

A LA COMISIÓN NACIONAL DEL MERCADO DE VALORES

MERLIN Properties, SOCIMI, S.A. (“MERLIN”), en cumplimiento de lo dispuesto por la normativa de aplicación, comunica la siguiente

INFORMACIÓN RELEVANTE

MERLIN celebrará un *Conference Call* con analistas e inversores institucionales, el viernes 29 de julio de 2022, a las 15 horas de Madrid/CET, que podrá seguirse en tiempo real, vía audio-conferencia, a través del siguiente *link* y con los siguientes códigos de acceso:

Webcast Link:

<https://streamstudio.world-television.com/1364-2525-33410/en>

Número evento: 446776

Números conexión:

Francia 09 70 73 39 58

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Países Bajos 085 888 7233

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Adjunto se remite la nota de prensa y la documentación soporte a la presentación, que están igualmente disponibles a través de la página web corporativa de MERLIN (www.merlinproperties.com)

Madrid, 28 de julio de 2022.

MERLIN Properties SOCIMI, S.A.

Excelente primer semestre para MERLIN Properties, con un crecimiento en rentas y ocupación

- Rentas brutas: € 222,6 millones (+8,3% vs. 6M21)
- EBITDA: € 165,8 millones (+21,7% vs. 6M21)
- Valor neto de los activos por acción: € 17,10 (+10,0% vs. 6M21)
- Beneficio operativo ("FFO"): € 157,5 millones (+19,5% vs. 6M21)
- Beneficio contable: € 491,6 millones (+158,3% vs. 6M21)

- La venta de la cartera de BBVA ha supuesto un hito transformacional para la Compañía. Como consecuencia, el endeudamiento ("LTV") se reduce en 1.174 pbs hasta situarse en 27,4% y se distribuirá un dividendo extraordinario de 75 céntimos por acción el 18 de agosto (30,4% PF LTV).
- El beneficio operativo supera los € 157 millones (equivalentes a 34 céntimos por acción). Revisamos al alza nuestra estimación de FFO para 2022 de 58 a 60 céntimos por acción.
- Crecimiento en todas las métricas financieras y operativas clave tales como ocupación (95,1% +69 pbs vs. 3M22 PF), rentas *like-for-like* (+7,1% vs. 6M21) y beneficio operativo (+19,5% vs. 6M21).
- Las valoraciones se mantienen estables (+1,2% LfL con respecto al ejercicio 2021), con una pequeña expansión de yields (+15 pbs) compensado por el crecimiento de las rentas.
- El valor neto de los activos según las recomendaciones EPRA ("EPRA NTA") se sitúa en € 17,10 euros por acción (€ 16,35 PF una vez deducido el dividendo extraordinario que se pagará en agosto).

Madrid, 28 de julio – MERLIN Properties ha cerrado el primer semestre de 2022 con unos ingresos totales de €226,6 millones (incluyendo rentas brutas de € 222,6 millones), un EBITDA de €165,8 millones, un beneficio operativo de €157,5 millones (34 céntimos por acción) y un beneficio contable de €491,6 millones.

El valor bruto de los activos (GAV) se sitúa en € 11.390 millones con un ligero crecimiento en términos comparables LfL (+1,2%), impulsado principalmente por la logística (+3,6%). El valor neto de los activos

asciende a €8.035 millones (€17,10 por acción), con un incremento del 10,0% respecto al primer semestre del año 2021.

Con la venta de la cartera de BBVA, la Compañía reduce considerablemente el nivel de apalancamiento hasta situarse en 27,4% (30,4% PF post dividendo extraordinario), tras el repago de €2.068m de deuda bruta entre los que se encuentran €670m del préstamo hipotecario de la cartera de BBVA, €850m de deuda sindicada y €548m de la cancelación del bono de 2022. Asimismo, el 100% de la deuda es a tipo fijo, el 98% de la misma es sin garantía hipotecaria y la Compañía tiene una posición de liquidez de €1,773m. Adicionalmente, el 100% de los bonos emitidos se han convertido en bonos verdes. Esta situación financiera permite capear tiempos convulsos con relativa tranquilidad.

Oficinas

- Evolución del negocio

Excelente comportamiento de la cartera de oficinas, destacando el aumento de las rentas LfL (+5,5%), del *release spread* (+6,3%) y de la ocupación que se sitúa en el 90,4% (+126 pbs de recuperación desde que se tocó fondo por Covid-19 en 6M21).

- Plan Landmark I

Las obras en Plaza Ruiz Picasso progresan adecuadamente, con un fuerte interés comercial por parte de posibles inquilinos.

Logística

- Evolución del negocio

Rendimiento excepcional en la cartera logística con crecimiento récord en rentas LfL (+9,3%) gracias a la casi plena ocupación (+99,2%), inflación y *release spread* (+6,7%). La actividad comercial en el mercado logístico continúa siendo fuerte tras haber firmado más de 150.000 metros cuadrados en el semestre. Plena ocupación en ZAL Port (100%).

- Plan Best II & III

Se ha terminado y alquilado la nave de Cabanillas Park I H a DSV por lo que únicamente quedan pendientes de entregar a sus inquilinos los dos proyectos llave en mano, DSV en Cabanillas Park I J y Logista en Cabanillas Park II.

Centros Comerciales

- Evolución del negocio

Buen comportamiento operativo, con un *release spread* del +5,4%, una ocupación estable del 94,3% (+4 pbs vs 3M22) y una tasa de esfuerzo que se mantiene en niveles sostenibles (12,5%). Continúa la recuperación de las afluencias y de las ventas con subidas del 30,6% y 44,8%, respectivamente, en el 6M22 vs. el mismo periodo en 2021.

Plan Mega (Data Centers)

El programa de Data Centers alcanza velocidad de crucero tras haber comenzado las obras en Bilbao-Arasur y haber obtenido las licencias en Madrid-Getafe y Barcelona-PLZF donde las obras comenzarán próximamente.

Sostenibilidad

La Compañía ha logrado tres hitos importantes en materia de sostenibilidad: en primer lugar, ha lanzado su Camino a Neto Cero con el que se plantea la hoja de ruta para ser una compañía cero emisiones netas en 2030; en segundo lugar, ha reconvertido todos sus bonos en circulación en bonos verdes y, por último, ha completado al 100% el programa de certificaciones en Centros Comerciales.

Valor de la cartera de activos

El valor bruto de los activos (“Gross Asset Value” o “GAV”) de MERLIN asciende a €11.390 millones a 30 de junio de 2022, según las tasaciones realizadas por Savills, CBRE y JLL, lo que supone un crecimiento en términos comparables (+1,2%) respecto a diciembre de 2021. Por categorías de activos, destaca la cartera de logística (+3,6%) con oficinas (+1,2%) y centros comerciales (-0,4%) manteniéndose estables. El valor neto de los activos asciende a €8.035 millones, equivalentes a €17,10 de EPRA NTA por acción, con un sólido incremento del 10,0% vs. 6M21.

Dentro de su política de rotación de activos non-core, MERLIN ha realizado desinversiones por importe de €111,2 millones con una prima del 8,9% sobre la tasación, incluyendo cuatro edificios de oficinas que comprenden 33.738 m², un local comercial y una participación minoritaria en un edificio de oficinas.

Dividendo

Como consecuencia de la venta de la cartera de BBVA, el 18 de agosto se repartirá un dividendo extraordinario de 75 céntimos por acción. Además, de cara al dividendo ordinario, revisamos nuestra estimación para 2022 de 40 céntimos a 42 céntimos por acción, sujeto a la decisión y aprobación por parte del Consejo de Administración de la Compañía.

Acerca de MERLIN Properties

MERLIN Properties SOCIMI, S.A. (MC:MRL) es la mayor compañía inmobiliaria cotizada en la Bolsa española. Está especializada en la adquisición y gestión de activos terciarios en la península ibérica, invirtiendo principalmente en oficinas, centros comerciales y plataformas logísticas en los segmentos Core y Core Plus. MERLIN Properties forma parte de los índices de referencia IBEX 35, Euro STOXX 600, FTSE EPRA/NAREIT Global Real Estate Index, GPR Global Index, GPR-250 Index y MSCI Small Caps y DJSI.

Visite www.merlinproperties.com para obtener más información sobre la compañía.

