



ANNUAL &  
SUSTAINABILITY  
REPORT

2014



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Photo  
Torre Mayor, DF.

## LETTER FROM THE CEO

Dear Shareholders,

I write this after concluding a very challenging year. It is my pleasure to share with you that Fibra Uno continued growing and fulfilling its commitments during 2014. The Company closed the year with a portfolio of 455 properties, totaling 5.9 million sqm of GLA, an occupancy rate of 95.3%, and almost 1.2 million sqm of GLA under development. This represents a growth of almost 10x compared to the GLA with which Fibra Uno started operations in March, 2011, maintaining high occupancy and profitability levels, despite the accelerated growth.

The above is proof of Fibra Uno's capabilities to execute its growth and profitability strategy. Fibra Uno closed 2014 with its footprint in 31 states of the Country, in line with its geographic diversification strategy.

During 2014 we continued executing our acquisitions strategy, using the resources obtained on our public offerings of both equity and debt. We expect to deploy those resources during the first months of 2015.

Towards the end of 2013, Fibra Uno completed the acquisition of the shopping center portfolio of Mexico Retail Properties, in the largest real estate transaction of the history of Mexico, and one of the largest ever in LatAm. With this transaction, Fibra Uno positioned itself as the retail leader in the Country. This acquisition brought in a high-quality shopping center portfolio along with a state-of-the-art operating platform and a group of professionals that added profoundness to Fibra Uno's management.

One of Fibra Uno's great pillars is its operating and administrative platform, that was fully integrated during 2014, and whose potential will allow Fibra Uno to double the size of its portfolio, while maintaining efficiency, with a marginal increase in human resources. The integration of this platform has allowed us to achieve significant synergies that translate in higher profitability and will contribute to value creation.

During 2014, Fibra Uno generated Ps. 7,822 million of total revenues and Ps. 6,405 million of net operating income, which translated in a healthy margin on 82%. Fibra Uno distributed a dividend of 1.8246 Pesos per CBFI in 2014, in line with the FIBRAs local regulation and with the Company's commitment with its shareholders.

In terms of acquisitions, I am very pleased to share with you that the Company continued targeting real estate assets that comply with its strategic guidelines, in order to execute accretive acquisitions under profitable conditions and that contribute to create sustainable value.



Fibra Uno achieved yet another milestone in 2014, by making its debut on public debt markets, issuing Us. 1 billion at 10 and 30-year terms at the beginning of the year. Additionally, in June Fibra Uno returned to the equity markets and raised Ps. 32.8 billion in one of the largest equity transactions in the history of Mexico's market. Both transactions were awarded by two world-class publications.

Towards the end of the year, financial markets showed some volatility that caused the Mexican Peso to depreciate against the US Dollar, whose price closed approximately 12% above its price at the beginning of 2014. This phenomenon has direct implications on Fibra Uno's activities given that the Company has to serve a portion of its debt in US Dollars. Approximately 26% of Fibra Uno's rental revenues are denominated in the American currency, so that we have a natural hedge of approximately 1.7 Dollars of revenue per Dollar of debt service. That also increases our cash flows by receiving more Mexican Pesos for the US Dollar-denominated leases.

Also, during 2014, Fibra Uno held its first "Fibra Uno Day" in both New York and Mexico City. Both events were attended by investors, research analysts, journalists and other media representatives. With this, Fibra Uno reiterates its commitment to constant communications with the market and to continue to operate as a world-class company.

On December 10, 2014, Fibra Uno held its ordinary CBFI Holders' Meeting on which it was proposed to modify our Trust Agreement in order to comply with the new FIBRAS regulation imposed by local authorities. All the changes proposed were approved.

Even though 2015 will be an even more challenging year, I am convinced that Fibra Uno will once more surpass them. We have a world-class management team and the best real estate portfolio in Mexico. We will continue to fulfill our commitments and we hope to have your confidence for one more year. I want to thank all our investors for believing in us and to reiterate our commitment to keep creating value and deliver good results.

**André El-Mann Arazi**

Chief Executive Officer

Photo  
Patio Santa Fe, DF.





## WHO IS FIBRA UNO?

Fibra Uno is the first and largest Real Estate Investment Trust (Fideicomiso de Inversión en Bienes Raíces) in México. We operate a broadly diversified property portfolio of income-generating real estate in three main segments: retail, industrial, and offices. We consider that we have the best portfolio for its size, high-quality, key locations and diversification.

We are a world-class company. Our business model is focused on growth and efficient operation. We execute our strategy through a highly-experienced and specialized management team, supported by a committed group of founders, whose expertise of more than 40+ years in the industry is an unparalleled value added. We have several sources of growth and broad access financing to a vast spectrum of options, which makes us the best investment option within publicly-traded real estate companies.

We are an investment vehicle that promotes the investment in income-generating real estate, whose value proposal lies on periodic dividend distributions and on the appreciation of the value of our real assets. Fibra Uno captures the benefits of this business and shares the value creation with its investors.



Photo  
La Isla, Cancún.

## FINANCIAL AND OPERATING SUMMARY

Financial Indicators	2014	2013	Δ%'13 vs '14
Property income	7,114.1	3,566.6	99.5%
Total revenues	7,822.0	3,904.1	100.4%
Net operating income (NOI)	6,404.7	3,267.9	96.0%
NOI Margin	81.9%	83.7%	-0.0182
Funds from operations	3,983.0	2,902.7	37.2%
FFO Margin	56.0%	81.4%	-0.2540
Distribution per CBFI	1.8246	1.7104	6.7%
Assets			
Cash & equivalents	20,029.3	2,088.4	859.1%
Current assets	24,047.2	6,700.2	258.9%
Investment properties	117,806.3	92,145.3	27.8%
Total assets	144,142.9	101,330.0	42.3%
Liabilities and Equity			
Short-term debt	1,791.9	7,032.0	-74.5%
Long-term debt	34,128.7	27,270.4	25.1%
Current liabilities	4,304.8	15,352.4	-72.0%
Total liabilities	39,067.5	43,115.8	-9.4%
Total equity	105,075.5	58,214.2	80.5%
Operating Indicators			
CBFIs outstanding (million)	2,878.4	1,809.0	59.1%
Market cap	125,152.8	76,521.3	63.6%
Gross leasable area (sqm)	5,951,241	4,949,403	20.2%
Development gros leasable area (sqm)	1,162,249	954,000	21.8%
Total occupancy	95.3%	95.1%	0.0020
Industrial	97.5%	97.9%	-0.0040
Retail	94.8%	93.7%	0.0110
Offices	90.9%	86.8%	0.0410

Figures in million pesos except per CBFI and GLA information



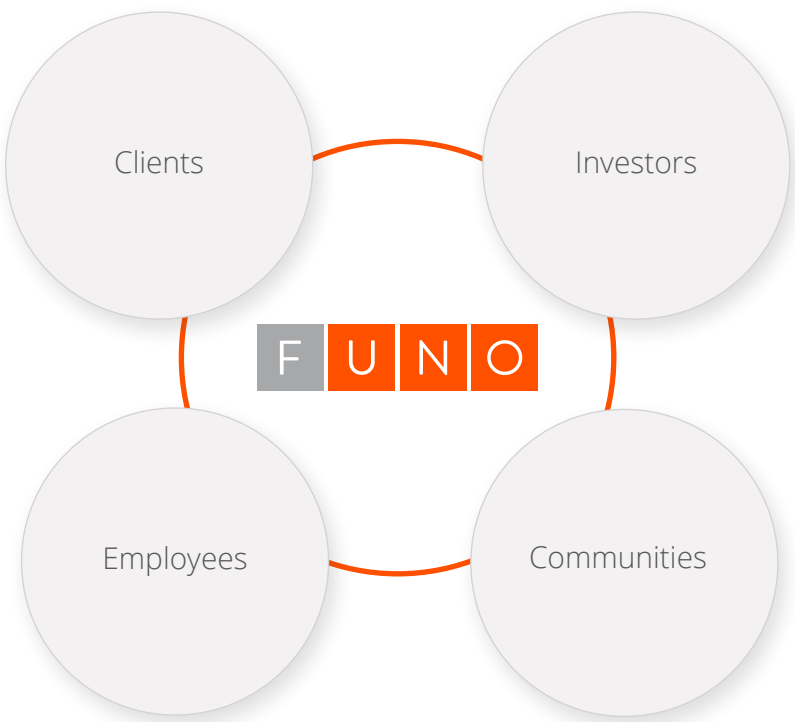
## Mission and Vision

Be a world-class company and consolidate as the largest income-generating, real estate company in Mexico through a high-quality asset portfolio on the best locations, and with good, long-lasting relationships with our tenants, investors and suppliers.

Photo  
San Martín Obispo Park II, Edo. Mex.



VALUES



Clients

Our clients are the core of our business, which is why we seek to have good relationships with all of them and offer the best real estate solutions mainly in the three segments that we operate.

Investors

Our Investors' confidence is very important for us, that is why we offer the best investment option in the Mexican real estate industry, through a growth business model, an efficient operation scheme, and broad diversification of our portfolio. All of that focused on creating value.

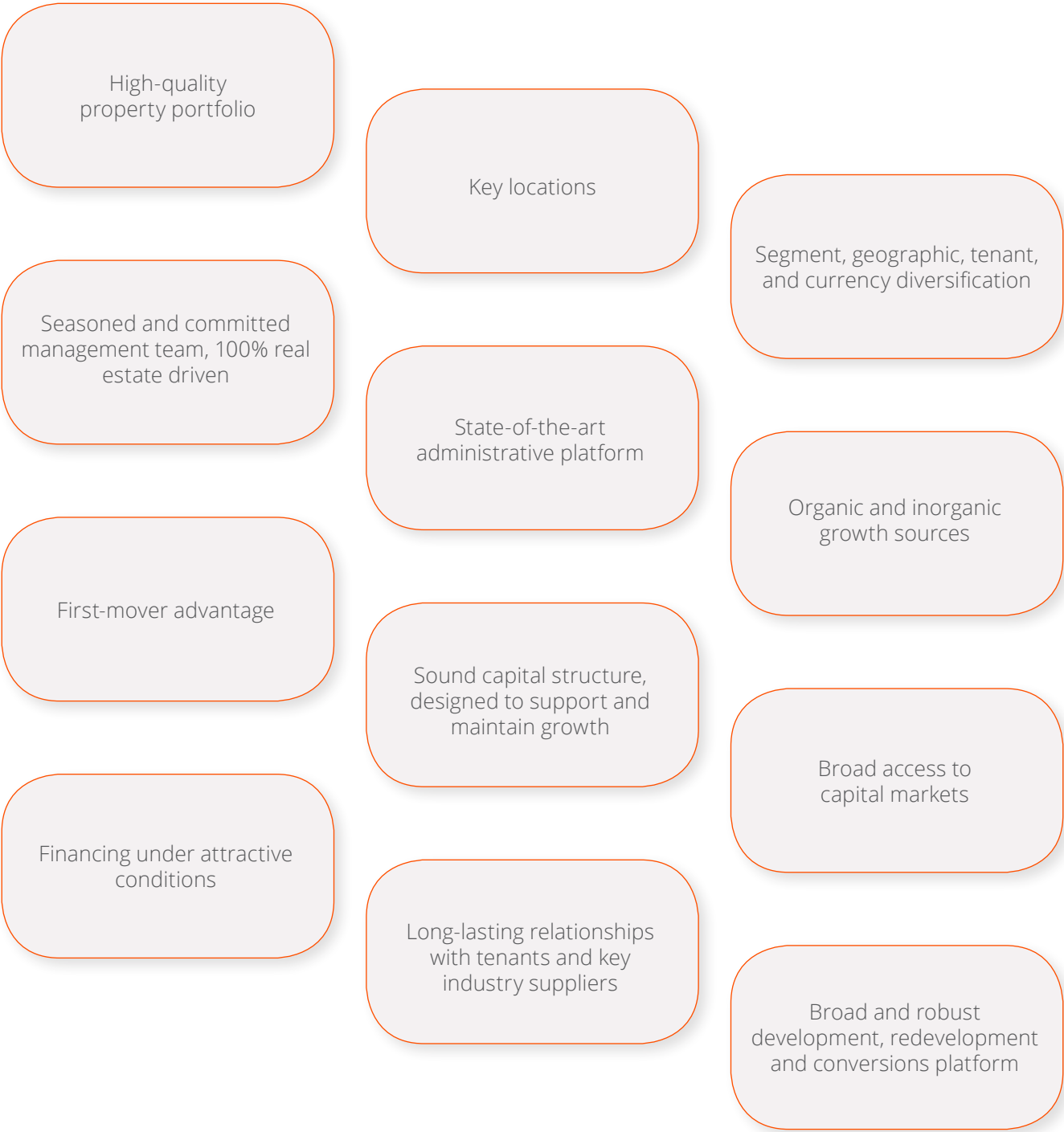
Employees

We have a world-class management team. Our people is the Fibra Uno's main pillar, and because of that we have career plans based on meritocracy and the constant training, with attractive compensation packages based on performance.

Communities

Fibra Uno is a very important member in society. Our real estate offering goes beyond the industry. Fibra Uno provides retail, corporate, industrial, logistics, and entertainment solutions within the communities where it operates real estate, which contributes to the economic development of the Country.

COMPETITIVE ADVANTAGES







## OUR PORTAFOLIO

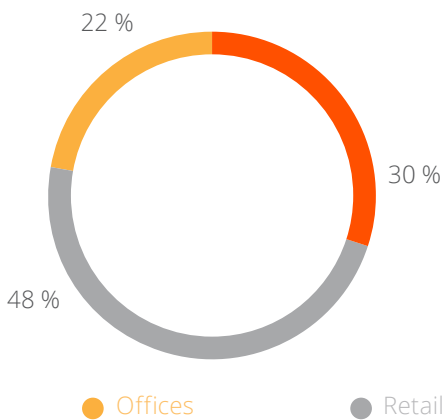
Fibra Uno closed 2014 with a portfolio of 455 properties totaling 5,951,241 sqm with an occupancy rate of 95.3%. In terms of annualized base rent, the portfolio breakdown is 48% retail, 30% industrial, and 22% offices.

	Industrial	Retail	Offices	FUNO
Properties	102	277	76	455
Leasing contracts	382	4,003	413	4,798
GLA (sqm)	3,136,000	2,164,835	650,406	5,951,241
Annualized base rent (Ps. MM)	2,383	3,875	1,789	8,046

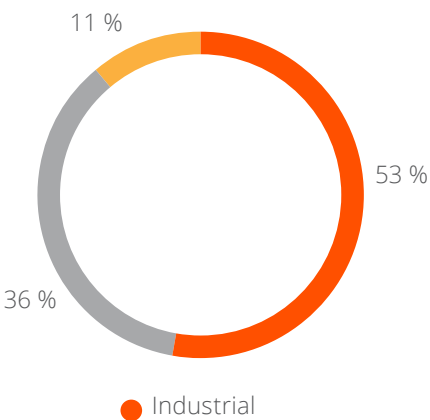
During 2014, Fibra Uno added more than 700,000 sqm of GLA. In terms of development, Fibra Uno ended 2014 with approximately 1.2 million sqm of GLA under development, which represents an increase of 300% compared to 2013.

Segment	Properties	Leasing Contracts	GLA (sqm)	Annualized Base Rent (Ps. MM)
Industrial	102	382	3,136,000	2,383
Retail	277	4,003	2,164,835	3,875
Office	76	413	650,406	1,789
Total	455	4,798	5,951,241	8,046

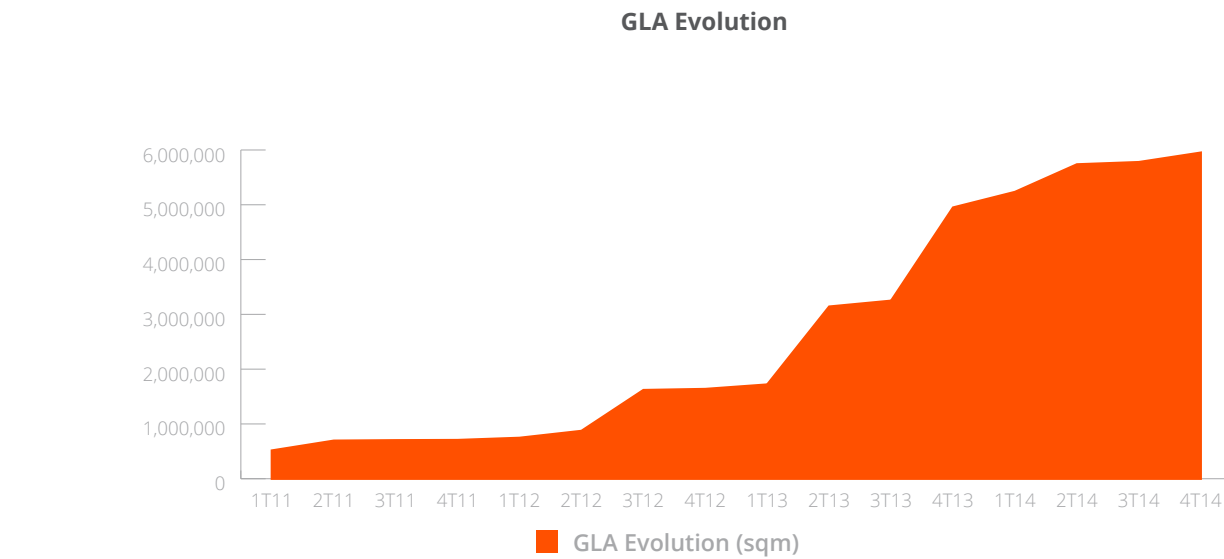
Portfolio Breakdown by Income



Portfolio Breakdown by GLA







Portafolio Details

	Portfolio Operation	Properties	GLA Operation (m2)	GLA Occupied (m2)	Occupancy
	Apolo	45	882,849	830,478	94.1%
	Azul	23	125,683	125,253	99.7%
	Blanco	1	44,711	44,698	100.0%
	California	29	345,469	296,848	85.9%
	Colorado	1	102,000	102,000	100.0%
	Corporativo San Mateo	1	5,440	5,440	100.0%
	Vermont	34	524,588	499,222	95.2%
	G30	27	1,460,903	1,428,545	97.8%
	Gris	1	64,335	64,256	99.9%
	Grupo Posadas	1	4,815	4,815	100.0%
	Hotel Centro Histórico	1	40,000	40,000	100.0%
	Inicial	17	701,028	669,774	95.5%
	La Viga	1	22,538	16,352	72.6%
	Maine	7	146,115	144,989	99.2%
	Morado	16	550,002	488,676	88.8%
	P4	2	11,675	11,326	97.0%
	P8	8	80,284	79,388	98.9%
	Pace	2	43,593	43,593	100.0%
	Parque Empresarial Cancún	1	18,000	18,000	100.0%
	R15	2	82,981	69,278	83.5%
	Rojo	219	173,884	173,884	100.0%
	Samara	1	133,471	129,154	96.8%
	Torre Mayor	1	83,971	83,971	100.0%
	Universidad Autónoma de Guadalajara	1	163,000	163,000	100.0%
	Verde	1	117,192	117,192	100.0%
	Villahermosa	1	22,714	19,641	86.5%
		444	5,951,241	5,669,773	95.3%

Photo  
Gran Patio Ecatepec, Edo Méx.



