

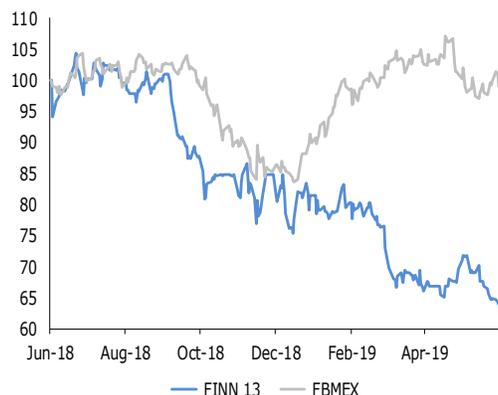
FIBRA INN

May's Hotel Indicators Continued to be Affected by the Macroeconomic Slowdown, But They Rebounded Compared to April

BUY

Target Price 2019E (MXN\$)	\$ 9.50
Current Price (MXN\$)	\$ 7.58
Max / Min (L12M - MXN\$)	7.53 - 12.53
Expected Dividend (MXN\$)	\$ 0.81
Total Return	36.0%
Mkt Cap (Mn of MXN)	4,008
Enterprise Value (Mn of MXN\$)	6,578
CBFI's Outstanding (Mn)	528.8
Float	85.4%
ADTV (MXN\$ Mn)	\$ 1.45

FIBRA INN presented its hotel indicators for May this year, which continued to show an annual reduction in the occupancy rate, as a result of macroeconomic uncertainty and the lack of signing of the T-MEC. This situation continued to affect the amount of revenues. However, the positive news is that the occupancy rate rebounded compared to April this year, despite the fact that the Holly Week fell during that month. This boosted the company's revenues in a significant way in the monthly comparison. We continue with our BUY recommendation and target price of MXN\$9.50 / CBFI after these results.



In terms of same store sales, which included 41 hotels, FIBRA INN recorded a 60.6% occupancy rate in May this year, which was below the 66.6% level of May 2018. The average daily rate per room improved slightly to MXN\$1,265.3, with which the RevPar (calculated as the occupancy rate multiplied by the daily average rate) fell by 6.8% YoY to MXN\$766.9. This resulted in monthly revenues of MXN\$154.8 million in May 2019, with a 7.9% YoY reduction. However, if we make the comparison against April this year, the occupancy rate grew 2.3 percentage points, while the average daily rate remained stable. RevPar rose 3.9% MoM, while revenues grew 7.1% MoM.

In terms of total sales, which included 42 hotels, FIBRA INN's occupancy rate was 60.1% in May 2019, down from 66.6% in May of the previous year. The average daily rate increased 4.2% to MXN\$1,272.2, which limited the reduction in RevPar to 5.9%, standing at MXN\$765.1. Monthly revenues were MXN\$159.1 million, with an annual 6.5% decrease. Compared to April this year, the occupancy rate recovered 2.1 percentage points, the average daily rate remained stable and the RevPar rose 3.7% MoM. In addition, hotel revenues were up 6.9% MoM.

Same-store sales	May-19	May-18	YoY Chg.	Apr-19	MoM Chg.
Hotels	41	41		41	
Room Revenue (MXN\$ Mn)	\$ 154.80	\$ 168.10	-7.9%	\$ 144.50	7.1%
Occupancy	60.6%	66.6%	-6.0 PP	58.3%	2.3 PP
ADR (MXN\$)	\$ 1,265.3	\$ 1,236.0	2.4%	\$ 1,265.9	0.0%
RevPar (P\$)	\$ 766.9	\$ 822.8	-6.8%	\$ 738.3	3.9%
Total Monthly Sales	May-19	May-18	YoY Chg.	Apr-19	MoM Chg.
Hotels	42	42		42	
Room Revenue (MXN\$ Mn)	\$ 159.10	\$ 170.20	-6.5%	\$ 148.80	6.9%
Occupancy	60.1%	66.6%	-6.5 PP	58.0%	2.1 PP
ADR (MXN\$)	\$ 1,272.20	\$ 1,221.50	4.2%	\$ 1,272.80	0.0%
RevPar (P\$)	\$ 765.10	\$ 813.50	-5.9%	\$ 738.10	3.7%

Source: FIBRA INN

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