

Lobby of the Live Aqua Urban hotel in Monterrey

POSADAS®

Operative & Financial Results - 2Q17

07/20/2017

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## Highlights

- In 2Q17 total revenues and EBITDA grew 16% and 19%, respectively.
- EBITDA LTM of \$1,734 million, 15% higher.
- Cash available as of June 30, 2017 of \$1.0 billion (equivalent to US\$58 million).  
After giving effect to the sale of the Fiesta Inn Aeropuerto hotel, the cash balance would be \$1.5 bn (US\$82 mn).
- Two hotel openings in 2Q17 and five in 1H17.
- The pipeline considers 48 hotels, 33% additional rooms to be opened by December 2020.
- The new “LatinoAmerican” hotel brand was launched.



# Income Statement

(million pesos)

Operative & Financial Results - 1Q17

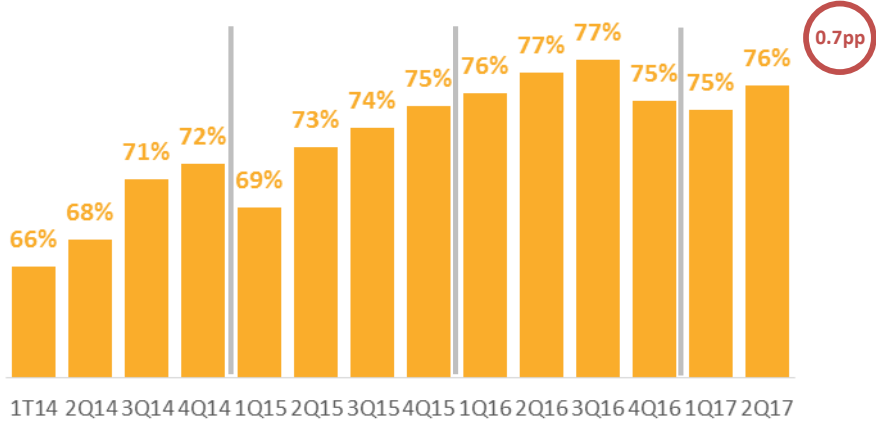
2Q17	%	QoQ		2017	%	QoQ
2,214	100	16%	Total revenues	4,400	100	11%
1,798	81	16%	Expenses	3,503	80	12%
416	19	19%	EBITDA MXN	897	20	10%
19%		(0.4pp)	Margin	20%		(0.2pp)
(270)		na	Exchange (gain)	(899)		na
291	13	na	Net Income	(101)	(2)	75%



