

A LA COMISIÓN NACIONAL DEL MERCADO DE VALORES

MERLIN Properties, SOCIMI, S.A. (“MERLIN”), en cumplimiento de lo dispuesto por la normativa de aplicación, comunica la siguiente

INFORMACIÓN RELEVANTE

MERLIN celebrará una presentación con analistas e inversores institucionales, hoy, viernes 22 de septiembre de 2017, a las 15:00 horas de Madrid/CET, que podrá seguirse en tiempo real, vía audio-conferencia, a través del siguiente *link* y con los siguientes códigos de acceso:

Link:

<https://merlinproperties.webex.com/merlinproperties/onstage/g.php?MTID=edc93c72b523d40ab456dccef32bbb973>

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Adjunto se remite nota de prensa y la documentación soporte a la **presentación**, que están igualmente disponibles a través de la página web corporativa de MERLIN (www.merlinproperties.com).

Madrid, 22 de septiembre de 2017.

MERLIN Properties SOCIMI, S.A.

Buen semestre para MERLIN Properties que aumenta su estimación de dividendo con cargo al ejercicio 2017 a 46 céntimos por acción

- Ingresos por rentas: € 235,1 millones (+53% vs 1S 2016)
- EBITDA recurrente: € 198,6 millones (+47% vs 1S 2016)
- FFO recurrente: € 148,6 millones (+54% vs 1S 2016)
- Valor de los activos: € 10.459 millones (+3,7% LfL vs Dic-2016)
- Valor neto de activos por acción: € 11,89 (+5,9% vs Dic-2016)

- La Compañía contrata o renueva casi medio millón de metros cuadrados en el semestre, con crecimientos positivos de renta en todas las categorías de activos, llevando el flujo de caja por acción hasta los 32 céntimos y superando sus objetivos
- Aumenta la estimación de dividendo por acción con cargo a 2017 a 46 céntimos (+5% frente a la estimación de principios de año y +15% sobre el dividendo por acción con cargo a 2016)

Madrid, 22 de septiembre.-, MERLIN Properties ha cerrado el primer semestre con una facturación de 243 millones de euros, un EBITDA recurrente de 199 millones, un FFO recurrente (EBITDA menos intereses) de 149 millones y un beneficio neto consolidado conforme a IFRS de 421 millones de euros. La Compañía alcanza un flujo de caja por acción de 32 céntimos, lo que supone un crecimiento del 5,7% frente al primer semestre de 2016, mostrando una excelente capacidad de generación de ingresos.

La cartera de activos alcanza un valor bruto (GAV) de 10.459 millones de euros, lo que representa un crecimiento del 3,7% LfL frente a diciembre. El valor neto de los activos, según recomendaciones EPRA ("EPRA NAV"), asciende a 5.586 millones de euros, equivalentes a 11,89 euros por acción, lo que supone un incremento del 5,9% frente a diciembre (11,23).

La intensa actividad comercializadora del periodo, con casi medio millón de metros contratados o renovados, da una idea de la positiva evolución del sector y de la calidad y tamaño alcanzados por la cartera de MERLIN Properties tras la integración de Metrovacesa, que supuso todo un reto en su momento en términos de ocupación. Todas las categorías de activos (oficinas, centros comerciales y logística) han experimentado crecimientos de renta en términos comparables y las renovaciones del periodo se han firmado al alza. Además, la ocupación global de la cartera de activos ha subido hasta el 93,1% (desde el 91,3% en diciembre).

Oficinas

Este segmento, hasta ahora retrasado en el ciclo de recuperación frente a centros comerciales y logística, ha mostrado un muy buen comportamiento, con una subida en rentas del 3,4% en las renovaciones del periodo. Por mercados, la subida ha sido del 3,1% en Madrid, del 6,3% en Barcelona y del 7,9% en Lisboa. La ocupación también crece, pasando del 87,9% al 89,3%.

Durante el semestre se adquirió Torre Glòries en Barcelona y Central Office en Lisboa, se avanzó notablemente en la construcción de Torre Chamartín y continuó la ejecución del plan de reformas de la cartera, principalmente en Avenida Europa (Renault), Puerta de las Naciones (Ferrovial) y Balmes 236 (Eugin).

Centros comerciales

La cartera de centros comerciales ha mostrado su calidad y fortaleza en el semestre, con crecimientos en visitantes y ventas y una sobresaliente subida en rentas en las renovaciones del periodo del 5,5%. La ocupación ha crecido hasta el 89,3%.

El plan de reformas sigue avanzando. Se ha inaugurado con gran éxito la nueva zona tematizada en torno al deporte en Marineda, con un 91% de ocupación, las obras de Nickelodeon en Thader siguen su curso (apertura prevista en el cuarto trimestre) y ha comenzado la reforma del centro comercial Arturo Soria Plaza.

Logística

La positiva dinámica en que se encuentra este segmento ha impulsado la cartera de MERLIN hasta una ocupación prácticamente plena, con un crecimiento de renta en las renovaciones del 16,3%.

Tras la inauguración del parque logístico Cabanillas I, en mayo, con 202.600 metros cuadrados de superficie bruta arrendable, 100% ocupados a la apertura, MERLIN sigue ejecutando su ambicioso plan de crecimiento orgánico, con proyectos en Meco, Pinto, Azuqueca, Getafe y Sevilla.

Remuneración al accionista

En línea con la evolución del negocio, MERLIN Properties aumenta su estimación de retribución al accionista con cargo a 2017 a € 216 millones o 46 céntimos por acción (+15% vs 2016).

Acerca de MERLIN Properties

MERLIN Properties SOCIMI, S.A. (MC:MRL) es la mayor compañía inmobiliaria cotizada en la Bolsa española, con una capitalización de más de 5.500 millones de euros. Está especializada en la adquisición y gestión de activos terciarios en la península ibérica, invirtiendo principalmente en oficinas, centros comerciales y plataformas logísticas en los segmentos Core y Core Plus. MERLIN Properties forma parte de los índices de referencia IBEX 35, Euro STOXX 600, FTSE EPRA/NAREIT Global Real Estate Index, GPR Global Index, GPR-250 Index y MSCI Small Caps.

Visite www.merlinproperties.com para obtener más información sobre la compañía.

