



Grupo Hotelero Santa Fe Announces 3Q14 Results with Total Revenue Growth of 48.5% and 55.4% Growth in Adjusted EBITDA

Mexico City, October 23rd, 2014 – Grupo Hotelero Santa Fe S.A.B. de C.V. (BMV: HOTEL) (“HOTEL” or “the Company”), successfully concluded its Initial Public Offering on September 12th, 2014 and announced today its consolidated results for the third quarter of 2014 (“3Q14”).

Grupo Hotelero Santa Fe is one of the leading companies in the hotel industry in Mexico. The Company is focused on acquiring, developing and operating hotels. HOTEL is recognized for its proprietary brand, Krystal, as well as its flexibility to operate different brands.

As of the third quarter of 2014, the Company operates 10 hotels, of which 6 are owned while 4 are third-party owned, with a total of 3,296¹ rooms.

Summary of Relevant Information (3Q14)

Third Quarter of 2014

- Total Revenue reached Ps. 175.1 million, which represents an increase of 48.5% against the same period of 2013.
- Adjusted EBITDA (EBITDA plus extraordinary non-recurrent expenses) reached Ps. 52.2 million, resulting in an increase of 55.4% compared to same period of the previous year. The Adjusted EBITDA Margin for the period reached 29.8%.
- Occupancy for the 3Q14 reached 65.2% with an ADR of Ps. 1,105, resulting in a RevPAR of Ps. 721. This represents an increase of 5.5 pt in Occupancy and 8.7% in ADR resulting in an increase of 18.8% in RevPAR against 3Q13.
- On September 12th, 2014 HOTEL completed its primary Initial Public Offering of 75,000,000 Class II Ordinary Shares which represent 27.22% of the Company's paid-in capital. The offering price per share was of Ps. 10.00 resulting in a Ps. 750 million Initial Public Offering.

9 Months Ended September 2014

- Total Revenue reached Ps. 535.2 million, which represents an increase of 67.9% against the same period of 2013.
- Adjusted EBITDA reached Ps. 153.9 million, resulting in an increase of 79.5% compared to the same period of the previous year. The Adjusted EBITDA Margin for the period reached 28.8%.
- Accumulated Occupancy during the nine months ended 3Q14 reached 65.4% with an ADR of Ps. 1,122, resulting in a RevPAR of Ps. 734. This represents an increase of 4.5 pt in Occupancy and 10.2% in ADR resulting in an increase of 18.2% in RevPAR against 3Q13.

¹ During 3Q14 the Krystal Cancún hotel added 4 rooms.

Key Operating Statistics

The operating statistics consider the 3,015² operated hotel rooms which exclude the Vacation Club rooms. The following table contains a summary with the main operating metrics as well as a summary of the financial results for the third trimester of 2014 as well as the nine months ended September of 2014 compared against the same periods of the previous year:

Figures in thousand pesos	Third Quarter			9 months ended September		
	2014	2013	% Var.	2014	2013	% Var.
Key Operating Statistics						
Number of Hotels at the end of the period	10	9	11.1	10	9	11.1
Number of Rooms at the end of the period	3,015	2,521	19.6	3,015	2,521	19.6
Number of Room Nights Available	277,380	231,932	19.6	823,095	688,233	19.6
Number of Room Nights Occupied	180,963	138,481	30.7	538,489	419,661	28.3
Average Occupancy	65.2%	59.7%	5.5 pt	65.4%	61.0%	4.4 pt
ADR (\$)	1,105	1,016	8.7	1,122	1,018	10.2
RevPar (\$)	721	607	18.8	734	621	18.2
Income Statement Summary						
Total Revenue	175,133	117,943	48.5	535,198	318,691	67.9
Adjusted EBITDA	52,155	33,556	55.4	153,875	85,702	79.5
Adjusted EBITDA Margin (%)	29.8%	28.5%	1.3 pt	28.8%	26.9%	1.9 pt
EBITDA	50,409	27,451	83.6	148,809	107,784	38.1
EBITDA Margin (%)	28.8%	23.3%	5.5 pt	27.8%	33.8%	(6.0 pt)
Operating Income	32,988	14,295	130.8	93,416	70,395	32.7
Operating Income Margin (%)	18.8%	12.1%	6.7 pt	17.5%	22.1%	(4.6 pt)
Net Income	(2,352)	1,750	(234.4)	35,819	43,288	(17.3)
Net Income Margin (%)	(1.3%)	1.5%	(2.8 pt)	6.7%	13.6%	(6.9 pt)
Earnings per Share	(0.011)	0.009	(224.8)	0.175	0.216	(19.3)

²The 281 additional rooms are operated as Vacation Club rooms. Of these 281 rooms 53 are owned while 228 are third-party owned.

Comments from the CEO

Mr. Francisco Zinser, Chief Executive Officer of Grupo Hotelero Santa Fe commented:

"This is a very important moment for us as it is our first quarterly report since HOTEL completed its Initial Public Offering on the Mexican Stock Exchange last September. Our recent IPO provides us with the resources to continue with our short and medium term growth plans.

