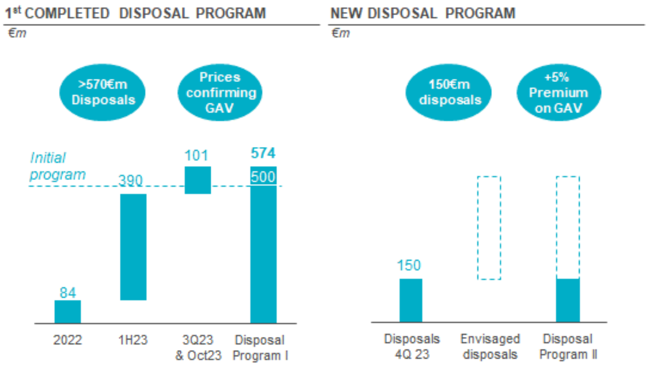
2. Disposal Program – Active management of the portfolio

In the last quarter of 2023, and the beginning of 2024, the Colonial Group closed disposals for €150m with a premium of +5% over the last appraisal.

The disposals were carried out in Madrid and correspond to the residential part of the Méndez Álvaro Campus (Madnum Residential) with almost 30,000 sqm (binding agreement subject to final settlement) and the sale of 3 floors in a building on the Paseo de Recoletos, asset acquired by Colonial in 2019 (disposal already completed).

These transactions are included in the Colonial Group's new disposal program that will continue in 2024 with additional asset sales, in order to recycle capital and maximize value creation for its shareholders.

<u>Mendez Alvaro (Madnum Residential)</u>



Colonial launched an initial program in late 2022 with the aim of achieving disposals exceeding €500m. This program has been successfully completed, reaching a total amount of €574m, of which €84m were realized at the end of 2022 and the rest during the first nine months of 2023.

Additionally, Colonial has initiated a second disposal program, reaching a total amount of €150m to date (divestment agreed between end of 2023 and beginning of 2024). The final settlement of Méndez Álvaro is scheduled for 2024.

The total disposal volume of the disposal program amounts to €723m to date.

The disposal volume of €723m comprises the sale of 12 assets in Madrid, 1 small retail unit in Barcelona and 2 assets in Paris, corresponding to more than 150,000 sqm above ground.

In total, the following disposals have been carried out:

- In Madrid, the sales of 8 mature and/or secondary assets were finalised (Alcalá 506, Josefa Valcárcel 24, Sagasta 27, Almagro 9, José Abascal 56, Miguel Ángel 11, the Cedro building and Ramírez Arellano 15), the sale of a plot of land located in the sub-market of Las Tablas (Puerto Somport 10-18), the sale of the Viapark asset (commercial/logistic use), and the partial sale of various floors of the Recoletos 27 asset, as well as the sale commitment of the Méndez Álvaro residential complex.
- In Paris the sales of two mature assets were finalised: the sale of the non-strategic Le Vaisseau asset, and the sale of Hanovre, a historic building located very close to the Opera building, with a surface area of 4,600 sqm. This asset is also considered non-strategic due to its small size and real estate limitations, being less competitive than other buildings in Colonial's Paris portfolio.
- In Barcelona, the sale of a small non-strategic asset was finalised in Sant Antoni María Claret.

The disposal program is part of the flight to quality strategy, which, through the active management of the portfolio, divests mature and/or non-strategic assets in order to recycle capital for new opportunities of value creation, continually improving the risk-return profile of the Group.

3. Capital Structure

At the current date, the Colonial Group has a solid balance sheet, with an LTV Proforma of 39.5%[1] and a liquidity of €2,903m.

In 2023, the Group executed a large part of its disposal program, as well as other financial protection measures that have allowed it to reduce its net debt by €491m and expand its average maturity, increasing its liquidity by c.€500m, totally eliminating the mortgage-secured debt, reaching a fixed/hedged debt ratio of 100% and maintaining the same financial costs in an environment of interest rate hikes by the Central European Bank.

The liquidity of the Colonial Group amounts to €2,903m between cash and undrawn credit lines, enabling the Colonial Group to cover all its debt maturities until 2027.

In a market environment characterized by interest rate hikes, the Colonial Group has maintained its financial cost at very stable levels (1.75% vs 1.71% in December 2022), thanks to its interest rate risk management policy:

- Debt 100% at fixed cost or 100% hedged.
- A portfolio of interest rate hedges for debt at variable rate.
- Pre-hedged portfolio, enabling the Group to ensure a rate under 2.5% for the current debt volume over the next 3 years.

At the close of 2023, 100% of the Colonial Group's net debt was at a fixed or hedged interest rate, and the reasonable value of the derived financial instruments, registered in net equity, was positive at €215m.

(1) LTV including the sales agreements already signed and the sale agreement for the Méndez Álvaro residential complex (Excluding the sales commitments for 2024, the LTV stands at 39.9%)

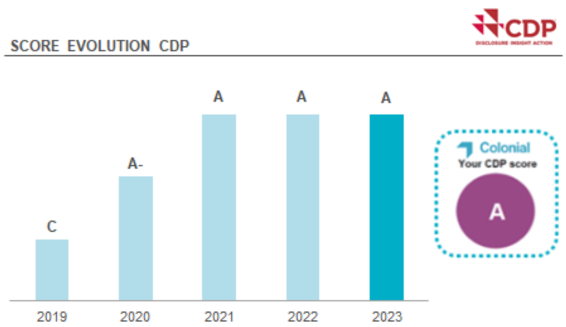
Leadership in ESG and Decarbonization

1. Leader in Sustainalytics – No.1 company in the IBEX 35 and Top 26 of 15,536 globally

- Sustainalytics score of 6.2 (top percentile)
- Top 5 of the 443 listed Real Estate companies analyzed (European REIT)
- Colonial is positioned in the **Top 0.7%** of the Real Estate companies rated (7th out of the 1,052 companies covered)
- Globally, Colonial is positioned in the **Top 0.2%** of the companies analyzed (Top 26 of the 15,536 companies in total).

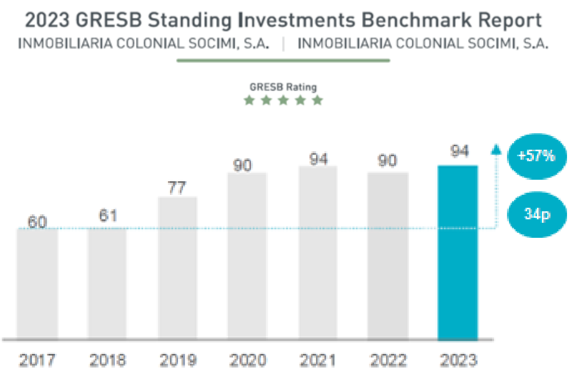
2. CDP: "A" rating for the 3rd consecutive year - leader in the IBEX 35 and globally

- Colonial leads the IBEX 35 with the maximum rating (only 9 companies on the IBEX have achieved this rating)
- Globally, Colonial is positioned in the top 1.5% of the companies analysed with an "A" rating (only 346 companies out of 23,000 in the world have an "A" rating)
- Only 8 Real Estate companies in Europe have achieved an "A" rating.



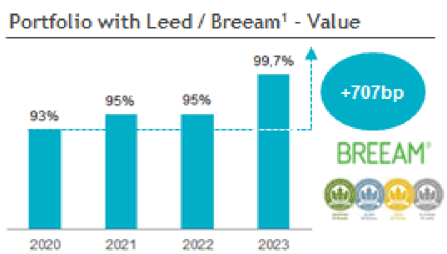
3. GRESB: Score 94/100 - Top 3 of the listed Real Estate offices in Europe

- Continuous improvement in GRESB, increasing the rating from the previous year by 4 points
- Rising to third place among the 100 listed European Real Estate companies included in the Standing Investments Benchmark.



4. Office portfolio with 100% BREEAM and LEED certificates

- European leadership in eco-efficient buildings
- Improvement of more than 700 bps since 2020.



(1) Office Portfolio in operation

Appendices

1. Analysis of the Profit and Loss Account
2. Office markets
3. Business performance
4. Project pipeline
5. ESG strategy
6. Coworking and Flexible Spaces
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1. Analysis of the Profit and Loss Account

Consolidated Analytic Profit and Loss Account

The Colonial Group closed **2023 with a recurring net profit of €172m, representing net recurring earnings per share of €32cts/share, +7% higher than the previous year**.

December cumulative - €m	2023	2022	Var.	Var. % [(1)]
Rental revenues	377	354	23	6%
Net operating expenses [(2)]	(24)	(28)	4	16%
Net Rental Income	353	326	27	8%
Other income [(4)]	11	4	7	-
Overheads	(48)	(48)	(1)	(1%)
EBITDA	316	283	33	12%
Change in fair value of assets, capital gains & others exceptional items	(1,424)	(147)	(1276)	-
Amortizations & provisions	(13)	(8)	(4)	(53%)
Financial results	(95)	(85)	(10)	(11%)
Profit before taxes & minorities	(1,215)	42	(1257)	-
Income tax	38	8	30	-
Minority Interests	159	(42)	200	-
Net profit attributable to the Group	(1,019)	8	-	-

Results analysis - €m	2023	2022	Var.	Var. %
Recurring EBITDA	316	283	33	12%
Recurring financial result	(93)	(81)	(12)	(15%)
Income tax expense & others - recurring result	(15)	(13)	(2)	(19%)
Minority interest - recurring result	(35)	(28)	(7)	(24%)
Recurring net profit - post company-specific adjustments [(3)]	172	161	12	7%
NOSH (million) [(5)]	*539.6*	*539.6*	-	-
EPS recurring (€cts/share)	31.9	29.8	2.2	7%

(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 of the Coworking centers
(5) Average number of shares outstanding without considering treasury stock adjustments

Analysis of the Profit and Loss Account

- Colonial closed 2023 with a Gross Rental Income of **€377m, a figure +6% higher than the same period of the previous year**. In **like-for-like terms**, **the gross rental income increased by +8%.**

- Net Rental Income amounted to **€353m, a +8% higher than the same period of the previous year**. **In comparable terms, Net Rental Income increased +9% like-for-like**.

- **The EBITDA of the Group amounted to €316m**, a **+12% higher than the same period of the previous year.**

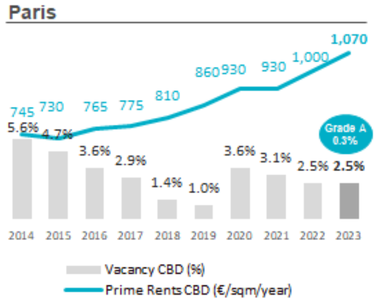
- **The impact on the Profit and Loss account, as a result of the revaluation at 31 December 2023 together with the margin** from the disposals of assets and other exceptional items, **amounted to (€1,424m)**. The value adjustment, which was registered both in France and Spain, does not imply a cash outflow.

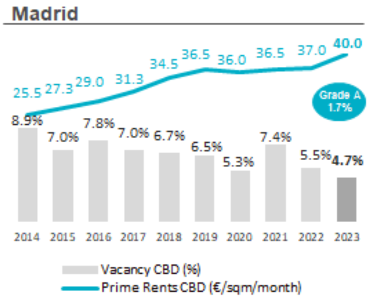
- The net financial result of the Group amounted to (€95m), a figure €10m higher compared to the financial result of the previous year, mainly due to higher interest rates (comparable average cost at the end of 2023 of 1.75%, compared to 1.71% in the same period of the previous year).

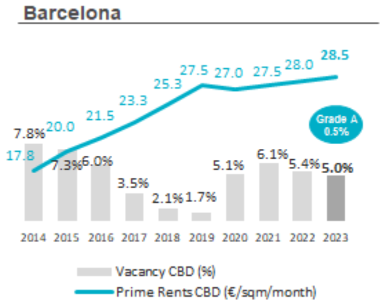
- **Result before taxes and minority interests** at the close of 2023 **amounted to (€1,215m).**

- Finally, following the inclusion of the minority interests of €159m, as well as corporate income tax of €38m, the **Net Result attributable to the Group amounted to (€1,019m).**

2. Office markets







<u>**Rental markets**</u>

In the Paris office market, take-up in 2023 reached 1,932,000 sqm. **The CBD and City Centre represented approximately 52% of the market absorption, reaching 1,000,000 sqm**. **This figure, although slightly lower than that of 2022, is in line with the average over the last 10 years.** Likewise, the **vacancy rate in the CBD remains low at 2.5%, with Grade A availability at 0.3%. Prime rents for the best buildings in the CBD stood at €1,070/sqm/year.**

The demand in the Madrid offices market reached 389,000 sqm in 2023. **Regarding market occupancy, worth highlighting is the increase in the gap between the central and peripheral markets.** Although the **total market vacancy increased 41 bps compared to 2022, reaching 11.6%, the vacancy rate in the CBD and City Centre decreased from 4.7% to 3.5%**, respectively (1.7% and 0.3% for Grade A buildings). Approximately **85% of the available office space in Madrid is outside of the M-30. Prime rents increased to €40/sqm/month.**

The take-up in the Barcelona offices market was 232,000 sqm in 2023. **The CBD too 14% of the demand,** which, together with limited **availability** of stock **(5%, 0.5% for Grade A buildings)** resulted in **an increase in prime rents to €28.50/sqm/month.**

<u>**Investment market**</u>

The investment volume in the Paris office market reached €4.7bn in 2023: which represents a decrease of 57% compared to 2022. 56% of the transactions were carried out in the City Centre and the CBD**.** Likewise, worth highlighting is the high number of transactions carried out by companies acquiring their own offices, particularly in the luxury sector, which dominated various significant transactions throughout the year in the Golden Triangle of Paris. Prime yields stood at 4.25%.

