

Lobby of the Live Aqua Urban hotel in Monterrey

POSADAS®

Operative & Financial Results - 3Q17

10/26/2017

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## Highlights

- In 3Q17 total adjusted revenues for asset sold reached \$2,016 million and grew 9%.
- 3Q17 and LTM EBITDA of \$314 million and \$1,606 million, respectively.
- RevPAR grew 5.3% in the 3Q17 and 9.2% in the 9M17.
- Six hotel openings during the 9M17 with 784 rooms (+3%) and six additional openings are scheduled for the 4Q17.
- The pipeline considers 52 hotels (a 36% increase over current number of rooms) to be opened during the next three years.
- Sale and lease of the Fiesta Americana Condesa Cancun hotel to FibraHotel for \$2,892 million.
- Cash available as of September 30, 2017 of \$1.3 billion (equivalent to US\$73 million).



# Income Statement

(million pesos)

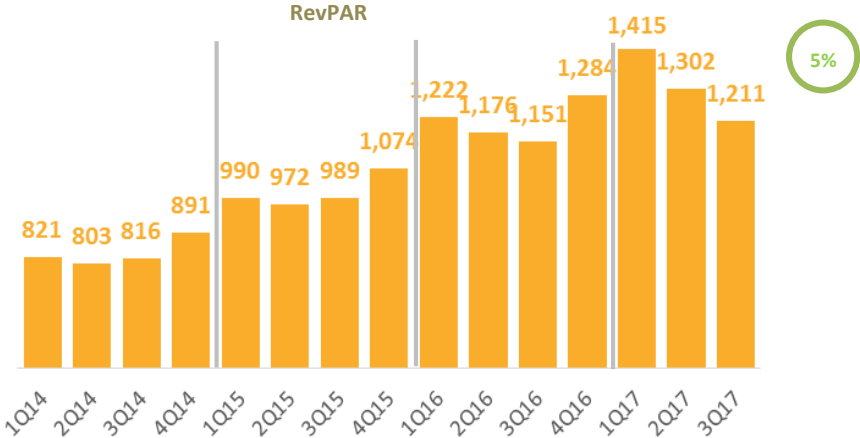
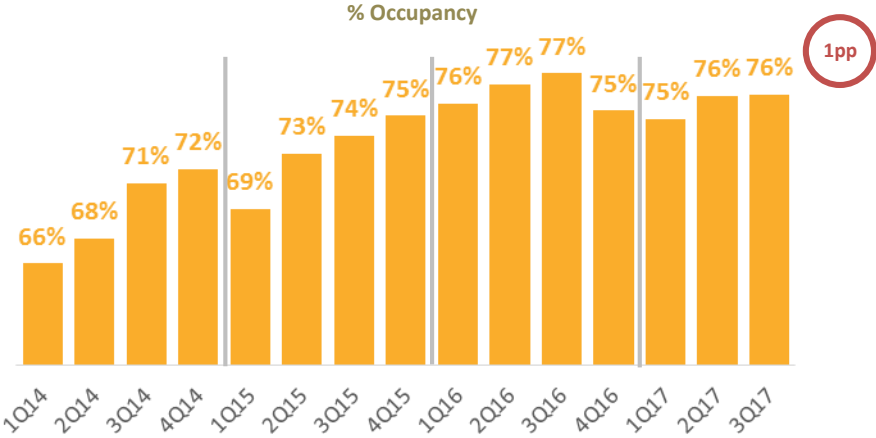
Operative & Financial Results - 3Q17

3Q17	%	QoQ		2017	%	QoQ
2,451	100	17%	Total revenues	6,851	100	13%
2,137	87	29%	Expenses	5,640	82	18%
314	13	-29%	EBITDA MXN	1,211	18	-3%
13%		(0.4pp)	Margin	18%		(0.2pp)
314		-6%	EBITDA MXN adjusted by hotel sales	1,211		6%
(270)		na	Exchange (gain)	(899)		na
65	3	na	Net Income	(36)	(1)	(81%)

