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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 Thursday, July 30th, 2020, at 3 p.m. Madrid/CET time, which can be followed on line, through audio and video conference, with the following link and access code:

Webex Link:

https://merlinproperties.webex.com/merlinproperties/onstage/g.php?MTID=e45a22ad0336677efc7d04dd11f0f6968

Event number: 6799664

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Netherlands	08000235015

Attached you will find the press release and supporting documentation for the presentation that is also available on MERLIN's corporate website (www.merlinproperties.com)

Madrid, July 29th 2020

MERLIN Properties SOCIMI, S.A.

Press release

29 July 2020

MERLIN weathers the Covid-19 impact with resilience

- Total revenues: € 259.4 million (-2.2% YoY)
- EBITDA: € 184.1 million (-12.5% YoY)
- Operating profit ("FFO"): € 134.3 million (-14.6% YoY)
- NAV per share: €15.68 (+3.8% YoY)

- With no changes in the perimeter after the sale of assets, gross rents increase 2.7% LfL.
- The Company launched a Covid-19 commercial policy to grant rent relief to retail tenants. We have recorded these incentives as a one-off expense amounting to € 27.8m in the period.
- Operating profit reaches € 134.3 million (equivalent to € 29 cents per share), despite the smaller perimeter and the incentives granted. Without these two effects, it would also have exceeded last year's operating profit.
- Valuations in line with FY19, with an increase in both offices and logistics and a decrease in shopping centers. EPRA NAV per share standing at € 15.68, with a 3.8% growth YoY.

Madrid, 29 July- MERLIN Properties has released its 6M20 consolidated financial statements with total revenues of € 259.4 million, EBITDA of € 184.1 million and FFO of € 134.3 million. Consolidated net earnings in accordance with IFRS of € 70.9 million, not comparable YoY due to the non-recurring items recorded in 6M19 (assets sold and a lower revaluation of assets). Excluding non-recurring items, net earnings amounts to €87.2 million, a 30% decrease YoY (€124.3 million in 6M19). The occupancy in the portfolio bears the Covid-19 effect and remains at the same level as before the pandemic outbreak, reaching 93.9%, proving its quality and the robustness of its tenants.

The gross asset value (GAV) of the portfolio amounts to €12,755 million, which remains flat (+0.2%) as compared to December 2019. By asset category, the valuations in offices and logistics continues to grow due to higher rents, whereas net leases remains equal and shopping centers declines 4.7%. EPRA NAV amounts to € 7,365 million or € 15.68 per share, up 3.8% during the last year.

MERLIN Properties continues to actively manage their balance sheet: the recent issuance and repayment of the bonds has resulted in a 40.5% LTV ratio (40.6% in FY19), a liquidity position above €1.2 bn and with no debt maturities until May 2022. The average maturity is now at 6.5 years, with no floating rate risk.

MERLIN Properties SOCIMI, S.A
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Offices

- Business performance

Good performance in the semester with a 4.0% like-for-like rent increase. 187,330 sqm have been signed, of which 147,909 sqm have been signed during the second quarter, amidst the difficult post Covid situation. Contracts with new tenants have been signed above market rents and renewals have also been signed at higher prices, reaching a 2.7% release spread. Occupancy stands at 90.9%, in line with the one obtained before the Covid impact (91.4% in March). The uncollected rate has been irrelevant, 0.8% during the second quarter.

- Landmark Plan I

Worth highlighting are the contracts signed in two of our most emblematic projects, Castellana 85 in Madrid and Monumental in Lisboa, both of them under full refurbishment and with expected delivery dates in the first quarter of 2021. Castellana 85 will be the HQ of a top tier consulting firm and a Spanish leading engineering company and Monumental will be the HQ of BPI (Caixabank group).

Shopping centers

- Business performance

The Company implemented a commercial policy that offered 100% rent relief to all tenants affected by the compulsory shutdown set forth in the state of alarm. Furthermore, an additional commercial policy was approved that will last from June to the 31st of December 2020 (progressive from 60% to 10%). The policy has been accepted by 92% of our tenants. In return, the tenants have extended their contracts until 2022, securing our occupancy in the portfolio during 2020 and 2021, uncollected rents totaled only 2.6% during the period.

The occupancy rate has closed at 94.1% (same as before Covid) and the incentives granted to tenants amount to €27.8 million. Shopping centers have suffered due to the limited mobility, especially in tourist areas. Since reopening, footfall has shown week over week improvement ending the first half of July at a 29% decrease when compared to the same period in 2019. Sales have decreased by a lesser amount, showing an 18% decrease for the month of June again in comparison to the same period in the prior year.

- Flagship Plan

Porto Pi in Mallorca and Saler in Valencia continue to progress in their works. Expected delivery date for both Saler and Porto Pi during the first quarter of 2021, after which, all works in the Flagship Plan will be finalized.

Logistics

- Business performance

The push towards e-commerce in the post Covid environment drives the growth in this segment. MERLIN achieves a solid rental growth, both in like-for-like (+2.9%) and in release spread (+6.7%). Occupancy rate increases to 96.8% (+38 basis points compared to 1Q20). Only 0.9% of rents were not collected.

- Best Plan II & III

Good semester in terms of pre-commercialization of the assets included in Best II & III. In Zal Port Barcelona, more than 150,000 sqm have been delivered to UPS, Damm and Caprabo, amongst others. In Zal Sevilla, two warehouses have been delivered to Carbó Collbatallé and 4Gasa. Moreover, a turnkey project of 11,412 sqm has been signed with DSV in Zaragoza-Plaza II (Best II) and 22,930 sqm signed with Damm in Madrid-San Fernando II.

Future impact of Covid-19 in the business

MERLIN Properties has assessed the Covid-19 impact on their 2020 operating profit, for a maximum of €60 million, giving the market an FFO guidance for 2020 of €250 million (€ 53 cents per share). The Company envisages the rest of the year and 2021 cautiously and prudently but faces the short and medium term with a strong balance sheet. Only 12% of contracts mature in 2021 and MERLIN will benefit fromd €20 million of additional rents arising from the new contracts signed in Landmark and Best II & III, which will come into stock next year.

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, and MSCI Small Caps indices.

