

POSADAS®



Operating & Financial Results: Fourth Quarter 2019



Grupo Posadas, S.A.B. de C.V. & Subsidiaries Mexico City, February 27, 2019.

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

- In 4Q19 and 2019 revenues reached \$2,388 million and \$9,073 million, respectively.
- EBITDA for the 4Q19 and 2019 of \$428 million and \$1,567 million, respectively, reflecting the application of IFRS 16, which went into effect on January 1st, 2019; \$234 million and \$856 million on a comparable basis (excluding IFRS 16).
- 14 hotel openings during 2019 including the Fiesta Americana Viaducto with 260 rooms.
- The pipeline considers 36 hotels (a 25% increase over current number of rooms) to be opened during the next three years.
- Cash available as of December 31, 2019 of \$1,240 million (equivalent to US\$66 million) considers US\$43 million denominated in USD.

> Executive Summary

Million pesos as of December 31, 2019	4Q19				Var. YY %
	IFRS 16	Leases	BAU	%	
Total Revenues	2,387.6	0.0	2,387.6	100	8.7
EBIT	169.3	(49.4)	119.8	5	(66.3)
EBITDA	427.8	(193.5)	234.2	10	(51.9)
Majority Net Income	128.8	(31.9)	96.9	4	na

For Posadas, 2019 was a challenging year. On the positive side, the Mexican government maintained a healthy fiscal policy and a strong and independent Central Bank. On the other hand, we observed a reduction in investment and a contraction in national growth.

The hotel sector in Mexico has great potential and is an engine of regional economic growth and development. We believe that we are in a dynamic growing industry. Younger generations seek to travel, accumulate experiences and share them through social media. We believe that Mexico is the right country at the right time and will fuel our growth as a company

Mexico ranked 7th in the 2019 international tourist arrivals ranking of the World Tourism Organization with 41.4 million foreign visitors, that is, an increase of 5.5% vs. previous year.

The asset right strategy carried out by the company for the past few years, continues to deliver good results. During the year we registered 14 openings (net growth: 9 hotels), among these are:

1. Fiesta Americana Viaducto Aeropuerto with 260 room,
2. Fiesta Americana San Luis Potosí with 150 rooms,
3. Grand Fiesta Americana Oaxaca with 144 rooms (recent opening).

Taking into account these new projects, we closed the year with 184 hotels and nearly 30,000 rooms in more than 60 destinations.

Additionally, we signed 12 new contracts to add a total of 2,319 rooms in our different brands. With these commitments our Hotel Development pipeline reached 36 hotels and 7,558 additional rooms (+ 25%), estimated to be opened within the next 36 months.

Regarding our growth strategy outside of Mexico, we announce that in August 2019 we entered into a contract to operate a 345-room hotel under the Live Aqua brand for a fifteen year-term in Punta Cana, Dominican Republic. We estimate that the hotel will be operational during the second quarter of 2020

In the development of new hospitality products, we continue to promote our existing brands and launch new ones, driving value in our portfolio: *IOH Freestyle Hotels*, a new category of lodging for multipurpose travelers and within the concept of *author crafted hotels: Curamoria Collection*, soft brand under the franchise model, will become a reality in 2020. In the second quarter of 2020 we expect the opening of the first IOH in Merida with 140 rooms. Today, our portfolio is made up of 9 brands from the hotel market and 4 from the Vacation Properties segment.

With regard to sales and marketing, we continue to receive 7 of 10 customers through our channels, the Web channel being the fastest growing and highest penetration. The digital world will continue to be a great challenge, and we will continue to invest to keep up with the pace demanded by the consumer.

The loyalty of our customers is one of the great pillars of the Company. Fiesta Rewards evolved its image in order to strengthen the bond with our partners, and we already have 330,000 active members and more than 165,000 new ones, which generated more than 2 million rooms per night (32% of total occupancy).

In 2019, the Vacation Properties segment had record results. The sales of Fiesta Americana Vacation Club (FAVC), Live Aqua Residence Club (LARC), Kivac and FAVC Access reached a growth of 17%. Understanding the requirements of our travelers, FAVC Access increased its penetration in our customer base. At the end of 2019 we have 80,000 customers through the different products.

Regarding our financial results we closed the year with consolidated revenues of \$9,073 million and the Company generated \$856¹ million in EBITDA. With this cash flow, we invested more than \$500 million aimed at maintaining our hotel standards and incorporate technology in our daily processes to improve the experience of our guests.

