

FIRST QUARTER 2018 EARNINGS REPORT

Mexico City, April 26, 2018 – Terrafina® (“TERRA” or “the Company”) (BMV: TERRA13), a leading Mexican industrial real estate investment trust (“FIBRA”), externally advised by PGIM Real Estate and dedicated to the acquisition, development, leasing and management of industrial real estate properties in Mexico, today announced its first quarter 2018 (1Q18) earnings results.

The figures in this report have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Figures presented in this report are presented in millions of Mexican pesos and millions of U.S. dollars, unless otherwise stated. Additionally, figures may vary due to rounding. Terrafina’s financial results included in this report are unaudited. As a result, the mentioned figures in this financial report are preliminary figures and could be adjusted in the future.

*This document may include forward-looking statements that may imply risks and uncertainties. Terms such as “estimate”, “project”, “plan”, “believe”, “expect”, “anticipate”, “intend”, and other similar expressions could be construed as previsions or estimates. Terrafina warns readers that declarations and estimates mentioned in this document, or realized by Terrafina’s management imply risks and uncertainties that could change in function of various factors that are out of Terrafina’s control. Future expectations reflect Terrafina’s judgment at the date of this document. Terrafina reserves the right or obligation to update the information contained in this document or derived from this document. **Past or present performance is not an indicator to anticipate future performance.***

Operating and Financial Highlights as of March 31, 2018

Operating

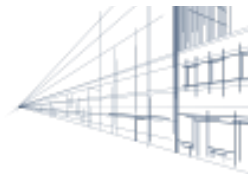
- As of March 31, 2018, the occupancy rate was 95.2%, a 26 basis point increase compared to the first quarter of 2017 (1Q17). Additionally, considering signed letters of intent (LOI), occupancy for 1Q18 was 95.6%.
- Annualized average leasing rate per square foot at 1Q18 was US\$5.06, a US\$0.10 increase compared to 1Q17.
- Terrafina reported a total of 40.6 million square feet (msf) of Gross Leasable Area (GLA) comprised of 284 properties and 296 tenants in 1Q18.
- 1Q18 leasing activity totaled 2.7 msf, of which 11.3% corresponded to new leases, 73.2% to lease renewals and 15.4% to early renewals. Leasing activity was mainly concentrated in the Chihuahua, Ciudad Juarez, Saltillo, Toluca, Monterrey, Puebla, Silao and Cuautitlan Izcalli markets.

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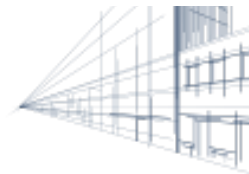
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Financial

- **1Q18 rental revenues reached US\$47.4 million, a 17.6% or US\$7.1 million increase compared to 1Q17.**
- **1Q18 NOI was US\$46.0 million, a 16.3% or US\$6.4 million increase compared to 1Q17.**
- **The NOI margin reached 87.3%, a 54 basis point decrease compared to 1Q17.**
- **1Q18 EBITDA reached US\$41.3 million, an increase of 15.7% or US\$5.6 million compared to 1Q17.**
- **The EBITDA margin for 1Q18 was 78.4%, a 86 basis point decrease compared to 1Q17.**
- **1Q18 adjusted funds for operations (AFFO) reached US\$26.9 million, an increase of 22.0% or US\$4.8 million compared to 1Q17.**
- **The AFFO margin for 1Q18 was 50.7%, a 198 basis point increase compared to 1Q17.**
- **1Q18 distributions totaled US\$26.9 million. As a result, Terrafina will distribute Ps. 0.6386 per CBFI (US\$0.0340 per CBFI) for distributions corresponding to the January 1 to March 31, 2018 period.**
- **The annualized distribution of 1Q18 was US\$0.1362; considering the average share price for the quarter of US\$1.53 (Ps.28.68), Terrafina's dividend yield for the quarter was 8.9%.**



Operating and Financial Highlights

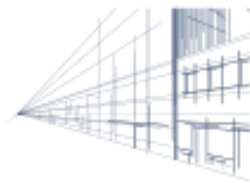
<i>Operating</i>	Mar18	Mar17	Var.			
<i>Number of Developed Properties</i>	284	260	24			
<i>Gross Leasable Area (GLA) (msf)¹</i>	40.6	36.5	4.1			
<i>Land Reserves (msf)</i>	6.17	6.26	-0.09			
<i>Occupancy Rate²</i>	95.2%	94.9%	26 bps			
<i>Avg. Leasing Rent / Square Foot (dollars)</i>	5.06	4.96	0.10			
<i>Weighted Average Remaining Lease Term (years)</i>	3.52	3.60	-0.08			
<i>Renewal Rate³</i>	86.8%	70.5%	1,634 bps			

<i>Quarterly Financial</i>	1Q18	1Q17	Var.		1Q18	1Q17	Var.
				fx	18.7759	20.3873	
	<i>(millions of pesos unless otherwise stated)</i>				<i>(millions of dollars unless otherwise stated)</i>		
<i>Rental Revenues⁴</i>	889.8	821.2	8.4%		47.4	40.3	17.6%
<i>Other Operating Income</i>	101.7	119.7	-15.0%		5.4	5.8	-7.0%
<i>Net Revenues</i>	997.0	941.2	5.9%		53.1	46.2	15.1%
<i>Net Operating Income (NOI)*</i>	862.7	804.2	7.3%		46.0	39.6	16.2%
<i>NOI Margin</i>	87.3%	87.9%	-54 bps		87.3%	87.9%	-54 bps
<i>EBITDA⁵*</i>	774.4	727.2	6.5%		41.3	35.7	15.7%
<i>EBITDA Margin</i>	78.4%	79.2%	-86 bps		78.4%	79.2%	-86 bps
<i>Funds from Operations (FFO)*</i>	557.2	508.3	9.6%		29.7	24.9	19.2%
<i>FFO Margin</i>	56.4%	55.3%	106 bps		56.4%	55.3%	106 bps
<i>Adjusted Funds from Operations (AFFO)*</i>	505.2	450.5	12.1%		26.9	22.1	22.0%
<i>AFFO Margin</i>	50.7%	48.8%	198 bps		50.7%	48.8%	198 bps
<i>Distributions</i>	505.2	450.5	12.1%		26.9	22.1	22.0%
<i>Distributions per CBF⁶</i>	0.6386	0.7417	-13.9%		0.0340	0.0364	-6.4%

<i>Balance Sheet</i>	Mar18	Dec17	Var.		Mar18	Dec17	Var.
				fx	19.7354	19.7354	
	<i>(millions of pesos unless otherwise stated)</i>				<i>(millions of dollars unless otherwise stated)</i>		
<i>Cash & Cash Equivalents</i>	2,035.7	3,209.0	-36.6%		111.0	162.6	-31.8%
<i>Investment Properties</i>	42,165.3	45,959.6	-8.3%		2,298.5	2,328.8	-1.3%
<i>Land Reserves</i>	950.8	1,040.3	-8.6%		51.8	52.7	-1.7%
<i>Total Debt</i>	18,623.4	20,900.8	-10.9%		1,015.2	1,059.1	-4.1%
<i>Net Debt</i>	16,587.7	17,691.8	-6.2%		904.2	896.5	0.9%

Figures in dollars in the Income Statement were converted into pesos using the average exchange rate for the period. (1) Millions of square feet. (2) Occupancy at the end of the period. (3) Indicates the lease renewal rate of the leases, includes early renewals. (4) Excluding accrued income as it is a non-cash item. (5) Earnings before interest, taxes, depreciation and amortization. (6) Certificados Bursátiles Fiduciarios Inmobiliarios - Real Estate Investment Certificates. (*) Revenues and expenses have been adjusted for the calculation of the above mentioned metrics. Figures in dollars in the Balance Sheet were converted using the closing exchange rate of the period. Please refer to the "1Q18 Financial Performance" and "Appendices" section available in this document.

Source: PGIM Real Estate – Asset Management and Fund Accounting



Comment by Alberto Chretin, Chief Executive Officer and Chairman of the Board

During the first quarter of 2018, we achieved positive results in Terrafina's main operating and financial indicators. Occupancy levels remained in the 95 percent range, and our main highlight for the quarter was leasing activity, which reached a total of 2.7 million square feet, representing over 40 percent of leasing expirations for 2018. Renewal activity totaled 2.4 million square feet, predominantly in the active markets of Chihuahua, Ciudad Juarez, Saltillo, Toluca, Monterrey, Puebla, Silao and Cuautitlan Izcalli.

Looking at occupancy levels more closely, Terrafina reached an overall occupancy of 95.2 percent and same-store occupancy of 95.0 percent. Including signed letters of intent, occupancy levels for the quarter reached 95.6%. Occupancy by region remained stable for the first quarter, reaching 96.7 percent in the Northern region, 91.9 percent in the Bajío region and 93.7 percent in the Central region.

Average annual leasing rent was US\$5.06 per square foot, a US\$0.10 increase compared to the first quarter of 2017 and a US\$0.02 increase compared to the fourth quarter of 2017. Per region, average rents were stable, with US\$4.97 per square foot in the Northern region, US\$5.17 per square foot in the Bajío region and a US\$5.29 average rent per square foot in the Central region.

Lastly, and with respect to the main financial indicators for the first quarter of 2018, rental revenues reached US\$47.4 million, Net Operating Income reached US\$46.0 million with an NOI Margin of 87.3 percent, as well as generating US\$26.9 million in Adjusted Funds from Operations. Finally, Annualized Distributions per CBFI were Ps. 2.55, or US\$0.1362, which represented a 8.9 percent dividend yield, considering the average CBFI price for the first quarter of 2018.

