



F U N O

CORPORATE PRESENTATION

4Q19

Disclaimer

This supplemental information, together with other statements and information publicly disseminated by us, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements reflect management's current views with respect to financial results related to future events and are based on assumptions and expectations that may not be realized and are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, financial or otherwise, may differ from the results discussed in the forward-looking statements. Risk factors and other factors that might cause differences, some of which could be material, include, but are not limited to, the impact of current lending and capital market conditions on our liquidity, ability to finance or refinance projects and repay our debt, the impact of the current economic environment on the ownership, development and management of our commercial real estate portfolio, general real estate investment and development risks, using modular construction as a new construction methodology, vacancies in our properties, further downturns in the real estate market, competition, illiquidity of real estate investments, bankruptcy or defaults of tenants, anchor store consolidations or closings, international activities, the impact of terrorist acts, our debt leverage and the ability to obtain and service debt, the impact of restrictions imposed by our credit lines and senior debt, the level and volatility of interest rates, effects of a downgrade or failure of our insurance carriers, environmental liabilities, conflicts of interest, risks associated with the sale of tax credits, risks associated with developing and managing properties in partnership with others, the ability to maintain effective internal controls, compliance with governmental regulations, increased legislative and regulatory scrutiny of the financial services industry, changes in federal, state or local tax laws, volatility in the market price of our publicly traded securities, inflation risks, litigation risks, cybersecurity risks and cyber incidents, as well as other risks listed from time to time in our reports filed with the Comisión Nacional Bancaria y de Valores. We have no obligation to revise or update any forward-looking statements, other than imposed by law, as a result of future events or new information. Readers are cautioned not to place undue reliance on such forward-looking statements.

Understanding FUNO's DNA

Long Term Total Return Focus → Sustainable Shareholder Value Creation

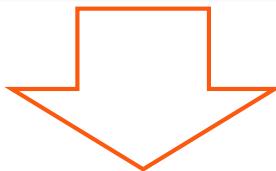
Dividend
Distributions

High Occupancy
Rent Collections
=

Dividends

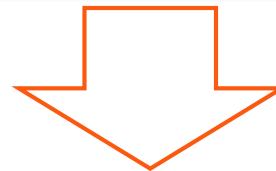
Capital Appreciation through Active Management
of our Assets and Opportunities

