



## CONSOLIDATED PERFORMANCE

**+3.5%**

Gross rents YoY

**+8.6%**

EPS YoY

**+18.2%**

EPRA NAV YoY

- **Solid set of results** delivering **total return to shareholders of 8.1% YTD** and 22.1% YoY
- Cancellation of Testa Residencial means **an increase in TR stake from 12.7% to 17.0%** with two impacts: (i) extraordinary net gain of € 53.0m, and (ii) loss of ca. € 4.0m of recurring EBITDA in the period
- **EPRA NAV per share of € 14.06, an increase of +18.2% YoY**, reflecting rent evolution progressively adapting portfolio to market values
- **AFFO (€ 0.29 per share in the period) on track to meet full year 2018 guidance (€ 0.58 per share)**

(€ million)	6M18	6M17	YoY
Total revenues	247.3	242.6	+1.9%
Gross rents	243.2	235.1	+3.5%
Net rents	209.5	208.0	+0.7%
Gross-to-net margin	86.1%	88.5%	
EBITDA <sup>(1)</sup>	194.8	198.6	(1.9%)
Margin	80.1%	84.5%	
FFO <sup>(2)</sup>	140.9	148.6	(5.2%)
AFFO	136.1	142.6	(4.6%)
Net earnings	457.6	421.4	+8.6%

(€ per share)	6M18	6M17	YoY
FFO	0.30	0.32	(5.2%)
AFFO	0.29	0.30	(4.6%)
EPS	0.97	0.90	+8.6%
EPRA NAV	14.06	11.89	+18.2%

## BUSINESS PERFORMANCE

**+2.0%**

Rents like-for-like<sup>(3)</sup> YoY

**+4.7%**

Office

**+3.4%**

S. Centers

**+11.5%**

Logistics

Release spread

**(27 bps)**

Occupancy vs 31/03/18

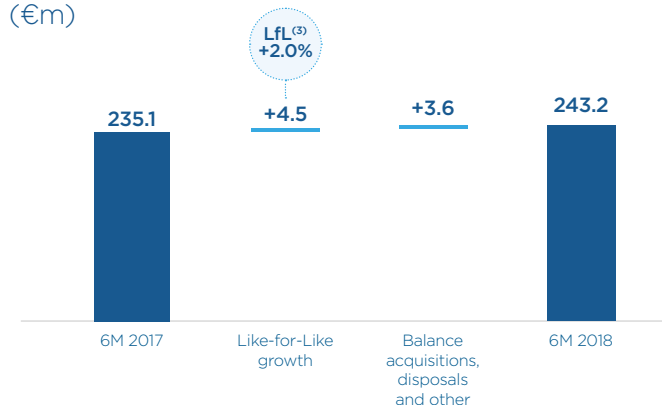
**92.1%**

- **Office:** 182,621 sqm contracted. LfL of **-0.6%** and **release spread** of **+4.7%**
- **Shopping centers:** 49,469 sqm contracted. LfL of **+3.2%** and **release spread** of **+3.4%**
- **Logistics:** 241,383 sqm contracted. LfL of **+7.8%** and **release spread** of **+11.5%**

	Contracted sqm	Rent		Leasing activity	Occ. vs 31/03/18
		€ m	Lfl change	Release spread	Bps
Office	182,621	110.2	(0.6%)	+4.7%	+84
Shopping centers	49,469	47.2	+3.2%	+3.4%	(72)
High street retail	n.a.	54.1	+3.8%	n.m.	(12)
Logistics	241,383	24.3	+7.8%	+11.5%	(137)
Other	n.a.	7.4	+5.3%	n.m.	-
<b>Total</b>	<b>473,473</b>	<b>243.2</b>	<b>+2.0%</b>		<b>(27)</b>

### Gross rents bridge

(€m)



<sup>(1)</sup> Excludes non-recurring items (€ 0.8m) plus LTIP accrual (€ 21.9m)

<sup>(2)</sup> FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in earnings of equity method

<sup>(3)</sup> Portfolio in operation for the 6M17 (€ 224.5m GRI) and for the 6M18 (€ 229.0m GRI)

