

Mexico City, October 24, 2019 – Grupo Hotelero Santa Fe S.A.B. de C.V. (BMV: HOTEL) (“HOTEL” or the “Company”), announced its consolidated results for the third quarter (“3Q19”) ended September 30, 2019. Figures are expressed in Mexican pesos, are unaudited and are in accordance with International Financial Reporting Standards (“IFRS”) and may vary due to rounding.

Highlights

- 3Q19 Total Revenue was Ps. 507.8 million, a 6.9% increase compared to 3Q18, driven by growth in the following: i) 16.0% in Food and Beverages Revenue, ii) 34.5% in Other Hotel Revenue, and iii) 1.6% in Third-Party Hotel Management Fees, which more than offset a 2.4% decrease in Room Revenue.
- 3Q19 EBITDA¹ was Ps. 139.5 million, a 2.9% decrease compared to 3Q18, derived from higher costs and expenses. 3Q19 EBITDA margin was 27.5% compared to 30.3% in 3Q18.
- In 3Q19, HOTEL recorded a Net Loss of Ps. 29.2 million, compared to a gain of Ps. 123.1 million in 3Q18. This variation was attributed to a negative FX result in the quarter.
- 3Q19 Net Operating Cash Flow was Ps. 148.5 million, a decrease of 7.7% compared to the Ps. 160.9 million reported in 3Q18; this was the result of less favorable working capital performance in the quarter.
- Net Debt/EBITDA (LTM) ratio was 4.0x at the end of 3Q19. Operating Cash Flow in US dollars represented 91.1% of Total Operating Cash Flow, thereby providing a natural hedge of the dollarized financial debt.
- HOTEL's total portfolio at the end of 3Q19 was 6,380 rooms in operation, an 8.2% increase compared to the 5,896 rooms at the end of 3Q18.
- RevPAR² for Company-owned hotels decreased by 6.3% in 3Q19 compared to 3Q18, mainly derived from an 8.4% decrease in ADR.
- The Company announces its updated 2019 guidance: 2019e Total Revenue - Ps. 2,200 million; 2019e EBITDA - Ps. 645 million. This guidance has been prepared using an average US dollar/Mexican peso exchange rate of \$19.00.

Figures in thousands of Mexican pesos	Third Quarter				9 months ended September 30			
	2019	2018	Var.	% Var.	2019	2018	Var.	% Var.
Total Revenue	507,846	475,055	32,790	6.9	1,672,370	1,522,200	150,171	9.9
EBITDA	139,511	143,726	(4,215)	(2.9)	484,904	502,456	(17,552)	(3.5)
EBITDA Margin	27.5%	30.3%	(2.8 pt)	(2.8 pt)	29.0%	33.0%	(4.0 pt)	(4.0 pt)
Operating Income	75,443	90,278	(14,835)	(16.4)	291,607	339,070	(47,464)	(14.0)
Net Income	(29,223)	123,130	(152,353)	NA	96,879	250,261	(153,382)	(61.3)
Net Income Margin	(5.8%)	25.9%	(31.7 pt)	(31.7 pt)	5.8%	16.4%	(10.6 pt)	(10.6 pt)
Operating Cash Flow	148,501	160,945	(12,444)	(7.7)	477,645	501,036	(23,391)	(4.7)
Occupancy	57.3%	56.0%	1.3 pt	1.3 pt	60.9%	63.1%	(2.2 pt)	(2.2 pt)
ADR	1,274	1,391	(117)	(8.4)	1,317	1,429	(112)	(7.8)
RevPAR	730	779	(49)	(6.3)	803	901	(98)	(10.9)

Note: operating figures include hotels with 50%+ ownership.

¹EBITDA is calculated by adding Operating Income, Depreciation and Total Non-recurring Expenses.

²Revenue per Available Room (“RevPAR”) and Average Daily Rate (“ADR”).

Comments from the Executive Vice President

Mr. Francisco Zinser, stated:

2019 has been a tough year for the Mexican tourism sector in general, including us. Our quarterly results were below our expectations due to external factors. In Mexico, tourist activity at both resort and urban destinations continued to show softer dynamics. At resort destinations, the main headwind was the slowdown in international tourism that began at the end of last year, driven by the combined effect of perception of decreased security in certain markets, and sargassum (brown algae) washing up along the beaches in Cancún and the Riviera Maya. However, tourist destinations in the Pacific region, such as Puerto Vallarta and Los Cabos, had favorable results. Regarding urban destinations, the slowdown in economic activity continued to affect booking activity in several segments, including meetings and conventions, corporate accounts, and government accounts. Keep in mind that this last item includes not only government accounts, but all the third-party consultants and service providers that cater to this segment.

Providing more insight into our quarterly performance, results were impacted by the aforementioned items, combined with the maturation curve of the *Reflect Krystal Grand* properties, which have been negatively affected by the same factors, weighing on our performance. Quarterly revenues were Ps. 507.8 million, up 6.9% compared to 3Q18. 3Q19 EBITDA, on the other hand, was Ps. 139.5 million, down 2.9% compared to 3Q18 mainly due to lower top line growth, coupled with lower-than-expected results at *Reflect Krystal Grand* properties. This affected our margins, as this brand has higher standards and therefore higher operating costs. Regarding Company-owned hotels, RevPAR decreased by 6.3%, due to an 8.4% decrease in ADR, which was partially offset by a 1.3 percentage point expansion in Occupancy.

Due to the previously mentioned factors, which were mostly unpredictable, we are adjusting our guidance in revenues and EBITDA to Ps. 2,200 million and Ps. 645 million, respectively, implying a 6.5% growth rate in revenues and a 4.6% contraction in EBITDA. We believe this guidance more accurately depicts the reality of Mexico's tourism sector.

In order to strengthen our balance sheet and lower the amount of Company-owned assets whose results are not consolidated in our financial statements, we are announcing the divestment from our stake of Ps. 88 million in the Breathless Tulum Resort & Spa. However, please note that our management contract for this hotel remains in place.

HOTEL is on the right track to become the leading hotel company in Mexico. Our management team and associates, who are recognized for their passion and commitment, combined with the Company's high efficiency levels and profitable growth, will enable us to meet our goals. As always, we are thankful for the trust and support of our shareholders.

Sustainability Highlights

In the Environmental Area of our Sustainability Model we have grouped together the material issues related to our impacts on the environment and to the use of natural resources. The vision of Grupo Hotelero Santa Fe is to reduce the impacts of our operations, and to contribute proactively to preserving and protecting the environment. These relevant issues include: protecting biodiversity, improving energy efficiency, reducing carbon emissions, and responsibly handling water and waste. This provides us with a framework of reference that establishes environmental guidelines, which are the basis for the strategy and the programs to be developed every year. We also have the following policies:

Environmental and Sustainable Development Policy - This policy is focused on complying with regulations and laws on the matter: reducing energy consumption, decreasing waste, decreasing emission of contaminants, and educating employees, providers, clients and other stakeholders about the importance of using good practices that help decrease our negative impact on the environment.

Sustainability Policy - With these guidelines we establish our commitment to encourage the integral development of the communities in which we are present, and to contribute to sustainable development in the regions where we operate, facilitating and sponsoring activities and projects to promote sustainability and individual development, applying best environmental practices, and minimizing and offsetting the impacts of our operations.

