

Colonial

2024 First Quarter Results

May 13th, 2024



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Agenda

01 1Q 2024
Highlights

02 Financial
Performance

03 Portfolio
Management

04 Future
Growth

Our Strategic approach to current market trends

Trends in our markets

– Polarization of demand –

Focus on premium space in prime locations

- CBD Prime locations with strong connectivity key
- Priority on high quality product with maximum sustainability standards
- Assets with large efficient floor plates, amenities and complementary flex space options
- Clients' strategic decisions on Real Estate focused on user experience

Limited new supply – low vacancy rate in CBDs

Central locations delivering strong rental growth

Clients signing longer contracts securing prime spaces

Widening gap between best and the rest

Our Value Proposition

- 1 A top-quality prime portfolio in central urban areas
- 2 Our prime product attracts the best clients
- 3 We capture above average rental growth
- 4 We create growth through urban transformation projects
- 5 We deliver strong returns with financial discipline

Starting 2024 with outstanding results on the back of polarization

1

Double Digit
Profit Growth

EPRA EPS
€8.7Cts | +25%

EPRA Earnings
€47m | +25%

Group Net Profit
€54.5m | +96%

2

Strong
Revenue Growth

Revenues
€96m | +6%
+18% in Paris

GRI - *Like for Like*
+6.3%
+ 8% in Paris & Barcelona

GRI growth from projects
+6.0%

3

Operational
Outperformance

Group Occupancy
97.5% +34 bp in 3 months
100% in Paris

Group Rental Growth¹
+6% in 3 months
+9% in Paris in 3 months

Group Release Spread²
+12% YTD 2024
+22% in Paris

4

Solid
Balance Sheet

Financial Cost Under Control
1.74% | stable vs 12/23

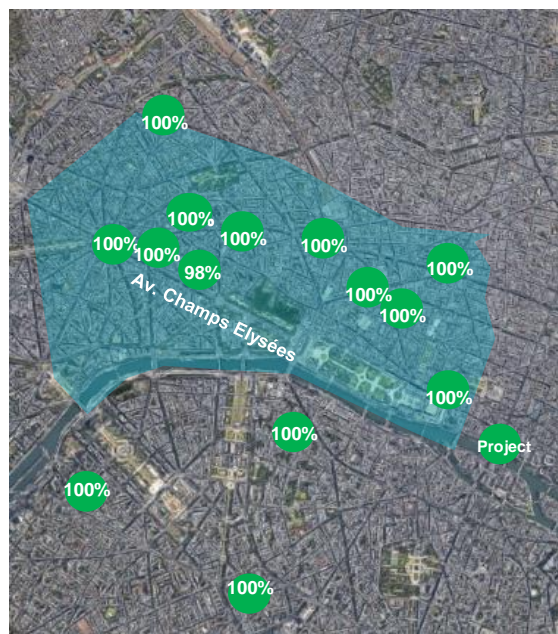
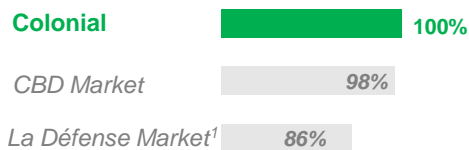
Disposals on track
€201m Secured YTD
+11% premium on GAV

S&P Credit Rating
BBB+ Confirmed on April 24

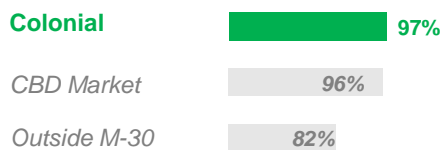
1. ERV Growth for Colonial commercial effort. Signed rents vs 12/23 ERV (new lettings & renewals). These figures include 3 contracts negotiated in Paris in 1Q 2024 and signed in April
2. Signed rents vs. previous contracts & re-let spaces

The Best Prime Product delivers outperformance on occupancy

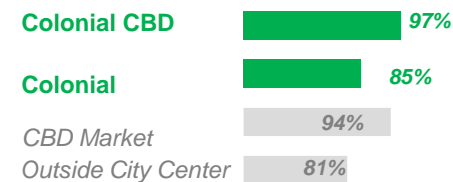
Paris



Madrid



Barcelona

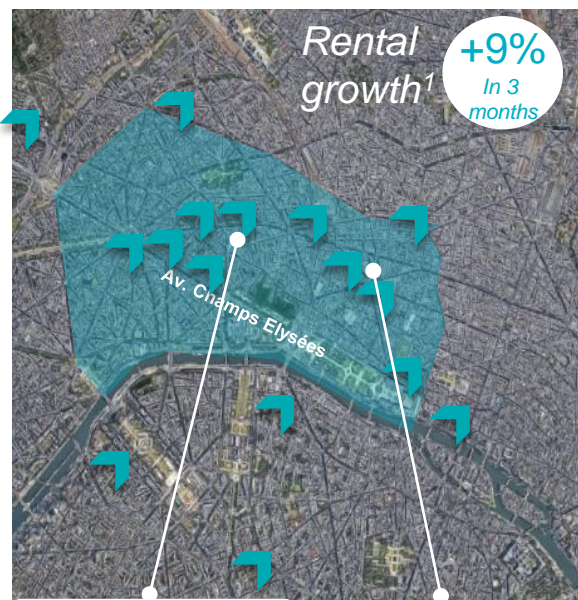


Source of market information: CBRE

The Best Prime Product delivers outperformance in rental levels

Paris

Maximun rent signed
1,100 €/sqm/year



Cezanne St. Honoré

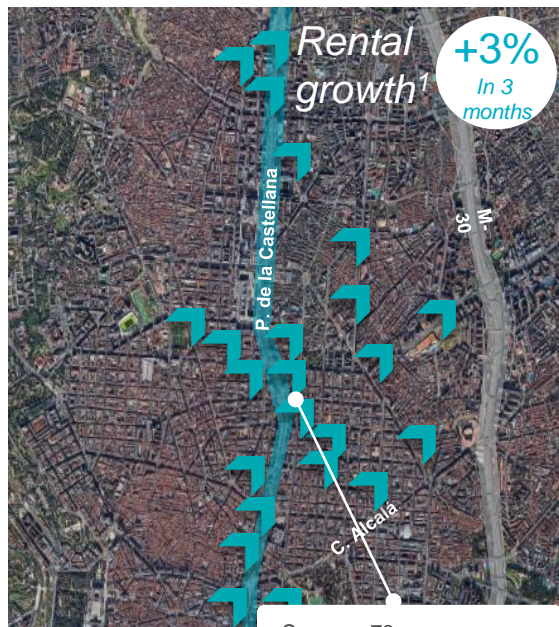


#Cloud



Madrid

Maximun rent signed
40 €/sqm/month

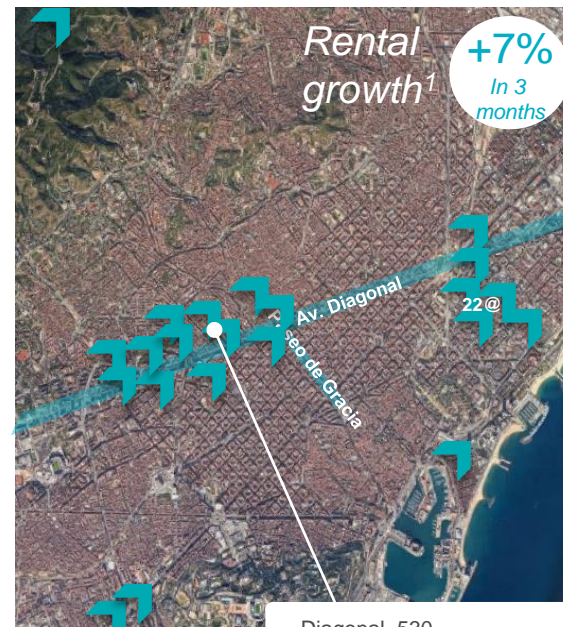


Serrano, 73



Barcelona

Maximun rent signed
28 €/sqm/month



Diagonal, 530

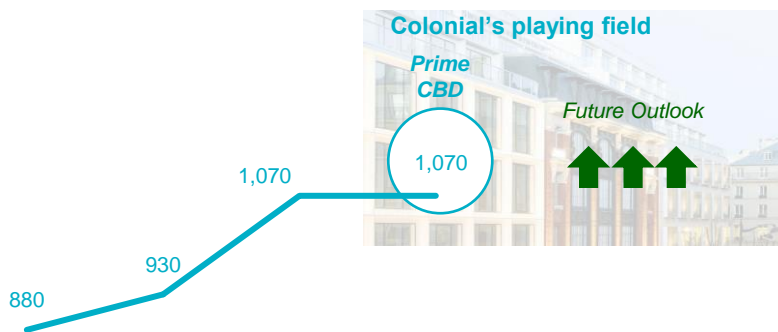


1. ERV Growth for Colonial commercial effort. Signed rents vs 12/23 ERV (new lettings & renewals) These figures include 3 contracts negotiated in Paris in 1Q 2024 and signed in April

Market context | Office Markets bifurcation to Prime Assets in CBD

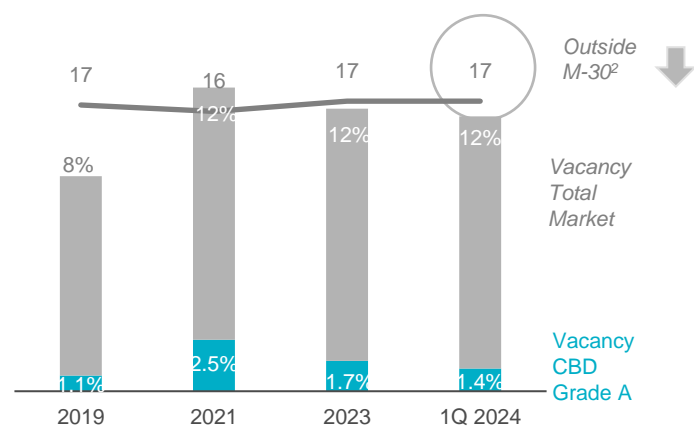
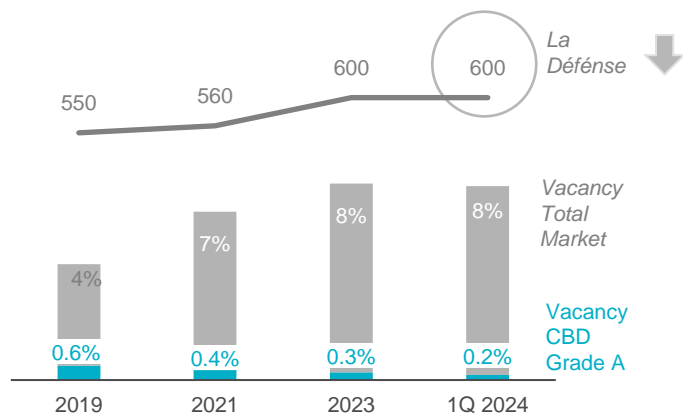
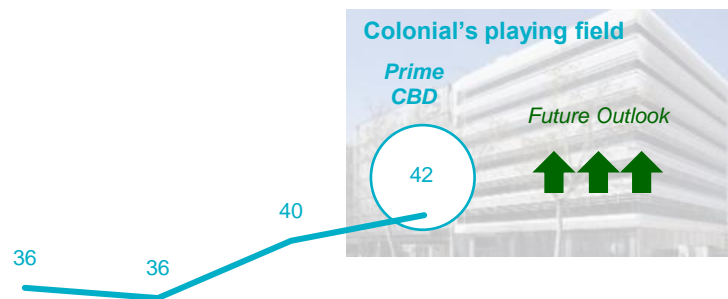
PARIS - Office rental market

