



fibra inn®

Fourth Quarter 2016 Results

Conference Call

February 24, 2017

Agenda

Fourth Quarter 2016 Results

- I. Highlights for the Quarter
- II. Quarterly Distribution and Dividend Yield
- III. Overview of the Real Estate Hotel Industry
- IV. Acquisition Activity in Fibra Inn
- V. Operational and Financial Highlights
- VI. Closing Remarks
- VII. Q&A Session



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I. Highlights for the Quarter



Highlights of the Quarter

1. Internalization of the Advisory Services
2. Issuance of 14 million CBFIs
3. Fibra Inn's Debt
 - a. Re-initiation of Ps. 1.0 billion in local public debt
 - b. Cancelation of Ps. 2.3 billion bank credit line
4. Approval of Fibra Inn's Repurchase Fund
5. Rebalance of the portfolio to reach higher value generation



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II. Quarterly Distribution and Dividend Yield



Distributions and Dividend Yield

Total Distribution (millions)

4Q16	4Q15	Var
111.0	92.4	20.1%

Distribution Ps. per CBFI

Period	2014	2015	2016
1Q	0.2283	0.1797	0.2211
2Q	0.1683	0.2021	0.2256
3Q	0.2323	0.1803	0.2512
4Q	0.1707	0.2115	0.2523
Year	0.7996	0.7736	0.9502

Quarterly Dividend Yield %

Period	2014	2015	2016
1Q	5.6%	4.6%	6.6%
2Q	3.7%	5.4%	6.7%
3Q	5.3%	4.8%	8.4%
4Q	4.2%	6.0%	8.8%
Year	4.9%	5.6%	8.3%

Dividend Yield **9.75%**

Considering a CBFI closing price Ps. 10.35
As of February 23, 2017



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III. Real Estate Hotel Industry



Real Estate Hotel Industry

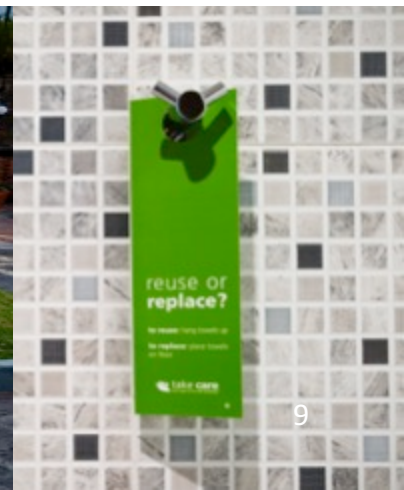
1. Sector Review
2. Evolution of Mexican Hotel Industry
3. Asset Prices for Acquisition
4. Our strategy: The Strategic Hotel Pipeline Model



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IV. Acquisition and Developments at Fibra Inn



Acquisition & Developments at Fibra Inn



1. Fibra Inn's Cap Rate Policies
2. External Hotel Acquisition Pipeline Strategy
3. Current Pipeline
4. Capital Expenditures for 2017 & CAPEX Reserve

Best Western Monterrey Valle Real

October 17, 2016 – Acquisition & Payment*



Key Facts

Investment*	Ps. 67.0 million
Number of Rooms	85
Segment	Limited Service
Strategy	14 th global brand in our portfolio operating in the industrial northern city of Monterrey

*Excluding acquisition-related expenses

Rebranding

AC by Marriott Guadalajara formerly Arriva Express



Key Facts

Investment*	Ps. 176.8 million
Number of Rooms	178
Segment	Full Service
Strategy	Change to Marriott, a global hotel chain with a life style concept
Start of operation:	Second quarter 2017

*Excluding acquisition-related expenses

Rebranding

Wyndham Garden Playa del Carmen formerly Holiday Inn Express



Key Facts

Investment*	Ps. 45.3 million
Number of Rooms	196
Segment	Full Service
Strategy	Wyndham Garden brand that better suits to the needs of that local market with a leisure component.
Start:	Currently in operation

*Excluding acquisition-related expenses

Current Standing

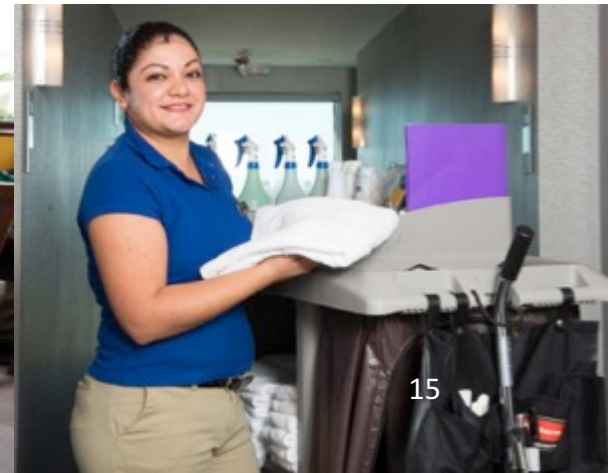
	4Q16	4Q15	Variation 4Q16 vs 4Q15
Hotels⁽¹⁾	43	41	2
Rooms⁽¹⁾	7,113	6,832	281
Developments	0	0	-
Land banks	1	1	-
Segments	4	4	-
States	15	15	-
Global Brands	15	13	+2
Local Brands	4	5	+1
Hotel Factory	2	-	+2

