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 26 de febrero de 2021, 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:

Webex Link:

https://merlinproperties.webex.com/merlinproperties/onstage/g.php?MTID=ee78bbbb0030cc4d0b2b2e5cd9c2a03bb

Número evento: 7072888

Números conexión:

España	+34 91 414 3675
Reino Unido	+44 (0) 207 1928338
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Francia	0805101465
Alemania	08007234756
Italia	800131881
Canadá	18669250818
Países Bajos	08000235015

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, 25 de febrero de 2021.

MERLIN Properties SOCIMI, S.A.

Nota de Prensa

25 febrero 2021

MERLIN Properties aguanta el Covid gracias a la diversificación de activos

- Rentas brutas: € 503,4 millones (-4,3%)
- EBITDA: € 365,4 millones (-14,1%)
- Valor bruto de los activos: € 12.811 millones (+0,5%)
- Valor neto de los activos por acción: € 15,46 (+0,5%)
- Beneficio operativo ("FFO"): € 262,4 millones (-16,2%)

• El beneficio operativo supera los € 262 millones (equivalente a € 56 céntimos por acción), con una caída del -16,2% vs 2019, debido al impacto de la pandemia.

• La calidad de la cartera de activos e inquilinos mantiene el rendimiento en oficinas y net leases. El e-commerce impulsa la logística y ayuda a compensar los efectos del Covid en centros comerciales, fuertemente afectados por cierres y restricciones.

• El valor neto de los activos según recomendaciones EPRA ("EPRA NTA") se sitúa en € 15,46 por acción, con un crecimiento del 0,5% respecto al año pasado.

• Endeudamiento del 39,9%, holgada posición de liquidez de € 1.250 millones y niveles mínimos de impagos.

Madrid, 25 de febrero.- MERLIN Properties ha cerrado el ejercicio 2020 con unos ingresos totales de € 508,6 millones (incluyendo rentas brutas de € 503,4 millones), un EBITDA de € 365,4 millones y un beneficio operativo de € 262,4 millones (€ 56 céntimos por acción). El beneficio neto contable se ha mantenido positivo (€ 56,4 millones de euros), pese al ajuste de valor de los activos y el cambio de perímetro por ventas. El impacto estimado por rentas no ingresadas (fijas, variables y "mall income") y gastos extraordinarios incurridos como consecuencia del Covid ha ascendido a más de 64 millones de euros, equivalentes a 14 céntimos por acción. Se han ahorrado costes por 10 millones, equivalentes a 2 céntimos por acción, por menor masa salarial (incentivos del equipo directivo).

El valor bruto de activos se sitúa en € 12.811 millones (+0,5% vs 2019), siendo logística la categoría que más crece (+8,0%). Oficinas y net leases se mantienen en línea con el año anterior y centros comerciales sufre un ajuste del -8,7%. El valor neto de los activos asciende a € 7.263 millones (€ 15,46 por acción), con un incremento del 0,5% vs 2019.

MERLIN Properties ha gestionado activamente su balance y nivel de cobros durante este difícil año. Tras la emisión y recompra de bonos y el repago anticipado de una parte de su deuda hipotecaria, el nivel de endeudamiento ("LTV") se sitúa en el 39,9%, con una posición de liquidez de € 1.253 millones, situándose el vencimiento medio de la deuda en 6 años. El nivel de impagados ha sido insignificante.

MERLIN Properties SOCIMI, S.A
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Oficinas

- Evolución del negocio

Buen comportamiento en el periodo con una subida en rentas like-for-like del 2,2%. Durante la pandemia se han atenuado los movimientos de inquilinos, con una tasa de renovación del 83%. El incremento medio de rentas ha sido del 3,0%. La ocupación se ha mantenido alta, 91,1%, en un entorno de mercado complicado.

- Plan Landmark I

El plan se encuentra en su última fase, con tres proyectos en curso. Tanto Castellana 85 en Madrid como Monumental en Lisboa se entregan en el segundo trimestre de este 2021, con plena ocupación. Castellana 85 será la sede de Accenture y Elecnor en Madrid mientras que Monumental lo será de BPI en Portugal. Ambos proyectos arrojan rentabilidades sobre la inversión muy atractivas. Tras estas entregas quedará pendiente la reforma de Plaza Ruiz Picasso, en el corazón de AZCA, proyecto de gran envergadura que comienza las obras en el tercer trimestre.

Logística

- Evolución del negocio

El mercado logístico ha experimentado un importante empuje de la mano del crecimiento de la venta on-line motivado por la pandemia. Debido al difícil año en la división de centros comerciales, la logística ha pasado a ser la segunda categoría de activos por importancia para la Compañía, líder del mercado ibérico con más de 1,8 millones de m^2 en operación y € 86 millones de rentas brutas anuales, incluyendo la atribución proporcional de ZAL Port Barcelona. MERLIN seguirá reforzando este liderazgo con los futuros desarrollos incluidos en los planes Best II & III y en ZAL Port. Estos desarrollos generarán más de 1 millón de m_2 adicionales y unas rentas futuras estimadas de € 55 millones de euros.

La subida de rentas like-for-like en logística ha sido del 1,8%, con un alza en las renovaciones ("release spread") del 6,0% y una ocupación prácticamente plena (97,5%) de la cartera.

- Plan Best II & III

Durante el ejercicio 2020 se han entregado 237.046 m^2 nuevos en los principales hubs de España, incluyendo A-2 Cabanillas, A-4 Seseña, ZAL Port Barcelona, Sevilla ZAL, y Zaragoza-Plaza II. Estos proyectos se han entregado ya arrendados a inquilinos como DSV, Amazon, UPS, DAMM, Agility o Lidl. Continúan en proceso de construcción 450.677 m^2, de los cuales 290.399 m^2 ya están prealquilados. La reserva de suelo para actuaciones futuras asciende a otros 589.662 m^2.

Centros comerciales

- Evolución del negocio

Los cierres y severas restricciones de tráfico han afectado a los centros durante muchos meses del ejercicio, disminuyendo severamente la afluencia y las ventas de los inquilinos, que han caído un 36% y un 37%, respectivamente.

MERLIN lanzó una política comercial en marzo para los locales obligados a cerrar. En junio se añadieron bonificaciones en la renta para intentar ayudar a los clientes a mantener su negocio en tasas de esfuerzo sostenibles. Como contrapartida, los clientes han extendido los vencimientos de sus contratos hasta 2022, protegiendo la ocupación de la cartera durante 2020 y 2021. En octubre se lanzó una nueva política comercial para el primer semestre de 2021, previendo severas dificultades en este arranque de año por nuevas olas hasta que se alcancen unos niveles mínimos de vacunación. Más del 95% de los inquilinos se encuentran acogidos a estas políticas en España.

- Plan Flagship

Porto Pi en Mallorca y El Saler en Valencia están finalizando sus reformas, con previsión de inauguración en el segundo trimestre. Tras ello, finalizará la reforma de todos los centros comerciales comprendidos en el Plan Flagship.

Mantenimiento del valor de la cartera de activos

El valor bruto de los activos ("Gross Asset Value" o "GAV") de MERLIN asciende a € 12.811 millones a 31 de diciembre de 2020, según las tasaciones realizadas por Savills, CBRE y JLL, frente a los € 12.751 millones de hace un año. Por categorías de activos, oficinas y net leases han resistido bien el embate del virus, manteniendo las valoraciones en niveles del año pasado; logística, aupado por el mercado y el excelente rendimiento de la cartera, ha subido un 8,0%. Los centros comerciales han registrado un descenso del 8,7%.

Por lo que respecta al valor neto de activos, éste asciende a € 7.263 millones, equivalentes a € 15,46 de EPRA NTA por acción, con un ligero incremento del 0,5% sobre 2019 (€ 15,39 por acción).

Dentro de su política de rotación de activos non-core, MERLIN ha realizado desinversiones por importe de € 244 millones, incluyendo 3 centros comerciales, 3 naves logísticas y 20 sucursales de BBVA.

Sostenibilidad

Pese a la pandemia, la Compañía ha continuado alcanzando sus metas en materia de sostenibilidad. Se han agrupado las diferentes iniciativas y proyectos en tres grandes grupos: "Activos Sostenibles" donde se engloba el futuro plan de cero emisiones netas y las iniciativas de mejora de eficiencia energética y consumo de energía verde, con la inmediata instalación de placas fotovoltaicas en 24 activos; "Desarrollos Sostenibles" donde se agrupan el futuro plan de reducción de carbono en la construcción y las iniciativas de regeneración urbana con impacto social como Madrid Nuevo Norte o Renazca; finalmente, "Movilidad Sostenible" hace referencia a realidades como MERLIN Hub o la iniciativa de implantación de cargadores para vehículos eléctricos (con más de 800 ya en funcionamiento y 900 en curso), así como a nuestros innovadores proyectos en logística de última milla.

MERLIN ha obtenido una muy buena puntuación en la edición 2020 de GRESB (78 sobre 100) y Carbon Disclosure Project (B). Además, continúa la progresión en el programa de certificación de la cartera, habiendo obtenido 42 nuevas certificaciones LEED/BREEAM en 2020, lo que eleva el porcentaje de edificios certificados a más del 82% y hace factible llegar al ambicioso objetivo del 99% en 2022 que establecimos hace años.

Perspectivas para 2021

La Compañía espera otro año difícil y ha elaborado sus planes de contingencia teniendo en cuenta un escenario general semejante a 2020, si bien contemplamos una cierta recuperación a partir del verano.

En nuestra división de “retail” experimentaremos ligeras caídas de ocupación por la rotación de locales ocupados por negocios que no puedan superar la crisis. En oficinas también es esperable que la ocupación se vea afectada por reducciones de espacio consecuencia de las peores perspectivas económicas y por insolvencias puntuales de inquilinos. Por contra, la logística seguirá al alza y la cartera de “net leases” continuará actuando de “valor refugio” y aportando un importante volumen de rentas. Además, la Compañía cuenta con una serie de ingresos adicionales asegurados por las rentas de los proyectos que se entregan en 2021, por un importe aproximado de € 14 millones en el ejercicio. Todo ello ayudará a encarar otro año difícil con la relativa tranquilidad de estar, al menos, en condiciones de repetir o incluso mejorar ligeramente los resultados operativos de 2020.

La Compañía sitúa su estimación de beneficio operativo en el escenario descrito para el ejercicio 2021 en € 265 millones o € 56 céntimos por acción. Se solicitará al Consejo un dividendo de € 25 céntimos por acción con cargo al ejercicio 2020, que permita una prudente retención de caja.

Acerca de MERLIN Properties

MERLIN Properties SOCIMI, S.A. (MC:MRL) es una de las mayores compañías inmobiliarias cotizadas 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.

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

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FY2020 RESULTS PRESENTATION

26 FEBRUARY 2021

MERLIN
PROPERTIES

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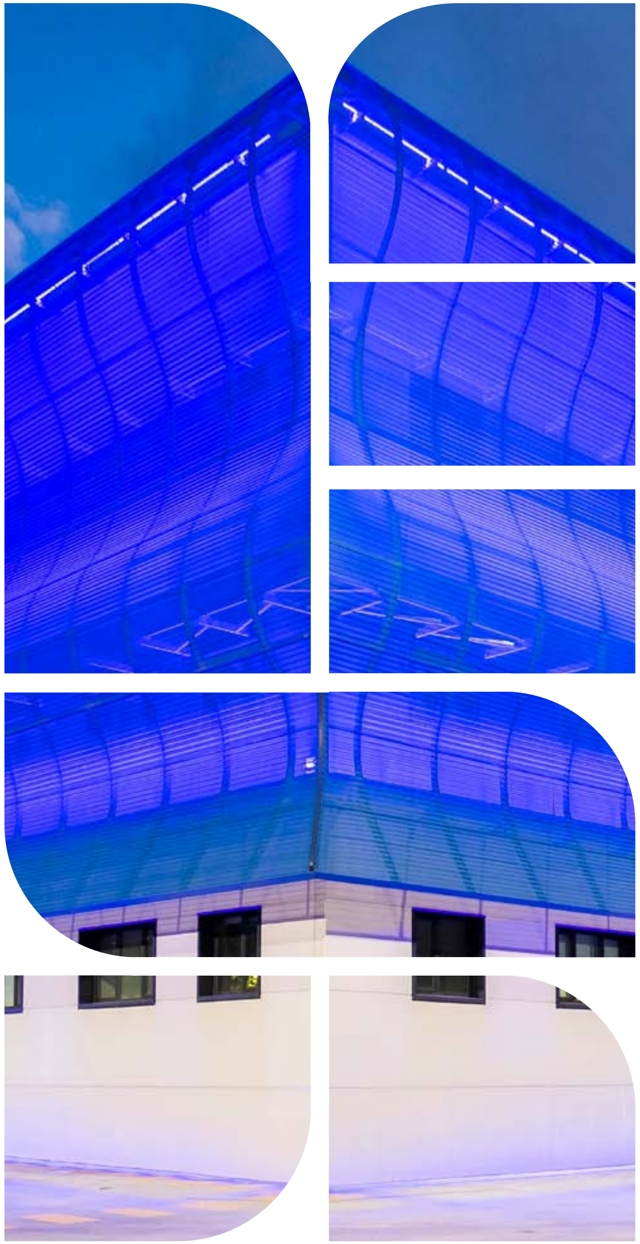


