THIRD QUARTER
2018
EARNINGS RELEASE

GICSA | BUILDING EXPERIENCES

ESR Empresa Socialmente Responsable

GICSA México

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GICSA ANNOUNCES CONSOLIDATED RESULTS FOR THIRD QUARTER 2018

Mexico City, October 24, 2018 – 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 ("3Q18") and ninth months ("9M18") periods ended in September 30, 2018.

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.

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Main Highlights

Corporative

- During the quarter, we opened Explanada Puebla, Paseo Querétaro and Masaryk 169, adding 159 thousand su of GLA to the Company's portfolio, which at the closed of the quarter had 82%, 92% and 100% of their GLA for commercial use under contract.

- With these openings, 5 properties were integrated to the new concept *Malltertainment* setting the standards of innovation and evolution of shopping malls in Mexico.

Operational

- GICSA reported a total of 830,029 square meters (m²) of Gross Leasable Area (GLA) comprised of 11 stabilized properties and 4 properties in stabilization at the conclusion of 3Q18. GICSA´s proportional GLA during 3Q18 was 689,641 square meters, an increase of 121 thousand square meters, 17.04% higher that the figured reported for the same period of the previous year.

- As of 3Q18, the occupancy rate of the stabilized properties was 92.19%.

- Average leasing rate per square meter at the end of 3Q18 was Ps. 369, a 9.98% increase compared to 3Q17, which was Ps. 335.

- GICSA registered an accumulated occupancy cost of 8.35% in 9M18, and an increase in same-store sales of 4.75% in the same period.

- At the close of 3Q18 GICSA had a total of 15 million of visitors in the shopping malls of the portfolio, and 42 million of visitors in 9M18.

Financial

- A Starting this quarter, the transaction announced in a relevant event on July 3 is reflected in the Company's results. This consists in the restructuring of the joint portfolio with various investors that participate in some of the developments of the Company's portfolio, as well as the signing of a contract of real estate services provided in various projects. In summary, the transaction had the following effects:
  - Starting in 3Q18, the Company reported 100% stake of the following properties: Forum Culiacan, Tower E3, Capital Reform, Masaryk 111, City Walk and Forum Buenavista. Forum Coatzacoalcos will be reported at 50%, while Forum Tlaquepaque, Las Plazas Outlet Lerma and Reforma 156 will be dis-incorporated from the Company's portfolio.
  - The aforementioned generated an additional proportional NOI for GICSA of Ps. 98 million in 3Q18.
  - The contract that recognizes the real estate services previously provided signed by the Company generated revenues by Ps 1,128 million, of which the Company charged Ps. 282 million upon signing and will receive additional Ps. 846 million in the next 15 months. This was reflected in the 2Q18 results.
  - In order to facilitate the understanding and comparability of the financial results presented during this quarter, this report presents a comparison with proforma financial statements, as if the transaction had occurred in the corresponding periods of 2017 fiscal year.
- Net operating income (NOI) reached Ps. 632 million in 3Q18, a decrease of 15.49% compared to 3Q17 due to the divestment of some properties according to the agreement with minority partners (Forum Tlaquepaque, Isla Vallarta, Outlet Lerma and Reforma 156). Excluding these properties, NOI increased by 2.54%. On the other hand, including these properties, proportional NOI increased 9.13% during the quarter, and excluding the divested properties proportional NOI increased 30.22%.
- EBITDA was Ps. 636 million in 3Q18, a decrease of 15.99% including the divested properties. GICSA's proportional EBITDA was Ps. 507 million, an increase of 8% compared to 3Q17 including the divested properties.
- At the close of 3Q18, net income had lost for Ps. 2,197 million; while GICSA's proportional net income was Ps. 1,441 million.
- Consolidated debt at the close of 3Q18 was Ps. 20,970million; while GICSA's proportional debt was Ps. 19,805 million.

Pipeline

- As of September 30, 2018, the commercialization of properties under development reached progress of 318,816 square meters of GLA under contract. This represents 63.54% of the total space comprising projects under commmercialization process.

Comments by the Chief Executive Officer

Dear Investors:

It is my pleasure to share with you our results for the Third Quarter 2018. This quarter was very important to us since there were a lot of events in favor of the consolidation of the objectives of our growth plan. In recent days, we delivered the Explanada Puebla, Paseo Querétaro and Masaryk 169 projects, which will add a GLA of more than 159 thousand square meters to GICSA's portfolio. As of today, these properties combined have advanced their signed commercial GLA by more than 90%. These openings join La Isla Merida and Paseo Interlomas expansion, which were delivered last quarter.

I am glad to let you know how well accepted these properties have been; they have received 359 thousand accumulated visitors just in the opening weekend.

These openings are part of the five properties that comprise the Malltertainment concept developed by the Company, which are a catalyst in the evolution of shopping malls, and represent an important step towards our constant commitment to innovation and permanence in the long term within our key markets.

Our stabilized and stabilizing portfolio continues to post positive operating results, which are reflected in our key indicators. During the quarter we registered a 92% occupancy level and a consolidated occupancy cost of 8.4%.

The lease spread for the quarter was 9%, with a renovation rate of 97%, along with 10% and 15% increases in the average leasing rate and fixed income, respectively.

Moreover, the number of visitors to the properties of our current portfolio reached 15 million, 15% growth compared to the same period last year.

The commercialization of properties under stabilization in our pipeline posted a solid performance; this quarter we signed more than 25 thousand square meters of GLA, reaching 64% of the total GLA under commercialization.

Our financial indicators demonstrated important progress during the quarter related to our proportional participation; beginning this quarter we can see the results of the agreement that took place last July. As a result, our proportional NOI rose by 9% compared to last year and by 30% considering the properties comprised in the agreement. In summary, this transaction originated additional NOI of Ps. 98 million for the Company in 3Q18.

Overall, we are very pleased with the results achieved in the quarter. Our operating results position us to achieve the goals set forth in our business plan. We are confident in our ability to continue searching for opportunities that strengthen our portfolio and increase our market participation in Mexico, with the ultimate objective to continually increase the value of our Company, as well as to add value to our shareholders.

Thank you for your confidence and continued support.

Abraham Cababie Daniel
Chief Executive Officer of Grupo GICSA

Model GICSA

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 stabilized portfolio of 11 stabilized properties and 4 in stabilization generates a consistent and solid cash stream, with a GLA of 830,029 square meters in which GICSA has a 83% stake.

2. The 10 projects under development provide the foundation for growth and are expected to add GLA of 608,294 square meters to the existing portfolio in the next 4 years. GICSA has a 88% stake.

3. The 4 service companies, which cover the full cycle real estate development cycle, provide quality, operating efficiency, as well as eliminate fee leakage. GICSA participates with 100%.

Summary of Key Operational and Financial Indicators

In order to facilitate the analysis of the information, in this quarter we added two columns that presents 3Q17 pro forma comparative information excluding the divested properties derived from the agreement (Forum Tlaquepaque, Outlet Lerma, La Isla Vallarta and Reforma 156).

