DEUTSCHE BANK MEXICO, SA, DIVISION FIDUCIARIA
FIDEICOMISO F/1616 FIBRA INN
Condensed Notes to the Consolidated Financial Statements
For the three-month period ended June 30, 2013
(In Mexican Pesos)

NOTE 1 – GENERAL INFORMATION

Trust F/1616 of Deutsche Bank México, S.A., ("Fibra INN", or the "Trust") was established on October 23, 2012, as a real estate trust by Asesor de Activos PRISMA, Sociedad Anónima, Promotora de Inversión de Capital Variable (the "Trustor"), and Deutsche Bank Mexico, Sociedad Anónima, Institución de Banca Múltiple, División Fiduciaria (the "Trustee"). The Trust started operations on March 12, 2013. It was created mainly to acquire and own real estate, with a view to leasing commercial properties earmarked for the hospitality industry and related services.

The Trust, as a real estate investment trust (*Fideicomiso de Inversiones en Bienes Raices – "FIBRA"*), meets the requirements to be treated as a transfer entity in Mexico for income tax purposes. Therefore, all proceeds from the Trust's operations are attributed to holders of its Real Estate Fiduciary Stock Certificates (*Certificados Bursátiles Fiduciarios Inmobiliarios – "CBFIs*") and the Trust is not subject to income taxes in Mexico. In order to maintain FIBRA's status, the Tax Administration Service (*Servicio de Administración Tributaria* - SAT) established, in Articles 223 and 224 of the Income Tax Law, that the trustee must annually distribute at least 95 percent of its net tax result to CBFIs holders.

The Trust's legal address is Ricardo Margain Zozaya No. 565-A, Colonia Santa Engracia, Municipality of San Pedro Garza García, in the State of Nuevo León.

Acquisitions

In March 2013, Fibra INN held an initial public offering ("IPO") of CBFIs in Mexico and entered into a series of "constitution/establishement transactions" whereby eight properties were contributed to the Trust in exchange for CBFIs.

NOTE 2 – BASIS OF PRESENTATION

Explanation for translation into English - The accompanying consolidated financial statements have been translated from Spanish into English for use outside of Mexico. These consolidated financial statements are presented based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Certain accounting practices applied by the Trust that conform with MFRS may not conform with accounting principles generally accepted in the country of use.

Basis for measurement

The Trust's consolidated financial statements have been prepared on the basis of historical cost, except for investment properties, which are measured at fair value as further explained in the Accounting Policies below.

i. Historical cost

The historical cost is generally based on the fair value of compensation delivered in exchange for assets.

ii. Fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Basis for financial statement consolidation

The consolidated financial statements include those of the Trust and those of its subsidiary, Administradora de Activos Fibra Inn, S.C., of which it holds a 99.9% of capital stock and where it holds control.

Subsidiary Administradora de Activos Fibra Inn, S.C. provides management and support services, necessary to carry out the Trust's businesses.

Significant intercompany balances and transactions have been eliminated.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Trust's significant accounting policies are as follows:

a. Financial instruments

Financial assets and financial liabilities are recognized when the Trust is subject to the underlying instrument's contractual terms.

Financial assets and liabilities are initially recognized at fair value. Transaction costs directly attributable to the acquisition or issuance of a financial asset or liability (other than the financial assets and liabilities recognized at fair value through profit or loss) are added or deducted from the fair value of financial assets or liabilities, if any, upon initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value with changes in profit or loss are immediately recognized in results.

The subsequent valuation of the financial instruments depends on the category of reference in which they are classified. Note 8 lists the different categories of financial instruments, and the accounting treatment for each category is described in the accounting policies below.

Cash and cash equivalents

Cash and cash equivalents consist mainly of bank deposits in checking accounts and short-term investments. Cash is stated at nominal value and cash equivalents are valued at fair value. The Trust considers as cash equivalents all highly liquid debt instruments purchased with an original maturity of three months or less. Cash equivalents are represented mainly by money market transactions

Financial assets

Financial assets are classified according to the following specific categories: financial assets at fair value through profit or loss, investments, and loans and receivables. Classification depends on the nature and the purpose of the financial assets and is determined at the time of initial recognition. As of the date of these consolidated financial statements, the Trust has only instruments classified as accounts receivable.

Trade accounts receivable

Trade accounts receivable and other accounts receivable whose payments are fixed or can be determined, and which are not traded on an active market are classified as loans and receivables. Loans and receivables are recognized at amortized cost using the effective interest method, and are subject to impairment tests.

Equity instruments

An equity instrument is any contract showing a residual share in the Trust's net assets. Equity instruments issued by the Trust are recognized according to the amount received, net of direct issuance costs.

When contributions are made to the Trust or it acquires properties that do not represent a business, in exchange for its equity instruments, the transaction is recorded as a share-based payment to third parties (other than to employees) payable through equity instruments and is measured based on the fair value of goods received, except when such value cannot be estimated reliably. Effects on the financial position are shown in the statement of changes in Trustors' equity as "equity contributions" and do not have an impact on the results of the period.

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, or other financial liabilities.