## STRATEGY AND BUSINESS MODEL

Fibra Uno's strategy is designed to generate sustainable value through a constant growth model with consistent cash flows. The foundations of this strategy are the growth focus and a highly efficient operation.

### Growth Focus

The value creation base is Fibra Uno's growth model, which has several sources, both organic and inorganic

#### Inorganic Growth Sources

- **Acquisition of properties or portfolios from third parties** – Fibra Uno is constantly analyzing acquisition opportunities of stabilized development assets through a methodology that guarantees value creation, profitability maximizations, and synergies within the Company's operating platform.
- **Asset transfers from the group of founders** – Our group of founders is one of the most experienced real estate groups in Mexico, with a lengthy business path in the industry. This ensures that the assets transferred to Fibra Uno are top-quality, on key locations, and that comply with the highest international standards. Additionally, Fibra Uno has a right of first refusal on any sale and acquisition transactions of the group of founders.

#### Organic Growth Sources

- **Developments** – Development is a very important growth source for Fibra Uno. Our management team's experience, and our group of founders' long-lasting relationships with tenants, and with key industry suppliers ensure that Fibra Uno has a robust development platform, and that the project are executed in a timely manner.
- **Re-developments and conversions** – Property re-developments and reconversions are attractive and profitable sources of growth for Fibra Uno. The size, diversification, and locations of our property portfolio constantly presents us with re-development and reconversion opportunities supported by the natural growth and expansion of urban areas and by the natural cycle of the real estate business.
- **Tenant expansions** – Fibra Uno is committed especially with its tenants. Long-lasting relationships with tenants are a key growth component on the Company's strategy since it has turned out to be the real estate solution for many of them in all of the segments. Tenant growth translates into growth of Fibra Uno.

Foto  
Corporativo Santa Fe, DF.

### Efficient Operation

Fibra Uno's operating platform was created to sustain the growth model and to ensure consistent cash flows through an efficient resource management in all the stages of the business cycle. Fibra Uno's operation is based on the following pillars:

- **Diversification** – This is a core component of Fibra Uno's strategy. The property portfolio is diversified in segments, geographies, tenants, and businesses with a healthy balance among currencies (MXN and USD). Diversification contributes to mitigate the risks related to the business cycle, and to generate growth opportunities by having presence in a broad range of markets with different economic dynamics.
- **High occupancy levels** – Having high occupancies is of paramount importance for operating the portfolio. Fibra Uno has maintained high occupancies within its portfolio despite the tremendous growth it has experienced. This is achieved by having high-quality assets, on key locations, and with competitive rents in the markets where Fibra Uno operates. Again, long-lasting relationships with tenants and the broad expertise of Fibra Uno's management team are very important components to execute this part of the strategy.
- **Prudent use of leverage** – Debt is a strategic component for our business model. Fibra Uno has a strict policy on prudent use of leverage. Our Company's historic debt profile has been always low, and we seek to have a loan-to-value ratio between 30% and 40%. Fibra Uno has entered public debt markets under attractive conditions and with a healthy balance of type of rate, currencies and terms, which translates in added value for our investors. We have targeted to increase the average term of our debt and to fix the rates in order to mitigate financial risks, match the terms with the natural cycle of the real estate business, and maximize the value creation potential. Fibra Uno's public debt has Investment Grade Baa2 and BBB granted by rating agencies Moody's and Fitch respectively.







2014 RESULTS

Property Income

During 2014, Fibra Uno's 455 properties generated revenues totaling Ps. 7,114 million, a 99.5% increase compared to 2013. This increase is mainly due to the addition of the Apolo, La Viga, California, R15, and P4 portfolios, and Centro Historico hotel and the retail and corporate complex Samara.

Additionally some projects that were under development started operating and generating rental revenue during 2014. Also, there were several leases that were renewed with positive leasing spreads, which contributed to increase our revenues.

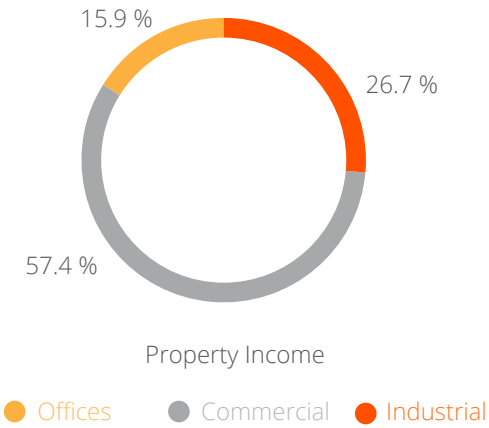


Photo  
Plaza Cumbres, Monterrey.



Net Operating Income (NOI)

Net operating income for 2014 totaled Ps. 6,405 million, which represents an increase of 96% the NOI generated in 2013, showing a margin of 82% over total revenues. This is a marginal reduction versus 2013 due to some extraordinary, non-recurring expenses.

Funds from Operations (FFO)

Fibra Uno's FFO metric reported a 37% increase compared to the prior year, totaling Ps. 3,983 million, with a margin of 56%, below the 79% margin of 2013. This reduction is mainly due to a significant increase in Fibra Uno's indebtedness.

Interest Expense

Fibra Uno paid Ps. 2,019 million on interest expense during 2014. This is a 167% increase compared to 2013 and is mainly due to the issuance of bonds in both local and international markets, and to different debts assumed with portfolio acquisitions.

Debt

Towards the end of 2013 and the beginning of 2014, Fibra Uno issued bonds in Mexico and international markets for approximately Ps. 23,130 million. This represents a milestone for the Company given that it opened yet another public financing window in better conditions than the traditional financing of the industry.

During the second half of the year we substituted several short-term liabilities with long-term debt for approximately 75%. This implies that long-term liabilities increased



more than 25%, and that the average term of Fibra Uno's debt was extended to approximately 10 years. Additionally, we migrated a significant part of our debt to fixed rate. Always, Fibra Uno was within full compliance with regulatory leverage requirements

Fibra Uno has “Investment Grade” by rating agencies. In the international tranche, Fibra Uno has BAA2 from Moody's and BBB Stable from Fitch. On the local tranche, Fibra Uno has AAAMx from both Fitch and HR Ratings

	2014	2013	Var % '13 vs '14
Short-term debt	7,032	1,792	-74.5%
Long-term debt	27,270	34,129	25.1%
<b>Total debt</b>	<b>34,302</b>	<b>35,921</b>	<b>4.7%</b>
Figures in million pesos			

Historical Dividends

	2011	2012	2013	2014
1Q	0.0343	0.1960	0.3700	0.4366
2Q	0.3022	0.3000	0.4100	0.4014
3Q	0.3779	0.4045	0.4504	0.4976
4Q	0.3689	0.4216	0.4800	0.4890
<b>Total</b>	<b>1.0833</b>	<b>1.3221</b>	<b>1.7104</b>	<b>1.8246</b>



Photos  
Lerma Park, Edo. Mex.





Photo  
Insurgentes 553

## FIBRA UNO'S CHALLENGES IN 2014

Fibra Uno faced several challenges in 2014. First was the deployment of the capital raised from capital markets by investing in accretive acquisitions; and second, the implementation of the new operating and administrative platform that will support the Company's future growth.

In terms of acquisitions, Fibra Uno acquired 9 portfolios, including 47 properties (42 stabilized and 5 land plots for future development), with which more than 785,000 sqm of GLA were added with an investment of Ps. 17,400 million.

In operative terms, 2014 was a key year for Fibra Uno as it successfully implemented its new operative and administrative platform. This represented a particularly complex challenge since the Company's portfolio has grown significantly.

The administrative platform has three pillars: the team, the processes, and the technology. With the acquisition of the Mexico Retail Properties (MRP) portfolio and its operating platform, Fibra Uno was able to implement something that would typically take up to 5 years. The integration of both Fibra Uno's and MRP's platforms resulted in an enhancement of Fibra Uno's administrative capabilities in such areas as documentation and process standardizing, scorecard management, and empowerment, through a matrix operating structure and asset management by exception. For their nature, both platforms complement each other, resulting in significant synergies achieved.

On the other hand, the operative platform implemented during 2014 has 5 key components: commercial, real assets management, accounts receivable, purchases and accounts payable, and budgeting and control. The main target of this platform is to enhance operating performance of properties through resource optimization, management team's capabilities maximization and the use of state-of-the-art technologies.

The operations base is supported by the matrix structure, operation manuals, scorecards system, and managerial reporting. The scorecards system allows a property and process approach, and an adequate and aligned compensation system. This also allows real assets management by exception that focuses in tackling only those metrics that are not within normal levels required by Fibra Uno, reducing significantly response times and channeling resources directly to where the problems are.

In conclusion, property operation and administration is based on a team of highly qualified and experienced professionals, with continuous training schemes, and a career plan based on meritocracy. Moreover, there are institutional capabilities with defined processes, clear goals, adequate measuring systems, and operative manuals. Finally, our systems and technologies are supported by Oracle and other state-of-the-art complementary systems that provide information, benchmarks, and centralized energy consumption systems, among other things.



# FIBRA UNO IN THE CAPITAL MARKETS

FIBRAs, for its nature and cycle, are frequent issuers on capital markets. Fibra Uno has raised more than Ps. 90 billion from markets, through four equity offerings and two debt issuances. The quality of Fibra Uno’s portfolio and management’s history of commitment fulfillment had allowed the Company to have broad access to capital markets.

Date	Type of Offering	Market	Amount (Ps. MM)
March, 2011	Initial Public Offering	Equity	3,615
March, 2012	Follow-On	Equity	8,876
January 2013	Follow-On	Equity	22,050
December 2013	MXN-denominated bonds	Debt	8,500
January 2014	USD- denominated bonds	Debt	14,630
June 2014	Follow-On	Equity	32,816

For Fibra Uno, capital markets activity is very important since it has obtained fresh resources to grow, has conducted historical transactions, and has become a market benchmark by being the very first FIBRA in conducting an IPO – within a particularly complex market environment-, and Follow-On. Furthermore, Fibra Uno carried out one of the largest equity offerings in the history of the Mexican market. In terms of debt, the Company was the first FIBRA in issuing public debt, both locally and internationally, by offering debt at 10 and 30-year terms, an exceptional event for companies doing their debut in those markets.

In early 2015, two very prestigious publications recognized Fibra Uno for its capital markets transactions. On January 15, 2015, LatinFinance awarded Fibra Uno with the “Follow-On of the Year” for its fourth equity offering in June, 2014 for Ps. 32,800 million. Furthermore, on January 21, 2015, International Financing Review awarded Fibra Uno with the “Bond of the Year” for its Us. 1 billion, 10 and 30-year, debt issuance on international markets.

Photo  
Patio Patria, Guadalajara.





# SUSTAINABILITY

One of our competitive advantages is our sustainable strategy at a property development level. This strategy has enabled us to create added value to our portfolio through social acceptance and operating efficiencies, which translate in increased social well-being.

For Fibra Uno, sustainability is a key component of its business strategy. Its aim is to operate ever-more sustainable properties by creating value in the economic, social and environmental fields. This enables the Company to consistently gain client preference.



## Economic Field

- We seek profitability for its shareholders
- We have the best real estate portfolio in the most dynamic areas of Mexico
- Our clients are both Mexican and international companies with broad presence in Mexico
- We contribute to Mexico's economic development since our clients are strategically scattered generating economic benefits



## Environmental Field

- Our target is to save water and energy in 5 million sqm of our operating GLA
- We reduce our carbon footprint by using environmentally-friendly materials in our properties
- We separate waste on our properties
- We treat and recycle water in all the maintenance operations of our portfolio



## Social Field

- Our retail properties are recreational and entertainment spaces for the surrounding communities

## To execute our sustainability strategy we focus on:



Energy saving

Water saving

Water collection



Water treatment and recycling

Waste separation

Access

New technologies



Environmentally-friendly materials

Recreational and entertainment areas



## Technical Committee

Fibra Uno's Technical Committee is integrated by 14 members, 4 of which are independent members, and their corresponding alternate members. Our Trust allows that one alternate member represents its respective member in meetings in case that the member is not able to attend. Below our Technical Committee:

Members' Bios:

### Moisés El-Mann Arazi

Chairman of our Technical Committee and chairman of E-Group for more than 30 years. Mr. El-Mann has led E-Group for more than 30 years with a first-mover advantage for creation and execution real estate projects. The group currently has vertically-integrated real estate operations and has developed more than 170 projects in different segments and geographies.

### André El-Mann Arazi

CEO of Fibra Uno's Advisor. Mr. El-Mann is one of the founders of the E-Group and Fibra Uno. Has more than 30 years of experience in the real estate industry, and has significant expertise in obtaining capital to fund real estate projects across several segments. He is also a member of the Metropolitan Council of BBVA Bancomer and and advisor to each of the companies that integrate E-Group.

### Max El-Mann Arazi

Founder of E-Group. Has focused his functions in acquisitions, management, and development of real estate. He is also in charge of government relations. Mr. El-Mann has more than 30 years of experience in attending tenants' needs and has been a key member for commercial purposes.

### Elías Sacal Micha

Mr. Sacal has been part of E-Group since the beginning, and has focused his functions in operations, maintenance and marketing of real estate, and has performed key roles in attending the need of E-Group's clients for more than 30 years.

### Isidoro Attié Laniado

Finance and Strategy VP of Fibra Uno's Advisor. Mr. Attié joined E-Group in 2006, and since then he has been actively involved in acquisitions and development of real estate. Mr. Attié has been a key member of E-Group and has contributed to its growth and success. Previously, Mr. Laniado was CFO of Grupo Melody, his family owned and operated business in the apparel retail business that was further sold to a leading private equity fund.

### Abude Attié Dayán

Founder of Grupo Melody, a leading apparel retailer. Has been promoter of other enterprises in several industries, being partner in companies such as CorpoFin (finance), Insignia Life (life insurance), PowerWise Group (energy saving), Presencia en Medios (media and advertising), SARE (housing), among others. Mr. Attié has promoted also important philanthropic projects and initiatives through several decades. Since the 1970s Mr. Attié entered the real estate business, and has invested in several projects in housing, industrial, retail and offices segments.

### Amín Guindi Hemsani

Mr. Guindi has more than 20 years as investor in several real estate project in the retail, industrial, and offices segments. Moreover, he is Vice-president of Grupo Kimex, a leading diversified company that manufactures textiles, resins and packagings. Mr. Guindi has a BA in Business Administration from Universidad Anáhuac in Mexico City.

### Jaime Kababie Sacal

Mr. Kababie has more than 20 years as investor in several real estate project in the retail, industrial, and offices segments. He has more than 25 years of experience in the polyethylene manufacturing industry specializing in plastic packaging. Has participated with the El-Mann family in real estate projects since 1998.



Foto  
Insurgentes 1787, DF.



### Ignacio Trigueros

Independent member of our Technical Committee and Director of Instituto Tecnológico Autónomo de México's (ITAM) Economics Analysis and Research Center, is Economics Professor of the same institution, member of the board of directors of Evercore Casa de Bolsa, and advisor to the investment committee of AFORE XXI. Mr. Trigueros has a robust academic and research trajectory. Furthermore, has acted as advisor to several government agencies. Holds a BS in Economics from ITAM and earned his PhD in Economics from the University of Chicago.

### Alfredo Achar Tussie

Independent member of our Technical Committee and Chairman and CEO of Comercial Mexicana de Pinturas (COMEX). Through the years, Mr. Achar has been a key participant on the social development of Mexico on starting several social programs on which several local and foreign companies, and local and federal government agencies participate jointly to benefit the population, through several non-for-profit organizations: Fundación ProEmpleo Productivo, Fundación Activa, Fideicomiso Privado ProVivah, and Camproduce. Mr. Achar is serves as director in several borads of companies in the retail, real estate, non-for-profit, and credit industries such as Asociación Mexicana de Instituciones de Asistencia Privada, Fundación Mexicana para el Desarrollo Rural, Valorum, Institución de Fondos de Inversión, Banamex, and Banca MIFEL.

### Rubén Goldberg

Independent member of our Technical Committee and partner at Goldberg, Alerhand y Asociados, a boutique investment banking advisory, and Chairman of the Advisory Committee of Galileo Total Return Fund, LP, and has an extensive career in the retail, corporate and investment banking industries. Moreover, Mr. Goldberg has been director of several companies in the chemicals, textile, consumer and finance industries, and on several other philanthropic and education organizations. Ruben is Public Accountant from Universidad Nacional Autónoma de México (UNAM) and earned his MBA from Wharton School of Business, University of Pennsylvania.

