SECOND QUARTER RESULTS 2019

For more information contact:

Conrado Alba Brunet
Chief Financial Officer
calba@planigrupo.com
(55) 91-77-08-70 Ext. 112

Ingrid Palme
Contact Investor Relations
ipalme@planigrupo.com
(55) 91-77-08-70 Ext. 138

PLANI GRUPO MR

Creando valor

PLANIGRUPO Consolidated Results for the Second Quarter of 2019

Mexico City, July 22nd, 2019 – Planigrupo Latam, S.A.B. de C.V. and subsidiaries (hereinafter "PLANIGRUPO" or the "Company") (Quote Code on the Mexican Stock Exchange: **PLANI**), is a fully integrated developer, operator and owner of shopping centers, with 44 years of experience in the development, design, construction, commercialization and administration of shopping centers in Mexico. Today, PLANIGRUPO published the results related to the second quarter of 2019 (hereinafter "2Q19") and for the six-month period ended June 30, 2019 (hereinafter "6M19").

The figures have been prepared in accordance with IFRS (International Financial Reporting Standards), and are expressed in thousands of Mexican pesos.

The financial results of PLANIGRUPO described in this report have not been audited, so the figures mentioned throughout this report could present adjustments in the future.

This document contains financial and operational measurements, which are not calculated in accordance with IFRS or recognized by them, are expressed in millions of Mexican pesos ("Ps" and / or "$") and are defined below:

- **GLA**, means Gross Leasable Area which corresponds to the area that can be leased within a property.

- **EBITDA**, means Earnings Before Interest, Taxes, Depreciation, and Amortization which is defined as the result of the operating income, *minus* other income (expenses), plus depreciation and amortization.

- **FFO**, means Funds from Operations, which we define as: the result of the net income, *plus* depreciation and amortization, *minus* the change in the value of our investment properties, *minus* participation in the results of companies and associated trusts and other permanent investments, plus expenses related to the purchase of assets, plus (*minus*) the valuation effect of financial instruments and plus (*minus*) deferred income taxes. The "FFO" should not be considered as a substitute for the cash from operating activities.

- **Adjusted FFO,** we define it as FFO minus the recurring capital expenditures for maintenance of our investment properties (capital maintenance expenditure).

- **LTV**, means Loan To Value, a financial term used by financial institutions to express the ratio of a loan in relation to the value of an asset acquired. The term is commonly used by banks and mortgage companies to represent the value owned of a property and what is borrowed. This ratio is obtained by dividing the amount of Net Debt by the value of total assets.

- **Net Debt**, refers to the total balance of the debt *minus* cash and cash equivalents.

- **NOI**, means Net Operating Income that we define as revenue from leases, and property management and leasing commission fees, *net* of the allowances for doubtful accounts, *minus* administration maintenance and security expense, as well as salaries and benefits in addition to the operating personal salaries. The "NOI" should not be considered as a substitute for the operating income line shown in the financial statements. The term "NOI Margin" refers to the result expressed as a resulting percentage, of dividing the NOI by the total revenues, net from the allowance for doubtful accounts.

NOI, NOI margin, EBITDA, EBITDA margin, FFO, Adjusted FFO and LTV are financial measures that are not defined under IFRS. A financial measure not defined under IFRS is generally defined as one that seeks to measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be adjusted to the most comparable measure of IFRS. NOI, EBITDA, FFO, Adjusted FFO and LTV have limitations as analysis tools and such measures should not be considered, either in isolation or as a substitute for other methods of analyzing our reported results in accordance with IFRS. Because not all companies use identical calculations, the presentation of the NOI, EBITDA, FFO, Adjusted FFO and LTV may not be comparable to other similar measures used by other companies.

OPERATION HIGHLIGHTS

- PLANIGRUPO reported a total of 814,000 square meters (m²) of Gross Leasable Area (GLA) composed by 36 properties at the end of 2Q19[1], of which 806,000 m² of GLA are in operation and stabilized. Regarding 2Q18, the GLA of the properties in operation and stabilized grew 26,000 square meters (m²), representing a 3.3% increase.

- The increase of GLA of the properties in operation and stabilized in 2Q19 is mainly due to the stabilization of our Urban Village shopping center in Garza Sada, which is located within the municipality of Monterrey.

- At the end of 2T19, the occupancy rate was 94.4%, which considers the stabilized properties[2] and excludes the 15,000 m2 in remodeling of the Urban Village Ciudadela property (formerly known as Urban Village Patria), compared to the 2Q18 that was 94.4%.

- Considering all stabilized properties, excluding the Urban Village Ciudadela property that is under redevelopment, the occupancy rate at the end of 2Q19 was 94.9%, compared to 2Q18, which was 93.5%.

- The average lease price per square meter at the end of 2Q19 was Ps. 155.9, which represents an increase of 3.0% compared to 2Q18, which was Ps. 151.4.

- As of June 30, 2019, PLANIGRUPO registered approximately 63 million visitors in our managed shopping centers, an increase of approximately 3% over the same period last year that registered approximately 61 million visitors.

- For the last 12 months ended on June 30, 2019, PLANIGRUPO registered a cumulative total of 129 million visitors in the shopping centers we manage, an increase of approximately 7% over the same period last year that recorded approximately 120 million of visitors.

[1] Regarding the ABR, it includes 15,000 m^2 in restructuration of the Urban Village Ciudadela, it also includes the square meters (m^2) of Paseo Hipódromo, which are in stabilization process.
[2] Does not include the Paseo Hipódromo Mall which is in stabilization process.

FINANCIAL HIGHLIGHTS

- The consolidated revenues corresponding to 2Q19 of PLANIGRUPO, including the properties in which we have a non-controlling interest, which we manage and operate, reached Ps. 398.6 million, which represents an increase of 8.9% compared to 2Q18.

- The cumulative consolidated income regarding the 6M19 period, including the properties in which we have a non-controlling interest, which we manage and operate, reached Ps. 790.4 million, which represents an increase of 8.8% over the 6M18 period.

- The consolidated NOI for 2Q19, including the properties in which we have a non-controlling interest, reached Ps. 321.0 million, which represents an increase of 10.9% compared to 2Q18.

- The consolidated accumulated NOI with respect to the 6M19 period, including the properties in which we have a non-controlling interest, reached Ps. 631.0 million, which represents an increase of 9.2% over the 6M18 period.

- Consolidated EBITDA for 2Q19, including the properties in which we have a non-controlling interest, reached Ps. 261.4 million, which represents an increase of 12.7% compared to 2Q18.

- The accumulated consolidated EBITDA with respect to the 6M18 period, including the properties in which we have a non-controlling interest, reached Ps. 509.8 million, which represents an increase of 9.6% compared to 2Q18.

- The consolidated financial debt as of June 30, 2019 was Ps. 6,441.9 million.

- The consolidated financial debt, including the properties in which we have a non-controlling interest as of June 30, 2019, was Ps. 6,725.1 million.

COMMENTS FROM THE CEO

During the second quarter of 2019, PLANIGRUPO continues with a growth trend in financial and operational indicators.

In the second quarter of 2019, total revenues reached Ps. 398.6 million generating an increase of 8.9%. Likewise, the NOI reached Ps. 321.0 million, representing an increase of 10.9%. Additionally, EBITDA reached Ps. 261.4 million, obtaining an increase of 12.7%, said indicators compared to the same quarter of the previous year.

However, the total accumulated income in the first half of 2019, reached Ps. 790.4 million generating an increase of 8.8%. Likewise, the accumulated NOI reached Ps. 631.0 million generating an increase of 9.2%. Regarding the accumulated EBITDA, it reached Ps. 509.8 million obtaining an increase of 9.6%. Such indicators compared to the same period of the previous year.

Our Mall Paseo Hipódromo in the State of Mexico, has continued with its stabilization process satisfactorily, which has provided a growth of our GLA, generating a greater NOI to our existing portfolio.

Our occupancy rate in the stabilized shopping centers throughout the Mexican Republic increased during 2Q19 to 94.9%, without considering the property Urban Village Ciudadela that is being redeveloped.

The number of visitors from January to June 2019 in our shopping centers was approximately 63 million, which represented an increase of 3% over the same period of the previous year.

Regarding the number of visitors for the last twelve months ended June 30, 2019, a total of 129 million was recorded, which represent an increase of 7% over the same period of the previous year.

In the face of a complicated macroeconomic environment, our financial results and operational indicators continue to show growth derived from our operational strength, geographic diversification and the population segment that our shopping centers are focused on.

Sincerely,

Elliott Mark Bross Umann
CEO of PLANIGRUPO

PLANIGRUPO BUSINESS

We are a fully integrated real estate developer, owner and operator with 44 years of experience in the development, design, construction, marketing and administration of shopping centers in Mexico. Since the creation of our first construction company in 1975, our team has participated in the acquisition and development of 70 shopping centers. We have controlling interests in 33 commercial centers and non-controlling interests in 3 commercial centers, located in 18 federal entities in Mexico, 35 of which we currently operate and 1 we also own, which is in operation and is still in process of stabilization. We are one of the largest shopping center owners in Mexico.

Our 35 operational and stabilized commercial centers have a total GLA of approximately 806,000 m2 and together with one of our properties in the process of stabilization, we hope to increase our total GLA to approximately 814,000 m2[3]. Our shopping centers have leading anchor stores in the commercial sector and / or movie theater complexes. At the end of 2Q19 we had approximately 2,000 lease agreements, distributed among more than 1,200 tenants from various sectors. With the aim of improving the customers' shopping experience, most of our shopping centers also offer various entertainment and food options, as well as services designed to complement the trade offer.

MAIN OPERATING AND FINANCIAL INDICATORS

1) Financial Indicators

These metrics and adjustments are not defined by IFRS; therefore, they do not represent a financial analysis of our results in accordance with IFRS, and are shown only to measure the company's operating performance.

The following tables present a summary of our main financial indicators for 2Q19 and 2Q18 and for the six-month periods ended June 30, 2019 and 2018, respectively, of the financial information that includes the results of our positions with controlling and non-controlling interest:

	6M 2019 [1]	6M 2018 [1]	Var. %	2Q 2019 [1]	2Q 2018 [1]	Var. %
Total revenues	**790,372**	**726,262**	**8.8%**	**398,628**	**365,967**	**8.9%**
Allowance for doubtful accounts	**(6,968)**	**(8,628)**	**(19.2%)**	**(3,274)**	**(4,639)**	**(29.4%)**
Total revenues, net	**783,404**	**717,634**	**9.2%**	**395,354**	**361,328**	**9.4%**
NOI [2]	**630,991**	**577,677**	**9.2%**	**320,961**	**289,355**	**10.9%**
NOI Margin[3]	**80.5%**	**80.5%**	**0.0%**	**81.2%**	**80.1%**	**1.1%**
EBITDA	**509,801**	**465,000**	**9.6%**	**261,437**	**231,981**	**12.7%**
EBITDA Margin[3]	**65.1%**	**64.8%**	**3.0%**	**66.1%**	**64.2%**	**1.9%**
FFO	**148,188**	**126,811**	**16.9%**	**78,086**	**52,081**	**49.9%**
Adjusted FFO	**131,415**	**89,105**	**47.5%**	**69,018**	**38,686**	**78.4%**

[1] The results of positions with controlling and non-controlling participation, which we manage and operate, are included proportionally.
[2] The financial information related to 2018 has been prepared on a pro-forma basis, so that it is comparable with the figures at the end of June 2019.
[3] NOI and EBITDA Margins, refer to the result expressed as a resulting percentage resulted from dividing the NOI or EBITDA by the total revenues net of allowance for doubtful accounts.