- Acquisitions
- Developments
- Re-Developments



30%

Value Weight

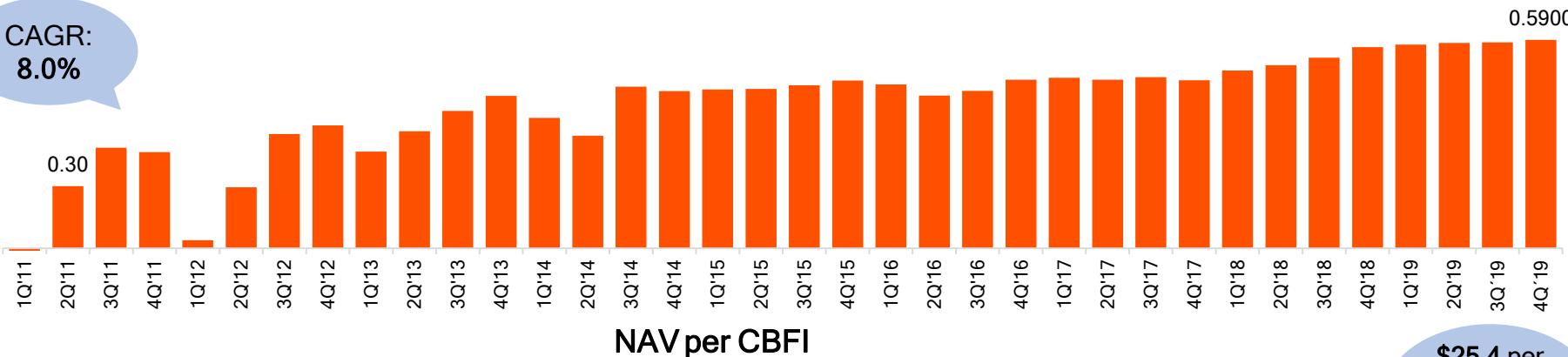


70%

Total Return Focus: Capital appreciation outweighs distributions

Quarterly Distribution per CBF1

CAGR:
8.0%



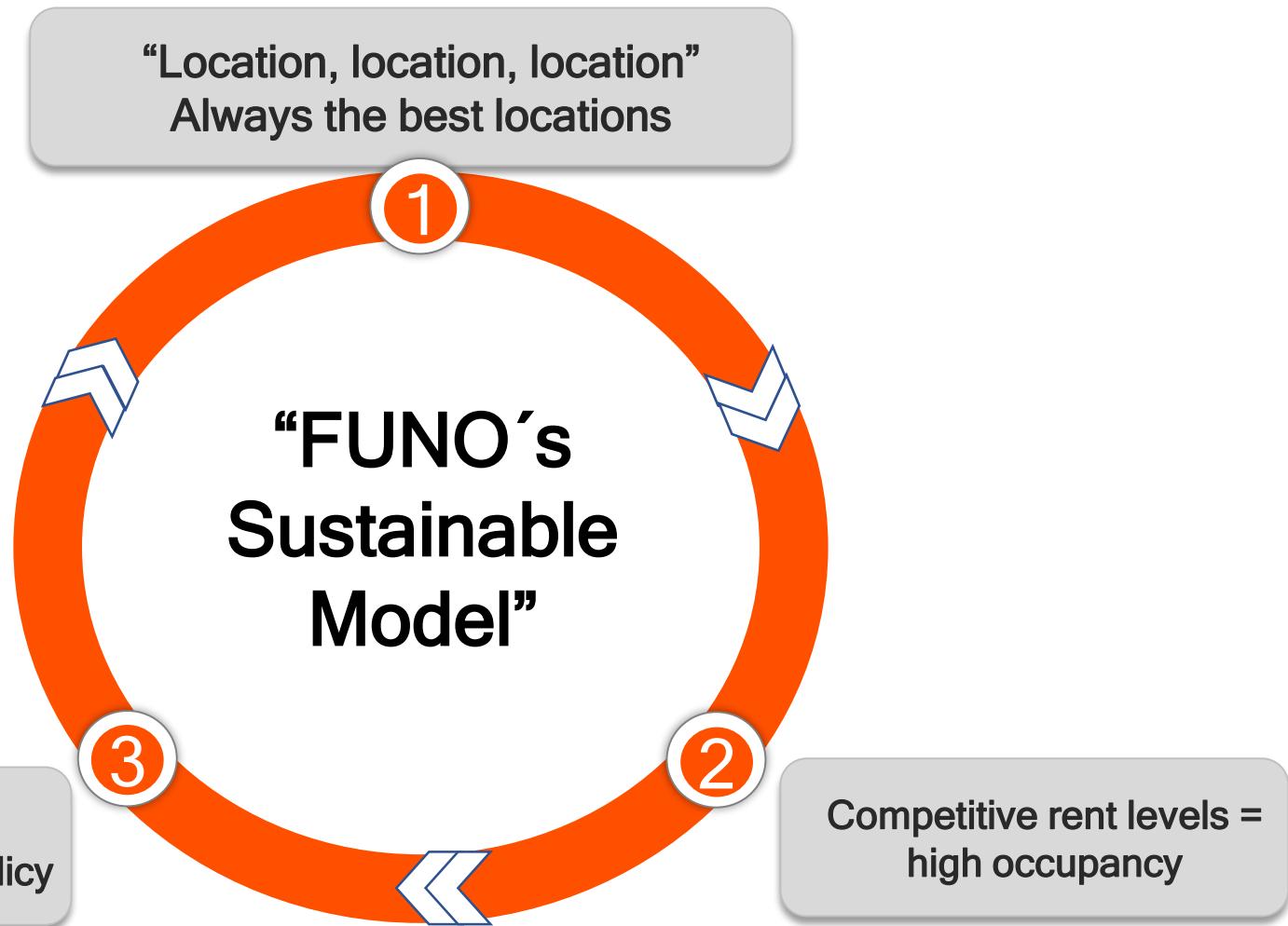
+\$16.51
per CBF1
distributed

CAGR:
10.9%



\$25.4 per
CBFI
value
created

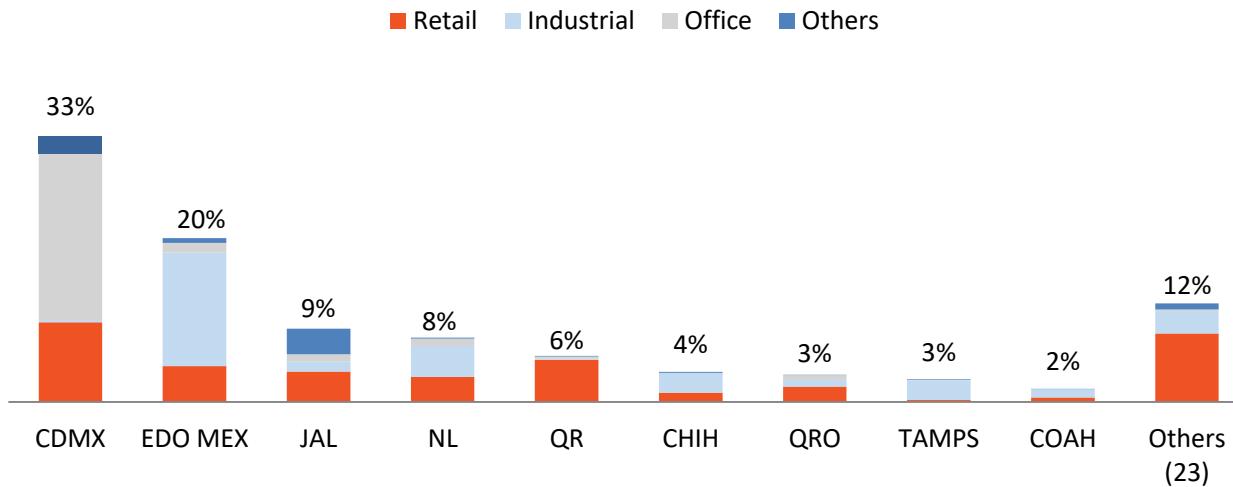
TRIED AND TESTED MODEL



1. Location

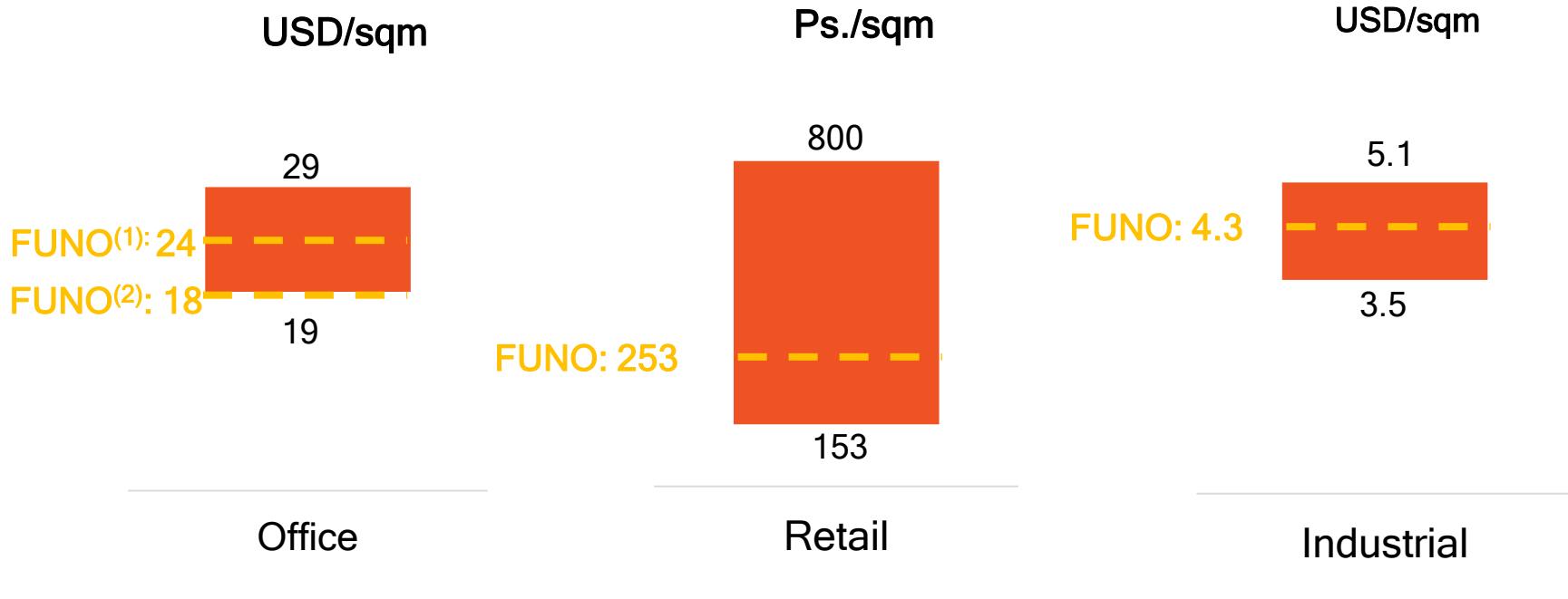
Our portfolio is focused in the largest and most dynamic states of Mexico

