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TO THE NATIONAL SECURITIES MARKET COMMISSION

MERLIN Properties, SOCIMI, S.A. ("MERLIN"), in compliance with the applicable legislation, hereby notifies the following

RELEVANT INFORMATION

MERLIN will hold a conference call with analysts and institutional investors on Friday, May 12th, 2023, at 3 p.m. Madrid/CET time, which can be followed online, through audio conference, with the following links:

Call registration: <https://aiti.capitalaudiohub.com/merlin/reg.html>

Audio stream link: <https://streamstudio.world-television.com/1364-2525-36022/en>

Madrid, May 11th 2023

Solid start of the year for MERLIN Properties

- Gross rents: €119.2 million (+7.0% vs. 3M22)
- EBITDA: € 90.4 million (+7.7% vs. 3M22)
- Operating profit (FFO): € 75.3 million (-5.6% vs 3M22, +20.3% PF excluding Tree)
- Net asset value (NTA) per share: € 15.82 (-3.1% vs. 3M22)

- FFO exceeds €75 million (equivalent to €16 cents per share)
- Strong growth in all key financial and operating metrics such as like-for-like rents (+8.1% vs. 3M22) or FFO excluding Tree (+20.3% vs. 3M22)
- LTV stands at 32.5%, down 18 bps vs. December 2022 (32.7%)

Madrid, May 11th. - MERLIN Properties closed the first quarter of 2023 with total revenues of €121.4 million (including gross rents of €119.2 million), EBITDA of €90.4 million and FFO of €75.3 million (€16 cents per share).

The leverage ratio ("LTV") remains at low levels thanks to the cash retention policy and the divestment program of non-strategic assets, standing at 32.5% (vs. 32.7% in 2022) and with a liquidity position of €1,921 million. In April, MERLIN repaid €744.5m in outstanding bonds, which has allowed it to extend the average debt maturity to 5.6 years while maintaining the cost at very competitive levels (2.2%).

Offices

- Business performance

Solid increase in like-for-like rents (+7.5%), thanks to increased occupancy and positive release spread. Occupancy remained stable at 92.2% (+183 bps vs. 3M22; -27 bps vs. FY22). The office market continued to show dynamism following a good 2022, although we expect lower activity in the coming months.

Landmark Plan

The refurbishment of Plaza Ruiz Picasso is progressing well, with the asset almost fully pre-let to top-quality tenants at prime rents.

Logistics

- Business performance

Positive organic growth in the logistics portfolio, showing good like-for-like in rents (+4.3% vs 2022) despite a small reduction in occupancy due to tenant turnover.

- Best Plan II & III

Cabanillas Park II B (47,342 sqm) in its final development phase. To be delivered in the second half of 2023. Very advanced lease-up negotiations.

Shopping centers

- Business performance

Occupancy in shopping centers continues to improve (95.8%). Sales (+16.4%) and footfall (+5.1%) continue to recover compared to the same period in 2022 and sales have far exceeded pre-pandemic levels. The occupancy cost ratio remains at very sustainable levels (11.9%).

Mega Plan (Data Centers)

Construction works are nearing completion, and the three assets are expected to be delivered in the second half of the year. Pre-commercialization is progressing faster than anticipated and equipment orders have been placed to increase from 9MW to 15MW immediately.

Divestments

Post closing to the first quarter, the Company has sold 2 non-core shopping centers, Bonaire and Vilamarina, for €22 million.

About MERLIN Properties

MERLIN Properties SOCIMI, S.A. (MC:MRL) is the largest real estate company trading on the Spanish Stock Exchange. Specialized in the acquisition and management of commercial property in the Iberian region. MERLIN Properties mainly invests in offices, shopping centers and logistics facilities, within the Core and Core Plus segments, forming part of the benchmark IBEX-35, Euro STOXX 600, FTSE EPRA/NAREIT Global Real Estate, GPR Global Index, GPR-250 Index, MSCI Small Caps indices and DJSI.

Please visit www.merlinproperties.com to learn more about the company.