Operating Ratios	3Q18	3Q17	Var. %	3Q17 Proforma	Var. %
Gross Leasable Area[1] (GLA in square meters)	830,029	709,201	17.0%	549,278	51.1%
GICSA's Gross Leasable Area[1] (GLA in square	689,641	438,580	57.2%	345,767	99.5%
% of participation in total GLA	83%	62%	-	63%	-
Occupancy Rate	92.19%	92.56%	-	83.21%	-
Average Rent / square meters	Ps. 369	Ps. 335	10.0%	Ps. 361	2.1%
Same store sales	4.75%	8.39%	-	6.68%	-
Occupancy Cost	8.35%	6.65%	-	6.83%	-
Renewal Fee	97.21%	98.33%	-	97.83%	-
Lease spread	9.14%	6.67%	-	6.14%	-

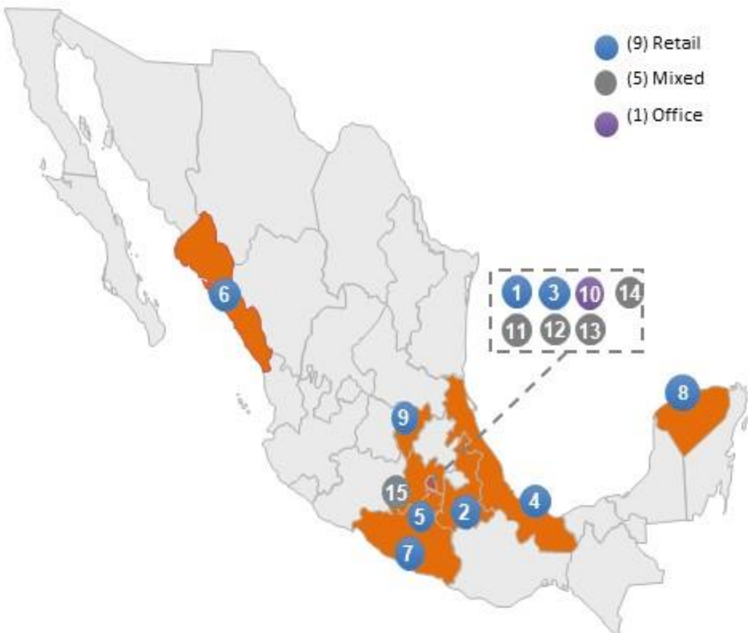
[1] Includes Interlomas expansion,Isla Mérida, Explanada Puebla, Paseo Querétaro and Masaryk 169

Financial Ratios (In millions of Pesos)	3Q18	3Q17	Var. %	9M18	9M17	Var. %	9M18 Proforma	9M17 Proforma	Var. %
Net operating income (NOI)	Ps 632	Ps 748	-15%	Ps 2,250	Ps 2,278	-1%	Ps 1,982	Ps 1,898	4%
GICSA's net operating income (NOI)	Ps 503	Ps 462	9%	Ps 1,500	Ps 1,426	5%	Ps 1,561	Ps 1,478	6%
NOI Margin	76.40%	79.57%	-	84.41%	89.60%	-	79.75%	81.62%	-
EBITDA	Ps 636	Ps 757	-16%	Ps 3,433	Ps 2,299	49%	Ps 3,158	Ps 1,910	65%
GICSA's EBITDA	Ps 507	Ps 471	8%	Ps 2,683	Ps 1,446	86%	Ps 2,737	Ps 1,491	84%
Net Income	-Ps 2,197	Ps 377	-682%	Ps 1,568	Ps 1,061	48%	Ps 1,249	Ps 670	86%
GICSA´s Net Income	-Ps 1,441	Ps 197	-830%	Ps 1,061	Ps 565	88%	Ps 716	Ps 637	12%
Total Debt	Ps 20,970	Ps 19,875	6%	Ps 20,970	Ps 19,875	6%	Ps 20,970	Ps 17,517	20%
GICSA´s Prop Debt	Ps. 19,805	Ps 14,784	34%	Ps. 19,805	Ps 14,784	34%	Ps. 19,805	Ps. 13,209	50%
LTV	38.89%	35.14%	-	38.89%	35.14%	-	38.89%	30.97%	26%

Stabilized and in Stabilization Portfolio

Geographical distribution of the stabilized and in stabilization portfolio

At the close of September 30, 2018, GICSA is comprised by 11 stabilized properties and 4 in stabilization. These properties are located in Mexico City and metropolitan areas, Guadalajara, Acapulco, Culiacán, Cuernavaca, Puebla, Querétaro, Mérida and Coatzacoalcos. At the close of 3Q18, the average occupancy rate of GICSA's stabilized properties was 92.19%.



1 City Walk
Location: Mexico City
Opening: 2010
GLA: 3,503 m²
Occupancy: 85%

2 Explanada Puebla
Location: Puebla
Opening: 2018
GLA: 88,722 m²
Occupancy: 74%

3 Forum Buenavista
Location: Mexico City
Opening[1]: 2008/2012
GLA: 94,972 m²
Occupancy: 98%

4 Forum Coatzacoalcos
Location: Veracruz
Opening: 2006
GLA: 32,375 m²
Occupancy: 81%

5 Forum Cuernavaca
Location: Morelos
Opening[1]: 2016
GLA: 58,701 m²
Occupancy: 80%

6 Forum Culiacán
Location: Sinaloa
Opening[1]: 2003/2009/2014
GLA: 39,720 m²
Occupancy: 92%

7 Isla Acapulco
Location: Guerrero
Opening[1]: 2008
GLA: -1 m²
Occupancy: 90%

8 Isla Merida
Location: Yucatán
Opening: 2018
GLA: 60,459 m²
Occupancy: 81%

9 Paseo Querétaro
Location: Querétaro
Opening: 2018
GLA: 64,121 m²
Occupancy: 90%

10 Torre E3
Location: Mexico City
Opening: 2005
GLA: 23,241 m²
Occupancy: 95%

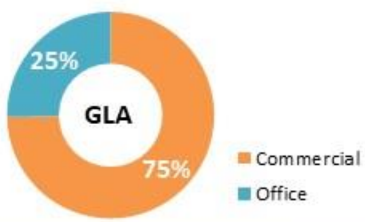
11 Capital Reforma
Location: Mexico City
Opening: 2012
GLA: 60,696 m²
Occupancy: 91%

12 Masaryk 111
Location: Mexico City
Opening: 2008
GLA: 26,468 m²
Occupancy: 93%

13 Masaryk 169
Location: Mexico City
Opening: 2018
GLA: 5,767 m²
Occupancy: -

14 Paseo Arcos Bosques
Location: Mexico City
Opening[1]: 2008/2012
GLA: 91,974 m²
Occupancy: 97%
Rooms: 135

15 Paseo Interlomas
Location: State of Mexico
Opening: 2011/2018
GLA[2]: 145,659 m²
Occupancy: 83%



Number of properties	15
National Presence	8 states + Mexico City and metropolitan area
Total / Proportional GLA	830,029 m² / 689,641 m²
Occupancy rate[2]	92.2%

1 Includes opening year and subsequent expansions
2 Interlomas expansion, Isla Mérida, Explanada Puebla and Paseo Querétaro projects are in the stabilization process and are not including in the occupancy rate.
Note: All figures represent 100% of propierties of 3Q18

Stabilized and in stabilization properties

As of September 30, 2018, GICSA's portfolio consist of 830,029 square meters of GLA, equivalent to nine shopping malls, five mixed-use developments and one corporate offices, comprising GICSA's total GLA as follows: 65.63% correspond to commercial properties, 31.57% correspond to mixed-use properties, and 2.80% to office space.

At the close of 9M18, the portfolio was used by over 42 million visitors and 8 million vehicles. Furthermore, stabilized properties and under development in 3Q18 generated consolidated NOI of Ps. 632 million; while Ps. 503 million corresponds to GICSA's proportional NOI.

