FIBRA Macquarie

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FIBRA MACQUARIE MÉXICO REPORTS FOURTH QUARTER AND FULL-YEAR 2015 FINANCIAL RESULTS, INCLUDING A 28% INCREASE IN QUARTERLY AFFO

Highlights

- Focused real estate management, disciplined acquisition activity and stronger U.S. dollar drove a 27.8% increase in quarterly AFFO per certificate in 4Q15
- Growing industrial activity and a recovery in consumer purchasing power drove an increase in portfolio-wide occupancy, which reached the upper end of the guidance range at 92.2%
- Distribution of Ps. 0.4600 per certificate for the fourth quarter declared, a 29.9% year-on-year increase, bringing full year distributions above upper end of guidance range
- Distribution guidance of between Ps.1.74 and Ps.1.84 per certificate for the full year 2016, subject to market conditions

MEXICO CITY, February 25, 2016 — FIBRA Macquarie México (FIBRA Macquarie) (BMV: FIBRAMQ), owner of one of the largest portfolios of industrial and retail/office property in Mexico, announced its financial and operating results for the quarter and full year ended December 31, 2015.

Manager Statement for the Fourth Quarter 2015

FIBRA Macquarie achieved its financial and operational goals for 2015 through a focused effort on maximizing the value of its real estate portfolio and disciplined capital deployment. By 4Q15 all of the acquisitions completed during the year contributed to Adjusted Funds From Operations (AFFO) for a full quarter. This achievement, complemented by operational improvements and a further strengthening of the U.S. dollar, drove growth in AFFO of 32.2% on a full year basis.

Fair value of net assets increased 12.8% resulting in a net asset value per certificate of Ps.28.99.

“We launched our ‘Customer First’ initiative during the quarter to enhance customer satisfaction by identifying and addressing the specific needs of our tenants,” said Juan Monroy, FIBRA Macquarie’s chief executive officer. “In addition, tenant expansions that accommodate the growth needs of these tenants contributed to improved customer retention and AFFO growth.”

Occupancy levels in the retail/office segment of FIBRA Macquarie's portfolio remained high during the quarter. FIBRA Macquarie continues to focus on enhancing the value of its portfolio by executing on a number of expansions and remodeling projects. Expected benefits from these initiatives are (1) increased AFFO, (2) increased traffic to the properties, and (3) improved tenant mix. The added gross leasable area (GLA) of these expansions is over 15,800 square meters, a 10.6% increase to the four properties involved. High-quality tenants such as Fábricas de Francia, Cinemex and Coppel will join the tenant base or expand their footprint in 2016.

"We are excited by our prospects for continued growth into 2016 as we continue to build on our scalable platform by focusing on our three strategic pillars of proactive asset management, disciplined capital deployment and an efficient capital structure, combined with a relentless emphasis on customer satisfaction", added Mr. Monroy.

Increased distribution for the Fourth Quarter announced

On February 25, 2016, FIBRA Macquarie declared a distribution for the quarter ended December 31, 2015, of Ps.0.4600 per certificate. The distribution is expected to be paid on March 10, 2016 to holders of record on March 9, 2016. FIBRA Macquarie certificates will commence trading ex-distribution on March 7, 2016. The distribution represents a payout of 97.1% of the AFFO generated in the fourth quarter and brings total distributions to 94.9% of AFFO for the full year.

2016 Distribution Guidance

FIBRA Macquarie estimates total distributions of between Ps.1.74 and Ps.1.84 per certificate in 2016 based on the cash-generating capacity of its existing portfolio.

This 2016 distribution guidance assumes no new acquisitions, an average exchange rate of Ps.18.00 per US dollar and no change to the 811,363,500 total certificates on issue. FIBRA Macquarie intends to pay distributions on a quarterly basis.

The payment of cash distributions is at all times subject to the approval of the board of directors of the Manager, the continued stable performance of the properties in the portfolio, and market conditions.

Proportionately combined financial metrics for the three and twelve months ended December 31, 2015 (unaudited in millions unless otherwise stated)

Metric	4Q 2015 Ps.	4Q 2014 Ps.	Variance Ps.	Variance (%)	Total 2015 Ps.	Total 2014 Ps.	Variance Ps.	Variance (%)
Total Revenues	808.1	642.6	165.5	25.7%	2,942.1	2,341.0	601.2	25.7%
Net Operating Income	687.1	533.0	154.2	28.9%	2,504.8	1,988.6	516.2	26.0%
EBITDA	631.6	473.2	158.4	33.5%	2,268.9	1,783.4	485.5	27.2%
Funds From Operations	432.2	334.9	97.3	29.1%	1,569.0	1,184.6	384.4	32.5%
Adjusted Funds From Operations	384.3	300.7	83.7	27.8%	1,391.7	1,052.9	338.8	32.2%

Proportionately combined financial metrics per certificate

Metric (per certificate)	4Q 2015 Ps.	4Q 2014 Ps.	Variance Ps.	Variance (%)	Total 2015 (Ps.) Total	Total 2014 (Ps.) Total	Variance Ps.	Variance (%)
Net Operating Income	0.8469	0.6569	0.1900	28.9%	3.0871	2.9940	0.0931	3.1%
EBITDA	0.7784	0.5832	0.1952	33.5%	2.7965	2.6851	0.1113	4.1%
Funds From Operations	0.5327	0.4127	0.1200	29.1%	1.9338	1.7835	0.1503	8.4%
Adjusted Funds From Operations	0.4737	0.3706	0.1031	27.8%	1.7153	1.5852	0.1300	8.2%
Number of Certificates (in millions of CBFIs)	811.36	811.36	0	0.0%	811.36	664.19	147.18	22.2%

The primary drivers for an increase of 27.8% in the AFFO per certificate in the fourth quarter of 2015 compared to the fourth quarter in 2014 were:

- Ps.0.0689 (+18.6%) from the appreciation of the U.S. dollar;
- Ps.0.0665 (+17.9%) from the net contribution of acquisitions; and
- Ps.0.0049 (+1.3%) increase in net same-store income.

Gains in AFFO per certificate were partially offset by:

- Ps.0.0306 (-8.3%) primarily from a decrease in interest income; and
- Ps.0.0065 (-1.8%) from an increase in tenant improvements (TIs), leasing commissions and capex, calculated on a normalized basis.

Non-IFRS Profitability Margins (Proportionately Combined)

Metric	4Q 2015 (% of revenues)	4Q 2014 (% of revenues)	Variance (bps)	Total 2015 (% of revenues)	Total 2014 (% of revenues)	Variance (bps)
Total Revenues (Ps. Millions)	808.1	642.6		2,942.1	2,341.0	
Net Operating Income Margin	85.0%	82.9%	209.5	85.1%	84.9%	18.9
EBITDA Margin	78.2%	73.6%	452.2	77.1%	76.2%	93.5
Funds From Operations Margin	53.5%	52.1%	137.6	53.3%	50.6%	272.7
Adjusted Funds From Operations Margin	47.6%	46.8%	77.5	47.3%	45.0%	232.6

Cost efficiencies resulted in year-over-year improvements in all margins on a proportionately combined basis. Net operating income (NOI) margin increased by 210 bps driven by lower property-related expenses. These cost efficiencies positively impacted both the FFO and AFFO margins, which have also benefited from a stronger U.S. dollar.

Summary of operating metrics

Metric	Industrial segment			Retail segment		
	As at December 31, 2015	As at December 31, 2014	Variance	As at December 31, 2015	As at December 31, 2014	Variance
GLA (sqm)	3.0 million	2.7 million	11.1%	444,667	443,731	0.2%
Occupancy rate	91.8%	90.0%	1.8%	94.9%	94.1%	0.8%
Average monthly rent per leased square meter	US$ 4.42	US$ 4.46	(0.9%)	Ps 142.48	Ps 139.79	1.9%
LTM tenant retention rate	77%	72%	5.0%	81%	69%	12.0%
Weighted average lease term (by annualized base rent)	3.1 years	3.1 years	0.0%	5.7 years	5.7 years	0.0%

The 11.1% increase in industrial GLA was driven by the three acquisitions closed during the year. Occupancy increases in both the industrial and retail segments were the key to reaching the goal for the proportionately combined portfolio. Lease terms remained stable.

Same-Store Analysis

for the 3 months ended December 31,	2015	2014	Variance	
	Ps.	Ps.	Ps.	%
Lease rental income	696.1	600.5	95.6	15.9%
Expenses recharged to tenants	38.3	42.1	(3.8)	-9.1%
Property income	**734.4**	**642.6**	**91.7**	**14.3%**
Property management expense	(21.3)	(22.0)	0.6	-2.9%
Repairs & maintenance	(30.6)	(18.3)	(12.2)	66.8%
Other property related expenses	(61.3)	(69.3)	8.1	-11.6%
Property Expenses	**(113.2)**	**(109.6)**	**(3.6)**	**3.2%**
NOI	**621.2**	**533.0**	**88.2**	**16.5%**

Same-store rental income increased primarily as a result of movements in the U.S. dollar/Mexican Peso exchange rate and increases in rents generally. The positive impact of these items was partially offset by a decrease in recoveries from certain industrial tenants.

Industrial Portfolio

Occupancy in FIBRA Macquarie's industrial portfolio increased to 91.8% in the fourth quarter, up 40 bps compared with the third quarter of 2015 and 180 bps versus the prior comparable period, representing a three-year high in industrial occupancy. The increases were primarily driven by a successful leasing effort that attracted a number of new, high-quality customers. In a reflection of the value creation efforts carried out since launch, the independent appraisal by CBRE resulted in a year-over-year increase of 2.6% in the valuation of the properties in the industrial portfolio.

FIBRA Macquarie renewed leases for approximately 612,800 square feet of industrial property during the fourth quarter, a result of the continued strong performance of its internal property administration platform as well as continued improvement in industrial property market fundamentals.

FIBRA Macquarie signed new leases for approximately 460,800 square feet of industrial GLA. Highlights include the following:

- 134,500 square feet leased to a logistics supplier serving a major international beverage maker in Monterrey;
- 109,500 square feet leased to a packaging materials production and distribution facility in Ciudad Juárez;
- 59,300 square feet leased to a logistics provider serving major electronics manufacturers in Mexicali;
- 55,000 square feet leased to an electronics supplier to major appliance brands in Reynosa; and
- 36,000 square feet leased to a manufacturer of hardware for home use in Tijuana.

Expansions are another key component of the industrial strategy. Currently there are two expansions underway that will add 21,400 square feet of GLA. Additional expansions are being negotiated in a variety of key industrial markets.

The average monthly rental rate of US$4.42 per square meter in the fourth quarter of 2015 compared to US$4.46 per square meter reported in the fourth quarter of 2014.

Gains in monthly industrial rental rates per square meter were:

- US$0.05 (+1.0%) from contractual increases;
- US$0.02 (+0.5%) from higher-than-portfolio-average rents from acquisitions; and
- US$0.01 (+0.3%) from increases at renewal.

These gains in monthly industrial average rental rates per square meter were offset by decreases of:

- US$0.05 (-1.1%) from lower-than-portfolio-average rents on renewed leases, but signed at current market rates;
- US$0.04 (-0.8%) from lower-than-portfolio-average rents on new leases, but signed at current market rates;
- US$0.03 (-0.6%) from exchange rate losses on Mexican Peso-denominated leases; and
- US$0.01 (-0.3%) from move-outs.

Leases signed prior to December 2008 represent 13.9% of the portfolio based upon rental revenue and 12.6% of the portfolio based upon GLA. These leases have an average weighted remaining lease term of 2.7 years (based upon annualized rental revenue). If these leases were renewed today, the estimated impact on average monthly rental rates equates to US$0.03 per square meter, indicating that the portfolio remains well-positioned to continue to absorb this gradual lease roll-over.

During the first half of 2016, the portfolio will experience an irregular amount of move outs that will affect retention and occupancy rates. FIBRA Macquarie is confident that the real estate fundamentals will remain positive in most industrial markets (with vacancy rates below 9% across the market) and that the manufacturing sector, led by the automotive industry, will provide robust demand in the foreseeable future.

Retail/Office Portfolio

Occupancy levels across FIBRA Macquarie's retail/office portfolio, including properties owned through a joint venture, remained at 94.9% during the fourth quarter. Occupancy levels across the portfolio in FIBRA Macquarie's wholly-owned retail portfolio reached 98.0% in the fourth quarter of 2015, an increase of 50 bps compared with the fourth quarter of 2014. The occupancy level for the joint venture portfolio was 90.7% at the end of the fourth quarter, an increase of 110 bps compared with the fourth quarter of 2014. In addition, the independent appraisal conducted by CBRE reported a year-over-year increase of 4.6% in the value of the properties in the retail/office portfolio.

Foot traffic through properties in the wholly-owned portfolio increased 6.7% year-over-year and reached more than 6.6 million visitors in the fourth quarter of 2015. The increase in foot traffic contributed to a reported increase in revenues of movie theaters and supermarkets in the wholly-owned portfolio of 6.7% and 11.2%, respectively, for the full year 2015 compared with the same period last year.

FIBRA Macquarie has started the construction of a shell for Fábricas de Francia, a well-known department store chain, in its Tecamac Power Center that will add 6,700 square meters of GLA. In addition, construction is planned for a 6,300 square meter Fábricas de Francia building in Multiplaza Tuxtepec. Both stores are expected to be opened by the fourth quarter of 2016, driving additional foot traffic, stronger rental rates and increased variable rents. At the Plaza San Roque property, a new store construction was recently completed for Coppel, another well-known department store chain, with operations commencing on January 29, 2016. Cinemex, a major movie theater chain, added screens to their Plaza San Roque movie theater. There are ongoing negotiations with a potential new customer seeking to lease approximately 1,200 square meters of new office GLA at City Shops Valle Dorado, where 2,200 square meters of common area is planned to be converted into additional office GLA, adding to the property's existing office GLA which is fully leased.

On a proportionately combined basis, average monthly rental rates per square meter increased to Ps.142.48 in the fourth quarter of 2015 compared with Ps.139.79 in the prior comparable period. This increase reflects several factors, explained below.

