

# POSADAS®



## Operative & Financial Results: Third Quarter 2016

# Grupo Posadas, S.A.B. de C.V. & Subsidiaries

## Mexico City, October 27, 2016.

Information presented with respect to the previous year under IFRS accounting standards:

- EBITDA of \$442 mm in 3Q16 and \$1,587 mm LTM.
- In 3Q16, total revenues and EBITDA grew 19% and 22%, respectively.
- In 9M16, total revenues and EBITDA grew 16% and 22%, respectively.
- Two important events:
  - The sale of the Fiesta Inn Monterrey Valle hotel.
  - During the 3Q16, the Company invested in refurbishing 446 rooms in Fiesta Americana hotels.
- 8 hotel openings in 9M16 (Live Aqua: 1, Grand Fiesta America:2, Fiesta Americana:1, Fiesta Inn: 2 and One hotels: 2), representing a 5% increase in rooms since 2015.
- The pipeline considers 34 new hotels and 21% additional rooms to be open during the next three years.
- Cash available as of September 30, 2016 of \$2.4 billion (equivalent to US\$126 million).

*"We have strengthened our position in Mexico City with the recent opening of the Fiesta Americana Toreo hotel as well as in other strategic cities like Monterrey, where we already manage 8 hotels while room demand has increased nearly 10% in the past five years."*  
 Said Jose Carlos Azcarraga, Posadas' CEO.

### > Financial Highlights

Million pesos as of September 30, 2016	3Q16	%	Var. YY %	2016	%	Var. YY %
<b>Total Revenues</b>	2,099.1	100	18.5	6,048.3	100	16.5
<b>EBIT</b>	327.5	16	25.5	890.3	15	20.4
<b>EBITDA</b>	441.6	21	21.7	1,255.1	21	21.8
<b>Net Majority Income</b>	(127.6)	(6)	(63.5)	(185.5)	(3)	(57.0)

During the 3Q16 System-wide hotel "Same hotels" performance continued improving. Our Available Daily Rate (ADR) and occupancy increased 7.0% and 4.2 percent points ("pp") respectively, which resulted in a Revenue Per Available Room (RevPAR) growth of 13.8%.

Urban hotels, which represent 79% of the total rooms operated, continue to perform better with an increase in RevPAR of 13.6% and our coastal hotels performed with a RevPAR increase of 18.9%.

The Company recorded \$442 million of EBITDA in the quarter including the profit from the sale of the Fiesta Inn Monterrey Valle hotel.

The 3.6 times Net Debt leverage ratio improved marginally with respect to the same quarter of previous year at 3.7 times despite a 14.6% MXN depreciation to the USD, YoY.

The \$127.6 million net loss of the 3Q16 was due mostly to the depreciation of the MXN against the USD of \$1.09 equivalent to 6.0% delivering a \$315.0 million exchange loss.

The consolidated cash balance of \$2.4 billion include US\$75 million denominated in USD that are comprised of the following: (i) US\$26 million from excess cash collections after honoring all USD denominated compromises and US\$49 million net from the add-on. Our annual USD consolidated revenues of approximately 25% provide a hedge to the coupons of our Notes due in 2017 and 2022.

On August 1st, 2016, the Company announced the sale of the 176 rooms Fiesta Inn Monterrey Valle hotel, which will continue under a management agreement for a 20 year term. A \$108 million profit was recorded in the Other Businesses section in the P&L statement.

After being refurbished, as of August 2, 2016, the Fiesta Americana Queretaro hotel was upgraded to the Grand Fiesta Americana (GFA) scale.

As of September 1st, 2016, the Company decided not to renew the leasing agreement of two hotels in Santa Fe in Mexico City (Fiesta Americana and Fiesta Inn hotels).

In October 2016 the Company started operations under a leasing agreement for the new Fiesta Americana Toreo hotel with 252 rooms. As of the date of this report, the Company operates 18 hotels in Mexico City and suburbs under its brands Live Aqua, Grand Fiesta Americana, Fiesta Americana, Fiesta Inn and One hotels.