- Our top 5 states generate 80% of our ABR



2. Competitive rent levels

Competitive Rent Drives Occupancy & Rent Growth



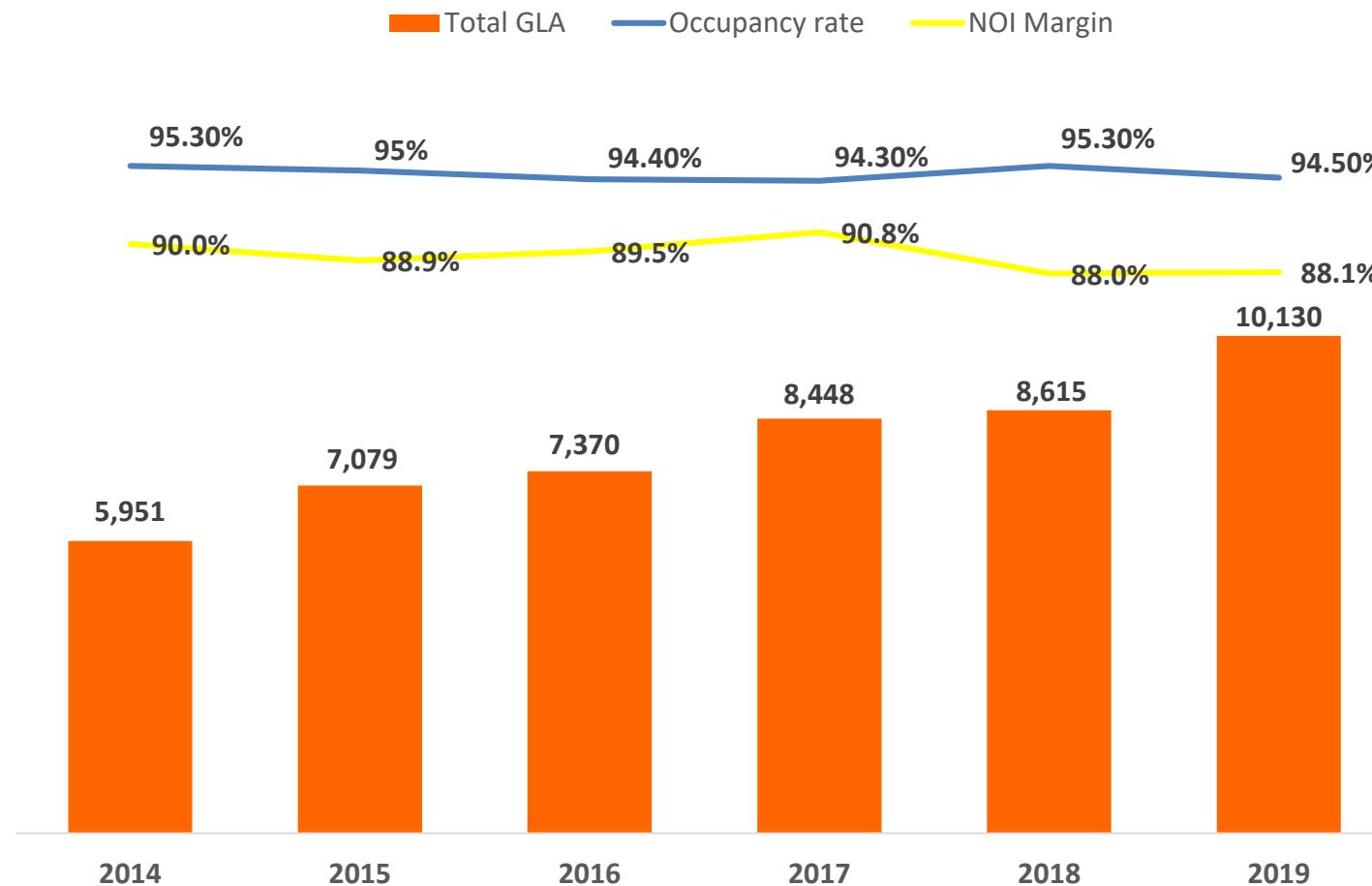
Office Occupancy:
FUNO⁽¹⁾: 87.9%
FUNO⁽²⁾: 83.6%
Market 84.0%

Retail Occupancy:
FUNO 93.3%
Market 90.0%

Industrial Occupancy:
FUNO 96.6%
Market 94.6%

2. Competitive rent levels & high occupancy levels

- Constant GLA growth with consistent high occupancy rate.