ISMAEL CLEMENTE
CEO

MIGUEL OLLERO
GM / COO

DAVID BRUSH
CIO

MERLIN PROPERTIES

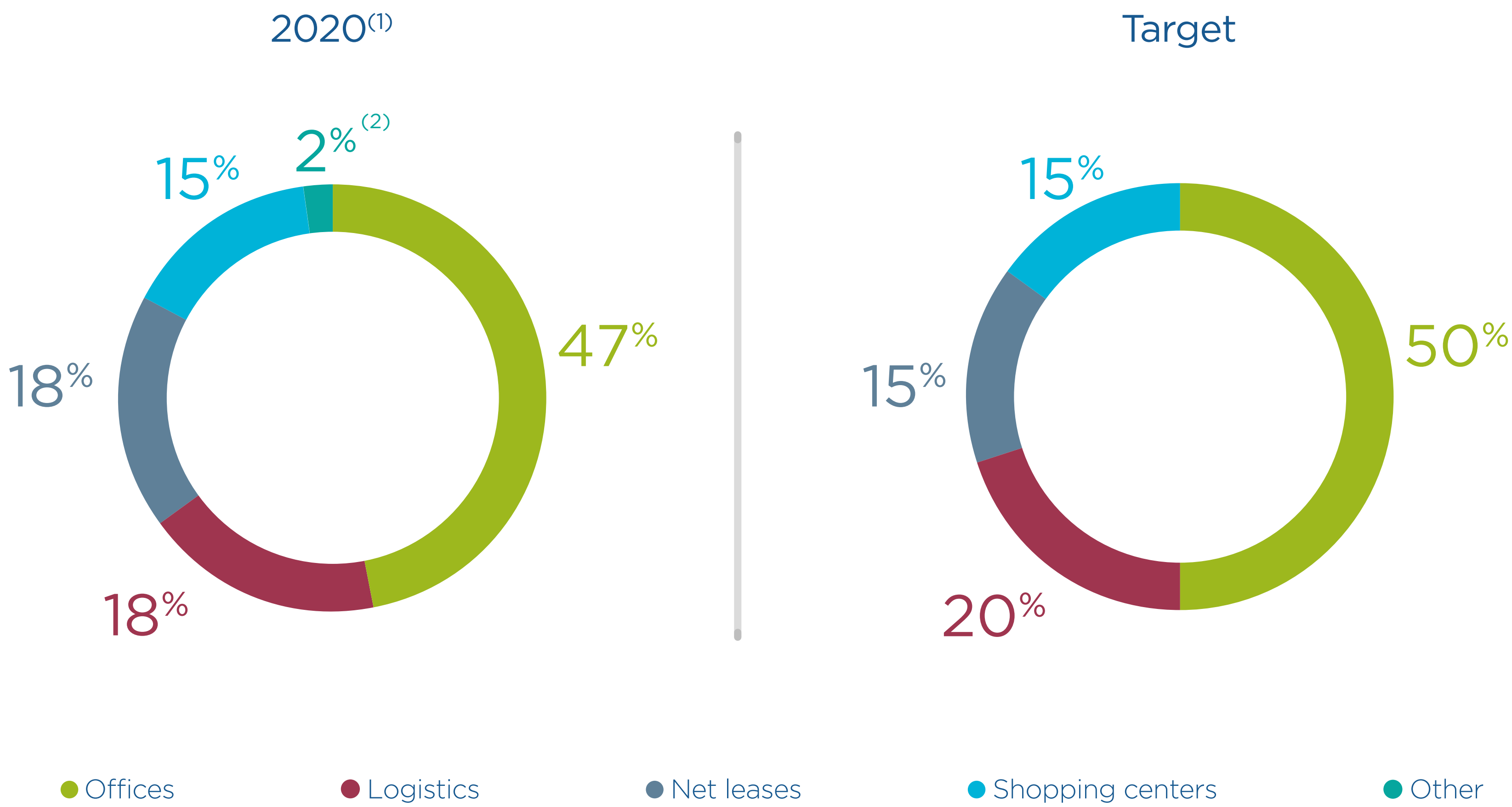
Contents

IBEX35 STOXX® Europe 600 Global property research Solutions for customized property indices EPRA EUROPEAN PUBLIC REAL ESTATE ASSOCIATION MSCI

	MERLIN			Market			
	Occupancy FY20 (YoY)	New contracts (sqm) (YoY)	Rents (LfL Growth)		Occupancy	New contracts (sqm)	Prime rents (€/sqm)
Offices	91.1% (-168 bps)	44,388 (-45% YoY)	€ 233m (+2.2% LfL)	MAD	91.0% (-60 bps)	350k (-43% YoY)	35.5 (-2% YoY)
				BCN	92.8% (-50 bps)	179k (-55% YoY)	28.0 (-2% YoY)
				LISB	95.1% (-90 bps)	138k (-29% YoY)	23.0 (+0% YoY)
Logistics	97.5% (-14 bps)	136,656 (-11% YoY)	€ 59m (+1.8% LfL)	MAD	92.7% (-185 bps)	929k (-1% YoY)	6.25 (+0% YoY)
				BCN	96.7% (-50 bps)	437k (-74% YoY)	7.0 (+0% YoY)
				LISB	85.0% (0 bps)	136k (n.a)	4.0 (+0% YoY)
Shopping centers	93.7% (+47 bps)	20,369 (-47% YoY)	€ 114m (-1.2% LfL)	SPAIN			90.0 (-10% YoY)
				PORTUGAL			102.5 (-2% YoY)
Net leases	99.7%	-	€ 87m (+1.2% LfL)				

Source: BNP Paribas, Cushman & Wakefield and JLL
(1) Net rents: gross rents - incentives

Drop in net rents of SCs means logistics has overtaken retail as revenue contributor and will continue to be the fastest growing category



(1) Net rents including proportionate contribution of Zal Port and Tres Aguas
(2) Other includes hotels, non core land, miscellaneous and minority stakes including DCN

MERLIN continues to expand its technology and digitalization efforts

Sensorization	Digitalization	Data and processes	User experience
Telefonica	DISTRICT	salesforce	mayordomo BUTLER BOX
Signify	FIFTH WALL	tableau	
cisco	KeepEyeOnBall	CARTO	
Powernet		Power BI	LOCKEN SMART ACCESS SOLUTIONS
vodafone			

MERLIN is implementing sustainable initiatives across its portfolio

	Assets	Construction	Mobility
Plans	• Path to net zero	• Embodied carbon reduction graphenstone nanotechnology coatings MAGNA. GLASKERAMIK	• Mobility as a service MERLIN HUB Madrid Norte.
Initiatives	• Photovoltaic Abaste Opengy POWEN	• Urban regeneration DISTRITO CASTELLANA NORTE MADRID RENAZCA	• Last mile logistics GLS REVOOLT • Electric vehicles chargers

Scoring

GRESB 78%

CDP DISCLOSURE INSIGHT ACTION B

EPRA sBPR GOLD

EPRA sBPR MOST IMPROVED AWARD

FY20 FINANCIAL RESULTS

Resilient business performance. FFO per share of € 0.56 beating the post Covid-19 guidance

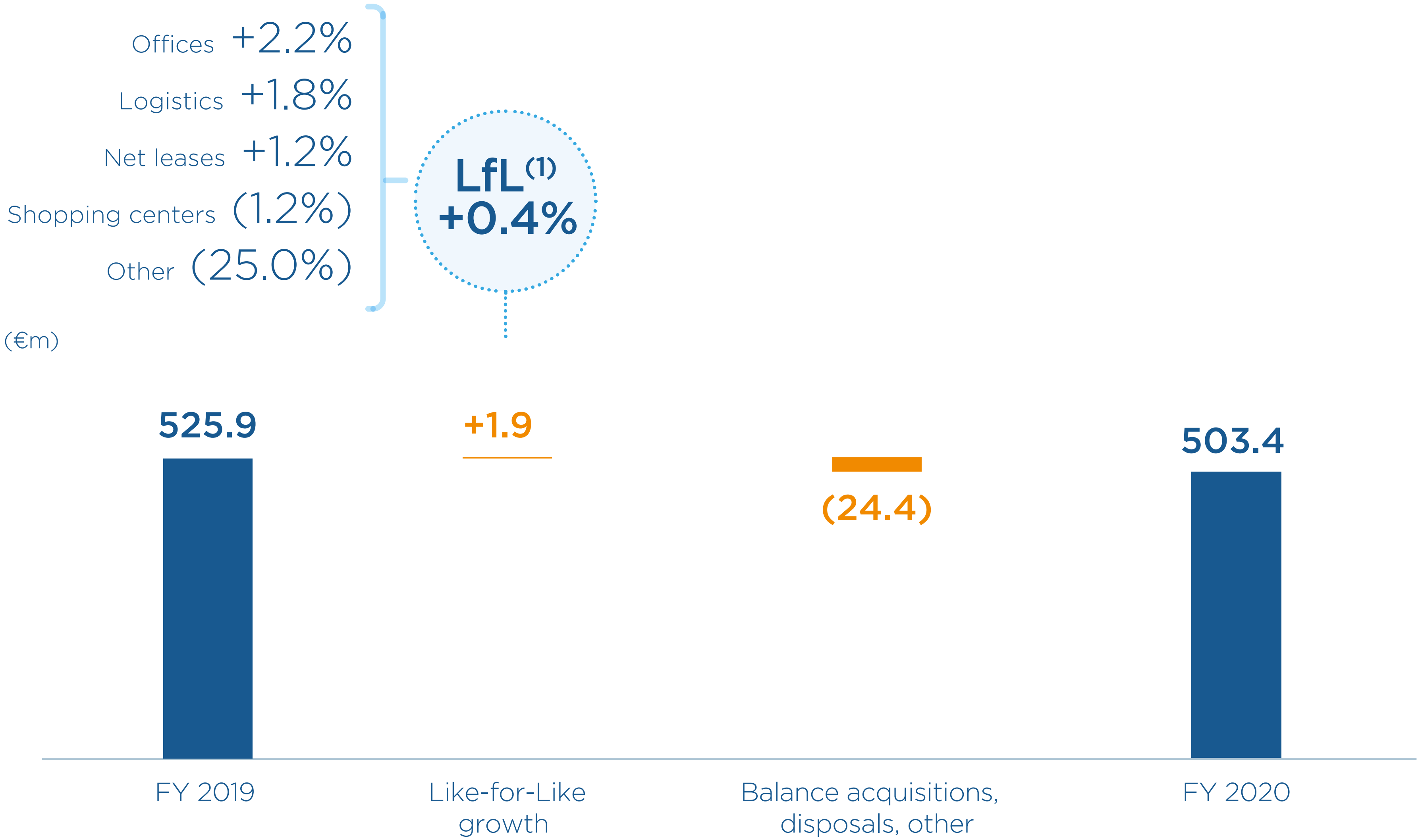
(€ million)	FY20	FY19	YoY
Gross rents	503.4	525.9	(4.3%)
Gross rents after incentives	441.1	511.5	(13.8%)
Net rents	393.9	463.3	(15.0%)
EBITDA[1]	365.4	425.5	(14.1%)
FFO[2]	262.4	313.3	(16.2%)
AFFO	247.6	303.3	(18.4%)
IFRS net profit	56.4	563.6	(90.0%)
EPRA NTA	7,263.4	7,229.5	+0.5%

€ 0.10 of Covid (-0.02 of management compensation)
€ 0.03 of non core disposals

(€ per share)			
FFO	0.56	0.67	(16.2%)
AFFO	0.53	0.65	(18.4%)
EPS	0.12	1.20	(90.0%)
EPRA NTA	15.46	15.39	+0.5%

[1] Excludes non-overhead costs items (€ 6.2m) plus 2017-2019 LTIP pending accrual (€ 18.2m)
[2] FFO equals EBITDA less net interest payments, less minorities, less recurring income taxes plus share in earnings of equity method