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6M22 **Results** Presentation

29 July 2022



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Closing remarks



ISMAEL CLEMENTE
CEO



MIGUEL OLLERO
COO





Operating performance

- **Good performance in all three asset categories** with outstanding LfL rental growth (+7.1%) and occupancy at 95.1% (+69 bps vs. PF 3M22)
- **Offices** delivering excellent operating performance: +5.5% LfL rental increase, +6.3% release spread and 90.4% occupancy
- **Logistics** outperforming with +9.3% LfL growth, +6.7% release spread and 99.2% occupancy
- Solid operating performance in **retail**, with +6.0% LfL growth, +5.4% release spread and 94.3% occupancy

Financial performance

- **€ 0.34 FFO per share**, +19.5% increase compared to 6M21
- **Flat revaluation (+1.2% LfL vs FY21)** in the period, taking on some yield expansion (15 bps) offset by rental growth
- Thanks to the BBVA portfolio disposal, € 670m mortgage loan and € 850m syndicated loan have been repaid YTD. Additionally, € 548m bond was repaid in February reducing the LTV from 39.2%
- Strong financial situation: **27.4% LTV (30.4% PF post-dividend)**, 100% interest rate fixed, 98% of unsecured debt and 100% of outstanding bonds requalified as green
- Total shareholder return of **+7.7%** in the semester

Value creation

- **€ 2.1bn of BBVA portfolio disposal** at a 17.1% premium to GAV
- **€ 111m of non-core disposals** at an 8.9% premium to GAV
- **Landmark plan:** Plaza Ruiz Picasso under refurbishment with excellent lease-up prospects
- **Mega:** Bilbao works underway. Licenses obtained in Madrid-Getafe and Barcelona-PLZF. Works will start in 3Q22

Extraordinary dividend

- The company has approved an extraordinary dividend linked to the disposal of the BBVA portfolio amounting to € 0.75 p.s, it will be paid on August 18th



6M22 **Financial** results

6M22 Financial results



FFO OF € 0.34 PER SHARE, ON TRACK TO EXCEED OUR 2022 GUIDANCE (€ 0.58 PER SHARE)

(€ million)		6M22	6M21 restated ⁽¹⁾	YoY
Gross rents		222.6	205.4	+8.3%
Gross rents after incentives		209.3	177.0	+18.3%
Net rents ⁽²⁾		186.4	153.1	+21.8%
EBITDA ⁽³⁾		165.8	136.2	+21.7%
Margin		74.5%	66.3%	
FFO ⁽⁴⁾		157.5	131.7	+19.5%
Margin		70.7%	64.1%	
AFFO		152.8	124.4	+22.8%
IFRS net profit		491.6	190.3	+158.3%
EPRA NTA	7,682 pro-forma after extraordinary dividend	8,034.5	7,304.2	+10.0%
(€ per share)				
FFO		0.34	0.28	+19.5%
AFFO		0.33	0.26	+22.8%
EPS		1.05	0.41	+158.3%
EPRA NTA	16.35 pro-forma after extraordinary dividend	17.10	15.55	+10.0%

⁽¹⁾ As a result of the reclassification of Net Leases as discontinued operations, income from Net Leases is only considered in Net earnings, FFO and AFFO metrics. PF metrics have been added for ease of comparison

⁽²⁾ Net of incentives

⁽³⁾ Excludes non-overhead costs items (€ 1.1m) plus LTIP accrual (€ 2.9m)

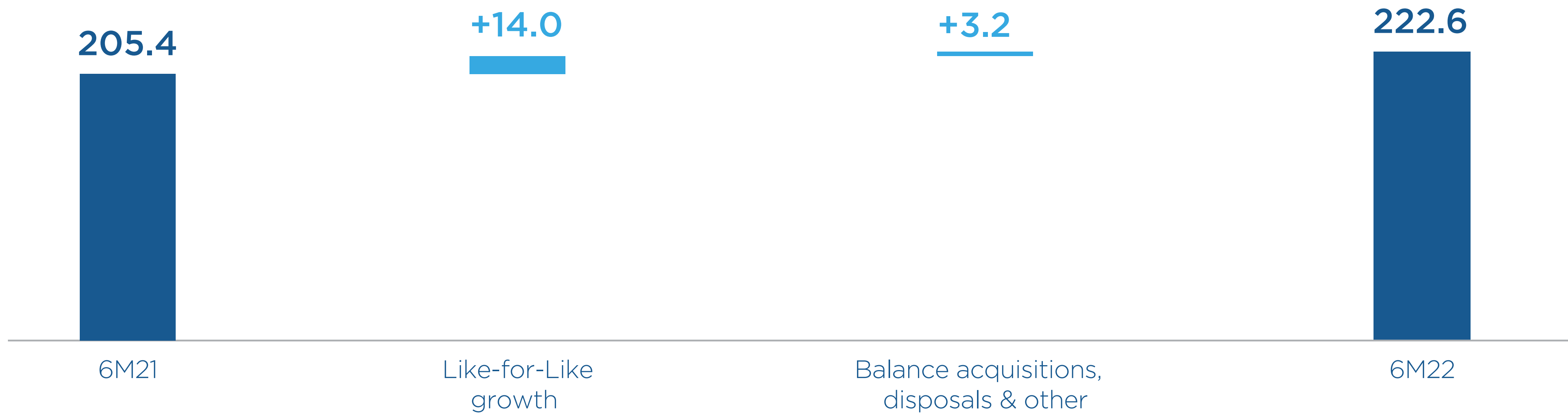
⁽⁴⁾ FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in earnings of equity method

APM: definitions and reconciliation of APMs to the latest audited financial accounts can be found on page 56 of <https://www.merlinproperties.com/wp-content/uploads/2022/07/Results-report-6M22-12.pdf>



OUTSTANDING RENTAL LFL GROWTH IN THE PERIOD (+7.1%)

(€m)

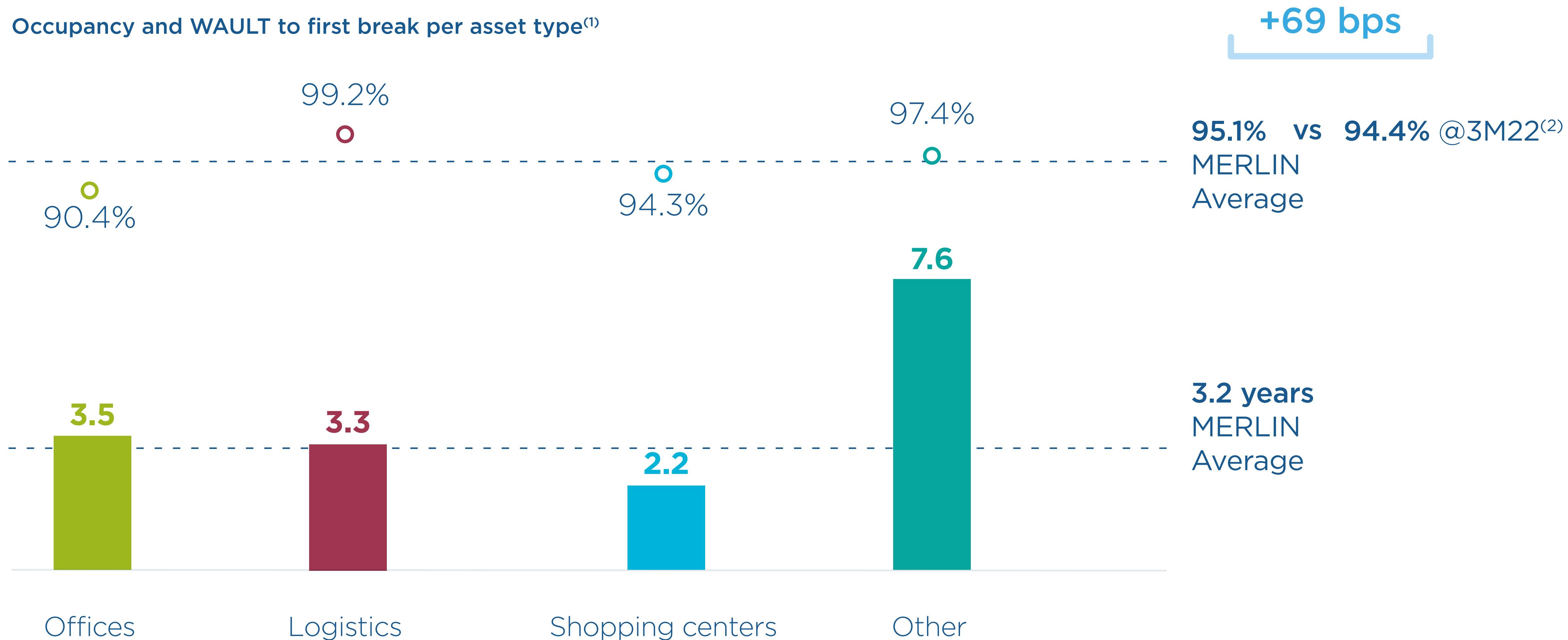


⁽¹⁾ Portfolio in operation for 6M21 (€ 196.5m of GRI) and for 6M22 (€ 210.5m of GRI)



OVERALL OCCUPANCY +69 BPS VS 3M22 PF POST-BBVA DISPOSAL

Occupancy and WAULT to first break per asset type⁽¹⁾



Source: Company

⁽¹⁾ WAULT by rents means the weighted average unexpired lease term to first break, calculated as of 30th June 2022

