



INMOBILIARIA COLONIAL, S.A.

(incorporated as a limited liability company (*sociedad anónima*) in the Kingdom of Spain)

€3,000,000,000

Euro Medium Term Note Programme

This base prospectus supplement (the “**Supplement**”) has been prepared by Inmobiliaria Colonial, S.A. (the “**Issuer**” or “**Colonial**” and together with its consolidated subsidiaries, “**we**”, “**us**”, “**our**” or the “**Group**”, unless otherwise indicated or the context otherwise requires) in connection with the Issuer’s Euro Medium Term Note Programme (the “**Programme**”) for the issuance of up to EUR3,000,000,000 in aggregate nominal amount of notes (the “**Notes**”).

This Supplement has been approved by the Central Bank of Ireland (the “**Central Bank**”) as competent authority under Directive 2003/71/EC (the “**Prospectus Directive**”). The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This Supplement comprises a base prospectus supplement for the purposes of Article 16 of the Prospectus Directive. The Supplement is supplemental to, and should be read in conjunction with, the base prospectus dated 5 October 2016, as previously supplemented on 19 October 2016, 20 December 2016 and 19 April 2017 (the “**Base Prospectus**”), prepared by the Issuer in relation to the Programme. Capitalised terms used, but not otherwise defined in this Supplement, shall have the meanings ascribed thereto in the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statement in (a) above will prevail.

The purpose of this Supplement is to supplement the section entitled “*Documents Incorporated By Reference*” of the Base Prospectus to incorporate by reference certain financial and operating information as of and for the three-month period ended 31 March 2017 in respect of the Issuer as well as to supplement the sections entitled “*Description on the Issuer and the Group*” and “*General Information*”.

IMPORTANT NOTICES

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since the date of publication of the Base Prospectus.

Copies of this Supplement and the Base Prospectus can be viewed on the website of (i) the Central Bank of Ireland at www.centralbank.ie; and (ii) the Issuer at www.inmocolonial.com.

The distribution of this Supplement and the Base Prospectus and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Supplement, the Base Prospectus or any Final Terms come are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (as defined in the Securities Act). For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see “*Subscription and Sale*” in the Base Prospectus.

Any websites referred to herein do not form part of this Supplement.

DOCUMENTS INCORPORATED BY REFERENCE

With effect from the date of this Supplement, the information appearing on page 26 of the Base Prospectus under the heading “*Documents Incorporated By Reference*” shall be amended in the manner described below.

By virtue of this Supplement, a new document shall be incorporated by reference as new paragraph (F) in the table of “*Information incorporated by reference*” (page 26 of the Base Prospectus) as follows:

The Issuer’s unaudited condensed consolidated interim financial and operating information for the three-month period ended 31 March 2017 may be obtained from:

https://www.inmocolonial.com/sites/default/files/1q_results_2017.pdf

The page references indicated for each document are to the page numbering of the electronic copies of such documents as available at www.ise.ie. Information contained in the following document incorporated by reference but not listed in the table below is for information purposes only and does not form part of this Base Prospectus.

Information incorporated by reference		Page references
(F) The unaudited condensed consolidated interim financial and operating information of Inmobiliaria Colonial, S.A. for the three-month period ended 31 March 2017:		
(a)	<i>Analysis of the Consolidated Profit and Loss Account</i>	10-11
(b)	<i>Office Markets</i>	12-15
(c)	<i>Business Performance</i>	17-22
(d)	<i>Financial Structure</i>	29
(e)	<i>Appendix 6.1 – EPRA Ratios (EPRA Earnings)</i>	37
(f)	<i>Appendix 6.2 – Consolidated Balance Sheet</i>	39

INFORMATION ON THE ISSUER AND THE GROUP

With effect from the date of this Supplement, the information appearing on pages 73 to 75 of the Base Prospectus under the heading “*Information on the Issuer and the Group—History*” shall be amended in the manner described below.

By virtue of this Supplement, the last paragraph on page 75 of the Base Prospectus under the heading “*Information on the Issuer and the Group—History—Recapitalisation, Investment Grade and Growth (2014-2015)*” which begins on page 74 shall be deleted and replaced in its entirety by the following:

“On 5 May 2017, Colonial carried out a share capital increase through the issuance of 35,646,657 new ordinary shares with a nominal value of €2.50 each. Consequently, as of the date of this Supplement, the Company’s issued share capital represents a total of €981,175,140 represented by a single series of 392,470,056 ordinary shares with a nominal value of €2.50 each.

On 22 May 2017, the Board of Directors resolved to submit for approval the conversion of Colonial into a Spanish real estate investment trust (*Sociedad Cotizada Anónima de Inversión en el Mercado Inmobiliario* or SOCIMI) at the next Ordinary General Shareholders’ Meeting which is expected to be held on 28 June 2017.”

