



FIBRA UNO DELIVERS SOLID YoY NOI PER CBFi GROWTH OF 11.6%

Mexico City, Mexico, February 26th, 2020 – Fibra Uno (BMV: FUNO11) (“FUNO” o “Fideicomiso Fibra Uno”), the first and largest Real Estate Investment Trust in Mexico announces its results for the fourth quarter of 2019.

Fourth Quarter 2019	Compared to Fourth Quarter 2018
<ul style="list-style-type: none"> Total revenues grew 7.1% sequentially to Ps. 5,093.1 million. NOI grew 6.6% QoQ to Ps. 4,024.0 million and NOI margin over rents reached 88.1%. Dividend growth per CBFi⁽¹⁾ was 0.85% QoQ. Equivalent to an AFFO quarterly payout of 93.6% Acquisition of TITAN portfolio at an 8.1% Cap Rate and an expected annual NOI of USD 66.3 million GLA grew 15.8% QoQ reaching 10.1 million square meters. Stable portfolio's occupancy at 94.5%. Acquisition of Tepeji: first asset from batch one group of properties denominated Hercules. The first office tower from Mitikah project; “Torre M”, officially started operations. Reclassification of some properties to the new segment “Others”. Industrial and retail leasing spreads grew 8.6% and 5.7% above peso inflation and office grew 0.9% above dollar inflation. NAV/CBFi⁽¹⁾=Ps. \$41.61 	<ul style="list-style-type: none"> Total revenues increased 12.8% YoY, reaching Ps. 5,093.1 million. NOI increased 12.5% to Ps. 4,024.0 million. NOI margin over rents remained above 88%. NOI/CBFi⁽¹⁾ increased 11.6% YoY. Dividend growth per CBFi⁽¹⁾ was 2.5% YoY. Rental price per square meter YoY growth in constant properties was 200 bps above the annual weighted average inflation. FUNO's GLA grew 17.6%, reaching 10.1 million square meters. Four properties that were under development began operations: Midtown Jalisco, Guanajuato, Mariano Escobedo and Torre M (first office tower in Mitikah). Annual payout of 99.95% of AFFO.

(1) Calculated with CFBIs outstanding at distribution.

CEO Comments

Dear Shareholders,

I am pleased to report solid results of our Company for the 4Q19 and the year ended December 31, 2019. At FUNO we continue to work hard to make sure our Company delivers the best possible operating and financial results in the midst of an increasingly challenging environment. The financial markets are now grappling with the potential and yet unknown effects of a global Coronavirus outbreak; in addition, the Mexican economy is not yet delivering on its growth potential. While this is creating financial market volatility, our company continues to deliver strong results.

Our Net Operating Income per CBFI grew 11.6% versus the fourth quarter of last year, as our properties continued to perform strongly. Normalized Funds from Operations per CBFI (excluding the catch-up effect of additional interest capitalization recorded during the fourth quarter of 2018) grew 14.0%, a solid double digit growth. Our leasing spreads continue to be positive and comfortably above inflation. Our constant property indicators remains positive. Occupancy remains close to our 95% target and our NOI margin over rents remains above 88%, well above the 85% target we set when we became public almost 10 years ago.

Perhaps the highlight of this fourth quarter was the acquisition of the Titan portfolio, a set of 74 properties dedicated primarily to light manufacturing. Almost 90% of the NOI of this portfolio is in US Dollars. We acquired it with an in place NOI of 66 million US Dollars for an acquisition price of 822 million US Dollars, which implies an 8.1% acquisition cap rate. We funded this transaction with the proceeds from the bonds issued in June of 2019 as well as with a senior unsecured line of credit for 500 million US Dollars with a group of our main banks.

This transaction brings several benefits to our company. Primarily it enables us to increase our US Dollar generating capacity from tenants who mainly earn US Dollars. Currently our earnings in US Dollars are 60% more than our US Dollar expenses. Secondly, this transaction aligns us with a portion of our investor base who view our business largely from a financial point of view, as the acquisition arbitrages positively our cost of funding with the income generated by the portfolio. Third, this purchase brings the income of our portfolio closer to our strategic target of 40% industrial, 40% retail and 20% office.

Fourth, we believe that long term, Mexico will be a beneficiary of the trade tensions between the US and China; we have to recall that the USMCA has now been ratified by Mexico and the USA and that Mexico enjoys a very solid competitive platform that has enabled us to thrive over the last 20 years.

I could continue with a long list of other benefits from the Titan acquisition for our Company, for example, it brings us over the 10 million square meter mark, making Fibra Uno one of the largest REITS in the world in an industry where size and economies of scale do matter. In addition, we also acquired in this transaction over 1.0 million square meters of land located inside industrial parks at what we consider a very attractive price of 22 US Dollars per square meter approximately.

An other important highlight for this year, is that we were able to close the first sustainability linked revolving credit facility in Latin America for Ps. 23,100 million for which we received the Latin Finance innovation of the year award. We were also added to the Dow Jones Sustainability Index for Global Emerging Markets as well as the FTSE4Good BIVA index. Also in the Capital Markets arena, this year we were one of very few companies in Mexico and Latin America that were able to raise 1 Billion dollars in the bond markets. This is proof of the confidence that our investors have in our company - 600 million dollars of these bonds have a maturity of 30 years and 400 million dollars have a maturity of 10 years.

I want to close this letter to our investors stating strongly that FUNO remains committed to Mexico because we firmly believe in the long term success of our great Country.

Sincerely,

André El-Mann

CEO, FUNO

Quarterly Relevant Information

Financial Indicators

						Δ%	Δ%
	4Q19	3Q19	2Q19	1Q19	4Q18	4Q19vs3Q19	4Q19vs4Q18
FINANCIAL INDICATORS							
Total Revenues	5,093.1	4,755.9	4,736.9	4,603.2	4,514.8	7.1%	12.8%
Rental revenues ⁽¹⁾	4,567.7	4,269.8	4,227.6	4,129.5	4,074.5	7.0%	12.1%
Net Operating Income (NOI)	4,024.0	3,774.6	3,747.3	3,667.7	3,577.6	6.6%	12.5%
NOI Margin over total revenue ⁽²⁾	79.0%	79.4%	79.1%	79.7%	79.2%	-0.5%	-0.3%
NOI Margin over propertie's rental revenue ⁽³⁾	88.1%	88.4%	88.6%	88.8%	87.8%	-0.3%	0.3%
Funds from Operations (FFO)	2,475.6	2,220.7	2,206.2	2,218.4	2,353.2	11.5%	5.2%
FFO Margin	54.2%	52.0%	52.2%	53.7%	57.8%	4.2%	-6.2%
PER CBFi							
NOI ⁽⁴⁾	1.0244	0.9642	0.9633	0.9428	0.9176	6.2%	11.6%
FFO ⁽⁴⁾	0.6302	0.5672	0.5671	0.5703	0.6036	11.1%	4.4%
AFFO ⁽⁴⁾	0.6302	0.5699	0.5671	0.5806	0.6162	10.6%	2.3%
Distribution ⁽⁵⁾	0.5899	0.5850	0.5836	0.5806	0.5755	0.9%	2.5%
CBFi's							
Total outstanding average during the period ⁽⁶⁾	3,928.2	3,914.9	3,890.1	3,890.1	3,898.8	0.3%	0.8%
Total outstanding at the end of the period ⁽⁶⁾	3,928.2	3,928.2	3,890.1	3,890.1	3,890.1	0.0%	1.0%
OPERATIONAL INDICATORS							
Total GLA ('000 m ²) ⁽⁷⁾	10,130.4	8,744.6	8,730.0	8,681.1	8,614.7	15.8%	17.6%
Number of operations ⁽⁸⁾	641	560	560	559	559	14.5%	14.7%
Average contract term (years)	4.2	4.2	4.2	4.3	4.3	-0.9%	-2.7%
Total Occupancy	94.5%	94.3%	95.2%	95.4%	95.3%	0.2%	-0.9%
GLA under development ('000 sqm)	508.5	508.5	508.5	538.8	538.8	0.0%	-5.6%
JV's under development ('000 sqm) ⁽⁹⁾	201.1	263.4	263.4	263.4	263.4	-23.7%	-23.7%

(1) Includes revenues from Torre Diana, Torre Reforma Latino, Antea and Torre Mayor Trust's rights

(2) NOI/Total Revenues

(3) NOI/Rental Revenues

(4) Calculated with the average CBFi's of the period.

