



Grupo Hotelero Santa Fe Reports 24% Increase in Total Revenue and 28% in EBITDA for 2Q16

Mexico City, July 21, 2016 – Grupo Hotelero Santa Fe S.A.B. de C.V. (BMV: HOTEL) (“HOTEL” or “the Company”), announced today its consolidated results for the second quarter period (“2Q16”) ended June 30, 2016. Figures are expressed in Mexican Pesos, are unaudited and are in accordance with International Financial Reporting Standards “IFRS”).

Highlights for 2Q16

- Total Revenue for 2Q16 reached Ps. 271.9 million, 24.4% higher compared to 2Q15, driven by the following increases: 24.8% in Room Revenue, 20.1% in Food and Beverages, 14.5% in Other Hotel Revenue and 62.7% in management fees related to third-party owned hotels.
- As a result of the revenue growth and efficiencies from operating leverage achieved in 2Q16, EBITDA¹ reached Ps. 81.6 million, 27.8% higher compared to the figure reported in 2Q15. EBITDA margin rose by 0.8 percentage points compared to 2Q15, to reach 30.0% in 2Q16.
- Net operating cash flow for 2Q16 was Ps. 95.9 million, an increase of 96.1% compared to the Ps. 48.9 million reported in 2Q15. This increase was 65.2% driven by the EBITDA growth and the remaining was driven by a more efficient working capital management.
- Net Debt/EBITDA (LTM) ratio for 2Q16 was -1.4x. Operating cash flow in dollars represented 43.1% of total operating cash flow, thereby maintaining a natural hedge of the dollarized financial debt.
- HOTEL's total portfolio at the conclusion of 2Q16 reached 4,265 rooms in operation, a 14.6% increase compared to the 3,722 rooms at end of 2Q15. The 543-room increase was the result the following: 64% from new contracts for third-party owned hotels managed by the Company, 26% from the addition of Company-owned hotels to the portfolio and 10% from the remodeling and/or expansion of third-party owned hotels that were already managed by the Company.
- RevPAR² for the Company-owned hotels rose by 11.3% in 2Q16 compared to 2Q15, driven by increased of 5.3% in ADR² and 3.5 percentage points in occupancy.
- During June, the Company carried out a global follow on public offer, which consisted of 215,584,530 shares, including the overallotment option, at a price of Ps. 8.5 per share. The total amount of the offer was Ps. 1,832.5 million, which will be used to continue executing the Company's expansion plans.
- As a result of the follow on public offer, during 2Q16 the Company's equity increased 88.1% compared to 2Q15, improving its strength and financial position.

Figures in thousand Mexican Pesos	Second Quarter				6 months ended June			
	2016	2015	Var.	% Var.	2016	2015	Var.	% Var.
Total Revenue	271,915	218,648	53,268	24.4	594,067	455,319	138,747	30.5
EBITDA	81,565	63,817	17,748	27.8	210,841	152,104	58,737	38.6
EBITDA Margin	30.0%	29.2%	0.8%	2.8	35.5%	33.4%	2.1%	6.2
Operating Income	47,217	32,294	14,923	46.2	146,045	96,338	49,708	51.6
Net Income	(20,391)	(51)	(20,340)	NA	50,000	16,167	33,832	209.3
Net Income Margin	(7.5%)	(0.0%)	(7.5%)	NA	8.4%	3.6%	4.9%	137.0
Operating Cashflow	95,906	48,910	46,996	96.1	222,355	126,247	96,108	76.1
Occupancy	65.6%	62.0%	3.5%	5.7	68.0%	63.5%	4.5%	7.0
ADR	1,212	1,151	61	5.3	1,306	1,221	85	6.9
RevPAR	795	714	81	11.3	888	776	112	14.4

Note: operating figures belong to owned hotels.

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 Chief Executive Officer

Mr. Francisco Zinser, stated:

Once again, I am pleased to share with you that Grupo Hotelero Santa Fe is living a great moment in its history. During June, we successfully carried out a global follow on public offer, strengthening our financial position as the Company's equity increased 88% compared to the prior year. This follow on public offer took place less than two years from the Initial Public Offering, evidence of the Company's ability to utilize the funds raised. The capital obtained will again be used to continue the execution of our expansion plans. As such, we expect to replicate the strong growth achieved since the IPO and remain on the right track towards becoming the leading hotel company in Mexico.

As part of our growth plan, we began a 100-room expansion of the *Krystal Grand Punta Cancun* hotel, located in Cancun, Quintana Roo, which is one of the most attractive destinations in the country. During the past three years, this destination has had an average occupancy rate that is 18% higher than that of the rest of Mexico. The approximate total investment during the next 12 months will be equal to Ps. 222.0 million. With this expansion, our total portfolio will reach 5,022 rooms.

This quarter has been an outstanding one again. Company-owned hotels reached balanced growth in terms of both occupancy as well as ADR, which drove the RevPAR increase of 11.3% compared to the same quarter last year. Revenues of Ps. 271.9 million and EBITDA of Ps. 81.6 million rose 24.4% and 27.8%, respectively, year over year.

Notably, the 43.1% growth in operating cash flow compared to 2Q15 was mainly driven by the EBITDA increase. It is important to highlight that revenue from third-party owned hotels managed by the Company significantly contributed to growth.

Of the 543 rooms incorporated into the portfolio, 64% are from new agreements with third-party owned hotels managed by the Company. Adding these types of properties to our portfolio yields significant profits, given that they represent a minimal cost to the Company and expands our positioning and commercial network. All of the above reflects the confidence that the hotel owners have in our operational capability; we will continue working along these lines in order to continue expanding the efficiencies of our business model.

Lastly, I would like to mention that none of these achievements would have been possible without the support of our great management team, our dedicated employees as well as the trust of our shareholders.

