Mexico City Airport FIBRA E

272,727,273 FIBRA E Trust Certificates (CBFEs)

The issuer is a newly created Mexican energy and infrastructure investment vehicle ("FIBRA E") formed under the laws of Mexico (the "Issuer") for the sole purpose of holding an equity investment linked to the results of operations of the existing Benito Juárez International Airport located in Mexico City (the "Existing Airport") and, upon commencement of its operations, the New Mexico City International Airport to be located in Texcoco, State of Mexico (the "New Airport" and, together with the Existing Airport, the "Mexico City Airport System"). The Issuer will be managed by Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., the holder of the concession to build, develop, operate, manage and exploit the New Airport (the "Manager"). Acting through CI Banco, S.A., Institución de Banca Múltiple, not in its individual capacity, but solely as trustee (the "Trustee"), the Issuer is offering 272,727,273 FIBRA E Trust Certificates (*Certificados Bursátiles Fiduciarios de Inversión en Energía e Infraestructura,* or the "CBFEs") in a combined offering consisting of (a) an initial public offering of 269,772,728 CBFEs in Mexico (the "Mexican Offering"), conducted through the Mexican Stock Exchange (*Bolsa Mexicana de Valores, S.A.B de C.V.*), to the general public using a Spanish language prospectus (the "Mexican Prospectus") and (b) an international offering of 2,954,545 CBFEs (the "International Offering" and, together with the Mexican Offering, the "Global Offering") in the United States to qualified institutional buyers ("qualified institutional buyers") as defined under Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"), that are also qualified purchasers ("qualified purchasers") as defined in Section 2(a)(51) of the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act") and that agree to comply with the transfer restrictions set forth herein, and in other countries outside of Mexico and the United States to certain non-U.S. persons in reliance on Regulation S under the Securities Act ("Regulation S"). This offering memorandum relates only to the International Offering. CBFEs being offered in the Global Offering may be reallocated between the Mexican Offering and the International Offering prior to the closing, depending on demand. See "Plan of Distribution."

The Issuer intends to use the net proceeds of the Global Offering to acquire an interest in Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., in the form of special shares with preferred economic rights (the "GACM Special Shares"), and a nominal interest in Aeropuerto Internacional de la Ciudad de México, S.A. de C.V. The Issuer's objective is to achieve an internal rate of return on the GACM Special Shares, over the Initial Invested Amount (as defined herein), equal to 10.0% in pesos, in inflation-adjusted terms, calculated based on UDIs (as defined herein) (the "Target Return").

The Issuer has granted to the initial purchasers and the Mexican underwriters the right to purchase up to an additional 27,272,727 CBFEs, representing up to approximately 10% of the CBFEs being offered in the Global Offering, within 30 days of the date of this offering memorandum solely to cover over-allotments, if any. Each of the overallotment options may be exercised independently but on a coordinated basis, and may be exercised in whole or in part. See "Plan of Distribution."

Offering Price: Ps.100.0 per CBFE

Investing in the CBFEs involves risks. See "Risk Factors" beginning on page 44.

The Global Offering is the Issuer's initial equity offering, and there is currently no public market for the CBFEs. The Issuer has applied to register the CBFEs offered in the Global Offering in Mexico with the National Securities Registry (*Registro Nacional de Valores*) ("RNV"), maintained by the Mexican National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*) ("CNBV"), and to list the CBFEs for trading on the Mexican Stock Exchange under the symbol "FNAIM."

THE REGISTRATION OF THE CBFES IN THE RNV IS EXPECTED TO BE OBTAINED ON OR BEFORE THE CLOSING OF THE GLOBAL OFFERING AS REQUIRED UNDER THE MEXICAN SECURITIES MARKET LAW (*LEY DEL MERCADO DE VALORES*). SUCH REGISTRATION AND NOTICE DOES NOT IMPLY A CERTIFICATION AS TO THE INVESTMENT QUALITY OF THE SECURITIES OFFERED IN THIS OFFERING MEMORANDUM, THE ISSUER'S SOLVENCY, OR THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM, AND SUCH REGISTRATION AND NOTICE DOES NOT VALIDATE ACTS OR OMISSIONS, IF ANY, UNDERTAKEN IN CONTRAVENTION OF APPLICABLE LAW. THIS OFFERING MEMORANDUM IS SOLELY THE ISSUER'S RESPONSIBILITY AND HAS NOT BEEN AUTHORIZED OR OTHERWISE REVIEWED BY THE CNBV.

The CBFEs have not been and will not be registered under the Securities Act or the securities laws of any jurisdiction, other than Mexico. Unless they are registered, the CBFEs may not be offered or sold within the United States or to U.S. persons, except in transactions exempt from registration under the Securities Act and the securities laws of any other jurisdiction. Accordingly, the Issuer is offering the CBFEs only to qualified institutional buyers that are also qualified purchasers in reliance on the exemption from registration provided by Rule 144A under the Securities Act and the exemption from the provisions of the Investment Company Act provided by Section 3(c)(7) of the Investment Company Act, and to certain non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act. For further details about eligible offerees and certain resale and transfer restrictions, see "Transfer Restrictions."

The initial purchasers expect to deliver the CBFEs to purchasers on or about March 28, 2018 through the book-entry facilities of *S.D. Indeval Institución para el Depósito de Valores, S.A. de C.V.* ("*Indeval*"), the Mexican licensed central securities depositary in Mexico City, Mexico.

Global Coordinator

Credit Suisse

International Joint Bookrunners

Credit Suisse **Citigroup**

March 23, 2018

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All references to "we," "us," "our," the "Mexico City Airport FIBRA E," the "Issuer" or the "Issuer Trust" in this offering memorandum are to the Mexico City Airport FIBRA E, acting through CI Banco, S.A., Institución de Banca Múltiple, not in its individual capacity, but solely as Trustee under the Trust Agreement (as defined herein). All references to "Mexico" in this offering memorandum are to the United Mexican States. All references to the "United States" or "U.S." in this offering memorandum are to the United States of America.

You should rely only on the information contained in this offering memorandum. Neither the Issuer, nor the initial purchasers have authorized anyone to provide you with information that is different from or additional to that contained in this offering memorandum, and the Issuer and the initial purchasers take no responsibility for any other information that others may give you. If anyone provides you with different or additional information, you should not rely on it. You should assume that the information in this offering memorandum is accurate only as of the date on the front cover of this offering memorandum, regardless of time of delivery of this offering memorandum or any sale of the CBFEs. The Issuer's financial condition and

cash flows may change after the date on the front cover of this offering memorandum. This offering memorandum may only be used where it is legal to offer or sell the CBFEs. Neither the Issuer nor any of the initial purchasers is making an offer to sell the CBFEs nor soliciting offers to buy the CBFEs in any jurisdiction where such an offer or sale is not permitted.

NOTICE TO INVESTORS

This offering memorandum is highly confidential and has been prepared by the Issuer solely for use in connection with the proposed offering of the CBFEs described in this offering memorandum. This offering memorandum is personal to each offeree and does not constitute an offer to any other person or the public generally to subscribe for or otherwise acquire the CBFEs. Distribution of this offering memorandum to any person other than the offeree and those persons, if any, retained to advise that offeree with respect thereto is unauthorized, and any disclosure of any of its contents without the Issuer's prior written consent is prohibited. Each offeree, by accepting delivery of this offering memorandum, agrees to the foregoing and agrees to make no copies of this offering memorandum.

Neither the Issuer nor the initial purchasers are making an offer to sell the CBFEs nor soliciting offers to buy the CBFEs in any jurisdiction except where such an offer or sale is permitted. You must comply with all applicable laws and regulations in force in your jurisdiction and you must obtain any consent, approval or permission required by you for the purchase, offer or sale of the CBFEs under the laws and regulations in force in the jurisdiction to which you are subject or in which you make such purchase, offer or sale, and neither the Issuer nor the initial purchasers will have any responsibility therefor.

The Issuer is relying upon an exemption from registration under the Securities Act for an offer and sale of securities which do not involve a public offering in the United States. The Issuer has submitted this offering memorandum solely to a limited number of qualified institutional buyers that are also qualified purchasers in the United States and to certain investors outside the United States and Mexico so they can consider a purchase of the CBFEs. This offering memorandum may be used only for the purposes for which it has been prepared. By accepting delivery of this offering memorandum, you acknowledge that the use of the information in this offering memorandum for any purpose other than to consider a purchase of the CBFEs is strictly prohibited. These undertakings and prohibitions are for the Issuer's benefit, and the Issuer may enforce them. U.S. federal securities laws restrict trading in the Issuer's securities while in possession of material non-public information with respect to the Issuer. By accepting delivery of this offering memorandum and by purchasing the CBFEs, you will be deemed to have made certain acknowledgments, representations and agreements as set forth under "Transfer Restrictions" in this offering memorandum. The CBFEs are subject to restrictions on transfer and resale and may not be transferred or resold except as permitted under the Securities Act and applicable U.S. state securities laws pursuant to registration or exemption therefrom. As a prospective purchaser of the CBFEs, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.

This offering memorandum is based on information provided by the Issuer and other sources that the Issuer believes to be reliable. The Issuer and the initial purchasers cannot assure you that information the Issuer has obtained from other sources is accurate or complete. This offering memorandum summarizes certain documents and other information and the Issuer refers you to them for a more complete understanding of what the Issuer discusses in this offering memorandum.

Neither the Issuer nor the initial purchasers are making any representation to any purchaser regarding the legality of an investment in the CBFEs by such purchaser under any legal investment or similar laws or regulations. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the CBFEs under applicable investment or similar laws or regulations. You should not consider any information in this offering memorandum to be legal, financial, business or tax advice. You should consult your own counsel, accountant, business advisor and tax advisor for legal, accounting, business and tax advice regarding any investment in the CBFEs.

The Issuer reserves the right to withdraw the Global Offering of CBFEs at any time and the Issuer and the initial purchasers reserve the right to reject any commitment to subscribe the CBFEs in whole or in part and to allot to any prospective investor less than the full amount of CBFEs sought by that investor.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers as to the past or future.

None of the U.S. Securities and Exchange Commission (the "SEC"), the CNBV or any state or foreign securities commission or any other regulatory authority has approved or disapproved the offering of the CBFEs, nor have any of the foregoing authorities passed upon or endorsed the merits of the Global Offering or the accuracy, adequacy or completeness of this offering memorandum. Any representation to the contrary is a criminal offense.

For additional information for investors in certain countries, see "Plan of Distribution" and "Transfer Restrictions."

SERVICE OF PROCESS AND ENFORCEABILITY OF CIVIL LIABILITIES

The Issuer is a FIBRA E created and existing under the laws of Mexico and substantially all of its trust assets are located, and all of its revenues are derived from sources, outside the United States. CI Banco, S.A., Institución de Banca Múltiple, the Trustee, is a financial institution organized under the laws of Mexico. As a result, it may be difficult for holders of CBFEs to effect service of process within the United States upon the Issuer or to enforce both in the United States and outside the United States judgments against the Issuer obtained in U.S. courts in any action, including actions predicated upon the civil liability provisions of the federal securities laws of the United States. There is doubt as to the enforceability, in original actions in Mexican courts or in actions for enforcement of judgments obtained in courts of jurisdictions outside Mexico, of liabilities predicated, in whole or in part, on the civil liability provisions of U.S. federal securities laws. No treaty exists between the United States and Mexico for the reciprocal enforcement of judgments issued in the other country. In the past, Mexican courts have enforced judgments rendered in the United States by virtue of the legal principles of reciprocity and comity, consisting of the review in Mexico of the U.S. judgment in order to ascertain, among other things, compliance with certain basic Mexican principles of due process and the non-violation of Mexican law or public policy, without reviewing the merits of the subject matter of the case.

AVAILABLE INFORMATION

The Issuer is not subject to the reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"). For so long as any of the CBFEs remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer agrees to furnish upon the request of any holder of the CBFEs, to the holder or beneficial owner or to each prospective purchaser designated by any such holder of the CBFEs or interests therein who is a qualified institutional buyer and a qualified purchaser, information required by Rule 144A(d)(4) under the Securities Act, unless the Issuer either maintains the exemption from reporting under Rule 12g3–2(b) of the Securities Act or furnishes the information to the SEC in accordance with Section 13 or 15(d) of the Exchange Act. Any such request may be made to the Issuer in writing at its main offices located at CI Banco, S.A., Institución de Banca Múltiple, as trustee of trust CIB/2930, Avenida Cordillera de los Andes 265, piso 2 Colonia Lomas de Chapultepec, Miguel Hidalgo. Ciudad de México, C.P. 11000 México, Attention: Delegado Fiduciario del Fideicomiso CIB/2930, telephone +52 50633900 and e-mail instruccionesmexico@cibanco.com; creus@cibanco.com; rosuna@cibanco.com.

The Issuer will also make material information regarding the Issuer, including information about its creation, management and status, available to the holders of the CBFEs upon request.

The Issuer is also required to provide the CNBV and the Mexican Stock Exchange with certain information on a quarterly and annual basis, including annual financial statements audited by the external auditor.

GLOSSARY OF TERMS AND DEFINITIONS

For purposes of this offering memorandum, except where otherwise indicated or where the context otherwise requires:

"2026 Notes" means the 4.250% senior secured notes due 2026, issued on September 29, 2016.

"2028 Notes" means the 3.875% senior secured notes due 2028, issued on September 20, 2017.

"2046 Notes" means the 5.500% senior secured notes due 2046, issued on September 29, 2016.

"2047 Notes" means the 5.500% senior secured notes due 2047, issued on September 20, 2017.

"AAGR" means average annual growth rate.

"Adjusted EBITDA" means earnings before interest, taxes, depreciation and amortization and excluding any Budgetary Concession Fees or Government Concession Fees paid by AICM and/or GACM, as well as any amounts of those works that do not recur annually, extraordinary works and income and expenditures related to the construction of the New Airport.

"AICM" means Aeropuerto Internacional de la Ciudad de México, S.A. de C.V., the concessionaire under the Existing Airport Concession.

"AICM Shares" means the one hundred ordinary, common series B shares representative of the variable portion of the capital of AICM to be subscribed and paid by the Issuer with the proceeds of the Global Offering in order to comply with the purposes of the Trust Agreement.

"ASA" means Airports and Auxiliary Services (*Aeropuertos y Servicios Auxiliares*).

"Assignment of Rights Agreements" means the amended and restated assignment agreements, dated October 7, 2015, by and among the Sponsors and the TUA Issuer Trust, pursuant to which each Sponsor assigned to the TUA Issuer Trust all of its rights, title and interests in and to all amounts due or to become due in respect of passenger charges collected and to be collected from airlines operating at the Existing Airport and the New Airport, respectively, among other assets and rights.

"ATMs" means air traffic movements, which are all aircraft arrivals and departures to and from an airport.

"Aviation Demand Forecast" means the aviation demand forecast prepared by Landrum & Brown, Inc. of the Mexico City Airport System and included as Appendix A to this offering memorandum.

"Budgetary Concession Fees" means the special duties (*aprovechamientos*), which beginning on January 1, 2020, are determined by the SHCP and charged to GACM or AICM, in accordance with the penultimate paragraph of article 26 of the Mexican Budget Law (*Ley Federal de Presupuesto y Responsabilidad Hacendaria*).

"CAGR" means compounded annual growth rate.

"Cash Call" has the meaning described under "Summary Description of the GACM Special Shares—Call Options."

"Capital Distributions" means the dividends, reductions, refunds, redemptions or any other distributions of capital, proceeds, amounts or other considerations of any kind payable in cash to the Issuer as holder of the GACM Special Shares.

"Combined Call" has the meaning described under "Summary Description of the GACM Special Shares—Call Options."

"Common Representative" means Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero as common representative of the holders of the CBFEs, or any successor thereof under the Trust Agreement.

"Concessions" means the Existing Airport Concession and the New Airport Concession.

"Construction Trust" means the *Contrato de Fideicomiso Público de Administración y Pago para la Adquisición de Bienes y Contratación de Servicios y Obra Pública No. 80726*.

"CUCA" means the paid in capital account (*cuenta de aportación de capital*) set forth in the Mexican Income Tax Law and the FIBRA E Rules.

"Distributable Cash Flow" means the difference resulting from subtracting (i) GACM's operating revenue from each fiscal year, (ii) GACM's operating expenses relating to the same fiscal year, taking into account for such purposes GACM's financial statements prepared under IFRS, using the formula set forth in Appendix B of this offering memorandum.

"Distribution Period" means each fiscal year from January 1 to December 31, prior to the payment of Distributions that correspond to such fiscal year. The first payment of Distributions will be based on the Distribution Period from January 1 to December 31, 2020, unless a Mandatory Acceleration Date or a Mandatory Acceleration Date due to Cancellation has occurred.

"Distributions" means distributions from the Issuer to the holders of the CBFEs made through Indeval in accordance with Section 9.2 of the Trust Agreement, using any funds from Capital Distributions, as well as any other amount held in the Distribution Account, after deducting any applicable expenses.

"Domestic Tariff" means the tariff payable by passengers who board a scheduled commercial passenger flight or chartered passenger flight, in each case, originating from the Mexico City Airport System to a destination within Mexico, as approved by the competent government authority.

"EBITDA" means earnings before interest, taxes, depreciation and amortization, excluding income and expenses related to construction services.

"Eligible Companies" means GACM, AICM and any entity that is a Mexican resident for tax purposes or a trust formed under the laws of Mexico that meets all the requirements to qualify as an "eligible company" pursuant to the FIBRA E Rules, including GACM and AICM.

"exempt passengers" means (i) crew members working on flights, (ii) children under two years of age, (iii) foreign diplomats from countries with reciprocal passenger charge exceptions, (iv) and passengers in transit on connecting flights; unless the SCT or any other competent Mexican authority eliminates the exemption for the payment of passenger charges with respect to any of such category of passengers.

"Existing Airport" means the Benito Juárez International Airport located in Mexico City.

"Existing Airport Concession" means the concession that entitles AICM to operate, manage and exploit the Existing Airport.

"Existing Indentures" means the indentures governing each of the 2026 Notes, 2028 Notes, 2046 Notes and 2047 Notes, collectively.

"Existing Notes" means the 2026 Notes, 2028 Notes, 2046 Notes and 2047 Notes, collectively.

"FIBRA E Rules" means Articles 187 and 188 of the Mexican Income Tax Law, rules 2.1.9., 2.1.43., 2.1.47., 3.5.3., 3.21.3.2., 3.21.3.3., 3.21.3.7., 3.21.3.9. and 4.3.12. of the Administrative Tax Regulations; regulations 105/ISR, 106/ISR and 124/ISR in Exhibit 1-A to the Administrative Tax Regulations and any other tax provision applicable to FIBRA Es or to the parties of said trusts, or any other successor provisions from time to time.

"FIBRA Es" means Mexican energy and infrastructure investment trusts created under the laws of Mexico.

"Formation Transactions" means the transactions to be executed prior to the Global Offering, as described in more detail in "Description of the CBFEs and the GACM Special Shares."

"GACM" means Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., the concessionaire under the New Airport Concession.

"GACM Special Shares" means the Series "P" shares with preferred economic rights initially representing the variable portion of GACM's capital stock, issued pursuant to the Formation Transactions, to be subscribed and paid by the Issuer with the proceeds of the Global Offering in order to comply with the purposes of the Trust Agreement.

"GDP" means gross domestic product.

"Government Concession Fees" means the government concession fees that each of the Sponsors are required to pay to the SCT as consideration for exploitation of the Concessions pursuant to Section 9.1 of each Concession.

"Governmental GAAP" means, as applicable, (i) accounting standards and rules as in effect from time to time provided in the General Law of Governmental Accounting (*Ley General de Contabilidad Gubernamental*) and (ii) General Financial Reporting Standards applicable to State-Owned Entities (*Normas de Información Financiera Gubernamental Generales para el Sector Paraestatal*) and the Specific Financial Reporting Standards applicable to State-Owned Entities (*Normas de Información Financiera Gubernamental Específicas para el Sector Paraestatal*).

"IATA" means the International Air Transport Association, the global trade association for the airline industry.

"Initial Invested Amount" means the proceeds derived from the Global Offering that are received by the Issuer, without further deduction.

"initial purchasers" means Citigroup Global Markets Inc. and Credit Suisse Securities (USA) LLC.

"Intercreditor Agreement" means the intercreditor agreement entered into on September 29, 2016 and amended on September 20, 2017, among the TUA Issuer Trust, the trustee of each series of Existing Notes, acting on behalf and for the benefit of the holders of each series of Existing Notes, HSBC Bank USA, National Association, as administrative agent, Citibank, N.A., as offshore collateral agent and intercreditor agent, Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria, as onshore collateral agent and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, as trustee under the TUA Security Trust.

"International Tariff" means the tariff payable by passengers who board a scheduled commercial passenger flight or chartered passenger flight, in each case, originating from the Mexico City Airport System to a destination outside of Mexico, as approved by the competent government authority.

"IPO Call" has the meaning described under "Summary Description of the GACM Special Shares—Call Options."

"IPO Call Amount" means the number of shares of GACM's common stock that result from applying the formula set forth in Appendix C, for purposes of calculating the number of GACM shares that shall be delivered to holders of CBFEs upon the exercise of an IPO Call or a Combined Call.

"Management Agreement" means the management agreement, dated March 6, 2018 (as amended, supplemented or modified from time to time), between the Manager and the Trustee, with the acknowledgment of the Common Representative.

"Manager" means GACM, acting in its capacity as manager under the Management Agreement and the Trust Agreement, or any other person replacing said Manager in accordance with the Management Agreement and the Trust Agreement.

"Mandatory Acceleration Date" means (i) January 1, 2025, if the New Airport has not commenced commercial operations, (ii) the date the SHCP sets a Budgetary Concession Fee or (iii) the date the SCT charges GACM a Government Concession Fee for the New Airport Concession, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust; except that in the cases of (ii) and (iii), a Mandatory Acceleration Date shall occur only to the extent such payments by GACM or AICM prevent the distribution of the full amount of Distributable Cash Flow that would have been distributed to the Issuer, as holder of the GACM Special Shares, for the relevant Distribution Period.

"Mandatory Acceleration Date due to Cancellation" means the date of an administrative act by an entity of the Mexican federal government that causes the cancellation or indefinite suspension of the construction of the New Airport.

"Mexican underwriters" means (i) Casa de Bolsa Credit Suisse (México), S.A. de C.V., Grupo Financiero Credit Suisse (México); (ii) Acciones y Valores Banamex, S.A. de C.V., Casa de Bolsa, Integrante del Grupo Financiero Banamex; (iii) BTG Pactual Casa de Bolsa, S.A. de C.V.; (iv) Casa de Bolsa Banorte IXE, S.A. de C.V., Grupo Financiero Banorte, (v) Casa de Bolsa BBVA Bancomer, S.A. de C.V., Grupo Financiero BBVA Bancomer; (vi) Casa de Bolsa Santander, S.A. de C.V., Grupo Financiero Santander México and (vii) Inversora Bursátil, S.A. de C.V., Casa de Bolsa, Grupo Financiero Inbursa.

"Mexico City Airport System" means the Existing Airport and the New Airport.

"Net Taxable Income" means taxable income (*resultado fiscal*) of the Issuer determined pursuant to the Mexican Income Tax Law, including articles 9 and 13 and the FIBRA E Rules, as applicable.

"New Airport" means the new Mexico City International Airport to be located in the municipalities of Atenco, Ecatepec de Morelos and Texcoco in the State of Mexico.

"New Airport Concession" means the concession that entitles GACM to build, develop, operate, manage and exploit the New Airport.

"Offering Documents" means, collectively, the Trust Agreement, the Management Agreement, the resolutions of GACM's shareholders' meeting approving the Global Offering and the terms of the GACM Special Shares, the CBFEs, and all their exhibits, and each other contract, instrument, document and certificate related thereto, as amended, supplemented or otherwise modified from time to time.

"passenger charges" means the fee charged for the use of the Mexico City Airport System (*tarifa de uso de aeropuerto*, or TUA) that is payable by passengers (other than exempt passengers) who board a domestic or international scheduled commercial passenger flight or chartered passenger flight, in each case, originating from the Mexico City Airport System to a destination within or outside Mexico.

"passenger traffic" means the total number of passengers (including incoming and departing passengers, paying passengers and exempt passengers) in a given period.

"paying passenger traffic" means the total number of paying passengers in a given period.

"paying passengers" means passengers who pay passenger charges and refer to passengers (other than exempt passengers) who board a domestic or international scheduled commercial passenger flight or chartered passenger flight, in each case, originating from the Mexico City Airport System to a destination within or outside Mexico.

"Restricted Payments" means any payment of any nature or any transfer of funds from the TUA Security Trust's accounts to the TUA Issuer Trust or to any Sponsor or affiliate thereof, after making all other applicable payments and transfers under the TUA Security Trust's waterfall, see "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—TUA Waterfall."

"SCT" means the Mexican Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes*).

"Settlor" means Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as settlor under the Trust Agreement.

"SHCP" means the Mexican Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*).

"Sponsors" means AICM and GACM.

"Target Return" means the recovery of the Initial Invested Amount plus an internal rate of return of 10.0% in pesos, in inflation-adjusted terms, calculated based on UDIs.

"Trust Agreement" means the *Contrato de Fideicomiso Irrevocable Emisor de Certificados Bursátiles Fiduciarios de Inversión en Energía e Infraestructura CIB/2930* dated March 6, 2018 (as amended, supplemented or modified from time to time), by Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as settlor, GACM as Manager, CI Banco, S.A., Institución de Banca Múltiple, as trustee and Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero, as Common Representative of the holders of the CBFEs.

"Trustee" means CI Banco, S.A., Institución de Banca Múltiple, a financial institution organized under the laws of Mexico, solely as trustee of the Mexico City Airport FIBRA E.

"TUA Collateral" means (i) the right to collect passenger charges for the use of the Existing Airport and, upon the commencement of commercial operations, the New Airport, (ii) all proceeds of insurance payable with respect to the partial or complete interruption of the operation of the Mexico City Airport System, (iii) all proceeds of indemnities in connection with certain expropriation events affecting the Mexico City Airport System, (iv) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at the Mexico City Airport System, and (vi) all other property of any kind and nature from time to time contributed by the TUA Issuer Trust to the TUA Security Trust for the benefit of the TUA Issuer Trust's secured creditors and which constitute the principal source of repayment of the TUA Issuer Trust's indebtedness, including the Existing Notes.

"TUA Issuer Trust" means the special purpose trust created under the TUA Trust Agreement in connection with the financing for the development of the New Airport to which the right to collect passenger charges at the Mexico City Airport System was sold and transferred.

"TUA Security Trust" means the special purpose trust created under the Amended and Restated Irrevocable Guaranty, Administration and Payment Trust Agreement No. 2172, dated October 29, 2014, as amended September 29, 2016, between the TUA Issuer Trust and the TUA Security Trust Trustee to which the TUA Issuer Trust contributed the right to collect passenger charges at the Mexico City Airport System to secure, and serve as a source of payment for, the existing debt financing obtained for the construction of the New Airport, including the Existing Notes.

"TUA Security Trust Trustee" means Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, as trustee of the TUA Security Trust.

"TUA Trust Agreement" means the Amended and Restated Irrevocable Administration and Payment Trust Agreement No. 80460, dated September 29, 2016, among the Nacional Financiera, S.N.C, Institución de Banca de Desarrollo, as trustee, Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as settlor, and each Sponsor, as first place beneficiary.

"UDIs" means investment units (*unidades de inversión*) or inflation-adjusted units, as established in the "*Decreto por el que se establecen las obligaciones que podrán denominarse en Unidades de Inversión y reforma y adiciona diversas disposiciones del Código Fiscal de la Federación y de la Ley del Impuesto Sobre la Renta*" published in the Federal Official Gazette on April 1, 1995, which are calculated by *Banco de México* and published in the Federal Official Gazette on a daily basis.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements. Examples of such forward-looking statements include, but are not limited to: (i) statements regarding the Issuer's results of operations and financial position; (ii) statements regarding the Issuer's financial model and financing plans; (iii) statements regarding the future air traffic volume at the Mexico City Airport System; (iv) statements of plans, objectives or goals, including those related to the operations of the Existing Airport and the development and construction of the New Airport; and (v) statements of assumptions underlying such statements. Words such as "aim," "anticipate," "believe," "could," "estimate," "expect," "forecast," "goals," "guidance," "intend," "may," "plan," "potential," "predict," "project," "target," "seek," "should," "strategy," "would," "will" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved. Investors should be cautious that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed or implied in such forward-looking statements, including the following factors:

- the impact of competing airports and other means of transportation on the amount of passengers charges collected at the Mexico City Airport System;
- possible disruptions, flight decentralization or the decline of passenger traffic volume at any of the Mexico City Airport System;
- the accuracy of the assumptions and projections used for or included in the Aviation Demand Forecast, as well as other reports prepared by GACM or for GACM by its external advisors, master development plans and financial models;
- natural and catastrophic events and conditions at the Mexico City Airport System, including civil disturbances, acts of terrorism and disputes with local communities;
- the Sponsors' ability to maintain sufficient insurance coverage;
- changes in industrial regulations and standards in social, environmental, human rights and health safety matters that become increasingly rigorous;
- capital and operating expenditures and maintenance requirements of the Mexico City Airport System;
- the capacity of construction companies and other third parties to complete the development and construction of the New Airport, including extended delays, defaults and cost overruns;
- the Sponsors' ability to comply with environmental, human rights and safety regulations at the Mexico City Airport System;
- the Sponsors' ability to comply with applicable laws, rules and regulations and the terms and conditions of the Concessions;
- changes to applicable accounting principles, government guidelines, tax laws and regulations;
- global macroeconomic conditions and economic, political and social conditions in Mexico, particularly in Mexico City and surrounding areas;
- political decisions at the local, regional, national and international levels with an economic, political, legal or environmental impact, including decisions or changes in the plans of the Mexican government for the development of the New Airport;
- failure of information technology systems, including data systems and communications systems;

- fluctuations in exchange rates or interest rates and stock market volatility;
- the effects of inflation;
- the Sponsors' and the Issuer's financial performance after the Global Offering;
- the lack of a secondary market for the CBFEs or securities in which the Issuer invests;
- the Issuer's ability to access other sources of financing for the development of the New Airport on competitive terms; and
- other factors, some of which are described under "Risk Factors" and elsewhere in this offering memorandum.

All forward-looking statements contained in this offering memorandum are qualified in their entirety by these risks, uncertainties and other factors. Should one or more of these factors or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected, forecast or intended. Prospective investors should read the sections of this offering memorandum entitled "Summary," "Risk Factors," "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations," "The Benito Juárez International Airport of Mexico City" and "The New Airport" for a more complete discussion of the factors that could affect the Issuer's future performance and the markets in which the Issuer and the Sponsors operate.

The information included in this offering memorandum regarding the Manager and the past performance of its management team is not intended to ensure, predict or be indicative of or constitute a guarantee of returns that will be obtained in the future, including the amount of any payment of distributions by the Issuer.

In light of these risks, uncertainties and assumptions, the forward-looking events described in this offering memorandum may not occur. These forward-looking statements speak only as of the date of this offering memorandum and the Issuer, GACM, AICM, the initial purchasers and all other advisors involved in the Global Offering undertake no obligation to update or revise any forward-looking statement, whether as a result of new information or future events or developments. Additional factors affecting the Issuer's business emerge from time to time and it is not possible to predict all of these factors, nor can the Issuer assess the impact of all such factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement. Although the Issuer believes the plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, the Issuer cannot assure you that those plans, intentions or expectations will be achieved. In addition, you should not interpret statements regarding past trends or activities as assurances that those trends or activities will continue in the future. All written, oral and electronic forward-looking statements attributable to the Issuer or persons acting on the Issuer's behalf are expressly qualified in their entirety by this cautionary statement. For these reasons, investors should not place undue reliance on the forward-looking statements included in this offering memorandum.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Statements

This offering memorandum includes the audited consolidated statements of financial position of GACM as of December 31, 2017 and 2016 and January 1, 2016, and the audited consolidated statements of comprehensive income, changes in stockholders' equity and cash flows for the years ended December 31, 2017 and 2016, together with the notes thereto (the "GACM Financial Statements"), as well as the pro forma financial statements of the Issuer Trust as of December 31, 2017 (the "Issuer Pro Forma Financial Statements" and together with the GACM Financial Statements, "the "Financial Statements"), beginning on page F-1.

The GACM Financial Statements have been audited by PricewaterhouseCoopers, S.C., independent accountants, as stated in their report appearing herein.

The GACM Financial Statements and the audited financial information included in this offering memorandum have been prepared in accordance with International Financial Reporting Standards, or "IFRS," as issued by the International Accounting Standards Board, or the "IASB," and the related interpretations issued by the International Financial Reporting Interpretations Committee, or the "IFRIC." IFRS differs in certain significant respects from U.S. GAAP, Governmental GAAP and financial reporting standards and generally accepted accounting principles used in other jurisdictions. The Issuer has made no attempt to quantify the impact of those differences by a reconciliation of the Financial Statements or the other financial information included in this offering memorandum to U.S. GAAP. Governmental GAAP or such other financial reporting standards and generally accepted accounting principles. The Issuer urges you to consult your own advisors regarding the differences between IFRS and each of U.S. GAAP and Governmental GAAP and how these differences might affect the Financial Statements and the rest of the financial information included in this offering memorandum.

As a majority state-owned company, GACM is required to prepare its financial statements in accordance with Governmental GAAP. Therefore, GACM will continue to operate and to prepare its financial statements in accordance with Governmental GAAP, and will only prepare financial statements in accordance with IFRS to comply with the CNBV's reporting requirements. A description of the main differences between IFRS and Governmental GAAP will be included in the GACM Financial Statements presented elsewhere in this offering memorandum.

Issuer Pro Forma Financial Statements

The Trust Agreement was entered into on March 6, 2018. There is no historical financial information or other operating information of the Issuer Trust prior to that date. The summary unaudited *pro forma* financial information presented in this offering memorandum has been derived from the unaudited *pro forma* financial information included elsewhere in this offering memorandum. This information should be read in conjunction with, and is qualified in its entirety by, the Issuer Pro Forma Financial Statements and accompanying notes included elsewhere in this offering memorandum.

The Issuer Pro Forma Financial Statements were prepared based on certain *pro forma* adjustments as described in note 4 to the Issuer Pro Forma Financial Statements included elsewhere in this offering memorandum. The unaudited *pro forma* financial information has been prepared based upon available information and certain assumptions that were considered reasonable; however, such assumptions are subject to change and it is possible that such changes may be material. You should not interpret such information as the Issuer's actual results of operations or as an indication of the Issuer's future results, balance sheet or for any other purpose. Any of the factors underlying these assumptions may change or prove to be materially different. You should read the Issuer Pro Forma Financial Statements in conjunction with the GACM Financial Statements, including the notes thereto, included elsewhere in this offering memorandum, as well as the other information set forth in this offering memorandum.

The Issuer Pro Forma Financial Statements reflect the Issuer's financial position and results of operations as of December 31, 2017, as if the Issuer's acquisition of the GACM Special Shares and the AICM Shares and the formation transactions had been completed on January 1, 2017. For a complete description of the accounting policies followed in preparing the Issuer Pro Forma Financial Statements, see notes 3 and 4 to the Issuer Pro Forma Financial Statements included elsewhere in this offering memorandum.

Currency

Unless otherwise specified, references herein to "U.S. dollars," "dollars" or "US$" are to United States dollars, the legal currency of the United States, and references to "Mexican pesos," "pesos" or "Ps." are to Mexican pesos, the legal currency of Mexico.

This offering memorandum contains translations of certain Mexican peso amounts into U.S. dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the Mexican peso amounts actually represent such U.S. dollar amounts, or that any of such amounts could be converted at the rates indicated.

Unless otherwise indicated, the exchange rate used for purposes of the convenience translations is:

- with respect to balance sheet data, the exchange rate published by the Mexican Central Bank in the Federal Official Gazette (*Diario Oficial de la Federación*) (the "Official Exchange Rate"), for December 31, 2017 (Ps.19.7354 to US$1.00) or for December 31, 2016 (Ps.20.6640 to US$1.00); and

- with respect to financial information other than balance sheet data, the average exchange rate for the year ended December 31, 2017, which consists of the daily average of the exchange rates on each day during the year ended December 31, 2017 (Ps.18.9291 to US$1.00) or the average exchange rate for the year ended December 31, 2016, which consists of the daily average of the exchange rates on each day during the year ended December 31, 2016 (Ps.18.6567 to US$1.00).

See "Exchange Rates" for information regarding rates of exchange of Mexican peso to U.S. dollar for the periods specified therein.

Rounding

Certain figures included in this offering memorandum have been rounded for ease of presentation. Percentage figures included in this offering memorandum have not, in all cases, been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this offering memorandum may vary from those obtained by performing the same calculations using the figures in the Financial Statements. Certain numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them due to such rounding.

In this offering memorandum, where information is presented in thousands, millions or billions, amounts of less than one thousand, one million, or one billion, as the case may be, have been truncated unless otherwise specified.

Market and Industry Information

Statements in this offering memorandum with respect to market and other industry data are based on statistics and other information from independent industry publications and reports by research firms or other published independent sources, as well as the Sponsors' own internal studies derived from their review of internal surveys and other independent sources. The statements based on information from third party sources are from sources that the Issuer considers to be reliable, including Airports Council International, ARUP Group Limited, Banco de México (Banxico), BMI Research, Brookings Institution, The Economist Intelligence Unit, the Federal Official Gazette (*Diario Oficial de la Federación*), the U.S. Department of Energy, Euromonitor, Landrum & Brown, Inc., Parsons Corporation, the Mexican Bureau of Civil Aviation (*Dirección General de Aeronáutica Civil*), the Mexican Chamber of Air Transportation (*Cámara Nacional de Aerotransportes*, or CANAERO), the Mexico City Ministry of Tourism (*Secretaría de Turismo de la Ciudad de México*), the Mexican National Institute for

Statistics and Geography (*Instituto Nacional de Estadística y Geografía*), the National Population Board (*Consejo Nacional de Población*), the New York Times, the SCT, the United Nations, UN World Urbanization Prospects, the World Bank, the World Tourism Organization and the World Travel and Tourism Council. As far as the Issuer is aware and is able to ascertain from such sources, no facts have been omitted which would render such information inaccurate or misleading. Although the Issuer believes that it has taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by the Issuer, the initial purchasers or their respective advisors and therefore the Issuer makes no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside the jurisdictions specified.

In addition, the Issuer has based certain statements contained in this offering memorandum regarding the aeronautical industry on certain assumptions concerning the Mexico City Airport System's customers and operations. These assumptions are based on the Sponsors' experience in the industry and their own investigation of market conditions. The Issuer cannot assure you as to the accuracy of any such assumptions, and such assumptions may not be indicative of the Mexico City Airport System's position in the aeronautical industry.

Historical and Projected Air Traffic Activity

All historical data with respect to air traffic activity in the Existing Airport included in this offering memorandum has been derived from information and reports made available to the Issuer by the Sponsors. The Sponsors calculate total passenger traffic by tracking the total number of passengers (including incoming and departing passengers, paying passengers and exempt passengers) in a given period, in each case according to the corresponding passenger manifests. While the Issuer believes this information and these reports to be reliable, neither the Issuer nor the initial purchasers have independently verified such information or reports, nor do the Issuer or the initial purchasers make any representations as to the accuracy of such information and reports.

All projected data with respect to air traffic activity in the Existing Airport and the New Airport included in this offering memorandum has been derived from the Aviation Demand Forecast prepared by Landrum & Brown, Inc. ("Landrum & Brown") included as Appendix A to this offering memorandum. Landrum & Brown has been appointed to conduct an independent assessment of the projected air traffic activity for the Mexico City Airport System. This Aviation Demand Forecast should be read in its entirety for complete information with respect to the subjects and issues discussed therein. As stated therein, Landrum & Brown has made a number of assumptions in reaching its conclusions, and has used the sources of information described therein. Landrum & Brown believes that the use of such information and assumptions is reasonable for the purposes of the Aviation Demand Forecast. The Aviation Demand Forecast has been included in this offering memorandum in reliance upon the conclusions therein and upon Landrum & Brown's experience in preparing air traffic forecasts for similar airports. While the Issuer believes the information and data used in the preparation of the Aviation Demand Forecast to be reliable, neither the Issuer nor the initial purchasers have independently verified such information or data, nor do the Issuer or the initial purchasers make any representations as to the accuracy of such information and data.

Accounting Treatment of GACM Special Shares under IFRS

Under IFRS, the GACM Special Shares are expected to be classified and recorded on the GACM financial statements as debt instruments. This accounting treatment arises as a result of certain terms of the GACM Special Shares, in particular (i) GACM's obligation to pay distributions subject to certain future events and the availability of cash flows, and (ii) the mandatory redemption of the GACM Special Shares upon reaching the Target Return. As a result, GACM expects that the distributions payable to the Issuer will be treated and accounted for as a financial expense under GACM's financial statements prepared under IFRS, which will be reflected on GACM's statements of income. See "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Accounting Treatment of GACM Special Shares and CBFEs under IFRS" for a broader description of the accounting treatment of the GACM Special Shares under IFRS.

Selected Financial Information of GACM and AICM

The following tables present certain selected financial information of GACM and AICM, with respect to which the Issuer will acquire the GACM Special Shares and the AICM Shares, but that is not consolidated in the Issuer Pro Forma Financial Statements.

Cash and Cash Equivalents and Restricted Payments

Balances of cash and cash equivalents are as follows:

	As of December 31, 2017	As of December 31, 2016	As of January 1, 2016
	(in thousands of Mexican pesos)		
Cash	Ps. 155	Ps. 40	Ps. 26
Cash at banks	26,836	12,191	137,187
Temporary investments	105,487,807	50,733,112	24,816,785
	Ps.105,514,798	Ps. 50,745,343	Ps. 24,953,995

Temporary investments are as follows:

	As of December 31, 2017	As of December 31, 2016	As of January 1, 2016
	(in thousands of Mexican pesos)		
Mexican pesos			
Overnight investments (1 day)	Ps.46,016,269	Ps.49,728,463	Ps.23,900,463
Government securities (1 to 7 days)	389,331	961,526	916,322
US dollars			
Deposit certificates (7 days)	59,082,207	43,123	-
	Ps.105,487,807	Ps.50,733,112	Ps.24,816,785

Investments are presented as part of cash and cash equivalents, as they are short term investments and available with low risk of loss.

During 2016 and 2017, the amounts distributed by the TUA Security Trust to the TUA Issuer Trust were as follows:

	As of December 31, 2017	As of December 31, 2016
	(in thousands of Mexican pesos)	
Contingent airport expenses	Ps. 552,500	Ps. 510,000
Restricted Payments	5,158,134	5,651,326
Total amounts transferred from the TUA Security Trust to the Issuer Trust	Ps. 5,710,634	Ps. 6,161,326

Accumulated Deficit

Substantially all of GACM's consolidated profits were generated by its subsidiaries.

In 2016 in 2017, funds were distributed to GACM's shareholders, which were subsequently capitalized; these funds arose from private cash resources originating from the structured financing involving the issuance of the Existing Notes by the TUA Issuer Trust and residual amounts of passenger charges. This situation complies with the regulatory requirements applicable to state-owned entities required to pay a consideration over residual amounts or excess income to the Mexican federal government, which subsequently returns those funds in the form of capital contributions.

As mentioned in note 3.3 to the GACM Financial Statements, residual cash flows are generated as a result of the collection of passenger charges, which under Governmental GAAP are considered as budgetary surpluses, and can be paid as Government Concession Fees or used in the operation of the Exiting Airport. Under IFRS, with respect to paid Government Concession Fees, this is recognized as a debit to the accumulated earnings as it is a transaction with the SCT in its capacity as shareholder and represents the payment of income from passenger charges already generated. Subsequently, previous assessment of GACM's cash flow needs, these cash flows could be contributed to the SCT in accordance with and in compliance with Mexican law when considering them as extraordinary income for its shareholder and in compliance with the financing objective.

Other Information Presented

Unless otherwise indicated, the information contained in this offering memorandum assumes that the initial purchasers' and the Mexican underwriters' over-allotment options are not exercised, the Formation Transactions have been completed and 272,727,273 CBFEs have been sold by the Issuer in the Global Offering at Ps.100.0 per CBFE.

SUMMARY

This summary provides an overview of key aspects of the Global Offering. This summary should be read in conjunction with, and is qualified in its entirety by, the financial, technical and other information and the Financial Statements appearing elsewhere in this offering memorandum, including the documents attached as Appendices hereto. Before deciding to invest in the CBFEs, you should read the entire offering memorandum carefully for a more complete understanding of the Global Offering. For a discussion of certain factors to be considered in connection with an investment in the CBFEs, see "Risk Factors."

Overview

The Issuer is a FIBRA E, acting through CI Banco, S.A., Institución de Banca Múltiple, not in its individual capacity, but solely as trustee. FIBRA Es are security-issuing trusts created in accordance with Mexican law, with the main purpose of acquiring assets or equity interests in one or more Mexican Eligible Companies, devoted exclusively to the development of infrastructure and energy projects and other similar activities. FIBRA Es have been designed based on the legal framework of the U.S. REIT (*Real Estate Investment Trust*), although the applicable tax treatment is influenced by the tax framework of U.S. master limited partnerships ("MLPs").

The Issuer was formed for the purpose of acquiring an equity interest in GACM through the acquisition of a special series of shares with preferred economic rights, and a nominal equity interest in GACM's wholly-owned subsidiary, AICM. GACM is a state-owned company and the holder of the concession to build, develop, operate, manage and exploit the New Airport, to be located in the State of Mexico. AICM is also a state-owned company and the holder of the concession to operate, manage and exploit the Existing Airport.

Starting on January 1, 2021, the holders of the CBFEs, through the Issuer, will be entitled to a percentage of the Distributable Cash Flow generated by the operation of the Existing Airport and, once it commences operations, the New Airport, unless a Mandatory Acceleration Date or a Mandatory Acceleration Date due to Cancellation has occurred prior to January 1, 2021 (in which case the Issuer will receive Distributable Cash Flow accruing upon the Mandatory Acceleration Date or the Mandatory Acceleration Date due to Cancellation, as applicable, and payable beginning the January 1 following such date). The Issuer, as holder of the GACM Special Shares, will receive Capital Distributions from GACM, which will be the main source of payment for Distributions to the holders of the CBFEs. See "—The GACM Special Shares" below.

The Existing Airport is the largest airport in Mexico in terms of passenger traffic, according to data compiled by the SCT, and the largest airport in Latin America in terms of number of passengers and aircraft operations, according to Airports Council International. The Existing Airport's total passenger traffic for the year ended December 31, 2017 was 44.7 million passengers. Total revenues from the operation of the Existing Airport were Ps.13,026.8 million (US$688.2 million) in 2017, 74.0% and 26.0% of which were derived from aeronautical revenues and non-aeronautical revenues, respectively, excluding revenue for construction services.

The New Airport, which is expected to start operations in October 2020, is anticipated to be one of the largest airports in Latin America in terms of passenger traffic and to become an important regional hub. Designed to meet the projected long-term demands of air travel in Mexico City and remedy the current capacity constraints at the Existing Airport, the New Airport is a long-term solution to accommodate expected passenger growth. Additionally, the New Airport seeks to generate new alliances with airlines to increase passenger traffic.

The GACM Special Shares

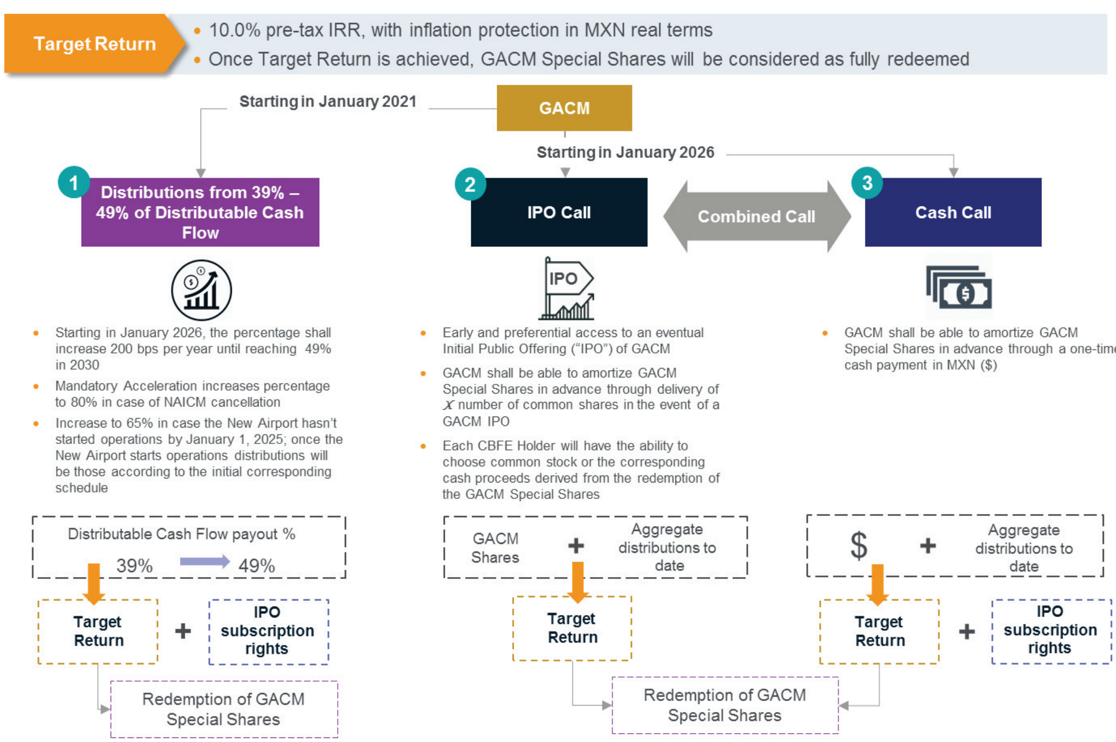
The Issuer intends to use the net proceeds of the Global Offering to acquire an interest in GACM and a nominal interest in AICM, for operating expenses of the Issuer Trust and for other authorized uses. GACM will transfer the funds it receives from the Issuer's subscription of the GACM Special Shares and a nominal interest in AICM to an escrow account held by the Construction Trust and will use these funds for the construction of the New Airport in accordance with its master development plan.

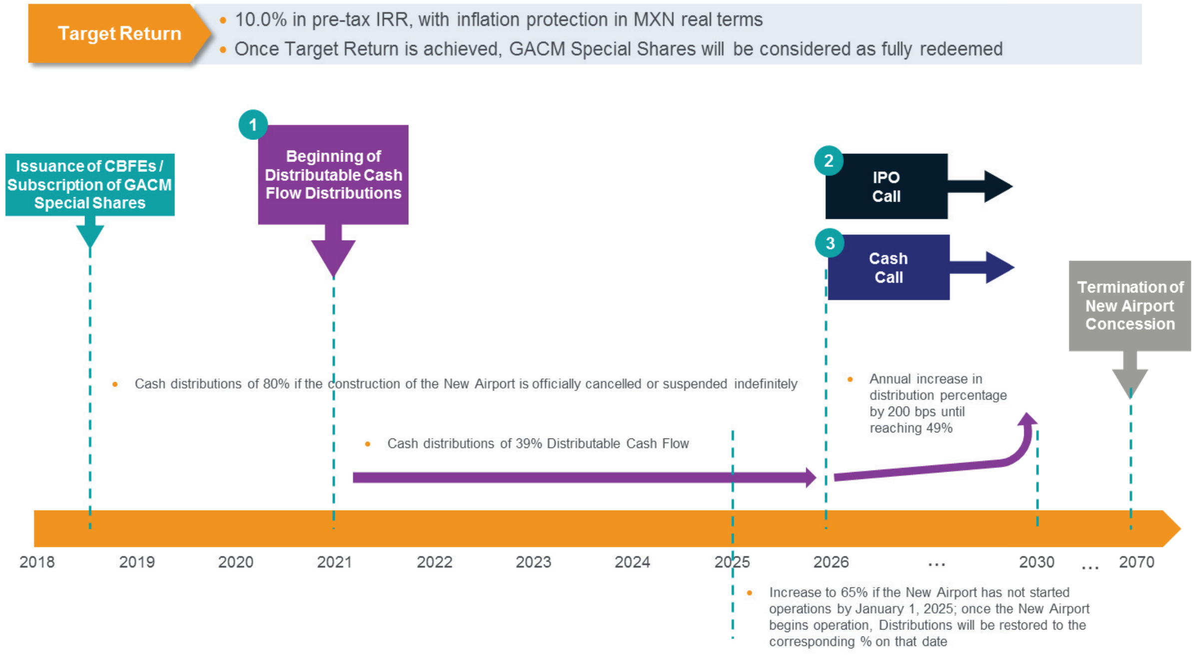
The Issuer's objective is to achieve an internal rate of return on the GACM Special Shares, over the Initial Invested Amount, equal to 10.0% in inflation-adjusted terms (the "Target Return"). Distributions are expected to begin in 2021, from cash flows generated by GACM from the operation of the Existing Airport and, once it commences operations, from the New Airport. However, the cash flows from passenger charges at the Existing Airport were assigned to the TUA Security Trust, as part of the existing debt financing structure related to the Existing Notes, and the Sponsors (and the Issuer Trust) will only receive residual amounts of these cash flows as Restricted Payments after all financing expenses have been paid. See "—Existing Debt Financing Structure" and "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments." Approximately 64.3% of the Existing Airport's revenues for 2017 were attributable to passenger charges.

Starting on January 1, 2021, the Issuer, as holder of the GACM Special Shares, will be entitled to receive Capital Distributions from GACM in an amount equal to 39% of GACM's Distributable Cash Flow, which percentage of distributions will be increased on a yearly basis from 2026 to 2030, and may be further increased on a Mandatory Acceleration Date or a Mandatory Acceleration Date due to Cancellation. The stock certificate representing the GACM Special Shares provides that the amounts payable to the Issuer will have priority over any distribution or payment that GACM makes to any of its other shareholders. The calculation of Distributable Cash Flow will be made before, and without taking into account, the payment of any Budgetary Concession Fees or Government Concession Fees, other than Government Concession Fees related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust, as further described under Appendix B.

Another objective of the Issuer is to provide the holders of the CBFEs with preferential rights if GACM were to have an IPO, either through payments to CBFE holders in connection with GACM's exercise of the IPO Call or the Combined Call or through payments to CBFE holders in connection with the holders' exercise of the subscription rights granted under the CBFEs.

The GACM Special Shares have several characteristics that incentivize GACM to redeem the GACM Special Shares early and deliver the Target Return to the Issuer, for distribution to the holders of the CBFEs, as soon as possible, including the gradual increases in the percentage of Distributable Cash Flow that must be distributed to the Issuer. GACM will have the option to call the GACM Special Shares through the exercise of a Cash Call, an IPO Call or a combination of both, as shown in the following charts:





As holder of the GACM Special Shares, the Issuer will be entitled to certain corporate governance rights (including minority rights) and voting rights over certain material decisions by GACM, including the right to appoint two members of GACM's board of directors. These rights will be reflected in the bylaws of GACM and AICM. A representative appointed by the Issuer to act as a member of GACM's board of directors may be removed if the representative ceases to meet the eligibility criteria, established under GACM's bylaws and Mexican law, to act as a member of GACM's board of directors (including if a conflict of interest arises) or upon a breach of such representative's duty of loyalty or duty of care pursuant to the Mexican Securities Market Law.

GACM's technical committee will have a maximum of 21 members, the majority of which must be independent. The independence of a member of the technical committee will be determined with respect to the Settlor, the Manager, the eligible companies and any person with significant influence over the Issuer in accordance with the Mexican Securities Market Law, meaning a person with the right to vote, directly or indirectly, 20% or more of the Issuer's securities. The Manager will have the right to appoint up to 4 members. The other members of the technical committee may be appointed by a simple majority vote, except that holders of the CBFEs who represent 10% or more of the outstanding CBFEs will have the right to appoint one additional member of the technical committee. See "Description of the CBFEs and the GACM Special Shares" for a descriptions of the characteristics of each of the CBFEs and the GACM Special Shares.

The Manager

The Issuer has entered into a Management Agreement with GACM, pursuant to which GACM will act as manager of the Issuer Trust (the "Manager"). The Manager will be in charge of managing the Issuer's operations, directly or through instructions to the Trustee, except for certain activities and decisions reserved to the technical committee and the CBFE holders' meeting. In order to comply with its obligations under the Trust Agreement and the Management Agreement, the Manager will be entitled to delegate some of its authorities and obligations to any person in the manner and on terms it deems appropriate, provided that any such delegation does not limit its obligations or release it from its responsibilities under the Trust Agreement and the Management Agreement. See "The Manager."

The Structuring Agent

Banco Nacional de Obras y Servicios Públicos, S.N.C. ("BANOBRAS") will act as structuring agent for the offering. In this capacity, BANOBRAS has provided technical, financial and marketing assistance to GACM in connection with the Issuer Trust and the trust estate, and it has participated in defining the terms, conditions and structure of the Global Offering and the CBFEs.

AICM and the Existing Airport

AICM

AICM is a state-owned company organized and existing under the laws of Mexico and a direct subsidiary of GACM. AICM operates the Existing Airport under the Existing Airport Concession granted by the Mexican government on June 29, 1998 for an initial term of 50 years ending on November 1, 2048, with an option to extend such term for an additional 50 years through 2098. The Existing Airport Concession grants AICM the right to provide a wide range of aeronautical, commercial and complementary services to passengers that use the Existing Airport and the right to use the concession assets.

The Existing Airport

Since its opening in 1939, the Existing Airport has served as a hub for transportation and communications in Mexico and in 1943 it was officially declared an international airport for arriving and departing flights.

Servicing 30 airlines flying to 109 destinations, including 56 international destinations as of December 31, 2017, the Existing Airport is built on 769 hectares of land and is comprised of two terminals with two non-simultaneous runways and 60 boarding gates. The Existing Airport is located on the east side of Mexico City in the district of Venustiano Carranza, approximately four miles from downtown Mexico City, and is connected to the surrounding region by several links, including a subway line, a dedicated bus lane, two bus terminals and access roads linked to major highways. With no other major airport servicing the central region of Mexico, between 2010 and 2017, total passenger traffic increased 9.2% per year on average, reaching 41.7 million passengers in 2016 and 44.7 million passengers in 2017. Passenger traffic is projected to reach 55.0 million by the year 2021, according to the Aviation Demand Forecast. Total cargo was 537,263 and 483,433 metric tons in 2017 and 2016, respectively, and increased 4.6% on average per year between 2010 and 2017. Total cargo is projected to reach approximately 633,700 metric tons by 2021. Total ATMs at the Existing Airport increased at an average of 4.1% annually between 2010 and 2017, and are projected to reach approximately 538,300 by 2021. Total ATMs were 449,656 and 448,150 in 2017 and 2016, respectively.

In 2017, the Existing Airport served a total of 44.7 million passengers, approximately one third of Mexico's total population in 2015, as estimated by the Mexican National Institute for Statistics and Geography (*Instituto Nacional de Estadística y Geografía*, or "INEGI"). The Existing Airport serves the Mexico City metropolitan area, which is the second largest metropolitan area in the Americas and the 7th largest metropolitan area in the world, with an estimated population of 21 million, which accounts for approximately 17.6% of Mexico's total population. Mexico City is the political, cultural, economic and financial epicenter of Mexico and one of the most important economic centers in Latin America. In 2016, Mexico City had a nominal GDP of Ps.3,197.4 (US$171.4) billion, or approximately 17.0% of Mexico's GDP, according to INEGI, and was ranked as the eighteenth richest urban agglomeration in the world, in 2014, according to Brookings Institution data.

Mexico City is also a major tourist destination, given its rich cultural heritage including world-class museums, colonial landmarks and ancient Mesoamerican archeological sites. In 2017, according to the Mexico City Ministry of Tourism (*Secretaría de Turismo de la Ciudad de México*), approximately 29.8 million tourists visited Mexico City. According to the World Tourism Organization, in 2017 Mexico ranked eighth among countries worldwide in terms of foreign visitors and ranked first in terms of foreign visitors traveling to Latin America and the Caribbean. In 2017, the Existing Airport served approximately 55.5% of Mexico's total cargo traffic of 537,263 tons and hosted 14 cargo airlines serving destinations in Europe, North, Central and South America, the Middle East and Asia.

The Existing Airport faces significant capacity constraints, with no potential for expansion due to its location in a densely populated area. In order to meet the expected growth of the Existing Airport's passenger traffic, capacity may be optimized if certain measures are implemented, such as, limitation of airport use by non-commercial aircraft, use of larger aircraft and optimization of processes related to gate arrival, departure and use of taxi runways. However, because of the limitations imposed by the physical and geographical constraints at the Existing Airport, the above optimization measures are considered palliative and short-term remedies that will not accommodate the projected long-term growth in passenger traffic volume in Mexico City.

Because the Existing Airport and the New Airport will share the same air space, the two airports cannot operate at the same time and the commercial operations at the New Airport must commence simultaneously with the closing of the Existing Airport.

Operation and Services of the Existing Airport

All of AICM's revenues are regulated by the Existing Airport Concession. Because AICM is a state-owned company, the rates that AICM is entitled to charge for aeronautical services, including passenger charges, are determined unilaterally by the Mexican government through the SHCP, with the prior opinion of the SCT. Passenger charges are updated annually to account for U.S. inflation rates. Although certain revenues from non-aeronautical services (such as the lease of space to airlines and other airport service providers that are considered essential to an airport) are regulated by the Mexican government, revenues from commercial activities and complementary services generally are not regulated. If AICM ceased to be a state-owned company, these rates would be regulated in accordance with the provisions of the Mexican Airport Law and the Mexican Airport Law regulations. Because GACM is also a state-owned company, the rates that GACM will be entitled to charge for these services once the New Airport commences operations will be regulated in the same manner as the Existing Airport.

Aeronautical Services

The Existing Airport's revenues from aeronautical services are derived from a wide range of services, including: passenger charges, landing charges, boarding and deplaning platform parking service charges, prolonged or overnight stay platform parking service charges, passenger walkway charges, passenger and carry-on baggage inspection service charges, checked baggage inspection service charges and general aviation service charges (right of access, restrooms, rescue from and extinguishing of fires, sanitary services, issuance of badges and permits).

Aeronautical services have historically represented the main source of revenue for the Existing Airport. In 2016 and 2017, revenues derived from aeronautical services represented approximately 74.4% and 74.0%, respectively, of the Existing Airport's total revenues.

Passenger Charges

The principal source of revenue generated by the Existing Airport is the collection of passenger charges. Passenger charges are tariffs charged for the use of an airport, applied to all paying passengers departing on domestic or international flights, excluding certain exempt passengers. Domestic Tariffs apply to any departing paying passenger whose final destination is within Mexico, while International Tariffs apply to any departing paying passenger whose final destination is outside of Mexico. Because AICM is a state-owned company, the International and Domestic Tariffs are determined unilaterally by the Mexican government through the SHCP, with the prior opinion of the SCT. As of January 18, 2018, the International Tariff was US$44.07 per passenger and the Domestic Tariff was US$23.20 per passenger. In 2016 and 2017, passenger charges represented approximately 87.1% and 86.9%, respectively, of aeronautical services revenues and 64.8% and 64.3%, respectively, of total revenues.

Passenger charge tariffs may be subject to change upon request made by AICM to the SCT, which in turn makes a request to the SHCP, which authorizes or denies the request hearing the opinion of the Mexican Ministry of Economy. If approved, the new tariffs are registered with the SCT and become effective as of publication in the Federal Official Gazette, provided that tariffs may increase over time due to economic conditions such as inflation. This process generally takes approximately two months from the date of receipt of formal request.

In the last ten years, passenger charge tariffs at the Existing Airport have been subject to two extraordinary increases, which became effective in January 2014 and 2018, respectively. On January 16, 2014, Domestic Tariffs were raised 38.0% and International Tariffs were raised 74.3%. On January 18, 2018, the International Tariff was raised 22.2%, and the Domestic Tariff remained the same at US$23.20. The following table shows the historical Domestic and International Tariffs in effect at the Existing Airport in the last five years.

	2014	2014 Increase(3)	2015	2016	2017	2018	2018 Increase(4)	CAGR 2014-2018
				(in dollars, except percentages)				
Domestic tariff	15.91	21.96	22.33	22.37	22.74	23.20	23.20	
Annual increase(1)	1.0%	38.0%	1.7%	0.2%	1.6%	2.0%	0.0%	9.9%
International tariff	19.59	34.15	34.72	34.78	35.35	36.07	44.07	
Annual increase(1)	1.0%	74.3%	1.7%	0.2%	1.6%	2.0%	22.2%	22.5%
U.S. inflation(2)	1.0%	-	1.7%	0.2%	1.6%	2.0%	-	-

(1) Reflects the increase in the tariff for each year compared to the tariff for the prior year.
(2) Inflation based on the Consumer Price Index for all Urban Consumers published by the U.S. Bureau of Labor Statistics.
(3) Passenger charge tariffs effective as of January 16, 2014.
(4) Passenger charge tariffs effective as of January 18, 2018.
Source: AICM and Federal Official Gazette.

The right to collect passenger charges at the Existing Airport was sold and transferred to the TUA Issuer Trust, which assigned this right to the TUA Security Trust to secure, and serve as source of payment for, the existing debt financing obtained for the construction of the New Airport, including the Existing Notes. All revenues derived from the collection of passenger charges are collected by the airlines operating at the Existing Airport and deposited with the TUA Security Trust to fund all payments of principal and interest under this financing structure. AICM has the right to receive certain residual amounts, and additional residual amounts may be distributed at GACM's discretion, from these revenues only after all financing expenses have been paid. As a result, such funds will only be available for distribution to the holders of CBFEs if they are not required for the payment of interest and principal on indebtedness and all other conditions for making Restricted Payments have been satisfied. See "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—Existing Notes—TUA Restricted Payments."

Other Aeronautical Services

Various charges are collected from airlines for the use of the Existing Airport's facilities by their aircraft and passengers. The tariff for landing service is collected from each aircraft for the use of runways, taxiways, runway approach lighting systems and standardized approach slope indicator visual systems. The tariff for boarding and deplaning platform parking service is charged to all aircraft for the allocation of parking slots and stay on platforms for boarding and deplaning of passengers, cargo, mail and baggage, and also for the use of parking and position signs, lights and permanent parking areas for ground support equipment. The tariff for passenger mechanical walkway service is charged to all aircraft that use passenger walkways, bridges and aerocars (buses used to transport passengers to remote boarding areas). The tariff for passenger and carry-on baggage inspection service is charged to all aircraft that use uses specialized automatic and manual equipment, metal and explosive detectors or X-ray monitors, to check passengers and their baggage. The tariff for prolonged or overnight stay parking platform service is charged to al aircraft for the stay on a platform for extended periods of time during which the boarding or deplaning of passengers, cargo, mail and baggage will not occur, and for the use of parking and position signs and lights. The tariff for checked baggage services is charged to all aircraft that use specialized automatic and manual equipment, metal and explosive detectors or x-ray monitors to screen checked baggage. The tariff for general aviation service is charged to all aircraft that are used for private commercial air transportation services, private non-commercial air transportation services, air taxis and government aircraft.

Cargo Handling

Cargo-related revenues include revenues from the leasing of space in the Existing Airport to handling agents and shippers, landing fees for each arriving aircraft carrying cargo and a portion of the revenues derived from other complementary services provided in connection with cargo services. In 2017 and 2016, the Existing Airport handled approximately 537,263 and 483,433 metric tons of cargo, respectively.

Non-Aeronautical Services

The Existing Airport's revenues from non-aeronautical services are derived from commercial activities (such as the leasing of space in the Existing Airport to retailers, restaurants, airlines and other commercial tenants) and access fees charged to providers of complementary services in the Existing Airport (such as catering, handling and ground transport). In 2016 and 2017, revenues from non-aeronautical services represented 25.6% and 26.0%, respectively, of total revenues.

Commercial Activities

The Existing Airport generates a significant portion of its revenues from commercial activities, including the leasing of space to retailers, car rental agencies, parking lots, currency exchange bureaus, banks, hotels, restaurants, airlines, advertising, mail and other services. Such activities are dependent on passenger traffic, passengers' level of spending and the design of the terminal building and the parking lots, among other factors. Revenues from commercial services also depend on the percentage of traffic represented by international passengers due to the revenues generated from duty-free shopping and spending on other commercial activities. Currently, the leasing of space in the Existing Airport to airlines and other commercial tenants represents the second most significant source of revenues from the Existing Airport.

The Existing Airport had approximately 630 lease agreements with commercial tenants as of December 31, 2017, including restaurants, banks, hotels, retail outlets (including duty-free stores), currency exchange bureaus and car rental agencies. The Existing Airport charges either a fixed monthly fee or a royalty fee based on a percentage of tenant profits for the lease of commercial space in the Existing Airport.

The Existing Airport provides additional commercial services, including automobile parking and ground transport services. The Existing Airport has over 6,517 public parking spaces for which parking fees are charged. Revenues from parking at the Existing Airport are not currently regulated, although they could become regulated upon a finding by the Mexican Antitrust Commission that there are no competing alternatives. Parking fees are charged in Mexican pesos.

The Existing Airport also collects revenue from various commercial vehicle operators, including taxi and bus operators. The Existing Airport's revenues from permanent providers of ground transport services, such as access fees charged to taxis, are regulated activities, while the Existing Airport's revenues from non-permanent providers of ground transport services, such as access fees charged to charter buses, are not regulated revenues. Access fees are charged in Mexican pesos.

In 2016 and 2017, revenues from commercial activities represented approximately 97.3% of non-aeronautical services revenues for both years, and 24.9% and 25.3%, respectively, of total revenues. Revenues from commercial activities are usually denominated in Mexican pesos.

Complementary Services

Revenues from complementary services are primarily derived from the following services: aircraft servicing at its gates (interior cleaning, passenger boarding and deplaning, luggage and cargo handling, deicing, etc.), fuel supply, maintenance and repairs of aircrafts, security, and handling of documentation for passengers, luggage and cargo.

Under the Mexican Airport Law and current regulations, complementary services may be provided by the Existing Airport directly, by an airline for itself and/or for other airport users or by a third party hired by the Existing Airport. Typically, these services are provided at the Existing Airport by third parties, whom are charged an access fee based on a percentage of revenues they earn.

In 2016 and 2017, revenues from complementary services represented approximately 2.7% and 2.7%, respectively, of non-aeronautical services revenues and 0.7% and 0.7%, respectively, of total revenues. Fees for complementary services are generally charged in Mexican pesos.

GACM and the New Airport

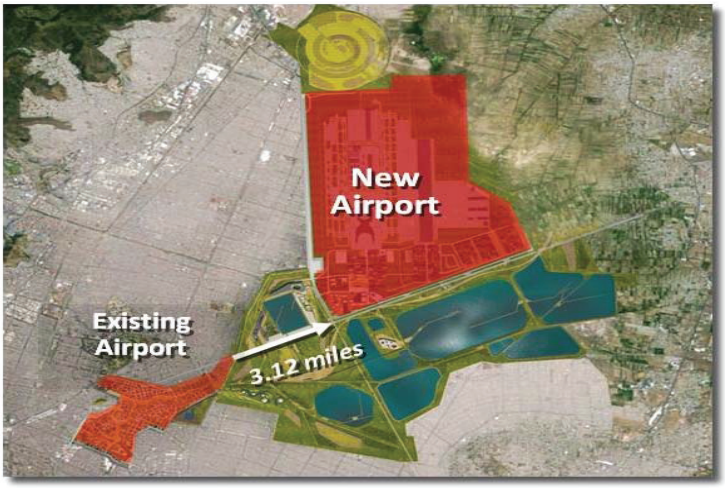
GACM

GACM is a state-owned company organized and existing under the laws of Mexico. SCT owns 99.9% of GACM's shares and ASA owns the remaining 0.01%. The Mexican government granted the New Airport Concession to GACM on September 22, 2014 for an initial term of 50 years starting from the commencement of commercial operations of the New Airport, and GACM has an option to extend the initial term of the concession for an additional 50 years. The New Airport Concession requires GACM to build, operate, maintain and develop the New Airport and carry out any necessary construction in order to render aeronautical, commercial and complementary services as provided under the Mexican Airport Law and the Mexican Airport Law regulations.

The New Airport Concession requires GACM to remain as a state majority-owned entity (*empresa con participación estatal mayoritaria*) throughout the term of the New Airport Concession. Failure to comply with this condition is a cause for immediate revocation of the New Airport Concession. In turn, the Existing Airport Concession requires GACM to retain at least 51.0% direct ownership interest in AICM throughout the term of the Existing Airport Concession.

The New Airport

In September 2014, the Mexican federal government announced the development and construction of a new international airport in Mexico City designed to meet the projected long-term demands of air travel in Mexico City and remedy the current capacity constraints at the Existing Airport. The New Airport will be located on an approximately 4,431 hectares federal property located adjoining the municipalities of Atenco, Ecatepec de Morelos and Texcoco in the State of Mexico, approximately 7.1 miles from downtown Mexico City and only 3.1 miles northeast of the Existing Airport.



A consortium consisting of renowned architects Norman Foster (Foster + Partners) and Fernando Romero (FR-EE) developed the architectural design of the land side of the New Airport, which is inspired by the Mexican national emblem, while providing an attractive and efficient passenger experience. The construction plan for the air side, which includes the runways, taxiways, platforms, aprons and support facilities, was designed by Netherlands Airport Consultants ("NACO"), a renowned global provider of airport planning, design and engineering services, with participation in the development of more than 600 airports around the world. The New Airport is expected to be connected to the surrounding region by several links, including a subway line, a dedicated bus lane, one bus terminal and access roads linked to major highways.

The New Airport is expected to be one of the largest airports in Latin America in terms of passenger traffic and an important regional hub, according to the Aviation Demand Forecast. The New Airport is expected to be environmentally sustainable and have approximately 55 million passengers during its first full year of operations, and increase progressively to reach 140.5 million annual passengers by 2070. At its opening, which is expected to occur in October 2020 concurrently with the closing of the Existing Airport, the New Airport is expected to be comprised of a single terminal with three triple-simultaneous runways and 108 boarding gates, and expand to achieve its maximum capacity with the opening of the second terminal building to six triple-simultaneous runways and 191 boarding gates by 2070.

Construction of the New Airport

Construction Phases

Construction of the New Airport is expected to take place in four phases, incrementally increasing the capacity of the New Airport in order to meet the expected increase in demand for each phase.

The first phase is designed to provide the necessary capacity to serve up to 144 ATMs per hour and 855,000 ATMs per year. The first phase will include the following:

- Three runways: runways 2, 3 and 6, which will operate simultaneously. Runways 2 and 3 will be used for commercial traffic (passengers and cargo), runway 6 will be used mainly for non-commercial traffic (government, presidential, military and general aviation) and during peak hours could be used to absorb some commercial traffic.

- One terminal building of 743,000m^2, designed to accommodate incremental expansions of the operations until it has the capacity to serve 57 million passengers per year.

- Parking areas and zones for passengers to load and unload from buses, taxis and private vehicles.

- One parking platform for aircraft, with 119 active positions in its maximum configuration, of which at least 95 will be contact points with the terminal.

The second phase of the construction of the New Airport is designed to provide the necessary capacity to serve up to 166 ATMs per hour and 986,000 ATMs per year. The second phase will include the following:

- Construction of runway 4, which will serve the aircraft positions in the Western zone of operations and the expected developments in the Eastern zone of operations.

- Development of a satellite terminal north of the terminal building, which will include an automated transportation system for passengers and a baggage center that will connect it to the terminal building.

- Additional boarding gates in the satellite terminal.

- Gradual expansion of the ground parking lots, with the expectation that by 2030 the ratio between the parking lots and the terminal buildings will be approximately 1:3.

- Expansion of the services provided by the subway line to the New Airport.

The third phase of construction is designed to provide the necessary capacity to serve up to 188 ATMs per hour and 1,116,000 ATMs per year. The third phase will include the following:

- Construction of runway 1, which will serve the majority of the aircraft positions in the Western zone of operations.

- Development of the second terminal, and expansion of the automated transportation system for passengers and baggage center.

- Construction of a second air traffic control tower for the second terminal and the operations of runways 4 and 5.

The final phase of the construction of the New Airport is designed to provide the necessary capacity to serve up to 210 ATMs per hour and 1,247,000 ATMs per year. The fourth phase will include the following:

- Operation of all 6 runways, which will provide sufficient capacity to accommodate the highest projected demand.

- Construction of the system of perimeter roads, including the perimeter roads surrounds the south perimeter of the second terminal and the ground support systems around runway 5.

- Development of the second satellite terminal in the eastern zone of operations, and expansion of the automated transportation system for passengers and the baggage center to connect the two terminal buildings and the two satellite terminals.

According to the construction program, the New Airport is expected to start operations in October 2020. GACM believes that the overall program, including engineering for critical items, allocation of construction contracts and early construction works are on schedule to complete the project on time.

The chart below represents a comparison between the Existing Airport, the New Airport following its first phase of construction and the New Airport fully operational.

	Existing Airport	**New Airport – First Phase***	**New Airport Final Phase ****
	(as of December 31, 2017)	(projected information; % change versus Existing Airport)	(projected information; % change versus Existing Airport)
Passengers per year	44,732,418	55,012,000 (23%)	140,449,000 (214%)
Peak hour total ATMs	62	106	205
Total ATMs per year	449,656	538,300	1,152,100
Runways	2 (non-simultaneous)	3 (triple-simultaneous) (50%)	6 (triple-simultaneous) (200%)
Boarding gates	60	108 (80%)	191 (218%)
Total land (hectares)	769	4,431 (476%)	4,431 (476%)
Terminal building (m^2)	581,953	743,000 (28%)	Subject to development plans

* Expected to be completed by 2020. Projected information is based on the Aviation Demand Forecast's projections for 2021, the New Airport's first full year of operations.
** Expected to be completed by 2065. Projected information is based on the Aviation Demand Forecast's projections for 2070.
Source: Aviation Demand Forecast and GACM's information.

Status of Construction

As of December 31, 2017, the following works have been completed: perimeter fence and walkway, 48.3 kilometers of access roads, the GACM camp, temporary drainage, clearing and leveling and the removal of debris. The following works are currently under construction: the electric substation, runways 2, 3 and 6, terminal building, control tower, foundation of the terminal and the ground transportation center, surveillance system of the runways under construction, the electricity distribution network, the navigational aid system, central service plants, platforms, fuel distribution network and the security system. During 2018, GACM expects to complete the public bidding process for 16 additional projects.

One of GACM's key values is transparency, which is reflected in the control mechanisms established for the construction of the New Airport. GACM is dedicated to making information public, and has published more than 320 contracts on its website. GACM and the SCT have also entered into agreements with the Organization for Economic Cooperation and Development to adopt best international practices in contracting and strengthen transparency. GACM also entered into an agreement with the *Instituto Nacional de Transparencia* to strengthen transparency and accountability. GACM also regularly presents bids and decisions with respect to new contracts via live broadcasts, involving a notary, a social witness and the Internal Comptroller (*Organo Interno de Control*).

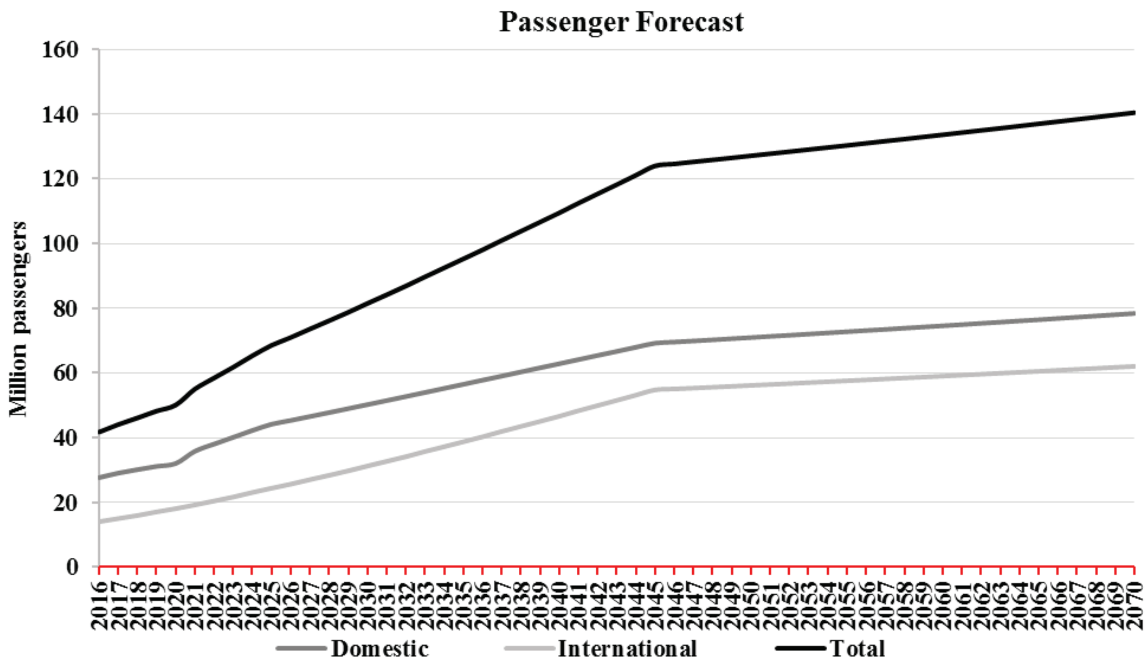
Aviation Demand Forecast

GACM hired Landrum & Brown to conduct an independent assessment (the "Aviation Demand Forecast") of the projected passenger activity, air cargo tonnage and ATMs for the Mexico City Airport System. Landrum & Brown is a well-recognized international consulting firm for commercial aviation, focused on the planning and development of aeronautical solutions and with experience working on diverse projects for airports around the world, including the King Abdulaziz International Airport in Saudi Arabia, the airport in Los Angeles, California, the airport in Melbourne, Australia, the Shanghai Pudong International Airport in China and the airport in Dubai, United Arab Emirates, among others. The Aviation Demand Forecast, dated January 2018, is attached as Appendix A to this offering memorandum.

The projections in the Aviation Demand Forecast are an update of the independent assessment of the projected passenger traffic and passenger charges for the Mexico City Airport System, dated September 3, 2016, prepared for the Sponsors by ARUP Group Limited (the "Independent Traffic Report"). Compared to the Independent Traffic Report, the updated projections included in the Aviation Demand Forecast start with a higher base of total passengers based on the actual passenger volume observed to date, which exceeds the Independent Traffic Report's projection by more than 9%. The Aviation Demand Forecast assumes that the New Airport will open in October 2020. The Independent Traffic Report's forecast provided a 2.6% AAGR in total passenger traffic from 2016 to 2065 and used passenger traffic observed through April 2016 as the starting point, yielding 125.4 million annual passengers in 2065. According to the Aviation Demand Forecast, total passenger traffic will grow at an AAGR of 2.4% over the same forecast period, and, based on passenger traffic observed through December 2016 as a starting point, will yield 137.0 million annual passengers in 2065, a long-range difference of 11.6 million compared to the Independent Traffic Report.

The Aviation Demand Forecast estimates that approximately 55 million passengers will use the New Airport in 2021, the first full year of its operation. It is projected that domestic traffic will account for about 65% of the passengers, with 35% of traffic being international. Connecting traffic will represent an estimated 26% of passengers in 2021. Passenger traffic at the New Airport is expected to reach 68.6 million annual passengers by 2025, and 81.5 million by 2030. By 2070 in the long range forecast, total annual passengers at the New Airport are projected to reach 140.5 million.

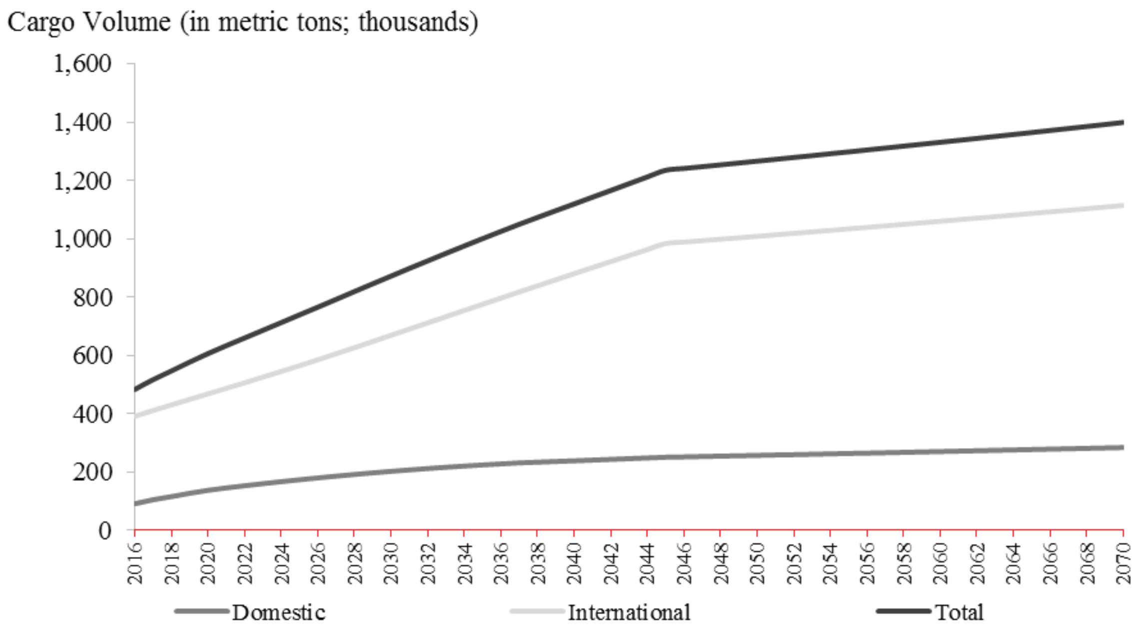
TOTAL PASSENGER FORECAST (2016-2070)



Source: Landrum & Brown, Aviation Demand Forecast 2018.

Cargo tonnage is forecast to increase from 483,433 metric tons in 2016 to approximately 633,700 metric tons by 2021 and 1.4 million metric tons by 2070. Cargo tonnage is expected to remain mainly international. A vast majority of the current cargo traffic is handled in the belly compartment of commercial passenger aircraft and this is unlikely to change materially in the future.

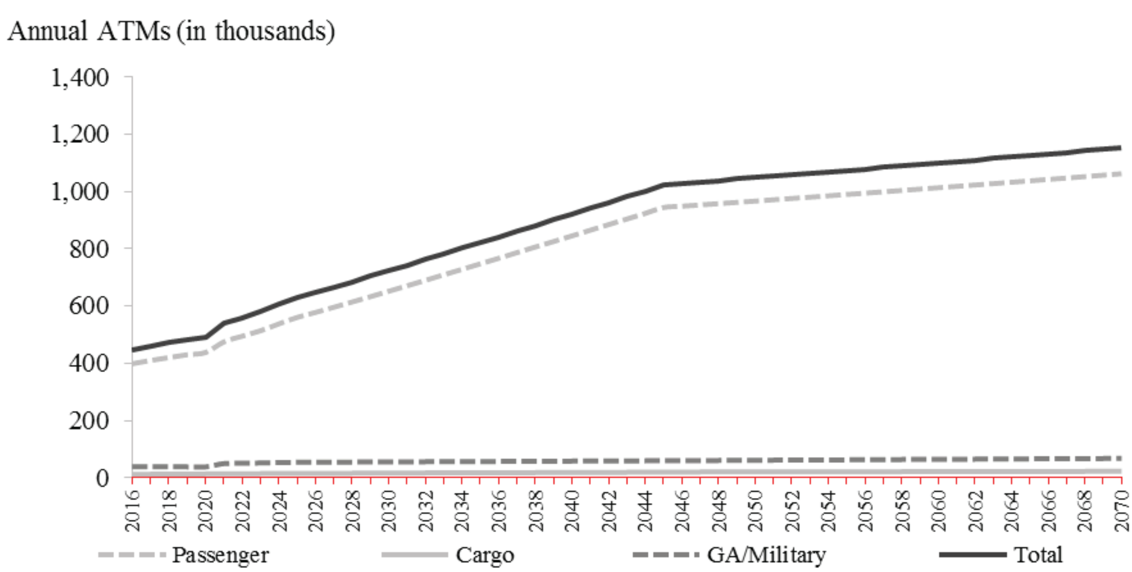
CARGO TONNAGE FORECAST (2016-2070)



Source: Landrum & Brown, Aviation Demand Forecast 2018.

Total ATMs are expected to increase from approximately 448,150 ATMs in 2016 to 538,300 by 2021 and nearly 1.2 million ATMs by 2070. Passengers ATMs are forecast to increase from 398,401 ATMs in 2016 to 474,700 ATMs by 2021 and nearly 1.1 million ATMs in 2070. All-cargo (or freighter) ATMs are forecast to increase from 11,724 ATMs in 2016 to 13,900 ATMs by 2021 and 22,600 ATMs in 2070.

ANNUAL ATMS FORECAST (2016-2070)



Source: Landrum & Brown, Aviation Demand Forecast 2018.

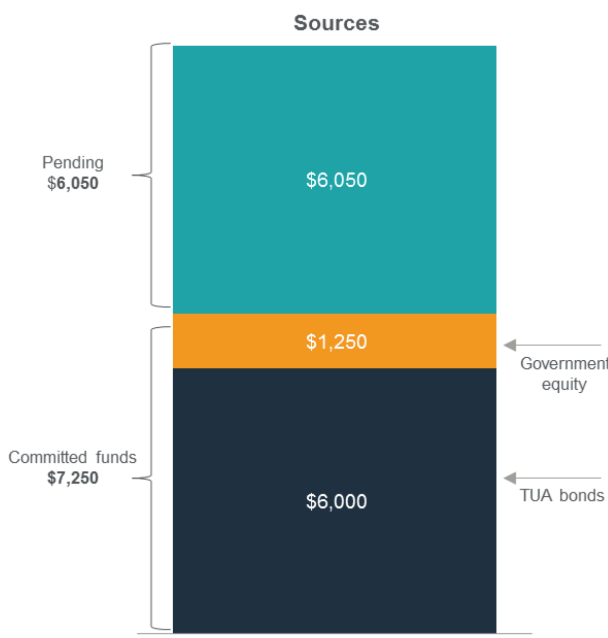
The projections and conclusions in the Aviation Demand Forecast are merely illustrative and actual results will depend on various factors, including actual traffic volume, and patterns may differ materially from those projected. Also, any changes in the methodology used to create these forecasts could result in significant changes to these forecasts. The forecasts included in this offering memorandum are hypothetical projections, and they are not a representation of what will or could occur in the future. Accordingly, investors are cautioned not to place undue reliance on the projections and assumptions contained in the Aviation Demand Forecast. See "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors."

Financing of the New Airport

Overall Funding Plan

The construction program and budget for the New Airport, including enabling and complementary works, was prepared and has been updated from time to time by the project manager Parsons Corporation. The total funding required for the construction and initial operation of the New Airport is currently estimated at approximately US$13.3 billion, of which approximately 36% will be contributed by the Mexican government through the use of public funds, and approximately 64% is expected to be financed by bank loans and through several offerings of securities in the domestic and international capital markets, including the Existing Notes and the CBFEs offered hereby. An additional increase in passenger charges could be used as an additional source of financing.

The following diagram summarizes the funding plan for the development of the New Airport, including the contribution by the Mexican government of federal budget funds:



The Mexican government approves a federal budget of public expenditures, including the funds allocated for the construction of the New Airport, each year. The federal budget of public expenditures is the annual spending program and includes the multiannual expenditure commitments to be allocated to public works and public service contracts. The budgets of majority state-owned entities are prepared based on their annual programs, which contain a detailed description of their objectives, goals and the internal units responsible for their execution. On December 15, 2017, the Mexican Congress (*Congreso de la Unión*) approved the federal contributions to be made for the New Airport in 2018 and approval for the following years must be requested each year, based on the annual program prepared by GACM and approved by its board of directors. As of December 31, 2017, contributions from the Mexican government for the development of the New Airport project totaled Ps.17,141.9 million (approximately US$1,250 million). For more information on the federal budget of public expenditures, see "The Mexican Regulatory Framework—Federal Budget of Public Expenditures."

Existing Debt Financing Structure

In 2016 and 2017, the TUA Issuer Trust offered a total of US$6 billion in senior secured notes (the "Existing Notes"). The Existing Notes include US$1 billion 4.250% senior secured notes due 2026, US$1 billion 3.875% senior secured notes due 2028, US$1 billion 5.500% senior secured notes due 2046 and US$3 billion 5.500% senior secured notes due 2047. The Existing Notes are structured as a securitization of receivables from passenger charges derived from the operation of the Existing Airport and, upon commencement of commercial operations, the New Airport, without recourse to the Mexican government or the Sponsors.

Pursuant to certain Assignment of Rights Agreements entered into among each of the Sponsors and the TUA Issuer Trust, on October 29, 2014, each Sponsor assigned to the TUA Issuer Trust the rights to collect passenger charges from the Mexico City Airport System, together with other related property and assets. In exchange, the Sponsors received the right to receive the proceeds from the offering of the Existing Notes and any future indebtedness incurred by the TUA Issuer Trust, to be used to partially fund the development and construction of the New Airport. The TUA Issuer Trust contributed the rights to collect passenger charges and the other related property and assets to the TUA Security Trust as collateral for the benefit of the TUA Issuer Trust's secured creditors, including the trustee acting for the benefit of the holders of the Existing Notes.

The property and assets contributed by the TUA Issuer Trust to the TUA Security Trust as collateral (the "TUA Collateral") for the benefit of the TUA Issuer Trust's secured creditors and which constitute the principal source of repayment of the TUA Issuer Trust's indebtedness, including the Existing Notes, are:

(i) the right to collect passenger charges for the use of the Existing Airport and, upon the commencement of commercial operations, the New Airport;

(ii) all proceeds of insurance payable with respect to the partial or complete interruption of the operation of the Mexico City Airport System;

(iii) all proceeds of indemnities in connection with certain expropriation events affecting the Mexico City Airport System; and

(iv) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at the Mexico City Airport System.

Until the New Airport commences operations, this financing structure and the TUA Issuer Trust's repayment capacity is mainly based on cash flows generated by the collection of passenger charges at the Existing Airport. Upon commencement of commercial operations of the New Airport, cash flows generated by the collection of passenger charges at the New Airport will replace the cash flows generated by the collection of passenger charges at the Existing Airport as the only source of funding to service the TUA Issuer Trust's debt.

The security over the TUA Collateral and the rights of holders of the TUA Issuer Trust's indebtedness is also subject to the provisions of an intercreditor agreement, entered into on September 29, 2016 and amended on September 20, 2017, among the TUA Issuer Trust, the trustee of each series of Existing Notes, acting on behalf and for the benefit of the holders of each series of Existing Notes, HSBC Bank USA, National Association, as administrative agent, Citibank, N.A., as offshore collateral agent and intercreditor agent, Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria, as onshore collateral agent and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, as trustee under the TUA Security Trust (the "Intercreditor Agreement").

Pursuant to the Intercreditor Agreement and the agreements governing the TUA Issuer Trust's existing debt, the TUA Issuer Trust is allowed to incur additional senior secured debt subject to certain conditions (such as compliance with certain financial ratios), on a *pari passu* basis with its existing and future indebtedness, including indebtedness under the Existing Notes. All of the TUA Issuer Trust's existing and future indebtedness will be secured by the TUA Collateral and all of its secured creditors will be entitled to share ratably with the holders of the Existing Notes in any proceeds generated by the TUA Collateral.

TUA Waterfall

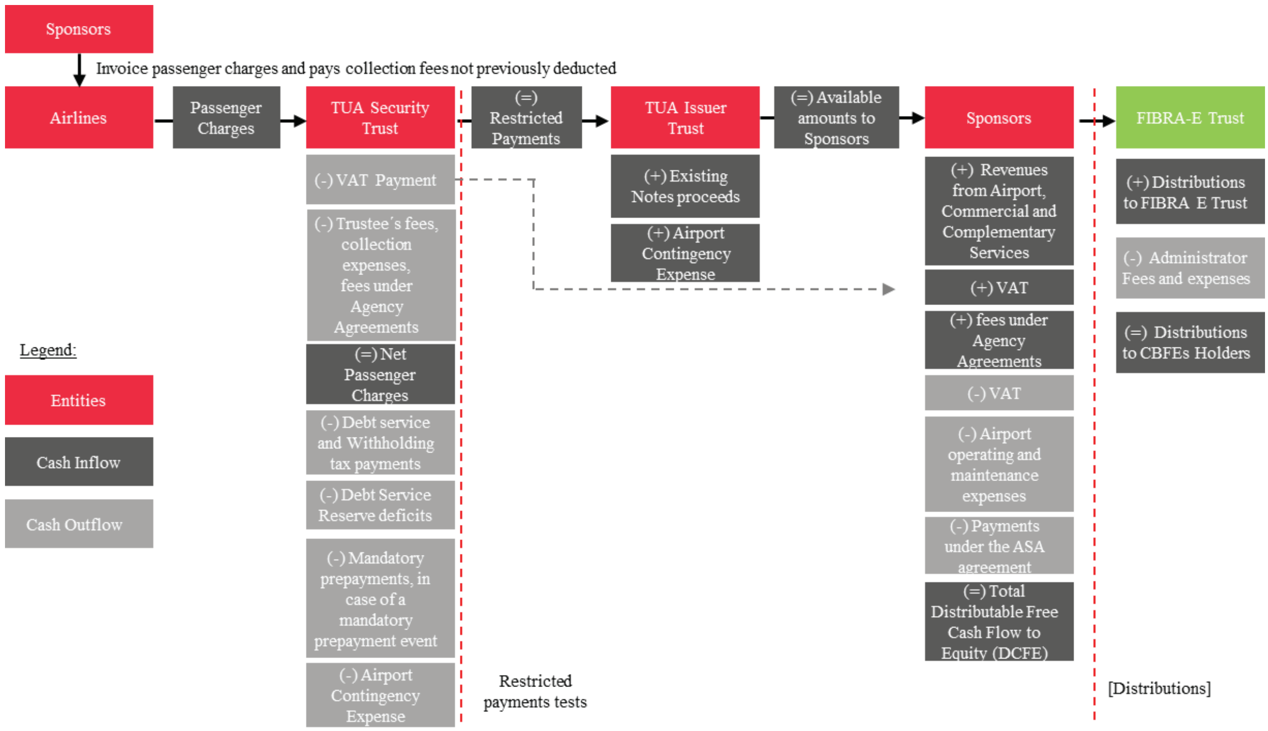
Pursuant to the TUA Security Trust and the Intercreditor Agreement, the TUA Security Trust Trustee is required to maintain bank accounts where amounts due in respect of passenger charges are deposited by the airlines and, prior to the occurrence of an event of default under the TUA Issuer Trust's secured debt (including the Existing Notes and any future additional debt), is required to apply the funds deposited in such accounts in accordance with the a specific order of priority, which prioritizes payments of value added taxes, administrative expenses, obligations due to any secured party under the TUA Security Trust, payments to the debt service accrual accounts and debt service reserve accounts of each type of secured debt incurred by the TUA Issuer Trust, and payment of the operating and maintenance expenses of the Mexico City Airport System, among other things, before on any of these funds are transferred to GACM or AICM via a restricted payment. For a more detailed description of the TUA waterfall, see "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—TUA Waterfall."

Subject to the terms of the Intercreditor Agreement, upon an event of default under the TUA Issuer Trust's secured debt, including any series of Existing Notes, any balances standing in the TUA Security Trust's accounts, any proceeds from the exercise of any rights or remedies in respect of the TUA Collateral and any compensation received from the Mexican government in respect of the Concessions, shall be used to pay in full all outstanding secured debt of the TUA Issuer Trust and any other secured obligations under the corresponding financing documents.

TUA Restricted Payments

Pursuant to the Existing Notes, in order for the TUA Issuer Trust to receive Restricted Payments at the end of the waterfall, certain conditions must be satisfied, including the following: the TUA Issuer Trust must meet a debt service coverage ratio, there must be no prospective event of default or continuing event of default under its secured debt and there must be no deficiency in the debt service reserve accounts. For a more detailed description of the conditions that must be satisfied prior to the issuance of any Restricted Payments, see "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—Existing Notes—TUA Restricted Payments."

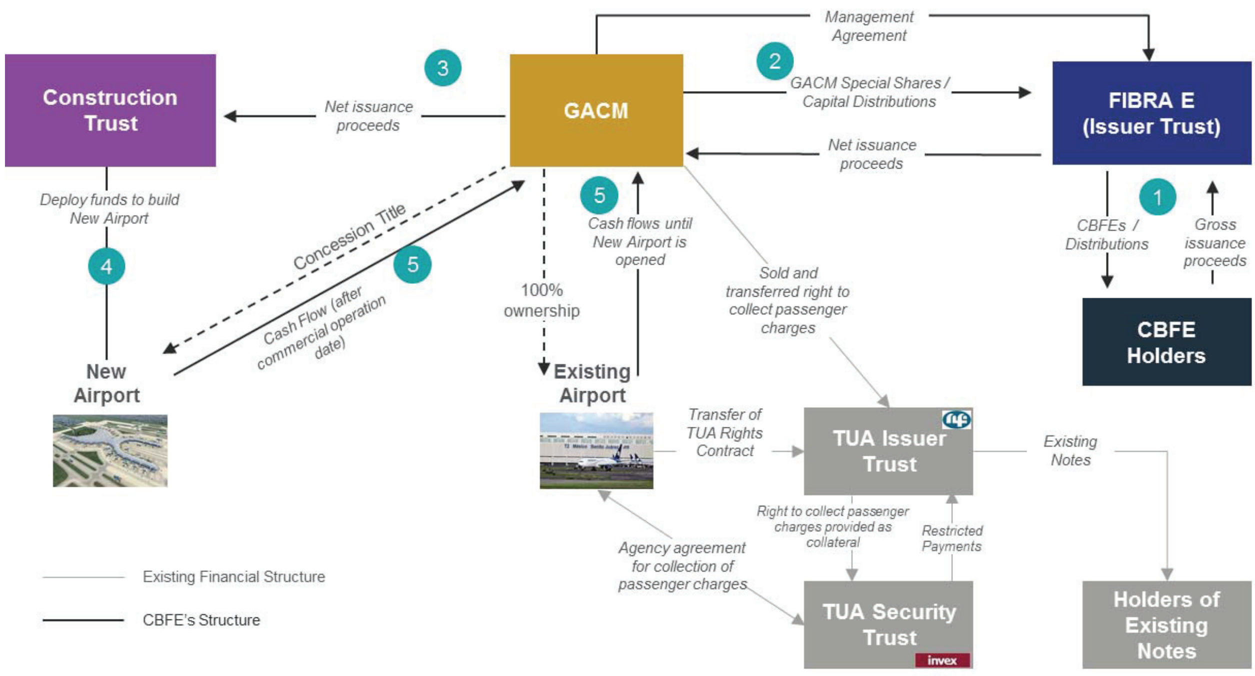
Upon the transfer of any amounts to the TUA Issuer Trust as a restricted payment, such amounts cease to be part of the TUA Collateral and are then transferred by the TUA Issuer Trust to the Sponsors, as shown in the below chart. Therefore, the Sponsors (and the Issuer Trust) will receive any residual amount from these revenues only after all financing expenses have been paid.



In 2016 and 2017, the TUA Security Trust distributed Ps.6,161.3 and Ps.5,710.6 million, respectively, of excess revenues from passenger charges to the TUA Issuer Trust, as contingent airport expenses and Restricted Payments under this financing structure, representing 81.2% and 68.2% of GACM's consolidated revenues from passenger charges from the Existing Airport in 2016 and 2017, respectively. Restricted Payments for the current and following years are expected to be lower as a result of the offering of the 2028 Notes and the 2047 Notes in September 2017 and may be impacted by any future increase in debt of the TUA Issuer Trust. Investors are cautioned not to consider the availability of passenger charges in computing the amount of cash available for Distributions. See "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—Existing Notes."

Financing and Corporate Structure

The following diagram presents the corporate and financing structure of GACM and AICM, after issuance of the CBFEs:



(1) The Issuer Trust issues CBFEs to be subscribed through the Global Offering.
(2) GACM's shareholders' meeting approves an increase of GACM's capital stock via the issuance of the GACM Special Shares, which will be subscribed by the Issuer and paid with the net proceeds of the Global Offering.
(3) The proceeds that GACM receives from the subscription and payment of the GACM Special Shares will be transferred to the Construction Trust to carry out the construction and development of the New Airport.
(4) The Construction Trust will direct the funds to cover the costs related to the planning, design and construction of the New Airport and related works.
(5) Starting in 2021, GACM will pay a percentage of the Distributable Cash Flow to the Issuer as Capital Distributions, which the Issuer will use to make Distributions to the holders of the CBFEs.

* Restricted Payments are paid to the TUA Issuer Trust or any other person instructed by the TUA Issuer Trust, including GACM and AICM.

Strengths

CBFE instrument with attractive characteristics for potential investors including opportunities for current income, capital appreciation and corporate governance protections

The following characteristics may make the CBFEs attractive for potential investors:

- The main source of payment of the Distributions to be made to the holders of the CBFEs will be the Capital Distributions received by the Issuer directly and indirectly from GACM and AICM, based on the cash flows generated by the operation of the Existing Airport which has operated satisfactorily for the last several decades and, once it commences operations, the New Airport.

- The Issuer, as holder of the GACM Special Shares, will be entitled to a rate of return over the Initial Invested Amount, in inflation-adjusted terms, of 10.0% in pesos based on UDIs (the "Target Return").

- The Issuer will be entitled to an increasing percentage of the Distributable Cash Flow generated by the Existing Airport and, once it commences operations, the New Airport, from 2026 to 2030, until it reaches the Target Return or until an Early Redemption Date. See "Description of the CBFEs and the GACM Special Shares."

- The formula for calculating the Distributable Cash Flow protects the Issuer from the risk of cost overruns related to the construction of the New Airport and from any Budgetary Concession Fees.

- Beginning in 2026 until 2030, the percentage of Distributable Cash Flow payable to the Issuer will increase 200 basis points each year, from 41% as of January 1, 2026 to 49% as of January 1, 2030. The percentage of Distributable Cash Flow payable to the Issuer may be further increased on a Mandatory Acceleration Date or a Mandatory Acceleration Date due to Cancellation. These increases incentivize GACM to reach the Target Return as soon as possible.

- The Issuer will be granted certain rights as holder of the GACM Special Shares, designed to protect certain economic and corporate governance rights related to the Issuer's participation in GACM and the interests of the holders of the CBFEs, including the right to appoint two members of GACM's board of directors and to approve certain of GACM's Material Decisions. Holders of the CBFEs who represent 10% or more of the outstanding CBFEs will have the right to appoint one member of the Issuer's technical committee. Also, for certain material decisions, the GACM Special Shares will be voted at the direction of the Conflicts Committee, which will only be made up of independent members. See "Description of the CBFEs and the GACM Special Shares."

- If GACM were to have an IPO within two years following the Target Return Redemption or the Redemption Date after the exercise of the Cash Call, the Issuer, as the holder of the GACM Special Shares, will have the right to subscribe and pay, in the aggregate, up to 20% of all the shares offered in the IPO and at the price thereof. The Issuer may grant these subscription rights to the holders of the CBFEs. See "Description of the CBFEs and the GACM Special Shares—Main Characteristics of the GACM Special Shares—IPO Subscription Rights."

- The CBFE holders will also have access to a potential IPO of GACM if GACM decides to redeem the GACM Special Shares early by exercising an IPO Call.

- The holders of the CBFEs would receive certain tax benefits based on the FIBRA E Rules, such as no withholding of the 10% additional rate on dividends or distributed profits.

Investing in the CBFEs also involves certain risks. For a discussion of certain factors to be considered in connection with an investment in the CBFEs, see "Risk Factors—Risks Related to the CBFEs."

Critical strategic asset for Mexico, as the transportation gateway to Mexico

As the gateway to Mexico, the operation of the Existing Airport and the development of the New Airport are critical for the Mexican government's objectives to proactively encourage economic growth through infrastructure development, and growth of domestic and international travel within and to Mexico.

Mexico is the 15th largest economy in the world and the 2nd largest in Latin America. In 2016, Mexico had a nominal GDP of US$1,046 billion and a GDP (at PPP) per capita of US$17,274.82 according to the World Bank. In recent years, the Mexican economy has benefitted from attracting high levels of foreign investment due to its strong competitive position, resulting from a favorable geographic location, competitive labor costs, highly skilled and relatively young labor force, and a developed and constantly improving infrastructure network with 85 open airports, 117 seaports, 26,727 kilometers of railroads and more than 390,000 kilometers of roads as of 2015.

The Mexico City Airport System benefits from a privileged location. Mexico City, the country's capital, is the 7th largest metropolitan area in the world with an estimated population of 21 million in 2016, which accounts for approximately 17.6% of Mexico's total population, according to the United Nations. Mexico City is the political, cultural, economic and financial epicenter of the country, hosting the Mexican federal government, a diverse and rich array of world famous historical sites, a dynamic business landscape with most of the biggest and most prominent corporations worldwide. Consequently, in 2016 Mexico City had a nominal GDP of Ps.3,197.4 (US$171.4) billion, or approximately 17.0% of Mexico's total GDP, according to INEGI.

The Mexico City Airport System has been and will be driven, in part, by Mexico's solid position as one of the most important tourism destinations in the world. According to the Mexico City Ministry of Tourism, approximately 29.8 million tourists visited Mexico City in 2017. According to the World Tourism Organization, in 2016 Mexico ranked eighth among countries worldwide in terms of foreign visitors and ranked first in terms of foreign visitors traveling to Latin America and the Caribbean. Mexico's strength as a tourism destination comes from its natural and cultural resources and from a well-developed tourism infrastructure network across various destinations. Mexico City is itself a major tourist destination, given its rich cultural heritage including world-class museums, colonial landmarks and ancient Mesoamerican archeological sites. The Mexico City Airport System, as a key national asset, will continue to encourage growth in tourism coming to the country.

The Existing Airport is the largest and most important airport in Mexico in terms of passenger traffic. In 2017, it accounted for approximately 33.0% of the total passenger traffic of all Mexican airports, which is 1.9 times the traffic of Cancun's airport, Mexico's next largest. On average, more than 122,500 passengers used the Existing Airport on a daily basis in 2017, accounting for more than 44.7 million passengers during the year. Additionally, the geographic location of Mexico City makes its airport the preeminent hub for both domestic and international passenger traffic, as it provides easy access to and from 56 international destinations (30 in the United States and Canada, 17 in Latin America, 8 in Europe, and 1 in Asia) and 53 domestic destinations, representing an essential role in the transportation network of the country.

In addition, the Mexico City Airport System is vital for the economic development of Mexico as a generator of an important number of direct and indirect jobs. While the Existing Airport currently generates approximately 1,200 direct jobs, the New Airport is a source of employment for approximately 2,000 people working in the development and construction of the project plus approximately 160,000 other indirect jobs. At its maximum development phase, the New Airport is expected to create approximately 450,000 direct and indirect jobs.

Clear and strong trajectory of passenger growth and diversified regulated revenue across passenger profiles and airline client base

The Mexico City Airport System has a balanced passenger traffic profile, with diversified airline exposure, and competitive regulated tariffs, that have absorbed the effects of seasonality and economic cycles affecting tourism traffic and other specific regions and sectors in Mexico.

Between 2010 and 2017, passenger traffic at the Existing Airport increased at a CAGR of 9.2%, with an increase in international and domestic passenger traffic at a CAGR of 9.1% and 9.3%, respectively, well above Mexico's average GDP growth for the same period of 2.6%. In 2017, the Existing Airport had a mix of 64.8% of domestic passengers and 35.2% of international passengers. Domestic Tariffs and International Tariffs increased at a CAGR of 9.9% and 22.5%, respectively, between 2014 and 2018.

Aeronautical revenues (excluding passenger charges), comprised mostly by landing and parking fees for airplanes, are diversified across a mix of hub, low cost, foreign and regional airlines, and increased at a rate of 13.1% between 2016 and 2017. As of December 31, 2017, the Existing Airport hosted 30 passenger airlines that connect Mexico City with 109 domestic and international destinations in Latin America, North America, Europe and Asia. Aeroméxico (together with its regional airline, Aeroméxico Connect), Interjet and Volaris, the largest domestic airlines in Mexico in terms of passengers, offer the most diversified number of routes to and from the Existing Airport and use the Existing Airport as their principal hub. The Existing Airport also has an important presence of prominent foreign airlines such as Lufthansa, United Airlines, Delta Air Lines, Air France, ANA, British Airways, Iberia, Avianca, Latam and Copa Airlines, and serves as a hub for the SkyTeam airline alliance. GACM expects aeronautical revenues (excluding passenger charges) to increase when the New Airport opens, considering that the Existing Airport had 62 ATMs per hour and 449,656 ATMs per year, as of December 31, 2017, while the New Airport is expected to have 106 total ATMs per hour and 538,300 total ATMs per year during its first full year of operations.

Attractive growth potential for the Mexico City Airport System underpinned by solid macroeconomic and demographic fundamentals

GACM believes that the Mexico City Airport System will continue to benefit from Mexico's solid macroeconomic and demographic fundamentals, from an underpenetrated air travel sector as an alternative form of transportation for the population compared to transportation by bus, from a dynamic business landscape in Mexico City, and from a promising tourism sector both in Mexico City and in the country.

According to The Economist Intelligence Unit, the Mexican economy is estimated to grow at 2.1% and 2.4% in 2018 and 2019, respectively, supported by healthy private domestic demand and spillovers from higher international growth. For the past 15 years, Mexico has benefitted from a stable macroeconomic environment as a result of conservative monetary, fiscal and debt policies.

In addition to the sound macroeconomic environment, it is expected that Mexico will benefit from favorable demographic dynamics. In 2015, Mexico had an estimated population of 119.5 million, which is expected to increase 6.3% by 2020 (compared to 3.7% in Brazil and 4.1% in the United States), of which 65.8% is expected to be under the age of 40, according to the National Population Board (*Consejo Nacional de Población*). Moreover, Mexico has a growing middle class and rising GDP per capita which results in a natural increase in demand of air transportation for both business and leisure purposes. During the 2010 – 2016 period, Mexican GDP per capita has risen at a CAGR of 2.7%, while unemployment dropped to 3.4% in January 2018, according to INEGI.

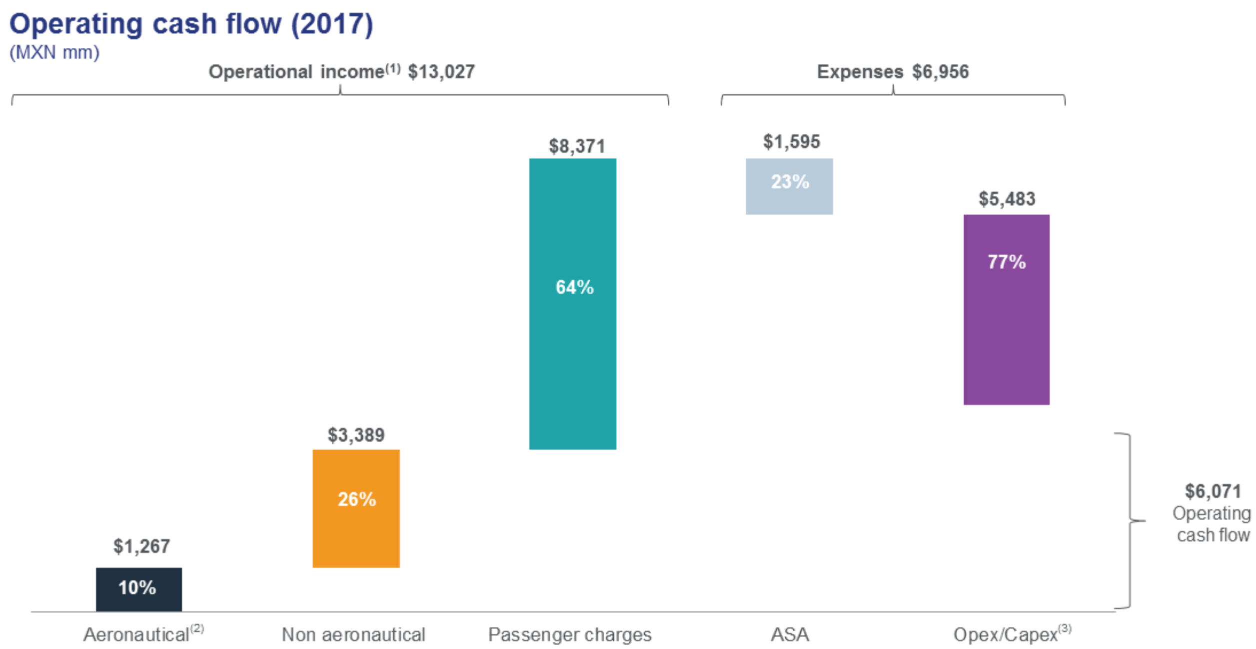
According to the Mexican Chamber of Air Transportation (*Cámara Nacional de Aerotransportes*, or CANAERO) and the World Bank, the Mexican air transportation sector has shown robust growth since the early 1990's delivering a CAGR of 5.7% from 1995 to 2016, compared to a CAGR of 5.4% for Mexican GDP in the same period, despite the three economic crises that challenged the sector in 1994, 2001 and 2008. One factor that has contributed to robust growth in air travel demand is the transition from bus to air transportation, coupled with a more favorable economic environment and air fare decreases fostered, in part, by low-cost airlines. While the ground transportation business has grown at 1.0 times the GDP growth rate, air transportation has been outgrowing steadily at 1.4 times GDP over the last 10 years, according to INEGI.