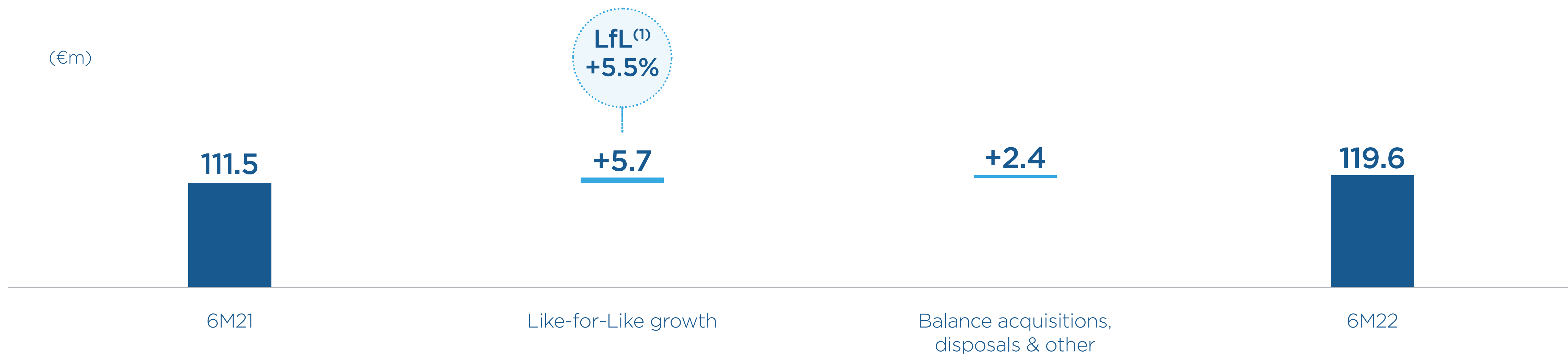
⁽²⁾ PF post - BBVA disposal



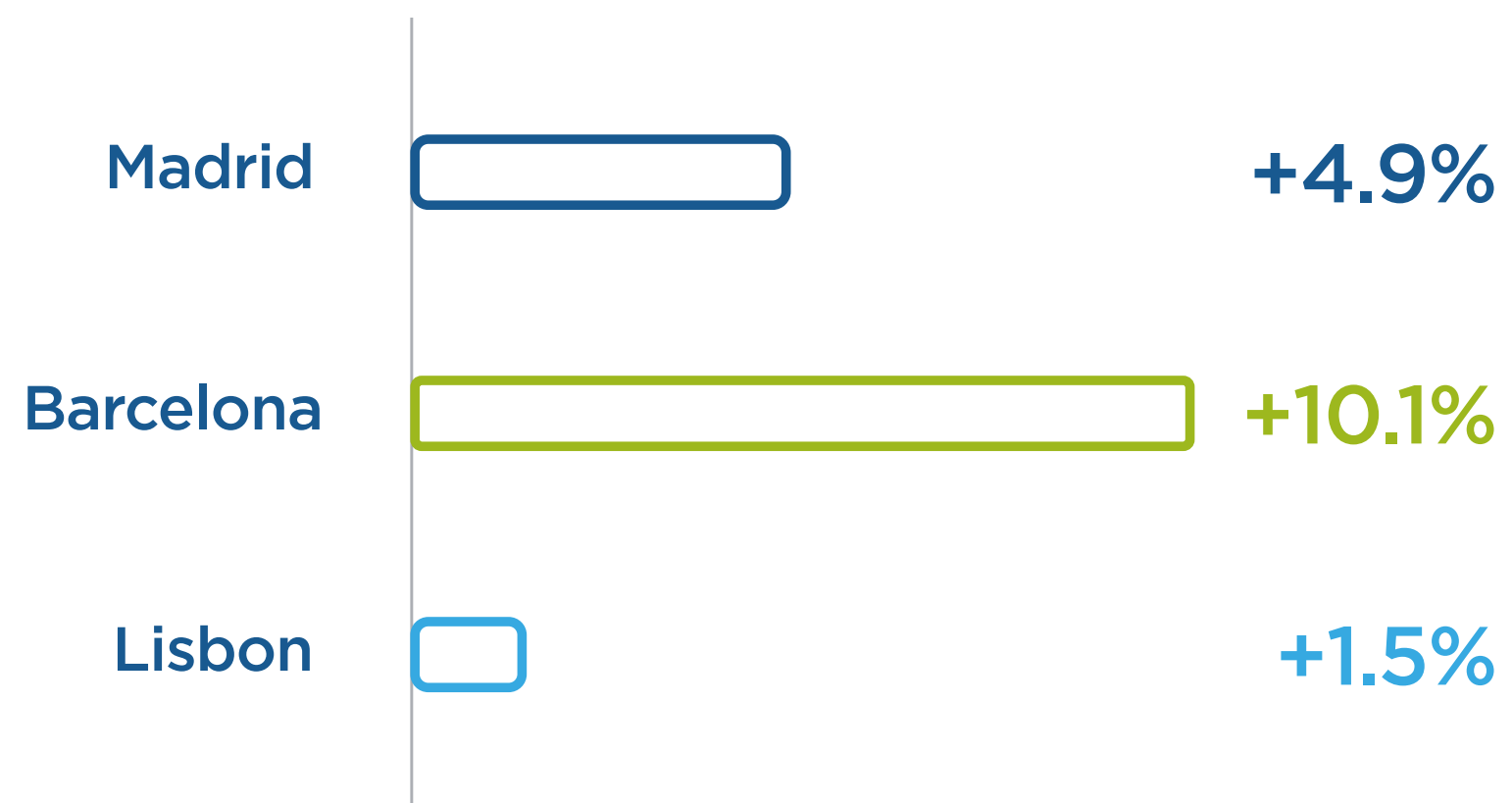
Offices



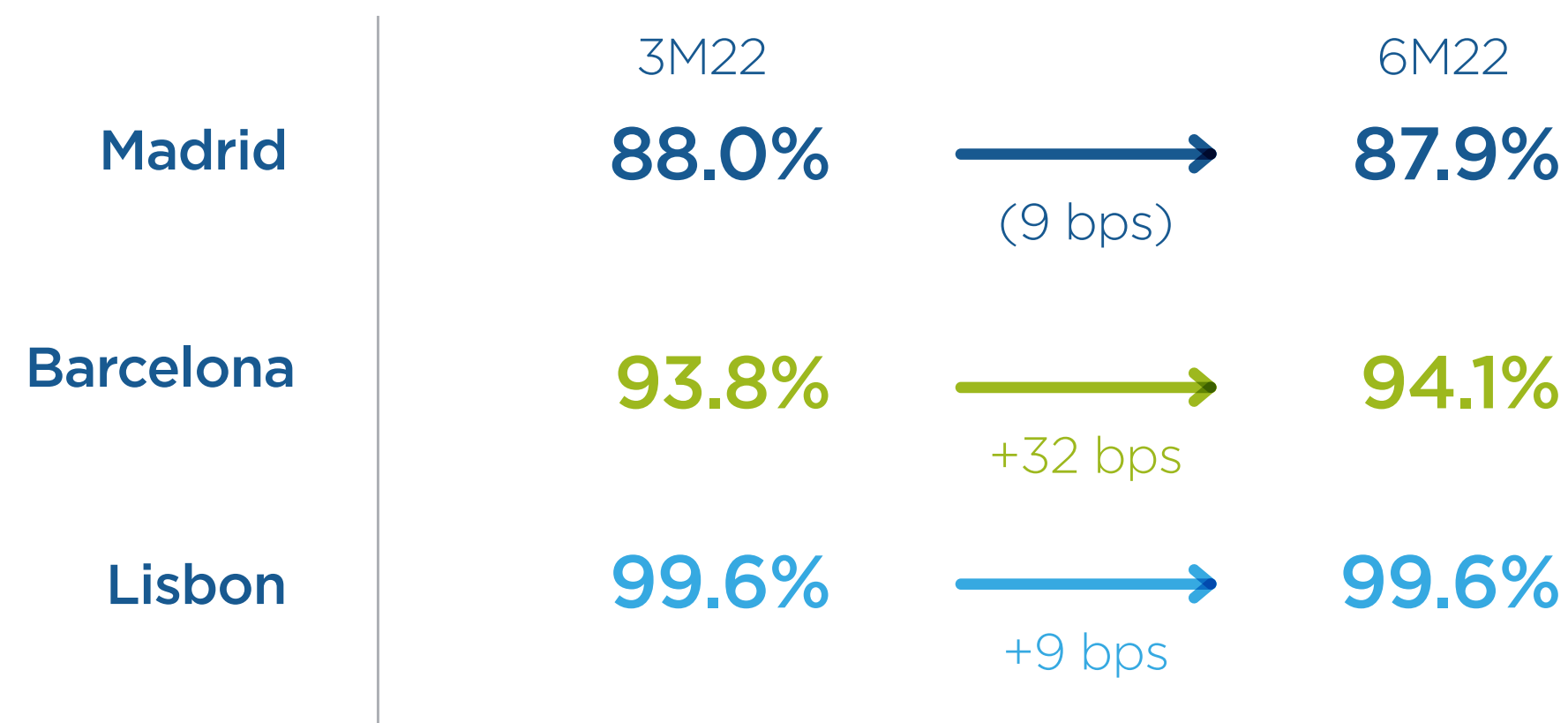
LFL RENTAL INCREASE (+5.5%) AND RELEASE SPREAD (+6.3%) VS 3M22



LfL growth by area



Occupancy by area



¹⁾ Portfolio in operation for 6M21 (€ 103.6 m of GRI) and for 6M22 (€ 109.3m of GRI)