The following table presents a description of the stabilized properties as of September 30, 2018:

Portfolio	Location	Operations starting year	GLA (square meters)	GICSA's stake %	Proportional GLA (square meters)	GLA % total properties	Occupancy rate	Parking spaces
Stabilized properties								
Commercial use								
City Walk	Mexico City	2010	3,503	100%	3,503	0.4%	85%	147
Forum Buenavista	Mexico City	2008	94,972	100%	94,972	11%	98%	2,372
Forum Coatzacoalcos	Coatzacoalcos, Ver.	2006	32,375	50%	16,187	4%	81%	1,638
Forum Cuernavaca	Cuernavaca, Mor.	2016	58,701	100%	58,701	7%	80%	2,974
Forum Culiacán	Culiacán, Sin.	2003	39,720	100%	39,720	5%	92%	2,553
La Isla Acapulco	Acapulco, Gro.	2008	33,651	84%	28,267	4%	85%	1,929
Sub commercial use			**262,922**	**92%**	**241,351**	**32%**	**89%**	**11,613**
Office use								
Torre E 3	Mexico City	2005	23,241	100%	23,241	3%	95%	1,617
Subtotal office use			**23,241**	**100%**	**23,241**	**3%**	**95%**	**1,617**
Mix use								
Capital Reforma	Mexico City	2012	60,696	100%	60,696	7%	91%	2,065
Masaryk 111	Mexico City	2008	26,468	100%	26,468	3%	93%	710
Paseo Arcos Bosques	Mexico City	2008	91,974	50%	45,987	11%	97%	3,466
Paseo Interlomas	State of Mexico	2011	82,876	50%	41,438	10%	95%	3,982
Subtotal mix use			**262,014**	**67%**	**174,589**	**32%**	**95%**	**10,223**
Total stabilized portfolio			**548,177**	**80.1%**	**439,181**	**66%**	**92%**	**23,453**
Properties in stabilization								
Commercial use								
Paseo Interloms expansion	State of Mexico	2018	40,071	50%	20,035	5%	82%	1,496
La Isla Mérida	Mérida, Yuc.	2018	60,459	100%	60,459	7%	81%	2,957
Explanada Puebla	Cholula, Pue.	2018	88,722	100%	88,722	11%	74%	2,000
Paseo Querétaro	Querétaro, Qro.	2018	64,121	100%	64,121	8%	90%	3,154
Masaryk 169	Mexico City	2018	1,307	100%	1,307	0.2%	100%	-
Office use								
Paseo Interlomas expansion	State of Mexico	2018	22,712	50%	11,356	3%	42%	-
Mix use								
Masaryk 169	Mexico City	2018	4,460	100%	4,460	1%	-	-
Total portfolio in stabilization			**281,852**	**89%**	**250,461**	**34%**	**77%**	**9,607**
Total portfolio			**830,029**	**83%**	**689,641**	**100%**	**87%**	**33,060**

The following table presents the financial results of the stabilized properties as of September 30, 2018:

Portfolio Properties	Occupancy rate	Total Revenue (Ps. Millions)			NOI (Ps. Millions)			Proportional NOI (Ps. Millions)			Average rent by square meter		
	3Q18	3Q18	3Q17	Var. %	3Q18	3Q17	Var. %	3Q18	3Q17	Var. %	3Q18	3Q17	Var. %
Stabilized portfolio													
Commercial Use													
City Walk	85%	5.1	5.3	-4%	3.9	4.3	-10%	3.9	4.3	-10%	393	356	10%
Forum Buenavista	98%	110	113	-3%	82	83	-1%	82	83	-1%	257	238	8%
Forum Coatzacoalcos	81%	34	34	3%	25	24	4%	12	6	107%	267	253	6%
Forum Cuernavaca	80%	40	41	-3%	32	35	-9%	32	18	82%	283	0	100%
Forum Culiacán	92%	64	62	3%	52	53	-1%	52	26	97%	346	328	5%
La Isla Acapulco	85%	25	22	12%	15	14	3%	12	12	3%	193	181	6%
Subtotal Commercial	**89%**	**278**	**277**	**0.4%**	**209**	**213**	**-2%**	**194**	**149**	**30%**	**271**	**251**	**8%**
Office Use													
Torre E 3	95%	48	42	14%	39	30	30%	39	22	74%	577	546	6%
Subtotal Office Use	**95%**	**48**	**42**	**14%**	**39**	**30**	**30%**	**39**	**22**	**74%**	**577**	**546**	**6%**
Mix Use												-	
Capital Reforma	91%	97	73	33%	78	58	33%	78	35	122%	478	463	3%
Masaryk 111	93%	43	38	12%	35	32	9%	35	24	46%	530	488	9%
Paseo Arcos Bosques	97%	186	180	3%	153	143	7%	76	72	7%	554	527	5%
Paseo Interlomas and expansion	83%	130	107	21%	97	84	15%	49	42	15%	300	287	4%
Subtotal Mix Use	**89%**	**456**	**399**	**14%**	**363**	**318**	**14%**	**238**	**173**	**38%**	**431**	**430**	**0%**
Total stabilized portfolio	**90%**	**782**	**718**	**9%**	**611**	**561**	**9%**	**471**	**345**	**37%**	**369**	**334**	**10%**
Portfolio in process of stabilization													
Commercial Use													
La Isla Mérida	81%	34	-	100%	12	-	100%	12	-	100%	294	-	100%
Explanada Puebla	74%	7	-	100%	5	-	100%	5	-	100%	248	-	100%
Total portfolio in process of stabilization	**77%**	**41**	**-**	**100%**	**17**	**-**	**100%**	**17**	**-**	**100%**	**268**	**-**	**100%**
Total projects under development	**-**	**5**	**55**	**-92%**	**5**	**55**	**-92%**	**15**	**42**	**-64%**	**-**	**-**	**-**
Results of actual portfolio	**87%**	**828**	**774**	**7%**	**632**	**617**	**3%**	**503**	**387**	**30%**	**351**	**333**	**5%**
Total desincorporated properties	**-**	**-**	**167**	**-100%**	**-**	**132**	**-100%**	**-**	**75**	**-100%**	**-**	**240**	**-100%**
Total portfolio results	**-**	**828**	**940**	**-12%**	**632**	**748**	**-15%**	**503**	**461**	**9%**	**351**	**335**	**5%**

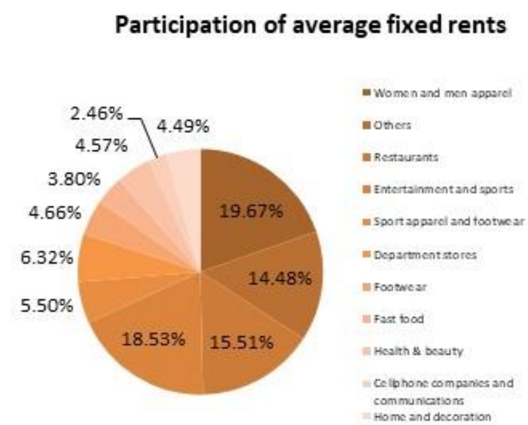
Proportional NOI" is the net operating income related to GICSA's direct or indirect stake.

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.

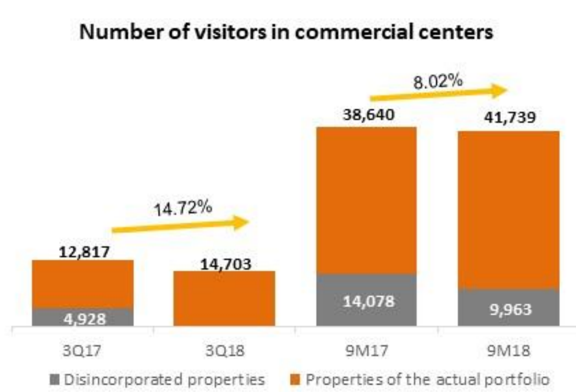
At the close of 3Q18, GICSA's portfolio have 1,688 leasing contracts with tenants with high credit ratings, diversified in terms of industry and geographical location, assuring a mix in the revenue stream.