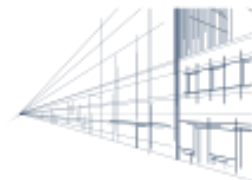
Thank you for your interest in Terrafina.

Sincerely,

Alberto Chretin

A handwritten signature in dark ink, appearing to read "Alberto Chretin", with a stylized flourish at the end.

Chief Executive Officer and Chairman of the Board



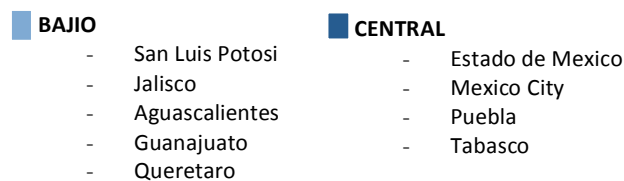
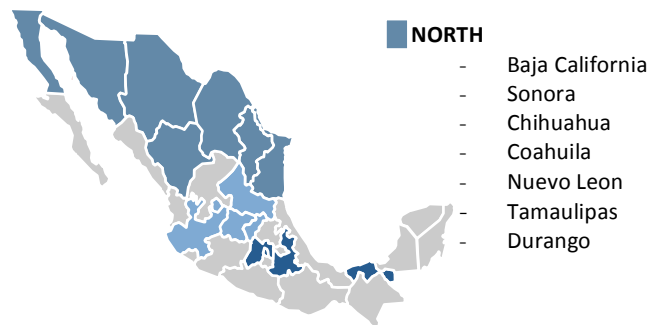
Operating Highlights

Highlights by Region

(as of March 31, 2018)

	North	Bajío	Central	Total
# Buildings	199	55	30	284
# Tenants	201	56	39	296
GLA (msf)	25.2	9.1	6.3	40.6
Land Reserves (msf)	2.7	0.2	3.3	6.2
Occupancy Rate	96.8%	91.9%	93.7%	95.2%
Average Leasing Rent / Square Foot (dollars)	4.97	5.17	5.29	5.06
Annualized Rental Base %	62.0%	22.2%	15.8%	100.0%

Source: PGIM Real Estate - Asset Management

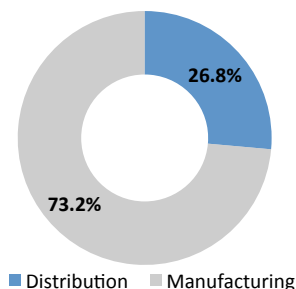


Terrafina's 1Q18 Operations

Composition by Asset Type

as of 1Q18

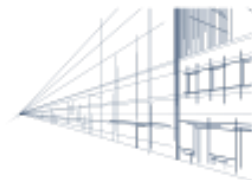
(as a % of total GLA)



Leasing Activity

	1Q18	1Q17	Var.
Operating Portfolio (msf):			
Renewals	2.0	0.9	1.1
Early Renewals	0.4	0.1	0.3
New Leases	0.3	0.5	-0.2
Total Square Feet of Leases Signed	2.7	1.6	1.1

Source: PGIM Real Estate - Asset Management



Operating Highlights *(continued)*

Occupancy and Rents by Region

<i>(As of March 31, 2018)</i>	Occupancy Rate	Avg. Leasing Rent/ Square Foot <i>(dollars)</i>
North	96.8%	4.97
Baja California	100.0%	4.32
Tijuana	100.0%	4.32
Sonora	88.5%	4.57
Hermosillo	88.5%	4.57
Chihuahua	96.9%	5.04
Chihuahua	95.6%	5.46
Ciudad Juarez	97.8%	4.69
Delicias	100.0%	5.94
Gomez Farias	100.0%	3.34
Casas Grandes	100.0%	4.21
Coahuila	96.7%	4.98
Ciudad Acuña	100.0%	6.11
Monclova	100.0%	5.46
Ramos Arizpe	95.7%	4.88
Saltillo	100.0%	5.39
Derramadero	100.0%	7.03
San Pedro de las Colinas	89.3%	2.10
Torreon	100.0%	4.26
Nuevo Leon	93.3%	4.99
Apodaca	100.0%	5.51
Monterrey	91.0%	4.79
Tamaulipas	100.0%	4.65
Reynosa	100.0%	4.65
Durango	100.0%	4.73
Durango	100.0%	4.89
Gomez Palacio	100.0%	3.09
Bajo	91.9%	5.17
San Luis Potosi	88.6%	4.87
San Luis Potosi	88.6%	4.87
Jalisco	100.0%	6.54
Guadalajara	100.0%	6.54
Aguascalientes	100.0%	4.76
Aguascalientes	100.0%	4.76
Guanajuato	94.4%	4.82
Celaya	100.0%	5.29
Irapuato	81.8%	5.32
Silao	100.0%	4.55
Queretaro	85.8%	4.83
Queretaro	85.8%	4.83
Central	93.7%	5.29
Estado de Mexico	92.7%	5.46
Cuautitlan Izcalli	100.0%	5.48
Toluca	81.6%	5.39
Ciudad de Mexico	100.0%	8.97
Azcapotzalco	100.0%	8.97
Puebla	100.0%	3.46
Puebla	100.0%	3.46
Tabasco	100.0%	4.32
Villahermosa	100.0%	4.32
Total	95.2%	5.06

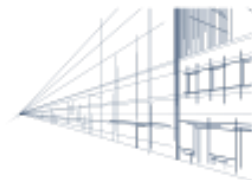
Source: PGIM Real Estate - Asset Management

Maturities and Renewals by Region

<i>(As of March 31, 2018)</i>	Consolidated			
	Maturities <i>(number of contracts)</i>	% of Total Maturities	Renewals <i>(number of contracts)</i>	% of Total Renewals
North	19	73.1%	15	78.9%
Baja California	1	3.8%	1	100.0%
Tijuana	1	3.8%	1	100.0%
Sonora	0	0.0%	0	0.0%
Hermosillo	0	0.0%	0	0.0%
Chihuahua	11	42.3%	8	72.7%
Chihuahua	7	26.9%	5	71.4%
Ciudad Juarez	4	15.4%	3	75.0%
Delicias	0	0.0%	0	0.0%
Gomez Farias	0	0.0%	0	0.0%
Casas Grandes	0	0.0%	0	0.0%
Coahuila	2	7.7%	2	0.0%
Ciudad Acuña	0	0.0%	0	0.0%
Monclova	0	0.0%	0	0.0%
Ramos Arizpe	0	0.0%	0	0.0%
Saltillo	2	7.7%	2	0.0%
Derramadero	0	0.0%	0	0.0%
San Pedro de las Colinas	0	0.0%	0	0.0%
Torreon	0	0.0%	0	0.0%
Nuevo Leon	3	11.5%	2	66.7%
Apodaca	0	0.0%	0	0.0%
Monterrey	3	11.5%	2	66.7%
Tamaulipas	0	0.0%	0	0.0%
Reynosa	0	0.0%	0	0.0%
Durango	2	7.7%	2	0.0%
Durango	1	3.8%	1	0.0%
Gomez Palacio	1	3.8%	1	0.0%
Bajo	1	3.8%	0	0.0%
San Luis Potosi	1	3.8%	0	0.0%
San Luis Potosi	1	3.8%	0	0.0%
Jalisco	0	0.0%	0	0.0%
Guadalajara	0	0.0%	0	0.0%
Aguascalientes	0	0.0%	0	0.0%
Aguascalientes	0	0.0%	0	0.0%
Guanajuato	0	0.0%	0	0.0%
Celaya	0	0.0%	0	0.0%
Irapuato	0	0.0%	0	0.0%
Silao	0	0.0%	0	0.0%
Queretaro	0	0.0%	0	0.0%
Queretaro	0	0.0%	0	0.0%
Central	6	23.1%	5	83.3%
Estado de Mexico	5	19.2%	4	80.0%
Cuautitlan Izcalli	2	7.7%	2	100.0%
Toluca	3	11.5%	2	66.7%
Ciudad de México	0	0.0%	0	0.0%
Azcapotzalco	0	0.0%	0	0.0%
Puebla	1	3.8%	1	0.0%
Puebla	1	3.8%	1	0.0%
Tabasco	0	0.0%	0	0.0%
Villahermosa	0	0.0%	0	0.0%
Total	26	100.0%	20	76.9%

Source: PGIM Real Estate - Asset Management

*Over the number of matured leases in the quarter



1Q18 Operational Performance

Composition by Geographical Diversification

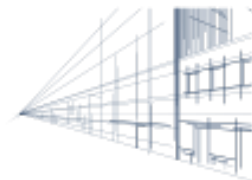
The geographic diversification of Terrafina's properties at 1Q18 (based on GLA per square foot) was as follows: the Northern region of Mexico represented 62.1% of GLA, while the Bajío and Central regions represented 22.5% and 15.4% of GLA, respectively.