Portfolio of Properties

No.	Property	Total Rooms	Ownership	Type	Category	Months in Operation	Stabilized	City	State
1	Hilton Guadalajara	450	100%	Urban	Grand Tourism	>36	Yes	Guadalajara	Jalisco
2	Krystal Urban Monterrey	150	100%	Urban	4 stars	>36	Yes	Monterrey	Nuevo Leon
3	Krystal Urban Cd. Juarez	120	100%	Urban	4 stars	>36	Yes	Ciudad Juarez	Chihuahua
4	Krystal Urban Cancun	246	100%	Urban	4 stars	>36	Yes	Cancun	Quintana Roo
5	Krystal Satelite Maria Barbara	215	100%	Urban	5 stars	>36	Yes	Estado de Mexico	Estado de Mexico
6	Hilton Garden Inn Monterrey Aeropuerto	134	15%	Urban	4 stars	>36	Yes	Monterrey	Nuevo Leon
7	Hampton Inn & Suites Paraiso Tabasco	117	-	Urban	4 stars	>36	Yes	Paraiso	Tabasco
8	Krystal Urban Aeropuerto Mexico City	96	-	Urban	4 stars	>36	Yes	Mexico City	Mexico City
9	Krystal Urban Guadalajara	140	100%	Urban	4 stars	>36	Yes	Guadalajara	Jalisco
10	Krystal Monterrey	207	-	Urban	5 stars	>36	Yes	Monterrey	Nuevo Leon
11	Ibis Irapuato	140	-	Urban	3 stars	28	In Process	Irapuato	Guanajuato
12	Krystal Grand Suites Insurgentes	150	50%	Urban	Grand Tourism	23	In Process	Mexico City	Mexico City
13	Hyatt Centric Campestre Leon	140	50%	Urban	Grand Tourism	13	In Process	Leon	Guanajuato
14	Hyatt Place Aguascalientes	144	-	Urban	4 stars	7	In Process	Aguascalientes	Aguascalientes
15	DoubleTree by Hilton Toluca	142	-	Urban	4 stars	4	In Process	Toluca	Estado de Mexico
16	AC Hotel by Marriott Santa Fe	168	-	Urban	4 stars	2	In Process	Mexico City	Mexico City
17	Courtyard by Marriott Puebla	154	-	Urban	4 stars	2	In Process	Puebla	Puebla
Subtotal Urban		2,913							
18	Krystal Resort Cancun	502	-	Resort	5 stars	>36	Yes	Cancun	Quintana Roo
19	Krystal Resort Ixtapa	255	-	Resort	5 stars	>36	Yes	Ixtapa	Guerrero
20	Krystal Resort Puerto Vallarta	530	-	Resort	5 stars	>36	Yes	Puerto Vallarta	Jalisco
21	Hilton Puerto Vallarta Resort	451	100%	Resort	Grand Tourism	>36	Yes	Puerto Vallarta	Jalisco
22	Krystal Beach Acapulco	400	100%	Resort	4 stars	>36	Yes	Acapulco	Guerrero
23	Reflect Krystal Grand Punta Cancun	395	100%	Resort	Grand Tourism	>36	Yes	Cancun	Quintana Roo
24	Reflect Krystal Grand Los Cabos	454	50%	Resort	Grand Tourism	28	In Process	Los Cabos	Baja California Sur
25	Reflect Krystal Grand Nuevo Vallarta	480	50%	Resort	Grand Tourism	23	In Process	Nuevo Vallarta	Nayarit
Subtotal Resort		3,467							
Total in Operation		6,380							
26	Hyatt Regency Insurgentes Mexico City	250	50%	Urban	Grand Tourism			Mexico City	Mexico City
27	AC by Marriott Distrito Armida	168	-	Urban	4 stars			Monterrey	Nuevo Leon
28	Curio Collection Zacatecas	32	-	Urban	Boutique			Zacatecas	Zacatecas
29	Breathless Tulum Resort & Spa	300	-	Resort	Grand Tourism			Tulum	Quintana Roo
Total in Construction		750							
Total		7,130							

At the end of 3Q19, HOTEL recorded a total of 25 properties in operation, of which 13 are Company-owned,³ and the remaining 12 are third-party owned.⁴

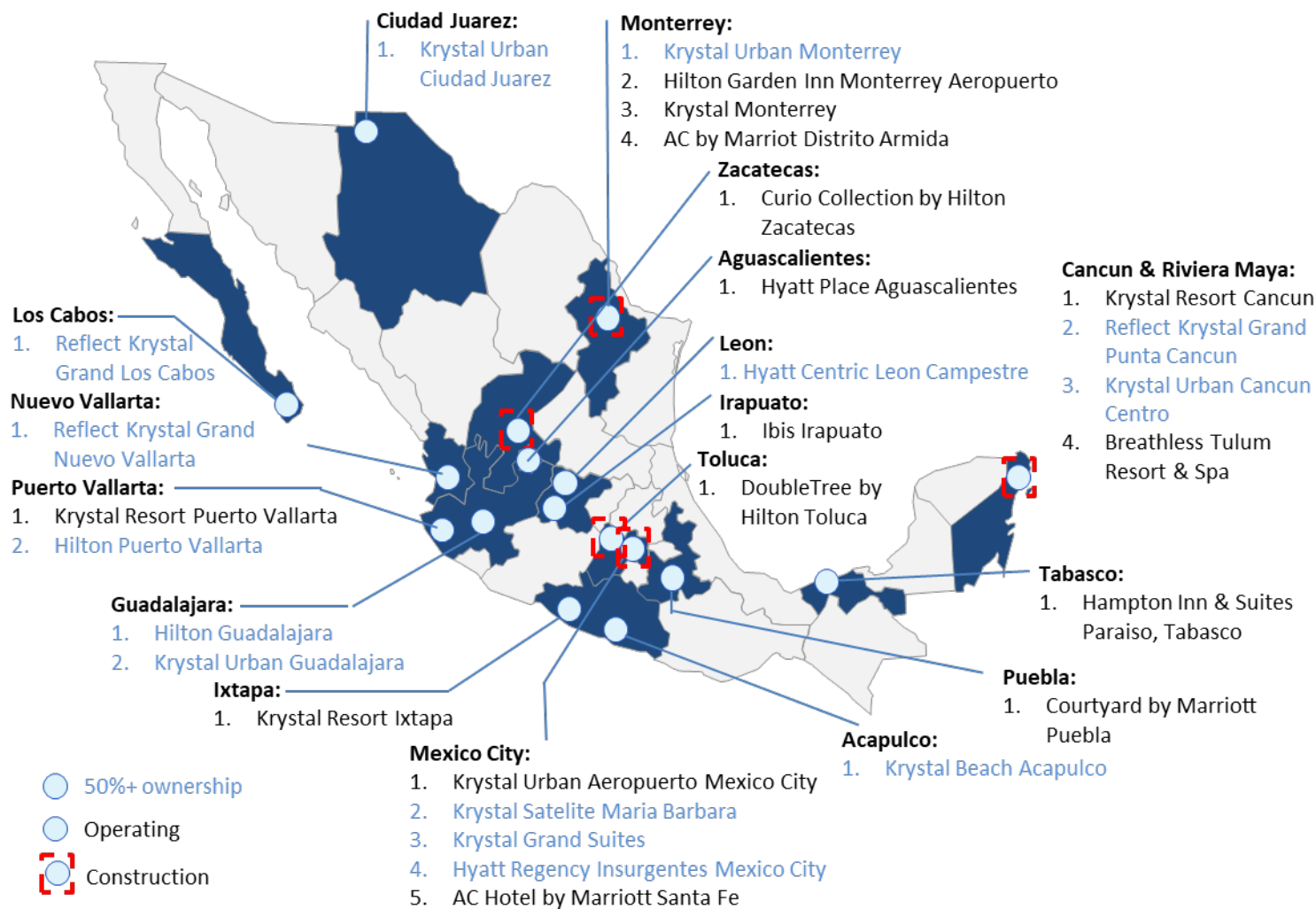
The total number of rooms in operation at the end of 3Q19 was 6,380, an 8.2% increase compared to the 5,896 under operation for the same period last year. Out of 484 net additional rooms, we added 608 rooms but had 124 fewer rooms overall due to the removal of *Krystal Pachuca* from the portfolio. Of the 608 rooms we added, 144 are from *Hyatt Place Aguascalientes*, 142 are from the *Double Tree by Hilton Toluca*, 168 are from the *AC Hotel by Marriott Santa Fe* and 154 are from the *Courtyard by Marriott Puebla*.