We are very satisfied with the third quarter results, which prove the strenght of our growth strategies and consolidation of our hotel portfolio. Even though this year has been complicated for the economy, we have seen a solid response in urban and leisure tourism and have been able to increase our Revenue Per Available Room ("RevPAR") in almost 19 percent and increase the operating margins for our hotels. Once more, the Krystal brand has proven its strength and positioning in the country.

Our people is our main asset, it is through our employees that we can provide our clients with experiences and services that fosters loyalty to our brand. We are permanently providing training to our employees as it is through them that we achieve customer satisfaction, and therefore we promote staff motivation and commitment.

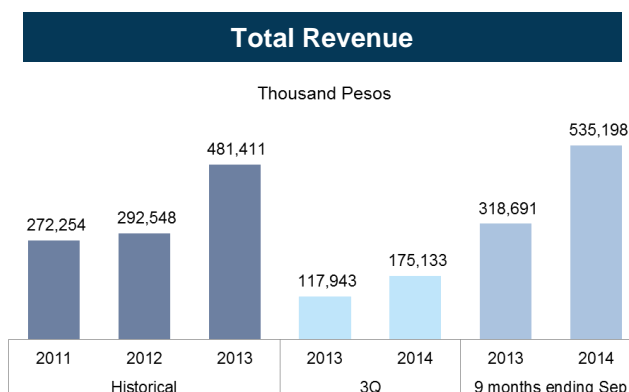
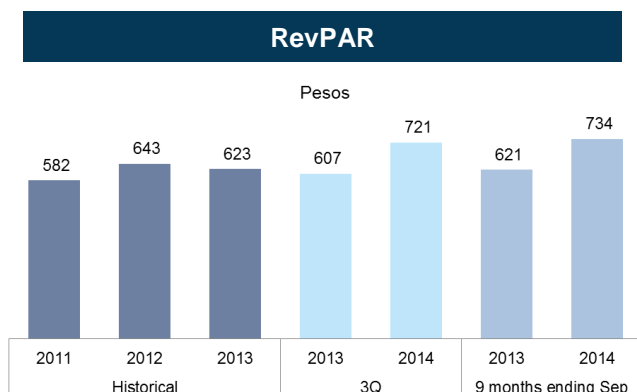
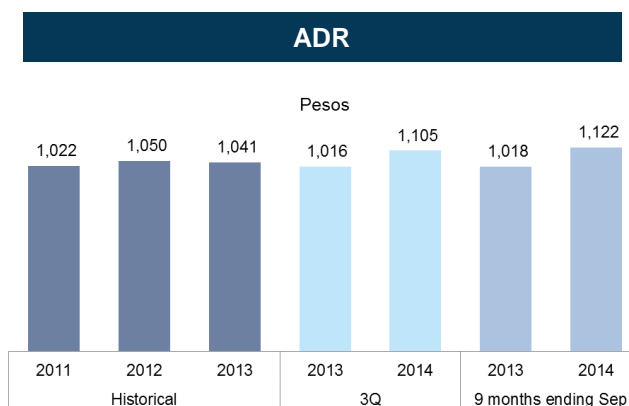
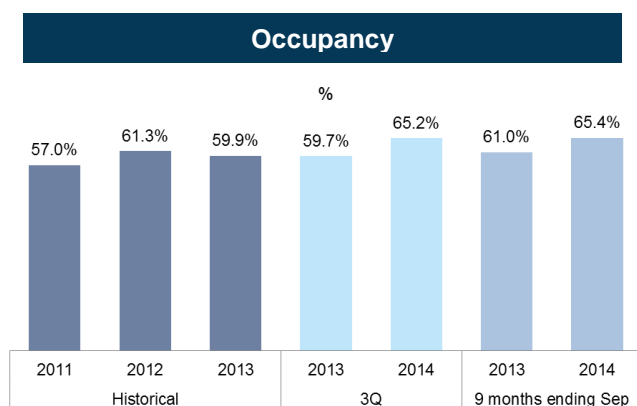
We are very excited with our upcoming openings, the construction of the Hampton Inn & Suites Paraíso Tabasco hotel and the Hilton Garden Inn in the Monterrey International Airport terminal as well as the beginning of the building use conversion from office space into our first Krystal Urban in the city of Guadalajara, which represents an important milestone for the Company as we anticipate that growth will come mainly from this brand. This last hotel will open its doors towards the second semester of 2015 and will be the beginning of a succesful brand focused on the business traveller in urban markets. Additionally, with the purpose of adapting the Krystal Grand Punta Cancún hotel to the All Inclusive market we have built a new lobby bar, extended the "O" restaurant and constructed a Kids Club.

We continue to analyze expansion oportunities through acquisition, conversion and development, which we plan on realizing using the resources obtained by the IPO:"

Operating Performance

Through the efficient use of its resources and the development of sales and distribution channels, during 3Q14 the Company increased its levels of Occupancy as well as its Average Daily Rate ("ADR") in its total operated hotel rooms. As a result, HOTEL showed an increase in RevPAR of 18.8% in the 3Q14 in comparison with the 3Q13.

The following graphs detail the historic evolution in Occupancy, ADR, RevPAR and Total Revenue as well as a comparative of the same variables for the 3Q14 and nine months ended September of 2014 against the same periods of the previous year.