The following graph shows the distribution of lease contracts per tenant by category as a percentage of fixed income:



Number of visitors

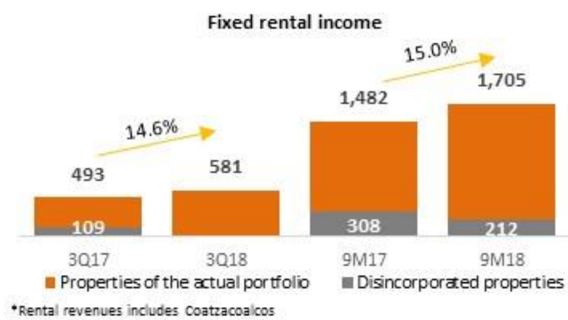
During 9M18, the number of visitors in the shopping malls of the portfolio reached approximately 42 million, an increase of 8.02% compared to the number of visitors in 9M17. This is as a result of how well accepted the properties of our portfolio have being by the visitors.



Fixed rental revenues

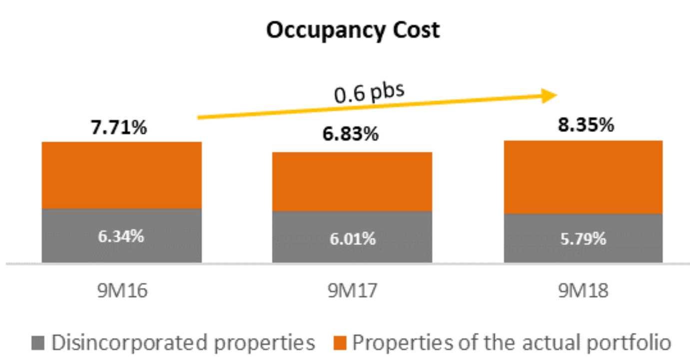
Average monthly fixed rent per square meter of the stabilized portfolio was Ps. 369 in 3Q18, a 9.98 increase compared to Ps. 335 in 3Q17.

During 3Q18, fixed rental revenues of the stabilized and stabilizing portfolio reached Ps. 581 million, an increase of 14.6% compared to 3Q17. This was explained by an increase in rent per square meter. Total revenues as a percentage were 68.78% in Mexican Pesos and 31.22% in U.S. dollars.



Occupancy cost

Occupancy cost represents the costs incurred related to the occupancy of a commercial space, which consists of rents, maintenance charges and advertising expenses, expressed as a percentage of sales from these tenants. The average occupancy cost for the most significant commercial tenants in terms of GLA and fixed rents for 9M18 was 8.35%. This was due to a 4.75% increase in same-store-sales, and an increase of 15% in fixed rent of the portfolio.

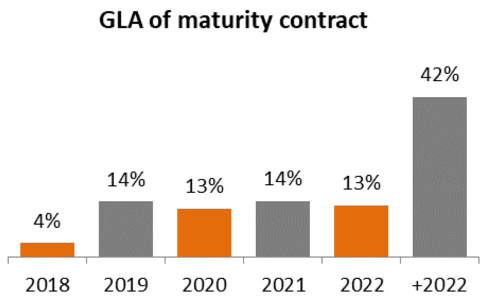


Contract renewals

At the close of 3Q18, GICSA renewed 70,139 square meters of GLA of the stabilized properties, generating a renewal rate of 97.21%.

Maturity contract

The following table shows some information related to maturity contract of the stabilized properties as of 3Q18:



Year	Number of leases	GLA of maturity contract	% the GLA that expire
2018	103	25,779 m²	4%
2019	410	104,243 m²	14%
2020	299	90,773 m²	13%
2021	364	104,726 m²	14%
2022	162	97,346 m²	13%
+2022	344	302,010 m²	42%

As can be observed from the table above, 2018 concentrated maturity contracts proportional to 3.55% of the GLA of the stabilized portfolio, which only represented 4.16% of the portfolio's fixed rent. It is important to highlight that the totality of contracts maturing in due 2018 are already under negotiations.

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 3Q18 calculation was based on 41,157 square meters of the contracts in shopping malls that hold these characteristics.

At the close of 3Q18, the lease spread for shopping malls in stabilized properties was 9.14%, 4.12 bps higher than the inflation rate registered during the period. This performance was explained by an increase of fixed rent in renewals and new contracts in the shopping malls of the stabilized portfolio.

Projects under development

Projects under construction and development

GICSA has 5 projects under construction. 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 section provides information for each 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 viewed as estimates, not as final figures.

Project	GLA	Estimated total investment[1]	Estimated investment[1]	Work progress	Estimated opening date
Zentro Lomas	28,794 m²	Ps. 875	Ps. 654	69%	First half of 2019
Explanada Pachuca	81,676 m²	Ps. 1,816	Ps. 1,183	68%	First half of 2019
Paseo Metepec	70,007 m²	Ps. 3,192	Ps. 1,643	43%	First half of 2020
Explanada Culiacán	72,674 m²	Ps. 1,569	Ps. 637	20%	First half of 2020
Cero5Cien*	89,400 m²	Ps. 5,096	Ps. 2,466	2%	Second half of 2020
TOTAL	**253,151 m²**	**Ps. 7,453**	**Ps. 4,118**	**50%**	

[1] Figures are expresses in millions of mexican pesos (Ps.)

*Salable square meters

Status of the commercialization of the projects under development

The following table shows the commercialization progress 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 318,816 square meters of GLA under contract, representing 63.54% of the space of the total actual projects under commercialization.

Project	Total Leasable Area (m²)	Total area under contract (m²)	%
Commercial Use			
Masaryk 169	1,307 m²	1,307 m²	100%
Paseo Interlomas expansion CC[1]	40,071 m²	34,579 m²	86%
Explanada Puebla[1]	88,722 m²	73,089 m²	82%
Paseo Querétaro[1]	64,121 m²	57,592 m²	90%
Isla Mérida[1]	60,459 m²	48,586 m²	80%
Explanada Pachuca	81,676 m²	48,069 m²	59%
Paseo Interlomas expansion Office[1]	22,712 m²	9,509 m²	42%
Explanada Culiacán	72,674 m²	25,245 m²	35%
Paseo Metepec	70,007 m²	20,840 m²	30%
Total	**501,749 m²**	**318,816 m²**	**64%**

[1] In stabilization

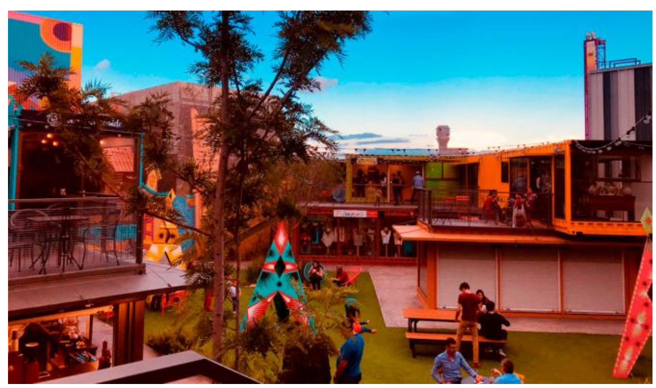
The following section provides information for every project under construction and development based on estimates and expecttions. This information provides a general overview of GICSA's developments. The information included in this section may change or be modified in the future due to external factors;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

Delivered properties

Explanada Puebla

The project is part of the new concept developed by GICSA, which has as pillars a mixed commercial offer, entertainment and community allocating approximately one third of the GLA to entertainment. Explanda Puebla is located in city of Puebla and has 88,772 m2 of GLA which include an entertainment center, hot air balloon, a fair, go karts, ice rink, walltopia and hotel, among others.