Market rents (€/sqm/y)



MADRID - Office rental market

Market rents (€/sqm/m)



Source of market Data: CBRE



01 1Q 2024 Highlights

02 Financial Performance

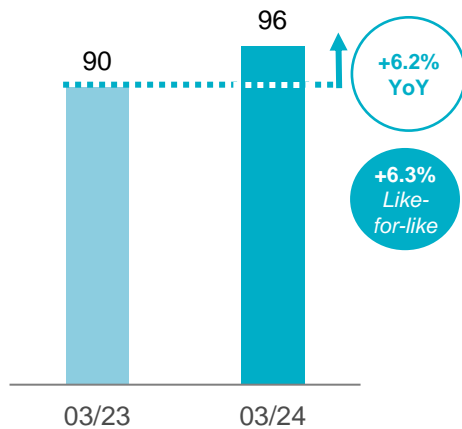
03 Portfolio Management

04 Future Growth

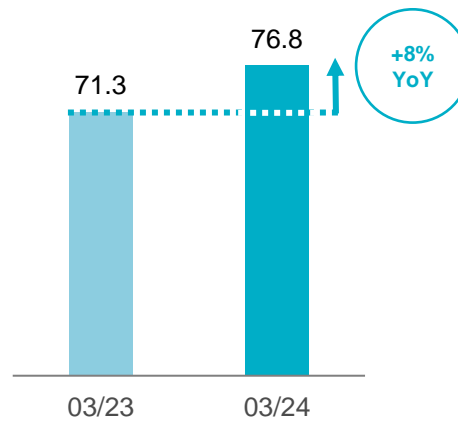
Colonial's Prime Strategy delivers strong growth in earnings

Gross Rental Income

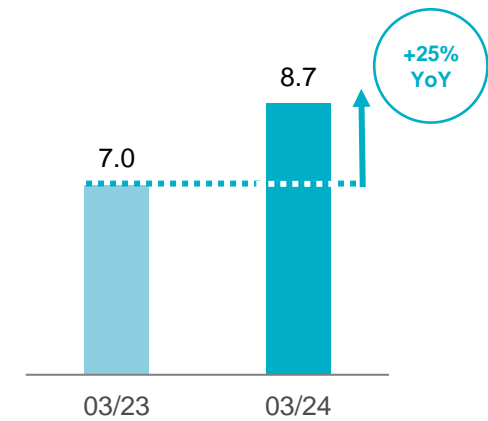
€m

EBITDA¹

€m

EPRA EPS²

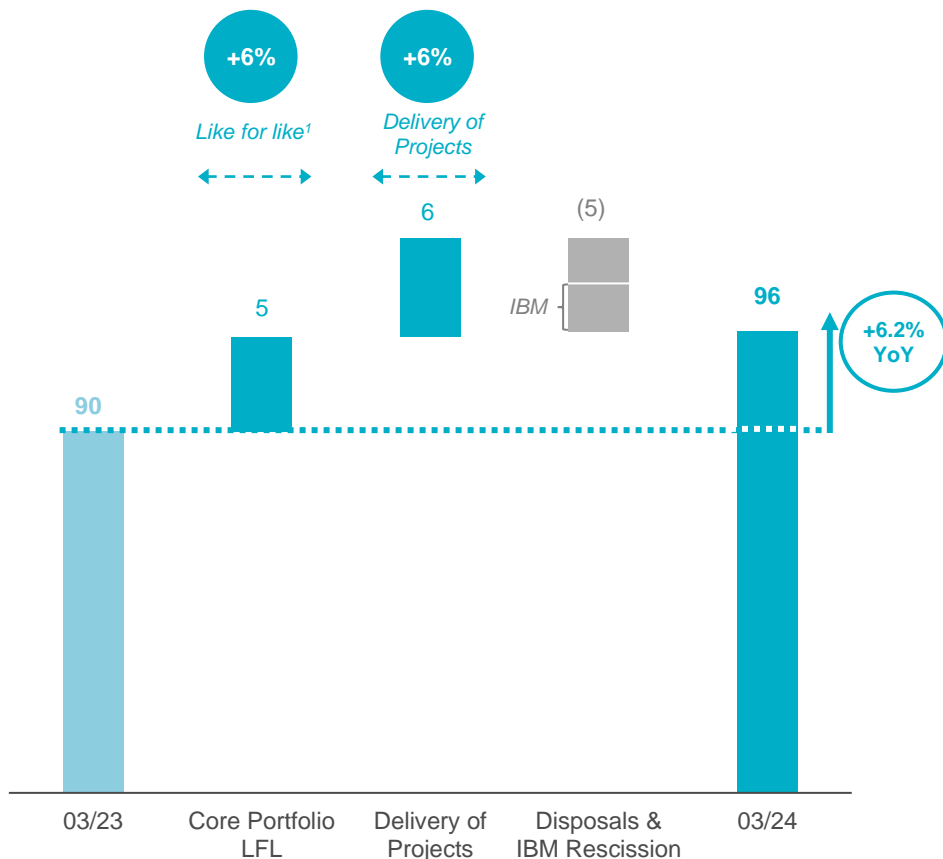
€cts/share

¹ Recurring EBITDA² Earnings per share

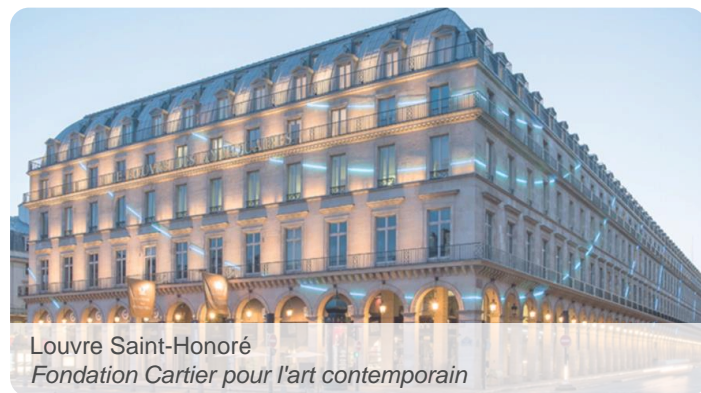
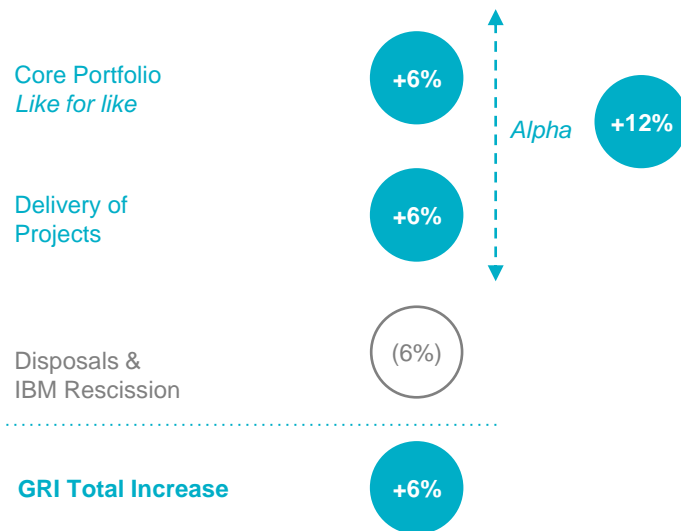
Gross Rental Income growth on the back of Core Portfolio & Project deliveries

Gross Rental Income Variance

€m



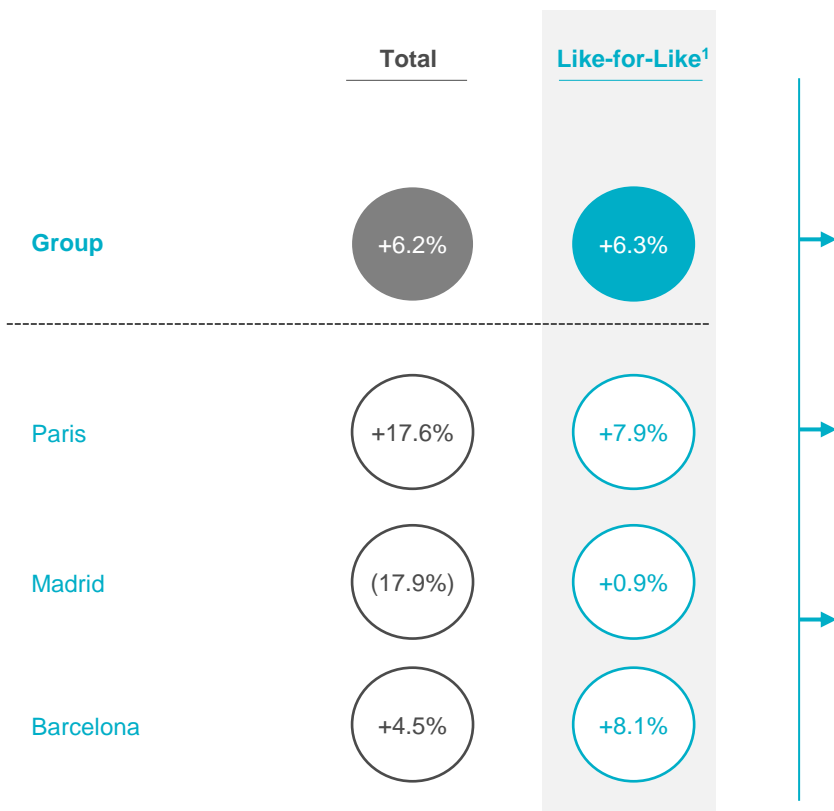
Gross Rental Income Growth (%)



