



Conference Call
Second Quarter 2019
July 25, 2019

Second Quarter 2019 Results

- I. Quarterly Distributions and Cancellation of CBFIs
- II. Highlights of the Quarter
- III. Hotel Factory Projects
- IV. Operational and Financial Review
- V. Q&A Session

AGENDA





Conference Call Second Quarter 2019 Results

I. Quarterly Distributions and Dividend Yield

Reinvestment Distribution Initiative for 2019

The 100% of the AFFO allocated for quarterly distribution will be:

- 50% paid in cash to investors
- 50% reinvested in the repurchase of CBFIs, that will be cancelled during the corresponding quarter.

Business Rationale: Considering the implied cap rate of 15.5% (NOI ttm) and the limited growth estimation for Fibra Inn in 2019, due to macroeconomics circumstances, we consider that it is more attractive to invest in the repurchase of our CBFIs and then cancel them, in order to generate additional implied value for current CBFi holders.

QUARTERLY DISTRIBUTION

Total Distributions (Ps. millions)

2Q19	2Q18	Var
37.9	110.0	-65.5%

	2017	2018	2019
1Q	0.2500	0.2511	0.1565
2Q	0.2500	0.2560	0.0736
3Q	0.2507	0.1802	
4Q	0.2515	0.1805	
Year	1.0025	0.8224	

Quarterly Dividend Yield

	2017	2018	2019
1Q	9.2%	8.4%	7.7%
2Q	8.2%	8.5%	4.2%
3Q	8.3%	6.6%	
4Q	9.0%	7.3%	
TTM	8.9%	8.8%	8.3%

LTM Dividend Yield 8.3%

Based on CBFi closing price of Ps. 7.10
As of June 30, 2019

CANCELLATION OF CBFIs



	CBFI already cancelled	% of total issuance	Available Resources for Repurchase (Ps. millions)		
			50% AFFO Fund	Regular Repurchase	Total
4Q18	5,444,958	1.0%	-	146.7	146.7
1Q19	10,475,815	2.0%	-	137.2	137.2
2Q19			37.9	192.5	230.4
3Q19					
4Q19					
Total	15,920,773	3.0%			

(1) Calculation based on 518,335,643 outstanding CBFIs as of March 30, 2019.

(2) Based on 515,293,730 outstanding CBFIs as of June 30, 2019.



Conference Call Second Quarter 2019 Results

II. Highlights of the Quarter

Annual Ordinary Shareholders' Meeting

Technical Committee



Proprietary	Alternates
Victor Zorrilla Vargas	José Francisco Clariond Castañeda
Joel Zorrilla Vargas	Adrian Jasso
Óscar Eduardo Calvillo Amaya	Miguel Aliaga Gargollo
Independent	
Adrián Enrique Garza de la Garza	
Alberto Rafael Gómez Eng	
Héctor Medina Aguiar	
Marcelo Zambrano Lozano	
Santiago Pinson Correa	

Fees for Independent Members only: Ps. 37,000 for each Technical Committee Meeting
Ps. 30,900 for attendance to other Committees Meeting

Capital Recycling Strategy for Non-strategic Assets

Fibra Inn signed two binding agreements to sale the following properties:



Holiday Inn & Suites
Guadalajara Centro Histórico

Price: Ps. 99 million + VAT
8.1% cap rate
Considering Ps. 8.0 million
of NOI generated from
July 2018 to June 2019



City Express
Chihuahua

Price: Ps. 95.0 million + VAT
8.7% cap rate
Ps. 8.3 million in NOI from
July 2018 to June 2019



