



BBVA portfolio disposal

April 2022



- MERLIN Properties owns a portfolio of **659 bank branches and 3 buildings leased to BBVA** (the “Portfolio”) through Tree Inversiones Inmobiliarias SOCIMI S.A. (“TREE”), a 100% subsidiary
- After receiving several offers, on **February 1st 2022**, MERLIN **notified** BBVA its intention to sell the Portfolio
- On **April 1st 2022**, BBVA notified **acceptance** to buy TREE shares (the “Transaction”)
- The Transaction is a share deal valuing 100% of TREE shares at € 1,987 m (GAV equivalent of € 2,077 m)
- The Portfolio generates **€ 83.6m of annual rents** and was **valued at € 1,773 m** as of December 31st 2021
- **Closing** of the Transaction is expected by **June 2022**

Purchase price

100% TREE

€ 1,987m**Implicit GAV**

662 assets

€ 2,077m**GAV**

31/12/2021

€ 1.773m**Portfolio annual rents**

2022

€ 83.6m**17.1%**

Premium over latest GAV (€ 0.65 per MERLIN share)

4.0%

NOI yield

€ 1,987m ←

Gross proceeds from Transaction

– € 699m ←

Cancellation of mortgage loan and derivatives of Tree⁽¹⁾, and transaction costs

– € 315m ←

- Calculated as **50% of the accounting capital gains⁽¹⁾** in MERLIN's individual accounts, in accordance with Spanish GAAP
- Payment can be executed up until **June 30th 2023**

= € 970m ←

Cash available for further debt reduction

- **MERLIN leverage** pro-forma:

	Pre-Transaction	Post-Transaction
Net Debt	€ 5,247 m	€ 3,610 m
LTV	39.2%	31.2% ⁽²⁾
Av. debt cost	2.07%	1.94%

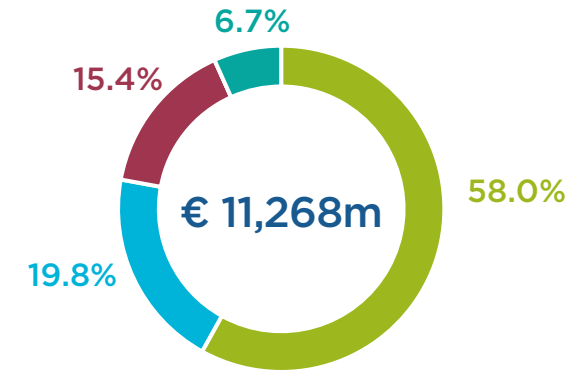
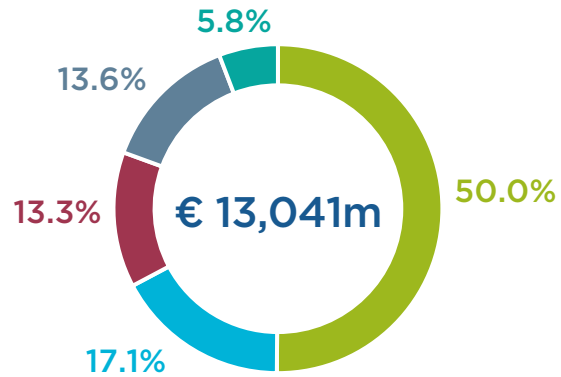
⁽¹⁾ Based on debt outstanding and mark-to-market of derivatives as of March 31st 2022

⁽²⁾ LTV including transfer costs

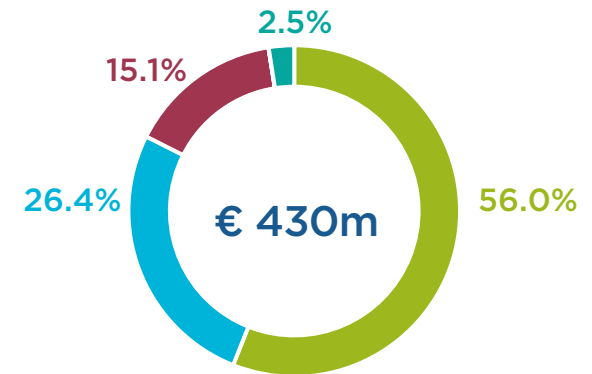
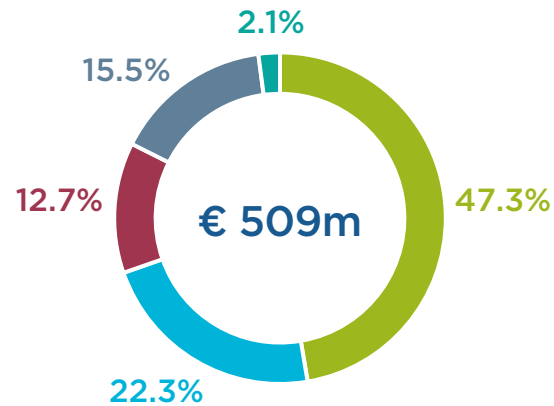
Pre-Transaction

Post-Transaction

Gross asset value
(31/12/2021)



Gross rents⁽¹⁾
(2021)



Offices ■ Shopping Centers ■ Logistics ■ Net leases ■ Other ■

⁽¹⁾ Passing annualized rents as of 31/12/2021



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