Portfolio of Hotel Properties

No.	Hotel Name	Total Rooms	Ownership	Type	Category	Months in Operation	Stabilized	City	State
1	Hilton Guadalajara	450	100%	Urban	Grand Tourism	>36	Yes	Guadalajara	Jalisco
2	Hilton Garden Inn Monterrey	150	100%	Urban	4 stars	>36	Yes	Monterrey	Nuevo León
3	Krystal Business Cd. Juárez	120	100%	Urban	4 stars	>36	Yes	Ciudad Juarez	Chihuahua
4	Krystal Grand Reforma Uno	500	-	Urban	Grand Tourism	31	In Process	Mexico City	Mexico City
5	Krystal Urban Cancún	212	100%	Urban	4 stars	18	In Process	Cancun	Quintana Roo
6	Krystal Satélite María Bárbara	215	100%	Urban	5 stars	14	In Process	Estado de Mexico	Estado de Mexico
7	Hilton Garden Inn Monterrey Aeropuerto	134	15%	Urban	4 stars	10	In Process	Monterrey	Nuevo León
8	Hampton Inn & Suites Paraíso Tabasco	117	-	Urban	4 stars	9	In Process	Paraíso	Tabasco
9	Krystal Urban Aeropuerto Ciudad de México	96	-	Urban	4 stars	6	In Process	Mexico City	Mexico City
10	Krystal Urban Guadalajara	140	100%	Urban	4 stars	4	In Process	Guadalajara	Jalisco
Subtotal Urban		2,134							
11	Krystal Resort Cancún	502	-	Resort	5 stars	>36	Yes	Cancun	Quintana Roo
12	Krystal Resort Ixtapa	255	-	Resort	5 stars	>36	Yes	Ixtapa	Guerrero
13	Krystal Resort Puerto Vallarta	420	-	Resort	5 stars	>36	Yes	Puerto Vallarta	Jalisco
14	Hilton Puerto Vallarta Resort	259	100%	Resort	Grand Tourism	>36	Yes	Puerto Vallarta	Jalisco
15	Krystal Beach Acapulco	400	100%	Resort	4 stars	>36	Yes	Acapulco	Guerrero
16	Krystal Grand Punta Cancún	295	100%	Resort	Grand Tourism	34	In Process	Cancún	Quintana Roo
Subtotal Resort		2,131							
Total in Operation		4,265							
17	Krystal Residences & Suites	200	50%	Urban	5 stars	Expected opening 3Q-17		Mexico City	Mexico City
18	Krystal Grand Insurgentes	250	50%	Urban	Grand Tourism	Expected opening 1S-18		Mexico City	Mexico City
	Expansion of Krystal Grand Punta Cancun	100	100%	Resort	5 stars	Expected opening 3Q-17		Cancún	Quintana Roo
Total in Development		550							
19	Krystal Monterrey	207	-	Urban	5 stars	Operation begins Jul-16		Monterrey	Nuevo Leon
Total Upcoming		207							
Total		5,022							

At the conclusion of 2Q16, HOTEL had a total of 16 hotels under operation of which 9 are Company-owned and the remaining 8 are third-party owned³. This represents 4 additional properties compared to the 12 hotels under operation at the close of 2Q15.

The total number of rooms in operation during at the end of 2Q16 was 4,465, a 14.6% increase compared to the 3,722 under operation for the same period of the previous year. Of the 543 additional rooms, 347 are from new agreements with third-party owned hotels managed by the Company (*Hilton Garden Inn Monterrey Aeropuerto*, *Hampton Inn & Suites Paraíso* and *Krystal Urban Aeropuerto Ciudad de Mexico*) 140 rooms are from the opening of *Krystal Urban Guadalajara* and 56 rooms from hotel renovations and/or expansions of third-party owned hotels managed by the Company (*Krystal Grand Reforma Uno* and *Krystal Resort Cancun*).

Additionally, HOTEL has 550 rooms under construction, including 450 rooms in Mexico City and 100 that correspond to the expansion of the *Krystal Grand Punta Cancun* hotel. In addition, the Company entered into a management agreement to start operating a third-party owned 207-room hotel located in Monterrey on July1, 2016, for a total of 19 hotels and 5,022 rooms.

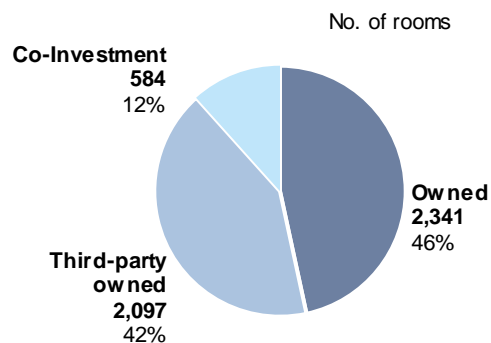
³ The Company operates the Hilton Garden Inn Monterrey Aeropuerto hotel, in which it has a 15% ownership position. According to IFRS, although the results of this property are not consolidated in the Company's financial statements, third-party hotel's management fees are included as Other Revenues, given that the property is considered a third-party hotel under management.

The hotel portfolio is geographically distributed as follows:

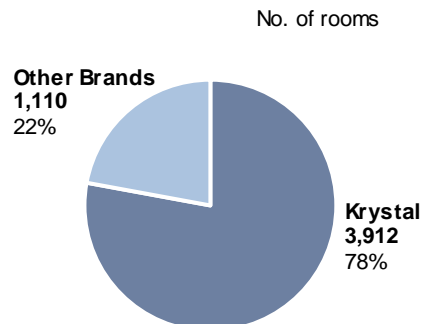


In terms of rooms under operation and rooms under development (including rooms under construction and conversion), at 2Q16 the hotel portfolio was as follows:

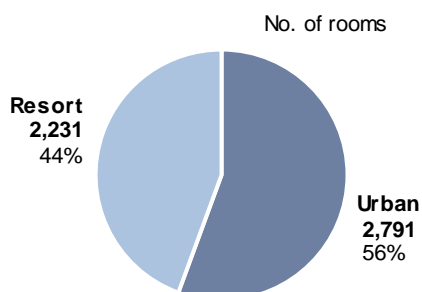
Ownership



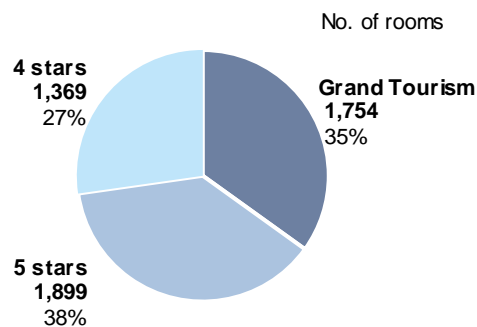
Brand



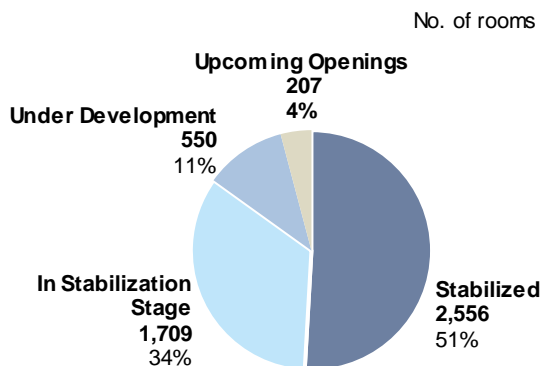
Segment



Category



Stabilization Stage



Hotel Classification

For comparison purposes, the hotel portfolio is classified between (i) company-owned hotels and (ii) those owned by third parties that are managed by HOTEL. This rationale for this classification is that the majority of revenue is driven by Company-owned hotels. 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 Hotels' Management Fees.

Company-owned hotels are classified according to the stage in the stabilization cycle for each hotel. As a result of this classification, hotels that have been in operation for at least 36 months are considered mature or stabilized, while hotels that have been in operation for less than 36 months are considered in their stabilization stage or in their maturing period.

