



# Grupo Hotelero Santa Fe reports its results of 4Q15 and 2015



# Hotels Incorporated in 2015

**Monterrey**  
Aeropuerto  
September, 2015  
Management

**Cancun (expansion)**  
July, 2015  
Management

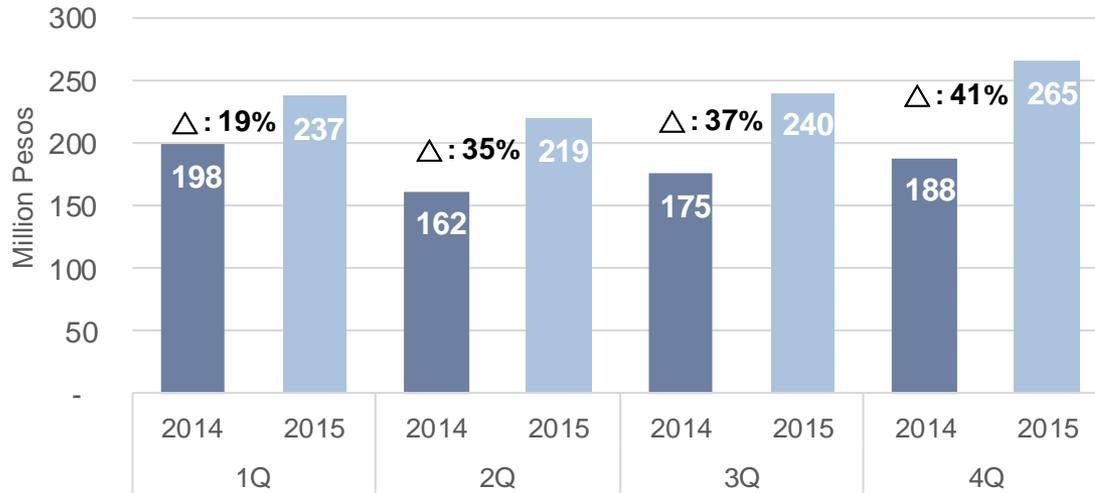
**Satelite**  
Maria Barbara  
May, 2015  
Owned

**Insurgentes, Mexico City**  
December, 2015  
Owned  
Under Development  
Opening expected in 2018

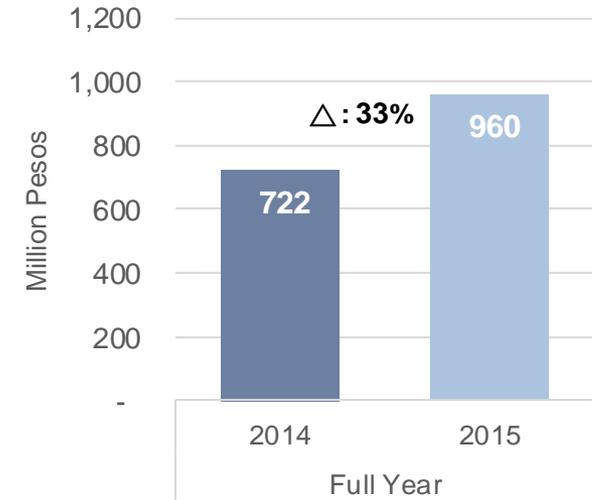
**Aeropuerto Mexico City**  
December, 2015  
Management

