

**F U N O DAY 2019**

**NEW YORK CITY**

**November 14, 2019**





# WELCOME

by André El-Mann **CEO**





# **FUNO, BEST IN CLASS**

by Jorge Pigeon

**VP of Capital Markets & Investor Relations**



# TRIED AND TESTED MODEL



Best properties in the best locations

1

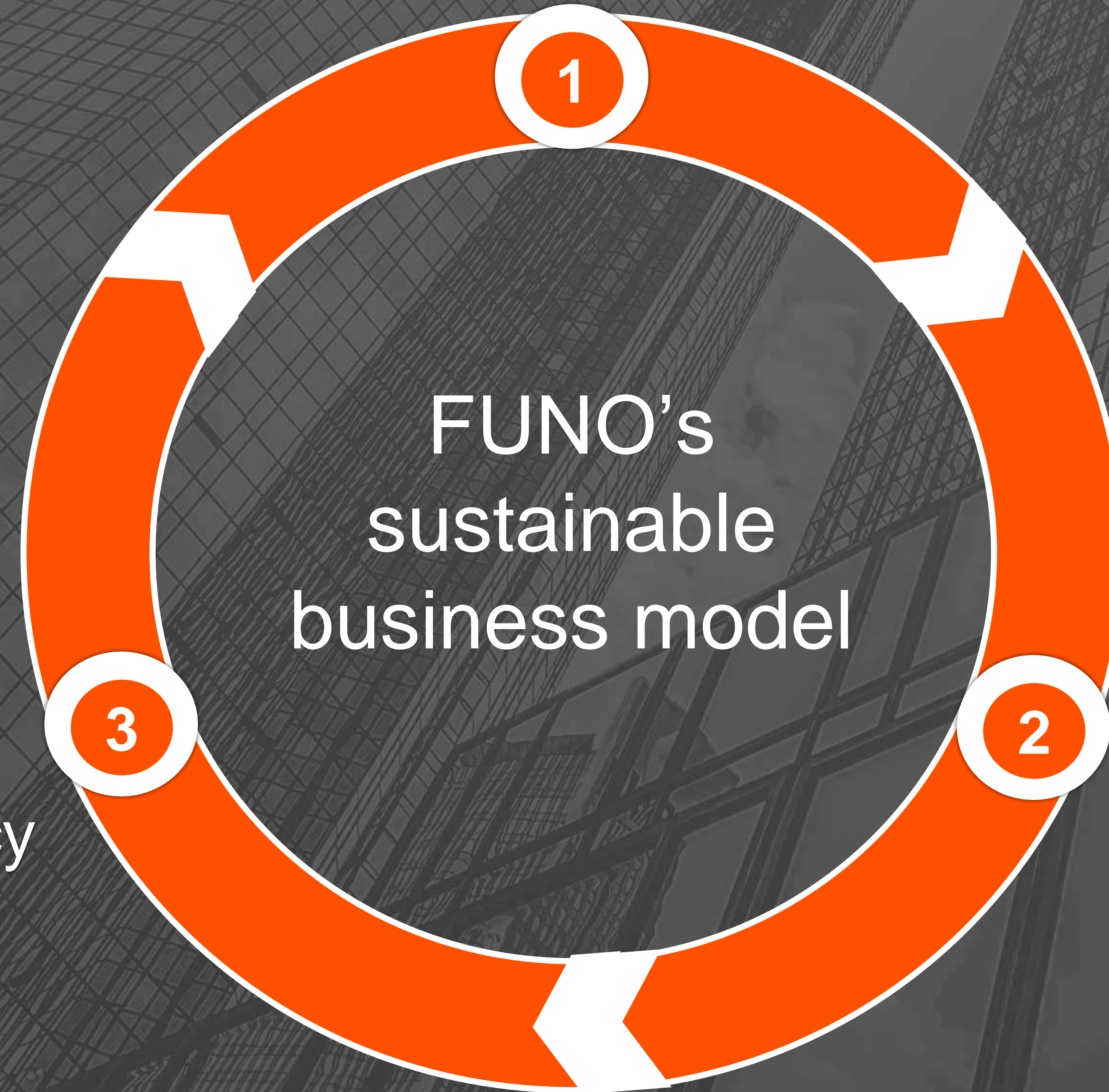
FUNO's sustainable business model

2

High occupancy with competitive rent levels

3

Prudent leverage policy







# FUNO, BEST IN CLASS

Best properties

Best locations





# FUNO, BEST IN CLASS

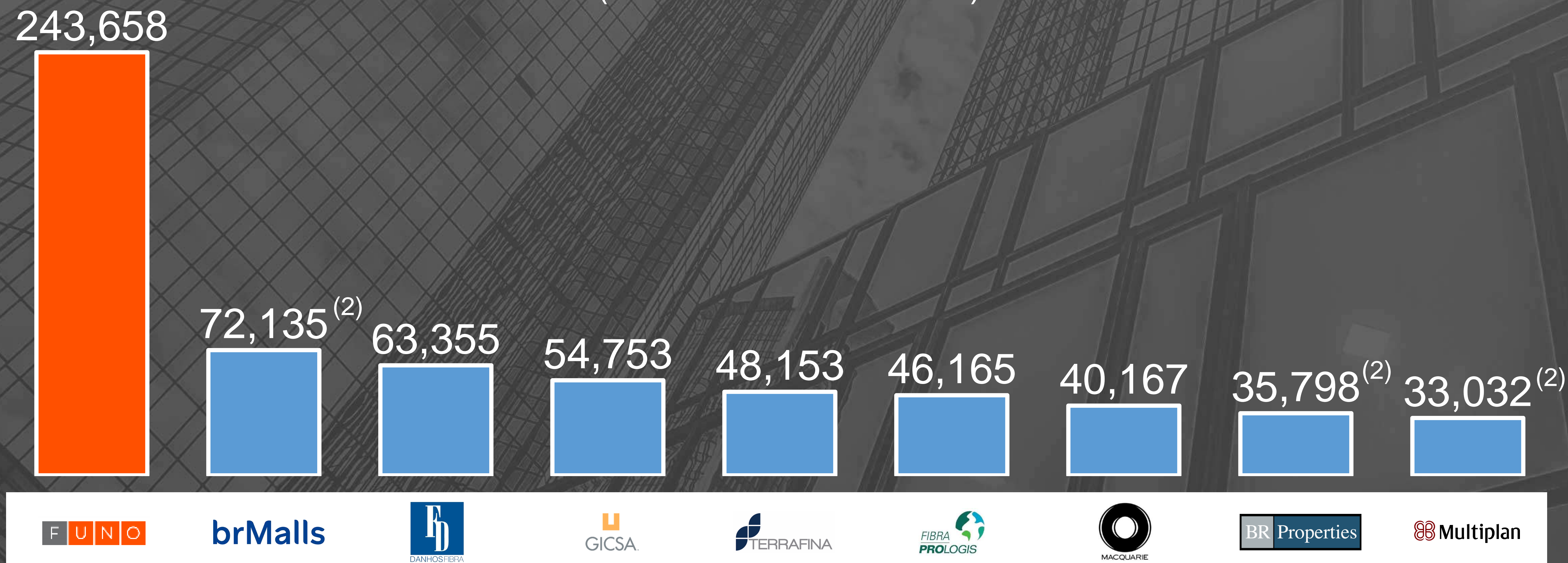
## Largest REIT<sup>(1)</sup> in Latin America

- FUNO is 3.4x larger than its closest competitor in Latam

- We have developed more than 1.2 million sqm of GLA

- We have acquired more than 7.5 million sqm of GLA

Investment properties and investment in affiliates  
(MXP Million as of 3Q'19)



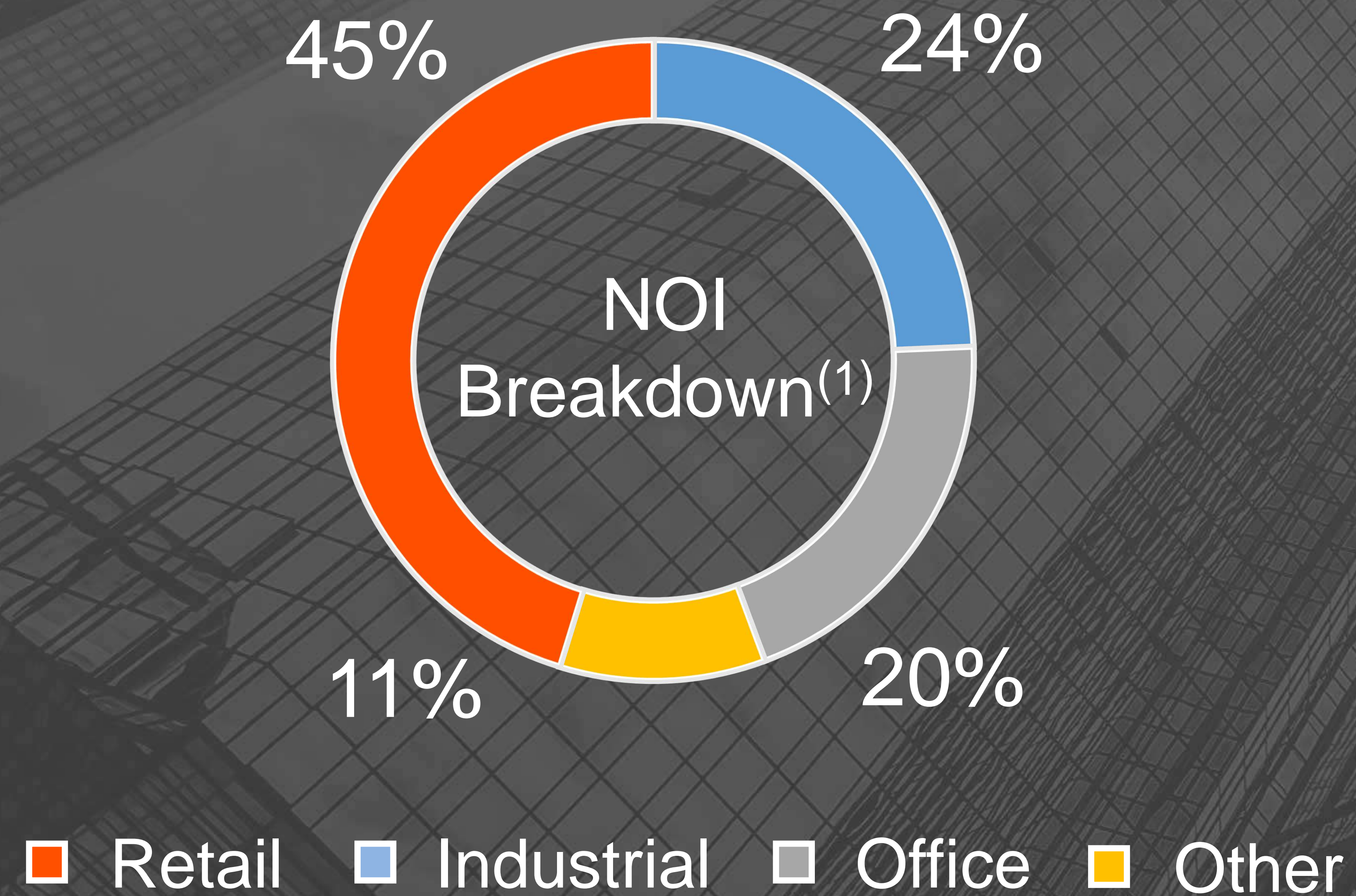
(1) Real Estate Investment Trust = FIBRA, (2) 1 BRL = 4.75 MXN



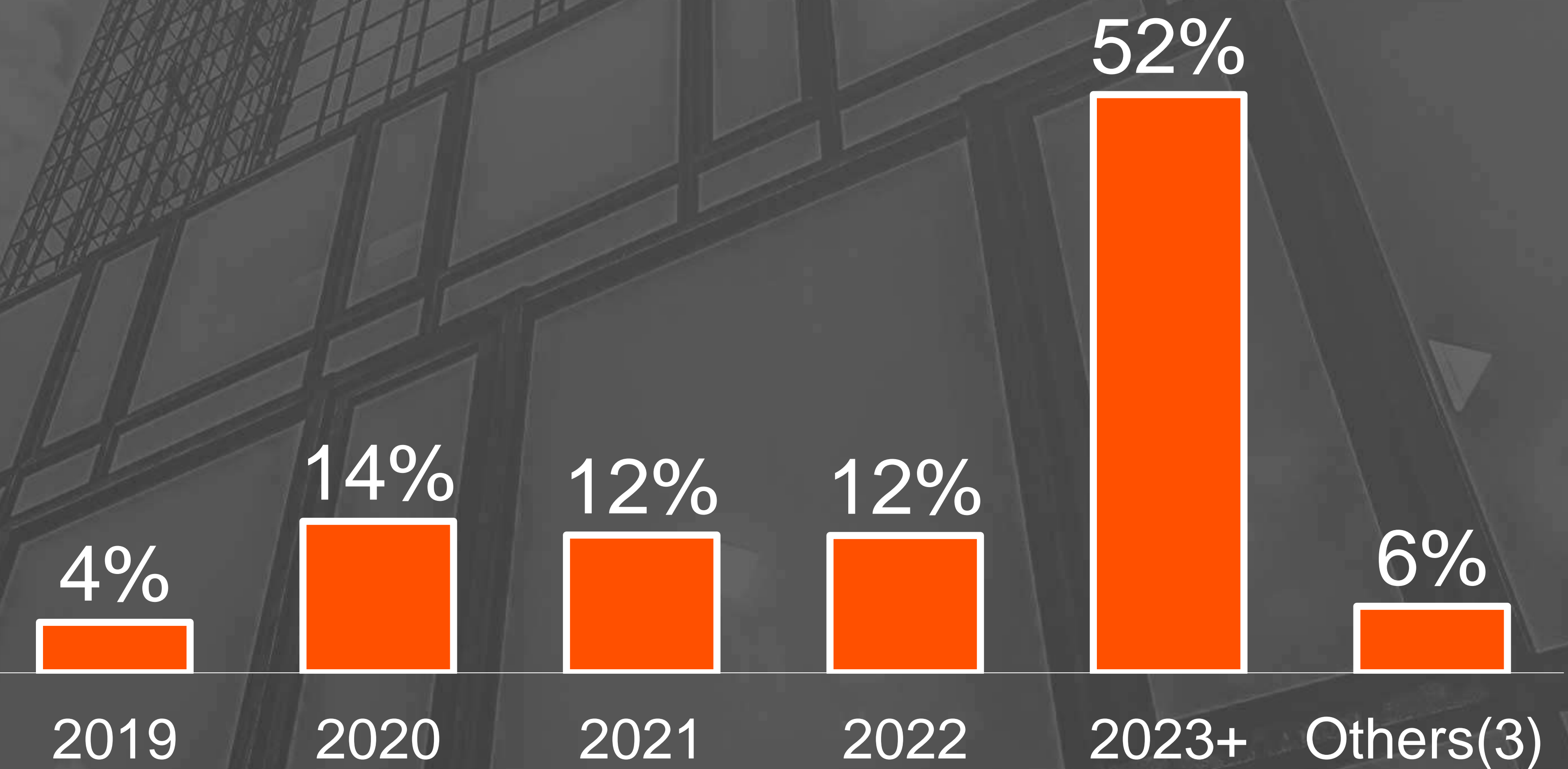
# FUNO, BEST IN CLASS

## Highly Diversified portfolio

- Highly diversified portfolio by segment and tenants
- Well laddered lease terms



## Lease Term by ABR



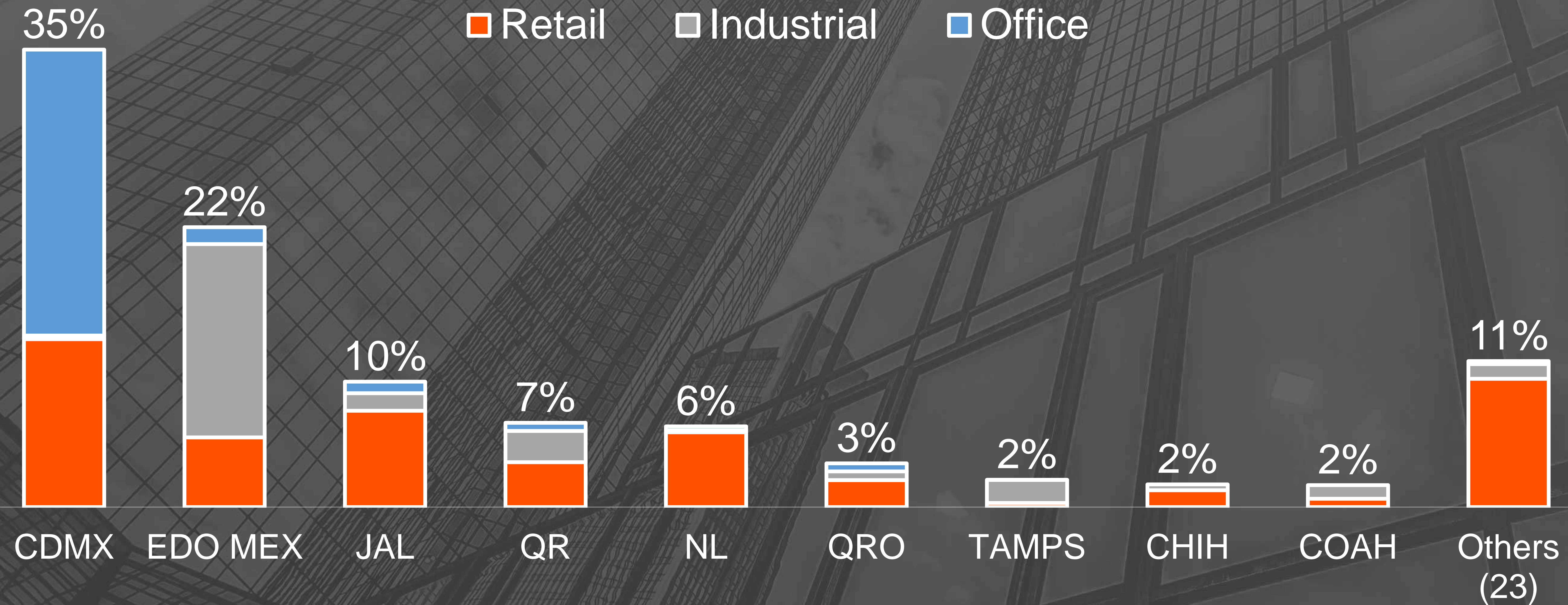
(1) Includes 100% of Torre Mayor's and Torre Diana's ABR



# FUNO, BEST IN CLASS

## Highly Diversified portfolio

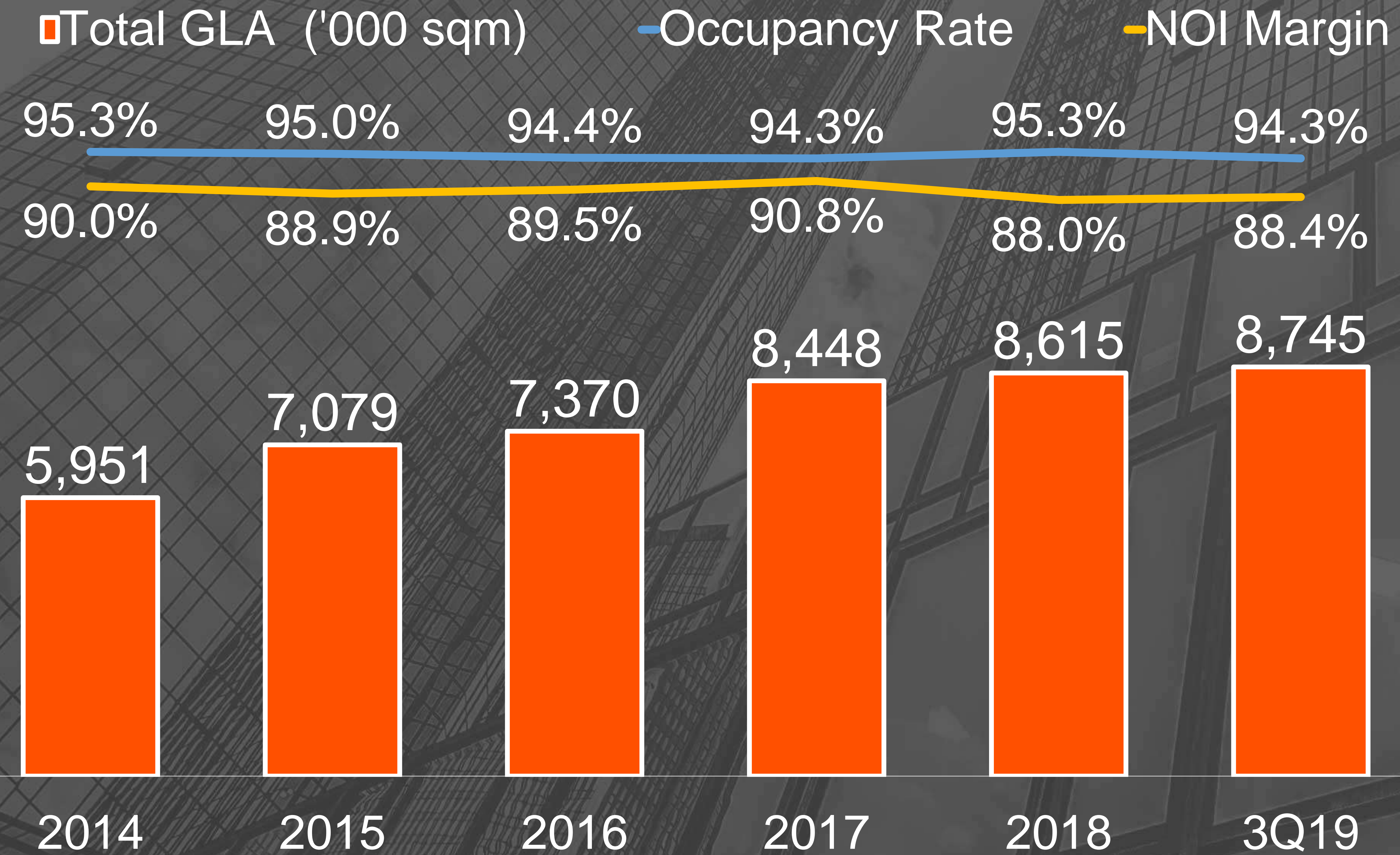
- Main presence in the country's most dynamic cities
- Our top 5 states generate 80% of our ABR