Construction started during the second half of 2016 and opened its doors in August 2018. As of 3Q18, 82.38% of the GLA was under contract with prestigious brands such as: Cinemex, Promoda, Forever 21 and H&M.



Location	Cholula, Puebla
GLA	88,722 m^2
Estimated Total Investment [1]	Ps. 1,953
Total area under contract	82%
Release date	August 30, 2018

1 Figures are expressed in millions of mexican pesos (Ps.)

Paseo Querétaro

PASEO QUERÉTARO
MALLTERTAINMENT

Paseo Queretaro is located in the area adjacent to Queretaro's old airport, and it is one of the properties added to the Malltertainment concept. Its GLA includes a hot air balloon, a fair, go karts, ice rink, walltopia and a entertainment center.

The complex has a GLA of 64,121 m², of which, at the end of the quarter 89.82% were under contract with prestigious brands, such as: Liverpool, Cinemex, Grupo Inditex, Grupo Axxo, H&M and Chedraui. The construction of this project began at the end of the first half of 2016 and opened its doors in September 2018.

Location	Centro Sur, Querétaro
GLA	64,121 m²
Estimated Total Investment [1]	Ps. 2,197
Total area under contract	90%
Release date	September 20, 2018

1 Figures are expressed in millions of mexican pesos (Ps.)

Masaryk 169

Masaryk 169 initiated construction during the second half of 2016. This project is located in the heart of Presidente Masaryk Avenue, one the most exclusive areas in Mexico City. It is also a commercial area focused on high-acquisition level customers, luxury international brands and with high demand for corporate office spaces.

The property is expected to have a GLA of approximately 5,767 m^2 allocated to mixed use, and at the close of 3Q18, 100% of the GLA for commercial use are under contract.

Location	Mexico City
GLA	5,767 m^2
Estimated Total Investment [1]	Ps. 167
Total area under contract*	100%
Release date	Third quarter 2018

1 Figures are expressed in millions of mexican pesos (Ps.)

*Figures only represent the commercial center

Properties under construction

Explanada Pachuca

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

This complex is expected to have a total GLA of approximately 81,676 m^2, and will include an entertainment center, a hot air balloon, and a fair, among others. Construction began during the first half of 2017 and it is estimated that the project will be delivered during the first half of 2019.

Location	Pachuca, Pachuca
GLA	81,676 m^2
Estimated Total Investment [1]	Ps. 1,816
Estimated investment[1]	Ps. 1,183
Estimated release date	First half of 2019

1 Figures are expressed in millions of mexican pesos (Ps.)

	Contribution to work as a percentage	At June 30, 2018	At September 30, 2018
Excavation and Foundation	8%	99%	99%
Civil Work	63%	79%	83%
Installations and Equipment	16%	23%	30%
Finishes and Facades	13%	0%	21%
Work Progress	**100%**	**61%**	**68%**

Video link: http://www.gicsa.com.mx/en/portfolio/project-detail/explanada-pachuca

ZENTRO LOMAS

Zentro Lomas

This project is for corporate office use and will have a GLA of 28,794. Zentro Lomas will be located next to Lomas de Chapultepec, on Constituyentes Avenue, one of the busiest and lengthiest avenues in Mexico City. The expected relase date is in the first half of 2019.

Location	Mexico City
GLA	28,794 m^2
Estimated Total Investment [1]	Ps. 875
Estimated investment[1]	Ps. 654
Release date	First half of 2019

1 Figures are expressed in millions of mexican pesos (Ps.)

	Contribution to work as a percentage	At June 30, 2018	At September 30, 2018
Excavation and Foundation	27%	95%	100%
Civil Work	50%	70%	85%
Installations and Equipment	13%	0%	0%
Finishes and Facades	10%	0%	0%
Work Progress	100%	61%	69%

Explanada Culiacán

This project is part of the new concept added to the Company's pipeline, 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 flow of vehicles.

This complex is expected to have a total GLA of approximately 72,674 square meters. Construction began during the first half of 2018 and delivery of the property is expected for the first half of 2020.

Location	Culiacán, Sinaloa
GLA	72,674 m²
Estimated Total Investment [1]	Ps. 1,569
Estimated investment[1]	Ps. 637
Estimated release date	First half of 2020

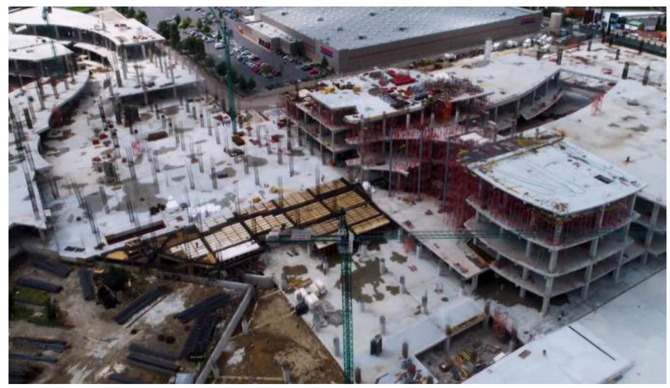
1 Figures are expressed in millions of mexican pesos (Ps.)

	Contribution to work as a percentage	At June 30, 2018	At September 30, 2018
Excavation and Foundation	8%	28%	52%
Civil Work	63%	6%	25%
Installations and Equipment	16%	0%	0%
Finishes and Facades	13%	0%	0%
Work Progress	100%	6%	16%

Paseo Metepec

This project will be located in the commercial area of Metepec in the State of Mexico, whih 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 70,007 square meters. The main tenants will be department stores, retail stores, restaurants, movie theaters, gyms and as well as offices for local businesses or personal use.



Location	Metepec, State of Mexico
GLA	70,007 m^2
Estimated Total Investment [1]	Ps. 3,192
Estimated investment [1]	Ps. 1,643
Estimated release date	First half of 2020

1 Figures are expressed in millions of mexican pesos (Ps.)

	Contribution to work as a percentage	At June 30, 2018	At September 30, 2018
Excavation and Foundation	19%	79%	90%
Civil Work	41%	46%	73%
Installations and Equipment	23%	2%	4%
Finishes and Facades	17%	0%	0%
Work Progress	**100%**	**34%**	**48%**

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-acquisition level 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 56,000 m2, of which only 35% will be constructed upon and the remainder will used for amenities, green areas and lakes.

Cero5Cien will have 114 units; as of September 30, 2018, 45 units had been pre-sold representing 39%. The delivery of the project is estimated to take place during 2020.

Location	Mexico City
Aea	89,400 m²
Estimated Total Investment [1]	Ps. 5,096
Estimated investment[1]	Ps. 2,466
Estimated release date	Second half of 2020

1 Figures are expressed in millions of mexican pesos (Ps.)

	Contribution to work as a percentage	At June 30, 2018	At September 30, 2018
Excavation and Foundation	10%	4%	4%
Civil Work	34%	3%	4%
Installations and Equipment	16%	0%	0%
Finishes and Facades	40%	0%	0%
Work Progress	**100%**	**1%**	**2%**

Statement of Financial Position

Statement of Financial Position compared to as December 31, 2017 vs. September 30, 2018.

