

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 total spin-off of Metrovacesa, S.A. to MERLIN, Testa Residencial, SOCIMI, S.A.U. and Metrovacesa Promoción y Arrendamiento, S.A. has been filed at the Commercial Registry of Madrid by means of the extinguishment of Metrovacesa and the division of all of its assets and liabilities into three parts (referred to in the Spin-Off Plan as the Commercial Assets and Liabilities, the Residential Assets and Liabilities and the Non-Strategic Assets and Liabilities), each of which has been transferred *en bloc* and by way of universal succession to MERLIN (in the case of the Commercial Assets and Liabilities), to Testa Residencial (in the case of the Residential Assets and Liabilities) and to Metrovacesa Promoción y Arrendamiento (in the case of the Non-Strategic Assets and Liabilities).

Appropriate procedures have been initiated before IBERCLEAR and Bolsas y Mercados for the admission to trading of the new shares of MERLIN.

Madrid, October 26, 2016.

MERLIN Properties, SOCIMI, S.A.