[3] Includes 15,000 m^2 in restructuration of the Urban Village Ciudadela, it also includes the Paseo Hipódromo, which are in stabilization process.

NOI RECONCILIATION

	6M 2019 [1]	6M 2018 [1]	Var. %	2Q 2019 [1]	2Q 2018 [1]	Var. %
NOI [2]						
Revenue from leases	778,203	719,607	8.1%	391,793	362,608	8.0%
Property management and leasing commission fees	12,169	6,655	82.9%	6,835	3,359	103.5%
Allowance for doubtful accounts	(6,968)	(8,628)	(19.2%)	(3,274)	(4,639)	(29.4%)
Administration, maintenance and security expenses	(125,176)	(112,161)	11.6%	(61,464)	(58,204)	5.6%
Operating personnel salaries	(27,237)	(27,796)	(2.0%)	(12,929)	(13,769)	(6.1%)
NOI	**630,991**	**577,677**	**9.2%**	**320,961**	**289,355**	**10.9%**
NOI Margin[3]	**80.5%**	**80.5%**	**0.0%**	**81.2%**	**80.1%**	**1.1%**

[1] The results of positions with controlling and non-controlling participation, which we manage and operate, are included proportionally.
[2] The financial information related to 2018 has been prepared on a pro-forma basis so that it is comparable with the figures at the end of June 2019.
[3] NOI margin refers to the result expressed as the percentage resulted from dividing the NOI by the total revenues net from the allowance of doubtful accounts.

EBITDA RECONCILIATION

	6M 2019 [1]	6M 2018 [1]	Var. %	2Q 2019 [1]	2Q 2018 [1]	Var. %
EBITDA						
Total revenues	790,372	726,262	8.8%	398,628	365,967	8.9%
Operating costs	(134,957)	(122,200)	10.4%	(66,383)	(63,121)	5.2%
Operating expenses	(165,728)	(150,098)	10.4%	(85,850)	(76,235)	12.6%
Other expenses, net	121,740	(103,222)	(217.9%)	121,454	92,802	30.9%
Operating income	611,427	350,742	74.3%	367,849	319,413	15.2%
Change in the fair value of investment properties	(115,546)	107,130	(207.9%)	(114,053)	(90,744)	25.7%
Depreciation and amortization	13,920	7,129	95.3%	7,641	3,312	130.7%
EBITDA	**509,801**	**465,000**	**9.6%**	**261,437**	**231,981**	**12.7%**
EBITDA Margin[2]	**65.1%**	**64.8%**	**0.3%**	**66.1%**	**64.2%**	**1.9%**

[1] The results of positions with controlling and non-controlling participation, which we manage and operate, are included proportionally.
[2] EBITDA margin refers to the result expressed as the percentage resulting from dividing EBITDA by the total revenues net of the allowance for doubtful accounts.

FFO RECONCILIATION

	6M 2019 [1]	6M 2018 [1]	Var. %	2Q 2019 [1]	2Q 2018 [1]	Var. %
FFO						
Net income	192,105	20,649	830.3%	152,104	132,766	14.6%
Change in the fair value of investment properties	(115,546)	107,130	(207.9%)	(114,053)	(90,744)	25.7%
Depreciation and amortization	13,920	7,129	95.3%	7,641	3,312	130.7%
Valuation of financial instruments	36,473	16,666	118.8%	9,128	2,309	295.3%
Other expenses	-	-	0.0%	-	(7,165)	(100.0%)
Deferred income taxes	21,235	(24,763)	(185.8%)	23,266	11,603	100.5%
FFO	**148,188**	**126,811**	**16.9%**	**78,086**	**52,081**	**49.9%**
ADJUSTED FFO						
FFO	148,188	126,811	16.9%	78,086	52,081	49.9%
Maintenance CAPEX	(16,773)	(37,706)	(55.5%)	(9,068)	(13,395)	(32.3%)
Adjusted FFO	**131,415**	**89,105**	**47.5%**	**69,018**	**38,686**	**78.4%**

[1] *The results of positions with controlling and non-controlling participation, which we manage and operate, are included proportionally.*

LTV

	2Q 2019*	2Q 2018*	Var. %
LTV	**41.4%**	**42.2%**	**(0.8%)**

* *Includes properties with controlling interest and in proportion to the non-controlling interest.*

2) Operational Indicators

	June 30 2019	June 30 2018	Var. %
Number of properties in operation and stabilized	**35**	**35**	**0%**
Gross Leasable Area (GLA)	**806,000**	**791,126**	**1.9%**
Occupancy (1)	**94.4%**	**94.4%**	**0%**
Average Lease Price m^2	**155.9**	**151.4**	**3.0%**

[1] *It includes stabilized properties, with controlling and non-controlling participation and without considering 15,000 m2 in remodeling of Urban Village Ciudadela.*

2.1) *Operating Portfolio*

As of 2Q19, PLANIGRUPO has a portfolio of 35 commercial centers in operation and 1 in the process of stabilization, through various vehicles of specific purpose.

The following table includes a description of each of our shopping centers at the end of 2Q19:

COMMERCIAL CENTERS PROPERTIES IN OPERATION AND STABILIZED [1]

Property	State	Year of construction	Opening year	Acquisition date	GLA m2	% of GLA's portfolio	Occupancy rate
Urban Village Ciudadela[2]	Jalisco	2006	2010	December-2014	51,281	6.5%	87%
Galerías del Valle	Baja California	2008	2008	December-2014	34,400	4.3%	98%
Plaza Real Reynosa	Tamaulipas	2005	2005	May-2013	35,856	4.5%	98%
Paseo Santa Catarina	Nuevo León	2005	2006	November-2012	37,605	4.8%	98%
Plaza Palmira	Campeche	2008	2009	May-2013	29,655	3.7%	77%
Plaza Nogalera	Coahuila	2006	2006	October-2013	41,889	5.3%	97%
Gran Plaza Cancún	Quintana Roo	2004	2006	October-2013	26,704	3.4%	89%
Plaza Bella Anáhuac	Nuevo León	2002	2003	May-2013	27,306	3.4%	99%
Paseo Reforma	Tamaulipas	2007	2008	December-2014	40,983	5.2%	98%
Plaza Real Saltillo	Coahuila	1999	2000	May-2013	16,506	2.1%	93%
Plaza Lincoln	Nuevo León	2006	2007	May-2013	28,421	3.6%	89%
Centro Comercial Lago Real	Nayarit	2008	2008	December-2014	26,186	3.3%	99%
Plaza Monumental	Chihuahua	2007	2008	May-2013	17,204	2.2%	94%
Plaza Universidad	Hidalgo	2005	2006	October-2013	17,298	2.2%	97%
Centro Comercial López Mateos	Chihuahua	1995	1995	December-2014	22,039	2.8%	92%
Plaza Las Haciendas	Estado de México	2005	2006	May-2013	16,480	2.1%	93%
Plaza Bella Mexiquense	Estado de México	2006	2006	May-2013	18,774	2.4%	82%
Macroplaza Oaxaca	Oaxaca	2013	2014	March-2013	26,347	3.3%	99%
Plaza San Juan	Querétaro	2012	2013	December-2014	7,473	0.9%	94%
Plaza Bella Huinalá	Nuevo León	2009	2009	October-2013	15,577	2.0%	84%
Centro Comercial Puerta de Hierro	Hidalgo	2006	2006	December-2014	16,299	2.1%	92%
Walmart San Jose del Cabo	Baja California Sur	2010	2010	July-2014	9,891	1.2%	100%
Walmart Ensenada	Baja California	2012	2012	July-2014	9,939	1.3%	100%
Paseo Puebla	Puebla	2013	2013	March-2013	10,747	1.4%	98%
Plaza Reynosa	Tamaulipas	1991	1995	December-2014	10,745	1.4%	89%
Plaza Bella Ramos Arizpe	Coahuila	2008	2008	September 2016	15,583	2.0%	92%
Paseo Solidaridad	Sonora	2015	2016	March-2015	13,077	1.7%	96%
Paseo Alcalde	Jalisco	2014	2016	August-2014	12,212	1.5%	97%
Macroplaza San Luis	San Luis Potosí	2014	2016	November-2014	19,010	2.4%	93%
Punto San Isidro	Jalisco	2008	2009	November-2017	7,958	1.0%	98%
Punto Oriente	Jalisco	2007	2011	November-2017	18,603	2.4%	100%
Urban Village en Garza Sada	Nuevo León	2015	2017	September-2015	28,043	3.5%	98%
Macroplaza Insurgentes[3]	Baja California	2006	2007	December-2006	54,872	6.9%	100%
Macroplaza Estadio[3]	Michoacán	2011	2011	December-2011	17,511	2.2%	100%
Plaza Bella Frontera[3]	Coahuila	2011	2011	December-2011	9,029	1.1%	84%

[1] Includes remodeling properties. It does not include Paseo Hipodromo, which is in the process of stabilization.

[2] Does not include approximately 15,000 m2 in UVC redevelopment.

[3] Properties in which we have non-controlling interest.

2.2) Gross Leasable Area and Geographic Distribution

At the end of 2Q19, the 35 commercial centers in operation and stabilized, totaled approximately 806,000 m2 of GLA[4]. Our commercial centers in operation and stabilized, are in 18 Federal Entities in Mexico.

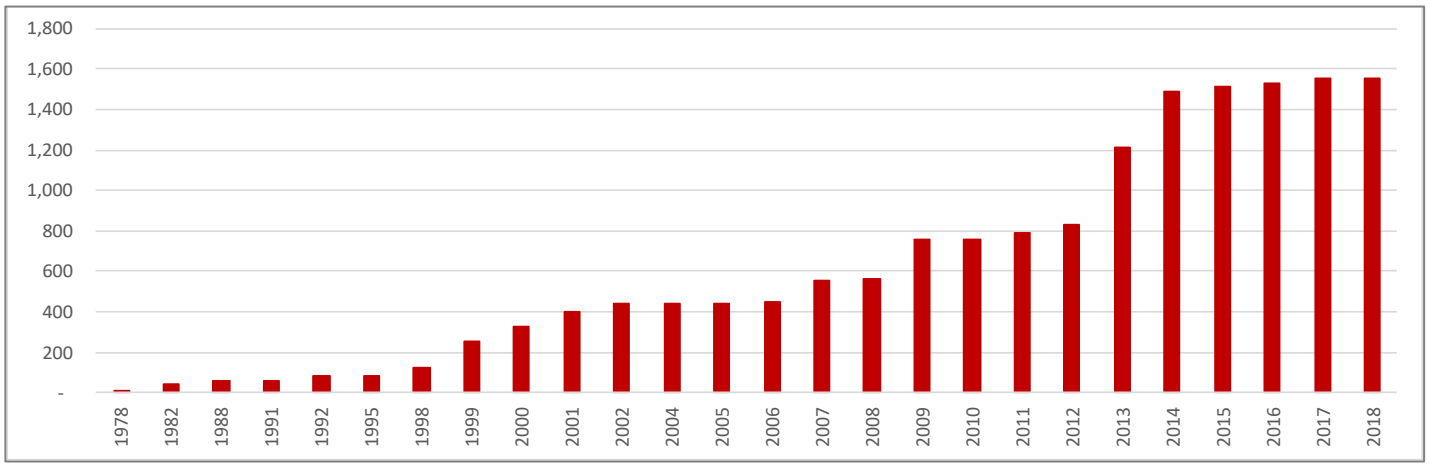
States where Planigrupo manages at least one property.