# OFFICES

## Gross rents bridge (€m)



## Rents breakdown

	Gross rents 6M18 (€ m)	Passing rent (€/sqm/m)	Wault (yrs)
Madrid	86.0	16.9	2.9
Barcelona	16.2	14.3	3.6
Lisbon	6.6	18.2	2.8
Other	1.5	10.8	7.9
<b>Total</b>	<b>110.2</b>	<b>16.4</b>	<b>3.1</b>

## Leasing activity

- **Rental growth accelerating, +4.7% release spread** on average (vs +4.0% in 1Q18 and +3.4% in FY17)
- **2Q leasing activity highlights:**
  - 9,135 sqm new lease with CCC (Facebook) and 1,141 sqm with Dynatrace in Torre Glories, Barcelona
  - 6,176 sqm new lease with Allfunds Bank in Avda Burgos 210, Madrid
  - 1,842 sqm with GloVal Advisory and 1,175 sqm with ADP in Eucalipto 33, Madrid
  - 12,209 sqm renewed with Técnicas Reunidas in PE Sanchinarro, Madrid
  - 3,456 sqm renewed with Sitel in Central Office, Lisbon

6M18	Contracted Sqm	Out	In	Renewals	Net	Release spread	# Contracts
Madrid	121,644	(64,709)	55,260	66,383	(9,449)	+3.8%	165
Barcelona	42,991	(3,674)	17,166	25,825	13,492	+8.8%	71
Lisbon	17,987	(1,525)	1,053	16,934	(472)	+7.3%	23
<b>Total</b>	<b>182,621</b>	<b>(69,908)</b>	<b>73,479</b>	<b>109,142<sup>(2)</sup></b>	<b>3,571</b>	<b>+4.7%</b>	<b>259</b>

## Occupancy

- **Increase in occupancy in all markets in 2Q18**
- **Excellent performance in Madrid** (+86 bps vs 1Q18), mostly driven by the new leases in Eucalipto 33 and Avda Burgos 210
- **Torre Glóries<sup>(3)</sup> in Barcelona has seen an intense lease activity in 2Q18**, with the leases signed with CCC and Dynatrace (10,276 sqm in aggregate)
- **By markets**, best performer this quarter has been Madrid CBD

<b>Stock</b>	1,277,195 sqm
<b>WIP</b>	97,017 sqm
<b>Stock incl. WIP</b>	1,374,211 sqm

	Occupancy rate		
	30/06/18	31/03/18	Change bps
Madrid	86.9%	86.0%	+86
Barcelona	90.5%	90.3%	+26
Lisbon	89.8%	87.2%	+264
Other	100.0%	100.0%	-
<b>Total</b>	<b>87.9%</b>	<b>87.0%</b>	<b>+84</b>

<sup>(1)</sup> Office portfolio in operation for the 6M17 (€ 103.4m GRI) and for the 6M18 (€ 102.8m GRI)



<sup>(2)</sup> Excluding roll-overs

<sup>(3)</sup> Not included in occupancy rate

# OFFICES (CONT.)

## INVESTMENTS, REFURBISHMENTS AND DEVELOPMENTS

Investments in 6M18	GLA (sqm)	GRI	YoC	Acquisition
 <b>Zen Tower</b>	10,207	€ 2.1m	6.4%	€ 33.3m

WIP	GLA (sqm)	Scope	Acquisition	Capex	% executed	Delivery
 <b>Torre Glòries</b>	37,614	Development	€ 142m	€ 15m	91%	Jul-18
 <b>Torre Chamartín</b>	17,733	Development	€ 31m	€ 31m	100%	Completed in May-18 Opening license received in June

LANDMARK I	GLA (sqm)	Scope	Budget	% executed
 <b>Monumental</b>	22,387	Full refurb (incl. SC)	€ 23.0m	5%
 <b>Adequa Phase I</b>	27,399	Refurbishment of former Renault and integration in the complex	€ 3.3m	41%
 <b>Marqués de Pombal</b>	12,460	Lobby + common areas + exterior terrace	€ 3.0m	5%
 <b>Balmes</b>	6,187	Full refurb	€ 1.8m	16%
 <b>Diagonal 605</b>	14,795	Full refurb	€ 8.0m	6%