Additionally, HOTEL has 750 rooms under construction (owned and third-party) including 250 from *Krystal Grand Insurgentes*, 168 rooms from the *AC by Marriott Distrito Armida*, 32 rooms from the *Curio Collection Zacatecas*, and 300 rooms from the *Breathless Tulum Resort & Spa* for a total portfolio of 29 hotels and 7,130 rooms.

The hotel portfolio is geographically distributed as follows:

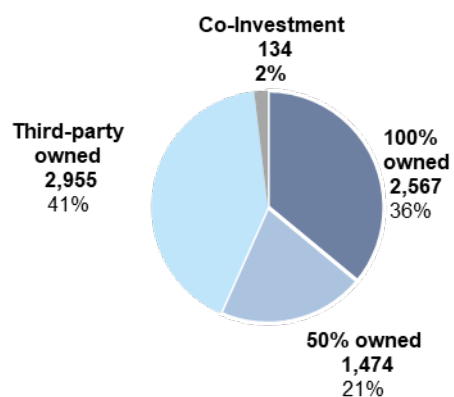
³ The Company operates Reflect Krystal Grand Los Cabos, Reflect Krystal Grand Nuevo Vallarta, Krystal Grand Suites Insurgentes and Hyatt Centric Campestre Leon, in which it also has a 50% ownership position. According to IFRS, the results of these properties are consolidated in the Company's financial statements.

⁴ The Company operates Hilton Garden Inn Monterrey Aeropuerto hotel, in which it also has a 15% ownership position. According to IFRS, although the results of this property are not consolidated in the Company's financial statements, third-party hotel management fees are included as "Other Revenues," given that the property is considered a third-party hotel under management.

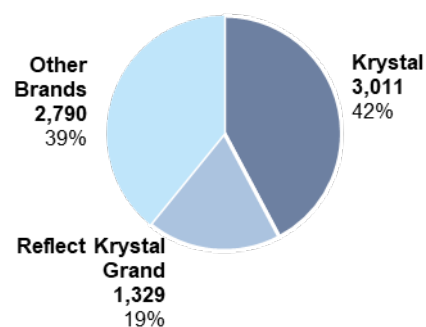


In terms of rooms under operation and rooms under development (including rooms under construction and conversion), at 3Q19 the hotel portfolio was as follows:

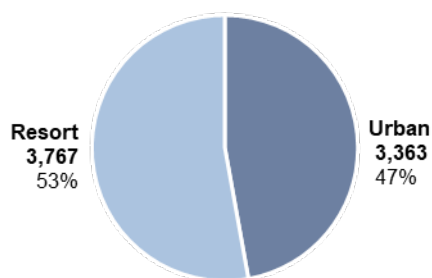
Ownership (number of rooms)



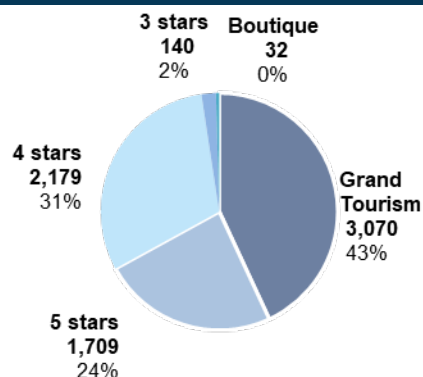
Brand (number of rooms)



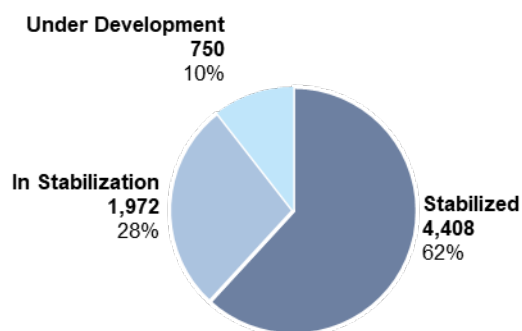
Segment (number of rooms)



Category (number of rooms)



Stabilization Stage (number of rooms)



Hotel Classification

For comparison purposes, the hotel portfolio is classified into (i) Company-owned hotels, and (ii) those owned by third parties that are managed by HOTEL. The rationale for this classification is that Company-owned hotels support the majority of revenue. While commercially important and relevant for the hotel platform, hotels under management only generate management fees for the Company, which are shown in the profit and loss statement under Third-Party Hotel Management Fees.

Company-owned hotels are classified according to each hotel's stage in the stabilization cycle. As a result of this classification, hotels that have been in operation for at least 36 months are considered to be mature or stabilized, while hotels that have been in operation for less than 36 months are considered to be in their stabilization stage or in their maturation period. At the end of 3Q19, HOTEL had 13 Company-owned hotels and 12 Third-Party-Owned hotels under management.²

Of a total 6,380 hotel rooms under operation, the operating indicators for 3Q19 include 6,005 rooms: 375 rooms (263 corresponding to Vacation Club and 112 unavailable rooms) are excluded from the present analysis and are detailed at the end of this report in Appendix 1. The following table is a summary of the main 3Q19 operating indicators compared to the same period of last year, based on the classification. The methodology used to determine the number of rooms divides the total number of available rooms by the corresponding number of days in each period.

Figures in Mexican pesos

Hotel Classification	Third Quarter				9 months ended September 30			
	2019	2018	Var.	% Var.	2019	2018	Var.	% Var.
Total Hotels in Operation	25	21	4	19.0	25	21	4	19.0
Number of rooms	6,005	5,485	520	9.5	5,755	5,217	538	10.3
Occupancy	58.5%	59.7%	(1.2 pt)	(1.2 pt)	63.1%	64.6%	(1.5 pt)	(1.5 pt)
ADR	1,340	1,414	(74)	(5.2)	1,385	1,451	(66)	(4.6)
RevPAR	784	844	(60)	(7.1)	874	938	(64)	(6.8)
1 Total Owned Hotels (50%+ ownership)	13	12	1	8.3	13	12	1	8.3
Number of rooms	3,738	3,590	148	4.1	3,739	3,369	370	11.0
Occupancy	57.3%	56.0%	1.3 pt	1.3 pt	60.9%	63.1%	(2.2 pt)	(2.2 pt)
ADR	1,274	1,391	(117)	(8.4)	1,317	1,429	(112)	(7.8)
RevPAR	730	779	(49)	(6.3)	803	901	(98)	(10.9)
1.1 Stabilized Owned Hotels⁽¹⁾	9	8	1	12.5	9	8	1	12.5
Number of rooms	2,514	2,366	148	6.3	2,515	2,288	227	9.9
Occupancy	59.8%	57.9%	1.9 pt	1.9 pt	62.6%	63.2%	(0.6 pt)	(0.6 pt)
ADR	1,260	1,460	(200)	(13.7)	1,327	1,502	(175)	(11.6)
RevPAR	753	845	(92)	(10.8)	831	949	(118)	(12.5)
1.2 Owned Hotels in Stabilization Stage	4	4	-	0.0	4	4	-	0.0
Number of rooms	1,224	1,224	-	0.0	1,224	1,081	143	13.2
Occupancy	52.1%	52.4%	(0.3 pt)	(0.3 pt)	57.5%	62.8%	(5.3 pt)	(5.3 pt)
ADR	1,306	1,245	61	4.9	1,296	1,273	23	1.8
RevPAR	681	652	29	4.4	746	799	(53)	(6.7)
2 Third-party Hotels Under Management⁽²⁾	12	9	3	33.3	12	9	3	33.3
Number of rooms	2,267	1,895	372	19.6	2,016	1,848	168	9.1
Occupancy	60.4%	66.7%	(6.3 pt)	(6.3 pt)	67.2%	67.5%	(0.3 pt)	(0.3 pt)
ADR	1,445	1,451	(6)	(0.4)	1,497	1,489	8	0.6
RevPAR	873	967	(94)	(9.7)	1,007	1,005	2	0.2

Note: The variation in number of rooms in the portfolio due to renovations, acquisitions or recent openings in each period.

