

THIS NOTICE IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), AUSTRALIA, CANADA OR JAPAN, OR ANY OTHER STATE OR JURISDICTION IN WHICH THE OFFER TO WHICH THIS NOTICE IS REFERRED WOULD BE UNLAWFUL.

Madrid, 17th May 2017

**PRICE SENSITIVE INFORMATION COMMUNICATION
TO THE
COMISIÓN NACIONAL DEL MERCADO DE VALORES**

Further to the price sensitive information communication number 252.143 published on the date hereof regarding the sale of 13,411,809 shares of Merlin Properties, SOCIMI, S.A. ("**Merlin**") held by Banco Popular Español, S.A. ("**Banco Popular**") (the "**Sale**"), representing approximately 2.86% of the share capital of Merlin, Banco Popular hereby announces that once the accelerated book building process has been completed the final terms of the placement have been determined.

The Sale has amounted to a total gross of €143,841,562, with the selling price being €10.725 per share.

José Heraclio Peña Pérez
Vicesecretary of the Board of Directors

IMPORTANT INFORMATION

This announcement is not to be released, distributed or published, either directly or indirectly, in whole or in part, in or into the United States of America (including its territories and possessions, any state of the United States of America and the District of Columbia), Australia, Canada, Japan, or in any other jurisdiction where such an announcement would be unlawful. The offer of the shares described above has not been and will not be registered under the US Securities Act of 1933 nor under the regulatory authority of any state or other jurisdiction of the United States of America, or pursuant to the applicable securities laws of Canada, Australia or Japan.

Therefore, and subject to certain exceptions, the shares may not be offered or sold in the United States of America, Canada, Australia or Japan nor in any other jurisdiction where this offer may constitute an infraction of the securities laws of such other jurisdiction, or on behalf of, or for the benefit of any person in or into the United States of America, Canada, Australia or Japan.