Other financial liabilities, including loans, are initially recognized at fair value, net of transaction costs.

Other financial liabilities are subsequently valued at amortized cost using the effective interest method, with interest expense recognized according to the effective interest method.

Financial liabilities' charge off

The Trust charges off financial liabilities if, and only if, obligations are fulfilled, cancelled or expire.

b. Investment properties

Investment properties are properties held for leasing and/or obtaining gains. Properties under construction or development may be considered as investment properties.

Investment properties acquired, enlarged, and improvements made to commercial spaces under lease are recorded at their acquisition cost, including transaction costs related to asset acquisition. Investment properties acquired in exchange for equity instruments are measured at fair value, as stated below.

After initial recognition, investment properties are valued at fair value. Fair values are determined by independent appraisers and are recorded as follows:

(i) When a factor that impacts an investment property value is identified, and
(ii) At least, once every 12-month period as the date of the investment properties' acquisition and/or development

Fair value gains and losses are recorded under "Adjustments to fair value of investment properties – net" in results for the period in which they are incurred.

Direct initial leasing costs incurred while negotiating leases are added to the investment properties' carrying amounts.

When the Trust has a property under an operating lease to obtain either revenues from the lease or gains, or both, the contract is classified and recorded as an investment property.

An investment property is retired /charged off upon disposal, or when it is definitely out of use and no future economic benefits are expected from its disposal. Any gain or loss arising upon retirement/charge off of the property (calculated as the difference between net revenue and the investment property book value) is included in the statement of comprehensive income of the period in which such property is retired/charged off.

c. Provisions

Provisions are recognized when the Trust has a present obligation (legal or implicit) as a result of a past event; it is likely that the Trust will be required to settle such obligation, and if the obligation can be reliably estimated, the related amount is recorded/recognized.

d. Revenue from leases

Leases are classified as financial when, according to the terms of the lease, substantially all property risks and rewards of ownership are transferred to lessees. All other leases are classified as operating. Operating-lease properties are recorded under investment properties in the statement of financial position.

Revenues from operating leases recognized for accounting purposes, are basically the same as those determined by reducing incentives granted, such as grace periods, which are recognized in a straight line over the lease term, except for contingent rents (e.g., the level of performance of the properties), which are recognized when they occur (on a monthly basis). The lease term is the non-cancellable period of the contract, including additional periods granted to the lessee as options to extend it when, at the inception of the lease, management is reasonably certain that the lessee will exercise the option.

e. Income taxes

As mentioned in Note 1, the Trust is eligible for and intends to maintain its current rating as FIBRA for income tax purposes and, therefore, does not recognize a provision for income taxes. Current and deferred tax consequences of a change in the fiscal situation are recognized in results of the period, unless they relate to transactions recognized in equity or in other comprehensive income items.

f. Foreign currency

Foreign currency transactions are recorded at the applicable exchange rate in effect at the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into Mexican pesos at the applicable exchange rate in effect at the balance sheet date. Exchange fluctuations are in the consolidated statements of comprehensive income (loss).

NOTE 4 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

In applying the accounting policies described in Note 3, the Trust's management is required to make certain judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily available through other sources. Estimates and assumptions are based on historical experience and other factors deemed relevant; however, actual results may differ from such estimates. Relevant estimates and assumptions are reviewed on an ongoing basis. Reviews to accounting estimates are recognized in the period in which the estimate is reviewed, if the review affects only that period, or in the review of future periods if the review affects both the current and future periods.

Relevant estimates and assumptions are reviewed on an ongoing basis. Reviews to accounting estimates are recognized in the period in which the estimate is reviewed, if the review affects only that period; or in the period under review, and future periods, if the review affects both the current and future periods.

a. Critical judgments in applying accounting policies

Management's critical judgments, apart from those involving estimates, made in the process of applying the Trust's accounting policies, and which have the most significant effect on the amounts recognized in the consolidated financial statements, are described below.

Lease classification

As explained in Note 3d, leases are classified according to the extent that risks and rewards of ownership of the good subject matter of the contract lie with the Trust or the lessee, based on the substance of the transaction, rather than its legal form. Based on an evaluation of the terms and conditions of the agreements, the Trust has determined that it maintains substantially all the risks and significant rewards of ownership of these goods and, therefore, it has classified them as operating leases.

Income taxes

In order to continue to be eligible as FIBRA for income tax purposes, the Trust must comply with certain requirements of this tax regime, which relate to issues such as the annual distribution of at least 95 percent of taxable income. According to the Trust, it will continue to be eligible under the FIBRA tax regime. The Trust does not recognize current or deferred income taxes.

b. Main sources of uncertainty in the estimates

Following are the key assumptions about the future and other key sources of uncertainty in the estimates at the end of the reporting period that represent a significant risk of causing a material adjustment to the carrying amount of assets and liabilities over the next financial year.