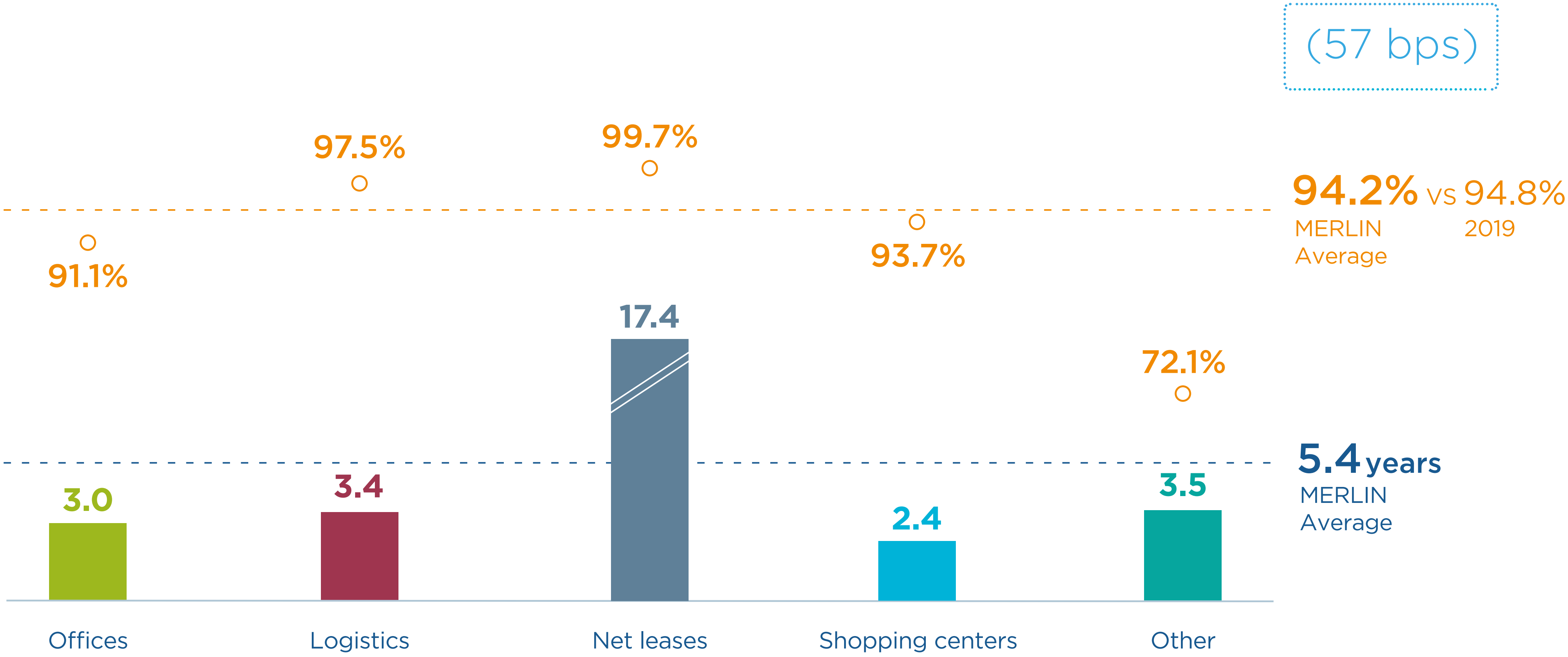
Good LfL growth in offices and logistics, while shopping centers down



(1) Portfolio in operation for the FY19 (€ 485,2m) and for the FY20 (€ 487,1m)

Occupancy maintained in a challenging environment

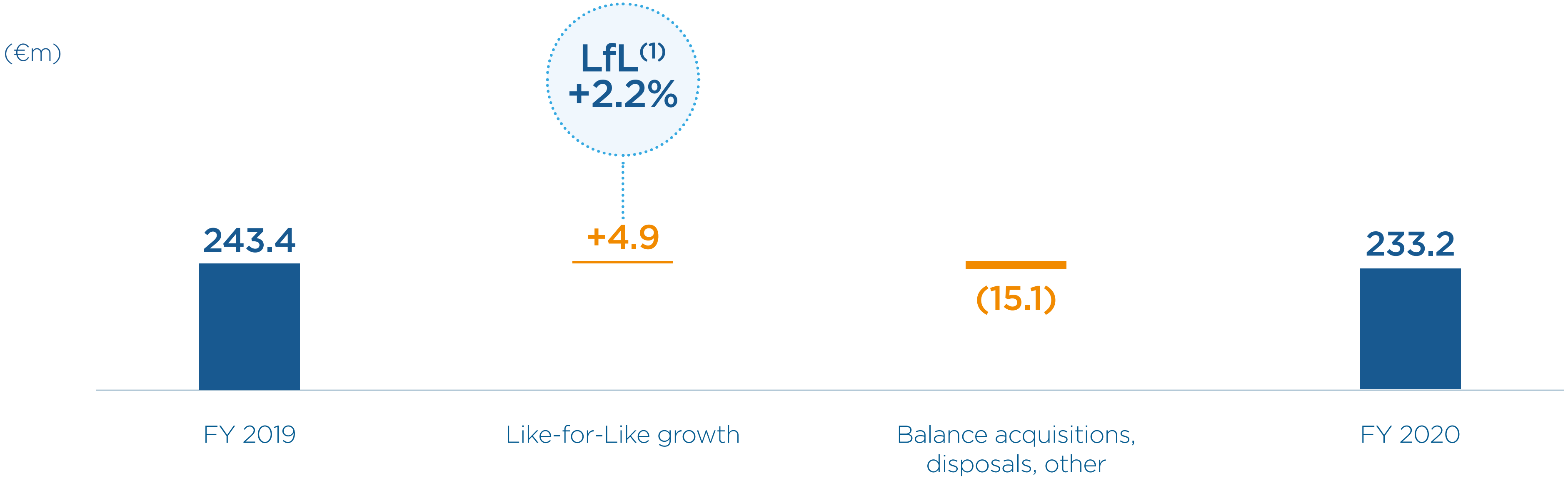
OCCUPANCY AND WAULT TO FIRST BREAK PER ASSET TYPE[1]



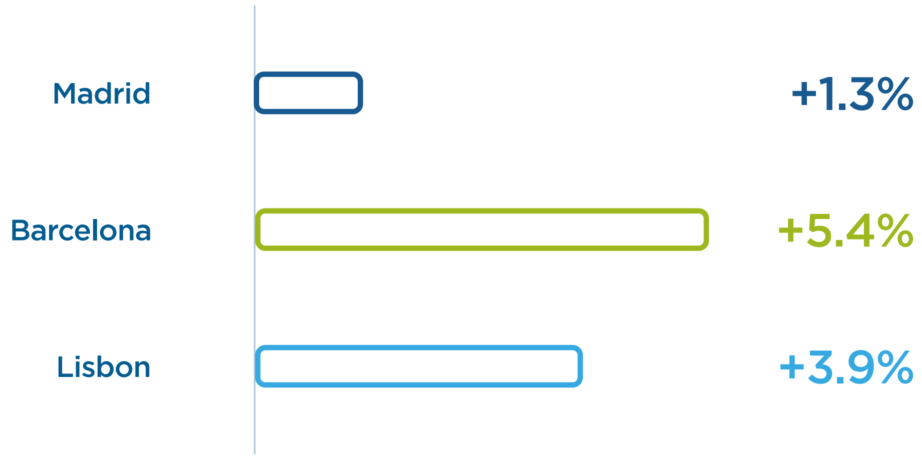
Source: Company
[1] WAULT by rents means the weighted average unexpired lease term to first break, calculated as of 31 December 2020

OFFICES

Positive LfL rental growth in the period (+2.2%)



LfL growth by area



Occupancy by area

	FY19	Change	FY20
Madrid	91.0%	(150) bps	89.5%
Barcelona	96.0%	(341) bps	92.6%
Lisbon	100.0%	0 bps	100.0%

Travelperk early termination in Torre Glóries

(1) Office portfolio in operation for FY19 (€ 220.5m of GRI) and for FY20 (€ 225.4m of GRI)

Rental growth was positive in the period (+3.0% release spread)

	Contracted sqm	Release spread	#Renewed contracts	Tenants contracted
Madrid	204,268	(1.4%)	115	Endesa, Comunidad de Madrid, Gobierno de España – Ministerio del Interior, BBVA, Ferrovial, Maxam, Volkswagen
Barcelona	39,187	+29.5%	24	Ricoh, Zurich, Agencia Tributaria, Cimpress
Lisbon	5,538	+31.1%	11	Crédit Agricole, Bold by devoteam, Ascendum, Grenke
TOTAL	248,992	+3.0%	173	

+9.1% Ex-Endesa full year Madrid only

What happened after Covid-19?

	Q2-Q4 2020
News contracts signed[1]	83,518
Premium to FY19 ERV	7.3%
Contracts renewed	142,959
Renewal rate	83%
Release spread	+0.9%

+12.9% Ex-Endesa
Post-Covid full portfolio


Monumental — BPI


Castellana 85 — accenture, elecnor


TFM — CRÉDIT AGRICOLE


Ribera del Loira — endesa


PE Las Tablas — BBVA


Castellana 280 — Comunidad de Madrid

[1] Including WIP assets to be delivered in 2021

Strong tenant roster

95% large corporates

<8%[1] vulnerable industries

70% headquarters

Defensive lease maturities

- Only **15%** to expire in 2021
- **12%** reversionary potential as a buffer against market declines
- **Diversified** tenants (Top-10 represents 31% of rents)

Best-in-class collection rates

99.8% rents collected in 2020

Additional rents

€ 12.5m future secured rents from Landmark deliveries

[1] Including retail, leisure, tourism and automotive as per S&P definition

A full service shop in Iberia, offering the whole suite of products

The office of the future

MERLIN PROPERTIES

Conventional office

Fixed staff

Flexible staff

LOOM

Flexible office

Outside the scope of WFH Law

"Work close to home"

"Work close to the client"

Fully serviced clients in our portfolio

Comunidad de Madrid

ferrovial

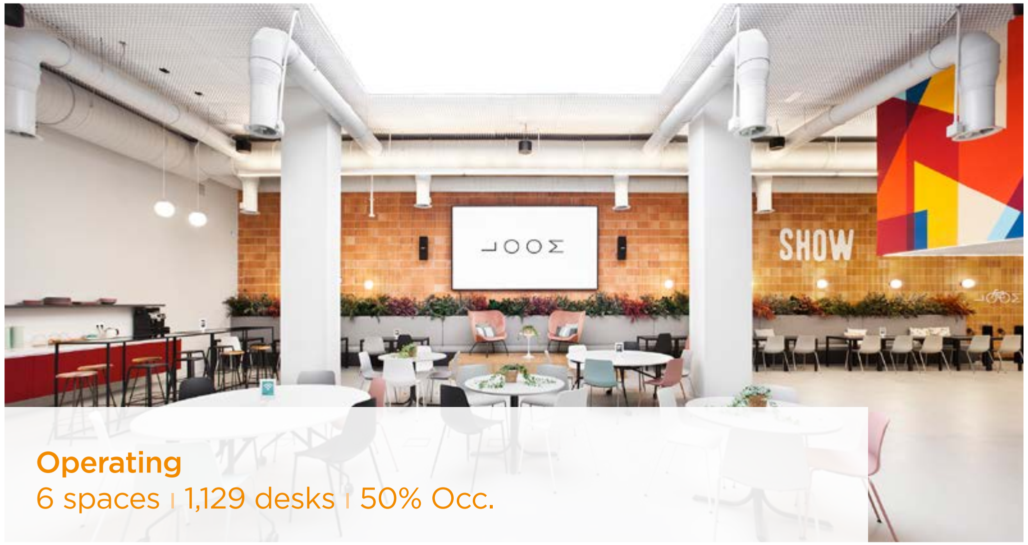
pwc

BURAN ENERGY

WELLA

MERLIN ready to escalate flex offer (currently 1.5% of stock)

Madrid



Operating
6 spaces | 1,129 desks | 50% Occ.



New openings

Atica
150 desks
Opening 2Q21

Torre Chamartín exp.
248 desks
Opening 2Q21

Pza. Ruiz Picasso
305 desks
Opening 4Q22

Barcelona

Operating
2 spaces | 348 desks | 59% Occ.