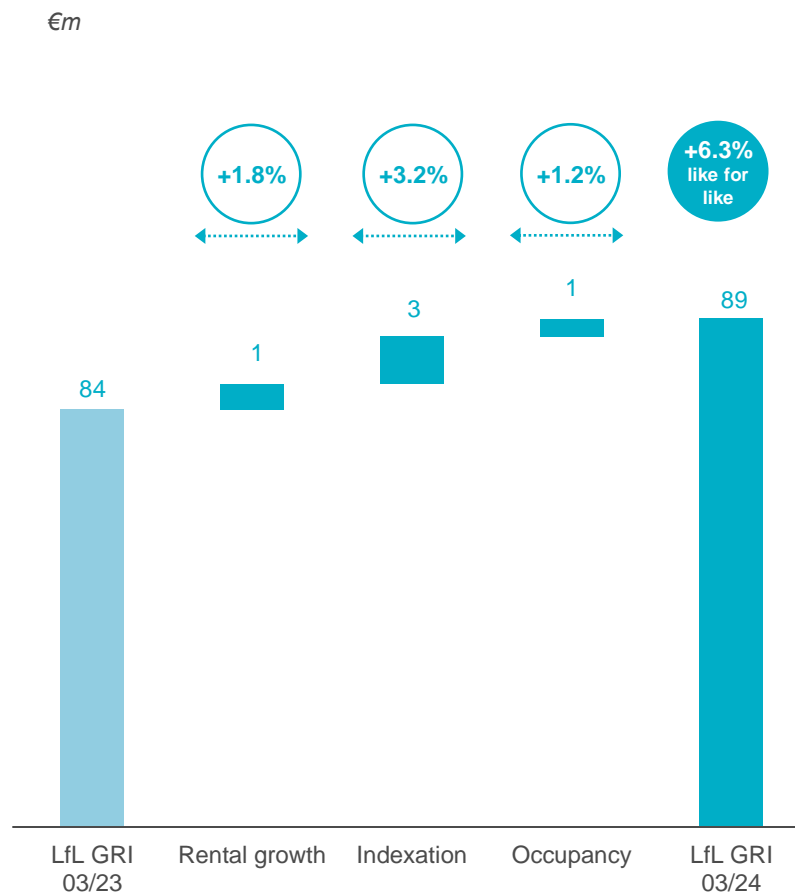
1) Like-for-like calculated following EPRA BPR recommendations

Solid Gross Rental Income like for like growth through superior pricing power

Gross Rental Income Variance (%)



Gross Rental Income Like for Like¹ Variance

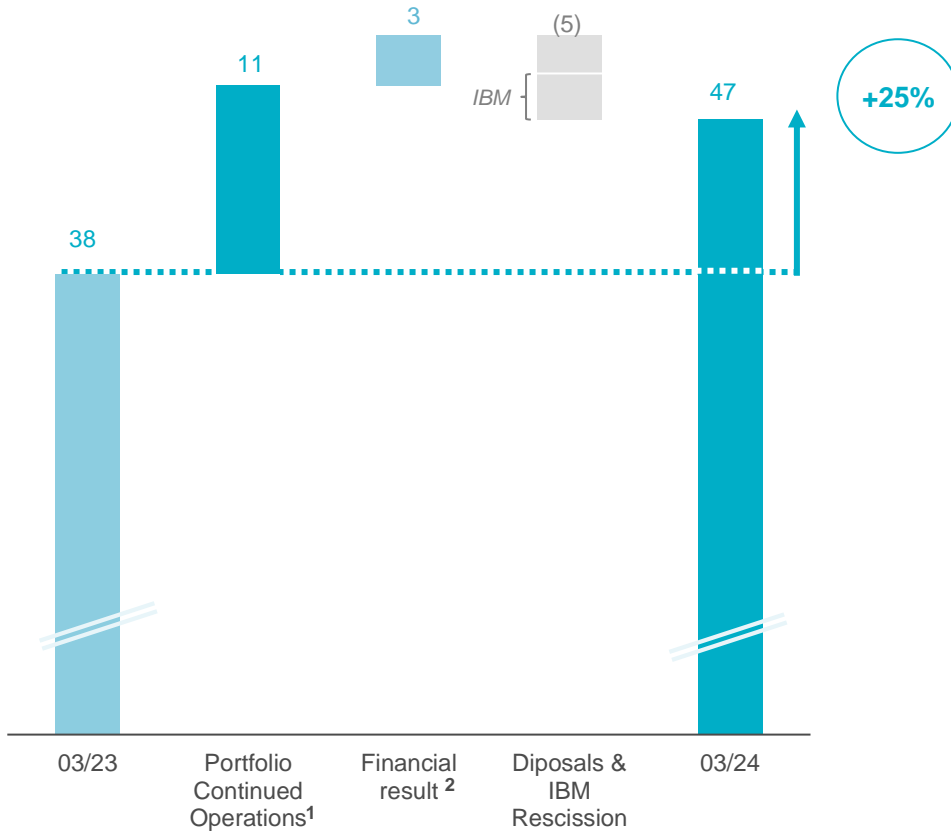


1) Like-for-like calculated following EPRA BPR recommendations

Double-digit Growth on EPRA EPS

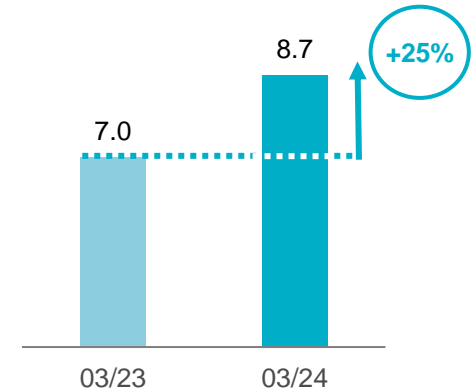
EPRA Earnings

€m



EPRA EPS

€cts/share



2024 EPS Guidance on track

(1) Adjusted for the impact of asset disposals

(2) Includes the minorities of SFL

Disposal program on track with +11% premium on appraisals

Disposal of Sagasta 31 in Madrid

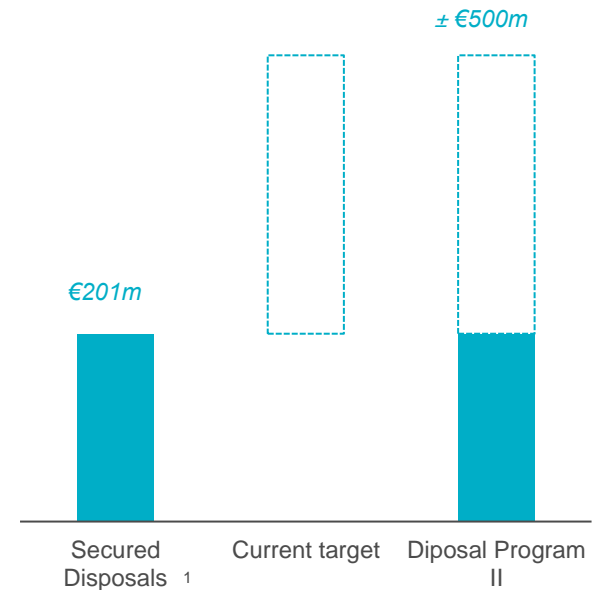
- ▶ Price with premium on 12/23 GAV
- ▶ Small sized vacant asset with small floor plants and inefficient refurbishment options
- ▶ Capital Recycling through an opportunistic off-market transaction to be redeployed into value accretive initiatives



Disposal Program II - €500m Target



In €m

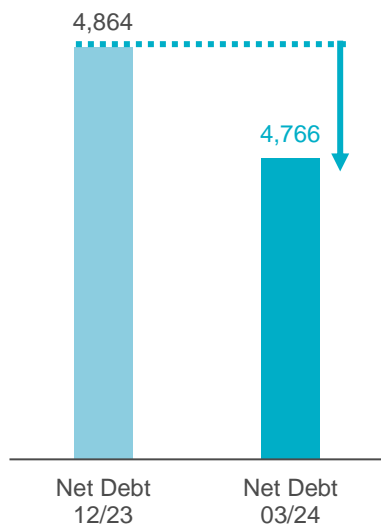


(1) Includes disposal agreements signed, subject to final settlement.

Significant liquidity increase with cost of debt under control

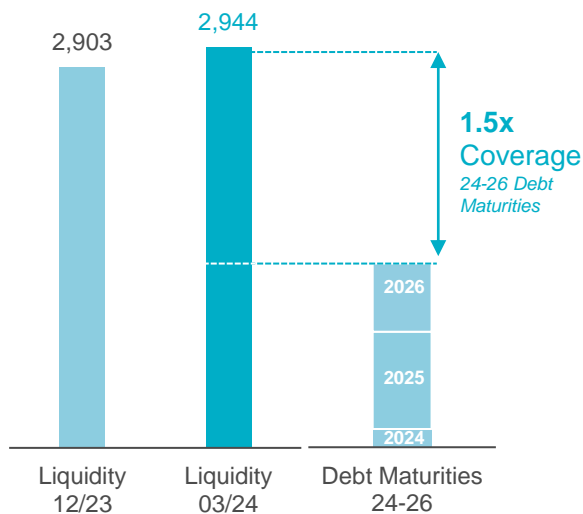
Significant net debt reduction in 3 months

€m

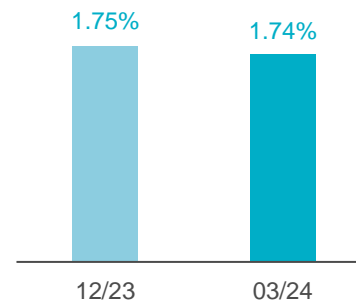


Enhanced liquidity & improved maturities

€m



Financial cost under control

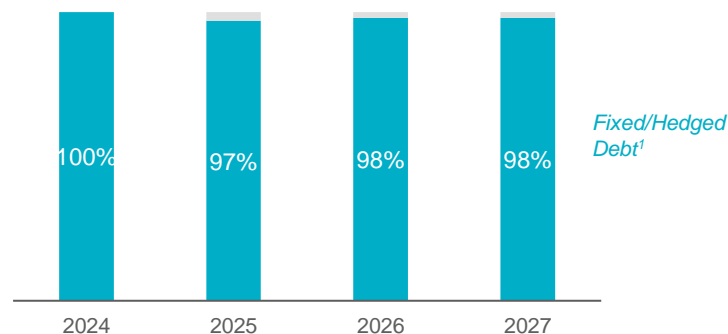


BBB+ Rating confirmed by S&P in April with financial structure fully hedged

Colonial's BBB+ Credit rating confirmed by S&P

- ▶ In April, S&P has confirmed Colonial & SFL Credit Rating at BBB+ Stable
- ▶ S&P valuing Colonial's cash flow resilience, strong liquidity and limited impact of higher interest rates in coming years

