



HOTEL announces the sale of the Krystal Grand Reforma

Mexico City, May 3, 2017 - Grupo Hotelero Santa Fe, S.A.B. de C.V. (BMV: HOTEL) ("HOTEL" or "the Company"), one of the leading companies in the hotel industry in Mexico, announces that it has been informed, by the owner of the of the Krystal Grand Reforma (the "Property"), informed HOTEL on May 2, 2017, that it signed a purchase and sale agreement subject to certain conditions precedent and regulatory approvals for the sale of the Property in response to an unsolicited offer by a potential third party purchaser, and that said offer required as one of the conditions precedent to closing the cancelation of the hotel operation agreement for the Property. Therefore, if the conditions are met, it is estimated that HOTEL will stop operating the Property with its brand as by the end of the month of July or August 2017.

The operating results of the Property under HOTEL's operating period have been very positive. HOTEL started operating the Krystal Grand Reforma in December 2013, increasing Revenues & EBITDA by 60% and 70%, respectively by year end 2016, which demonstrates the Company's capacity to improve results through operating contracts of third-party hotels.

The Management Fees of this hotel represent approximately 1% of our 2017 revenues guidance, however we expect to recover these revenues with additional management contracts.

The Krystal Grand brand closed 2016 with 1,245 rooms and 4 hotels in operation and construction (3 in Mexico City and one in Cancun) and this year we added two hotels with 933 rooms in Los Cabos and Vallarta. Considering the exit of 500 rooms from the Krystal Grand Reforma, we will reach 1,678 rooms in 5 hotels, a 34% increase in rooms compared to the year-end 2016. The brand has been a success since its launch in 2013 and we will continue to expand it going forward.



Enrique Martínez
Financial Director
emartinez@gsf-hotels.com
Tel: +52 (55) 5261-0807

Maximilian Zimmermann
Investor Relations Director
inversionistas@gsf-hotels.com
Tel: +52 (55) 5261-4508

About HOTEL

Hotel is a leading company in the Mexican hotel industry, centered on acquiring, converting, developing and operating its own hotels as well as third party-owned hotels. The Company focuses on strategic hotel location and quality, a unique hotel management model, strict expense control and the proprietary Krystal® brand as well as other international brands. As of year-end 2016, the Company employed over 2,800 people at 23 hotels in Mexico and generated revenues of Ps. 1,221 million. For more information, please visit www.gsf-hotels.com

Legal Note on Forward Looking Statements:

The information provided in this report contains certain forward-looking statements and information related HOTEL and its subsidiaries which are based in the understanding of its managers, as well as in assumptions and information currently available for the Company. Such statements reflect the current view of Grupo Hotelero Santa Fe in regard to future events subject to a number of risks, uncertainties and assumptions. Several features may cause that the results, performance or current achievements of the Company may differ materially with respect to future results, performance or attainments of Grupo Hotelero Santa Fe that may be included, expressly or implied within such statements in regard to the future, including among others, alterations in the economic general conditions and/or politics, governmental and commercial changes globally or within the countries in which the Company has any business interests, changes in the interests rates and inflation, exchange rates volatility, changes in the demand and regulations of the products marketed by the Company, changes in the price of raw materials and other goods, changes in the business strategies and several other features. If one or more these of risks or uncertainties are materialized, or if the assumptions used result to be incorrect, the real results may materially differ from those described herein as anticipated, believed, expected or envisioned. Grupo Hotelero Santa Fe undertakes no obligation to