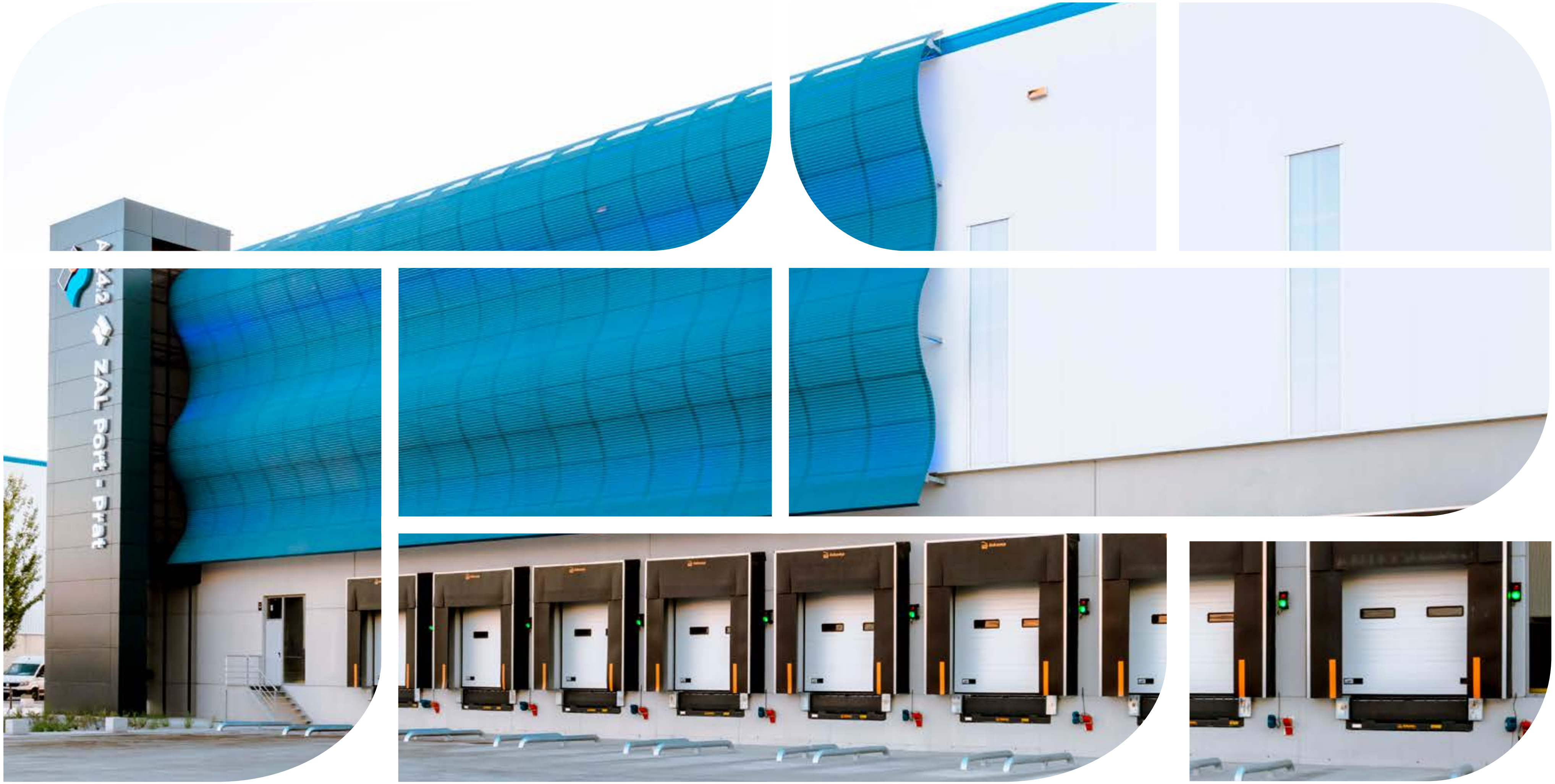


New openings

Torre Glòries exp.
98 desks
Opening 3Q21

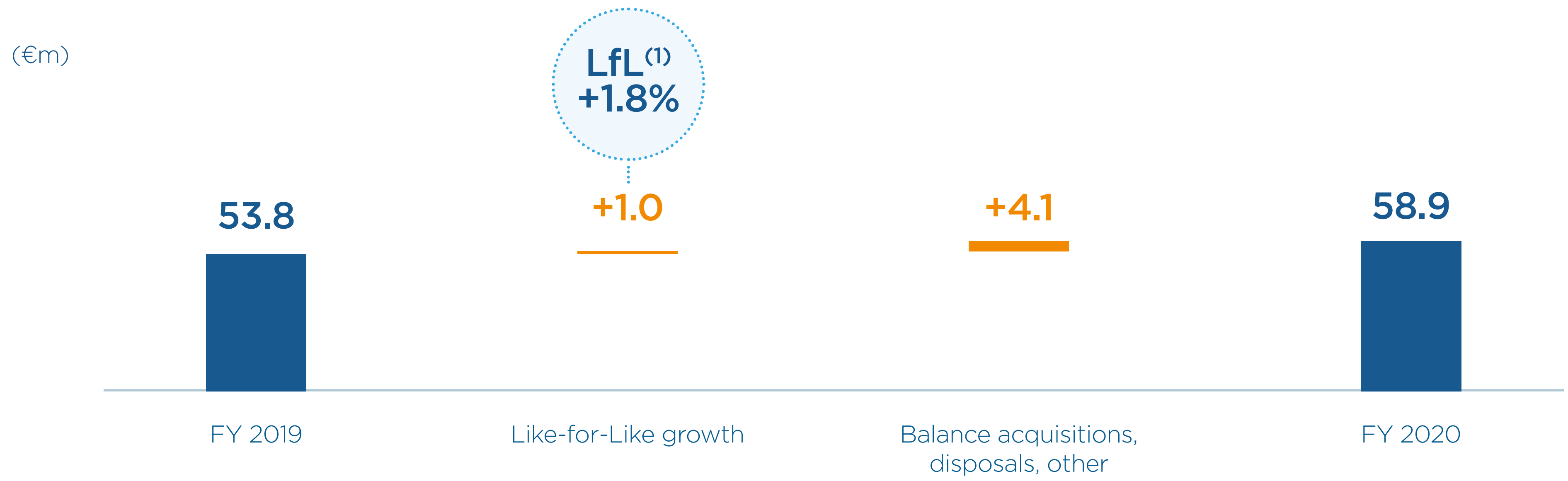
Ferreteria 22@
247 desks
Opening 1Q22

Plaza Cataluña 9
271 desks
Opening 1Q22

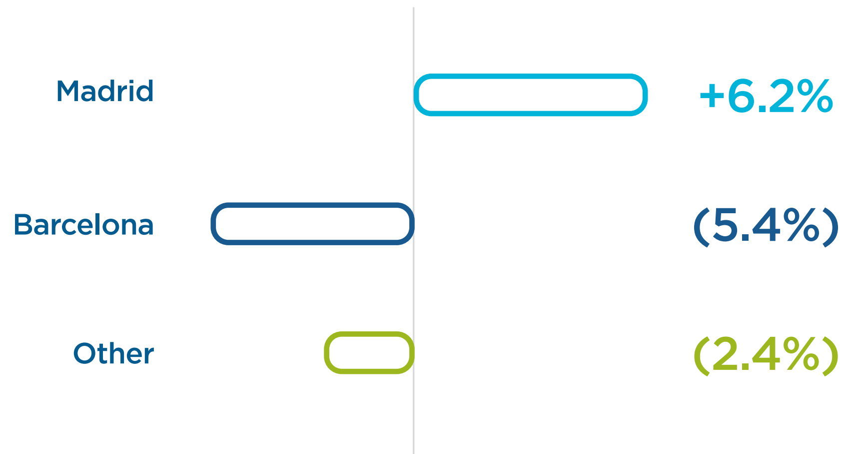


LOGISTICS

Logistics continues delivering a strong performance



Lfl growth by area



Occupancy by area

	FY19		FY20
Madrid	97.2%	+3 bps	97.2%
Barcelona	96.6%	(327 bps)	93.3%
Other	99.1%	+88 bps	100.0%

(1) Logistics portfolio in operation for FY19 (€ 52.3m of GRI) and for FY20 (€ 53.2m)

Excellent release spread (+6.0% all portfolio)

	Contracted sqm	Release spread	#Renewed contracts	Tenants contracted
Madrid	76,184	(9.9%)	1	Carreras, Luis Simões, alfil logistics, PALLEX, Phone House
Barcelona	29,191	+12.1%	3	Sumitomo, Suardiaz Group, paack, Airpharm, GM Food Iberica
Other	50,197	+12.2%	1	Airbus, Grupo Carbó Collbatallé, DSV, Grupo Cuatrogasa, Rhenus Logistics
TOTAL	155,572	+6.0%	5	

Stock
632,176

WIP
103,784

GRI secured
€ 8.1m

Stock incl. WIP
735,960

Third parties stock
183,252

Stock under management **919,212**

ZAL Port

Contracted sqm	Release spread	#contracts	Tenants
345,624	(0.3%)	41	ups, Damm, LIDL, caprabo, Agility, TransmecDeBortoliGroup

Occupancy by area

FY19 **96.8%** +79 → FY20 **97.6%**

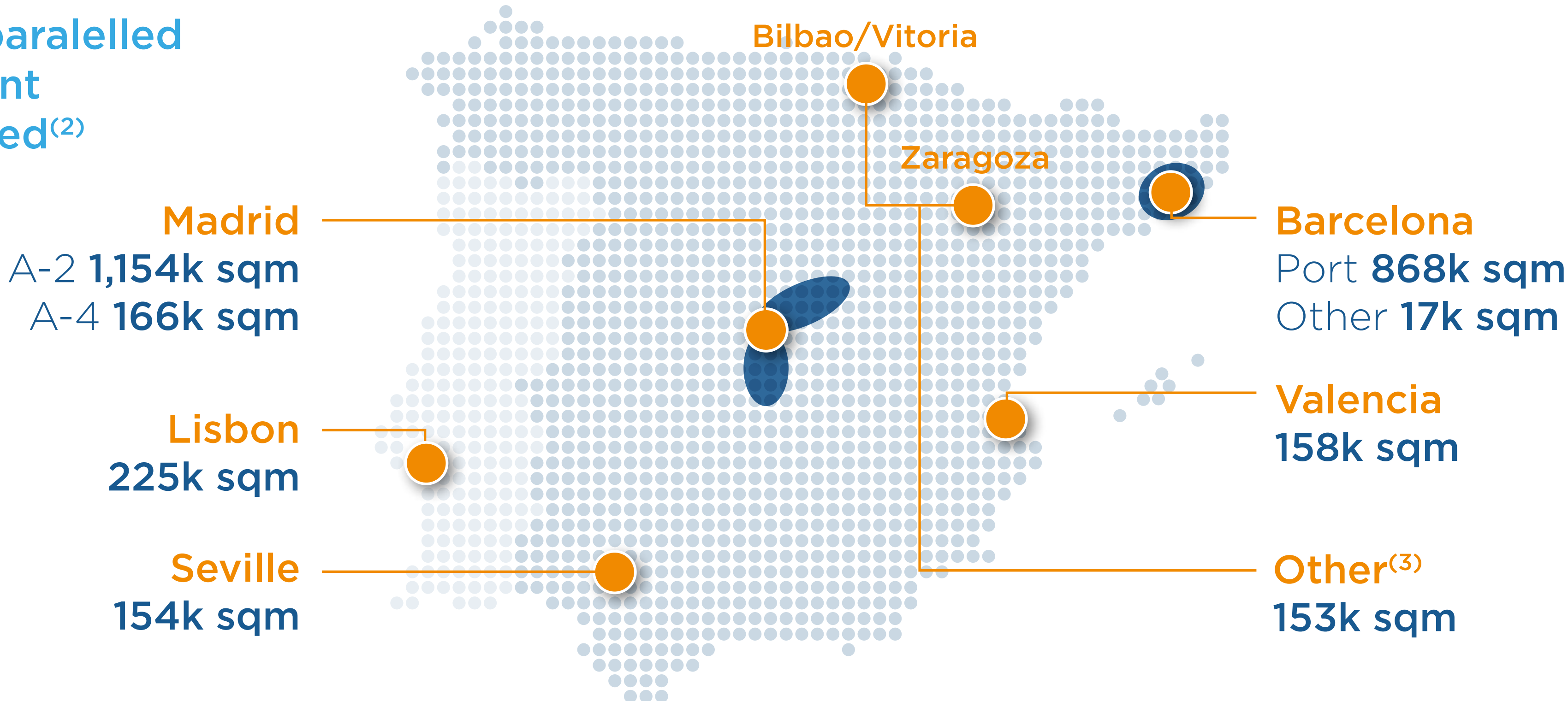
€m	FY20	FY19	YoY
Gross rents	56.2	45.9	+22.4%
Net rents	50.8	45.1	+12.8%
EBITDA	49.2	43.2	+14.0%
FFO(1)	29.3	24.6	+19.3%

(1) After deducting leasehold concession charge

KPI's

	Existing	WIP	Total
GLA (sqm)	1,853,892	1,040,340	2,894,231
Gross rents (€m)(1)	86	55	141
Net rents (€m)(1)	82	54	136