# SHOPPING CENTERS

## Gross rents bridge

(€m)



- Footfall and sales affected mainly by ongoing Capex actions

## Rents breakdown

	Gross rents 6M18 (€ m)	Passing rent (€/sqm/m)	Wault (yrs)
MERLIN	47.2	19.2	2.6

## Footfall and tenant sales

	6M18 LTM	YoY
Footfall	93.3m	(2.3%)
Tenant sales	€ 893.4m	(0.3%)
OCR	12.9%	

## Leasing activity

- Steady growth in rents, with a positive release spread of +3.4%
- 2Q leasing activity highlights:
  - 1,533 sqm new lease with Musealia in Arenas
  - 2,420 sqm renewal with Ozone in Thader
  - 2,051 sqm renewal with FNAC in Arenas
  - 969 sqm renewal with Cortefiel in El Saler

6M18	Contracted	Out	In	Renewals	Net	Release spread	# Contracts
Total	49,469	(17,230)	12,185	37,283 <sup>(2)</sup>	(5,045)	+3.4%	201

## Occupancy

- Slight decrease in occupancy (-72 bps). Vacancy has been taken on due to the progress of Flagship Plan in Larios, Porto Pi and El Saler (4,328 sqm in aggregate)
- Highest lease-up in 2Q has been Vilamarina

Stock	441,339 sqm
X-Madrid	47,424 sqm
Tres Aguas <sup>(3)</sup>	67,972 sqm
Stock with X-Madrid+Tres Aguas	556,735 sqm

	Occupancy rate		Change bps
	30/06/18	31/03/18	
Total	88.2%	88.9%	(72)

<sup>(1)</sup> Shopping centers portfolio in operation for the 6M17 (€ 45.2m GRI) and for the 6M18 (€ 46.7m GRI)

<sup>(2)</sup> Excluding roll-overs

<sup>(3)</sup> Tres Aguas at 100% allocation

# SHOPPING CENTERS (CONT.)

## INVESTMENTS, REFURBISHMENTS AND DEVELOPMENTS

### INVESTMENTS

One retail unit has been acquired in Porto Pi

Shopping center	GLA (sqm)	Price (€ m)
Porto Pi	228	0.8

### WIP

Scope	Budget	% executed	GLA (sqm)	Delivery	Pre-let
<b>X-Madrid</b> Full revamp	€ 31.8m	19%	47,424	May-19	76%

### FLAGSHIP

Scope	Budget <sup>(1)</sup>	% executed	GLA (sqm)	Delivery
<b>Arturo Soria</b> Façade, accesses, installations, terraces and floors	€ 4.7m	88%	6,959	Nov-18 Phase II

<b>Larios</b> Full refurb	€ 23.4m	21%	45,076	Dec-18
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<b>El Saler</b> Extension (+2,700 sqm), façade and accesses	€ 15.2m	8%	47,013	Dec-19
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<b>Porto Pi</b> Full refurb	€ 16.0m	7%	58,779	Mar-20
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<sup>(1)</sup> GLA and Capex budget for shopping centers refurbishments include 100% of the asset, regardless of the stake owned by MERLIN in the owners' community

# LOGISTICS

## Gross rents bridge

(€m)



## Rents breakdown

	Gross rents 6M18 (€ m)	Passing rent (€/sqm/m)	Wault (yrs)
Madrid	12.5	3.8	3.8
Barcelona	6.1	5.5	2.8
Other	5.6	3.7	6.3
<b>Total</b>	<b>24.3</b>	<b>4.1</b>	<b>3.6</b>

## Leasing activity

- **Significant LfL growth** driven by meaningful increase in rents
- **Outstanding release spread in all markets**, with Barcelona ahead of Madrid (+13.4% vs +9.2%)
- **2Q leasing activity highlights:**
  - 3,494 sqm new lease with Gefco in Valencia-Almussafes
  - 2,098 sqm new lease with Kuehne & Nagel in Sevilla-ZAL
  - 14,911 sqm renewal with Reckitt Benckiser in Barcelona-Lliça del Val
  - 10,429 sqm renewal with Airpharm in PLZF, Barcelona

