

Inmobiliaria
Vinte



**EARNINGS
RELEASE
2Q19**

Vinte confirms plans to invest above Ps. 3,000 million in 2019 in low, middle income and medium-high housing

Mexico City, Mexico, July 17th, 2019. – Vinte Viviendas Integrales S.A.B. de C.V. (BMV: VINTE), a leading home builder in the development and commercialization of sustainable homes in Mexico, announced yesterday its earnings results for the second quarter of 2019 today. The figures presented in this report are expressed in nominal Mexican pesos, are based on internal and non-audited financial statements, prepared in accordance with IFRS and current interpretations (including the new IFRS 16 regulation that came into effect for the 2019 fiscal year), and may include minor differences due to rounding.

HIGHLIGHTS

- ❖ In 2Q19, Vinte reported a growth of **12.0% in Consolidated Revenues, 11.0% in EBITDA and 15.0% in Net Income**, compared to 2Q18.
- ❖ The **average price per unit increased 34%** to Ps. 844 thousand in **2Q19** compared to 2Q18. This demonstrates the efficiency of Vinte's **differentiated model** and **segment flexibility** that adapts to the availability of mortgages.
- ❖ The share of **subsidies** in the Vinte mix in **2Q19 was 0.3%**, vs. 7.4% in 2Q18, as the Company adapted to the changing housing market conditions and growth in higher price segments.
- ❖ Profitability increased with the **net margin rising to 12.4%** in 2Q19, compared to 12.0% in 2Q18, as the Company maintained the focus in **investing in profitable projects**. **ROE** remained in line with 1Q19 **at 19.0%**.
- ❖ At the end of the second quarter, the leverage ratios, **Net Debt / EBITDA** and **Net Debt / Equity**, decreased slightly compared to 1Q19, going from 2.16 and 0.58 times to **2.09 and 0.53 times**, respectively. **100% of the debt contracted** by Vinte is denominated in **Mexican pesos** and has an **average duration of 6.4 years**.
- ❖ On May 10th, we paid dividends of **\$1.14 pesos per share** (an approximate yield of 4.1%) as approved by the Annual Ordinary General Shareholder's Meeting, which had a 93.5% attendance of the total shareholders of the Company.
- ❖ On **June 5** Vinte successfully issued long-term **sustainable debt** (green and high social impact) in the BMV for **\$700 million pesos**, comprising two sustainable bonds with a **sustainable favorable Second Opinion by Sustainalytics and sustainable rating of XB1+ (highest sustainable rating) by HR Ratings**.
- ❖ On **June 18**, Vinte issued 12,867,648 new shares with the approval of the Annual Ordinary General Shareholder's Meeting. Vinte's current shareholders subscribed to **578,764 new shares** at a **price of \$27.20**. The remaining total of **12,288,884 New Additional Shares were offered** to the French Development Finance Institution "PROPARCO" at the same price, which were fully subscribed.
- ❖ **During the first semester of 2019**, the Company **invested Ps.1,389 mn.** in the development of the land bank, infrastructure, urbanization and building, under the sustainable communities concept, and in line with the 2019 Business Plan, with the year's revenue projections and the access to financing that the Company has had up to date.

FINANCIAL STATEMENTS SUMMARY

(Ps. Thousands)	Income Statement			6M19	6M18	Δ%
	2Q19	2Q18	Δ%			
Homes (Units)	994	1,214	(18.1%)	1,918	1,994	(3.8%)
Average Sale Price (thousands)	844.1	631.9	33.6%	825.4	686.5	20.2%
Revenue	882.5	787.9	12.0%	1,658.6	1,434.4	15.6%
Cost of Sales (non-interest bearing)	596.5	526.7	13.2%	1,118.9	955.0	17.2%
Gross Profit	286.0	261.1	9.5%	539.7	479.4	12.6%
Gross Margin	32.4%	33.1%	(0.7 pp.)	32.5%	33.4%	(0.9 pp.)
SG&A and other expenses	111.3	103.7	7.3%	194.1	176.3	10.1%
EBITDA	174.7	157.4	11.0%	345.6	303.1	14.0%
EBITDA Margin	19.8%	20.0%	(0.2 pp.)	20.8%	21.1%	(0.3 pp.)
Depreciation and Amortization	10.9	6.0	82.4%	19.9	11.6	71.7%
CFR	28.6	34.6	(17.3%)	56.3	63.8	(11.8%)
Interest in Joint Ventures	2.0	2.0	0.9%	2.4	2.3	6.0%
Earnings Before Tax	137.1	118.8	15.4%	271.8	229.9	18.2%
Margin of Earnings Before Tax	15.5%	15.1%	0.4 pp.	16.4%	16.0%	0.4 pp.
Income Tax	27.9	23.8	17.1%	54.3	46.2	17.5%
Net Income	109.2	94.9	15.0%	217.6	183.8	18.4%
Net Margin	12.4%	12.0%	0.4 pp.	13.1%	12.8%	0.3 pp.
Number of Outstanding Shares	202.0	189.2	6.8%	202.0	189.2	6.8%
Net Income per Share	0.54	0.50	7.7%	1.08	0.97	10.8%

Financial Ratios	Jun. 2019	Jun. 2018
ROE	19.0%	19.4%
ROIC	18.1%	20.6%
Interest Coverage	6.70x	5.05x
Gross Debt / EBITDA	2.82x	2.33x
Net Debt / EBITDA	2.09x	1.99x
Total Liabilities / Equity	1.18x	1.32x
Net Debt / Equity	0.53x	0.60x
Working Capital Turnover	0.69x	0.74x
LTM EBITDA per home sold	180k	167k
LTM Net Income per home sold	121k	103k

Balance Sheet (Ps. Thousands)	Jun. 2019	Dec. 2018	Δ%	Δ (Ps.)
Cash and Cash Equivalents	586.5	329.7	77.9%	256.8
Inventory	5,679.6	5,409.6	5.0%	270.0
Gross Debt	2,271.6	2,017.2	12.6%	254.4
Net Debt	1,685.1	1,687.5	(0.1%)	(2.4)
Total Liabilities	3,795.1	3,556.9	6.7%	238.1
Stockholders' Equity	3,205.1	2,848.6	12.5%	356.5

MESSAGE FROM THE CHAIRMAN

"We continued to post some of the best results in our history in 2Q19, achieving a 12% increase in revenues, despite a strong base of 20.6% growth in 2Q18 vs. 2Q17; these results were mainly driven by a higher average sale price, which increased 33% vs. 2Q18. Additionally, we remain focused on profitability, showing positive results for the first half of the year.

