



The Company expects to exceed the upper range of its EPS guidance for 2024

Colonial increases its recurring net profit by 15%, reaching €147m

- Net profit of €156m, +€455 €m vs the previous year
- EPRA EPS (Earnings Per Share) of €25.9cts/share, +9% vs. the previous year
- Gross Rental Income of €293m, a +6% like for like increase - among the highest in the sector
- Contracts were signed for 112.734 sqm with a release spread of +8%
- Solid occupancy levels of 96% - 100% occupancy in the Paris portfolio
- Net debt reduction of €478m and increased liquidity of €3.443m
- Financial cost of debt of 1,72%, with 100% of the current debt at a fixed rate
- Excellence in ESG: GRESB 2024 "5-Star" Rating for the 5th consecutive year

Third Quarter 2024 Results

Madrid, November 14, 2024

The Colonial Group closed the third quarter of 2024 with a recurring net profit of €147 million, a 15% increase compared to the same period in 2023, driven by one of the sector's highest rental income growth rates, which rose 6% on a like-for-like basis to €293 million. The results maintain the upward trend in revenue and profit growth, supported by high occupancy rates and the ability of its prime offerings to capture top market rents, both in lease renewals and in new project deliveries and renovations.

“The third quarter shows an acceleration in revenue and profit growth that will allow us to exceed the earnings per share target set for 2024,” explains Juan José Brugera, Chairman of Colonial. **“On the basis of a strengthened capital structure and new long-term shareholders, we have launched a new project portfolio and are ready to benefit from new growth opportunities,”** Brugera adds.

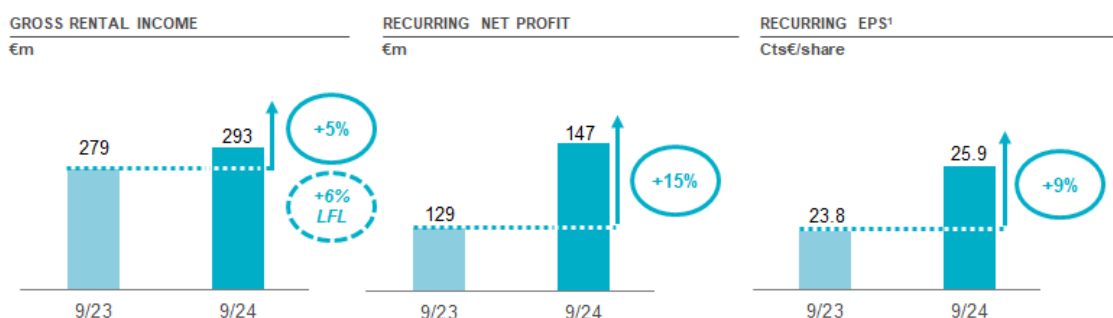
“We are very pleased with the performance of our business and results. Our strategy in the ‘Prime Asset Class’ allows us to achieve high rental income growth, resulting in a +15% increase in recurring profit,” explains Pere Viñolas, CEO of Colonial. **“All of this within the framework of a solid capital structure, as evidenced by the recent rating upgrade issued by Moody’s,”** Viñolas adds.

Strong growth in the net profit and recurring net profit

1. Recurring net profit increases +15% compared to the previous year

The Colonial Group closed the third quarter of 2024 with an increase in the recurring results driven, in part, by the growth in rental income.