2.3) Occupation

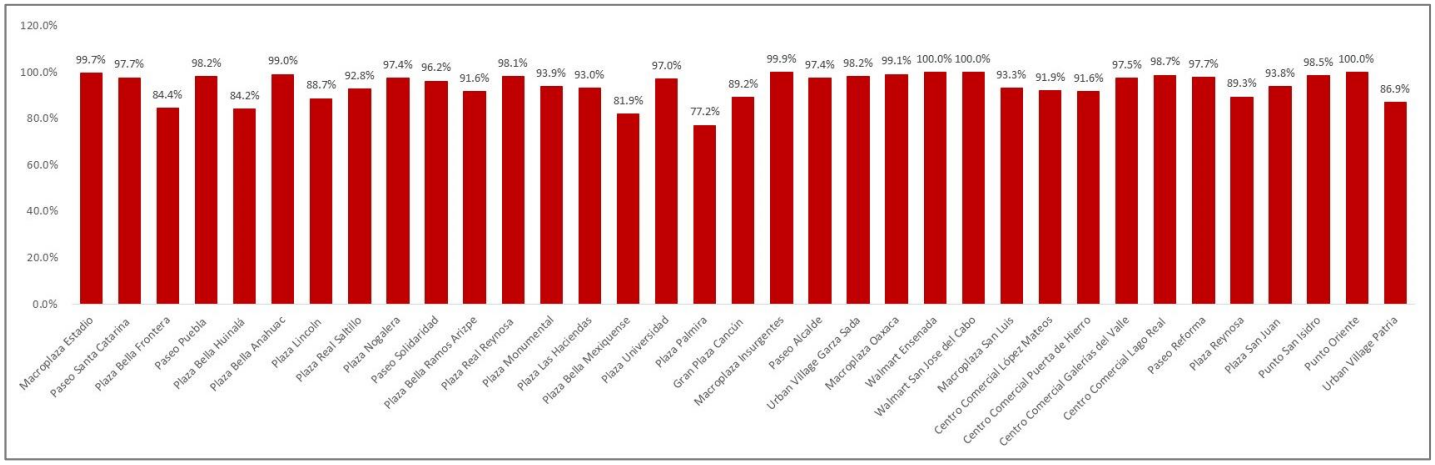
In 2Q19, the occupancy rate was 94.4%, which considers the stabilized properties[4] and excludes the 15,000 m2 in redevelopment of the Urban Village Ciudadela property (formerly known as Urban Village Patria). Without considering the shopping center mentioned above, the occupancy rate would be 94.9%.

The following graphs show the annual evolution of the GLA of the portfolio in a cumulative manner of our commercial centers in operation and stabilized, as well as the percentage of occupancy by place.

GLA of the portfolio in a cumulative manner



% Occupation at property level



[4] Does not include Mall Paseo Hipódromo which is in stabilization process.

2.4) Characteristics of Lease Agreements [5]

As of June 30, 2019, we had approximately 2,000 lease agreements distributed among more than 1,200 tenants, of which none represents more than 10.0%, except for Grupo Walmart with its different store layouts, which represent 23.8% and 17.6% of our GLA and income, respectively. Out of the 35 commercial centers in operation and stabilized, we currently have 23 shopping centers anchored by some Walmart Group layout, 7 shopping centers anchored by some HEB store layout and 3 shopping centers anchored by Home Depot. On the other hand, we have Cinemex complexes in 14 shopping centers and Cinépolis complexes in 10 shopping centers. Our tenants of anchor stores or their parent companies are usually tenants with high credit quality.

Some of the characteristics of our lease agreements are: (i) the initial term for most of the lease agreements with our anchor stores is 5 to 10 years forced for both parties, extendable for at least an additional period of the same duration (depending on the maximum period allowed by local legislation), at the choice of the tenant. Additionally, the term for the majority of our lease agreements with non-anchor stores is 2 to 5 years. As of 2Q19, the average lease term remaining (weighted by GLA) for our agreements with non-anchor stores is 3.7 years and with our anchor stores is 9.3 years. The following table details our portfolio of consolidated shopping centers with controlling participation in 2Q19.

Property	State	Year of construction	Opening year	Acquisition date	Revenues from leases 2Q19 (Ps.)[2]	Percentage of revenues from leases	Revenues from leases 6M19(Ps.)[2]	NOI
								6M19 (Ps.)
Urban Village Ciudadela (before Urban Village Patria)	Jalisco	2006	2010	dic-14	22,056,559	6.25%	42,829,677	35,861,579
Macroplaza del Valle	Baja California	2008	2008	dic-14	26,283,025	7.45%	51,283,625	40,589,962
Plaza Real Reynosa	Tamaulipas	2005	2005	may-13	19,518,535	5.53%	38,463,484	29,442,824
Paseo Santa Catarina	Nuevo León	2005	2006	nov-12	20,089,270	5.69%	39,756,077	33,554,620
Plaza Palmira	Campeche	2008	2009	may-13	10,308,666	2.92%	20,775,648	12,173,356
Plaza Nogalera	Coahuila	2006	2006	oct-13	17,462,596	4.95%	34,658,209	29,187,389
Gran Plaza Cancún	Quintana Roo	2004	2006	oct-13	19,145,058	5.43%	38,458,933	28,920,350
Plaza Bella Anáhuac	Nuevo León	2002	2003	may-13	16,079,400	4.56%	32,389,019	27,093,335
Centro Comercial Paseo Reforma	Tamaulipas	2007	2008	dic-14	18,850,367	5.34%	37,664,013	30,069,600
Plaza Real Saltillo	Coahuila	1999	2000	may-13	13,108,275	3.71%	26,153,152	21,031,516
Mall Plaza Lincoln	Nuevo León	2006	2007	may-13	11,505,689	3.26%	22,518,852	15,586,107
Centro Comercial Lago Real	Nayarit	2008	2008	dic-14	13,408,749	3.80%	26,388,955	21,269,429
Plaza Monumental	Chihuahua	2007	2008	may-13	11,031,142	3.13%	21,815,316	17,341,862
Plaza Universidad	Hidalgo	2005	2006	oct-13	9,116,528	2.58%	18,373,724	13,998,373
Plaza López Mateos	Chihuahua	1995	1995	dic-14	6,684,914	1.89%	14,287,594	10,680,858

[5] Figures based on the stabilized properties.

Property	State	Year of construction	Opening year	Acquisition date	Revenues from leases 2Q19 (Ps.)[2]	Percentage of revenues from leases	Revenues from leases 6M19(Ps.)[2]	NOI 6M19 (Ps.)
Súper Plaza Las Haciendas	Estado de México	2005	2006	may-13	7,248,816	2.05%	15,136,613	11,805,257
Plaza Bella Mexiquense	Estado de México	2006	2006	may-13	5,933,341	1.68%	12,723,355	9,265,534
Macroplaza Oaxaca	Oaxaca	2013	2014	mar-13	17,177,069	4.87%	33,824,304	26,323,965
Paseo San Juan	Querétaro	2012	2013	dic-14	4,009,519	1.14%	7,837,007	5,653,084
Plaza Bella Huinalá	Nuevo León	2009	2009	oct-13	4,257,359	1.21%	8,537,257	5,692,138
Centro Comercial Puerta de Hierro	Hidalgo	2006	2006	dic-14	2,475,702	0.70%	5,425,760	4,179,297
Walmart San Jose del Cabo	Baja California Sur	2010	2010	jul-14	5,150,825	1.46%	10,380,068	9,889,262
Walmart Ensenada	Baja California	2012	2012	jul-14	2,744,479	0.78%	5,672,164	5,427,495
Paseo Puebla	Puebla	2013	2013	mar-13	5,974,278	1.69%	11,518,414	9,394,665
Plaza Reynosa	Tamaulipas	1991	1995	dic-14	2,503,759	0.71%	5,175,955	4,390,570
Paseo Solidaridad	Sonora	2015	2016	mar-15	5,042,546	1.43%	10,887,551	7,457,316
Plaza Bella Ramos Arizpe	Coahuila	2008	2008	sep-16	5,517,364	1.56%	10,602,426	8,170,725
Macroplaza San Luis	San Luis Potosí	2014	2016	nov-14	10,295,217	2.92%	20,342,906	15,864,777
Paseo Alcalde	Jalisco	2014	2016	ago-14	5,896,141	1.67%	12,370,196	10,290,632
Punto San Isidro	Jalisco	2008	2009	nov-17	4,321,259	1.22%	8,548,230	7,154,259
Punto Oriente	Jalisco	2007	2011	nov-17	6,077,944	1.72%	12,493,058	10,388,895
Paseo Hipódromo[1]	Estado de México	2014	2017	nov-14	6,022,868	1.71%	12,363,755	6,477,017
Urban Village	Nuevo León	2015	2017	sep-15	17,583,898	4.98%	35,037,160	26,563,546
TOTAL CONTROLLED[3]					**352,881,157**	**100%**	**704,692,457**	**551,189,594**

[1] Property in the process of stabilization.
[2] Income obtained by the Parking Operator is not included.
[3] The total revenues from leases and NOI may not coincide with the amounts reflected in the consolidated financial indicators, since these indicators include the results of our positions with controlling and non-controlling participation, and also consider certain eliminations between related parties.

