

FIRST QUARTER 2019 EARNINGS REPORT

Mexico City, April 25, 2019 – 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 2019 (1Q19) earnings results.

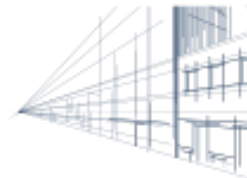
The figures in this report have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Figures presented in this report are presented in millions of Mexican pesos and millions of U.S. dollars, unless otherwise stated. Additionally, figures may vary due to rounding. Terrafina’s 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 of future performance.***

Operating and Financial Highlights as of March 31, 2019

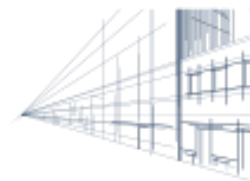
Operating

- **As of March 31, 2019, the occupancy rate was 95.9%, a 72 basis point increase compared to the first quarter of 2018 (1Q18). Additionally, considering signed letters of intent (LOI), occupancy for 1Q19 was 96.5%.**
- **Annualized average leasing rate per square foot was US\$5.18 in 1Q19, a US\$0.12 increase compared to 1Q18.**
- **Terrafina reported a total of 41.1 million square feet (msf) of Gross Leasable Area (GLA) comprised of 287 properties and 294 tenants.**
- **1Q19 leasing activity totaled 2.3 msf, of which 19.5% corresponded to new leases, 68.2% to lease renewals and 12.3% to early renewals.** Leasing activity was mainly concentrated in the Ciudad Juarez, Cuautitlan Izcalli, San Luis Potosi, Chihuahua, Queretaro, Guadalajara, Irapuato, Reynosa, Ramos Arizpe, Puebla, Hermosillo, Saltillo and Toluca markets.



Financial

- 1Q19 rental revenues reached US\$46.8 million, a 1.2% or US\$0.6 million decrease compared to 1Q18.
- 1Q19 NOI was US\$45.8 million, a 0.5% or US\$0.2 million decrease compared to 1Q18.
- The NOI margin reached 87.3%, a 3 basis point decrease compared to 1Q18.
- 1Q19 EBITDA reached US\$40.9 million, a decrease of 0.8% or US\$0.3 million compared to 1Q18.
- The EBITDA margin for 1Q19 was 78.0%, a 33 basis point decrease compared to 1Q18.
- 1Q19 adjusted funds for operations (AFFO) reached US\$24.2 million, a decrease of 10.2% or US\$2.7 million compared to 1Q18.
- The AFFO margin for 1Q19 was 46.1%, a 467 basis point decrease compared to 1Q18.
- 1Q19 distributions totaled US\$24.2 million. As a result, Terrafina will distribute Ps.0.5885 per CBFi (US\$0.0306 per CBFi) for distributions corresponding to the January 1 to March 31, 2019 period.
- The annualized distribution of 1Q19 was US\$0.1224; considering the average share price for the quarter of US\$1.42 (Ps.27.23); Terrafina's dividend yield for the quarter was 8.6%.



Operating and Financial Highlights

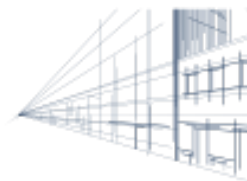
<i>Operating</i>	Mar19	Mar18	Var.			
<i>Number of Developed Properties</i>	287	284	3			
<i>Gross Leasable Area (GLA) (msf)¹</i>	41.1	40.6	0.5			
<i>Land Reserves (msf)</i>	5.66	6.17	-0.51			
<i>Occupancy Rate²</i>	95.9%	95.2%	72 bps			
<i>Avg. Leasing Rent / Square Foot (dollars)</i>	5.18	5.06	0.12			
<i>Weighted Average Remaining Lease Term (years)</i>	3.29	3.52	-0.23			
<i>Renewal Rate³</i>	91.5%	86.8%	466 bps			

<i>Quarterly Financial</i>	1Q19	1Q18	Var.		1Q19	1Q18	Var.
				fx	19.2163	18.7759	
	<i>(millions of pesos unless otherwise stated)</i>				<i>(millions of dollars unless otherwise stated)</i>		
<i>Rental Revenues</i>	900.1	889.8	1.2%		46.8	47.4	-1.2%
<i>Other Operating Income</i>	109.9	101.7	8.0%		5.7	5.4	5.7%
<i>Net Revenues</i>	1,036.0	997.0	3.9%		53.9	53.1	1.5%
<i>Net Operating Income (NOI)*</i>	879.8	862.7	2.0%		45.8	46.0	-0.5%
<i>NOI Margin</i>	87.3%	87.3%	-3 bps		87.3%	87.3%	-3 bps
<i>EBITDA*</i>	786.3	774.4	1.5%		40.9	41.3	-0.8%
<i>EBITDA Margin</i>	78.0%	78.4%	-33 bps		78.0%	78.4%	-33 bps
<i>Funds from Operations (FFO)*</i>	546.9	557.2	-1.8%		28.4	29.7	-4.3%
<i>FFO Margin</i>	54.6%	56.4%	-174 bps		54.6%	56.4%	-174 bps
<i>Adjusted Funds from Operations (AFFO)*</i>	465.3	505.2	-7.9%		24.2	26.9	-10.2%
<i>AFFO Margin</i>	46.1%	50.7%	-467 bps		46.1%	50.7%	-467 bps
<i>Distributions</i>	465.3	505.2	-7.9%		24.2	26.9	-10.2%
<i>Distributions per CBFI</i>	0.5885	0.6386	-7.8%		0.0306	0.0340	-10.2%

<i>Balance Sheet</i>	Mar19	Dec18	Var.		Mar19	Dec18	Var.
				fx	19.3793	19.6829	
	<i>(millions of pesos unless otherwise stated)</i>				<i>(millions of dollars unless otherwise stated)</i>		
<i>Cash & Cash Equivalents</i>	1,342.2	1,557.7	-13.8%		69.3	79.1	-12.5%
<i>Investment Properties</i>	45,060.9	45,880.2	-1.8%		2,325.2	2,331.0	-0.2%
<i>Land Reserves</i>	1,100.2	1,100.2	0.0%		56.8	56.0	1.4%
<i>Total Debt</i>	19,650.4	19,544.5	0.5%		1,014.0	993.0	2.1%
<i>Net Debt</i>	18,308.2	17,986.9	1.8%		944.7	913.8	3.4%

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 "1Q19 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 2019, we achieved positive performance in Terrafina's operating and financial results. Occupancy levels and leasing activity, which reached a total of 2.3 million square feet, remained stable. Renewal activity for the quarter reached 1.6 million square feet, while early renewals represented an additional 0.3 million square feet. This leasing activity was mainly concentrated in the Ciudad Juarez, Cuautitlan Izcalli, San Luis Potosi, Chihuahua, Queretaro, Guadalajara, Irapuato, Reynosa, Ramos Arizpe, Puebla, Hermosillo, Saltillo and Toluca markets.

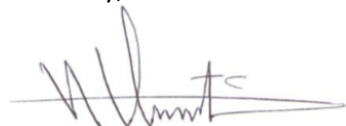
In terms of the first quarter of 2019 occupancy levels, Terrafina reached an overall occupancy of 95.9%, a 72 basis point increase compared to the first quarter of 2018 and 59 basis point increase compared to fourth quarter of 2018. Moreover, including signed letters of intent, occupancy levels for the quarter reached 96.5%. Lastly, occupancy by region remained solid reaching 97.6% in the Northern region, 91.8% in the Bajio region and 94.8% in the Central region.

Average annual leasing rent for the first quarter of 2019 was US\$5.18 per square foot, a US\$0.12 increase compared to the first quarter of 2018 and a US\$0.03 increase compared to the fourth quarter of 2018. Per region, average rents were stable, with US\$5.10 per square foot in the Northern region, US\$5.24 per square foot in the Bajio region and US\$5.39 per square foot in the Central region.

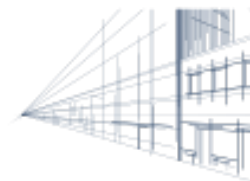
As for Terrafina's main financial indicators for the first quarter of 2019, rental revenues reached US\$46.8 million, Net Operating Income reached US\$45.8 million with an NOI Margin of 87.3%, and the company generated US\$24.2 million in Adjusted Funds from Operations. Lastly, Annualized Distributions per CBFi were Ps. 2.35, or US\$0.1224, which represented an 8.6% dividend yield, considering the average CBFi price for the first quarter of 2019.