# FUNO, BEST IN CLASS

- Constant GLA growth with consistent high occupancy rate

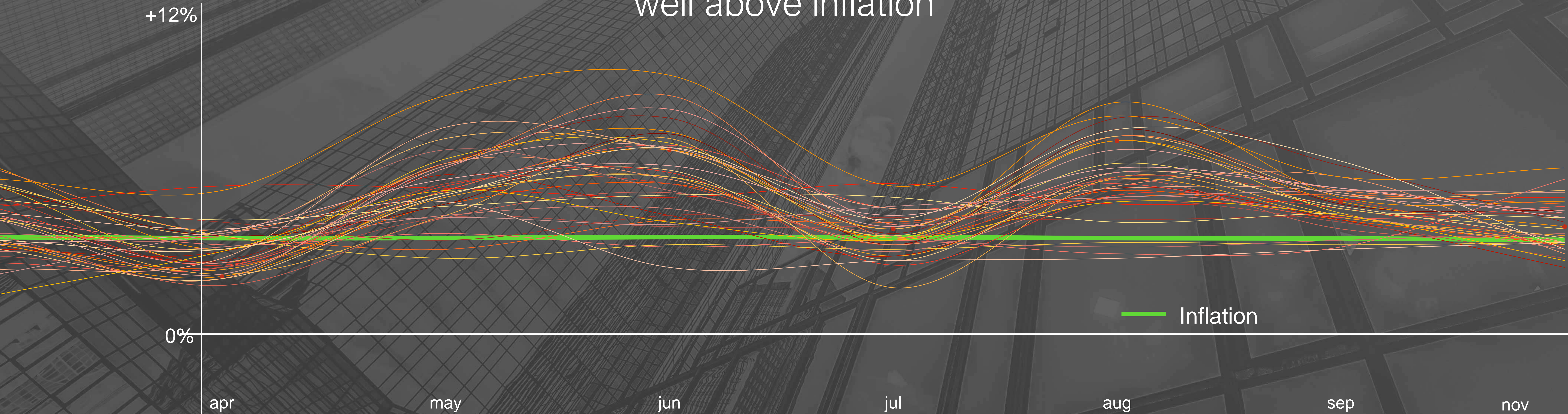




# OUR TENANTS

Sales 2019 vs. 2018 (%)

On average **+90%** of tenants increased sales well above inflation



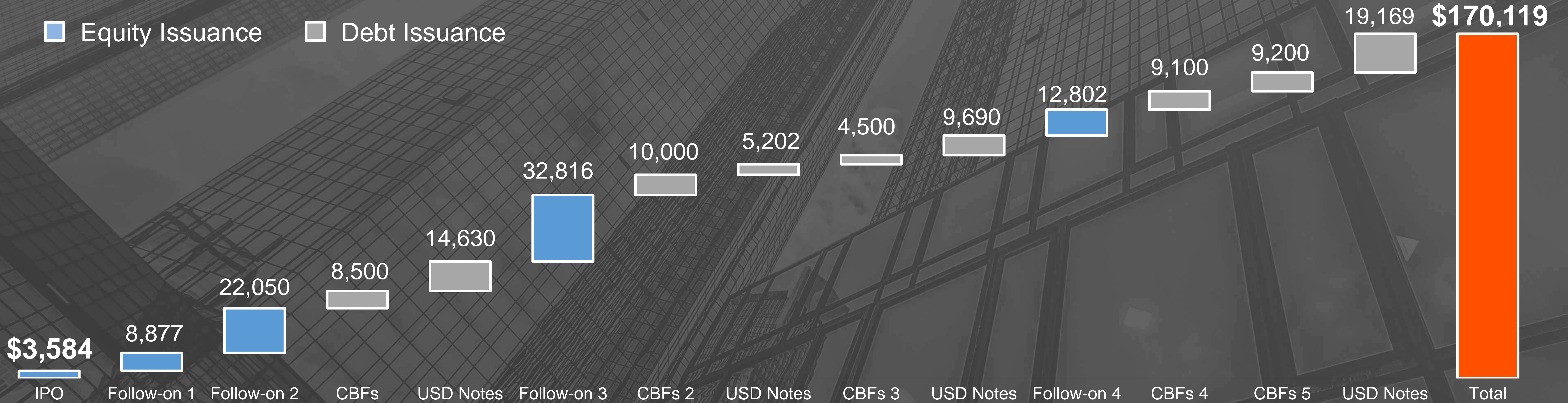
SOURCE: ACTUAL SALES. EXTRACT FROM INTERNAL SALES REPORT INCLUDING THE FOLLOWING CATEGORIES (DEPARTMENT STORES, ENTERTAINMENT, FASHION, FOOD SERVICE)



# FUNO, BEST IN CLASS



- Unparalleled access to capital markets MXP **170 billion** raised

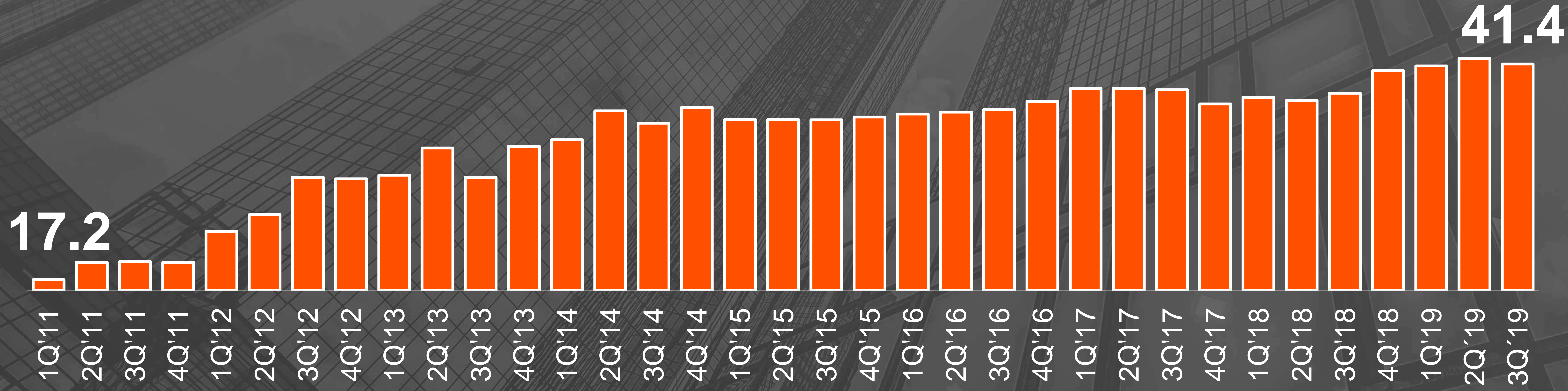




# NAV PER CBFI



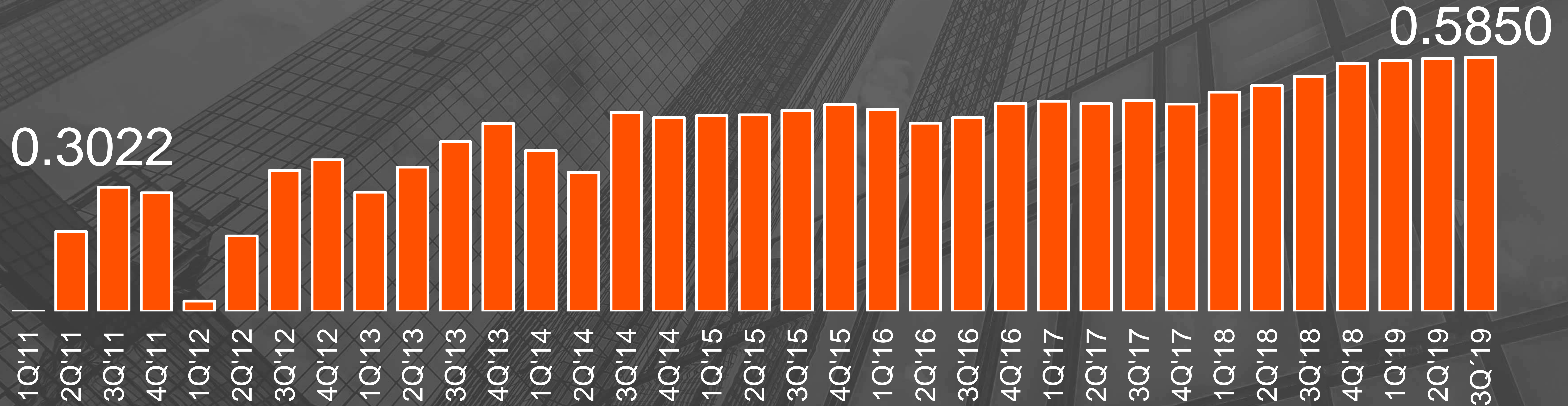
CAGR: 10.7%





# DISTRIBUTION PER CBFI

CAGR: 8.1%

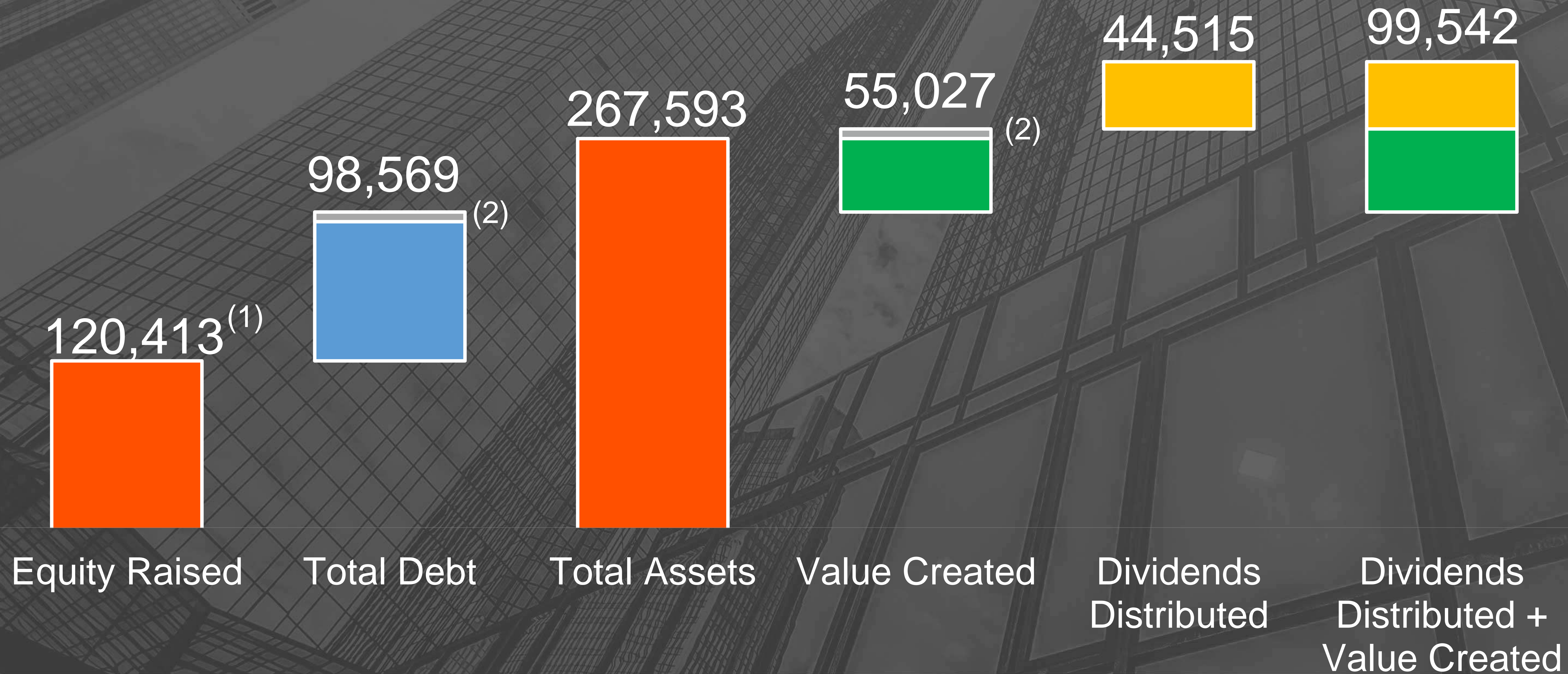




# TOTAL VALUE CREATED

- Value generated since IPO: MXP **100 billion**

(Figures in Ps. mm)



(1) Includes repurchased CBFIs

(2) FUNO has had a net FX effect of MXP 6,416 mm



# FUNO, BEST IN CLASS

## Global Scale

FitchRatings

**BBB**  
Stable

MOODY'S

**BAA2**  
Stable

## National Scale

FitchRatings

**AAA (mex)**  
Stable

HR  
Ratings®

Credit  
Rating  
Agency

**HR AAA**  
Stable

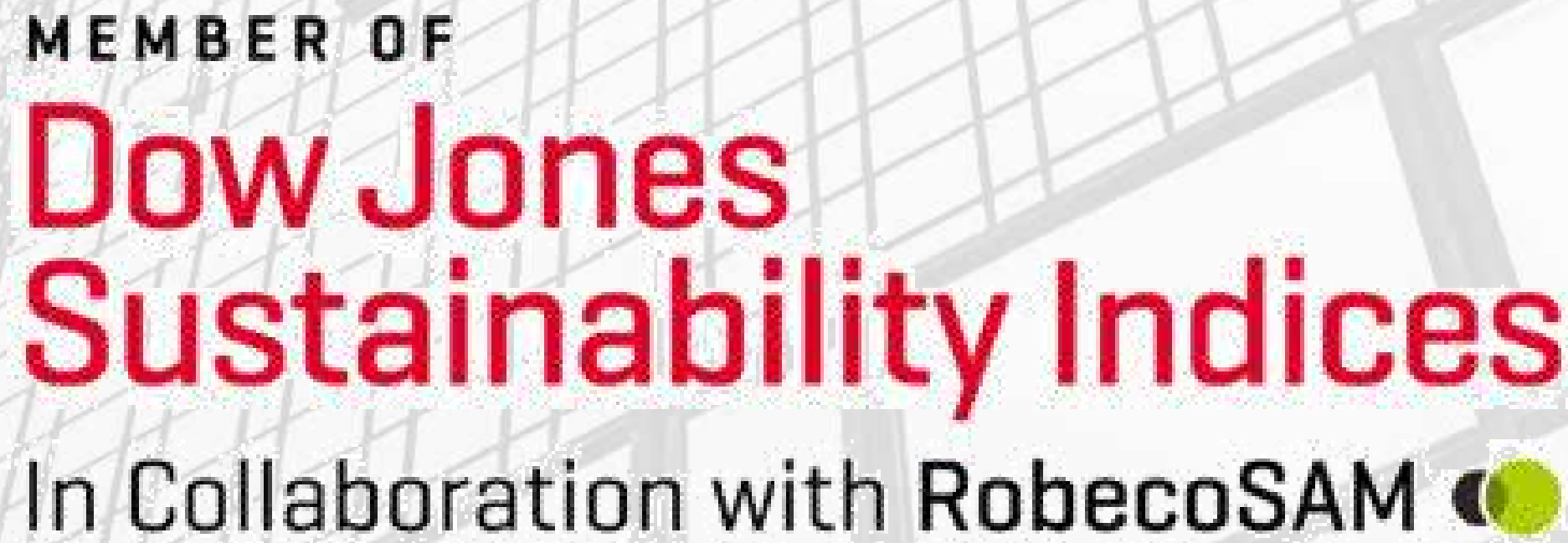
- Prudent leverage with average life of debt of **13 years**
- First committed revolving credit facility sustainability-linked in Latin

America for Mxp. **21.5 billion**<sup>(1)</sup>

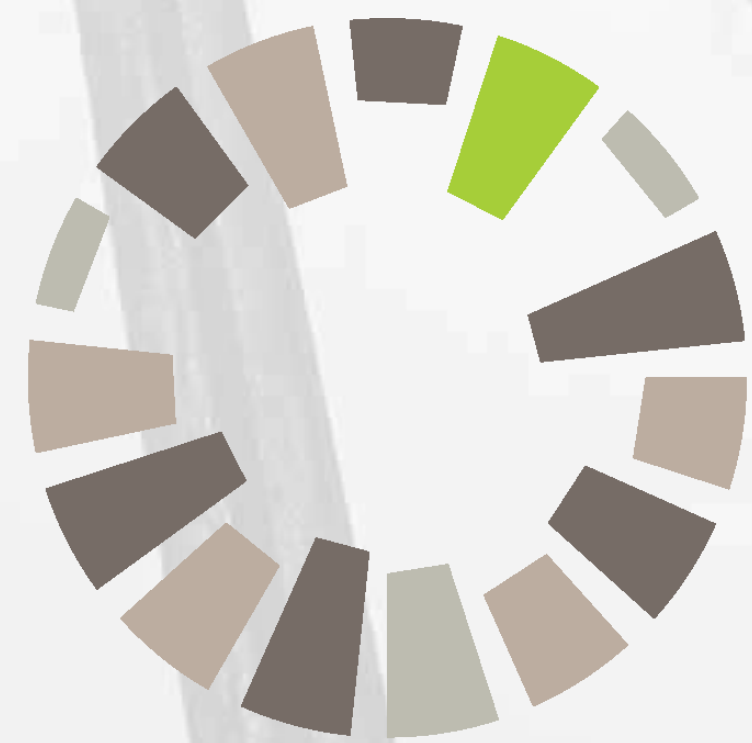
*(1) Mxp. \$13.5 billion + Usd. \$410 million*



# ESG ACHIEVEMENTS



FTSE4Good



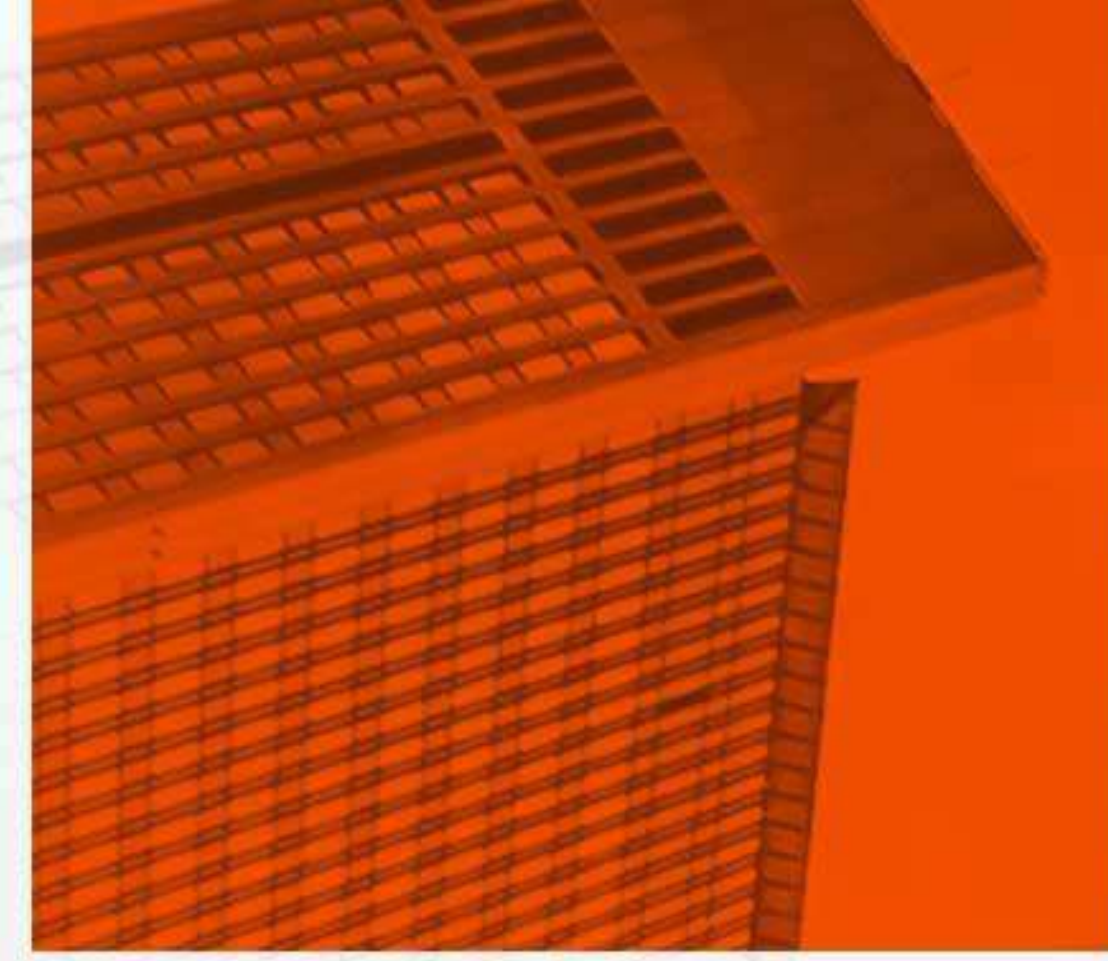
G R E S B



# FUNO's Awards & Achievements



REIT Investment  
Management  
of the Year '16



## LATINFINANCE

Follow On Equity Deal of the Year '14  
Best Equity Market Strategy '15



Manager of the  
Year '18



Best REIT '17



Best Annual Report '17  
Bronze Winner '18

COUNCIL OF THE Americas  
SYMPOSIUM

BRAVO BUSINESS AWARDS

25<sup>th</sup>  
ANNIVERSARY

Investor of the  
Year 2019



Latin America  
Bond of the Year '14



2018 Nominee



Top 500  
Mexico's Companies '19



Top 10 Mexican Reports '17 and '18  
Gold Award Most Engaging Report '18

## Institutional Investor

Best Investor Meeting '18  
Top 3 CEO , IR Team, ESG '18



Best Managed Real Estate  
Company in Latin America



Certification  
2018



# HOW WE ACHIEVE IT

At IPO

NOI:  
Mxp. **646** Million<sup>(2)</sup>

GLA:  
**719,415** SQM<sup>(1)</sup>

**22.4x**

**12.2x**

3Q19

NOI:  
Mxp. **15** Billion<sup>(3)</sup>

GLA:  
**8,744,632** SQM

(1) GLA of Initial Portfolio (including Toluca)