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

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MERLIN
PROPERTIES

6M 2020 RESULTS PRESENTATION

30 July 2020

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GM / COO

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CIO

MERLIN
PROPERTIES

Contents

IBEX35 STOXX® Europe 600 Global property research EPRA MSCI

Diversified business model

51%
OFFICES[1]

31%
LOGISTICS + NET LEASES + OTHER[1]

18%
RETAIL[1]

>1,900
TENANTS[2]

High quality portfolio

91%
OFFICES IN PRIME CBD AND NEW BUSINESS AREAS

90%
E-COMMERCE LOGISTICS

96%
URBAN AND DOMINANT MALLS

(1) By GAV
(2) Excluding minority stakes

Stable and predictable cash flow stream

- **Contracted rents** exceed **€ 3bn**[1] to first break and **€ 5bn** to maturity
- **Only 15%** of rents maturing before end of 2021
- Covid-19 incentives **fully booked in 2020** (€ 66 million estimated, no change from April disclosure)
- Securing a minimum of **€ 101.1 million of rents** from retail in 2021[2] through lease extensions
- Only **3%-4% of retail tenants** deemed "unrecoverable"

Healthy debt profile

- **40% LTV** (covenant 60%)
- **3.7x ICR** (covenant 2.5x)
- **No debt repayment** until May 2022
- Maturity profile extended to **6.5 years**
- **BBB stable rating** by S&P

(1) Including contracts on projects pending to be delivered. Not including CPI
(2) Assuming no mall income and 0% renewal rate

FINANCIAL PERFORMANCE

- **Positive LfL rental growth of +2.7% YoY,** evidencing the strength of our portfolio
- **FFO per share of € 0.29,** affected by Covid -19 incentives (€ 0.06 per share) and assets sold (€ 0.02 per share), otherwise it would show growth when compared to 6M19
- **Valuations flat** vs Dec-19, with **offices and logistics on the positive territory** while retail down by 4.7%
- Debt management resulting in LTV on par with Dec-19 (40.4%). **Average maturity extended 6 months to 6.5 years** and no floating rate risk

OPERATING PERFORMANCE

- **LfL growth in all asset categories,** combined with sound release spread
- **Leasing activity has continued at a good pace** during Covid-19, with **150,000 sqm signed in offices** in the second quarter. **Retail has seen modest activity** (ca 6,200 sqm signed) and **logistics advancing,** with ca 45,000 sqm signed. Leases generally signed above ERV
- **Occupancy resilience, standing today (94%)** where it was at the end of the first quarter. **The high adoption rate of our Covid-19 commercial policy** (which included an extension of contracts beyond 2021) plus the extension of the **Endesa lease,** provides greater visibility on future rents

VALUE CREATION

- **Landmark.** Several significant leases signed in the period, in Castellana 85 and Monumental with rents at the same level as the pre-lets negotiated before Covid-19 outbreak. Both projects achieve very compelling returns (yield on cost of 8.3% and 9.4%, respectively). **Total secured future rents** for Landmark of € **13.3m** commencing in 2021
- **Flagship.** Works have progressed on pace in Saler and Porto Pi
- **Best II & III.** 2 projects delivered in Seville and pre-lets signed for Madrid-San Fernando II and Zaragoza-Plaza II. **Total secured future rents** for Best II & III of **€ 6.3m** commencing in 2021

6M20
Financial results

Top-line ahead of 2020 expectations. FFO impact of Covid-19 incentives

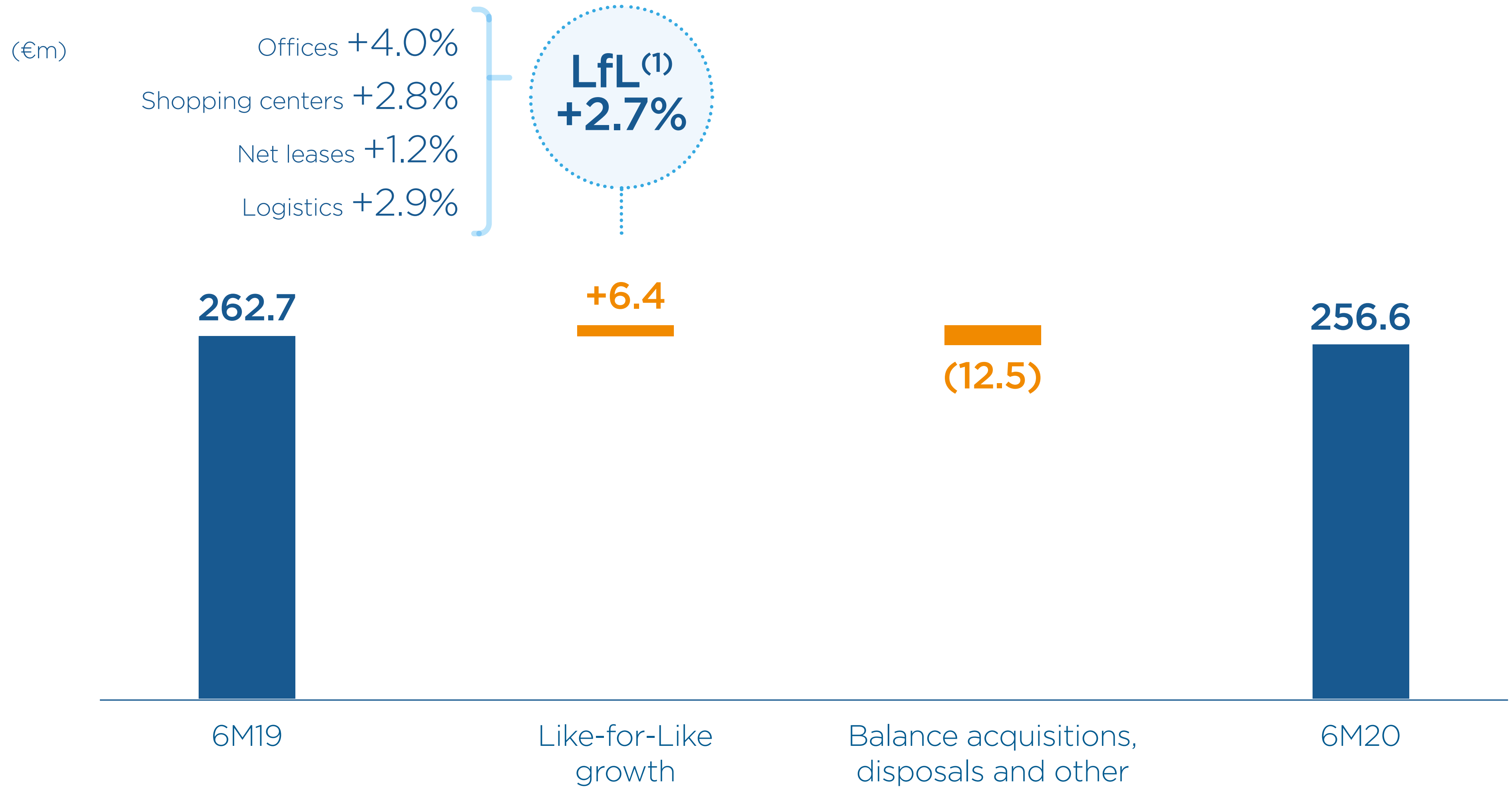
(€ million)	6M20	6M19	YoY
Gross rents	256.6	262.7	(2.3%)
Gross rents after incentives	221.2	253.0	(12.6%)
Net rents	198.7	228.2	(13.0%)
EBITDA[1]	184.1	210.4	(12.5%)
FFO[2]	134.3	157.2	(14.6%)
AFFO	125.4	151.6	(17.3%)
IFRS net profit	70.9	262.0	(72.9%)
EPRA NAV	7,365.3	7,096.9	+3.8%

€ 0.06 of Covid incentives
€ 0.02 of non core disposals

(€ per share)			
FFO	0.29	0.33	(14.6%)
AFFO	0.27	0.32	(17.3%)
EPS	0.15	0.56	(72.9%)
EPRA NAV	15.68	15.11	+3.8%