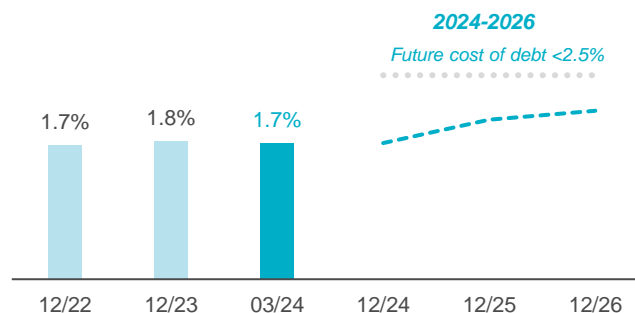
Debt fully hedged for the next 4 years



Successful placement of €200m bonds maturing in 2029

- ▶ Two new debt placements totaling €200m, enlarging Colonial's bond maturing in November 2029 and refinancing in advance the Bond maturity in Oct-2024
- ▶ Colonial's successful pre-hedging strategy, has reduced the average effective rate of this issue down to 1,9%
- ▶ A successful issuance that allows Colonial to extend the average maturity of its debt

Future Stable Financial Cost



Note: Current and future Spot Interest Rate estimate based on current drawn debt position not including additional funding/ debt.

¹ Debt fixed or hedged as of 09/05/24



01 1Q 2024 Highlights

02 Financial Performance

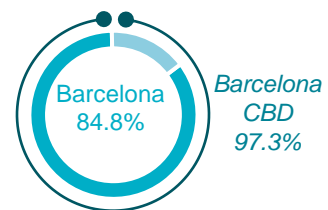
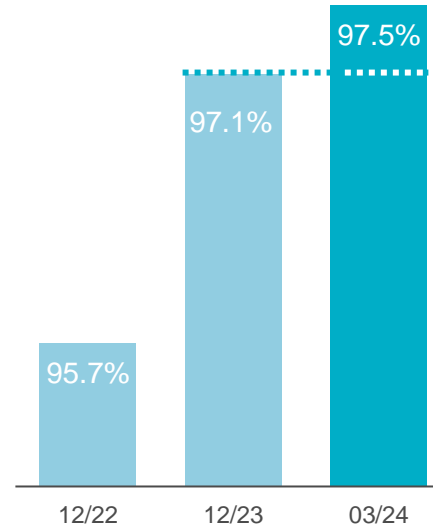
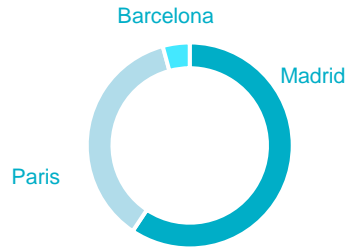
03 Portfolio Management

04 Future Growth

Another Quarter with Outstanding Operations

Strong letting performance¹

Occupancy increased by +34bp in 3 months



Paris

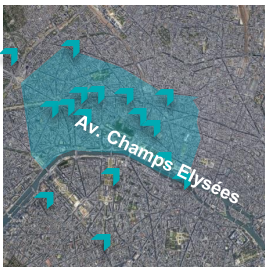
Madrid

Barcelona

Maximun rent signed
1,100 €/sqm/year

Maximun rent signed
40 €/sqm/month

Maximun rent signed
28 €/sqm/month

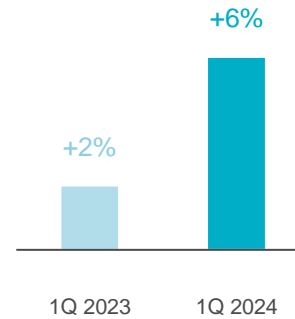


¹These figures include 3 contracts negotiated in Paris in 1Q 2024 and signed in April

Strong Pricing Power - letting performance at record rental levels

	<i>Solid Indexation</i>	Release Spread ³	ERV growth ⁴
Group	+5%	+12%	+6%
Paris¹	+6%	+22%	+9%
Madrid	+3%	(1%)	+3%
Barcelona	+3%	(1%)	+7%

+6% ERV Growth in 3 months



1. These figures include 3 contracts negotiated in Paris in 1Q 2024 and signed in April
 2. In Paris, it's €/sqm/year; in Spain it's €/sqm/month
 3. Signed rents vs previous contracts and re-let spaces
 4. Signed rents vs 12/23 ERV (new lettings & renewals)



01 1Q 2024 Highlights

02 Financial Performance

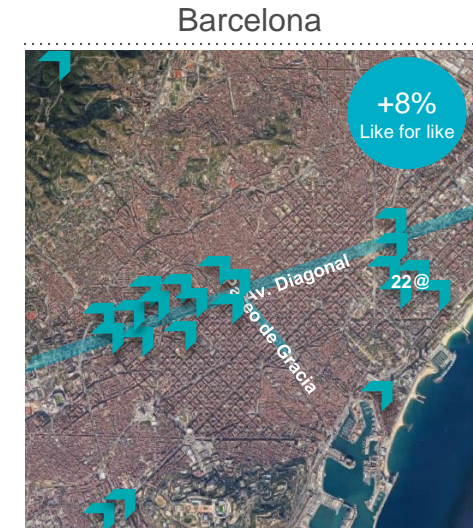
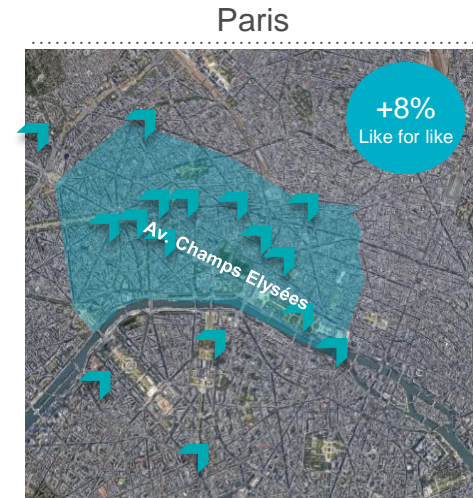
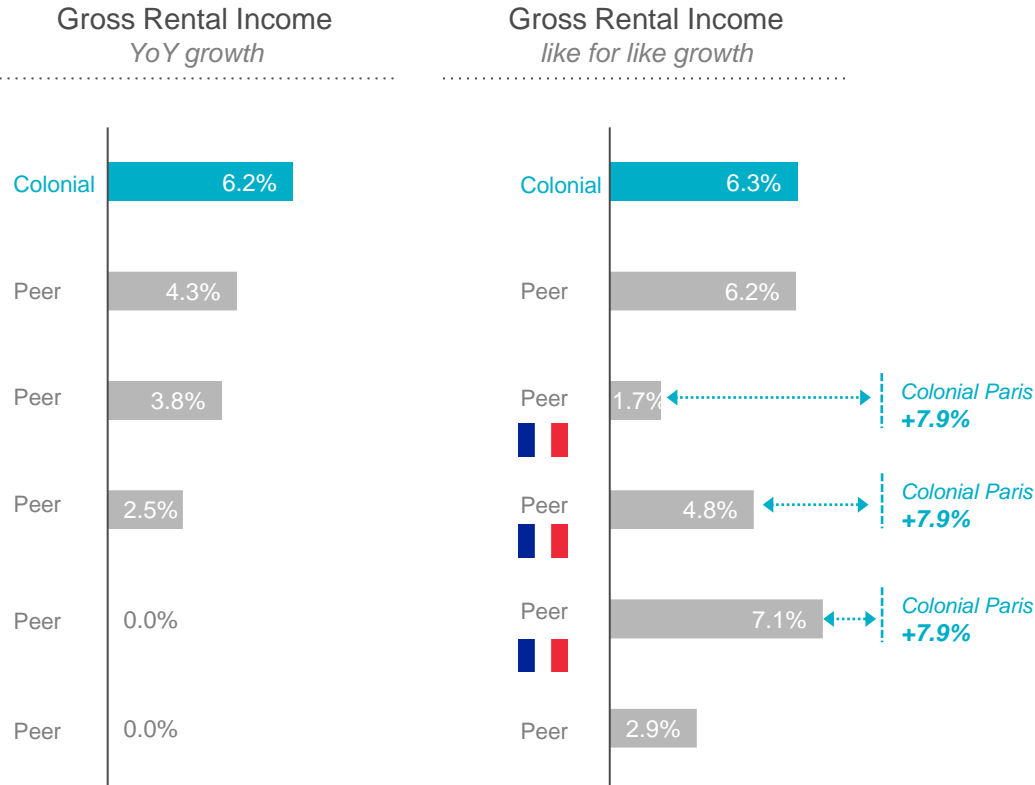
03 Portfolio Management

04 Future Growth

Double digit EPS increase on the back of a multi-layer growth platform



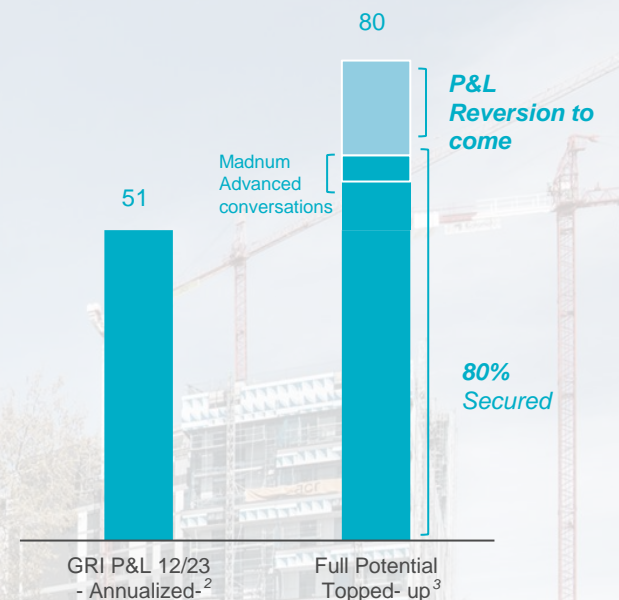
Colonial is outperforming its Peers¹ on rental growth