(2) Annualized NOI of 4Q11

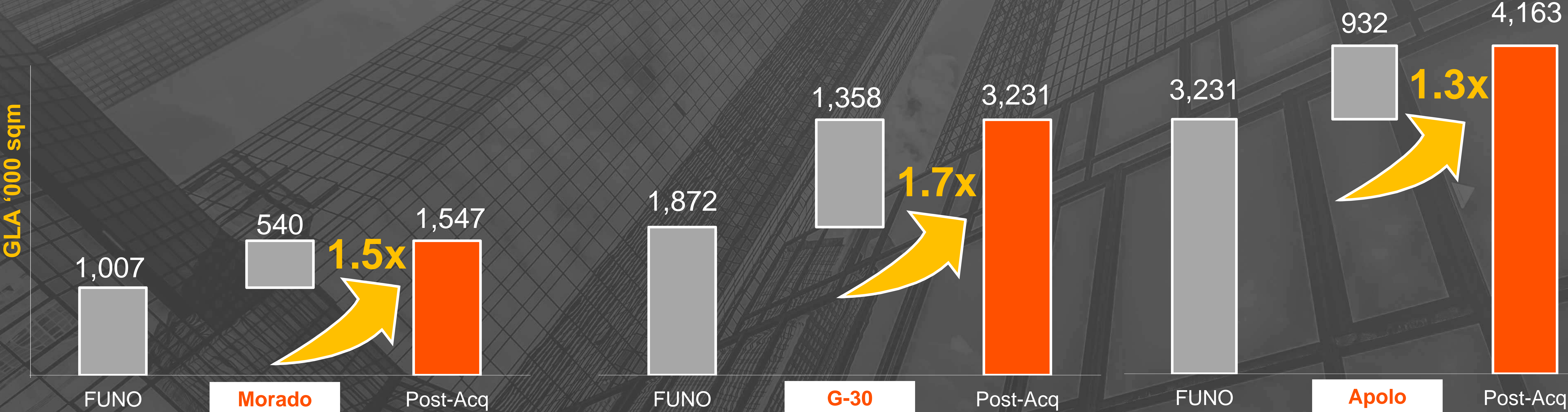
(3) Annualized NOI of 3Q19



# HOW WE ACHIEVE IT

## LARGEST ACQUISITIONS

Capability to more than double the size of the company in the past and more so today





# HOW WE ACHIEVE IT

## DEVELOPMENTS

### Retail

- 7 properties
- 166,932 sqm
- 5 states



### Office

- 4 properties
- 228,106 sqm
- 2 states



### Industrial

- 7 properties
- 711,912 sqm
- 1 state



### Mixed Use

- 1 property
- 115,324 sqm
- 1 state



FUNO has developed **19 properties** for more than **1.2 mm** sqm of our current GLA



# MITIKAH STATUS



## Residential

~85% units sold

1.0 million sqm GBA

## Retail

~88% leased

Total Stabilized GLA: 337,410 sqm

## Office Space

~79% leased<sup>(1)</sup>

*(1) Includes Centro Bancomer*

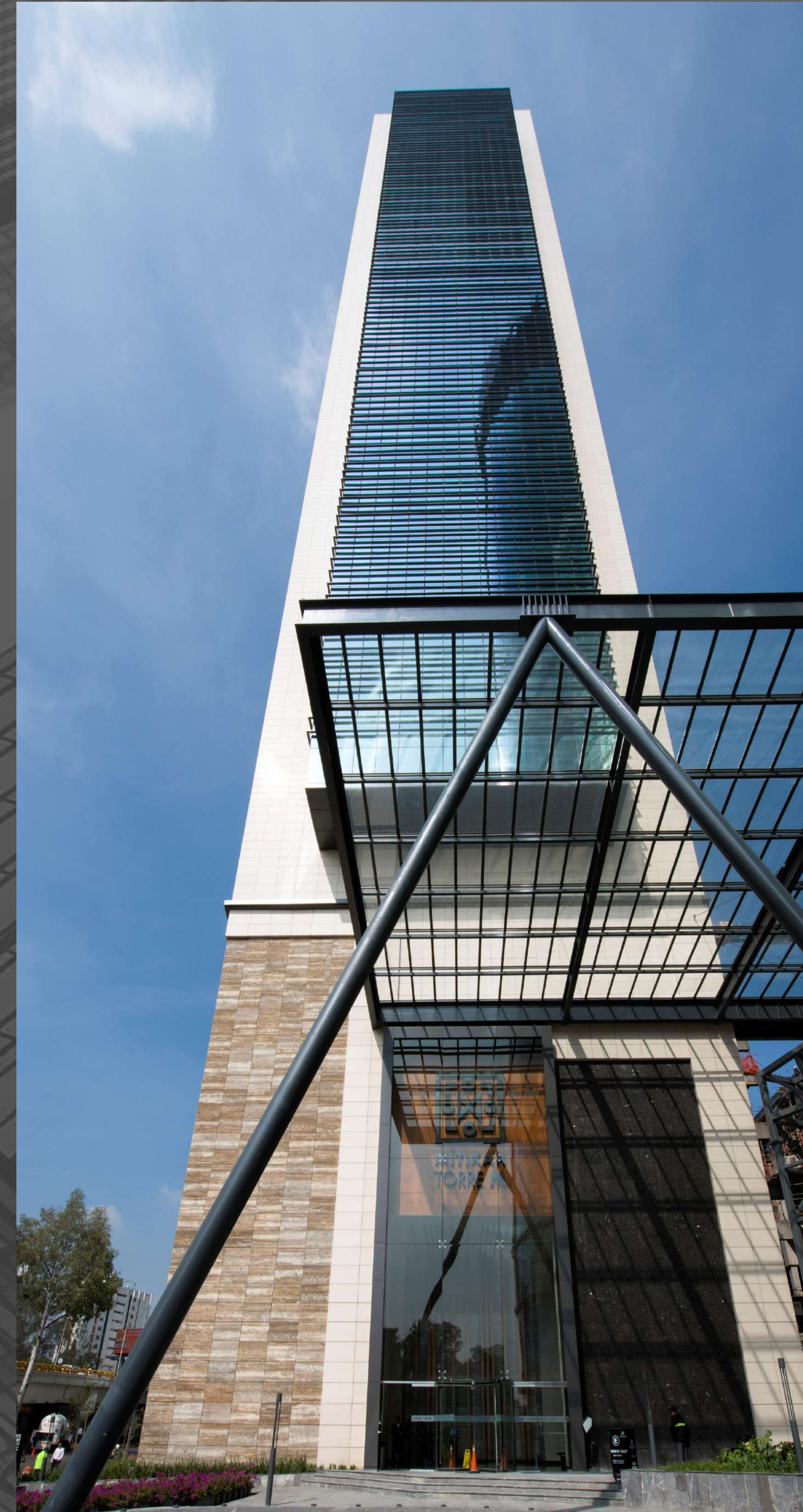


# MITIKAH – TORRE M





# MITIKAH – TORRE M





# MITIKAH – TORRE M





# MITIKAH – TORRE M





# MITIKAH – CONDO TOWER





# MITIKAH – RETAIL AREA





# MITIKAH – MEDICAL TOWER





# MITIKAH STATUS

**FUNO  
Investment**

**2.4 Billion MXP**

**CAPEX**

**20 Billion MXP**

**Stabilized  
NOI**

**2.0 Billion MXP**

**YOC**

**51.6%**

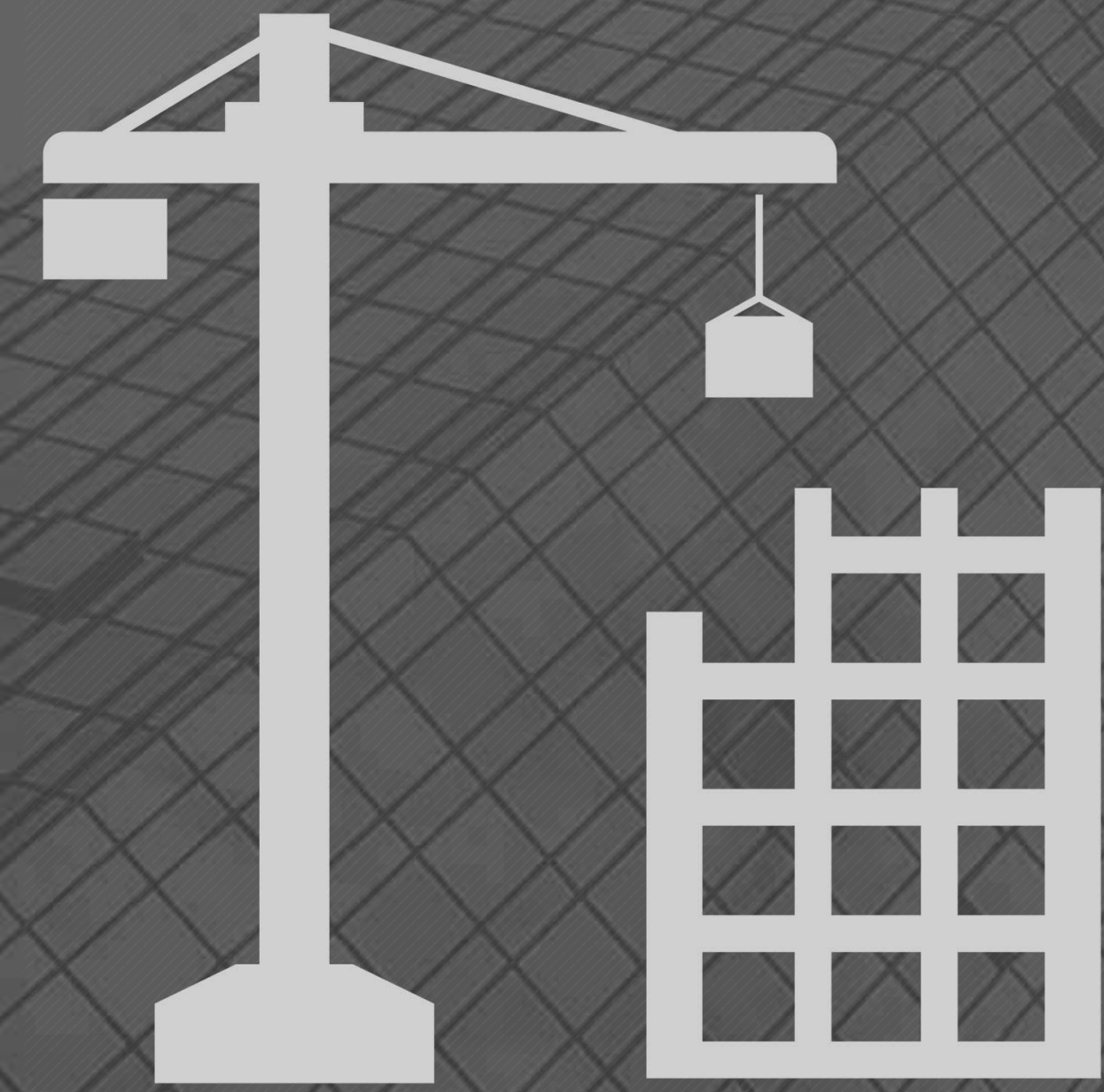


# HOW WE ACHIEVE IT



## Acquisitions

More than  
6.8 mm sqm



## Development

More than  
1.2 mm sqm



## Re-development

14 Properties



## JV's

Largest  
Construction in  
Latam





# MANAGEMENT PLATFORM

by Ignacio Tortoriello **VP of Administration & IT**



# MANAGEMENT PLATFORM

TECHNOLOGY



PROCESSES



PEOPLE

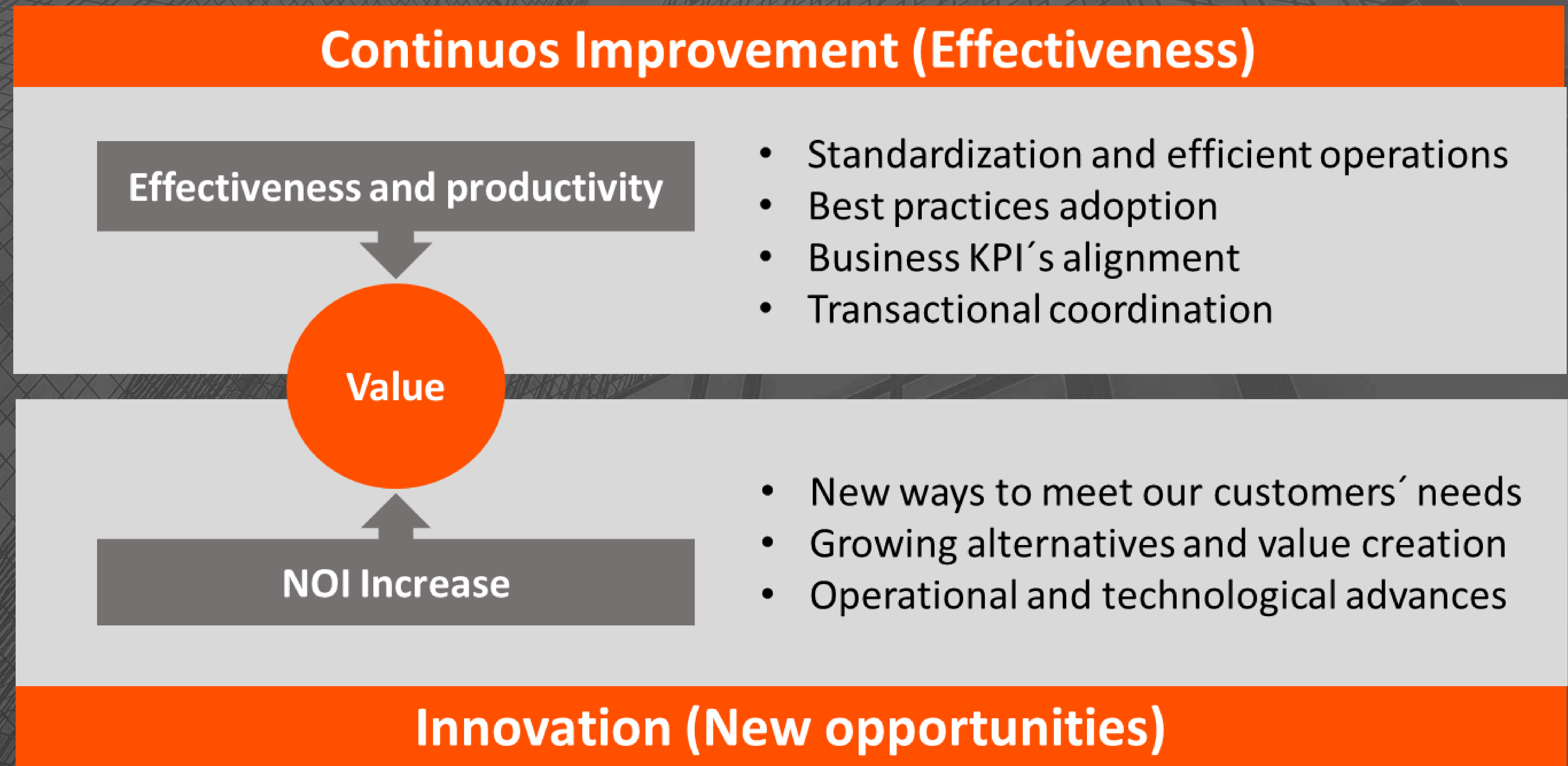




# MANAGEMENT BY EXCEPTION



- ✓ Standardized processes
- ✓ Processes automation
- ✓ Scorecards
- ✓ Operation manuals
- ✓ Sustainability focus





# FUNO'S ECOSYSTEM





# FUNO'S ECOSYSTEM



## DRP / BCP





# REVENUE ASSURANCE



ACQUISITIONS

INTEGRATION

NEW LEASES OR RENEWALS



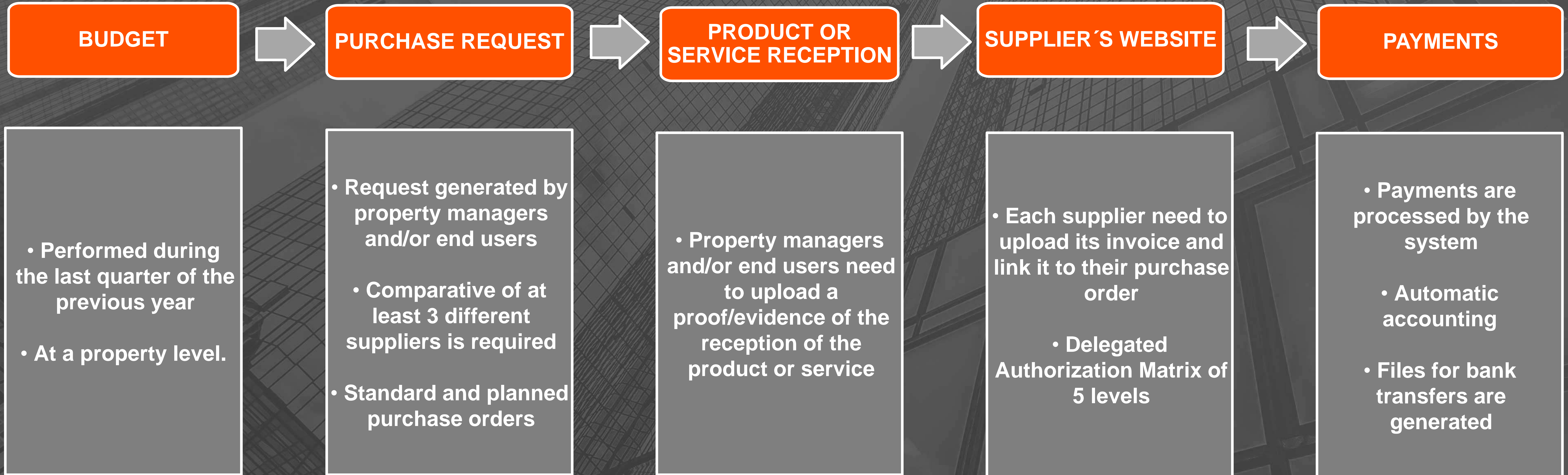
- Increases
- Variable income
- Expense recoveries
- Credit notes

- INFORMATION**
- Institutional Reporting
  - Committees
  - Audits
  - Finance
  - Accounting

**~1M** annual operations  
**+550** properties  
**+1B USD** annual billing



# PAYMENT PROCESS





# STANDARDIZED INFORMATION



## Facts Sheet

Billings YTD

# of properties

# Leases

GLA



- Facturación
- Antigüedad de Saldos
- Top
- Vencimientos de Contratos
- % de Ocupación y GLA
- \$ por M2
- Geográfico
- P&L
- ScoreCard
- Rent Roll
- Pagos
- Integrity
- ARGUS
- INICIO
- Gastos Operaciones
- MDA



# Facturación

Excluir OCW, FLY 33000  
 Seleccionar Todos

Selecciones Actuales

AÑO 2018

## PORTAFOLIO

- 01000 INICIAL
- 02000 GRIS
- 03000 BLANCO
- 04000 AZUL
- 06000 ROJO
- 08000 BENDERO VILLAHERM
- 07000 VERDE
- 08000 MORADO

## SUCURSAL

- 00018 OPERADORA BALBUENA
- 00021 OPERADORA CVC
- 01001 VIA MORELOS 300
- 01002 POLARIS
- 01003 VALLEJO 2000
- 01004 REFORMA 88
- 01005 LA JOYA I
- 01006 DIAMANTE

## CLIENTE

- "COMERCIALIZADORA H&M"
- "EURO PREMIUM" SA DE CV
- "FASHION INK" SA DE CV
- "GLOBAL BRAND MANAGEM
- "HACH DE MEXICO" S DE RL
- "MICHRIE" SA
- "PEN&KE SERVICIOS DE ADA

## Filtros Adicionales

- Concepto
- Categoría
- Segmento

## Facts

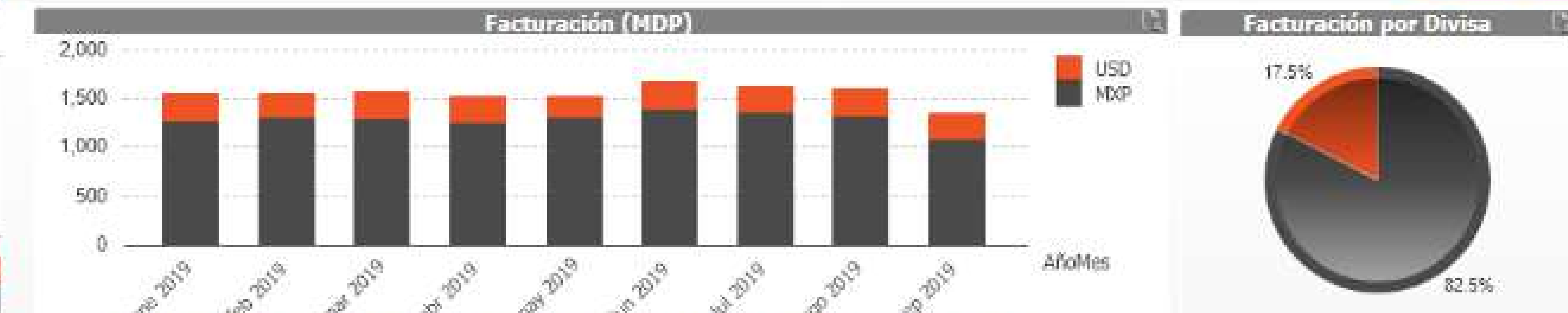
Facturación YTD:  
\$13,940,878,173

# de Propiedades: 0

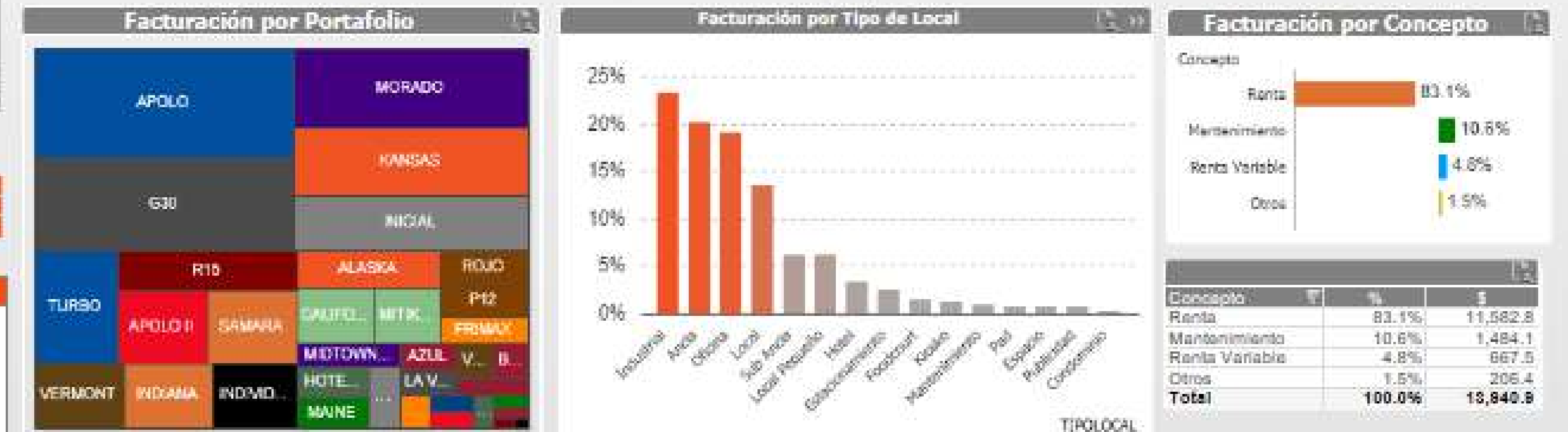
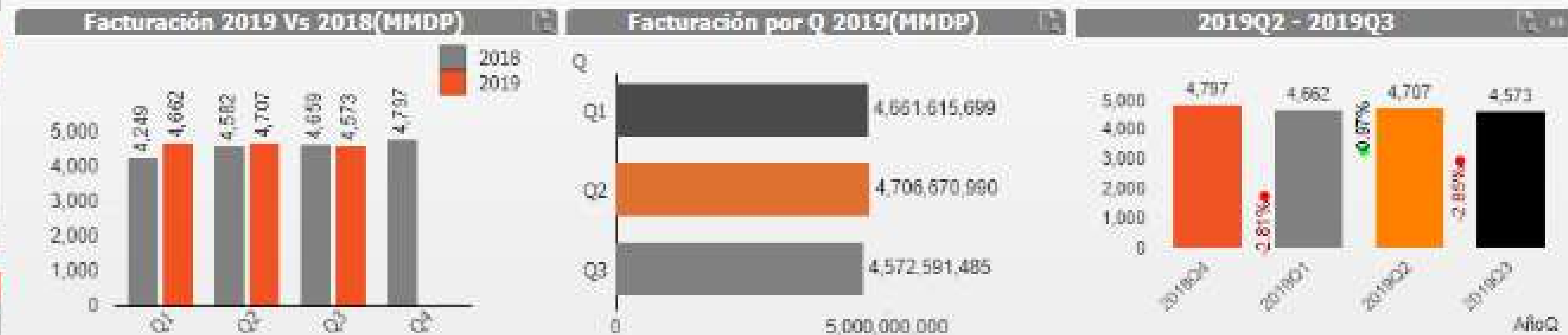
# Contratos: 0