	Contracted	Out	In	Renewals	Net	Release spread	# Contracts
Madrid	161,595	(16,242)	110,408	51,186	94,116	+9.2%	7
Barcelona	43,378	(10,866)	5,596	37,782	(5,270)	+13.4%	8
Other	36,410	(7,724)	21,293	15,117	13,569	+15.9%	5
<b>Total</b>	<b>241,383</b>	<b>(34,832)</b>	<b>137,298</b>	<b>104,085<sup>(2)</sup></b>	<b>102,466</b>	<b>+11.5%</b>	<b>20</b>

## Occupancy

- **Temporary drop in occupancy** due to the insolvency of Souto (Madrid-Getafe -16,242 sqm). Eviction has now been completed and the asset will be subject to refurbishment

<b>Stock</b>	1,076,633 sqm
<b>WIP</b>	493,210 sqm
<b>Stock incl. WIP</b>	1,569,843 sqm
<b>ZAL PORT</b>	468,743 sqm
<b>ZAL PORT WIP</b>	121,957 sqm
<b>Stock managed</b>	2,160,543 sqm

	Occupancy rate		
	30/06/18	31/03/18	Change bps
Madrid	97.4%	100.0%	(263)
Barcelona	96.5%	98.6%	(213)
Other	98.0%	95.8%	+221
<b>Total</b>	<b>97.4%</b>	<b>98.8%</b>	<b>(137)</b>

<sup>(1)</sup> Logistics portfolio in operation for 6M17 (€ 17.1m GRI) and for the 6M18 (€ 18.4m GRI)

<sup>(2)</sup> Excluding roll-overs

## LOGISTICS (CONT.)

### INVESTMENTS, REFURBISHMENTS AND DEVELOPMENTS

#### INVESTMENTS

	GLA (sqm)	GRI (annual)	YoC	Investment
<b>Cabanillas X</b>	21,544	€ 0.9m	7.4%	€ 11.5m
<b>Toledo-Seseña</b>	28,541	€ 1.1m	8.1%	€ 14.0m

#### WIP delivered in 6M18

	GLA (sqm)	GRI (annual)	YoC	Investment
<b>Meco II</b>	59,814	€ 2.6m	8.9%	€ 29.4m
<b>Sevilla ZAL I</b>	5,400	€ 0.2m	7.9%	€ 2.7m
<b>Madrid-Getafe (Gavilanes)</b>	39,415	€ 2.6m	8.1%	€ 32.6m
<b>Madrid-San Fernando I</b>	11,165	€ 0.7m	7.5%	€ 9.9m

#### BEST II (as from 30/06/18)

	GLA (sqm)	ERV (€m)	Investment (€m)	ERV YoC
Madrid-Pinto II B	29,473	1.1	10.9	9.7%
Madrid-San Fernando II	34,224	1.8	20.3	8.7%
Guadalajara-Azuqueca II	98,000	4.3	47.6	9.0%
Guadalajara-Azuqueca III	51,000	2.2	29.6	7.5%
Guadalajara-Cabanillas Park I F	19,750	0.8	10.4	7.5%
Guadalajara-Cabanillas Park II	210,678	8.3	109.6	7.6%
Guadalajara-Cabanillas X	21,544	0.9	11.5	7.4%
Toledo-Seseña	28,541	1.1	14.0	8.1%
<b>Total</b>	<b>493,210</b>	<b>20.5</b>	<b>253.9</b>	<b>8.1%</b>

## BALANCE SHEET

- **Repayment of leasings** upon maturity for € 123.6m
- **Distribution of € 0.26 per share to shareholders** on May 25th
- **Leverage reduced** by 30 bps vs 31/12/2017 to end the period at 43.3%
- **S&P upgraded the outlook** for MERLIN's BBB rating from stable to **positive**

	€ million
GAV	11,755
Gross financial debt	5,282
Cash <sup>(1)</sup>	(190)
Net financial debt	5,092
EPRA NAV	6,604

Ratios	30/06/2018	31/12/2017
LTV	43.3%	43.6%
Av. interest rate	2.21%	2.23%
Av. Maturity (years)	5.7	6.1
Unsecured debt to total debt	78.0%	78.5%
Interest rate fixed	99.3%	98.6%
Liquidity position <sup>(2)</sup> (€m)	610	949