On October 3, 2016, in line with the US\$50 million Re-tap OM, the Company announced that on November 30, 2016 will redeem the outstanding balance of US\$38.3 million of its "7.875% Senior Notes Due 2017".

## > Hotel Development

As of September 30, 2016, we continue with a strong pipeline comprised of executed agreements to operate 34 new hotels with 5,080 rooms. This development plan represents an increase in capacity of 21%. These hotels represent a total investment of US\$457 million and of these, 25% will be invested by Posadas as owners of 2 Vacation Properties (the project in Acapulco Diamante remains under evaluation phase) and 75% will be invested by third parties. Openings are expected to begin in the fourth quarter of 2016 and we expect all of these to be operating by mid-2019 according to commitments made with the different property owners. The average life to operate these contacts is over 15 years.

As we continue with an intense openings schedule, during the last twelve months 12 hotels with 1,622 additional rooms were opened (including one conversions to the Gamma by Fiesta Inn under a franchise model): FI Loft Irapuato, Grand Fiesta Americana (GFA) All Inclusive Parks Vallarta, FI Loft Ciudad del Carmen, Gamma Campeche Malecón, LAT 20 by Live Aqua, FI Villahermosa, One Salamanca, One Durango, Fiesta Americana Monterrey Pabellón, Fiesta Inn Pachuca Gran Patio, Grand Fiesta Americana Puebla, Grand Fiesta Americana Monterrey Valle, Live Aqua Monterrey Valle and FI Playa del Carmen.

New Hotels by Brand	Hotels	Rooms	%
<b>Live Aqua</b>	2	380	7.5
<b>Live Aqua Residence Club</b>	1	100	2.0
<b>Fiesta Americana</b>	4	702	13.8
<b>FA Vacation</b>	1	490	9.6
<b>Fiesta Inn</b>	12	1,756	34.6
<b>Fiesta Inn Loft</b>	2	152	3.0
<b>One Hotels</b>	11	1,410	27.8
<b>Other</b>	1	90	1.8
<b>Total</b>	<b>34</b>	<b>5,080</b>	<b>100</b>

Openings LTM	No. of Rooms	Type of Contract
<b>FI Loft Cd. Del Carmen</b>	120	Managed
<b>Gamma Campeche Malecon</b>	146	Franchise
<b>Lat20 by Live Aqua</b>	60	Leased
<b>FI Villahermosa</b>	159	Managed
<b>One Salamanca</b>	126	Managed
<b>One Durango</b>	126	Managed
<b>FA Monterrey Pabellon</b>	178	Managed
<b>FI Pachuca Gran Patio</b>	156	Managed
<b>GFA Puebla</b>	168	Managed
<b>GFA Monterrey Valle</b>	180	Managed
<b>Live Aqua Monterrey Valle</b>	74	Managed
<b>FI Playa del Carmen</b>	129	Managed
<b>Total</b>	<b>1,622</b>	

> Owned and Leased Hotels  
(Excludes vacation properties)

3Q16 (QQ)	Total	% Var.	Urban	% Var.	Coastal	% Var.
<b>Average Rooms</b>	4,597	(12.5)	3,530	(11.4)	1,067	(16.3)
<b>Available Daily Rate</b>	1,486	10.9	1,345	12.4	1,982	10.9
<b>Occupancy (Var. in pp)</b>	77%	3.6	78%	4.8	74%	(0.1)
<b>RevPAR</b>	1,151	16.3	1,056	19.6	1,466	10.8

Accumulated	Total	% Var.	Urban	% Var.	Coastal	% Var.
<b>Average Rooms</b>	5,078	(3.6)	3,834	(4.0)	1,244	(2.3)
<b>Available Daily Rate</b>	1,547	13.2	1,344	13.3	2,161	16.3
<b>Occupancy (Var. in pp)</b>	75%	3.5	75%	5.7	77%	(3.6)
<b>RevPAR</b>	1,167	18.6	1,009	22.6	1,655	11.1

During the quarter, revenues from this segment represented 41.6% of the consolidated revenues. The EBITDA (IFRS) margin was 17.4% representing a 3.3pp decrease over the 3Q15 (business margin was 11.8%, minus 3.6pp). The hotel revenues were reduced during this period due to the Fiesta Americana Condesa Cancun hotel full refurbishment in phases that had in average 53% of its room inventory unavailable during this period. The full refurbishment of its 502 rooms will be completed by 1Q17. And the Fiesta Americana Guadalajara hotel current refurbishment of 18% of its total room inventory. The full refurbishment will be completed by yearend 2016.