(1) Variation in number of hotels and rooms is due to the evolution of Krystal Urban Guadalajara that was reclassified from hotels in the stabilization stage to stabilized hotels combined with the new rooms added from the Hilton Vallarta expansion

(2) The increase in number of rooms is due to the incorporation of Hyatt Place Aguascalientes, DoubleTree by Hilton Toluca, AC Hotel by Marriott Santa Fe and the Courtyard by Marriott Puebla, combined with the exit of the Krystal Pachuca

Consolidated Financial Results

Figures in thousands of Mexican pesos

Income Statement	Third Quarter				9 months ended September 30			
	2019	2018	Var.	%Var.	2019	2018	Var.	%Var.
Room Revenue	251,096	257,298	(6,202)	(2.4)	819,424	828,549	(9,125)	(1.1)
Food and Beverage Revenue	191,080	164,694	26,387	16.0	643,152	532,472	110,680	20.8
Other Revenue from Hotels	48,025	35,695	12,330	34.5	152,434	108,287	44,147	40.8
Third-Party Hotels' Management Fees	17,645	17,369	276	1.6	57,361	52,892	4,469	8.4
Total Revenue	507,846	475,055	32,790	6.9	1,672,370	1,522,200	150,171	9.9
Cost and Operating Expenses	238,958	217,447	21,512	9.9	761,307	653,632	107,675	16.5
Sales and Administrative	120,031	106,294	13,737	12.9	398,724	343,669	55,055	16.0
Other Expenses	9,345	7,588	1,756	23.1	27,436	22,443	4,993	22.2
Depreciation	59,338	46,795	12,542	26.8	174,552	141,625	32,927	23.2
Total Costs and Expenses	427,672	378,124	49,547	13.1	1,362,018	1,161,369	200,649	17.3
Total Non Recurring Expenses	4,731	6,653	(1,922)	(28.9)	18,746	21,761	(3,015)	(13.9)
EBITDA	139,511	143,726	(4,215)	(2.9)	484,904	502,456	(17,552)	(3.5)
EBITDA Margin(%)	27.5%	30.3%	(2.8 pt)	(2.8 pt)	29.0%	33.0%	(4.0 pt)	(4.0 pt)
Operating Income	75,443	90,278	(14,835)	(16.4)	291,607	339,070	(47,464)	(14.0)
Operating Income Margin (%)	14.9%	19.0%	(4.1 pt)	(4.1 pt)	17.4%	22.3%	(4.8 pt)	(4.8 pt)
Net Financing Result	(113,775)	69,467	(183,242)	NA	(169,773)	(16,025)	(153,748)	NA
Total income taxes	(8,242)	37,578	(45,820)	NA	27,325	75,552	(48,227)	(63.8)
Net Income	(29,223)	123,130	(152,353)	NA	96,879	250,261	(153,382)	(61.3)
Net Income Margin (%)	(5.8%)	25.9%	(31.7 pt)	(31.7 pt)	5.8%	16.4%	(10.6 pt)	(10.6 pt)
Income attributable to:								
Controlling Interest	(1,679)	97,492	(99,171)	NA	116,698	222,231	(105,532)	(47.5)
Non-controlling Interest	(27,545)	25,638	(53,182)	NA	(19,819)	28,030	(47,850)	NA

Total Revenue

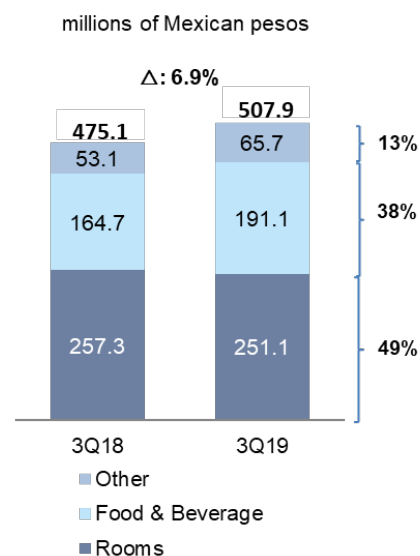
During 3Q19, Total Revenue increased 6.9%, from Ps. 475.1 million in 3Q18 to Ps. 507.8 million, driven by 16.0% growth in Food and Beverage Revenue, 34.5% growth in Other Revenues and 1.6% growth in Third-Party Hotel Management Fees, which more than offset a 2.4% decrease in Room Revenue.

Room Revenue decline was mainly due to softer performance in the markets in both Cancún and Guadalajara, which was partially offset by growth in Los Cabos and Nuevo Vallarta.

During 3Q19, Room Revenue decreased 2.4% compared to 3Q18, derived from a RevPAR decrease of 6.3%, which in turn was caused by an 8.4% decline in ADR. This was partially offset by a 1.3 percentage point increase in Occupancy. The RevPAR decrease was partially offset by 4.1% growth in the number of rooms in operation of Company-owned hotels.

The portfolio of stabilized Company-owned hotels experienced a 6.3% increase in the number of rooms. This portfolio posted a 10.8% reduction in RevPAR, explained by a 13.7% decrease in ADR, which was partially offset by a 1.9 percentage point increase in Occupancy. The increase in the number

Total Revenue



of stabilized rooms was due to incorporation of the *Krystal Urban Guadalajara* into the portfolio of stabilized Company-owned hotels, having completed its 36-month stabilization stage.

Company-owned hotels in the stabilization stage remained stable in terms of number of rooms. The RevPAR of these properties increased 4.4%, driven by a 4.9% ADR increase, which more than offset a 0.3 percentage point decrease in Occupancy.

Food and Beverage Revenue increased 16.0%, from Ps. 164.7 million in 3Q18 to Ps. 191.1 million in 3Q19, driven by the *Hilton Puerto Vallarta*, *Reflect Krystal Grand Los Cabos*, and *Reflect Krystal Grand Nuevo Vallarta*, which are in stabilization.

Other Income, which includes, among other items, event room rentals, parking, laundry, telephone, and leasing of commercial spaces, increased 34.5%, from Ps. 35.7 million in 3Q18 to Ps. 48.0 million in 3Q19, driven by increased hotel activity.

Management Fees related to third-party owned hotels increased by 1.6% compared to 3Q18, driven by a 19.6% increase in the number of rooms under operation, which more than offset a 9.7% decrease in RevPAR during the period. The lower RevPAR was driven by a 6.3 percentage point reduction in Occupancy combined with a 0.4% decrease in ADR. The Company sees an opportunity to continue its expansion plans by means of third-party operating contracts, mainly with the Krystal® brand, which it does not believe will significantly impact the operating structure.