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6M 2017
RESULTS PRESENTATION



22 SEPTEMBER 2017

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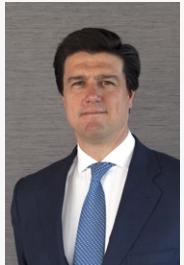
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CIO

Contents

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Office performance

Shopping centers performance

Logistics performance

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Value creation

Closing remarks



Financial performance

- **+5.7%** FFO per share YoY
- **+12.2%** EPRA NAV YoY
- **Highest FFO yield** in the market
- Significant **growth prospects** in valuation
- Capital structure: longer and **more balanced maturity**

Business performance

- Excellent performance in office, shopping centers and logistics, with **positive LfL growth and release spread**
- **Strong increase in occupancy** in offices (+132 bps), shopping centers (+68 bps) and logistics (+329 bps)

Value creation

- **Excellent** value creation for the **assets delivered** in the period
- Development and refurbishment plan being **executed on target**
- Significant **potential for rental growth**

6M 17

FINANCIAL RESULTS





+5.7% INCREASE IN FFO PER SHARE AND +37.2% IN EPRA EPS

€ m	6M17	6M16	YoY
Total revenues	242.6	158.0	53.5%
Office	108.5	57.4	89.0%
High street retail	52.1	48.0	8.4%
Shopping centers	47.3	20.4	131.6%
Logistics	19.5	9.8	98.3%
Other ⁽¹⁾	7.7	18.9	n.a.
Gross rents	235.1	154.6	52.1%
Net rents	208.0	142.3	46.2%
EBITDA⁽²⁾	198.6	135.5	46.6%
FFO⁽³⁾	148.6	96.7	53.7%
AFFO⁽⁴⁾	142.6	n.d.	n.d.
IFRS net profit	421.4	211.1	99.6%
EPRA NAV	5,585.9	3,423.2	63.2%
€ per share	6M17	6M16	YoY
FFO	0.32	0.30	5.7%
AFFO	0.30	n.d.	n.d.
IFRS EPS	0.90	0.65	37.2%
EPRA NAV	11.89	10.60	12.2%

Source: Company

⁽¹⁾ Including hotels, rented residential in 6M16

⁽²⁾ Excludes non-recurring items (€ 3.0m) plus LTIP accrual (€ 26.75m)

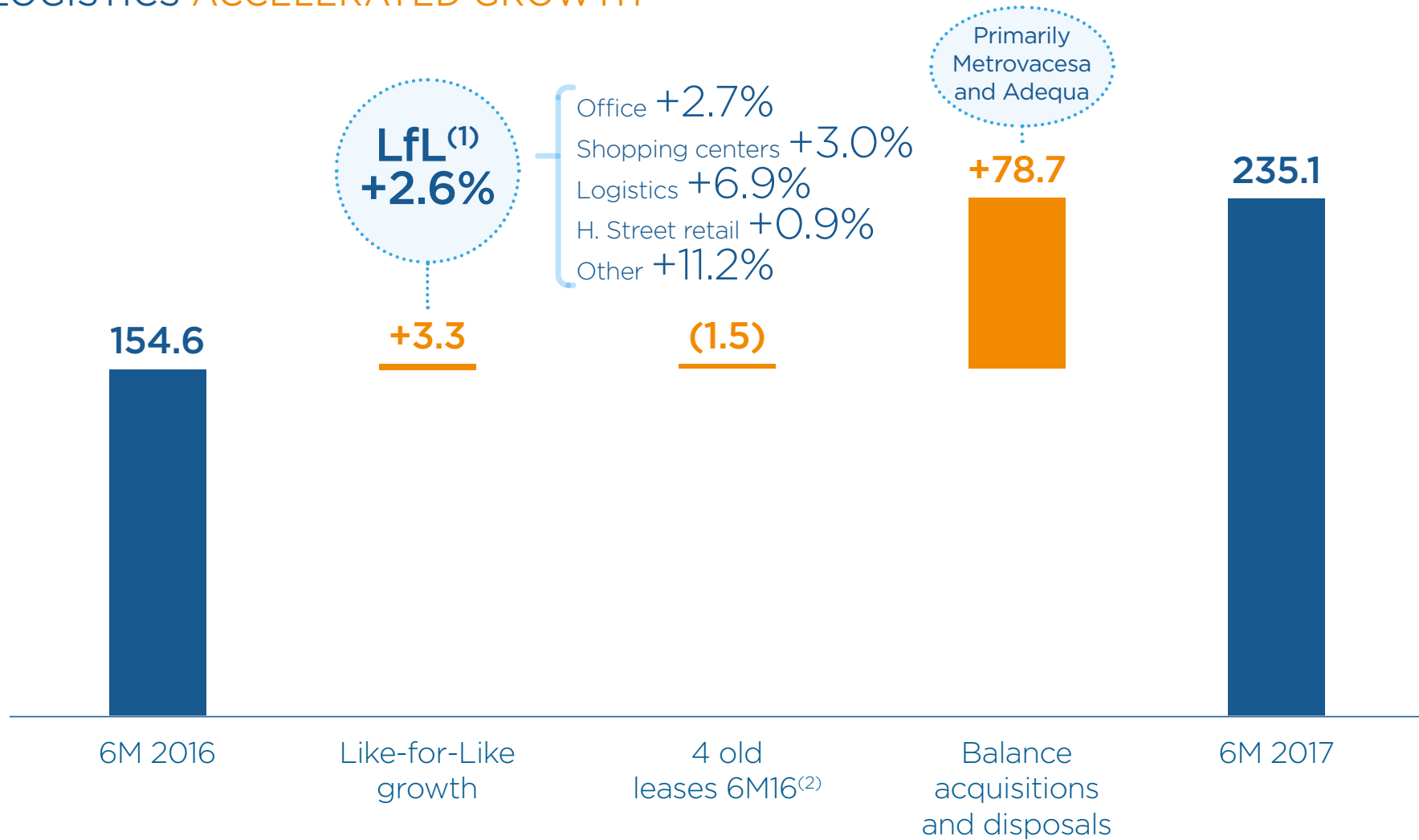
⁽³⁾ FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in recurring earnings of equity method. FFO reported in 6M16 has been rebased in accordance with this methodology

⁽⁴⁾ AFFO equals FFO less maintenance Capex



OFFICE AND SHOPPING CENTERS SHOWING ROBUST UPWARDS TREND AND LOGISTICS ACCELERATED GROWTH

(€m)