> 4Q19

During the last quarter of 2019 we reported an EBITDA higher than the previous quarter, sequentially (+ 43%).

During the 4Q19, the System-wide hotels performance was slightly better QoQ, which resulted in a marginal increase in RevPAR.

Urban hotels, which represent 81% of the total rooms operated, recorded a marginal increase in RevPAR. During the quarter we ended the managing contract for the Gamma Torreon hotel with 102 rooms.

On the other hand, our coastal hotels recorded a 0.9% decrease in RevPAR, QoQ.

Our annual revenues denominated in USD of approximately 27% provide a direct hedge for the coupons of our Senior Notes due 2022. As of the date of release of this report, the Senior Notes Due 2022 quoted at 97 with a yield to maturity of 9.0%.

Inversora Inmobiliaria Club, S.A. de C.V., which is a subsidiary of the Company and a Guarantor under the Indenture of our "7.875% Senior Notes Due 2022", merged into Grupo Posadas, S.A.B. de C.V., said merger came into effect on October 3, 2019.

> Subsequent events

On January 31, 2020, we received \$108 million from the sale of the Fiesta Americana Hermosillo hotel that was announced on April 29, 2016.

On February 24, we concluded the \$240 million sale of a plot of land in Nuevo Vallarta, Nayarit.

¹ Excludes IFRS 16 - leases

> Hotel Development

As of December 31, 2019, the Company continued with a strong pipeline of agreements with different levels of commitment, to operate 36 new hotels with 7,558 rooms. These hotels represent a total investment of \$25,814 million (US\$1,368 million), 5% is being invested by Posadas and 95% by third parties. This development plan represents an increase in room capacity of 25%.

Openings are expected to begin in the first quarter of 2020, and we expect all hotels to be operational by year-end 2022 according to commitments made with the different property owners. The average term of these management contracts is over 15 years.

New Hotels by Brand	Mexico		Caribbean		Total		%
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms	
Live Aqua	3	830	1	345	4	1,175	15.5
Live Aqua Residence Club							
Grand Fiesta Americana	2	424	1	554	3	978	12.9
Fiesta Americana	6	1,916			6	1,916	25.4
Fiesta Inn	4	569			4	569	7.5
Fiesta Inn Loft	1	137			1	137	1.8
One Hoteles	7	880			7	880	11.6
Gamma	8	1,022			8	1,022	13.5
Others	3	881			3	881	11.7
Total	34	6,659	2	899	36	7,558	100

The Company continues with an intense openings schedule, during the last twelve months 14 hotels with 2,973 additional rooms were opened.

Openings LTM	No. of Rooms	Type of Contract
Fiesta Americana All Inclusive Varadero	633	managed
Fiesta Americana All Inclusive Holguin	749	Managed
Fiesta Inn Express Monterrey Centro	117	Franchised
Fiesta Inn Parque Puebla	160	Managed
Gamma Mazatlán Centro Histórico	63	Franchised
Gamma Cancún Centro	110	Managed
Gamma Monterrey Rincón de Santiago	89	Franchised
Fiesta Inn Express Puebla Explanada	138	Leased
Fiesta Inn Guadalajara Periferico Poniente	142	Managed
Gamma Orizaba Grand Hotel de France	91	Franchised
Fiesta Inn Celaya Galerías	145	Managed
Fiesta Americana Viaducto Aeropuerto	260	Managed
One Tapachula	126	Managed
Fiesta Americana San Luis Potosí	150	Managed
Total	2,973	

> Owned and Leased Hotels
(Excludes Vacation Properties)

4Q19 (QQ)	Total	% Var.	Urban	% Var.	Coastal	% Var.
Average Rooms	5,502	19.3	3,872	8.3	1,630	57.1
Average Daily Rate	1,720	(3.4)	1,606	(2.1)	1,979	(12.4)
Occupancy (Var. in pp)	73%	(0.7)	73%	(1.6)	75%	1.6
RevPAR	1,263	(4.2)	1,166	(4.2)	1,494	(10.4)

Accumulated	Total	% Var.	Urban	% Var.	Coastal	% Var.
Average Rooms	5,199	11.9	3,723	4.5	1,476	36.3
Average Daily Rate	1,740	(1.8)	1,561	(0.7)	2,177	(9.8)
Occupancy (Var. in pp)	72%	(3.1)	72%	(3.3)	74%	(3.0)
RevPAR	1,258	(5.9)	1,118	(5.1)	1,610	(13.3)

In the quarter, revenues from this segment represented 43.3% of the Company's total revenues. The contribution margin based on the International Financial Reporting Standards (IFRS) represented 9.3%, 2.3 pp lower than in 4Q18 (business contribution margin: minus 6.0%, 1.5 pp lower). This was derived mainly from three new leased hotel contracts during 2019.