During the first 5 months of the year, there was a decrease in the number of mortgages for new homes of Infonavit by 14.3% and Fovissste by 12.9% compared to 2018. However, this contraction had an impact mainly on households with an average price of less than 432 thousand pesos and that depended on a subsidy to purchase a home and in which Vinte has had a share of less than 7% in the last two years. Moreover, there was a significant increase in the average value of houses and in bank mortgages, which grew by more than 40% which represents commercial bank eagerness in the mortgage market and a solid demand for middle income housing. This is a business opportunity, given that the demand for housing is larger than the offer. We seek to leverage our agile business model to serve the social, middle income and medium-high segments in the face of political changes and in the mortgage sector, adapting to the dynamism of the market.

Given this opportunity in the market, and in line with our sustainable approach, we continue to look for allies to expand our business with a positive social impact. During the second quarter, PROPARCO invested in Vinte's sustainable business model and acquired a total of 6.9% of the Company to contribute to the execution of our vision. The resources obtained will be used to continue with the development of sustainable communities.

We are very well positioned to continue growing; we are well capitalized, with debt maturity of 6.4 years, a land bank to last 6.8 years, a flexible business model and proven successful execution.

We have reported solid growth in this first half of the year and we will continue focusing on the agile implementation of the Company's business model. "

Sergio Leal Aguirre,

Chairman of the Board and Chief Executive Director

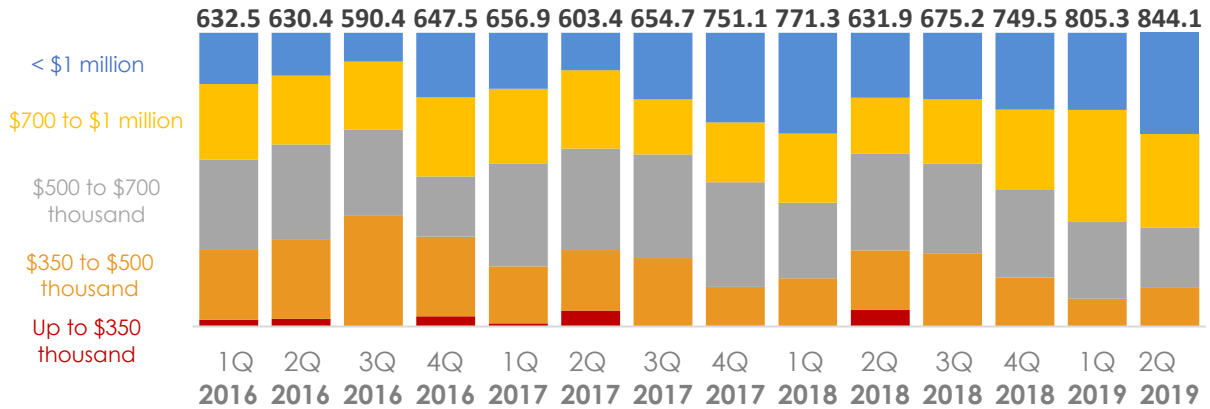
OPERATING RESULTS

HOMES SOLD REVENUE BREAKDOWN

By segment:

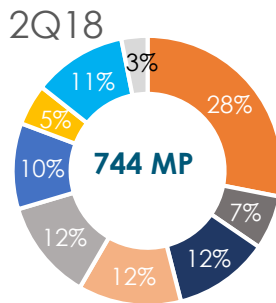
Income Distribution by Segment of the Company (last 14 quarters)

(Average price in Ps. Thousands)

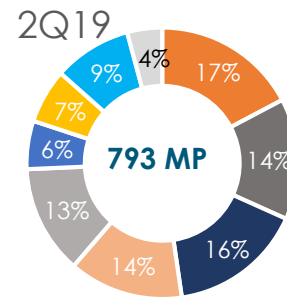


As a result of the greater sales of prototypes valued at over Ps.1 million, the average 2Q19 price reached a new historical maximum, at Ps. 844 thousand. This prompted us to leverage our high operational flexibility, and locate ourselves in the fastest growing segment of our target market.

By geography:



Revenue of titled homes



- Estado de México (Norte de la CDMX), VIS/VIP
- Estado de México (Norte de la CDMX), VIM/VIR
- Pachuca, Hgo.
- Playa del Carmen, Q. Roo
- Querétaro, Qtro., VIS/VIP
- Tula, Hgo.
- Cancún, Q. Roo
- Puebla, Pue.
- Querétaro, Qtro., VIR

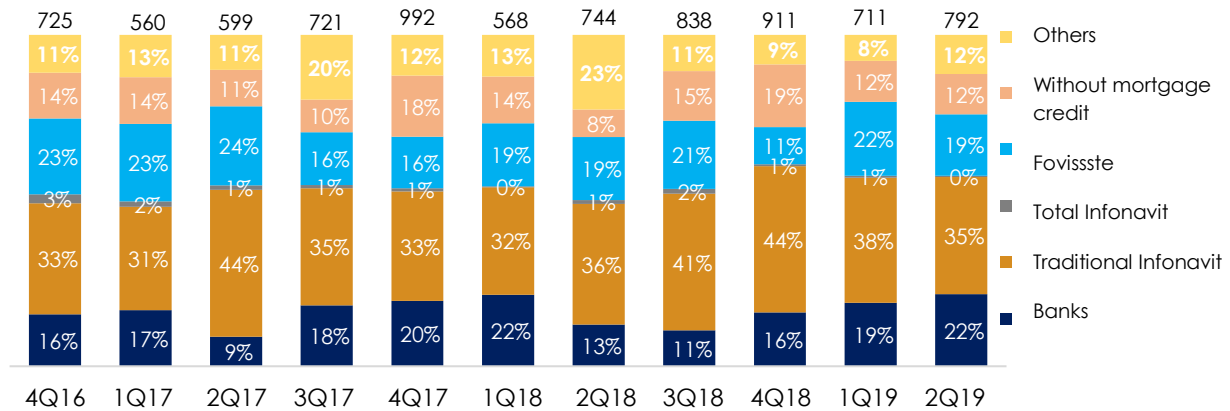
- Estado de México (Norte de la CDMX), VIS/VIP
- Estado de México (Norte de la CDMX), VIM/VIR
- Pachuca, Hgo.
- Playa del Carmen, Q. Roo
- Querétaro, Qtro., VIS/VIP
- Tula, Hgo.
- Cancún, Q. Roo
- Puebla, Pue.
- Querétaro, Qtro., VIR

