



## THIRD QUARTER 2020 EARNINGS RELEASE



CONSTRUYENDO  
EXPERIENCIAS



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## GICSA ANNOUNCES CONSOLIDATED RESULTS FOR THIRD QUARTER 2020

Mexico City, October 27, 2020 – GRUPO GICSA, S.A.B. de C.V. ("GICSA" or "the Company") (BMV: GICSA), a Mexican leading company specialized in the development, investment, commercialization and operation of shopping malls, corporate offices, industrial buildings and mixed use properties, announced today its results for the third quarter ("3Q20") and for the ninth months ("9M20") period ended September 30, 2020.

All figures have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are stated in millions of Mexican pesos (Ps.).

GICSA's financial results presented in this report are unaudited; therefore, figures mentioned throughout this report may present adjustments in the future.

### Main Highlights

#### Corporate

- On October 29, the opening of Explanada Culiacán will take place, a property with more than 50,000 square meters of GLA. As of to date, 69% of the contracts were signed representing 52% of the total GLA, with important brands such as: Cinemex, Suburbia, Coppel and Axo Group.
- Aligned to the reduction of epidemiological risk, this quarter the authorities of each locality allowed the opening of new business lines, such as the opening of entertainment businesses in some states and relaxed restrictions in business hours. To date more than 80% of our commercial spaces are operating.
- Traffic in our shopping malls and sales of our clients are beginning to experience signs of recovery. At the end of the quarter, traffic reached 50% and sales of our clients reached 60%, compared to 3Q19 levels, while compared to 2Q20 the increases were 166% and 433%, respectively.
- As of September 30, we signed 920 agreements under our Covid-19 support program for tenants for a total of Ps. 266 million in credit notes, which correspond to approximately 8% of the annual fixed rent. We estimate that given the extent of the pandemic in July and August, this amount would reach between 12% to 15% of annual rent once all negotiations are concluded. These agreements will take effect only if the tenants regularize their debts and payments as of 1Q21.
  - The discounts are recognized in the income statement according to IFRS 16, which states that any modification and/or discount to a leasing contract related to Covid-19 contingency, will be recognized in accordance with the remaining term of each contract. In 3Q20 and 9M20, Ps. 38 million and Ps. 64 million were recognized in the income statement, respectively, and the remaining will be gradually amortized.
  - With these agreements we were able to recover 66% of collections, an increase of 10% compared to 2Q20. The recovery rate in offices was 82%, while in shopping centers was 58%.
  - This quarter, in addition to the proportional recognition of the Covid-19 support program, we added an estimate of non-performing accounts receivable amounting to Ps. 41 million. This effect is reflected in operating expenses and subtracted from NOI.



### Operational

- GICSA reported a total of 912,068 square meters (m<sup>2</sup>) of Gross Leasable Area (GLA) comprised of 16 properties in operation at the close of 3Q20. GICSA's proportional GLA was 85% equivalent to 772,856 square meters.
- During 3Q20, we opened 28 new doors (4,473 square meters) corresponded to the portfolio in operation, an increase of 2,700% compared to 2Q20.
- During 3Q20, we signed 43 contracts (8,598 square meters) corresponded to the portfolio in operation, an increase of 1,333% compared to 2Q20.
- As of 3Q20, the renewal rate of the stabilized portfolio was 98%.
- As of 3Q20, the occupancy rate of the stabilized portfolio was 90% and 88% of the total portfolio.
- Average leasing rate per square meter of the stabilized portfolio at the close of 3Q20 was Ps. 392, and Ps. 386 in the total portfolio, an increase of 11% and 9%, respectively, compared to 3Q19.
- As of 3Q20, lease spread of the shopping malls corresponded to the stabilized portfolio was 4.2%, slightly above inflation.

### Financial

- Total revenue in 3Q20, after the proportional recognition of the Covid-19 support program, was Ps. 1,041 million, an increase of 0.3% compared to 3Q19.
- Fixed rental revenues in 3Q20, after the proportional recognition of the Covid-19 support program, was Ps. 817 million, an increase of 10% compared to 3Q19.
- Consolidated and proportional NOI in 3Q20, after the proportional recognition of the Covid-19 support program, was Ps. 835 million and Ps. 690 million, respectively, an increase of 2% and 6%, respectively, compared to 3Q19.
- Consolidated and proportional EBITDA in 3Q20, after the proportional recognition of the Covid-19 support program, was Ps. 792 million and Ps. 648 million, a decrease of 30% and 33%, respectively, compared to 3Q19. This was due to the recognition for the first time on an accumulated basis of Cero5Cien net income for Ps. 425 million in 3Q19. Without considering this extraordinary effect, consolidated and proportional EBITDA increased by 9% and 16%, respectively, compared to 3Q19.
- Consolidated and proportional debt at the close of 3Q20 was Ps. 25,574 million and Ps. 24,914 million, respectively, a decrease of 7% compared to consolidated debt in 2Q20. Consolidated debt in Pesos decreased by 9% compared to 2Q20, while consolidated debt in US dollars remained the same. Consolidated LTV was 38% in 3Q20, a decrease of 252 basis points compared to 2Q20.



### Pipeline

- During 3Q20, the Company signed 10 contracts (2,069 square meters) corresponded to the portfolio under development and in stabilization process, an increase of 900% compared to 2Q20.
- Explanada Culiacán and Cero5Cien reported work progress rates of 99% and 41%.



## Comments by the Chief Executive Officer

Dear Investors,

This quarter continues to reflect the effects of the Covid-19 pandemic. While we certainly have more clarity regarding the impact that this pandemic has and will generate, we must not lose sight of the fact that this is not a linear path and that we must remain vigilant to the new challenges that may arise.

In recent weeks, the color-code system established by Mexican local and municipal authorities was updated in some of the states in which we operate. Consequently, the Explanada Puebla, Forum Culiacán, Forum Cuernavaca and Forum Coatzacoalcos properties are now yellow, while the rest of our properties remain orange. This transition has allowed us to open more business lines, such as Querétaro and Hidalgo, states in which, since July, the entertainment businesses have been operating, while in the state of Morelos they have been operating since October. To date 80% of our commercial spaces are operating and our traffic has gradually regained the same levels as last year. We expect that the recovery of traffic and sales of our clients will be aligned to the reopening plan by local authorities as we saw during 3Q20.

I am also pleased to announce that on October 29, the opening of Explanada Culiacán will take place, a property with more than 50,000 square meters of GLA.

Furthermore, we will maintain our control measures, as our priority continues to be the preservation of liquidity, the minimization of expenses, client retention and the recovery of cash flow levels. During this quarter, debt in Mexican Pesos decreased by 9% compared to 2Q20. Likewise, our agreements with financial institutions and local bondholders remain in force.

With regards to the programs and support plans for our clients to regularize payments and discounts for rent payment, in 3Q20 we signed 920 agreements for a total of Ps. 266 million, which correspond to 8% of the annual fixed rent. These are subject to the fulfillment of their obligations as of 1Q21. With these agreements we were able to recover 66% of collections at pre-COVID levels, an increase of 10% compared to 2Q20.

On the operational side, our occupancy and renewal rates remained at 90% and 98%. The lease spread was 4.2% slightly above inflation. The number of visitors in our shopping malls and sales of our clients are beginning to experience signs of recovery. At the end of the quarter, traffic reached 50% and sales of our clients reached 60%, compared to 3Q19 levels, while compared to 2Q20 the increases were 166% and 433%, respectively.

Commercialization of our properties advanced significantly. During the quarter, we signed 51 (10,596 square meters) new doors, an increase of 1,175% compared to 2Q20, and an additional 28 doors were opened, an increase of 2,700% compared to 2Q20.

Our financial indicators were further evidence of the Company's strength. Consolidated NOI reached Ps. 835 million and the proportional NOI was Ps. 690 million during 3Q20, increases of 2% and 6%, respectively, compared to 3Q19. Consolidated EBITDA was Ps. 792 million and proportional EBITDA reached Ps. 648 million, decreases of 30% and 33%, respectively, compared to 3Q19. This was due to the recognition for the first time on an accumulated basis of Cero5Cien net income for Ps. 425 million in 3Q19. Without considering this extraordinary effect, consolidated and proportional EBITDA increased by 9% and 16%, respectively, compared to 3Q19.

We remain optimistic as long as the authorities maintain opening and reactivation trends. However, we remain alert and prepared for a probable outbreak that may delay the reactivation plans.

This crisis is not the first one to challenge us. Our DNA, our industry experience and the experience of our managers, put us on solid footing to face, reinvent and overcome.

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We will continue to take the necessary measures to preserve our liquidity and maintain the operation of our business, always seeking the greatest benefit for all our shareholders and investors.