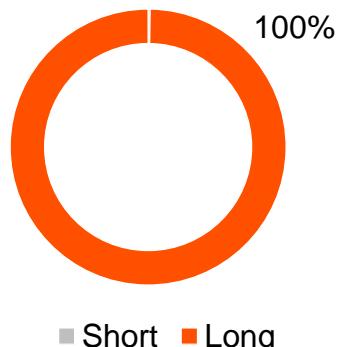


(1) NOI margin over rental income

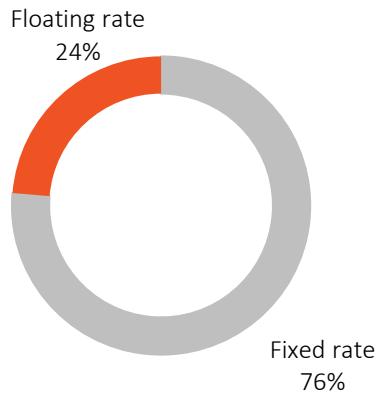
3. Prudent leverage policy

Debt Profile⁽¹⁾

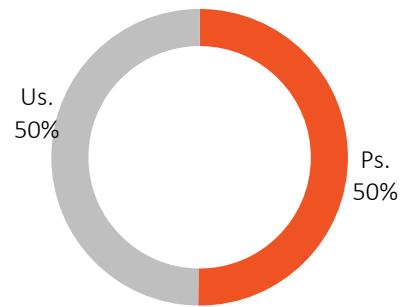
Short vs Long Term



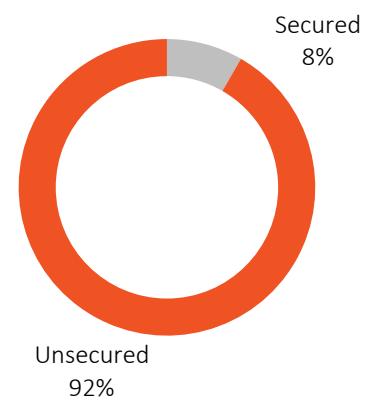
Fixed vs Floating



Currency Distribution



Secured vs Unsecured

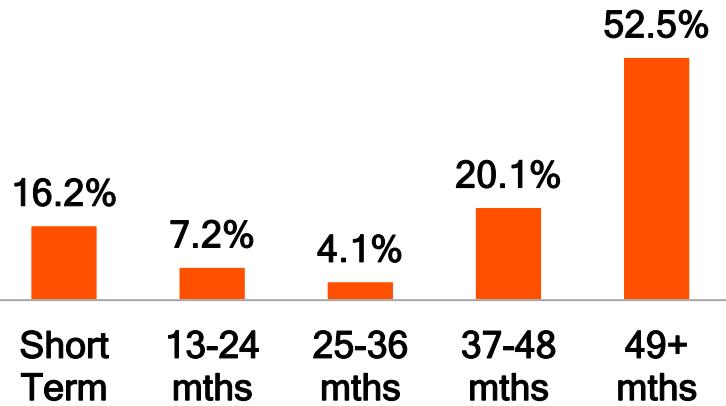


(1) After "Titan" Acquisition

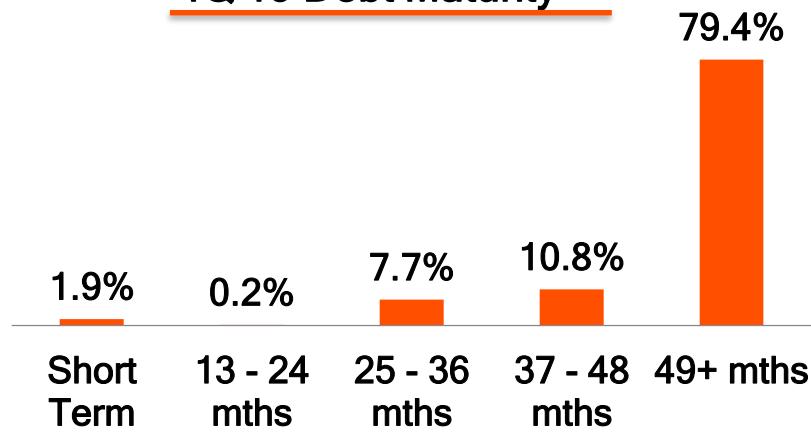
3. Prudent leverage policy

Strategy to mitigate short term refinancing risk.

3Q'13 Debt Maturity



4Q'19 Debt Maturity



Average Cost of Debt

5.43%

TIE 28
4.0%

Average Life of Debt

3.1 years

Foreign Exchange Rate

12.2 Ps./USD

Average Cost of Debt

7.12%

TIE 28
7.29%

Average Life of Debt

11.7 years

Foreign Exchange Rate

18.87 Ps./USD

Understanding the cost of sustainability

<i>Ps. per CBFI</i>	4Q13	4Q19	Growth %	CAGR
NOI per CBFI	0.54	1.02	Δ89.7%	11.6%
FFO per CBFI	0.41	0.6302	Δ53.7%	7.4%
Interest Expense per CBFI	0.18	0.36	Δ100%	12.2%
LTV	34.3%	38.5%	Δ4.2%	1.9%
Total Assets	101,137.7	282,781.9	Δ 180%	18.7%
Debt average life	3.1 years	11.7 years	Δ 8.6 years	24.8%

Growth to meet customer's needs. { Δ Cost of sustainability

Prudent leverage }

Counter-cyclical liability Management }

Growth to meet Tenant's Needs

Since our inception, we've been growing alongside our tenants



2011



of States: 3
GLA: 21,849 m²

Δ 40.2x

2Q'19



of States: 22
GLA: 900,641 m²



2011



of States: 4
GLA: 20,032 m²

Δ 5.7x

2Q'19



of States: 20
GLA: 134,858 m²

Growth to meet Tenant's Needs



2011

2Q'19



of States: 3
GLA: 1,501m²

Δ 82.8x

of States: 23
GLA: 125,825m²

2011

2Q'19



of States: 1
GLA: 24,031m²

Δ 4.0x

of States: 8
GLA: 118,722m²

Adding Value Through Development

Retail

- 7 properties
- 166,932 sqm
- 5 states



Office

- 5 properties
- 290,412 sqm
- 2 states



Industrial

- 7 properties
- 711,912 sqm
- 1 state



Mixed Use

- 1 property
- 115,324 sqm
- 1 state



FUNO has developed **20 properties** for more than **1.3 million sqm** of our current GLA.