(5) Calculated with the CBFi's eligible for distribution: 3,928,194,243

(6) Million of CBFi's

(7) Includes total GLA of Torre Mayor, Torre Latino, Antea and Torre Diana. As well as *In service GLA*

(8) Number of operations by segment. Our total number of properties is 615

(9) Includes Mitikah development. Adjusted GLA by area leased to SEP at Centro Bancomer.

Figures in million pesos

Breakdown of NOI margin over property revenues:

Figures in million pesos

	4Q19	3Q19	2Q19	1Q19	4Q18	Δ% 4Q19vs3Q19	Δ% 4Q19vs4Q18
Rental Revenues ⁽¹⁾	4,476.2	4,177.2	4,138.7	4,051.0	3,995.6	0.9%	8.8%
Dividend	91.5	92.6	88.9	78.5	78.9	4.2%	29.7%
Management Fees	40.3	43.6	65.8	20.1	20.4	-33.7%	110.7%
Total property Income	4,608.1	4,313.4	4,293.4	4,149.6	4,094.9	0.5%	9.7%
Operating expenses	-354.3	-298.9	-291.1	-289.9	-286.6	2.7%	-2.1%
Tenant Reimbursements - maintenance expenses	-10.6	-31.4	-74.0	0.8	-31.3	-57.6%	-16966.6%
Property taxes	-152.6	-143.0	-116.3	-121.9	-128.5	23.0%	15.7%
Insurance	-66.6	-65.5	-64.8	-70.9	-70.9	1.0%	4.7%
Total Operating Expenses	-584.1	-538.8	-546.1	-481.9	-517.3	-1%	10%
NOI	4,024.0	3,774.6	3,747.3	3,667.7	3,577.6	0.7%	9.7%
NOI margin over Rental revenues	88.1%	88.4%	88.6%	88.8%	87.8%	-0.3%	0.5%

(1) NOI margin over property revenues includes dividend over rent related to fiduciary rights

MD&A prologue

During this quarter we made some changes to the way we present certain information; in particular data on the performance of FUNO's business segments. We decided to make these changes not only to provide more transparency to our information; but also so that our investors to gain a better understanding of the company's operations.

In the information by business segment, we separated an asset category called "Others" from the retail segment. In this new segment we included hotels, universities, bank branches and one hospital. The rationale behind this change is to only present the company's retail operations in the retail segment.

Within retail, we removed the *Neighborhood center* category, which became part of the *Regional center* category. We grouped the categories this way because it is a better representation of the properties we have in the portfolio which are: *fashion mall, regional center and stand alones*.

The Industrial and Office segments remain unchanged in their property composition. With the exception of mix-used properties where the "Others" portion was extracted.

Quarterly MD&A

The results below show the comparison between the fourth quarter of 2019 and third quarter of 2019 with some year over year highlights:

Revenues

FUNO's total revenues increased by Ps. 337.2 million to Ps. 5,093.1 million or 7.1% above 3Q19. This is mainly attributed to:

- i. The recent acquisition of TITAN portfolio.
- ii. The effect of increases in active contracts as well as renewals at higher rental rates.
- iii. Increase in occupied gross leasable area.
- iv. The occupancy rate increase in the *In Service* properties which are in their ramp-up phase.

Occupancy

FUNO's total occupancy at the close of 4Q19 was 94.5%, 20 bps above the previous quarter.

- i. Retail recorded a 93.3% occupancy rate, 100 bps below 3Q19. Mainly due to the properties' reclassification; where hotels, universities, hospital and bank branches were extracted from retail and are now part of the "Others" segment.
- ii. Industrial recorded a 96.6% occupancy rate, 50 bps below 3Q19.
- iii. Office recorded an 83.6% occupancy rate, a 20 bps decrease compared to 3Q19.
- iv. Others recorded a 99.7% occupancy.
- v. "*In Service*" properties occupancy decreased from 81.0% to 72.3%, a 870 bps decrease due to the recent inclusion of "Torre M"'s sqm to this category.

Maintenance Expenses, Property Taxes and Insurance

Maintenance expenses increased by Ps. 21.8 million, or 4.6% from 3Q19, mainly due to expenses seasonality.

Insurance expenses increased by Ps. 1.1 million, or 1.7% compared to the prior quarter, as a result of the addition of properties recently acquired as well as properties that recently started operations.

Property taxes increased by Ps. 9.5 million, or 6.7%, mainly due to the addition of properties from TITAN portfolio and the updated sqm in properties that were under development and are now operating.

Net Operating Income (NOI)

NOI increased during 4Q19 by Ps. 249.4 million, or 6.6% from 3Q19, to Ps. 4,024.0 million, while the NOI margin calculated over property revenues was 88.1%⁽¹⁾ and 79.0% over total revenues.

Interest Expense and Income

Net interest expense was Ps. 36.2 million, a 2.8% decrease compared to 3Q19, mainly due to:

- i. The increase in total debt.
- ii. The decrease in interest income as a result of a decrease in our liquidity position.
- iii. The effect of capitalized interests linked to development and acquisitions.
- iv. Compared to 4Q18, the net effect of this results in a 34.5% expense increase.

As mentioned in 1Q19, during the fourth quarter of 2018 a higher than normal portion of interest expense was capitalized. The following table shows the effect of normalizing interest capitalization in 4Q18 and its comparison against 4Q19:

	Reported 4Q18	Normalized 4Q18	Reported 4Q19	Reported 4Q19 vs Reported 4Q18	Reported 4Q19 vs normalized 4Q18
Interests	-1,112.6	-1,310.1	-1,415.6	27.2%	8.1%
FFO	2,353.2	2,155.7	2,475.6	5.2%	14.8%

Funds from Operations (FFO)

As a result of the above, the funds from operations controlled by FUNO increased by Ps. 254.8 million, or 11.5% from 3Q19, to Ps. 2,475.6 million.

Adjusted Funds from Operations (AFFO)

FUNO's AFFO increased by Ps. 244.3 million, or 10.9% from 3Q19, totaling Ps. 2,475.6 million.

FFO and AFFO per CBFi

During the fourth quarter of 2019, Fibra Uno did not repurchase any CBFIs. The FFO and AFFO per average CBFi⁽²⁾ were Ps. 0.6302 in both cases.

Balance Sheet

Accounts Receivable

- i. Accounts receivable in 4Q19 totaled to Ps. 1,488.2 million, decreasing by Ps. 160.6 million, or 9.7% from the previous quarter. As a result of the effort and improvements in the collections process.

Investment properties

The value of our investment properties increased by Ps. 23,581.7 million from 3Q19, including investments in associates, as a result of the following:

- i. The acquisition of the TITAN portfolio.
- ii. The acquisition of the first property (Tepeji) from batch one of properties denominated Hercules.
- iii. Normal progress in the construction of projects under development.
- iv. Asset revaluation, including investments in associates. During 4Q19 certain portions of Mitikah were revalued to Market Value according to the independent appraiser. The rest of the project remains valued at cost.

Debt

Total debt in 4Q19 totaled Ps. 107,724.2 million, compared to Ps. 98,568.5 million recorded in the previous quarter. This increase is mainly due to:

- i. New mortgage loan for Ps. 123.5 million
- ii. Net increase in Bilateral credit lines for Ps. 1,800 million
- iii. New credit for the TITAN acquisition for USD 500 million (Ps. 9,458.3 million)
- iv. Investment in properties under development.