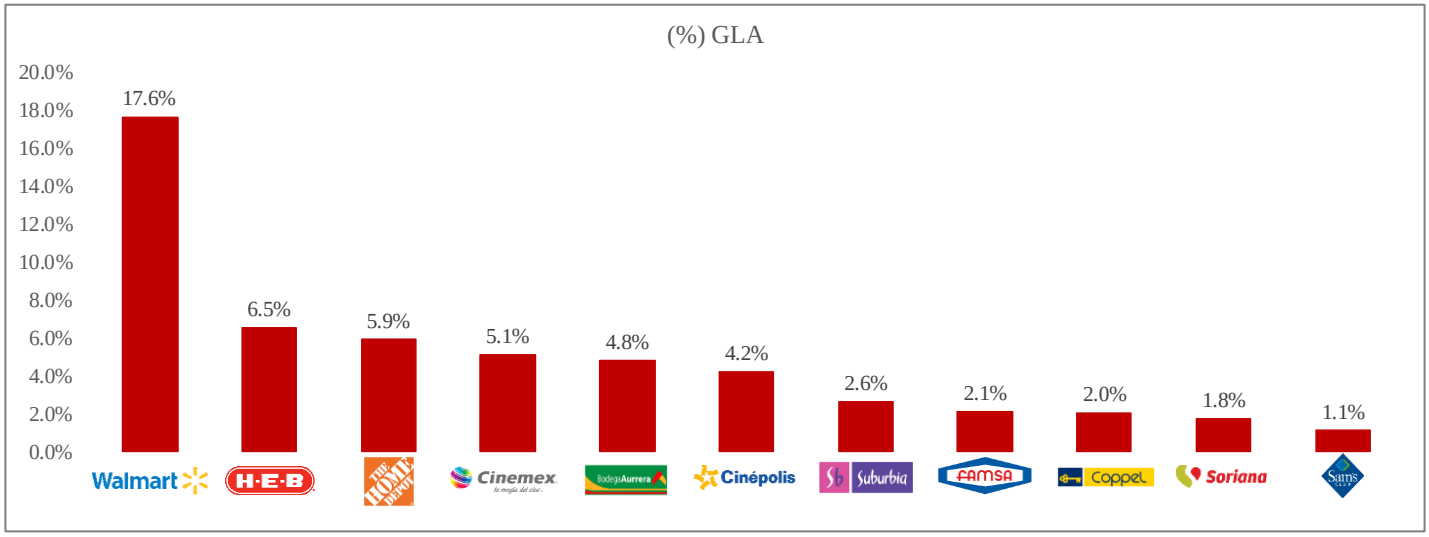
The following table details our portfolio of shopping centers in which we have a non-controlling interest as of June 30, 2019; the amounts are shown at our participation proportion (Macroplaza Insurgentes 40%, Macroplaza Estadio Morelia and Plaza Bella Frontera 5%):

Properties with non-controlling interest	State	Year of construction	Opening year	Acquisition date	Revenues from leases 2Q19 (Ps.)[2]	Percentage of revenues from leases	Revenues from leases 6M19(Ps.)[2]	NOI 6M19 (Ps.)
Macroplaza Insurgentes	Baja California	2006	2007	dic-06	21,537,764	97.51%	43,035,863	43,949,354
Macroplaza Estadio Morelia	Michoacan	2011	2011	dic-11	404,477	1.83%	808,602	684,938
Plaza Bella Frontera	Coahuila	2011	2011	dic-11	144,513	0.65%	288,180	204,771
TOTAL NOT CONTROLLED					**22,086,754**	**100%**	**44,132,645**	**44,839,063**

The following table summarizes our portfolio of consolidated shopping centers corresponding to the periods of 6M19 and 6M18:

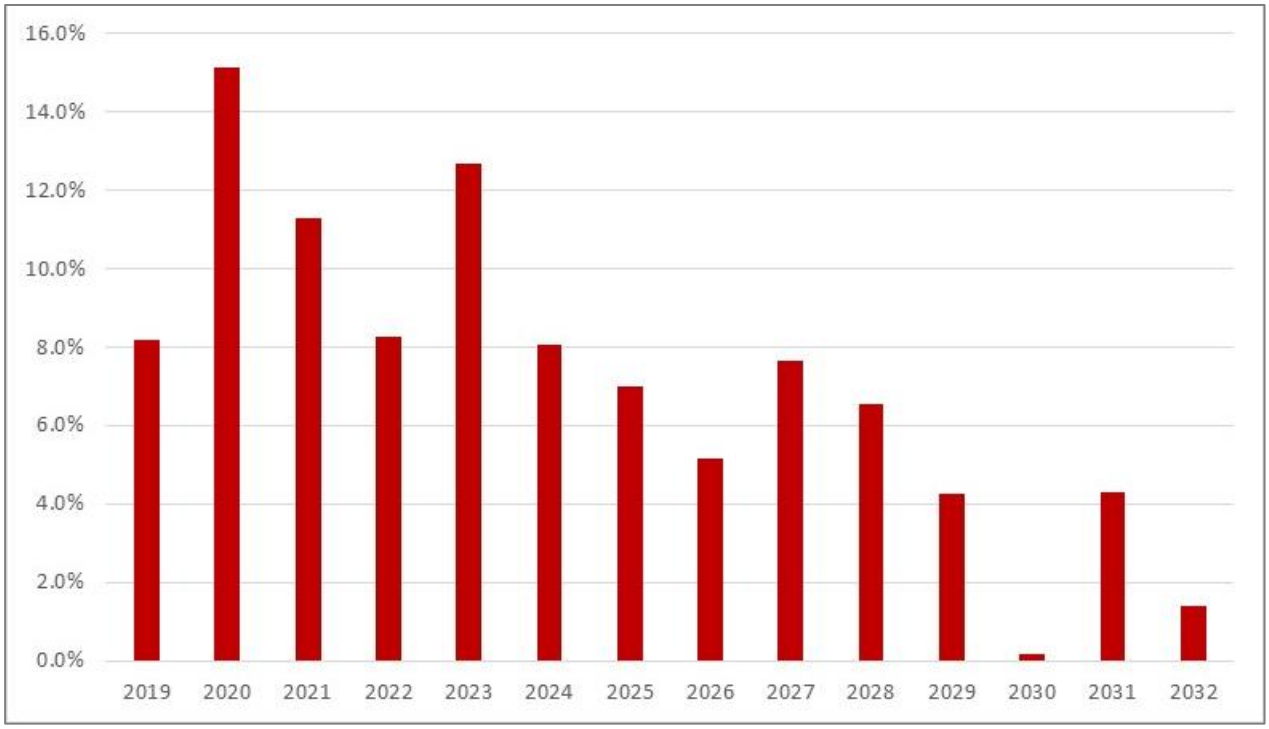
Property	State	Opening year	Revenues from leases 6M19(Ps.)	Revenues from leases 6M18(Ps.)	NOI 6M19 (Ps.)	NOI 6M18 (Ps.)
Urban Village Ciudadela (antes Urban Village Patria)	Jalisco	2010	42,829,677	37,258,713	35,861,579	31,977,111
Macroplaza del Valle	Baja California	2008	51,283,625	48,628,626	40,589,962	37,814,949
Plaza Real Reynosa	Tamaulipas	2005	38,463,484	35,600,331	29,442,824	26,878,695
Paseo Santa Catarina	Nuevo León	2006	39,756,077	37,256,956	33,554,620	30,400,176
Plaza Palmira	Campeche	2009	20,775,648	21,475,557	12,173,356	12,547,660
Plaza Nogalera	Coahuila	2006	34,658,209	33,004,892	29,187,389	27,509,729
Gran Plaza Cancún	Quintana Roo	2006	38,458,933	36,221,333	28,920,350	27,916,015
Plaza Bella Anáhuac	Nuevo León	2003	32,389,019	30,569,270	27,093,335	25,398,502
Centro Comercial Paseo Reforma	Tamaulipas	2008	37,664,013	35,584,539	30,069,600	28,178,636
Plaza Real Saltillo	Coahuila	2000	26,153,152	24,699,975	21,031,516	19,567,313
Mall Plaza Lincoln	Nuevo León	2007	22,518,852	21,339,130	15,586,107	15,045,891
Centro Comercial Lago Real	Nayarit	2008	26,388,955	25,679,877	21,269,429	19,944,567
Plaza Monumental	Chihuahua	2008	21,815,316	17,886,954	17,341,862	14,150,316
Plaza Universidad	Hidalgo	2006	18,373,724	16,800,527	13,998,373	12,041,743
Plaza López Mateos	Chihuahua	1995	14,287,594	13,834,548	10,680,858	9,737,834
Súper Plaza Las Haciendas	Estado de México	2006	15,136,613	13,902,113	11,805,257	9,586,633
Plaza Bella Mexiquense	Estado de México	2006	12,723,355	12,054,380	9,265,534	8,768,139
Macroplaza Oaxaca	Oaxaca	2014	33,824,304	31,835,893	26,323,965	24,900,963
Paseo San Juan	Querétaro	2013	7,837,007	6,781,237	5,653,084	5,035,782
Plaza Bella Huinalá	Nuevo León	2009	8,537,257	7,599,183	5,692,138	5,163,787
Centro Comercial Puerta de Hierro	Hidalgo	2006	5,425,760	5,759,202	4,179,297	4,310,930
Walmart San Jose del Cabo	Baja California Sur	2010	10,380,068	10,124,234	9,889,262	9,642,382
Walmart Ensenada	Baja California	2012	5,672,164	5,519,212	5,427,495	5,275,640
Paseo Puebla	Puebla	2013	11,518,414	10,552,449	9,394,665	8,550,148
Plaza Reynosa	Tamaulipas	1995	5,175,955	5,488,646	4,390,570	4,740,235
Paseo Solidaridad	Sonora	2016	10,887,551	10,248,269	7,457,316	6,774,904
Plaza Bella Ramos Arizpe	Coahuila	2008	10,602,426	9,861,742	8,170,725	7,471,857
Macroplaza San Luis	San Luis Potosí	2016	20,342,906	19,001,943	15,864,777	15,234,315
Paseo Alcalde	Jalisco	2016	12,370,196	12,986,913	10,290,632	10,379,151
Punto San Isidro	Jalisco	2009	8,548,230	7,937,935	7,154,259	6,359,595
Punto Oriente	Jalisco	2011	12,493,058	11,101,034	10,388,895	8,999,864
Paseo Hipódromo	Estado de México	2017	12,363,755	8,751,853	6,477,017	3,976,327
Urban Village	Nuevo León	2017	35,037,160	29,600,430	26,563,546	22,483,742
TOTAL CONTROLLED			**704,692,457**	**654,947,896**	**551,189,594**	**506,763,531**

The following graph shows the distribution of the main lease agreements by tenant category, as a proportion of the total profitable area of the portfolio in operation.