Gains in monthly retail/office rental rates per square meter were:

- Ps.3.62 (+2.6%) from higher-than-portfolio-average rents on new leases; and
- Ps.3.23 (+2.3%) from contractual increases.

These gains in monthly retail/office rental rates per square meter were partially offset by a decrease of Ps.4.15 (-3.0%) from move outs.

Acquisitions

As previously announced, on February 9, 2016 FIBRA Macquarie acquired two well-located, high-quality industrial properties and an adjacent land site in Ciudad Juárez, Chihuahua, for total consideration of US$21.7 million (approximately Ps.398.6 million). The two existing properties comprise 35,300 square meters (380,000 square feet) of GLA while the land parcel provides an opportunity to expand an existing building and add a further 6,500 square meters (70,000 square feet) of GLA. FIBRA Macquarie expects the transaction to generate stabilized NOI of US$1.8 million (approximately Ps.33.8 million) on an annualized basis in 2016. The expected contribution to NOI implies a stabilized capitalization rate for the properties of 8.5%.

During the full year 2015, FIBRA Macquarie deployed or committed an aggregate of US$214.6 million across four transactions. The three stabilized industrial acquisitions closed during 2015 added 290,000 square meters of GLA of high-quality, strategically-located industrial properties. In addition, there are two build-to-suit projects that are expected to be completed by the second half of 2016 and the first half of 2017, respectively, as well as three land parcels.

Refinancing Program

In the fourth quarter of 2015 FIBRA Macquarie sought approval from certificate holders for a new refinancing program. The holders' meeting was held on December 17, 2015 and the refinancing program was approved by a significant majority of those present in person or by proxy. Through the refinancing program, FIBRA Macquarie intends to extend the term of its debt, secure competitive funding rates, enhance flexibility in managing assets and diversify its sources of funding. The refinancing program is expected to comprise a combination of bonds, term loans and a revolving credit facility, up to a total principal amount of approximately US$1.0bn.

Disclosures Relating to Leverage

In accordance with applicable FIBRA regulations, as of December 31, 2015 FIBRA Macquarie complies with:

- The leverage limit of 50%, with a leverage ratio of 40.3%; and

- The minimum debt service coverage ratio (DSCR) of 1.0x, with a DSCR of 1.4x.

Leverage Ratio[1]	**Ps.'000**
Bank Debt	16,346,990
Bonds	-
Total Assets	**40,543,419**

$$\text{Leverage Ratio} = \frac{16,346,990}{40,543,419} = 40.3\% \quad \text{(Regulatory Limit 50\%)}$$

Debt Service Coverage Ratio (ICD $_t$)		**t=0**	**Ps.'000** $\sum_{t=1}^{6}$
AL_0	Liquid Assets	2,223,294	-
IVA_t	Value added tax receivable	-	287,020
UO_t	Net Operating Income after dividends	-	1,606,913
LR_0	Revolving Debt Facilities	-	-
I_t	Estimated Debt Interest Expense	-	1,196,573
P_t	Scheduled Debt Principal Amortization[2]	-	940,000
K_t	Estimated Recurrent Capital Expenditures	-	127,987
D_t	Estimated Non-Discretionary Development Costs	-	576,485

$$ICD_t = \frac{2,223,294 + 287,020 + 1,606,913}{1,196,573 + 940,000 + 127,987 + 576,485} = 1.4x \quad \text{(Regulatory Minimum 1.0x)}$$

1. Excludes debt associated with the Grupo Frisa JV as this is accounted for using the equity accounting method
2. Excludes debt of Ps.575.7m associated with the Grupo Frisa JV expiring in April 2017

Debt Disclosure

Debt Associated with Wholly-Owned Properties

Lenders[1]	Loan Currency	Outstanding balance USD (in millions)[2]	Outstanding balance Ps. (in millions)[2]	Rate p.a.	Amortization[3]	Security Type[4]	Commence-ment Date	Maturity Date	Extended Maturity Date[5]
Blackstone through its subsidiary in Mexico BRE Debt Mexico II, S.A. de C.V., SOFOM E.N.R.[6]	USD	363.8	6,259.2	5.07%	Interest Only	Guaranty Trust, among others	Dec-12	Dec-17	Dec-19
Blackstone through its subsidiary in Mexico BRE Debt Mexico II, S.A. de C.V., SOFOM E.N.R.[6]	USD	184.3	3,171.5	90 day Libor +3.85%	Interest Only	Guaranty Trust, among others	Dec-12	Dec-17	Dec-19
Blackstone through its subsidiary in Mexico BRE Debt Mexico II, S.A. de C.V., SOFOM E.N.R.[6]	USD	80.2	1,379.9	5.07%	Interest Only	Guaranty Trust, among others	Dec-12	Dec-17	Dec-19
Blackstone through its subsidiary in Mexico BRE Debt Mexico II, S.A. de C.V., SOFOM E.N.R.[6]	USD	85.7	1,474.4	90 day Libor +3.80%	Interest Only	Guaranty Trust, among others	Dec-12	Dec-17	Dec-19
Metropolitan Life Insurance Company	USD	181.6	3,124.4	4.50%	Interest Only	Guaranty Trust, among others	Dec-12	Jan-18	-
Banco Nacional de México, S.A.	Ps.	54.5	937.6	6.73%	Interest Only	Guaranty Trust, among others	Nov-13	Oct-16	-
Total		**950.0**	**16,347.0**						

Debt Associated with Grupo Frisa JV[7]

Lenders[1]	Loan Currency	Outstanding balance USD (in millions)[2]	Outstanding balance Ps. (in millions)[2]	Rate p.a.	Amortization[3]	Security Type[4]	Commence-ment Date	Maturity Date	Extended Maturity Date[5]
Blackstone through its subsidiary in Mexico BRE Debt Mexico II, S.A. de C.V., SOFOM E.N.R.[8]	Ps.	33.5	575.7	6.89%	Interest Only	Guaranty Trust, among others	Mar-14	Apr-17	Mar-19
Metropolitan Life Insurance Company	Ps.	16.3	280.0	7.61%	Interest Only	Guaranty Trust, among others	Mar-14	Apr-19	-
Total		**49.7**	**855.7**						

1. Some of these facilities have been syndicated with other lenders
2. Includes capitalized upfront borrowing costs which are amortized over the term of the relevant loan . FX: Ps. 17.2065 per USD.
3. Interest only subject to compliance with certain debt covenants
4. Lenders have recourse only to the properties, cash flows and other reserves constituted under the facilities, except under certain limited circumstances in which the lenders have recourse against the borrowers and/or FIBRA Macquarie
5. Subject to meeting certain conditions
6. BRE Debt Mexico II, S.A. de C.V., SOFOM. E.N.R. assigned its rights as lender to Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte, División Fiduciaria, as trustee of guaranty Trust number F/745465
7. Proportionate share
8. BRE Debt Mexico II, S.A. de C.V., SOFOM. E.N.R. assigned its rights as lender to Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte, División Fiduciaria, as trustee of guaranty Trust number F/745464

For statutory debt disclosure, please refer to the Mexican Bolsa website (www.bmv.com.mx).

Further details

For detailed charts, tables and definitions, please refer to the Fourth Quarter 2015 Supplementary Information materials located at http://www.fibramacquarie.com/investors/bolsa-mexicana-de-valores-filings.

Webcast and Conference Call

FIBRA Macquarie will host an earnings conference call and webcast presentation on Friday, February 26, 2016 at 7:30 a.m. CT / 8:30 a.m. ET.

The conference call, which will also be audio webcast, can be accessed online at www.fibramacquarie.com or by dialing toll free +1 (877) 304 8957. Callers from outside the United States may dial +1 (973) 638 3235. Please ask for the *FIBRA Macquarie Fourth Quarter 2015 Earnings Call*.

An audio replay will be available through February 28, 2016, by dialing +1 (855) 859 2056 or +1 (404) 537 3406 for callers outside the United States. The passcode for the replay is 35270047. A webcast archive of the conference call and a copy of FIBRA Macquarie's financial information for the fourth quarter 2015 will also be available on FIBRA Macquarie's website, www.fibramacquarie.com.

About FIBRA Macquarie

FIBRA Macquarie México (FIBRA Macquarie) (BMV: FIBRAMQ) is a real estate investment trust (*fideicomiso de inversión en bienes raíces*), or FIBRA, listed on the Mexican Stock Exchange (*Bolsa Mexicana de Valores*) targeting industrial, retail and office real estate opportunities in Mexico, with a primary focus on stabilized income-producing properties. FIBRA Macquarie's portfolio consists of 276 industrial properties and 17 retail/office properties, located in 24 cities across 19 Mexican states as of February 9, 2016. Nine of the retail/office properties are held through a 50/50 joint venture with Grupo Frisa. FIBRA Macquarie is managed by Macquarie México Real Estate Management, S.A. de C.V. which operates within the Macquarie Infrastructure and Real Assets division of Macquarie Group. For additional information about FIBRA Macquarie, please visit www.fibramacquarie.com.

Macquarie Infrastructure and Real Assets is a business within the Macquarie Asset Management division of Macquarie Group and a global alternative asset manager focused on real estate, infrastructure, agriculture and energy assets. Macquarie Infrastructure and Real Assets has significant expertise over the entire investment lifecycle, with capabilities in investment sourcing, investment management, investment realization and investor relations. Established in 1996, Macquarie Infrastructure and Real Assets has approximately US$103.7 billion of total assets under management as of September 30, 2015.

About Macquarie Group

Macquarie Group (Macquarie) is a global provider of banking, financial, advisory, investment and funds management services. Macquarie's main business focus is making returns by providing a diversified range of services to clients. Macquarie acts on behalf of institutional, corporate and retail clients and counterparties around the world. Founded in 1969, Macquarie operates in more than 60 office locations in 29 countries. Macquarie employs approximately 13,500 people and has assets under management of over US$354 billion (as of September 30, 2015).

Cautionary Note Regarding Forward-looking Statements

This release may contain forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ significantly from these forward-looking statements and we undertake no obligation to update any forward-looking statements.

None of the entities noted in this document is an authorized deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities.

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THIS ANNOUNCEMENT IS NOT FOR RELEASE IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA.

All figures in this release are subject to rounding. Any arithmetic inconsistencies are due to rounding.

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Current assets		
Cash and cash equivalents	**2,223,294**	5,425,062
Restricted cash	**9,033**	31,617
Trade and other receivables, net	**102,431**	116,944
Value added tax receivable	**287,020**	199,129
Other assets	**96,422**	99,925
Total current assets	**2,718,200**	5,872,677
Non-current assets		
Restricted cash	**162,099**	147,155
Other assets	**132,854**	58,682
Equity-accounted investees	**959,363**	930,415
Goodwill	**931,605**	931,605
Investment properties	**35,639,298**	27,612,778
Total non-current assets	**37,825,219**	29,680,635
Total assets	**40,543,419**	35,553,312
Current liabilities		
Trade and other payables	**350,300**	248,555
Interest-bearing liabilities	**937,621**	-
Other liabilities	**-**	93,598
Tenant deposits	**18,925**	15,474
Total current liabilities	**1,306,846**	357,627
Non-current liabilities		
Tenant deposits	**306,804**	251,025
Interest-bearing liabilities	**15,409,369**	14,091,738
Total non-current liabilities	**15,716,173**	14,342,763
Total liabilities	**17,023,019**	14,700,390
Net assets	23,520,400	20,852,922
Equity		
Contributed equity	**18,369,994**	18,376,480
Retained earnings	**5,150,406**	2,476,442
Total equity	23,520,400	20,852,922

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS AND YEARS ENDED DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	3 months ended		Year ended	
	Dec 31, 2015 $'000	Dec 31, 2014 $'000	**Dec 31, 2015 $'000**	Dec 31, 2014 $'000
Property related income	**760,014**	597,293	**2,747,163**	2,205,946
Property related expenses	**(113,231)**	(99,159)	**(410,381)**	(332,432)
Net property income	**646,783**	498,134	**2,336,782**	1,873,514
Management fees	**(46,723)**	(52,894)	**(198,227)**	(160,003)
Transaction related expenses	**(4,955)**	2,162	**(16,032)**	(29,732)
Professional, legal and other expenses	**(8,852)**	(6,800)	**(37,424)**	(44,968)
Total expenses	**(60,530)**	(57,532)	**(251,683)**	(234,703)
Finance costs	**(204,507)**	(169,255)	**(773,813)**	(678,740)
Financial income	**13,219**	38,967	**106,405**	79,981
Other income	**42,371**	51,960	**42,371**	105,940
Share of profits from equity-accounted investees	**13,704**	213,139	**77,619**	237,860
Foreign exchange loss	**(159,936)**	(1,106,194)	**(2,168,716)**	(1,432,735)
Net unrealized foreign exchange gain on foreign currency denominated investment property measured at fair value	**326,994**	1,819,091	**3,871,204**	2,389,699
Unrealized gain on investment property measured at fair value	**261,912**	530,800	**668,319**	939,386
Profit for the period/year	**880,010**	1,819,110	**3,908,488**	3,280,202
Other comprehensive income				
Other comprehensive income for the period	**-**	-	**-**	-
Total comprehensive income for the period/year	**880,010**	1,819,110	**3,908,488**	3,280,202
Earnings per CBFI*				
Basic earnings per CBFI (pesos)	**1.08**	2.24	**4.82**	4.94
Diluted earnings per CBFI (pesos)	**1.08**	2.24	**4.82**	4.94