- **Gross Rental Income of €293m, +6% like for like vs. previous year**
- **EPRA Earnings of €147m, +15% vs. previous year**
- **EPRA EPS of €25.9cts/share, +9% vs. previous year**

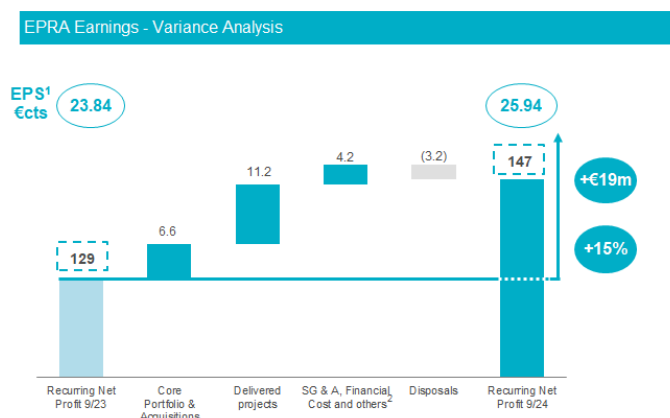


EPRA Earnings increased based on solid growth in rental income. The growth in income was achieved through a combination of two factors: **(1) the increase in rental prices** in all segments thanks to the prime positioning of the portfolio; and **(2) the successful delivery of projects and renovations**. Of special mention is the Louvre Saint-Honoré, rented to **Cartier & Compagnie**, as well as the new Adidas flagship store in Galeries des Champs-Élysées.

The efficient management of operating costs resulted in EBITDA growth which, together with controlled financial expenses, led to an **increase of +15% in the recurring net profit amounting to €147m**.

Profit & Loss Account - €m	3Q 2024	3Q 2023
Gross Rents	292.8	278.7
Recurring EBITDA	241.8	233.2
Recurring financial result	(58.0)	(70.6)
Income tax expense & others - recurring	(7.5)	(8.1)
Minority interests - recurring	(28.9)	(25.8)
EPRA Earnings	147.4	128.6
Change in fair value of assets & provisions	(12.9)	(525.0)
Non-recurring financial result & MTM	(2.4)	(1.2)
Income tax & others - non-recurring	63.1	10.5
Minority interests - non-recurring	(38.9)	88.6
Result attributable to the Group	156.4	(298.5)

(1) Earnings Per Share
 (2) Includes SG&A costs, financial costs, taxes and minority interests



These increases in rental revenues have compensated for the impact of the loss in rents from the asset disposals carried out in 2023 and 2024.

The Net Result of the Colonial Group amounted to €156m at the close of the third quarter of the year.

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

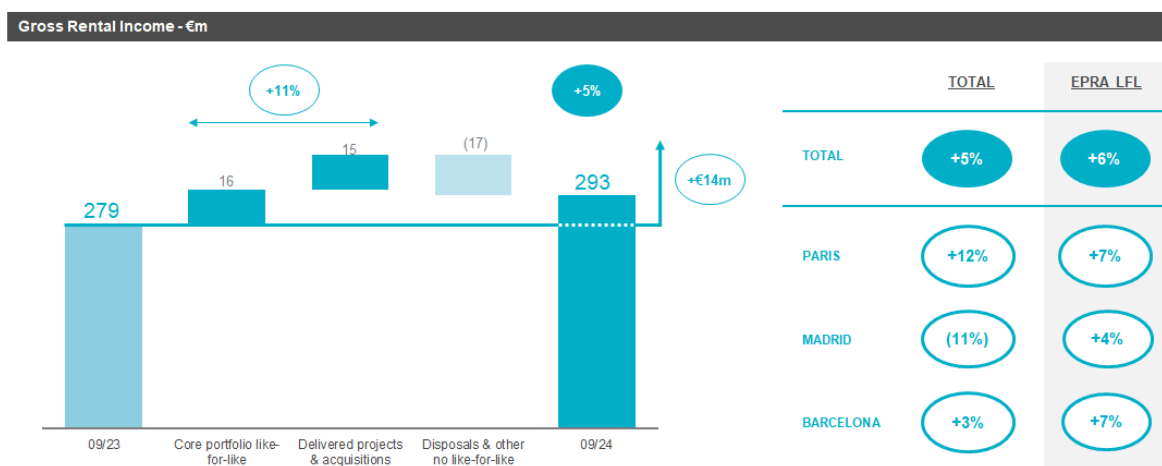
Revenue Growth: Polarization & Pan-European Prime Positioning

Colonial closed the third quarter of 2024 with **€293m of Gross Rental Income**, and a **Net Rental Income of €275m**.