In **Madrid,** investment reached €860m, with private national investors being the most active. Prime yields in Madrid stood at 4.75%. In **Barcelona,** the investment volume reached €261m. Prime yields in Barcelona stood at 4.90%.

Sources: Savills and CBRE

3. Business performance

Gross Rental Income and EBITDA of the portfolio

- Colonial closed 2023 with **Gross Rental Income of €377m, a figure +6% higher than the previous year**, **mainly due to the high like-for-like increase of the portfolio**, the acceleration of the renovation program and the entries into operation of the Group's pipeline projects, as well as the new acquisitions carried out.

  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 +8% compared to the same period of the previous year.**

  In **France**, the rental income increased **+15% in absolute terms and +8% like-for-like,** mainly due to higher rents and increased occupancy in the Edouard VII, #Cloud, Louvre Saint Honoré offices, Washington Plaza and 103 Grenelle assets.

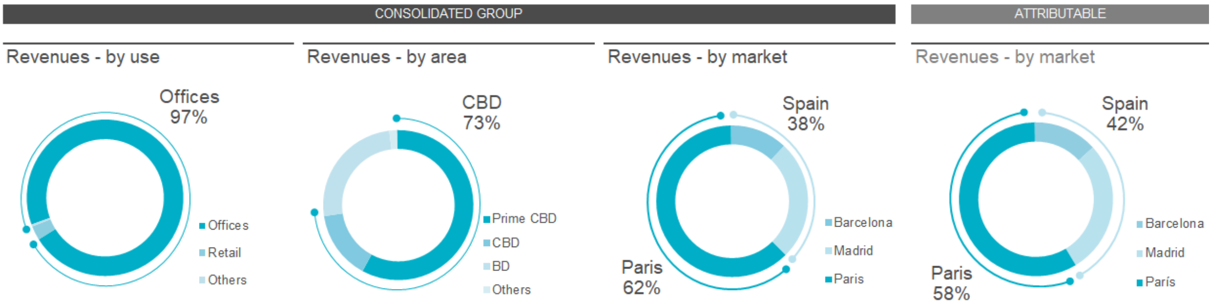
  In Spain, the rental income increased **by +7% like-for-like.**
  The increase in income of +9% like-for-like in Madrid was mainly due to a combination of higher rents and increased occupancy in the Recoletos 37, Ortega y Gasset 100, Castellana 163, Santa Engracia and The Window assets, among others. In **Barcelona**, **the like-for-like rental income increased by +3%.**

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

	Barcelona	Madrid	Paris	TOTAL
Rental revenues 2022R	48	102	205	354
EPRA Like-for-Like [1]	1	7	15	23
Projects & refurbishments	(2)	3	12	12
Acquisitions & Disposals	0	(15)	4	(11)
Indemnities & others	(0)	0	(1)	(1)
Rental revenues 2023R	46	96	234	377
Total variance (%)	*(3%)*	*(6%)*	*15%*	*6%*
Like-for-like variance (%)	3%	9%	8%	8%

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

- **Rental income breakdown:** 97% of the Group's rental income comes from the office portfolio. Likewise, the Group maintains its high exposure to CBD markets, with 73% of the income.
  In consolidated terms, **62% of the rental income (€234m), came from the subsidiary in Paris** and 38% was generated by properties in Spain. **In attributable terms, 58% of the rents were generated in Paris** and the rest in Spain.



- **The Net Rental Income of the properties at the close of 2023 reached €353m, an increase of +8% compared to the same period of the previous year. In like-for-like terms, the Net Rental Income increased +9%.** This increase was driven by a strong increase in the Madrid market.

Property portfolio

December cumulative - €m	2023	2022	Var. %	EPRA Like-for-like [1] €m	EPRA Like-for-like [1] %
Rental revenues - Barcelona	46	48	(3%)	1.2	3%
Rental revenues - Madrid	96	102	(6%)	6.7	9%
Rental revenues - Paris	234	205	15%	14.9	8%
Rental revenues Group	**377**	**354**	**6%**	**22.7**	**8%**
Net Rental Income - Barcelona	40	42	(3%)	1.5	4%
Net Rental Income - Madrid	90	90	(1%)	9.7	14%
Net Rental Income - Paris	223	194	15%	12.6	8%
Net Rental Income Group	**353**	**326**	**8%**	**23.8**	**9%**
Net Rental Income/Rental revenues - Barcelona	*87%*	*87%*	*(0.1 pp)*		
Net Rental Income/Rental revenues - Madrid	*93%*	*88%*	*4.6 pp*		
Net Rental Income/Rental revenues - Paris	*95%*	*95%*	*0.3 pp*		

Pp: Percetange points
(1) ***EPRA like-for-like:*** *Like-for-like calculated according to EPRA recommendations.*

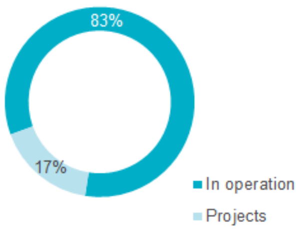
Management of the contract portfolio

- **Breakdown of the current portfolio by surface area:**

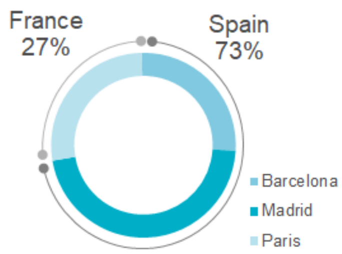
  At the close of 2023, the Colonial Group's portfolio amounted to 1,584,233 sqm, mainly concentrated in office assets, which correspond to 1,455,988 sqm.

  83% of the total surface area of offices was in operation at the close of 2023 and the rest corresponded to an attractive portfolio of projects and renovations.

Offices Surface - by condition



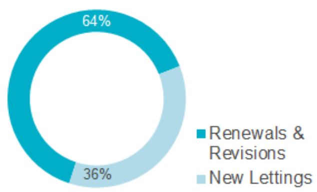
Offices Surface - by market

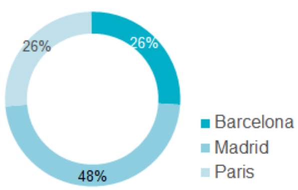


- **Signed leases:** At the close of 2023, the Colonial Group formalized leases for a **total of 158,225 sqm**. 74% (116,977 sqm) corresponded to contracts signed in Barcelona and Madrid and the rest (41,248 sqm) were signed in Paris.

  Renewals: Out of the total office letting activity, 64% (101,330 sqm) are lease renewals, highlighting the 62,373 sqm renewed in Madrid.

  New lettings: New leases relating to 56,895 sqm were signed, highlighting the 22,743 sqm signed in Barcelona and the 21,187 sqm signed in Paris.





Letting Performance

December cumulative - sq m	2023	Average maturity	% New rents vs. previous	*Offices*
Renewals & revisions - Barcelona	18,896	4	*(0%)*	*0%*
Renewals & revisions - Madrid	62,373	3	*(1%)*	*(0%)*
Renewals & revisions - Paris	20,062	7	*12%*	***12%***
Total renewals & revisions	**101,330**	**5**	***5%***	***5%***
New lettings Barcelona	22,743	5		
New lettings Madrid	12,966	4		
New lettings Paris	21,187	7		
New lettings	**56,895**	**7**	**na**	
Total commercial effort	**158,225**	**6**	**na**	

The new rents stood at +5% above previous rental prices: highlighting the **Paris market up +12%.**

- **Colonial's total letting activity is spread across the three markets in which the Company operates.**

  In Spain, 116,977 sqm were signed in 2023, corresponding to 72 contracts. In Paris, 41,248 sqm were signed, corresponding to 33 contracts.

  Of special mention is the large commercial activity of the office portfolio in Madrid, where rental agreements have been signed for a total surface area of 75,339 sqm across 38 transactions, of which 83% were renewals. These include the renewal of 15,935 sqm on the Martínez Villergas building with an important Spanish airline, the renewal of 14,051 sqm on the EGEO asset with a structural engineering company, the renewal of more than 4,600 sqm on the Santa Engracia asset with a transport company, and the renewal of more than 7,600 sqm and 5,500 sqm on the Arturo Soria and Recoletos 37 assets, respectively, both with various tenants. Regarding new contracts signed, worth mentioning is the signing of 2,298 sqm on the Velázquez 86D asset and the signing of 1,910 sqm on Recoletos 37, as well as the signing of 1,691 sqm on the Ortega y Gasset asset, among others.

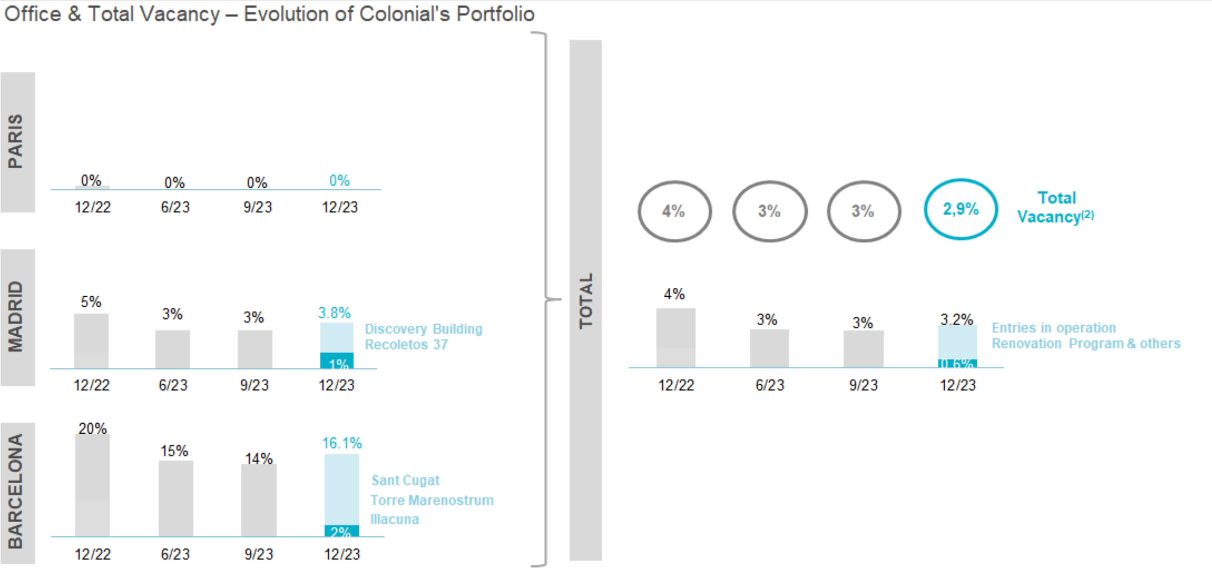
  In the office portfolio in Barcelona, rental contracts were formalized with a surface area of 41,639 sqm across 34 transactions. Of special mention are the new contracts signed on the Plaza Europe 34 asset for 6,299 sqm, Diagonal 530 for 6,088 sqm, Diagonal 609-615 for 3,077 sqm, and the assets Wittywood and Sant Cugat on almost 2,500 sqm in both assets. Regarding renewals, of special mention is the renewal of 5,061 sqm on the Travessera 47 asset with an editorial group, as well as the renewals of 2,400 sqm and 2,279 sqm on the Torre BCN and Dau Retail assets, with various tenants.

  In the office portfolio in Paris, contracts were signed for an amount of 41,248 sqm across 33 transactions. Regarding new contracts signed, worth highlighting is the signing of 10,447 sqm on the #Cloud asset, as well as the signing of 4,774 sqm and 3,266 sqm on the Washington Plaza and Edouard VII assets, respectively. Regarding renewals signed, of special mention is the renewal of 7,759 sqm on Edouard VII, as well as the renewal of 7,150 sqm on the 131 Wagram asset with an international television network.