Thank you for your interest in Terrafina.

Sincerely,

A handwritten signature in blue ink, appearing to read "Alberto Chretin", with a long horizontal line extending to the right.

Alberto Chretin
Chief Executive Officer and Chairman of the Board



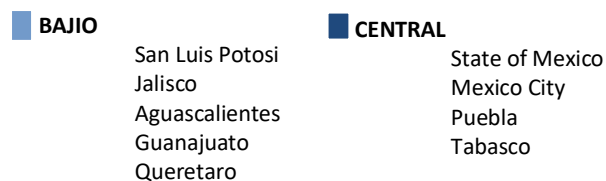
Operating Highlights

Highlights by Region

(as of March 31, 2019)

	North	Bajío	Central	Total
# Buildings	201	56	30	287
# Tenants	198	57	39	294
GLA (msf)	25.6	9.3	6.3	41.1
Land Reserves (msf)	2.7	0.2	2.7	5.7
Occupancy Rate	97.6%	91.8%	94.8%	95.9%
Average Leasing Rent / Square Foot (dollars)	5.10	5.24	5.39	5.18
Annualized Rental Base %	62.5%	21.9%	15.7%	100.0%

Source: PGIM Real Estate - Asset Management

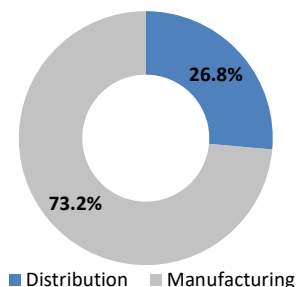


Terrafina's 1Q19 Operations

Composition by Asset Type

as of 1Q19

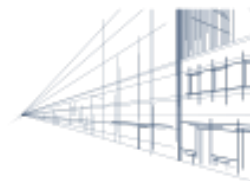
(as a % of total GLA)



Leasing Activity

	1Q19	1Q18	Var.
Operating Portfolio (msf):			
Renewals	1.6	2.0	-0.4
Early Renewals	0.3	0.4	-0.1
New Leases	0.4	0.3	0.1
Total Square Feet of Leases Signed	2.3	2.7	-0.4

Source: PGIM Real Estate - Asset Management



Operating Highlights *(continued)*

Occupancy and Rents by Region

<i>(As of March 31, 2019)</i>	Occupancy Rate	Avg. Leasing Rent/ Square Foot <i>(dollars)</i>
North	97.6%	5.10
Baja California	89.8%	4.43
Tijuana	89.8%	4.43
Sonora	88.5%	4.57
Hermosillo	88.5%	4.57
Chihuahua	98.6%	5.09
Chihuahua	97.9%	5.48
Ciudad Juarez	98.9%	4.77
Delicias	100.0%	6.03
Gomez Farias	100.0%	3.34
Casas Grandes	100.0%	4.28
Coahuila	97.1%	5.29
Ciudad Acuña	100.0%	6.23
Monclova	100.0%	5.54
Ramos Arizpe	95.9%	5.19
Saltillo	100.0%	5.45
Derramadero	100.0%	6.91
San Pedro de las Colinas	89.3%	2.10
Torreon	100.0%	4.30
Nuevo Leon	96.2%	5.12
Apodaca	100.0%	5.64
Monterrey	94.9%	4.93
Tamaulipas	100.0%	4.86
Reynosa	100.0%	4.86
Durango	100.0%	4.81
Durango	100.0%	4.97
Gomez Palacio	100.0%	3.18
Bajío	91.8%	5.24
San Luis Potosi	89.6%	4.91
San Luis Potosi	89.6%	4.91
Jalisco	100.0%	6.60
Guadalajara	100.0%	6.60
Aguascalientes	100.0%	4.77
Aguascalientes	100.0%	4.77
Guanajuato	91.5%	4.88
Celaya	100.0%	5.39
Irapuato	93.9%	5.36
Silao	89.5%	4.60
Queretaro	85.8%	5.01
Queretaro	85.8%	5.01
Central	94.8%	5.39
State of Mexico	93.9%	5.60
Cuautitlan Izcalli	100.0%	5.62
Toluca	89.2%	5.45
Ciudad de Mexico	100.0%	9.22
Azcapotzalco	100.0%	9.22
Puebla	100.0%	3.28
Puebla	100.0%	3.28
Tabasco	100.0%	4.29
Villahermosa	100.0%	4.29
Total	95.9%	5.18

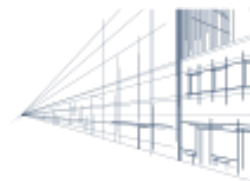
Source: PGIM Real Estate - Asset Management

Maturities and Renewals by Region

<i>(As of March 31, 2019)</i>	Consolidated			
	Maturities <i>(number of contracts)</i>	% of Total Maturities	Renewals <i>(number of contracts)</i>	% of Total Renewals
North	20	74.1%	15	75.0%
Baja California	0	0.0%	0	0.0%
Tijuana	0	0.0%	0	0.0%
Sonora	1	3.7%	1	100.0%
Hermosillo	1	3.7%	1	100.0%
Chihuahua	15	55.6%	12	80.0%
Chihuahua	5	18.5%	3	60.0%
Ciudad Juarez	10	37.0%	9	90.0%
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	7.4%	2	100.0%
Ciudad Acuña	0	0.0%	0	0.0%
Monclova	0	0.0%	0	0.0%
Ramos Arizpe	1	3.7%	1	100.0%
Saltillo	1	3.7%	1	100.0%
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	0	0.0%	0	0.0%
Apodaca	0	0.0%	0	0.0%
Monterrey	0	0.0%	0	0.0%
Tamaulipas	2	7.4%	0	0.0%
Reynosa	2	7.4%	0	0.0%
Durango	0	0.0%	0	0.0%
Durango	0	0.0%	0	0.0%
Gomez Palacio	0	0.0%	0	0.0%
Bajío	4	14.8%	4	100.0%
San Luis Potosi	0	0.0%	0	0.0%
San Luis Potosi	0	0.0%	0	0.0%
Jalisco	1	3.7%	1	100.0%
Guadalajara	1	3.7%	1	100.0%
Aguascalientes	0	0.0%	0	0.0%
Aguascalientes	0	0.0%	0	0.0%
Guanajuato	2	7.4%	2	100.0%
Celaya	0	0.0%	0	0.0%
Irapuato	2	7.4%	2	100.0%
Silao	0	0.0%	0	0.0%
Queretaro	1	3.7%	1	100.0%
Queretaro	1	3.7%	1	100.0%
Central	3	11.1%	2	66.7%
State of Mexico	2	7.4%	1	50.0%
Cuautitlan Izcalli	1	3.7%	1	100.0%
Toluca	1	3.7%	0	0.0%
Ciudad de México	0	0.0%	0	0.0%
Azcapotzalco	0	0.0%	0	0.0%
Puebla	1	3.7%	1	100.0%
Puebla	1	3.7%	1	100.0%
Tabasco	0	0.0%	0	0.0%
Villahermosa	0	0.0%	0	0.0%
Total	27	100.0%	21	77.8%

Source: PGIM Real Estate - Asset Management

*Over the number of matured leases in the quarter



1Q19 Operational Performance

Composition by Geographical Diversification

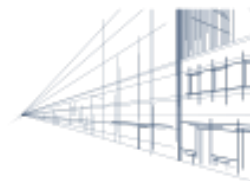
The geographic diversification of Terrafina's properties at 1Q19 (based on GLA per square foot) was as follows: the Northern region of Mexico represented 62.3% of GLA, while the Bajío and Central regions represented 22.5% and 15.2% of GLA, respectively.