[1] Excludes non-overhead costs items (€ 2.4m) plus LTIP accrual (€ 10.1m)
[2] FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in earnings of equity method

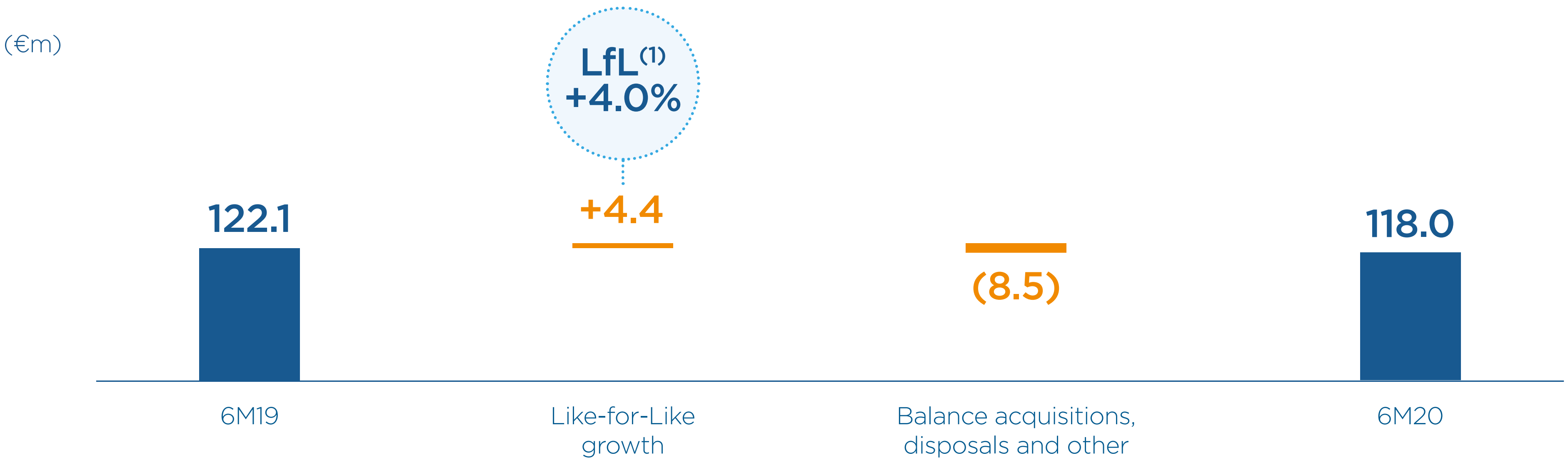
Positive LfL growth in all asset categories despite the challenging environment



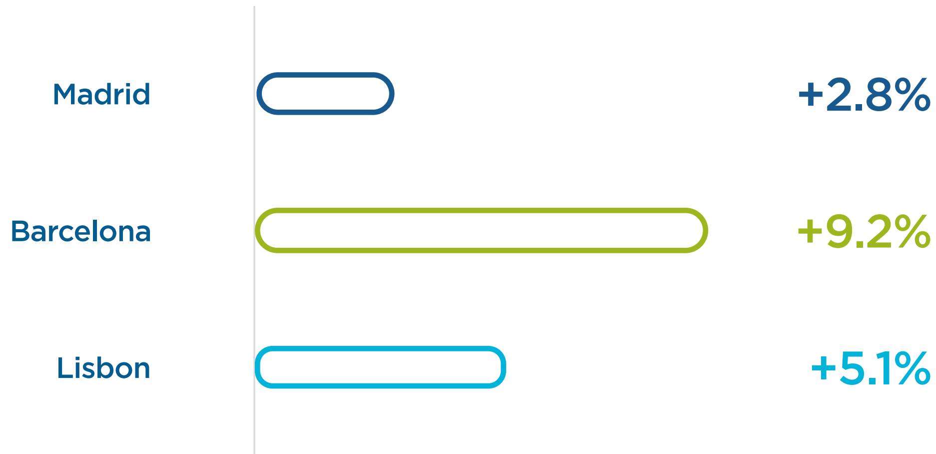
(1) Portfolio in operation for the 6M20 (€ 246.7m) and for the 6M19 (€ 240.3m)

Offices

Offices continue performing well in our 3 markets



Lfl growth by area



Occupancy by area

	3M20		6M20
Madrid	89.3%	→ +2 bps	89.3%
Barcelona	95.5%	→ (328 bps)	92.2%
Lisbon	100.0%	→ 0 bps	100.0%

Travelperk early termination in Torre Glòries

(1) Office portfolio in operation for 6M20 (€ 113.4m) and for 6M19 (€ 109.0m)

Rental growth continues robust (+2.7% release spread)

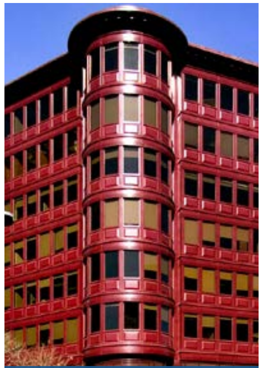
	Contracted sqm	Release spread	#contracts	Tenants
Madrid	113,709	(1.9%)[1]	122	endesa, Volkswagen, ferrovial, Comunidad de Madrid
Barcelona	21,011	+27.8%	26	RICOH, ZURICH, Levi's, SHARP
Lisbon	2,546	+14.6%	8	Crédit Agricole, BOLD international
TOTAL	137,265	+2.7%	156	

[1] Endesa extension

	1Q20			2Q20		


PE Sanchinarro


Beatriz de Bobadilla 14


Diagonal 514


Ribera del Loira 60


Ribera del Loira 36-50


Sant Cugat II

	1Q20	2Q20
New contracts signed[1]	11,927 sqm	50,078 sqm
Premium to ERV	+5.8%	+11.6%
Contracts renewed	27,494 sqm	97,831 sqm
Renewal rate[2]	75%	92%
Release spread	+11.7%	(7.5%)