*I reiterate our appreciation for your confidence and continuous support.*

**Abraham Cababie Daniel**  
**Chief Executive Officer of Grupo GICSA**



## GICSA's Model

GICSA's business model is focused on capturing value throughout the project cycle for its businesses as well as third-party projects; subsequently generating additional revenue from services to third parties. Our C-Corp structure and business model eliminates fee leakage, consequently maximizing shareholder returns.

### The three pillars of our business model are:

1. The portfolio of 16 properties in operation, which generates a consistent and solid cash flow, with a GLA of 912,068 square meters in which GICSA has an 85% stake.
2. The portfolio under development and to be developed, consolidate the bases for the Company's growth; it is expected that the 4 properties under construction will add a total of saleable area of 74,405 square meters and GLA of 166,360 square meters to the existing portfolio.
3. The 4 service companies, which cover the full real estate development cycle, provide quality, operating efficiency, and eliminates fee leakages, in which GICSA participates with 100%.

## Summary of Key Operational and Financial Indicators

Operating Ratios	3Q20	3Q19	Var. %
Gross Leasable Area (GLA in square meters)	912,068	911,683	0.04%
GICSA's Gross Leasable Area (GLA in square meters)	772,856	772,570	0.04%
% of participation in total GLA	85%	85%	0%
Occupancy rate <sup>1</sup>	90%	91%	-1%
Average duration of contracts (years)	3.0	3.2	-5%
Average rent <sup>1</sup> / square meters	Ps. 392	Ps. 353	11%
Renewal rate	98.0%	97.7%	0.3%
Lease spread	4.2%	5.7%	-27%

<sup>1</sup> Excludes portfolio in stabilization

Financial Ratios (In millions of Pesos)	3Q20	3Q19	Var. %
Revenues from properties <sup>2</sup>	Ps. 1,040,882	Ps. 1,037,743	0.3%
Proportional revenues from properties <sup>2</sup>	Ps. 857,411	Ps. 832,886	3%
Net Operating Income (NOI)	Ps. 834,600	Ps. 815,948	2%
GICSA's proportional net operating income (NOI)	Ps. 690,443	Ps. 652,774	6%
NOI margin over property revenues <sup>3</sup>	80%	79%	2%
NOI margin over proportional property revenues <sup>3</sup>	81%	78%	3%
EBITDA	Ps. 792,122	Ps. 1,133,458	-30%
GICSA's proportional EBITDA	Ps. 647,964	Ps. 970,284	-33%
EBITDA (excluding Cero5Cien) <sup>4</sup>	Ps. 773,928	Ps. 708,058	9%
EBITDA proportional GICSA (excluding Cero5Cien) <sup>4</sup>	Ps. 629,770	Ps. 544,884	16%
Operating income before valuation effects	Ps. 769,294	Ps. 1,061,835	-28%
Operating income before valuation effects (excluding Cero5Cien) <sup>4</sup>	Ps. 751,100	Ps. 636,435	18%
Total debt	Ps. 27,574,399	Ps. 25,134,119	10%
Total debt in pesos	Ps. 20,223,104	Ps. 18,677,767	8%
Total debt in US dollars	Ps. 327,345	Ps. 328,797	-0.4%
GICSA's proportional debt	Ps. 24,914,226	Ps. 22,562,479	10%
LTV	38%	37%	2%

<sup>2</sup> Total revenues from properties of the portfolio under operation, development and divested.

<sup>3</sup> NOI / Revenues from properties

<sup>4</sup> Cero5Cien: Net income from the Cero5Cien residential project is excluded.

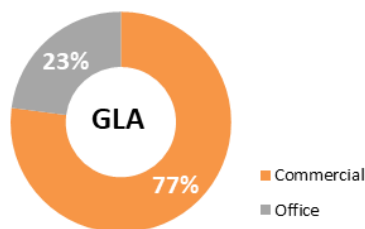
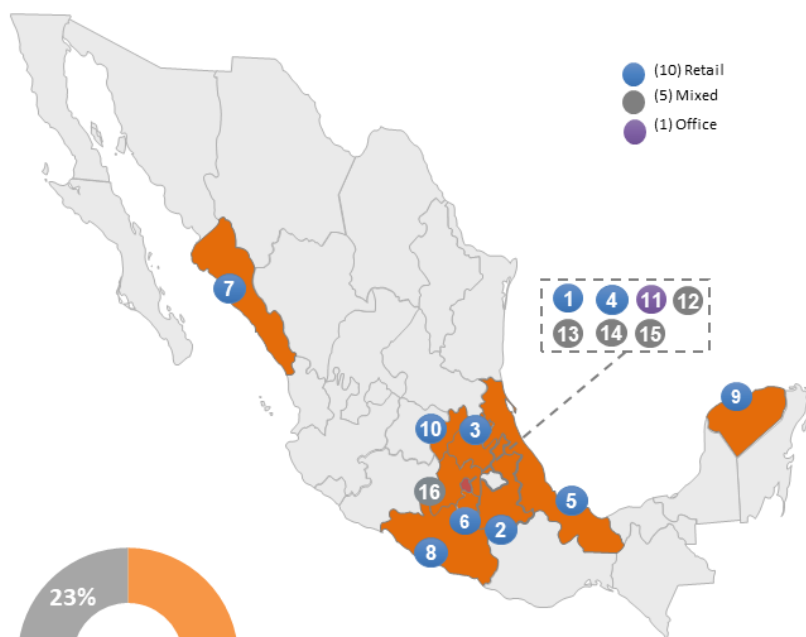


## Portfolio in Operation

At the close of September 30, 2020, GICSA is comprised of 16 properties in operation with 912,068 square meters of GLA, equivalent to ten shopping malls, five mixed-use developments and one corporate offices, comprising GICSA's total GLA as follows: 61% correspond to commercial properties, 36% correspond to mixed-use properties (16% commercial use and 20% offices), and 3% to office space.

These properties are located in Mexico City and metropolitan area, Acapulco, Culiacán, Cuernavaca, Puebla, Querétaro, Mérida, Pachuca and Coahuila. At the close of 3Q20, the average occupancy rate of GICSA's stabilized properties was 90%, and the portfolio in operation reached 9 million visitors and 2 million vehicles.

## Geographical distribution of the portfolio in operation



1 City Walk Mexico City	Location: Mexico City Opening: 2010 GLA: 3,506 m <sup>2</sup> Occupancy: 90%	2 Explanada Puebla Puebla	Location: Puebla Opening: 2018 GLA: 84,823 m <sup>2</sup> Occupancy: 95%
3 Explanada Pachuca Pachuca	Location: Hidalgo Opening: 2019 GLA: 74,959 m <sup>2</sup> Occupancy: 78%	4 Forum Buenavista Mexico City	Location: Mexico City Opening <sup>1</sup> : 2008/2012 GLA: 95,019 m <sup>2</sup> Occupancy: 97%
5 Forum Coahuila Coahuila	Location: Veracruz Opening: 2006 GLA: 32,347 m <sup>2</sup> Occupancy: 75%	6 Forum Cuernavaca Cuernavaca	Location: Morelos Opening <sup>1</sup> : 2016 GLA: 58,121 m <sup>2</sup> Occupancy: 84%
7 Forum Culiacán Culiacán	Location: Sinaloa Opening <sup>1</sup> : 2003/2009/2014 GLA: 39,680 m <sup>2</sup> Occupancy: 90%	8 La Isla Acapulco Acapulco	Location: Guerrero Opening <sup>1</sup> : 2008 GLA: 33,649 m <sup>2</sup> Occupancy: 83%
9 La Isla Mérida Mérida	Location: Yucatán Opening: 2018 GLA: 57,573 m <sup>2</sup> Occupancy: 91%	10 Paseo Querétaro Querétaro	Location: Querétaro Opening: 2018 GLA: 81,148 m <sup>2</sup> Occupancy: 96%
11 Torre E3 Mexico City	Location: Mexico City Opening: 2005 GLA: 23,257 m <sup>2</sup> Occupancy: 93%	12 Capital Reforma Mexico City	Location: Mexico City Opening: 2012 GLA: 60,678 m <sup>2</sup> Occupancy: 95%
13 Masaryk 111 Mexico City	Location: Mexico City Opening: 2008 GLA: 26,385 m <sup>2</sup> Occupancy: 96%	14 Masaryk 169 Mexico City	Location: Mexico City Opening: 2018 GLA: 5,616 m <sup>2</sup> Occupancy: -
15 Paseo Arcos Bosques Mexico City	Location: Mexico City Opening <sup>1</sup> : 2008/2012 GLA: 92,149 m <sup>2</sup> Occupancy: 83% Rooms: 135	16 Paseo Interlomas State of Mexico	Location: State of Mexico Opening: 2011/2018 GLA <sup>2</sup> : 143,160 m <sup>2</sup> Occupancy: 88%

Number of properties in operation	16
Nacional presence	8 states + Mexico City and metropolitan area
Total / proportional GLA	912,068 m <sup>2</sup> / 772,856 m <sup>2</sup>
Occupancy rate <sup>2</sup>	90%

<sup>1</sup> Includes opening year and subsequent expansions

<sup>2</sup> Explanada Pachuca and Masaryk 169 projects are in the stabilization process and are not including in the occupancy rate.