Geographic Distribution by Region and State

	1Q19	as a % of Total GLA 1Q19	1Q18	as a % of Total GLA 1Q18
North	25.61	62.3%	25.21	62.1%
Baja California	0.91	2.2%	0.90	2.2%
Tijuana	0.91	2.2%	0.90	2.2%
Sonora	0.33	0.8%	0.33	0.8%
Hermosillo	0.33	0.8%	0.33	0.8%
Chihuahua	14.35	34.9%	14.29	35.2%
Chihuahua	5.83	14.2%	5.83	14.4%
Ciudad Juarez	7.81	19.0%	7.76	19.1%
Delicias	0.52	1.3%	0.52	1.3%
Gomez Farias	0.08	0.2%	0.08	0.2%
Camargo	0.02	0.1%	0.09	0.2%
Casas Grandes	0.09	0.2%	0.02	0.1%
Coahuila	6.84	16.6%	6.51	16.0%
Ciudad Acuña	0.24	0.6%	0.24	0.6%
Monclova	0.35	0.8%	0.35	0.9%
Ramos Arizpe	4.54	11.0%	4.54	11.2%
Saltillo	0.62	1.5%	0.62	1.5%
Derramadero	0.54	1.3%	0.21	0.5%
San Pedro de las Colinas	0.15	0.4%	0.15	0.4%
Torreon	0.39	0.9%	0.39	1.0%
Nuevo Leon	1.94	4.7%	1.94	4.8%
Apodaca	0.50	1.2%	0.50	1.2%
Monterrey	1.44	3.5%	1.44	3.6%
Tamaulipas	0.47	1.1%	0.47	1.1%
Reynosa	0.47	1.1%	0.47	1.1%
Durango	0.78	1.9%	0.78	1.9%
Durango	0.71	1.7%	0.71	1.7%
Gomez Palacio	0.07	0.2%	0.07	0.2%
Bajío	9.27	22.5%	9.12	22.5%
San Luis Potosi	3.32	8.1%	3.31	8.2%
San Luis Potosi	3.32	8.1%	3.31	8.2%
Jalisco	1.66	4.0%	1.66	4.1%
Guadalajara	1.66	4.0%	1.66	4.1%
Aguascalientes	0.75	1.8%	0.75	1.8%
Aguascalientes	0.75	1.8%	0.75	1.8%
Guanajuato	1.57	3.8%	1.42	3.5%
Celaya	0.12	0.3%	0.12	0.3%
Irapuato	0.44	1.1%	0.44	1.1%
Silao	1.01	2.5%	0.87	2.1%
Queretaro	1.98	4.8%	1.98	4.9%
Queretaro	1.98	4.8%	1.98	4.9%
Central	6.25	15.2%	6.25	15.4%
State of Mexico	5.39	13.1%	5.40	13.3%
Cuautitlan Izcalli	4.26	10.4%	4.26	10.5%
Toluca	0.90	2.2%	0.91	2.2%
Huehuetoca	0.23	0.6%	0.23	0.6%
Ciudad de Mexico	0.02	0.1%	0.02	0.1%
Azcapotzalco	0.02	0.1%	0.02	0.1%
Puebla	0.18	0.4%	0.18	0.5%
Puebla	0.18	0.4%	0.18	0.5%
Tabasco	0.65	1.6%	0.65	1.6%
Villahermosa	0.65	1.6%	0.65	1.6%
Total	41.13	100.0%	40.58	100.0%

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

Source: PGIM Real Estate - Asset Management



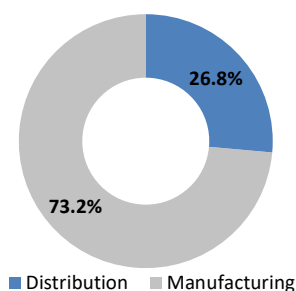
Composition by Asset Type

At the end of 1Q19, 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 1Q19

(as a % of total GLA)



Composition by Asset Type

	1Q19	1Q18	Var.
Distribution	26.8%	26.9%	-9 bps
Manufacturing	73.2%	73.1%	9 bps

Source: PGIM Real Estate - Asset Management

Composition by Sector

As of March 31, 2019, tenant diversification by industrial sector was as follows:

Industrial Sector Diversification

	1Q19	1Q18	Var.
Automotive	34.8%	34.3%	48 bps
Industrial properties	20.1%	19.7%	38 bps
Consumer goods	13.7%	14.6%	-94 bps
Logistics and Trade	10.1%	9.7%	42 bps
Aviation	9.6%	9.9%	-28 bps
Non-durable consumer goods	3.6%	4.0%	-35 bps
Electronics	8.0%	7.7%	28 bps
Total	100.0%	100.0%	

Source: PGIM Real Estate - Asset Management

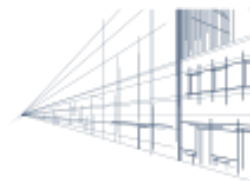
Composition of Top Clients

Terrafina has a widely diversified tenant base that leases industrial properties throughout several of Mexico's main cities. For 1Q19, Terrafina's top client, top 10 clients and top 20 clients, represented 3.3%, 17.8% and 28.9% of total revenues, respectively.

Top Clients

(As of March 31, 2019)	Leased Square Feet (millions)	% Total GLA	% Total Revenues
Top Client	1.24	3.1%	3.3%
Top 10 Clients	7.02	17.8%	17.8%
Top 20 Clients	11.40	28.9%	28.9%

Source: PGIM Real Estate - Asset Management



Occupancy

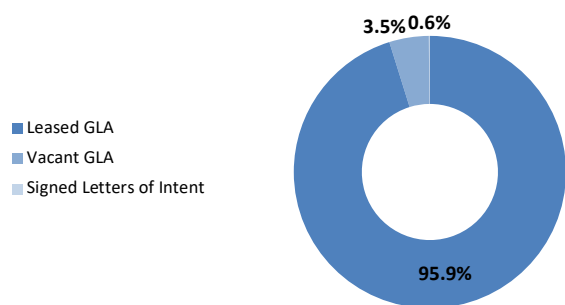
1Q19 occupancy rate was 95.9% and including signed LOIs, the occupancy rate reached 96.5%. It is important to note that occupancy rate indicators presented in this report reflect the quarterly closing rate.

For 1Q19, Terrafina's leasing activity reached 2.3 msf, of which 19.5% corresponded to new leasing contracts (including expansions), 68.2% for contract renewals and 12.3% for early renewals.

Leasing activity mainly took place in the Ciudad Juarez, Cuautitlan Izcalli, San Luis Potosi, Chihuahua, Queretaro, Guadalajara, Irapuato, Reynosa, Ramos Arizpe, Puebla, Hermosillo, Saltillo and Toluca markets. In addition to this leasing activity, Terrafina signed LOIs for an additional 242,700 square feet.

Occupancy as of 1Q19

(as % of Total GLA)



	1Q19	1Q18	Var.
Leased GLA	95.9%	95.2%	72 bps
Vacant GLA	3.5%	4.4%	-89 bps
Signed Letters of Intent	0.6%	0.4%	17 bps
Total	100.0%	100.0%	

Source: PGIM Real Estate - Asset Management

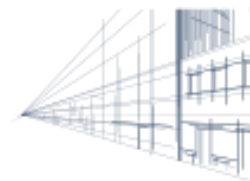
Lease Maturities

Terrafina had 294 tenants under leasing contracts at the end of 1Q19. 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 10% to 23% 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
2019	19.0	13.9%	5.59	14.3%
2020	47.5	22.5%	8.86	22.6%
2021	39.3	19.1%	7.51	19.2%
2022	21.9	9.8%	3.96	10.1%
2023	27.0	12.1%	4.89	12.5%
Thereafter	49.5	22.6%	8.39	21.4%

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 expenditure 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 1Q19, Terrafina's investments in tenant improvements and recurring CAPEX was US\$2.2 million. Total CAPEX for 1Q19 is broken down in the following table:

Capital Expenditures		
	1Q19	1Q19
	(millions of pesos)	(millions of dollars)
Tenant Improvements & Recurring Capex	42.3	2.2
Leasing Commissions	35.1	1.8
Development Capex ¹	67.3	3.5
Total Capital Expenditures	144.7	7.5

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

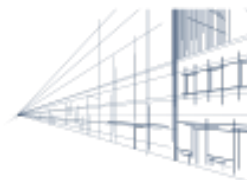
Land Reserves

Terrafina's land reserve as of March 31, 2019 comprised 11 land reserve properties, equivalent to 5.7 msf of potential GLA for the development of future industrial properties.