For further information please contact:

Nuria Salas, nsalas@tinkle.es, +34 629 56 84 71

Sarah Estébanez, sestebanez@tinkle.es, +34 636 62 80 41

CONSOLIDATED PERFORMANCE

+8.1%
Gross rents like-for-like YoY
(5.6%)
FFO per share YoY
+20.3%
FFO PF excl. Tree
(3.1%)
NTA per share YoY

- **Positive release spreads** accross the board and **+8.1% LfL rental growth**
- **Strong operating performance mostly offsetting the FFO drag of Tree** (-5.6% FFO vs 3M22)
- **Resilient occupancy** (+35 bps vs 3M22 LfL)
- **Muted investment activity.** Efforts have been focused on pre-letting our WIP portfolio
- **2023 bond refinanced by bank financing and RCF extended until 2028 under compelling terms.** Liquidity is available for good companies with quality real estate portfolios
- **No valuation during the period. NTA per share standing at € 15.82. € 0.24 cash dividend to be paid out on May 22nd**

(€ million)	3M23	3M22	YoY
Total revenues	121.4	113.9	6.6%
Gross rents	119.2	111.5	7.0%
Gross rents after incentives	112.5	104.8	7.4%
Net rents after propex & collection losses	100.9	93.2	8.3%
Gross-to-net margin ⁽¹⁾	89.7%	88.9%	
EBITDA ⁽²⁾	90.4	83.9	7.7%
Margin	75.8%	75.2%	
FFO ⁽²⁾	75.3	79.7	(5.6%)
Margin	63.1%	71.5%	
AFFO	72.6	78.4	(7.5%)
Net earnings	66.2	92.6	(28.5%)

(€ per share)	3M23	3M22	YoY
FFO	0.16	0.17	(5.6%)
AFFO	0.15	0.17	(7.5%)
EPS	0.14	0.20	(28.5%)
EPRA NTA	15.82	16.32	(3.1%)

BUSINESS PERFORMANCE

Rents like-for-like YoY
+7.5%

Offices

+4.3%

Logistics

+10.8%

S. Centers

Release spread
+2.8%

Offices

+4.9%

Logistics

+7.9%

S. Centers

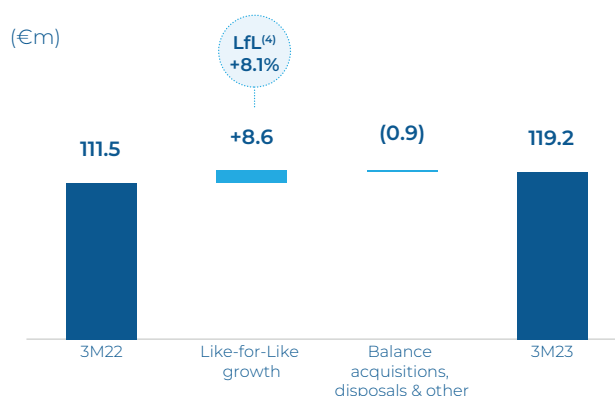
Occupancy vs 31/12/2022
(28 bps)
94.8%

- **Offices:** 89,695 sqm contracted. LfL of **+7.5%** and **release spread** of **+2.8%**
- **Logistics:** 57,221 sqm contracted. LfL of **+4.3%** and **release spread** of **+4.9%**
- **Shopping centers:** 11,381 sqm contracted. LfL of **+10.8%** and **release spread** of **+7.9%**

3M23	Contracted	Rent		Leasing activity	Occ. vs 31/12/22
		sqm	€m	Lfl change	Release spread
Offices	89,695	62.8	+7.5%	+2.8%	(37)
Logistics	57,221	19.7	+4.3%	+4.9%	(21)
Shopping centers	11,381	33.5	+10.8%	+7.9%	(58)
Other	n.a.	3.2	+17.2%	n.m.	+85
Total	158,297	119.2	+8.1%		(28)

Gross rents bridge

(€m)


⁽¹⁾ Net of incentives

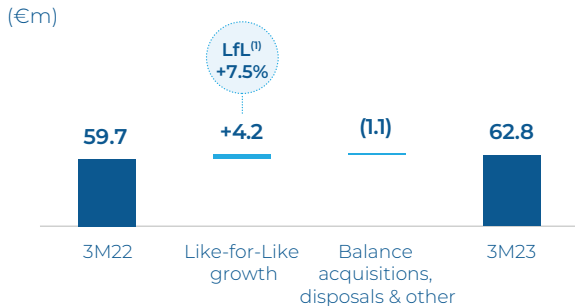
⁽²⁾ Excludes non-overhead costs items (€ 0.4m) plus LTIP accrual (€ 0.7m)

⁽³⁾ FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in earnings of equity method

⁽⁴⁾ Portfolio in operation for 3M22 (€ 106.4m of GRI) and for 3M23 (€ 115.0m of GRI)

OFFICES

Gross rents bridge



Rents breakdown

	Gross rents 3M23 (€ m)	Passing rent (€/sqm/m)	WAULT (yr)
Madrid	42.7	20.1	3.3
Barcelona	10.6	20.8	2.6
Lisbon	8.9	21.0	3.9
Other	0.6	11.8	6.5
Total	62.8	20.2	3.3