1. Based on last reported figures of 5 companies in the Euro area

Project pipeline delivered with one of the highest yield on cost in the sector

Project	City	GLA (sqm)	Let	Delivery	Yield on Cost
1 Diagonal 525	Barcelona CBD	5,706	100%	✓	≈ 5%
2 83 Marceau	Paris CBD	9,600	100%	✓	≈ 6%
3 Velazquez 86D	Madrid CBD	16,318	100%	✓	> 6%
4 Miguel Angel 23	Madrid CBD	8,155	100%	✓	> 5%
5 Biome	Paris City Center	24,500	100%	✓	≈ 5%
6 Plaza Europa 34 ¹	Barcelona City Center	13,735	100%	✓	≈ 7%
7 Louvre SaintHonoré	Paris CBD	16,000	100%	✓	7% - 8%
DELIVERED PROJECTS		94,014			6% - 7%
8 Méndez Álvaro Office	Madrid CBD South	60,214	On track	2H 24	>8%
TOTAL PIPELINE		154,228			≈ 7%



Méndez Álvaro Campus - Madrid CBD South

1. Plaza Europa is a Joint Venture where Colonial's stake is 50%
 2. Annualized P&L GRI as of 12/23
 3. Full potential topped - up passing GRI as of 12/23

Additional growth from projects - Madnum with strong momentum

Additional rental growth & Capital Value

High Rental Increase

€19m
New Rents

>8%
Yield On cost

Almost Delivered

2H 2024
Delivery

€25m
Pending Capex

Strong commercial interest prior to delivery

Large Scale Project

56,000sqm
Office

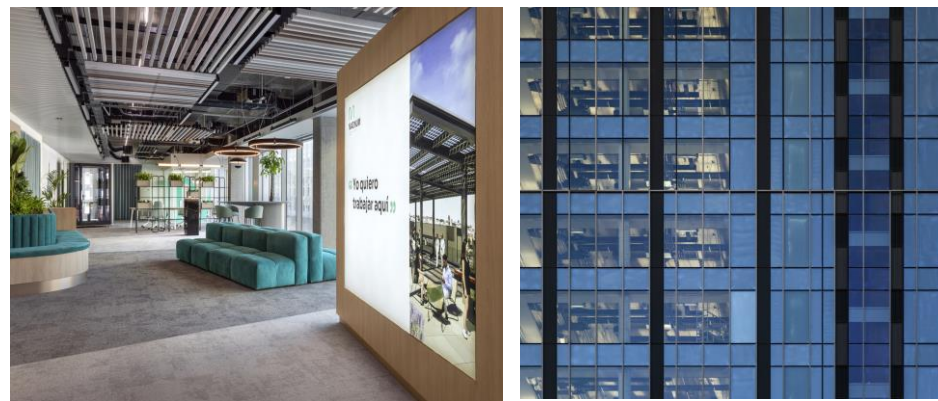
4,000 sqm
Retail

Commercial Momentum

>20% office GLA
Signed
Head of Terms

>150.000 sqm
High Interest with
from 19 clients

Retail space with strong demand



Colonial offers a solid multi-layer cash flow growth

Solid base for additional rental growth

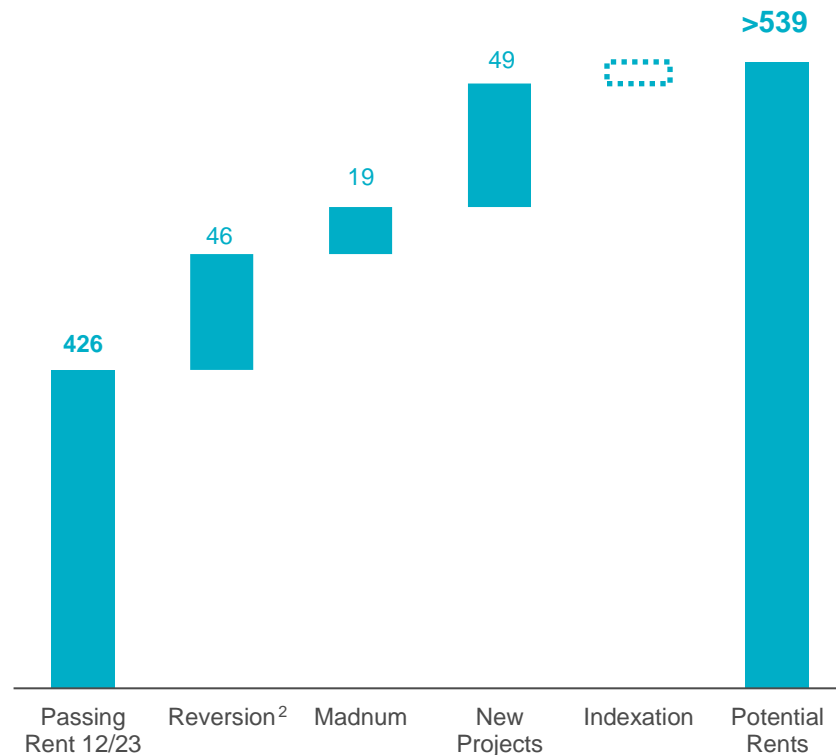
Additional 2024 like for like growth

Indexation Captured	+5% YTD
Release Spread	+12% YTD
Rental Growth ¹	+6% in 3 months
Occupancy	+34 bp in 3 months

Expected revenues from projects

Project Madnum	+19 €m
New Projects	+49 €m

More than €100m of Revenue Growth to be captured



1. ERV Growth for Colonial commercial effort. Signed rents vs 12/23 ERV (new lettings & renewals). These figures include 3 contracts negotiated in Paris in 1Q 2024 and signed in April
 2. Rental price, occupancy & small refurbishments

Strategy & Outlook

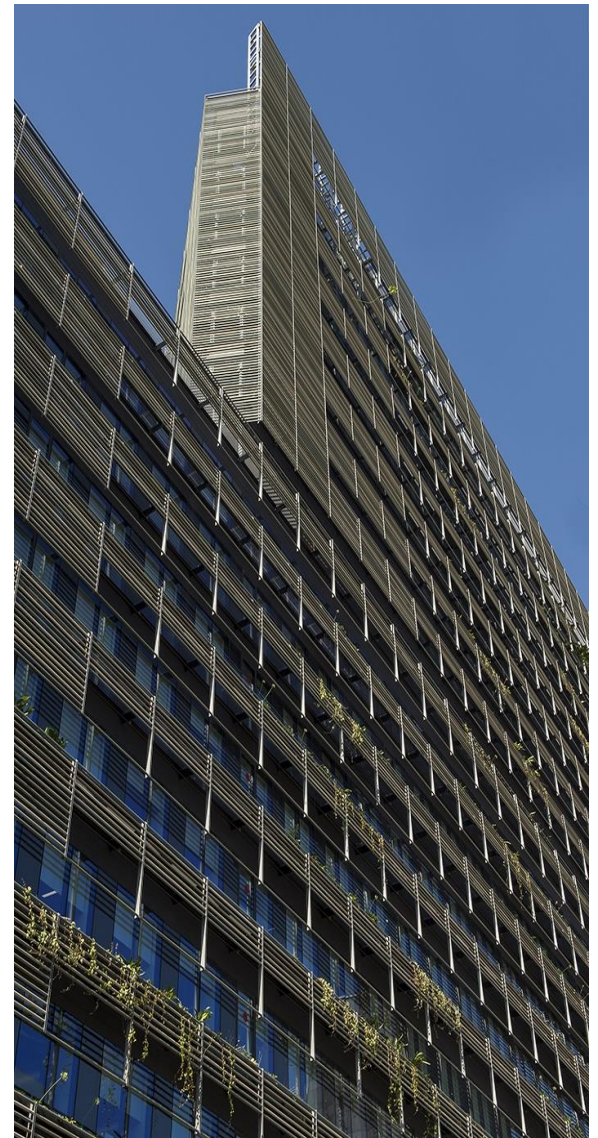
Outlook & Guidance

- ▶ Confirmed guidance of EPS 2024E: 30–32€Cts/ share – subject to disposals
- ▶ DPS of €27cts/sh¹ +8% YoY
- ▶ Disposal program II on track: €200m out of 500€m secured (40%)

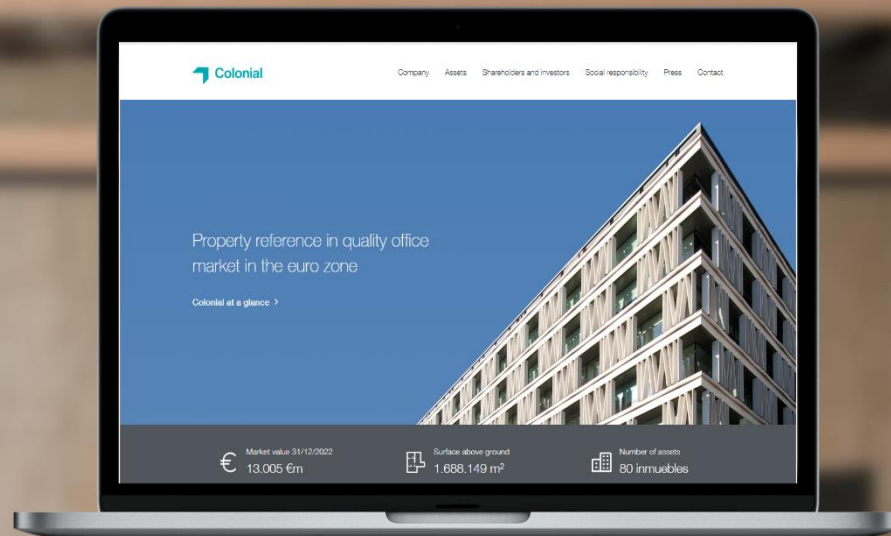
2024 The year to reload Colonial's Growth Profile

1. Real Estate & Capital Markets close to an inflection point
 - Asset values bottoming-out – yields close to peak
 - Opportunity to benefit from the real estate recovery cycle
2. Colonial is in advanced progress on new Alpha Initiatives with attractive returns in the framework of a solid financial structure

¹ DPS proposal subject to AGM approval



THANK YOU



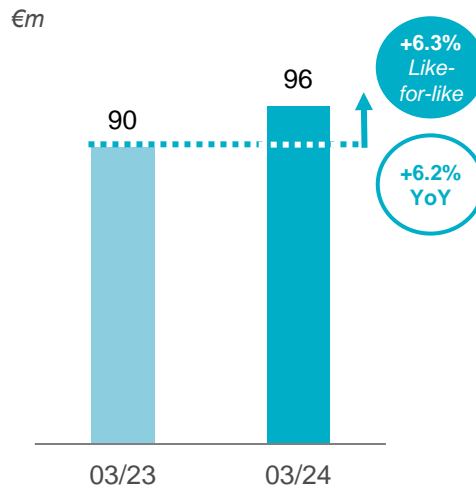
<https://www.inmocolonial.com/en/shareholders-and-investors>