As of March 31, 2019, Terrafina's land reserves were distributed as follows:

as of March 31, 2019					
	Square Feet (million)	Land at Cost (million pesos)	Land at Cost (million dollars)	Appraisal Value (million pesos)	Market Value (million dollars)
North	2.7	512.1	26.4	660.7	34.1
Bajío	0.2	13.8	0.7	18.6	1.0
Central	2.7	567.7	29.3	283.1	14.6
Total Land Portfolio	5.7	1,093.6	56.4	962.4	49.7

Source: PGIM Real Estate - Asset Management and Fund Accounting



1Q19 Financial Performance

Financial Results and Calculations

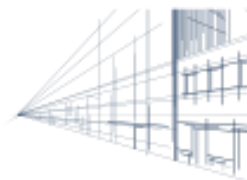
Terrafina's financial results are presented in Mexican pesos and U.S. dollars. Figures on the income statement for each period were converted to dollars using the average exchange rate for 1Q19, while for the balance sheet, the exchange rate at the close of March 31, 2019 was applied.

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 1Q19 same-store highlights and consolidated information:

	Same-Store ¹	Consolidated ²
(as of March 31, 2019)	1Q19	1Q19
Number of Properties	285.0	287.0
Occupancy Rate	95.8%	95.9%
Gross Leasable Area (GLA) (msf)	40.8	41.1
Avg. Leasing Rent / Square Foot (dollars)	5.17	5.18

	Same-Store	Consolidated	Same-Store	Consolidated
	1Q19	1Q19	1Q19	1Q19
	(millions of pesos)		(millions of dollars)	
Rental Revenues	890.0	900.1	46.3	46.8
Net Operating Income	869.8	879.8	45.3	45.8
NOI Margin	87.2%	87.3%	87.2%	87.3%
EBITDA	777.0	786.3	40.4	40.9
EBITDA Margin	77.9%	78.0%	77.9%	78.0%
FFO	537.6	546.9	28.0	28.4
FFO Margin	53.9%	54.6%	53.9%	54.6%
Adjusted Funds from Operations	456.0	465.3	23.7	24.2
AFFO Margin	45.3%	46.1%	45.3%	46.1%

(1) Same properties information evaluates the performance of the industrial properties without including acquisitions closed over the last twelve-months. (2) Includes acquisitions closed over the last twelve-months
Source: PGIM Real Estate - Asset Management and Fund Accounting

Rental Revenues

In 1Q19, Terrafina reported rental revenues of US\$46.8 million, a 1.2% or US\$0.6 million decrease compared to 1Q18.

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

Other Operating Income

In 1Q19, other operating income totaled US\$5.7 million, a 5.7% or US\$0.3 million increase compared to 1Q18.

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

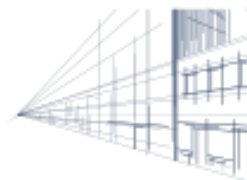
Net revenues reached US\$53.9 million in 1Q19, an increase of US\$0.8 million, or 1.5% compared to 1Q18.

Revenues

	1Q19	1Q18	Var. %	1Q19	1Q18	Var. %
	(millions of pesos)			(millions of dollars)		
Rental Revenue	900.1	889.8	1.2%	46.8	47.4	-1.2%
Accrued Income ¹	26.1	5.5	377.6%	1.4	0.3	366.1%
Other Operating Revenues	109.9	101.7	8.0%	5.7	5.4	5.7%
Reimbursable Expenses as Revenues ²	99.5	93.1	6.9%	5.2	5.0	4.6%
Reimbursable Tenant Improvements	9.2	7.8	16.8%	0.5	0.4	14.6%
Other non-cash income	1.2	0.8	51.3%	0.1	0.0	47.0%
Net Revenue	1,036.0	997.0	3.9%	53.9	53.1	1.5%

(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 1Q19, real estate expenses totaled US\$12.7 million, an increase of 19.8% or US\$2.1 million compared to 1Q18.

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 1Q19, NOI totaled US\$45.8 million, a 0.5% or US\$0.2 million decrease compared with 1Q18. NOI margin was 87.3%, a marginal decline of 3 basis points when compared to 87.3% in 1Q18.

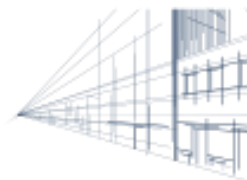
The following table displays the NOI calculation for 1Q19:

Net Operating Income						
	1Q19	1Q18	Var. %	1Q19	1Q18	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
Rental Revenues ¹	900.1	889.8	1.2%	46.8	47.4	-1.2%
Other Operating income ²	107.7	98.7	9.1%	5.6	5.3	6.7%
Net Revenues for NOI Calculation	1,007.8	988.5	1.9%	52.4	52.7	-0.4%
Repair and Maintenance	-9.4	-8.5	11.2%	-0.5	-0.5	8.5%
Property Taxes	-77.6	-78.8	-1.6%	-4.0	-4.2	-2.9%
Property Management Fees	-17.9	-17.9	-0.1%	-0.9	-1.0	-2.5%
Electricity	-8.1	-8.3	-2.9%	-0.4	-0.4	-5.9%
Property Insurance	-2.4	-2.7	-14.0%	-0.1	-0.1	-16.0%
Security	-4.3	-4.6	-6.1%	-0.2	-0.2	-8.6%
Other Operational Expenses	-8.3	-5.0	67.1%	-0.4	-0.3	62.6%
Real Estate Operating Expenses for NOI Calculation	-127.9	-125.8	1.7%	-6.7	-6.7	-0.2%
Net Operating Income³	879.8	862.7	2.0%	45.8	46.0	-0.5%
NOI Margin	87.3%	87.3%	-3 bps	87.3%	87.3%	-3 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 for 1Q19 totaled US\$5.6 million, a 15.0% or US\$0.7 million increase compared to 1Q18.

The following table breaks down total G&A for 1Q19:

G&A						
	1Q19	1Q18	Var. %	1Q19	1Q18	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
External Advisor Fees ¹	-55.9	-53.4	4.7%	-2.9	-2.9	1.6%
Professional and Consulting Services	-10.1	-8.2	23.9%	-0.5	-0.4	21.0%
Payroll, Admin. Fees and Other Expenses	-41.1	-29.0	41.8%	-2.1	-1.5	38.3%
Total G&A	-107.1	-90.5	18.3%	-5.6	-4.8	15.0%
<small>(1) PLA Administradora Industrial, S. de R.L. de C.V., is a Mexican affiliate of PGIM, and Advisor as per the Advisory Contract. Source: PGIM Real Estate - Fund Accounting</small>						

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

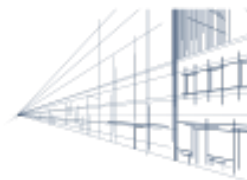
In 1Q19, EBITDA totaled US\$40.9 million, a decrease of US\$0.3 million, or 0.8%, compared to 1Q18. EBITDA margin for 1Q19 was 78.0%, a 33 basis point decrease compared to 1Q18.

The following shows the EBITDA calculation for 1Q19:

EBITDA						
	1Q19	1Q18	Var. %	1Q19	1Q18	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
Rental Revenues ¹	900.1	889.8	1.2%	46.8	47.4	-1.2%
Other Operating income ²	107.7	98.7	9.1%	5.6	5.3	6.7%
Real Estate Expenses for EBITDA Calculation	-133.4	-131.9	1.1%	-6.9	-7.0	-0.8%
Real Estate Operating Expenses for NOI Calculation	-127.9	-125.8	1.7%	-6.7	-6.7	-0.2%
Advertising	-0.5	-0.3	-	0.0	0.0	-
Admin. Property Insurance Expenses	-0.8	-0.7	10.8%	0.0	0.0	0.0%
Other Admin. Real Estate Expenses	-4.2	-5.1	-17.2%	-0.2	-0.3	-19.6%
Fees and Admin. Expenses	-88.1	-82.3	7.1%	-4.6	-4.4	4.1%
External Advisor Fees	-55.9	-53.4	4.7%	-2.9	-2.9	1.6%
Legal, Admin. and Other Professional Fees	-19.1	-18.1	5.2%	-1.0	-1.0	2.6%
Trustee Fees	-2.4	-2.0	20.3%	-0.1	-0.1	17.3%
Payroll	-8.8	-7.1	22.6%	-0.5	-0.4	19.5%
Other Expenses	-1.9	-1.5	22.2%	-0.1	-0.1	18.7%
EBITDA³	786.3	774.4	2.0%	40.9	41.3	-0.8%
EBITDA Margin	78.0%	78.4%	-33 bps	78.0%	78.4%	-33 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 1Q19, financing expenses totaled US\$12.9 million, a decrease of 4.1% or US\$0.5 million compared to 1Q18.