Offices | Leasing activity



	Contracted sqm	#Renewed contracts	Release spread	Tenants contracted
Madrid	36,234	91	+4.5%	
Barcelona	24,561	44	+10.0%	
Lisbon	4,912	7	+21.9%	
Total	65,797	142	+6.3%	



3 NEW SPACES OPENED THIS SEMESTER AND 3 MORE TO COME BEFORE YEAR-END WHICH WILL IMPLY A 51% INCREASE IN FOOTPRINT

KPIs

: 20,708 sqm : 2,176 desks : 72% occupancy : 10 spaces

New openings 2022

Open



Atica exp. 155 desks



Torre Glòries exp. 87 desks



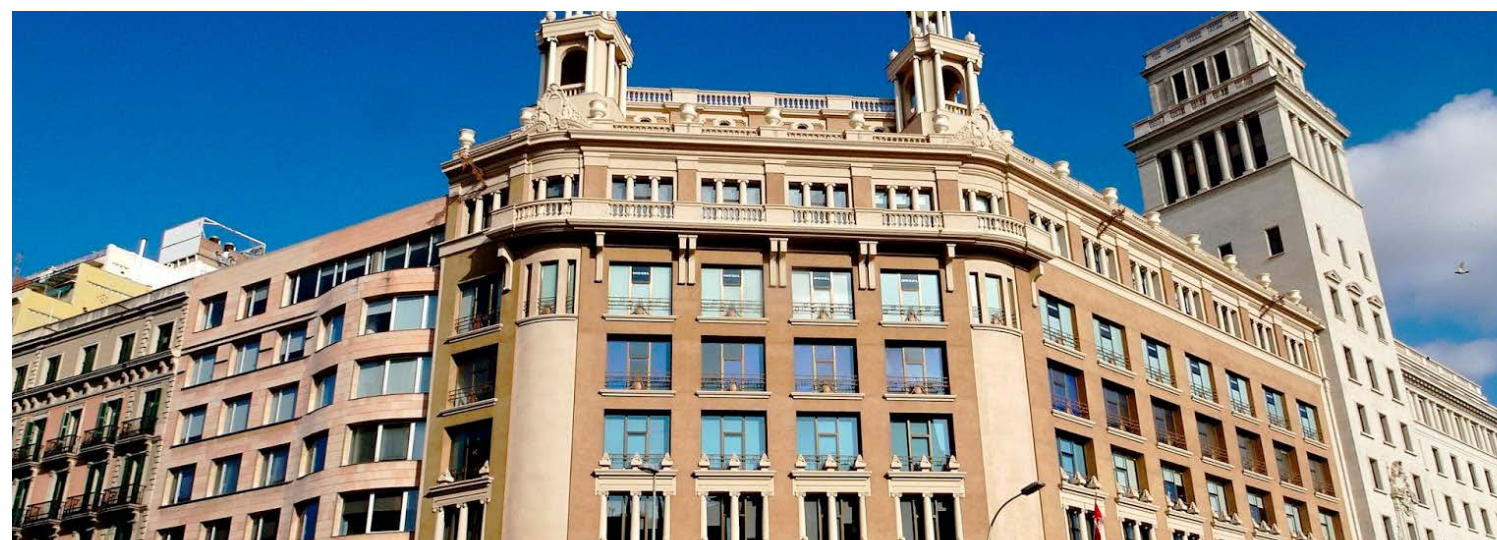
Castellana 93 exp. 69 desks

Works ongoing

July

September

December



Plaza Catalunya 9 248 desks



Ferreteria 22@ 222 desks



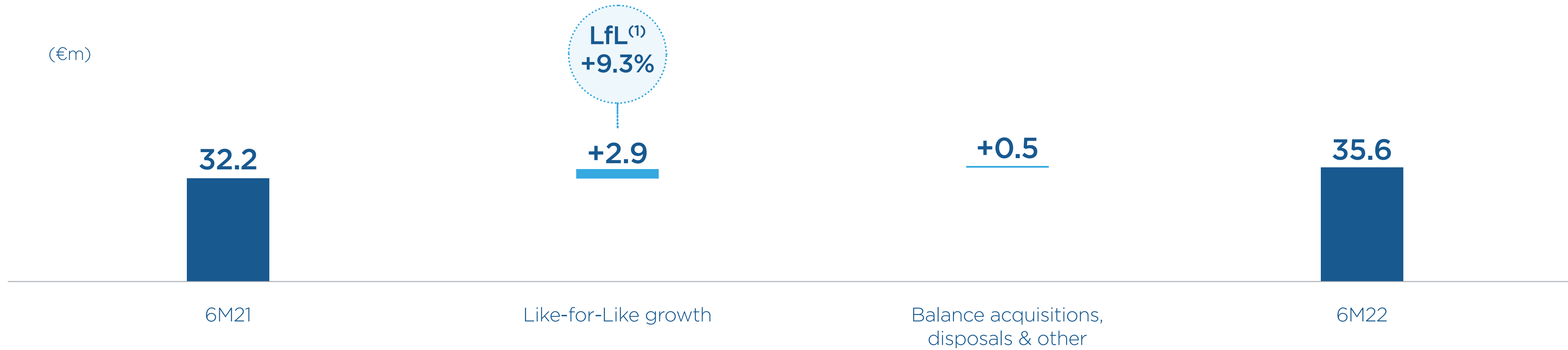
Castellana 85 196 desks



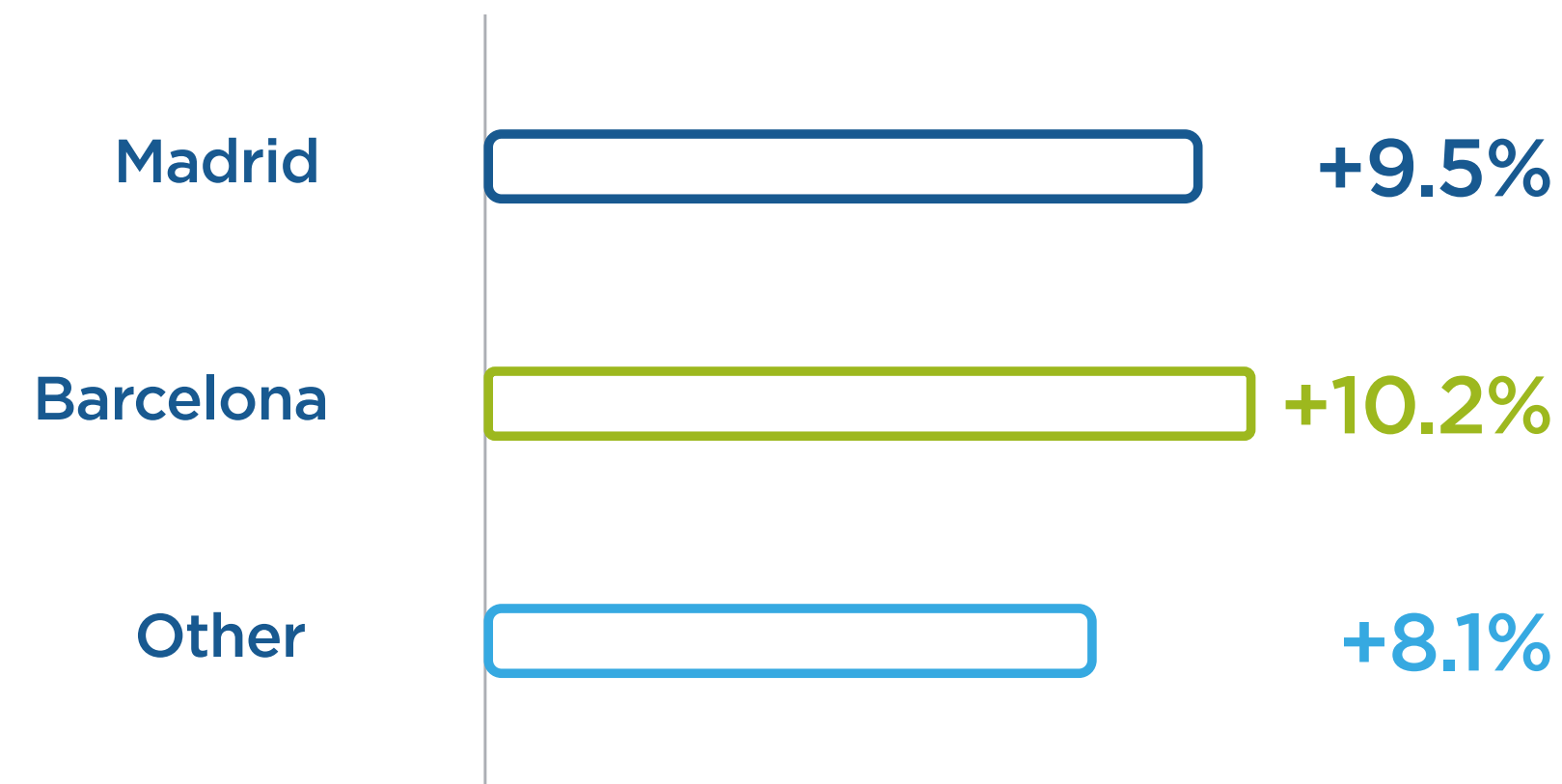