Total Equity

Total equity increased by Ps. 4,884.3 million, or 3.0% (including participation of controlling and non-controlling interests) in 4Q19 compared to the previous quarter as a result of:

- i. Derivatives valuation.
- ii. Net income generated from quarterly results.
- iii. Shareholders' distribution related to 3Q19 results.
- iv. Provision for the Executive Compensation Program (ECP).

Operating results

Leasing spread:

Leasing spread in pesos reached 570 bps in the retail segment, 860 bps in the industrial segment and minus 130 bps in the office segment, all compared with peso inflation rate. Contracts denominated in dollars had a leasing spread versus inflation rate in dollars of 100 bps in the industrial segment, 90 bps in the office segment and of minus 200 bps for the retail segment.

For more detail see page 18.

Constant Properties:

The rental price per square meter in constant properties was 200 bps above annual weighted average inflation of 3.3% compared to 4Q18.

For more detail see page 16.

The performance of leasing spreads and constant properties' average rents confirm the solid trend of our operations.

Subsegment:

At the subsegment level, we can see that the total price per square meter of the company decreased from Ps. 180.7 to Ps. 164.8. This is mainly due to the 1.3 million industrial square meters added to the portfolio (TITAN Portfolio + Tepeji), which are cheaper square meters than those of other segments (retail, offices and others). However, total NOI for the quarter increased substantially despite the fact that TITAN portfolio revenues were only partially reflected.

For more details see page 21.

NOI and FFO Conciliation

Figures in million pesos

						Δ%	Δ%
	4Q19	3Q19	2Q19	1Q19	4Q18	4Q19vs3Q19	4Q19vs4Q18
Rental revenues	4,567.7	4,269.8	4,227.6	4,129.5	4,074.5	7.0%	12.1%
Total Revenues	5,093.1	4,755.9	4,736.9	4,603.2	4,514.8	7.1%	12.8%
- Operating Expenses	-354.3	-298.9	-291.1	-289.9	-286.6	18.6%	23.7%
- Maintenance Expenses	-495.6	-473.8	-517.5	-452.8	-451.2	4.6%	9.8%
- Property Taxes	-152.6	-143.0	-116.3	-121.9	-128.5	6.7%	18.7%
- Insurance	-66.6	-65.5	-64.8	-70.9	-70.9	1.7%	-6.0%
- +/- Non-Recurring Items	0.0	0.0	0.0	0.0	0.0	0.0%	0.0%
Net Operating Income (NOI)	4,024.0	3,774.6	3,747.3	3,667.7	3,577.6	6.6%	12.5%
Margin over Total Revenues	79.0%	79.4%	79.1%	79.7%	79.2%	-0.4%	-0.2%
Margin over Rental Revenues	88.1%	88.4%	88.6%	88.8%	87.8%	-0.3%	0.3%
FFO and AFFO Reconciliation							
Consolidated Comprehensive Net Income	7,017.5	1,970.2	5,473.5	4,263.8	7,006.2	256.2%	0.2%
+/- Fair Value Adjustments	-2,714.6	-1,072.3	-3,225.5	-1,556.8	-6,493.3	153.2%	-58.2%
+/- Foreign Exchange Variation, Net	-1,976.7	953.9	-160.6	-491.8	1,234.7	-307.2%	-260.1%
+/- Valuation Effect on Financial Instruments	-113.0	117.3	-108.8	-83.1	367.1	-196.3%	-130.8%
+ Banking Commissions Amort.	51.3	43.6	58.8	41.6	37.7	17.6%	36.3%
+ Provision for the EPC	142.0	244.8	107.4	107.9	260.6	-42.0%	-45.5%
+ Administrative Platform Amort.	25.5	25.5	25.5	25.5	25.5	0.0%	0.0%
Participation non-controlling	-14.8	-51.8	-37.0	-48.8	-36.2	-71.5%	-59.3%
+/- Other(income/expenses)	58.2	0.0	72.8	0.0	0.0	100.0%	100.0%
+/- Gain from sales of investment properties	0.0	-10.6	0.0	-40.0	-49.1	100.0%	-100.0%
FFO	2,475.6	2,220.7	2,206.2	2,218.4	2,353.2	11.5%	5.2%
+ Gain from sales of investment properties	0.0	10.6	0.0	40.0	49.1	100.0%	-100.0%
AFFO	2,475.6	2,231.3	2,206.2	2,258.4	2,402.3	10.9%	3.1%
PER CBF							
NOI ⁽¹⁾	1.0244	0.9642	0.9633	0.9428	0.9176	6.2%	11.6%
FFO ⁽¹⁾	0.6302	0.5672	0.5671	0.5703	0.6036	11.1%	4.4%
AFFO ⁽¹⁾	0.6302	0.5699	0.5671	0.5806	0.6162	10.6%	2.3%
Distribution ⁽²⁾	0.5899	0.5850	0.5836	0.5806	0.5755	0.9%	2.5%

(1) Calculated using the average CBFIs in the period (see page 5). (2) Distribution/CBFI is calculated based on CBFIs eligible for distribution.

NAV Calculation:

NAV is the “net asset value”, including, but not limited to investment properties’ value after liabilities and obligations are deducted. For the valuation of investment properties, the different independent appraisers use three different methodologies: rent capitalization, replacement cost and comparable transactions. It is also worth noting that appraisers do not use an average of these methodologies. Instead, depending on the characteristics of a given property they vary the weight of each methodology as appropriate. Our assets appraisals are done through an independent appraiser once a year, we conduct an internal estimated adjustment on a quarterly basis.

Properties under development and land are valued at cost.

Following the FUNO’s NAV calculation breakdown for 4Q19:

NAV FUNO	Ps. (000's)
Total controlling interest	163,444
Non-controlling interest	4,012
Total Net Asset Value	167,456
CBFIs (million)	3,928.2
NAV/CBFI*	\$ 41.61

CAP RATE	Ps. (000's)
NOI ⁽¹⁾ (last quarter x 4) ⁽¹⁾	16,160
Investment completed	232,039
Investments in associates	7,657
Rights over properties with operating leases	3,033
Total operating properties ⁽²⁾	242,729
CAP RATE	6.7%

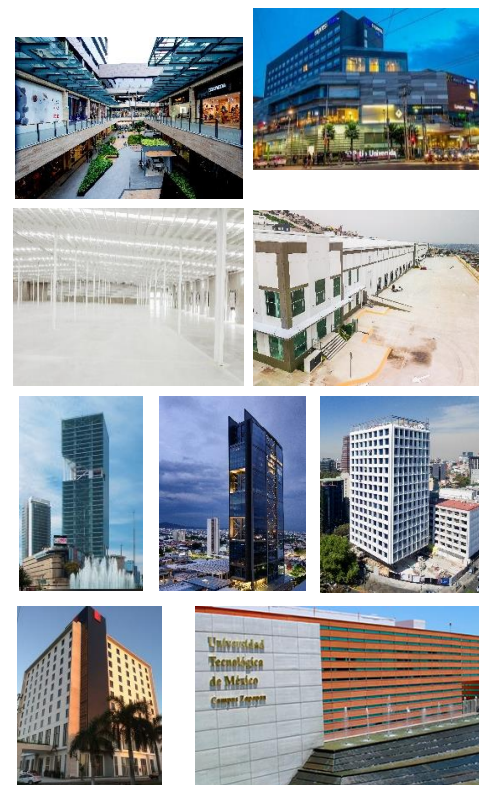
Note: Within the portfolio, there are several properties that are not yet generating their potential stabilized cashflow; adding 100% in value but only partially reflecting their expected cashflow. Among these are: Torre M, Mariano Escobedo, Midtown Jalisco, Centrumpark, Torre Cuarzo, etc. In the same line, the TITAN portfolio adds up to 100% of the value and only reflects a partial contribution of cashflows during the quarter.