### Herminio Blanco

Independent member of our Technical Committee and ex-secretary of commerce and industrial development on the Zedillo administration, and was ex-chief negotiator of the North American Free Trade Agreement (NAFTA). Has served as director on the boards of several local and foreign companies, such as Mitsubishi Corporation, Grupo Financiero Banorte, and Mittal Steel US, and has been professor of Rice University and the Colegio de México. He is Chairman and CEO of Soluciones Estratégicas, which specialized in corporate consulting on international trade. Mr. Blanco holds a BS in Economics from Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM) and a PhD in Economics from the University of Chicago.





Photo  
Forum, Cancún.

Audit Committee

Our Audit Committee is responsible to name its members and its president, and to (i) evaluate our external auditors and analyze its reports, (ii) analyze our financial statements and comment them with the adequate personnel, and evaluate their approval to the Technical Committee, (iii) inform the Technical Committee of its opinion on our internal controls and the internal audit system, including any irregularities, (iv) request and obtain independent expert opinions, (v) investigate any failures on compliance to our operations and accounting policies and/or on internal controls or auditing, (vi) inform the Technical Committee of any irregularities and propose solutions, (vii) call Shareholders’ Meetings and request that items be added to the agenda if it sees fit, (viii) verify that our Advisor complies with the resolutions adopted by the Shareholders’ Meeting and by the Technical Committee; and (ix) verify the implementation of internal control mechanisms and that they comply with current applicable Law.

Member	Charge
Rubén Goldberg Javkin	Chairman
Herminio Blanco Mendoza	Member
Ignacio Trigueros Legarreta	Member

Practices Committee

Our Practices Committee is responsible to name its members and its president. According to applicable law requirements, each of the three members of the Practice Committee must be an independent member of the Technical Committee. This Committee is responsible, among other things, of (i) issue opinions to the Technical Committee related to the transaction values on which the Technical Committee participates in performing its obligations, (ii) recommend to the Technical Committee on which reports must be requested to the Advisor in order to perform its functions, (iii) Advise our Technical Committee on performing its obligations in terms of the Trust agreement, (iv) present, before the Technical Committee, market studies related to the segments on which our properties and assets operate, and provide recommendations as it sees fit, (v) evaluate our top managers’ performance, and (vi) request and obtain the Advisor’s and/or of other external party’s opinions.

Member	Charge
Herminio Blanco Mendoza	Chairman
Ignacio Trigueros Legarreta	Member
Rubén Goldberg Javkin	Member

Photo  
Tlaquepark, Guadalajara.





Nominations Committee

The Nominations Committee is responsible, among other things, of (i) conduct search, analysis and evaluation of candidates for their election or appointment as independent members of our Technical Committee; (ii) propose to the Shareholders’ Meeting those persons that should be independent members of our Technical Committee and that meet the criteria and comply with independence guidelines provided by the Securities Market Law or, in its case, of those persons that should be removed as independent members, (iii) control and review every matter related to the proper independence of the independent members of our Technical Committee that would imply potential conflicts of interest, (iv) propose to the Shareholders’ Meeting or to the Technical Committee, the compensation that should be paid to members of our Technical Committee, (v) with opinion of the Audit Committee, present to the Shareholders’ Meeting the removal of any members of our Technical Committee; and (vi) any other responsibility appointed by the Shareholders’ Meeting or the Technical Committee. The Technical Committee is responsible to name the members of the Nominations Committee, which is integrated by five members, with a majority of independent members of the Technical Committee.

Member	Charge
Herminio Blanco Mendoza	Chairman
Ignacio Trigueros Legarreta	Member
Rubén Goldberg Javkin	Member
André El-Mann Arazi	Member
Isidoro Attié Laniado	Member

Executive Compensation Plan

In order to enhance the alignment of our interests with those of our Shareholders, an Executive Compensation Plan for employees of our Advisor and other subsidiaries was presented to the Shareholders’ Meeting held on April 04, 2014 and that replaces the former bonus compensation scheme previously approved by the Technical Committee on its session held on April 23, 2013, and that was not implemented. In order to execute this compensation plan we considered opinions from the Practices Committee, our Technical Committee, several broker dealers, and our shareholders, and a specialized third party expert was hired.

Photo  
Galerías Diana, Acapulco.





## PROJECTS



### Torre Diana, DF.

- Torre Diana, Mexico City
- Located in the Reforma office corridor
- 33 stories of office space + retail



### Mitikah, DF.

- Mitikah, Mexico City
- Located on Río Churubusco, within the Coyoacán area
- Mixed-use development
- One of the most representative real estate projects in LatAm



# FINANCIAL STATEMENTS

**Fideicomiso Irrevocable No. F/1401 (Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries**

**Consolidated Financial Statements for the Years Ended December 31, 2014 and 2013, and Independent Auditors' Report Dated April 9, 2015**

**Table of contents**

- Auditors' Report
- Consolidated Statements of Financial Position
- Consolidated Statements of Comprehensive Income
- Consolidated Statements of Changes in Trustors' Capital
- Consolidated Statements of Cash Flows
- Notes to Consolidated Financial Statements

**Independent Auditors' Report to the Technical Committee and Trustors of Fideicomiso Irrevocable No. F/1401 (Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries**

**Auditors' Report of the consolidated financial statements**

We have audited the accompanying consolidated financial statements of Fideicomiso Irrevocable No. F/1401 (Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries (Fibra UNO) which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, and the consolidated statements of comprehensive income, changes in trustors' capital and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as Fibra UNO management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Independent auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Fideicomiso Irrevocable No. F/1401 (Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and subsidiaries as of December 31, 2014 and 2013, and their financial performance and their cash flows for the years then ended, accordance with International Financial Reporting Standards.

Other matter

The accompanying consolidated financial statements have been translated into English for the convenience of readers.

Galaz, Yamazaki, Ruiz Urquiza, S. C.  
Member of Deloitte Touche Tohmatsu Limited

C. P. C. Miguel Ángel del Barrio Burgos  
Mexico City, Mexico  
April 9, 2015

Fideicomiso Irrevocable No. F/1401

(Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries

Consolidated Statements of Financial Position

As of December 31, 2014 and 2013 (In thousands of Mexican pesos)

Assets	Notes	2014	2013
Current assets:			
Cash and restricted cash	5.	\$ 500,848	\$ 1,364,458
Financial investments	6.	19,528,446	723,976
Lease receivables and others	7.	763,723	732,448
Due from related parties	16.	-	125,609
Recoverable taxes, mainly value-added tax		3,082,513	3,736,002
Prepaid expenses		171,658	17,685
Total current assets		24,047,188	6,700,178
Total current assets			
Non-current assets:	8.	113,831,162	88,905,718
Investment properties	9.	1,121,095	898,035
Advanced payment for the acquisition of investment property	10.	2,854,011	2,341,590
Investments in associates	11.	2,289,490	2,484,474
Other assets		120,095,758	94,629,817
Total assets		\$ 144,142,946	\$ 101,329,995
Liabilities and Trustors' Capital			
Current liabilities:			
Borrowings	13.	\$ 1,791,924	\$ 7,032,036
Trade accounts payable and accrued expenses	14.	2,455,835	8,187,481
Deferred revenues	15.	57,023	72,085
Due to related parties	16.	-	60,767
Total current liabilities		4,304,782	15,352,369
Total current liabilities			
Borrowings	13.	34,128,710	27,270,390
Deposit from tenants		474,809	389,578
Deferred revenues-Long term	15.	159,174	103,445
Total liabilities		39,067,475	43,115,782
Total liabilities			
Trustors' capital:			
Trustors' capital	18.	93,500,173	49,914,979
Retained earnings		11,575,298	8,299,234
Total trustors' capital		105,075,471	58,214,213
Total trustors' capital			
Total liabilities and trustors' capital		\$ 144,142,946	\$ 101,329,995

See accompanying notes to consolidated financial statements.



Fideicomiso Irrevocable No. F/1401

(Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries

Consolidated Statements of Comprehensive Income

For the year ended December 31, 2014 and 2013 (In thousands of Mexican pesos)

	Notes	2014	2013
<b>Revenue from:</b>			
Leases	22.	\$ 6,989,751	\$ 3,566,311
Maintenance		707,842	237,479
Dividend revenues from beneficiary rights		124,387	100,312
		<u>7,821,980</u>	<u>3,904,102</u>
<b>Expenses from:</b>			
Management fees		(490,832)	(328,187)
Operating expenses		(697,168)	(312,108)
Maintenance expenses		(807,394)	(240,042)
Amortization of administrative platform		(194,984)	-
Executive bonus	17.	(530,280)	-
Property tax		(155,104)	(57,308)
Insurance		<u>(84,179)</u>	<u>(26,762)</u>
		<u>(2,959,941)</u>	<u>(964,407)</u>
Interest expense		(2,019,111)	(757,588)
Interest income		430,494	680,573
Foreign exchange loss, Net		(2,222,097)	(16,426)
Other expenses, Net	19.	-	(1,491,323)
Fair value adjustments to property investments and investments in trust rights	8.	4,659,760	7,720,462
		<u></u>	<u></u>
<b>Consolidated net and comprehensive income</b>		<b>\$ 5,711,085</b>	<b>\$ 9,075,393</b>
Basic net income per CBFI (real estate trust certificates) (in Mexican pesos)		\$ 2.3264	\$ 5.7895
Diluted net income per CBFI (in Mexican pesos)		<u>\$ 1.7517</u>	<u>\$ 4.4511</u>

See accompanying notes to consolidated financial statements.

Fideicomiso Irrevocable No. F/1401

(Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries

Consolidated Statements of Changes in Trustors' Capital

For the year ended December 31, 2014 and 2013 (In thousands of Mexican pesos)

	Number of CBFI 's	Capital	Retained	Total
<b>Balances as of January 1, 2013</b>	842,282,890	\$ 23,013,953	\$ 1,010,759	\$ 24,024,712
Equity contribution	966,730,376	27,604,036	-	27,604,036
Distributions to trustors	-	(703,010)	(1,786,918)	(2,489,928)
Consolidated net and comprehensive income	-	-	9,075,393	9,075,393
<b>Balances as of December 31, 2013</b>	1,809,013,266	49,914,979	8,299,234	58,214,213
Equity contribution	1,069,373,660	45,432,735	-	45,432,735
Distributions to trustors	-	(1,847,541)	(2,435,021)	(4,282,562)
Consolidated net and comprehensive income	-	-	5,711,085	5,711,085
<b>Balances as of December 31, 2014</b>	2,878,386,926	\$ 93,500,173	\$ 11,575,298	\$ 105,075,471

See accompanying notes to consolidated financial statements.



Fideicomiso Irrevocable No. F/1401

(Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries

Consolidated Statements of Cash Flows

For the year ended December 31, 2014 and 2013 (In thousands of Mexican pesos)

	2014	2013
<b>Operating activities:</b>		
Consolidated net income	\$ 5,711,085	\$ 9,075,393
Adjustments for non-cash items:		
Adjustment to fair value of investment property and investments in associates	(4,659,760)	(7,720,462)
Unrealized exchange gain	(940,597)	(78,140)
Amortization of administrative platform	194,984	-
Executive bonus	530,280	-
Investing activities:		
Interest income	(430,494)	(680,573)
Financing activities:		
Interest expense	2,019,111	757,588
Total	<b>2,424,609</b>	<b>1,353,806</b>
(Increase) decrease in:		
Lease receivable and others	(31,275)	(573,677)
Due to related parties	125,609	(114,331)
Recoverable taxes, mainly value-added tax	653,489	(388,340)
Prepaid expenses	(153,973)	1,368
(Decrease) increase in:		
Trade accounts payable	(3,432,793)	698,369
Deferred revenues	40,667	83,608
Deposit from tenants	85,231	223,154
Due from related parties	(60,767)	(32,028)
<b>Net cash flows provided by operating activities</b>	<b>(349,203)</b>	<b>1,251,929</b>
Investing activities:		
Investment in development projects	(5,922,684)	(3,857,789)
Advanced payments for acquisitions of investment properties	(223,060)	(1,049,358)
Acquisition of investment properties	(2,840,609)	(5,876,310)
Acquisition of a business	-	(20,684,026)
Financial investments	(18,804,470)	963,121
Investments in trust rights	-	(1,469,976)
Interest received	430,494	680,573
<b>Net cash flows used in investing activities</b>	<b>(27,360,329)</b>	<b>(31,293,765)</b>
Financing activities:		
Payments of borrowings	(15,320,277)	(7,391,450)
Proceeds from borrowings	15,957,900	20,686,289
Distributions to trustors	(4,282,562)	(2,489,928)
Interest paid	(1,991,085)	(714,711)
Capital contribution	32,481,946	20,955,479
<b>Net cash flows provided by financing activities</b>	<b>26,845,922</b>	<b>31,045,679</b>
Cash and restricted cash		
Net (decrease) increase in cash and restricted cash	(863,610)	1,003,843
Cash and restricted cash at the beginning of the period	1,364,458	360,615
<b>Cash and restricted cash at the end of the period</b>	<b>\$ 500,848</b>	<b>\$ 1,364,458</b>

See accompanying notes to these consolidated financial statements.

Fideicomiso Irrevocable No. F/1401

(Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria) and Subsidiaries

Notes to Consolidated Financial Statements

For the year ended December 31, 2014 and 2013 (in thousands in mexican pesos)

1. General information, acquisitions and relevant events

a. General information

- Fideicomiso F/1401 of Deutsche Bank Mexico, S. A. Institución de Banca Múltiple, División Fiduciaria (“Fibra UNO”) was established as a real estate trust on January 12, 2011 by Fibra Uno Administración, S. A. de C. V. (the “trustor”) and Deutsche Bank México, S. A., Institución de Banca Múltiple, División Fiduciaria (the “trustee”). Fibra UNO started operations on March 2011 and was established mainly to acquire and own a variety of real estate properties for the purpose of leasing and developing commercial, industrial and mixed-use properties as well as office buildings and land in the Mexican market.
- Fibra UNO, as a real estate investment trust (“FIBRA” for its initials in Spanish), qualifies to be treated as a pass-through entity for Mexican federal income tax purposes. Therefore, all revenue from conducting Fibra UNO’s operations is attributed to the holders of its real estate trust certificates (“CBFIs” for their acronym in Spanish) and Fibra UNO itself is not considered a taxable entity in Mexico according to Mexican Tax Laws and Regulations. In order to maintain FIBRA status, the articles 187 and 188 of the Mexican Income Tax Law have established that FIBRAS must distribute annually at least 95% of its taxable income to the holders of its CBFIs.

Fibra UNO has entered into the following relevant agreements:

- An advisory services agreement with Fibra Uno Administración, S. A. de C. V. (“Fibra Uno Administración” or the “Advisor”, related party) for the Advisor to assist Fibra UNO in establishing and implementing its investment and financial strategies.
- A property management agreement with FI Management, S. C. (“F1 Management”) and F1 Controladora de Activos, S. C. (“F1 Controladora de Activos”) (subsidiary entities) to conduct the day-to-day management of the operations of Fibra UNO.
- A services agreement with F2 Services, S. C. (“F2 Services”, related party) to perform certain leasing, billing and collection services on behalf of Fibra UNO, subject to its oversight and supervision.
- An agreement for advisory and property management services, related to certain properties, signed with Jumbo Administración, S. A. P. I. de C. V. (“Jumbo Administración”, related party) under similar conditions as the aforementioned agreements.
- A property management agreement signed with Finsa Holding, S.A. de C.V. to manage the day-to-day operations of the portfolio “Vermont”.
- A property management agreement signed with Hines Interest, S. A. de C. V. to manage the day-to-day operations of the portfolio “Maine”.
- A property management agreement signed with GP Servicios Industriales, S.A. de C.V. to manage the day-to-day operations of the portafolio “California”.



viii. A property management agreement signed with Consultora Centro Historico, S.A. de C.V. to manage the day-to-day operations of the portafolio “Hotel Centro Histórico”.

The address of the Trust is Quintana Roo No. 3 Despacho 303, Col. Roma Sur, Mexico City.

b. Acquisitions

Portfolio	Acquisition date	Acquisition type
Samara (i)	December 16, 2014	Investment properties
Insurgentes 476 (ii)	September 24, 2014	Investment properties
Insurgentes 1571 (iii)	September 24, 2014	Investment properties
Christel House (iv)	August 24, 2014	Investment properties
La Viga (v)	July 23, 2014	Investment properties
Península Vallarta (vi)	July 15, 2014	Investment properties
Galerías Guadalajara (vii)	July 15, 2014	Investment properties
Hotel Centro Histórico (viii)	July 7, 2014	Investment properties
Corporativo San Mateo (ix)	June 25, 2014	Investment properties
Portafolio California (x)	May 5, 2014	Investment properties
Portafolio Maine (xi)	February 19, 2014	Investment properties
Portafolio P8 (xii)	December 20, 2013	Investment properties
Portafolio Apolo (xiii)	December 18, 2013	Business combination
Centro Bancomer (xiv)	December 12, 2013	Investment properties
Portafolio Vermont (xv, xvi y xvii)	November 4, 2013	Investment properties
Portafolio Delaware (xviii)	October 23, 2013	Investment properties
Tanara Aguascalientes (xix )	October 23, 2013	Investment properties
Portafolio Grupo Posadas (xx )	October 1, 2013	Investment properties
Parque Empresarial Cancún (xxi)	September 24, 2013	Investment properties
Universidad Autónoma de Guadalajara (xxii)	September 3, 2013	Investment properties
Pace Industries (xxiii)	March 22, 2013	Investment properties
Torre Mayor (xxiv)	February 21, 2013	Investment in associates
Portafolio G30 (xxv)	January 1, 2013	Investment properties

- i. On December 16, 2014, Fibra UNO acquired the corporate office and a shopping mall called Samara, located in México City. The property has a gross leasable area of 144,000 m2 approximately. The total acquisition price was \$5,586 million, assuming debt for \$1,232 million and a payment in CBFIs equivalent to \$4,165 million.
- ii. COn September 24, 2014, Fibra UNO recorded the acquisition of the property called Insurgentes 476 as part of the portfolio P4 located in Mexico City. The property has a gross leasable area of 9,691 m2 approximately. The total amount of acquisition was \$216 million.
- iii. On September 24, 2014, Fibra UNO recorded the acquisition of the property called Insurgentes 1571 as part of the portfolio P4 located in Mexico City. The property has a gross leasable area of 1,803 m2 approximately. The total acquisition price was \$64.3 million.
- iv. On August 24, 2014, Fibra UNO recorded the acquisition of a piece of land called “Christel House” located in the Distrito Federal (Mexico City), for the development of educational facilities. The total acquisition price was \$34.2 million.