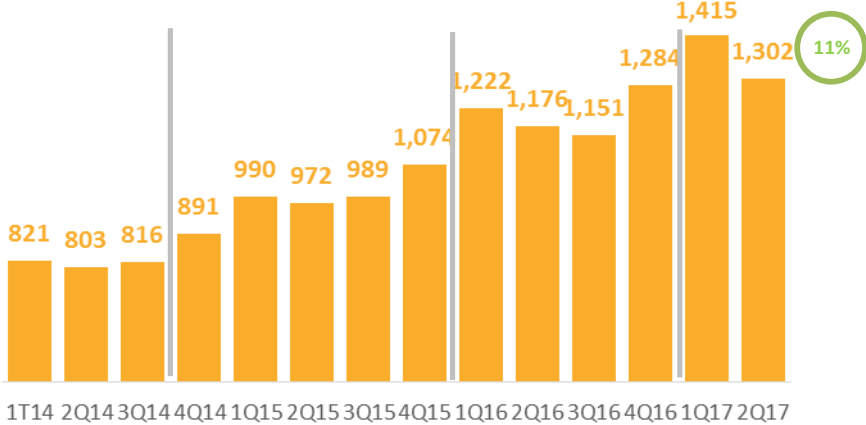
# Hotel Performance

## OWNED AND LEASED HOTELS

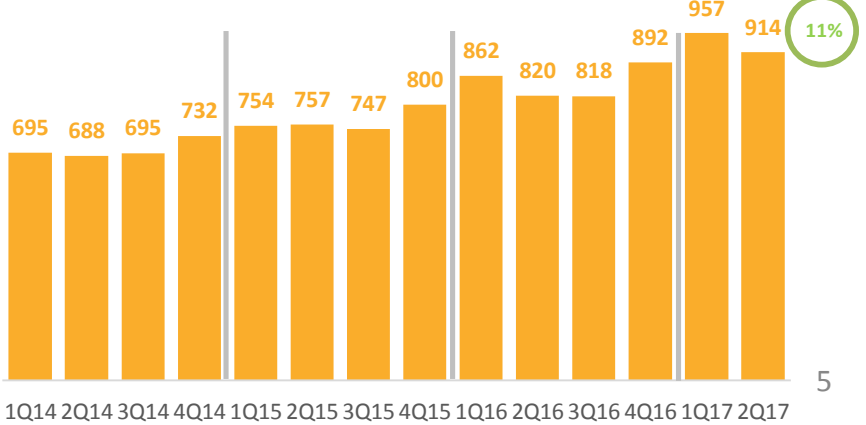
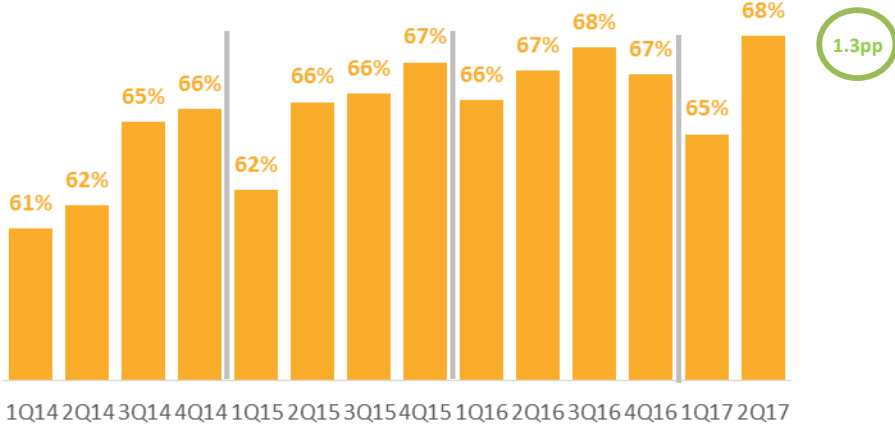
% Occupancy