Conference Call First Quarter 2019 Results

III. Hotel Factory Projects

Hotel Factory Projects



Hotel (Ps. million)	Segment	Rooms	Opening	Fibra Inn Equity (1)			Strategic Partner Equity (1)			Debt at Project Level (1) 40%	Total Investment
				Contribution as of 2T19	Remaining	Total 30%	Contribution as of 2T19	Remaining	Total 30%		
JW Marriott Monterrey Valle	Luxury Business	250	Julio 2020	336.7	58.4	395.1	336.7	58.4	395.1	527	1,317
The Westin Monterrey Valle	Luxury Business	174	2 Sem 2019	490.0	-258.1	231.9	140.0	91.9	231.9	309	773
Marriott Monterrey Aeropuerto (3)	Luxury Business	208	n/a	50.8	-	-	-	-	-	-	600 (4)
Playa del Carmen (3,5)	Luxury Resort	220 a 230	n/a	95.0	-	-	228.0	-	-	-	836 (5,6)
Total				972.5							3,526.0

(1) Figures in Ps. millions, at an exchange rate of Ps. 19.00 per US\$1; these amounts do not include notary expenses or financial costs, which will be distributed proportionally at 60% equity capital and 40% debt.

(2) On April 11 contributed Ps. 140 million plus VAT.

(3) Projects that are in the negotiation phase with the international hotel brand and with the strategic partners that will participate, as of 2Q19 there is no definitive capital participation structure, nor is there a set debt percentage.

(4) Estimated figures, which will be confirmed upon approval of the final project.

(5) Invested amounts only correspond to the purchase of the land property.

(6) Estimated investment calculated based on 220 rooms for US\$ 200 million, at an exchange rate of Ps. 19.0 per US\$1.

CURRENT STANDING

	Current Standing		
	2Q19	2Q18	Variation
Hotels	42	43	-1
Total Rooms(1)	6,785	6,944	-159
Developments	0	0	-
Land	1	1	-
Segments	4	4	-
States	14	15	-1
Global Brands (2)	14	15	-1
Local Brands	4	3	+1
Hotel Factory (3)	4	3	+1

(1) The 2Q19 excludes the Microtel Inn & Suites by Wyndham Culiacan, which was sold; but still includes the Holiday Inn & Suites Guadalajara Centro Histórico and City Express Chihuahua, which are in a disinvested process due to a binding agreement of sale.

(2) Excludes the Best Western brand, due to a franchise termination and that was converted to Wyndham Garden.


(3) The 2Q19 includes JW Marriott Monterrey, Westin Monterrey, Marriott Monterrey Airport and Playa del Carmen landbank



Conference Call Second Quarter 2019 Results

IV. Operational and Financial Review

OPERATIONAL INDICATORS



Same-Store Sales			
(41 hotels)	2Q19	2Q18	Var %
Room Revenue	446.1	489.0	-8.8%
Occupancy	59.7%	65.6%	-5.9 pp
Average Daily Rate (Ps.)	1,261.2	1,246.5	1.2%
RevPar	752.8	817.4	-7.9%

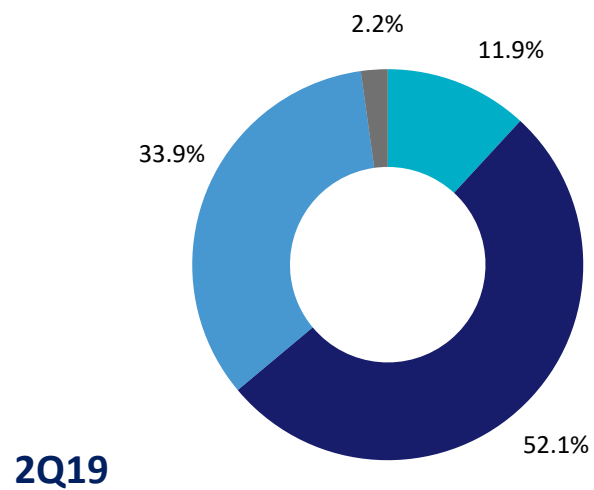
Note:

- Excludes the Microtel Inn & Suites by Wyndham Culiacán that was sold on August 27, 2018 and the Holiday Inn Ciudad Juarez, which remained closed due to its remodeling and brand conversion.