GLA: 0

Año: 2014-2017, 2015-2018, **2016-2019**  
 Mes: ene jul, feb ago, mar sep, abr oct, may nov, jun dic  
 Q: Q1 Q2 Q3 Q4  
 Menu F U N O



Moneda	ene 2019	feb 2019	mar 2019	abr 2019	may 2019	jun 2019	jul 2019	ago 2019	sep 2019	Total
MXP	\$1,261.1	\$1,294.8	\$1,282.0	\$1,241.7	\$1,290.7	\$1,385.5	\$1,352.8	\$1,318.0	\$1,080.8	\$11,504.9
USD	\$291.5	\$264.0	\$278.1	\$268.5	\$229.5	\$290.9	\$287.4	\$291.5	\$284.5	\$2,436.0
<b>Total</b>	<b>\$1,552.6</b>	<b>\$1,548.8</b>	<b>\$1,560.2</b>	<b>\$1,510.1</b>	<b>\$1,520.2</b>	<b>\$1,676.3</b>	<b>\$1,619.9</b>	<b>\$1,607.5</b>	<b>\$1,345.1</b>	<b>\$13,940.9</b>



Facturación Portafolio > Sucursal > Cliente

PORTAFOLIO	AñoMes	ene 2018	feb 2018	mar 2018	abr 2018	may 2018	jun 2018	jul 2018	ago 2018	sep 2018
01000 INICIAL		109,956,208	103,926,319	103,709,032	102,069,944	109,564,303	112,307,481	116,860,012	102,333,513	9
02000 GRIS		8,891,808	8,150,501	8,005,460	8,169,991	8,383,882	8,472,910	8,701,416	8,546,751	1
03000 BLANCO		10,328,832	9,991,045	9,846,199	9,998,885	10,286,423	10,123,621	9,896,859	10,050,619	1



# PROCESS AUTOMATION



Purchase Requisition

Terminology

Payment requirement

Down payment

Billing stoppage

Budget extension



Bank Reconciliation

Billing's extension

Manual Billing

Urgent payments

Intercompany

Human Resources

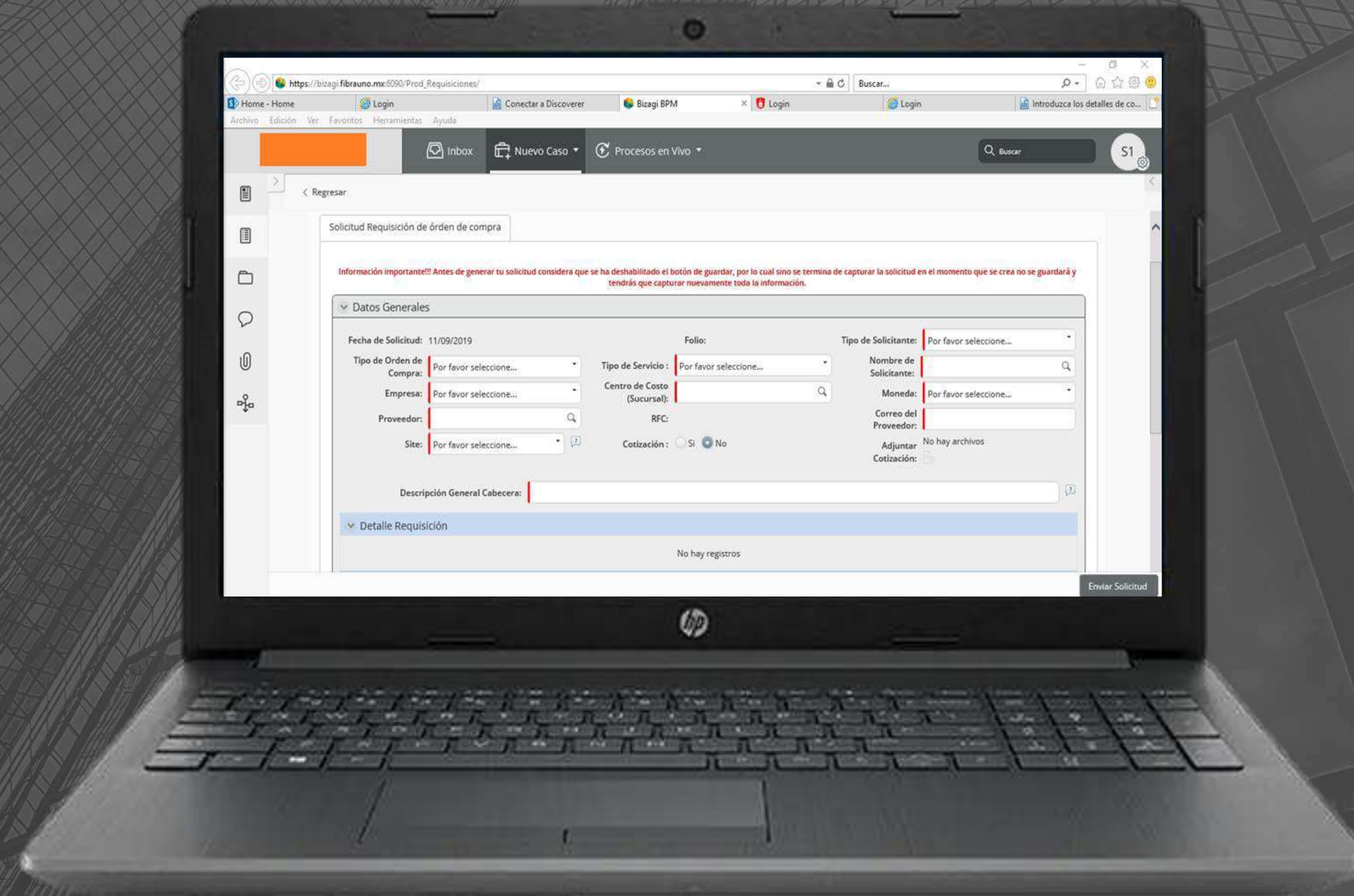
Other income

Sustainability

**14** Macro Processes   **27** Subprocesses   **11** Under development



# PROCESS AUTOMATION





# PEOPLE



## THOMAS

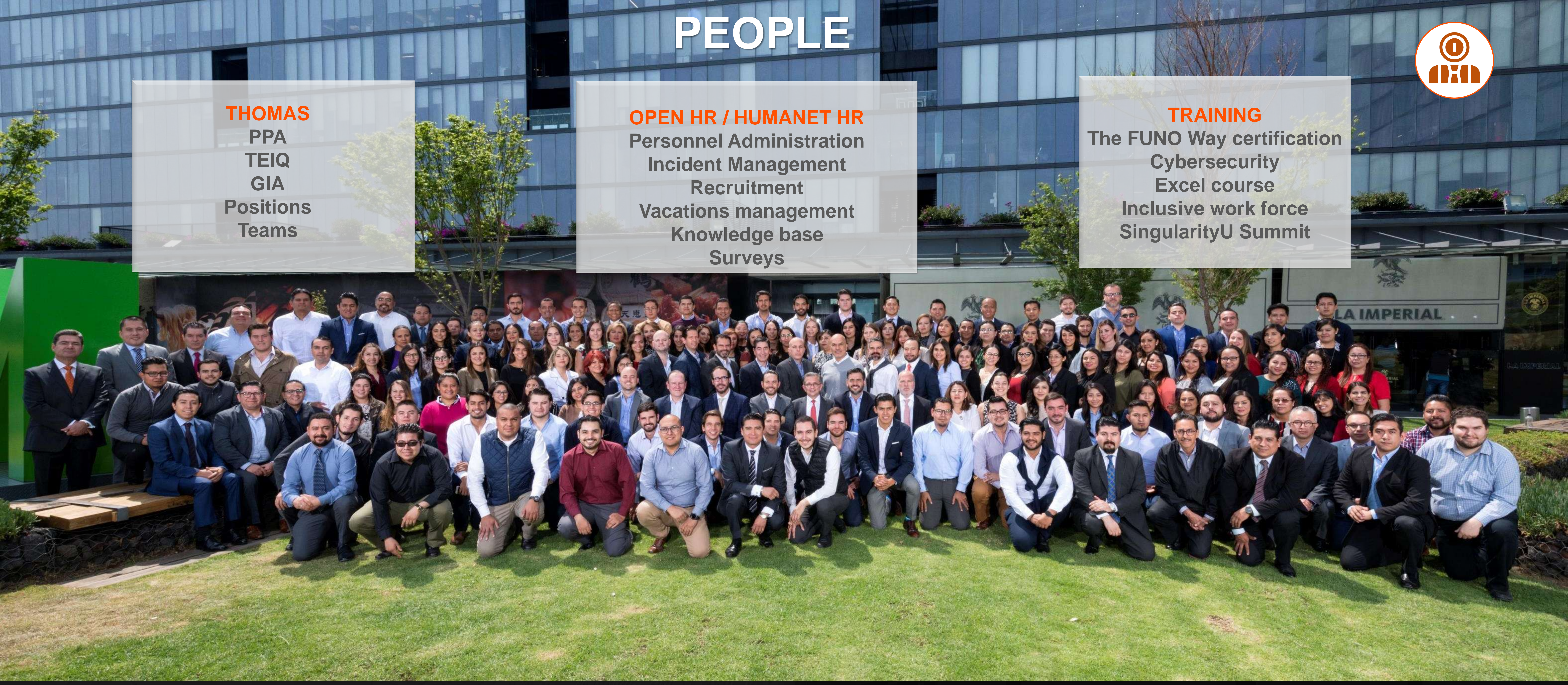
PPA  
TEIQ  
GIA  
Positions  
Teams

## OPEN HR / HUMANET HR

Personnel Administration  
Incident Management  
Recruitment  
Vacations management  
Knowledge base  
Surveys

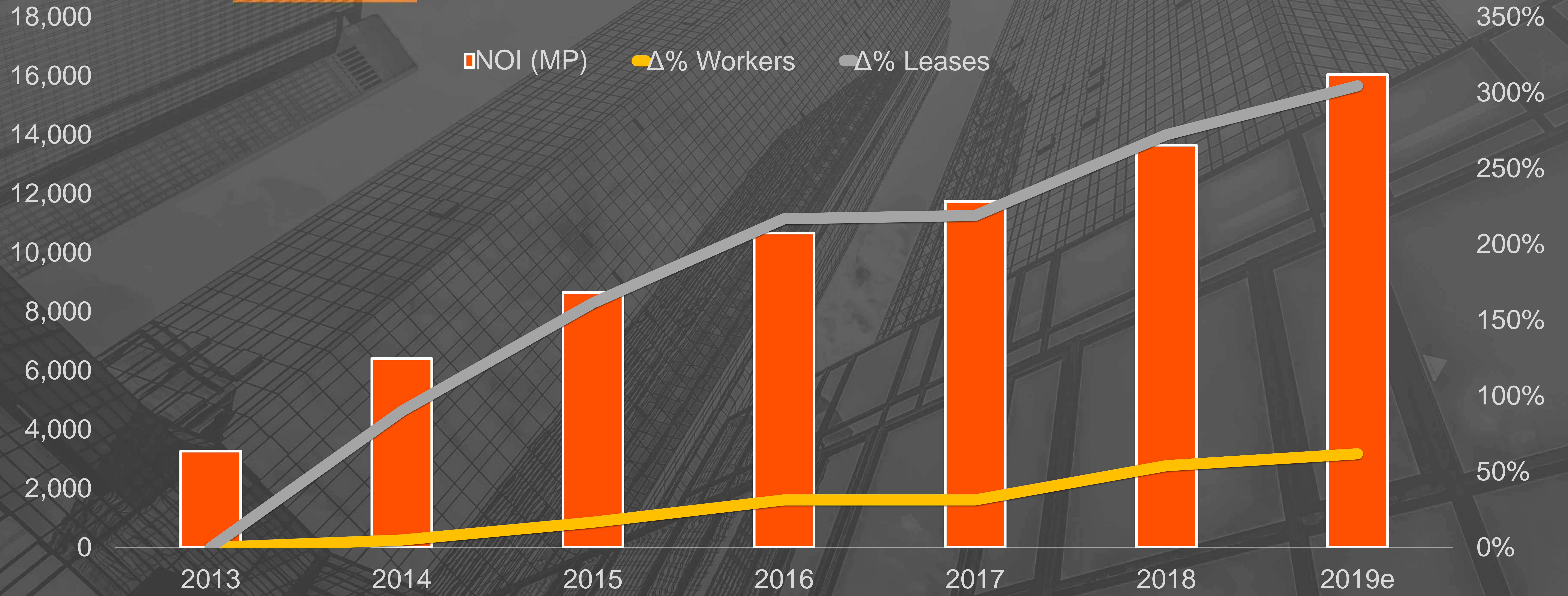
## TRAINING

The FUNO Way certification  
Cybersecurity  
Excel course  
Inclusive work force  
SingularityU Summit