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Contributed equity $'000	Retained earnings $'000	Total $'000
Total equity at January 1, 2014	13,673,801	342,243	14,016,044
Total comprehensive income for the year	-	3,280,202	3,280,202
Total comprehensive income for the year	-	3,280,202	3,280,202
Transactions with equity holders in their capacity as equity			
- Issued CBFIs	4,855,396	-	4,855,396
- Costs directly attributable to equity placement	(152,717)	-	(152,717)
- Distributions to CBFI holders	-	(1,146,003)	(1,146,003)
Total transactions with equity holders in their capacity as equity holders	4,702,679	(1,146,003)	3,556,676
Total equity at December 31, 2014	18,376,480	2,476,442	20,852,922
Total equity at January 1, 2015	**18,376,480**	**2,476,442**	**20,852,922**
Total comprehensive income for the year	**-**	**3,908,488**	**3,908,488**
Total comprehensive income for the year	**-**	**3,908,488**	**3,908,488**
Transactions with equity holders in their capacity as equity			
- Issued CBFIs	**-**	**-**	-
- Costs directly attributable to equity placement	**(6,486)**	**-**	**(6,486)**
- Distributions to CBFI holders	**-**	**(1,234,524)**	**(1,234,524)**
Total transactions with equity holders in their capacity as equity holders	**(6,486)**	**(1,234,524)**	**(1,241,010)**
Total equity at December 31, 2015	**18,369,994**	**5,150,406**	**23,520,400**

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Year ended	
	Dec 31, 2015 $'000 Inflows / (Outflows)	Dec 31, 2014 $'000 Inflows / (Outflows)
Operating activities:		
Profit for the year	**3,908,488**	3,280,202
Adjustments for:		
Net unrealized foreign exchange gain on foreign currency denominated investment property measured at fair value	**(3,871,204)**	(2,389,699)
Unrealized gain on investment property measured at fair value	**(668,319)**	(939,386)
Straight line rental income adjustment	**(57,262)**	(41,445)
Tenant improvement amortization	**12,182**	12,209
Leasing expense amortization	**28,311**	19,123
Financial income	**(106,405)**	(79,981)
Provision for bad debts	**41,981**	11,301
Net foreign exchange loss	**2,256,123**	1,460,709
Finance costs recognized in profit for the year	**773,813**	678,740
Other income	**(42,371)**	(60,980)
Share of profits from equity-accounted investees	**(77,619)**	(237,860)
Movements in working capital:		
(Increase)/decrease in receivables	**(135,793)**	352,721
Decrease/(increase) in payables	**61,805**	(20,840)
Net cash flows from operating activities	**2,123,730**	2,044,814
Investing activities:		
Investment property - asset acquisitions	**(3,005,265)**	(537,760)
Maintenance capital expediture and other capitalized cost	**(419,143)**	(209,319)
Investment in equity-accounted investees	**-**	(665,048)
Distributions received from equity-accounted investees	**48,671**	20,601
Net cash flows used in investing activities	**(3,375,737)**	(1,391,526)
Financing activities:		
Proceeds from interest-bearing liabilities, net of facility charges	**-**	255,468
Repayment of interest-bearing liabilities	**-**	(663,013)
Financial income	**106,405**	79,981
Interest paid	**(735,389)**	(625,917)
(Capital raising costs)/follow-on equity offering	**(6,486)**	4,730,072
Distribution to CBFI holders	**(1,234,524)**	(1,146,003)
Net cash flows from financing activities	**(1,869,994)**	2,630,588
Net (decrease)/increase in cash and cash equivalents	**(3,122,001)**	3,283,876
Cash and cash equivalents at the beginning of the year	**5,603,834**	2,347,932
Foreign exchange gain on cash and cash equivalents	**(87,407)**	(27,974)
Cash and cash equivalents at the end of the year*	**2,394,426**	5,603,834

*Included in the cash and cash equivalent balance at the end of the year is restricted cash of $171.1 million (2014: $178.8 million).

FIBRA MACQUARIE MÉXICO

QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER AND FULL YEAR ENDED DECEMBER 31, 2015

Important notice: This translation, available online at www.fibramacquarie.com, is for convenience purposes only. The Spanish original prevails.

MACQUARIE

FIBRA

Macquarie México

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Note	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Current assets			
Cash and cash equivalents	9	**2,223,294**	5,425,062
Restricted cash	9	**9,033**	31,617
Trade and other receivables, net	10	**102,431**	116,944
Value added tax receivable	10	**287,020**	199,129
Other assets	11	**96,422**	99,925
Total current assets		**2,718,200**	5,872,677
Non-current assets			
Restricted cash	9	**162,099**	147,155
Other assets	11	**132,854**	58,682
Equity-accounted investees	12	**959,363**	930,415
Goodwill	13	**931,605**	931,605
Investment properties	14	**35,639,298**	27,612,778
Total non-current assets		**37,825,219**	29,680,635
Total assets		**40,543,419**	35,553,312
Current liabilities			
Trade and other payables	15	**350,300**	248,555
Interest-bearing liabilities	17	**937,621**	-
Other liabilities	16	**-**	93,598
Tenant deposits	16	**18,925**	15,474
Total current liabilities		**1,306,846**	357,627
Non-current liabilities			
Tenant deposits	16	**306,804**	251,025
Interest-bearing liabilities	17	**15,409,369**	14,091,738
Total non-current liabilities		**15,716,173**	14,342,763
Total liabilities		**17,023,019**	14,700,390
Net assets		**23,520,400**	20,852,922
Equity			
Contributed equity	18	**18,369,994**	18,376,480
Retained earnings	19	**5,150,406**	2,476,442
Total equity		**23,520,400**	20,852,922

The above Consolidated Statements of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE MONTHS AND YEARS ENDED DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

		3 months ended		Year ended	
	Note	**Dec 31, 2015 $'000**	Dec 31, 2014 $'000	**Dec 31, 2015 $'000**	Dec 31, 2014 $'000
Property related income	4(a)	**760,014**	597,293	**2,747,163**	2,205,946
Property related expenses	4(b)	**(113,231)**	(99,159)	**(410,381)**	(332,432)
Net property income		**646,783**	498,134	**2,336,782**	1,873,514
Management fees	4(c)	**(46,723)**	(52,894)	**(198,227)**	(160,003)
Transaction related expenses	4(d)	**(4,955)**	2,162	**(16,032)**	(29,732)
Professional, legal and other expenses	4(e)	**(8,852)**	(6,800)	**(37,424)**	(44,968)
Total expenses		**(60,530)**	(57,532)	**(251,683)**	(234,703)
Finance costs	4(f)	**(204,507)**	(169,255)	**(773,813)**	(678,740)
Financial income	4(g)	**13,219**	38,967	**106,405**	79,981
Other income	4(h)	**42,371**	51,960	**42,371**	105,940
Share of profits from equity-accounted investees	12	**13,704**	213,139	**77,619**	237,860
Foreign exchange loss	4(i)	**(159,936)**	(1,106,194)	**(2,168,716)**	(1,432,735)
Net unrealized foreign exchange gain on foreign currency denominated investment property measured at fair value	4(j)	**326,994**	1,819,091	**3,871,204**	2,389,699
Unrealized gain on investment property measured at fair value	4(j)	**261,912**	530,800	**668,319**	939,386
Profit for the period/year		**880,010**	1,819,110	**3,908,488**	3,280,202
Other comprehensive income					
Other comprehensive income for the period		**-**	-	**-**	-
Total comprehensive income for the period/year		**880,010**	1,819,110	**3,908,488**	3,280,202
Earnings per CBFI*					
Basic earnings per CBFI (pesos)	8	**1.08**	2.24	**4.82**	4.94
Diluted earnings per CBFI (pesos)	8	**1.08**	2.24	**4.82**	4.94

**Real Estate Trust Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios)*

The above Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Note	Contributed equity $'000	Retained earnings $'000	Total $'000
Total equity at January 1, 2014		13,673,801	342,243	14,016,044
Total comprehensive income for the year		-	3,280,202	3,280,202
Total comprehensive income for the year		-	3,280,202	3,280,202
Transactions with equity holders in their capacity as equity holders:				
- Issued CBFIs	18	4,855,396	-	4,855,396
- Costs directly attributable to equity placement	18	(152,717)	-	(152,717)
- Distributions to CBFI holders	7	-	(1,146,003)	(1,146,003)
Total transactions with equity holders in their capacity as equity holders		4,702,679	(1,146,003)	3,556,676
Total equity at December 31, 2014		18,376,480	2,476,442	20,852,922
Total equity at January 1, 2015		**18,376,480**	**2,476,442**	**20,852,922**
Total comprehensive income for the year		**-**	**3,908,488**	**3,908,488**
Total comprehensive income for the year		**-**	**3,908,488**	**3,908,488**
Transactions with equity holders in their capacity as equity holders:				
- Issued CBFIs	18	**-**	**-**	-
- Costs directly attributable to equity placement	18	**(6,486)**	**-**	**(6,486)**
- Distributions to CBFI holders	7	**-**	**(1,234,524)**	**(1,234,524)**
Total transactions with equity holders in their capacity as equity holders		**(6,486)**	**(1,234,524)**	**(1,241,010)**
Total equity at December 31, 2015		**18,369,994**	**5,150,406**	**23,520,400**

The above Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

	Note	Year ended Dec 31, 2015 $'000 Inflows / (Outflows)	Dec 31, 2014 $'000 Inflows / (Outflows)
Operating activities:			
Profit for the year		**3,908,488**	3,280,202
Adjustments for:			
Net unrealized foreign exchange gain on foreign currency denominated investment property measured at fair value	4(j)	**(3,871,204)**	(2,389,699)
Unrealized gain on investment property measured at fair value	4(j)	**(668,319)**	(939,386)
Straight line rental income adjustment		**(57,262)**	(41,445)
Tenant improvement amortization	4(b)	**12,182**	12,209
Leasing expense amortization	4(b)	**28,311**	19,123
Financial income	4(g)	**(106,405)**	(79,981)
Provision for bad debts	4(b)	**41,981**	11,301
Net foreign exchange loss	4(i)	**2,256,123**	1,460,709
Finance costs recognized in profit for the year	4(f)	**773,813**	678,740
Other income	16	**(42,371)**	(60,980)
Share of profits from equity-accounted investees	12	**(77,619)**	(237,860)
Movements in working capital:			
(Increase)/decrease in receivables		**(135,793)**	352,721
Decrease/(increase) in payables		**61,805**	(20,840)
Net cash flows from operating activities		**2,123,730**	2,044,814
Investing activities:			
Investment property - asset acquisitions	14	**(3,005,265)**	(537,760)
Maintenance capital expediture and other capitalized cost		**(419,143)**	(209,319)
Investment in equity-accounted investees	12	**-**	(665,048)
Distributions received from equity-accounted investees	12	**48,671**	20,601
Net cash flows used in investing activities		**(3,375,737)**	(1,391,526)
Financing activities:			
Proceeds from interest-bearing liabilities, net of facility charges		**-**	255,468
Repayment of interest-bearing liabilities		**-**	(663,013)
Financial income	4(g)	**106,405**	79,981
Interest paid		**(735,389)**	(625,917)
(Capital raising costs)/follow-on equity offering		**(6,486)**	4,730,072
Distribution to CBFI holders	19	**(1,234,524)**	(1,146,003)
Net cash flows from financing activities		**(1,869,994)**	2,630,588
Net (decrease)/increase in cash and cash equivalents		**(3,122,001)**	3,283,876
Cash and cash equivalents at the beginning of the year		**5,603,834**	2,347,932
Foreign exchange gain on cash and cash equivalents		**(87,407)**	(27,974)
Cash and cash equivalents at the end of the year*		**2,394,426**	5,603,834

*Included in the cash and cash equivalent balance at the end of the year is restricted cash of $171.1 million (2014: $178.8 million).

The above Consolidated Statements of Cash Flows should be read in conjunction with the accompanying notes

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

1. REPORTING ENTITY

FIBRA Macquarie México ("FIBRA Macquarie") was created under the Irrevocable Trust Agreement No. F/1622, dated November 14, 2012, entered into by Macquarie México Real Estate Management, S.A. de C.V., as settlor, and Deutsche Bank México, S.A., Institución de Banca Múltiple, División Fiduciaria, as trustee (in such capacity, "FIBRA Macquarie Trustee"). FIBRA Macquarie is a real estate investment trust (Fideicomiso de Inversión en Bienes Raíces or "FIBRA") for Mexican federal tax purposes.

FIBRA Macquarie is domiciled in the United Mexican States ("Mexico") and the address of its registered office is Boulevard Manuel Avila Camacho 40 Piso 17, Col. Lomas de Chapultepec III Sección Miguel Hidalgo, Mexico City DF 11000. FIBRA Macquarie's trust agreement was amended on November 20, 2012, amended and restated on December 11, 2012, to, among other things, add as parties to the Trust Agreement, Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero, as common representative, and Macquarie México Real Estate Management, S.A. de C.V., as manager (in such capacity, "MMREM" or the "Manager"), and further amended and restated on August 27, 2014 (such amended and restated trust agreement, the "Trust Agreement").

Background information

On December 14, 2012, FIBRA Macquarie listed on the Mexican Stock Exchange under the ticker symbol "FIBRAMQ12" with an initial offering of 511,856,000 Real Estate Trust Certificates (Certificados Bursátiles Fiduciarios Inmobiliarios, or "CBFIs"), in a global offering consisting of (i) an international offering of 347,331,103 CBFIs in the United States ("international offering") to qualified institutional buyers as defined under Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"), in transactions exempt from registration thereunder, and outside Mexico and the United States to certain non-U.S. persons in reliance on regulations under the Securities Act, and (ii) a concurrent initial public offering in Mexico of 164,524,897 CBFIs ("Mexican offering") for gross proceeds of $12.80 billion.

On September 23, 2014, FIBRA Macquarie completed a follow-on global offering of 206,612,583 CBFIs, including the exercise of the over-allotment option, consisting of (i) an international offering of 134,531,051 CBFIs, and (ii) a concurrent Mexican offering of 72,081,532 CBFIs for gross proceeds of approximately $4.85 billion.

FIBRA Macquarie and its controlled entities (the "Group") were established with the purpose of acquiring and managing investment properties in Mexico. FIBRA Macquarie holds its investment in real estate assets through Mexican irrevocable trusts ("Investment Trusts"), namely F/00923 MMREIT Industrial Trust I ("MMREIT Industrial Trust I"), F/00921 MMREIT Industrial Trust II ("MMREIT Industrial Trust II"), F/00922 MMREIT Industrial Trust III ("MMREIT Industrial Trust III"), MMREIT Industrial Trust IV ("MMREIT Industrial Trust IV") (collectively, the "Industrial Trusts"), MMREIT Retail Trust I, MMREIT Retail Trust II, MMREIT Retail Trust III and MMREIT Retail Trust V (collectively, the "Retail Trusts").