Note: All figures represent 100% of properties of 3Q20





## Properties of the Portfolio in Operation

The following table presents a description of the stabilized properties as of September 30, 2020:

Portfolio in operation	Location	Operations starting year	GLA (square meters)	GICSA's stake %	Proportional GLA (square meters)	GLA % total properties	Occupancy rate	Parking spaces
<b>Stabilized properties</b>								
<b>Commercial use</b>								
City Walk	Mexico City	2010	3,506	100%	3,506	0.4%	90%	147
Forum Buenavista	Mexico City	2008	95,019	100%	95,019	10%	97%	2,372
Forum Coatzacoalcos	Coatzacoalcos, Ver.	2006	32,347	50%	16,174	4%	75%	1,674
Forum Cuernavaca	Cuernavaca, Mor.	2016	58,121	100%	58,121	6%	84%	2,974
Forum Culiacán	Culiacán, Sin.	2003	39,680	100%	39,680	4%	90%	2,553
La Isla Acapulco	Acapulco, Gro.	2008	33,649	84%	28,265	4%	83%	1,929
La Isla Mérida	Mérida, Yuc.	2018	57,573	100%	57,573	6%	91%	2,800
Paseo Querétaro	Querétaro, Qro.	2018	81,148	100%	81,148	9%	96%	3,163
Explanada Puebla	Cholula, Pue.	2018	84,823	100%	84,823	9%	95%	2,000
<b>Sub commercial use</b>			<b>485,865</b>	<b>96%</b>	<b>464,307</b>	<b>53%</b>	<b>91%</b>	<b>19,612</b>
<b>Office use</b>								
Torre E 3	Mexico City	2005	23,257	100%	23,257	3%	93%	1,617
<b>Subtotal office use</b>			<b>23,257</b>	<b>100%</b>	<b>23,257</b>	<b>3%</b>	<b>93%</b>	<b>1,617</b>
<b>Mix use</b>								
Capital Reforma	Mexico City	2012	60,678	100%	60,678	7%	95%	2,065
Masaryk 111	Mexico City	2008	26,385	100%	26,385	3%	96%	710
Paseo Arcos Bosques	Mexico City	2008	92,149	50%	46,075	10%	83%	3,454
Paseo Interlomas	State of Mexico	2011	143,160	50%	71,580	16%	88%	5,478
<b>Subtotal mix use</b>			<b>322,372</b>	<b>64%</b>	<b>204,717</b>	<b>35%</b>	<b>88%</b>	<b>11,707</b>
<b>Total stabilized portfolio</b>			<b>831,494</b>	<b>83%</b>	<b>692,282</b>	<b>91%</b>	<b>90%</b>	<b>32,936</b>
<b>Properties in stabilization</b>								
<b>Commercial use</b>								
Explanada Pachuca	Pachuca, Hgo.	2019	74,959	100%	74,959	8%	78%	2,411
Masaryk 169	Mexico City	2018	1,359	100%	1,359	0.1%	-	219
<b>Office use</b>								
Masaryk 169	Mexico City	2018	4,257	100%	4,257	0.5%	-	-
<b>Total portfolio in stabilization</b>			<b>80,575</b>	<b>100%</b>	<b>80,575</b>	<b>9%</b>	<b>73%</b>	<b>2,630</b>
<b>Total portfolio in operation</b>			<b>912,068</b>	<b>85%</b>	<b>772,856</b>	<b>100%</b>	<b>88%</b>	<b>35,566</b>

The following table presents a description of the commercial spaces opened during 3Q20 and 9M20.

Properties	1Q20	2Q20	3Q20	9M20
Paseo Interlomas	8	-	3	11
Explanada Puebla	4	-	5	9
Forum Buenavista	3	-	3	6
Paseo Querétaro	3	-	3	6
Paseo Arcos Bosques	2	-	4	6
Forum Culiacán	2	-	3	5
Forum Cuernavaca	1	1	3	5
La Isla Mérida	2	-	1	3
City Walk	-	-	1	1
La Isla Acapulco	-	-	1	1
<b>Total stabilized portfolio</b>	<b>25</b>	<b>1</b>	<b>27</b>	<b>53</b>
Explanada Pachuca	11	-	1	12
<b>Total portfolio in stabilization</b>	<b>11</b>	<b>-</b>	<b>1</b>	<b>12</b>
<b>Total open commercial spaces</b>	<b>36</b>	<b>1</b>	<b>28</b>	<b>65</b>

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The following table presents the financial results of the stabilized properties as of September 30, 2020:

Portfolio of properties in operation	Occupancy rate	Fixed rent (Ps. Thousands)			Total Revenue (Ps. Thousands)			NOI (Ps. Thousands)			Proportional NOI (Ps. Thousands)			Average rent by square meter		
		3Q20	3Q20	3Q19	Var. %	3Q20	3Q19	Var. %	3Q20	3Q19	Var. %	3Q20	3Q19	Var. %	3Q20	3Q19
<b>Stabilized portfolio</b>																
<b>Commercial Use</b>																
City Walk	90%	3,758	3,724	1%	4,423	4,749	-7%	3,720	3,605	3%	3,720	3,605	3%	434	424	2%
Forum Buenavista	97%	93,792	78,604	19%	117,567	119,378	-2%	84,567	93,209	-9%	84,567	93,209	-9%	284	274	4%
Forum Coatzacoalcos	75%	13,035	21,435	-39%	20,086	32,327	-38%	8,212	21,559	-62%	4,106	10,779	-62%	256	268	-4%
Forum Cuernavaca	84%	31,692	31,391	1%	40,577	44,389	-9%	34,785	34,728	0.2%	34,785	34,728	0.2%	320	278	15%
Forum Culliacán	90%	43,828	45,088	-3%	60,042	69,137	-13%	52,977	59,234	-11%	52,977	59,234	-11%	381	365	4%
La Isla Acapulco	83%	14,534	14,754	-1%	20,366	25,818	-21%	9,197	16,528	-44%	7,725	13,884	-44%	198	194	2%
La Isla Mérida	91%	37,946	35,549	7%	51,953	48,474	7%	41,394	29,107	42%	41,394	29,107	42%	389	284	37%
Paseo Querétaro	96%	52,116	46,646	12%	66,095	70,700	-7%	52,341	53,143	-2%	52,341	53,143	-2%	320	269	19%
Explanada Puebla	95%	40,322	35,652	13%	49,210	49,337	-0.3%	41,881	36,047	16%	41,881	36,047	16%	248	221	12%
<b>Subtotal Commercial</b>	<b>91%</b>	<b>331,024</b>	<b>312,843</b>	<b>6%</b>	<b>430,320</b>	<b>464,307</b>	<b>-7%</b>	<b>329,073</b>	<b>347,160</b>	<b>-5%</b>	<b>323,495</b>	<b>333,736</b>	<b>-3%</b>	<b>300</b>	<b>269</b>	<b>11%</b>
<b>Office Use</b>																
Torre E 3	93%	41,571	40,119	4%	51,973	51,358	1%	46,039	42,859	7%	46,039	42,859	7%	677	610	11%
<b>Subtotal Office Use</b>	<b>93%</b>	<b>41,571</b>	<b>40,119</b>	<b>4%</b>	<b>51,973</b>	<b>51,358</b>	<b>1%</b>	<b>46,039</b>	<b>42,859</b>	<b>7%</b>	<b>46,039</b>	<b>42,859</b>	<b>7%</b>	<b>677</b>	<b>610</b>	<b>11%</b>
<b>Mix Use</b>																
Capital Reforma	95%	92,474	86,222	7%	114,799	107,990	6%	92,840	88,903	4%	92,840	88,903	4%	546	500	9%
Masaryk 111	96%	45,049	36,780	22%	53,531	45,980	16%	46,392	38,544	20%	46,392	38,544	20%	636	553	15%
Paseo Arcos Bosques	83%	130,966	156,689	-16%	155,918	191,719	-19%	130,726	154,305	-15%	65,363	77,153	-15%	667	588	13%
Paseo Interlomas	88%	142,657	110,884	29%	184,432	177,065	4%	146,447	144,853	1%	73,223	72,426	1%	328	323	2%
<b>Subtotal Mix Use</b>	<b>88%</b>	<b>411,146</b>	<b>390,585</b>	<b>5%</b>	<b>508,681</b>	<b>522,754</b>	<b>-3%</b>	<b>416,405</b>	<b>426,605</b>	<b>-2%</b>	<b>277,819</b>	<b>277,026</b>	<b>0.3%</b>	<b>490</b>	<b>456</b>	<b>8%</b>
<b>Total stabilized portfolio</b>	<b>90%</b>	<b>783,741</b>	<b>743,547</b>	<b>5%</b>	<b>990,974</b>	<b>1,038,420</b>	<b>-5%</b>	<b>791,517</b>	<b>816,624</b>	<b>-3%</b>	<b>647,353</b>	<b>653,621</b>	<b>-1%</b>	<b>392</b>	<b>353</b>	<b>11%</b>
<b>Portfolio in process of stabilization</b>																
<b>Commercial Use</b>																
Explanada Pachuca	78%	32,920	-	100%	41,390	-	100%	34,565	-	100%	34,565	-	100%	298	-	100%
<b>Total portfolio in process of stabilization</b>	<b>78%</b>	<b>32,920</b>	<b>-</b>	<b>100%</b>	<b>41,390</b>	<b>-</b>	<b>100%</b>	<b>34,565</b>	<b>-</b>	<b>100%</b>	<b>34,565</b>	<b>-</b>	<b>100%</b>	<b>298</b>	<b>-</b>	<b>100%</b>
<b>Total projects under development</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,518</b>	<b>-676</b>	<b>1360%</b>	<b>8,518</b>	<b>-676</b>	<b>1360%</b>	<b>8,524</b>	<b>-847</b>	<b>1106%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total operational portfolio</b>	<b>89%</b>	<b>816,661</b>	<b>743,547</b>	<b>10%</b>	<b>1,040,882</b>	<b>1,037,743</b>	<b>0.3%</b>	<b>834,600</b>	<b>815,948</b>	<b>2%</b>	<b>690,443</b>	<b>652,774</b>	<b>6%</b>	<b>386</b>	<b>353</b>	<b>9%</b>