Stability in the portfolio occupancy

- At the close of 2023, **the total vacancy of the Colonial Group stood at 2.9%, a higher vacancy rate compared to the same period of the previous year and in line with the last quarter reported.**

EPRA VACANCY[(1)]



(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 others*

The Paris office portfolio is at full occupancy, thanks to the successful implementation of the renovation program and the strength of the prime market of Paris.

The Madrid office portfolio has a vacancy rate of 3.8%, a rate in line with the last quarter reported, but an improvement compared to the same period of the previous year, mainly due to the new lettings on the Velázquez 86, Ortega & Gasset, Ramón de la Cruz, Alfonso XII, and Ribera de Loira assets, among others. The vacant surface area mainly corresponds to the Discovery Building and Recoletos 37 assets.

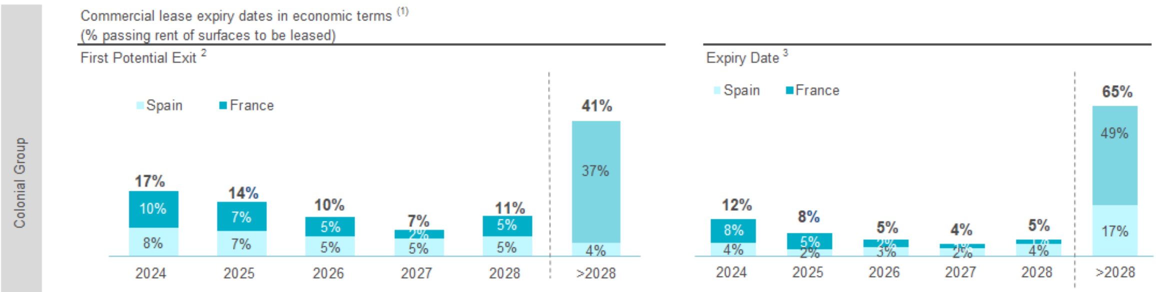
The Barcelona office portfolio has a vacancy rate of 16.1%, a rate slightly higher than the last quarter reported. This is mainly due to the entry into operation of the renovated surface area in the Illacuna asset in the 22@ area, but lower compared to the same period of the previous year, mainly due to the new contracts signed on the Diagonal 530, Diagonal 609-615, Sant Cugat and Diagonal 682 assets, among others.

The vacancy rate of Barcelona mainly corresponds to the **entry into operation** of the renovated surface area in the **Torre Marenostrum** and **Illacuna** assets, as well as the **client rotation** in the **Sant Cugat** asset. **Excluding the entries into operation of these three assets, the vacancy rate of the Barcelona office portfolio stands at 2.3%.**

Contract portfolio and reversionary potential

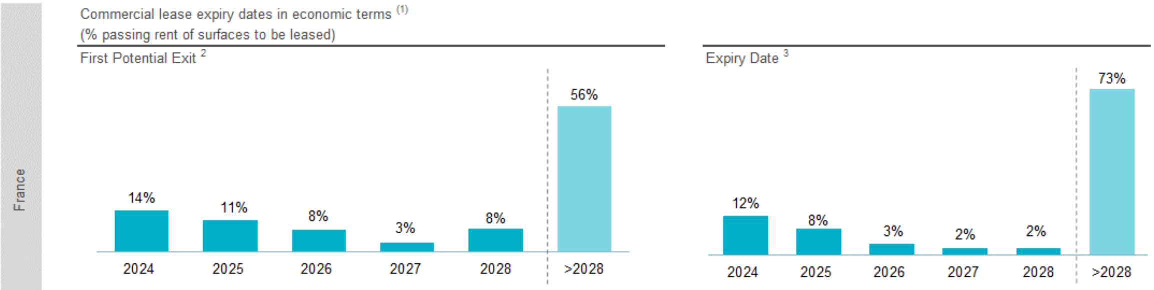
- **Commercial lease expiry:** The following graphs show the contractual rent roll for the coming years.

The **first graph** shows the **commercial lease expiry** dates for the **Colonial Group's entire portfolio**. If the tenants choose to end the contract at the first possible date in 2024 (break option or end of contract), it will correspond to 17% of the contract portfolio. If the tenants remain until the contract expires in 2024, the figure is reduced to 12%.



(1) % = surface to rent x current rents / current rental revenues
(2) Renewal dates based on first potential exit of the current contracts
(3) Renewal dates based on the expiry date of the current contracts

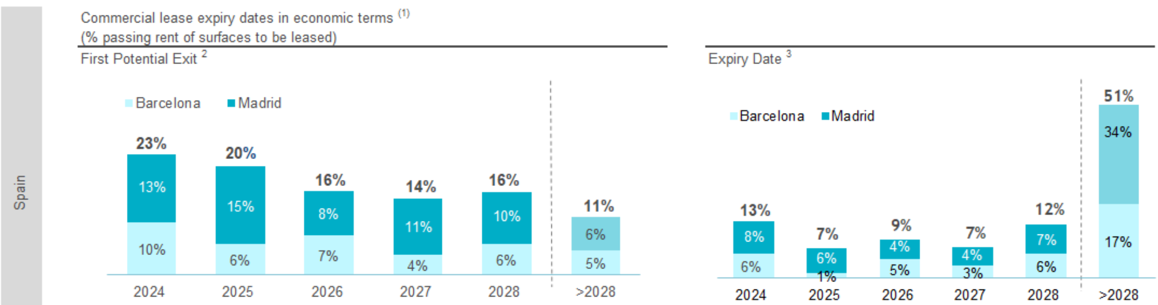
The **second graph** shows the **commercial lease expiry** dates of the assets **in France** if the tenants choose to end the contract at the first possible date (break option or end of contract), or if the tenants remain until the contract expires. In France, the contract structure is over the long term.



(1) % = surface to rent x current rents / current rental revenues
(2) Renewal dates based on first potential exit of the current contracts
(3) Renewal dates based on the expiry date of the current contracts

The **third graph** shows the **commercial lease expiry** dates of the assets **in Spain** if the tenants choose to end the contract at the first possible date (break option or end of contract) or if the tenants remain until the contract expires.

It is worth mentioning that the contract structure in Spain is over a shorter term than the contract structure in France.



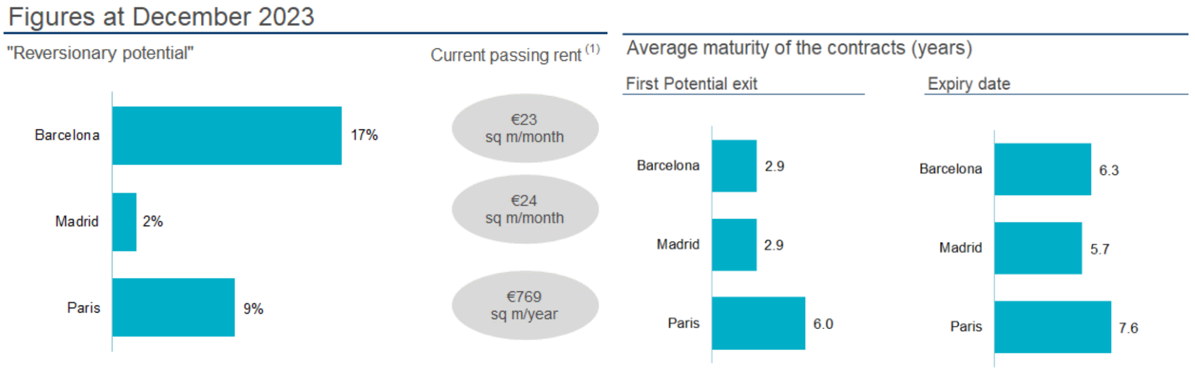
(1) % = surface to rent x current rents / current rental revenues
(2) Renewal dates based on first potential exit of the current contracts
(3) Renewal dates based on the expiry date of the current contracts

- **Reversionary potential of the rental portfolio**

The Colonial Group's rental portfolio has significant reversionary potential. This reversionary potential is the result of comparing the rental income of the current contracts (contracts with current occupancy and current rents) with the rental income that would result from letting the total surface at the market prices estimated by independent appraisers as at the close of 2023 (not including the potential rents from the projects and significant renovations underway).

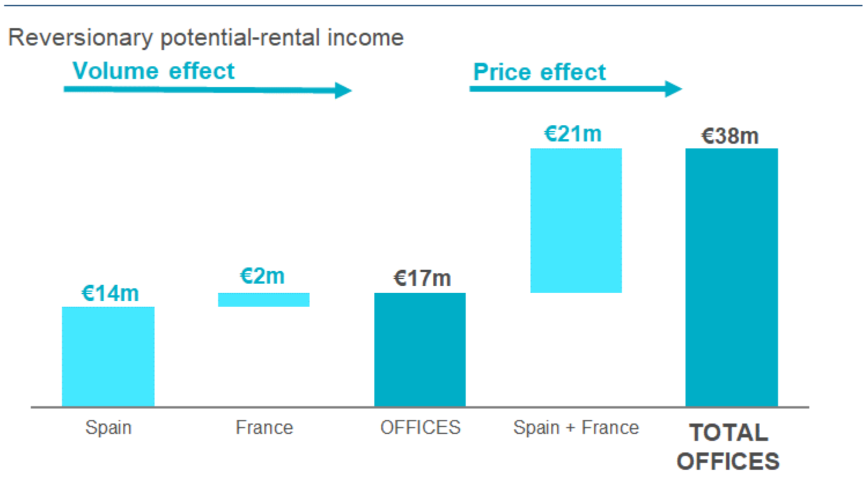
The static reversionary potential (assets at 100% occupancy applying current market rents without considering future indexation impacts and rental growth) of the rental revenues of the office portfolio stood at:

> +17% in Barcelona
> +9% in Paris
> +2% in Madrid



(1) Current office rent of occupied surfaces

Specifically, the static reversionary potential of the current portfolio **would result in approximately €38m of additional annual rental income**.



4. Project Pipeline

The Colonial Group has a **project pipeline of 154,228 sqm across 8 assets**.

At the date of publication of this report, both the pre-let levels and project execution levels were very high: 7 out of the 8 projects are complete and pre-let. The only ongoing project is Méndez Álvaro (located in the South of the Castellana in Madrid) with an estimated delivery date in 2024.

	Project	City	Let / Pre-let	Delivery	GLA (sqm)	Total Cost €m	Yield on Cost
1	Diagonal 525	Barcelona CBD	100%	✓	5,706	41	≈ 5%
2	83 Marceau	Paris CBD	100%	✓	9,600	154	≈ 6%
3	Velazquez 86D	Madrid CBD	100%	✓	16,318	116	> 6%
4	Miguel Angel 23	Madrid CBD	100%	✓	8,155	66	> 5%
5	Biome	Paris City Center	100%	✓	24,500	283	≈ 5%
6	Plaza Europa 34	Barcelona	100%	✓	13,735	42	≈ 7%
7	Louvre SaintHonoré (Prime Commercial)	Paris CBD	100%	✓	16,000	215	7- 8%
8	Mendez Alvaro Offices	Madrid CBD South	On track	2Q-3Q 24	60,214	224	> 8%
CURRENT PIPELINE					154,228	1,141	≈ 7%

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

In 2023, the **Louvre Saint Honoré project in Paris was delivered. This delivery took place before the estimated delivery date and at maximum returns,** thanks to the controlled construction costs and high rents. This ambitious project was commissioned to the award-winning architect Jean Nouvel together with the prestigious architecture studio B. Architecture. This historic, iconic building, with exceptional views of the Louvre, is rented to the Cartier Foundation, of the Cartier Group, with a contract for 40 years of which 20 years are of mandatory compliance and at maximum rental prices.

In addition, in Spain, the **Plaza Europa 34 project was delivered, fully let to the Puig Group**, with a mandatory 10-year contract. The asset has the **LEED Gold** environmental certification and is considered a ***Nearly Zero Emissions Building (NZEB).***

In addition, the following are of special mention:

> In **Paris** at the end of 2022, the renovation works were finalised on the **Biome** building of 24,500 sqm, and it entered into operation fully 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.