By Financing:

Distribution of income by type of financing of the Company (last 14 quarters)

(Ps. millions)

Income from deeds of housing (Ps. millions)

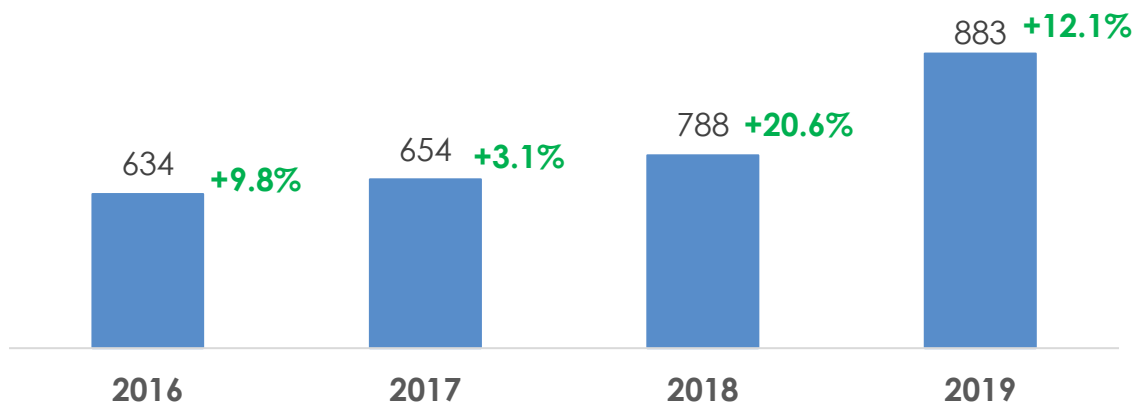


During 2Q19, the income of homes sold through traditional Infonavit loans represented 35% of the total, vs. 36% in 2Q18, as the institute continued to support its affiliates. For its part, FOVISSSTE loans remained at 19% of the total in 2Q19 compared to 2Q18. Commercial banking grew 9.0 p.p., from 13% in 2Q18 to 22% in 2Q19 of the total financing granted to our clients due to the continuity in appetite of commercial banks in the mortgage sector.

TOTAL CONSOLIDATED REVENUES

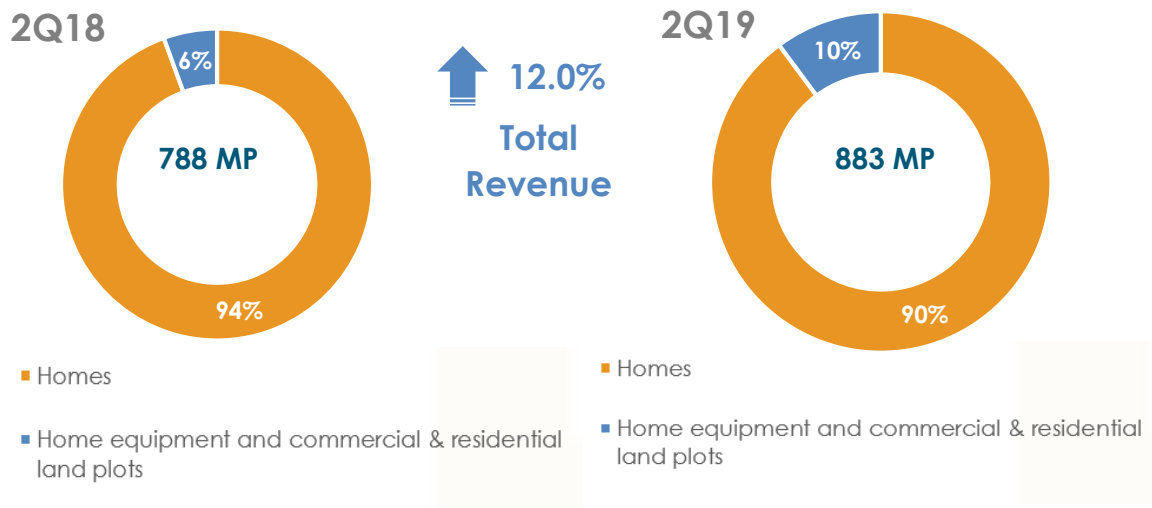
Total revenues to the second quarter of each year

(MP & % variation vs. previous year)



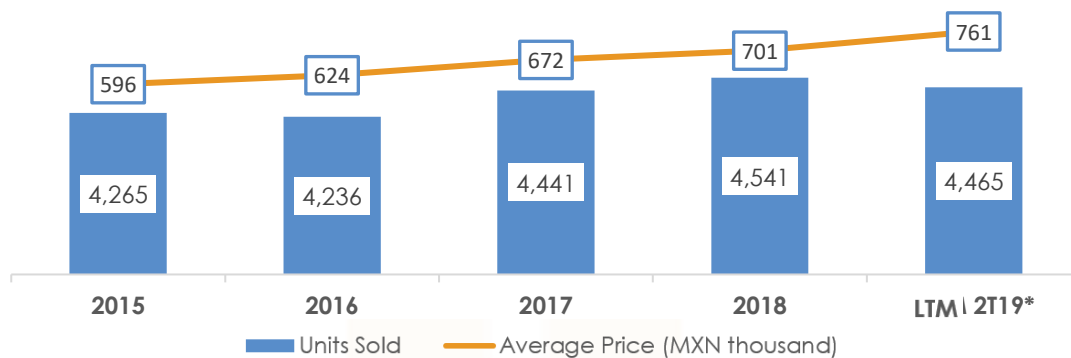
Consolidated Total Revenues increased 12.1%, going from Ps. 788 mn. in 2Q18 to Ps. 883 mn. in 2Q19, due to an increase in income from titled houses with an average price between Ps. 700 thousand and Ps. 1 mn. of 78% and greater to Ps. 1 mn. 66% before a reduction of 39% in homes with an average price lower than Ps. 700 thousand. This was made possible by Vinte's flexible

business model, and a high absorption of the target market of homes within our sustainable urban sets.



