

RYC ADVISES COLONIAL ON €375M BOND BUYBACK AND €500M ISSUE

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Ramón y Cajal Abogados has advised Colonial on the buyback of bonds for €375 million and a subsequent issue of €500 million admitted to AIAF



Colonial has set at €375.1 million the bond buyback it announced to its debt holders, by which it will definitively cancel a €500 million issue maturing in 2023 and amortise part of another €600 million issue maturing in 2024. The SOCIMI has placed another €500 million maturing in eight years at 0.75%.

Thus, the outstanding amount of the €500 million bond was so far €306.1 million and €493.3 million of the €600 million bond. On this occasion, it will buy back the entire outstanding amount of the former and €69 million of the latter, for a total repurchase of €375.1 million.

The debt issuance operation for a total amount of €500 million is structured for 8 years, which will accrue a coupon of 0.75% maturing in June 2029. The markets have widely supported Colonial's issuance, to the point that demand has exceeded almost three times more the volume of the issue. The issue has been backed by the main international investors with an institutional profile, present in previous issues and who have once again shown their support for the company.

"With this issue, we wanted to take advantage of a window of opportunity to reinforce the capital structure, improve the quality of our financing by further lengthening its terms and reducing its average cost, and we have once again been able to confirm the interest of the markets to follow the model success of our business plan," explained Carmina Ganyet, Colonial's Corporate general manager.

The new issue will be listed on the Spanish market under the "Euro Medium Term Note" program that allows issues of up to € 5,000 million. At the end of June, the group had a net debt of €4,315 million euros, of which €2,800 million corresponded to bonds issued by Colonial and another €1,539 million to bonds of its French subsidiary Société Foncière Lyonnaise (SFL).

Ramón y Cajal Abogados [had already advised Colonial](#) on a similar deal in 2020, and this transaction comes after SFL's shareholding structuring and tender offer on €800m deal, [announced by Iberian Lawyer](#) on June 2021.

Ramón y Cajal Abogados advised Colonial with a Capital Markets team led by partner Carlos Lao García (pictured left) and including lawyers Lucía García Clavería (pictured top right) y Daniel Pardeza de la Fuente (pictured bottom right)