



**Fibra Uno**  
**Quarterly Earnings Release**  
**2Q16**

## Letter from the CEO

Dear investors,

Once again I am very pleased to share with you our Company's results of the second quarter of 2016. FUNO ended the quarter with a portfolio of 493 properties, totaling almost 7.2 million sqm.

FUNO's revenues for the quarter reached Ps. 3,188 million, 27% above the revenues for the second quarter of last year. This strong growth is even more relevant considering the loss of revenues from BBVA Bancomer's move to their self-occupied headquarters. We were able to compensate for this loss with a combination of new development properties starting to generate revenues, healthy positive leasing spreads across our three segments, and a stronger US Dollar vs Peso exchange rate during the quarter. All of these factors contributed to revenues being a very healthy 0.4% above the revenues of 1Q16. We also had a 26.4% increase in NOI compared to the 2Q15 and a solid 0.5% increase compared to the 1Q16, showing we continue to control our expenses and show steady operating margins. Our NOI margin for the quarter stands at 80.4%.

Our portfolio has an occupancy rate of 93.8%. The sequential drop in consolidated occupancy of 0.8% compared to 1Q16 is primarily due to the vacancy of two industrial buildings in the northern part of the country. We are currently working to re-lease these buildings and expect to see them re-leased in the near future. Despite these vacancies, our industrial portfolio has a healthy 94.7% occupancy and the retail and office segments continue to show steady occupancy of 93.6% and 90.2% respectively.

Regarding our FFO, this was affected by financing strategy decisions taken earlier this year. As you may recall, we had a significant debt maturity associated with the Morado portfolio coming due at the end of June of this year which we couldn't repay before maturity. In anticipation of this maturity and considering certain growth opportunities we envisage, we decided to tap the bond markets first in December of last year, then in April of this year and then again in June of this year to fund this maturity and prepare ourselves to take advantage of these growth opportunities. This strategy resulted in a temporary and expected decrease in our FFO margin, basically arising from the additional interest expense associated with the Morado loan; which we were able to repay at the end of the quarter. The net effect of our financing strategy represents approximately Ps. 0.02 in terms of FFO/CBFI and has resulted in a one-off drop of our FFO margin to 53.5% from 56.1% in 1Q16.

Furthermore, with these bond placements we were able to finance future growth, and improved significantly our debt profile by extending the average duration of our debt and replacing secured loans with market debt under better conditions, strengthening even more FUNO's already strong balance sheet. Additionally, we have also started to hedge our overall US Dollar debt exposure. We expect to hedge a total of US \$500 million of our total debt.

As we mentioned on our previous report, BBVA Bancomer vacated more than 124 thousand sqm of office space in three buildings. Today I am very pleased to report that two of those buildings: Montes Urales and Torre Platino show positive leasing activity, with occupancy rates of 61% and 43% respectively. Centro Bancomer, formerly the Colorado Portfolio, has been removed from FUNO's office GLA and is now part of the new Mitikah project, Mexico's largest and most important real estate development, providing us with an unparalleled development opportunity.

In terms of same-stores-rents, FUNO reported an exceptional increase of 7.8% compared to the second quarter of 2015, a remarkable growth of more than 520 basis points on top of inflation, reflecting strong demand in our three segments, and well above our growth guidance.

On the development front, I am pleased to announce that both Torre Diana and Torre Reforma Latino are now part of FUNO's operating portfolio, adding more than 84 thousand sqm of A+ office GLA to our portfolio, and strengthening FUNO's presence in the most dynamic corporate corridor of the City: Paseo de la Reforma. In terms of operations, Torre Latino is slightly ahead of Torre Diana, which is yet to contribute revenues to FUNO. Additionally, we concluded and delivered 34 thousand sqm of industrial GLA on the Gustavo Baz development, which is now leased and operating.

During the second quarter, we acquired Torre Cuarzo, a class A+ office building in Paseo de la Reforma. With this acquisition, FUNO further expands its footprint in key locations of Mexico City's Metropolitan Area. We are very satisfied with this property, which we expect to deliver during the second quarter of 2017. We will continue to deploy capital in an accretive and profitable manner, always seeking the best locations, in line with our long-term sustainable value creation strategy.

We continue to see strong operating trends and high demand levels in our three segments. We like current dynamics, fundamentals and long-term economic prospects. We are bullish about continuing to invest in Mexico, and confident that our country's macro landscape will provide us with great opportunities in the future.

Sincerely,  
André El-Mann,  
CEO, FUNO

## Relevant Information from the Quarter Financial Indicators

	2Q16	1Q16	4Q15	3Q15	2Q15	Δ% 2Q16vs1Q16	Δ% 2Q16vs2Q15
Total revenues	3,187.6	3,174.2	3,118.5	2,871.6	2,509.2	0.4%	27.0%
Rental revenues <sup>(1)</sup>	2,869.1	2,865.0	2,828.4	2,587.5	2,275.2	0.1%	26.1%
Net operating income (NOI)	2,563.4	2,551.7	2,518.9	2,311.7	2,028.0	0.5%	26.4%
NOI margin <sup>(2)</sup>	80.4%	80.4%	80.8%	80.50%	80.8%	0.0%	-0.5%
Funds from operations (FFO)	1,536.0	1,607.1	1,673.0	1,517.5	1,332.7	-4.4%	15.3%
FFO margin <sup>(3)</sup>	53.5%	56.1%	59.1%	58.6%	58.6%	-4.6%	-8.6%
<b>PER CBF I</b>							
FFO(4)	0.4785	0.5023	0.5323	0.4999	0.4450	-4.7%	7.5%
Distribution <sup>(4)</sup>	0.4801	0.5020	0.5097	0.5005	0.4934	-4.4%	-2.7%
<b>CBFIs</b>							
Total outstanding average during the period <sup>(5)</sup>	3,210.0	3,199.5	3,142.8	3,035.4	2,994.6	0.3%	7.2%
Total outstanding at the end of the period <sup>(5)</sup>	3,220.9	3,202.6	3,197.6	3,040.3	3,030.2	0.6%	6.3%
<b>OPERATIONAL INDICATORS</b>							
Total GLA ('000 sqm)	7,191.4	7,127.2	7,079.3	6,833.3	6,669.9	0.9%	7.8%
Number of operations <sup>(6)</sup>	515	511	509	495	493	0.8%	4.5%
Average contract term (years)	4.6	4.5	4.6	4.5	4.6	0.7%	-0.6%
Total occupancy	93.8%	94.5%	95.0%	94.5%	94.3%	-0.8%	-0.6%
GLA under development ('000 sqm)	834.5	830.8	957.5	957.5	1,027.1		

