

TO THE NATIONAL SECURITIES MARKET COMMISSION (*COMISIÓN NACIONAL DEL MERCADO DE VALORES*)

Merlin Properties, SOCIMI, S.A. (“MERLIN”), in compliance with the applicable legislation, hereby notifies the following

RELEVANT INFORMATION

It is reported that, today, the relevant public deed of merger by absorption of TESTA INMUEBLES EN RENTA, SOCIMI, S.A. (“TESTA”) by MERLIN has been filed at the Commercial Registry of Madrid producing the integration of TESTA into MERLIN, through the transfer *en bloc* of assets and liabilities of TESTA to MERLIN.

Appropriate procedures have been initiated before IBERCLEAR and Bolsas y Mercados.

Madrid, October 14, 2016.

Merlin Properties, SOCIMI, S.A.