Corporate rating		Outlook
<b>S&amp;P Global</b>	BBB	Positive
Moody's	Baa2	Stable

## VALUATION

- **€ 11,755m GAV. +3.7% LfL growth**, showing a steady growth revaluation pattern year to date
- By asset category, **+3.4% Lfl growth in office, +2.5% in shopping centers, +4.4% in logistics and +2.8% in high street retail**
- **EPRA NAV of € 6,604m**, which represents an increase of **+6.1% vs 31/12/17** and **+18.2% YoY**, reflecting the rent evolution and progressive adaptation of the portfolio to market

€m	GAV	LfL Growth	Gross yield	Yield compression
Offices	5,400	+3.4%	4.1%	7 bps
Shopping centers	1,797	+2.5%	5.2%	15 bps
Logistics	771	+4.4%	6.2%	39 bps
High street retail	2,412	+2.8%	4.5%	4 bps
Land under development	458	n.a.	n.a.	
Other	413	+0.5%	4.6%	
Equity method	503	+19.5%	n.a.	
<b>Total</b>	<b>11,755</b>	<b>+3.7%</b>	<b>4.5%</b>	<b>8 bps</b>

<sup>(1)</sup> Includes cash and receivable of hotels disposal (€ 50.8m)

<sup>(2)</sup> Includes available cash plus receivable of hotels disposal and unused credit facilities (€ 420m)



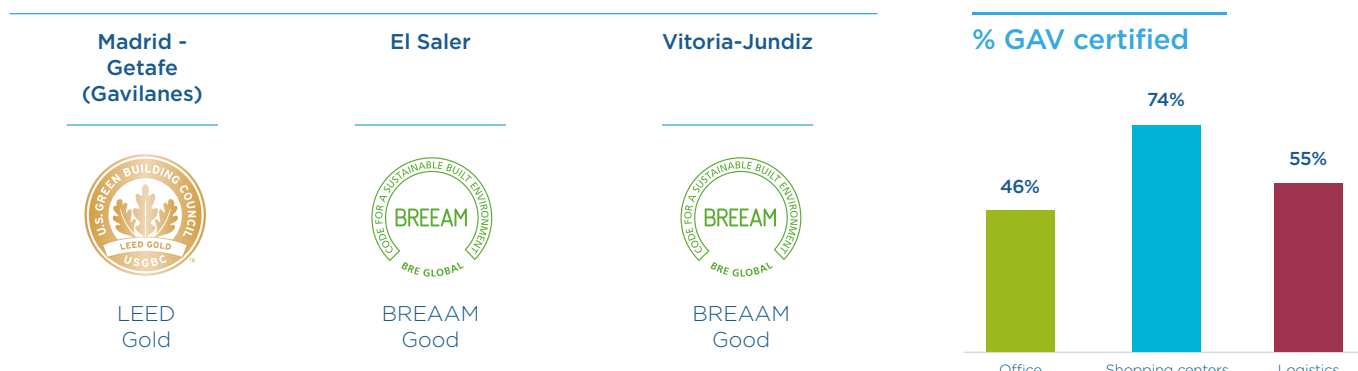
## INVESTMENTS, DIVESTMENTS AND CAPEX

- Low investment activity year to date. Zen Tower in Lisbon was the only asset acquired in 2Q18.
- The three plans of the Company, Landmark I, Flagship and Best II continue progressing properly

	Office	Retail	Logistics	€ million
Acquisitions	Zen Tower Endesa leasings	Porto Pi unit	Getafe-Gavilanes San Fernando I	83.6
Development & WIP	Torre Chamartin Torre Glòries	X-Madrid	Cabanillas X Toledo-Seseña Madrid-Meco II	27.6
Refurbishment	Adequa Juan Esplandiú Castellana 85 Diagonal 605	Arturo Soria Porto Pi		10.4
Like-for-like portfolio (Defensive Capex) <sup>(1)</sup>				6.3
<b>Total</b>				<b>127.8</b>