(1) Includes revenues derived from trust rights of Torre Mayor

(2) Margin over total revenues

(3) Margin over rental revenues

(4) FFO/CBFI is calculated with the total outstanding average of CBFIs during the period. Distribution/CBFI is calculated with the total outstanding CBFIs at the moment that the distribution is approved and paid

(5) Million CBFIs

(6) Number of properties by segment. Total number of properties: 493

All figures are in million pesos except per CBFI data

# Quarterly MD&A

## Operating Results

The results below show the comparison between the second quarter of 2016 and the first quarter of 2016:

### Revenues

FUNO's rental revenues rose Ps. 4.1 million, or 0.1% from the prior quarter. This increase is mainly due to rental revenue collections from Torre Latino, as well as the natural rent increases, growth of 7.8% in same-stores, the depreciation of the Mexican peso during the quarter which impacted positively the dollar-denominated revenues directly related to our operation as well as increases in new contracts and renewals above the inflation rate. It is worth noting that this quarter we stopped receiving revenues from Centro Bancomer (Colorado Portfolio).

### Occupancy

FUNO's total occupancy rate at the close of the quarter was 93.8%, 80 bp below the close of 1Q16. This decrease stems from:

- i. A 0.4% increase in the retail segment,
- ii. A 1.9% decrease in the industrial segment, mainly due to the recent vacancy of some properties in the northern part of Mexico, and
- iii. A 0.1% decrease in the office segment.

### Maintenance Expenses, Property Taxes and Insurance

Maintenance, property tax and insurance expenses grew 0.6% from 1Q16 to Ps. 2.7 million. This increase is mainly explained by the natural growth of the portfolio.

### Net Operating Income (NOI)

During 2Q16 NOI increased by Ps. 11.7 million, representing a 0.5% increase when compared to the previous quarter, with a consistent margin of 80.4%.

### Interest Expense and Income

The net interest expense rose Ps. 79.2 million during the second quarter. This represents a 10.2% increase compared to 1Q16, and is mainly explained by:

- i. Interest expense related to a full quarter of the Ps. 4,484.1 million local bonds issued in April; the proceeds of these bonds were used mainly to pay in advance the Inbursa and Actinver loans during April and the Blackstone loans related to the Morado Portfolio, which were paid during June, and
- ii. The accrued interest expense for 22 days related to the reopening, in early June, of the Senior Notes maturing in 2026 and 2044 for USD\$ 500 million.

### Funds From Operations (FFO)

FUNO's FFO in 2Q16 decreased by Ps. 71.1 million from the prior quarter, with a margin over revenues of 53.5%. In terms of the FFO/CBFI we recorded a decrease of 4.7% compared to the previous quarter, mainly due to the increase in our interest expense as described above.

## Balance Sheet

### Rents receivable

Accounts receivable increased by 4 days from the previous quarter primarily due to normal increase in receivables from government contracts, as well as from the negotiation of some contract extensions that were billed towards the end of the quarter.

### Investment properties

The value of our investment properties increased by Ps. 8,007.0 million during the second quarter of 2016, due to:

- i. Revaluation of our assets,
- ii. Acquisition of Torre Cuarzo and Espacio Tollocan,
- iii. Revaluation of Torre Latino, and
- iv. Investments made on existing projects under development.

### Debt

Total debt in 2Q16 amounted to Ps. 62,070.0 million compared to Ps. 54,930.9 million in the previous quarter. This increase is mainly explained by:

- i. Net effect of the natural amortization of loans,
- ii. Payment of the loans with Inbursa and Actinver, totaling Ps. 2,000 million and Ps. 400 million respectively,
- iii. Payment of the loans with Blackstone associated with the Morado Portfolio totaling Ps. 6,854.8 million,
- iv. Issuance of senior notes in the local market amounting to Ps. 4,484.1 million,
- v. Reopening of the bonds issued in the international markets with maturities 2026 and 2044 amounting to USD\$ 500 million,
- vi. Drawing of a credit facility with Actinver for Ps 410 million, and
- vii. Depreciation of the foreign exchange rate, from Ps. 17.2509 to Ps. 18.5550 per US Dollar.

### Financial Instruments

- i. We structured five derivative contracts to cover the interest rate and foreign exchange rate risks through swaps hedging USD\$ 260 million. We will continue to execute this strategy until we reach USD\$ 500 million.

### Trustors' Capital

Trustors' capital grew Ps. 1,025.3 million in 2Q16 compared to the first quarter, which is mainly explained by:

- i. Fair value adjustment of Torre Latino, and
- ii. Acquisition of Torre Cuarzo paid with CBFIs.