The following acquisitions have been completed to date:

MMREIT Industrial Trust I acquired a portfolio of 155 properties from affiliates of GE Capital Real Estate Mexico S. de R.L. de C.V. ("GECREM") and a portfolio of fifteen properties from affiliates of DCT Industrial Inc., financed in part by loan facilities provided by GECREM and an affiliate of GECREM.

MMREIT Industrial Trust II acquired a portfolio of 49 properties from affiliates of Corporate Properties of the Americas ("CPA"), financed in part by GECREM loan facilities.

MMREIT Industrial Trust III acquired a portfolio of 39 properties from affiliates of CPA, financed in part by a Metropolitan Life Insurance Company ("MetLife") loan facility.

MMREIT Retail Trust I and MMREIT Retail Trust II acquired a portfolio of 6 properties located in the Mexico City Metropolitan Area and Guanajuato from Grupo Inmobiliario Carr and its partners, financed in part by loan facilities provided by GECREM and an affiliate of GECREM. Five of the properties were acquired on November 6, 2013 and the sixth property was acquired on March 27, 2014.

MMREIT Retail Trust V acquired a portfolio of 2 properties from companies controlled by Fondo Comercial Mexicano ("FCM"), financed in part by Banco Nacional de México ("Banamex") loan facilities.

MMREIT Retail Trust III acquired a 50% interest in a portfolio of nine retail properties and additional land from affiliates of Kimco Realty Corporation ("Kimco"), financed in part by GECREM and MetLife loan facilities. Grupo Frisa ("Frisa") owns the remaining 50% of the portfolio.

Where applicable, acquired properties and the cash flows deriving from these properties are held in security trusts under the terms of the credit facilities with the relevant lenders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

1. REPORTING ENTITY (CONTINUED)

Relevant activities

On February 18, 2015, MMREIT Industrial Trust IV completed the acquisition of a two-building industrial property located in Monterrey, Mexico from Ridge Property Trust II for US$58.0 million (approximately $998.0 million).

On July 23, 2015, MMREIT Industrial Trust IV completed the acquisition of an eight-property industrial portfolio located in Monterrey, Nuevo Leon, Mexico, which includes four stabilized properties, two build-to-suit ("BTS") development properties and two land parcels. The portfolio was acquired from Desarrollos Industriales Nexxus for US$24.3 million (approximately $418.1 million) excluding transaction costs and taxes. FIBRA Macquarie will pay additional consideration of US$5.6 million (approximately $96.4 million) for the two BTS projects subject to certain conditions being fulfilled. The first BTS project is expected to be completed during the fourth quarter of 2015, and the second to be completed mid-2016. Assuming completion of both projects, the total purchase price for the portfolio will be US$29.9 million (approximately $514.5 million).

On August 19, 2015, MMREIT Industrial Trust IV completed the acquisition of a ten-building industrial property located in the nothern Mexico cities of Monterrey, Reynosa, Tijuana, Ciudad Juarez and Saltillo. The portfolio was acquired from an institutional industrial property owner and developer in Mexico for US$105.0 million (approximately $1.8 billion) excluding transaction costs and taxes.

On November 6, 2015, FIBRA Macquarie announced an agreement to acquire two industrial properties and adjacent land located in Ciudad Juárez, Chihuahua for a total of US$21.7 million (approximately $373.4 million).

As a result of the acquisition of GECREM in 2015 by Blackstone the new legal entity name of the lender is BRE Debt México II, S.A. de C.V. SOFOM ENR ("BRE Debt México").

2. BASIS OF PREPARATION

(a) Statement of compliance

On February 25, 2016, the Technical Committee authorized the issuance of the these consolidated financial statements and related notes thereto. These consolidated financial statements are for the Group and have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The Group has elected to present a single statement of comprehensive income and presents its expenses by nature.

The Group reports cash flows from operating activities using the indirect method. Rental income, together with deposits received and repaid will be treated as cash flows from operating activities. The acquisitions of investment properties are disclosed as cash flows from investing activities because this most appropriately reflects the Group’s business activities.

(b) Historical cost convention

These consolidated financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of investment properties at fair value and carrying value of the contingent consideration.

(c) Critical accounting judgments and estimates

During the preparation of the consolidated financial statements, the Manager is required to make judgments, estimates and assumptions that affect the application of accounting policies. The notes to the consolidated financial statements set out areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the consolidated financial statements such as:

- estimation of fair value of investment properties (notes 3(j) and 14);
- provision for doubtful accounts (notes 3(i) and 10);
- the assessment of deferred or contingent purchase consideration (note 16); and
- classification of joint arrangements into joint ventures (note 12).

Management believes that the estimates used in preparing the consolidated financial statements are reasonable. Actual results in the future may differ from those reported and therefore it is possible, on the basis of existing knowledge, that outcomes within the next financial year that are different from our assumptions and estimates could result in an adjustment to the carrying amounts of the assets and liabilities previously reported.

(d) Comparatives

Certain items in the comparative consolidated financial statements have been reclassified for the three months and year ended December 31, 2014. These reclassifications have not resulted in any material impact on the Consolidated Statements of Comprehensive Income or Cash Flows for the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these consolidated financial statements and that of the previous year are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Accounting standards and interpretations issued

New accounting standards and interpretations have been published that are not mandatory for the current reporting year. The nature and potential impact of each applicable new standard and interpretation is set out below.

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities. The standard is not applicable until January 1, 2018 but is available for early adoption. The application date is subject to review. The Group is assessing the new standard and does not anticipate a significant impact on the Group's consolidated financial statements. The Group will first adopt the new standard from January 1, 2018.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 Revenue from Contracts with Customers specifies how and when revenue is recognized, as well as detailing the required enhanced disclosures. The standard is applicable on or after January 1, 2018. The Group is assessing the new standard and does not anticipate a significant impact on the Group's consolidated financial statements.

IFRS 11 Accounting for Acquisitions of Interest in Joint Operations

IFRS 11 Accounting for Acquisitions of Interest in Joint Operations specifies whether an acquirer of interests in joint operations should apply the principles of *IFRS 3 Business Combinations* on initial recognition of the interest or whether the acquirer should instead account for it as the acquisition of a group of assets. The standard is applicable from January 1, 2016 and earlier application is permitted. The Group does not anticipate a significant impact on the Group's consolidated financial statements.

IFRS 16 Leases

IFRS 16 Leases specifies how entities reporting under IFRS will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. The standard is applicable on or after January 1, 2019 and earlier application is permitted. The Group is assessing the new standard and does not anticipate a significant impact on the Group's consolidated financial statements.

(b) Principles of consolidation

The consolidated financial statements of FIBRA Macquarie incorporate the assets and liabilities of its controlled entities as at December 31, 2015 and 2014 and their results for the three months and years then ended. The effects of intra-Group balances and transactions, and any unrealized income and expenses arising from intra-Group transactions, are eliminated in preparing the consolidated financial statements.

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Business Combinations

Accounting for business combinations under IFRS 3 applies if a business has been acquired. Business combinations are accounted for using the acquisition method as at the acquisition date. Cost is measured as the aggregate of the fair values (at the date of acquisition) of assets acquired, equity instruments issued or liabilities incurred or assumed at the date of exchange.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values on the acquisition date. The Group can elect, on a transaction-by-transaction basis, to measure Non-Controlling Interests ("NCI") relating to ordinary shares either at fair value or at the NCI's proportionate share of the fair values of the identifiable assets and liabilities. The excess of the consideration payable over the Group's share of the fair value of the identifiable net assets acquired is recorded as goodwill. If the consideration is less than the Group's share of the fair value of the identifiable net assets of the business acquired, the difference is recognized directly in the Consolidated Statements of Comprehensive Income, after a reassessment of the identification and measurement of the net assets acquired. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of these contingent consideration liabilities are recognized in the Consolidated Statement of Comprehensive Income .

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Principles of consolidation (continued)

(ii) Business Combinations (continued)

Transaction costs, other than those associated with the issue of debt or equity securities, in connection with a business combination are expensed as incurred.

Where settlement of a portion of the cash consideration is deferred, the amounts payable in the future are discounted to their present value. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Distingushing between whether assets or a business is acquired involves judgement. The Group uses the following factors in identifying a business combination:

- the Group's acquisition strategy when commencing its operations;
- the nature of the Group's industry and business model, which affects the nature of an input, process or output;
- whether the acquisition included a majority of the critical inputs (e.g. tangible or intangible assets and intellectual property) and a majority of the critical processes (e.g. strategic processes, skilled and experienced workforce);
- the relative ease of replacing the critical processes not acquired by either integrating within the Group's existing processes or sub-contracting them to third parties; and
- the presence of goodwill.

(iii) Joint Arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending upon the contractual rights and obligations each investor has, and the legal structure of the joint arrangement. Interests in joint ventures are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence or joint control ceases. The Group has two joint ventures with Frisa whereby it hold 50% of a portfolio of nine retail assets.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, have been identified as the Chief Executive Officer of the Group. See note 5 for further information.

(d) Foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements of foreign operations are measured using the currency of the primary economic environment in which the foreign operation operates (the functional currency). The consolidated financial statements are presented in Mexican Pesos (the presentation currency), which is also the functional currency of FIBRA Macquarie and its controlled entities. Management has conducted a detailed review of the key factors that determine the functional currency under IAS 21, based on a number of factors including the location of the Group, the currency of its equity and distribution and the location of the Group's investments.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Consolidated Statement of Comprehensive Income.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain/loss in the Consolidated Statement of Comprehensive Income. Non-monetary items that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Controlled entities

The results and financial position of all operations recorded in a currency other than Mexican peso are translated into Mexican Pesos as follows:

- assets and liabilities presented are translated at the closing exchange rate at the date of that Consolidated Statements of Financial Position;
- income and expenses presented are translated at actual exchange rates at the dates of the transactions; and
- all resulting exchange differences are recognized as a separate line item in the Consolidated Statements of Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized for each major revenue stream as follows:

Rental income

Rental income from investment properties is recognized as revenue in the financial statements in line with the terms of lease agreements with tenants, and on a straight-line basis over the period of each lease.

Termination fees paid out in relation to the early termination of lease agreements are also included in rental income and recognized in full in the period in which the Group is legally entitled to this income. Recoveries relating to expenses that are recharged to tenants are recognized over the same period as the relevant expenses.

Lessees may be offered incentives as an inducement to enter into non-cancellable operating leases. These incentives may take various forms including rent-free periods, upfront cash payments, or a contribution to certain lessee costs such as a fit out of premises. Incentives are capitalized in the Consolidated Statements of Financial Position and amortized over the term of the lease as an adjustment to rental income.

Other income

Other income comprises i) the release of provisions for contingent consideration in respect of investment property acquired which are no longer deemed to be payable; and ii) certain amounts received under the terms of an insurance contract.

(f) Property related payments

Property related expenses including taxes and other property payments incurred in relation to investment properties where such expenses are the responsibility of the Group are recognized as expensed on an accruals basis.

Repairs and maintenance costs are charged as expenses when incurred. These repairs and maintenance costs will include those expenses that are recoverable from tenants under the relevant lease agreements.

(g) Income and other taxes

FIBRA Macquarie is deemed to be a real estate investment trust for Mexican federal income tax purposes. Under Articles 223 and 224 of the Mexican Income Tax Law, it will be required to distribute an amount equal to at least 95% of its net tax result to its CBFI holders on a yearly basis. If the net tax result during any fiscal year is greater than the distributions made to CBFI holders during the twelve months ended March of such fiscal year, FIBRA Macquarie is required to pay the corresponding tax at a rate of 30% of such excess. Due to this, the Group does not have any deferred tax effect for the year ended December 31, 2015 and 2014. However, the Group's subsidiaries are subject to income tax and hence the tax effects have been recognized in these Consolidated Financial Statements. As at December 31, 2015 and 2014, the current and deferred income tax is nil.

FIBRA Macquarie is a registered entity for Value Added Tax ("VAT") or *Impuesto al Valor Agregado* (“IVA”) in Mexico. IVA is triggered on a cash-flow basis upon the performance of specific activities carried out within Mexico, at the general rate of 16%.

(h) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statements of Financial Position comprise cash at bank and on hand and short-term deposits with an original maturity of 90 days or less from the acquisition date that are subject to an insignificant risk of change in their fair value. These balances are readily convertible to known amounts of cash and are used by the Group in the management of its short-term commitments.

Restricted cash relates to cash held in escrow accounts as well as capital reserves held by the lendors in relation to the interest bearing liabilities. See note 9 for further details.

(i) Trade and other receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date. Collectability of receivables is reviewed on an ongoing basis. Amounts that are known to be uncollectible are provided for by reducing the carrying amount directly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Investment properties

Investment properties comprise investment interests in land and buildings (including integral plant and equipment) held either to earn rental income or for capital appreciation or for both but not for sale in the ordinary course of business. Investment properties are initially measured at cost and subsequently at fair value with any change therein recognized in the Consolidated Statements of Comprehensive Income. Cost includes expenditure that is directly attributable to the acquisition of the investment property, except business combinations.

At each reporting date, the fair values of the investment properties are assessed with reference to the Managers assessments or independent valuation reports where available. The investment property will be valued subject to independent appraisals performed annually.

(k) Distributions

A distribution payable is recognized for the amount of any distribution declared, or publicly recommended by the directors on or before the end of the year but not distributed at balance sheet date.

(l) Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing goodwill impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

(m) Trade and other payables

Liabilities are recognized at fair value when an obligation exists to make future payments as a result of a purchase of assets or services, whether or not billed. Trade creditors are generally settled within 60 days.