**Paraiso, Tabasco**  
October, 2015  
Management

Total Revenue - Quarterly Growth



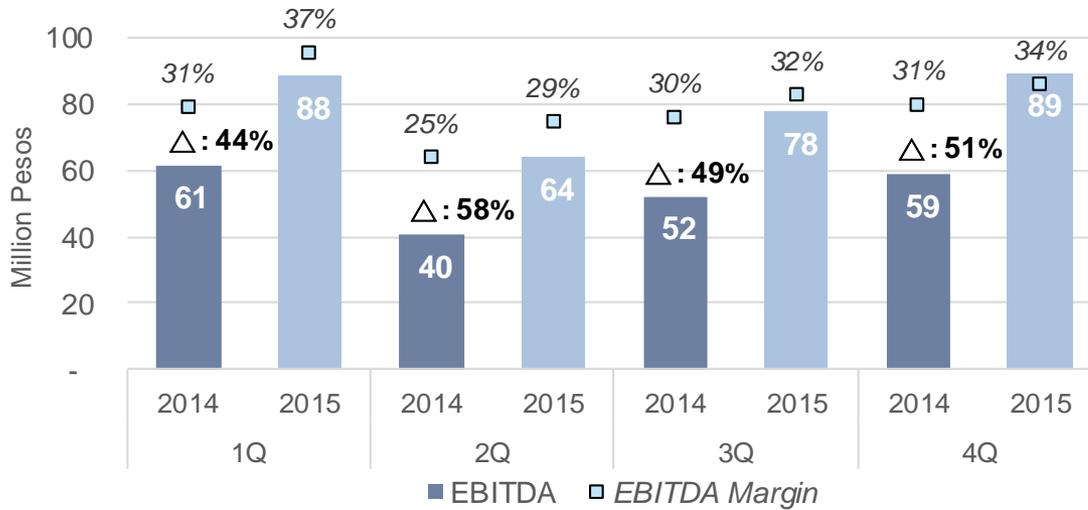
Total Revenue - Annual Growth



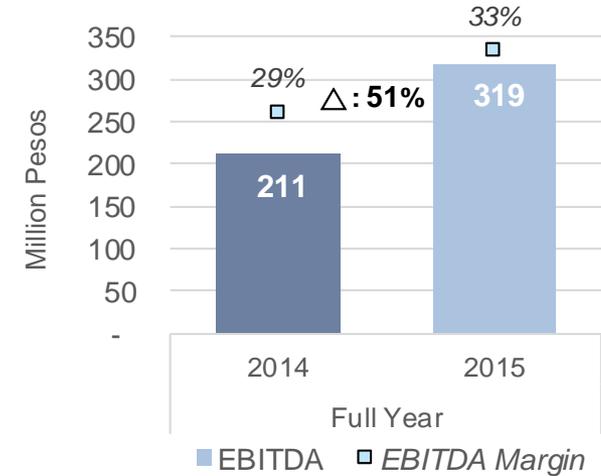
## Revenue growth drivers:

- Steady growth from portfolio of hotels in stabilization stage
- Solid performance of stabilized hotel portfolio
- Acquisitions and incorporation of third-party hotels under management
- Product improvement & active asset management

EBITDA Quarterly Growth & EBITDA Margin

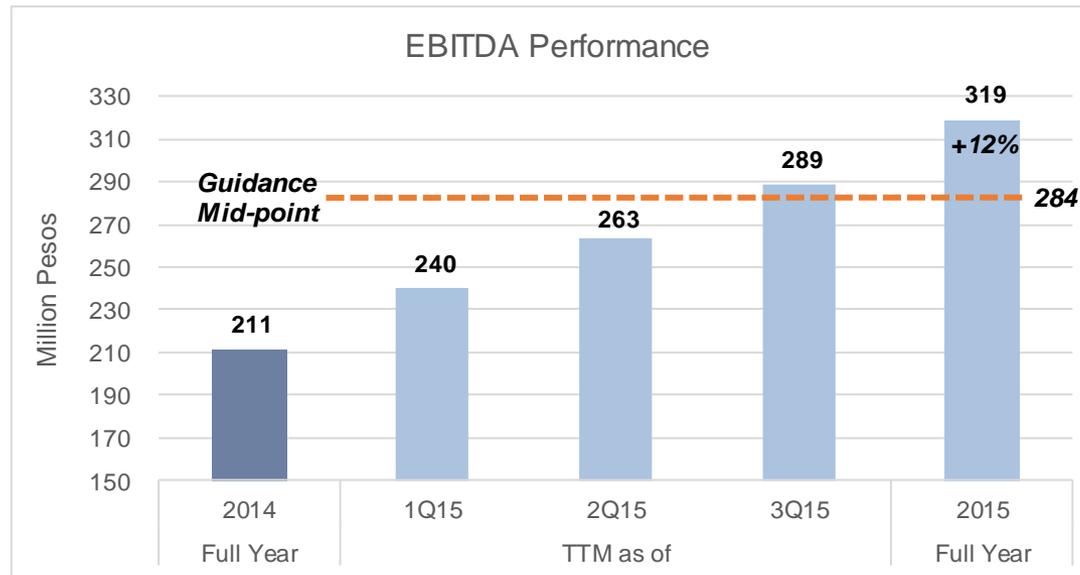


EBITDA Annual Growth & EBITDA Margin



## EBITDA growth drivers:

- Operating model efficiencies helped improve EBITDA margin nearly 4.0% in 2015
- Human capital & talent development program focused in multi-functionality toward broader career paths and continued growth within the Company (0.58 employees per available room).
- Top line growth and operating leverage



- 2015 EBITDA of Ps 318.8 million is 12.1% higher than the mid-point of the Company's Guidance.
- EBITDA margin of 33.2% is 3.7 pt higher than the 29.5% expected.
- Management committed to delivering results.