In the second quarter of 2019, Household Revenue reached Ps. 793 million, representing the main source of the Company's income (90% of total revenues); this figure is higher than the Ps. 744 mn. of 2Q18. The remaining 10% originated from the sale of equipment for housing, as well as the sale of lots and commercial and residential premises and other services, which totaled Ps.90 mn., which represents an increase compared to Ps.44 mn. of 2Q18.

AVERAGE CONSOLIDATED PRICE

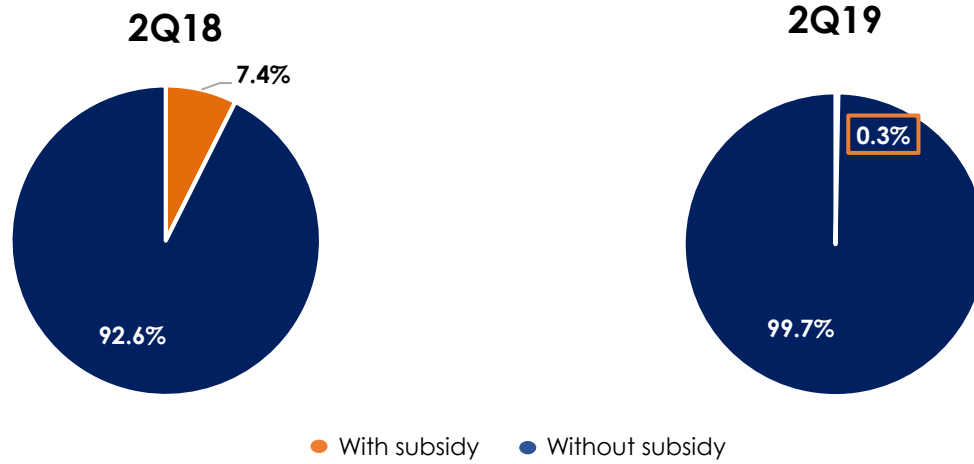


*Last Twelve Months

The LTM consolidated average price up to June 2019 (including revenue from direct equipment of housing) recorded an annual growth of 9.0%, reaching Ps. 761 thousand, compared to Ps. 698 thousand as of June 2018.

NON-DEPENDENCE ON SUBSIDIES

HOMES WITH SUBSIDIES



0.3% of the total revenue of 2Q19 was the result of income from the deeds of subsidized housing; in 2Q18, this figure was 7.4%. The Company does not have dependency on subsidies for the sale of homes.

FINANCIAL PERFORMANCE

INCOME STATEMENT

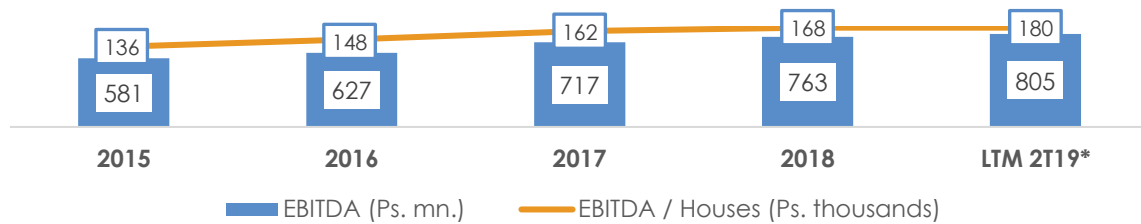
Gross Profit

In 2Q19, gross profit amounted to Ps. 286 mn., growing 9.5% compared to Ps. 261 mn. in 2Q18. Gross Margin went from 33.1% in 2Q18 to 32.4% in this period, decreasing 0.7 pp, due to the incorporation of improvements in the urban complexes and in the sustainable business model of the construction of housing. They have not yet been reflected in the price of housing, although they are reflected in the volume of houses sold and titled. Additionally, the Cost of Sales does not consider Ps. 19 mn. and Ps. 17 mn., corresponding to interest capitalized in Real Estate Inventories in 2Q19 and 2Q18, respectively.

SG&A and other expenses

During 2Q19, Administration and Sales Expenses (SG & A) and Other Expenses totaled Ps.111 million, compared to Ps.104 million. of the same period of 2018, reducing 60 pbs. (from 13.2% of revenues a year ago vs. 12.6% in this quarter). Considering that excluding other SG & A expenses / revenues represent 13.3% in 2Q19, remaining at levels similar to 13.1% in 2Q18.

EBITDA



*Last Twelve Months

In 2Q19, EBITDA reached Ps.175 million, increasing 11.0% YoY. Additionally, the LTM EBITDA for the period totaled Ps. 805 million, presenting an annual increase of 7.1%. The EBITDA for LTM of titled housing was Ps. 180 thousand compared to Ps.167 thousand, growing 7.7% compared to the LTM as of 2Q18.

Comprehensive Financial Cost (CFR):

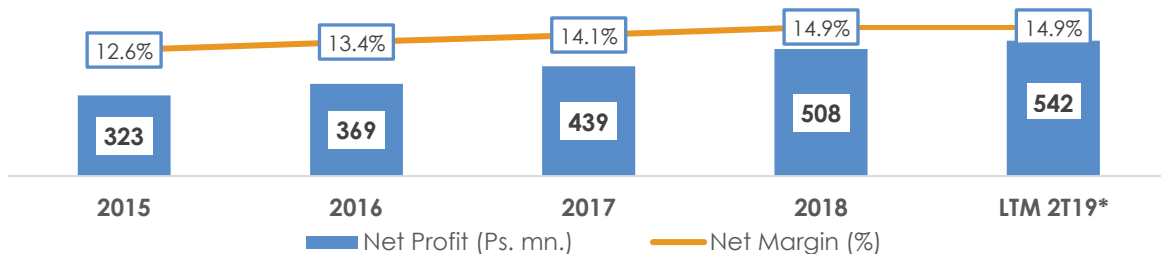
CONCEPT (MP)	2Q19	2Q18	Δ%	6M19	6M18	Δ%
Interests in Cost of Sales	19.0	17.0	11.9	35.6	30.9	14.9
Interest Income	(8.4)	(3.8)	121.6	15.4	7.1	116.1
Financial Expenses	18.0	21.4	(16.0)	5.4	25.8	(79.2)
Total CFR	28.6	34.6	(17.3)	56.3	63.8	(11.8)
CFR to Income	3.2%	4.4%	(1.2 pp.)	3.4%	4.4%	(1.1 pp.)