Proportional NOI\* is the net operating income related to GICSA's direct or indirect stake.

The following table presents the operating income composition:

Composition of total income	3Q20	3Q19
Fixed rent	78.5%	71.7%
Variable rent	0.4%	2.4%
Key money	2.5%	3.0%
Parking lot	1.6%	5.1%
Maintenance and advertising	15.1%	13.7%
Services and others	2.0%	4.0%
<b>Total income</b>	<b>100%</b>	<b>100%</b>

\*Calculation based on the properties of operational portfolio



## Leasing contract characteristics

GICSA has a solid management track record, which ensures the diversification of high-quality tenants by industry, as we consider that this type of tenant shields the Company from low cycles in the market that may affect particular industries or sectors.

At the close of 3Q20, GICSA's portfolio had 1,861 leasing contracts with tenants with high credit ratings, diversified in terms of industry and geographical location, assuring a mix in the revenue stream.

The following table shows the distribution of lease contracts per tenant by category as a percentage of revenues from GLA and fixed rent.

Participation of GLA and average fixed rents	% of GLA	% of fixed rents
Entertainment and sports	33.9%	19.6%
Women and men apparel	14.9%	19.1%
Restaurants	9.6%	14.0%
Health & beauty	3.3%	7.6%
Department stores	14.8%	6.5%
Fast food	2.7%	6.4%
Sport apparel and footwear	3.9%	6.0%
Others	4.3%	5.8%
Home and decoration	3.8%	5.0%
Women and men footwear	1.8%	3.6%
Cellphone companies and communications	1.4%	2.7%
Services	1.3%	2.3%
Autoservice store	4.3%	1.3%
<b>Total</b>	<b>100%</b>	<b>100%</b>

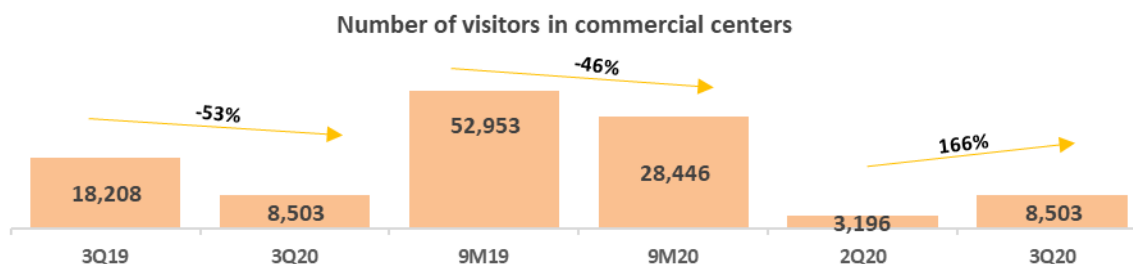
The following table shows GICSA's top 10 tenants, in terms of fixed rent.

Main tenants based of monthly fixed rent	% of fixed rents
Inditex group	3.0%
Unilever	1.9%
Chubb	1.8%
Unifin	1.8%
Axo group	1.7%
Cinemex	1.7%
El Palacio de Hierro	1.5%
Avon	1.5%
Procter & Gamble	1.2%
Cinépolis	1.1%
<b>Total</b>	<b>17.2%</b>



### Number of visitors

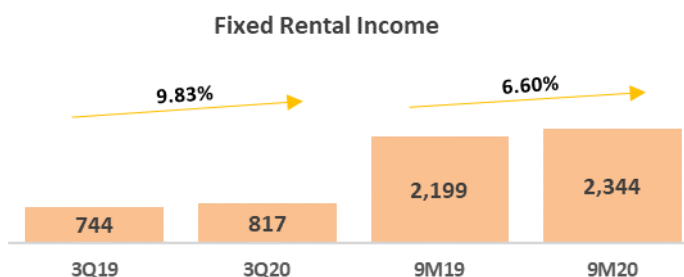
During 3Q20 and 9M20 the number of visitors in the commercial portfolio properties reached 9 million and 28 million visitors, respectively.



### Fixed rental revenues

Average monthly fixed rent per square meter of the stabilized portfolio was Ps. 392 in 3Q20, a 11% increase compared to Ps. 353 per square meters in 3Q19.

Fixed rental revenues for the portfolio of properties in operation reached Ps. 817 million in 3Q20, an increase of 10%. Revenues of fixed rent as a percentage were 70% in Mexican pesos and 30% in U.S. dollars.





### Contract renewals

At the close of 3Q20, GICSA renewed 103,025 square meters of GLA of the stabilized properties, generating a renewal rate of 98%.

### Maturity contract

The following table shows some information related to maturity of contracts of the operational properties at the close of 3Q20.

Year	Number of leases that expire	GLA of maturity contract	% the GLA that expire
2020	280	65,890 m <sup>2</sup>	8.2%
2021	418	119,728 m <sup>2</sup>	14.9%
2022	477	161,812 m <sup>2</sup>	20.1%
2023	394	132,276 m <sup>2</sup>	16.4%
2024	163	96,230 m <sup>2</sup>	12.0%
+ 2024	129	229,309 m <sup>2</sup>	28.5%

As per the above table, 2020 concentrated maturity contracts proportional to 8.2% of the GLA of the portfolio in operation. As of September 30, 2020, none of our tenants represented over 3.9% and 3.0% of the portfolio in operation GLA and fixed rent, respectively.

### Lease spread

Lease spread, defined as the variation in levels of fixed rent based on expired leases to the new level of rental revenues for new leases or renewed leases. The 3Q20 calculation was based on 93,196 square meters of the contracts in shopping malls that hold these characteristics.

As of 3Q20, lease spread of the shopping malls corresponded to the stabilized portfolio was 4.2%, slightly above inflation.



## Projects under development

### Status of the commercialization of the projects under development

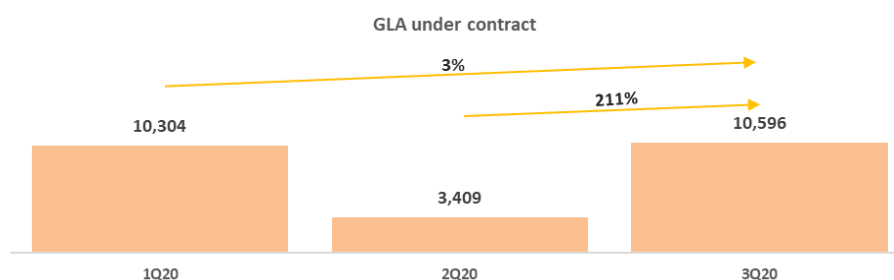
As of the date of this report, the commercialization of properties in stabilization process and under development registered a progress of 131,907 square meters of GLA under contract, representing 54% of the space of the total actual projects under commercialization.