Considering current levels of air travel penetration in Mexico, GACM expects the sector to continue its solid expansion in the coming years. Notwithstanding its recent economic stability, Mexico has been lagging other countries with just 0.19 domestic flights per capita. Comparing Mexico with other emerging markets, while in 2015 Mexico had a GDP per capita 51.3%, 58.5% and 13.3% above Colombia, South Africa and China, respectively, in the same period, domestic flights per capita in Mexico were 23.2% below Colombia, 23.6% below South Africa and 19.6% below China. Flights per capita in Mexico are expected to increase 17% by 2022, according to Euromonitor and BMI Research projections.

Tourism is currently a major driver of the Mexican economy and an important source of foreign currency, playing a key role in the growth of the Mexican air transportation sector. Mexico's tourism sector is expected to grow at a CAGR of 3.0% by 2027, according to the World Travel and Tourism Council.

Strong EBITDA generation with potential to increase revenues from non-aeronautical services

EBITDA generation at the Existing Airport has been strengthened with the implementation of various strategic initiatives since 2014, including the increase in Domestic Tariffs and International Tariffs, the renegotiation of the ASA Services Agreement, the renegotiation with Inmobiliaria FUMISA of the management of commercial space and the reconfiguration of certain commercial spaces. These initiatives have contributed to an Adjusted EBITDA margin of 54.8% in 2017.



Source: Offering documents of the Existing Notes.
Note: Financial information for 2017 under IFRS.
(1) Operating income excludes other revenue for Ps.15.7mm and construction services revenue for Ps.18,983mm.
(2) Aeronautical services excluding passenger charges.
(3) Opex/Capex includes payments to TESOFE but excludes taxes. Adjusted for non-recurring and non-cash payments, includes Government Concession Fees.

In 2017, the Existing Airport received 26.0% of its annual revenues from non-aeronautical revenues, of which commercial services represented 97.3% and other revenues represented 2.7%. In 2017, the Existing Airport operated approximately 164,000m^2 of commercial space, of which 96.3% is currently occupied. The commercial space of the Existing Airport has approximately 924 commercial locations, and AICM has entered into 630 lease agreements, while 77 commercial locations remain unoccupied. Due to several initiatives, such as the reconfiguration of certain commercial spaces and the renegotiation of lease agreements, non-aeronautical revenues per passenger at the Existing Airport have increased from Ps.72 in 2016 to Ps.76 in 2017. GACM believes there is potential to further increase efficiency in the commercial space and lease agreements at the Existing Airport. Moreover, GACM expects that other non-aeronautical revenues, such as vehicle parking and advertising, can be further strengthened to continue increasing profitability at the Existing Airport.

It is expected that revenues generated at the New Airport will greatly exceed revenues currently generated at the Existing Airport for non-aeronautical services, primarily revenues from commercial services. Moreover, the commercial space at the New Airport will be located in only one terminal and will be more modern and efficient, configured and managed to capture and centralize the largest volume of the flow of passenger traffic, in order to provide the best and most profitable commercial space, reaching commercial revenues per passenger on the same level as other comparable airports around the world. Commercial revenues are expected to further increase as a result of the expected increase in the proportion of international passengers at the New Airport. According to the Aviation Demand Forecast, the proportion of international passengers will increase from the observed 35.2% in 2017 to 40.7% in 2035.

In 2016, the Existing Airport generated US$3.70 per passenger in commercial revenues, which is much lower than the average of other comparable airports around the world. The Issuer believes this demonstrates the potential for growth of commercial revenues from the Existing Airport and the New Airport.

New Airport project with solid and clear benefits to the country, crafted and developed by world-class firms

The New Airport is a national priority as one of the most important infrastructure projects in Mexico's recent history, and plays a vital role in supporting further growth in economic activity and trade.

The New Airport is a comprehensive project which is expected to absorb not only the growth in passenger traffic and cargo, but also provide better connectivity between the Mexico City metropolitan area and surrounding localities, as well as cities around the world. In addition, the project is expected to act as a catalyst for other important infrastructure projects to be developed in the vicinity of the New Airport, such as water infrastructure, construction of access roads and environmental remediation systems. Water infrastructure surrounding the New Airport will provide a long term solution to regulate water flow across Mexico City, decreasing unexpected floods and increasing the availability of potable water for certain parts of Mexico City.

The New Airport project was designed by a multidisciplinary team of renowned firms with ample experience in the design, management and execution of infrastructure and airport projects around the world. The master plan was developed by Foster and Partners, an experienced award-winning British architectural design and engineering firm that has designed several transportation infrastructure projects across the world, including the London Stansted Airport, the Hong Kong International Airport, the Beijing Capital International Airport, the Queen Alia International Airport in Jordan and the Bilbao Airport in Spain. Foster and Partners is led by Norman Foster, who is one of the most prolific architects of this century. The construction program and budget was prepared and has been updated from time to time by the project manager Parsons Corporation, an American engineering and construction firm having successfully prepared programs for other landmark infrastructure assets such as Education City in Qatar, the BART Oakland International Airport Connector in California, the Vimy Memorial Bridge in Ottawa, Canada, the expansion of the light rail system in Houston, Texas, the airport in Ft. Lauderdale, Florida, the Abu Dhabi International Airport and the Washington Dulles International Airport. The air side of the New Airport, which includes the runways, taxiways, platforms, aprons and support facilities, was designed by NACO, a renowned global provider of airport planning, design and engineering services, with participation in the development of more than 600 airports around the world, including the Beijing Capital International Airport, the airport in Frankfurt, Germany, the Princess Juliana International Airport in Saint Martin, the Amsterdam Airport Schiphol and the Abu Dhabi International Airport. Moreover, GACM's management team consists of experienced professionals who have successfully executed other major expansion projects, such as the design and construction of the Existing Airport's Terminal 2 which was finished in 2006, and financed through a syndicated loan facility backed by passenger charges collected at the Existing Airport.

To maximize execution certainty and transparency in the construction of the New Airport, engineering, procurement, and construction ("EPC") contracts are awarded through public tenders that consider the financial and technical capabilities of participating contractors.

THE GLOBAL OFFERING

The following is a brief summary of certain terms of the Global Offering. For a more complete description of the CBFEs, see "Summary Description of the CBFEs" and "Description of the CBFEs and the GACM Special Shares."

The Global Offering	272,727,273 CBFEs not assuming exercise of the over-allotment options and 300,000,000 CBFEs assuming the full exercise of the over-allotment options.
Securities Offered	FIBRA E Trust Certificates (*Certificados Bursátiles Fiduciarios de Inversión en Energía e Infraestructura*) or CBFEs, redeemable, with full voting rights, without par value, as referred to in Article 7, section VIII, of the Mexican Issuer Regulations (*Circular Única de Emisoras*).
Offering Price per CBFE	The Issuer expects the offering price to be Ps.100.0 CBFE (equivalent to approximately US$5.3 per CBFE based on an exchange rate of Ps. 18.7922 per U.S. Dollar as of March 9, 2018).
The International Offering.........................	The Issuer is offering 3,250,000 CBFEs in the United States to qualified institutional buyers as defined under Rule 144A under the Securities Act that are also qualified purchasers as defined in Section 2(a)(51) of the Investment Company Act and that agree to comply with the transfer restrictions set forth herein, and in other countries outside Mexico, to certain non-U.S. persons in reliance on Regulation S under the Securities Act and the applicable laws in each of the jurisdictions where the CBFEs are offered, assuming the full exercise of the over-allotment options and 2,954,545 CBFEs not assuming exercise of the over-allotment options.
The Mexican Offering	Concurrently with the International Offering, the Issuer is offering 296,750,000 CBFEs in a public offering in Mexico, approved by the CNBV, assuming the full exercise of the over-allotment options and 269,772,728 CBFEs not assuming exercise of the over-allotment options. See "Plan of Distribution."
Over-allotment options	The Issuer has granted to the initial purchasers and the Mexican underwriters separate options, exercisable in whole or in part, on an independent but coordinated basis, the right to purchase up to an aggregate of 27,272,727 additional CBFEs, representing up to approximately 10% of the CBFEs being offered in the Global Offering, within 30 days of the date of this offering memorandum solely to cover over-allotments, if any, and at a price equal to the placement price and in accordance with the terms described in "Plan of Distribution."
CBFEs outstanding upon the completion of the Global Offering (not assuming exercise of the over-allotment)	272,727,273 CBFEs.
Use of proceeds	The net proceeds from the sale of the CBFEs being offered in the Global Offering will be approximately Ps.26.6 billion (US$1.4 billion) assuming the over-allotment options are not exercised or Ps.29.2 billion (US$1.6 billion) assuming the full exercise of the

over-allotment options, after deducting (i) expenses related to the Global Offering, which include underwriting discounts and fees, commissions and other expenses and taxes related to the Global Offering, and (ii) trust expenses in the amount of Ps.60.0 million (US$3.2 million) expected to be incurred by the Issuer during the period from the closing of this offering through the date of the first Capital Distribution to the Issuer.

The Issuer intends to use the net proceeds of the Global Offering to purchase the GACM Special Shares and the AICM Shares and the remainder, if any, for operating expenses of the Issuer Trust. GACM expects to use the proceeds from the sale of the GACM Special Shares and the AICM Shares to the Issuer for the development and construction of the New Airport. See "Use of Proceeds."

Mexican Stock Exchange Symbol .... "FNAIM"

Listing.. The Issuer has made an application to have the CBFEs listed on the Mexican Stock Exchange. Upon consummation of the Global Offering, such registration and listing will have been effected. Prior to the Global Offering, there has been no trading market for the CBFEs in Mexico, the United States or elsewhere. The Issuer cannot assure you that a trading market will develop or will continue if developed.

Settlement procedures................................ Settlement of the CBFEs will be made no later than March 28, 2018 through the book-entry system of Indeval (the "Settlement Date").

Transfer restrictions................................... The Issuer has not registered, nor does the Issuer expect to register, the CBFEs under the Securities Act and, unless so registered, the CBFEs may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. See "Transfer Restrictions." In addition, the Issuer has not been and does not intend to become registered as an investment company under the Investment Company Act and related rules. The CBFEs may not be offered or sold in this offering or at any time reoffered, resold, pledged or otherwise transferred to U.S. persons or to persons in the United States, except to persons who are qualified purchasers under the Investment Company Act. See "Transfer Restrictions."

After the Global Offering, any person or group of persons that intends to acquire, directly or indirectly, in one or several transactions of any nature, simultaneous or successive, in an stock exchange transaction or otherwise, 50% or more of the outstanding CBFEs, or whatever percentage allows such person to exercise control over the Issuer, will need to obtain the prior written approval of the Conflicts Committee, the technical committee and GACM's board of directors. See "Description of the CBFEs and the GACM Special Shares—Main Characteristics of the CBFEs—Restrictions on the Transfer of CBFEs."

Pension, profit-sharing or other employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and individual retirement accounts and other arrangements subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans or arrangements, as well as employee benefit plans established by a U.S. federal, state or local government, all of which we refer to collectively as "plans," are not permitted to acquire or hold CBFEs. Each person that becomes the owner of a CBFE will be deemed to have represented, by its acquisition of such ownership, that it is not at the time of such acquisition, and will not be while it holds the CBFE, a plan.

Lock-up period	The Issuer will not, subject to certain exceptions, for a period of 180 days from the date of this offering memorandum, without prior written consent of the initial purchasers, issue, sell or transfer, any CBFEs or any securities convertible into or exchangeable for the CBFEs. See "Plan of Distribution."
Distributions	The Issuer shall distribute among the holders of the CBFEs, at least once a year, and no later than March 15, at least 95% of its Net Taxable Income for the prior fiscal period, in accordance with the FIBRA E Rules. Unless there is a Mandatory Acceleration Event under the GACM Special Shares, there will be no Distributions under the CBFEs before January 1, 2021 when the Issuer, as holder of the GACM Special Shares, expects to start receiving Capital Distributions from GACM.
Taxation..	For certain Mexican federal and U.S. federal income tax consequences with respect to an investment in the CBFEs, see "Taxation." For U.S. federal income tax purposes, investments in the CBFEs are expected to be treated as investments in the stock of a passive foreign investment company (as defined in "Taxation—Certain U.S. Federal Income Tax Considerations").
Risk Factors	See "Risk Factors" and the other information in this offering memorandum for a discussion of factors you should carefully consider before deciding to invest in the CBFEs.

SUMMARY DESCRIPTION OF THE CBFES

The following section is a brief summary of the main terms of the CBFEs. The descriptions do not purport to be complete and are qualified in their entirety by reference to the Trust Agreement. For a more detailed description of the CBFEs see "Description of CBFEs and the GACM Special Shares."

Issuer / Trustee .... CI Banco, S.A., Institución de Banca Múltiple, a financial institution organized under the laws of Mexico, as trustee of the Mexico City Airport FIBRA E.

Principal Rights of CBFEs' Holders................. Holders of the CBFEs will have the following rights pursuant to the Trust Agreement and Mexican law:

- Receive a pro rata portion of the Distributions no later than March 15 of each year;
- Holders who, individually or as a whole, own 20% or more of the outstanding CBFEs, will have the right to judicially oppose resolutions adopted by the CBFE holders' meeting in which they would have had to cast their vote, provided the holders of the CBFEs who intend to oppose a resolution must not have attended the CBFE holders' meeting or, having attended, must have voted against the resolution, and must file their claim within 15 calendar days following the date on which the resolutions were adopted, indicating in their claim the breached contractual or legal provision or the concepts of violation;
- Holders who, individually or as a whole, own 15% or more of the outstanding CBFEs may bring actions against the Manager for breach of its obligations under the Trust Agreement and/or under any other Offering Document, provided that said action has a statute of limitations of 5 years from the date of the act or event that caused the economic harm;
- Holders who, individually or as a whole, own 10% or more of the outstanding CBFEs will have the right to request the Common Representative (i) to call for a CBFE holders' meeting, indicating the matters to be discussed, and (ii) to adjourn for a single time, for 3 calendar days, and without the need for a new call, a CBFE holders' meeting with respect to any matter for which the holders do not consider themselves sufficiently informed;
- Holders of the CBFEs will be entitled to have the information and documents related to the agenda of a CBFE holders' meeting made available free of charge at the offices of the Trustee, the offices of the Common Representative and/or the address indicated in the call at least 10 calendar days prior to the date of such meeting, unless the request of the corresponding holders of the CBFEs is received in less than 10

calendar days, in which case the information will be sent no later than on the business day immediately following the date on which such request was received. If the CBFE holders' meeting resolves any issue established in section VIII, paragraph (a), numeral 1 of the Mexican Issuer Regulations, the information presented for approval by the CBFE holders' meeting will be sent to the BMV through Emisnet and to the CNBV through STIV-2 the same day the call for a meeting is issued; and

- Appoint a member of the technical committee, for each 10% of the total number of outstanding CBFEs held, individually or collectively.

Distributions of the Net Taxable Income and cash distributions	The Issuer shall distribute among the holders of the CBFEs, at least once a year, and no later than March 15, at least 95% of its Net Taxable Income for the prior fiscal period, in accordance with the FIBRA E Rules. Unless there is a Mandatory Acceleration Event under the GACM Special Shares, there will be no Distributions under the CBFEs before January 1, 2021 when the Issuer, as holder of the GACM Special Shares, expects to start receiving Capital Distributions from GACM. Any payment of cash Distributions shall be made in accordance with the distribution policies set forth in the Trust Agreement and will depend on the Issuer's results of operations, economic situation and other relevant factors. For more information, see "Distribution and Dividend Policy," "Description of the CBFEs and the GACM Special Shares" and "About FIBRA Es" of this offering memorandum.
Source of Payment of Distributions	Distributions to the CBFE holders will be exclusively made with the assets of the trust estate. Therefore, the main source of payment of the Distributions to the holders of the CBFEs will be the Capital Distributions received by the Issuer Trust from GACM, as holder of the GACM Special Shares. The trust estate will also be available to make payments of management fees, expenses and indemnifications, among others, as provided in the Trust Agreement and the Management Agreement. See "Distribution and Dividend Policy" and "Description of the CBFEs and the GACM Special Shares."
Cancellation of the CBFEs	The Issuer Trust will terminate upon the termination of the New Airport Concession; in which case the Trustee will cover all of the outstanding expenses of the Issuer Trust, including liquidation expenses, make a final Distribution of the remaining funds in the trust estate, and finally cancel the CBFEs. The Issuer Trust may also terminate: (i) if the trust estate has been divested in its entirety in accordance with the Trust Agreement and all amounts held in the trust accounts have been distributed to the holders or (ii) by resolution of a CBFE holders' meeting in accordance with the Trust Agreement, pursuant to which the dissolution thereof is approved, solely and exclusively with the prior consent of the Manager.

	Notwithstanding the foregoing, the Issuer Trust will not be terminated until any payment obligations with funds from the trust estate have been met.
Manager..	Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., as manager of the Mexico City Airport FIBRA E. The Manager will be in charge of managing the Issuer's operations, directly or through instructions to the Trustee, except for certain activities and decisions reserved to the technical committee and the CBFE holders' meeting. In order to comply with its obligations under the Trust Agreement and the Management Agreement, the Manager will be entitled to delegate some of its authorities and obligations to any person in the manner and on terms it deems appropriate, provided that any such delegation does not limit its obligations or release it from its responsibilities under the Trust Agreement and the Management Agreement. See "The Manager."
Common Representative..................................	Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero has been appointed to act as Common Representative of the holders of the CBFEs. The Common Representative represents the holders of the CBFEs collectively and not individually. The Common Representative shall verify timely and proper compliance with the obligations provided in the Trust Agreement, the CBFEs and the Management Agreement by the Issuer and the Manager. The Issuer, the Manager, the Issuer's external auditor and other service providers shall provide and/or cause the information and/or documentation to be provided to the Common Representative in such terms and with such frequency as reasonably requested by the Common Representative, including, without limitation, the financial status of the trust estate and such other economic, accounting, financial, legal and administrative information of other transactions executed with the funds of the trust estate.
Structuring Agent	Banco Nacional de Obras y Servicios Públicos, S.N.C.

SUMMARY DESCRIPTION OF THE GACM SPECIAL SHARES

The following section is a brief summary of the main terms of the GACM Special Shares. The descriptions do not purport to be complete and are qualified in their entirety by reference to GACM's bylaws and Mexican law. For a more detailed description of the GACM Special Shares see "Description of CBFEs and the GACM Special Shares."

Issuer	GACM
Series	"P" (preferred)
Type	Ordinary, registered, redeemable shares with full voting rights, preferred economic rights and special corporate governance rights, representing the variable portion of GACM's capital stock.
Description of economic rights	As of January 1, 2021 the Issuer will have the right to receive a percentage of GACM's Distributable Cash Flow corresponding to the prior fiscal year (each, a "Distribution Period"), unless a Mandatory Acceleration Date or a Mandatory Acceleration Date due to Cancellation occurs before January 1, 2021 (in which case the Issuer will receive Distributable Cash Flow accruing upon the Mandatory Acceleration Date or a Mandatory Acceleration Date due to Cancellation, as applicable, and payable beginning the January 1 following such date). The stock certificate representing the GACM Special Shares provides that the amounts payable to the Issuer will have priority over any distribution or payment that GACM makes to any of its other shareholders, including payment of any Budgetary Concession Fees and Government Concession Fees, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust. The percentage of the Distributable Cash Flow payable to the Issuer will be adjusted from time to time in accordance with the following schedule: • Prior to January 1, 2021, the percentage will be 0%, for the Distribution Period in 2018 and 2019. • As of January 1, 2021, the percentage will be 39%, for each Distribution Period from 2020 to 2024; • As of January 1, 2026, the percentage will be 41%, for the Distribution Period in 2025; • As of January 1, 2027, the percentage will be 43%, for the Distribution Period in 2026; • As of January 1, 2028, the percentage will be 45%, for to the Distribution Period in 2027; • As of January 1, 2029, the percentage will be 47%, for the Distribution Period in 2028; • As of January 1, 2030, the percentage will be 49%, for

the Distribution Period from 2029 onward.

If a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation occurs, the percentage of Distributable Cash Flow payable to the Issuer will increase to 65% or 80%, respectively, provided that the percentage of Distributable Cash Flow will be restored in accordance with the calendar above once the event that triggered the mandatory redemption ceases to exist.

On any Capital Distribution payment date, the applicable percentage of Distributable Cash Flow shall be the lower of (i) the corresponding percentage in accordance with the above calendar, and (ii) such percentage of Distributable Cash Flow previously approved by the GACM shareholders' meeting and/or AICM, that on a Capital Distribution payment date allows the Issuer Trust as holder of the GACM Special Shares to reach the Target Return.

Target Return... A recovery of the Initial Invested Amount plus an internal rate of return of 10.0% in pesos, in inflation-adjusted terms, calculated based on UDIs.

The internal rate of return is calculated as the annual rate of return necessary for the present value of the cash flows contributed and received by the Issuer minus the Initial Invested Amount, measured in terms of UDIs, to be equal to zero, in accordance with the following formula:

$$-I_0 + \sum_{t=1}^{n} \frac{F_t}{(1+R)^{Dt/365}} = 0$$

Where:

I_0 = Initial Invested Amount on the GACM Special Shares payment date. For purposes of calculating this formula, the initial amount invested will be calculated in terms of UDIs, based on the UDI value on the GACM Special Shares payment date.

F_t = Relates to each of the Capital Distributions on each *t-th* Capital Distribution payment date, calculated in UDIs based on the value of the UDI applicable to the relevant Capital Distribution payment date.

D_t = Relates to the number of calendar days elapsed between the payment date of the GACM Special Shares and each *t-th* Capital Distribution payment date.

n = Relates to the number of Capital Distributions that have been paid, starting with 1 (the first Capital Distribution) up to and including the n-th realized Capital Distribution.

R = Relates to the internal rate of return that makes the sum of the present value of the Capital Distributions paid be equal to the Initial Invested Amount.

Description of corporate governance rights....	The Issuer will have the right to appoint two members of GACM's board of directors (designated by the Technical Committee), as well as their alternates; provided that the Issuer will have the power at all times to remove said members and appoint others in substitution. Additionally, GACM will need the favorable vote of the majority of the GACM Special Shares (which will be voted at the direction of the Conflicts Committee) to make any decision related to the following (each, a "Material Decision"): • Any resolution that entails the transfer of rights derived from the concessions awarded by the Mexican government in favor of GACM or its subsidiaries, except for: (i) a transfer that represents a reduction of less than 5% of the Capital Distributions payable to the holders of the GACM Special Shares during the previous fiscal year, (ii) the right to collect passenger charges for the use of the Existing Airport and, upon the commencement of commercial operations, the New Airport; (iii) all proceeds of insurance payable with respect to the partial or complete interruption of the operation of the Mexico City Airport System; (iv) all proceeds of indemnities in connection with certain expropriation events affecting the Mexico City Airport System; and (v) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at the Mexico City Airport System. • Any public private partnership project that, on a pro forma basis with respect to GACM's financial statements for the fiscal year before the execution of the project, represents a reduction of more than 5% of the Capital Distributions payable to the holders of the GACM Special Shares during the previous fiscal year, except for those public private partnership projects that GACM establishes according to the New Airport Concession for the development of: (i) cargo terminals, (ii) fuel storage and distribution terminals, (iii) power generation plants, (iv) airport areas used by the Mexican government, (v) airport areas used for private aviation and (vi) water treatment plants; • Any merger of GACM or its subsidiaries; • Any spin-off, dissolution or liquidation of GACM or its subsidiaries; • Any sale, purchase, lease or disposition of assets of GACM or its subsidiaries outside of the ordinary course of business that, on a pro forma basis with respect to GACM's financial statements for the fiscal year before to the transaction, represents a reduction of more than 5% of the distributions payable to the holders of the

GACM's special shares during the previous fiscal year, except in the case of (i) acquisitions of shares in concessionaries of commercial airports that allow increasing GACM's aeronautical operations and capital distributions payable to the GACM's shareholders; and (ii) the acquisition of shares in companies engaged in railroad transportation of materials necessary for the construction of commercial airports concessioned to GACM and its subsidiaries, with a value no higher than U.S.$50,000,000;

- Incurrence of any type of liabilities by GACM or its subsidiaries, in excess of the equivalent of U.S.$75,000,000; provided that the incurrence of indebtedness by any third party to pay any consideration for the sale of the passenger charges collection right of any investment vehicle created for that purpose, will not require the approval of the shareholders' meeting or a vote of the holders of GACM's special shares;

- To create any liens on the assets of GACM or its subsidiaries to guarantee any obligation of GACM or a third party, outside the ordinary course of GACM's business;

- Any stop of operations of GACM or its subsidiaries, whether total or partial, that breaches any concession that GACM holds, except in events of urgency and public interest or when done in compliance with a final and non-appealable order of a competent authority;

- Any modification to the accounting methods and policies for the preparation of the financial statements of GACM or its subsidiaries, except as required by law;

- Any request to reduce the tariffs charged or entitled to be collected by GACM or its subsidiaries in accordance with the Mexican Airport Law and its regulations;

- Any modification to the authorities of any subcommittee that has been created by holders of special shares pursuant to GACM's bylaws, or any modification to the bylaws of GACM's subsidiaries that affects the rights of the holders of GACM's special shares;

- Approval of changes to the draft annual budget of GACM and its subsidiaries that involve an increase in the annual expenses of the prior fiscal year in excess of 5%, but only in the event that said increase results in disbursements that are not in GACM's ordinary course of business;

- Filing for bankruptcy (*concurso mercantil*) of GACM or any of its subsidiaries;

- Any decision that has the purpose of modifying or annulling the resolutions validly adopted by GACM's board of directors in accordance with its bylaws.

FIBRA E Committee .... On March 1, 2018, GACM's shareholders' meeting recommended that GACM's board of directors create a "FIBRA E Committee" to support the activities of GACM's board of directors, subject to the provisions of GACM's current bylaws and applicable law. The FIBRA E Committee is expected to be comprised of four members, two appointed by the Issuer and two appointed by GACM's Corporate finance office and Corporate Administration Office. GACM's board of directors is expected to approve the composition and issue the operating rules of the FIBRA E Committee after closing of the Global Offering.

The FIBRA E Committee is expected to have the following authorities:

- Give opinions and recommendations to GACM's board of directors on (i) the mechanisms for the commencement of operations of the New Airport and the end of operations of the Existing Airport and (ii) five-year review of the master development plan for the Existing Airport and the New Airport, including proposing modifications;

- Present an annual report to GACM's board of directors with the results of the FIBRA E Committee's performance, in accordance with the Regulations to the Mexican Federal Law on Governmental Entities;

- Monitor compliance with the requirements of independence and the duties of diligence and loyalty of the members of GACM's board of directors appointed by the Issuer Trust;

- Suggest the inclusion of any relevant points of discussion in the agenda of meetings of GACM's board of directors, in accordance with the Mexican Federal Law on Governmental Entities; and

- Propose to GACM's board of directors any modifications to the rules governing the operation of the FIBRA E Committee.

Redemption of GACM Special Shares .... The GACM Special Shares will be considered as fully redeemed, with no need for any additional action, on the earlier of (each, a "Redemption Date"):

- the date on which the payment of a Capital Distribution is verified in which the result of the sum of all the Capital Distributions paid up to said date (including the Capital Distribution paid on said payment date), achieves, without exceeding, the Target Return ("Target

Return Redemption”);

- the date that occurs six months prior to the expiration of the term of the New Airport Concession, as extended;
- the Early Call Date (as defined below).

GACM and/or AICM do not guarantee, nor are they required to pay any additional amount if, on the Redemption Date of the GACM Special Shares, the result of the calculation of the rate of return, taking into account all the Capital Distributions paid, does not reach the Target Return.

Call Options.. As of January 1, 2026, GACM will have the right, in its sole discretion, to redeem all the GACM Special Shares, through any of the following early call options:

- By a single payment in cash for the unrealized portion, at the time of such payment, of Capital Distributions to achieve a return equal to the Target Return (“Cash Call”);
- If GACM conducts an initial public offering for the subscription and payment of shares representing its capital stock (“IPO”); by delivery of the IPO Call Amount of GACM common shares (equal and fungible with the shares issued through the IPO) to achieve a return equal to the Target Return at the time of the IPO and at the price of such IPO (“IPO Call”), pursuant to the election made by the Issuer, as holder of the GACM Special Shares, with respect to the GACM Special Shares exchanged for GACM common shares, following the procedure to be established by GACM and the Issuer and to be communicated in due course to the then holders of CBFEs; or
- By a combination of the Cash Call and the IPO Call (“Combined Call”); for which GACM, in its sole discretion, will determine the percentage to be redeemed in cash and the percentage to be redeemed in shares; provided that the sum of both percentages shall achieve 100% of the Target Return.

The date on which the early call of GACM Special Shares occurs will be the “Early Call Date.”

In case of an early redemption of the GACM Special Shares, GACM shall notify its intention to exercise one of the early call options to the Issuer, as holder of the GACM Special Shares, at least 45 business days prior to the Early Call Date.

If GACM does not exercise any of the early call options for the GACM Special Shares, the Issuer will have the right to receive Capital Distributions until the Redemption Date, at which time the GACM Special Shares will be automatically redeemed.

IPO subscription rights .... In the event that GACM conducts an IPO within two years following the Target Return Redemption or the Redemption Date after the exercise of the Cash Call, the persons who are registered as holders of the GACM Special Shares in GACM's stock registry on the date of said redemption (each, a "Record Shareholder"), will have the right to subscribe and pay, in the aggregate, up to 20% of all the shares offered in the IPO and at the price thereof.

A Record Shareholder may not assign the subscription rights described herein, in the understanding, however, that if the Record Shareholder is the Issuer Trust, then it may notify GACM (with a copy to the Common Representative) of the names and percentages of the holders of the CBFEs so that said holders may exercise the subscription rights in the IPO.

GACM's Obligations..................................... Pursuant to the shareholders' resolution that approved the issuance of the CBFEs, GACM will have the following obligations:

- Use best efforts to ensure that AICM maintains its corporate structure;

- Use best efforts to ensure AICM maintains its accounting in accordance with IFRS and Governmental GAAP, in accordance with the requirements of the Mexican Federal Public Administration Organizational Law;

- Permit inspections upon reasonable requests;

- Use best efforts to ensure AICM's compliance with the terms of the Existing Airport Concession;

- Comply with applicable environmental regulations;

- Maintain and use the proceeds from subscription and payment of the GACM Special Shares in accordance with the Trust Agreement and for the construction of the New Airport;

- After the date on which Distributions begin to be paid, use best efforts to ensure that AICM pay Government Concession Fees only after having paid its operational expenses, legal obligations (including the payment of Distributions) and taxes;

- Refrain from engaging in business that is not permitted under its corporate purpose and is not in the ordinary course of business;

- Maintain all assets necessary for the construction, operation and maintenance of the New Airport, including the New

Airport Concession; and

- Use best efforts to ensure that AICM maintains all assets necessary for the operation and maintenance of the Existing Airport, including the Existing Airport Concession.

Cancellation of the AICM Shares	In the event of the termination of the Issuer Trust, any AICM Shares that, at the moment of termination, are held by the Issuer Trust will be automatically cancelled.

SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING INFORMATION

The Issuer is a newly created trust and has neither engaged in any operations nor generated any revenues to date. The Issuer's only activities since inception have been organizational activities and those necessary to prepare for the Global Offering and its investment in the GACM Special Shares and the AICM Shares. As a result, only *pro forma* financial information is presented with respect to the Issuer. The Issuer's *pro forma* financial statements and related explanatory notes are being provided solely for illustrative purposes, to give effect to the results that would have occurred if the Issuer had acquired the GACM Special Shares on January 1, 2017. The *pro forma* financial statements were prepared based on currently available information and estimates and assumptions that the Issuer believes are reasonable as of the date of this offering memorandum. The *pro forma* financial statements do not purport to represent what actual results of operations would have been had the Issuer acquired the GACM Special Shares on January 1, 2017, nor are they necessarily indicative of future results of the Issuer.

The following tables also present the summary historical financial information of GACM and certain operating information and data of the Existing Airport as of the dates and for each of the periods indicated. The statement of financial position and income statement data for GACM as of and for the years ended December 31, 2016 and 2017 are derived from the GACM Financial Statements included elsewhere in this offering memorandum. The historical results of the Existing Airport are not necessarily indicative of the results that should be expected in the future from the Existing Airport or the New Airport.

The GACM Financial Statements and the audited financial information included in this offering memorandum have been prepared in accordance with IFRS as issued by the IASB and the related interpretations as issued by the IFRIC. IFRS differs in certain significant respects from U.S. GAAP, Governmental GAAP and financial reporting standards and generally accepted accounting principles used in other jurisdictions. The Issuer has made no attempt to quantify the impact of those differences by a reconciliation of the Financial Statements or the other financial information included in this offering memorandum to U.S. GAAP, Governmental GAAP or such other financial reporting standards and generally accepted accounting principles. The Issuer urges you to consult your own advisors regarding the differences between IFRS and each of U.S. GAAP and Governmental GAAP and how these differences might affect the Financial Statements and the rest of the financial information included in this offering memorandum.

As a majority state-owned company, GACM is required to prepare its financial statements in accordance with Governmental GAAP. Therefore, GACM will continue to operate and to prepare its financial statements in accordance with Governmental GAAP, and will only prepare financial statements in accordance with IFRS to comply with the CNBV's reporting requirements. A description of the main differences between IFRS and Governmental GAAP will be included in the GACM Financial Statements presented elsewhere in this offering memorandum.

The following tables should be read in conjunction with the Financial Statements included elsewhere in this offering memorandum and are qualified in their entirety by the information contained therein. See "Presentation of Financial and Other Information."

The Financial Statements are stated in Mexican pesos. Certain financial information included in this offering memorandum is presented in U.S. dollars for the convenience of the reader. See "Presentation of Financial and Other Information—Currency." For additional information regarding financial information presented in this offering memorandum, see "Presentation of Financial and Other Information" and "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations."

Issuer Pro Forma Financial Information

	As of December 31,		
	2017	Pro forma Adjustments	Pro forma
	(Ps.)	(Ps.) (in millions)	(Ps.)
Statement of Financial Position Data:			
Working Capital:			
Cash and cash equivalents	-	60.0	60.0
Investment in Eligible Companies	-	29,240.0	29,240.0
Total assets	-	29,300.0	29,300.0
Net assets:			
Net assets of the Issuer	-	29,300.0	29,300.0
Total	-	29,300.0	29,300.0

	As of December 31,		
	2017	Pro forma Adjustments	Pro forma
	(Ps.)	(Ps.) (in millions)	(Ps.)
Income Statement Data:			
Profit participation in investments accounted for using the equity method	-	1,898.0	1,898.0
Administrative expenses, fees and other	-	15.0	15.0
Increase in net asset	-	1,883.0	1,883.0

GACM Statement of Financial Position

	As of January 1,	As of December 31,		
	2016	2016	2017	2017[(1)]
	(Ps.)	(Ps.)	(Ps.)	(US$)
		(in millions)		
Assets				
Current assets:				
Cash and cash equivalents	24,954.0	50,745.3	105,514.8	5,346.5
Restricted cash and cash equivalents	261.9	507.5	1,501.3	76.1
Net accounts receivable and others	1,661.3	2,080.6	1,834.4	92.9
Value added tax	455.5	442.5	390.2	19.8
Inventories	19.5	15.8	13.1	0.7
Total current assets	27,352.2	53,791.7	109,253.8	5,535.9
Non-current assets:				
Restricted cash and cash equivalents	0.0	1,255.7	3,212.6	162.8
Net intangible assets, airport concession titles and advances	5,480.1	15,929.5	42,060.6	2,131.2
Net furniture and equipment	415.2	339.0	260.9	13.2
Long term value added tax	0.0	1,086.1	4,416.8	223.8
Other assets	9.6	9.7	14.1	0.7

	As of January 1,	As of December 31,		
	2016	2016	2017	2017(1)
	(Ps.)	(Ps.)	(Ps.)	(US$)
Total non-current assets	5,904.9	18,619.9	49,965.0	2,531.7
Total assets	33,257.1	72,411.6	159,218.8	8,067.7
Liabilities and stockholders' equity				
Current liabilities:				
Current portion of long-term debt	53.0	561.2	1,455.5	73.8
Accounts payable and accrued expenses	2,807.1	2,766.9	2,318.9	117.5
Value added tax payable	874.4	375.5	494.5	25.1
Advances from customers	173.1	230.0	138.9	7.0
Total current liabilities	3,907.6	3,933.5	4,407.7	223.3
Non-current liabilities:				
Long-term debt	17,322.0	42,144.8	119,167.6	6,038.3
Employee benefits	59.1	66.7	85.2	4.3
Long-term provisions	29.2	30.9	43.4	2.2
Advances from customers	154.0	184.7	203.2	10.3
Deferred income tax	946.5	697.0	2,228.4	112.9
Total non-current liabilities	18,510.8	43,123.9	121,727.8	6,168.8
Total liabilities	22,418.4	47,057.5	126,135.6	6,391.3
Stockholders' equity:				
Capital stock	23,453.6	60,239.2	78,338.2	3,969.4
Cumulative deficit	(12,630.6)	(34,900.8)	(45,270.7)	(2,293.9)
Legal reserve	15.7	15.7	15.7	0.8
Total stockholders' equity	10,838.7	23,354.1	33,083.2	1,676.3
Total liabilities and stockholders' equity	33,257.1	72,411.6	159,218.8	8,067.7

(1) U.S. dollar amounts translated at an exchange rate of Ps.19.7354 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Federal Official Gazette on December 29, 2017, as the rate for the settlement of obligations denominated in currencies other than Mexican pesos on December 31, 2017.

GACM Income Statement

	Years ended December 31,		
	2016	2017	2017(1)
	(Ps.)	(Ps.) (in millions)	(US$)
Operating income:			
Aeronautical services	8,707.1	9,637.7	509.1
Non-aeronautical services	3,003.5	3,389.1	179.0
Construction services	9,049.8	18,983.2	1,002.9
Other income	27.4	15.8	0.8
Total operating income	20,787.8	32,025.8	1,691.9
Operating costs and expenses:			
Operating costs and administrative expenses	7,195.7	9,128.2	482.2
Cost of construction services	8,424.6	17,662.1	933.1
Total operating costs and expenses	15,620.3	26,790.4	1,415.3
Operating income	5,167.4	5,235.4	276.6

	Years ended December 31,		
	2016	2017	2017(1)
	(Ps.)	(Ps.) (in millions)	(US$)
Finance income	1,063.3	7,054.2	372.7
Finance cost	(4,512.4)	(2,799.6)	(147.9)
Net finance income/(expense)	(3,449.1)	4,254.6	224.8
Profit before income tax	1,718.3	9,490.0	501.3
Income tax	30.5	(1,754.4)	(92.7)
Net consolidated profit for the year	1,748.9	7,735.6	594.0
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of labor obligations, net of taxes	5.3	(6.4)	(0.3)
Total consolidated comprehensive income for the year	1,754.2	7,729.1	593.7
Profit per basic and diluted share in pesos	0.08	0.35	0.02
Weighted average shares outstanding	22,131,009,145	22,131,009,145	-

(1) U.S. dollar amounts translated at an exchange rate of Ps.19.9291 per U.S. dollar, which was the average exchange rate for the settlement of obligations denominated in currencies other than Mexican pesos in 2017.

GACM Cash Flow Statement

	Years ended December 31,		
	2016	2017	2017(1)
	(Ps.)	(Ps.) (in millions)	(US$)
Operating activities			
Profit for the year before income taxes	1,718.3	9,490.0	501.3
Adjustments for:			
Amortization of intangible assets, airport concessions titles and depreciation of furniture and equipment	163.5	527.2	27.8
Profit margin on construction services	(625.1)	(1,321.1)	(69.8)
Distributions in kind	(24.4)	0.0	0.0
Allowance for doubtful accounts	239.3	373.3	19.7
Loss on furniture and equipment	13.0	0.0	0.0
Long-term provisions	17.4	29.2	1.5
Interest income	(1,063.3)	(1,624.8)	(85.8)
Interest expenses	827.2	2.8	0.1
Exchange fluctuation income	-	(5,429.4)	(286.8)
Exchange fluctuation loss	3,685.1	2,796.8	147.8
	4,951.1	4,844.0	255.8
Net variation in:			
Accounts receivable and other	(658.6)	27.3	1.4
Long-term value added tax	(155.9)	(3,278.4)	(173.2)
Inventories	3.7	2.7	0.1

	Years ended December 31,		
	2016	2017	2017(1)
	(Ps.)	(Ps.)	(US$)
		(in millions)	
Other non-current assets	(0.1)	(4.5)	(0.2)
Accounts payable and accrued expenses	(843.5)	889.8	47.0
Value added tax payable	(1,416.0)	119.0	6.3
Advances from customers	87.6	(72.7)	(3.8)
Employee benefits and net cost projected	(0.5)	(7.3)	(0.4)
Capitalized interest collected	442.2	1,870.9	98.8
Capitalized interest paid	(392.8)	(2,056.7)	(108.7)
Amount paid for concession	(7,405.1)	(23,123.2)	(1,221.6)
Income taxes paid	(221.3)	(206.3)	(10.9)
	(5,609.3)	(20,995.4)	(1,109.2)
Investing Activities			
Additions paid for furniture and equipment	0.0	(22.3)	(1.2)
Interests collected	787.8	1,162.5	61.4
	787.8	1,140.2	60.2
Financing Activities			
Debt issuance	39,533.8	71,230.7	3,763.0
Bank loan payments	(18,844.3)	0.0	0.0
Distribution of passenger charges residual amounts	(6,391.4)	(2,490.5)	(131.6)
Distribution of funds arising from notes issuance	(17,608.6)	(15,498.5)	(818.8)
Contribution of passenger charges residual amounts	6,391.4	2,490.5	131.6
Contribution of funds arising from notes issuance	17,608.6	15,498.5	818.8
Contribution of passenger charges amounts remaining from prior years	2,100.0	0.0	0.0
Contribution of funds arising from Government resources	10,685.6	0.0	0.0
	33,475.1	71,230.7	3,763.0
Effects of exchange rate changes on cash and cash equivalents	(1,361.1)	6,344.9	335.2
Restricted cash and cash equivalents	(1,501.2)	(2,950.8)	(155.9)
Net increase in cash and cash equivalents	25,791.3	54,769.5	2,893.4
Cash and cash equivalents at beginning of year	24,954.0	50,745.3	2,680.8
Cash and cash equivalents at end of year	50,745.3	105,514.8	5,574.2

(1) U.S. dollar amounts translated at an exchange rate of Ps.18.9291 per U.S. dollar, which was the average exchange rate for the settlement of obligations denominated in currencies other than Mexican pesos in 2017.

Historical Air Traffic

The Existing Airport has seen air traffic grow over the past five years. The historical trends in ATMs, passenger traffic and cargo volume between 2013 and 2017 are shown below:

	Years Ended December 31,					CAGR
	2013	**2014**	**2015**	**2016**	**2017**	**2013-2017**
	(in millions of passengers, except as ATMs and percentages)					
ATMs	392,566	409,954	426,761	448,150	449,656	3.5%
Total Passenger Traffic [(1)]						
Domestic Flights	20.9	22.8	25.7	27.7	29.0	8.5%
International Flights	10.6	11.5	12.8	14.1	15.8	10.3%
Total	31.5	34.3	38.4	41.7	44.7	9.1%
Percentage Growth on Prior Year		8.6%	12.2%	8.5%	7.2%	
Total Departing Passengers (including exempt passengers)						
Domestic Flights	10.5	11.4	12.9	13.8	14.5	8.4%
International Flights	5.3	5.8	6.4	7.0	7.8	10.1%
Total	15.8	17.2	19.2	20.8	22.4	9.0%
Percentage Growth on Prior Year		8.4%	11.9%	8.4%	7.3%	
Total Paying Passenger Traffic [(2)]						
Domestic Flights [(3)]	8.2	8.7	9.7	10.5	10.8	7.1%
International Flights [(4)]	4.3	4.6	4.9	5.3	5.7	7.4%
Total	12.5	13.3	14.6	15.7	16.5	7.2%
Percentage Growth on Prior Year		6.5%	9.5%	8.0%	4.9%	
Total Paying Passengers as percentage of Total Passenger Traffic						
Domestic Flights	39.2%	38.4%	37.7%	37.9%	37.3%	
International Flights	40.5%	39.8%	38.4%	37.6%	36.3%	
Total	39.6%	38.9%	37.9%	37.8%	36.9%	
Cargo Volume	376,590	398,557	446,915	483,433	537,263	9.3%

(1) Total number of passengers (including incoming and departing passengers, paying passengers and exempt passengers).

(2) Total number of passengers paying passenger charges and refer to passengers (other than exempt passengers) who board domestic or international scheduled commercial passenger flights or chartered passenger flights, in each case, originating from the Mexico City Airport System to a destination within or outside Mexico.

(3) Applicable Domestic Tariffs: US$15.76 during 2013, US$21.96 during 2014, US$22.33 during 2015, US$22.37 during 2016 and US$22.74 during 2017.

(4) Applicable International Tariffs: US$19.40 during 2013, US$34.15 during 2014, US$34.72 during 2015, US$34.78 during 2016 and US$35.35 during 2017.

Source: AICM. Historical statistics.

Total revenues per passenger from Existing Airport

	Year ended December 31,		% Change
	2016	**2017**	
Aeronautical revenues per passenger	Ps. 209	Ps. 216	3.2%
Non-aeronautical revenues per passenger	Ps. 72	Ps. 76	5.2%
Total revenues per passenger from Existing Airport	Ps. 281	Ps. 291	3.7%

RISK FACTORS

An investment in the CBFEs involves risks. Before making a decision to invest in the CBFEs, you should consider carefully the following risk factors, as well as all the other information presented in this offering memorandum. The risks described below are those that the Issuer currently believes may adversely affect it, the Sponsors or the Mexico City Airport System. Any of the following risks, if they actually occur, could materially and adversely affect the Issuer's business, results of operations, prospects and financial condition. In that event, the market price of the CBFEs could decline, and you could lose all or part of your investment. Additional risks that are not presently known to the Issuer or that it currently deems immaterial may also impair its business, results of operations, prospects and financial condition.

Risks Related to the Existing Airport's Concession and Operations

AICM's revenues are highly dependent upon levels of air traffic, which depend in part on factors beyond its control.

AICM's revenues are closely linked to passenger and cargo traffic volumes and the number of air traffic movements at the Existing Airport. Passenger and cargo traffic volumes and air traffic movements depend in part on many factors beyond AICM's control, including the successful operation of the Mexico City Airport System, the general economic conditions in Mexico and elsewhere, financial, competitive, regulatory and other factors affecting the Mexico City Airport System, the Sponsors or the aeronautical industry as a whole, fluctuations in petroleum prices (which can have a negative impact on traffic as a result of fuel surcharges or other measures adopted by airlines in response to increased fuel costs) and changes in regulatory policies applicable to the aviation industry. In addition, air traffic may be adversely affected by the attractiveness, affordability and accessibility of competing tourist destinations in Mexico, such as Cancún and Puerto Vallarta, or other regional hubs in Mexico, such as Monterrey and Guadalajara. The attractiveness of Mexico City as a center for business and as a tourist destination is also likely to be affected by perceptions of travelers as to the safety and economic, political and social stability of Mexico. There can be no assurance that air traffic at the Mexico City Airport System in the future will match or exceed current levels. Any decrease in air traffic to or from the Mexico City metropolitan area as a result of factors such as these could adversely affect AICM's business, results of operations, and, as a result, the Issuer Trust's ability to make distributions to the holders of the CBFEs.

Passenger traffic could be adversely affected by a downturn in the economies of the United States or Mexico.

The Mexican air travel industry and, consequently, the amount of passenger charges collected by AICM, are substantially influenced by economic conditions in Mexico and the United States. In 2016 and 2017, 66.5%, and 65.3%, respectively, of the Existing Airport's paying passengers traveled on domestic flights, and 54.2%, and 54.4% of passenger charges collected in 2016, and 2017, respectively, were derived from charges imposed on domestic passengers. When the economies of either the United States or Mexico have been in recession in the past, the number of international passengers in the Existing Airport that arrive or depart on flights originating in or departing to the United States have been adversely affected. In addition, a large portion of domestic passengers in the Existing Airport are business travelers, whose demand for travel is normally adversely affected during periods of recession. Whether Mexico City will maintain its position as an international business center, regional hub and as an attractive tourist destination depends on a number of factors, including the perceived strength of the Mexican economy and the appeal, affordability and accessibility of Mexico City.

In 2017, international passenger traffic at the Existing Airport increased by 12.1%, as compared with the previous year. The Issuer expects international passenger traffic to continue increasing; however, the Issuer cannot predict how economic conditions in the United States may develop in the future or how these conditions will affect international passenger traffic.

In 2017, domestic passenger traffic at the Existing Airport increased by 4.8%, as compared with the previous year. In Mexico, recessions have historically resulted in an overall decrease in levels of domestic passenger traffic as compared to historical passenger traffic levels. The Issuer cannot predict how economic conditions in Mexico may develop in the future or how these conditions will affect domestic passenger traffic.

Projections of the activity and future performance of GACM and its subsidiaries may prove to be incorrect.

The Issuer has incorporated in this offering memorandum certain data and information derived from projections of the activity and future performance of GACM and its subsidiaries. These projections and opinions are prepared based on numerous assumptions, including assumptions in respect of material contingencies and other matters, which the Issuer believes to be reasonable at the time. However, such assumptions, estimates and projections may not be accurate and actual results may be materially different. In addition, the independent auditors have neither examined, compiled nor performed any procedures with respect to the prospective financial or other information contained in the projections and, accordingly, express no opinion or any other form of assurance on such information. The holders of the CBFEs are cautioned not to place undue reliance on the projections and assumptions contained in this offering memorandum.

The projections included in this offering memorandum are for informational purposes only. Such projections are not provided to induce investors to consider that the CBFEs will have returns. There is no guarantee or certainty whatsoever that the Issuer Trust will generate any returns or returns within a certain range to make Distributions to the holders of the CBFE. The existence and amount of such returns are subject to multiple risks, including those described under this “Risk Factors” section. It is possible that the holders of the CBFEs may not obtain any return. Neither the Manager nor any of its executive officers, directors, affiliates or subsidiaries can guarantee or assure the generation of any returns distributable to the holders of the CBFEs.

Mexico has experienced a period of increasing criminal activity, and such activities could affect passenger traffic.

Through the recent years, Mexico has experienced a period of increasing criminal activity, primarily due to organized crime. These activities, their possible escalation and the violence associated with them may have a negative impact on air traffic at the Existing Airport, and therefore on AICM’s business and results of operations, as well as the Issuer’s ability to make Distributions to the holders of the CBFEs.

Fluctuations in international petroleum prices could affect airline costs, which could increase air travel ticket prices and reduce demand for air travel.

Fuel represents a significant cost for airlines. International prices of fuel have experienced significant volatility in recent years. Most of the airlines that operate at the Existing Airport use kerosene-based jet fuel, the price of which is based upon the U.S. spot prices for that fuel plus the cost of transportation to the Existing Airport. Although the U.S. Gulf Coast spot price for jet fuel has decreased from its high of US$4.81 per gallon on September 12, 2008, it has continued to fluctuate in 2017, with a high of US$2.00 per gallon on September 1, 2017 and a low of US$1.24 per gallon on June 23, 2017, according to the Energy Information Administration of the U.S. Department of Energy. As of December 31, 2017, the U.S. Gulf Coast spot price for jet fuel was US$1.90 per gallon. In addition, ASA is responsible for providing storage, distribution, and fuel supply services to AICM or airlines. Neither AICM nor any third party may provide services related to fuel unless the SCT determines otherwise. The price of fuel may be subject to further fluctuations resulting from a reduction or increase in output of petroleum, voluntary or otherwise, by oil producing countries, other market forces, a general increase in international hostilities, or any future terrorist attacks. Although international fuel prices have increased in recent months, in the past, increased costs were among the factors leading to cancellations of routes, decreases in frequencies of flights and in some cases even contributed to filings for bankruptcy by some airlines. Although the fluctuations in oil prices during the recent years have not negatively impacted air traffic volume in the Existing Airport, future significant fluctuations may result either in higher airline ticket prices or in a decrease in demand for air travel generally. Large fluctuations may still result in higher airline ticket prices or reduced demand for airline tickets in general, which would have an adverse effect on the Sponsors’ revenues and results of operations.

International events, including acts of terrorism, wars and global epidemics, could have a negative impact on air travel.

International events such as the terrorist attacks on the United States on September 11, 2001, the more recent terrorist attacks in New York, Barcelona, London, Paris and Brussels and other attacks attributed to the Islamic State of Iraq and Syria or any other organization, wars and public health crises such as the outbreak of the

Severe Acute Respiratory Syndrome (or "SARS") between 2002 and 2003, the Influenza A/H1N1 pandemic of 2009-2010, and the Ebola pandemic in 2014-2015 have disrupted the frequency and pattern of air travel worldwide in recent years. Most recently, travel to other Caribbean and Latin American countries has been affected as a result of the Zika virus. The terrorist attacks on the United States on September 11, 2001 had a severe adverse impact on the air travel industry, particularly on United States' carriers and carriers operating international service to and from the United States. Airline traffic in the United States fell precipitously after the attacks. In Mexico, airline and passenger traffic decreased substantially, although the decrease was less severe than in the United States. The Existing Airport did not experience a decline in passenger traffic following September 11, 2001; however, it maintained the passenger traffic volume of the previous year, with no growth as seen in previous years. Similarly, the Existing Airport's operations and passenger traffic could be negatively impacted by terrorist attacks on aircrafts, such as those which occurred with the Russian aircraft "Metrojet" operating over Egypt and the Ukraine in 2015. The Existing Airport did experience a significant decline in passenger traffic volume in 2009 and 2010 during the Influenza A/H1N1 pandemic.

Any future terrorist attacks, whether or not involving aircraft, or global or regional outbreaks of health epidemics such as Influenza A/H1N1 and the Zika virus, could adversely affect air traffic volume at the Existing Airport, and, as a result, cause an adverse effect on AICM's business and results of operations and, as a result, the Issuer's ability to make distributions to the holders of the CBFEs.

Competition from new or existing airports in the Mexico City metropolitan area and other regional hubs could adversely affect the Mexico City Airport System.

While the construction of the New Airport is underway, the Sponsor's generation of cash flow depends on the continued operations of the Existing Airport. The Toluca International Airport, which is located 29.2 miles from Mexico City, has emerged as a competitor airport to the Existing Airport in recent years. The Toluca International Airport is largely served by low-cost airlines that cater to domestic passengers and may detract from increased domestic traffic to the Existing Airport. Furthermore, air traffic may also be affected by traffic to other competitor airports that are proximate to Mexico City, such as the Cuernavaca International Airport and the Puebla International Airport, or other regional hubs within Mexico, such as Monterrey or Guadalajara. In addition to competition from other airports, domestic passenger traffic in the Existing Airport may be affected by competing ground transportation alternatives to air travel, such as the construction of new rail transportation and regular and long distance interstate buses. In Mexico, buses have historically attracted more passengers than the airline industry. Any material reduction in air traffic as a result of competition would adversely affect the Sponsors' business, results of operations and the Issuer's ability to make distributions to the holders of the CBFEs.

The implementation of future security enhancements could negatively impact passenger traffic.

In October 2001, the Mexican Bureau of Civil Aviation (*Dirección General de Aeronáutica Civil*) issued directives with enhanced rules and regulations for security in Mexican airports following the terrorist attacks of September 11, 2001 and in response to recommendations from the Transportation Security Administration of the United States. If the Mexican Bureau of Civil Aviation issues new directives in the future, new enhanced security measures would be required to be implemented at the Existing Airport in compliance with such directives. Security measures taken to comply with future security directives or in response to a terrorist attack or threat, wars, or global or regional outbreaks of health epidemics could reduce passenger traffic at the Mexico City Airport System due to increased passenger and baggage screening, slower security checkpoints and the imposition of additional limitations on air travel. In addition, any failure in any of the security measures at the Mexico City Airport System that results in a serious security breach or a public security scare, may result in reputational damage which could also adversely affect air traffic. Any reduction in passenger traffic due to the events described above would have an adverse effect on AICM's business, results of operations and the Issuer's ability to make distributions to the holders of the CBFEs.

The Existing Airport is exposed to risks related to handling cargo.

The air cargo system is a complex, multi-faceted network that handles a vast amount of freight, packages and mail carried aboard passenger and cargo aircraft. The air cargo system is vulnerable to security threats, including potential plots to place explosives aboard aircraft; illegal shipments of hazardous materials; criminal activities, such as smuggling and theft; and potential hijackings and sabotage by persons with access to aircraft.

Several procedural and technology initiatives to enhance air cargo security and detect terrorist and criminal threats have been put in place or are under consideration.

The Existing Airport may be subject to risks related to the integrity of the Existing Airport's facilities or the reduction of the Existing Airport's cargo traffic volume. The occurrence of such events could adversely affect the Existing Airport's business and results of operations, which in turn may adversely affect the Issuer's results of operations and its ability to make distributions to the holders of the CBFEs.

Any event that affects the safety standard perception of any of the major airlines could result in a loss of significant passenger traffic volume.

Any accident, incident or other event that affects the safety standard perception of any of the major airlines may affect its image and generate a public perception that it is less safe or reliable than other airlines. These events would harm consumer demand and the number of passengers serviced by such airline, thereby adversely affecting AICM's results of operations and, in turn, the Issuer's ability to make distributions to the holders of the CBFEs.

The United States Federal Aviation Administration could downgrade Mexico's air safety rating again, which could have a negative impact on AICM's business and operations.

In July 2010, the United States Federal Aviation Administration ("FAA") announced that, following an assessment of Mexico's civil aviation authority, it had determined that Mexico was not in compliance with international safety standards set by the International Civil Aviation Organization ("ICAO"), and, as a result, downgraded Mexico's aviation safety rating from "Category 1" to "Category 2." Under FAA regulations, because of this downgrade, Mexican airlines were not permitted to expand or change their current operations between the United States and Mexico except under certain limited circumstances, code-sharing arrangements between Mexican and United States' airlines were suspended, and operations by Mexican airlines flying to the United States were subject to greater FAA oversight. These additional regulatory requirements resulted in reduced passenger traffic originating in or departing to the United States by Mexican airlines operating at the Existing Airport or, in some cases, in an increase in that cost of service, which resulted in decrease in demand for travel. The FAA restored Mexico's Category 1 rating on December 2, 2010. The FAA may downgrade Mexico's air safety rating in the future. The Issuer cannot predict what impact the downgrade of the Mexican aviation safety rating would have on AICM's results of operations, or on the public perception of the safety of the Existing Airport.

Interruptions in the proper functioning of information systems and other technologies of AICM could disrupt operations at the Existing Airport and cause increases in costs or decreases in revenue.

The proper functioning of information systems at the Existing Airport is important to its successful operation. The information technology, systems and infrastructure are susceptible to outages due to natural disasters, fires, floods, energy losses, telecommunication equipment failures and other similar events. Part of the information technology, systems, and infrastructure is maintained by third parties that are not controlled by AICM. If critical information systems fail or are otherwise unavailable, AICM's ability to properly provide aeronautical and non-aeronautical services, collect accounts receivable, pay expenses, make distributions and maintain its security and customer standards, could be adversely affected. In addition, incidents such as cyber-attacks, viruses, other destructive or disruptive software or activities, process breakdowns, outages or accidental release of information could adversely affect AICM's technological systems and result in a disruption of the operations at the Existing Airport, an undue disclosure of personal, privileged or confidential information, or unauthorized access to digital content or intellectual property.

In addition, AICM is the owner and licensee of information systems for the collection of payments and administration of funds. AICM's activities and capacity to collect payments could be negatively impacted if any of these systems does not operate as expected, is subject to a security breach, or is not replaced by new systems comparable to those of competitors.

The security risks associated with information technology have increased in recent years due to an increase in the sophistication and activities the people who carry out cyber attacks. A failure of or attack on the information technology systems or on those of its contractors could affect the business or result in the disclosure or misuse of confidential or personal information, causing significant interruptions in services or other operational difficulties, as well as increases in costs or losses. In addition, AICM is exposed to terrorist groups and others trying to use assets, including information technology systems, to cause damage.

Although actions are continuously being taken to improve the information technology systems, these systems are still vulnerable to failures or unauthorized access. The information systems at the Existing Airport are expected to be protected with robust backup systems, including physical and software safeguards and a technology operations recovery site. These security measures mitigate the risk of interruptions, failures or security breaches to the information systems at the Existing Airport and should be reviewed periodically by external consultants. However, there can be no assurance that any efforts made to prevent or remedy these incidents will be successful in avoiding harm to the Existing Airport's operations or the resulting reputational damage.

Natural disasters could adversely affect AICM's business.

Mexico City is situated in the central region of Mexico, which is located on the Trans-Mexican Volcanic Belt. Because of the frequent seismic activity in that region, Mexico City experiences earthquakes and flooding from time to time. Natural disasters may temporarily disrupt or impede operations at the Existing Airport and/or damage infrastructure necessary to its operations. The occurrence of natural disasters in the Mexico City region has adversely affected, and could in the future adversely affect, passenger traffic and therefore AICM's business, results of operations, prospects, and financial condition. The physical facilities at the Existing Airport are, and the New Airport facilities will be, insured against damage caused by natural disasters, accidents or other similar events, and losses due to resulting business interruption. However, should losses occur, there can be no assurance that losses caused by damages to the physical facilities of the Existing Airport will not exceed the pre-established limits on the insurance policies.

The operations of the Existing Airport may be disrupted due to the actions of third parties beyond AICM's control.

As is the case with most airports, the operations of the Existing Airport will be largely dependent on the services of third parties, such as air traffic control authorities and airlines. The Existing Airport is also dependent upon the Mexican government or entities of the government for provision of services such as energy, supply of fuel to aircraft and security and immigration services. Neither the Issuer nor any of the Sponsors are responsible for and cannot control the services provided by these parties. Any disruption in or adverse consequence resulting from the services of third parties, including a work stoppage or other similar event, may disrupt the operations at the Existing Airport and there are no assurances that AICM will be able to find a suitable replacement to provide such services. Any disruption of operations at the Existing Airport may adversely affect AICM's results of operations and, as a result, the Issuer's ability to make distributions to the holders of the CBFEs.

Construction, renovation or remediation works at the Existing Airport could have a negative impact on the airport's operations.

AICM is currently implementing a capital investment program and construction to remediate the sinking of Terminal 2 of the Existing Airport, which hosts, among others, all flights serviced by Aeroméxico and Delta. Although AICM is confident that this plan will remediate the sinking problem and help avoid any incidents at Terminal 2, the Issuer cannot provide any assurance that such plan will be successful or that operations at Terminal 2 will not be adversely affected. In addition, AICM may decide to renovate or carry out other repairs at the Existing Airport while the construction of the New Airport is underway. These renovations and repairs could also disrupt the Existing Airport's results of operations and have a negative impact on AICM's business and results of operations. The Issuer cannot assure you that the operations of the Existing Airport will not decrease or be adversely affected by renovations and repairs in the future.

The loss of one or more of the Existing Airport's key customers could result in a loss of a significant amount of the Sponsors' revenues.

Certain airlines that currently operate or used to operate at the Existing Airport have undergone complex restructuring processes, or have been subject to bankruptcy and insolvency proceedings, some of which have resulted in the liquidation of these airlines. The obligation of the airlines to make payments of passenger charges are not secured by collateral, except for performance bonds provided by some of the airlines with respect to the payment of passenger charges. In 2017, ten airlines were responsible for approximately 86.8% of passenger charges collected at the Existing Airport and Aeroméxico, the largest carrier in Mexico, together with its regional airline, Aeroméxico Connect, was responsible for approximately 28.8% of passenger charges collected during 2017. The ceasing of operations of any of these key airlines, without a suitable replacement to occupy the slots previously occupied by such airline, would have an adverse effect on AICM's business and results of operations. Although AICM has been successful in attracting other airlines to service vacant spots in the past, as was the case after the bankruptcy and liquidation process of Mexicana de Aviación, the Issuer cannot assure you that AICM or GACM would be equally successful if any other key airline ceases operations at the Mexico City Airport System in the future. In addition, if any of these key airlines were to become insolvent or seek bankruptcy protection, AICM would be an unsecured creditor with respect to any unpaid passenger charges, and it might not be able to recover any outstanding and unpaid amount. Any of these events would have an adverse effect on AICM's business and results of operations.

Changes to Mexican laws, regulations and decrees, as well as to Mexican governmental policies could have an adverse impact on AICM's results of operations.

Laws and regulations at the municipal, state and federal levels in Mexico change frequently, and the changes can have an adverse effect on AICM's business and results of operations at the Existing Airport. Any changes in regulations, the interpretation of existing regulations, the imposition of additional regulations or the enactment of any new legislation that affect the airport sector, employment/labor, transportation/logistics, energy and fuel costs, transport, tax or environmental issues, could have an adverse impact on AICM's business and results of operations.

Anti-climate change regulation or practices could have a negative impact on the Sponsors' operations.

The Mexican government has made certain commitments under the 2015 Paris Agreement on Climate Change, including an unconditional reduction of greenhouse gases and short-lived climate pollutant emissions by 25% by the year 2030. Carbon emissions from air travel contribute to climate change, and future efforts may be made to regulate these emissions, in addition to what is already required and to regulations regarding reports of emissions of greenhouse gases, or reduce these emissions, which may have a material adverse effect on air transport volumes and airports. Regulations aiming to curb the production of greenhouse gases may be enacted, which could have an impact on the volume of operations and arrivals at airports. For example, the European Union has incorporated internal EU flights into the EU Emissions Trading System and has considered in the past few years including external flights. There can be no assurance that Mexico will not implement similar measures with respect to emissions and other anti-climate change measures.

AICM and GACM may not be able to detect money laundering and other illegal or improper activities, which could expose the Sponsors to additional liability and have a material adverse effect on the Issuer.

The Sponsors are required to comply with applicable anti-money laundering and anti-terrorism and other regulations in Mexico. Such laws require the Sponsors to adopt and implement certain policies and procedures designed to detect and prevent transactions with third parties involved in money laundering or terrorist activities. Although AICM has adopted such policies and procedures, these procedures require services related to third parties that are not in AICM's control, including third-party providers of complementary services or retailers, restaurants and other commercial tenants leasing spaces at the airport. To the extent that any of the Sponsors may fail to fully comply with applicable laws and regulations or fail to detect illegal activities carried out by third parties, the competent authorities may impose certain fines on the Sponsors and their reputation may also be adversely affected.

In addition, the Sponsors' failure to comply with such laws, as a result of their own or a third party's acting, may constitute an event of default under the Existing Notes, which if not cured according to their respective terms, may prevent the Issuer from receiving any revenues derived from the collection of passenger charges.

The Existing Airport provides a public service regulated by the Mexican government.

The Existing Airport's operations as well as the fees charged to airlines and passengers are regulated, like in most airports in other countries. Furthermore, the Existing Airport's operations are subject to certain standards and to compliance by AICM of certain obligations established in the Mexican Airport Law, the Mexican Airport Law regulations and the Existing Airport Concession. These regulations may limit AICM's flexibility to manage the Existing Airport's operations. In addition, several of the regulations applicable to the Existing Airport's operations are authorized (as in the case of the master development plan) or established by the SCT for five-year terms. AICM generally does not have the ability to unilaterally change its obligations (such as the investment obligations under the master development plan) or to increase the applicable tariffs without the authorization of the competent authorities, should the passenger traffic or other assumptions on which the regulations were based change during the applicable term.

In addition, AICM's failure to comply with the terms of the Existing Airport Concession may result in its revocation by the SCT, without payment of any indemnification. See "The Mexican Regulatory Framework—Scope of the Concessions and Obligations of Each Sponsor Thereunder—Penalties and Termination and Revocation of Concession and Concession Assets."

Generally, tariffs charged for aeronautical and complementary services at the Existing Airport are unilaterally set by the Mexican government, which may decide to maintain or decrease such tariffs at any point in time.

Tariffs charged for aeronautical and complementary services at the Existing Airport are generally determined and regulated by the Mexican government. Although passenger charge tariffs may be subject to change upon request by the AICM, the Mexican government may deny such request, even in circumstances that would warrant an increase. Moreover, the Mexican government may decide to reduce passenger charge tariffs charged at the Existing Airport at any point in time. For example, the SCT could recommend to the SHCP to reduce passenger charge tariffs if the exploitation of any of the Concessions and rendering of the airport services do not comply with satisfactory quality or competitive conditions. A decision by the Mexican government to deny a request to increase tariffs or to decrease tariffs could have an adverse effect on the amount of charges collected, which in turn may adversely affect AICM's results of operations and financial condition.

In addition, the Mexican government could decide to change the denomination of the tariffs to Mexican pesos or other currencies other than the U.S. dollar. Such a determination by the Mexican government may result in an event of default under the Existing Notes, unless hedging agreements are entered into to cover the exchange risks for the outstanding amount of the Existing Notes, which would prevent the Issuer from receiving any revenues derived from the collection of passenger charges.

The insurance policies maintained with respect to the Mexico City Airport System may not provide sufficient coverage and the proceeds of any business interruptions shall be applied to prepay the Existing Notes.

AICM currently holds effective business interruption insurance policies with respect to the Existing Airport with responsible insurance companies, in such types and amounts and covering such risks as are consistent with customary practices and standards of companies in Mexico engaged in businesses and operations similar to those of the Existing Airport and, following the commencement of operations of the New Airport, GACM will hold effective business interruption insurance policies with respect to the New Airport. While the Sponsors seek to insure all reasonable risks, the markets for airport insurance and construction insurance are limited, and a change in coverage policy by the insurance companies involved could reduce the Sponsors' ability to obtain and maintain adequate coverage. Furthermore, upon any partial or complete interruption of the Mexico City Airport System's operations, all proceeds of any insurance will be used as source of payment of the Existing Notes. However, neither the Issuer nor the Sponsors can assure you that upon such business interruption, the insurance proceeds, with any other money deposited in the TUA Security Trust accounts, will be sufficient to service all the outstanding obligations under the Existing Notes and that any remaining proceeds will be transferred to the Sponsors.

In addition, certain of the Mexico City Airport System's assets cannot, by their nature, be covered by property insurance (notably aircraft movement areas, and certain civil engineering works and infrastructure). The insurance coverage maintained for the Mexico City Airport System may not cover all of the Sponsors' liabilities in the event of an accident or other incident. The foregoing may cause a disruption on the operations of the affected Airport, which in turn may adversely affect the Sponsors' results of operations and the Issuer's ability to make distributions to the holders of the CBFEs.

The Mexican government may terminate or reacquire the Existing Airport Concession under various circumstances, some of which are beyond the Sponsors' control.

A Mexican airport concession may be revoked by the Mexican government for certain reasons prescribed in the applicable law and in the corresponding concession, including failure to comply with the master development plan, a temporary or permanent halt in the airport's operations, failure to maintain up to date insurance policies, alteration of the civil aerodromes established through the concession without authorization from the SCT, an assignment, encumbrance or transfer of the concession or the rights and goods affected by the concession without authorization from the SCT, failure to pay damages resulting from the airport's operations, exceeding the applicable maximum rates or failure to comply with any other material term of the concession. Violations of certain terms of a concession can result in revocation of a concession only if sanctions have been imposed for violations of the relevant term at least three times during a period of five years. Violations of other terms of a concession can result in the immediate termination of the concession. AICM would face similar sanctions for violations of the Mexican Airport Law or the regulations thereunder.

The Mexican government may also revoke the Existing Airport Concession at any time through reversion, if, in accordance with applicable Mexican law, it determines that it is in the public interest to do so. The Mexican government may also assume the operation of any airport in the event of war, public disturbance or a threat to national security. In addition, in the case of a *force majeure* event, the Mexican government may require AICM to implement certain changes in the Existing Airport's operations. In the event of a reversion of the public domain assets that are the subject of the Existing Airport Concession, the Mexican government under Mexican law is required to compensate AICM for the value of the concession or added costs based on the results of an audit performed by appraisers. Similarly, in the event of an assumption of the Existing Airport's operations, other than in the event of war, the government is required to compensate AICM and any other affected parties for any resulting damages.

Any compensation received by AICM upon any such events shall be applied to prepay the Existing Notes. The Issuer cannot assure you that upon the occurrence of any such events, the compensation paid by the Mexican government, with any other money deposited in the TUA Security Trust accounts, will be sufficient to service all the outstanding obligations under the Existing Notes and that any remaining proceeds will be transferred to the Sponsors, which may in turn adversely affect the Issuer's ability to make distributions to the holders of the CBFEs.

AICM's operations are subject to the general risks of litigation, which if adversely resolved, may have an impact on AICM's business and operations.

AICM is involved on an ongoing basis in litigation arising in the ordinary course of business or otherwise. Litigation may include individual or class actions involving consumers, employees or injured persons, and claims related to constitutional, administrative, commercial, labor, employment, agriculture or environmental matters. To the extent that the Existing Airport's operations suffer a disruption as a result of any such litigation or the costs related to the same, it may adversely affect the level of passenger traffic at the Existing Airport, AICM's business and results of operations. Furthermore, there may be claims or proceedings commenced by an airline or AICM in connection with the collection of or amount of passenger charges and other aeronautical charges collected or paid by such airline, which in case of an unfavorable outcome, may affect the results of AICM's operations.

Revenues and profitability of the Existing Airport may not increase if its commercial strategy fails.

The ability of AICM to increase its revenues and profitability will depend in part on its commercial strategy, which consists of increasing the number of passengers using its airports, developing infrastructure to adjust to the expected growth in passenger traffic and continuing to improve the commercial offer in its airports. There is no guarantee that the implementation of its strategy to increase its revenues from non-aeronautical services will be successful.

AICM's ability to increase its revenues from non-aeronautical services depends significantly on the increase in passenger traffic and the desire of passengers to spend at the Existing Airport. However, the volume of passenger traffic depends on factors beyond its control, such as the attractiveness of the commercial, industrial and tourist centers where the airports are located. Therefore, there can be no assurance that the volume of passenger traffic at the Existing Airport, and the revenues from non-aeronautical services derived therefrom will increase.

Most of AICM's workforce is unionized and AICM may be subject to organized labor measures, including strikes and litigation.

As of the date of this offering memorandum, approximately 58.5% of the employees who work at the Existing Airport are unionized. Any tension with the unions in the future could result in strikes or litigation, which could have an adverse effect on AICM's business and operations and, in turn, on the Issuer's ability to make distributions to the holders of the CBFEs.

AICM is exposed to risks related to the sub-lease of certain spaces to third parties that may affect commercial revenues.

AICM is exposed to risks related to the sub-lease of spaces to third parties at the Existing Airport, such as such third parties' failure to make payments or a decrease in the demand for the use of these spaces. A decrease in revenues generated from commercial activities at the Existing Airport as a result of any such events could adversely affect AICM's results of operations and financial condition.

The Existing Airport is exposed to risks inherent to the operation of airports.

AICM is required to protect the public and reduce the risk of accidents at the Existing Airport. AICM must contract private security services, maintain the infrastructure of the Existing Airport and provide emergency medical service in the case of fires, earthquakes, floods or other natural disasters. These obligations could increase AICM's liability to third parties for personal injuries or property damage to a degree not adequately covered by insurance, which could adversely affect AICM's financial condition and results of operations.

The Existing Airport is subject to several environmental, social and human rights regulations that affect its operations and may expose it to significant costs, liabilities, obligations or restrictions.

The Existing Airport and the airlines that are its customers are subject to environmental, social and human rights laws, regulations and authorizations, such as regulations governing the generation, use, transportation, handling and disposal of hazardous materials and residues, the emission and disposal of hazardous materials on land, air or water, and health and social security. Failure to comply with these environmental and social requirements may expose AICM to litigation, fines or other sanctions. AICM could also incur significant costs in relation to compliance with these requirements, as well as be held liable for pollution, human exposure to hazardous materials or other environmental damage at the Existing Airport or in connection with its operations. These environmental and social requirements, as well as the application and interpretation thereof, change frequently and have tended to become more stringent over time. Future environmental, social and human rights laws, regulations and authorizations may require AICM to incur additional costs in order to comply with them. AICM's costs, liabilities, obligations and restrictions related to environmental and social issues could have a material adverse effect on its business, results of operations and financial condition.

The Existing Airport depends on its management for knowledge and experience, and the loss of capable executives could affect its activities, financial condition and results of operations.

Current and future performance of the Existing Airport depends significantly on the continuous contribution of managers and other key employees. In order to achieve the objectives of each management or key position, the ability, experience, aptitude and knowledge of each candidate is taken into for recruitment and personnel allocation purposes. AICM cannot guarantee that in the future it will maintain the same team of executives, or that if new executives are incorporated, they will have the same level of knowledge and experience. The lack of a capable management team could adversely affect AICM's business and results of operations.

Risks Related to the New Airport's Operations

Total funding required for the construction and initial operation of the New Airport may be higher than the funds currently available, which may affect or delay its construction and initial operation.

The total funding required for the construction and initial operation of the New Airport is estimated at approximately US$13.3 billion, of which US$1.25 billion was contributed by the Mexican government and US$6.0 billion was obtained from the issuance of the Existing Notes. Nonetheless, total funding required to fully fund the project and ensure its completion is higher than the amount of funds that are currently available. Even with the additional funds raised through the Global Offering and an additional issuance of notes by the TUA Issuer Trust, based on the recent increase of US$8.0 to the International Tariff, additional funds may still be required. This funding gap could be addressed by additional resources from the Mexican government or other private sources of funding. However, neither the Issuer nor the Sponsors can assure you that such funds will become available, or that the current funding gap will not delay the construction and initial operation of the New Airport.

The transition of operations from the Existing Airport to the New Airport may not occur, which would adversely affect the projected growth in the Mexico City Airport System's revenues.

The long-term projected cash flows and revenues from the Mexico City Airport System's operations depend on the construction and development of the New Airport and the successful transition of operations from the Existing Airport to the New Airport. If, as the result of construction delays, cost overruns or financing shortfalls, the transition of operations from the Existing Airport to the New Airport does not occur, or is subject to substantial delays, passenger traffic volume would remain inherently limited by the capacity of the Existing Airport for an extended period of time. The total funding required for the construction and initial operation of the New Airport is estimated at approximately US$13.3 billion, of which approximately 36% will be contributed by the Mexican government and appropriated in multi-annual Mexican federal budgetary commitments, which are subject to approval by the Mexican Congress on a yearly basis, and the remaining funds are expected to be obtained through private financing, including through the offering of equity and existing debt securities in the domestic and international capital markets. The unavailability of government funds for any reason, including macroeconomic conditions or political volatility as a result of the coming Mexican presidential elections in 2018, may cause a delay in the construction and completion of the New Airport if available funds derived from private funding are not enough to continue financing the project.

The Issuer cannot assure you that not being able to commence the New Airport's operations when is scheduled to occur will not have a negative impact on its actual cash flows and its ability to make distributions to the holders of the CBFEs. To the extent that the New Airport does not commence operations when expected, the Issuer may receive lower than projected revenues, resulting in less cash available to be distributed to the holders of the CBFEs.

The transition of operations from the Existing Airport to the New Airport must be made overnight, which increases the possibility of adverse events.

The Existing Airport and the New Airport will share the same air space, and therefore commercial operations at the New Airport must commence simultaneously with the closing of the Existing Airport. Overnight transitions from old installations have been achieved in other cases such as the Franz Josef Strauss Airport in Munich, Germany, and the Hong Kong International Airport; however, neither the Issuer nor any of the Sponsors can provide any assurance that such overnight transition will be successful or uneventful. Overnight airport transitions require extensive preparation, thorough planning and efficient execution, and can result in difficulties with air traffic control, passenger and crew handling, security, baggage handling, facilities management, technological systems, among others. These events could result in accidents, incidents or other adverse events that may adversely affect the orderly commencement of commercial operations of the New Airport. Any of these events could have an adverse effect on the Issuer's revenues, cash flows, results of operations and the Issuer's ability to make distributions to the holders of the CBFEs.

The New Airport may have operating results that vary from projections as a result of being a newly operating airport.

The New Airport is subject to significant development and operational risks, including uncertainty as to the development of the New Airport's construction project in accordance with current expectations or at all. If construction is completed, the New Airport may further be subject to various unanticipated structural or operational risks. There is no basis for an assumption that the plans with respect to the New Airport will materialize or prove successful or that the projections with respect to the operations of the New Airport will be accurate. In addition, although the Issuer expects that at least part of the staff in the Existing Airport will continue working on the New Airport, GACM may not possess the same level of familiarity with the dynamics and operating conditions at the New Airport, which could adversely affect its ability to commence operations successfully. If the projections relating to the New Airport's operations prove inaccurate or if GACM is unable to commence operations at the New Airport successfully, the Issuer's cash flows, revenues and results of operations, as well as the Issuer's ability to make distributions to the holders of the CBFEs may be adversely affected.

Public perception of the New Airport may be negatively affected by the press coverage related to the procurement process for the construction of the New Airport and the project in general.

The media has published a number of articles regarding the New Airport, including articles related to the costs related to the project and the procurement process to award contracts for the development and construction of the New Airport. These publications are not under the control of the Issuer Trust or the Sponsors. These types of articles could have a negative effect on the public perception of the operation of the Existing Airport and the construction of the New Airport. The Issuer cannot assure you that there will not be additional negative press coverage regarding the Mexico City Airport System in the future, or that such coverage will not affect the construction or development of the New Airport or the value of the CBFEs.

The construction of the New Airport is subject to regulations that may result in material costs, liabilities, obligations or restrictions.

GACM, its contractors and other companies responsible for the construction of the New Airport are subject to various environmental and social laws, regulations and authorizations governing the generation, use, transportation, handling and disposal of hazardous materials, the emission and disposal of hazardous materials on land, air or water, and health and social security. Failure to comply with these environmental and social requirements may expose GACM to litigation, fines or other sanctions. GACM could also incur significant costs in relation to compliance with these requirements, as well as be held liable for pollution or human exposure to hazardous materials. These environmental and social requirements, as well as the application and interpretation thereof, change frequently and have tended to become more stringent over time. Future environmental and social laws, regulations and authorizations may require the GACM to incur additional costs in order to comply with them. GACM's costs, liabilities, obligations and restrictions related to environmental and social issues could have a material adverse effect on its business, results of operations and financial condition.

The construction, development and operation of the New Airport may be affected by disputes and disagreements with local communities neighboring the construction site or political decisions of the federal government.

Disputes with communities neighboring the construction site for the New Airport may arise from time to time. Although the Issuer expects the New Airport will contribute to local communities with sustainable policies and employment and business opportunities, expectations are complex and involve multiple stakeholders with different and constantly evolving interests. The New Airport's construction site is located near communities that may regard the project as being detrimental to their circumstances. Community expectations are typically complex with the potential for multiple inconsistent stakeholder views that may be difficult to resolve. In extreme circumstances, the development of the New Airport may be a focus for civil unrest. Any disagreements with local communities could cause delays or interruptions in the development of the project. Protesters have taken actions in the past to disrupt the development of infrastructure projects in the region, and they may continue to do so in the future. Likewise, the completion of the New Airport and its operation may be limited, affected, or undergo significant changes due to political decisions or changes in the development plans of the federal government.

Construction plans for the New Airport could suffer delays or exceed the budget.

The plans for construction and development of the New Airport could suffer delays or result in costs that exceed the project's initial budget, which could increase capital and operating expenses and adversely affect GACM's business, results of operations, projected results and financial condition. Such delays or budget surpluses could limit the capacity for development and conclusion of the New Airport. In addition, the failure to comply with the terms of the New Airport's master development plan as a result of such events could result in the imposition of sanctions or fines and in certain cases the revocation of the New Airport Concession (provided that the sanction is final in terms of the Mexican Airport Law).

Administrative proceedings or revocation of permits affecting one or more of the New Airport's main contractors in connection with the construction and development of the New Airport may affect or delay the commencement of operations of the New Airport.

Several contractors and suppliers have been awarded with contracts in connection with the construction of the New Airport. In some instances, the services provided and works performed by such contractors require governmental authorizations and compliance with environmental standards and applicable regulation. Any revocation of such authorizations, sanctions imposed to such contractors or any administrative proceeding or litigation in connection with such works could affect or delay the construction and development of the New Airport and, as a result, the commencement of its operations.

GACM's operations are subject to the general risks of litigation, which if adversely resolved, may affect or delay the construction, development and commencement of operations of the New Airport.

GACM may be involved in litigation arising in the ordinary course of business, in connection with the construction of the New Airport project, or otherwise. Litigation may include individual or class actions involving contractors, suppliers, employees or injured persons, and claims related to administrative, commercial, labor, employment, agriculture, environmental or human rights matters.

As of the date of this offering memorandum, a series of proceedings are in process in relation to land that will be used for the construction, administration, operation and exploitation of airport infrastructure. Also, a participant in the bidding process for the construction of the ground transportation center of the New Airport filed a complaint with the Ministry of Civil Service before GACM declared that bidding process void due to the participant companies' failure to meet certain technical, economic, legal and administrative requirements. A second bidding process began on December 21, 2017.

To the extent that GACM's operations suffer a disruption as a result of any such litigation or the costs related to the same or they are resolved in a way that results in suspensions, provisional measures or other consequences that negatively affect GACM's operations, it may affect, delay or indefinitely suspend the construction, development and timely conclusion of the New Airport and, as a result, the commencement of its operations.

The New Airport and GACM are subject to the same or similar risks affecting the Existing Airport and AICM.

Each of the risks described in "—Risks Related to the Existing Airport's Concession and Operations" that affect the Existing Airport and AICM and similar risks that generally affect the operations of airports, are also applicable to the New Airport and GACM or will be applicable upon commencement of the New Airport's commercial operations.

Risks Related to Mexico

Changes in economic, political and social conditions in Mexico and other countries may adversely affect the Sponsors' business and results of operations.

The Sponsors are incorporated in Mexico, their assets are located in Mexico and the operations of the Mexico City Airport System take and will take place in Mexico. As a result, the Sponsors and the Mexico City Airport System are subject to political, economic, social, legal and regulatory risks specific to Mexico, including the general condition of the Mexican economy, the devaluation of the Mexican peso as compared to other currencies, including the U.S. dollar, inflation, interest rates, airport regulation, taxation, expropriation, social instability, increasing crime rates and other economic, political and social developments in Mexico. Furthermore, national presidential and legislative elections in Mexico are set to take place in 2018, and could result in political and economic instability. Furthermore, one of the leading candidates in the upcoming Mexican presidential elections has publicly announced his intention to cancel the construction and development of the New Airport and build a different new airport. If that occurs, an event of default under the Existing Notes and an obligation to redeem the Existing Notes with the proceeds of any indemnification paid by the Mexican government could be triggered subject to the facts and circumstances surrounding the cancellation. Even though cash flows of the Existing Airport would continue serving as source of payment of the Existing Notes, the Issuer cannot assure you that any cash flows from passenger charges would be left to make Restricted Payments to the Sponsors after payment of the Existing Notes, whether the same are accelerated or not, which may prevent the Issuer from receiving any revenues derived from the collection of passenger charges.

Changes in Mexican macroeconomic conditions have a significant influence on the demand for air travel. Decreases in the growth rate of the Mexican economy, periods of negative growth, reduced government spending and its effect on disposable income and/or increases in inflation or interest rates may result in lower demand for air travel, which would adversely affect the Issuer's business, results of operations, financial condition and the price of the CBFEs.

Many countries worldwide, including Mexico, have suffered significant economic, political and social crises in recent years, and these events may occur again in the future. The United Kingdom held a referendum on June 23, 2016 in which a majority voted for the United Kingdom's withdrawal from the European Union ("Brexit"). As a result of this vote, a process of negotiation has begun to determine the terms of Brexit and of the United Kingdom's relationship with the European Union going forward, the effects of which could lead to additional political, legal and economic instability in the European Union. Global instability has been caused by many different factors, including substantial fluctuations in economic growth, high levels of inflation, changes in currency values, changes in governmental economic or tax policies and regulations, and overall political, social and economic instability. The Issuer cannot assure you that such conditions will not return or that such conditions will not have a material and adverse effect on its business, results of operations, prospects and financial condition.

The Mexican economy and the market value of securities issued by Mexican issuers may be, to varying degrees, affected by economic and market conditions in other emerging market countries and in the United States. Furthermore, economic conditions in Mexico are highly correlated with economic conditions in the United States as a result of the North American Free Trade Agreement ("NAFTA"), and increased economic activity between the two countries. Following the U.S. elections in November 2016 and the change in the U.S. administration for the four-year period from 2017 to 2020, there is uncertainty regarding future U.S. policies with respect to matters of importance to Mexico and its economy, particularly including trade and migration. On January 23, 2017, the U.S. President signed an Executive Order directing the United States Trade Representative to withdraw the United States as a signatory to the Trans-Pacific Partnership Agreement ("TPP"), a proposed international trade agreement among twelve Pacific Rim countries, and to permanently withdraw the United States from TPP negotiations. While Mexico and other parties are still evaluating alternatives following this withdrawal, negotiations among the United States, Mexico and Canada to revise and update NAFTA began on August 16, 2017. The U.S. administration has stated that if it is unable to reach a fair deal in the NAFTA renegotiations, it may terminate NAFTA. In addition, the U.S. administration has begun to take steps to facilitate the construction of a wall along the U.S.-Mexico border in order to stop immigrants from coming into the United States illegally. The construction of such a wall may create frictions among the Mexican government and the U.S. government and reduce economic activity between those countries, thus affecting the travel of passengers from Mexico to the United States. There can be no assurance as to what the outcome of the NAFTA renegotiations will be, and the impact of these measures or any others adopted by the U.S. cannot be predicted.

Adverse economic conditions in the United States, the termination or re-negotiation of NAFTA in North America or other related events could have an adverse effect on the Mexican economy. Although economic conditions in other emerging market countries and in the United States may differ significantly from economic conditions in Mexico, investors' reactions to developments in other countries may have an adverse effect on the market value of securities of Mexican issuers or of Mexican assets. There can be no assurance that future developments in other emerging market countries and in the United States, over which the Issuer has no control, will not have a material adverse effect on the Sponsors' business and results of operations, as well as the price of the CBFEs.

Mexico has experienced adverse economic conditions in the past.

In the past, Mexico has experienced economic crises, caused by internal and external factors, characterized by exchange rate instability (including large devaluations), high inflation, high domestic interest rates, economic contraction, a reduction of international capital flows, a reduction of liquidity in the banking sector and high unemployment rates. The Issuer cannot assume that such conditions will not return or that such conditions will not have an adverse effect on the Sponsors' results of operations and financial condition. If the Mexican economy deteriorates, if the value of the Mexican peso continues to decline, if inflation or interest rates increase significantly or if the Mexican economy is otherwise adversely impacted, the Sponsors results of operations and financial condition may be adversely affected.

Inflation in Mexico, along with government measures to curb inflation, may adversely affect the Issuer's liquidity and the its ability to make distributions to the holders of the CBFEs.

Mexico historically has experienced levels of inflation that are higher than the annual inflation rates of its main trading partners. The annual rate of inflation, as measured by changes in the Mexican national consumer price index calculated and published by the Mexican Central Bank was 2.1% for 2015, 3.4% for 2016, and 6.8% for 2017. High inflation rates could adversely affect the Issuer's liquidity and its ability to make distributions under the CBFEs, by reducing purchasing power, thereby adversely affecting demand for air travel, and the Sponsors' business and the Issuer's results of operations.

High interest rates in Mexico could increase the New Airport's financing costs.

The year-average interest rates on 28-day Mexican government peso-denominated treasury bills (*Certificados de la Tesorería de la Federación*), were 3.0%, 4.2% and 6.7% for, 2015, 2016, and 2017. The average 28-day Interbank Equilibrium Interest Rate (*Tasa de Interés Interbancaria de Equilibrio*), 3.3%, 4.5% and 7.1% for 2015, 2016 and 2017. As a result of weakening economic activity in previous years, the Mexican Central Bank had lowered its benchmark interest rate to 3% during most of 2015, in an effort to encourage lending and stimulate the economy. However, during 2016 and 2017, the Mexican Central Bank steadily raised the benchmark rate, which reached 5.75% at the end of 2016 and 7.25% at the end of 2017. In February 2018, the Mexican Central Bank raised the benchmark rate to 7.50%. If any Sponsor incurs Mexican peso-denominated debt to finance the development of the New Airport in the future, it could be at elevated interest rates, which could have an adverse effect on the Sponsors' financial condition and results of operations.

The Mexican government has exercised and continues to exercise significant influence over the Mexican economy.

The Mexican federal government has exercised, and continues to exercise, significant influence over the Mexican economy. Accordingly, the actions and policies of the Mexican federal governmental concerning the economy, state owned enterprises and state controlled, funded or influenced financial institutions could have a significant impact on the Issuer, and on market conditions, prices and returns on Mexican securities. The Mexican government has in the past intervened in the local economy and occasionally made significant changes in policies and regulations, which it could continue to do in the future. Such actions to control inflation and other regulations and policies have involved, among other measures, increases in interest rates, changes in tax policies, price controls, currency devaluations, limits on imports and other actions. In particular, the tax legislation in Mexico is subject to continuous change, and the Issuer cannot assure you that the Mexican government will maintain current social, economic or any other type of existing policies, or whether policy changes will have a material adverse effect on the business of the Mexico City Airport System and, accordingly, the Issuer's results of operations. Currently, no political party has an absolute majority in either the House of Deputies (*Cámara de Diputados*) or the Senate (*Cámara de Senadores*). The absence of a clear majority in Congress and the lack of alignment between the executive and legislative powers could lead to insurmountable disagreements and prevent the timely implementation of structural reforms, which in turn could have an adverse effect on the national economy. The Mexican federal government could implement significant changes in laws, policies and regulations, which could affect the economic and political situation in Mexico. The most recent presidential election took place in 2012 and Enrique Peña Nieto, a member of the Institutional Revolutionary Party ("PRI"), was elected president of Mexico and took office on December 1, 2012, ending a period of twelve years of control by the National Action Party ("PAN"). The next presidential election in Mexico will be in July 2018 and the new president-elect will take office as of December 1, 2018. There is uncertainty about new government policies and actions that a new administration could take in relation to the Mexican economy and substantial changes in laws, policies and regulations in Mexico, such as additional changes in the regulation of the airport sector, could have an effect on the Sponsors' future business, financial condition, results of operations, cash flows and prospects and/or the value of the CBFEs.

Accounting standards and disclosure requirements for state-owned companies in Mexico differ from the United States and may not adequately reflect GACM's business and results of operations.

Accounting standards and disclosure requirements for state-owned companies in Mexico differ from those of the United States. In particular, the Sponsors, as majority state-owned companies, are required to prepare their financial statements in accordance with the General Law for Governmental Accounting. Therefore, the Sponsors will continue to operate and prepare their financial statements in accordance with the General Law for Governmental Accounting, and will only prepare their financial statements in accordance with IFRS for informational purposes. As such, the GACM Financial Statements included elsewhere in this offering memorandum were prepared in accordance with IFRS which differs from United States GAAP in a number of respects. Items on the financial statements of an entity prepared in accordance with IFRS may not reflect its financial position or results of operations in the way they would be reflected had such financial statements been prepared in accordance with United States GAAP.

In addition, certain modifications to IFRS issued by the IASB, including IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Ordinary Activities from Contracts with Customers", effective as of January 1, 2018, and IFRS 16 "Leases", effective as of January 1, 2019, could have an impact on Issuer Trust's internal processes, financial position and compliance with contractual obligations. See "GACM's Management's Discussion and Analysis of Financial Condition and Results Of Operations—New Accounting Pronouncements."

Risks Related to the Structure and Management of the Issuer Trust

The Issuer Trust will be a minority shareholder in GACM and, therefore, may be adversely affected by resolutions approved by GACM's majority shareholder.

As a result of the Formation Transactions, the Issuer Trust will be the holder of 19,584,547,735 GACM Special Shares representing approximately 20% of the capital stock of GACM. The remaining shares of GACM will be owned by the SCT.

In accordance with GACM's bylaws, the resolutions adopted at the shareholders' meetings will be binding on absentees and dissenters. Even though certain Major Decisions require the favorable vote of the Issuer Trust, as holder of the GACM Special Shares, in order to be adopted, resolutions adopted at the shareholders' meeting by vote of the controlling shareholder may be contrary to the Issuer Trust's and the CBFE holders' interests. The Issuer cannot assure that the resolutions approved by GACM's shareholders' meeting by vote of the controlling shareholder will not adversely affect the Issuer Trust or its ability to make distributions to the holders of CBFEs.

Additionally, the holders of the CBFEs cannot vote the GACM Special Shares and the AICM Shares directly and may not be able to influence the way the Issuer Trust votes the GACM Special Shares or the AICM Shares at the respective shareholder meetings. In accordance with the provisions of the documents related to the issuance, the Manager and, only in the case of Material Decisions, the Conflict Committee, instruct the Issuer Trust on how to vote the shares it holds.

There are potential conflicts of interest between the Trust, GACM and the Manager.

In connection with the Global Offering, the Issuer Trust will subscribe the GACM Special Shares and the AICM Shares and enter into the Management Agreement with the Manager. As a result, (i) GACM, the Manager of the Issuer Trust, will also be the main source of cash flows for distribution to the CBFE holders, (ii) as Manager, GACM will calculate the Distribution Amount and instruct the Issuer Trust to make Distributions to the holders of the CBFEs, and make certain other decisions in connection with the administration of the Issuer Trust and the trust estate, and (iii) all the members of the Manager's management team will in principle be GACM's officers. Therefore, potential conflicts of interest may arise at the Manager in the performance of its obligations and duties under the Trust Agreement and the Management Agreement.

Even though the Manager has the obligation to act with diligence, in good faith and in the best interest of the Issuer Trust and the holders of the CBFEs, and the Manager may be removed for "cause" (as defined in the Trust Agreement) by resolution of CBFE holders' representing at least 66% of the outstanding CBFEs, if the Manager acts in its own interest or in a way that jeopardizes the interests of the Issuer Trust or the CBFE holders, the Issuer Trust's financial performance and its ability to make distributions to the holders of the CBFEs could be adversely affected. In addition, there is no recourse against GACM if it decides to pursue investment opportunities that are in opposition to the business strategies and growth of the Issuer Trust. In the event that a conflict of interests arises and is resolved in such a way that damages the reputation of the Issuer Trust or results in favorable treatment of entities affiliated with GACM, members of the Manager's staff or members of the technical committee, the operation of the Issuer Trust could be adversely affected.

The Issuer Trust will not own fully subscribed and paid shares until the date on which it makes the relevant payment.

As part of the Incorporation Transactions, GACM will hold an ordinary shareholders' meeting to approve a capital increase and the issuance GACM Special Shares, to be subscribed and paid by the Issuer Trust. Subject to satisfaction of the conditions approved by the shareholders' meeting, including the consummation of the offering, the Issuer Trust will subscribe such shares on the date of the meeting and will pay them within 60 calendar days after the closing of the offering using the proceeds thereof. Therefore, the Issuer Trust will not be the holder of fully subscribed and paid shares until the conclusion of the offering and payment of the shares.

The Manager cannot be easily removed.

In accordance with the Management Agreement and the Trust Agreement, the grounds for the removal of the Manager are limited. The Manager may be terminated for "cause" (as defined in the Trust Agreement) by resolution of holders of the CBFEs representing at least 66% of the outstanding CBFEs with voting rights or without "cause" by resolution of holders of the CBFEs representing at least 75% of the outstanding CBFEs with voting rights. Therefore, even when an event of removal has occurred, it may be difficult to reach the voting quorums necessary to remove the Manager.

The Issuer Trust depends on the Manager to manage operations, implement investment strategy and administer and maintain the Issuer Trust's assets.

The Issuer Trust has no employees. The Manager will provide the personnel and services that are necessary to the operation of the Issuer Trust's business. The Issuer Trust's ability to achieve its business objectives will depend on the Manager and the Manager's ability to administrate the GACM Special Shares and the Issuer Trust, as well as to hire qualified personnel who have the professional experience and knowledge necessary to manage the Trust's business. The business depends on the efforts, experience, diligence and ability of the Manager and the

Manager's personnel. If the Issuer Trust loses the services rendered by the Manager or by any of its employees, the business and the financial performance of the Issuer Trust could be adversely affected.

Management of the Issuer Trust requires a great deal of experience and there is no guarantee that the Issuer Trust would be able to hire a suitable replacement. In the event that the Issuer Trust assumes its own administration or is managed by a substitute manager, the Issuer Trust may be unable to match the quality and experience of the Manager and, therefore, it may be difficult to execute the business plan. Also, in the event that the Manager or any of its key employees ceases to act in such capacity, the costs related to hiring substitute services could be higher than the fees paid to them according their employment contracts, in which case the Trust may experience an increase in its expenses.

Because the CBFEs will be registered with the RNV, the Issuer will be subject to periodic reporting obligations and other requirements under Mexican legislation.

As a Mexican trust with securities registered with the RNV, the Issuer will incur significant legal, accounting and other expenses, including costs associated with public entity reporting requirements and corporate governance requirements, including the requirements provided in the Mexican Stock Exchange Internal Rules (*Reglamento Interior de la Bolsa Mexicana de Valores*) and the general regulations applicable to issuers and other securities market participants (*Disposiciones de carácter general aplicables a las emisoras de valores y a otros participantes del Mercado de valores*). If the Issuer fails to implement proper overall business controls, its results of operations could be harmed or it could fail to meet its reporting obligations. In addition, if the Issuer identifies significant deficiencies or material weaknesses in its internal control over financial reporting that it cannot remediate in a timely manner, the Issuer could become subject to delisting from the Mexican Stock Exchange, an investigation by the CNBV, and civil or criminal sanctions. The Manager may be required to devote time and incur expenses to remediate any significant deficiencies or material weaknesses; and the Manager may not be able to remediate any significant deficiency or material weakness in a timely manner. Deficiencies, including any material weaknesses, in the Issuer's internal control over financial reporting which may occur in the future could result in errors in the Issuer's financial statements that could require the Issuer to restate its financial statements, cause the Issuer to fail to meet reporting obligations and cause holders of the CBFEs to lose confidence in the Issuer's reported financial information, all of which could lead to a decline in the trading price of the CBFEs, or otherwise materially adversely affect the Issuer's business, reputation, results of operations, or financial condition.

The Issuer Trust is not a public trust.

The Issuer Trust is a private trust that is not and will never be a public trust in accordance with the Federal Public Administration Organizational Law (*Ley Orgánica de la Administración Pública Federal*). As a result of the foregoing, the operation of the Issuer Trust is governed by the provisions of the Trust Agreement and relevant commercial, financial and securities provisions, and not by federal legislation applicable to decentralized entities.

The Issuer Trust is an issuing trust, not a guarantee trust.

The Issuer Trust is not a guarantee trust incorporated under a contract that provides holders of the CBFEs the right to receive distributions from cash flow it receives from its assets under the Trust Agreement. As a consequence of being an issuing trust and not a guarantee trust, GACM must generate sufficient proceeds to make for the holders of the CBFEs to yield a return on their investment.

The Issuer Trust, the Manager and the members of the technical committee do not have experience managing a FIBRA E.

Neither Issuer Trust nor the entities that manage it, including the Manager and the members of the technical committee, nor their respective employees have operational, administrative or financial history or experience as a FIBRA E or an entity with debt or equity securities held by investors. This could result in disadvantage, compared to other public companies, in terms of timely compliance with the Issuer Trust's obligations under the FIBRA E Rules, the Mexican Securities Market Law and its rules and regulations.

The lack of experience of the Manager and its staff with respect to the administration of a FIBRA E could affect its ability to achieve the objectives of the Issuer Trust or cause it to fail to comply with the requirements set forth in the FIBRA E Rules or result in the obligation to pay taxes, surcharges or fines.

The Issuer Trust is a recently created vehicle.

The Issuer Trust is a recently created vehicle. As such, it is possible that when the Issuer Trust initiates operations it may not be successful and the Manager may not be able to change the course of its operations in a timely manner.

The Manager could act in its own interest instead of in the interests of the Issuer Trust and the holders of the CBFEs.

The Manager is an Eligible Company and all members of the Manager's management will be, in principle, GACM officials. In the event that the Manager acts in its own interest or in any way jeopardizes the interests of the Issuer Trust and the holders of the CBFEs, the financial performance of the Issuer Trust could be adversely affected. In addition, there is no recourse against GACM if it decides to pursue investment opportunities that are in opposition to the business strategies and growth of the Issuer Trust. In the event that a conflict of interests arises and is resolved in such a way that favorable treatment is given to entities affiliated with GACM or other interests of the Manager's staff or members of the technical committee, or in any matter that damages the reputation of the Issuer Trust, the operation of the Issuer Trust could be adversely affected.

The financial information contained in this offering memorandum may not be indicative of the performance of the Issuer Trust and the CBFEs.

Any historical information provided in this offering memorandum may not be representative of the future performance of the assets that are part of the trust estate. The historical results of AICM are merely indicative and do not reflect the expected results of the Issuer Trust and the CBFEs once shares of the Sponsors become part of the trust estate. Potential investors should conduct their own analysis of the risk that the performance of the assets that make up the trust estate will be different from what is shown in this offering memorandum. Neither the Settler nor the Trustee, the initial purchasers, the structuring agent, the Common Representative or any advisors make any representations as to the future behavior of the assets that make up the trust estate.

Risks Related to the CBFEs

There is no obligation to make Distributions to the holders of the CBFEs other than from funds available in the trust accounts.

The Issuer is not obligated to make Distributions to the holders of the CBFEs other than from funds available in the trust accounts. Under the Trust Agreement, the Issuer Trust is required to distribute at least once a year and no later than March 15, at least 95% of its Net Taxable Income for the prior fiscal year, in accordance with the FIBRA E Rules. The existence of funds in the trust account depends on the flow coming from GACM with respect to which the Issuer Trust is a shareholder. In addition, it is expected that there will be no Distributions under the CBFEs before January 1, 2021 when the Issuer, as holder of the GACM Special Shares, expects to start receiving Capital Distributions from GACM. Neither the Settlor nor the initial purchasers, the Common Representative, the Manager, or the Trustee are required to make any payment to the holders of the CBFEs, except, in the case of the Trustee, payments that will be made out of the trust estate in accordance with the Trust Agreement.

The CBFEs have never been publicly traded and are subject to substantial transfer restrictions, and an active market for the CBFEs may not develop or be sustained following the Global Offering.

Prior to the Global Offering there has been no public market for the CBFEs. Although the Issuer has applied for the CBFEs to be listed on the Mexican Stock Exchange, an active trading market may not develop or, if developed, be sustained. The Mexican securities markets are substantially smaller, less liquid and more volatile, have a lower institutional investor base and are more concentrated than major international securities markets, such as those in the United States. For example, the Mexican Stock Exchange had an exchange capitalization of approximately US$389,000,000,000.00 as of December 31, 2016, and a daily average trading volume of US$781,400,000.00 in 2016. These market characteristics could significantly limit the ability of the holders of CBFEs to sell their CBFEs at the desired price or time or at all, which could adversely affect the market price and the liquidity of the CBFEs.

Subsequent to the Global Offering, any person or group of persons that intends to acquire, directly or indirectly, through one or several transactions of any nature, simultaneous or successive, within or outside of any stock exchange, 50% or more of the outstanding CBFEs, or whatever percentage allows such person to exercise control over the Issuer, must obtain prior authorization from the Conflicts Committee, the technical committee and GACM's board of directors. For more information, see "Description of the CBFEs and the GACM Special Shares." In addition, the CBFEs may only be offered, sold or transferred to investors in the United States that are qualified institutional buyers that are also qualified purchasers. See "Transfer Restrictions." These restrictions could significantly limit the ability of holders to transfer their CBFEs, and could also adversely impact the market price and liquidity of the CBFEs.

The market price of the CBFEs could fluctuate considerably and investors could lose all or part of their investment.

Volatility in the market price of the CBFEs may prevent holders of CBFEs from selling them at or above the price they paid for the CBFEs. The market price and liquidity of the CBFEs may be significantly affected by numerous factors, some of which are beyond the Manager's control and may not be related to the operational performance of the Issuer Trust. These factors include:

- general economic trends in the Mexican, U.S. or global economies or financial markets;
- the general reputation of FIBRA Es in general and the attractiveness of the CBFEs in comparison to other equity securities (including securities issued by other energy and infrastructure-based companies);
- increases in market interest rates, which may lead purchasers of the CBFEs to demand a higher yield;
- changes in revenues or variations in results of operation;
- publication of research reports about the Issuer Trust or the energy and infrastructure industry;
- passage of new laws or regulations or changes in interpretations of laws and regulations, including fiscal provisions or financial reporting standards applicable to the aviation industry; and
- the market's perception of the Issuer Trust's growth potential and the Issuer Trust's current and future potential to make Distributions in cash, as well as the market value of the underlying assets.

Furthermore, securities offered in an initial public offering often trade at a discount to the initial offering price due to placement discounts and expenses related to the offering. If the CBFEs trade at a discount following the completion of the Global Offering, holders of CBFEs who purchased their CBFEs in the Global Offering will incur an immediate dilution in the equity value of their CBFEs. Because of this dilution, investors purchasing CBFEs in the Global Offering may receive significantly less than the full purchase price that they paid for the securities purchased in the Global Offering in the event of liquidation. The possibility that the CBFEs may trade at a discount to the Issuer's net asset value is separate and distinct from the risk that the Issuer's net asset value per CBFE may decline. The Issuer cannot predict whether the CBFEs will trade above, at or below net asset value.

Future issuances of the CBFEs by the Issuer Trust, or a sale by the principal holders of the CBFEs of their ownership stake in the Issuer Trust and speculations about such possible sales, may dilute the holders of the CBFEs or adversely affect the market price of the CBFEs.

The Issue Trust could continue increasing its assets through acquisitions of additional shares of GACM, AICM or of shares of any other Mexican company that meet the requirements of FIBRA E regulations, which could cause the Issuer Trust to obtain additional resources. The Issuer Trust could also increase its capitalization through future offerings of CBFEs, which could dilute the interests of the holders of the CBFEs, lower the market price of the CBFEs or both. Because the decision to issue CBFEs in the future will depend on market conditions and other factors beyond the Issuer's control and will be subject to approval by the CBFE holders, the Issuer cannot predict or estimate the amount, timing or nature of the future issuances. Furthermore, despite the fact that the Trust Agreement grants preemptive rights to the holders of the CBFEs that entitle them to participate in future offerings, such preemptive rights do not apply in the event of a public offering. Thus, holders of the CBFEs bear the risk of the future issuances diluting their interest in the Issuer and reducing the market price of the CBFEs.

In addition, the Issuer has agreed, subject to certain exceptions, for a period of 180 days from the date of this offering memorandum, without the prior written consent of the initial purchasers, not to issue, offer, sell, contract to sell, pledge or otherwise dispose of or transfer, or to enter into any derivative transaction, swap, hedge or similar transaction, in connection with any of the CBFEs or any securities convertible into or exchangeable for the CBFEs. After this lock-up period expires, the CBFEs subject to such agreement will be eligible for sale in the market. Furthermore, the initial purchasers and the Mexican underwriters may, in their sole discretion and without notice, release the restrictions on all or any portion of the CBFEs subject to this provision prior to the expiration of the lock-up period. The market price of the CBFEs could drop significantly if a substantial number of the CBFEs are sold or if the market expects such sales to occur.

Future offerings of securities or incurrence of indebtedness ranking senior to the CBFEs may limit the Issuer's operating and financial flexibility, and any issuance of convertible or exchangeable securities may be dilutive to the holders of the CBFEs.

If the Issuer Trust issues securities or incurs debt obligations ranking senior to the CBFEs, it is possible that these securities or indebtedness will be governed by an indenture or other instrument that may contain covenants restricting the Issuer's operating flexibility and limiting the Issuer's ability to make Distributions to the holders of the CBFEs. Additionally, any convertible or exchangeable securities that the Issuer may issue in the future may have rights, preferences and privileges, including with respect to distributions, more favorable than those of the CBFEs, which may result in dilution to holders of the CBFEs.

The Sponsors may incur additional indebtedness.

Certain Major Decisions, including the incurrence of additional debt by GACM or AICM in excess of a specified amount (other than debt to pay consideration for the sale of the right to collect passenger charges to any special purpose vehicle created for such purpose), are subject to the favorable vote of the Issuer Trust, as holder of the GACM Special Shares. If GACM or AICM incur debt, the service of such debt would rank senior to Capital Distributions from GACM to the Issuer Trust. As a result, the amount of cash available for Distributions to the holders of the CBFEs would be reduced by the amount of debt service payable by the Sponsors during the corresponding period.

GACM or AICM may not generate sufficient cash flows to pay off all their debt.

The ability of GACM or AICM to make payments with respect to their debt will depend on their ability to generate funds from future operations. This ability to generate funds is subject, to a certain extent, to economic, financial, competitive, climatic, legislative, regulatory and other factors beyond GACM's or AICM's control. The Sponsors may not generate sufficient cash flows from their operations or have access to funds from financing sources in an amount sufficient to pay their debt or to cover their other liquidity requirements. The Sponsors may need to refinance or restructure part or all of their debt, before or after its due date. The Sponsors may not be able to refinance all or part of the debt or, if able, it may not be on commercially reasonable terms. If either of the Sponsors cannot repay its debt, it may have to resort to measures such as obtaining additional capital or reducing or postponing investments in capital assets. It may not be possible to undertake these measures on commercially reasonable terms or at all.

The use of leverage may expose the Issuer Trust to additional risks.

The Issuer Trust may obtain additional loans or financing. Although leverage offers the opportunity for capital to appreciate, this form of financing also implies a high degree of risk. Even though the Manager will attempt to utilize the leverage in an appropriate manner under the circumstances at the time and in accordance with the leverage guidelines approved by the CBFE holders' meeting, incurring additional debt may increase the Issuer Trust's exposure to certain risks related to economic conditions such as fluctuations in interest rates and exchange rates and adverse economic environments. See "Certain Provisions of the Trust Agreement and Mexican Law—Investment Regime and Permitted Investments—Leverage."

Disclosure of corporate information in Mexico may differ from the information normally disclosed by or in relation to other issuers in other countries, including the United States.

One of the main objectives of the securities laws of the United States, Mexico and other countries is to promote the complete and accurate disclosure of all of the issuers' relevant corporate information, including accounting information. However, the information that Mexican issuers regularly make available to the public may be different from information that public companies in other countries, including the United States, regularly make available.

Future estimates included in this offering memorandum were not validated by any third party and actual results may be different from projections included in this offering memorandum.

Other than historical information, the information included in this offering memorandum reflects estimates about future events and may contain information regarding financial results, economic situations, trends and uncertain facts. Unless stated otherwise in the relevant section, information related to future estimates was not validated by any third party. When evaluating such projections or estimates, potential investors should take into account the factors described in this section and warnings contained elsewhere in this offering memorandum. The risk factors and projections describe circumstances that could cause actual results to differ significantly from expected results. See "Forward-Looking Statements."

Risks Related to the GACM Special Shares

GACM may not generate sufficient resources to make Capital Distributions to the Issuer Trust.

Capital Distributions to the Issuer Trust, as the holder of the GACM Special Shares, are subject to the distribution and dividend policies set forth in GACM's bylaws, the New Airport Concession and other applicable law. Any event that may adversely affect the operation and net income of GACM or AICM, including amendments to the Concessions or a change in the interpretation of certain applicable legal provisions regarding the collection of taxes, could affect GACM's ability to make Capital Distributions to the Issuer Trust which would in turn adversely affect the Issuer Trust's ability to make Distributions to holders of the CBFEs.

The Issuer Trust will have a minority participation in GACM's board of directors.

Management of GACM is entrusted to a board of directors composed of minimum 7 and maximum 17 members. Regardless of the number of members, the Issuer Trust will have the right to appoint 2 members, subject to the resolutions adopted by a majority.

GACM, as a state-owned company, is subject to the Mexican Federal Law on Governmental Entities (*Ley Federal de las Entidades Paraestatales*) and its regulations; therefore, all members of the board of directors (except those designated by the Issuer Trust) are appointed by the head of the SCT, as coordinating entity of the transportation sector in Mexico.

