FIBRA Macquarie

MACQUARIE

FIBRA MACQUARIE MÉXICO REPORTS THIRD QUARTER 2018 RESULTS

- AFFO per certificate increases 9.9% YoY -

- Increases quarterly distribution -

- Achieves record-level consolidated occupancy -

MEXICO CITY, October 25, 2018 – FIBRA Macquarie México (FIBRAMQ) (BMV: FIBRAMQ), owner of one of the largest portfolios of industrial and retail property in Mexico, announced its financial and operating results for the quarter ended September 30, 2018.

THIRD QUARTER 2018 HIGHLIGHTS

- Increase in AFFO per certificate of 9.9% YoY to a record Ps 0.6281
- Industrial rental rates increase of 4.0% YoY, and closing occupancy improvement of 206 bps YoY and 187 bps QoQ to 94.4%
- Declares quarterly distribution of Ps 0.41 per certificate, a 9.3% increase YoY, and a 5.1% increase from second quarter
- Reduces regulatory debt to total asset ratio to 35.0%, a 210 bps improvement YoY, and a 150 bps improvement from the second quarter
- Increasing FY18 AFFO guidance to approximately Ps 2.40 per certificate and maintaining FY18 distribution guidance at Ps 1.60 per certificate
- Increase in size of certificate buy back for cancellation program

MANAGEMENT COMMENTARY

"The performance of FIBRA Macquarie in the third quarter was strong and resulted in another record quarterly AFFO per certificate," said Juan Monroy, FIBRA Macquarie's chief executive officer. "With a stable leasing environment and an experienced team of local real estate professionals, we have been able to drive healthy rental rate growth across our portfolio. Furthermore, with additional clarity around a revised North American trade agreement, we are optimistic that this positive momentum will continue. As reflected in the increase in our quarterly cash distribution per certificate and increased certificate repurchase for cancellation program, we continue to deliver on our commitment to create value for our investors. As we look ahead, we are pleased with the prospect of continued organic growth in our portfolio, and the number and quality of opportunities we see to invest in and expand our portfolio."

FINANCIAL AND OPERATING RESULTS

Consolidated Portfolio

FIBRAMQ's total results were as follows:

TOTAL PORTFOLIO	3Q18	3Q17	Variance	YTD 18	YTD 17	Variance
Net Operating Income (NOI)	Ps 824.7m	Ps 795.5m	3.7%	Ps 2,483.8m	Ps 2,426.8m	2.3%
EBITDA	Ps 770.8m	Ps 739.8m	4.2%	Ps 2,317.1m	Ps 2,257.4m	2.6%
Funds From Operations (FFO)	Ps 555.5m	Ps 533.5m	4.1%	Ps1,648.4m	Ps 1,606.2m	2.6%
FFO per certificate	Ps 0.7106	Ps 0.6597	7.7%	Ps 2.0901	Ps 1.9818	5.5%
Adjusted Funds From Operations (AFFO)	Ps 490.9m	Ps 462.1m	6.2%	Ps 1,446.5m	Ps 1,396.8m	3.6%
AFFO per certificate	Ps 0.6281	Ps 0.5715	9.9%	Ps 1.8341	Ps 1.7234	6.4%
NOI Margin	87.6%	88.7%	-115 bps	87.9%	87.6%	28 bps
AFFO Margin	52.1%	51.5%	55 bps	51.2%	50.4%	34 bps
GLA ('000s sqm) EOP	3,204	3,455	-7.3%	3,204	3,455	-7.3%
Occupancy EOP	94.3%	92.8%	153 bps	94.3%	92.8%	153 bps
Average Occupancy	93.8%	92.7%	107 bps	92.8%	92.2%	67 bps
Certificates Outstanding EOP	776.3m	808.1m	-3.9%	776.3	808.1	-3.9%

FIBRAMQ's same store portfolio results were as follows:

TOTAL PORTFOLIO - SAME STORE	3Q18	3Q17	Variance	YTD 18	YTD 17	Variance
Net Operating Income	Ps. 821.5m	Ps. 764.2m	7.5%	Ps. 2,418.8m	Ps. 2,317.2m	4.4%
NOI Margin	87.8%	89.2%	-133 bps	88.1%	87.6%	44 bps
Number of Properties	253	253	0	252	252	0
GLA ('000s sqf) EOP	34,487	34,405	0.2%	34,342	34,260	0.2%
GLA ('000s sqm) EOP	3,204	3,196	0.2%	3,190	3,183	0.2%
Occupancy EOP	94.3%	93.9%	41 bps	95%	94.1%	41 bps
Weighted Avg Lease Term Remaining (years) EOP	3.5	3.5	2.4%	3.5	3.5	2.5%

Industrial Portfolio

The following table summarizes the results for FIBRAMQ's industrial portfolio:

INDUSTRIAL PORTFOLIO	3Q18	3Q17	Variance	YTD 18	YTD 17	Variance
Net Operating Income	Ps 680.3m	Ps 657.1m	3.5%	Ps 2,049.6m	Ps 2016.0m	1.7%
NOI Margin	91.2%	92.3%	-110 bps	91.4%	90.9%	53 bps
GLA ('000s sqft) EOP	29,569	32,288	-8.4%	29,569	32,288	-8.4%
GLA ('000s sqm) EOP	2,747	3,000	-8.4%	2,747	3,000	-8.4%
Occupancy EOP	94.4%	92.4%	206 bps	94.4%	92.4%	206 bps
Average Occupancy	93.8%	92.2%	162 bps	92.6%	92.1%	52 bps
Average monthly rent per leased (US$/sqm) EOP	$4.80	$4.61	4.0%	$4.80	$4.61	4.0%
Customer retention LTM	85%	79%	574 bps	85%	79%	574 bps
Weighted Avg Lease Term Remaining (years) EOP	3.3	3.1	6.3%	3.3	3.1	6.3%

For the three months ended September 30, 2018, FIBRAMQ's industrial portfolio delivered net operating income (NOI) of Ps 680.3 million, an increase of 3.5% compared to Ps 657.1 million in the prior comparable period.

The industrial portfolio occupancy rate as of September 30, 2018 was 94.4%, up 206 basis points versus the prior comparable quarter. The increase in occupancy was driven by strong leasing activity and the sale of 35 industrial assets that had occupancy rates that were lower than the portfolio average.

Rental rates increased 4.0% compared to the end of the third quarter in 2017, to a closing weighted average of US$4.80 per leased square meter per month. The rate increase was primarily driven by contractual increases and positive renewal spreads, and the sale of 35 industrial assets with rental rates that were lower than the portfolio average.

FIBRAMQ signed 21 new and renewal leases for 1.5 million square feet of industrial space in the third quarter of 2018. These included seven new leases totaling 446 thousand square feet and 14 renewal leases totaling 1.1 million square feet. Notable new leases in the quarter include automotive parts suppliers in Puebla, Monterrey and Querétaro, and a manufacturer of tools in Ciudad Juárez. Renewal activity was robust and diversified across geographies and customer types, including a global manufacturer of healthcare product packaging, a manufacturer of truck trailers, and a lighting products manufacturer.

For the twelve-month period ending September 30, 2018, FIBRAMQ achieved a retention rate of 85%, showing ongoing improvement versus the prior comparable period.

The same store performance for the industrial portfolio was solid, with occupancy gains of 78 basis points to 94.4%, versus the prior comparable quarter end. For a comprehensive summary of industrial portfolio same store results, please refer to page 11 of FIBRAMQ's Third Quarter 2018 Supplementary Information materials at www.fibramacquarie.com/investors/bolsa-mexicana-de-valores-filings.

Retail Portfolio

The following table summarizes the proportionally combined results of operations for FIBRAMQ's retail portfolio:

RETAIL PORTFOLIO	3Q18	3Q17	Variance	YTD 18	YTD 17	Variance
Net Operating Income	Ps 144.3m	Ps 138.4m	4.3%	Ps 434.2m	Ps 411.5m	5.5%
NOI Margin	73.7%	74.7%	-100 bps	74.4%	74.6%	-17 bps
GLA ('000s sqm) EOP	457	455	0.3%	457	455	0.3%
Occupancy EOP	93.6%	95.5%	-183 bps	93.6%	95.5%	-183 bps
Average Occupancy	94.0%	95.4%	-140 bps	94.4%	95.2%	-78 bps
Average monthly rent per leased (Ps/sqm) EOP	Ps 154.85	Ps 148.33	4.4%	Ps 154.85	Ps 148.33	4.4%
Customer retention LTM	70%	70%	78 bps	70%	70%	78 bps
Weighted Avg Lease Term Remaining (years) EOP	4.5	4.8	-6.1%	4.5	4.8	-6.1%

NOI generated by FIBRAMQ's retail portfolio in the quarter ended September 30, 2018 increased 4.3% to Ps 144.3 million versus the prior comparable period. Year-over-year growth was driven by a 4.4% increase in average monthly rental rates. During the third quarter, FIBRAMQ signed 43 leases, including 17 new leases and 26 renewals, representing a total of 10.5 thousand square meters. Robust leasing activity during the quarter was offset by the move out of a delinquent tenant, a proactive measure that was taken to recover the space. FIBRAMQ is now actively marketing this 2.9 thousand square meter space.

PORTFOLIO ACTIVITY

Expansions

A key element of FIBRAMQ's strategy is the targeted expansion of existing properties on a pre-leased basis along with selective development of new properties in core markets. Year to date through September 30, 2018, FIBRAMQ has deployed or committed to deploy US$10.3 million on expansions, which are forecast to yield an accretive 15.3% NOI yield.

During the third quarter, FIBRAMQ commenced a 47 thousand square foot expansion for a manufacturer of lighting products in Reynosa.