This quarter, Owned and Leased hotels showed a lower ADR (Average Daily Rate) of 3.4% and lower occupancy of 0.7 pp that resulted in a 4.2% decrease in RevPAR.

Urban hotels when compared with 4Q18 show a decrease of 2.1% in ADR and 1.6 pp in occupancy, resulting in a RevPAR of minus 4.2%. Due to the new Fiesta Inn Parque Puebla and Fiesta Inn Express Puebla Explanada, leased hotels, the average rooms available increased by 8.3%.

On a comparable basis, the coastal hotels operated 57.1% more rooms compared to 4Q18 due to the Grand Fiesta Americana Puerto Vallarta leased hotel that was under a management contract in 4Q18 and the remodeling rooms from the hotel Live Aqua Beach Resort Cancún also during the 4Q18. Coastal hotels recorded a 12.4% ADR decrease, a 1.6 pp increase in occupancy that resulted in a RevPAR decrease of 10.4%, when compared to the same period of previous year.

> Management

(Includes owned, leased, franchise and managed hotels. Excludes Vacation Properties)

4Q19 (QQ)	Total	% Var.	Urban	% Var.	Coastal	% Var.
Average Rooms	24,861	3.2	22,338	2.8	2,523	6.2
Average Daily Rate	1,372	0.2	1,270	0.7	2,208	(5.3)
Occupancy (Var. in pp)	65%	0.1	65%	(0.3)	70%	3.1
RevPAR	898	0.3	824	0.3	1,549	(0.9)

Accumulated	Total	% Var.	Urban	% Var.	Coastal	% Var.
Average Rooms	24,594	5.2	22,079	5.3	2,515	3.9
Average Daily Rate	1,370	(0.4)	1,242	1.0	2,398	(5.8)
Occupancy (Var. in pp)	65%	(1.5)	64%	(1.6)	71%	(0.7)
RevPAR	888	(2.6)	797	(1.4)	1,693	(6.7)

4Q19 (QQ) Same Hotels	Total	% Var.	Urban	% Var.	Coastal	% Var.
Average Rooms	21,740	0.6	19,661	(0.1)	2,079	7.7
Average Daily Rate	1,373	(0.9)	1,261	(1.0)	2,420	(5.8)
Occupancy (Var. in pp)	67%	(0.2)	67%	(0.5)	68%	2.8
RevPAR	924	(1.2)	847	(1.7)	1,650	(1.8)

Accumulated	Total	% Var.	Urban	% Var.	Coastal	% Var.
Average Rooms	21,756	0.5	19,685	0.1	2,071	4.8
Average Daily Rate	1,378	(0.8)	1,240	(0.2)	2,592	(6.1)
Occupancy (Var. in pp)	67%	(0.9)	66%	(1.0)	72%	0.2
RevPAR	922	(2.0)	823	(1.6)	1,862	(5.9)

The Management business line includes hotel management, brand licensing and franchise services along with our loyalty management and call center businesses. Revenue represented 12.1% of total revenue in the quarter with a margin (IFRS) of 32.0%, 2.6 pp higher than in 4Q18 (business margin was 53.0%, 4.7 pp higher).

The system-wide average number of rooms operated recorded a 3.2% increase in the quarter. The ADR was marginally higher while occupancy decreased slightly resulting in a 0.3% increase in RevPAR.

The following operating data is for all the hotels "Same hotels" we managed in Mexico: System-wide hotels reported a 0.9% decrease in ADR, with a marginal decrease in occupancy and in RevPAR of 1.2%.

System-wide urban hotels had a 1.0% increase in ADR over the same period of last year, with a 0.5 pp decrease in occupancy resulting in a 1.7% decrease in RevPAR versus same quarter of previous year.