(1) NOI at property level (see page 21)

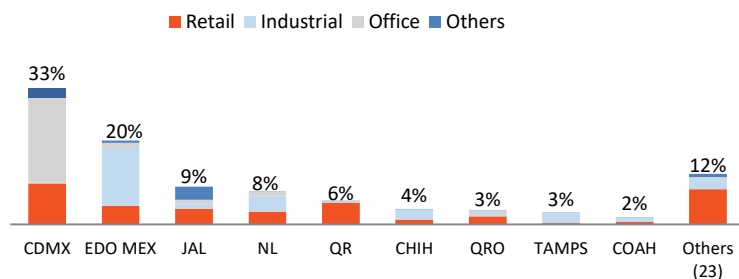
(2) Includes “In service” properties and fair value of Centro Bancomer. Excludes land and properties under development.

Portfolio Summary

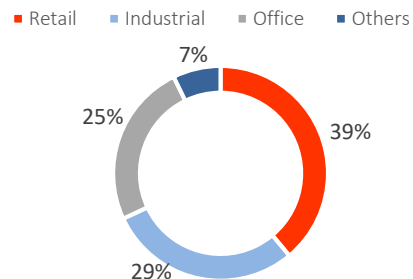
	4Q19 ⁽⁵⁾	3Q19	2Q19	1Q19	4Q18	Δ% 4Q19vs3Q19	Δ% 4Q19vs4Q18
Retail							
Total GLA ('000 sqm)	2,751.3	3,402.5	3,398.6	3,361.1	3,294.7	-19.1%	-16.5%
Number of operations ⁽¹⁾	146	348	348	347	346		
Average contract term (years)	4.5	5.4	5.3	5.5	5.5		
Total Occupancy	93.3%	94.3%	94.4%	94.5%	94.8%	-1.2%	-1.6%
Industrial							
Total GLA ('000 sqm)	5,423.8	4,130.5	4,118.9	4,118.9	4,117.7	31.3%	31.7%
Number of operations ⁽¹⁾	191	116	116	116	116		
Average contract term (years)	3.7	3.5	3.5	3.6	3.6		
Total Occupancy	96.6%	97.1%	97.3%	97.6%	97.2%	-0.5%	-0.6%
Office							
Total GLA ('000 sqm)	1,274.9	1,211.6	1,212.5	1,201.1	1,202.4	5.2%	6.0%
Number of operations ⁽¹⁾	99	96	96	96	97		
Average contract term (years)	4.3	3.5	3.4	3.7	3.4		
Total Occupancy	83.6% ⁽⁴⁾	83.8%	89.0%	89.0%	89.3%	-0.3%	-6.4%
Others							
Total GLA ('000 sqm)	680.4					100.0%	100.0%
Number of operations ⁽¹⁾	205						
Average contract term (years)	6.8						
Total Occupancy	99.7%					100.0%	100.0%



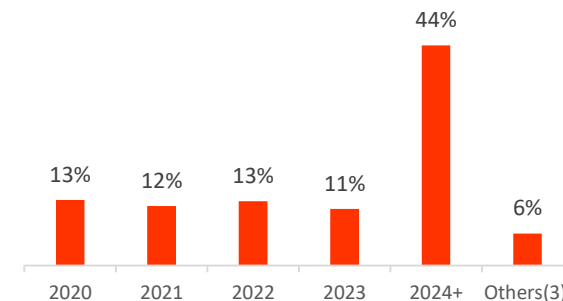
Revenues by Geography
(% ABR, as of 4Q'19)



Revenues by Segment ⁽²⁾
(% ABR, As of 4Q'19)



Lease Expiration Profile
(% ABR, al 4Q'19)



1) Number of operations by segment. The number of properties is 615 (2) It considers revenues for signed contracts and 100% of the revenues derived from the fiduciary rights of Torre Mayor, Torre Diana and Antea, as well as 100%, of the rents at Torre Latino. (3) Statutory leases. (4) Excluding Centrumpark occupancy is 87.9%. (5) New classification applies.

“In Service” Properties

The following tables show FUNO’s occupancy by segment at the close of 4Q19, excluding “In Service” properties:

SEGMENT	4Q'19				
	AVAILABLE SQM	OCCUPIED SQM	IN SERVICE SQM	TOTAL	% OCCUPANCY
RETAIL	179,851	2,485,275	86,220	2,751,346	93.3%
INDUSTRIAL	183,422	5,240,337		5,423,759	96.6%
OFFICE	181,292	922,772	170,823	1,274,887	83.6%
OTHERS	1,916	659,013	19,492	680,421	99.7%
TOTAL	546,481	9,307,397	276,535	10,130,413	94.5%

In terms of the “In Service” properties, the occupancy rate at the close of 4Q19 was the following:

SEGMENT	AVAILABLE SQM	OCCUPIED SQM	TOTAL SQM	% OCCUPANCY 4Q19	VS 3Q19
RETAIL	22,174	64,046	86,220	74.3%	-4.7%
INDUSTRIAL			0	n/a	n/a
OFFICE	54,376	116,447	170,823	68.2%	-14.7%
OTHERS	0	19,492	19,492	100.0%	100.0%
TOTAL	76,550	199,985	276,535	72.3%	-8.7%

Note: The following properties comprise our *In Service* category: Torre Cuarzo, Midtown Jalisco, Guanajuato, Mariano Escobedo and recently added Torre M. The inclusion of this last property is the reason why the occupancy rate of this category went down.

CONSTANT PROPERTY RENTS

ANNUAL REVENUES AT CONSTANT PROPERTIES				
Segment	4Q18 (Ps.) 000's	4Q19 (Ps.) 000's	% Variation	
INDUSTRIAL	\$ 3,882.5	\$ 4,118.2	6.1%	
RETAIL	\$ 8,622.8	\$ 9,099.9	5.5%	
OFFICE	\$ 4,046.8	\$ 4,399.5	8.7%	
Total	\$ 16,552.1	\$ 17,617.6	6.4%	

OCCUPANCY AT CONSTANT PROPERTIES			
Segment	4Q18	4Q19	% Variation
INDUSTRIAL	97.2%	97.0%	-0.2%
RETAIL	94.9%	94.0%	-0.9%
OFFICE	82.0%	83.7%	1.6%
Total	94.2%	94.0%	-0.2%

TOTAL GLA AT CONSTANT PROPERTIES			
Segment	4Q18	4Q19	% Variation
INDUSTRIAL	4,117,666	4,135,490	0.4%
RETAIL	3,262,703	3,315,460	1.6%
OFFICE	1,205,278	1,212,459	0.6%
Total	8,585,647	8,663,409	0.9%

\$ /SQM AT CONSTANT PROPERTIES					
Segment	4Q18 (Ps.)	4Q19 (Ps.)	% Var. \$ / M2	Spread vs inflation @ 3.3%	
INDUSTRIAL	\$ 81.3	\$ 85.5	5.2%	1.9%	
RETAIL	\$ 232.2	\$ 243.4	4.8%	1.5%	
OFFICE	\$ 347.7	\$ 365.7	5.2%	1.9%	
Total	\$ 171.5	\$ 180.6	5.3%	2.0%	

During the fourth quarter of 2019, FUNO recorded an increase in same-store rents of 6.4% compared to the same quarter of last year. The segment with the largest increase in the period was the office segment with 8.7%, followed by industrial with 6.1%, and then lastly, retail with 5.5%. These increases were mainly impacted by the leasing activity of the In Service properties along with leases renewals at rates significantly above inflation.

Total occupancy rate for constant properties decreased 20 bps. The industrial segment decreased 20 bps, the retail segment decreased 90 bps and the office segment increased 160 bps. The drop in occupancy is mainly due to the newly added sqm from *In Service* properties such as Midtown Jalisco, which is still in ramp-up phase, as well as strategic movements of our tenants in all segments.

Total gross leasable area (GLA) increased 0.9%. The retail segment recorded the highest growth at 1.6%, followed by the office segment with 0.6% and the industrial segment with 0.4%. The overall growth is related to the inclusion of *In Service* Properties that have one year operating, as well as constant expansions made to meet tenants' needs.

In terms of rents per square meter, the segments with the highest growth rate were industrial and office segments both with 1.9% spreads above inflation, followed by the retail segment with a growth rate of 1.5% above inflation. All three segments continue to show the strong performance of our operations.