Additionally, FIBRAMQ plans to commence a 3.2 thousand square meter expansion in its retail portfolio at Multiplaza del Valle in Guadalajara. The project includes a pre-leased 1.4 thousand square meter expansion for a leading cinema operator, who is an existing FIBRAMQ customer, and 1.8 thousand square meters for other shops. This expansion is expected to be completed in the second half of 2019.

Asset Recycling

As previously disclosed, FIBRA Macquarie closed on the sale of 35 non-strategic industrial assets for US$80.2 million of cash proceeds in the third quarter. FIBRAMQ received proceeds of US$61.0 million at closing and will receive US$11.2 million and US$8.0 million in January 2020 and July 2020, respectively. Two additional properties with an aggregate value of US$7.2 million remain under contract for sale.

In total, including the two assets under contract for sale, FIBRA Macquarie has sold 44 non-strategic properties at an aggregate 2.2 percent premium to their book value and generated a total of US$117.5 million in sale proceeds. Proceeds received during the quarter have been used in part to repay the US$40.0 million outstanding balance on FIBRA Macquarie's revolving credit facility. The remainder has been held as unrestricted cash, expected to be invested in expansions or new development or used to fund certificate buybacks for cancellation or other accretive investments.

These property sales have increased FIBRAMQ's focus on core assets and core markets and enhanced FIBRA Macquarie's overall portfolio composition and key financial metrics.

BALANCE SHEET

At September 30, 2018, FIBRAMQ had approximately Ps 15.8 billion of debt outstanding. Liquidity has been strengthened during the quarter, with Ps 4.9 billion available on its undrawn revolving credit facility and Ps 728.4 million of unrestricted cash on hand. All of FIBRAMQ's drawn debt is fixed rate and had a weighted-average debt tenor remaining of 5.4 years at quarter end.

FIBRAMQ's CNBV regulatory debt to total asset ratio was 35.0% and the debt service coverage ratio was 5.8x at September 30, 2018.

CAPITAL ALLOCATION

The following table summarizes FIBRAMQ's sources and uses of capital since January 1, 2017. FIBRA Macquarie remains committed to utilizing retained AFFO and proceeds from the sale of non-core assets for property expansions and developments, repurchases of certificates for cancellation, and repayment of debt.

For more detail, please refer to page 8 of the Third Quarter 2018 Supplementary Information materials located at www.fibramacquarie.com/investors/bolsa-mexicana-de-valores-filings.

CAPITAL ALLOCATION SUMMARY (FY2017 AND YTD 2018)	Ps equivalent	US$ equivalent
Capital sources		
Retained AFFO	1,135.8m	59.8m
Asset sales	1,698.9m	89.3m
Surplus cash	96.3m	5.1m
Capital sources - total	**2,931.0m**	**154.2m**
Capital allocations		
Expansions and developments	476.4m	25.1m
Certificates repurchased for cancellation	741.3m	39.0m
Debt repayment	1,599.1m	84.0m
Other	114.2m	6.0m
Capital allocations - total	**2,931.0m**	**154.2m**

Note: Other includes US$2.1m of income-generating Above-Standard Tenant Improvements. Uses average FX of Ps 19.01 for 2017 and YTD 2018. Certificates repurchased for cancellation include all certificates repurchased up to September 30, 2018.

INCREASE IN SIZE OF CERTIFICATE BUY BACK FOR CANCELLATION PROGRAM

FIBRAMQ is announcing an increase in the size of its certificate buy back for cancellation program. The Board of the Manager and the Technical Committee approved an increased buy back program size of Ps 1.2 billion for the twelve months ending June 25, 2019, to now fully align with the program size and duration approved by certificate holders at the 2018 annual general meeting. This provides for a program size beyond the current program to repurchase up to 5.0% of outstanding certificates.

INCREASED PROGRAM SIZE - OVERVIEW	Number of Certificates	Repurchase amount
Maximum program size for twelve months to June 25, 2019	n/a	Ps 1,200.0m
Less: Repurchases made June 26, 2018 to October 25, 2018	13.7m	(Ps 290.8m)
Maximum program remaining from October 26, 2018 to June 25, 2019	**n/a**	**Ps 909.2m**

FIBRA Macquarie expects that repurchases of certificates for cancellation beyond 5.0% of outstanding certificates will be on an opportunistic basis, taking into account competing capital allocation priorities. This includes allocating capital to accretive real estate investments focusing on high quality expansions and development projects, whilst targeting a long term real estate net loan to value ratio of 35.0%, versus the current ratio of 36.6%.

During the third quarter of 2018 and through to October, 2018, FIBRAMQ has repurchased certificates for cancellation to generate highly accretive returns as the certificates trade at a significant discount to NAV.

CERTIFICATES REPURCHASED FOR CANCELLATION	Number of certificates repurchased	Percentage of certificates repurchased	Repurchase amount
Third quarter 2018	9.8m	1.2%	Ps 206.8m
Total - since program commencement[1]	38.1m	4.7%	Ps 808.12m

1. Includes total certificates repurchased from June 30, 2017 through to October 25, 2018

DISTRIBUTION

On October 25, 2018, FIBRAMQ declared a cash distribution for the quarter ended September 30, 2018 of Ps 0.41 per certificate, an increase of 9.3% year on year and 5.1% from the prior quarter. The distribution is expected to be paid on November 9, 2018 to holders of record on November 8, 2018. FIBRAMQ's certificates will commence trading ex-distribution on November 7, 2018.

2018 GUIDANCE

FIBRA Macquarie is raising its guidance for 2018 AFFO to be approximately Ps 2.40 per certificate, up from between Ps 2.28 and Ps 2.33 per certificate. FIBRAMQ continues to expect to make cash distributions of Ps 1.60 per certificate for 2018, including an expected Ps 0.41 per certificate for the fourth quarter of 2018.

This guidance is based on the following assumptions:

- Based on the cash-generating capacity of its existing portfolio and an average exchange rate of Ps 18.5 per US dollar for the remainder of the year
- No new acquisitions or divestments other than the two remaining assets under sale agreement
- Repurchase for cancellation in 2018 of a minimum of 2.5 million certificates to close 2018 with a maximum of 770.8 million certificates outstanding
- The payment of cash distributions is subject to the approval of the board of directors of the Manager for cash distributions
- The continued stable performance of the properties in the portfolio, and market conditions.

Based upon the 2018 full year AFFO guidance, current distribution and the closing certificate price as of October 25, 2018 of Ps 20.30, FIBRA Macquarie's current implied AFFO yield is 11.8% and its annualized distribution yield is 8.1%.

WEBCAST AND CONFERENCE CALL

FIBRAMQ will host an earnings conference call and webcast presentation on Friday, October 26, 2018 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 Third Quarter 2018 Earnings Call*.

An audio replay will be available by dialing +1-855-859-2056 or +1-404-537-3406 for callers outside the United States. The passcode for the replay is 7898395. A webcast archive of the conference call and a copy of FIBRAMQ's financial information for the third quarter 2018 will also be available on FIBRAMQ'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 236 industrial properties and 17 retail/office properties, located in 20 cities across 16 Mexican states as of July 26, 2018. Nine of the retail/office properties are held through a 50/50 joint venture. For additional information about FIBRA Macquarie, please visit www.fibramacquarie.com.

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.

THIS RELEASE IS NOT AN OFFER FOR SALE OF SECURITIES IN THE UNITED STATES, AND SECURITIES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED.

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

Investor relations contact:
Tel: +52 (55) 9178 7751
Email: fibramq@macquarie.com

Evelyn Infurna

Tel: +1 203 682 8265
Email: evelyn.infurna@icrinc.com

Nikki Sacks

Tel: +1 203 682 8263
Email: nikki.sacks@icrinc.com

For press queries, please contact:

Alejandro Sampedro Llorens

FleishmanHillard México
Tel: +52 55 5540 6031 ext. 249
Email: alejandro.sampedro@fleishman.com

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2018 (UNAUDITED) AND DECEMBER 31, 2017

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

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Current assets		
Cash and cash equivalents	706,055	417,529
Trade and other receivables, net	89,730	74,539
Other assets	33,786	73,938
Investment properties held for sale	135,201	-
Total current assets	964,772	566,006
Non-current assets		
Restricted cash	-	50,289
Other receivables	408,445	-
Other assets	186,401	196,673
Equity-accounted investees	1,115,373	1,137,652
Goodwill	841,614	882,758
Investment properties	38,712,490	41,722,712
Derivative financial instruments	141,858	111,573
Total non-current assets	41,406,181	44,101,657
Total assets	42,370,953	44,667,663
Current liabilities		
Trade and other payables	501,321	630,784
Tenant deposits	33,283	39,295
Total current liabilities	534,604	670,079
Non-current liabilities		
Tenant deposits	293,526	313,719
Interest-bearing liabilities	14,842,026	16,318,550
Deferred income tax	6,277	6,277
Total non-current liabilities	15,141,829	16,638,546
Total liabilities	15,676,433	17,308,625
Net assets	26,694,520	27,359,038
Equity		
Contributed equity	17,628,175	18,118,973
Retained earnings	9,066,345	9,240,065
Total equity	26,694,520	27,359,038

CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

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

	3 months ended		9 months ended	
	Sep 30, 2018 $'000	Sep 30, 2017 $'000	Sep 30, 2018 $'000	Sep 30, 2017 $'000
Property related income	888,306	845,522	2,665,696	2,619,358
Property related expenses	(135,944)	(107,718)	(364,284)	(361,382)
Net property income	752,362	737,804	2,301,412	2,257,976
Management fees	(40,939)	(42,679)	(127,148)	(133,021)
Transaction related expenses	2,888	(293)	(1,024)	(4,616)
Professional, legal and other expenses	(12,826)	(12,971)	(38,861)	(36,147)
Total expenses	(50,877)	(55,943)	(167,033)	(173,784)
Finance costs	(225,426)	(226,861)	(669,713)	(659,993)
Financial income	6,825	3,530	13,454	8,857
Share of (losses)/profits from equity-accounted investees	(34,485)	8,467	18,641	70,200
Foreign exchange gain/(loss)	807,935	(255,036)	690,397	2,098,636
Net unrealized foreign exchange (loss)/gain on foreign currency denominated investment property	(1,836,608)	165,192	(1,596,455)	(4,104,867)
Unrealized revaluation (loss)/gain on investment property measured at fair value	(17,916)	496,760	162,153	(10,140)
(Loss)/gain on disposal of investment property	(3,453)	679	(3,453)	679
Goodwill written off in respect of properties disposed	(41,144)	-	(41,144)	-
Net unrealized (loss)/gain on interest rate swaps	(12,405)	4,194	30,285	(23,489)
(Loss)/profit before tax for the period	(655,192)	878,786	738,544	(535,925)
Current income tax	(98)	(234)	(311)	(873)
(Loss)/profit for the period	(655,290)	878,552	738,233	(536,798)
Other comprehensive income				
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss)/profit for the period	(655,290)	878,552	738,233	(536,798)
(Loss)/profit per CBFI*				
Basic and diluted (loss)/profit per CBFI (pesos)	(0.84)	1.09	0.94	(0.66)

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

CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

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

	Contributed equity $'000	Retained earnings $'000	Total $'000
Total equity at January 1, 2017	18,369,994	8,666,697	27,036,691
Total comprehensive loss for the period	-	(536,798)	(536,798)
Total comprehensive loss for the period	-	(536,798)	(536,798)
Transactions with equity holders in their capacity as equity holders:			
- Distributions to CBFI holders	-	(964,672)	(964,672)
- Repurchase of CBFIs, including associated costs	(71,950)	-	(71,950)
Total transactions with equity holders in their capacity as equity holders	(71,950)	(964,672)	(1,036,622)
Total equity at September 30, 2017	18,298,044	7,165,227	25,463,271
Total equity at January 1, 2018	18,118,973	9,240,065	27,359,038
Total comprehensive profit for the period	-	738,233	738,233
Total comprehensive profit for the period	-	738,233	738,233
Transactions with equity holders in their capacity as equity holders:			
- Distributions to CBFI holders	-	(911,953)	(911,953)
- Repurchase of CBFIs, including associated costs	(490,798)	-	(490,798)
Total transactions with equity holders in their capacity as equity holders	(490,798)	(911,953)	(1,402,751)
Total equity at September 30, 2018	17,628,175	9,066,345	26,694,520

CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

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

	9 months ended	
	Sep 30, 2018 $'000 Inflows / (Outflows)	Sep 30, 2017 $'000 Inflows / (Outflows)
Operating activities:		
Profit/(loss) before tax for the period	738,544	(535,925)
Adjustments for:		
Net unrealized foreign exchange loss on foreign currency denominated investment property measured at fair value	1,596,455	4,104,867
Unrealized revaluation (gain)/loss on investment property measured at fair value	(162,153)	10,140
Goodwill written off in respect of properties disposed	41,144	-
Straight line rental income adjustment	5,098	(6,509)
Loss/(gain) on disposal of investment properties	3,453	(679)
Tenant improvement amortization	26,866	21,395
Leasing expense amortization	51,325	36,130
Financial income	(13,454)	(8,857)
Provision for bad debts	19,126	11,352
Net foreign exchange gain	(733,390)	(2,164,593)
Finance costs recognized in profit/(loss) for the period	669,713	659,993
Share of profits from equity-accounted investees	(18,641)	(70,200)
Net unrealized (gain)/loss on interest rates swaps	(30,285)	23,489
Movements in working capital:		
Decrease in receivables	9,696	61,921
Decrease in payables	(16,199)	(60,544)
Net cash flows from operating activities	2,187,298	2,081,980
Investing activities:		
Investment property acquired	(61,244)	-
Proceeds from investment properties disposed	1,142,214	122,936
Maintenance capital expenditure and other capitalized cost	(370,327)	(304,618)
Distributions received from equity-accounted investees	40,920	48,653
Net cash flows from/(used in) investing activities	751,563	(133,029)
Financing activities:		
Financial income	13,454	8,857
Repayment of interest-bearing liabilities	(770,052)	(4,136,912)
Interest paid	(584,268)	(568,152)
Proceeds from interest-bearing liabilities, net of facility charges	-	3,687,607
Repurchase of CBFIs, including associated costs	(490,798)	(71,950)
Distribution to CBFI holders	(911,953)	(964,672)
Net cash flows from financing activities	(2,743,617)	(2,045,222)
Net increase/(decrease) in cash and cash equivalents	195,244	(96,271)
Cash and cash equivalents at the beginning of the period	467,818	663,173
Foreign exchange loss on cash and cash equivalents	42,993	65,957
Cash and cash equivalents at the end of the period*	706,055	632,859

*Includes restricted cash balance of $nil (2017: $46.3 million) as at September 30, 2018.

FIBRA MACQUARIE MÉXICO

UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDING SEPTEMBER 30, 2018

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

MACQUARIE

FIBRA Macquarie México

TABLE OF CONTENTS

Disclaimer

KPMG Cárdenas Dosal, S.C.
Manuel Ávila Camacho 176 P1,
Reforma Social, Miguel Hidalgo,
C.P. 11650, Ciudad de México.
Teléfono: +01 (55) 5246 8300
kpmg.com.mx

Independent Auditors' Report on Review of Condensed Interim Consolidated Financial Statements

To the Technical Committee and CBFIs Holders
FIBRA Macquarie Mexico and its controlled entities:

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of Fideicomiso Irrevocable No. F/1622 (CIBANCO, S. A. Institución de Banca Multiple, Division Fiduciaria) and its controlled entities ("Fibra Macquarie México" or "the Trust") as at September 30, 2018, the condensed interim consolidated statements of comprehensive income, changes in equity and cash flows for the nine-month period then ended, and notes to the condensed interim consolidated financial statements ("the condensed interim consolidated financial statements"). Management is responsible for the preparation and presentation of these condensed interim consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements as at and for the nine months ended September 30, 2018 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG CARDENAS DOSAL, S. C.

Luis Gabriel Ortiz Esqueda

Monterrey, Nuevo León, México
October 25, 2018

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2018 (UNAUDITED) AND DECEMBER 31, 2017

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

	Note	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Current assets			
Cash and cash equivalents		**706,055**	417,529
Trade and other receivables, net		**89,730**	74,539
Other assets		**33,786**	73,938
Investment properties held for sale	10	**135,201**	-
Total current assets		**964,772**	566,006
Non-current assets			
Restricted cash		**-**	50,289
Other receivables	1,16	**408,445**	-
Other assets		**186,401**	196,673
Equity-accounted investees	9	**1,115,373**	1,137,652
Goodwill		**841,614**	882,758
Investment properties	11	**38,712,490**	41,722,712
Derivative financial instruments	13	**141,858**	111,573
Total non-current assets		**41,406,181**	44,101,657
Total assets		**42,370,953**	44,667,663
Current liabilities			
Trade and other payables		**501,321**	630,784
Tenant deposits		**33,283**	39,295
Total current liabilities		**534,604**	670,079
Non-current liabilities			
Tenant deposits		**293,526**	313,719
Interest-bearing liabilities	12	**14,842,026**	16,318,550
Deferred income tax	14	**6,277**	6,277
Total non-current liabilities		**15,141,829**	16,638,546
Total liabilities		**15,676,433**	17,308,625
Net assets		**26,694,520**	27,359,038
Equity			
Contributed equity	15	**17,628,175**	18,118,973
Retained earnings		**9,066,345**	9,240,065
Total equity		**26,694,520**	27,359,038

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

CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

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

	Note	3 months ended Sep 30, 2018 $'000	3 months ended Sep 30, 2017 $'000	9 months ended Sep 30, 2018 $'000	9 months ended Sep 30, 2017 $'000
Property related income	4(a)	**888,306**	845,522	**2,665,696**	2,619,358
Property related expenses	4(b)	**(135,944)**	(107,718)	**(364,284)**	(361,382)
Net property income		**752,362**	737,804	**2,301,412**	2,257,976
Management fees	17(c)	**(40,939)**	(42,679)	**(127,148)**	(133,021)
Transaction related expenses		**2,888**	(293)	**(1,024)**	(4,616)
Professional, legal and other expenses	4(c)	**(12,826)**	(12,971)	**(38,861)**	(36,147)
Total expenses		**(50,877)**	(55,943)	**(167,033)**	(173,784)
Finance costs	4(d)	**(225,426)**	(226,861)	**(669,713)**	(659,993)
Financial income	4(e)	**6,825**	3,530	**13,454**	8,857
Share of (losses)/profits from equity-accounted investees	9	**(34,485)**	8,467	**18,641**	70,200
Foreign exchange gain/(loss)	4(f)	**807,935**	(255,036)	**690,397**	2,098,636
Net unrealized foreign exchange (loss)/gain on foreign currency denominated investment property	10,11	**(1,836,608)**	165,192	**(1,596,455)**	(4,104,867)
Unrealized revaluation (loss)/gain on investment property measured at fair value	10,11	**(17,916)**	496,760	**162,153**	(10,140)
(Loss)/gain on disposal of investment property	10	**(3,453)**	679	**(3,453)**	679
Goodwill written off in respect of properties disposed	10	**(41,144)**	-	**(41,144)**	-
Net unrealized (loss)/gain on interest rate swaps	13	**(12,405)**	4,194	**30,285**	(23,489)
(Loss)/profit before tax for the period		**(655,192)**	878,786	**738,544**	(535,925)
Current income tax		**(98)**	(234)	**(311)**	(873)
(Loss)/profit for the period		**(655,290)**	878,552	**738,233**	(536,798)
Other comprehensive income					
Other comprehensive income for the period		**-**	-	**-**	-
Total comprehensive (loss)/profit for the period		**(655,290)**	878,552	**738,233**	(536,798)
(Loss)/profit per CBFI*					
Basic and diluted (loss)/profit per CBFI (pesos)	8	**(0.84)**	1.09	**0.94**	(0.66)