Occupancy for the total rooms operated as of the 3Q14 reached 65.2% with an ADR of Ps. 1,105, resulting in a RevPAR of Ps. 721. This represents an increase of 5.5 pt in Occupancy and 8.7% in ADR resulting in an increase of 18.8% in RevPAR against the same period of the previous year.

Accumulated Occupancy for the nine months ended 3Q14 reached 65.4% with an ADR of Ps. 1,122, resulting in a RevPAR of Ps. 734. This implies an increase of 4.5 pt in Occupancy and 10.2% in ADR which results in an increase of 18.2% in RevPAR against the same period of the previous year.

Hotel Clasification

In order to have an adequate comparison for the hotels in its portfolio, the Company classifies the operating metrics according to the stage in the stabilization cycle in which each hotel is found. Within this classification hotels that have been in operations at least 36 months are considered mature or stabilized. On the other hand, hotels that have been in operations less than 36 months are considered to be in their stabilization stage or in their maturing period.

At the period ending 3Q14 HOTEL had 6 stabilized hotels and 4 hotels still in their maturing period. The following table contains the detailed operating metrics according to this classification:

<i>Figures in Pesos</i>		Third Quarter			9 months ended September		
Hotel Clasification		2014	2013	% Var.	2014	2013	% Var.
Stabilized Hotels		6	6	0.0	6	6	0.0
Number of rooms		1,624	1,620	0.2	1,624	1,620	0.2
Occupancy		68.4%	65.1%	3.3 pt	67.9%	65.4%	2.5 pt
ADR		1,098	1,067	2.9	1,090	1,059	2.9
RevPAR		751	695	8.1	741	693	6.9
Hotels in Stabilization Stage		4	3	33.3	4	3	33.3
Number of rooms		1,391	901	54.4	1,391	901	54.4
Occupancy		61.5%	45.7%	15.8 pt	62.5%	45.7%	16.8 pt
ADR		1,114	832	34.0	1,161	814	42.7
RevPAR		685	380	80.2	726	372	95.4
Total Hotels		10	9	11.1	10	9	11.1
Number of rooms		3,015	2,521	19.6	3,015	2,521	19.6
Occupancy		65.2%	59.7%	5.5 pt	65.4%	61.0%	4.4 pt
ADR		1,105	1,016	8.7	1,122	1,018	10.2
RevPAR		721	607	18.8	734	621	18.2

During then 3Q14 stabilized hotels showed an increase of 8.1% in RevPAR compared to 3Q13. In the accumulated period from January to September 2014 the RevPAR had an increase of 6.9% against the same period of the previous year.

The hotels still in their maturing period showed an increase of 15.8 pt in Occupancy and 34.0% in ADR which results in an increase of 80.2% in RevPAR for the 3Q14 against 3Q13. The operating metrics showed growth of 16.8 pt in Occupancy and 42.7% in ADR which represent an increase in 95.4% in RevPAR for the nine months ended September of 2014 against the same period of the prior year.

The total of rooms operated increased 19.6% and grew 18.8% in RevPAR for the 3Q14 and 18.2% for the 9 months ended September of 2014 against the same periods of the previous year.

Consolidated Financial Results

Figures in thousand pesos

Estado de Resultados	Third Quarter			9 months ended September		
	2014	2013	% Var.	2014	2013	% Var.
Room Revenue	98,120	62,186	57.8	300,458	161,625	85.9
Food and Beverage Revenue	47,930	34,989	37.0	146,160	91,837	59.2
Other Revenue	29,083	20,769	40.0	88,579	65,228	35.8
Total Revenue	175,133	117,943	48.5	535,198	318,691	67.9
Cost and Operating Expenses	74,836	50,993	46.8	232,862	136,469	70.6
Sales and Administrative	44,652	31,928	39.9	138,755	92,632	49.8
Other Expenses	3,491	1,467	138.0	9,707	3,887	149.7
Depreciation and Amortization	17,420	13,156	32.4	55,393	37,389	48.2
Total Costs and Expenses	140,399	97,544	43.9	436,716	270,378	61.5
Bargain purchase gain*	0	0	NA	0	(32,635)	(100.0)
Development and hotel opening expenses	1,468	5,591	(73.7)	3,150	9,378	(66.4)
Other non-recurring expenses	278	513	(45.8)	1,916	1,174	63.2
Total Non Recurring Expenses	1,746	6,104	(71.4)	5,066	(22,082)	(122.9)
Adjusted EBITDA	52,155	33,556	55.4	153,875	85,702	79.5
Adjusted EBITDA Margin(%)	29.8%	28.5%	1.3 pt	28.8%	26.9%	1.9 pt
EBITDA	50,409	27,451	83.6	148,809	107,784	38.1
EBITDA Margin (%)	28.8%	23.3%	5.5 pt	27.8%	33.8%	(6.0 pt)
Operating Income	32,988	14,295	130.8	93,416	70,395	32.7
Operating Income Margin (%)	18.8%	12.1%	6.7 pt	17.5%	22.1%	(4.6 pt)
Net interest expenses	(6,901)	(4,444)	55.3	(21,938)	(11,454)	91.5
Net foreign currency exchange loss	(32,765)	(14,474)	126.4	(29,512)	(21,227)	39.0
Other financial costs	(902)	(708)	27.3	(2,230)	(2,582)	(13.6)
Net Financing Result	(40,568)	(19,625)	106.7	(53,681)	(35,263)	52.2
Undistributed income from subsidiaries, net	141	0	NA	(19)	0	NA
Income before taxes	(7,438)	(5,330)	39.5	39,716	35,132	13.0
Total income taxes	(743)	(160)	364.9	3,898	75	5102.0
Minority Interest	4,343	6,921	(37.2)	0	8,231	(100.0)
Net Income	(2,352)	1,750	(234.4)	35,819	43,288	(17.3)
Net Income Margin (%)	(1.3%)	1.5%	(2.8 pt)	6.7%	13.6%	(6.9 pt)