Logistics



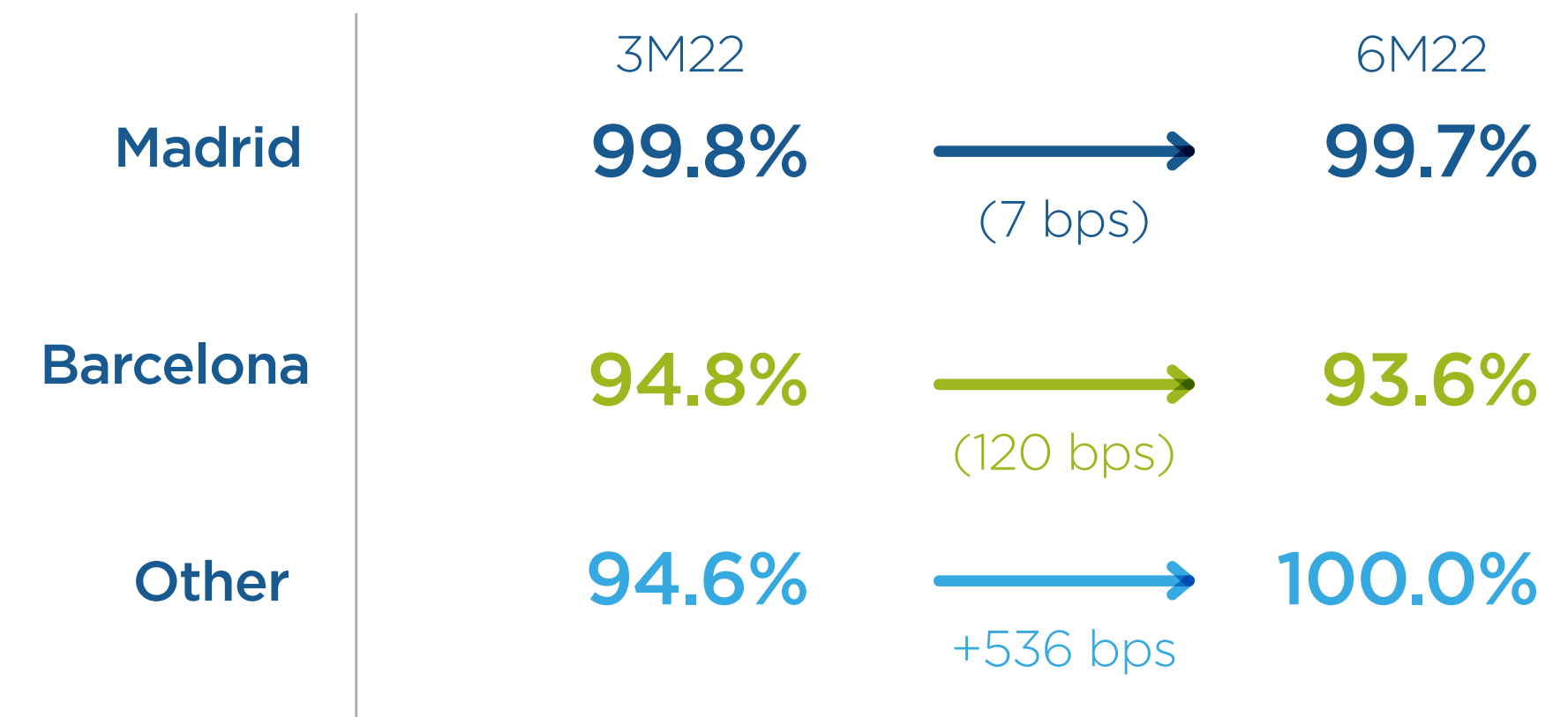
FULL OCCUPANCY COUPLED WITH RENTAL GROWTH RESULT IN OUTSTANDING LFL GROWTH (+9.3%)



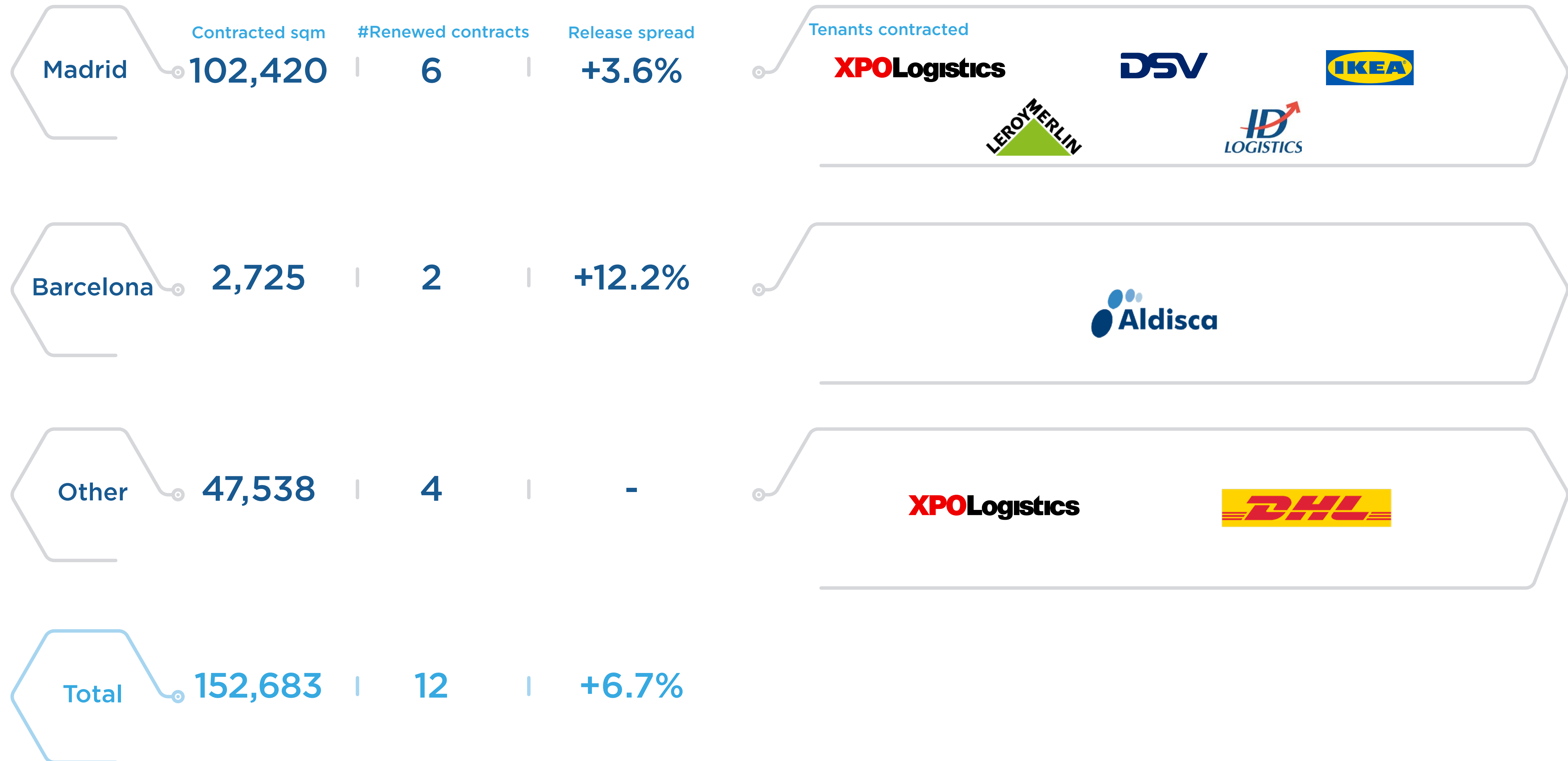
LfL growth by location



Occupancy by area



¹⁾ Portfolio in operation for 6M21 (€ 31.4 m of GRI) and for 6M22 (€ 34.3m of GRI)





EXTRAORDINARY PERFORMANCE: FULL OCCUPANCY AND DOUBLE DIGIT FFO INCREASE (+35.2% VS 6M21)



Stock
736,384 sqm
 Third parties stock
183,252 sqm
 Stock under management
919,636 sqm



Contracted sqm
176,434 | Release spread
(1.9%) | # contracts
38

Occupancy by area
 6M21 **97.0%** → +305 → 6M22 **100%**

Tenants



€m	6M22	6M21	YoY
Gross rents	35.9	30.0	+19.5%
Net rents	35.4	28.6	+23.7%
EBITDA	33.0	26.7	+23.6%
FFO ⁽¹⁾	20.3	15.0	+35.2%