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

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

CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

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, 2017	15	18,369,994	8,666,697	27,036,691
Total comprehensive loss for the period		-	(536,798)	(536,798)
Total comprehensive loss for the period		-	(536,798)	(536,798)
Transactions with equity holders in their capacity as equity holders:				
- Distributions to CBFI holders	7	-	(964,672)	(964,672)
- Repurchase of CBFIs, including associated costs	15	(71,950)	-	(71,950)
Total transactions with equity holders in their capacity as equity holders		(71,950)	(964,672)	(1,036,622)
Total equity at September 30, 2017		18,298,044	7,165,227	25,463,271
Total equity at January 1, 2018	15	**18,118,973**	**9,240,065**	**27,359,038**
Total comprehensive profit for the period		**-**	**738,233**	**738,233**
Total comprehensive profit for the period		**-**	**738,233**	**738,233**
Transactions with equity holders in their capacity as equity holders:				
- Distributions to CBFI holders	7	**-**	**(911,953)**	**(911,953)**
- Repurchase of CBFIs, including associated costs	15	**(490,798)**	**-**	**(490,798)**
Total transactions with equity holders in their capacity as equity holders		**(490,798)**	**(911,953)**	**(1,402,751)**
Total equity at September 30, 2018		**17,628,175**	**9,066,345**	**26,694,520**

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

CONDENSED UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2018 AND 2017

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

		9 months ended	
		Sep 30, 2018	Sep 30, 2017
		$'000	$'000
	Note	Inflows / (Outflows)	Inflows / (Outflows)
Operating activities:			
Profit/(loss) before tax for the period		**738,544**	(535,925)
Adjustments for:			
Net unrealized foreign exchange loss on foreign currency denominated investment property measured at fair value	10,11	**1,596,455**	4,104,867
Unrealized revaluation (gain)/loss on investment property measured at fair value	10,11	**(162,153)**	10,140
Goodwill written off in respect of properties disposed	10	**41,144**	-
Straight line rental income adjustment		**5,098**	(6,509)
Loss on disposal of investment properties	10	**3,453**	679
Tenant improvement amortization	4(b)	**26,866**	21,395
Leasing expense amortization	4(b)	**51,325**	36,130
Financial income	4(e)	**(13,454)**	(8,857)
Provision for bad debts	4(b)	**19,126**	11,352
Net foreign exchange gain	4(f)	**(733,390)**	(2,164,593)
Finance costs recognized in (loss)/profit for the period	4(d)	**669,713**	659,993
Share of profits from equity-accounted investees	9	**(18,641)**	(70,200)
Net unrealized (gain)/loss on interest rates swaps	13	**(30,285)**	23,489
Movements in working capital:			
Decrease in receivables		**9,696**	61,921
Decrease in payables		**(16,199)**	(60,544)
Net cash flows from operating activities		**2,187,298**	2,083,338
Investing activities:			
Investment property acquired	11	**(61,244)**	-
Proceeds from investment properties disposed	10	**1,142,214**	121,578
Maintenance capital expenditure and other capitalized cost		**(370,327)**	(304,618)
Distributions received from equity-accounted investees	9	**40,920**	48,653
Net cash flows from/(used in) investing activities		**751,563**	(134,387)
Financing activities:			
Financial income	4(e)	**13,454**	8,857
Repayment of interest-bearing liabilities		**(770,052)**	(4,136,912)
Interest paid		**(584,268)**	(568,152)
Proceeds from interest-bearing liabilities, net of facility charges		**-**	3,687,607
Repurchase of CBFIs, including associated costs		**(490,798)**	(71,950)
Distribution to CBFI holders	7	**(911,953)**	(964,672)
Net cash flows from financing activities		**(2,743,617)**	(2,045,222)
Net increase/(decrease) in cash and cash equivalents		**195,244**	(96,271)
Cash and cash equivalents at the beginning of the period		**467,818**	663,173
Foreign exchange loss on cash and cash equivalents	4(f)	**42,993**	65,957
Cash and cash equivalents at the end of the period*		**706,055**	632,859

*Includes restricted cash balance of $nil (2017: $46.3 million) as at September 30, 2018.

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

NOTES TO THE CONDENSED UNAUDITED INTERIM 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, together with its successors and assigns in such capacity, the "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 Av. Paseo de las Palmas, 215, Piso 7, Lomas de Chapultepec I Seccion, Miguel Hidalgo, Mexico City 11000 with effect from November 2, 2017. 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"). On October 31, 2017, Deutsche Bank Mexico, S.A., Institución de Banca Múltiple, División Fiduciaria, as substituted trustee, and CIBanco, S.A., Institución de Banca Múltiple ("CIBanco"), as substitute trustee, with the acknowledgment of MMREM as settlor and beneficiary in second place of the Trust Agreement, executed a trustee substitution agreement (hereinafter, the "Trustee Substitution Agreement") whereby CIBanco agreed to act as the FIBRA Macquarie Trustee, assuming all the rights and obligations derived in such capacity from the Trust Agreement.

Background information

On December 14, 2012, FIBRA Macquarie was 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 including the exercise of an over-allotment option, 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 an over- allotment option, for gross proceeds of $4.85 billion.

FIBRA Macquarie and its controlled entities (the "Group") were established with the purpose of investing in real estate assets in Mexico. FIBRA Macquarie held its investment in real estate assets through Mexican irrevocable 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"), F/01025 MMREIT Industrial Trust IV ("MMREIT Industrial Trust IV") , F/01005 MMREIT Retail Trust I ("MMREIT Retail Trust I"), F/01006 MMREIT Retail Trust II ("MMREIT Retail Trust II"), MMREIT Retail Trust III ("MMREIT Retail Trust III"), and F/01023 MMREIT Retail Trust V ("MMREIT Retail Trust V").

On October 31, 2017, FIBRA Macquarie executed the reassignment of the trust estates of MMREIT Industrial Trust I and MMREIT Industrial Trust II into the estate of MMREIT Industrial Trust IV and the reassignment of the trust estates of MMREIT Retail Trust I and MMREIT Retail Trust II into the estate of MMREIT Retail Trust V, as well as the subsequent termination of MMREIT Industrial Trust I, MMREIT Industrial Trust II, MMREIT Retail Trust I and MMREIT Retail Trust II. Given the above, FIBRA Macquarie currently holds its investment in real estate assets through the following Mexican irrevocable trusts ("Investment Trusts"): MMREIT Industrial Trust III and MMREIT Industrial Trust IV (collectively, the "Industrial Trusts"), and MMREIT Retail Trust III and MMREIT Retail Trust V (collectively, the "Retail Trusts").

The following material acquisitions have been completed to date:

On September 20, 2012, MMREIT Industrial Trust II and MMREIT Industrial Trust III entered into asset purchase agreements with affiliate entities of Corporate Properties of the Americas, LLC ("CPA") pursuant to which they agreed to acquire 88 industrial properties. On October 25, 2012, MMREIT Industrial Trust I entered into an asset purchase agreement with affiliates of BRE Debt Mexico II, S.A. de C.V. SOFOM ENR ("BRE Debt Mexico", formerly GE Capital Real Estate Mexico S. de R.L. de C.V.), pursuant to which MMREIT Industrial Trust I agreed to acquire 155 industrial properties. The total consideration paid for both these acquisitions was US$1.5 billion (excluding transaction expenses and taxes), financed in part by BRE Debt Mexico loan facilities, Metropolitan Life Insurance Company ("MetLife") loan facility and the balance by existing cash reserves.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

1. REPORTING ENTITY (CONTINUED)

Background information (continued)

On October 17, 2013, MMREIT Industrial Trust I acquired a portfolio of 15 industrial properties from affiliates of DCT Industrial Inc. for US$82.7 million (excluding transaction costs and taxes), financed in part by loan facilities provided by BRE Debt Mexico and its affiliate.

On November 4, 2013, MMREIT Retail Trust V acquired a portfolio of two retail/office properties from companies controlled by Fondo Comercial Mexicano ("FCM") for $2.0 billion (excluding transactions costs and taxes), financed in part by Banco Nacional de México ("Banamex") loan facility.

MMREIT Retail Trust I and MMREIT Retail Trust II acquired a portfolio of six retail/office properties from Grupo Inmobiliario Carr and its partners, financed in part by loan facilities provided by BRE Debt Mexico and an affiliate of BRE Debt Mexico. Five of the properties were acquired on November 6, 2013 and the remaining property was acquired on March 27, 2014 for a total consideration of $2.8 billion (excluding transaction costs and taxes).

On March 28, 2014, MMREIT Retail Trust III acquired a 50% interest in a portfolio of nine retail/office properties and additional land from affiliates of Kimco Realty Corporation ("Kimco") for $1.5 billion, financed in part by BRE Debt Mexico and MetLife loan facilities. Grupo Frisa ("Frisa") owns the remaining 50% of the portfolio.

On February 18, 2015, MMREIT Industrial Trust IV acquired a two-building industrial property from Ridge Property Trust II for US$58.0 million (excluding transaction costs and taxes).

On July 23, 2015, MMREIT Industrial Trust IV acquired a portfolio of eight industrial properties including two build-to-suit ("BTS") development properties from Desarrollos Industriales Nexxus for US$29.9 million (excluding transaction costs and taxes).

On August 19, 2015, MMREIT Industrial Trust IV acquired a portfolio of ten industrial properties from an institutional industrial property owner and developer for US$105.0 million (excluding transaction costs and taxes).

On February 9, 2016, MMREIT Industrial Trust IV acquired a portfolio of two industrial properties and adjacent land from Los Bravos for a total of US$21.7 million (excluding transaction costs and taxes).