At the close of 2Q16, HOTEL had 9 company-owned hotels and 7 third-party owned hotels under management.⁴

Of a total of 4,265 hotel rooms under operation, the operating indicators for 2Q16 include 3,968 rooms. The inclusion of 297 rooms, excluded of the present analysis, is included at the end of this report in Appendix 1.

The following table is a summary of the main 2Q16 operating indicators compared to the same period of the prior year, based on the aforementioned classification. The methodology used to determine the number of rooms considers the total number of available rooms divided by the corresponding number of days in each period.

⁴ See note 3.

Figures in Pesos

Hotel Classification	Second Quarter				6 months ended June			
	2016	2015	Var.	% Var.	2016	2015	Var.	% Var.
Total Hotels in Operation	16	12	4	33.3	16	12	4	33.3
Number of rooms	3,968	3,179	789	24.8	3,916	3,112	804	25.8
Occupancy	68.7%	67.8%	0.8%	1.2	70.5%	70.1%	0.5%	0.7
ADR	1,293	1,163	129	11.1	1,365	1,224	141	11.5
RevPAR	888	789	99	12.5	963	858	106	12.3
1 Total Owned Hotels	9	8	1	12.5	9	8	1	12.5
Number of rooms	2,172	1,938	234	12.1	2,120	1,876	244	13.0
Occupancy	65.6%	62.0%	3.5%	5.7	68.0%	63.5%	4.5%	7.0
ADR	1,212	1,151	61	5.3	1,306	1,221	85	6.9
RevPAR	795	714	81	11.3	888	776	112	14.4
1.1 Stabilized Owned Hotels⁽¹⁾	5	3	2	66.7	5	3	2	66.7
Number of rooms	1,326	720	606	84.2	1,326	720	606	84.2
Occupancy	62.6%	61.4%	1.2%	2.0	64.5%	59.8%	4.8%	8.0
ADR	1,087	1,058	29	2.8	1,176	1,114	62	5.6
RevPAR	681	650	31	4.8	759	666	93	14.0
1.2 Owned Hotels in Stabilization Stage⁽²⁾	4	5	(1)	(20.0)	4	5	(1)	(20.0)
Number of rooms	846	1,218	(372)	(30.5)	794	1,156	(362)	(31.3)
Occupancy	70.2%	62.4%	7.8%	12.5	73.7%	65.9%	7.8%	11.9
ADR	1,385	1,204	181	15.0	1,497	1,282	214	16.7
RevPAR	973	752	221	29.4	1,103	844	259	30.6
2 Third-party Hotels Under Management⁽³⁾	7	4	3	75.0	7	4	3	75.0
Number of rooms	1,796	1,241	555	44.7	1,796	1,236	560	45.3
Occupancy	72.4%	76.8%	-4.4%	(5.8)	73.6%	80.0%	-6.4%	(8.0)
ADR	1,382	1,179	202	17.1	1,430	1,227	203	16.5
RevPAR	1,000	906	94	10.4	1,052	982	71	7.2

Note: The number of rooms varies in respect to the number of rooms in the portfolio due to renovations, acquisitions or recent openings in each

(1) Variation in room number is due to evolution of the Hilton Puerto Vallarta and Krystal Beach Acapulco hotels that were reclassified from hotels in stabilization stage to stabilized hotels.

(2) Variation in room numbers is due to reclassification from note (1) above and the incorporation of the Krystal Urban Guadalajara that was not part of the hotel portfolio during 2Q15.

(3) Increase in number of hotels and rooms is due to the incorporation of the Hilton Garden Inn Aeropuerto Monterrey, Hampton Inn & Suites Paraiso and the Krystal Urban Aeropuerto Ciudad de Mexico hotels, that were not part of the hotel portfolio during 2Q15.

Consolidated Financial Results

Figures in thousand Mexican Pesos

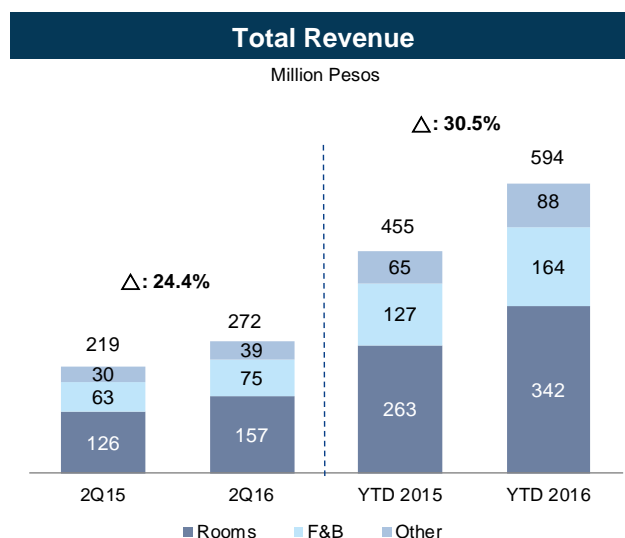
Income Statement	Second Quarter				6 months ended June			
	2016	2015	\$ Var.	% Var.	2016	2015	\$ Var.	% Var.
Room Revenue	157,068	125,866	31,202	24.8	342,490	263,366	79,124	30.0
Food and Beverage Revenue	75,478	62,825	12,654	20.1	163,690	127,100	36,591	28.8
Other Revenue from Hotels	22,290	19,462	2,827	14.5	50,434	41,974	8,460	20.2
Third-party Hotels' Management Fees	17,080	10,495	6,585	62.7	37,452	22,880	14,572	63.7
Total Revenue	271,915	218,648	53,268	24.4	594,067	455,319	138,747	30.5
Cost and Operating Expenses	106,710	92,492	14,218	15.4	220,581	181,263	39,318	21.7
Sales and Administrative	79,135	58,589	20,547	35.1	154,259	114,940	39,319	34.2
Other Expenses	4,505	3,750	756	20.1	8,386	7,013	1,373	19.6
Depreciation*	24,784	21,558	3,226	15.0	49,416	42,587	6,830	16.0
Total Costs and Expenses	215,135	176,388	38,746	22.0	432,642	345,802	86,840	25.1
Total Non Recurring Expenses	9,564	9,966	(402)	(4.0)	15,379	13,179	2,200	16.7
EBITDA	81,565	63,817	17,748	27.8	210,841	152,104	58,737	38.6
EBITDA Margin(%)	30.0%	29.2%	0.8%	2.8	35.5%	33.4%	2.1%	6.2
Operating Income	47,217	32,294	14,923	46.2	146,045	96,338	49,708	51.6
Operating Income Margin (%)	17.4%	14.8%	2.6%	17.6	24.6%	21.2%	3.4%	16.2
Net Financing Result	(74,768)	(32,633)	(42,135)	129.1	(80,756)	(76,268)	(4,488)	5.9
Undistributed income from subsidiaries, net	390	83	307	369.7	1,100	139	961	689.9
Income before taxes	(27,161)	(256)	(26,905)	NA	66,389	20,209	46,180	228.5
Total income taxes	(6,776)	(205)	(6,571)	NA	16,384	4,042	12,342	305.4
Net Income	(20,391)	(51)	(20,340)	NA	50,000	16,167	33,832	209.3
Net Income Margin (%)	(7.5%)	(0.0%)	(7.5%)	NA	8.4%	3.6%	4.9%	137.0

Total Revenue

During 2Q16, Total Revenue increased 24.4%, from Ps. 218.6 million in 2Q15 to Ps. 271.9 million, driven by a 24.8% growth in Room Revenue, 20.1% in Food and Beverage, 14.5% in Other Revenue and 62.7% in Management Fees received related to third-party owned hotels.