# EFFICIENCY







# OPERATIONS PLATFORM

by Alfonso Arceo

**VP of Property Management**





# OPERATING METRICS





# OPERATING METRICS



+550 PROPERTIES  
32 STATES  
+100 CITIES

+10K CONTRACTS  
2K RENEWALS  
1.2K NEW CONTRACTS

+450M ANNUAL VISITORS  
+4.5M SOCIAL MEDIA FOLLOWERS

+120K PARKING SPACES  
+100M PARKING LOT TRANSACTIONS

+200 OUTSOURCING COMPANIES  
+5,200 OUTSOURCED EMPLOYEES

+100K EQUIPMENTS  
+450K MAINTENANCE TASKS



# OPERATING METRICS

**+550** PROPERTIES  
**32** STATES  
**+100** CITIES

**+10K** CONTRACTS  
**2K** RENEWALS  
**1.2K** NEW CONTRACTS

**+450M** ANNUAL VISITORS  
**+4.5M** SOCIAL MEDIA FOLLOWERS

**+120K** PARKING SPACES  
**+100M** PARKING LOT TRANSACTIONS

**+200** SUPPLIERS  
**+5,200** INDIRECT EMPLOYEES

**+100K** EQUIPMENTS  
**+450K** MAINTENANCE TASKS



# OPERATING METRICS

+10,000

CONTRACTS

+2,000

RENEWALS per year

+1,200

NEW CONTRACTS per year

+550 PROPERTIES

32 STATES

+100 CITIES

+450M ANNUAL VISITORS

+4.5M SOCIAL MEDIA FOLLOWERS

+120K PARKING SPACES

+100M PARKING LOT TRANSACTIONS

+200 SUPPLIERS

+5,200 INDIRECT EMPLOYEES

+100K EQUIPMENTS

+450K MAINTENANCE TASKS



# OPERATING METRICS

+450 MILLION

ANNUAL VISITORS

+4.5 MILLION

SOCIAL MEDIA FOLLOWERS

+550 PROPERTIES  
32 STATES  
+100 CITIES

+10K CONTRACTS  
2K RENEWALS  
1.2K NEW CONTRACTS

+120K PARKING SPACES  
+100M PARKING LOT TRANSACTIONS

+200 SUPPLIERS  
+5,200 INDIRECT EMPLOYEES

+100K EQUIPMENTS  
+450K MAINTENANCE TASKS



# OPERATING METRICS

+120,000

PARKING SPACES

+100 MILLION

PARKING LOT TRANSACTIONS

+550 PROPERTIES  
32 STATES  
+100 CITIES

+10K CONTRACTS  
2K RENEWALS  
1.2K NEW CONTRACTS

+450M ANNUAL VISITORS  
+4.5M SOCIAL MEDIA FOLLOWERS

+200 SUPPLIERS  
+5,200 INDIRECT EMPLOYEES

+100K EQUIPMENTS  
+450K MAINTENANCE TASKS



# OPERATING METRICS

**+200** SUPPLIERS

**+5,200** INDIRECT EMPLOYEES

+550 PROPERTIES  
32 STATES  
+100 CITIES

+10K CONTRACTS  
2K RENEWALS  
1.2K NEW CONTRACTS

+450M ANNUAL VISITORS  
+4.5M SOCIAL MEDIA FOLLOWERS

+120K PARKING SPACES  
+100M PARKING LOT TRANSACTIONS

+100K EQUIPMENTS  
+450K MAINTENANCE TASKS



# OPERATING METRICS

+100,000

EQUIPMENTS

+450,000

ANNUAL MAINTENANCE TASKS

+550 PROPERTIES

32 STATES

+100 CITIES

+10K CONTRACTS

2K RENEWALS

1.2K NEW CONTRACTS

+450M ANNUAL VISITORS

+4.5M SOCIAL MEDIA FOLLOWERS

+120K PARKING SPACES

+100M PARKING LOT TRANSACTIONS

+200 SUPPLIERS

+5,200 INDIRECT EMPLOYEES



# OPERATING METRICS



**+550** PROPERTIES

**32** STATES

**+100** CITIES

**+10K** CONTRACTS

**2K** RENEWALS

**1.2K** NEW CONTRACTS

**+450M** ANNUAL VISITORS

**+4.5M** SOCIAL MEDIA FOLLOWERS

**+120K** PARKING SPACES

**+100M** PARKING LOT TRANSACTIONS

**+200** SUPPLIERS

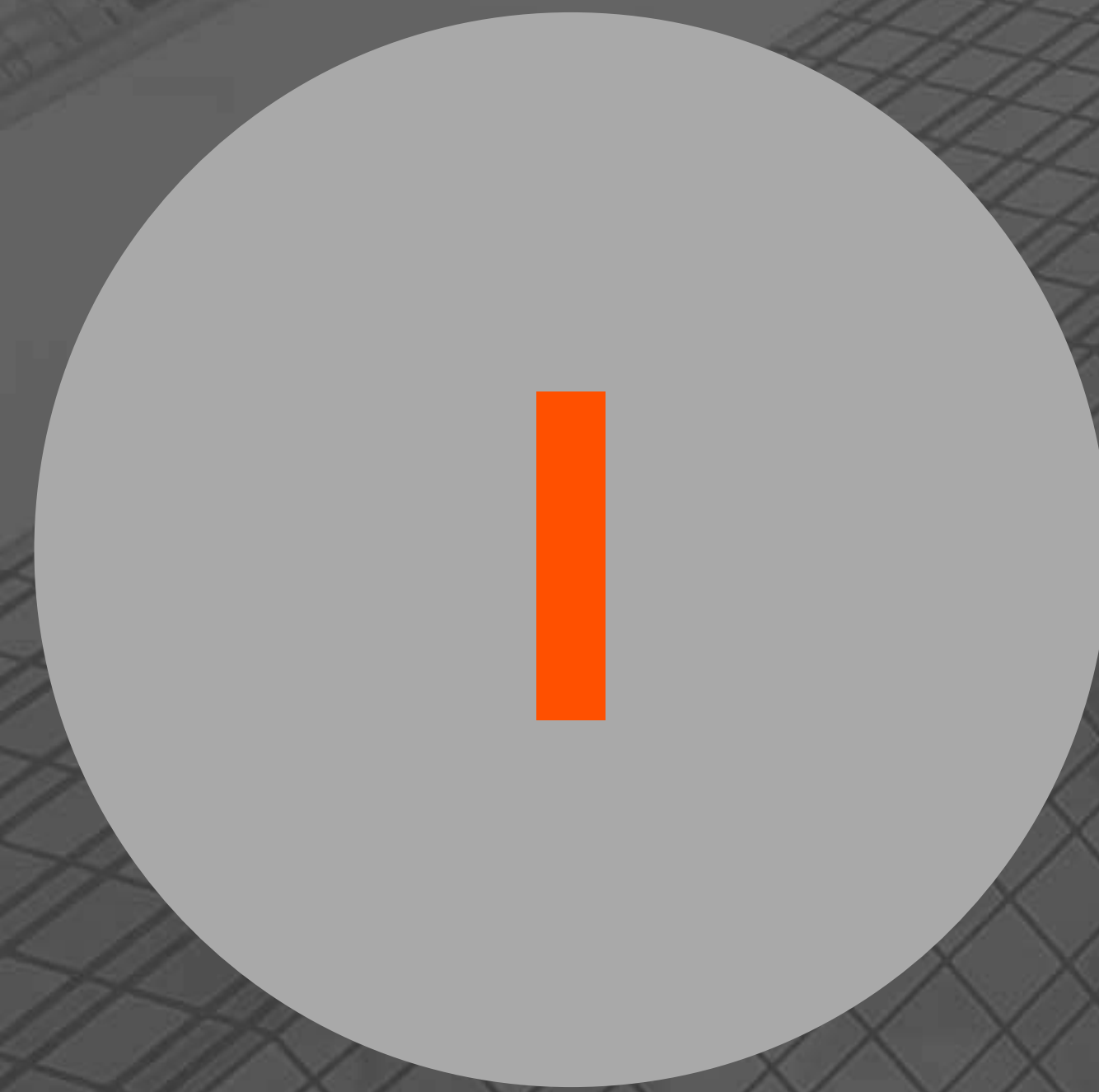
**+5,200** INDIRECT EMPLOYEES

**+100K** EQUIPMENTS

**+450K** MAINTENANCE TASKS



# OPERATION'S BASE



Matrix  
Structure



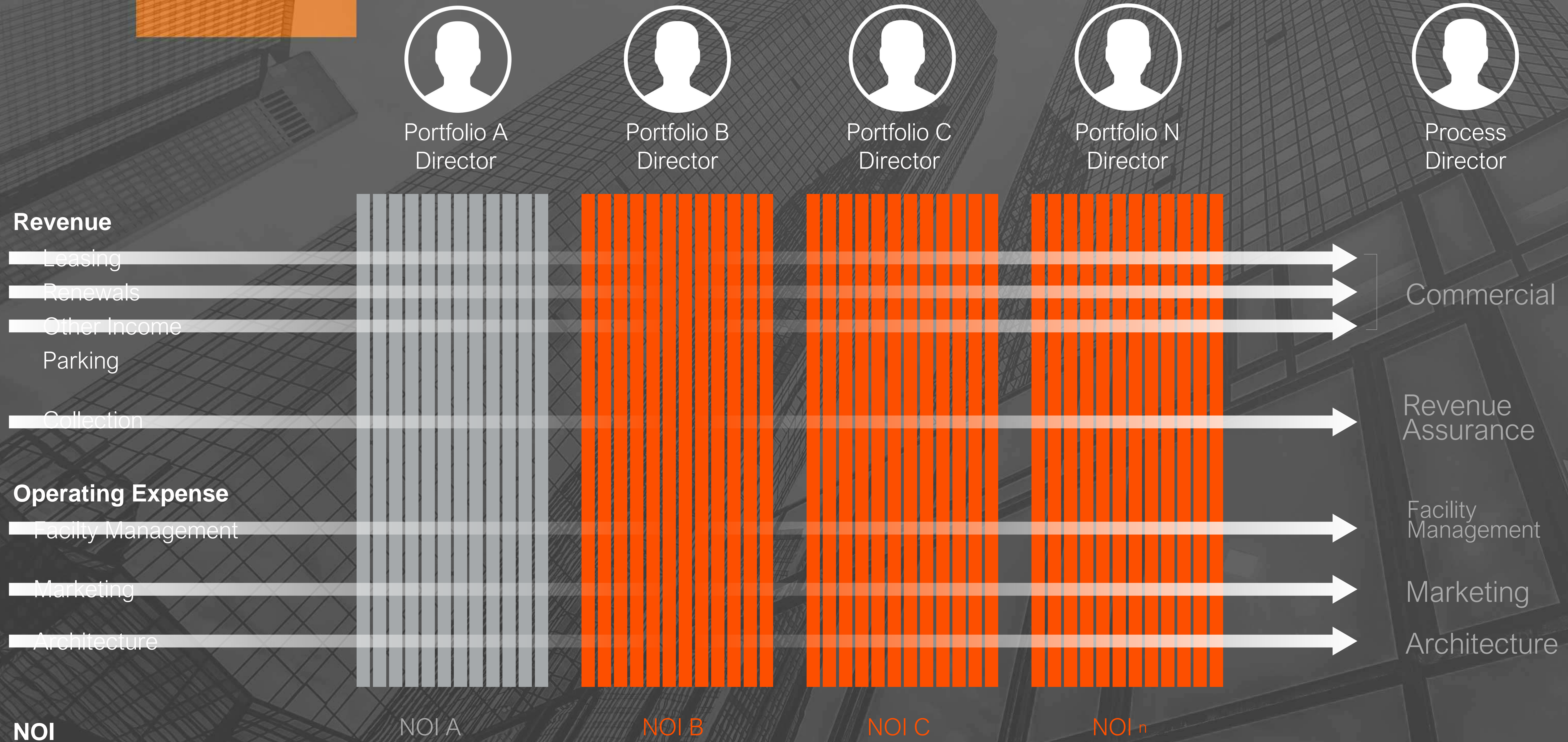
Scorecard  
System



Operational  
Manuals



# MATRIX STRUCTURE





# MATRIX STRUCTURE



Portfolio A  
Director



Process  
Director

## Revenue

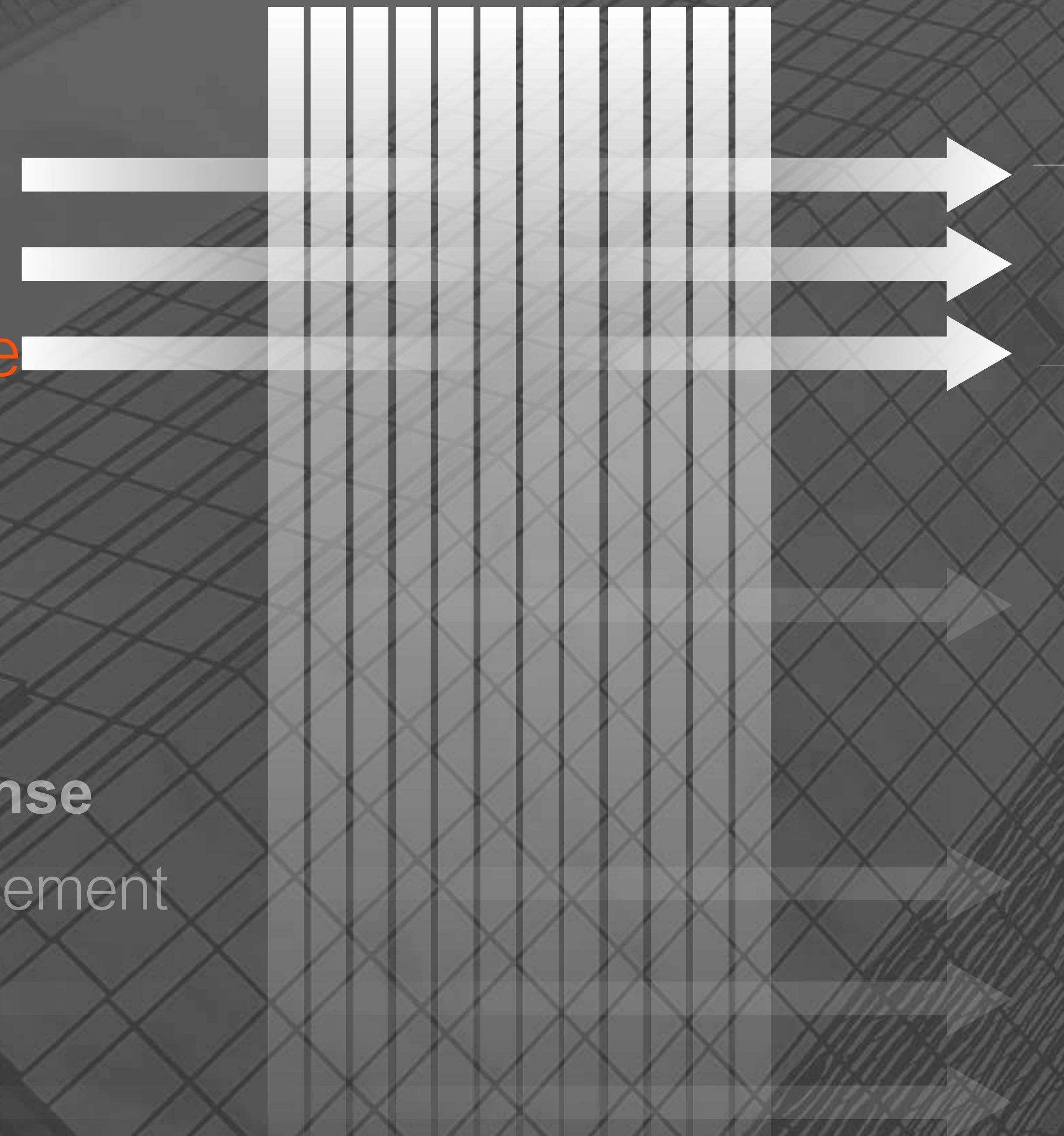
Leasing  
Renewals  
Other Income  
Parking

Collection

## Operating Expense

Facility Management  
Marketing  
Architecture

NOI



Commercial

Revenue  
Assurance

Facility  
Management

Marketing

Architecture

COMMERCIAL  
COMMITTEE

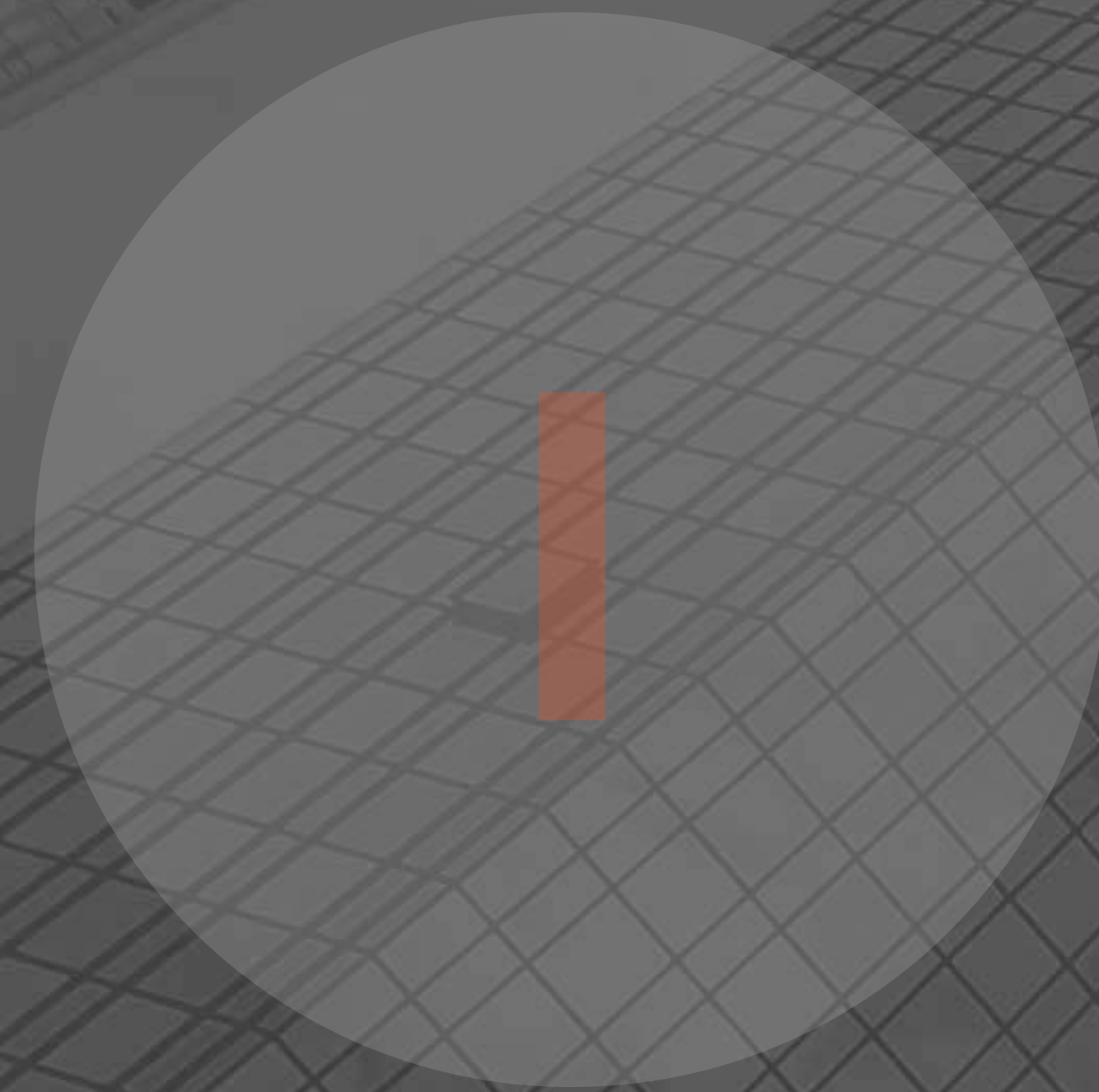
WHAT MAKES US  
**UNIQUE**

**+150**  
YEARS  
EXPERIENCE

**CUSTOMER**  
**KNOWLEDGE**



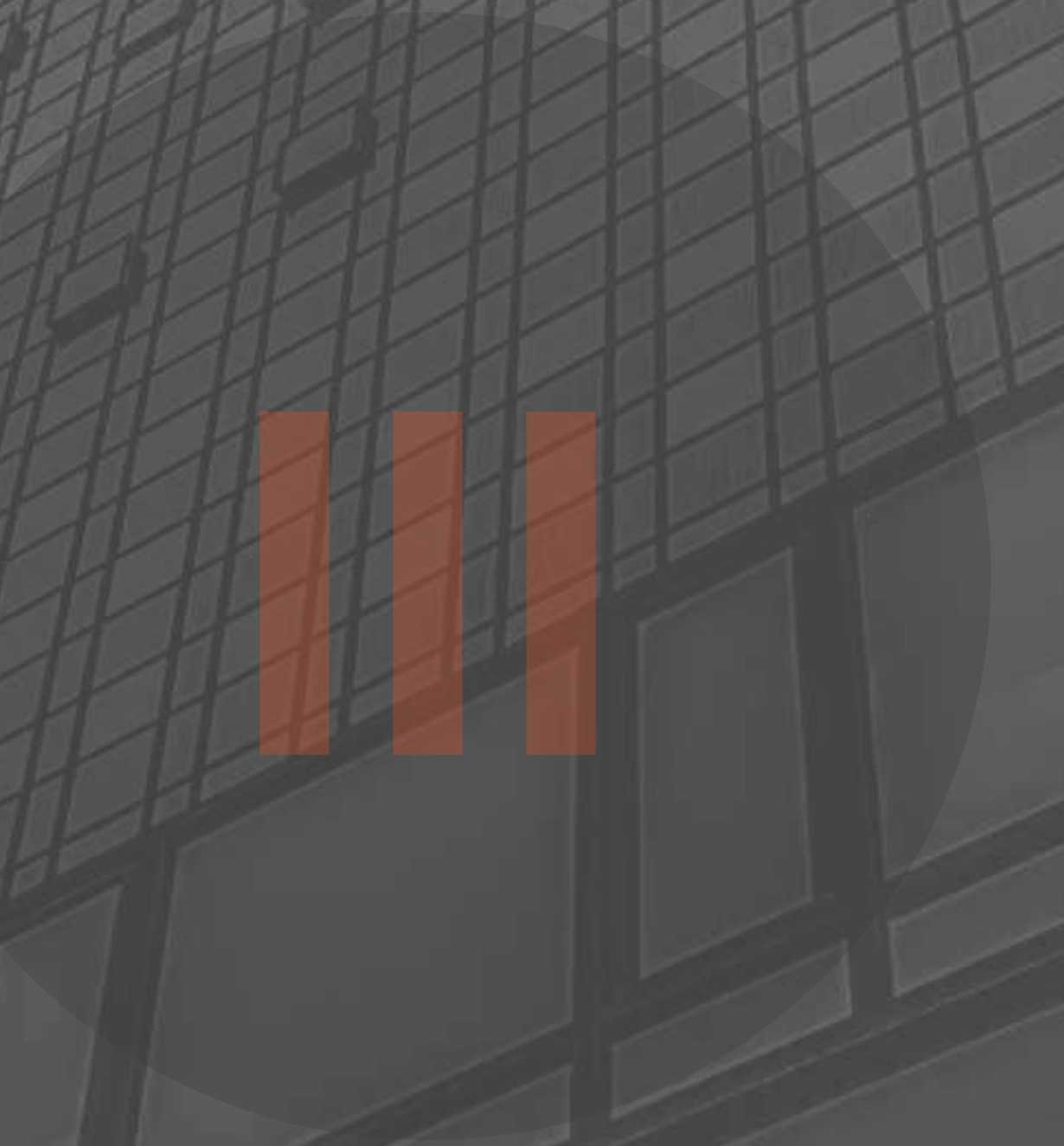
# OPERATION'S BASE



Matrix  
Structure



Scorecard  
System



Operational  
Manuals

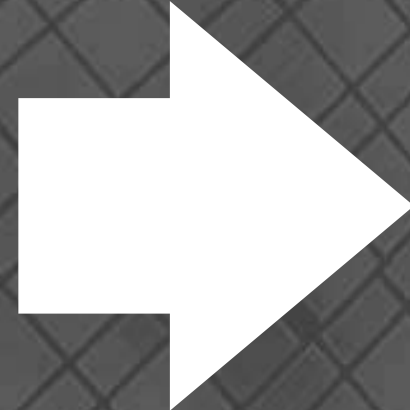


# SCORECARD SYSTEM



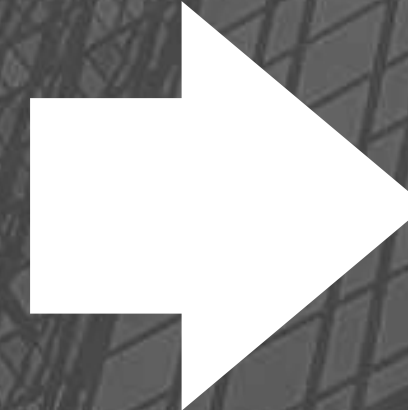
KPI  
by property  
by process

Focus



Monthly Follow Up

Supervision  
Timing  
Empowerment



Goals alignment  
Bonus system

Accountability



# SCORECARD SYSTEM

By property

## KPI's

Financial		Commercial			Operations		
NOI	Collection	GLA Increase	Renewals	Sales / Traffic	Mystery Shopper	Operation report	Maintenance report



# SCORECARD SYSTEM

By property

	Financial		Commercial			Operations		
Property (X)	NOI	Collection	GLA Increase	Renewals	Sales / Traffic	Mystery Shopper	Operation report	Maintenance report
	%	Days	sqm	Leases	MXP/visitors	%	%	%
Property A	▲ 3%	14	854   ▲ 3%	93%   (53)	▲ 18%	98%	95%	91%



# SCORECARD SYSTEM

By property

				Financial		Commercial			Operations		
Property (X)		OCT 19	YTD	NOI	Collection	GLA Increase	Renewals	Sales / Traffic	Mystery Shopper	Operation report	Maintenance report
10%	Property A	95%	98%	98%	10	350	90%	91%	100%	91%	95%
12%	Property B	110%	100%	93%	12	871	95%	91%	90%	93%	92%
15%	Property C	100%	95%	92%	17	128	90%	101%	100%	91%	87%
17%	Property D	95%	98%	92%	11	827	93%	91%	100%	90%	95%
8%	Property E	110%	100%	98%	15	372	91%	91%	90%	95%	93%
12%	Property F	100%	95%	99%	13	721	98%	84%	100%	94%	95%
11%	Property G	100%	100%	99%	14	721	98%	91%	100%	95%	95%
Director's Total		102%	98%	94%	105%	97%	92%	94%	97%	92%	91%

Management by exception  
 Bonus system  
 Focus on specific needs



# SCORECARD SYSTEM

By process

## Facility Management

\$ VS. BDGT

% LEAKEAGE

OPERATION REPORT

MAINTENANCE REPORT

## Marketing

SALES

TRAFFIC

MYSTERY SHOPPER

SOCIAL MEDIA

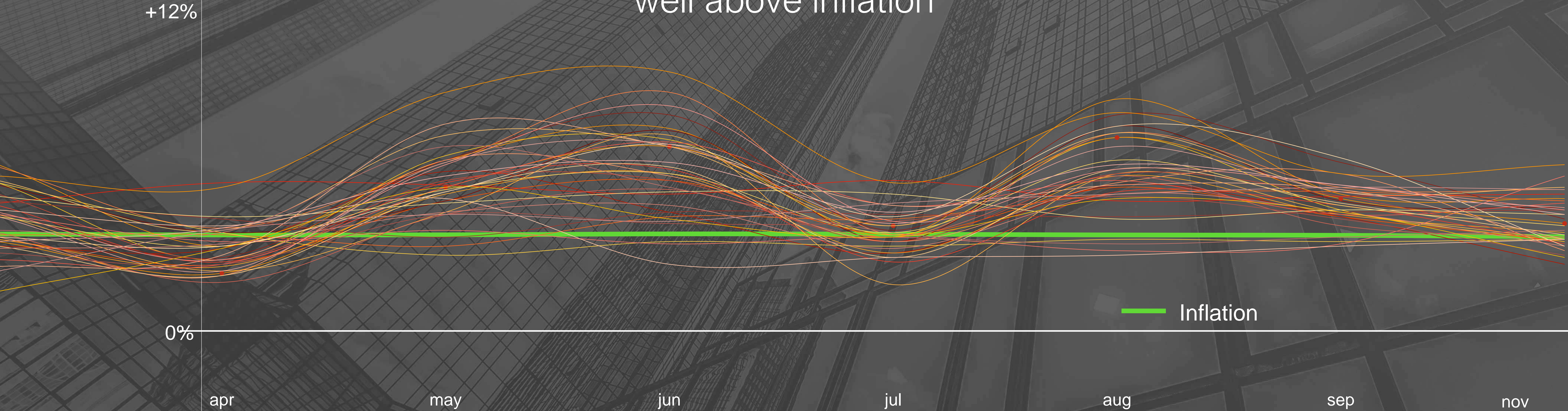
KPI's



# OUR TENANTS

Sales 2019 vs. 2018 (%)

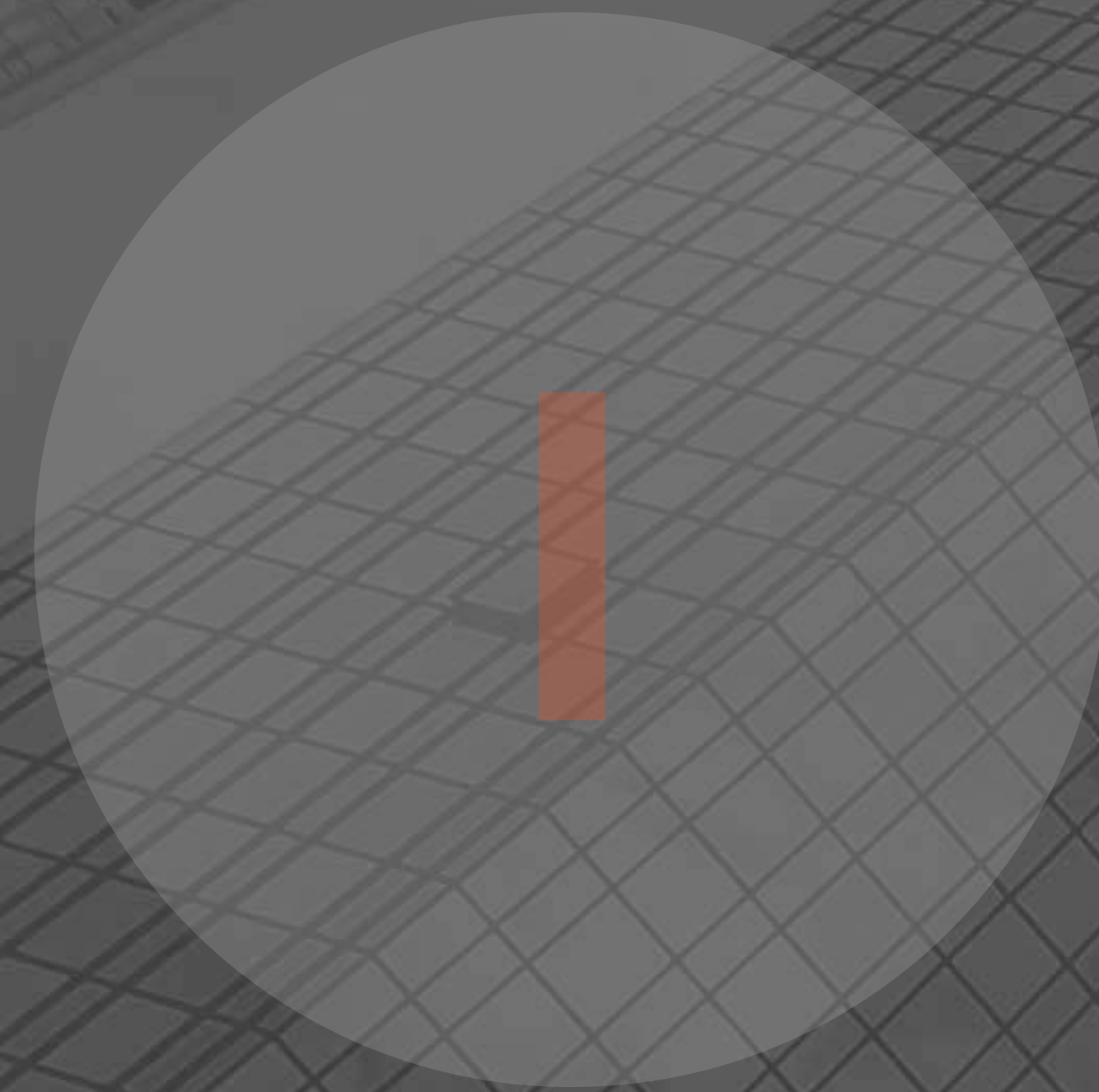
On average **+90%** of tenants increased sales well above inflation