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

Relevant activities

On July 5, 2018, FIBRA Macquarie reached the financial close on the previously disclosed sale of 35 non-strategic industrial assets for US$80.2 million of cash proceeds. Two additional industrial assets with an aggregate value of US$7.2 million remain under contract for sale and are expected to close at a later date. The sale proceeds of US$80.2 million for the 35 assets are to be received in three tranches. FIBRA Macquarie received US$61.0 million at closing and will receive US$11.2 million and US$8.0 million 18 months and 24 months following closing, respectively. Initial proceeds were used to fully repay the US$40.0 million outstanding balance on FIBRA Macquarie’s revolver facility, with the remaining US$21.0 million held as unrestricted cash.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

2. BASIS OF PREPARATION

a) Basis of accounting

These unaudited condensed interim consolidated financial statements are for the Group. The unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting. Certain information and note disclosures normally included in the annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been condensed or omitted in accordance with the provisions for reporting intermediate periods. Therefore, the condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2017, prepared in accordance with IFRS. The results of the interim periods are not necessarily indicative of the comprehensive income for the full year. The Manager considers that all regular and recurring adjustments necessary for a fair presentation of a condensed interim consolidated financial statements have been included.

These condensed unaudited interim consolidated financial statements were approved by the Technical Committee of FIBRA Macquarie on October 25, 2018.

b) Use of judgements and estimates

Preparing the unaudited condensed interim consolidated financial statements requires the Manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unaudited condensed interim consolidated financial statements, the significant judgments made by the Manager in applying FIBRA Macquarie's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the as at and for consolidated financial statements for the year ended December 31, 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Except for the changes mentioned below, the Group has consistently applied its accounting policies for all periods presented in the Interim Consolidated Financial Statements.

The Group has initially adopted IFRS 9 Financial Instruments on January 1 2018. Furthermore, The Group, currently, does not designates any derivative as hedge instrument, therefore there will be no impact with regards to the new hedge accounting rules.

The nature and effects of the key changes to the Group's accounting policies resulting from its adoption of IFRS 9 are summarized below.

a) Classification of financial assets and financial liabilities

IFRS 9 contain three principal classification categories for financial assets: measured at amortized cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale. Under IFRS 9, derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

The adoption of IFRS 9 has not had a significant effect on the Group's accounting policies for financial liabilities.

b) Hedge Accounting

Since the Group does not designate any derivative as hedging instrument, there is no impact nor change in the current policies of the Group.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Transition

The Group performed a qualitative and quantitative assessment of the impacts of IFRS 9. The activities that have been carried out include review and documentation of the business models for financial assets, accounting policies, processes and internal controls related to financial instruments.

d) Classification of financial assets and financial liabilities on the date of initial application of IFRS 9:

The following table shows the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group's financial assets and the financial liabilities as at 1 January 2018.

Balance sheet items	Note	Original classification under IAS 39	New classification under IFRS 9	Carrying amount under IAS 39 $'000	Carrying amount under IFRS 9 $'000
Financial Assets					
Interest rate swaps	13	Fair value through P&L	Fair value through P&L	111,573	111,573
Cash and cash equivalents		Held to maturity	Amortized cost	417,529	417,529
Account receivables		Loans and receivables	Amortized cost	74,539	72,184
Restricted Cash		Held to maturity	Amortized cost	50,289	50,289
Financial Liabilities					
Interest-bearing liabilities	12	Other financial liabilities	Other financial liabilities	16,318,550	16,318,550
Tenant deposits		Other financial liabilities	Other financial liabilities	39,295	39,295

e) Impairment:

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected credit losses ("ECL") to be recognized upon initial recognition of such receivable. To measure the ECL, the Group has established and uses a combination of two models, the Collective Model and Individual Assessment Model, based on the business characteristics and collection profile.

- The Collective Model calculates The ECL on Trade receivables by using a provision matrix composed of fixed provision rates based on an aging profile, adjusted for forward-looking factors specific to a tenant and economic environment.

- Individual Model determines the ECL of a client individually, evaluating each receivable on a specific basis for collectability using historical experience, in-place collateral, relevant credit information and adjusted for forward-looking information and on-going negotiations with the client to determine the duration and expected future collectability.

To monitor external factors that would impact the credit risk, the Group conducts regular follow-ups of the receivable balances, analyzing the collectability and aging profile, incorporating financial information of each client which provides with an insight of their future economic conditions.

A provision for impairment is recorded through a provision for doubtful debt account, and the amount of loss is recognized in the consolidated statement of comprehensive income within property expenses. Any subsequent recoveries of amounts previously provided for are credited against property expenses in the consolidated statement of comprehensive income.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued *IFRS 15 - Revenue from Contracts with Customers* (''IFRS 15'') which replaced IAS 18 - Revenue and IAS 11 - Construction Contracts and other related revenue interpretations effective January 1, 2018. IFRS 15 establishes the principles that the Group applies to report useful information about the nature, amount and timing of revenue arising from a contract with a customer.

As the Group's most material revenue stream of rental revenue is outside the scope of the new standard, the adoption of the new standard did not have any material impact on the condensed interim consolidated statement of comprehensive income. The recovery of costs related to common area maintenance services and car park income are considered within the scope of IFRS 15 and the Group has concluded that the pattern of revenue recognition remains unchanged. As the Group is already presenting main components of revenue in separate line items (refer to Note 4), there are no changes to disclosures on the adoption of the new standard.

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.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

4. (LOSS)/PROFIT FOR THE PERIOD

The (loss)/profit for the period includes the following items of revenue and expenses:

	3 months ended		9 months ended	
	Sep 30, 2018 $'000	Sep 30, 2017 $'000	**Sep 30, 2018 $'000**	Sep 30, 2017 $'000
a) Property related income				
Lease related income	**819,486**	792,761	**2,479,726**	2,462,117
Car park income	**13,875**	13,199	**41,455**	40,096
Expenses recoverable from tenants	**54,945**	39,562	**144,515**	117,145
Total property related income	**888,306**	845,522	**2,665,696**	2,619,358
b) Property related expenses				
Property administration expense	**(18,538)**	(15,194)	**(53,709)**	(47,989)
Property insurance	**(5,852)**	(6,936)	**(18,738)**	(22,498)
Property tax	**(15,464)**	(16,263)	**(48,090)**	(49,051)
Repairs and maintenance	**(26,683)**	(23,981)	**(72,265)**	(102,976)
Industrial park fees	**(7,094)**	(10,023)	**(20,474)**	(10,023)
Security services	**(5,501)**	(5,224)	**(16,846)**	(14,903)
Property related legal and consultancy expenses	**(1,929)**	(2,192)	**(4,623)**	(11,319)
Tenant improvements amortization	**(12,004)**	(7,411)	**(26,866)**	(21,395)
Leasing expenses amortization	**(23,534)**	(12,426)	**(51,325)**	(36,130)
Utilities	**(5,114)**	(4,349)	**(13,339)**	(14,668)
Marketing costs	**(3,897)**	(803)	**(9,353)**	(9,612)
Car park operating fees	**(2,150)**	(2,698)	**(6,382)**	(8,181)
Provision for bad debt	**(7,248)**	168	**(19,126)**	(11,352)
Other property related expenses	**(936)**	(386)	**(3,148)**	(1,285)
Total property related expenses	**(135,944)**	(107,718)	**(364,284)**	(361,382)
c) Professional, legal and other expenses				
Tax advisory expenses	**(166)**	(1,020)	**(2,184)**	(2,806)
Accountancy expenses	**(2,553)**	(2,413)	**(6,604)**	(7,237)
Valuation expenses	**(1,066)**	(1,749)	**(3,368)**	(5,327)
Audit expenses	**(1,157)**	(1,279)	**(3,568)**	(3,378)
Other professional expenses	**(3,303)**	(3,237)	**(10,618)**	(8,612)
Other expenses	**(4,581)**	(3,273)	**(12,519)**	(8,787)
Total professional, legal and other expenses	**(12,826)**	(12,971)	**(38,861)**	(36,147)
d) Finance costs				
Interest expense on interest-bearing liabilities	**(204,529)**	(197,061)	**(629,444)**	(606,500)
Other finance costs	**(20,897)**	(29,800)	**(40,269)**	(53,493)
Total finance costs	**(225,426)**	(226,861)	**(669,713)**	(659,993)
e) Financial income				
Returns earned on Mexican government bonds	**6,825**	3,530	**13,454**	8,857
Total financial income	**6,825**	3,530	**13,454**	8,857
f) Foreign exchange gain/(loss)				
Net unrealized foreign exchange gain/(loss) on monetary items	**595,770**	(257,941)	**948,317**	2,069,234
Net realized foreign exchange gain/(loss)	**212,165**	2,905	**(257,920)**	29,402
Total foreign exchange gain/(loss)	**807,935**	(255,036)	**690,397**	2,098,636

At September 30, 2018, the Group had 65 employees (September 30, 2017: 60 employees) in its vertically integrated internal property management platform.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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:

	Industrial				Retail/Office		Total
3 months ended	North East	Central	North West	North	South	Central	
September 30, 2018	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from external customers[1]	**313,973**	**145,548**	**171,769**	**114,913**	**12,422**	**183,278**	**941,903**
Segment net loss[2]	**(394,331)**	**(200,976)**	**(152,084)**	**(159,831)**	**(8,068)**	**(75,393)**	**(990,683)**
Included in loss of the period:							
Foreign exchange gain	**48,798**	**38,166**	**78,174**	**36,175**	**1**	**23**	**201,337**
Net unrealized foreign exchange loss on US$ denominated investment property	**(758,518)**	**(386,884)**	**(390,981)**	**(300,225)**	**-**	**-**	**(1,836,608)**
Unrealized revaluation gain/(loss) on investment property measured at fair value	**61,627**	**30,191**	**26,804**	**22,815**	**(10,916)**	**(195,531)**	**(65,010)**
Finance costs[3]	**(13,858)**	**(10,374)**	**(20,343)**	**(9,683)**	**(4,388)**	**(14,545)**	**(73,191)**

¹ The retail south segment and the retail central segment include revenues relating to joint ventures amounting to $12.4 million and $41.2 million respectevely.