## NOI and FFO Reconciliation

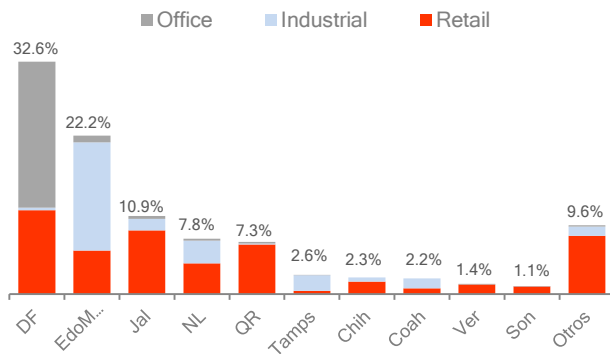
<u>NOI Reconciliation</u>	2Q16	1Q16	4Q15	3Q15	2Q15	$\Delta\%$ 2Q16 vs 1Q16
Rental revenues	2,869.1	2,865.0	2,828.4	2,587.5	2,275.2	0.1%
<b>Total revenues</b>	<b>3,187.6</b>	<b>3,174.2</b>	<b>3,118.5</b>	<b>2,871.6</b>	<b>2,509.2</b>	<b>0.4%</b>
- Operating expenses	-193.8	-194.9	-179.8	-174.4	-149.9	-0.5%
- Maintenance expenses	-321.6	-319.9	-310.7	-299.9	-252.1	0.5%
- Property taxes	-76.6	-76.5	-77.5	-65.4	-61.5	0.1%
- Insurance	-32.1	-31.1	-31.6	-20.2	-17.7	3.0%
- +/- Non-recurring items	-	-	-	-	-	
<b>Net Operating Income (NOI)</b>	<b>2,563.4</b>	<b>2,551.7</b>	<b>2,518.9</b>	<b>2,311.7</b>	<b>2,028.0</b>	<b>0.5%</b>
Margin over total revenues	80.4%	80.4%	80.8%	80.5%	80.8%	0.0%
Margin over rental revenues	89.3%	89.1%	89.1%	89.3%	89.1%	0.3%
<b>FFO and AFFO Reconciliation</b>						
<b>Consolidated Comprehensive Net Income</b>	2,345.3	2,769.5	2,761.6	236.4	1,343.5	-15.3%
+/- Fair value adjustments	-2,897.1	-1,274.8	-1,876.3	-959.7	-713.1	127.3%
+/- Foreign exchange variation, net	1,694.1	-77.3	388.7	2,094.8	610.3	-2291.0%
+/- Valuation effect on financial instruments	193.35	-	-	-	-	0.0%
+ Banking commissions amortization	39.4	20.6	32.1	19.7	15.7	90.6%
+ Provision for the ECP	116.3	124.3	318.2	77.5	27.5	-6.5%
+ Administrative platform amortization	48.7	48.7	48.7	48.7	48.7	0.0%
Noon-controlling participation <sup>(3)</sup>	-4.0	-4.0	0.0	0.0	0.0	0.0%
+/- Non-recurring items	-	-	-	-	-	0.0%
<b>FFO</b>	<b>1,536.0</b>	<b>1,607.1</b>	<b>1,673.0</b>	<b>1,517.5</b>	<b>1,332.7</b>	<b>-4.4%</b>
- Maintenance CAPEX	-7.0	-7.0	-7.0	-7.0	-7.0	0.0%
<b>AFFO</b>	<b>1,529.0</b>	<b>1,600.1</b>	<b>1,666.0</b>	<b>1,510.5</b>	<b>1,325.7</b>	<b>-4.4%</b>
<b>PER CBF I</b>						
NOI <sup>(1)</sup>	0.7986	0.7975	0.8015	0.7616	0.6772	0.1%
FFO <sup>(1)</sup>	0.4785	0.5023	0.5323	0.4999	0.4450	-4.7%
AFFO <sup>(1)</sup>	0.4763	0.5001	0.5301	0.4976	0.4427	-4.8%
Distribution <sup>(2)</sup>	0.4801	0.5020	0.5097	0.5005	0.4934	-4.4%

(1) Calculated using the average CBFs in the period (page 4). (2) Calculated using the total outstanding CBFs at the close of the period (page 4), (3) 22.5% participation of our partners in Torre Latino.

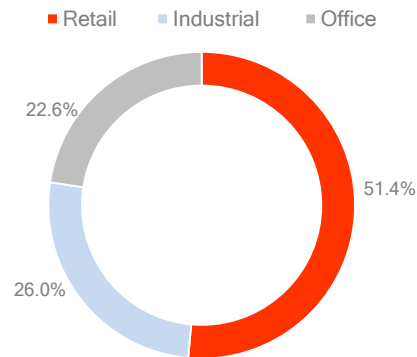
# Portfolio Summary

	2Q16	1Q16	4Q15	3Q15	2Q15	$\Delta\%$ 2Q16 vs 1Q16
<b>Retail</b>						
Total GLA ('000 m <sup>2</sup> )	2,939.9	2,897.5	2,857.0	2,774.1	2,749.4	1.5%
Operations <sup>(1)</sup>	323	322	321	313	312	0.3%
Average contract term (years)	6.3	6.4	6.5	6.3	6.4	
Total Occupancy	93.6%	93.2%	93.2%	92.9%	93.0%	0.4%
<b>Industrial</b>						
Total GLA ('000 m <sup>2</sup> )	3,458.7	3,418.5	3,400.7	3,356.8	3,217.2	1.2%
Operations <sup>(1)</sup>	104	103	102	102	101	1.0%
Average contract term (years)	3.2	3.3	3.4	3.3	3.3	
Total Occupancy	94.7%	96.6%	96.9%	96.4%	96.2%	-1.9%
<b>Office</b>						
Total GLA ('000 m <sup>2</sup> )	792.9	811.2	821.6	703.4	703.4	-2.3%
Operations <sup>(1)</sup>	88	86	86	80	80	2.3%
Average contract term (years)	4.0	3.4	3.4	3.6	3.9	
Total Occupancy	90.2%	90.3%	92.9%	91.8%	91.0%	-0.1%