During 2Q19, the Comprehensive Financial Cost (CFR) totaled Ps. 28.6 million, decreasing 17.3% compared to 2Q18. Additionally, during the 6M19, the CFR totaled Ps. 56.3 million, decreasing 11.8% compared to 6M18. This is due to the fact that the higher interest income offset the increase in interest in the Cost of Sales (previously capitalized), as well as the 16% decrease in financial expenses. The ratio of the CIF to revenues decreased 1.2 pp., from 4.4% in 2Q18 to 3.2% in 2Q19.

Income Taxes:

In 2Q19, income taxes accounted for Ps. 28 million, 17.1% higher than the Ps. 24 million of 2Q18. The effective tax rate of the Company was 20.4% in 2Q19, increasing 0.3 pp., keeping in line with the rate of 20.1% that applied in 2Q18, due to the boost in investments that were made in 2018.

Net profit:

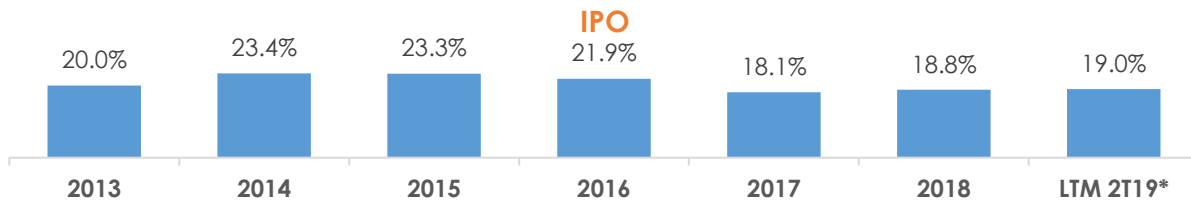


*Last twelve months

During 2Q19, Net Income reached Ps. 109 million vs. 95 million in 2Q18, registering a growth of 15.0% YoY, in line with growth in revenues. The net margin for the quarter increased 40 bps, standing at 12.4%.

On the other hand, LTM Net Income grew 17.1% YoY, adding Ps. 542 million. The LTM net margin was 14.9%, in line with the same period of 2018.

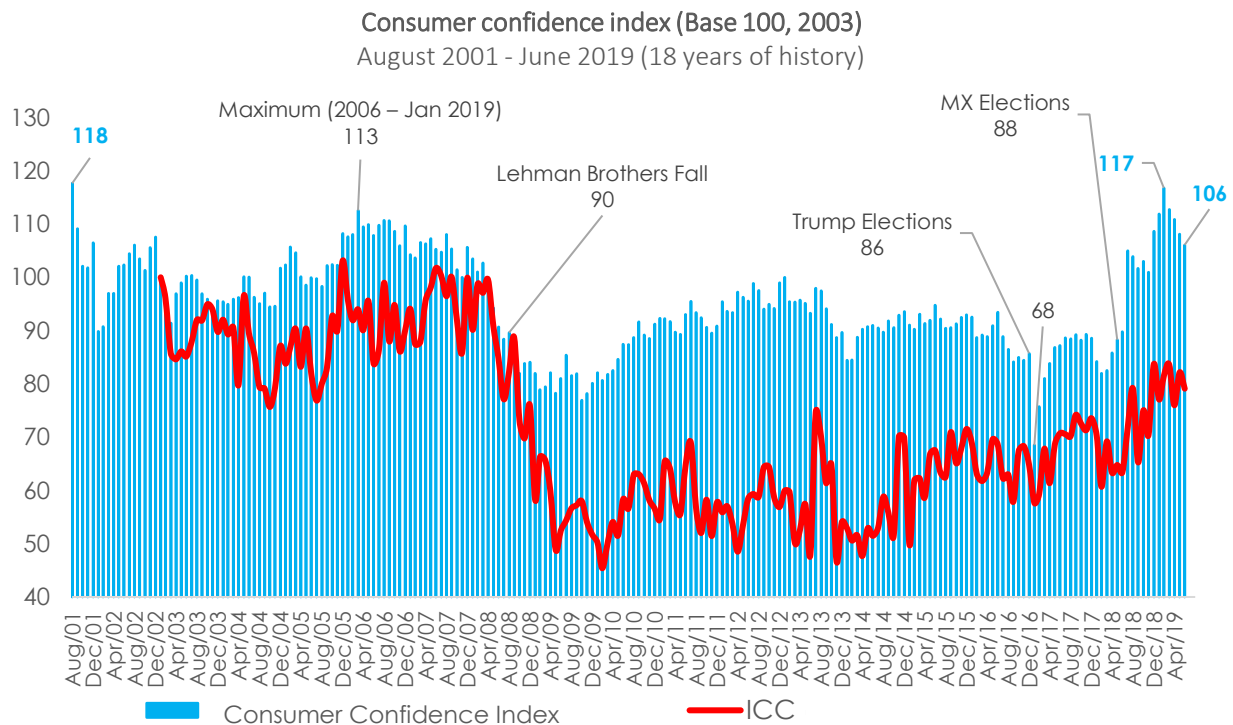
ROE:



*Last twelve months

At the end of 2Q19, the ROE stood at 19.0%, the same levels of 1Q19, considering the capital increase that occurred as a result of the subscription of shares in June. The adjusted ROE, without considering the capital increase, was equal to 20.2%.

CONSUMER CONFIDENCE IN ITS HIGHEST LEVEL SINCE LAST 10 YEARS



Consumer confidence, although it has fallen from its peak of 18 years in February, remains near its highest in the past 10 years. Additionally, consumer confidence in buying a house has remained at its highest levels in the last 10 years.

STATE OF FINANCIAL POSITION

Cash and equivalents:

Vinte seeks to maintain a cash balance available between 6 and 7 weeks of cost of sales and financial expenses. We consider that this amount constitutes a balance between the financial stability required to face any eventuality and the maximum productive use of resources. At the end of 2Q19, the balance of cash and equivalents was Ps. 587 mn. increasing 128.5% and 77.9% compared to Ps. 257 mn. of 2Q18 and Ps. 330 mn. of 4Q18. As of June 30, 2019, the cash balance was equivalent to 12.1 weeks of cost of sales and financial expenses, significantly higher than the Company's target amount, derived from the fact that 100% of the net resources obtained from the issuance of sustainable bonds have not been used.

