



**fibra inn<sup>®</sup>**

## **Third Quarter 2015 Results**

Conference Call

October 16, 2015

# Agenda

## Third Quarter 2015 Results

- I. Quarterly Distribution and Dividend Yield
- II. Relevant Events
- III. Status of Developments
- IV. Acquisition of Hotels
- V. Operational and Financial Highlights
- VI. Closing Remarks
- VII. Q&A Session



Conference Call  
Third Quarter 2015 Results

## I. Quarterly Distribution and Dividend Yield



# Distributions and Dividend Yield

## Total Distribution (millions)

	3Q15	3Q14	Var %
Distribution Ps.	78.8	60.0	31.4%
CBFIs outstanding	437.0	258.3	69.1%

## Distribution Ps. Per CFI

Period	2013	2014	2015
1Q	0.0278	0.2283	0.1797
2Q	0.2063	0.1683	0.2021
3Q	0.2338	0.2323	0.1803
4Q	0.2388	0.1707	
Year	0.7067	0.7996	

## Quarterly Dividend Yield %

Period	2013	2014	2015
1Q	4.5%	5.6%	4.6%
2Q	4.3%	3.7%	5.4%
3Q	6.0%	5.3%	4.8%
4Q	5.8%	4.2%	
Year	4.1%	4.9%	

## 3Q15 - Trailing Twelve Months

Dividend Yield  $\frac{\text{Ps. 0.7329}}{\text{Ps.14.93}}$   **4.9%**



Conference Call  
Third Quarter 2015 Results

## II. Relevant Events



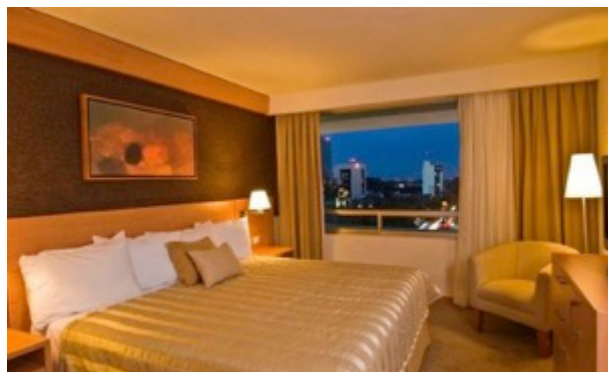
# Acquisitions

July 9, 2015 - Staybridge Suites Guadalajara Expo



## Key Facts

Investment*	Ps. 133.6 million
Projected Cap Rate	9.54%
Number of Rooms	117
Segment	Extended Stay



\*Excluding acquisition-related expenses



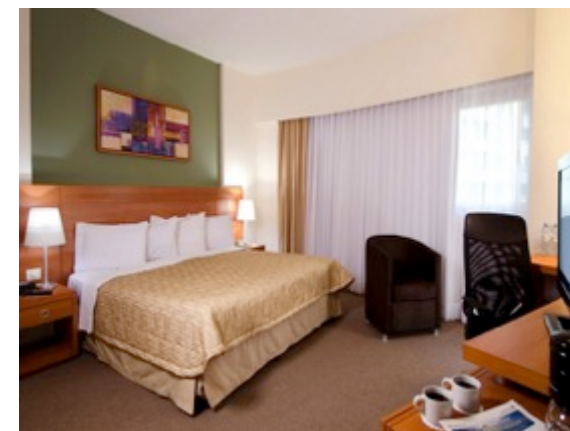
# Acquisitions

July 9, 2015 - *Arriva Express Guadalajara Plaza del Sol Expo*



## Key Facts

Investment <sup>(1)</sup>	Ps. 141.4 million
Projected Cap Rate	10.23%
Number of Rooms <sup>(2)</sup>	181
Segment	Select Service