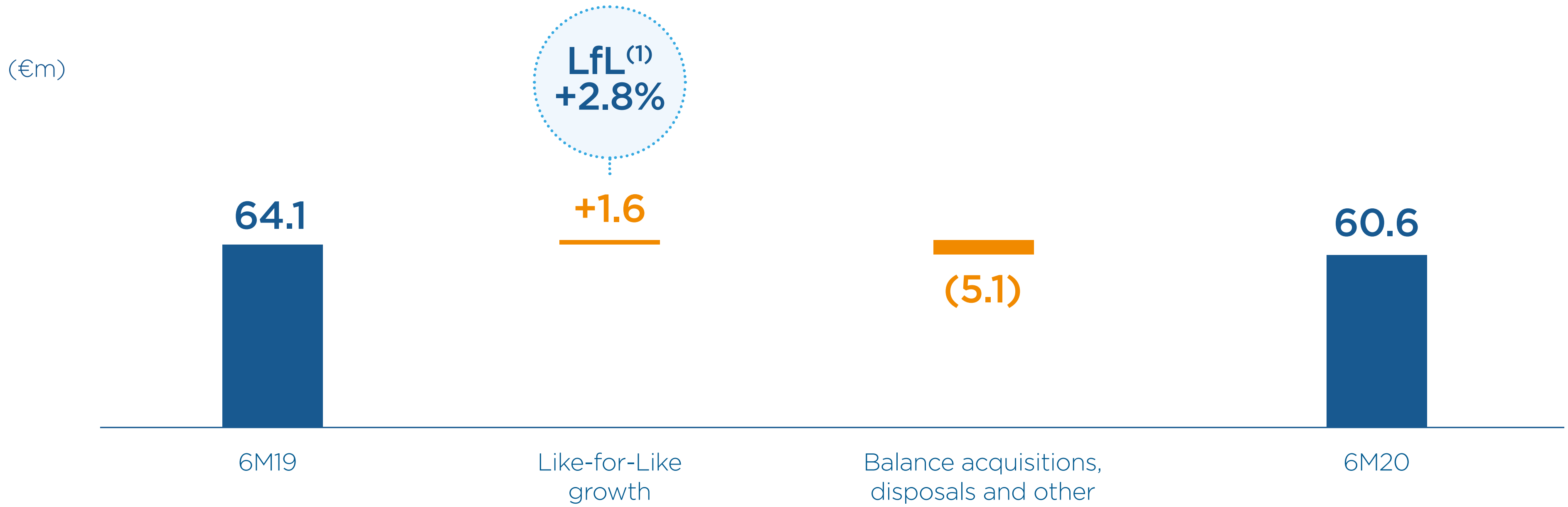
Endesa renewal

- 54,960 sqm building
- Contract extended to 2030
- Trade-off of 16% rent reduction in exchange for contract extension. If excluded, release spread would have been 17.3%

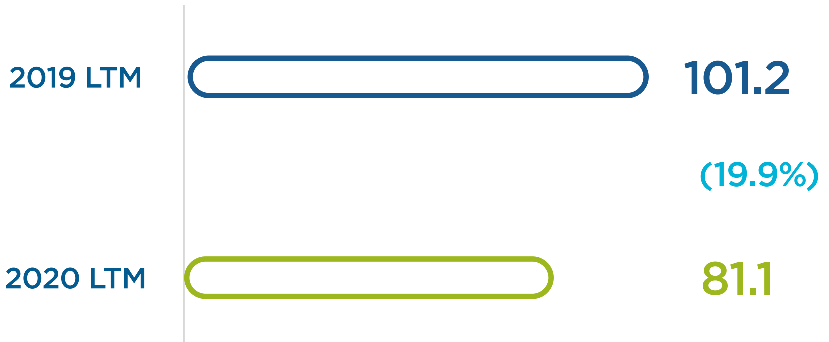
[1] Including projects under refurbishment
[2] Including roll-overs

Shopping centers

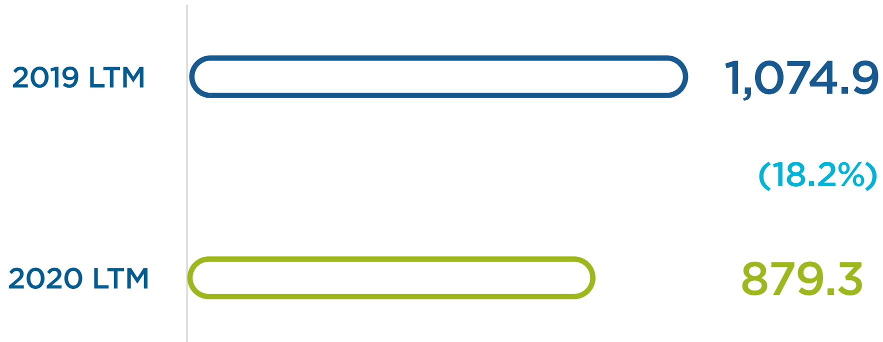
LfL rental growth positive



Footfall (million)



Tenant sales (million)



(1) Shopping centers portfolio in operation for 6M20 (€ 58.2m of GRI) and for 6M19 (€ 56.6m of GRI)

Occupancy secured by Covid-19 Commercial Policy

	Release spread	#contracts
All portfolio	4.0%	100

Tenants

UNITED COLORS OF BENETTON. MANGO

Sprinter KFC

Denim & Friends Manolo bakes Unique delights

	Contracted sqm	Net Absorption	Occupancy 30/06/20	Change vs 31/03/20 (bps)
All portfolio	18,112	(1,007)	94.1%	(9)

Since reopening, footfall and tenant sales are affected by Covid-19

Footfall evolution YoY

Vs same period last year	June 01-15	June 15-30	July 01-15
Shopping centers	(42%)	(35%)	(33%)
Shopping centers (excl. assets under reform: Porto Pi + Saler)	(41%)	(32%)	(29%)

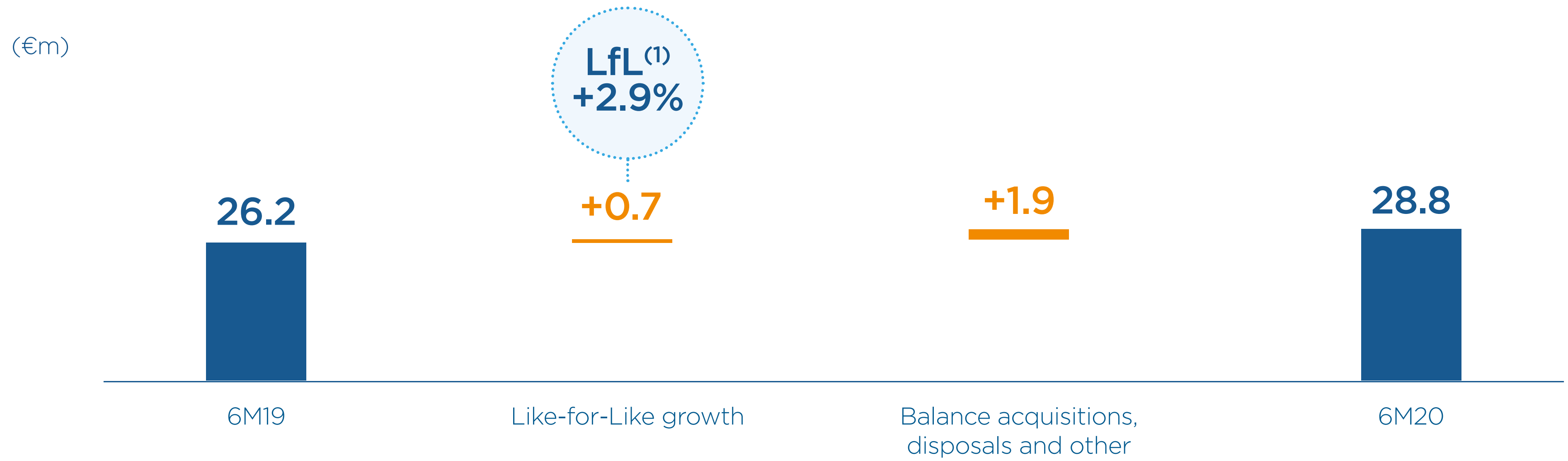
Sales evolution YoY

Vs same period last year	June 01-30
Shopping centers	(23%)
Shopping centers (excl. assets under reform: Porto Pi + Saler)	(18%)