The global growth in price per square meter for constant properties compared with the annual weighted average inflation rate was 2.0%.

Additional Information

Revenues by segment

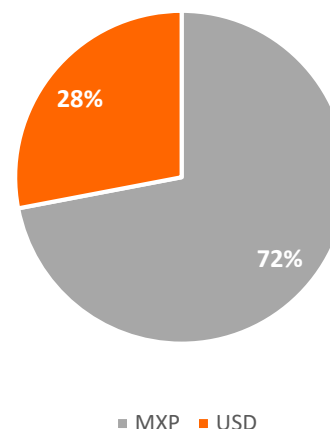
Segment	Revenues 3Q19	Revenues 4Q19	% Variation
Retail	2,352,817	2,418,274	2.8%
Industrial	1,025,053	1,246,016 ⁽¹⁾	21.6%
Office	799,314	811,938	1.6%
TOTAL	4,177,184	4,476,228	7.2%

Acquisitions Pipeline

Segment	Investment (Ps. mm)	Stabilized NOI (Ps. mm)
Industrial	8,495.3	634.1
Retail	2,067.8	188.4
Office		
Others	5,652.9	585.5
	16,216.1	1,408.0

Note: Refers to possible future acquisitions.

Leases breakdown by currency



(1) TITAN Revenues are only partially reflected as the acquisition was performed during the quarter.

Leasing Spread Indicators by segment

Leasing Spread considers contracts that underwent changes compared to the same contracts from the previous year:

LEASE SPREAD 4Q 2019									
Currency	Segment	# cases	Annualized revenues (000's)	2019 SQM	\$ / SQM 2018 (000's)	\$/SQM 2019 (000's)	% Var \$ / SQM 2019 vs 2018	Average inflation 12 months	% Variation vs Inflation
MXP	Retail	1,219	756,274	175,058	\$ 328.7	\$ 360.0	9.5%	3.8%	5.7%
	Industrial	72	517,362	533,258	\$ 71.9	\$ 80.8	12.4%	3.8%	8.6%
	Office	74	363,156	114,562	\$ 257.6	\$ 264.2	2.5%	3.8%	-1.3%
USD	Retail	80	276,703	4,782	\$ 58.0	\$ 57.9	-0.2%	1.8%	-2.0%
	Industrial	21	812,735	154,727	\$ 5.1	\$ 5.3	2.8%	1.8%	1.0%
	Office	21	570,355	29,655	\$ 18.7	\$ 19.2	2.7%	1.8%	0.9%

During the fourth quarter of 2019, the leasing spread above inflation in pesos (INPC), was 8.6% for the industrial segment, 5.7% for the retail segment and minus 1.3% for the office segment.

For dollar-denominated leases, the industrial segment delivered a 1.0% above US CPI inflation spread while the office segment's spread was 0.9%, and the retail segment had a 2.0% negative spread. Some renewals additionally increased the average life and GLA of the leases.

In the particular case of the retail USD contracts, it is important to highlight that only 4,782 sqm were renewed, therefore it is not a representative sample of the segment.

Over the quarter the exchange rate appreciated from 19.6808 to 18.8727 (-4.10 %).

In general, all three segments continued to record stable growth in terms of the price per square meter for renewed contracts.

The leasing spread considers solely fixed rents. That is, if variable rents were to be included the spread would be greater.

Occupancy Rate by Portfolio

Portfolio	Properties ⁽¹⁾	Total GLA ⁽²⁾	Occupied GLA ⁽²⁾	Occupancy ⁽³⁾
01000 INICIAL	17	719,212	679,633	94%
02000 GRIS	1	78,643	78,643	100%
03000 BLANCO	1	44,473	42,832	96%
04000 AZUL	23	125,175	118,007	94%
05000 ROJO	219	173,884	143,260	82%
06000 SENDERO VILLAHERMOSA	1	21,707	17,972	83%
07000 VERDE	1	117,786	117,786	100%
08000 MORADO	16	546,186	494,293	90%
09000 TORRE MAYOR	1	83,971	83,924	100%
10000 PACE	2	43,593	43,593	100%
12000 G30	32	1,965,624	1,863,404	95%
13000 INDIVIDUALES INDUSTRIALES	2	77,820	67,543	87%
15000 INDIVIDUALES	9	233,343	158,161	96%
16000 VERMONT	34	529,871	483,001	91%
17000 APOLO	47	928,692	895,513	96%
18000 P12	10	91,059	75,855	83%
19000 MAINE	6	160,464	152,694	95%

Portfolio	Properties ⁽¹⁾	Total GLA ⁽²⁾	Occupied GLA ⁽²⁾	Occupancy ⁽³⁾
21000 CALIFORNIA	30	398,653	361,876	91%
22000 ESPACIO AGUASCALIENTES	1	22,531	22,095	98%
23000 LA VIGA	1	50,776	42,021	83%
24000 R15	4	292,694	176,008	96%
25000 SAN MATEO	1	5,440	5,440	100%
26000 HOTEL CENTRO HISTORICO	1	40,000	39,983	100%
28000 SAMARA	1	133,301	128,770	97%
29000 KANSAS	12	366,681	330,856	90%
31000 INDIANA	17	256,161	256,161	100%
32000 OREGON	3	34,031	32,315	95%
33000 ALASKA	6	123,963	114,681	93%
34000 TURBO	18	484,683	428,846	93%
37000 APOLO II	16	236,893	233,106	98%
38000 FRIMAX	3	264,732	264,732	100%
40000 TITAN	76	1,262,457	1,200,786	95%
41000 INDIVIDUALES HERCULES	1	47,565	47,565	100%
94000 MITIKAH	2	168,347	106,041	100%
Total	615	10,130,413	9,307,398	94.5%



(1) Number of properties, (2) Excludes GLA under development and includes total GLA of Torre Mayor, Torre Diana and Antea. (3) Excludes the 276,534 sqm of *In Service* properties for occupancy calculation.

Portfolio Occupancy by Geography

STATE	OCCUPIED GLA ⁽¹⁾			
	RETAIL	INDUSTRIAL	OFFICE	OTHERS
AGUASCALIENTES	32,519	43,423	1,248	11,910
BAJA CALIFORNIA	-	187,321	4,054	9,025
BAJA CALIFORNIA SUR	26,667	-	-	773
CAMPECHE	-	-	-	951
CHIAPAS	103,766	15,585	-	5,832
CHIHUAHUA	97,155	454,460	-	10,886
CIUDAD DE MEXICO	500,316	44,934	727,488	196,115
COAHUILA	44,784	141,699	-	6,669
COLIMA	13,191	-	381	719
DURANGO	-	23,185	-	1,163
ESTADO DE MEXICO	446,299	2,614,740	74,341	64,988
GUANAJUATO	32,015	28,317	-	2,226
GUERRERO	57,475	-	-	4,838
HIDALGO	58,985	-	-	1,473
JALISCO	164,784	225,301	14,225	238,768
MICHOACAN	-	-	-	1,061

STATE	OCCUPIED GLA ⁽¹⁾			
	RETAIL	INDUSTRIAL	OFFICE	OTHERS
MORELOS	13,810	4,627	-	23,221
NAYARIT	44,107	-	-	320
NUEVO LEON	204,501	654,748	39,442	15,349
OAXACA	27,242	-	-	6,197
PUEBLA	-	100,994	655	1,050
QUERETARO	82,918	187,825	27,484	2,244
QUINTANA ROO	215,100	27,857	14,316	11,998
SAN LUIS POTOSI	7,142	25,192	-	2,137
SINALOA	17,041	-	820	1,996
SONORA	71,497	15,959	5,711	10,187
TABASCO	17,972	-	-	300
TAMAULIPAS	20,621	413,372	3,621	6,660
TLAXCALA	35,416	-	-	-
VERACRUZ	79,877	-	5,014	8,191
YUCATAN	63,067	-	3,973	11,767
ZACATECAS	7,008	30,798	-	-
	2,485,275	5,240,337	922,772	659,013