Current portfolio under development

5

Properties

508,541.5

Sqm of additional GLA

Ps. 1.1 bn

Expected additional revenue

Ps. 5.1 bn

Pending CapEx

12%

Expected yield-on-cost

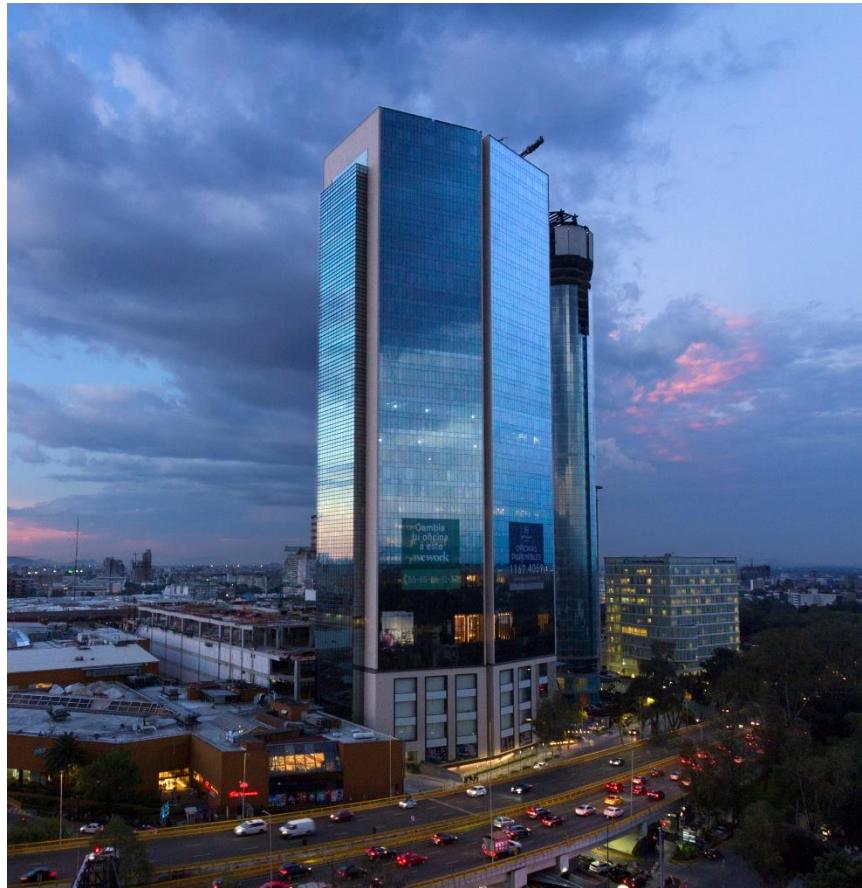
La isla cancún 2



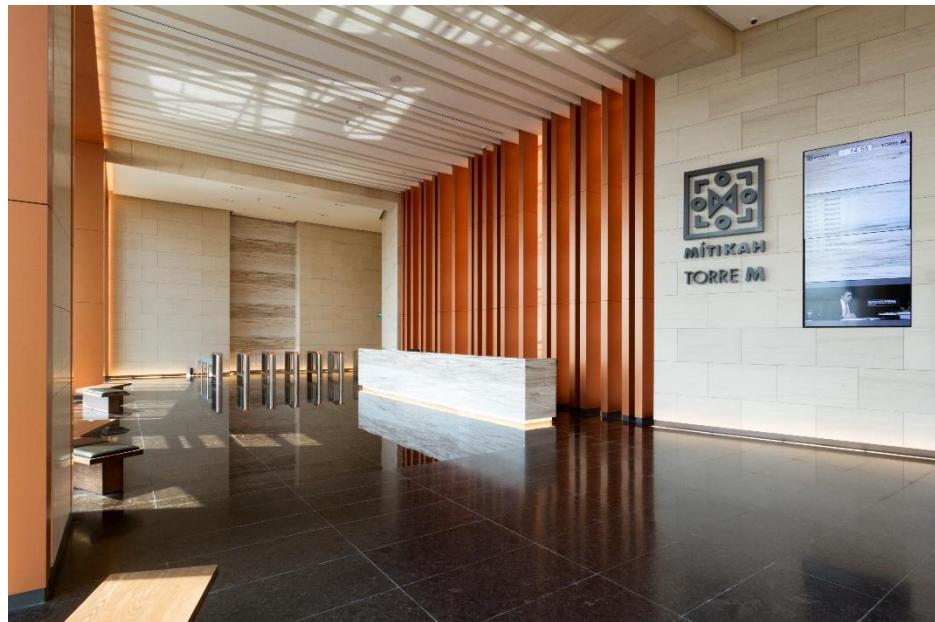
Tepozpark / Frimax - First Phase out of 350,000 sqm