(In millions of Pesos)

Statements of Financial Position	September 2018	December 2017	Variation
ASSETS			
Current assets			
Cash and cash equivalents	981	3,647	-73%
Restricted cash	366	577	-37%
Accounts and notes receivable- net	1,780	892	100%
Tax credits	1,307	1,065	23%
Advances for project developments	445	700	-36%
Real Estate Inventory	2,687	0	100%
Related parties	942	940	0%
Total current assets	**8,509**	**7,821**	**9%**
Non-current assets			
Guarantee deposits and prepayments	257	192	34%
Investment properties	43,980	49,908	-12%
Property, furniture and equipment – net	202	208	-3%
Investment in associates and in joint ventures	723	720	0%
Deferred income taxes provision	258	192	34%
Total non-current assets	**45,419**	**51,220**	**-11%**
TOTAL ASSETS	***53,928***	***59,041***	***-9%***
LIABILITIES AND STOCKHOLDERS´ EQUITY			
Current liabilities			
Suppliers	866	608	42%
Current portion of long-term local bonds and bank loans	382	316	21%
Rent, security deposit and key money	4	27	-83%
Related parties	989	416	138%
Income tax payable	217	183	19%
Total current liabilities	**2,459**	**1,550**	**59%**
Non-current liabilities			
Long-term bank loans	13,617	14,950	-9%
Stock Certificates	6,971	6,986	0%
Labor liabilities	43	43	0%
Tenant deposits and key money	1,583	1,188	33%
Long-term income tax payable	564	564	0%
Deferred income tax provision	5,506	6,870	-20%
Total non-current liabilities	**28,285**	**30,602**	**-8%**
TOTAL LIABILITIES	***30,743***	***32,151***	***-4%***
Capital stock	637	637	0%
Stock repurchase	(211)	(78)	172%
Retained earnings	10,297	9,236	11%
Premium in capital	9,596	9,596	0%
Controlling interest	20,318	19,391	5%
Non- controlling interest	2,867	7,499	-62%
TOTAL STOCKHOLDERS' EQUITY	***23,185***	***26,890***	***-14%***
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**53,928**	**59,041**	**-9%**

Proforma Statement of Financial Position

In order to facilitate the analysis of the information, during this quarter we present proforma comparative information as of December 31, 2017, which exclude divested properties derived from the agreement. (Forum Tlaquepaque, Outlet Lerma, La Isla Vallarta and Reforma 156) and adjust the stake in the remaining properties.

Statement of Financial Position compared to as proforma December 31, 2017 vs. September 30, 2018.

(In millions of Pesos)

Statements of Financial Position	September 2018	December 2017 proforma	Variation
ASSETS			
Current assets			
Cash and cash equivalents	981	1,766	-44%
Restricted cash	366	569	-36%
Accounts and notes receivable- net	1,780	294	505%
Tax credits	1,307	1,060	23%
Advances for project developments	445	700	-36%
Real Estate Inventory	2,687	0	100%
Related parties	942	285	231%
Total current assets	**8,509**	**4,674**	**82%**
Non-current assets			
Guarantee deposits and prepayments	257	178	45%
Investment properties	43,980	41,053	7%
Property, furniture and equipment – net	202	203	-1%
Investment in associates and in joint ventures	723	814	-11%
Deferred income taxes provision	258	192	34%
Total non-current assets	**45,419**	**42,440**	**7%**
TOTAL ASSETS	***53,928***	***47,115***	***14%***
LIABILITIES AND STOCKHOLDERS´ EQUITY			
Current liabilities			
Suppliers	866	607	43%
Current portion of long-term local bonds and bank loans	382	279	37%
Rent, security deposit and key money	4	27	-83%
Related parties	989	211	368%
Income tax payable	217	153	42%
Total current liabilities	**2,459**	**1,278**	**92%**
Non-current liabilities			
Long-term bank loans	13,617	12,639	8%
Stock Certificates	6,971	6,886	1%
Financial Instruments	0	101	-100%
Labor liabilities	43	43	0%
Advances from tenants	0	72	-100%
Tenant deposits and key money	1,583	1,049	51%
Long-term income tax payable	564	564	0%
Deferred income tax provision	5,506	6,403	-14%
Total non-current liabilities	**28,285**	**27,757**	**2%**
TOTAL LIABILITIES	***30,743***	***29,035***	***6%***
Capital stock	637	637	0%
Stock repurchase	(211)	(78)	172%
Retained earnings	10,297	4,028	156%
Premium in capital	9,596	9,596	0%
Controlling interest	20,318	14,183	43%
Non- controlling interest	2,867	3,897	-26%
TOTAL STOCKHOLDERS' EQUITY	***23,185***	***18,080***	***28%***
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**53,928**	**47,115**	**14%**

Consolidated Statement of Comprehensive Income

For period ended on September 30, 2018 compared to September 30, 2017.

(In millions of Pesos)

Consolidated Statement of Comprehensive Income	3Q18	3Q17	Variation 3Q18 vs 3Q17	9M18	9M17	Variation 9M18 vs 9M17
Revenues						
Rental income and key money	663	735	-10%	2,227	2,271	-2%
Maintenance and advertising income	119	109	9%	377	335	13%
Parking income and operating services	58	57	1%	213	199	7%
Revenues from services	34	31	11%	1,239	96	1,197%
Total operating revenue	***874***	***932***	***-6%***	***4,056***	***2,900***	***40%***
Revenues from administration of properties	81	78	4%	250	242	3%
Revenues from construction services executed for third parties.	24	0	5,291%	154	4	3,405%
Revenues from the sale of real estate inventories	0	(0)	0%	71	7	979%
Total Other Operating Revenue	***104***	***78***	***33%***	***475***	***253***	***88%***
Total revenue	***978***	***1,010***	***-3%***	***4,531***	***3,153***	***44%***
Cost for real estate development	(23)	(4)	436%	(129)	(13)	865%
Cost for sale of real estate inventories	(0)	0	0%	(75)	(7)	1,038%
Cost for sale	0	0	0%	(55)	0	100%
Total Costs	***(23)***	***(4)***	***436%***	***(259)***	***(20)***	***1,196%***
Expenses for property management	(88)	(81)	9%	(248)	(222)	12%
Operating expenses from owned properties	(251)	(194)	30%	(696)	(598)	16%
Administrative expenses from third parties properties	(142)	(93)	53%	(338)	(292)	16%
Expenses for rights and contributions	0	(0)	-100%	0	(1)	-100%
Amortization and depreciation	(22)	(35)	-37%	(72)	(94)	-23%
Total Expenses	***(503)***	***(402)***	***25%***	***(1,355)***	***(1,208)***	***12%***
Total costs and expenses	**(527)**	**(407)**	**29%**	**(1,614)**	**(1,228)**	**32%**
Operating income before valuation effects	***451***	***603***	***-25%***	***2,916***	***1,925***	***51%***
Fair value adjustments to investment properties	573	82	-796%	4,626	52	-9,071%
Effects of the Transaction	(4,282)	(15)	-28,808%	(4,340)	(7)	58,244%
Other expenses	(74)	0	100%	(74)	0	100%
Results of associates and joint venture	16	5	254%	26	23	11%
Operating profit	***(3,316)***	***676***	***-591%***	***3,153***	***1,993***	***58%***
Finance income	42	42	-1%	267	169	58%
Finance costs	(38)	(169)	-77%	(463)	(752)	-38%
Foreign exchange gains - Net	314	(91)	-446%	319	150	113%
Finance (costs) income - Net	**317**	**(218)**	**-245%**	**124**	**(432)**	**-129%**
Income before income tax	***(2,998)***	***457***	***-756%***	***3,277***	***1,560***	***110%***
Deferred Income Taxes	801	(80)	-1,102%	(1,709)	(499)	242%
Consolidated net profit	***(2,197)***	***377***	***-682%***	***1,568***	***1,061***	***48%***
Consolidated net profit attributable to						
Controlling interest	(1,441)	197	630%	1,061	565	88%
Non-controlling interest	(756)	180	-520%	507	496	2%
	(2,197)	**377**	***-682%***	**1,568**	**1,061**	***48%***

Proforma Consolidated Statement of Comprehensive Income

In order to facilitate the analysis of the information, during this quarter we present proforma comparative information for nine month period, which exclude divested properties derived from the agreement. (Forum Tlaquepaque, Outlet Lerma, La Isla Vallarta and Reforma 156) and adjust the stake in the remaining properties, as if such transaction had been carried out on January 1, 2018 and 2017 for the purposes of proforma consolidated income statements.