Geographic Distribution by Region and State

	1Q18	as a % of Total GLA 1Q18	1Q17	as a % of Total GLA 1Q17
North	25.21	62.1%	21.01	57.6%
Baja California	0.90	2.2%	0.90	2.5%
Tijuana	0.90	2.2%	0.90	2.5%
Sonora	0.33	0.8%	0.33	0.9%
Hermosillo	0.33	0.8%	0.29	0.8%
Chihuahua	14.29	35.2%	13.67	37.5%
Chihuahua	5.83	14.4%	5.37	14.7%
Ciudad Juarez	7.76	19.1%	7.50	20.5%
Delicias	0.52	1.3%	0.29	0.8%
Gomez Farias	0.08	0.2%	0.08	0.2%
Camargo	0.09	0.2%	0.02	0.1%
Casas Grandes	0.02	0.1%	0.09	0.2%
Coahuila	6.51	16.0%	3.49	9.6%
Ciudad Acuña	0.24	0.6%	0.24	0.7%
Monclova	0.35	0.9%	0.34	0.9%
Ramos Arizpe	4.54	11.2%	1.85	5.1%
Saltillo	0.62	1.5%	0.56	1.5%
Derramadero	0.21	0.5%	0.00	0.0%
San Pedro de las Colinas	0.15	0.4%	0.14	0.4%
Torreon	0.39	1.0%	0.13	0.4%
Nuevo Leon	1.94	4.8%	1.38	3.8%
Apodaca	0.50	1.2%	0.50	1.4%
Monterrey	1.44	3.6%	0.81	2.2%
Tamaulipas	0.47	1.1%	0.47	1.3%
Reynosa	0.47	1.1%	0.47	1.3%
Durango	0.78	1.9%	0.78	2.1%
Durango	0.71	1.7%	0.71	1.9%
Gomez Palacio	0.07	0.2%	0.07	0.2%
Bajío	9.12	22.5%	9.23	25.3%
San Luis Potosi	3.31	8.2%	3.27	9.0%
San Luis Potosi	3.31	8.2%	2.90	8.0%
Jalisco	1.66	4.1%	1.81	5.0%
Guadalajara	1.66	4.1%	1.81	5.0%
Aguascalientes	0.75	1.8%	0.75	2.1%
Aguascalientes	0.75	1.8%	0.75	2.1%
Guanajuato	1.42	3.5%	1.42	3.9%
Celaya	0.12	0.3%	0.12	0.3%
Irapuato	0.44	1.1%	0.37	1.0%
Silao	0.87	2.1%	0.73	2.0%
Queretaro	1.98	4.9%	1.98	5.4%
Queretaro	1.98	4.9%	0.00	0.0%
Central	6.25	15.4%	6.25	17.1%
Estado de Mexico	5.40	13.3%	5.40	14.8%
Cuautitlan Izcalli	4.26	10.5%	4.19	11.5%
Toluca	0.91	2.2%	0.23	0.6%
Huehuetoca	0.23	0.6%	0.80	2.2%
Distrito Federal	0.02	0.1%	0.02	0.1%
Azcapotzalco	0.02	0.1%	0.02	0.1%
Puebla	0.18	0.5%	0.18	0.5%
Puebla	0.18	0.5%	0.18	0.5%
Tabasco	0.65	1.6%	0.65	1.8%
Villahermosa	0.65	1.6%	0.65	1.8%
Total	40.58	100.0%	36.49	100.0%

Total Gross Leasable Area / million square feet. Potential leasable area of land reserves are not included.

Source: PGIM Real Estate - Asset Management

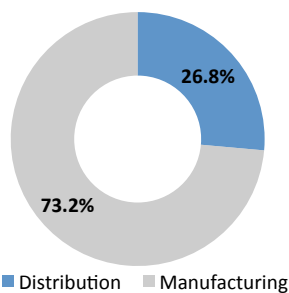


Composition by Asset Type

At the end of 1Q18, 73.2% of Terrafina's portfolio consisted of properties dedicated to manufacturing activities while 26.8% were dedicated to distribution and logistics activities.

Composition by Asset Type as of 1Q18

(as a % of total GLA)



Composition by Asset Type

	1Q18	1Q17	Var.
Distribution	26.8%	26.4%	-379 bps
Manufacturing	73.2%	73.6%	379 bps

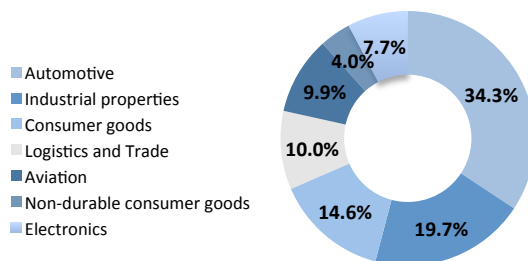
Source: PGIM Real Estate - Asset Management

Composition by Sector

As of March 31, 2018, tenant diversification by industrial sector was as follows:

Diversification by Sector as of 1Q18

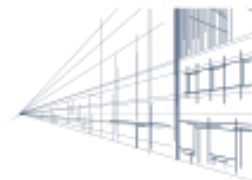
(as a % of leased GLA)



Industrial Sector Diversification

	1Q18	1Q17	Var.
Automotive	34.3%	31.9%	242 bps
Industrial properties	19.7%	20.0%	-30 bps
Consumer goods	14.6%	15.2%	-51 bps
Logistics and Trade	9.7%	9.8%	-09 bps
Aviation	9.9%	10.4%	-47 bps
Non-durable consumer goods	4.0%	4.4%	-43 bps
Electronics	7.7%	8.3%	-63 bps
Total	100.0%	100.0%	

Source: PGIM Real Estate - Asset Management



Composition of Top Clients

Terrafina has a widely diversified tenant base that lease industrial properties throughout several of Mexico's main cities. For 1Q18, Terrafina's top client, top 10 clients and top 20 clients, represented 3.3%, 17.3% and 27.2% of total revenues, respectively.

Top Clients

	Leased Square Feet (millions)	% Total GLA	% Total Revenues
<i>(As of March 31, 2018)</i>			
Top Client	1.24	3.2%	3.3%
Top 10 Clients	6.75	17.5%	17.3%
Top 20 Clients	10.54	27.3%	27.2%

Source: PGIM Real Estate - Asset Management

Occupancy

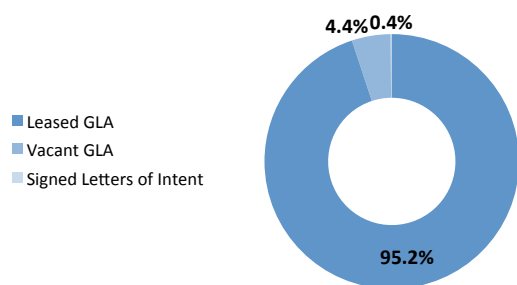
1Q18 occupancy rate was 95.2%, a 26 basis point increase compared to 1Q17. Including signed LOIs for the quarter, the occupancy rate was 95.6% for the quarter. It is important to note that occupancy rate indicators presented in this report reflect the quarterly closing rate.

For 1Q18, Terrafina's leasing activity reached 2.7 msf, of which 11.3% corresponded to new leasing contracts (including expansions), 73.2% for contract renewals and 15.4% for early renewals.

Leasing activity mainly took place in the Chihuahua, Ciudad Juarez, Saltillo, Toluca, Monterrey, Puebla, Silao and Cuautitlan Izcalli markets. In addition to this leasing activity, Terrafina signed an additional 171,000 square feet in LOIs.

Occupancy as of 1Q18

(as % of Total GLA)

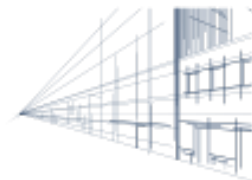


	1Q18	1Q17	Var.
Leased GLA	95.2%	94.9%	26 bps
Vacant GLA	4.4%	4.9%	-48 bps
Signed Letters of Intent	0.4%	0.2%	25 bps
Total	100.0%	100.0%	

Source: PGIM Real Estate - Asset Management

Lease Maturities

Terrafina had 296 tenants under leasing contracts at the end of 1Q18. The leasing characteristics of these contracts have an average maturity of three to five years for logistics and distribution properties and of five to seven years for manufacturing properties. Annual average maturities (as a percentage of annual base rents) remain at levels of between 8% to 22% for the next five years.



The following table breaks down Terrafina's leasing maturity schedule for the upcoming years:

	Annual Base Rent (millions of dollars)	% of Total	Occupied Sq. Ft (millions)	% of Total
2018	14.6	7.5%	3.12	8.1%
2019	35.2	18.0%	7.17	18.6%
2020	43.7	22.3%	8.53	22.1%
2021	33.6	17.2%	6.52	16.9%
2022	17.4	8.9%	3.73	9.6%
Thereafter	51.1	26.1%	9.55	24.7%

Source: PGIM Real Estate – Asset Management

Capital Deployment

Capital Expenditures (CAPEX)

Terrafina's CAPEX is classified as recurring expenses that took place based on upcoming leasing maturities and property improvements. The main goal of these expenses is the renewal of leasing contracts as well as the improvement of property conditions taking into account tenant requirements. Terrafina expects to apply CAPEX towards vacant properties as well as towards the development of new GLA by means of expansions and/or new developments.

Additionally, it is important to consider that CAPEX intended for expansions and new developments are not financed with Terrafina's operating cash flow and therefore do not pass through the income statement.

Capital expenditures accounts are comprised as follows:

- 1) Tenant property improvement resources as well as recurring maintenance CAPEX.
- 2) Broker and administrator fees.
- 3) CAPEX for new developments, which due to their nature, are generally capitalized.

In 1Q18, Terrafina's investments in tenant improvements and recurring CAPEX was US\$1.6 million. Total CAPEX for 1Q18 is broken down in the following table:

Capital Expenditures

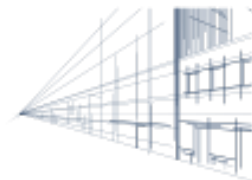
	1Q18 (millions of pesos)	1Q18 (millions of dollars)
Tenant Improvements & Recurring Capex	29.7	1.6
Leasing Commissions	17.9	1.0
Development Capex ¹	15.9	0.8
Total Capital Expenditures	63.5	3.3

Maintenance expenses for vacant properties are included in the Tenant Improvements & Recurring Capex figures. (1) Capex for expansions/new developments.

Source: PGIM Real Estate - Asset Management

Land Reserves

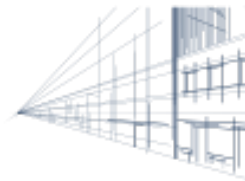
Terrafina's land reserve as of March 31, 2018 was comprised of 12 land reserve properties, equivalent to 6.2 msf of potential GLA for the development of future industrial properties.