The Group’s revenue, in absolute terms, has grown by **+5%** compared to the previous year and, on a **like-for-like basis, +6%** compared to the previous year, demonstrating the strength of the Colonial Group’s prime positioning.

The **+€14m increase in revenues** is based on a business model with:

- (1) A clear focus on the **best prime product offered in the city centre**, and
- (2) The proven capability to generate profit through **urban transformation projects**.



1. **Pricing Power: Growth in signed rents + capturing of indexation** – a contribution of **+6%** to total growth
2. **Project deliveries and acquisitions** – a contribution of **+5%** to total growth

The *disposal of non-strategic assets and other non-like-for-like impacts, mainly the departure of IBM from St. Hortensia in Madrid*, has led to a **(6%) year-on-year decrease** in the rental income.

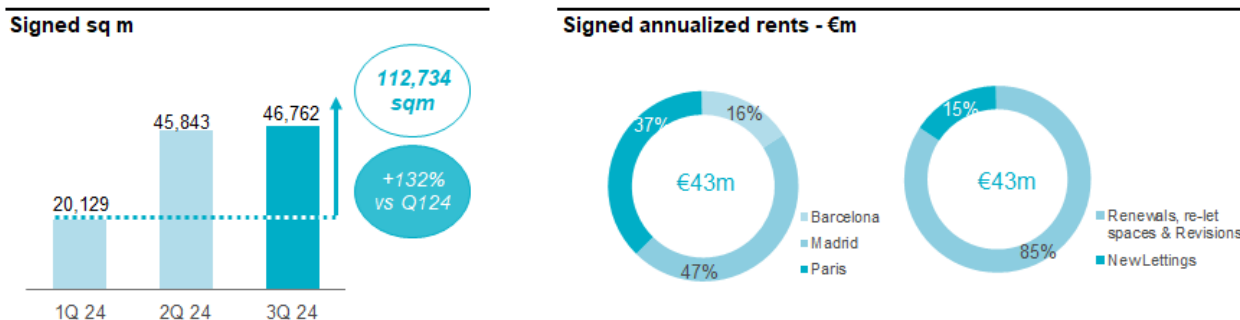
Solid operating fundamentals in all segments

1. Significant rental price increases in the contracts signed in 2024

Colonial closed the third quarter of 2024 with **solid letting activity, capturing significant rental price increases in the contracts signed**.

In particular, contracts were signed for more than 112,734 sqm corresponding to €43m in annualized rents, of which 63% corresponds to the Madrid and Barcelona market and 37% corresponds to the Paris market.

Of special mention is the high volume of activity in the second and third quarters of 2024 with more than 45,000 sqm signed, more than doubling the amount signed in the first quarter of the year.



In cumulative terms, highlighted is the high volume signed in the Madrid market amounting to 69,920 sqm, of which 76% (52,958 sqm) are renewals and the rest (16,962 sqm) corresponds to new signed contracts. In the Barcelona market, 26,227 sqm were signed, of which 80% (20,890 sqm) correspond to contract renewals. In Paris, contracts were signed for a total of 16,587 sqm.

At the close of the third quarter of 2024, the release spread on re-let surfaces stood at +8% and exceeded the market rents by +5% at 31 December, 2023, clearly evidencing the pricing power of Colonial's prime assets.

2. Solid occupancy levels

The office occupancy of the Colonial Group stands at 96%, 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% (98% in the CBD market).

EPRA OFFICES OCCUPANCY



It is worth highlighting that the current vacancy in the Barcelona portfolio mainly corresponds to the entry into operation of the renovated surface area of the Diagonal 197 asset in the third quarter of 2024. The rest corresponds to the renovation programs of Torre Marenostum and Illacuna, as well as the client rotation in a secondary asset located in Sant Cugat. The occupancy of the Barcelona CBD portfolio reaches 96%.

