

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 (the “**Public Deed of Merger**”) was executed as a step prior to the integration of TESTA into MERLIN, through the transfer *en bloc* of assets and liabilities of TESTA to MERLIN (which shall occur upon entry of such transaction at the Commercial Registry of Madrid).

The Public Deed of Merger will be filed for entry at the Commercial Registry of Madrid shortly.

Madrid, October 10, 2016.

Merlin Properties, SOCIMI, S.A.