Rest of Real Estate Inventories:

The Real Estate Inventories went from Ps. 5,581 mn. as of March 31, 2019 to Ps. 5,679 mn. at the end of this period, representing an increase of 1.8%, in line with Vinte's Annual Plan.

It is important to highlight that Vinte's real estate inventory is recorded at acquisition cost, so its valuation to the market tends to be higher, given the inflation of its acquisition and the capital gain generated by Vinte's developments.

Debt:

Concept (MP)	2Q19	1Q19	4Q18
Gross Debt	2,272	2,073	2,017
Net Debt	1,685	1,705	1,687

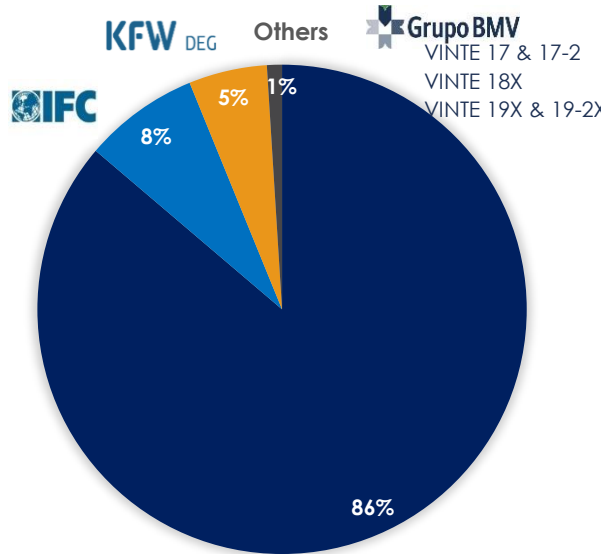
In 2Q19, the available debt balance, in accordance with IFRSs, stood at Ps. 2,272 mn., growing 9.6% in comparison to 1Q19, following the use of the resources obtained in the placement of VINTE 19X for 293 mdp to 3.7 years and VINTE19-2X for 407 mdp to 7.0 years. As of today, 27% of the net resources obtained from the recent mentioned emissions have been allocated.

100% of Vinte's debt is denominated in local currency, and at the end of 2Q19, 90% of the net debt was denominated at a weighted fixed rate of 9.7%.

The average debt maturity was 6.4 years at the end of 2Q19.