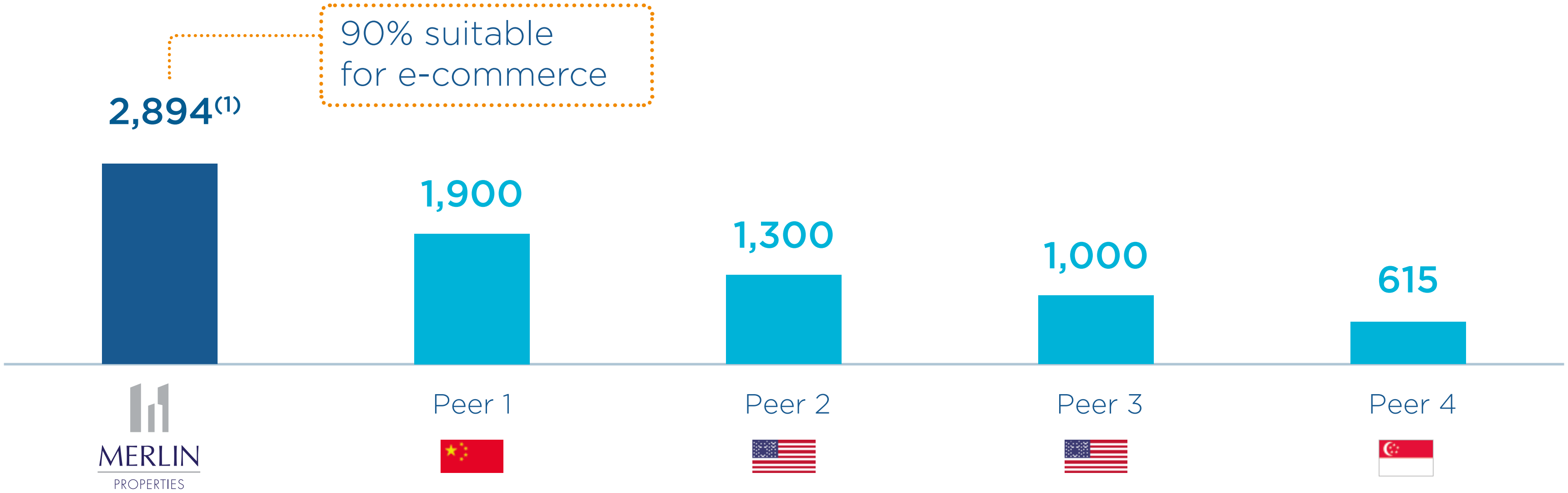
An unparalelled footprint managed(2)



(1) Including ZAL Port on a proportionate basis (48.5%)
(2) Including WIP
(3) Basque Country and Zaragoza

MERLIN is a clear leader in the Iberian logistics market…

(‘000 sqm managed)



… backed by our top tenant roster

E-commerce operators

End-user

(1) Including managed stock (ZAL Port)

- The ability to **integrate physical and digital channels** is key in the current competitive landscape
- MERLIN is the **“top of mind”** solution provider for **omnichannel customers**

Main omnichannel actions

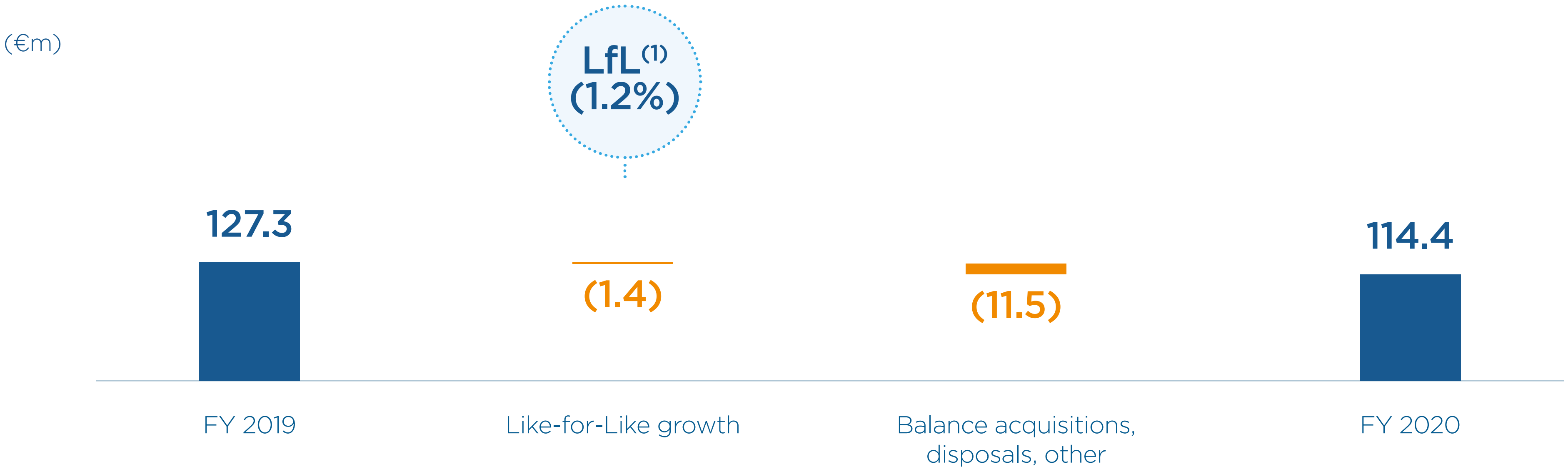
LAST MILE	GLS, REVOOLT
CLICK & COLLECT	ZARA, IKEA
FLEXIBLE LOGISTICS	Luis Simões, Airpharm, paack
DIGITAL MOVING TO PHYSICAL	fillit, The X Market
PHYSICAL SERVING DIGITAL	Leroy Merlin, Carrefour, MediaMarkt

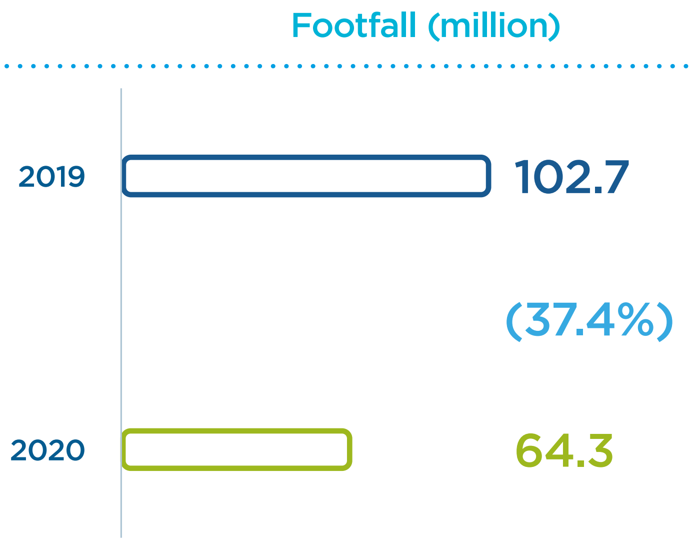
Main omniclients in our portfolio

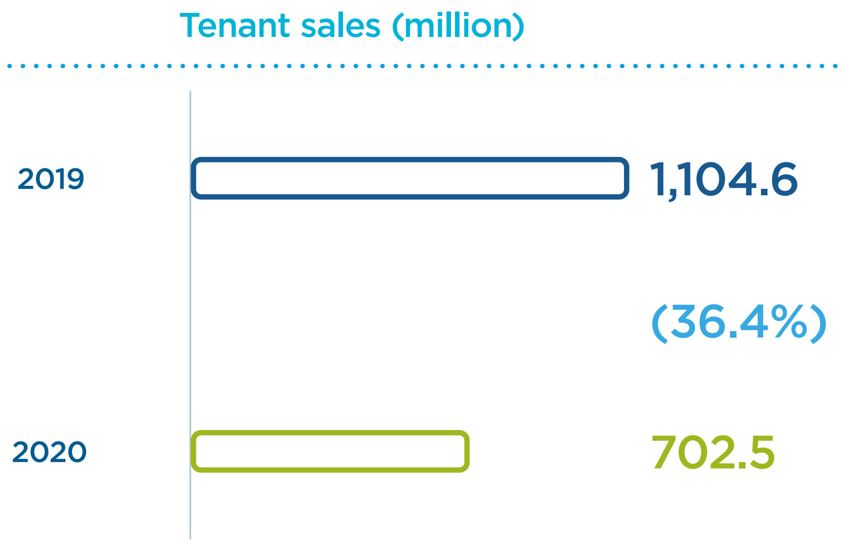
INDITEX, MediaMarkt, amazon, Leroy Merlin, MERCADONA, DECATHLON, caprabo con EROSKI

SHOPPING CENTERS

Footfall and tenant sales affected by the pandemic







(1) Shopping centers portfolio in operation for FY19 (€ 113.3m of GRI) and for FY20 (€ 111.9m of GRI)

Positive release spread mainly explained by contractual step-ups. Occupancy supported by the Commercial Policy and Flagship deliveries

	Release spread	#contracts
All portfolio	+4.1%	95

Tenants

ONGRAVITY Freestyle Indoor Center
ozone
MERCADONA
MANGO
worten
CLIMBAT
JUGUETRÓNICA LOS JUGUETES DEL FUTURO, HOY

	Contracted sqm	Net Absorption	Occupancy 31/12/20	Change vs 31/12/19 (bps)
All portfolio	45,365	(1,364)	93.7%	47

Our commercial policy is paying off

Description

Rent relief	2020	6M2021	Trade-Off
€m	46.7	€ 19.6m	• Includes full closures due to 3rd wave • Common services fully paid • Extension of maturities beyond Dec-21

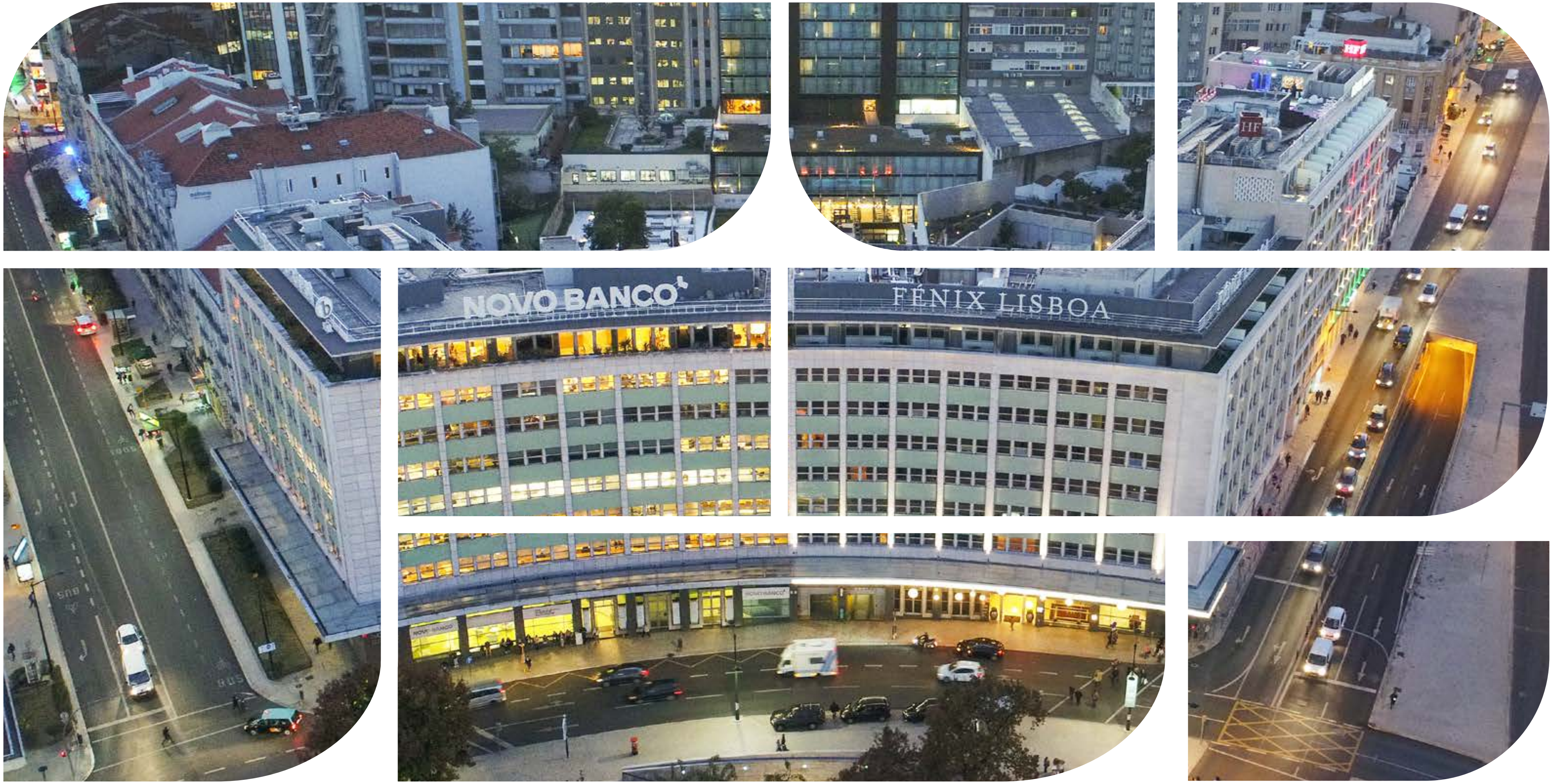
A bold move…

- **Protects occupancy** and reduces litigation
- **Avoids zombification,** all bad tenants are being evicted
- Enables **management team to focus on lease-up** (eviction and rotation)