(n) Interest bearing liabilities

Interest bearing liabilities are initially recognized at fair value, net of transaction costs incurred and are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Consolidated Statements of Comprehensive Income over the period of the borrowing using the effective interest rate method. Borrowing costs associated with the acquisition or construction of a qualifying asset, including interest expense, are capitalized as part of the cost of that asset during the period that is required to complete and prepare the asset for its intended use. All other borrowing costs are charged to Consolidated Statements of Comprehensive Income in the period in which they occur.

(o) Financial instruments

The Group classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, loans and receivables. The Group classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities - recognition and derecognition

The Group initially recognizes loans and receivables, debt securities, and cash and cash equivalents issued on the date when they are originated. Trade and other receivables, trade and other payables, interest bearing liabilities are initially recognized on the transaction date.

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Group is recognized as a separate asset or liability.

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

(ii) Non-derivative financial assets - measurement

Loans and receivables

These assets are initially recognized at fair value plus any directly attributable transaction costs, subsequent to initial recognition, they are measured at amortized cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

(q) Earnings per CBFI

Basic earnings per CBFI are calculated by dividing the Group's profit attributable to CBFI holders by the weighted average number of CBFIs outstanding during the year. Diluted earnings per CBFI is calculated by dividing the Group's profit attributable to CBFI holders by the weighted average number of CBFIs that would be issued by exercising the over allotment.

(r) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported on the Consolidated Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the financial asset and settle the financial liability simultaneously.

(s) Contributed equity

The CBFIs are classified as equity and recognized at the fair value of the consideration received by FIBRA Macquarie. Transaction costs arising on the issue of equity are recognized directly in equity as a reduction in the proceeds of CBFIs to which the costs relate.

For the year ended 31 December 2015 and 2014, distributions were paid out from the trust equity in accordance with Mexican Trust Law. For financial statement presentation purposes, these distributions have been classified in retained earnings.

According to the Mexican Income Tax Law, whilst FBRA Macquarie is in a tax loss position for the 2014 and 2015 fiscal years, the distributions have been classified as a capital return for Mexican Federal income tax purposes.

(t) Rounding of amounts

Amounts in the consolidated financial statements have been rounded to the nearest thousand Mexican Pesos unless otherwise indicated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

4. PROFIT FOR THE PERIOD/YEAR

The profit for the period/year includes the following items of revenue and expenses:

	3 months ended		Year ended	
	Dec 31, 2015 $'000	Dec 31, 2014 $'000	**Dec 31, 2015 $'000**	Dec 31, 2014 $'000
a) Property related income				
Lease related income	**712,818**	547,612	**2,569,750**	2,067,619
Car park income	**10,727**	12,597	**48,432**	46,178
Expenses recoverable from tenants	**36,469**	37,084	**128,981**	92,149
Total property related income	**760,014**	597,293	**2,747,163**	2,205,946
b) Property related expenses				
Property management expenses	**(18,082)**	(22,158)	**(75,938)**	(74,223)
Property insurance	**(7,329)**	(6,516)	**(27,107)**	(27,617)
Property tax	**(13,179)**	(14,032)	**(52,481)**	(50,792)
Repairs and maintenance	**(29,518)**	(13,446)	**(92,864)**	(46,673)
Security services	**(5,284)**	(6,277)	**(21,702)**	(22,031)
Property related legal and consultancy expenses	**(6,672)**	(13,362)	**(16,123)**	(25,982)
Tenant improvements amortization	**(3,071)**	(3,173)	**(12,182)**	(12,209)
Leasing expenses amortization	**(6,845)**	(5,503)	**(28,311)**	(19,123)
Utilities	**(3,568)**	(3,114)	**(15,023)**	(16,073)
Marketing costs	**(2,796)**	(2,667)	**(11,968)**	(8,056)
Car park operating fees	**(3,112)**	(3,996)	**(11,282)**	(12,331)
Bad debt expense	**(12,245)**	(3,365)	**(41,981)**	(11,301)
Other property related expenses	**(1,530)**	(1,550)	**(3,419)**	(6,021)
Total property related expenses	**(113,231)**	(99,159)	**(410,381)**	(332,432)
c) Management fees				
Fees payable to the Manager	**(46,723)**	(52,894)	**(198,227)**	(160,003)
Total management fees	**(46,723)**	(52,894)	**(198,227)**	(160,003)
d) Transaction related expenses				
Property transfer tax and related expenses	**-**	-	**-**	(26,908)
Other transaction related expenses	**(4,955)**	2,162	**(16,032)**	(2,824)
Total transaction related expenses	**(4,955)**	2,162	**(16,032)**	(29,732)
e) Professional, legal and other expenses				
Tax advisory expenses	**(765)**	886	**(1,413)**	(2,578)
Accountancy expenses	**(1,524)**	(2,332)	**(8,648)**	(9,015)
Valuation expenses	**(165)**	(1,971)	**(6,365)**	(5,180)
Audit expenses	**(964)**	(1,342)	**(3,900)**	(5,370)
Other professional expenses	**(1,547)**	(1,070)	**(6,857)**	(9,847)
Other expenses	**(3,887)**	(971)	**(10,241)**	(12,978)
Total professional, legal and other expenses	**(8,852)**	(6,800)	**(37,424)**	(44,968)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

4. PROFIT FOR THE PERIOD/YEAR (CONTINUED)

The profit for the period/year includes the following items of revenue and expenses:

	3 months ended		Year ended	
	Dec 31, 2015 $'000	Dec 31, 2014 $'000	**Dec 31, 2015 $'000**	Dec 31, 2014 $'000
f) Finance costs				
Interest expense on interest bearing liabilities	**(196,888)**	(161,530)	**(744,161)**	(631,758)
Other finance costs	**(7,619)**	(7,725)	**(29,652)**	(46,982)
Total finance costs	**(204,507)**	(169,255)	**(773,813)**	(678,740)
g) Financial income				
Returns earned on Mexican government bonds	**13,219**	38,967	**100,139**	67,782
Inflationary adjustment in respect of VAT refunds received from the Mexican tax authorities	**-**	-	**6,266**	12,199
Total financial income	**13,219**	38,967	**106,405**	79,981
h) Other income				
Release of provisions for contingent considerations	**42,371**	7,000	**42,371**	60,980
Proceeds from insurance claims	**-**	44,960	**-**	44,960
Total other income	**42,371**	51,960	**42,371**	105,940
i) Foreign exchange loss				
Net unrealized foreign exchange loss on monetary items	**(166,070)**	(1,089,371)	**(2,144,825)**	(1,413,557)
Net realized foreign exchange gain/(loss)	**6,134**	(16,823)	**(23,891)**	(19,178)
Total foreign exchange loss	**(159,936)**	(1,106,194)	**(2,168,716)**	(1,432,735)
j) Movement in investment property measured at fair value				
Net unrealized foreign exchange gain on USD denominated investment property measured at fair value	**326,994**	1,819,091	**3,871,204**	2,389,699
Unrealized revaluation gain on investment property measured at fair value	**261,912**	530,800	**668,319**	939,386
Total movement in investment property measured at fair value	**588,906**	2,349,891	**4,539,523**	3,329,085

At December 31, 2015, the Group had 59 employees (2014: 49) in its internal property management platform. The total wages and salaries (including insurance contributions, termination benefits, annual leave and bonus accruals) in relation to staff employed by its internal property management platform amounted to $64.9 million for the year ended December 31, 2015 (2014: $47.6 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

5. SEGMENT REPORTING

The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its chief operating decision-maker is the Chief Executive Officer ("CEO") of the Group. The Manager has identified the operating segments based on the reports reviewed by the CEO in making strategic decisions.

The segment information includes proportionately consolidated results of the joint ventures which gets eliminated in the segment reconciliations.

The CEO monitors the business based on the location of the investment properties, as follows:

3 months ended Dec 31, 2015	**Industrial**				**Retail[2,3,4]**		**Total**
	North East	**Central**	**North West[1]**	**North**	**South**	**Central**	
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue from external customers[2]	**264,189**	**134,707**	**130,946**	**103,131**	**10,225**	**164,884**	**808,082**
Segment operating profit[3]	**391,190**	**138,748**	**176,606**	**114,733**	**2,855**	**42,540**	**866,672**
Included in profit of the period:							
Finance costs[4]	**(51,206)**	**(44,215)**	**(37,215)**	**(35,187)**	**(3,561)**	**(49,846)**	**(221,230)**

[1]Includes MMREIT Industrial Trust IV operating results from February 18, 2015. Refer to Relevant Activities section for further details

[2]The retail south segment and the retail central segment includes revenues relating to the joint ventures amounting to $10.2 million and $37.8 million respectively.

[3]The retail south segment and the retail central segment includes operating profits relating to the joint ventures amounting to $2.8 million and $10.8 million respectively.

[4]The retail south segment and the retail central segment includes finance costs relating to the joint ventures amounting to $3.5 million and $13.1 million respectively.

3 months ended Dec 31, 2014	Industrial				Retail[1,2,3]		Total
	North East	Central	North West	North	South	Central	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from external customers[1]	170,108	96,375	98,460	108,935	10,155	158,601	642,634
Segment operating profit[2]	571,430	318,232	353,684	295,362	47,768	201,984	1,788,460
Included in profit of the period:							
Finance costs[3]	(45,677)	(34,774)	(31,359)	(24,094)	(3,730)	(46,274)	(185,908)

[1]The retail south segment and the retail central segment includes revenues relating to joint ventures amounting to $10.1 million and $35.1 million respectively.

[2]The retail south segment and the retail central segment includes operating profits relating to joint ventures amounting to $47.8 million and $165.5 million respectively.

[3]The retail south segment and the retail central segment includes finance costs relating to joint ventures amounting to $3.7 million and $12.9 million respectively.

Year ended Dec 31, 2015	**Industrial**				**Retail[2,3,4]**		**Total**
	North East	**Central**	**North West[1]**	**North**	**South**	**Central**	
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue from external customers[2]	**884,679**	**491,100**	**487,478**	**384,166**	**43,855**	**650,835**	**2,942,113**
Segment operating profit[3]	**1,720,961**	**695,466**	**786,794**	**539,180**	**17,884**	**210,294**	**3,970,579**
Included in profit of the year:							
Finance costs[4]	**(207,032)**	**(163,480)**	**(143,842)**	**(117,896)**	**(14,651)**	**(193,154)**	**(840,055)**

[1]Includes MMREIT Industrial Trust IV operating results from February 18, 2015. Refer to Relevant Activities section for further details

[2]The retail south segment and the retail central segment includes revenues relating to the joint ventures amounting to $43.8 million and $151.1 million respectively.

[3]The retail south segment and the retail central segment includes operating profits relating to the joint ventures amounting to $17.8 million and $59.6 million respectively.

[4]The retail south segment and the retail central segment includes finance costs relating to the joint ventures amounting to $14.6 million and $51.5 million respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

5. SEGMENT REPORTING (CONTINUED)

Year ended	Industrial				Retail[1,2,3]		Total
Dec 31, 2014	North East	Central	North West	North	South	Central	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from external customers[1]	641,272	402,137	382,141	311,295	30,238	573,882	2,340,965
Segment operating profit[2]	1,048,590	641,298	611,760	491,105	53,301	512,809	3,358,863
Included in profit of the year:							
Finance costs[3]	(176,928)	(135,798)	(120,817)	(94,243)	(11,295)	(164,601)	(703,682)

[1]The retail south segment and the retail central segment includes revenues relating to joint ventures amounting to $30.2 million and $104.7 million respectively.

[2]The retail south segment and the retail central segment includes operating profits relating to joint ventures amounting to $53.3 million and $184.7 million respectively.

[3]The retail south segment and the retail central segment includes finance costs relating to joint ventures amounting to $11.3 million and $39.1 million respectively.

As at	**Industrial**				**Retail**		**Total**
Dec 31, 2015	**North East**	**Central**	**North West***	**North**	**South**	**Central**	
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Total segment assets	**13,592,435**	**6,950,984**	**6,704,754**	**5,162,986**	**409,312**	**6,952,934**	**39,773,405**
Total segment liabilities	**(4,769,257)**	**(3,713,224)**	**(3,322,436)**	**(2,647,606)**	**(197,133)**	**(3,635,478)**	**(18,285,134)**

*Includes MMREIT Industrial Trust IV.

As at	Industrial				Retail		Total
Dec 31, 2014	North East	Central	North West	North	South	Central	
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Total segment assets	8,309,542	5,935,446	5,698,265	4,223,969	728,173	6,481,237	31,376,632
Total segment liabilities	(4,068,163)	(3,123,122)	(2,807,157)	(2,164,529)	(195,460)	(3,405,517)	(15,763,948)

The operating segments derive their income primarily from lease rental income, derived from tenants in Mexico. During the year, there were no transactions between the Group's operating segments.

