

## Fibra Inn Announces Consolidated Results for the Second Quarter 2013

**Monterrey, Mexico, July 26, 2013** – Deutsche Bank Mexico, S.A., Institución de Banca Múltiple, Trust Division F/1616 or Fibra Inn (BMV: FINN13) (“Fibra Inn” or “the Company”), a Mexican real estate investment trust specializing in the hotel industry serving the business traveler, today announced its Second Quarter results for the period ended June 30, 2013 (“2Q13”). These results were prepared in accordance with International Financial Reporting Standards (“IFRS”) and are stated in nominal Mexican pesos (Ps.).

*Fibra Inn has made several hotel acquisitions during the quarter. The properties are considered as contributed to the Fibra upon their notarization and payment; therefore, all financial information contained in this report for the second quarter of 2013 refers to the operating period in which those hotels became part of the Fibra. As of the end of the quarter, Fibra Inn owned 13 out of the 14 hotels that comprise the Initial Portfolio.*

### Second Quarter 2013 Financial Highlights

- The **average daily rate (ADR)** was Ps. 960.4, the **occupancy rate** was 64.5% and **revenue per available room** was Ps. 619.3 during the second quarter of 2013, accounting the acquired hotels only during the effective days that were part of the portfolio of the Fibra, plus the eight hotels of the contribution portfolio.
- The **average daily rate (ADR)** was Ps. 962.5, the **occupancy rate** reached 61.7% and **revenue per available room** was Ps. 593.8 during the second quarter of 2013.
- **Total Revenues** were Ps. 47.3 million.
- **Rental Revenues** were Ps. 40.9 million.
- **Net Operating Income (“NOI”)** was Ps. 42.7 million, representing a 39.0% margin over hotel revenues.
- Fibra Inn agreed to pay a **Distribution to Holders** of Ps. 53.3 million on August 20, 2013, which is Ps. 0.2063 per CBFi and represents an annual dividend yield of 4.33% based on the market cap at a price of Ps.19.07 per CBFi.
- **Book Value** as of June 30, 2013, for the 13 properties reached Ps. 2,621.2 million.

### CEO Statement

*Mr. Víctor Zorrilla, stated: “During the second quarter, we acquired five out of the six hotels of our Acquisition Portfolio and we just announced the sixth acquisition the day before yesterday. We have begun the process to add the IHG, Marriott and Wyndham brands to the portfolio of the Fibra and we will continue to seek to operate internationally-recognized brands. We are being very cautious in selecting hotels for acquisition, because we want to ensure that they have the efficiency levels that will enable us to maintain the profitability of the Fibra. During this quarter, we will pay a distribution of Ps. 53.3 million, which is a 4.3% dividend yield, and we still have Ps. 1,589.7 million in cash, from the public offering.”*



For more information please visit <http://fibrainn.mx/en/investors.php> or contact:

#### In Monterrey, Mexico:

Lizette Chang, IRO  
Fibra Inn  
Tel: 52 1 (81)1778-5926  
Email: [Ichang@fibrainn.mx](mailto:Ichang@fibrainn.mx)

#### In New York:

Maria Barona / Melanie Carpenter  
i-advize Corporate Communications, Inc.  
Tel: (212) 406-3691/92  
E-mail: [mbarona@i-advize.com](mailto:mbarona@i-advize.com) /  
[mcarpenter@i-advize.com](mailto:mcarpenter@i-advize.com)

### Portfolio of Properties

As of June 30, 2013, Fibra Inn's portfolio included 13 properties in operation, and on July 24, 2013 the Company acquired Holiday Inn Puebla La Noria Hotel.