Leasing activity

- **Strong rental increase (+7.5%)** thanks to a mix of occupancy gains (+183 bps YoY), indexation and rental increases on renewals
- **1Q23 leasing activity highlights:**
 - 11,262 sqm renewal with ICEX in Castellana 278, Madrid
 - 5,644 sqm renewal with Paradigma Digital in PE Atica, Madrid
 - 3,695 sqm new lease with Acuntia in PE Via Norte, Madrid
 - 1,456 sqm new lease with Lyntia Networks in Avenida de Bruselas 24, Madrid
 - 1,353 sqm new lease with Testa in Santiago de Compostela 94, Madrid
 - 1,112 sqm new lease with Servei Català de la Salut in San Cugat II, Barcelona

sqm	Contracted	Out	In	Renewals ⁽²⁾	Net	LTM	
						Release spread	# Contracts
Madrid	75,421	(17,199)	11,407	64,014	(5,792)	+1.7%	87
Barcelona	14,274	(2,064)	5,092	9,182	3,028	+6.0%	43
Lisbon	-	-	-	-	-	+18.9%	8
Total	89,695	(19,263)	16,499	73,196	(2,764)	+2.8%	138

Occupancy

- **Broadly stable occupancy** (+183 bps YoY, -27 bps vs FY22)
- By markets, **best performer this quarter has been Barcelona Periphery**

Stock	1,152,952 sqm
WIP	162,646 sqm
Stock incl. WIP	1,315,598 sqm

	Occupancy rate ⁽³⁾		
	3M23	3M22	Change bps
Madrid	89.7%	88.0%	+172
Barcelona	95.9%	93.8%	+209
Lisbon	100.0%	99.6%	+45
Other	100.0%	100.0%	-
Total	92.2%	90.3%	+183

⁽¹⁾ Portfolio in operation for 3M22 (€ 56.4m of GRI) and for 3M23 (€ 60.6m of GRI)

⁽²⁾ Excluding roll-overs

⁽³⁾ MERLIN policy excludes buildings under complete refurbishment. Buildings excluded this period are Plaza Ruiz Picasso, Plaza Ruiz Picasso II, Atica 1, PE Cerro Gamos, PLZFA, Josefa Valcarcel 48, PE Atica XIX D and Adequa 4 & 7

LOGISTICS

Gross rents bridge

(€m)



Rents breakdown

	Gross rents 3M23 (€ m)	Passing rent (€/sqm/m)	WAULT (yr)
Madrid	12.6	4.2	4.0
Barcelona	2.7	7.3	2.3
Other	4.4	4.2	2.9
Total	19.7	4.5	3.5

Leasing activity

- **Good organic performance (+4.3% LfL)** despite a minor occupancy loss due to tenant rotation
- **1Q23 leasing activity highlights:**
 - 38,763 sqm renewal with IDL in A2-Alovera, Madrid
 - 10,791 sqm renewals with UPS and The Phone House in A2-Coslada Complex, Madrid
 - 3,946 sqm new lease with Truck and Wheel in Valencia-Almussafes
 - 3,721 sqm new lease with Luis Simoes in Barcelona-PLZF

sqm	Contracted	Out	In	Renewals	Net	LTM	
						Release spread	# Contracts
Madrid	49,554	(84)	-	49,554	(84)	+4.9%	5
Barcelona	3,721	(6,689)	3,721	-	(2,968)	-	-
Other	3,946	(3,946)	3,946	-	-	-	-
Total	57,221	(10,719)	7,667	49,554	(3,052)	+4.9%	5

Occupancy

- **Occupancy remains at very high levels (96.8%)**
- **Advanced negotiations for the pre-lets of pipeline projects.** Further details to be provided in the upcoming quarters

Stock	1,483,786 sqm
WIP⁽²⁾	604,779 sqm
Best II	214,467 sqm
Best III	390,312 sqm
Stock incl. WIP	2,088,565 sqm
ZAL Port	736,217 sqm
Stock managed	2,824,782 sqm

	Occupancy rate		
	3M23	3M22	bps
Madrid	96.0%	99.8%	(371)
Barcelona	92.5%	94.8%	(233)
Other	100.0%	94.6%	+536
Total	96.8%	97.8%	(107)

⁽¹⁾ Portfolio in operation for 3M22 (€ 17.6m of GRI) and for 3M23 (€ 18.4m of GRI)

⁽²⁾ WIP includes in progress and Landbank Best II & III

LOGISTICS (CONT.)