Costs and Expenses

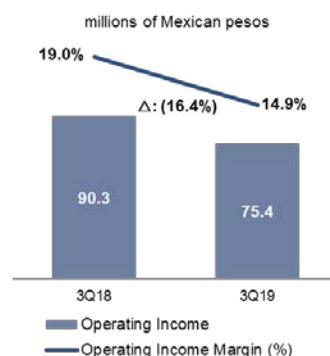
Operating Costs and Operating Expenses increased 9.9%, from Ps. 217.4 million in 3Q18 to Ps. 239.0 million in 3Q19. This increase was mainly due to higher costs and expenses at the Reflect Krystal Grand hotels. Operation of this new brand implies higher operating costs that have not yet been matched by revenue growth, due to the longer-than-expected maturity curve of these properties, as certain external factors affecting performance at nearly all of those properties have been weighing on their performance over the past few months.

Administration and Sales Expenses rose 12.9%, from Ps. 106.3 million in 3Q18 to Ps. 120.0 million in 3Q19. Administration and Sales Expenses accounted for 23.6% of Total Revenue in 3Q19, compared to 22.4% in 3Q18, due to higher costs and expenses at the Reflect Krystal Grand hotels, as explained above.

Operating Income

During 3Q19, Operating Income decreased 16.4%, from Ps. 90.3 million in 3Q18 to Ps. 75.4 million. This result was attributed to higher operating costs and expenses at the *Reflect Krystal Grand* hotels. Operating Margin decreased by 4.1 percentage points, from 19.0% in 3Q18 to 14.9% in 3Q19.

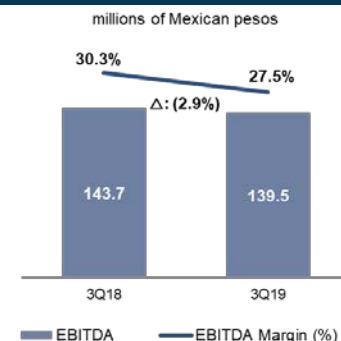
Operating Income



EBITDA

3Q19 EBITDA was Ps. 139.5 million, compared to Ps. 143.7 million in 3Q18, a decrease of 2.9%. 3Q19 EBITDA margin decreased by 2.8 percentage points, from 30.3% in 3Q18 to 27.5% in 3Q19.

EBITDA



(Figures in thousands of Mexican pesos)	3Q19	3Q18	% Var.	2019	2018	% Var.
Operating Income	75,443	90,278	(16.4)	291,607	339,070	(14.0)
(+) Depreciation	59,338	46,795	26.8	174,552	141,625	23.2
(+) Development and Hotel Opening Expenses ⁵	1,428	6,869	(79.2)	11,236	18,960	(40.7)
(+) Other Non-Recurring Expenses ⁶	3,304	(215)	NA	7,509	2,800	NA
EBITDA	139,511	143,726	(2.9)	484,904	502,456	(3.5)
EBITDA Margin	27.5%	30.3%	(2.8 pt)	29.0%	33.0%	(4.0 pt)

Net Financing Result

In 3Q19, the Net Financing Result went from a gain of Ps. 69.5 million in 3Q18 to a loss of Ps. 113.8 million in 3Q19. This result was mainly attributed to the FX loss generated by the effect of the mark-to-market valuation of a higher USD/MXN exchange rate applied to our dollar-denominated debt, combined with a higher level of indebtedness, which increased our net interest expenses.

Net Income

Net Income went from a gain of Ps. 123.1 million in 3Q18 to a loss of Ps. 29.2 million in 3Q19, driven by a higher net financing result combined with lower operating income.

⁵ Expenses incurred in hotel expansions and openings, including new developments, and are related to the acquisition and research of acquisition opportunities.

⁶ Other non-recurring expenses, including settlement expenses and consulting fees related to the takeover of hotels acquired.

Cash Flow Summary

Figures in thousands of Mexican pesos

Cash Flow Statement	Third Quarter				9 months ended September 30			
	2019	2018	Var.	% Var.	2019	2018	Var.	% Var.
Cashflow from operating activities								
Net income	(29,223)	123,130	(152,353)	NA	96,879	250,261	(153,382)	(61.3)
Depreciation and amortization	59,338	46,795	12,542	26.8	174,552	141,625	32,927	23.2
Income taxes	(8,242)	37,578	(45,820)	NA	27,325	75,552	(48,227)	(63.8)
Unrealized gain (loss) in foreign currency exchange	71,196	(110,521)	181,717	NA	812	(103,872)	104,685	NA
Net interest expense	43,971	33,890	10,082	29.7	141,095	91,074	50,020	54.9
Other financial costs	1,648	4,223	(2,575)	(61.0)	5,614	5,662	(48)	(0.8)
Minority interest	(867)	(963)	96	(10.0)	(2,370)	(2,768)	398	(14.4)
Income from sale of shares	(3,562)	-	-	0.0	(3,562)	-	(3,562)	NA
Cashflow before working capital variations	134,259	134,132	127	0.1	440,345	457,534	(17,189)	(3.8)
Working Capital	14,242	26,813	(12,572)	(46.9)	37,300	43,502	(6,202)	(14.3)
Net operating cashflow	148,501	160,945	(12,444)	(7.7)	477,645	501,036	(23,391)	(4.7)
Non-recurring items	(6,420)	49,522	(55,942)	NA	(62,741)	6,401	(69,142)	NA
Cashflow net from non-recurring items	142,081	210,467	(68,386)	(32.5)	414,904	507,437	(92,533)	(18.2)
Investment activities	30,204	(650,580)	680,784	NA	(144,737)	(867,311)	722,574	(83.3)
Financing activities	(108,008)	322,212	(430,220)	NA	(204,385)	175,329	(379,713)	NA
Net (decrease) increase in cash and cash equivalents	64,278	(117,900)	182,178	NA	65,782	(184,545)	250,328	NA
Cash and cash equivalents at the beginning of the period	104,308	221,370	(117,062)	(52.9)	102,804	288,015	(185,211)	(64.3)
Cash and cash equivalents at the end of the period	168,586	103,470	65,117	62.9	168,586	103,470	65,117	62.9
Cash in business acquisition	-	235	(235)	NA	-	235	(235)	NA
Total Cash at the end of the period	168,586	103,705	64,882	62.6	168,586	103,705	64,882	62.6

By the end of 3Q19, Operating Cash Flow was Ps. 148.5 million, compared to Ps. 160.9 million reported in 3Q18, a 7.7% decrease driven by lower positive Working Capital in the quarter.

Balance Sheet Summary

Figures in thousands of Mexican pesos

Balance Sheet Summary	Sep-19	Sep-18	Var.	Var %
Cash and cash equivalents	168,587	103,705	64,882	62.6%
Accounts receivables and other current assets	282,396	183,321	99,075	54.0%
Creditable taxes	405,282	433,253	(27,972)	(6.5%)
Total current assets	856,264	720,279	135,985	18.9%
Restricted cash	173,837	115,965	57,872	49.9%
Property, furniture and equipment	8,092,211	7,771,961	320,250	4.1%
Non-productive fixed assets (under development) □	616,126	763,082	(146,956)	(19.3%)
Other fixed assets	539,116	509,579	29,538	5.8%
Total non-current assets	9,421,290	9,160,585	260,704	2.8%
Total Assets	10,277,554	9,880,864	396,690	4.0%
Current installments of long-term debt	224,435	238,400	(13,965)	(5.9%)
Other current liabilities	481,726	703,216	(221,490)	(31.5%)
Total current liabilities	706,161	941,616	(235,455)	(25.0%)
Long-term debt	2,729,256	2,222,518	506,738	22.8%
Other non-current liabilities	876,906	917,222	(40,316)	(4.4%)
Total non-current liabilities	3,606,161	3,139,740	466,422	14.9%
Total Equity	5,965,231	5,799,508	165,723	2.9%
Total Liabilities and Equity	10,277,553	9,880,864	396,689	4.0%

Cash and Cash Equivalents

By the end of 3Q19, the Company's Cash and Cash Equivalents were Ps. 168.6 million. Of this figure, Ps. 126.3 million is peso-denominated and Ps. 42.3 million is dollar-denominated.