As of March 31, 2018, Terrafina's land reserves were distributed as follows:

	As of March 31, 2018				
	Square Feet (millions)	Land at Cost (millions of pesos)	Land at Cost (millions of dollars)	Appraisal Value (millions of pesos)	Market Value (millions of dollars)
North	3.0	472.5	25.8	545.0	29.7
Bajío	0.1	13.1	0.7	13.6	0.7
Central	3.1	681.4	37.1	392.2	21.4
Total Land Portfolio	6.2	1,167.0	63.6	950.8	51.8

Source: PGIM Real Estate - Asset Management and Fund Accounting



1Q18 Financial Performance

Financial Results and Calculations

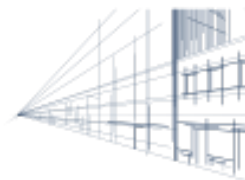
Terrafina's financial results are presented in Mexican pesos and U.S. dollars. Figures on the income statement for each period were converted to dollars using the average exchange rate for 1Q18, while for the balance sheet, the exchange rate at the close of March 31, 2018 was applied.

Terrafina has in place best accounting practices for measuring the FIBRA's (REIT) performance results by providing relevant metrics to the financial community. Throughout the following financial performance section, additional calculations are available. It is important to note that these metrics must not be considered individually to evaluate Terrafina's results. It is recommended to use them in combination with other International Financial Reporting Standards metrics to measure the Company's performance.

Terrafina presents in this earnings report additional metrics such as Net Operating Income (NOI), Earnings Before Interests, Taxes, Depreciation and Amortization (EBITDA), Funds from Operations (FFO), and Adjusted Funds from Operations (AFFO). Each breakdown calculation is available in this document.

In addition, Terrafina recommends reviewing the *Appendices* as a reference of the integration of different items of Terrafina's financial statement. This information is available in the last section of this document.

Past performance is not a guarantee or reliable indicator of future results.



Same-Store

The following table shows Terrafina's 1Q18 same-store highlights and consolidated information:

	Same-Store ¹ 1Q18	Consolidated ² 1Q18		
(as of March 31, 2018)				
Number of Properties	206.0	284.0		
Occupancy Rate	95.0%	95.2%		
Gross Leasable Area (GLA) (msf)	30.0	40.6		
Avg. Leasing Rent / Square Foot (dollars)	4.98	5.06		
	Same-Store 1Q18	Consolidated 1Q18	Same-Store 1Q18	Consolidated 1Q18
	(millions of dollars)		(millions of pesos)	
Rental Revenues	34.9	47.4	655.6	889.8
Net Operating Income	33.9	46.0	635.8	862.7
NOI Margin	87.5%	87.3%	87.5%	87.3%
EBITDA	30.2	41.3	567.4	774.4
EBITDA Margin	78.1%	78.4%	78.1%	78.4%
FFO	20.8	29.7	390.9	557.2
FFO Margin	53.8%	56.4%	53.8%	56.4%
Adjusted Funds from Operations	18.3	26.9	342.4	505.2
AFFO Margin	46.8%	50.7%	46.8%	50.7%

(1) Same properties information evaluates the performance of the industrial properties without including recent acquisitions closed in January, September and December 2017. (2) Includes acquisitions closed in January, September and December 2017.
Source: PGIM Real Estate - Asset Management and Fund Accounting

Rental Revenues

In 1Q18, Terrafina reported rental revenues of US\$47.4 million, a 17.6% or US\$7.1 million increase compared to 1Q17.

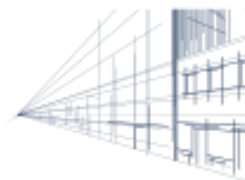
Rental revenues do not include accrued revenues as these are a non-cash item.

Other Operating Income

In 1Q18, other operating income totaled US\$5.4 million, a 7.0% or US\$0.3 million decrease compared to 1Q17.

Other operating income mainly stem from tenant refunds from triple-net leases. Expenses reimbursable to Terrafina mainly included electricity, property taxes, insurance costs and maintenance.

Net revenues reached US\$53.1 million in 1Q18, an increase of US\$7.0 million, or 15.1% compared to 1Q17.



Revenues

	1Q18	1Q17	Var. %	1Q18	1Q17	Var. %
	(millions of pesos)			(millions of dollars)		
Rental Revenue	889.8	821.2	8.4%	47.4	40.3	17.6%
Accrued Income ¹	5.5	0.3	1637.3%	0.3	0.0	1608.7%
Other Operating Revenues	101.7	119.7	-15.0%	5.4	5.8	-7.0%
Reimbursable Expenses as Revenues ²	93.1	96.7	-3.7%	5.0	4.7	4.8%
Reimbursable Tenant Improvements	7.8	5.2	50.2%	0.4	0.3	62.9%
Other non-cash income	0.8	17.8	-	0.0	0.8	-
Net Revenue	997.0	941.2	5.9%	53.1	46.2	15.1%

(1) Straight line rent adjustment; non-cash item. (2) Triple net leases expenses reimbursed to Terrafina from its tenants.

Source: PGIM Real Estate - Fund Accounting

For additional information regarding the revenue breakdown used to calculate additional metrics presented in this earnings report, please refer to *Appendix 1* in the last section of this document.

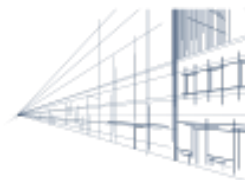
Real Estate Expenses

In 1Q18, real estate expenses totaled US\$10.6 million, an increase of 5.8% or US\$0.6 million compared to 1Q17. These expenses mainly corresponded to property taxes and repair and maintenance.

It is important to differentiate between expenses that are directly related to the operation and those that are for the maintenance of the industrial portfolio; the latter are used in the NOI calculation.

The remainder of the accounts included in real estate expenses are considered non-recurring expenses and are used to calculate EBITDA and AFFO.

For additional information regarding the real estate expenses breakdown, please refer to *Appendix 2* in the last section of this document.



Net Operating Income (NOI)

In 1Q18, NOI totaled US\$46.0 million, a 16.3% or US\$6.4 million increase compared with 1Q17. NOI margin decreased by 54 basis points reaching 87.3% compared to 87.9% in 1Q17.

The following table displays the NOI calculation for 1Q18:

Net Operating Income						
	1Q18	1Q17	Var. %	1Q18	1Q17	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
Rental Revenues ¹	889.8	821.2	8.4%	47.4	40.3	17.6%
Other Operating income ²	98.7	96.3	2.5%	5.3	4.7	11.5%
Net Revenues for NOI Calculation	988.5	917.6	7.7%	52.7	45.0	16.9%
Repair and Maintenance	-8.5	-8.4	1.2%	-0.5	-0.4	9.4%
Property Taxes	-78.8	-65.9	19.6%	-4.2	-3.1	34.8%
Property Management Fees	-17.9	-17.1	5.0%	-1.0	-0.8	13.1%
Electricity	-8.3	-9.1	-8.3%	-0.4	-0.5	-3.2%
Property Insurance	-2.7	-4.6	-40.7%	-0.1	-0.2	-37.5%
Security	-4.6	-3.4	34.1%	-0.2	-0.2	43.8%
Other Operational Expenses	-5.0	-4.9	0.8%	-0.3	-0.2	6.3%
Real Estate Operating Expenses for NOI Calculation	-125.8	-113.4	10.9%	-6.7	-5.5	22.2%
Net Operating Income³	862.7	804.2	7.3%	46.0	39.6	16.2%
NOI Margin	87.3%	87.9%	-54 bps	87.3%	87.9%	-54 bps

(1) Excludes accrued income from straight line rent adjustments as it is a non-cash item. (2) Excludes tenant improvements reimbursements which are included in 'AFFO'. (3) The income calculation generated by the operation of the property, independent of external factors such as financing and income taxes. NOI is the result of Net Revenues (includes rental income and triple net leases expenses reimbursements) minus Real Estate Operating Expenses (costs incurred during the operation and maintenance of the industrial portfolio).

Source: PGIM Real Estate - Fund Accounting

Fees and Administrative Expenses (G&A)

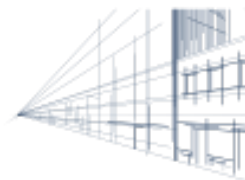
G&A in 1Q18 totaled US\$4.8 million, a 1.3% or US\$0.1 million decrease compared to 1Q17.

The following table breaks down total G&A:

G&A						
	1Q18	1Q17	Var. %	1Q18	1Q17	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
External Advisor Fees ¹	-53.4	-49.1	8.7%	-2.9	-2.5	13.0%
Professional and Consulting Services	-8.2	-7.6	7.3%	-0.4	-0.4	16.7%
Payroll, Admin. Fees and Other Expenses	-29.0	-41.1	-29.6%	-1.5	-2.0	-22.9%
Total G&A²	-90.5	-97.9	-7.5%	-4.8	-4.9	-1.3%

(1) General and Administrative Expenses (2) PLA Administradora Industrial, S. de R.L. de C.V., is a Mexican affiliate of PGIM Real Estate and Advisor as per the Advisory Contract.

Source: PGIM Real Estate - Fund Accounting



Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

In 1Q18, EBITDA totaled US\$41.3 million, an increase of US\$5.6 million, or 15.7%, compared to 1Q17. EBITDA margin for 1Q18 was 78.4%, a 86 basis point decrease compared to 1Q17.