The resolutions approved by GACM's board of directors may be contrary to the Issuer Trust's and the CBFE holders' interests or may adversely affect the ability of GACM to make Capital Distributions to the Issuer Trust, and in turn the Issuer Trust's ability to make Distributions to the holders of CBFEs.

Corporate governance of GACM is subject to the provisions applicable to state-owned companies in Mexico.

The Sponsors, as state-owned companies, are regulated by Mexican laws, including the Mexican Federal Law on Governmental Entities and its regulations, and any amendments to the current provisions may cause changes in their bylaws that could adversely affect the participation of the Issuer Trust in GACM's corporate governance.

The Mexican Federal Law on Governmental Entities and its regulations were enacted in 1986 and 1990, respectively, and their provisions may not reflect the latest trends in corporate governance and the recommendations made by the OECD for this type of state-owned company.

The Sponsors' shareholder meetings will be subject to the applicable provisions of the Mexican Federal Law on Governmental Entities, the Federal Treasury Law (*Ley de Tesoreria de la Federacion*), the Budget Law and their respective regulations.

The FIBRA E Committee is a support and opinion committee, which does not intervene in the direct management of GACM.

The FIBRA E Committee is a sub-committee of GACM's board of directors created to support the board of directors in matters related to the Issuer Trust and the CBFEs; however, its deliberations are limited to the issuance of opinions and recommendations that are not binding upon the board of directors.

The rights to collect passenger charges at the Mexico City Airport System were assigned to the TUA Security Trust.

The right to collect passenger charges at the Existing Airport was sold and transferred to the TUA Issuer Trust, which assigned this right to the TUA Security Trust to secure, and serve as source of payment for, the existing debt financing obtained for the construction of the New Airport, including the Existing Notes. All revenues derived from the collection of passenger charges are collected by the airlines operating at the Existing Airport and deposited with the TUA Security Trust to fund all payments of principal and interest under this financing structure. AICM has the right to receive certain residual amounts, and additional residual amounts may be distributed at GACM's discretion, from these revenues only after all financing expenses have been paid. As a result, such funds will only be available for distribution to the holders of CBFEs if they are not required for the payment of interest and principal on indebtedness and all other conditions for making Restricted Payments have been satisfied.

In addition, the TUA Issuer Trust may, subject to certain conditions, incur additional debt that will rank *pari passu* with the Existing Notes and be secured with the rights to collect passenger charges, which would decrease the amount of revenues from the collection of passenger charges that could be transferred to the Sponsors. See "See "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—Existing Notes—TUA Restricted Payments."

The Sponsors are subject to the payment of concession fees.

The Sponsors, as state-owned companies, are subject to the imposition and payment of certain special duties in favor of the Mexican federal government, through the SCT and the SHCP, including Government Concession Fees and Budgetary Concession Fees, as provided in the Concessions and the Budget Law.

The Government Concession Fee will be paid annually based on the amount determined by the SCT, subject to the Sponsors' budget availability in the relevant year. The amounts of the Government Concession Fees have been determined annually by the Sponsors and the SCT, and will continue to be determined in this manner in 2018 and 2019. Beginning in 2020, the Government Concession Fees, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust, must be determined and paid after operating expenses, taxes and payments to ASA have been paid. Once the obligations related to the GACM Special Shares have been complied with, the amount of Government Concession Fees will be excluded for purposes of calculating Distributable Cash Flow and will be paid so as to not negatively affect Capital Distributions. See "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operation—Operating

Costs and Expenses—Government Concession Fees.” Neither the Issuer nor the Sponsors can assure you that the SCT will not increase the amount of Government Concession Fees requested.

Although the GACM Special Shares will have preference over any distribution or payment by GACM to any other shareholder or any payment of Budgetary Concession Fees or Government Concession Fees (except for fees related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust), the SHCP’s authority to impose such special duties is not limited and the rights of the GACM Special Shares do not affect the SCT’s and/or the SHCP’s authority to impose concession fees. The imposition of concession fees on the Sponsors by the SCT and/or the SHCP may adversely affect the cash flow available for the GACM to make Capital Distributions and, as a result, the ability of the Issuer Trust to make Distributions to holders of the CBFEs.

Distributions of Sponsors in favor of their shareholders are subject to the determination of surplus income and a specific purpose.

The Sponsors, as state-owned companies, are subject to the budgetary regulations applicable to state-owned companies under of the Budget Law and its regulations, as well as other applicable regulations. Any determination of unbudgeted revenues contemplated in the Income Law is considered surplus income and the SHCP must approve the Capital Distribution to the Issuer Trust. Any delay or refusal to such budget procedure may adversely affect the ability of the Issuer Trust to make timely Distributions to holders of CBFEs.

The Sponsors are state-owned companies subject to specific regulations governing state-owned companies in Mexico.

The concession holders, as state-owned companies, are subject to the budgetary, economic, corporate, labor, procurement and other provisions specific to the entities of the Federal public administration in Mexico.

The Distributions under the CBFEs depend on the results of operation of the Existing Airport.

The main source of funds for Distributions under the CBFEs will come from the payments the Issuer Trust receives in its capacity as shareholder of GACM. If the New Airport does not commence operations, the Distributions under the CBFEs that must be made in accordance with the Trust Agreement will depend mostly on the results of operations of the Existing Airport, which are subject to various risks, including those described under this “Risk Factors” section. Once it commences operations, the New Airport will be subject to the same or similar risks as the Existing Airport.

Risks Related to Taxes and the Tax System

Changes to the Mexican Income Tax Law or the Issuer’s failure to comply with the requirements to be qualified as a FIBRA E, could have an adverse effect on the Issuer’s financial performance.

The Issuer Trust is expected to qualify as an energy and infrastructure investment trust, or FIBRA E, in accordance with the FIBRA E Rules. In addition to regulating the Issuer Trust, the FIBRA E tax regime will also be applicable to GACM, AICM and the holders of the CBFEs. In order to qualify as an energy and infrastructure investment trust, certain requirements related to distributions and the investment of the Issuer Trust’s assets will have to be satisfied.

The tax regime applicable to energy and infrastructure investment trusts was announced on September 17, 2015 and was amended on December 23, 2015, April 1, 2016, December 23, 2016, September 21, 2017 and December 15, 2017; and it cannot be guaranteed that the FIBRA E Rules, or the interpretation or application thereof, will not change in the future in a manner that adversely affects the tax regime of the AICM, GACM, the Issuer Trust or the holders of the CBFEs. To the extent that the Mexican tax authorities modify the requirements necessary for a trust to qualify as a FIBRA E, it may be necessary to adjust the strategy of the Issuer Trust and, consequently, to pay taxes that could adversely affect the Distributions made to the holders of the CBFEs, or the market value or liquidity of the CBFEs. In the event of a breach of the applicable provisions of the tax regime, the Issuer Trust could cease to be qualified as a FIBRA E or be required to change the way in which it operates, which in turn could affect its financial performance, the price of the CBFEs or their liquidity, and the ability of the Issuer Trust to make Distributions to the holders of the CBFEs. See “GACM’s Management’s Discussion and Analysis of Financial Condition and Results of Operations—Accounting Treatment of GACM Special Shares and CBFEs under IFRS.”

None of the Issuer, the Sponsors, the initial purchasers, the Common Representative or any of their affiliates or subsidiaries, can assure you that the FIBRA E Rules applicable to the Sponsors, the Issuer or the holders of the CBFEs will not be amended in the future, and that such revisions or modifications will not affect the holders of the CBFEs.

Mexican taxes and fiscal reforms could have an adverse effect on the financial performance of the Issuer Trust.

Mexican taxes and fiscal reforms could have an adverse effect on the financial performance of AICM, GACM, and/or the Issuer Trust. Mexican authorities could impose or suspend various taxes. Neither the Trustee nor the Manager, the underwriters, the Common Representative or any of their affiliates or subsidiaries, can provide any assurances that Mexican governmental authorities will not impose new taxes or increase the taxes applicable to the GACM, AICM, the Trust or the holders of the CBFEs, in the future. The imposition of new taxes or increased taxes related to the energy and infrastructure industry, and specifically to the operation of concessions or contracts in the field of civil aerodromes, could have an adverse effect on the business, financial condition and results of the operation of the GACM, AICM or the Issuer Trust.

There may be changes in tax and legal reforms that could adversely affect the Issuer trust and its status as a FIBRA E.

The Mexican tax regime is continuously being amended and/or supplemented; therefore, there is no guarantee that in the future the current legal provisions, including, but not limited to, tax matters relating to, and the requirements for being qualified as a FIBRA E, will not be amended in a manner that may affect the performance or results of operations of AICM, GACM or the Issuer Trust, the Issuer Trust’s ability to make Distributions to the holders of the CBFE.

The tax structure of the Issuer Trust has not been reviewed by the competent tax authorities.

The application of the FIBRA E Rules to AICM, GACM, the Issuer Trust, the holders of the CBFEs or the income derived from the acquisition, possession or disposal of the CBFEs, has not been reviewed or confirmed by the competent tax authorities, and no request for confirmation by such authorities is expected to be made. Investors should consult their own tax advisors before investing in the CBFEs.

It is expected that GACM will be treated as a passive foreign investment company for U.S. federal income tax purposes, which could result in adverse U.S. federal income tax consequences to U.S. Holders of the CBFEs.

Based on the composition of GACM’s income and assets, it is expected that GACM will be treated as a passive foreign investment company (a “PFIC”) for U.S. federal income tax purposes for the current taxable year. GACM may also be treated as a PFIC in future years, for example, years in which it will hold a substantial amount of cash. Since holders of CBFEs will be treated as owning a proportionate number of GACM Special Shares held by the Issuer Trust, such holders will in turn be treated as owning shares in a PFIC. To avoid certain adverse tax consequences of owning shares in a PFIC, U.S. Holders of the CBFEs may be able to make a “qualified electing fund” (“QEF”) election with respect to their indirect interests in GACM. GACM will use commercially reasonable efforts to provide the information necessary so that U.S. Holders are able to make a QEF Election for years in which GACM is considered a PFIC, but no assurance can be provided that GACM will be able to provide this information. In addition, as discussed below under “Taxation—Certain U.S. Federal Income Tax Considerations—Classification as a Passive Foreign Investment Company—QEF Election” it may be possible for U.S. Holders to make a “mark to market” election with respect to their indirect interests in GACM. However, there is no assurance that either such election will be available.

U.S. Holders are urged to read the section below under "Taxation—Certain U.S. Federal Income Tax Considerations—Classification as a Passive Foreign Investment Company" and consult with their own tax advisors regarding the U.S. federal income tax considerations discussed above, including the desirability and availability of making a QEF or mark-to-market election.

The tax regime applicable to the Sponsors is partially set forth in official communications issued by the Mexican tax authorities.

The tax regime applicable to the Sponsors' assignment of the passenger charges to the TUA Issuer Trust in connection with the financing of the New Airport is set forth in various private letter rulings issued by the Mexican Internal Revenue Service (*Servicio de Administracion Tributaria)* (the "Tax Rulings"), whereby such tax authority reserved the right to exercise its audit powers in accordance with the applicable tax legislation. None of the Issuer, the Sponsors or the initial purchasers or any of their affiliates or subsidiaries can assure you that the tax regime issued by the Mexican tax authorities (i) regulates every situation that may derive from the financial operations required by the CBFEs and (ii) has been or will be properly interpreted and applied by the Sponsors. Similarly, there is no guarantee that these powers will not be exercised with respect to the financing transactions described in the Tax Rulings or that, if applicable, any investigation will be resolved favorably. Therefore, if the tax authorities determine that GACM and/or AICM has failed to comply with its tax obligations, such authorities may impose, collect and execute tax credits on GACM and AICM, as applicable, adversely and materially affecting their financial condition and, as a result, the Issuer Trust's ability to make Distributions to the holders of CBFEs.

Historical data is not representative of future performance.

Potential investors should base their investment decision on their own analysis of the legal, tax, financial and other consequences of investing in the CBFEs, including the benefits and risks involved in their investment and their own investment objectives. Potential investors should not consider the contents of this offering memorandum to be legal, tax or investment advice and are advised to consult with their own professional advisors regarding the acquisition, holding or sale of their investment.

The information regarding historical operating performance contained in this offering memorandum has not been audited or verified by independent third parties and should not be considered representative of future performance or the returns that a potential investor may receive.

There can be no assurance that the investment objectives of the Issuer Trust will be met or that the holders of the CBFEs will receive returns on their equity.

The risk factors described in this offering memorandum are not the only risks inherent to investing in the CBFEs. Risks that are unknown as of the date hereof, or that are not currently considered material, could occur in the future and could have a material adverse effect on the Sponsors, the Mexico City Airport System or the Issuer Trust and, in turn, on the cash flows distributable to the holders of the CBFEs.

USE OF PROCEEDS

The net proceeds from the sale of the CBFEs being offered in the Global Offering will be approximately Ps.26.6 billion (US$1.4 billion) assuming the over-allotment options are not exercised or Ps.29.2 billion (US$1.6 billion) assuming the full exercise of the over-allotment options, after deducting (i) expenses related to the Global Offering, which include underwriting discounts and fees, commissions and other expenses and taxes related to the Global Offering, and (ii) trust expenses in the amount of Ps.60.0 million (US$3.2 million) expected to be incurred by the Issuer during the period from the closing of this offering through the date of the first Capital Distribution to the Issuer. The Issuer intends to use the net proceeds of the Global Offering to purchase the GACM Special Shares and the AICM Shares and the remainder, if any, for operating expenses of the Issuer Trust. GACM expects to use the proceeds from the sale of the GACM Special Shares and the AICM Shares to the Issuer for the development and construction of the New Airport.

CAPITALIZATION

The following table sets forth (i) the Issuer's capitalization as of December 31, 2017 and (ii) as adjusted to reflect the Global Offering (excluding the over-allotment options) and the application of the net proceeds as described under "Use of Proceeds," as well as the Issuer's formation transactions. Amounts have been translated at the *Banco de México* published rate as of December 29, 2017, as the rate applicable to settle obligations denominated in currencies other than Mexican pesos on December 31, 2017, which was Ps.19.7354 per U.S. Dollar. The following table does not reflect adjustments for gains or losses resulting from exchange rate differences between the date of the *pro forma* information and the date of the Global Offering.

You should read this table together with the information under the sections entitled "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations," "Use of Proceeds" and "Selected Consolidated Financial Information" included elsewhere in this offering memorandum.

	As of December 31, 2017			
	Actual (unaudited)		**As Adjusted (unaudited)**	
	US$	**Ps.**	**US$**	**Ps.**
	(in millions)			
Net Assets				
Net assets of the Issuer	-	-	1,484.6	29,300.0
Total Capitalization	-	-	**1,484.6**	**29,300.0**

The information included in the "As Adjusted" column of the above table is presented as an indicator, assuming 300,000,000 CBFEs are sold in the Global Offering, at a price of Ps.100.0 per CBFE, assuming the full exercise of the over-allotment options.

EXCHANGE RATES

U.S. dollar amounts in this offering memorandum that have been translated from Mexican pesos, have been so translated solely for the convenience of the reader. These translations should not be construed as representations that the Mexican peso amounts actually represent such U.S. dollar amounts, or that any of such amounts could be converted at the rates indicated. See "Presentation of Financial and Other Information—Currency."

Mexico has maintained a free currency market since late 1994 and the Foreign Exchange Commission (*Comisión de Cambios*), the body in charge of the exchange policy in Mexico, allows the Mexican peso to float freely against the U.S. dollar and other foreign currencies.

Until February 16, 2016, following the agreements of the Foreign Exchange Commission, *Banco de México* intervened directly in the currency market only to reduce excessive short-term volatility. As part of these efforts, from the end of 2003 until February 16, 2016, the Mexican Central Bank carried out auctions of U.S. dollars to avoid abrupt movements in the exchange rate of the Mexican peso against other currencies. On October 8, 2008, as a result of the volatility in the exchange rate of virtually all currencies, caused by the global financial crisis, the Foreign Exchange Commission agreed to call for U.S. dollar auctions, to help avoid abrupt movements of the exchange rate of the Mexican peso against other currencies.

On February 17, 2016, the Foreign Exchange Commission announced that it had not ruled out the possibility of intervening at its discretion in the exchange market under exceptional conditions. This decision, together with the measures announced by the SHCP in connection with the budget cut for 2017 and the actions to tighten monetary policy adopted by the Mexican Central Bank, provided reassurance that the anchoring of the value of the Mexican peso would continue to be sought through the preservation of sound economic fundamentals.

The Issuer cannot assure you that the Mexican government will maintain its current policies with respect to the Mexican peso or that the Mexican peso will not appreciate or depreciate significantly in the future.

The following table sets forth, for the years and periods indicated, the low, high, average and period-end exchange rates for the payment of obligations denominated in currencies other than Mexican pesos published by the Mexican Central Bank in the Federal Official Gazette. These exchange rates are expressed in Mexican pesos per U.S. dollar. These rates are in nominal Pesos that have not been expressed in constant currency units. Unless otherwise indicated, the amounts in U.S. dollars that have been converted into Mexican pesos have been converted at an exchange rate of Ps.19.7354 pesos per US$1.00, which is the exchange rate published by the Mexican Central Bank on December 29, 2017 for settling obligations as of December 31, 2017.

	Exchange Rate (Ps. per US$)(1)			
Year Ended December 31,	**Low(2)**	**High(2)**	**Average(3)**	**Period-End**
2013	11.98	13.44	12.77	13.08
2014	12.85	14.79	13.30	14.72
2015	14.56	17.38	15.85	17.21
2016	17.18	21.05	18.66	20.66
2017	17.49	21.91	18.93	19.74
Month Ended				
October 2017	18.16	19.20	18.71	19.15
November 2017	18.52	19.23	18.99	18.58
December 2017	18.52	19.79	19.10	19.74
January 2018	18.47	19.74	19.01	18.62
February 2018	18.40	18.88	18.62	18.65
March 2018 (through March 9)	18.72	18.89	18.83	18.79

(1) Source: Mexican Central Bank.
(2) Rates shown are the actual low and high, on a day-by-day basis for each period.
(3) Average of month end rates in the case of yearly averages and average of daily rates in the case of monthly averages.

The Mexican economy has had deficits and losses in its foreign exchange reserves in the past. For the last twelve years the Mexican government has not restricted the ability of domestic or foreign persons to convert

Mexican pesos into U.S. dollars, but the Issuer cannot assure you that the Mexican government will not institute restrictive policies to control foreign exchange in the future. If there is a shortage of foreign currency in the future and the Mexican government institutes a restrictive exchange control policy, the Issuer’s ability to transfer or convert Mexican pesos into U.S. dollars or other currencies, to comply with local and foreign obligations, and the Issuer’s ability to transfer or convert dividends paid in Mexican pesos into U.S. Dollars or other currencies, could be adversely affected and the currencies may not be available without substantial additional cost.

DISTRIBUTION AND DIVIDEND POLICY

GACM's and AICM's Dividend and Capital Distribution Policy

Subject to applicable law and to the reserves and allowances required under Mexican law, the Sponsors' net income of each fiscal year will be distributed in the following order:

- 5% to establish, and if necessary replenish, the legal reserve fund until it is equal to at least 20% of the Sponsor's capital stock;
- Where applicable, for the payment of preferential or ordinary dividends, redemption of redeemable shares, and/or distribution of distributable earnings to the shareholders of the Sponsors holding shares of a particular series, in such amount, form and terms as determined by the general shareholders' meetings that approved its issuance; and
- If so determined by the shareholders' meeting, to establish or increase the capital reserves of the Sponsors.

Pursuant to the General Law of Commercial Corporations (*Ley General de Sociedades Mercantiles*) the companies subject to this law may only distribute profits after the relevant financial statements have been approved by the shareholders' meeting, and the capital stock that has been lost or reduced has been restated.

Notwithstanding the foregoing, GACM has assumed the obligation pursuant to the GACM Special Shares to distribute to the Issuer Trust as holder of the GACM Special Shares percentages of Distributable Cash Flow, by way of dividends or other type of capital distribution approved by GACM's shareholders' meeting, pursuant to the following calendar:

- Prior to January 1, 2021, the percentage will be 0%, corresponding to each Distribution Period in 2018 and 2019;
- As of January 1, 2021, the percentage will be 39%, corresponding to each Distribution Period from 2020 to 2024;
- As of January 1, 2026, the percentage will be 41%, with respect to the Distribution Period in 2025;
- As of January 1, 2027, the percentage will be 43%, with respect to the Distribution Period in 2026;
- As of January 1, 2028, the percentage will be 45%, with respect to the Distribution Period in 2027;
- As of January 1, 2029, the percentage will be 47%, with respect to the Distribution Period in 2028;
- As of January 1, 2030, the percentage will be 49%, with respect to the Distribution Period from 2029 onward.

If a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation occurs, the percentage of Distributable Cash Flow payable to the Issuer will increase to 65% or 80%, respectively, provided that the percentage of Distributable Cash Flow will be restored in accordance with the calendar above once the event that triggered the mandatory redemption ceases to exist.

On any Capital Distribution payment date, the applicable percentage of Distributable Cash Flow shall be the lower of (i) the corresponding percentage in accordance with the above calendar, and (ii) such percentage of Distributable Cash Flow previously approved by the GACM shareholders' meeting and/or AICM, that on a Capital Distribution payment date allows the Issuer Trust as holder of the GACM Special Shares to reach the Target Return.

The stock certificate representing the GACM Special Shares provides that the amounts payable to the

Issuer as holder of the GACM Special Shares will have priority over any distribution or payment that GACM makes to any other of its shareholders. The calculation of Distributable Cash Flow will be made before, and without taking into account, the payment of any Budgetary Concession Fees or Government Concession Fees, other than Government Concession Fees related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust. Therefore, no ordinary dividends will be paid or any other distribution or payment will be made to any other series of shares, nor will any Budgetary Concession Fees be paid to the Mexican government, unless the shareholders' meeting that approved the issuance of the GACM Special Shares also approved a term or amount of Government Concession Fees with priority to Capital Distributions on the GACM Special Shares, nor will reserves be established other than those required under applicable law, without first having complied with said obligations. See "Description of the CBFEs and the GACM Special Shares—Main Characteristics of the GACM Special Shares."

The following table shows the distributions that the Sponsors have made over the last two years:

Consolidated Total Distributions to Shareholders[1]

	December 31,		
	2016	**2017**	**Percentage Change**
	(thousands of pesos)		(%)
Distributions to Shareholders	643.6	1,070.6	66.4%

[1] The distributions correspond to Government Concession Fees paid in the respective years.

Distribution Policy of the Trust

The Issuer shall make distributions to the holders of the CBFEs, at least once a year and no later than March 15, at least 95% of its Net Taxable Income for the prior fiscal year, in accordance with the FIBRA E Rules. Distributions shall be made in cash, in pesos and through Indeval.

Subject to compliance with the FIBRA E Rules, the Issuer Trust, upon instruction of the Manager, may make Distributions in a percentage other than 95% of its Net Taxable Income for the prior fiscal year. Any payment of cash Distributions must be made in accordance with the distribution policies and will depend on the results of the Issuer's operations, economic situation and other relevant factors.

The Issuer cannot assure you that any given annual Distribution will be made or sustained. The Issuer will have no revenues and therefore will not make Distributions before January 1, 2021, unless a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation occurs before January 1, 2021 (in which case the Issuer will receive Distributable Cash Flow accruing upon the Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation, as applicable, and payable beginning on the January 1 following such date). Any Distributions the Issuer pays in the future will depend upon its actual results of operations, economic conditions and other factors that could differ materially from current expectations. The Issuer's actual results of operations will be affected by a number of factors, including the Capital Distributions it receives from GACM and factors affecting the Mexico City Airport System's operations.

For more information in connection with Distributions, see "Description of the CBFEs and the GACM Special Shares—Main Characteristics of the CBFEs—Distributions to CBFE Holders."

SELECTED HISTORICAL CONSOLIDATED FINANCIAL AND OPERATING INFORMATION

The Issuer is a newly created trust and has neither engaged in any operations nor generated any revenues to date. The Issuer's only activities since inception have been organizational activities and those necessary to prepare for the Global Offering and its investment in the GACM Special Shares and the AICM Shares. As a result, only *pro forma* financial information is presented with respect to the Issuer. The Issuer's *pro forma* financial statements and related explanatory notes are being provided solely for illustrative purposes, to give effect to the results that would have occurred if the Issuer had acquired the GACM Special Shares on January 1, 2017. The *pro forma* financial statements were prepared based on currently available information and estimates and assumptions that the Issuer believes are reasonable as of the date of this offering memorandum. The *pro forma* financial statements do not purport to represent what actual results of operations would have been had the Issuer acquired the GACM Special Shares on January 1, 2017, nor are they necessarily indicative of future results of the Issuer.

The following tables also present the summary historical financial information of GACM and certain operating information and data of the Existing Airport as of the dates and for each of the periods indicated. The statement of financial position and income statement data for GACM as of and for the years ended December 31, 2016 and 2017 are derived from the GACM Financial Statements included elsewhere in this offering memorandum. The historical results of the Existing Airport are not necessarily indicative of the results that should be expected in the future from the Existing Airport or the New Airport.

The GACM Financial Statements and the audited financial information included in this offering memorandum have been prepared in accordance with IFRS as issued by the IASB and the related interpretations as issued by the IFRIC. IFRS differs in certain significant respects from U.S. GAAP, Governmental GAAP and financial reporting standards and generally accepted accounting principles used in other jurisdictions. The Issuer has made no attempt to quantify the impact of those differences by a reconciliation of the Financial Statements or the other financial information included in this offering memorandum to U.S. GAAP, Governmental GAAP or such other financial reporting standards and generally accepted accounting principles. The Issuer urges you to consult your own advisors regarding the differences between IFRS and each of U.S. GAAP and Governmental GAAP and how these differences might affect the Financial Statements and the rest of the financial information included in this offering memorandum.

As a majority state-owned company, GACM is required to prepare its financial statements in accordance with Governmental GAAP. Therefore, GACM will continue to operate and to prepare its financial statements in accordance with Governmental GAAP, and will only prepare financial statements in accordance with IFRS to comply with the CNBV's reporting requirements. A description of the main differences between IFRS and Governmental GAAP will be included in the GACM Financial Statements presented elsewhere in this offering memorandum.

The following tables should be read in conjunction with the Financial Statements included elsewhere in this offering memorandum and are qualified in their entirety by the information contained therein. See "Presentation of Financial and Other Information."

The Financial Statements are stated in Mexican pesos. Certain financial information included in this offering memorandum is presented in U.S. dollars for the convenience of the reader. See "Presentation of Financial and Other Information—Currency." For additional information regarding financial information presented in this offering memorandum, see "Presentation of Financial and Other Information" and "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations."

Issuer Pro Forma Financial Information

	As of December 31,		
	2017	Pro forma Adjustments	Pro forma
	(Ps.)	(Ps.) (in millions)	(Ps.)
Statement of Financial Position Data:			
Working Capital:			
Cash and cash equivalents	-	60.0	60.0
Investment in Eligible Companies	-	29,240.0	29,240.0
Total assets	-	29,300.0	29,300.0
Net assets:			
Net assets of the Issuer	-	29,300.0	29,300.0
Total	-	29,300.0	29,300.0

	As of December 31,		
	2017	Pro forma Adjustments	Pro forma
	(Ps.)	(Ps.) (in millions)	(Ps.)
Income Statement Data:			
Profit participation in investments accounted for using the equity method	-	1,898.0	1,898.0
Administrative expenses, fees and other	-	15.0	15.0
Increase in net asset	-	1,883.0	1,883.0

GACM Statement of Financial Position

	As of January 1,	As of December 31,		
	2016	2016	2017	2017(1)
	(Ps.)	(Ps.)	(Ps.)	(US$)
	(in millions)			
Assets				
Current assets:				
Cash and cash equivalents	24,954.0	50,745.3	105,514.8	5,346.5
Restricted cash and cash equivalents	261.9	507.5	1,501.3	76.1
Net accounts receivable and others	1,661.3	2,080.6	1,834.4	92.9
Value added tax	455.5	442.5	390.2	19.8
Inventories	19.5	15.8	13.1	0.7
Total current assets	27,352.2	53,791.7	109,253.8	5,535.9
Non-current assets:				
Restricted cash and cash equivalents	0.0	1,255.7	3,212.6	162.8
Net intangible assets, airport concession titles and advances	5,480.1	15,929.5	42,060.6	2,131.2
Net furniture and equipment	415.2	339.0	260.9	13.2
Long term value added tax	0.0	1,086.1	4,416.8	223.8
Other assets	9.6	9.7	14.1	0.7

	As of January 1,	As of December 31,		
	2016	2016	2017	2017(1)
	(Ps.)	(Ps.)	(Ps.)	(US$)
Total non-current assets	5,904.9	18,619.9	49,965.0	2,531.7
Total assets	33,257.1	72,411.6	159,218.8	8,067.7
Liabilities and stockholders' equity				
Current liabilities:				
Current portion of long-term debt	53.0	561.2	1,455.5	73.8
Accounts payable and accrued expenses	2,807.1	2,766.9	2,318.9	117.5
Value added tax payable	874.4	375.5	494.5	25.1
Advances from customers	173.1	230.0	138.9	7.0
Total current liabilities	3,907.6	3,933.5	4,407.7	223.3
Non-current liabilities:				
Long-term debt	17,322.0	42,144.8	119,167.6	6,038.3
Employee benefits	59.1	66.7	85.2	4.3
Long-term provisions	29.2	30.9	43.4	2.2
Advances from customers	154.0	184.7	203.2	10.3
Deferred income tax	946.5	697.0	2,228.4	112.9
Total non-current liabilities	18,510.8	43,123.9	121,727.8	6,168.8
Total liabilities	22,418.4	47,057.5	126,135.6	6,391.3
Stockholders' equity:				
Capital stock	23,453.6	60,239.2	78,338.2	3,969.4
Cumulative deficit	(12,630.6)	(34,900.8)	(45,270.7)	(2,293.9)
Legal reserve	15.7	15.7	15.7	0.8
Total stockholders' equity	10,838.7	23,354.1	33,083.2	1,676.3
Total liabilities and stockholders' equity	33,257.1	72,411.6	159,218.8	8,067.7

(1) U.S. dollar amounts translated at an exchange rate of Ps.19.7354 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Federal Official Gazette on December 29, 2017, as the rate for the settlement of obligations denominated in currencies other than Mexican pesos on December 31, 2017.

GACM Income Statement

	Years ended December 31,		
	2016	2017	2017(1)
	(Ps.)	(Ps.) (in millions)	(US$)
Operating income:			
Aeronautical services	8,707.1	9,637.7	509.1
Non-aeronautical services	3,003.5	3,389.1	179.0
Construction services	9,049.8	18,983.2	1,002.9
Other income	27.4	15.8	0.8
Total operating income	20,787.8	32,025.8	1,691.9
Operating costs and expenses:			
Operating costs and administrative expenses	7,195.7	9,128.2	482.2
Cost of construction services	8,424.6	17,662.1	933.1
Total operating costs and expenses	15,620.3	26,790.4	1,415.3
Operating income	5,167.4	5,235.4	276.6

	Years ended December 31,		
	2016	2017	2017(1)
	(Ps.)	(Ps.) (in millions)	(US$)
Finance income	1,063.3	7,054.2	372.7
Finance cost	(4,512.4)	(2,799.6)	(147.9)
Net finance income/(expense)	(3,449.1)	4,254.6	224.8
Profit before income tax	1,718.3	9,490.0	501.3
Income tax	30.5	(1,754.4)	(92.7)
Net consolidated profit for the year	1,748.9	7,735.6	594.0
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of labor obligations, net of taxes	5.3	(6.4)	(0.3)
Total consolidated comprehensive income for the year	1,754.2	7,729.1	593.7
Profit per basic and diluted share in pesos	0.08	0.35	0.02
Weighted average shares outstanding	22,131,009,145	22,131,009,145	-

(1) U.S. dollar amounts translated at an exchange rate of Ps.19.9291 per U.S. dollar, which was the average exchange rate for the settlement of obligations denominated in currencies other than Mexican pesos in 2017.

GACM Cash Flow Statement

	Years ended December 31,		
	2016	2017	2017(1)
	(Ps.)	(Ps.) (in millions)	(US$)
Operating activities			
Profit for the year before income taxes	1,718.3	9,490.0	501.3
Adjustments for:			
Amortization of intangible assets, airport concessions titles and depreciation of furniture and equipment	163.5	527.2	27.8
Profit margin on construction services	(625.1)	(1,321.1)	(69.8)
Distributions in kind	(24.4)	0.0	0.0
Allowance for doubtful accounts	239.3	373.3	19.7
Loss on furniture and equipment	13.0	0.0	0.0
Long-term provisions	17.4	29.2	1.5
Interest income	(1,063.3)	(1,624.8)	(85.8)
Interest expenses	827.2	2.8	0.1
Exchange fluctuation income	-	(5,429.4)	(286.8)
Exchange fluctuation loss	3,685.1	2,796.8	147.8
	4,951.1	4,844.0	255.8
Net variation in:			
Accounts receivable and other	(658.6)	27.3	1.4
Long-term value added tax	(155.9)	(3,278.4)	(173.2)
Inventories	3.7	2.7	0.1

	Years ended December 31,		
	2016	2017	2017[(1)]
	(Ps.)	(Ps.)	(US$)
		(in millions)	
Other non-current assets	(0.1)	(4.5)	(0.2)
Accounts payable and accrued expenses	(843.5)	889.8	47.0
Value added tax payable	(1,416.0)	119.0	6.3
Advances from customers	87.6	(72.7)	(3.8)
Employee benefits and net cost projected	(0.5)	(7.3)	(0.4)
Capitalized interest collected	442.2	1,870.9	98.8
Capitalized interest paid	(392.8)	(2,056.7)	(108.7)
Amount paid for concession	(7,405.1)	(23,123.2)	(1,221.6)
Income taxes paid	(221.3)	(206.3)	(10.9)
	(5,609.3)	(20,995.4)	(1,109.2)
Investing Activities			
Additions paid for furniture and equipment	0.0	(22.3)	(1.2)
Interests collected	787.8	1,162.5	61.4
	787.8	1,140.2	60.2
Financing Activities			
Debt issuance	39,533.8	71,230.7	3,763.0
Bank loan payments	(18,844.3)	0.0	0.0
Distribution of passenger charges residual amounts	(6,391.4)	(2,490.5)	(131.6)
Distribution of funds arising from notes issuance	(17,608.6)	(15,498.5)	(818.8)
Contribution of passenger charges residual amounts	6,391.4	2,490.5	131.6
Contribution of funds arising from notes issuance	17,608.6	15,498.5	818.8
Contribution of passenger charges amounts remaining from prior years	2,100.0	0.0	0.0
Contribution of funds arising from Government resources	10,685.6	0.0	0.0
	33,475.1	71,230.7	3,763.0
Effects of exchange rate changes on cash and cash equivalents	(1,361.1)	6,344.9	335.2
Restricted cash and cash equivalents	(1,501.2)	(2,950.8)	(155.9)
Net increase in cash and cash equivalents	25,791.3	54,769.5	2,893.4
Cash and cash equivalents at beginning of year	24,954.0	50,745.3	2,680.8
Cash and cash equivalents at end of year	50,745.3	105,514.8	5,574.2

(1) U.S. dollar amounts translated at an exchange rate of Ps.18.9291 per U.S. dollar, which was the average exchange rate for the settlement of obligations denominated in currencies other than Mexican pesos in 2017.

Historical Air Traffic

The Existing Airport has seen air traffic grow over the past five years. The historical trends in ATMs, passenger traffic and cargo volume between 2013 and 2017 are shown below:

	Years Ended December 31,					CAGR
	2013	2014	2015	2016	2017	2013-2017
	(in millions of passengers, except as ATMs and percentages)					
ATMs	392,566	409,954	426,761	448,150	449,656	3.5%
Total Passenger Traffic [(1)]						
Domestic Flights	20.9	22.8	25.7	27.7	29.0	8.5%
International Flights	10.6	11.5	12.8	14.1	15.8	10.3%
Total	31.5	34.3	38.4	41.7	44.7	9.1%
Percentage Growth on Prior Year		8.6%	12.2%	8.5%	7.2%	
Total Departing Passengers (including exempt passengers)						
Domestic Flights	10.5	11.4	12.9	13.8	14.5	8.4%
International Flights	5.3	5.8	6.4	7.0	7.8	10.1%
Total	15.8	17.2	19.2	20.8	22.4	9.0%
Percentage Growth on Prior Year		8.4%	11.9%	8.4%	7.3%	
Total Paying Passenger Traffic [(2)]						
Domestic Flights [(3)]	8.2	8.7	9.7	10.5	10.8	7.1%
International Flights [(4)]	4.3	4.6	4.9	5.3	5.7	7.4%
Total	12.5	13.3	14.6	15.7	16.5	7.2%
Percentage Growth on Prior Year		6.5%	9.5%	8.0%	4.9%	
Total Paying Passengers as percentage of Total Passenger Traffic						
Domestic Flights	39.2%	38.4%	37.7%	37.9%	37.3%	
International Flights	40.5%	39.8%	38.4%	37.6%	36.3%	
Total	39.6%	38.9%	37.9%	37.8%	36.9%	
Cargo Volume	376,590	398,557	446,915	483,433	537,263	9.3%

(1) Total number of passengers (including incoming and departing passengers, paying passengers and exempt passengers).
(2) Total number of passengers paying passenger charges and refer to passengers (other than exempt passengers) who board domestic or international scheduled commercial passenger flights or chartered passenger flights, in each case, originating from the Mexico City Airport System to a destination within or outside Mexico.
(3) Applicable Domestic Tariffs: US$15.76 during 2013, US$21.96 during 2014, US$22.33 during 2015, US$22.37 during 2016 and US$22.74 during 2017.
(4) Applicable International Tariffs: US$19.40 during 2013, US$34.15 during 2014, US$34.72 during 2015, US$34.78 during 2016 and US$35.35 during 2017.
Source: AICM. Historical statistics.

Total revenues per passenger from Existing Airport

	Year ended December 31,		% Change
	2016	2017	
Aeronautical revenues per passenger	Ps. 209	Ps. 216	3.2%
Non-aeronautical revenues per passenger	Ps. 72	Ps. 76	5.2%
Total revenues per passenger from Existing Airport	Ps. 281	Ps. 291	3.7%

GACM'S MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of the results of operations and financial condition of GACM for the years ended December 31, 2016 and 2017. The following discussion and analysis is derived from, and should be read in conjunction with, the GACM Financial Statements, which are presented elsewhere in this offering memorandum. This discussion does not include all of the information included in the GACM Financial Statements. You should read the GACM Financial Statements to gain a better understanding of GACM's business and historical results of operations.

The Issuer is a newly created trust and has neither engaged in any operations nor generated any revenues to date. The Issuer's only activities since inception have been organizational activities and those necessary to prepare for the Global Offering and its investment in the GACM Special Shares and AICM Shares. As a result, the following does not include a discussion and analysis of the Issuer's results of operations and financial condition.

Overview

The Issuer is a Mexican infrastructure and energy investment vehicle formed under Mexican law for the purpose of acquiring an equity interest in GACM through the acquisition of the GACM Special Shares, as well as a nominal equity interest in AICM as required to comply with the FIBRA E Rules. The Issuer intends to use the net proceeds of the Global Offering to subscribe a determined number of the GACM Special Shares issued by GACM, acquire the AICM Shares and for operating expenses of the Issuer Trust. GACM will transfer the funds it receives from the Issuer's subscription of the GACM Special Shares to an escrow account held by the Construction Trust and will use these funds for the construction of the New Airport in accordance with its master development plan.

Starting on January 1, 2021, the Issuer, as holder of the GACM Special Shares and the AICM Shares will be entitled to receive Capital Distributions from GACM in an amount equal to 39.0% of GACM's Distributable Cash Flow. The percentage of distributions will be increased on a yearly basis by 200 basis points beginning January 1, 2026 until January 1, 2030, reaching a maximum percentage of 49.0% that will remain constant from then until the GACM Special Shares are redeemed. The percentage of distributions may be further increased to 65% or 80% of GACM's Distributable Cash Flow on a Mandatory Acceleration Date or a Mandatory Acceleration Date due to Cancellation, respectively, provided that the percentage of Distributable Cash Flow will be restored in accordance with the calendar above once the event that triggered the mandatory redemption ceases to exist.

The stock certificate representing the GACM Special Shares provides that the amounts payable to the Issuer as holder of the GACM Special Shares will have priority over any distribution or payment that GACM makes to any other of its shareholders. The calculation of Distributable Cash Flow will be made before, and without taking into account, the payment of any Budgetary Concession Fees or Government Concession Fees, other than Government Concession Fees related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust.

All of the revenues generated by the Existing Airport are regulated by the Existing Airport Concession. Because AICM is a majority state-owned company, the rates that AICM is entitled to charge for aeronautical services, including passenger charges, are determined unilaterally by the Mexican federal government through the SHCP, with the prior opinion of the SCT. Passenger charges are updated annually to account for U.S. inflation rates, based on the Consumer Price Index published each year by the U.S. Bureau of Labor Statistics. Although certain revenues from non-aeronautical services (such as the lease of space to airlines and other airport service providers that are considered essential to an airport) are regulated by the Mexican government, revenues from commercial activities and complementary services generally are not regulated. If AICM ceased to be a majority state-owned company, these rates would be regulated in accordance with the provisions of the Mexican Airport Law. Because GACM is also a majority state-owned company, the rates that GACM will be entitled to charge for these services once the New Airport commences operations will be regulated in the same manner.

The majority of GACM's consolidated revenues generated by the Existing Airport are derived from providing aeronautical services, which are related to the use of the Existing Airport facilities by airlines and passengers. Changes in the revenues derived from aeronautical services are mainly driven by variations in passenger traffic and ATMs at the Existing Airport. The Existing Airport also derives revenue from non-aeronautical services, which mostly include the leasing of space to retailers, restaurants, airlines and other commercial tenants, and complementary services carried out at the Existing Airport.

Like the Existing Airport, the New Airport is expected to generate the majority of its revenues from providing aeronautical services. In addition, given the magnitude of the Project, the New Airport is expected to increase the revenues currently generated by the Existing Airport from non-aeronautical services, primarily revenues from commercial services, which would benefit from an expected increase in the proportion of international passengers as well as the following features of the project: (i) a larger leasable surface area for the provision of commercial services; (ii) consolidation of the leasable space in a completely remodeled infrastructure with a single terminal designed to centralize the retail space and optimize passenger flow; (iii) optimization of the design to maximize commercial revenues by locating a majority (approximately 80%) of leasable commercial area on the "air side" of the New Airport (i.e., the principal waiting areas beyond security checkpoints); and (iv) optimization of the mix of commercial offerings and types of retail shops.

Passenger Traffic, Cargo Tonnage and ATMs

In 2016 and 2017, the Existing Airport served 41.7 and 44.7 million passengers, respectively, which represented an increase of 7.2% during 2017, as compared to 2016. Of the total passengers served in 2017, approximately 29.0 million, or 64.8%, passengers were domestic and approximately 15.8 million, or 35.2%, were international, representing an increase of 4.8% and 12.1% respectively, compared to 2016. Of the total passengers served in 2017, approximately 22.4 million, or 50.0%, were departing passengers, including exempt passengers, of which 16.5 million, or 36.9% of the total passengers served, were paying passengers.

In 2016 and 2017, 66.5%, and 65.3%, respectively, of the Existing Airport's paying passengers traveled on domestic flights.

The following table sets forth certain operating data relating to the Existing Airport's passenger traffic, cargo tonnage and ATMs for the years indicated.

	As of December 31,		% Change
	2016	2017	
ATMs	448,150	449,656	0.3%
Cargo[(1)]	483,433	537,263	11.1%
Total Passenger Traffic[(2)]			
Domestic Flights	27.7	29.0	4.8%
International Flights	14.1	15.8	12.1%
Total	41.7	44.7	7.2%
Total Departing Passengers (including exempt passengers)[(2)]			
Domestic Flights	13.8	14.5	4.9%
International Flights	7.0	7.8	12.0%
Total	20.8	22.4	7.3%
Total Paying Passenger Traffic (passenger charges)[(2)]			
Domestic Flights	10.5	10.8	3.1%
International Flights	5.3	5.7	8.4%
Total	15.7	16.5	4.9%

(1) In metric tons. One cargo unit is equivalent to one metric ton (*i.e.*, 1,000 kilograms or approximately 2,200 pounds) of cargo.
(2) In millions of Mexican pesos.

Classification of Revenues

GACM classifies consolidated revenues from the Existing Airport into two categories: revenues from aeronautical services and revenues from non-aeronautical services, which include revenue for commercial services and complementary services. In accordance with IFRS, GACM's consolidated revenues are presented net of certain expenses inherent to the generation of revenue, such as fees associated with the collection of said revenue. Additionally, GACM records in its consolidated financial statements revenue for construction services, which are mainly related to construction activities for the New Airport and are recorded in accordance with IFRS, as well as other revenue that reflects certain tax proceeds received net of associated expenses, but excluding capital contributions made by the Mexican government.

Revenues from aeronautical services have historically represented the main source of revenue from the Existing Airport. The Existing Airport's revenues from aeronautical services are derived principally from passenger charges, landing charges, aircraft parking charges, charges for the use of aerocars, charges for baggage inspection (domestic and international) and charges for the provision of airport security services. In 2016 and 2017, revenues from aeronautical services represented approximately 74.4% and 74.0%, respectively, of the Existing Airport's consolidated revenues. The remainder of the Existing Airport's consolidated revenues were derived from non-aeronautical services (including other revenue).

The Existing Airport's revenues from non-aeronautical services are derived primarily from commercial activities (such as the leasing of space in the Existing Airport to retailers, restaurants, airlines and other commercial tenants) and the collection of fees charged to providers of complementary services in the Existing Airport (such as access to federal areas by several ground transport and baggage handling providers). In 2016 and 2017, revenues from non-aeronautical services represented 25.6% and 26.0%, respectively, of the Existing Airport's total consolidated revenues. As described above, given the magnitude of the project, the New Airport is expected to increase the revenues generated by non-aeronautical services, primarily from commercial activities, which are expected to significantly increase their contribution to total revenues.

Total Revenues from Existing Airport

	Year ended December 31,				
	2016		2017		
	Amount	Percent	Amount	Percent	% Change
	(millions of pesos, except percentages)				
Aeronautical Revenues					
Domestic passenger charges[(1)] ...	4,108.4	35.1%	4,551.6	34.9%	10.8%
International passenger charges[(1)]	3,478.6	29.7%	3,818.9	29.3%	9.8%
Subtotal passenger charges	7,587.0	64.8%	8,370.5	64.3%	10.3%
Other aeronautical revenues					
Aircraft parking charges	385.3	3.3%	451.9	3.5%	17.3%
Landing charges........................	303.6	2.6%	330.6	2.5%	8.9%
Baggage inspection...................	235.0	2.0%	249.3	1.9%	6.1%
Aerocars....................................	116.5	1.0%	150.9	1.2%	29.5%
Security services.......................	60.4	0.5%	65.2	0.5%	7.9%
Other...	19.3	0.2%	19.3	0.1%	(0.4%)
Subtotal other aeronautical revenues	1,120.1	9.6%	1,267.1	9.7%	13.1%
Total aeronautical revenues	8,707.1	74.4%	9,637.7	74.0%	10.7%
Non-aeronautical revenues					
Commercial services:					
Leasing of space[(2)]	2,506.4	21.4%	2,834.6	21.8%	13.1%
Parking......................................	314.9	2.7%	300.9	2.3%	(4.5%)
Access to federal premises	51.5	0.4%	104.0	0.8%	101.9%
Baggage handlers......................	4.0	0.0%	2.7	0.0%	(31.7%)
Other commercial services	44.3	0.4%	53.9	0.4%	21.6%

Subtotal commercial services	2,921.2	24.9%	3,296.1	25.3%	12.8%
Complementary services[3]	82.3	0.7%	93.0	0.7%	13.1%
Total non-aeronautical revenues	3,003.5	25.6%	3,389.1	26.0%	12.8%
Total Revenues	**11,710.6**	**100.0%**	**13,026.8**	**100.0%**	**11.2%**

(1) In accordance with IFRS, revenues for passenger charges are reported net of fees paid to airlines related to the collection of passenger charges.
(2) Includes leasing of space in the Existing Airport to retail operations, duty-free operations, airlines and complementary service providers (for first class/VIP lounges and other similar non-essential activities). Includes commercial activities and complementary services.
(3) Complementary services include the recovery of utility and maintenance charges (water, electricity and other services) that are transferred to airlines and other tenants in the Existing Airport, net of associated expenses on such charges.

Total Revenues per Passenger from Existing Airport

	Year ended December 31,		% Change
	2016	**2017**	
Aeronautical revenues per passenger	Ps. 209	Ps. 216	3.20%
Non-aeronautical revenues per passenger	Ps. 72	Ps. 76	5.20%
Total revenues per passenger from Existing Airport	Ps. 281	Ps. 291	3.77%

For a detailed description of the components of the Existing Airport's aeronautical services and non-aeronautical services, see "The Benito Juárez International Airport of Mexico City—Description of the Existing Airport's Operations—Principal Services."

Aeronautical Revenues

The following table sets forth the Existing Airport's main consolidated revenues from aeronautical services for the years indicated.

Aeronautical Revenues

	As of December 31,			
	2016		2017	
	Amount	**Percent**	**Amount**	**Percent**
	(millions of pesos, except percentages)			
Aeronautical Revenues:				
Passenger charges[1]	Ps 7,587.0	87.1%	8,370.5	86.9%
Aircraft parking charges	385.3	4.4%	451.9	4.7%
Landing charges	303.6	3.5%	330.6	3.4%
Baggage inspection	235.0	2.7%	249.3	2.6%
Aerocars	116.5	1.3%	150.9	1.6%
Security services	60.4	0.7%	65.2	0.7%
Other	19.3	0.2%	19.3	0.2%
Total Aeronautical Revenues	Ps 8,707.1	100.0%	Ps 9,637.7	100.0%

(1) In accordance with IFRS, revenues for passenger charges are reported net of fees paid to airlines related to the collection of passenger charges.

Passenger Charges

The principal source of revenue generated by the Existing Airport is the collection of passenger charges. Passenger charges are tariffs charged for the use of an airport, applied to all paying passengers departing on domestic or international flights, excluding certain exempt passengers, such as passengers with connecting flights. Because AICM is a majority state-owned company, both the International and Domestic Tariffs are determined unilaterally by the Mexican federal government through the SHCP, with the prior opinion of the SCT. As of December 31, 2017, the Domestic and International Tariffs were US$22.74 and US$35.35, respectively. As of January 1, 2018, Domestic and International Tariffs were adjusted for inflation resulting in an increase of 2.0%, to US$23.20 and US$36.07, respectively. Also, as of January 18, 2018, International Tariffs increased by an additional US$8 to reach US$44.07. In 2016 and 2017, passenger charges represented approximately 87.1% and 86.9%, respectively, of aeronautical revenues and 64.8% and 64.3%, respectively, of total revenues generated at the Existing Airport.

The right to collect passenger charges at the Existing Airport was sold and transferred to the TUA Issuer Trust, which assigned this right to the TUA Security Trust to secure, and serve as source of payment for, the existing debt financing obtained for the construction of the New Airport, including the Existing Notes. All revenues derived from the collection of passenger charges are collected by the airlines operating at the Existing Airport and deposited with the TUA Security Trust to fund all payments of principal and interest under this financing structure. AICM has the right to receive certain residual amounts, and additional residual amounts may be distributed at GACM's discretion, from these revenues only after all financing expenses have been paid. As a result, such funds will only be available for distribution to the holders of CBFEs if they are not required for the payment of interest and principal on indebtedness and all other conditions for making Restricted Payments have been satisfied.

In 2016 and 2017, the TUA Security Trust distributed Ps.6,161.3 and Ps.5,710.6 million, respectively, of excess revenues from passenger charges to the TUA Issuer Trust, as contingent airport expenses and Restricted Payments under this financing structure, representing 81.2% and 68.2% of GACM's consolidated revenues from passenger charges from the Existing Airport in 2016 and 2017, respectively. Restricted Payments for the current and following years are expected to be lower as a result of the offering of the 2028 Notes and the 2047 Notes in September 2017 and may be impacted by any future increase in debt of the TUA Issuer Trust. Investors are cautioned not to consider the availability of passenger charges in computing the amount of cash available for Distributions. See "—Contractual Obligations and Commitments—Existing Notes."

The following table presents the amount of domestic and international passenger charges collected at the Existing Airport for the last five years:

	2014	2014 Increase[3]	2015	2016	2017	2018	2018 Increase[4]	CAGR 2014-2018
	(in U.S. dollars, except percentages)							
Domestic passenger charges	15.91	21.96	22.33	22.37	22.74	23.20	23.20	
Annual increase[1]	1.0%	38.0%	1.7%	0.2%	1.6%	2.0%	0.0%	9.9%
International passenger charges	19.59	34.15	34.72	34.78	35.35	36.07	44.07	
Annual increase[1]	1.0%	74.3%	1.7%	0.2%	1.6%	2.0%	22.2%	22.5%
U.S. Inflation[2]	1.0%	-	1.7%	0.2%	1.6%	2.0%	-	-

(1) Reflects the increase in the tariff for each year compared to the tariff for the prior year.
(2) Inflation based on the Consumer Price Index for all Urban Consumers published by the U.S. Bureau of Labor Statistics.
(3) Passenger charge tariffs effective as of January 16, 2014.
(4) Passenger charge tariffs effective as of January 18, 2018.
Source: AICM and Federal Official Gazette.

Charges for Aeronautical Services Other than Passenger Charges

Various charges are collected from airlines for the use of the Existing Airport's facilities by their aircraft and passengers. In 2016 and 2017, the following charges represented the main sources of revenues generated from aeronautical services, other than passenger charges:

- aircraft parking charges represented approximately 4.4% and 4.7%, respectively, of aeronautical revenues and 3.3% and 3.5%, respectively, of GACM's total consolidated revenues (excluding construction revenues) derived from the Existing Airport;

- aircraft landing charges represented approximately 3.5% and 3.4%, respectively, of aeronautical revenues and 2.6% and 2.5%, respectively, of GACM's total consolidated revenues (excluding construction revenues) derived from the Existing Airport;

- airport baggage inspection charges accounted for approximately 2.7% and 2.6%, respectively, of aeronautical revenues and 2.0% and 1.9%, respectively, of GACM's total consolidated revenues (excluding construction revenues) derived from the Existing Airport.

- aerocar charges represented approximately 1.3% and 1.6%, respectively, of aeronautical revenues and 1.0% and 1.2%, respectively, of GACM's total consolidated revenues (excluding construction revenues) derived from the Existing Airport, and

- security services represented approximately 0.7% and 0.7%, respectively, of aeronautical revenues and 0.5% and 0.5%, respectively, of GACM's total consolidated revenues (excluding construction revenues) derived from the Existing Airport.

Aircraft parking charges are collected based on the time an aircraft is at a platform or parking position. These parking charges vary based on the time of day that the relevant service is provided (with higher fees generally charged during peak usage periods) and are applied for the entire time while an aircraft is on the Existing Airport's parking platforms. A landing charge is collected for each aircraft's arrival based on the aircraft's maximum landing weight and the applicable landing fee at the time of landing (with higher fees during peak usage hours). Airlines are also assessed charges for the use of aerocars, as well as for the connection of their aircraft to the Existing Airport's terminals through passenger walkways. The Existing Airport also assesses a baggage inspection charge as well as an airport security charge, which are billed to each airline based on the number of its departing passengers. All of these charges are charged and payable in Mexican pesos.

Non-Aeronautical Revenue

The following table sets forth the Existing Airport's revenue from non-aeronautical activities for the years indicated.

Non-Aeronautical Revenue

	Year ended December 31,			
	2016		2017	
	Amount	Percent	Amount	Percent
	(millions of pesos, except percentages)			
Non-Aeronautical Revenue:				
Commercial Activities:				
Leasing of space[1]	Ps.2,506.4	83.5%	Ps. 2,834.6	83.6%
Vehicle parking	314.9	10.5%	300.9	8.9%
Access to federal premises	51.5	1.7%	104.0	3.1%
Baggage handlers	4.0	0.1%	2.7	0.1%
Other commercial revenues	44.3	1.5%	53.9	1.6%
Total commercial activities	2,921.2	97.3%	3,296.1	97.3%

Complementary services[2]	82.3	2.7%	93.0	2.7%
Total Non-Aeronautical Revenue	**Ps.3,003.5**	**100.0%**	**Ps. 3,389.1**	**100.0%**

(1) Includes leasing of space in the Existing Airport to retail operations, duty-free operations, airlines and complementary service providers (for first class/VIP lounges and other similar non-essential activities). Includes commercial activities and complementary services.
(2) Complementary services include the recovery of utility and maintenance charges (water, electricity and other services) that are transferred to airlines and other tenants in the Existing Airport, net of associated expenses on such charges.

The majority of the Existing Airport's revenue from non-aeronautical services is derived from commercial activities, including the leasing of space to retailers, restaurants, airlines and other commercial tenants. Such activities are dependent on passenger traffic, passengers' level of spending and the design of the terminal building and the parking lots, among other factors. Revenues from commercial services also depend on the percentage of traffic represented by the international passengers, due to higher average spending and the revenues generated from duty-free shopping and spending on other commercial activities. The Existing Airport provides additional commercial services, including automobile parking services, and collects revenue from access to federal premises from various commercial vehicle operators, including taxi operators. The Existing Airport also earns revenues from charging access to federal premises and other fees from third-party providers of complementary services, including luggage check in, sorting and handling, aircraft servicing at its gates, aircraft cleaning, cargo handling, aircraft catering services and assistance with passenger boarding and deplaning.

Construction Services

In accordance with IFRS, GACM records in its consolidated financial statements revenues from construction services, which are related to construction activities for the New Airport carried out by GACM. These revenues from construction services correspond to non-monetary revenue, that is, they do not represent expected cash inflows. Revenues for construction services are calculated based on the New Airport's construction expenditures (costs for construction services) plus an estimated profit margin (non-monetary) on said construction costs. As the construction of the New Airport progresses, the amounts of construction revenues will be part of the intangible assets under the New Airport Concession, which will be subsequently amortized once the New Airport begins operations. During 2016 and 2017, revenues from GACM's construction services amounted to Ps.9,049.8 and Ps.18,983.2 million, respectively.

Operating Costs and Expenses

The following table sets forth GACM's consolidated operating costs and expenses and certain other related information for the years indicated.

	Year ended December 31,		
	2016	2017	
	Amount	Amount	% change
	(millions of pesos, except percentages)		
Operating Costs and Administrative Expenses:			
Cost of services:			
Personnel costs	Ps. 694.2	Ps. 830.4	19.6%
Maintenance and conservation	1,102.2	1,571.9	42.6%
Professional and financial services (excluding payments to ASA)	1,294.7	1,436.8	11.0%
Concession rights	594.5	662.0	11.3%
Other	467.8	736.7	57.5%
Total cost of services	4,153.4	5,237.8	26.1%
Financing fees and expenses[1]	207.5	324.5	56.4%
ASA services agreements fees	1,788.4	1,594.9	(10.8%)

Government Concession Fees (SCT)	643.6	1,070.6	66.4%
Allowance for doubtful accounts[(2)]	239.3	373.3	56.0%
Depreciation and amortization[(3)]	163.5	527.2	222.4%
Total operating costs and administrative expenses	7,195.7	9,128.2	26.9%
Cost of Construction Services:	8,424.6	17,662.1	109.6%
Total operating costs and expenses	**Ps.15,620.3**	**Ps.26,790.4**	**71.5%**

(1) Reflects expenses associated with financings incurred by the TUA Issuer Trust.
(2) Reflects an annual change in the provision for uncollectable accounts, in accordance with AICM's policies of impairment of accounts receivable.
(3) Reflects depreciation of fixed assets and amortization of the airport concessions and rights to use airport facilities. For 2016 and 2017 this account included amortization amounts of assets related to the Existing Airport, which will be amortized in full until the start of operations of the New Airport. As of the start of operations of the New Airport, amortization of the concession assets and other assets related to the New Airport will be included.

Cost of Services

Consolidated costs of services associated with the operation of the Existing Airport consist primarily of personnel services, maintenance and conservation, professional services, concession fees and other miscellaneous expenses.

Personnel costs associated with the Existing Airport mainly include wages, salaries and other compensation to employees, social security costs and other benefits provided to direct employees of AICM (including key non-unionized employees and those represented by a union), as well as additional costs of officers and administrative employees hired by, and paid through, Servicios Aeroportuarios de la Ciudad de México, S.A. de C.V., the subsidiary of GACM that provides certain administrative services.

Maintenance and conservation costs include all such expenses required for the installation, repair, maintenance, and conservation of buildings and equipment for the provision of the Existing Airport services, as well as certain amounts related to rehabilitation, reconditioning and structural reinforcement works or works related to the September 2017 earthquake, which are of an extraordinary nature and are not made regularly.

The Existing Airport's professional and financial services expenses (excluding payments to ASA) consist primarily of fees and expenses paid to consultants and other professional advisors, as well as other miscellaneous expenses, surveillance services and aerocars operation, among others. For 2016 and 2017, these expenses included primarily the following:

	Year ended December 31		
	2016	**2017**	**% Change**
	(millions of pesos, except percentages)		
Professional and financial services (exc. ASA payments)			
Cleaning, gardening and fumigation services	Ps. 145.7	Ps. 153.9	5.6%
Professional, scientific and technical services and other services	421.5	523.2	24.1%
Surveillance services	671.9	698.3	3.9%
Financial, banking and commercial services	55.6	61.4	10.3%
Total Professional and financial services costs	Ps. 1,294.7	Ps. 1,436.8	11.0%

Concession rights are related to the payment of fees to the Mexican government pursuant to the Concessions and Mexican law. Pursuant to Mexican law, the Existing Airport pays concession rights equal to 5% of its total income for aeronautical services and non-aeronautical services to the Mexican Treasury (*Tesorería de la Federación*, or TESOFE) for the use and enjoyment of the rights to the real estate granted under the Existing

Concession. Once the New Airport commences operations, GACM will be required to pay the same fee for the concession rights under the New Airport Concession.

Financing Fees and Expenses

Financing fees and expenses correspond to recurrent fees and expenses associated with the administration and operation of existing debt financing and the administration of the various trusts created for the financing and construction of the New Airport.

ASA Services Agreement Fees

AICM fully operates and manages the Existing Airport with its own resources. However, since 1998 AICM has maintained a services agreement with ASA, a Mexican government instrumentality, to act as a special advisor for the provision of operational and management services. On August 30, 2013, the Sponsors agreed to amend ASA's services agreement such that the compensation payable to ASA for provision of services would be set according to a schedule of payments for the years 2013 through 2016 and, afterwards, would be set at a fixed annual amount of Ps.1,331.2 million (US$70.3 million) plus value added tax payable in monthly installments, denominated at prices from December 2012 and adjusted on a monthly basis for cumulative inflation from December 2012. In 2017, this amount was equal to Ps.1,594.9 million (US$84.3 million) plus value added tax. The amended services agreement provides that any such payment schedule and inflation adjustment will be deferred if the payment of such amounts would jeopardize the financial or operational viability of the Existing Airport. However, payments under this agreement have been made in full since 2013, prior to transferring excess cash flows from the Existing Airport to the Mexican federal government.

Government Concession Fees

Pursuant to the Concessions, the Sponsors are required to make payments to the SCT as consideration for the exploitation of the Concessions. As long as the Sponsors continue to be majority state-owned companies, the Government Concession Fee will be paid annually based on the amount determined by the SCT, subject to the Sponsors' budget availability in the relevant year. Beginning in 2020, the Government Concession Fee must be paid after operating expenses, taxes and payments to ASA have been paid, and after the amount of Distributable Cash Flow has been determined for payment of Capital Distributions to the Issuer Trust.

To date, the amounts of Government Concession Fees have been determined annually by the Sponsors and the SCT based on the operating surplus of the Existing Airport, as well as on the net proceeds from the financing incurred by the TUA Issuer Trust. In 2018 and 2019, the SCT will continue to determine the amounts of the Government Concession Fee in the same manner, unless a Mandatory Acceleration Date occurs. Beginning in 2020, the Government Concession Fee, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust, will be determined and paid after operating costs have been paid and obligations under the GACM Special Shares have been fulfilled. Therefore, any Government Concessions Fees will be excluded for purposes of calculating Distributable Cash Flow and will be paid in a manner that does not negatively impact the Capital Distributions.

The Mexican Bureau of Civil Aviation and GACM agreed that for determination of the Government Concession Fee, GACM must present to the SCT its cash flow projection at the end of each fiscal year, after discounting operating expenses and other legal and tax obligations. Any amounts GACM receives related to the consideration owed to GACM by the TUA Issuer Trust will be included in the Government Concession Fee.

Allowance for Doubtful Accounts

The allowance for doubtful accounts represents an estimate of losses resulting from the inability of clients to make their required payments. To determine the allowance for doubtful accounts, estimates must be made. GACM conducts constant credit evaluations on its clients and adjusts credit limits based on the clients' payment history and current creditworthiness, as determined by the review of their current credit information. In addition, GACM considers several factors to determine the appropriate size and timing for the recognition and quantity of reserves, including experience of past collection, current economic trends, legal status and client solvency, and the age of the account receivables portfolio. The allowance for doubtful accounts is recorded in the costs of operations and administrative expenses and the amounts added to the allowance are written off the account receivable when there is no expectation of collection.

Accounts receivable are represented mainly by passenger charges, which had a balance of Ps.1,933.5, Ps.1,942.4 and Ps.1,552.6 million as of December 31, 2017 and 2016, and as of January 1, 2016, respectively. As of those dates, debtors and other accounts receivable represented other minor balances.

As of December 31, 2017, the total balance of accounts receivable due and not impaired increased to Ps.45.8 million, from Ps.33.7 million as of December 31, 2016. These accounts refer to a number of clients that do not have a recent history of default.

As of December 31, 2017, the allowance for doubtful accounts had a balance of Ps.235.1 million, from Ps.216.6 million as of December 31, 2016. The increase during 2017 was mainly due to Ps.275 million in accounts receivables related to a duty-free service provider that is expected to be evicted in 2018.

Depreciation and Amortization

Intangible airport concession assets represent the right to charge users for the use of the Mexico City Airport System. This item is comprised of concessions to manage, operate, exploit and, where appropriate, build, the Mexico City Airport System in accordance with the Concessions granted by the Mexican government. The investment in concessions consists of the rights to use the airport facilities, airport concessions and improvements in concessioned assets.

Investments, as intangible assets, are recorded at fair value of the construction services and are amortized in a straight line over the life of the Concession or from the date that the additions or improvements are capitalized taking into consideration the time remaining until the termination of the Concession. Amortization is presented in operating costs and administrative expenses in the income statement.

GACM reviewed the remaining lives of the long-term assets related to the Existing Airport considering an inauguration of the New Airport in 2020. Because the Existing Airport and the New Airport will share the same airspace, both cannot operate at the same time and commercial operations at the New Airport must commence simultaneously with the closing of the Existing Airport. Due to this practical limitation and its effect on the life expectancy of the assets, for the preparation of the GACM Financial Statements as of January 1, 2017, GACM prospectively adjusted the amortization of long-term assets associated with this concession that may be used up to 2020, instead of considering the remaining term of the Existing Airport Concession. The amortization of the assets under the New Airport Concession will begin once the New Airport commences operations.

Factors that May Influence Future Cash Flows from Operations

Determination of Passenger Charges and Other Tariffs. Because the Sponsors are state-owned companies, International And Domestic Tariffs, as well as the tariffs charged for other aeronautical services, are regulated and determined by the Mexican government through the SHCP. While passenger charge tariffs may be subject to change upon request by the Sponsors, the Mexican government may deny such request, even in circumstances that would warrant an increase. In addition, the Mexican government may decide to increase or reduce passenger charge tariffs charged at the Existing Airport and, upon commencement of operations, at the New Airport at its sole discretion at any point in time. Since 2005, in accordance with a directive from the SHCP, passenger charge tariffs at the Existing Airport are adjusted annually to reflect inflation based on the Consumer Price Index for All Urban Consumers published by the U.S. Bureau of Labor Statistics in October of each year. New passenger charge tariffs are effective on January 1 of each year.

Industry Conditions. Positive or negative changes in conditions in the aeronautical industry may impact the Mexico City Airport System's overall performance. Future economic downturns or regional downturns affecting the Mexican aeronautical and airline industries that have an impact on the level of air traffic at the Mexico City Airport System, could adversely affect GACM and, in turn, the Issuer's business and results of operations.

Seasonality. The Mexico City Airport System's business is subject to seasonal fluctuations. In general, demand for air travel is typically higher during the summer months and during the winter holiday season, particularly in international markets, because there is more vacation travel during those periods. The Existing Airport's results of operations generally reflect this seasonality, but have also been impacted by numerous other factors that are not necessarily seasonal, including economic conditions, security and health concerns, war or threat of war, earthquakes, weather, air traffic control delays and general economic conditions. As a result, the Existing Airport's operating results for a quarterly period are not necessarily indicative of operating results for an entire year, and historical operating results are not necessarily indicative of future operating results.

Impact of Currency Fluctuations. Passenger charges are denominated in U.S. dollars but collected by the airlines operating at the Existing Airport in its corresponding monthly Mexican peso equivalent, either in Mexican pesos or U.S. dollars depending on the place and form of payment for flight tickets. The majority of aeronautical services fees, excluding passenger charges, are denominated and collected in Mexican pesos. Passenger charges denominated in U.S. dollars are converted at a monthly average exchange rate determined by the Mexican government using the exchange rates published by the Mexican Central Bank in the Federal Official Gazette, and are subsequently paid to the TUA Security Trust in Mexican pesos, which then converts certain amounts into U.S. dollars required primarily for debt service in U.S. dollars.

The majority of non-aeronautical services fees at the Existing Airport are also denominated and collected in Mexican pesos. However, once the New Airport commences operations, GACM may elect to denominate and collect these fees—in particular, the charges for commercial activities—in U.S. dollars.

High exchange rate volatility within a month directly affects this average exchange rate, which may result in decreased cash flows to the Mexico City Airport System in Mexican peso terms. In addition, any appreciation in the value of the Mexican peso against the U.S. dollar results in decreased cash flows in Mexican peso terms derived from the collection of U.S. dollar denominated aeronautical services and non-aeronautical services fees. Conversely, a devaluation of the Mexican peso against the U.S. dollar increases such cash flows in Mexican peso terms.

Macroeconomic Conditions. The Mexico City Airport System's business and financial performance, the value of the Issuer's CBFEs and the Mexico City Airport System's growth potential are closely related to macroeconomic conditions in Mexico as well as global macroeconomic conditions. An economic downturn, particularly a recession in the United States or Mexico, could affect passenger traffic and, consequently, the amount of passenger charges collected by the Mexico City Airport System. In addition, if Mexico's largest trading partners, such as the United States, implement tariffs or trade and migration barriers, this could adversely affect the demand for air travel, which in turn would negatively affect the Mexico City Airport System's business. Volatility in the financial markets could adversely affect the availability of financings, interest rates, inflation and exchange rates, which could affect the Mexican economy and the market value of securities issued by Mexican issuers. However, Mexico's solid macroeconomic and demographic fundamentals, an underpenetrated air travel sector and bus to air conversion in Mexico, the dynamic business landscape in Mexico City, and a promising tourism sector both in Mexico City and in the country, could mitigate some of the effects of adverse macroeconomic conditions.

Results of Operations of GACM for the Year Ended December 31, 2017, as Compared to the Year Ended December 31, 2016

The following table sets forth a summary of GACM's consolidated results of operations for the periods indicated.

	Summary Consolidated Operating Results Year ended December 31,		
	2016	2017	
	(thousands of pesos, except percentages)		
	Amount	Amount	% Change
Operating income:			
Passenger charges	Ps. 7,586,975	Ps. 8,370,545	10.3%
Aeronautical services (excluding passenger charges)	1,120,127	1,267,144	13.1%
Non-aeronautical services	3,003,461	3,389,133	12.8%
Construction services	9,049,792	18,983,232	109.8%
Other income	27,413	15,762	(42.5%)
Total operating income	20,787,768	32,025,816	54.1%
Operating costs and administrative expenses:			
Cost of services			
Employee costs	694,184	830,368	19.6%
Maintenance and conservation	1,102,212	1,571,894	42.6%
Professional and financial services	1,294,733	1,436,803	11.0%
Concession rights	594,525	661,994	11.3%
Other	467,787	736,714	57.5%
Total cost of services	4,153,441	5,237,773	26.1%
Financing fees and expenses	207,470	324,491	56.4%
ASA Services Agreement fees	1,788,360	1,594,925	(10.8%)
Government Concession Fees	643,596	1,070,629	66.4%
Allowance for doubtful accounts	239,314	373,272	56.0%
Depreciation and amortization	163,495	527,153	222.4%
Total operating costs and administrative expenses	7,195,676	9,128,243	26.9%
Cost of construction services:	8,424,643	17,662,146	109.6%
Operating income:	5,167,448	5,235,427	1.3%
Finance income	1,063,257	7,054,177	563.4%
Finance cost	(4,512,366)	(2,799,617)	(38.0%)
Net finance income/(expense)	(3,449,109)	4,254,560	(223.4%)
Profit before income tax	1,718,340	9,489,987	452.3%
Income tax	30,517	(1,754,410)	(5,849.0%)
Net consolidated profit for the year	1,748,857	7,735,577	342.3%
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of labor obligations, net of taxes	5,313	(6,440)	(221.2%)
Total consolidated comprehensive income for the year	1,754,170	7,729,137	340.6%

Operating Income

Total operating income in 2017 was Ps.32,025.8 million, a 54.1% increase compared to Ps.20,787.8 million in 2016, mainly as a result of a 109.8% increase in operating income from construction services.

Operating income from aeronautical services increased 10.7% from Ps.8,707.1 million in 2016 to Ps.9,637.7 million in 2017, mainly due to a 13.1% increase in aeronautical revenues other than passenger charges that increased from Ps.1,120.1 million in 2016 to Ps.1,267.1 million in 2017, and to a lesser extent to a 10.3% increase in revenue from passenger charges that increased from Ps.7,587.0 million in 2016 to Ps.8,370.5 million in

2017. Aeronautical revenues per passenger in 2016 were Ps.209 as compared to Ps.216 in 2017, representing an increase of 3.2%.

Operating income from passenger charges increased 10.3%, from Ps.7,587.0 million in 2016 to Ps.8,370.5 million in 2017, mainly due to a 7.2% increase in total passengers, a 1.6% increase in passenger charges in effect as of January of 2017 and, to a lesser extent, to a greater proportion of international passengers who pay a higher tariff than domestic passengers. International passengers increased by 12.1% during 2017, while domestic passengers increased by 4.8% during the same period. Restricted Payments (including contingent airport expenses) made by the TUA Security Trust decreased 7.3% from Ps.6,161.3 million in 2016 to Ps.5,710.6 million in 2017, as a result of the issuance of the Existing Notes in 2016 and 2017, which increased the amount of debt service payments to be made under the TUA Issuer Trust's debt.

Operating income from aeronautical services other than passenger charges increased 13.1% from Ps.1,120.1 million in 2016 to Ps.1,267.1 million in 2017, mainly due to increases in revenues from aircraft parking charges, landing charges, the use of aerocars, international baggage inspection and the provision of airport security services, and to a lesser extent due to increases in revenues from national baggage inspection. Other factors that contributed to this increase were an 11.5% increase in international ATMs during 2017 (that in general use larger aircrafts by size and weight than national ATMs), the opening and increased use of remote boarding areas and the related increase in the use of aerocars for these boarding areas, longer stays for aircraft parked on boarding platforms and a higher proportion of international passengers.

Operating income from non-aeronautical services increased 12.8% from Ps.3,003.5 million in 2016 to Ps.3,389.1 million in 2017. This increase was mainly due to a 13.1% increase in leases. Non-aeronautical services per passenger increased 5.2% from Ps.72 in 2016 to Ps.76 in 2017. Commercial services increased 12.8% from Ps.2,921.2 million in 2016 to Ps.3,296.1 million in 2017, mainly due to a 34.6% increase in revenues from lease agreements with a royalty fee based on a percentage of tenant profits and, to a lesser extent, to the increase in leased commercial space and an increase in the average occupancy rate. Complementary services increased 13.1% from Ps.82.3 million in 2016 to Ps.93.0 million in 2017, as a result of increased activity in the Existing Airport and a greater number of leased spaces.

Operating income from construction services increased 109.8% from Ps.9,049.8 million in 2016 to Ps.18,983.2 million in 2017, mainly due to a greater progress in the construction of the New Airport during 2017, as compared to 2016.

Operating Costs and Expenses

Operating costs and expenses increased 71.5% from Ps.15,620.3 million in 2016 to Ps.26,790.4 million in 2017, mainly as a result of an increase in costs for construction services associated with a greater degree of progress and expenditures related to the construction of the New Airport during 2017.

Cost of Services

The cost of services increased 26.1% from Ps.4,153.4 million in 2016 to Ps.5,237.8 million in 2017, primarily as a result of a 42.6% increase in maintenance and conservation costs during 2017 resulting from higher needs of conservation works at the Existing Airport, as well as certain extraordinary expenses associated with the September 2017 earthquake in Mexico City.

Maintenance and conservation activities during 2017 included various routine maintenance and conservation expenses for an estimated amount of Ps.320.7 million, non-recurrent works related to rehabilitation, reconditioning and structural reinforcement of the Existing Airport for an estimated amount of Ps.518.1 million, and extraordinary works associated with the September 2017 earthquake in Mexico City for an estimated amount of Ps.147.1 million. In addition, maintenance and conservation costs in 2017 included Ps.405.1 million of expenditures related to the construction of the New Airport, which under Governmental GAAP are capitalized as an intangible asset but under IFRS are adjusted to form part of the costs and expenses in the income statement.

Financing Fees and Expenses

Financing fees and expenses increased 56.4% from Ps.207.5 million in 2016 to Ps.324.5 million in 2017, mainly as a result of the payment of costs related to the issuance of the Existing Notes in 2017.

ASA Services Agreement Fees

Fees paid to ASA decreased 10.8% from Ps.1,788.4 million in 2016 to Ps.1,594.9 million in 2017, based on the schedule of payments set forth in the ASA services agreement. For 2017 and beyond, the ASA services agreement provides a fixed annual fee of Ps.1,331.2 million (US$70.3 million) plus value added tax payable in monthly installments, denominated at prices from December 2012 and adjusted on a monthly basis for cumulative inflation from December 2012.

Government Concession Fees

Government Concession Fees paid to the Mexican government increased 66.4% from Ps.643.6 million in 2016 to Ps.1,070.6 million in 2017, based on the fees determined by the SCT. In 2018 and 2019, the SCT will continue to determine the amounts of the Government Concession Fee in the same manner, unless a Mandatory Acceleration Date occurs. Beginning in 2020, the Government Concession Fee, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust, will be determined and paid after operating costs have been paid and obligations under the GACM Special Shares have been fulfilled. Therefore, any Government Concessions Fees will be excluded for purposes of calculating Distributable Cash Flow and will be paid in a manner that does not negatively impact the Capital Distributions.

Allowance for Doubtful Accounts

The allowance for doubtful accounts increased 56.0% from Ps.239.3 million in 2016 to Ps.373.3 million in 2017, mainly in connection with a greater amount of accounts receivable reserved in 2017 related to a duty-free service provider that is expected to be evicted during 2018.

Depreciation and Amortization

Depreciation and amortization increased 222.4% from Ps.163.5 million in 2016 to Ps.527.2 million in 2017, mainly as a result of the intangible asset under concession being amortized on a straight-line basis and an adjustment in the life expectancy and amortization of the assets related to the Existing Airport Concession that is expected to terminate in 2020 once the New Airport commences operations.

Cost of Construction Services

Cost of construction services increased 109.6% from Ps.8,424.6 million in 2016 to Ps.17,662.1 million in 2017, due primarily to greater construction progress and a corresponding increase in expenditures related to the construction of the New Airport during 2017, as compared to those of 2016.

Operating Income

Operating income increased 1.3% from Ps.5,167.4 million in 2016 to Ps.5,235.4 million in 2017, primarily as a result of an increase recorded in non-monetary income derived from the difference between the revenues for construction services and the costs for construction services.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA)

During 2017, maintenance and conservation costs recorded in GACM's consolidated conservation costs and expenses included, in addition to a Government Concession Fee of Ps.1,070.6 million, various works which do not recur annually for an estimated amount of Ps.518.1 million, as well as various extraordinary works associated with the September 2017 earthquake for an estimated amount of Ps.147.1 million, fees associated with financings for an estimated amount of Ps.228.6 million, commissions related to financings for an estimated amount of Ps.95.9 million and other taxes related to financings for an estimated amount of Ps.250.7 million. In addition, this amount included Ps.405.1 million for expenditures with respect to various activities related to the construction of the New Airport, which under Governmental GAAP are capitalized as an intangible asset but under IFRS are adjusted to form part of the costs and expenses in the income statement. As a result, Adjusted EBITDA in 2017 was Ps.7,141.9 million, excluding Government Concession Fees, works that do not recur annually, extraordinary works and expenditures related to the construction of the New Airport, which represented a 16.5% increase compared to 2016.

	Reconciliation of Adjusted EBITDA Year ended December 31	
	2016	2017
	(millions of pesos, except percentages)	
	Amount	Amount
Aeronautical services	Ps. 8,707.1	Ps. 9,637.7
Non-aeronautical services	3,003.5	3,389.1
Total operating income	**11,710.6**	**13,026.8**
(minus)		
Operating costs and administrative expenses	7,195.7	9,128.2
Operating income (excluding construction services)	4,514.9	3,898.6
(plus)		
Depreciation and amortization	163.5	527.2
	4,678.4	**4,425.7**
(plus)		
Conservation costs and expenses	233.4	518.1
Extraordinary works(1)	71.4	147.1
Expenditures related to the construction of the New Airport	226.2	405.1
Fees associated with financings	28.7	228.6
Commissions related to financings	178.7	95.9
Other taxes related to financings	69.3	250.7
Government Concession Fee	643.6	1,070.6
Adjusted EBITDA	**6,129.7**	**7,141.9**
Adjusted EBITDA margin	*52.3%*	*54.8%*

(1) During 2017, there were various extraordinary works associated with the September 2017 earthquake.

Finance Income and Costs

Finance income increased 563.4% from Ps.1,063.3 million in 2016 to Ps.7,054.2 million in 2017, due to an increase in the income from foreign exchange fluctuations derived from monetary assets (cash and cash equivalents) maintained in foreign currency, such as an increase in interest income derived from said cash amounts.

Finance costs decreased 38.0% from Ps.4,512.4 million in 2016 to Ps.2,799.6 million in 2017, due to an increase in foreign exchange losses associated with the Existing Notes, which are denominated in dollars, as well as a decrease in interest expenses associated with the Existing Notes as a result of considering the interest associated with the Existing Notes as part of the intangible asset under concession. This resulted in a net finance income of Ps.4,254.6 million in 2017, as compared to a net finance cost of Ps.3,449.1 million in 2016.

Profit Before Income Tax

Profit before income tax increased 452.3% from Ps.1,718.3 million in 2016 to Ps.9,490.0 million in 2017, due to both a higher operating income during 2017, as compared to 2016, and a higher net finance income during 2017, as compared to a net finance cost during 2016.

Net Consolidated Profit for the Year

Net consolidated profit for the year increased 342.3% from Ps.1,748.9 million in 2016 to Ps.7,735.6 million in 2017, due primarily to an increase in the profit before income taxes.

Liquidity and Capital Resources

The short- and long-term liquidity requirements of the Issuer are expected to consist primarily of funds to pay for operating expenses and for distributions to be made to holders of the CBFEs. The Issuer's operating expenses are also expected to include fees and expenses payable to the Trustee and the Settlor, the Issuer's and Manager's advisors fees and expenses, as well as certain fees and expenses payable to the Mexican authorities, including CNBV and Mexican Stock Exchange. Payments of operating expenses and distributions to holders of the CBFEs will be funded through cash flows generated by the operation of the Existing Airport and, once it commences operations, the New Airport. Starting on January 1, 2021, the Issuer, as holder of the GACM Special Shares, will be entitled to receive Capital Distributions from GACM in an amount equal to 39% of GACM's Distributable Cash Flow, which percentage of distributions will be increased on a yearly basis from 2026 to 2030, and may be further increased on a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation. The proceeds of the Global Offering will be used by the Issuer Trust to acquire the GACM Special Shares.

Historically, the principal sources of AICM's liquidity have been the cash flows from aeronautical services (other than passenger charges), cash flows from non-aeronautical services provided at the Existing Airport and excess passenger charges distributed by the TUA Issuer Trust as contingent expenses of the airports and Restricted Payments from the TUA Security Trust. The principal sources of GACM's liquidity are passenger charges distributed by the TUA Issuer Trust as Restricted Payments from the TUA Security Trust and funds derived from the federal budget that are contributed by the SCT as capital contributions. Both AICM and GACM also received funds from the net proceeds of the issuance of the Existing Notes. These funds have been used to pay the construction costs of the New Airport, including expenditures under the master development plans.

Restricted Payments from the TUA Security Trust based on passenger charges from the Existing Airport are made to AICM and GACM pursuant to a waterfall under the TUA Security Trust and the Intercreditor Agreement. The waterfall gives priority to administrative expenses of the TUA Issuer Trust and the TUA Security Trust, debt service payments due under the TUA Issuer Trust's secured debt (including the Existing Notes) and, upon the occurrence of certain events, prepayments of the TUA Issuer Trust's secured debt (including the Existing Notes), among other payments. Restricted Payments are only made to AICM and GACM if there are funds remaining after these priorities and other conditions have been satisfied. See "—Contractual Obligations and Commitments—TUA Waterfall."

Contractual Obligations and Commitments

The table below summarizes information regarding GACM's material contractual obligations and commitments as of December 31, 2017.

Contractual Obligations and Commitments		2018	2019	2020	2021	Total
				(in millions)		
Master development plan for the Existing Airport(1)	Ps.	974.3	696.0	460.4	481.6	**2,612.3**
Master development plan for the New Airport(2)	US$	3,688.5	4,302.9	2,089.5	166.8	**10,247.7**
Existing Notes(3)	US$	316.8	316.8	316.8	316.8	**1,267.1**

(1) Amounts in real pesos in 2016. Corresponds to the investment, major maintenance and rehabilitation activities for the infrastructure of the Existing Airport. The Existing Airport's current master development plan is for 2017 to 2021, but if the New Airport commences operations as expected in 2020, the Existing Airport will cease operations in 2020 and the corresponding amounts for 2021 will not be spent. In the event of a delay in the commencement of operations at the New Airport, certain amounts corresponding to rehabilitation of the Existing Airport will be spent as major maintenance and rehabilitation expenses and considered as part of the operating costs and administrative expenses for purposes of determining the Distributable Cash Flow.

(2) Figures exclude value added tax.

(3) Figures include withholding taxes at a rate of 4.9%.

Source: Existing Airport: AICM's Master Development Plan 2017-2021; New Airport: Master Development Plan 2015 and GACM, with information from Parsons; Existing Notes: Amounts corresponding to the interest payments in each year, assuming the Existing Notes are repaid at their respective maturity date.

Master Development Plans

Under the terms of their concessions, GACM and AICM are required to submit to the SCT a master development plan describing, among other things, their construction and maintenance plans. Each master development plan is required to be updated every five years and resubmitted for approval to the SCT. Upon such approval, the master development plan is deemed to constitute a part of the concession. Any major construction, renovation or expansion of an airport may only be made pursuant to a concession holder's master development plan or upon approval by the SCT.

The current master development plan for the Existing Airport was approved by SCT for the period 2017 to 2021, and in 2015, the SCT approved the master development plan for the project of the New Airport.

To ensure transparency, the offering proceeds will be ring fenced by transferring all funds to the Construction Trust that will allocate the proceeds to the development of the New Airport.

Existing Notes

In 2016 and 2017, the TUA Issuer Trust offered a total of US$6 billion in senior secured notes. The Existing Notes include US$1 billion 4.250% senior secured notes due 2026, US$1 billion 3.875% senior secured notes due 2028, US$1 billion 5.500% senior secured notes due 2046 and US$3 billion 5.500% senior secured notes due 2047. The Existing Notes are structured as a securitization of receivables from passenger charges derived from the operation of the Existing Airport and, upon commencement of commercial operations, the New Airport, without recourse to the Mexican government or the Sponsors.

Pursuant to certain Assignment of Rights Agreements entered into among each of the Sponsors and the TUA Issuer Trust, on October 29, 2014, each Sponsor assigned to the TUA Issuer Trust the rights to collect passenger charges from the Mexico City Airport System, together with other related property and assets. In exchange, the Sponsors received the right to receive the proceeds from the offering of the Existing Notes and any future indebtedness incurred by the TUA Issuer Trust, to be used to partially fund the development and construction of the New Airport. The TUA Issuer Trust contributed the rights to collect passenger charges and the other related property and assets to the TUA Security Trust as collateral for the benefit of the TUA Issuer Trust's secured creditors, including the trustee acting for the benefit of the holders of the Existing Notes.

The property and assets contributed by the TUA Issuer Trust to the TUA Security Trust as collateral (the "TUA Collateral") for the benefit of the TUA Issuer Trust's secured creditors and which constitute the principal source of repayment of the TUA Issuer Trust's indebtedness, including the Existing Notes, are:

(i) the right to collect passenger charges for the use of the Existing Airport and, upon the commencement of commercial operations, the New Airport;

(ii) all proceeds of insurance payable with respect to the partial or complete interruption of the operation of the Mexico City Airport System;

(iii) all proceeds of indemnities in connection with certain expropriation events affecting the Mexico City Airport System; and

(iv) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at the Mexico City Airport System.

Until the New Airport commences operations, this financing structure and the TUA Issuer Trust's repayment capacity is mainly based on the Distributable Cash Flows generated by the collection of passenger charges at the Existing Airport. Upon commencement of commercial operations of the New Airport, cash flows generated by the collection of passenger charges at the New Airport will replace the cash flows generated by the collection of passenger charges at the Existing Airport as the only source of funding to service the TUA Issuer Trust's indebtedness.

The holders of the Existing Notes do not have recourse against GACM, AICM or their respective assets; however, the consolidated balance sheet in the GACM Financial Statements shows the consolidation of the Existing Notes as a liability of GACM in compliance with IFRS.

The security over the TUA Collateral and the rights of holders of the TUA Issuer Trust's indebtedness is also subject to the provisions of the Intercreditor Agreement, entered into on September 29, 2016 and amended on September 20, 2017, among the TUA Issuer Trust, the trustee of each series of Existing Notes, HSBC Bank USA, National Association, as administrative agent, Citibank, N.A., as offshore collateral agent and intercreditor agent, Banco Nacional de México, S.A., integrante del Grupo Financiero Banamex, División Fiduciaria, as onshore collateral agent and Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, as trustee under the TUA Security Trust.

Pursuant to the Intercreditor Agreement and other agreements governing the TUA Issuer Trust's existing indebtedness, the TUA Issuer Trust is allowed to incur additional senior secured debt subject to certain conditions (such as compliance with certain financial ratios), on a *pari passu* basis with its existing and future indebtedness, including indebtedness under the Existing Notes. All of the TUA Issuer Trust's existing and future indebtedness will be secured by the TUA Collateral and all of its secured creditors will be entitled to share ratably with the holders of the Existing Notes in any proceeds generated by the TUA Collateral.

TUA Waterfall

Pursuant to the TUA Security Trust and the Intercreditor Agreement, the TUA Security Trust Trustee is required to maintain bank accounts where amounts due in respect of passenger charges are deposited by the airlines and, prior to the occurrence of an event of default under the TUA Issuer Trust's secured debt (including the Existing Notes and any future additional debt), the TUA Security Trust Trustee is required to apply the funds held in such accounts in accordance with the following order of priority:

First, to make payments of value added taxes with respect to passenger charges collected;

Second, on each Funds Transfer Date, to pay the administrative expenses related to the financing structure, including the TUA Issuer Trust's and the TUA Security Trust's fees and expenses;

Third, on any business day, ratably to the payment of any obligations then due to any secured party under the TUA Security Trust, other than debt service payments to be made pursuant to priority *Sixth* below;

Fourth, on each Funds Transfer Date, ratably, to make a partial payment to the debt service accrual accounts of each type of secured debt incurred by the TUA Issuer Trust (including debt service accrual accounts with respect to the Existing Notes and any future additional debt);

Fifth, on each Funds Transfer Date, ratably, to make a payment to the debt service reserve accounts of each type of secured debt incurred by the TUA Issuer Trust (including debt service accrual accounts with respect to the Existing Notes and any future additional debt) in order to restore any deficiency thereof as of such Funds Transfer Date;

Sixth, on each Funds Transfer Date, ratably, to make a payment to the debt service accrual accounts of each type of secured debt incurred by the TUA Issuer Trust (including debt service accrual accounts with respect to the Existing Notes and any future additional debt), equal to any debt service payment due on such Funds Transfer Date, *less* the amounts on deposit in the respective debt service accrual accounts;

Seventh, on any business day to the extent that the TUA Issuer Trust is required to make a mandatory prepayment in accordance with its secured debt (including under the Existing Notes, upon certain expropriatory events or a loss of a Concession), funds remaining after making all payments under priorities *First* through *Sixth* above, together with any compensation paid by the Mexican government in respect of the Concessions, shall be used, ratably, to make mandatory prepayments of its secured debt in accordance with their respective terms;

Eighth, on any business day to the extent that the TUA Issuer Trust has elected to make a voluntary prepayment, ratably, to make such voluntary prepayment with respect to all its secured debt (including the Existing Notes and any future additional debt);

Ninth, so long as no prospective event of default or event of default has occurred and is continuing or would occur after giving effect to such deposit (and to the extent amounts are available therefor), on each Funds Transfer Date, transfer amounts in respect of capital expenditures due and payable, or to be paid on or before the next Funds Transfer Date, to the TUA Issuer Trust or other persons for works necessary to remediate the sinking of Terminal 2 of the Existing Airport pursuant to a certain report dated December 2014;

Tenth, so long as no prospective event of default or event of default has occurred and is continuing or would occur after giving effect to such deposit (and to the extent amounts are available therefor), on each Funds Transfer Date, transfer to the TUA Issuer Trust a monthly amount equal to Ps.$42.5 million (as adjusted for inflation from October 7, 2015), to cover the contingent expenses relating to the Existing Airport and, after the commencement of commercial operations, the New Airport; and

Eleventh, so long as no prospective event of default or event of default has occurred and is continuing (or would occur after giving effect to such payment), on any business day occurring within 30 business days after any interest payment date, transfer to the TUA Issuer Trust or any other person instructed by the TUA Issuer Trust, including GACM and AICM, any restricted payment permitted to be paid on such date.

Every time a payment is made pursuant to priorities *Third*, *Fourth*, *Sixth*, *Seventh* and *Eighth* above, an amount equal to the amount of withholding taxes, if any, payable to the Mexican authorities in connection with such payment, are reserved to pay the corresponding taxes.

Subject to the terms of the Intercreditor Agreement, upon an event of default under the TUA Issuer Trust's secured debt, including any series of Existing Notes, any balances standing in the TUA Security Trust's accounts, any proceeds from the exercise of any rights or remedies in respect of the TUA Collateral and any compensation received from the Mexican government in respect of the Concessions, shall be used to pay in full all outstanding secured debt of the TUA Issuer Trust and any other secured obligations under the corresponding financing documents. Upon such an event of default, AICM or GACM, as the case may be, would cease to receive Restricted Payments from the TUA Issuer Trust. See "Risk Factors—The rights to collect passenger charges at the Mexico City Airport System were assigned to the TUA Security Trust."

TUA Restricted Payments

Pursuant to the Existing Notes, in order for the TUA Issuer Trust to receive Restricted Payments at the end of the waterfall, certain conditions must be satisfied, including the following:

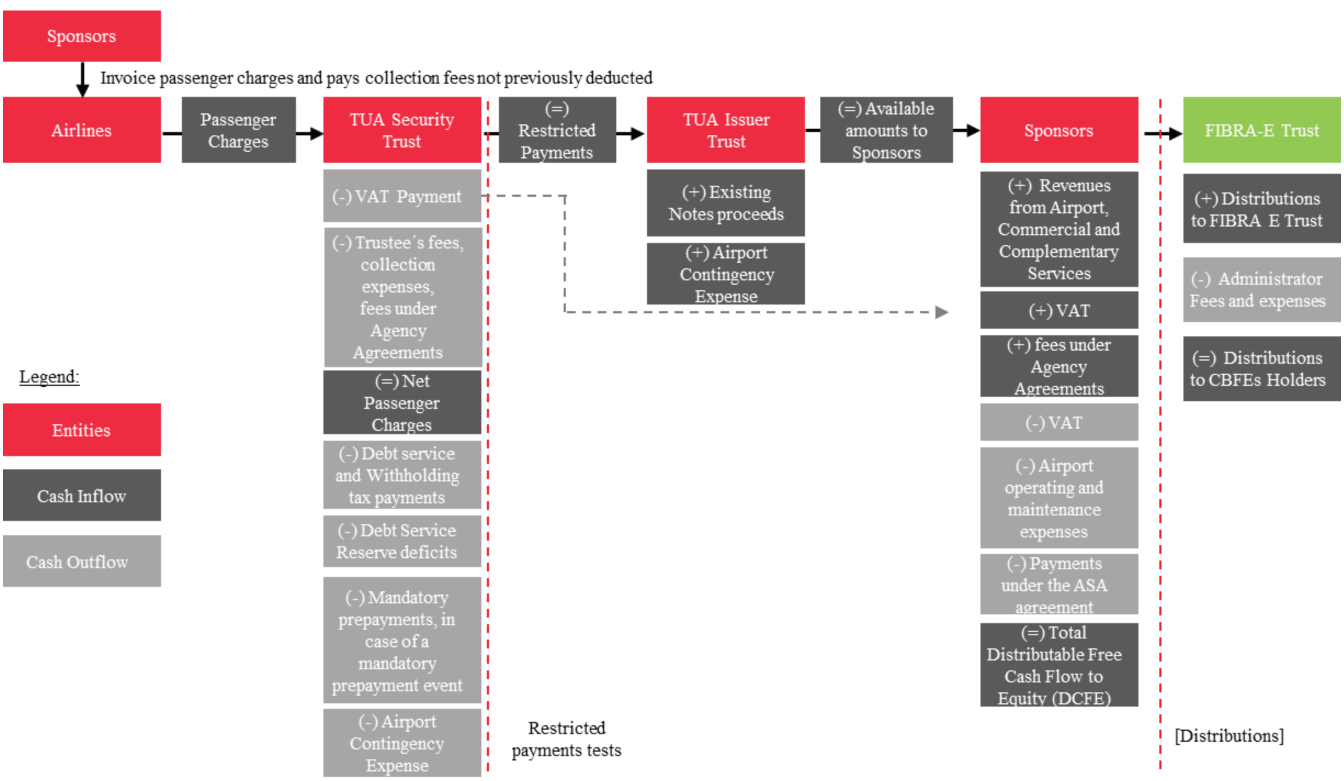
(i) its debt service coverage ratio shall be at least 1.15 to 1.00 for the quarterly period ending on such date and for the four consecutive quarterly periods ending on such date;

(ii) no prospective event of default or event of default shall have occurred and be continuing under its secured debt (including the Existing Notes and any future additional debt);

(iii) there shall be no deficiency in the debt service reserve accounts maintained pursuant to the Existing Notes and any other agreement entered into in respect of additional debt; and

(iv) the restricted payment is permitted by and satisfies all requirements under the secured debt incurred by the TUA Issuer Trust (including the Existing Notes and any future additional debt), in respect of Restricted Payments.

Upon the transfer of any amounts from the TUA Security Trust to the TUA Issuer Trust, such amounts cease to be part of the TUA Collateral and are then transferred by the TUA Issuer Trust to the Sponsors, as shown in the below chart. Therefore, the Sponsors (and the Issuer Trust) will receive any Restricted Payments from these revenues only after all financing expenses have been paid.



Distributable Cash Flow

For an illustrative example of the calculation of Distributable Cash Flow, see Appendix B.

Critical Accounting Policies, Estimates and Assumptions

Critical Accounting Policies

Restricted Cash and Cash Equivalents

Restricted cash is shown as a separate item in the statement of financial position and is excluded from cash and cash equivalents in the statement of cash flows. When availability of cash is restricted for a period exceeding 12 months, it is shown in the statement of financial position as a non-current asset.

GACM's restricted cash and cash equivalents consist of amounts that must be reserved to service debts and other obligations in accordance with the TUA Security Trust. Restricted cash is reflected in the statements of cash flows within financing activities.

Consolidation

The GACM Financial Statements include the accounts of GACM and its subsidiaries. Subsidiaries are all entities (including structured entities) over which GACM has control. For accounting purposes, GACM controls an entity when it has the power to steer and manage the relevant entity's business activities and assets and liabilities for the purpose of providing investors with a profit in the form of dividends, lower costs or other economic benefits. When GACM controls an entity, it is exposed, or has rights, to variable returns due to its involvement in the entity, and GACM has the capacity to affect such returns through its power over that entity.

According to IFRS 10 "Consolidated Financial Statements," GACM controls and consolidates the TUA Issuer Trust and the TUA Security Trust because GACM has the power to participate in the administration of the residual funds managed by them, once reserves and payments set forth in their respective agreements are fulfilled.

All intercompany transactions and balances, as well as any unrealized gains from them, were eliminated in preparing the GACM Financial Statements. In order to ensure consistency with GACM's policies, the reported amounts of the subsidiaries have been modified as appropriate.

Intangible Assets

This item is comprised of the Concessions, under which the Sponsors provide construction services and improvements to the existing infrastructure and exploitation and maintenance services during the term of the Concessions. The consideration received by the Sponsors for construction services or improvements to existing infrastructure is recorded as the amount of the fair value of those services. The Sponsors classified the Concessions as intangible assets because, although the Concessions grant the Sponsors the right to charge a price to users, the ability to charge users depends on the facilities being used. The Sponsors assume the risk of demand since there is no unconditional right to collect cash or any financial asset.

At the outset of the Existing Airport Concession, AICM received a number of assets that were already built and operating. As part of the New Airport Concession, GACM received land. Because each of those infrastructure assets is necessary for the Sponsors to comply with their obligations under their respective Concessions, the assets remain the property of the Mexican federal government and were not recorded in the GACM Financial Statements. The intangible assets originate when the Sponsors build or make improvements that represent an increase in productive capacity and, in exchange for the right to charge users for the use of the infrastructure, the Sponsors are allowed to operate the infrastructure for a fixed period after construction concludes.

The costs of specific and general loans directly attributable to the construction of qualifying assets are capitalized over the period of construction and preparation of the asset for use.

The capitalization costs of loans in a foreign currency are supposed to generate interest and exchange rate loss, up to the amount of interest that would be generated by a loan in local currency.

Investments considered intangible assets are recorded as the amount of the fair value of the construction services and are amortized on a straight-line basis over the life of the Concession or as of the capitalization date of additions or improvements, taking into consideration the time remaining before the Concession concludes.

GACM reviews the useful life of intangible assets at each closing period. Any changes to the established criteria are recognized as changes in the estimate.

For cash flow purposes, an investment in the Concessions' intangible assets is shown as operating activities because it relates to a common and significant operation of the Sponsors' business during the construction of the New Airport.

Advances from Customers

Customer advances refer to the amounts received by the users of aeronautical and non-aeronautical services. These are recorded as income for the period in which services are rendered. Advances received are presented as current liabilities in the statement of financial position. Customer advances presented as long-term liabilities in the statement of financial position refer to amounts received to guarantee leasing agreements that are returned to the lessee upon the conclusion of the leasing agreement.

Customer advances are recorded at cost. If contractual or legal obligations have been breached at the end of such agreements, they are applied to unpaid services and the residual amounts are returned to the customer.

Payments for the Concessions and Government Fees

In exchange for the Concessions, the Sponsors, as state-owned companies exploiting public property, are subject to the imposition and payment of certain special duties in favor of the Mexican federal government, through the SCT and the SHCP, as provided in the Concessions and the Budget Law. The following fees are recognized at the value that the Sponsors are required to pay the SCT:

- As consideration under the Concessions, the Sponsors must make payments in favor of the Mexican federal government in exchange for the rights use and exploit national assets. This amount is recorded as an expense under operating costs and administrative expenses from the time payment is certain and the amount can be reliably determined.

- As consideration under the Existing Airport Concession, AICM must pay Government Concession Fees in exchange for having received the concession. The amount of the Government Concession Fee is determined annually. It is recorded as an expense under operating costs and administrative expenses in the income statement from the time payment is certain and the amount can be reliably determined.

- In accordance with the Budget Law, the government determines the amount of Budgetary Concession Fees payable by the Sponsors to the Mexican federal government. Because they relate to a profit distribution requirement and are not a payment for the Concession, the Budgetary Concession Fees are deducted from retained earnings. The Sponsors paid no Budgetary Concession Fees in 2017 and 2016.

- The cash flows received from the issuance of the Existing Notes are considered budget surpluses that are paid to the SCT in the form of government fees at the time of receiving the cash flows. Under IFRS, the sale of the right to collect passenger charges represents an obligation of payment to the holders of the Existing Notes, rather than a sale. When consolidating, it represents the payments for passenger charges that will be generated in the future and it is recognized as a debt to accumulated earnings. Subsequently, the cash flows are contributed to GACM to finance the construction and development of the New Airport.

- The excess revenues from passenger charges are also considered budgetary surpluses and can be paid to the SCT in its capacity as shareholder or used in the operation of the Existing Airport. Under IFRS, when paid to the SCT, excess revenues from passenger charges represent the payment of income already generated and are recorded as a debt to accumulated earnings.

Critical Accounting Estimates and Assumptions

GACM prepares estimates and projections about future events in order to recognize certain items in its financial statements. The resulting accounting estimates are likely to differ from actual results or final events. The following are the estimates and projections that have a higher risk of material adjustment in the future:

Estimation of Borrowing Cost Capitalized as Part of Assets

GACM determined that construction of the New Airport qualifies for capitalization of borrowing costs under IFRS. The financing obtained by GACM in foreign currency, and the respective interest, give rise to an exchange fluctuation GACM considers to be part of its financial costs. In determining the capitalizable portion of financial costs, consideration is given to the equivalent amount of interest that a loan with similar conditions would have generated in Mexico. In 2017 and 2016, Ps.3,157,250 and Ps.1,489,839 were capitalized, respectively. If the interest rate of the peso loan in question had been 1% higher or lower, the amount of capitalized interest would have increased or decreased by Ps.614,248 and Ps.256,369 in 2017 and 2016, respectively.

Estimation of Construction Service Income

According to GACM's accounting policy for the accounting of the New Airport Concession, construction services must include the cost of services plus a margin that allows for the recognition of the fair value of those construction services based on the percentage of completion. GACM's management determined that a 7.50% margin was appropriate, considering the operators of government infrastructure and the expected yields, among other variables. Had the recognized margin been 1% lower, construction income in 2017 and 2016 would have decreased by Ps.1,153,405 and Ps.541,796, respectively, and had the recognized margin been 1% higher, construction income would have increased by Ps.1,508,299 and Ps.708,292, respectively.

Critical Accounting Judgments in Applying GACM's Accounting Policies

Basis for Consolidation

The financial statements include the assets, liabilities and results of the structured entities, the TUA Issuer Trust and the TUA Security Trust. The balances and transactions between the entities have been eliminated in the consolidation. In order to determine degree of control, GACM analyzed whether it has substantive rights that could affect the variable yields of its interest in the entity and whether it has the capacity to affect yields through its power, since it has no voting rights or shareholding in said entity. Based on this analysis, GACM has exercised critical judgment to decide whether or not to consolidate the TUA Issuer Trust's financial statements, since the determination of control is not based on voting rights. In spite of the fact that the right to collect passenger charges can be assigned and the fact that GACM is not required to guarantee the payment of the obligations issued by the TUA Issuer Trust, under the respective trust agreements, which are considered to be protective and guarantee the rights of the investors, GACM may control cash surpluses administered by the TUA Issuer Trust once payment of the interest specified in the contracts has been made, as well as other payments and minimum reserves. Based on GACM's substantive rights, GACM's management has determined that the factors and circumstances described in the applicable contracts allow GACM to control the residual funds and to give the right to collect passenger charges as collateral to investors of bonds issued by the trust. GACM will continue evaluating these circumstances at the date of each statement of financial position to determine whether or not these critical judgments continue to be valid. If GACM determines that it no longer holds control over the TUA Issuer Trust, it must be deconsolidated.

The Existing Airport Concession's Useful Life

GACM reviewed the useful lives of long-lived assets taking into consideration: (i) the New Airport Concession, (ii) the obtaining of financing to execute the project, (iii) the master development plan, which indicates that in 2020 construction of the New Airport will be finished and operations of the New Airport will begin, and (iv) the fact that, since the Existing Airport and the New Airport will share the same air space, it is not possible for both to operate at the same time and, therefore, the commercial operations of the New Airport must begin simultaneously with the closing of the Existing Airport. Based on these practical operating limitations of both airports and the related effects on the expected useful lives of the related assets, including the intangible assets related to the Existing Airport Concession, in the preparation of these financial statements under IFRS as of January 1, 2017, GACM prospectively adjusted the amortization of long-lived assets associated with the Existing Airport Concession, which may be used until 2020 (the useful life before the announcement of the construction of the New Airport was until 2048), and therefore the remaining useful life is adjusted instead of considering the life of Existing Airport Concession. If the estimate had not been modified and if the amortization had continued as usual, the amortization would have been Ps.326,487 lower as of December 31, 2017. This situation will continue to be analyzed at the close of each reporting period to assess whether there may be a change.

Application of Accounting for Concessions Between a Majority State-Owned Company and the Government

GACM is a majority state-owned entity. In that sense, it is a direct subsidiary of SCT. Given the nature of the New Airport Concession, in the absence of a specific accounting standard to account for a concession arrangement between a majority state-owned company and the government, GACM considered the economic substance of the operation and determined to accord it the treatment of a concession, in accordance with the provisions of IAS 8 "Accounting policies, changes in accounting estimates and errors." GACM applied the principles of IFRIC 12 "Service Concession Arrangements", which is an interpretation published by the IFRS Interpretations Committee applicable to the concession of public services to a private operator. In this specific case, GACM, as operator, qualifies as a public or state owned property. However, under the arrangements signed with the Mexican federal government: (a) the grantor controls or regulates the services to be rendered by the operator through the infrastructure, whom the services should be rendered to and at what prices; and (b) the grantor controls, through its ownership, the right to use or any other significant residual interest in infrastructure at the end of the term of the concession.

Budgetary Considerations

GACM pays the Government Concession Fee annually, defined in the New Airport Concession as the opportunity cost of having received the infrastructure as a going concern in 1998. This payment is considered an expense associated with the exploitation right, which is determined annually and varies depending on whether GACM has budgetary availability in the corresponding year.

This payment is required by the New Airport Concession and represents a reduction of GACM's economic benefits derived from the exploitation of the New Airport Concession. For this reason, they are recognized as an expense and a different treatment is given to the payments of Budgetary Concession Fees, which are derived from a return to the Mexican federal government for the equity invested and required in accordance with the Budget Law.

For further discussion of other critical accounting policies, estimates and judgments, see Notes 3 and 4 to the GACM Financial Statements.

Accounting Treatment of GACM Special Shares and CBFEs under IFRS

Under IFRS, the GACM Special Shares are expected to be classified and recorded on the GACM financial statements as debt instruments. This accounting treatment arises as a result of certain terms of the GACM Special Shares, in particular (i) GACM's obligation to pay distributions subject to certain future events and the availability of cash flows, and (ii) the mandatory redemption of the GACM Special Shares upon reaching the Target Return. As a result, GACM expects that the distributions payable to the Issuer will be treated and accounted for as a financial expense under GACM's financial statements prepared under IFRS, which will be reflected on GACM's statements of income.

As a majority state-owned company, GACM is required to prepare its financial statements in accordance with Governmental GAAP, and to calculate and pay Mexican taxes based on information derived from these financial statements. Although no firm interpretation exists, GACM expects that the GACM Special Shares will be classified and recorded as equity under Governmental GAAP. GACM has requested the relevant accounting authorities in Mexico to confirm this interpretation, and their review is in progress. If the authorities confirm GACM's interpretation, the Issuer does not expect that the accounting treatment of the GACM Special Shares under IFRS would have an effect on the tax treatment of the GACM Special Shares or the related distributions to the Issuer. No assurances can be given, however, that the accounting authorities in Mexico will confirm this interpretation. If these authorities conclude that the GACM Special Shares should be treated as debt for accounting purposes under Governmental GAAP, the tax treatment of the GACM Special Shares, the related distributions to the Issuer and the calculation of the Target Return could change, which could in turn have a material adverse effect on the Distributions payable by the Issuer to the holders of CBFEs.

Under IFRS, the CBFEs are expected to be classified and recorded on the Issuer's financial statements as a hybrid instrument, a portion of which will be treated as debt, and the other portion as equity. Both portions are expected to be recorded as part of net assets on the Issuer's statement of financial position, and are also expected to be subject to annual inflationary adjustments. To the extent that non-cash gains resulting from inflationary adjustments exceed the non-cash losses for tax purposes, the Issuer's Net Taxable Income would increase. In such case, the Issuer would be required to increase the amount of distributions to holders of CBFEs to comply with the requirement to distribute at least 95% of its Net Taxable Income for the prior fiscal year. To the extent the Issuer does not have sufficient cash on hand to distribute this increased amount, the Issuer could cease to comply with the requirements to be treated as a FIBRA E for Mexican tax purposes, and may lose such status. See "Risk Factors—Changes to the Mexican Income Tax Law or the Issuer's failure to comply with the requirements to be qualified as a FIBRA E, could have an adverse effect on the Issuer's financial performance."

Off-balance Sheet Arrangements

GACM is not party to any off-balance sheet arrangements as of December 31, 2017.

Quantitative and Qualitative Disclosures on Market Risk

GACM is exposed to market risk from changes in currency exchange rates.

Foreign Currency Risk

The principal exchange rate risk involves changes in the value of the peso relative to the dollar. Historically, a significant portion of the revenues generated by the Existing Airport (principally derived from passenger charges for domestic and international passengers) has been denominated in or linked to the U.S. dollar, although such revenues are collected in pesos based on the average exchange rate per month. In 2016 and 2017, approximately 64.8% and 64.3%, respectively, of GACM's consolidated revenues from the Existing Airport (excluding construction services and other revenue) originated from the Existing Airport's revenues from passenger charges. Substantially all of GACM's other revenues are denominated in pesos. GACM estimates that substantially all of GACM's consolidated costs and expenses are denominated in pesos.

As of December 31, 2016 and 2017 GACM's only material foreign currency denominated indebtedness was the outstanding amount under the U.S. dollar denominated Existing Notes, which are backed by passenger charges denominated in U.S. dollars and are non-recourse to either of the Sponsors but may have an effect on the amount of Restricted Payments distributable to GACM, as well as non-cash gains or losses in GACM's net income as reported under IFRS.

In the event that GACM incurs foreign currency denominated indebtedness in the future, decreases in the value of the peso relative to the U.S. dollar will increase the cost in pesos of servicing such indebtedness. Depreciation of the peso relative to the dollar would also result in foreign exchange losses as the peso value of foreign currency denominated indebtedness is increased. At December 31, 2017, GACM did not have any outstanding forward foreign exchange contracts.

New Accounting Pronouncements

The following is a list of new standards and amendments that have been issued by the IASB, but have not been applied, in the preparation of the GACM Financial Statements. GACM's management estimates that the new amendments will not have a significant effect, and it is presently evaluating the new pronouncements.

IFRS 9, "Financial Instruments": IFRS 9 replaces most of the guidance in IAS 39. IFRS 9 retains but simplifies the model of mixed measurement and establishes two main categories of measurement for financial assets: amortized cost and fair value. The basis for classification depends on the entity's business model and the characteristics of the contractual cash flows of financial assets.

The new standard for financial instruments was issued in July 2014, when IFRS 9 was amended to further change the classification and measurement rules and to introduce a new impairment model. The new impairment model considers expected loan losses, which results in early recognition of loan losses. The amendment comes into effect on January 1, 2018 and can be applied in advance to reporting periods beginning on February 1, 2015 for the following cases: (i) the requirement of own credit risk for financial liabilities; (ii) classification and measurement required for financial assets; (iii) classification and measurement of financial assets and liabilities or (iv) classification and measurement requirements for financial assets and liabilities and hedge accounting. GACM's management has analyzed the new standard and considers the greatest effect to be the determination of impairment of accounts receivable. GACM's management is in the process of determining the effects of applying the new standard, but does not expect the effects to be material.