The Group's non-current assets are comprised of investment properties located in Mexico.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

5. SEGMENT REPORTING (CONTINUED)

Segment revenue and operating profit is reconciled to total revenue and operating profit as follows:

	3 months ended		Year ended	
	Dec 31, 2015 $'000	Dec 31, 2014 $'000	**Dec 31, 2015 $'000**	Dec 31, 2014 $'000
Total segment revenue	**808,082**	642,634	**2,942,113**	2,340,965
Revenue attributable to equity-accounted investees	**(48,069)**	(45,341)	**(194,950)**	(135,019)
Financial income	**13,219**	38,967	**106,405**	79,981
Other income	**42,371**	51,960	**42,371**	105,940
Total revenue for the period/year	**815,603**	688,220	**2,895,939**	2,391,867
Segment profit	**866,672**	1,788,460	**3,970,579**	3,358,863
Property expenses not included in reporting segment	**4,248**	(6,440)	**19,683**	(5,892)
Finance costs not included in reporting segment	**-**	-	**-**	(25,491)
Financial income	**13,219**	38,967	**106,405**	79,981
Items attributable to equity-accounted investees	**29**	(157)	**120**	(143)
Other income	**42,371**	51,959	**42,371**	105,940
Foreign exchange loss	**14,001**	3,853	**21,013**	1,647
Fees payable to the Manager	**(46,723)**	(52,894)	**(198,227)**	(160,003)
Transaction related expenses	**(4,955)**	2,162	**(16,032)**	(29,732)
Professional, legal and other expenses	**(8,852)**	(6,800)	**(37,424)**	(44,968)
Operating profit for the period/year	**880,010**	1,819,110	**3,908,488**	3,280,202

Segment assets and liabilities are reconciled to total assets and liabilities as follows:

	Year ended	
	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Segment assets	**39,773,405**	31,376,632
Investment properties not included in reporting segment	**-**	2,440
Cash, cash equivalents and restricted cash	**1,570,211**	4,831,429
Trade and other receivables	**11,465**	12,400
Value added tax receivable	**-**	142,309
Other assets	**79,672**	81,483
Assets attributable to equity-accounted investees	**(1,850,697)**	(1,823,796)
Investment in equity-accounted investees	**959,363**	930,415
Total assets	**40,543,419**	35,553,312
Segment liabilities	**(18,285,134)**	(15,763,948)
Trade and other payables	**370,782**	170,177
Liabilities attributable to equity-accounted investees	**891,333**	893,381
Total liabilities	**(17,023,019)**	(14,700,390)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

6. SEASONALITY OF OPERATIONS

There are no seasonal material fluctuations for the Group operations given the characteristics of the properties and lease contracts.

7. DISTRIBUTIONS PAID OR PROVIDED FOR

During the year ended December 31, 2015, FIBRA Macquarie made four distribution payments amounting to $1,234.5 million (December 31, 2014: $1,146.0 million). The first distribution amounting to $287.3 million ($0.354 per CBFI) was paid on March 13, 2015, the second distribution amounting to $294.1 million ($0.362 per CBFI) was paid on May 13, 2015, the third distribution amounting to $308.3 million ($0.380 per CBFI) was paid on August 11, 2015, the fourth distribution amounting to $344.8 million ($ 0.425 per CBFI) was paid on November 11, 2015.

8. EARNINGS PER CBFI

	3 months ended		Year ended	
	Dec 31, 2015	Dec 31, 2014	Dec 31, 2015	Dec 31, 2014
Earnings per CBFI				
Basic earnings per CBFI ($)	**1.08**	2.24	**4.82**	4.94
Diluted earnings per CBFI ($)	**1.08**	2.24	**4.82**	4.94
Basic earnings used in the calculation of earnings per CBFI				
Net profit for the period/year ($'000)	**880,010**	1,819,110	**3,908,488**	3,280,202
Weighted average number of CBFIs ('000)	**811,364**	811,364	**811,364**	664,188
Diluted earnings used in the calculation of earnings per CBFI				
Net profit for diluted earnings per CBFI ($'000)	**880,010**	1,819,110	**3,908,488**	3,280,202
Weighted average number of CBFIs and potential CBFIs used as the denominator in calculating diluted earnings per CBFI ('000)	**811,364**	811,364	**811,364**	664,188

9. CASH AND CASH EQUIVALENTS

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Operating accounts	**2,223,294**	5,425,062
Restricted cash - current	**9,033**	31,617
Restricted cash - non current	**162,099**	147,155
Total cash and cash equivalents	**2,394,426**	5,603,834

(a) Operating accounts

The majority of the cash and cash equivalents are held in investment accounts earning interest at market rates.

(b) Restricted accounts

The investment properties, and the cash flows deriving there from, are received into lockbox accounts held by security trusts of which the lenders are the first ranking beneficiaries. Under the security trust agreement, all rental income derived from the respective properties must be directly deposited by the tenants into the nominated trust account under the name of the security trust. After the payment of any outstanding principal, interest, reserves and other amounts due at each payment date under the facility, all excess funds will be transferred to the relevant MMREIT Industrial and MMREIT Retail Trusts.

Non-current restricted cash includes cash held as maintenance reserves as required under the Group's senior debt agreements. These facilities can be used within the next 12 months, however the Group does not intend to do so.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

10. TRADE AND OTHER RECEIVABLES, NET

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Amounts receivable in respect of VAT paid on the acquisition of investment property	**287,020**	199,129
Rental income receivable, net	**90,947**	102,668
Other receivables	**11,484**	14,276
Total trade and other receivables, net	**389,451**	316,073

(a) VAT receivable

The Group, as purchaser of the properties was liable for value added tax ("VAT") on the purchase price and therefore, was obliged to pay VAT at the applicable rate of 16%. The Group is entitled to claim a refund on the excess of VAT paid on the acquisition of investment property over the VAT levied on taxable transactions conducted in the same month.

(b) Rental income receivable, net

This balance is shown net of a provision for doubtful accounts of $72.5 million as at December 31, 2015 (December 31, 2014: $37.9 million). The provision is based on an analytical review of the outstanding accounts and the management's assessment of its recoverability.

11. OTHER ASSETS

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Other assets - Current		
Prepaid expenses	**50,334**	26,387
Prepaid management fees	**46,088**	51,744
VAT receivable	**-**	21,794
Total other assets - Current	**96,422**	99,925
Other assets - Non-current		
Straight-line rental adjustment	**118,833**	54,769
Other assets	**14,021**	3,913
Total other assets - Non-current	**132,854**	58,682

12. EQUITY-ACCOUNTED INVESTEES

MMREIT Retail Trust III entered into two joint arrangements with Frisa through which it acquired a 50% interest in two joint venture trusts ("JV Trusts"). These have been classified as joint venture trusts under IFRS 11 – Joint Arrangements as MMREIT Retail Trust III has a right to 50% of the net assets of the JV Trusts. The debt used to finance the purchase of the assets held by the JV Trusts is at the JV Trust level. FIBRA Macquarie and/or MMREIT Retail Trust III have an exposure in relation to this debt solely in their capacity as joint obligors and only in exceptional circumstances which do not currently exist.

a) Carrying amounts

Name of the entity	Country of establishment / Principal activity	Ownership interest as at Dec 31, 2015	Ownership interest as at Dec 31, 2014	Dec 31, 2015 $'000	Dec 31, 2014 $'000
JV Trust CIB/589	Mexico / Own & lease retail property	**50%**	50%	**236,758**	302,652
JV Trust CIB/586	Mexico / Own & lease retail property	**50%**	50%	**722,605**	627,763

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

12. EQUITY-ACCOUNTED INVESTEES (CONTINUED)

b) Movement in carrying amounts

	Year ended	
	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Carrying amounts at the beginning of the year	**930,415**	-
Investment in JV Trusts	**-**	691,684
Additions during the year	**-**	15,736
Distributions received during the year	**(48,671)**	(14,865)
Share of profits after income tax	**60,214**	34,015
Share of revaluation gain on investment property measured at fair value	**17,405**	203,845
Carrying amounts at the end of the year	**959,363**	930,415

c) Summarized financial information for joint ventures

The below table provides summarized financial information for the joint ventures since these are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the joint ventures and not FIBRA Macquarie's share of those amounts. These have been amended to reflect adjustments made by the Group using the equity method including adjustments and modifications for differences in accounting policy between FIBRA Macquarie and the JV Trusts.

Summarized Statement of Financial Position	**JV Trust CIB/589 Dec 31, 2015 $'000**	JV Trust CIB/589 Dec 31, 2014 $'000	**JV Trust CIB/586 Dec 31, 2015 $'000**	JV Trust CIB/586 Dec 31, 2014 $'000
Total current assets*	**20,189**	27,458	**71,248**	80,269
Total non-current assets	**1,039,652**	1,162,465	**2,570,306**	2,377,400
Total current liabilities**	**(22,463)**	(18,912)	**(31,684)**	(40,869)
Total non-current liabilities***	**(563,862)**	(565,708)	**(1,164,660)**	(1,161,273)
Net assets	**473,516**	605,303	**1,445,210**	1,255,527
Reconciliation to carrying amounts:				
Opening net assets	**565,754**	453,334	**1,197,734**	931,777
Profits for the year	**(92,238)**	151,969	**247,476**	323,750
Net assets	**473,516**	605,303	**1,445,210**	1,255,527
FIBRA Macquarie's share (%)	**50%**	50%	**50%**	50%
FIBRA Macquarie's share ($)	**236,758**	302,651	**722,605**	627,764
FIBRA Macquarie's carrying amount	**236,758**	302,651	**722,605**	627,764

*Includes cash and cash equivalents of $37.8 million (December 31, 2014: $39.5 million).

**Current financial liabilities (excluding trade and other payables and provisions) amounts to nil (December 31, 2014: nil).

***Non-current financial liabilities (excluding trade and other payables and provisions) amounts to $1,699.0 million (December 31, 2014: $1,727.0 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

12. EQUITY-ACCOUNTED INVESTEES (CONTINUED)

c) Summarized financial information for joint ventures (continued)

Summarized Statement of Comprehensive Income	**JV Trust CIB/589 Year ended Dec 31, 2015 $'000**	JV Trust CIB/589 Period ended Dec 31, 2014* $'000	**JV Trust CIB/586 Year ended Dec 31, 2015 $'000**	JV Trust CIB/586 Period ended Dec 31, 2014* $'000
Revenue:				
Rental and other income	**117,391**	82,833	**272,509**	187,205
Revaluation of investment property measured at fair value	**(126,431)**	133,459	**161,242**	274,230
Financial income	**326**	44	**354**	7
Total revenue	**(8,714)**	216,336	**434,105**	461,442
Expenses:				
Interest expense	**(48,266)**	(38,306)	**(84,218)**	(62,560)
Other expenses	**(35,258)**	(26,061)	**(102,411)**	(75,132)
Total expense	**(83,524)**	(64,367)	**(186,629)**	(137,692)
Profit for the period	**(92,238)**	151,969	**247,476**	323,750
FIBRA Macquarie's share (%)	**50%**	50%	**50%**	50%
FIBRA Macquarie's share	**(46,119)**	75,985	**123,738**	161,875

*Refers to the period from March 28, 2014 to December 31, 2014.

d) Share of contingent liabilities of joint venture

As at December 31, 2015 and 2014, there was no share of contingent liabilities incurred jointly with the joint venture partners and no contingent liabilities of the joint ventures for which FIBRA Macquarie is liable.

13. GOODWILL

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Carrying amount at the beginning of the year	**931,605**	931,605
Carrying amount at the end of the year	**931,605**	931,605

Under IFRS 3 Business Combinations, where the initial accounting can be determined only provisionally by the end of the first reporting period, the business combination is accounted for using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified assets and liabilities, must be made within the 'measurement period' where they reflect new information obtained about facts and circumstances that were in existence at the acquisition date.

Goodwill recognized represents the difference between consideration given and the fair value of the assets acquired at the acquisition date.

Goodwill is tested for impairment at least annually and when circumstances indicate that the carrying value may be impaired. No impairment of goodwill has been recognized for the year ended December 31, 2015 and 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

14. INVESTMENT PROPERTIES

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Carrying amount at the beginning of the year	**27,612,778**	23,514,719
Additions during the year:		
Asset acquisition*	**3,005,265**	537,987
Capital expenditure (including tenant improvements)	**314,819**	67,447
Transfers from Investment property under construction	**132,685**	171,642
Net investment property under construction	**-**	(47,729)
Contingent deferred consideration	**-**	1,988
Net unrealized foreign exchange gain on USD denominated investment property	**3,871,204**	2,389,699
Revaluation of investment property measured at fair value	**668,319**	939,386
Leasing commissions net of amortization	**34,228**	37,639
Carrying amount at the end of the year	**35,639,298**	27,612,778

*During the year ended December 31, 2015, MMREIT Industrial Trust IV completed three acquisitions. Refer to Note 1 for further details.

(a) Investment property under construction*

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Carrying amount at the beginning of the year	**12,508**	60,237
Capital expenditure	**120,177**	123,913
Transfer to completed investment properties	**(132,685)**	(171,642)
Carrying amount at the end of the year	**-**	12,508

*Investment property under construction has initially been recognized at cost since the fair value of these properties under construction cannot reasonably be measured as at that date. At the year end or date of completion, whichever is earlier, any difference between the initial recognition and the fair value at that date will be taken to the Consolidated Statements of Comprehensive Income.

(b) Asset-by-asset valuation

Valuations of investment properties are carried out at least annually by a qualified valuation specialist independent of FIBRA Macquarie (the "Independent Valuer"). CBRE Mexico, an internationally recognized valuation and advisory firm with relevant expertise and experience, was engaged as the independent valuer to conduct an independent appraisal of FIBRA Macquarie's investment properties as at December 31, 2015. For the year ended December 31, 2014 the independent valuer was Colliers International.

The valuation methods - cost, market value and capitalization analyses - are applied by the Independent Valuer in order to estimate the market value of the acquired properties applying primarily an income analysis, using direct capitalization as well as discounted cash flow

The significant inputs and assumptions in respect of the valuation process are developed in consultation with management. The valuation process and fair value changes are reviewed by the independent auditor and the board of directors of the Manager at each reporting date. The directors confirm that there have been no material changes to the assumptions applied by the independent valuers. The inputs used in the valuations at December 31, 2015 were as follows:

- The average annualised yield range across all properties was 7.5% to 9.8% for industrial properties and 8.2% to 8.7% for retail.
- The range of reversionary capitalisation rates applied to the portfolio were between 7.7% and 10.2% for industrial and 8.6% and 9.4% for retail.
- The discount rates applied range between 8.7% and 11.2% (2014: 8.6% - 11.7%) for industrial and 9.3% and 10.3% (2014: 9.8% - 10.5%) for retail.
- The vacancy rate applied for shopping centers ranged between 3.8% and 7.6%, with an average of 5.0%.

The estimated fair value increases if the estimated rental increases, vacancy levels decline or if discount rates (market yields) and reversionary capitalisation rates decline. The valuations are sensitive to all four assumptions. Changes in discount rates attributable to changes in market conditions can have a significant impact on property valuations.