The following table shows the maturity percentages of lease agreements of our commercial centers in operation as of 2Q19:

Lease agreement maturity as a percentage of our GLA



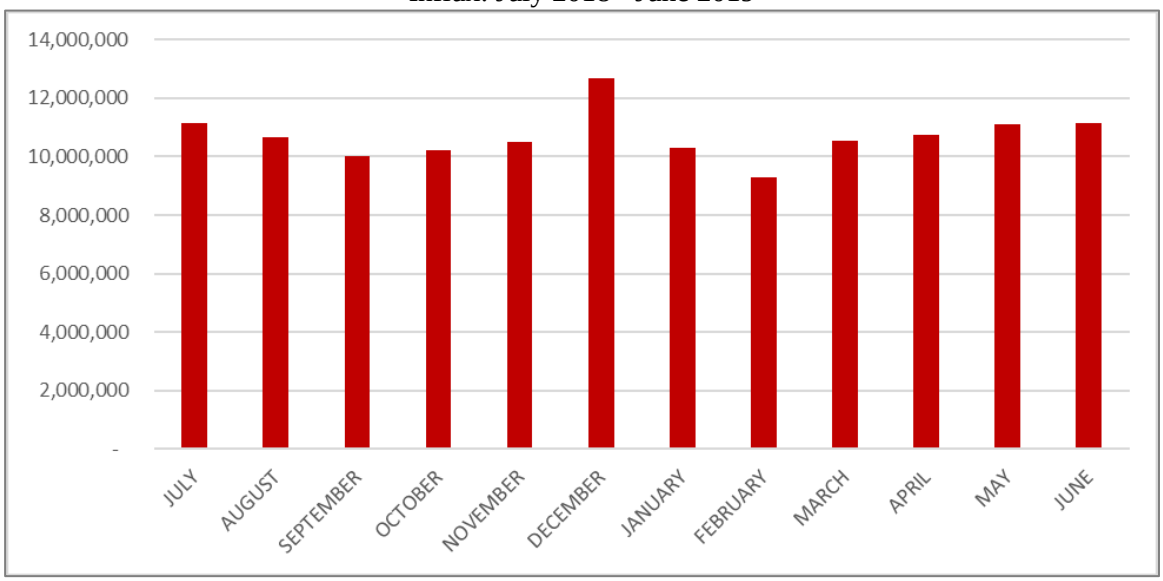
2.5) Revenues from fixed leases

During 2Q19, revenues from leases related to the controlling share amounted to Ps. 371.5 million. Our revenues from leases including the properties in which we have a controlling and non-controlling interest amounted to Ps. 398.6 million.

2.6) Number of visitors graph

During 2Q19, the influx at operating and stabilized shopping centers reached approximately 30 million visitors.

Influx: July 2018 - June 2019



2.7) Property in the process of stabilization

a) Paseo Hipódromo

Paseo Hipódromo is a three-level shopping center located in the Municipality of Naucalpan de Juárez, in the State of Mexico. It has approximately 4,700 m2 of land and approximately 7,500 m2 of GLA. We plan to include different entertainment and food options. We have entered into lease agreements with a Cinemex movie theater complex, as well as with other lessees, equivalent to 86% of its GLA. The mall began operations in December 2017 and is therefore in the final stabilization stage.

Property	State	GLA	Land	GLA leased	% Occupancy (2Q19)	% Occupancy (2Q18)	Work in progress [1]
Paseo Hipódromo	State of Mexico	7,478	4,700	6,432	86%	79%	98%

[1] The Work in progress refers to the investment progress, not to the physical construction progress.

3. Stabilized properties

Property	State	Opening year	GLA m2	Influx 2Q19	Anchors
Urban Village Ciudadela[1]	Jalisco	2010	51,281	2,586,251	Walmart, Cinépolis and Best Buy
Galerías del Valle	Baja California	2008	34,400	3,021,272	Walmart and Cinépolis
Plaza Real Reynosa	Tamaulipas	2005	35,856	2,694,887	HEB, Cinemex and Home Depot
Paseo Santa Catarina	Nuevo León	2006	37,605	6,003,542	Walmart, Suburbia and Cinemex
Plaza Palmira	Campeche	2009	29,655	1,479,353	Chedraui, Cinemex
Plaza Nogalera	Coahuila	2006	41,889	2,700,356	HEB, Cinépolis and Home Depot
Gran Plaza Cancún	Quintana Roo	2006	26,704	3,599,461	Suburbia, Cinépolis and Walmart*
Plaza Bella Anáhuac	Nuevo León	2003	27,306	2,697,373	HEB and Cinemex
Paseo Reforma	Tamaulipas	2008	40,983	3,442,537	Walmart, Home Depot, and Cinépolis.
Plaza Real Saltillo	Coahuila	2000	16,506	2,849,162	HEB and Cinemex

Property	State	Opening year	GLA m2	Influx 2Q19	Anchors
Plaza Lincoln	Nuevo León	2007	28,421	2,248,085	HEB, Suburbia, and Cinemex
Centro Comercial Lago Real	Nayarit	2008	26,186	2,274,251	Walmart and Cinépolis
Plaza Monumental	Chihuahua	2008	17,204	1,302,067	Walmart and Cinépolis
Plaza Universidad	Hidalgo	2006	17,298	2,235,022	Bodega Aurrerá
Centro Comercial López Mateos	Chihuahua	1995	22,039	1,288,816	Soriana
Plaza Las Haciendas	Estado de México	2006	16,480	1,504,810	Bodega Aurrerá
Plaza Bella Mexiquense	Estado de México	2006	18,774	1,858,939	Bodega Aurrerá and Cinemex
Macroplaza Oaxaca	Oaxaca	2014	26,347	2,801,227	Walmart, Suburbia and Cinemex
Plaza San Juan	Querétaro	2013	7,473	NA[4]	Cinépolis, Bodega Aurrerá*, and Home Depot*
Plaza Bella Huinalá	Nuevo León	2009	15,577	1,114,142	Mi Tienda del Ahorro (HEB)
Centro Comercial Puerta de Hierro	Hidalgo	2006	16,299	NA[4]	Home Depot and Office Max
Walmart San Jose del Cabo	Baja California Sur	2010	9,891	NA[4]	Walmart
Walmart Ensenada	Baja California	2012	9,939	NA[4]	Walmart
Paseo Puebla	Puebla	2013	10,747	855,894	Walmart
Plaza Reynosa	Tamaulipas	1995	10,745	NA[4]	Bodega Aurrerá
Plaza Bella Ramos Arizpe[2]	Coahuila	2008	15,583	1,164,667	Bodega Aurrerá and Cinemex
Paseo Solidaridad	Sonora	2016	13,077	817,116	Tienda Ley and Cinemex
Paseo Alcalde	Jalisco	2016	12,212	1,070,007	Walmart and Cinemex
Macroplaza San Luis	San Luis Potosí	2016	19,010	1,512,447	Walmart, Suburbia and Cinépolis
Punto San Isidro	Jalisco	2009	7,958	NA[4]	Superama
Punto Oriente	Jalisco	2011	18,603	NA[4]	Home Depot y Cinépolis
Urban Village	Nuevo León	2017	28,043	1,695,940	HEB and Lowe's
Macroplaza Insurgentes[3]	Baja California	2007	54,872	6,424,846	Walmart, Sam's and Cinemex
Macroplaza Estadio[3]	Michoacán	2011	17,511	1,387,387	Walmart and Cinemex
Plaza Bella Frontera[3]	Coahuila	2011	9,029	714,293	Bodega Aurrerá

** Benefit attributable to the influx of visitors*

[1] Includes redevelopment properties. Does not include approximately 15,000 m2 in UVC redevelopment.

[2] In September 2016, it ceased to be a non-controlling interest.

[3] Properties in which we have non-controlling interest.

[4] Not available (NA) given the configuration of the shopping center entrances.

RELEVANT EVENTS FOR 2Q19

Change in organizational structure (April 30, 2019)

Mexico City, Mexico - April 30, 2019 - Planigrupo Latam, S.A.B. de C.V. (the " Company " and / or "Planigrupo") (BMV: PLANI). Based on article 50, section 1, subsection b, of the General Provisions applicable to securities issuers and other securities market participants, it is made known to the investing public that Mr. Conrado Alba Brunet has been appointed as Chief Financial Officer of the Company. Mr. Conrado Alba Brunet is a graduate of Instituto Tecnológico Autónomo de México (ITAM) and has a MBA in International Banking and Finance from the University of Birmingham in the United Kingdom. He has more than 25 years of experience in the financial area and 8 in risk assessment. He was the Chief Financial Officer at CFE Fibra E (The Mexican Federal Electricity Commission) and held a top management positions at BBVA Bancomer and Banco Azteca.

PLANIGRUPO LATAM, S.A.B. de C.V. ANNOUNCES CHANGES IN THEIR BOARD OF DIRECTORS AND RATIFICATION OF COMMITTEE MEMBERS. (April 30, 2019)

Planigrupo Latam, S.A.B. DE C.V. (BMV: PLANI) ("Planigrupo" or "Company") announces that, as approved by the Annual Ordinary General Shareholders Meeting of the Company held on April 29, 2019, the Board of Directors is constituted as follows:

Name and title:

Eduardo Bross Tatz **, Elliott Mark Bross Umann, Benjamin Asher Bross Umann, Sebastián Agustín Villa, César Pérez Barnés, Marcos Alfredo Mulcahy, Diego Acevedo Rehbein, Epifanio Guillermo López Martínez, as Proprietary Members. Miguel Ángel Everardo Malaquías Castro González *, Luis Héctor Rodríguez-Navarro Oliver, Salomón Joseph Woldenberg Russell, as Independent Members. Rosa María Ingrid Palme de la Torre and / or Marco Antonio Soto Mayor Melo as Alternate Members in an indiscriminate manner of Eduardo Bross Tatz, Elliott Mark Bross Umann, Benjamin Asher Bross Umann and Gonzalo Allende Serra and / or Diego Stark and / or Juan Pablo Ortiz as Substitute members interchangeably with Sebastián Agustín Villa, César Pérez Barnés, Marcos Alfredo Mulcahy, Diego Acevedo Rehbein, Epifanio Guillermo López Martínez. Mr. Teodoro González Garza as Alternate Member of Solomon Joseph Woldenberg Russell.

Additionally, the Company received the resignations of Mr. Carlos Fainsod Leff, Rodrigo Lowndes and Carlos Valencia as alternate members of the Board of Directors, and Mr. Gonzalo Sainz Gout and Carlo Patricio Girón Uribe as Secretary not member of the Board of Directors and Deputy Secretary not a member of the Board of Directors, respectively.

Likewise, the Company informs that the Audit and Corporate Practices Committee was made up by Miguel Ángel Everardo Malaquías Castro González, Luis Héctor Rodríguez Navarro Oliver and Salomón Joseph Woldenberg Russell, as Chairman and members of said Committee, respectively; and the Compensation Committee was composed of Messrs. Elliott Mark Bross Umann, Marcos Alfredo Mulcahy and César Pérez Barnes.

The Company ratified the appointment made by the Board of Directors of José Ignacio Moreno Ortiz as Non-member Secretary of the Board of Directors and Rosario Hernández Rodríguez as Alternate Secretary not member of the Board of Directors.

PLANI Announces Results for the First Quarter of 2019. (April 26, 2019)

Mexico City, April 26, 2019, Planigrupo Latam, S.A.B. from C.V. and subsidiaries (hereinafter "PLANIGRUPO" or the "Company") (Quote Code on the Mexican Stock Exchange: PLANI), is a fully integrated real estate developer, operator and owner of shopping centers, with 43 years of experience in the development, design, construction, commercialization and administration of shopping centers in Mexico. Today, PLANIGRUPO published the results related to the first quarter of 2019 (hereinafter "1Q19").

