



TO THE NATIONAL SECURITIES MARKET COMMISSION

MERLIN PROPERTIES, SOCIMI, S.A. (“**MERLIN**”), in compliance with the applicable legislation, notifies the following:

MATERIAL INFORMATION

On Wednesday October 19, 2016, it is envisaged that the distribution of a gross interim dividend of €59,760.550, at a rate of 18.5 euro cents gross per share, will be submitted to the Board of Directors of MERLIN for approval, among other resolutions (the “**Potential Dividend Distribution**”).

If said resolution is validly approved on such date, MERLIN understands that:

- (i) in accordance with the provisions of article 55 of the Corporate Bylaws of MERLIN;
- (ii) based on the “Communication on changes to the dates of corporate events as a result of the implementation of the reform of the securities clearing, settlement and registration system and the shortening of the settlement period, ” issued by the National Securities Market Commission on March 22, 2016; and
- (iii) in light of the date, the T+2 clearance system will apply;

in the Potential Dividend Distribution:

- (a) the Last Trading Date shall be today, October 17, 2016;
- (b) the Ex Date shall be October 18, 2016; and
- (c) the Record Date shall be October 19, 2016.

Lastly, **it is reiterated that the Potential Dividend Distribution has still to be approved by the Board of Directors**; if approved, it will be duly notified as material information.

Madrid, October 17, 2016.

MERLIN PROPERTIES, SOCIMI, S.A.