A higher ADR (Average Daily Rate) of 10.9% and a 3.6pp increase in occupancy resulted in a RevPAR increase of 16.3%.

Results for urban hotels showed an improvement when compared with 3Q15; a 12.4% increase in ADR and a 4.8pp increase in occupancy, resulted in a RevPAR improvement of 19.6%, despite 11.4% less average rooms available due to the following: (i) the shift of the owned Fiesta Inn Monterrey Valle hotel to a managed agreement, (ii) the rooms adjusted by the refurbishment of the hotel in Guadalajara and (iii) the recently cancelled leased contracts of two hotels in the Santa Fe area in Mexico City.

With 16.3% less average number of rooms available for coastal hotels due to the Cancun hotel under refurbishment, occupancy decreased marginally by 0.1pp, while ADR increased 10.9%. As a result of a better mix of rates the RevPAR increased 10.8% when compared with the same period of previous year.

## > Management

(Includes owned, leased, franchise and managed hotels. Excludes vacation properties)

3Q16 (QQ)	Total	% Var.	Urban	% Var.	Coastal	% Var.
<b>Average Rooms</b>	20,773	5.0	17,883	4.8	2,890	6.0
<b>Available Daily Rate</b>	1,203	6.7	1,095	6.5	1,901	8.2
<b>Occupancy (Var. in pp)</b>	68%	1.8	68%	2.0	66%	0.2
<b>RevPAR</b>	818	9.5	749	9.7	1,249	8.5

Accumulated	Total	% Var.	Urban	% Var.	Coastal	% Var.
<b>Average Rooms</b>	20,759	6.1	17,692	4.8	3,067	14.6
<b>Available Daily Rate</b>	1,243	7.1	1,092	5.8	2,071	9.8
<b>Occupancy (Var. in pp)</b>	67%	1.9	66%	2.4	70%	(1.3)
<b>RevPAR</b>	830	10.3	724	9.8	1,442	7.8

Same Hotels 3Q16 (QQ)	Total	% Var.	Urban	% Var.	Coastal	% Var.
<b>Average Rooms</b>	18,233	(2.1)	15,847	(0.8)	2,386	(10.1)
<b>Available Daily Rate</b>	1,187	7.0	1,066	6.6	1,988	13.2
<b>Occupancy (Var. in pp)</b>	71%	4.2	71%	4.4	71%	3.4
<b>RevPAR</b>	840	13.8	755	13.6	1,405	18.9

Same Hotels Accumulated	Total	% Var.	Urban	% Var.	Coastal	% Var.
<b>Average Rooms</b>	18,304	(0.7)	15,741	(0.3)	2,563	(3.4)
<b>Available Daily Rate</b>	1,229	7.5	1,064	6.0	2,169	15.1
<b>Occupancy (Var. in pp)</b>	68%	3.4	68%	3.8	73%	1.4
<b>RevPAR</b>	841	13.2	721	12.3	1,583	17.2

The Management line includes hotel management, brand licensing and franchise services along with our loyalty management and call center businesses. Revenue represented 10.9% of total revenue in the quarter with a margin (IFRS) of 24.5%, 1.0 pp higher than in 3Q15 (business margin was 44.5%, +1.5pp).

The average number of rooms operated recorded a 5.0% increase in the quarter. An improvement in ADR, occupancy and RevPAR of 6.7%, 1.8 pp and 9.5%, respectively, was achieved.

The following operating data is for all the hotels "Same hotels" we manage in Mexico.