SOURCE: ACTUAL SALES. EXTRACT FROM INTERNAL SALES REPORT INCLUDING THE FOLLOWING CATEGORIES (DEPARTMENT STORES, ENTERTAINMENT, FASHION, FOOD SERVICE)



# OPERATION'S BASE



Matrix  
Structure



Scorecard  
System



Operational  
Manuals



# OPERATIONAL MANUALS

Operational Manuals

What to do



Instructions Manual

How to do it



Appendix & Formats

Where to report it



Emergencies

What to do in an emergency



One on one



Webinar



E-learning





# OPERATIONS

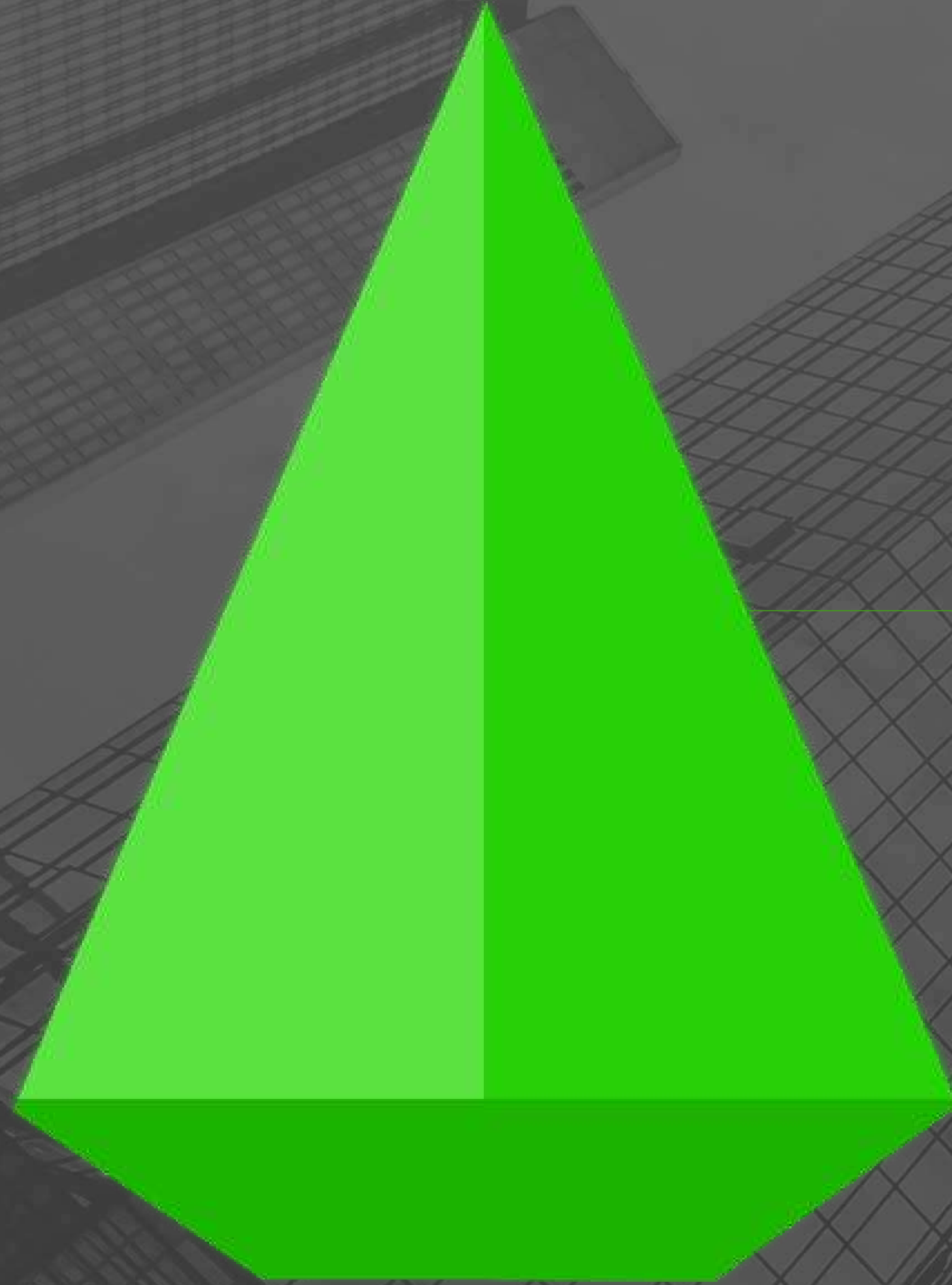


## Professional Team

- Highly qualified corporate personnel
- Constant training
- Career plan



# OPERATIONS



## Institutional Capacities

- Operational Manuals
- Commercial Committee
- Collection Committee
- Scorecards





# OPERATIONS



## Supervision

- Continuous evaluation
- Incentive alignment



# OPERATIONS



Professional Team



Institutional  
Capacities



Supervision



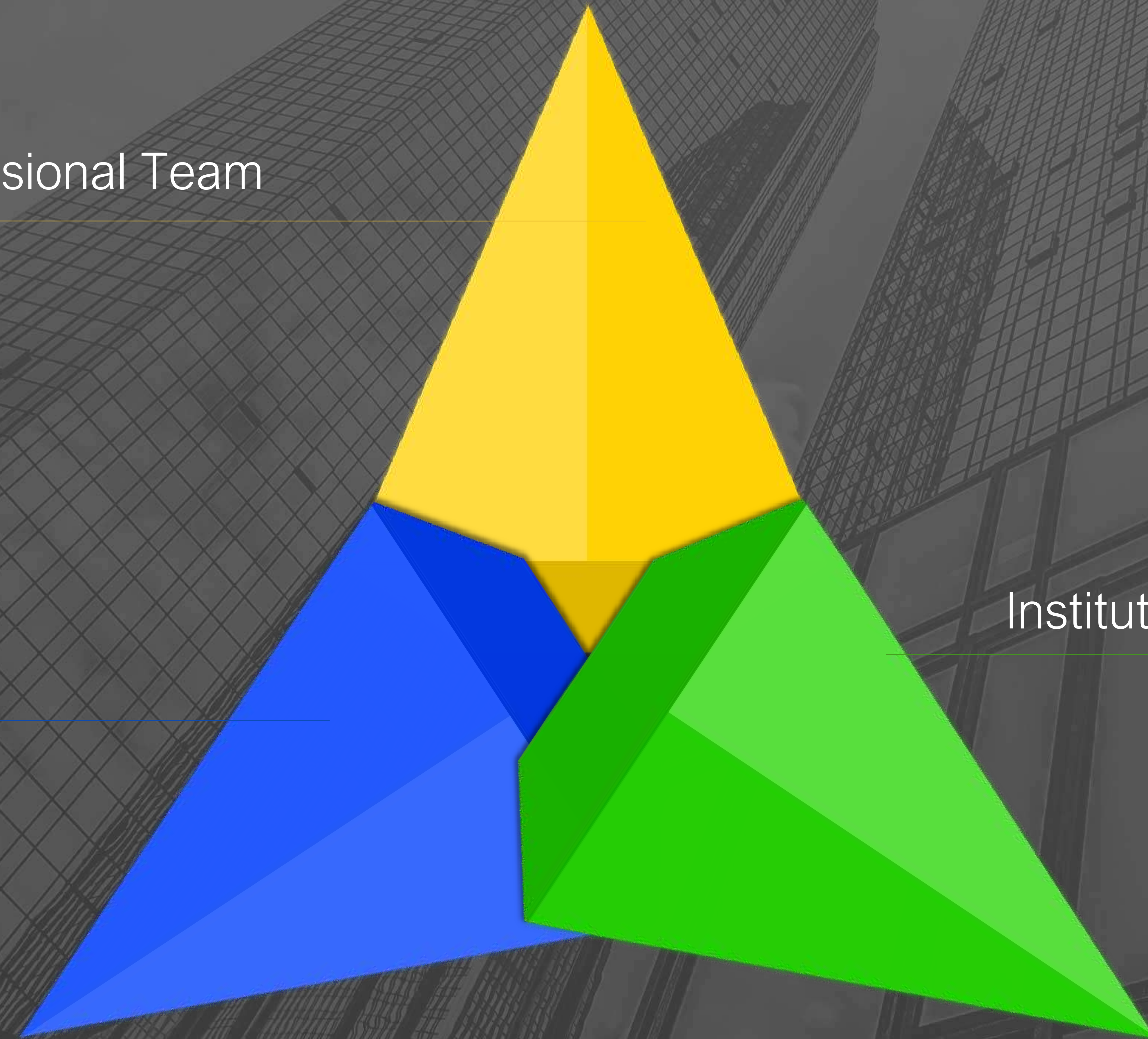
# OPERATIONS



Professional Team

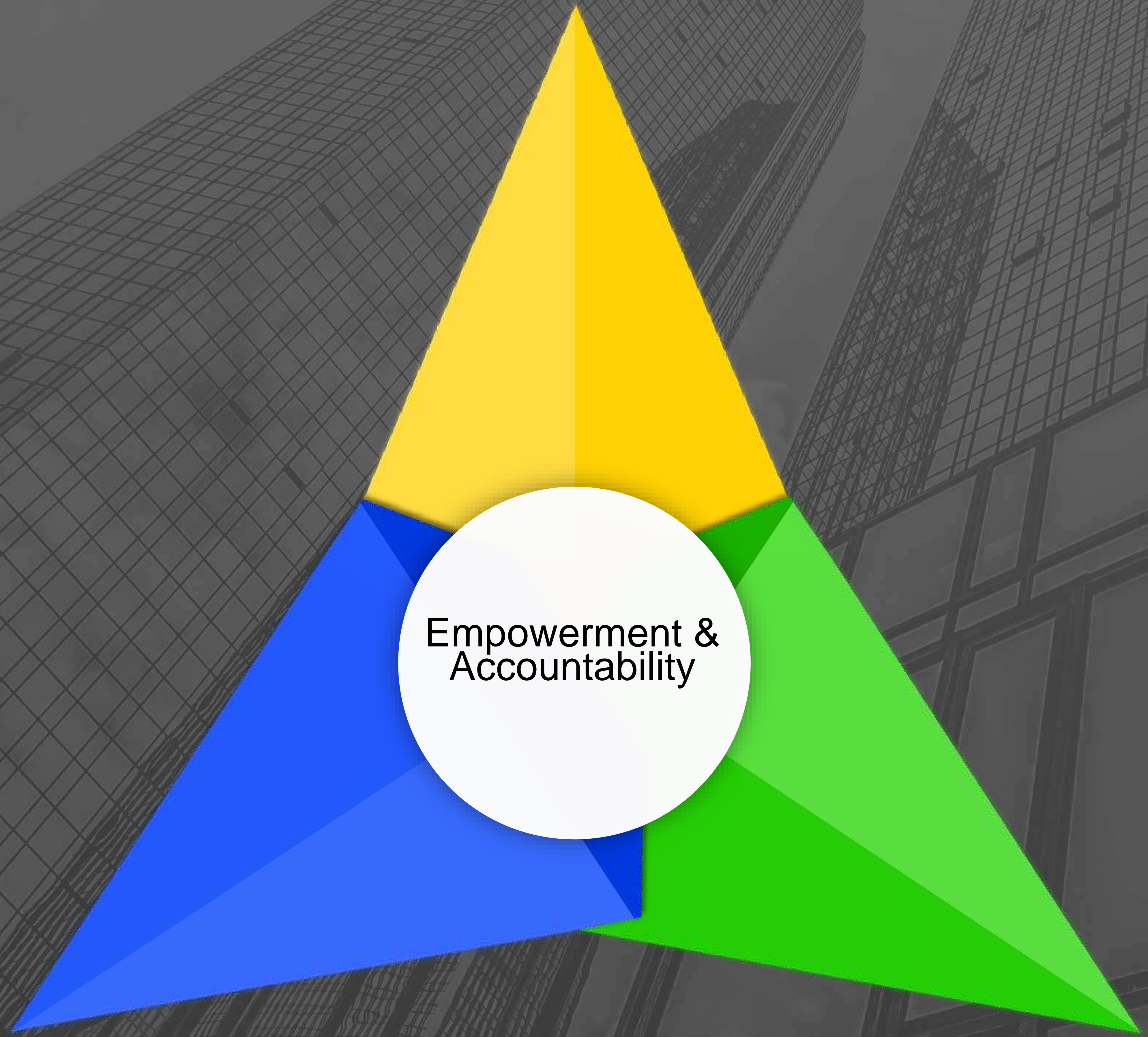
Supervision

Institutional Capacities





# OPERATIONS



Empowerment &  
Accountability



# HOW WE ACHIEVE IT



F U N I N O





**“Nothing is more expensive than a missed opportunity”**

*Gonzalo Robina*





# TITAN

by Gonzalo Robina **Deputy CEO**





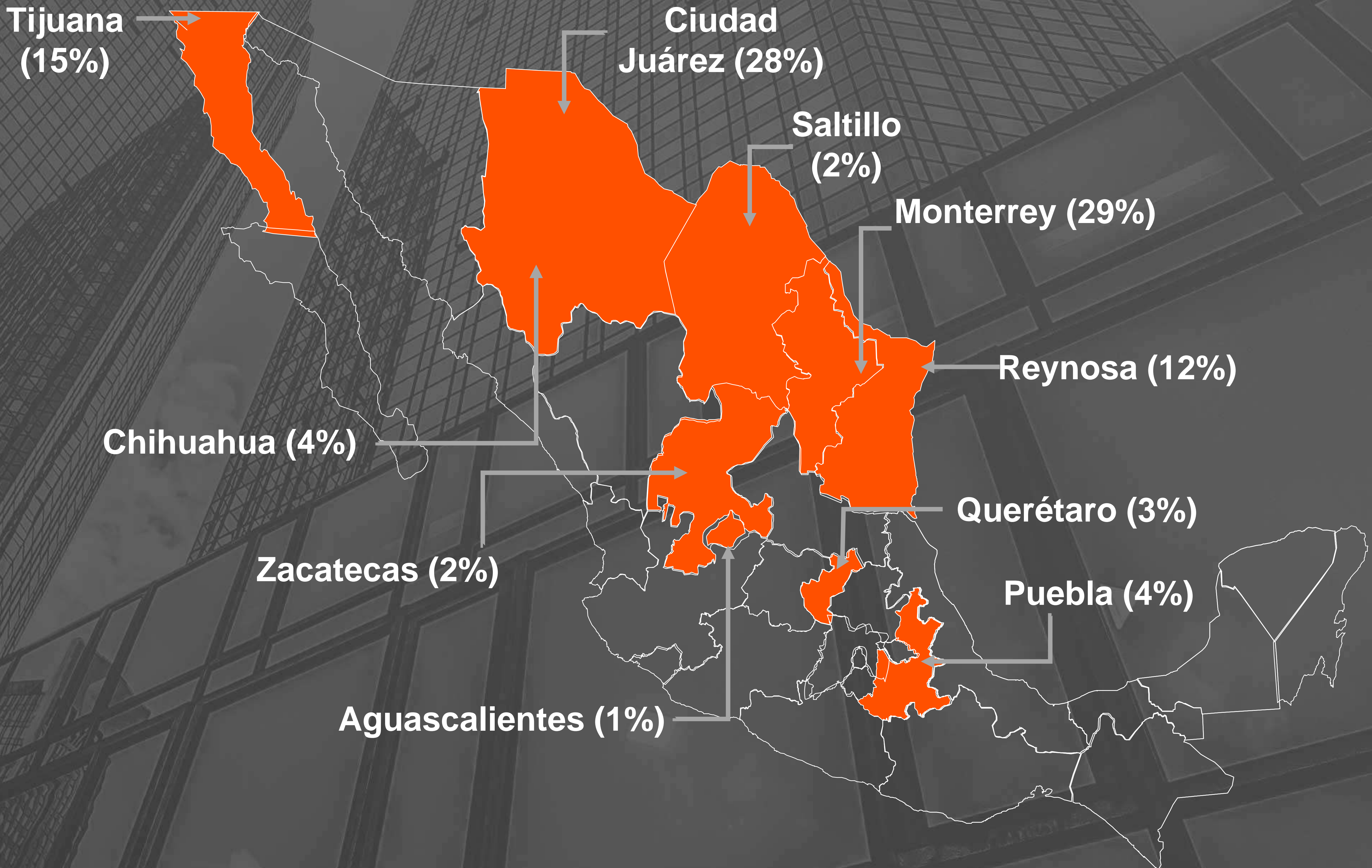
# GENERAL FEATURES

74 PROPERTIES | 1,262,457 GLA



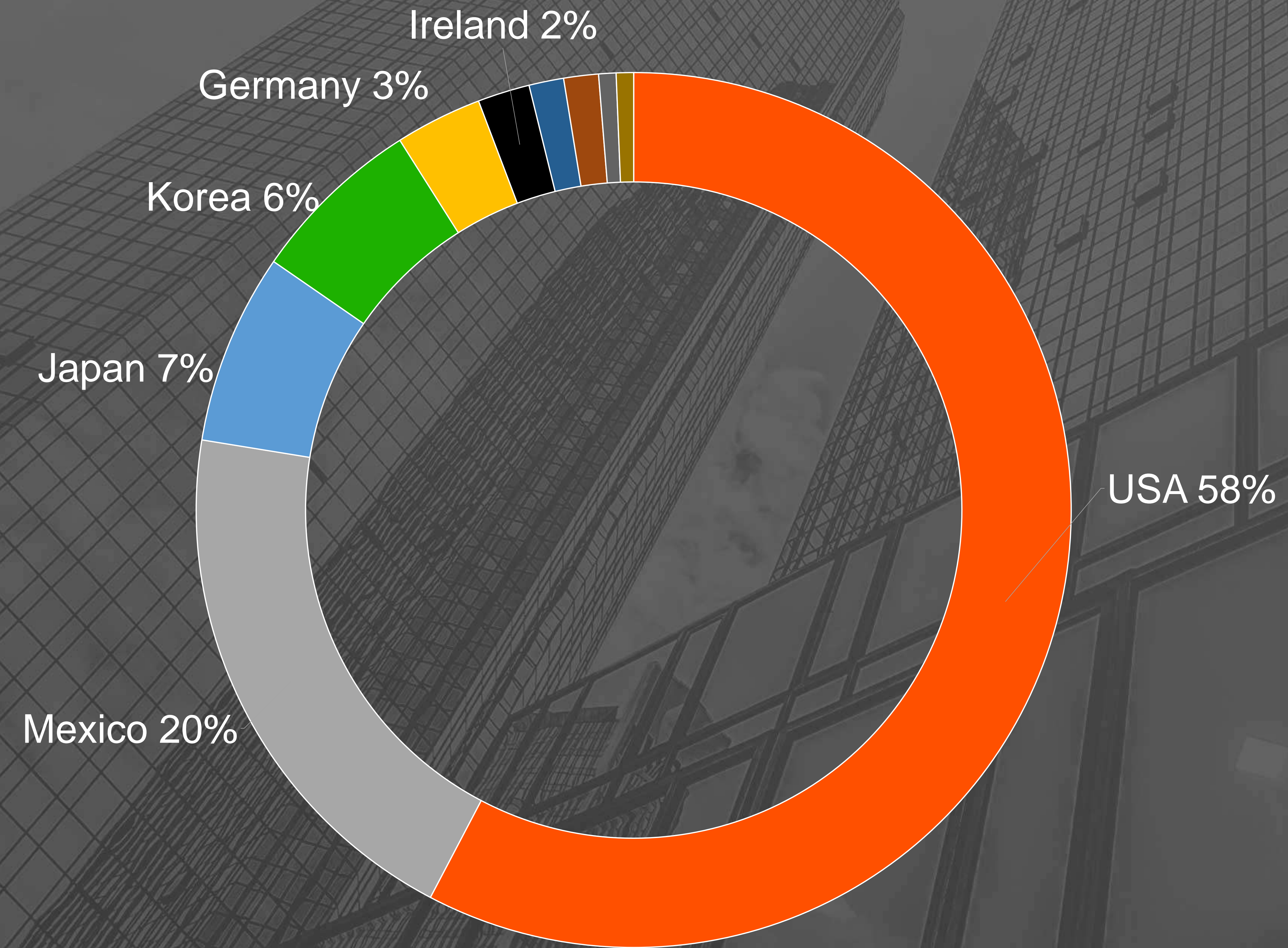
# GENERAL FEATURES

LOCATED IN 10 CITIES





# TENANTS BY COUNTRY





# TITAN – Top Tenants



**GLA TITAN: 83,695 m<sup>2</sup>**

Ownership: Public

Country: Korea

Industry: Automotive

Global automotive supplier with a strong footprint in 20 countries.



**GLA TITAN: 76,039 m<sup>2</sup>**

Ownership: Public

Country: USA

Industry: Logistics

The company manages critical fleet, transportation and supply chain functions for over 50,000 clients.



**GLA TITAN: 55,955 m<sup>2</sup>**

Ownership: Public

Country: Japan

Industry: Automotive

The company manufactures and sells motors and other electronic products worldwide.