The following shows the EBITDA calculation for 1Q18:

EBITDA						
	1Q18	1Q17	Var. %	1Q18	1Q17	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
Rental Revenues ¹	889.8	821.2	8.4%	47.4	40.3	17.6%
Other Operating income ²	98.7	96.3	2.5%	5.3	4.7	11.5%
Real Estate Expenses for EBITDA Calculation	-131.9	-117.7	12.1%	-7.0	-5.7	23.5%
Real Estate Operating Expenses for NOI Calculation	-125.8	-113.4	10.9%	-6.7	-5.5	22.2%
Advertising	-0.3	-0.3	-5.1%	0.0	0.0	-
Admin. Property Insurance Expenses	-0.7	-1.0	-26.2%	0.0	0.0	-19.9%
Other Admin. Real Estate Expenses	-5.1	-3.0	70.5%	-0.3	-0.1	87.8%
Fees and Admin. Expenses	-82.3	-72.7	13.1%	-4.4	-3.7	19.2%
External Advisor Fees	-53.4	-49.1	8.7%	-2.9	-2.5	13.0%
Legal, Admin. and Other Professional Fees	-18.1	-14.9	21.5%	-1.0	-0.7	31.8%
Trustee Fees	-2.0	-2.0	1.5%	-0.1	-0.1	11.3%
Payroll	-7.1	-5.0	42.9%	-0.4	-0.2	54.3%
Other Expenses	-1.5	-1.7	-7.5%	-0.1	-0.1	-0.1%
EBITDA³	774.4	727.2	-14.4%	41.3	35.7	15.7%
EBITDA Margin	78.4%	79.2%	-86 bps	78.4%	79.2%	-86 bps

(1) Excludes accrued income from straight line rent adjustments as it is a non-cash item. (2) Excludes tenant improvements reimbursements which is included in AFFO calculation. (3) Earnings before interest, taxes, depreciation and amortization.

Source: PGIM Real Estate - Fund Accounting

For additional information regarding the commissions and administrative expenses breakdown used for the calculation of EBITDA and AFFO, please refer to *Appendix 3* located in the last section of this document.

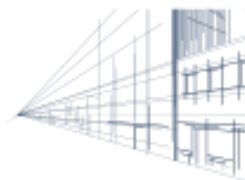
Financing Expenses

In 1Q18, financing expenses totaled US\$13.4 million, an increase of 6.3% or US\$0.8 million compared to 1Q17.

Financial Expenses

	1Q18	1Q17	Var. %	1Q18	1Q17	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
Interest Paid	-218.7	-218.8	0.0%	-11.7	-10.8	8.4%
Borrowing Expenses	-35.8	-39.5	-9.4%	-1.9	-2.0	-3.3%
Recurring	-0.3	-1.4	-81.1%	0.0	-0.1	-78.9%
Non Recurring	-35.5	-38.1	-	-1.9	-1.9	-
Interest Income	1.8	1.2	45.0%	0.1	0.1	60.4%
Total	-252.7	-257.0	-1.7%	-13.4	-12.6	6.3%

Source: PGIM Real Estate - Fund Accounting



Funds from Operations (FFO) / Adjusted Funds from Operations (AFFO)

In 1Q18, FFO increased by US\$4.8 million, or 19.2% compared to 1Q17, reaching US\$29.7 million. FFO Margin was 56.4%, a 108 basis point increase compared to 1Q17. Additionally, Terrafina reported AFFO of US\$26.9 million, an increase of US\$4.8 million, or 22.0% compared to 1Q17. AFFO margin was 50.7%, an increase of 198 basis points versus 1Q17.

Funds from Operations (FFO)

	1Q18	1Q17	Var. %	1Q18	1Q17	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
EBITDA	774.4	727.2	6.5%	41.3	35.7	15.7%
Finance Cost ¹	-217.2	-218.9	-0.8%	-11.6	-10.8	7.6%
Funds from Operations (FFO)	557.2	508.3	9.6%	29.7	24.9	19.2%
<i>FFO Margin</i>	<i>56.4%</i>	<i>55.3%</i>	<i>106 bps</i>	<i>56.4%</i>	<i>55.3%</i>	<i>106 bps</i>
Tenant Improvements	-29.7	-33.3	-10.7%	-1.6	-1.6	-3.6%
Leasing Commissions	-17.9	-21.3	-15.6%	-1.0	-1.0	-8.3%
Other Non Recurring Expenses ²	-4.4	-3.3	32.6%	-0.2	-0.2	48.0%
Adjusted Funds from Operations (AFFO)	505.2	450.5	12.1%	26.9	22.1	22.0%
<i>AFFO Margin</i>	<i>50.7%</i>	<i>48.8%</i>	<i>198 bps</i>	<i>50.7%</i>	<i>48.8%</i>	<i>198 bps</i>

(1) Net Operational Interest Expenses comprised by interest paid, recurring borrowing expenses and other interest income.

(2) Related expenses to acquisitions, dispositions, legal and other expenses.

Source: PGIM Real Estate - Fund Accounting

Comprehensive Income

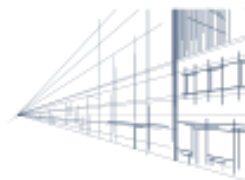
Comprehensive Income For 1Q18 reached a loss of US\$103.3 million, compared to a loss of US\$101.5 million in 1Q17.

The following table presents the calculation of Comprehensive Income for 1Q18:

Comprehensive Income

	1Q18	1Q17	Var. %	1Q18	1Q17	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
Net Revenues	997.0	941.2	5.9%	53.1	46.2	15.1%
Real Estate Expenses	-199.7	-206.4	-3.3%	-10.6	-10.0	5.8%
Fees and Other Expenses	-90.5	-97.9	-7.5%	-4.8	-4.9	-1.3%
Gain (Loss) from Sales of Real Estate Properties	-17.8	1.3	-	-0.9	0.1	-
Net Income (Loss) from Fair Value Adjustment on Investment Properties	-562.9	-50.1	1023.3%	-30.0	-2.5	1119.7%
Net Income (Loss) from Fair Value Adjustment on Derivative Financial Instruments	29.6	0.0	-	1.6	0.0	-
Net Income (Loss) from Fair Value Adjustment on Borrowings	152.6	-322.5	-	8.1	-15.8	-
Foreign Exchange Gain (loss)	44.7	155.5	-71.3%	2.4	7.6	-68.8%
Operating Profit	352.9	421.1	-16.2%	18.8	20.7	-8.9%
Financial Income	1.8	1.2	45.0%	0.1	0.1	-
Financial Expenses	-254.5	-258.2	-1.4%	-13.5	-12.7	6.6%
Net Financial Cost	-252.7	-257.0	-1.7%	-13.4	-12.6	6.3%
Share of Profit from Equity Accounted Investments	5.6	-0.3	-	0.3	0.0	-
Net Profit (Loss)	105.8	163.7	-35.4%	5.7	8.0	-29.0%
Items Reclassified after Net Profit (Loss) - Currency Translation Adjustments	-2,045.9	-2,233.3	-8.4%	-109.0	-109.5	-0.5%
Comprehensive Income	-1,940.1	-2,069.6	-6.3%	-103.3	-101.5	1.7%

Source: PGIM Real Estate - Fund Accounting



Distributions per CBFIs

In 1Q18, Terrafina distributed US\$26.9 million, or US\$0.0340 per CBFi.

Distributions

(millions of pesos unless otherwise stated)	1Q17	2Q17	3Q17	4Q17	1Q18	Var.% (1Q18 vs 1Q17)
Total Outstanding CBFIs (millions of CBFIs)	607.5	791.0	791.0	791.0	791.0	30.2%
CBFI Price ¹	28.74	32.35	31.29	30.20	28.68	-0.2%
Distributions	450.5	452.4	410.4	484.9	505.2	12.1%
Distributions Per CBFi	0.7417	0.5720	0.5188	0.6130	0.6386	-13.9%
FX Rate USD/MXN (average closing period)	20.39	18.57	17.83	18.93	18.78	-7.9%
Distributions (million dollars)	22.1	24.3	23.0	25.6	26.9	22.0%
Distributions Per CBFi (dollars)	0.0364	0.0308	0.0291	0.0324	0.0340	-6.4%
Annualized Distribution Yield ²	10.3%	7.1%	6.6%	8.1%	8.9%	-142 bps

(1) Average closing price for the period. (2) Annualized distribution per share divided by the average CBFi price of the quarter. Quarterly distribution yield calculation has been annualized.

Source: PGIM Real Estate - Fund Accounting

Debt

As of March 31, 2018, Terrafina's total debt reached US\$1,015.2million. The average cost of Terrafina's long-term debt was 4.66%. All of Terrafina's debt is denominated in U.S. dollars.

Outstanding Debt

	Currency	Millions of pesos	Millions of dollars	Interest Rate	Terms	Maturity	Extension Option	Derivatives
(as of March 31, 2018)								
Long Term Debt								
Citibank ¹	Dollars	946.1	51.6	Libor + 2.45%	Interest Only	Jan 2023	-	US\$120M swap ⁴ / US\$100M cap ⁵
Metlife	Dollars	2,751.7	150.0	4.75%	Interest Only	Jan 2027	-	-
Banamex ²	Dollars	6,469.2	352.7	Libor + 2.45%	Interest Only	Oct 2022	-	US\$105M swap ⁶
Senior Notes ³	Dollars	8,166.0	445.1	5.25%	Interest Only	Nov 2022	-	-
New York Life	Dollars	290.5	15.8	5.19%	Interest Only	Feb 2020	-	-
Total Debt		18,623.4	1,015.2					
Net Cash		2,035.7	111.0					
Net Debt		16,587.7	904.2					

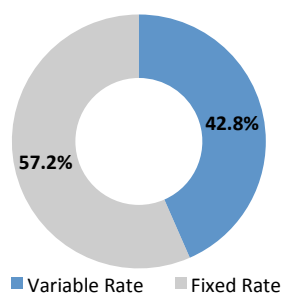
(1) Unsecured syndicated revolving credit facility. (2) Unsecured syndicated term loan facility; interest only for the first three years. (3) Value at Cost: US\$425 million / Ps.7,977 million.