Mitikah - Torre M



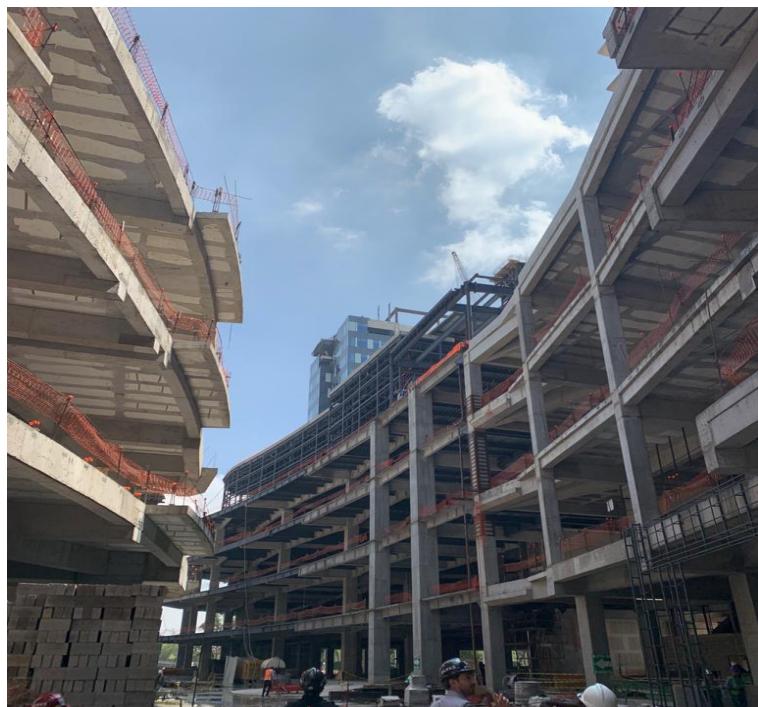
Mitikah - Torre M



Mitikah - Condo Tower



Mitikah - Retail Area



Mitikah Update

- Mitikah is ahead of schedule on units sold as well as pre-leasing

Residential

~85% units sold

Retail

~88% Leased

Office Space

~88% Leased⁽¹⁾

1 million sqm GBA

Total Stabilized GLA: 337,410 sqm

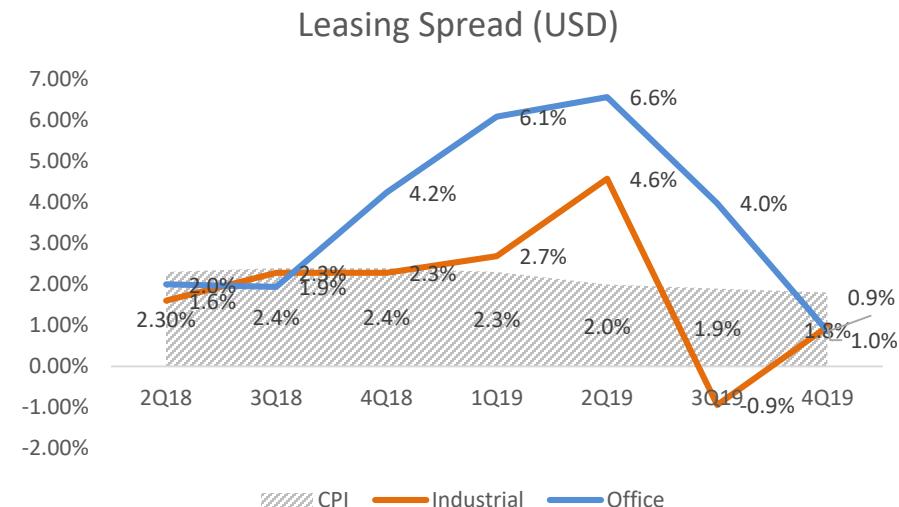
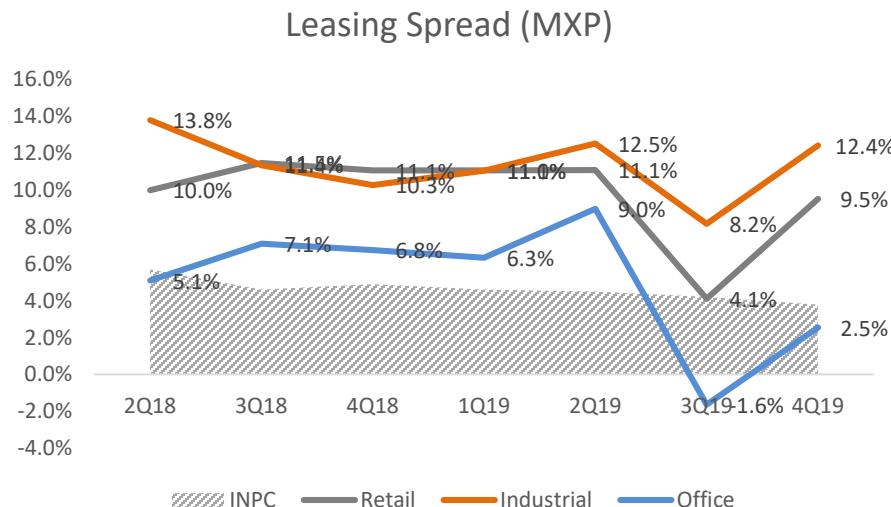
(1) Includes Torre M's LOIs

Ability to create value - Mitikah Investment Cost

		Figures in Ps. mm
FUNO's Investment	Cost	
Land Acquisition Price	4,400	
Rents Collected (Colorado Portfolio)	-600	
Total Cost	3,800	
Helios Fee Structure		Cost
Fund Management Fee	1.25% on Ps. 6,000 mm	750
Development Fee	3% on Ps. 21,000 mm	630
Total Fee Income		1,380
Total Asset Cost (Net of Fees)		2,420
		COST
FUNO's 62% ownership	2,420	MITIKAH's NOI
	1,240 ⁽¹⁾	YOC
	51.2%	

Leasing Spread

Leasing Spread is the change in rent price per sqm of our different segments. It considers contracts that suffered changes compared to the same contracts in the previous year.

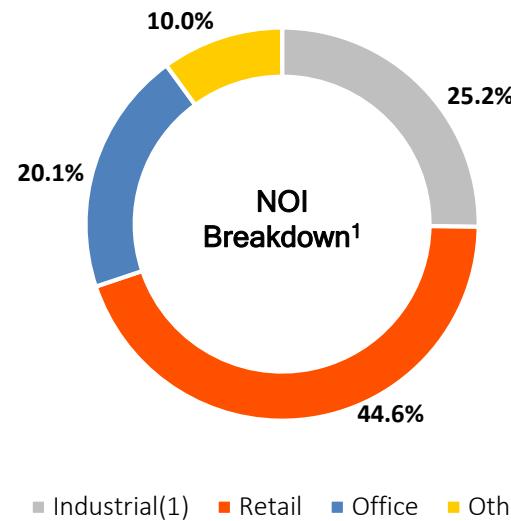


Note: As Retail USD leases are not representative, they're not included in the USD leasing spread.