Biome
París City Centre

> In **Miguel Ángel 23,** one of the first Net Zero buildings in the CBD in Madrid, an agreement was reached to rent the entire surface area of the building 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 the second half of 2022, the **Velázquez 86D** asset, with a surface area of 16,318 sqm, was delivered and is currently fully 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

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

Diagonal 525
CBD Barcelona

Marceau
CBD Paris

5. ESG Strategy

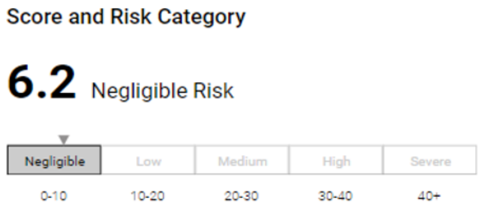
Important advances in the indexes

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

1. **Sustainalytics – Rating of 6.2 (Top percentile)**

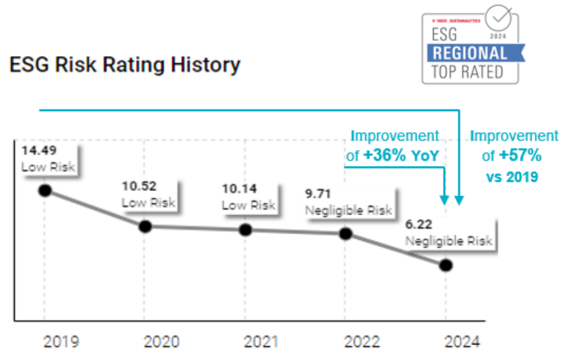
   Sustainalytics has granted Colonial a rating of 6.2 in ESG risk, showing an improvement of 36% compared to the previous rating given.

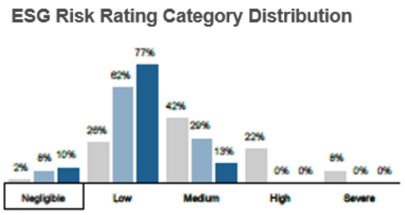
   - Colonial is positioned in the Top 5 of the 443 listed Real Estate companies analyzed (Europena REITs), only behind Unibail Rodamco.
   - Colonial is positioned in the Top 0.7% of the companies rated (7th out of the 1,052 companies covered)
   - Globally, **Colonial is positioned in the Top 0.2% of the companies analyzed** (Top 26 of the 15,536 companies in total).



ESG Risk Rating Ranking

UNIVERSE	RANK (1st = lowest risk)	PERCENTILE (1st = lowest risk)
Global Universe	26/15929	1st
Real Estate INDUSTRY	7/1052	2nd
REITs SUBINDUSTRY	5/443	2nd





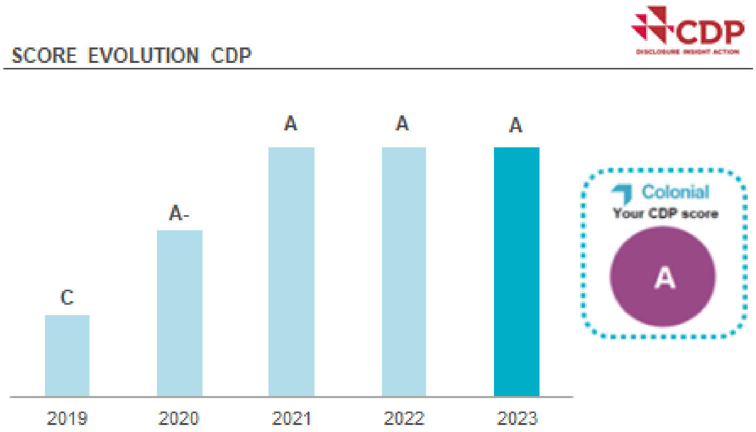
2. **CDP: Maximum rating in the leading carbon index – “A” rating**

   Colonial has maintained an “A” rating from CDP, **the highest category for the third consecutive year,** confirming its leadership in decarbonization.

   This rating far exceeds the European regional average as well as the financial services sector average and has led to a strong year-on-year boost.

Of special mention:

- Globally, **Colonial is positioned in the top 1.5% of the companies analysed** with an “A” rating (only 346 companies out of 23,000 in the world have an “A” rating)
- **Colonial leads the IBEX 35 with the maximum rating** (only 9 companies on the IBEX have achieved this rating)
- **Only 8 real estate companies in Europe have achieved an “A” rating** (the real estate sector in Europe is catching up, especially French Real Estate companies)
- This rating is increasingly more demanding with strict requirements regarding climate change strategies.



3. **The Colonial Group obtained the EPRA Gold sBPR rating for the 8th consecutive year**, which certifies the highest reporting standards in ESG**.**

4. **The Colonial Group’s alignment to the Science Based Target initiative (SBTi)**

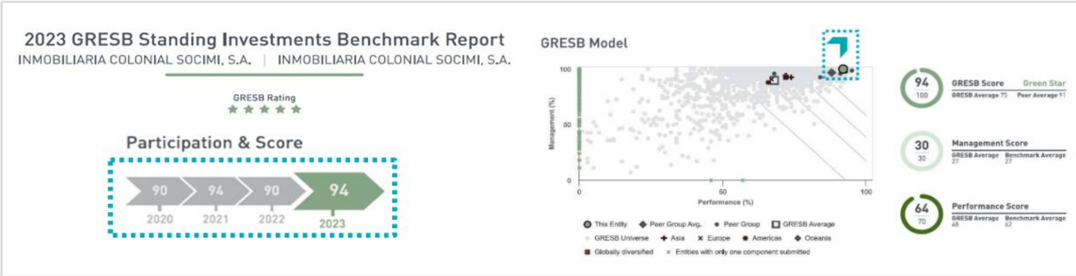
SBTi has validated and approved the target of Colonial’s decarbonization plan to significantly reduce its emissions by 2030.

This target is aligned with the trajectory towards neutrality which involves limiting the increase in the Earth’s average temperature to below 1.5ºC (Business Ambition for 1.5ºC).

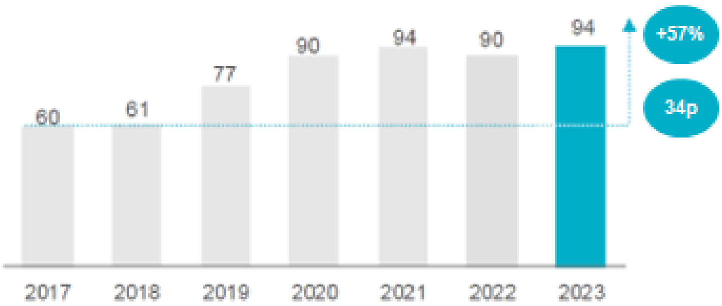
SBTi is the result of a partnership between CDP, the UN Global Compact, the World Resources Institute (WRI) and the World Wildlife Fund (WWF).

5. GRESB: Leader among the listed office companies in Western Europe - Score 94/100

Colonial has obtained a rating of 94 out of 100 from the Global Real Estate Sustainability Benchmark (GRESB) for its property portfolio, improving its previous rating by 4 points and rising to third place among the 100 listed European Real Estate companies included in the "Standing Investments Benchmark".



Since 2017, Colonial has continuously improved its ratings, scaling 34 points in the "Standing Investments Benchmark".



In the 'Development Benchmark', Colonial obtained a rating of 98/100, improving its previous rating by 2 points.

In both benchmarks, Colonial received a 5-star rating for the fourth consecutive year, a fact which evidences its leadership together with the best companies in the index, with a rating equal to or higher than 90/100.

6. Low Carbon Building Award: Evidence of the Colonial Group's firm commitment to decarbonization in the real estate sector. Colonial's French subsidiary received the 'Low Carbon Building Award' at the SIBCA event, held in Paris.

   This award is recognition of the Group's firm commitment to reducing the environmental impact of its portfolio and its ambitious strategy to achieve its targets for low carbon emissions.

   The obtention of the BBCA certificate in 2022 for 100% of the urbanization projects of SFL, the French subsidiary, reflects the Colonial Group's capacity to achieve its commitment. In Paris, the Colonial Group is one of the first companies to obtain the BREEAM certificate for all the assets in operation in its portfolio.

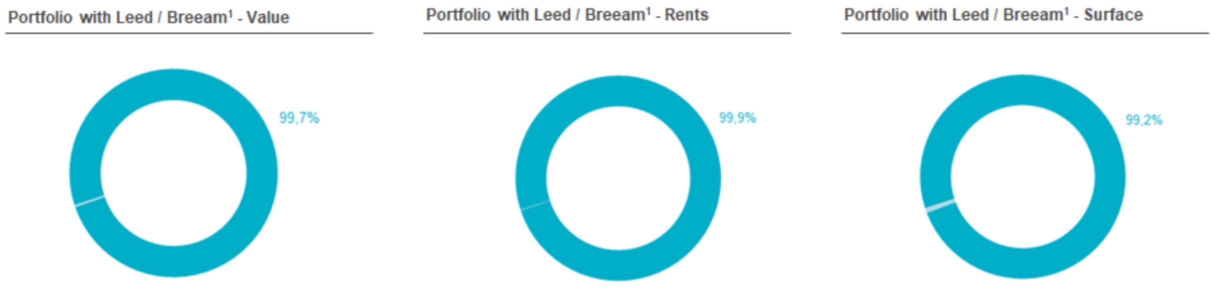
7. Colonial now forms part of the IBEX ESG. As a result of the Group's good performance in relation to sustainability and ESG in its entire scope, Colonial is one of the players that has been included in the new IBEX ESG index, a BME (Bolsas y Mercados Españoles) initiative. The objective of the initiative is to become a global benchmark in sustainability for the Spanish Stock Market and to drive investments under a sustainable focus. This new index selects its members following certain specific sustainability criteria.

   Colonial's inclusion in the IBEX ESG reflects its strong commitment to sustainability, social aspects and good corporate governance.

Energy Efficiency – Certifications of the Colonial Group's asset Portfolio

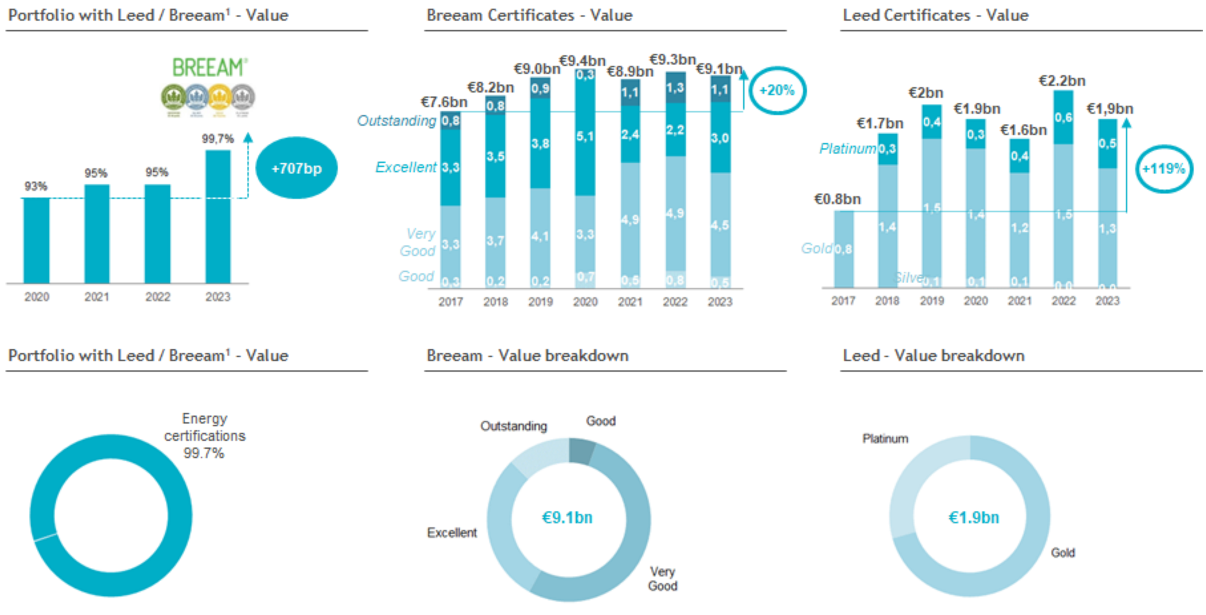
99.7% of the office portfolio in operation has LEED and BREEAM energy certificates. This figure is higher than that of previous years, with almost the entire portfolio holding energy certificates.

In terms of rent and surface area, this percentage covers the clear majority of the portfolio.
This high level of certification places Colonial in a leading position in energy efficiency in Europe.



(1) Office Portfolio in operation

In particular, the value of the assets with BREEAM certificates amounted to €9,079m and those with LEED certificates reached €1,858m.



(1) Office Portfolio in operation

This level of certification is clearly above the sector average. Likewise, the strategic sustainability plan executes energy efficiency initiatives, focusing on continuous improvement asset by asset.