Room revenue growth was driven by: i) performance of the *Krystal Satellite Maria Barbara*, *Krystal Grand Punta Cancun* and *Krystal Urban Cancun*, which are in the stabilization stages; ii) the solid performance of stabilized hotels; iii) the addition of *Hilton Garden Inn Aeropuerto Monterrey*, *Hampton Inn & Suites Paraíso, Tabasco* and *Krystal Urban Aeropuerto Ciudad de México* hotels under the scheme of third-party hotels under management and were not included in the portfolio in 2Q15; and iv) the opening of the *Krystal Urban Guadalajara* hotel, which was not part of the portfolio during 2Q15.

During 2Q16, Room Revenue increased 24.8% compared to 2Q15, derived from the 12.1% increase in the number of rooms in operation of Company-owned hotels and a RevPAR improvement of 11.3%, which in turn was comprised of a 5.3% ADR increase and a 3.5 percentage point increase in occupancy.



The portfolio of stabilized Company-owned hotels for 2Q16 experienced 93.0% growth in Room Revenue from an 84.2% increase in the number of rooms, a 2.8% growth in ADR and a 1.2 percentage point increase in occupancy, compared to 2Q15. The increase in the number of rooms was due to the *Hilton Puerto Vallarta* and *Krystal Beach Acapulco* hotels completed 36 months of operations. In accordance with the Company's classification, these hotels went from the stabilization stage to a stabilized property. Excluding the impact of the reclassification of both hotels, growth in Room Revenue in the Company-owned stabilized hotels was 22.0%, comprised of an 8.9% ADR increase and a 7.4 percentage point occupancy increase.

In addition, Company-owned hotels in the stabilization stage experienced a decrease of 10.1% on Room Revenue compared to 2Q15, mainly driven by a decrease in the number of rooms, given the reclassification explained above. However, RevPAR grew 29.4%, driven by an ADR increase of 15.0% and 7.8 percentage point increase in occupancy. Excluding the impact of the *Hilton Puerto Vallarta* and *Krystal Beach Acapulco* reclassification, growth in Room Revenue in the Company-owned hotels in stabilization stages was 26.2%, comprised of a 19.3% increase in the number of rooms under operation, a 3.2% increase in ADR and a 1.6 percentage points increase in occupancy.

Food and Beverage revenue increased 20.1%, from Ps. 62.8 million in 2Q15 to Ps. 75.5 million in 2Q16. 67.5% of this growth was attributed to the evolution of the stabilization stage presented mainly at the *Krystal Satellite Maria Barbara* and *Krystal Grand Punta Cancun*, as well as the addition of the *Krystal Urban Guadalajara*, which was not yet part of the portfolio in 2Q15. The remaining 32.5% was attributed to the performance of Company-owned stabilized hotels.

Other Income, which includes among other items, event room rentals, parking, laundry, telephone, and leasing of commercial spaces, increased 14.5%, from Ps. 19.5 million in 2Q15 to Ps. 22.3 million in 2Q16, driven by increased hotel activity.

Management Fees related to third-party owned hotels increased by 62.7% compared to 2Q15, due to a 44.7% growth in the number of rooms under operation during the period, as well as a 10.4% increase in RevPAR. RevPAR growth was driven by the 17.1% increase in ADR and a 4.4 percentage point decrease in occupancy as a result of the recent incorporation of 3 hotels, which are beginning their stabilization stage. The number of rooms in operation rose as a result of: i) the inclusion of the *Hilton Garden Inn Aeropuerto Monterrey*, *Hampton Inn & Suites Paraíso, Tabasco* and *Krystal Urban Aeropuerto Ciudad de México* hotels under the structure of third-party hotels under management, which were not part of the portfolio during 2Q15; and ii) the owner-driven expansion of the *Krystal Resort Cancun* and *Krystal Grand Reforma Uno*.

The Company sees an opportunity to continue its expansion plans by means of third-party operating contracts, mainly with the Krystal® brand without significantly impacting the operating structure.

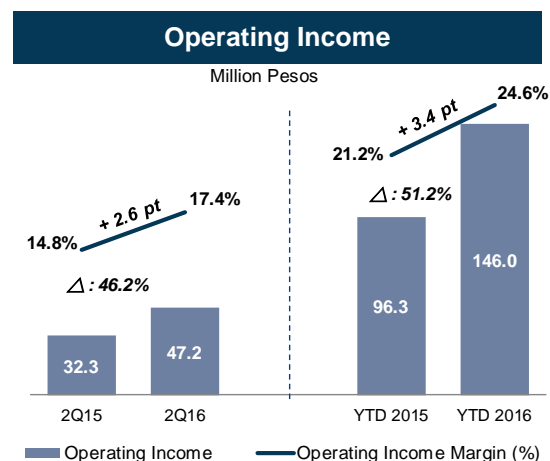
Costs and Expenses

Costs and Operating Expenses: increased 15.4%, from Ps. 92.5 million in 2Q15 to Ps. 106.7 million in 2Q16. This increase was mainly in terms of direct costs, which were proportional to the revenue increase, as well as to higher department fees derived from stabilization curve of *Krystal Grand Punta Cancun*, *Krystal Satellite Maria Barbara*, and *Krystal Urban Cancun Centro* as well as the inclusion of *Krystal Urban Guadalajara* into the portfolio. However, the Company achieved operating efficiencies of 3.1 percentage points, since in 2Q16 operating costs and expenses represented 39.2% of total revenues compared to 42.3% in 2Q15.

Administration and Sales Expenses: rose 35.1%, from Ps. 58.6 million in 2Q15 to Ps. 79.1 million in 2Q16. This increase was comprised as follows: 34.3% from an increase in cost of sales, driven by higher operating activity, 17.3% by the inclusion of the *Krystal Satellite Maria Barbara* and *Krystal Urban Guadalajara* hotels, which were not part of the Company's portfolio during 2Q15, 16.5% from increases related to the strengthening of the management team and new corporate positions, which did not exist during the same quarter of the prior year, 12.2% from expenses related to the executive stock option plan, and the remaining 19.8% from the reinforcing of the sales area and an increase in promotional expenses to position new hotels and the Krystal® brand. As a result of the above, administration and sales expenses were equal to 29.1% of revenues, compared to 26.8% in 2Q15.