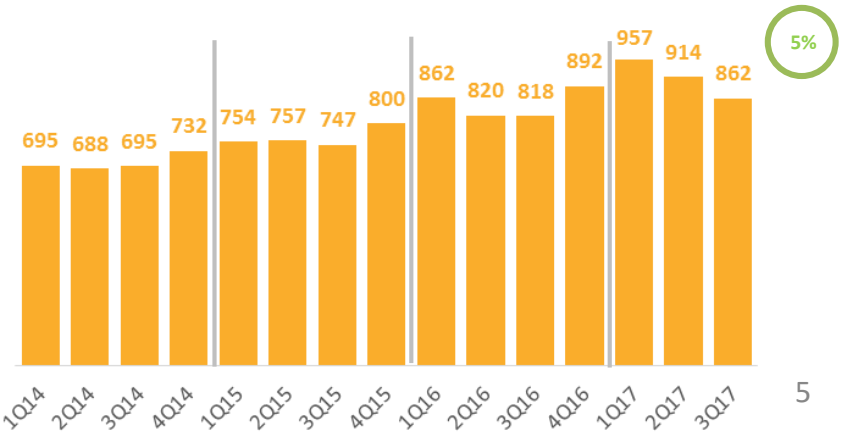
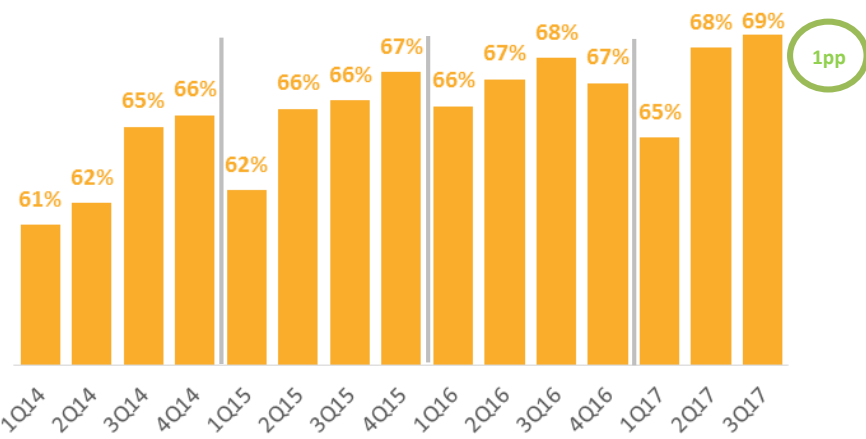