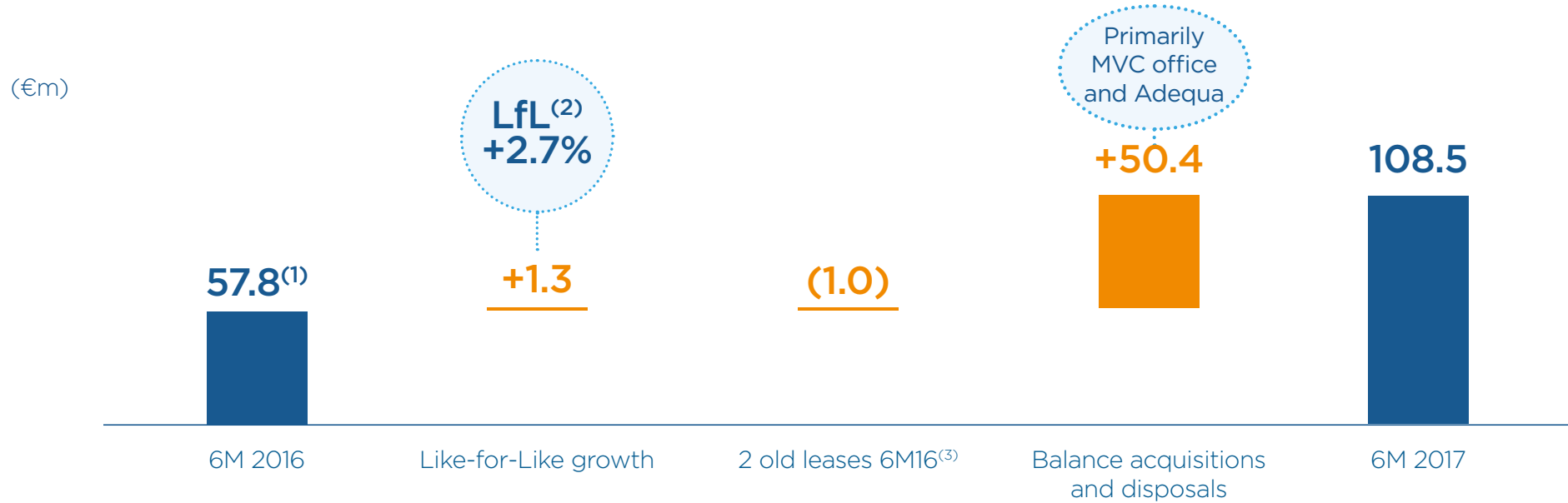


⁽¹⁾ Portfolio in operation for 6M 16 (€ 128.8m GRI) and for 6M 17 (€ 132.1m GRI)

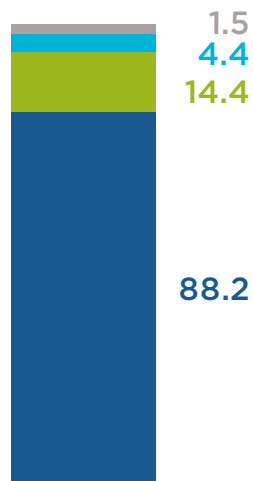
⁽²⁾ Vestas, Endesa-Sevilla, UPS and Logista

OFFICE PERFORMANCE

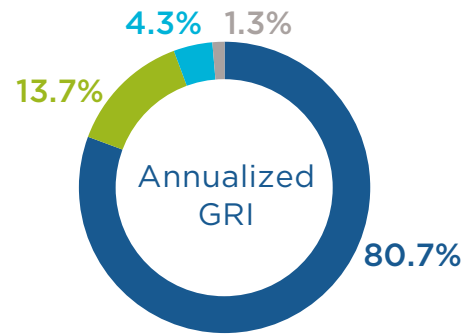




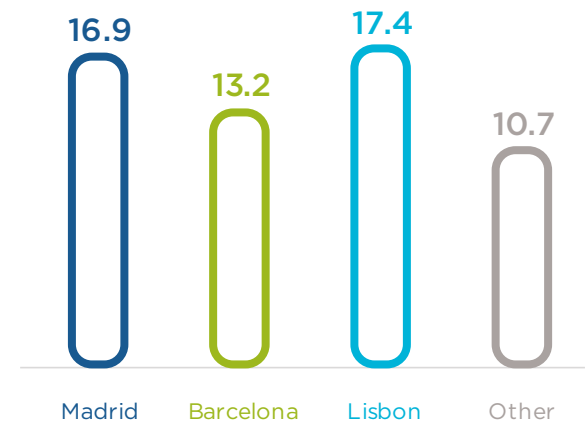
Gross rents 6M 17



Breakdown by location



Passing rent (€/sqm/m)



■ Madrid ■ Barcelona ■ Lisbon ■ Other


⁽¹⁾ Rebased after reclassification of assets (€ 57.4m reported in 30/06/16)

⁽²⁾ Office portfolio in operation for the 6M16 (€ 48.4m) and for the 6M17 (€ 49.7m)

⁽³⁾ Vestas and Endesa-Sevilla








GOOD PERFORMANCE IN OUR 3 CORE MARKETS, WITH **+3.4% RELEASE SPREAD**

	Contracted sqm	Release spread	# contracts	Main actions		
Madrid	200,894	+3.1%	72	 URÍA MENÉNDEZ	 codere	 SONY
Barcelona	34,152	+6.3%	26	 McKinsey &Company	 FUJITSU	
Lisbon	1,043	+7.9%	1	 British Hospital		
TOTAL	236,089	+3.4%	99			

Most meaningful sample in Spain



OCCUPANCY RISING IN MADRID AND BARCELONA

	Net Absorption	Occupancy 30/06/17	Change vs 31/12/16 (bps)	Main actions
Madrid	+12,806	88.9%	+105	 Roche  AMERICAN EXPRESS  Aktua
Barcelona	+4,191	88.8%	+312	 clinica eugin  grupo VIPS
Lisbon	(467)	92.7%	(154)	Change of perimeter (Central Lisbon acquisition)
TOTAL	+16,529	89.3%	+132	

91.9%
89.3%

If we were to exclude from stock 36k⁽¹⁾ under refurb (29k pre-let)