The relevant information is displayed as follows:

		Acquisition Date	Price of acquisition exc. Expenses (Million Ps.)
Holiday Inn Express	Guadalajara UAG <sup>1</sup>	20-may-13	165.1
Holiday Inn Express	Playa del Carmen	24-may-13	135.8
Holiday Inn Express	Toluca Tollocan	30-may-13	76.0
Holiday Inn & Suites	Guadalajara CH	03-jun-13	139.9
Wyndham	Monterrey	03-jun-13	204.0
Holiday Inn	Puebla La Noria	24-jul-13	193.6
Acquisition Portfolio			914.4

  

		Price per acquired room (Million Ps.)	Operating Indicators 2012			
			NOI Margin %	Occupancy %	ADR (Ps.)	Rev Par (Ps.)
Holiday Inn Express	Guadalajara UAG	1.65	32.4%	65%	1,142	737
Holiday Inn Express	Playa del Carmen	0.94	22.8%	43%	954	407
Holiday Inn Express	Toluca Tollocan	0.60	9.8%	31%	785	246
Holiday Inn & Suites	Guadalajara CH	1.56	28.3%	69%	1,084	746
Wyndham	Monterrey	1.03	35.4%	67%	844	565
Holiday Inn	Puebla La Noria	1.29	33.1%	83%	907	749
Acquisition Portfolio		1.13	30.1%	60%	940	562
Contribution Portfolio			36.6%	58%	963	563
<b>Fibra Inn Proforma</b>			<b>37.1%</b>	<b>59%</b>	<b>955</b>	<b>563</b>

The Company expects to add 99 and 51 rooms to the Holiday Inn Express Guadalajara UAG and Playa del Carmen Hotels, respectively. The cost per developed room will be US\$ 60,000.

### Second Quarter 2013 Results

	Operating Indicators		
	Occupancy	ADR	RevPar
Second Quarter 2013 <sup>(1)</sup>	64.5%	Ps. 960.4	Ps. 619.3
Second Quarter 2013 <sup>(2)</sup>	61.7%	Ps. 962.5	Ps. 593.8
Second Quarter 2012 <sup>(3)</sup>	55.5%	Ps. 964.5	Ps. 536.1
Second Quarter 2011 <sup>(3)</sup>	55.6%	Ps. 930.3	Ps. 516.9

- (1) Includes the effective days that the acquired hotels were in the portfolio of the Fibra during the second quarter, plus the eight hotels of the contribution portfolio.
- (2) Includes 13 hotels for the full quarter period from April 1 – June 30, 2013
- (3) Includes 13 hotels of the Initial Portfolio

### *Total Revenue*

Fibra Inn's total revenue for the second quarter 2013 period was Ps. 47.3 million of which:

- Ps. 40.9 million were revenues derived from the rental of 13 properties in the Company's possession at the end of the Second Quarter of 2013
- Ps. 6.3 million correspond to revenue from the Management Subsidiary ("Administradora de Activos Fibra Inn, S.C." or "the Administrator"), which is a subsidiary of Fibra Inn. This revenue is related to real estate services provided to the hotels.

### *Operating Results*

In accordance with IFRS, the financial statements reflected operating results of ps. 15.9 million, for the second quarter of 2013, of which:

- Ps. 3.8 million are operating expenses that correspond to the services of the Management Subsidiary or the Administrator, from salary expenses of general managers and maintenance personnel of the hotels.
- Ps. 2.4 million related to administration expenses, insurance, CFO and investor relation expenses.
- Ps. 4.6 million are expenses related to executive compensation for the 3 million CBFIs that are currently in treasury and, as a result, do not represent a cash flow.
- Ps. 2.7 million correspond to advisory fees.
- Ps. 1.7 million correspond to other expenses related to the Fiduciary, the salary of the independent members of our Technical Committee and travel expenses.
- Desarrollos del Valle, S.A. de C.V., which is the predecessor company, paid the property taxes as well as property damage insurance for the Contribution Portfolio. Property taxes were paid through April of 2013 and property damage insurance was paid through the first half of 2013. As a result, the Ps. 0.3 million balance for insurance and the Ps. 0.4 million in property taxes correspond to the properties acquired during the second quarter of 2013.

As a result, operating income for the second quarter of 2013 reached Ps. 31.3 million.