RevPAR

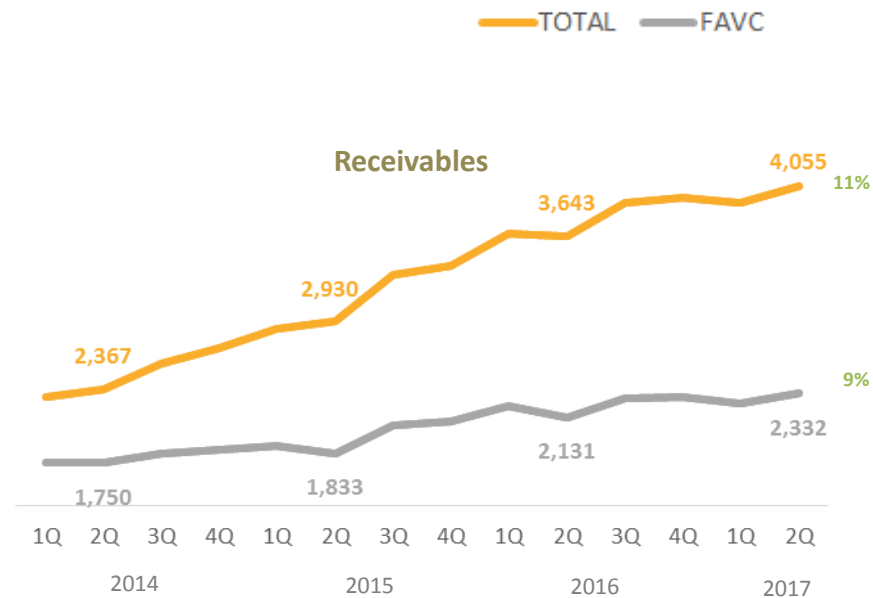
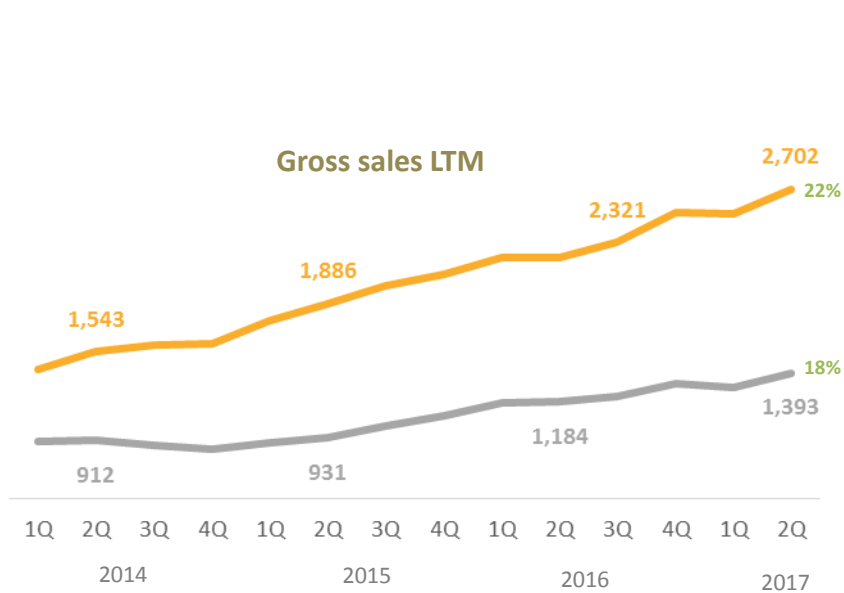