For period ended on September 30, 2018 compared to September 30, 2017.

Consolidated Statement of Comprehensive Income	9M18 proforma	9M17 proforma	Variation 9M18 proforma vs
Total revenue	***4,219***	***2,704***	***56%***
Total costs and expenses	**(1,549)**	**(1,130)**	**37%**
Operating income before valuation effects	***2,670***	***1,574***	***70%***
Fair value adjustments to investment properties	4,367	(224)	-2,051%
Effects of the transaction	(4,340)	0	100%
Other expenses	(92)	(5)	1,773%
Results of associates and joint venture	36	46	-22%
Operating profit	***2,641***	***1,392***	***90%***
Finance income	125	99	26%
Finance costs	(313)	(593)	-47%
Foreign exchange gains - Net	324	121	169%
Finance (costs) income - Net	**137**	**(373)**	**-137%**
Income before income tax	***2,778***	***1,019***	***173%***
Deferred Income Taxes	(1,529)	(348)	339%
Consolidated net profit	***1,249***	***670***	***86%***
Consolidated net profit attributable to			
Controlling interest	716	637	12%
Non-controlling interest	534	34	1,492%
	1,249	**670**	***86%***

NOI – EBIDTA Reconciliation

The following table shows the reconciliation of NOI and EBITDA with the income statement, as of September 30, 2018 and September 30, 2017:

Reconciliation between NOI and EBITDA	3Q18	3Q17	Var. %	9M18	9M17	Var. %
Operating income before valuation effects/Total revenues minus costs and expenses	*451*	*603*	*-25%*	*2,916*	*1,925*	*51%*
Minus						
Revenues from property management to third parties (1)	81	78	**3%**	250	242	**3%**
Revenues from construction work services to third parties (1)	24	-	**100%**	154	4	**3743%**
Revenues from sale of real estate inventories (2)	-	-	**100%**	71	7	**917%**
Other revenues	-	-	**0%**	-	11	**-100%**
Revenues from Forum Coatzacoalcos (3)	9	9	**5%**	29	30	**-2%**
Plus						
Expenses from property management to third parties (1)	88	80	**10%**	248	220	**13%**
Cost of real estate development (1)	23	4	**100%**	129	13	**895%**
Cost of sale for real estate inventories (2)	-	-	**100%**	130	7	**1,757%**
Expenses for rights and contributions (4)	-	-	**100%**	-	6	**-100%**
Administrative expenses from service companies	130	65	**101%**	298	169	**76%**
Amortization and depreciation	22	35	**-37%**	72	94	**-23%**
Other revenues	0	23	**-100%**	41	54	**-24%**
Forum Coatzacoalcos costs (3)	34	34	**1%**	103	104	**-1%**
EBITDA	*636*	*757*	*-16%*	*3,433*	*2,298*	*49%*
Minus						
Operating costs	(88)	(68)	**30%**	(250)	(219)	**14%**
Revenues from services to third parties	92	77	**20%**	1,433	239	**500%**
NOI	*632*	*748*	*-16%*	*2,250*	*2,278*	*-1%*
Minus						
Adjusted NOI attributable to non-controlling participation	129	286	**-55%**	750	853	**-12%**
Adjusted proportional NOI	**503**	**462**	**9%**	**1,500**	**1,425**	**5%**
Plus						
Corporate expenses	(88)	(68)	**30%**	(250)	(219)	**14%**
Revenues from services to third parties	92	77	**20%**	1,433	239	**500%**
Adjusted Proportional-EBITDA	**507**	**471**	**8%**	**2,683**	**1,445**	**86%**

1. We incur costs and expenses related to real estate for our development projects and projects to develop provided t third parties, which are registered as income for our state 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 settings correspond to a consolidation of 100% of the results for purposes of presentation of pro-forma adjusted EBITDA.

4. Corresponds mainly to the amortization, payment of interest, adjustments and penalties.

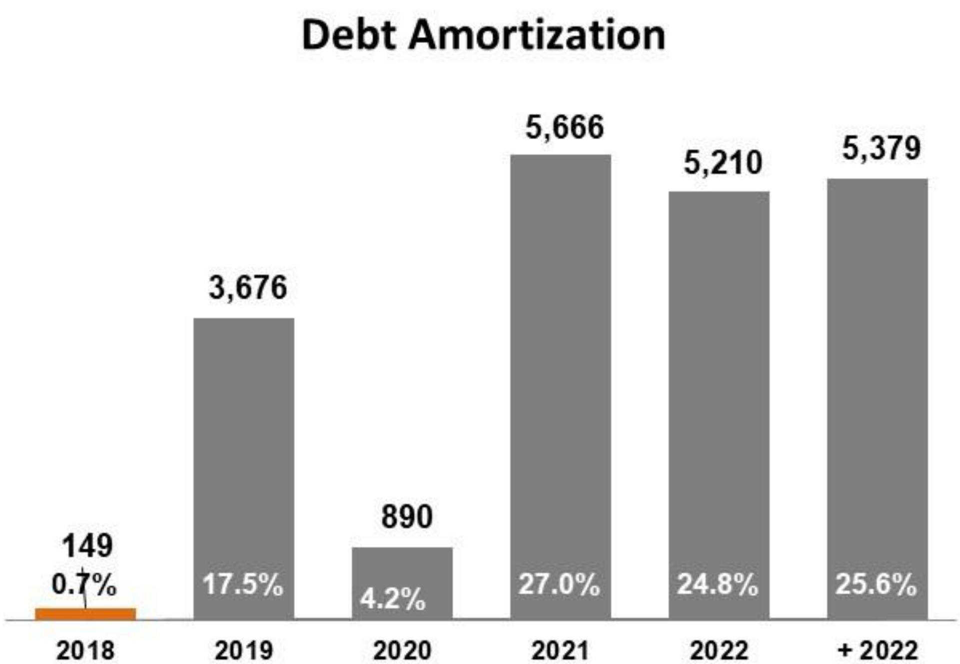
NOI – EBIDTA Reconciliation proforma

In order to facilitate the analysis of the information, during this quarter we present proforma comparative information for nine month period, which exclude divested properties derived from the agreement. (Forum Tlaquepaque, Outlet Lerma, La Isla Vallarta and Reforma 156) and adjust the stake in the remaining properties, as if such transaction had been carried out on January 1, 2018 and 2017 for the purposes of proforma consolidated income statements.