IFRS 15, "Revenue from Contracts with Customers": The IASB issued a new standard for revenue from contracts with customers in May 2014 and modified it in July 2014. The basic principle of IFRS 15 is that an entity recognizes income to represent the transfer of goods or services to a client as the amount at which the entity expects those goods or services to be exchanged. This amount is determined through a five-step model: (i) identifying the contract with a client; (ii) identifying the obligations under the contract; (iii) determining the price of the transaction; (iv) assigning a transaction price to each obligation specified in the contract and (v) recognizing income when the entity fulfills the respective obligation(s). This approach depends on the facts and circumstances set forth in the contract and requires the use of professional judgment.

The new standard comes into effect for yearly periods beginning on January 1, 2018. Early application is allowed. Due to the nature of the business and based on an impact analysis, GACM's management does not expect the new standard to have a material impact and is working on adopting the new standard.

IFRS 16, "Leases": The IASB issued a new standard for lease accounting in January 2016. This standard will replace the current norm IAS 17, which classifies leases as financial leases or operating leases. IAS 17 identifies leases as financial when the risks and benefits of an asset are transferred, and identifies all other leases as operating leases. IFRS 16 eliminates the classification of leases as either financial or operating. Instead, IFRS 16 requires recognition of a liability by reflecting future payments and recognition of a "right to use" asset in most leases. The IASB has included certain exceptions for short-term leases and leases of low-value assets, which are not governed by IFRS 16.

The most significant effect of the new standard is reflected in the increase of leasing assets and liabilities, which also affects the depreciation of assets and the financing expenses for liabilities recognized in the income statement, and reduces the expenses pertaining to leases that were previously classified as operating leases. Operating cash flows will be higher since cash payments made towards the main portion of liabilities are classified under financing activities. The amendment comes into effect on January 1, 2019, and early adoption is permitted if IFRS 15 is also adopted. GACM's management is quantifying the potential effects of applying this standard.

THE MEXICAN REGULATORY FRAMEWORK

Laws and Regulations Applicable to the Aeronautical Industry in Mexico

The following are the principal Mexican laws, regulations and instruments that govern the Sponsors' business and the operation of the Existing Airport and will be applicable to the New Airport:

Laws

- the Airport Law (*Ley de Aeropuertos*), enacted December 22, 1995,
- the National Assets Law (*Ley General de Bienes Nacionales*), enacted May 20, 2004,
- the Federal Law on Governmental Entities (*Ley Federal de las Entidades Paraestatales*), enacted May 14, 1986,
- the Budget Law (*Ley Federal de Presupuesto y Responsabilidad Hacendaria*), enacted March 30, 2006,
- the General Law of Administrative Responsabilities (*Ley General de Responsabilidades Administrativas)*, enacted July 18, 2016,
- the Federal Public Administration Organizational Law (*Ley Orgánica de la Administración Pública Federal*), enacted December 29, 1976,
- the General Law of Commercial Corporations (*Ley General de Sociedades Mercantiles*), enacted August 4, 1934,
- the Law of Procurement, Leasing and Services for the Public Sector (*Ley de Adquisiciones, Arrendamientos, y Servicios del Sector Público*), enacted January 4, 2000,
- the Law on Public Construction Works and Related Services (*Ley de Obras Públicas y Servicios Relacionados con las Mismas*), enacted January 4, 2000,
- the Federal Law for Transparency and Access to Public Governmental Information (*Ley Federal de Transparencia y Acceso a la Información Pública*), enacted May 9, 2016,
- the Federal Law for Administration and Disposal of Public Assets (*Ley Federal para la Administración y Enajenación de Bienes del Sector Público*), enacted December 19, 2002,
- the General Law of Public Debt (*Ley General de Deuda Pública*), enacted December 31, 1976,
- the Communications Law (*Ley de Vías Generales de Comunicación*), enacted February 19, 1940,
- the Federal Labor Law (*Ley Federal del Trabajo*), enacted April 1, 1970,
- the Value Added Tax Law (*Ley del Impuesto al Valor Agregado*), enacted December 29, 1978,
- the Civil Aviation Law (*Ley de Aviación Civil*), enacted May 12, 1995,
- the Income Tax Law (*Ley del Impuesto sobre la Renta*), enacted December 11, 2013,
- the Federal Antitrust L*aw (Ley Federal de Competencia Económica*), enacted May 23, 2014,
- the General Law for Governmental Accounting (*Ley General de Contabilidad Gubernamental*), enacted December 31, 2008, and

Codes

- the Federal Civil Code (*Código Civil Federal*), and
- the Commerce Code (*Código de Comercio*).

Regulations

- the Regulations to the Law of Procurement, Leasing and Services for the Public Sector (*Reglamento de la Ley de Adquisiciones, Arrendamientos, y Servicios del Sector Público*), enacted July 28, 2010,
- the Regulations to the Airports Law (*Reglamento de la Ley de Aeropuertos*), enacted February 17, 2000,
- the Regulations to the Civil Aviation Law (*Reglamento de la Ley de Aviación Civil*), enacted December 7, 1998,
- the Regulations to the Public Construction Works and Related Services (*Reglamento de la Ley de Obras Públicas y Servicios Relacionados con las Mismas*), enacted July 28, 2010,
- the Regulations to the Federal Antitrust Law (*Reglamento de la Ley Federal de Competencia Económica*), enacted October 12,2007,
- the Regulations to the Mexican Federal Law on Governmental Entities (*Reglamento de la Ley Federal de las Entidades Paraestatales*), enacted January 26, 1990,
- the Regulations to the Federal Law for Transparency and Access to Public Governmental Information (*Reglamento de la Ley Federal de Transparencia y Acceso a la Información Pública*), enacted June 11, 2003, and
- the Regulations to the Federal Law for the Administration and Disposal of Public Assets (*Reglamento de la Ley Federal para la Administración y Enajenación de Bienes del Sector Público*), enacted June 17, 2003.

Other Instruments

- the Existing Airport Concession and the New Airport Concession,

The Negotiable Instruments and Credit Operations Law and its regulations provide the general framework for the formation and operation of private trusts in Mexico. Pursuant to the Negotiable Instruments and Credit Operations Law, a trust is an agreement whereby the settlor contributes to a financial institution legally incorporated in Mexico, acting as trustee, the property or title of assets or rights, for a determined and lawful purpose, entrusting the performance of such purpose to the trustee acting in compliance with its fiduciary duties. The assets or rights assigned to a trust can only be exercised with respect to the rights and acts that are specifically contemplated in its contractual purpose. The trust beneficiary shall have the rights established in the trust, and the right to demand the compliance of the trust to the trustee.

The Federal Public Administration Organizational Law provides for the organization of the executive branch of the Mexican federal government. The law provides that certain entities will form part of the public administration to assist the executive in carrying out executive powers and administrative tasks, including majority state-owned companies (*empresas de participación estatal mayoritaria*). Majority state-owned companies, such as AICM and GACM, are those companies that meet one or more of the following requirements: (i) the Mexican federal government or one or more government instrumentalities, jointly or separately, contribute or own more than 50% of the capital stock; (ii) the capital stock includes shares representing a special series that can only be subscribed by the Mexican federal government; or (iii) the Mexican federal government has the power to appoint the majority of the members of the board of directors, or designate the chairman or CEO, or has the power to veto the resolutions of the board of directors.

The Mexican Federal Law on Governmental Entities and its regulations regulate the organization, functions and control of the Mexican governmental entities, including state-owned companies. The Sponsors are Mexican governmental entities part of the federal public administration regulated by the general legal framework provided by the General Law of Commercial Corporations, and as governmental entities by the provisions set forth in the Mexican Federal Law on Governmental Entities and its regulations.

The Mexican Airport Law and the regulations to the Mexican Airport Law establish the general framework regulating the construction, operation, maintenance and development of Mexican airport facilities. The Mexican Airport Law's stated intent is to promote the expansion, development and modernization of Mexico's airport infrastructure by encouraging investment and competition. Under the Mexican Airport Law, a concession granted by the SCT is required to construct, operate, maintain or develop a public service airport in Mexico. A concession generally must be granted pursuant to a public bidding process, except for: (i) concessions granted to (a) entities of "the federal public administration" as defined under Mexican law and (b) companies whose principal stockholder may be a state or municipal government; (ii) concessions granted to operators of private airports (who have operated privately for five or more years) wishing to begin operating their facilities as public service airports; and (iii) complementary concessions granted to existing concession holders. Complementary concessions may be granted only under certain limited circumstances, such as where an existing concession holder can demonstrate, among other things, that the award of the complementary concession is necessary to satisfy passenger demand. Because AICM and GACM are majority state-owned entities and are considered entities of the federal public administration, the Concessions were awarded without a public bidding process, with the authorization of the Mexican Antitrust Commission (*Comisión Federal de Competencia Económica*) and, in the case of the New Airport Concession, with the authorization of AICM. According to the Mexican Airport Law, AICM waived a preemptive right granted under the Existing Airport Concession to request the concession to operate the New Airport, allowing GACM to obtain the concession.

The Mexican National Assets Law among other items establishes regulations relating to concessions on real property held in the public domain, including the Existing Airport and the New Airport.

On February 17, 2000, the regulations to the Mexican Airport Law were issued. The Issuer believes that the Existing Airport is currently complying with the principal requirements of the Mexican Airport Law and its regulations. However, if the Existing Airport or the New Airport fail to comply with these regulations, such violations could result in fines or other sanctions being assessed by the SCT, and certain violations could result in termination of a concession if they occur three or more times.

On February 20, 2014, a bill of the new Federal Economic Competition Law was submitted to Mexico's House of Deputies in furtherance and as a result of certain amendments to Mexico's Constitution passed in 2013. The bill was enacted and published on May 23, 2014. The new law grants broader powers to the Mexican Antitrust Commission, including the abilities to regulate essential facilities, order the divestment of assets and eliminate barriers to competition in order to promote access to the market. The new law also sets forth important changes in connection with mergers and anti-competitive behavior, increases liabilities that may be incurred for violations of the law, increases the amount of fines that may be imposed for violations of the law, and limits the availability of legal defenses against the application of the law.

If the Mexican Antitrust Commission determines that a specific service or product is an essential facility, it has the ability to regulate access conditions, prices, tariffs or technical conditions for or in connection with the relevant service or product. As of the date hereof, the Mexican Antitrust Commission has not made any determination that the services rendered by the Existing Airport constitute an essential facility.

On January 26, 2015, an amendment to the Mexican Airport Law was published and enacted. Among other matters, the amendment includes provisions that intend to create a competitive market for the suppliers of complementary services. To this end, the amendment establishes that a concession holder may not limit the number of providers of complementary services in its airport, except in instances in which space, efficiency and/or safety warrant such a limitation. If a concession holder denies entry to any complementary service provider, that service provider may file a complaint before the SCT.

In the Issuer's capacity as trustee of the Issuer Trust, its organization and functions are governed by the Banking Law (*Ley de Instituciones de Crédito*) and by the Negotiable Instruments and Credit Transactions Law (*Ley General de Títulos y Operaciones de Crédito*). The Issuer Trust is not a public (governmental) trust subject to the Mexican Federal Law on Governmental Entities (*Ley Federal de las Entidades Paraestatales*), Federal Public Administration Organizational Law (*Ley Orgánica de la Administración Pública Federal*) or General Law of Public Debt (*Ley General de Deuda Pública*), among others, applicable to Mexican public trusts. The trust estate is comprised of private funds and according to the Issuer's purpose, it is not allowed to collect, manage, administrate or maintain public funds set forth in the Federal Income Law (*Ley de Ingresos de la Federación*).

Role of the SCT

The SCT is the ministry in charge of airports in Mexico and is authorized by the Mexican Airport Law to perform the following functions:

- Plan, formulate and establish policies and programs for the development of the national airport system, according to the needs of the country, as well as promote the proper operation of civil aviation,
- Build, manage, operate and develop airports and provide services, when required for the public interest,
- grant, modify and revoke concessions for the construction, administration and operation of airports,
- establish air transit rules and rules regulating take-off and landing schedules through the Mexican air traffic control authority,
- take all necessary action to create an efficient, competitive and non-discriminatory market for airport-related services,
- approve any transaction or transactions that directly or indirectly may result in a change of control of a concession holder,
- approve the master development plans prepared by each concession holder every five years,
- approve specific agreements entered into between a concession holder and a third party providing airport or complementary services at its airport,
- establish security standards and safety regulations,
- monitor airport facilities to determine their compliance with the Mexican Airport Law, other applicable laws and the terms of the concessions, and
- impose penalties for failure to observe and perform the rules under the Mexican Airport Law, the Mexican Airport Law regulations and the concessions.

In addition, under the Federal Public Administration Organizational Law (*Ley Orgánica de la* Administración *Pública Federal*), the Mexican Airport Law and the Mexican Civil Aviation Law, the SCT is required to provide air traffic control, radio assistance and aeronautical communications at Mexico's airports. The SCT provides these services through SENEAM, the Mexican air traffic control authority, which is a division of the SCT. Since 1978, the Mexican air traffic control authority has provided air traffic control for Mexico's airports.

Role of the Mexican Bureau of Civil Aviation

The Mexican Bureau of Civil Aviation is the main aviation regulatory authority in Mexico and is responsible for guiding, planning and supporting the activities of public and private civil aviation companies in Mexico. It regulates airports and flying operations generally and economic issues affecting air transportation, including matters relating to air safety, certification, insurance, consumer protection and competitive practices.

Scope of the Concessions and Obligations of Each Sponsor Thereunder

As authorized under the Mexican Airport Law, the Existing Airport Concession held by AICM is for an initial 50-year term from November 1, 1998. The New Airport Concession held by GACM is for an initial 50-year term from the date in which the New Airport commences commercial operations. The initial term of each Concession may be renewed in one or more terms for up to an additional 50 years, subject to each respective Sponsor's acceptance of any new conditions imposed by the SCT and to its compliance with the terms of its concession.

The Concessions require AICM and GACM during the life of their Concession, respectively, to: (i) operate, maintain and develop its Airport and carry out any necessary construction in order to render aeronautical, commercial and complementary services as provided under the Mexican Airport Law and the Mexican Airport Law regulations; and (ii) use and develop the assets that comprise the relevant Airport as the subject of the Concession (consisting of the airport's real estate and improvements but excluding assets used in connection with fuel supply and storage). These assets are government-owned assets, subject to the Mexican National Assets Law. Upon expiration of a concession, these assets automatically revert to the Mexican government.

The Sponsors are required to provide airport security. If public order or national security is endangered, the competent federal authorities are authorized to act to protect the safety of aircraft, passengers, cargo, mail, installations and equipment.

The Sponsors and any third party providing services at the Mexico City Airport System are required to carry specified insurance in amounts and covering specified risks, such as damage to persons and property at the Airport, in each case as specified by the SCT.

The Sponsors must maintain the Mexico City Airport System in conditions of safety, efficiency and quality required under applicable law, and the Sponsors are responsible for carrying out any necessary projects to meet this objective. During the execution of any preservation and maintenance projects, the Sponsors must ensure continuity in the services provided by the Mexico City Airport System, including through the temporary assignment of alternate areas and facilities.

The Sponsors are liable to the SCT for the performance of all obligations under their respective Concessions. Each of the Sponsors is responsible for the performance of the obligations set forth in its Concession, including the obligations arising from third-party contracts, as well as for any damages to the Mexican government-owned assets that they use and to third-party airport users.

The Sponsors' rights under the Concessions may be subject to a lien only with the approval of the SCT. No agreement documenting liens approved by the SCT may allow the beneficiary of such lien to become a concession holder under any circumstances. However, the Sponsors may lease, grant rights to use or grant rights of way over real estate included in their respective Concessions to third parties, in order to provide aeronautical and complementary services.

The Sponsors may not assign any of their rights or obligations under their Concessions without the authorization of the SCT.

Master Development Plans

Concession holders are also required to submit to the SCT a master development plan describing, among other things, the concession holder's minimum investment requirements and construction and maintenance plans. Each master development plan is required to be updated every five years and resubmitted for approval to the SCT, with the opinion of the Ministry of National Defense (*Secretaría de la Defensa Nacional*). Upon such approval, the master development plan is deemed to constitute a part of the concession. Any major construction, renovation or expansion of an airport may only be made pursuant to a concession holder's master development plan or upon approval by the SCT.

Information required to be presented in the master development plan includes:

- airport growth and development expectancies projections,
- fifteen-year projections for air traffic demand (including passenger, cargo and operations),
- construction, conservation, maintenance, expansion and modernization programs for infrastructure, facilities and equipment,
- five-year detailed investment program and planned major investments for the following ten years,
- probable sources of financing,
- descriptive airport plans, and
- environmental protection measures.

The concessions require the concession holder to engage recognized independent consultants to conduct polls among airport users with respect to current and expected quality standards, and to prepare air traffic projections and investment requirements. The concession holder must submit a draft of the master development plan to airport users for their review and comments. Further, the concession holder must submit the master development plan to the SCT prior to the expiration of the five-year term. The SCT may request additional information or clarification as well as seek further comments from airport users.

Changes to a master development plan and investment program require the approval of the SCT, except for emergency repairs and minor works that do not adversely affect an airport's operations. Any changes to a master development plan must not limit the growth or expectations of the airport; requests for modifications must include projections of passenger traffic, cargo volumes and operations.

The current master development plan for the Existing Airport was approved by SCT for the period 2017 to 2021, and in 2015, the SCT approved the master development plan for the project of the New Airport.

Ownership Structure

The New Airport Concession requires GACM to remain as a majority state-owned entity (*empresa con participación estatal mayoritaria*) throughout the term of the New Airport Concession. In turn, the Existing Airport Concession requires GACM to retain at least 51.0% direct ownership interest in AICM throughout the term of the Existing Airport Concession. A breach of these obligations constitutes a cause of revocation under the respective Concession.

Any acquisition by AICM or GACM, or any of their respective subsidiaries, of any additional airport concessions or of a beneficial interest of 30.0% or more of another concession holder requires the consent of the Mexican Antitrust Commission, in addition to the applicable thresholds provided in the Mexican Federal Antitrust Law.

Air carriers are prohibited under the Mexican Airport Law from controlling or beneficially owning 5.0% or more of the shares of a holder of an airport concession. AICM and GACM are similarly restricted from owning 5.0% or more of the shares of any air carrier.

Foreign governments acting in a sovereign capacity are prohibited from owning any direct or indirect equity interest in a holder of an airport concession.

Budgetary Concession Fees

In accordance with the Mexican Budget Law, the Sponsors must pay Budgetary Concession Fees to SHCP for the equity invested in its capital stock. Budgetary Concession Fees are determined by the SHCP based on the applicable legislation. Budgetary Concession Fees do not include the Government Concession Fees payable by the Sponsors to SCT as consideration for the Concessions.

Government Concession Fees

In accordance with the Concessions, the Sponsors must pay a Government Concession Fee to SCT as consideration for the exploitation of the Concessions. As long as the Sponsors are majority state-owned companies, AICM and GACM, once the New Airport commences operations, must pay the Government Concession Fee annually based on the amount determined by the SCT, subject to budget availability in the relevant year. The Government Concession Fee, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust, will be determined and paid after operating costs have been paid and obligations under the GACM Special Shares have been fulfilled. Therefore, any Government Concessions Fees will be excluded for purposes of calculating Distributable Cash Flow and will be paid in a manner that does not negatively impact the Capital Distributions.

To date, the amounts of Government Concession Fees have been determined annually by the Sponsors and the SCT based on the operating surplus of the Existing Airport, as well as on the net proceeds from the financing incurred by the TUA Issuer Trust. In 2018 and 2019, the SCT will continue to determine the amounts of the Government Concession Fee in the same manner.

Penalties and Termination and Revocation of Concession and Concession Assets

The Mexican Airport Law provides that sanctions of up to 200,000 times the *unidad de medida y actualización* (measurement and adjustment unit, or "UMA") may be assessed for failures to comply with the terms of a concession. As of December 31, 2017, the value of the UMA was Ps.75.49. As a result, the maximum penalty at such date could have been Ps.15,098,000 million (US$297,965,069 million). As of the date of this offering memorandum, no penalty has been imposed on AICM.

Under the Mexican Airport Law and the terms of the Concessions, a concession may be terminated upon any of the following events:

- expiration of its term;
- surrender by the concession holder;
- revocation of the concession by the SCT;
- reversion (*rescate*) of the Mexican government-owned assets that are the subject of the concession (principally real estate, improvements and other infrastructure);
- inability to achieve the purpose of the concession, except in the event of force majeure; or
- dissolution, liquidation or bankruptcy of the concession holder.

A concession's termination does not exempt the concession holder from liability in connection with the obligations acquired during the term of the concession.

A concession may be revoked by the SCT under certain conditions, including:

- the failure by a concession holder to begin operating, maintaining, developing, or executing the construction works for an airport pursuant to the terms established in the concession;

- the failure by a concession holder to maintain insurance as required under the Mexican Airport Law;

- the assignment, encumbrance, transfer or sale of a concession, any of the rights thereunder or the assets underlying the concession in violation of the Mexican Airport Law;

- any alteration of the nature or condition of an airport's facilities established in the concession, without the authorization of the SCT;

- consent to the use of an airport by any aircraft that does not comply with the requirements of the Mexican Civil Aviation Law, without the approval of air traffic control authorities, or that is involved in the commission of a felony;

- knowingly appointing or maintaining a chief executive officer or board member of a concession holder that is not qualified to perform his functions under the Mexican Airport Law as a result of having violated criminal laws;

- a violation of the safety regulations established in the Mexican Airport Law and other applicable laws;

- if a concession holder has more than 49% interest of foreign investment in its capital stock;

- a total or partial interruption of the operation of an airport or its aeronautical or complementary services without justified cause;

- the failure to maintain the airport's facilities;

- the provision of unauthorized services;

- the failure to indemnify a third party for damages caused by the provision of services by the concession holder or a third party service provider;

- charging rates and prices higher than those registered with the SCT for regulated services;

- any act or omission that impedes the ability of other service providers or authorities to carry out their functions within the airport;

- limit the number of complementary service providers or deny its operation through acts of simulation, for reasons other than those established in the Mexican Airport Law; or

- any other failure to comply with the Mexican Airport Law, its regulations and the terms of the concession.

The SCT is entitled to revoke a concession without prior notice as a result of the first six events described above. In the other events, a concession may be revoked as a result of a violation, only if sanctions have been imposed at least three times with respect to the same violation during a period of five years.

According to the Mexican National Assets Law, Mexico's national patrimony consists of private and public domain government-owned assets of the Federation. The surface areas of the Existing Airport and the New Airport and improvements on such space are considered public domain government-owned assets.

Upon termination of a concession, for any reason, all concession assets must be reverted to the Mexican government in good operating condition, without any cost to the Mexican government, and free of any liens. The Sponsors must indemnify the Mexican federal government for any damages the concession assets have suffered due to improper use or maintenance, except for ordinary wear and tear. Also, the Mexican government will have the preferential right to acquire or lease the property, works, installations and improvements used in the provision of the aeronautical, commercial and complementary services, at a price determined according to an appraisal conducted by an institution designated by the SCT.

A concession concerning government-owned assets may be reverted to the Mexican government prior to the concession's expiration, when considered necessary for the public interest. In exchange, the Mexican government is required to pay compensation, taking into consideration investments made and depreciation of the relevant assets, but not the value of the assets subject to the concessions, based on the basis and methodology set forth in the Mexican Airport Law and the Mexican National Assets Law. Following a declaration of reversion, the assets that were subject to the concession are automatically returned to the Mexican government.

In the event of war, natural disaster, grave disruption of the public order or an imminent threat to national security, internal peace or the economy, the Mexican government may carry out a requisition (*requisa* — step-in rights) with respect to the Existing Airport or the New Airport. The step-in rights may be exercised by the Mexican government as long as the circumstances warrant. In all cases, except international war, the Mexican government is required to indemnify AICM or GACM for damages and lost profits (*daños y perjuicios*) caused by such requisition, calculated at their actual value (*valor real*); provided that if AICM or GACM were to contest the amount of such indemnification, the amount of the indemnity with respect to damages (*daños*) shall be fixed by expert appraisers appointed by AICM or GACM and the Mexican government, and the amount of the indemnity with respect to lost profits (*perjuicios*) shall be calculated taking into consideration the average net income during the year immediately prior to the requisition.

Grants of New Concessions

Concessions may be granted through a public bidding process in which bidders must demonstrate their technical, legal, managerial and financial capabilities. The Federal Economic Competition Commission has the power, under certain circumstances, to prohibit a party from bidding, and to cancel an award after the process has concluded. In addition, the SCT may grant concessions without a public bidding process to the following entities:

- to the parties who hold permits to operate civil aerodromes and intend to transform the aerodrome into an airport, as long as (i) the proposed change is consistent with the national airport development programs and policies, (ii) the civil aerodrome has been in continuous operation for the previous five years and (iii) the permit holder complies with all requirements for the concession;

- to the current concession holders that may require a complementary airport, when necessary to meet increased demand, as long as they demonstrate that (i) a new airport is necessary to increase their existing capacity, (ii) the operation of both airports by a single concession holder is more efficient than other options, and (iii) the concession holder complies with all requirements of their concession and complies with all requirements for the new concession;

- current concession holders when it is in the public interest for their airport to be relocated;

- entities in the federal public administration, such as AICM and GACM; and

- commercial entities in which local or municipal governments have a majority equity interest if the entities' corporate purpose is to manage, operate, develop and/or construct airports.

Federal Budget of Public Expenditures

The Mexican government approves a federal budget of public expenditures, including the funds allocated for the construction of the New Airport, each year. The federal budget of public expenditures is the annual spending program and includes the multiannual expenditure commitments to be allocated to public works and public service contracts. It also presents information on the delivery of subsidies and transfers to other entities or economic agents and the goals to be achieved during the spending period.

The executive consolidates the spending proposals prepared by the legislative and judicial powers, the Federal Electoral Institute (*Instituto Federal Electoral*) and the National Commission of Human Rights (*Comisión Nacional de los Derechos Humanos*); together with the proposals prepared by the head of each one of the ministries and decentralized entities under its purview. This consolidated draft proposal is presented to the House of Deputies for review, examination and approval.

The budgets of majority state-owned entities are prepared based on their annual programs, which contain a detailed description of their objectives, goals and the internal units responsible for their execution. AICM and GACM prepare their preliminary draft budgets in accordance with the allocations of expenditure and financing determined by the SHCP. The drafts must be approved by each Sponsor's board of directors and sent to the SHCP through the SCT, to be included as part of the federal budget of public expenditures submitted to the House of Deputies for approval.

The federal budget of public expenditures must provide, in a specific chapter, for the multiannual spending commitments that have been authorized by the SHCP, including public works contracts, acquisitions, leases and services related to such commitments. The excess costs of these commitments that extend into the following years will have preference over other expenditures, which remain subject to annual budget availability.

Each Sponsor's board of directors determines the criteria of rationality, austerity and discipline according to which AICM and GACM, respectively, will utilize its authorized budget.

Financing

Financial programs of majority state-owned companies shall be formulated in accordance with the general guidelines established by the SHCP and shall indicate the funds, capital contributions, incurrence of loans with domestic or foreign banks, or with any other financial intermediary as financial support that may be obtained from suppliers of inputs and services and from suppliers of production goods.

All loans incurred by majority state-owned companies will be considered public debt in accordance with the provisions of the Federal Law of Public Debt.

Procurement

Majority state-owned companies must carry out all public procurement in accordance with the provisions of the Law on Public Construction Works and Related Services and the Law of Procurement, Leasing and Services for the Public Sector.

These statutes provide for three types of procurement by majority state-owned companies, in order to obtain the most favorable terms on price, quality, financing and opportunity:

- public bidding;
- invitation to at least three persons; or
- direct award.

Prior to the commencement of procurement procedures, the majority state-owned company must conduct a market investigation, indicating the prevailing market conditions with respect to the asset, lease or service, in order to seek better conditions for the government.

Once a bid is selected, the parties will then execute the relevant contract and the majority state-owned company should publish the information related to the contract award process on its publicly-available website.

Public Bidding Process

Generally, public construction contracts and related services, as well as leases and services, are awarded through public bidding. In order to avoid favoring any participant, majority state-owned companies must provide all bidders with the same requirements, conditions and access to information.

All stages of the public bidding process are open to public attendance. Also, the Mexican Airport Law provides that a social witness must participate in public biddings that exceed certain value thresholds or as determined by the Ministry of Public Service, considering the impact that the procurement will have on the majority state-owned company.

Call to Bid

The public bidding process begins with the publication of the call to bid in CompraNet and in the Federal Official Gazette. The call to bid must contain (i) a general description of the work or service and the place where the work will be carried out, necessary to determine the purpose and scope of the procurement; (ii) the manner in which the bidders will evidence their experience and technical and financial capacity required to participate in the public bidding process, in accordance with the characteristics, complexity and magnitude of the work; (iii) the specific criteria that will be used to evaluate proposals and award contracts, including indications of the bases for automatic rejections; and (iv) other requirements based on the characteristics, complexity and magnitude of the work. Calls to bid may not establish requirements that have the purpose or effect of limiting competition.

Bidders submit one sealed proposal. Once the presentation and opening of proposals has begun, bidders may not be withdraw or render ineffective their submitted proposals.

If two or more proposals have met all the requirements requested in the call for the public bidding, the contract will be awarded to the bid that ensures the most favorable terms on price, quality, financing, opportunity and other relevant considerations. Depending on the nature of the project, the terms of the proposals that have met the requirements are evaluated using a points and percentages system or a cost-benefit analysis. If these methods are impractical, given the nature of the project, the state-owned company may award the contract to the bid that meets the requirements established in the call for bids and offers the lowest price.

A representative of the internal control body and the social witness, if applicable, must be included in the evaluation of the proposals.

Public bidding ends with the issuance of the ruling and the execution of the contract or the cancellation of the process. A majority state-owned company must include in the ruling, among others, the name of the bidder to whom the contract is awarded, indicating the reasons that led to the award. If a state-owned company declares the public bidding void, the ruling must include the reasons that motivated such decision.

Invitation to at Least Three Persons and Direct Award

Under certain circumstances, including contracts for which there is only one possible bidder, military contracts, contracts awarded after a national disaster or contracts for which the scope cannot be defined, a majority state-owned company may choose not to have a public bidding. Instead, the contract may be awarded through an invitation to at least three persons or a direct award, as long as the decision to use these alternatives is based on the criteria of economy, effectiveness, efficiency, impartiality, honesty and transparency that are appropriate to obtain the best conditions for the government.

Evidence of the criteria used and the reasons on which the exercise of the option is sustained, must be in writing and signed by the head of the area responsible for carrying out the work or area requesting the goods or services.

Contracts that are awarded without being subject to the public bidding process may not exceed 30% of the annual budget allocated to the majority state-owned company to execute public works and related services, as well as procurement, leases and services.

Invitation to at least three persons and the direct award begins with the delivery of the first invitation. The majority state-owned company will invite persons who have immediate response capacity, as well as technical, financial and other necessary resources, according to the characteristics, complexity and magnitude of the work to be carried out and necessary for procurement, leases and services. The invitation will indicate the characteristics, complexity and magnitude of the works, procurement, leases and services, the requirements that are necessary to carry them out, and all the requirements that a call to bid for a public biddings would be required to include.

The act of presentation and opening of proposals may be conducted without the presence of the relevant bidders, but a representative of the internal control body of the majority state-owned company must be invited.

Evaluations of proposals are conducted in the same manner as for public bids. First, the majority state-owned company verifies that a proposal meets the requirements requested in the invitation. Then, the proposals are evaluated and the contract will be awarded to the bidder whose proposal best meets the legal, technical and economic conditions required by the entity issuing the call for bids.

The invitation to at least three persons ends with the issuance of the decision and the execution of the contract or, where appropriate, the cancellation of the relevant process.

If two invitation procedures to at least three persons have been declared void, or only one as a result from a public bidding process declared void, the majority state-owned company may directly award the contract, provided that the causes for dismissing the previous bidding process remain.

Environmental Matters

The Existing Airport and the New Airport operations are mainly regulated by federal jurisdiction laws in Mexico regarding environmental matters. Nevertheless, State and Municipal rules and regulations, as well as other principles and standards, may still apply in respect of certain specific operations.

The Mexican General Law of Ecological Balance and Environmental Protection (*Ley General del Equilibrio Ecológico y la Protección al Ambiente*) (the "Ecological Law"), divides the functions to control environmental matters among the federation, the states and municipalities.

The Ministry of Environment and Natural Resources (*Secretaría de Medio Ambiente y Recursos Naturales*) ("SEMARNAT") through the Federal Environmental Protection Agency (*Procuraduría Federal de Protección Ambiental)* ("PROFEPA") is in charge to verify the compliance of the Ecological Law. Such laws are technically supported by its corresponding regulations and the Mexican Official Standards (*Normas Oficiales Mexicanas*) or NOMs (technical regulations issued by Mexican authorities on specific matters) relating to the protection of the environment and natural resources.

The construction and development of the New Airport is in compliance with the objectives of the Equator Principles and the guidelines of the IFC Performance Standards.

Other relevant environmental laws include: (i) the Law of National Waters (*Ley de Aguas Nacionales*) and its Regulations, administered by the National Water Commission (*Comisión Nacional del Agua*), or the CNA; and (ii) the General Law for the Prevention and Comprehensive Management of Waste (*Ley General para la Prevención y Gestión Integral de los Residuos)* or the Waste Law, among others.

PROFEPA can initiate administrative, civil and criminal proceedings against companies that violate federal environmental laws, and it also has the power to close non-complying facilities under certain circumstances through safety measures and administrative proceedings established in environmental regulations. With limitations, similar actions may be taken by local environmental compliance enforcement agencies on matters under their competence.

Additionally, in July 2013 the Federal Environmental Liability Law (*Ley Federal de Responsabilidad Ambiental*) became effective. This law provides for a novel judicial process to claim the reparation or compensation of environmental damages resulting from unlawful acts or omissions, in addition to administrative and criminal liability that may be determined through other processes.

With respect to the Existing Airport's operations, PROFEPA has issued a "clean industry" certificate which evidences compliance with applicable federal environmental provisions. Said certificate must be renewed every two years.

As explained above, the level of environmental regulation in Mexico has increased in recent years, and the enforcement of the law is becoming more stringent. The Issuer expects this trend to continue and to be stimulated by international agreements between Mexico and the United States and/or other countries or international organizations. This may result in the need for investments that are not currently provided for in the Existing Airport's or the New Airport's capital expenditures programs.

MEXICO AND THE AERONAUTICAL INDUSTRY

Overview

Companies in charge of the operation of airports are responsible for the provision of aeronautical and non-aeronautical services to airlines, their aircrafts and passengers.

Aeronautical services are the most important source of revenue in the operation of airports. Revenue from aeronautical services is mainly derived from: passenger charges, landing charges, boarding and deplaning platform parking service charges, prolonged or overnight stay platform parking service charges, passenger walkway charges, passenger and carry-on baggage inspection service charges, checked baggage inspection service charges and general aviation service charges (right of access, restrooms, rescue from and extinguishing of fires, sanitary services, issuance of badges and permits). The charges that the airport operators are entitled to collect for the provision of aeronautical services are generally designed to compensate the airport operator for its operating expenses in infrastructure and maintenance.

Revenue from non-aeronautical services is further divided into two categories: commercial and complementary services. Non-aeronautical revenue is mainly derived from: leasing of space to retailers, car rental agencies, parking lots, currency exchange bureaus, banks, hotels, restaurants, airlines, advertising, mail and other services; automobile parking and ground transport services; aircraft servicing at its gates (interior cleaning, passenger boarding and deplaning, luggage and cargo handling, deicing, etc.); fuel supply; maintenance and repairs of aircrafts; security; handling of documentation for passengers, luggage and cargo and other sources of revenue.

Classification of Services Provided at Airports

In accordance with the Mexican Airport Law and the Mexican Airport Law regulations, the operation of an airport includes the provision of aeronautical, commercial and complementary services. The concession holder is responsible for ensuring that an airport has infrastructure, facilities, and equipment adequate and sufficient for operations to be carried out safely and efficiently.

The Mexican Airport Law and the Mexican Airport Law regulations classify the services that may be rendered at an airport into the following three categories:

- **Aeronautical Services**. Aeronautical services may be rendered only by the holder of a concession or a third party that has entered into an agreement with the concession holder to provide such services. These services include: —the use of airport runways, taxiways and aprons for landing, aircraft parking and departure, —the use of hangars, passenger walkways, transport buses and automobile parking facilities, —the provision of airport security services, rescue and firefighting services, ground traffic control, lighting and visual aids, —the general use of terminal space and other infrastructure by aircraft, passengers and cargo.

- **Commercial Services**. Commercial services may be rendered by the airport operator or by a third party under agreements with the airport operator to provide such services. Commercial services involve services that are not considered essential to the operation of an airport or aircraft, and include: —the leasing of space to retailers, restaurants, hotels and banks and —advertising. The areas of an airport intended for provision of commercial services are described in the airport's master development plan. Any amendment to the master development plan requires the approval of the SCT.

- **Complementary Services**. Complementary services may be rendered by an airline, by the airport operator or by a third party under agreements with airlines or the airport operator. If an airport provides the complementary services directly, it must not discriminate against airlines or third parties that also provide them. An airport must independently identify and record the operations, costs and revenues related to the complementary services it provides. These services include: —ramp and handling services, —passenger check-in, and —aircraft security, catering, cleaning, maintenance, repair and fuel supply and related activities that provide support to air carriers. For AICM and GACM, ASA is responsible for providing services related to the storage, distribution, and supply of fuel. Consequently, AICM, GACM (once the New Airport commences operations) and other third parties may not provide services related to fuel, unless the SCT determines otherwise.

Third parties rendering aeronautical, commercial or complementary services are required to do so pursuant to a written agreement with the relevant concession holder. The Mexican Airport Law provides that the concession holder is jointly liable with these third parties for compliance with the terms of the relevant concession with respect to the services provided by such third parties.

All third-party service providers of complementary services are required to be corporations incorporated under Mexican law. Aeronautical and complementary services are required to be provided to all airport users in a uniform and regular manner, without discrimination as to quality, access or price. Concession holders are required to provide aeronautical and complementary services on a priority basis to military aircraft, disaster support aircraft and aircraft experiencing emergencies. Aeronautical and complementary services are required to be provided at no cost to military aircraft and aircraft performing national security activities.

In the event of force majeure, the SCT may impose additional regulations governing the provision of services at airports, but only to the extent necessary to address the force majeure event. The Mexican Airport Law allows the airport administrator appointed by a concession holder to suspend the provision of aeronautical services in the event of force majeure.

A concession holder is also required to take all necessary measures to create a competitive market for complementary services. A concession holder may not limit the number of providers of complementary services in its airport, except in instances where space, efficiency and/or safety warrant such limitation. If a concession holder denies entry to any complementary services provider, such service provider may file a complaint before the SCT. The SCT shall determine within 60 days of the filing of the complaint whether entry of the service provider into the airport shall be authorized.

The provision of aeronautical, commercial or complementary services must not interfere with the provision of any of the other services. Furthermore, the provision of aeronautical, commercial and complementary services must not jeopardize the security of the airport or the operation of aircrafts. If this occurs, the SCT has the authority to order any necessary adjustments.

Mexico and Mexico City

Mexico is one of the main tourist destinations in the world. In 2016, Mexico ranked eighth among countries worldwide in terms of foreign visitors according to the World Tourism Organization, with approximately 35 million visitors. In 2017, 39.3 million visitors arrived in the country, 12.0% higher than during the same period in 2016, according to the Mexico City Ministry of Tourism. Within Latin America and the Caribbean, Mexico ranked first in 2016 in terms of number of foreign visitors and income from tourism, according to the World Tourism Organization.

Mexico City is Mexico's capital and largest city with a population of 8.9 million, according to the latest inter-census conducted by INEGI in 2015. The Mexico City metropolitan area had an estimated population of approximately 21 million in 2016, which accounts for approximately 17.6% of Mexico's population, roughly the same size, population-wise, as New York City and the city of São Paulo, with approximately 18.6 million and 21.3 million inhabitants, respectively. The Mexico City metropolitan area is expected to increase its population to 21.3 million in 2017, according to UN World Urbanization Prospects.

Mexico City is itself a major tourist destination, given its rich cultural heritage including world-class museums, colonial landmarks and ancient Mesoamerican archeological sites. In 2016, Mexico City was voted the number 1 destination to visit according to the New York Times. The Mexico City metropolitan area houses 6 UNESCO world heritage sites. According to Mexico City Ministry of Tourism, approximately 13.10 million, 13.13

million and 13.58 million tourists visited Mexico City in 2014, 2015 and 2016 respectively. From January to October 2017, Mexico City received 11.15 million visitors, a 0.2% increase from the same period in 2016.

Mexico City is one of the most important economic centers in Latin America. In 2016, the city produced approximately 17.0% of the country's GDP, according to INEGI. The city houses the headquarters of some of Latin America's largest international financial service companies and insurers, 7 out of the 12 largest Mexican corporations including América Movil, Pemex, CFE, Telcel, Bimbo, Grupo Carso, Teléfonos de México, as well as many large multinational corporations, with headquarters located in the city's business districts of Santa Fe and Reforma. The city also houses the Mexican Stock Exchange.

Mexico's Macroeconomic Environment

Mexico is one of the largest economies in Latin America with nominal GDP of US$1,047 billion in 2016 and a per capita GDP (PPP) of US$17,274.8 according to The Economist Intelligence Unit, supported by a stable macroeconomic environment for the past 15 years as a result of conservative monetary, fiscal and debt policies. The Mexican economy achieved real GDP growth rates of 2.3%, 2.6% and 2.3% in 2016, 2015 and 2014, respectively. During 2017 the Mexican peso depreciated against the U.S. dollar, ranging from an average exchange rate of Ps.18.66 in 2016 to Ps.18.93 in 2017. As of December 31, 2017, the unemployment rate was 3.4%, compared to 3.6% for the previous year, according to INEGI. In addition, Mexico's inflation has decreased steadily in the last ten years according to the World Bank.

According to The Economist Intelligence Unit, Mexico's growth is expected to strengthen at a moderate pace in 2018 and 2019, by 2.1% and 2.4%, respectively, supported by healthy private domestic demand and spillovers from higher U.S. growth, as it is expected that countries with high exposure to international trade with the U.S. will benefit from its economic recovery.

From the beginning of his administration in December 2012, Mexico's president Enrique Peña Nieto submitted proposals to Congress to implement substantial changes to laws and regulations covering different sectors and has implemented significant changes in public policy. The Mexican Congress has approved several of the proposed bills, including structural reforms related to energy, political elections, labor, telecommunications, financial services and taxes. On December 21, 2013, Mexico's constitution was amended to allow private companies to explore for and produce oil in Mexico for the first time since the 1938 expropriation of the oil industry. On August 12, 2014, Mexico's House of Deputies passed a series of implementing secondary legislation to help reorder the energy industry. While Mexico's growth is expected to continue in 2017, as the effect of these major structural reforms takes hold, there is no certainty about the impact of such changes on Mexico's economy.

In addition to the structural reforms, it is expected that Mexico will benefit from favorable demographic dynamics. Mexico had an estimated population of 119.5 million as of 2015, which is expected to increase 6.3% by 2020 (compared to 3.7% in Brazil and 4.1% in the United States), of which 65.8% is expected to be under the age of 40, according to the National Board of Population (*Consejo Nacional de Población*). The largest population segment will be 10 to 14 years old and it is estimated that that segment will account for 8.7% of the total population by 2020.

Mexican Aeronautical Industry Overview

On July 12, 1921, the SCT granted the first concession for the air transportation of passengers in Mexico. Before June 1965, the Mexican Bureau of Civil Aviation was in charge of the administration, operation and maintenance of all Mexican airports. Over forty years after the granting of the first concession, on June 12, 1965, ASA, a government instrumentality headquartered in the Existing Airport, was created by presidential decree as a management, maintenance and operational services company for the 34 airports then existing in Mexico. ASA's mission was to design, build and operate airport infrastructure, as airport management was constitutionally reserved to the Mexican government. As such, ASA took over the management of all Mexican airports previously operated by the Mexican Bureau of Civil Aviation.

The publication of the Mexican Airport Law on December 22, 1995 established for the first time the possibility of granting private concessions for airport management. Among the 58 airports managed by ASA, 35 were to be offered to the private sector. Airports were grouped into four regional entities, and a state-owned concessionary company was incorporated for each: the Pacific Airport Group (*Grupo Aeroportuario del Pacífico*) ("GAP"), the North Central Airport Group (*Grupo Aeroportuario del Centro Norte*) ("OMA"), the Southeast Airport Group (*Grupo Aeroportuario del Sureste*) ("ASUR"), and the Mexico City International Airport (AICM). ASA kept the responsibility of the country's less economically viable airports.

The opening of the Mexican airport sector to private investment was implemented as a two-stage process, where the control of the concessionary entities as well as 15% of their shares were initially sold to a strategic partner selected through an international competition. Each concession was formed around one airport with an important regional role:

- ASUR was established on April 1, 1998 as a state-owned company organized and existing under the laws of Mexico. In December 1998, Inversiones y Técnicas Aeroportuarias became the strategic partner of ASUR. The Mexican government sold its 85% share in 2000 and 2005.

- GAP was established on May 28, 1998 as a state-owned company organized and existing under the laws of Mexico. In August 1999, Aeropuertos Mexicanos del Pacífico became the strategic partner of GAP. The Mexican government sold its 85% share in 2006.

- OMA was established on June 1, 1998 as a state-owned company organized and existing under the laws of Mexico. In May 2000 Servicios de Tecnología Aeroportuaria became the strategic partner of OMA. The Mexican government sold its 85% share in 2006.

- The Existing Airport was also originally supposed to receive private investment, but social and political issues obstructed the investment, and the Existing Airport remained the sole airport owned by a state-owned entity.

The following table presents the list of airports operating in Mexico owned by ASUR, GAP and OMA, as well as the airports operated by AICM and ASA and strategic partnerships, indicating the passenger traffic, cargo volume and ATMs in each of the airports during 2016 and 2017:

Mexican Airport Groups

	2016 Passenger Traffic ('000)	**% of Total**	**2016 Cargo (Tons)**	**% of Total**	**2016 ATMs ('000)**	**% of Total**	**2017 Passenger Traffic ('000)**	**% of Total**	**2017 Cargo (Tons)**	**% of Total**	**2017 ATMs ('000)**	**% of Total**
AICM	**41,710**	**33.0%**	**483,433**	**55.4%**	**448**	**23.7%**	**44,732**	**32.7%**	**537,263**	**55.4%**	**450**	**23.7%**
MEXICO CITY	41,710	33.0%	483,433	55.4%	448	23.7%	44,732	32.7%	537,263	55.4%	450	23.7%
ASA	**2,530**	**2.0%**	**2,927**	**0.3%**	**138**	**7.3%**	**2,700**	**2.0%**	**3,393**	**0.3%**	**133**	**7.0%**
CAMPECHE	183	0.1%	162	0.0%	5	0.3%	179	0.1%	155	0.0%	5	0.3%
CD. DEL CARMEN	459	0.4%	340	0.0%	37	1.9%	363	0.3%	330	0.0%	32	1.7%
CD. OBREGÓN	257	0.2%	306	0.0%	11	0.6%	303	0.2%	362	0.0%	11	0.6%
CD. VICTORIA	82	0.1%	272	0.0%	9	0.5%	63	0.0%	217	0.0%	7	0.4%
CHETUMAL	210	0.2%	99	0.0%	5	0.3%	276	0.2%	193	0.0%	6	0.3%
COLIMA	139	0.1%	117	0.0%	6	0.3%	138	0.1%	107	0.0%	6	0.3%
GUAYMAS	13	0.0%	-	0.0%	4	0.2%	14	0.0%	-	0.0%	5	0.3%
IXTEPEC	0	0.0%	-	0.0%	0	0.0%	17	0.0%	49	0.0%	0	0.0%
LORETO	72	0.1%	-	0.0%	4	0.2%	85	0.1%	-	0.0%	4	0.2%
MATAMOROS	98	0.1%	278	0.0%	6	0.3%	88	0.1%	312	0.0%	5	0.3%
NOGALES	3	0.0%	0	0.0%	1	0.1%	2	0.0%	-	0.0%	1	0.1%
NUEVO LAREDO	84	0.1%	272	0.0%	3	0.2%	78	0.1%	286	0.0%	3	0.2%
PALENQUE	0	0.0%	-	0.0%	0	0.0%	0	0.0%	-	0.0%	0	0.0%
POZA RICA	38	0.0%	88	0.0%	4	0.2%	27	0.0%	45	0.0%	3	0.2%
PUEBLA	383	0.3%	846	0.1%	19	1.0%	511	0.4%	1,166	0.1%	20	1.1%
PUERTO ESCONDIDO	226	0.2%	26	0.0%	7	0.4%	256	0.2%	50	0.0%	7	0.4%
TAMUÍN	2	0.0%	-	0.0%	1	0.1%	2	0.0%	-	0.0%	1	0.1%
TEHUACÁN	3	0.0%	-	0.0%	3	0.1%	4	0.0%	-	0.0%	2	0.1%
TEPIC	148	0.1%	119	0.0%	8	0.4%	142	0.1%	123	0.0%	7	0.4%
URUAPAN	129	0.1%	0	0.0%	4	0.2%	150	0.1%	0	0.0%	4	0.2%
ASUR	**28,407**	**22.5%**	**53,711**	**6.1%**	**316**	**16.7%**	**31,053**	**22.7%**	**59,864**	**6.2%**	**329**	**17.3%**

	2016 Passenger Traffic (‘000)	% of Total	2016 Cargo (Tons)	% of Total	2016 ATMs (‘000)	% of Total	2017 Passenger Traffic (‘000)	% of Total	2017 Cargo (Tons)	% of Total	2017 ATMs (‘000)	% of Total
CANCUN	21,416	17.0%	25,152	2.9%	172	9.1%	23,602	17.2%	29,714	3.1%	181	9.5%
COZUMEL	538	0.4%	83	0.0%	16	0.8%	542	0.4%	25	0.0%	15	0.8%
HUATULCO	663	0.5%	194	0.0%	9	0.5%	777	0.6%	442	0.0%	9	0.5%
MERIDA	1,945	1.5%	19,127	2.2%	37	2.0%	2,148	1.6%	20,264	2.1%	43	2.3%
MINATITLAN	233	0.2%	439	0.1%	7	0.3%	201	0.1%	330	0.0%	5	0.3%
OAXACA	747	0.6%	3,029	0.3%	17	0.9%	862	0.6%	3,151	0.3%	19	1.0%
TAPACHULA	309	0.2%	923	0.1%	9	0.5%	293	0.2%	830	0.1%	10	0.5%
VERACRUZ	1,316	1.0%	678	0.1%	28	1.5%	1,368	1.0%	930	0.1%	25	1.3%
VILLAHERMOSA	1,241	1.0%	4,086	0.5%	22	1.1%	1,260	0.9%	4,178	0.4%	21	1.1%
GAP	**32,191**	**25.5%**	**193,317**	**22.1%**	**461**	**24.3%**	**35,975**	**26.3%**	**202,928**	**20.9%**	**474**	**25.0%**
AGUASCALIENTES	681	0.5%	551	0.1%	16	0.8%	741	0.5%	532	0.1%	16	0.8%
BAJIO	1,693	1.3%	1,407	0.2%	34	1.8%	1,940	1.4%	1,116	0.1%	34	1.8%
GUADALAJARA	11,363	9.0%	151,268	17.3%	159	8.4%	12,780	9.3%	159,220	16.4%	167	8.8%
HERMOSILLO	1,526	1.2%	8,894	1.0%	44	2.3%	1,593	1.2%	9,353	1.0%	41	2.2%
LA PAZ	837	0.7%	2,663	0.3%	19	1.0%	837	0.6%	2,927	0.3%	18	1.0%
LOS MOCHIS	285	0.2%	606	0.1%	12	0.6%	280	0.2%	644	0.1%	11	0.6%
MANZANILLO	174	0.1%	69	0.0%	6	0.3%	176	0.1%	39	0.0%	5	0.3%
MEXICALI	709	0.6%	2,634	0.3%	10	0.5%	794	0.6%	2,370	0.2%	10	0.6%
MORELIA	525	0.4%	115	0.0%	14	0.8%	609	0.4%	98	0.0%	15	0.8%
PUERTO VALLARTA	3,990	3.2%	1,959	0.2%	48	2.5%	4,433	3.2%	1,632	0.2%	51	2.7%
SAN JOSE DEL CABO	4,089	3.2%	1,836	0.2%	37	1.9%	4,702	3.4%	2,317	0.2%	42	2.2%
TIJUANA	6,319	5.0%	21,316	2.4%	62	3.3%	7,089	5.2%	22,679	2.3%	63	3.3%
OMA	**18,764**	**14.9%**	**92,212**	**10.6%**	**358**	**18.9%**	**19,484**	**14.2%**	**98,422**	**10.1%**	**332**	**17.5%**
ACAPULCO	718	0.6%	280	0.0%	24	1.3%	674	0.5%	376	0.0%	23	1.2%
CD. JUAREZ	1,103	0.9%	3,427	0.4%	18	1.0%	1,217	0.9%	3,787	0.4%	16	0.9%
CHIHUAHUA	1,306	1.0%	6,359	0.7%	34	1.8%	1,385	1.0%	6,520	0.7%	29	1.5%
CULIACAN	1,727	1.4%	3,943	0.5%	39	2.0%	1,857	1.4%	3,898	0.4%	38	2.0%
DURANGO	424	0.3%	394	0.0%	17	0.9%	394	0.3%	332	0.0%	15	0.8%
MAZATLAN	973	0.8%	1,972	0.2%	20	1.0%	983	0.7%	2,213	0.2%	17	0.9%
MONTERREY	9,179	7.3%	47,898	5.5%	116	6.1%	9,683	7.1%	52,867	5.4%	111	5.8%
REYNOSA	564	0.4%	618	0.1%	11	0.6%	483	0.4%	509	0.1%	9	0.5%
SAN LUIS POTOSI	504	0.4%	25,801	3.0%	22	1.1%	546	0.4%	26,550	2.7%	22	1.1%
TAMPICO	718	0.6%	402	0.0%	20	1.1%	711	0.5%	307	0.0%	19	1.0%
TORREON	647	0.5%	849	0.1%	18	0.9%	610	0.4%	871	0.1%	15	0.8%
ZACATECAS	343	0.3%	13	0.0%	8	0.4%	349	0.3%	6	0.0%	7	0.4%
ZIHUATANEJO	557	0.4%	255	0.0%	12	0.6%	591	0.4%	185	0.0%	12	0.7%
PARTNERSHIPS	**2,724**	**2.2%**	**47,802**	**5.5%**	**172**	**9.1%**	**2,960**	**2.2%**	**68,275**	**7.0%**	**180**	**9.5%**
CUERNAVACA	26	0.0%	-	0.0%	17	0.9%	7	0.0%	4	0.0%	18	0.9%
PALENQUE	17	0.0%	-	0.0%	1	0.0%	14	0.0%	-	0.0%	1	0.0%
PUEBLA	0	0.0%	-	0.0%	0	0.0%	0	0.0%	-	0.0%	0	0.0%
QUERÉTARO	638	0.5%	24,739	2.8%	33	1.8%	807	0.6%	35,767	3.7%	40	2.1%
TOLUCA	771	0.6%	21,827	2.5%	102	5.4%	789	0.6%	31,159	3.2%	101	5.3%
TUXTLA GUTIERREZ	1,273	1.0%	1,236	0.1%	19	1.0%	1,342	1.0%	1,346	0.1%	20	1.1%
GRAND TOTAL	**126,326**	**100%**	**873,402**	**100%**	**1,895**	**100%**	**136,904**	**100%**	**970,144**	**100%**	**1,898**	**100%**

In 2016 and 2017, the Mexican airport system serviced approximately 126.3 million passengers and 136.9 million passengers, respectively. From 2010 to 2017, growth in the number of passengers serviced by the Mexican aeronautical industry has increased at a compound annual rate of 8.5%.

In 2016 and 2017, the Mexican airport system transported approximately 873,402 metric tons of air cargo and 970,144 metric tons of air cargo, respectively. From 2010 to 2017, growth in the number of air cargo tonnage transported by the Mexican aeronautical industry has increased at a compound annual rate of 3.8%.

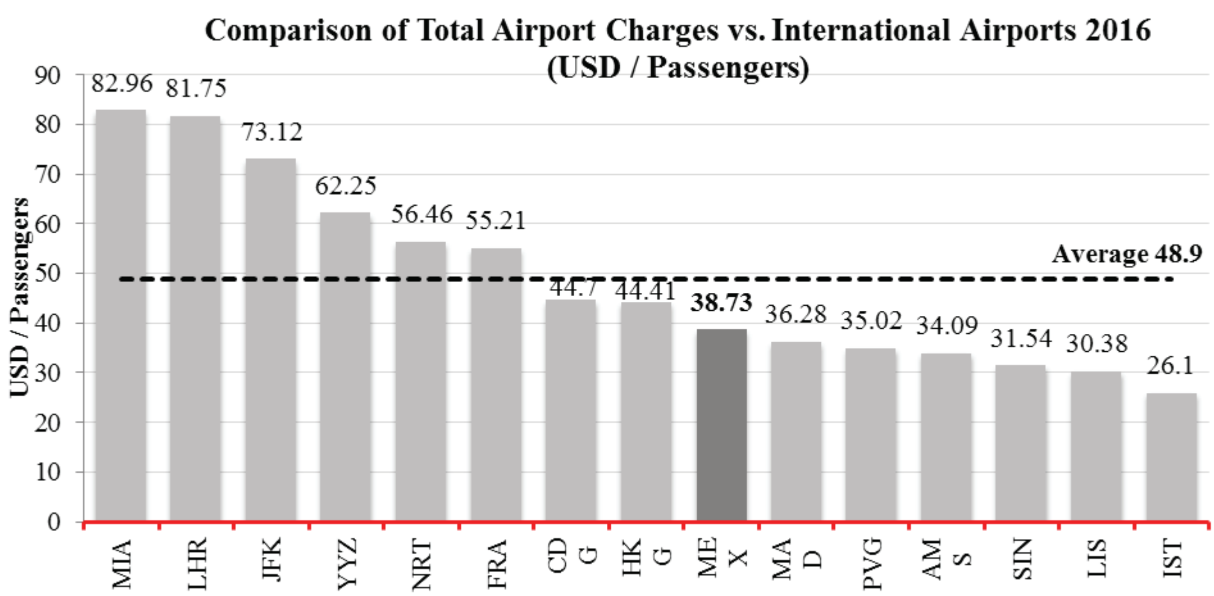
In 2016 and 2017, the Mexican airport system had approximately 1.9 million ATMs and 1.9 million ATMs, respectively. From 2010 to 2017, growth in the number of ATMs in the Mexican aeronautical industry has increased at a compound annual rate of 2.0%.

The positive trends in passenger traffic, cargo volume and ATMs are expected to continue as the tourism and business segments in Mexico continue to grow.

The Mexican aeronautical industry serves various segments including tourist- and business-passenger traffic travelling to and from the country, passengers connecting through Mexico to other destinations, as well as cargo traffic being transported in the region.

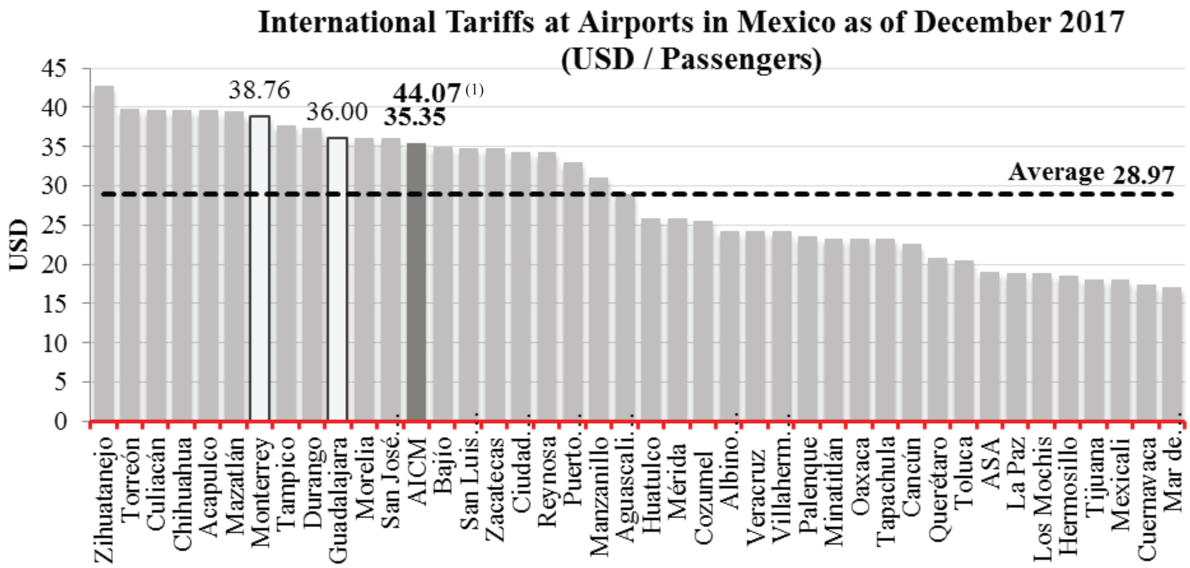
Mexico City serves as a "hub" for travel to other destinations in Mexico and Latin America. While the de-regulation of Mexico's airline industry has resulted in new point-to-point routes between popular cities that have diminished Mexico City's role as a travel hub, point-to-point travel is not always possible on the main commercial airlines.

On December 18, 2015, the United States and Mexico entered into an Air Transport Agreement with the purpose of promoting and facilitating an international aviation system based on competition among airlines, to facilitate the expansion of international air transport opportunities and ensure the highest degree of safety and security in air transport. The new agreement, which replaced the agreement that had been in effect since 1960, became effective as of January 1, 2016, after approval by the Mexican Senate and the competent authorities in the United States. The new agreement provides for an increase in services on existing routes between both countries, as well as the addition of new routes and an increase in the frequency of flights on existing routes. The agreement also grants Mexican airlines the ability to further penetrate international markets, as it permits airlines from both countries that operate flights between the United States and Mexico, to pick up passengers and continue with the flights to a third country. Cabotage (domestic flights operated by foreign airlines) is not contemplated by the new agreement. The Issuer believes that the Mexico City Airport System has benefited from and will continue to benefit from bilateral aviation agreements with the United States.

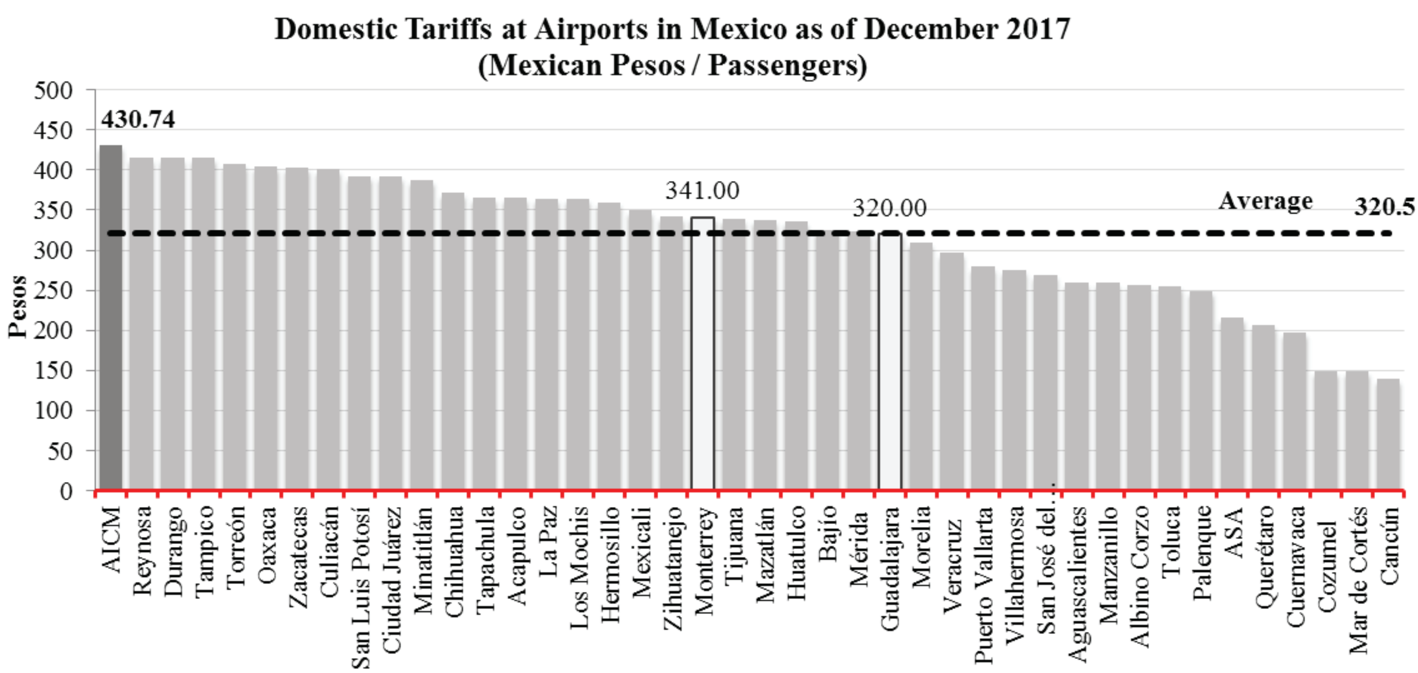


Source: Independent Traffic Report.

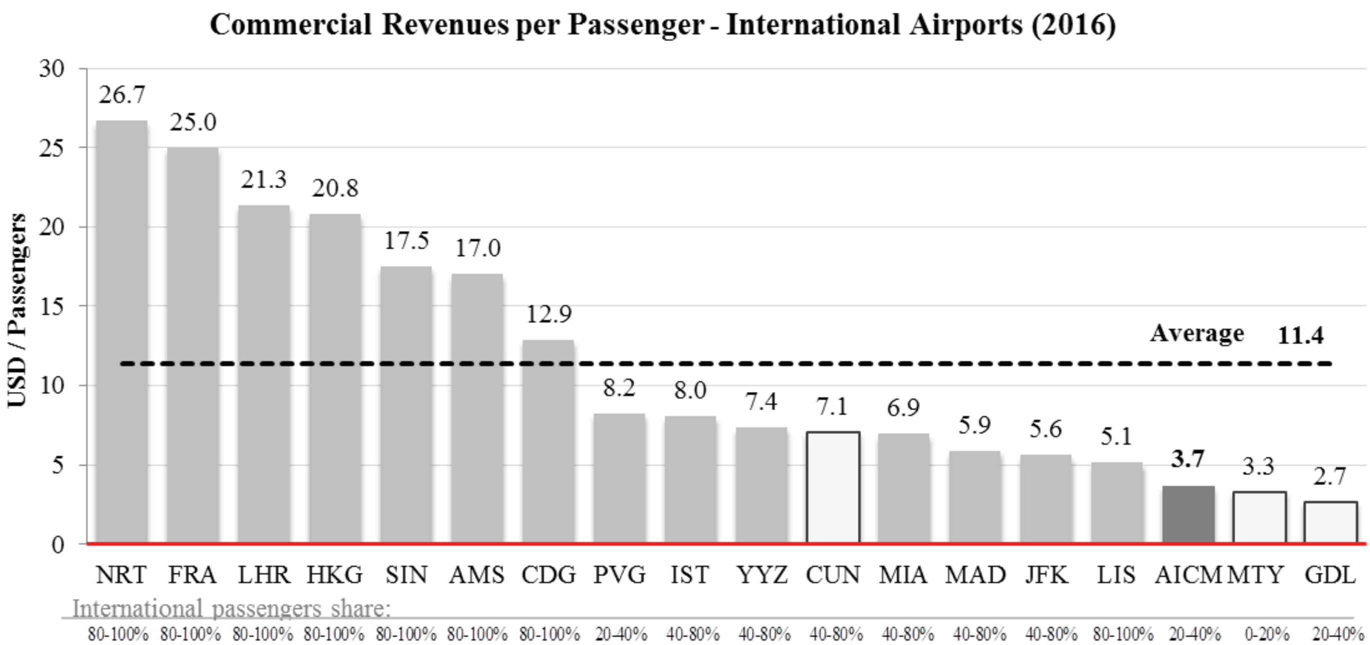
Total airport charges include all the charges that an airline incurs for operating an airplane in an airport, whether charged to the passenger or absorbed by the airline. These charges include charges directly charged by the airport, governmental charges and taxes charged in some airports. The total airport charges charged by AICM is competitive compared to other similar airports.



(1) International Tariff of AICM, considering the increase of US$8 in January 2018.
Source: SCT. The International Tariff applies only to passengers departing from AICM on a flight to a destination outside of Mexico.



Source: SCT. The Domestic Tariff applies only to passengers departing from AICM on a flight to a destination within Mexico.



Source: GACM and publicly-available annual reports of the other companies.

Source: GACM and publicly-available annual reports of the other companies. Based on recently renovated airports, with a similar size and number of passengers as the New Airport is projected to have.

THE BENITO JUÁREZ INTERNATIONAL AIRPORT OF MEXICO CITY

Overview

The Existing Airport is located on the east side of Mexico City in the Venustiano Carranza borough, 4.0 miles from downtown. Since its opening in 1939, the Existing Airport has served as a hub for transportation and communications in Mexico and in 1943 it was officially declared an international airport for arriving and departing flights. Operating 24 hours daily, the Existing Airport is the largest and busiest airport in Mexico, according to the SCT. The Existing Airport is a critical infrastructure asset for Mexico and Latin American finance and commerce and an important regional hub for Central America.

Beginning in 2016, the Existing Airport became the busiest airport in Latin America in terms of both passengers and aircraft operations. In terms of passenger traffic, during 2017, the Existing Airport ranked first in Latin America, 15th in the Americas and 39th in the world. AICM ranks third in Latin America in terms of air cargo tonnage after El Dorado International Airport in Bogota, Colombia and Guarulhos International Airport in Sao Paolo, Brazil. The Existing Airport hosts 30 airlines, including several major European and North American airlines, and is the hub of Aeroméxico and other domestic airlines. The Existing Airport connects 53 domestic and 56 international destinations. The Existing Airport serves a range of segments, from business and leisure travelers, to transfer passengers in long and short haul routes, and full-cost, low-cost and charter carriers.

The Existing Airport's facilities include two terminals. Terminal 1 was opened in 1958 and was expanded multiple times through 2004, has an extension of approximately 332,136 square meters and includes 33 contact positions and jet ways. Terminal 2 was opened on November 15, 2007, has an extension of approximately 251,772 square meters (including the parking garage) and has 24 contact positions and 24 jet ways. Overall, the Existing Airport had 60 gates, 57 of which accessible by passenger walkways, and 51 remote positions.

The Existing Airport is served by two non-simultaneous runways, each with a length of 3,457 meters and 3,985 meters, respectively. The Existing Airport also has an Instrument Landing System (ILS) that assists pilots land in poor weather. The Existing Airport has 921 retail outlets located throughout Terminals 1 and 2. The general aviation building has an additional 581,953 square meters.

The Existing Airport has over 6,517 public parking spaces and with metro services, extensive bus services and authorized taxis.

Description of AICM

AICM is a state owned company organized and existing under the laws of Mexico and a direct subsidiary of GACM. AICM operates the Existing Airport under the Existing Airport Concession granted by the Mexican government on June 29, 1998. The Existing Airport Concession grants AICM the right to provide a wide range of aeronautical, commercial and complementary services to passengers that use the Existing Airport and the right to use the concession assets.

Pursuant to its corporate purpose, AICM is authorized to request and obtain, by itself or through its subsidiaries, concessions, permits and authorizations to carry out its corporate purpose, including those referred to in the Mexican Airport Law and the Mexican National Assets Law and exercise the rights thereunder, and grant guarantees, among others, to carry out the administration, operation and/or construction of airports, as well as for the provision of any other necessary services for the operation of said airports and the performance of any activity that supports and is related to said purpose, including any other activity that is complementary to the services it provides and that directly benefits them.

Due to its legal nature as a state-owned company, AICM is subject to additional regulation that is not applicable to private airport operators. For example, in order to receive funding, AICM must prepare and submit a draft of its annual budget to be included in the federal budget of public expenditures, which is approved by the Mexican Congress each year. See "The Mexican Regulatory Framework— Federal Budget of Public Expenditures." Also, AICM's financings must follow the general guidelines established by the SHCP. See "The Mexican Regulatory Framework—Financing." Furthermore, AICM must generally award its construction contracts through a public bidding process that provides all interested parties with equal access, in order to obtain the most favorable terms on price, quality and financing and to avoid unfairly favoring any bidder. See "The Mexican Regulatory Framework—Procurement."

Shareholders

The SCT owns 0.00001% of AICM Shares and, prior to the consummation of the offering, GACM owns 99.99999% of the shares of AICM. The following table sets forth information concerning AICM's share ownership structure as of December 31, 2017:

Shareholders	Number of Common Shares	% of Common Shares
Grupo Aeroportuario de la Ciudad de México, S.A. de C.V.	1,497,184,955	99.99999%
SCT	1	0.00001%
Total	1,497,184,956	100**%**

In connection with the Global Offering, the Issuer Trust will subscribe and pay an increase of AICM's capital stock, in order to comply with the requirements under the FIBRA E Rules.

AICM's Management

Board of Directors

AICM is managed by a board of directors comprised of a maximum of 10 members and, where appropriate, their respective alternates. Any shareholder or group of shareholders holding 10% of the share capital may appoint a member to the board of directors.

The members of the board of directors representing the participation of the Mexican federal government are appointed by the head of the Federal Executive branch, directly through the SCT and must be public servants of the Federal Public Administration or persons of recognized moral quality or prestige, with experience regarding the activities of the company in question.

The following table sets forth the current members of AICM's board of directors, their respective positions and their affiliation within the Mexican government:

Name	Alternate	Affiliation
Gerardo Ruiz Esparza	Yuriria Mascott Pérez	SCT
Federico Patiño Márquez	Ricardo Dueñas Espriu	Grupo Aeroportuario de la Ciudad de México, S.A. de C.V.
Roberto Kobeh González	Rubén Campos Mora	SENEAM
Miguel Peláez Lira	Vacant	SCT
Alfonso Sarabia de la Garza	Oscar Chanona García	ASA
Alejandro Sibaja Ríos	Fernando López Moreno	SHCP
María de Rocío Ruiz Chávez	Elsa Regina Ayala Gómez	Ministry of Economy
Vacant	Victor Manuel Vargas Ramírez	Ministry of the Interior
José Salvador Sánchez Estrada	Manuel Barclay Galindo	Ministry of Tourism
Rodrigo Ramírez Reyes	Vacante	SCT
Fernando Bueno Montalvo	José Luis Palomares Mora	SCT

The following sets forth biographical information for each of the members of AICM's board of directors:

Gerardo Ruiz Esparza has served as Mexico's Minister of Communications and Transportation since 2012, previously served as Minister of Communications and Transportation for the State of Mexico. Mr. Ruiz holds a law degree from the *Universidad Nacional Autónoma de México*. He has served as Legal Deputy Director of Public Debt Management and Financial Policy at the Ministry of Finance; General Secretary for the Mexican State Government; General Counsel for the Mexican Social Security Institute and Mexican Airports and Auxiliary Services Agency.

Federico Patiño Márquez has served as Chief Executive Officer of GACM since 2015 and previously served as Chief Financial Officer of GACM since 2014. Mr. Patiño also worked as Director of Investment Banking and Corporate Financing at the Fondo Nacional de Infraestructura (FONADIN) and the Banco Nacional de Obras y Servicios Públicos, S.N.C. (BANOBRAS) and held several positions at Nacional Financiera, S. N. C., Institución de

Banca de Desarrollo (NAFIN), including among others, General Director of Credit, General Director of Treasury, General Director of Development and General Director of Investment Banking.

Roberto Kobeh González has served as a member of the board of directors since 2015. He serves as General Director of Navigation Services for the Mexican Air Space (*Servicios a la Navegación en el Espacio Aéreo Mexicano*) of the SCT.

Miguel Pelaez Lira has served as a member of the board of directors since 2016. He has served as General Director of Civil Aeronautics at the DGAC.

Alfonso Sarabia de la Garza has served as a member of the board of directors since 2014. He has served as General Director at ASA since 2014. Mr. Sarabia holds a Business Administration degree from the Universidad Tecnológica de México.

Alejandro Sibaja Rios has served as member of the board of directors since 2013. He serves as General Manager of Programming and Budget "B" at the Ministry of Finance since September 2014. Mr. Sibaja holds an Actuary degree from the *Universidad Nacional Autónoma de México,* and a Masters in Administration and Public Politics from the *IEXE-Escuela de Políticas Públicas.* He has served in Nacional Financiera S.N.C. and the SCT.

María del Rocío Ruiz Chávez has served as a member of the board of directors since 2014. She has served as Undersecretary for Competitiveness and Normativity at the Ministry of Economy.

José Salvador Sánchez Estrada has served as a member of the board of directors since 2017. He serves as Deputy Minister of the Underministry of Quality and Normativity at the Ministry of Tourism. He serves as Deputy Minister of Quality and Normativity at the Ministry of Tourism. He holds a degree in Economics from the *Universidad Nacional Autónoma de México*. Mr. Sánchez Estrada has experience in the Public Sector as an auxiliary to the Governor's office in Veracruz, also he has represented the state of Veracruz before the Government of Mexico City.

Rodrigo Ramírez Reyes has served as a member of the board of directors since 2012. He serves as "Oficial Mayor del Ramo" at SCT.

Fernando Bueno Montalvo has served as a member of the board of directors since 2017. He serves as Legal Chief Officer of SCT.

Yuriria Mascott Pérez has served as a substitute member of the board of directors since 2014. Mrs. Mascott has served as Deputy Minister of Communications and Transportation since 2014. Ms. Mascott holds a law degree from the *Universidad Panamericana*. She has served as Director of the Mexican Postal Service, and as a consultant for ASA.

Ricardo Dueñas Espriu has served as an alternate member of the board of directors since 2015. He serves as Chief Financial Officer of Grupo Aeroportuario de la Ciudad de México, S.A. de C.V.

Rubén Campos Mora has served as an alternate member of the board of directors since 2015. He serves as Deputy General Director of Finance at the SENEAM.

Oscar Chanona García has served as an alternate member of the board of directors since 2015. He serves as Director of Legal Affairs at ASA.

Fernando López Moreno has served as an alternate member of the board of directors since 2015. He serves as Deputy General Director of Budgeting and Programming for Social Development, Labor, Economics and Communications at the SHCP.

Elsa Regina Ayala Gómez has served as an alternate member of the board of directors since 2010. She serves as General Director for Normativity at the Underministry for Competitiveness and Normativity of the Ministry of Economy.

Victor Manuel Vargas Ramírez has served as an alternate member of the board of directors since 2014. He serves as Federal Delegate in Mexico City for the Nacional Immigration Institute at the Ministry of the Interior.

Manuel Barclay Galindo has served as an alternate member of the board of directors since 2017. He serves as Advisers Coordinator at the Underministry of Quality and Normativity of the Ministry of Tourism.

José Luis Palomares Mora has served as an alternate member of the board of directors since 2017. He serves as General Director at the Underministry for Competitiveness and Normativity of the SCT Centers.

Pursuant to the Mexican Federal Law on Governmental Entities, no potential material conflicts of interest should exist between the duties of the members of the board of directors of a wholly state-owned entity and their private interests, in order to be eligible to be designated as a member of the board of directors.

Key Executive Officers

The Chief Executive Officer of AICM is appointed by the board of directors and holds office at its discretion. AICM's current key executive officers are as follows:

Name	Position	Year of Appointment
Alexandro Argudín Le Roy	Chief Executive Officer	2014
Victor Manuel Muñoz de Cote Navarro	Chief Administration Officer	2014
Sergio Saavedra Arrellano	General Counsel	2014
Carlos Hugo Álvarez Luna	Chief Commercial Officer	2014
Armando Subirats Simón	Chief Operating Officer	2014

The following sets forth selected biographical information for each of the key executive officers of AICM:

Alexandro Argudín Le Roy has served as Chief Executive Officer of AICM since 2014. Mr. Argudín holds an Administration in Tourism degree from the *Centro de Estudios Tecnológicos Internacional de Turismo*. He has served in the Mexican Bureau of Civil Aviation, the Federal Electricity Commission, the Ministry of Foreign Relationships, the Ministry of Energy and the Auxiliary Services Agency.

Victor Manuel Muñoz de Cote Navarro has served as Chief Administration Officer of AICM since 2014. Mr. Muñoz holds an Accounting degree from the *Universidad la Salle*. He has served in the Ministry of Economy, the FONACOT (*Fondo de Fomento y Garantía al Consumo de los Trabajadores)*, the Ministry of Foreign Relationships, the FONATUR *(Fondo Nacional de Fomento al Turismo*) and Teléfonos de Mexico, S.A. de C.V.

Sergio Saavedra Arrellano has served as Chief Legal Officer of AICM since 2014. Mr. Saavedra holds a Law degree from the *Universidad Nacional Autónoma de México*. He has served in the Federal Electricity Commission, the Auxiliary Services Agency, the Ministry of Tourism, and the Mexican Social Security Institute (*Instituto Mexicano del Seguro Social*).

Carlos Hugo Álvarez Luna has served as Chief Commercial Officer of AICM since 2014. Mr. Álvarez holds a Foreign Relationships degree from the *Universidad Nacional Autónoma de México*. He has served in the Mexican Foreign Trade Institute (*Instituto Mexicano de Comercio Exterior*), in Mexican Presidency (*Presidencia de la República*) and the Auxiliary Services Agency.

Armando Subirats Simón has served as Chief Operation Officer of AICM since 2014. Mr. Subirats holds an Engineer degree from the *Escuela Superior de Ingenieria Mecanica y Electrica del I.P.N*. He has served in the

Mexican Bureau of Civil Aviation, the Auxiliary Services Agency, the Nacional Anti-drugs Institute (*Instituto Nacional de Combate a las Drogas*), the Cancun Airport, the Acapulco Airport and the Manzanillo Airport.

Organizational Structure

The organizational structure of AICM is as follows:

- **General Office**, which is subdivided into the Operation Assistant Office, Commercial and Services Assistant Office, Administration Assistant Office and Legal Assistant Office, in charge of promoting effective and efficient operation, management and support processes for the provision of quality service to users, customers and the general public of the Existing Airport;

- **Operation Assistant Office**, which includes a Sub-Office of Operation, Engineering and Security, in charge of (i) consolidating the establishment and conduct of airport operation processes and support services for movements on the tracks and platforms of the Existing Airport, (ii) maintaining the facilities and security of the passengers and users of the Existing Airport and (iii) providing quality service in its field, thereby promoting institutional efficiency and effectiveness;

- **Commercial and Services Assistant Office**, which includes a Sub-Office of Customer Service, Promotion and Quality and Commercial Services, in charge of consolidating corporate activities focused on the generation of resources and utilities through the formation of effective commercial services provided at the Existing Airport, having a positive impact on the Existing Airport's customers and public users, as well as on the profitability margins;

- **Administration Assistant Office**, which includes a Sub-Office of Financial Resources, Human Resources, Systems and Material Resources, in charge of managing human, material, financial and computer resources to meet the needs of the Existing Airport and ensuring the effective provision of the Existing Airport's services; and

- **Legal Assistant Office**, in charge of representing AICM in legal matters, processes and actions brought by authorities and third parties.

Patents, Licenses and Trademarks

Currently, AICM does not have among its intangible assets any industrial property rights such as trademarks, licenses, architectural designs and/or patents.

Applicable Law and Taxation

AICM is taxed under the general regime for entities resident in Mexico provided for in the Mexican Income Tax Law (*Ley del Impuesto sobre la Renta*) and the other applicable tax provisions and does not enjoy preferential or differential treatment in the matter of federal taxes, nor is it subject to any special tax derived from its own activities.

Human Resources

As of December 31, 2017, AICM has approximately 1,200 direct employees, of which 41.5% are key non-unionized employees (*empleados de confianza*) and 58.5% are unionized workers (*trabajadores sindicalizados*).

Description of the Existing Airport Concession and the Existing Airport's Master Development Plan

On June 29, 1998, the Mexican government granted the Existing Airport Concession to AICM, allowing it to manage and operate the Existing Airport and its real estate between November 1, 1998 and November 1, 2048 (the "Existing Airport Concession"), in order to provide aeronautical and non-aeronautical services. The Existing

Airport Concession was granted for an initial term of 50 years with an option to extend such term for an additional 50 years through 2098.

In order to maintain the Existing Airport Concession, AICM will be required to comply with all regulatory standards applicable to concessionaires. The Issuer believes the Existing Airport is currently complying with the principal requirements of the Existing Airport Concession. See "The Mexican Regulatory Framework—Scope of the Concessions and Obligations of Each Sponsor Thereunder" for a discussion of the scope of the Existing Airport Concession, the services provided by the Existing Airport and the obligations applicable to AICM under the Existing Airport Concession.

The current master development plan for the Existing Airport was approved by SCT for the period 2017 to 2021. For a description of the outstanding commitments under the Existing Airport's master development plan, see "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—Master Development Plans."

Description of the Existing Airport's Operations

Principal Services

The Existing Airport is subject to economic regulation by the Mexican Airport Law and the Existing Airport Concession. The Existing Airport generates two primary types of revenues: fees charged for aeronautical services (including the collection of passenger charges and other aeronautical services) and non-aeronautical services (including commercial services and complementary services). The Existing Airport Concession generally allows it to provide these services directly or through third parties. See "Mexico and the Aeronautical Industry—Classification of Services Provided at Airports."

AICM operates the Existing Airport under a concession from the Mexican government, which allows it to provide a wide range of services. During the past five years, AICM has been cash flow positive and has been able to transfer excess cash flow to the Mexican federal government, primarily as a result of two actions: first, the amendment of the Services Agreement between AICM and ASA on August 30, 2013, and second, the implementation of the two extraordinary increases in passenger charge tariffs at the Existing Airport, which became effective in January 2014 and 2018, respectively. On January 16, 2014, Domestic Tariffs were raised 38.0% and International Tariffs were raised 74.3%. On January 18, 2018, the International Tariff was raised 22.2%, and the Domestic Tariff remained the same at US$23.20.

Since then, the revenues generated by AICM have been sufficient to cover all operating and maintenance expenses of the Existing Airport. These operating and maintenance expenses include expenses for general services (excluding payments to ASA), personnel, materials and general costs, as well as public investment (CAPEX). The current services agreement with ASA provides that any payment under such agreement would be suspended and deferred if such payment would jeopardize the financial or operational viability of the Existing Airport. However, payments under this agreement have been made in full since 2013, prior to transferring excess cash flows from the Existing Airport to the Mexican federal government.

Aeronautical Services

Aeronautical services have historically represented the main source of revenue for the Existing Airport. In 2016 and 2017, the revenues generated from aeronautical services represented approximately 74.4% and 74.0%, respectively, of the total revenues of the Existing Airport.

The aeronautical services provided at the Existing Airport include: passenger charges, landing charges, boarding and deplaning platform parking service charges, prolonged or overnight stay platform parking service charges, passenger walkway charges, passenger and carry-on baggage inspection service charges, checked baggage inspection service charges and general aviation service charges (right of access, restrooms, rescue from and extinguishing of fires, sanitary services, issuance of badges and permits).

Passenger Charges

The principal source of revenue generated by the Existing Airport is the collection of passenger charges. Passenger charges are tariffs charged for the use of an airport, applied to all paying passengers departing on domestic or international flights, excluding certain exempt passengers.

As of the date of this offering memorandum, the following passengers are exempted from paying passenger charges:

- children under two years of age;
- foreign diplomats from countries with reciprocal passenger charge exceptions;
- passengers in transit on connecting flights; and
- crew members working on flights.

Domestic Tariffs apply to any departing paying passenger whose final destination is within Mexico, while International Tariffs apply to any departing paying passenger whose final destination is outside of Mexico. In 2017, approximately 45.6% of the aggregate passenger charges were collected from international passengers and 54.4% from domestic passengers. Because AICM is a state-owned company, the International and Domestic Tariffs are determined unilaterally by the Mexican government through the SHCP, with the prior opinion of the SCT. Since 2005, in accordance with a directive from the SHCP, Mexican passenger charge tariffs are adjusted annually to reflect inflation based on the Consumer Price Index for All Urban Consumers published by the U.S. Bureau of Labor Statistics in October of each year. Passenger charge tariffs are published in November of each year in the Federal Official Gazette and become effective on January 1 of the next year. As of January 18, 2018, the tariffs in effect are the following:

DOMESTIC TARIFF	INTERNATIONAL TARIFF
US$23.20	US$44.07

In the last ten years, passenger charge tariffs at the Existing Airport have been subject to two extraordinary increases, which became effective in January 2014 and 2018, respectively. On January 16, 2014, Domestic Tariffs were raised 38.0% and International Tariffs were raised 74.3%. On January 18, 2018, the International Tariff was raised 22.2%. The following table shows the historical Domestic and International Tariffs in effect at the Existing Airport in the last five years.

	2014	2014 Increase[3]	2015	2016	2017	2018	2018 Increase[4]	CAGR 2014-2018
				(in dollars, except percentages)				
Domestic tariff	15.91	21.96	22.33	22.37	22.74	23.20	23.20	
Annual increase[1]	1.0%	38.0%	1.7%	0.2%	1.6%	2.0%	0.0%	9.9%
International tariff	19.59	34.15	34.72	34.78	35.35	36.07	44.07	
Annual increase[1]	1.0%	74.3%	1.7%	0.2%	1.6%	2.0%	22.2%	22.5%
U.S. inflation[2]	1.0%	-	1.7%	0.2%	1.6%	2.0%	-	-

(1) Reflects the increase in the tariff for each year compared to the tariff for the prior year.
(2) Inflation based on the Consumer Price Index for all Urban Consumers published by the U.S. Bureau of Labor Statistics.
(3) Passenger charge tariffs effective as of January 16, 2014.
(4) Passenger charge tariffs effective as of January 18, 2018.
Source: AICM and Federal Official Gazette.

Passenger charges are included as part of the ticket price and are collected by each airline operating departing flights from the Existing Airport. International and Domestic Tariffs at the Existing Airport are stated in U.S. dollars, and passenger charges are collected by the airlines operating at the Existing Airport in Mexican pesos or U.S. dollars depending on the place and form of payment for flight tickets. The airlines convert passenger charges collected in U.S. dollars at a monthly average exchange rate determined by the Mexican government using the exchange rates published by the Mexican Central Bank in the Federal Official Gazette, and are subsequently paid to the TUA Security Trust in Mexican pesos.

Passenger charges have historically constituted a stable source of cash flows for the Existing Airport due to the inelasticity of demand by paying passengers of departing flights, as opposed to revenues derived from commercial or complementary services, which are more volatile and dependent on consumer spending, economic conditions and other factors. In recent years, passenger charges have been collected from approximately 40.0% of total passengers at the Existing Airport. In addition, the passenger charge constitutes a very small proportion of the overall travel cost for origin and destination (O&D) passengers, who have a fundamental business or personal need to travel to Mexico. In contrast, connecting passengers, which are not currently subject to passenger charges, may be more willing to switch transit modes for a variety of factors, including increasing direct connections.

The right to collect passenger charges at the Existing Airport was sold and transferred to the TUA Issuer Trust, which assigned this right to the TUA Security Trust to secure, and serve as source of payment for, the existing debt financing obtained for the construction of the New Airport, including the Existing Notes. All revenues derived from the collection of passenger charges are collected by the airlines operating at the Existing Airport and deposited with the TUA Security Trust to fund all payments of principal and interest under this financing structure. AICM has the right to receive certain residual amounts, and additional residual amounts may be distributed at GACM's discretion, from these revenues only after all financing expenses have been paid. As a result, such funds will only be available for distribution to the holders of CBFEs if they are not required for the payment of interest and principal on indebtedness and all other conditions for making Restricted Payments have been satisfied. See "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—Existing Notes—TUA Restricted Payments," for more information on the financing for the development of the New Airport and the availability of residual amounts.

Charges for Other Aeronautical Services

Various charges are collected from airlines for the use of the Existing Airport's facilities by their aircrafts and passengers. The main charges collected by the Existing Airport, other than passenger charges, are: aircraft parking charges, aircraft landing charges, airport baggage inspection charges, aerocar charges, and security services.

Aircraft Landing Services

Landing services include the use of runways, taxiways, runway approach lighting systems, standardized approach slope indicator visual systems, runway and taxiway lighting and any other visual aid available.

Landing fees are applied per ton, according to the maximum operational take-off weight of the aircraft, and at the rate corresponding to the time of landing, as indicated in the arrival and departure manifests.

Airlines are exempted from paying landing fees when aircrafts:

- must land for emergency reasons;
- land at airports other than the destination airport due to lack or failure of an aeronautical service, adverse weather conditions or force majeure;
- must re-fuel at an airport different from the airport of origin, connection or destination, due to a lack of fuel at those airports;

- land exclusively to comply with health, migration or customs formalities, as long as they do not carry out additional embarkation and/or disembarkation operations for passengers, cargo or baggage;

- fly to their maintenance base due to mechanical problems; and

- conduct airline training flights and/or test flights.

The following table shows the tariffs applied in 2018 for aircraft landing services:

Hours	Collection Factor ($/mt) — Flight — Domestic — Per Ton and for 60 Minutes	Collection Factor ($/mt) — Flight — International — Per Ton and for 60 Minutes
Normal:		
From 0:00 to 8:59 From 11:00 to 12:59 From 15:00 to 18:59 From 22:00 to 23:59	$13.34	$34.44
Critical:		
From 9:00 to 10:59 From 13:00 to 14:59 From 19:00 to 21:59	$16.98	$43.90

Boarding and Deplaning Platform Parking Services

Boarding and deplaning platform parking services include the allocation of parking slots and stay on platforms for the boarding and deplaning of passengers, cargo, mail and baggage. Boarding and deplaning platform parking services also include the use of parking and position signs, lights and permanent parking areas for ground support equipment.

The tariff for boarding and deplaning platform parking services is applied per ton, according to the maximum operational take-off weight of the aircraft, and for periods of 30 minutes. After two 30-minute periods, the tariff is charged proportionally for periods of 15 minutes. The tariff is applied based on the amount of time elapsed between the arrival and departure of the aircraft to the assigned parking slot, as indicated in the arrival and departure manifest.

No additional time is charged when the departure of the aircraft has been delayed due to the following:

- lack of aeronautical services, last minute technical failures or unforeseen circumstances;

- adverse weather conditions at the airport of origin, on route or at the destination airport,

- instructions from the air traffic control center;

- alterations in itineraries as a result of official visits or events; or

- orders from any authority that the aircraft cannot leave or return to the platform.

The following table shows the tariffs applied in 2018 for boarding and deplaning platform parking services:

Time	Collection Factor ($/mt/60 minutes)	
	Flight	
	Domestic	International
	Per Ton and for 60 Minutes	
Normal:		
From 0:00 to 8:59 From 11:00 to 12:59 From 15:00 to 18:59 From 22:00 to 23:59	$9.18	$18.73
Critical:		
From 9:00 to10:59 From 13:00 to 14:59 From 19:00 to 21:59	$11.70	$23.86

Prolonged or Overnight Stay Parking Platform Services

Prolonged or overnight stay parking platform services include the stay on a platform for extended periods of time during which the boarding or deplaning of passengers, cargo, mail and baggage will not occur. Prolonged or overnight stay parking platform services also include the use of parking and position signs and lights.

The tariff for prolonged or overnight stay parking platform services is applied per ton, according to the maximum operational take-off weight of the aircraft, and for periods of one hour. After the first hour of service, the tariff is charged proportionally for periods of 30 minutes. The tariff is applied to the time elapsed between the arrival to the assigned platform for prolonged or overnight stay and departure from the assigned platform for prolonged or overnight stay. The time is accounted for from the moment the deplaning maneuver ends until the moment when the boarding begins, based on the arrival and departure manifest.

No additional time is charged for prolonged or overnight stay parking platform services when the departure of the aircraft has been delayed due to the following:

- lack of aeronautical services, last minute technical failures or unforeseen circumstances;
- adverse weather conditions at the airport of origin, on route or at the destination airport,
- instructions from the air traffic control center;
- alterations in itineraries as a result of official visits or events;
- saturation or congestion in the taxiways that does not allow for the towing or transfer of the aircraft from the areas of prolonged or overnight stay to another area of the airport; or
- orders from any authority that the aircraft cannot leave or return to the platform.

The following table shows the tariffs applied in 2018 for prolonged or overnight stay parking platform services:

Collection factor ($/mt/60 minutes)	
Flight	
Domestic	International
Per Ton and per 60 Minutes	
$1.30	$2.56

Passenger Mechanical Walkway Services

Passenger mechanical walkway services include the use of passenger walkways, bridges, mobile rooms and aerocars.

The tariff for passenger mechanical walkway services is applied per unit and for periods of 30 minutes. After the first 30 minutes of service, the tariff is charged proportionally for periods of 15 minutes. The service time is accounted for as follows:

- For the passenger walkway and bridge services, the length of time the walkway or aerobridge is connected to the aircraft; and
- For mobile rooms or aerocars, from the time the mobile room or aerocar is made available to the user until the moment of its release by the user.

No additional time for passenger mechanical walkway services is charged when the departure of the aircraft has been delayed due to the following:

- lack of aeronautical services or force majeure;
- adverse weather conditions at the airport of origin, on route or at the destination airport;
- instructions from the air traffic control center;
- alterations in itineraries as a result of official visits or events; or
- orders from any authority that passengers must descend from the aircraft, but the aircraft cannot leave or return to the platform.

The following table shows the tariffs applied in 2018 for passenger mechanical walkway services:

Aerocars	
Collection factor	**Tariff**
Initial Period ($/30 minutes/unit)	$728.00
1st and 3rd fraction of 15 minutes ($/15 minutes/unit)	$220.00
2nd and 4th fraction of 15 minutes ($/15 minutes/unit)	$145.00

Passenger Walkway

Collection factor ($/service/hour)	Domestic	International
First hour of Service	$1,079.00	$1,918.00
First 15 minutes	$328.00	$576.00
Second 15 minutes	$217.00	$383.00
Third 15 minutes	$328.00	$576.00
Fourth 15 minutes	$217.00	$383.00

Passenger and Carry-On Baggage Inspection Service

Passenger and carry-on baggage inspection service includes the use of specialized automatic and manual equipment, such as metal and explosive detectors and X-ray monitors, to check passengers and their luggage. Passenger and carry-on baggage inspection service also includes surveillance personnel qualified in this function.

The tariff for passenger and carry-on baggage inspection service is calculated based on the total number of passengers boarding the aircraft for the designated flight. According to the departure manifest, passengers on connecting flights and infants under two years old are exempted. The tariff corresponds with the departure time of the aircraft.

General Aviation Service

The tariff for general aviation service is charged to all aircraft that are used for private commercial air transportation services, private non-commercial air transportation services, air taxis and government aircraft.

The following table shows the tariffs applied in 2018 for general aviation services:

Hours	Collection Factor ($/mt)	
	Flight	
	Domestic	International
	Per Ton	
Normal:		
From 0:00 to 8:59 From 11:00 to 12:59 From 15:00 to 18:59 From 22:00 to 23:59	$17.93	$43.81
Critical:		
From 9:00 to 10:59 From 13:00 to 14:59 From 19:00 to 21:59	$22.83	$55.83

Cargo Handling

Cargo-related revenues include revenues from the leasing of space in the Existing Airport to handling agents and shippers, landing fees for each arriving aircraft carrying cargo and a portion of the revenues derived from other complementary services provided in connection with cargo services. In 2016 and 2017, the Existing Airport handled approximately 483,433 and 537,263 metric tons of cargo, respectively.

Changes to Tariffs Charged for Aeronautical Services

In order to increase tariffs charged by the Mexico City Airport System for the provision of aeronautical services, including any increases to passenger charge tariffs, AICM must, in accordance with Mexican law, commence an authorization process involving different ministries within the Mexican government. Once an increase is authorized, the new passenger charge tariff must undergo a registration process. First, AICM must apply for and receive internal corporate authorization from its board of directors with respect to the increase. Following receipt of such corporate authorization, AICM must make a formal request to the SCT. The SCT, in turn, makes a request to the SHCP, which authorizes or denies the request hearing the opinion of the Mexican Ministry of Economy. Notice of the outcome of the review process is sent to AICM. The participation of the SHCP is necessary due to the nature of AICM. The SHCP, through the Under-ministry of Revenue, is the governmental entity in charge of determining the bases and reviewing the tariffs charged for the provision of goods and services by state-owned entities considering the effects of such tariffs in connection with the objectives and priorities of the National Development Plan.

If approved, AICM may begin its registration process, which, includes a request for recommendations from the Operating and Schedules Committee of the Existing Airport, a request for registration of the new tariffs before the SCT, through the Mexican Bureau of Civil Aviation, and finally, publication of the new tariffs in the Federal Official Gazette. Only upon completion of this registration process do the new tariffs become effective. This process generally takes approximately two months from the date of receipt of formal request.

The same process will apply for changes in tariffs charged at the New Airport once it commences operations.

In the last ten years, passenger charge tariffs at the Existing Airport have been subject to two extraordinary increases, the 2014 and 2018 increases discussed above. The Sponsors may also request that passenger charge tariffs extend to passengers in transit on connecting flights which are currently considered exempt passengers.

Due to inelasticity of demand, no impact was observed in passenger traffic stemming from past tariff increases, as demonstrated in the following table, which shows the total departing passengers for the months of January through March for the years 2013, 2014, 2015, 2016 and 2017 after each annual tariff adjustment or increase.

Non-Aeronautical Services

Non-aeronautical services are divided into two categories: commercial services and complementary services.

Commercial Services

Commercial services are an important part of the Existing Airport's revenues, including the leasing of space to retailers, car rental agencies, parking lots, currency exchange bureaus, banks, hotels, restaurants, airlines, advertising, mail and other services. Such activities are dependent on passenger traffic, passengers' level of spending and the design of the terminal building and the parking lots, among other factors. Revenues from commercial services also depend on the percentage of traffic represented by international passengers due to the revenues generated from duty-free shopping and spending on other commercial activities. Currently, the leasing of space in the Existing Airport to airlines and other commercial tenants represents the second most significant source of revenues from the Existing Airport.

The Existing Airport had approximately 630 lease agreements with commercial tenants as of December 31, 2017, including restaurants, banks, hotels, retail outlets (including duty-free stores), currency exchange bureaus and car rental agencies. The Existing Airport charges either a fixed monthly fee or a royalty fee based on a percentage of tenant profits for the lease of commercial space in the Existing Airport. Revenues from commercial activities are denominated in Mexican pesos.

The Existing Airport provides additional commercial services, including automobile parking and ground transport services. The Existing Airport has over 6,517 public parking spaces for which parking fees are charged. Revenues from parking at the Existing Airport are not currently regulated, although they could become regulated upon a finding by the Mexican Antitrust Commission that there are no competing alternatives. Parking fees are charged in Mexican pesos.

The Existing Airport also collects revenue from various commercial vehicle operators, including taxi and bus operators. The Existing Airport's revenues from permanent providers of ground transport services, such as access fees charged to taxis, are regulated activities, while the Existing Airport's revenues from non-permanent providers of ground transport services, such as access fees charged to charter buses, are not regulated revenues. Access fees are generally charged in Mexican pesos.

Complementary Services

Revenues from complementary services are primarily derived from the following services: aircraft servicing at its gates (interior cleaning, passenger boarding and deplaning, luggage and cargo handling, deicing, etc.), fuel supply, maintenance and repairs of aircrafts, security, and handling of documentation for passengers, luggage and cargo.

Under the Mexican Airport Law and current regulations, complementary services may be provided by the Existing Airport directly, by an airline for itself or for other airport users or by a third party hired by the Existing Airport. Typically, these services are provided at the Existing Airport by third parties, whom are charged an access fee based on a percentage of revenues they earn.

Administradora Especializada, a subsidiary of Consorcio de Aeroméxico and the successor to Servicios de Apoyo en Tierra, provides certain complementary services, such as baggage handling, to various carriers at airports throughout Mexico, including the Existing Airport.

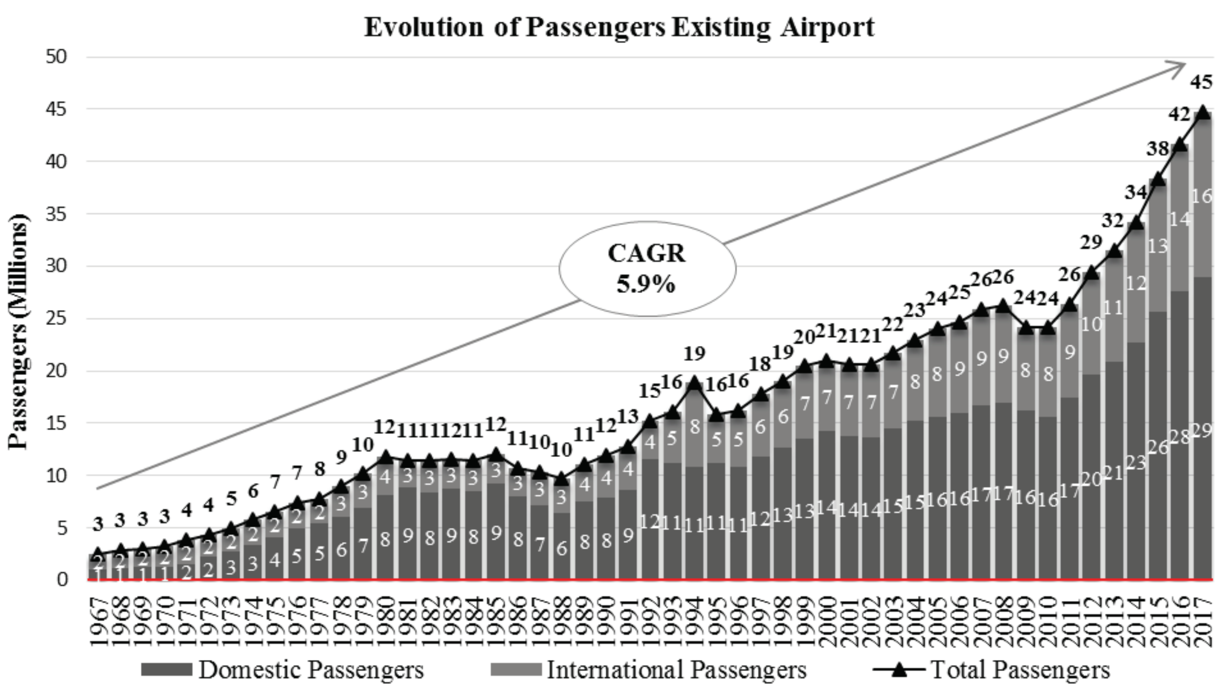
Fees for complementary services are generally charged in Mexican pesos.

Existing Airport's Operating Data

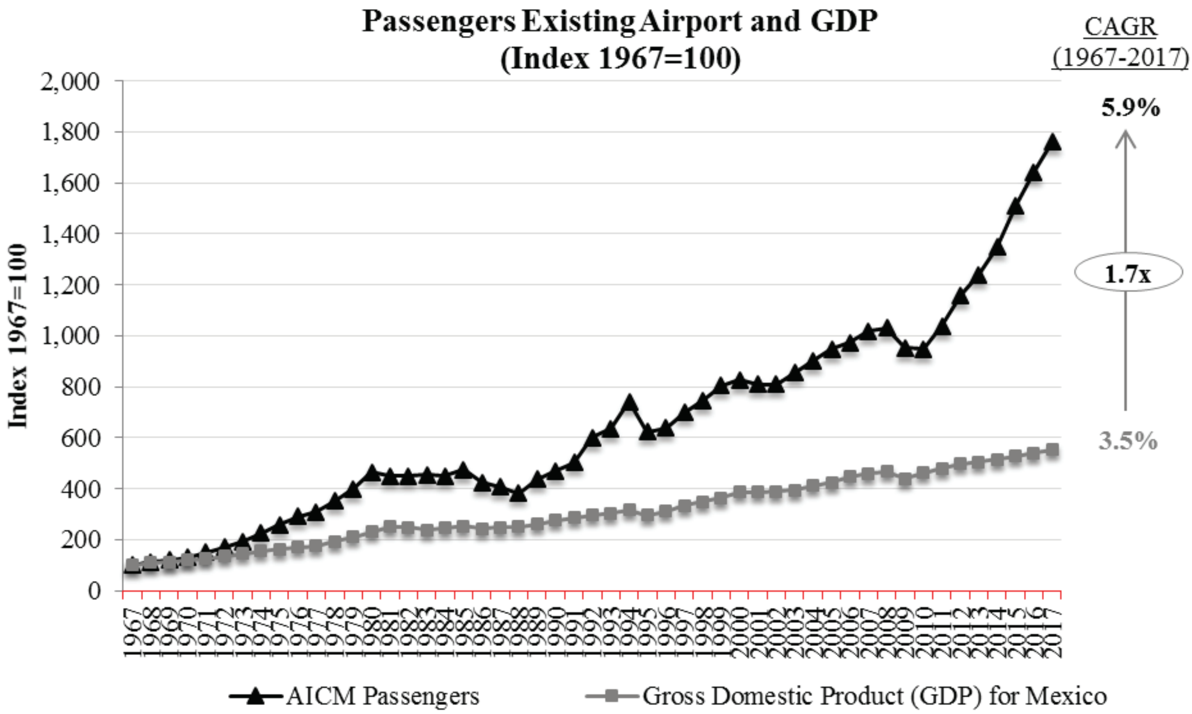
Historical Passenger Traffic

According to SCT figures, the Existing Airport's commercial aviation passenger traffic accounted for approximately 33.8%, 33.1% and 32.7% of all commercial aviation passengers in Mexico in 2015, 2016 and 2017 respectively.

The Existing Airport has seen passenger traffic grow over the last 50 years at an annual compound rate of 5.9%. Historically, the Existing Airport's passenger traffic has grown at a rate of 1.7 times the Mexican GDP. The strong link between the level of aviation activity and economic growth (GDP) exists at the Existing Airport. Growth in population, income, and business activity typically lead to increased demand for air travel both for business and leisure purposes. The following two charts show available data on historical passenger traffic at the Existing Airport by millions of passengers, the annual compound growth percentage and traffic growth as compared to Mexican GDP.



Source: AICM



Source: AICM

As shown above, passenger traffic has decreased only in those periods of economic crisis/recession. The largest drop in a single year occurred in 1995 (-16%). After each recession passenger traffic has recovered to its pre-crisis level over a period of 1 to 3 years. This is due to the importance of the Existing Airport as the main destination within Mexico for both leisure and business travel and to its relevance as a connecting point between North and South America.

The following table sets forth the number of passengers served by the Existing Airport based on flight destination for the years indicated.

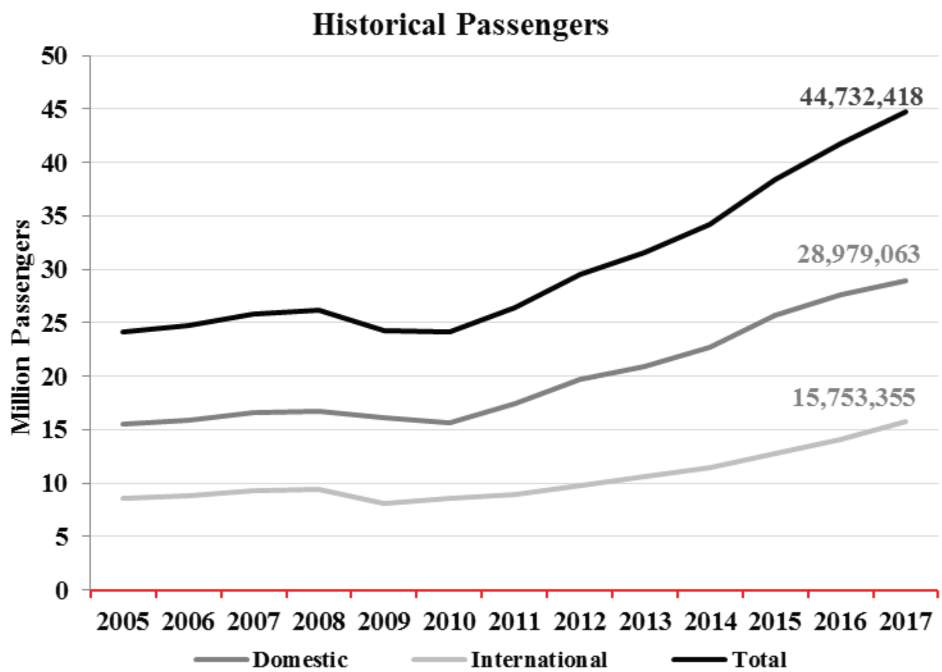
	Years Ended December 31,			
	2013	**2014**	**2015**	**2016**
	(in thousands)			
Region				
Mexico	12,040.9	13,020.3	14,577.5	10,349.1
United States	3,216.3	3,491.5	3,811.0	3,742.9
Canada	0.6	0.5	0.6	258.4
Europe	1,070.2	1,138.4	1,248.5	1,018.6
Latin America	1,543.1	1,681.8	2,000.5	1,929.8
Asia and Others	-	-	-	-
Total	**17,871.1**	**19,332.5**	**21,638.1**	**17,298.8**

Figures exclude private aviation passengers.
Figures include domestic flights taken by international passengers.
Source: SCT. Dirección General de Aeronáutica Civil (DGAC) and AICM.

In spite of slot limitations, total passenger traffic at the Existing Airport has increased by 5.1% annually since 2005 reaching 41.7 million passengers in 2016 (27.6 million domestic and 14.1 million international). Connecting passengers at the Existing Airport (both arriving and departing) represented nearly 23% of total passenger traffic in 2016.

Airport traffic decreased in 2009 and 2010 due to the world economic recession but traffic has rebounded strongly. Between 2010 and 2017, total passenger traffic increased 9.2% per year on average. In that same period, international passenger traffic increased by 9.1% per year on average and domestic passenger traffic increased 9.3% per year on average.

The following chart presents historical growth in passenger traffic, including domestic and international passenger traffic, since 2005 at the Existing Airport:



Source: Landrum & Brown, Aviation Demand Forecast, 2018.

Based on projections included in the Aviation Demand Forecast, passenger traffic at the Existing Airport is expected to continue growing through the opening of the New Airport, driven by a continued expansion of the domestic market from a mix of full service carriers and low-cost airlines.

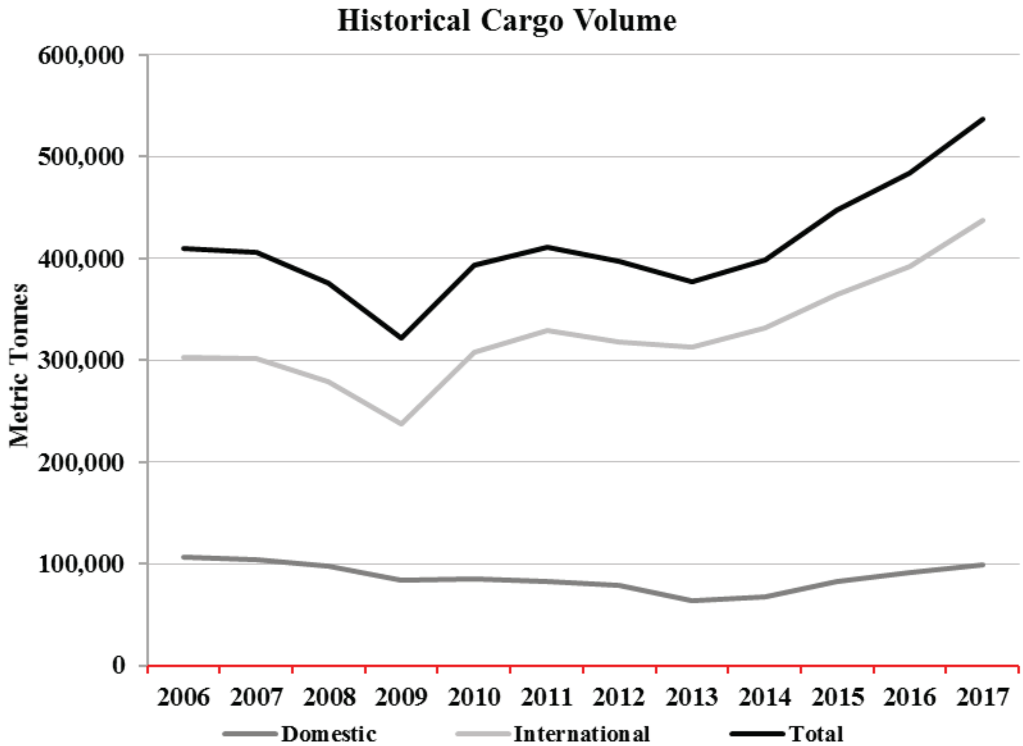
From 2010 to 2017, passenger traffic at the Existing Airport increased 9.2% per year on average. However, because of capacity constraints at the Existing Airport, passenger traffic may grow at a slightly lower rate than the historic growth rate until the New Airport is operational.