Accounts Receivable and Other Current Assets

By the end of 3Q19, Accounts Receivables and Other Current Assets were Ps. 282.4 million compared to Ps. 183.3 million in 3Q18.

Property, Furniture & Equipment

This line item was equal to Ps. 8,092.2 million at the end of 3Q19, a 4.1% increase compared to Ps. 7,772.0 million at the end of 3Q18. This increase was mainly driven by the routine improvements, remodeling and renovations that the Company continues to carry out for its fixed assets. During the last twelve months, the largest hotel remodeling project took place at the *Krystal Urban Monterrey*.

Figures in thousands of Mexican pesos

Capex for the period	3Q19		YTD Sep 2019	
	3Q19	% Total	YTD	% Total
Hotels in development	5,569	14.8%	78,922	39.6%
Improvements in owned hotels	14,283	38.0%	45,559	22.9%
Ordinary capex	17,702	47.1%	74,876	37.6%
Total Capex	37,554	100.0%	199,358	100.0%

Net Debt and Maturity

Net Debt was Ps. 2,611.3 million at the end of 3Q19, which represented a Total Debt / EBITDA (LTM) ratio equal to 4.0x. 94.7% of Total Debt is US-dollar denominated and has an average cost of 5.2%. The remaining 5.3% is peso-denominated, with an average weighted cost of 11.0%. In addition, 89.8% of debt maturities are long-term.

During 3Q19, the Mexican peso depreciated 2.6% by the end of the quarter, from Ps. 19.1685 as of June 30, 2019, to Ps. 19.6808 as of September 30, 2019, having a negative impact on the Company's financial costs. The Company's short US dollar position by the close of 3Q19 was US\$ 132.0 million, equal to Ps. 2,598.1 million.

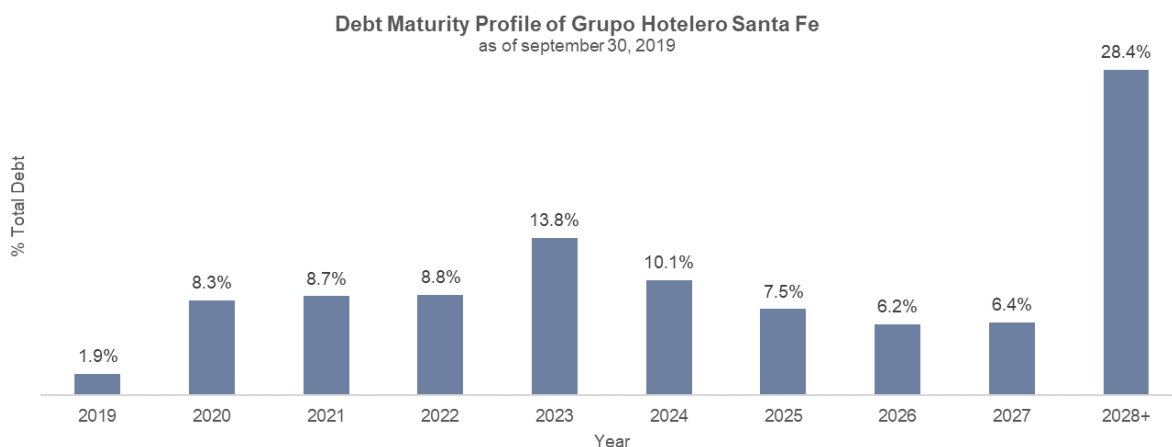
The following graphs show the Company's debt and cash position, as well as the debt maturity.

Debt*	Denominated in (currency):		
	Pesos	Dollars	Total
Short Term	13,192	211,243	224,435
Long Term	143,627	2,585,628	2,729,256
Total	156,820	2,796,871	2,953,691
% Total	5.3%	94.7%	100.0%
Average rate of financial liabilities	10.96%	5.19%	5.50%
Cash and equivalents	126,293	42,293	168,587
Restricted cash	17,317	156,521	173,837
Cash and cash equivalents**	143,610	198,814	342,424
Net Debt	13,210	2,598,057	2,611,267

Net Debt / LTMEBITDA (as of September 30, 2019) 4.0x

*Includes accrued interest and effect of financial instruments related to financial debt.

**Includes restricted cash related to bank debt.



As it pursues its growth plans, the Company will continue to balance its debt between pesos and dollars. Both peso- and dollar-denominated debt are hedged over reference rates (TIIE and LIBOR), with a strike price at 8.5% and 4.5%, respectively.

According to IFRS, the exchange rate used was USD/MXN 19.6808 as of September 30, 2019, as published in Mexico's Official Federal Gazette.

Currency Hedging Analysis

Figures in thousands of Mexican pesos

Currency Hedging Analysis	Third Quarter 2019			YTD Sep 30, 2019		
	Denominated in Pesos	Denominated in USD	Total in Pesos	Denominated in Pesos	Denominated in USD	Total in Pesos
Total Revenue	347,076	160,770	507,846	1,039,162	633,208	1,672,370
% of Total Revenue	68.3%	31.7%	100.0%	62.1%	37.9%	100.0%
(-) Total Costs and Expenses	389,689	37,983	427,672	1,207,021	154,997	1,362,018
(-) Non-recurring Expenses	4,731	-	4,731	18,745	-	18,745
Operating Income	(47,344)	122,787	75,443	(186,604)	478,211	291,607
(+) Depreciation	59,338	-	59,338	174,552	-	174,552
Operating Cash Flow	11,994	122,787	134,781	(12,052)	478,211	466,159
% of Operating Cash Flow	8.9%	91.1%	100.0%	(2.6%)	102.6%	100.0%
Interest	4,685	45,648	50,333	30,337	114,023	144,360
Principal	2,577	65,567	68,144	220,685	159,350	380,035
Total Debt Service	7,262	111,215	118,477	251,022	273,373	524,395
Interest Coverage Ratio 1	2.6x	2.7x	2.7x	(0.4x)	4.2x	3.2x
Debt Service Coverage Ratio 2	1.7x	1.1x	1.1x	(0.0x)	1.7x	0.9x

1) Operating Cash Flow / Interest; 2) Operating Cash Flow / Total Debt Service

In 3Q19, approximately 31.7% of revenue and 91.1% of operating cash flow were denominated in US dollars. Dollar-denominated operating cash flow was enough to cover the financial debt, both interest and principal, at a ratio of 1.1x for 3Q19. In 2Q19 we prepaid two existing Mexican peso-denominated bank loans and obtained two new US dollar-denominated credit facilities for the same amounts. Therefore, in the year-to-date figures, operating cash flow was insufficient to meet its debt obligations, with a ratio of 0.9x. Excluding this effect, debt service coverage ratio would have been 1.4x

In addition, HOTEL has a dollar-denominated cash balance of Ps. 42.3 million at the close of 3Q19, decreasing its total exposure to currency risk.