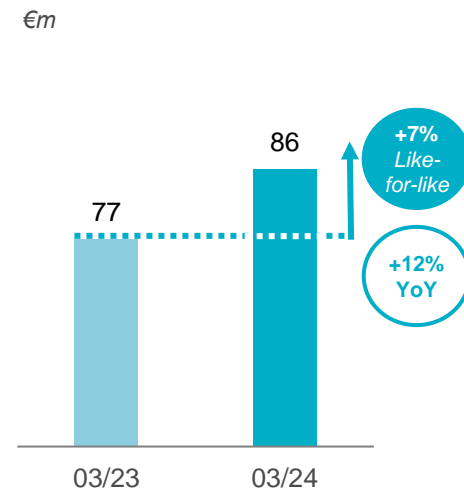
PROFIT & LOSS ACCOUNT

Results analysis - €m	1Q 2024	1Q 2023
Gross Rents	96	90
Recurring EBITDA	77	71
Recurring financial result	(20)	(23)
Income tax expense & others - recurring	(0)	(3)
Minority interests - recurring	(9)	(8)
Recurring Earnings	47	38
Change in fair value of assets & provisions	(0)	(0)
Non-recurring financial result & MTM	0	(1)
Income tax & others - non-recurring	7	(9)
Minority interests - non-recurring	0	0
Profit attributable to the Group	54	28
Recurring Earnings - €m	47	38
Nosh (mm)	539.6	539.6
EPS recurring - Cts€/share	8.7	7.0
EPS cont. operations - Cts€/share	8.7	6.8

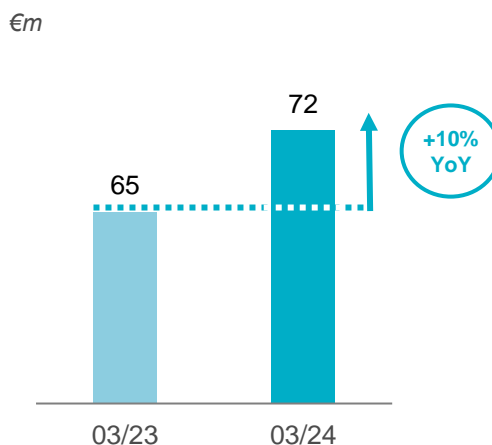
GROSS RENTAL INCOME



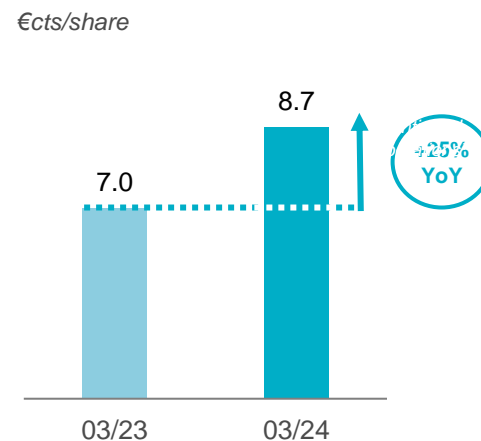
NET RENTAL INCOME



GROUP EBITDA

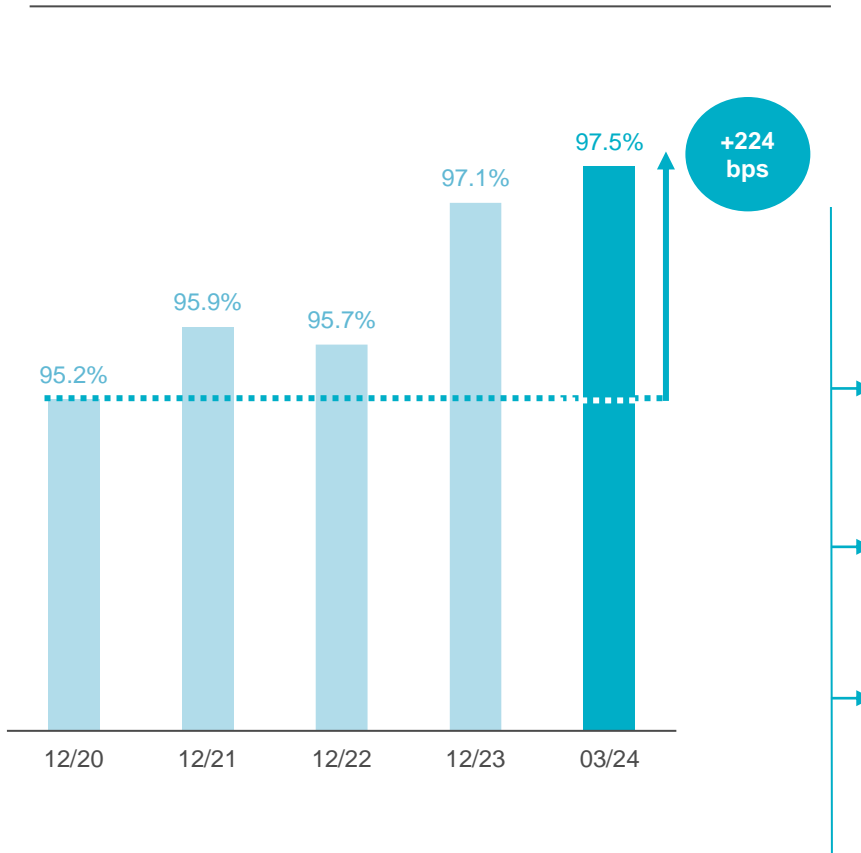


EPRA EARNINGS PER SHARE (EPS)



Colonial has one of the highest occupancy ratios in the sector thanks to its prime positioning

GROUP OCCUPANCY

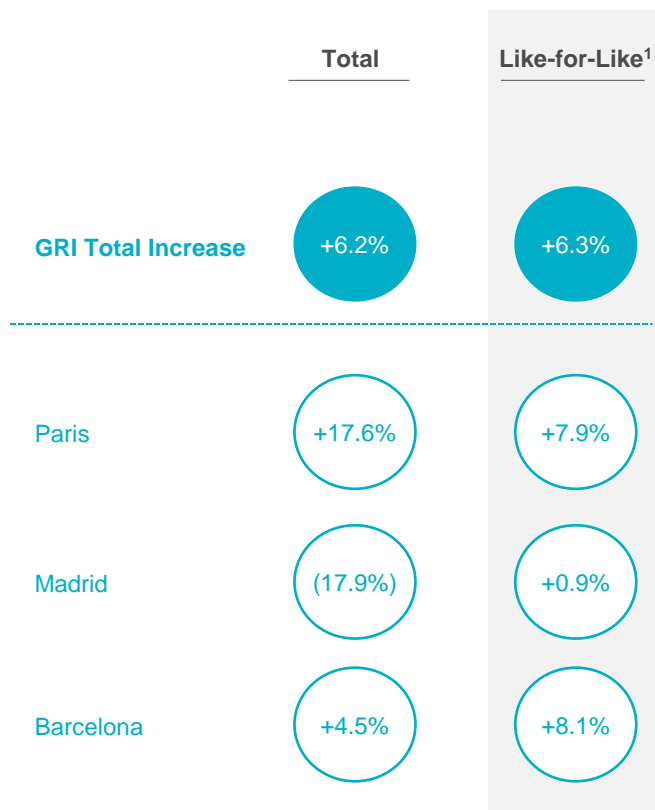


GROUP OFFICE OCCUPANCY BY MARKETS

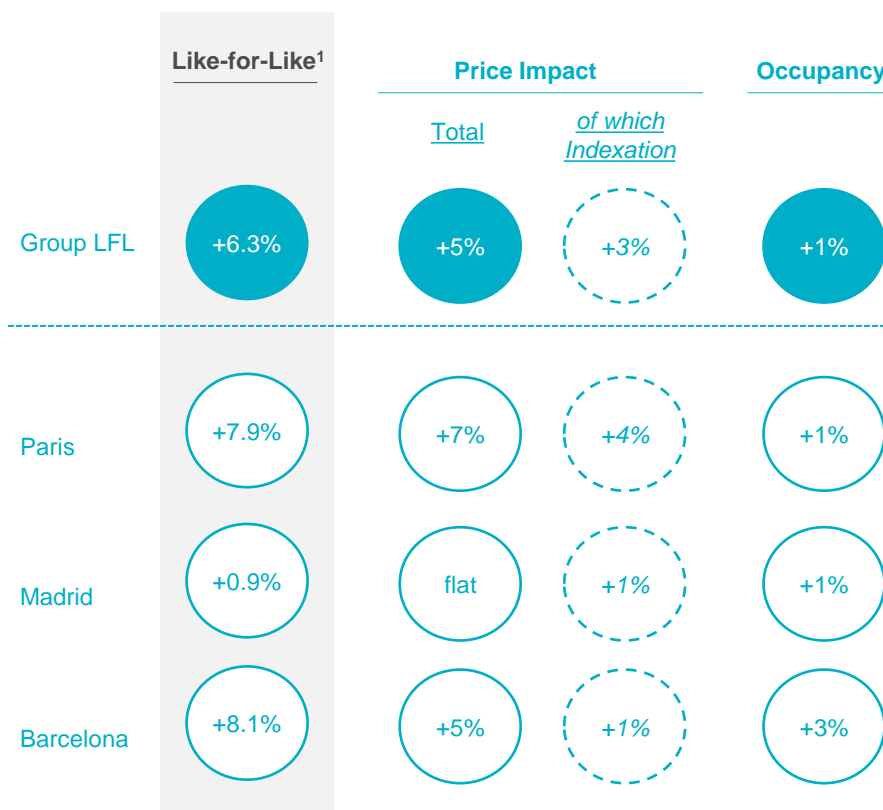
	12/23	3/24	Var
TOTAL GROUP	97.1%	97.5%	+34 bps
TOTAL OFFICES	96.8%	97.1%	+33 bps
PARIS	100%	100%	+0 bps
MADRID	96.2%	97.4%	+118 bps
BARCELONA	83.9%	84.3%	+34 bps

Strong Gross Rental Income increases throughout the portfolio

Gross Rental Income Variance (%)



Gross Rental Income Like-for-Like Analysis (%)