Coastal hotels had an increase occupancy of 2.8 pp, meanwhile ADR decreased by 5.8%, as a result RevPAR decreased 1.8%. These hotels operated 7.7% additional average rooms available due to certain rooms being remodeled at the Live Aqua Beach Resort Cancún during the 4Q18.

> Vacation Properties

The Vacation Properties business segment includes our vacation properties comprised of the Fiesta Americana Vacation Club (FAVC), Live Aqua Residence Club (LARC), Kivac, Fiesta Americana Access programs. Revenues for the quarter amounted to 42.5% of the Posadas' consolidated revenues in 4Q19. The operating margin (IFRS) was 20.7%, 5.8 pp lower than the 4Q18 margin (business margin was 15.7%, 7.0 pp lower than previous year).

As of December 31, 2019, the balance of receivables reached \$6,213 million representing an increase of 25% compared to the same period of the previous year.

> Other Businesses

For the 4Q19 the third-party operations corresponding to business units such as Konexo and Conectum are presented in this section in order to measure the performance of these businesses separately.

> EBITDA

In the 4Q19 we generated an EBITDA of \$234 million, compared to \$306² million reported in 4Q18. For the last twelve months, the reported EBITDA (excluding IFRS 16 - leases) was \$856 million (US\$44 million with an average exchange rate of MXN \$19.2594 per USD).

> Capital Expenditures

For 4Q19, capital expenditures amounted to \$135 million, \$501 million in 2019; of which 54% was invested in hotels, 25% for vacation properties and 21% for corporate.

> Comprehensive Financial Result

At the end of the quarter (LTM), the net coverage ratio was 1.6 times, considering the effect of IFRS 16 was 1.7x.

The exchange gain in 4Q19 was \$306 million (including leases) as a result of the MXN / USD appreciation of 3.9% from September 30, 2019 to December 30, 2019. For the 9M19, we recorded an exchange gain of \$6 million including leases.

Concept	4Q19	4Q18	2019	2018
Interest Income	(14,774)	(34,358)	(95,412)	(172,765)
Accrued interest	159,892	169,327	645,357	653,537
Exchange (gain) loss, net	(224,293)	242,908	(224,266)	(81,335)
Accrued interest from lease payments	99,118	0	358,681	0
Exchange (gain) loss, from lease payments	(81,622)	0	(87,874)	0
Other financial costs (products)	17,754	17,904	75,613	71,616
Other financial expenses	3,681	2,864	15,010	11,899
Total	(40,244)	398,645	687,109	482,952

Figures in thousands of pesos

² EBITDA reported of \$487 million, included \$182 million of labor provisions and other.

> Net Majority Income

As a result of the above, the net income in the fourth quarter was \$129 million. In 2019, a \$78 million net loss was recorded.

> Indebtedness

Concept (Figures in millions)	4Q19		4Q18	
	US\$ Notional	IFRS MXN	US\$ Notional	IFRS MXN
FX eop:		18,8727		19,6829
EBITDA LTM		856		2,425
Cash		1,240		2,734
Indebtedness:				
Senior Notes 2022	393	7,410	400	7,873
Subsidiary	9	165	10	189
Issuance expenses (IFRS)		(177)		(253)
Total	401	7,397	410	7,809
Net Debt to EBITDA		7.2		2.1
Lease liabilities		4,147		
Leases LTM		711		
Adjusted Net Debt to EBITDA		6.6		

The \$210 million bank loan drawn in June 2017 in our subsidiary that holds the Fiesta Americana Mérida hotel has an outstanding balance of \$165 million as of 4Q19.

The Total Debt mix under IFRS at the end of the quarter was 100% long-term, 98% U.S. dollar denominated and 100% with a fixed rate. The average life was 2.5 years and only 2% was secured debt.

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 negative outlook.
- Fitch: global Issuer Default Rating (IDR) "B" and local "BB+(mex)", both with negative outlook.