Recent Events

During 3Q19, and as of the date of this report, HOTEL's recent developments included:

- On July 30, the Company announced signature of a Management Contract for the AC Hotel by Marriott Santa Fe, with 168 rooms located in Mexico City's Santa Fe district. The hotel, which is owned by a third party and was inaugurated in May 2017, is located on Juan Salvador Agraz, just steps away from the Centro Comercial Santa Fe Mall. This Management Contract is in line with the Company's expansion plan, which includes growth in the urban hotel segment through third-party brands at strategic locations.
- On August 1, the Company announced signature of a Management Contract for the Courtyard by Marriott Puebla, with 154 rooms located in the city of Puebla, Puebla. The hotel, which is owned by a third party, is located on Avenida 31 Poniente, minutes away from the Angelopolis Mall. This Management Contract is in line with the Company's expansion plan, which includes growth in the urban hotel segment through third-party brands at strategic locations.
- The Company announced divestment from its stake in the *Breathless Tulum Resort & Spa*, which will strengthen the Company's balance sheet. The full investment of Ps. 88 million was recovered, and the management contract for this hotel is still in place.
- The Company announced its updated 2019 guidance:
2019e Total Revenue: Ps. 2,200 million.
2019e EBITDA: Ps. 645 million.

This guidance has been prepared using an average USD/MXN exchange rate of \$19.00.

3Q19 Conference Call Details:

HOTEL will host its earnings webcast (audio + presentation) to discuss results:

Date: Friday, October 25, 2019

Time: 12:00 p.m. Mexico City Time
1:00 p.m. New York Time

To participate in the conference call and Q&A session please dial:

Telephone: US: 1 800 863 3908
International +1 334 323 7224
Mexico: 01 800 847 7666

Conference password: HOTEL 000

Webcast: The webcast will be in English. To follow the Power Point presentation and the audio of the call, please visit our website www.gsf-hotels.com/investors

About Grupo Hotelero Santa Fe

HOTEL is a leading company in the Mexican hotel industry, centered on acquiring, converting, developing and operating its own hotels as well as third party-owned hotels. The Company focuses on strategic hotel location and quality, a unique hotel management model, strict expense control and the proprietary Krystal® brand, as well as other international brands. As of year-end 2018, the Company employed over 3,500 people and generated revenues of Ps. 2,065 million. For more information, please visit www.gsf-hotels.com

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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”, “HOTEL”, 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 these 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 September 30, 2019 and 2018

(Figures in thousands of Mexican pesos)

	Third Quarter				9 months ended September 30			
	2019	2018	Var.	% Var.	2019	2018	Var.	% Var.
Revenue								
Room Revenue	251,096	257,298	(6,202)	(2.4)	819,424	828,549	(9,125)	(1.1)
Food and Beverage Revenue	191,080	164,694	26,387	16.0	643,152	532,472	110,680	20.8
Other Revenue from Hotels	48,025	35,695	12,330	34.5	152,434	108,287	44,147	40.8
Third-party Hotels' Management Fees	17,645	17,369	276	1.6	57,361	52,892	4,469	8.4
TOTAL REVENUE	507,846	475,055	32,790	6.9	1,672,370	1,522,200	150,171	9.9
COSTS AND EXPENSES								
Operating Costs and Expenses	238,958	217,447	21,512	9.9	761,307	653,632	107,675	16.5
Sales and Administration	120,031	106,294	13,737	12.9	398,724	343,669	55,055	16.0
Property Expenses	9,345	7,588	1,756	23.1	27,436	22,443	4,993	22.2
Depreciation and Amortization	59,338	46,795	12,542	26.8	174,552	141,625	32,927	23.2
TOTAL COSTS AND EXPENSES	427,672	378,124	49,547	13.1	1,362,018	1,161,369	200,649	17.3
Development and hotel opening expenses	1,428	6,869	(5,441)	(79.2)	11,236	18,960	(7,724)	(40.7)
Other non-recurring expenses	3,304	(215)	3,519	NA	7,509	2,800	4,709	NA
ADJUSTED EBITDA	139,511	143,726	(4,215)	(2.9)	484,904	502,456	(17,552)	(3.5)
ADJUSTED EBITDA Margin (%)	27.5%	30.3%	(2.8 pt)	(2.8 pt)	29.0%	33.0%	(4.0 pt)	(4.0 pt)
OPERATING INCOME	75,443	90,278	(14,835)	(16.4)	291,607	339,070	(47,464)	(14.0)
Operating Income Margin (%)	14.9%	19.0%	(4.1 pt)	(4.1 pt)	17.4%	22.3%	(4.8 pt)	(4.8 pt)
Net interest expenses	(43,971)	(33,890)	(10,082)	29.7	(141,095)	(91,074)	(50,020)	54.9
Net foreign currency exchange loss	(68,156)	107,580	(175,735)	NA	(23,064)	80,711	(103,776)	NA
Other financial costs	(1,648)	(4,223)	2,575	(61.0)	(5,614)	(5,662)	48	(0.8)
Net Financing Result	(113,775)	69,467	(183,242)	NA	(169,773)	(16,025)	(153,748)	NA
Undistributed income from subsidiaries, net	867	963	(96)	(10.0)	2,370	2,768	(398)	(14.4)
Income before taxes	(37,466)	160,708	(198,173)	NA	124,204	325,813	(201,609)	(61.9)
Total income taxes	(8,242)	37,578	(45,820)	NA	27,325	75,552	(48,227)	(63.8)
Net Income	(29,223)	123,130	(152,353)	NA	96,879	250,261	(153,382)	(61.3)
Net Income Margin (%)	-5.8%	25.9%	(31.7 pt)	(31.7 pt)	5.8%	16.4%	(10.6 pt)	(10.6 pt)
Income attributable to:								
Controlling Interest	(1,679)	97,492	(99,171)	NA	116,698	222,231	(105,532)	(47.5)
Non-controlling Interest	(27,545)	25,638	(53,182)	NA	(19,819)	28,030	(47,850)	NA

Balance Sheet

Grupo Hotelero Santa Fe, S.A.B. de C.V.

Consolidated Balance Sheet

As of September 30, 2019 and 2018

(Figures in thousands of Mexican pesos)

(Figures in thousands of Mexican pesos)	2019	2018	Var \$	Var %
ASSETS				
Current Assets				
Cash and cash equivalents	168,587	103,705	64,882	62.6%
Restricted cash	-	-	-	NA
Accounts receivables from clients	164,742	118,574	46,167	38.9%
Accounts receivables from related parties	5,355	6,010	(655)	(10.9%)
Creditable taxes	405,282	433,253	(27,972)	(6.5%)
Other current assets	112,299	58,736	53,563	91.2%
Escrow deposit for hotel acquisition	-	-	-	0.0%
Total current assets	856,264	720,279	135,985	18.9%
Non-current Assets				
Restricted cash	173,837	115,965	57,872	49.9%
Property, furniture and equipment	8,092,211	7,771,961	320,250	4.1%
Non-productive fixed assets (under development) □	616,126	763,082	(146,956)	(19.3%)
Other assets	31,654	20,337	11,317	55.7%
Investment in subsidiaries	38,738	34,592	4,146	12.0%
Deferred income taxes	113,909	99,835	14,075	14.1%
Goodwill	354,815	354,815	(0)	(0.0%)
Total non-current assets	9,421,290	9,160,585	260,704	2.8%
Total assets	10,277,554	9,880,864	396,690	4.0%
LIABILITIES AND SHAREHOLDERS EQUITY				
Current liabilities				
Current installments of long-term debt	224,435	238,400	(13,965)	(5.9%)
Suppliers	136,595	118,403	18,191	15.4%
Accrued liabilities	136,048	396,356	(260,309)	(65.7%)
Accounts payable to related parties	10,641	10,403	237	2.3%
Payable taxes	131,276	128,436	2,841	2.2%
Client advanced payments	67,166	49,617	17,549	35.4%
Total current liabilities	706,161	941,616	(235,455)	(25.0%)
Non-current liabilities				
Long-term debt	2,729,256	2,222,518	506,738	22.8%
Other non-current liabilities	9,110	4,695	4,415	94.0%
Deferred income taxes	867,796	912,527	(44,731)	(4.9%)
Total non-current liabilities	3,606,161	3,139,740	466,422	14.9%
Total liabilities	4,312,322	4,081,356	230,966	5.7%
Equity				
Capital stock	3,422,021	3,412,770	9,251	0.3%
Legal reserve	190,493	190,493	-	0.0%
Premium on subscription of shares	80,000	80,000	-	0.0%
Net income	116,698	250,261	(133,563)	(53.4%)
Retained earnings	864,902	598,953	265,949	44.4%
Shareholder's Equity	4,674,115	4,532,477	141,638	3.1%
Non-controlling interest	1,291,116	1,267,031	24,085	1.9%
Total Equity	5,965,231	5,799,508	165,723	2.9%
Total liabilities and equity	10,277,553	9,880,864	396,689	4.0%