*Bargain purchase gain revenue was generated as the result from the difference between the reasonable value of the assets acquired during 2013 and the actual amount paid at the time of the acquisition.

Total Revenue

During the 3Q14 Total Revenue for the Company increased 48.5%, going from Ps. 117.9 million in the 3Q13 to Ps. 175.1 million in the 3Q14. This increase is due mainly to the incorporation of the Krystal Grand Punta Cancún hotel which was acquired in September of 2013 as well as the revenue from the management contract of the Krystal Grand Reforma Uno hotel which began operations in December of 2013.

Additionally, the Krystal Beach Acapulco hotel and the Hilton Puerto Vallarta Hotel continued their stabilization process. During the 3Q14 the Krystal Beach Acapulco had significant increases in daily rates as well as Occupancy in comparison with the 3Q13. Likewise, Hilton Puerto Vallarta increased its Occupancy significantly during 3Q14 in comparison with 3Q13.

Costs and Expenses

Operating Costs and Expenses: Operating costs and expenses for the Company increased 46.8% going from Ps. 51.0 million in 3Q13 to Ps. 74.8 million in 3Q14. As a percentage of Total Revenue, operating costs and expenses represented 42.7% in el 3Q14 in comparison with 43.2% in 3Q13. This decrease is due mainly to the acquisition of the Krystal Grand Punta Cancún hotel, the stabilization process in Krystal Beach Acapulco and Hilton Puerto Vallarta as well as the beginning of operations of Krystal Grand Reforma Uno.

Sales and Administration Costs and Expenses: Sales and administration costs and expenses increased 39.9%, from Ps. 31.9 million in the 3Q13 to Ps. 44.7 million in the 3Q14. As a percentage of Total Revenue the sales and administration costs and expenses decreased from 27.1% during the 3Q13 to 25.5% during the same period of 2014 derived mainly from the stabilization process in which the afore mentioned hotels are in as well as the beginning of operations of the Krystal Grand Reforma Uno hotel, which strengthen the corporate leverage of the Company as it increases revenue while sales and administration costs remain stable.

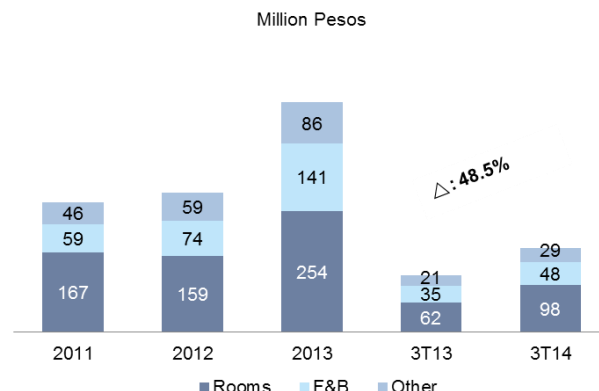
Other Costs and Expenses: Other costs and expenses increased 35.2%, from Ps. 14.6 million in the 3Q13 to Ps. 19.8 million in the 3Q14. Other costs and expenses as a percentage of Total Revenue decreased from 12.4% during the 3Q13 to 11.3% during the same period of 2014 as a consequence of the maturity of operations of the afore mentioned hotels and the beginning of the management contract of the Krystal Grand Reforma Uno hotel.

Operating Income

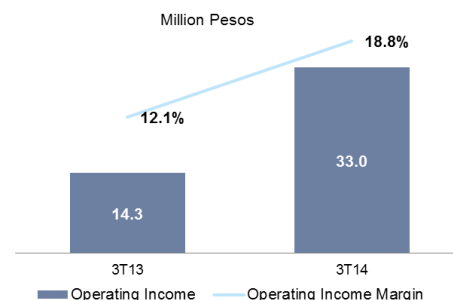
Operating income for the Company increased 130.8% to Ps. 33.0 million in the 3Q14, compared with Ps. 14.3 million during 3Q13, mainly due to the acquisition of the Krystal Grand Punta Cancún hotel, the results obtained by the Krystal Beach Acapulco and Hilton Puerto Vallarta hotels as well as a decrease in non-recurrent expenses derived from the acquisition of the Krystal Grand Punta Cancún hotel during the 3Q13. The operating margin increased from 12.1% in the 3Q13 to 18.8% in the 3Q14.