Financial Expenses

	1Q19	1Q18	Var. %	1Q19	1Q18	Var. %
	(millions of pesos)			(millions of dollars)		
Interest Paid	-241.8	-218.7	10.6%	-12.6	-11.7	8.0%
Borrowing Expenses	-7.8	-35.8	-78.3%	-0.4	-1.9	-76.6%
Recurring	0.0	-0.3	-100.0%	0.0	0.0	160.6%
Non Recurring	-7.8	-35.5	-78.1%	-0.4	-1.9	-78.4%
Interest Income	2.4	1.8	34.3%	0.1	0.1	31.2%
Total	-247.2	-252.7	-2.2%	-12.9	-13.4	-4.1%

Source: PGIM Real Estate - Fund Accounting

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

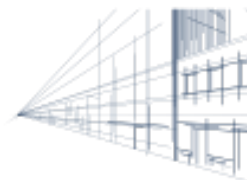
In 1Q19, FFO decreased by US\$1.3 million, or 4.3% compared to 1Q18, reaching US\$28.4 million. FFO Margin was 54.6%, a 174 basis point decrease compared to 1Q18. Additionally, Terrafina reported an AFFO of US\$24.2 million, down US\$2.7 million, or 10.2% compared to 1Q18. AFFO margin was 46.1%, a decrease of 467 basis points versus 1Q18.

Funds from Operations (FFO)

	1Q19	1Q18	Var. %	1Q19	1Q18	Var. %
	(millions of pesos unless otherwise stated)			(millions of dollars unless otherwise stated)		
EBITDA	786.3	774.4	1.5%	40.9	41.3	-0.8%
Finance Cost ¹	-239.4	-217.2	10.2%	-12.5	-11.6	8.0%
Funds from Operations (FFO)	546.9	557.2	-1.8%	28.4	29.7	-4.3%
<i>FFO Margin</i>	54.6%	56.4%	-174 bps	54.6%	56.4%	-174 bps
Tenant Improvements	-42.3	-29.7	42.3%	-2.2	-1.6	39.3%
Leasing Commissions	-35.1	-17.9	95.8%	-1.8	-1.0	91.2%
Other Non Recurring ²	-4.2	-4.4	-3.8%	-0.2	-0.2	-5.8%
Adjusted Funds from Operations (AFFO)	465.3	505.2	-7.9%	24.2	26.9	-10.2%
<i>AFFO Margin</i>	46.1%	50.7%	-467 bps	46.1%	50.7%	-467 bps

(1) Net Operational Interest Expenses comprised by interest paid, recurring borrowing expenses and other interest income. (2) Related to acquisitions, dispositions, legal expenses and others.

Source: PGIM Real Estate - Fund Accounting



Comprehensive Income

Comprehensive Income for 1Q19 reached a loss of US\$15.5 million, compared to a loss of US\$103.3 million in 1Q18.

The following table presents the calculation of Comprehensive Income for 1Q19:

Comprehensive Income

	1Q19	1Q18	Var. %	1Q19	1Q18	Var. %
	<i>(millions of pesos unless otherwise stated)</i>			<i>(millions of dollars unless otherwise stated)</i>		
Net Revenues	1,036.0	997.0	3.9%	53.9	53.1	1.5%
Real Estate Expenses	-244.1	-199.7	22.2%	-12.7	-10.6	19.8%
Fees and Other Expenses	-107.1	-90.5	18.3%	-5.6	-4.8	15.0%
Gain (Loss) from Sales of Real Estate Properties	58.6	-17.8	-	3.0	-0.9	-
Net Income (Loss) from Fair Value Adjustment on Investment Properties	-47.5	-562.9	-91.6%	-2.5	-30.0	-91.8%
Net Income (Loss) from Fair Value Adjustment on Derivative Financial Instruments	-18.8	29.6	-	-1.0	1.6	-
Net Income (Loss) from Fair Value Adjustment on Borrowings	-179.6	152.6	-	-9.3	8.1	-
Realized gain (loss) on derivative financial instruments	3.4	-	-	0.2	-	-
Foreign Exchange Gain (loss)	-2.9	44.7	-	-0.1	2.4	-
Operating Profit	498.1	352.9	41.1%	25.9	18.8	37.7%
Financial Income	2.4	1.8	34.3%	0.1	0.1	31.2%
Financial Expenses	-249.6	-254.5	-1.9%	-13.0	-13.5	-3.8%
Net Financial Cost	-247.2	-252.7	-2.2%	-12.9	-13.4	-4.1%
Share of Profit from Equity Accounted Investments	8.1	5.6	46.4%	0.4	0.3	43.1%
Net Profit (Loss)	259.1	105.8	145.0%	13.5	5.7	137.1%
Items Reclassified after Net Profit (Loss) - Currency Translation Adjustments	-434.9	-2,045.9	-78.7%	-22.6	-109.0	-79.2%
Changes in the fair value adjustment on borrowings at fair value through other comprehensive income	-121.8	-	-	-6.3	-	-
Comprehensive Income	-297.6	-1,940.1	-84.7%	-15.5	-103.3	-85.0%

Source: PGIM Real Estate - Fund Accounting

Distributions per CBFIs

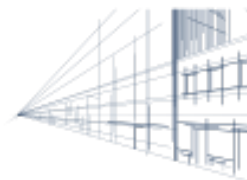
In 1Q19, Terrafina distributed US\$24.2 million, or US\$0.0306 per CBFI.

Distributions

<i>(millions of pesos unless otherwise stated)</i>	1Q18	2Q18	3Q18	4Q18	1Q19	Var.% (1Q19 vs 1Q18)
Total Outstanding CBFIs ¹ (millions of CBFIs)	791.0	791.0	791.0	790.6	790.6	-0.1%
CBFI Price ²	28.68	28.46	28.28	25.39	27.23	-5.0%
Distributions	505.2	555.3	553.1	522.6	465.3	-7.9%
Distributions Per CBFI	0.6386	0.7020	0.6993	0.6611	0.5885	-7.8%
FX Rate USD/MXN (average closing period)	18.78	19.39	18.99	19.79	19.22	2.3%
Distributions (millions of dollars)	26.9	28.8	29.1	26.4	24.2	-10.2%
Distributions Per CBFI (dollars)	0.0340	0.0364	0.0368	0.0334	0.0306	-10.2%
Annualized Distribution Yield ³	8.9%	9.9%	9.9%	10.4%	8.6%	-26 bps

(1) Number of CBFIs at the end of each period (2) Average closing price for the period. (3) Annualized distribution per share divided by the average CBFI price of the quarter.

Source: PGIM Real Estate - Fund Accounting



Debt

As of March 31, 2019, Terrafina's total debt reached US\$1,014.0 million. The average cost of Terrafina's long-term debt was 5.12%. All of Terrafina's debt is denominated in U.S. dollars.

Outstanding Debt

(As of March 31, 2019)

	Currency	Millions of pesos	Millions of dollars	Interest Rate	Terms	Maturity	Extension Option	Derivatives
Long Term Debt								
Citibank ¹	Dollars	1,019.4	52.6	Libor + 2.45%	Interest Only	Jan 2023	-	US\$150M cap ⁴
Metlife	Dollars	2,906.9	150.0	4.75%	Interest Only	Jan 2027	-	-
Banamex ²	Dollars	6,833.0	352.6	Libor + 2.45%	Interest Only	Oct 2022	-	US\$105M swap ⁵
Senior Notes ³	Dollars	8,595.3	443.5	5.25%	Interest Only	Nov 2022	-	-
New York Life	Dollars	295.8	15.3	5.19%	Interest + Principal	Feb 2020	-	-
Total Debt		19,650.4	1,014.0					
Net Cash		1,342.2	69.3					
Net Debt		18,308.2	944.7					

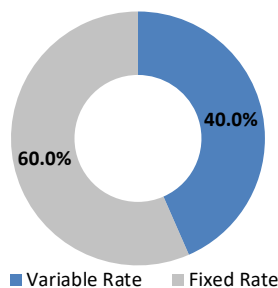
(1) Unsecured syndicated revolving credit facility. (2) Unsecured syndicated term loan facility; interest only for the first three years. (3) Value at Cost: US\$425 million / Ps.8,236 million.