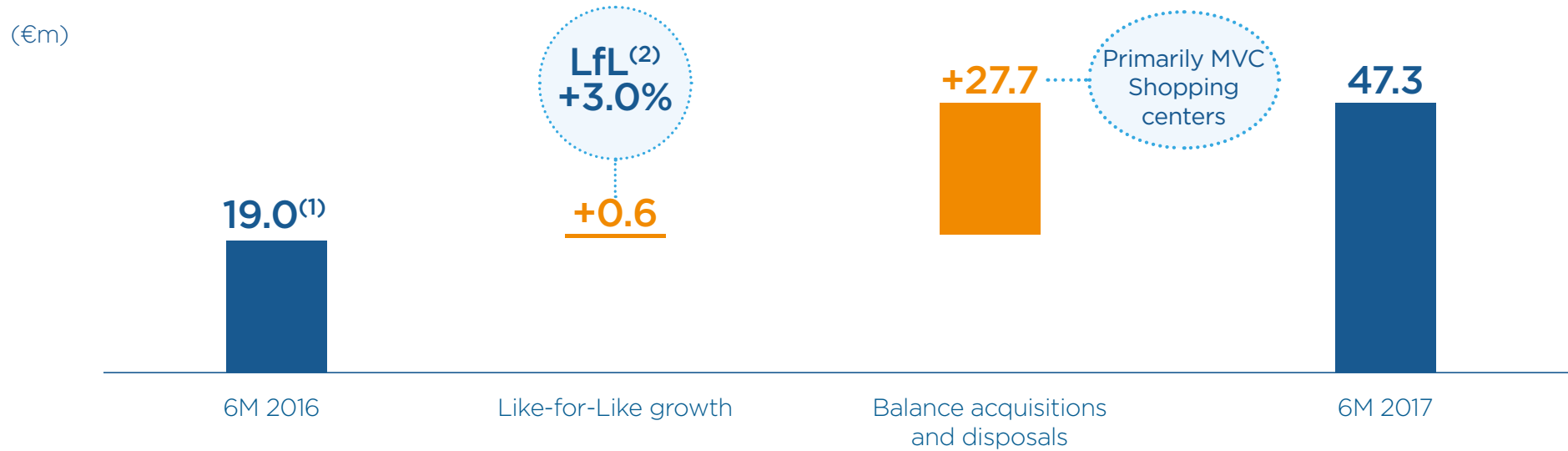
⁽¹⁾ Avda. Europa, Puerta de las Naciones, Eucalipto 33 and Balmes



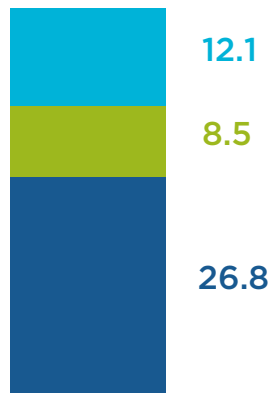
SHOPPING CENTERS PERFORMANCE



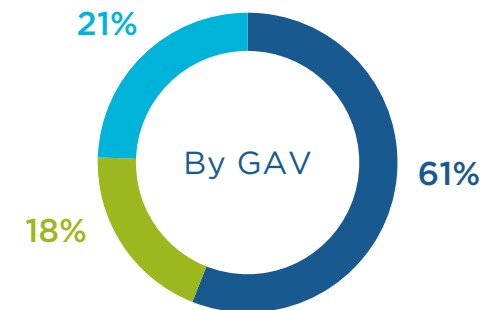
A DOMINANT AND URBAN PORTFOLIO SHOWING STRENGTH



Gross rents 6M 17



Breakdown by type




■ Urban ■ Dominant ■ Secondary









⁽¹⁾ € 20.4m reported. € 19.0m after reclassification of Plaza de los Cubos as High Street retail

⁽²⁾ Shopping centers portfolio in operation for 6M 16 (€ 19.9m) and for 6M 17 (€ 20.5m). Assuming full consolidation of Arturo Soria SC



MEANINGFUL RELEASE SPREAD (+5.5%)

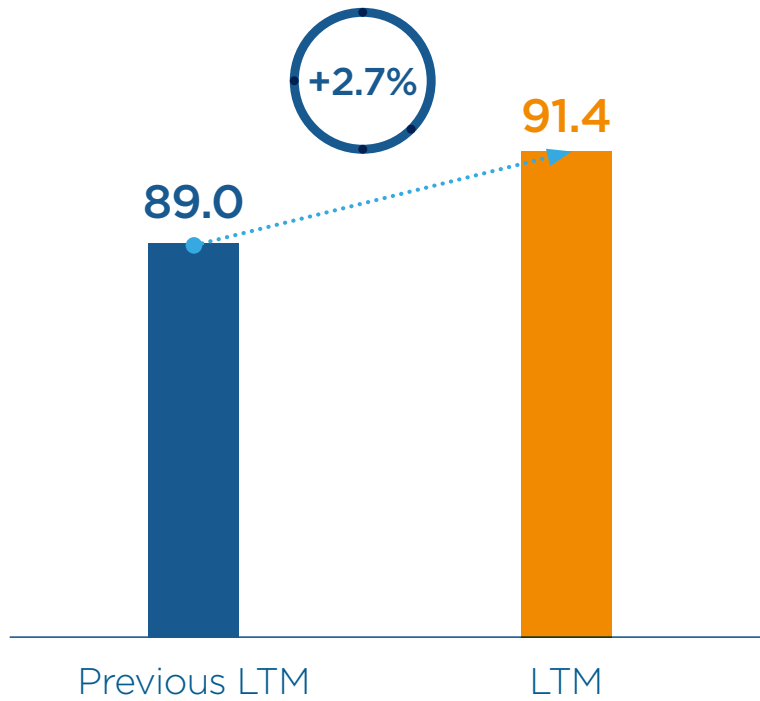
	Release spread	#contracts	Main actions
All portfolio	+5.5%	84	       

	Contracted sqm	Net Absorption	Occupancy 30/06/17	Change vs 31/12/16 (bps)	Main actions
All portfolio	71,587	+2,974	89.3%	+68	       
<p>In spite of Shana and Blanco bankruptcies (5,084 sqm)</p>					