The operating margin for the nine month period ended in September 2013 was affected by a positive accounting effect derived from the acquisition of the Krystal Beach Acapulco hotel (bargain purchase gain). Due to this effect there is a decrease when comparing the operating margin with that of the same period of 2014.

Total Revenue



Operating Income



Adjusted EBITDA

Adjusted EBITDA reached Ps. 52.2 million for the 3Q14 in comparison with Ps. 33.6 million in the 3Q13, which represents an increase of 55.4%. Adjusted EBITDA as a percentage of Total Revenue increased from 28.5% in the third quarter of 2013 to 29.8% in the third quarter of 2014.

Figures in thousand pesos	3Q14	3Q13	% Var.
Operating Income	32,988	14,295	130.8
(+) Depreciation and Amortization	17,420	13,156	32.4
(+) Development and Hotel Opening Expenses ³	1,468	5,591	(73.7)
(+) Other non-recurring expenses ⁴	278	513	(45.8)
Adjusted EBITDA	52,155	33,556	55.4

Net Financing Result

Net financing result passed from Ps. (19.6) million to Ps. (40.6) million, mainly derived from:

- An increase in interest expense from Ps. 4.4 million in the 3Q13 to Ps. 6.9 million in the 3Q14 due to increased debt which reached Ps. 908.0 million in the 3Q14 from Ps. 641.4 million in the 3Q13; and
- A foreign exchange loss of Ps. 32.8 million in the 3Q14 which grew from a loss of Ps. 14.5 million in the 3Q13 due to the dollar denominated debt the Company has and the depreciation of the Mexican Peso during this quarter.

Net Income

Net income for the Company was affected by the afore mentioned foreign exchange loss and decreased to Ps. (2.4) million in the third quarter of 2014 in comparison with an income of Ps. 1.8 million in the third quarter of 2013.

Accumulated Net Income

Accumulated net income for the nine months ended September 2014 reached Ps. 35.8 million which represents a decrease of 17.3% compared to the same period of the previous year. This decrease is mainly due to the previously mentioned foreign exchange loss during the third quarter of 2013.

³ Development and hotel opening expenses include expenses related to acquisition opportunities.

⁴ Other non-recurring expenses include expenses from layoffs of personnel in the acquired hotels as well as non-recurring legal expenses

Balance Sheet Summary

Figures in thousand pesos

Balance Sheet Summary	Sep-14	Sep-13	Var \$	Var %
Cash and cash equivalents	734,901	23,340	711,561	3048.7
Accounts receivables and other current assets	95,517	77,299	18,218	23.6
Creditable taxes	102,703	43,486	59,217	136.2
Total current assets	933,121	144,124	788,996	547.4
Property, furniture and equipment	2,089,242	2,052,739	36,503	1.8
Other fixed assets	175,714	92,055	83,659	90.9
Total non-current assets	2,264,957	2,144,794	120,163	5.6
Total Assets	3,198,077	2,288,919	909,159	39.7
Current installments of long-term debt	113,655	34,177	79,477	232.5
Other current liabilities	99,764	157,358	(57,594)	(36.6)
Total current liabilities	213,419	191,536	21,884	11.4
Long-term debt	794,323	607,169	187,154	30.8
Other non-current liabilities	2,337	2,729	(392)	(14.4)
Total non-current liabilities	796,659	609,898	186,762	30.6
Total Equity	2,187,999	1,487,485	700,514	47.1
Total Liabilities and Equity	3,198,077	2,288,919	909,159	39.7

Cash and Equivalents

Cash and equivalents as of the 3Q14 increased to Ps. 734.9 million, an increase of Ps. 711.6 million when compared to the same period of 2013. This increase is mainly due to the resources obtained from the Initial Public Offering that the Company realized during September of 2014.

Property, Furniture & Equipment

This item reached Ps. 2,089.2 million, an increase of 1.8% when compared to the same period of 2013. The Company does routine remodeling and renovations of its fixed assets and, even though the Company acquired the property where the Krystal Urban located in Guadalajara will be developed, this item was offset by the depreciation during the period.

Net Debt

As of the 3Q14 net debt for the Company was Ps. 145.2 million compared with Ps. 602.5 million as of the 3Q13. This is mainly attributed to the resources obtained by the Initial Public Offering realized during September of 2014, which highlights the solid financial structure of the Company for the fulfillment of its expansion plans. This effect was partially offset by an increase in financial debt derived from the recent acquisition of the Krystal Grand Punta Cancún hotel and the revaluation of the total debt adjusting exchange rates, as the debt is issued in US Dollars.