Investment property appraisals

In order to estimate the investment properties' fair value with the help of an independent appraiser, management selects the valuation technique(s) it considers the most appropriate under the particular circumstances of each property and of the appraisal. The assumptions relating to the investment properties' fair value estimates include obtaining contractual rents, expectation as to future market lease revenues, renewal fees, maintenance requirements, discount rates that reflect current market uncertainties, capitalization rates and prices of recent transactions. If a change in these cases or in regional, domestic or international economic conditions should occur, the fair value of investment properties may substantially change.

NOTE 5 – CASH AND CASH EQUIVALENTS

Cash in banks	86,604,512
Cash equivalents (Government bonds)	1,503,097,434
Total cash and cash equivalents	1,589,701,945

NOTE 6 – ACCOUNTS RECEIVABLE Y OTRAS	March 31, 2013
Rents receivable	17,937,590
Real estate services receivable	3,752,552
Other accounts receivable	11,170,000
	32,860,142

NOTE 7 – INVESTMENT PROPERTIES

Investment properties consist of properties contained in the contributions, acquisitions and developments portfolio.

These properties (hotels) are leased fully equipped to operate as hotels, considering that FIBRA INN has opted to measure its investment properties at "fair value", according to applicable standards. No equipment is recognized separately, since the value of each investment property will be considered as a whole.

Contributed portfolio

Investment properties included in the *contributed* portfolio are presented in the consolidated balance sheet at an acquisition cost of MP$1,834,299,451. While this amount does not include value-added tax of MX$255,549,101, it does consider the real estate acquisition tax (ISAI), as well as notarial expenses.

Properties included in the Contributed Portfolio are as follows:

Properties	CBFIs (1)	Amounts
Hampton Inn Galerías Monterrey	12,015,747	222,291,320
Hampton Querétaro	11,609,890	214,782,965
Hampton Saltillo	15,607,634	288,741,229
Holiday Inn Saltillo	14,058,791	260,087,634
Holiday Inn Toluca	18,162,779	336,011,412
Holiday Inn Juárez	9,858,177	182,376,275
Hampton Reynosa	2,249,436	41,614,566
Holiday Inn Monterrey	12,319,736	227,915,116
Total Acquisition cost		**1,773,820,515**
ISAI		
Notarial and registration fees and other related expenses		60,478,936
Total value of contributed portfolio		**1,834,299,451**

(1) As stated in Note 1, on March 12, 2013, the Trust carried out an initial public offering of CBFIs in Mexico and other international markets (the "Offering"). Properties making up the Contributed Portfolio were contributed by Adhering Trustors in Exchange for 95,881,490 CBFIs.

According to International Accounting Standard (IAS) No. 40, "*Investment Properties*", Trust properties will be valued and subsequently recorded at "fair value", in the unaudited balance sheet. Changes in the investment properties' "fair value" will be recognized in the statement of income (loss) of the related period.

Specifically for financial statements of the period ended March 31, 2013, the Trust has been considered that the amount of investment properties reflected in the balance sheet is equal to the fair value at of that date. Therefore, no changes in fair value has been recognized.

NOTE 8 – ACCOUNTS PAYABLE TO SUPPLIERS AND ACCRUED EXPENSES

	June 30, 2013
Suppliers	4,386,313
Other accounts payable	8,839,324
	13,225,638

NOTE 9 – (TRUSTORS') EQUITY

Contributions and donations

a. Trustor contributions at nominal value are as follows:

Initial equity contributions	Contributed equity	Total
20,000	4,549,895,822	4,549,915,822

The Trust has not disclosed all of its capital issued as of June 30, 2013.

b. The Trust's equity is made up of a contribution of $20,000 and the amount obtained from resources CBFIs issues.

c. As described in Note 1, on March 12, 2013, the Trust carried out an IPO of CBFIs in Mexico and other international markets (the "Offering"). The overall amount of both the primary and secondary Offerings is $4,779,183,033.0, where 258,334,218 CBFIs were offered, including over-allotment, at a price of $18.5 in the Mexican Stock Exchange (*Bolsa Mexicana de Valores* (BMV)), and in foreign markets.

d. As of June 30, 2013, there are 258,334,218 CBFIs outstanding (which includes the "over-assignment").

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Except for what has been stated above, neither the Trust nor its assets are subject to any type of legal proceeding, but to those derived from their daily transactions and activities.

As part of its constitution/establishement transactions, the Trust acquired certain properties which were paid for out of the Offering resources.

NOTE 11 – OFFICER COMPENSATION

FIBRA Inn has established a long-term compensation plan for one of its officers, the Finance Director, consisting of the assignment of equity instruments (CBFIs). This compensation is conditioned upon three-year permanence in the Trust. This compensation plan qualifies as a consideration under the scope of IFRS 2, *Share-Based Payments.* The service provided as well as the related increase in Trust assets is measured at fair value, which is the market value of the instrument to the date of the granting. The Trust recognizes operating expenses for services received throughout the period in which the instruments will be awarded based on the best estimate of the number of instruments that are expected to be granted against the equity account.

NOTE 12 – ISSUANCE OF FINANCIAL STATEMENTS

These consolidated financial statements have been authorized for issuance on July 24, 2013, by Mr. Oscar Calvillo Amaya, Finance Director, upon prior approval of the Technical Committee on that same date.