The following table shows the reconciliation of NOI and EBITDA with the income statement, as of September 30, 2018 and September 30, 2017:

Reconciliation between NOI and EBITDA	9M18 proforma	9M17 proforma	Var. %
Operating income before valuation effects/Total revenues minus costs and expenses	***2,670***	***1,574***	***70%***
Minus			
Revenues from property management to third parties (1)	250	242	**3%**
Revenues from construction work services to third parties (1)	154	4	**3,743%**
Revenues from sale of real estate inventories (2)	71	7	**917%**
Other revenues (2)	0	11	**-100%**
Effects of the transaction	29	37	**-22%**
Revenues from Forum Coatzacoalcos (3)	29	30	**-2%**
Plus			
Expenses from property management to third parties (1)	248	220	**13%**
Cost of real estate development (1)	129	13	**895%**
Cost of sale for real estate inventories (2)	130	7	**1,757%**
Expenses for rights and contributions (4)	0	6	**-100%**
Administrative expenses from service companies	298	169	**76%**
Amortization and depreciation	72	94	**-23%**
Other revenues	41	54	**-24%**
Forum Coatzacoalcos costs (3)	103	104	**-1%**
EBITDA	***3,158***	***1,910***	***65%***
Minus			
Operating costs	(250)	(219)	**14%**
Revenues from services to third parties	1,426	232	**515%**
NOI	***1,982***	***1,898***	***4%***
Minus			
Adjusted NOI attributable to non-controlling participation	421	420	**0%**
Adjusted proportional NOI	***1,561***	**1,478**	**6%**
Plus			
Corporate expenses	(250)	(219)	**14%**
Revenues from services to third parties	1,426	232	**513%**
Adjusted Proportional-EBITDA	***2,737***	**1,491**	**84%**

Debt Position Breakdown



Debt Analysis	3Q18	2Q18	Var. %
GICSA's pro-form debt	20,970	22,671	-8%
GICSA's proportinal debt	19,805	17,255	15%
Loan-Value ratio (1)	38.89%	35.02%	-
% Local Currency (Ps.)	73.76%	73.77%	-
% Foreign currency (Dlls)	26.24%	26.23%	-

(1) Value calculated by taking the total Debt dividing the value of the Company's assets at the close of 3Q18.

GICSA concluded 3Q18 with an indebtedness level of Ps. 20,970 million and total assets of Ps. 53,928 million, corresponding to a debt level of 38.89%. The funding mix is comprised of 83.03% floating and 16.97% fixed. The debt is comprised of 73.76%% in Mexican Pesos and 26.24% in U.S. dollars, which allow a natural payment flow, due to the fact that the Company's revenues are integrated in a similar proportion.

As of September 30, 2018, the Company has undertaken several financial instruments to cover the rate variations that could affect the market. At the close of 3Q18, 89.73% of the debt was hedged.

Statement of Financial Position

Main assets

Cash and cash equivalents

Cash and cash equivalents at the close of 3Q18 was Ps. 981 million, a decrease of 73% compared to the Ps. 3,647 million at the close of 2017. This was mainly due to investments in the projects under development during 2018, and the compensation derived from the transaction carried out with a group of investors. Furthermore, restricted cash decreased by 37%, from Ps. 577 million to Ps. 366 million, generated by the release of reserves and the divested properties.

Accounts and notes receivable net

Accounts and notes receivable net was Ps. 1,780 million in 3Q18, an increase of 100% compared to the Ps. 892 million at the close of 2017. This was mainly due to the accounts receivable derived from the services provided to a group of investors, which will be charged in the coming 3 semesters.

Real Estate Inventory

For presentation purposes, the assets of the Cero5Cien residential project have been separated from the investment properties, for an amount of Ps. 2,687 million.

Guarantee deposits and prepayments

Guarantee deposits and prepayments were Ps. 257 million in 3Q18, an increase of 34% compared to the Ps. 192 million at the close of 2017, mainly due to property taxes and insurance.

Investments properties

Investment properties at the close of 3Q18 decreased from Ps. 49,908 million to Ps. 43,980 million. This was mainly explained by the effect of the transaction carried out with a group of investors in July. Furthermore, for effect of the presentation the assets of the Cero5Cien residential project have been separated from the investment properties, for an amount of Ps. 2,687 million under current assets.

Main liabilities

Total Debt

3Q18 Total debt was Ps. 20,970 million, a 6% decrease compared to the Ps. 22,252 million reported at the close of 2017, generated by the after the divestment of Outlet Lerma, Forum Tlaquepaque and La Isla Vallarta, and an increase of credit facilities.

Deferred Income Tax Provision

At the close of 2017, deferred income tax provision decreased from Ps. 6,870 million to Ps. 5,06 million, due to the effect of the divestment of assets of the transaction approved in last July.

Consolidated statement of comprehensive income

Total Operating Revenue

Total operating revenue for 3Q18 reached Ps. 874 million, a 6% decrease, compared to the Ps. 932 million reported in 3Q17. This was primarily due to the divestment of four projects at the beginning of July: Outlet Lerma, la Isla Vallarta, Forum Tlaquepaque and Reforma 156, as well as lower key money in 3Q18 compared to 3Q17. This effect was offset by operating revenue generated by the opening of new projects and the signing of new contracts in the stabilized projects.

Total Other Operating Revenue

This line item increased by 33% as a result of the Ps. 104 million generated in 3Q18, compared to the Ps. 78 million reported in 3Q17; this was due to revenues to execute third-party projects

Total Cost and Expenses

This figure increased from Ps. 4 million in 3Q17 to Ps. 23 million in 3Q18, mainly due to cost associated to third-party projects.

Expenses increased from Ps. 402 million to Ps. 503 million, despite the divestment of properties. The factors that explain this increase are: During 2018, Paseo Interlomas expansion, Isla Mérida, Explanada Puebla and Paseo Querétaro were incorporated with their respective expenses.

Operating profit

Operating profit before valuation effects decreased by 25%, mainly explained by the divestment of four assets: Outlet Lerma, La Isla Vallarta, Forum Tlaquepaque and Reforma 156.

During the quarter, we recognized a gain of Ps. 573 million in the fair value of investment properties due to effects of variation in the valuation of existing assets at the close of September.

The account of the Effects of the transaction amounted to a technical loss of Ps. 4,282 million in 3Q18, including the recognition of losses on the sale of divested assets of La Isla Vallarta, Outlet Lerma, Forum Tlaquepaque and other effects derived from the transaction announced last July.

NOI-Net Operating Income

Net Operating Income (NOI) reached Ps. 632 million in 3Q18, a decrease of 15.49% compared to 3Q17 due to the divestment of some properties according to the agreement with minority partners (Forum Tlaquepaque, Isla Vallarta, Outlet Lerma and Reforma 156). Excluding these properties, NOI increased by 2.54%. On the other hand, including these properties, proportional NOI increased 9.13% during the quarter, and excluding the divested properties proportional NOI increased 30.22%.

Consolidated EBITDA

Consolidated EBITDA for 3Q18 was Ps. 636 million, a decrease of 15.99% considering the divested properties, while GICSA's proportional EBITDA for 3Q18 was Ps. 507 million, an increase of 7.59% compared to 3Q17, considering the divested properties.

Conference call

GICSA cordially invites you to its

Third Quarter Conference call

Thursday, October 25, 2018
12:00 PM Eastern Time
11:00 AM Mexico City Time

Presenting for Gicsa:
Mr. Diódoro Batalla, Chief Financial Officer

To access the call, please dial:
1 (877) 830 2576 U.S. participants
1 (785) 424 1726 International participants

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 industrial warehouses 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, 2018, the Company owned 15 income-generating properties, consisting of nine shopping malls, five mixed use projects (which include four shopping malls, five corporate offices and one hotel), and one corporate office building, representing a total Gross Leasable Area (GLA) 830,029 square meters, and a Proportional GLA of 689,641 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 wrds "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.

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