INVESTMENTS, REFURBISHMENTS AND DEVELOPMENTS

Best II (as from 31/03/2023)

- **63% of Best II** has been delivered achieving a **7.8% YoC**
- **A2-Cabanillas Park II B** (47,342 sqm) under development to be delivered in 2H23 at an **expected YoC of 6.9%** with advanced negotiations in terms of commercialization
- **167,125 sqm of Landbank** remaining in the Madrid area (Cabanillas Park II and Azuqueca III) to be developed with pre-lets. Expected **YoC above 6.5%** at current construction costs

Best III (as from 31/03/2023)

- **22% of Best III** has been delivered achieving a **8.0% YoC**
- **390,312 sqm of Landbank** remaining in Lisbon (Lisbon Park), Seville (Sevilla ZAL), Madrid (A2-San Fernando III) and Valencia (Valencia-Betera) to be developed with pre-lets. **Expected YoC above 7.0%** at current construction costs

SHOPPING CENTERS

Gross rents bridge

(€m)



Rents breakdown

	Gross rents 3M23 (€ m)	Passing rent (€/sqm/m)	WAULT (yr)
MERLIN	33.5	22.9	2.4

Footfall and tenant sales⁽²⁾

	vs 3M22	vs 3M19
Tenant sales	+16.4%	+16.7%
Footfall	+5.1%	(1.0%)
OCR	11.9%	

Leasing activity

- Footfall (+5.1% vs 3M22) and sales (+16.4% vs 3M22) continue experiencing a positive trend
- OCR remains at very sustainable levels (11.9%)
- 1Q23 leasing activity highlights:
 - 1,916 sqm renewal with Mercadona in Arenas
 - 805 sqm renewal with New Yorker in Almada
 - 718 sqm new lease (extension) with Pull&Bear in Artea
 - 633 sqm new lease with Runni Pandora in X-Madrid
 - 405 sqm new lease with Casa del Libro in Marineda
 - 314 sqm new lease with Vips in Larios

sqm	Contracted	Out	In	Renewals	Net	LTM	
						Release spread	# Contracts
Total	11,381	(8,091)	5,740	5,641	(2,351)	+7.9%	144

Occupancy

- Occupancy stands at 94.4% (+13 bps vs 3M22, +115 bps vs FY19)
- Bonaire and Vilamarina disposed on May 4th 2023. 3M23 Occupancy PF increases to 95.8%, close to full occupancy, and highly consistent across the portfolio
- Best performer this quarter has been X-Madrid

Stock	461,394 sqm
Tres Aguas ⁽³⁾	67,940 sqm
Stock with Tres Aguas	529,334 sqm

	Occupancy rate		
	3M23	3M22	bps
Total	94.4%	94.3%	+13

⁽¹⁾ Portfolio in operation for 3M22 (€ 29.6m of GRI) and for 3M23 (€ 32.8m of GRI)

⁽²⁾ Including X-Madrid, opened in November 2019

⁽³⁾ Tres Aguas at 100% allocation

BALANCE SHEET

- **LTV stands at 32.5%** (-18 bps vs FY22) thanks to cash retention
- **2023 maturity (€ 744.5m) refinanced at a compelling cost, bringing PF cost of debt to just 2.2% and increasing average maturity to 5.6 years. No further maturities until May 2025**
- **Solid financial situation:** low LTV, 100% interest rates fixed, 98% unsecured and > € 1.9bn in liquidity (€ 1.2bn PF post debt repayment in April)

Corporate rating		Outlook
S&P Global	BBB	Positive
Moody's	Baa2	Positive

Ratios	31/03/2023	31/12/2022
LTV	32.5%	32.7%
Av. Interest rate	1.98%	1.98%
Av. Maturity (years)	4.7	4.9
Unsecured debt to total debt	98.0%	98.0%
Interest rate fixed	99.6%	99.6%
Liquidity position (€m) ⁽¹⁾	1,921	1,856

	€ million
GAV	11,381
Gross financial debt	4,238
Cash and equivalents ⁽²⁾	(447)
Net financial debt	3,792
NTA	7,432

INVESTMENTS, DIVESTMENTS AND CAPEX

- **No disposals during 3M23. 2 non-core shopping centers (€ 22m) disposed in May**
- Capex efforts continue focused on **Best II & III and Digital Infrastructure Plan (Mega)**