## > Management

With 2.1% less available rooms adjusted by the refurbishment, system-wide hotels reported a 7.0% improvement in ADR, a 4.2 pp increase in occupancy, and a RevPAR growth of 13.8%. By regions, all over performed versus the same period of previous year.

System-wide urban hotels had an improvement in ADR of 6.6% and a 4.4pp in occupancy achieving a RevPAR increase of 13.6%.

Coastal hotels increased 3.4% in occupancy due in part to the local summer vacation period, ADR, and RevPar increased 13.2% and 18.9%, respectively.

## > Vacation Properties

The Vacation Club business segment primarily includes our vacation properties comprised of the Fiesta Americana Vacation Club (FAVC), Live Aqua Residence Club (LARC) programs. Revenue for the quarter amounted to 34.7% of the Posadas's consolidated revenues in 3Q16. The contribution margin (IFRS) was 33.6%, 4.3 pp higher than the 3Q15 margin (business margin was 28.8%, +2.9pp), due to a stable pace in the volume of net vacation club memberships sales.

As of September 30, 2016, the total receivables reached \$3,921 million representing an 18% increase with respect to the same period of previous year.

## > Other Businesses

For the 3Q16 the results for other businesses as Ampersand, Konexo and Conectum are shown separately with the purpose to measure the performance of these businesses adequately. It is worth mentioning that Ampersand revenues have decreased as a consequence of not renewing third party contracts. The sale of the hotel in Monterrey previously mentioned is also recorded in this section.

## > EBITDA

In the 3Q16 an EBITDA of \$441.6 million was recorded, that compares favorably with the \$362.7 million recorded in 3Q15 (+21.7%).

For the last twelve months, EBITDA (IFRS) was \$1,586.5 million (US\$88.1 million with an average exchange rate of MXN\$18.01 per USD), that represent a 19.1% improvement versus the \$1,332.0 million in 3Q15 LTM.

## > Capital Expenditures

The total consolidated capex was \$190.2 million; \$180.2 (95%) million for hotels and vacation properties and \$10.0 (5%) million for corporate. Total capex for the 9M16 period was \$476.3 million.



## > Comprehensive Financial Result

Concept	3Q16	3Q15	9M16	9M15
<b>Interest earned</b>	(12,804)	(5,150)	(28,112)	(25,277)
<b>Interest expense</b>	171,688	146,643	467,514	368,068
<b>Fluctuations loss (gain)</b>	314,977	375,425	623,053	612,209
<b>Other expenses (products)</b>	19,342	20,927	53,215	42,094
<b>Financial expenses</b>	5,029	18,435	13,269	26,248
<b>Total</b>	<b>498,232</b>	<b>556,279</b>	<b>1,128,939</b>	<b>1,023,341</b>

Figures in thousands of pesos.

At the end of the quarter, considering the effect of IFRS, the net coverage ratio was 2.8 times; 0.2 times lower versus the same quarter of the previous year.

In 3Q16 the foreign exchange unrealized loss of \$315.0 mm was recorded due to a depreciation of 14.6%, YoY.

## > Net Majority Income

As a result of the aforementioned, a \$127.6 million net loss for the quarter was recorded versus a \$349.8 million loss in 3Q15. For the 9M16, the net loss was \$185.5 million.

## > Financial Situation

As of September 30, 2016 the cash balance was \$2.4 billion (equivalent to US\$126 million with an exchange rate at the end of period of \$19.3776 per USD).

On September 28, 2016, the secured committed revolving bank line of \$200 million was renewed for another year. As of the date of this report the line remains undrawn.

As of the end of the third quarter the total assets reached \$15,720.7 million (US\$811.3 million).

The main uses of cash during the quarter were, among other items, capital expenditures and paid taxes.

Total Debt at the end of the quarter was \$8,081.8 million (US\$417.1 million), net of issuance expenses, while the Net Debt (IFRS) was \$5,636.7 million (US\$290.9 million). The Net Debt to EBITDA ratio was 3.6 times under IFRS, slightly better than the 3.7 times of 3Q15 despite the depreciation of the MXN.