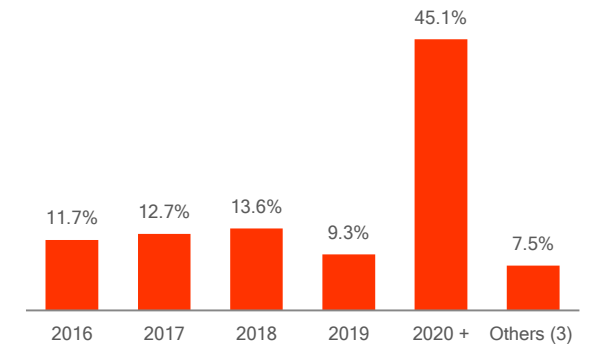
**Revenue by Geography<sup>(2)</sup>**  
(% ABR, as of 2Q16)



**Revenue by Sector<sup>(2)</sup>**  
(% ABR, as of 2Q16)



**Lease Expiration Profile**  
(% ABR, as of 2Q16)



(1) Number of operations by segment. The number of properties is 493, (2) It considers revenues for signed contracts, (3) Statutory leases



## Same-Store Rents

During the second quarter of 2016, same-store rents (constant properties), measured as rent /sqm/month, grew 7.8%, while rental revenues rose 8.5%, of which 5.0% is mainly related to the renewal of contracts above inflation, and 3.5% is derived from the depreciation of the Mexican Peso against the US Dollar.

Quarterly Revenues			
000's	2Q 2016	2Q 2015	% Variation
Industrial	695,692	631,953	10.1%
Retail	1,429,640	1,328,957	7.6%
Office	495,136	454,209	9.0%
Total	2,620,468	2,415,119	8.5%

GLA Total			
000's	2Q 2016	2Q 2015	% Variation
Industrial	3,294	3,217	2.4%
Retail	2,759	2,757	0.1%
Office	596	595	0.1%
Total	6,648	6,569	1.2%

OCCUPANCY			
000's	2Q 2016	2Q 2015	% Variation
Industrial	94.9%	96.2%	-1.3%
Retail	93.4%	93.0%	0.4%
Office	88.6%	89.5%	-0.9%
Total	93.7%	94.3%	-0.5%

\$/sqm			
000's	2Q 2016	2Q 2015	% Variation
Industrial	74.2	68.0	9.0%
Retail	185.0	172.8	7.0%
Office	312.7	284.2	10.0%
Total	140.2	130.0	7.8%

Summary of Industrial Classification			
000's	2Q 2016	2Q 2015	% Variation
Monthly revenue	231,897	210,651	10.1%
Quarterly revenue	695,692	631,953	10.1%
Total GLA	3,294	3,217	2.4%
Occupied GLA	3,126	3,096	1.0%
% Occupancy	94.9%	96.2%	-1.3%
\$/sqm	74.2	68.0	9.0%

Summary of Retail Classification			
000's	2Q 2016	2Q 2015	% Variation
Monthly revenue	476,547	442,986	7.6%
Quarterly revenue	1,429,640	1,328,957	7.6%
Total GLA	2,759	2,757	0.1%
Occupied GLA	2,576	2,564	0.5%
% Occupancy	93.4%	93.0%	0.4%
\$/sqm	185.0	172.8	7.0%

Summary of Office Classification			
000's	2Q 2016	2Q 2015	% Variation
Monthly revenue	165,045	151,403	9.0%
Quarterly revenue	495,136	454,209	9.0%
Total GLA	596	595	0.1%
Occupied GLA	528	533	-0.9%
% Occupancy	88.6%	89.5%	-0.9%
\$/sqm	312.7	284.2	10.0%

TOTAL			
000's	2Q 2016	2Q 2015	% Variation
Monthly revenue	873,489	805,040	8.5%
Quarterly revenue	2,620,468	2,415,119	8.5%
Total GLA	6,648	6,569	1.2%
Occupied GLA	6,230	6,193	0.6%
% Occupancy	93.7%	94.3%	-0.5%
\$/sqm	140.2	130.0	7.8%

- The industrial segment reported revenues of Ps. 695.7 million, representing an increase of 10.1% compared to the second quarter of 2015. The increase is mainly due to the renewal of contracts above inflation (~4.7%) and the rest is due to the depreciation of the foreign exchange rate. In terms of revenues/sqm/month, this segment increased 9.0%.
- The retail segment recorded revenues of Ps. 1,429.6 million, an increase of 7.6% compared to the second quarter of 2015. The majority of growth (~6.3%) is related to the renewal of contracts above inflation, while the rest is due to the depreciation of the foreign exchange rate. In terms of revenues/sqm/month, this segment grew 7.0%.
- The office segment recorded revenues of Ps. 495.1 million, an increase of 9.0% compared to the second quarter of 2015. Most of the growth (~7.1%) is related to the depreciation of the foreign exchange rate, and the rest to the renewal of contracts above inflation. In terms of revenues/sqm/month, this segment grew 10.0%.

## Occupancy Rate

Portfolio	Properties <sup>(1)</sup>	Total GLA <sup>(2)</sup>	Occupied GLA <sup>(2)</sup>	Occupancy
INITIAL	17	710,278	683,548	96%
GRIS	1	77,351	76,854	99%
BLANCO	1	44,871	44,591	99%
AZUL	23	125,681	124,719	99%
ROJO	219	173,884	173,884	100%
SENDERO VILLAHERMOSA	1	22,450	18,592	83%
VERDE	1	117,786	117,786	100%
MORADO	16	541,290	473,655	88%
TORRE MAYOR	1	83,971	83,971	100%
PACE	2	43,593	43,593	100%
G30	30	1,701,791	1,629,648	96%
INDIVIDUALES INDUSTRIALES <sup>(3)</sup>	2	42,051	42,051	100%
UNIVERSIDAD AUTÓNOMA DE GDL	1	163,000	163,000	100%
INDIVIDUALES <sup>(3)</sup>	7	180,720	163,085	90%
VERMONT	34	521,099	477,226	92%
APOLO	45	879,080	836,884	95%
P12	10	91,118	75,419	83%
MAINE	6	152,637	134,206	88%
CALIFORNIA	29	348,394	301,903	87%
ESPACIO AGUASCALIENTES	1	22,506	17,926	80%
LA VIGA	1	22,538	16,352	73%
R15	3	174,955	163,446	93%
SAN MATEO	1	5,440	5,440	100%
HOTEL CENTRO HISTORICO	1	40,000	40,000	100%
SAMARA	1	133,620	130,086	97%
KANSAS	12	351,905	288,097	82%
BUFFALO	1	4,793	4,639	97%
OREGON	3	34,087	32,874	96%
INDIANA	17	256,161	256,161	100%
ALASKA	6	124,363	123,239	99%
<b>Total</b>	<b>493</b>	<b>7,191,414</b>	<b>6,742,876</b>	<b>93.8%</b>

