Final Terms dated 15 September 2017

Merlin Properties, SOCIMI, S.A.
(*Incorporated with limited liability in the Kingdom of Spain*)

Issue of **€300,000,000 2.375% Notes due 18 September 2029**

under the **€4,000,000,000**

Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 12 May 2017 (the "**Base Prospectus**") which constitutes a base prospectus for the purposes of Directive 2003/71/EC, as amended (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and the Final Terms have been published on the website of the Luxembourg Stock Exchange at www.bourse.lu and are available for viewing during normal business hours at Paseo de la Castellana, 257, 28046 Madrid, Spain (being the registered office of the Issuer).

1.	(i)	Series Number:	4
	(ii)	Tranche Number:	1
	(iii)	Date on which the Notes become fungible:	Not Applicable
2.		Specified Currency or Currencies:	Euro (€)
3.		Aggregate Nominal Amount of Notes:	
	(i)	Series:	€300,000,000
	(ii)	Tranche:	€300,000,000
4.		Issue Price:	98.718 per cent. of the Aggregate Nominal Amount
5.	(i)	Specified Denominations:	€100,000 and integral multiples of €100,000 thereafter
	(ii)	Calculation Amount:	€100,000

6.	(i) Issue Date:	18 September 2017
	(ii) Interest Commencement Date	Issue Date
7.	Maturity Date:	18 September 2029
8.	Interest Basis:	2.375 per cent. Fixed Rate (see paragraph 13 below)
9.	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
10.	Change of Interest Basis:	Not Applicable
11.	Put/Call Options:	Change of Control Put Event Call Option Residual Maturity Call Option (see paragraphs 16,18 and 19 below)
12.	Date of Board approval for issuance of Notes obtained:	11 September 2017

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	**Fixed Rate Note Provisions**	Applicable
	(i) Rate of Interest:	2.375 per cent. per annum payable in arrear on each Interest Payment Date
	(ii) Interest Payment Date(s):	18 September in each year, commencing on 18 September 2018
	(iii) Fixed Coupon Amount	€2,375 per Calculation Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction:	Actual/Actual-ICMA
	(vi) Determination Dates:	18 September in each year
14.	**Floating Rate Note Provisions**	Not Applicable
15.	**Zero Coupon Note Provisions**	Not Applicable

PROVISIONS RELATING TO REDEMPTION

16.	**Call Option**	Applicable

	(i)	Optional Redemption Dates:	As per Conditions
	(ii)	Optional Redemption Amount of each Note:	Make-Whole Amount
	(iii)	Make-whole Amount:	Applicable
		(a) Reference Note:	*Bundesobligationen* of the *Bundesrepublik Deutschland (Bund)* due August 2027 (ISIN: DE0001102424)
		Redemption Margin:	0.35 per cent.
		Financial Adviser:	As per Condition 7(d)
		Quotation Time:	The second Business Day preceding the Optional Redemption Date
		(b) Discount Rate:	Not Applicable
		(c) Make-whole Exemption Period:	Not Applicable
	(iv)	If redeemable in part:	
		(a) Minimum Redemption Amount:	Not Applicable
		(b) Maximum Redemption Amount:	Not Applicable
	(v)	Notice period	As per Condition 7(d)
17.	**Put Option**		Not Applicable
18.	**Change of Control Put Option**		Applicable
19.	**Residual Maturity Call Option**		Applicable
20.	**Substantial Purchase Event**		Not Applicable
21.	**Acquisition Event**		Not Applicable
22.	**Final Redemption Amount of each Note**		€100,000 per Calculation Amount
23.	**Early Redemption Amount**		
		Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	As per Conditions

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	**Form of Notes:**	Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances

specified in the Permanent Global Note

25.	New Global Note:	Yes
26.	Financial Centre(s):	Not Applicable
27.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	No

Signed on behalf of Merlin Properties, SOCIMI, S.A.

By: MIGUEL OLLERO ....

Duly authorised

PART B – OTHER INFORMATION

1 **LISTING AND ADMISSION TO TRADING**

(i) Admission to listing and trading:	Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to listing on the official list of the Luxembourg Stock Exchange with effect from 18 September 2017 Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from 18 September 2017
(ii) Estimate of total expenses related to admission to trading:	€6,600

2 **RATINGS**

Ratings:	The Notes to be issued are expected to be rated: S&P: BBB Moody's: Baa2 Each of Standard & Poor's Credit Market Services Europe Limited and Moody's Investors Service, Inc. is established in the EU and registered under Regulation (EC) No 1060/2009 as amended by Regulation (EC) No. 513/2011 (the "**CRA Regulation**"). A list of registered credit rating agencies is published at the European Securities and Market Authority's website: www.esma.europa.eu

3 **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Save for (i) any fees payable to the Dealer and (ii) so far as the Issuer is aware, no person involved in the issue/offer of the Notes has an interest material to the offer. The Dealer and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for the Issuer and any of its affiliates in the ordinary course of the business for which they may receive fees.

4 **Fixed Rate Notes only – YIELD**

Indication of yield:	2.5 per cent. per annum.

5 **OPERATIONAL INFORMATION**

ISIN:	XS1684831982
Common Code:	168483198
Any clearing system(s) other than Euroclear Bank S.A./N.V. and number(s) and Clearstream Banking, société anonyme and the relevant identification number(s):	Not Applicable
Delivery:	Delivery against payment
Names and addresses of initial Paying Agent(s):	Société Générale Bank & Trust S.A. 11 Avenue Emile Reuter L-2420 Luxembourg
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility	Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

6 **DISTRIBUTION**

(i) Method of distribution:	Non-Syndicated
(ii) If syndicated:	
(a) Names of Managers:	Not Applicable
(b) Stabilisation Manager(s) (if any):	Not Applicable
(iii) If non-syndicated, name of Dealer:	Morgan Stanley & Co. International plc
(iv) US Selling Restrictions:	Reg. S Compliance Category 2; TEFRA D