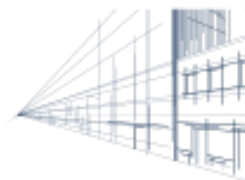
(4) Swap fixed rate: 1.286%. (5) Cap strike price: 1.75% (6) Swap fixed rate: 1.768%.

Source: PGIM Real Estate - Fund Accounting and Transactions

Interest Rate Breakdown

(as of March 31, 2018)





The following tables show leverage and debt service coverage as of March 31, 2018 as well as Terrafina's projections for the following six quarters:

Loan-to-Value (LTV)

(as of March 31, 2018)	(millions of pesos)	(millions of dollars)
Total Assets	45,846.4	2,499.2
Total Debt	18,623.4	1,015.2

Loan-to-Value (LTV)¹ **40.6%**

(1) Total Debt divided by Total Assets as defined by the National Securities and Banking Commission (CNBV)

Source: PGIM Real Estate - Fund Accounting and Capital Markets

Debt Service Coverage Ratio (DSCR)

	period	(millions of pesos)	(millions of dollars)
Cash & Cash Equivalents	March 31, 2018	2,035.7	111.0
Recoverable Taxes	Σ next 6 quarters	698.4	38.1
EBIT ¹ after distributions	Σ next 6 quarters	1,621.7	88.4
Available Credit Line	March 31, 2018	4,558.6	248.5

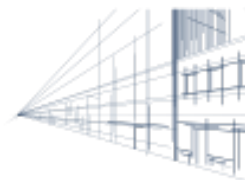
	period	(millions of pesos)	(millions of dollars)
Interest Payments	Σ next 6 quarters	1186.0	64.7
Principal Payments	Σ next 6 quarters	16.1	0.9
Recurring CAPEX	Σ next 6 quarters	196.3	10.7
Development Expenses	Σ next 6 quarters	187.7	10.2

Debt Service Coverage Ratio (DSCR)² **5.6x**

(1) Earnings Before Interest and Taxes

(2) (Cash & Cash Equivalents + Recoverable Taxes + EBIT After Distributions + Available Credit Line) / (Interest Payments + Principal Payments + Recurring CAPEX + Development Expenses)

Source: PGIM Real Estate - Fund Accounting and Capital Markets



Moreover, as of March 31, 2018, Terrafina was in full compliance with its debt covenants related to the US\$425 million bond issuance (November 2015), as follows:

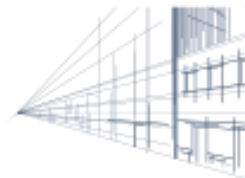
Unsecured Bond Covenants

<i>(as of March 31, 2018)</i>	Terrafina	Bond Covenants
Loan-to-Value (LTV) ¹	40.6%	≤ 60%
Debt Service Coverage Ratio (DSCR) ²	2.7x	≥ 1.5x
Secured Debt to Gross Assets Limitation	6.6%	≤ 40%
Unencumbered Assets to Unsecured Debt Limitation	236%	≥ 150%

(1) Total Debt divided by Total Assets.

(2) (Net Income/Loss + Interest on Debt + Unrealized Gain /Loss of fair value changes)/ (all interest and principal payments on Debt)

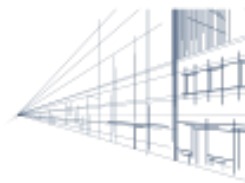
Source: PGIM Real Estate - Transactions



Analyst Coverage

The following is a list of banks and institutions that regularly publish research reports on Terrafina:

- Barclays
- BBVA Bancomer
- Bradesco
- BofA ML
- BTG Pactual
- BX+
- Citi Banamex
- Credit Suisse
- GBM
- HSBC
- Interacciones
- Invex
- Itaú BBA
- JPMorgan
- Monex
- Morgan Stanley
- NAU Securities
- Scotiabank
- Vector
- Santander
- UBS



About Terrafina

Terrafina (BMV:TERRA13) is a Mexican real estate investment trust formed primarily to acquire, develop, lease and manage industrial real estate properties in Mexico. Terrafina's portfolio consists of attractive, strategically located warehouses and other light manufacturing properties throughout the Central, Bajío and Northern regions of Mexico. It is internally managed by highly-qualified industry specialists and externally advised by PGIM Real Estate.

Terrafina owns 296 real estate properties, including 284 developed industrial facilities with a collective GLA of approximately 40.6 million square feet and 12 land reserve parcels, designed to preserve the organic growth capability of the portfolio.

Terrafina's objective is to provide attractive risk-adjusted returns for the holders of its certificates through stable distributions and capital appreciations. Terrafina aims to achieve this objective through a successful performance of its industrial real estate and complementary properties, strategic acquisitions, access to a high level of institutional support, and to its management and corporate governance structure. For more information, please visit www.terrafinamx

PGIM Real Estate

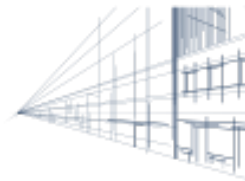
PGIM Real Estate is the real estate investment business of PGIM Inc., the global investment management business of Prudential Financial, Inc. (NYSE: PRU). Redefining the real estate investing landscape since 1970, PGIM Real Estate has professionals in 18 cities in the Americas, Europe and Asia Pacific with deep local knowledge and expertise, and gross assets under management of US\$69.6 billion (US\$49.9 billion net) as of December 31, 2017. PGIM Real Estate's tenured team offers to its global client base a broad range of real estate equity, debt and securities investment strategies that span the risk/return spectrum. For more information, visit www.pgimrealestate.com

About Prudential Financial, Inc.

Prudential Financial, Inc. (NYSE:PRU), a financial services leader with more than US\$1 trillion of assets under management as of December 31, 2017, has operations in the United States, Asia, Europe, and Latin America. Prudential's diverse and talented employees are committed to helping individual and institutional customers grow and protect their wealth through a variety of products and services, including life insurance, annuities, retirement-related services, mutual funds and investment management. In the U.S., Prudential's iconic Rock symbol has stood for strength, stability, expertise and innovation for more than a century. For more information, please visit www.news.prudential.com

Forward Looking Statements

This document may include forward-looking statements that may imply risks and uncertainties. Terms such as "estimate", "project", "plan", "believe", "expect", "anticipate", "intend", and other similar expressions could be construed as previsions or estimates. Terrafina warns readers that declarations and estimates mentioned in this document, or realized by Terrafina's management imply risks and uncertainties that could change in function of various factors that are out of Terrafina's control. Future expectations reflect Terrafina's judgment at the date of this document. Terrafina reserves the right or obligation to update the information contained in this document or derived from this document. Past or present performance is not an indicator to anticipate future performance.



Conference Call

(BMV: TERRA13)

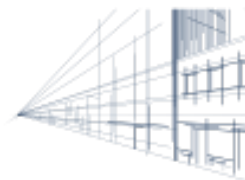
Cordially invites you to participate in its
First Quarter 2018 Results

Friday, April 27, 2018
11:00 a.m. Eastern Time
10:00 a.m. Central Time

To access the call, please dial:
from within the U.S. 1-877-888-4312
from outside the U.S. 1-785-424-1876
Conference ID Number: Terrafina

Audio Webcast Link: <https://www.webcaster4.com/Webcast/Page/1111/25125>

Conference Replay
U.S. 1-844-488-7474
International (outside the US) 1-862-902-0129
Passcode: 11093158



Appendix

Appendix 1 – Revenues

Terrafina's revenues are mainly classified as rental revenues and other operating reimbursable revenues.

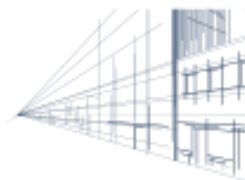
Additionally, there are accounting revenues that must be registered according with IFRS; however, these are considered as non-cash items and therefore are excluded in some calculations.

Reimbursable tenant improvements are included in the tenant improvement expenses for the AFFO calculation.

Revenues		1Q18	1Q17	1Q18	1Q17
		<i>(millions of pesos)</i>		<i>(millions of dollars)</i>	
<i>NOI calculation</i>	Rental Revenue	889.8	821.2	47.4	40.3
<i>Non Cash</i>	Accrued Income ¹	5.5	0.3	0.3	0.0
	Other Operating Revenues	101.7	119.7	5.4	5.8
<i>NOI calculation</i>	Reimbursable Expenses as Revenues ²	93.1	96.7	5.0	4.7
<i>AFFO calculation</i>	Reimbursable Tenant Improvements	7.8	5.2	0.4	0.3
<i>Non Cash</i>	Other non-cash income	0.8	17.8	0.0	0.8
	Net Revenue	997.0	941.2	53.1	46.2
<i>NOI calculation</i>	Share of Profit from Equity Accounted Investments ²	5.6	-0.4	0.3	0.0

(1) Straight line rent adjustment. (2) Triple net leases expenses reimbursed to Terrafina from its tenants. (2) Profit from joint-venture developments.

Source: PGIM Real Estate - Fund Accounting



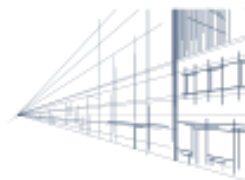
Appendix 2 – Real Estate Expenses

Real estate expenses are comprised of recurring figures related with the operation (used for the Net Operating Profit calculation) as well as non-recurring figures used for metric calculations such as Earnings Before Interests, Taxes, Depreciation and Amortization (EBITDA), Funds from Operations (FFO), Adjusted Funds from Operations (AFFO).