The Total Debt mix under IFRS at the end of the quarter was 100% in long-term, U.S. dollars denominated and with a fixed rate. The average life was 5.3 years and there was no secured debt outstanding.

As of the date of this report, the existing corporate ratings are

- Moody's: global scale "B2" with positive outlook.
- S&P: global "B+" with positive outlook.
- Fitch: global Issuer Default Rating (IDR) "B" and local "BB+(mex)", both with stable outlook.

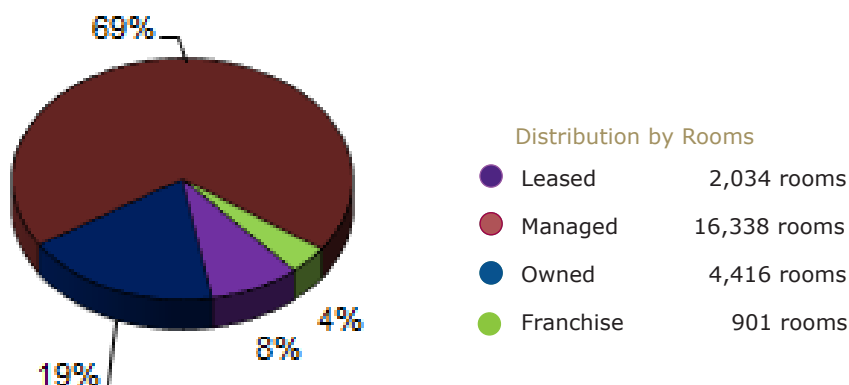
The ratings for the "7.875% Senior Notes Due 2017" and "7.875% Senior Notes Due 2022" were: Moody's: "B2"/ S&P:"B+" / Fitch: "B+ RR3".

In compliance with article 4.033.02 Frac. VIII of the Mexican Stock Exchange rules, Grupo Posadas coverage is provided by:

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> Grupo Posadas as of September 30, 2016

Posadas is the leading hotel operator in Mexico that owns, leases and manages 145 hotels and 23,689 rooms in the most important and visited urban and coastal destinations in Mexico (99% of total rooms) and owns one hotel in the United States (1%). 79% of rooms are in urban destinations and 21% in coastal. Posadas operates under the following brands: Live Aqua, LAT20 by Live Aqua, Grand Fiesta Americana, Fiesta Americana, The Exploreat, Fiesta Americana Vacation Villas, Live Aqua Residence Club, Fiesta Inn, Fiesta Inn LOFT, Gamma and One Hotels. Posadas trades in the MSE since 1992.



Brand	Mexico		USA		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
<b>Live Aqua</b>	4	640			4	640
<b>Grand Fiesta Americana</b>	8	2,226			8	2,226
<b>Fiesta Americana</b>	11	3,273			11	3,273
<b>Fiesta Inn</b>	62	9,071			62	9,071
<b>Fiesta Inn Loft</b>	2	164			2	164
<b>Gamma</b>	10	1,449			10	1,449
<b>FA Vacation Villas</b>	7	1,613			7	1,613
<b>One Hotels</b>	39	4,840			39	4,840
<b>Others</b>	1	213	1	200	2	413
<b>Total</b>	<b>144</b>	<b>23,489</b>	<b>1</b>	<b>200</b>	<b>145</b>	<b>23,689</b>
<b>%</b>		<b>99%</b>		<b>1%</b>		<b>100%</b>

## > Income Statement IFRS

(million pesos)