## SUSTAINABILITY

- **Excellent progression of the portfolio certification program**, having obtained **14 new LEED/BREEAM** certificates in 6M18
- **7** of the **LEED** certificates obtained are **Gold**



<sup>(1)</sup> € 4.8m are capitalized in balance sheet and € 1.5m are expensed in P&L

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## POST CLOSING

- On July 20, MERLIN acquired **Almada shopping center** for € 406.7m, a **81,951 sqm shopping center** (60,049 attributable) located in **Lisbon**. Almada is the undisputed dominant shopping and leisure destination in the south bank of the Tagus river, receiving more than 14.4 million visitors per annum. The popularity of the complex in terms of visitors goes hand in hand with its commercial success, currently nearing full occupancy (98% of GLA let). With **annual gross rents of € 24m**, the asset offers potential for future rental growth through improvements in management, variable rents and focused capex on selected areas.
- On July 19, MERLIN acquired a portfolio of **2 logistics assets**: (i) **26,775 sqm** logistics facilities in **Vitoria-Jundiz** fully let to DHL (under a Mercedes-Benz procurement contract) for € 10.7m, and (ii) **15,075 sqm** logistics asset in **Cabanillas-Guadalajara**, let to Jaguar Land Rover, for € 10.2m. The portfolio delivers a **6.9% yield on cost**
- On July 31, MERLIN has secured a **turn-key project in Ribarroja** of ca. **35,000 sqm** in the Central axis, in the junction between the A-3 and A-7, to increase its logistics footprint in **Valencia**
- Since 30/06/2018, MERLIN has signed **several leases totalling 23,422 sqm**: (i) **3,385 sqm** signed in **Torre Glóries** with Oracle with the option to extend the lease by **2,122 sqm**, (ii) a heads of terms with an international services company for the lease of **6,046 sqm (+2,122 sqm optioned)** in **Torre Chamartin**, (iii) **1,664 sqm** signed with Isolux in **Elipse**, (iv) **1,507 sqm** signed with ID logistics in **PE Las Tablas**, (v) **1,234 sqm** signed with Tigenix in **PE Euronova** and (vi) a heads of terms with an international retailer for the lease of **9,586 sqm** in **Muntadas I**

# APPENDIX

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1. Consolidated Profit and loss
2. Consolidated Balance sheet
3. Alternative measures of performance

## 1. Consolidated Profit and loss account

(€ thousand)	30/6/18	30/6/17
<b>Gross rents</b>	<b>243,246</b>	<b>235,117</b>
Offices	110,217	108,427
Shopping centers	47,207	47,305
Logistics	24,254	19,525
High street retail	54,148	52,196
Other	7,419	7,664
<b>Other income</b>	<b>4,007</b>	<b>7,440</b>
<b>Total revenues</b>	<b>247,253</b>	<b>242,557</b>
Incentives	(11,096)	(7,704)
Collection loss	(688)	(876)
<b>Total Operating Expenses</b>	<b>(63,468)</b>	<b>(65,095)</b>
Propex	(21,946)	(18,510)
Personnel expenses	(14,500)	(11,767)
Opex recurring	(4,257)	(5,096)
Opex non-recurring	(846)	(2,972)
LTIP Provision	(21,919)	(26,750)
<b>EBITDA</b>	<b>172,001</b>	<b>168,882</b>
Depreciation	(5,223)	(3,612)
Gain / (losses) on disposals of assets	(459)	241
Provision surpluses	8,240	96
Absorption of the revaluation of investment property	-	(9,839)
Change in fair value of investment property	313,031	332,316
Difference on business combination	19	(1,775)
<b>EBIT</b>	<b>487,609</b>	<b>486,309</b>
Net financial expense	(57,703)	(51,603)
Debt amortization cost	(4,624)	(8,184)
Gain/(losses) on disposal of financial instruments	(167)	101
Change in fair value of financial instruments	(34,022)	(701)
Share in earnings of equity method investees	23,865	8,337
Testa Residencial cancellation	53,027	-
<b>PROFIT BEFORE TAX</b>	<b>467,985</b>	<b>434,259</b>
Income taxes	(10,272)	(12,260)
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>457,713</b>	<b>421,999</b>
Minorities	104	601
<b>PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE</b>	<b>457,609</b>	<b>421,398</b>