² The retail south segment and the retail central segment include operating loss relating to joint ventures amounting to $8.1 million and $26.7 million respectively.

³ The retail south segment and the retail central segment include finance costs relating to the joint ventures amounting to $4.4 million and $$14.5 million respectively.

	Industrial				Retail/Office		Total
3 months ended	North East	Central	North West	North	South	Central	
September 30, 2017	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue from external customers[1]	299,197	139,303	156,248	116,644	11,625	173,593	896,610
Segment net profit[2]	472,952	216,319	219,333	206,176	1,844	160,706	1,277,330
Included in profit of the period:							
Foreign exchange loss	(21,046)	(16,616)	(31,649)	(1,719)	-	-	(71,030)
Net unrealized foreign exchange gain on US$ denominated investment property	199,819	104,265	113,383	79,293	-	-	496,760
Unrealized revaluation gain/(loss) on investment property measured at fair value	55,411	20,470	21,648	17,299	(1,394)	45,628	159,062
Finance costs[3]	(18,080)	(13,543)	(25,677)	(1,669)	(4,305)	(14,613)	(77,887)

¹ The retail south segment and the retail central segment include revenues relating to joint ventures amounting $11.6 million $39.5 million respectevely.

² The retail south segment and the retail central segment include operating profits relating to joint ventures amounting to $1.8 million and $12.0 million respectively.

³ The retail south segment and the retail central segment include finance costs relating to the joint ventures amounting to $4.3 million $14.6 million respectively.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

5. SEGMENT REPORTING (CONTINUED)

9 months ended September 30, 2018	Industrial North East $'000	Industrial Central $'000	Industrial North West $'000	Industrial North $'000	Retail/Office South $'000	Retail/Office Central $'000	Total $'000
Revenue from external customers[1]	**944,141**	**435,142**	**507,713**	**355,485**	**37,087**	**546,142**	**2,825,710**
Segment net profit[2]	**249,642**	**103,806**	**198,247**	**78,272**	**4,191**	**259,401**	**893,559**
Included in profit of the period:							
Foreign exchange gain/(loss)	**41,115**	**32,759**	**68,271**	**31,244**	**1**	**(23)**	**173,367**
Net unrealized foreign exchange loss on US$ denominated investment property	**(659,703)**	**(336,341)**	**(339,478)**	**(260,933)**	**-**	**-**	**(1,596,455)**
Unrealized revaluation gain/(loss) on investment property measured at fair value	**86,788**	**50,437**	**69,378**	**42,187**	**(5,064)**	**(103,420)**	**140,306**
Finance costs[3]	**(41,511)**	**(31,073)**	**(60,935)**	**(29,003)**	**(13,018)**	**(43,150)**	**(218,690)**

[1] The retail south segment and the retail central segment include revenues relating to the joint ventures amounting to $37.0 million and $122.9 million respectively.

[2] The retail south segment and the retail central segment include net profits relating to the joint ventures amounting to $4.2 million and $13.9 million respectively.

[3] The retail south segment and the retail central segment include finance costs relating to the joint ventures amounting to $13.0 million and $43.1 million respectively.

9 months ended September 30, 2017	Industrial North East $'000	Industrial Central $'000	Industrial North West $'000	Industrial North $'000	Retail/Office South $'000	Retail/Office Central $'000	Total $'000
Revenue from external customers[1]	932,690	434,909	488,148	362,599	34,201	517,115	2,769,662
Segment net (loss)/profit[2]	(769,323)	(486,604)	(328,381)	(430,693)	15,784	494,419	(1,504,798)
Included in loss of the period:							
Foreign exchange gain/(loss)	132,093	97,468	182,402	13,423	10	(77)	425,319
Net unrealized foreign exchange loss on US$ denominated investment property	(1,671,470)	(881,653)	(822,365)	(729,379)	-	-	(4,104,867)
Unrealized revaluation gain/(loss) on investment property measured at fair value	2,311	(50,431)	(54,314)	(36,431)	6,916	152,204	20,255
Finance costs[3]	(43,120)	(32,300)	(61,237)	(3,980)	(12,767)	(43,339)	(196,743)

[1] The retail south segment and the retail central segment include revenues relating to the joint ventures amounting to $34.2 million and $116.1 million respectively.

[2] The retail south segment and the retail central segment include net profits relating to the joint ventures amounting to $21.9 million and $74.3 million respectively.

[3] The retail south segment and the retail central segment include finance costs relating to the joint ventures amounting to $12.8 million and $43.3 million respectively.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

5. SEGMENT REPORTING (CONTINUED)

	Industrial*				Retail/Office		Total
	North East	Central	North West	North	South	Central	
As at September 30, 2018	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Total segment assets*	**14,342,492**	**7,325,453**	**7,432,933**	**5,689,562**	**464,427**	**7,236,221**	**42,491,088**
Total segment liabilities	**(1,307,503)**	**(902,124)**	**(1,613,390)**	**(816,245)**	**(205,912)**	**(740,600)**	**(5,585,774)**
As at December 31, 2017							
Total segment assets*	15,468,859	7,875,917	7,917,509	6,104,851	470,416	7,376,308	45,213,860
Total segment liabilities	(1,811,940)	(1,174,433)	(1,933,389)	(1,034,978)	(206,738)	(980,660)	(7,142,138)

*During the period ended, September 30, 2018, the Group disposed 35 non-strategic industrial assets as follows: 16 properties in Northeast, 14 in North and 5 in Northwest. During the prior year ended December 31, 2017, the Group disposed of two properties in North West, two in North and one in Central Industrial segments.

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

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

Segment revenue and operating (loss)/profit is reconciled to total revenue and operating (loss)/profit as follows:

	3 months ended		9 months ended	
	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017
	$'000	$'000	$'000	$'000
Total segment revenue	**941,903**	896,610	**2,825,710**	2,769,662
Revenue attributable to equity-accounted investees	**(53,597)**	(51,088)	**(160,014)**	(150,304)
Financial income	**6,825**	3,530	**13,454**	8,857
Total revenue for the period	**895,131**	849,052	**2,679,150**	2,628,215
Segment (loss)/profit	**(990,683)**	1,277,330	**893,559**	(1,504,798)
Property expenses not included in reporting segments	**784**	538	**2,474**	1,776
Finance costs not included in reporting segments[1]	**(171,168)**	(167,893)	**(507,191)**	(519,357)
Financial income	**6,825**	3,530	**13,454**	8,857
Items attributable to equity-accounted investees	**328**	358	**561**	840
Foreign exchange gain/(loss)[2]	**606,601**	(184,007)	**517,032**	1,673,351
Goodwill written off in respect of properties disposed	**(41,144)**	-	**(41,144)**	-
Realized (loss)/gain on disposal of investment property	**(3,453)**	679	**(3,453)**	679
Net unrealized (loss)/gain on interest rate swaps	**(12,405)**	4,194	**30,285**	(23,489)
Fees payable to the manager[3]	**(40,939)**	(42,679)	**(127,148)**	(133,021)
Transaction related expenses	**2,888**	(293)	**(1,024)**	(4,616)
Professional, legal and other expenses	**(12,826)**	(12,971)	**(38,861)**	(36,147)
Income tax expense	**(98)**	(234)	**(311)**	(873)
Operating (loss)/profit for the period	**(655,290)**	878,552	**738,233**	(536,798)

[1] A portion of existing debt was converted to unsecured facilities at FIBRA Macquarie level and consequently, in 2018 and 2017 finance cost is considered as a reconciling item.

[2] Unrealized foreign exchange (loss)/gain arising in respect of the unsecured debt revaluation at the end of the relevant period.

[3] Fees related with the Manager in respect of the existing management agreement, for further details see Note 17.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

5. SEGMENT REPORTING (CONTINUED)

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

	Period/Year ended	
	Sep 30, 2018	Dec 31, 2017
	$'000	$'000
Segment assets	**42,491,088**	45,213,860
Items non included in segment assets:		
Cash, cash equivalents and restricted cash[1]	**602,438**	158,973
Trade and other receivables,net	**2,264**	356
Other assets	**21,722**	74,877
Assets attributable to equity-accounted investees[2]	**(2,003,790)**	(2,029,628)
Investment in equity-accounted investees[2]	**1,115,373**	1,137,652
Derivative financial instruments not included in reporting segment	**141,858**	111,573
Total assets	**42,370,953**	44,667,663
Segment liabilities	**(5,585,774)**	(7,142,138)
Items non included in segment liabilities:		
Interest-bearing liabilities[3]	**(10,909,620)**	(12,193,973)
Trade and other payables[4]	**(63,179)**	1,141,787
Liabilities attributable to equity-accounted investees[2]	**888,417**	891,976
Deferred income tax liability	**(6,277)**	(6,277)
Total liabilities	**(15,676,433)**	(17,308,625)

[1] Corresponds to bank balances in Mexican peso and US dollars at FIBRA Macquarie level.

[2] Corresponds to the net assets of the equity-accounted investees and the balance of the investment in JV at FIBRA Macquarie level.

[3] Correponds to existing debt at FIBRA Macquarie level and consequently, in 2018 and 2017, finance cost is considered as a reconciling item.

[4] Relates to payable balances at FIBRA Macquarie level.

