



**Conference Call**  
Fourth Quarter 2019  
February 27, 2020

## Fourth Quarter 2019 Results

- I. Quarterly Distributions and Cancellation of CBFIs
- II. Sale of Non-Strategic Properties
- III. Hotel Factory Projects
- IV. Operational and Financial Review
- V. Q&A Session

# AGENDA





# Conference Call Fourth Quarter 2019 Results

## I. Quarterly Distributions and Dividend Yield

# Distribution 4Q 2019

**100% of the AFFO** allocated for quarterly distribution **will be paid in cash** for 4Q19:

- 100% paid in cash to investors = Ps. 63.6 million in 4Q19, or Ps. 0.1288 per CBFi.
- CBFIs cancelled: 10,475,815 CBFIs on Oct 7, 2019  
20,515,455 CBFIs on Jan 17, 2020  
5,200,162 CBFIs will begin the cancellation process during 1Q20
- The Repurchase Fund decreased the outstanding number of CBFIs by 8.2% during 2019.

**Business Rationale:** Considering the implied cap rate and the limited growth estimates for 2019, due to macroeconomic circumstances, Fibra Inn will keep on investing in the repurchase fund and cancelling CBFIs, in order to generate additional implied value for current CBFi holders.

# QUARTERLY DISTRIBUTION

## Total Distributions (Ps. millions)

	4Q19	4Q18	Var
	63.6	93.7	-32.2%

	2017	2018	2019
1Q	0.2500	0.2511	0.1570
2Q	0.2500	0.2560	0.0736
3Q	0.2507	0.1802	0.0627
4Q	0.2515	0.1805	0.1288
Year	1.0025	0.8224	0.4221

## 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%	3.3%
4Q	9.0%	7.3%	7.0%
TTM	<b>8.9%</b>	<b>8.8%</b>	<b>5.8%</b>

**LTM Dividend Yield** **5.8%**

Based on CBFi closing price of Ps. 7.26  
As of December 31, 2019



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## II. Sale of Non-Strategic Properties

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# Capital Recycling Strategy for Non-Strategic Assets



Fibra Inn sold the following properties:



## Tecnológico Norte

Chihuahua  
October 10, 2019

Price: Ps. 40.0 million + VAT  
4.3% cap rate  
Ps. 1.7 million in NOI from  
Oct 2018 to Sep 2019

## Wyndham Garden León Centro Max

Guanajuato  
February 11, 2020

Price: Ps. 140.0 million + VAT  
6.4% cap rate  
Ps. 9 million in NOI from  
Nov 2018 to Oct 2019

## Aloft Guadalajara

Jalisco  
February 14, 2020

Price: Ps. 258.0 million + VAT  
6.6% cap rate  
Ps. 17 million in NOI from  
Nov 2018 to Oct 2019



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## III. Hotel Factory Projects



# Hotel Factory Projects

Hotel (Ps. million)	Segment	Rooms	Opening	Fibra Inn Equity (1)			Strategic Partner Equity (1)			Debt	Total Investment
				Contribution as of 4T19	Remaining	Total 30%	Contribution as of 4T19	Remaining	Total 30%	at Project Level (1) 40%	
JW Marriott Monterrey Valle	Luxury Business	250	2H20	395.1	0	395.1	395.1	0	395.1	527	1,317
The Westin Monterrey Valle	Luxury Business	174	Feb 2020	559.0	-327.1	231.9	140.0	91.9	231.9	309	773 (7)
Marriott Monterrey Aeropuerto (3)	Luxury Business	208	n/a	50.8	-	-	-	-	-	-	600 (4)
W Playa del Carmen (3,5)	Luxury Resort	218	n/a	95.0	-	-	228.0	-	-	-	836 (5,6)
<b>Total</b>				<b>1,099.9</b>							<b>3,526.0</b>

(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. 19.00 per US\$1.

(7) Includes Ps. 740 million plus: notary expenses, ISAI, working capital and pre-opening expenses.

# CURRENT STANDING

	Current Standing		
	4Q19	4Q18	Variation
Hotels	39	42	-3
Total Rooms	6,485	6,785	-300
Developments	0	0	-
Land	1	1	-
Segments	4	4	-
States	13	13	-
Global Brands	13	15	-2
Local Brands	2	3	-1
Hotel Factory	4	4	-

Note:

4Q19 includes the disinvesting of three properties: City Express Chihuahua, Tecnológico Norte Chihuahua (previously City Express Junior Chihuahua) and Holiday Inn & Suites Guadalajara Centro Histórico.



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## IV. Operational and Financial Review

# OPERATIONAL INDICATORS



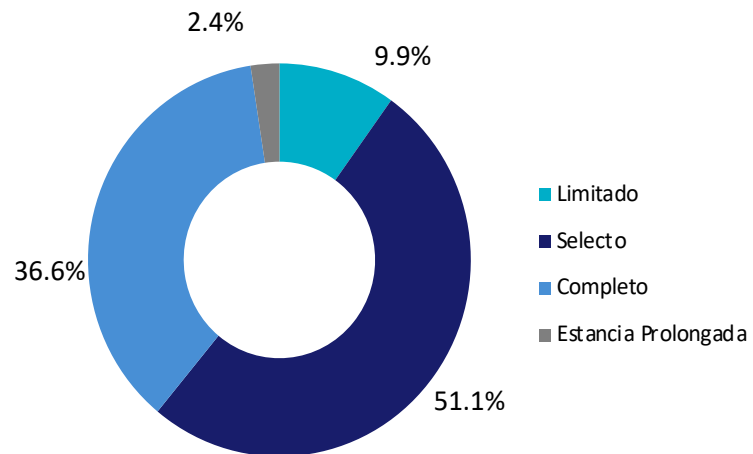
Same-Store Sales			
(39 hotels)	4Q19	4Q18	Var %
Room Revenue	444.0	468.0	-5.1%
Occupancy	58.4%	61.2%	-2.8 pp
Average Daily Rate (Ps.)	1,280.4	1,292.8	-1.0 %
RevPar	747.7	790.8	-5.4%