## 2. Consolidated Balance sheet

(€ thousand)

ASSETS	30/06/18	EQUITY AND LIABILITIES	30/06/18
<b>NON CURRENT ASSETS</b>	<b>11,871,909</b>	<b>EQUITY</b>	<b>6,068,607</b>
Intangible assets	239,632	Subscribed capital	469,771
Property plant and equipment	3,543	Share premium	3,858,624
Investment property	10,790,220	Reserves	1,324,904
Investments accounted for using the equity method	447,680	Treasury stock	(12,274)
Non-current financial assets	246,783	Other equity holder contributions	540
Deferred tax assets	144,051	Profit for the period	457,609
		Valuation adjustments	(36,795)
		Minorities	6,228
		<b>NON CURRENT LIABILITIES</b>	<b>5,982,299</b>
		Long term debt	5,322,035
		Long term provisions	61,905
		Deferred tax liabilities	598,359
<b>CURRENT ASSETS</b>	<b>318,718</b>	<b>CURRENT LIABILITIES</b>	<b>139,721</b>
Trade and other receivables	98,007	Short term debt	69,278
Short term investments in group companies and associates	66,320	Short term provisions	867
Short term financial assets	7,106	Trade and other payables	53,904
Cash and cash equivalents	135,771	Other current liabilities	15,672
Other current assets	11,514		
<b>TOTAL ASSETS</b>	<b>12,190,627</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>12,190,627</b>

### 3. Alternative measures of performance

In accordance with the recommendations issued by the European Securities and Markets Authority (ESMA), the alternative measures of performance are described as follows.

#### Glossary

##### Average debt maturity (years)

It represents the average debt duration of the Company until maturity.

##### Average Passing Rent

It represents the rent for sqm/month to which an asset or category of assets is rented as of 30 June.

##### EBITDA

Earnings before net revaluations, amortizations, provisions, interest and taxes.

##### EPRA costs

Recurring running costs of the Company divided by recurring rents.

##### EPRA Earnings (€ thousand)

Recurring earnings from core operational activities.

##### EPRA NAV (€ thousand)

EPRA Net Asset Value (EPRA NAV) is calculated based on the consolidated shareholders' equity of the Group adjusted to include properties and other investment interests at fair value and to exclude certain items not expected to crystallise in a longterm investment property business model, as per EPRA's recommendations.

##### EPRA NNNAV (€ thousand)

EPRA NAV adjusted to include the fair value of financial instruments, debt and deferred taxes.

##### EPRA Net Initial Yield

Annualised rental income based on the cash passing rents at the balance sheet date, less nonrecoverable property operating expenses, divided by the market value of the property, increased with acquisition costs.

##### EPRA "topped-up" NIY

Adjustment to the EPRA Net Initial Yield in respect of the expiration of rentfree periods (or other unexpired lease incentives such as discounted rent periods and step rents).

##### EPRA Vacancy Rate

Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.

##### FFO

Recurring result of the Company calculated as EBITDA less debt interest expenses of the period.

##### GAV

Value of the commercial portfolio in accordance with the latest external valuation available as of 30 June 2018 plus advanced payments for turn-key projects and developments and capex invested in 6M18.

##### Gross annualized rents

Passing rent as of 30 June multiplied by 12.

##### Gross yield

It represents the gross yield of an asset or category of assets. It is calculated by dividing the annualized gross rent between the latest available GAV.

##### Recurring EBITDA

EBITDA less non-recurring general expenses of the Company.

##### Recurring FFO

FFO less non-recurring general expenses of the Company.

##### Release Spread

Difference between the new rent signed and the old prevailing rent on renewals (same space, same tenant) or relets (same space, different tenant) during last twelve months.

##### Rents Like-for-Like

Difference between the rents received in the period of analysis and the rents received on the similar period one year before for the same perimeter of assets.

##### WAULT

Weighted average unexpired lease term, calculated as the number of years of unexpired lease term, as from 30 June 2018, until the lease contract expiration, weighted by the gross rent of each individual lease contract.



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