NATURE OF THE BUSINESS

We are a fully integrated real estate developer, owner and holder with 44 years of experience in the development, design, construction, marketing, administration of shopping centers in Mexico. Since the creation of our first construction company in 1975, our team has participated in the acquisition and development of 70 shopping centers. With controlling interests in 33 commercial centers (of which 1 is in the process of stabilization) and non-controlling interests in 3 commercial centers, located in 18 federal entities in Mexico, 35 of which we currently operate and one of which we also own, is in operation and is still in the process of stabilization.

We are one of the largest owners of shopping centers in Mexico. Our 35 stabilized commercial centers in operation have a Total GLA of approximately 806,000 m2 and together with our property in the process of stabilization we expect to increase our Total GLA to approximately 814,000 m2[6], the Total GLA exceeds the GLA represented solely by our participation. Our shopping centers have leading anchor stores in the commercial sector and / or movie theater complexes. In order to improve the customers' shopping experience, most of our shopping centers also offer various entertainment and food options, as well as various designs to complement the commercial offer. We believe that our shopping centers are recognized as references to acquire goods and services and as an entertainment option in the different regions in which we operate.

TOP MANAGEMENT OBJECTIVES

Our goal is to become the leading integrator, developer and administrator of flagship shopping centers in Mexico. We hope to continue improving our existing portfolio through high quality properties that are identified and marketed by us, developed in conjunction with some of our key tenants, or incorporated through acquisitions. We hope to capitalize on opportunities that may arise in the short or medium term. This creates an opportunity to increase penetration in high quality commercial properties as demographic trends continue to improve. We strive to become the partner of choice for our tenants and we hope to continue strengthening our relationship by delivering the best in products and services in their class.

TOP MANAGEMENT STRATEGIES

PLANIGRUPO is a company with a fully internalized business model, which captures value throughout the business development cycle of projects in shopping centers and generates additional income, such as advertising and other services by third parties. Our corporate nature (stock exchange company) and business model eliminates leakage of commissions, so that the economic benefits to the shareholders are maximized.

[6] Includes approximately 15,000 m2 in Urban Village Ciudadela redevelopment. It also includes the m2 of Paseo Hipódromo, which is in the process of stabilization.

The two pillars of our business are:

- First, our portfolio of 35 commercial centers stabilized and in operation, have a consolidated occupation of 94.4%[7], as well as our malls in operation and in process of stabilization, generated a consolidated NOI of Ps. 321.0 million during 2Q19 from our commercial spaces leasing, which includes the malls in which we have a non-controlling interest.

- Second, our shopping center that has stabilized its operation during 2Q19 and one of our projects in the process of stabilization, as well as the acquisition of 2 stabilized places at the end of 2017, provide us the basis for the growth of our GLA, generating a higher NOI to our existing portfolio for the coming months.

RISK FACTOR'S

PLANIGRUPO is exposed to the following risks due to the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Capital risk

Risk Management Framework

The financial risks managed are regulated by the policies approved by the Company's Administration and certain approvals of the Board of Directors and Shareholders that guarantee in writing principles on the use and administration of investments and the investment of excess liquidity. The Investment Committee reviews compliance with the policies and exposure limits on an ongoing basis.

LIMITATION OF LIABILITY

This report may contain certain forward-looking statements that may involve some risk and uncertainty. Terms such as "we estimate", "we plan", "we expect", "probably" and other similar expressions could be interpreted as estimates. PLANIGRUPO warns readers that the statements and estimates contained in this document, or made by the PLANIGRUPO management team, involve risks and uncertainty that could change depending on several factors that are outside the control of PLANIGRUPO. Any future expectations reflect the value judgments of PLANIGRUPO as of the date of this document. PLANIGRUPO reserves the right or obligation to update the information contained in or derived from the report. Past or present performance is not an indicator of future performance.

We warn that a significant number of factors could cause current results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this report. In none event PLANIGRUPO, nor any of its subsidiaries, affiliates, directors, executives, agents or employees could be liable to third parties (including investors) for any investment, decision or action taken in relation to the information provided in this document or for any consequential special or similar damage.

[7] Does not include approximately 15,000 m2 in UVC remodeling. It does not include the Paseo Hipódromo that is undergoing a stabilization process.

FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following items make up our consolidated statements of income:

- ***Revenues.*** The principal source of revenues comes from the leases that our tenants pay us under operating leases. The income and costs of the lease agreements are recognized during the term of those agreements as the services are provided. We also earn revenues derived from the properties management and leasing commission fees and from properties performance. The properties management fees revenues consist of income derived from the administration of shopping centers, which were recognized in our annual results at the markups agreed for the provision of our services (from 2.0% to 4.0% over the leases actually collected in each of the properties we manage). Lease fees consist of income derived from the negotiation of new leases or their renewal for a period of 3 to 10 years, said commissions range between 3.0% and 8.5% of the total agreed income; 80.0% of the leasing commission fee is recognized at the execution of the lease agreements and the remaining 20.0% is recognized when the first rent is paid. Revenue from properties performance consists of commissions paid by certain property owners under the development agreements, we have entered into with them for the construction and development of their properties. Such commissions are paid when the developed properties reach a certain level of return or profitability, which is typically achieved after some years of efficient operation entrusted to us or as a consequence of the sale of the properties.

- ***Cost and operating expense.*** Operating costs and expenses consist of administration, maintenance and security expenses, allowance for doubtful accounts, salaries and fringe benefits, depreciation and amortization and general expenses.

- ***Other net income (expense).*** Other net income (expenses), consists of increases and decreases in the fair value of our investment properties (which correspond to our shopping centers), accounts receivable from previous periods collection, profit or loss on the sale of furniture and equipment, among others.

- ***Financial profits (costs).*** Financial profits (costs) are composed by interest expenses, interest income, changes on valuation of financial instruments and exchange net profit (loss).

- ***Changes in the fair value of investments in non-consolidated project trusts and other permanent investments.*** It consists of increases and decreases in the fair value of our investment in those non-consolidated Project Trusts (that is, our non-controlling interest in certain shopping centers), as well as increases and decreases in our investment in associated companies.

- ***Income taxes***. Income taxes include the tax caused on a legal basis and the deferred income taxes.

OPERATING RESULTS

Revenues

Total revenues for the three-month period ended June 30, 2019, were $378.6 million compared to the $347.0 million for the three-month period ended June 30, 2018, which represents an increase of 9.1%. This increase was mainly attributed to a $29.6 million increase in revenues during 2Q19.

Costs and operating expenses

Total operating costs and expenses were $152.2 million for the three-month period ended June 30, 2019, compared to the $138.8 million corresponding to the same period of the previous year, which represents an increase of $13.3 million or 9.6 %.

This variation was mainly attributed to an increase in administration, maintenance and security expenses of $3.9 million derived from the positions that continued with its stabilization process, which began operations in the last quarter of 2017, an increase of $5.1 million in salaries and fringe benefits, as well as an increase in depreciation and amortization for $4.3 million, derived from the recognition of the International Financial Reporting Standard "IFRS 16, Leases", the previous increases were partially offset by a decrease in the allowance of doubtful accounts for $1.4 million or 29.4% with respect to the same period of the previous year.

Other net income (expenses)

Total other net income for the three-month period ended June 30, 2019, summed up to $122.0 million compared to $87.0 million income from the same period last year. This increase in other income obtained was mainly attributed to an increase in the fair value of investment properties with respect to the decrease in fair value that was recognized in the same period corresponding to 2018, derived from valuations measured by independent third parties.

Financial cost, net

The financial costs net amounted to $168.4 million for the three-month period ended June 30, 2019, compared to $152.1 million in the same period of the previous year, which represented an increase of $16.4 million or 10.8%. This effect is mainly due to the valuation effect of the interest rate hedging financial instruments, which as of June 30, 2019 is recognized as a P&L effect.

Consolidated net income for the period

Consolidated net income for the three-month period ended June 30, 2019 was $152.1 million, compared to $132.8 million for the same period of the previous year, which represents an increase of 14.6%. This is attributed to the combination of increases and decreases in the interim consolidated statements of profit or loss line items described above.

Unaudited interim consolidated statements of profit or loss
Three-month periods ended June 30, 2019 and 2018
(Figures expressed in thousands of Mexican Pesos)

		June 2019	June 2018	Var. %
Revenues				
Leases	$	371,498	341,901	8.7%
Property management and leasing commission fees		7,193	5,105	40.9%
Total revenues		**378,691**	**347,006**	**9.1%**
Costs and operating expenses:				
Administrative, maintenance and security expenses		(61,545)	(57,645)	6.8%
Allowance for doubtful accounts		(3,274)	(4,639)	(29.4%)
Asset management expenses		(4,919)	(4,917)	0.0%
Salaries and fringe benefits		(55,166)	(50,053)	10.2%
Depreciation and amortization		(7,641)	(3,312)	130.7%
General expenses		(19,613)	(18,258)	7.4%
Total costs and operating expenses:		**(152,158)**	**(138,824)**	**9.6%**
Other income (expenses):				
Increase (decrease) in fair value of investment properties		114,684	84,929	35.0%
Other income (expenses), net		7,341	2,073	254.1%
Total other income (expenses), net		**122,025**	**87,002**	**40.3%**
Operating income		**348,558**	**295,184**	**18.1%**
Finance (cost) income:				
Interest expense		(162,737)	(154,901)	5.1%
Interest expense from leasing		(1,363)	(3,618)	(62.3%)
Interest income		4,887	8,861	(44.8%)
Effect on valuation of financial instruments		(9,128)	(2,309)	295.3%
Foreign currency exchange gain (loss), net		(82)	(101)	(18.8%)
Finance cost, net		**(168,423)**	**(152,068)**	**10.8%**
Increase in fair value of trust certificates from non-consolidated properties		14,872	20,058	(25.9%)
Income before taxes		**195,007**	**163,174**	**19.5%**
Income taxes:				
Current income tax		(19,635)	(18,806)	4.4%
Deferred income tax		(23,266)	(11,603)	100.5%
Total income taxes:		**(42,901)**	**(30,409)**	**41.1%**
Consolidated net income for the period	**$**	**152,106**	**132,765**	**14.6%**
Consolidated net income (loss) of:				
Controlling interest		137,230	131,307	4.5%
Increase in net assets attributable to holders and settlors		1,105	(2,062)	(153.6%)
Non-controlling interest		13,771	3,520	291.3%
Consolidated net income for the period	**$**	**152,106**	**132,765**	**14.6%**

Results of operations for the six-month periods ended June 30, 2019 and 2018

Revenues

Total revenues for the six month period ended June 30, 2019, were $750.3 million compared to $690.2 million for the same period ended June 30, 2018, which represents an increase of $60.2 million or 8.7%. This increase is mainly due to an increase of $57.5 million in revenues from leases, mainly attributable to the new properties that have continued with their stabilization process during 2019, starting operations at the end of 2017, Paseo Hipódromo (located in Naucalpan de Juárez, State of Mexico) and Urban Village in Garza Sada (located in Monterrey, Nuevo León). In addition, during the first half of 2019 there was an increase of $2.7 million in revenue from property management and leasing commission fees compared to the same period of the previous year.