6. SEASONALITY OF OPERATIONS

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

7. DISTRIBUTIONS PAID OR PROVIDED FOR

During the nine months ended September 30, 2018, FIBRA Macquarie made three distributions payments amounting to $911.9 million (September 30, 2017: $964.67 million), the first distribution amounting to 297.0 millon (0.375 per CBFI), paid on March 9, 2018, the second distribution amounting to 309.0 millon (0.390 per CBFI) paid on May 10, 2018, and the third distribution amounting to 305.9 millon (0.390 per CBFI) paid on August 10, 2018.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

8. (LOSS)/PROFIT PER CBFI

	3 months ended		9 months ended	
	Sep 30, 2018 $'000	Sep 30, 2017 $'000	**Sep 30, 2018 $'000**	Sep 30, 2017 $'000
(Loss)/profit per CBFI				
Basic and diluted (loss)/profit per CBFI ($)	**(0.84)**	1.09	**0.94**	(0.66)
Basic and diluted (loss)/profit used in the calculation of earnings per CBFI				
Net (loss)/profit for basic and diluted earnings per CBFI ($'000)	**(655,290)**	878,552	**738,233**	(536,798)
Weighted average number of CBFIs and potential CBFIs used as the denominator in calculating basic and diluted earnings per CBFI ('000)	**781,563**	808,716	**788,672**	810,471

9. 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 Sep 30, 2018**	Ownership interest as at Dec 31, 2017	**Sep 30, 2018 $'000**	Dec 31, 2017 $'000
JV Trust CIB/589	Mexico / Own & lease retail property	**50%**	50%	**271,620**	267,956
JV Trust CIB/586	Mexico / Own & lease retail property	**50%**	50%	**843,753**	869,696

b) Movement in carrying amounts

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Carrying amount at the beginning of the period/year	**1,137,652**	1,084,875
Distributions received during the period/year	**(40,920)**	(62,975)
Share of profits after income tax	**40,488**	52,570
Share of revaluation (loss)/gain on investment property measured at fair value	**(21,847)**	63,182
Carrying amount at the end of the period/year	**1,115,373**	1,137,652

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.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

9. EQUITY-ACCOUNTED INVESTEES (CONTINUED)

c) Summarized financial information for joint ventures (continued)

Summarized Statement of Financial Position	JV Trust CIB/589 Sep 30, 2018 $'000	JV Trust CIB/589 Dec 31, 2017 $'000	JV Trust CIB/586 Sep 30, 2018 $'000	JV Trust CIB/586 Dec 31, 2017 $'000
Total current assets[1]	**20,970**	26,040	**54,605**	60,905
Total non-current assets	**1,112,214**	1,115,358	**2,819,791**	2,856,952
Total current liabilities	**(582,691)**	(43,171)	**(19,272)**	(25,674)
Total non-current liabilities[2]	**(7,253)**	(562,315)	**(1,167,618)**	(1,152,791)
Net assets	**543,240**	535,912	**1,687,506**	1,739,392

[1] Includes cash and cash equivalents of $44.7 million (December 31, 2017: $49.4 million).

[2] Non-current financial liabilities (excluding trade and other payables and provisions) amounts to $1,717million (December 31, 2017: $1,718.5 million).

Summarized Statement of Financial Position	JV Trust CIB/589 Sep 30, 2018 $'000	JV Trust CIB/589 Dec 31, 2017 $'000	JV Trust CIB/586 Sep 30, 2018 $'000	JV Trust CIB/586 Dec 31, 2017 $'000
Reconciliation to carrying amounts:				
Opening net assets[1]	**535,912**	504,060	**1,739,392**	1,665,690
Net movements for the period/year	**7,328**	31,852	**(51,886)**	73,702
Net assets	**543,240**	535,912	**1,687,506**	1,739,392
FIBRA Macquarie's share (%)	**50%**	50%	**50%**	50%
FIBRA Macquarie's share ($)	**271,620**	267,956	**843,753**	869,696
FIBRA Macquarie's carrying amount	**271,620**	267,956	**843,753**	869,696

[1] During the nine months ended September 30, 2018 FIBRA Macquarie paid VAT on behalf of the JV trusts amounting to $17.3 million (September 2017: $5.2 million). These recoverable amounts have been settled against the distributions received by FIBRA Macquarie from the JV trusts.

Summarized Statement of Comprehensive Income	JV Trust CIB/589 9 months ended Sep 30, 2018 $'000	JV Trust CIB/589 9 months ended Sep 30, 2017 $'000	JV Trust CIB/586 9 months ended Sep 30, 2018 $'000	JV Trust CIB/586 9 months ended Sep 30, 2017 $'000
Revenue:				
Property related and other income	**87,499**	85,058	**232,529**	215,550
Revaluation of investment property measured at fair value	**(10,309)**	52,920	**(33,385)**	7,872
Financial income	**506**	663	**2,014**	1,462
Total revenue	**77,696**	138,641	**201,158**	224,884
Expenses:				
Finance costs	**(36,621)**	(36,598)	**(75,715)**	(75,614)
Other expenses	**(30,756)**	(25,690)	**(98,481)**	(85,221)
Total expense	**(67,377)**	(62,288)	**(174,196)**	(160,835)
Profit for the period	**10,319**	76,353	**26,962**	64,049
FIBRA Macquarie's share (%)	**50%**	50%	**50%**	50%
FIBRA Macquarie's share	**5,160**	38,176	**13,481**	32,024

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

9. EQUITY-ACCOUNTED INVESTEES (CONTINUED)

d) Share of contingent liabilities of joint venture

As at September 30, 2018 and December 31, 2017, there was no share of contingent liabilities incurred jointly with the joint venture partner and no contingent liabilities of the joint ventures for which FIBRA Macquarie is liable.

10. INVESTMENT PROPERTIES HELD FOR SALE

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Carrying amount at the beginning of the period/year	**-**	284,130
Additions/disposals during the period/year:		
Transfers from investment properties[1]	**1,753,449**	198,289
Disposals[2]	**(1,571,169)**	(478,934)
Net unrealized foreign exchange loss on USD denominated investment property	**(18,502)**	(7,985)
Revaluation of investment property measured at fair value	**(28,577)**	4,500
Carrying amount at the end of the period/year	**135,201**	-

[1] Investment properties reclassified as 'Investment property held for sale' are based on the Group's expectations of the likelihood that assets will be sold in a period no higher than 12 months and the asset is being actively marketed in accordance with IFRS 5.

[2] During the period ended September 30, 2018, the Group disposed of 35 properties in Chihuahua, Cd. Juarez, Matamoros, Reynosa and Tijuana. Goodwill amounting to $41.1 million associated with those properties sold and has been de-recognized from the Balance Sheet and transfered to Income Statement. The loss on disposal amounting to $3.4 million mainly relates to transaction related costs. During the prior year ended December 31, 2017, the Group disposed of five properties in Tijuana, La Paz, Ascención, Durango and Villahermosa.

11. INVESTMENT PROPERTIES

	Note	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Carrying amount at the beginning of the period/year		**41,722,712**	42,466,715
Additions during the period/year:			
Asset acquisition		**61,244**	-
Capital expenditure (including tenant improvements)		**65,450**	305,328
Transfers from Investment property under construction		**43,194**	172,643
Investment property under construction	11(a)	**(24,624)**	(17,986)
Net unrealized foreign exchange loss on US$ denominated investment property		**(1,577,953)**	(1,558,247)
Transfer to investment properties held for sale	10	**(1,753,449)**	(198,289)
Revaluation of investment property measured at fair value		**190,730**	544,665
Leasing commissions, net of amortization		**(14,814)**	7,883
Carrying amount at the end of the period/year		**38,712,490**	41,722,712

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

11. INVESTMENT PROPERTIES (CONTINUED)

a) Investment property under construction*

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Carrying amount at the beginning of the period/year	**156,312**	174,298
Capital expenditure	**18,570**	154,657
Transfer to completed investment properties	**(43,194)**	(172,643)
Carrying amount at the end of the period/year	**131,688**	156,312

*Investment property under construction is initially 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 construction, whichever is earlier, any difference between the initial recognition and the fair value at that date will be taken to the income statement.

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, 2017. The results of the independent appraisal are accounted for in the forth quarter.

The valuation process and fair value changes are reviewed by the board of directors of the Manager at each reporting date. The Manager confirms that there have been no material changes to the assumptions applied by the Independent Valuer. The inputs used in the internal valuations at September 30, 2018 were as follows:

- The range of reversionary capitalisation rates applied to the portfolio were between 7.50% and 10.25% (December 31, 2017: 7.50% and 10.25%) for industrial and 8.50% and 9.75% (December 31, 2017: 8.25% and 9.50%) for retail.

- The discount rates applied range between 8.50% and 11.50% (December 31, 2017: 8.50% and 11.50%) for industrial and 9.50% and 10.75% (December 31, 2017: 9.25% and 10.50%) for retail.

- The vacancy rate applied for shopping centers ranged between 3.00% and 5.00% (December 31, 2017: 3.00% and 5.00%), with an average of 4.80%.

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.

During other reporting periods, an internal marked-to-market revaluation is conducted by the Group and the results are accounted for in the respective quarter.