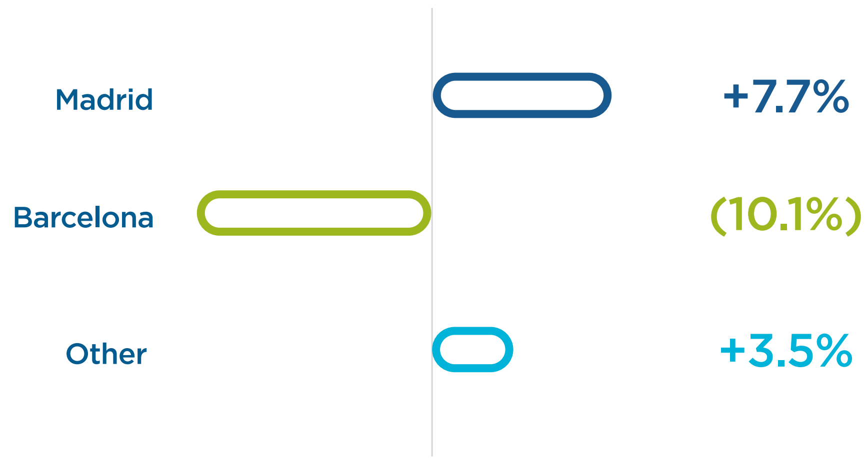
Note: excluding X-Madrid since it opened in November 2019

Logistics

Rental growth in a strong market



LfL growth by location



Occupancy by area

	3M20		6M20
Madrid	97.2%	+8 bps	97.3%
Barcelona	85.4%	+331 bps	88.7%
Other	99.8%	(41 bps)	99.4%

(1) Logistics portfolio in operation for 6M20 (€ 26.3m of GRI) and for 6M19 (€ 25.5m of GRI)

Excellent release spread in all markets

	Contracted sqm	Release spread	#contracts	Tenants
Madrid	30,284	+4.5%	2	Carreras, Luis Simões
Barcelona	10,390	+14.5%	4	Sumitomo, Suardiaz Group
Other	20,211	+12.2%	1	Airbus, Carbó Collbatallé
TOTAL	60,885	+6.7%	7	

Stock
624,716

155,345 sqm delivered in 2020

GRI **€ 13.4m**

WIP
102,965

Stock incl. WIP
727,681

Third parties stock
183,252

Stock under management **910,933**

ZAL Port

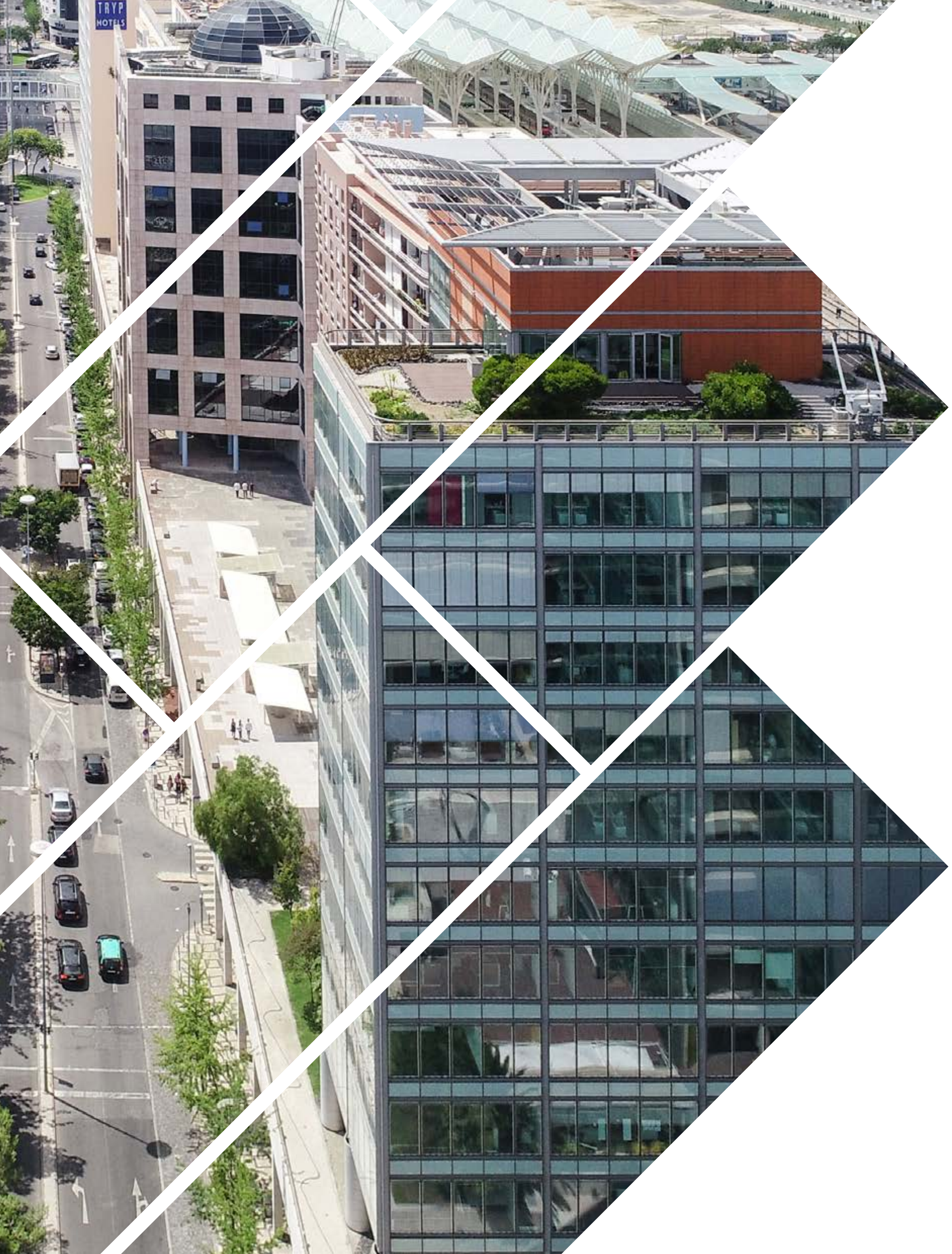
Contracted sqm	Release spread	#contracts	Tenants
280,944	(0.8%)	36	ups, Damm, LIDL, caprabo, Agility