Following table shows the commercialization progress of the projects under development:

Project	Total commercial spaces	Total commercial spaces under contract	%	Total Leasable Area (m <sup>2</sup> )	Total area under contract (m <sup>2</sup> )	%
<b>Commercial Use</b>						
Masaryk 169 <sup>1</sup>	1	-	-	1,359 m <sup>2</sup>	-	-
Explanada Pachuca <sup>1</sup>	209	180	86%	74,959 m <sup>2</sup>	58,719 m <sup>2</sup>	78%
Explanada Culiacán	202	139	69%	53,233 m <sup>2</sup>	27,934 m <sup>2</sup>	52%
Galerías Metepec	163	92	56%	55,114 m <sup>2</sup>	21,611 m <sup>2</sup>	39%
Grand Outlet Riviera Maya	174	74	43%	58,013 m <sup>2</sup>	23,643 m <sup>2</sup>	41%
<b>Total</b>	<b>749</b>	<b>485</b>	<b>65%</b>	<b>242,677 m<sup>2</sup></b>	<b>131,907 m<sup>2</sup></b>	<b>54%</b>

<sup>1</sup> In stabilization

Following table shows a breakdown of commercial spaces and GLA under contract during 3Q20 and 9M20.



Properties	1Q20		2Q20		3Q20		9M20	
	Commercial spaces	GLA (m <sup>2</sup> )	Commercial spaces	GLA (m <sup>2</sup> )	Commercial spaces	GLA (m <sup>2</sup> )	Commercial spaces	GLA (m <sup>2</sup> )
Paseo Querétaro	4	851	1	1,666	3	1,862	8	4,379
Paseo Interlomas	2	257	1	112	4	2,709	7	3,078
Forum Buenavista	-	-	1	1,586	7	507	8	2,093
Forum Cuernavaca	8	1,377	-	-	3	481	11	1,858
La Isla Mérida	3	677	-	-	5	818	8	1,495
Explanada Puebla	7	742	-	-	5	436	12	1,178
Forum Culiacán	3	583	-	-	2	251	5	833
City Walk	1	48	-	-	2	740	3	787
La Isla Acapulco	2	120	-	-	8	592	10	711
Paseo Arcos Bosques	3	167	-	-	2	131	5	298
Forum Coatzacoalcos	4	213	-	-	-	-	4	213
<b>Total stabilized portfolio</b>	<b>37</b>	<b>5,034</b>	<b>3</b>	<b>3,364</b>	<b>41</b>	<b>8,527</b>	<b>81</b>	<b>16,925</b>
Explanada Pachuca	1	3,533	-	-	2	71	3	3,604
<b>Total portfolio in stabilization</b>	<b>1</b>	<b>3,533</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>71</b>	<b>3</b>	<b>3,604</b>
<b>Total operational portfolio</b>	<b>38</b>	<b>8,567</b>	<b>3</b>	<b>3,364</b>	<b>43</b>	<b>8,598</b>	<b>84</b>	<b>20,529</b>
Explanada Culiacán	6	392	-	-	5	1,934	11	2,325
Grand Outlet Riviera Maya	4	1,345	1	45	3	64	8	1,454
<b>Total properties under construction</b>	<b>10</b>	<b>1,737</b>	<b>1</b>	<b>45</b>	<b>8</b>	<b>1,998</b>	<b>19</b>	<b>3,780</b>
<b>Total commercialization</b>	<b>48</b>	<b>10,304</b>	<b>4</b>	<b>3,409</b>	<b>51</b>	<b>10,596</b>	<b>103</b>	<b>24,308</b>



## Projects under construction

Currently, GICSA has 4 projects under development with a solid progress in terms of construction and commercialization. Likewise, GICSA continues analyzing investment opportunities throughout Mexico to strengthen its portfolio and increase its presence in the country, including acquisition opportunities, developments, the consolidation of existing projects, as well as opportunities for third-party services.

The following shows a breakdown of the work progress for projects that are currently under construction:

Project	GLA	Estimated total investment <sup>1</sup>	Investment Capex as of 3Q20 <sup>1</sup>	Capex pending investments at 3Q20 <sup>1</sup>	Work progress	Estimated opening date
Explanada Culiacán	53,233 m <sup>2</sup>	Ps. 1,510,959	Ps. 1,510,016	Ps. 943	99%	October 29, 2020
Galerías Metepec	55,114 m <sup>2</sup>	Ps. 2,835,108	Ps. 1,768,134	Ps. 1,066,974	47%	In review
Grand Outlet Riviera Maya	58,013 m <sup>2</sup>	Ps. 2,269,249	Ps. 729,451	Ps. 1,539,798	31%	In review
<b>Total</b>	<b>166,360 m<sup>2</sup></b>	<b>Ps. 6,615,316</b>	<b>Ps. 4,007,601</b>	<b>Ps. 2,607,715</b>	<b>59%</b>	
Cero5Cien*	74,405 m <sup>2</sup>	Ps. 5,388,861	Ps. 3,822,161	Ps. 1,566,700	41%	First half of 2021 / Second half of 2021
<b>Grand total</b>	<b>240,765 m<sup>2</sup></b>	<b>Ps. 12,004,177</b>	<b>Ps. 7,829,762</b>	<b>Ps. 4,174,414</b>	<b>55%</b>	

<sup>1</sup> Figures are expressed in thousands of Mexican pesos (Ps.)

\*Salable square meters

The following section provides information for every project under construction and development based on estimates and expectations. This information provides a general overview of GICSA's developments. The information included in this section may change or be modified in the future due to external factors; therefore, these amounts must be regarded as estimates, and not as final figures.



## Properties under construction



### Explanada Culiacán

This project is part of the new *Mallertainment* concept developed by the Company, which consists of a shopping mall center located in the city of Culiacán. This project combines the concepts of mixed commercial use, entertainment and community concepts. In addition, its one-level design, which is surrounded by parking spaces and has four entrances, ensures a steady vehicle flow.

It is estimated that the project will have an average GLA of 53,233 square meters. Construction began during the first half of 2018 and it is expected to open its doors on October 29, 2020. At the end of 3Q20, 52% of the leasable area was under contract with important brands such as: Cinemex, Tomateros, Suburbia, Coppel, Adidas, Levis, Aeropostale, Calvin Klein, Guess, Tommy Hilfiger, Mumuso, Urban, Promoda, Under Armour, Original Penguin, Adriana Papelle, True Religion and Joes.



Location	Culiacán, Sinaloa
GLA	53,233 m <sup>2</sup>
Estimated total investment <sup>1</sup>	Ps. 1,510,959
Capex to date <sup>1</sup>	Ps. 1,510,016
Expected delivery date	October 29, 2020

<sup>1</sup> Figures are expressed in thousands of mexican pesos (Ps.)

	Contribution to work as a percentage	At	
		June 30, 2020	September 30, 2020
Excavation and foundation	8%	100%	100%
Civil work	63%	99%	100%
Installations and equipment	16%	92%	98%
Finishes and facade	13%	79%	97%
Work progress	100%	95.5%	99.5%

Video link: <http://www.gicsa.com.mx/en/portfolio/project-detail/explanada-culiac%C3%A1n>





## Grand Outlet Riviera Maya

With over 33 million visitors and a population of nearly 1 million inhabitants, Riviera Maya is the ideal place for the world's largest Outlet "Mallertainment", a place where international visitors could enjoy unlimited shopping, international cuisine and the best entertainment options.

This project will be located in the Riviera Maya of the state of Quintana Roo in a privileged area, just a few steps away from the beach and Cancún International Airport. This innovative project will form part of GICSA's new category, *Mallertainment*, which is revolutionizing the shopping mall industry in Mexico.

This development will have a total GLA of approximately 58,013 square meters to be developed by GICSA and approximately 90,000 square meters, including the development of our business partner who contributed with the land. At September 30, 2020, 41% of leasable area was under contract with important brands, such as: Katsuya, Stk, Melting Pot, Dolce & Gabbana, Salvatore Ferragamo, Hugo Boss, Madaluxe, Brooks Brothers, Rapsodia, Coach, Chicos, Tommy Hilfiger, Original Penguin, Mumuso, BCBG, True Religion, Shutz, Joes, Guess, Promoda, Calvin Klein, Levis, Abercrombie, Adidas, Aeropostale, Urban and Samsonite.



Location	Riviera Maya, Quintana Roo
GLA	58,013 m <sup>2</sup>
Estimated total investment <sup>1</sup>	Ps. 2,269,249
Capex to date <sup>1</sup>	Ps. 729,451
Expected delivery date	In review

<sup>1</sup> Figures are expressed in thousands of mexican pesos (Ps.)

