



## **TERRAFINA COMPLETES THE ACQUISITION OF INDUSTRIAL PORTFOLIO FROM AMERICAN INDUSTRIES-KIMCO**

Mexico City, October 1, 2013 – Terrafina (BMV: TERRA13), a leading Mexican industrial real estate investment trust (or *Fibra*), externally advised by Prudential Real Estate Investors and dedicated to the acquisition, development, lease and management of industrial real estate assets in Mexico, has announced that it completed the acquisition of the industrial portfolio of Kimco Realty Corp. (NYSE:KIM) and its partner American Industries for a purchase price of US\$604 million. The acquisition, which includes 84 properties, representing more than 11 million square-feet increases Terrafina's portfolio in terms of gross leasable area by more than 50 percent, a milestone achievement for the firm's growth strategy in the Mexican industrial real estate market.

"The culmination of this transaction is firm evidence of Terrafina's commitment to its investors, and it creates a strong precedent of growth and value creation," Alberto Chretin, Terrafina's Chairman of the Board and Chief Executive Officer said. "This opportunity is largely due to the capacity of our external advisor, Prudential Real Estate Investors, to generate, manage and evaluate attractive properties that contribute to the preservation and growth of Terrafina's assets. This transaction allows Terrafina to own one of the largest industrial real estate portfolios in Mexico, as well as the most diverse in terms of geographic location and tenant composition; achieving a greater footprint and higher efficiency and scale, which will undoubtedly translate into greater benefits to our shareholders."

Separately, Terrafina has completed the sale of one of the newly acquired assets, a 520,000 square-foot industrial facility in Monterrey for US\$38 million to its tenant. This sale is consistent with Terrafina's strategy to dispose of selective assets and recycle capital to improve the quality and diversification of its portfolio. Proceeds from this sale will be used to reduce Terrafina's leverage.

Excluding the property sold in Monterrey, the total 84-property portfolio has about 11 million square-feet of gross leasable area occupied by high-credit quality tenants that are leaders in their sectors. Terrafina's combined portfolio now consists of 216 operating assets and almost 31 million square-feet as well as 13 land parcels, making it the largest owner of industrial assets in Mexico. Furthermore, this acquisition expands Terrafina's presence in the northern Mexican states of Chihuahua, Coahuila and Nuevo Leon and provides exposure to the growing aerospace sector.

The acquired portfolio is expected to generate additional annual net operating income (NOI) of about US\$48 million, bringing the Terrafina's total projected NOI to more than US\$123 million for 2013. As a result of this acquisition, Terrafina's occupancy rate is expected to reach approximately 90% at year-end 2013 and approximately 92% for 2014.

For more detailed information regarding the consolidated operation of the American Industries-Kimco portfolio into Terrafina, please visit:

<https://s3.amazonaws.com/irdublin/companies/terrafinadocuments/presentations/acquisition-kimco-ai.pdf>

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## About the Company

Terrafina (BMV:TERRA13) is the Mexican leader industrial real estate investment trust formed primarily to acquire, develop, lease and manage 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. Terrafina is internally managed by highly-qualified industry specialists and externally advised by PREI® Latin America.

Terrafina owns 229 real estate properties, including 216 developed industrial facilities with a collective GLA of approximately 31million square feet and 13 land reserve parcels.

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.

Additional information is available at <http://www.terrafinamx.com>