Historical Cargo Volume Data

Cargo growth at the Existing Airport was significantly impacted by the global economic recession. However, since 2009, growth in cargo tonnage has been strong. Between 2010 and 2017, total cargo (mainly belly cargo transported on commercial passenger aircraft) increased 4.6% on average per year. Total air cargo reached 537,263 metric tons in 2017. In 2017, the Existing Airport transported approximately 55.5% of Mexico's total cargo volume and hosted 14 cargo airlines that fly to and from Europe, North, Central and South America, the Middle East and Asia.

Mexico's primary trading partner is the United States and existing trade agreements have helped maintain growth in exports and imports between Mexico and the United States. Increased air cargo shipments, mainly exports to the U.S., are expected to continue during the forecast period; however, weakening currency exchange and uncertainty about the future of NAFTA may impact future cargo volume. Growth in international belly cargo is expected to contribute significantly to total cargo tonnage growth as international passenger traffic expands at the Existing Airport and, once it commences operations, the New Airport.

The following chart presents historical growth in cargo volume, including domestic and international cargo volume, since 2005 at the Existing Airport:

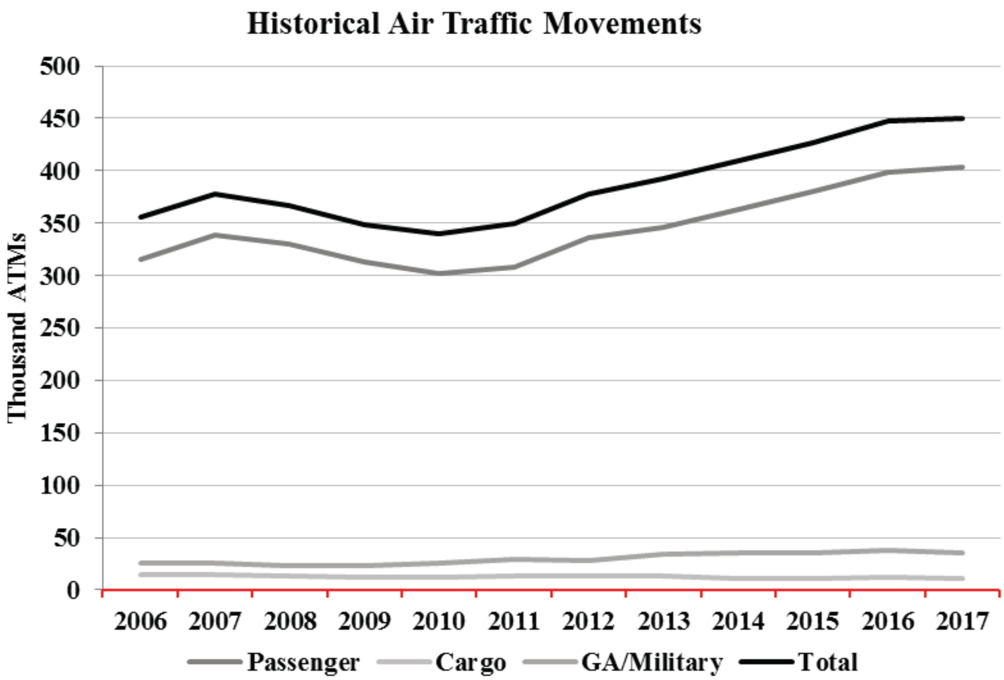


Source: Landrum & Brown, Aviation Demand Forecast, 2018.

Historical Air Traffic Movement Data

ATMs represent the total number of aircraft arrivals and departures at the Existing Airport. Commercial passenger ATMs represent the largest share of aircraft activity at the Existing Airport with nearly 400,000 arrivals and departures, or 88.9% of total traffic, in 2016. Total ATMs at the Existing Airport increased at an average of 4.1% annually between 2010 and 2017, after the global economic recession. In 2016, total activity at the Existing Airport reached 448,150 ATMs, an increase of 5% in a very congested operational environment. In 2017, total ATMs reached 449,656.

The following chart presents historical growth in air traffic movements since 2005 at the Existing Airport:



Source: Landrum & Brown, Aviation Demand Forecast, 2018.

Other Material Aspects

Agreement between ASA and AICM

AICM fully operates and manages the Existing Airport with its own resources. However, since 1998, AICM has retained ASA, a Mexican government instrumentality, to act as a special advisor for the provision of operational and management services. On August 30, 2013, ASA and AICM agreed to amend ASA's services agreement such that the compensation payable to ASA for provision of services would be set according to a schedule for the years 2013 through 2016 and, afterwards, would be set at a fixed annual rate of Ps.1,331.2 million (US$70.3 million) plus value added tax payable in monthly installments, as adjusted on a monthly basis for cumulative inflation from December 2012. The amended services agreement provides that any such payment schedule and inflation adjustment will be deferred if the payment of such amounts would jeopardize the financial or operational viability of the Existing Airport. However, payments under this agreement have been made in full since 2013, prior to transferring excess cash flows from the Existing Airport to the Mexican federal government.

Capacity

Because of its limited potential for expansion due to its location in a densely populated area, the Existing Airport faces significant capacity constraints.

Even with the Existing Airport's constrained infrastructure, passenger traffic is expected to continue growing until the expected opening of the New Airport. This will be attained by the use of larger aircraft with higher load factors by certain airlines operating at the Existing Airport, and an increase in frequency of flights by international carriers.

In order to meet the expected growth of the Existing Airport's passenger traffic prior to the opening of the New Airport, capacity may be further optimized if the following measures are placed into effect:

- Optimization of processes related to gate arrival, departure and use of taxi runways;

- Implementation of new procedures for turboprop aircraft take-offs;
- Use of 100% of available landing slots between the hours of 5 a.m. and 11 p.m.;
- Further use of larger aircraft with higher load factors; and
- Redirection of charter operations to contiguous airports and regional flights to Toluca.

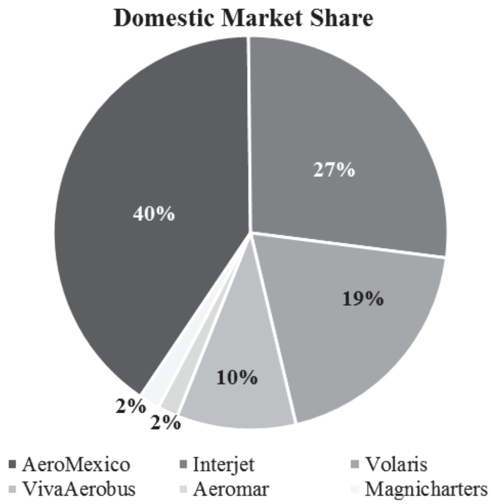
However, because of the limitations imposed by the physical and geographical constraints at the Existing Airport, the above optimization measures are considered palliative and short-term remedies that will not accommodate the projected long-term growth in passenger traffic volume at Mexico City, which is expected to reach 140.5 million passengers per year by the year 2070. The New Airport is a long-term solution to both accommodate expected passenger growth and attract additional traffic.

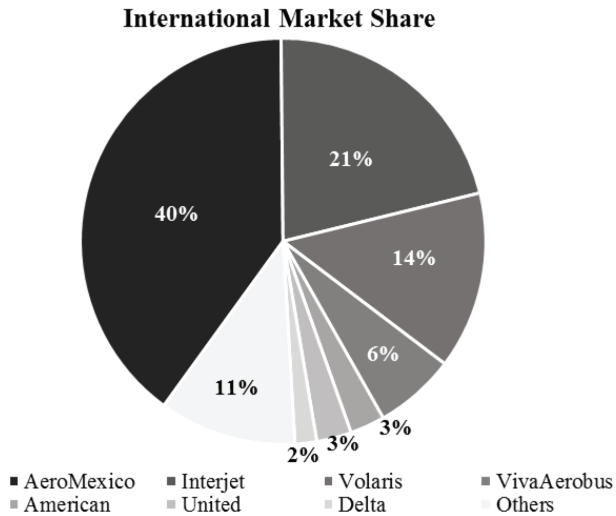
Airlines

The Existing Airport is designated as an international airport under Mexican law, which indicates that it is equipped to receive and make international flights and have customs and immigration facilities. The Existing Airport hosts 30 passenger airlines that connect Mexico City and domestic and international destinations in Latin America, North America, Europe and Asia. The airport serves as the hub for several national airlines including Interjet, Volaris, Aeromar, Magnicharters and Aeroméxico. In addition, as of December 31, 2017, 23 international airlines, including United States-based airlines such as American Airlines, Southwest, Delta Airlines and United Airlines, as well as Air France, British Airways, Iberia, KLM and Lufthansa were operating directly or through code-sharing arrangements in the Existing Airport. At the beginning of 2016, an A380 aircraft, the biggest plane in the world, operated by AirFrance landed for the first time in the Existing Airport.

Airlines operating at the Existing Airport reach 109 destinations, including several major international routes. The Mexico City-Los Angeles route was ranked, in 2016, among the busiest international routes in Mexico by total number of passengers according to the Mexican Bureau of Civil Aviation. Airlines such as Iberia and Air France offer transatlantic flights from Mexico City to Madrid and Paris, as well as transpacific flights from Mexico City to Narita. Domestic airlines such as Aeroméxico and Interjet operate departures to the most destinations, including destinations in Central and South America and Asia.

The six current Mexican airlines represented 84% of total traffic at the Existing Airport in 2016, and their business plans and strategic efforts are expected to drive growth in future air traffic. In 2016, Aeroméxico handled approximately 40% of total passengers at the Existing Airport. The second largest Mexican carrier, Interjet, handled 21.3%. Volaris, the third largest Mexican carrier, accounted for 14.1%. VivaAerobus handled 6.5%, Aeromar handled 1.1%, and Magnicharters handled 1.1%.The following chart sets out market share of passenger traffic per airline at the Existing Airport:





Source: Landrum & Brown, Aviation Demand Forecast, 2018.

Recent growth at the Existing Airport in both domestic and international markets has been influenced significantly by the success of low cost carriers since the Mexicana and Aviasca airlines ceased operations in 2010 and 2011. The low cost carrier share of total traffic at the Existing Airport increased from 35% to 42% from 2012 to 2016.

Growth of the low-cost airlines at the Existing Airport in recent years has been extremely positive and the new Air Transport Agreement, opens up further opportunities for airlines from both Mexico and the United Sates to develop more trans-border services.

Competition

There are five airports that serve the Mexico City metropolitan area: the Existing Airport, the Toluca International Airport, the Cuernavaca International Airport, the Puebla International Airport and the Querétaro International Airport. In 2017, the Existing Airport was the primary airport within the group of five, maintaining about a 95.5% share of the region's total air passenger traffic.

The Existing Airport competes with Toluca International Airport, which is located 29.2 miles from Mexico City and is largely served by low-cost airlines that cater to domestic passengers. Since 2008/2009, the Existing Airport has been growing strongly while the Toluca International Airport lost 80.0% of its passenger traffic. The Existing Airport also benefits from good links from the wider bus network serving Mexico City, although the Toluca International Airport is closer to certain higher-income and business center areas on the west side of Mexico City than the Existing Airport.

The Existing Airport also competes with airports that are proximate to Mexico City, such as Cuernavaca International Airport, Puebla International Airport and Queretaro International Airport which are located 42.0 miles, 53.1 miles and 106.7 miles from Mexico City, respectively, and other forms of travel (including regular and long distance interstate bus service). Currently, the Cuernavaca International Airport has no scheduled services.

Seasonality

The Existing Airport's business is subject to seasonal fluctuations. In general, demand for air travel is typically higher during the summer months and during the winter holiday season, particularly in international markets, because there is more vacation travel during those periods. The Existing Airport's results of operations generally reflect this seasonality, but have also been impacted by numerous other factors that are not necessarily seasonal, including economic, security and health concerns conditions, war or threat of war, weather and air traffic control delays. As a result, the Existing Airport's operating results for a quarterly period are not necessarily indicative of operating results for an entire year, and historical operating results are not necessarily indicative of future operating results.

Security

The Mexican Bureau of Civil Aviation, Mexico's federal authority on aviation, and the Office of Public Security issue guidelines for airport security in Mexico. At the Existing Airport, security services are provided by independent security companies and by the Federal Police. In recent years, the Existing Airport has undertaken various measures to improve its security standards, including increasing the responsibilities of the private security companies, the implementation, in accordance with regulations issued by ICAO, of integrated computer tomography and baggage detection system for international and domestic flights to detect explosive traces, the modernization of carry-on luggage scanning and security equipment, the implementation of strict access control procedures to the restricted areas of the Existing Airport and the installation of a closed-circuit television monitoring system.

In response to the September 11, 2001 terrorist attacks in the United States, the Existing Airport has taken additional steps to increase airport security. At the request of the Transportation Security Administration of the United States, the Mexican Bureau of Civil Aviation issued directives in October 2001 establishing new rules and procedures to be adopted at the Mexico City Airport System. Under these directives, these rules and procedures were to be implemented immediately and for an indefinite period of time.

To comply with these directives, the Existing Airport reinforced security by:

- increasing and improving the security training of Mexican airport personnel,
- increasing the supervision and responsibilities of both the Existing Airport's security personnel and airline security personnel that operate in the Existing Airport,
- issuing new electronic identification cards to the Existing Airport personnel,
- reinforcing control of different access areas of the Existing Airport, and
- physically changing the access points to several of the restricted areas at the Existing Airport.

Airlines have also contributed to the enhanced security at the Existing Airport as they have adopted new procedures and rules issued by the Mexican Bureau of Civil Aviation applicable to airlines. Some measures adopted by the airlines include adding more points for verification of passenger identification, inspecting luggage prior to check-in and reinforcing controls over access to airplanes by service providers (such as baggage handlers and food service providers).

Insurance

AICM maintains the following insurance coverage for the Existing Airport:

- **property damage and business interruption insurance** which covers all risks (including terrorism) of sudden accidental direct physical loss or destruction of, or damage to, insured property and resultant loss of revenue and/or increased costs of maintaining normal business activities. There is also a separate policy covering specified tenanted properties, which provides cover on the basis of individual property sums insured;
- **general liability insurance**, including aviation liability, aviation war/terrorism, public/product liability; public liability with respect to the Existing Airport's train shuttle (Aerotrén); and construction third-party liability;
- **construction all-risks insurance (including terrorism)**, which is provided up to the full value of all construction projects;

- **insurance for all airport vehicles**, including physical damage and total theft, civil liability, medical and legal expenses, and roadside assistance;

- **third-party financial loss and professional indemnity insurance**; and

- **employers’ liability insurance.**

THE NEW AIRPORT

Overview

In September 2014, President Enrique Peña Nieto announced the development and construction of a new international airport in Mexico City designed to meet the projected long-term demands of air travel and remedy the current capacity constraints at the Existing Airport. On September 22, 2014, the 50-year concession to build, develop, operate, manage and exploit the New Airport was granted to Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., a state-owned company organized and existing under the laws of Mexico, wholly-owned by the SCT.

The New Airport will be located on an approximately 4,431 hectares federal property adjoining the municipalities of Atenco, Ecatepec de Morelos and Texcoco in the State of Mexico, approximately 7.1 miles from downtown Mexico City and only 3.1 miles northeast of the Existing Airport. The New Airport is expected to be connected to the surrounding region by several links, including a subway line, a dedicated bus lane, one bus terminal and access roads linked to major highways.

The New Airport is expected to be one of the largest in Latin America in terms of passenger traffic and an important regional hub. It is expected that the New Airport will have approximately 55 million passengers during its first full year of operations, and increase progressively to reach 140.5 million annual passengers by 2070. In its opening, which is expected to occur in October 2020, simultaneously with the closure of the Existing Airport, it is expected that the New Airport will be comprised of a single terminal with three simultaneous triple runways and 108 boarding gates, and will be extended through the construction of the second terminal to reach its maximum capacity with the opening of the second terminal building to six triple-simultaneous runways and 191 boarding gates by 2070. For more information related to the risks of the opening of the New Airport and the beginning of its activities simultaneously with the closing of the Existing Airport operations, see " Risk Factors."

A consortium consisting of renowned architects Norman Foster (Foster + Partners) and Fernando Romero (FR-EE) developed the architectural design of the land side of the New Airport, which is inspired by the Mexican national emblem, while providing an attractive and efficient passenger experience. The construction plan for the air side, which includes the runways, taxiways, platforms, aprons and support facilities was designed by NACO (Netherlands Airport Consultants), a renowned global provider of airport planning, design and engineering services, which has participated in the development of more than 600 airports around the world. The construction program and budget for the New Airport, including enabling and complementary works, was prepared and updated from time to time by the project manager Parsons Corporation, and is estimated at approximately US$13.3 billion, of which approximately 36% will be contributed by the Mexican government through the use of public funds, and the remaining 64% is expected to be financed by bank loans and through several offerings of securities in the domestic and international capital markets, including the Existing Notes and the CBFEs offered hereby. In order to minimize the impact of the Project on the Mexican government's public finances, the private financing for the New Airport is designed as a structured financing and is backed by the Existing Airport and future New Airport revenues, including passenger charges (which have been irrevocably assigned to the TUA Security Trust).

Description of GACM

Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., incorporated on May 28, 1998, and existing under the laws of Mexico, is a majority state-owned entity with independent legal personality and assets. Formerly, its business consisted of share ownership of AICM, as concession holder of the Existing Airport, and of Servicios Aeroportuarios de la Ciudad de México, S.A. de C.V. ("SACM"), a company responsible for providing administrative services to GACM. GACM owns 99.9% of the shares of AICM and owns 99.9% of the shares of SACM.

The Mexican government granted the New Airport Concession to GACM on September 22, 2014. The New Airport Concession requires GACM to build, operate, maintain and develop the New Airport and carry out any necessary construction in order to render aeronautical, commercial and complementary services as provided under the Mexican Airport Law and the Mexican Airport Law regulations.

Pursuant to its corporate purpose, GACM is authorized to request and obtain, by itself or through its subsidiaries, concessions, permits and authorizations to carry out its corporate purpose, including those referred to in the Mexican Airport Law and the Mexican National Assets Law and exercise the rights thereunder, and grant guarantees, among others, to carry out the administration, operation and/or construction of airports, as well as for the provision of any other necessary services for the operation of said airports and the performance of any activity that supports and is related to said purpose, including any other activity that is complementary to the services it provides and that directly benefits them. Also, in accordance with the terms of the applicable regulations and the respective concession, GACM may receive, for itself or through its subsidiaries, revenues from the use of the infrastructure, for the execution of contracts, for the services that it provides directly, as well as for the commercial activities it carries out.

Due to its legal nature as a state-owned company, GACM is subject to additional regulation that is not applicable to private airport operators. For example, in order to receive funding, GACM must prepare and submit a draft of its annual budget to be included in the federal budget of public expenditures, which is approved by the Mexican Congress each year. See "The Mexican Regulatory Framework—Federal Budget of Public Expenditures." Also, GACM's financings must follow the general guidelines established by the SHCP. See "The Mexican Regulatory Framework—Financing." Furthermore, GACM must generally award its construction contracts through a public bidding process that provides all interested parties with equal access, in order to obtain the most favorable terms on price, quality and financing and to avoid unfairly favoring any bidder. See "The Mexican Regulatory Framework—Procurement."

Shareholders

The SCT owns 99.99% of GACM's shares and ASA owns 0.01% of GACM's shares. The following table sets forth information concerning the share ownership of GACM as of the date of this offering memorandum:

Shareholder	**Number of Common Shares**	**% of Common Shares**
SCT	78,338,190,939	99.99%
ASA	1	0.01%
Total	**78,338,190,940**	**100%**

The New Airport Concession requires GACM to remain as a state majority-owned entity (*empresa con participación estatal mayoritaria*) throughout the term of the New Airport Concession. Failure to comply with this condition is a cause for immediate revocation of the New Airport Concession. In turn, the Existing Airport Concession requires GACM to retain at least 51.0% direct ownership interest in AICM throughout the term of the Existing Airport Concession.

The Issuer intends to use the net proceeds of the Global Offering to acquire the GACM Special Shares, a special series of shares with preferred economic rights representing 20% of GACM's capital stock, and a nominal interest in AICM, in accordance with certain requirements under Mexican law. For a description of the GACM Special Shares, see "Main Characteristics of the GACM Special Shares."

GACM's Management

Board of Directors

GACM is managed by a board of directors, comprised of a minimum of 7 and a maximum of 15 members, provided that at least 25% of the members must be independent.

As part of the Formation Transactions, GACM's bylaws were amended to, among others, give the right to the Issuer, as holder of the GACM Special Shares, to appoint two members of GACM's board of directors and their alternates, subject to the consummation of the Global Offering. Directors must be individuals with high moral standards and prestige, with experience related to the activities of GACM. A representative appointed by the Issuer to act as a member of GACM's board of directors may be removed if the representative ceases to meet the eligibility criteria established under GACM's bylaws, the Mexican Corporations Law, the Mexican Federal Law on Governmental Entities and its regulations to act as a member of GACM's board of directors (including if a conflict of interest arises) or upon a breach of such representative's duty of loyalty or duty of care pursuant to the Mexican Securities Market Law.

Persons who have a conflict of interest with GACM, or its subsidiaries cannot be appointed as members of the board of directors.

Members of the board of directors and their alternates may or may not be GACM shareholders and may be re-elected. With respect to independent directors, they may be reappointed for up to 4 additional terms of one year, with the purpose of ensuring their independence. In order to be able to be reappointed in their position, independent directors must have attended at least 75% of the meetings of the board of directors that have been held during their time of office. Compensation for members is determined by the board of directors.

The members of the board of directors are required to formally raise any matter in which they have or know of a possible conflict of interest, using the mechanisms and channels approved by the board of directors. A member who has a potential conflict of interest should withdraw from the meeting and refrain from any discussion.

Independent directors and, where applicable, their respective alternates, must perform their duties free of conflicts of interest, and must comply with GACM's Governance Guidelines. Notwithstanding the foregoing, in no event may the following persons be appointed or serve as independent directors:

- Executives or employees of GACM, or the individuals who have held the position of external auditor of GACM, or the legal entities members of the business group, as well as their respective examiners. This limitation is applicable only to individuals who have occupied these positions during the 12 months immediately prior to the date of their appointment.

- Individuals having significant influence over GACM, or over any of the legal entities of the business group.

- The public officers of the Federal, State and/or Municipal Public Administration, the representative and senators of the Mexican Congress and the shareholders that are part of the group of persons who maintain control of GACM.

- Clients, service providers, suppliers, borrowers, creditors, partners, directors or employees of a company that is a material client, service provider, supplier, borrower or creditor of GACM.

- Persons related by blood, marriage or adoption to the fourth degree, as well as spouses, cohabiting partners and any of the individuals referred to above.

Independent directors who, during office, lose their status of independence must inform the board of directors no later than the next meeting of the board of directors.

By accepting their position, public officials who are members of the board of directors will be subject to the duties assigned to them under the Federal Law of Administrative Responsibilities of Public Servants. Independent members of the board of directors must perform their duties diligently, without favoring a particular shareholder or group of shareholders.

The Shareholders' Meeting may impose the obligation of the members of the board of directors and their alternates to secure the performance of their duties. For these purposes, the secured amount will be determined by the Shareholders' Meeting.

The board of directors may create committees and subcommittees, for the purpose of supporting the board of directors in the performance of its duties in specific areas, and said committees and subcommittees will be in charge of the organization, functions and responsibilities determined by the board of directors, and/or the Shareholders' Meeting.

The committees or subcommittees will have a transitory or permanent temporality, and may be modified, replaced, split or dissolved at the discretion of the board of directors, and will be comprised of a minimum of 3 and a maximum of 5 members, and a majority of the members must be independent. Without prejudice to the provisions of the Governance Guidelines, the committees will carry out the activities related to auditing and corporate practices set forth in the GACM Governance Guidelines.

The following table shows the current members of GACM's board of directors, their respective positions and affiliation within the Mexican government:

Name	Alternate	Affiliation
Gerardo Ruiz Esparza	Yuriria Mascott Pérez	SCT
Vacant	Ardelio Vargas Fosado	Ministry of the Interior
Alejandro Sibaja Ríos	Fernando López Moreno	Ministry of Finance
Janette Taboada Veja	Vacant	Ministry of Finance
Vacant	Francisco Covarrubias Gaytán	Ministry of Agrarian, Territorial and Urban Development
Alfonso Flores Ramírez	Vacant	Ministry of the Environment and Natural Resources
José Salvador Sánchez Estrada	Vanessa María Vázquez Meseguer	Ministry of Tourism
José Rogelio Garza	Héctor Márquez Solís	Ministry of Economy
Alejandro Medina Mora Nieto	Vacant	National Water Commission
Alfonso Sarabia de la Garza	Jorge Nevárez Jacobo	ASA
Manuela Molina Peralta	N/A	Independent
Octavio Francisco Pastrana	N/A	Independent
Oscar de Buen Richkarday	N/A	Independent
Sergio Alcocer Martínez de Castro	N/A	Independent

The following sets forth biographical information for each of the members of GACM's board of directors:

Gerardo Ruiz Esparza has served as Mexico's Minister of Communications and Transportation since 2012, previously served as Minister of Communications and Transportation for the State of Mexico. Mr. Ruiz holds a law degree from the *Universidad Nacional Autónoma de México*. He has served as Legal Deputy Director of Public Debt Management and Financial Policy at the Ministry of Finance; General Secretary for the Mexican State Government; General Counsel for the Mexican Social Security Institute and Mexican Airports and Auxiliary Services Agency.

Alejandro Sibaja Rios has served as member of the board of directors since 2014. He serves as General Manager of Programming and Budget "B" at the Ministry of Finance since September 2014. Mr. Sibaja holds an Actuary degree from the *Universidad Nacional Autónoma de México,* and a Masters in Administration and Public Politics from the *IEXE-Escuela de Políticas Públicas.* He has served in Nacional Financiera S.N.C and the SCT.

Janette Taboada Vega has served as an alternate member of the board of directors since 2016. She serves as Director of Sector Programs, Operative and Organizational Support at the General Direction of Budgeting and Programming of the SHCP. Mrs. Taboada holds an Administration degree from the Universidad del Valle de México.

Alfonso Flores Ramírez has been a member of the board of directors since 2014. He is the General Director for Environmental Impact and Risk at the Ministry of the Environment and Natural Resources. Mr. Flores holds a degree in Industrial Chemical Engineering from the Instituto Tecnológico de Celaya and has a Master's Degree in management from the *Instituto* Tecnológico de Estudios Superiores de Monterrey. He has more than 16 years of experience in the management of industrial and hazardous waste, as well as in development and implementation of prevention programs for pollution and reduction of waste in various industrial sectors.

José Salvador Sánchez Estrada has been a member of the board of directors since 2014. He serves as Deputy Minister of Quality and Normativity at the Ministry of Tourism. He holds a degree in Economics from the Universidad Nacional Autónoma de México. Mr. Sánchez Estrada has experience in the Public Sector as an auxiliary to the Governor's office in Veracruz, also he has represented the state of Veracruz before the Government of Mexico City.

José Rogelio Garza has served as a member of the board of directors since 2014. He has served as Deputy Minister for Industry and Trade at the Ministry of the Economy since 2013. Mr. Garza holds a law degree from the Instituto Tecnológico y de Estudios Superiores Monterrey.

Alejandro Medina Mora Nieto has served as a member of the board of directors since 2015. He has served as Assistant General Director for Legal Affairs at the National Water Commission since 2015. Mr. Medina Mora holds a law degree from the Universidad Iberoamericana.

Alfonso Sarabia de la Garza has served as a member of the board of directors since 2014. He has served as General Director at ASA since 2014. Mr. Sarabia holds a Business Administration degree from the *Universidad Tecnológica de México*.

Yuriria Mascott Pérez has served as an alternate member of the board of directors since 2014. Mrs. Mascott has served as Deputy Minister of Communications and Transportation since 2014. Ms. Mascott holds a law degree from the Universidad Panamericana. She has served as Director of the Mexican Postal Service, and as a consultant for ASA.

Ardelio Vargas Fosado has served as an alternate member of the board of directors since 2015. Mr. Vargas has served as the Commissioner of the National Institute of Migration since January 2013. Mr. Vargas holds a law degree from the Escuela Nacional de Estudios Profesionales ENEP-Acatlán. He has served as the Director of the Federal Investigation Agency, as Director of the National Center of Planning, Analysis and Information, and as President of the National Defense Commission.

Fernando López Moreno has served as an alternate member of the board of directors since 2016. He serves as Deputy General Director of Budgeting and Programming for Social Development, Labor, Economics and Communications at the SHCP. Mr. López holds a Public Accountant degree from the Universidad Nacional Autónoma de México.

Francisco Covarrubias Gaytán has served as an alternate member of the board of directors since 2015. Mr. Covarrubias holds a degree in Architecture form the Universidad Nacional Autónoma de México, and a Master's degree in Urbanism and has several specialization studies in Urban Development at the University of London. In the public sector, he has served as a consultant for the development of various laws in matters of urban development. He has also worked as Deputy Minister for Urban Development for Mexico City and Minister of Urban Development and Housing for the State of Mexico. He currently works at the Ministry of Agrarian, Territorial and Urban Development.

Vanessa María Vázquez Meseguer has served as an alternate member of the board of directors since 2016. Ms. Vázquez holds a degree in Economics from the Universidad Veracruzana. She currently works as the Advisor Coordinator of the Underministry of Quality and Regulation at the Ministry of Tourism.

Héctor Márquez Solis has served as an alternate member of the board of directors since 2014. He serves as Head of National Content and Promotion of Production Chains and Investment in the Energy Sector Unit at the Ministry of Economy. Mr. Márquez holds a degree in Business Administration from the Universidad Independiente de Nuevo León, and a Ph.D. in Economics from the University of Rochester.

Jorge Nevárez Jacobo has served as an alternate member of the board of directors since 2014. He has served as Coordinator for the Business Units at ASA since 2012. Mr. Nevárez holds a Mechanical Electrical Engineer degree from the Universidad Iberoamericana and a Master's degree in Applied Sciences from the University of Waterloo.

Manuela Molina Peralta has served as an independent member of the board of directors since 2016. She works as the Vice-president of Finance at IEnova and has worked on energy companies such as El Paso Corporation as Vice-president of Finance and Kinder Morgan as General Manager. She is currently the Chairman of the Issuers Committee of the Mexican Stock Exchange and in 2015 she served as Chairman of the Instituto Mexicano de Ejecutivos de Finanzas. She is also a founder member and director of NatGas Querétaro. Mrs. Molina holds a Public Accountant degree from the Universidad de Sonora and a Master's degree in Finance from the EGADE Business School of the Tecnológico de Monterrey.

Octavio Francisco Pastrana has served as an independent member of the board of directors since 2016. He currently works as Director and Financial Advisor of ICTINEO Infraestructura and also serves as a board member of COREMAR and Petróleos Mexicanos (PEMEX). Mr. Pastrana holds a degree in Mechanical Engineering from the Universidad de los Andes, in Colombia, and other post-graduate studies in business, management and corporate strategies from the University of Cambridge, Harvard and Stanford, as well as a Ph.D. in Thermodynamic and Mechanical Fluids from England.

Oscar de Buen Richkarday has served as an independent member of the board of directors since 2016. He worked as the Deputy Minister of Infrastructure from 2006 to 2011 at the Ministry of Communication and Transportation and contributed to the creation of the Instituto Mexicano del Transporte. He has also worked as a professor of engineering in the Universidad Nacional Autónoma de México. Mr. de Buen holds a Civil Engineering degree from the Universidad Nacional Autónoma de México and a Master's degree in Science with a focus on transportation from the Massachusetts Institute of Technology.

Sergio Alcocer Martínez de Castro has served as a member of the board of directors since 2017. He has served in several high level positions in the public sector, such as: Director of the National Center for Disaster Prevention, Undersecretary of Energy Planning and Technological Development for the Ministry of Energy and Undersecretary for North America for the Ministry of Foreign Affairs. In the academic sector, he has been a researcher and visiting professor at different universities, as well as an author for specialized publications and a speaker at various national and international forums. He served as Director of the Engineering Institute of the Universidad Nacional Autónoma de México and General Secretary of the Universidad Nacional Autónoma de

México. He holds a degree in civil engineering from the Universidad Nacional Autónoma de México and a doctorate in engineering from the University of Texas at Austin. He is also a member of Mexico's National System of Researchers.

Pursuant to the Mexican Federal Law on Governmental Entities, no potential material conflicts of interest should exist between the duties of the members of the board of directors of a wholly state-owned entity and their private interests, in order to be eligible to be designated as a member of the board of directors.

Meetings of the Board of Directors

The board of directors must meet at least 4 times per year, devoting the time and diligence necessary to adequately address the matters under its purview in GACM. The committees or subcommittees must meet at least every 2 months and more often if necessary, with the frequency that allows each committee or subcommittee to perform its duties.

The meetings of the board of directors will be held at the registered office of GACM or such other place within Mexico, provided that in order to meet at a place other than GACM's registered office, directors must be notified of the location at least 15 business days prior the date set for the meeting. If the Chairman is absent from the meeting, the meeting will be chaired by the person designated by the Chairman. If the Secretary fails to attend the meeting, then the person designated by a majority vote of the members of the board of directors present will act as secretary.

The minutes of the board of directors meetings will be recorded in a book specially used for this purpose and signed by the person acting as Chairman or the person who has chaired the meeting, and the Secretary or the person who has served as Secretary.

Main Powers and Obligations

A summary of the main powers of the board of directors, as defined in the bylaws of GACM, is presented below:

- Establish general policies and define priorities regarding production, productivity, commercialization, finance, research, technological development and general administration;

- Approve programs, budgets, loans for GACM's financing, the establishment of reserves, the application of profits and the rules governing the cancellation of debt owed to GACM;

- Fix and adjust the prices of goods and services produced or leased by GACM, except for those determined by the Mexican federal government;

- Issue rules for the acquisition, lease or disposal of fixed assets, movable assets and real estate (other than for real estate that is considered part of the public domain of the Mexican federal government);

- Approve annually the report of the commissioners, the opinion of the external auditors, the periodic reports of the general director and GACM's financial statements and authorize their publication;

- Approve general policies and programs to regulate public service and lease agreements and public works contracts entered into with third parties;

- Approve GACM's basic organizational structure and any modifications thereto, including the creation of committees that support the board of directors;

- Propose merger agreements with other entities to the SHCP;

- Appoint and remove, at the request of the general director, key employees that are public officers, as well as set their salaries and benefits and grant them licenses; and
- Appoint and remove the secretary and deputy secretary.

Key Executive Officers

The Chief Executive Officer of GACM is appointed by the board of directors and holds office at its discretion. The key officers of GACM are as follows:

Name	Title	Year of Appointment
Federico Patiño Márquez	Chief Executive Officer	2015
Ricardo Dueñas Espriu	Corporate Finance Officer	2015
Raúl González Apaolaza	Corporate Land Side Construction Officer	2014
Enrique Lavín Higuera	Corporate Technical Officer	2017
Eduardo Fernando Sáenz Viesca	Corporate Administration Officer	2017
Ricardo Pavel Meza Pozos	Legal Counsel	2017
Rolando Vázquez Castellanos	Corporate Officer of Institutional Relations and Social Programs	2017

The following sets forth selected biographical information for each of the executive officers of GACM:

Federico Patiño Márquez has served as Chief Executive Officer of GACM since 2015 and previously served as Chief Financial Officer of GACM since 2014. Mr. Patiño also worked as Director of Investment Banking and Corporate Financing at the Fondo Nacional de Infraestructura (FONADIN) and the Banco Nacional de Obras y Servicios Públicos, S.N.C. (BANOBRAS) and held several positions at Nacional Financiera, S. N. C., Institución de Banca de Desarrollo (NAFIN), including among others, General Director of Credit, General Director of Treasury, General Director of Development and General Director of Investment Banking.

Ricardo Dueñas Espriu has served as Chief Financial Officer of GACM since 2015. He served as infrastructure projects consultant at the SCT from 2012 to 2015, he worked for the Investment Banking team focused on Emerging Markets of J.P. Morgan in London from 2007 to 2011, during 2006 he worked in a hedge fund in New York, in 2005 was advisor for the Mexican Representation of the OECD in Paris, and from 2002 to 2004 he worked as analyst in *Banco de México*. He also gives lectures at the Instituto Tecnológico Autónomo de México (ITAM). Mr. Dueñas holds an Economics degree from the ITAM, a Master's in Business Administration from Harvard Business School and a Master's in Public Administration from Harvard Kennedy School. In 2004 he was awarded with the IMEF National Prize of Economics.

Raúl González Apaolaza was named Director of Land-side Construction and Director of Air Side Construction in 2017 and he previously served as Chief Infrastructure Officer of GACM from 2014 to 2017. From 1999 to 2001 he served as General Director of the Mexican Subway System, during 2001-2012 he served as Minister of Public Education for the State of Hidalgo, during 1973 he served as Dean of the Mechanic and Electric Engineering School of the Instituto Politécnico Nacional (IPN) and in 1989 he served as General Director of Industrial Technologic Education at the Mexican Ministry of Public Education. Mr. González holds an Electronic Engineering degree and a Master on Electric Engineering from the IPN. He was awarded the national award for Mechanical Engineering in 2009.

Enrique Lavín Higuera has served as the Technical Chief Projects Officer since 2017 and previously served as Chief Planning, Evaluation and Outreach Officer from 2016 to 2017. He worked as the Chief Construction and Demolition Officer from 1978 to 2011, as well as the Chief Executive Officer from 2009 to 2010, of Constructora Mexicana de Ingeniería Subterránea. In 2012, he served as a Director and the Chief Executive Officer of FYPSA Construcciones. Mr. Lavín holds a degree in Civil Engineering from the Universidad Nacional Autónoma de México (UNAM).

Eduardo Fernando Sáenz Viesca has served as the Chief Administrative Officer since 2017 and previously served as the Assistant Administrative Officer from 2016 to 2017. From 2008 to 2016, he worked as the Technical Coordinator in the Investment Banking Division of the Banco Nacional de Obras y Servicios Públicos, S.N.C. (BANOBRAS). He has also served in several positions with the Mexican government, including General Director of Social Communication of the Ministry of Foreign Relations from 2002 to 2003, and General Director of Action, Social, Civics and Cultures of the Ministry of Education and Social Development of Mexico City. Mr. Sáenz holds a law degree from the Universidad Nacional Autónoma de México (UNAM).

Ricardo Pavel Meza Pozos has served as General Counsel since 2017, and previously served as Assistant Director of Legal Affairs from 2016 to 2017. He was the Head of the Internal Control Office in the Mexican Postal Service from 2013 to 2015, and from 2010 to 2012, he also served in the Internal Control Office of the Federal Electricity Commission, in both cases reporting to the Ministry of Public Service. Mr. Meza holds a law degree from the Universidad Autónoma de Baja California and a Master's degree in Constitutional Procedural Law from the Universidad Panamericana.

Rolando Vázquez Castellanos has served as the Director of Institutional Relations and Social Programs since 2017. He was the Deputy General Director of Business and Development Banking at Banco Nacional de Comercio Exterior, S.N.C. from 2007 to 2013. From 2001 to 2007, he occupied various positions at Nacional Financiera, S.N.C. At Bancomer, S.A., he served as the Director of Government and Business Banking for over 8 years; beginning his career in 1987 at the Banco Nacional de México. He holds a law degree from the Universidad Panamericana and a Master's in Business Administration from the Instituto Panamericano de Alta Dirección de Empresa (IPADE).

Organizational Structure

GACM has the following areas:

- **General Office**, which is subdivided into the Institutional Relations and Social Programs Office, the Risks Management Office, the General Agreement Follow-up Office and the Transparency and Open Data Office; in charge of (i) developing the New Airport project in a timely manner, until it begins operations, (ii) executing construction plans and (iii) financing and managing resources, in accordance with the regulations applicable to GACM and the guidelines of the board of directors, with transparency and accountability, acting as an example of excellence in the management of infrastructure megaprojects nationally and internationally;

- **Corporate Strategy Coordination Office**, including a Strategic Planning Office, a Monitoring and Control Office, a Transition Planning Office and a Liaison Office; in charge of coordinating (i) the preparation and implementation of strategic plans, (ii) the commercialization of the New Airport, (iii) the administration of objectives in order to make decisions in a timely manner and (iv) the continuation of programs and special projects agreed upon by the board of directors;

- **Corporate Finance Office**, including a Budget and Financing Office and an Accounting and Operations Office; in charge of (i) preparing the budget and (ii) providing GACM with the financial resources necessary for the development of the New Airport through relationships with investors, strategic plans, financial information systems, and accounting records of operations, in accordance with applicable regulations;

- **Technical Corporate Office**, including a Bidding Processes Office, a Projects Office, an Environment Office and an Airport Operation Office; in charge of (i) directing the preparation of technical and executive projects in a timely manner, with the technical and quality standards necessary for the development of airport infrastructure, and (ii) carrying out the procedures for contracting works and services related to the New Airport, in accordance with applicable national and international regulations;

- **Land Side Construction Corporate Office**, including a Land Side Work Control Office and a Land Side Construction Office; in charge of (i) executing and supervising the construction works of the Earth Side of the New Airport according to the executive projects and budget, (ii) ensuring compliance with contracts entered into for that effect, (iii) issuing relevant recommendations and (iv) reporting the physical and financial progress of the project, in compliance with applicable regulations;

- **Air Side Construction and Auxiliary Buildings Corporate Office**, including an Air Side Work Control Office, an Air Side Construction Office, a Buildings Construction and Auxiliary Services Office and an Airport Infrastructure Office; in charge of (i) executing and supervising the construction of the Air Side and Auxiliary Buildings of the New Airport according to executive projects, programs and budgets, (ii) ensuring the fulfillment of contracts, (iii) issuing relevant recommendations and (iv) informing about physical and financial progress of the project, in accordance with applicable regulations;

- **Legal Corporate Office**, including a Legal Office, a Governance Office and a Contract Preparation and Formalization Office; in charge of advising and representing GACM in legal proceedings, as well as supporting the board of directors and the relationship with inspection bodies, in accordance with a applicable legislation and regulations; and

- **Internal Body of Control**, in charge of objectives and function, as well as assigned areas, that are indicated in the internal regulations of the Ministry of Public Administration.

Patents, Licenses and Trademarks

Currently, GACM does not have among its intangible assets, industrial property rights such as trademarks, licenses, architectural designs and/or patents.

Applicable Law and Taxation

GACM is taxed under the general regime for entities resident in Mexico provided for in the Mexican Income Tax Law (*Ley del Impuesto sobre la Renta*) and the other applicable tax provisions and does not enjoy preferential or differential treatment in the matter of federal taxes, nor is it subject to any special tax derived from its own activities.

Human Resources

As of December 31, 2017, GACM has approximately 158 direct employees. GACM is subject to the statutory employee profit sharing regime established under Mexican federal law. Under this regime, 10% of GACM's unconsolidated annual profits (as calculated for tax purposes) must be distributed among its employees.

Description of the New Airport Concession and the New Airport's Master Development Plan

On September 22, 2014, GACM was awarded the New Airport Concession for the financing, construction and operation of the New Airport, for a term of 50 years as of the commencement of the New Airport's operations, with an option to extend the initial term of the concession for an additional 50 years. The extension shall be requested at the beginning of the last five years of the term of the Concession of the New Airport.

The Issuer believes that GACM is currently complying with the principal requirements of the New Airport Concession during this first phase of construction. In order to maintain the New Airport Concession, GACM will be required to comply with all regulatory standards applicable to concession holders. See "The Mexican Regulatory Framework—Scope of the Concessions and Obligations of Each Sponsor Thereunder" for a discussion of the scope of the New Airport Concession, the services provided by the New Airport and the obligations applicable to GACM under the New Airport Concession.

In 2015, the SCT approved the New Airport's master development plan. For a description of the outstanding commitments under the Existing Airport's master development plan, see "GACM's Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations and Commitments—Master Development Plans."

Pursuant to the New Airport Concession, GACM shall provide notice to the SCT stating the date on which it intends to commence operations at the New Airport after filing the following:

- Notice of completion of the construction;
- Master Development Plan for the New Airport;
- Operating rules contained in the New Airport's general operating manual;
- Applicable insurance policies;
- Evidence of registration of the tariff to be charged at the New Airport for the provision of aeronautical and non-aeronautical services;
- If applicable, incorporation document of the Operation and Schedules Committee;
- Incorporation document of the Local Safety Committee and authorization of the Local Safety Program; and
- Notice to the board of directors and the New Airport's administrator.

The SCT's authorization is required for the New Airport to commence operations.

Description of the Project

The New Airport constitutes one of the most innovative airport projects worldwide. It is designed to be the most sustainable airport in the world and the first with a LEED (Leadership in Energy and Environmental Design) Platinum certification. The terminal structure is designed to capture solar power for generating electricity, reduce energy consumption by 40% compared to international standards, collect rainwater, reduce water consumption by 70% compared to international standards, treat 100% of the water used in the New Airport, provide shade and direct daylight, while meeting high thermal and acoustic standards. For a large part of the year, the terminal building will maintain comfortable temperatures with little or no addition of heating or air conditioning. In addition, the New Airport will reduce the impact of noise by 95% compared to the Existing Airport.

Construction Phases

Construction of the New Airport is expected to take place in four phases, incrementally increasing the capacity of the New Airport in order to meet the expected increases in demand for each phase.

The first phase is designed to provide the necessary capacity to serve up to 144 ATMs per hour and 855,000 ATMs per year. The first phase will include the following:

- Three runways: runways 2, 3 and 6, which will operate simultaneously. Runways 2 and 3 will be used for commercial traffic (passengers and cargo), runway 6 will be used mainly for non-commercial traffic (government, presidential, military and general aviation) and during peak hours could be used to absorb some commercial traffic.

- One terminal building of 743,000m^2, designed to accommodate incremental expansions of the operations until it has the capacity to serve 57 million passengers per year.

- Parking areas and zones for passengers to load and unload from buses, taxis and private vehicles.

- One parking platform for aircraft, with 119 positions in its maximum configuration, of which at least 95 will be contact points with the terminal.

The second phase of the construction of the New Airport is designed to provide the necessary capacity to serve up to 166 ATMs per hour and 986,000 ATMs per year. The second phase will include the following:

- Construction of runway 4, which will serve the aircraft positions in the Western zone of operations and the expected developments in the Eastern zone of operations.

- Development of a satellite terminal north of the terminal building, which will include an automated transportation system for passengers and a baggage center that will connect it to the terminal building.

- Additional boarding gates in the satellite terminal.

- Gradual expansion of the ground parking lots, with the expectation that by 2030 the ratio between the parking lots and the terminal buildings will be approximately 1:3.

- Expansion of the services provided by the subway line to the New Airport.

The third phase of construction is designed to provide the necessary capacity to serve up to 188 ATMs per hour and 1,116,000 ATMs per year. The third phase will include the following:

- Construction of runway 1, which will serve the majority of the aircraft positions in the Western zone of operations.

- Development of the second terminal, and expansion of the automated transportation system for passengers and baggage center.

- Construction of a second air traffic control tower for the second terminal and the operations of runways 4 and 5.

The final phase of the construction of the New Airport is designed to provide the necessary capacity to serve up to 210 ATMs per hour and 1,247,000 ATMs per year. The fourth phase will include the following:

- Operation of all 6 runways, which will provide sufficient capacity to accommodate the highest projected demand.

- Construction of the system of perimeter roads, including the perimeter roads surrounds the south perimeter of the second terminal and the ground support systems around runway 5.

- Development of the second satellite terminal in the eastern zone of operations, and expansion of the automated transportation system for passengers and the baggage center to connect the two terminal buildings and the two satellite terminals.

According to the construction program, the New Airport is expected to start operations in October 2020. GACM believes that the overall program, including engineering for critical items, allocation of construction contracts and early construction works are on schedule to complete the project on time.

As of December 31, 2017, GACM has engaged the following advisors in charge of the design and development of the New Airport:

- Parsons Corporation, as project manager;
- Landrum & Brown, for the Master Plan update;
- A consortium formed by Foster + Partners and FR-EE, as master architects responsible for the construction documents for the land side development;
- NACO (Netherlands Airport Consultants); responsible for the construction documents for the air side development, which includes, runways, taxiways, platforms, aprons and support facilities;
- SIA, a consortium formed by INECO and Cal y Mayor as the Construction Manager for the passenger terminal;
- ALG – Indra, as the cargo terminal master planner; and
- IDOM, as the airport city master planner.

Facilities

The New Airport's facilities are situated on a 4,431 hectare property and will include one terminal, with a preliminary size of 734,000 square meters. The New Airport will have 108 gates after its first phase of construction that will be expanded to 191 gates at the New Airport's maximum development, a 218.3% increase over the Existing Airport's 60 boarding gates. Most of the gates will be accessible by passenger walkways.

The New Airport will be served by three triple-simultaneous runways during its first phase of operations. Once completed, the airport will include six triple-simultaneous runways, a 200% increase from the number of runways at the Existing Airport.

The chart below represents a comparison between the Existing Airport, the New Airport following its first phase of construction and the New Airport fully operational.

	Existing Airport	**New Airport – First Phase***	**New Airport Final Phase ****
	(as of December 31, 2017)	(projected information; % change versus Existing Airport)	(projected information; % change versus Existing Airport)
Passengers per year	44,732,418	55,012,000 (23%)	140,449,000 (214%)
Peak hour total ATMs	62	106	205
Total ATMs per year	449,656	538,300	1,152,100
Runways	2 (non-simultaneous)	3 (triple-simultaneous) (50%)	6 (triple-simultaneous) (200%)
Boarding gates	60	108 (80%)	191 (218%)
Total land (hectares)	769	4,431 (476%)	4,431 (476%)
Terminal building (m^2)	581,953	743,000 (28%)	Subject to development plans

* Expected to be completed by 2020. Projected information is based on the Aviation Demand Forecast's projections for 2021, the New Airport's first full year of operations.
** Expected to be completed by 2065. Projected information is based on the Aviation Demand Forecast's projections for 2070.
Source: Aviation Demand Forecast and GACM's information.

Environmental Sustainability

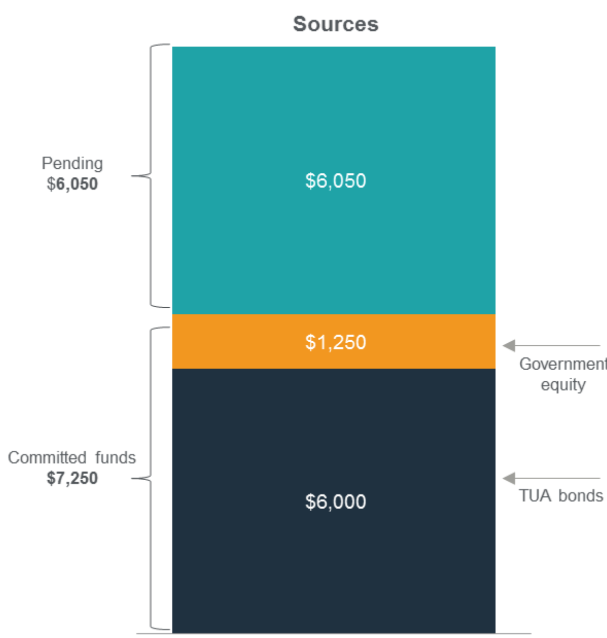
The Environmental Impact Assessment Resolution for the New Airport was obtained as of November 28, 2014. The construction project of the New Airport is in compliance with the objectives of the Equator Principles and the guidelines of the IFC Performance Standards. The project includes the rescue and reforestation of surrounding areas and the reduction of noise effects. According to the project, the New Airport will become the first airport outside Europe with a neutral carbon footprint and will ensure efficient water usage through efficiency actions and treatment processes.

Overall Funding Plan

Expected Sources and Uses of Funding

The construction program and budget for the New Airport, including enabling and complementary works, was prepared and has been updated from time to time by the project manager Parsons Corporation. The total funding required for the construction and initial operation of the New Airport is currently estimated at approximately US$13.3 billion, of which approximately 36% will be contributed by the Mexican government through the use of public funds, and approximately 64% is expected to be financed by bank loans and through several offerings of securities in the domestic and international capital markets, including the Existing Notes and the CBFEs offered hereby. An additional increase in passenger charges could be used as an additional source of financing.

The following diagram summarizes the funding plan for the development of the New Airport, including the contribution by the Mexican government of federal budget funds:



The Mexican government approves a federal budget of public expenditures, including the funds allocated for the construction of the New Airport, each year. The federal budget of public expenditures is the annual spending program and includes the multiannual expenditure commitments to be allocated to public works and public service contracts. The budgets of majority state-owned entities are prepared based on their annual programs, which contain a detailed description of their objectives, goals and the internal units responsible for their execution. On December 15, 2017, the Mexican Congress approved the federal contributions to be made for the New Airport in 2018 and approval for the following years must be requested each year, based on the annual program prepared by GACM and approved by its board of directors. As of December 31, 2017, contributions from the Mexican government for the development of the New Airport project totaled Ps.17,141.9 million (approximately US$1,250 million). For more information on the federal budget of public expenditures, see "The Mexican Regulatory Framework—Federal Budget of Public Expenditures."

The following table presents the investment schedule of the total project budget for the construction of the first stage of the New Airport from 2015 to 2022, including the construction of the New Airport's infrastructure, comprised of the terminal building, control towers, runways and auxiliary facilities, and other construction works required for the completion of the project.

	2015	2016	2017	2018	2019	2020	2021(1)	2022(1)	TOTAL	As % of Total Investment
Airport Infrastructure	16.9	12.7	1,403.1	2,363.1	3,015.6	994.4	85.5	1.0	**7,892.3**	59.3%
Design, engineering and project management	236.0	176.3	222.1	637.2	644.8	512.4	44.1	0.5	**2,473.4**	18.6%
CONAGUA.....................	-	309.4	142.5	413.2	228.8	150.0	-	-	**1,243.9**	9.4%
Escalation........................	-	4.6	21.5	272.6	411.9	431.1	37.1	0.4	**1,179.2**	8.9%
Preliminary works	-	324.7	181.4	2.4	1.8	1.6	0.1	-	**512.0**	3.8%
Total investment	**252.9**	**827.7**	**1,970.6**	**3,688.5**	**4,302.9**	**2,089.5**	**166.8**	**1.9**	**13,300.8**	**100.0%**

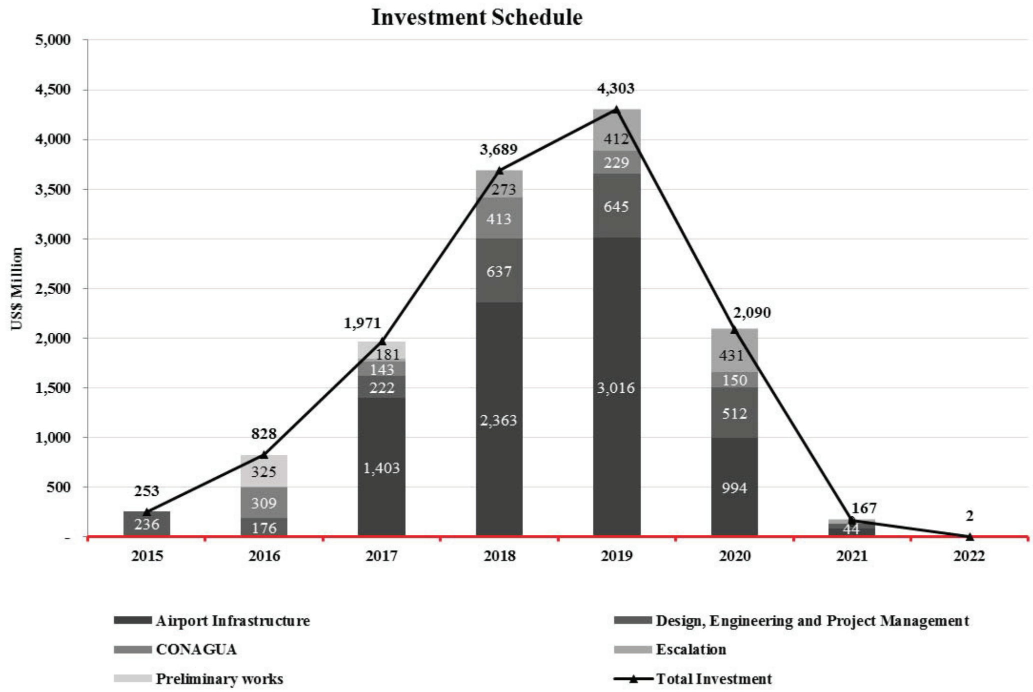
(1) Amounts on 2021 and 2022 are associated to expected retainages.
Source: GACM, with information of Parsons. Figures are subject to continuous adjustment as the procurement advances.

Hydraulic works associated with the New Airport's construction include creation of new water regulation lagoons that will allow for the regulation of water flows for flood prevention purposes, as well as new water treatment plants, sewers and riverbed rehabilitation and improvement of the drainage system for the surrounding area.

Construction and Investment Schedule

The New Airport's construction schedule will define the timing of the financing. In anticipation of beginning construction in the third quarter of 2015, investment on preliminary activities towards the New Airport construction project began after the project was announced on September 3, 2014, with combined funding of US$281 million from the Mexican government as well as a US$1 billion disbursement from the Credit Agreement.

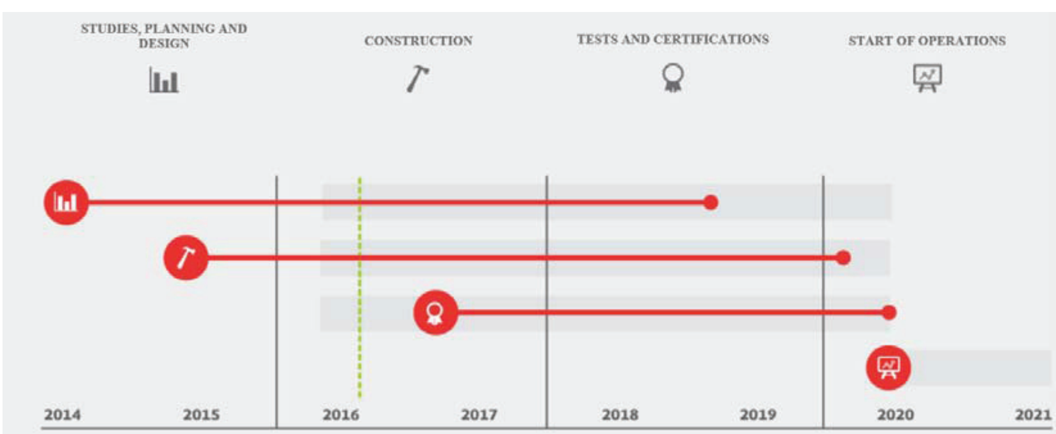
Investment from 2018-2022 is scheduled to occur as set forth in the following chart, subject to receiving approvals for the required disbursements from the Mexican federal budget:



Source: GACM, with information of Parsons.

According to the construction program, the New Airport is expected to start operations on October 2020. The Issuer believes that the overall program, including engineering for critical items, allocation of construction contracts and early construction works are on schedule to complete the project on time.

The following chart presents a general timeline for the construction showing the estimated timing for commencement and completion of each stage:



The studies, planning and design for the construction of the New Airport started on May 2014, with the preparation of the master development plan as well as commencement of geotechnical studies. The construction works will be allocated in nine work fronts (preliminary works, terminal area, runways and platforms, services network, support facilities, systems, southeast campus, supervision, other infrastructure) with 66 main contracts—previously organized as 21 bidding packages, that will be awarded to construction companies following public bidding processes. This disaggregation benefits the conditions for construction sequencing, promotes the participation of a greater number of companies, and allows for contracting with specialists for each topic. The first set of packages is related to preliminary construction works, the second set is for construction of the infrastructure for main services and the third and final set is for construction of buildings and stations related to the operation of the New Airport.

Status of Construction

As of December 31, 2017, the following works have been completed: perimeter fence and walkway, 48.3 kilometers of access roads, the GACM camp, temporary drainage, clearing and leveling and the removal of debris. The following works are currently under construction: the electric substation, runways 2, 3 and 6, terminal building, control tower, foundation of the terminal and the ground transportation center, surveillance system of the runways under construction, the electricity distribution network, the navigational aid system, central service plants, platforms, fuel distribution network and the security system. During 2018, GACM expects to complete the public bidding process for 16 additional projects.

The following images demonstrate the progress that has been made in construction since the project was announced in 2014:

2014 – 2015 **2016** **2018**

One of GACM's key values is transparency, which is reflected in the control mechanisms established for the construction of the New Airport. GACM is dedicated to making information public, and has published more than 320 contracts on its website. GACM and the SCT have also entered into agreements with the Organization for Economic Cooperation and Development to adopt best international practices in contracting and strengthen transparency. GACM also entered into an agreement with the *Instituto Nacional de Transparencia* to strengthen transparency and accountability. GACM also regularly presents bids and decisions with respect to new contracts via live broadcasts, involving a notary, a social witness and the Internal Comptroller (*Organo Interno de Control*).

Key Milestones in the Permitting Process

The Project requires certain permits from the Mexican government to be in place prior to and during the course of construction. Key milestones in the permitting process by the Mexican government include:

- **The New Airport Concession**, was awarded to GACM as of September 22, 2014.

- **Federal Budget for the New Airport**, the 2018 annual budget was approved by the Mexican Congress on December 13, 2017. Congressional approval for subsequent annual budgets must be sought each year. As of December 2017, Federal contributions added up to Ps.17,141.9 million. See "Mexican Regulatory Framework—Federal Budget of Public Expenditures."

- **The Environmental Impact Assessment Resolution** for the New Airport was obtained as of November 28, 2014.

- **The Equator Principles Report**, required for confirming that the construction project of the New Airport is in compliance with the objectives of the Equator Principles and the guidelines of the IFC Performance Standards, was obtained in June 2015.

Expected Operations of the New Airport

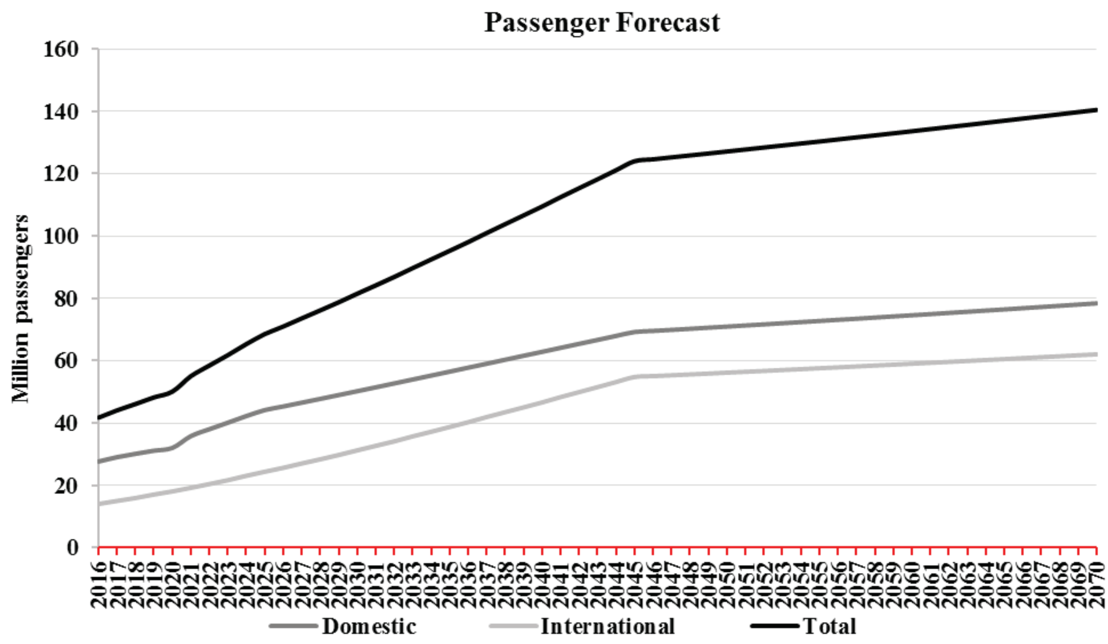
GACM hired Landrum & Brown, Inc. to conduct an independent assessment, the Aviation Demand Forecast, of the projected passenger activity, air cargo tonnage and ATMs for the Mexico City Airport System. The Aviation Demand Forecast, dated January 2018, is attached as Appendix A to this offering memorandum. The projections and conclusions in the Aviation Demand Forecast are inherently subject to uncertainty and actual traffic volume and patterns may differ materially from those projected. Accordingly, investors are cautioned not to place undue reliance on the projections and assumptions contained in the Aviation Demand Forecast.

The projections in the Aviation Demand Forecast are an update of the independent assessment of the Independent Traffic Report, dated September 3, 2016. The updated projections included in the Aviation Demand Forecast start with a higher base of total passengers based on the actual passenger volume observed to date, which exceeds the Independent Traffic Report's projection by more than 9%. The Aviation Demand Forecast assumes that the New Airport will open in October 2020. For purposes of developing the forecast for the New Airport, the current slot limitations at the Existing Airport were taken into consideration until the expected opening of the New Airport.

Projected Passenger Traffic

The Aviation Demand Forecast estimates that approximately 55 million passengers will use the New Airport in 2021, the first full year of its operation. It is projected that domestic traffic will account for about 65.0% of the passengers, with 35.0% of traffic being international. Connecting traffic will represent an estimated 26% of passengers in 2021. Passenger traffic at the New Airport is expected to reach 68.6 million annual passengers by 2025, and 81.5 million by 2030. By 2070 in the long range forecast, total annual passengers at the New Airport are projected to reach 140.5 million.

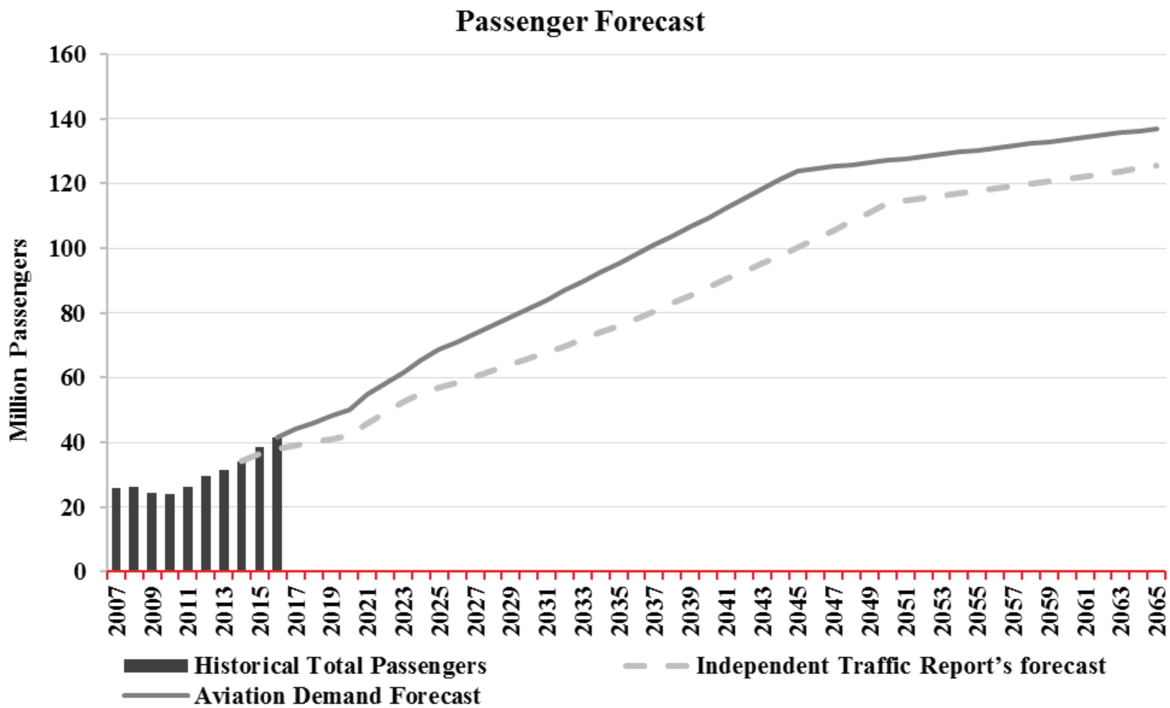
The following chart presents projected growth in passenger traffic, including domestic and international passenger traffic, from 2016 to 2070:



Source: Landrum & Brown, Aviation Demand Forecast, 2018.

The Independent Traffic Report's forecast provided a 2.6% AAGR in total passenger traffic from 2016 to 2065 and used passenger traffic observed through April 2016 as the starting point, yielding 125.4 million annual passengers in 2065. According to the Aviation Demand Forecast, total passenger traffic will grow at an AAGR of 2.4% over the same forecast period, and, based on passenger traffic observed through December 2016 as a starting point, will yield 137.0 million annual passengers in 2065, a long-range difference of 11.6 million compared to the Independent Traffic Report.

The following chart presents a comparison of the annual total passenger forecasts from the Independent Traffic Report and the Aviation Demand Forecast:



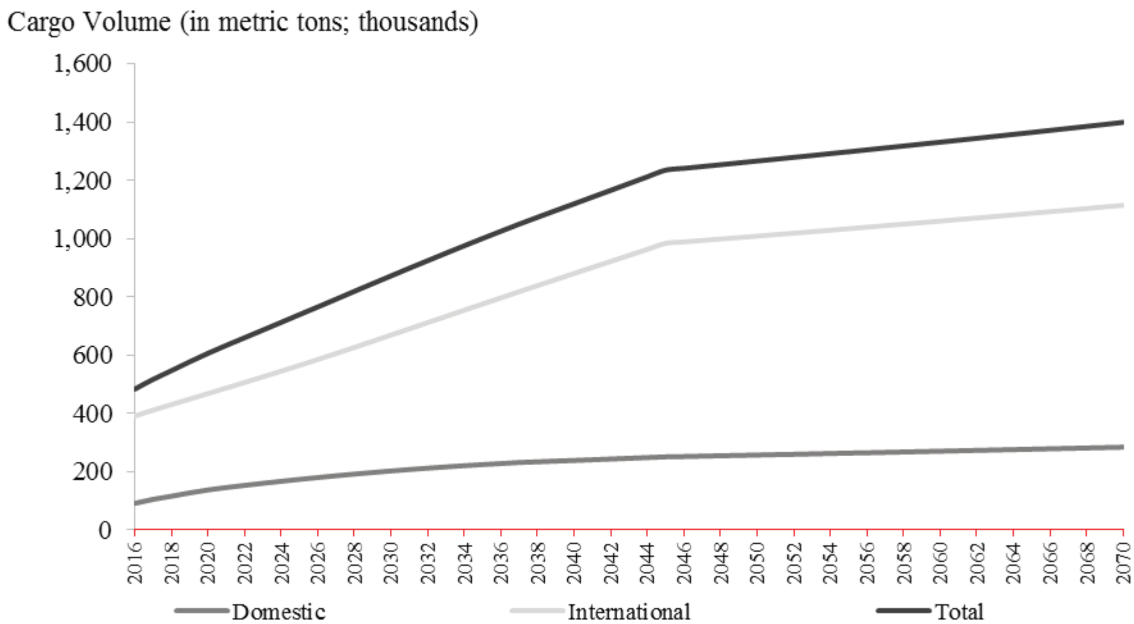
Source: Landrum & Brown, Aviation Demand Forecast, 2018.

Projected Cargo Volume

Cargo tonnage is forecast to increase from 483,433 metric tons in 2016 to approximately 633,700 metric tons by 2021 and 1.4 million metric tons by 2070. Cargo tonnage is expected to remain mainly international. A vast majority of the current cargo traffic is handled in the belly compartment of commercial passenger aircraft and this is unlikely to change materially in the future.

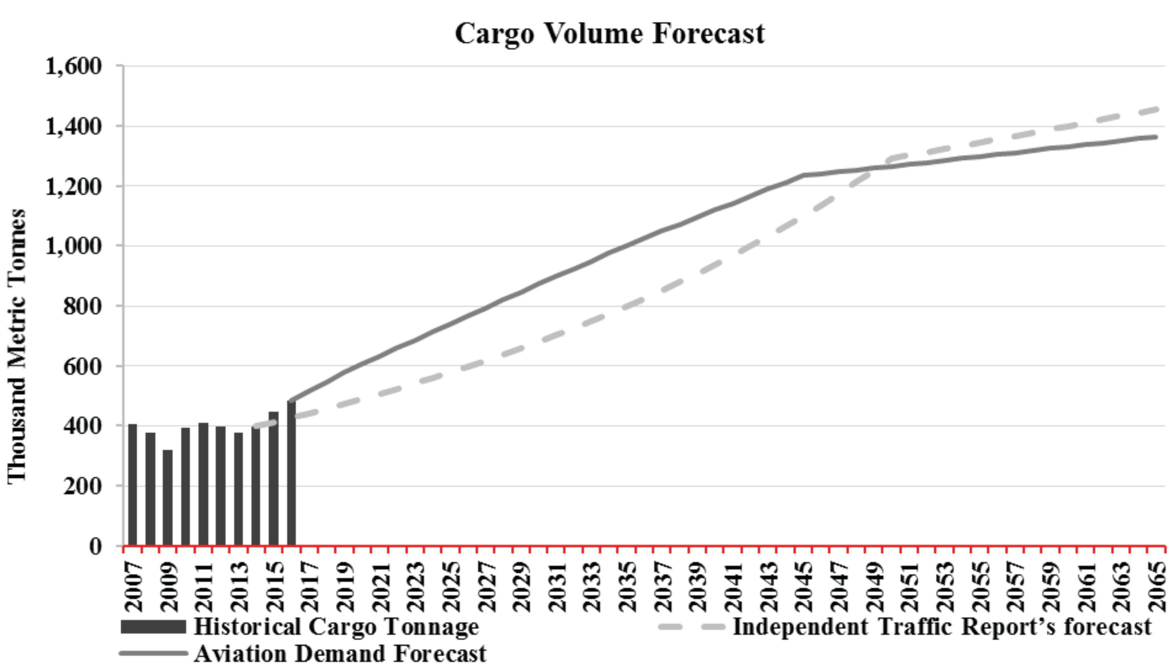
The following chart presents projected growth in cargo volume, including domestic and international cargo volume, from 2016 to 2070:

CARGO TONNAGE FORECAST (2016-2070)



Source: Landrum & Brown, Aviation Demand Forecast, 2018.

The following chart presents a comparison of the annual air cargo forecasts from the Independent Traffic Report and the Aviation Demand Forecast:



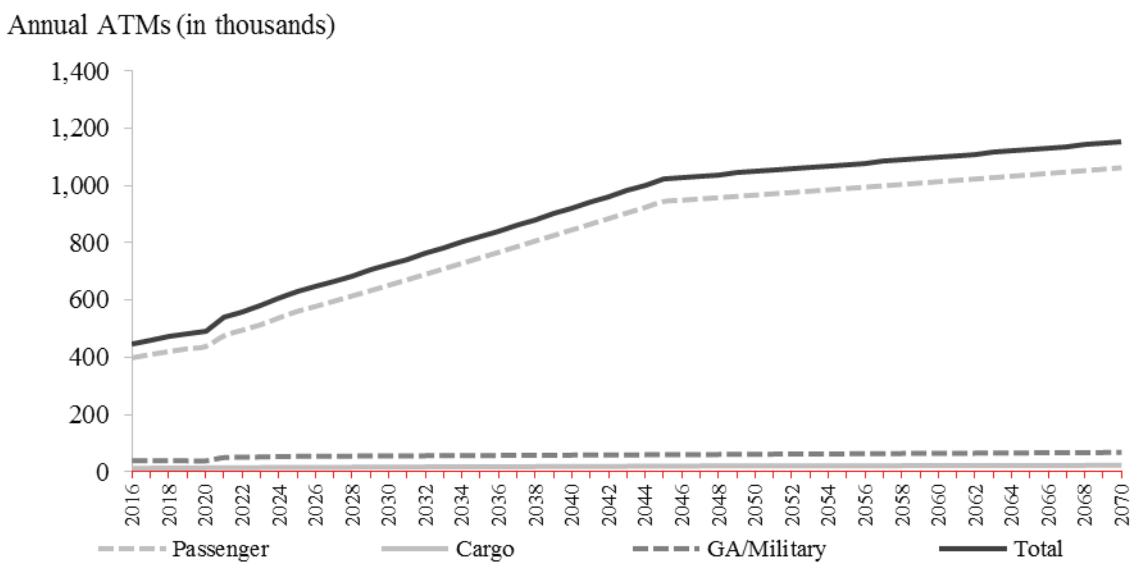
Source: Landrum & Brown, Aviation Demand Forecast, 2018.

Projected Air Traffic Movements

Total ATMs are expected to increase from approximately 448,150 ATMs in 2016 to 538,300 by 2021 and nearly 1.2 million ATMs by 2070. Passengers ATMs are forecast to increase from 398,401 ATMs in 2016 to 474,700 ATMs by 2021 and nearly 1.1 million ATMs in 2070. All-cargo (or freighter) ATMs are forecast to increase from 11,724 ATMs in 2016 to 13,900 ATMs by 2021 and 22,600 ATMs in 2070.

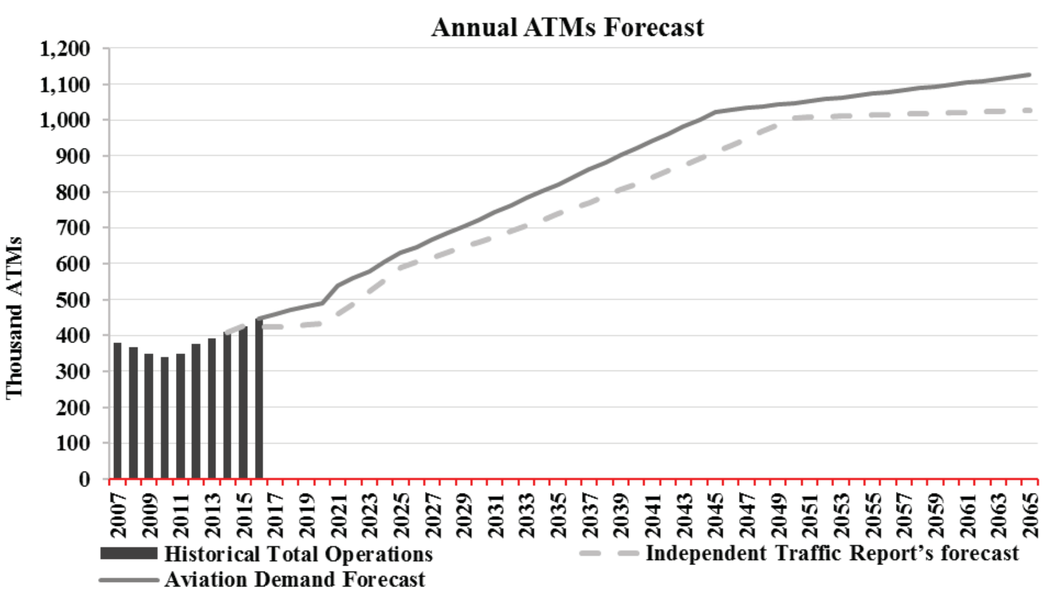
The following chart presents projected growth in ATMs from 2016 to 2070:

ANNUAL ATMS FORECAST (2016-2070)



Source: Landrum & Brown, Aviation Demand Forecast, 2018.

The following chart presents a comparison of the annual ATM forecasts from the Independent Traffic Report and the Aviation Demand Forecast:



Source: Landrum & Brown, Aviation Demand Forecast, 2018.

ABOUT FIBRA Es

General

FIBRA Es are security-issuing trusts created pursuant to a trust agreement in accordance with Mexican law. One of the essential purposes of a FIBRA E is to acquire assets in eligible Mexican companies or beneficiary rights in “Eligible Companies” devoted exclusively to the activities set forth in the FIBRA E Rules (the “Exclusive Activities”) (*i.e.*, projects related to energy, power and infrastructure). Additionally, the FIBRA Es should invest mostly (75% of their non-monetary assets) in mature projects (with at least one year of operations).

Trusts that adopt the rules applicable to FIBRA Es will issue CBFEs for investment in energy and infrastructure (*certificados bursátiles fiduciarios de inversión en energía e infraestructura*), which will be publicly traded on the Mexican stock market and, generally, registered in the RNV and listed on a Mexican stock exchange. Holders of the CBFEs issued by a FIBRA E will benefit directly from revenue generated by the projects developed by the Eligible Companies. To this end, the Eligible Companies and FIBRA Es will be treated as pass-through entities for Mexican income tax purposes. FIBRA Es, like FIBRAs and real estate investment trusts (REITs), may also have an external management structure.

Real estate FIBRAs were initially introduced in Mexico in 2004 under the Mexican Income Tax Law. FIBRAs are Mexican trusts that act as investment vehicles intended for investment in real estate for its development, marketing or management, in companies carrying out such investments, or in securities or rights of any kind on such real property or a combination of any of these activities. Market’s acceptance of this type of structures has been increasing since FIBRAs were introduced. Based on the FIBRA structure, in September 2015, the Mexican Federal Government announced the creation of the FIBRA E as an alternative to attract investment in infrastructure projects, including the energy sector, in an agile, efficient and transparent manner.

The holders of the CBFEs will be the taxpayers for purposes of the Mexican income tax that is due in respect of the projects in which a FIBRA E invests through the Eligible Companies. Accordingly, Eligible Companies, such as the Sponsors, would only be required to determine their Net Taxable Income to be distributed to the FIBRA E (in the proportion corresponding to the FIBRA E) as if the Eligible Companies were a trust themselves, and in turn, the trustee or broker dealer holding the CBFEs issued by the FIBRA E is required to withhold income tax at a rate of 30% on the distributions made to CBFE holders with respect to their ratable share of Net Taxable Income (except with respect to tax-exempt holders).

As issuers of securities sold in a public offering in Mexico, FIBRA Es are subject to disclosure rules applicable to corporations with securities registered with the RNV and listed on the Mexican Stock Exchange in accordance with the Mexican Securities Market Law. FIBRA Es are also subject to corporate governance rules similar, in some ways, to those applicable to FIBRAs.

The description of the FIBRA E Rules set forth below is only a summary. Certain details of the Issuer Trust’s structure, activities and governance arrangements may differ from the description below, as discussed elsewhere in this offering memorandum.

Requirements for FIBRA Es

Although Articles 187 and 188 of the Mexican Income Tax Law have the expressed purpose of promoting the real estate market and do not include the Exclusive Activities assigned to FIBRA Es, the main requirements and tax treatment applicable to FIBRA Es are those set forth in such articles, with various adjustments.

Some of the most important of such adjustments to the eligibility requirements in the articles are described below:

- A FIBRA E must be a trust created according to Mexican law. A Mexican resident banking institution or an authorized brokerage house must act as trustee.

- All shareholders of an Eligible Company must be entities resident in Mexico. This requirement should be met before a FIBRA E acquires shares of an Eligible Company.

- At least 90% of an Eligible Company's annual taxable income should derive from the Exclusive Activities listed below.

- A FIBRA E trustee must distribute to CBFE holders, at least once a year and no later than 15 March of the following year, at least 95% of a FIBRA E's Net Taxable Income.

- At least 70% of the annual average net worth of a FIBRA E must be invested in shares of Eligible Companies, which in turn must comply with the Exclusive Activities test. The remainder must be invested in securities issued by Mexico's Federal Government and registered at the RNV, or in shares of debt-related mutual funds.

- A FIBRA E trustee must issue CBFEs amounting to the entire trust's estate. Such certificates must be registered with the RNV.

- A notice must be filed before the Mexican tax authorities stating under oath that all the requirements of the FIBRA E tax regime are met.

- A FIBRA E must be registered in the FIBRA registry, which is managed by the Mexican tax authorities.

- Eligible Companies' shareholders must fulfill a number of formal obligations to ensure that income tax is paid on the Net Taxable Income pertaining to such Eligible Companies.

- All shareholders of an Eligible Company must state in writing, before the Mexican tax authorities, that they (i) accept to offset their net operating losses from previous years to the first sale of shares to a FIBRA E, only against profits not obtained from the Eligible Company; (ii) assume a joint and several liability with respect to the income tax resulting from the FIBRA E tax regime; (iii) assume a joint and several liability with regards to all the tax obligations of the Eligible Company, before its shares are transferred to a FIBRA E; and (iv) accept the primacy of the Eligible Company's rules of distributions.

- An Eligible Company should not be subject, either before or after a FIBRA E acquires its shares, to the regimes of "*Sociedad Anónima Promotora de Inversión Bursátil*" or "*Sociedad Anónima Bursátil*," as defined by the Mexican Securities Market Law.

- The FIBRA E trust agreement must include compensation schemes for managers, the trust settlor or their related parties, that cause that the payment of their fees, consideration, commissions, distributions or incentives are subordinated to the payment of a preferred return to CBFE holders, excepting those commissions, fees or distributions that are required to keep the fund functioning properly.

Exclusive Activities

Eligible Companies shall be dedicated exclusively to the following Exclusive Activities:

- The treatment, refinement, transportation and storage of oil; the processing, compression, liquefaction, decompression, regasification, transportation, storage and distribution of natural gas; the transportation, storage and distribution of oil products; and the transportation by pipeline and subsequent storage of petrochemicals, among others.

- Recognition, surface exploration and extraction of hydrocarbons, as well as their transfer, commercialization and public sale, are expressly excluded and therefore not considered Exclusive Activities.

- The generation, transmission and distribution of electricity, in compliance with the Electric Industry Law (*Ley de la Industria Eléctrica*) and its regulations.

- Infrastructure investment projects that include concessions, services or any other contractual arrangement executed between private parties and the Mexican Federal Government for performing services for the public sector or the final user, provided that such projects are currently in operation and have a remaining term of at least seven years, in the following areas:

  - Roads, highways, railways and bridges;

  - Ports, maritime terminals and port facilities;

  - Civilian airfields, excluding private airfields;

  - The expansion of the country's telecommunications network;

  - Construction of new airfield intended to replace an existing operating airport;

  - Public safety and social rehabilitation;

  - Drinking water, sewage and wastewater treatment.

- The administration and management of the FIBRA E.

- The investment in beneficiary rights, certificates of ownership or other securities representing beneficiary rights in trusts (*fideicomisos*), created by state productive companies in the electricity industry, or their productive subsidiaries.

Permitted Assets

At least 75% of an Eligible Company's non-monetary assets in any given year must be invested in brownfield projects (i.e., with at least one year of operations).

Although there is no eligibility requirement, there is a limit with respect to monetary assets that can be owned by an Eligible Company at the time of acquisition by a FIBRA E.

Transfer of an Eligible Company to a FIBRA E

An Eligible Company's shareholders, whose shares are transferred (totally or partially) to a FIBRA E, must determine the taxable gain or loss from the sale of the company's land, fixed assets and deferred expenses on a proportional basis, as if they were selling such land, assets or expenses instead of shares. The sale price of such land, assets or expenses will be the amount agreed to for the share transfer, plus the debt that the Eligible Company may have at such date, also on a proportional basis. To determine the gain or loss, the Eligible Company's shareholders must compare the sale price with the tax cost basis of such land, assets or expenses.

If a taxable gain is due, shareholders are obliged to pay the applicable income tax without any deferral option, unless the Eligible Company's shares are transferred in exchange for CBFEs, in which case, shareholders will be allowed to defer the recognition of such gains, and the obligation to pay the income tax applicable thereupon. In such case, 15% of the deferred gain must be recognized annually as of the year of the transfer until the full gain is recognized and the applicable tax is paid. The taxable gain obtained by shareholders generates a deferred expense for the applicable FIBRA E. The sale of shares issued by an Eligible Company must be audited by a certified public accountant registered before the Mexican tax authorities.

Drop-down rules

Contribution of assets. The transfer of land, fixed assets or deferred expenses from an entity resident in Mexico to another (an Eligible Company) is not considered as a sale of goods for Mexican federal tax purposes if these requirements are met: (i) assets are related only to the Exclusive Activities described above; (ii) the transfer is made as an equity contribution to an Eligible Company, as long as the full consideration for the assets' contribution is paid with shares issued by the Eligible Company; (iii) a trust that complies with FIBRA E requirements acquires at least 2% of the shares issued by the Eligible Company within up to six months from the date on which the assets' contribution is effective; and (iv) the Eligible Company complies with all the requirements to qualify as an investment target of a FIBRA E. If any of the applicable requirements are not met, the transfer of the assets will be considered as a taxable sale of goods for Mexican federal tax purposes, and the applicable taxes will have to be paid retroactively.

Spin-off. The spin-off of a Mexican resident entity, whereby land, fixed assets and/or deferred expenses are transferred to an Eligible Company, will not be considered as a sale of goods for Mexican federal tax purposes if these requirements are met: (i) assets are related only to the Exclusive Activities referred to above; (ii) a trust that complies with the FIBRA E requirements acquires at least 5% of the shares issued by the Eligible Company within up to six months from the date on which the spinoff is effective; and (iii) the Eligible Company complies with all the requirements to qualify as an investment target of a FIBRA E. The assets transferred as consequence of the spin-off will be deemed transferred at a carryover basis (there is no basis step-up for tax purposes). If any of the applicable requirements is not met, then the transfer of the assets will be considered as a taxable sale of goods for Mexican federal tax purposes, and the applicable taxes will have to be paid retroactively.

Corporate Governance of a FIBRA E

CBFE Holders' Meeting

A CBFEs holders' meeting shall approve, among other matters, the following: (a) changes in the investment regime, (b) rules for incurring (either by the trustee or manager) of financial liabilities of the assets of the FIBRA E, which will establish the maximum borrowing limit, (c) removal and replacement of the manager (as detailed below), (d) increase in compensation and management fees or any other item on behalf of the manager, (e) changes in the purpose of the FIBRA E or its early termination, (f) approval of transactions that may represent a potential conflict of interest under certain circumstances and (g) increases in intended issuances (in value or in number of CBFEs).

One of the most important differences of the FIBRA E corporate governance regime, compared to that of real estate FIBRAs, is that in the CBFEs holders' meeting, it is not necessary for such holders to approve intended investments and acquisitions if they represent 20% (or more) of the assets of the FIBRA E.

Removal and Substitution of the Manager

Unlike traditional real estate FIBRAs, in the case of FIBRA Es, the manager of a FIBRA E may be removed for "cause" by the affirmative vote of at least 66% of the outstanding CBFEs with voting rights. Pursuant to the Trust Agreement, the Manager may be removed with "cause" subject to the affirmative vote of at least 66% of the outstanding CBFEs with voting rights or without "cause" subject to the affirmative vote of at least 75% of the outstanding CBFEs with voting rights, as described under "The Manager—Removal, Resignation and Replacement of Manager."

These rules are similar to the structure of a MLP, in which the removal of the manager is an extraordinary circumstance and not something that happens commonly. This is derived from the important role of the manager in such funds, in which investors generally make their investment decision based largely on the reputation and track record of the manager. These rules contrast with the rules applicable to real estate FIBRAs, where the percentage of holders of trust CBFEs in circulation can never exceed 66% and no minimum grounds are established for removal.

Series of CBFEs

One of the new elements introduced by the new rules is that FIBRA Es can issue different series of CBFEs with limited voting rights. Such CBFEs must have a preferential right to certain distributions and minimum voting rights.

Minority Rights

Among other minority rights, holders that, individually or collectively, represent the percentages of outstanding CBFEs (or higher percentages) listed below may:

- With 20%, judicially oppose resolutions of the CBFEs holders' meeting, provided they have not attended the meeting or have voted against the relevant resolution;

- With 15%, bring actions for damages against the manager;

- For every 10%, designate a member of a technical committee, unless the manager, the trustee or similar persons have been granted the right to appoint all the members of the technical committee of a FIBRA E; and

- With 10%, request the convening of a general holders' meetings or postpone the vote of any matter (in each case, for 3 calendar days) in respect of which they are not well-informed.

In addition, holders are entitled to have at their disposal, free of charge and with at least 10 calendar days' notice prior to the holding of a CBFEs holders' meeting, information and documentation relating to the matters contained in the meeting agenda.

Technical Committee

The technical committee of a FIBRA E may be comprised of a maximum of 21 members, of which the majority must be independent (in terms of the Mexican Securities Market Law). Independence is also measured with respect to the trustee and the manager of the FIBRA E. The auxiliary committees set up by the technical committee of a FIBRA E may only be formed by independent members.

The technical committee of a FIBRA E has the following delegated powers:

- Propose and evaluate investments;

- Monitor the performance of the manager;

- Review the quarterly reports of the manager;

- Require information and documentation from the manager that the technical committee considers necessary for the performance of its duties; and

- Require that the trustee or common representative call a CBFEs holders' meeting and ask that issues that the committee considers appropriate be inserted into the agenda when it detects serious breaches of the obligations of the manager.

Tax Regime of FIBRA E and Eligible Companies

Tax Treatment Applicable to Eligible Companies

An Eligible Company is considered as a business trust for Mexican tax purposes. As a result, an Eligible Company is not considered a taxpayer per se with regards to income tax. According to the tax regime applicable to business trusts, an Eligible Company must determine its yearly Net Taxable Income as per Title II of the Mexican Income Tax Law and then apportion it proportionally among its shareholders. The latter, in turn, are responsible for settling their respective tax payment. Meanwhile, the FIBRA E must take into account such distribution when determining its own yearly Net Taxable Income.

An Eligible Company's net operating loss in a given year cannot be apportioned among shareholders. Such a loss can be offset only against its future Net Taxable Income. The FIBRA E tax regime does not allow for a step-up with regards to the assets that belong to an Eligible Company, as opposed to the step-up granted under the real-estate FIBRA regime. Therefore, an Eligible Company must determine its Net Taxable Income based on the assets' remaining tax cost. An Eligible Company is not obliged to make income tax advance payments; this is consistent with the regime contained in the Mexican Income Tax Law for real-estate FIBRAs. Finally, an Eligible Company may freely distribute cash flow to its shareholders as dividends or capital reimbursements without triggering a corporate income tax payment. The 10% dividend tax withholding applicable in distribution of dividends by Mexican resident entities to shareholders that are Mexican resident individuals or non-Mexican residents, is not applicable in respect of dividends distributed by an Eligible Company to the FIBRA E.

Tax Treatment Applicable to FIBRA Es

Net Taxable Income computation. A FIBRA E trustee must determine its yearly Net Taxable Income in accordance with the provisions of Title II of the Mexican Income Tax Law. To do so, the Trustee must take into account (i) all the tax income distributed by an Eligible Company to the FIBRA E; (ii) a tax deduction through the amortization of the deferred expense arising from the acquisition of an Eligible Company shares; and (iii) any other deduction that may be required for the proper operation of the FIBRA E. This computation may differ from an equivalent computation under U.S. federal income tax rules.

Net Taxable Income distribution. In general terms, Net Taxable Income distributions should be subject to a 30% income tax withholding, except on the portion attributable to exempt CBFE holders (e.g. SIEFORES). Any undistributed Net Taxable Income is subject to a 30% tax rate and is considered as a final payment. Distributions considered as capital reimbursements reduce the CBFE's basis.

Main Benefits of Investing in a FIBRA E Relative to Certain Other Investments

The main benefits of investing in a FIBRA E, relative to other investments, are:

- the potential for a high dividend yield on investment (on a cash basis) relative to other investments due to the requirements for distribution of 95% of Net Taxable Income, a portion of which may constitute tax-advantaged return of capital not subject to withholding tax;

- the potential for capital appreciation of CBFEs commensurate with increases in value of the assets held by the FIBRA E;

- access to the Mexican energy and infrastructure markets as an investment option through a security that can be traded easily and has a readily identifiable market price;

- access to assets that are generally owned by entities in the public sector (state, federal and state-owned productive companies), who are not recognized players in capital markets, but recognized in debt markets;

- broader diversification with respect to geographic exposure and asset type for investors seeking to invest in the Mexican energy and infrastructure markets or generally for an investor's investment portfolio;

- FIBRA Es may serve as a vehicle to attract foreign investment into Mexico; and

- applicable tax benefits.

FIBRA Es encourage the development of the Mexican energy and infrastructure market by providing a vehicle through which institutional and retail investors can access this market, by serving as a source of liquidity for developers and investors, and by contributing to the diversification of energy and infrastructure risks for investors.

A FIBRA E that is traded on the Mexican Stock Exchange or another securities exchange in Mexico has several benefits under the Mexican tax laws, such as not being subject to income tax for some investors, and exempting its investors who qualify as exempted investors under the Mexican tax laws (such as individuals who reside in Mexico, tax-exempt entities (such as SIEFORES) or non-Mexican persons) from being subject to taxes with respect to secondary market transactions involving CBFEs. Legal entities resident in Mexico taxed according to Title II of the LISR are not exempt. For more detailed information, see "Taxation—Certain Mexican Income Tax Consequences."

General Comparison of Mexican FIBRA Es and U.S. MLPs

The rules and regulations governing FIBRA Es under Mexican law have similar, as well as certain analogous, but nonetheless different, characteristics to the rules and regulations governing Master Limited Partnerships ("MLP") under U.S. federal income tax law. The table below highlights the principal differences between FIBRAs and U.S. MLPs:

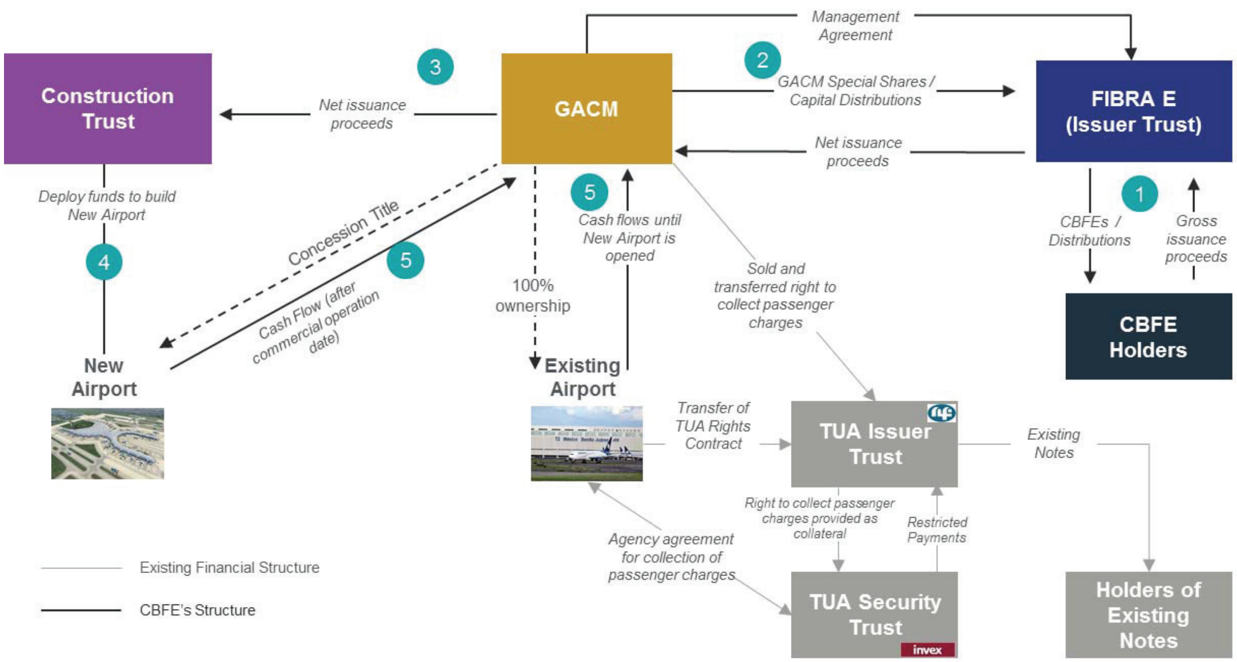
	Mexican FIBRA Es	U.S. MLPs
Legal Form	• Trust. • Contract between trustee and sponsor. • Managed by manager.	• Limited partnership under state law. • For offshore assets, limited partnership or limited liability company under Marshall Islands or other non-U.S. law. • Managed by general partner.
Income Requirement	• At least 90% of gross income each year must come from Exclusive Activities.	• At least 90% of gross income each year must come from certain qualifying sources, generally produced only by natural resource companies. • Midstream (gathering, transmission pipelines, storage, compression); oil and gas exploration; mining; refining; wholesale fuel distribution.
Asset Requirement	• No more than 25% of annual average book value of non-monetary assets are new assets (less than one year of use in Mexico).	• None.
Investment Requirements	• At least 70% of annual average value of trust's estate is invested in shares of Eligible Companies (balance may be invested in government securities or debt investment funds).	• None

	Mexican FIBRA Es	U.S. MLPs
Distributions	• Required to distribute at least 95% of annual Net Taxable Income to CBFE holders (similar to REITs in the U.S. and FIBRAs in Mexico). • May also distribute tax-free capital returns.	• There is no legal requirement for any entity to distribute cash. • The MLP distributes all available cash from operations not reserved in the business each quarter. General partner has broad discretion to reserve • Makes quarterly distributions to unit holders. Market expects steady or increasing amounts. General partner can lower or suspend distributions.
Managing Body	• Technical committee at trust level handles oversight of manager and approve conflicts. • Maximum 21 members. • Manager handles administration	• Board of directors at general partner. • No maximum number of directors; three minimum.
Majority Independent Members	• Required.	• Not required under rules of major U.S. stock exchanges.
Entity Level Mexican Taxes	• No taxation at company (FIBRA E and Eligible Companies) level.	• No taxation at company (MLP) level.
Investor Level Mexican Taxes	• In general investors are subject to Mexican income tax on the distribution of Net Taxable Income. Distributions of a FIBRA E in excess of its Net Taxable Income are considered a return of capital up to the CUCA balance of the FIBRA E and are not subject to income tax. Such return of capital reduce the investor's basis in the FIBRA E CBFEs. • Capital gains realized on the disposition of CBFEs are exempted from income tax if CBFEs are sold in recognized markets (as referred to in fractions I and II of article 16-C of the Mexican Federal Tax Code) and transferors are Mexican resident individuals or non-Mexican residents.	• In general investors are subject to U.S. federal income tax on the distribution of net taxable income. MLP distributions that exceed the net income of the entity are considered a return of capital. This return of capital reduces the owner's tax basis in MLP's units.

DESCRIPTION OF THE CBFES AND THE GACM SPECIAL SHARES

Set forth below is a description of the CBFEs and the GACM Special Shares, which are considered relevant to the transaction. This description is not intended to be complete and is qualified in its entirety by the provisions contained in the Trust Agreement, the GACM's bylaws and Mexican law.

Formation Transactions



(1) The Issuer Trust issues CBFEs to be subscribed through the Global Offering.
(2) GACM's shareholders' meeting approves an increase of GACM's capital stock via the issuance of the GACM Special Shares, which will be subscribed by the Issuer and paid with the net proceeds of the Global Offering.
(3) The proceeds that GACM receives from the subscription and payment of the GACM Special Shares will be transferred to the Construction Trust to carry out the construction and development of the New Airport.
(4) The Construction Trust will direct the funds to cover the costs related to the planning, design and construction of the New Airport and related works.
(5) Starting in 2021, GACM will pay a percentage of the Distributable Cash Flow to the Issuer as Capital Distributions, which the Issuer will use to make Distributions to the holders of the CBFEs.

* Restricted Payments are paid to the TUA Issuer Trust or any other person instructed by the TUA Issuer Trust, including GACM and AICM.

Prior to the Global Offering and in order for the Issuer to acquire the GACM Special Shares, several corporate-level transactions will be executed at GACM and AICM (the "Formation Transactions"). The Formation Transactions are conditioned on the trade of the CBFEs taking place in the Mexican Stock Exchange on the Settlement Date.

The general extraordinary shareholders' meeting of each of the Sponsors have approved an amendment of their bylaws in order to meet the requirements set forth in the FIBRA E Rules and to establish certain special rights for the holders of the GACM Special Shares. Additionally, GACM will increase the variable portion of its capital stock in order to issue 19,584,547,735 GACM Special Shares, representing 20% of its capital stock. Regardless of the number of GACM Special Shares GACM issues and the percentage of GACM's capital stock that the GACM Special Shares represent, the GACM Special Shares will initially grant the Issuer the economic right to receive 39% of the Distributable Cash Flow of GACM, which percentage of distributions will be increased on a yearly basis from

2026 to 2030, and may be further increased on a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation.

As a result of the Formation Transactions and the subscription of the GACM Special Shares by the Issuer, the share ownership of GACM after the Global Offering will be as follows:

Shareholder	Number of Shares	% of Shares
SCT	78,338,190,939	79.9999999987%
ASA	1	0.0000000013%
México City Airport FIBRA E	19,584,547,735	20%
Total	**97,922,738,675**	**100%**

Main Characteristics of the CBFEs

CBFEs

The purpose of the Formation Transactions is to create a vehicle for the issuance of *certificados bursátiles fiduciarios de inversión en energía e infraestructura*, redeemable, with full voting rights, meeting the requirements provided in the FIBRA E Rules.

The CBFEs have no par value, but their offering price will be expressed in pesos.

The CBFEs being offered pursuant to this offering memorandum will be issued by the Issuer and do not represent an interest in or obligation of the Manager, the Trustee, the Common Representative or any of their affiliates. Furthermore, the CBFEs are not a deposit or other obligation of any bank, are not an insurance policy of any insurance company and are not insured or guaranteed by the U.S. Federal Deposit Insurance Corporation, any other (U.S. or Mexican) governmental agency or any insurance company. The CBFEs will not benefit from any insurance guaranty association coverage or any similar protection.

There is no credit rating in relation to the Global Offering. The CBFEs will not have a credit rating issued by an authorized rating agency in accordance with the Mexican Issuer Regulations.

Additional CBFEs

The Issuer may conduct additional issuances of *certificados bursátiles fiduciarios de inversión en energía e infraestructura*, fungible with the initial CBFEs, in public or private offerings, within or outside Mexico, pursuant to the prior written instructions of the Manager and a copy for the Common Representative. The CBFE holders' meeting shall approve the terms of the additional issuance, including the manner of determining the price thereof, and the amount or number of additional CBFEs to be issued. The CBFEs issued by the Issuer in the initial issuance or any additional issuance that belong to the same series shall be subject to the same terms and conditions, and shall grant their holders equal rights. Therefore, any Distributions to the holders of CBFEs of the same series shall be made on a pro rata basis and with the same priority. If an additional issuance is carried out in accordance with the terms of the Trust Agreement, the Trustee shall update the registration of the CBFEs in the RNV in accordance with the provisions of the Mexican Issuer Regulations.

In the event that the CBFE holders' meeting approves an additional issuance of CBFEs, the holders of the CBFEs will have a preferential right to subscribe CBFEs that are issued under said additional issuance in proportion to the number of CBFEs each holds on the date of the CBFE holders' meeting approving the additional issuance. The preferential right must be exercised by the holders of the CBFEs within 15 business days following the date on which the CBFE holders' meeting approves the additional issuance and in accordance with the terms approved, by providing written notice to the Common Representative, the Trustee and the Manager; provided that the respective holder may pay the additional CBFEs at a later date as agreed by the CBFE holders' meeting approving their issuance.

The preferential right referred to in the immediately preceding paragraph shall not be available in those cases in which the CBFE holders' meeting determines that the additional CBFEs to be issued shall be offered as part of a public offering (as such term is defined in the Mexican Securities Market Law) or an international offering.

Registration and Listing

In order for the Trustee to carry out issuances pursuant to Section 3.1 of the Trust Agreement, the Trustee shall comply with the following:

Initial Issuance

Regarding the initial issuance of CBFEs, the Trustee shall take the actions necessary or convenient to request and obtain from the CNBV, the Mexican Stock Exchange, Indeval (or such other institution for the deposit of securities as determined) and any government authority, the authorizations and registrations necessary to: (i) register the initial CBFEs with the RNV; (ii) carry out the Global Offering of the CBFEs, including obtaining the authorization of the respective listing on the Mexican Stock Exchange for the Mexican Offering; and (iii) deposit the instrument that documents the CBFEs with Indeval or with the relevant institution for the deposit of securities.

Additional Issuances

The Issuer Trust may carry out additional issuances of CBFEs that are fungible with the initial CBFEs in public or private, domestic or global offerings and in accordance with the Manager's written instructions. Prior to and with respect to any additional issuance, the Trustee will request and obtain from the CNBV, the registration authorization or the update of the registration of the CBFEs with the RNV in accordance with the applicable regulations, and carry out necessary or convenient acts to request and obtain from the CNBV, the Mexican Stock Exchange, Indeval (or such other institution for the deposit of securities as determined) and any governmental authority, the necessary authorizations and registrations so that the additional CBFEs can be publicly offered or delivered to the relevant Holders, including: (i) the registration of such additional CBFEs with the RNV (or an update of the existing registration) and their listing on the Mexican Stock Exchange, as the case may be and (ii) the deposit or exchange of the instrument or instruments that document such CBFEs with Indeval or with the relevant institution for the deposit of securities, as the case may be.

Certificates Evidencing the CBFEs

Holders will hold the CBFEs indirectly. The CBFEs of each series issued by the Issuer will be documented in a global certificate evidencing all the CBFEs of said series, in accordance with the provisions of applicable law. Each global certificate issued by the Issuer shall be deposited with Indeval (or such other institution for the deposit of securities as determined) and comply with all the applicable requirements of the Mexican Securities Market Law, the Mexican Issuer Regulations and any other applicable law. The global certificates representing the CBFEs that are issued in the initial issuance of CBFEs will be deposited by the Trustee with Indeval (or such institution for the deposit of securities as determined) on or before the closing date of the Global Offering; provided that in connection with any additional issuance of CBFEs of an existing series, the previous global certificate of said series shall be exchanged for a new global certificate representing all CBFEs of the series in question (including those issued under said additional issuance) no later than the date on which said additional issuance is conducted; the foregoing, without prejudice to any additional amendment that could be made to the global certificate and other Offering Documents in said update, having obtained the relevant corporate approvals and from the relevant Mexican authorities, as necessary.

The Issuer has made an application to have the CBFEs registered with the RNV and listed on the Mexican Stock Exchange and the CBFEs will be publicly offered in Mexico pursuant to the Mexican Offering. Indeval is the holder of record in respect of all CBFEs held in book-entry form. Indeval will issue deposit certificates (*constancias de depósito*) to holders of the CBFEs. The transfer of CBFEs must be registered with Indeval. Transfers of CBFEs deposited with Indeval will be registered in book entry form pursuant to the Mexican Securities Market Law.

Common Representative of the CBFEs

Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero has been appointed as Common Representative of the Holders. Pursuant to the Mexican Securities Market Law, the Common Representative will have the obligations, rights and powers provided for in the instrument evidencing the CBFEs.

The Common Representative represents the holders of the CBFEs collectively and not individually. As indicated in the global certificate evidencing the CBFEs, the Common Representative has the powers and obligations provided in the Mexican Securities Market Law, the Mexican Issuer Regulations, the Negotiable Instruments and Credit Operations Law, the global certificate and the Trust Agreement. As to matters not expressly addressed in the global certificate, the Trust Agreement, the other documents to which it is a party, the Mexican Securities Market Law, the Mexican Issuer Regulations or the Negotiable Instruments and Credit Operations Law, the Common Representative shall act pursuant to the instructions of the CBFE holders' meeting.

For more information on the powers and duties of the Common Representative, see "The Common Representative."

Rights of the Holders of CBFEs

Each CBFE grants corporate and economic rights to its holder. In accordance with the Trust Agreement and the Mexican Issuer Regulations, the holders of the CBFEs will have the following rights:

- Receive a pro rata portion of the Distributions no later than March 15 of each year;
- Holders who, individually or as a whole, own 20% or more of the outstanding CBFEs, will have the right to judicially oppose resolutions adopted by the CBFE holders' meeting in which they would have had to cast their vote, provided the holders of the CBFEs who intend to oppose a resolution must not have attended the CBFE holders' meeting or, having attended, must have voted against the resolution, and must file their claim within 15 calendar days following the date on which the resolutions were adopted, indicating in their claim the breached contractual or legal provision or the concepts of violation. The execution of the opposed resolutions may be suspended by a judge of first instance, provided that the holders of the CBFEs who oppose the resolutions grant a security sufficient to cover the damages that may be caused to the rest of the holders of the CBFEs by the non-execution of such resolutions, in case the opposition is found to be unfounded or inadmissible. The judgment issued will affect all holders of the CBFEs. All oppositions against the same resolution must be decided in a single instance;
- Holders who, individually or as a whole, own 15% or more of the outstanding CBFEs may bring actions against the Manager for breach of its obligations under the Trust Agreement and/or under any other Offering Document, provided that said action has a statute of limitations of 5 years from the date of the act or event that caused the economic harm;
- Holders who, individually or as a whole, own 10% or more of the outstanding CBFEs will have the right to request the Common Representative (i) to call for a CBFE holders' meeting, indicating the matters to be discussed, and (ii) to adjourn for a single time, for 3 calendar days, and without the need for a new call, a CBFE holders' meeting with respect to any matter for which the holders do not consider themselves sufficiently informed;
- Holders of the CBFEs will be entitled to have the information and documents related to the agenda of a CBFE holders' meeting made available free of charge at the offices of the Trustee, the offices of the Common Representative and/or the address indicated in the call at least 10 calendar days prior to the date of such meeting, unless the request of the corresponding holders of the CBFEs is received in less than 10 calendar days, in which case the information will be sent no later than on the business day immediately following the date on which such request was received. If the CBFE holders' meeting resolves any issue established in section VIII, paragraph (a), numeral 1 of the

Mexican Issuer Regulations, the information presented for approval by the CBFE holders' meeting must be sent to the BMV through Emisnet and to the CNBV through STIV-2 the same day the call for a meeting is issued, in accordance with article 50 of the Mexican Issuer Regulations; and

- Appoint a member of the technical committee, for each 10% of the total number of outstanding CBFEs held, individually or collectively.

CBFE Holders' Meeting

Procedures for CBFE Holders' Meetings

CBFE holders' meetings shall be governed in accordance with the following provisions:

- Each CBFE holders' meeting, as to matters not contrary to the provisions of Section 4.1 of the Trust Agreement, will be governed by the provisions of Articles 218 to 221 and 223 to 227 and other related Articles of the Negotiable Instruments and Credit Operations Law, and in accordance with the provisions of Article 68 of the Mexican Securities Market Law and Article 7, section VIII, of the Mexican Issuer Regulations. Resolutions of the CBFE holders' meetings will be valid with respect to the holders of the CBFEs, including absent and dissenting holders.

- Holders will meet at the CBFE holders' meeting whenever they are convened by the Trustee, or by the Common Representative, as applicable, provided that all series entitled to attend and vote at the CBFE holders' meeting will be called under the same call. The CBFE holders' meeting will be held at the address of the Common Representative, or at the location expressly stated in the call within the Trustee's registered office.

- Holders who, individually or in the aggregate, own 10% or more of the outstanding CBFEs will have the right to request the Common Representative to call for a CBFE holders' meeting, indicating the matters to be discussed. Within 10 calendar days from the date on which the respective request is received, the Common Representative shall issue the call for the CBFE holders' meeting to meet. If the Common Representative fails to comply with this obligation, the competent first instance judge of the Trustee's domicile, at the request of the requesting holders, shall issue the respective call.

- At any time during the term of the Trust, the Manager and when provided for in the Trust Agreement, the technical committee, may request the Trustee and/or the Common Representative to, together, call for a CBFE holders' meeting specifying in their request the matters to be discussed. Within 10 calendar days from the date on which it receives the request, the Trustee or the Common Representative shall issue the call for the CBFE holders' meeting to meet and, in the case of a failure to comply with this obligation, the first instance judge of the Trustee's domicile, at the request of the Manager or the technical committee, shall issue the call for the CBFE holders' meetings, provided that the Common Representative will proceed to comply with article 290 of the Mexican Securities Market Law, in order for Indeval to provide the Common Representative with the relevant certificate;

- Holders who, individually or as a whole, own 20% or more of the outstanding CBFEs, will have the right to judicially oppose resolutions adopted by the CBFE holders' meeting in which they would have had to cast their vote, provided the holders of the CBFEs who intend to oppose a resolution must not have attended the CBFE holders' meeting or, having attended, must have voted against the resolution. Such holders must file their claim within 15 calendar days following the date on which the resolutions were adopted, indicating in their claim the breached contractual or legal provision or the concepts of violation. The execution of the opposed resolutions may be suspended by a judge of first instance, provided that the holders of the CBFEs who oppose the resolutions grant a security sufficient to cover the damages that may be caused to the rest of the holders of the CBFEs by the non-execution of such resolutions, in case the opposition is found to be unfair or unfounded. The judgment issued will affect all holders of the CBFEs. All oppositions against the same resolution must be decided in a single instance.