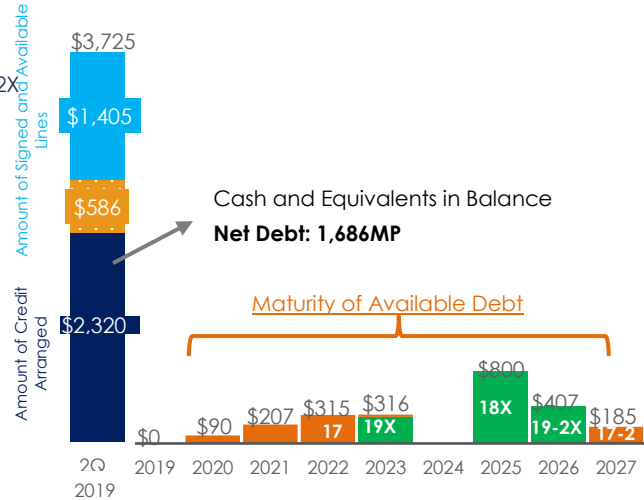
Debt Breakdown by Bank

\$2,320 MP



Committed Financing Breakdown

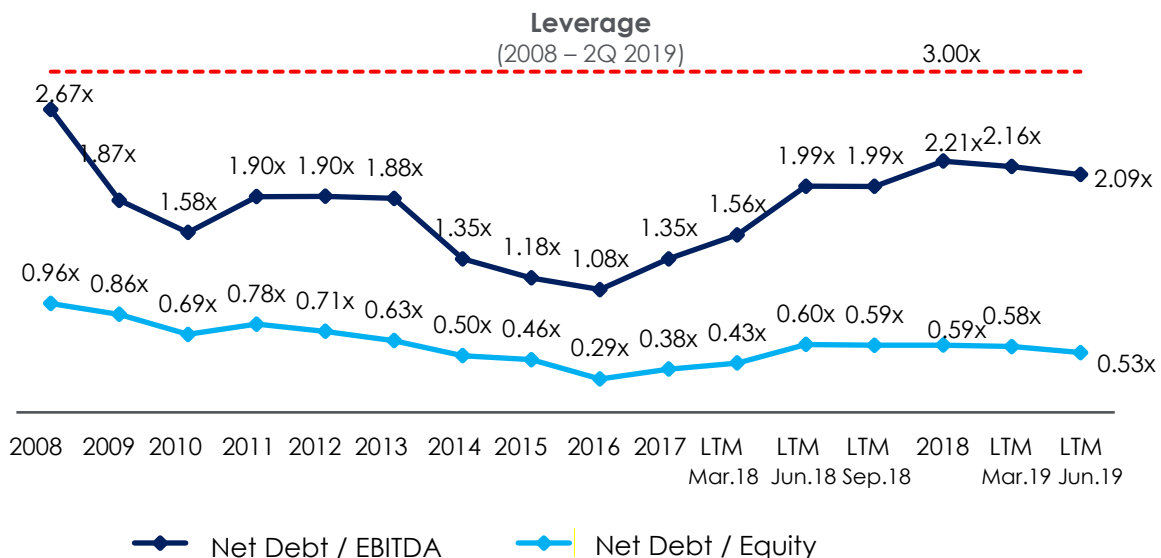
Breakdown



90% of the net debt denominated in a fixed rate

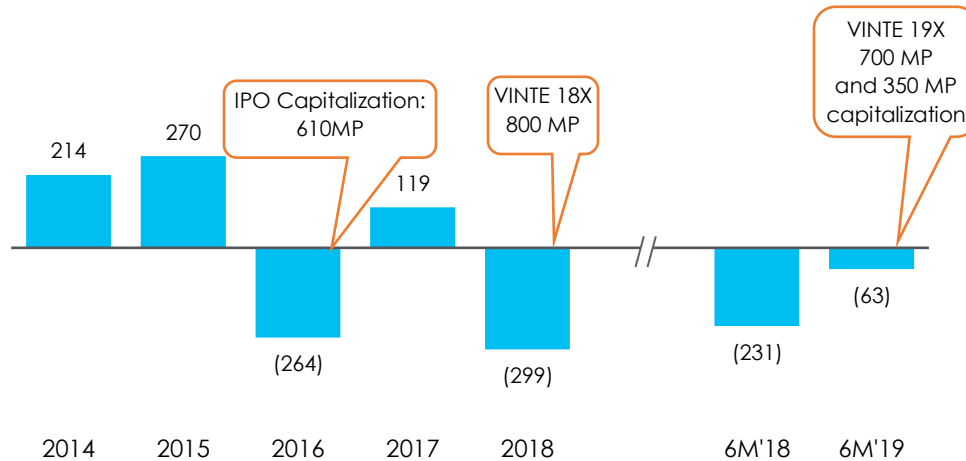
Average term of debt equal to 6.4 years
Signed credit lines not disposed for Ps. 1,405 million pesos, mainly long-term
Available lines / total lines = 62%

In 2Q19, the level of leverage measured in Net Debt / EBITDA was 2.09x, decreasing marginally compared to its level in 1Q19, while Net Debt / Equity decreased from 0.58x in 1Q19 to 0.53x this quarter, in line with the plan to reduce the Company's leverage during 2019.



Operating Cash Flow:

We continue with our robust investment plan with an Operating Cash Flow of Ps. -63 mn. for the first semester in 2019 compared to Ps. -231 mn. in 2018.



ADDITIONAL INFORMATION

RECENT EVENTS

- ✦ On June 5th, known as World Environment Day, Vinte successfully placed long term sustainable debt (green and high social impact) for a total of \$700 million pesos in the BMV, which consisted in the issuance of two sustainable bonds with A+ credit rating and a sustainable favorable Second Opinion by Sustainalytics and sustainable rating of XB1+ (highest sustainable rating) by HR Ratings:

 - **VINTE 19X**: 293 MP at 3.7 years, variable rate of TIIE + 228 bps. Investors: Mexican Development Bank, Retail and Retail funds.
 - **VINTE 19-2X**: 407 MP at 7.0 years, fixed rate of 10.0%. Investors: European and Mexican Development Banks.

- ✦ On June 18, Vinte carried out a subscription of 12,867,648 online shares with the approval of the Annual Shareholder's Meeting. Vinte's current shareholders subscribed 578,7764 new shares at a price of \$27.20. As a result of this, the remaining total of 12,288,884 new additional shares were offered to the French Development Financial Institution "PROPARCO" at the same price, which were fully subscribed.

- ✦ PROPARCO, the French development bank, acquired a total of 6.9% of the Company (managing to invest USD 20 mn. maximum proposed in the LOI sent previously to the Company), with the aim of promoting Vinte's sustainable business model, given the opportunity by the current environment to replicate Vinte's business model. PROPARCO celebrates its 40 years of operation and continues its commitment to economic, social and environmental development with investments in the private sector in 80 countries.

ANALYST COVERAGE

Institution	Analyst	Email	P.T.	Recommendation
Actinver	Ramón Ortiz Reyes	rortiz@actinver.com.mx	Ps. 33.00	Buy
Miranda GR	Martín Lara	martin.lara@miranda-gr.com	Ps. 33.00	Buy

ABOUT VINTE

Vinte is a vertically integrated Mexican home builder with a clear focus on profitability. For more than a decade it has been dedicated to developing residential complexes for middle-income families, focused on improving their quality of life, a commitment for which it has received multiple national and international awards. Vinte has developed 40 thousand homes across five states of Mexico, mainly in the center of the country, achieving a high level of loyalty amongst its clients and extensive brand recognition in the markets in which it operates. Vinte's highly-qualified management team has over 26 years of experience in the Mexican housing sector.

FORWARD-LOOKING STATEMENTS

"This document contains certain statements related to the comprehensive overview of Vinte Viviendas Integrales (VINTE) regarding its activities to the present day. The information included in this document is a summary of information regarding VINTE which is not intended to cover all related information about VINTE. The information contained in this document has not been included to provide specific advice to investors. The statements contained herein reflect the current views of VINTE with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause future results, performance or achievements of VINTE be different from those expressed or implied by such forward looking statements, including, among others, economic or political changes and global business conditions, changes in exchange rates, the overall level of the industry, changes in housing demand, prices of raw materials, etc. If one or more of these risks occur, or should the underlying assumptions prove to be incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. VINTE does not intend nor assume any obligation to update the statements presented in this document."

CONFERENCE CALL

Inmobiliaria Vinte (Vinte) - BMV: VINTE

Cordially invites you to join its
Second Quarter 2019 earnings conference call.

Vinte's 2Q19 results will be released on Tuesday July 16, 2019 after the close of the Mexican market (4:00 pm ET).

Presented By:

Sergio Leal (Chief Executive Officer)

Domingo Valdés (Chief Financial Officer)

Gonzalo Pizzuto (Investor Relations Officer)

Conference Call Details:

Day: Wednesday July 17, 2019

Time: 11:00am Mexico City Time /
12:00pm ET

Replay:

Will be available 60 mins. after the
conference at: www.vinte.com

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FINANCIAL STATEMENTS

VINTE VIVIENDAS INTEGRALES, S.A.B. DE C.V. Y SUBSIDIARIAS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30th OF 2019 AND 2018