(4) Interest rate Cap: 2.75%. (5) Interest rate Swap fixed rate: 1.768%

Source: PGIM Real Estate - Fund Accounting and Capital Markets

Interest Rate Breakdown

(as of March 31, 2019)



The following tables show leverage and debt service coverage as of March 31, 2019 as well as Terrafina's projections for the following six quarters:

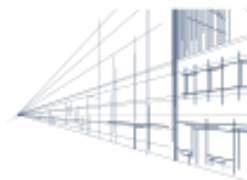
Loan-to-Value (LTV)

(as of March 31, 2019)	(millions of pesos)	(millions of dollars)
Total Assets	47,807.9	2,467.0
Total Debt	19,650.4	1,014.0

Loan-to-Value (LTV)¹ **41.1%**

(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, 2019	1,342.2	69.3
Recoverable Taxes	Σ next 6 quarters	148.1	7.6
EBIT ¹ after distributions	Σ next 6 quarters	1,925.9	99.4
Available Credit Line	March 31, 2019	4,815.8	248.5
	period	(millions of pesos)	(millions of dollars)
Interest Payments	Σ next 6 quarters	1,455.3	75.1
Principal Payments	Σ next 6 quarters	294.5	15.2
Recurring CAPEX	Σ next 6 quarters	192.2	9.9
Development Expenses	Σ next 6 quarters	374.7	19.3
Debt Service Coverage Ratio (DSCR)²			3.6x

(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, 2019, Terrafina was in full compliance with its debt covenants related to the US\$425 million bond issuance (November 2015), as follows:

Unsecured Bond Covenants

(as of March 31, 2019)	Terrafina	Bond Covenants
Loan-to-Value (LTV) ¹	41.1%	≤ 60%
Debt Service Coverage Ratio (DSCR) ²	3.4x	≥ 1.5x
Secured Debt to Gross Assets Limitation	6.7%	≤ 40%
Unencumbered Assets to Unsecured Debt Limitation	238%	≥ 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)

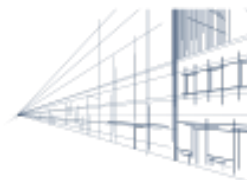
Source: PGIM Real Estate - Transactions

CBFI Buyback Activity

In 1Q19, Terrafina maintained its CBFI buyback balance unchanged compared to the fourth quarter of 2018.

CBFIs Buyback Activity

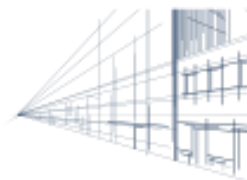
	1Q19
Total outstanding CBFIs at the beginning of the quarter	790,602,803
Buyback activity during the quarter	-
Total outstanding CBFIs at the end of the quarter	790,602,803



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
- 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 298 real estate properties, including 287 developed industrial facilities with a collective GLA of approximately 41.1 million square feet and 11 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

About PGIM Real Estate

PGIM, the global investment management business of Prudential Financial, Inc. (NYSE), is one of largest real estate investment managers in the world, with more than \$168.4 billion in gross real estate assets under management and administration, as of December 31, 2018. Through its PGIM Real Estate and PGIM Real Estate Finance businesses, PGIM leverages a 140-year history of real estate lending on behalf of institutional and middle-market borrowers, a 49-year legacy of investing in commercial real estate on behalf of institutional investors, and the deep local knowledge and expertise of professionals in 31 cities around the world.

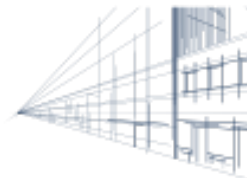
PGIM Real Estate, the real estate investment management business of PGIM, has been redefining the real estate investing landscape since 1970. Combining insights into macroeconomic trends and global real estate markets with excellence of execution and risk management, PGIM Real Estate's tenured team offers to its global clients a broad range of real estate equity, debt, and securities investment strategies that span the risk-return spectrum and geographies. For more information, visit www.pgimrealestate.com.

About Prudential Financial, Inc.

Prudential Financial, Inc. (NYSE:PRU), a financial services leader with more than US\$1.4 trillion of assets under management as of December 31, 2018, 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

Terrafina (BMV: TERRA13)

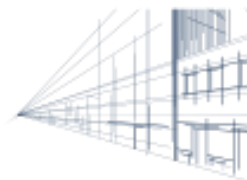
Cordially invites you to participate in its
First Quarter 2019 Results

Friday, April 26, 2019
11:00 a.m. Eastern Time
10:00 a.m. Central Time

To access the call, please dial:
from within the U.S. 1-877-830-2576
from outside the U.S. 1-785-424-1726
Conference ID Number: Terrafina

Audio Webcast Link: <https://services.choruscall.com/links/terra190426.html>

Conference Replay
U.S. 1-844-488-7474
International (outside the US) 1-862-902-0129
Passcode: 54032217



Appendix

Appendix 1 – Revenues

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

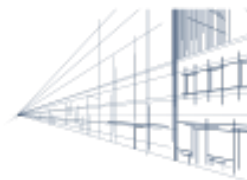
Additionally, there are accounting revenues that must be registered according to IFRS; however, these are considered non-cash items and therefore are excluded in some calculations.

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

Revenues		1Q19	1Q18	1Q19	1Q18
		<i>(million of pesos)</i>		<i>(million of dollars)</i>	
<i>NOI calculation</i>	Rental Revenue	900.1	889.8	46.8	47.4
<i>Non Cash</i>	Accrued Income ¹	26.1	5.5	1.4	0.3
	Other Operating Revenues	109.9	101.7	5.7	5.4
<i>NOI calculation</i>	Reimbursable Expenses as Revenues ²	99.5	93.1	5.2	5.0
<i>AFFO calculation</i>	Reimbursable Tenant Improvements	9.2	7.8	0.5	0.4
<i>Non Cash</i>	Other non-cash income	1.2	0.8	0.1	0.0
	Net Revenue	1,036.0	997.0	53.9	53.1
<i>NOI calculation</i>	Share of Profit from Equity Accounted Investments ²	8.1	5.6	0.4	0.3

(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



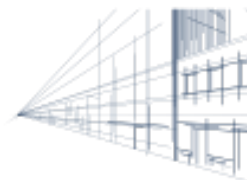
Appendix 2 – Real Estate Expenses

Real estate expenses are comprised of recurring figures related to 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 breakdown of real estate expenses, which are used for the calculation of several metrics.

Real Estate Expenses		1Q19	1Q18	1Q19	1Q18
		(million of pesos)		(million of dollars)	
	Repair and Maintenance	-60.9	-46.0	-3.2	-2.4
NOI calculation	Recurring	-9.4	-8.5	-0.5	-0.5
AFFO calculation	Non Recurring	-51.4	-37.5	-2.7	-2.0
	Property Taxes	-79.0	-80.1	-4.1	-4.2
NOI calculation	Operating	-77.6	-78.8	-4.0	-4.2
Non Cash	Non Operating	-1.4	-1.3	-0.1	-0.1
NOI calculation	Property Management Fees	-17.9	-17.9	-0.9	-1.0
NOI calculation	Electricity	-8.1	-8.3	-0.4	-0.4
AFFO calculation	Brokers Fees	-35.1	-17.9	-1.8	-1.0
	Property Insurance	-3.2	-3.5	-0.2	-0.2
NOI calculation	Operating	-2.4	-2.7	-0.1	-0.1
EBITDA calculation	Administrative	-0.8	-0.7	0.0	0.0
NOI calculation	Security	-4.3	-4.6	-0.2	-0.2
EBITDA calculation	Advertising	-0.5	-0.3	0.0	0.0
	Other Expenses	-22.9	-12.8	-1.2	-0.7
NOI calculation	Operational Related	-8.3	-5.0	-0.4	-0.3
Non Cash	Non Operational Related	-10.4	-2.8	-0.5	-0.1
EBITDA calculation	Administrative	-4.2	-5.1	-0.2	-0.3
Non Cash	Bad Debt Expense	-12.3	-8.3	-0.6	-0.4
Total Real Estate Expenses		-244.1	-199.7	-12.7	-10.6

Source: PGIM Real Estate - Fund Accounting



Appendix 3 – Fees and Administrative Expenses

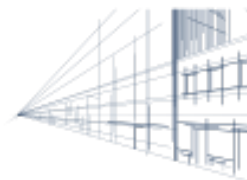
Fees and administrative expenses include figures used for metric calculations such as Earnings before Interests, Taxes, Depreciation and Amortization (EBITDA), Funds from Operations (FFO), Adjusted Funds from Operations (AFFO).