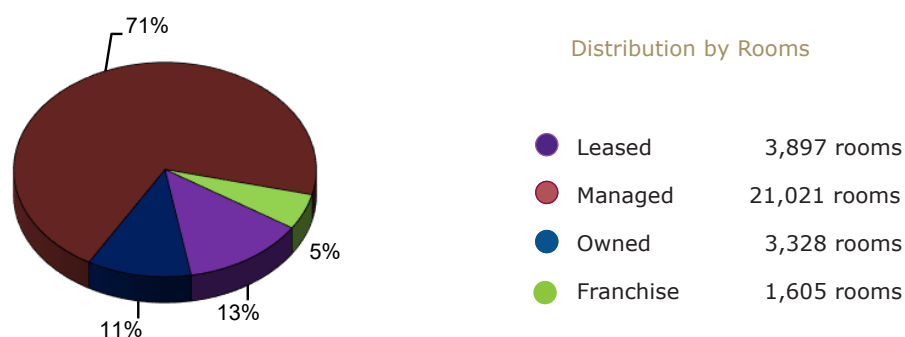
The ratings for the "7.875% Senior Notes Due 2022" were: Moody´s: "B2"/ S&P: "B" / Fitch: "B RR4". In compliance with Article 4.033.02 Section VIII of the Mexican Stock Exchange rules, Grupo Posadas coverage is provided by:

- Bank of America Merrill Lynch, analyst: Janina Magnasco, janina.magnasco@baml.com, (1-646) 855-2665.
- BCP Securities, LLC, analyst: Ben Hough bhough@bcpsecurities.com (1-203) 629 2181.

> Grupo Posadas as of December 31, 2019.

Posadas is the leading hotel operator in Mexico that owns, leases, franchises and manages 184 hotels and 29,851 rooms in the most important and visited urban and coastal destinations in Mexico. Urban hotels represent 81% of total rooms and coastal hotels represent 19%. Posadas operates the following brands: Live Aqua Beach Resort, Live Aqua Urban Resort, Live Aqua Boutique Resort, Grand Fiesta Americana, Fiesta Americana, The Explorean, Fiesta Americana Vacation Villas, Live Aqua Residence Club, Fiesta Inn, Fiesta Inn LOFT, Fiesta Inn Express, Gamma and One Hotels.

Posadas trades in the Mexican Stock Exchange since 1992.



Brand	Mexico		Caribbean		Total	
	Hotels	Rooms	Hotels	Rooms	Hotels	Rooms
Live Aqua	5	793			5	793
Live Aqua Residence Club	2	125			2	125
Grand Fiesta Americana	8	2,226			8	2,226
Fiesta Americana	15	4,163	2	1,382	17	5,545
The Explorean	2	96			2	96
FAVC	4	1,501			4	1,501
Fiesta Inn	73	10,522			73	10,522
Fiesta Inn Loft	4	255			4	255
Fiesta Inn Express	2	255			2	255
Gamma	19	2,460			19	2,460
One	47	5,860			47	5,860
Otros	1	213			1	213
Total	182	28,469	2	1,382	184	29,851
%	95%		5%		100%	

> Income Statement IFRS

(million pesos)