# Hotel Performance

## OWNED AND LEASED HOTELS

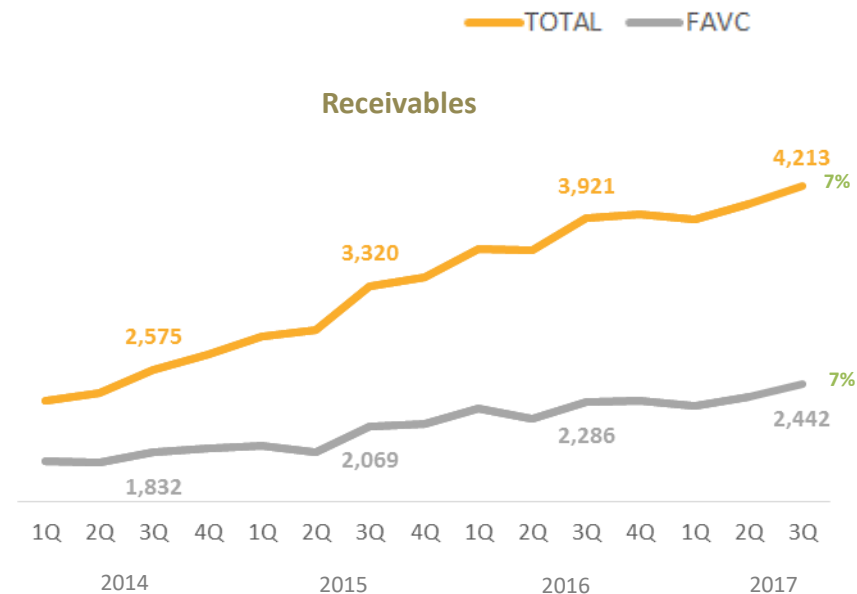
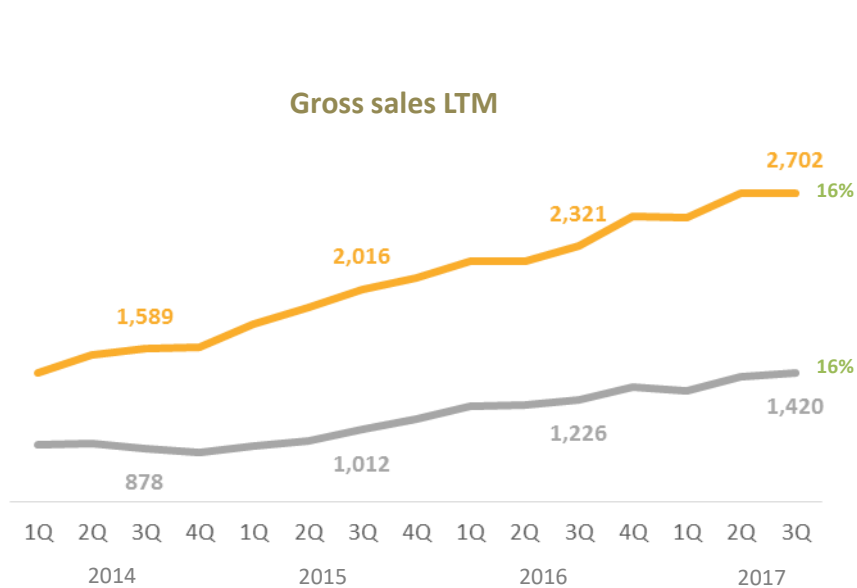