	Contribution to work as a percentage	At June 30, 2020	At September 30, 2020
Excavation and foundation	18%	98%	98%
Civil work	41%	30%	30%
Installations and equipment	24%	5%	5%
Finishes and facade	17%	0%	0%
Work progress	100%	31%	31%

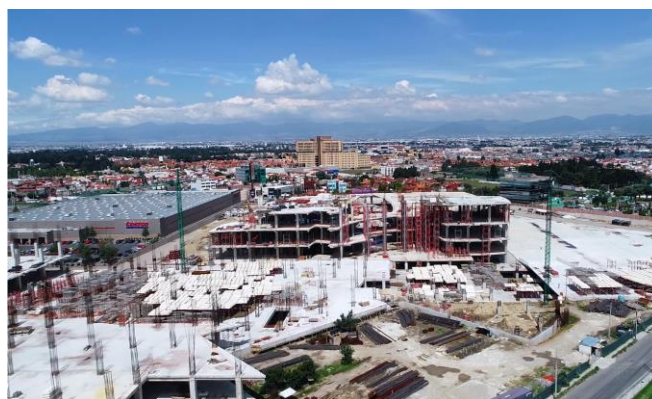
Video link: <http://www.gicsa.com.mx/en/portfolio/project-detail/grand-outlet-mallertainment-riviera-maya>



## Galerías Metepec

This project will be located in the commercial area of Metepec in the State of Mexico, which has one of the highest GDP per capita in Mexico. This project will be one of the first mixed-use developments in the area and will include brands arriving to this area for the first time.

The complex will be used for commercial purposes, with a GLA of approximately 55,114 square meters. The main tenants will be department stores, retail stores, restaurants, movie theaters, gyms, as well as offices for local businesses or personal use.



Location	Metepec, State of Mexico
GLA	55,114 m <sup>2</sup>
Estimated total investment <sup>1</sup>	Ps. 2,835,108
Capex to date <sup>1</sup>	Ps. 1,768,134
Expected delivery date	In review

<sup>1</sup> Figures are expressed in thousands of mexican pesos (Ps.)

	Contribution to work as a percentage	At	
		June 30, 2020	September 30, 2020
Excavation and foundation	13%	94%	94%
Civil work	43%	79%	79%
Installations and equipment	23%	5%	5%
Finishes and facade	21%	0%	0%
Work progress	100%	47%	47%

Video link: <http://www.gicsa.com.mx/en/portfolio/project-detail/paseo-metepec>

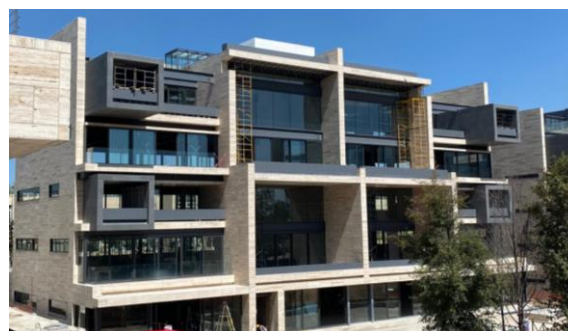
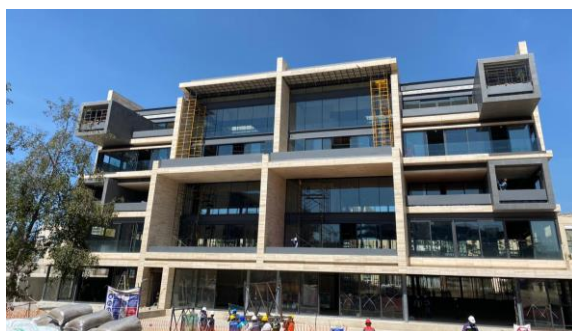


CERO5CIEN  
RESIDENCIAL

The project will be located in Lomas de Vista Hermosa, one of the most exclusive residential areas in Mexico, therefore with a great demand for spaces focused on the ultra-high-end segment.

The philosophy behind the project is to create a residential development in which residents live each day in their own personal paradise, with extraordinary amenities and in a privileged location. The project will be developed in a land comprised of 55,000 square meters, from which only 35% will be constructed upon and the remainder will be used for amenities, green areas and lakes.

Cero5Cien will have 106 units; as of September 30, 2020, 53 units had been pre-sold representing 50%. The delivery of the project is estimated to take place during 2021.



Location	Mexico City
GLA	74,405 m <sup>2</sup>
Estimated total investment <sup>1</sup>	Ps. 5,388,861
Capex to date <sup>1</sup>	Ps. 3,822,161
Expected delivery date	First half of 2021 / Second half of 2021

<sup>1</sup> Figures are expressed in thousands of Mexican pesos (Ps.)

	Contribution to work as a percentage	At June 30, 2020	At September 30, 2020
		Excavation and foundation	10%
Civil work	34%	56%	57%
Installations and equipment	16%	10%	11%
Finishes and facade	40%	27%	31%
<b>Work progress</b>	<b>100%</b>	<b>39%</b>	<b>41%</b>



## Statement of Financial Position

Statement of Financial Position compared to as December 31, 2019 vs. September 30, 2020.

(Figures in thousands of Pesos)

Statements of Financial Position	September 2020	December 2019	Variation
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	753,807	2,954,751	-74%
Restricted cash	518,216	2,735,300	-81%
Accounts and notes receivable- net	1,363,767	704,016	94%
Accounts receivable (contingency)	175,635	0	100%
Real Estate Inventory	3,647,935	3,276,753	11%
Tax credits	2,217,001	1,250,041	77%
Advances for project developments	741,845	687,246	8%
Related parties	1,240,553	1,038,985	19%
<b>Total current assets</b>	<b>10,658,759</b>	<b>12,647,092</b>	<b>-16%</b>
<b>Non-current assets</b>			
Investment properties	57,416,112	55,544,200	3%
Property, furniture and equipment – net	670,831	762,642	-12%
Investment in associates and in joint ventures	941,713	843,178	12%
Derivative Financial Instruments	5,442	0	100%
Deferred income taxes provision	1,978,780	1,978,780	0%
Assets by right of use	944,808	944,808	0%
Guarantee deposits and prepayments	110,546	289,234	-62%
<b>Total non-current assets</b>	<b>62,068,232</b>	<b>60,362,842</b>	<b>3%</b>
<b>Total assets</b>	<b>72,726,991</b>	<b>73,009,934</b>	<b>-0.4%</b>
<b>Liabilities and stockholders' equity</b>			
<b>Current liabilities</b>			
Suppliers	613,092	651,090	-6%
Current portion of long-term local bank loans	1,232,694	820,516	50%
Current portion of long-term local bonds	1,126,524	90,021	1151%
Rent, security deposit and key money	35,585	13,908	156%
Related parties	117,155	117,579	-0.4%
Lease contract creditors	46,298	83,871	-45%
Income tax payable	865,322	423,457	104%
<b>Total current liabilities</b>	<b>4,036,670</b>	<b>2,200,442</b>	<b>83%</b>
<b>Non-current liabilities</b>			
Long-term bank loans	17,610,447	18,990,050	-7%
Stock Certificates	7,301,099	8,411,422	-13%
Provision and Employee benefits	41,603	57,563	-28%
Lease contract creditors	915,463	870,089	5%
Tenant deposits, rent and key money	1,507,559	1,256,254	20%
Derivative Financial Instruments	309,079	212,972	45%
Long-term income tax payable	564,495	564,495	0%
Deferred income tax provision	9,443,789	9,323,884	1%
<b>Total non-current liabilities</b>	<b>37,693,534</b>	<b>39,686,729</b>	<b>-5%</b>
<b>Total liabilities</b>	<b>41,730,204</b>	<b>41,887,171</b>	<b>-0.4%</b>
Capital stock	636,605	636,605	0%
Stock repurchase	(282,452)	-280,771	1%
Retained earnings	9,595,667	9,595,667	0%
Premium in capital	15,314,881	15,699,953	-2%
<b>Controlling interest</b>	<b>25,264,701</b>	<b>25,651,454</b>	<b>-2%</b>
Non- controlling interest	5,732,086	5,471,309	5%
<b>Total stockholders' equity</b>	<b>30,996,787</b>	<b>31,122,763</b>	<b>-0.4%</b>
<b>Total liabilities and stockholders' equity</b>	<b>72,726,991</b>	<b>73,009,934</b>	<b>-0.4%</b>



## Consolidated Statement of Comprehensive Income

For period ended on September 30, 2020 compared to September 30, 2019.