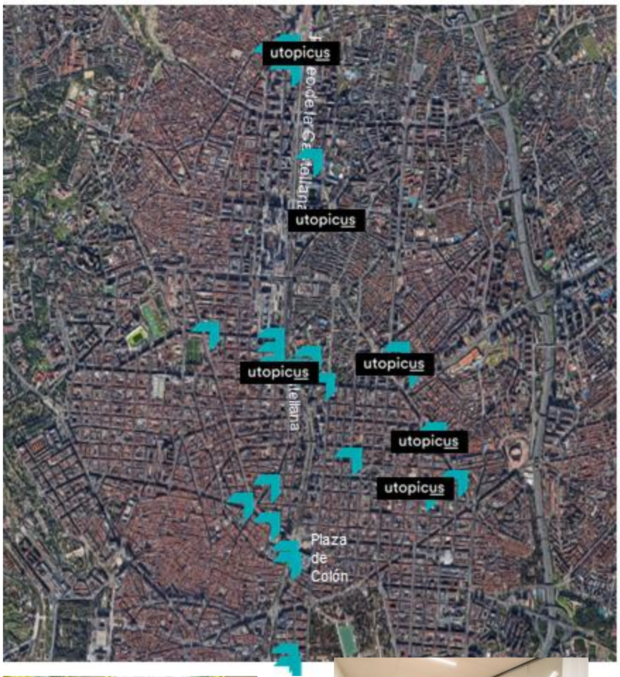
6. Coworking and Flexible Spaces

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.

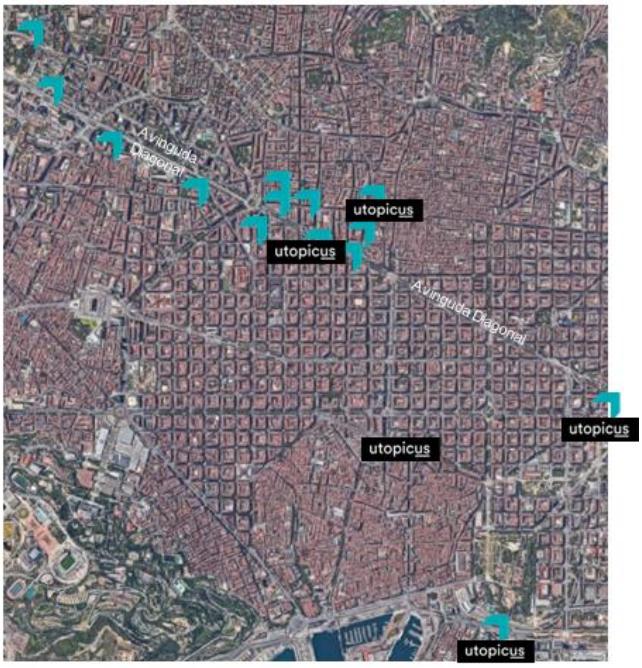
Colonial's ability to offer flex spaces through Utopicus as part of Colonial's portfolio provides an added value proposition to Colonial's clients, enabling them to combine traditional office spaces with new services and more flexible solutions.

In this respect, **an increase in demand is being seen from corporate clients for flex spaces under their own corporate identity**. In addition, there is a high market interest in hybrid assets which provide both possibilities, flex and traditional, like in Diagonal 530, D. Ramón de la Cruz 84 and P. de Vergara, 112.

MADRID



BARCELONA



In order to optimize the surfaces and maintain a portfolio in the best locations, Utopicus closed three non-strategic centres in 2023: Orense (1,827 sqm), Gran Via (3,950 sqm) and Clementina (575 sqm).

Therefore, at the close of 2023, **Utopicus has 11 centres in operation, corresponding to 36,081 sqm**.

At the close of 2023, the **occupancy in the centres was consolidated at levels of 80%, in both Madrid and Barcelona**.

7. Portfolio valuation

- The Gross Asset Value of the Colonial Group at the **close of 2023 amounted to €11,336m (€11,944m including transfer costs)**, showing a decrease of 13% compared to the previous year, specifically due to the disposal of non-strategic assets carried out in 2023. **In like-for-like terms, Colonial's portfolio was adjusted by 9% compared to the previous year (an adjustment of 6% in the second half of 2023).**

- The assets in Spain and France have been appraised by Cushman & Wakefield and CB Richard Ellis. The appraisal values are updated half-yearly, following the best market practices, in compliance with the Regulation Standards of the Royal Institution of Chartered Surveyors (RICS) comprised in the Red Book – the valuation manual.

- The market valuations defined by the RICS are internationally recognized by advisors and accountants of investors and corporations that own real estate assets, as well as The European Group of Valuers (TEGoVA) and The International Valuation Standards Committee (IVSC). The appraisers' fees are determined by the volume for the specific workout of each assignment.

Gross Asset Values - Excluding transfer costs

Asset valuation (€m)	31-Dec-23	30-Jun-23	31-Dec-22	Dec 23 vs Jun 23		Dec 23 vs Dec 22	
				Total	LfL (1)	Total	LfL (1)
Barcelona	1,187	1,209	1,261	(2%)	(7%)	(6%)	(11%)
Madrid (2)	2,054	2,268	2,753	(9%)	(6%)	(25%)	(10%)
París	7,135	7,116	7,525	0%	(8%)	(5%)	(12%)
Portfolio in operation (3)	**10,375**	**10,594**	**11,539**	**(2%)**	**(7%)**	**(10%)**	**(11%)**
Projects	**961**	**1,616**	**1,466**	**(41%)**	**1%**	**(34%)**	**3%**
Colonial group	**11,336**	**12,209**	**13,005**	**(7%)**	**(6%)**	**(13%)**	**(9%)**
Spain	4,004	4,300	4,759	(7%)	(5%)	(16%)	(7%)
France	7,332	7,909	8,246	(7%)	(7%)	(11%)	(10%)

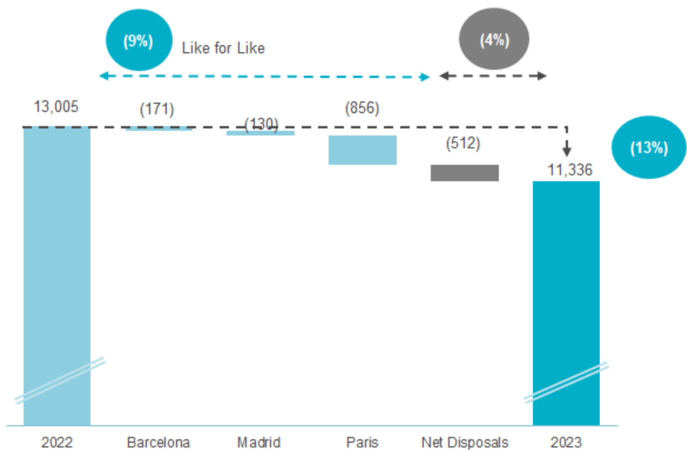
Gross Asset Values - Including transfer costs

	31-Dec-23	30-Jun-23	31-Dec-22	Dec 23 vs Jun 23 Total	Dec 23 vs Jun 23 LfL (1)	Dec 23 vs Dec 22 Total	Dec 23 vs Dec 22 LfL (1)
Colonial group	**11,944**	**12,880**	**13,727**	**(7%)**	**(7%)**	**(13%)**	**(10%)**
Spain	4,127	4,431	4,904	(7%)	(5%)	(16%)	(7%)
France	7,817	8,449	8,823	(7%)	(7%)	(11%)	(11%)

(1) Portfolio in comparable terms
(2) Includes other assets corresponding to retail non core in Spain
(3) Portfolio in operation: current rental portfolio as well as new entries into operation of completed projects

- The value variance analysis is as follows:

VARIANCE ANALYSIS VALUE 12 MONTHS - €m



GAV VARIANCE LFL

	2023	2H 23	1H 23
BARCELONA	(11.4%)	(7.5%)	(4.1%)
MADRID	(4.6%)	(3.1%)	(1.6%)
PARIS	(10.5%)	(7.3%)	(3.4%)
TOTAL LFL	(9.3%)	(6.4%)	(3.1%)
NET DISPOSALS	(3.6%)	(0.8%)	(3.0%)
TOTAL VAR	(12.8%)	(7.1%)	(6.1%)

In like-for-like terms, Colonial's portfolio decreased by 9% compared to the close of the previous year. In the second half of 2023, an adjustment of 6% was registered.
There were adjustments in all sub-sectors in which the Group operates, with a higher adjustment in the Barcelona market.

- *Polarization & Pan-European Prime Positioning*

In a highly volatile environment with interest rate hikes, the value of Colonial's asset portfolio has been impacted by an increase in the valuation yields[1] (+47 bps in 6 months).

Increases in rental cash flow due to indexation and rental growth of the Group's portfolio, together with successful project delivery in 2023, have led to a value increase partially offsetting the value adjustment because of expansion of yields.

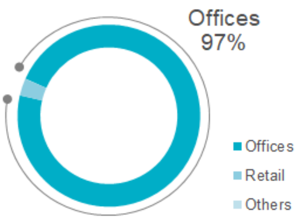
The Colonial Group's successful bet on prime positioning is reflected in the results. The CBD and City centre locations have been much more defensive play than the secondary areas, resulting in lower adjustments.

1. *Like-for-like variance of the valuation yield of the portfolio in operation*

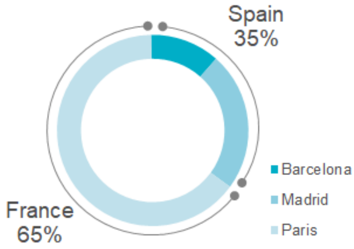
- The breakdown of the valuation of the Group's rental portfolio by use, market and type of product is shown below:

CONSOLIDATED GROUP

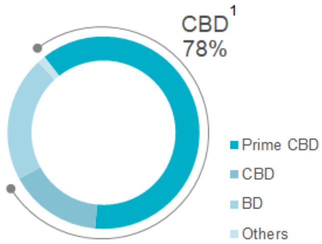
Valuation - by use



Valuation - by market



Offices Valuation - by area



(1) CBD Barcelona, includes the 22@ market segment assets

- Regarding the valuation of the portfolio in operation, the main value parameters are as follows:

Main parameters of Asset appraisal

Portfolio in operation	€m	sq m above ground (*)	€/sq m (*)	Valuation Yield	
Barcelona	1,187	234,450	5,061	5.0%	Gross Yields
Madrid	2,050	327,462	6,261	4.7%	
Paris	5,936	328,367	18,078	4.3%	Net Yields

When **comparing the valuation parameters of Colonial's appraisal values with market data**, the following must be taken into consideration:

1. In Spain, consultants publish *gross yields* in their market reports.

(Gross yield = gross rent/value excluding transfer costs).

2. In France, consultants publish *net yields* in their market reports.

(Net yield = net rent/value including transfer costs).

(*) In Barcelona, the sqm for the calculation of the capital value correspond to the surface above ground of all Barcelona assets, excluding the Diagonal 197 asset, and the Sancho de Ávila asset.
In Madrid, the sqm correspond to the surface above ground of all assets in Madrid, excluding the Méndez Álvaro complexes, Luca de Tena 7, the Puerto Somport 10-18, and Sagasta 31-33 projects, as well as the surface area of non-strategic premises.
In France, the sqm correspond to the office surface above ground in operation, excluding the main commercial assets and including certain rentable surfaces below ground in the portfolio not corresponding to parking units.

- The appraisal certificate is as follows:

CONSEJO DE ADMINISTRACIÓN

INMOBILIARIA COLONIAL, SOCIMI S.A.

Av. Diagonal 532, 08006 Barcelona

Barcelona, 31st December 2023

Dear Sirs,

In accordance with your instruction, **Cushman & Wakefield RE Consultants Spain, S.L.** and **CBRE Valuation Advisory S.A.**, as valuers of the **Inmobiliaria Colonial** portfolio in Spain, and **Cushman & Wakefield Valuation France S.A.** and **CBRE Valuation**, as **SFL** valuers in France; have carried out the valuation reports of the freehold interest of the portfolio of properties of Inmobiliaria Colonial (Spain and France) as at 31st of December 2023 for internal use of the company.

According to the aforementioned reports, the Net Market Value of the company's portfolio is:

€ 11,336,298,614

(Eleven billion, three hundred thirty-six million two hundred ninety-eight thousand six hundred fourteen Euros)

The breakdown is as follows:

Unit	Market Value (Excl. Transfer Costs)	Gross Value (Incl. Transfer Costs)
Madrid	2,667,653,419 €	2,741,917,086 €
Barcelona	1,336,310,000 €	1,384,617,649 €
Rest Of Spain	204,000 €	210,921 €
Total Colonial (Spain)	**4,004,167,419 €**	**4,126,745,656 €**
Total SFL (París)	**7,332,131,195 €**	**7,817,008,927 €**
Total Colonial + SFL	**11,336,298,614 €**	**11,943,754,583 €**

Definitions:

- **Market Value = Net Market Value**
- **Net Market Value** of the Properties: Market Value, net of purchaser's cost (typically IAJD taxes, notary and agent and legal/ technical advisors costs.
- **Gross Market Value** of the Properties: Market Value, plus purchaser's costs (typically IAJD taxes, notary and agent and legal/ technical advisors costs).