Capital Stock

Capital stock as of the 3Q14 reached Ps. 2,188.0 million, an increase of Ps. 700.5 million or 39.7% compared to the 3Q13. The change in capital stock is mainly due to the following reasons:

- A decrease of Ps. 22.3 million in Non-Controlling Equity due to the effect of consolidating 100% of the Hilton Puerto Vallarta hotel; and
- An increase in paid-in capital of Ps. 705.8 million derived from the movements detailed in the following table:

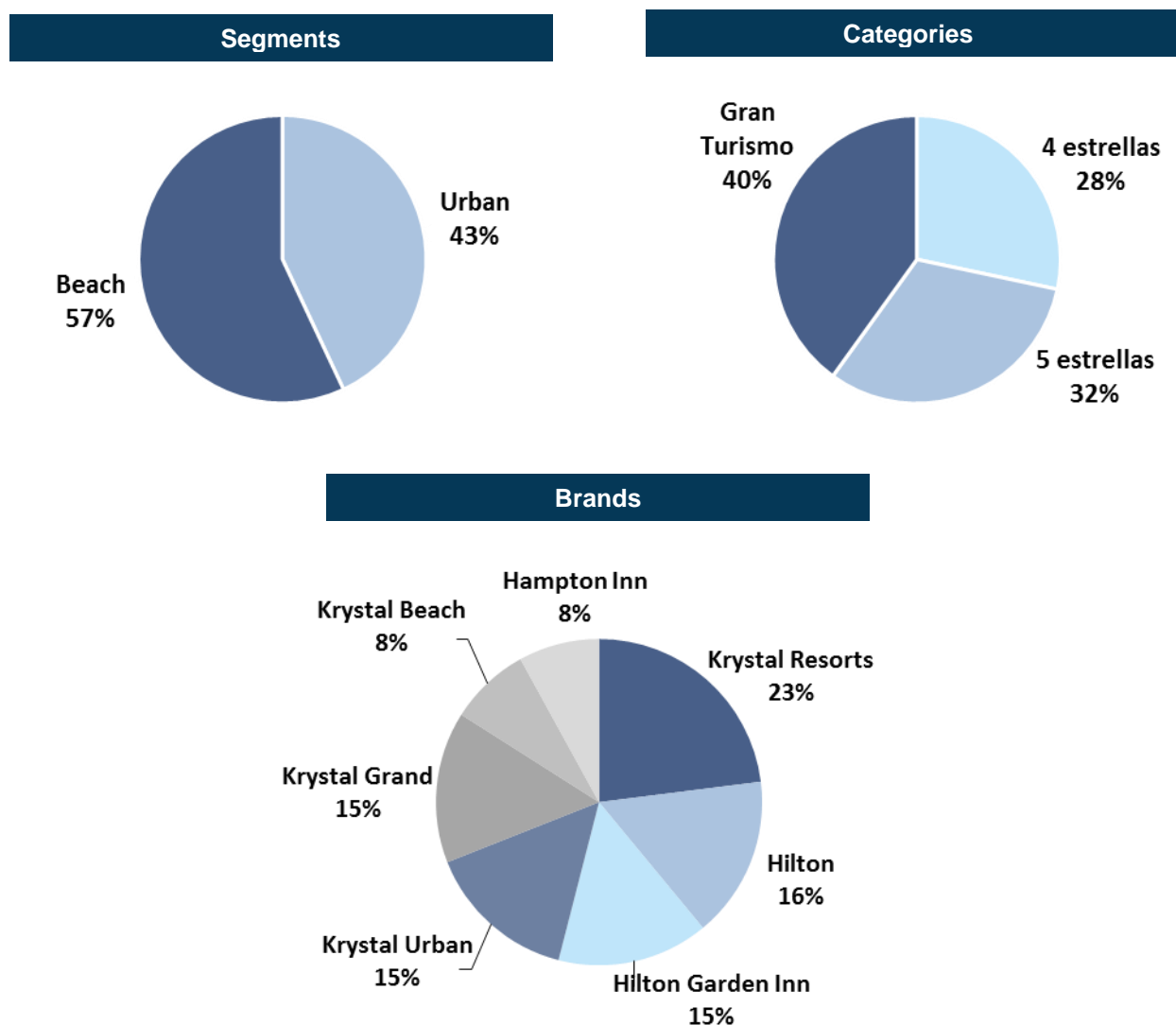
Figures in thousand pesos

Capital Stock Integration	Capital Stock 3Q13	Capital Increase	Capital Stock 3Q14
Initial Public Offering	952,467	750,000	1,702,467
Repurchase of Shares		(8,525)	(8,525)
Expenses related to IPO 2013		(32,314)	(32,314)
Expenses related to IPO 2014		(35,877)	(35,877)
Merger Capital Increase		32,470	32,470
Capital Social	952,467	705,754	1,658,221

Hotel Portfolio

As of the third quarter of 2014 HOTEL had a total of 10 operated hotels of which 6 are owned while 4 are third-party owned. This represents an increase of 1 new unit compared with the 9 operated hotels as of the 3Q13. The total of operated rooms was of 3,296, an increase of 16.3% against the 2,835 that the Company operated in the same period of the previous year. In addition, the Company has 391 rooms being developed in Tabasco, Monterrey and Guadalajara, as well as 52 additional rooms in construction in the Krystal Cancún hotel with which the Company's operated hotels will increase to 13 and the Company's total of operated rooms will increase to 3,739.