… that is having a positive impact …

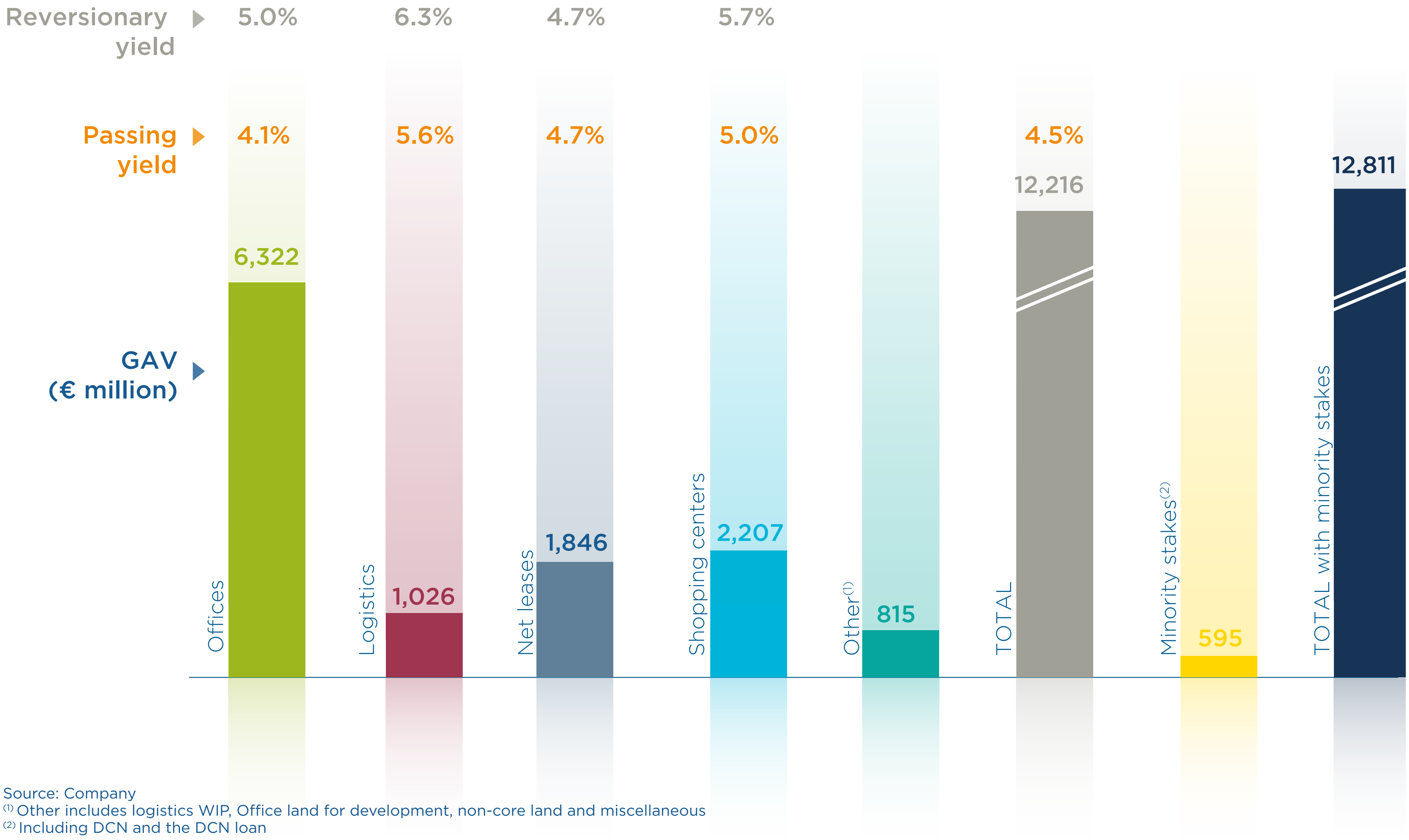
- Smooth **maturity profile** of **credit worthy tenants**
- **Insignificant litigation**
- **Best-in-class collection rates** (>98%)
- **Attracting new tenants** (9,934 sqm of retenanting in 2020 and 4,500 sqm already signed to be delivered in 2021)

(1) % of total MRL gross rents
(2) Based on 2021 full year gross rents



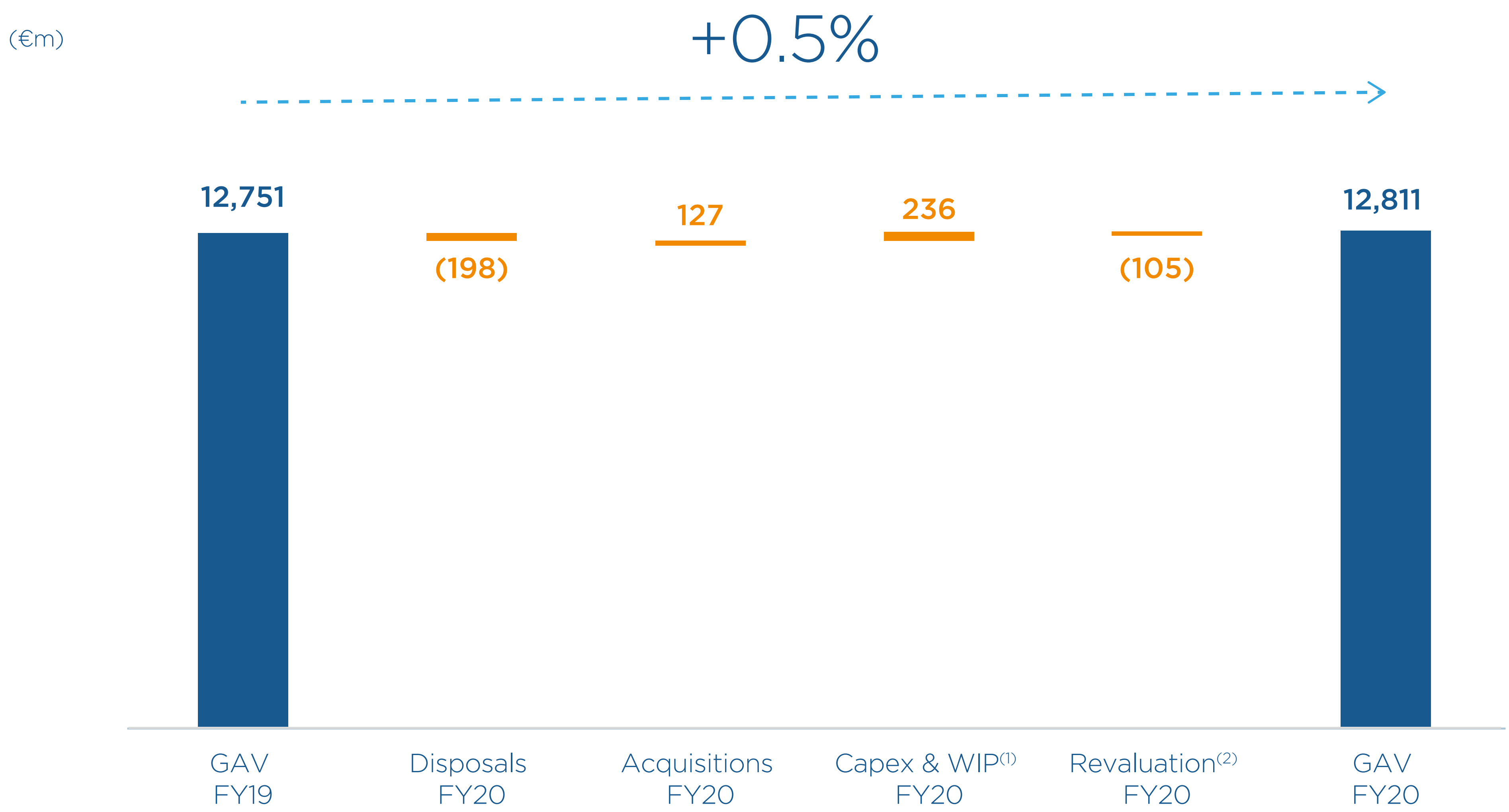
VALUATION AND DEBT POSITION

Valuation slightly down, with logistics up, offices and net leases flat and retail down



Source: Company
(1) Other includes logistics WIP, Office land for development, non-core land and miscellaneous
(2) Including DCN and the DCN loan

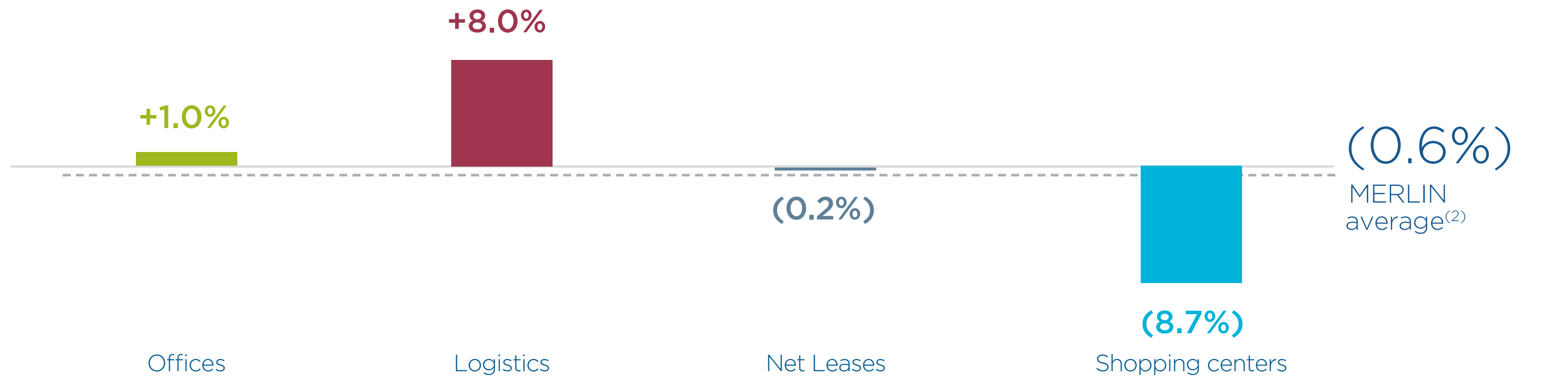
GAV almost flat (+0.5%) during the year



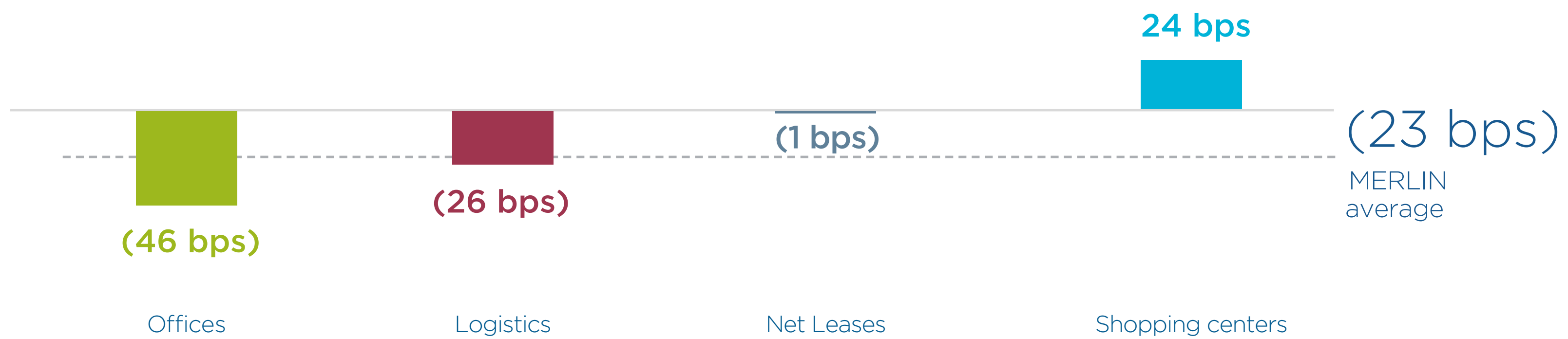
(1) Including acquisition of logistics assets to be developed
(2) -€ 105m revaluation 2020 equals - € 84m P&L revaluation - € 1m equity method revaluation - € 15m Tree derivative - € 4m TFRS16 adjustment

The GAV movement is explained by the yield expansion

GAV LIKE-FOR-LIKE EVOLUTION[1]



YIELD EXPANSION (COMPRESSION)[3]



	Offices	Logistics	Net Leases	Shopping centers
Discount rate change FY20 vs FY19	+73 bps	-12 bps	-	+12 bps

[1] GAV of WIP projects included under offices and logistics for LfL purposes.
[2] Including equity method
[3] Based on exit yields