(1) Number of properties, (2) Excludes GLA in development, (3) For the report the properties of Parque Empresarial Cancun and El Salto will be recorded as part of the individual industrial portfolio and the properties of Torre Diamante, Reforma 155, Artificios 40, Puerta del Hierro, Montes Urales, Torre Latino and Torre Diana will be recorded in the individual portfolio section going forward.

## Occupancy per Geography

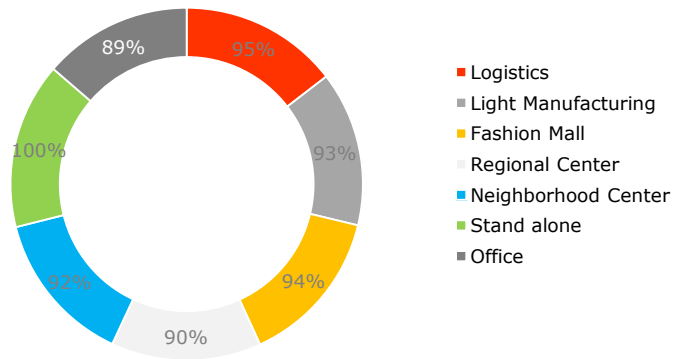
STATE	OCCUPIED GLA <sup>(1)</sup>		
	RETAIL	INDUSTRIAL	OFFICE
AGUASCALIENTES	25,953.9	30,843.2	1,248.0
BAJA CALIFORNIA	9,025.0	-	4,053.6
BAJA CALIFORNIA SUR	22,687.8	-	-
CAMPECHE	951.4	-	-
CHIAPAS	31,422.4	-	-
CHIHUAHUA	104,943.4	82,085.7	-
COAHUILA	43,312.2	119,267.4	-
COLIMA	13,546.0	-	381.0
DISTRITO FEDERAL	504,625.4	44,934.4	600,330.4
DURANGO	1,163.0	23,185.5	-
ESTADO DE MEXICO	455,867.7	2,111,827.6	41,966.0
GUANAJUATO	27,710.1	20,663.8	-
GUERRERO	60,892.3	-	-
HIDALGO	58,661.8	-	-
JALISCO	552,806.1	212,055.6	18,342.5
MICHOACAN	1,061.0	-	-
MORELOS	23,221.0	4,627.0	-
NAYARIT	41,508.9	-	-
NUEVO LEON	200,298.3	296,908.9	22,671.2
OAXACA	33,770.5	-	-
PUEBLA	1,049.9	42,310.8	655.0
QUERETARO	20,886.5	-	-
QUINTANA ROO	210,229.9	18,000.0	8,355.6
SAN LUIS POTOSI	9,279.0	15,190.0	-
SINALOA	12,721.5	-	820.0
SONORA	67,324.7	15,958.5	5,711.0
TABASCO	18,892.1	-	-
TAMAULIPAS	24,831.3	238,537.0	1,437.4
TLAXCALA	35,222.8	-	-
VERACRUZ	93,546.9	-	5,014.0
YUCATAN	44,109.7	-	3,972.6
	<b>2,751,522.7</b>	<b>3,276,395.4</b>	<b>714,958.2</b>

(1) Excludes GLA in development

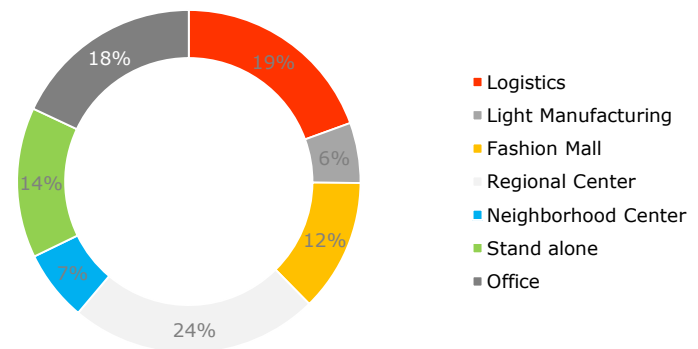
## Summary by Subsegment

Subsegment	Total GLA (000 m <sup>2</sup> )	Occupied GLA (000 m <sup>2</sup> )	Occupancy %	\$ / sqm / month (Ps.)	NOI 2Q16 (Ps. 000) <sup>(2)</sup>
Logistics	2,829.8	2,691.4	95%	68.3	488,324.9
Light manufacturing	619.7	575.8	93%	98.4	142,342.9
Fashion mall	441.0	415.5	94%	304.3	313,362.2
Regional center	1,323.2	1,190.7	90%	181.1	590,230.0
Neighborhood center	350.0	323.4	92%	194.0	167,260.2
Stand alone <sup>(1)</sup>	881.4	879.6	100%	135.6	355,188.7
Office <sup>(1)</sup>	746.3	666.4	89%	341.4	452,366.2
<b>Total general</b>	<b>7,191.4</b>	<b>6,742.9</b>	<b>94%</b>	<b>\$ 147.1</b>	<b>\$ 2,509,075.2</b>

**Occupancy per Subsegment**  
(%GLA) 2Q16



**NOI per Subsegment**  
(% NOI) 2Q16



(1) All properties in the Rojo portfolio are classified as *Stand Alone*, (2) NOI at a property level.