- v. On July 23, 2014, Fibra UNO acquired Corporativo la Viga, located in Calzada de la Viga in Mexico City. The property has 22,538 m2 approximately. The total acquisition price was \$414.9 million and will approximately generate an annual net operating income of \$39.5 million.
- vi. On July 15, 2014, Fibra UNO recorded the acquisition of the shopping mall Península Vallarta as part of the portfolio R-15. It is located in Puerto Vallarta, Jalisco. The property has a gross leasable area of 11,874 m2 approximately. The total acquisition price was \$260 million of which \$57.2 million were paid in cash and \$202.8 million were paid with CBFIs.
- vii. On July 15, 2014 Fibra UNO recorded the acquisitions of the shopping mall Galerías Guadalajara, as part of the portfolio R-15, located in the Guadalajara City, in Jalisco. The property has 72,492 m2 approximately. The total acquisition price was \$3,459 million, of wich \$739 million were paid in cash and \$2,720 were paid with CBFIs.
- viii. On July 7, 2014, Fibra UNO recorded the acquisition of a hotel operated by the hotel chain Hilton and other tenants. It is located in the Centro Histórico, in downtown Mexico City. The total acquisition price was US \$90 million, of which US \$59 million were paid with CBFIs, plus debt assumed as part of the acquisition for US \$31 million. The hotel has 458 rooms in 40,000 m2 of construction approximately.
- ix. On June 25, 2014, Fibra UNO recorded the acquisition of a property called Corporativo San Mateo located in Estado de Mexico. The total acquisition price was \$121 million. The property has a gross leasable area of 5,440 m2 approximately.
- x. On May 5, 2014, Fibra UNO recorded the acquisition of portfolio California, the total acquisition price was US \$274.8 million. To date Fibra UNO has paid US \$92.6 million in cash and US \$176.2 million with CBFIs. Fibra UNO will have to pay additional US 6 million if in the next 6 months the occupation increase to 15,550 m2 approximately. The portfolio consists of 29 properties located in Chihuahua, Coahuila, Nuevo León, San Luis Potosí and Tamaulipas with a gross leasable area of 345,469 m2 approximately. Additionally, the portfolio has a piece of land of 274,035 m2 approximately reserved for future expansions that will generate 137,800 m2 approximately of gross leasable area for industrial use in Monterrey and San Luis Potosí.
- xi. During February 2014, Fibra UNO closed the acquisition of 5 industrial properties and a retail property to Hines Mexico (also called Maine). The total amount for acquisition was U.S. \$ 86.5 million and \$472.4 million of Mexican pesos, respectively.
- xii. On June 6, 2013, Fibra UNO and Inmobiliaria Insurgentes 553, S. A. de C. V. signed a promise of sale and purchase agreement to acquire the portfolio called “P8”, which is comprised of the following properties: (i) a building of offices and a parking lot located on Avenida de las Americas, sector Hidalgo, in Guadalajara City, Jalisco; (ii) a building for offices and a commercial space, both located in the Roma Sur neighborhood, in Mexico City; (iii) a building with hotel components and offices located on Avenida Insurgentes, in Mexico City; (iv) Two hundred, twenty two private units (13 commercial spaces, 75 offices and 144 parking spaces) belonging to the building subject to an ownership in property in condominium located on Avenida Revolución, Alvaro Obregón, in Mexico City; (v) an offices building located in Del Valle



neighborhood, Benito Juarez, in Mexico City; (vi) a building located in Guadalupe Inn neighborhood; (vii) a building called Torre Prisma, located in Centro neighborhood, Cuauhtémoc, in Mexico City, and (viii) a building of offices with retail located in Guadalupe Inn neighborhood, Álvaro Obregon, in Mexico City. The total amount for the acquisition was \$2,411,500. The transaction was completed on December 20, 2013.

- xiii. On August 14, 2013, an agreement was executed (which was subsequently modified on July 11, 2013), to acquire the commercial real estate portfolio, consisting of a sophisticated technology and administrative platform, executed between Fibra UNO and Mexico Retail Properties Venture I, L. P., Mexico Retail Properties Venture II, L. P., Mexico Retail Properties Venture III, L. P. (collectively, “MRP”) for the amount of \$20,684,026.

The “Apolo” portfolio consists of 43 commercial properties, two plots of land and four properties under development, which represent a total rentable space of approximately 1,000,000 m². As part of this transaction, Fibra UNO or its designee, acquired a last-generation operating system designed and currently used by MRP, which will support and assist in the economic expansion plan of Fibra UNO, as well as enhance its ability to identify and capture future investment opportunities arising in the Mexican real estate market. The acquisition closed on December 18, 2013.

The fair value of assets and liabilities acquired as of December 18, 2013 is as follows:

	Apolo
Investment properties	\$ 24,400,274
Construction in progress	334,943
Administrative platform	2,484,474
Recoverable value-added tax	1,799,643
Debt commission	16,854
Allowance CAPEX	74,904
Restricted cash	135,750
Account receivable	38,747
Borrowings	(5,795,039)
Reserves paid for maintenance	(12,500)
Lease advanced payments	(26,665)
Deposit from tenants	(78,389)
Accounts payable	(12,390)
Fair value of net assets acquired	23,360,606
Total consideration transferred and paid in cash	(20,684,026)
Adjustment to fair value of investment properties acquired (1)	\$ 2,676,580

1. EThe aforementioned fair value of the investment properties acquired as of December 18, 2013, was based on appraisals prepared by independent specialists by using a discounted cash flows method. The adjustment hereon represents a bargain purcha-

se gain upon acquisition of the portfolio, which occurred as a result of the time that lapsed from when the acquisition price was agreed upon by the parties to when the acquisition was finalized, coupled with the behavior of the real estate market during that time. This amount was recorded within the fair value adjustments to property investments and investment in trust rights line item in the statement of comprehensive income.

Had the aforementioned portfolio been acquired on January 1, 2013, revenues and net income for Fibra UNO for the year ended December 31, 2013 would have been \$5,377,099 and \$10,199,463, respectively.

Acquisition costs of business acquired as of December 31, 2013 were \$1,491,323, recognized within the other (expenses) income line item in the consolidated statements of comprehensive income.

- xiv. On September 28, 2013, Fibra UNO signed an agreement with Prudential Real Estate Investments to acquire the office building known as Centro Bancomer, located on Avenida Universidad, in Mexico City. The property has a gross leasable area of 101,348m2 of offices and it is 100 % occupied by Grupo Financiero BBVA Bancomer through late 2015, with a possible six-month extension under a triple net lease agreement (NNN). The total acquisition price was US \$125 million and the estimated investment in the parking lot area is US \$35 million. The agreement was structured as the acquisition of 100% of the rights to the trust that holds the property. The transaction was completed on December 12, 2013, after receiving approval from the Federal Commission of the Economic Competition (or COFECO for its acronym in Spanish). As of December 31, 2013, Fibra UNO has made payments of US \$22.5 million. During January 2014, Fibra UNO closed the acquisition of Centro Bancomer.
- xv. Con fecha 15 de agosto de 2013, se celebró el contrato de compra-venta de activos entre Fibra UNO y FW Industrial Portafolio III, S. de R. L. de C. V., FW Industrial Partners I, S. de R. L. de C. V., FW Industrial Partners II, S. de R. L. de C. V., FW Industrial Partners III, S. de R. L. de C. V., y FW Industrial Partners V, S. de R. L. de C. V., (“Propiedades FW”), el precio total por la transmisión de las Propiedades FW asciende a la cantidad de 223.4 millones de dólares estadounidenses. La transacción se cerró con fecha 4 de noviembre de 2013.
- xvi. On August 15, 2013, Fibra UNO executed an asset purchase and sale contract with Finsa II Matamoros, S. de R. L. de C. V., Finsa II Reynosa, S. de R. L. de C. V., Finsa II México, S. de R. L. de C. V., Finsa II Saltillo, S. de R. L. de C. V. and Finsa II Monterrey, S. de R. L. de C. V. (collectively, “Propiedad Finsa II”). The total consideration paid by Fibra UNO for the acquisition was US \$107 million. The transaction was completed on November 4, 2013
- xvii. On August 15, 2013, Fibra UNO executed an asset purchase and sale contract with Desarrollos Industriales Omega, S. de R. L. de C. V., Finsa Portafolios, S. de R. L. de C. V., Finsa III Morales, S. de R. L. de C. V. and Finsa Selective Assets, S. de R. L. de C. V. (“Propiedades Finsa III”). The total consideration paid by Fibra UNO by for the acquisition was US \$40.8 million. The transaction was completed on November 4, 2013.



- xviii. On June 10, 2013, Fibra UNO acquired the Delaware portfolio, which is a property being developed for offices and retail use, located on Avenida de los Insurgentes (in southern Mexico City) where the intention is to develop gross leasable area of approximately 70,000m<sup>2</sup>. In relation to this portfolio, a third party contributed the land on which Fibra UNO will develop the property, to the assets of a trust, whose approximate value is US \$40 million. Fibra UNO owns 100% of the rights to the trust and will take part in such trust as trustor/beneficiary by contributing the necessary resources to develop the project. As consideration Fibra UNO will make a payment in kind equal to 16,000m<sup>2</sup> of leasable space of the Delaware portfolio. The estimated investment for this portfolio is approximately US \$170 million. The transaction was completed on October 23, 2013.
- xix. On May 27, 2013, an agreement for the assignment of 100% of the rights to Retail Development Property Management Trust was executed among Tiendas de Descuento Monterrey, S. A. de C. V. ("Soriana"), Inmobiliaria Imagen Visión, S. A. de C. V. ("Developer") and Fibra UNO. The Retail Development Property Management Trust holds the property located in Ejido Ojocaliente, Aguascalientes, in Aguascalientes. The Portfolio is denominated as a "Tanara, Aguascalientes". The consideration paid by Fibra UNO for the acquisition was \$50,000. The transaction was completed on October 23, 2013.
- xx. On June 28, 2013, Fibra UNO entered into a purchase-sale and leaseback agreement with Grupo Posadas, S.A.B. de C.V. and Posadas México, S. A. de C. V. (together, "Posadas"), in which Fibra UNO will acquire the Posadas portfolio, located at the intersection of Paseo de la Reforma and Periférico and will subsequently lease the property back to Posadas under an operating lease. This portfolio consists of an offices property with 4,815m<sup>2</sup> approximately of gross leasable area with 100% occupancy as of June 30, 2013. The consideration for the acquisition of the Posadas portfolio is US \$14.9 million. The related lease agreement has a mandatory term of 10 years with respect to Fibra UNO as lessor. This 10-year term is not mandatory for the lessee, who may terminate the lease with respect to the property outlined in the lease, but will be obligated to lease from the lessor the same number of square meters in another property of the lessor, and pay the minimum square meter price established in such lease agreement. The transaction was completed on October 1, 2013.
- xxi. On September 24, 2013, Fibra UNO and Banco Interacciones, S. A., Institución de Banca Múltiple, Grupo Financiero Interacciones, División Fiduciaria, as trustor of the Trust No. 6795 signed an agreement to acquire the real estate development denominated Parque Empresarial Cancun, which is comprised of warehouse. The consideration paid by Fibra UNO for the acquisition was \$177,500.
- xxii. On September 3, 2013, an agreement for the contribution of property was signed by Universidad Autónoma de Guadalajara, A. C. (contributor), Bansí, S. A., Institución de Banca Múltiple ("Trust Bansí") and Deutsche Bank, S. A. Institución de Banca Múltiple, División Fiduciaria ("Trust acquirer") as trustor of Fibra UNO, in order to acquire the property located in west Guadalajara, Zapopan, in the state of Jalisco. The total amount of the acquisition was \$580,000. The agreement was structured as the acquisition of 100% by Fibra UNO of the rights of the trust that hold the property.

- xxiii. On March 22, 2013, Fibra UNO entered into an asset acquisition agreement with Pace Industries de Chihuahua II, S. A. de C. V. and Pace Industries de México, S. A. de C. V. ("Pace"); the total price of the acquisition was US \$17.7 million.
- xxiv. On February 21, 2013, Fibra UNO made the second payment equivalent to 90% of the purchase price of the 49% of the fiduciary rights related to the Conjunto Torre Mayor located on Paseo de la Reforma, Mexico City, at a price of US\$102 million, and will form part of the trust's assets and formalized the transaction.
- xxv. Fibra UNO negotiated with the contributors of the Portfolio G30 that they would contribute to Fibra UNO the rentals from the Portfolio G30 accrued as of January 1, 2013. They also negotiated an extension for the purchase up to June 30, 2013, for purposes of compliance with the COFECO Condition and the notarization of the Portfolio G30 to Fibra UNO on September 30, 2013. These amendments would apply on the understanding that (i) the CBFIs to which the contributors of the stabilized properties of the Portfolio G30 are entitled, will be delivered by Fibra UNO as such properties are notarized; and (ii) the CBFIs related to the development properties will be maintained in the treasury of Fibra UNO and would not had any economic or corporate rights until either Fibra UNO received at least 50% of rentals from the development properties, meaning, half of the leasable space was occupied, or until January 1, 2014, whichever occurred first. Through December 31, 2013, Fibra UNO incurred in construction costs of \$5,162,540, included in construction in-process within investment properties. 182,731,741 CBFIs still remain in escrow, and have impacted diluted earnings per CBFI as discussed in Note 18

### c. Relevant events

- i. On December 18, 2014, a purchase-sale agreement was signed between Fibra UNO and Opción Volcan S. A. de C. V. to acquire the Portafolio called ("Utah"). The total amount of acquisition was US \$67 million. As of December 31, 2014, the transaction has not been concluded.
- ii. On August 26, 2014, an understanding memo between Fibra UNO and PREI Administradora, A. C. for the acquisition of the Portfolio called ("Kansa"), the total acquisition price was \$10.5 million. As of December 31, 2014, the transaction has not been concluded.
- iii. On June 10, 2014, Fibra Uno made its fourth offering of CBFIs in the amount of 800,400,000 CBFIs at a price of \$41.00 pesos each, equivalent to \$32,816.4 million including over-allocation option and especial offering. The total amount of the certificates are presented net of issuance costs in the consolidated statements of changes in trustors' capital. With the resources from this offering Fibra UNO prepaid loans for \$4,214 million.
- iv. On December 16, 2014, Fibra UNO recorded the acquisition of a piece of land located in Cancun, Quintana Roo, for the development of a shopping mall. The total acquisition price was \$407.9 million.
- v. On January 23, 2014, Fibra UNO issued stock certificates in a global offering in two tranches, under the "Senior Notes" program; the first for an amount of US \$600 million for 10-year term, bearing interest at a fixed rate of 5.25%, and the second