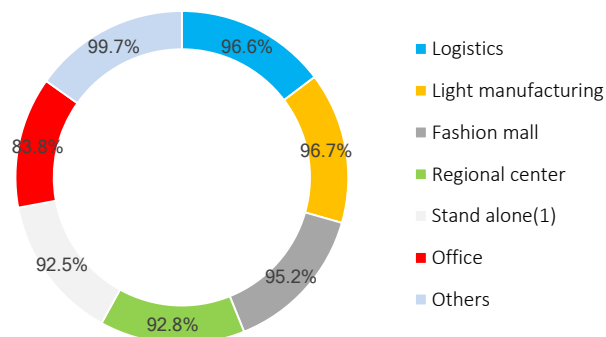
(1) Excludes GLA *In Service* and under development

Summary by Subsegment

Subsegment ⁽³⁾	Total GLA ⁽⁵⁾	Occupied GLA ⁽⁵⁾	% Occupancy ⁽⁵⁾	\$/sqm/month	NOI ⁽⁴⁾ 4Q19
Logistics	3,911.7	3,777.5	96.6%	81.1	799,631.8
Light manufacturing	1,502.8	1,453.7	96.7%	93.0	306,988.1
Fashion mall	551.0	524.8	95.2%	358.8	525,867.0
Regional center	1,927.7	1,788.6	92.8%	230.2	1,091,862.9
Stand alone ⁽¹⁾	174.6	161.4	92.5%	118.1	47,661.3
Office	1,125.1	942.4	83.8%	360.9	825,201.2
Others	660.9	659.0	99.7%	202.5	442,706.4
Total	9,853.9	9,307.4	94.5%	164.8	4,039,918.6

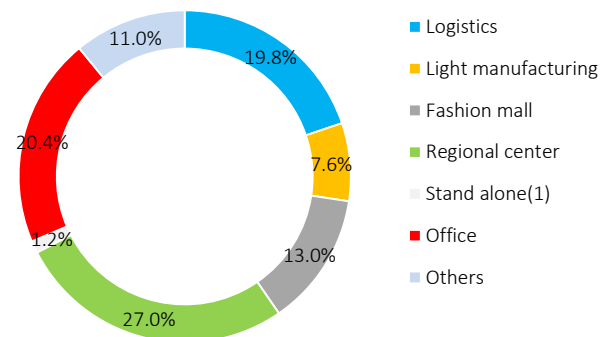
Occupancy by Subsegment

(% GLA) 4Q19



NOI by Subsegment

(% NOI) 4Q19



(1) Properties from the Red Portfolio are classified as *Others*, with the exception of Office buildings (2) Office NOI includes 100% of Centro Bancomer as we consolidate Mitikah; however, only 62% corresponds to FUNO. (3) Classification different from segment classification. (4) NOI at property level. (5) It does not consider SQM for *In Service*.

Portfolio Under Development

Figures in million pesos

Portfolio	Project ⁽³⁾	Segment	Final GLA (sqm)	CapEx to Date	Pending CapEx	Annualized Revenue Base (A)	Additional Estimated Revenues (B)	Annual- Total Estimated Revenues (A+B) ⁽¹⁾	Delivery Date
La Viga	La Viga	Office	28,553.0	251.6	5.8	0	85.7	85.7	1Q'20
Frimax	Tepozpark (la Teja) ⁽²⁾	Industrial	352,340.5	1,078.2	3,121.8	0	362.9	362.9	1Q'21
R15	La Isla Cancun 2	Retail	35,000.0	3,314.3	185.7	0	376.0	376.0	1Q'20
Turbo	Tapachula	Retail	32,248.0	498.0	392.5	0	100	100	2Q'20
Apolo II	Satelite	Retail/Office	60,400.0	341.6	1,473.5	0	209.4	209.4	2Q'21
Total			508,541.5	5,483.7	5,179.3	0.00	1,134.0	1,134.0	

Helios Co-investment

Portfolio	Project	Segment	Final GLA (sqm)	CapEx to Date	Pending CapEx	Annualized Revenue Base (A)	Additional Estimated Revenues (B)	Annual- Total Estimated Revenues (A+B) ⁽¹⁾	Delivery Date
Mitikah	Mitikah ⁽⁴⁾	Retail/Office	275,104	5,135.5	3,991.5	0	1992	1992	2Q'24

(1) Assumes revenues from properties completely stabilized.

(2) This project will be delivered in one exhibition in 1Q21.

(3) The table under development only includes the most relevant projects.

(4) The mixed-uses project under development Mitikah, includes the portfolios of Colorado and Buffalo. The value of land is excluded.

Helios Co-Investment

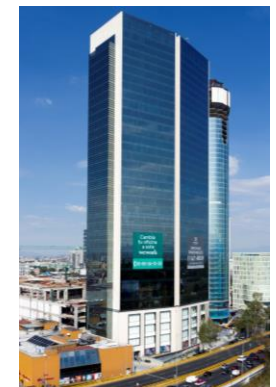
- Helios has committed a total of Ps. 3,800 million.
- A total of Ps. 5,135.5 million have been invested in the project, in addition to the reinvestment of condos' pre-sales proceeds and key money from retail spaces.
- Mitikah will have an approximate GLA of 337,410 m2 to be developed in two stages that are expected to be completed by 2024.



The financial information is summarized below:

Assets	<u>\$1,740,639</u>
Investment properties	<u>\$9,504,345</u>
Current liabilities	<u>\$2,581,564</u>
Shareholders' equity attributed to Fibra UNO	<u>\$5,371,354</u>
Non-controlling participation	<u>\$3,292,120</u>

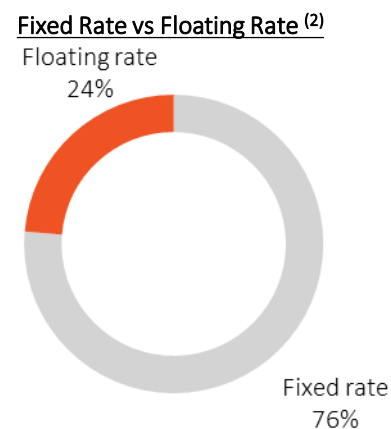
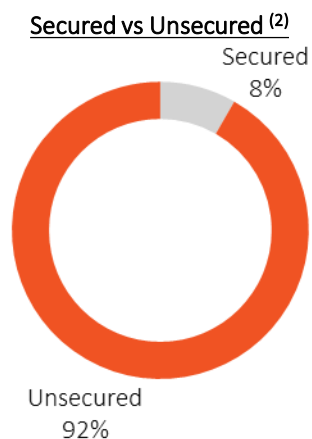
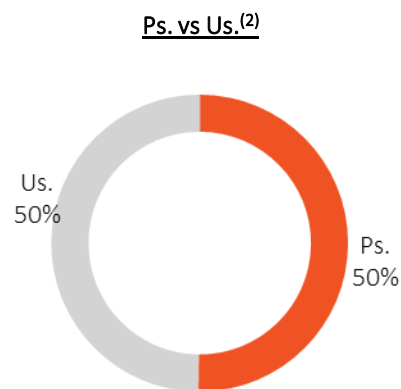
	<u>31/12/2019</u>
Annual Net Income	<u>\$291,017</u>
Annual Net income attributed to the non-controlling participation	<u>\$110,586</u>



Credit Profile

At the close of the quarter, FUNO was in full compliance with its public-debt covenants:

Metric	FUNO	Limit	Status
Loan-to-Value (LTV) ⁽¹⁾	38.5%	Lesser or equal to 60%	Compliant ✓
Secured debt limit	3.2%	Lesser or equal to 40%	Compliant ✓
Debt service coverage ratio	1.92x	Greater or equal to 1.5x	Compliant ✓
Unencumbered assets to unencumbered debt	257.8%	Greater or equal to 150%	Compliant ✓



(1) Considers the value of total assets excluding account receivable and intangibles