**GLA TITAN: 39,991 m<sup>2</sup>**

Ownership: Public

Country: Mexico

Industry: Retail

Convenience store chain in Mexico with 18,000 points of sale serving 12 million people every day.



**GLA TITAN: 36,385 m<sup>2</sup>**

Ownership: Public

Country: USA

Industry: Manufacture

Innovation in optical communications, mobile consumer electronics, display technology, among others.



**GLA TITAN: 35,868 m<sup>2</sup>**

Ownership: Private

Country: Mexico

Industry: Consumer Goods

Technological development in the refrigeration industry.



# GENERAL FEATURES

## INCOME DISTRIBUTION

LOGISTICS

10%

LIGHT MANUFACTURING

84%

OFFICE

6%

USD 89%

MXP 11%





# GENERAL FEATURES

OCCUPANCY

95.1%

AVERAGE LEASE  
TERM

4.5 YEARS

MONTHLY RENT  
PER SQM

USD 4.6





# TITAN ACCRETION ANALYSIS

Purchase Price: **USD 822.0 M**

Total Debt: **USD 500.0 M**

Total NOI 2020: **USD 66.3 M**

Cost of Debt: **Libor 3 month  
+ 185 bps**

Entry Cap Rate: **8.1%**

LTV: **59.4%**

Cash-on-cash: **12.9%**



# TITAN ACCRETION ANALYSIS

NOI: **USD 66.3 M**

Debt Service: **USD (19.3) M**

FFO Impact: **MXP 905.7 M**

FFO Impact: **USD 47.0 M**

Fx: **19.25**





# GENERAL FEATURES

## LAND BANK

1,000,954  
SQM

LOCATED IN 6  
CITIES

PURCHASE PRICE  
USD 19.4 M



# ACQUISITIONS PIPELINE

## INDUSTRIAL PROPERTIES: BATCH ONE

8 Properties

437,728 SQM

Logistics:

94.7%

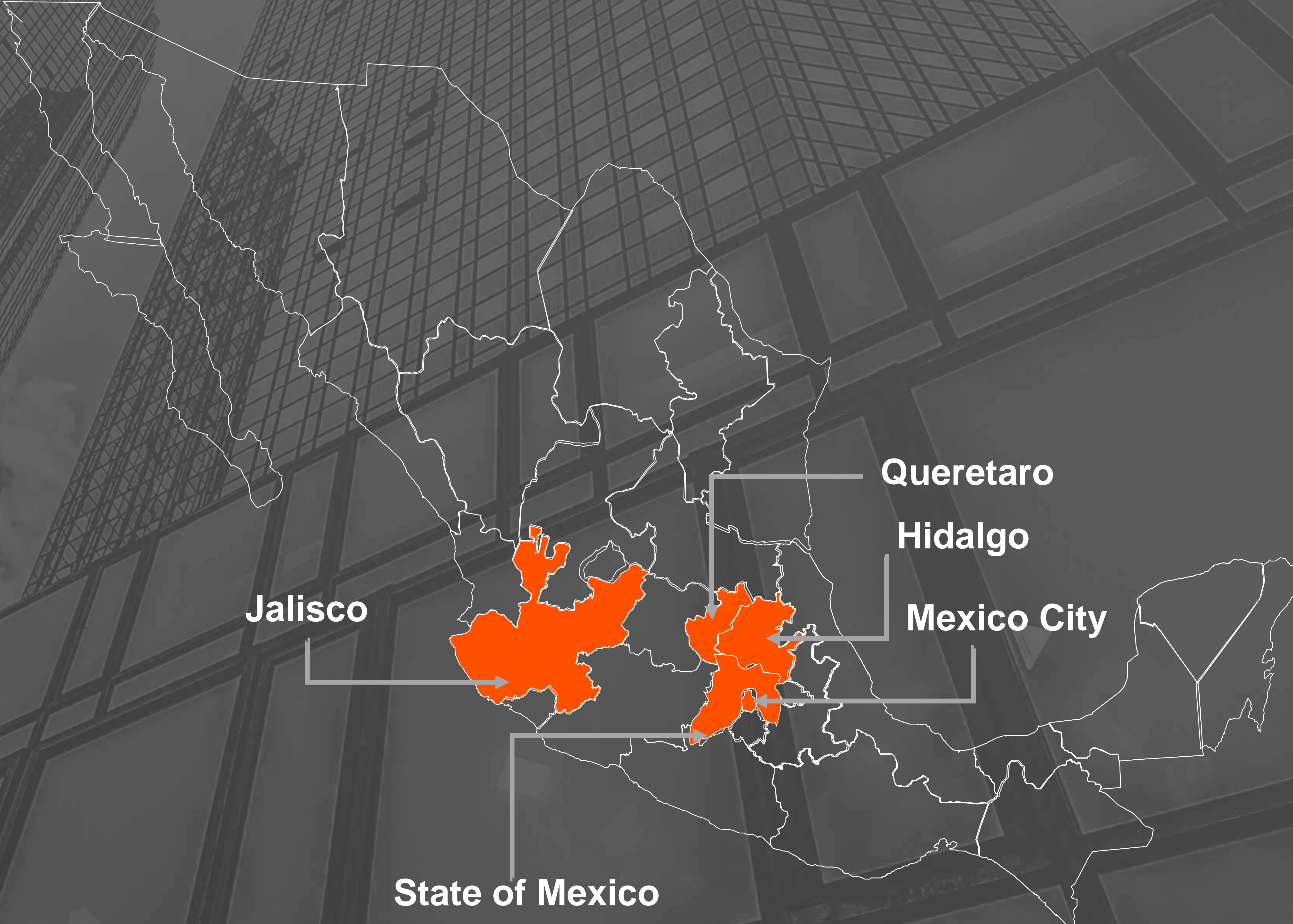
Light Manufacturing:

5.3%

Occupancy:

91.6%

Located in 5 States





# ACQUISITIONS PIPELINE



## INDUSTRIAL PROPERTIES: BATCH TWO

**6 Properties**

**371,322 SQM**

**Logistics:**

**100%**

**Occupancy:**

**100%**

**Located in Mexico City and its Metropolitan area**







# FUNO + TITAN

by Fernando Álvarez **VP of Finance**



# OUR NEW PORTFOLIO



Before

GLA: **8,744,632** sqm

**537** properties

**94.3%** occupancy

After

GLA: **10,007,079** sqm

**611** properties

**94.4%** occupancy

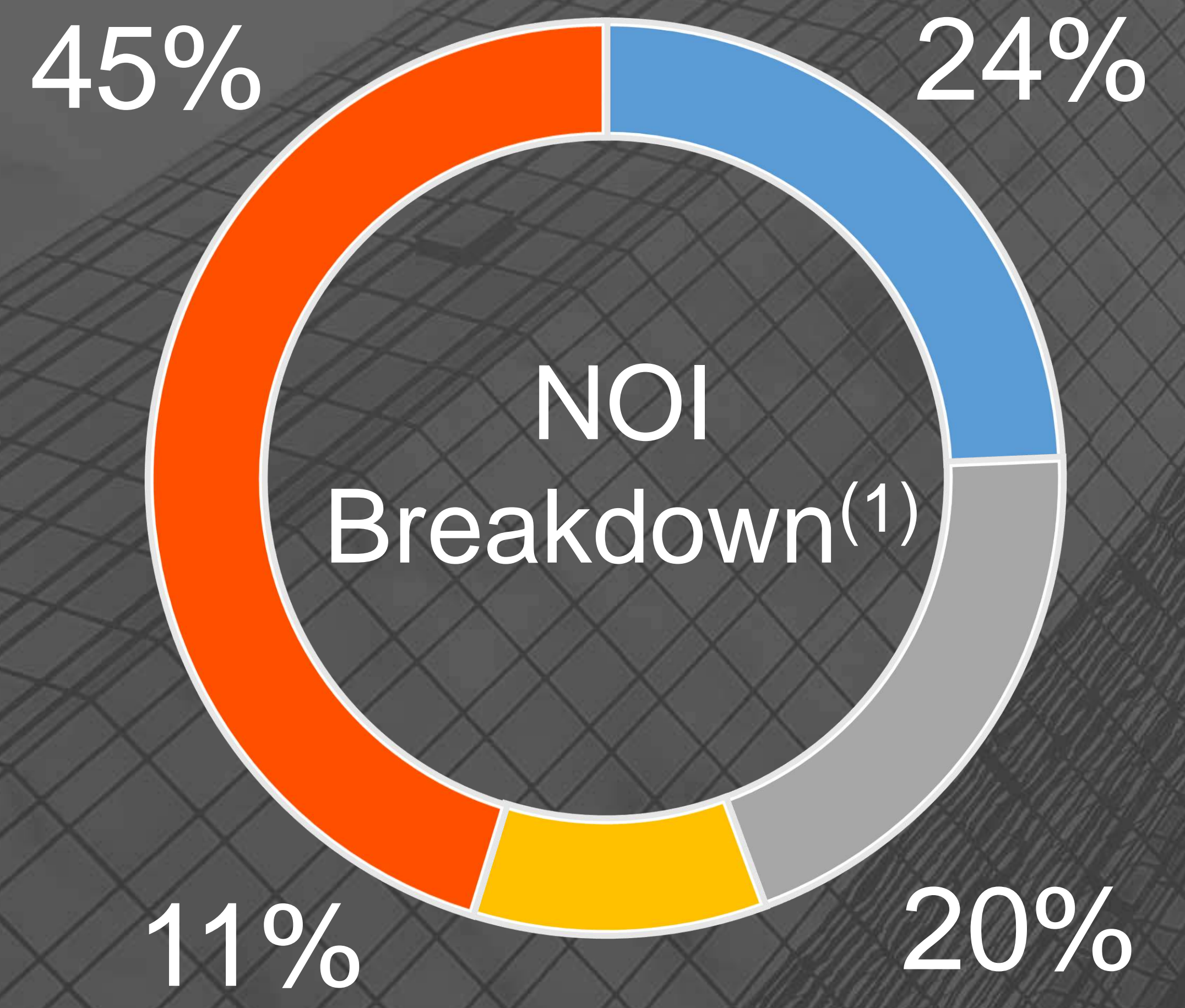
*(1) Includes 100% of Torre Mayor's and Torre Diana's GLA & ABR*



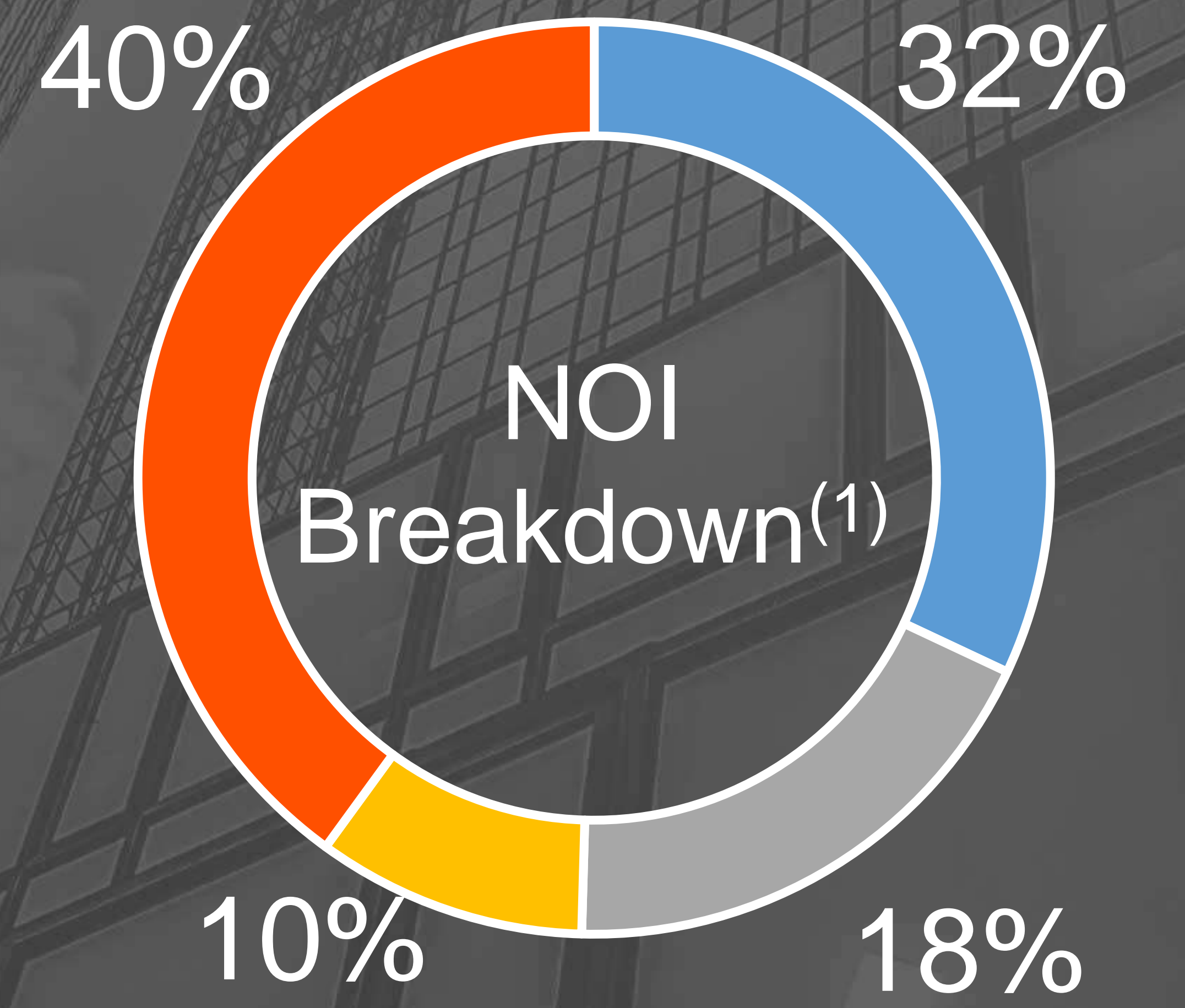
# OUR NEW PORTFOLIO



Before



After



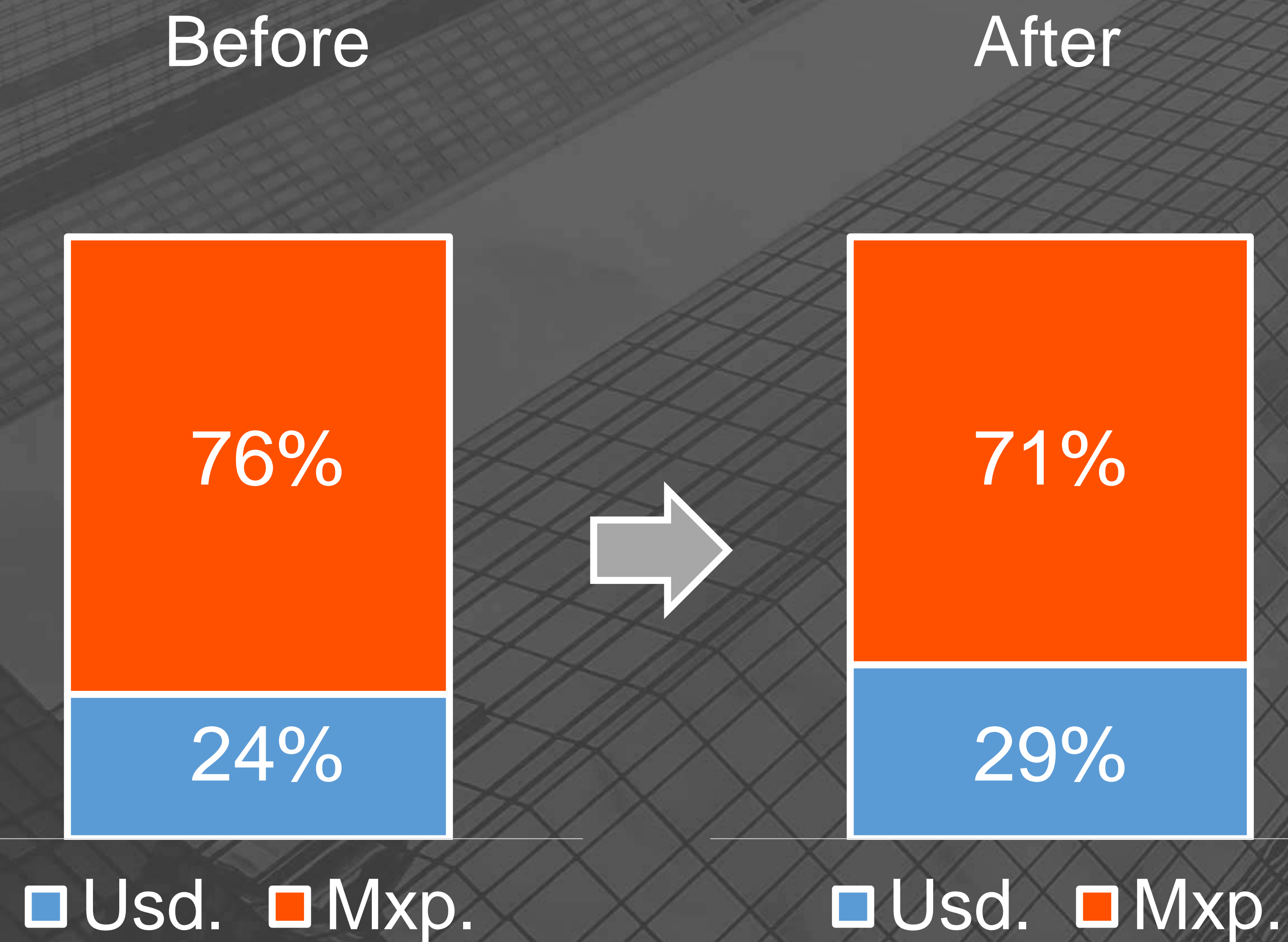
■ Retail    ■ Industrial    ■ Office    ■ Other

(1) Includes 100% of Torre Mayor's and Torre Diana's NOI

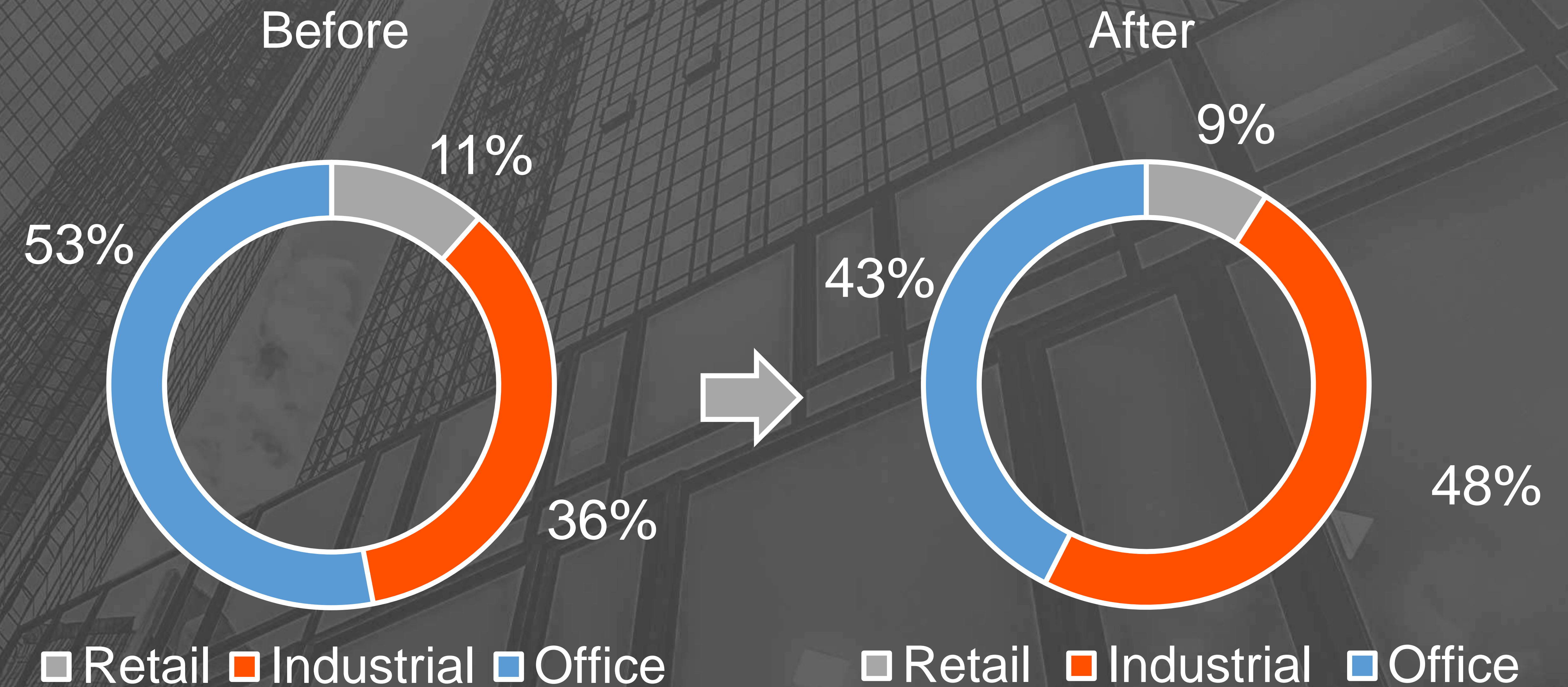


# OUR NEW PORTFOLIO

## Leases by Currency



## Usd. Leases by Segment



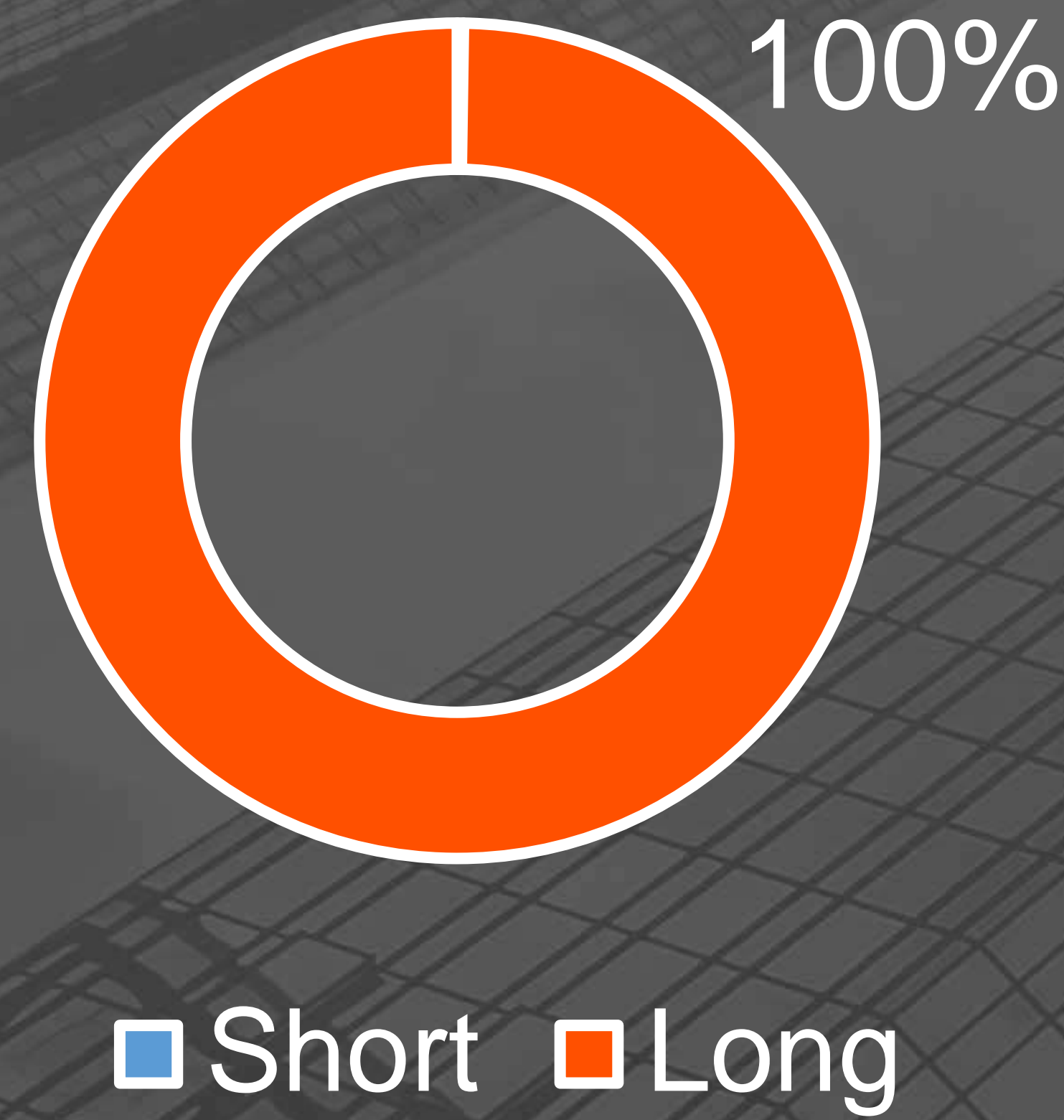
✓ Average Usd. revenue to interest expense for the next 12 months = **1.6x**