# Key Financial Highlights – Financial Debt

Figures in thousand Mexican Pesos	Denominated in (currency):		
	Pesos	Dollars	Total
<b>Debt*</b>			
Short Term	8,615	83,111	91,726
Long Term	111,385	911,899	1,023,284
<b>Total</b>	<b>120,000</b>	<b>995,010</b>	<b>1,115,010</b>
<i>Average rate of financial liabilities</i>	6.5%	3.7%	4.0%
Cash and equivalents**	97,031	57,489	154,521
<b>Net Debt</b>	<b>22,969</b>	<b>937,521</b>	<b>960,490</b>
Net Debt / LTM EBITDA (as of 31 December 2015)			3.0x

\*Includes accrued interests and effect of financial instruments related to financial debt.

\*\*Includes restricted cash related to bank debt.

- At the close of 2015, 89.3% of financial debt was dollar-denominated since the hotels that contracted this debt, the Krystal Grand Punta Cancun, Hilton Puerto Vallarta and Hilton Guadalajara have a significant portion of their revenues and cashflow in U.S. dollars.
- Financial debt, both in Pesos and USD, has an Interest Rate Cap to cover an increase in reference rates, TIE and LIBOR, above 5.0% and 2.0%, respectively.
- The Krystal Satellite Maria Barbara, Krystal Urban Cancun, Krystal Urban Ciudad Juarez and Krystal Urban Guadalajara (Opening in March 2016) revenues are mostly denominated in pesos and are free of financial debt.

Figures in thousand of Mexican Pesos

Currency Hedging Analysis	4T15	% Tot.	12M15	% Tot.
Revenue denominated in Pesos	170,787	64.5%	708,983	73.8%
Revenue denominated in dollars	94,102	35.5%	251,136	26.2%
<b>Total Revenue</b>	<b>264,889</b>	<b>100.0%</b>	<b>960,119</b>	<b>100.0%</b>
Cost and Expenses denominated in Pesos	154,330	87.8%	558,045	87.0%
Cost and Expenses denominated in dollars	21,458	12.2%	83,261	13.0%
<b>Total Cost and Expenses</b>	<b>175,788</b>	<b>100.0%</b>	<b>641,306</b>	<b>100.0%</b>
Cashflow denominated in Pesos	16,457	18.5%	150,938	47.3%
Cashflow denominated in dollars	72,645	81.5%	167,875	52.7%
<b>Total Cashflow</b>	<b>89,102</b>	<b>100.0%</b>	<b>318,813</b>	<b>100.0%</b>
Interest	7,957		32,149	
Principal	21,053		79,108	
<b>Total Debt Service</b>	<b>29,010</b>		<b>111,257</b>	
<b>Coverage Ratios</b>				
Interest Coverage ratio <sup>1</sup>	11.2x		9.9x	
Debt Service Coverage Ratio <sup>2</sup>	3.1x		2.9x	
Cashflow in dollars / Interest <sup>3</sup>	9.1x		5.2x	
Cashflow in dollars / Debts Service <sup>4</sup>	2.5x		1.5x	

1) Cashflow/ Interest; 2) Cashflow/ Total Debt Service

3) Cashflow in dollars / Interest; 4) Cashflow in dollars / Total Debt Service

Note: debt service excludes prepayment of bank loans related to acquisitions of the Krystal Urban Cancun Centro and Krystal Satelite María Bárbara hotels, for Ps. 188.0 million in May 2015 and Ps. 55.0 in June 2015, respectively.

- At the close of 2015, 26% of the Company's revenue and 53% of total cash flow were denominated in US Dollars.
- 2015 cash flow generation in dollars provided a DSCR of 1.5x, and when considering total cash flow (Pesos and dollars), DSCR was 2.9x.
- This position confirmed the Company's expectations to benefit from lower financing costs, given that hotels which contracted financial debt have a natural hedge to volatile scenarios.

- 2015 was a year of growth, greater efficiencies and strengthening of our Krystal® brand.
- In the last 24 months, we have incorporated over 1,500 rooms to the Krystal® brand.
- Our financial results have been consistently strong, translating into a 33% increase in revenue and 51% increase in EBITDA for 2015 vs 2014.
- Our main asset is our human capital, which now consists of over 2,500 associates committed to delivering results.
- We have a unique position to take advantage of the growing hotel industry and its strong fundamentals in order to become the leading hotel Company in Mexico.

Source: Datur

# Q&A Session