## SYSTEM WIDE HOTELS



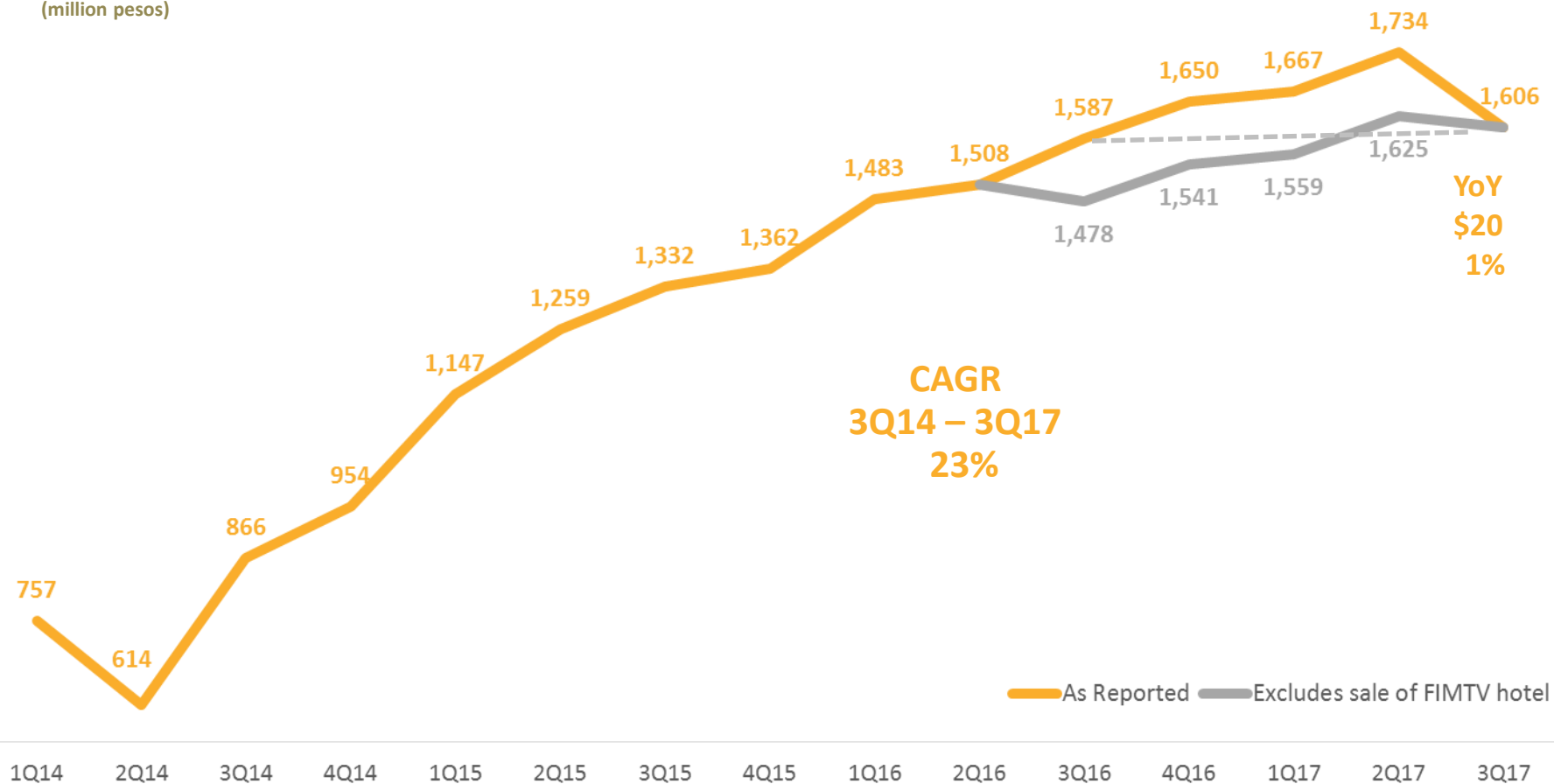
# Vacation Properties

(million pesos)



# EBITDA LTM

(million pesos)



# Free Cash Flow, Internal Reporting

(million pesos)








Operative & Financial Results - 3Q17

Concept	9M17
<b>EBITDA</b>	<b>1,211</b>
Working capital & Other	(296)
Asset Sales	435
CAPEX	(627)
Deferred Asset & Other	(351)
Interests, net	(273)
Taxes	(773)
<b>FCF</b>	<b>(674)</b>
Financings	210
<b>Cash</b>	<b>(464)</b>
Cash BOP	1,770
<b>Cash EOP</b>	<b>1,306</b>












## Number of hotels by brand

	Luxury			Upper	Middle Economy			Vacation Club	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
3Q17							1			1
<b>Total</b>	<b>4</b>	<b>7</b>	<b>13</b>		<b>71</b>	<b>10</b>	<b>44</b>	<b>7</b>	<b>2</b>	<b>158</b>

## Number of rooms by brand

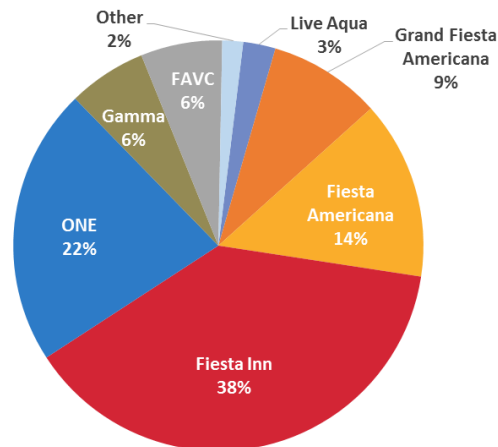
	Luxury			Upper	Middle Economy			Vacation Club	Other	Total
										
2015	566	1,705	3,628		9,414	1,335	4,582	1,613	416	23,259
1Q16							296			296
2Q16	74	348	178		204					804
3Q16					129					129
4Q16			252		125	102	156			635
Exits 2016			(379)		(420)					(799)
1Q17					144		246			390
2Q17			5		142		126			273
3Q17							126			126
<b>Total</b>	<b>640</b>	<b>2,053</b>	<b>3,684</b>		<b>9,738</b>	<b>1,437</b>	<b>5,532</b>	<b>1,613</b>	<b>416</b>	<b>25,113</b>