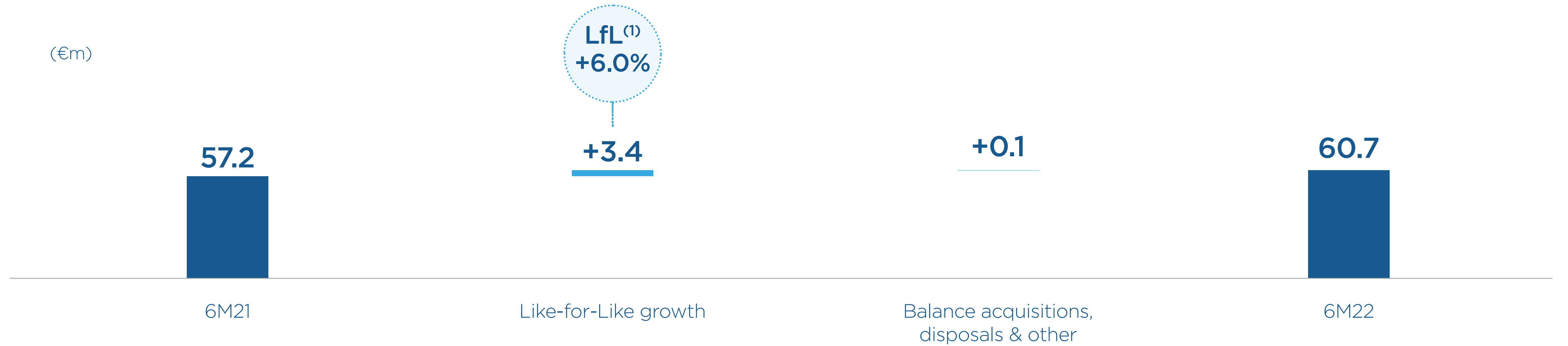
⁽¹⁾ After deducting leasehold concession charge



Shopping centers

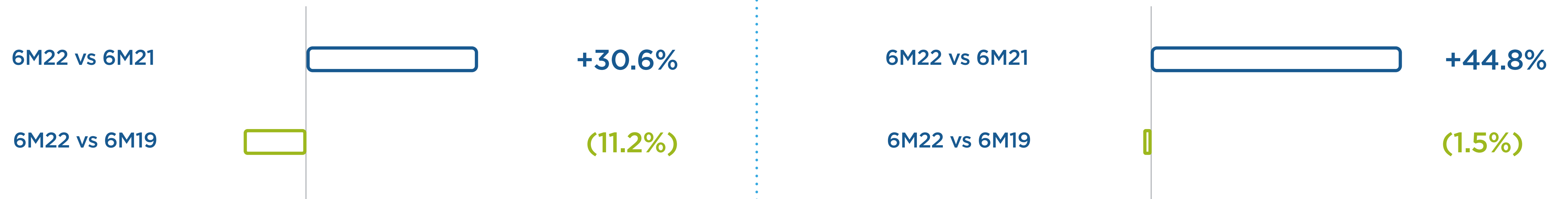


FOOTFALL AND TENANT SALES RECOVERING TO PRE-COVID LEVELS, MAINTAINING OCR AT 12.5%



Footfall evolution

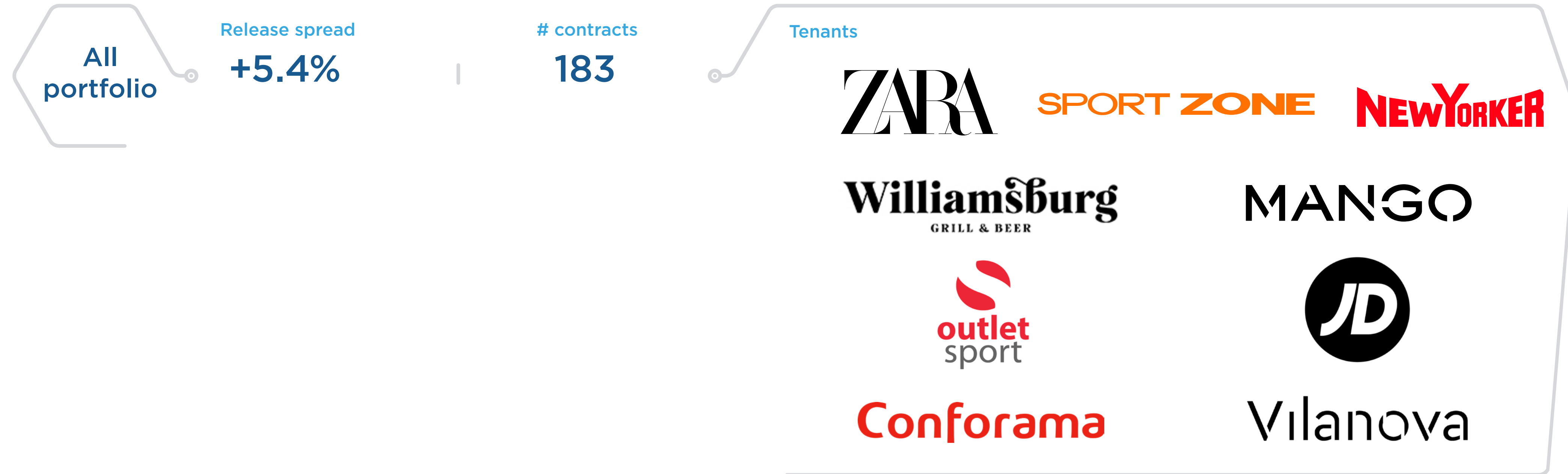
Tenant sales evolution



⁽¹⁾ Portfolio in operation for 6M21 (€ 57.1 m of GRI) and for 6M22 (€ 60.6m of GRI)