Concept	4Q19				4Q18		Var %
	IFRS 16\$	Leases	BAU	%	\$	%	
Total Revenues	2,387.6		2,387.6	100.0	2,197.0	100.0	8.7
Owned & Leased Hotels							
Revenues	1,034.6		1,034.6	100.0	850.4	100.0	21.7
Direct Cost	758.4	179.6	937.9	90.7	751.2	88.3	24.9
Contribution IFRS	276.2	(179.6)	96.7	9.3	99.2	11.7	(2.5)
Intersegment fee eliminations (1)	(34.4)		(34.4)		(35.2)		
Business Contribution	241.8		62.3	6.0	64.0	7.5	(2.7)
Managed							
Revenues	289.1		289.1	100.0	304.9	100.0	(5.2)
Direct Cost	194.7	1.9	196.6	68.0	215.3	70.6	(8.7)
Contribution IFRS	94.4	(1.9)	92.5	32.0	89.6	29.4	3.3
Intersegment fee eliminations (1)	60.8		60.8		58.0		
Business Contribution	155.2		153.4	53.0	147.5	48.4	4.0
Vacation Properties							
Revenues	1,013.7		1,013.7	100.0	998.5	100.0	1.5
Direct Cost	801.4	2.2	803.6	79.3	734.0	73.5	9.5
Contribution IFRS	212.3	(2.2)	210.1	20.7	264.5	26.5	(20.6)
Intersegment fee eliminations (1)	(51.0)		(51.0)		(38.4)		
Business Contribution	161.3		159.1	15.7	226.1	22.6	(29.6)
Other Businesses (2)							
Revenues	50.1		50.1	100.0	43.2	100.0	16.0
Direct Cost	88.6	2.0	90.6	180.8	75.8	175.6	19.5
Contribution IFRS	(38.5)	(2.0)	(40.5)	(80.8)	(32.6)	(75.6)	24.0
Intersegment fee eliminations (1)	29.9		29.9		20.6		
Business Contribution	(8.6)		(10.6)	(21.1)	(12.0)	(27.9)	(11.9)
Corporate Expenses	110.8	7.9	118.7	5.0	102.5	4.7	0.4
Intersegment fee eliminations (1)	(5.3)		(5.3)		(4.9)		
Depreciation/Amortization and asset impairment	258.5	144.1	114.4	4.8	131.6	6.0	(13.1)
Other expenses (revenue) (3)	5.9		5.9	0.2	(169.1)	(7.7)	na
Other	0.0			0.0	0.0	0.0	na
Operating Profit	169.3	(49.4)	119.8	5.0	355.6	16.2	(66.3)
EBITDA excludes FACC							
EBITDA	427.8	(193.5)	234.2	9.8	487.2	22.2	(51.9)
Comprehensive financing cost	(40.2)	(17.5)	(57.8)	(2.4)	398.6	18.1	na
Other	0.0	0.0	0.0	na	0.0	0.0	na
Part. in results of Associated Companies	0.0			0.0	15.0	0.7	na
Profit Before Taxes	209.5	(31.9)	177.6	7.4	(28.0)	(1.3)	na
Discontinued Operations	(10.3)			0.0	31.2	1.4	na
Income taxes	60.9		60.9	2.5	44.8	2.0	35.8
Deferred taxes	17.4		17.4	0.7	(28.0)	(1.3)	na
Net Income before Minority	141.5	(31.9)	109.6	4.6	(76.1)	(3.5)	na
Minority Interest	12.7		12.7	0.5	2.3	0.1	462.8
Net Majority Income	128.8	(31.9)	96.9	4.1	(78.3)	(3.6)	na

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

(2) Includes the following businesses: GloboGo, Promoción y Desarrollo, Summas. Also includes third parties operations for Conectum, Konexo.

> Income Statement IFRS accumulated

(million pesos)

Concept	2019				2018		Var %
	IFRS 16\$	Leases	BAU	%	\$	%	
Total Revenues	9,072.7		9,072.7	100.0	8,325.8	100.0	9.0
Owned & Leased Hotels							
Revenues	3,735.2		3,735.2	100.0	3,403.8	100.0	9.7
Direct Cost	2,778.5	672.7	3,451.2	92.4	2,903.5	85.3	18.9
Contribution IFRS	956.8	(672.7)	284.1	7.6	500.4	14.7	(43.2)
Intersegment fee eliminations (1)	(144.5)		(144.5)		(175.8)		
Business Contribution	812.3		139.6	3.7	324.5	9.5	(57.0)
Managed							
Revenues	1,158.9		1,158.9	100.0	1,177.2	100.0	(1.5)
Direct Cost	849.7	3.1	852.8	73.6	786.8	66.8	8.4
Contribution IFRS	309.3	(3.1)	306.2	26.4	390.4	33.2	(21.6)
Intersegment fee eliminations (1)	237.7		237.7		238.8		
Business Contribution	547.0		543.9	46.9	629.2	53.4	(13.6)
Vacation Properties							
Revenues	3,995.8		3,995.8	100.0	3,564.2	100.0	12.1
Direct Cost	3,083.8	3.6	3,087.4	77.3	2,634.6	73.9	17.2
Contribution IFRS	912.0	(3.6)	908.4	22.7	929.5	26.1	(2.3)
Intersegment fee eliminations (1)	(223.1)		(223.1)		(184.2)		
Business Contribution	688.9		685.3	17.2	745.4	20.9	(8.1)
Other Businesses (2)							
Revenues	182.7		182.7	100.0	180.7	100.0	1.1
Direct Cost	413.6	2.7	416.3	227.8	386.3	213.8	7.8
Contribution IFRS	(230.9)	(2.7)	(233.6)	(127.8)	(205.6)	(113.8)	13.6
Intersegment fee eliminations (1)	150.7		150.7		140.9		
Business Contribution	(80.2)		(82.9)	(45.4)	(64.6)	(35.8)	28.2
Corporate Expenses	403.9	28.6	432.5	4.8	379.4	4.6	14.0
Intersegment fee eliminations (1)	20.8				19.7		
Depreciation/Amortization and asset impairment	887.7	501.1	386.6	4.3	402.1	4.8	(3.9)
Other expenses (revenue) (3)	(23.3)		(23.3)	(0.3)	(1,190.1)	(14.3)	(98.0)
Other	0.0			0.0	0.0	0.0	na
Operating Profit	678.8	(209.6)	469.2	5.2	2,023.2	24.3	(76.8)
EBITDA excludes FACC			855.8	9.4	1,272.4	15.3	(32.7)
EBITDA	1,566.5	(710.7)	855.8	9.4	2,425.3	29.1	(64.7)
Comprehensive financing cost	687.1	(270.8)	416.3	4.6	483.0	5.8	(13.8)
Other	0.0	0.0	0.0	na	0.0	0.0	na
Part. in results of Associated Companies	0.0			0.0	15.0	0.2	na
Profit Before Taxes	(8.3)	61.2	52.9	0.6	1,540.3	18.5	(96.6)
Discontinued Operations	(10.3)			0.0	31.2	0.4	na
Income taxes	78.6		78.6	0.9	112.1	1.3	(29.9)
Deferred taxes	(9.2)		(9.2)	(0.1)	479.9	5.8	na
Net Income before Minority	(67.4)	61.2	(6.2)	(0.1)	932.1	11.2	na
Minority Interest	12.4		12.4	0.1	3.4	0.0	268.9
Net Majority Income	(79.9)	61.2	(18.7)	(0.2)	928.7	11.2	na