(2) Includes hedging effect of interest and foreign exchange rates

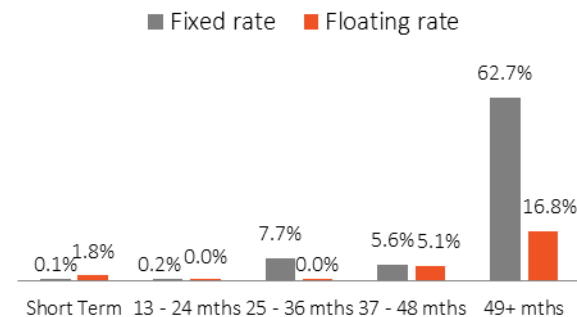
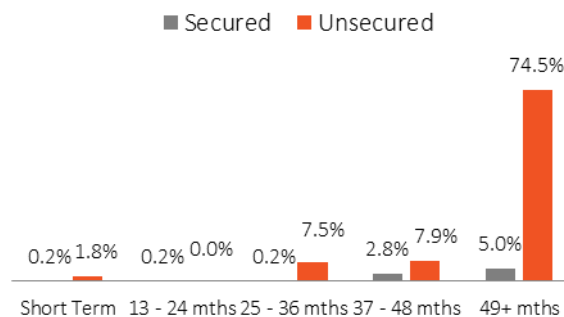
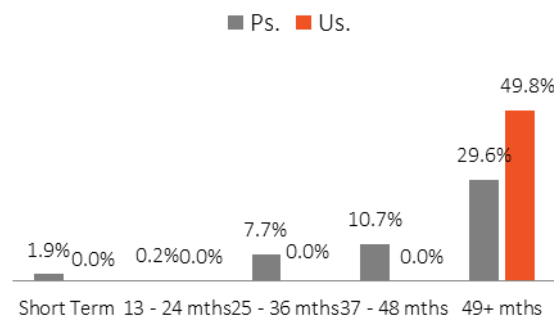
Compliance with CNBV Regulation (CNBV)

Metric *Figures in million pesos*

Liquid Assets ⁽²⁾	7,009.3
Operating income after distributions	13,233.0
Lines of Credit	21,237.8
Subtotal	41,480.1
Debt service	13,053.3
CapEx	5,548.2
Subtotal	18,601.5



	FUNO	Limite	Status
Loan-to-Value (LTV)	38.1%	Lesser or equal to 50%	Compliant
Debt coverage service ratio ⁽¹⁾	2.23x	Greater or equal to 1.0x	Compliant



(1) Liquid assets + Operating income + lines of credit / Debt service + Estimated Capex for the following 18 months

(2) Includes cash and cash equivalents, refundable VAT and excludes restricted cash and reserve funds for bank loans

(3) Graphs include the hedging effect of interest and foreign exchange rates

All figures are in million pesos.

Quarterly distribution

- Following FUNO's commitment to constantly create value for its CBFi's holders, the Technical Committee approved a quarterly distribution of Ps. 2,317.6 million corresponding to the period starting October 1st, 2019 and ending December 31st, 2019. This equals Ps. 0.5899 per CBFi⁽¹⁾.
- Under the Mexican Law, FUNO is obliged to pay at least 95% of its taxable income at least once a year.
- Below is the detail of historic distribution payments:

	2011	2012	2013	2014	2015	2016	2017	2018	2019
1Q	0.0343	0.196	0.37	0.4366	0.4921	0.502	0.5154	0.5297	0.5806
2Q	0.3022	0.3	0.41	0.4014	0.4934	0.4801	0.5115	0.5401	0.5836
3Q	0.3779	0.4045	0.4504	0.4976	0.5005	0.4894	0.5166	0.555	0.5850
4Q	0.3689	0.4216	0.48	0.489	0.5097	0.5116	0.5107	0.5755	0.5899

(1) Distribution/CBFi is calculated based on CBFis eligible for distribution: 3,928,194,243.

Financial Information

Balance Sheet

Figures in thousand pesos

Assets	Notes	31/12/2019	31/12/2018
Currents assets:			
Cash and restricted cash	3.-	\$ 3,042,914	\$ 4,408,926
Lease receivables from tenants, net	4.-	1,488,232	1,308,157
Other accounts receivable	5.-	1,341,626	419,080
Accounts Receivable - Related Parties	13.-	41,999	53,367
Refundable tax, mainly VAT		4,127,887	2,915,441
Short term pre-paid expenses		2,042,897	1,366,757
Total current assets		12,085,555	10,471,728
Non-current assets:			
Investment properties	6.-	259,582,453	223,515,535
Investments in affiliates	7.-	7,657,301	5,420,134
Other accounts receivable		1,262,464	1,262,464
Long term pre-paid expenses		792,432	347,951
Derivative Financial Instruments	10.-	-	267,245
Other assets, net	8.-	1,401,774	1,509,958
Total non-current assets		270,696,424	232,323,287
Total assets		282,781,979	242,795,015

Financial Information

Balance Sheet

Figures in thousand pesos

Liabilities and trustors' Net Asset Value	Notes	31/12/2019	31/12/2018
Short-term liabilities:			
Borrowings	9.-	2,064,512	2,390,561
Accounts payable and accrued expenses	11.-	3,968,486	2,348,590
Accounts payable due to acquisition of Investment Properties		926,236	435,236
Deferred revenues from Leases		387,735	332,147
Payables to related parties	13.-	250,568	205,174
Total short-term liabilities		7,597,537	5,711,708
Long-term liabilities:			
Borrowings	9.-	104,994,126	77,175,549
Payable to related parties		292,727	292,727
Deposits from tenants		1,162,532	957,077
Deferred revenues from Leases		611,953	552,639
Derivative Financial Instruments	10.-	666,689	-
Total long-term liabilities		107,728,027	78,977,992
Total liabilities		115,325,564	84,689,700
Net Asset Value			
Trustors' capital	14.-	109,935,017	112,947,866
Retained earnings		51,312,488	38,147,660
Valuation of derivative financial instruments on cash flow hedging		(697,358)	1,408
Trust certificates repurchase reserve		2,894,230	2,894,230
Total Controlling interest		163,444,377	153,991,164
Non-controlling interest		4,012,038	4,114,151
Total Net Asset Value		167,456,415	158,105,315
Total liabilities and Net Asset Value		\$ 282,781,979	\$ 242,795,015

The attached notes are comprehensive part of the interim consolidated condensed financial statements.

Financial Information

Income Statement

Figures in thousand pesos

	31/12/2019	Operations Fourth Quarter 2019	30/09/2019	31/12/2018	Operations Fourth Quarter 2018	30/09/2018
Investment property income	\$ 16,843,134	\$ 4,476,227	\$ 12,366,907	\$ 15,247,188	\$ 3,995,564	\$ 11,251,624
Maintenance revenues	1,824,583	485,021	1,339,562	1,589,735	419,925	1,169,810
Dividends of fiduciary rights' leases	351,524	91,504	260,020	267,584	78,893	188,691
Management fees, income	<u>169,842</u>	<u>40,349</u>	<u>129,493</u>	<u>100,622</u>	<u>20,416</u>	<u>80,206</u>
	19,189,083	5,093,101	14,095,982	17,205,129	4,514,798	12,690,331
Management fees, expenses	(898,508)	(225,329)	(673,179)	(836,498)	(215,431)	(621,067)
Operating expenses	(1,234,201)	(354,339)	(879,862)	(1,130,200)	(286,557)	(843,643)
Maintenance expenses	(1,939,700)	(495,620)	(1,444,080)	(1,749,849)	(451,245)	(1,298,604)
Property taxes	(533,806)	(152,555)	(381,251)	(466,688)	(128,541)	(338,147)
Insurance	<u>(267,771)</u>	<u>(66,611)</u>	<u>(201,160)</u>	<u>(211,950)</u>	<u>(70,861)</u>	<u>(141,089)</u>
	(4,873,986)	(1,294,454)	(3,579,532)	(4,395,185)	(1,152,635)	(3,242,550)
Operating income	14,315,097	3,798,647	10,516,450	12,809,944	3,362,163	9,447,781
Interest expense	(5,690,016)	(1,415,649)	(4,274,367)	(4,785,318)	(1,112,634)	(3,672,684)
Interest revenue	<u>648,127</u>	<u>107,326</u>	<u>540,801</u>	<u>600,755</u>	<u>139,870</u>	<u>460,885</u>
Income after financial expenses	9,273,208	2,490,324	6,782,884	8,625,381	2,389,399	6,235,982