### *NOI & EBITDA*

Net operating income (NOI) during the Second Quarter reached Ps. 42.7 million. This represented an income margin of 39.0% over hotel revenue. EBITDA was Ps. 36.0 million for the second quarter 2013 period, which represented a 32.9% EBITDA margin over hotel revenue. For additional information, please see the Financial Statements that are included in this report.

There was no accounting depreciation for the period according to the IFRS, as the Company has opted to apply a fair value model, in which the investment properties are re-evaluated periodically and the changes in value are recognized during the period in which they are presented.

*Interest Income and Interest Expense*

Fibra Inn concluded the Second Quarter of 2013 free from debt and with cash and cash equivalents of Ps. 1,589.7 million, which generated Ps. 16.2 million in interest during the period.

The Integral Cost of Financing was Ps. 22.2 million for the Second Quarter of 2013.

*Consolidated Net Income*

During the Quarter, consolidated net income reached Ps. 53.6 million, or Ps. 0.2074 per CBFI, calculated from a base of 258 million CBIs outstanding as of June 30, 2013.

*Balance Sheet*

As of June 30, 2013, cash and cash equivalents was Ps. 1,589.7 million.

With the proceeds from the IPO, the Company made a tax payment for the aggregate value of the properties and other expenses in the amount of Ps. 372.0 million, which we expect to recuperate in the future. As of June 30, 2013, Fibra Inn has no financial debt and has total short term liabilities of Ps. 13.2 million.

**Recent Events****WYNDHAM HOTEL GROUP**

Fibra Inn is negotiating an agreement with Wyndham Hotel Group to own and operate a portfolio of Wyndham-branded properties in Mexico.

Wyndham Hotel Group is the world's largest hotel company with over 7,380 hotels in more than 66 countries. It has over 100 hotels throughout Latin America, has 30 properties and over 4,000 rooms in Mexico.

Fibra Inn has identified for this year additional properties for acquisition and conversion to the Wyndham brand and we will announce these conversions at a later time. Fibra Inn reiterates its commitment to operate renowned and well-positioned global brands that will add value to the Fibra's current portfolio.

**INTERCONTINENTAL HOTELS GROUP - IHG**

Fibra Inn is currently in the process of establishing an agreement with IHG (InterContinental Hotels Group) to set the terms and conditions in which Fibra Inn will develop and/or acquire around 20 hotels in Mexico through franchise agreements to brand and operate those properties under Hotel Indigo®, Crowne Plaza®, Holiday Inn®, Staybridge Suites® y Candlewood Suites®.

Fibra Inn currently owns seven Holiday Inn Express® Hotels, one Holiday Inn & Suites® and one Holiday Inn® in seven states throughout Mexico.

**BINDING AGREEMENT TO ACQUIRE HOTEL MEXICO PLAZA IRAPUATO AND BRAND CONVERSION TO WYNDHAM GARDEN**

On July 25, 2013, the acquisition of this property was announced; at a price of Ps. 93.0 million with a projected cap rate of 10.1%. The brand conversion to Wyndham Garden is planned which represents an investment of Ps. 6.8 million. The hotel has 102 rooms.

### BINDING AGREEMENT TO ACQUIRE CAMINO REAL GUANAJUATO

On July 24, 2013, the Technical Committee approved the signing of a binding agreement for the acquisition of Camino Real Guanajuato for Ps. 230 million with a projected cap rate of 9.2%. The plan is to maintain the operation of the current 105 rooms and add 50 additional rooms, which will become operational by the third quarter of 2014. This investment is estimated at Ps. 48.8 million.

### ACQUISITION OF HOLIDAY INN PUEBLA LA NORIA

On July 24, 2013, the acquisition of this property was announced, at a price of Ps. 193.6 million with a projected cap rate of 10.6%. The hotel has 150 rooms and will be operated by third party, Hoteles y Centros Especializados, S.A. part of Grupo Presidente.