Costs and operating expenses

Total operating costs and expenses were $299.7 million for the six-month period ended June 30, 2019, compared to $274.4 million the previous year, which represents an increase of $25.3 million or 9.2%. This variation was mainly attributed to an increase in administration, maintenance and security expenses of $10.2 million derived from the increase in the activities of the shopping centers indicated in the previous paragraph, an increase of $6.7 million in salaries and fringe benefits for covered vacancies in the period and needs of the new shopping centers, as well as an increase in depreciation and amortization for $6.8 million, a decrease in general expenses of $3.6 million or 10.2% with respect to the same period of 2018, whose increases were partially offset by a decrease in the allowance for doubtful accounts for $1.7 million or 19.2% compared to the same period of the previous year.

Other net income (expenses)

Total other net expenses for the period ended June 30, 2019, represented an income of $68.4 million compared to an expense of $127.3 million from the previous year. This increase in other income was mainly attributed to an increase in the fair value of our investment properties with respect to the decrease in fair value that was taken in 2018, derived from appraisals made by independent third parties. During this period, our property, called Paseo Hipódromo, changed the valuation approach to a cost based methodology based on the income approach derived from the progress in its stabilization process.

Financial cost, net

The net financial cost amounted to $356.2 million for the period ending June 30, 2019, compared to $310.4 million in the same period of the previous year, which represent an increase of $45.8 million or 14.7%. The increase is mainly due to the increase in interest expenses of $17.8 million, in addition to an increase of $19.8 million in the valuation effect of the financial instruments, whose impacts are recognized as of June 30, 2019 in the statement of profit or loss.

Consolidated net income for the period

Consolidated net income for the six-month period ended June 30, 2019 was $192.1 million, compared to the net profit of $20.6 MDP relative to the same period of the previous year, which represents an increase of $171.5 million or 830.3%. This is attributed to the combination of increases and decreases in the interim consolidated statements of profit or loss line items described above.

Unaudited interim consolidated statements of profit or loss
Six-month periods ended June 30, 2019 and 2018
(Figures expressed in thousands of Mexican Pesos)

		June 2019	June 2018	Var. %
Revenues				
Leases	$	737,526	680,053	8.5%
Property management and leasing commission fees		12,808	10,109	26.7%
Total revenues		**750,334**	**690,162**	**8.7%**
Costs and operating expenses:				
Administrative, maintenance and security expenses		(124,402)	(114,189)	8.9%
Allowance for doubtful accounts		(6,968)	(8,628)	(19.2%)
Asset management expenses		(9,781)	(10,039)	(2.6%)
Salaries and fringe benefits		(106,070)	(99,384)	6.7%
Depreciation and amortization		(13,920)	(7,129)	95.3%
General expenses		(38,560)	(34,989)	10.2%
Total costs and operating expenses:		**(299,701)**	**(274,358)**	**9.2%**
Other income (expenses):				
Increase (decrease) in fair value of investment properties		64,182	(131,244)	(148.9%)
Other income (expenses), net		4,243	3,915	8.4%
Total other income (expenses), net		**68,425**	**(127,329)**	**(153.7%)**
Operating income		**519,058**	**288,475**	**79.9%**
Finance (cost) income:				
Interest expense		(325,012)	(307,200)	5.8%
Interest expense from leasing		(3,034)	(3,618)	(16.1%)
Interest income		8,568	17,632	(51.4%)
Effect on valuation of financial instruments		(36,473)	(16,666)	118.8%
Foreign currency exchange gain (loss), net		(210)	(554)	(62.1%)
Finance cost, net		**(356,161)**	**(310,406)**	**14.7%**
Increase in fair value of trust certificates from non-consolidated properties		83,393	50,611	64.8%
Income before taxes		**246,290**	**28,680**	**758.7%**
Income taxes:				
Current income tax		(32,949)	(32,794)	0.5%
Deferred income tax		(21,235)	24,763	(185.8%)
Total income taxes:		**(54,184)**	**(8,031)**	**574.7%**
Consolidated net income for the period	**$**	**192,106**	**20,649**	**830.3%**
Consolidated net income (loss) of:				
Controlling interest		175,722	22,742	672.7%
Increase in net assets attributable to holders and settlors		1,909	(4,252)	(144.9%)
Non-controlling interest		14,475	2,159	570.4%
Consolidated net income for the period	**$**	**192,106**	**20,649**	**830.4%**

Unaudited interim condensed consolidated statements of financial position as of June 30, 2019, and December 31, 2018 (Figures expressed in thousands of Mexican Pesos)

		June 2019	December 2018	Var. %
ASSETS				
Current assets:				
Cash and cash equivalents	$	323,933	273,862	18.3%
Trade receivables, net		11,728	16,488	(28.9%)
Refundable taxes and other receivables, net		245,789	232,521	5.7%
Prepaid expenses		159,418	145,591	9.5%
Leasing rights		6,322	7,438	(15.0%)
Total current assets		**747,190**	**675,900**	**10.5%**
Non-current assets:				
Investment properties		12,572,928	12,461,482	0.9%
Furniture, equipment and leasehold improvements, net		59,521	67,054	(11.2%)
Leasing rights - Long term		3,770	6,859	(45.0%)
Leasing rights of furniture and equipment		7,749	4,755	63.0%
Investment in Trusts' certificates of project vehicles		651,162	592,929	9.8%
Deferred income taxes		113,159	113,160	(0.0%)
Derivative financial instruments		17,010	51,836	(67.2%)
Other non-current assets, net		48,454	48,414	0.1%
Prepaid expenses - Long term		18,112	18,112	0.0%
Restricted cash		120,369	118,531	1.6%
Total non-current assets		**13,612,234**	**13,483,132**	**1.0%**
Total assets	**$**	**14,359,424**	**14,159,032**	**1.4%**
LIABILITIES AND EQUITY				
Current liabilities:				
Current installments of long-term debt	$	87,614	117,346	(25.3%)
Accounts payable and other liabilities		61,614	76,132	(19.1%)
Taxes payable and accruals		83,983	92,855	(9.6%)
Statutory employee profit sharing payable		364	285	27.7%
Collected rents in advance		18,613	10,699	74.0%
Income tax payable		35,079	21,578	62.6%
Leases payable		7,374	7,832	(5.8%)
Short-term accruals		25,874	25,874	0.0%
Total current liabilities		**320,515**	**352,601**	**(9.1%)**
Non-current liabilities:				
Long-term debt, excluding current installments		6,354,238	6,352,417	0.0%
Real Estate performance fee payable		235,478	235,478	0.0%
Deferred income taxes		464,834	443,597	4.8%
Deferred revenues		31,009	26,887	15.3%
Security deposits		88,762	87,540	1.4%
Employee benefits		672	752	(10.6%)
Leases payable		4,812	8,050	(40.2%)
Net assets attributable to holders and settlors		1,119,353	1,113,989	0.5%
Total non-current liabilities		**8,299,158**	**8,268,710**	**0.4%**
Total liabilities		**8,619,673**	**8,621,311**	**(0.0%)**
Equity:				
Capital stock		4,254,423	4,254,423	0.0%
Additional paid-in capital		42,279	32,355	30.7%
Retained earnings		922,902	747,180	23.5%
Net equity attributable to controlling interest		**5,219,604**	**5,033,958**	**3.7%**
Non-controlling interest		**520,147**	**503,763**	**3.3%**
Total stockholders' equity		**5,739,751**	**5,537,721**	**3.6%**
Total liabilities and stockholders' equity	**$**	**14,359,424**	**14,159,032**	**1.4%**

FINANCIAL POSITION

Cash and cash equivalents

Cash and cash equivalents as of June 30, 2019 amounted to $323.9 million, an increase of $50.1 million or 18.3% against the balance as of December 31, 2018 for $273.9 million. The increase is mainly due to a net cash generation from operations for $414.0 million, reduced by cash outflows derived from debt service for $373.2 million, as well as a net increase from investment activities for $9.3 million.

Refundable taxes and other receivables

Refundable taxes and other receivables as of June 30, 2019 amounted to $245.8 million, an increase of $13.3 million or 5.7% with respect to the balance as of December 31, 2018 for $232.5 million. The increase in this line item corresponds mainly to an increase in provisional payments of income tax, as well as ISR and VAT receivable balances.

Investment properties

Investment properties include 36 shopping centers that PLANIGRUPO operates through its consolidated subsidiaries. As of June 30, 2019, the balance of investment properties amounted to $12,572.9 million, an increase of $111.5 million or 0.9% compared to the balance at December 31, 2018 of $12,461.5 million. The variation in this line item balance is mainly due to the effect of an increase in the valuation of the properties of $64.2 million, capex additions and construction costs of $47.3 million. The increase in the fair value of investment properties relates to the conclusion of the weighting effect of the calculated fair values. As of June 30, 2019 all our properties are valued under the income approach considering the discounted cash flow method.

Furniture, equipment and leasehold improvements

Furniture, equipment and leasehold improvements as of June 30, 2019 amounted to $59.5 million, a decrease of $7.5 million or 11.2% with respect to $67.0 million of the balance as of December 31, 2018, which corresponds to the depreciation of assets recognized in this period, net from the additions of furniture and equipment incurred in the period.

Investment in Trusts' certificates of project vehicles

Other permanent investments as of June 30, 2019 amounted to $651.2 million, an increase of $58.3 million or 9.8% compared to $592.9 million of the balance as of December 31, 2018. The increase in this line item corresponds to the recognition of the equity method of the F / 00979 Trust, which maintains an investment over the F / 1002 Trust ("Tijuana" or "Macroplaza Insurgentes"), in which maintains a 40% stake.

Derivative financial instruments

The fair value of derivative financial instruments as of June 30, 2019 is $17.0 million, which compared to the value of $51.8 million as of December 31, 2018, results in a variation of $34.8 million. This is due to a decrease of $36.5 million on the recognition of the valuation of said instruments, partially offset by additions acquired for $1.7 million during the first half of 2019.

Current Liabilities

Current liabilities as of June 30, 2019 amounted to $320.5 million, which represent a decrease of $32.1 million compared to $352.6 million of the balance as of December 31, 2018. The main decreases correspond to outstanding liabilities as of December 31, 2018, for $23.4 million, including accounts payable to suppliers and other accrued liabilities, partially offset by an increase in the income tax payable as of June 30, 2019 for $13.5 million. The variation in the current portion of the long-term debt is explained in the following paragraph.

Long-term debt and current installments

The long-term debt line item and current installments as of June 30, 2019 amounted to $6,354.2 and $87.6 million, respectively, having an increase of $1.8 million and a decrease of $29.7 million or 25.3%, respectively, with respect to the balances of said accounts as of December 31, 2018 for $6,352.4 and $117.3 million.

The increase in the balances of these items is mainly derived from to the additional loans obtained in the period, as well as the interest payable recognized at the end of the period.

Capital Stock

The balance of the capital stock as of June 30, 2019 had no movements compared to the balance reflected as of December 31, 2018.

In the case of retained earnings and non-controlling interest, the observed variation is due to the recognition of the consolidated net income of the six-month period ended June 30, 2019.