The difference between the above fair value for financial reporting purposes and the carrying value at the end of the year is primarily on account of capitalized leasing costs and tenant improvements which are carried at historical costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

14. INVESTMENT PROPERTIES (CONTINUED)

(c) Portfolio valuation

The Independent Valuer's valuations of the existing portfolios as at December 31, 2015 on a portfolio basis were as follows:

(i) US$1.75 billion (approximately $30.14 billion) (December 31, 2014: US$1.67 billion, approximately $24.48 billion) for the Industrial Trusts; and

(ii) $5.32 billion (December 31, 2014: $5.20 billion) for the Retail Trusts.

15. TRADE AND OTHER PAYABLES

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Property related expenses*	**83,652**	76,127
Acquisition related costs	**32,049**	-
Interest payable	**62,837**	54,065
Transaction related expenses	**13,320**	30,142
Audit and tax advisory expenses	**12,171**	9,195
Capital expenditures	**103,082**	53,227
Other payables	**29,312**	25,799
VAT Payable	**13,877**	-
Total payables	**350,300**	248,555

* Includes seniority premium liability of $0.01 million in accordance with IAS 19 Employee Benefits.

16. OTHER LIABILITIES

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Other liabilities - current		
Security deposits from tenants	**18,925**	15,474
Contingent deferred consideration in respect of investment properties	**-**	93,598
Total other liabilities - current	**18,925**	109,072
Other liabilities - non-current		
Security deposits from tenants	**306,804**	251,025
Total other liabilities - non-current	**306,804**	251,025

Security deposits are determined under the terms of the relevant lease and retained by the Group until the expiry of the applicable lease term.

The contingent deferred consideration relates to a legal requirement to pay agreed amounts where the certain earn-out conditions are met, as outlined in the table below.

	Dec 31, 2015 $'000	Dec 31, 2013 $'000
Carrying amount at the beginning of the year	**93,598**	182,981
Release of existing provisions	**(42,371)**	(60,980)
Contingent deferred consideration paid	**(51,227)**	(80,110)
Increase in provisions	**-**	51,707
Carrying amount at the end of the year	**-**	93,598

During the year ended December 31, 2015, the last two installments totaling to $63.0 million (December 31, 2014: three installments totaling to $71.0 million) were paid to GECREM as part of the guaranteed earn-out payment. As part of the purchase of the portfolio of nine retail properties and additional land from Kimco, a potential earn-out of up to $42.4 million was calculated and recognized during the year ended December 31, 2014 based on the criteria agreed as per the purchase agreement. During the year ended December 31, 2015, the amount was released to the Consolidated Statement of Comprehensive Income as it is no longer payable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

17. INTEREST BEARING LIABILITIES

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Loan facilities		
USD denominated term funding	**15,470,479**	13,233,051
MXN denominated term funding	**940,000**	940,000
Unamortized transaction costs	**(63,489)**	(81,313)
Total loan facilities net of unamortized transaction costs	**16,346,990**	14,091,738

Loan facilities

The acquisition of the relevant portfolios was financed by the following borrowings:

Lenders	Currency	Initial balance	Rate p.a.	Maturity date	Dec 31, 2015 $'000	Dec 31, 2014 $'000
BRE Debt México*	USD	365.4 million	5.07%	Dec-17	**6,259,173**	5,349,713
BRE Debt México*	USD	184.5 million	90 day Libor + 3.85%	Dec-17	**3,171,512**	2,700,290
BRE Debt México*	USD	80.5 million	5.07%	Dec-17	**1,379,923**	1,178,926
BRE Debt México*	USD	86.2 million	90 day Libor + 3.80%	Dec-17	**1,474,386**	1,261,281
MetLife	USD	182.5 million	4.50%	Jan-18	**3,124,375**	2,666,548
Banamex	MXN	940.0 million	6.73%	Oct-16	**937,621**	934,980
Balance at the end of the year					**16,346,990**	**14,091,738**

*Refer to Note 1 for further details.

Interest bearing liabilities - Current

The loan facility with Banamex is due for repayment in October 2016 and therefore has been classified as a current liability.

VAT facilities

On October 17, 2013, FIBRA Macquarie borrowed US$10.7 million (approximately $184.1 million) under a nine-month secured facility with Macquarie Bank Limited ("MBL"). Interest was payable monthly at a variable rate of the three-month USD LIBOR rate plus 2.25% per annum. The interest rate including USD LIBOR applicable for the year ended December 31, 2013 was 2.50% per annum. This facility was repaid to MBL on March 13, 2014. The funds from this facility were contributed into MMREIT Industrial Trust I which used these proceeds to finance a portion of the purchase price of the portfolio that it acquired from affiliates of DCT Industrial Inc.

On October 29, 2013 and November 4, 2013, FIBRA Macquarie entered into two additional nine-month secured Mexican Pesos facilities with MBL for $230.7 million and $294.3 million respectively. These facilities were repaid to MBL on April 16, 2014. The funds from these facilities were contributed into MMREIT Retail Trust I and MMREIT Retail Trust II which used these proceeds to finance a portion of the purchase price of the portfolio that they acquired from Grupo Inmobiliario Carr and its partners and from FCM.

All the aforementioned secured facilities with MBL ("VAT Facilities") were secured by a (i) first priority pledge over a VAT reimbursement account established to receive VAT refund payments relating to VAT paid on the acquisition of the portfolios acquired from affiliates of DCT Industrial Inc., from Grupo Inmobiliario Carr and its partners and from FCM respectively; (ii) the right to receive such VAT refunds, and (iii) a pledge over the beneficial interests held by FIBRA Macquarie in the relevant Investment Trusts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

18. CONTRIBUTED EQUITY

No. of CBFIs '000		$'000
604,751	Balance at January 1, 2014	13,673,801
206,613	CBFIs issued net of capital raising cost (including over-allotment option)	4,702,679
811,364	CBFIs on issue at December 31, 2014	18,376,480
	Capital raising cost (follow-on offering in September 2014)	(6,486)
811,364	**CBFIs on issue at December 31, 2015**	**18,369,994**

On September 23, 2014, FIBRA Macquarie completed a follow-on global offering of 206,612,583 CBFIs, including the exercise of the over-allotment option, consisting of (i) an international offering of 134,531,051 CBFIs and (ii) a concurrent Mexican offering of 72,081,532 CBFIs.

Under the terms of the MMREIT Retail Trust II asset purchase agreement with Grupo Inmobiliario Carr and its partners, the holders of CBFIs issued as purchase consideration are contractually obliged to vote to approve all CBFI holders' meeting resolutions required for any follow-on offering proposed by FIBRA Macquarie, including approval of the proposed price or price range in relation to such follow-on offering.

19. RETAINED EARNINGS

	Retained earnings $'000
Balance as at January 1, 2014	342,243
Total comprehensive income for the year	3,280,202
Distributions paid	(1,146,003)
Balance as at December 31, 2014	2,476,442
Balance as at January 1, 2015	**2,476,442**
Total comprehensive income for the year	**3,908,488**
Distributions paid	**(1,234,524)**
Balance as at December 31, 2015	**5,150,406**

20. CAPITAL AND FINANCIAL RISK MANAGEMENT

Risk management

The Group manages capital through the mix of available capital sources whilst complying with statutory, constitutional capital and distribution requirements, maintaining gearing, interest cover ratios and other covenants within approved limits and continuing to operate as a going concern. The Group assesses its capital management approach as a key part of its overall strategy and this is regularly reviewed by management and the Board of the Manager.

The Group's principal financial instruments comprise cash and cash equivalents, receivables, payables, and interest bearing liabilities. The Group's activities expose it to a variety of financial risks: credit risk, market risk (foreign exchange risk and interest rate risk) and liquidity risk.

The Group manages its exposure to these financial risks in accordance with the Group's financial risk management policy, which is consistent with Macquarie Infrastructure and Real Assets managed funds globally. The policy sets out the Group's approach to managing financial risks, the policies and controls utilized to minimize the potential impact of these risks on its performance and the roles and responsibilities of those involved in the management of these financial risks.

The Group uses various measures to monitor exposures to these types of risks. The main methods include foreign exchange and interest rate sensitivity analysis, ageing analysis and counterparty credit assessment, and the use of future rolling cash flow forecasts.

(a) Credit risk

Credit risk is defined as the risk of a counterparty failing to complete its contractual obligations when they fall due. The consequent loss is either the amount of the loan not paid back, or the loss incurred in replicating a trading contract with a new counterparty. The Group has exposure to credit risk on all of its financial assets included in the Consolidated Statements of Financial Position. Concentrations of credit risk are minimized primarily by:

- ensuring counterparties, together with the respective credit limits, are approved; and
- ensuring that transactions are undertaken with a large number of counterparties.

Trade and other receivables

The Group manages its risk on tenant receivables by performing credit reviews of prospective tenants, obtaining tenant collateral where appropriate and performing detailed reviews on any tenant arrears. The Group has policies that limit the amount of credit exposure to any financial institution where practical and commercially appropriate. Cash transactions are limited to investment grade counterparties in accordance with the risk management policy. The Group monitors the public credit rating of its counterparties.

The Group has policies to review the aggregate exposures of receivables and tenancies across its portfolios. The Group has no significant concentrations of credit risk on its receivables. At December 31, 2015, the largest individual tenant represents 3.3% (2014: 3.8%) of the total rental income. The Group holds collateral in the form of security deposits.

VAT receivable

This relates to refund claims in respect of VAT paid on the acquisition of investment property due from the Mexican tax authorities ("SAT"). The Group has a track record of receiving these refunds in a timely manner. Management assess the likelihood of receiving these refunds based on ongoing discussions with the relevant tax advisors and the SAT.

Cash and Cash equivalents

The Group held cash and cash equivalents of $2.2 billion at December, 31 2015 (December 31, 2014: $5.4 billion). The cash and cash equivalents are held mainly with Banamex and Banco Mercantil Del Norte, financial institution counterparties, which are rated A-2, based on rating agency as at December 31, 2015.

Other

Other assets are made up mainly of insurance proceeds receivable, property insurance prepayments and prepaid MMREM management fees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

20. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Credit risk (continued)

The table below details the concentration of credit exposure of the Group's assets to significant geographical locations and counterparty types. The amounts shown represent the maximum credit risk of the Group's assets as of December 31, 2015 and 2014 respectively.

As at Dec 31, 2015	Cash and cash equivalents* $'000	Other assets $'000	Trade receivables $'000	VAT receivables $'000	Total $'000
Mexico					
Financial institutions	**2,394,426**	**-**	**-**	**-**	**2,394,426**
Government institutions	**-**	**-**	**-**	**287,020**	**287,020**
Other	**-**	**96,422**	**102,431**	**-**	**198,853**
Total Mexico	**2,394,426**	**96,422**	**102,431**	**287,020**	**2,880,299**

*Includes restricted cash

As at Dec 31, 2014	Cash and cash equivalents* $'000	Other assets $'000	Trade receivables $'000	VAT receivables $'000	Total $'000
Mexico					
Financial institutions	5,603,834	-	-	-	5,603,834
Government institutions	-	-	-	199,129	199,129
Other	-	99,925	116,944	-	216,869
Total Mexico	5,603,834	99,925	116,944	199,129	6,019,832

*Includes restricted cash

At December 31, the ageing of trade and other receivables that were not impaired were as follows:

	2015 $'000	2014 $'000
Neither past due nor impaired	**17,519**	14,275
Past due < 30 days	**14,891**	44,874
Past due 31 - 90 days	**39,749**	36,047
Past due > 90 days	**30,272**	21,748
Total trade and other receivables	**102,431**	116,944

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectable in full based on payment history and a credit analysis of individual tenants. For material balances, individual payment agreements have been put in place to ensure that outstanding balances are repaid in a timely manner.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

20. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk

The Group's liquidity position is monitored on a continuous basis by management and is reviewed quarterly by the Board of the Manager. A summary table with maturity profile of financial liabilities presented below is used to manage liquidity risks. The amounts disclosed in the tables below are the contractual undiscounted cash flows. Undiscounted cash flows in respect of balances due within 12 months generally equal their carrying amounts in the statement of financial position, as the impact of discounting is not significant. The amount of contractual undiscounted cash flows related to bank borrowings and other loans is based on variable and fixed interest rates.

The maturity analysis of financial liabilities at December 31 is as follows:

2015	On demand $'000	Less than 3 months $'000	3 to 12 months $'000	1 to 5 years $'000	Total $'000
Trade and other payables	-	(350,300)	-	-	(350,300)
Other liabilities	-	-	-	-	-
Tenant deposits	-	-	(18,925)	(306,804)	(325,729)
Interest bearing liabilities	-	-	(940,000)	(15,470,478)	(16,410,478)
Total	-	(350,300)	(958,925)	(15,777,282)	(17,086,507)

2014	On demand $'000	Less than 3 months $'000	3 to 12 months $'000	1 to 5 years $'000	Total $'000
Trade and other payables	-	(248,555)	-	-	(248,555)
Other liabilities	-	-	(93,598)	-	(93,598)
Tenant deposits			(15,474)	(251,025)	(266,499)
Interest bearing liabilities	-	-	-	(14,173,051)	(14,173,051)
Total	-	(248,555)	(109,072)	(14,424,076)	(14,781,703)

(c) Market risk

Foreign currency risk

Foreign currency risk is the risk that changes in foreign exchange rates will change the Mexican peso value of the Group's foreign denominated financial assets and liabilities. Foreign currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency.

(i) Non functional currency income

Through investing in assets generating US dollar rents, the Group earns foreign denominated income. The net property income derived is partially offset by US dollar denominated expenses, including interest.

(ii) Non functional currency foreign investments

The Group aims to minimize the impact of fluctuations in foreign currency exchange rates on its net investments by borrowing in US dollar to partially fund its US dollar denominated investment property acquisitions. Currently, the Group does not further reduce any unhedged exposure caused where Mexican peso denominated equity is used to finance US denominated assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

20. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

Foreign currency risk (continued)

The Group is exposed to foreign currency risk through investing in US dollar denominated investment properties and deriving income from those properties. The Group has been marketed as giving its investors exposure to US dollar risk. Management does not deem it necessary to undertake any further measures to mitigate or reduce the existing foreign currency risk relating to US dollar exposures.