(1) Excluding acquisition-related expenses

(2) Including 15 rooms under renovation



Conference Call  
Third Quarter 2015 Results

### III. Status of Developments





# Status of Developments

Property	State	Expected Termination Date	Rooms	Total Investment	Executed	Remaining	Construction Progress
				(Ps. millions)			
Courtyard by Marriott Saltillo	Coahuila	Nov 1, 2015	180	197.9 <sup>(1)</sup>	147.5	50.4	89.0%
Fairfield Inn & Suites by Marriott Coatzacoalcos	Veracruz	Dec 16, 2015	180	146.4 <sup>(2)</sup>	95.6	50.1	88.2%
<b>Total</b>			<b>360</b>	<b>344.3</b>	<b>243.1</b>	<b>100.5</b>	



Courtyard by Marriott Saltillo



Fairfield Inn & Suites by Marriott  
Coatzacoalcos

<sup>(1)</sup>Excluding the amount paid for the land of Ps. 10.7 million.

<sup>(2)</sup>Excluding the amount paid for the land of Ps. 25.4 million.

# Current Standing

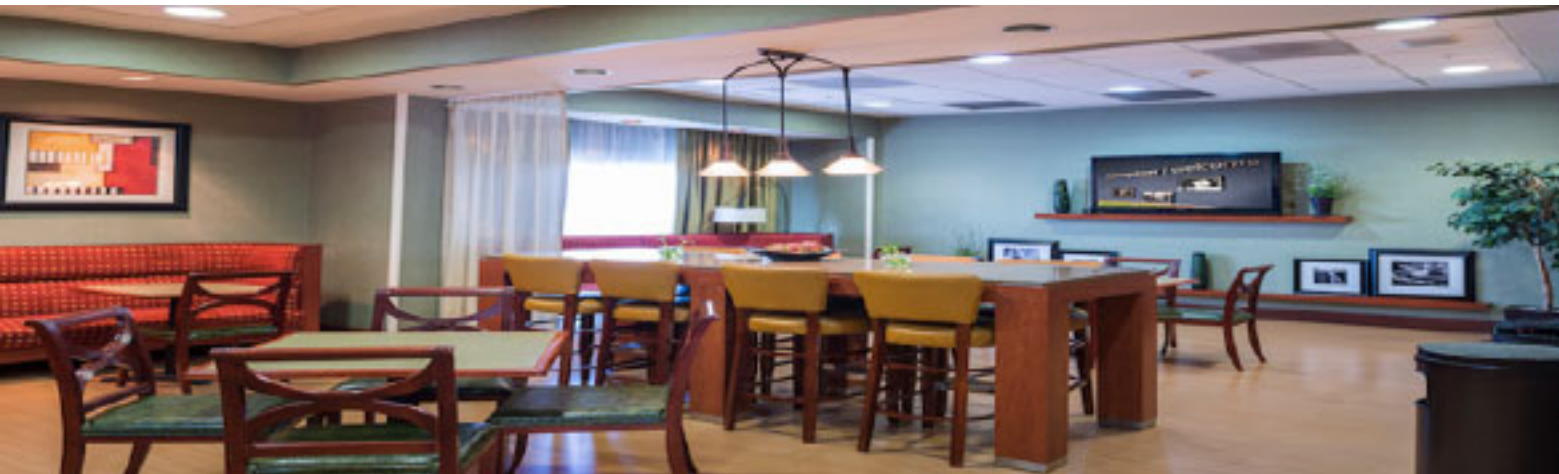
	3Q15	3Q14	Variation 3Q15 vs 3Q14
Hotels <sup>(1)</sup>	35	33	2
Rooms <sup>(1)</sup>	6,238	5,532	706
Developments	2	3	-1
Land banks	1	-	+1
Segments	4	3	+1
States	15	14	+1
Global Brands	13	10	+3
Local Brands	3	1	+2

(1) Includes properties and rooms under agreement and under development.