The following table presents the real estate expenses breakdown, which are used for the calculation of several metrics.

Real Estate Expenses		1Q18	1Q17	1Q18	1Q17
		(million of pesos)		(million of dollars)	
	Repair and Maintenance	-46.0	-46.9	-2.4	-2.3
NOI calculation	Recurring	-8.5	-8.4	-0.5	-0.4
AFFO calculation	Non Recurring	-37.5	-38.5	-2.0	-1.9
	Property Taxes	-80.1	-73.5	-4.2	-3.5
NOI calculation	Operating	-78.8	-65.9	-4.2	-3.1
Non Cash	Non Operating	-1.3	-7.6	-0.1	-0.4
NOI calculation	Property Management Fees	-17.9	-17.1	-1.0	-0.8
NOI calculation	Electricity	-8.3	-9.1	-0.4	-0.5
AFFO calculation	Brokers Fees	-17.9	-21.3	-1.0	-1.0
	Property Insurance	-3.5	-5.7	-0.2	-0.3
NOI calculation	Operating	-2.7	-4.7	-0.1	-0.2
EBITDA calculation	Administrative	-0.7	-1.0	0.0	0.0
NOI calculation	Security	-4.6	-3.4	-0.2	-0.2
EBITDA calculation	Advertising	-0.3	-0.3	0.0	0.0
	Other Expenses	-12.8	-15.4	-0.7	-0.7
NOI calculation	Operational Related	-5.0	-5.0	-0.3	-0.2
Non Cash	Non Operational Related	-2.8	-7.4	-0.1	-0.4
EBITDA calculation	Administrative	-5.1	-3.0	-0.3	-0.1
Non Cash	Bad Debt Expense	-8.3	-13.9	-0.4	-0.7
Total Real Estate Expenses		-199.7	-206.4	-10.6	-10.0

Source: PGIM Real Estate - Fund Accounting



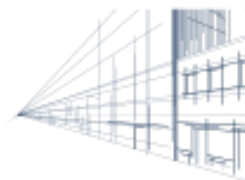
Appendix 3 – Fees and Administrative Expenses

Fees and administrative expenses include figures used for metric calculations such as Earnings before Interests, Taxes, Depreciation and Amortization (EBITDA), Funds from Operations (FFO), Adjusted Funds from Operations (AFFO).

Terrafina's fees and administrative expenses breakdown is available in the following table and indicates the figures used for the calculation of these metrics:

Fees and Administrative Expenses		1Q18	1Q17	1Q18	1Q17
		(million of pesos)		(million of dollars)	
EBITDA calculation	External Advisor Fees	-53.4	-49.1	-2.9	-2.5
	Legal Fees	-3.6	-2.0	-0.2	-0.1
EBITDA calculation	Recurring	-1.1	-0.3	-0.1	0.0
AFFO calculation	Non Recurring	-2.4	-1.7	-0.1	-0.1
	Other Professional Fees	-4.6	-5.6	-0.2	-0.3
EBITDA calculation	Recurring	-2.7	-3.3	-0.1	-0.2
AFFO calculation	Non Recurring	-1.9	-2.3	-0.1	-0.1
	Administrative Fees	-18.3	-32.5	-1.0	-1.6
EBITDA calculation	Recurring	-14.3	-11.3	-0.8	-0.6
Non Operational related	Non Recurring ¹	-3.9	-21.1	-0.2	-1.0
EBITDA calculation	Payroll	-7.1	-5.0	-0.4	-0.2
EBITDA calculation	Trustee Fees	-2.0	-2.0	-0.1	-0.1
EBITDA calculation	Other Expenses	-1.5	-1.7	-0.1	-0.1
Total Fees and Admin. Expenses		-90.5	-97.9	-4.8	-4.9

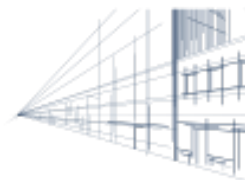
(1) Non operational related administrative fees.
Source: PGIM Real Estate - Fund Accounting



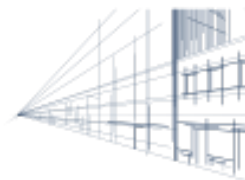
Appendix 4 – Reconciliation

Reconciliation of Net Profit (Loss) to FFO, EBITDA and NOI

	1Q18 (millions of pesos)	1Q17 (millions of pesos)	1Q18 (millions of dollars)	1Q17 (millions of dollars)
Comprehensive Income (Loss)	-1,940.1	-2,069.6	-103.3	-101.5
<i>Add (deduct) Currency Translation Adjustment:</i>				
Currency Translation Adjustment	2,045.9	2,233.3	109.0	109.5
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Non Recurring Borrowing Expenses	35.5	38.1	1.9	1.9
<i>Add (deduct) Non-Cash Adjustment:</i>				
Foreign Exchange Adjustments	-44.7	-155.5	-2.4	-7.6
Fair Value Adjustment on Borrowings	-152.6	322.5	-8.1	15.8
Fair Value Adjustment on Derivative Financial Instruments	-29.6	0.0	-1.6	0.0
Fair Value Adjustment on Investment Properties	562.9	50.1	30.0	2.5
Gain (Loss) from Sales of Real Estate Properties	17.8	-1.3	0.9	-0.1
<i>Add (deduct) Expenses Adjustment:</i>				
Non Recurring Repair and Maintenance	37.5	38.5	2.0	1.9
Non Operating Property Taxes	1.3	7.6	0.1	0.4
Brokers Fees	17.9	21.3	1.0	1.0
Bad Debt Expense	8.3	13.9	0.4	0.7
Other Non Operational Related Expenses	2.8	7.4	0.2	0.4
Non Recurring Legal Fees	2.4	1.7	0.1	0.1
Non Recurring Other Professional Fees	1.9	2.3	0.1	0.1
<i>Add (deduct) Revenues Adjustment:</i>				
Accrued Income	-5.5	-0.3	-0.3	0.0
Other Non-Cash Income	-0.8	-17.8	0.0	-0.9
Reimbursable Tenant Improvements	-7.8	-5.2	-0.4	-0.3
<i>Add (deduct) Non Operational Administrative Fees</i>				
Non Operational Administrative Fees	3.9	21.1	0.2	1.0
FFO	557.2	508.2	29.7	24.9
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Interest Paid	218.7	218.8	11.6	10.7
Recurring Borrowing Expenses	0.2	1.4	0.0	0.1
Interest Income	-1.8	-1.2	-0.1	-0.1
EBITDA	774.3	727.1	41.3	35.7
<i>Add (deduct) Expenses Adjustment:</i>				
External Advisor Fees	53.4	49.1	2.8	2.4
Recurring Legal Fees	1.1	0.3	0.1	0.0
Recurring Other Professional Fees	2.7	3.3	0.1	0.2
Administrative Fees	14.3	11.3	0.8	0.6
Payroll	7.1	5.0	0.4	0.2
Trustee Fees	2.0	2.0	0.1	0.1
Other Expenses	1.5	1.7	0.1	0.1
Advertising	0.3	0.3	0.0	0.0
Administrative Property Insurance	0.7	1.0	0.0	0.0
Other Administrative Expenses	5.1	3.0	0.3	0.1
NOI	862.7	804.1	46.0	39.5
<i>Add (deduct) Expenses Adjustment:</i>				
Recurring Repair and Maintenance	8.5	8.4	0.5	0.4
Operating Property Taxes	78.8	65.9	4.2	3.2
Property Management Fees	17.9	17.1	1.0	0.8
Electricity	8.3	9.1	0.4	0.4
Operating Property Insurance	2.7	4.7	0.1	0.2
Security	4.6	3.4	0.2	0.2
Other Operational Expenses	5.0	5.0	0.3	0.2
<i>Add (deduct) Revenues Adjustment:</i>				
Other Non-Cash Income	0.8	17.8	0.0	0.9
Accrued Income	5.5	0.3	0.3	0.0
Reimbursable Tenant Improvements	7.8	5.2	0.4	0.3
Share of Profit from Equity Accounted Investments	-5.6	0.4	-0.3	0.0
Net Revenue	997.0	941.3	53.1	46.2


Reconciliation of Net Profit (Loss) to AFFO

	1Q18	1Q17	1Q18	1Q17
	<i>(millions of pesos)</i>		<i>(millions of dollars)</i>	
Comprehensive Income (Loss)	-1,940.1	-2,069.6	-103.3	-101.5
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Non Recurring Borrowing Expenses	2,045.9	2,233.3	109.0	109.5
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Non Recurring Borrowing Expenses	35.5	38.1	1.9	1.9
<i>Add (deduct) Non-Cash Adjustment:</i>				
Foreign Exchange Adjustments	-44.7	-155.5	-2.4	-7.6
Fair Value Adjustment on Borrowings	-152.6	322.5	-8.1	15.8
Fair Value Adjustment on Derivative Financial Instruments	-29.6	0.0	-1.6	0.0
Fair Value Adjustment on Investment Properties	562.9	50.1	30.0	2.5
Gain (Loss) from Sales of Real Estate Properties	17.8	-1.3	0.9	-0.1
<i>Add (deduct) Expenses Adjustment:</i>				
Non Operating Property Taxes	1.3	7.6	0.1	0.4
Bad Debt Expense	8.3	13.9	0.4	0.7
Other Expenses Non Operational Related	2.8	7.4	0.1	0.4
<i>Add (deduct) Revenues Adjustment:</i>				
Accrued Income	-5.5	-0.3	-0.3	0.0
Other Non-Cash Income	-0.8	-17.8	0.0	-0.9
<i>Add (deduct) Non Operational Administrative Fees</i>				
Non Administrative Fees	3.9	21.1	0.2	1.0
AFFO	505.2	449.7	26.9	22.0



Appendix 5 - Cap Rate Calculation

Terrafina subtracts cash and land reserves for the cap rate calculation.