- tranche for an amount of US \$400 million, for a 30-year term, bearing interest at a fixed rate of 6.95%. The principal for both issuances will be paid at maturity.
- vi. With the resources from emissions mentioned above, during January and February 2014 Fibra UNO made the full payment for the following credit lines that had contracted.
1. On February 5, 2014, a payment was made related to the loan agreement with Banamex in Mexican pesos, which accrued interest at TIIE rate plus a margin of 1.5 % with maturity on March 21, 2014 for principal and interest of \$349,755 and \$770, respectively.
  2. On February 4, 2014, the current loan with Actinver for principal and interest of \$300,000 and \$1,722, respectively, were paid in full.
  3. On February 4, 2014, an advanced payment was made related to the loan agreement (credit line), pledged by a mortgage guarantee with Inbursa for principal and interest of \$807,269 and \$5,799, respectively.
  4. On January 31, 2014, and advance payment was made related to the loan with Banorte in Mexican pesos, which accrued interest at the TIIE rate plus a margin ranging from 1.7 % to 1.85 % with maturity on June 25, 2020 for principal and interest of \$3,339,846 and \$18,355, respectively.
  5. On January 31, 2014, an advanced payment was made related to the loan with Santander which accrued interest on unpaid balances at the 28-day TIIE rate plus a margin of 1.90 % for principal and interest of \$650,000 and \$3,185, respectively.
  6. On January 30, 2014, Fibra UNO made a payment under the loan with Deutsche Bank AG London Branch for principal and interest of US \$250 million and US \$795, respectively.
  7. On January 28, 2014, a payment was made a payment under the loan with BBVA Bancomer, which in Mexican pesos accrued interest at a TIIE rate plus a margin ranging from 1 to 1.3 % with maturity on April 28, 2020 for principal and interest of \$521,942 and \$2,122, respectively.
- vii. On December 13, 2013, Fibra UNO completed a public offering of long-term stock certificates in three tranches for an revolving loan of \$25,000,000 authorized by the National Banking and Securities Commission (CNBV for its acronyms in Spanish), from which 8,500,000 were performed as of December 31, 2013 (see Note 13).
- viii. Con fecha 16 de octubre de 2013, se celebró una hoja de términos y condiciones entre Fibra UNO, HCM Comercial 3, S. de R. L. de C. V. y HCM Comercial 7, S. de R. L. de C. V. para adquirir el portafolio denominado ("Maine") que consta de lo siguiente: (i) fracción del inmueble identificado como "Terminal Intermodal de Guadalajara" de Ferrocarriles Nacionales de México, (ii) la Unidad Privativa UP/1y Unidad Privativa UP/2 que consisten en dos naves industriales en régimen de condominio horizontal denominada "Parque Industrial Tecnológico III" ubicadas en el municipio de Tlaquepaque; Jalisco, (iv) un Lote ubicado en el Fraccionamiento Industrial Casto del Río, en Irapuato, Guanajuato, (v) un Lote ubicado en el Parque Industrial San Francisco en el municipio de San Francisco de los Romo, Aguascalientes, (vi) un centro comercial conocido como Parte Uno ubicado en Mérida, Yucatán y (vii) un Lote ubicado en el Fraccionamiento Industrial Parque Logístico Fracción II en San Luis Potosí, San Luis Potosí. El precio total por la transmisión de los inmuebles industriales asciende a la cantidad de 86.5 millones de dólares estadounidenses y el precio total por la transmisión del centro comercial asciende a la cantidad de \$439,500. Al 31 de diciembre de 2013, la transacción no se había concluido y Fibra UNO ha realizado anticipos por \$311,000 y se muestran en el rubro de anticipos para la adquisición de propiedades de inversión (ver Nota 9).
- ix. On September 9, 2013 an asset purchase contract was executed between Fibra UNO and Premier Inmobiliaria Cuatro, S. de R. L. de C. V. to acquire the portfolio denominated ("California"). The total amount for the acquisition is US \$21.7 million. As of December 31, 2013 the transaction had not been concluded.
- x. On September 9, 2013, an asset purchase contract was executed between Fibra UNO and GP Bienes Inmuebles, S. A. de C. V., Desarrollos Integrales para la Edificación, S. A. de C. V., and Interchange Park Partners Inc. to acquire the portfolio denominated ("California"). The total amount for the acquisition is US \$253 million. As of December 31, 2013 the transaction had not been concluded.
- xi. On July 1, 2013, a purchase contract was executed between Fibra UNO and Citicapital, S. A. de C. V. to acquire the property denominated "Galerías Guadalajara" located in Guadalajara, Jalisco. As of December 31, 2013 the transaction had not been concluded and Fibra UNO had made advanced payments of \$450,922, as shown in the advance payments for the acquisition of investment properties (see Note 9).
- xii. On July 14, 2013, Fibra UNO signed an asset purchase agreement to acquire the portfolio called "La Viga", which is integrated of one property and two plots of land located in Iztapalapa. The total amount for the acquisition is US \$33 million. As of December 31, 2013 Fibra UNO has made advanced payments of US \$10 million, as shown in the advanced payments for acquisitions of investment properties. The remainder of the acquisition cost was paid upon transfer of title (see Note 9).
- xiii. Con fecha 11 de junio de 2013, se celebró una hoja de términos y condiciones entre Fibra UNO con Interindy, S. A. de C. V., Intersik, S. A. de C. V., Inmobiliaria Interpres, S. A. de C. V., Operadora Hotel Centro Histórico, S. de R. de C. V. para adquirir los derechos fideicomisarios del Fideicomiso que posee el Hotel Centro Histórico operado por la marca Hilton ubicado en la Ciudad de México. El monto de la transmisión asciende a 31.7 millones de dólares estadounidenses más un pago en especie por la cantidad de \$762,125 mediante la entrega de 21,775,000 CBFÍ's emitidos por Fibra UNO a un valor de \$35 cada uno.
- xiv. EOn May 2013, Fibra UNO entered into an agreement to acquire the fiduciary rights to 50% of a trust that will hold the assets related to the Torre Diana portfolio of investment properties. The assets in the trust are to be used to implement a development project, in which Reichmann International and Grupo Farca (each of which has a 25% share) participate with Fibra UNO as trustors/beneficiaries. The total investment in this project is estimated to be approximately US \$164 million, of which up to US \$100 million will be contributed by the aforementioned trustors/beneficiaries and the rest through a bank loan payable by such trust. This portfolio



is under development and Fibra UNO estimates such project will have a total rentable space of 63,000m2, of which it is expected that 50,000m2 will be offices space and the remaining 4,000m2 commercial areas. The project is expected to be complete in the first quarter of 2016. As of December 31, 2013, Fibra UNO has made advanced payments for the development of Torre Diana of US \$24.5 million.

- xv. On January 29, 2013, Fibra UNO made its third offering of CBFIs in the amount of 444,444,444 CBFIs at a price of \$36.75 each, equivalent to \$16,333,333, as well as 66,666,667 CBFIs related to the overallotment option equivalent to the amount of \$2,450,000, and 88,888,889 CBFIs of the special offering, equivalent to the amount to \$3,266,666. The total amount of the certificates is 600,000,000 CBFIs and the total amount of the resources is \$22,050,000 and they are presented net of their issuance costs in the consolidated statements of changes in trustors' capital.

2. Basis of presentation

- a. **Reclassifications** - Certain amounts in the consolidated financial statements as of and for the year ended December 31, 2013 have been reclassified to conform to the presentation in 2014.

3. Significant accounting policies

a. Statement of compliance

- Los estados financieros consolidados de Fibra UNO han sido preparados de acuerdo con las IFRSs (por sus siglas en inglés, International Financial Reporting Standards) emitidas por el Consejo de Normas Internacionales de Contabilidad.

b. Basis of measurement

- The consolidated financial statements have been prepared on the historical cost basis, except for investment properties and investment in trust rights which are valued at their fair value, as explained in greater detail in the accounting policies below.
- i. Historical Cost

The historical cost is usually based on the fair value of the consideration given in exchange for assets.
- ii. Fair Value

Fair value is defined as the price that an entity would receive for selling an asset or that would be paid to transfer a liability in an orderly transaction among market participants in the market at the date of valuation.

c. Basis of consolidation

- The consolidated financial statements incorporate the financial statements of Fibra UNO and its subsidiaries controlled by it. Control is achieved when Fibra UNO has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. The participation in the capital of the subsidiaries is as follows:

Entity	Participation		Activity
	2014	2013	
F1 Management	99.99%	99.99%	Management services and necessary functions to operate Fibra UNO's business.
F1 Controladora de Activos	99.99%	99.99%	Administration, coordination and supervision and collection services to Fibra UNO.
Trust F/00181 "Los Cabos, Baja California Sur"	100%	100%	Real estate leasing
Trust F/00186 "Culiacán, Sinaloa"	100%	100%	Real estate leasing
Trust F/00220 "Ayotla, Estado de México"	100%	100%	Real estate leasing

Entity	Participation		Activity
	2014	2013	
Trust F/00221"Parques Polanco, Distrito Federal"	100%	100%	Real estate leasing
Trust F/00236 "Tepeji del Río, Hidalgo"	100%	100%	Real estate leasing
Trust F/00246 "Ixtapaluca, Estado de México"	100%	100%	Real estate leasing
Trust F/00257 "Juárez I Panamericana, Chihuahua"	100%	100%	Real estate leasing
Trust F/00263 "Coatzacoalcos, Veracruz"	100%	100%	Real estate leasing
Trust F/00276 "Pachuca, Hidalgo"	100%	100%	Real estate leasing
Trust F/00277 "Poza Rica, Veracruz"	100%	100%	Real estate leasing
Trust F/00312 "Juárez II Zaragoza, Chihuahua"	100%	100%	Real estate leasing
Trust F/00468 " Galerías Diana, Acapulco Guerrero"	100%	100%	Real estate leasing
Trust F/231274 "Tulancingo, Hidalgo"	100%	100%	Real estate leasing
Trust F/233218 "Centrika, Monterrey, Nuevo León"	100%	100%	Real estate leasing
Trust F/00493 "Fashion Mall, Chihuahua"	100%	100%	Real estate leasing
Trust F/00478 "Texcoco, Estado de México"	100%	100%	Real estate leasing
Trust F/00561 "Aguascalientes, Aguascalientes"	100%	100%	Real estate leasing
Trust F/00738" Huehuetoca, Estado de México"	100%	100%	Real estate leasing
Trust F/00761 "Santa Fe, Distrito Federal"	100%	100%	Real estate leasing
Trust F/00781 "Plaza del Lago, Cuautitlán, Edo de México"	100%	100%	Real estate leasing
Trust F/00740 "Centro Bancomer"	100%	100%	Office Real estate leasing
Trust 435/2004	100%	100%	Industrial real estate leasing
Trust 547/2005	100%	100%	Industrial real estate leasing
Trust 631/2005	100%	100%	Industrial real estate leasing
Trust 635/2004	100%	100%	Industrial real estate leasing
Trust 700/2006 "San José Segunda Etapa"	100%	100%	Industrial real estate leasing
Trust 721/2006 "Ecatepec"	100%	100%	Industrial real estate leasing
Trust 722/2006	100%	100%	Industrial real estate leasing
Trust 1480/2013 "Parques Cuautitlán"	100%	100%	Real estate leasing
Trust 1487/2013 "Querétaro"	100%	100%	Industrial real estate leasing
Trust 1527/2013	100%	100%	Industrial real estate leasing
Operadora CVC, A. C.	100%	-	Administrative services for the administration of domestic real estate

All intercompany balances and transactions have been eliminated.

The significant accounting policies follow by Fibra UNO are:

d. Business combinations

- Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated

as the sum of the acquisition-date fair values of the assets transferred by the Trust, liabilities incurred by the Trust to the former owners of the acquiree and the equity interests issued by the Trust in exchange for control of the acquiree. Acquisition-related costs are generally recognized in statements of comprehensive income as incurred.

- At the acquisition date, all the identifiable assets acquired and all the liabilities assumed are recognized at their fair value.

**e. Financial instruments**

- Financial assets and financial liabilities are recognized when the Entity becomes a party to the contractual provisions of the instrument.
- Financial assets and financial liabilities are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial asset or liability (other than financial assets and liabilities that are recognized at fair value through profit or loss) are added to or deducted from the fair value of the financial asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in income.
- Subsequent measurement of financial instruments depends on the accounting category in which they are classified. Detail of the categories of financial instruments can be found in Note 12 and the accounting treatment for each category of financial instruments can be found in the accounting policies described below.

**Cash**

- Cash consists mainly of bank deposits in checking accounts. Cash is stated at nominal value.

**Restricted cash**

- Restricted cash consists of cash in the custody in various trusts. Its use is restricted to the payment of the current debt service and interest under the loan agreement with Banco Nacional Exterior, S. N. C. (“Bancomext”), Banco Nacional de México, S. A. Institución de Banca Múltiple, Grupo Financiero Banamex (“Banamex”), BBVA Bancomer, S. A. Institución de Banca Múltiple (“Bancomer”), Banco Mercantil del Norte, S. A, Grupo Financiero Banorte (“Banorte”), Banco Inbursa, S. A. Institución de Banca Múltiple, Grupo Financiero Inbursa (“Inbursa”) y GE Real Estate México, S. de R. L. de C. V. (“GE Real Estate México”). Once payments are settled, funds remaining in these accounts will be released and may be used for the operation of Fibra UNO.

**Financial assets at FVTP (Fair Value Through Profit or Loss)**

- Financial assets are classified as FVTPL when the financial asset is either held for trading or it is designated as FVTPL.
- A financial asset is classified as held for trading if:
  - It has been acquired principally for the purpose of selling it in the near term; or
  - On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
  - It is a derivative that is not designated and effective as a hedging instrument.
- A financial asset other than a financial asset held for trading may be designated as of FVTPL upon initial recognition if:
  - Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

- The financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract to be designated as of FVTPL.
- Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in line item. Fair value is determined in the manner described in Note 12. Fibra UNO has designated certain of its investments in associates as FVTPL.

**Loans and receivables**

- Accounts receivable, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are recognized at amortized cost using the effective interest method and are subject to impairment tests.
- Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

**Impairment of financial assets**

- For financial assets, other than financial assets at fair value through profit or loss, potential indicators of impairment are assessed at each balance sheet date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of future cash flows, discounted at the original effective interest rate of the financial asset.

**Derecognition of financial assets**

- Fibra UNO derecognizes a financial asset, only when the contractual rights to the cash flows from the asset expire, or when substantially all the risks and rewards of ownership of the asset are transferred to another entity.

**Classification as debt or equity**

- Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.
- The key feature in determining whether a financial instrument is a liability is the existence of a contractual obligation of Fibra UNO to deliver cash or another financial asset to the holder, or to exchange financial assets or liabilities under conditions that are potentially unfavorable. In contrast, in the case of an equity instrument the right to receive cash in the form of dividends or other distributions is at the Fibra UNO's discretion and, therefore, there is no obligation to deliver cash or another financial asset to the holder of the instrument.

**Equity instruments**

- An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Trust are recognized at the proceeds received, net of direct issue costs.



- When Fibra UNO receives contributions or acquires properties which do not constitute a business, in return for its equity instruments, the transaction is recorded as a payment to third parties (other than employees) payable with share-based equity instruments, which are valued at the fair value of the assets received, except where the value cannot be estimated reliably. The effects on the financial position are recorded in the statement of changes in trustors' capital as "equity contributions" and do not impact current earnings. The fair value of the properties is estimated as described in Note 8

**Financial liabilities**

- Financial liabilities are classified as either financial liabilities at "FVTPL" or "other financial liabilities". Fibra UNO does not hold any financial liabilities at FVTPL.
- Other financial liabilities (including long-term debt) are initially measured at fair value, net of transaction costs.
- Other financial liabilities are valued subsequently at amortized cost using the effective interest method which is a method of allocating interest expense over the relevant period using the effective interest rate.

**Derecognition of financial liabilities**

- Fibra UNO derecognizes a financial liability when its obligations are discharged, canceled or expire.

**Derivative financial instruments**

- Financial instruments issued by Fibra UNO, including over-allotment options of trust certificates, meet the definition of equity instruments and are presented as such. Consequently, there are no derivative financial instruments recognized.

**Embedded derivatives**

- Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. Fibra UNO has determined that it does not hold any embedded derivatives that require bifurcation.

**f. Investment properties**

- Investment properties are properties held to earn rentals and /or capital gains. Properties that are under construction or development may qualify as investment properties.
- Investment properties acquired and leasehold improvements are initially recorded at acquisition cost, including transaction costs related to the acquisition of assets. Investment property acquired in exchange for equity instruments are initially recorded at fair value, as described below.
- Subsequent to initial recognition, investment properties are measured at fair value. Fair values are determined by independent appraisals recorded at the following times:
  - i. at the time an indicator that impacts the value of the investment property has been detected, and
  - ii. at least once annually from the acquisition of the property.

- Gains and losses in fair value are recorded in the line item "fair value adjustments of investment properties - net" in the statement of income in the period in which they arise.

- Initial direct costs incurred in negotiation of leases are added to the carrying amount of investment properties.

- When Fibra UNO operates a property under an operating lease to earn rentals or for capital appreciation, or both, it is classified and accounted for as investment property.

- An investment property is derecognized upon its disposal or when the investment property is permanently out of use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between consideration received and the carrying value of the investment property) is included in profit or loss in the period in which the property is derecognized.

- The management of Fibra UNO applies its judgment when determining whether an acquisition of an investment property or a portfolio of investment properties is a business combination or acquisition of assets. Particularly, the following criteria are considered:

- i. The number of properties of land and buildings acquired.
- ii. The extent to which significant processes are acquired and in particular the extent of ancillary services provided by the acquirer (e.g., maintenance, cleaning, security, bookkeeping, other property services, etc.).
- iii. Whether the acquiree has allocated its own staff to manage the property and/or to deploy any processes (including all relevant administration such as invoicing, cash collection, provision of management information to the entity's owners and tenant information).

**g. Investments in associates**

- An associate is an entity over which the Trust has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Given the nature of certain of its investments in associates, Fibra UNO has designated those as under the equity method.

**h. Intangible assets**

- i. Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. The administrative platform, the Trust's most significant intangible asset acquired in a business combination, is amortized on a straight-line basis over a period of 20 years.

- ii. Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

**i. Borrowing costs**

- The Trust applies the scope exception with respect to capitalization of borrowing costs to investment properties, which are measured at fair value.

**j. CBFIs based payment**

- i. Share-based payment transactions of Fibra UNO

Equity-settled share-based payments to employees and others providing similar services to Fibra UNO are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled CBFIs based transactions are set out in Note 17.

The fair value determined at the grant date of the equity-settled CBFIS-based payments is expensed on a straight line basis over the vesting period, based on Fibra UNO's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, Fibra UNO revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity settled employee benefits reserve.

Equity-settled CBFIs-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date Fibra UNO obtains the goods or the counterparty renders the service.

For cash-settled CBFIs-based payments, a liability is recognized for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognized in profit or loss for the year.

**k. Provisions**

Provisions are recognized when Fibra UNO has a present obligation (legal or constructive) as a result of a past event, it is probable that Fibra UNO will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

**l. Deposits from tenants**

Fibra UNO obtains refundable deposits from tenants, mainly denominated in pesos, as security for the lease payments for a certain period. These deposits are accounted for as a financial liability (see financial instruments accounting policy above) and are initially recognized at fair value. If a relevant difference from the fair value and the cost at which the liability was initially recorded arises, it would be considered as an initial rent payment and consequently, it would be amortized over the lease term. The deposit would subsequently be measured at amortized cost.

**m. Rental revenue**

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and benefits incidental to ownership. All other leases are classified as operating leases. Properties operated under operating leases are included under investment property in the accompanying consolidated statements of financial position.

Operating lease income, which is similar to the contractual lease payments except for the consideration of incentives granted, such as grace periods, are recognized on a straight line basis over the lease term, except for contingent rents (such as inflation), which are recognized when they earned. The lease term is the non-cancellable period of the contract, including additional terms for which the lessee has the option to extend, when at lease inception, management has a reasonable certainty that the lessee will exercise the option.