## Information Supplement

### Operating Properties

Segment	# Properties	GLA	Revenues	Occupancy	Stabilization Adjustment
					Quarterly Revenue <sup>(1)</sup>
Retail	307	2,939.9	1,697,384.0	93.6%	1,697,384.0
Industrial	103	3,458.7	679,755.0	94.7%	690,280.0
Office	83	792.9	491,930.0	90.2%	583,672.6
<b>Total</b>	<b>493</b>	<b>7,191.4</b>	<b>2,869,069.0</b>	<b>93.8%</b>	<b>2,971,336.6</b>

### Acquisitions not Included in Current Quarter

Segment	Investment (Ps.mm)	Stabilized NOI (Ps. mm)
Industrial	4,137.2	357.5
Retail	15,966.8	1,517.0
Office	3,273.7	330.2
<b>Total</b>	<b>23,377.6</b>	<b>2,204.8</b>

(1) Estimates consider the full-quarter for all the properties in operation. It also assumes occupancy levels of 95% for all properties with occupancy levels below 90%. The office segment, assumes the redevelopment of the Colorado portfolio, which is included in the Mitikah project (Buffalo portfolio).

# Development Portfolio

Portfolio	Project	Segment	Final GLA (m <sup>2</sup> )	CapEx to Date	Pending CapEx	Annualized Base Revenue (A)	Estimated Additional Revenue (B)	Estimated Total Annual Revenue (A+B) <sup>(1)</sup>	Delivery Date
G-30	Torre Latino	Office	14,432	1,343	17	-	147	147	2Q'16
G-30	Xochimilco I	Retail	30,430	455	0	40	6	46	4Q'16
La Viga	La Viga	Office	102,000	1,386	187	26	199	225	2Q'16
G-30	Berol	Industrial	100,000	1,278	20	-	144	144	2Q'16
G-30	Gustavo Baz I	Industrial	35,910	845	191	17.9	42.1	60	3Q'16
Apolo	Revolución	Retail	27,810	289	59	-	28	28	1Q'17
Individual	Torre Cuarzo	Retail/ Office	72,000	2,898	474	-	362	362	1Q'17
G-30	Mariano Escobedo <sup>(2)</sup>	Office	12,000	261	139	-	61	61	3Q'17
Apolo	Tlalpan	Retail	95,967	1,137	192	-	114	114	3Q'17
Individual	Espacio Tollocan	Retail	17,839	229	239	-	53	53	4Q'17
Mitikah	Mitikah	Office	326,089	0	8,827	-	1,644	1,644	2Q'24
<b>Total</b>			<b>834,477</b>	<b>10,123</b>	<b>10,344</b>	<b>84</b>	<b>2,801</b>	<b>2,885</b>	

## Estimated stabilization periods per segment once the property is ready to operate

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

As a result of the delays, we have temporarily excluded the Delaware project from our development portfolio.

Part of Torre Latino is now in the process of becoming part of our operating portfolio.

(1) Assumes revenues from properties completely stabilized.





(2) Excludes value of land.

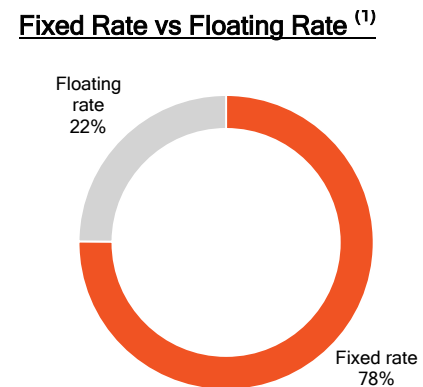
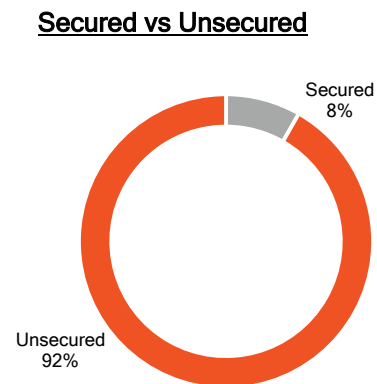
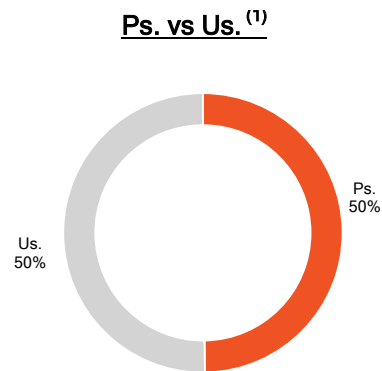
(3) Includes de deferred payment of approximately 46.5 million CBFIs.

The Colorado and Buffalo portfolios form part of the mixed-use development of Mitikah (excludes the value of land).

## Credit Profile

At the close of the quarter ending June 30, 2016, FUNO was in full compliance with its public-debt covenants:

Metric	FUNO	Limit	Status
Loan-to-Value (LTV)	33.9%	Less or equal to 60%	Comply 
Secured debt limit	2.8%	Less or equal to 40%	Comply 
Debt service coverage ratio	2.2x	Greater or equal to 1.5x	Comply 
Unencumbered assets to unencumbered debt	288.9%	Greater or equal to 150%	Comply 



(1) Includes the hedging effect of the interest and foreign exchange rates.