Credit rating maintained by S&P and Moody's after Covid-19

	31/12/2020	31/12/2019
Net debt	€ 5,268m	€ 5,182m
LTV	39.9%	39.5%
Average cost (spot)	2.12% (1.80%)	2.09% (1.79%)
Average Maturity (years)	6.0	6.4
Liquidity[1] (€ million)	1,253	1,085

Fixed rate debt	99.8%	99.5%
Unsecured debt / Total debt	86.7%	82.7%

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

Source: Company
[1] Includes available cash plus pending receivable of Juno & Silicius, treasury stock and undrawn credit facilities (€ 786m RCF and EIB loan)

Minimunim collection defaults imply extremely low bad debt write-off risk

- **MERLIN enjoys a comfortable liquidity position (€ 1.25 bn)**
- MERLIN's **collection rate** has remained **at very high levels** during the whole Covid-19 outbreak
- These figures, well above European peers, **prove the resilience of the company and imply no bad debt write-off risk**

Uncollected	Offices	Shopping centers	Net Leases	Logistics
2Q20	0.8%	2.6%	0.0%	0.9%
3Q20	0.1%	1.7%	0.0%	0.2%
4Q20	0.2%	2.4%	0.0%	0.0%

Note: as a % of total invoices due

SUSTAINABILITY & TECHNOLOGY

ESG at the core of our business

MERLIN PROPERTIES

Sustainable assets

- **Energy efficiency measures:** systems installed across our portfolio to promote energy efficiency
- **Photovoltaic project:** pioneer in photovoltaic self-consumption installations

Sustainable construction

- Capex devoted **to energy efficiency** in value creation plans
- **The most ambitious projects to reshape Madrid:** **1.** DCN **2.** Renazca

Sustainable mobility

- **MERLIN HUB:** a fully developed cluster of mobility to tenants located within a specific zone
- **Last Mile Logistics:** launch of an internal pilot program and deployment to the entire portfolio, all with emission-free vehicles
- **EV Chargers:** intensive installation of electric chargers across our portfolio

Scoring

- **Certifications**
  Outstanding achievement: more than 2.5 million sqm certified
- **Quality seals**
  Strong track record in quality seals over time

MERLIN engaged and supporting the race to net zero emissions

Designing an ambitious policy with clear set targets for improvement by 2030...

Reduce our embodied and operational carbon emissions

Increase our renewable energy consumption

Improve the energy efficiency of our assets

Achieve a zero waste to landfill

Groundbreaking initiatives that are already in motion...

Photovoltaic project & Electric Vehicles Chargers

Sustainable developments: DCN & Renazca

Sustainable mobility: MERLIN HUB & Last Mile Logistics

Our stakeholders at the heart of everything we do...

Engaged with our tenants to deliver the best and most efficient assets in the market

MERLIN is a pioneer in photovoltaic self-consumption installations on its real estate portfolio, launching a national roll-out program (Phase I) that will become the largest initiative of its kind in Spain

24 assets across all asset categories

Total Investment: € 26.1m

Capacity installed 37.1 Mwp

8,794,293 CO_2 emissions avoided (kg/year)...

....The equivalent of 179,967 trees/year (75% of Madrid)

DCN

DISTRITO CASTELLANA NORTE MADRID

- Urban biodiversity around a green axis
- Sustainable urban drainage
- Accesible urbanism
- Smart city concept

Renazca

RENAZCA

- Urban regeneration anchored by biodiversity
- Old water courses recovered

MERLIN hub offers personalized mobility solutions, contributing to reduce carbon emissions

MERLIN HUB Madrid Norte.

32 buildings

ca. 350,000 sqm

> 40,000 daily users

Mobility as a service…

Regular shuttle services

Parking spaces for carsharing

Bike use enhancement

imbric

Integrated mobility platform

BusUp

Reversed bus lane in the service lane of Avenida de Burgos

…. Shaped in 6 basic mobility pillars

Plus Electric Vehicle chargers | 756 installed + 981 planned

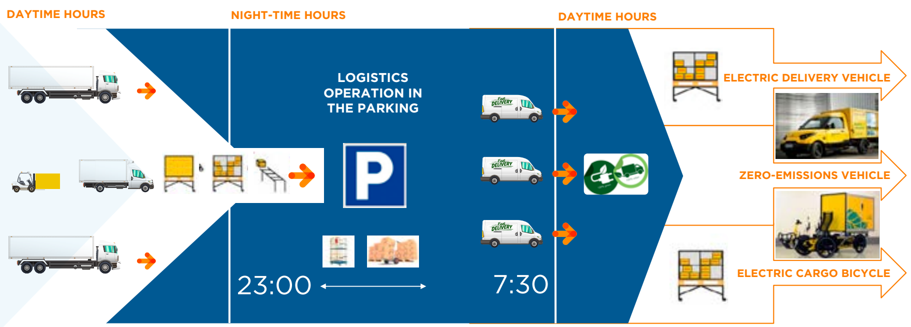
30% of the logistics operators cost is generated in the last mile. Reinventing the use of the space, achieving additional income, with double-digit yield on costs

OFFICE HUBS

Pilot Project:
Maria de Portugal

- Load break points
- Capillary distribution

GLS

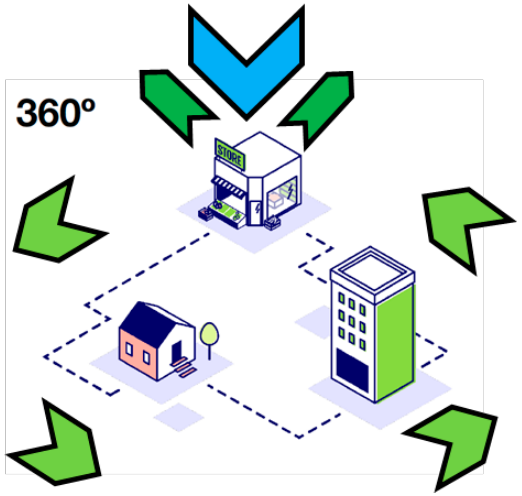


SHOPPING CENTERS HUBS

Pilot Project:
Arenas

- Shopping Centers as a logistics warehouse
- Loading break points
- Capillary distribution

REVOOLT



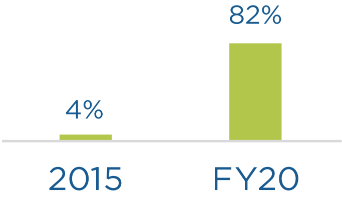
PROSPESCTIVE PARTNERSHIPS

FM LOGISTIC · GLS · stuart · MENSOS · koiki · Gas2Move · SEUR

Outstanding achievement in terms of energy certifications, with more than 2.5 million sqm certified

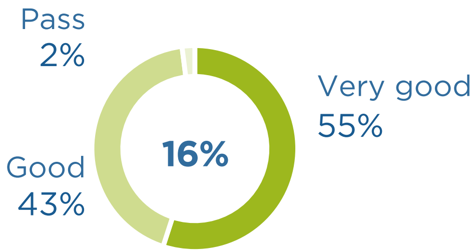
Offices

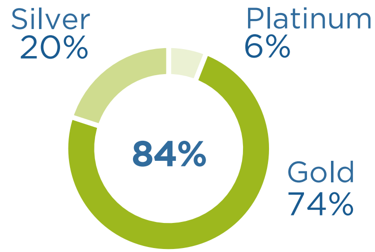
Breeam **Leed**



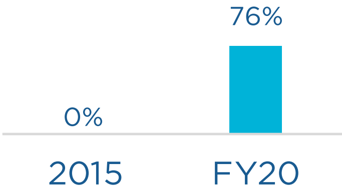
> 1,060k sqm

certified (2016 - 2020)



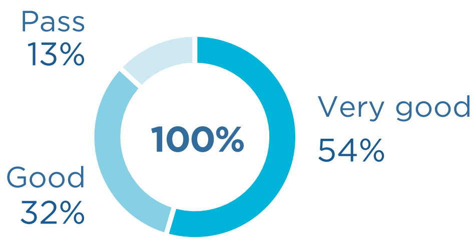


Shopping Centers

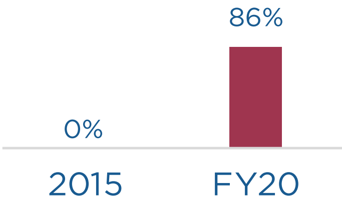


> 360k sqm

certified (2016 - 2020)

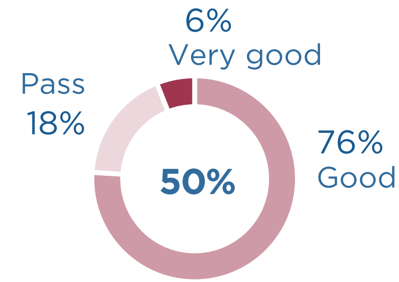


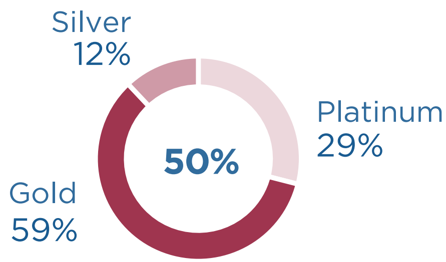
Logistics



> 1,160k sqm

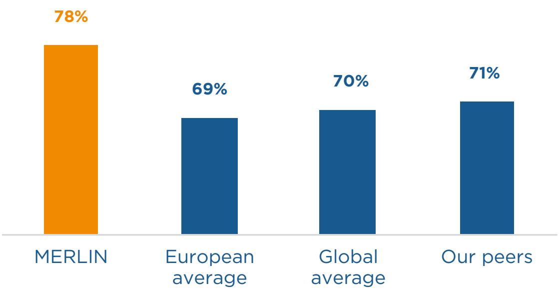
certified (2016 - 2020)





First-rate quality seals in a variety of certificates

GRESB



CDP
DISCLOSURE INSIGHT ACTION

MERLIN score	Average performance		
	Financial Services	Europe	Global Average
B	C	C	C

EPRA sBPR GOLD

Gold since 2017 in the EPRA reporting

EPRA sBPR MOST IMPROVED AWARD

EPRA Sustainability Best Practices recommendations 2018

ISO 14001 — ISO 50001

More than **1,1m sqm** under certification by the **ISO 14001 environmental management system**

64 assets amounting to **0.8m sqm of GLA** certified under the **ISO 50001 environmental management system**

AENOR PROTOCOLO FRENTE AL COVID-19

52 offices certified

13 shopping centers certified

AEO ASOCIACIÓN ESPAÑOLA DE OFICINAS

24 assets AEO certified, totaling more than **100k sqm**

Extensive pipeline of **65 office buildings,** representing nearly **775k sqm**

MERLIN is focusing its technology efforts through 3 pillars

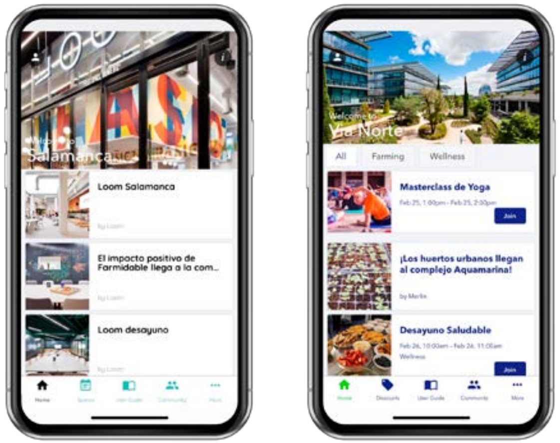
Deployment in our portfolio

Sensorization

Telefónica, Signify, Cisco, Powernet, vodafone

Digitalization

Tenant engagement App



User experience

mayordomo SMART POINT

Mentoring

Proptech challenge

MERLIN PROPTECH CHALLENGE powered by ISDI IMPACT

MERLIN teamed up with ISDI and Impact accelerator

The program allowed us to identify Proptech opportunities

Prized proptechs

KeepEyeOnBall, Workwell, mayordomo BUTLER BOX, fillit, UDE Urban Data Eye

Proptech Ecosystem

ibuwo innovation for the Built World + LOOM

Sponsoring

MERLIN has invested in Fifth Wall, a venture capital proptech fund

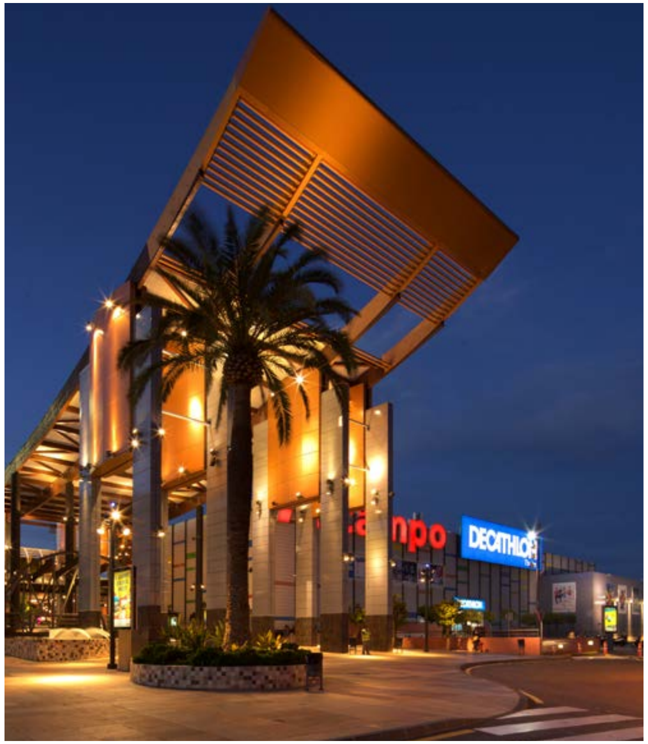
FIFTH WALL

Portfolio companies

Lime, Loggi, classpass, Notarize, convene, VTS, states title, INDUSTRIOUS

VALUE CREATION

€ 244m of divestments executed



Shopping centers

- **Sale of 3 secondary retail assets** (Thader, La Fira and Nassica) in exchange for 34.4% of Silicius, a multi-product vehicle. Executed on a NAV neutral basis **(€ 175m)**