(1) Includes operating properties, hotels under development and under agreement; the figures exclude the JW Marriott Monterrey for the 3Q16, which is a developed hotel under the *Hotel Factory* model



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V. Operational and Financial Review



Key Performance Indicators

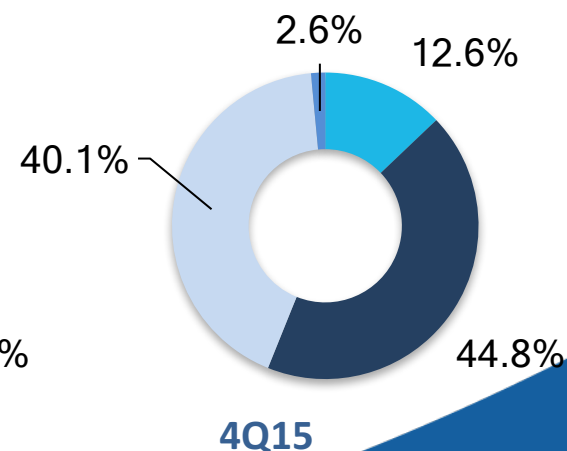
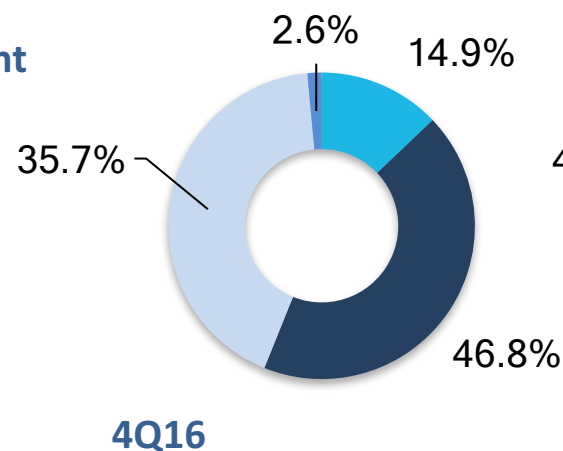
Key Performance Indicators (41 hotels)	4Q16	4Q15	Var %
Room Revenue	425.8	372.9	14.2%
Occupancy, excluding addition of rooms	60.6%	56.8%	3.9 pp
Occupancy	60.4%	56.8%	3,7 pp
Average Daily Rate (Ps.)	1,186.0	1,109.4	6.9%
RevPar, excluding addition of rooms	719.1	629.8	14.2%
RevPar (Ps.)	716.6	629.8	13.8%

Fibra Revenue

Financial Indicators (Ps. millions)	4Q16	%	4Q15	%	Var %
Room Revenue	448.2	94.9	345.3	93.8	29.8
Rental Revenue	23.9	5.1	22.7	6.2	5.3
Total Revenue for Fibra	472.1	100.0	368.0	100.0	28.3

Total Revenue by Segment

- Limited
- Select
- Full
- Extended Stay



Quarterly Income Statement

Income Statement (Ps. millions)	4Q16	%	4Q15	%	Var. Ps.	Var. %
Total Fibra Revenue	472.1	100.0	368.0	100.0	104.1	28.3
Operating Expenses	310.0	65.7	229.7	62.4	80.3	34.9
NOI	162.1	34.3	138.3	37.6	23.8	17.2
Acquisition Expenses	-10.7	-2.3	19.6	5.3	-30.3	-154.8
EBITDA	143.6	30.4	103.4	28.1	40.2	38.8
Adjusted EBITDA	132.8	28.1	123.0	33.4	9.8	8.0
Net Income	23.9	5.1	43.8	11.9	-19.9	-45.5
FFO	103.5	21.9	110.9	30.1	-7.4	-6.6
Distributions to Holders	111.0		92.4		18.6	20.1
Distribution per CBFI	0.2523		0.2115		0.0408	19.3
CBFIs outstanding	440.0		437.0			

Balance Sheet

Balance Sheet (Ps. millions)	Dec 31, 2016	%	Dec 31, 2015	%
Cash & equivalents	845.8	8.6	796.8	8.7
Total Assets	9,831.0	100.0	9,188.3	100.0
Bank Debt Liability	5.0	0.2	8.7	0.4
Total Short Term Liabilities	147.2	4.9	225.4	10.5
Bank loans	0	.	69.4	3.2
Public Debt	2,836.7	95.0	1,847.9	86.0
Total Long Term Debt	2,838.1	95.1	1,922.9	89.5
Total Liabilities	2,985.2	100.0	2,148.3	100.0
Total Equity	6,845.8	100.0	7,040.0	100.0

VI. Closing Remarks

Fibra Inn Day

Breakfast and Management Presentation

March 14, 2017 at 8.00 am

Presidente Intercontinental, Salón Caba Uxmal

Campos Elíseos 218, Col. Chapultepec Polanco, C.P. 11560, Mexico City



Registration

<http://fibrainn.mx/fibrainn-day>



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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.

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