Conference Call  
Third Quarter 2015 Results

## V. Operational and Financial Review



# Operational Indicators

## Same-Store Sales (32 comparable properties)

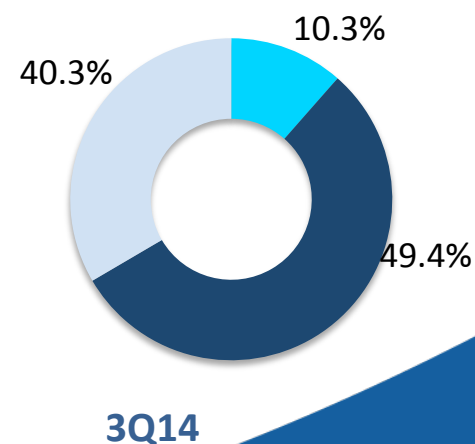
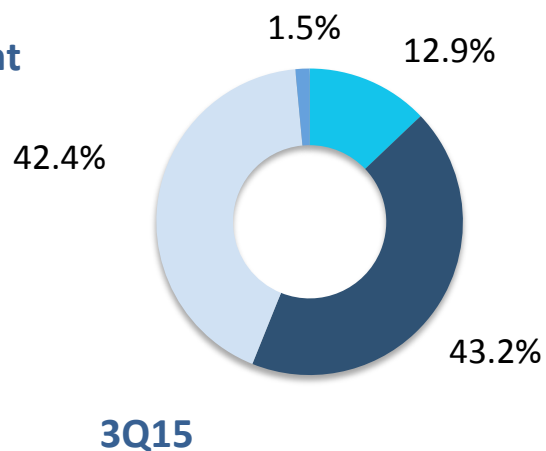
	3Q15	3Q14	Var %
Room Revenues (Ps. millions)	303.4	261.4	16.0%
Occupancy excluding the addition of rooms	60.6%	59.2%	1.4 pp
Occupancy	58.2%	59.2%	-1.0 pp
Average Daily Rate (ADR) (Ps.)	1,092.1	964.1	13.3%
RevPar excluding the addition of rooms (Ps.)	661.5	570.4	16.0%
RevPAR (Ps.)	635.1	570.4	11.4%

# Fibra Revenue

Financial Indicators (Ps. millions)	3Q15	%	3Q14	%	Var %
Room Revenue	315.7	94.0	210.3	93.7	50.1
Rental Revenue	21.6	6.0	14.1	6.3	53.3
Total Revenue for Fibra	337.3	100.0	224.4	100.0	50.3

## Total Revenue by Segment

- Limited
- Select
- Full
- Extended Stay





# Quarterly Income Statement

Income Statement (Ps. millions)	3Q15	%	3Q14	%	Var. Ps.	Var. %
Total Fibra Revenue	337.3	100.0%	224.4	100.0%	112.9	50.3
Operating Expenses	219.7	65.1	137.7	61.3	82.1	59.6
NOI	117.6	34.9	86.7	38.7	30.9	35.6
Acquisition Expenses	2.0	0.6	-	-	2.0	-
EBITDA	93.3	27.7	74.8	33.3	18.5	24.8
Adjusted EBITDA	95.3	28.3	74.8	33.3	20.5	27.4
Net Income	43.6	12.9	33.5	14.9	10.1	30.2
FFO	90.7	26.9	65.0	29.0	25.7	39.5
Distributions to Holders	78.8		60.0		18.8	31.4
Distribution per CBFI	0.1803		0.2323		-0.05	-22.3
CBFIs outstanding	437.0		258.3		178,7	69.1

# YTD Income Statement

Income Statement (Ps. millions)	3Q15 YTD	%	3Q14 YTD	%	Var. Ps.	Var. %
Total Fibra Revenue	941.7	100.0%	627.6	100.0%	314.1	50.1
Operating Expenses	597.3	63.4	400.9	63.9	196.4	49.0
NOI	344.5	36.6	226.7	36.1	117.7	51.9
Acquisition Expenses	40.3	4.3	-	-	40.3	-
EBITDA	241.8	25.7	190.8	30.4	50.9	26.7
Adjusted EBITDA	282.1	30.0	190.8	30.4	91.3	47.8
Net Income	114.0	12.1	86.6	13.8	27.4	31.6
FFO	282.9	30.0	177.6	28.3	105.3	59.3
Distributions to Holders	245.7		162.4		83,3	51.3
Distribution per CBFI	0.5621		0.6289		-0.06	-10.6
CBFIs outstanding	437.0		258.3		178.7	69.1