Revenues also include reimbursements of operating expenses, maintenance and publicity, and others, which are recognized in the period in which services are rendered.

**n. Income taxes**

As further explained in Note 1, the Trust qualifies as a FIBRA under the Mexican Income Tax Law and, accordingly, no provision for income taxes is recognized. The current and deferred tax consequences of a change in tax status are included in profit or loss for the period, unless they relate to transactions are recognized directly in equity or in other comprehensive income.

**o. Foreign currency**

Foreign currency transactions are recognized at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences are recognized in profit or loss..

**p. Statement of cash flows**

Fibra UNO presents its statements of cash flows using the indirect method. Interest received is classified as investing cash flow, while interest paid is classified as financing cash flow.

**4. Critical accounting judgments and key sources of estimation uncertainty**

- In the application of Fibra UNO's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may



differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**a. Critical judgments in applying accounting policies**

The following are the critical judgments, apart from those involving estimates (see below), that management has made in the process of applying the Fibra UNO's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

**Lease classification**

As explained in Note 3, leases are classified based on the extent to which risks and rewards incidental to ownership of a leased asset lie with Fibra UNO or the tenant, depending on the substance of the transaction rather than the form of the contracts. Fibra UNO has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these property and thus accounts for leases as operating leases.

**Business combinations**

Management of the Trust applies its judgment when determining whether an acquisition of an investment property or a portfolio of investment properties is a business combination or an asset acquisition. Particularly, the following criteria are considered:

- i. The number of properties of land and buildings acquired.
- ii. The extent to which significant processes are acquired and in particular the extent of ancillary services provided by the acquiree (e.g., maintenance, cleaning, security, bookkeeping, other property services, etc.).
- iii. Whether the acquiree has allocated its own staff to manage the property and/or to deploy any processes (including all relevant administration such as invoicing, cash collection, provision of management information to the entity's owners and tenant information).

This determination can have significant impact in the accounting for the initial and subsequent recognition of assets and liabilities acquired. The transactions which occurred during the periods presented in the accompanying consolidated financial statements were accounted for as asset acquisitions.

**Income taxes**

In order to continue to maintain the FIBRA status for Mexican federal income tax purposes, the Trust needs to meet the various requirements, which relate to matters such as the annual distribution of at least 95% of its net taxable income. The Trust applies judgment in determining whether it will continue to qualify under such tax status. No current or deferred income taxes have been accounted for

in the accompanying consolidated financial statements.

**Key sources of estimation uncertainty**

The following are the key assumptions concerning key sources of estimation uncertainty at the end of the reporting period and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Valuation of investment properties**

In order to estimate the fair value of the investment properties, management, with the assistance of an independent appraiser, selects the appropriate valuation techniques given the particular circumstances of each property and valuation. Critical assumptions relating to the estimates of fair values of investment properties include the receipt of contractual rents, expected future market rents, renewal rates, and maintenance requirements, discount rates that reflect current market uncertainties, capitalization rates and recent investment property prices. If there is any change in these assumptions or regional, national or international economic conditions, the fair value of property investments may change materially.

There have been no changes to valuation techniques during 2014 and 2013. The management of Fibra UNO considers that valuation techniques and critical assumptions used are appropriate to determine the fair values of its investment properties.

**5. Cash and restricted cash**

	2014	2013
Cash	\$ 181,675	\$ 789,675
Restricted cash:		
Financial reserve for bank loans	319,173	574,783
<b>Total cash and restricted cash</b>	<b>\$ 500,848</b>	<b>\$ 1,364,458</b>

**6. Financial investments**

	2014	2013
<b>Trading investments - Government securities</b>	<b>\$ 19,528,446</b>	<b>\$ 723,976</b>

**7. Lease receivables and others**

	2014	2013
Lease receivables	\$ 722,986	\$ 542,179
Allowance for doubtful debts	(59,483)	(18,270)
	663,503	523,909
Other receivables	100,220	208,539

\$ 763,723      \$ 732,448

**a. Lease receivables and credit risk management**

At the inception of lease contracts, Fibra UNO requests a refundable deposit from its customers to guarantee timely payment of rents on the commercial property leases, generally denominated in Mexican pesos, consisting, in most of the cases, of two months of rent, which is presented under the caption Deposit from tenants in the accompanying consolidated statements of financial position. In addition, depending of the characteristics of the commercial property, Fibra UNO may request a non-refundable deposit. Alternatively, Fibra UNO requests bonds and other guarantees from its customers. For anchor customers and other high credit quality customers the above guarantees may be waived.

On a combined basis, and considering only the figures for the month of December 2014 and 2013, Wal Mart and Santander tenants represents 13% and 7% of lease revenue, respectively. Individual properties comprising the combined properties may be individually subject to concentrations of credit risk.

Fibra UNO estimates an allowance for doubtful accounts to provide for unrecoverable amounts receivable. The estimation consist of 100% of past due accounts in legal procedure, 20% of past due accounts under extrajudicial processes and 100% of impairments approved by the Collection Committee. The allowance is reviewed on a periodic basis.

**b. Aging of receivables that are past due but not impaired**

- Currently, Fibra UNO holds monthly collection levels equal to its monthly billing period; business practices and negotiation allow Fibra UNO to maintain its accounts receivable with maturities of no greater than 90 days. Accounts receivable that are in extrajudicial process are not significant, for which no reserve of uncollectible amounts has been recognized.

**8. Investment properties**

Fair Value	2014	2013
Investment property for leasing	\$ 102,889,460	\$ 76,667,511
Investment property under development	8,538,012	9,834,517
Property interests held under operating leases	2,403,690	2,403,690
	<u>\$ 113,831,162</u>	<u>\$ 88,905,718</u>

Type	Number of properties	2014	2013
Balance at the beginning of the period		\$ 88,905,718	\$ 29,853,455
Acquisitions:			
Samara	Mixto	1	5,586,000
Portafolio R-15	Comercial	2	3,835,434
Portafolio California	Industrial	29	3,638,928
Portafolio Maine	Mixto	6	1,673,636
Hotel Centro Histórico	Comercial	1	1,173,506

La Viga	Oficinas	1	646,743	-
Portafolio P4	Oficinas	2	280,300	-
Corporativo San Mateo	Oficinas	1	120,979	-
Portafolio Apolo	Comercial	49	-	24,400,274
Portafolio G30	Mixto	30	-	10,865,473
Portafolio Vermont	Industrial	34	-	4,820,737
Portafolio P8	Oficinas	8	-	2,411,500
Centro Bancomer	Oficinas	1	-	1,633,150
Universidad Autónoma de Guala- dalajara	Comercial	1	-	580,075
Portafolio Delaware	Mixto	1	-	514,852
Pace Industries	Industrial	1	-	226,728
Edificio Corporativo Posadas	Oficinas	1	-	195,018
Parque Empresarial Cancún	Industrial	1	-	177,500
Tanara Aguascalientes	Comercial	1	-	50,000

	Type	Number of properties	2014	2013
Portafolio Morado	Mixed	16	-	1,620
Villa Hermosa	Retail	1	-	9,315
Construction in progress			3,573,709	8,684,236
Fair value adjustments to investment pro- perties (1)			4,396,209	4,481,785
<b>Balance at the end of the period</b>			<u>\$ 113,831,162</u>	<u>\$ 88,905,718</u>

- Significant assumptions utilized in determining fair value are as follows:

- a. CAP** - This is a rate of profitability of a real estate investment property based on the expected income that the property will generate. The capitalization rate has been used to estimate the potential investor return on its investment, and is obtained by dividing the income generated from the properties, after fixed costs and variable expenses, by the total property value. CAP rates used in the Trust's discounted cash flows range from 7.75% to 9.50% in retail properties, from 8.00 % to 9.00% in industrial properties and from 7.75% to 9.00% in offices.

The CAP is determined by property, considering the geographic location, occupancy and/or vacancy percentage, remaining lease term, use and type of real estate, quality of the tenants, open and competitive market prices for in similar real estate properties in terms of use and type, income in dollars or pesos (both cases), country risk, inflation, and rental periods or terms.

As of December 31, 2014 and 2013, a change of +25 basis points in the CAP rate used for the valuation of the properties would result in a decrease in the fair value of investment properties and investment in associates of approximately \$3,504,335 and \$2,920,244, respectively.

- b. Value per square meter in average leases (GLA)** - This is obtained based on the use and construction classification of the property, bearing in mind its useful and rentable area. Value in Mexican Pesos per square meter for average rentals used in the Trust's discounted cash flows range from \$85 to



\$2,500 in retail properties, from \$38 to \$90 in industrial properties and from \$170 to \$510 in offices. An increase in value per square meter for average rentals would result in an increase in the fair value of investment properties, while a decrease would have the opposite effect.

c. Discount rate – Is obtained from considering the geographic location, occupancy and/or vacancy percentage, remaining lease term, use and type of real estate, quality of the tenants, open and competitive market prices for in similar real estate properties in terms of use and type, income in dollars or pesos (both cases), country risk, inflation, and rental periods or terms. Discount rates used in the Trust’s discounted cash flows range from 7.75% to 9.50% in retail properties, from 8.00 % to 9.00% in industrial properties and from 7.75% to 9.00% in offices. An increase in the discount rate would result in a lower fair value of the Trust’s investment properties, while a decrease would have the opposite effect.

1. The fluctuation of the fair value on investment properties of the period is recognized in the consolidated statements of comprehensive income under the heading adjustments to the fair value of investment properties. In 2013, this amounts includes a bargain purchase gain, as discussed in Note 1(b) (xiii).

1. The total gains or losses for the period are recognized in the consolidated statements of comprehensive income in the category fair value adjustment of investment property financial statements.

All the investment properties of Fibra UNO are held under absolute control.

Fibra UNO obtains valuations by independent appraisers that hold recognized and relevant professional qualifications and have experience in the location and category of its investment properties.

Management considers different valuation techniques under the income, market and cost approaches, to estimate the fair value of investment properties and selects the most appropriate considering the particular circumstances of the property and availability of information, seeking to maximize the use of observable data. First, Fibra UNO considers whether current prices in an active market for similar properties in the same location and condition and subject to similar lease and other contracts are available. However, in most cases, it uses a discounted cash flows technique given the availability of information.

The discounted cash flows valuation technique requires the projection of future estimated cash flows from a property in operation or under development. Future estimated cash flows include revenues taking into account occupancy rates and uncollectibility, less operating expenses. These cash flows are discounted at an appropriate discount rate, derived from market participants’ assumptions to determine the present value of the cash flows, which represent fair value.

9. Advanced payment for the acquisition of investment property

	2014	2013
Fideicomiso F/249688	\$ 506,736	-
Prei Administradora, S. C.	400,000	-
Opción Volcán, S. de R. L. de C. V.	188,755	-
Portafolio Florida	25,604	-
Citicapital, S. A. de C. V.	-	450,922

HCM Comercial 3, S. de R. L. de C. V.	-	311,000
Otros	-	136,113
	\$ 1,121,095	\$ 898,035

10. Investments in associates

	Participation %	2014	2013
Torre Mayor (1)	49%	\$ 2,295,524	\$ 2,032,073
Torre Diana	50%	558,487	309,517
		\$ 2,854,011	\$ 2,341,590

(1) The Trust elected to account for this investment under equity method, as permitted by IFRS, given the nature of the investment.

11. Other assets

	2014	2013
Administrative platform	\$ 2,043,674	\$2,043,674
Implementation fees	440,800	440,800
Accumulated amortization	(194,984)	-
	\$ 2,289,490	\$ 2,484,474

12. Financial instruments

Categories of financial instruments

	2014	2013
<b>Financial assets:</b>		
Cash and restricted cash	\$ 500,848	\$ 1,364,458
Investment in government securities	19,528,446	723,976
Lease receivables	763,723	732,448
Due from related parties	-	125,609
Investments in associates	2,854,011	2,341,590
<b>Financial liabilities:</b>		
At amortized cost-trade accounts payable	1,458,916	7,959,361
Due to related parties	-	60,767
Borrowings	36,311,306	34,442,020
Deposit from tenants	474,809	389,578

Capital management

- Fibra UNO manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to partners through the optimization of the debt and equity balances.
- Fibra UNO's capital consists of debt and trustors’ capital. Fibra UNO's objectives in managing capital are to ensure adequate operating funds are available to maintain consistent and sustainable CBFi distributions, to fund leasing costs and capital expenditure requirements, and to provide for resources needed to acquire new properties.

- Management uses certain financial ratios related to debt, equity and earnings distributions to ensure capital adequacy and monitor capital requirements. The primary ratios used for assessing capital management are the Loans to Value (“LTV”) and the Debt Service Coverage ratios (“DSCR”). These indicators assist Fibra UNO in assessing that the debt level maintained is sufficient to provide adequate cash flows for unit holder distributions and capital expenditures, and for evaluating the need to raise funds for further expansion.
- Fibra UNO's Trust Agreement limits its borrowings to the minimum amount between an LTV ratio of 50% and a DSCR ratio of 1.2. For the year ended December 31, 2014 and 2013 Fibra UNO's LTV and DSCR were 34% and 30% and 4.6 and 8.36 times, respectively.

Financial risk management objective

- The objective of financial risk management is to meet financial expectations, results of operations and cash flows that will maximize the return to investors in CBFIs, to ensure the ability to make distributions to holders of CBFIs and to satisfy any future debt service obligations.
- Fibra UNO's Technical Committee function provides services to the business, coordinates access to domestic financial markets and monitors and manages the financial risks relating to the operations of Fibra UNO through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

Market risk management

- The activities of Fibra UNO expose it primarily to interest rate risk and foreign currency exchange rate risk. The Trust obtains financing with different conditions, either from third or related parties, usually at variable interest rates exposing it to changes in market rates. Financing negotiated in U.S. dollars expose Fibra UNO to fluctuations in the exchange rate between such currency and its functional currency, the Mexican peso. Nevertheless, Fibra UNO has a natural hedge for financing denominated in U.S. dollars coming from the lease contracts that are denominated in the same currency, since cash flows provided by those leases are used to settle the aforementioned debts.

Interest rate risk management

- Fibra UNO enters into financing at variable rates, mainly, the 28-day Mexican Interbank Equilibrium Offered Rate (“TIIE”) and London Inter Bank Offered Rate (“LIBOR”). The decision to acquire debt at variable rates is based upon market conditions when contracted. The Trust prepares sensitivity analyses of projected future cash flows to establish the maximum finance charge to maintain profitable projects.

Interest rate sensitivity analysis

- The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management’s assessment of the reasonably possible change in interest rates.
- If interest rates had been 100 basis points higher/lower and all other variables were held constant, Fibra UNO's net income and trustors’ capital for the year ended December 31, 2014 and 2013, would have decreased/increased by approximately \$363 million and \$344 million, respectively.

Foreign currency risk management

- Fibra UNO conducts transactions denominated in US dollars; therefore it is exposed to changes in exchange rates between the Mexican peso and the US dollar.

a. The foreign currency monetary position is as follows:

	2014	2013
US dollars (thousands):		
Monetary assets	66,473	74,548
Monetary liabilities	(1,712,729)	(746,209)
Net monetary asset position	(1,646,256)	(671,661)
Equivalent in Mexican pesos	<u>\$ (24,257,253)</u>	<u>\$ (8,775,385)</u>

b. The exchange rates, in pesos, in effect as of the date of the statements of financial position and the date of issue of the accompanying financial statements are as follows:

	December 31, 2014	December 31, 2013	April 9, 2015
US dollars	<u>\$ 14.7348</u>	<u>\$ 13.0652</u>	<u>\$ 14.9072</u>

Foreign currency sensitivity analysis

- As of December 31, 2014, in the opinion of the management, the current exchange rate risk as a function of US dollar-denominated debt service is not significant, given a natural hedge provided by revenues also denominated in that currency. As of December 31, 2014, Fibra UNO obtained three borrowings in US dollars from different financial institutions. As of December 31, 2013, Fibra UNO obtained six borrowings in US dollars from different financial institutions
- If exchange rates had been one Mexican peso per US dollar higher/lower and all other variables were held constant, the Trust’s net income and trustors’ capital for the year ended December 31, 2014 and 2013 would have decreased/increased by \$1,646,256 and \$671,661, respectively.

Credit risk management

- Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to Fibra UNO. Substantially all Fibra UNO income is derived from rental income from commercial property. As a result, its performance depends on its ability to collect rent from its tenants and its tenants’ ability to make rental payments. Income and funds available for distribution would be negatively affected if a significant number of tenants, or any major tenants fail to make rental payments when due or close their businesses or declare bankruptcy.
- As of December 31, 2014 and 2013, 10 largest tenants occupied approximately 25% and 30% of the total leasable area, respectively, and represented approximately 22% and 28% of revenues attributable to the Trust’s investment property portfolio for the years then ended, respectively. In addition, as of December 31, 2014, one tenant occupied 715,389 of 5,951,200 m2 of the total leasable area of Fibra UNO, which represents approximately 12% of the total leasable area and approximately 11% of the rental revenues for the year the ended. As of December 31, 2013, one tenant occupied 709,399 of 4,949,403 square meters of the total leasable area of Fibra UNO, which represents approximately 14% of the total leasable area and approximately 15% of the rental revenues for the year the ended.



- Fibra UNO has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.
- Credit risk arises from balances of cash and cash equivalents, accounts receivable, and amounts due from related parties and financial investments. The maximum exposure to credit risk is the balance of each of those accounts as shown in the statement of financial position.