For the avoidance of doubt, each valuer company and valuer individual only accept responsibly for the assets that they have valued within the portfolio.

The portfolio value assumes 100% ownership for all properties.

The valuation has been prepared in accordance with the RICS Valuation - Global Standards (current edition), as stated in the "the Red Book" published by the Royal Institution of chartered Surveyors by a valuer acting as an External valuer, as defined within the Red Book.

Mr. Tony Loughran MRICS	Ms. Laura Casillas MRICS	Mr. Fernando Fuente MRICS	Mr. Josep Carrió MRICS		Mr. Marc Guillaume MRICS
Partner Head V&A Spain	Partner V&A Spain	Vicepresident	Director	Président-CEO	Partner V&A France
Cushman & Wakefield RE Consultants Spain, S.L.	Cushman & Wakefield RE Consultants Spain, S.L.	CBRE Valuation Advisory S.A.	CBRE Valuation Advisory S.A.	CBRE Valuation	Cushman & Wakefield Valuation France S.A.

8. Financial structure

The Colonial Group 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.

S&P Global Ratings		Moody's
BBB+ Stable	BBB+ Stable	Baa2 Positive

Colonial *SFL*

In 2023, the Group executed a large part of its disposal program, as well as other financial protection measures which have enabled the Group to reduce its net debt by 9% and increase its average maturity. This has also enabled the Group to increase its liquidity by €503m, fully cancel the mortgage-secured debt, obtain a 100% fixed/hedged debt ratio, and maintain its financial cost in an environment of interest rate hikes by the European Central Bank.

The Colonial Group maintains high liquidity levels, which have been strengthened in 2023 by extending the maturity of the credit lines and the formalization of a new credit line for the amount of €835m. This loan increases the Group's liquidity, simplifies the financial structure of the Group and improves and extends the maturity of the Group's liquidity lines. This new credit line matures in 5 years, extendible to 7 years, and includes three ESG performance indicators. At the close of 2023, the Colonial Group's liquidity amounted to €2,903m between cash and undrawn credit lines. This liquidity enables the Group to cover its debt maturities until 2027.

In a market environment characterized by interest rate hikes (a 309 basic points increase in the cost of the Euribor 3M in 2023, compared to 2022), the Colonial Group has maintained its spot financial cost at 1.75% compared to 1.71% in 2022, which represents an increase of only 4 bps, thanks to its interest rate risk management policy:

i. Debt 100% at fixed cost or 100% hedged
ii. A portfolio of interest rate hedges for debt at variable rates
iii. Pre-hedged portfolio which enables the Group to ensure a rate under 2.5% for the current debt volume over the next 3 years.

In this respect, with the aim of mitigating interest rate risks, the Colonial Group has a long-term hedging strategy based on:

i. An ongoing, liquid pre-hedging portfolio in the amount of €2,607m with an execution schedule aligned with the debt maturity, enabling the Group to cover 53% of the nominal value of its refinancing. The strike rate of 0.6% and the average maturity is 5.4 years from the date of execution.

ii. A hedging portfolio (IRS) for the current variable interest rate for debt in the amount of €524m. The strike rate is 2.45% and the average maturity is 6.5 years.

At the close of 2023, 100% of the debt was covered at a fixed rate and/or hedged. The reasonable value of the derivative instruments, registered in equity, was positive at €215m.

The table below shows the main debt figures of the Group:

Colonial Group (€m)	Dec-23	Dec-22	Var.
Gross Debt	**5,302**	5,515	*(3.9%)*
Net Debt	**4,864**	5,355	*(9.2%)*
Total liquidity [1]	**2,903**	2,400	*21%*
% debt fixed or hedged	**100%**	96%	*4%*
Average maturity of the debt (years) [2]	**4.2**	4.6	*(0.4)*
Cost of current Net Debt [3]	**1.55%**	1.69%	*(14) bps*
Cost of current Gross Debt [3]	**1.75%**	1.71%	*4 bps*
LtV Group (DI) [4]	**39.5%**	38.7%	*78 bps*
Secured Debt	**0.0%**	1.4%	*(1,4%)*
Fair value of derivatives instruments	**215**	293	*(26.7%)*

(1) Cash & Undrawn balances
(2) Average maturity based on available debt
(3) Including hedges
(4) Including sales commitments that will be formalized during Q1 24 and sale commitment of Mendez Alvaro Residential

The net financial debt of the Group at the close of 2023 stood at €4,864m, the breakdown of which is as follows:

	December 2023			December 2022			Var	Average Maturity [3]
€m	Colonial	SFL	TOTAL	Colonial	SFL	TOTAL	TOTAL	
Unsecured debt	129	300	430	120	400	520	(90)	4,1
Secured debt	-	-	-	76	-	76	(76)	-
Bonds Colonial	2,882	1,698	4,580	2,812	1,698	4,510	70	4,4
Issuances notes	-	292	292	-	409	409	(117)	0,2
Gross debt	**3,011**	**2,290**	**5,302**	**3,008**	**2,507**	**5,515**	**(213)**	**4,2**
Cash	(341)	(97)	(438)	(91)	(69)	(160)	(278)	
Net Debt	**2,670**	**2,194**	**4,864**	**2,917**	**2,438**	**5,355**	**(491)**	
	(345)	345	-	-	-	-	-	
Net Debt	**2,325**	**2,539**	**4,864**	**2,917**	**2,438**	**5,355**	**(491)**	
Total liquidity [1]	1,236	1,667	**2,903**	1,091	1,309	**2,400**	**503**	
Cost of debt - Spot (%)	1.67%	1.85%	**1.75%**	1.67%	1.76%	**1.71%**	**4 pb**	

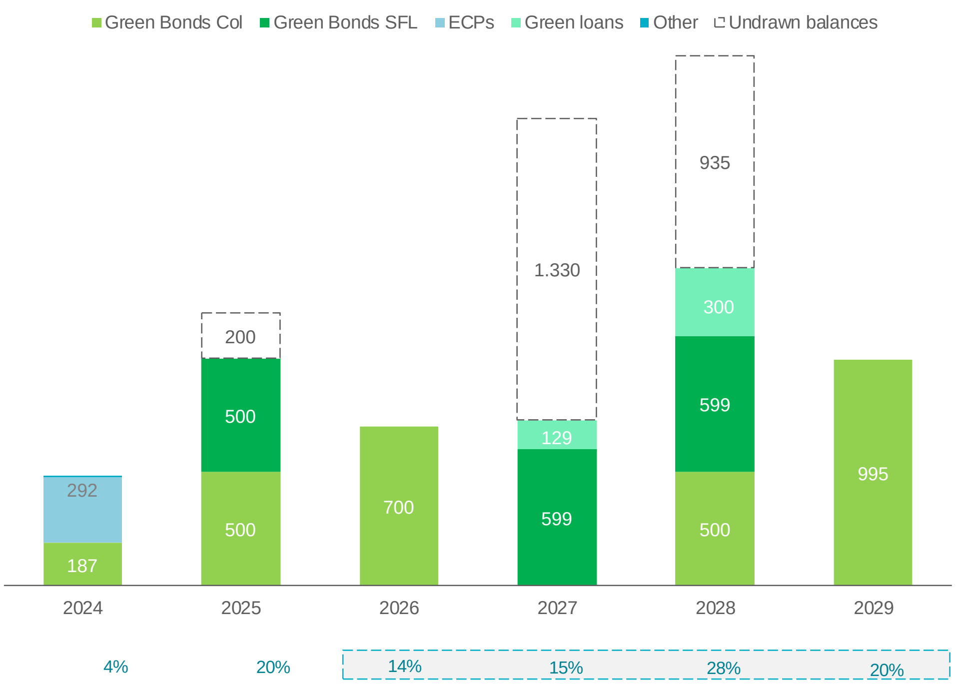
(1) Cash & Undrawn balances
(2) Average maturity calculated based on available balances
(3) Average Maturity calculated based on the available debt

The Group is mainly financed on the securities market. 86% of the Group's debt corresponds to bond issuances, 6% to ECPs and the rest to bank financing.

In addition, lines of credit were formalized with financial entities in the amount of €2,465m which are fully undrawn.

All mortgage guarantees were cancelled during the first quarter of 2023. Excluding the ECPs issued, 77% of the debt will mature as of 2026.

Debt maturity in years (€m)



Financial results

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

December - €m	COL	SFL	2H 2023	2H 2022	Var. %
Spain	*(44)*	*-*	*(44)*	*(56)*	*21%*
France	*-*	*(58)*	*(58)*	*(35)*	*(67%)*
Recurring Financial Exp.	**(44)**	**(58)**	**(102)**	**(90)**	**(12%)**
Capitalized interest expenses	6	3	9	9	(2%)
Recurring Financial Result	**(38)**	**(55)**	**(93)**	**(81)**	**(15%)**
Non-recurring financial exp.	(1)	(1)	(2)	(5)	(68%)
Financial Result	**(39)**	**(56)**	**(95)**	**(86)**	**(10%)**

- The recurring financial expenses of the Group increased by +12% compared to the previous year, mainly due to the impact of the interest rate hikes.

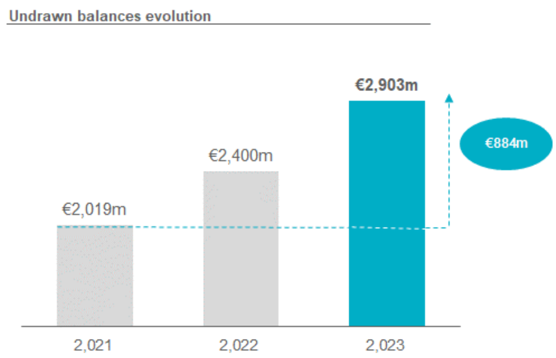
- The spot financial cost of debt was 1.55%, 14 bps lower than the spot financial cost at December 2022. Including formalization costs, accrued over the life of the debt, the financial cost amounted to 1.87%.

Main debt ratios and liquidity

The undrawn balances of the Group at the close of 2023 amounted to €2,903m. The average life of these credit lines amounts to 3.9 years. 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	341	97	438
Credit lines available	895	1,570	2,465
Total	**1,236**	**1,667**	**2,903**



9. Net Tangible Assets

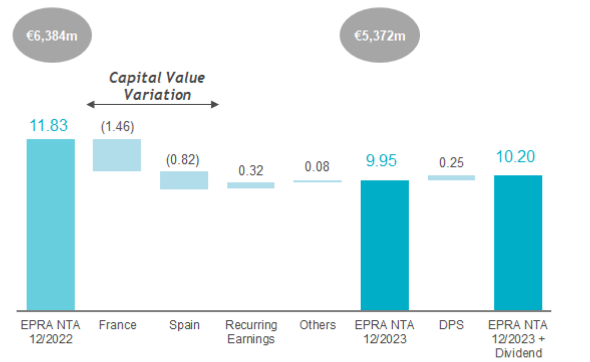
EPRA Net Tangible Assets (NTA)

The Net Asset Value at 31 December 2023 amounted to €5,372m corresponding to €9.95/share.

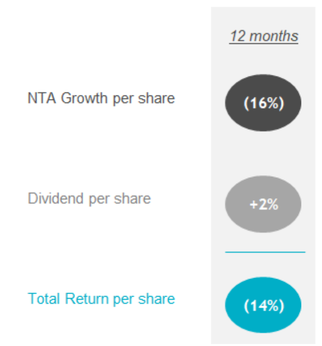
In an environment with rate increase, the positioning in prime quality together with the active management of Alpha value creation have enabled Colonial to maintain a resilient Net Asset Value.

At the close of 2023, the Net Disposal Value (NDV) amounted to €5,292m corresponding to €9.81/share.

EPRA NTA €/share



Total Shareholder Return [1]



(1) Total return understood as NTA (NAV) growth per share + dividends
(2) NTA growth excluding BPA and dividends paid

The EPRA Net Tangible Assets (EPRA NAV – NTA) is calculated based on the Group's consolidated equity and adjustments of specific items following EPRA recommendations.