Logistics

- Disposal of **3 logistics warehouses,** 2 in Madrid and 1 in Zaragoza in February 2021 for **€ 43.3m**

Net Leases

- Disposal of **19 BBVA** branches in 2020 for **€ 25.3m**
- Further sale of **1 BBVA** branch in February 2021 for **€ 0.7m**

Castellana 85

- **Full refurbishment of the asset,** located in the heart of Azca, the best business area in **Madrid Prime CBD**
- C85 will become the HQ of both **Accenture and Elecnor**

GLA **16,474 sqm**[1]
Total Capex **€ 34.8m**
Yield on cost **8.1%**
Delivery **2Q21**

Monumental

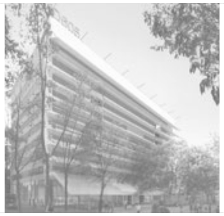
- **Full refurbishment of the building,** located in Duque de Saldanha, one of the most emblematic squares in the city at the core of **Lisbon's Prime CBD area**
- 10-year term lease agreement with **BPI** to become their HQ in Lisbon

GLA **25,385 sqm**[1]
Total Capex **€ 34.8m**
Yield on cost **9.4%**
Delivery **2Q21**

[1] Post refurbishment

Value creation | Landmark I




	Torre Charmartín	Torre Glòries	Marqués de Pombal 3	Diagonal 605	Castellana 85	Monumental	Plaza Ruiz Picasso
GLA (sqm)	18,295	37,614	12,460	13,244	16,474	25,385	31,576[(1)]
Acquisition (€m)	31.2	142.0	-	-	-	-	-
Capex (€m)	38.0	26.7	1.6	8.7	34.8	34.8	57.5
Rent ▲(€m)	4.3	11.8	0.2	1.3	2.8	3.3	6.0
Yield on Cost	6.2%	7.0%	8.5%	15.5%	8.1%	9.4%	10.4%
Delivery	2019	2019	2020	2020	2021	2021	2022

Total acquisition
€ 173.2m

Total Capex
€ 202.1m

Total investment
€ 375.3m

Total additional rents
€ 29.7m

Yield on Cost
7.9%

(1) 36,899 sqm post refurbishment

2020 .... 2021 milestones

DISTRITO CASTELLANA NORTE MADRID

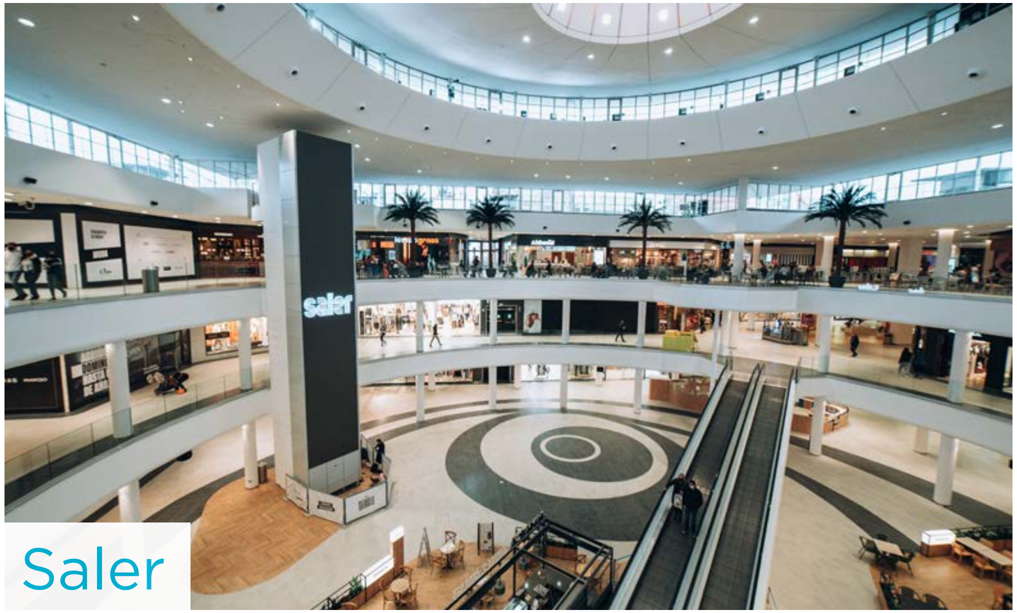
On July 22th 2020, the Madrid City Council definitely approved the "Modificación del Plan General Municipal de Madrid" (BOCAM 31/07/2020)

"Convenio de Infraestructuras"

- The "Convenio de Infraestructuras" is in process of being approved. This agreement sets out and commits the financing and execution of the infraestructures of the projec by Adif; Madrid Nuevo Norte; Madrid City Council and Madrid Regional Government

Land adquisition

- Once the "Convenio de Infraestructuras" is approved (estimated in 2Q21), DCN must proceed with the acquisition of land from Adif



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

GLA **29,360 sqm (inc. additional GLA)**
Cost **€ 37.8m (inc. units acquired)**
Yield on cost **5.7%**

Porto Pi

- **Full refurbishment** of the shopping center
- The asset will contain **outstanding exterior terraces** overlooking the Mediterranean sea
- The future additional space (2,486 sqm) is **fully let**

MI SA KO KFC H&M ZARA

GLA **32,795 sqm (inc. additional GLA)**
Cost **€ 43.7m (inc. units acquired)**
Yield on cost **4.1%**






	Larios	Arturo Soria Plaza	X-Madrid	Tres Aguas[1]	Saler	Porto Pi
GLA (sqm)	41,460	7,054	47,170	67,690	47,471	58,779
GLA MERLIN (sqm)	37,957	6,069	47,170	33,845	28,861	32,963
Capex (€m)	Works: 27.5 Ad. GLA: 19.9	5.4	Works: 46.4 Investment: 10.5	12.1[1]	Works: 25.8 Ad. GLA: 12.0	Works: 28.6 Ad. GLA: 15.2
Rent ▲(€m)	3.1	0.6	5.2	1.4[1]	2.1	1.8
Yield on Cost	6.6%	11.3%	9.1%	11.2%	5.7%	4.1%
Delivery	2019	2019	2019	2019	2021	2021

△ GLA + X-Mad inv.	Total Capex	Total investment	Total additional rents	Yield on Cost
€ 57.5m	**€ 145.9m**	**€ 203.4m**	**€ 14.2m**	**7.0%**

[1] Only including MRL 50%

A2 - San Fernando II

- Project delivered in 3Q20
- 85% let to **Grupo Damm and Alcanor**

GLA **34,592 sqm**
ERV **€ 1.9m**
Yield on cost **8.5%**

Zaragoza Plaza II

- Turn key project in the **most dynamic hub of Zaragoza**
- **100% let to DSV** on a long term basis

GLA **11,421 sqm**
ERV **€ 0.5m**
Yield on cost **7.2%**

Sevilla ZAL WIP

- Phased project located in **Seville's Port area**
- **3 warehouses** totalling 27,528 sqm have already been delivered

GLA **42,632 sqm**
ERV **€ 3.0m**
Yield on cost **10.2%**

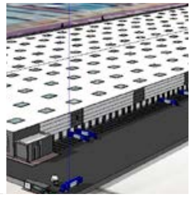
A2 - Azuqueca II

- **XXL Turn-key project** in the A2 Corridor
- **100% let to Carrefour,** to cover national distribution of non-consumible goods

GLA **98,757 sqm**
ERV **€ 4.0m**
Yield on cost **8.1%**





	A4 Pinto II B[1]	A2 Cabanillas III	A4 Seseña	A2 Cabanillas F	A2 San Fernando II	A2 Cabanillas Park I G & H	A2 Azuqueca II	A2 Cabanillas Park II
GLA (sqm)	29,473	21,879	28,731	20,723	33,592	92,994	98,757	47,403
Capex (€m)	13.7	11.8	15.5	10.8	22.1	56.0	54.7	25.7
ERV ▲(€m)	1.2	0.9	1.2	0.9	1.9	3.8	4.4	2.1
ERV YoC	8.6%	7.8%	7.7%	7.9%	8.5%	6.8%	8.1%	8.1%
Delivery	2019	2019	2019	2019	2020	2020/2021	2021	2021/-

GLA
374k sqm[1]

Total investment
€ 210.3m

Total additional rents
€ 16.4m

Yield on Cost
7.8%

[1] Including only 22.5% of the GLA and associated Capex of Cabanillas Park II

	Valencia Ribarroja	Zaragoza Plaza II	Sevilla[1] ZAL WIP	Lisboa Park
GLA (sqm)	34,992	11,421	42,650	44,973
Capex ▲ (€m)	26.3	7.1	29.9	29.5
ERV (€m)	1.9	0.5	3.0	2.1
ERV YoC	7.2%	7.2%	10.2%	7.1%
Delivery	**2019**	**2020**	**2019/2020/2021**	**2021**

GLA
134k sqm

Total investment
€ 92.8m

Total additional rents
€ 7.5m

Yield on Cost
8.1%

[1] 13,476 sqm already delivered to Amazon and Collbatallé

Growth plans: future rents secured (€m)	Total Rents contracted	2021 CF effect	2022 CF stabilized
Offices	12.5	8.1	12.5
Logistics[1]	9.7	6.3	9.7
Total	**22.2**	**14.4**	**22.2**

[1] Including ZAL Port on proportionate basis

OUTLOOK 2021

Asset Categories

OFFICES

- Slight decline in occupancy expected due to space reduction and insolvencies
- Low maturity profile (15%) combined with quality of tenant roster will help to navigate the crisis
- Flex space will gain relative share from its current small base

LOGISTICS

- Robust market will continue
- Clean-up of "flex logistics" may affect occupancy on the first half

RETAIL

- Some decline in occupancy expected due to eviction of insolvencies
- Commercial policy will protect occupancy overall

Guidance

2021

€ 0.56

FFO PER SHARE

2020 Pay-out
to distribute in 2021

€ 0.25 (recommended)

DIVIDEND PER SHARE

CLOSING REMARKS

Diversified business model

47%
OFFICES[1]

18%
LOGISTICS[1]

18%
NET LEASES[1]

15%
RETAIL[1]

1,900
TENANTS[2]

High quality portfolio

92%
OFFICES IN PRIME CBD AND NEW BUSINESS AREAS

90%
SUITABLE FOR E-COMMERCE LOGISTICS

95%
URBAN AND DOMINANT MALLS

[1] By net rents
[1] Excluding minority stakes

Stable and predictable cash flow stream

- **€ 2.9 bn[1] in contracted rents** to first break and **€ 5bn** to maturity
- **Only 9.9%** of rents maturing before end of 2021
- Covid-19 incentives **fully booked in 2020** (€ 47m)
- Secured annual rents from **growth plans of € 22m**
- **Fully funded** Capex program

Healthy debt profile

- **39.9% LTV** (covenant 60%)
- **No debt repayment** until May 2022
- Liquidity position of **€ 1.25bn**
- **Best-in-class** collection rates
- **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

2014 — Building a **unique portfolio** in record time — 2017

#1 Offices
#1 Net leases
#1 Logistics
Top 5 retail

Disposals of:
- Hotels
- Residential
- Non-core and retail

€ 4.2bn sold since 2016

2018 — Optimizing the **quality of the portfolio** to the next level — 2023

Landmark | **Flagship** | **Best II & III**

Near completion

2020 — Commited to offer the **best customer experience** and to become **the most technologically advanced REIT** — 2025

Sustainability
Being at the forefront of ESG

Innovation
First player to provide innovative solutions:
- Last mile
- Mobility self-consumption

Technology
Converting real estate into digital

Flexibility
Broadening our array of services to be the best suited player for a new, flexible world

User experience
Enriching the daily experience of tenants in our portfolio

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