ASSETS (Ps. Thousands.)	JUN 30, 2019	JUN 30, 2018	Δ%
CURRENT ASSETS:			
Cash, cash equivalents, and restricted cash	586,547	256,679	128.5%
Accounts and notes receivable from clients (Net)	260,823	287,520	(9.3%)
Other accounts receivable (Net)	67,870	26,850	152.8%
Inventory	2,732,795	3,135,153	(12.8%)
Prepaid expenses and other assets	126,067	136,891	(8%)
TOTAL CURRENT ASSETS	3,774,102	3,843,093	(1.8%)
NON-CURRENT ASSETS :			
Inventory	2,946,832	1,802,475	63.5%
Intangible assets and deferred charges (Net)	81,657	23,084	253.7%
Property, Plant, and equipment	104,783	51,016	105.4%
Investments in Trust and Joint Ventures	56,781	52,750	7.6%
Other non-current assets	32,356	44,787	(27.8%)
Long-term receivables (Net)	3,660	4,776	(23.4%)
TOTAL NON-CURRENT ASSETS	3,226,069	1,978,889	63.0%
TOTAL ASSETS	7,000,171	5,821,981	20.2%
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable to suppliers and others	444,532	407,821	9.0%
Accounts payable to land suppliers	84,222	236,922	(64.5%)
Dividends payable	-	-	-
Interest bearing debt	30,000	160,000	(81.3%)
Accumulated expenses and taxes	103,456	112,140	(7.7%)
Profit sharing payables	99,922	82,586	21.0%
Other current liabilities without cost	79,449	149,379	(46.8%)
TOTAL CURRENT LIABILITIES	841,581	1,148,848	(26.7%)
NON-CURRENT LIABILITIES:			
Long-term debt	281,483	1,102,162	(77.7%)
Long-term local notes	1,960,972	490,962	299.2%
Deferred credits	-	-	-
Deferred income tax	620,351	572,580	8.3%
Other liabilities	91,494	2,380	NA
TOTAL NON-CURRENT LIABILITIES	2,953,491	2,168,084	36.2%
TOTAL LIABILITIES	3,795,072	3,316,932	14.4%
STOCKHOLDERS' EQUITY			
Capital stock	1,212,281	862,281	40.6%
Reserve for share repurchase	57,622	37,260	54.7%
Retained earnings from previous years	1,935,195	1,605,508	20.5%
Fiscal year performance	-	-	-
TOTAL STOCKHOLDERS' EQUITY	3,205,099	2,505,049	27.9%
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	7,000,171	5,821,981	20.2%

VINTE VIVIENDAS INTEGRALES, S.A.B. DE C.V. Y SUBSIDIARIAS

CONSOLIDATED INCOME STATEMENT FROM JANUARY 1ST TO JUNE 30TH OF 2019 AND 2018

(Ps. thousands)	2Q19	2Q18	Δ%	6M19	6M18	Δ%
Homes sold (Units)	994	1,214	(18.1%)	1,918	1,994	(3.8%)
Average sale price (Thousands)	844.1	631.9	33.5%	686.5	825.4	20.2%
REVENUE	882,502	787,871	12.0%	1,658,609	1,434,374	15.6%
Cost of Sales (non-interest bearing)	596,535	526,749	13.2%	1,118,901	955,002	17.2%
Gross Profit	285,967	261,123	9.5%	539,707	479,373	12.6%
Gross Margin	32.4%	33.1%	(0.7 pp.)	32.5%	33.4%	(0.9 pp.)
SG&A and other expenses	111,283	103,699	7.3%	194,115	176,317	10.1%
EBITDA	174,684	157,423	11.0%	345,592	303,056	14.0%
EBITDA margin	19.8%	20.0%	(0.2 pp.)	20.8%	21.1%	(0.3 pp.)
Depreciation and amortization	10,946	6,001	82.4%	19,914	11,598	71.7%
CFR	28,616	34,613	(17.3%)	56,279	63,806	(11.8%)
Interest in Joint Ventures	1,985	1,967	0.9%	2,409	2,273	6.0%
Earnings before taxes	137,107	118,777	15.4%	271,809	229,925	18.2%
Earnings Before Taxes margin	15.5%	15.1%	0.4 pp.	16.4%	16.0%	0.4 pp.
ISR	27,910	23,839	17.1%	54,257	46,158	17.5%
Net Income	109,197	94,938	15.0%	217,552	183,767	18.4%
Net Margin	12.3%	12.0%	0.3 pp.	13.1%	12.8%	0.3 pp.

VINTE VIVIENDAS INTEGRALES, S.A.B. DE C.V. Y SUBSIDIARIAS

CONSOLIDATED CASH FLOW STATEMENT AS OF JUNE 30 2019 AND 2018

Ps. thousands	2Q19	2Q18	Δ%
Profit (loss) before income tax	271,809	229,925	18.2%
Adjusted for:			
Depreciation and amortization of intangible assets	19,914	11,598	71.7%
Amortization of debt issuance costs	6,183	7,652	(19.2%)
Asset retirement	-	-	-
Interests in Joint Ventures	3,043	-2,221	(237.0%)
Interest expense	-63,566	-58,177	9.3%
Interest received	-8,791	-5,029	(74.8%)
Sum	355,722	300,102	18.5%
CHANGES IN WORKING CAPITAL			
Decrease (increase) in accounts receivable	41,746	31,444	32.8%
Decrease (increase) in inventory	-269,997	-738,519	(63.4%)
Decrease (increase) in other accounts receivable and other current assets	-65,980	54,838	(220.3%)
Increase (decrease) in suppliers	-130,817	74,995	(274.4%)
Increase (decrease) in other liabilities	-17,655	62,032	(128.5%)
Income tax paid or benefited	-40,965	-7,657	435.0%
Cash flows from (used in) operating activities	-483,667	-522,868	-7.5%
Net cash flows from (used in) operating activities	-127,945	-222,766	-42.6%
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Investment in property, plant and equipment	-14,422	-9,100	58.5%
Investment in Trusts and Joint Ventures	-	-	-
Advanced payments	-	-	-
Payments for other assets	-	-	-
NET CASH FLOWS FROM (USED IN) INVESTMENT ACTIVITIES	-14,424	-9,100	58.5%
Increase in bank financing	1,516,007	1,709,677	(11.3%)
Increase in market debt	700,000	-	-
Share repurchase	1,219	-14,682	-108.3%
Decrease in bank financing	-1,952,985	-1,214,677	60.8%
Obligations for sale of future collection rights contracts	75,543	-5,935	-1372.9%
Increase in capital	350,000	-	-
Expenses for placement of debt instruments	-14,781	-2,483	495.3%
Dividends paid	-212,251	-209,029	1.5%
Interests paid	-63,566	-58,177	9.3%
NET CASH FLOWS (USED) GENERATED IN FINANCING ACTIVITIES	399,188	204,695	95.0%
INCREASE (DECREASE) NET OF EFFECTIVE AND CASH EQUIVALENTS	256,819	-27,171	-945.2%
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	329,728	283,849	116.2%
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	586,547	256,678	128.5%