Occupancy by area

FY19 **98.9%** → (-210 bps) → 6M20 **96.8%**

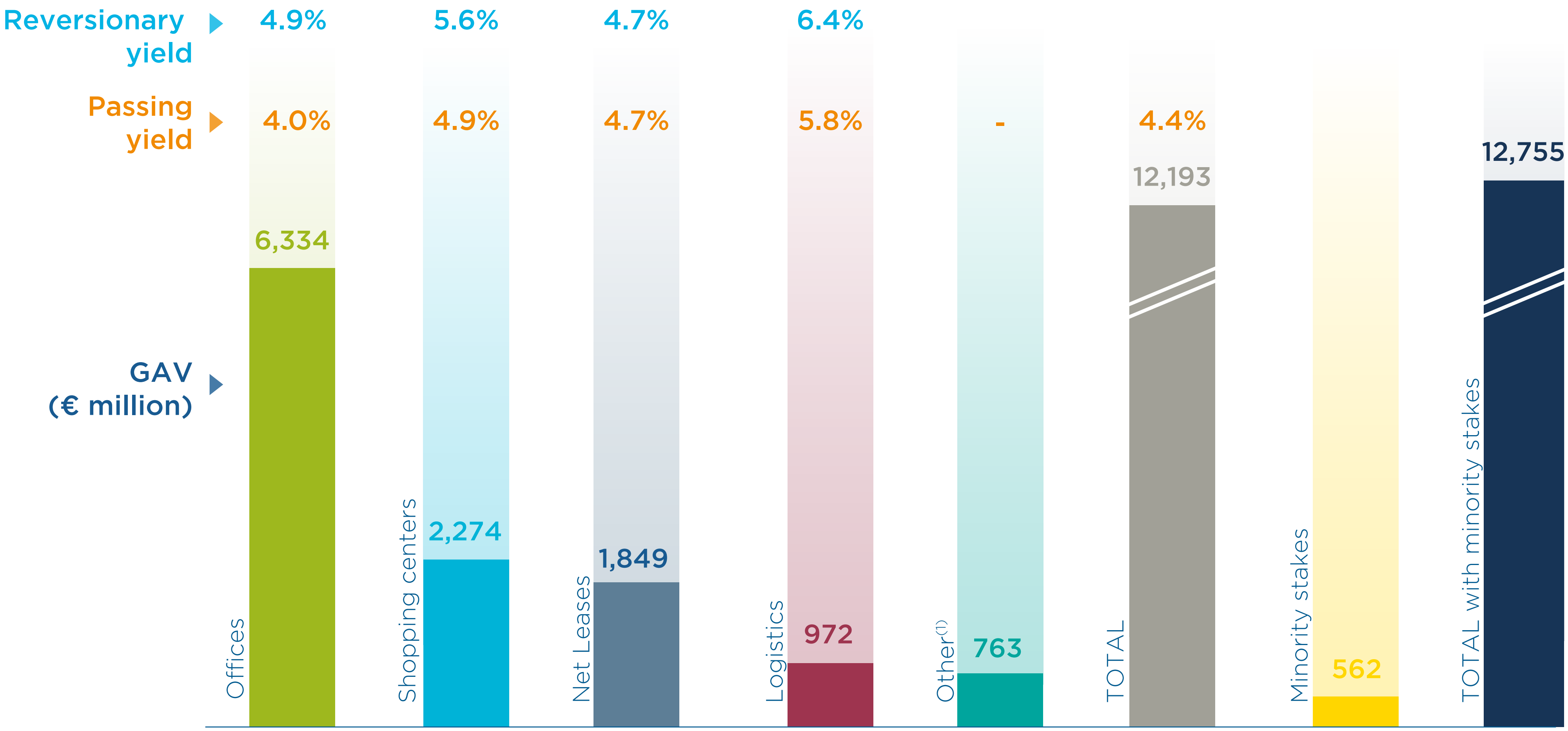
€m	6M20	6M19	YoY
Gross rents	26.7	22.9	+16.4%
Net rents	22.7	22.5	+0.7%
EBITDA	21.8	21.5	+1.3%
FFO[1]	12.2	12.6	(2.6%)

[1] After deducting leasehold concession charge FFO. Affected by free rent attached to the recently delivered units



Valuation and debt position

Valuation remains flat (+0.2%) as compared to December 2019

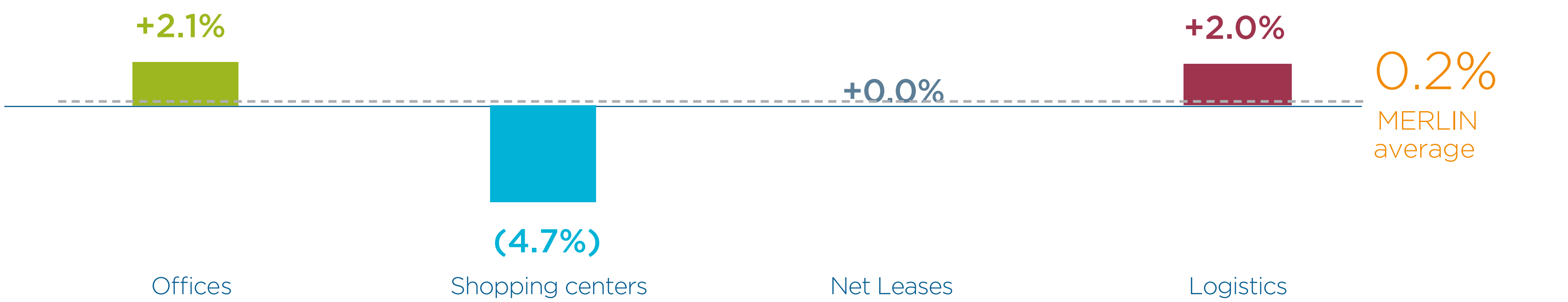


Source: Company

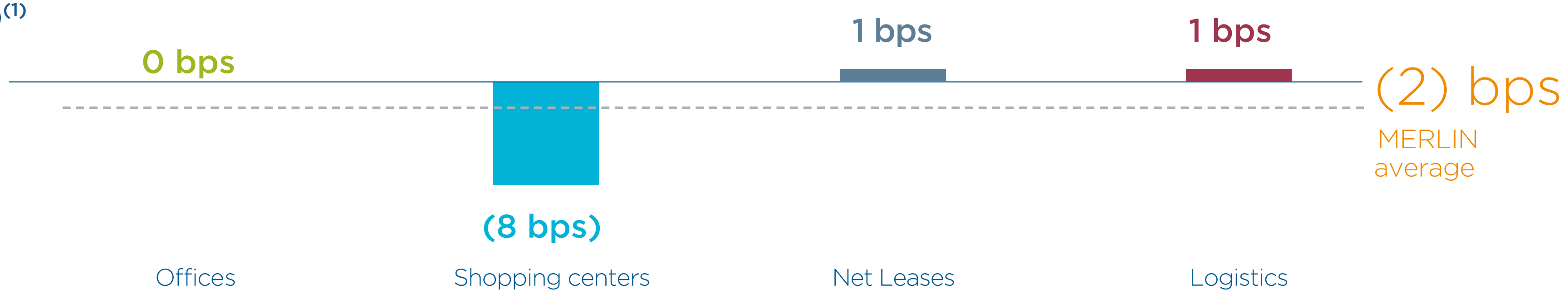
(1) Other includes WIP, hotels, non-core land and miscellaneous

Offices and logistics showing positive LfL growth, net leases flat and shopping centers down by 4.7%, mainly due to yield expansion

GAV Like-for-Like evolution[1]