- To be admitted to a CBFE holders' meeting, the holders must deposit certificates issued by Indeval (or the relevant institution for the deposit of securities) in the place designated in the call no later than one business day prior to the date on which the CBFE holders' meeting is to be held, as well as the list of holders to that effect issued by the relevant financial intermediary, as the case may be. The holders may be represented at the CBFE holders' meeting by an attorney-in-fact, with a proxy letter signed before two witnesses or any other means authorized by the applicable law.

- The CBFE holders' meeting shall be chaired by the Common Representative and the holders shall have one vote for each outstanding CBFE they hold with the right to vote regarding the matter in question.

- The president of respective the CBFE holders' meeting will designate the secretary of the CBFE holders' meeting and 1 or more tellers. The secretary shall draft minutes reflecting the resolutions adopted thereat. The attendance list, signed by the present holders and the examiner, shall be included in the minutes. The Common Representative shall be responsible for keeping the executed minutes of the CBFE holders' meeting, as well as a copy of all the documents submitted for the consideration of the CBFE holders' meeting, which may be consulted by the holders at any time, upon written request. The holders shall be entitled to have certified copies of said documents issued by the Common Representative, at their expense.

- The information and documents related to the agenda of a CBFE holders' meeting shall be available free of charge at the offices of the Common Representative and/or at the address indicated in the call, or if the respective holder so requests in writing (having previously evidenced ownership of the CBFEs, with certificates of deposit issued by Indeval or the relevant institution for the deposit of securities and the list of holders issued by the relevant financial intermediary), sent by email, for review by the holders at least 10 calendar days prior to the date on which the CBFE holders' meeting is due to meet, unless the request of the holder is received in a shorter period, in which case the information will be sent during the business day following the date on which the request is received. If the CBFE holders' meeting resolves any issue established in numeral 1 of paragraph (a) of section VIII of article 7 of the Mexican Issuer Regulations, the information presented for approval by the CBFE holders' meeting must be sent to the BMV through Emisnet and to the CNBV through STIV-2 the same day the call for a meeting is issued, in accordance with article 50 of the Mexican Issuer Regulations.

- Unanimous resolutions approved in lieu of a CBFE holders' meeting by those holders representing all the CBFEs outstanding with the right to cast a vote, will be, for all legal purposes, valid as if they had been approved at a CBFE holders' meeting, provided that said resolutions be in writing, signed by those holders representing all outstanding CBFEs with the right to cast their vote and that they be notified to the Trustee, the Manager and the Common Representative.

- The Trustee and the Manager will have, at all times, the right to attend any CBFE holders' meeting, as observers with the right to speak but not the right to vote.

- Holders who, individually or as a whole, own 15% or more of the CBFEs outstanding may exercise liability actions against the Manager for the breach of its obligations under the Trust Agreement and/or in any other Offering Document, provided that the statute of limitations on said action will expire within the applicable legal term in accordance with the applicable regulations.

Powers of the CBFE Holders' Meeting

Except for any matter for which a different percentage is required, a favorable vote, at the first or later call with the presence and favorable vote of the holders of the CBFEs representing at least 75% of the CBFEs with the right to vote will be required for resolutions to be adopted at a CBFE holders' meeting on any of the following matters:

- the removal and replacement of the Manager, without "cause," in accordance with the Trust Agreement and the Management Agreement;
- any amendment to the Management Agreement, including the granting of general and special powers in favor of the Manager in order to perform its duties;
- the appointment, removal and substitution of members of the technical committee in accordance with the Section 4.2 of the Trust Agreement;
- any amendment to any other compensation or fees payable by the Issuer in favor of the Manager;
- any amendment to the purposes of the Issuer Trust;
- the early termination or extension of the term of the Issuer Trust in accordance with Sections 13.2(a) and 13.2(b) of the Trust Agreement, respectively;
- any additional issuance of CBFEs, including the terms and conditions thereof, as well as the amount or number of additional CBFEs to be issued;
- the maximum amount of resources that the Issuer Trust may allocate for the repurchase of CBFEs, in accordance with Section 3.6(a) of the Trust Agreement;
- the cancellation of the registration of the CBFEs in the RNV, in accordance with the provisions of section III of Article 108 of the Mexican Securities Market Law, provided that, as an exception, said resolution will require the favorable vote of 95% of the outstanding CBFEs;
- the compensation plans proposed by the Manager for the members of the technical committee and the Conflicts Committee, in accordance with Section 4.2(f) of the Trust Agreement, as well as any amendments thereto;
- any amendment to the global certificate evidencing the CBFEs or any other Offering Document, in the latter case, only to the extent that it affects the rights or obligations of the holders of the CBFEs, and except for those cases in which, in accordance with Section 14.2 of the Trust Agreement the holders' consent is not required;
- any decrease in the percentage of the Issuer's Net Taxable Income distributable to the holders of the CBFEs, subject in any case to the FIBRA E Rules;
- the engagement of any third party expert deemed convenient and/or necessary to assist the Common Representative in complying with its verification obligations, in accordance with Section 4.4(b)(vi) of the Trust Agreement;
- any investment, acquisition or divestment intended to be made, directly by the Issuer, as well as any change to the investment regime; and
- the delegation of all or part of the powers listed above to the Manager, as well as the revocation of any such delegation.

Attendance and Voting Quorums

General Quorum

In order for a CBFE holders' meeting to be considered validly convened upon first call, holders representing at least a majority of the outstanding CBFEs with voting rights at the relevant CBFE holders' meeting must be present. Upon the second or any subsequent call, the CBFE holders' meeting will be considered validly convened regardless of the number of CBFEs with voting rights present at said CBFE holders' meeting. Except for resolutions listed above that require the favorable vote of 75% of the CBFEs, the resolutions at a CBFE holders' meeting will be validly adopted if approved by the favorable vote of a majority of the CBFEs with the right to vote represented at the CBFE holders' meeting.

Voting Agreements

The holders may enter into agreements regarding the exercise of their voting rights at CBFE holders' meetings, provided that such agreements may contain options for the purchase or sale of CBFEs among holders, as well as any other agreement related to the voting or economic rights of the CBFEs. Holders must notify the Trustee, the Common Representative and the Manager of the execution of such agreements and their characteristics within 5 business days following the date of execution, so that they may be disclosed by the Trustee to the public through Emisnet and/or any other electronic system of any stock exchange listing the CBFEs, and for their existence to be disclosed in the annual report. In these agreements, holders of CBFEs may also waive their right to appoint a member to the technical committee in accordance with the terms of Section 4.2(c) of the Trust Agreement.

Distributions to CBFE Holders

Time and Form of Distributions

The Manager will instruct the Trustee, with a copy to the Common Representative, to make Distributions to the holders pursuant to Section 9.2 of the Trust Agreement no later than 10 days after receipt of each Capital Distribution from GACM and in such amounts as determined by the Manager based on the calculation made pursuant to the Trust Agreement and the global certificate evidencing the CBFEs; provided that, in any case, the Trustee must distribute among the holders of CBFEs at least once a year and no later than March 15, at least 95% of the Issuer's Net Taxable Income for the prior fiscal year, in compliance with the FIBRA E Rules. However, the Issuer's Net Taxable Income may be different from the cash available for distribution and does not guarantee any payment of Distributions in cash. Unless there is a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation under the GACM Special Shares, there will be no Distributions under the CBFEs before January 1, 2021 when the Issuer, as holder of the GACM Special Shares, expects to start receiving Capital Distributions from GACM. Any payment of cash Distributions shall be made in accordance with the distribution policies set forth in the Trust Agreement and will depend on the Issuer's results of operations, economic situation and other relevant factors.

Notwithstanding the foregoing and in the case of a fiscal year where there is no Net Taxable Income available for distribution to the holders of the CBFEs, the Trustee will distribute, in the form of capital reimbursement or another line item, the Distributable Amount (as defined below). Distributions will be subject, at all times, to the fact availability of liquid funds on the Settlement Date.

Currency

Distributions will be made in cash, in Pesos and through Indeval or the corresponding institution for the deposit of securities.

Distribution Process

Capital Distributions, and any other amount held in the Issuer Trust's distribution account (the "Distribution Account") will be distributed among the holders through Indeval or the relevant institution for the deposit of securities. At least 7 business days prior to each Distribution, the Manager shall calculate the amount to be distributed to the holders of each series of CBFEs, including any series of CBFEs that were Additional Issuances, which will be determined based on the available cash flows of the Issuer, after the necessary expenses have been paid to comply with the purposes of the Issuer, including the funding of the Issuer Trust's expense and investment account (the "Expense and Investment Account") with the amounts necessary to pay the trust expenses (the "Distributable Amount").

Once said determinations are made, the Manager shall provide written notice, on the same date, of the Distributable Amount, as well as the respective distribution date, to the Trustee, the Common Representative, breaking down in such notice the amounts payable to the holders of the outstanding CBFEs, as applicable, and the Trustee shall notify and Indeval or the relevant institution for the deposit of securities about the Distributable Amount payable by the Issuer and inform the BMV and the holders of the CBFEs through Emisnet and the CNBV through STIV-2, in each case, at least 6 business days prior to the applicable distribution date.

Distributions of Distributable Amount

Pursuant to the instructions of the Manager, the Trustee shall distribute on each distribution date 100% of the Distributable Amount determined for said period among the holders of the CBFEs in proportion to the number of CBFEs they hold.

Cancellation of the CBFEs

The Issuer Trust will remain in full force and effect until the purposes of the Issuer Trust have been satisfied in full, unless the Trust Agreement terminates upon: (i) the termination of the New Airport Concession; in which case the Trustee will cover all of the outstanding expenses of the Issuer Trust, including liquidation expenses, make a final Distribution of the remaining funds in the trust estate, and cancel the CBFEs, (ii) the divestment of the trust estate in accordance with Section 13.1 of the Trust Agreement and the distribution of all amounts held in the trust accounts to the holders of the CBFEs, in accordance with Clause 9 of the Issuer Trust or (iii) a resolution of a CBFE holders' meeting in accordance with the Trust Agreement, pursuant to which the dissolution thereof is approved, solely and exclusively with the prior consent of the Manager. Notwithstanding the foregoing, the Issuer Trust will not be terminated until all of its payment obligations with trust estate funds have been paid in full.

Notwithstanding the foregoing, the term of the Trust Agreement may not exceed the term of 50 years. If the 50 year term of the Trust Agreement were to expire, the Manager shall instruct the Trustee, with the prior approval of the CBFE holders' meeting, either to: (a) incorporate a new trust to which the GACM Special Shares, the AICM Shares and the rest of the existing trust estate will be transferred, in which case the Manager must instruct the Trustee to carry out all actions related to the CBFEs in order to define the time in which they should take measures concerning the CBFEs issued under the terminating trust, in accordance with the CBFE holders' meeting; (b) carry out the dissolution of the Issuer Trust and liquidation of the trust estate in accordance with the procedure described in Section 13.3 of the Trust Agreement or (c) distribute the trust estate in kind to the holders of the CBFEs on a pro rata basis, in accordance with the terms approved by the CBFE holders' meeting. If the CBFE holders' meeting does not approve any of the aforementioned alternatives, then the Manager must instruct the Trustee to carry out the dissolution of the Issuer Trust and liquidation of the trust estate in accordance with the procedure described in Section 13.3 of the Trust Agreement. In the case of a termination of the Issuer Trust, or in the event that the Trustee cancels the registration of the CBFEs with the RNV as established in the Trust Agreement, the Trustee must give written notice to Indeval or to the relevant institution for the deposit of securities.

Restrictions on the Transfer of CBFEs

Change of Control Restrictions

After the Global Offering, any person or group of persons that intends to acquire, directly or indirectly, in one or several transactions of any nature, simultaneous or successive, in an stock exchange transaction or otherwise, 50% or multiples thereof of the outstanding CBFEs, or whatever percentage allows such person to exercise control over the Issuer, will need to obtain the prior written approval of the Conflicts Committee, the technical committee and GACM's board of directors.

In order for any person or group of persons to obtain said authorization, such person or group of persons must submit a written request to the Manager, including information about such person's identity (identifying, if applicable, if such person has direct or indirect participation in the capital or operation of a competitor, or any other business or economic connection), the amount of CBFEs such person currently holds, the amount of CBFEs such person intends to acquire and the source of the funds that will be used to acquire the CBFEs. The Manager may request additional information from such person, and the application will not be considered complete until this information is provided. The Manager has 90 days from the receipt of the complete application to communicate the approval or rejection of application based on the information provided in the application and any other factors the Conflicts Committee, the technical committee, and GACM's board of directors deem appropriate in the interest of the Issuer and the holders of the CBFEs (including any potential conflict of interest if the potential acquirer is a competitor). If the Manager has not announced a decision within this timeframe, the request will be deemed automatically denied.

If CBFEs are acquired without the prior written approval of the Conflicts Committee, the technical committee and GACM's board of directors, the transferred CBFEs will not grant rights to its holders or constitute evidence of title.

Restrictions Applicable to U.S. Persons

The CBFEs have not been and will not be registered under the Securities Act or the securities laws of any jurisdiction, other than Mexico. Unless they are registered, the CBFEs may not be offered or sold within the United States or to U.S. persons, except in transactions exempt from registration under the Securities Act and the securities laws of any other jurisdiction. Accordingly, the Issuer is offering the CBFEs only to qualified institutional buyers that are also qualified purchasers in reliance on the exemption from registration provided by Rule 144A under the Securities Act and the exemption from the provisions of the Investment Company Act provided by Section 3(c)(7) of the Investment Company Act, and to certain non U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act.

Depending on the number of U.S. persons or persons in the United States that purchase CBFEs in this offering in reliance on Rule 144A, the Issuer may be required to establish certain additional restrictions to ensure that such CBFEs are only reoffered, resold, pledged or otherwise transferred (i) to U.S. persons or persons in the United States that are qualified purchasers under the Investment Company Act, or (ii) in offshore transactions in reliance on Regulation S.

For additional information regarding restrictions on transfers, see "Transfer Restrictions."

Main Characteristics of the GACM Special Shares

The GACM Special Shares are the main investment of the Issuer in GACM and will be issued as a result of the Formation Transactions.

The GACM Special Shares will be issued in certificated form, represented by one or more share certificates that comply with the requirements of Article 125 of the General Law of Commercial Companies, GACM's bylaws of GACM and other applicable legal and corporate provisions. The GACM Special Shares are common and registered shares that confer to their holders the economic and corporate governance rights inherent to such type of securities and have the characteristics described below.

Description of Economic Rights

As of January 1, 2021 the Issuer will have the right to receive a percentage of GACM's Distributable Cash Flow corresponding to the prior fiscal year (each, a "Distribution Period"), unless a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation occurs before January 1, 2021 (in which case the Issuer will receive Distributable Cash Flow accruing upon the Mandatory Acceleration Date or Mandatory Accleration Date due to Cancellation, as applicable, and payable beginning the January 1 following such date).

The stock certificate representing the GACM Special Shares provides that the amounts payable to the Issuer will have priority over any distribution or payment that GACM makes to any of its other shareholders, including payment of any Budgetary Concession Fees and Government Concession Fees, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust. The percentage of the Distributable Cash Flow payable to the Issuer will be adjusted from time to time in accordance with the following schedule:

- Prior to January 1, 2021, the percentage will be 0%, for each Distribution Period in 2018 and 2019;
- As of January 1, 2021, the percentage will be 39%, for each Distribution Period from 2020 to 2024;
- As of January 1, 2026, the percentage will be 41%, for the Distribution Period in 2025;
- As of January 1, 2027, the percentage will be 43%, for the Distribution Period in 2026;
- As of January 1, 2028, the percentage will be 45%, for to the Distribution Period in 2027;
- As of January 1, 2029, the percentage will be 47%, for the Distribution Period in 2028;
- As of January 1, 2030, the percentage will be 49%, for the Distribution Period from 2029 onward.

If a Mandatory Acceleration Date or a Mandatory Accleration Date due to Cancellation occurs, the percentage of Distributable Cash Flow payable to the Issuer will increase to 65% or 80%, respectively, provided that the percentage of Distributable Cash Flow will be restored in accordance with the calendar above once the event that triggered the mandatory redemption ceases to exist.

On any Capital Distribution payment date, the applicable percentage of Distributable Cash Flow shall be the lower of (i) the corresponding percentage in accordance with the above calendar, and (ii) such percentage of Distributable Cash Flow previously approved by the GACM shareholders' meeting and/or AICM, that on a Capital Distribution payment date allows the Issuer Trust as holder of the GACM Special Shares to reach the Target Return.

Target Return

The target return of the GACM Special Shares will be a recovery of the Initial Invested Amount plus an internal rate of return of 10.0%, in pesos, in inflation-adjusted terms, calculated based on UDIs.

The internal rate of return is calculated as the annual rate of return necessary for the present value of the cash flows contributed and received by the Issuer minus the Initial Invested Amount, measured in terms of UDIs, to be equal to zero, in accordance with the following formula:

$$-I_0 + \sum_{t=1}^{n} \frac{F_t}{(1+R)^{Dt/365}} = 0$$

Where:

I_0 = Initial Invested Amount on the GACM Special Shares payment date. For purposes of calculating this formula, the initial amount invested will be calculated in terms of UDIs, based on the UDI value on the GACM Special Shares payment date.

F_t = Relates to each of the Capital Distributions on each *t-th* Capital Distribution payment date, calculated in UDIs based on the value of the UDI applicable to the relevant Capital Distribution payment date.

D_t = Relates to the number of calendar days elapsed between the payment date of the GACM Special Shares and each *t-th* Capital Distribution payment date.

n = Relates to the number of Capital Distributions that have been paid, starting with 1 (the first Capital Distribution) up to and including the n-th realized Capital Distribution.

R = Relates to the internal rate of return that makes the sum of the present value of the Capital Distributions paid be equal to the Initial Invested Amount.

Description of corporate governance rights

The Issuer will have the right to appoint two members of GACM's board of directors (designated by the Technical Committee), as well as their alternates; provided that the Issuer will have the power at all times to remove said members and appoint others in substitution.

Additionally, GACM will need the favorable vote of the majority of the GACM Special Shares (which will be voted at the direction of the Conflicts Committee) to make any decision related to the following (each, a "Material Decision"):

- Any resolution that entails the transfer of rights derived from the concessions awarded by the Mexican government in favor of GACM or its subsidiaries, except for: (i) a transfer that represents a reduction of less than 5% of the Capital Distributions payable to the holders of the GACM Special Shares during the previous fiscal year, (ii) the right to collect passenger charges for the use of the Existing Airport and, upon the commencement of commercial operations, the New Airport; (iii) all proceeds of insurance payable with respect to the partial or complete interruption of the operation of the Mexico City Airport System; (iv) all proceeds of indemnities in connection with certain expropriation events affecting the Mexico City Airport System; and (v) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at the Mexico City Airport System.

- Any public private partnership project that, on a pro forma basis with respect to GACM's financial statements for the fiscal year before the execution of the project, represents a reduction of more than 5% of the Capital Distributions payable to the holders of the GACM Special Shares during the previous fiscal year, except for those public private partnership projects that GACM establishes according to the New Airport Concession for the development of: (i) cargo terminals, (ii) fuel storage and distribution terminals, (iii) power generation plants, (iv) airport areas used by the Mexican government, (v) airport areas used for private aviation and (vi) water treatment plants;

- Any merger of GACM or its subsidiaries;

- Any spin-off, dissolution or liquidation of GACM or its subsidiaries;

- Any sale, purchase, lease or disposition of assets of GACM or its subsidiaries outside of the ordinary course of business that, on a pro forma basis with respect to GACM's financial statements for the fiscal year before to the transaction, represents a reduction of more than 5% of the distributions payable to the holders of the GACM's special shares during the previous fiscal year, except in the case of (i) acquisitions of shares in concessionaries of commercial airports that allow increasing GACM's aeronautical operations and capital distributions payable to the GACM's shareholders; and (ii) the acquisition of shares in companies engaged in railroad transportation of materials necessary for the construction of commercial airports concessioned to GACM and its subsidiaries, with a value no higher than U.S.$50,000,000;

- Incurrence of any type of liabilities by GACM or its subsidiaries, in excess of the equivalent of U.S.$75,000,000; provided that the incurrence of indebtedness by any third party to pay any consideration for the sale of the passenger charges collection right of any investment vehicle created for that purpose, will not require the approval of the shareholders' meeting or a vote of the holders of GACM's special shares;

- To create any liens on the assets of GACM or its subsidiaries to guarantee any obligation of GACM or a third party, outside the ordinary course of GACM's business;

- Any stop of operations of GACM or its subsidiaries, whether total or partial, that breaches any concession that GACM holds, except in events of urgency and public interest or when done in compliance with a final and non-appealable order of a competent authority;

- Any modification to the accounting methods and policies for the preparation of the financial statements of GACM or its subsidiaries, except as required by law;

- Any request to reduce the tariffs charged or entitled to be collected by GACM or its subsidiaries in accordance with the Mexican Airport Law and its regulations;

- Any modification to the authorities of any subcommittee that has been created by holders of special shares pursuant to GACM's bylaws, or any modification to the bylaws of GACM's subsidiaries that affects the rights of the holders of GACM's special shares;

- Approval of changes to the draft annual budget of GACM and its subsidiaries that involve an increase in the annual expenses of the prior fiscal year in excess of 5%, but only in the event that said increase results in disbursements that are not in GACM's ordinary course of business;

- Filing for bankruptcy (*concurso mercantil*) of GACM or any of its subsidiaries;

- Any decision that has the purpose of modifying or annulling the resolutions validly adopted by GACM's board of directors in accordance with its bylaws.

FIBRA E Committee

On March 1, 2018, GACM's shareholders' meeting recommended that GACM's board of directors create a "FIBRA E Committee" to support the activities of GACM's board of directors, subject to the provisions of GACM's current bylaws and applicable law. The FIBRA E Committee is expected to be comprised of four members, two appointed by the Issuer and two appointed by GACM's Corporate finance office and Corporate Administration Office. GACM's board of directors is expected to approve the composition and issue the operating rules of the FIBRA E Committee after closing of the Global Offering.

The FIBRA E Committee is expected to have the following authorities:

- Give opinions and recommendations to GACM's board of directors on (i) the mechanisms for the commencement of operations of the New Airport and the end of operations of the Existing Airport and (ii) five-year review of the master development plan for the Existing Airport and the New Airport, including proposing modifications;

- Present an annual report to GACM's board of directors with the results of the FIBRA E Committee's performance, in accordance with the Regulations to the Mexican Federal Law on Governmental Entities;

- Monitor compliance with the requirements of independence and the duties of diligence and loyalty of the members of GACM's board of directors appointed by the Issuer Trust;

- Suggest the inclusion of any relevant points of discussion in the agenda of meetings of GACM's board of directors, in accordance with the Mexican Federal Law on Governmental Entities; and

- Propose to GACM's board of directors any modifications to the rules governing the operation of the FIBRA E Committee.

Redemption of GACM Special Shares

The GACM Special Shares will be considered as fully redeemed, with no need for any additional action, on the earlier of (each, a "Redemption Date"):

- the date in which the payment of a Capital Distribution is verified in which the result of the sum of all the Capital Distributions paid up to said date (including the Capital Distribution paid on said payment date), achieves, without exceeding, the Target Return ("Target Return Redemption");

- the date that occurs six months prior to the expiration of the term of the New Airport Concession, as extended;

- the Early Call Date.

GACM and/or AICM do not guarantee, nor are they required to pay any additional amount if, on the Redemption Date of the GACM Special Shares, the result of the calculation of the rate of return, taking into account all the Capital Distributions paid, does not reach the Target Return.

Call Options

As of January 1, 2026, GACM will have the right, in its sole discretion, to redeem all the GACM Special Shares, through any of the following early call options:

- By a single payment in cash for the unrealized portion, at the time of such payment, of Capital Distributions to achieve a return equal to the Target Return ("Cash Call");

- If GACM conducts an initial public offering for the subscription and payment of shares representing its capital stock ("IPO"); by delivery of the IPO Call Amount of GACM common shares (equal and fungible with the shares issued through the IPO) to achieve a return equal to the Target Return at the time of the IPO and at the price of such IPO ("IPO Call"), pursuant to the election made by the Issuer, as holder of the GACM Special Shares, with respect to the GACM Special Shares exchanged for GACM common shares, following the procedure to be established by GACM and the Issuer and to be communicated in due course to the then holders of CBFEs; or

- By a combination of the Cash Call and the IPO Call ("Combined Call"); for which GACM, in its sole discretion, will determine the percentage to be redeemed in cash and the percentage to be redeemed in shares; provided that the sum of both percentages shall achieve 100% of the Target Return.

The date on which the early call of GACM Special Shares occurs will be the "Early Call Date."

In case of an early redemption of the GACM Special Shares, GACM shall notify its intention to exercise one of the early call options to the Issuer, as holder of the GACM Special Shares, at least 45 business days prior to the Early Call Date.

If GACM does not exercise any of the early call options for the GACM Special Shares, the Issuer will have the right to receive Capital Distributions until the Redemption Date, at which time the GACM Special Shares will be automatically redeemed.

Procedure to Exercise the Call Options

Beginning on January 1, 2026, GACM shall have the right, at its sole discretion, to redeem all the GACM Special Shares through any of the early call options described herein below. GACM will deliver a written notice to the Manager, the Common Representative and the Issuer (the "Early Redemption Notice") notifying its intention to exercise one of the early call options.

Cash Call

If GACM exercises a Cash Call, the Trustee will distribute on a pro rata basis among the holders of the CBFEs, the cash amount received from GACM to carry out the redemption, against delivery of the CBFEs to the Trustee. The Issuer shall distribute the funds to the holders of the CBFEs within a period of 20 business days starting on the tenth business days of the date on which the Trustee receives the GACM funds (the "Cash Call Distribution Period") through Indeval (or such other institution for the deposit of securities in which the CBFEs are deposited). The Trustee will also issue and publish payment notices, or cause such payment notices to be issued and published, in accordance with applicable laws, during such period. The Issuer will issue for the benefit of the holders of the CBFEs a trustee certificate (*constancia fiduciaria*) evidencing the number of CBFEs that are transferred to the Issuer.

GACM will indicate in the Early Redemption Notice to the Issuer: (i) the amount in Mexican pesos which, including all the Capital Distributions paid to the Issuer up to such date, allows the Issuer, as owner of the GACM Special Shares, to reach the Target Return (the "Redemption Amount"); and (ii) the Early Call Date.

The Issuer and the Common Representative will carry out all necessary acts to cancel the CBFEs that are transferred to the Issuer within the Cash Call Distribution Period and withdraw the relevant certificate of Indeval or such other institution for the deposit of securities in which the CBFEs are deposited.

IPO Call

If GACM conducts an IPO, it may exercise an IPO Call subject to the following terms and conditions:

- GACM will indicate in the Early Redemption Notice to the Manager, with a copy to the Issuer: (i) the IPO Call Amount, (ii) the price range of the IPO shares, (iii) the number of ordinary IPO shares that would be delivered in exchange for the GACM Special Shares to reach the IPO Call Amount, with respect to the minimum and maximum price range, and (iv) the Early Call Date;

- The Issuer will notify the holders of the CBFEs that GACM will exercise an IPO Call within five business days of the date in which the Issuer received the Early Call Notice.

- Within five business days after the Issuer sends the notice to the holders, the holders will have to notify the Issuer (who will notify the Common Representative), the number of IPO shares that such holders would like to receive if the price of the IPO shares is within, under or over the range indicated in the Early Redemption Notice and/or its preference to receive a cash distribution instead, in each case, in proportion to the number of CBFEs it holds. Holders that do not notify the Issuer of its election within the five-day period will be deemed to have elected to receive IPO shares.

- The Issuer shall notify the Common Representative, within 30 business days after receipt of the Early Call Notice and after receiving responses from the holders, the number of GACM Special Shares to be exchanged for ordinary shares if the placement price of said ordinary shares is within, lower than and higher than the price range.

- Once the price for the IPO shares is determined, the number of GACM Special Shares that will not be exchanged must be fully redeemed by GACM in cash. The redemption value of such GACM Special Shares will be the result of subtracting from the Redemption Amount, the value of the IPO shares delivered to the holders of CBFEs at the IPO price. The Trustee must notify the holders of the CBFEs of GACM's intention to carry out a redemption through an IPO Call within 5 business days of the date on which the Trustee receives the redemption notice.

- The Issuer shall distribute the funds or deliver the IPO shares to the holders of the CBFEs within a period of 20 business days starting on the tenth business days of the date on which the Trustee receives the GACM funds (the "IPO Call Distribution Period") through Indeval (or such other institution for the deposit of securities in which the CBFEs are deposited), against delivery of the CBFEs to the Trustee. The Trustee will also issue and publish payment notices, or cause such payment notices to be issued and published, in accordance with applicable laws, during such period.

The Issuer and the Common Representative will carry out all necessary acts to cancel the CBFEs that are transferred to the Issuer within the IPO Call Distribution Period and withdraw the relevant certificate of Indeval or such other institution for the deposit of securities in which the CBFEs are deposited.

Combined Call

If GACM carries out a redemption through a Combined Call, it will follow the procedures described above, except that no trust certificate (*constancia fiduciaria*) will be delivered to the holders of CBFEs.

IPO Subscription Rights

In the event that GACM conducts an IPO within two years following the Target Return Redemption or the Redemption Date after the exercise of the Cash Call, the persons who are registered as holders of the GACM Special Shares in GACM's stock registry on the date of said redemption (each, a "Record Shareholder"), will have the right to subscribe and pay, in the aggregate, up to 20% of all the shares offered in the IPO and at the price thereof.

A Record Shareholder may not assign the subscription rights described herein, in the understanding, however, that if the Record Shareholder is the Issuer Trust, then it may notify GACM (with a copy to the Common Representative) of the names and percentages of the holders of the CBFEs so that said holders may exercise the subscription rights in the IPO.

Procedure to Exercise the IPO Subscription Rights

The exercise of the preferential subscription right is subject to the following terms and conditions:

- The preferential right must be exercised by the Trustee, as Record Holder, within 15 days of publication, as provided by Article 132 of the General Law of Commercial Corporations;

- The holders of trust certificates (*constancias fiduciarias*) that have been delivered to holders upon the Target Return Redemption or the exercise of the Cash Call authorized to instruct the Trustee to exercise the preferential subscription right in their favor at least three days before the expiration of the time period for the exercise of such preferential right. The instruction to the Trustee will include: (i) the number of IPO shares of GACM for which to exercise the preferential right, provided that the rights of each holder will be proportional to the number of CBFEs it held as set forth in the trust certificate; (ii) documents satisfactory to GACM including the holder's commitment to pay the price of the IPO shares no later than on the settlement date of the IPO, and (iii) the account at Indeval (or such other institution for the deposit of securities) to which the shares transferred to the Trustee as a result of the exercise of the preferential right should be transferred.

- The Issuer will exercise the preferential subscription right based on the instructions received from the holders of the CBFEs. The holders shall transfer the funds to pay the IPO shares to the Issuer at least one business date before the IPO settlement date. Once the IPO shares are transferred to the Trustee, the Trustee will transfer such shares to the account instructed by the holder, provided such holder made the corresponding payment.

GACM's Obligations

Pursuant to the shareholders' resolution that approved the issuance of the CBFEs, GACM will have the following obligations:

- Use best efforts to ensure that AICM maintains its corporate structure;
- Use best efforts to ensure AICM maintains its accounting in accordance with IFRS and Governmental GAAP, in accordance with the requirements of the Mexican Federal Public Administration Organizational Law;
- Permit inspections upon reasonable requests;
- Use best efforts to ensure AICM's compliance with the terms of the Existing Airport Concession;
- Comply with applicable environmental regulations;
- Maintain and use the proceeds from subscription and payment of the GACM Special Shares in accordance with the Trust Agreement and for the construction of the New Airport;
- After the date on which Distributions begin to be paid, use best efforts to ensure that AICM pay Government Concession Fees only after having paid its operational expenses, legal obligations (including the payment of Distributions) and taxes;
- Refrain from engaging in business that is not permitted under its corporate purpose and is not in the ordinary course of business;
- Maintain all assets necessary for the construction, operation and maintenance of the New Airport, including the New Airport Concession; and
- Use best efforts to ensure that AICM maintains all assets necessary for the operation and maintenance of the Existing Airport, including the Existing Airport Concession.

Cancellation of the AICM Shares

In the event of the termination of the Issuer Trust, any AICM Shares that, at the moment of termination, are held by the Issuer Trust will be automatically cancelled.

CERTAIN PROVISIONS OF THE TRUST AGREEMENT AND MEXICAN LAW

Set forth below is certain information that provides a brief summary of certain provisions of the Trust Agreement. The descriptions do not purported to be complete and are qualified in their entirety by reference to the Trust Agreement and should be read in conjunction with "Description of the CBFEs and the GACM Special Shares." This summary does not include all the information that must be taken into account to make an investment decision regarding the CBFEs. Investors should carefully read the entire Offering Memorandum, including the "Risk Factors" section, before making an investment decision regarding the CBFEs.

History and Development of the Issuer Trust

The Issuer Trust is a newly created vehicle, with no operating history, whose main purpose is to carry out the issuance of CBFEs, acquire securities representing the capital stock of GACM and a nominal interest in AICM, and make Distributions to the holders of the CBFEs in accordance with the Trust Agreement. The Issuer Trust was created on March 6, 2018 through the execution of the *Contrato de Fideicomiso Irrevocable Emisor de Certificados Bursátiles Fiduciarios de Inversión en Energía e Infraestructura CIB/2930*, entered into by Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as settlor, GACM, as Manager, CI Banco, S.A., Institución de Banca Múltiple, as trustee and Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero, as common representative of the Holders. The Issuer Trust will be managed by GACM, exclusively in its capacity as Manager in accordance with the Management Agreement, for up to fifty (50) years, unless the Trust Agreement is terminated for having complied with its purposes or the removal or resignation of the Manager becomes effective pursuant to the Management Agreement.

The offices of the Trustee are located at Avenida Cordillera de los Andes 265, piso 2, Colonia Lomas de Chapultepec, Miguel Hidalgo, C.P. 11000, Ciudad de México, telephone (52) 5063 3900. The offices of the Manager are located at Av. Insurgentes Sur No. 2453, Piso 2, Col. Tizapán, Del. Álvaro Obregón, CP. 01090, Ciudad de México, telephone +52 (55) 9001 4000.

The Issuer Trust is a newly created vehicle, managed externally by GACM, exclusively in its capacity as Manager under the Management Agreement, for more information see, "The Manager." Consequently, the Issuer Trust does not have own employees.

Investment in the Sponsors

Pursuant to the Formation Transactions, the Issuer Trust will acquire 19,584,547,735 GACM Special Shares, a special series of shares with preferred economic rights, representing 20% of GACM's capital stock, and the AICM Shares, a nominal equity interest in GACM's wholly-owned subsidiary AICM, as required to comply with the FIBRA E Rules. GAICM and AICM, respectively, operate the concessions of the New Airport and the Existing Airport. The Issuer intends to use the net proceeds of the Global Offering to acquire the GACM Special Shares and the AICM Shares.

The main asset of the Issuer Trust is the investment in the GACM Special Shares and AICM Shares. The main assets of GACM are the New Airport Concession and the investment in AICM, the holder of the Existing Airport Concession.

A description of GACM's and AICM's operations, including a description of the Existing Airport and the project for the New Airport, is provided in "The Benito Juárez International Airport of Mexico City" and "The New Airport" sections of this of offering memorandum.

Investment Plan and Business Strategy

The Issuer Trust is a vehicle created to carry out the issuance of CBFEs, to acquire the GACM Special Shares and the AICM Shares, and to make Distributions to the holders of the CBFEs in accordance with the Trust Agreement.

To meet this investment objective, during the term of the Trust Agreement, at least 70% of the annual average value of the trust estate will be invested in the GACM Special Shares and the AICM Shares. The remainder will be invested in securities issued by Mexico's Federal Government and registered at the RNV, or in shares of debt-related mutual funds. See "—Investment Regime and Permitted Investments."

The Issuer does not expect to make investments in shares of Eligible Companies other than shares representing the capital stock of GACM and AICM. The Issuer Trust's business strategy will be implemented by the Manager, who will be primarily responsible for managing the Issuer Trust and exercising the corporate and the economic rights of the GACM Special Shares and the AICM Shares. In order to implement the Issuer Trust's business strategy, the Manager will provide services set forth in the Management Agreement and will have the powers delegated by the holders of the CBFEs, including the power to approve investments, acquisitions or divestments made directly by the Issuer Trust.

The Trust Estate

The Trust Agreement provides that the trust estate will be comprised of: (i) the initial contribution, which should be used exclusively to pay for the Issuer Trust's expenses, such that no holder of the CBFEs may dispose of, receive, or benefit in any way from all or part of such initial contribution; (ii) the net proceeds of the offering and any amounts obtained from the additional issuances, (iii) the GACM Special Shares and the AICM Shares, as well as the rights associated with them, provided that at least 70% of the annual average value of the trust estate will be invested directly in such shares and the remainder shall be invested in securities paid by the Federal Government registered in the National Registry of Securities or in shares of debt instruments in investment funds (the 70% will be calculated in accordance with the FIBRA E Rules and will be revealed periodically in reports by the Trustee and the Manager); (iv) Permitted Investments, including returns; (v) any CBFEs issued by the Trustee that are acquired and/or repurchased by the Issuer Trust under the FIBRA E Rules and the Trust Agreement; (vi) any amounts obtained as a result of the sale or transfer of GACM Special Shares, with prior authorization from the SCT ; (vii) any amounts obtained from any contribution, including value added tax refunds; (viii) any other assets, property and rights assigned, conveyed or otherwise belonging to, and/or acquired by the Trustee of the Issuer Trust from time to time, as well as the obligations assumed by the Issuer Trust in connection with the purposes of the Issuer Trust or in accordance with the Trust Agreement; (ix) any cash amounts and accessories, proceeds and/or returns derived from or related to the aforementioned, including rights derived from, or related to, the investment or operation of the Issuer Trust, which will include the collection of fines and penalties for breach of contracts and other similar rights; (x) any amounts from the collection of insurance policies or bonds with the Issuer Trust as named beneficiary; including, without limitation, those derived from breach of contracts or instruments entered into by the Trustee of the Issuer Trust and (xi) each and every amount deposited in the trust accounts, including, without limitations, the reserve funds to cover the Issuer Trust's expenses.

Trust Purposes

The primary purpose of the Issuer Trust is to invest in the GACM Special Shares and the AICM Shares. In order to satisfy this purpose, the Trustee must: (i) carry out the initial issuance of CBFEs, request the registration of the CBFEs in the RNV, and carry out the Global Offering, as well as carry out any additional issuance of CBFEs; (ii) subscribe, pay, and be the holder of shares or securities representing the capital stock of GACM and a nominal interest in AICM; (iii) distribute and manage the trust estate; (iv) make Distributions in accordance with the Trust Agreement; and (v) perform all activities that are necessary, advisable, complementary, convenient or incidental to the activities described in the Trust Agreement; in each case, pursuant to the prior written instructions of the Manager or, as the case may be, of any other person or body that, pursuant to the Trust Agreement, has the right to instruct the Issuer (including, without limitation, the technical committee, the CBFE holders' meeting, the Common Representative and those persons to whom such powers of the Manager have been delegated or assigned in accordance with the provisions of the Management Agreement).

The Trustee must comply with all terms of the Trust Agreement. In order to comply, the Trustee shall:

- Be the sole and lawful owner, and have and maintain ownership of and title to the assets, property and rights that currently or in the future form part of the trust estate;

- Distribute and manage the trust estate along with carrying out all distributions, payments and collection activities to holders of the CBFEs related to the trust estate;
- Maintain and administer the GACM Special Shares and the AICM Shares, including, without limitation, exercising or abstaining from exercising the voting rights inherent to such shares in accordance with instructions from the Manager, or to vote the GACM Special Shares in connection with Material Decisions, as determined by the Conflicts Committee;
- Execute any agreements and assignments as required under the Trust Agreement;
- Carry out the activities requested by the Manager with respect to the Issuer's assets in accordance with the terms of the Trust Agreement;
- Open, manage and keep the trust accounts, as per the instructions of the Manager and in accordance with the Trust Agreement;
- Abstain from carrying out any activity that could be contrary to the Trust Agreement;
- Take any actions that are necessary to allow the parties of the Trust Agreement to exercise their rights;
- Grant powers of attorney;
- Hire and, if applicable, substitute the Issuer Trust's accountant in accordance with written instructions from the Manager and / or the technical committee;
- In accordance with the instructions of the Manager, grant a special revocable power to the Issuer Trust's accountant and to any other person designated by the Manager to carry out and submit any paperwork, management reimbursement requests or statements related to the tax obligations of the Issuer Trust in accordance with Mexican law; and
- Abide by all other obligations set forth under the Trust Agreement.

Adherence to Terms by Holders

By acquiring the CBFEs, the holders of the CBFEs: (a) adhere to, and are subject to, the terms and conditions of the Trust Agreement, including subjecting themselves to the jurisdiction contained in Section 14.6 of the Trust Agreement and the relevant instrument; and (b) agree to provide the Trustee and the Manager, and authorize and irrevocably instruct the financial intermediaries through which they maintain their respective CBFEs to provide the Trustee and the Manager, with all the information that may be required by the Trustee or the Manager to determine any withholding or payment of taxes required in connection with the transactions contemplated by the Trust Agreement. Additionally, the holders of the CBFEs, by acquiring the CBFEs, authorize and irrevocably instruct the Trustee and the Manager to file with any governmental authority any information that may be required under FIBRA E Rules in connection with the CBFEs they hold.

Management of the Issuer Trust

CBFE Holders' Meetings

The CBFE holders' meeting is the supreme body of the Issuer Trust and all holders of CBFEs may participate in such meeting, unless expressly prohibited or exempted in applicable regulations or the Trust Agreement. For a more information on the CBFE holders' meeting, see "Description of the CBFEs and the GACM Special Shares—Main Characteristics of the CBFEs—CBFE Holders' Meeting."

Members of the Technical Committee

The technical committee, established through the Trust Agreement, will remain in effect during the term of the Trust Agreement. The technical committee will be comprised of a maximum of 21 members. The majority of the technical committee members will be independent, as designated by 75% of the holders of the CBFEs. The Manager will appoint up to 4 members. In addition, holders of the CBFEs who represent 10% or more of the outstanding CBFEs have the right to appoint one additional member of the technical committee.

The independence of a member of the technical committee will be determined with respect to the Settlor, the Manager and any person with significant influence over the Issuer in accordance with the Mexican Securities Market Law, meaning a person with the right to vote, directly or indirectly, 20% or more of the Issuer's securities. Pursuant to the Mexican Securities Market Law, none of the following persons may be appointed as an independent member or its alternate:

- executives or employees of, persons with significant influence over and controlling holders of the Issuer Trust or of any of the legal entities of their business group;
- key clients, service providers, suppliers, borrowers, creditors, or the employees of any such person; and
- persons related by blood, marriage or adoption to the fourth degree, as well as spouses, cohabiting partners and any of the individuals referred to above.

Initially, the technical committee will be composed of the persons listed below, whose appointment will remain in full force and effect until they have been revoked. The following table sets forth the initial members of the technical committee:

Name	Position
Federico Patiño Márquez	Member
Ricardo Dueñas	Member
Ricardo Pavel Meza	Member
Eugenio Mendoza Guevara	Member
Antonio Hugo Franck Cabrera	Independent Member
Leopoldo Eduardo Burillo Eguialis	Independent Member
Marcelo Armando Guajardo Vizcaya	Independent Member
Steven Saide	Independent Member
Herbert Bettinger Barrios	Independent Member

The following sets forth biographical information for each of the members of the technical committee:

Federico Patiño Márquez is the President of the technical committee. He has served as Chief Executive Officer of GACM since 2015 and previously served as Chief Financial Officer of GACM since 2014. Mr. Patiño also worked as Director of Investment Banking and Corporate Financing at the Fondo Nacional de Infraestructura (FONADIN) and the Banco Nacional de Obras y Servicios Públicos, S.N.C. (BANOBRAS) and held several positions at Nacional Financiera, S. N. C., Institución de Banca de Desarrollo (NAFIN), including among others, General Director of Credit, General Director of Treasury, General Director of Development and General Director of Investment Banking.

Ricardo Dueñas has served as Chief Financial Officer of GACM since 2015. He served as infrastructure projects consultant at the SCT from 2012 to 2015, he worked for the Investment Banking team focused on Emerging Markets of J.P. Morgan in London from 2007 to 2011, during 2006 he worked in a hedge fund in New York, in 2005 was advisor for the Mexican Representation of the OECD in Paris, and from 2002 to 2004 he worked as analyst in Banco de México. He also gives lectures at the Instituto Tecnológico Autónomo de México (ITAM). Mr. Dueñas holds an Economics degree from the ITAM, a Master's in Business Administration from Harvard Business

School and a Master's in Public Administration from Harvard Kennedy School. In 2004 he was awarded with the IMEF National Prize of Economics.

Ricardo Pavel Meza has served as General Counsel of GACM since 2017, and previously served as Assistant Director of Legal Affairs from 2016 to 2017. He was the Head of the Internal Control Office in the Mexican Postal Service from 2013 to 2015, and from 2010 to 2012, he also served in the Internal Control Office of the Federal Electricity Commission, in both cases reporting to the Ministry of Public Service. Mr. Meza holds a law degree from the Universidad Autónoma de Baja California and a Master's degree in Constitutional Procedural Law from the Universidad Panamericana.

Eugenio Mendoza Guevara is a partner of LCA Prestadora de Servicios S. de R.L., where he has led structuring projects for long-term financing and investment banking activities for projects such as NAICM, Periférico de Monterrey, sale of ICA road assets, tenders in Mexico for highways and power generation plants, Perote-Xalapa highway, La Piedad highway, Río Verde-Ciudad highway Valles, Carretera Monterrey-Saltillo, Monterrey-Cadereyta highway and hydroelectric power station, among many other projects throughout his career. Mr. Mendoza began his career at Citibank in Mexico working in export financing and he has more than 30 years of experience in financial advising and obtaining financing of capital and debt for sub-sovereign entities, corporate clients and structured projects. Mr. Mendoza holds a degree in accounting from the Universidad Iberoamericana and a degree in Business Administration from Boston College.

Antonio Hugo Franck Cabrera holds a law degree from the Universidad Iberoamericana and has studied law at the University of Houston. His practice focuses on corporate financial and capital markets law, helping companies in Mexico and abroad. He also has experience structuring and negotiating mergers and acquisitions and strategic partnerships. He has 40 years of experience working with clients in the United States and around the world. Prior joining Jones Day in 2014, he participated in a variety of legal matters, including the structuring and financing of energy projects such as the Pipeline of Chihuahua Samalayuca and Mérida III, participated in the constitution of Banco Finterra, Banco Azteca, Banco Multiva and BanCoppel among other financial institutions including Sofoles. He has served as a member of the board of directors of several companies including Farmacias del Ahorro, Coppel Group, Mexicana de Cananea, Sears Roebuck de México and Grupo Financiero IXE. He is President of the Legislative Committee of Analysis of the Business Coordinating Council and member of the Commission of Honor and Justice of the Mexican Bar Association. He is a member of the Committee of Best Corporate Practices, who are in charge of reviewing, elaborating and updating the Code of Best Corporate Practices.

Leopoldo Eduardo Burillo Eguialis has more than 27 years of experience in investment banking, structured financing, corporate banking, financial restructuring and public and private placements of debt and equity. He has advised many companies, both local and international, including Pinebridge Investments, Pegaso Group, SURA, Neology, Deutsche Bank, HSBC, Media Products, CI Banco, Arcelor Mittal, Afore XXI, Prudential Financial, Alta Growth Capital, Henkel KGaA, Nacional Financiera, Banobras, Lockheed Martin, General Electric, General Motors Electro-Motive Division, ICA Group, Mexichem and Scribe Corporation. Currently, he is a managing partner of Fimecap S.A. of C.V. and he previously held the position of managing director, head of Corporate Finance / M&A, for The Royal Bank of Scotland in Mexico. He was head of Client Coverage for ABN AMRO Mexico and managing partner of Serficor S.A. of C.V. He has served as a member of the board of directors of the following companies: Afore XXI, Car Mart (subsidiary of Lo-Jack Corporation), Alta Growth Capital, International Network of M & A Partners, Association of International Corporate Advisors and Chapultepec Golf Club.

Marcelo Aramando Guajardo Vizcaya has a degree in Business Administration from the Instituto Tecnológico de Monterrey and an MBA with a specialty in Finance from the Instituto Tecnológico de Monterrey. He has 33 years of experience in the Mexican financial system, and as a real estate developer for the last three years. His vision and experience oriented to results in the integral management of areas and work teams. He has extensive knowledge of the structuring and granting of credit to companies with an active role in credit committees, management of sales forces in business, commercial, patrimonial, private and consumer banking, administration of sales channels, control of spending, past due portfolios, sales strategies and profitability criteria. He is currently a real estate development partner, focusing on projects, construction and commercialization in Grupo Habitable Camart, S.A. of C.V.

Steven Elias Saide Azar has a professional career in the financial sector, as well as in industrial and services sectors. He was managing director of Banco ABC Capital and Deputy General Director of Banco Nacional de Comercio Exterior, at Nacional Financiera and Grupo Financiero Bancomer and Casa de Bolsa Vector and director of Diversification Projects at Grupo Pulsar. He has also been a business consultant with a focus on transformation models, re-engineering and process redesign. One of his main achievements is directing the processes of strategic orientation, transformation and operational efficiency, driving the realization of his goals with a market-oriented approach for various public and private institution clients. He has a degree in economics and a master's degree in administration from the Instituto Tecnológico de Estudios Superiores de Monterrey (ITESM). He also has a Master's Degree in Economics from the Universidad Autónoma de Nuevo León. He currently serves as a and business consultant.

Herbert Bettinger Barrios holds a law degree from the Universidad Anáhuac and has also studiex: (i) a Public Finance at the National Autonomous University of Mexico (Specialty), (ii) law at the National Autonomous University of Mexico (Master's), (iii) senior management of companies at the Pan-American Institute, (iv) Amparo at the Supreme Court of Justice of the Nation (Specialty), (v) International Tax at the University of Harvard, (vi) International Double Taxation and in Business Integration at the University of the Southern California (Specialty) and (vii) Public Finance at the University of Southern California (Doctorate). He has also lectured on tax law at the Universidad Anáhuac, as well as the Instituto Tecnológico Autónomo de México. His professional development has been in both the public and private sectors. He is currently a managing partner of Bettinger Asesores, S.C.

Appointment

Holders of CBFEs who, individually or as a whole, represent 10% or more of the outstanding CBFEs have the right to appoint and, if applicable, substitute, a member of the technical committee for every 10% at any CBFEs holders' meeting called for that purpose. Holders of the CBFEs may also elect one or more alternates to substitute members of the technical committee in their duties. Holders of the CBFEs will appoint independent persons so that, at all times, at least a majority of the members of the technical committee are independent members. Holders of the CBFEs may designate, appoint and remove members of the technical committee with prior written notice to the Trustee and the Common Representative, and may also designate one or more alternate members for each designated member of the technical committee.

Term of the Appointment

Members of the technical committee will be appointed for a one year term that is automatically renewed for consecutive periods of one year, unless the CBFE holders' meeting, the Manager or the holders of CBFEs who, individually or as a whole, represent 10% or more of the outstanding CBFEs provide otherwise.

Revocation, Replacement and Removal

The CBFE holders' meeting may revoke the appointment of an independent member of the technical committee when, in the reasonable judgment of the holders of the CBFEs, the independent member: (i) has ceased to qualify as an independent member; or (ii) is not acting in the best interests of the holders of the CBFEs and the Issuer Trust.

Members of the technical committee may be removed and/or substituted at the CBFE holders' meeting. Death, inability or resignation of a member or alternate of the technical committee will result in his/her automatic removal effective immediately. A new member or alternate may be appointed at the CBFE holders' meeting.

The members of the technical committee may only be replaced in their absence by their respective alternates.

In case of revocation or resignation of the technical committee, such persons shall not be appointed as members of the technical committee within 12 months after the date on which they were revoked.

Compensation Plans

Only independent members will be entitled to receive compensation. Compensation plans will only be effective after being approved at a CBFE holders' meeting. The manager must submit any increase to the compensation plans for the members of the technical committee for approval at a CBFE holders' meeting. Any compensation paid to the members of the technical committee under the compensation plans proposed by the Manager and approved at a CBFE holders' meeting will be paid by the trust estate.

Confidential Information

By accepting their appointment as members of the technical committee, the members of the technical committee will be subject to the confidentiality obligations provided in Section 14.3 of the Trust Agreement.

Meetings

The Manager, the secretary of the technical committee and/or any of the members of the technical committee may call for a meeting of the technical committee with prior written notice (including via email) to all members of the technical committee, the Trustee, the Common Representative and the Manager, as applicable, at least 5 business days prior to the proposed date to hold the meeting. The written notice must include (i) the agenda intended to be discussed at the meeting; (ii) the place, date and time of the meeting and (iii) all documents necessary or convenient for the members to deliberate in connection with the matters to be discussed.

The secretary of a meeting of the technical committee will prepare a record of the meeting reflecting the resolutions adopted during the meeting and a signed attendance list of those present at the meeting. The records of the meeting will be sent to the Trustee, the Common Representative and the members of the technical committee within 15 business days after the date on which the relevant meeting takes place.

The meetings of the technical committee may be held by telephone, video conference or any other means that allows real-time communication among its members; provided that such communications may be recorded in written minutes. In lieu of a meeting, the technical committee may adopt resolutions that are ratified in writing by all the members of the technical committee (or their respective alternates) who had the right to cast their vote.

Attendance and Voting Quorum

Unless the Trust Agreement requires a different attendance, for the meetings of the technical committee to be validly convened, the majority of the members (or their respective alternates) who have the right to cast a vote at such meeting must be present. If the quorum is not met and the technical committee is required to meet upon second call, the meeting will be deemed validly convened with any number of members present (or their respective alternates) who are entitled to cast a vote at said meeting.

Unless the Trust Agreement requires a different voting quorum, all resolutions of the technical committee will be adopted by a majority vote of the members present (or their respective alternates) at said meeting who have the right to vote.

Other Representatives

The Trustee, the Manager and the Common Representative each have the right to appoint a person to attend any meeting of the technical committee on his or her behalf and to participate at any meeting of the technical committee, in each case, with the right to speak but without the right to vote. Such person will not be considered a member of the technical committee, so neither the Trustee, the Common Representative nor such person will have any liability related to the resolutions adopted by the technical committee nor will they have any duty (except for confidentiality obligations) in connection with the technical committee.

Committees and Independent Experts

The technical committee may establish committees to assist it in its functions. Where appropriate, such committees will be composed exclusively of independent members of the technical committee. Any member of the technical committee may request that a certain matter be approved by any of the committees that have been established, as well as request the opinion of independent experts if necessary for the performance of the technical committee's duties. Such independent expert should be selected for their experience, ability, professional prestige and reasonable fees in accordance with the applicable specialty area. The engagement of independent experts, as well as the general terms of the respective service agreement, must be approved by the technical committee in accordance with Section 4.3(k) of the Trust Agreement.

Conflicts of Interest

The members of the technical committee that have a conflict of interest with respect to any matter will inform the technical committee of such conflict of interest. Members of the technical committee with a conflict of interest may not participate in or be present during the deliberation and voting of the matter with respect to which they have a conflict of interest, without affecting the attendance quorum required for meetings of the technical committee.

Duties of the Technical Committee

Each member of the technical committee will act in good faith and in the best interests of the Issuer Trust and the holders of the CBFEs. Members of the technical committee will conduct their actions diligently, and in compliance with the duties of loyalty and diligence provided in Articles 30 to 37 and 40 of the Mexican Securities Market Law, as applicable to the Issuer Trust. In compliance with the foregoing, the technical committee may not delegate the power to:

- Verify the performance of the Manager's duties in accordance with the Trust Agreement or the Management Agreement;

- Designate the two independent members of GACM's board of directors to be appointed by the Issuer Trust and discuss and, if applicable, approve the manner in which such appointed persons exercise their voting rights at the board of directors' meetings of GACM (or committees or subcommittees, as applicable);

- Review the quarterly performance report submitted by the Manager in accordance with Section 5.3 of the Trust Agreement;

- Request from the Manager all information and documentation necessary for the performance of its duties;

- Request that the Trustee or Common Representative call a CBFE holders' meeting after becoming aware that the Manager has seriously breached its obligations under the Trust Agreement or the Management Agreement. For these purposes, a breach of the Manager's obligations qualifies as serious when it represents an impairment of 5% of the assets, liabilities or total equity of the Issuer Trust, taking into account the previous recorded quarter's consolidated figures;

- Discuss and, if applicable, approve internal methods and controls that ensure the delivery of updated information by the Manager regarding the assets of the trust estate, and that allow the direct and immediate exercise by the Issuer Trust of the rights to such assets in accordance with Section 4.2(k) of the Trust Agreement; and

- Verify the information and amounts provided by the Manager, in connection with Distributions, and in the event that the information and amounts provided by the Manager present any errors, immediately report it to the Manager, with a copy to the Trustee and the Common Representative so that the Manager can amend the information.

Instructions and Notices to the Trustee

Any instructions and notices given to the Trustee by the technical committee shall be in writing and with a copy for the Common Representative and the Manager, and shall be signed by the chairman and the secretary of the technical committee.

Obligation to Establish Methods and Controls

The technical committee shall establish, as soon as possible once the Global Offering has been carried out, internal methods and controls that ensure the delivery of updated information by the Manager regarding the situations, location and status of the assets, property and rights that of the trust estate, and allow the direct and immediate exercise by the Issuer Trust of the rights over said assets.

Conflicts Committee

The technical committee shall appoint at least three independent members of the technical committee to form the Conflicts Committee. The Conflicts Committee will have the following powers and duties:

- Discuss and, if applicable, approve investments, acquisitions or transactions of the Issuer Trust that are intended to be carried out with: (1) related parties of the Manager, the Settlor, and/or the Sponsors; or (2) that represent a conflict of interest;

- Discuss and, if applicable, approve (1) the designation of members of any Eligible Company's committee or subcommittee that the Issuer Trust has the right to appoint and (2) the way in which the Issuer will exercise its voting rights with respect to Material Decisions; and

- Discuss and, if applicable, approve the recommendation to the CBFE holders' meeting to remove the Manager.

Initially, the Conflicts Committee will be comprised of the persons listed in the Trust Agreement, whose appointment will remain in effect until revoked in accordance with the Trust Agreement. The technical committee will appoint members of the Conflicts Committee for terms of one year that will be automatically renewed for consecutive periods of one year, unless the technical committee decides otherwise. By accepting their position as members of the Conflicts Committee, members of the Conflicts Committee will be subject to the confidentiality obligations established in Section 14.3 of the Trust Agreement.

All resolutions shall be adopted by a majority vote of the members present of the Conflicts Committee. Whenever the Conflicts Committee approves a transaction executed with: (i) a related person of the Manager and/or any Eligible Company; and/or (ii) a person with a conflict of interest, the Conflicts Committee shall request that the Trustee publish a "material event" describing the characteristics, terms and conditions of the transaction that was approved by the Conflicts Committee

The Conflicts Committee can request that the Trustee and the Common Representative convene a CBFE holders' meeting to discuss any related to the Conflict Committee's function that the Conflict Committee deems relevant. Notice of the meeting should be published jointly by the Trustee and Common Representative, in accordance with the terms of the Trust Agreement. A majority of the members of the Conflicts Committee may determine it necessary or convenient to obtain an opinion from an independent expert. A simple majority of the Conflicts Committee may determine the process for selecting and hiring any necessary independent expert, whose fees will be paid from the trust estate as expenses of the Issuer Trust.

Labor Policies

All of the current members of the technical committee are male and all of the alternate members are male. The technical committee does not have a code or policy that governs the conduct or behavior of its members. To this date, the Issuer does not have any specific policy or program that promotes gender diversity and inclusion in the composition of its governing bodies and among its employees.

Investment Regime

Investment Objective

The Issuer does not expect to make investments in shares of Eligible Companies other than shares representing the capital stock of GACM and AICM.

Investment Regime

To meet the investment objective described in Section 6.1 of the Trust Agreement, the Issuer Trust will invest at least 70% of the annual average value of the trust estate in shares of Eligible Companies in accordance with the FIBRA E Rules, which should be verified by the Manager. The remainder will be invested in securities issued by Mexico's Federal Government and registered at the RNV, or in shares of debt-related mutual funds

Disposal of Investments

The Manager, in its sole discretion, may carry out the divestment of the GACM Special Shares and the AICM Shares that are part of the trust estate through direct sales, initial public offerings, securitizations and other capital market transactions and other means, with the prior approval of the CBFE holders' meeting.

Leverage

Leverage Guidelines

The Issuer may issue securities, borrow money, grant guarantees and/or create liens on its assets (including the transfer of trust estate assets to guaranty trusts), in accordance with the following guidelines, which may only be modified by resolution of the CBFE holders' meeting:

- The term of any additional debt (including principal and payment dates) shall not exceed the term of the Concessions or any other contract entered into by the Eligible Companies for the construction, exploitation and operation of infrastructure, measured against the furthest termination date among such concessions and contracts.

- Subject to the approval of the CBFE holders' meeting, the Issuer may guarantee debt incurred by any of the Eligible Companies only if the Manager considers that such guarantee is convenient or necessary for the Eligible Company to continue in operating conditions substantially similar to its condition at the time that the Issuer invested on the Eligible Company. The Issuer may only grant guarantees in an amount equal to the Issuer's pro rata participation in the required guarantee (based on the Trust's participation in the capital of the Eligible Company).

- The new indebtedness shall not materially and adversely affect the Trust's ability to comply with the FIBRA E Rules, including its ability to make Distributions to the holders of the CBFEs.

Maximum Leverage

Before the first incurrence of debt against the trust estate, the CBFE holders' meeting will approve additional rules for the incurrence of debt applicable to the Settlor, the Manager and the Trustee. The rules will establish a maximum borrowing amount and a debt service coverage ratio, which shall be calculated in accordance with Annex AA of the Mexican Issuer Regulations. The maximum borrowing amount shall allow the Issuer to comply at all times with its obligation to distribute to the holders of the CBFEs at least once a year and no later than March 15, at least 95% of the Issuer's Net Taxable Income for the prior fiscal year, in accordance with the FIBRA E Rules.

If the Trust fails to comply with the maximum borrowing amount or the debt service coverage ratio established by the CBFE holders' meeting:

- The Issuer will not be able to incur additional debt until the maximum borrowing amount and the ratio are met, except in cases of refinancing to extend the maturity of the existing debt per the technical committee's confirmation, provided that the refinancing cannot result in (i) an increase of the borrowing amount or (ii) a reduction of the debt service coverage ratio, and

- The Manager shall deliver to the CBFE holders' meeting a report about the excess on the maximum borrowing amount and debt service coverage ratio and a correction plan. The correction plan shall be approved by majority of the technical committee's independent members within 20 business days after the excess is known, prior to delivering the plan to the CBFE holders' meeting.

Disclosure of Leverage Guidelines

During the term of the Trust Agreement, the Manager shall disclose the Trust's debt amount and debt service coverage ratio pursuant to Article 35 Bus 1 of the Mexican Issuer Regulations.

Trust Accounts

On the date of execution of the Trust Agreement, the Trustee shall establish the trust accounts in its name and shall keep them open throughout the term of the Trust Agreement. Each Trust Account may be established and maintained in Mexican pesos and/or U.S. dollars at the discretion of the Manager. Subject to the provisions of the Trust Agreement, the Trustee may maintain the trust accounts with any financial institution approved by the Manager. The Trustee shall administer the trust accounts in accordance with the following:

- <u>General Account</u>. The Trustee shall deposit and maintain in the General Account: (i) the initial contribution; (ii) the offering proceeds; (iii) any amounts obtained from additional issuances; and (iv) payments for principal, interest, dividends and/or returns, including, without limitation, Capital Distributions, derived from, or related to, the GACM Special Shares.

- <u>Distributions Account</u>. The Trustee shall receive in the Distributions Account the proceeds from the General Account that are intended to be distributed by the Issuer Trust to the holders of the CBFEs.

- <u>Expenses and Investments Account</u>. The Trustee shall receive in the Expenses Account the proceeds from the General Account that are necessary to pay trust expenses, issuance expenses and/or authorized uses. The Manager shall instruct the Trustee the amount that shall be deposited in the Expenses and Investments Account from the proceeds of the initial issuance of CBFEs, as well as the target balance to be maintained in said account.

- <u>Additional Accounts</u>. The Trustee may establish and maintain other trust accounts, as instructed in writing by the Manager, with a copy to the Common Representative, at any time.

Permitted Investments

All amounts held in the trust accounts and not allocated to make Distributions or used to acquire the GACM Special Shares or AICM Shares shall be invested in "Permitted Investments," in accordance with Section 8.2 of the Trust Agreement, as described below:

- The Trustee shall, pursuant to the Manager's instructions, establish investment accounts in Mexico or outside Mexico to invest any amounts held in the trust accounts in: (i) securities issued by the Mexican federal government registered with the RNV (denominated in Dollars, Pesos or UDIs) (ii) shares of investment funds in debt instruments; or (iii) any other securities, instruments or accounts permitted from time to time by the FIBRA E Rules.

- In the absence of such instructions, the Trustee will invest any amount that becomes part of the trust estate in debt instruments issued by the Mexican federal government. The Trustee shall not invest any amount of the trust estate in securities issued or guaranteed by the Trustee or the Manager.

- The Manager shall supervise that the investments made by the Trustee comply with the terms of the Trust Agreement and the FIBRA E Rules.

- The Trustee shall invest in Permitted Investments on the same day it receives funds in the trust accounts, if said day is a business day and the funds are received before 10:00 a.m. (Mexico City time), otherwise, the investment shall be made on the next business day. The purchase of securities or investment instruments will be subject to the schedules, disposition, liquidity, conditions of the market. If the Trustee is unable to immediately invest the available resources of the trust estate, the cash amounts will remain deposited in the trust accounts without any liability for the Trustee until they are invested in Permitted Investments. The Trustee shall not be liable for any loss of value of the investments due to market fluctuations, unless it is in any way attributable to fault, negligence, bad faith or fraud on the part of the Trustee.

- If Permitted Investments are invested with the financial institution acting as Trustee, such Permitted Investments shall earn interest rates at the highest rate that said entity pays for transactions with the same term and similar amounts on the dates in which the deposits are made.

- For the purpose of carrying out Permitted Investments, the Trustee should open and maintain accounts with banking institutions as permitted under the Trust Agreement. The Trustee shall provide the Manager and the Common Representative a copy of the bank and investment account statements of the trust accounts and any information regarding the Permitted Investments. Permitted Investments will be considered part of the trust estate at all times. Any income derived from Permitted Investments will continue to be deposited in the trust account and will be applied in the same manner as the funds from which those returns originated.

Distributions

The Manager may instruct the Trustee, with a copy to the Common Representative, to make Distributions to the holders pursuant to Section 9.2 of the Trust Agreement; provided that, in any case, the Trustee must distribute among the holders of CBFEs at least once a year and no later than March 15, at least 95% of the Issuer's Net Taxable Income for the prior fiscal year, in compliance with the FIBRA E Rules. For more information about Distributions, see "Description of the CBFEs and the GACM Special Shares—Main Characteristics of the CBFEs—Distributions to CBFE Holders."

Notwithstanding the foregoing and in the case of a fiscal year where there is no Net Taxable Income available for distribution to the holders of the CBFEs, the Trustee will distribute, in the form of capital reimbursement or another line item, the Distributable Amount (as defined below). Distributions will be subject, at all times, to the availability of liquid funds on the Settlement Date.

Termination

The Trust Agreement will remain in full force and effect until the purposes of the Issuer Trust have been satisfied; provided that the Issuer Trust will terminate: (i) upon termination of the New Airport Concession, in which case the Trustee will cover the pending expenses of the Issuer Trust, including those that derive from the liquidation thereof, proceeding with the Distribution of the remaining assets and the subsequent cancellation of the CBFEs; (ii) the entire trust estate has been divested in accordance with Section 13.1 of the Issuer Trust; or (iii) by resolution of a CBFE holders' meeting in accordance with Section 4.1(b)(ii) of the Issuer Trust. The Trust Agreement will not be terminated until all the obligations payable with the funds of the trust estate have been paid in full.

Notwithstanding the foregoing, the term of the Trust Agreement shall not exceed 50 years. If the term of the Trust Agreement were to expire, the Manager shall instruct the Trustee, with the prior approval of the CBFE holders' meeting, either to: (a) create a new trust to which the shares of GACM and the rest of the existing trust estate are transferred; (b) carry out the dissolution of the Issuer Trust and liquidation of the trust estate in accordance with the procedure described in Section 13.3 of the Trust Agreement or (c) distribute the trust estate to the holders of the CBFEs on a pro rata basis, in accordance with the terms approved at a CBFE holders' meeting. In case of termination of the Issuer Trust, or if the Trustee cancels its registration of the CBFEs on the RNV as provided in the Trust Agreement, the Trustee shall provide timely written notice of the situation to Indeval or the relevant institution for the deposit of securities.

The Trust Agreement will terminate for the reasons provided in Article 392 of Negotiable Instruments and Credit Operations Law.

Liquidation

In the event that the CBFE holders' meeting approves the dissolution of the Trust with the prior approval of the Manager, the Trustee will proceed to cancel the registration of the CBFEs with the RNV and the Manager will act as liquidator of the trust with the necessary authorizations to carry out the liquidation. Acting in its capacity as Liquidator, the manager will continue to receive all fees, refunds of expenses and other amounts corresponding to it under the Management Agreement.

The liquidator will take the actions necessary or convenient to safeguard the rights of the holders of the CBFEs and to preserve the trust estate for purposes of its liquidation, and will take any necessary actions before governmental authorities or self-regulated organizations to cancel the registration of the CBFEs in any registry and the listing of the CBFEs on any securities market. The liquidator will instruct the Trustee to use the trust estate to pay the obligations of the Issuer Trust, and any surplus will be distributed proportionally to the holders of the CBFEs, except for the initial contribution which, in accordance with Section 2.2(a) of the Trust Agreement, will be used exclusively for the payment of the Issuer Trust's expenses.

Release of Liability

The Managers and members of the technical committee will be released from liability to the Issuer Trust under certain circumstances, including:

- any action or omission carried out, or not carried out, or for any loss, claim, cost, damage or liability arising from such action or omission, unless such loss, claim, cost, damage or liability results from the gross negligence, willful misconduct or bad faith, as determined by a court of competent jurisdiction in a final and non-appealable judgment or ruling

- any tax obligation imposed on the Issuer Trust,

- any losses arising from the negligence, dishonesty, willful misconduct or bad faith of the Trustee or any agent or trustee delegate of the Trustee;

- any activities carried out in accordance with the provisions expressly provided in the Trust Agreement or any other contract or instrument entered into or delivered in accordance with the provisions of the Trust Agreement;

- any activities carried out in accordance with the instructions of the technical committee, the CBFE holders' meeting, or the Common Representative, in accordance with the provisions of the Trust Agreement;

- any statement made by the other parties to the Trust Agreement or any other issuance document;

- any delay or default in payment, other than such delays or defaults arising from a breach by the Trustee with respect to its obligations under the Trust Agreement, as determined by a court of competent jurisdiction in a final and non-appealable judgment or ruling; or

- any events, acts and omissions on the part of the Trustee, the technical committee, the Common Representative or third parties, that prevent or limit the fulfillment of the purposes of the Issuer Trust.

The Manager and the members of the technical committee will be fully protected in the performance of their obligations if each relies on the records of the Issuer Trust and/or information, opinions, reports or statements prepared by professionals, experts or other third parties that have been selected in a reasonable manner by the Issuer Trust, the Manager or their respective affiliates.

External Auditor

The external auditor of the Issuer Trust and GACM is PricewaterhouseCoopers, S.C.

Market Information

Due to the recent creation of the Issuer Trust, it does not have any operating history or any securities registered or listed in Mexico or abroad.

To date there is no performance of the CBFEs in the securities market to report.

Market Maker

The Issuer Trust will not initially have a market maker for the CBFEs listed on the Mexican Stock Exchange.

The Trustee will make all relevant information about the Issuer Trust available to the holders of the CBFEs, including information about its constitution, administration, and its situation at the time of consultation. The person in charge of investor relations on behalf of the Manager is Mario Vergara Talamantes, located at Av. Insurgentes Sur No. 2453, Piso 2, Col. Tizapán, Del. Álvaro Obregón, CP. 01090, Ciudad de México, telephone +52 (55) 9001 4000 and e-mail mario.vergara@gacm.mx.

THE MANAGER

Set forth below is a brief summary of certain provisions of the Management Agreement and the Trust Agreement related to the Manager. The descriptions do not purport to be complete and are qualified in its entirety by reference to the Management Agreement, the Trust Agreement and Mexican law.

General

On March 6, 2018, the Issuer entered into a Management Agreement with GACM, pursuant to which GACM will act as manager of the Issuer Trust (the "Manager"). The Manager will be in charge of managing the Issuer's operations, directly or through instructions to the Trustee, except for certain activities and decisions reserved to the technical committee and the CBFE holders' meeting. The Manager will have the authority to cause distributions to be paid to holders of the CBFEs, taking into account the requirement under Mexican law for FIBRA-E trusts to distribute, no later than March 15 of each year, at least 95% of the Issuer's net taxable income for the previous year.

In order to comply with its obligations under the Trust Agreement and the Management Agreement, the Manager will be entitled to delegate some of its authorities and obligations to any person in the manner and on terms it deems appropriate, provided that any such delegation does not limit its obligations or release it from its responsibilities under the Trust Agreement and the Management Agreement.

Duties and Services

Pursuant to the Management Agreement, the administration services provided by the Manager to the Issuer Trust will include:

- preparation of financing plans in accordance with the leverage guidelines approved by the CBFE holders' meeting, as well as additional issuances of CBFEs subject to the approval of the terms by the CBFE holders' meeting;
- preparation of finance and accounting reports and administration of cash and treasury;
- preparation of financial statements and review of tax returns;
- provide internal audit services and review compliance with the FIBRA E Rules pursuant to the Management Agreement and in the Trust Agreement;
- assist in legal, accounting and compliance matters;
- technical support;
- management of relations and communications with the holders of the CBFEs;
- management of reporting and other procedures with the CNBV, the Mexican Stock Exchange and any other governmental authority or stock exchange in which the CBFEs are listed;
- exercise of all rights and compliance with all obligations of the Manager under the Trust Agreement and other related agreements;
- preparation of the periodic and performance reports required under the Trust Agreement and the applicable law;
- identification, evaluation and structure of additional investments and divestments in Eligible Companies, in accordance with the investment strategy set forth in the Trust Agreement, including the

investment in short-term securities registered with the RNV, in accordance with the investment regime applicable to the Issuer Trust pursuant to the Trust Agreement and the FIBRA E Rules;

- administration and management of the day-to-day operations of the Issuer Trust;

- preparation and maintenance or assistance in the preparation of all books, records and accounts of the Issuer Trust;

- delivery to the CBFE holders and third parties notices, reports, material events, financial statements and other written materials as required by law or by any stock exchange, or as reasonably required from time to time by the Trustee and assist as required in the preparation thereof and, when necessary or appropriate, manage the approval of the contents thereof;

- preparation of the compensation plans to be proposed to the technical committee in terms of Section 4.2(f) of the Trust Agreement;

- provide any other services and/or exercise the powers delegated by the holders of the CBFEs through a holders' meeting in accordance with the Trust Agreement; and

- services incidental to those described in the preceding paragraphs.

The Manager shall cause its management team to devote the necessary time for the Manager to perform all of its obligations under the Management Agreement. See "The New Airport—GACM's Management."

The Manager may also hire advisors for the performance of its duties, subject to the approval by the Conflicts Committee of any transaction with a related party in accordance with the terms of the Trust Agreement.

Content and Periodicity of Reports

In accordance with the Trust Agreement and the Management Agreement, the Manager shall prepare and deliver the following reports to the Trustee, the Common Representative, the external auditor engaged by the Trustee pursuant to the Manager's instructions (the "External Auditor"), the technical committee, the CNBV through STIV-2, the Mexican Stock Exchange and the public through Emisnet:

- a quarterly report including the Issuer's interim financial statements for the respective quarter, as well as the economic, accounting and administrative information required by the Mexican Issuer Regulations and the electronic forms of the Mexican Stock Exchange; and

- an annual report as required by the Mexican Issuer Regulations including the audited annual financial statements of the Issuer and GACM's financial statements.

- Within 10 business days of the date of a request from the Common Representative or from the holders of the CBFEs through the Common Representative, the Manager must deliver a report to the Common Representative regarding any inconsistencies that may have been identified between the amounts distributed and those that should have been distributed to the holders of the CBFEs in accordance with Section 9.2 and Section 9.3 of the Trust Agreement.

In addition, the Trustee, in accordance with instructions from the Manager, shall comply with all other obligations to report and provide information, as applicable, to the Issuer Trust, GACM and any other Eligible Companies in accordance with Title Four and Title Five of the Mexican Issuer Regulations.

Standard of Performance and Diligence Regarding the Issuer Trust

The Manager has the obligation to act with diligence, in good faith and in the Issuer Trust's best interests and in the best interests of the holders of the CBFEs. Therefore, the Manager shall comply at all times with the duties of loyalty and diligence set forth in the Mexican Securities Market Law, to the extent applicable to the Issuer Trust and GACM and its subsidiaries, in each case, as such duties are restricted or modified pursuant to the Trust Agreement and the Management Agreement.

Removal, Resignation and Replacement of the Manager

Removal

The Manager may be removed for "cause" (as defined in the Trust Agreement) by resolution of holders of the CBFEs representing at least 66% of the outstanding CBFEs with voting rights, for the following "causes", once they have been determined by judicial resolution:

- the failure of the Manager to be accountable of its management;
- fraud, negligence, or gross negligence in performance;
- failure to carry out agreed Distributions;
- serious breaches by the Manager of its contractual or legal obligations;
- any other reason contemplated in the Management Agreement executed with the Manager.

The Manager may also be removed without cause by resolution of holders of the CBFEs representing at least 75% of the outstanding CBFEs with voting rights.

Upon a breach of the Manager's obligations, any holder, the Trustee or the Common Representative may request the removal of the Manager by delivering written notice to the Manager, with a copy to the Trustee and the Common Representative, as applicable: (i) describing the alleged breach and providing evidence thereof, and (ii) providing evidence of its holdings by delivering a certificate of deposit issued by Indeval, if the notice is delivered by a CBFE holder (the "Notice of Cause").

Upon receipt of a Notice of Cause, the Manager will have a 90 calendar day cure period. In the event that the Manager fails to cure or prove compliance with the obligation alleged to have been breached within the cure period, the Trustee will publish a press release and notify the CNBV, disclosing the existence of a "cause" of removal, and call for a CBFE holders' meeting to discuss, and if appropriate, approve the removal of the Manager in accordance with the terms of the Trust Agreement. See "Description of the CBFEs and the GACM Special Shares—Main Characteristics of the CBFEs—CBFE Holders' Meeting."

Resignation

The Manager shall, by written notice to the Trustee, resign to its appointment as manager of the Trust is it becomes illegal for it to continue serving the Issuer Trust on this role.

The Manager may also resign to its appointment as manager of the Trust by written notice to the Trustee at least six months in advance of the effective date, which shall not be prior to the fifth anniversary of the Issue Date.

Effects of the Removal or Resignation of the Manager

If the Manager is removed or resigns in accordance with the Management Agreement, the Manager will cease to be the manager of the Issuer Trust as of the effective date of removal or resignation, but will continue obligated to provide services and administrate the trust until a replacement manager accepts its appointment and takes office.

Any replacement manager that is approved by the CBFE holders' meeting shall be appointed as the new manager of the Issuer Trust, and the Trustee shall immediately amend the Trust Agreement without any further action, approval or vote of any person, including any holder, to reflect (i) the appointment of the new manager, (ii) the removal of the Manager as manager of the Trust, and (iii) any references to the new manager in the Trust Agreement and any or advertising material.

In the event that the Manager is removed or resigns, the Trustee shall pay the Manager all unpaid Management Fees payable from the Issue Date to the effective date of the removal or resignation.

Any replacement manager shall be considered the "Manager" for all purposes under the Management Agreement and the Trust Agreement, without requiring any other action, approval or vote of any person other than the CBFE holders' meeting approval for the execution of a joinder agreement whereby the replacement manager consents to be bound by the terms and conditions of the Management Agreement and the Trust Agreement, and which will become effective immediately prior to the resignation of the resigning Manager becoming effective.

Release of Liability

The Manager will be entitled to benefit from the provisions of Article XV of the Trust Agreement, regarding the release of liability, compensation and reimbursement of expenses with respect to the performance of its duties under the Management Agreement. The Manager who has resigned or has been removed, and its affiliates will continue to be "covered persons" and entitled to compensation under the terms of the Trust Agreement, but only with respect to damages (i) related to GACM in respect of which the Issuer Trust acquired shares prior to the effective date of resignation and (ii) arise from or are related to GACM's activities during the period prior to the effective date of resignation or in any other manner derived from the services of the Manager that has resigned as manager of the Issuer Trust. See "Certain Provisions of the Trust Agreement and Mexican Law—Release of Liability"

Management Fee

The Management Agreement provides for the payment of a quarterly management fee to the Manager for administration of the trust assets (the "Management Fee"). The Management Fee will be equal to (i) all expenses of the Manager incurred in each quarter plus (ii) a fee equal to 7% of the expenses of the Manager in such quarter.

Fees, Costs and Expenses of the Manager

In compliance with the FIBRA E Rules, payment of the Manager's compensation, fees, commissions, distributions or incentives set forth in the Management Agreement is subordinated to the payment of Distributions to the CBFE holders, except for those commissions, fees or distributions that are necessary for the operation of the Manager or the persons related to the Manager in connection with the services rendered to the Issuer Trust (including the Management Fee).

The following expenses will be paid as the Issuer Trust's expenses with funds deposited in the trust accounts:

(a) any expenses incurred in connection with the administration of the Issuer Trust, when such activities are carried out by the Manager, its affiliates or third parties, including the cost of any financial, accounting, tax, legal or other professional advice from professionals chosen by the Manager (including expenses for printing and distributing reports to the holders of the CBFEs, expenses related to information technology, expenses of the external auditor, and expenses in connection with any present or future litigation, as applicable);

(b) the Management Fee and any other amounts payable to the Manager;

(c) any costs incurred by the Issuer Trust in connection with the holding and divestment of shares of GACM and AICM, as well as the administration, operation, marketing and monitoring of related infrastructure investment projects, including the cost of any financial, legal, accounting, consulting and advisory service, determined on a pro rata basis according to the Issuer Trust's participation in GACM (as long as the Issuer Trust was not reimbursed by an entity in which the Issuer Trust has invested or by any other third party);

(d) payments of principal and interest related to any of the Issuer Trust's indebtedness and payments of any guaranties of the Issuer in accordance with the Trust Agreement;

(e) Litigation expenses, liability insurance for directors, officers and members of the technical committee or any extraordinary expenses related to Issuer Trust activities;

(f) expenses related to the sale, termination and liquidation of the Issuer Trust;

(g) any taxes or payments to government entities and expenses in connection with audits, investigations, or tax reviews of the Issuer Trust;

(h) the fees of the Common Representative and the Trustee;

(i) the expenses necessary to maintain the registration of the CBFEs on the RNV, the listing of the CBFEs on the BMV, and the deposit of the securities with Indeval or in the relevant institution for the deposit of securities;

(j) the expenses related to the granting of powers under the Trust Agreement;

(k) any expense incurred by the Trustee or the Common Representative in accordance with the Trust Agreement or applicable laws; and

(l) any compensation payable to the members of the technical committee and, if applicable, the members of the Conflicts Committee.

All expenses of the Manager that qualify as trust expenses under the Trust Agreement will be paid by the Issuer Trust.

Term

The Management Agreement will terminate upon the termination of the Trust Agreement, or automatically on an earlier date in which the removal or resignation of the Manager becomes effective pursuant to the Management Agreement.

Governing Law; Submission to Jurisdiction

The Management Agreement is governed by Mexican law. The Management Agreement provides that the parties thereto have submitted to the jurisdiction of the courts of Mexico City in connection with any controversy arising from the interpretation of or non-compliance with the Management Agreement.

TRANSACTIONS WITH RELATED PARTIES AND CONFLICTS OF INTEREST

The Issuer Trust is a newly created vehicle with no operating history. Other than in connection with the Formation Transactions and the consummation of the Global Offering, the Issuer Trust had not entered into: (i) any transaction with a related person or with persons related to the Settlor or the Manager; (ii) any transaction with a company of which the Issuer Trust holds 10% or more of the voting shares or with such company's shareholders; or (iii) any transaction that in accordance with the applicable financial reporting standards are considered transactions with related parties.

Upon consummation of the Global Offering, the Issuer Trust will pay the GACM Special Shares and the AICM Shares and enter into the Management Agreement with the Manager. As a result, (i) GACM, the Manager of the Issuer Trust, will also be the main source of cash flows for distribution to the CBFE holders, (ii) as Manager, GACM will calculate the Distribution Amount and instruct the Issuer Trust to make Distributions to the holders of the CBFEs, and make certain other decisions in connection with the administration of the Issuer Trust and the trust estate, and (iii) all the members of the Manager's management team will in principle be GACM's officers. Therefore, potential conflicts of interest may arise at the Manager in the performance of its obligations and duties under the Trust Agreement and the Management Agreement. Even though the Manager has the obligation to act with diligence, in good faith and in the best interest of the Issuer Trust and the holders of the CBFEs, and the Manager may be removed for "cause" by resolution of CBFE holders' representing at least 66% of the outstanding CBFEs, if the Manager acts in its own interest or in a way that jeopardizes the interests of the Issuer Trust or the CBFE holders, the Issuer Trust's financial performance and its ability to make distributions to the holders of the CBFEs could be adversely affected.

The Trust Agreement also provides for certain policies and restrictions to mitigate conflicts of interest during CBFE holders' meetings, including:

- Holders who have a conflict of interest will not have the right to vote at the CBFE holders' meeting discussing matters in which they have a conflict of interest, and shall disclose the existence of such conflict and leave the meeting until the matter has been deliberated and voted; provided that: (i) the CBFEs of such holder will not be considered for purposes of determining attendance and voting quorum requirements applicable to said matter; and (ii) a holder without right to vote on one or more matters at a CBFE holders' meeting, but entitled to vote on the other matters to be discussed, may return to the meeting once the matters in question have been discussed and voted by the other holders.

- Notwithstanding the above, if at a CBFE holders' meeting all of the holders have a conflict of interest to vote on a matter, the Conflicts Committee will be able to decide on such matter.

THE COMMON REPRESENTATIVE

Monex Casa de Bolsa, S.A. de C.V., Monex Grupo Financiero has been appointed as Common Representative of the holders of the CBFEs. The Common Representative represents the holders of the CBFEs collectively and not individually.

As indicated under the CBFEs, the Common Representative shall have the powers and obligations provided in the Trust Agreement and other documents relating to the Mexican Offering and the International Offering. As to matters not expressly addressed under the CBFEs, the Trust Agreement, and other relevant documents, the Common Representative shall act pursuant to the instructions of the CBFE holders' meeting.

The powers and obligations of the Common Representative include the following:

- Execute the CBFEs, for the initial issuance and in the case of any additional issuances, and the applications submitted to the CNBV in order to exchange the CBFEs or update the registration in the RNV;
- Create the Issuer Trust and the execute the issuance documents (and amendments thereto, with the prior approval of the CBFEs holders' meeting, as applicable) to which it is a party;
- Verify the status of the trust estate;
- Verify that the Trustee and the Manager comply with their obligations under the Trust Agreement, the CBFEs and the Management Agreement, and initiate any action against the Trustee or instruct the Trustee to initiate any action against the Manager pursuant to the instructions of the CBFE holders' meeting;
- Notify the holders of the CBFEs of any breach by the Trustee and/or the Manager of their obligations under the Trust Agreement, the CBFEs and/or the Management Agreement;
- Call and preside over CBFE holders' meetings as required under the CBFE, the Trust Agreement and applicable law, or at any other time it considers necessary;
- Take all actions required to comply with the order to comply with the resolutions of the CBFE holders' meetings;
- Execute on behalf of the holders of the CBFEs any documents and agreements necessary to be entered into with the Trustee;
- Take all actions required to preserve the rights of the holders of the CBFEs;
- Act as intermediary between the Trustee and the holders of the CBFEs for purposes of delivering any amounts due to the holders of the CBFEs under the Trust Agreement and any other matter;
- Exercise the rights and obligations established in the CBFEs, the Trust Agreement, and any other documents to which it is a party;
- Request from the Trustee and the Manager all information and documentation necessary for the performance of its duties under the Trust Agreement;
- Provide any holder of the CBFEs with copies of the reports delivered to it by the Trustee and the Manager in accordance with provisions of the Trust Agreement under which the holders of the CBFEs shall evidence the holding of their CBFEs; and

- In general, carry out all acts and comply with the obligations under the Trust Agreement, the applicable law and the best stock market practices.

The Common Representative will not be liable for the decisions of the technical committee or the CBFE holders' meeting, and it will not be required to pay any out-of-pocket expense or fee to carry out all the acts derived from its duties under the Trust Agreement.

Additional Duties of the Common Representative

The Common Representative shall verify timely and proper compliance with the obligations provided in the Trust Agreement, the CBFEs and the Management Agreement by the Trustee and the Manager. To verify such compliance, the Common Representative shall have the right to request information and documentation from the Trustee and the Manager, as well as the persons providing them services related to the CBFEs or the trust estate, including external auditor. The Trustee, the Manager, the external auditor and other service providers shall provide and/or cause the information and/or documentation to be provided to the Common Representative in such terms and with such frequency as reasonably requested by the Common Representative, including, without limitation, the financial status of the trust estate and such other economic, accounting, financial, legal and administrative information of other transactions executed with the funds of the trust estate.

The Common Representative shall only act or cease to act based on the information received, without being required to verify its authenticity, completeness or veracity. The Common Representative will not be liable in cases of willful misconduct, negligence, bad faith or illegal acts (including fraudulent acts) by the Trustee, the Manager and the other parties. The Common Representative will not be liable if it has acted in good faith, in accordance with the applicable law, based on the information then available or seeking to protect the interests of the holders of the CBFEs.

The Common Representative shall render detailed accounts of the performance of its duties as requested by the CBFE holders' meeting or upon termination of its term in office.

In order to be able to comply with the foregoing, the Common Representative may request the holders' meeting to engage, or the CBFE holders' meeting may request the engagement of, any third party specialist it may deem convenient and/or necessary to assist in the performance of its obligations under the Trust Agreement, the CBFE, the Management Agreement or applicable law.

Personnel of Common Representative

Because the CBFEs do not entail an obligation on the Trustee to pay the holders of the CBFEs principal and/or interest, neither the Common Representative, nor any of its officers, directors, representatives, employees, subsidiaries or agents ("Personnel"), shall be responsible for investment decisions, compliance with the business plan, or performance of any Eligible Company, or the result of any other transactions carried out with the funds of the trust estate. The Common Representative and its Personnel shall not be required to review or monitor the legal, financial and economic viability of any Eligible Company, including GACM, or obtain authorizations and compliance with requirements of other investments or transactions. The Common Representative will be entitled to request information about these

The Common Representative and its Personnel will not be responsible of overseeing the fulfillment of the services of the trust accountant, the external auditor, or any other third party; the performance of the obligations in the agreements with GACM; the performance of the obligations of the other partners or shareholders of an Eligible Company and its subsidiary or the proper operation of the technical committee and/or its committees and the obligations of its members, or any other body other than the CBFE holders' meeting.

Removal of the Common Representative

The Common Representative may be removed or replaced at any time by resolution of the CBFE holders' meeting; provided, that such removal shall take effect only when a substitute common representative has been designated by the respective CBFE holders' meeting and the substitute representative has accepted and taken office.

Resignation of the Common Representative

Any institution acting as a common representative under the Trust Agreement may waive such appointment under certain circumstances. The Common Representative, as the case may be, shall provide written notice to the Manager and the Trustee of its intention to resign at least 60 calendar days in advance of the date of resignation, and such resignation shall not be effective until a substitute common representative is appointed by the CBFE holders' meeting and the substitute of the Common Representative has accepted and taken office.

Termination of the Obligations of the Common Representative

The obligations of the Common Representative shall end once the holders of the CBFEs have received all amounts they are entitled to receive under the CBFEs.

Fees of the Common Representative

As consideration for its services under the Trust Agreement, the Common Representative will be entitled to receive the fees (including value added tax) set forth in the Trust Agreement. The fees paid to the Common Representative will be considered issuance expenses or trust expenses.

THE MEXICAN SECURITIES MARKET

The information concerning the Mexican securities market set forth below has been prepared based on materials obtained from public sources, including the CNBV, the Mexican Stock Exchange, the *Banco de Mexico* and information made public by market participants. The following summary does not purport to be a comprehensive description of all of the material aspects related to the Mexican securities market and its regulations.

The Issuer cannot predict the liquidity of the CBFEs after the Global Offering. If the trading volume of the CBFEs on the Mexican Stock Exchange falls below certain levels, the price for the CBFEs may be affected and the CBFEs may be delisted or deregistered in that market.

Trading on the Mexican Stock Exchange

The Mexican Stock Exchange, located in Mexico City, is the only stock exchange in operation in Mexico. Operating continuously since 1907, the Mexican Stock Exchange is organized as a publicly traded corporation with variable capital stock (*sociedad anónima bursátil de capital variable*). Securities trading on the Mexican Stock Exchange occurs each business day from 8:30 a.m. to 3:00 p.m. (Mexico City time), subject to adjustments to operate uniformly with certain markets in the United States.

Since January 1999, all trading on the Mexican Stock Exchange has been electronic. The Mexican Stock Exchange may impose a number of measures to promote an orderly and transparent trading price of securities, including the operation of a system of automatic suspension of trading in shares of a particular issuer when price fluctuations exceed certain limits. The Mexican Stock Exchange may also suspend trading of an issuer's securities as a result of any non-disclosure of material events of such issuer.

Settlement on the Mexican Stock Exchange is effected two business days after a share transaction. Deferred settlement is not permitted without the approval of the Mexican Stock Exchange. Securities traded on the Mexican Stock Exchange, including the CBFEs, are on deposit with Indeval, a securities depositary that acts as a clearinghouse, depositary and custodian, as well as a settlement, transfer and registration agent for Mexican Stock Exchange transactions, eliminating the need for physical transfer of securities. Although the Mexican Securities Market Law acknowledges the possible existence of an over-the-counter market, no such market for securities in Mexico has developed.

Even when transactions are by agreement settled in U.S. Dollars, under the Monetary Law, the obligations to make payments to any company or individual Mexican or foreign in foreign currency, either by agreement or by execution of a sentence, can be accomplished in Pesos at the exchange rate for Pesos in effect at the time and the place of payment, determined by the *Banco de México* and published in the Federal Official Gazette on the payment date.

The Mexican Securities Market Law provides that foreign-issued securities may be traded by brokerage firms and lending institutions through the International Trading System (*Sistema Internacional de Cotizaciones*) or SIC. These securities may be listed through the SIC if (i) they are not already registered on the RNV, (ii) the market of origin or the company issuing the securities has received, based on their characteristics, recognition from the CNBV and (iii) they satisfy the in-house requirements of the applicable stock exchange.

In addition, the Mexican Stock Exchange operates a system which suspends trading of shares of a particular issuer upon price or volume volatility or changes in the offer or demand for such shares that are not consistent with the historic performance of the shares and cannot be explained solely through information made publicly available pursuant to the CNBV's general regulations.

The Mexican Securities Market Law includes appropriate placement exemptions pursuant to which foreign securities may be sold to institutional and accredited investors without registration with the RNV.

Market Regulation and Registration Standards

In 1925, the Mexican National Banking Commission (*Comisión Nacional Bancaria*) was established to regulate banking activity and, in 1946, the Mexican National Securities Commission (*Comisión Nacional de Valores*) was established to regulate stock market activity. In 1995, these two entities were merged to form the CNBV.

Among other things, the CNBV regulates the public offering and trading of securities and participants in the Mexican securities market, and imposes sanctions for the illegal use of insider information and other violations of the Mexican Securities Market Law. The CNBV regulates the Mexican securities market, the Mexican Stock Exchange, and brokerage firms through its staff and a board of governors comprised of 13 members.

Mexican Securities Market Law

On December 30, 2005, the Mexican Securities Market Law was enacted and published in the Federal Official Gazette and became effective on June 28, 2006. The Mexican Securities Market Law modified the Mexican securities regulation in various material respects. The reforms introduced were intended to update the Mexican regulatory framework applicable to the securities market and publicly traded companies, as compared to international standards. Publicly traded companies are regulated by the Mexican Securities Market Law and, secondarily, by the Mexican Corporations Law (*Ley General de Sociedades Mercantiles*). Regulations issued by the CNBV also supplement several items generally covered by the Mexican Securities Market Law.

On January 10, 2014, a decree was published in the Federal Official Gazette which amended 34 financial laws, including the Mexican Securities Market Law (the "Financial Reform"). Except for a few articles relating to insider trading and policies that certain entities must implement relating to insider trading, amendments to the Mexican Securities Market Law went into force on January 13, 2014. Additionally, some regulated entities such as brokerage firms and investment advisers were given terms ranging from six months to one year to conform to certain requirements contained in the reform.

One of the main changes introduced by the Financial Reform was the increased regulation of "*certificados bursátiles fiduciarios inmobiliarios*" (real estate trust certificates, or "CBFIs"), predecessors of the CBFEs. Prior to such Financial Reform, CBFIs were regulated by the CNBV under the Mexican Issuer Regulations, which contained rules relating to, among others, corporate governance of trusts issuing such securities, investment approvals, provisions relating to conflicts of interests. However, the Financial Reform implemented provisions relating to additional corporate and minority rights granted to holders of CBFIs and corporate governance matters.

Disclosure of Shareholders' Agreements

Any shareholders' agreements containing non-compete clauses, any agreements related to the sale, transfer or exercise of preemptive rights (as set forth under article 132 of the Mexican Corporations Law) and any agreements which allow for the sale and purchase of shares, voting rights, and sale of shares in a public offering must be notified to the company within five business days following their execution in order to allow the company to disclose such agreements to the investors through the stock exchanges on which its securities are being traded and to be made public in an annual report prepared by the company. These agreements (i) will be available for the public to review at the company's offices (ii) will not be enforceable against the company and their breach will not affect the validity of the vote at the shareholders' meetings, and (iii) will only be effective between the parties thereto until they have been disclosed to the public.

Regulations Applicable to Issuers, Brokerage Firms and Other Market Participants

In March 2003, the CNBV issued certain general regulations applicable to issuers and other securities market participants (*Disposiciones de carácter general aplicables a las emisoras de valores y a otros participantes del Mercado de valores*). The general regulations, which repealed several previously enacted CNBV regulations (*circulares*), now provide a single set of rules governing issuers and issuer activity, among other things. These general regulations have been amended several times thereafter.

In addition, in September 2004, the CNBV issued general rules applicable to brokerage firms (*Disposiciones de carácter general aplicables a las casas de bolsa*). The Rules for Brokerage Firms provide a single set of rules governing participation of Mexican underwriters in public offerings, among other things.

Registration and Listing Standards

To offer securities to the public in Mexico, an issuer must meet specific qualitative and quantitative requirements. In addition, only securities that have been registered with the RNV pursuant to the CNBV's approval may be listed on the Mexican Stock Exchange.

The CNBV's approval for registration does not imply any kind of certification or assurance related to the investment quality of the securities, the solvency of the issuer, or the accuracy or completeness of any information delivered to the CNBV. The general regulations state that the Mexican Stock Exchange must adopt minimum requirements for issuers to list their securities in Mexico. These requirements relate to matters such as operating history, financial and capital structure, minimum trading volumes and minimum public floats, among others. The general regulations also state that the Mexican Stock Exchange must implement minimum requirements for issuers to maintain their listing in Mexico. These requirements relate to matters such as financial condition, trading minimums, capital structure and minimum public floats, among others. The CNBV may waive some of these requirements in certain circumstances. In addition, some of the requirements are applicable to each series of shares of the relevant issuer.

The Mexican Stock Exchange will review compliance with the foregoing requirements and other requirements on an annual, semiannual and quarterly basis. It may also do so at any other time.

The Mexican Stock Exchange must inform the CNBV of the results of its review and this information must, in turn, be disclosed to investors. If an issuer fails to comply with any of the foregoing requirements, the Mexican Stock Exchange will request that the issuer propose a plan to cure the violation. If the issuer fails to propose a plan, if the plan is not satisfactory to the Mexican Stock Exchange or if an issuer does not make substantial progress with respect to the corrective measures, trading of the relevant series of shares on the Mexican Stock Exchange will be temporarily suspended. In addition, if an issuer fails to propose a plan or ceases to follow the plan once proposed, the CNBV may cancel the registration of the shares, in which case the majority shareholder or any controlling group must carry out a tender offer to acquire 100% of the outstanding shares of the issuer in accordance with the tender offer rules discussed below.

Reporting Obligations

Issuers of listed securities are required to file unaudited quarterly financial statements and audited annual financial statements, as well as various periodic reports with the CNBV and the Mexican Stock Exchange. Mexican issuers of listed securities must file the following reports with the CNBV:

- an annual report prepared in accordance with the CNBV general regulations by no later than April 30 of each year;

- quarterly reports, within 20 business days following the end of each of the first three quarters and 40 days following the end of the fourth quarter;

- reports disclosing material events promptly upon their occurrence unless the issuer meets the legal requirements to delay its public disclosure;

- reports and disclosure memoranda revealing corporate restructurings such as mergers, spin-offs or acquisitions or sale of assets, approved or to be approved by a shareholders' meeting or the board of directors; and

- reports regarding the policies and guidelines with respect to the use of the company's (or its subsidiaries) assets by related persons.

Pursuant to the CNBV's general regulations, the internal rules of the Mexican Stock Exchange were amended to implement an automated electronic information transfer system (*Sistema Electrónico de Envío y Difusión de Información*, or "SEDI"), for information required to be filed with the Mexican Stock Exchange. Issuers of listed securities must prepare and disclose their financial information via a Mexican Stock Exchange-approved electronic financial information system (*Sistema de Información Financiera y Contable de las Emisoras*, or "SIFIC"). Immediately upon its receipt, the Mexican Stock Exchange makes the financial information submitted via SIFIC available to the public.

Additionally, issuers of securities such as the CBFEs are required to file reports containing information regarding their indebtedness and liquidity levels with the CNBV, the Mexican Stock Exchange and the investing public (i) within 20 business days after the end of each quarter during the first three quarters of the fiscal year, and (ii) within of 40 business days following the end of the last quarter of the fiscal year. To that extent, such issuers must describe the nature of any relevant loans or any other form of debt that will have been incurred, including amortizations, interest and guarantees issued. A loan or any other form of financing will be considered relevant when representing 10% or more of such issuer's total liabilities as reflected in its consolidated financial statements. Such issuers must also file *pro forma* financial statements for the next fiscal year, with the CNBV within 40 business days of the end of the fourth quarter, which reflect their ability to meet the legal leverage requirements.

The CNBV's general regulations and the rules of the Mexican Stock Exchange require issuers of listed securities to file information through SEDI that relates to any act, event or circumstance that could influence an issuer's share price. If listed securities experience unusual price volatility, the Mexican Stock Exchange will immediately request that the issuer inform the public as to the causes of such volatility or, if the issuer is unaware of the causes, that the issuer makes a statement to that effect. In addition, the Mexican Stock Exchange will immediately request that the issuer disclose any information relating to relevant material events, when it deems the information currently disclosed to be insufficient, as well as instruct the issuer to clarify the information when necessary. The Mexican Stock Exchange may request that issuers confirm or deny any material events that have been disclosed to the public by third parties when it deems that the material event may affect or influence the securities being traded. The Mexican Stock Exchange must immediately inform the CNBV of any such requests.

In addition, the CNBV may also make any of these requests directly to issuers. An issuer may defer the disclosure of material events under some circumstances, so long as:

- the issuer implements adequate confidentiality measures (including maintaining records of persons or entities in possession of material non-public information);

- the information is related to transactions that are pending closing, execution, or effectiveness;

- there is no misleading public information relating to the material event; and

- no unusual price or volume fluctuation occurs.

Similarly, if an issuer's securities are traded on both the Mexican Stock Exchange and a foreign securities exchange, the issuer must simultaneously file the information that it is required to file pursuant to the laws and regulations of the foreign jurisdiction with the CNBV and the Mexican Stock Exchange.

Suspension of Trading

In addition to the authority of the Mexican Stock Exchange under its internal regulations as described above, pursuant to the rules of the CNBV, the CNBV and the Mexican Stock Exchange may suspend trading in an issuer's securities:

- if the issuer does not disclose a material event or if the disclosed information is not sufficiently clear; or

- upon price or volume volatility or changes in the offer or demand in respect of the relevant securities that are not consistent with the historic performance of the securities and cannot be explained solely through information made publicly available pursuant to the CNBV's general regulations.

The Mexican Stock Exchange must immediately inform the CNBV and the general public of any such suspension. An issuer may request that the CNBV or the Mexican Stock Exchange resume trading, provided that the issuer demonstrates that the causes triggering the suspension have been resolved and, if applicable, that it is in full compliance with the periodic reporting requirements under applicable law. The Mexican Stock Exchange may reinstate trading in suspended shares when it deems that the material events have been adequately disclosed to investors, when it deems that the issuer has adequately explained the reasons for the changes in offer and demand, volume traded, or prevailing share price or when the events affecting share prices have ceased to exist. If an issuer's request has been granted, the Mexican Stock Exchange will determine the appropriate mechanism to resume trading. If trading in an issuer's securities is suspended for more than 20 business days and such issuer is authorized to resume trading without conducting a public offering, the issuer must disclose via SEDI the causes that resulted in the suspension and the reasons why it is now authorized to resume trading, before trading may resume.

Under current regulations, the Mexican Stock Exchange may consider the measures adopted by other non-Mexican stock exchanges to suspend and/or resume trading in an issuer's shares in cases where the relevant securities are simultaneously traded on stock exchanges located outside of Mexico.

Insider Trading, Trading Restrictions and Disclosure Requirements

The Mexican Securities Market Law contains specific regulations regarding insider trading, including the requirement that persons in possession of information deemed privileged abstain from (i) trading, directly or indirectly, in any relevant issuer's securities whose trading price could be effected by such information, (ii) making recommendations to third parties to trade in such securities (except those entitled to such information as a result of their role or employment position) and (iii) from trading in options and derivatives of the underlying security issued by such entity.

Pursuant to the Mexican Securities Market Law, the following persons must notify the CNBV of any transactions undertaken as they relate to a listed issuer's stock:

- members of a listed issuer's board of directors;
- shareholders controlling 10% or more of a listed issuer's outstanding share capital;
- groups controlling 25% or more of a listed issuer's outstanding share capital; and
- other insiders.

In addition, under the Mexican Securities Market Law insiders (which include persons falling within the categories specified in the first, second and fourth bullet point above) must abstain from purchasing or selling securities of the issuer within 90 days from the last sale or purchase.

Subject to certain exceptions, any acquisition of a public company's shares that results in the acquirer owning 10% or more, but less than 30%, of an issuer's outstanding share capital must be publicly disclosed to the CNBV and the Mexican Stock Exchange no later than one business day following the acquisition.

Any acquisition or transfer of ownership by an insider that results in the insider increasing or decreasing his holdings by 5% or more of a public company's outstanding share capital must also be publicly disclosed to the CNBV and the Mexican Stock Exchange no later than one business day following the acquisition. Some insiders must also notify the CNBV of share purchases or sales that occur within any three-month or five-day period and that exceed certain value thresholds. The Mexican Securities Market Law requires that convertible securities, warrants and derivatives to be settled in kind, be taken into account in the calculation of share ownership percentages.

Tender Offers

The Mexican Securities Market Law contains provisions relating to public tender offers in Mexico. According to the Mexican Securities Market Law, tender offers may be voluntary or mandatory. Both are subject to prior approval of the CNBV and must comply with general legal and regulatory requirements. Any intended acquisition of a public company's shares that results in the buyer owning 30% or more, but less than a percentage that would result in the buyer acquiring control of a company's voting shares, requires the buyer to make a mandatory tender offer for the greater of (a) the percentage of the share capital intended to be acquired or (b) 10% of the company's outstanding capital stock. Finally, any acquisition of a public company's shares that is intended to obtain voting control, requires the potential buyer to make a mandatory tender offer for 100% of the company's outstanding capital stock (however, under certain circumstances, the CNBV may permit an offer for less than 100%). Any tender offer must be made at the same price to all shareholders and classes of shares. The board of directors, with the advice of the audit committee, must issue its opinion of any tender offer resulting in a change of control, which opinion must take minority shareholder rights into account and which may be accompanied by an independent fairness opinion. Members of the board of directors and the chief executive officer must publicly disclose whether they will participate in the Global Offering.

Under the Mexican Securities Market Law, all tender offers must be open for at least 20 business days and purchases thereunder are required to be made pro rata to all tendering shareholders. The Mexican Securities Market Law also permits the payment of certain amounts to controlling shareholders over and above the offering price, but only if these amounts are fully disclosed, approved by the board of directors and paid in connection with non-compete or similar obligations of such controlling shareholders. The law also outlines the circumstances under which the CNBV may waive the obligation to carry out a tender offer (e.g., to protect the interests of minority shareholders), exceptions to the mandatory tender offer requirements and specifically sets forth remedies for non-compliance with tender offer rules (e.g., suspension of voting rights, possible annulment of purchases, among others) and other rights available to former shareholders of the issuer.

The Mexican Securities Market Law also requires that convertible securities, warrants and derivatives that can be settled in kind representing underlying securities be taken into account in the calculation of the individual or group of individuals that, directly or indirectly, intends to acquire shares of a company.

Anti-Takeover Protections

The Mexican Securities Market Law provides that public companies may include anti-takeover provisions in their bylaws if such provisions (i) are approved by a majority of the shareholders, in an extraordinary shareholders' meeting, without shareholders representing 5% or more of the capital stock present at the meeting voting against such provision, (ii) do not exclude any shareholders or group of shareholders, other than the person intending to acquire control, from the economic benefits that may result from such provision, (iii) do not restrict, in an absolute manner, a change of control, and (iv) do not contravene legal provisions related to tender offers or have the effect of disregarding the economic rights related to the shares held by the acquiring party.

TAXATION

General

The following summary contains a description of certain material United States and Mexican federal income tax consequences of the purchase, ownership and disposition of the CBFEs by holders that are treated as non-resident in Mexico for tax purposes.

This summary is based on federal tax laws of the United States and Mexico as in effect on the date of this offering memorandum, all of which are subject to change, including changes with retroactive effects. This summary does not purport to be a comprehensive description of all the Unites States or Mexican tax considerations that may be relevant to a decision to purchase, hold or dispose of the CBFEs.

The summary does not address any tax consequences under the laws of any state, municipality or locality of Mexico or the United States or the laws of any taxing jurisdiction other than the federal tax laws of Mexico and the United States.

Prospective investors should consult their own tax advisors as to the Mexican and United States tax consequences of the purchase, ownership and disposition of the CBFEs, including, in particular, the effect of any foreign (non-Mexican and non-U.S.), national, state, municipal or other non-national tax laws. Mexico has also entered into or is negotiating several double taxation treaties with various countries that may have an impact on the tax treatment of the purchase, ownership or disposition of the CBFEs. Prospective purchasers of the CBFEs should consult their own tax advisors as to the tax consequences, if any, of the application of any such treaties.

Certain Mexican Federal Tax Considerations

This section is a summary of the main characteristics of the FIBRA E Rules that are applicable to the Sponsors, the Issuer Trust and the holders of CBFEs, based on the expected nature of their activities. The following summary is not intended to be a discussion of all the scenarios that may be relevant to make a decision regarding the acquisition, holding or disposal of the CBFEs. Potential investors should consult their tax advisors on the tax regime applicable to them and on the tax consequences they may face for the acquisition, holding or transfer of the CBFEs, in accordance with the tax provisions of any applicable jurisdiction. The applicable tax treatment may change during the term of the CBFEs, either due to changes in tax provisions (including regulations) or in the interpretation or application of such provisions by the tax authorities. See "Risk Factors—Risks Related to Taxes and the Tax System" for more information on this matter. This summary is based on the Mexican tax provisions in force as of the date of this offering memorandum, which are subject to changes, so it is not possible to ensure that future tax provisions, resolutions of administrative authorities or jurisdictional decisions, will not change the discussion summarized below.

Taxation Applicable to the Sponsors

The Issuer Trust will invest in the Sponsors; therefore, the tax treatment of entities that are subject to investment by FIBRA Es should apply to the Sponsors. The main characteristics of such treatment can be summarized as follows:

- The Sponsors will not be taxpayers of the Mexican federal income tax. However, from the date on which their shares are acquired by the Issuer Trust, the tax treatment provided in the Mexican Income Tax Law for trusts that carry out business activities will apply, although the Sponsors will not be required to make advance payments, nor will they be required to withhold income tax for dividends or earnings distributed to individuals resident in Mexico or to non-residents without a permanent establishment in Mexico.

- In the event that the authorized deductions are greater than the taxable income of the relevant fiscal year, the Sponsors will determine a net operating loss, which can only be reduced from the Net

Taxable Income of subsequent years derived from the activities carried out by the same entity that generated them.

When the GACM Special Shares and AICM Shares are acquired by the Issuer Trust, GACM's fiscal year will end early on the date on which the shares were acquired, and GACM will begin a new fiscal year applying the tax treatment provided for entities that are subject to investment by FIBRA Es in accordance with the FIBRA E Rules; for this reason, as of the fiscal year in which the shares are acquired by the Issuer Trust, the tax provisions for (i) the paid-in capital account (*cuenta de aportación de capital*, or CUCA account), (ii) the after-tax profit account (*cuenta de utilidad fiscal neta*, or CUFIN account), and (iii) income tax for dividends or distributed earnings that do not come from the CUFIN account, will not be applicable to GACM and AICM.

Taxation Applicable to the Issuer Trust

The Issuer Trust meets (or will meet) the requirements set forth in the FIBRA E Rules; therefore, the tax treatment of FIBRA Es should apply to the Issuer Trust. The main characteristics of such treatment can be summarized as follows:

- The Issuer Trust will not be subject to the Mexican federal income tax. However, the Trustee must determine the Issuer's Net Taxable Income, for which it shall consider:
  - As taxable income, (x) the portion of the Net Taxable Income that corresponds to the entities in which it has made the investment (other than the Sponsors) in accordance with the average shareholding in the relevant fiscal year, (y) the portion of the Net Taxable Income that corresponds to it with respect to the Sponsors, in the proportion of the income it is entitled to receive from the Sponsors in the relevant fiscal year, as well as (z) any other taxable income that is applicable under Title II of the Mexican Income Tax Law; and,
  - As authorized deductions, (x) the operating expenses of the Issuer Trust, as well as (y) the net operating loss that may be determined due to the disposal of shares and (z) any other authorized deduction that may be applicable under Title II of the Mexican Income Tax Law.
- The Trustee is required to distribute to the holders of the CBFEs at least once a year and no later than March 15, at least 95% of the Issuer's Net Taxable Income for the prior fiscal year, in accordance with the FIBRA E Rules.
- The Trustee shall maintain a CUCA account at the level of the Issuer Trust, not at the level of the holders of the CBFEs or the Sponsors. The balance of the CUCA account will increase with the capital contributions (in cash or in kind) and decrease with the capital refunds. The distribution of Net Taxable Income by the Issuer Trust shall not decrease the balance of the CUCA account. The distributions in excess of the Net Taxable Income by the Issuer Trust will be considered as capital refunds up to the balance of the CUCA account. Excess distributions of the CUCA account by the Issuer Trust shall be considered as distributions of Net Taxable Income and shall be taxable for the holders of CBFEs in accordance with the taxation applicable to each. The Manager and the Trustee should provide this information in the notices about Distributions in accordance with the Trust Agreement
- The Trustee must provide Indeval with the information provided in the FIBRA E Rules, such as the amount per CBFE (i) of the capital it refunds and (ii) the Net Taxable Income it distributes.
- The Issuer Trust may buy back the CBFEs issued by the Issuer Trust itself, provided that it meets the requirements set forth in the FIBRA E Rules, such that (i) the repurchased CBFEs do not exceed 5% of the issued CBFEs, (ii) the repurchased CBFEs are re-offered within a certain period of time, (iii) the CBFEs are repurchased with the Net Taxable Income not distributed by the Issuer Trust, and (iv) the investment in CBFEs, securities of the Mexican federal government and shares of investment funds investing in debt instruments does not exceed 30% of the trust estate.