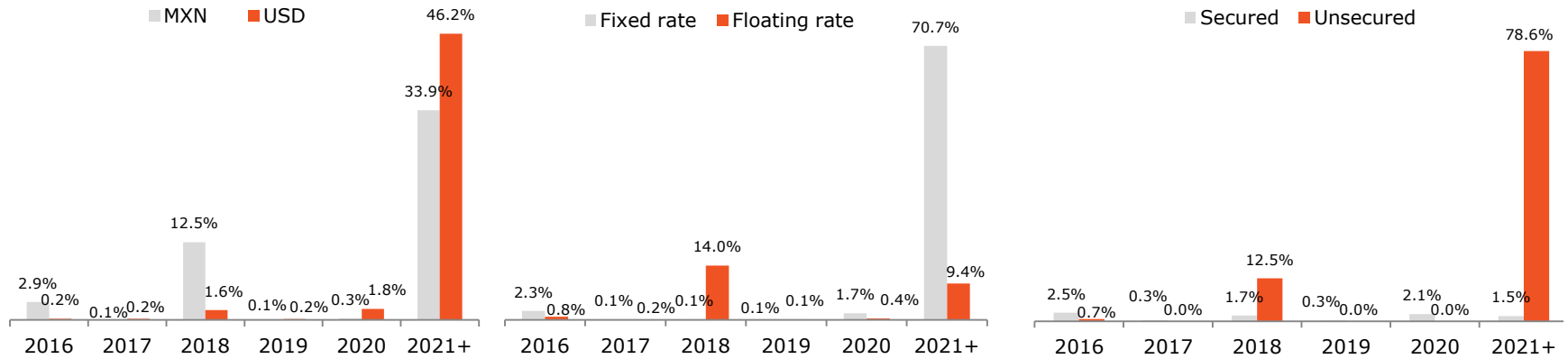


# Compliance with CNBV Regulation

Metric	
Liquid assets <sup>(2)</sup>	13,687.4
Operating income after distributions	7,723.3
Lines of credit	14,607.6
<b>Subtotal</b>	<b>36,018.3</b>
Debt service	7,358.8
CapEx	3,470.5
<b>Total</b>	<b>10,829.3</b>



	FUNO	Limit	Status
Loan-to-Value (LTV)	33.8%	Less or equal to 60%	Comply
Debt coverage service ratio <sup>(1)</sup>	3.3x	Greater or equal to 1.0x	Comply



(1) Liquid assets + operating income after distributions + lines of credit / Debt service + Capex measured 18 months forward

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

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

All figures in million pesos

## Quarterly Distribution

- In line with FUNO's commitment to constantly create value for its CBFIs' holders, the Technical Committee approved a quarterly distribution of Ps. 1,546.5 million corresponding to the period April 1, 2016 to June 30, 2016. This is equivalent to Ps. 0.4801 per CBFIs and implies a payout of 100% of the quarterly FFO.
- Under the Mexican Law, FUNO is obliged to pay at least 95% of its taxable income at least once a year.
- Below is the detail of the historic distribution payments:

	2011	2012	2013	2014	2015	2016
1Q	0.0343	0.1960	0.3700	0.4366	0.4921	0.5020
2Q	0.3022	0.3000	0.4100	0.4014	0.4934	0.4801
3Q	0.3779	0.4045	0.4504	0.4976	0.5005	
4Q	0.3689	0.4216	0.4800	0.4890	0.5097	

# Financial Information

## Balance Sheet

Figures in thousand pesos

Assets	Notes	30/06/2016	31/12/2015
<b>Current assets:</b>			
Cash and restricted cash	3.	\$ 6,411,670	\$ 5,995,918
Financial investments	4.	4,354,978	2,300,596
Leases receivable from clients, net	5.	1,003,036	751,346
Other accounts receivable		42,598	46,523
Refundable tax, mainly VAT		3,015,988	4,161,762
Pre-paid expenses		497,979	459,660
<b>Total current assets</b>		<b>15,326,249</b>	<b>13,715,805</b>
<b>Non-current assets:</b>			
<b>Current assets:</b>			
Investment properties	6.	163,528,249	152,349,934
Investment in affiliates	7.	3,014,319	3,113,889
Other assets, Net	8.	2,021,015	2,121,525
<b>Total non-current assets</b>		<b>168,563,583</b>	<b>157,585,348</b>
<b>Total assets</b>		<b>\$ 183,889,832</b>	<b>\$ 171,301,153</b>

Liabilities and Shareholders' Equity	Notes	30/06/2016	31/12/2015
<b>Current liabilities:</b>			
Borrowings	9.	\$ 1,945,128	\$ 10,123,627
Accounts payable and accrued expenses	11.	4,168,987	2,440,971
Deferred revenues		122,144	100,010
Dues to related parties	14.	154,199	104,488
<b>Total current liabilities</b>		<b>6,390,458</b>	<b>12,769,096</b>
Long-term debt	9.	59,538,748	44,209,408
Long-term derivative contracts	10.	193,352	-
Deposits from tenants		749,645	702,303
Long-term deferred revenues		237,176	261,968
<b>Total liabilities</b>		<b>67,109,379</b>	<b>57,942,775</b>
<b>Trustors' capital:</b>			
Trustors' capital	16.	97,262,939	97,742,581
Retained earnings		18,701,073	15,615,797
<b>Total trustors' capital</b>		<b>115,964,012</b>	<b>113,358,378</b>
<b>Non-controlling participation</b>		816,441	-
<b>Total trustors' capital</b>		<b>116,780,453</b>	<b>113,358,378</b>
<b>Total liabilities and trustors' capital</b>		<b>\$ 183,889,832</b>	<b>\$ 171,301,153</b>