The composition of the hotel portfolio is presented in the following graphs:



Details for the Webcast:

HOTEL will have a webcast (audio + presentation) to comment the results:

Date: Thursday October 23rd, 2014

Time: 13:30 hrs CST
14:30 hrs EST

Webcast: The web cast will take place in Spanish. To follow the presentation one must connect through the website:
<http://www.gsf-hotels.com/investors/>

To participate in the Q&A session please dial the following phone numbers:

Phone Numbers: USA: 1 877 407-0784
Mexico: 01 800-522-0034
Rest of World: 1 201 689-8560

About Grupo Hotelero Santa Fe

HOTEL is one of the leading companies in the Mexican hotel industry and is focused on acquiring, developing and operating hotels. The Company has a unique business model characterized by its flexibility and adaptability as HOTEL's experience allows it to operate under different brands, local and foreign, in different segments. The Company maintains a focus on the strengthening and positioning of its brand Krystal which has considerable recognition in the Mexican market. This strategy allows HOTEL to offer different experiences adapted to the specific demand in each market and to maximize the profitability of its investments. The operating model of the Company is characterized by the multi-functionality and efficiency of its personnel as well as a strict cost control that allows a rapid adaptation and anticipation to the changing necessities of the industry. HOTEL has the capacity to add new hotels to its existing portfolio through acquisition, development and conversion of properties or through the celebration of operating contracts with third parties. The Company considers that its diversified portfolio and its management capacities focused on profitability, in addition to the property of a brand with high recognition in the market all help HOTEL to obtain new operating contracts for hotels owned by third parties.

Legal Note on Forward Looking Statements:

The information provided in this report contains certain forward-looking statements and information related to Grupo Hotelero Santa Fe, S.A.B. de C.V. and its subsidiaries (jointly "Grupo Hotelero Santa Fe" or the "Company") which are based in the understanding of its managers, as well as in assumptions and information currently available for the Company. Such statements reflect the current view of Grupo Hotelero Santa Fe in regard to future events subject to a number of risks, uncertainties and assumptions. Several features may cause that the results, performance or current achievements of the Company may differ materially with respect to future results, performance or attainments of Grupo Hotelero Santa Fe that may be included, expressly or implied within such statements in regard to the future, including among others, alterations in the economic general conditions and/or politics, governmental and commercial changes globally or within the countries in which the Company has any business interests, changes in the interests rates and inflation, exchange rates volatility, changes in the demand and regulations of the products marketed by the Company, changes in the price of raw materials and other goods, changes in the business strategies and several other features. If one or more of this of risks or uncertainties are materialized, or if the assumptions used result to be incorrect, the real results may materially differ from those described herein as anticipated, believed, expected or envisioned. Grupo Hotelero Santa Fe undertakes no obligation to update or revise any forward-looking statements.

Income Statement

GRUPO HOTELERO SANTA FE, S.A.B. de C.V.

Consolidated Income Statement
For the three and nine month periods ended 30 September 2014 and 2013
(Miles de pesos mexicanos)

	Third Quarter			9 months ended September		
	2014	2013	% Var.	2014	2013	% Var.
Revenue						
Room Revenue	98,120	62,186	57.8	300,458	161,625	85.9
Food and Beverage Revenue	47,930	34,989	37.0	146,160	91,837	59.2
Other Revenue	29,083	20,769	40.0	88,579	65,228	35.8
TOTAL REVENUE	175,133	117,943	48.5	535,198	318,691	67.9
COSTS AND EXPENSES						
Operating Costs and Expenses	74,836	50,993	46.8	232,862	136,469	70.6
Sales and Administration	44,652	31,928	39.9	138,755	92,632	49.8
Property Expenses	3,491	1,467	138.0	9,707	3,887	149.7
Depreciation and Amortization	17,420	13,156	32.4	55,393	37,389	48.2
TOTAL COSTS AND EXPENSES	140,399	97,544	43.9	436,716	270,378	61.5
Bargain purchase gain	-	-	NA	-	(32,635)	(100.0)
Development and hotel opening expenses	1,468	5,591	(73.7)	3,150	9,378	(66.4)
Other non-recurring expenses	278	513	(45.8)	1,916	1,174	63.2
TOTAL	1,746	6,104	(71.4)	5,066	(22,082)	(122.9)
ADJUSTED EBITDA	52,155	33,556	55.4	153,875	85,702	79.5
ADJUSTED EBITDA Margin (%)	29.8%	28.5%	1.3 pt	28.8%	26.9%	1.9 pt
EBITDA	50,409	27,451	83.6	148,809	107,784	38.1
EBITDA Margin (%)	28.8%	23.3%	5.5 pt	27.8%	33.8%	(6.0 pt)
OPERATING INCOME	32,988	14,295	130.8	93,416	70,395	32.7
Operating Income Margin (%)	18.8%	12.1%	6.7 pt	17.5%	22.1%	(4.6 pt)
Net interest expenses	(6,901)	(4,444)	55.3	(21,938)	(11,454)	91.5
Net foreign currency exchange loss	(32,765)	(14,474)	126.4	(29,512)	(21,227)	39.0
Other financial costs	(902)	(708)	27.3	(2,230)	(2,582)	(13.6)
Net Financing Result	(40,568)	(19,625)	106.7	(53,681)	(35,263)	52.2
Undistributed income from subsidiaries, net	141	-	NA	(19)	-	NA
Income before taxes	(7,438)	(5,330)	39.5	39,716	35,132	13.0
Total income taxes	(743)	(160)	364.9	3,898	75	5102.0
Minority Interest	4,343	6,921	(37.2)	-	8,231	(100.0)
Net Income	(2,352)	1,750	(234.4)	35,819	43,288	(17.3)