	2015 USD exposures* $'000	2014 USD exposures* $'000
Investment properties	**29,791,258**	22,809,019
Trade receivables	**61,844**	67,532
Cash and cash equivalents (including restricted cash)	**556,649**	576,148
Other assets	**45,056**	9,652
Trade and other payables	**(242,606)**	(109,834)
Other liabilities	**-**	(44,590)
Tenant deposits	**(254,972)**	(204,841)
Interest-bearing liabilities	**(14,470,840)**	(13,156,758)
Net Exposure	**15,486,389**	9,946,328

*The amounts presented are in Mexican Pesos.

A movement in foreign currency exchange rates applied to the net exposures in the table above would result in a change to the net assets of the Group. In assessing the impact of changes in foreign currency exchange rates, a 10% movement has been applied.

	Sensitivity of operating profit	
As at 2015	**Movement of +10% $'000**	**Movement of -10% $'000**
US dollars	**1,548,639**	**(1,548,639)**

	Sensitivity of operating profit	
As at 2014	Movement of +10% $'000	Movement of -10% $'000
US dollars	994,633	(994,633)

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will impact the earnings of the Group. The Group is exposed to interest rate risk predominantly through floating rate borrowings and manages this exposure on a 'look through' basis including exposures generated by the borrowings of the Industrial Trusts.

In order to manage interest rate risk, the group has entered into funding with a fixed interest rate where possible. Currently, 65% (December 31, 2014: 65%) of the Group's debt funding has a fixed rate of interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

20. CAPITAL AND FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

The table below reflects the potential net increase/(decrease) in the profit, resulting from changes in interest rates applicable at December 31, with all other variables remaining constant.

	2015 $'000	2014 $'000
Floating rate		
Cash and cash equivalents	**1,499,321**	4,918,083
Interest bearing liabilities	**(5,597,503)**	(4,923,909)
Net floating exposure	**(4,098,182)**	(5,826)

A movement in interest rates applied to the net exposures in the table above would result in a change to the net assets of the Group.

	Sensitivity of operating profit	
As at 2015	**Movement of +1% $'000**	**Movement of -1% $'000**
Effect of net floating exposure	**(40,982)**	**40,982**

	Sensitivity of operating profit	
As at 2014	Movement of +1% $'000	Movement of -1% $'000
Effect of net floating exposure	(58)	58

21. FAIR VALUES OF ASSETS AND LIABILITIES

The Group measures the following assets and liabilities at fair value:
- Trade and other receivable and payables
- Investment properties
- Contingent deferred consideration

Fair value reflects the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Quoted prices or rates are used to determine fair value where an active market exists. If the market for a financial instrument is not active, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions prevailing on the measurement date.

The values derived from applying these techniques are affected by the choice of valuation model used and the underlying assumptions made regarding inputs such as timing and amounts of future cash flows, discount rates, credit risk, volatility and correlation.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The investment property valuations were determined using discounted cash flow projections, based on significant unobservable inputs. These inputs include:

- Future rental cash flows: based on the location, type and quality of the properties and supported by the terms of any existing lease or other contracts or external evidence such as current market rents for similar properties;
- Discount rates: reflecting current market assessments of the uncertainty in the amount and timing of cash flows;
- Vacancy rates: based on current and expected future market conditions after expiry of any current leases;
- Maintenance costs: including necessary investments to maintain functionality of the property for its expected useful life;
- Capitalisation rates: based on location size and quality of the properties and taking into account market data at the valuation date; and
- Terminal value: taking into account assumptions regarding maintenance costs, vacancy rates and market rents.

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

21. FAIR VALUES OF ASSETS AND LIABILITIES (CONTINUED)

Financial instruments measured at fair value are categorized in their entirety, in accordance with the levels of the fair value hierarchy as outlined below:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The appropriate level for an instrument is determined on the basis of the lowest level input that is significant to the fair value measurement.

The following table sets out the fair value of financial instruments (net of unamortized acquisition costs) not measured at fair value and analyzes them by the level in the fair value hierarchy into which each fair value measurement is categorized:

As at December 31, 2015	Level 2 $'000	Total fair value $'000	Total carrying amount $'000
Interest-bearing liabilities*	**16,850,326**	**16,850,326**	**16,346,990**

*Net of unamortized transaction costs.

As at December 31, 2014	Level 2 $'000	Total fair value $'000	Total carrying amount $'000
Interest-bearing liabilities*	14,186,117	14,186,117	14,091,738

*Net of unamortized transaction costs.

The following table summarizes the levels of the fair value hierarchy for financial instruments measured at fair value of the Group:

As at December 31, 2015	Level 3 $'000	Total $'000
Investment properties	**35,639,298**	**35,639,298**

As at December 31, 2014	Level 3 $'000	Total $'000
Investment properties	27,612,778	27,612,778

The following table presents the changes in Level 3 of the fair value hierarchy for the Group:

	Dec 31, 2015 $'000	Dec 31, 2014 $'000
Balance at the beginning of the year	**27,612,778**	23,514,719
Asset acquisitions*	**3,486,997**	766,986
Contingent deferred consideration	**-**	1,988
Net unrealized foreign exchange gain on USD denominated investment property	**3,871,204**	2,389,699
Unrealized gain on investment property measured at fair value	**668,319**	939,386
Balance at the end of the year	**35,639,298**	27,612,778

*During the year ended December 31, 2015, MMREIT Industrial Trust IV completed three acquisitions. Refer to Note 1 for further details.

There were no transfers between levels during the year ended December 31, 2015 and 2014.

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

22. LEASES

Agreement entered into by the Group and its tenants have been classified as operating leases under IAS 17. The Group is the lessor of the leases entered into with third parties in respect of its investment properties. Of the leases entered into by the Group, there are a certain amount that are fixed-term leases which include renewal options for the tenants. Notwithstanding these particular leases, the lease agreements entered into by the Group have expiration dates raging from January 1, 2016 to April 30, 2048.

Where the minimum lease payments are considered to be the net accumulated rent over the lease term, which is defined as the earliest possible termination date available to the tenant, irrespective of the probability of the tenant terminating or not exercising available renewal options; the minimum lease payments to be received by the Group going forwards are as laid out below:

December 31, 2015	>1 year	1-5 years	>5 years	Total
Minimum future lease payments (US$'000)	**30,558**	**97,968**	**46,730**	**175,255**
Minimum future lease payments ($'000)	**118,447**	**282,314**	**33,648**	**434,409**

23. COMMITMENTS AND CONTINGENT LIABILITIES

On July 23, 2015, MMREIT Industrial Trust IV completed the acquisition of an eight-property industrial portfolio located in Monterrey, Nuevo Leon, which includes four stabilized properties, two build-to-suit ("BTS") development properties and two land parcels. As per the purchase agreement, FIBRA Macquarie is committed to pay an additional consideration of US$5.6 million (approximately $96.4 million) for the two BTS projects, in each case subject to development completion and the tenant having taken possession and paid the first month's rent. The first BTS project was completed during the fourth quarter of 2015, and the second to be completed mid-2016.

FIBRA Macquarie is committed to pay US$21.7 million (approximately $373.4 million), excluding transaction costs and taxes, for two industrial properties and adjacent land as announced on November 6, 2015. Closing of the transaction is subject to the satisfaction of certain terms and conditions which are customary to a transaction of this size and type. Refer to Note 25 for further update.

The Group has no significant contingent liabilities.

24. RELATED PARTY INFORMATION

FIBRA Macquarie is listed on the Mexican Stock Exchange and its CBFIs are understood by the Manager to be widely held. The following summary provides an overview of the Group's key related parties:

(a) Transactions with key management personnel

The key management personnel in respect of the Group are employed and remunerated by the Manager.

(b) Trustee

The trustee of FIBRA Macquarie is Deutsche Bank Mexico, S.A. Institución de Banca Múltiple ("FIBRA Macquarie Trustee"), whose registered office is at Boulevard Manuel A. Camacho No. 40, 17th Floor, Col. Lomas de Chapultepec, Mexico, D.F.

The trustee of the Investment Trusts is CIBanco, Sociedad Anónima, Institución de Banca Múltiple, (formerly The Bank of New York Mellon, Sociedad Anónima, Institución de Banca Múltiple) whose registered office is at Paseo de las Palmas 215, piso 7, Col. Lomas de Chapultepec, C.P. 11000, Mexico, D.F ("Investment Trust Trustee"). The other trustees within the Group are Banco Nacional de Mexico and Deutsche Bank Mexico. For the three months and year ended December 31, 2015, the trustees' fees for the Group amounted to $1.0 million (December 31, 2014: $1.0 million)and $3.7 million (December 31, 2014: $3.8 million) respectively.

As at December 31, 2015, fees due to the trustees amounted to $1.59 million (December 31, 2014: $0.2 million).

(c) Manager

MMREM acts as manager of FIBRA Macquarie and has its registered office is at Paseo de la Reforma 115, Piso 6, Col. Lomas de Chapultepec, México, D.F. 11000 México.

Under the terms of FIBRA Macquarie's trust agreement, MMREM is entitled to receive a base management fee of $46.7 million (December 31, 2014: $52.9 million) and $198.2 million (December 31, 2014: $160.0 million) for the three months and year ended December 31, 2015. The base management fee is calculated as 1% per annum of the value of the market capitalization of FIBRA Macquarie for the relevant calculation period. The fee is calculated on April 1 and October 1 respectively for the subsequent six month period. The market capitalization is calculated as the product of: (i) the average closing price per CBFI during the last 60 trading days prior to the calculation date (or, in the case of the period to March 31, 2013, the issuance price per CBFI in the global offering) and, (ii) the total number of outstanding CBFIs at the close of trading on the calculation date (or, in the case of the period to March 31, 2013, the total number of outstanding CBFIs at close of trading on the initial settlement date of the global offering, including any CBFIs issued and effectively listed at any time as a result of the exercise of any over-allotment option in connection with the global offering).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

CURRENCY AMOUNTS EXPRESSED IN THOUSANDS OF MEXICAN PESOS (UNLESS OTHERWISE STATED)

24. RELATED PARTY INFORMATION (CONTINUED)

(c) Manager (continued)

MMREM is also entitled to a performance fee, which is calculated as 10% of an amount comprising the market capitalization, per above, plus the aggregate amount of all distributions made to CBFI holders, increased at a rate equal to the aggregate of 5% per annum and the annual cumulative inflation rate from their respective payment dates, minus the aggregate issuance price of all issuances of the CBFIs, and plus aggregate amount of all the repurchases of CBFIs, in each case, increased at a rate equal to the aggregate of 5% per annum and the annual cumulative inflation rate from their respective issuance and repurchase dates. Any previously paid performance fees are deducted from this amount to arrive at the performance fee. This fee is payable on the last day of each 2 year period commencing on December 19, 2012. As at December 31, 2015 no performance fee was payable by FIBRA Macquarie.

(d) Other associated entities

During the three months and year ended December 31, 2015 amounts totaling $1.0 million (December 31, 2014: nil) and $5.6 million (December 31, 2014: $9.1 million) were paid to Macquarie Services (Mexico) S.A. de C.V., an associated entity of MMREM in respect of out of pocket expenses incurred by MMREM in the performance of its duties as Manager. Additionally, an amount of $0.4 million (December 31, 2014: $0.6 million) and $4.0 million (December 31, 2014: $0.6 million) was paid to other associated entities of MMREM in the same respect for the three months and year ended December 31, 2015.

Under the terms of a fund administration agreement, Deutsche Bank (Cayman) Limited, an associated entity of the FIBRA Macquarie Trustee, is entitled to receive fees for services rendered amounting to nil (December 31, 2014: $2.3 million) and $5.8 million (December 31, 2014: $9.0 million) for the three months and year ended December 31, 2015.

As at December 31, 2015, Macquarie Infrastructure and Real Asset Holding Pty Limited (formerly Macquarie Development Capital Pty Limited), an associated entity of MMREM, held 36,853,632 CBFIs (December 31, 2014: 36,853,632) and received a distribution of $56.02 million (December 31, 2014: $65.3 million) for the year ended December 31, 2015.

From time to time, other related subsidiaries or associates of Macquarie Group Limited may hold CBFIs on their own account or on account of third parties.

A renewed consulting agreement with Polygon Realty, a company controlled by Mrs. Nanny Gaul, the wife of Mr. Peter Gaul, a Macquarie Group employee, was put in place in June 2015 with effect from March 3, 2015, with the prior approval of the Audit & Practices Committee and independent members of the Technical Committee.

During the year ended December 31, 2015 FIBRA Macquarie paid VAT on behalf of the JV trusts amounting to $17.9 millions (2014: $5.1 million). These recoverable amount have been settled againts the distributions received by FIBRA Macquarie from the JV trusts.

During the prior year ended December 31, 2014, FIBRA Macquarie utilized VAT Facilities with MBL, an associated entity of MMREM, in connection with the retail portfolios acquired during the year ended December 31, 2013. The amounts advanced were US$10.7 million (approximately $157.5 million), $230.7 million and $294.3 million. Together with accrued interest and associated fees, the VAT Facility of US$10.7 million (approximately $157.5 million) was repaid on March 13, 2014 and the remaining VAT Facilities were repaid on April 16, 2014.

Approval was also received from the Technical Committee during the year for Macquarie Capital (USA) Inc., an affiliate of the Manager, to act as one of the international underwriters for the follow-on offering completed during the prior year ended December 31, 2014. A fee of $9.3 million was paid to Macquarie Capital (USA) Inc.

25. EVENTS OCCURING AFTER REPORTING YEAR

On February 9, 2016, FIBRA Macquarie completed the acquisition of two industrial properties and adjacent land located in Ciudad Juárez, Chihuahua, for a total of US$21.7 million (approximately $398.6 million), excluding transaction costs and taxes.

FIBRA Macquarie's Technical Committee has evaluated all other subsequent events through to the date these consolidated financial statements were issued, and has determined there are no other subsequent events requiring recognition or disclosure.