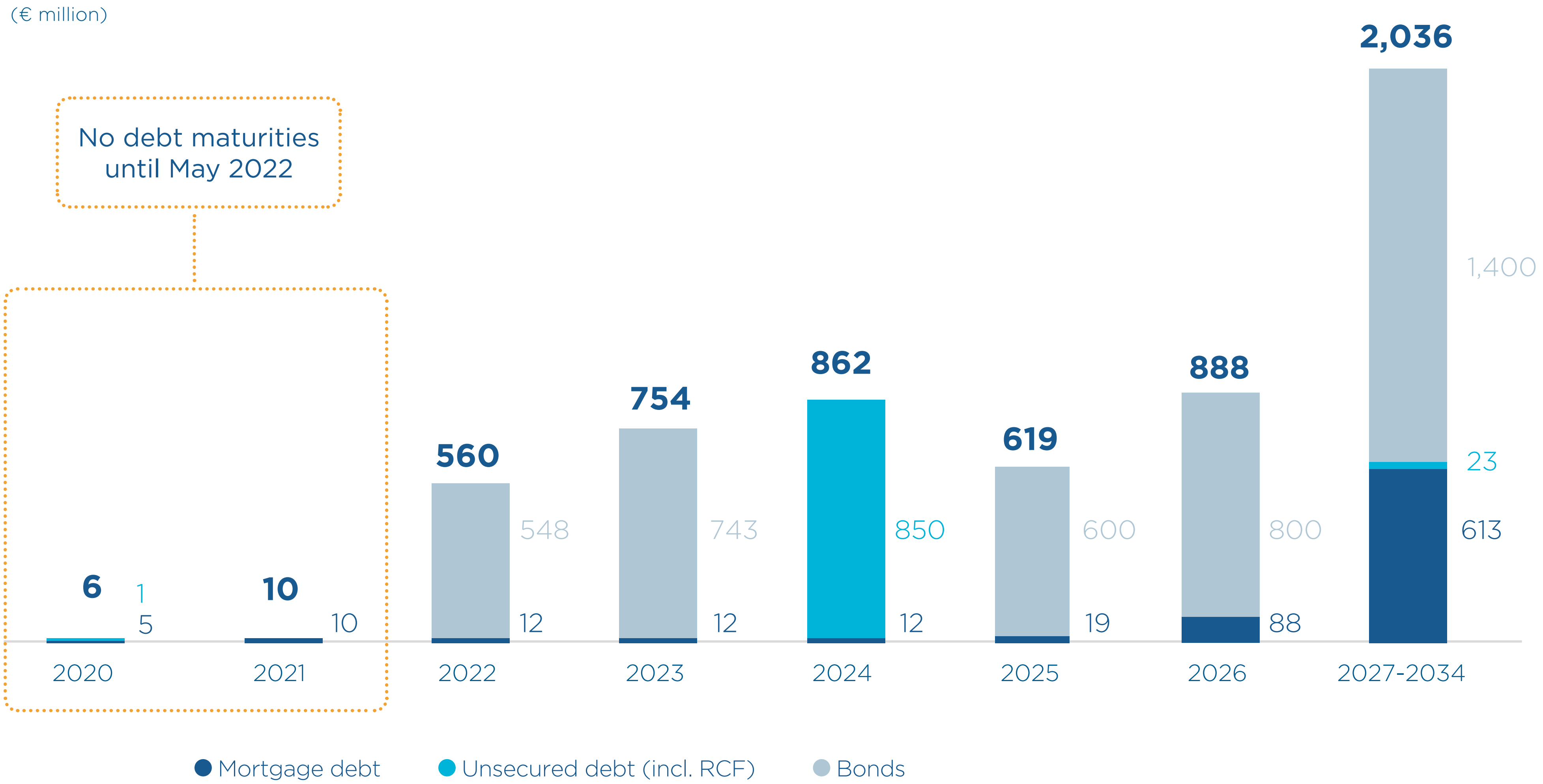


Yield compression / (expansion)[1]



(1) Vs FY19

Recent debt management initiatives to extend maturity profile



Average maturity now at 6.5 years, with no floating rate risk

	30/06/2020 PF[1]	30/06/2020	31/12/2019
Net debt	€ 5,167m	€ 5,153 m	€ 5,182 m
LTV	40.5%	40.4%[2]	40.6%
Average interest rate	2.07%	1.97%	2.09%
Average maturity (years)	6.5 ←	6.0	6.4
Unsecured debt/Total debt	86.6%	85.2%	82.7%
Fixed rate debt	99.8% ←	88.9%	99.5%

	Rating	Outlook
S&P Global	**BBB**	**Stable**
Moody's	**Baa2**	**Negative**

[1] PF after the €500m - 7yr bond issue, which includes the partial Bond repayment, the RCF repayment and the repayment of Retail mortgage debt
[2] Excluding transfer costs. If included, LTV would amount to 39.2%

Ample headroom to safely comply with all financial covenants

Covenant	Required	MERLIN Today
LTV	<60%	40.4%
ICR	>2.5x	3.7x
Unencumbered	>125%	190.8%

Value creation

Castellana 85

- **Full refurbishment of the asset,** located in the heart of Azca, the best business area in **Madrid Prime CBD**
- **12,789 sqm** signed post Covid-19 outbreak (+ 1,842 sqm optioned)
- C85 will become the HQ of both a **top-tier consulting firm and construction company**

CONFIDENTIAL

GLA **16,471 sqm**[1]
Total Capex **€ 33.0m**
Yield on cost **8.3%**
Delivery **1Q21**

Monumental

- **Full refurbishment of the building,** located in Duque de Saldanha, one of the most emblematic squares in the city and the core of **Lisbon's Prime CBD area**
- 10-year term lease agreement with **BPI comprising** 19,425 sqm, to become their main HQ in Lisbon

BPI

GLA **25,385 sqm**[1]
Total Capex **€ 34.8m**
Yield on cost **9.4%**
Delivery **1Q21**

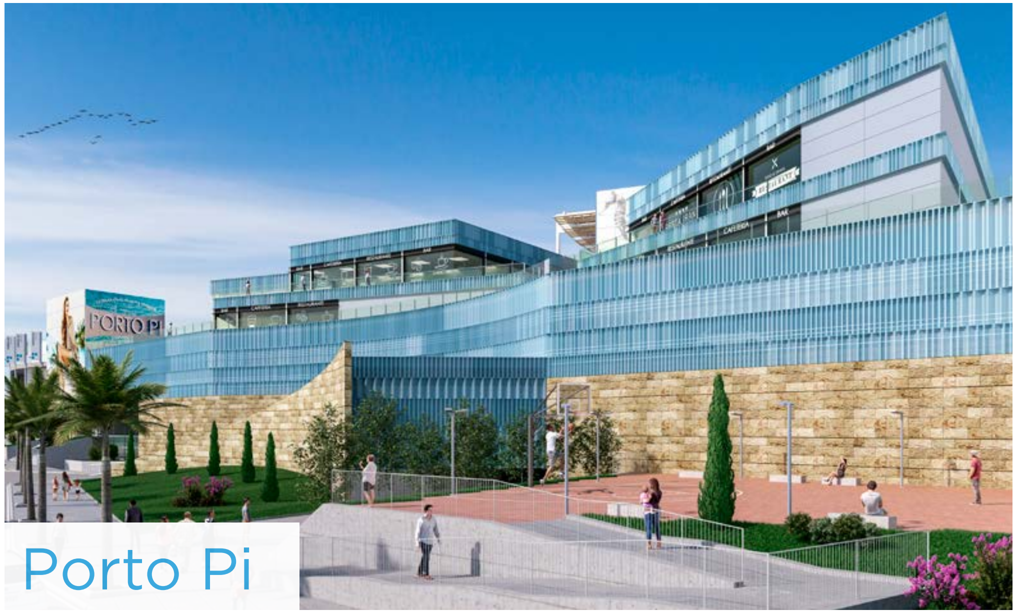
[1] Post refurbishment

Saler

- The refurbishment will consolidate Saler, facing the City of Arts and Sciences, as the **leading urban mall** in Valencia
- Anchor tenants **upsizing and upscaling** units