Taxation Applicable to the Holders of the CBFEs

The tax treatment applicable to the holders for the possession or transfer of the CBFEs depends, on the one hand, on the residence and tax regime of the holder and, on the other hand, on the type of income that the holder obtains. The main characteristics of such treatment can be summarized as follows:

	Residents in Mexico			**Non-Residents (1)**		
	Individuals	**Entities**	**SIEFORES (2)**	**Individuals**	**Entities**	**Pension and Retirement Funds**
	Holding of CBFEs | Distribution of Net Taxable Income					
Taxation	Taxable income	Taxable income	Exempt income	Deemed Income	Deemed Income	Deemed Income
Withholding (3)	30%	30%	None	30%	30%	30%
	Holding of CBFEs | Capital refund up to the amount of the CUCA account					
Taxation	No income	No income	No income	No income	No income	No income
Withholding	None	None	None	None	None	None
	Holding of CBFEs | Capital reimbursement in excess of the CUCA account					
Taxation	Taxable income	Taxable income	Exempt income	Deemed Income	Deemed Income	Deemed Income
Withholding	30%	30%	None	30%	30%	30%
	Disposal of CBFEs | Profit					
Taxation	Exempt income	Taxable income	Exempt income	Exempt income	Exempt income	Exempt income
Withholding	None	None	None	None	None	None

(1) Non-residents are deemed to have a permanent establishment in Mexico due to their holding of CBFEs, but are exempted from fulfilling the relevant formal obligations exclusively for the income obtained from the Trust, including the registration with the Federal Taxpayers Registry (*Registro Federal de Contribuyentes*).
(2) Investment Companies Specialized in Retirement Funds (*Sociedades de Inversión Especializadas en Fondos para el Retiro*). This also includes pension or retirement funds for personnel and individual retirement plans.
(3) Financial intermediaries that have custody and administration of the CBFEs will be responsible for making the relevant withholding.

Value Added Tax

Pursuant to the FIBRA E Rules, the Trustee shall (i) calculate and pay the value added tax applicable to the activities carried out by the Issuer Trust; (ii) issue the relevant invoices, expressly and separately transferring the value added tax; (iii) credit the value added tax in accordance with the terms and requirements provided for by the tax provisions, and (iv) comply with any other obligations set forth in the tax provisions, including to maintain accounting for the activities carried out through the Issuer Trust and collecting invoices meeting the tax requirements.

Certain U.S. Federal Income Tax Considerations

The following discussion is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of CBFEs. This discussion is directed toward, and only intended to apply to, beneficial owners of CBFEs who are "U.S. Holders" (as defined below) who hold such CBFEs as capital assets for U.S. federal income tax purposes (generally, property held for investment). This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), existing final, temporary and proposed U.S. Treasury regulations, administrative pronouncements of the Internal Revenue Service (the "IRS") and judicial decisions, all as of the date hereof and all of which are subject to change (possibly on a retroactive basis) and to differing interpretations.

This discussion does not purport to address all U.S. federal income tax consequences that may be relevant to a particular holder. In addition, this discussion does not address tax consequences that may be relevant to U.S. Holders subject to special U.S. federal income tax treatment including: insurance companies, tax-exempt organizations, traders in securities that elect to mark-to-market, dealers in securities, banks or other financial institutions, partnerships or other pass through entities for U.S. federal income tax purposes or the partners therein, real estate investment trusts and regulated investment companies, U.S. Holders whose functional currency is not the U.S. Dollar, U.S. expatriates, persons who hold CBFEs as part of a hedge, straddle or conversion transaction, or persons who own, directly, indirectly or by attribution, 10% or more of the Issuer Trust's or either of the Sponsor's total equity.

This discussion does not address the Medicare tax on net investment income, the U.S. federal corporate alternative minimum tax, estate tax or gift tax consequences (or any U.S. federal tax consequences other than U.S. federal income tax consequences), any state or local tax consequences, or any non-U.S. tax consequences of the acquisition, ownership or disposition of CBFEs. You should consult your tax advisor regarding the U.S. federal, state, local and non-U.S. tax consequences to you of the acquisition, ownership and disposition of CBFEs based on your particular circumstances.

As used herein, the term "U.S. Holder" means a beneficial owner of CBFEs that is, for U.S. federal income tax purposes, a citizen or resident of the United States or a U.S. domestic corporation or that otherwise is subject to U.S. federal income taxation on a net income basis in respect of the CFBEs.

U.S. Federal Income Tax Classification of the Issuer Trust

The Issuer Trust will elect to be treated as a partnership for U.S. federal income tax purposes.

Based on the character and amounts of its expected income, the Issuer Trust does not expect to be a "publicly traded partnership" taxable as a corporation for U.S. federal income tax purposes. Rather, each holder of a CBFE that is a U.S. Holder (a partner for U.S. tax purposes) will be required to take into account for U.S. federal income tax purposes its allocable share of the items of income, gain, loss, deduction and credit of the Issuer Trust for each taxable year of the Issuer Trust ending with or within the U.S. Holder's taxable year, regardless of whether such U.S. Holder has received or will receive corresponding distributions from the Issuer Trust. Distributions to a U.S. Holder by the Issuer Trust, however, will not be taxable a U.S. Holder to the extent they have already been taken into account by the U.S. Holder as items of income, gain, loss, deduction and credit through their interest in the Issuer Trust. Consequently, a U.S. Holder is generally expected to be subject to net income tax in respect of its CBFEs in amounts that are approximately equal to the amount of distributions received from the Issuer Trust. Prospective investors should be aware that no ruling will be sought from the IRS regarding the U.S. federal income tax treatment of the Issuer Trust.

GACM's Classification as a Passive Foreign Investment Company

Special U.S. tax rules apply to corporations that are considered to be passive foreign investment companies ("PFICs"). GACM will be classified as a PFIC in a particular taxable year if either:

- 75 percent or more of GACM's gross income for the taxable year is passive income; or
- the average percentage of the value of GACM's assets that produce or are held for the production of passive income is at least 50 percent.

For this purpose, passive income generally includes dividends, interest, gains from certain commodities transactions, rents, royalties and the excess of gains over losses from the disposition of assets that produce passive income. Cash generally is considered an asset that produces or is held for the production of passive income, even if held for use in the corporation's business. Based on the composition of GACM's income and assets, it is expected that GACM will be a PFIC in the current year, and it may also be treated as a PFIC in future years, for example, years in which it will hold a substantial amount of cash.

The PFIC rules provide that stock that is owned either directly or indirectly by or for a partnership is considered as being owned proportionately by its partners. Therefore, a U.S. Holder will be treated as owning a proportionate number of GACM Special Shares held by the Issuer Trust, and accordingly, will be treated as owning shares in a PFIC.

PFIC Rules Generally. Because it is expected that U.S. Holders will be treated as owning shares in a PFIC, a U.S. Holder that does not make one of the elections described under “QEF Election” or “Mark-to-Market Election” below will be subject to a special tax at ordinary income tax rates on any “excess distributions” (generally, any distributions received in a taxable year that are greater than 125 percent of the average annual distributions that such holder has received in the preceding three taxable years, or its holding period, if shorter), including any gain recognized on the sale of the CBFEs. The amount of income tax on any excess distributions will be increased by an interest charge, calculated as if the excess distributions were earned ratably over the holding period of the CBFEs. If GACM is a PFIC in the year in which you acquire your CBFEs, this tax on excess distributions and the related interest charge will apply to you even if GACM is not a PFIC in the year in which you receive an excess distribution or dispose of the CBFEs, unless you make one of the elections described below. Furthermore, because GACM generally will not make any distributions prior to 2021, some or all of the distributions during the first years that GACM does make distributions will likely be considered excess distributions. GACM’s classification as a PFIC may also have other adverse tax consequences for U.S. Holders.

A U.S. Holder may avoid some of the unfavorable consequences of holding shares in a PFIC if it makes a QEF election (“QEF Election”) or “mark-to-market” election, as described in “QEF Election” below. GACM will use commercially reasonable efforts to provide the information necessary so that U.S. Holders are able to make a QEF Election for years in which GACM is considered a PFIC but no assurance can be provided that GACM will be able to provide this information. U.S. Holders should consult their tax advisors to determine whether they can make a QEF Election or mark-to-market election, and the consequences to the Holder of the election, with respect to the GACM Special Shares that are treated as owned by such U.S. Holder.

Distributions. Subject to the discussion above under “PFIC Rules Generally,” and assuming a U.S. Holder does not make a QEF Election, a U.S. Holder’s proportionate share of the gross amount of any distributions of cash or property on the GACM Special Shares (including the amount of any Mexican tax withheld from distributions by the Issuer Trust) generally will be includable by the U.S. Holder as dividend income for U.S. federal income tax purposes. Dividends paid by GACM will not be eligible for the dividends received deduction available under the Code for certain corporate U.S. Holders.

If you are a U.S. Holder, the amount of any dividend paid in pesos will be included in your gross income for U.S. federal income tax purposes in an amount equal to the U.S. dollar value of the gross amount of the pesos received (i.e., before deduction of any Mexican withholding tax), calculated by reference to the spot rate in effect on the date the dividend is actually or constructively received by you, regardless of whether the pesos are in fact converted into U.S. dollars at that time. If the pesos received as a dividend are converted into U.S. dollars on the date of receipt, you generally should not recognize foreign currency gain or loss with respect to such dividend. If the pesos received as a dividend are not converted into U.S. dollars on the date of receipt, you will have a tax basis in the pesos equal to their U.S. dollar value on the date of receipt, calculated as described above. Any gain or loss recognized on a subsequent conversion or other disposition of the pesos will be treated as foreign currency gain or loss that is U.S. source ordinary income or loss.

A U.S. Holder will generally be entitled, subject to a number of complex limitations and conditions (including a minimum holding period requirement), to claim a U.S. foreign tax credit in respect of Mexican income taxes withheld from dividends on the CBFEs. U.S. Holders who do not elect to claim a credit may instead claim a deduction in respect of such Mexican withholding taxes, provided that the U.S Holder elects to deduct, rather than claim a credit for, all foreign taxes paid or accrued for the taxable year. Dividends received with respect to the CBFEs will be treated as foreign source income and generally will constitute “passive category income” for most U.S. Holders. Further, you may not be allowed a foreign tax credit for foreign taxes imposed on dividends paid on the CBFEs if you have held the CBFEs for less than a specified period during which you are not protected from risk of loss, or are obligated to make payments related to the dividends. The rules governing the application of the U.S. foreign tax credit are complex, and you are urged to consult your tax advisor regarding the availability of the foreign tax credit to you based on your particular circumstances.

Sale, Exchange or Other Taxable Disposition of CBFEs. Subject to the discussion above under "PFIC Rules Generally," a U.S. Holder generally will recognize capital gain or loss upon a sale, exchange or other taxable disposition of the CBFEs measured by the difference between the amount realized on the sale, exchange or other taxable disposition of the CBFEs and the U.S. Holder's adjusted tax basis in the CBFEs. Any such gain or loss will be long-term capital gain or loss if you have held the CBFEs for more than one year on the date of disposition, and generally will be treated as U.S. source gain or loss for U.S. foreign tax credit purposes. However, a U.S. Holder may be able to treat any such gain as Mexican source for foreign tax credit purposes under the U.S.-Mexico income tax treaty (the "Tax Treaty"). The deductibility of any capital loss may be subject to limitations under the Code. The rules governing the foreign tax credit are complex. A U.S. Holder should consult its own tax advisors regarding the availability of the foreign tax credit under its particular circumstances and its eligibility for the benefits of the Tax Treaty.

If a U.S. Holder sells or otherwise disposes of its CBFEs in exchange for pesos, the amount realized generally will be the U.S. dollar value of the pesos received based on the spot exchange rate on the date of the sale or other disposition (or, if the CBFEs are treated as traded on an established securities market at such time, in the case of cash basis and electing accrual basis U.S. Holders, the settlement date). An accrual basis U.S. Holder that does not elect to determine the amount realized using the spot exchange rate on the settlement date will recognize foreign currency gain or loss equal to the difference between the U.S. dollar value of the amount received based on the spot exchange rate in effect on the settlement date and the U.S. dollar value of the amount received based on the spot exchange rate in effect on the date of the sale or other disposition. If an accrual basis U.S. Holder makes the election described above, it must be applied consistently from year to year and cannot be revoked without the consent of the IRS. A U.S. Holder will have a tax basis in the pesos received equal to the U.S. dollar value of the pesos received at the spot rate on the settlement date. Any foreign currency gain or loss realized on the settlement date or the subsequent sale, conversion, or other disposition of the pesos received will be ordinary income or loss, and generally will be U.S. source for foreign tax credit limitation purposes. A U.S. Holder should consult its own tax advisors regarding the treatment of any foreign currency gain or loss realized with respect to any pesos received in a sale or other disposition of the CBFEs.

QEF Election. A U.S. Holder may avoid the unfavorable rules described above under "PFIC Rules Generally," "Distributions" and "Sale, Exchange or Other Taxable Disposition of CBFEs" by electing to treat the GACM Special Shares it is treated as owning through its interest in the Issuer Trust as an interest in a QEF. A U.S. Holder that makes this QEF Election will be required to include in its taxable income its proportionate share of GACM's ordinary income and net capital gain that is allocable to the Issuer Trust in years in which GACM is a PFIC. The U.S. Holder should increase its adjusted tax basis in the CBFEs by the same amount. However, any gain or loss subsequently recognized upon such holder's sale of its CBFEs generally will be taxed as capital gain or loss and any distributions made in respect of its proportionate ownership of GACM Special Shares will not be subject to U.S. federal income tax to the extent such distributions relate to previously taxed earnings (but such holder will reduce its adjusted tax basis in the CBFEs by the same amount). A U.S. Holder may, however, recognize at the time of any such distribution, foreign currency gain or loss (treated as ordinary income or loss) attributable to fluctuations in the peso exchange rate between the time such previously taxed income was included in income by such holder and the time of the actual distribution.

In general, a U.S. Holder must make a QEF Election on or before the due date for filing such holder's income tax return for the first year to which the QEF Election will apply. GACM will use commercially reasonable efforts to provide the information necessary so that U.S. Holders are able to make a QEF Election for years in which GACM is considered a PFIC but no assurance can be provided that GACM will be able to provide this information.

Mark-to-Market Election. If the GACM Special Shares are treated as marketable stock, a U.S. Holder can alternatively avoid the unfavorable rules described above under "PFIC Rules Generally," "Distributions" and "Sale, Exchange or Other Taxable Disposition of CBFEs" by electing to mark its proportionate share of the GACM Special Shares to market. To be marketable stock, the GACM Special Shares must be "regularly traded" on a qualifying exchange (i) in the United States that is registered with the SEC or a national market system established pursuant to the Exchange Act or (ii) outside the United States that is properly regulated and meets certain trading, listing, financial disclosure and other requirements.

The mark-to-market rules generally treat a U.S. Holder as holding the GACM Special Shares directly. It is not clear whether the GACM Special Shares must directly satisfy the requirements described above, or whether it would be sufficient if the CBFEs satisfy those requirements. No authority directly addresses this issue. However, because the PFIC mark-to-market rules treat a U.S. Holder as holding the GACM Special Shares directly, and because any trading in CBFEs results in the trading of a proportionate amount of interests in GACM Special Shares, it may be possible to take the position that if the CBFEs would be considered marketable stock if the Issuer Trust were itself a PFIC, the GACM Special Shares may similarly be considered marketable stock. This position is not binding on the IRS and we cannot ensure that the IRS will agree with this position. The remainder of this section assumes that GACM shares will be treated as marketable stock if trading in CBFEs satisfy the tests described above.

The CBFEs are listed and traded on the Mexican Stock Exchange. We cannot ensure that the level of trading in CBFEs will rise to the level of "regularly traded," nor has the IRS provided a list of the exchanges that meet the foregoing requirements, and thus no assurance can be provided that CBFEs will be (or will remain) treated as marketable stock for purposes of the PFIC rules.

If a U.S. Holder makes this "mark-to-market election," such holder will be required in any year in which GACM is a PFIC to include as ordinary income the excess of the fair market value of those GACM Special Shares at year-end over its indirect basis in those GACM Special Shares. A U.S. Holder that makes a mark-to-market election will be entitled to deduct as an ordinary loss each year the excess of its adjusted tax basis in the GACM Special Shares over their fair market value at the end of the year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder that makes a mark-to-market election will increase its adjusted tax basis in its GACM Special Shares by the amount of any income inclusions and decrease its adjusted tax basis in its GACM Special Shares by the amount of any deductions under the mark-to-market rules. In addition, any gain such holder recognizes upon the sale of its GACM Special Shares will be taxed as ordinary income in the year of sale. Any loss such holder recognizes upon the sale of its GACM Special Shares will be taxed as ordinary loss in the year of sale, but only to the extent of the net amount previously included in income as a result of the mark-to-market election.

If an effective mark-to-market election is made after the initial taxable year in which a U.S. Holder is treated as owning an interest in a PFIC, distributions as well as any mark-to-market gain during the first year for which the election is in effect will be subject to the PFIC excess distribution rules described above.

U.S. Tax Filing. A U.S. Holder that owns the CBFEs during any taxable year that GACM is treated as a PFIC is generally required to file IRS Form 8621. A failure to file Form 8621 may toll the running of the statute of limitations in respect of each of the U.S. Holder's taxable years for which such form is required to be filed. As a result, the taxable years with respect to which the U.S. Holder fails to file the form may remain open to assessment by the IRS indefinitely, until the form is filed.

THE RULES DEALING WITH PFICS AND WITH THE ELECTIONS DESCRIBED ABOVE ARE COMPLEX AND ARE AFFECTED BY VARIOUS FACTORS IN ADDITION TO THOSE DESCRIBED ABOVE. U.S. HOLDERS ARE URGED TO CONSULT THEIR TAX ADVISORS REGARDING THE PFIC RULES, ELECTIONS AND REPORTING REQUIREMENTS DESCRIBED ABOVE IN CONNECTION WITH THEIR ACQUISITION, OWNERSHIP AND DISPOSITION OF THE CBFES.

Information Reporting and Backup Withholding

Information returns may be filed with the IRS in connection with distributions in respect of the CBFEs and proceeds from the sale or other disposition of the CBFEs unless an exemption applies. U.S. persons that fail to establish an exemption from information reporting may also be subject to backup withholding unless they provide a U.S. taxpayer identification number and certify that they are not subject to backup withholding. The amount of any backup withholding will be allowed as a credit against a holder's U.S. federal income tax liability and may entitle a holder to a refund to the extent the withheld tax exceeds such U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Specified Foreign Financial Asset Rules

Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of USD 50,000 are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules to their investment in the CBFEs, including the application of the rules to their particular circumstances.

ERISA CONSIDERATIONS

Pension, profit-sharing or other employee benefit plans subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and individual retirement accounts and other arrangements subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended, including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans or arrangements, as well as employee benefit plans established by a U.S. federal, state or local government, all of which we refer to collectively as "plans," are not permitted to acquire or hold CBFEs. Each person that becomes the owner of a CBFE will be deemed to have represented, by its acquisition of such ownership, that it is not at the time of such acquisition, and will not be while it holds the CBFE, a plan.

PLAN OF DISTRIBUTION

Credit Suisse Securities (USA) LLC and Citigroup Global Markets Inc. are acting as international joint bookrunners of the International Offering. Subject to the terms and conditions set forth in the international purchase agreement between the Issuer and the initial purchasers dated the date of this offering memorandum (the "International Purchase Agreement"), the Issuer has agreed to sell to the initial purchasers, and each of the initial purchasers has agreed, severally and not jointly, to purchase from the Issuer, the number of CBFEs set forth opposite its name below.

Initial Purchasers	Number of CBFEs
Credit Suisse Securities (USA) LLC	1,824,866
Citigroup Global Markets Inc.	1,129,679
Total	2,954,545

With respect to the Mexican Offering, subject to the terms and conditions stated in the Mexican underwriting agreement between the Issuer and the Mexican underwriters dated the date of this offering memorandum (the "Mexican Underwriting Agreement"), the Issuer has agreed to sell to the Mexican underwriters, and each of the Mexican underwriters has agreed, severally and not jointly, to purchase from the Issuer, the principal amount of CBFEs set forth opposite its name below.

Mexican Underwriters	Number of CBFEs
Casa de Bolsa Credit Suisse (México), S.A. de C.V., Grupo Financiero Credit Suisse (México)	112,720,588
Acciones y Valores Banamex, S.A. de C.V., Casa de Bolsa, Integrante del Grupo Financiero Banamex	69,779,412
BTG Pactual Casa de Bolsa, S.A. de C.V.,	3,636,364
Casa de Bolsa Banorte IXE, S.A. de C.V. Grupo Financiero Banorte	12,727,273
Casa de Bolsa BBVA Bancomer, S.A. de C.V., Grupo Financiero BBVA Bancomer	7,272,727
Casa de Bolsa Santander, S.A. de C.V., Grupo Financiero Santander México	9,090,909
Inversora Bursátil, S.A. de C.V., Casa de Bolsa Grupo Financiero Inbursa	54,545,455
Total	269,772,728

A prospectus in Spanish pursuant to Mexican law and practice has been prepared and will be used in connection with the Mexican Offering in accordance with applicable law.

The Issuer has granted to the initial purchasers and the Mexican underwriters the right to purchase up to an additional 27,272,727 CBFEs, representing up to approximately 10% of the CBFEs being offered in the Global Offering, within 30 days of the date of this offering memorandum solely to cover over-allotments, if any. The over-allotment options in the International Offering and the Mexican Offering may be exercised independently and/or partially. It is expected that the additional CBFEs will be delivered at the same time as the firm CBFEs and paid for in cash or exchange of CBFEs as exercised within 30 days after the date of this offering memorandum.

The CBFEs have not been registered under the Securities Act or any U.S. state securities laws. The initial purchasers propose to offer the CBFEs for resale in transactions not requiring registration under the Securities Act or applicable U.S. state securities laws, including sales pursuant to Rule 144A and Regulation S. The initial purchasers will not offer or sell the CBFEs except (i) to persons they reasonably believe to be qualified institutional buyers that are also qualified purchasers and that agree to comply with the transfer restrictions set forth herein or (ii) pursuant to offers and sales to non-U.S. persons that occur outside of the United States within the meaning of Regulation S. In addition, until 40 days following the commencement of this offering, an offer or sale of CBFEs within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act unless the dealer makes the offer or sale in compliance with Rule 144A or another exemption from registration under the Securities Act. Each purchaser of the CBFEs will be deemed to have made acknowledgments, representations and agreements as described under "Transfer Restrictions."

The initial purchasers and the Mexican underwriters propose initially to offer the CBFEs in this offering at the offering price set forth on the cover page of this offering memorandum. The price at which the CBFEs are offered may be changed at any time without notice.

Subject to the terms and conditions set forth in the International Purchase Agreement and the Mexican Underwriting Agreement, the initial purchasers and the Mexican underwriters have agreed, severally and not jointly, to purchase all of the CBFEs sold under the International Purchase Agreement and the Mexican Underwriting Agreement if any of these CBFEs are purchased. If an initial purchaser defaults, the International Purchase Agreement provides that the purchase commitments of the non-defaulting initial purchasers may be increased or the International Purchase Agreement may be terminated.

The Issuer has agreed to indemnify the several initial purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the initial purchasers may be required to make in respect of those liabilities.

Other Relationships

Some of the initial purchasers and their affiliates have engaged in, and may in the future engage in, investment banking, financings and other commercial dealings in the ordinary course of business with the Issuer and/or the Sponsors. They have received, or may in the future receive, customary fees, payments and commissions for these transactions.

In addition, in the ordinary course of their business activities, the initial purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial investments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or investments of the Issuer, the Sponsors or their affiliates. The initial purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial investments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and investments.

The initial purchasers and/or their affiliates may enter into derivative transactions in connection with the CBFEs, acting at the order and for the account of their clients. The initial purchasers and/or their affiliates may also purchase some of the CBFEs in this offering as a hedge for such transactions. Such derivative transactions and associated hedging activity could constitute a material portion, and may have an effect on demand, price or other terms, of the Global Offering.

Stabilization and Other Transactions

Until the distribution of the CBFEs is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing the CBFEs. However, the stabilization agent may engage in transactions that stabilize the price of the CBFEs, such as bids or purchases to peg, fix or maintain that price.

In connection with the Global Offering, the initial purchasers may purchase and sell the CBFEs in the open market. These transactions may include syndicate covering transactions and stabilizing transactions. These transactions may also include over-allotment and stabilizing in the Mexican market in accordance with Mexican law and regulations. Over-allotment involves sales of CBFEs in excess of the aggregate number of CBFEs shown on the cover of this offering memorandum, which creates a short position. Covering transactions involve purchases of CBFEs in the open market after the distribution has been completed in order to cover short positions or exercising an over-allotment option granted by the Issuer. Stabilizing transactions consist of certain bids or purchases of CBFEs made for the purpose of preventing or retarding a decline in the market price of the CBFEs while the Global Offering is in progress. Any of these activities may have the effect of raising or maintaining the market price of the CBFEs or preventing or retarding a decline in the market price of the CBFEs. As a result, the price of the CBFEs may be higher than the price that might otherwise exist in the open market.

Neither the Issuer nor any initial purchaser makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the CBFEs. In addition, neither the Issuer nor any initial purchaser makes any representation that the initial purchasers will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice. Reports of stabilization activity, if any, are required to be furnished to the CNBV.

The initial purchasers may also impose a penalty bid. This occurs when a particular initial purchaser repays to the initial purchasers a portion of the underwriting discount or fees received by it because such initial purchaser or its affiliates have repurchased CBFEs sold by or for the account of such initial purchaser in stabilizing or short covering transactions.

New Issue of CBFEs

The CBFEs are a new issue of securities with no established trading market. The initial offering price in the Global Offering was determined through negotiations between the Issuer, the initial purchasers and the Mexican underwriters. In addition to prevailing market conditions, the factors the Issuer considered in determining the initial offering price were:

- the Issuer's and the Sponsors' financial information and history;
- an assessment of the Issuer and the Sponsors' present operations and management, and the prospects for, and timing of, their future revenues;
- the future prospects of the Sponsors, the Existing Airport and the New Airport;
- the history of, and the prospects for, the industry in which the Sponsors operate; and
- valuation measures and market values of third parties engaged in activities similar or comparable to the Issuer and the Sponsors.

The initial offering price of the CBFEs in this offering does not necessarily bear any relationship to the book value of the Issuer's assets or the assets to be acquired in the Formation Transactions, the Issuer's or the Sponsors' financial condition or any other established criteria of value and may not be indicative of the market price for the CBFEs after the Global Offering.

The Issuer has applied for authorization to have the CBFEs listed on the Mexican Stock Exchange under the symbol "FNAIM." If the CBFEs are traded, they may trade at a price below the initial offering price, depending on prevailing market conditions, the market for similar securities, the Issuer's and the Sponsors' operating performance and financial condition, general economic conditions and other factors. Neither the Issuer nor the Sponsors can assure the liquidity of the trading market for the CBFEs. If an active trading market for the CBFEs does not develop, the market price and liquidity of the CBFEs may be adversely affected.

Settlement

The Issuer expects that delivery of the CBFEs will be made to investors on or about March 28, 2018, which will be the 3rd business day in New York and Mexico following the date of this offering memorandum (such settlement being referred to as ''T+3''). Since trades in the secondary market generally settle in two business days, purchasers who wish to trade CBFEs on the date of pricing or the next succeeding business days will be required, by virtue of the fact that the CBFEs initially settle in T+3, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the CBFEs who wish to trade the CBFEs prior to their date of delivery hereunder should consult their advisors.

The initial purchasers and the Mexican underwriters may enter into an international intersyndicate agreement (the "Intersyndicate Agreement"), pursuant to which sales may be made between the initial purchasers and the Mexican underwriters of such number of CBFEs as may be determined by the global coordinator and international joint bookrunners. Except as otherwise may be agreed, the price of any CBFEs so sold shall be the offering price applicable thereto less an amount not greater than the selling concession applicable to such CBFEs, as the case may be. To the extent that there are sales between the initial purchasers and the Mexican underwriters pursuant to the Intersyndicate Agreement, the number of CBFEs initially available for sale by the initial purchasers may be more or less than the number appearing on the cover page of this offering memorandum. Under the Intersyndicate Agreement, the Mexican underwriters and any dealer to whom they sell CBFEs will not offer to sell or sell CBFEs to persons who are non-Mexican persons or to persons they believe intend to resell to persons who are non-Mexican persons, except in the case of transactions under the Intersyndicate Agreement. Similarly, the initial purchasers and any dealer to whom they sell CBFEs will not offer to sell or sell CBFEs to Mexican persons or to persons they believe intend to resell to Mexican persons, except in the case of transactions under the Intersyndicate Agreement.

Lock-up Agreements

The Issuer will not, subject to certain exceptions, for a period of 180 days from the date of this offering memorandum, without prior written consent of the initial purchasers, issue, sell or transfer, any CBFEs or any securities convertible into or exchangeable for the CBFEs. Specifically, the Issuer has agreed, with certain limited exceptions, (i) not to offer, sell, contract to sell, pledge or otherwise dispose of or transfer, or publicly disclose an intention to offer, sell, pledge, or transfer, or enter into any derivative transaction, swap, hedge, or similar transaction, in connection with any of the Issuer's securities similar to the CBFEs, including, without limitation, any securities convertible into, or evidencing the right to receive, CBFEs or similar securities issued by the Issuer, without the prior written consent of the initial purchasers; and (ii) not to perform, whether directly or indirectly, any action aimed at, or constituting or reasonably capable of constituting or resulting in, price stabilization or manipulation in respect of any securities issued by the Issuer (including the CBFEs), or facilitate a sale of the CBFEs.

The Issuer cannot assure you that the initial purchasers or the Mexican underwriters will not waive any of the foregoing obligations.

Selling Restrictions

Other than with respect to the public offering of the CBFEs listed on the Mexican Stock Exchange, no action has been or will be taken in the United States or any other country or jurisdiction by the Issuer, the Sponsors, the initial purchasers or the Mexican underwriters that would permit a public offering of the CBFEs, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Accordingly, the CBFEs may not be offered or sold, directly or indirectly, and neither this offering memorandum nor any other offering material or advertisements in connection with the CBFEs may be distributed, published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction. This offering memorandum does not constitute an offer to sell or a solicitation of an offer to purchase in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this offering memorandum comes are advised to inform themselves about and to observe any restrictions relating to the offering of the CBFEs, the distribution of this offering memorandum and resale of the CBFEs. See "Transfer Restrictions."

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area (each, a "Relevant Member State"), an offer to the public of any CBFEs may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any of such CBFEs may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the initial purchasers; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of CBFEs shall result in a requirement for the publication by the Issuer or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to the CBFEs in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the CBFEs to be offered so as to enable an investor to decide to purchase or subscribe the CBFEs, as the same may be varied in that member state and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any CBFEs under, the offer of CBFEs contemplated by this offering memorandum will be deemed to have represented, warranted and agreed to with the Issuer and the initial purchasers that:

(1) it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and

(2) in the case of any CBFEs acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (a) the CBFEs acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than "qualified investors" (as defined in the Prospectus Directive), or in circumstances in which the prior consent of the Issuer and the initial purchasers has been given to the offer or resale; or (b) where CBFEs have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those CBFEs to it is not treated under the Prospectus Directive as having been made to such persons.

In addition, the CBFEs are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No. 1286/2014 (the "PRIIPs Regulation") for offering or selling the CBFEs or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the CBFEs or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Notice to Prospective Investors in the United Kingdom

This communication is only being distributed in the United Kingdom to and is only directed at (1) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (2) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The CBFEs are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such CBFEs will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Notice to Prospective Investors in Canada

The CBFEs may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the CBFEs must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Switzerland

The CBFEs may not and will not be publicly offered, distributed or re-distributed on a professional basis in or from Switzerland and neither this offering memorandum nor any other solicitation for investments in the CBFEs may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of Article 1156 or 652a of the Swiss Code of Obligations or of Article 2 of the Federal Act on Investment Funds of March 18, 1994.

This offering memorandum may not be copied, reproduced, distributed or passed on to others without the initial purchasers' prior written consent. This offering memorandum is not a prospectus within the meaning of Articles 1156 and 652a of the Swiss Code of Obligations or a listing prospectus according to Article 32 of the Listing Rules of the Swiss exchange and may not comply with the information standards required thereunder. The Issuer will not apply for a listing of the CBFEs on any Swiss stock exchange or other Swiss regulated market and this offering memorandum may not comply with the information required under the relevant listing rules. The CBFEs have not and will not be registered with the Swiss Federal Banking Commission and have not and will not be authorized under the Federal Act on Investment Funds of March 18, 1994. The investor protection afforded to acquirers of investment fund certificates by the Federal Act on Investment Funds of March 18, 1994, does not extend to acquirers of the CBFEs.

Notice to Prospective Investors in Hong Kong

This offering memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The CBFEs may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the CBFEs may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to CBFEs which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

The CBFEs offered in this offering memorandum have not been registered under the Securities and Exchange Law of Japan. The CBFEs have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan, except (i) pursuant to an exemption from the registration requirements of the Securities and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

Notice to Prospective Investors in Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the CBFEs may not be circulated or distributed, nor may the CBFEs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the CBFEs are subscribed or purchased under Section 275 by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the CBFEs pursuant to an offer made under Section 275 except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(2) where no consideration is or will be given for the transfer;

(3) where the transfer is by operation of law; or

(4) as specified in Section 276(7) of the SFA.

Notice to Prospective Investors in Argentina

The Issuer has not made, and will not make, any application to obtain an authorization from the National Securities Exchange Commission (Comisión Nacional de Valores or the "CNV") for the public offering of the CBFEs in Argentina. The CNV has not approved the CBFEs, the Offering nor any document relating to the offering of the CBFEs. The CBFEs will not be offered or sold in Argentina, except in transactions that will not constitute a public offering of securities within the meaning of Section 16 of the Argentine Public Offering Law N° 17,811, as amended. Argentine insurance companies may not purchase the CBFEs.

Notice to Prospective Investors in Brazil

The offer of CBFEs described in this offering memorandum will not be carried out by any means that would constitute a public offering in Brazil under Law No. 6,385, of December 7, 1976, as amended, and under CVM Rule (Instrução) No. 400, of December 29, 2003, as amended. The offer and sale of the CBFEs have not been and will not be registered with the Comissão de Valores Mobiliários in Brazil. Any representation to the contrary is untruthful and unlawful. Any public offering or distribution, as defined under Brazilian laws and regulations, of the interests in Brazil is not legal without such prior registration. Documents relating to the offering of the CBFEs, as well as information contained therein, may not be supplied to the public in Brazil, as the offering of the CBFEs is not a public offering of securities in Brazil, nor may they be used in connection with any offer for sale of the CBFEs to the public in Brazil. This offering memorandum is addressed to you personally, upon your request and for your sole benefit, and is not to be transmitted to anyone else, to be relied upon by anyone else or for any other purpose either quoted or referred to in any other public or private document or to be filed with anyone without the Issuer's prior, express and written consent.

Notice to Prospective Investors in Chile

The offer of the CBFEs is subject to General Rule No. 336, dated June 27, 2012, of the Superintendencia de Valores y Seguros de Chile (Chilean Superintendency of Securities and Insurance, or "SVS").

The offer relates to securities not registered with the *Registro de Valores* (Securities Registry) or the *Registro de Valores Extranjeros* (Registry of Foreign Securities) of the SVS; therefore, the securities are not subject to the supervision and oversight of the SVS. Because the securities are unregistered securities in Chile, the Issuer is not required to disclose public information about the securities in Chile. The securities may not be publicly offered in Chile unless they are registered with the relevant securities registry.

La oferta de los valores está acogida a la NCG N° 336, de fecha 27 de junio de 2012 de la Superintendencia de Valores y Seguros de Chile (SVS).

La oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la SVS, por lo que tales valores no están sujetos a la fiscalización de dicho organismo. Por tratarse de valores no inscritos, no existe obligación por parte del emisor de entregar en Chile información pública respecto de los valores. Estos valores no pueden ser objeto de oferta pública, mientras no sean inscritos en el registro de valores correspondiente.

Notice to Prospective Investors in Colombia

The CBFEs have not been and will not be registered in the Colombian National Registry of Securities and Issuers (*Registro Nacional de Valores y Emisores*) maintained by the Colombian Superintendency of Finance (*Superintendencia Financiera de Colombia*) and may not be offered, sold or negotiated or otherwise be subject to brokerage activities in Colombia, except under circumstances which do not constitute a public offering of securities under applicable Colombian securities laws and regulations. Furthermore, foreign financial entities must abide by the terms of Part 4 of Decree 2555 of 2010 to privately market and offer the CBFEs to their Colombian clients.

Notice to Prospective Investors in Peru

Neither the CBFEs nor this offering memorandum have or will be registered with or approved by the Peruvian Capital Markets Superintendency (Superintendencia de Mercado de Valores). Accordingly, the CBFEs cannot be offered or sold in Peru, except if such offering is considered a private offering under the securities laws and regulations of Peru. The Peruvian securities market law establishes, among others, that any particular offer may qualify as private if it is directed exclusively to institutional investors.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC"), in relation to the offering. This offering memorandum does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the CBFEs may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the CBFEs without disclosure to investors under Chapter 6D of the Corporations Act.

The CBFEs applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring CBFEs must observe such Australian on-sale restrictions.

This offering memorandum contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this offering memorandum is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in South Africa

Due to restrictions under the securities laws of South Africa, the CBFEs are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

(a) the offer, transfer, sale, renunciation or delivery is to (i) persons whose ordinary business is to deal in securities, as principal or agent; (ii) the South African Public Investment Corporation; (iii) persons or entities regulated by the Reserve Bank of South Africa; (iv) authorised financial service providers under South African law; (v) financial institutions recognised as such under South African law; (vi) a wholly-owned subsidiary of any person or entity contemplated in (iii), (iv) or (v), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or (vii) any combination of the persons in (i) to (vi); or

(b) the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000.

No “offer to the public” (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the “South African Companies Act”)) in South Africa is being made in connection with the issue of the CBFEs. Accordingly, this document does not, nor is it intended to, constitute a “registered prospectus” (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the CBFEs in South Africa constitutes an offer of the CBFEs in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from “offers to the public” set out in section 96(1)(a) of the South African Companies Act. Accordingly, this document must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) of the South African Companies Act (such persons being referred to as “SA Relevant Persons”). Any investment or investment activity to which this document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA relevant persons.

TRANSFER RESTRICTIONS

The Issuer has elected to impose the restrictions described below on the initial offering and sale of the CBFEs and on the future trading of the CBFEs so that the Issuer will not be required to register the offer and sale of the CBFEs under the Securities Act, and so that the Issuer will not have an obligation to register as an investment company under the Investment Company Act and related rules. These transfer restrictions, which are expected to remain in effect indefinitely, may adversely affect the ability of holders of the CBFEs to trade such CBFEs. Because of these restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of CBFEs. The Issuer will not be obligated to recognize any resale or other transfer of CBFEs made other than in compliance with the restrictions described below.

Securities Act Restrictions

The CBFEs have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction, other than Mexico. Unless they are registered, the CBFEs may not be offered or sold within the United States or to U.S. persons, except in transactions exempt from registration under the Securities Act and the securities laws of any other jurisdiction. Accordingly, the Issuer is offering the CBFEs only to qualified institutional buyers (as defined under Rule 144A under the Securities Act, "qualified institutional buyers") in reliance on the exemption from registration provided by Rule 144A under the Securities Act, who are also qualified purchasers (as defined in Section 2(a)(51) of the Investment Company Act, "qualified purchasers") under the Investment Company Act. The Issuer is also offering the CBFEs to certain non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act.

Each purchaser of CBFEs offered in reliance on Rule 144A, will be deemed to have represented and agreed with the Issuer, the Manager and the initial purchasers, that it acknowledges and agrees that:

(1) such CBFEs have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction, other than Mexico;

(2) it is a qualified institutional buyer (as defined in Rule 144A under the Securities Act), who is also a qualified purchaser under the Investment Company Act; and

(3) CBFEs may not be reoffered, resold, pledged or otherwise transferred to a transferee that is in the United States or that is a U.S. person, except (a) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and (b) in compliance with the requirements described under "—Investment Company Act Restrictions."

Each purchaser of CBFEs offered to non-U.S. persons outside the United States in reliance on Regulation S, will be deemed to have represented and agreed with the Issuer, the Manager and the initial purchasers, that it acknowledges and agrees that:

(1) such CBFEs have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction, other than Mexico;

(2) it is outside the United States and is not a U.S. person;

(3) it is acquiring such CBFEs pursuant to Regulation S; and

(4) such CBFEs or beneficial interests therein may be resold only (i) in an offshore transaction complying with Rule 903 or Rule 904 of Regulations S; or (ii) to a person whom the seller and any person acting on its behalf reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, who is also a qualified purchaser under the Investment Company Act.

Investment Company Act Restrictions

The Issuer has not been and does not intend to become registered as an investment company under the Investment Company Act and related rules. The CBFEs may not be offered or sold in this offering or at any time reoffered, resold, pledged or otherwise transferred to U.S. persons or to persons in the United States, except to persons who are qualified institutional buyers under Rule 144A and are also qualified purchasers under the Investment Company Act.

Any CBFEs purchased in this offering by a U.S. person or a person in the United States are required to be purchased by a qualified institutional buyer in reliance on Rule 144A under the Securities Act, who is also a qualified purchaser under the Investment Company Act. Each such U.S. person or person in the United States may only purchase CBFEs upon executing and delivering to the Issuer or an initial purchaser a purchaser letter provided by the Issuer, which will be in substantially the form set forth in Appendix D to this offering memorandum. **Any U.S. person or person in the United States who fails to execute a purchaser letter will not be allocated any CBFEs in this offering.** The purchaser letter includes certain written representations, agreements and acknowledgements relating to the transfer restrictions described in this offering memorandum.

The Issuer, the Manager or any of the Issuer's agents may require any U.S. person or any person in the United States who is not a qualified purchaser at the time it purchases CBFEs, to transfer its CBFEs immediately (1) in an offshore transaction pursuant to Regulation S or (2) to a U.S. person or a person in the United States who is both a qualified institutional buyer and a qualified purchaser. Pending such transfer, the Issuer is authorized to suspend the exercise of any voting rights, any rights to receive notice of, or attend, a meeting of the Issuer and any rights to receive distributions with respect to such CBFEs. If the obligation to transfer is not met, the Issuer is irrevocably authorized, without any obligation, to sell and transfer the CBFEs (a) in an offshore transaction pursuant to Regulation S or (b) to a U.S. person or a person in the United States who is both a qualified institutional buyer and a qualified purchaser and, if such CBFEs are sold, the Issuer would be obligated to distribute the net proceeds to the entitled party.

Appointment of One or More Designated Brokers

Depending on the number of U.S. persons or persons in the United States that purchase CBFEs in this offering and the percentage of this offering sold in reliance on Rule 144A, the Issuer may be required to establish certain additional restrictions to ensure that such CBFEs are only reoffered, resold, pledged or otherwise transferred (i) to U.S. persons or persons in the United States that are qualified purchasers under the Investment Company Act, or (ii) in offshore transactions in reliance on Regulation S. As part of these restrictions, the Issuer may be required to appoint one or more designated brokers that are participants of Indeval (the "designated brokers"), and would be required to cause that all CBFEs sold to U.S. persons or persons in the United States be initially held of record by a designated broker. U.S. persons or persons in the United States that purchase CBFEs in this offering would have to enter into a brokerage services or similar agreement with a designated broker.

Ownership of the CBFEs held in the Indeval account of a designated broker would be evidenced by means of entries recorded in the designated broker's register book. The designated broker's register book would record the total number of CBFEs held by the designated broker, as record holder of such CBFEs, and ownership of such CBFEs would be determined by entry of the beneficial holder's name in the designated broker's register book and evidenced by a custodial account statement to be issued on a periodic basis by the designated broker to each beneficial holder. Each subsequent transferee of CBFEs who is a U.S. person or a person in the United States, or a broker-dealer acting on its behalf, would be required to execute and deliver a U.S. transferee letter in a form reasonably acceptable to the Issuer and the relevant designated broker whereby it (i) certifies that it is a qualified institutions buyer that is also a qualified purchaser under the Investment Company Act, and (ii) acknowledges and agrees to certain written representations, agreements and acknowledgements relating to the transfer restrictions described in this offering memorandum. A U.S. transferee will not be required to deliver this letter if the transfer of CBFEs is effected through the facilities of the Mexican Stock Exchange or any other exchange outside of the United States on which the CBFEs are listed, provided that such transfer is not pre-arranged with a U.S. person or a person in the United States.

If you are a U.S. person or a person in the United States, you should consult your own counsel for legal advice regarding your investment in the CBFEs and the restrictions that the Issuer may impose on the transfer of your CBFEs.

LEGAL MATTERS

The validity of the CBFEs will be passed upon for the Issuer by Jones Day México, S.C., the Issuer's special Mexican counsel, and for the initial purchasers by Creel, García-Cuéllar, Aiza y Enríquez, S.C., special Mexican counsel to the initial purchasers. Certain legal matters in connection with the Global Offering are being passed upon for the Issuer by Cleary Gottlieb Steen & Hamilton LLP, the Issuer's special U.S. counsel, and for the initial purchasers by Paul Hastings LLP, special U.S. counsel to the initial purchasers.

INDEPENDENT AUDITORS

The consolidated financial statements as of December 31, 2017 and 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016 included in this offering memorandum, have been audited by PricewaterhouseCoopers, S.C., independent auditors, as stated in their report appearing herein.

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Grupo Aeroportuario de la Ciudad de México, S. A. de C. V. and subsidiaries

(Subsidiary of the Ministry of Communications and Transport)
Consolidated Financial Statements
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Report of Independent Auditors

To the Board of Directors of
Grupo Aeroportuario de la Ciudad de México, S. A. de C. V.:

Opinion

We have audited the consolidated financial statements of Grupo Aeroportuario de la Ciudad de Mexico S. A. de C. V. and its subsidiaries (the Company), which comprise the consolidated statements of financial position as of December 31, 2017, 2016, and January 1 2016, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2017 and 2016 and the notes to the consolidated financial statements, which include a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2017, 2016 and January 1, 2016, and its financial performance and its consolidated cash flows for the years ended December 31, 2017 and 2016 in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IFRS).

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the Ethics Standards of Mexican Institute of Public Accountants together with other requirements applicable to our audit in Mexico. We have fulfilled our other ethical responsibilities in accordance with those requirements and standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	How our audit addressed the matter
Adoption of International Financial Reporting Standards As mentioned in Note 2 to the consolidated financial statements "Bases for preparation", these consolidated financial statements are the first statements prepared in accordance with the IFRS. Note 23 explains and discloses the effects of applying those standards. Previously, financial statements were prepared in accordance with Government Financial Information Standards (GFIS). For that purpose, Company Management applied IFRS-1 "First-time adoption of International Financial Reporting Standards (IFRS -1)", which requires the comprehensive application of that accounting standard to the financial statements at December 31, 2017 (current year), at December 31, 2016 and at January 1, 2016. That adoption involves applying new valuation, reporting and disclosure standards to the financial statements, as per specific rules established in IFRS-1, which significantly modify the financial statements prepared in accordance with the accounting criteria applied under the GFIS accounting framework. IFRS-1 allows applying certain exceptions when adopting specific rules during first-time adoption of the IFRS. We have focused on the effects of adopting the IFRS because: that process requires further detail and analysis of significant judgment by Management, it requires a greater level of detail when preparing mandatory disclosures, IFRS must be applied by personnel with experience in that accounting framework given its complexity, due to the specific interpretations applied in	We have evaluated the process implemented by the Company for adopting the IFRS as of January 1, 2016 and the estimated initial impact of doing so. We have specifically: Understood and evaluated the process in place for identifying differences between the GFIS and IFRS, and determining the effects to be recognized. Discussed the determination and application of the exceptions to the rules for adoption. Contested Management's judgments, and we obtained and verified the explanations regarding the concepts that we consider to be relevant. Verified that reporting and disclosure of the effect of the change in the comparative financial statements is consistent with the information provided by the Company and other relevant information provided to us.

Key audit matter	How our audit addressed the matter
the case of the Company, and due to the exceptions allowed by IFRS-1 for first-time adoption of that framework.	
Application of accounting for concessions As mentioned in Note 3.4, Company Management established Interpretation IFRIC-12 "Agreements for service concessions" as the accounting policy to account for concessions, in accordance with IAS 8 "Accounting policies, changes in accounting estimates and errors" for following initial and subsequent measurement guidelines. Under that interpretation, the infrastructure, which is the object of the title of concession services granted by the Federal Government, is not recognized as the operator's property, machinery and equipment, because that Title does not grant it the unconditional right to charge for the use and exploitation thereof, but rather through the concession agreements granted to it over the assets received under the concession. We have focused on this matter due to the importance of that intangible asset ($42 thousand million pesos) and because, as mentioned in Note 3.4, there are no specific standards for accounting for concession agreements between a publicly owned company or a parastatal company and the Government (Licensor), and it was necessary to apply critical judgment to analyze other financial information standards and determine the economic substance of the legal form of the concession agreement (See Note 4). We specifically focused our audit work on analyzing the matters considered by the	As part of our audit, we read the contractual agreements signed in connection with the Concession Title. We obtained and evaluated the Company's analysis for determining whether or not that transaction is within the scope of Interpretation IFRIC-12. We evaluated Management's significant judgment for determining whether or not the concession should be considered an intangible asset by questioning the judgment and criteria applied by Management, for which purpose we carried out the following procedures: We contested Management's arguments regarding the economic substance of the Concession Title. We gained an understanding of the application of the guidelines behind Management's interpretation and corroborated that understanding with the terms of the Concession Title. We verified that the reporting and disclosure information was included in the consolidated financial statements.

Key audit matter	How our audit addressed the matter
Company for the purpose of determining the accounting treatment and disclosures required in relation to that intangible asset.	

Other Information

Management is responsible for the other information. The other information comprises the Mexican Prospectus which will be presented to Comisión Nacional Bancaria y de Valores (CNBV), and which will be issued definitively, after the date of this report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Management is responsible for the other information. The other information comprises the Mexican Prospectus which will be presented to Comisión Nacional Bancaria y de Valores (CNBV), which is are expected to be made available to us after the date of this auditor's report..

When we read the other information not yet received, we will issue the report required by the CNBV and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and, if required, describe the issue in our report.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company´s financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and subsidiaries audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is stated below.

PricewaterhouseCoopers, S.C.

C.P.A. Omar Penna Estrada
México City, March 13, 2017

Grupo Aeroportuario de la Ciudad de México, S. A. de C. V. and subsidiaries

(Subsidiary of the Ministry of Communications and Transport)

Consolidated Statements of Financial Position

Thousands of Mexican pesos

		December 31		January 1
Assets	Note	2017	2016	2016
CURRENT ASSETS:				
Cash and cash equivalents	6	$ 105,514,798	$ 50,745,343	$ 24,953,995
Restricted cash and cash equivalents	7	1,501,348	507,461	261,928
Accounts receivable and others, Net	8	1,834,381	2,080,637	1,661,305
Value added tax		390,160	442,457	455,494
Inventories		13,103	15,776	19,480
Total current assets		109,253,790	53,791,674	27,352,202
NON-CURRENT ASSETS:				
Restricted cash and cash equivalents	7	3,212,631	1,255,672	-
Intangible assets, airport concessions titles and advances, Net	10	42,060,575	15,929,526	5,480,142
Furniture and equipment, Net	11	260,889	338,960	415,197
Long-term value-added tax		4,416,811	1,086,070	-
Other assets		14,117	9,661	9,554
Total non-current assets		49,965,023	18,619,889	5,904,893
Total assets		$ 159,218,813	$ 72,411,563	$ 33,257,095
Liabilities and Stockholders' Equity				
CURRENT LIABILITIES:				
Current portion of long-term debt	13	$ 1,455,500	$ 561,151	$ 52,958
Accounts payable and accrued expenses	12	2,318,915	2,766,851	2,807,097
Value added tax payable		494,459	375,503	874,410
Advances from customers		138,872	230,020	173,125
Total current liabilities		4,407,746	3,933,525	3,907,590
NON-CURRENT LIABILITIES:				
Long-term debt	13	119,167,626	42,144,756	17,322,040
Employee benefits	15	85,187	66,677	59,129
Long-term provisions	14	43,441	30,857	29,154
Advances from customers		203,153	184,685	154,001
Deferred income tax	20	2,228,429	696,969	946,508
Total non-current liabilities		121,727,836	43,123,944	18,510,832
Total liabilities		126,135,582	47,057,469	22,418,422
STOCKHOLDERS' EQUITY:				
Capital stock	18	78,338,191	60,239,183	23,453,568
Cumulative Deficit		(45,270,696)	(34,900,825)	(12,630,631)
Legal reserve		15,736	15,736	15,736
Total stockholders' equity		$ 33,083,231	$ 25,354,094	$ 10,838,673
Total liabilities and stockholders' equity		$ 159,218,813	$ 72,411,563	$ 33,257,095

The accompanying notes are an integral part of these consolidated financial statements.

Grupo Aeroportuario de la Ciudad de México, S. A. de C. V. and subsidiaries

(Subsidiary of the Ministry of Communications and Transport)

Consolidated Statements of Comprehensive Income

Thousands of Mexican pesos

	Note	Year ended on December 31, 2017	2016
OPERATING INCOME:	9		
Aeronautical services		$ 9,637,689	$ 8,707,102
Non-aeronautical services		3,389,133	3,003,461
Construction services		18,983,232	9,049,792
Other income	16	15,762	27,413
Total operating income		32,025,816	20,787,768
OPERATING COSTS AND EXPENSES:			
Operating costs and administrative expenses	16	9,128,243	7,195,676
Cost of construction services		17,662,146	8,424,643
Total operating costs and expenses		26,790,389	15,620,319
Operating income		5,235,427	5,167,449
Finance income		7,054,177	1,063,257
Finance cost		(2,799,617)	(4,512,366)
Finance income/(expense), Net	19	4,254,560	(3,449,109)
Profit before income tax	20	9,489,987	1,718,340
Income tax	20	(1,754,410)	30,517
Net consolidated profit for the year		$ 7,735,577	$ 1,748,857
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurements of labor obligations, net of taxes		$ (6,440)	$ 5,313
Total consolidated comprehensive income for the year		$ 7,729,137	$ 1,754,170
Profit per basic and diluted share in pesos	3.20	$ 0.35	$ 0.08
Weighted average of shares outstanding		22,131,009,145	22,131,009,145

The accompanying notes are an integral part of these consolidated financial statements.

Grupo Aeroportuario de la Ciudad de México, S. A. de C. V. and subsidiaries

(Subsidiary of the Ministry of Communications and Transport)

Consolidated Statements of Changes in Stockholders' Equity

Thousands of Mexican pesos

	Capital stock	Legal reserve	Cumulative deficit	Total stockholders' equity
Balances at January 1, 2016	$23,453,568	$15,736	($ 12,630,631)	$10,838,673
Net profit for the period	-	-	1,748,857	1,748,857
Other comprehensive income	-	-	5,313	5,313
Comprehensive income for the period			1,754,170	1,754,170
Transactions with stockholders (Note 21):				
Distribution and subsequent capitalization of residual TUA amounts for the year	6,391,377	-	(6,391,377)	-
Distribution and subsequent capitalization of funds arising from issuance of preferred guaranteed notes	17,608,623	-	(17,608,623)	-
Distribution in kinds	-	-	(24,364)	(24,364)
Contribution of TUA amounts from previous year	2,100,000	-	-	2,100,000
Contribution of Government resources	10,685,615	-	-	10,685,615
	36,785,615	-	(24,024,364)	12,761,251
Balance at December 31, 2016	60,239,183	15,736	(34,900,825)	25,354,094
Net profit for the year	-	-	7,735,577	7,735,577
Other comprehensive income	-	-	(6,440)	(6,440)
Comprehensive income for the year			7,729,137	7,729,137
Transactions with stockholders (Note 21):				
Distribution and subsequent capitalization of residual TUA amounts for the year	2,490,548	-	(2,490,548)	-
Distribution and subsequent capitalization of funds arising from issuance of preferred guaranteed notes	15,498,461		(15,498,461)	-
Contribution of Government resources in kind to offset the investment in construction of the presidential hangar on behalf of the National Government	110,000	-	(110,000)	-
	18,099,009	-	(18,099,009)	-
Balance at December 31, 2017	$78,338,192	$15,736	($ 45,270,697)	$33,083,231

The accompanying notes are integral part of these consolidated financial statements.

Grupo Aeroportuario de la Ciudad de México, S. A. de C. V. and subsidiaries

(Subsidiary of the Ministry of Communications and Transport)

Consolidated Statements of Cash Flows

Thousands of Mexican pesos

		Year ended at December 31,	
Operating activities	Note	2017	2016
Profit for the year before income tax		$ 9,489,987	$ 1,718,340
Adjustments for:			
Amortization of intangible assets, airport concessions titles and depreciation of furniture and equipment	10	527,153	163,495
Profit margin on construction services		(1,321,086)	(625,149)
Distributions in kind		-	(24,364)
Allowance for doubtful accounts		373,272	239,314
Loss on furniture and equipment disposals	11	-	13,041
Long-term provisions		29,226	17,360
Interest income	19	(1,624,791)	(1,063,257)
Interest expenses	19	2,782	827,226
Exchange fluctuation income		(5,429,387)	-
Exchange fluctuation loss	19	2,796,836	3,685,138
		4,843,992	4,951,144
Net variation in:			
Accounts receivable and other		27,273	(658,646)
Long-term value added tax		(3,278,444)	(155,917)
Inventories		2,673	3,704
Other non-current assets		(4,455)	(106)
Accounts payable and accrued expenses		889,831	(843,526)
Value added tax payable		118,956	(1,416,023)
Advances from customers		(72,680)	87,575
Employee benefits and net cost projected		(7,332)	(518)
Capitalized interest collected	19	1,870,873	442,242
Capitalized Interest Paid	19	(2,056,716)	(392,782)
Amount paid for concession	10	(23,123,155)	(7,405,099)
Income taxes paid	20	(206,261)	(221,299)
		(20,995,445)	(5,609,251)
Investing activities			
Additions paid for furniture and equipment	11	(22,296)	-
Interest collected		1,162,457	787,768
		1,140,161	787,768
Financing activities			
Debt issuance	13	71,230,701	39,533,810
Bank loan payments	21	-	(18,844,300)
Distribution of TUA residual amounts	21	(2,490,548)	(6,391,377)
Distribution of funds arising from note issuance	21	(15,498,461)	(17,608,623)
Contribution of TUA residual amounts	21	2,490,548	6,391,377
Contribution of funds arising from note issuance	21	15,498,461	17,608,623
Contribution of TUA amounts remaining from prior years	21	-	2,100,000
Contribution of funds arising from Government resources	21	-	10,685,615
		71,230,701	33,475,125
Effects of exchange rate changes on cash and cash equivalents		6,344,884	(1,361,089)
Restricted cash and cash equivalent	7	(2,950,846)	(1,501,205)
Net increase in cash and cash equivalents		54,769,455	25,791,348
Cash and cash equivalents at beginning of year		50,745,343	24,953,995
Cash and cash equivalents at end of year		$ 105,514,798	$ 50,745,343

Transactions that do not require the use of cash are disclosed in Note 21 as distributions in kind.

The accompanying notes are integral part of these consolidated financial statements.

Thousands of Mexican pesos

Note 1 - Company activities:

Grupo Aeroportuario de la Ciudad de México, S. A. de C. V. (GACM) and its subsidiaries (hereinafter the Group or the Company) is a Mexican company that was constituted on May 28, 1998 with a duration of 99 years as from its incorporation date, and started operating on November 1, 1998 as a majority interest state owned entity of the Mexican Federal Government through the Secretary of Communications and Transport (SCT, for its acronym in Spanish) as the direct controller and main shareholder. The SCT holds 99.9% of the shares of GACM and Airports and Auxiliary Services (ASA, for its acronym in Spanish) holds the remaining 0.01%.

GACM was incorporated to manage and operate the Existing Benito Juárez International Airport located in Mexico City (Existing Airport) through its subsidiary Aeropuerto Internacional de la Ciudad de México, S. A. de C. V. (AICM). On June 29, 1998, the SCT granted AICM a Concession Title to be in charge of managing and operating, exploiting and where applicable, building the improvements required by the Existing Airport. The 50-year concession period can be extended by both parties in certain circumstances (see Note 10.1).

In 2015, the SCT also granted GACM a Concession Title to build, manage, operate and exploit the New Mexico City International Airport (New Airport). The Concession Title is for 50 years as from the start-up of operations. The concession term can be extended by both parties in certain circumstances (see Note 10.1)

Given that the Existing Airport and the New Airport will share the same airspace, it is not possible for both airports to operate at the same time and, therefore, the commercial operations of the New Airport must start simultaneously with the closing of the Existing Airport (see critical judgment in Note 4.2.2).

Despite the fact that GACM and AICM hold the rights to manage, operate, exploit and where applicable, build the airports, according to the Mexican National Assets Law all land, furniture and equipment inside airports are the property of the Mexican Nation. Upon conclusion of the term of the mentioned concession the assets involved in the concessions, including any improvements made during the term of the concessions, automatically become the property of the Mexican Nation.

GACM directly holds 99.99% of the shares and shareholding control of its Subsidiaries: AICM and Servicios Aeroportuarios de la Ciudad de México, S. A. de C. V. (SACM, as its acronym in Spanish), which were incorporated at the same date as GACM. As mentioned in Note 4.2.1., Consolidation basis, a critical judgment was applied in consolidating the structured entities related to Trusts.

GACM is domiciled at Piso 2, Oficina 203, Av. de los Insurgentes Sur 2453, San Ángel, 01090, Ciudad de México.

The word pesos or the symbol “$”, in the following notes to the financial statements, refers to thousands of Mexican pesos. The word dollars, or the acronym “Dlls.”, refers to thousands of US dollars.

Note 2 - Basis of preparation:

According to the Rules for Public Companies and Other Participants in the Mexican Securities Market issued by the National Banking and Securities Commission (CNBV, for its acronym in Spanish), issuers are required to provide financial information prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The IFRS include all International Accounting Standards (IAS) in effect, as well as all the related interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC), including those issued previously by the Standard Interpretations Committee ("SIC").

The Group applies as its statutory accounting policies the standards established by the National Commission of Accounting Harmonization (CONAC, for its acronym in Spanish), and according to the standards of the Governmental Accounting Manual for the Federal Governmental Sector, the General Governmental Financial Reporting Standards for the Governmental Sector (NIFFGG, for its acronym in Spanish) and the Governmental Financial Reporting Standards Specific to the governmental Sector (NIFGE, for its acronym in Spanish), issued by the Governmental Unit for Accounting and Reporting on Public Administration (UCG, for its acronym in Spanish) of the Secretary of Finance (SHCP, for its acronym in Spanish). All of the foregoing standards are referred to hereinafter as the "Governmental Financial Reporting Standards" (NIFG, for its acronym in Spanish).

These are the Group's first consolidated financial statements prepared in accordance with IFRS, which will be additional to their statutory financial statements prepared in accordance with the NIFG, and the IFRS will be used for the purpose of participating in transactions under the rules of the CNBV mentioned above, and refer to the period ended on December 31, 2017, considering January 1, 2016 as the date of transition to the IFRS. For comparison purposes, the consolidated financial statements at December 31, 2016 and for the period then ended under the NIFG, have been prepared in accordance with the IFRS.

The transition of the NIFG to the IFRS has been recorded in accordance with the rules for first adoption of IFRS established in IFRS 1, First-time adoption of the International Financial Reporting Standards (IFRS 1). The description of the effects of transition to IFRS on the Company's financial statements are shown in Note 23.

2.1 Basis of measurement

The consolidated financial statements have been prepared on the historical cost and going-concern basis.

2.2 Critical estimates

The IFRS require certain critical accounting estimates to be made when preparing a set of financial statements. They also require Management to apply judgment in determining the accounting policies to be applied by the Company. The items involving a greater degree of judgment or complexity, and those with assumptions and estimates that are significant for financial statement purposes, are described in Note 4.

Note 3 - Summary of significant accounting policies:

The accompanying financial statements and their corresponding notes were authorized for issue on March 8, 2018 by Chief Financial Officer, Accounting Manager and Deputy Accounting and Operations Assistant Manager.

The Group issued the consolidated financial statements prepared under NIFG with figures as of December 31, 2016 and 2015 on March 17, 2017 and March 30, 2016, respectively.

Following is a summary of the most significant accounting policies used, which have been applied consistently in the years presented, unless otherwise specified.

3.1 Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term, highly liquid temporary investments in Mexican pesos and US Dollars that are easily convertible to specific cash amounts and are subject to immaterial risk of changes in value. Temporary investments usually only qualify as cash equivalents, since they mature in three months or less as from the acquisition date. It mainly includes US treasury bonds, convertible into cash with no limitation.

3.2 Restricted cash and cash equivalents

Cash, whose restrictions result in failure to comply with the definition of cash and cash equivalents described above, is shown in a separate item in the statement of financial position and is excluded from cash and cash equivalents in the statement of cash flows. When availability of such cash is restricted for a period exceeding 12 months, it is shown in the statement of financial position as a non-current asset.

The Group's restricted cash and cash equivalents consist of the amounts that must be reserved to service debts in accordance with the agreements set forth in Guarantee, Administration and Payment Trust Agreement No. 2172 (TUA Guarantee Trust No. 2172).

The restricted cash is shown in the cash flow statements within financing activities as it relates to compliance to maintain reserves for debt and other obligations.

3.3 Consolidation

These consolidated financial statements include the accounts of GACM and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. For accounting purposes, the Company holds control over an entity when it has the power to steer and manage the relevant business activities of entity's group of assets and liabilities, for the purpose of directly providing the investors with a profit in the form of dividends, lower costs or other economic benefits. When the Group controls an entity it is exposed, or has rights, to variable returns due to its involvement in the entity and it has the capacity to affect such returns through its power over the entity. The subsidiaries are consolidated in full as from the date on which control is transferred to the Group, and until the date said control is lost.

The Group has a structured financing to obtain resources to pay for construction of the New Airport. The right to charge a passengers fee (TUA, for its acronym Spanish) at the Existing Airport was ceded by AICM and GACM to a specific purpose trust, Administration and Payment Irrevocable Trust No. 80460 (TUA Trust No. 80460), which in turn assigned all rights to a special purpose trust, Guarantee TUA Trust No. 2172. Under said structure, the trusts guarantee and serve as the source of payment of the financing received for construction of the New Airport.

All income received from the TUA collected from passengers is charged by the airlines operating at the Existing Airport and is deposited in TUA Guarantee Trust No. 2172 to finance payment of the principal and interest under the aforementioned financing structure. AICM and GACM have the right to receive certain residual TUA amounts, solely after all the related financing expenses have been settled and certain additional conditions have been met.

According to IFRS 10 "Consolidated financial statements", the Company controls and consolidates the structured entities, in this case TUA Trust No. 80460 and Guarantee Trust No. 2172, since the arrangements made with those entities and other participants give to the Group the power to be participate in the administration of the residual funds managed by the trusts, once the reserves and payments set forth in the contractual guarantees are fulfilled.

All intercompany transactions and balances, as well as unrealized gains intercompany transactions were eliminated in preparing these consolidated financial statements. In order to ensure consistency with Company policies, the reported amounts of the subsidiaries have been modified as appropriate.

3.4 Intangible assets, airport concessions titles and advances

This item is comprised of the Concessions Titles for managing, operating, exploiting and where applicable building the Mexico City Airports in accordance with the Concessions Titles granted by the Mexican Federal Government through the SCT.

As explained in the Note 4.2 "Critical judgments in applying the Company's accounting policies", which is based on the absence of a specific standard of accounting for concession arrangements between a government or state owned company and the Government (grantor), the Company applies an accounting policy considering the nature of the arrangement that reflects the economic substance over the legal form, giving the treatment of a concession title (after having analyzed other relevant standards), in accordance with the provisions of IAS 8 "Accounting policies, changes in accounting estimates and errors".

The investment in concessions is made up of the concession Titles to build and manage the Existing the New Airport.

Under such arrangements: a) the grantor controls or regulates the public services to be rendered by the Company, whom they should be rendered to and at what prices; and b) the grantor controls any significant residual interest in infrastructure at the end of the term of the arrangement.

Even though all services are regulated, including the price, there are non-aeronautical services whose price is not directly regulated; however, the type of services that must be provided by the provider, with which infrastructures and to whom, are defined within the Airports Law.

Under said concession arrangement, the Company acts as the service provider, specifically, on the one hand, construction services or improvements to the existing infrastructure, and, on the other, exploitation and maintenance services during the term of the arrangement. The consideration received by the Company for construction services or improvements to the existing infrastructure is recorded by the amount of the fair value of those services, and may be recognized as: a) intangible assets, when the arrangement confers the right to charge a price to the users of the facilities for the use of public services, and those services are not unconditional but rather depend on the users actually using the services, in which case the risk of demand is assumed by the Company, or b) a financial asset when the unconditional right is granted to receive cash or another type of financial asset from a grantor entity (or on behalf thereof), and the grantor has little or no possibility to avoid such payment.

The Company classified those arrangements as an intangible asset, since there is no unconditional right to collect cash or any other financial asset, through concession arrangements has been granted to the Company the right to charge a price to the users and the risk of demand was assumed by the Company, that is GACM and AICM, either by the concession of the Existing Airport or by the New Airport, as appropriate.

At the outset of the Concession Title for the Existing Airport, a number of assets that were already constructed and in operation were received by the Group. Additionally, land was received as part of the New Airport concession. Given that those infrastructure assets are necessary for the operator to comply with its obligations under the Concession Titles, the assets remain the property of the grantor and were not recorded in the Company's consolidated financial statements (see Note 3.12 a.).

The intangible asset originates when the operator builds or makes improvements that represent an increase in productive capacity (i.e. an additional capacity to generate future economic benefits) and is allowed to operate said infrastructure for a fixed period after construction concludes, and in exchange for the right to charge users for the use of infrastructure, revenues from this operation may vary in relation to the demand for the use of the infrastructure. The risk of demand is assumed by the Company.

The costs of specific and general loans directly attributable to construction of qualifying assets are capitalized over the period of construction and preparation of the asset for use. Qualifying assets are assets that require a substantial period of time to be in use condition. Financial income earned on temporary investments made with cash arising from specific loans to be used for construction of qualifying assets are deducted from financial costs eligible for capitalization.

The capitalization of costs loans, in foreign currency, are supposed to generate interest and exchange rate lost, solely capitalized until the amount of interest that would be generated for a loan in local currency under similar conditions of time.

Investments considered intangible assets are recorded by the amount of the fair value of the construction services and are amortized on the straight-line basis over the life of the concession, or otherwise, as of the capitalization date of additions or improvements, taking into consideration the time remaining before the concession concludes. The amortization begins once the construction elements are ready to be used. Amortization is shown under Operating costs and administrative expenses in the statement of income (see Note 10.1).

Income and costs associated to construction of or improvements to the granted intangible asset are recognized as income based on the percentage of completion method and construction costs, respectively.

Maintenance obligations assumed as part of the arrangement are recorded based on a reliable estimation of the amount of the expected obligation. The foregoing is due to the fact that the maintenance projects were negotiated at the same time as the concession arrangement. When an operator has a contractual obligation that it must meet as a condition to maintain or refurbish the infrastructure, it must recognize and measure such obligations, except for improvements.

The Company reviews the useful life of intangible assets at each period closing (see Note 4.2.2.). Any changes to the criteria established initially are recognized as changes in the estimate.

For cash-flow purposes, the investment in the concession's intangible asset is shown as operating activities, as it relates to a common and significant operation for the Company's business during construction of the New Airport.

The investment in the intangible of the concession (including the interest collected and paid capitalized) is presented as operating activities. In addition, the interest collected and paid, which is not corresponding to operation activities, is recognized in investment and financing, respectively.

The intangible assets for concession includes the construction advances for the construction of the New Airport. It is preference of the Group to present them in the same caption.

3.5 Furniture and equipment

Components of furniture and equipment are recorded at cost less accumulated depreciation and the accumulated amount of impairment in value. The cost includes expenses directly attributable to the acquisition of the asset.

Subsequent costs are included in the book value of the assets or recognized as a separate asset, as the case may be, only when it is likely for the Company to obtain future economic benefits arising from the asset and the cost of the component can be reliably estimated. The book value of the replaced part is cancelled. Repairs and maintenance costs are recognized in the statement of income in the year in which they are incurred. Significant improvements are depreciated over the remaining useful life of the respective assets.

Depreciation is calculated by the straight-line method, considering each of its components separately. The average useful lives of each asset class are:

Security Equipment	10 years
Machinery and other equipment	10 years
Furniture, equipment and other goods	10 years
Vehicles	4 years

The residual value, useful life and depreciation method of assets are revised as a minimum at the end of each reporting period and, if expectations differ from prior estimates, changes are accounted for as a change in the accounting estimation.

Gains and losses on asset disposal are determined comparing the sales value and the book value, and they are recognized under other expenses, net, in the statement of income.

3.6 Impairment of non-financial assets

The Company applies impairment tests to its intangible assets with a definite useful life, on an annual basis and when certain facts and circumstances are indicative that the recorded value of the assets may not be recovered.

The impairment loss is recognized by the amount in which the book value of the asset exceeds its recovery value. The recovery value of an asset or Cash Generating Unit (CGU) is defined as the higher of the fair value of the asset less the costs for its sale and the value in use.

To determine the value in use, the estimated future cash flows are discounted to their present value, using a discount rate before tax that reflects the value of money over time and considering the specific risks associated with the asset.

For the purpose of determining impairment, assets are grouped into the lowest levels where there are separately identifiable cash flows (Cash Generating Unit) as Management reviews its cash flows. In this case, the Existing Airport has been defined as a single CGU due to the existing interrelation for the generation of cash flows.

Impairment losses are reversed if there has been a change in the estimates used to determine the recoverable value. The impairment loss is reversed only to the extent that the book value of the asset does not exceed the book value that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The Company's Management has carried out analysis to determine if there is signs of impairment of its long-term assets, tangibles, intangibles, and construction intangibles, in order to determine whether or not there is significant impairment in such assets. In the years that are presented, there were no losses due to impairment related to the aforementioned analysis.

3.7 Accounts receivable and others

Accounts receivable are financial assets of the financial instrument category, such as “Loans and account receivable”; they are not derivative financial instruments, they have fixed or determined payments and they are not quoted on an active market. They are included as current assets, except for maturities of over 12 months after the closing date.

Loans and accounts receivable are initially valued at fair value, plus directly attributable transaction costs, and are subsequently recognized at amortized cost by the effective interest method. When circumstances arise that indicate that receivables will not be collected in the amounts initially agreed or will be collected in a different term, said accounts receivable are impaired.

3.8. Foreign currency translation

3.8.1 Functional and reporting currency

The amounts included in each of the Company’s subsidiaries’ financial statements must be measured in the currency of the primary economic environment in which the entity operates (functional currency). In the case of GACM, the functional currency has been determined to be the Mexican peso. The consolidated financial statements are presented in Mexican pesos, which is the Company’s reporting currency.

3.8.2 Transactions and balances

Foreign currency transactions are converted to the functional currency using the exchange rate at the date of the transaction or valuation dates, when items are remeasured. Exchange profits and losses from settlement of those transactions and from conversion of monetary assets and liabilities expressed in foreign currency at the closing exchange rates are recognized as exchange, fluctuations in the statement of income.

3.9 Financial liabilities

Borrowings and preferred guaranteed notes issued are initially recognized at fair value, net of related costs incurred, and are subsequently recognized at amortized cost. Any differences between the funds received and the redemption value are recorded in the statement of income over the term of the loan using the effective interest rate method.

Accounts payable and accrued expenses are obligations to pay for goods or services acquired or received from suppliers in the ordinary course of business.

Such liabilities are classified as current liabilities when they are expected to be settled within the following 12 months; otherwise they are classified as non-current assets.

3.10 Provisions

Liability provisions are recognized when the Company has a present legal obligation resulting from past events that is likely to require the use of cash flows to settle the obligation and the related amount can be reliably estimated.

Provisions are recognized at the present value of expenses expected to be required to cancel the obligation using a rate before tax that reflects the current market conditions with respect to the value of money and the specific risks of said obligation. The increase in the provision over time is recognized as an interest expense.

3.11 Advances from customers

Customer advances refer to the amounts received by the users of aeronautical and non-aeronautical services. These are recorded in income for the period as services are rendered. Advances received are presented under current liabilities in the statement of financial position. Customer advances presented as long-term in the statement of financial position refer to amounts received to guarantee leasing agreements and are returned to the lessee upon conclusion of the leasing agreements.

Customer advances are recorded at cost; if contractual or legal obligations have been breached at the end of such agreements, they are applied to unpaid services and the residual amounts is returned to the customer.

3.12 Payments for the concession and government fees

The Company, for having received the concessions, has obligations to pay Mexican Federal Government rights for the exploitation of public property of the Nation, as well as for having a majority state interest, is subject to the payment called Annual consideration in favor of the Mexican Federal Government, through the SCT and the SHCP, as provided in the Concession Titles and in the Budget Law. The government fees are recognized at the value required to pay the SCT, and include:

3.12 (a) Payments related to the concession

i) Payments of rights for the Concession title

In accordance with the Concession Title, the Company will pay to the Federal Government the rights that the Federal Law of Rights establishes for the use and exploitation of granted National Assets. These rights correspond to a fixed rate of 5% on the amount of the total income derived from the concession obtained by the Group, and this amount is recorded as an expense in the item of operating costs and administrative expenses in the statement of comprehensive income from the moment in which is certain that it must be paid and the amount can be reliably determined.

ii) Annual consideration for the payment of the concession

According to the Concession Title of the AICM, the Company must pay a consideration for the opportunity cost of having received the concession title over the infrastructure as a going concern. As long as the Company is a state owned entity, that consideration must be paid annually in the amount determined by the SCT, assuming the AICM has the necessary budget available in the regarding year. That consideration is determined annually and is recorded as an expense under operating costs and administrative expenses in the statement of comprehensive income from the time payment is certain and the amount can be determined reliably. Until December 31, 2017, this consideration has been determined with reference to the results under NIFG of AICM, in conjunction with the provision of annual income taxes, to keep a fiscal balance of the entity, taking into account the availability budget, that is, it does not affect other payment commitments of the Company.

3.12 (b) Governmental Fees

i) Budgetary Concession Fees

Variable government fees are determined by the Government in accordance with the Budget Law. Those government fees are deducted from retained earnings as they do not relate to a payment for the Concession Title, but instead relate to a profit distribution requirement. These government fees are recorded as a charge to retained earnings in equity. As of December 31, 2017 and 2016 there were no payments for this concept. In the event of being presented, the accounting evaluation will be carried out in accordance with IFRS.

ii) Government fees paid for financing obtained from issuance of preferred guaranteed notes

As mentioned in Note 3.3, the Group has a structured financing scheme to obtain resources to pay for the construction of the New Airport, the flows received for the issuance of preferred guaranteed Notes, for the sale of the future rights of the passengers charges (TUA), derived from the cession arrangement, are considered under NIFG as budget surpluses that represent an extraordinary income for the entity. Such extraordinary income is paid to the SCT in the form of government fees at the time of receiving the flows, the foregoing based on articles 31 section XI of the Law of the Federal Public Administration, Internal Regulation of the Secretary of Finance, of the Tax Code of the Federation, the Law of Income of the Federation, and the Budget Law. The foregoing in the understanding that such transaction under NIFG qualified as a sale.

Under IFRS, the sale of future rights of the passengers charges (TUA), did not qualify as a sale, but rather the issuance of preferred guarantee notes represents an obligation of payment to the holders of the Notes that when consolidating the trusts as described in Note 3.3. The distribution of these Government fees, are recognized as a debit to the accumulated earnings, as a transaction with the SCT in its capacity of shareholder and represents the payments for passengers charges (TUA) that will be generated in the future. Subsequently, these flows are contributed to the Company, in compliance with the structured financing authorized (see Note 18).

iii) Government fees paid for residual amounts of passengers charges (TUA)

As mentioned in Note 3.3, associated with the structured financing scheme, remaining cash flows are generated as a result of TUA collections, which for NIFG are considered as budgetary surpluses, and can be applied as government fees in accordance with the regulations previously indicated for subsection ii) above or used in the operation of the Exiting Airport. Under IFRS, with respect to paid Government fees, this is recognized as a debit to the accumulated earnings as it is a transaction with the SCT in its capacity as shareholder and represents the payment of TUA income already generated. Subsequently, previous assessment of the Group's flow needs, these flows could be contributed to the SCT in accordance with and in compliance with the law previously indicated when considering them as extraordinary income for its shareholder and in compliance with the financing objective.

These fees were not considered as a temporary item because it does not qualify as a such, in accordance with IAS 12 since, as mentioned, there are no definitions regarding the timing of these payments.

3.13 Employee Benefits

a. Defined benefits

A benefit plan is considered to be an amount receivable by employees at retirement, usually depending on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in relation to defined benefit plans is the present value of defined benefit obligations at the date of the statement of financial position, less the fair value of plan assets. Defined benefit obligations (DBO) are calculated annually by independent actuaries using the projected unit-cost method.

The present value of DBO is determined by discounting estimated future cash flows at the discount rates established in IAS 19, expressed in the currency in which the benefits are to be paid and with maturities approximating the terms of pension liabilities.

Actuarial gains and losses arising from adjustments and changes to actuarial assumptions are recorded directly in stockholders' equity under other comprehensive income in the year in which they accrue.

The Company determines its net financial expenses (income) applying the discount rate to the net liability (asset) for defined benefits, net. Past service costs are recognized immediately in the statement of income.

b. Retirements benefits

Retirement benefits are paid when the employee reaches certain age and seniority conditions for the payments of this benefits.

The Company recognizes retirement benefits as a constructive obligation that will be paid to all employees once retirement ages have been reached.

c. Employees’ Statutory Profit Sharing (ESPS) payable

The Company recognizes a liability and an expense for bonuses and ESPS, the latter based on a calculation that considers the current Tax Law. The Group recognizes a provision when it is contractually bound or when there is a past practice that gives rise to a constructive obligation.

d. Short-term benefits

The Company provides short-term employee benefits, which can include wages, salaries, annual bonuses and bonuses payable over the following 12 months. The Group recognizes a provision without discount, when is it contractually obligated or when the former practice has created an obligation.

3.14 Income tax

Income tax is recorded in income for the period in which it is incurred and it is based on the tax profits for each period. When applicable, the Company records provisions for the amounts that it expects to pay over to the tax authorities.

The income tax rate for both, 2017 and 2016, was 30%.

3.15 Deferred income taxes

Deferred income tax is recognized by the asset-and-liability method with an integral approach, which consists of calculating deferred tax for all temporary differences between the book and tax values of assets and liabilities expected to materialize in the future. However, deferred taxes on profits arising from initial recognition of an asset or a liability in a transaction that does not qualify as a business combination, which at the time of the transaction does not affect the book or tax profit or loss, is not recorded. Deferred income tax is determined on the basis of tax rates and tax laws approved or substantially in force at the date of the consolidated statement of financial position that are expected to apply when the deferred income tax asset is realized or the deferred income tax liability is settled.

A deferred income tax asset is only recognized to the extent future tax benefits are likely to be obtained against which temporary difference liabilities can be used.

A deferred tax liability arising from temporary differences in the investment of its subsidiaries is recorded, except when the likelihood of temporary difference reversals is under the Company's control and it is possible for said temporary differences not to be reversed in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority, on either the same taxable entity, or different taxable entities where there is an intention to settle the balances on a net basis.

3.16 Leases

The classification of leases as financial or operating depends on the substance of the transaction rather than on the form of the contract.

Leasing in which a significant portion of the risks and benefits pertaining to ownership is retained by the lessor is classified as operating leasing. In operating leases, the income and expenses related to leasing agreements are recorded in the income statement in the period in which they accrue. Collections or payments made when contracting an operating lease are accorded the treatment of an advance collection or payment and are recorded in the state of income over the lease period.

The Company has no financial leases in the years reported.

The area leased by the Company as the lessor in the different airport terminals is documented by means of contracts with either monthly fixed rents or fees based on the higher of a minimum monthly fee or a percentage of monthly income of the lessees.

Given that the leased area is part of the licensed infrastructure and they do not belong to the Company, leased goods do not transfer the risks and rewards associated to ownership and they are classified as operating leases.

Operating lease income is recognized as non-aeronautical service income on a straight-line basis over the term of the lease.

3.17 Stockholders' equity

3.17.1 Capital stock

The capital stock, legal reserve, cumulative deficit and other comprehensive income (OCI) are stated at their historical cost.

IFRS does not define accounting guidelines on what is considered capital stock; for these purposes, the capital stock of IFRS corresponds to the capital stock under NIFG and to the legal requirements. The SCT has made certain capital stock contributions arising from government fees paid on TUA residual amounts and financing obtained for issuance of preferred guaranteed Notes. See Note 18.

3.17.2 Distributions made as Government Fees.

See Note 3.12.

3.17.3 Profit of the period and comprehensive income

Comprehensive income is comprised of net income for the year, plus any items required by specific IFRS to be recorded in OCI that do not qualify as capital contributions, reductions or distributions, as in the case of employee benefit remeasurements, which correspond to OCI.

3.17.4 Legal reserve

According to the Corporations Law, a minimum of 5% of net earnings for the period must be set aside to create the legal reserve until that balance is equal to one fifth of the capital stock. The legal reserve can be capitalized, but must not be distributed unless the Company is dissolved, and must be set up once more if it decreases for any reason.

3.17.5 Transactions with shareholders

All transactions conducted with the shareholder, in its capacity as shareholder, are recorded in stockholders' equity under cumulative deficit.

3.17.6 Cumulative Deficit

It comprises the accumulated integrated profits decreased from the distributions to shareholders for TUA surpluses, or funds from the issuance of preferred guarantee Notes; it also decrease in case of having paid dividends or budgetary benefits as indicated in Note 3.12 (b).

3.17.7 Dividends

The distribution of dividends to shareholders from the Company, is recognized as a libility in the financial statements in the period in which are approved by the shareholders of the Company. During 2017 and 2016 dividends have not been decreed or distributed.

3.18. Revenue recognition

3.18.1 Aeronautical services

Aeronautical service income is made up of a fee charged to each passenger per departure (with the exception of diplomats, minors and passengers in transit or with connecting flights), a landing fee based on the average of the maximum take-off weight and the "zero fuel" weight of the aircraft at the time of arrival, aircraft parking fees based on the time the aircraft remains on land and the arrival time, fees for boarding tunnels that connect the aircraft to the terminal based on the time of arrival, and fees for airport security services for each departing passenger. Aeronautical service income is recorded when passengers aboard the aircraft leaving the Company's Airports, when the aircraft lands and when services are rendered, as the case may be. Airports law regulates the services and prices.

Aeronautical service income is subject to the price regulation system applicable to airports (see Note 9).

3.18.2 Non-aeronautical services

Non-aeronautical service income arises mainly from the commercial activities specified in the Mexican Airports Law, such as leasing fees for facilities at airport terminals, access fees charged to third parties providing luggage handling and loading, food and other services at the airports and other sundry income, which is recognized as it accrues. Airports law regulates what services and in what area will the services be provided.

Presently, facilities leased at airports to airlines and other commercial lessees comprises the most significant source of income related to non-aeronautical services. Leasing income is accrued monthly and is determined by applying a percentage established in the lease contract to income from actual sales of lessees (interest), or it represents an agreed minimum fee.

3.18.3 Construction services

As the operator of two airport Concessions Titles, the Company is required to make improvements to the granted assets, which qualifies as the rendering of construction services or significant improvements.

As a result of the foregoing, the Company is required to recognize the amount of construction service income and the related expenses based on the percentage of completion method; given that the Company contracts a third party to provide construction services, the related service income is the same as the fair value of the services received.

3.19 Government financial support

The Group receives support from its shareholder, the SCT, mainly as regards recovery of GACM's operating expenses during construction of the New Airport; those reimbursements are recognized as a decrease in the respective expenses in the statement of income. The supports are for wages and salaries, materials and basic supplies and services (see Note 16).

3.20 Earnings per basic and diluted shares

The profit per share is calculated by dividing the profit attributable to the owners of the controlling company by the weighted average of common shares outstanding in the year. At December 31, 2017 and 2016, there were no dilution effects from instruments potentially convertible into shares.

3.21 New accounting pronouncements

New standards and amendments not yet adopted

Following is a list of the new standards and amendments issued by the IASB and applicable for the annual periods starting on July 1, 2015 and subsequent periods. Management estimates that the aforementioned amendments will not have a significant effect, and it is presently evaluating the new pronouncements.

IFRS 9 "Financial Instruments"

IFRS 9, is the first standard published as part of a larger project to replace IAS 39. IFRS 9 requires that financial assets to be classified based on: 1) the Group's objective to maintain the asset, and 2) an evaluation of whether the contractual cash flow represents only capital and interest payments. It establishes three main measurement categories for financial debt assets: 1) amortized cost; 2) fair value with changes in results, and 3) fair value with changes in OCI. For financial assets of capital are recognized at fair value through profit or loss or there is an irrevocable choice to record changes in fair value in equity, if certain conditions are met.

Financial liabilities are recorded at amortized cost or can be designated at fair value with changes recognized in the income statement. No impact on the adoption of this standard is expected in terms of classification and measurement.

IFRS 9 was amended in July 2014 with additional changes to the classification and measurement rules and also establishes a new impairment model. These changes now make up the entire new financial instruments standard. The new impairment model is a model of expected credit losses, which will result in an early recognition of credit losses. This modification comes into effect on January 1, 2018.

The Administration has prepared an analysis of the new requirements of this standard, and considers that the greatest effect is the computation of the impairment of the accounts receivable, and it is in the process of determining the new methodology; however, since there are only accounts receivable in the short term, the simplified practical method will be used to evaluate the asset during the life of the instrument. The impacts of the application of the same are still quantified, however, they are not expected to be material.

The Group will adopt the standard following the practical file allowed from January 1, 2018, without adjusting comparative figures.

IFRS 15 “Revenue from contracts with customers”

IFRS 15 was issued in May 2014 and amended in July 2014. The basic principle of IFRS 15 is that an entity recognizes revenues to represent the transfer of goods or services promised to customers at an amount for which the entity expects to be exchanged said goods or services. This basic principle of this approach is reflected in a 5-step model: 1) identify the contract with a client; 2) Identify performance obligations in the contract; 3) Determine the price of the transaction; 4) Assign the price of the transaction to each of the performance obligations in the contract, and 5) Recognize income when the entity satisfies the performance obligation.

The application of this approach will depend on the facts and circumstances present in the contract and requires professional judgment. The standard should be applied in the financial statements under IFRS of the entity for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Management, based on an analysis of impacts and the nature of the business, has not identified areas of material impact and is working on the adoption of this standard.

IFRS 16 “Leases”

In January 2016, the IASB issued a new rule for accounting for leases. That rule replaces current IAS 17, which classifies leasing as either financial or operating. IAS 17 identifies leases as financial when the risks and benefits of an asset are transferred, and all others as operating leases. IFRS 16 eliminates classification of leases as either financial or operating and requires recognition of a liability by reflecting future payments and an asset for right to use in most leases. The IASB has included certain exceptions for short-term leases and leases of low-value assets. The above amendments are applicable to accounting for leases, while rules for the lessor remain similar to current rules. The most significant effect of the new requirements is reflected in the increase in leasing assets and liabilities, which also affects the statement of income under depreciation and financing expenses for assets and liabilities recognized, respectively, and reduces expenses pertaining to leases previously recognized as operating. Operating cash flows will be higher since cash payments made towards the main portion of liabilities are classified under financing activities. The standard is effective for periods beginning on or after January 1, 2019, with early adoption allowed, provided IFRS 15 is also adopted. Management is also working on adopting this standard, but it is still quantifying the potential effects of applying it.

Note 4 - Critical accounting estimates and judgments:

Estimates and judgments used in preparing the consolidated financial statements are constantly evaluated and are based on historical experience and other factors, including projections of future events considered to be reasonable in current circumstances.

4.1 Accounting estimations and critical assumptions

The Group prepares estimations and projections of future events to recognize certain items of its financial statements. The resulting accounting estimates recognized are likely to differ from actual results or events. The estimations and projections with a higher risk of material adjustment in the future are as follows:

4.1.1 Estimation of borrowing cost capitalized as part of assets

The Group determined that construction of the New Airport qualifies for capitalization of the borrowing costs under IFRS. Financing contracted by the Group in foreign currency and the respective interest give rise to an exchange fluctuation considered by the Group to be part of its financial costs. In determining the capitalizable portion of financial costs, consideration is given to the equivalent amount of interest that a loan with similar conditions would have generated in Mexico. In 2017 and 2016, $3,157,250 and $1,489,839 was capitalized, respectively. If the interest rate of the peso loan in question had been above or below 1%, the amount of capitalized interest would have been increased or decreased by $614,248 and $256,369 in 2017 and 2016, respectively.

The Administration used the mirror credit for the interest exchange fluctuation of interest in favor, although this criterion is not specified in IFRS, the company considered it appropriate to use the same guidelines as indicated in IAS 23 for the exchange rate fluctuation of costs.

4.1.2 Estimation of construction service income

According to the Group's accounting policy for accounting for the New Airport's concession arrangement, it has been determined that construction services must include the cost of services plus a margin that allows recognizing the fair value of those construction services based on the percentage of completion. Management determined the 7.50% margin to be appropriate, considering among other factors the operators of government infrastructure and the expected yields, among other variables. Had it recognized a lower margin by 1%, construction income in 2017 and 2016 would have decreased by $1,153,405 and $541,796, respectively, and had it recognized a higher margin by 1%, construction income would have increased by $1,508,299 and $708,292, respectively.

4.2 Critical accounting judgments in applying the Company's accounting policies

4.2.1. Basis for consolidation

The financial statements include the assets, liabilities and results of the structured entities: TUA Trust No. 80460 and TUA Guarantee Trust No. 2172. The balances and transactions between entities have been eliminated in consolidation. In order to determine the degree of control, the Company analyzes whether it has substantive rights affecting the variable yields of its interest in the Entity and its capacity to affect yields through its power, since it holds has no voting rights or shareholding in that Entity. On the basis of said analysis, the Company has exercised critical judgment to decide whether or not to consolidate the Trust's financial statements, as the determination of control is not based on voting rights. On the basis of the Company's substantive rights, according to which in spite of the fact that the right to collect TUA can be assigned and the fact that the Company is not required to guarantee the payment of the obligations issued by the Trust, in the terms of the trust agreements, which are considered to be protective and guarantee rights of the investors, the Company may control cash surpluses administered by the trust once payment has been made of the interest specified in the contracts, as well as other payments and minimum reserves. Management has determined that the factors and circumstances described in the applicable contracts allow the Company to control the residual funds and to give the TUA collection rights as collateral to the investors of bonds issued by the Trust. The Company will continue evaluating these circumstances at the date of each statement of financial position to determine whether or not these critical judgments continue to be valid. If the Company determines that it no longer holds control over the Trust, the consolidation must be canceled.

4.2.2. Useful life of the Concession Title for the Existing Airport

The Group reviewed the useful lives of long-lived assets taking into consideration the concession of the New Airport as well as the obtaining of financing to execute the work and the master plan of the project that indicates it is expected to have the finished construction and begin operations of the New Airport for the year 2020 and the fact that, since the Existing airport and the New Airport will share the same air space, it is not possible for both to operate at the same time and therefore the commercial operations of the New Airport must begin simultaneously with the closing of the Existing Airport. Based on the practical operating limitation of both airports and the related effects on the expected useful lives of the assets, including the concession's intangible assets, in preparing these financial statements under IFRS, as from January 1, 2016, the Group prospectively adjusts the amortization of long-lived assets associated to said Concession Title, which may not be used until 2020 (its useful live before the announcement of the construction of the new airport was until 2048), and therefore the remaining useful life is adjusted instead of the life of the Concession Title of the Existing Airport. Had the estimate not been modified and the amortization continued as usual, the amortization would have been lower by $326,487 as of December 31, 2017. This situation will continue to be analyzed at the close of each reporting period to asset whether there may be a change.

4.2.3 Application of accounting for concessions titles between a Company with a majority interest state owned entity of Government and the Government

As explained in Note 1, the Group is a majority interest state owned entity; it is a direct subsidiary of SCT, and given the nature of the concession arrangements, in the absence of a specific accounting standard to account for concession arrangement between a Government Company or a state owned company and the Government, the Company took into consideration the economic substance of the operation and determined to accord it the treatment of a concession, in accordance with the provisions of IAS 8

"Accounting policies, changes in accounting estimates and errors". The Company applies the principles of IFRIC 12 "Service Concession Arrangements", which is an Interpretation published by the IFRS Interpretations Committee applicable to concession titles of public services to a private operator; in this specific case, the Group, as the operator, qualifies as public or state owned property. However, under the arrangements signed with the Government: (a) the grantor controls or regulates the services to be rendered by the operator through the infrastructure, whom the services should be rendered to and at what prices; and b) the grantor controls through its ownership, the use right or in any other way, any significant residual interest in infrastructure at the end of the term of the arrangement.

4.2.4 Budgetary considerations

As explained in Note 3.12 (a), the Group pays an annual consideration for concession, defined in the Concession Title as the opportunity cost represented by having received the infrastructure as a going concern in 1998. This payment is considered as an expense associated with the exploitation right, which is determined annually and is variable depending on whether the Group has budgetary availability in the corresponding year.

This Concession Title does not specify a mechanism for the consideration calculation, so there is no certainty whether the determination of the consideration could be different in subsequent exercises.

This payment is required by the Concession Title and represents a reduction of the economic benefits obtained by the Group derived from the exploitation of the concession, for this reason they are recognized as an expense, and a different treatment is given to the payments of budgetary concessions fees mentioned in Note. 3.12 (b) i), which are derived from a return to the Government for the equity invested and required in accordance with the Federal Budget and Fiscal Responsibility Law.

4.2.5 Deferred income tax

As explained in Note 4.2.1, Basis of consolidation, the consolidated financial statements include the assets, liabilities and results of the structured entities: TUA Trust No. 80460 and TUA Guarantee Trust No. 2172, which are transparent entities for tax purposes. GACM and AICM are subject to income taxes and, based on the tax regulations applicable to the financing scheme, an important judgment is required in determining the provision of deferred taxes derived from transactions between these transparent entities for tax purposes and GACM and AICM, mainly for the TUA residual amounts. The Group recognizes deferred tax liabilities associated with TUA residual amounts collected by Guarantee Trust TUA No. 2172 and to be transferred to AICM and GACM, which are cumulative upon receipt (see Note 18), based on the time of transfer will have fiscal effects for AICM and GACM.

The considerations paid for TUA residual amounts were not considered as a temporary item because they are not subject to the Group's prior evaluation of their flow needs, to define that contributions are made to the SCT in accordance and compliance with applicable legal regulations. Therefore, these considerations do not qualify as such according to IAS 12, since as mentioned, there are no definitions regarding when these payments will be made.

Note 5 - Financial risk management:

5.1 Financial risks

The Group's risk management is carried out by the Finance Department based on the guidelines of the respective agreements, the Investments Committee and the Planning, Evaluations and Liaison Corporate Direction in accordance with the policies approved by the Board of Directors. The Group identifies, evaluates and hedges financial risk in close cooperation with its operating units. The Company has issued general policies for financial risk management, and specific policies on market risk, credit risk and the investment of cash surpluses. The Group tries to minimize the potential negative effects of the aforementioned risks on its financial performance through different strategies. Firstly, it tries to obtain natural hedging for those risks.

5.1.1 Market risk

i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risks arising from foreign currency transactions, primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and from assets and liabilities recognized in foreign currency.

The Group has established a policy that requires managing its exchange risk. The peso/US dollar exchange rate is an important factor for the Group due to the effects it has on its results. Additionally, the Group has no interference in its respective determination. The Group is mainly affected by the fact that the International and national TUA is set in US dollars, and is billed based on the updated exchange rate at the date of the debt; debts are mainly expressed in US dollars.

Therefore, on the occasions that the Mexican peso has appreciated vs. other currencies, e.g., the US dollar, the Group's profit margins have decreased. On the contrary, when the Mexican peso has devaluated, the Group's profit margins have increased. However, although the aforementioned correlation of factors has occurred on several occasions in the recent past, there is no certainty that it will happen again if the Mexican peso exchange rate were to fluctuate again.

It is important to note the high dollarization of the Group's cash and cash equivalents, since its temporary investments in US dollars provides partial natural hedging for its dollar obligations. At December 31, 2017 and 2016, the exchange rate was $19.6629 and $20.6194, respectively. If the peso had weakened by 1% in 2017 (1% in 2016) with respect to the US dollar, the Company would have incurred a gain (loss) on monetary position at the year-end closing of $703,236 in 2017 ($ 28,088 in 2016).

ii) Interest rate risk and cash flow risk

The Group's interest rate risk arises from bonds issued and long-term loans. The Company is not exposed to cash flow risks because it only contracts fixed rates; however it is exposed to fair value risk as it requires early settlement of the debt. Regarding the Notes issued, as indicated in Note 13, the TUA is the collateral and the only guarantee of the Notes.

5.1.2 Credit risk

Credit risk arises from cash and temporary investments in securities and deposits in banks and financial entities, uncollected balances, and committed future transactions.

The Group is responsible for managing and analyzing each of its new customer's credit risk prior to determining payment terms and conditions. If clients are rated independently, these classifications are used. If there is no independent rating, Risk Control measures the credit quality of the customer, taking into account its financial situation, past experience and other factors.

The allowance for doubtful accounts represents an estimate of the losses arising from customer inability to make required payments. Estimations are required in order to determine the allowance for doubtful accounts. The Group conducts constant credit evaluations of its customers and adjusts the credit limits based on payment history and current customer solvency information as determine by the review of the current credit information. Additionally, the Group considers a number of factors in determining the size, time and amounts required to recognize provisions, including historic collection experience, current economic trends, legal situation and solvency of customers, as well as the aging of the accounts receivable portfolio.

Cash and cash equivalents are not subject to credit risk because they are kept in solid financial institutions. Additionally, investments are subject to immaterial risk, since they are backed by the Federal Government or by highly rated entities. Ratings of the financial entities with which the Group holds short-term investments: HSBC México (S&P mxA-1), IXE (S&P BBB+), BBVA Bancomer (S&P mxAAA), Nafinsa (S&P mxAAA), Banco Santander México (S&P mxA-2), Citibanamex (S&P mxAAA).

5.1.3 Liquidity risk

Cash flow projections are prepared by the Sub department of Finance and the General Deputy Administration Direction, who continually monitor cash flow projections and liquidity requirements and ensure that sufficient cash levels and marketable security investments are kept to meet the Group's operating needs. Projections consider the Company's financing plans and compliance with minimum internal liquidity ratios and legal or regulatory requirements.

The following table shows the Group's liabilities grouped per maturity date as of December 31, 2017 and 2016, and January 1, 2016. The amounts shown in the table are undiscounted contractual cash flows.

At December 31, 2017	Less than 3 months	Between 3 months and 1 year	Between 2 and 4 years	More than 5 years	Total
Accounts payable	$ 972,285	$ -	$ -	$ -	$ 972,285
Long-term debts	-	-	-	119,167,626	119,167,626
Interest payable	3,344,328	4,446,358	30,155,828	110,659,197	148,605,711
Rights for the concession title(1)	67,469	-	-	-	67,469
Annual consideration for concession title(1)	1,070,629	-	-	-	1,070,629
Total	$ 5,454,711	$ 4,446,358	$30,155,828	$229,826,823	$269,883,720

At December 31, 2016	Less than 3 months	Between 3 months and 1 year	Between 2 and 4 years	More than 5 years	Total
Accounts payable	$ 1,107,547	$ -	$ -	$ -	$ 1,107,547
Long-term debts	-	-	-	42,144,756	42,144,756
Interest payable	1,220,037	2,053,916	6,133,764	34,308,411	43,716,128
Rights for the concession title [1]	84,235	-	-	-	84,235
Annual consideration for concession title [1]	1,378,494				1,378,494
Total	$ 3,790,313	$ 2,053,916	$6,133,764	$76,453,167	$88,431,160

At January 1, 2016	Under 3 months	Between 3 months and 1 year	Between 2 and 4 years	Over 5 years	Total
Accounts payable	$ 417,985	$ -	$ -	$ -	$ 417,985
Long-term debts	-	-	73,340	17,248,700	17,322,040
Interest payable	413,112	283,762	-	-	696,874
Rights for the concession title [1]	68,106	-	-	-	68,106
Annual consideration for concession title [1]	2,196,776	-	-	-	2,196,776
Total	$ 3,095,979	$ 283,762	$ 73,340	$17,248,700	$20,701,781

[1] These amounts constitute the payments obligations of each year and do not include projections of future payments because they are subject the results of future operations.

5.1.4 Price risk

Due to AICM is a state owned majority participation company, the fees that AICM can charge for Aeronautical Services, including the TUA, are determined unilaterally by the Federal Government through the SHCP, with the opinion prior to the SCT, besides that the Concession Title specifies it. Although the TUA may be subject to change at the request of the AICM or GACM, the Mexican Government could deny such request, even in circumstances that justify an increase. In addition, the Mexican Government may decide to increase or reduce the TUA charged at the Existing Airport and, as of the start of operations of the New Airport, at its sole discretion and at any time. The TUA is updated annually, taking into account the inflationary adjustment in the United States consumer price index (CPI), published in October of each year by the Bureau of Labor Statistics.

Although some revenues obtained from non-aeronautical services, such as revenues from complementary and commercial services for leasing facilities to airlines and other aeronautical service providers considered essential for an airport, are regulated, the rest of such commercial and complementary are not regulated. If AICM ceases to be a state owned majority participation company, these tariffs could be regulated in accordance with the Mexican Airports Law. As GACM is a state owned majority participation company, the rates that GACM can charge once the New Airport begins operations, will have the same current regulation in force.

Revenues for non-aeronautical services, complementary and commercial services, other than the leasing of space to airlines and other Aeronautical Services providers considered essential for an airport, are agreed between AICM, GACM and customers considering the market conditions.

5.2 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern and comply with applicable regulations. The capital structure of the Company consists of net debt and equity. Additionally, the Company is not subject to any externally imposed requirements for the management of its capital.

5.3 Fair value estimates

Financial instruments recorded at fair value are classified by the valuation method used for each instrument, as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Information (inputs) other than budget prices included in level 1 that can be confirmed for the asset or liability, either directly (i.e., specific prices) or indirectly (i.e., derived from specific prices) (level 2).
- Information (inputs) on the asset or liability not based on data that can be confirmed in active markets (i.e., financial models and unobservable information) (level 3).

The amount of cash and cash equivalents, restricted cash, clients and other accounts receivable, other current assets, suppliers and accrued expenses, current loan, current provisions and other current liabilities approximate their fair value given the proximity of the maturity dates. The net carrying value of those accounts represents the expected cash flow at December 31, 2017 and 2016.

The Company's accounting records currently show no financial instruments expressed at fair value, and only include fair values of loans for informative purposes. Estimated fair values disclosed at December 31, 2017 and 2016 and at December 1, 2016 were determined on the basis of quotations in the secondary bonds market, using rates that reflect credit risk similar to that of the Group's. That is a level 2 fair value measurement for non-current accounts receivable, and level 2 fair value measurement for non-current loans.

Note 6 - Cash, cash equivalents and restricted cash:

Balances of cash and cash equivalents are comprised as follows:

	December 31		
	2017	2016	January 1, 2016
Cash	$ 155	$ 40	$ 26
Cash at Banks	26,836	12,191	137,184
Temporary investments	105,487,807	50,733,112	24,816,785
	$ 105,514,798	$ 50,745,343	$ 24,953,995

Temporary investments are comprised as follows:

	December 31, 2017	December 31, 2016	January 1, de 2016
Mexican Pesos			
Overnight investments (1 day)	$ 46,016,269	$49,728,463	$23,900,463
Government securities (1 to 7 days)	389,331	961,526	916,322
US dollars			
Deposit certificates (7 days)	59,082,207	43,123	-
	$ 105,487,807	$50,733,112	$24,816,785

Investments are presented as part of cash and cash equivalents, as they are short terms investments and available with low risk of loss.

During 2016 and 2017, the amounts distributed by TUA Guarantee Trust No. 2172 to TUA Trust were as follows:

	December 31, 2017	December 31, 2016
Mexican pesos		
Contingent expenses of airports	$ 552,500	$510,000
Restricted payments	5,158,134	5,651,326
Total amounts transferred from the TUA Guarantee Trust No. 2172 to TUA Trust 80460	$ 5,710,634	6,161,326

In relation to the abovementioned amount, it corresponds to money that will be available to GACM.

Note 7 - Restricted cash:

Corresponds to money deposited in Guarantee Trust TUA No. 2172 to guarantee payment of the debt. Restricted cash is shown in the statement of financial position under current assets, except when the availability of this cash is restricted for a period greater than 12 months, it is presented as non-current assets.. At December 31, 2017 and 2016 and at January 1, 2016, restricted has deposited in the trust totaled $1,501,348, $507,461, and $261,928, respectively, consisting of reserved interest and others. On the other hand, as of December 31, 2017 and 2016, non-current restricted cash amounted to $3,212,631 and $1,255,672, respectively.

Note 8 - Accounts receivable and others – Net:

Accounts receivable:

	December 31		January 1
	2017	2016	2016
Customers	$2,068,000	$2,294,082	$1,826,011
Sundry debtors and other accounts receivable	1,462	3,165	5,809
Allowance for doubtful accounts	(235,081)	(216,610)	(170,515)
	$1,834,381	$2,080,637	$1,661,305

Accounts receivable are denominated in Mexican pesos and it mainly consists of passenger charges (TUA, for its acronym in Spanish), the balance of which at December 31, 2017 and 2016 and at January 1, 2016 were $1,933,461, $1,942,399 and $1,552,581, respectively. At those same dates, sundry debtors and other accounts receivable consist of employee loans and other minor balances.

At December 31, 2017, the total balance for overdue accounts receivable but not impaired is $45,751 ($33,699 and $37,101 at December 31, 2016 and January 1, 2016 respectively). Those accounts relate to a number of customers with no recent history of default.

Following is a breakdown of due dates for doubtful accounts:

	December 31		January 1
	2017	2016	2016
Less than three months	$ 6,565	$ 481	$ 18,777
Between three to six months	-	-	38,322
More than six months	274,267	249,828	150,517
	280,832	250,309	207,616
Less:			
Overdue and not impaired accounts receivable	(45,751)	(33,699)	(37,101)
Total allowance for doubtful accounts	$ 235,081	$ 216,610	$ 170,515

Movements of the provision for doubtful accounts:

Allowance for doubtful accounts at January 1, 2016	$ 170,515
Increases for the period	239,314
Applications for the period	(193,219)
Allowance for doubtful accounts at December 31, 2016	$ 216,610
Increases for the period	373,272
Applications for the period	(354,801)
Allowance for doubtful accounts at December 31, 2017	$ 235,081

Creation of the allowance for doubtful accounts has been recorded in the profit and loss account under operating costs and administrative expenses (Note 16) and amounts charged to the allowance are canceled in accounts receivable when there is no expectation of recovery.

Note 9 – Revenue:

Following are details of aeronautical and non-aeronautical revenue for the years ended December 31, 2017 and 2016:

Revenue from aeronautical services	2017	2016
Domestic passenger charges	$4,551,597	$ 4,108,374
International passenger charges	3,818,948	3,478,601
Parking at loading bay	451,922	385,311
Landings	330,649	303,572
Baggage inspection (domestic)	164,640	156,861
Aero cares	150,852	116,514
Baggage inspection (international)	84,666	78,165
Security services	65,164	60,368
Overnight stays	18,756	18,749
Other aeronautical services	495	587
Total revenue from aeronautical services	$9,637,689	$8,707,102

	December 31	
	2017	2016
Revenue from non-aeronautical services (non-regulated)		
Leases	$1,867,408	$1,787,676
Leases - income participation	422,199	309,050
Leases - fixed participation	544,981	409,688
Car parking	300,888	314,927
Access to federal zone	104,015	51,519
Revenue from baggage handlers	2,744	4,016
Consumption of service	93,024	82,265
Other services	38,371	31,770
Advertising	15,503	12,550
Total revenue from non-aeronautical services	$3,389,133	$3,003,461

Note 10 - Intangible assets, Airport Concessions Titles and advances:

Following are intangible asset movements concerning Airport Concessions Titles during the periods presented in the consolidated financial statements:

Existing Airport Concession Title:

	Balances as of January 1, 2016	Additions	Amortization for the period	Balances as of December 31, 2016	Additions	Amortization for the period	Balances as of December 31, 2017
Concession	$ 3,073,302	$ -	$ -	$ 3,073,302	$ -	$ -	$ 3,073,302
Amortizations	(1,387,822)	-	(100,300)	(1,488,122)	-	(426,787)	(1,914,909)
Total	$ 1,685,480	$ -	($ 100,300)	$ 1,585,180	$ -	($ 426,787)	$ 1,158,393

New Airport Concession Title:

	Balance at January 1, 2016	Capitalized financial costs	Additions	Amortization for the period	Application of advances	Balances at December 31, 2016	Capitalized financial costs	Additions	Amortization for the period	Application of advances	Balance at December 31, 2017
Concession	$ 3,723,817	$ 1,489,839	$ 9,049,792	$ -	($134,363)	$ 14,129,085	$3,157,250	$ 18,983,232	$ -	($ 44,334)	$ 36,225,233
Advances for Construction Work	70,845	-	144,416		-	215,261	-	4,461,688	-	-	4,676,949
Total	$ 3,794,662	$ 1,489,839	$ 9,194,208	$ -	($134,363)	$ 14,344,346	$3,157,250	$ 23,444,920	$ -	($ 44,334)	$ 40,902,182
Total asset	$ 5,480,142	$ 1,489,839	$ 9,194,208	($100,300)	($134,363)	$ 15,929,526	$3,157,250	$ 23,444,920	($426,787)	($ 44,334)	$ 42,060,575

The average interest rate used for capitalizing interest was 9.66% in 2017 and 8.22% in 2016, taking into account the guidelines of IAS 23 “Borrowing costs”, considering similar loans in pesos when the debt is expressed in US dollars and include the capitalization of a portion of exchange rate fluctuation loss.

On October 25, 2013, the SCT, the Presidential Military Staff,(EMP, for its acronym in Spanish) and the GACM (through its subsidiary AICM) signed a collaboration arrangement for the purpose to establish the basis for conducting procedures for contracting, executing and supervising the modification, adaptation and functioning of the facilities comprising the presidential hangar. The project was for a total of $1,102,771 and was carried out in 2014 for $304,600, $563,807 in 2015, $24,364 in 2016 and $110,000 in 2017 for additional works. The SCT authorized the budget for the resources required for this project, and the AICM received capital contributions in cash of $835,024 from the SCT, recognized as capital contributions to the net worth of AICM. GACM also invested $167,747 of its own resources in this project. The project is not under the Group's control and the carrying value was derecognized in the respective years, considered a transaction with shareholder, and recorded in stockholders' equity as a contribution in kind.

10.1 Concession terms and conditions

The AICM Concession Title:

(i) Important aspects on concession for exploitation of the Existing Airport:

On June 29, 1998, the Federal Government granted to AICM a Concession Title for the administration, operation and exploitation of the Existing Airport and for the use of items under concession.

Term: The Existing Airport Concession Title is effective for a period of 50 (fifty) years, and can be extended on one or several occasions for periods not exceeding 50 (fifty) additional years, provided AICM complies with the conditions contained in the Existing Airport Concession Title. Extensions should be requested at the outset of the last five-year period within the term of the Existing Airport Concession Title.

Services: AICM is responsible to the SCT for providing Aeronautical and Non-Aeronautical Services (Complementary and Commercial Services as provided in the Airports Law and the Regulations thereto).

Property regime: AICM may lease surfaces included in the Concession Title of the Existing Airport and allow the right of use and the right of way through those areas for the purpose of providing aeronautical and non-aeronautical services. The Existing Airport Concession Title creates no real AICM rights to items under concession.

Conservation and Maintenance: AICM is required to keep the Existing Airport at the levels of security, efficiency and quality required by applicable legislation, and is therefore responsible for carrying out all work necessary to achieve that objective.

During the course of the conservation and maintenance work, AICM must guarantee continuity in the providing of said services by the provisional allocation of alternative areas and facilities corresponding to the areas affected.

Rates: AICM is to charge the Aeronautical Service rates authorized by the SHCP, with the required participation of the SCT, provided AICM continues to qualify as a majority state-owned entity. Such rates are to be applied in a nondiscriminatory manner and must be the same for all users operating under the same conditions. It should be mentioned that only the rates of Aeronautical Services are contractually regulated by the SHCP.