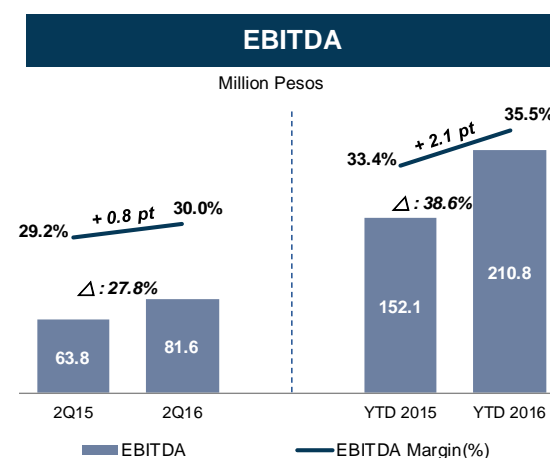
Operating Income

During 2Q16, operating income increased 46.2%, from Ps. 32.3 million in 2Q15 to Ps. 47.2 million. The combined effect of revenue growth, the inclusion of the *Krystal Urban Guadalajara* as a Company-owned hotel and 3 third-party hotels to the portfolio during 1Q16 impacted the operating margin in a positive manner. As a result, the operating margin rose by 2.6 percentage points, from 14.8% in 2Q15 to 17.4%.



EBITDA

For 2Q16, EBITDA reached Ps. 81.6 million, compared to Ps. 63.8 million in 2Q15, an increase of 27.8%. EBITDA margin increased 0.8 percentage points, from 29.2% in 2Q15 to 30.0% in 2Q16. The Company's margin expansion was driven by the increased revenues with an improved cost and expense structure.



(Figures in million Pesos)	2Q16	2Q15	% Var.	YTD16	YTD15	% Var.
Operating Income	47,217	32,294	46.2	146,045	96,338	51.6
(+) Depreciation	24,784	21,558	15.0	49,416	42,587	16.0
(+) Development and hotel opening expenses ⁵	6,338	7,680	(17.5)	10,835	9,247	17.2
(+) Other non-recurring expenses ⁶	3,226	2,285	41.2	4,544	3,932	15.6
EBITDA	81,565	63,817	27.8	210,841	152,104	38.6
EBITDA Margin	30.0%	29.2%	0.8 pt	35.5%	33.4%	2.1 pt

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.

Net Financing Result

For 2Q16, Net Financing Result resulted in a loss of Ps. 32.6 million in 2Q15 to a loss of Ps.74.8 million. This variation was mainly derived from a negative foreign exchange impact, from a loss of Ps. 24.2 million in 2Q15 to Ps. 64.3 million in 2Q16. The above was the result of the 7.6% peso depreciation versus the dollar at the close of 2Q16, which went from Ps. 17.25 as of March 31, 2016 to Ps.18.55 million as of June 30, 2016, compared to the 2.7%depreciation at the close of 2Q15, which went from Ps.15.24 as of March 31, 2015 to Ps. 15.66 as of June 30, 2015. The Company's financial debt was 82.5% dollar-denominated.

In addition, net financing result increased from Ps. 8.2 million in 2Q15 to Ps. 9.7 million in 2Q16, given the foreign exchange devaluation during the period, as well as to an increase of 36 basis points in the reference rates for dollar-denominated debt. At the close of 2Q15, the LIBOR rate was 0.28%, while at the end of 2Q16 it was equal to 0.65%. The increase was also driven by interest expenses related to debt for Ps. 120 million and Ps. 100 million entered into by the Company during December 2015 and May 2016, respectively, at a weighted interest rate of TIIE + 3.1%, which did not exist in 2Q15. Lastly, the variation was impacted by a non-comparable item related to interest earned during 2Q16 that resulted from the proceeds obtained in the June 2016 follow on public offer which offset the financial expenses during the period.

Net Income

Net Income resulted in a loss of Ps. 20.4 million in 2Q16 from a loss of Ps.0.05 million in 2Q15. This increase in the loss was mainly driven by the effect of the foreign exchange impact during the period. This foreign exchange loss is an accounting entry that has no impact on the operating cash flow, given the natural currency hedge and the long-term maturity profile of the Company.

Cash Flow Summary

Figures in thousand Pesos

Cash Flow Statement	Second Quarter				6 months ended June			
	2016	2015	Var.	% Var.	2016	2015	Var.	% Var.
Cashflow from operating activities								
Net income	(20,391)	(51)	(20,340)	NA	50,000	16,167	33,833	209.3
Depreciation and amortization	24,784	21,558	3,226	15.0	49,416	42,587	6,829	16.0
Income taxes	(6,776)	(205)	(6,571)	3207.8	16,384	4,042	12,342	305.3
Unrealized gain (loss) in foreign currency exchange	71,516	18,107	53,409	295.0	66,523	55,620	10,903	19.6
Net interest expense	9,714	8,297	1,417	17.1	21,850	13,986	7,864	56.2
Otros costos financieros	761	142	618	434.7	2,202	481	1,721	357.9
Cashflow before working capital variations	78,507	47,847	30,660	64.1	205,275	132,883	72,392	54.5
Working capital	17,399	1,062	16,337	1537.6	17,079	(6,636)	23,716	(357.4)
Net operating cashflow	95,906	48,910	46,996	96.1	222,355	126,247	96,108	76.1
Non-recurring items	10,800	44,996	(34,196)	NA	(4,841)	65,930	(70,772)	(107.3)
Flujos netos de efectivo de partidas no recurrentes	106,706	93,906	12,801	13.6	217,513	192,177	25,336	13.2
Investment activities	(119,904)	66,804	(186,708)	(279.5)	(232,202)	(152,407)	(79,795)	52.4
Financing activities	1,587,008	(268,856)	1,855,863	(690.3)	1,608,288	(305,146)	1,913,434	(627.1)
Net (decrease) increase in cash and cash equivalents	1,573,810	(108,146)	1,681,956	(1555.3)	1,593,600	(265,376)	1,858,976	(700.5)
Cash and cash equivalents at the beginning of the period	117,518	190,903	(73,385)	(38.4)	97,729	348,133	(250,404)	(71.9)
Cash and cash equivalents at the end of the period	1,691,329	82,757	1,608,572	1943.7	1,691,329	82,757	1,608,572	1943.7
Efectivo en adquisición de negocio	-	1,097	(1,097)	NA	-	1,097	(1,097)	NA
Total Cash at the end of the period	1,691,329	83,854	1,607,475	1917.0	1,691,329	83,854	1,607,475	1917.0

At the close of 2Q16, operating cash flow reached Ps. 95.9 million, compared to the Ps. 48.9 million reported in 2Q15, an increase of 96.1%. Of this increase, 65.2% was driven by higher EBITDA, while the remaining 34.8% was the result of a more efficient working capital management.

Non-recurring items are considered non-operating and correspond to VAT reimbursements related to acquisitions. VAT paid for construction and remodeling, VAT related to expenses from the follow on public offer and cumulative liabilities generated in the acquisition of the *Krystal Satelite Maria Barbara* hotel.