Implied cap rate and under NAV (Net Asset Value) calculation are shown in the following tables:

Implied Cap Rate

Quarterly Average Price (dollars) ¹	1.53
(x) CBFIs (million shares)	791.0
(=) Market Capitalization	1,208.3
(+) Total Liabilities	1,047.5
(-) Cash	111.0
(=) Enterprise Value	2,144.8
(-) Landbank	51.8
(=) Implied Operating Real Estate Value	2,093.0
Net Operating Income (NOI) 2018e	185.0
Implied Cap Rate	8.8%

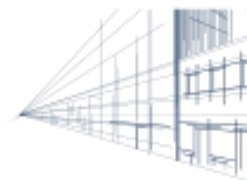
Figures expressed in millions of dollars unless otherwise stated.

(1) 1Q18 average share price of Ps.28.68; and average exchange rate of Ps. 18.7759

Cap Rate Calculation with NAV

(+) Investment Properties (excluding landbank)	2,234.9
(+) Land	51.8
(+) Cash	111.0
(-) Total Liabilities	1,047.5
(=) NAV ¹	1,350.2
(/) CBFIs (million shares)	791.0
(=) NAV per CBFI (dollars)	1.7

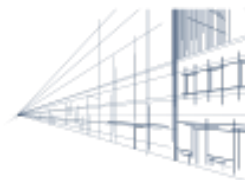
CBFI Price (NAV calculation)	1.7
(x) CBFIs (million shares)	791.0
(=) Market Cap	1,350.2
(+) Total Debt and Liabilities	1,047.5
(-) Cash	111.0
(=) Enterprise Value	2,286.7
(-) Landbank	51.8
(=) Implied Operating Real Estate Value	2,234.9
Net Operating Income (NOI) 2018e	185.0
Implied Cap Rate	8.3%



Financial Statements

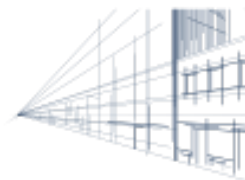
Income Statement

	1Q18 <i>(thousands of pesos)</i>	1Q18 <i>(thousands of dollars)</i>
Rental revenues	\$895,287	\$47,683
Other operating income	101,736	5,418
Real estate operating expenses	(199,730)	(10,638)
Fees and other expenses	(90,545)	(4,822)
Realized gain from disposal of investment properties	(17,836)	(950)
Net gain (loss) from fair value adjustment on investment properties	(562,907)	(29,980)
Net gain (loss) from fair value adjustment on borrowings	152,639	8,130
Net gain (loss) from fair value adjustment on loans receivable	-	-
Net (loss) gain unrealized from fair value on derivative financial instruments	29,563	1,575
Foreign exchange (loss) gain	44,685	2,380
Operating profit	352,892	18,795
Finance income	1,808	96
Finance cost	(254,240)	(13,541)
Finance cost - net	(252,432)	(13,444)
Share of profit from equity accounted investments	5,565	296
Net Profit for the period	106,025	5,647
Items that may be subsequently reclassified to profit or loss- currency translation differences	(2,045,852)	(108,962)
Total Comprehensive income for the period	(1,939,827)	(103,315)



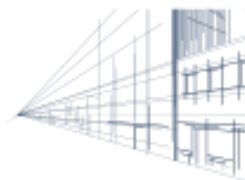
Financial Statements

Balance Sheet	Mar-31-18	Mar-31-18
<i>(thousands of pesos)</i>	<i>(thousands of pesos)</i>	<i>(thousands of dollars)</i>
Assets		
Non-current assets		
Investment properties <small>(Cost: 31/03/2018 - Ps.41,634,186, US\$2,269,5735; 31/12/2017 - Ps.44,811,102, US\$2,270,595)</small>	\$42,165,317	2,298,526
Investments accounted using equity method	409,785	22,338
Derivative financial instruments	56,952	3,105
Deferred charges and accrued income	184,091	10,035
Loan receivable <small>(Cost: 31/03/2018 - Ps.35,660, US\$1,944; 31/12/2017 - Ps.38,364, US\$1,944)</small>	35,661	1,944
Restricted cash	42,549	2,319
Current assets		
Other assets	27,199	1,483
Loan receivable <small>(Cost: 31/03/2018 - Ps.1,244, US\$63; 31/12/2017 - Ps.1,244, US\$63)</small>	866	47
Recoverable taxes	698,424	38,073
Prepaid expenses	8,040	438
Deferred charges and accrued income	5,463	298
Accounts receivable <small>(Net of allowance for doubtful accounts: 31/03/2018 - Ps.36,454, US\$1,987; 31/12/2017 - Ps.30,728, US\$1,557)</small>	176,311	9,611
Cash and cash equivalents	2,035,703	110,971
Total assets	45,846,361	2,499,188
Net assets attributable to Investors		
Contributions, net	19,507,234	1,063,383
Retained earnings	-	-
Currency translation adjustment	7,123,557	388,321
Total net assets (Net Equity)	26,630,791	1,451,704
Liabilities		
Non-current liabilities		
Borrowings <small>(Cost: 31/03/2018 - Ps.18,194,058, US\$991,799; 31/12/2017 - Ps.20,502,056, US\$1,038,847)</small>	18,404,249	1,003,257
Tenant deposits	276,272	15,060
Accounts payable	4,351	237
Current liabilities		
Trade and other payables	224,290	12,227
Borrowings <small>(Cost: 31/03/2018 - Ps.219,194, US\$11,949; 31/12/2017 - Ps.11,281, US\$572)</small>	219,194	11,949
Tenant deposits	87,214	4,754
Total liabilities (excluding net assets attributable to the Investors)	19,215,571	1,047,484
Total net assets and liabilities	45,846,362	2,499,188



Financial Statements

Cash Flow Statement	Mar-18	Mar-18
	(thousands of pesos)	(thousands of dollars)
Cash flows from operating activities		
(Loss) profit for the period	\$106,025	\$5,372
Adjustments:		
Net loss (gain) unrealized from fair value adjustment on investment properties	562,907	28,523
Net loss (gain) unrealized from fair value adjustment on borrowings	(152,639)	(7,734)
Net loss (gain) unrealized from fair value adjustment on derivative financial instruments	(29,563)	(1,498)
Realized gain from disposal of investment properties	17,836	904
Bad debt expense	8,337	422
Interest expense	218,733	11,083
Interest income on bank accounts	(1,292)	(65)
Share of profit from equity accounted investments	(5,565)	(282)
Decrease (increase) deferred rents receivable	8,624	437
Decrease (increase) in restricted cash	(126,011)	(6,385)
Decrease (increase) in accounts receivable	(14,889)	(754)
Decrease (increase) in recoverable taxes	-	-
Decrease (increase) in prepaid expenses	3,732	189
Decrease (increase) in other assets	(1,367)	(69)
Decrease (increase) in tenant deposits	(25,283)	(1,281)
(Decrease) in accounts payable	10,837	549
Net cash (used in) generated from operating activities	580,422	29,410
Cash flows from investing activities		
Acquisitions of investment properties	-	-
Improvements of investment properties	(15,939)	(808)
Proceeds from dispositions of investment properties	-	-
Acquisition prepayment	-	-
Interest income on bank accounts	1,292	65
Investments in joint venture	(1,148)	(58)
Loans receivable payment	294	15
Net cash (used in) generated from investing activities	(15,501)	(785)
Cash flows from financing activities		
Proceeds from borrowings	-	-
Principal payments on borrowings	(876,902)	(44,433)
Interest expense	(131,870)	(6,682)
Distributions to investors	(484,870)	(24,569)
CBFIs equity issuance	(5,889)	(298)
Net cash (used in) generated from financing activities	(1,499,531)	(75,982)
Net (decrease) in cash and cash equivalents	(934,610)	(47,357)
Cash and cash equivalents at the beginning of the period	3,209,041	162,603
Exchange effects on cash and cash equivalents	(238,728)	(12,096)
Cash and cash equivalents at the end of the period	2,035,703	103,150



Financial Statements

Statement of Changes in Equity	Attributable to Investors			
	Net contributions	Currency translation adjustment	Retained earnings	Net assets
<i>(thousands of pesos)</i>				
Balance at January 1, 2018	\$19,844,088	\$9,169,409	\$48,063	\$29,061,560
Capital Contribution, Net of Issuing Costs	-	-	-	-
Distributions to Investors	(330,782)	-	(154,088)	(484,870)
Comprehensive Income				
Net loss of the period	-	-	106,025	106,025
Other Comprehensive Income				
Currency Translation	-	(2,045,957)	-	(2,045,957)
Total Comprehensive (loss) income	-	(2,045,957)	106,025	(1,939,932)
Net Assets as of March 31, 2018	\$19,513,306	\$7,123,452	\$-	\$26,636,758
<i>(thousands of dollars)</i>				
Balance at January 1, 2018	\$1,081,746	\$499,845	\$2,620	\$1,584,211
Capital Contribution, Net of Issuing Costs	-	-	-	-
Distributions to Investors	(18,032)	-	(8,400)	(26,431)
Comprehensive Income				
Net loss of the period	-	-	5,780	5,780
Other Comprehensive Income				
Currency Translation	-	(111,530)	-	(108,144)
Total Comprehensive (loss) income	-	(111,530)	5,780	(105,750)
Net Assets as of March 31, 2018	\$1,063,714	\$388,315	\$-	\$1,455,416