In the current quarter, an internal revaluation process was completed in order to estimate the market value of the properties applying primarily an income analysis, using direct capitalization as well as discounted cash flow.

c) Portfolio valuation

The Independent Valuer's valuation of the existing portfolios as at December 31, 2017 on portafolio basis were US$1.86 billion for the Industrial Trust and $5.72 billion for the Retail Trust.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

12. INTEREST BEARING LIABILITIES

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
The group has access to:		
Loan facilities - undrawn		
Undrawn US$-denominated notes	**3,320,318**	2,693,882
Undrawn MXN-denominated notes	**1,604,806**	1,604,806
Total undrawn loan facilities	**4,925,124**	4,298,688
Loan facilities - drawn		
US$-denominated notes	**6,113,900**	6,414,005
US$-denominated revolving credit facility	**-**	789,416
US$-denominated term funding	**8,804,015**	9,236,166
Unamortized transaction costs	**(75,889)**	(121,037)
Total loan facilities net of unamortized transaction costs	**14,842,026**	16,318,550

The relevant credit facilities are summarised as follows:

Lenders / Facility Type	Currency	Facility Limit $' million	Drawn Amount $' million	Interest Rate p.a.	Maturity Date	Drawn Amount Sep 30, 2018 $'000	Drawn Amount Dec 31, 2017 $'000
Various Banks through a Credit Facility - Term Loan	US$	258.0	258.0	90 day Libor + 3.125%[2]	Jun-20[1]	**4,803,066**	5,018,554
Various Banks through a Credit Facility - Revolving Credit Facility	US$	176.5	-	30 day Libor + 2.75%	Jun-19[1]	**-**	770,003
Various Insurance Companies through a Note Purchase and Guaranty Agreement	US$	75.0	75.0	5.44%	Sep-26	**1,408,452**	1,477,399
Various Insurance Companies through a Note Purchase and Guaranty Agreement	US$	250.0	250.0	5.55%	Jun-23	**4,698,102**	4,928,018
MetLife - Term Loan	US$	210.0	210.0	5.38%	Sep-27	**3,932,406**	4,124,576
Balance at the end of the period/year						**14,842,026**	16,318,550

[1] Extendable by one year at FIBRA Macquarie's discretion, subject to certain conditions being satisfied.

[2] Fixed by interest rate swap. Refer to note 13.

Interest-bearing liabilities – Current

On July 9, 2018, the Group made a prepayment in respect of the US$ 40.0 million drawn revolving credit facility, therefore there are no current interest-bearing liabilities as at September 30, 2018.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

12. INTEREST BEARING LIABILITIES (CONTINUED)

Reconciliation of movements of interest-bearing liabilities (current and non-current) to cash flows arising from financing activities

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Carrying amount at the beginning of the period/year	**16,318,550**	18,014,426
Changes from financing cash flows:		
Proceeds from interest-bearing liabilities, net of facility charges	**-**	3,672,621
Repayments of interest-bearing liabilities	**(770,052)**	(4,601,532)
Total changes for financing cash flow	**(770,052)**	(928,911)
Total effect of changes in foreing exchange rate	**(745,963)**	(830,159)
Liability-related other changes:		
Amortization of capitalized borrowing costs	**39,491**	63,194
Carrying amount at the end of the period/year	**14,842,026**	16,318,550

13. DERIVATIVE FINANCIAL INSTRUMENTS

On August 31, 2016 and then subsequently on September 27, 2016, FIBRA Macquarie entered into interest rate swap contracts with various banks, whereby FIBRA Macquarie pays a fixed rate of interest of 1.25% and 1.134% and receives a variable rate based on 90 days plus LIBOR. The swaps fully hedge the exposure to the variable interest rate payments associated with the US$258.0 million unsecured credit facility (term loan). See note 12.

Below is a summary of the terms and fair value of the interest rate swap agreements. The loans and the interest rate swaps have the same key terms.

Counterparties	Trade date	Maturity date	Notional amount	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Various Banks	Aug 31, 2016	Jun 30, 2020	US$155.5 million	**83,357**	63,827
Various Banks	Sep 27, 2016	Jun 30, 2020	US$102.5 million	**58,501**	47,746
Total estimated fair value				**141,858**	111,573

14. TAXATION

FIBRA Macquarie is deemed to be a real estate investment trust for Mexican federal income tax purposes. Under Articles 187 and 188 of the Mexican Income Tax Law, it is 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.

The Group's subsidiaries are subject to income tax and hence the tax effects have been recognized in these consolidated financial statements. Deferred income taxes are calculated on the basis of income taxes at the rate applicable in the period in which the reversal of the corresponding temporary differences is expected. The major components of the income tax expense for the period/year ended September 30, 2018 and December 31, 2017 with respect to the results of the Group's subsidiaries are:

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Deferred income tax relating to origination and reversal of temporary differences	**6,277**	6,277
Total Income tax payable	**6,277**	6,277

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

15. CONTRIBUTED EQUITY

	No. of CBFIs '000	$'000
Balance at January 1, 2017	**811,364**	18,369,994
CBFIs repurchased during the year	**(11,385)**	(251,021)
CBFIs outstanding at December 31, 2017	**799,979**	18,118,973
Balance at January 1, 2018	**799,979**	18,118,973
CBFIs repurchased during the period	**(23,704)**	(490,798)
CBFIs outstanding at September 30, 2018	**776,275**	17,628,175

On June 25, 2017, FIBRA Macquarie's Technical Committee approved a CBFI buy-back program under the terms of the Trust Agreement and provided instructions to the Fund Trustee to carry out the repurchase of certificates for subsequent cancellation.

Subsequently, on June 26, 2018, FIBRA Macquarie's Technical Committee approved the extension of this program for another year through June 25, 2019.

For the nine months ended September 30, 2018, a total of 23,703,126 CBFIs, amounting to $490.7 million (including transaction costs), have been repurchased.

16. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The Group measures the following assets and liabilities at fair value:

- Trade and other receivable
- Investment properties held for sale
- Investment properties
- Derivative financial instruments

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.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

16. FAIR VALUES OF FINANCIAL 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 September 30, 2018	Level 2 $'000	Total fair value $'000	Total carrying amount $'000
Trade and other receivables	**479,985**	**479,985**	**498,175**
Interest-bearing liabilities*	**14,653,666**	**14,653,666**	**14,842,026**
As at December 31, 2017			
Trade and other receivables	74,539	74,539	74,539
Interest-bearing liabilities*	16,425,514	16,425,514	16,318,550

*Net 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 September 30, 2018	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial instruments	**-**	**141,858**	**-**	**141,858**
Investment properties held for sale	**-**	**-**	**135,201**	**135,201**
Investment properties	**-**	**-**	**38,712,490**	**38,712,490**
As at December 31, 2017				
Derivative financial instruments	-	111,573	-	111,573
Investment properties	-	-	41,722,712	41,722,712

The fair value of the interest rate swaps is based on broker quotes. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the term and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

The fair value of the interest rate swaps reflects the credit risk of the instrument and include adjustments to take account of the the credit risk of the Group entity and counterparty, where appropriate.

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

	Sep 30, 2018 $'000	Dec 31, 2017 $'000
Balance at the beginning of the period/year	**41,722,712**	42,466,715
Capital expenditure/leasing commision net of amortization	**69,206**	467,868
Transfer to investment properties held for sale	**(1,753,449)**	(198,289)
Asset acquisitions	**61,244**	-
Net unrealized foreign exchange loss on US$ denominated investment property	**(1,577,953)**	(1,558,247)
Unrealized revaluation gain on investment property measured at fair value	**190,730**	544,665
Balance at the end of the period/year	**38,712,490**	41,722,712

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

17. 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

Since the execution of the Trustee Substitution Agreement on October 31, 2017, CIBanco, S.A., Institucion de Banca Multiple is the FIBRA Macquarie Trustee, whose registered office is at Av. Paseo de las Palmas, 215, Piso 7, Lomas de Chapultepec I Seccion, Miguel Hidalgo, Mexico City, 11000.

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 Av. Paseo de las Palmas 215, piso 7, Lomas de Chapultepec I Seccion, Miguel Hidalgo, Mexico City, 11000 ("Investment Trust Trustee"). The other trustee within the Group is Banco Nacional de Mexico, S.A., Integrante del Grupo Financiero Banamex. For the three and nine months ended September 30, 2018, the trustees' fees for the Group amounted to $0.8 million (September 30, 2017: $1.1 million) and $1.6 million (September 30 2017: $3.4 milion), respectively.

As at September 30, 2018, fees due to the trustees amounted to $nil (December 31, 2017: $0.1 million).

c) Manager

MMREM acts as manager of FIBRA Macquarie and has its registered office is at Pedregal 24, piso 21, Col. Molino del Rey, Miguel Hidalgo, Mexico City, 11040.

Under the terms of FIBRA Macquarie's Trust Agreement, MMREM was entitled to a base management fee of $40.9 million (September 30, 2017: $42.7 million) and $127.1 million (September 30, 2017:$133.0 million) respectively, for the three and nine months ended September 30, 2018. 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 and, (ii) the total number of outstanding CBFIs at the close of trading on the calculation date.

MMREM is also entitled to receive 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 an annual cumulative Mexican inflation rate from their respective payment dates, minus the aggregate issuance price of all issuances of CBFIs, plus the aggregate amount of all repurchases of CBFIs, in each case, increased at a rate equal to the aggregate of 5% per annum and the annual cumulative Mexican inflation rate from their respective issuance or repurchase dates, less any performance fees previously paid. This potential fee is payable on the last business day of each two year period commencing on December 19, 2012 and must be reinvested into FIBRA Macquarie CBFIs for a minimum duration of one year. As at September 30, 2018, no performance fee was payable by FIBRA Macquarie.

NOTES TO THE CONDENSED UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

17. RELATED PARTY INFORMATION (CONTINUED)

d) Other associated entities

During the three and nine months ended September 30, 2018, the Group paid amounts totaling $0.4 million (September 30, 2017: $0.1 million) and $1.0 million (September 30, 2017: $0.6 million), respectively, in respect of out of pocket expenses incurred by affiliate entities of MMREM, in performance of its duties as Manager for the three and nine months ended September 30, 2018.

As at September 30, 2018, expenses due to MMREM amounted to $0.9 million.

As at September 30, 2018, Macquarie Infrastructure and Real Asset Holding Pty Limited (formerly Macquarie Development Capital Pty Limited), an affiliate entity of MMREM, held 36,853,632 CBFIs and received a distribution of $42.74 million during the nine months ended September 30, 2018 (September 30, 2017: $43.86 million).

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.

18. EVENTS OCCURING AFTER REPORTING PERIOD

From September 30, 2018 to the date of the issuance of these unaudited condensed interim consolidated financial statements, the Group repurchased 2,976,560 CBFIs for consideration of $66.9 million.

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