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

(2) Includes the following businesses: GloboGo, Promoción y Desarrollo, Summas. Also includes third parties operations for Conectum, Konexo.

(3) Includes: EBITDA from the sale of the FACC hotel, recorded in the 1Q18 for \$1,346 million.

> Consolidated Balance Sheet as of December 31st, 2019 and December 31st, 2018 IFRS (million pesos)

CONCEPT	DEC-19	%	DEC - 18	%	VAR. %
ASSETS					
Current Assets					
Cash and cash equivalents	1,239.5	6.0	2,733.9	15.9	(54.7)
Trade and other current receivables	3,118.6	15.1	2,836.6	16.5	9.9
Current tax assets, current	-	0.0	-	0.0	-
Other current financial assets	-	0.0	-	0.0	-
Current inventories	322.6	1.6	168.0	1.0	92.0
Other current non-financial assets	217.7	1.1	107.6	0.6	102.4
Total	4,898.4	23.7	5,846.0	34.0	(16.2)
Assets held for sale	387.4	1.9	-	0.0	-
Total current assets	5,285.8	25.5	5,846.0	34.0	(9.6)
Non current assets					
Trade and other non-current receivables	3,891.3	18.8	3,219.2	18.7	20.9
Non-current inventories	-	0.0	-	0.0	-
Other non-current financial assets	18.0	0.1	24.1	0.1	(25.2)
Investments in subsidiaries, joint ventures and associates	1,081.7	5.2	1,054.6	6.1	2.6
Property, plant and equipment	4,513.2	21.8	4,936.2	28.7	(8.6)
Right-of-use assets that do not meet definition of investment property	4,086.1	19.7	-	0.0	-
Intangible assets other than goodwill	664.1	3.2	721.5	4.2	(8.0)
Deferred tax assets	1,155.4	5.6	1,145.6	6.7	0.9
Other non-current non-financial assets	-	0.0	223.1	1.3	(100.0)
Total non-current assets	15,409.7	74.5	11,324.3	66.0	36.1
Total assets	20,695.5	100.0	17,170.3	100.0	20.5
LIABILITIES					
Current Liabilities					
Trade and other current payables	2,041.1	9.9	1,563.2	9.1	30.6
Current tax liabilities, current	343.7	1.7	329.3	1.9	4.4
Other current financial liabilities	25.8	0.1	23.5	0.1	9.5
Current lease liabilities	416.1	2.0	-	0.0	-
Other current non-financial liabilities	881.3	4.3	855.0	5.0	3.1
Current provisions for employee benefits	130.9	0.6	309.0	1.8	(57.6)
Total current liabilities other than liabilities included in disposal groups classified as held for sale	3,838.8	18.5	3,080.0	17.9	24.6
Liabilities included in disposal groups classified as held for sale	-	0.0	-	0.0	-
Total current liabilities	3,838.8	18.5	3,080.0	17.9	24.6
Non Current Liabilities					
Trade and other non-current payables	632.5	3.1	932.9	5.4	(32.2)
Non-current lease liabilities	3,730.4	18.0	-	0.0	-
Bank loans	137.4	0.7	165.2	1.0	(16.8)
Stock market loans	7,233.9	35.0	7,620.6	44.4	(5.1)
Other non-current financial liabilities	7,660.0	36.9	7,785.8	45.3	(1.6)
Non-current provisions for employee benefits	237.4	1.1	146.6	0.9	62.0
Other non-current provisions	212.4	1.0	212.4	1.2	0.0
Total non-current provisions	449.9	2.2	359.1	2.1	25.3
Deferred tax liabilities	1,616.3	7.8	1,824.7	10.6	(11.4)
Total non-current liabilities	13,800.3	66.7	10,902.5	63.5	26.6
Total liabilities	17,639.2	85.2	13,982.5	81.4	26.2
EQUITY					
Total equity attributable to owners of parent	2,858.8	13.8	3,002.7	17.5	(4.8)
Non-controlling interests	197.6	1.0	185.1	1.1	6.7
Total equity	3,056.4	14.8	3,187.8	18.6	(4.1)
Total equity and liabilities	20,695.5	100.0	17,170.3	100.0	20.5