## SYSTEM WIDE HOTELS



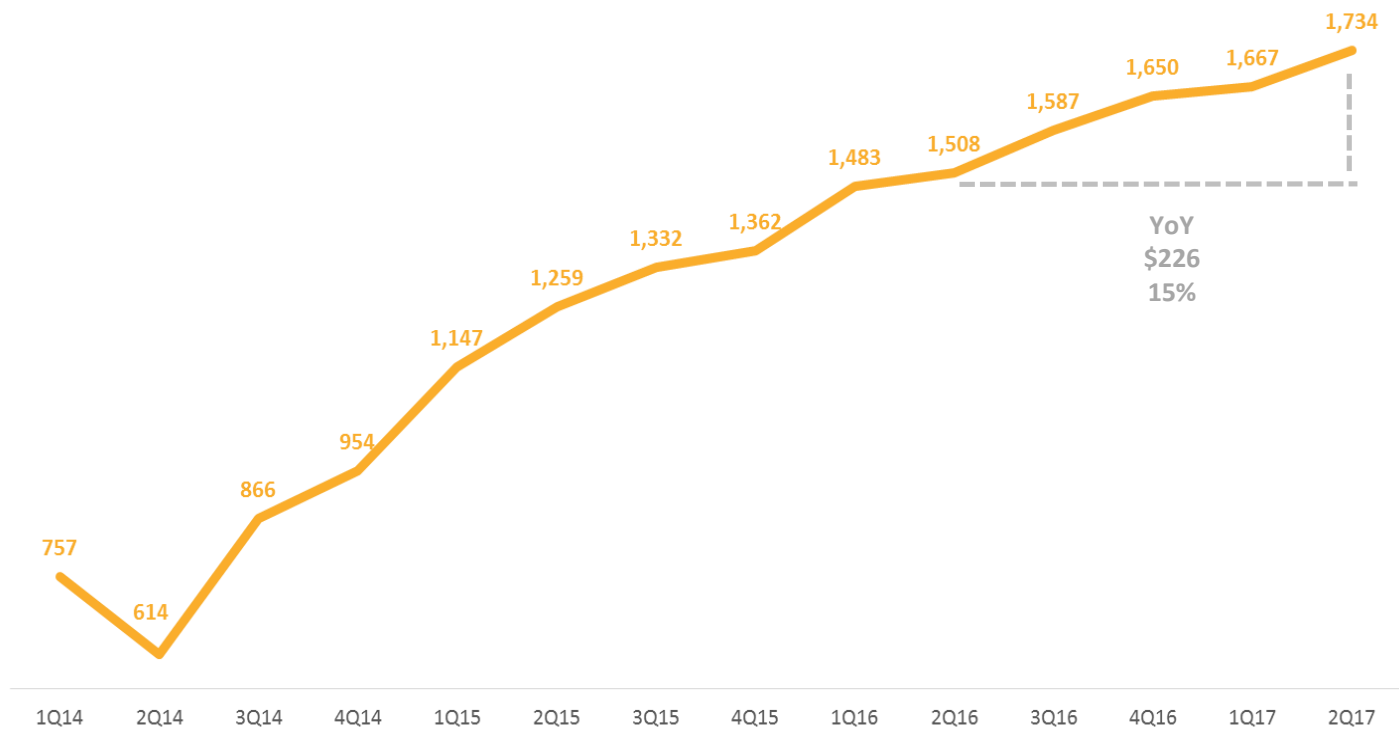
# Vacation Properties

(million pesos)



# EBITDA LTM

(million pesos)



# Free Cash Flow, Internal Reporting

(million pesos)








Operative & Financial Results - 2Q17

Concept	1H17
<b>EBITDA</b>	<b>897</b>
Working capital & Other	(120)
CAPEX	(424)
Deferred Asset & Other	(284)
Interests, net	(267)
Taxes	(743)
<b>FCF</b>	<b>(941)</b>
Financings	210
<b>Cash</b>	<b>(731)</b>
Cash BOP	1,770
<b>Cash EOP</b>	<b>1,039</b>












## Number of hotels by brand

	Luxury			Upper	Middle Economy			Vacation Club	Other	
									Other	Total
2015	3	5	13		67	9	37	7	2	143
1Q16							2			2
2Q16	1	2	1		2					6
3Q16					1					1
4Q16			1		1	1	1			4
Exits 2016			(2)		(2)					(4)
1Q17					1		2			3
2Q17					1		1			2
Total	4	7	13		71	10	43	7	2	157

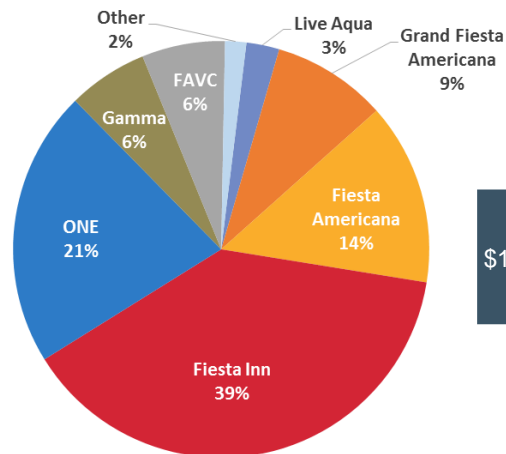
## Number of rooms by brand

	Luxury			Upper	Middle Economy			Vacation Club	Other	
									Other	Total
2015	566	1,705	3,628		9,414	1,335	4,582	1,613	416	23,259
1Q16							296			296
2Q16	74	348	178		204					804
3Q16					129					129
4Q16			252		125	102	156			635
Exits 2016			(379)		(420)					(799)
1Q17					144		246			390
2Q17			5		142		126			273
Total	640	2,053	3,684		9,738	1,437	5,406	1,613	416	24,987



