

FOR INFORMATION PURPOSES. SPANISH VERSION PREVAILS

TO THE NATIONAL SECURITIES MARKET COMMISSION

MERLIN Properties, SOCIMI, S.A. (“**MERLIN**”), pursuant to article 228 of Legislative Royal Decree 4/2015, of October 23, 2015, approving the revised Securities Market Law, notifies the following

RELEVANT FACT

MERLIN has agreed today to issue under its *Euro Medium Term Note Programme* (EMTN) and following a bookbuilding process, unsubordinated ordinary bonds in the Euromarket (the “**Notes**”) for an aggregate principal amount of 600 million Euros (the “**Issue**”).

The Notes will be issued at 99.417% of its nominal value, with a maturity of eight (8) years and an annual coupon of 1.75%, payable in arrears every year.

Subscription and payment for the Notes is expected on 26 May 2017, once the conditions precedent ordinarily established for this kind of issuances are met.

The terms and conditions of the Notes, as well as their representation, are subject to English law. In addition, it is expected that the Notes are admitted to listing on the Luxembourg Stock Exchange.

MERLIN will apply the Issue proceeds for general corporate purposes.

The press release is attached.

Madrid, on 17 May 2017.

MERLIN Properties SOCIMI, S.A.



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MERLIN Properties successfully issues € 600 million 8-year unsecured bonds

Madrid, 17 May.- MERLIN Properties Socimi, S.A., (MC:MRL), the largest real estate company listed on the Spanish Stock Exchange, specialising in the acquisition and management of commercial real estate assets in the Iberian region, has announced today the issuance of unsubordinated ordinary bonds in the Euromarket (the “Notes”) for an aggregate principal amount of 600 million Euros (the “Issue”).

The Notes have been issued with a maturity of 8 years, at an issue price of 99.417% of nominal value, and an annual coupon of 1.75% (midswap + 125 bps). Subscription and payment for the Notes is expected on 26 May 2017.

The terms and conditions of the Bonds, as well as their representation, are subject to English law. In addition, it is expected that the Bonds are admitted to listing on the Luxembourg Stock Exchange.

The overall proceeds will be mainly devoted to early repay debt, as well as for general corporate purposes.

About MERLIN Properties

MERLIN Properties SOCIMI, S.A. (MC:MRL) is the largest real estate company trading on the Spanish Stock Exchange, with a market capitalization of more than 5,000 million euros, 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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