Liquidity risk management

- Liquidity risk represents the risk that Fibra UNO will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Ultimate responsibility for liquidity risk management rests within Fibra UNO's Technical Committee, which has established an appropriate liquidity risk management framework for the management of Fibra UNO's short-, medium- and long-term funding and liquidity management requirements. Fibra UNO manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of forecasted rental cash flows and liabilities. The Treasury department monitors the maturity of liabilities to program payments.
- The following tables detail Fibra UNO's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been prepared based on the undiscounted cash flows of financial liabilities based on the earliest date on which Fibra UNO may be required to pay such obligations. The tables include cash flows related to both interest and principal. To the extent that interest is based on a variable rate, the undiscounted amount is derived from the spot interest rates at the end of the reporting period.

	Up to 1 year	1 to 5 years	More than 5 years	Total
<b>December 31, 2014</b>				
Trade accounts payable and accrued expenses	\$ 1,458,916	\$ -	\$ -	\$ 1,458,916
Borrowings	3,737,182	21,852,53	31,789,727	57,379,441
Deposit from tenants	-	275,389	199,420	474,809
	\$ 5,196,098	\$ 22,127,921	\$ 31,989,147	\$ 59,313,166

	Up to 1 year	1 to 5 years	More than 5 years	Total
<b>December 31, 2013</b>				
Trade accounts payable and accrued expenses	\$ 7,959,361	\$ -	\$ -	\$ 7,959,361
Due to related parties	60,767	-	-	60,767
Borrowings	7,560,182	25,018,267	9,582,898	42,161,347
Deposit from tenants	-	225,955	163,623	389,578
	\$ 15,580,310	\$ 25,244,222	\$ 9,746,521	\$ 50,571,053

- On December 31, 2014 and 2013, the interest payable in future periods, based on the terms of the outstanding loan contracts, amounts to slightly over \$21,068 million pesos and \$7,719 million pesos, respectively and should be considered in addition to the amounts indicated in the table of maturities.

Fair value of financial instruments

- Fair value of financial instruments valued at FVTPL on a recurring basis.

Financial as- sets/financial liabilities	Fair value as of		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobser- vable inputs to fair value
	31/12/14	31/12/13				
Investments in Government securities	\$19,528,446	\$ 723,976	Nivel 1	Market value. The fair value of these investments is measured with quoted prices (unadjusted) in active markets for identical instruments.	-	-
				Discounted Cash Flow. Future cash flows are estimated based on the rent roll (list of tenants), discounted at a rate that reflects the credit risk of various counterparties which are recognized at the percentage of interest in the investment.	Counterparties credit risks considered in the discount rate of 7.75%.	If the discount rate increases, the fair value decreases; an opposite effect occurs if the discount rate decreases.
Investment in associates – Torre Mayor	\$ 2,295,524	\$ 2,032,073	Nivel 3			

- Fair value of financial instruments carried at amortized cost
- The carrying amounts of accounts receivable, accounts payable and other financial assets and liabilities (including due to/from related parties) are of a short-term nature and, in some cases, bear interest at rates tied to market indicators. Accordingly, Fibra UNO believes that their carrying amounts approximate their fair value. Further, deposits from tenants approximate their fair value since the discount rate used to estimate their fair value upon initial recognition has not changed significantly.

The following table presents the carrying amounts and fair values of borrowings:

	December 31, 2014		December 31, 2013	
	Amortized cost	Fair value	Amortized cost	Fair value
Senior notes	\$ 14,734,800	\$ 15,721,231	\$ -	-
GE Real Estate México	9,354,298	8,584,888	10,678,256	8,578,817
Emisión de deuda	8,593,654	8,826,091	8,500,314	8,500,314
HSBC	1,231,663	1,354,829	-	-
Bancomext	1,190,423	1,209,384	1,102,768	1,102,436
Met Life	848,294	949,074	403,302	441,855
Banamex	358,174	349,763	2,457,448	2,439,820
Deutsche Bank	-	-	3,266,300	3,266,300
Banco Mercantil del Norte	-	-	3,259,169	3,367,016
BBVA Bancomer	-	-	2,524,193	2,492,687
Banco Inbursa	-	-	1,300,270	1,433,596
Actinver	-	-	300,000	300,000
Santander	-	-	650,000	600,140
	\$ 36,311,306	\$ 36,995,260	\$ 34,442,020	\$32,522,981

On December 31, 2014 and 2013, the amounts of the costs of transaction of \$390,671 and \$139,594, respectively, (see Note 13).

Valuation techniques and assumptions applied for the purpose of measuring fair value

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using actual transaction prices from observable markets and quotes for similar instruments. In particular, the fair value of long-term debt, which is considered a Level 3 measurement as per below, was determined using a discounted cash flow model using estimates of current market rates based on observable future curves for TIIE and a credit spread estimated from observable credit spreads for similar entities adjusted as needed.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

13. Borrowings

	2014	2013
On January 23, 2014, Fibra UNO issued Certificados Bursátiles (CBFIs, for its name in Spanish) in foreign countires split in two tranches, one for US \$600 million maturing in 10 years after the issuance, bearing interest at a fixed rate of 5.25%. The second tranche of US \$400 million maturing in 30 years after the issuance, bearing interest at a fixed rate of 6.95%. For both tranches the interest are payable every six months and the principal is due at maturity.	\$ 14,734,800 -	\$
On December 16, 2013, Fibra UNO issued stock certificates in three tranches under a program of up to \$25,000,000 authorized by the CNBV. (i) a tranche for \$4,350,000 incurring interest at a TIIE rate plus 80 basis points maturing in 5.5 years, (ii) a tranche for \$2,000,000 at a fixed rate of 8.40% with a maturity of 10 years and (iii) a tranche for \$2,150,000 at a fixed rate of 5.09% equivalent to 425.7 million Investment Units ("UDIs") with maturity of 15 years.	8,593,654	8,500,314

	2014	2013
Unsecured loan with GE Real Estate México. As of December 31, 2014 and 2013, the amount to be paid is US \$395.9 and US \$440.2 million, respectively; and \$1,738,908 and \$2,064,625, respectively, in Mexican pesos. The dollar amount bears interest over two tranches, one at a fixed at 2.20% and the other at Libor rate plus a spread of 1.80%. The peso amount bears interest in a tranche at a fixed rate of 6.52% and a tranche at a TIIE plus a spread of 1.80% as stipulated in the debt contract. Maturity is in July 2016. Amortizations will be US \$2 million per month and four additional amortizations of US \$25 million during the first four years. The loan payments will be made by collections of receivables. The loan is secured by the properties acquired from the Morado portfolio.	6,864,074	6,921,234
Unsecured loan with GE Real Estate México. As of December 31, 2014 the payable amount is US \$18.5 million and in Mexican pesos is \$1,404,873 and \$2,112,008 as of December 31, 2013. The dollar amount bears interest at 90-day LIBOR rate plus a spread of 1.5%. The amount in Mexican pesos bears interest at a fixed rate of 9.93%. Maturity is on November 30, 2017. (5)	1,677,489	2,360,478
On December 16, 2014, Fibra UNO assumed debt as part of the acquisition of Samara with HSBC for US \$16.04 million and \$995.27 million. The dollar amount earned interest at Libor rate plus a spread of 2 basis points, the peso amount earned interest at a TIIE rate plus a 2 basis points. Maturity is on September 15, 2021. (2)	1,231,663 -	
Unsecured loan with Bancomext. As of December 31, 2014, the payable amount is US \$84.4 million. The loan bears at a total rate of 4.49%. The terms of the debt require 84 monthly amortizations and a final payment equal to 66.03% of the total amount, maturing on November 3, 2020. (4)	1,190,587	1,102,768
Unsecured loan with GE Real Estate México. As of December 31, 2014, the amount payable is up to US \$104.1 million; in Mexican pesos is \$36,429. The US dollar portion bears interest at the 90-day LIBOR rate plus a margin ranging from 3.85% to 4%, with maturity on July 1, 2018; the Mexican peso portion bears interest at the 29-day TIIE rate plus a 4% spread. Maturity is on January 1, 2016. (4)	812,592	1,396,544
On June 30, 2014, Fibra UNO assumed debt as part of the acquisition of the hotel Hilton Centro Histórico with Metlife for US \$31.1 million. This loan will be paid in 13 monthly repayments being the maturity date July 1, 2015. This loan bears interest at a fixed rate of 7.5%. (1)	454,926 -	
Unsecured loan with Banca Mifel, S. A., Institución de Banca Múltiple, Grupo Financiero Mifel ("Met Life"). The loan bears interest on unpaid balances at a Bono M10 rate plus a spread of 1.9%. Maturity is December 31, 2023. (5)	393,368	403,302



Unsecured loan with Banamex. As of December 31, 2014, the amount payable is US\$13.6 million and \$178,796 in Mexican pesos. The dollar amount bears interest at the 90-day LIBOR rate plus a spread of 1.9%. The Mexican peso amount bears interest at the 29-day TIIE plus a spread of 1.9%. Maturity is July 30, 2020.(5)	358,153	512,963
On December 18, 2014, Fibra UNO signed a provisional loan with Deutsche Bank AG, London Branch for US \$250 million for a 360-day term. This loan bears interest at a LIBOR rate plus 250 basis points.	-	3,266,300
Unsecured loan with Banorte. The loan bears interest at the 29-day TIIE rate plus a margin ranging from 1.70 % to 1.85 %. Maturity is on June 25, 2020. (3)	-	3,259,169
On December 18, 2014, Fibra UNO signed a provisional loan contract with Bancomer, of \$2,000,000. The loan bears interest at a TIIE rate plus a margin of 60, 90 and 120 basis points. Maturity is on September 10, 2014.	-	2,000,000
Unsecured loan with Banamex. The loan bears interest at the 29-day TIIE rate plus a spread of 5.2855 %. Maturity is on March 21, 2015. (5)	-	1,944,486
On December 16, 2011, Fibra UNO signed a loan agreement (credit line), pledged by a mortgage guarantee with Inbursa for an amount up to \$2,500,000 Mexican pesos. The first withdrawal under the credit was made on December 19, 2011 for amount of \$850,000; from the date, Fibra UNO will have a period of twelve months to make additional withdrawals. The loan bears interest at the 91-day TIIE, plus a margin ranging from 2% to 5%. Principal matures over 80 quarters, with the first principal and interest payment due in March 2013 and the last payment due in December 2031. Interest paid corresponds only to the amounts withdrawn under the credit line.	-	807,269
On June 18, 2014, Fibra UNO signed the third modification agreement to the credit facility with mortgage and chattel guarantees dated December 21, 2011 with Santander to obtain a line of credit up to an amount of \$1,100,000, which will be divided into two Tranches A and B for \$750,000 and \$350,000, respectively. The agreement modifies the payment dates and number of amortization payment on "Tranche A" and the definition of "payment period" under Tranche A; no fee will be charged for the extended term. Dated July 31, 2014 and August 31, 2013, Fibra UNO exercised a drawdown of Tranche A for \$650,000 and of Tranche B for \$333,000 (the last one was settled on July 31, 2014), respectively. The loan bears interest on current debt balance at a rate of the 28-day TIIE plus a margin of 1.90 basis points. Maturity is over 21 and 27 amortization payments, with the first payment of capital and interest on December 31, 2014 and June 30, 2013, respectively and ending in December 2018.	-	650,000
Unsecured loan with Bancomer. The loan (in Mexican pesos) accrues interest at the 29-day TIIE rate plus a margin ranging from 0.75% to 1.3 %. Maturity is on January 21, 2015. (3)	-	524,193

Unsecured loan with Inbursa. The loan bears interest over unpaid balances at the 28-day TIIE rate plus a spread of 3.95%. Maturity is on May 31, 2020. (5)	-	493,000
On November 29, 2014 Fibra UNO signed a current credit agreement with Banco Actinver, S. A. ("Actinver") up to \$300,000 with an expiration of twelve months, which accrues at the TIIE rate plus 1.8 basis points.	-	300,000
	36,311,306	34,442,020
Minus – cost of transaction	(390,671)	(139,594)
Current	(1,791,924)	(7,032,036)
Non-current	\$ 34,128,711	\$ 27,270,390

On July 7, 2014, Fibra UNO acquired the real estate portfolio called "Hilton Centro Histórico". Fibra Uno assumed all the rights and obligations of the loan related to this property (see Note 1b).

(2) On February 16, 2014, Fibra UNO acquire the real estate portfolio called "Samara", Fibra Uno assumed all the rights and obligations of the loan related to this property granted by Metlife for a total amount of US \$31 million (see Note 1b).

(3) On December 18, 2013, Fibra UNO acquired the portfolio denominated "Apolo", after which it assumed the obligations related to the debt associated with the properties in the portfolio, with Banorte, Banamex and Bancomer for \$5,795,039 (see Note 1b).

(4) On November 4, 2013, Fibra Uno acquired the portfolio called "Vermont", after which it assumed the obligations related to the debt associated with the properties in the portfolio with Ge Real Estate México and Bancomext, for \$2,306,757 (see Note 1b).

(5) On January 29, 2013, Fibra Uno held a public offering of its CBFIs for cash as well as issued additional CBFIs in exchange for a contribution of the portfolio denominated "G-30", after which Fibra UNO assumed the obligations related to debt associated with properties in the portfolio with GE Real Estate Mexico, Inbursa, Banamex and Met Life for up to \$3,874,728 (see Note 1b).

On October 21, 2013, Fibra UNO signed a provisional loan with Santander for \$6,000,000, this loan was paid on December 18, 2013 and it incurred interest of \$43,545 and a commission of \$26,918.

The Trust's loan agreements contain various affirmative and negative covenants, for which Fibra UNO was in compliance as of the date of issuance of the accompanying consolidated financial statements. The most significant covenants are described below:

- Restrictions to sell, transfer, modify, mortgage or assign all or part of the rights Fibra UNO has under the all or a portion of its properties.
- Fibra UNO is required to pay, on or before on the due date, all property and other related taxes due with respect to its operations.
- A debt reserve must be created for an amount equal, during a two-month period, to the sum of quarterly interest and principal payable, maintained in a checking account or investment contracts opened by Fibra UNO with Inbursa.

- Maintain in good standing all properties and assets necessary for the proper operation of the Trust's business, outside of normal use, wear and tear of the properties.
- Maintain insurance on assets, with reputable agents, for amounts to cover risks associated with and sufficient to replace or repair damage to the properties.
- Maintain a debt service ratio (Net Operating Income (NOI) divided by and Debt Service, as those terms are defined in the indenture) of less than 1.20 to 1.
- Do not reduce capital of trustors below \$7,500,000.
- No merger, consolidation, spin-off, liquidation, reorganization or dissolution of Fibra UNO may be carried out without the prior written authorization of Inbursa.

- The maturities of long-term portion of long-term debt at December 31, 2014 are:

2016	\$ 8,050,655
2017	163,245
2018	849,749
2019	4,487,181
2020	949,614
2021 and thereafter	20,018,938
	<u>\$ 34,519,382</u>

14. Trade accounts payable and accrued expenses

	2014	2013
Accounts payable for acquisition of investment property	\$ 1,083,134	\$ 6,950,133
Trade accounts payable	112,277	940,294
Accrued expenses	996,919	228,120
Interest payable	263,505	68,934
	<u>\$ 2,455,835</u>	<u>\$ 8,187,481</u>

15. Deferred revenues

- On November 2013, Fibra UNO received a thirty six month advanced payment related to a lease, ending on October 2016, from FW Industrial Partners II, S. de R. L. de C. V., which will be amortized in \$285 per payment.
- The amounts of long-term deferred revenues at December 31, 2014 and 2013 are \$159,174 and \$103,445, respectively.

16. Transactions and balances with related parties

- Balances and transaction between Fibra UNO and its subsidiaries, which are related parties of Fibra UNO, have been eliminated of the consolidation and are not disclosed within this note. Further, the transactions with other related parties are detailed below

a. Transactions with related parties were as follows:

	2014	2013
Fibra Uno Administración:		
Capitalized acquisition fees 3% (1)	\$ 949,263	\$ 969,075
Management fees 0.5% (1)	\$ 370,869	\$ 225,778

	2014	2013
Acquisition fees 3% (1)	\$ -	\$ 769,830
Parks Desarrolladora, S. A. de C. V. Capitalized received services (4)	\$ 880,810	\$ 881,097
Coordinadora de Inmuebles Industriales, S. A. de C. V. Capitalized received services	\$ 689,000	\$ 321,401
G-30 La Madre, S. A. P. I. de C. V. Capitalized received services	\$ 352,480	\$ -
Jumbo Administración: Real Estate management services (3)	\$ 305,114	\$ 131,200
F2 Services: Administrative services (2)	\$ 134,357	\$ 62,776
E- Administración y Construcción, S. A. de C. V. Capitalized received services	\$ 44,837	\$ 42,186
Finsa Holding, S. A. de C. V. Managemetn fees 3%	\$ 9,700	\$ -
Luxe Administración y Control Inmobiliario, S. A. P. I. de C. V. (5) Services received (5)	\$ 3,038	\$ -
Hines Interest, S. A. de C. V. Administration fees	\$ 890	\$ -
Cabi Inver, S. A. de C. V. Services received (5)	\$ 742	\$ 1,734

1. Fibra UNO pays an annual fee in an amount equal to 0.5% of the trustors' capital and a 3 % of the total value of acquired properties or contributed by other third parties, plus any applicable value-added taxes in exchange for advisory services
2. Fibra UNO pays a monthly fee in an amount equal to 2% of the lease payments received, plus any applicable value-added taxes in exchange for administrative services.
3. Fibra UNO pays for real estate management services at an amount equivalent to 3% of monthly revenues collected related to rent, uses of spaces (kiosks or islands), management and maintenance fees, advertising and income from parking from the Morado portfolio.
4. Fibra UNO executed a real state oversight services agreement. Fee is payable based on the construction progress.
5. Fibra UNO pays to Cabi Inver, S.A. de C.V. and to Luxe Administración y Control Inmobiliario, S.A.P.I. de C.V. the equivalent of 5% of the rental amount under each new lease agreement (not including renewals or extensions of existing lease agreements) that it enters into as a result of their involvement, for a period of five years , beginning on the effective date of the lease agreement.



