

STORAGE: 4Q24 Results

Positive quarter with higher-than-expected revenues, NOI, EBITDA and FFO

STORAGE 18	BUY
Target Price (MXN\$)	\$ 27.50
Expected Dividend	\$ 0.36
Current Price (MXN\$)	\$ 18.75
Min / Max (L12M - MXN\$)	\$14.30 - 18.75
Total Return	48.6%
Mkt Cap (Mn of MXN)	5,004
CBFI's Outstanding (Mn)	266.9
Float	12.5%
ADTV (MXN\$ Mn)	1.0

Opinion and recommendation

STORAGE reported positive results with stronger-than-expected revenues, EBITDA, NOI and FFO.

We reiterate our BUY recommendation with a MXN\$27.50/CBFI target price after having updated our projections. We expect a favorable short-term reaction in STORAGE certificates price.

STORAGE's outlook is favorable due to the significant expansion of the portfolio that it is currently carrying out, in addition to the strategy of price increases above inflation.

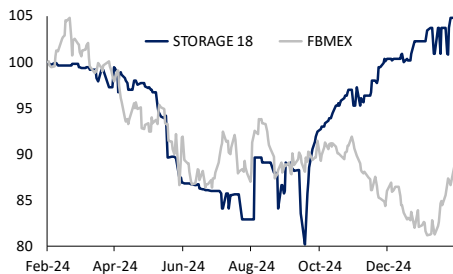
Portfolio

The built GLA reached 194 thousand M2, while the available GLA was 186 thousand M2 at the end of 4Q24, growing 5.6% and 4.2%, respectively. This was due to the incorporation of three new properties during the last twelve months. In addition, the Fibra expects to invest MXN\$971 million during the 2025-2027 period in the development of another 56 thousand M2, which will represent 29% of the current GLA. It has another 7.9 thousand M2 that are built but not enabled.

4Q24 Results

Revenues were up 20.2% YoY due to the available GLA expansion, combined with a 6 PP increase in occupancy levels to 81.7% and a 6.7% rise in the average monthly rent. Although the monthly rent adjustment slowed down compared to the previous two quarters, it outpaced inflation. Net absorption was 4,739 M2, the highest in recent quarters.

Profitability improved due to operating leverage, which boosted NOI by 20.6% YoY, EBITDA by 30.5% YoY and FFO by 108.3% YoY. The Fibra recorded margin expansion in all cases, most notably at the FFO level.



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The reported FFO included MXN\$52.8 million of other financial income. Excluding this extraordinary item, we estimate that it would have been MXN\$95 million, also exceeding our estimates.

The financial structure remained solid with an LTV of only 18.2%, below the 50% maximum threshold. In addition, the Fibra closed the quarter with a MXN\$707 million cash position and MXN\$85 million in recoverable taxes.

MAIN OPERATING INDICATORS	4Q24	4Q24E	Diff.	4Q23	Change
Built GLA (m2)	193,952	197,636	-1.9%	183,724	5.6%
Available GLA (m2)	186,048	189,731	-1.9%	178,504	4.2%
Occupied GLA (m2)	152,032	150,836	0.8%	135,202	12.4%
Monthly effective rate - MXN\$	368.6	366.3	0.6%	345.6	6.7%
Occupancy (%-m2)	81.7%	79.5%		75.7%	
RevPaM (MXN\$-EoP)	301.2	291.2	3.4%	261.8	15.0%
(Figures in Millions of Pesos)	4Q24	4Q24E	Diff.	4Q23	Change
Total Revenues	174	171	1.9%	145	20.2%
Leasing Revenues	166	164	0.9%	138	20.0%
Other Revenues	9	7	25.5%	7	24.4%
Operating Expenses (Incl. Asset Tax)	33	30	9.4%	27	22.9%
Corporate Expenses, Fees & Other	36	35	1.8%	37	-2.8%
NOI	135	132	1.8%	112	20.6%
NOI Margin	77.1%	77.7%		76.9%	
EBITDA	98	97	0.6%	75	30.5%
EBITDA Margin	56.0%	56.7%		51.6%	
FFO	147	74	99.0%	71	108.3%
FFO Margin	84.5%	43.3%		48.7%	