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# Development Plan

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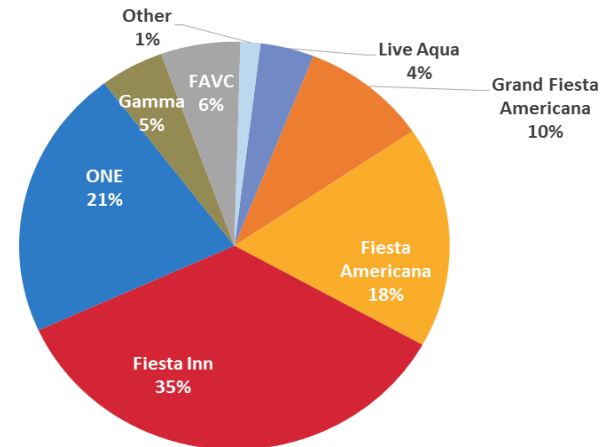
As of September 2017 (25,113 rooms)



Hotels	4Q17	2018	2019	2020	TOTAL
Live Aqua			2	1	3
Grand Fiesta Americana			2	1	3
Fiesta Americana		2	5	2	9
Fiesta Inn	2	9	6		17
ONE	1	10	3		14
The Explorean			1		1
Gamma	2	2			4
Live Aqua Residence Club*	1				1
<b>TOTAL</b>	<b>6</b>	<b>23</b>	<b>19</b>	<b>4</b>	<b>52</b>

(\*) Vacation Club (OWNED properties)

Estimated portfolio .... December 2020 (34,149 rooms) +36%

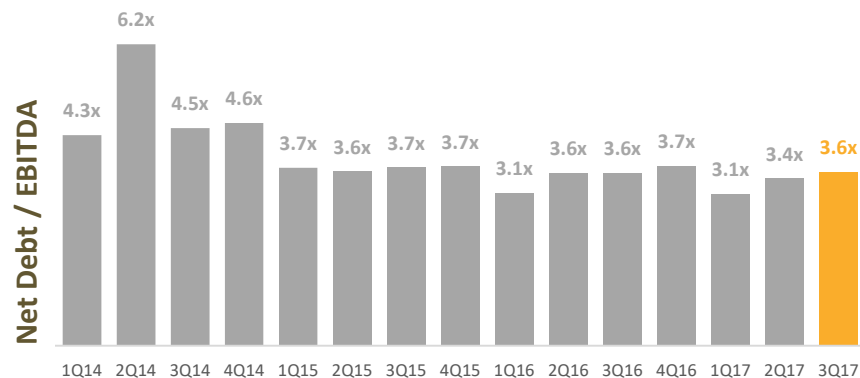
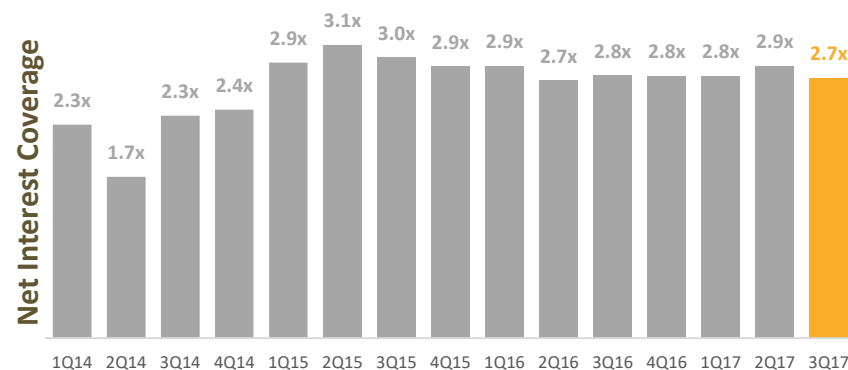
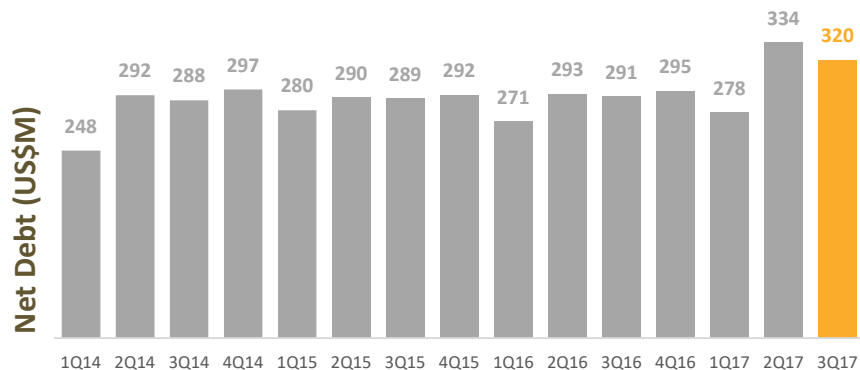