Note:

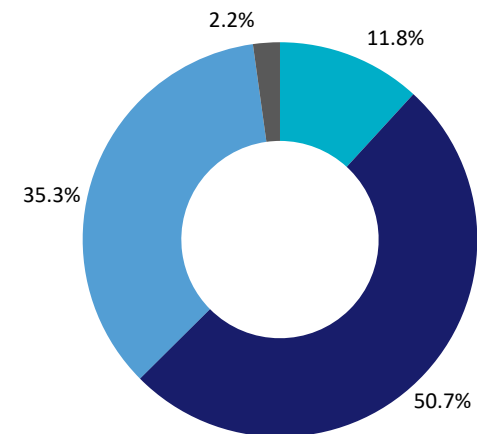
- Excludes the Holiday Inn & Suites Guadalajara Centro Histórico, as it was sold on September 12, 2019.
- Excludes the Hotel Tecnológico Norte, as it was sold on October 10, 2019.
- Excludes the Hotel City Express Chihuahua as it was sold on July 22, 2019.

# FIBRA INN REVENUE

(Ps. millions)	4Q19	%	4Q18	%	Var. %
Lodging Revenues	444.1	94.8%	485.8	94.6%	-8.6%
Rental Revenues	24.4	5.2%	28.0	5.4%	-12.9%
Fibra Revenues	468.5	100.0%	513.8	100.0%	-8.8%



4Q19



4Q18

# INCOME STATEMENT

(Ps. millions)	4Q19	%	4Q18	%	Var. %
Total Fibra Revenue	468.5	100.0%	513.8	100.0%	-8.8%
Hotel NOI	153.5	32.8%	166.4	32.4%	-7.7%
Total NOI	146.2	31.0%	164.8	30.9%	-11.3%
Adjusted EBITDA	121.0	25.8%	141.4	27.5%	-14.4%
FFO	80.0	17.1%	109.1	21.2%	-26.7%
Distributions to Holders	63.6		93.7		-32.2%
Distribution per CBF1	0.1288		0.1805		-28.6%
CBF1s outstanding	493.5		519.4		-5.0%

# BALANCE SHEET

(Ps. millions)	Dec 31, 2019	%	Dec 31, 2018	%	Var. %
Cash & equivalents	563.6	4.7%	644.4	5.4%	-12.5%
Recoverable VAT	194.7	1.6%	42.9	0.4%	353.8%
<b>Total Assets</b>	<b>11,928.5</b>	<b>100%</b>	<b>11,865.9</b>	<b>100%</b>	<b>0.5%</b>
Short Term Bank Debt	200.0	4.9%	-	-	
Accrued Interest	136.1	3.3%	79.6	2.4%	71.0%
Total Short-Term Liabilities	671.8	16.4%	242.3	7.4%	177.3%
Long Term	3,163.7	77.0%	2,967.1	91.1%	6.6%
<b>Total Liabilities</b>	<b>4,108.3</b>	<b>100%</b>	<b>3,256.0</b>	<b>100%</b>	<b>26.2%</b>
<b>Total Equity</b>	<b>7,820.2</b>	<b>100%</b>	<b>8,609.9</b>	<b>100%</b>	<b>-9.2%</b>

## Re-opening **FINN18 Debt Issuance** (October 9, 2019)

	Program:	Ps. 5,000 million
	Issuance:	Ps. 1,200 million
	Rating:	AA-(mex) / HR AA+
	Term:	8 years 4 months (February 2028)
	Interest Rate:	8.87% Fixed rate
	Coupons:	Biannual
	Amortization:	At maturity
	Guarantee:	Unsecured
	Common Rep:	CIBanco
	Use of Proceeds:	<b>Ps. 1,000 million applied for the early pre-payment of total amount of FINN15</b> the remaining was invested in the improvement of the existing hotels.



# FINANCIAL SITUATION as of December 31, 2019

**30.2%** loan-to-value and  
**1.8** debt service coverage



**a. FINN18 58.8% of total debt**

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



RE-OPENING  
Additional PS. 1.2 B  
@8.87% FIXED  
OCTOBER 9, 2019

**b. FINN15 29.4% 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%
- 1.9 year maturity
- 24 Sep 2021



PREPAID ON  
OCTOBER 14, 2019

## Bank credit lines

**a. Actinver 5.9% of total debt**

- Ps. 200 million
- At variable rate TIE plus 200 bps
- 24 months maturity

**b. BBVA Bancomer 5.9% of total debt**

- Ps. 197.6 million
- At variable rate TIE plus 150 bps
- 36 months maturity
- Ps. 300 million that may extend up to Ps. 450 million available total credit line



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## 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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