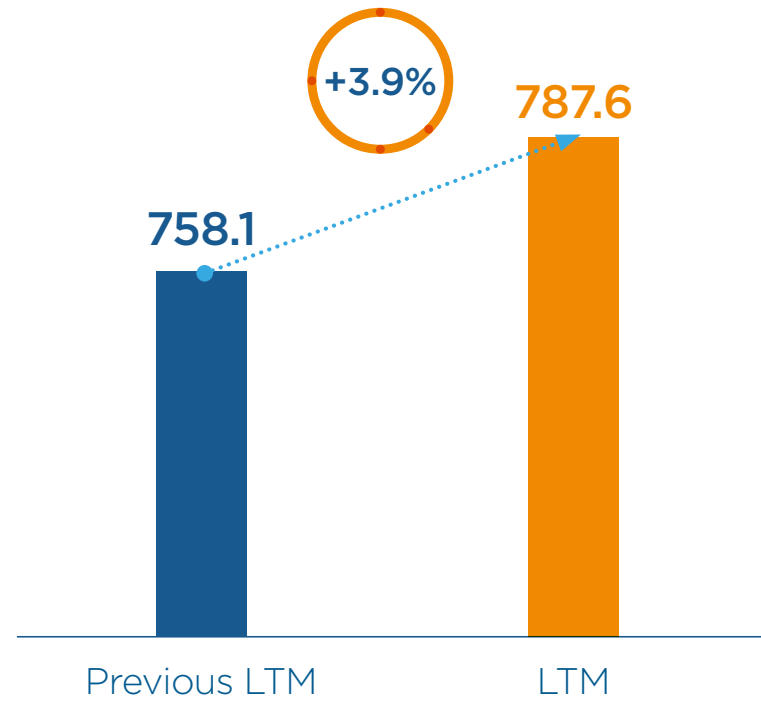


OVER 100M VISITORS TO OUR PORTFOLIO

Visitors⁽¹⁾



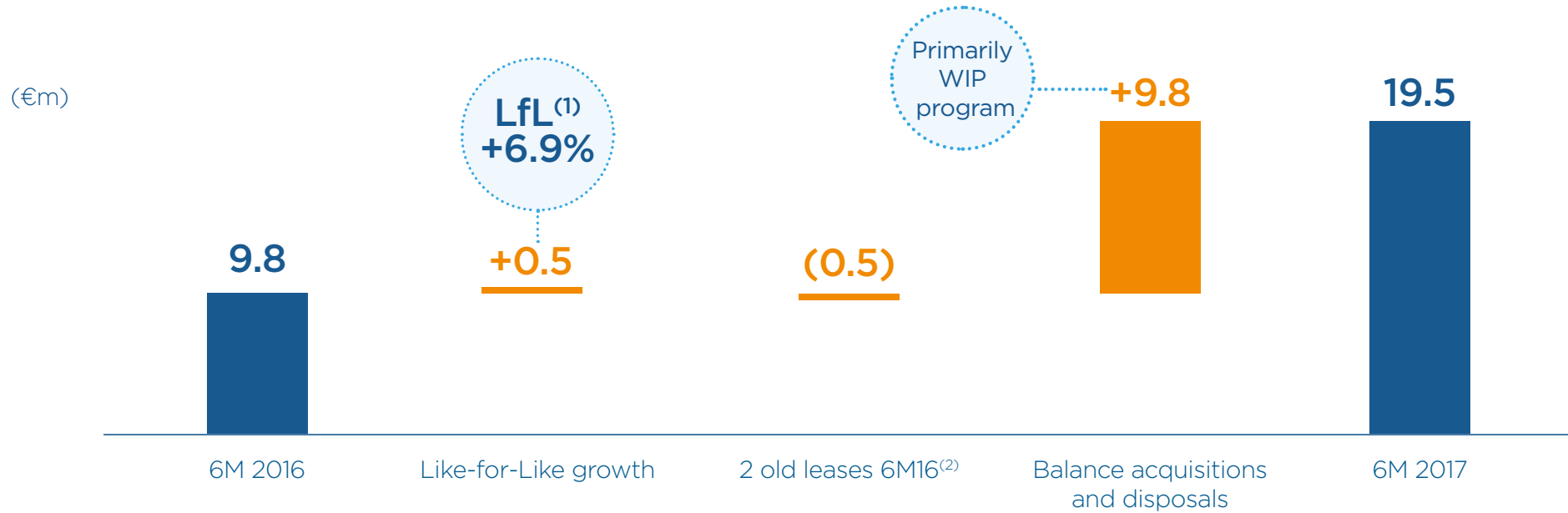
Sales⁽¹⁾



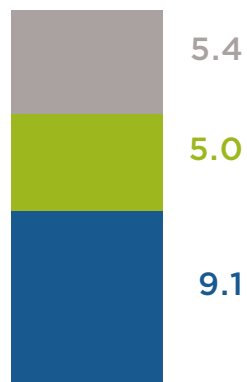
⁽¹⁾ Excluding assets impacted by the "opening effect" of a new shopping center in the previous 24 months (Porto Pi)



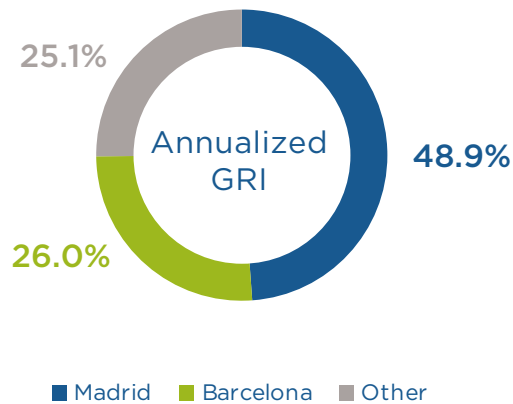
LOGISTICS PERFORMANCE



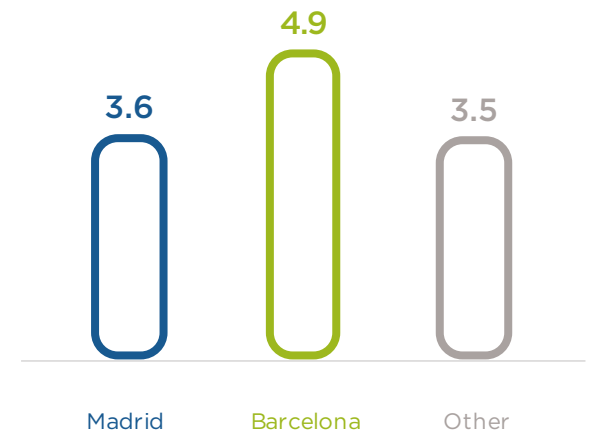
Gross rents 6M 17



Breakdown by location



Passing rent (€/sqm/m)






⁽¹⁾ Logistics portfolio in operation for 6M 16 (€ 7.6m) and for 6M 17 (€ 8.1m)

⁽²⁾ UPS and Logista










STRONG MARKET DINAMICS DRIVING **A VERY POSITIVE RELEASE SPREAD**

	Release spread	#contracts	Main actions	
Madrid	+16.3%	6	 DACHSER Intelligent Logistics	 
Barcelona	-	-		
Other	-	-		
TOTAL	+16.3%	6		