	Offices	Retail	Logistics	Data Centers	€ million
Acquisitions			Valencia-Betera		1.4
Development			A2-Cabanillas Park II A2-Cabanillas Park I J Lisboa-Park	Bilbao Arasur (Data Center) Madrid-Getafe (Data Center) Barcelona PLZF (Data Center)	34.9
Investment properties	Plaza Ruiz Picasso PE Cerro Gamos PLZFA Diagonal 605		A4-Pinto II A2-Cabanillas I		22.3
Like-for-like portfolio (Defensive Capex) ⁽³⁾					3.8
Total					61.0

⁽¹⁾ Includes cash (€ 430.3m), treasury stock (€ 16.5m) and undrawn credit facilities (€ 1,474m) in 3M23

⁽²⁾ Includes cash (€ 430.3m) and treasury stock (€ 16.5m)

⁽³⁾ € 2.7m are capitalized in balance sheet and € 1.1m are expensed in P&L

POST CLOSING

- In April MERLIN **repaid € 744.5m in outstanding bonds** with a € 665m syndicated loan, a € 60m bilateral loan drawn in December 2022 and a € 22m loan from the European Investment Bank (EIB) drawn in December 2022. As a result, the average cost of debt of the company is 2.2% and the average maturity has increased to 5.6 years, from 4.7 as of 3M23
- In April MERLIN **extended its Revolving Credit Facility (RCF) from 2026 to 2028** while maintaining the margin at very competitive levels (100 bps). As a result of this liability management action, the company has covered its financial needs until 2026
- On April 27th, the 2023 General Shareholders Meeting approved the distribution of € 0.24 per share, which will be paid out on May 22nd
- On May 4th, MERLIN disposed 2 non-core shopping centers (Bonaire and Vilamarina) for € 22m

APPENDIX

1. Consolidated Profit and Loss

2. Consolidated Balance Sheet

1. Consolidated Profit and Loss

(€ thousand)	31/03/2023	31/03/2022
Gross rents	119,247	111,496
Offices	62,832	59,710
Logistics	19,721	17,655
Shopping centers	33,519	31,349
Other	3,175	2,782
Other income	2,158	2,402
Total Revenues	121,405	113,898
Incentives	(6,741)	(6,746)
Total Operating Expenses	(25,357)	(24,935)
Propex	(11,612)	(11,579)
Personnel expenses	(8,604)	(8,111)
Opex general expenses	(4,084)	(3,595)
Opex non-overheads	(356)	(440)
LTIP Provision	(701)	(1,210)
ACCOUNTING EBITDA	89,307	82,217
Depreciation	(466)	(429)
Gain / (losses) on disposal of assets	2,515	3,388
Provisions	(7)	33
Change in fair value of investment property	-	-
EBIT	91,349	85,209
Net financial expenses	(19,707)	(25,031)
Debt amortization costs	(1,367)	(2,636)
Change in fair value of financial instruments	(6,039)	15,784
Share in earnings of equity method instruments	3,620	2,673
PROFIT BEFORE TAX	67,856	75,999
Income taxes	(1,683)	(1,358)
PROFIT (LOSS) FOR THE PERIOD RECURRING OPERATIONS	66,173	74,641
Result from discontinued operations	-	17,948
Minorities	-	-
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE	66,173	92,589

2. Consolidated Balance Sheet

(€ thousand)

ASSETS	31/03/2023	EQUITY AND LIABILITIES	31/03/2023
NON CURRENT ASSETS	11,567,271	EQUITY	6,912,878
Intangible assets	1,772	Subscribed capital	469,771
Property, plant and equipment	6,184	Share premium	3,541,379
Investment property	10,775,185	Reserves	3,287,153
Investments accounted for using the equity method	508,790	Treasury stock	(16,463)
Non-current financial assets	196,694	Other equity holder contributions	540
Deferred tax assets	78,646	Interim dividend	(444,815)
		Profit for the period	66,173
		Valuation adjustments	9,046
		Minorities	-
		Grants, donations and bequests	94
		NON-CURRENT LIABILITIES	4,244,519
		Long term debt	3,618,090
		Long term provisions	12,913
		Deferred tax liabilities	613,516
CURRENT ASSETS	527,250	CURRENT LIABILITIES	937,124
Trade and other receivables	41,624	Short term debt	807,363
Short term investments in group companies and associates	2,840	Trade and other payables	109,463
Short-term financial assets	28	Other current liabilities	20,298
Cash and cash equivalents	430,272		
Other current assets	52,486		
TOTAL ASSETS	12,094,522	TOTAL EQUITY AND LIABILITIES	12,094,522



Paseo de la Castellana, 257
28046 Madrid
+34 91 769 19 00
info@merlinprop.com
www.merlinproperties.com