Active portfolio management – Actively driving future growth

1. Historic pipeline of delivered and pre-let projects

The Colonial Group is near completion of its original **project pipeline of 154,228 sqm, spread across 8 assets, with 7 assets fully delivered and let**, widely exceeding the expected return with a yield on cost of more than 7%.

In 2024, the last ongoing project, **the Madnum Urban Campus**, will be delivered. This **complex located in the South of the Paseo de la Castellana in Madrid with more than 60,000 sqm of offices and retail space**. This project is generating significant market interest, with an expected **yield on cost around 8%**, as well as significant value creation upon the assets' completion.



2. Launch of the Alpha X Project – New project pipeline

Within the Alpha X Project framework, the Colonial Group has launched a new project pipeline with an investment capex of €380m and an ungeared IRR of more than 9%. This project will transform more than 110,000 sqm of assets in Paris, Madrid and Barcelona, and generate additional annual rents of €64m.

The Alpha X Project is a new, well-diversified, large-volume project portfolio with a high capacity to generate value. It is made up of 4 assets which will be the object of urban regeneration.

In particular, the following assets are included:

- ✓ Scope: Business complex of 22,000 sqm in the centre of Paris
- ✓ Condorcet: A mixed-use urban complex of 24,000 sqm in the centre of Paris
- ✓ Santa Hortensia: A mixed-use complex of 47,000 sqm in the centre of Madrid
- ✓ Sancho de Ávila: “Life Science/Healthcare” building of 18,000 sqm in the centre of the 22@ district in Barcelona

With the launch of this new project portfolio, the Colonial Group is reloading its future growth profile, where it is expecting very interesting returns with yields of more than 9%.

3. Renovation Program in progress

In the third quarter of 2024, the **Colonial Group finalized a renovation program on the Diagonal 197 building**, an emblematic office tower located in **Barcelona** with a surface area of 15,000 sqm above ground, distributed across 16 floors. Once rented, the asset will generate additional rents of €5m annually

Additionally, **a renovation program is being carried out on the Haussmann - Saint Augustin asset**, a top-level building located in one of the best areas of **Paris**. This building, with a surface area of 12,000 sqm above ground is undergoing an efficient, short-term renovation program aiming to optimize its market appeal and maximize future rents.

Solid capital structure

At the close of the third quarter of 2024, the Colonial Group had a solid balance sheet with LTV of 36.5% and a liquidity of €3,443m.

At the close of the third quarter, as a result of the CriteriaCaixa transaction, the sale of assets in line with the capital recycling policy, and the positive business performance, the capital and financial structure of Grupo Colonial has been significantly strengthened.

The liquidity of the Group increased by +€541m, amounting to €3,443m between cash and undrawn credit lines. This has enabled the Colonial Group to cover all its debt maturities until 2028.

The Group's net debt was reduced by €450m, (down to €4,414m), with an LTV of 36.5%. In relation to the financing cost, the spot interest rate at the close of the third quarter of 2024 remained at 1.72% (1.75% at the close of 2023) thanks to the Group's interest rate risk management policy. At the close of the third quarter of 2024, 100% of the debt is at a fixed rate and/or hedged, and the fair value of the derivative financial instruments, recorded in equity, is positive at €197m.

As proof of Colonial's financial stability, in September 2024, the Moody's rating agency increased Colonial's rating to Baa1 with a stable outlook. Likewise, the Colonial Group maintained its Standard & Poor's rating of BBB+ with a stable outlook.

About Colonial

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 million sqm of GLA and assets under management with a value of more than €11bn.



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

For more information:

Roman

Xavier Ribó – 669486003 – x.ribo@romanrm.com

Estela López - 654741683– e.lopez@romanrm.com