# Balance Sheet

Balance Sheet (Ps. millions)	Sep 30, 2015	%	Dec 31, 2014	%
Cash & equivalents	413.9	5.2	1,106.7	14.6
Total Assets	7,981.1	100.0	7,560.5	100.0
Liability for bank debt commission	7.4	2.0	10.7	2.9
Total Short Term Liabilities	232.0	25.3	297.9	80.1
Bank loans, net of commissions	672.8	73.5	66.0	17.8
Total Long Term Debt	683.9	74.7	73.8	19.9
Total Liabilities	915.9	100	371.7	100
Total Equity	7,065.3	100	7,188.8	100

# Debt Issuance – Terms & Conditions

Issuer	Deutsche Bank México, S.A., Banking Institution, Trust Division F/1616
Security	<i>Certificados Bursátiles Fiduciarios</i> (CBF)
Program	Ps. 5.0 billion or its equivalent in UDIs or Dollars
First Issuance	Ps. 1,875,350,000
Rating	HR AA+ HR Ratings / AA-(mex) Fitch Ratings
Terms	2,184 days, approximately 6 years
Ticker	FINN15
Interest Rate	Variable / TIIE 28 + 110 basis points
Coupons	Every 28 days
Amortization	At maturity
Warranty	Unsecured
Publication Date	September 29, 2015
Closing Book Date	September 30, 2015
Registration and Funding	October 2, 2015
Due date	September 24, 2015
Common Representative	CI Banco
Intermediaries	Actinver, Ixe - Banorte

# Debt Issuance – Use of Proceeds

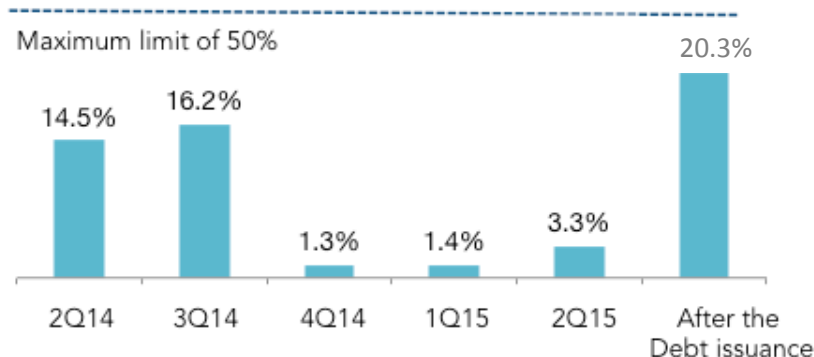
Concept	Amount
Pay off current bank debt	<i>Ps. 600,000,000</i>
Investment in acquisition and development of hotels	Ps. 1,275,350,000
<b>Total</b>	<b>Ps. 1'875,350,000</b>

The credit agreement previously signed with Banorte, Actinver, Banamex, Scotiabank and Banregio shall be paid off in advance. Prior to any debt re-issuances or new debt issuances, a new unsecured short-term loan will be put in place to finance the recoverable VAT, as well as acquisitions.