Unaudited Interim consolidated statements of cash flows
as of June 30, 2019, and 2018
(Figures expressed in thousands of Mexican Pesos)

		June 2019	June 2018
Operating activities			
Consolidated net income (loss) fore the period	$	192,106	20,649
Adjustments:			
(Increase) decrease in fair value of investment properties		(64,182)	131,244
Depreciation and amortization		9,715	4,010
Amortization of leasing rights		4,205	3,119
Share based payments		9,924	8,170
Income taxes		54,184	8,031
(Increase) decrease in fair value of other permanent investments		(83,393)	(50,611)
Interest income		(8,568)	(17,632)
Valuation of financial instruments		36,473	16,666
Interest expense		328,046	310,818
Subtotal		**478,510**	**434,464**
Changes in:			
Trade receivables, net		4,760	7,547
Refundable taxes and other receivables, net		(13,267)	(53,243)
Prepaid expenses		(13,827)	(2,914)
Warranty deposits		1,222	-
Other non-current assets, net		13,759	3,110
Accounts payable and accruals		(14,518)	(28,366)
Leases paid		(6,746)	(6,920)
Taxes payable and accrued expenses		(8,872)	(13,110)
Paid income taxes		(19,137)	(3,541)
Other non-current liabilities		(7,915)	2,272
Net cash flows generated (used in) operating activities		**413,968**	**339,299**
Investing activities:			
Investments in trust certificates and other permanent investments		25,160	14,591
Acquisition of furniture, equipment and leasehold improvements		(2,181)	(3,819)
Capital expenditures in investment properties		(22,268)	(81,723)
Interest collected		8,568	17,632
Net cash flows generated (used in) investing activities		**9,279**	**(53,319)**
Financing activities:			
Distributions to trustees and holders		(10,567)	(45,194)
Obtained loans		135,000	2,161,727
Payments of principal from loans		(176,646)	(2,078,705)
Interest paid		(317,477)	(307,200)
Derivative financial instruments		(1,648)	(21,701)
Restricted cash		(1,838)	(9,582)
Net cash (used in) generated from financing activities		**(373,176)**	**(300,655)**
Net increase (decrease) in cash and cash equivalents		**50,071**	**(14,675)**
Cash and cash equivalents at beginning of period		**273,862**	**330,627**
Cash and cash equivalents at end of period	**$**	**323,933**	**315,952**

Our main source of short-term liquidity is the cash flow generated from our operations. The generated resources are mainly applied to pay operating expenses and other expenses directly associated with our properties, including maintenance expenses and capital investments in recurring improvements to our properties.

We intend to continue covering our short-term liquidity requirements through the cash generated by our operations. We believe that our revenues from leases after operating expenses, will generally give us sufficient cash flow inflows to meet general, administrative expenses and to fund distributions.

Our long-term liquidity requirements primarily consist of funds aimed to pay for the development or redevelopment of projects, renovations, extensions, property acquisitions and other non-recurring capital expenditures that must be made periodically. Our future intention is to cover our long-term liquidity requirements through various sources of resources, including financing through debt and, where appropriate, capital offers. We expect that any loan we obtain, will imply usual obligations, including provisions that may limit our ability to incur additional debt, limitations on the granting of other mortgages or guarantees or limitations to transfer certain assets, buy or acquire additional real estate, change the conduct of our business or granting loans or giving down payments, to celebrate any merger, consolidation with, or acquire the business, assets or capital of any third party.

We have not established restrictions with our subsidiaries to transfer resources to us nor are we aware of any known trend, commitment or event that may or will significantly affect our liquidity, results of operations or financial condition.

Exposure, risks and contingencies

Occasionally we celebrate derivative financial instruments in order to mitigate the risk caused from fluctuations in interest rates derived from the floating rate loans that we have entered into. These derivative financial instruments, although contracted for hedging purposes from an economic perspective, have been designated as negotiation for accounting purposes since they do not fulfill all the requirements stated in the accounting framework. We cannot assure we will be adequately protected by our hedging operations or that such hedging operations will not result in losses that affect our business, financial condition and results of operations.

As of June 30, 2019, 99.9% of floating rate debt is hedged with derivative financial instruments. The derivative financial instruments entered into by PLANIGRUPO are recorded as an asset at a fair value of Ps. 17.0 million, which is equivalent to 0.2% of our liabilities.

PLANIGRUPO has not had margin calls as of June 30, 2019 for the financial instruments acquired and has not had any breach under the protection of said instruments.

Financial position, liquidity and capital resources

Our main source of short-term liquidity is the cash flow generated by our operations. The generated resources are mainly applied to pay operating expenses and other expenses directly associated with our properties, including maintenance expenses and capital investments in recurring improvements to our properties.

As of June 30, 2019, our liquidity was Ps. 747.2 million and was made up of the total current assets (cash and cash equivalents, accounts receivable, taxes receivable and other accounts receivable, as well as prepayments) representing 5.2% of our total assets.

Operations outside the Statement of Financial Position

At the date of the report we do not have operations that are not registered in our statement of financial position as of June 30, 2019.

Indebtedness

As of June 30, 2019, our total insoluble debt for the controlling interest was Ps. 6,441.8 million. Out of the total amount of the debt, as of June 30, 2019, Ps. 87.6 million were short-term debt and Ps. 6,354.2 million long-term debt.

The LTV of PLANIGRUPO in 2Q19 was 42.6%, including our properties with non-controlling interest.

The LTV in 2Q19, including our properties with non-controlling interest, was 41.4%.

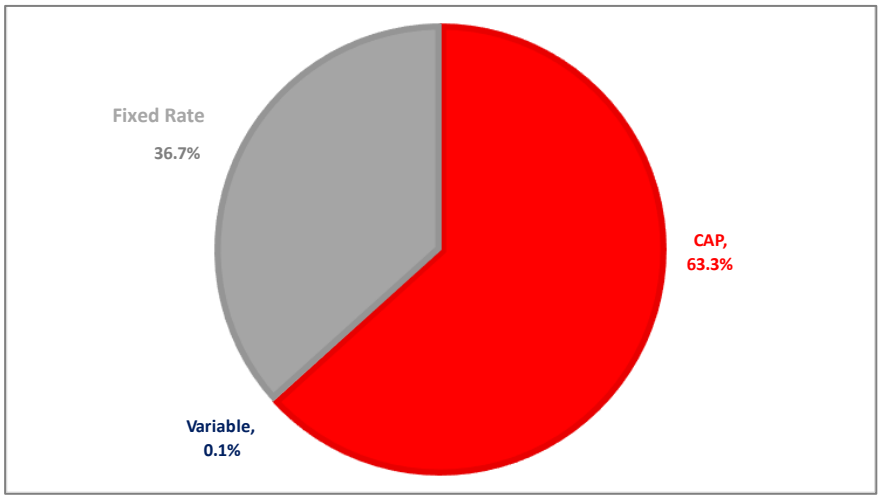
Property-level debt agreements have a mortgage guarantee.

As of June 30, 2019, 36.7% of our debt accrued interests at a fixed rate and 63.3% at a floating rate.

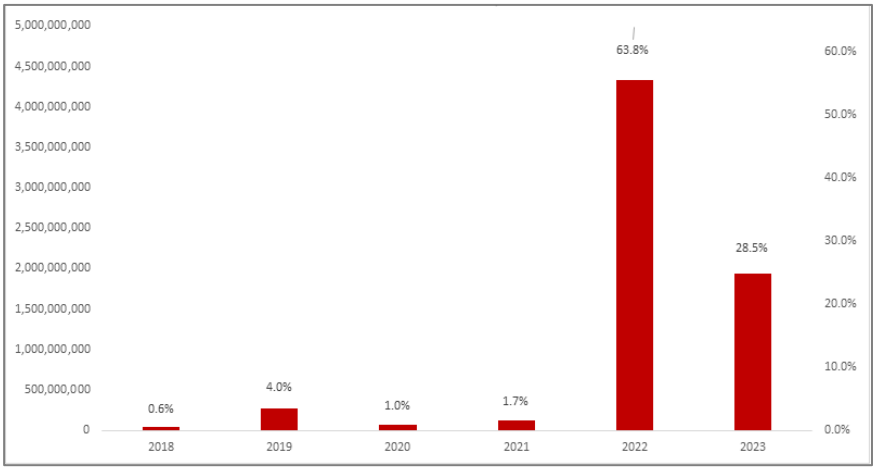
Derived from the recent refinancing of our loans, as of June 30, 2019, our total debt, including the positions in which we have a controlling and non-controlling interest, was Ps. 6,738.0 million of which 0.1% corresponded to a variable interest rate, 63.3% to a floating interest rate with current interest coverage and 36.7% fixed interest rate.

The consolidated weighted average rate is 9.5%, on outstanding balances as of June 30, 2019.

Debt Structure



Amounts amortized per year



Capital investments

For the period ended June 30, 2019, we incurred in capital investments of Ps. 22.3 million, which mainly consisted of maintenance investments and the redevelopment of one of our properties.

Quantitative and Qualitative Disclosures on Market Risks

Risk Management

In the ordinary course of business, we are exposed to various market risks that are beyond our control, including fluctuations in interest rates and currency exchange rates, which could have an adverse effect on the value of our assets and regarding our financial liabilities, future cash flows and profits. As a result of these market risks, we could suffer losses due to adverse changes in interest rates or currency exchange rates.

Our risk management policy seeks to assess the possibilities of experiencing losses and their consolidated impact and mitigate our exposure to fluctuations in interest rates and currency exchange rates.

Interest rate risk

We have exposure to market risk due to changes in interest rates. Fluctuations in interest rates mainly impact loans, changing either their fair value, or their future cash flows. Management does not have a formal policy to determine how much of the exposure of PLANIGRUPO should be at a fixed or variable rate. However, at the time of obtaining new loans, our management uses its judgment to decide whether it deems that a fixed or variable rate would be more favorable for us during the planned term, until its maturity.

In order to protect itself from the risks arising from fluctuations in interest rates, PLANIGRUPO has acquired upon derivative financial instruments. These derivative financial instruments, although contracted for hedging purposes from an economic perspective, have been designated as negotiation trading for accounting purposes since they do not fulfill all the requirements stated in the accounting framework.

Currency Exchange Rate Risk

As of June 30, 2019, the monetary position of assets and liabilities in dollars was non relevant, representing less than 1% of our total operating income, while practically all of our income, costs and operating expenses are denominated in Pesos.

PHONE CONFERENCE

PLANIGRUPO LATAM, S.A.B. de C.V.

Telephone Conference of Second Quarter Results 2019.

Date: Friday July 26, 2019

Time: 9:00 A.M. (Central Time, Mexico City) / 10:00 A.M. (Eastern Time, N.Y.)

Presented by:

Eduardo Bross Tatz – Chairman of the Board of Directors

Conrado Alba Brunet – Chief Financial Officer

Karime Garza Serna – Chief Operations Officer

Dial-in numbers

México: Tel: + 1 (334) 323 - 7224

United States / International: Tel: +1 (334) 323 - 7224

Access code: PLANI (voice tone)