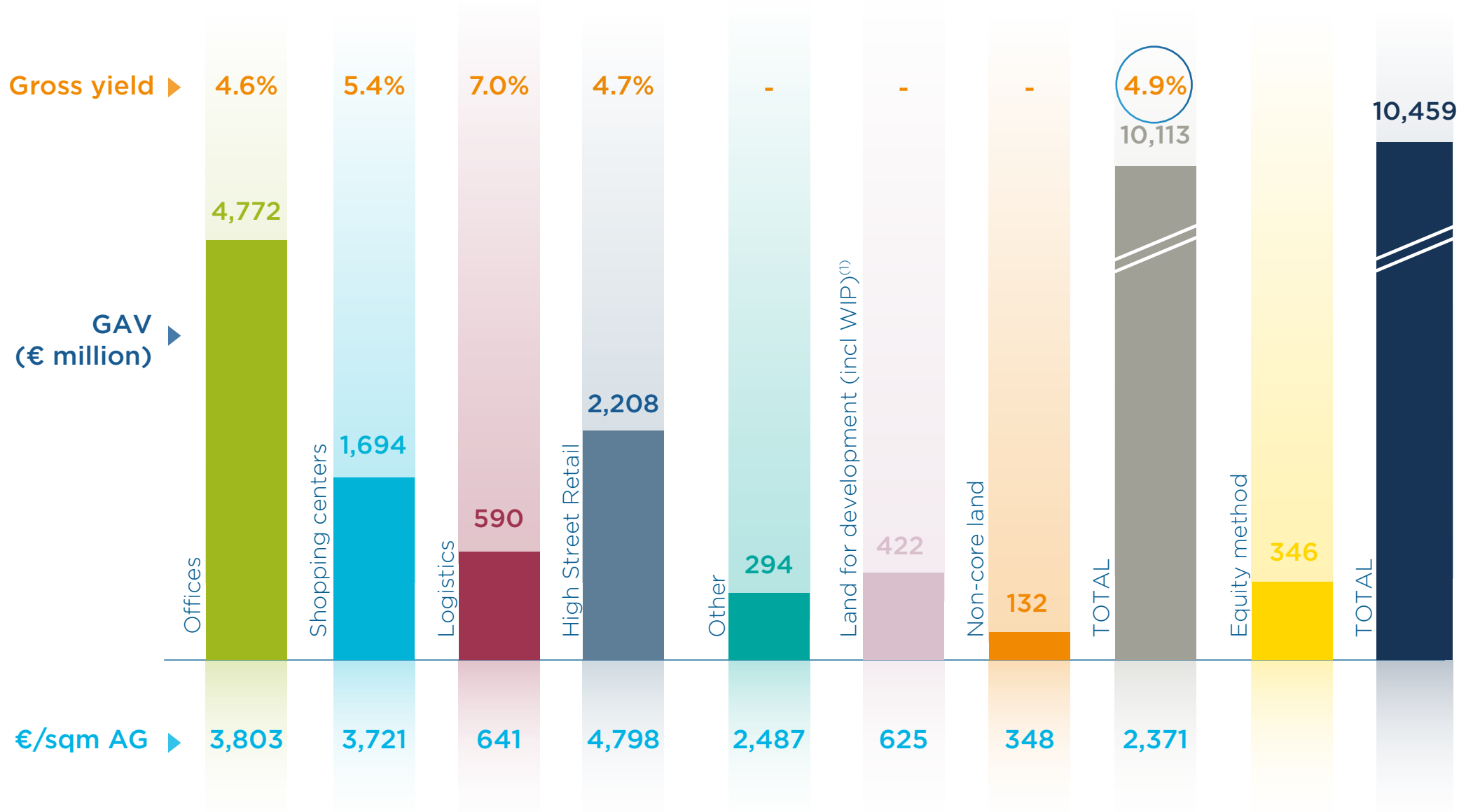


STRONG LEASING PERFORMANCE: THE PORTFOLIO IS VIRTUALLY FULLY OCCUPIED

	Contracted sqm	Net Absorption	Occupancy 30/06/17	Change vs 31/12/16 (bps)	Main actions	
Madrid	130,952	+49,793	100.0%	-	 XPO Logistics	 DSV
Barcelona	31,102	+26,730	99.1%	+1,253	  MOLENBERGNATIE	 ZAMORANO
Other	21,066	(2,585)	95.8%	(103)	 	
TOTAL	183,121	+73,938	98.6%	+329		



VALUATION AND DEBT POSITION



Source: Company

⁽¹⁾ Including Non income producing assets such as Logistic WIP and office WIP (Torre Charmatin and Torre Glories)



AMPLE ROOM FOR FUTURE GROWTH

	LfL growth 6M 17	Yield compression 6M 17
Office	4.7%	(11 bps)
Shopping centers	5.1%	(27 bps)
Logistics	6.0%	(18 bps)
High Street retail	0.2%	(0 bps)
MERLIN	3.7%	(11 bps)

Lowest yield compression among Spanish peers

Yields on GAV

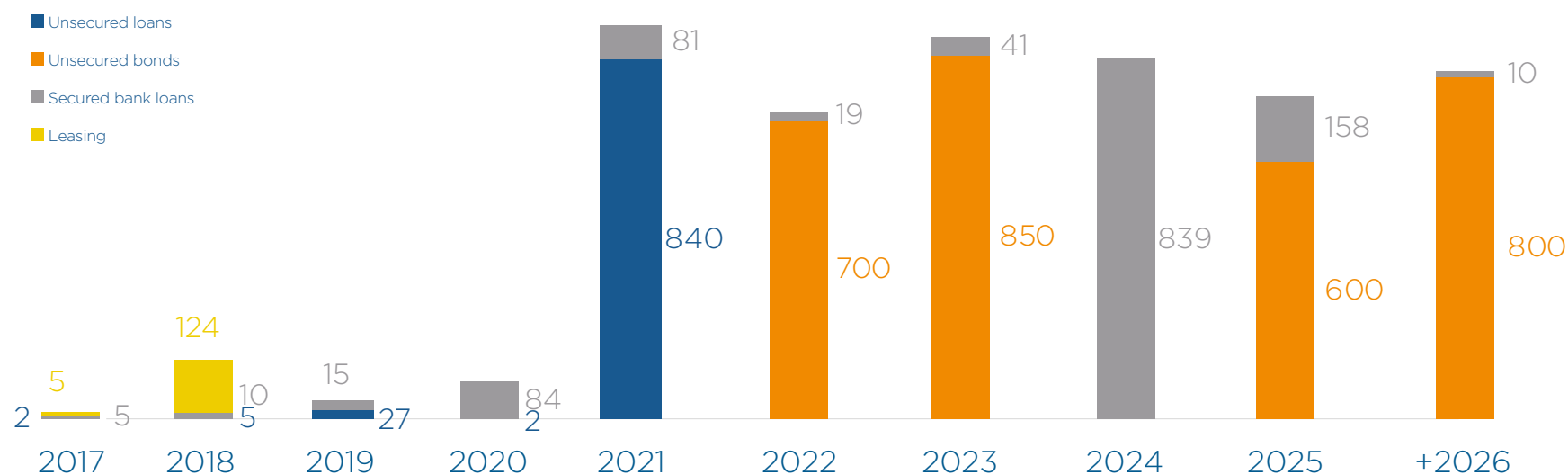
	MERLIN	Peer 1	Peer 2	Peer 3
Office	4.6%	3.9%	3.4%	2.8%
Shopping centers	5.4%			6.3%
Logistics	7.0%		5.9%	6.3%
FFO Yield on NAV⁽¹⁾	5.3%	2.5%	2.4%	5.1%

