



TERRAFINA ANNOUNCES ACQUISITION OF INDUSTRIAL PROPERTIES FOR US\$180 MILLION

Mexico City, December 11, 2017 - Terrafina ("TERRA") (BMV: TERRA13), a leading Mexican industrial real estate investment trust ("FIBRA"), externally advised by PGIM Real Estate and dedicated to the acquisition, development, lease and management of industrial real estate properties in Mexico, today announced the successful closing of the acquisition of 17 industrial Class A properties, for US\$180 million – excluding taxes and transaction costs. As a result of this transaction, the Company expects to reach an annualized AFFO increase of between 13% and 14%. Additionally, this transaction will be fully financed with the proceeds of the follow-on offering.

The transaction originally consisted of 20 properties for US\$220 million; Terrafina has opted to modify the size of the transaction since closing conditions for the other three properties in the portfolio have not yet been met. Terrafina will continue to work with the seller to fulfill the conditions in order to acquire these properties in the future.

Additionally, Terrafina announced that, as part of this operation, the Company selected the seller as a new strategic partner in the role of property manager, and with whom it is currently analyzing other potential acquisition opportunities. This addition will strengthen Terrafina's business model, expanding growth opportunities, as well as consolidating our leadership in the key Mexican industrial markets.

The main updated highlights of the acquisition are as follows:

Acquisition Price (<i>millions of dollars</i>)	\$180
Gross Leasable Area (<i>million square feet</i>)	2.7
Price per Square Foot (<i>dollars</i>)	\$65.6
Cap Rate (<i>next twelve-months</i>)	8.5%
Occupancy Rate	100%
Annualized Average Lease Rent (<i>dollars</i>)	\$5.31
Dollar-Denominated Lease Contracts	100%
Average Property Age	4.7 years
Average Lease Term	4.7 years

"As a result of the closing of this transaction, Terrafina has successfully deployed 86% of the amount allocated towards its acquisition strategy in just four and a half months --- under the six months that the Company had initially anticipated --- together with the other acquisitions that have been announced since the follow-on offering. Looking ahead, Terrafina expects to continue working towards the acquisition of additional stabilized assets identified using the disciplined approach employed by the Company," stated Alberto Chretin, Terrafina's Chief Executive Officer.



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, Bajio and Northern regions of Mexico. It is internally managed by highly-qualified industry specialists and externally advised by PGIM Real Estate.

Terrafina owns 280 real estate properties, including 268 developed industrial facilities with a collective GLA of approximately 37.8 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\$69.0 billion (US\$50.5 billion net) as of September 30, 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\$1.3 trillion of assets under management as of September 30, 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

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