Cash Flow Statement

Grupo Hotelero Santa Fe, S.A.B. de C. V.
Consolidated Cash Flow
For the three- and nine-months periods ended September 30, 2019 and 2018

Figures in thousands of Mexican pesos

Cash Flow Statement	Third Quarter		9 months ended September 30	
	2019	2018	2019	2018
Cashflow from operating activities				
Net income	(29,223)	123,130	96,879	250,261
Depreciation and amortization	59,338	46,795	174,552	141,625
Income taxes	(8,242)	37,578	27,325	75,552
Unrealized gain (loss) in foreign currency exchange	71,196	(110,521)	812	(103,872)
Net interest expense	43,971	33,890	141,095	91,074
Other financial costs	1,648	4,223	5,614	5,662
Minority interest	(867)	(963)	(2,370)	(2,768)
Income from sale of shares	(3,562)	0	(3,562)	0
Cashflow before working capital variations	134,259	134,132	440,345	457,534
Accounts receivable from clients	8,914	1,719	6,141	16,901
Accounts receivable from related parties	4,507	5,715	4,900	3,457
Other current assets	2,478	8,981	(23,482)	(17,618)
Creditable taxes	(8,670)	31,067	23,069	63,139
Suppliers	(9,561)	16,428	(25,642)	8,860
Accrued liabilities	1,816	(15,366)	39,947	(7,249)
Accounts payable to related parties	435	(12,970)	99	(8,306)
Downpayments from clients	12,354	(2,518)	22,819	9,027
Payable taxes	1,969	(6,242)	(10,551)	(24,709)
Net operating cashflow	148,501	160,945	477,645	501,036
Non-recurring items				
Accrued liabilities	-	177,419	(24,227)	177,419
Payment for hotel operation	-	-	(12,000)	-
Receivable and Payable taxes	(6,420)	(119,028)	(26,514)	(163,690)
Income in acquisition of Dollars	-	(8,869)	-	(7,329)
Cashflow net from non-recurring items	142,081	210,467	414,904	507,437
Investment activities				
Change in restricted cash	(23,123)	(11,306)	(39,083)	(12,310)
Acquisition of property, furniture and equipment	(37,556)	(543,717)	(199,358)	(771,836)
Acquisition of ongoing business	-	(132,000)	-	(132,000)
Escrow deposit for hotel acquisition	-	24,333	-	24,176
Sale of shares of subsidiaries	88,000	-	88,000	-
Investment in subsidiary	(464)	4,052	(482)	4,146
Distribution effect of capitalized premium	-	-	-	-
Other net assets and liabilities	2,627	1,122	1,423	(358)
Interest gained	719	6,937	4,763	20,872
Cashflow from investment activities	30,204	(650,580)	(144,737)	(867,311)
Cashflow form financing activities				
Receivable Greenshoe	-	-	-	-
Net increase in paid-in capital from non-controlling company	3,629	260,250	15,586	260,250
Payment of Liabilities SITRA Group's subsidiaries	-	-	-	-
Repurchase of shares	4,293	(21,553)	8,681	(28,792)
Obtained loans	-	154,010	331,533	154,010
Loan to shareholder of non-controlling company	2,551	-	(35,786)	-
Payment of interest and loan amortization*	(118,480)	(70,495)	(524,398)	(210,140)
Loans obtained from shareholders	-	-	-	-
Effect from non-controlling interest merger	-	-	-	-
Cashflow form financing activities	(108,008)	322,212	(204,385)	175,329
Net (decrease) increase in cash and cash equivalents	64,278	(117,900)	65,782	(184,545)
Cash and cash equivalents at the beginning of the period	104,308	221,370	102,804	288,015
Cash and cash equivalents at the end of the period	168,586	103,470	168,586	103,470
Cash in business acquisition	-	235	-	235
Total Cash at the end of the period	168,586	103,705	168,586	103,705

Appendix 1: Integration of Rooms under Operation

Operating indicators for 3Q19 include 6,005 hotel rooms under operation out of 6,380. The integration of 375 excluded rooms is detailed as follows:

- i) 263 rooms that are part of the Vacation Club⁷
- ii) The effect of 112 fewer rooms in the period due to:
 - a. 111 rooms out of 168 rooms of *AC Hotel by Marriott Santa Fe* were available in the quarter as the hotel was included in the portfolio on August 1 (57 fewer rooms)
 - b. 99 rooms out of 154 rooms of *Courtyard by Marriott Puebla* were available in the quarter as the hotel was included in the portfolio on August 1 (55 fewer rooms)

Operating indicators for the nine-month period ended September 30, 2019, include 5,755 hotel rooms under operation out of 6,380. The integration of 625 excluded rooms is detailed as follows:

- i) 263 rooms that are part of the Vacation Club
- ii) The effect of 362 fewer rooms in the period due to:
 - a. 111 rooms out of 144 rooms of *Hyatt Place Aguascalientes* were available in the period as the hotel was included in the portfolio on March 1 (33 fewer rooms)
 - b. 63 rooms out of 142 rooms of *Double Tree by Hilton Toluca* were available in the period as the hotel was included in the portfolio on June 1 (79 fewer rooms)
 - c. 38 rooms out of 168 rooms of *AC Hotel by Marriott Santa Fe* were available in the quarter as the hotel was included in the portfolio on August 1 (130 fewer rooms)
 - d. 34 rooms out of 154 rooms of *Courtyard by Marriott Puebla* were available in the quarter as the hotel was included in the portfolio on August 1 (120 fewer rooms)

The following table summarizes the total number of rooms of the Company's portfolio:

Rooms 3Q19	Owned Hotels	Third-Party Owned Hotels	Total Rooms	Rooms YTD Sep 2019	Owned Hotels	Third-party owned hotels	Total Rooms
In Operation	3,738	2,267	6,005	In Operation	3,739	2,016	5,755
Vacation Club	53	210	263	Vacation Club	53	210	263
Unavailable	-	112	112	Unavailable	-	362	362
In Renovation	-	-	-	In Renovation	-	-	-
Total Rooms	3,791	2,589	6,380	Total Rooms	3,792	2,588	6,380

⁷ 263 rooms are part of Vacation Club, of which 53 rooms are Company-owned, and 210 rooms are third-party owned under the Company's management. Vacation Club revenue is included in the P&L under Other Income, and is, therefore, excluded from this analysis.