Concept	3Q16	%	3Q15	%	Var %	9M16	%	9M15	%	Var %
Total Revenues	2,099.1	100.0	1,771.1	100.0	18.5	6,048.3	100.0	5,192.3	100.0	16.5
<b>Owned &amp; Leased Hotels</b>										
Revenues	873.3	100.0	864.9	100.0	1.0	3,025.9	100.0	2,634.7	100.0	14.8
Direct Cost	721.7	82.6	686.2	79.3	5.2	2,363.7	78.1	2,068.1	78.5	14.3
Contribution IFRS	151.7	17.4	178.7	20.7	(15.1)	662.3	21.9	566.6	21.5	16.9
Intersegment fee eliminations(1)	(48.5)		(45.3)			(194.9)		(154.2)		
Business Contribution	103.2	11.8	133.4	15.4	(22.7)	467.4	15.4	412.5	15.7	13.3
<b>Managed</b>										
Revenues	229.2	100.0	194.9	100.0	17.6	679.1	100.0	573.9	100.0	18.3
Direct Cost	173.0	75.5	149.1	76.5	16.0	484.9	71.4	431.9	75.3	12.3
Contribution IFRS	56.2	24.5	45.8	23.5	22.6	194.2	28.6	142.0	24.7	36.8
Intersegment fee eliminations(1)	82.0		84.1			295.3		254.0		
Business Contribution	138.2	44.5	130.0	43.1	6.3	489.5	44.5	396.0	43.1	23.6
<b>Vacation Properties</b>										
Revenues	728.2	100.0	640.3	100.0	13.7	1,990.3	100.0	1,711.6	100.0	16.3
Direct Cost	483.4	66.4	452.3	70.6	6.9	1,386.0	69.6	1,231.7	72.0	12.5
Contribution IFRS	244.8	33.6	188.0	29.4	30.2	604.4	30.4	479.9	28.0	25.9
Intersegment fee eliminations(1)	(34.7)		(22.0)			(85.2)		(50.2)		
Business Contribution	210.1	28.8	166.0	25.9	26.5	519.1	26.1	429.8	25.1	20.8
<b>Other Businesses(2)</b>										
Revenues	268.3	100.0	70.9	100.0	278.4	352.9	100.0	272.1	100.0	29.7
Direct Cost	170.3	63.5	65.1	91.8	161.7	263.2	74.6	246.8	90.7	6.6
Contribution IFRS	98.0	36.5	5.8	8.2	1,581.3	89.7	25.4	25.3	9.3	255.1
Intersegment fee eliminations(1)	5.9		(12.3)			(1.3)		(35.8)		
Business Contribution	103.9	10.9	(6.5)	1.6	na	88.4	10.9	(10.5)	1.6	na
<b>Corporate Expenses</b>										
Corporate Expenses	75.9	3.6	63.6	3.6	19.3	230.5	3.8	221.4	4.3	4.1
Intersegment fee eliminations(1)	(4.6)		(4.5)			(13.8)		(13.5)		
Depreciation/amortization	114.1	5.4	101.8	5.7	12.1	364.9	6.0	291.0	5.6	25.4
Asset impairment	0.0	0.0	0.0	0.0	na	0.0	0.0	0.0	0.0	na
Other expenses (3)	33.2	1.6	(8.0)	(0.5)	na	65.0	1.1	(38.1)	(0.7)	na
Other revenues	0.0	0.0	0.0	0.0	na	0.0	0.0	0.0	0.0	na
Operating Profit	327.5	15.6	261.0	14.7	25.5	890.3	14.7	739.5	14.2	20.4
<b>EBITDA</b>	<b>441.6</b>	<b>21.0</b>	<b>362.7</b>	<b>20.5</b>	<b>21.7</b>	<b>1,255.1</b>	<b>20.8</b>	<b>1,030.6</b>	<b>19.8</b>	<b>21.8</b>
Comprehensive financig cost	498.2	23.7	556.3	31.4	(10.4)	1,128.9	18.7	1,023.3	19.7	10.3
Profit before Taxes & Assoc. Co.	0.0	0.0	0.0	0.0	na	0.0	0.0	0.0	0.0	na
Part. in results of Assoc. Co	0.0	0.0	0.0	0.0	na	0.0	0.0	0.0	0.0	na
<b>Profit Before Taxes</b>	<b>(170.7)</b>	<b>(8.1)</b>	<b>(295.3)</b>	<b>(16.7)</b>	<b>(42.2)</b>	<b>(238.7)</b>	<b>(3.9)</b>	<b>(283.8)</b>	<b>(5.5)</b>	<b>(15.9)</b>
Discontinued Operations	0.0	0.0	0.0	0.0	na	1.3	0.0	2.6	0.1	(51.0)
Income taxes	(3.1)	(0.1)	59.4	3.4	na	43.3	0.7	156.0	3.0	(72.3)
Deferred taxes	(41.5)	(2.0)	(3.6)	(0.2)	1,063.6	(104.1)	(1.7)	(7.0)	(0.1)	1,395.0
<b>Net Income before Minority</b>	<b>(126.2)</b>	<b>(6.0)</b>	<b>(351.2)</b>	<b>(19.8)</b>	<b>(64.1)</b>	<b>(179.1)</b>	<b>(3.0)</b>	<b>(435.5)</b>	<b>(8.4)</b>	<b>(58.9)</b>
Minority Interest	1.4	0.1	(1.3)	(0.1)	na	6.4	0.1	(4.5)	(0.1)	na
<b>Net Majority Income</b>	<b>(127.6)</b>	<b>(6.1)</b>	<b>(349.8)</b>	<b>(19.8)</b>	<b>(63.5)</b>	<b>(185.5)</b>	<b>(3.1)</b>	<b>(430.9)</b>	<b>(8.3)</b>	<b>(57.0)</b>