- The contracts with the aforementioned parties have terms of five years, renewable for additional periods.

b. Balances with related parties are as follows:

	2014	2013
Due from related parties:		
GICSA, S. A. de C. V.	\$ -	\$ 18,391
Jumbo Administración	\$ -	107,218
	\$ -	\$ 125,609
Due to relative parties:		
Fibra Uno Administración	\$ -	\$ 56,250
Jumbo Administración	-	4,517
	\$ -	\$ 60,767

- In addition to the aforementioned balance due to related parties, an additional amount is due to related parties for the acquisition of certain properties, which is also shown in the accompanying consolidated statements of financial position. Payment is expected to be made within one year, which depends on the completion of construction and the ultimate rental of the related retail space.

17. CBFIs-based payments

- At the annual Trustee Committee Meeting held on April 4, 2014, the trustee approved a long term executive compensation plan based in the granting of 162,950,664 CBFIs payable in 10 years and granting no more than the 10% per year, except in the case that in previous years has not been granted the 10%, then it will be able to grant up to 20% per year. Fibra UNO records as expense on a straight-line basis during the period of granting an estimation of the CBFIs that eventually, will be vested. At the end of the year Fibra UNO will revise and adjust the estimation of the number and amount of CBFIs that expects will be awarded, by the support of valuations made by independent qualified experts. The effect of the revision of original estimates, which could differ significantly. As of December 31, 2014 the estimation made by Fibra UNO for the executive compensation plan amounts to \$530,280.

18. Trustors' capital

Contributions

- a. Fibra UNO was established by an initial contribution from the trustors of \$1 plus the resources obtained from issuance of CBFIs.
- b. As of December 31, 2014 there were 2,878,386,926 CBFIs outstanding and as of December 31, 2013 there were 1,809,013,266 CBFIs outstanding and 805,291,746 and 524,056,406, respectively in treasury not outstanding.
- c. During 2014, the Trust agreed and paid off accounts payable for the acquisition of investment properties (see Note 14) by the issuance of CBFIs in the amount of \$3,912,267.
- d. On January 29, 2013, Fibra UNO made its third offering of CBFIs in the amount of 444,444,444 CBFIs at a price of \$36.75 each, equivalent to \$16,333,333, as well as 66,666,667 CBFIs related to the over-allotment option equivalent to the amount of \$2,450,000, and 88,888,889 CBFIs of the special offering,

equivalent to the amount to \$3,266,666. The total amount of the certificates is 600,000,000 CBFI's and the total amount of the resources is \$22,050,000 and is shown net of the issued expenses in the consolidated statements of changes in trustors' capital.

- e. During 2013, and as part of the acquisition of the Portfolio G-30, properties were contributed in exchange for 202,899,497 CBFIs valued at \$28.1004 each, based on the fair value of the property contributed, for an amount of \$5,701,557, and 33,802,435 CBFIs valued at \$28.0157 per CBFI, based on the fair value of the property contributed, for an amount of \$946,999.

Distributions

- Fibra UNO's Technical Committee has approved and paid distributions out of tax revenue accounts to CBFI holders as follows

Distribution date	Distributions
November 7, 2014	\$ 1,432,474
August 11, 2014	1,154,948
May 9, 2014	826,813
February 13, 2014	868,327
<b>Total December 31, 2014</b>	<b>\$ 4,282,562</b>
November 11, 2013	\$ 814,771
july 23, 2013	738,256
May 9, 2013	581,786
January 31, 2013	355,115
<b>Total December 31, 2013</b>	<b>\$ 2,489,928</b>

- Net income per basic CBFI was calculated by dividing the net income for the period between the weighted average number of CBFIs with economic rights outstanding amounting to 2,454,936,157 CBFIs and 1,567,549,974 CBFIs for 2014 and 2013, respectively. Diluted net income per CBFI considered dilutive shares, as if the shares have been outstanding as of the date they were issued. Weighted average CBFIs considering dilutive CBFIs amounts to 3,260,227,903 CBFIs and 2,038,903,083 CBFIs, respectively.

19. Other expenses

	2014	2013
Business acquisition expenses (1)	\$ -	\$ (1,491,323)

(1) Amount represents expenses incurred upon the acquisition of the Apolo portfolio discussed in Note 1b xiii. As this was a business combination as opposed to an asset acquisition like the other transactions discussed in Note 1, IFRS requires these costs to be expensed when incurred and does not permit their capitalization as part of the acquisition.

20. Income taxes

- In order to maintain FIBRA status, the tax authority “SAT” has established, per articles 187 and 188 of the Mexican Income Tax Law, that Fibra UNO must annually distribute at least 95% of its taxable income to the holders of its CBFIs. There are permanent and temporary differences between the comprehensive income displayed in the accompanying financial statements, and the fiscal result that serves as base to make distributions to the holders of the CBFIs. Accordingly, the administration made reconciliation between the two bases to determine the amount to be distributed. Most relevant differences are: (i) the fair value adjustment to properties investment, (ii) the inflationary adjustment, and (iii) the tax depreciation.
- As of December 31, 2014, and December 31, 2013, the Trust has distributed \$4,282,562 and \$2,489,928 respectively, as an advance from its taxable income accounts and reimbursement of tractor’s capital and management has expressed their intention of making the supplemental payments needed to comply with the aforementioned percentage and the related tax obligations.

21. Future minimum lease payments

- The aggregate annual future minimum lease payments to be received under existing operating leases are as follows:

Period	Retail property	Industrial	Mixed	Offices	Total
Up to 1 year	\$ 3,009,278	\$ 1,972,113	\$ 1,184,773	\$ 613,086	\$ 6,779,250
1 to 5 years	8,596,187	5,412,733	4,014,318	1,879,068	19,902,306
More than 5 years	6,909,689	1,162,987	2,272,149	1,922,512	12,267,337
	<u>\$ 18,515,154</u>	<u>\$ 8,547,833</u>	<u>\$ 7,421,240</u>	<u>\$ 4,414,666</u>	<u>\$ 38,948,893</u>

- The lease contracts have remaining terms ranging from one to twenty years.

22. Segment information

- The segment information reported externally, was analyzed based on the types of lease income and operating expenses by different investment portfolios of the Trust. However, the information provided to the officer who takes the operational decisions of the Trust for purposes of allocating resources and assessing segment performance, focused more specifically on the category of customer for each type of portfolio. The main categories of customers for these assets are type of property investment and geographic areas. The Trust reportable segments according to IFRS 8 are as follows:

Industrial

- The portfolio is composed of 102 investment properties with a client base stabilized, as of December 31, 2014 the gross leasable area is approximately 3,136,000 m2.

Retail

- The portfolio is composed of 277 investment properties with a client base stabilized, as of December 31, 2014 the gross leasable area is approximately 2,164,835 m2.

Office

- The portfolio is composed of 76 investment properties with a client base stabilized, as of December 31, 2014 the gross leasable area is approximately 650,406 m2.

a. Revenues and results by segment

- The following is an analysis of the Entity's revenue from continuing operations from by segment.

Segment	2014		
	Value of investment properties	GLA	Revenues
Industrial	\$ 59,341,055	3,136,000	\$ 2,096,925
Retail	31,058,106	2,164,835	3,355,080
Office	<u>14,893,989</u>	<u>650,406</u>	<u>1,537,746</u>
	<u>\$ 105,293,150</u>		<u>\$ 6,989,751</u>

Segment	2013		
	Value of investment properties	GLA	Revenues
Industrial	\$ 18,962,405	2,026,295	\$ 1,109,367
Retail	51,472,191	2,548,626	1,547,962
Office	<u>8,636,605</u>	<u>374,482</u>	<u>908,982</u>
	<u>\$ 79,071,201</u>		<u>\$ 3,566,311</u>

23. Commitments and contingencies

- a. Except as noted previously, neither the Trust nor its assets are subject to any type of legal action, other than those stemming from its routine operations and activity.
- b. As part of the formation transactions, Fibra UNO acquired certain properties which were partially paid for from the proceeds of the Offer. A portion of the acquisition price of these properties is contingent upon the completion of construction of certain of the properties as well achieving a designated occupancy rate. As these contingencies have not yet been met, Fibra UNO has not paid these amounts and has recognized a liability under the caption “Accounts payable for acquisition of investment property”.
- c. On February 5, 2015 the Fibra UNO Technical Committee approved (under previous authorization of the majority of the independent members) distributions of the net tax result accounts up to \$1,407. This distribution was paid by Fibra UNO on February 16, 2015.



- d. At the Ordinary Trustee Committee Meeting on April 23, 2014, the trustee approved the inception of “Fundación Fibra UNO” (the “Foundation”) whose purpose will be performing not-for-profit social activities related to the real estate industry in Mexico. For this purpose, Fibra UNO will donate 0.25 % of its revenue and the financial advisor will donate \$0.50 for each peso contributed by Fibra UNO. As of December 31, 2014, Fibra UNO has reserved the required amount to be contributed for the Foundation’s equity for \$26,840.
- e. As part of the agreement for the acquisition of the Portfolio G-30, Fibra UNO is required to pay the necessary costs for the conclusion of certain constructions that are in progress, for an amount approximately of \$5,700,00, of which \$4,146,753 have been paid as of December 31, 2014.

24. Subsequent events

- a. On March 2, 2015 Fibra UNO recorded the acquisition the portfolio Florida, located on Insurgentes avenue and Barranca del Muerto. The total acquisition price was \$640.1 million. The operation was settling 100% in cash.
- b. On February 24, 2015, Fibra UNO signed an agreement to acquire a portfolio called “Mitikah” for the development of mixed properties in Mexico City for \$185 million, called portfolio “Bufalo”. This acquisition is subject to the approval of COFFECE.
- c. On February 3, 2015 Fibra UNO issued debt bonds in two tranches in the Mexican market for a total amount of \$10,000 million. The first one for an amount of \$7,500 million, named FUNO 15, bearing interest at a fixed rate of 6.99% and a maturity of 10 years. The second one was the reopening of the issue FUNO 13 for an amount of \$2,500 million, the total amount of this tranche was \$6,850 million.
- d. On January 20, 2015, Fibra UNO signed an agreement to acquire a portfolio of offices in Mexico City, called “Portfolio Utah”. The total amount of acquisition was US \$67.9 million. The property has a “Premium” location in the main strip “Reforma-Lomas” one of the main streets in Mexico City. It has a gross leasable area of 16,348 m2 with a percent of occupation of 100%. This acquisition is subject to the approval of COFFECE.
- e. On March 8, 2015, Fibra UNO signed an agreement to acquire three consolidated malls in Mexico City, called Portfolio Oregon, with a gross leasable area of 32,786 m2 and 99% of occupation.
- f. The total amount of acquisition was \$1,305.9 million, including \$400 million of debt, approximately. The seller has the option of prepaying the debt before Fibra UNO pays off the total assets, otherwise Fibra UNO will pay the debt at the moment of the acquisition of the properties. This acquisition is subject to the approval of COFFECE.
- g. On January 7, 2015, Fibra UNO closed the acquisition of an office property, located in Insurgentes avenue, in Mexico City, called Portfolio Florida, with a gross leasable area of 21,755m2 approximately and a 100% of occupation. Fibra UNO considers that the building is an icon in the strip for its design and location. The total amount of acquisition was \$640.1 million, in cash. This acquisition is subject to the approval of COFFECE.

25. New and revised IFRSs in issue but not yet effective

- Fibra UNO has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments
IFRS 15	Revenue from Contracts with Customers
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to IAS 16 and IAS 38 and Amortization	Clarification of Acceptable Methods of Depreciation

- 2 Effective for annual periods beginning on or after January 1, 2016, with earlier application permitted.
- 3 Effective for annual periods beginning on or after January 1, 2017, with earlier application permitted.

4 Effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

IIFRS 9 Financial Instruments

- IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a ‘fair value through other comprehensive income’ (FVTOCI) measurement category for certain simple debt instruments.
- Key requirements of IFRS 9:
  - All recognized financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortized cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in net income (loss).
  - With regard to the measurement of financial liabilities designated as of fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability’s credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
  - In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires

an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The Entity's management anticipates that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 9 until the Group undertakes a detailed review.

**IFRS 15 Revenue from Contracts with Customers**

- In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related Interpretations when it becomes effective.
- The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:
  - Step 1: Identify the contract(s) with a customer
  - Step 2: Identify the performance obligations in the contract
  - Step 3: Determine the transaction price
  - Step 4: Allocate the transaction price to the performance obligations in the contract
  - Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation
- Under IFRS 15, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.
- The Entity's management anticipates that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

**Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations**

The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 Business Combinations. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards (e.g. IAS 36 Impairment of Assets regarding impairment testing of a cash generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation. A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations.

The amendments to IFRS 11 apply prospectively for annual periods beginning on or after January 1, 2016. The Entity's management does not anticipate that the application of these amendments to IFRS 11 will have a material impact on the Group's consolidated financial statements.

**Amendments to IAS 16 IAS 38 Clarification of Acceptable Methods of Depreciation and Amortization**

The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortization of an intangible asset.

This presumption can only be rebutted in the following two limited circumstances:

- a. when the intangible asset is expressed as a measure of revenue; or
  - b. when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.
- The amendments apply prospectively for annual periods beginning on or after January 1, 2016. Currently, the Group uses the straight-line method for depreciation and amortization for its property, plant and equipment, and intangible assets respectively. The Entity's management believes that the straight-line method is the most appropriate method to reflect the consumption of economic benefits inherent in the respective assets and accordingly, does not anticipate that the application of these amendments to IAS 16 and IAS 38 will have a material impact on the Group's consolidated financial statements.

**26. Approval of financial statements**

- The accompanying condensed consolidated financial statements were authorized for issuance on April 9, 2015 by Lic. Gerardo Vargas Ateca, Finance vice president of Fibra UNO, in accordance with the Committee approval consequently do not reflect events occurring after that date. These consolidated financial statements are subject to the approval at the trustors' meeting, where they may be modified. Consequently, these financial statements do not reflect events after this date.



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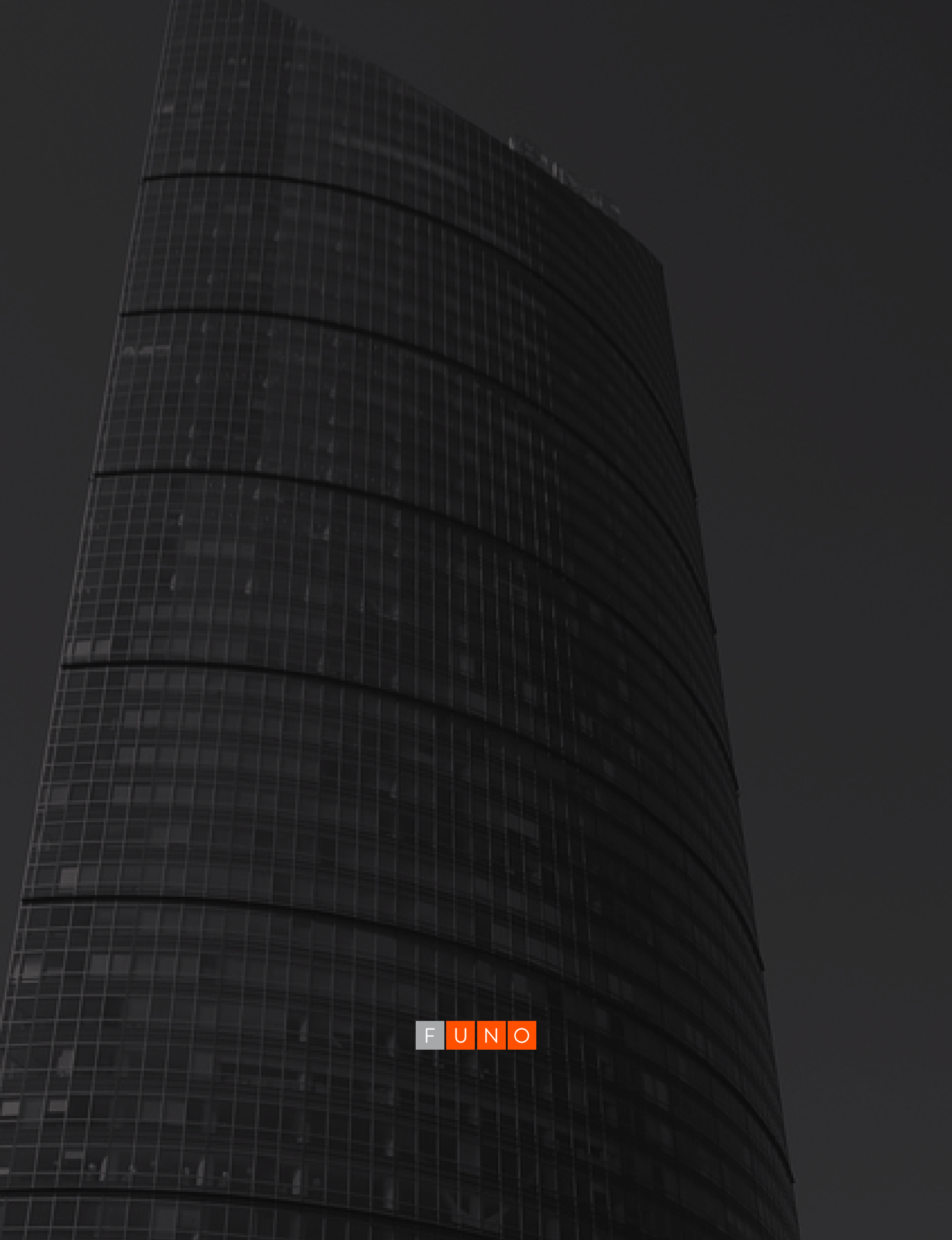
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