OCCUPANCY CONTINUES INCREASING FOR THE FIFTH CONSECUTIVE QUARTER

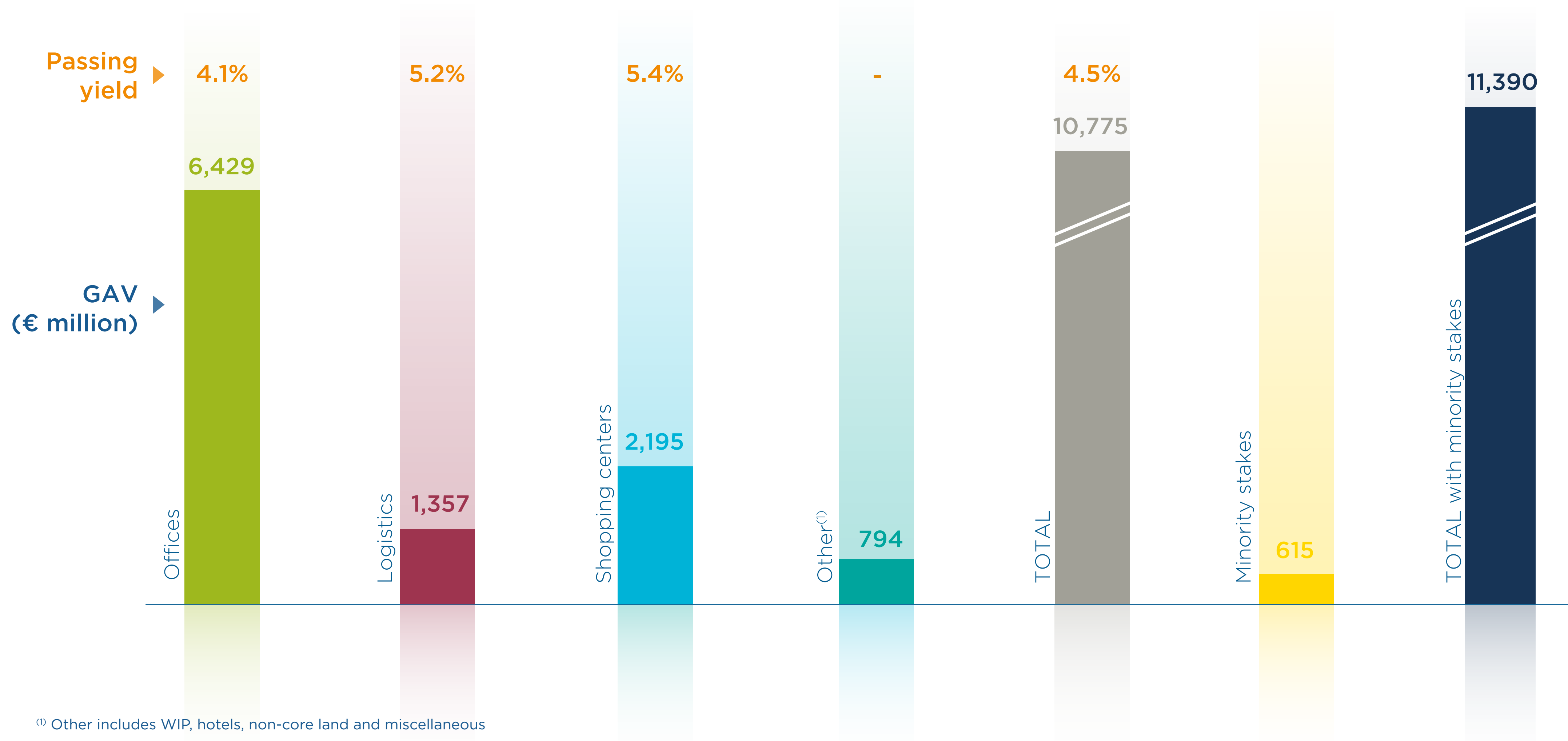




Valuation and debt position

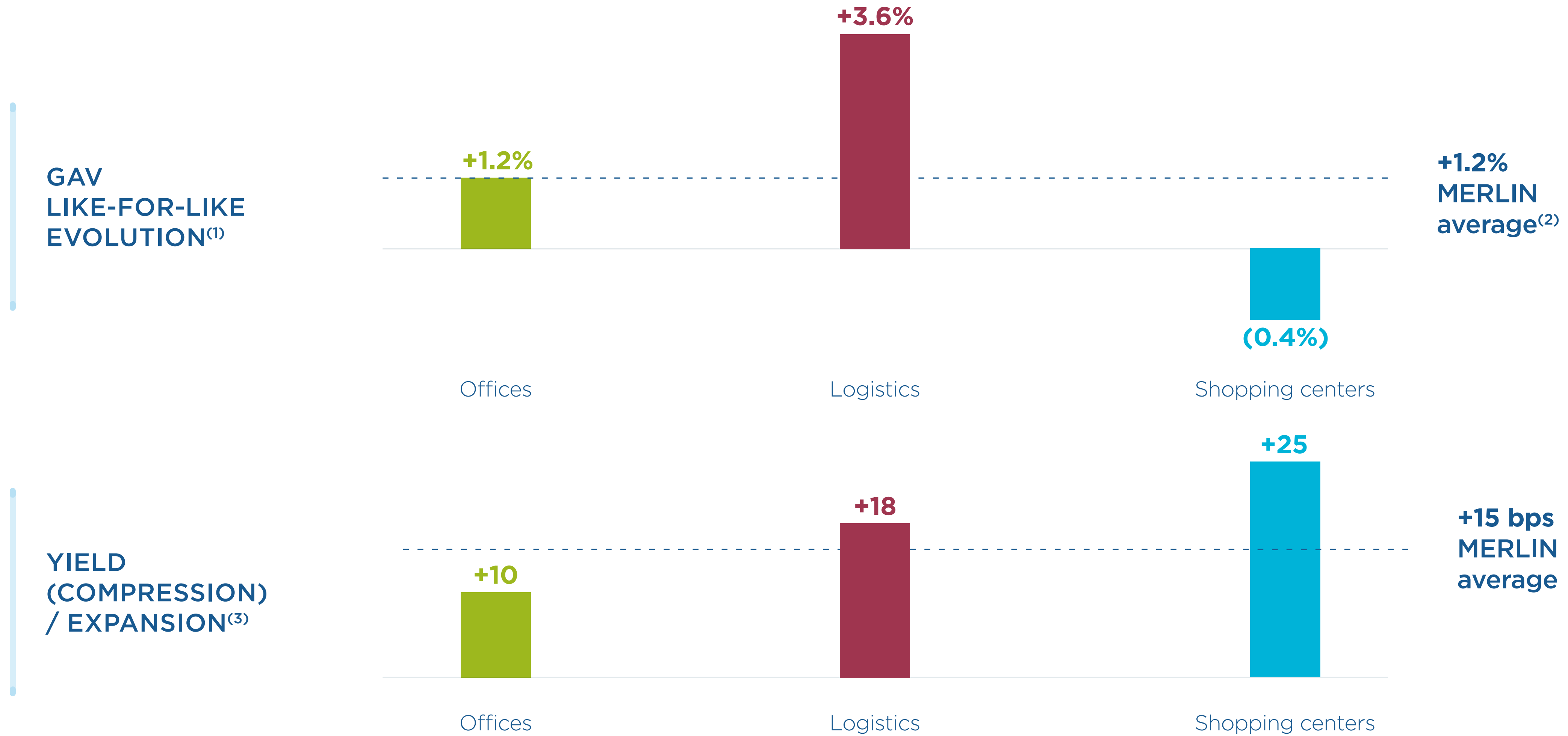


BROADLY STABLE GAV (+1.2% LFL) WITH LOGISTICS DRIVING THE REVALUATION OF THE OVERALL PORTFOLIO





SLIGHT YIELD EXPANSION (+15 BPS) OFFSET BY RENTAL GROWTH



⁽¹⁾ GAV of WIP projects included under its respective asset class for LfL purposes

⁽²⁾ Including equity method

⁽³⁾ Based on passing rent



LTV REDUCTION AT ITS BEST AFTER TREE DISPOSAL

	30/06/2022	31/12/2021
Net debt	€ 3,216m	€ 5,247m
LTV	27.4%	39.2%
Average cost (spot)	1.94% (1.93%)	2.07% (1.76%)
Fixed rate debt	99.6%	100%
Average maturity (years)	5.4	5.3
Liquidity ⁽¹⁾ (€ million)	1,772	1,811

30.4% PF
post-extraordinary
dividend

S&P Global

Rating

BBB

Outlook

Positive

MOODY'S

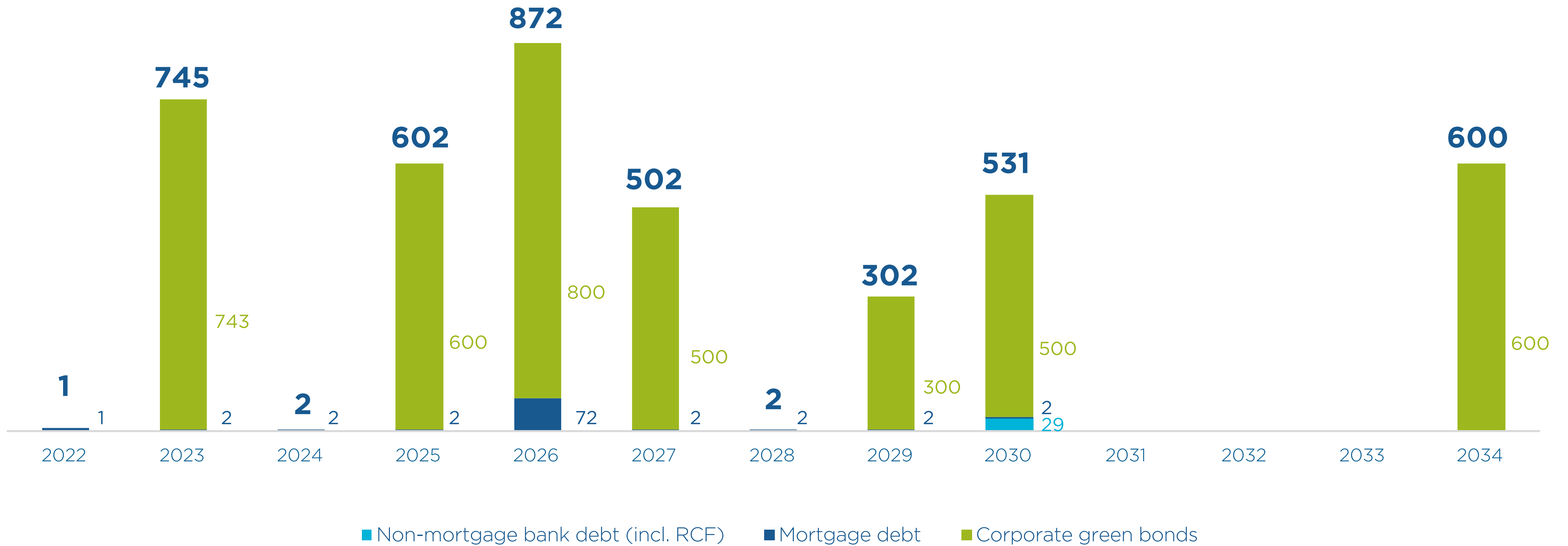
Baa2

Positive

⁽¹⁾ Includes cash (€ 843.0m), treasury stock (€ 17.3m), Silicius receivable (€ 81.0m) and undrawn credit facilities (€ 831.2m) in 6M22



FINANCIAL DISCIPLINE: GREEN, LONG MATURITIES AND FIXED RATE DEBT TO NAVIGATE CHALLENGING TIMES





Sustainability



INTENSE SEMESTER IN TERMS OF ESG INITIATIVES



3 main milestones achieved this semester

Launching of our **Pathway to Net Zero**

- 1. **Reducing** operational carbon (scope 1+2)
- 2. **Reducing** embodied carbon (offices & logistics developments)
- 3. **Reducing** scope 3 emissions
- 4. **Offsetting** unavoidable emissions