Balance Sheet Summary

Figures in thousand Mexican Pesos

Balance Sheet Summary	Jun-16	Jun-15	Var \$	Var %
Cash and cash equivalents	1,691,328	83,854	1,607,475	1917.0%
Accounts receivables and other current assets	351,175	109,440	241,735	220.9%
Creditable taxes	116,795	87,588	29,207	33.3%
Escrow deposit for hotel acquisition	10,250	31,800	(21,550)	(67.8%)
Total current assets	2,169,549	312,682	1,856,867	593.9%
Restricted cash	60,248	42,882	17,366	40.5%
Property, furniture and equipment	3,038,916	2,664,963	373,952	14.0%
Other fixed assets	266,587	287,719	(21,132)	(7.3%)
Total non-current assets	3,365,751	2,995,564	370,187	12.4%
Total Assets	5,535,300	3,308,246	2,227,054	67.3%
Current installments of long-term debt	101,687	75,572	26,115	34.6%
Other current liabilities	201,109	150,940	50,169	33.2%
Total current liabilities	302,796	226,512	76,284	33.7%
Long-term debt	1,132,124	863,345	268,779	31.1%
Other non-current liabilities	89,348	85,969	3,379	3.9%
Total non-current liabilities	1,221,472	949,314	272,158	28.7%
Total Equity	4,011,032	2,132,420	1,878,612	88.1%
Total Liabilities and Equity	5,535,300	3,308,246	2,227,054	67.3%

Cash and Equivalents

At the end of 2Q16, the Company's cash and equivalents reached Ps. 1,691.3 million derived mainly from the proceeds from the follow on public offer that took place during June 2016. Of the total of cash and equivalents, Ps. 1,402.0 million are peso-denominated and Ps. 289.0 million are dollar-denominated.

Accounts Receivable

At the end of 2Q16, the leading underwriter of the follow on public offer exercised the overallotment option for a total of 28,084,530 shares at a price of Ps. 8.5 per share, generating an accounts receivable of Ps. 238.7 million. This amount was paid by the leading underwriter during the first week of July.

Tax Credits

The non-comparable increase in tax credit was partly derived from VAT expenses equal to Ps. 10.1 million resulting from expenses from the follow on public offer, and also from VAT expenses for Ps. 25.2 million resulting from construction and renovations carried out during the year.

Trust Deposit for the Hotel Acquisition

As part of the pursuit and analysis of investment opportunities for hotels and real estate properties in order to carry out its expansion plan, during 2Q15 the Company created a management trust for the acquisition of *Krystal Satellite Maria Barbara*. As part of this acquisition, the Company agreed with the seller to withhold Ps. 31.8 million of the acquisition price to be used as a secured deposit to cover any liability or contingency. At the end of 2Q16, the Company has paid off Ps. 21.5 million. The remaining amount in trust deposit at the close of 2Q16 was Ps. 10.3 million.

Property, Furniture & Equipment

This line item represented Ps. 3,038.9 million at the close of 2Q16, a 14% increase compared to Ps. 2,665 million at the close of 2Q15. This increase was mainly driven by work in progress of the *Krystal Grand Insurgentes* hotel and the expansion work of the *Krystal Grand Punta Cancun* hotel and their classification as hotels in the stabilization stage, in addition to the use conversion carried out for the opening of the *Krystal Urban Guadalajara* hotel during the month of March. In addition, the Company continues to carry out routine improvements, remodeling and renovation projects in its fixed assets. Notably, hotels that underwent renovations include *Krystal Satellite Maria Barbara* and *Krystal Urban Cancun Centro*, which was recently included in the Company's portfolio, as well as new shopping centers and hotel and improvements in our portfolio of Company-owned hotels.

Figures in thousand Mexican Pesos		YTD 2016	
Capex for the period	Amount	% Total	
Hotels in development	128,920	50.5	
Use conversion	35,372	13.9	
Improvements in owned hotels	64,984	25.4	
Ordinary capex	14,633	5.7	
New point of sale	11,454	4.5	
Total Capex	255,363	100.0	

Net Debt and Maturity

Net Debt was negative Ps. (517.0) million at the end of 2Q16, which represented Total Debt / EBITDA in the last 12 months or a ratio of -1.4x. Total Debt, of which 82.5% is U.S.-dollar denominated, has an average cost of 3.75%, and 17.5% is peso-denominated, with an average weighted cost of 7.30%. In addition, 91.8% of debt maturities are long-term (see *Maturity* breakdown and chart).

As a result of the follow on public offer, during 2Q16 the Company's equity increased 88.1% compared to 2Q15, improving its strength and financial position.

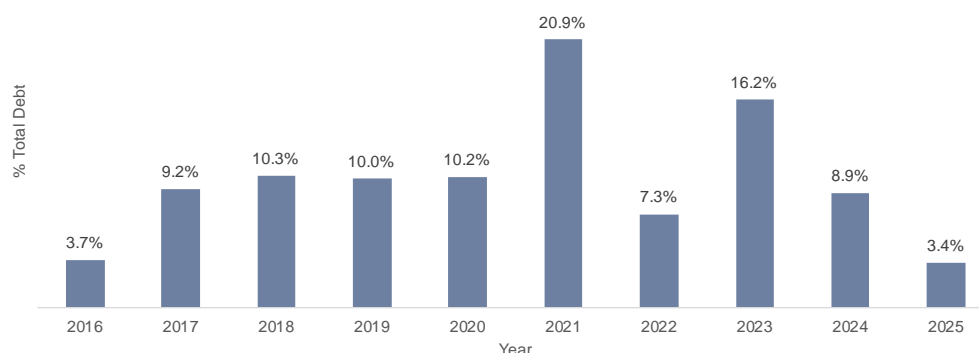
The following graphs show the Company's debt and cash position, as well as the debt maturity.

Figures in thousand Mexican Pesos		Denominated in (currency):		
Debt*	Pesos	Dollars	Total	
Short Term	11,532	90,155	101,687	
Long Term	204,160	927,963	1,132,124	
Total	215,692	1,018,119	1,233,811	
% Total	17.5%	82.5%	100.0%	
Average rate of financial liabilities	7.30%	3.75%	4.37%	
Cash and equivalents**	1,410,964	340,613	1,751,577	
Net Debt	(1,195,271)	677,506	(517,766)	
Net Debt / LTM EBITDA (as of 30 June 2016)				-1.4x

*Includes accrued interests and bank loan origination expenses.

**Includes restricted cash related to bank debt.

Maturities of Grupo Hotelero Santa Fe
as of 30 June 2016



To continue with 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 value at 5.0% and 2.0%, respectively.

According to IFRS, the exchange rate used was Ps. 18.5550 / US\$ as of June 30, 2016, as published in Mexico's *Official Federal Gazette*.