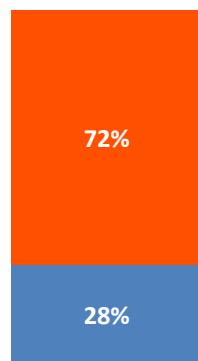
FUNO at a Glance

The absolute best property portfolio in Mexico and LatAm, impossible to replicate...

GLA: 10,130,413 sqm
615 properties
94.5% occupancy
4.2 years (avg. Term)

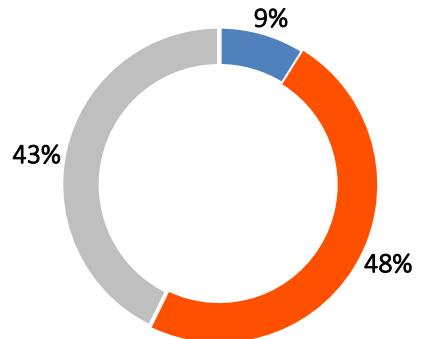


Leases by currency



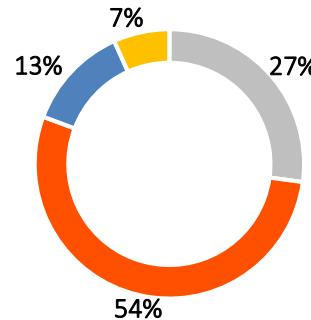
■ USD ■ MXP

USD Leases by Segment



■ Retail ■ Industrial ■ Office ■ Others

GLA Breakdown



■ Retail ■ Industrial ■ Office ■ Others

Prime Locations and High-Quality Assets - Industrial⁽¹⁾

FUNO strives to own and develop high-quality real estate assets in prime locations across high-ranking cities in Mexico...

Industrial

Newly developed, high-tech Industrial parks located on key logistics and manufacturing corridors

- Logistics: 72% of industrial GLA
- Light manufacturing: 28% of industrial GLA
- Strong footprint in Mexico City and its Metropolitan Area
- Super-prime locations across the most important logistics corridors and export markets
- Proximity to main highways, roads and connection points to the whole country
- State-of-the-art buildings
- One of the youngest portfolios in the country, average building age: less than 6 years
- Segment occupancy: 96.6%

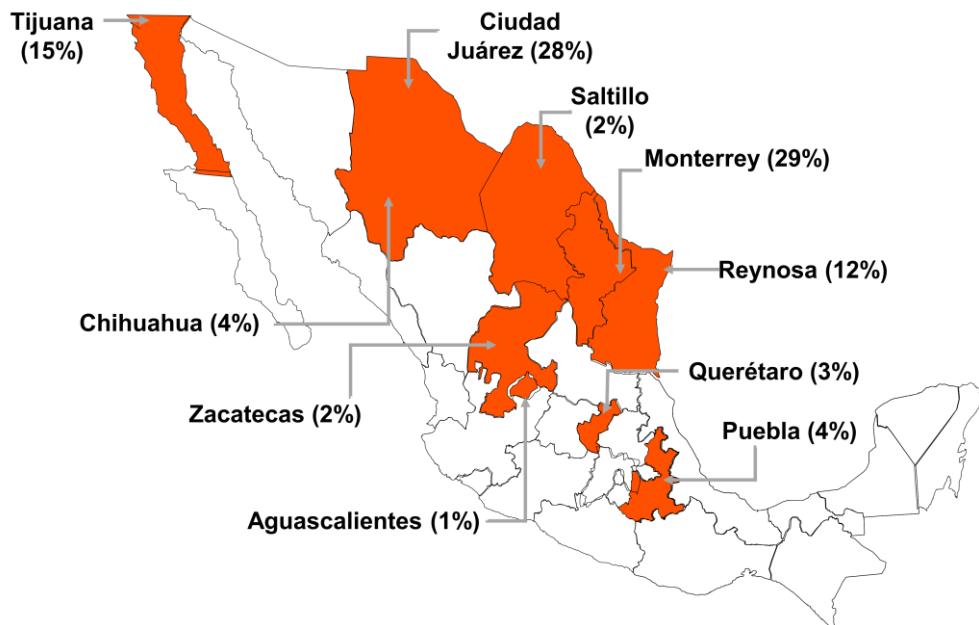


TITAN Portfolio - General Features

74 Properties

1,262,457 GLA

Located in **10** Cities



Occupancy

95.1%

Average lease term

4.5 Years

Monthly rent per sqm

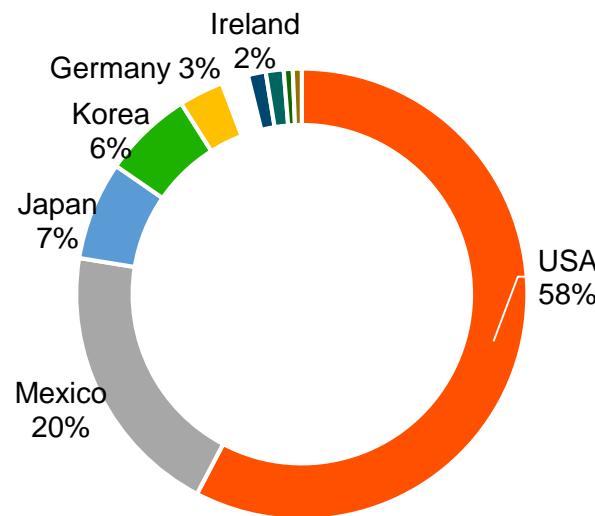
USD 4.6

Titan Portfolio

Top tenants by Country



CORNING



Income distribution

Logistics

10%

Light Manufacturing

84%

Office

6%

USD **89%**

MXP **11%**

TITAN Acquisition Numbers

Purchase price: **USD 822.0 M**

Total Debt: **USD 500.0 M**

Total NOI 2020: **USD 66.3 M**

Cost of debt: **Libor 3 months + 185 bps**

Entry Cap Rate: **8.1%**

LTV: **59.4 %**

Accretion Analysis

NOI: **USD 66.3 M**

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

FFO Impact: **USD 47.0 M**

Fx: **19.25**

FFO Impact: **MXP 905.7 M**

Prime Locations and High-Quality Assets - Retail

... and to have high-quality assets on those locations with below-market rent prices...