### DISTRIBUTION TO CBFH HOLDERS

On July 24, 2013, date Fibra Inn's Technical Committee approved the Second Quarter 2013 distribution for a total of Ps. 53.3 million for CBFH holders. This distribution is equivalent to Ps. 0.2063 per CBFH based on the total of 258 million CBFHs outstanding, as a tax income and return of capital based in the operations and results of Fibra Inn for the Second Quarter of 2013.

<i>Distribution to CBFH holders</i>	<i>Amount</i>	
	<i>per CBFH</i>	<i>Total</i>
	<i>Ps.\$</i>	<i>Ps. \$ million</i>
Tax income	0.0171	4.428
Return of capital	0.1891	48.863
Total	0.2063	53.290

Under Mexican regulations, Fibra Inn is obligated to pay a minimum of 95% of its net fiscal income to CBFH holders, at the most on the 15<sup>th</sup> of March of each year.

Additionally, Fibra Inn's policy is to distribute 80% of the tax depreciation as capital gains. The 20% of the depreciation that will not be distributed will remain as a capital expenditure reserve for the properties of Fibra Inn which was Ps. 4.6 million for the period.

### Distribution for Trust Holders

<i>Thousand of Mexican pesos</i>	<b>6M 2013</b>	<b>1T 2013</b>	<b>2T 2013</b>
<b>Net income</b>	60,703	7,116	<b>53,587</b>
Non monetary charges	5,620	995	4,625
Base for distribution	66,323	8,111	58,212
Minus capital expenditure reserve	5,840	918	4,922
<b>Distribution for Trust Holders</b>	<b>60,483</b>	<b>7,193</b>	<b>53,290</b>

### MARKET MAKER

Fibra Inn signed a contract with UBS Casa de Bolsa, S.A. Grupo Financiero UBS to be the market maker for the Company and thus provide liquidity to the CBFH. The contract has duration of one year and became effective on July 22, 2013.

**CBFI HOLDERS MEETING**

On June 13, 2013 Fibra Inn held its first shareholder meeting. Among others, the most relevant points of were:

- The addition of José Antonio Gómez Aguado de Alba as proprietary member, representing Invercap Pension Fund.
- The approval of the issuance of 50 million CBFI's, which will remain treasury and that will be used for the payment of any future contribution to one of the Fibra's hotels. These CBFIs will create corporate and economic rights at the moment of payment and these transactions must be approved by the Technical Committee.

\*\*\*

**About the Company**

Fibra Inn is a Mexican trust formed primarily to acquire, own, develop and rent a broad range of hotel properties in Mexico. Headquartered in Monterrey, Fibra Inn owns 8 hotels and will have a high-quality, geographically-diverse portfolio of 14 hotels located in nine states throughout Mexico, comprising approximately 2,423 rooms. The Company has signed Franchise Agreements with IHG to operate its global brands Holiday Inn, Holiday Inn Express, and Holiday Inn Express & Suites, as well as with Hilton to operate its brand Hampton Inn by Hilton; and is in the process with IHG, Marriott International and Wyndham Group International to operate its global brands. These hotels enjoy some of the industry's top loyalty programs and, offer attractive hotel options for businesses travelers. Fibra Inn recently listed its Real Estate Trust Certificates (*Certificados Bursátiles Fiduciarios Inmobiliarios* or "CBFIs") on the Mexican Stock Exchange and trades under the ticker symbol "FINN13".