Rooms	4Q17	2018	2019	2020	TOTAL
Live Aqua			401	340	741
Grand Fiesta Americana			468	558	1,026
Fiesta Americana		407	1,120	941	2,468
Fiesta Inn	274	1,192	882		2,348
ONE	126	1,260	452		1,838
The Explorean			90		90
Gamma	255	170			425
Live Aqua Residence Club*	100				100
<b>TOTAL</b>	<b>755</b>	<b>3,029</b>	<b>3,413</b>	<b>1,839</b>	<b>9,036</b>

\$18,556 mm 90% Managed

# Financial Health

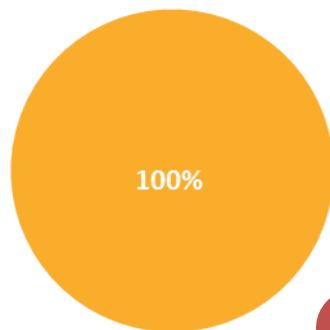
(Fx eop 3Q17: 17.9500)



	3Q17		3Q16	
(Figures in millions)	US\$ Notional	IFRS MXN	US\$ Notional	IFRS MXN
FX eop:		17.9500		19.3776
EBITDA LTM		1,606		1,587
Cash		1,306		2,445
<b>Indebtedness:</b>				
Senior Notes 2022	400	7,180	400	7,751
Senior Notes 2017			38	743
Subsidiary	12	210		
Issuance expenses (IFRS)		(342)		(413)
<b>Total</b>	<b>412</b>	<b>7,048</b>	<b>438</b>	<b>8,081</b>
<b>Net Debt to EBITDA</b>		3.6		3.6

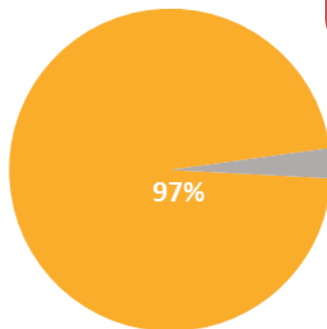
## Debt mix – 3Q17

Tenor



■ LT   ■ ST

Guaranty



■ Unsecured   ■ Secured   ■ Non recourse

Gross debt: US\$412 mm

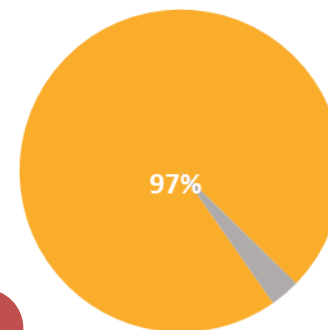
Capitalized expenses: (US\$19 mm)

Total debt: US\$393 mm

Cash: US\$73 mm

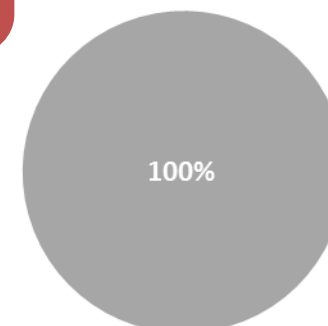
Currency

(Total Debt)



■ USD   ■ MXN

Rate



■ Variable   ■ Fixed

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