PULL&BEAR MANGO McDonald's RITUALS COSMETICS

GLA **28,834 sqm (inc. additional GLA)**
Cost **€ 36.0m (inc. units acquired)**
Yield on cost **5.2%**

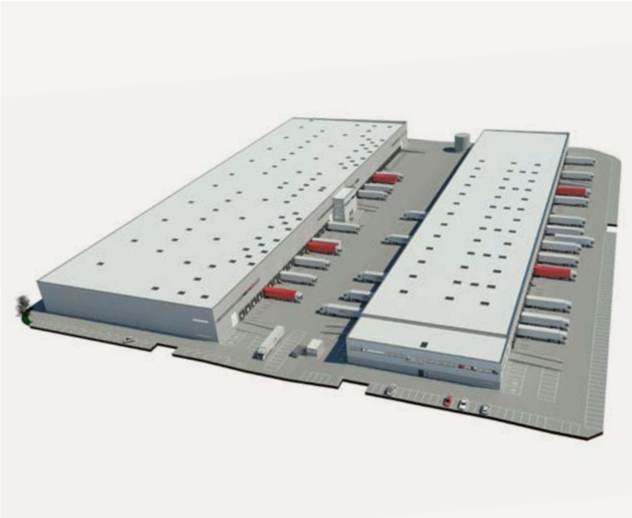


Porto Pi

- **Full refurbishment** of the shopping center
- The asset will contain **outstanding exterior terraces** overlooking the Mediterranean sea
- The future additional space (2,400 sqm) is **fully let**

MI SA KO KFC H&M ZARA

GLA **32,732 sqm (inc. additional GLA)**
Cost **€ 41.8m (inc. units acquired)**
Yield on cost **4.2%**



Madrid San Fernando II

- The project, currently under construction, will be delivered by 3Q20
- 67% pre-let to **Grupo Damm**

Damm

GLA **34,224 sqm**
Cost **€ 1.9m**
Yield on cost **8.9%**

Zaragoza Plaza II

- Turn key project in the **most dynamic hub of Zaragoza**
- **100% let to Dachser** upon delivery (September 2020)

DSV

GLA **11,421 sqm**
Cost **€ 0.5m**
Yield on cost **7.1%**

Sevilla ZAL WIP

- Phased project located in **Seville's Port area**
- **3 warehouses** totalling 27,248 sqm have already been delivered

amazon   Grupo Carbó Collbatallé

CUATROGASA profesionales como tú

GLA **42,632 sqm**
Cost **€ 2.0m**
Yield on cost **8.4%**

Covid-19
update

MERLIN Properties conceived a commercial policy in 2 phases to help its retail tenants

	Phase I	Phase II
Enacted	Since March 15th until the reopening	Since the reopening until December 31st
Eligibility	Tenants affected by the compulsory shutdown set forth in the state of alarm regulations which were up-to-date in their contractual obligations	Tenants affected by the compulsory shutdown or a severe operations limitation who were up-to-date in their contractual obligations
Policy	• 100% rent relief since March 15th (state of alarm) and up until the earliest of (i) end of compulsory shutdown, and (ii) July 31st • Common service charges continue to be paid by tenants • Tenants waive rights to take any future actions against MERLIN as a consequence of Covid-19	• Partial rent relief until year end (progressive from 60% in June to 10% in December) • Tenants extend their contracts until 2022 • Tenants continue paying common service charges and waive any future actions against MERLIN

Implementation

	Phase I – Offices	Phase I – Shopping centers	Phase II – Offices	Phase II – Shopping centers
Eligible universe[1]	3%	89%	4%	94%
Tenants that have accepted	100%	>85%	93%	>92%

[1] As a % of annual gross rents of each category

A high quality tenant base leads to high collection rates post-Covid

(as a % of total invoices due)

2Q 2020	Offices	Shopping centers	Net leases	Logistics
Commercial policy	0%(1)	59.7%	0%	0%
Collected	99.2%	37.7%	100%	96.4%
In process	0%	0%	0%	2.7%
Uncollected	0.8%	2.6%	0%	0.9%

(1) We have excluded the retail component of offices which is residual for the asset category (~3%)

No change in Covid-19 impact for 2020 previously quantified. 2021 impact mitigated by low level of maturities and delivery of new rents secured by Landmark and Best II & III

2020

€ 66m
INCENTIVES

€ 4m
COLLECTION LOSS

€ 29m
BOOKED IN 1H

€ 41m
EXPECTED FOR 2H

€ 250m
(€ 0.53 per share)
NEW FFO GUIDANCE

2021

- Only 12% of rents mature in 2021
- 2020 incentives expensed, not straight-lined (no impact on 2021 P&L)
- € 20 million of incremental rents secured by new contracts already signed
- Retail occupancy supported by commercial policy[1]
- 13% reversionary potential in offices as a buffer against market declines
- Net leases as a "safe harbour"
- Logistics to continue its growth pace

[1] Maturities extended beyond December 2021

Closing remarks

Financial performance

- Covid-19 impact on 2020 net rents of € 70m and € 60m on FFO. FFO guidance for 2020 of € 250m (€ 0.53 per share)
- **Valuations flat,** with retail taking the biggest hit, a 4.7% decrease, mainly due to yield expansion (8 bps)
- **Strong balance sheet,** € 1.2bn in liquidity, no maturities until 2022 and ample headroom in covenants

Business performance

- Leasing activity post-Covid revealing **higher retention rates, with new deals signed above ERV and renewals with positive release spread**
- Occupancy on par with FY19 and set up well for resilient performance going forward: **15% expiry rate from June 30 to December 2021,** commercial policy highly embraced by retail tenants whose expiries have been extended beyond December 2021 in exchange for incentives
- **Collection rates** in the hardest part of the crisis have maintained very **healthy levels,** underpinned by the quality of our tenant base

Value creation

- **Landmark.** Important leases signed in Castellana 85 and Monumental, generating **compelling value creation** (yields on cost of 8.3% and 9.4%, respectively). **Secured rents of € 13.3m**
- **Flagship.** Works advancing in Saler and Larios, with leasing activity growing on the back of the reforms
- **Best II & III.** 2 warehouses delivered in Sevilla ZAL. Leases signed in Madrid-San Fernando II and Zaragoza-Plaza II. **Secured rents of € 6.3m**
- **Cabanillas Park II** moved back to priority 1 Capex category

MERLIN
PROPERTIES

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