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		1Q19	1Q18	1Q19	1Q18
		(million of pesos)		(million of dollars)	
EBITDA calculation	External Advisor Fees	-55.9	-53.4	-2.9	-2.9
	Legal Fees	-2.1	-3.6	-0.1	-0.2
EBITDA calculation	Recurring	-0.3	-1.1	0.0	-0.1
AFFO calculation	Non Recurring	-1.8	-2.4	-0.1	-0.1
	Other Professional Fees	-8.0	-4.6	-0.4	-0.2
EBITDA calculation	Recurring	-5.7	-2.7	-0.3	-0.1
AFFO calculation	Non Recurring	-2.4	-1.9	-0.1	-0.1
	Administrative Fees	-28.0	-18.3	-1.5	-1.0
EBITDA calculation	Recurring	-13.2	-14.3	-0.7	-0.8
Non Operational related	Non Recurring ¹	-14.8	-3.9	-0.8	-0.2
EBITDA calculation	Payroll	-8.8	-7.1	-0.5	-0.4
EBITDA calculation	Trustee Fees	-2.4	-2.0	-0.1	-0.1
EBITDA calculation	Other Expenses	-1.9	-1.5	-0.1	-0.1
Total Fees and Admin. Expenses		-107.1	-90.5	-5.6	-4.8

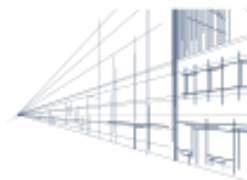
(1) Non operational related administrative fees.

Source: PGIM Real Estate - Fund Accounting



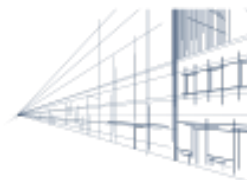
Appendix 4 – Reconciliation

Reconciliation of Net Profit (Loss) to FFO, EBITDA and NOI	1Q19	1Q18	1Q19	1Q18
	(millions of pesos)		(millions of dollars)	
Comprehensive Income (Loss)	-297.6	-1,940.1	-15.5	-101.5
<i>Add (deduct) Currency Translation Adjustment:</i>				
Currency Translation Adjustment	434.9	2045.9	22.6	109.5
Changes in the fair value adjustment on borrowings through other comprehensive income	121.8	-	6.3	-
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Non Recurring Borrowing Expenses	7.8	35.5	0.4	1.9
<i>Add (deduct) Non-Cash Adjustment:</i>				
Foreign Exchange Adjustments	2.9	-44.7	0.2	-2.4
Realized gain (loss) on derivative financial instruments	-3.4	-	-0.2	-
Fair Value Adjustment on Borrowings	179.6	-152.6	9.3	-8.1
Fair Value Adjustment on Derivative Financial Instruments	18.8	-29.6	1.0	-1.6
Fair Value Adjustment on Investment Properties	47.5	562.9	2.5	30.0
Gain (Loss) from Sales of Real Estate Properties	-58.6	17.8	-3.0	0.9
<i>Add (deduct) Expenses Adjustment:</i>				
Non Recurring Repair and Maintenance	51.4	37.5	2.7	2.0
Non Operating Property Taxes	1.4	1.3	0.1	0.1
Brokers Fees	35.1	17.9	1.8	1.0
Bad Debt Expense	12.3	8.3	0.6	0.4
Other Expenses Non Operational Related	10.4	2.8	0.5	0.2
Non Recurring Legal Fees	1.8	2.4	0.1	0.1
Non Recurring Other Professional Fees	2.4	1.9	0.1	0.1
<i>Add (deduct) Revenues Adjustment:</i>				
Accrued Income	-26.1	-5.5	-1.4	-0.3
Other Non-Cash Income	-1.2	-0.8	-0.1	0.0
Reimbursable Tenant Improvements	-9.2	-7.8	-0.5	-0.4
<i>Add (deduct) Non Operational Administrative Fees</i>				
Non Operational Administrative Fees	14.8	3.9	0.8	0.2
FFO	546.9	557.2	28.5	29.7
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Interest Paid	241.8	218.7	12.6	11.6
Recurring Borrowing Expenses	0.0	0.2	0.0	0.0
Interest Income	-2.4	-1.8	-0.1	-0.1
EBITDA	786.3	774.3	40.9	41.3
<i>Add (deduct) Expenses Adjustment:</i>				
External Advisor Fees	55.9	53.4	2.9	2.8
Recurring Legal Fees	0.3	1.1	0.0	0.1
Recurring Other Professional Fees	5.7	2.7	0.3	0.1
Administrative Fees	13.2	14.3	0.7	0.8
Payroll	8.8	7.1	0.5	0.4
Trustee Fees	2.4	2.0	0.1	0.1
Other Expenses	1.9	1.5	0.1	0.1
Advertising	0.5	0.3	0.0	0.0
Administrative Property insurance	0.8	0.7	0.0	0.0
Other Administrative Expenses	4.2	5.1	0.2	0.3
NOI	879.8	862.7	45.8	46.0
<i>Add (deduct) Expenses Adjustment:</i>				
Recurring Repair and Maintenance	9.4	8.5	0.5	0.5
Operating Property Taxes	77.6	78.8	4.0	4.2
Property Management Fees	17.9	17.9	0.9	1.0
Electricity	8.1	8.3	0.4	0.4
Operating Property Insurance	2.4	2.7	0.1	0.1
Security	4.3	4.6	0.2	0.2
Other Operational Expenses	8.3	5.0	0.4	0.3
<i>Add (deduct) Revenues Adjustment:</i>				
Other Non-Cash Income	1.2	0.8	0.1	0.0
Accrued Income	26.1	5.5	1.4	0.3
Reimbursable Tenant Improvements	9.2	7.8	0.5	0.4
Share of Profit from Equity Accounted Investments	-8.1	-5.6	-0.4	-0.3
Net Revenue	1,036.0	997.0	53.9	53.1



Reconciliation of Net Profit (Loss) to AFFO

	1Q19 (millions of pesos)	1Q18 (millions of pesos)	1Q19 (millions of dollars)	1Q18 (millions of dollars)
Comprehensive Income (Loss)	-297.6	-1,940.1	-15.5	-101.5
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Non Recurring Borrowing Expenses	434.9	2,045.9	22.6	109.5
Changes in the fair value adjustment on borrowings through other comprehensive income	121.8	-	6.3	-
<i>Add (deduct) Cost of Financing Adjustment:</i>				
Non Recurring Borrowing Expenses	7.8	35.5	0.4	1.9
<i>Add (deduct) Non-Cash Adjustment:</i>				
Foreign Exchange Adjustments	2.9	-44.7	0.2	-2.4
Realized gain (loss) on derivative financial instruments	-3.4	-	-0.2	-
Fair Value Adjustment on Borrowings	179.6	-152.6	9.3	-8.1
Fair Value Adjustment on Derivative Financial Instruments	18.8	-29.6	1.0	-1.6
Fair Value Adjustment on Investment Properties	47.5	562.9	2.5	30.0
Gain (Loss) from Sales of Real Estate Properties	-58.6	17.8	-3.0	0.9
<i>Add (deduct) Expenses Adjustment:</i>				
Non Operating Property Taxes	1.4	1.3	0.1	0.1
Bad Debt Expense	12.3	8.3	0.6	0.4
Other Expenses Non Operational Related	10.4	2.8	0.5	0.1
<i>Add (deduct) Revenues Adjustment:</i>				
Accrued Income	-26.1	-5.5	-1.4	0.0
Other Non-Cash Income	-1.2	-0.8	-0.1	-0.9
<i>Add (deduct) Non Operational Administrative Fees</i>				
Non Administrative Fees	14.8	3.9	0.8	1.0
AFFO	465.3	505.2	24.2	26.9



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

1Q19 Average Price (dollars) ¹	1.42
(x) CBFIs (million shares)	790.6
(=) Market Capitalization	1,120.5
(+) Total Liabilities	1,014.0
(-) Cash	69.3
(=) Enterprise Value	2,065.2
(-) Landbank	49.7
(=) Implied Operating Real Estate Value	2,015.5
Net Operating Income (NOI) 2019e	192.0
Implied Cap Rate	9.5%

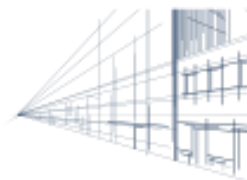
Figures expressed in millions of dollars unless otherwise stated.