Retail

The best options for shopping in different formats and on several cities across the country



- Diversified portfolio across all the subsegments of retail
- Prime locations in primary and secondary cities with high-traffic
- Significant footprint in Mexico City and its Metropolitan Area
- Strong exposure to large retailers and significant components of entertainment options
- The only shopping centers in Chetumal, Celaya, Taxco, Tuxtla Gutiérrez, Downtown Cancun, Cozumel, Tepic, Aguascalientes
- The largest fashion mall in Guadalajara, Chihuahua, Cancun, Monterrey, Saltillo, Iguala and Chilpancingo
- Several stand-alones with enormous re-conversión potential
- **450,000,000 pers´s./year: consolidated FUNO's shopping mall's traffic.**



Prime Locations and High-Quality Assets - Offices

... ensuring high occupancies throughout the cycle and guaranteeing stable cash flows

Office

Iconic and irreplaceable office buildings
on the most important corporate
corridors in Mexico City



FUNO in the Reforma Corridor:

- 7 iconic, irreplaceable buildings on prime locations
- 319,106.5 sqm of office GLA
- 29.3% of market share



FUNO in the Santa Fe Corridor

- 3 iconic, irreplaceable buildings on prime locations
- More than 128,000 sqm of office GLA
- 11.2% of corridor market share
- 96.3% occupancy rate



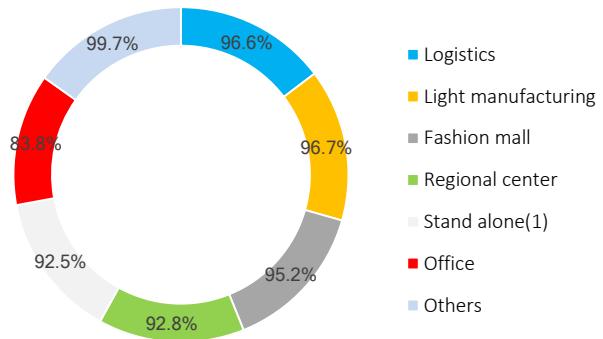
FUNO in the Insurgentes Corridor:

- More than 121,000 sqm of office GLA
- 13 buildings across the corridor
- 17.5% market share in the corridor
- Largest avenue in Mexico and FUNO's buildings scattered across several neighborhoods

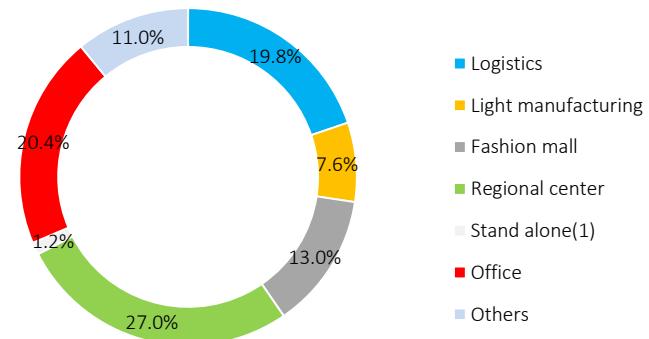
Subsegment Breakdown

Subsegment ⁽³⁾	Total GLA	Occupied GLA	% 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



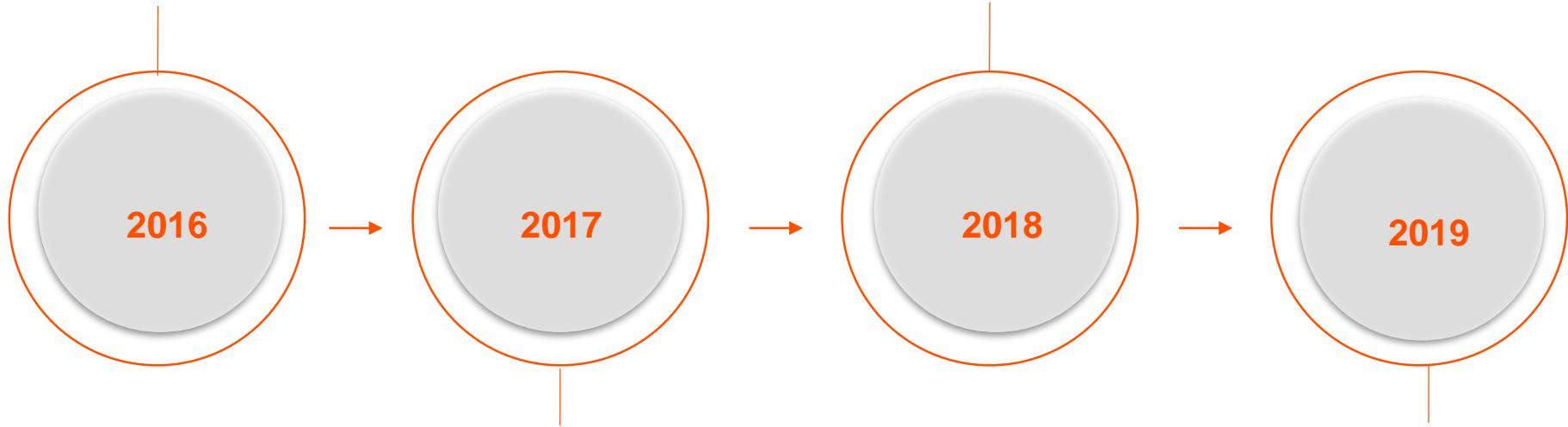
NOI by Subsegment
(% NOI) 4Q19



ESG Achievements



- Materiality Analysis → 2016-2020 Plan
- United Nations' Global Compact
- Reports under *Global Reporting Initiative*



- *Fundación FUNO* started operations
- Member of the *Dow Jones Sustainability MILA Index*
External and independent whistleblowing mechanism open to all employees and suppliers



- Member of the *FTSE4Good Index Series*
- Disclosure of our carbon footprint to the *Carbon Disclosure Project*