Highest FFO yield among Spanish peers

⁽¹⁾ Calculated as 6M 17 FFO share multiplied by 2, and divided by EPRA NAV per share as of 30/06/17



LONG-TERM, BALANCED MATURITY PROFILE



	30/06/17	31/12/16
Gross financial debt	€ 5,216m	€ 5,193m
Cash ⁽¹⁾	€ 451m	€ 722m
Net financial debt	€ 4,765m	€ 4,471m
GAV	€ 10,459m	€ 9,824m
LTV	45.6%	45.5%
Average cost	2.24%	2.26%
Floating interest rate	1.6%	11.3%
Average maturity (years)	6.2	6.2
Liquidity ⁽²⁾	€ 871m	€ 949m
Non-mortgage debt	75.8%	75.6%

⁽¹⁾ Including cash and net proceeds from the sale of hotels

⁽²⁾ Including available treasury plus hotels sale receivable and unused credit facilities (€ 420m)

VALUE CREATION





BALMES 236

6,187 sqm
GLA

100%
Occupancy

€ 8m Capex
mostly borne
by tenant
(€1.8 by MRL)

39%
ROI

THE PLAN

- Transformation of a multi-tenant C asset in an excellent location into a B+ mono-tenant HQ

ACTIONS

- Commercialization by internal leasing team
- Technical supervision by internal technical team
- Pre-let to Eugin, Spanish leader in fertility investigation

Occupancy
59%
↓
100%

(€/sqm/m)
12.4
↓ +29%
16.0

clínica
eugin





MARINEDA SPORTS AREA

3,402 sqm
GLA

€ 2.5m
Total Cost

€ 0.45m
Rents

18%
ROI

THE PLAN

- Transformation of an unborn luxury brands area, with high vacancy, into a sports related area

ACTIONS

- Redesign to improve visibility, vertical connections and interior design
- Change of flooring, lighting, furniture and digitalization
- Re-tenanting plan
- In-house project management

91%
Occupancy

Successful
retenanting

Sprinter

U URBAN JUNGLE

1st store in a shopping center in Spain



Largest gym operation in NW Spain

COOLLIGAN

2nd store in a shopping center in Spain

OTEROS
SNEAKERS FOR ALL

1st store in Galicia





MERLIN-CABANILLAS PARK I

202,607 sqm
GLA

Largest
Park built
since 2007

100%
Occupancy

8.2%
Yield on cost

30% valuation
uplift

THE PLAN

- Development of a large logistics park in the main hub in Spain, with the highest specifications to meet the needs of 3PLs and e-commerce companies

ACTIONS

- Forward purchase agreement with two developers
- Price set in an inflationary market
- No construction risk
- Leasing risk reduced through rental guarantees
- Project monitored "in-house"
- MRL leasing team led commercialization



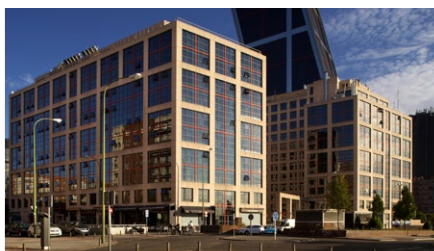
100%
Occupancy

€ 7.8m
Annual rents

Top tier tenants



EXCELLENT VALUE CREATION (+31% UPLIFT)



December 2015

Testa portfolio

December 2016

Testa + Metrovacesa
portfolio

April 2017

Testa + Metrovacesa
+ banks portfolio

September 2017

Testa + Metrovacesa +
banks + Acciona portfolio

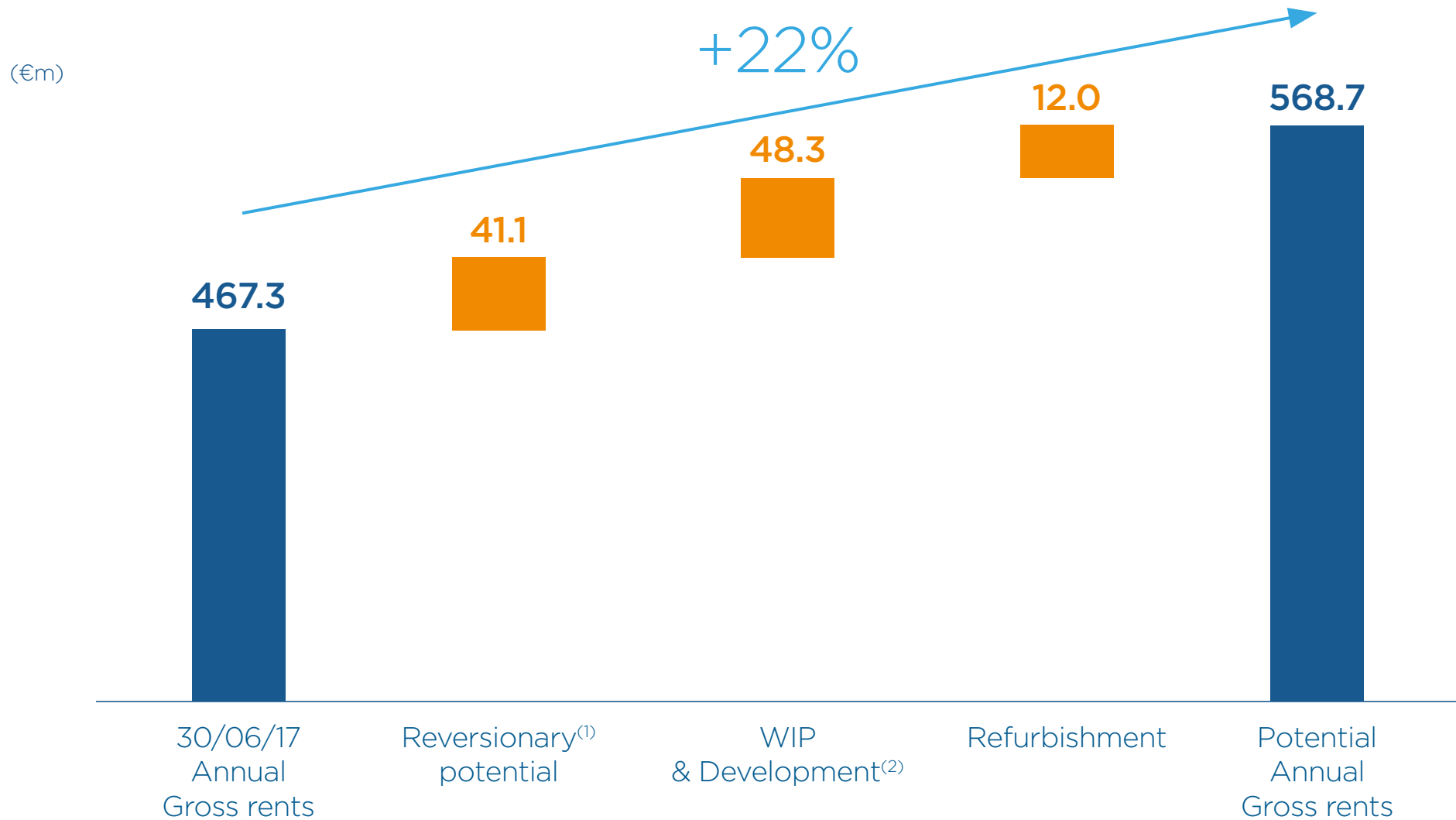
NAV	177	618	1,377	1,816
MRL stake	100%	34.2%	16.2%	12.7%
MRL attributed NAV	177	212	223	231