Discounted Cash Flow Model

(Figures in Millions of Mexican Pesos)	2026E	2027E	2028E	2029E	2030E	Perp.
FFO	421	483	540	596	641	656
Growth Capex	730	0	0	0	0	0
FFO after Capex	-309	483	540	596	641	656
Interest paid	256	297	311	333	367	376
FCFF	-53	780	850	929	1,008	1,032
Perpetuity Growth Rate						2.4%
PV of Explicit Period (2026 -2030E)						2,397
Terminal Value						11,685
PV of Terminal Value						6,157
Enterprise Value						8,554
Net Debt						1,439
Treasury CBFIs						140
Market Value						7,255
Recoverable VAT						85
Adjusted Market Value						7,340
CBFIs outstanding						267
Target Price						P\$ 27.50
Current Price						P\$ 18.75
Potential Return incl/ Div.						48.6%
Average Cost of Debt						9.32%
Cost of Capital						11.9%
Market Risk Premium						6.0%
Risk Free Rate						10.0%
Beta						0.33
% of Debt						25%
% of Capital						75%
WACC						11.27%

MAIN OPERATING INDICATORS	2024	2025E	2026E	2027E	2028E	2029E	2030E
Built GLA (m2)	193,952	215,952	246,352	246,352	246,352	246,352	246,352
Available GLA (m2)	186,048	211,633	241,425	241,425	241,425	241,425	241,425
Occupied GLA (m2)	152,032	177,172	206,941	211,770	216,598	221,427	226,255
Unoccupied GLA	34,016	34,461	34,484	29,655	24,827	19,998	15,170
Occupancy (%-m2)	82%	84%	86%	88%	90%	92%	94%
Monthly effective rate - MXN\$	368.6	390.7	414.2	439.0	465.3	493.3	522.9
RevPaM (MXN\$-EoP)	301.2	327.1	355.0	385.1	417.5	452.4	490.0
INCOME STATEMENT	2024	2025E	2026E	2027E	2028E	2029E	2030E
Total Revenues	696	792	987	1,140	1,237	1,340	1,452
Leasing Revenues	617	752	937	1,083	1,174	1,273	1,379
Other Revenues	79	40	50	57	62	68	73
Operating Expenses (Incl. Asset Tax)	115	139	173	200	217	235	255
Corporate Expenses, Fees & Other	142	174	219	254	276	293	318
Total General Expenses	258	314	394	456	495	531	575
Revaluation of Investment Properties	303	138	146	154	162	165	165
Operating Profit	742	615	739	838	904	974	1,042
Net Financial Cost	- 143 -	- 235 -	- 307 -	- 363 -	- 383 -	- 411 -	- 451 -
Net Profit	599	381	432	475	520	563	590
NOI	509	618	777	901	979	1,062	1,152
<i>NOI Margin</i>	<i>78.3%</i>	<i>78.8%</i>	<i>79.4%</i>	<i>79.6%</i>	<i>79.7%</i>	<i>79.7%</i>	<i>79.8%</i>
EBITDA	365	443	558	647	703	769	834
<i>EBITDA Margin</i>	<i>56.1%</i>	<i>56.6%</i>	<i>57.0%</i>	<i>57.2%</i>	<i>57.2%</i>	<i>57.7%</i>	<i>57.8%</i>
FFO	357	352	421	483	540	596	641
<i>FFO Margin</i>	<i>54.9%</i>	<i>44.8%</i>	<i>43.0%</i>	<i>42.7%</i>	<i>43.9%</i>	<i>44.7%</i>	<i>44.4%</i>
BALANCE SHEET	2024	2025E	2026E	2027E	2028E	2029E	2030E
TOTAL ASSETS	8,297	9,111	10,444	11,274	11,887	12,881	13,952
Current assets	804	961	1,177	1,346	1,452	1,567	1,691
Total non current assets	7,493	8,149	9,267	9,928	10,435	11,314	12,261
Intangible Assets	38	38	38	38	38	38	38
TOTAL LIABILITIES	1,884	2,699	3,598	3,934	3,997	4,387	4,814
Current liabilities	594	1,402	2,042	2,119	1,923	2,052	2,219
Long-term liabilities	1,290	1,298	1,556	1,815	2,075	2,335	2,595
TOTAL EQUITY	6,413	6,788	7,232	7,737	8,296	8,912	9,567
Total Debt	1,499	2,301	3,185	3,506	3,556	3,932	4,344
Net Debt	791	1,439	2,111	2,265	2,210	2,473	2,763

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