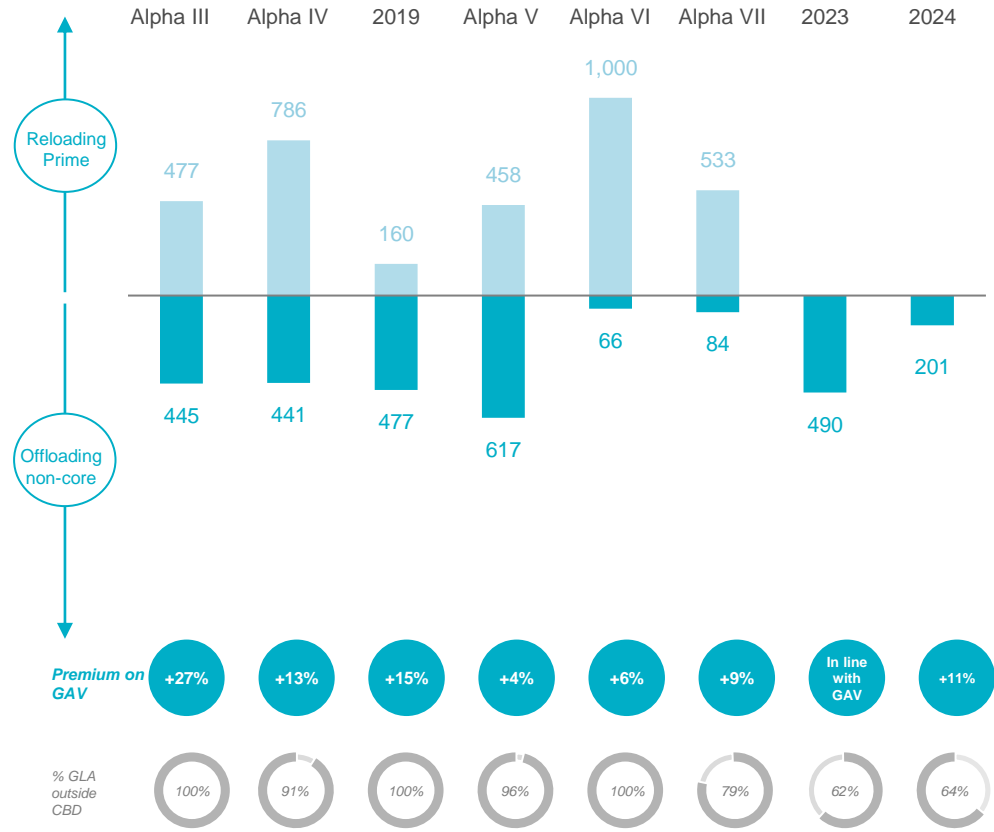
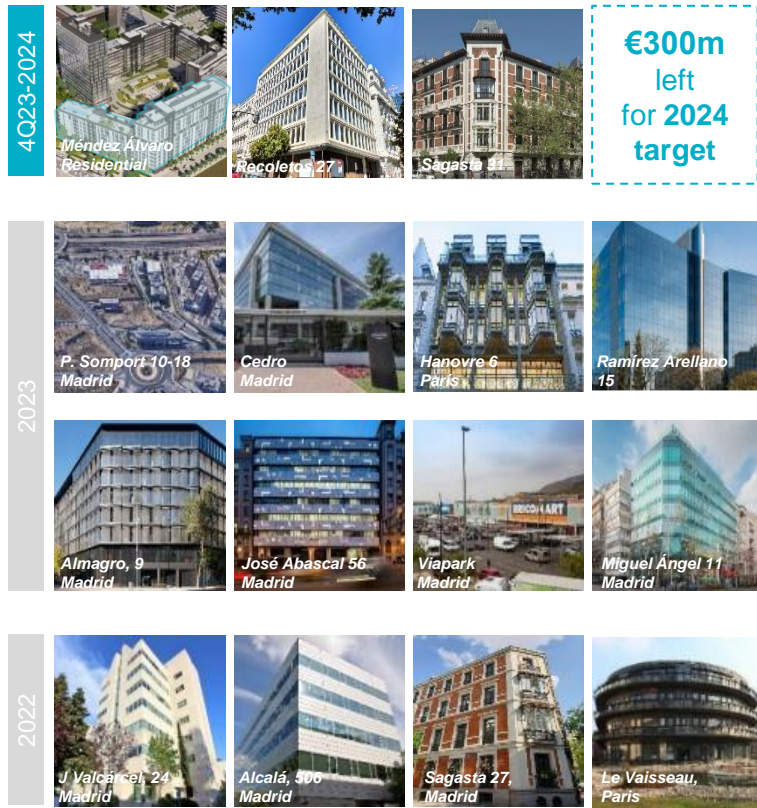


1) Like-for-like calculated following EPRA BPR recommendations

Strategy - Additional future growth on the back of capital recycling

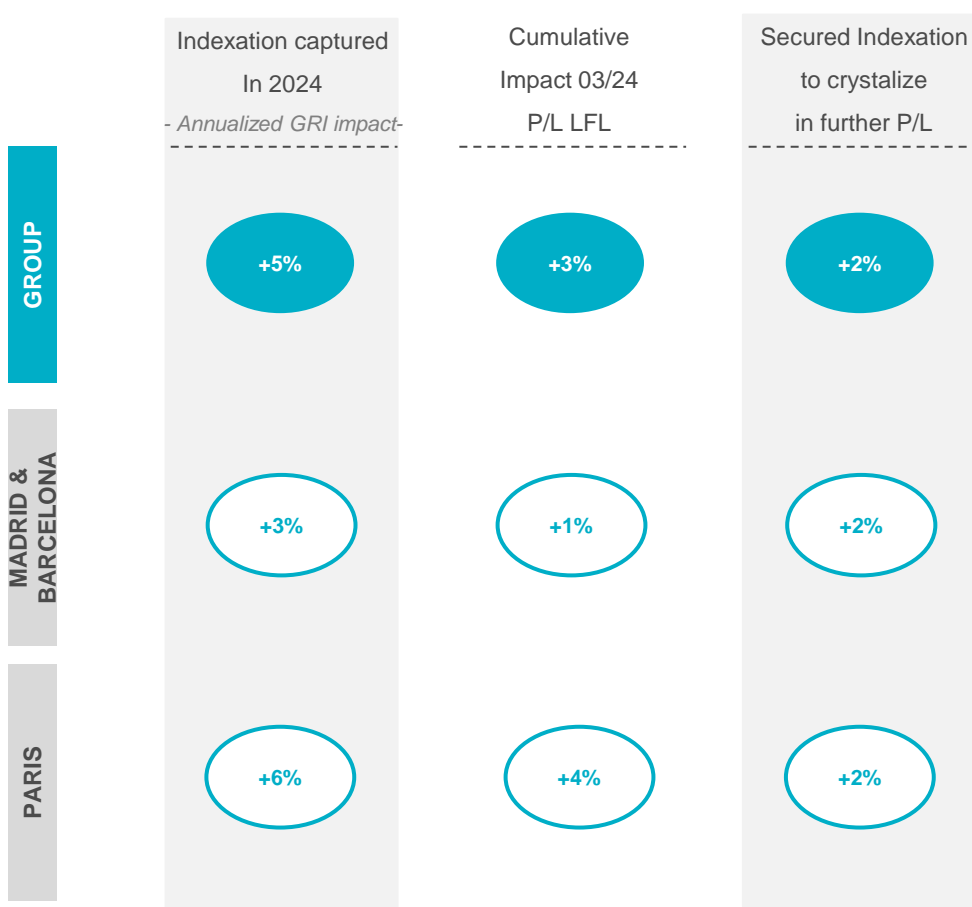
More than €700m divested – 15 Assets

Ongoing flight to quality through active capital allocation



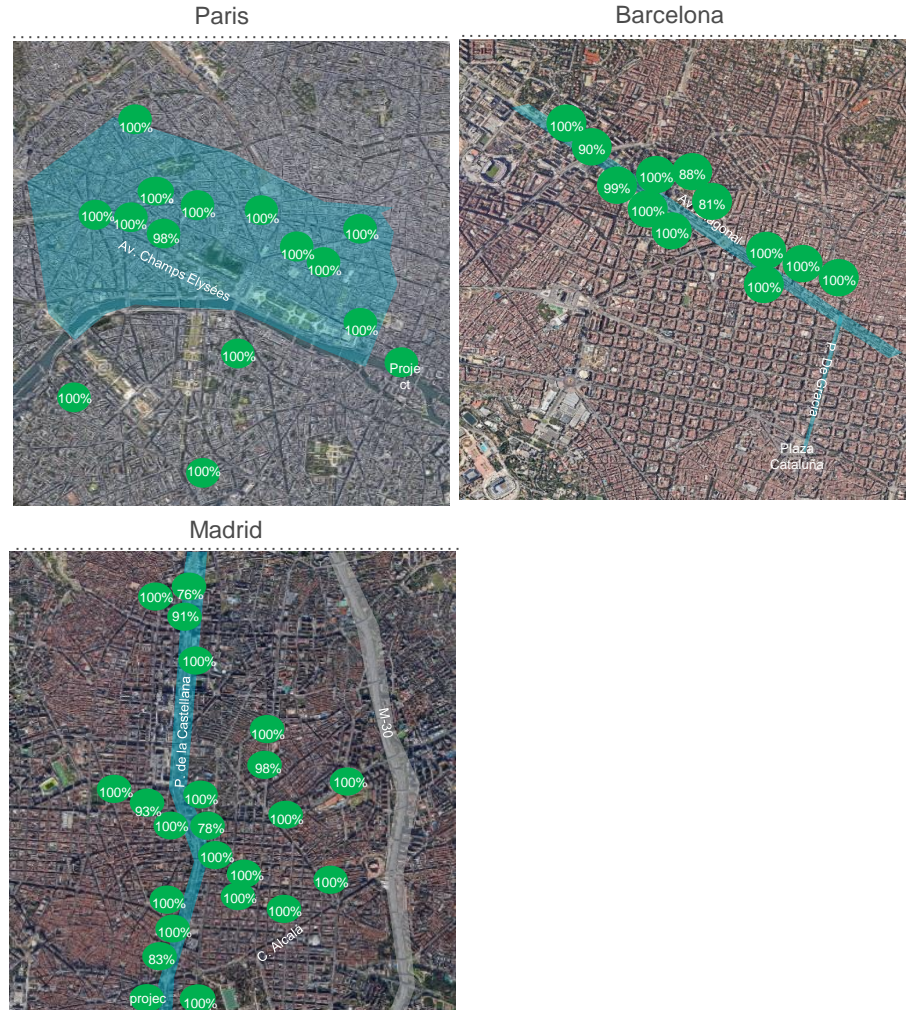
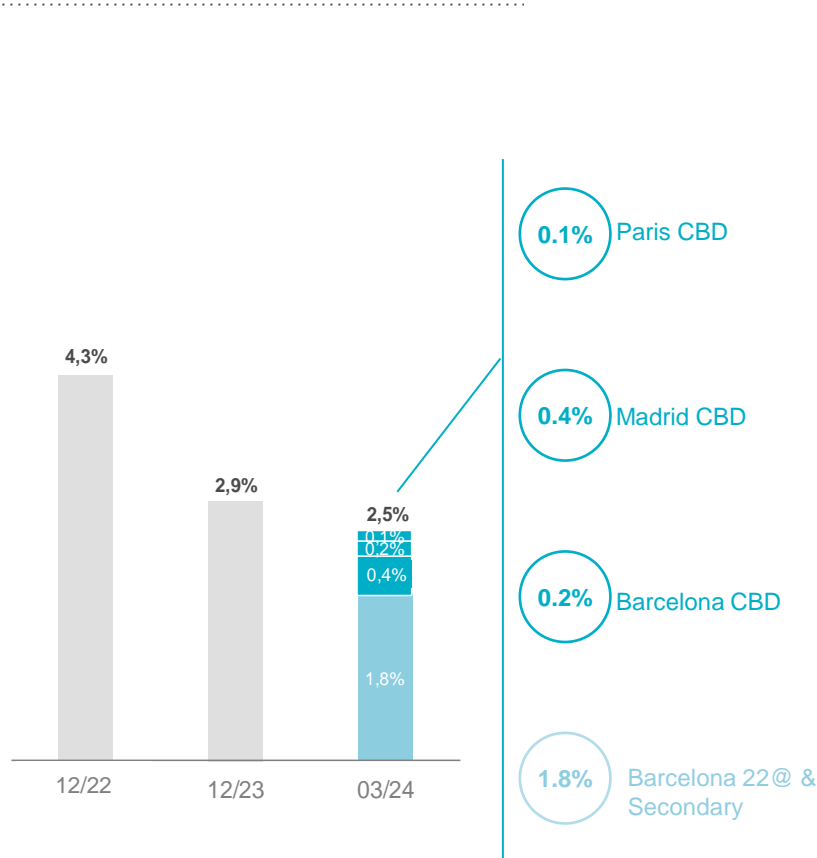
Colonial's Prime Positioning allows to fully capture additional cash flows from indexation