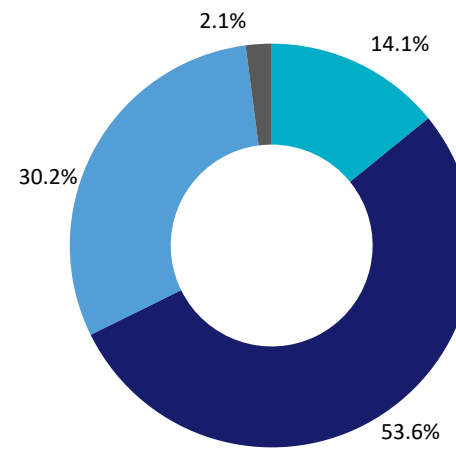
FIBRA INN REVENUE




(Ps. millions)	2Q19	%	2Q18	%	Var. %
Lodging Revenues	459.6	94.9%	494.9	94.9%	-7.1%
Rental Revenues	24.7	5.1%	26.8	5.1%	-8.0%
Fibra Revenues	484.3	100.0%	521.7	100.0%	-7.2%



- Limited
- Select
- Full
- Extended Stay



INCOME STATEMENT



(Ps. millions)	2Q19	%	2Q18	%	Var. %
Total Fibra Revenue	484.3	100.0%	521.7	100.0%	-7.2%
Hotel NOI	152.0	31.4%	186.0	35.6%	-18.3%
Total NOI	150.1	30.8%	180.2	34.5%	-16.7%
Adjusted EBITDA	131.3	27.1%	159.8	30.6%	-17.8%
FFO	92.8	19.2%	101.2	19.4%	-8.3%
Distributions to Holders	37.9		110.0		-65.5%
Distribution per CBF1	0.0736		0.2560		-71.2%
CBF1s outstanding	515.3		429.7		19.9%

BALANCE SHEET

(Ps. millions)	June 30, 2019	%	Dec 31, 2018	%	Var. %
Cash & equivalents	424.1	3.4%	644.4	5.4%	-34.2%
Recoverable VAT	160.3	1.3%	42.9	0.4%	273.3%
Total Assets	12,462.8	100%	11,865.9	100%	5.0%
Short Term Bank Debt	100.0	2.8%	-	-	
Accrued Interest	85.9	2.4%	79.6	2.4%	8.0%
Total Short Term Liabilities	451.6	12.4%	242.3	7.4%	86.3%
Long Term Debt Securities	2,970.1	81.8%	2,967.1	91.1%	0.1%
Total Liabilities	3,632.2	100%	3,256.0	100%	11.6%
Total Equity	8,830.6	100%	8,609.8	100%	2.6%

FINANCIAL SITUATION

(as of June 30, 2019)



Total debt in pesos

26.5% loan-to-value and
1.9 debt service coverage

a. FINN18 60.6% of total debt

- Ps. 2,000 million local debt
- At Fixed Rate at 9.93%
- 2 Feb 2028 (MXN)

b. FINN15 30.3% of total debt

- Ps. 1,000 million covered with swaps at 7.10%
- At variable rate TIE Rate plus 110 bps
- TIE covered with swaps at weighted fixed rate 7.1%
- 3.5 year maturity
- 14 Nov 2021 (MXN)

Bank credit lines

a. Actinver 3.0% of total debt

- Ps. 100 million was disposed on 1Q19
- At variable rate TIE plus 200 bps
- 24 months maturity
- Ps. 200 million available total credit line

b. BBVA Bancomer 6.1% of total debt

- Ps. 200 million was disposed on 1Q19
- At variable rate TIE plus 150 bps
- TIE is covered with swaps at weighted fixed rate of 5.18%
- 36 months maturity
- Ps. 300 million that may extend up to Ps. 450 million available total credit line



Conference Call Second Quarter 2019 Results

V. QUESTION AND ANSWER SESSION



Note on Forward Looking Statements

This document may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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