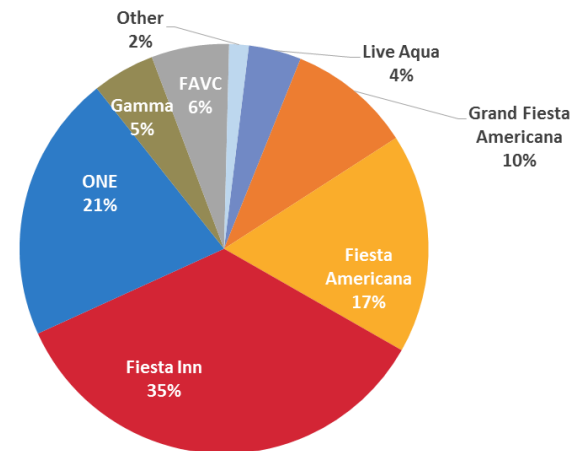
# Development Plan

As of June 2017 (24,987 rooms)



\$16,736 mm 90% Managed

Estimated portfolio .... December 2020 (33,192 rooms) +33%



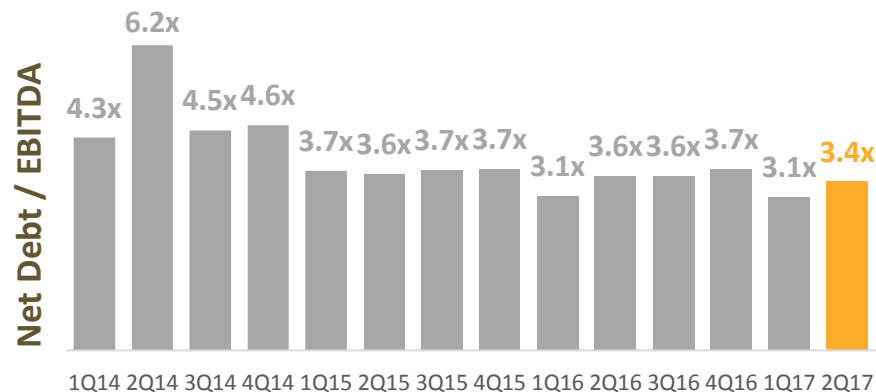
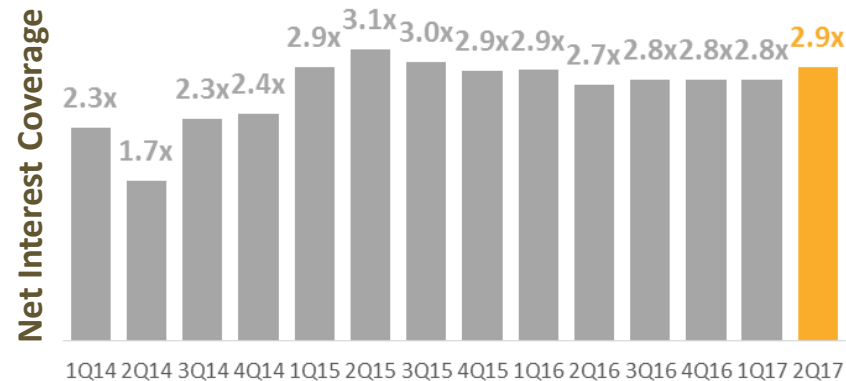
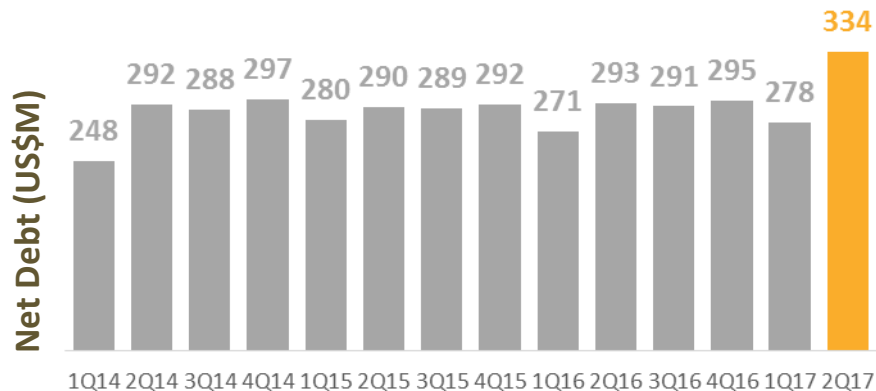
Hotels	2H17	2018	2019	2020	TOTAL
Live Aqua		1	1	1	3
Grand Fiesta Americana		2		1	3
Fiesta Americana		4	4	1	9
Fiesta Inn	4	9	1		14
ONE	2	11			13
The Explorean			1		1
Gamma	2	2			4
FA Vacation Club*	1				1
<b>TOTAL</b>	<b>9</b>	<b>29</b>	<b>7</b>	<b>3</b>	<b>48</b>