(1) Average share price of Ps.27.23; and average exchange rate of Ps. 19.22

Cap Rate Calculation with NAV

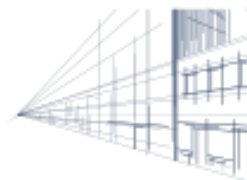
(+) Investment Properties (excluding landbank)	2,325.2
(+) Land	49.7
(+) Cash	69.3
(-) Total Liabilities	1,014.0
(=) NAV ¹	1,430.2
(/) CBFIs (million shares)	790.6
(=) NAV per CBFI (dollars)	1.8

CBFI Price (NAV calculation)	1.8
(x) CBFIs (million shares)	790.6
(=) Market Cap	1,430.2
(+) Total Debt and Liabilities	1,014.0
(-) Cash	69.3
(=) Enterprise Value	2,374.9
(-) Landbank	49.7
(=) Implied Operating Real Estate Value	2,325.2
Net Operating Income (NOI) 2019e	192.0
Implied Cap Rate	8.3%



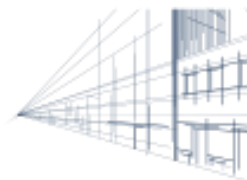
Financial Statements

Income Statement	1Q19	1Q19
	(thousands of pesos)	(thousands of dollars)
Rental revenues	\$926,186	\$48,198
Other operating income	109,850	5,717
Real estate operating expenses	-244,065	-12,701
Fees and other expenses	-107,113	-5,574
Realized gain (loss) from disposal of investment properties	58,599	3,049
Net gain (loss) from fair value adjustment on investment properties	-47,522	-2,473
Net gain (loss) from fair value adjustment on borrowings	-179,587	-9,346
Net gain (loss) unrealized from fair value on derivative financial instruments	-18,822	-979
Realized gain (loss) on derivative financial instruments	3,449	179
Foreign exchange (loss) gain	-2,869	-149
Operating profit	498,106	25,921
Finance income	2,429	126
Finance cost	-249,591	-12,989
Finance cost - net	-247,162	-12,862
Share of profit from equity accounted investments	8,148	424
Net Profit for the period	259,092	13,483
Translation gain (loss) from functional to reporting currency	-434,850	-22,629
Changes in the fair value adjustment on borrowings at fair value through other comprehensive income	-121,801	-6,338
Total Comprehensive income for the period	-297,559	-15,485



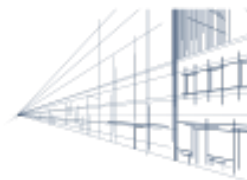
Financial Statements

Balance Sheet		
	Mar-31-19 (thousands of pesos)	Mar-31-19 (thousands of dollars)
Assets		
Non-current assets		
Investment properties	\$45,060,870	\$2,325,206
(Cost: 31/03/2019 - Ps.44,651,571, US\$2,304,086; 31/12/2018 - Ps.45,437,152, US\$2,308,458)		
Investments accounted using equity method	540,015	27,866
Derivative financial instruments	32,313	1,667
Deferred charges and accrued income	220,306	11,368
Other assets	136,709	7,054
Loan receivable	36,045	1,860
(Cost: 31/03/2019 - Ps.36,045, US\$1,860; 31/12/2018 - Ps.36,841, US\$1,872)		
Restricted cash	36,034	1,859
Current assets		
Other assets	64,581	3,332
Loan receivable	1,304	67
(Cost: 31/03/2019 - Ps.1,304, US\$67; 31/12/2018 - Ps.1,421, US\$72)		
Recoverable taxes	148,122	7,643
Prepaid expenses	8,755	452
Deferred charges and accrued income	25,859	1,334
Accounts receivable	154,798	7,988
(Net of allowance for doubtful accounts: 31/03/2019 - Ps.95,192, US\$4,912; 31/12/2018 - Ps.84,059, US\$4,271)		
Cash and cash equivalents	1,342,171	69,258
Total assets	47,807,882	2,466,956
Net assets attributable to Investors		
Contributions, net	18,701,218	965,010
Retained earnings	-724,312	-37,376
Currency translation adjustment	8,599,784	443,761
Own credit risk reserve	894,384	46,152
Total net assets (Net Equity)	27,471,074	1,417,547
Liabilities		
Non-current liabilities		
Borrowings	19,114,554	986,339
(Cost: 31/03/2019 - Ps.18,923,886, US\$976,500; 31/12/2018 - Ps.19,509,581, US\$991,194)		
Tenant deposits	291,331	15,033
Accounts payable	5,019	259
Current liabilities		
Borrowings	535,850	27,651
(Cost: 31/03/2019 - Ps.535,850, US\$27,651; 31/12/2018 - Ps.148,698, US\$7,555)		
Tenant deposits	92,802	4,789
Trade and other payables	297,252	15,339
Total liabilities (excluding net assets attributable to the Investors)	20,336,808	1,049,409
Total net assets and liabilities	47,807,882	2,466,956



Financial Statements

Cash Flow Statement	Mar-19 <i>(thousands of pesos)</i>	Mar-19 <i>(thousands of dollars)</i>
Cash flows from operating activities		
(Loss) profit for the period	\$259,092	\$13,370
Adjustments:		
Net loss (gain) unrealized from fair value adjustment on investment properties	47,522	2,452
Net loss (gain) unrealized from fair value adjustment on borrowings	179,587	9,267
Net loss (gain) unrealized from fair value adjustment on derivative financial instruments	18,822	971
Realized gain from disposal of investment properties	-58,599	-3,024
Bad debt expense	12,279	634
Interest expense	241,813	12,478
Interest income on bank accounts	-1,918	-99
Share of profit from equity accounted investments	-8,148	-420
Decrease (increase) deferred rents receivable	-22,626	-1,168
Decrease (increase) in accounts receivable	-154,880	-7,992
Decrease (increase) in recoverable taxes	17,555	906
Decrease (increase) in prepaid expenses	1,472	76
Decrease (increase) in other assets	974	50
Decrease (increase) in tenant deposits	-12,606	-650
(Decrease) in accounts payable	62,747	3,238
Net cash (used in) generated from operating activities	583,086	30,088
Cash flows from investing activities		
Improvements of investment properties	-66,838	-3,449
Proceeds from dispositions of investment properties	189,015	9,753
Interest income on bank accounts	1,918	99
Investments in joint venture	8,531	440
Collections on loan receivable	320	17
Net cash (used in) generated from investing activities	132,946	6,860
Cash flows from financing activities		
Principal payments on borrowings	-2,900	-150
Interest expense	-136,320	-7,034
Restricted cash	565	29
Distributions to investors	-777,001	-40,094
Net cash (used in) generated from financing activities	-915,656	-47,249
Net (decrease) in cash and cash equivalents	-199,624	-10,301
Cash and cash equivalents at the beginning of the period	1,557,651	80,377
Exchange effects on cash and cash equivalents	-15,856	-818
Cash and cash equivalents at the end of the period	1,342,171	69,258



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, 2019	\$18,701,218	\$9,034,634	\$1,016,185	-\$206,403	\$28,545,634
Capital Contribution, Net of Issuing Costs	0	0	0	0	0
Distributions to Investors	0	0	0	-777,001	-777,001
Comprehensive Income					
Net loss of the period	0	0	0	259,092	259,092
Other Comprehensive Income					
Currency Translation	0	-434,850	0	0	-434,850
Change from fair value adjustment on borrowings	0	0	-121,801	0	-121,801
Total Comprehensive (loss) income	0	-434,850	-121,801	259,092	-297,559
Net Assets as of March 31, 2019	\$18,701,218	\$8,599,784	\$894,384	-\$724,312	\$27,471,074
<i>(thousands of dollars)</i>					
Balance at January 1, 2019	\$965,009.98	\$466,200	\$52,437	-\$10,651	\$1,472,996
Capital Contribution, Net of Issuing Costs	0	0	0	0	0
Distributions to Investors	0	0	0	-40,094	-40,094
Comprehensive Income					
Net loss of the period	0	0	0	13,370	13,370
Other Comprehensive Income					
Currency Translation	0	-22,439	0	0	-22,439
	0	0	-6,285	0	-6,285
Total Comprehensive (loss) income	0	-22,439	-6,285	13,370	-15,354
Net Assets as of March 31, 2019	\$965,010	\$443,761	\$46,152	-\$37,376	\$1,417,547