EPRA Net Tangible Assets - €m (Net Asset Value)	12/2023	12/2022
IFRS Equity attributable to shareholders	**4,936**	**6,159**
Include:		
(i) Hybrid instruments	-	-
Diluted NAV	**4,936**	**6,159**
Include:		
(ii.a) Revaluation of investment properties (if IAS 40 cost option is used)		
(ii.b) Revaluation of investment property under construction (IPUC) (if IAS 40 cost option is used)		
(ii.c) Revaluation of other non-current investment	124	147
(iii) Revaluation of tenant leases held as finance leases	-	-
(iv) Revaluation of trading properties	13	14
Diluted NAV at Fair Value	**5,073**	**6,321**
Exclude:		
(v) Deferred tax in relation to fair value gains of IP	289	339
(vi) Fair value of financial instruments	10	(276)
(vii) Goodwill as a result of deferred tax	-	-
(viii.a) Goodwill as per the IFRS balance sheet	-	-
(viii.b) Intangible as per the IFRS balance sheet	-	-
Include:		
(ix) Fair value on fixed interest rate debt	n.a.	n.a.
(x) Revaluation of intangibles to fair value	n.a.	n.a.
(xi) Real estate transfer tax	-	-
EPRA NTA (NAV) - €m	**5,372**	**6,384**
Nº of shares (m)	***539.6***	***539.6***
EPRA NTA (NAV) - Euros per share	***9.95***	***11.83***

Calculation of the EPRA NTA (NAV). Following the EPRA recommendations and starting from the consolidated equity of €4,936m, the following adjustments were carried out**:**

1. Revaluation of other investments: registry at fair value of several investments of the Group registered in the balance sheet at acquisition cost, mainly treasury shares and assets dedicated to own use.
2. Revaluations of assets held for sale. Registry of the unrealized gain of the properties posted under this heading.
3. Adjustment of deferred taxes: adjustment of the amount of deferred taxes associated with the revaluation of the property assets registered on the balance sheet.
4. Market value of financial instruments: adjustment of the market value (mark to market) of derivative instruments.

10. EPRA Ratios

1) EPRA Earnings

EPRA Earnings - €m	2023	2022
Earnings per IFRS Income statement	**(1,019)**	**8**
Earnings per IFRS Income statement - €cts/share	***(188.83)***	***1.48***
Adjustments to calculate EPRA Earnings, exclude:		
(i) Changes in value of investment properties, development properties held for investment and other interests	1,427	148
(ii) Profits or losses on disposal of investment, development properties held for investment and other interests	(4)	(6)
(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	(9)	0
(v) Negative goodwill / goodwill impairment	0	0
(vi) Changes in fair value of financial instruments and associated close-out costs	2	4
(vii) Acquisition costs on share deals and non controlling joint venture interests	0	0
(viii) Deferred tax in respect of EPRA adjustments	(32)	(13)
(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	(194)	13
EPRA Earnings	**171**	**155**
Company specific adjustments:		
(a) Extraordinary provisions & expenses	1	6
(b) Non recurring financial result	(0)	0
(c) Tax credits	0	0
(d) Others	0	0
(e) Minority interests in respect of the above	(0)	(0)
Company specific adjusted EPRA Earnings	**172**	**161**
Average Nº of shares (m)	***539.6***	***539.6***
Company adjusted EPRA Earnings per Share (EPS) - €cts/share	***31.9***	***29.8***

(*) 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 Net Asset Value – New methodology

EPRA Net Asset value - December 2023

EPRA Net Asset value - €m	NAV previous methodology	Net Reinstatement Value	Net Tangible Assets	Net Disposal Value
IFRS Equity attributable to shareholders	**4,936**	**4,936**	**4,936**	**4,936**
Include:				
(i) Hybrid instruments	-	-	-	-
Diluted NAV	**4,936**	**4,936**	**4,936**	**4,936**
Include:				
(ii.a) Revaluation of investment properties (if IAS 40 cost option is used)				
(ii.b) Revaluation of investment property under construction (IPUC) (if IAS 40 cost option is used)				
(ii.c) Revaluation of other non-current investment	124	124	124	124
(ii) Revaluation of tenant leases held as finance leases	-	-	-	-
(iv) Revaluation of trading properties	13	13	13	13
Diluted NAV at Fair Value	**5,073**	**5,073**	**5,073**	**5,073**
Exclude:				
(v) Deferred tax in relation to fair value gains of IP	298	298	289	n.a.
(vi) Fair value of financial instruments	10	10	10	n.a.
(vii) Goodwill as a result of deferred tax	-	-	-	-
(viii.a) Goodwill as per the IFRS balance sheet	-	n.a.	-	-
(viii.b) Intangible as per the IFRS balance sheet	-	n.a.	-	n.a.
Include:				
(ix) Fair value on fixed interest rate debt	-	n.a.	n.a.	219
(x) Revaluation of intangibles to fair value	-	-	n.a.	n.a.
(xi) Real estate transfer tax	n.a.	531	-	n.a.
EPRA NAV - €m	**5,381**	**5,912**	**5,372**	**5,292**
Nº of shares (m)	***539.6***	***539.6***	***539.6***	***539.6***
EPRA NAV - Euros per share	***9.97***	***10.96***	***9.95***	***9.81***

EPRA Net Asset value - December 2022

EPRA Net Asset value - €m	NAV previous methodology	Net Reinstatement Value	Net Tangible Assets	Net Disposal Value
IFRS Equity attributable to shareholders	**6,159**	**6,159**	**6,159**	**6,159**
Include:				
(i) Hybrid instruments	-	-	-	-
Diluted NAV	**6,159**	**6,159**	**6,159**	**6,159**
Include:				
(ii.a) Revaluation of investment properties (if IAS 40 cost option is used)				
(ii.b) Revaluation of investment property under construction (IPUC) (if IAS 40 cost option is used)				
(ii.c) Revaluation of other non-current investment	147	147	147	147
(ii) Revaluation of tenant leases held as finance leases	-	-	-	-
(iv) Revaluation of trading properties	14	14	14	14
Diluted NAV at Fair Value	**6,321**	**6,321**	**6,321**	**6,321**
Exclude:				
(v) Deferred tax in relation to fair value gains of IP	339	339	339	n.a.
(vi) Fair value of financial instruments	(276)	(276)	(276)	n.a.
(vii) Goodwill as a result of deferred tax	-	-	-	-
(viii.a) Goodwill as per the IFRS balance sheet	-	n.a.	-	-
(viii.b) Intangible as per the IFRS balance sheet	-	n.a.	-	n.a.
Include:				
(ix) Fair value on fixed interest rate debt	-	n.a.	n.a.	541
(x) Revaluation of intangibles to fair value	-	-	n.a.	n.a.
(xi) Real estate transfer tax	n.a.	631	-	n.a.
EPRA NAV - €m	**6,384**	**7,014**	**6,384**	**6,862**
Nº of shares (m)	***539.6***	***539.6***	***539.6***	***539.6***
EPRA NAV - Euros per share	***11.83***	***13.00***	***11.83***	***12.72***

3) EPRA Net Initial Yield & Topped-up Net Initial Yield

D. EPRA Net Initial yield & "Topped-Up" Net Initial Yield		Barcelona	Madrid	Paris	Total 2023	Total 2022
Figures in €m						
Investment property – wholly owned		1,286	2,664	7,332	11,283	12,942
Investment property – share of JVs/Funds		50	na	na	50	43
Trading property (including share of JVs)		na	na	na	na	na
Less: developments		(150)	(651)	(354)	(1,154)	(1,715)
Completed property portfolio	E	**1,187**	**2,014**	**6,979**	**10,179**	**11,270**
Allowance for estimated purchasers' costs		43	56	471	569	620
Gross up completed property portfolio valuation	B	**1,229**	**2,069**	**7,450**	**10,748**	**11,890**
Annualised cash passing rental income		49	98	202	348	337
Property outgoings		(6)	(9)	(5)	(20)	(22)
Annualised net rents	A	**43**	**88**	**197**	**328**	**315**
Add: notional rent expiration of rent free periods or other lease incentives		4	2	84	89	72
"Topped-up" net annualised rent	C	**47**	**90**	**281**	**417**	**388**
EPRA Net Initial Yield	A/B	**3.48%**	**4.27%**	**2.64%**	**3.05%**	**2.65%**
EPRA "Topped-Up" Net Initial Yield	C/B	**3.79%**	**4.36%**	**3.77%**	**3.88%**	**3.26%**
Gross Rents Total Reversion	F	63	104	312	479	448
Property outgoings Total Reversion		(3)	(7)	(5)	(15)	(16)
Annualised Net Rents Total Reversion	D	**60**	**97**	**307**	**465**	**433**
Net Initial Yield Total Reversion (1)	D/B	**4.87%**	**4.70%**	**4.13%**	**4.32%**	**3.64%**
Gross Initial Yield Total Reversion (1)	F/E	**5.30%**	**5.18%**	**4.48%**	**4.71%**	**3.98%**

(1) 100% occupied at market rents

4) EPRA Vacancy Rate

EPRA Vacancy Rate - Offices Portfolio

€m	2023	2022	Var. %
BARCELONA			
Vacant space ERV	9	12	
Portfolio ERV	55	59	
EPRA Vacancy Rate Barcelona	**16%**	**20%**	*(4 pp)*
MADRID			
Vacant space ERV	4	5	
Portfolio ERV	93	104	
EPRA Vacancy Rate Madrid	**4%**	**5%**	*(1 pp)*
PARIS			
Vacant space ERV	0	0	
Portfolio ERV	242	220	
EPRA Vacancy Rate Paris	**0%**	**0%**	*(0 pp)*
TOTAL PORTFOLIO			
Vacant space ERV	12	17	
Portfolio ERV	391	383	
EPRA Vacancy Rate Total Office Portfolio	**3%**	**4%**	*(1 pp)*

EPRA Vacancy Rate - Total Portfolio

€m	2023	2022	Var. %
BARCELONA			
Vacant space ERV	9	12	
Portfolio ERV	57	61	
EPRA Vacancy Rate Barcelona	**16%**	**19%**	*(4 pp)*
MADRID			
Vacant space ERV	4	5	
Portfolio ERV	93	106	
EPRA Vacancy Rate Madrid	**4%**	**4%**	*(1 pp)*
PARIS			
Vacant space ERV	1	1	
Portfolio ERV	300	249	
EPRA Vacancy Rate Paris	**0%**	**1%**	*(0 pp)*
TOTAL PORTFOLIO			
Vacant space ERV	13	18	
Portfolio ERV	450	416	
EPRA Vacancy Rate Total Portfolio	**3%**	**4%**	*(1 pp)*

Annualized figures

5) EPRA Cost Ratios

E. EPRA Cost Ratios		12/2023	12/2022
Figures in €m			
(i) Administrative/operating expense line per IFRS income statement		51	55
(ii) Net service charge costs/fees		24	28
(iii) Management fees less actual/estimated profit element		0	0
(iv) Other operating income/recharges intended to cover overhead expenses less any related profits		0	0
(v) Share of Joint Ventures expenses		0	0
Exclude (if part of the above):			
(vi) Investment Property depreciation		na	na
(vii) Ground rent costs		na	na
(viii) Service charge costs recovered through rents but not separately invoiced		(6)	(7)
EPRA Costs (including direct vacancy costs)	**A**	**69**	**76**
(ix) Direct vacancy costs		(6)	(6)
EPRA Costs (excluding direct vacancy costs)	**B**	**63**	**70**
(x) Gross Rental Income less ground rent costs - per IFRS		377	354
(xi) Less: service fee and service charge costs components of Gross Rental Income (if relevant)		(5)	(5)
(xii) Add: share of Joint Ventures (Gross Rental Income less ground rents)		na	0
Gross Rental Income	**C**	**372**	**349**
EPRA Cost Ratio (including direct vacancy costs) (A/C)	**A/C**	**18.5%**	**21.9%**
EPRA Cost Ratio (excluding direct vacancy costs) (B/C)	**B/C**	**17.0%**	**20.1%**

6) EPRA Capex disclosure

€m

Property-related CAPEX	12/2023	12/2022
Acquisitions [(1)]	0	0
Development (ground-up/green field/brown field)	148	166
Like-for-like portfolio	38	40
Other [(2)]	18	20
Capital Expenditure	**204**	**227**

(1) Does not include contribution of assets in exchange of shares

(2) Includes capitalised interest relating to projects, tenant incentives, letting fees and other capitalised expenses