2024 INDEXATION FULLY PASSED THROUGH



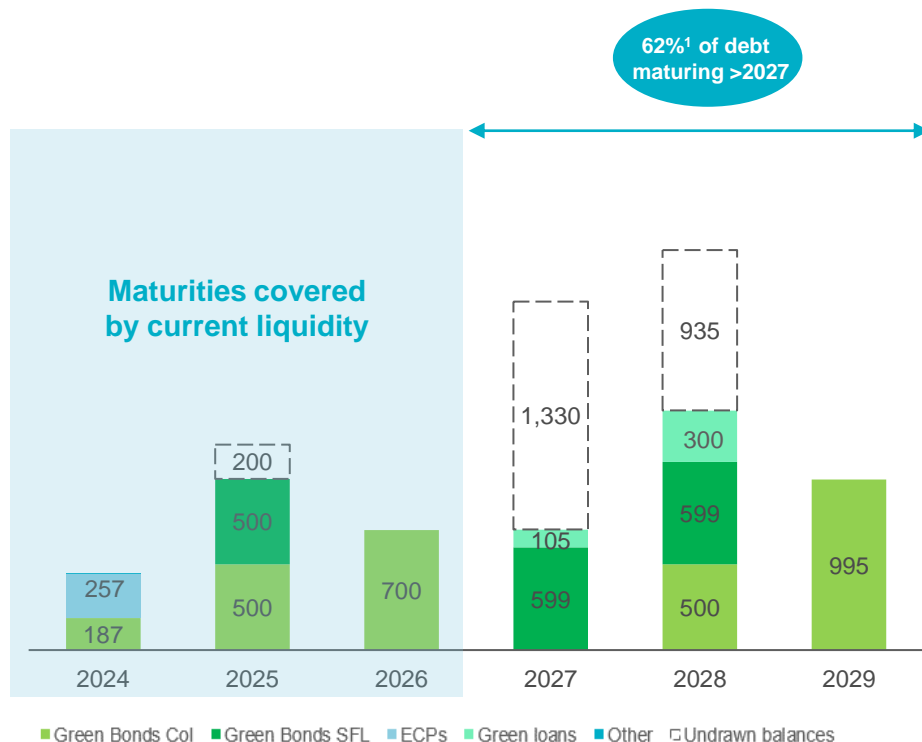
Colonial has a healthy level of 2.5% availability of top-quality product

Group EPRA Vacancy



EXTENSION OF DEBT MATURITIES

Maturity profile of debt facilities - €m



A Solid Financial Structure

	31/12/2023	31/03/2024
Net Debt	€4,864m	€4,766m
LTV	39.5% ²	39.1% ²
Drawn Facilities	€105m	€105m
Unutilized Facilities	€2,465m	€2,465m
Total Facilities	€2,570m	€2,570m
Cash	€438m	€479m
Liquidity	€2,903m	€2,944m
Debt Maturity Group	4.2 years	4.1 years
Non-Mortgage debt	100%	100%
Cost of Debt Group	1.75% ³	1.74% ³

¹ Excluding ECPs

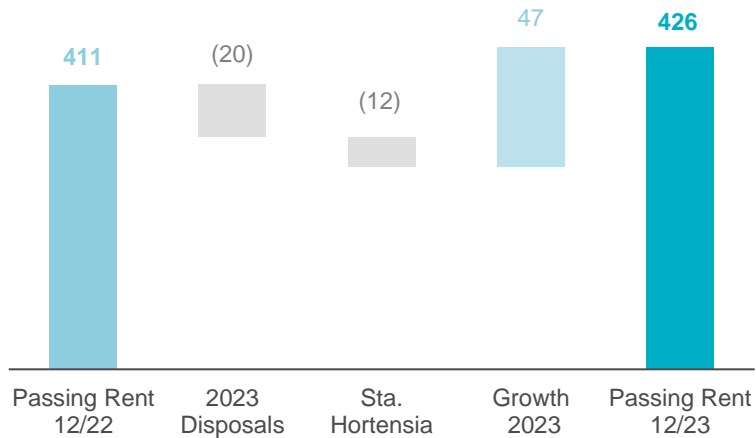
² Including sales commitments already formalized and sale commitment of Méndez Álvaro Residential

³ Excluding formalization costs accrued over the life of debt.

Significant growth profile at adjusted Risk Return

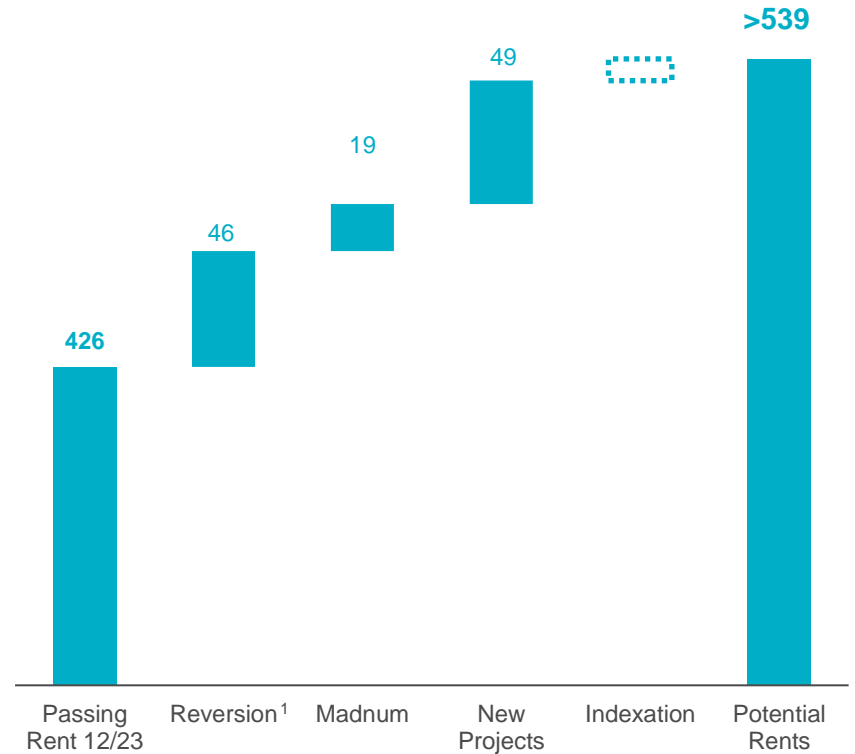
Rental losses from disposals offset by revenue growth

Annualized Topped-up GRI (€m)








Significant Additional Revenue Growth

More than €100m of growth to be captured





1. Rental price, occupancy & small refurbishments

Latest Market transactions

	Asset	Area	Price	GLA	Cap. Value
PARIS	 150 Champs-Élysées (4Q 2023)	CBD	€1,000m	18,000 sqm	€55,556/sqm
	 101 Champs-Élysées (2Q 2023)	CBD	€146m	4,300 sqm	€34,000/sqm
	 10 Rue de Bassano (1Q 2024)	CBD	€48m	1,750 sqm	€27,429/sqm
	 14-16 Rue Halevy (1Q 2024)	CBD	€219m	10,000 sqm	€21,429/sqm
	 119-121 Boulevard Haussmann (1Q 2024)	CBD	€190m	9,350 sqm	€20,321/sqm

Latest Market transactions

	Asset	Area	Price	GLA	Cap. Value
MADRID	 Francisco Gervás 10 (1Q 2024)	City Center	€60m	8,000 sqm	€7,475/sqm
	 Batalla del Salado 5 (1Q 2024)	City Center	€60m	8,100 sqm	€7,407/sqm

Latest Market transactions

	Asset	Area	Price	GLA	Cap. Value
BARCELONA	 <p>Portal de l'Àngel 40* (4Q 2022) <i>* Includes Office & Retail Units</i></p>	City Center	€105m	4,400 sqm	€23,683/sqm
	 <p>Diagonal 662** <i>Transaction not completed</i> <i>** Sale price as of publishing date (1Q 2023)</i></p>	CBD	€240m	27,300 sqm	€8,791/sqm
	 <p>Step Up (2Q 2022)</p>	22@	€35m	4,500 sqm	€7,777/sqm
	 <p>Mile 22@ (3Q 2022)</p>	22@	€250m	35,000 sqm	€7,142/sqm
	 <p>Pamplona 101 (2Q 2023)</p>	22@	€31m	4,500 sqm	€6,889/sqm