SIMULTANEOUSLY IMPROVING TESTA RESIDENCIAL PROFILE: THE LEADER IN THE MARKET

#units	1,519	4,706	7,992	9,041
GRI	12	35	56	70
GAV	288	340	1,738	2,179



		Delivery Year	Pending Capex	Expected Rent
	Development	Torre Glòries	2018	€ 97m € 24m
		Torre Chamartin	2018	
		Adequa	2021	
	Refurbishment	Offices	2017-2020	€ 174m € 12m
		Shopping centers	2017-2020	
 	Logistics WIP	Meco II	2017	€ 230m € 24m
		Pinto I	2017	
		Pinto II	2017	
		Gavilanes	2018	
		Sevilla ZAL	2018	
		Azuqueca II	2018	
		Azuqueca III	2018	
		San Fernando	2018	
		Cabanillas Park II	2021	



⁽¹⁾ Not considering any rental market growth nor inflation

⁽²⁾ Includes Torre Glòries, Torre Chamartin, Adequa and Logistic WIP

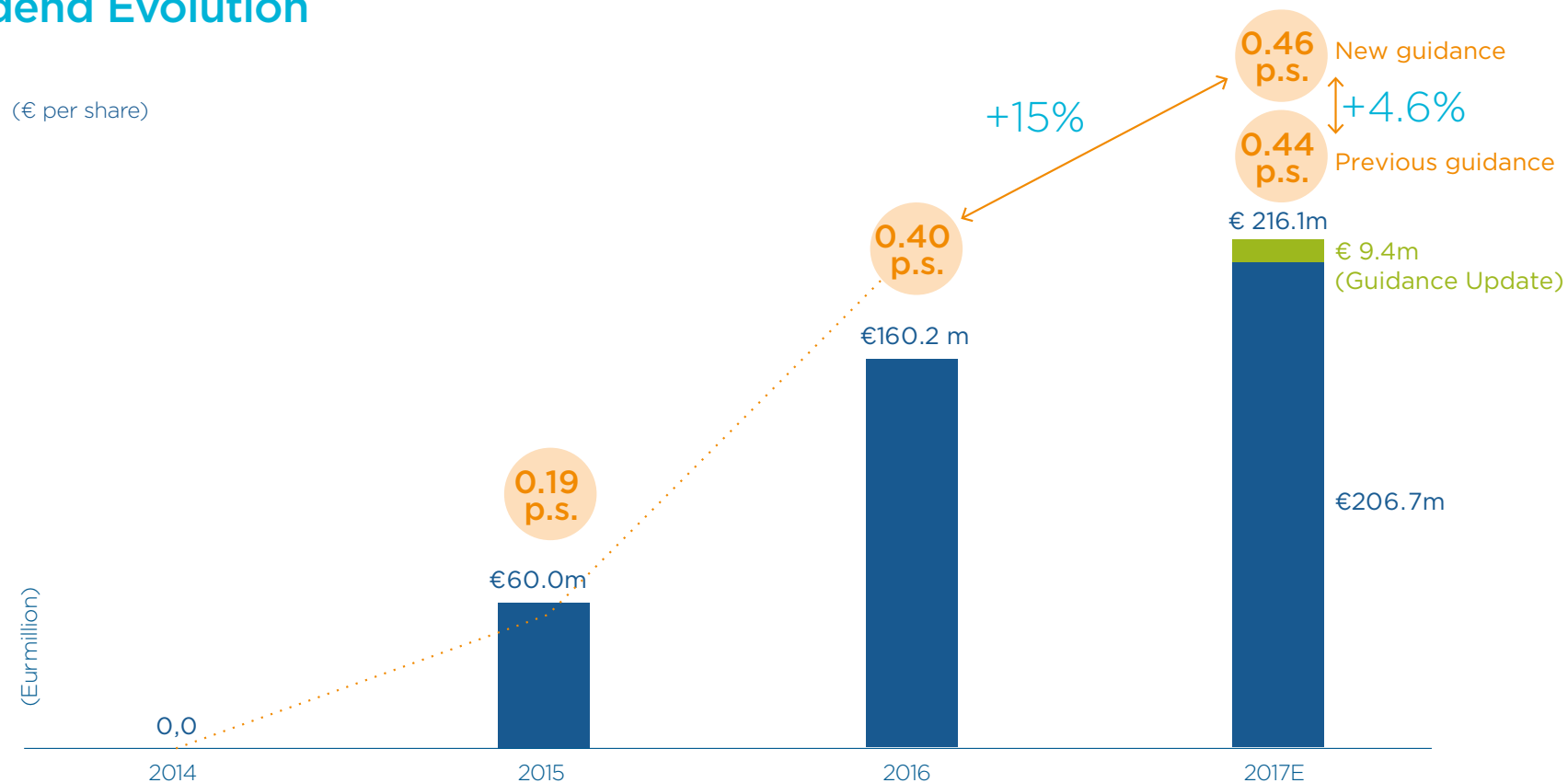


CLOSING REMARKS



- MERLIN very **well positioned** to capture strong upwards market dynamics
- **Strong reversion** through rents, occupancy, developments and refurbishments program (€ 467m of annual rents to reach € 569m)
- **AFFO per share and DPS guidance upgraded:** € 0.58 (vs € 0.55) and € 0.46 (vs € 0.44), respectively (+15% growth YoY 2017 vs 2016)

Dividend Evolution





MERLIN

PROPERTIES

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