*Note: Includes the effect of financial derivatives*

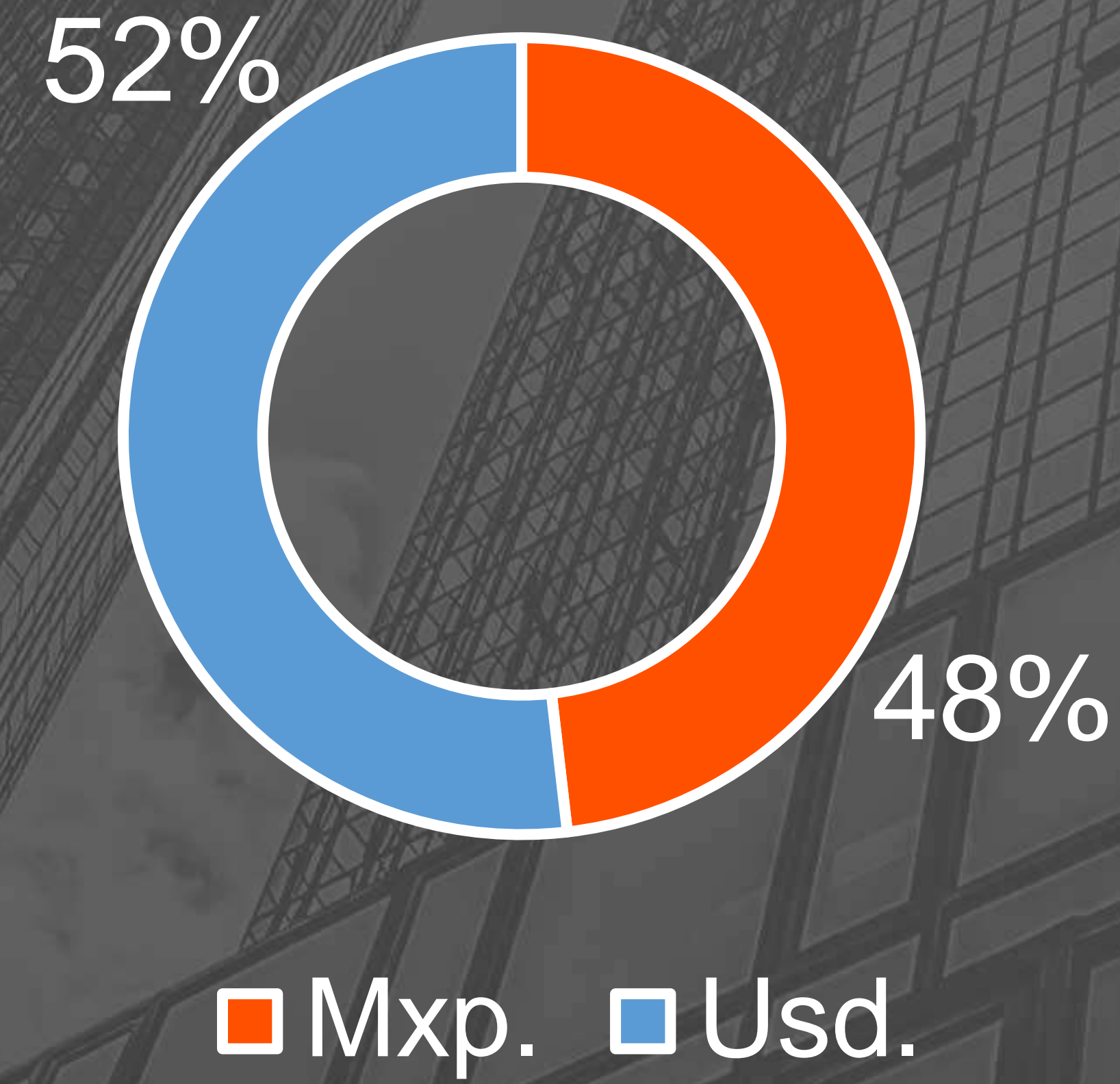


# NEW DEBT PROFILE

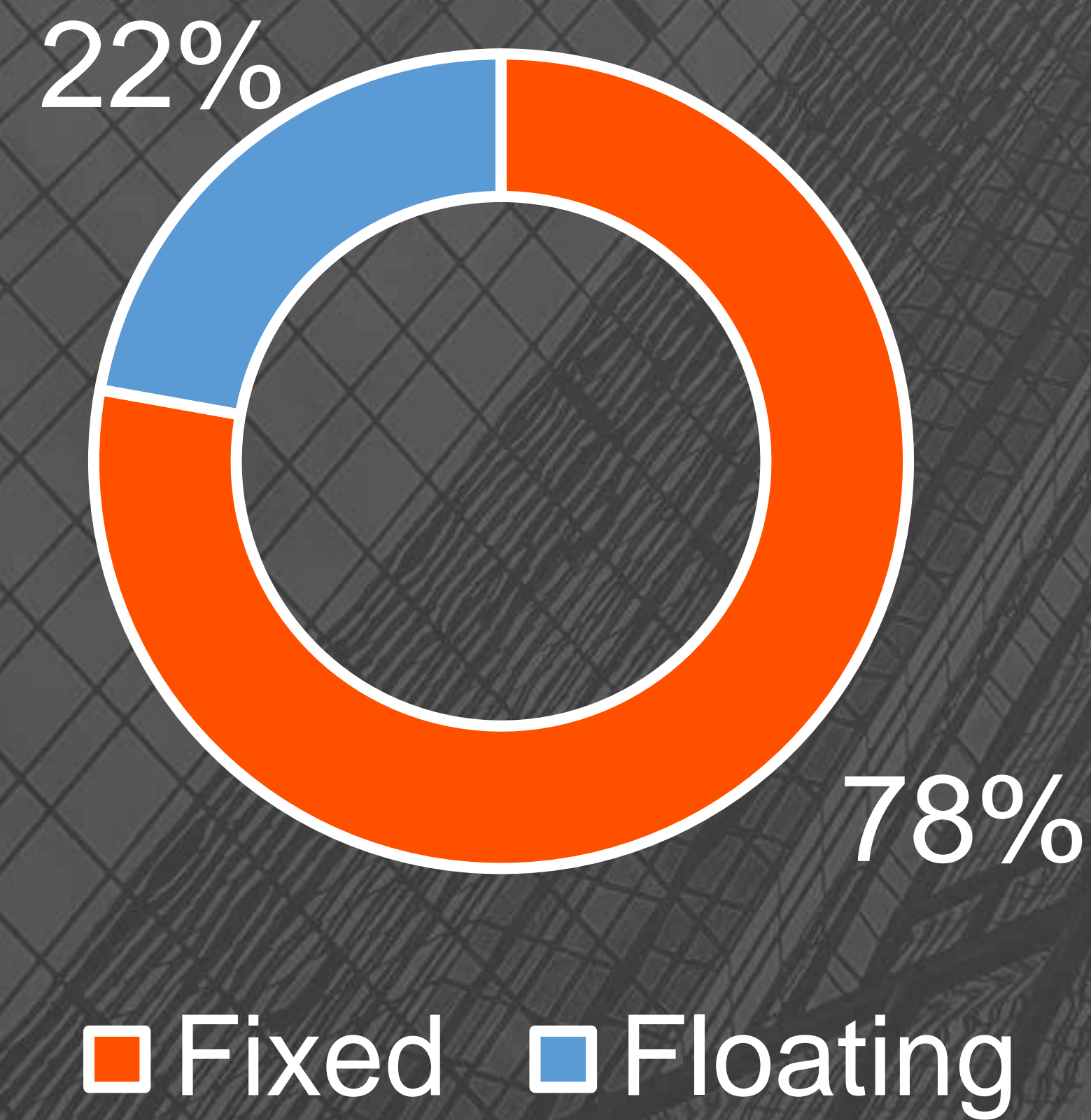
## Short vs Long Term



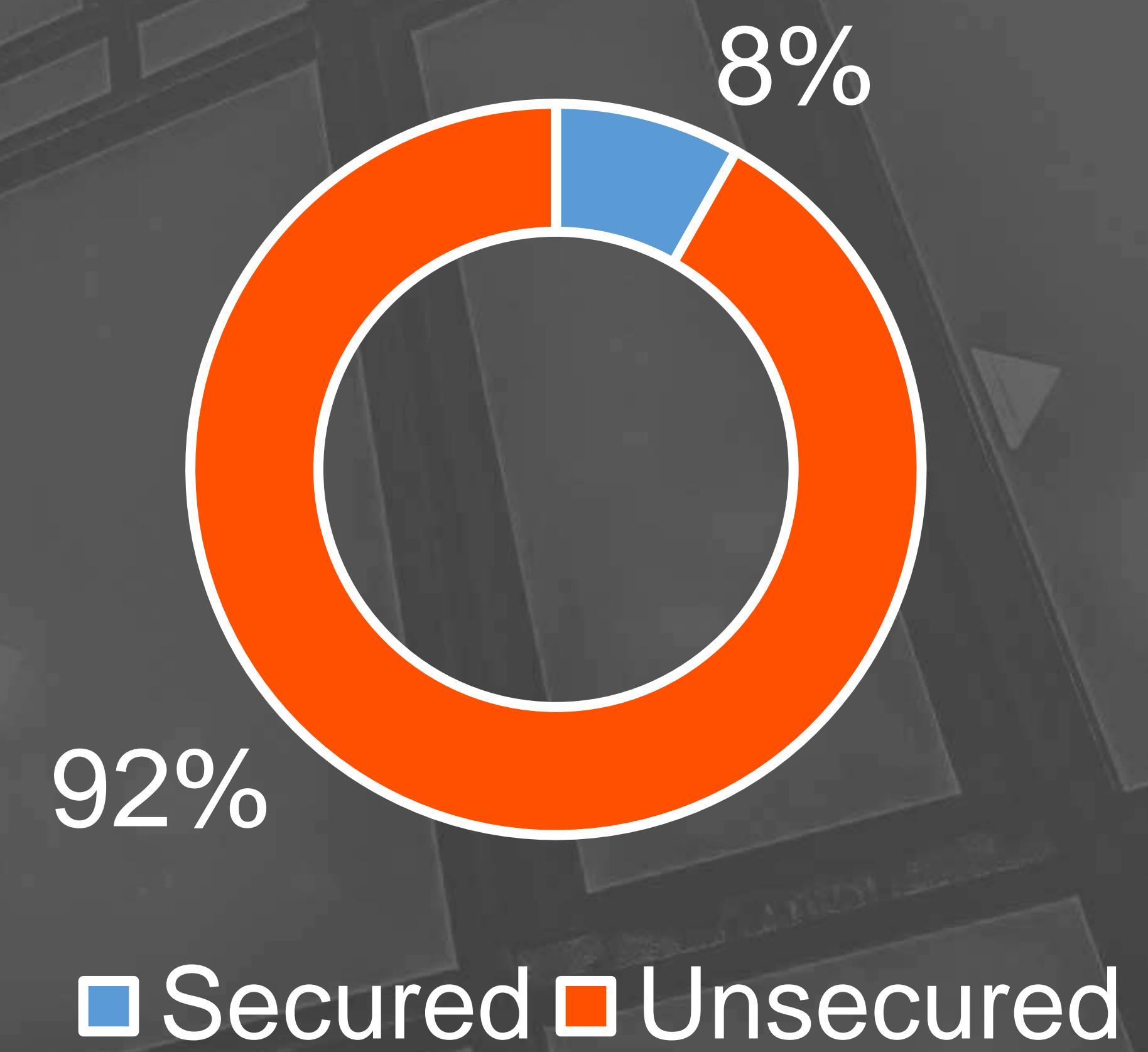
## Currency Distribution



## Fixed vs Floating



## Secured vs Unsecured

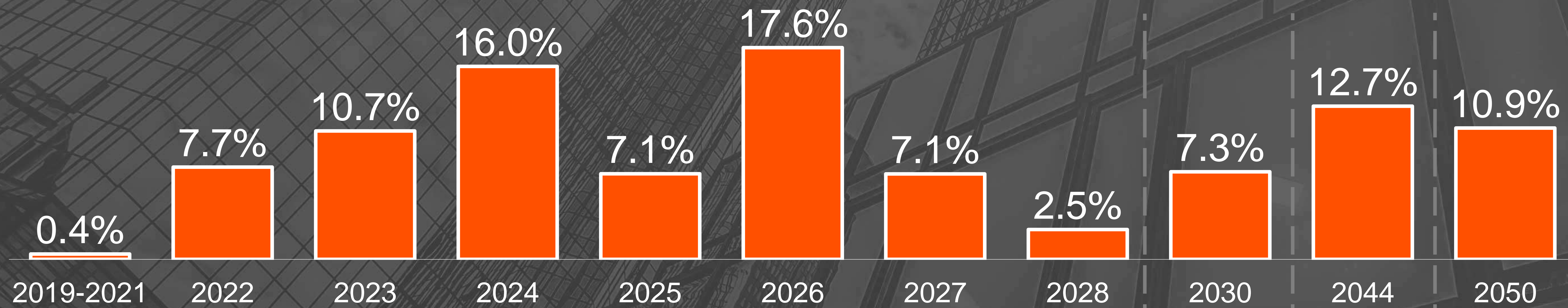


*Note: Includes the effect of financial derivatives*



# NEW DEBT PROFILE

- Average Life of Debt: 12.4 years
- Average Cost of Debt: 7.13%
- LTV: 37.9%



*Note: Includes the effect of financial derivatives*





# FUNO'S OUTLOOK

by Jorge Pigeon

**VP of Capital Markets & Investor Relations**





# KEY ASSUMPTIONS

## 1. General:

- Rents adjusted with inflation annually
- Contract renewals with leasing spreads over inflation
- Occupation stabilizes at a range of 90-95% (depending on the property/portfolio)
- Stable NOI margin at 80% and FFO payout trends towards 95%

## 2. Acquisitions:

- Assumes closing Titan Portfolio on 4Q19 and Uptown Juriquilla and Antea (20%) on 2020

## 3. Developments:

- Assumes delivery dates as stated on the 3Q'19 Quarterly Report
- FUNO consolidates 100% of Mitikah JV Project's revenues and debt



# POTENTIAL GLA BUILD UP

(Figures in '000 m2)



(1) Includes 100% of Centro Bancomer's GLA

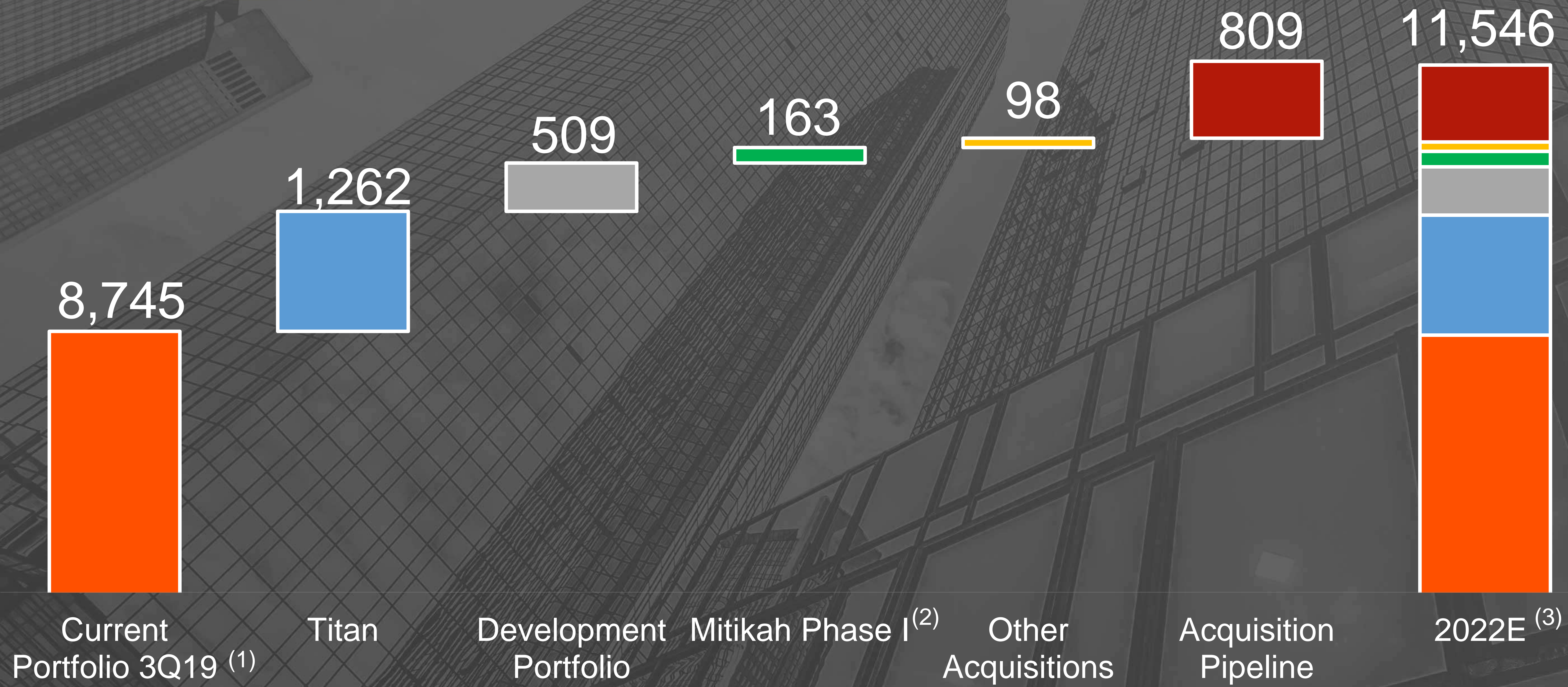
(2) Includes Mitikah's Phase I GLA excluding Centro Bancomer

(3) Includes the sale of 40,000 sqm of GLA



# POTENTIAL GLA BUILD UP

(Figures in '000 m2)



(1) Includes 100% of Centro Bancomer's GLA

(2) Includes Mitikah's Phase I GLA excluding Centro Bancomer

(3) Includes the sale of 40,000 sqm of GLA



# POTENTIAL NOI BUILD UP

(Figures in Ps. mm)



(1) 3Q19 LTM NOI including 100% of Centro Bancomer's NOI

(2) Includes Mitikah's Phase I NOI excluding Centro Bancomer

(3) Includes the sale of 40,000 sqm of GLA



# FULL POTENTIAL 3YR OUTLOOK

Concept	2019E	2022E	%Δ
NOI (Ps. mm)	15,333	21,394	39.5%
GLA ('000 sqm)	10,066	10,737	6.7%
Debt (Ps. mm)	107,413	114,320	6.4%
LTV	38.5%	36.6%	-1.9%
AFFO (Ps. mm)	9,114	12,689	39.2%
No. CBFIs (mm)	3,928	3,976	1.2%
AFFO / Share			
<i>High End</i>	2.34	3.32	41.5%
<i>Low End</i>	2.32	3.14	35.2%



# LONG TERM RESILIENCE

## WE HAVE ENDURED MARKET VOLATILITY

- ✓ Trump's election
- ✓ NAFTA's uncertainty
- ✓ Interest rates hikes
- ✓ AMLO's election
- ✓ Brexit
- ✓ China-USA trade war
- ✓ Lack of global growth
- ✓ ...you name it

Here we are:

**Built for the  
Long Term**

**Ready for  
Tomorrow**





# STRATEGY

by André El-Mann **CEO**





What is this business about?





WHAT IS THIS BUSINESS ABOUT?

**TIME**  
RESILIENCE & BALANCE





# ENDURANCE THROUGH TIME

## RESILIENCE

1. PRODUCT
2. FINANCIAL HEALTH
3. MARKET CONDITIONS
4. SUSTENTABILITY

## BALANCE

1. PRODUCTIVITY & PROFITABILITY
2. CONTINUED GROWING DISTRIBUTIONS
3. PREVAIL & GROW
4. ATTRACTIVE EFFICIENCY





# ENDURANCE THROUGH TIME

## RESILIENCE

- 5. TENANT SATISFACTION
- 6. SUSTAINABLE DEVELOPMENT
- 7. FLEXIBILITY
- 8. LONG TERM VALUE ORIENTED

## BALANCE

- 5. EFFICIENT LOW COST MAINTENANCE
- 6. IMMEDIATE RETURN
- 7. WORLD CLASS CORPORATE GOVERNANCE
- 8. DIVIDEND ORIENTED



# OUR COMPANY

F

U

N

O





**OUR COMPANY**

**MISSION**

**VISION**

**&**

**VALUES**





**Q & A**





# CLOSING REMARKS

by André El-Mann **CEO**