Currency Hedging

Figures in thousand of Mexican Pesos

Currency Hedging Analysis	Second Quarter 2016			Year-to-date 2016		
	Denominated in Pesos	Denominated in USD	Total in Pesos	Denominated in Pesos	Denominated in USD	Total in Pesos
Total Revenue	186,590	85,326	271,915	390,438	203,629	594,067
% of Total Revenue	68.6%	31.4%	100.0%	65.7%	34.3%	100.0%
(-) Total Costs and Expenses	160,860	54,275	215,135	353,656	78,986	432,642
(-) Non-recurring Expenses	9,564	-	9,564	15,379	-	15,379
Operating Income	16,166	31,051	47,217	21,402	124,643	146,045
(+) Depreciation	24,784	-	24,784	49,416	-	49,416
Operating Cashflow	40,950	31,051	72,001	70,819	124,643	195,462
% of Operating Cashflow	56.9%	43.1%	100.0%	36.2%	63.8%	100.0%
Interest	2,229	9,039	11,269	4,213	19,589	23,803
Principal	5,561	19,589	25,151	7,715	42,157	49,872
Total Debt Service	7,790	28,629	36,419	11,928	61,747	73,675
Interest Coverage Ratio ¹	18.4x	3.4x	6.4x	16.8x	6.4x	8.2x
Debt Service Coverage Ratio ²	5.3x	1.1x	2.0x	5.9x	2.0x	2.7x

1) Operating Cashflow / Interest; 2) Operating Cashflow / Total Debt Service

In 2Q16, approximately 31.4% of revenues and 43.1% of operating cash flow were denominated in dollars. Dollar denominated operating cash flow was sufficient to cover financial debt, both interest and principal, with a ratio of 1.1x for 2Q16 and 2.0x for the six-month period. This position corroborated the Company's expectations to benefit from lower financing costs, given that hotels which contracted financial debt have a natural hedge to volatile scenarios.

At the close of 2Q16 the Company's debt coverage ratio of debt was 2.0x and 2.7x for the six-month period. In addition, HOTEL has a dollar-denominated cash balance of Ps. 340.6 million at the close of 2Q16, decreasing its exposure to currency risks.

Recent Events

During 2Q16, and until the time of this report, the Company's recent events included:

- Changes in the composition of the Board, as well as of the various internal committees, as approved during the Annual Ordinary Shareholders' Meeting
- Receipt of ESR Award (Corporate Social Responsibility)
- Signing an operation agreement for the *Krystal Monterrey* hotel
- Co-investment to execute the use conversion of a property in Mexico City
- On June 16, the Company carried out a global follow on public offer.

2Q16 Conference Call Details:

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

Date: Friday, July 22, 2016

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 (audio) please dial:

Telephone: U.S.: 1 800-863-3908 and 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, please visit our website at:
<http://www.gsf-hotels.com/investors>

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 Krystal® brand, 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 Company's operating model 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 together help HOTEL to obtain new operating contracts for hotels owned by third parties.

Our shares are listed on the Mexican Stock Exchange (BMV: HOTEL); we are part of the ranking *Super Empresas Expansion 2015* and have over 2600 employees in Mexico.

For additional information, please visit www.qsf-hotels.com

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 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 six-month period ended 30 June 2016 and 2015

(Figures in thousand Mexican Pesos)

Figures in thousand Mexican Pesos	Second Quarter				6 months ended June			
Income Statement	2016	2015	\$ Var.	% Var.	2016	2015	\$ Var.	% Var.
Room Revenue	157,068	125,866	31,202	24.8	342,490	263,366	79,124	30.0
Food and Beverage Revenue	75,478	62,825	12,654	20.1	163,690	127,100	36,591	28.8
Other Revenue from Hotels	22,290	19,462	2,827	14.5	50,434	41,974	8,460	20.2
Third-party Hotels' Management Fees	17,080	10,495	6,585	62.7	37,452	22,880	14,572	63.7
Total Revenue	271,915	218,648	53,268	24.4	594,067	455,319	138,747	30.5
Cost and Operating Expenses	106,710	92,492	14,218	15.4	220,581	181,263	39,318	21.7
Sales and Administrative	79,135	58,589	20,547	35.1	154,259	114,940	39,319	34.2
Other Expenses	4,505	3,750	756	20.1	8,386	7,013	1,373	19.6
Depreciation	24,784	21,558	3,226	15.0	49,416	42,587	6,830	16.0
Total Costs and Expenses	215,135	176,388	38,746	22.0	432,642	345,802	86,840	25.1
Development and hotel opening expenses	6,338	7,680	(1,343)	(17.5)	10,835	9,247	1,588	17.2
Other non-recurring expenses	3,226	2,285	941	41.2	4,544	3,932	612	15.6
Total Non Recurring Expenses	9,564	9,966	(402)	(4.0)	15,379	13,179	2,200	16.7
EBITDA	81,565	63,817	17,748	27.8	210,841	152,104	58,737	38.6
EBITDA Margin(%)	30.0%	29.2%	0.8%	2.8	35.5%	33.4%	2.1%	6.2
Operating Income	47,217	32,294	14,923	46.2	146,045	96,338	49,708	51.6
Operating Income Margin (%)	17.4%	14.8%	2.6%	17.6	24.6%	21.2%	3.4%	16.2
Net interest expenses	(9,714)	(8,297)	(1,417)	17.1	(21,850)	(13,986)	(7,864)	56.2
Net foreign currency exchange loss	(64,294)	(24,194)	(40,100)	165.7	(56,704)	(61,801)	5,097	(8.2)
Other financial costs	(761)	(142)	(619)	435.6	(2,202)	(481)	(1,722)	358.1
Net Financing Result	(74,768)	(32,633)	(42,135)	129.1	(80,756)	(76,268)	(4,488)	5.9
Undistributed income from subsidiaries, net	390	83	307	369.7	1,100	139	961	689.9
Income before taxes	(27,161)	(256)	(26,905)	NA	66,389	20,209	46,180	228.5
Total income taxes	(6,776)	(205)	(6,571)	NA	16,384	4,042	12,342	305.4
Net Income	(20,391)	(51)	(20,340)	NA	50,000	16,167	33,832	209.3
Net Income Margin (%)	(7.5%)	(0.0%)	(7.5%)	NA	8.4%	3.6%	4.9%	137.0

Balance Sheet

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

Consolidated Balance Sheet

As of 30 June 2016 and 2015

(Figures in thousand Mexican Pesos)