(1) Intersegment fee eliminations: Management, brand and incentive fees, among others, were eliminated from each segment.

(2) Includes the following businesses: Ampersand, Conectum, Konexo, GloboGo, Promoción y Desarrollo and Summas, as well as the sale of the hotel FI Monterrey Valle.

(3) Includes expenses due to licence and permits for refurbishments, severance payments and preoperational expenses of certain hotels.

## > Consolidated Balance Sheet as of September 30, 2016 and December 31, 2015 IFRS

(million pesos)

CONCEPT	SEP- 16	%	DEC - 15	%	VAR. %
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	1,995.1	12.7	763.8	5.5	161.2
Trade and other current receivables	2,884.1	18.3	2,253.3	16.4	28.0
Current tax assets	154.8	1.0	402.0	2.9	(61.5)
Other current financial assets	450.0	2.9	450.0	3.3	0.0
Current inventories	152.5	1.0	232.2	1.7	(34.3)
Other current non-financial assets	63.7	0.4	62.1	0.5	2.6
Current assets other than non-current assets or disposal groups classified as held for sale or as held for distribution to owners	5,700.2	36.3	4,163.4	30.2	36.9
Non-current assets or disposal groups classified as held for sale or as held for distribution to owners	60.6	0.4	59.2	0.4	2.3
<b>Total current assets</b>	<b>5,760.8</b>	<b>36.6</b>	<b>4,222.6</b>	<b>30.6</b>	<b>36.4</b>
<b>Non current assets</b>					
Trade and other non-current receivables	2,419.7	15.4	2,285.5	16.6	5.9
Investments in subsidiaries, joint ventures and associates	56.4	0.4	1.1	0.0	4,897.3
Property, plant and equipment	6,132.4	39.0	6,286.0	45.6	(2.4)
Investment property	505.8	3.2	403.3	2.9	25.4
Intangible assets other than goodwill	566.3	3.6	404.9	2.9	39.9
Deferred tax assets	279.2	1.8	173.6	1.3	60.9
<b>Total non-current assets</b>	<b>9,959.9</b>	<b>63.4</b>	<b>9,554.4</b>	<b>69.4</b>	<b>4.2</b>
<b>Total assets</b>	<b>15,720.7</b>	<b>100.0</b>	<b>13,777.0</b>	<b>100.0</b>	<b>14.1</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade and other current payables	472.6	3.0	692.1	5.0	(31.7)
Current tax liabilities	117.8	0.7	240.9	1.7	(51.1)
Other current financial liabilities	1,298.8	8.3	1,101.6	8.0	17.9
Total current liabilities other than liabilities included in disposal groups classified as held for sale	1,889.2	12.0	2,034.6	14.8	(7.1)
Liabilities included in disposal groups classified as held for sale	6.4	0.0	6.4	0.0	0.5
<b>Total current liabilities</b>	<b>1,895.6</b>	<b>12.1</b>	<b>2,041.0</b>	<b>14.8</b>	<b>(7.1)</b>
<b>Long term liabilities</b>					
Trade and other non-current payables	1,082.8	6.9	703.5	5.1	53.9
Other non-current financial liabilities	8,528.8	54.3	6,612.1	48.0	29.0
Non-current provisions for employee benefits	153.0	1.0	66.9	0.5	128.6
Deferred tax liabilities	600.1	3.8	725.9	5.3	(17.3)
<b>Total non-current liabilities</b>	<b>10,364.6</b>	<b>65.9</b>	<b>8,108.5</b>	<b>58.9</b>	<b>27.8</b>
<b>Total liabilities</b>	<b>12,260.3</b>	<b>78.0</b>	<b>10,149.5</b>	<b>73.7</b>	<b>20.8</b>
<b>EQUITY</b>					
Total equity attributable to owners of parent	3,266.2	20.8	3,430.8	24.9	(4.8)
Non-controlling interests	194.2	1.2	196.8	1.4	(1.3)
<b>Total Stockholders' Equity</b>	<b>3,460.4</b>	<b>22.0</b>	<b>3,627.5</b>	<b>26.3</b>	<b>(4.6)</b>
<b>Total Liabilities &amp; Stockholders' Equity</b>	<b>15,720.7</b>	<b>100.0</b>	<b>13,777.0</b>	<b>100.0</b>	<b>14.1</b>