7) EPRA LTV

December 2023

in million euros	Group as reported 2023	Proportionate Consolidation: *Share of joint venture*	*Share of material associates*	*Non controlling interest*	Combined 2023
Include:					
Borrowings from Financial Institutions	430	-	-	*(17)*	412
Commercial paper	292	-	-	*(5)*	287
Hybrids	-	-	-	-	-
Bond Loans	4,580	-	-	*(28)*	4,552
Foreign Currency Derivatives	-	-	-	-	-
Net Payables	99	-	-	*12*	111
Owner-occupied property (debt)	-	-	-	-	-
Current accounts (Equity characteristic)	-	-	-	-	-
Exclude:	-	-	-	-	
Cash and cash equivalents	438	-	-	*(35)*	403
Net Debt (a)	**4,963**	-	-	*(4)*	**4,959**
Include:				-	
Owner-occupied property	83	-	-	*(1)*	82
Investment properties at fair value	11,013	-	-	*(1,049)*	9,964
Properties held for sale	133	-	-	-	133
Properties under development	108	-	-	-	108
Intangibles	5	-	-	*(0)*	5
Net Receivables	-	-	-	-	-
Financial assets	-	-	-	-	-
Total Property Value (b)	**11,341**	-	-	*(1,050)*	**10,291**
LTV (a/b)	**43.8%**				**48.2%**
Proforma LTV (a/b) [1]	**42.8%**				**47.3%**
LTV Droits Inclus (DI)	***41.5%***				***45.5%***
Proforma LTV Droits Inclus (DI) [1]	***40.6%***				***44.6%***

(1) Proforma including divestments commitments already formalized and the divestment commitment of Mendez Alvaro residenci

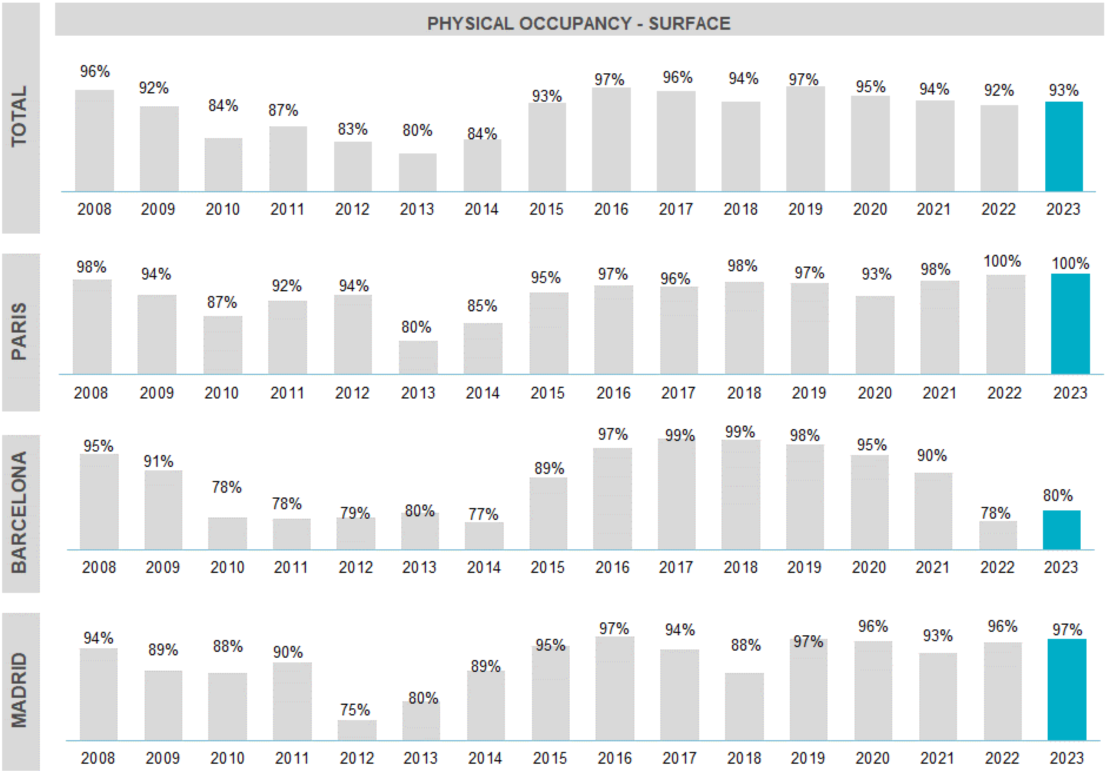
Consolidated balance sheet

Consolidated balance sheet		
€m	2023	2022
ASSETS		
Property investments	10,869	12,232
Other non-current assets	249	463
Non-current assets	11,123	12,700
Inventory	95	87
Debtors and other receivables	36	37
Other current assets	459	179
Assets available for sale	122	466
Current assets	711	770
TOTAL ASSETS	11,835	13,470
LIABILITIES		
Equity	4,936	6,159
Minority interests	1,012	1,183
Net equity	5,947	7,343
Bond issues and other non-current issues	4,362	4,476
Non-current financial debt	443	528
Deferred tax	306	348
Other non-current liabilities	84	82
Non-current liabilities	5,194	5,434
Bond issues and other current issues	496	426
Current financial debt	9	6
Creditors and other payables	151	149
Other current liabilities	38	35
Liabilities associated to assets for sale	0	76
Current liabilities	693	693
TOTAL EQUITY & LIABILITIES	11,835	13,470

11. Historical series

Physical Offices Occupancy

Office Occupancy[(1)] – Evolution of Colonial's Portfolio



(1) Occupied surfaces/surfaces in operation

Breakdown - Offices Historical Series[1]

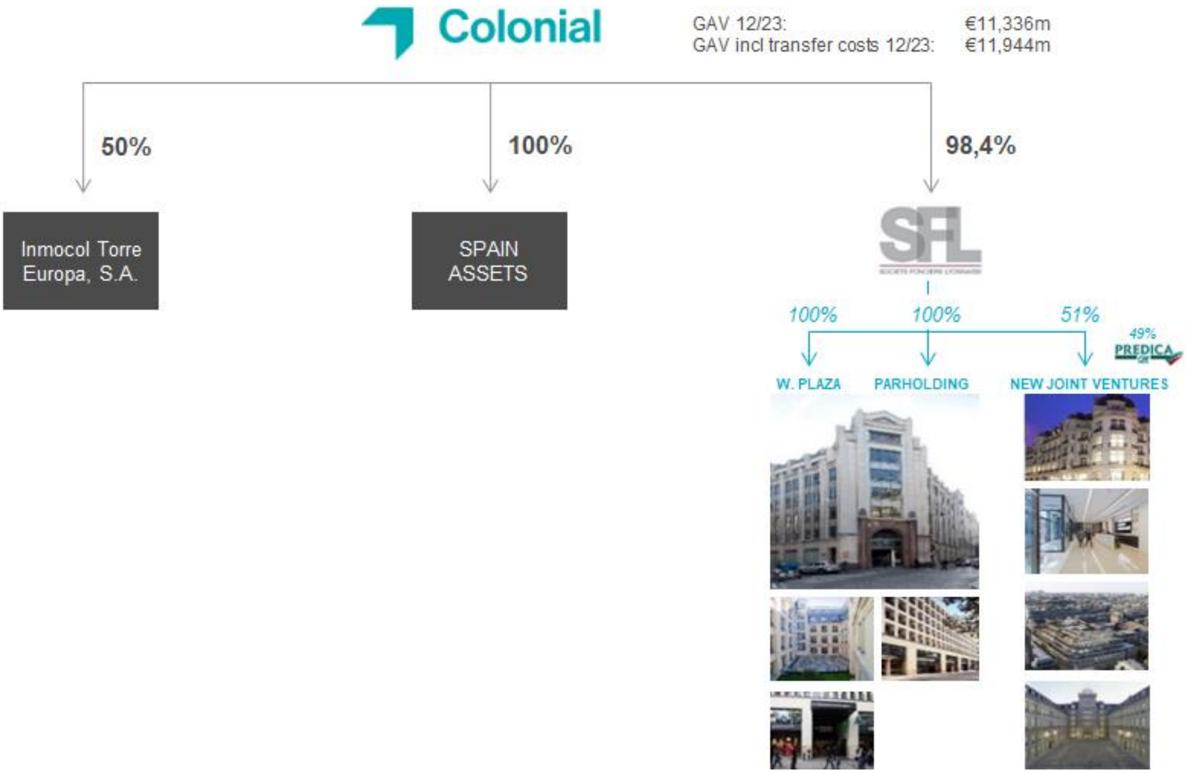
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Paris															
Physical Offices Occupancy (%)	94%	87%	92%	94%	80%	85%	95%	97%	96%	98%	97%	93%	98%	100%	100%
Rental revenues (€m)	183	175	152	150	149	152	169	198	196	194	199	180	175	205	234
Net Rental Income (€m)	173	162	141	138	137	139	155	188	185	183	189	172	168	194	223
NRI / Rental revenues (%)	94%	93%	93%	92%	92%	92%	92%	95%	94%	94%	95%	95%	96%	95%	95%
Barcelona															
Physical Offices Occupancy (%)	91%	78%	78%	79%	80%	77%	89%	97%	99%	99%	98%	95%	90%	78%	80%
Rental revenues (€m)	49	39	32	31	28	28	27	30	35	41	48	49	44	48	46
Net Rental Income (€m)	47	37	28	27	25	23	23	28	34	39	44	47	39	42	40
NRI / Rental revenues (%)	97%	93%	88%	89%	89%	85%	85%	92%	96%	94%	92%	95%	88%	87%	87%
Madrid															
Physical Offices Occupancy (%)	89%	88%	90%	75%	80%	89%	95%	97%	94%	87%	94%	96%	93%	96%	97%
Rental revenues (€m)	50	47	45	44	35	32	35	43	52	94	90	103	95	102	96
Net Rental Income (€m)	46	42	41	40	30	28	31	38	46	83	76	94	86	90	90
NRI / Rental revenues (%)	92%	90%	90%	90%	86%	85%	88%	88%	88%	88%	85%	91%	90%	88%	93%

(1) Excluding Logistics and Others

12. Group Structure

The Colonial Group Structure

COLONIAL GROUP



13. 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	A 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 98.3% 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.
EBITDA rents	Calculated as the analytical EBITDA adjusted by the "general" and "extraordinary" expenses, unrelated to the "operation" of the properties.	Indicates the Group's capacity to generate profits only taking into account its leasing activity, before allocations to amortization, provisions and the effects of debt and taxes.
Other analytical income	Calculated as the item "Other income" from the Consolidated income statement, adjusted by "Other business income", "Net equity", "Personnel costs" and "Other operating expenses related to the flexible business, eliminated in the consolidation process", "Net equity related to the flexible business, eliminated in the consolidation process", Amortization from the registration of IFRS 16 on financial leases" and the "Financial result from the registration of IFRS 16 on financial leases".	Relevant figure for analysing the results of the Group
Analytical structural costs	Calculated as the total of the items "Other income", "Personnel costs" and "Other operating expenses" on the Consolidated income statement and adjusted by "Net analytical operating costs", "Personnel costs" and "Other operating expenses related to income generation from the flexible business", "Personnel costs" and "Other extraordinary operating expenses not related to the flexible business", "Variation in net provisions", "Other operating expenses related to the flexible business, eliminated in the consolidation process", and "Other income related to the letting business"	Relevant figure for analysing the results of the Group.

Alternative performance measure	Method of calculation	Definition/Relevance
Analytical extraordinary items	Calculated as the total of the items “Personnel costs” and “Other operating expenses” on the Consolidated income statement and adjusted by “Net analytical operating costs”, “Personnel costs”, and “Other operating business expenses” “Personnel costs” and “Other operating expenses related to income generation from the flexible business”. “Other operating expenses related to the flexible business, eliminated in the consolidation process” and “Net variation in provisions”	Relevant figure for analysing the results of the Group
Revaluations and sales margins of analytical properties	Calculated as the total of the items “Net profit for asset disposals” and “Value variations in real estate investments” on the Consolidated income statement.	Relevant figure for analysing the results of the Group.
Analytical Amortizations and Provisions	Calculated as the total of the items “Amortizations” and “Result for variations in asset value or impairments” of the Consolidated income statements and adjusted by “Amortization deriving from the registration of “IFRS 16 on financial leases” and “Net changes in provisions”.	Relevant figure for analysing the results of the Group.
EPRA Earnings and Recurring Net Profit	Calculated in accordance with EPRA recommendations by adjusting certain items in the financial year net result attributable to the parent company.	Standard analysis ratio in the real estate sector and recommended by EPRA.
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. .

Alternative performance measure	Method of calculation	Definition/Relevance
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
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.

(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
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.

14. Contact details & Disclaimer

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Capital Market registry data – Stock market

Bloomberg: COL.SM
Código ISIN: ES0139140042
Indices: MSCI, EPRA (FTSE EPRA/NAREIT Developed Europe and FTSE EPRA/NAREIT Developed Eurozone), IBEX35, Global Property Index 250 (GPR 250 Index) & EUROSTOXX 600.

About Colonial

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Colonial is a Spanish listed REIT company (SOCIMI), leader in the European Prime office market with presence in the main business areas of Barcelona, Madrid, and Paris with a prime office portfolio of more than 1.5 million sqm of GLA and assets under management with a value of more than €11bn.

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