For more information, please visit our corporate site and investor relations section at: <http://www.fibrainn.mx>

**Note on Forward-Looking Statements**

*This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.*

### Income Statement

**TRUST F/1616 FIBRA INN**  
**Consolidated Statement of Comprehensive Income - Unaudited**  
For the period from March 12, 2013 to June 30, 2013  
(000's pesos)

	Period April 1, 2013 to June 30, 2013	Period March 12, 2013 to June 30, 2013
Rental income	40,919	47,523
Service revenues	6,342	7,264
<b>Total revenues</b>	<b>47,261</b>	<b>54,787</b>
Payroll and related - operations	3,757	4,533
Payroll and related - administrative	2,395	2,944
Insurance	351	351
Property tax	441	441
Advisor fee	2,676	3,144
Executive compensation <sup>1)</sup>	4,625	5,620
Depreciation of administrative fixed assets	3	3
Other expenses	1,662	1,795
Bank commissions	12	12
Total expensess	15,924	18,843
<b>Operating income</b>	<b>31,338</b>	<b>35,944</b>
Interest income	16,171	18,682
Exchange effects	6,078	6,078
<b>Net comprehensive income</b>	<b>53,587</b>	<b>60,703</b>

1) Non-cash expense



**Balance Sheet**

**TRUST F/1616 FIBRA INN**  
**Consolidated Balance Sheet - Unaudited**  
 As of June 30, 2013  
 (000's pesos)

**ASSETS**

Current Assets

Cash and cash equivalents	1,589,702
Accounts receivable	32,860
Tax receivable	372,024
Prepaid assets	765
<b>Total current assets</b>	<b>1,995,352</b>

Investment properties	2,621,232
Equipment	68

**Total Assets** **4,616,652**

**LIABILITIES**

Current liabilities

Accounts payable	4,386
Other payables	2,868
Client prepayments	37
Taxes payable	5,934

**Total current liabilities** **13,226**

**EQUITY**

Contributed capital	4,548,644
Retained earnings	54,782

**Total Equity** **4,603,426**

**Total Liabilities and Equity** **4,616,652**



**Cash Flow Statement**

**TRUST F/1616 FIBRA INN**

**Consolidated Statement of Cash Flows - Unaudited**

For the period from March 12, 2013 to June 30, 2013

(000's pesos)

OPERATING ACTIVITIES

Net income	60,703
Executive compensation	5,620
	<u>66,323</u>

Increase in receivables - net	-31,953
Increase in tax receivable	<u>-366,091</u>

Net cash flows utilized in operating activities	<u>-331,721</u>
---	-----------------

INVESTING ACTIVITIES

Contribution and acquisition of investment properties	<u>-847,480</u>
---	-----------------

Net cash flows utilized in investing activities	<u>-847,480</u>
---	-----------------

FINANCING ACTIVITIES

Issuance of capital	<u>2,768,902</u>
---------------------	------------------

Net cash flows received from financing activities	<u>2,768,902</u>
---	------------------

<b>Balance of cash and cash equivalents</b>	<b><u>1,589,702</u></b>
---	-------------------------

### NOI Y EBITDA

**TRUST F/1616 FIBRA INN**  
**Consolidated Statement of Comprehensive Income - Unaudited**  
For the period from March 12, 2013 to June 30, 2013  
(000's pesos)

	Period April 1, 2013 to June 30, 2013	Period March 12, 2013 to June 30, 2013
Rental income	40,919	47,523
Service revenues	6,342	7,264
<b>Total revenues</b>	<b>47,261</b>	<b>54,787</b>
Payroll and related -operations	3,757	4,533
Insurance	351	351
Property tax	441	441
Total operating expenses	4,550	5,326
<b>NOI</b>	<b>42,711</b>	<b>49,461</b>
Payroll and related - administrative	2,395	2,944
Advisor fee	2,676	3,144
Other expenses	1,662	1,795
Bank commissions	12	12
Total indirect expense	6,745	7,894
<b>EBITDA</b>	<b>35,966</b>	<b>41,566</b>
Executive compensation <sup>1)</sup>	4,625	5,620
Depreciation of administrative fixed assets	3	3
<b>EBIT</b>	<b>31,338</b>	<b>35,944</b>
Interest income	16,171	18,682
Exchange effects	6,078	6,078
Net of income and financial expense	22,249	24,760
<b>Net comprehensive income</b>	<b>53,587</b>	<b>60,703</b>

1) Non-cash expense