(\*) FA Vacation Club (OWNED properties)

Rooms	2H17	2018	2019	2020	TOTAL
Live Aqua		151	250	340	741
Grand Fiesta Americana		468		558	1,026
Fiesta Americana		792	920	515	2,227
Fiesta Inn	520	1,298	140		1,958
ONE	252	1,386			1,638
The Explorean			90		90
Gamma	255	170			425
FA Vacation Club*	100				100
<b>TOTAL</b>	<b>1,127</b>	<b>4,265</b>	<b>1,400</b>	<b>1,413</b>	<b>8,205</b>

# Financial Health

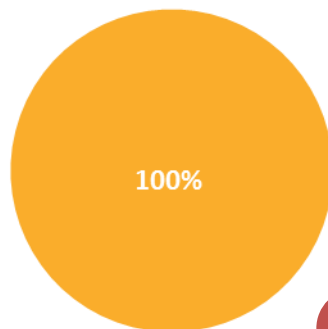
(Fx eop 2Q17: 17.8775)



(Figures in millions)	2Q17		2Q16	
	US\$ Notional	IFRS MXN	US\$ Notional	IFRS MXN
FX eop:		17.8775		18.2840
EBITDA LTM		1,734		1,508
Cash		1,039		2,222
<b>Indebtedness:</b>				
Senior Notes 2022	400	7,151	400	7,314
Senior Notes 2017			38	701
Subsidiary	12	210		1
Issuance expenses (IFRS)		(358)		(432)
<b>Total</b>	<b>412</b>	<b>7,003</b>	<b>438</b>	<b>7,583</b>
<b>Net Debt to EBITDA</b>		<b>3.4</b>		<b>3.6</b>

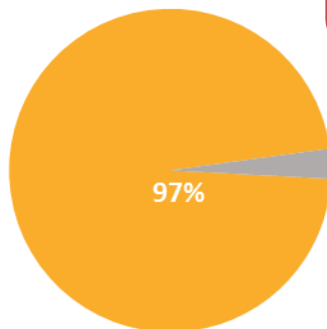
## Debt mix – 2Q17

Tenor



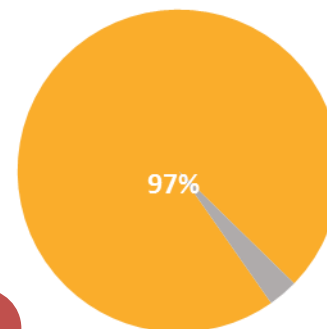
■ LT ■ ST

Guaranty



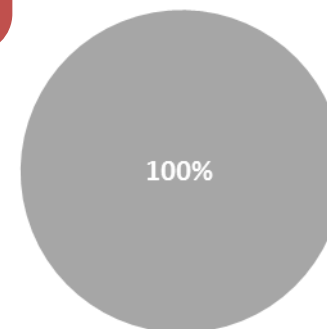
■ Unsecured ■ Secured ■ Non recourse

**Gross debt:** US\$412 mm  
**Capitalized expenses:** (US\$20 mm)  
**Total debt:** US\$392 mm  
**Cash:** US\$58 mm

Currency  
(Total Debt)

■ USD ■ MXN

Rate



■ Variable ■ Fixed



LatinoAmerican® is the brand of customizable hosting, located in the most iconic neighborhoods featuring a sharing economy model with an experience that understands the value of the local culture as its main amenity offering spaces for rest, work and entertainment created by mexican talent.











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