(Figures in thousands of Pesos)

Consolidated Statement of Comprehensive Income	3Q20	3Q19	Variation 3Q20 vs 3Q19
<b>Revenues</b>			
Rental income and key money	894,374	824,780	8%
Discount rental income and key money (contingency)	(36,842)	0	100%
Maintenance and advertising income	153,259	147,297	4%
Discount maintenance and advertising (contingency)	(1,300)	0	100%
Parking income and operating services	29,340	90,130	-67%
Revenues from real estate services	5,125	17,247	-70%
<b>Total operating revenue</b>	<b>1,043,956</b>	<b>1,079,454</b>	<b>-3%</b>
Revenues from construction services executed for third parties	6,001	21,914	-73%
Revenues from the sale of real estate inventories	77,690	1,680,601	-95%
<b>Total Other Operating Revenue</b>	<b>83,691</b>	<b>1,702,515</b>	<b>-95%</b>
<b>Total revenue</b>	<b>1,127,647</b>	<b>2,781,969</b>	<b>-59%</b>
Cost of execution of work for third party	(6,001)	(18,760)	-68%
Cost for sale of real estate inventories	(59,496)	(1,255,201)	-95%
<b>Total Costs</b>	<b>(65,497)</b>	<b>(1,273,961)</b>	<b>-95%</b>
Real Estate services expenses	(2,567)	(3,146)	-18%
Operating expenses from owned properties	(197,474)	(274,717)	-28%
Administrative expenses	(78,199)	(115,415)	-32%
Amortization and depreciation	(14,616)	(52,895)	-72%
<b>Total Expenses</b>	<b>(292,856)</b>	<b>(446,173)</b>	<b>-34%</b>
<b>Total costs and expenses</b>	<b>(358,353)</b>	<b>(1,720,134)</b>	<b>-79%</b>
<b>Operating income before valuation effects</b>	<b>769,294</b>	<b>1,061,835</b>	<b>-28%</b>
Fair value adjustments to investment properties	244,417	94,184	160%
Other expenses (income) net	(3,818)	67,959	-106%
Results of associates and joint venture	8,392	14,503	-42%
<b>Operating profit</b>	<b>1,018,285</b>	<b>1,238,481</b>	<b>-18%</b>
Finance income	575,964	92,818	521%
Finance costs	(627,688)	(545,590)	15%
Foreign exchange gains - Net	111,243	(155,033)	172%
<b>Finance (costs) income - Net</b>	<b>59,519</b>	<b>(607,805)</b>	<b>110%</b>
<b>Income before income tax</b>	<b>1,077,804</b>	<b>630,676</b>	<b>71%</b>
Deferred Income Taxes	(184,352)	(28,256)	552%
<b>Consolidated net profit</b>	<b>893,452</b>	<b>602,420</b>	<b>48%</b>
<b>Consolidated net profit attributable to</b>			
Controlling interest	529,248	470,099	13%
Non-controlling interest	364,204	132,321	175%
	<b>893,452</b>	<b>602,420</b>	<b>48%</b>



## NOI – EBITDA Reconciliation

The following table shows the reconciliation of NOI and EBITDA with the income statement, as of September 30, 2020 and September 30, 2019:

(Figures in thousands of pesos)

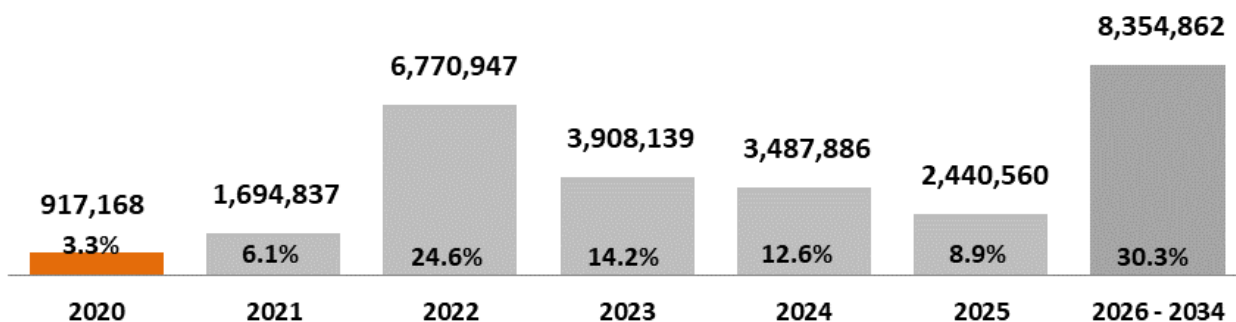
Reconciliation between NOI and EBITDA	3Q20	3Q19	Var. %
<b>Operating income before valuation effects/Total revenues minus costs and expenses</b>	<b>769,294</b>	<b>1,061,835</b>	<b>-28%</b>
<b>Minus</b>			
Revenues from property management to third parties	0	2,823	-100%
Revenues from construction work services to third parties <sup>1</sup>	6,001	21,914	-73%
Revenues from sale of real estate inventories <sup>2</sup>	0	0	0%
Other revenues	0	0	0%
Revenues from Forum Coatzacoalcos <sup>3</sup>	11,874	10,769	10%
<b>Plus</b>			
Expenses for third party property management	0	3,146	-100%
Cost of execution of work for third party <sup>1</sup>	6,001	18,760	-68%
Cost of sale for real estate inventories <sup>2</sup>	0	0	0%
Amortization and depreciation	14,616	52,895	-72%
Other revenues	0	0	0%
Forum Coatzacoalcos costs <sup>3</sup>	20,086	32,327	-38%
<b>EBITDA</b>	<b>792,122</b>	<b>1,133,458</b>	<b>-30%</b>
<b>Minus</b>			
Results from services to third parties	(60,672)	(107,891)	-44%
Profit from real estate inventories <sup>2</sup>	18,194	425,400	-96%
<b>NOI</b>	<b>834,600</b>	<b>815,949</b>	<b>2%</b>
<b>Minus</b>			
Adjusted NOI attributable to non-controlling participation	144,158	163,174	-12%
<b>Adjusted proportional NOI</b>	<b>690,443</b>	<b>652,775</b>	<b>6%</b>
<b>Plus</b>			
Results from services to third parties	(60,672)	(107,891)	-44%
Profit from real estate inventories <sup>2</sup>	18,194	425,400	-96%
<b>Adjusted proportional EBITDA</b>	<b>647,964</b>	<b>970,284</b>	<b>-33%</b>

1. We incur in costs and expenses related to real estate for our development projects and projects to develop provided to third parties, which are registered as income for our statement Comprehensive income for services, maintenance and advertising items.
2. Proceeds from sale of non-recurring real estate inventories.
3. Records the results of GICSA Forum Coatzacoalcos under the equity method. These adjustments correspond to a consolidation of 100% of the results for purposes of presentation of pro-forma adjusted EBITDA.



## Debt Position Breakdown

### Debt Amortization



Debt Analysis	3Q20	2Q20	Var. %
Consolidated debt <sup>1</sup>	27,574,399	29,671,948	-7%
Consolidated debt in pesos <sup>1</sup>	20,223,104	22,201,525	-9%
Consolidated debt in dollars <sup>1</sup>	327,345	325,204	1%
GICSA's proportional debt <sup>1</sup>	24,914,226	26,980,671	-8%
Loan-Value ratio <sup>2</sup>	38%	40%	-
% Local Currency (Ps.)	73%	75%	-
% Foreign currency (DIs)	27%	25%	-

<sup>1</sup> Thousands of pesos

<sup>2</sup> Value calculated taking the total debt dividing the value of the Company's assets at the close.

Acredited / Property	Expiration due date	Current balance		Base rate	Margin	GICSA's Participation	Proportional debt balance	
		MXN	USD				MXN	USD
Paseo Interlomas	17-Jan-22	1,258,283,483	-	TIIE 28 D	2.00	50%	629,141,741	-
Paseo Arcos Bosques	13-Nov-22	-	118,347,955	Libor 1M	2.75	50%	-	59,173,977
Paseo Arcos Bosques	01-Nov-22	565,400,607	-	TIIE 28 D	2.50	50%	282,700,304	-
Capital Reforma	31-May-24	-	112,821,778	Libor 1M	2.35	100%	-	112,821,778
<b>Sub total simple credit</b>		<b>1,823,684,090</b>	<b>231,169,733</b>			<b>68%</b>	<b>911,842,045</b>	<b>171,995,755</b>
Explanada Culiacán	20-Oct-23	575,793,327	-	TIIE 28 D	3.50	100%	575,793,327	-
Paseo Interlomas Expansion	15-Sep-24	855,132,203	-	TIIE 28 D	3.00	50%	427,566,102	-
Lomas Altas	15-Sep-24	396,875,829	-	TIIE 28 D	3.50	100%	396,875,829	-
<b>Sub total of credit for properties under construction</b>		<b>1,827,801,359</b>	-			<b>77%</b>	<b>1,400,235,257</b>	-
Class A-1 Senior	18-Dec-34	7,200,000,000	-	9.50%	-	100%	7,200,000,000	-
Class A-1 Senior	18-Dec-34	-	100,000,000	4.80%	-	100%	-	100,000,000
Class A-2 Senior	18-Dec-34	428,980,000	-	9.90%	-	100%	428,980,000	-
<b>Sub total international loans</b>		<b>7,628,980,000</b>	<b>100,000,000</b>			<b>100%</b>	<b>7,628,980,000</b>	<b>100,000,000</b>
GICSA 17	02-Apr-21	1,033,443,507	-	TIIE 28 D	2.85	100%	1,033,443,507	-
GICSA 19	24-Mar-22	1,674,732,403	-	TIIE 1M	3.05	100%	1,674,732,403	-
GICSA 15	01-Dec-22	523,153,611	-	9.08%	-	100%	523,153,611	-
GICSA 16U	16-Oct-23	3,152,385,386	-	6.95%	-	100%	3,152,385,386	-
GICSA 18U	13-Nov-25	2,115,029,315	-	8.98%	-	100%	2,115,029,315	-
<b>Sub total stock certificates</b>		<b>8,498,744,222</b>	-			<b>100%</b>	<b>8,498,744,222</b>	-
Sofoplus	09-Nov-20	297,981,645	-	9.00%	-	100%	297,981,645	-
Exitus	06-Dec-21	141,500,000	-	-	-	100%	141,500,000	-
<b>Sub total Corporate loans</b>		<b>439,481,645</b>	-			<b>100%</b>	<b>439,481,645</b>	-
<b>Total debt before adjustments to accounting valuation</b>		<b>20,218,691,316</b>	<b>331,169,733</b>			<b>90%</b>	<b>18,879,283,169</b>	<b>271,995,755</b>
<b>Total adjustments for accounting valuation</b>		<b>4,412,359</b>	<b>(3,824,249)</b>			<b>99%</b>	<b>12,949,166</b>	<b>(3,842,695)</b>
<b>Total consolidated debt</b>		<b>20,223,103,675</b>	<b>327,345,484</b>			<b>90%</b>	<b>18,892,232,335</b>	<b>268,153,060</b>