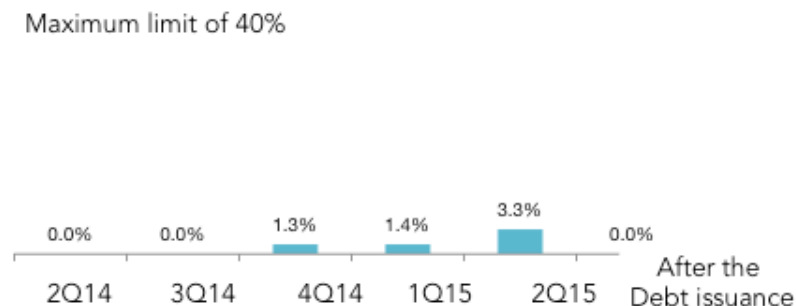


# Debt Issuance – Credit Profile

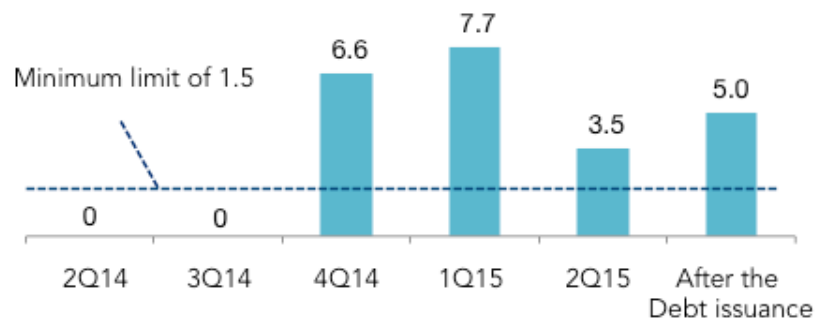
## LOAN TO VALUE <sup>(1)</sup>



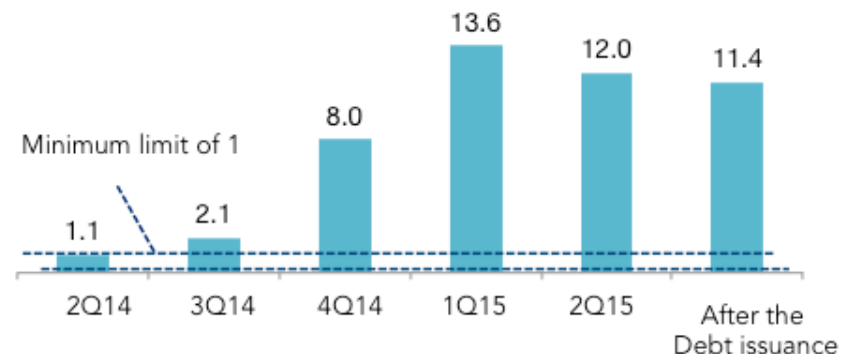
## GUARANTEED DEBT LIMIT <sup>(2)</sup>



## DEBT SERVICE COVERAGE RATIO <sup>(3)</sup>



## CNBV COVERAGE RATIO



Assumption: Ps. 2.0 billion debt issuance and a Ps. 700 million investment in 2Q15

(1) LTV = Gross Debt / Total Assets

(2) Guaranteed Debt Limit = Guaranteed Debt / Total Assets

(3) DSCR = Adjusted EBITDA / Debt Service; calculation previous to the transaction corresponds to the covenants stated in the bank credit contract, calculated on the properties given as warranty and the information reported quarterly.



Conference Call  
Third Quarter 2015 Results

## VI. Closing Remarks



# Closing Remarks

## Third Quarter 2015 Results

1. **Sales performance reached double-digit growth** in same-store sales related to room revenue, average daily rates and RevPar indicators
2. **Year-to-date financials are in line with annual expectations**, despite the non-recurrent expenses registered during 3Q15
3. **The public debt issuance** allows the Company better access to financing in order to pursue long-term acquisition strategy
4. 2015 Developer of the Year Award



Conference Call  
Third Quarter 2015 Results

## VII. 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.*

**In Monterrey, Mexico:**

Lizette Chang, IRO  
lchang@fibrainn.mx  
+52 (81) 5000 0211

**[www.fibrainn.mx](http://www.fibrainn.mx)**

**In New York, NY**

i-advize Corporate Communications, Inc.  
Maria Barona  
mbarona@i-advize.com  
+1 (212) 406-3691