Certification program in **shopping centers completed**

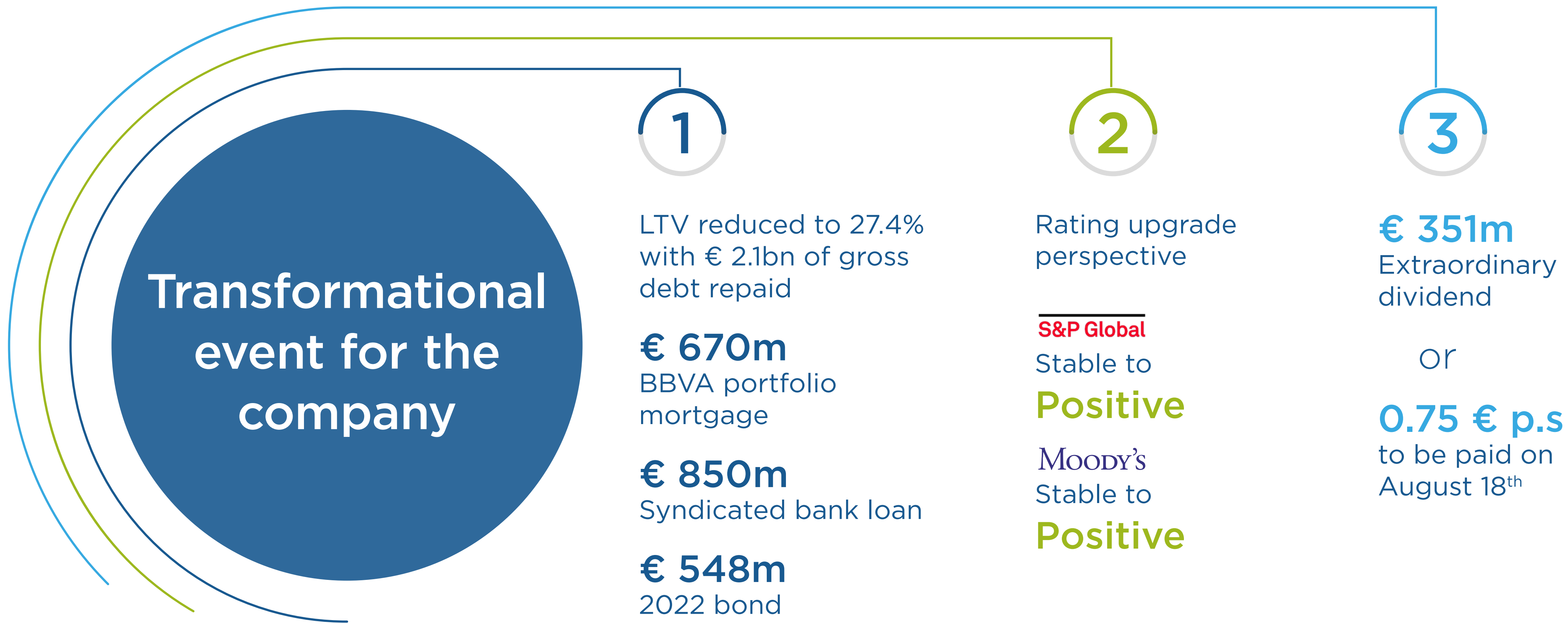
Successful requalification of all of our **outstanding bonds into green**



Value **creation**



EXCELLENT TIMING IN TERMS OF EXECUTION OF THE TRANSACTION





DIVESTMENTS AT 8.9% PREMIUM TO LATEST GAV (EXCL. BBVA PORTFOLIO)



Offices

Sale of 4 office buildings comprising 33,783 sqm (3 periphery and 1 NBA)



THE MOST TECHNOLOGICAL AND SUSTAINABLE ASSET IN THE IBERIAN PENINSULA



GLA
36,899 sqm
After Refurbishment
5,323 sqm created

Capex
€ 63.2m

Incremental rents
€ 6.0m

Delivery
2023

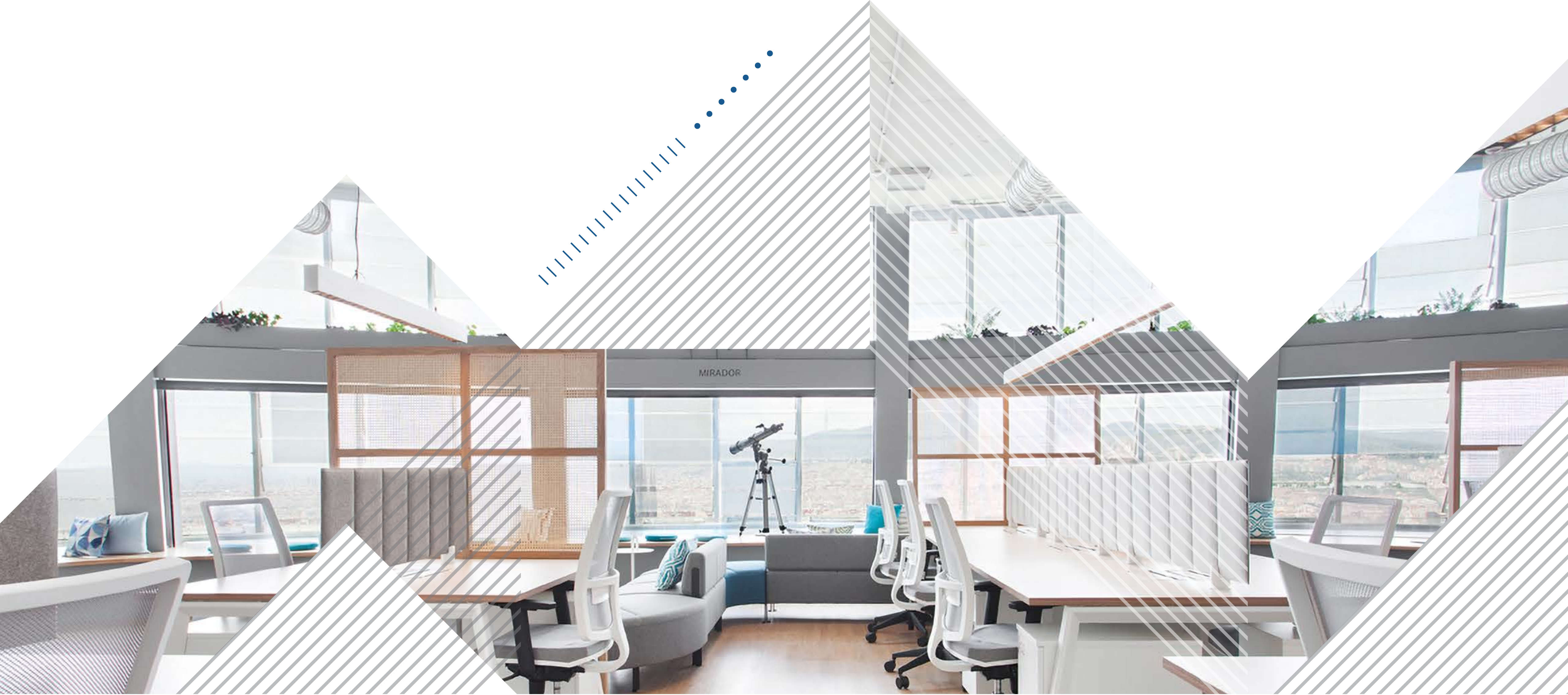
Yield on cost
9.2%



Digital Infrastructure Plan (Mega)



	#Asset	License	1 st module MW	% Pre-let	Status
	Bilbao-Arasur	✓	3	66%	Construction works ongoing
	Madrid - Getafe	✓	3	Advanced negotiations for 53%	Construction works start on August 1 st
	Barcelona - PLZF	✓	3	Advanced negotiations for 20%	Construction works start on August 1 st
	Lisbon - VFX	1Q23	-	-	



Outlook 2022



Extraordinary
dividend

€ 0.75 p.s.
To be paid on August 18th

FFO

Guidance

Old		New
€ 0.58 p.s.	→	€ 0.60 p.s.

Ordinary
dividend

Old		New
€ 0.40 p.s.	→	€ 0.42 p.s.



Closing remarks



Operations

- MERLIN has delivered a **strong performance in all key financial and operating metrics** (occupancy, LfL rental growth, release spread and FFO generation)
- **Occupancy continues increasing in all three asset classes** (+69 bps vs. PF 31/03/2022)
- **Inflation favoring financials: 56%** of rents revised in the semester at a **5.4%** average uplift (**+13m** of additional rents)
- Uplifting our **FFO guidance** (€ 0.58 per share) to a minimum of **€ 0.60 per share**
- **Logistics** continues enjoying strong tailwinds with the **portfolio fully occupied**
- **Footfall (+30.6% vs. 6M21) & sales (+44.8% vs. 6M21)** continue recovering while maintaining a stable OCR (12.5%)

Value creation

- **€ 2.1bn of BBVA portfolio disposal** at a 17.1% premium to GAV
- **Strong commercialization interest** for the only building remaining in Landmark, to be delivered in 3Q23
- **Works in Bilbao-Arasur (Mega)** are underway and the asset is already 66% pre-let
- Licenses for **Madrid-Getafe and Barcelona-PLZF (Mega)** have been obtained and under advanced negotiations to sign a pre-let in both assets. Construction works to start in 3Q22

Dividends

- **€ 0.75 p.s. of extraordinary dividend** to be paid on August 18th
- **Upgrade our ordinary dividend guidance** from € 0.40 p.s. to € 0.42 p.s



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