With effect from the date of this Supplement, the information appearing on pages 82 to 87 of the Base Prospectus under the heading “*Information on the Issuer and the Group—Board of Directors*” shall be amended in the manner described below.

By virtue of this Supplement, the table on pages 82 to 83 shall be deleted and replaced in its entirety by the following:

Name	Date of first appointment ⁽¹⁾	Date of most recent appointment	Position	Status	Appointment proposed by
Mr. Juan José Brugera Clavero	06/19/2008	06/30/2014	Chairman ⁽²⁾	Executive	—
Mr. Pedro Viñolas Serra ..	07/18/2008	06/30/2014	Chief Executive Officer	Executive	—
Sheikh Ali Jassim M. J. Al-Thani	11/12/2015	06/28/2016	Director	Proprietary	Qatar Investment Authority
Mr. Adnane Mousannif	28/06/2016	06/28/2016	Director	Proprietary	Qatar Investment Authority
Mr. Juan Carlos García Cañizares	06/30/2014	06/30/2014	Director	Proprietary	Aguila LTD. ⁽³⁾
Ms. Ana Sainz de Vicuña Bemberg	06/30/2014	06/30/2014	Director	Independent	—
Mr. Carlos Fernández-Lerga Garralda	06/19/2008	06/30/2014	Lead Independent Director	Independent	—
Mr. Javier Iglesias de Ussel Ordís	06/19/2008	06/30/2014	Director	Independent	—
Mr. Luis Maluquer Trepas	07/31/2013	06/30/2014	Director	Independent	—
Mr. Carlos Fernández González	28/06/2016	06/28/2016	Director	Proprietary	Finaccess Capital, S.A. de C.V.
Mr. Francisco Palá Laguna	05/13/2008	05/13/2008	Non-executive Secretary	—	—

Ms. Nuria Oferil Coll			Non-executive		
	05/12/2010	05/12/2010	Vice-Secretary	—	—

Notes:

- (1) The dates of first appointment refer to the date of the shareholders' meeting first appointing or ratifying the appointment to the Board (not necessarily the date of appointment to the position indicated).
- (2) Mr. Juan José Brugera Clavero has been delegated some of the faculties of the Board of Directors. However, the Chief Executive Officer of our Company is Mr. Pedro Viñolas Serra who has been delegated all faculties in accordance with the law.
- (3) Through SNI Luxembourg, S.A.R.L.

By virtue of this Supplement, the biography entitled “*Juan Villar-Mir de Fuentes*” on page 84 shall be deleted.

With effect from the date of this Supplement, the information appearing on page 88 of the Base Prospectus under the heading “*Information on the Issuer and the Group—Major Shareholders*” shall be amended in the manner described below.

By virtue of this Supplement, the table on page 88 shall be deleted and replaced in its entirety by the following:

Number of voting rights (based on the latest information available to Colonial as at 24 May 2017)			Percentage over the total number of voting rights
	Direct	Indirect	
Qatar Investment Authority ⁽¹⁾	—	41,593,367	10.598%
BlackRock, Inc ⁽²⁾	—	10,571,403	2.694%
Inmobiliaria Espacio, S.A. ⁽³⁾	—	5,419,255	1,380%
Mr. Carlos Fernández González ⁽⁴⁾	—	48,530,105	12.365%
Aguila LTD ⁽⁵⁾	—	21,800,183	5.554%
INMO, S.L. ⁽⁶⁾	—	20,011,190	5.10%
Deutsche Bank, A.G. ⁽⁷⁾	8,135,389	—	2.073%
Total	8,135,389	147,925,503	39.764%

Notes:

- (1) Through Qatar Holding Luxembourg II, S.à r.l.
- (2) Does not include 167,000 voting rights (0.043%) corresponding to certain financial instruments.
- (3) Through Grupo Villar Mir, S.A.U. (0.063%) and Espacio Activos Financieros, S.L.U. (1.317%). Does not include 15,839,771 voting rights (representing 4.036% of total rights) corresponding to certain financial instruments.
- (4) Through Grupo Far-Luca, S.A., de C.V.
- (5) Through SNI Luxembourg, S.À R.L.
- (6) Through Trudonba XXI, S.L.U.
- (7) Does not include 3,174,608 voting rights (representing 0.808% of total rights) corresponding to certain financial instruments.

GENERAL INFORMATION

With effect from the date of this Supplement, the information appearing on page 110 of the Base Prospectus under the heading “*General Information*” shall be amended in the manner described below.

By virtue of this Supplement, paragraph (3) shall be deleted and replaced in its entirety by the following:

- (3) There has been no significant change in the financial or trading position of the Issuer or of the Group since 31 March 2017 and no material adverse change in the prospects of the Issuer or of the Group since 31 December 2016.