Financial Information

Income Statement

Figures in thousand pesos

	31/12/2019	Operations Fourth Quarter 2019	30/09/2019	31/12/2018	Operations Fourth Quarter 2018	30/09/2018
Gain on sale of investment properties	50,575	-	50,575	223,291	49,115	174,176
Foreign exchange gain (loss), Net	1,675,181	1,976,671	(301,490)	(76,141)	(1,234,703)	1,158,562
Valuation effect on financial instruments	187,581	112,988	74,593	(948,972)	(367,109)	(581,863)
Fair value adjustment to investment properties and affiliates	8,712,632	2,714,609	5,998,023	10,450,045	6,493,281	3,956,764
Administrative platform amortization	(102,184)	(25,548)	(76,636)	(171,784)	(25,546)	(146,238)
Amortization of bank and other financial charges	(195,341)	(51,313)	(144,028)	(267,580)	(37,623)	(229,957)
Expenses related to acquisition of investment in associates	(150,744)	-	(150,744)	-	-	-
Investment properties sales taxes	(14,200)	-	(14,200)	-	-	-
Other expenses	(109,599)	(58,229)	(51,370)	-	-	-
Executive bonus	(602,099)	(142,014)	(460,085)	(563,488)	(260,588)	(302,900)
Consolidated net and comprehensive income	\$ 18,725,010	\$ 7,017,488	\$ 11,707,522	\$ 17,270,752	\$ 7,006,226	\$ 10,264,526
Controlling interest	18,574,747	7,004,415	11,570,332	17,180,277	6,969,527	10,210,750
Non-controlling interest	150,263	13,073	137,190	90,475	36,699	53,776
	\$ 18,725,010	\$ 7,017,488	\$ 11,707,522	\$ 17,270,752	\$ 7,006,226	\$ 10,264,526

Financial Information

Cash Flow

Figures in thousand pesos

	31/12/2019	31/12/2018
Operating activities:		
Consolidated net comprehensive income	\$ 18,725,010	\$ 17,270,752
Adjustments to non cash flow generated items:		
Fair Value Adjustment to investment properties and investment in affiliates	(8,712,632)	(10,450,045)
Non realized items effect	(411,319)	739,047
Gain on sale of investment properties	(50,575)	(223,291)
Administrative platform, fees and other expenses amortization	297,525	439,364
Executive Bonus	602,099	563,488
Interest revenue	(648,127)	(600,755)
Interest expense	5,690,016	4,785,318
Valuation effect on financial derivative instruments	(187,581)	948,972
Total	15,304,416	13,472,850
Working capital changes:		
(increase) Decrease on:		
Lease receivable	(180,075)	140,903
Other accounts receivables	(896,307)	180,670
Receivables to related parties	11,368	7,145
Refundable taxes, manily VAT	(1,212,446)	402,857
Prepayments and other assets	(1,309,962)	(303,287)
Increase (decrease) on:		
Accounts payable and sundry creditors	1,184,041	469,992
Lease receivables collected in advance	114,902	403,572
Other long term payables	-	239,450
Deposits from tenants	205,455	35,660
Payables to related parties	45,394	(4,927)
Net cashflow from operating activities	13,266,786	15,044,885

Financial Information

Cash Flow

Figures in thousand pesos

	31/12/2019	31/12/2018
Investment Activities		
Investment in development projects and acquisition expenses	(9,646,769)	(9,407,291)
Investment properties acquisitions	(18,467,504)	(2,543,190)
Investment properties sales	250,575	1,391,101
Investment in securities	-	2,406,004
Trustee rights purchase, (investment) and returns on affiliated	(1,477,179)	(890,661)
Payables due to investment properties acquisitions	491,000	-
Collected interests	621,888	587,724
Net cashflow from investment activities	(28,227,989)	(8,456,313)
Financing Activities		
Loan payments	(19,952,065)	(12,766,726)
New loans acquired	49,547,710	23,209,299
Trustor's contributions	-	675,062
Distributions to trust beneficiaries	(9,087,663)	(8,406,087)
Trust certificates repurchase	-	(2,000,869)
Paid interests	(6,912,791)	(6,118,769)
Net cashflow from financing activities	13,595,191	(5,408,090)
Cash and cash equivalents:		
Net (Decrease) Increase on cash and cash equivalents	(1,366,012)	1,180,482
Cash and Cash equivalents at beginning of the period	4,408,926	3,228,444
Cash and cash equivalents at end of the period	\$ 3,042,914	\$ 4,408,926

The attached notes are comprehensive part of the interim consolidated condensed financial statements.

Glossary:

NOI:

The net operating income is calculated by subtracting from total income, operating expenses, maintenance expenses, property tax, insurance and non-recurring expenses; excluding financial revenues/expenses and the management fee.

FFO:

Funds from operations are calculated by eliminating the effects of items that do not require cash, adding/ subtracting to the net consolidated income of the following: 1) Fair value adjustment; 2) foreign exchange rate variation; 3) valuation effect of financial instruments; 4) banking commissions amortization; 5) provision for executive bonus; 6) amortization of the administrative platform; 7) non-controlling participation; and 8) non-recurring items.

AFFO:

AFFO is obtained by adjusting the FFO adding/ subtracting 1) the gain in the sale of investment properties and subtracting 2) maintenance CAPEX.

Net Asset Value (NAV):

“Fair Market value” of all assets in the company. Including, but not limited to all properties after liabilities and obligations are subtracted. For the valuation of Investment Properties we use rent capitalization, replacement cost and comparable transactions. In addition, properties under development and land reserves are valued at cost.

Fair Value of Investment Properties:

Determined once a year by an independent appraiser. Said study considers three main methodologies in the valuation process: 1) property replacement cost; 2) value of comparable transactions; and 3) rent capitalization. Each category has its own weighted average depending on the specific condition of each of the properties, they are not equally weighted.

Fair value adjustment:

The result on the variation of the fair value of investment properties during the period.

Interest Capitalization:

The allocation of the of interest of the period that corresponds to the part of debt used for development.

Available funds for distribution:

For FUNO available funds for distribution equals AFFO of the period, even though the legal requirement equals to 95% of the fiscal exercise.

Glossary:

Developments:

Projects under construction.

Properties in Operation:

Refers to properties that are party of the operating portfolio. Including the properties in the “*In Service*” category.

Number of operations:

Defines the different uses in a single property based on the business segment. The company has mixed-use properties and for convenience is necessary to use different operators. Samara is a good example, in which there is a corporate office operator and another for the shopping center and hotel.

Leasing Spreads:

Considers the change in rent per square meter of contracts that were modified, due to a contract renewal; changing the conditions of the agreement and considering only fix rent.

Constant Properties:

Compares the revenue performance, price per square meter, GLA and constant occupancy over time. In terms of revenues and price per square meter, they are considered fixed + variable rents.

Properties *In Service* or transition:

With the goal of adding more transparency to the disclosure of occupancy at the properties, we have incorporated a new classification.

Properties will be considered *In Service* if they meet the following criteria:

1. Properties under development that were completed during the quarter being reported.
2. Properties in operation that saw their occupancy interrupted, affecting said occupancy at a rate greater than 75% due to renovations to be completed in a period greater than a year.
3. Acquired properties during the quarter with occupancy levels below 25%.

Note: Properties under development with construction completion dates that have *pre-leasing* equal or greater than 90% (i.e. Build to suit) will be accounted directly as properties in operation.

The stabilization period per segment is the following:

- Industrial: 12 months
- Retail: 18 months
- Office: 24 months

After the above-mentioned period, properties will be automatically considered properties in operation.