



Paris, 4 March 2025

Signing of the agreement to merge Société Foncière Lyonnaise into Inmobiliaria Colonial

Société Foncière Lyonnaise (SFL) and Inmobiliaria Colonial have today signed a merger agreement for the proposed cross-border merger of SFL into Colonial which has been approved by unanimity by both Board of directors.

As announced on February 18, 2025, the exchange ratio has been set at 13 Colonial shares for 1 SFL share representing a significant premium on NTA parity. The Board have also determined an exit price of €77.5 per SFL share coupon attached (pursuant to Article L.236-40 of the French Commercial Code). The exit price would be adjusted by the amount of SFL's dividend to be approved by SFL general meeting prior to the merger. The exchange ratio and the exit price have been determined on the basis of a multi-criteria analysis reflecting on commonly used valuation methods.

About the merger

Colonial and SFL explored various options to simplify the group's structure and strengthen a leading prime real estate platform in Europe. The choice of the merger enables the SFL shareholders to remain invested in the value creation potential of the group with a significantly enhanced liquidity in an economically efficient operation (including without the material adverse costs which would have been associated with a delisting), or to access full liquidity at a price corresponding to the multi-criteria valuation of SFL. This cross-border merger will allow the Group to accelerate its growth strategy based on a strong and profitable business model and relying on both teams' expertise and highly recognized brands.



The report of the merger auditor, Mrs. Agnès Piniot (Ledouble), appointed by the President of the Commercial Court of Paris on November 12th, 2024, will be made available to shareholders of Colonial and SFL and posted on the companies' website, along with all relevant documents related to the proposed merger.

The completion of the proposed merger is expected in the second half of 2025 and remains subject to the approval by Colonial and SFL shareholders at the general meetings and to corporate formalities necessary for a transaction of this kind. The completion of the merger would also be subject to the Autorité des marchés financiers confirming that Colonial is not required pursuant to French law to file a delisting offer in respect of the SFL shares.

This merger will be submitted to SFL annual general meeting of shareholder scheduled on April 23rd, 2025.

About SFL

A benchmark player in the prime segment of the Parisian commercial real estate market, Société Foncière Lyonnaise stands out for the quality of its property portfolio, which is valued at €7.6 billion and is focused on the Central Business District of Paris (#cloud.paris, Edouard VII, Washington Plaza, etc.), and for the quality of its client portfolio, which is composed of prestigious companies. As France's oldest property company, SFL demonstrates year after year an unwavering commitment to its strategy focused on creating a high value in use for users and, ultimately, substantial appraisal values for its properties. With its sights firmly set on the future, SFL is committed to sustainable real estate with the aim of building the city of tomorrow and helping to reduce carbon emissions in its sector.

Stock market: Euronext Paris Compartment A – Euronext Paris ISIN FR0000033409 – Bloomberg: FLY FP – Reuters: FLYP PA

S&P rating: BBB+ stable outlook

About Inmobiliaria Colonial

Inmobiliaria Colonial is the leading platform in the prime commercial real estate market in Europe, with a presence in the main business areas of Barcelona, Madrid, and Paris. It owns a unique portfolio of commercial properties totaling over 1 million m², with a market value exceeding €11.6 billion. The Group follows a dedicated long-term strategy focused on value creation through a high-quality client portfolio and asset appreciation. Looking ahead, the Colonial Group will continue to lead the urban transformation of city centers in the European market, recognized for its expertise and professionalism, financial strength, and profitability, while providing excellent sustainable real estate solutions tailored to its clients' needs.

BME Madrid ISIN ES0139140174 – Bloomberg: COL:SM – Reuters: COL.MC

S&P rating: BBB+ stable outlook