	2016	2015	Var.	Var %
ASSETS				
Current Assets				
Cash and cash equivalents	1,691,328	83,854	1,607,475	1917%
Accounts receivables from clients	67,220	64,076	3,144	5%
Accounts receivables from related parties	14,744	4,010	10,734	268%
Creditable taxes	116,795	87,588	29,207	33%
Other current assets	269,212	41,354	227,857	551%
Escrow deposit for hotel acquisition	10,250	31,800	(21,550)	(68%)
Total current assets	2,169,549	312,682	1,856,867	594%
Non-current Assets				
Restricted cash	60,248	42,882	17,366	40%
Property, furniture and equipment	3,038,916	2,664,963	373,952	14%
Other assets	40,000	55,003	(15,003)	(27%)
Investment in subsidiaries	31,328	28,033	3,295	12%
Deferred income taxes	87,264	86,160	1,104	1%
Goodwill	107,994	118,523	(10,528)	(9%)
Total non-current assets	3,365,751	2,995,564	370,187	12%
Total assets	5,535,300	3,308,246	2,227,054	67%
LIABILITIES AND SHAREHOLDERS EQUITY				
Current liabilities				
Current installments of long-term debt	101,687	75,572	26,115	35%
Suppliers	63,896	26,774	37,122	139%
Accrued liabilities	82,289	79,235	3,054	4%
Accounts payable to related parties	4	326	(322)	(99%)
Payable taxes	25,801	21,057	4,745	23%
Client advanced payments	29,118	23,549	5,570	24%
Total current liabilities	302,796	226,512	76,284	34%
Non-current liabilities				
Long-term debt	1,132,124	863,345	268,779	31%
Other non-current liabilities	89,348	85,969	3,379	4%
Total non-current liabilities	1,221,472	949,314	272,158	29%
Total liabilities	1,524,268	1,175,826	348,442	30%
Equity				
Capital stock	3,407,534	1,632,812	1,774,722	109%
Legal reserve	190,493	190,493	-	0%
Premium on subscription of shares	80,000	80,000	-	0%
Net income	50,000	16,167	33,833	209%
Retained earnings	222,974	212,948	10,026	5%
Shareholder's Equity	3,951,001	2,132,420	1,818,581	85%
Non-controlling interest	60,031	-	60,031	NA
Total Equity	4,011,032	2,132,420	1,878,612	88%
Total liabilities and equity	5,535,300	3,308,246	2,227,054	67%

Cash Flow Statement

Grupo Hotelero Santa Fe, S.A.B. de C. V.
Consolidated Cash Flow
For the three and six-month period ended 30 June 2016 and 2015

Figures in thousand Pesos

Cash Flow Statement	Second Quarter		6 months ended June	
	2016	2015	2016	2015
Cashflow from operating activities				
Net income	(20,391)	(51)	50,000	16,167
Depreciation and amortization	24,784	21,558	49,416	42,587
Income taxes	(6,776)	(205)	16,384	4,042
Unrealized gain (loss) in foreign currency exchange	71,516	18,107	66,523	55,620
Net interest expense	9,714	8,297	21,850	13,986
Otros costos financieros	761	142	2,202	481
Cashflow before working capital variations	78,507	47,847	205,275	132,883
Accounts receivable from clients	31,756	16,309	7,918	(3,488)
Accounts receivable from related parties	738	2,264	(7,741)	870
Other current assets	(5,925)	(13,894)	(10,883)	(22,742)
Creditable taxes	(9,788)	3,443	(3,072)	27,592
Suppliers	(10,940)	901	13,312	1,447
Accrued liabilities	24,678	4,215	24,150	5,542
Accounts payable to related parties	3	(574)	(51)	57
Downpayments from clients	(575)	3,418	9,031	8,861
Payable taxes	(12,547)	(15,020)	(15,583)	(24,775)
Net operating cashflow	95,906	48,910	222,355	126,247
Non recurring items				
Accrued liabilities	-	31,800	(4,410)	31,800
Receivable tax from constructions and follow-on offering expenses	(24,017)	(2,674)	(35,248)	(23,640)
Recuperación de IVA	34,817	15,870	34,817	57,771
Early termination provision of operating contract	-	-	-	-
Cashflow net from non recurring items	106,706	93,906	217,513	192,177
Investment activities				
Change in restricted cash	(3,686)	186,720	(3,456)	185,279
Acquisition of property, furniture and equipment	(120,752)	(94,295)	(255,363)	(119,034)
Acquisition of ongoing business (Maria Barbara hotel)	0	(185,921)	4,410	(185,921)
Escrow deposit for hotel acquisition	-	162,860	4,410	(31,800)
Investment in subsidiary	659	(6,447)	49	(6,503)
Other net assets and liabilities	2,374	6,323	15,848	5,572
Interest gained	1,502	(2,437)	1,900	-
Cashflow from investment activities	(119,904)	66,804	(232,202)	(152,407)
Financing activities				
Net increase in paid-in follow on	1,768,886	-	1,768,886	-
Receivable Greenshoe	(238,719)	-	(238,719)	-
Net increase in paid-in capital from non controlling company	43	-	60,031	-
Repurchase of shares	(5,425)	(1,990)	(8,235)	(11,450)
Obtained loans	100,000	-	100,000	-
Payment of interest and loan amortization*	(37,777)	(266,866)	(73,675)	(293,696)
Cashflow from financing activities	1,587,008	(268,856)	1,608,288	(305,146)
Net (decrease) increase in cash and cash equivalents	1,573,810	(108,146)	1,593,600	(265,376)
Cash and cash equivalents at the beginning of the period	117,518	190,903	97,729	348,133
Cash and cash equivalents at the end of the period	1,691,329	82,757	1,691,329	82,757
Efectivo en adquisición de negocio		1,097		1,097
Total Cash at the end of the period	1,691,329	83,854	1,691,329	83,854

Contact Information

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

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

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

Appendix 1: Integration of Rooms under Operation

Operating indicators for 2Q16 consider 3,968 hotel rooms under operation out of 4,265. The integration of 402 rooms excluded is detailed as follows:

- i) 281 rooms part of the Vacation Club⁷;
- ii) 16 rooms under renovation in *Krystal Urban Cancun Centro*.

The operating metrics for the six-month period ended June 2016 take into account 3,916 rooms, of a total 4,265 rooms in operation. The integration of 349 rooms excluded is detailed as follows:

- i) 281 rooms part of the Vacation Club⁸;
- ii) 52 rooms that were not available during the period (140 rooms in *Krystal Urban Guadalajara* were not available during the period, since these were in operation beginning March 15, 2016); and
- iii) 16 rooms under renovation in *Krystal Urban Cancun Centro*.

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

Rooms 2Q16	Owned Hotels	Third-party owned hotels	Total Rooms	Rooms Jun-16	Owned Hotels	Third-party owned hotels	Total Rooms
In Operation	2,172	1,796	3,968	In Operation	2,120	1,796	3,916
Vacational Club	53	228	281	Vacational Club	53	228	281
Unavailable	-	-	-	Unavailable	52	-	52
In Renovation	16	-	16	In Renovation	16	-	16
Hotel Expansion	-	-	-	Hotel Expansion	-	-	-
Total Rooms	2,241	2,024	4,265	Total Rooms	2,241	2,024	4,265

⁷ 281 rooms are part of Vacation Club, of which 53 rooms are Company-owned, and 228 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.

⁸ See prior footnote.