## >Consolidated Cash Flow Statement - IFRS

(Million pesos from January 1st to September 30, 2016 & 2015)

CONSOLIDATED CASH FLOW STATEMENT		
Statement of cash flows	9M16	9M15
Cash flows from (used in) operating activities		
Profit (loss)	(179.1)	(435.5)
Adjustments to reconcile profit (loss)		
Discontinued operations	1.3	2.6
Adjustments for income tax expense	(60.8)	149.0
Adjustments for finance costs	439.4	342.8
Adjustments for depreciation and amortisation expense	364.9	291.0
Adjustments for unrealised foreign exchange losses (gains)	888.7	853.7
Adjustments for losses (gains) on disposal of non-current assets	(110.6)	1.5
Participation in associates and joint ventures	(8.9)	(19.5)
Adjustments for decrease (increase) in inventories	79.7	77.1
Adjustments for decrease (increase) in trade accounts receivable	(396.0)	(601.8)
Adjustments for decrease (increase) in other operating receivables	29.2	(43.8)
Adjustments for increase (decrease) in trade accounts payable	(109.7)	(27.7)
Adjustments for increase (decrease) in other operating payables	305.3	742.1
Other adjustments to reconcile profit (loss)	(126.3)	(60.6)
Total adjustments to reconcile profit (loss)	1,296.2	1,706.6
Cash flows from (used in) operations	1,117.1	1,271.1
Income taxes paid (refund), classified as operating activities	198.4	367.4
Cash flows from (used in) operating activities	918.7	903.7
Proceeds from sales of property, plant and equipment, classified as investing activities	245.0	0.0
Purchase of property, plant and equipment, classified as investing activities	476.3	282.4
Interest received, classified as investing activities	28.1	25.3
Other inflows (outflows) of cash, classified as investing activities	(56.6)	66.5
Cash flows from (used in) investing activities	(259.7)	(190.7)
Proceeds from borrowings, classified as financing activities	922.6	5,448.7
Repayments of borrowings, classified as financing activities	8.6	4,993.7
Interest paid, classified as financing activities	329.3	250.1
Other inflows (outflows) of cash, classified as financing activities	(26.4)	(339.5)
Cash flows from (used in) financing activities	558.4	(134.7)
Increase (decrease) in cash and cash equivalents before effect of exchange rate changes	1,217.3	578.3
Effect of exchange rate changes on cash and cash equivalents	14.0	(20.9)
Increase (decrease) in cash and cash equivalents	1,231.3	557.5
Cash and cash equivalents at beginning of period	763.8	997.8
Cash and cash equivalents at end of period	1,995.1	1,555.3