GICSA concluded 3Q20 with an indebtedness level of Ps. 27,574 million and total assets of Ps. 72,727 million, corresponding to LTV (Loan To Value) of 38%. The funding mix is comprised of 42% floating and 58% fixed.



## Statement of Financial Position

### Main Assets

#### Cash and Cash Equivalents

Cash and cash equivalents at the close of 3Q20 was Ps. 754 million, an 74% decrease compared to the Ps. 2,955 million at the close of 2019. This was mainly due to investments allocated towards the projects under development, bank payments, the acquisition of local bonds issued under the ticker symbol GICSA 19, the early payment of derivative instruments, loan payments and annual taxes in 2Q20.

#### Restricted Cash

At the close of 3Q20, restricted cash declined by 81%, from Ps. 2,735 million at the close of 2019 to Ps. 518 million, due to the cancellation of the interim loan in July 2020.

#### Accounts and Notes Receivable - Net

At the end of 3Q20, accounts and notes receivable were of Ps. 1,539 million, an increase of 119% compared to Ps. 704 million in 2019, due to the agreements signed with some of our tenants to differ rent payment as part of our Covid-19 support program.

#### Tax Credits

At the close of 3Q20, tax credits reached Ps. 2,217 million, a 77% increase compared to the Ps. 1,250 million reported at the close of 2019, mainly due to the value-added tax (VAT) to be recovered from projects under development, advances of income tax and VAT pending accreditation.

#### Investment Properties

Investment Properties increased from Ps. 55,544 million at the close of 2019 to Ps. 57,416 million at the close of 3Q20, mainly due to investments allocated to projects under development.

#### Guarantee Deposits and Prepayments

At the close of 3Q20, the guarantee deposits and prepayments reached Ps. 110 million, a decline of 62% compared to Ps. 289 million at the close of 2019, mainly due to recognition in the income statement of insurance expenditures, advertising and property tax expenses.

### Main Liabilities

#### Income tax payable

At 3Q20, income tax payable was Ps. 865 million, an increase of 104% compared to the Ps. 423 million at the close of 2019, due to the increasing VAT derived from the deferral of discounts as part of our Covid-19 support program, as well as intercompany operations.

#### Total consolidated debt

At the close of 3Q20, total debt was Ps. 27,574 million, a 3% decrease compared to the Ps. 28,525 million reported at the close of 2019. This result was mainly due to the cancellation of the interim loan and the increase in the exchange rate.

#### Tenant deposits, rent and key money

The total amount at the close of 3Q20 was Ps. 1,507 million, an increase of 20% compared to the Ps. 1,256 million at the close of 2019, mainly due to the revaluation of deposits and prepayments in US dollars from our clients.





## Consolidated Statement of Comprehensive Income

### Total Operating Revenue

At the close of 3Q20, total operating revenue was Ps. 1,044 million, a decline of 3% compared to the Ps. 1,079 million in 3Q19, as a result of discounts granted to tenants due to Covid-19. Likewise, there was a decline in revenues from entertaining, hotel and real estate services for the same reason.

At the close of 3Q20, Ps. 38 million were registered as discounts granted to our tenants due to our Covid-19 support program. These discounts were registered in accordance with the IFRS 16 amendment, which states that any modification and/or discount to a lease contract related to the Covid-19 contingency, will be recognized in accordance with the remaining term of each contract.

### Total Other Operating Revenue

At the close of 3Q20, total other operating revenue was Ps. 84 million, a decrease of 95% compared to Ps. 1,703 million in 3Q19, as a result of a greater comparative base in 3Q19, which included the recognition for the first time on an accumulated basis of Cero5Cien operating revenue for Ps. 1,681 million.

### Total Costs and Expenses

Total costs decreased 95%, from Ps. 1,274 million in 3Q19 to Ps. 65 million in 3Q20, due to a greater comparative base in 3Q19, which included the recognition for the first time on an accumulated basis of Cero5Cien costs and expenses for Ps. 1,255 million.

Total expenses decreased 34%, from Ps. 446 million in 3Q19 to Ps. 293 million in 3Q20, mainly due to the strategy implemented by the Company to reduce corporate and operating expenses.

Project in operation expenses declined by 28%, while corporate expenses declined by 32%.

### Operating Income before Valuation Effects

Operating income before valuation effects decreased 28%, reaching Ps. 769 million. This was mainly due to a greater comparative base in 3Q19 which included the recognition for the first time on an accumulated basis of Cero5Cien net income for Ps. 425 million, as well as our Covid-19 support program granted to our tenants. Excluding the Cero5Cien net income, operating income before valuation effects increased by 18%.

### NOI (Net Operating Income)

In 3Q20, Consolidated and proportional Net Operating Income (NOI), after the proportional recognition of the Covid-19 support program, reached Ps. 835 million and Ps. 690 million, respectively, an increase of 2% and 6%, respectively compared to 3Q19. This quarter, in addition to the proportional recognition of the Covid-19 support program, an estimate of non-performing accounts receivable totaling Ps. 41 million was added. This effect is reflected in operating expenses and subtracted from NOI.

### Consolidated EBITDA

Consolidated and proportional EBITDA, after the proportional recognition of the Covid-19 support program, reached Ps. 792 million and Ps. 648 million, a decline of 30% and 33%, respectively in 3Q20, compared to 3Q19. This was due to the recognition for the first time on an accumulated basis of Cero5Cien net income for Ps. 425 million in 3Q19. Excluding this one-time effect, consolidated and proportional EBITDA increased 9% and 16%, respectively compared to 3Q19.



## Conference call

*GICSA cordially invites you to its Third Quarter Conference call*

**Wednesday, October 28, 2020**

2:00 PM Eastern time

12:00 PM Mexico City Time

**Presenting for GICSA:**

Isaac Cababie – Deputy Executive Director

Diódoro Batalla - Chief Financial Officer

Avril Carezzo – Treasury and Investor Relations Officer

**To access the call, please dial:**

1 (877) 830 2576 U.S. participants

1 (785) 424 1726 International participants

001-800- 514-6145 Mexico dial in (Toll free)

**Passcode: 44272**

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## About the Company

GICSA is a leading company in the development, investment, commercialization and operation of shopping malls, corporate offices and mixed used well known for their high-quality standards, which transform and create new development spaces, lifestyles and employment in Mexico, in accordance to its history and executed projects. As of September 30, 2020, the Company owned 16 income-generating properties, consisting of ten shopping malls, five mixed use projects (which include four shopping malls, four corporate offices and one hotel), and one corporate office building, representing a total Gross Leasable Area (GLA) 912,068 square meters, and a Proportional GLA of 772,856 square meters. Since June 2015, GICSA is listed on the Mexican Stock Exchange under the ticker (BMV: GICSA B).

## Forward-Looking Statements

This press release may contain forward-looking statements and involve risk and uncertainty. The words “estimates”, “anticipates”, “projects”, “plans”, “believes”, “expects”, “seeks” and similar expressions, are intended to identify forward-looking statements. Grupo GICSA warns readers that declarations and/or estimates mentioned in this document, or stated by Grupo GICSA’s management team, are subject to a number of risks and uncertainties that could be in function of various factors that are out of Grupo GICSA’s control. Future expectations reflect Grupo GICSA’s judgement at the date of this document. Grupo GICSA reserves the right or obligation to update information contained in the report or derived from it. Past or present performance is not an indicator of future performance.

Grupo GICSA warns that a significant number of factors may cause actual results to differ materially from estimates, objectives, expectations, and intentions expressed in this report. Neither the Company or any of its subsidiaries, affiliates, directors, executives, agents or employees may be held responsible before third parties (including shareholders) for any investment, decision, or action taken in relation to the information included in this document, or by any special damage or similar that may result.