Balance Sheet

Grupo Hotelero Santa Fe, S.A.B. de C.V.
Consolidated Balance Sheet
As of 30 september 2014 and 30 september 2013
(Figures in thousand pesos)

	2014	2013	Var \$	Var %
ASSETS				
Current Assets				
Cash and cash equivalents	734,901	23,340	711,561	3048.7
Accounts receivables from clients	57,960	34,173	23,786	69.6
Accounts receivables from related parties	6,851	21,459	(14,608)	(68.1)
Creditable taxes	102,703	43,486	59,217	136.2
Other current assets	30,706	21,666	9,040	41.7
Total current assets	933,121	144,124	788,996	547.4
Non-current Assets				
Restricted cash	27,841	15,510	12,331	79.5
Property, furniture and equipment	2,089,242	2,052,739	36,503	1.8
Other assets	45,666	8,287	37,379	451.0
Investment in subsidiaries	21,145	-	21,145	NA
Deferred income taxes	35,198	22,394	12,805	57.2
Goodwill	45,864	45,864	(0)	(0.0)
Total non-current assets	2,264,957	2,144,794	120,163	5.6
Total assets	3,198,077	2,288,919	909,159	39.7
LIABILITIES AND SHAREHOLDERS EQUITY				
Current liabilities				
Current installments of long-term debt	113,655	34,177	79,477	232.5
Suppliers	23,829	17,340	6,490	37.4
Accrued liabilities	50,616	23,880	26,736	112.0
Provision for early termination of operation agreement	-	45,864	(45,864)	(100.0)
Accounts payable to related parties	620	3,212	(2,592)	(80.7)
Payable taxes	5,079	3,635	1,444	39.7
Shareholder loans	-	48,669	(48,669)	(100.0)
Client advanced payments	19,621	14,759	4,861	32.9
Total current liabilities	213,419	191,536	21,884	11.4
Non-current liabilities				
Long-term debt	794,323	607,169	187,154	30.8
Other non-current liabilities	2,337	2,729	(392)	(14.4)
Total non-current liabilities	796,659	609,898	186,762	30.6
Total liabilities	1,010,079	801,433	208,645	26.0
Equity				
Capital stock	1,658,221	952,467	705,754	74.1
Legal reserve	190,493	190,493	-	0.0
Premium on subscription of shares	80,000	80,000	-	0.0
Net income	35,819	43,288	(7,470)	(17.3)
Retained earnings	223,466	198,954	24,512	12.3
Non-controlling interest	-	22,282	(22,282)	(100.0)
Total Equity	2,187,999	1,487,485	700,514	47.1
Total liabilities and equity	3,198,077	2,288,919	909,159	39.7

Cash Flow Statement

Grupo Hotelero Santa Fe SAB de C. V.
Consolidated Cashflow
From January through September 2014

(Figures in thousand pesos)

Flujo de Efectivo	Third Quarter	9 months ended September
Cashflow from operating activities		
Net income	(2,352)	35,819
Depreciation and amortization	16,273	51,950
Unrealized gain (loss) in foreign currency exchange	33,239	26,482
Interest expenses	7,536	21,760
Minority interest	(4,343)	-
Cashflow before working capital variations	50,353	136,011
Accounts receivable from clients	(8,784)	(9,949)
Accounts receivable from related parties	(4,579)	(3,130)
Other current assets	10,249	(13,257)
Creditable taxes	3,138	4,935
Suppliers	(200)	(8,720)
Accrued liabilities	(4,465)	19,381
Provision for early termination of operation agreement	-	(45,864)
Accounts payable to related parties	(3,790)	(1,188)
Client advanced payments	29	3,920
Payable taxes	5,079	(28,900)
Net operating cashflow	47,030	53,241
Investment activities		
Change in restricted cash	(1,009)	(7,137)
Acquisition of property, furniture and equipment	(10,190)	(89,595)
Business acquisition	-	-
Investment in subsidiary	(10,634)	(19,495)
Other assets	19,911	(42,338)
Other liabilities	40	(55,030)
Cashflow from investment activities	(1,882)	(213,595)
Financing activities		
Net increase in paid-in capital from IPO	681,809	681,809
Net increase in paid-in capital from merger	26,837	26,837
Repurchase of shares	(8,525)	(8,525)
Obtained loans	(20,046)	187,391
Obtained loans from shareholders	-	(1,331)
Effect from non-controlling interest merger	(25,921)	(25,921)
Cashflow form financing activities	654,154	860,260
Net (decrease) increase in cash and cash equivalents	699,302	699,906
Cash and cash equivalents	35,599	34,995
Cash and cash equivalents as of 30 de September 2014	734,901	734,901

Contact Information

Enrique Martínez Guerrero
Chief Financial Officer
inverionistas@gsf-hotels.com

Miguel Bornacini R.
Head of Investor Relations
inverionistas@gsf-hotels.com

For more information please visit our website: www.gsf-hotels.com