# Financial Information

## Income Statement

Figures in thousand pesos

	Notes	30/06/2016	Second Quarter 2016	31/03/2016	30/06/2015	Second Quarter 2015	31/03/2015
Rental revenues	15.	\$ 5,658,034	\$ 2,830,737	\$ 2,827,297	\$ 4,239,487	\$ 2,240,773	\$ 1,998,714
Maintenance revenues		590,168	299,738	290,430	427,414	233,955	193,459
Dividend revenue from fiduciary rights		76,016	38,332	37,684	67,803	34,474	33,329
Management fee		37,500	18,750	18,750	-	-	-
		<u>6,361,718</u>	<u>3,187,557</u>	<u>3,174,161</u>	<u>4,734,704</u>	<u>2,509,202</u>	<u>2,225,502</u>
Management fee		(335,567)	(169,556)	(166,011)	(303,185)	(152,240)	(150,945)
Operating expenses		(388,737)	(193,848)	(194,889)	(314,021)	(149,942)	(164,079)
Maintenance expenses		(641,461)	(321,576)	(319,885)	(454,561)	(252,059)	(202,502)
Property tax		(153,142)	(76,626)	(76,516)	(115,918)	(61,496)	(54,422)
Insurance		(63,221)	(32,080)	(31,141)	(35,163)	(17,738)	(17,425)
		<u>(1,582,128)</u>	<u>(793,686)</u>	<u>(788,442)</u>	<u>(1,222,848)</u>	<u>(633,475)</u>	<u>(589,373)</u>
<b>Operating income</b>		<u><b>4,779,590</b></u>	<u><b>2,393,871</b></u>	<u><b>2,385,719</b></u>	<u><b>3,511,856</b></u>	<u><b>1,875,727</b></u>	<u><b>1,636,129</b></u>
Interest expense		(1,693,102)	(880,259)	(812,843)	(1,266,689)	(671,331)	(595,358)
Interest revenue		64,467	26,320	38,147	327,637	128,291	199,346
<b>Income after financial expenses</b>		<u><b>3,150,955</b></u>	<u><b>1,539,932</b></u>	<u><b>1,611,023</b></u>	<u><b>2,572,804</b></u>	<u><b>1,332,687</b></u>	<u><b>1,240,117</b></u>
Foreign Exchange gain (loss), Net		(1,616,750)	(1,694,071)	77,321	(1,394,658)	(610,311)	(784,347)
Valuation effect of financial instruments		(193,352)	(193,352)	-	-	-	-
Fair value adjustments	6 & 7.	4,171,992	2,897,147	1,274,845	1,878,028	713,088	1,164,940
Administrative platform amortization		(97,492)	(48,746)	(48,746)	(97,492)	(48,746)	(48,746)
Banking commissions amortization		(60,005)	(39,357)	(20,648)	(30,116)	(15,725)	(14,391)
Executive Compensation Plan	12.	(240,626)	(116,288)	(124,338)	(192,118)	(27,497)	(164,621)
<b>Consolidated net income</b>		<u><b>\$ 5,114,722</b></u>	<u><b>\$ 2,345,265</b></u>	<u><b>\$ 2,769,457</b></u>	<u><b>\$ 2,736,448</b></u>	<u><b>\$ 1,343,496</b></u>	<u><b>\$ 1,392,952</b></u>
<b>Controlling participation</b>		\$ 4,461,796	\$ 1,723,789	\$ 2,738,007	\$ 2,736,448	\$ 1,343,496	\$ 1,392,952
<b>Non-controlling participation</b>	1c.	652,926	621,476	31,450	-	-	-
		<u><u><b>\$ 5,114,722</b></u></u>	<u><u><b>\$ 2,345,265</b></u></u>	<u><u><b>\$ 2,769,457</b></u></u>	<u><u><b>\$ 2,736,448</b></u></u>	<u><u><b>\$ 1,343,496</b></u></u>	<u><u><b>\$ 1,392,952</b></u></u>

# Financial Information

## Cash Flow

Figures in thousand pesos

	30/06/2016	30/06/2015
Operating activities:		
Consolidated net income	\$ 5,114,722	\$ 2,736,448
Adjustments to non-cash items:		
Fair value adjustment on investment properties	(4,171,992)	(1,878,028)
Unrealized foreign exchange loss (gain)	1,253,829	928,563
Amortizations of platform, property taxes, insurance and fees	220,718	278,689
Executive compensation plan reserve	240,626	192,118
Interest income	(64,467)	(327,637)
Interest expense	1,693,102	1,266,689
Valuation effect of financial instruments	193,352	-
Total	4,479,890	3,196,842
Changes in working capital:		
(Increase) decrease in:		
Receivable leases	(251,690)	(153,748)
Other accounts receivable	3,925	56,070
Refundable taxes, mainly VAT	1,145,774	(995,306)
Pre-paid expenses	(38,319)	(285,777)
(Decrease) increase in:		
Accounts payable and accrued expenses	1,728,016	495,673
Accounts payable with related parities	49,711	98,472
Deferred revenues	(2,658)	87,344
Deposits from tenants	47,342	151,509
Net cash flow from operating activities	7,161,991	2,651,079

Investment activities:		
Investments in projects under development and acquisition costs	(2,986,547)	(3,100,025)
Acquisitions of investment properties	(1,964,359)	(16,992,212)
Financial investments	(2,054,382)	12,610,424
Investment in affiliates	-	(307,286)
Interest income	64,467	327,637
Net cash flow from investment activities	<u>(6,940,821)</u>	<u>(7,461,462)</u>
Financing activities:	(9,583,976)	(761,851)
Financing loans	14,561,558	10,000,000
Distribution to trustees	(3,237,429)	(2,878,483)
Interest payments	(1,545,571)	(1,038,213)
Net cash flow from financing activities	<u>194,582</u>	<u>5,321,453</u>
Cash and restricted cash:		
Net increase (decrease) in cash and restricted cash	415,752	511,070
Cash and restricted cash at the beginning of the period	<u>5,995,918</u>	<u>500,848</u>
<b>Cash and restricted cash at the end of the period</b>	<b><u>\$ 6,411,670</u></b>	<b><u>\$ 1,011,918</u></b>