> Consolidated Cash Flow Statement - IFRS

(Million pesos from January 1st to December 31st, 2019 & 2018)

STATEMENT OF CASH FLOWS		
	2019	2018
Cash flows from (used in) operating activities		
Profit (loss)	(67.4)	932.1
Adjustments to reconcile profit (loss)		
Discontinued operations	0.0	0.0
Adjustments for income tax expense	66.3	592.0
Adjustments for finance costs	908.6	480.8
Adjustments for depreciation and amortisation expense	887.7	402.1
Adjustments for unrealised foreign exchange losses (gains)	(411.4)	(21.0)
Adjustments for losses (gains) on disposal of non-current assets	(2.3)	(1,344.4)
Participation in associates and joint ventures	0.0	(15.0)
Adjustments for decrease (increase) in inventories	149.4	122.2
Adjustments for decrease (increase) in trade accounts receivable	(978.5)	(638.7)
Adjustments for decrease (increase) in other operating receivables	48.4	23.4
Adjustments for increase (decrease) in trade accounts payable	(16.4)	(8.3)
Adjustments for increase (decrease) in other operating payables	83.4	269.2
Other adjustments for non-cash items	0.0	0.0
Other adjustments to reconcile profit (loss)	75.6	71.6
Total adjustments to reconcile profit (loss)	810.8	(66.1)
Cash flows from (used in) operations	743.4	866.0
Income taxes paid (refund), classified as operating activities	343.3	325.4
Cash flows from (used in) operating activities	400.1	540.6
Other cash payments to acquire interests in joint ventures, classified as investing activities	27.1	746.5
Proceeds from sales of property, plant and equipment, classified as investing activities	0.0	2,946.1
Purchase of property, plant and equipment, classified as investing activities	445.8	638.2
Purchase of intangible assets, classified as investing activities	55.5	32.5
Interest received, classified as investing activities	95.4	172.8
Other inflows (outflows) of cash, classified as investing activities	0.0	0.0
Cash flows from (used in) investing activities	(432.9)	1,701.6
Proceeds from borrowings, classified as financing activities	0.0	0.0
Repayments of borrowings, classified as financing activities	163.4	21.2
Payments of lease liabilities	658.6	0.0
Dividends paid, classified as financing activities	0.0	198.4
Interest paid, classified as financing activities	638.6	672.3
Income taxes paid (refund), classified as financing activities	0.0	0.0
Other inflows (outflows) of cash, classified as financing activities	(1.0)	0.0
Cash flows from (used in) financing activities	(1,461.5)	(891.9)
Increase (decrease) in cash and cash equivalents before effect of exchange rate changes	(1,494.4)	1,350.3
Effect of exchange rate changes on cash and cash equivalents	0.0	0.0
Increase (decrease) in cash and cash equivalents	(1,494.4)	1,350.3
Cash and cash equivalents at beginning of period	2,733.9	1,383.6
Cash and cash equivalents at end of period	1,239.5	2,733.9