Federal Government consideration: The AICM is required to pay concession rights for the use, exploitation and utilization of items under concession, as established in the Rights Law (5% on the total of gross income from aeronautical services); it is also required to pay an annual consideration for the opportunity cost of having received the Existing Airport Concession Title. As long as the AICM continues to be a majority state-owned entity, that consideration must be paid annually in the amount determined by the SCT, assuming the AICM has budget availability in the corresponding.

Termination: The Existing Airport Concession title will be terminated when:

- It expires;
- AICM withdraws:
- The SCT Concession Title is revoked;
- Property is salvaged, when Government Assets is involved;
- The purpose of the Existing Airport Concession ceases to exist, unless resulting from force majeure;
- The Concession Title holder goes into dissolution, liquidation or bankruptcy.

When the New Airport goes into operation, the Existing Airport will suspend operations as a result of airspace security restrictions established by the SCT, at which point, the GACM Concession Title is activated and the AICM concession becomes inoperative.

Termination of the Existing Airport Concession title does not cancel the obligations contracted by the Company during the term of the concession.

Shareholding: GACM agrees to hold at least 51% (fifty one percent) of the AICM capital stock during the term of the New Airport Concession Title, on the understanding that in the event that GACM ceases to be a majority stockholder, the New Airport Concession will be revoked. Furthermore, the acquisition by AICM or GACM of any new airport operating concession or of shareholding exceeding 30% (thirty percent) of the capital stock of a concession holder will require the prior authorization of the SCT.

Reversal: Upon termination for any reason of the Existing Airport Concession, property held under concession will revert to the Nation in operating condition, at no cost to the Federal Government, free of all liens and encumbrances. AICM is required to indemnify the Federal Government for any damage done to the property held under concession resulting from improper use or inappropriate maintenance, other than that resulting from normal wear and tear. The Federal Government will have right of first refusal to acquire any goods, property, work, facilities and improvements other than the items held under concession or items adhered to same, used in providing the Aeronautical and Non-Aeronautical Services, at a price resulting from an appraisal conducted by an entity designated by the SCT, or the Federal Government may lease said items.

(ii) Important aspects on concession for exploitation of the New Airport:

On September 22, 2014, the Federal Government issued GACM a concession title for the use, exploitation and utilization of items held under concession and for the construction, administration, operation and exploitation of the New Airport.

Term: The New Airport Concession Title is effective for a period of 50 years as from the commencement of operations at the New Airport, and can be extended on one or several occasions for periods not exceeding 50 additional years, provided the GACM complies with the conditions contained in the New Airport Concession. Extensions should be requested at the outset of the last five-year period within the term of the New Airport Concession.

Services: GACM is responsible to the SCT for providing Complementary and Commercial Aeronautical and Non-Aeronautical Services as provided in the Airports Law and the Regulations thereto.

Property regime: GACM may lease surface areas included in the concession of the New Airport providing Concession Title and allow the right of use and the right of way through those areas for the purpose of providing Aeronautical and Non-Aeronautical Services. The Existing Airport Concession Title creates no real GACM rights to items under concession.

Commencement of operations: GACM is required to advise the SCT of the date on which it intends to commence operations at the New Airport, once it has complied with the following requirements:

- In cases of construction, notice of completion of construction work;
- The Master Development Program
- The operating rules contained in the New Airport General operating manual;
- The respective insurance policy;
- Registration of the rates pertaining to the Aeronautical and Non-Aeronautical Services to be provided;
- When applicable, the document by which is constituted the Operation and Fee Committee;
- The document by which is constituted the Local Security Committee
- The Authorized Local Security Program; and
- Notifications submitted to the members of the Board of Directors and the airport administrator.

Once GACM has been authorized by the SCT, it may begin operations.

Conservation and Maintenance: GACM is required to ensure that the New Airport is kept at the levels of security, efficiency and quality required by applicable legislation, and is therefore responsible for carrying out all work necessary to achieve that objective. During the course of the conservation and maintenance work, the AICM must guarantee continuity in the provision of such services by the provisional allocation of alternative areas and facilities corresponding to the areas affected.

Rates: GACM is to charge the Aeronautical and Non-Aeronautical Service rates authorized by the SHCP, with the required participation of the SCT, provided the GACM continues to qualify as a majority state-owned entity. It should be mentioned that only the rates related to Aeronautical Services are contractually regulated by the SHCP.

Federal Government consideration: GACM is required to pay a variable consideration to cover the cost of opportunity of having the New Airport Concession title. Additionally, GACM will pay the Federal Government fee a concession right to use, exploit and utilize the licensed goods, as established in the Rights Law (5%) on the sum of gross income from aeronautical services).

Termination: The New Airport Concession Title will be terminated when:

- It expires;
- GACM withdraws;
- The SCT concession title is revoked;
- Property is salvaged, when public assets is involved;
- The purpose of the Existing Airport Concession Title ceases to exist, unless resulting from force majeure;
- The concession holder goes into dissolution, liquidation or bankruptcy.

Termination of the Airport Concession Title does not cancel the obligations contracted by the Company during the term of the concession. In case of revocation of the concession for any reason stated in article 27 of the Airports Law, the SCT will impose the applicable penalties in accordance with such regulation.

Shareholding: As a majority state-owned entity, at all times during the term of the New Airport Concession title, GACM is committed to remain an entity of the Federal Public Administration. Failure to comply with that condition is a cause for immediate annulment of the New Airport Concession Title.

Likewise, GACM may not, either directly or through subsidiary entities, acquire any further concessions in addition to those currently held in its own name or through its subsidiaries, for the administration, operation, exploitation and, where applicable, construction of airports, without the prior authorization of the SCT and the Federal Competition Commission.

Reversal: Upon termination of the New Airport Concession Title for any reason, all public property pertaining to that concession, all works and facilities permanently adjoined to the property held under concession and all other goods will revert to the Nation free of liens and encumbrances. The Federal Government will have the right of first refusal to acquire any goods, property, works, facilities and improvements other than the property held under concession or items adhered to same, used in providing the Aeronautical and Non-Aeronautical Services, at a price resulting from an appraisal conducted by an entity designated by the SCT. That right may only be exercised only if there is Federal Government interest in maintaining the New Airport in operation.

Note 11- Furniture and equipment

Following are furniture and equipment movements during the periods presented in the consolidated financial statements:

	Security equipments	Machinery and other equipment	Furniture, equipment and other goods	Vehicles	Total
At January 1, 2016	$ 549,635	$ 278,006	$ 84,702	$ 118,942	$ 1,031,285
Accumulated depreciation in 2015	(238,516)	(198,784)	(72,313)	(106,475)	(616,088)
Net book amount	311,119	79,222	12,389	12,467	415,197
Disposals	(13,042)	-	-	-	(13,042)
Depreciation for the year 2016	(40,502)	(15,618)	(1,395)	(5,680)	(63,195)
Final balance as of December 31, 2016	$ 257,575	$ 63,604	$ 10,994	$ 6,787	$ 338,960
Final balance as of December 31, 2016	539,560	276,005	84,702	117,976	1,018,243
Accumulated depreciation in 2016	(281,985)	(212,401)	(73,708)	(111,189)	(679,283)
Net book amount	$ 257,575	$ 63,604	$ 10,994	$ 6,787	$ 338,960
Additions	-	-	22,295	-	22,295
Depreciation for the year 2017	(65,783)	(19,604)	(11,778)	(3,201)	(100,366)
Net book amount in 2017	$ 191,792	$ 44,000	$ 21,511	$ 3,586	$ 260,889

Note 12 - Accounts payable and accrued expenses:

The balance is comprised as follows:

	December 31		January 1
	2017	2016	2016
Personal services payable	$ 77,588	$ 75,370	$ 23,785
Suppliers (1)	393,646	150,240	218,568
Public works contractors payable	343,530	880,664	61,905
Rights for the concession title (Note 21) (3)	67,469	84,235	68,106
Annual consideration for concession title (Note 21) (3)	1,070,629	1,378,994	2,196,776
Tax withholding payable (2)	208,530	196,075	124,230
Other accounts payable	157,523	1,273	113,727
Total	$2,318,915	$2,766,851	$2,807,097

(1) This account groups suppliers of consumer goods, services, goods and subcontracted construction services.
(2) The balance of this account includes amounts related to Social Security, INFONAVIT and Retirement Savings System dues withheld.
(3) See policy 3.12 for further detail.

Note 13 – Debt:

The debt balance is comprised as follows:

December	Ref.	December 31, 2016	Amortizations of capital	Increases	Accrued interest	Interest paid	Exchange fluctuation	December 31, 2017	Fair value (informative)	Effective interest rate
2026	1	$ 20,596,636	$ -	$ -	$ 839,231	($ 896,517)	($958,349)	$ 19,581,001	$ 20,055,888	4.46%
2046	2	20,433,204	-	-	1,057,748	(1,160,199)	(960,739)	19,370,014	19,668,865	5.64%
Banobras	3	1,676,067	-	1,055,024	117,325	-	-	2,848,416	2,905,384	7.00%
2028	4		-	17,548,865	210,119	-	1,885,707	19,644,691	20,037,584	4.01%
2047	5	-	-	52,626,812	877,162	-	5,675,030	59,179,004	60,367,866	5.56%
		$ 42,705,907	$ -	$ 71,230,701	$ 3,101,585	($ 2,056,716)	$ 5,641,649	$ 120,623,126	$ 123,035,587	
Less: current portion								(1,455,500)		
Non-current debt								$ 119,167,626		

Debt	Ref.	January 1, 2016	Amortizations of capital	Increases	Accrued interest	Interest paid	Exchange fluctuation	December 31, 2016	Fair value (informative)	Interest rate
2026	1	$ -	$ -	$ 19,340,019	$ 242,877	$ -	1,013,740	$ 20,596,636	$ 20,521,131	5.64%
2046	2	-	-	19,464,795	306,277	-	662,132	20,433,204	20,508,710	7.00%
Banobras	3	885,115	-	728,994	61,958	-		1,676,067	1,676,067	4.04%
Loan	6	16,489,883	(18,844,300)	-	1,234,296	(392,782)	1,512,903	-	-	4.46%
		$ 17,374,998	($ 18,844,300)	$ 39,533,808	$ 1,845,408	($ 392,782)	$ 3,188,775	$ 42,705,907	$ 42,705,908	
Less: current portion		($ 52,958)						(561,151)		
Non-current debt		$ 17,322,040						$ 42,144,756		

(1) one thousand million USD of preferred guaranteed notes maturing on October 31, 2026. Interest arose as from September 29, 2016 at a rate of 4.25% per year, payable every six months.

(2) one thousand million USD of preferred guaranteed notes maturing on October 31, 2046. Interest arose as from September 29, 2016 at a rate of 5.50% per year, payable every six months.

(3) Financing granted by Banco Nacional de Obras y Servicios Públicos, S. N. C. (Banobras, for its acronym in Spanish) to cover the full cost of certain pre-investment studies concerning the demand for Aeronautical Services, not subject to payment of interest. The Banobras balance relates to the book entry of the obligation acquired by GACM when replacing ASA as promoter under the arrangement for financial support with Public Trust No. 1936 titled Fondo Nacional de Infraestructura (Fonadin), authorized by Banobras in its capacity as Trust Company in Fonadin dated January 29, 2015. Said funding will be used to cover the total cost of studies, executive projects, initial works, supervisions and payment of rights and severance payments required to construct the New Airport (Studies). According to the arrangement entered into with Banobras to obtain said financial support, if the project takes place and gives rise to a financial yield, GACM agrees to repay Banobras the funding resources. For accounting purposes, a financial cost is determined considering a term, a currency and the amount of a loan in similar market conditions. Said interest is part of the financial cost shown in the statement of income.

(4) one thousand million USD of preferred guaranteed notes maturing on April 30, 2028. Interest arose as from September 20, 2017 at a rate of 3.88% per year, payable every six months.

(5) three thousand million USD of preferred guaranteed notes maturing on July 31, 2047. Interest arose as from September 20, 2017 at a rate of 5.50% per year, payable every six months.

(6) Renewable long-term preferred secured loans, bearing quarterly interest at the BBA LIBOR rate plus a margin of 1.5% in the first year up to 2.25%. The loan was settled in 2016.

As mentioned in Note 3.3, Consolidation, according to certain assignment-of-rights contracts entered into by the settlers of the TUA Issuer Trust No. 80460 on October 29, 2014, AICM and GACM assigned to the TUA Issuer Trust the rights to collect dues from passengers using the Mexico City Airport System, as well as other related property and assets (insurance and bonds). In exchange, AICM and GACM received funds to partially fund development and construction of the New Airport. TUA Trust No. 80460 assigned the TUA collection rights and assets related to TUA Guarantee Trust No. 2172 as a guarantee for the guaranteed creditors. The credits and guaranteed notes with financing scheme are (1), (2), (4), (5) and (6).

The preferred guaranteed notes have been structured based on the TUA collection rights derived from the operations of the Existing Airport, and the commencement of commercial operations of the New Airport. The TUA is the collateral and sole guarantee backing the preferred guaranteed Notes. The preferred guaranteed Notes are payable only with the revenue generated by the Collateral in accordance with the Guarantee Trust Agreement. Therefore, if passenger charges are not sufficient to cover the principal and interest on the Notes in accordance with the respective terms, or if an event of non-compliance in accordance with the Issue Agreements were to occur, any resources established in the Issue arrangements are limited to the Collateral and the cash on hand held by the Guarantee Trust. The Group is not liable for payment of amounts owed in relation to the Notes or for compliance with the obligations set forth in the Issue Arrangements.

The Group is required to comply with certain conditions set forth in the assignment and guarantee arrangements, the salient being:

- The payment obligation: payment of obligations and liabilities, as they mature.
- Preservation: preserving and keeping the borrower's Trust arrangement valid.
- Books and Records: The Trust must keep the books in accordance with Mexican Financial Reporting Standards (MFRS).
- Use of funds: the proceeds of the loan must be used exclusively to cover the entire current debt obligation on the expiration date and to finance the debt service reserve fund.
- Insurance contract: the Trust must ensure that AICM makes reasonable efforts to secure insurance policies for consequential losses and approvals agreed in the TUA assignment-of-rights arrangement.
- Insurance: on or prior to the activation date, the Trust must ensure that all developers provide an insurance study specifying the maximum probable loss and an analysis for extending the insurance policy.

Note 14 – Long-term provisions:

Long-term provisions are comprised as follows:

	December 31		January 1
	2017	2016	2016
Provision for lawsuits and judgements (1)	$ 43,441	$ 30,857	$ 29,154

(1) This is the estimated cost of labor litigation reported by the General Juridical Office, based on IFRS accounting policies.

Note 15 - Employee benefits:

a. Defined Benefit Obligations (DBO) at December 31, 2017 and 2016 and at January 1, 2016 totaled $97,052, $78,682 and $70,662, respectively.

b. DBO, Fund and Projected Net Asset/Liability (PNA/L) reconciliation.

Following is a reconciliation of the present value of the DBO and the Fund, as well as the fair value of PAs and the PNL recognized in the statement of financial position:

	Seniority premium		Retirement benefits		Total	
	December 31,		December 31,		December 31,	
	2017	2016	2017	2016	2017	2016
Financial Situation of the Plan:						
Defined benefit obligation	($ 21,553)	($ 15,966)	($ 75,499)	($ 62,716)	($ 97,052)	($ 78,682)
Fair value of the fund	11,865	12,005	-	-	11,865	12,005
Plan (deficit)/surplus	(9,688)	(3,961)	(75,499)	(62,716)	(85,187)	(66,677)
Loss/(profit) on the obligation	3,500	(884)	3,533	(8,154)	7,033	(9,038)
Fund loss / (profit)	2,167	1,447	-	-	2,167	1,447
OCI at the end of the period	$ 5,667	$ 563	$ 3,533	$ (8,154)	$ 9,200	$ (7,591)
Reconciliation of net projected (liability) /asset						
Net (liability) /asset projected at beginning of year	($ 3,961)	($ 3,472)	($ 62,716)	($ 55,657)	($ 66,677)	($ 59,129)
Net cost for the period	(1,720)	(1,609)	(16,063)	(15,213)	(17,783)	(16,822)
Contribution to the Fund	1,646	1,655	-	-	1,646	1,655
Payment of benefits to the reserve	14	28	6,813	-	6,827	28
Losses/ (profits) in OCI	(5,667)	(563)	(3,533)	8,154	(9,200)	7,591
Projected net (liability) /asset at end of period	$ (9,688)	$ (3,961)	$ (75,499)	$ (62,716)	$ (85,187)	$ (66,677)
Obligation movements						
DBO at beginning of period	$ 15,966	$ 15,005	$ 62,716	$ 55,657	$ 78,682	$ 70,662
Labor cost	1,420	1,373	11,346	11,636	12,766	13,009
Financial cost	1,186	990	4,717	3,577	5,903	4,567
Benefit payments	(519)	(518)	(6,813)	-	(7,332)	(518)
DBO at end of period (estimated)	18,053	16,850	71,966	70,870	90,019	87,720
DBO at end of period (actual)	21,553	15,966	75,499	62,716	97,052	78,682
Loss/ (profit) on the obligation	$ 3,500	($ 884)	$ 3,533	($ 8,154)	$ 7,033	$ (9,038)
Fund movements						
Fund at beginning of period	$ 12,005	$ 11,532	-	-	$ 12,005	$ 11,532
Company contribution	1,646	1,655	-	-	1,646	1,655
Payment of fund benefits	(505)	(489)	-	-	(505)	(489)
Expected yield on the fund	886	754	-	-	886	754
Fund at end of period (estimated)	14,032	13,452	-	-	14,032	13,452
Fund at end of period (actual)	11,865	12,005	-	-	11,865	12,005
Fund loss (profit)	$ 2,167	$ 1,447	-	-	$ 2,167	$ 1,447
Loss /(profit) net of tax:						
Total Loss / (profit)					7,033	(7,591)
Deferred income tax					(2,167)	2,278
Losses / (profits) in OCI					$ 6,440	($ 5,313)

c. Net Cost for the Period (NCP)

Following is an analysis of the NCP:

	Seniority premium		Retirement benefits		Total	
	December 31,		December 31,		December 31,	
NCP	2017	2016	2017	2016	2017	2016
Net cost for the period:						
Current labor cost	$ 1,420	$ 1,373	$ 11,346	$ 11,636	$ 12,766	$ 13,009
Financial cost (obligation)	1,186	990	4,717	3,577	5,903	4,567
Financial cost (Fund)	(886)	(754)	-	-	(886)	(754)
NCP	1,720	1,609	16,063	15,213	17,783	16,822
Payment of expected benefits	$ 649	$ 939	$ 968	$ 6,252	$ 1,617	$ 7,190

d. Main actuarial assumptions:

The principal actuarial hypotheses used, expressed in absolute terms at December 31, 2017 and 2016 are as follows:

	December 31	
Item	2017 (%)	2016 (%)
Discount rate	7.52	7.58
Rate of salary increase	5.54	5.14
Minimum wage increase rate	4.50	4.00
Inflation rate	4.50	4.00

Note 16 - Costs and expenses classified by type:

Operating costs and administrative expenses for the years ended December 31, 2017 and 2016, integrated by nature, are shown below:

	December 31	
	2017	2016
Expenses pertaining to ASA support services	$1,594,925	$1,788,360
Annual consideration for concession title	1,070,629	643,596
Rights for the concession title	661,994	594,525
Depreciation and amortization	527,153	163,495
Allowance for doubtful accounts	373,272	239,314
Maintenance and conservation of furniture and equipment	1,061,143	758,846
Maintenance and conservation of vehicles, machinery and equipment	510,751	343,366
Cleaning, gardening and fumigation services	153,901	145,739
Professional, scientific, technical and other services	523,199	421,508
Security services	698,334	671,862
Financial, banking and commercial services	61,369	55,624
Financing fees	228,602	28,745
Taxes associated to financing	250,706	69,258
Financing commissions	95,889	178,725
Salaries, wages and other remunerations	683,262	564,021
Basic services	184,404	111,247
Social Security cost and payroll tax costs	97,889	97,307
Social assistance	16,264	15,957
Raw materials and consumables	51,432	51,284
Leases	22,751	18,117
Clothing, linens, protective apparel	16,194	20,304
Fuels and additives	21,838	16,288
Tools, spare parts and minor accessories	5,148	4,550
Chemical, pharmaceutical and laboratory products	4,292	3,311
Transportation, travel expenses and official services	32,953	16,899
Advertising	44,109	17,003
Others	135,840	156,425
Total cost of operation and administrative expenses	$ 9,128,243	$7,195,676

The Group received assistance from its stockholder SCT as concerns the recovery of GACM operating expenses, as the New Airport is in the construction stage. Those reimbursements are recorded as a reduction of the respective expenses in the Consolidated Statements of Comprehensive Income, and in 2017 and 2016, amounted to $259,657 and $212,423, respectively. At December 31, 2017 and 2016, income received of this nature exceeded expenses for the period, which gave rise to a $15,762 and $27,413, respectively; shown as other income in the statement of comprehensive income.

Note 17 - Operating leases:

The Company leases commercial facilities to third parties within and without the terminals, under operating lease contracts. Leasing income is accrued monthly and is determined by applying a percentage established in the lease contract to income from actual lessee sales (participation) or an agreed minimum.

Following are estimations of future yearly income from non-cancelable operating leases, considering minimum guaranteed rent from commercial contracts per passenger at December 31, 2017 and 2016.

Periods ended at December 31:

	2017	2016
Up to a year	$2,625,431	$2,835,000
Between one to two years	2,743,431	2,645,431
Between three to five years	2,866,431	2,743,431
More than five years	-	-

There are lease agreements with participation on the revenue generated by the leases. If revenues exceeds the minimum amounts established, an additional rent agreed with each client is paid. In Note 9, Revenue, this amount is disclosed in each year presented as Lease- income participation.

Note 18 - Stockholders' equity:

At December 31, 2017 and 2016 and at January 1, 2016, the GACM capital stock has been entirely subscribed and paid in and is composed as shown below:

		December 31,		January 1,
Shares *	Description	2017	2016	2016
65,576,514	Series "A" Class I: representing the fixed portion of equity without withdrawal rights	$ 65,577	$ 65,577	$ 65,577
78,272,614,426 (22,065,432,631 In 2016):	Series "A" Class II: representing the variable portion of equity with withdrawal rights	78,272,615	22,065,434	22,065,433
	Capital not yet formalized	-	38,108,172	1,322,558
	Capital stock	$ 78,338,192	$ 60,239,183	$ 23,453,568

Integration of capital stock:

	December 31,		
Origin of the resources	2017	2016	Previous years
Initial contribution	$ 65,577	$ 65,577	$ 65,577
Fiscal resources contribution	17,251,924	17,141,924	6,456,309
Funds capitalization from the issuance of preferred guarantee notes and credits previously transferred as distributions	45,330,167	29,831,705	12,223,082
Capitalization of TUA residual amounts previously transferred as distributions	15,690,524	13,199,977	4,708,600
	$78,338,192	$60,239,183	$23,453,568

On December 29, 2017, a capital stock increase was conducted by issuing 56,207,181,795 new Series A Class II shares representing the variable portion of the capital stock, amounting to $56,207,182. Those $56,207,182 arises from Govenment resources contributed by the Federal Government through the SCT ($12,118,173),and private cash resources pertaining to the financing arrangement structured via the issuance of preferred guarantee notes by TUA Trust 80460 ($33,107,084) and $10,981,925 corresponding to TUA residual amounts.

In 2016, contributions for future capitalizations were received in the amount of $36,785,615, which remained pending formalization, of which, $10,685,615 arise from Government resources contributed in cash by the Federal Government through the SCT, and $26,100,000 arising from private cash resources pertaining to the structured financing arrangement via the issuance by the TUA Trust 80460 of preferred guarantee notes.

Legal reserve

The Company is required to set aside at least 5% of its net individual annual profits for the legal reserve fund, until it reaches the equivalent of 20% of outstanding issued capital stock. Mexican companies may only pay dividends from accrued profits after the legal reserve fund for the period has been created.

Capital pending formalization

This capital represents contributions received from the principal stockholder to be used in investment expenses, and will remain in this item once it has been approved at shareholders meeting as part of the capital stock, it is considered a contribution for future capitalizations and remain in this account until the respective shares have been issued.

These contributions made by shareholders, are considered paid-in capital stock, because they hold the same rights as when the shares are already issued, so the contributions were recorded as paid-in capital stock.

Dividends

Dividends to be paid will be free from income tax if they come from net tax profit account (CUFIN for its Spanish acronym). Any dividend paid in excess of the CUFIN will cause a tax equivalent to 42.85% from January 2017. Incurred tax is payable by the Company and may be credited against its income tax for the period or for the following two periods. Dividends paid coming from profit previously taxed by income tax are not subject to withholding tax or additional tax payment.

The incentive is applicable provided those dividends or profits arising 2014, 2015 and 2016 and are reinvested in the legal entity for which they arose, and consists of a tax credit equivalent to the amount arrived at by applying the percentage corresponding to the year of distribution to the dividend or profit to be distributed, as shown below:

Year in which the dividend or profit is distributed	Percentage applied to the dividend or profit distributed
2018	2%
2019 onwards	5%

The tax credit determined is creditable only against the additional 10% income tax required to be withheld and paid by the entity, provided there is compliance with the requirements established in the Income Tax Law.

In the event of a capital reduction, any amount of stockholders’ equity exceeding the balances of the contributed capital accounts is subject to the same tax treatment as dividends, as per the procedures established in the Income Tax Law.

Retained earnings

Substantially all of the Company’s consolidated profits were generated by its subsidiaries.

In 2016 in 2017, funds have been distributed to the stockholders, in accordance with Note 3.12 (ii) and (iii), and have subsequently been capitalized; those funds arise from private cash resources originating from the structured financing arrangement involving issuance of preferred guarantee notes by TUA Trust 80460 and residual amounts of TUA. As explained at the beginning of this note, with regard to capital contributions, this situation complies with the regulatory requirements applicable to state owned entities required to pay over residual amounts or excess income to the Federal Government, which subsequently returns those funds in the form of capital contributions. See note 3.12, “Payments for the concession and government fees", on the accounting treatment of these payments to the SCT.

The distributions are not legally considered dividends, however the administration carried out an analysis and it was determined that the payments made to the holding company are as a shareholder of GACM, so these distributions are charged to capital stock. These amounts do not come from accumulated profits.

The $12,630,631, which is presented as an accumulated deficit in the Statement of Changes to the Consolidated Stockholders' Equity as of January 1, 2016, includes distributions with subsequent capitalization of funds from guaranteed and preferential renewable credits and TUA residual amounts for $16,931,682, which were made in previous years. If these distributions were not presented, the aforementioned balance at that date would amount to $ 4,301,051 of retained earnings.

Budgetary Government Fees

As state owned entities, GACM and AICM, aside from the consideration pertaining to the concession title mentioned in Note 10.1, Concession terms and conditions, are subject to the payment of budgetary government fees in the terms of the third paragraph of article 26 of the Budget Law through the SHCP.

The SHCP calculates the budgetary government fees on the basis of applicable legal provisions, considering whether an entity generates sufficient resources to cover operating costs and its tax and legal obligations. Until December 31, 2017, the SHCP has not required the Group to pay these Government Fees, but there is no certainty that this will continue to be the case in the following years.

TUA residual amounts delivered by the Trust to GACM are cumulative.

Note 19 - Finance income and expense:

For the years ended December 31, 2017 and 2016, the finance income and expense is comprised as follows:

	2017	2016
Finance income:		
Interest income	$ 3,495,663	$ 1,505,499
Less: Amounts capitalized on qualifying assets	(1,870,873)	(442,242)
	1,624,790	1,063,257
Exchange fluctuation gain	6,342,482	-
Less: amounts capitalized on qualifying assets	(913,095)	-
	5,429,387	-
Total finance income	$ 7,054,177	$ 1,063,257
Finance cost		
Interest expenses	($ 3,050,666)	($ 1,845,411)
Less: amounts capitalized on qualifying assets	3,047,885	1,018,183
	(2,781)	(827,228)
Exchange fluctuation loss	(5,690,169)	(4,599,036)
Less: amounts capitalized on qualifying assets	2,893,333	913,898
	(2,796,836)	(3,685,138)
Total finance cost	($ 2,799,617)	($ 4,512,366)
Total finance income (expense), net	$ 4,254,560	($3,449,109)

Note 20 – Current deferred income tax:

The Company does not consolidate for tax purposes.

i. In 2017, the Group, through its subsidiaries AICM and SACM, determined a tax result of $743,173 ($723,383 in 2016). The tax income differing from the accounting income is mainly due to the items accumulated overtime and deducted in a differently way for accounting and tax purposes, but the recognition of inflation for tax purposes, as well as the items affecting either the accounting or tax income. At December 31, 2017 GACM determined a tax loss and in 2016, GACM determined no tax result because it amortized tax losses from previous years.

ii. The Income Tax Law establishes that income tax applicable in the periods presented and subsequent periods is 30% of taxable profit.

The provision for income tax at December 31, 2017 is as follows:

	2017	2016
Current income tax	$ 222,950	$ 217,015
Deferred income tax	1,531,460	(247,532)
Total provision of income tax	$1,754,410	($ 30,517)

The deferred tax asset is comprised as follows:

	2017	2016	2015
Deferred tax asset			
Accounts receivable and others	$ 65,739	$ 78,146	$ 287,082
Accounts payable and accrued expenses	86,402	52,851	53,230
Customer advances received	41,661	69,006	51,938
Employee benefits (*)	25,556	20,003	17,739
Long term provisions	7,210	9,257	8,746
Tax loss	21,575	2,464	51,775
Capital contributions	21	-	-
	$ 248,164	$ 231,727	$ 470,510
Deferred tax liability			
Residual amounts of TUA charged and TUA to be transferred	$ 1,527,036	$ 468,962	$ 1,155,211
Intangible assets, airport concession titles and advances	678,955	197,038	24,513
Furniture and equipment	78,267	101,688	124,559
Financing (Banobras)	188,403	156,274	106,891
Inventories	3,932	4,734	5,844
	2,476,593	928,696	1,417,018
Total deferred tax liability	$ 2,228,429	$ 696,969	$ 946,508

(*) The deferred tax amount of the year was credited to OCI, ($2,167) and $2,278 as of December 31, 2017 and 2016, respectively, were transferred to this account (see Note 15).

a. Reconciliation between current and effective income tax rates is as follows:

	2017	2016
Consolidated profit before provisions for taxes on income and equity in joint business	$9,489,991	$1,718,340
Income tax rate	30%	30%
Nontaxable Federal Government contributions	(1%)	(4%)
Annual inflation adjustment	(1%)	1%
Non-deductible items	1%	1%
Other	(1%)	(4%)
TUA collection (*)	(27%)	(127%)
Accounting expenses and income from transparent entity	17%	101%
Effective income tax rate	18%	(2%)

(*) In agreement with the current GACM tax scheme, the collection for TUA received by trust 2172 is deductible for tax purposes.

b. At December 31, 2017, GACM had accumulative tax loss for a total of $71,916, whose right to be amortized against future taxable income expires as shown below:

Year of loss	Restated amount	Year of expiration
2015	38,212	2025
2017	33,704	2027
	$ 71,916	

Note 21 - Balances and transactions with related parties:

A party is considered to be related to another when one or a group, acting together, exercises or is in a position to exercise directly or indirectly, or as a result of agreements between stockholders or participants, control of another or a significant influence on the financial and exploitation decision-making. In any case, parties are considered to be related when they have the corporate features of companies of the group, associate or multigroup.

As a company of the Government sector and a state owned company, GACM is not required to include information concerning related parties in the terms of IFRS 24 "Related party disclosures", in cases where the other entity is also significantly controlled or influenced by the same Public Administration, provided there is no indication of influence between them or when transactions are not significant in terms of size. However, the Company's most significant transactions with the SCT are presented later herein.

	December 31,	
Operations	2017	2016
Recorded in stockholders' equity		
Distribution of TUA residual amounts for the year	($2,490,548)	($6,391,377)
Distribution of funds arising from note issuance	(15,498,461)	(17,608,623)
Distribution in kind for the construction of the presidential hangar on behalf of the National Government	(110,000)	(24,364)
Contribution of TUA residual amounts cumulated	2,490,548	6,391,377
Contribution of funds arising from note issuance	15,498,461	17,608,623
Contribution of TUA residual amounts from previous periods	-	2,100,000
Contribution of Government resources (1)	-	10,685,615
Contribution of Government resources for the construction of the presidential hangar on behalf of the National Government	110,000	-
	-	12,761,251
Recorded in the statement of income		
Annual consideration for concession title	(1,070,629)	(643,596)
Rights for the concession titles	(661,994)	(594,525)
	(1,732,623)	(1,238,121)
Total	(1,732,623)	11,523,130

Following are balances payable by the Company to the SCT (see Note 12):

	December 31		January 1
	2017	2016	2016
Annual consideration for concession title (1)	$ 1,160,325	$ 1,378,994	$ 2,196,776
Rights for the concession titles	67,469	84,235	68,106
	$ 1,227,794	$ 1,463,229	$ 2,264,882

(1) Corresponds to the contributions by the Federal Government for the construction of the New Airport, in its capacity as shareholder.

There is also another relevant transaction with its minority shareholder, ASA. The Company engages ASA as a special advisor in the rendering of operating and administrative services. ASA renders the fuel storage, distribution, suction and supply services to AICM or the airlines.

Following are the Company's transactions conducted with ASA in the years presented:

	December 31,	
	2017	2016
Expenses pertaining to ASA support services	$ 1,594,925	$ 1,788,360

Note 18, Stockholders' equity and Note 3.12, Payments for the concession and Government fees, contain further information concerning operations with SCT.

Key management personnel compensation

Key personnel include directors (executive and non-executive) and members of the Executive Committee. Following is the compensation paid or payable to those executives for their services:

	December 31,	
	2017	2016
Salaries and other short-term benefits	$20,237	$16,629

Note 22 - Commitments and contingencies:

At December 31, 2017, the Company is in a judicial process concerning economic competition, in this regard, the corresponding legal actions have been taken at the courts, where it has submitted a request for an injunction; the authorities have not yet issued a resolution concerning said processes. GACM estimates that if the authorities apply the correct legal criteria, their resolution will favor the Entity.

There are lawsuits and claims pertaining to constitutional, administrative, mercantile, labor, agricultural, and environmental and human rights matters. Injunctions have been requested, some of which have been dismissed without further court procedures.

The Group does not expect the final resolution concerning those claims and lawsuits to have a significant effect on its financial situation.

Note 23 – IFRS transition effects:

As explained in Note 2, Basis of preparation, the Group prepares its statutory financial information under NIFG, and these are its first consolidated financial statements prepared in accordance with IFRS, which will be additional to its statutory financial statements prepared under NIFG. These financial statements will be used for the purpose of being able to participate in any transaction under the CNBV rules, previously mentioned, and they correspond to the year ended December 31, 2017, considering January 1, 2016 as the date of transition to IFRS; For comparability purposes, the consolidated financial statements as of December 31, 2016 and for the year ended on that date under the NIFG have been prepared in accordance with IFRS.

The figures included in these financial statements referring to previous years, have been reconciled to be presented with the same principles and criteria applied as of December 31, 2017 and 2016 and January 1, 2016.

The accounting policies established in Note 3 have been applied consistently in the preparation of the financial statements for the years ended December 31, 2017 and 2016, and in the preparation of an opening statement of financial position under IFRS as of the date of Group transition.

IFRS 1 "First-time Adoption of International Financial Reporting Standards" is the standard that must be applied when an entity presents its first annual or interim financial statements prepared under IFRS.

IFRS 1 allows certain exemptions from the general requirement to apply IFRSs retroactively to the date of transition. In the preparation of the financial statements following the IFRS accounting framework and specifically IFRS 1, the Group is applying the following mandatory exceptions and optional exemptions.

Mandatory exceptions:

In accordance with the exception of estimates, it is presumed that the estimates under IFRS as of January 1, 2016 are consistent with the estimates made in accordance with NIFG.

In accordance with the exception of derecognition of financial assets and liabilities, the first time adopter will apply the derecognition requirements in IAS 39 prospectively for transactions that occur as of the date of transition to IFRS. For example, if a first time adopter for the derecognized of non-derivative financial assets or non-derivative financial liabilities in accordance with its previous GAAP, as a result of a transaction that occurred prior to the date of transition to IFRS, will not recognize those assets and liabilities in accordance with IFRS (unless these qualify for recognition as a result of a transaction or subsequent event).

The other mandatory exceptions to IFRS 1 that have not been applied because they have no relevance to the accounting effects in the Group's financial statements are:

- Hedge accounting;
- Noncontroling interest;
- Government loans.

Optional exemptions applied by the Group:

a) Deemed cost - IFRS 1 allows the option of fair value measurement for furniture and equipment, as well as certain intangibles at the date of transition to IFRS, and use said fair value as its deemed cost at the transition date or use an updated carrying amount determined under NIFG. If said updated carrying amount is comparable to: a) fair value, or b) cost or depreciated cost in accordance with IFRS, adjusted for the recognition of changes in an inflation index. The Company adopted its previous values in NIFG as the deemed cost of furniture and equipment at the date of transition.

b) Exemption to capitalize loan costs - IFRS 1 allows entities to apply the transition lines included in IAS 23, "Capitalization of loan costs", which says that the effective date of the standard is January 1, 2009, or the date of transition to IFRS, whichever comes later.

   According to IFRS 1, an entity that adopts IFRS for the first time may choose to apply the requirements of IAS 23, from the date of transition or from an earlier date. The Company decided to apply this exemption as of the transition date. Taking this into account, and in accordance with IFRS 1, it did not restate the cost component of previous loans and account for borrowing costs incurred as of the transition date in accordance with IAS 23.

The following reconciliations shows the quantification of the major impacts of the IFRS transition:

A) Consolidated Statement of Financial Position as of January 1, 2016.
B) Consolidated Statement of Financial Position as of December 31, 2016.
C) Consolidated Statement of Comprehensive Income from January 1 to December 31, 2016.
D) IFRS transition effects explanation and other reclassifications.

E) Significant IFRS transition effects explanation in the Consolidated Statement of Cash Flows for the year ended December 31, 2016.

A) The following are the effects on IFRS adoption in the Consolidated Statement of Financial Position as of January 1, 2016:

Thousands of Mexican pesos

Assets		NIFG	Ajustes	Reclasificaciones	IFRS
CURRENT ASSETS:					
Cash and cash equivalents	1,9	$ 1,748,496	$ 4,059,673	$ 19,145,826	$ 24,953,995
Restricted cash and cash equivalents	1	-		261,928	261,928
Rights to receive cash or cash equivalents	6	2,337,382	-	(2,337,382)	-
Accounts receivable and others, Net	1,6	-	(43,318)	1,704,623	1,661,305
Value added tax	6	-	-	455,494	455,494
Rights to receive goods or services	7	70,845	-	(70,845)	-
Inventories	8	23,557	(4,077)	-	19,480
Total current assets		4,180,282	4,012,278	19,159,644	27,352,202
NON-CURRENT ASSETS:					
Long-term financial investments	9	19,407,754	-	(19,407,754)	-
Rights to receive long-term cash or cash equivalents	6	28,679	(19,124)	(9,555)	-
Intangible assets, airport concessions titles and advances, Net	2,3,4,7	8,487,391	(1,551,573)	(1,455,676)	5,480,142
Furniture and equipment, Net	2	1,031,286	-	(616,089)	415,197
Depreciation, impairment and accumulated amortization	2	(2,142,609)	-	2,142,609	-
Deferred income tax asset	21	130,008	(130,008)	-	-
Other assets	6,10	74		9,480	9,554
Total non-current assets		26,942,583	(1,700,705)	(19,336,985)	5,904,893
Total assets		$ 31,122,863	$ 2,311,573	($ 177,341)	$ 33,257,095
Liabilities and Stockholders' Equity					
CURRENT LIABILITIES:					
Current portion of long-term debt	1	$ -	$ 52,958	$ -	$ 52,958
Accounts payable and accrued expenses		3,858,845	-	(1,051,748)	2,807,097
Value added tax payable	6	-	-	874,410	874,410
Short-term deferred liabilities	22	173,128	-	(173,128)	-
Advances from customers	22	-	-	173,125	173,125
Total current liabilities		4,031,973	52,958	(177,341)	3,907,590
NON-CURRENT LIABILITIES:					
Long-term debt	1,11	1,241,420	16,080,620	-	17,322,040
Employee benefits	12	-	(13,860)	72,989	59,129
Long-term provisions	12	102,143	-	(72,989)	29,154
Advances from customers		154,001	-	-	154,001
Deferred income tax	21	-	946,508	-	946,508
Total non-current liabilities		1,497,564	17,013,268	-	18,510,832
Total liabilities		5,529,537	17,066,226	(177,341)	22,418,422
STOCKHOLDERS' EQUITY:					
Capital stock	13	23,503,810	(12,273,324)	12,223,082	23,453,568
Cumulative Deficit	1,2,3,4,5,8,12,13,21	2,073,780	(2,481,329)	(12,223,082)	(12,630,631)
Legal reserve		15,736	-	-	15,736
Total stockholders' equity		25,593,326	(14,754,653)	-	10,838,673
Total liabilities and stockholders' equity		$ 31,122,863	$ 2,311,573	$ -	$ 33,257,095

B) The following are the effects on IFRS adoption in the Consolidated Statement of Financial Position as of December 31, 2016:

Thousands of Mexican pesos

Activo		NIFG	Ajustes	Reclasificaciones	IFRS
CURRENT ASSETS:					
Cash and cash equivalents	1,9	$ 295,269	$ 2,818,879	$ 47,631,194	$ 50,745,342
Restricted cash and cash equivalents	1	-	-	507,461	507,461
Rights to receive cash or cash equivalents	6	3,790,143	-	(3,790,143)	-
Accounts receivable and others, Net	1,5,6	-	(180,979)	2,261,616	2,080,637
Value added tax	6	-	-	442,457	442,457
Rights to receive goods or services	7	215,261	-	(215,261)	-
Inventories	8	21,377	(5,602)	-	15,775
Total current assets		4,322,050	2,632,298	46,837,324	53,791,672
NON-CURRENT ASSETS:					
Rights to receive long-term cash or cash equivalents	1	-	-	1,255,672	1,255,672
Long-term financial investments	9	49,394,328	-	(49,394,328)	-
Rights to receive long-term cash or cash equivalents	10	28,785	-	(28,785)	-
Intangible assets, airport concessions titles and advances, Net	1,2,3,4,7	17,239,410	98,848	(1,408,732)	15,929,526
Furniture and equipment, Net	2	1,018,244	-	(679,283)	338,961
Depreciation, impairment and accumulated amortization	2	(2,303,277)	-	2,303,277	-
Long-term value added tax	6	-	-	1,086,070	1,086,070
Deferred income tax asset		4,283	(4,283)	-	-
Other assets	10	-	(19,124)	28,785	9,661
Total non-current assets		65,381,773	75,441	(46,837,324)	18,619,890
Total assets		$ 69,703,823	$ 2,707,739	$ -	$ 72,411,563
Liabilities and Stockholders' Equity					
CURRENT LIABILITIES:					
Current portion of long-term debt	1	$ -	$ 561,151	$ -	$ 561,151
Accounts payable and accrued expenses	1, 4	3,178,312	(35,887)	(375,573)	2,766,852
Value added tax payable		-	(70)	375,573	375,503
Short-term deferred liabilities	22	230,018	-	(230,018)	-
Advances from customers	22	-	-	230,018	230,018
Total current liabilities		3,408,330	525,194	-	3,933,524
NON-CURRENT LIABILITIES:					
Long-term debt	1,11	2,196,982	39,947,774	-	42,144,756
Employee benefits	12	-	(66,270)	132,946	66,676
Long-term provisions	12	355,980	-	(325,123)	30,857
Advances from customers		184,685	-	-	184,685
Deferred income tax	12, 21	-	504,792	192,177	696,969
Total non-current liabilities		2,737,647	40,386,296	-	43,123,943
Total liabilities		6,145,977	40,911,490	-	47,057,467
STOCKHOLDERS' EQUITY:					
Capital stock	13	60,289,495	(29,882,018)	29,831,705	60,239,182
Cumulative Deficit	1,2,3,4,5,8,10,12,13, 21	3,252,615	(8,321,735)	(29,831,705)	(34,900,825)
Legal reserve		15,736	-	-	15,736
Total stockholders' equity		63,557,846	(38,203,753)	-	25,354,093
Total liabilities and stockholders' equity		$ 69,703,823	$ 2,707,737	$ -	$ 72,411,560

C) The following are the effects on IFRS adoption in the Consolidated Statement of Comprehensive Income from January 1 to December 31, 2016:

Thousands of Mexican pesos

		NIFG	Ajustes	Reclasificaciones	IFRS
Sale of goods and services	14	$ 11,887,825	$ -	($ 11,887,825)	$ -
Aeronautical services	14	-	(104,230)	8,811,332	8,707,102
Non-aeronautical services	14	-	(73,032)	3,076,493	3,003,461
Construction services	3	-	9,049,792	-	9,049,792
Participations and contributions, transfers, allowances, subsidies and other aids	5,15	36,998,088	(36,970,627)	(27,461)	-
Other income and various benefits	5	26,958,457	(26,682,967)	(275,490)	-
Other income	15	-	-	27,413	27,413
		75,844,370	(54,781,064)	(275,538)	20,787,767
Transfers allocations, subsidies and other grants	15,16,18	44,068,150	(44,068,101)	(49)	-
General services	16,21	30,204,003	(24,000,000)	(6,204,003)	-
Personal services	16	665,235	-	(665,235)	-
Estimates, depreciations, and amortizations	17	410,229	-	(410,229)	-
Materials and supplies	16	86,147	-	(86,147)	-
Ayudas sociales	20	15,956	-	(15,956)	-
Other expenses	16	167,465	-	(167,465)	-
Operating costs and administrative expenses	14,19	-	191,045	7,004,630	7,195,675
Cost of construction services	3	-	8,424,643	-	8,424,643
Total operating costs and expenses	19	75,617,185	(59,452,413)	(544,454)	15,620,318
Operating income		227,185	4,671,349	268,915	5,167,449
Finance income	1, 11	951,656	(163,889)	275,490	1,063,257
Finance cost	1	-	(827,071)	(157)	(827,228)
Exchange fluctuation loss	1	-	(3,680,089)	(5,049)	(3,685,148)
Finance income/(cost), Net		951,656	(4,671,049)	270,284	(3,449,109)
Profit before income tax		1,178,841	300	539,199	1,718,340
Income tax	16, 21	-	569,716	(539,199)	30,517
Net consolidated profit for the year		$ 1,178,841	($ 569,416)	$ -	$ 1,748,857
Other comprehensive income: Items that will not be reclassified to profit or loss: Remeasurements of labor obligations, net of taxes		-	-	-	5,313
Total consolidated comprehensive income for the year		$ 1,178,841	($ 569,416)	$ -	$ 1,754,170

D) IFRS transition effects explanation and other reclassifications.

1) Consolidation of structured entities: As explained in Note 4.2.1, Basis of consolidation, critical judgment was analyzed and applied for the consolidation of structured entities: a) TUA Trust No. 80460 and b) Guarantee Trust TUA No. 2172, which under IFRS has a specific purpose, and GACM has substantive rights corresponding to the fact that, even though there is a transfer of the future collection rights of the TUA, and the Company does not guarantee the payment of the obligations issued by the Trust, GACM receives the remainder of the cash that are administered by the trusts, once the interest payments established in the contracts and other payments or minimum reserves have been covered. These structured entities are not consolidated under NIFG, the sales of the collection rights of TUA were considered as an income under NIFG, by anticipated sale of the rights of TUA, for the purposes of IFRS that sale is eliminated and from the balance of The structured entities are consolidated by presenting themselves in the consolidated statement of financial position of the Group, the liabilities of preferred guaranteed notes issued by Trust

TUA No. 80460 for an amount of $16,489,883 (of which $52,958 is short-term) and accounts payable and accrued expenses for $71,113 as of January 1, 2016 and $41,029,840 (of which $561,151 is short-term) as of December 31, 2016, as well as the other assets contributed by the trusts corresponding to cash and cash equivalents (for $3,797,745 as of January 1, 2016 and $1,055,746 as of December 31, 2016), restricted cash (for $261,928 as of January 1, 2016 and $1,763,133 as of December 31, 2016 of which $1,255,672 are long-term), in the income statement interest income generated by cash and cash equivalents of $278,561, expenses for interest on long-term debt for $1,783,450 (of which $961,273 were capitalized) and loss due to exchange fluctuation generated by the debt of $4,594,487 (of which $909,506 were capitalized) and of the Trust itself for $266,476.

As part of the consolidation of the TUA No Trust. 80460, an income was eliminated by the commercial commission that is generated by the collection that AICM makes to the issuing Trust for the service of collecting the collection for $53,605, and the receivable balances that the trust maintained for $44,265 and $56,788 as of January . and December 31, 2016, respectively, this in accordance with IFRS 10, as part of the elimination entries between related parties.

Of the financial expenses (interest expense and loss due to foreign exchange fluctuations), $1,489,839 were capitalized, (interest expense $1,018,182, loss due to exchange fluctuation $913,899, interest expense decreased of $442,242, of which $278,561, were generated in the trust).

2) Application of concession accounting: The Group Management defined a consistent policy in accordance with IAS 8, to account for concessions following initial and subsequent measurement guidelines, taken from Interpretation IFRIC 12, Service Concession Agreements under IFRS (see policy 4.2.3). Under this policy, improvements to granted assets are only capitalized if they represent increases in the productive capacity of the asset or its useful life, certain assets that were capitalized following the NIFG were identified, but which does not comply with the IFRS guidelines, associated with elements of maintenance and replacement of equipment in the past. These were adjusted against the accumulated deficit of $1,052,579 as of January 1, 2016 and $337,107 as of December 31, 2016. This also had a minor effect on the amortization of the Concession for $6,903.

   Those items that were not considered part of the concession previously identified as movable property, were reclassified and are presented under IFRS as furniture and equipment that includes all operational equipment not attached to the ground that is used at the airport for $415,196 ($ 616,089) and $375,503 ($679,283) as of January 1 and December 31, 2016, respectively, net of accumulated depreciation.

   Under NIFG, accumulated depreciation, impairment and amortization is presented separately under IFRS, is presented net in intangible assets and in furniture and equipment

3) Construction accounting: as part of the accounting for concessions under IFRS, and that there is no similar rule applicable under NIFG, at the transition date the measurement of reasonable services was made for those elements of improvement that increase intangible assets from the margin in construction services is applied as if the Group had applied the policy similar to IFRIC 12 all the time. The contracts and services for the contracting of services of the company, related to the intangible construction according to the construction contract and construction costs, respectively. This leads to a record of revenues from construction services of $9,049,792 and a cost of construction services of $8,424,643, generating a margin of $625,149 during 2016 and a cumulative balance as of January 1, 2016 of $369,414.

4) Assets built on behalf of the shareholder: Under IFRS, an asset built by agreement with the shareholder was distributed in kind, and under NIFG was accounted as part of the granted assets. Under IFRS, it is not considered an asset that is granted according to the concession title and does not represent an asset that is controlled and that future benefits associated with it can be obtained, for which reason it was delivered at its investment value at the date of transition through a charge to accumulated earnings of $868,407, corresponding to a transaction with the shareholder. Complementary works associated with the same project carried out during 2016 for $134,363 were also recorded against the accumulated deficit, net of a contribution of $110,000, housed in NIFG, under Accounts payable and accrued expenses.

5) Government fees obtained from financing for the issuance of preferred guaranteed notes and remnants of TUA that are paid to the SCT: as explained in Note 3.12 as part of the variable consideration of the Concession, payments are made to the SCT with funds provided by the financing obtained by the issuance of preferred guaranteed notes and by residuals of the collection of TUA, which under NIFG are considered budget surpluses and are paid as utilities and recorded as an expense. This use is not related to an expense under IFRS but to a payment to the shareholder that derives from the sale of future rights to the collection of TUA and that income has not yet been generated, which is recorded by a debit to accumulated profits.

   Under NIFG, these government fees paid to the SCT are recorded as part of the transfers, allocations, subsidies and others, so this account was eliminated: contribution of remnants of the year, contribution of residuals from the previous year, contribution of future rights of TUA, and contribution of government resources that for IFRS purposes are recorded in the stockholders' equity as an increase in the accumulated deficit. Additionally, under NIFG in Other Income and Miscellaneous Benefits, TUA remnants paid by Trust No. 80460, to AICM and GACM for $6,447,576, as well as financing income of $17,552,424, which under IFRS are eliminated in an adjustment against the General Services account for $24,000,000. TUA residuals made by Trust No. 80460, delivered directly to the AICM for operating expenses of $2,731,741, were also eliminated, and only the expenses incurred and paid for with the consolidated financial statements of the group remains those funds.

   The other income and miscellaneous income account was also adjusted for the commissions charged to the trust for $53,605 and the decrease of $124,190 related to the impairment of the account receivable with MRO.

   Under NIFG these government fees collected from the TUA No Trust. 80460, are recorded as part of the income from participations and contributions, transfers, allocations, subsidies and other aid, therefore this account was eliminated and is already part of an intercompany transaction within the consolidated financial statements.

6) Rights to receive cash or equivalents. Under IFRS, the following reclassifications were made to present these items to the corresponding items: $1,705,570 reclassified to accounts receivable from Customers, $455,494 to Value Added Tax (VAT) receivable, $177,339 VAT payable, to January 1 of 2016. As of December 31, 2016, $2,261,616, were reclassified to accounts receivable, $1,528,527 to VAT receivable, of which $1,086,070 are presented in the long term.

7) Right to receive goods or services. Under IFRS, $70,845 and $215,261 were reclassified to contractors' advances on January 1, 2016 and December 31, 2016, for the construction of the new airport to be presented as part of the intangible assets granted.

8) Inventories (warehouses under NIFG), under IFRS, items corresponding to expenses were adjusted in accordance with IAS 2, Inventories for $4,077 and $5,602 as of January 1, 2016 and December 31, 2016, respectively, of which $1,525 were adjusted against the results of 2016.

9) Long-term financial investments. Under IFRS, these balances were reclassified to cash and cash equivalents, because they are cash and equivalents in accordance with IAS 7, cash flows. Under NIFG, it is presented in this item because it is in a trust, which for purposes of IFRS is effective and equivalent.

10) Rights to receive cash and long-term cash equivalents, minority interest in MRO, an entity related to maintenance services to Mexicana de Aviación, under IFRS was considered impaired and an impairment expense was recognized from the opening balance sheet for ($19,124) as of January 1, 2016 and December 31, 2016. The balance of "Rights to receive cash and long-term cash equivalents" are presented as other assets.

11) Credit with Banobras under IFRS within the long-term debt, a credit is incorporated with Banobras without contractual interest, defined as an amount of $885,115 as of January 1, 2016 and $1,676,068 as of December 31, 2016, which for the purposes of IFRS was discounted at an annual rate of 7.5% associated with the rate that the Group could obtain local financing. The effect of the discount on the transition date of $356,305 was recorded as a debit to the accumulated deficit, and in 2016 was recorded as an income in the income statement for $226,568 to apply the requirement the effective interest rate of IFRS, and $61,958, were the accrued interest charged to the initial balance that were capitalized.

12) Long-term provisions were separated to present benefits to employees and deferred ISR independently, as required by IFRS, these in turn were adjusted to show the measurement in accordance with IAS 19 "Benefits to employers" two "and IAS 12" Income taxes ".

Employee benefits were adjusted by $13,860 and $66,270 as of January 1, 2016 and December 31, 2016, respectively, to mainly cancel termination benefits that under IAS 19 are recognized at the time of the event.

13) The capital stock was adjusted to eliminate the inflation recognized in accordance with government standards. This amount of $50,242, which was adjusted to the accumulated deficit. Under IFRS IAS 29 "Financial information in hyperinflationary economies" requires the recognition of the effects of inflation on financial information when the entity operates in a hyperinflationary economic environment, which one of its characteristics is that the rate of Accumulated inflation over a period of three years approaches or exceeds 100%. The last three-year period in which Mexico ceased to be a hyperinflationary economy was the period from 1995 to 1997, so the Company eliminated the effects of inflation.

14) Sale of goods and services. The revenues grouped in this item under NIFG were reclassified to be presented separately in two different concepts under IFRS, income for aeronautical services and income from non-aeronautical services. In addition, the commissions paid to the airlines were adjusted for the collection of TUA for $104,230, which were presented within the expenses and which are now considered as a discount on the revenues. Additionally this account includes as adjustment the amounts received from the tenants as recovery of electricity and water expenses for $73,032, which do not have any profit margin and function as a recovery only.

15) Participations and contributions, transfers, allocations, subsidies and other aid. This account represents under NIFG the income contributed by the SCT for the construction of the New Airport for $ 36,785,615. For purposes of IFRS this income is eliminated against the account of transfers,

allocations, subsidies and other aids (see number 18 below), because these contributions received from the SCT are delivered to a Trust responsible for making payments to contractors, and in the moment the money is transferred an expense is recorded in that account.

16) Personal services, materials and general supplies and services. Under IFRS, a reclassification was made for net expenses to be presented as operating costs and administrative expenses, or to be included in other items of the income statement. In the case of commissions paid to airlines for the collection of TUA that are presented as an expense under NIFG in this account, under IFRS they are presented as a decrease in TUA income because they correspond to an adjustment to the price agreed with the clients, due that the airlines are responsible for the collection of the TUA. The movements described in point 5 of this note are also excluded by reclassification, the expenses for income tax $539,199 of provision.

17) Estimates, depreciation, impairment, obsolescence and amortization. This account includes mainly the depreciation, amortization and allowance for doubtful accounts, these concepts were reclassified under IFRS to the account of operating costs and administrative expenses.

18) Transfers of allocations, subsidies and other aids. This account records the transfers to the trust of payment administrator for the construction that under NIFG is recognized as an expense. For purposes of IFRS, this expense and this income are eliminated for a total of $36,785,615 each, since they do not comply with said definitions under IFRS. Additionally, in this account NIFG records all collections deposited directly in Trust 2172, which are recognized as an expense, which for 2016 corresponds to $7,282,485, which for purposes of consolidation under IFRS was eliminated.

19) Operating costs and administrative expenses. These expenses are reclassified under IFRS to present all the operating and administrative expenses that under NIFG are presented in different accounts. The reclassifications are $5,664,804 of general services, $665,235 personal services, $410,229 of estimates, depreciation, impairment, obsolescence and amortization, $264,362 of materials and supplies, other expenses and administrative expenses. Additionally included adjustments under IFRS were adjusted to $191,045 which is integrated by different movements, the most relevant are:($ 177,262) of the adjustment 14, $266,477 of expenses of the Trust $337,106 increase for maintenance expenses capitalized as part of the assets of the concession that under IFRS does not qualify as part of the asset, ($44,818) to reduce expenses for employee benefits by the application of IAS 19, ($185,012) decrease in expenses for reimbursements received by the STC and ($5,446) from other movements.

20) Social aid. It corresponds to donations granted that under IFRS are presented within operating costs and administrative expenses

21) Income tax. The deferred income tax was recalculated considering the guidelines of IAS 12 and the tax regimes of the consolidated entities, including the structured entities; Trust TUA No 80460 and Guarantee Trust TUA No. 2172.

As a result of this re-measurement, the deferred tax asset was canceled for $ 130,008 as of January 1, 2016 and instead a deferred tax liability of $946,508 was recognized and the net effect was against the accumulated deficit.

As of December 31, 2016, the deferred tax liability generated from the accounting under NIFG was paid for $4,283, since the re-measurement corresponds to a deferred tax liability of $ 696,969.

22) Other minor reclassifications.

Were reclassified from the "Short-term deferred liabilities" account to "Customer advances". The amounts were $173,128 and $230,018 as of January 1 and December 31, 2016, respectively.

E) Significant IFRS transition effects explanation in the Consolidated Statement of Cash Flows for the year ended December 31, 2016.

The Group does not prepare an equivalent of the Statement of Cash Flows under NIFG, while in IFRS it uses the indirect method for presenting the statement of cash flow, therefore, it does not present a reconciliation of the effects of adoption.

Irrevocable Trust of Fiduciary Securitization Certificates for Investment in Energy and Infrastructure CIB/2930 (CI Banco, S.A., Institución de Banca Múltiple)

Unaudited Pro Forma Financial Information as of December 31, 2017

Irrevocable Trust holding Fiduciary Securitization Certificates for Investment in Energy and Infrastructure CIB/2930 (CI Banco, S.A., Institución de Banca Múltiple)

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Irrevocable Trust CIB/2930 (CI Banco, S.A., Institución de Banca Múltiple)

Unaudited Pro Forma Statement of Financial Position
As of December 31, 2017 (unaudited)

In thousands of pesos

	Trust	Pro Forma Adjustments	Note	Pro Forma Trust
CURRENT ASSETS:				
Cash and cash equivalents	$ 10	$ 60,000	4.1 (a), (b), (c) (e) (f)	$ 60,010
Investment in Eligible Companies	-	29,240,000	4.1 (c), (d)	29,240,000
TOTAL ASSETS	$ 10	$ 29,300,000		$ 29,300,010
NET ASSETS				
Net trust assets	$ 10	$ 29,300,000	4.1 (a) (e) (f)	$ 29,300,010
TOTAL	$ 10	$ 29,300,000		$ 29,300,010

The accompanying notes are an integral part of these pro forma financial statements.

Irrevocable Trust CIB/2930 (CI Banco, S.A., Institución de Banca Múltiple)

Unaudited Pro Forma Statement of Comprehensive Income
For the period ended on December 31, 2017

In thousands of pesos

	Trust	Pro Forma Adjustments	Note	Pro Forma Trust
Share of net profit of investments accounted for using the equity method	$	$ 1,897,998	4.2 (a)	1,897,998
Administration expenses, fees and others	-	(15,000)	4.2 (b)	(15,000)
Increase in net assets	$ -	$ 1,882,998		$ 1,882,998

The accompanying notes are an integral part of these pro forma financial statements.

Note 1 – Operations of the Trust:

The Trust is a newly-created vehicle with no operating history, mainly intended to manage the shares of Grupo Aeroportuario de la Ciudad de México, S.A. de C.V. ("GACM") and to distribute the amounts generated by those shares to the holders of the Fiduciary Securitization Certificates for Investment in Energy and Infrasructure (Certificados Bursátiles Fiduciarios de Inversión en Energía e Infraestructura, or the "CBFEs"). The Trust was incorporated on March 5, 2018 under the terms of the Irrevocable Trust Agreement for Issuance of Fiduciary Securitization Certificates for Investment in Energy and Infrastructure CIB/2930 ("Trust Agreement") dated March 6, 2018, entered into by Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa as settlor, GACM as manager, and CI Banco, S.A., Institución de Banca Múltiple as trustee ("Trustee").

The Trust will be managed by GACM exclusively as manager, as established in the Management Agreement. The manager is authorized to conduct the business activities of the Trust, directly or through instructions to the Trustee, with the exception of matters expressly limited to the discretion of the Technical Committee or the CBFE holders' meeting. In complying with its responsibilities under the Trust Agreement and the Management Agreement, the Trust may delegate or assign certain rights or obligations to other persons in the manner and terms it sees fit, provided that said assignment or delegation does not limit its obligations or release it from its responsibilities as established in the Management Agreement or any other Issuance Document.

The Trust was incorporated for the purpose of investing in, holding and administrating an equity interest in GACM and a nominal equity interest in AICM. GACM will increase the variable portion of its capital stock and will issue "P" shares comprising 20% of its capital stock ("GACM "P" Shares"), which the Trust will acquire. The Trust will also acquire one hundred shares comprising 1% of AICM's capital stock ("AICM Shares").

GACM is a majority state-owned entity that holds the concession to construct, develop, operate, administrate and exploit the new Mexico City International Airport (the "New Airport"), which will be located in the Municipalities of Atenco, Ecatepec de Morelos and Texcoco, in the State of Mexico. GACM is also the holding company of AICM, a majority state-owned entity and the holder of the concession to operate, administrate and exploit the Benito Juárez International Airport in Mexico City (the "Existing Airport").

In order to comply with the Trust's investment objectives, during the term of the Trust Agreement, at least 70% (seventy percent) of the annual average value of the Trust's equity must be invested in shares of the Sponsors, and the remaining balance must be invested in government securities registered with the National Securities Registry or in shares of debt instrument investment funds, as established in the Trust Agreement.

The Trust will carry out distributions to the holders of CBFEs in accordance with the terms of the Trust Agreement. The main source of payment for the Distributions to the holders of the CBFEs will be the amounts received by the Trust in the form of distributions from GACM. As required by the Tax Provisions for Fibra-E Matters, the Trustee will distribute, at least once a year and no later than March 15, a minimum of 95% of the taxable income of the Trust for the prior fiscal period. Distributions payable to the holders of the shares will be made exclusively with a charge to the assets comprising the Trust's net assets. On the basis of the foregoing, the main source of payment of Distributions to the holders of CBFEs will be the distributions received by the Trustee, directly or indirectly, from GACM, as shareholder of that entity. The Trust's net assets will also be available to cover administration commissions and trust expenses, among others, as established in the Trust Agreement and the Management Agreement. As per the manager's instructions, on each distribution date the Trustee must distribute 100% (one hundred per cent) of the distributable balance determined for that period to the holders of the CBFEs, in proportion with the number of CBFEs that each one holds.

As of January 1, 2021, the holders of the CBFEs, through the Trust in its capacity as the holder of the GACM “P” Shares, will be entitled to receive Distributions consisting of an incremental percentage of the Distributable Cash Flow generated by GACM and AICM from the operations of the Existing Airport and the New Airport, once the latter starts operating, unless there has been a Cause for Mandatory Acceleration prior to January of 2021, in which case January 1 of the year immediately following the date of the respective Mandatory Acceleration must be considered.

The Trust will be terminated: (i) when the GACM Concession has been terminated, in which case the Trustee will cover all the Trust Expenses that are pending, proceeding subsequently with the Distribution of the remaining Equity and the subsequent cancellation of the CBFEs or (ii) the entire Trust has been divested and all the amounts deposited in the trust accounts have been distributed to the holders; or (iii) by resolution of an holders’ meeting through which the dissolution of the Trust is approved, solely and exclusively with the prior consent of the manager’s consent; in which case the Trustee will cover all the Trust Expenses that are pending, including those that derive from the liquidation of the trust, proceeding subsequently with the distribution of the Net Assets of the remaining Trust and the subsequent cancellation of the CBFEs.

Despite the foregoing, the Trust may be terminated in the following cases: (i) if the entirety of the Trust’s net assets have been divested in accordance with Section 13.1 of the Trust Agreement and all amounts deposited in the Trust’s accounts have been distributed to the holders of the CBFEs, as required in Clause IX of the Trust; or (ii) as a result of a decision reached at a CBFE holders’ meeting in accordance with Section 4.1(b)(vi) of the Trust, at which the stockholders agree to dissolve the Trust, only after securing the manager’s consent. Notwithstanding the foregoing, the Trust will not be terminated until all obligations payable from the Trust’s net assets have been paid in full.

GACM will use the resources received from the Trust and the amounts of the price and premium for GACM “P” Share subscription for the construction of the New Airport in accordance with the Master Plan (as established in the Concession for the New Airport), for which purpose it will deposit those resources in the Construction Trust.

After complying with the requirements set forth in the Tax Provisions for Fibra-E Matters, the Trust will apply the tax treatment of trusts for investment in energy and infrastructure. The licensees, their shareholders and the holders of the CBFE’s will be taxed and will be required to comply with their tax obligations in accordance with the Tax Provisions for Fibra-E Matters.

Note 2 – Description of the transaction:

Through a Public Offer in Mexico (the "Offering in Mexico") of certificates for investment in energy and infrastructure (the "CBFEs") including the over allotment option in Mexico through the Bolsa Mexicana de Valores, SAB de CV ("BMV"). The Offering in Mexico is part of an international offering of subscription and payment in (a) the United States of America to qualified institutional buyers under cover of exempt registration operations under Rule 144A of the Securities Act of 1933 of the United States of America (US Securities Act of 1933) and (b) in other countries in accordance with Regulation S of said Securities Act of the United States and the legal provisions applicable in the rest of the countries in which said the offering is made (the "International Offering" and, together with the Offer in Mexico, the "Global Offering") the "Global Offering")

From a business perspective, the Fibra-E arrangement allows public and private companies to receive investments and/or monetize their shareholding in energy and infrastructure projects and/or assets, as well as take advantage of certain tax benefits, which the Mexican federal government grants to Trusts and Eligible Companies that participate in the Fibra-E arrangement for the purpose of promoting investments in the energy and infrastructure sectors, provided that those entities comply with the requirements set forth in the Tax Provisions for Fibra-E Matters.

The holders that participate in the Global Offering will have access to the cash flow generated by the projects of the Eligible Companies to which the Trust makes capital stock contributions. The main source of operating resources receivable by the Trust will be the amounts distributed by the Eligible Companies whose shares or equity participation units form part of the Trust's net assets.

The purpose of placing CBFEs on the market is for the Trust to obtain resources that will be used by the Trust to subscribe the GACM "P" Shares and the AICM Shares. GACM will, in turn, use those resources for the construction of the New Airport . After the set up process concludes, the Trust will acquire the GACM "P" Shares and the AICM Shares. GACM's main asset is the concession for the New Airport, and, as the holder of the concession, GACM receives income from the rates charged to users and other income from exploitation activities. AICM's main asset is the concession for the Existing Airport.

GACM and AICM are Eligible Companies because their sole business activity meets the requirements set forth in the Tax Provisions for Fibra-E Matters. Under the Tax Provisions for Fibra-E matters, Eligible Companies are companies engaged in developing infrastructure investment projects (concessions, service contracts, public-private arrangements) in Mexico, the remaining life of which is equal to or greater than seven years, related to (i) roads, highways, railways and bridges, (ii) urban and interurban transportation systems, (iii) ports, marine terminals and port facilities, (iv) civil airfields, not including private airfields, (v) expansion of the telecommunications backbone network, (vi) public security and social rehabilitation, and (vii) drinking water, drainages, sewage system and treatment of waste waters or any other project provided for in the Tax Provisions for Fibra-E Matters.

The percentage and definite amounts of the Trust's interest in GACM and AICM will be subject to market conditions and the final price of the CBFEs in the Global Offering.

Note 3 – Bases used in preparing the unaudited pro forma financial information:

The pro forma financial information has been prepared by GACM's management based on certain assumptions described in the pro forma adjustments. The pro forma financial information is included solely for illustrative purposes and does not reflect actual operating results that would have arisen had the subscription of the GACM "P" Shares and the AICM Shares and the Global Offering been conducted on the assumed dates, nor is it intended to project the Trust's operating results or financial situation. The pro forma financial information has not been audited and must be read together with the financial statements of the Eligible Companies involved in the transaction.

Given that the Trust was formed on March 6, 2018, there is no historical information for the Trust available as of December 31, 2017. The pro forma financial information is reported as though the subscription of GACM "P" Shares and AICM Shares, described in Note 2, had taken place on December 31, 2017, with respect to the pro forma statement of financial position, and on January 1, 2017, with respect to the pro forma income statement for the period ended on December 31, 2017. The GACM "P" Shares provide significant influence to the holders, therefore, under IFRS, they are accounted for using the equity method.

Net Assets

The CBFEs are considered compound financial instruments with payment obligations subject to future events, the portion of liabilities is a function of the Trust's obligation to make the payment of the distributable amount during the life of the preferred "P" shares or as required by the Tax Provisions for Fibra-E Matters, whichever applies. The equity portion that is estimated will be insignificant for purposes of this pro forma, corresponds to the residual amounts that will be distributed in equal part at the liquidation of the Trust

The purpose of the pro forma financial information is solely to show the effects of a significant event or transaction on the Trust's historical financial information, as though the event had occurred or a transaction had been conducted on a previous date, determined for that purpose. Therefore, we offer no assurance that the actual results of such event or transaction on December 31, 2017 or for the period ended on December 31, 2017 were as presented herein.

Note 4 - Pro forma adjustments:

The following adjustments have been calculated and estimated, as applicable, based on the historic values of GACM and AICM. All pro forma adjustments are based on preliminary estimates and assumptions and they are subject to review upon conclusion of the transaction.

These pro forma adjustments include operations conducted as part of the acquisition of interest in the capital of GACM and AICM.

This financial information is not designed to show the results of operations or the financial position of the Trust as though the transaction had occurred on the aforementioned dates, nor to project the Trust's operating results or financial position for any future periods or dates.

The adjustments and assumptions at each financial statement date are as follows:

4.1 Adjustments to the pro forma statement of financial position as of December 31, 2017:

a. The trust is incorporated with an initial contribution of $ 10

b. As a result of the Offering of CBFEs, the Trust expects to receive $30,000,000 (assuming the full exercise of the overallotment options) less issuance costs of approximately $700,000.

c. The Trust will invest the funds obtained from the offering to acquire the GACM "P" Shares. Exclusively for the purpose of preparing these pro forma financial statements, the amount of investment has been set at $30,000,000 amount that includes the over-allocation, and that has been calculated taking a price per CBFE of $ 100. Therefore, it could be subject to changes.

d. The Trust will own 100 shares representing the capital stock of AICM. For purposes of preparing the pro forma financial statements, the investment in shares has been set at a price of $ 10, which includes the over-allotment, and which has been calculated taking a price per CBFE of $ 100. Therefore, it could be subject to changes.

e. For purposes of pro forma financial information, it is assumed that the net assets of the Trust are constituted by the contributions of the settlor, net of the issuance expenses.

f. For purposes of covering administration costs and other costs such as fees of the Trust and the common representative, maintenance expenses in Mexican Stock Exchange, annual fees payable to the National Securities Registry and fees in connection with the external auditor, the Trust will reserve cash not invested in GACM " P " shares or shares of AICM in the amount of $ 60,000.

4.2 Adjustments to the pro forma statement of income and of other comprehensive income for the period ended on December 31, 2017:

a. The pro forma income statement and other comprehensive income for the period ended on December 31, 2017 has been adjusted to reflect the effects of the transaction as though it had been conducted on January 1, 2017. The adjustment corresponds to the recognition of equity method based on the Trust's estimated ownership of 20% of GACM's capital stock. The calculation was made considering the profits before income tax included in GACM's audited consolidated financial statements for the year ended December 31, 2017, that will be included in the offering memorandum. For purposes of the pro forma, the AICM Shares are recognized as assets without equity method. The assumption is that the Trust will distribute to the holders of the CBFEs, at least once a year and no later than March 15, a minimum of 95% of the taxable income of the Trust for the previous fiscal year, as required by the Tax Provisions for Fibra-E Matters. Despite the foregoing, no distributions in cash will be made under the CBFEs until January 2021.

b. As previously mentioned, the Trust will sign a Management Agreement, the cost of which, for the purposes of this report, has been estimated at $5,000 for the first year. Additionally, the Trust will incur costs such as fees related to the Trustee and common representative, maintenance expenses incurred at the Mexican Stock Exchange, annual dues payable to the National Securities Registry and fees in connection with the external auditor, among others, which have been estimated at $10,000 per year.

The current pro forma financial information does not include any assessment under IFRS 9, which is required to be adopted on January 1, 2018.

Note 5 - Authorization of the Pro Forma Financial Information:

Condensed Financial Information Pro forma, has been approved and authorized for issuance on March 22, 2018.

APPENDIX A

Aviation Demand Forecast

NEW MEXICO CITY INTERNATIONAL AIRPORT (NAICM)

AVIATION DEMAND FORECAST 2017

FINAL

January 2018

DISCLAIMER

In relation to this Aviation Demand Forecast report that Landrum & Brown has prepared on behalf of Grupo Aeroportuario de la Ciudad de México (GACM), Landrum & Brown hereby (i) certifies that it is independently qualified to opine with respect to the information in this report and (ii) grants its consent for GACM and the Issuer to include (totally or partially) within the corresponding prospectus or placement document, the content of this report and prepare, elaborate, order to prepare or order to elaborate, as the case may be, extracts, summaries, reports, presentations and / or in general any other information material, whose source comes or is linked to this report, in order that these are made public knowledge.

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1. INTRODUCTION

This chapter presents the forecast of aviation demand developed to estimate the facility needs and financial requirements for the New Mexico City International Airport (NAICM). The forecast presented herein is considered unconstrained after October 2020 when the NAICM is planned to commence operations. The forecast period extends through 2070 in order to provide demand parameters for planning the NAICM facilities in the long term.

The projections of future demand and the air traffic analysis discussed in the document are based on the information and data provided to Landrum & Brown (the consultant) by key stakeholders at AICM and under further direction and guidance from Grupo Aeroportuario de la Cuidad de Mexico (GACM). The consultant has reviewed the available data but cannot be responsible for any inaccuracies or errors in the raw data. Certain discussions and strategies provided to the consultant are confidential and therefore not all data and information applied in the forecast development process can be provided or detailed to the public. The consultant has applied experience from previous work efforts and working knowledge of trends in the aviation industry to direct the validity and reasonableness of the resulting forecast projections. The assumptions included and specified herein as well as the many supplemental assumptions and methodologies not detailed in this document are based on significant industry experience and similar efforts performed at the largest airports around the world, but are still assumptions and subject to change and revision.

The intended purpose of these forecasts are firstly for planning purposes in guiding the requirements of the NAICM throughout the preliminary to ultimate phases of development. The forecast will be shown to be constrained in the near-term for AICM but otherwise unconstrained at NAICM after construction is complete. The forecast projections are not claimed to be exact in regards to future levels of activity and should be understood as reasonable expectations or estimates of what future demand may be based on historical trends, relevant known information and correlations between aviation demand and external drivers. The uncertainty of any forecast, especially long-range forecasts, should be considered with rationale expectations for future comparison. These forecasts are expressed as the opinion of the consultant and not a guarantee of future demand.

The development of the forecast of aviation demand for NAICM starts with understanding the historical and current demand and conditions at the existing airport, Mexico City International Airport (AICM), which will be replaced by the NAICM.

1.1 MEXICO CITY AVIATION ENVIRONMENT

AICM is the only commercial service airport in Mexico City and is surrounded by densely populated residential and commercial areas. There are two closely spaced parallel runways and two separate terminal buildings at the Airport operating at or above designed capacity. AICM serves as the primary international aviation facility in the greater Mexico City region and is the main hub and headquarters for Aeromexico (Mexico's national flag carrier) and the primary international gateway into Mexico.

AICM is also the main hub for the Mexico's second largest carrier Interjet and the busiest hub for Mexican low cost carriers - Volaris and VivaAerobus.

FIGURE 1-1 – MEXICO CITY INTERNATIONAL AIRPORT (AICM)

Source: Google Earth image, 2017

Beginning in 2016, AICM became the busiest airport in Latin America in terms of both passengers and aircraft operations. AICM ranks third in Latin America in terms of air cargo tonnage after El Dorado International Airport in Bogota, Colombia and Guarulhos International Airport in Sao Paolo, Brazil. There are four other commercial service airports in the broader region surrounding Mexico City (Toluca, Puebla, Cuernavaca and Queretaro airports); all within 180 kilometers, and AICM maintains about a 96 percent share of the region's total air passenger traffic. As AICM is confined, constrained and operating above its designed capacity, a new international airport is necessary to meet Mexico City's increasing demand for air travel.

2. HISTORICAL AIR TRAFFIC ACTIVITY AT THE EXISTING MEXICO CITY INTERNATIONAL AIRPORT (AICM)

While the socio-economic base is one of the fundamental underpinnings of the forecast, in the case of passenger travel, demand cannot be realized without air service at a price that induces demand. Understanding the historical relationships between the economy and aviation activity at AICM will form the building blocks of the forecast. Analysis of historical data provides the opportunity to understand the factors that have caused traffic to increase or decrease and how they may change in the future, thus influencing the forecast.

2.1 HISTORICAL PASSENGER ACTIVITY

Demand at AICM is controlled by slots that were established to manage the imbalance between demand and capacity. In late 2017, slots at AICM limited aircraft operations to 61 total operations per hour.

In spite of slot limitations, total passenger traffic at AICM has increased by 5.1 percent annually since 2005 reaching 41.7 million passengers in 2016 (27.6 million domestic and 14.1 million international). Connecting passengers at AICM (both arriving and departing) represented nearly 23 percent of total passenger traffic in 2016.

Airport traffic decreased in 2009 and 2010 due to the world economic recession but traffic has rebounded strongly. Between 2010 and 2016, total passenger traffic increased 9.6 percent per year on average. In that same period, international passenger traffic increased by 8.7 percent per year on average and domestic passenger traffic increased 10 percent per year on average.

International passenger growth at AICM is mainly attributed to a growing local economy and inbound tourism. The number of international visitors entering Mexico by air has increased 10.6 percent annually from 2012 to 2016.[1] Traffic on international routes has remained strong due to positive developments, including new route announcements and seat capacity growth from European, North American, and Latin American carriers.

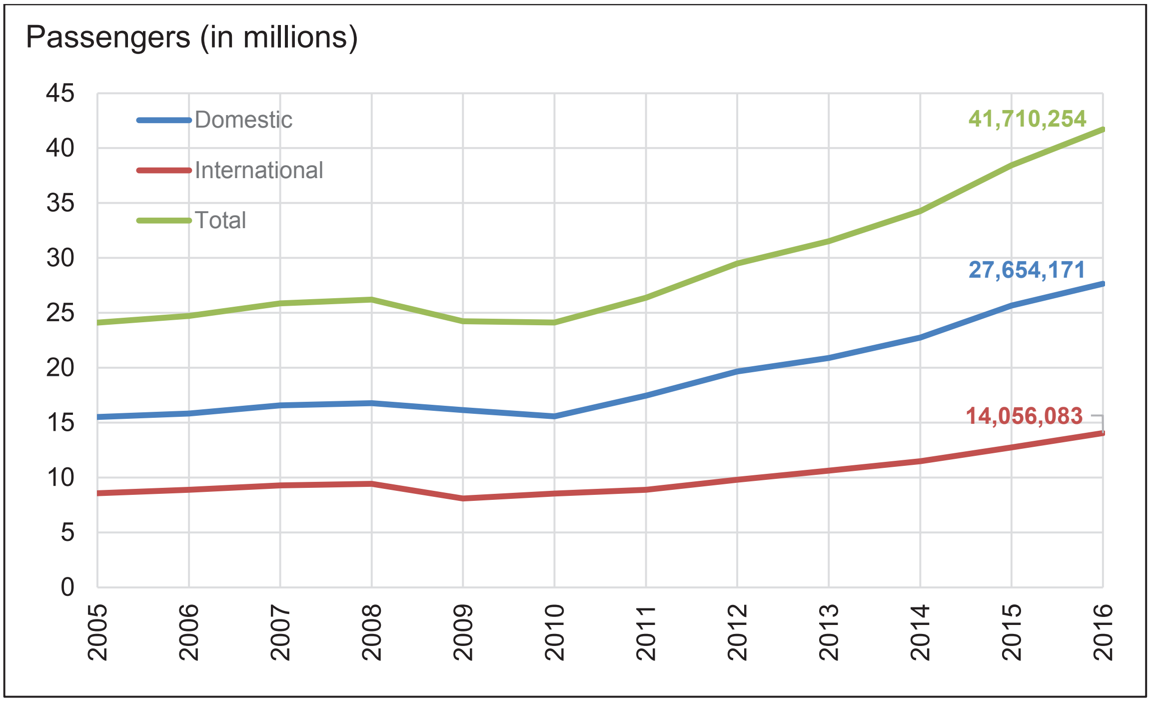
AICM has experienced especially strong domestic growth since 2010 stemming from the rebounding economy and airline competition. In 2009, Interjet had its first full year of operation and in the following year Volaris and VivaAerobus began service at AICM.

Recent growth at AICM in both domestic and international markets has been influenced significantly by the success of Low Cost Carriers (LCC) since the Mexicana and AVIASCA airlines ceased operations in 2010 and 2011. The LCC share of total traffic at AICM increased from 35 to 42 percent from 2012 to 2016.

1 SEGOB,Migration Policy Unit of the Ministry of the Interior, International Visitors to the Country by Main Nationality.

Figure 2-1, *Historical International and Domestic Passengers*, displays historical annual passengers from 2005 until 2016.

FIGURE 2-1 – HISTORICAL INTERNATIONAL AND DOMESTIC PASSENGERS

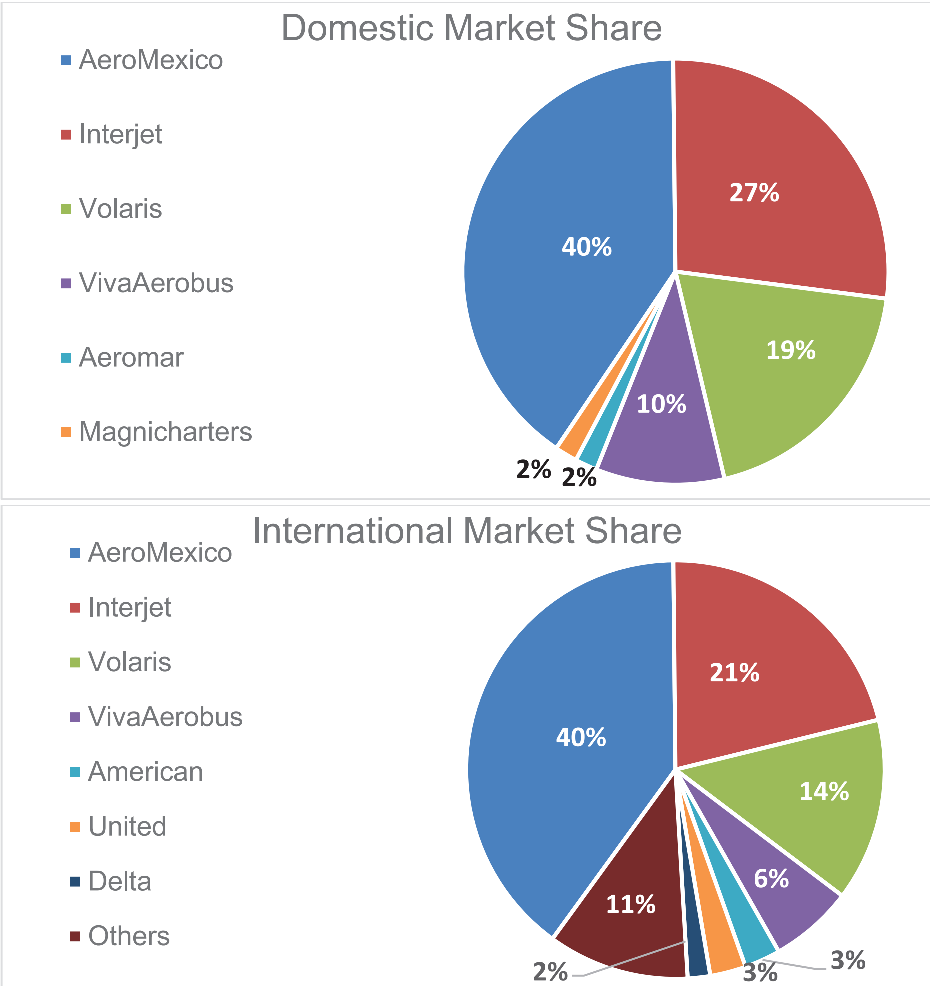


Source: Airport data (AICM), Statistics of the AICM.

Figure 2-2, *2016 Airline Market Shares*, shows the share of the major carriers at AICM in 2016. The six current Mexican airlines represented 84 percent of total traffic at AICM in 2016, and their business plans and strategic efforts are expected to drive growth in future air traffic. In 2016, Aeromexico handled approximately 40 percent of total passengers at AICM. The second largest Mexican carrier, Interjet, handled 21.3 percent. Volaris, the third largest Mexican carrier, accounted for 14.1 percent. VivaAerobus handled 6.5 percent, Aeromar 1.1 percent, and Magnicharters 1.1 percent.

The largest carriers outside of the Mexican carriers were the U.S. carriers, American, Delta, and United airlines, comprising 21.6 percent of international passengers and 7.3 percent of total passengers.

FIGURE 2-2 – 2016 AIRLINE MARKET SHARES



Source: Airport data (AICM), Statistics of the AICM.

Airlines currently offer scheduled service to 56 international destinations (see **Figure 2-3, *International Air Service at AICM***). North America is the largest international market, but recently has been growing slower than markets in the Latin American and South American regions. This trend is expected to continue in the future with North America maintaining the majority share of international passenger traffic. With the opening of the NAICM, due to the removal of existing capacity restrictions, air service to existing and new markets around the world is expected to expand.

FIGURE 2-3 – INTERNATIONAL AIR SERVICE AT AICM

Source: OAG Aviation Worldwide Ltd, OAG Schedules Analyzer.

A broader air service agreement between Mexico and the United States has been discussed for many years since previously being signed and implemented in 1960, with an "Open-Skies" agreement being pursued since 1992. In December 2015, a new and more liberal air service agreement between Mexico and United States was signed and went into force in August 2016. The new agreement helped make the Aeromexico-Delta joint venture possible and claims opportunity for any airline, between any city pairs and unlimited frequencies, but is not recognized as a true Open-Skies agreement, and Mexico is still not listed among the Open-Skies partners with the United States Department of Transportation. Because the new agreement does not include a full opening of the aviation sector, it is not yet a full open skies agreement.

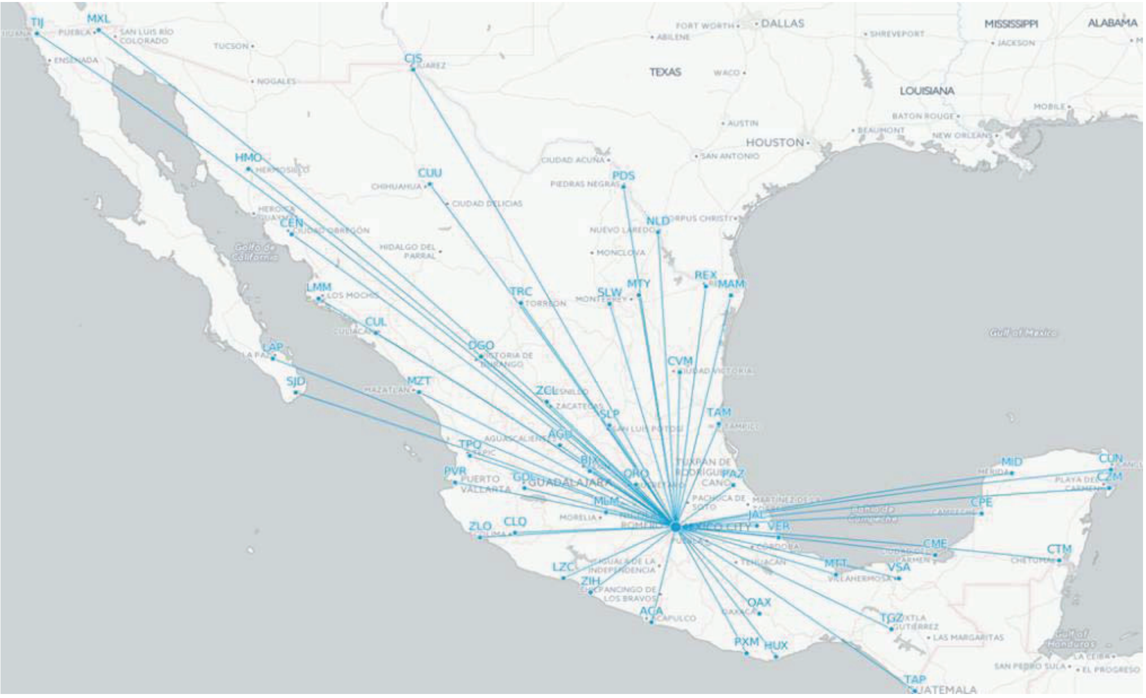
Although the new agreement claims to have removed limitations to airlines, new markets and frequencies, there has been little change in the air traffic between Mexico and the United States. Total frequency has been increasing at a comparable rate into late 2017, and only one additional market to the United States has been observed. With the focus on Hub developments and carrier strategies, the increase in service to smaller markets may take some time for true origin and destination demand to be sufficient for non-stop service.

International passenger traffic growth is still strong and with the new air service agreement removing some past limitations, it is clear that policy and government involvement should not be an impediment to growth in the near future. Improved air service bilateral agreements are creating a more liberal open market for both passenger traffic and cargo traffic. Additionally, uncertainty surrounding the future of the North America Free Trade Agreement (NAFTA) is not expected to impact passenger traffic forecasted for NAICM with the separation of transported cargo goods from the value of passenger transport in the economic discussions of trade agreements between Mexico and the United States. Changes to the NAFTA agreement, if any, are not expected to have a material impact on the traffic forecast.

Airlines at AICM currently offer scheduled service to 52 domestic destinations (see **Figure 2-4, *Domestic Air Service at AICM***). Currently, six airlines offer domestic service, with Aeromexico holding the largest share (40.4 percent in 2016). Interjet and Volaris account for a majority of the remaining domestic traffic accounting for 27.2 percent of 19.3 percent respectively.

Air service to existing Mexican markets is expected to expand in an unconstrained environment, with the opening of the NAICM. In the long term, new domestic markets are also anticipated in locations with sufficiently large and growing population that currently do not have commercial passenger service.

FIGURE 2-4 – DOMESTIC AIR SERVICE AT AICM



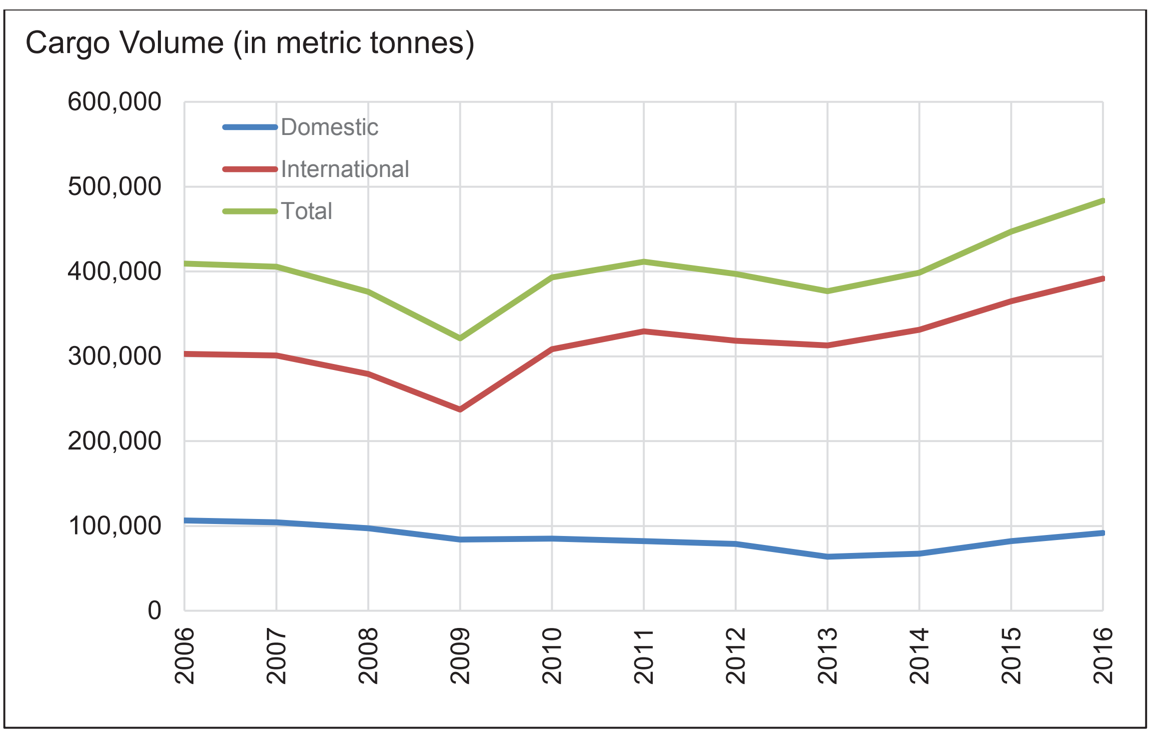
Source: OAG Aviation Worldwide Ltd, OAG Schedules Analyser.

2.2 HISTORICAL CARGO TONNAGE

Cargo growth at AICM was significantly impacted by the global economic recession. However, since 2009, growth in cargo tonnage has been strong. Between 2009 and 2016, total cargo (mainly belly cargo transported on commercial passenger aircraft) increased 6 percent on average per year. This growth was driven by international cargo which increased 7.4 percent per year on average. Domestic cargo has averaged about 21.1 percent of total cargo tonnage since 2006, hitting a low of 16.8 percent in 2014 and rebounding to 19 percent in 2016. Total air cargo reached 483,433 metric tonnes in 2016.

Mexico's primary trading partner is the U.S. and existing trade agreements have helped maintain growth in exports and imports between Mexico and the U.S. Increased air cargo shipments, mainly exports to the U.S., are expected to continue during the forecast period, although weakening currency exchange rates since 2014 have decreased the value of Mexican exports. Additionally, uncertainty exists with the future of the North America Free Trade Agreement (NAFTA). It is unknown if trade agreement changes would significantly impact the air cargo segment of goods transported between Mexico City and the U.S. Growth in international belly cargo is expected to contribute significantly to total cargo tonnage growth as international passenger traffic expands at AICM and NAICM. **Figure 2-5, *Historical Cargo Tonnage***, presents historical cargo tonnage since 2006.

FIGURE 2-5 – HISTORICAL CARGO TONNAGE



Source: Airport data (AICM), Statistics of the AICM.

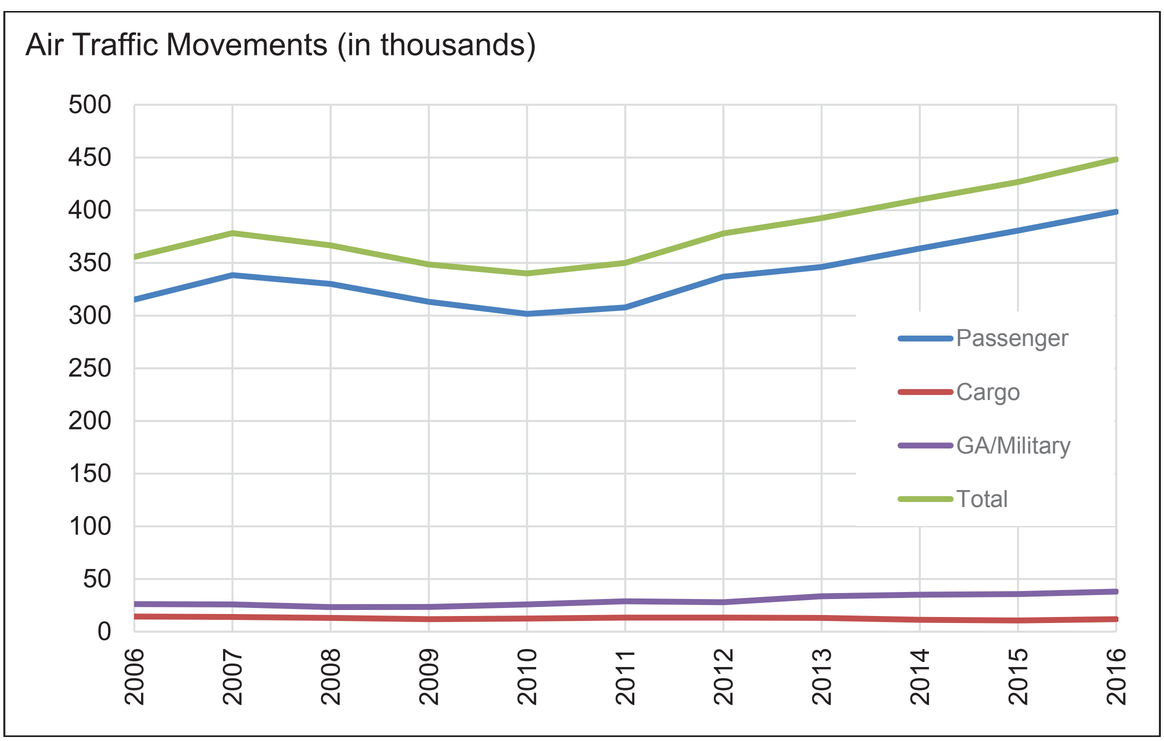
2.3 HISTORICAL AIR TRAFFIC MOVEMENTS

Air traffic movements (ATMs) represent the total number of aircraft arrivals and departures at AICM. Total ATMs are the cumulative activity of commercial passenger traffic, cargo freighter traffic and general aviation/military traffic, including helicopter movements. **Figure 2-6, *Historical Air Traffic Movements***, presents historical ATMs since 2006.

Commercial passenger ATMs represent the largest share of aircraft activity at AICM with nearly 400,000 arrivals and departures in 2016, 88.9 percent of total traffic. General aviation/military traffic is a combination of government and military operations, and commercial helicopter operations. This segment has shown consistent growth since 2012, with average annual growth of 8.1 percent through 2016. Cargo freighter traffic declined from 2006 to 2015 before rebounding in 2016.

Total ATMs at AICM have increased at an average of 3.7 percent annually since 2009, after the global economic recession. In 2016, total activity at AICM reached 448,150 ATMs, an increase of 5 percent in a very congested operational environment. A change to the slot limitations policy in late 2017 is being implemented to safely manage increasing demand while attempting to decrease delays. This change may limit growth potential at AICM in the near term primarily for ATMs before the opening of NAICM. The major carriers are able to operate with larger aircraft and thus continue to grow passenger throughput. The smaller LCC carriers that serve short-haul domestic markets are typically not able to upgauge their aircraft as quickly.

FIGURE 2-6 – HISTORICAL AIR TRAFFIC MOVEMENTS



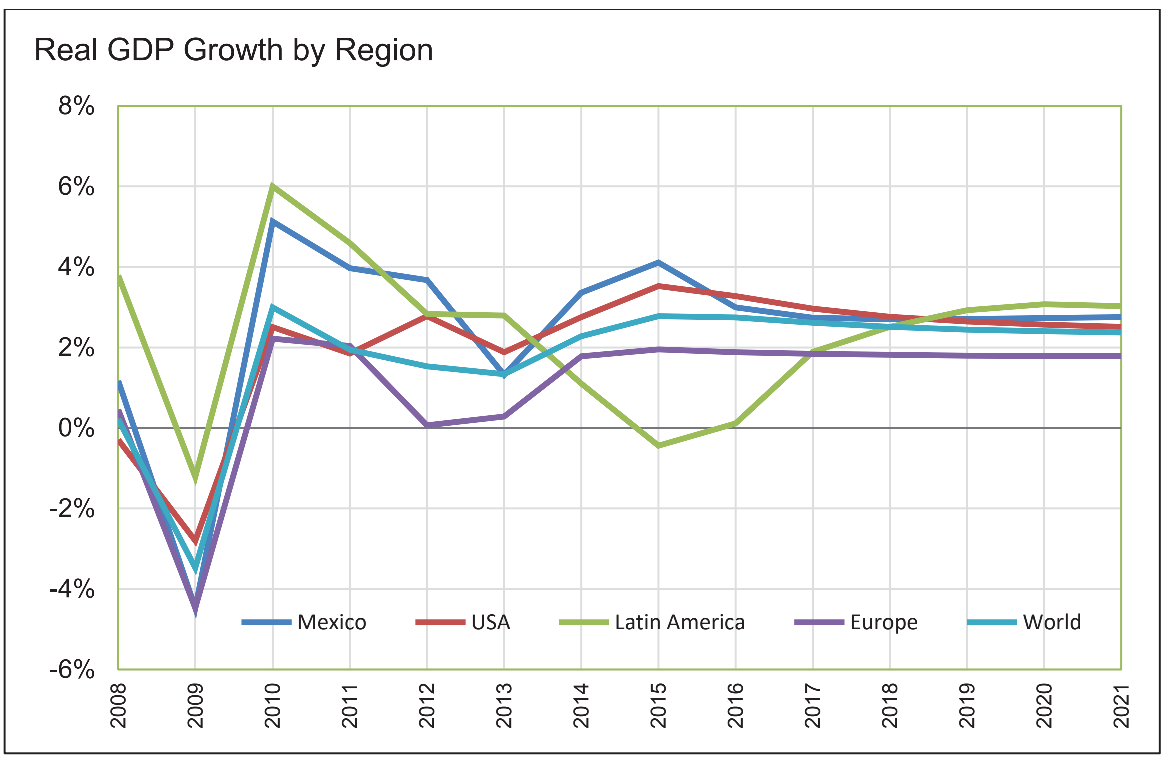
Source: Airport data (AICM), Statistics of the AICM.

3. ECONOMIC BASE FOR AIR TRAVEL

The strong link between the level of aviation activity and economic growth (GDP) exists at AICM. Growth in population, income, and business activity typically lead to increased demand for air travel both for business and leisure purposes. An individual's demand for air travel is often referred to as "underlying demand" in that it cannot be realized without the presence of air service at a price that results in the decision to fly. Historical trends in the economies of Mexico and the major countries of visitors to AICM, and the passengers within Mexico and to international destinations, have shown the direct correlation and relationship between these factors and support the use of economic growth in projecting similar growth patterns in passengers at NAICM.

Mexico's economy has mirrored the global economic climate over the past decade. In 2009, the global recession had a negative impact on the economic health of Mexico. However, over the subsequent years, the economy has rebounded and Mexico achieved an average annual GDP growth of 2.4 percent from 2010 to 2016. As a result, the AICM has experienced a robust 9.6 percent per year increase in air traffic between 2010 and 2016. Near-term real GDP historical growth for Mexico is compared to that of other world regions in **Figure 3-1, *Real GDP Growth by Region***.

FIGURE 3-1 – REAL GDP GROWTH BY REGION



Source: Organisation for Economic Co-operation and Development (OECD), GDP Long-Term Forecast.

Passenger growth at AICM has been strong, particularly since the end of the global recession in 2009, which is attributed to a growing local economy, increased tourism levels, and the introduction of low cost air service.

The Organisation for Economic Co-operation and Development (OECD) projects strong GDP growth to continue for Mexico at 2.7 percent between 2016 and 2021. Over the forecast period, international air traffic expansion is expected due to the positive economic outlook. Demand in international tourism is anticipated to continue to increase. Expansion of carrier service is expected, particularly from the U.S. and Latin America. Sustained forecasted economic growth in Mexico, U.S., and Latin America, will drive international passenger demand.

The domestic market is expected to increase in the future as the Mexican economy continues to grow. Although traditional markets such as Cancun, Monterrey, and Guadalajara will begin to saturate, new smaller markets, and existing markets with limited service, will grow to the point of necessitating new air service. Additionally, as the international markets continue to grow, NAICM will play a critical role in connecting passengers that may not have direct international service at their origin airport.

4. AVIATION FORECAST METHODOLOGY

4.1 GENERAL APPROACH

The AICM and NAICM forecast assumes near-term constraints to both passenger and GA/Military ATMs and passengers with ongoing available growth potential for Cargo ATMs and tonnage. NAICM is scheduled for completion in 2020, therefore unconstrained aviation demand is forecasted from 2021 to 2070. **Figure 4-1, *Forecast Methodology Matrix,*** presents the selected general approach to forecasting each traffic segment during the specified time periods throughout the forecast.

FIGURE 4-1 – FORECAST METHODOLOGY MATRIX

Domestic Passengers	International Passengers	Cargo Tonnage	Passenger ATMs	Cargo ATMs	GA/Military ATMs
Constrained Near-Term 2017-2020					
Revised Carrier Projections due to ATM Constraint	GDP Regression model by World Region	Domestic surge + International GDP Regression	Limited growth, increased Gauge and Load Factor	Off peak growth assumed	No growth assumed at AICM
Unconstrained Near-Term 2021-2025					
Revised Carrier Projections due to demand overlap	GDP Regression model by World Region (North and Latin America focus)	Manufactures domestic growth + International GDP Regression	Based on Passenger Forecast and average pax per ATM	Based on Tonnage Forecast and tonnes per ATM	Growth reflects Stakeholder activity levels and fleet projections
Unconstrained Mid-Term 2026-2045					
Domestic Growth linked to Economic Growth estimates (1x multiplier)	GDP Regression model by World Region (Market Expansion)	Manufactures domestic growth + International GDP Regression	Based on Passenger forecast and average pax per ATM	Based on tonnage forecast and tonnes per ATM	Conservative Mature Growth applied to stable Military Operations
Long Range 2046-2070					
Conservative Mature Growth applied to all segments					

Source: Landrum & Brown

4.2 FACTORS AFFECTING AIR TRAFFIC DEMAND

There are many factors that may influence future activity levels, both industry-wide and more specifically at NAICM. A number of factors that could materially change the traffic projections include:

- Fluctuations in the economy of Mexico and international world regions
- Oil prices
- Changes in carrier strategy (i.e. fleet expansion, contraction, consolidation, rising airfares)
- Bilateral agreements and/or visa issues
- Barriers to trade

For purposes of developing the forecast for NAICM, GDP projections for Mexico and major world regions were utilized. The current slot limitations at the ACIM were taken into consideration until the opening of the NAICM in October of 2020, and included limited operations growth opportunities in the near term based on the slot limitation policy assumptions. Discussions with the major Mexican[2] and international carriers[3] were used to understand their strategies for growth in an unconstrained environment. Based on this information, the following key factors were further analyzed to project future demand at the NAICM:

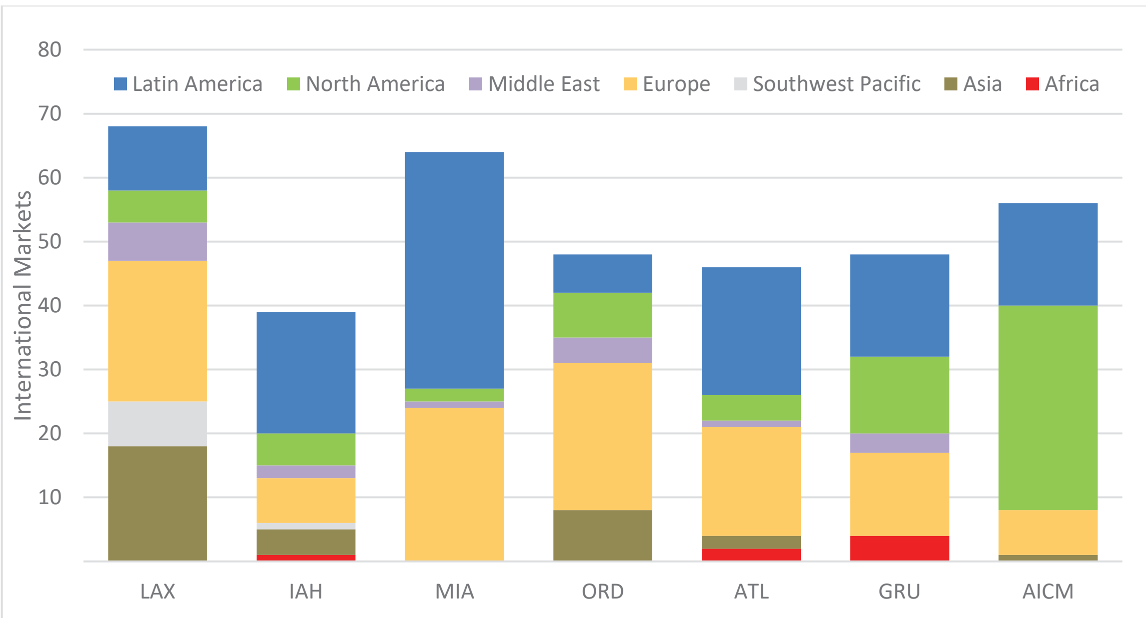
- **Domestic Market Potential:** A domestic market assessment of maximum air traffic demand was performed by analyzing current markets, potential future markets, and air service frequency. A 30-year upper limit of demand was estimated at 70 million total domestic passengers.
- **International Market Potential:** International markets from AICM are not being served with direct flights or with sufficient frequency when compared to other gateway airports in the U.S. and Latin America due to slot limitation. Significant opportunity for growth exists across all defined regions. Therefore, international demand was forecast on the basis of economic projections for target markets. Excluding the many North and South America markets, AICM has potential for adding routes around the world, especially Asia and the Middle East. See **Figure 4-2, *Comparison of International Markets***
- **Low-Cost Carriers Potential:** LCCs at AICM have exhibited rapid and stable growth among domestic and international markets since becoming established after the exit of Mexicana. LCC growth at AICM has to some degree increased demand for air travel as ultra-low cost air services have provided an alternative to regional buses at the same cost or in some cases lower costs. LCCs in Mexico are creating first time air travelers and moving a share of passenger travel demand from buses to airplanes. The effect of LCC growth has been observed in many U.S. markets where increased competition has lowered the average cost of air travel allowing more

[2] Includes domestic airlines growth strategy input from Aeromexico, Interjet, Volaris, Vivaaerobus, Aeromar and Magnicharters
[3] Includes international airlines growth strategy input from Delta, American, United, Copa, Avianca and LATAM

passengers to fly more frequently. The LCC growth in domestic markets is presumed to still be limited to the maximum forecast domestic demand. LCC growth in international markets is expected to continue.

- **Hub Potential:** The increasing flow of traffic between North America and Latin America has significant potential (assuming no serious economic limitations) and the NAICM is forecast to become an international transfer hub for this traffic.

FIGURE 4-2 – Comparison of International Markets Served



Source: OAG Aviation Worldwide Ltd, OAG Schedules Analyser

4.3 AICM SLOT LIMITATIONS AND NEAR-TERM ATM CAPACITY

There are important differences between the growth potential at the current airport (AICM) and the growth potential at the new airport (NAICM) that is assumed to begin operating in October 2020. Recent year-over-year growth in 2017 has been 2.7 percent between January and June. Latest available data shows that in the months of July and August[4] of 2017 the operations were reduced, with respect to the same months in the previous year, due to the recent changes in the number of slots granted to the airlines and other airport stakeholders. Total ATMs in 2017 through August have increased at 1.5 percent over the same period in 2016.

This slot limitation policy is essentially new to AICM in that it is being more strictly enforced and it will take additional time to see how the airlines will react to these changes. Already, more early morning and later evening flights have been introduced to the schedule, lengthening the busy hours of the operating day. Growth in ATMs at AICM in the near-term years before the move to NAICM are projected at an average of 1.7 percent annually. For

[4] Note that July and August are also normally the busiest months at AICM.

the last quarter of 2020 and for the year 2021, which is the first full year of NAICM operation, a 10 percent growth is projected, with an effective growth rate in 2020 or nearly 3.8 percent.

For the purposes of estimating annual ATM capacity at AICM under the recent implementation of slot limitations, a slight improvement from 61 hourly ATMs to 63 hourly ATMS was suggested over a broader daily operating window of 20 hours and an average annual to daily ratio of 345 which yields an annual ATM capacity of nearly 435,000 ATMs. The majority of all flights during the busy operating hours at AICM are commercial passenger flights with most cargo flights operating overnight, and more than half of the military traffic being helicopter operations. It was therefore estimated that the 435,000 ATMs could reasonable represent the near-term annual maximum for commercial passenger operations at AICM with priority being given to passenger operations.

Beginning in 2021 as the first full year of operation at NAICM, the forecast assumes sufficient capacity and an expected increase of at least 10 percent in commercial passenger traffic suggested by the major Mexican airlines.

5. PASSENGER ACTIVITY FORECAST

In preparing the recommended forecasts, economic, demographic, and service-related drivers were considered in the Mexico City aviation market. It was assumed that the NAICM will become a larger domestic and international hubbing operation with connecting traffic flowing from North America to Latin America by way of Mexico City. Based on this assumption the following methodology was applied:

- Growth from 2017 through 2025 takes into consideration the anticipated growth plans of the main AICM airlines[5] with some reductions for overlapping demand and slot limitations. This includes a surge in passenger traffic expected in 2021 after the October 2020 opening.
- International connecting traffic will grow at a rate higher than that of the projected GDP growth due to improved connectivity between North American and Latin American markets.
- Long-term passenger growth between 2025 and 2045 reflects a period of maturing growth. It is assumed that this matured growth will be the same rate as the growth of the GDP.
- Domestic LCCs will maintain the same growth opportunity as other carriers from 2025 to 2045, extending the impact of the 'LCC Effect' in cost dependent markets.
- Post 2045, passenger volume will increase at an average annual rate of 0.5 percent to reflect the maturity of the markets served.

GDP forecasts from the Organization for Economic Co-operation and Development (OECD) were applied in the regression and trend/multiplier analyses for domestic O&D passenger

[5] Includes Aeromexico, Interjet, Volaris, Vivaaerobus, Aeromar and Magnicharters

traffic between 2025 and 2045, and for international passenger traffic projections by region until 2045.

Figure 5-1, *Annual Economic GDP Growth Rate Assumptions,* presents the regional growth rates as incorporated into the domestic O&D and international passenger forecast segments.

FIGURE 5-1 – ANNUAL ECONOMIC GDP GROWTH RATE ASSUMPTIONS

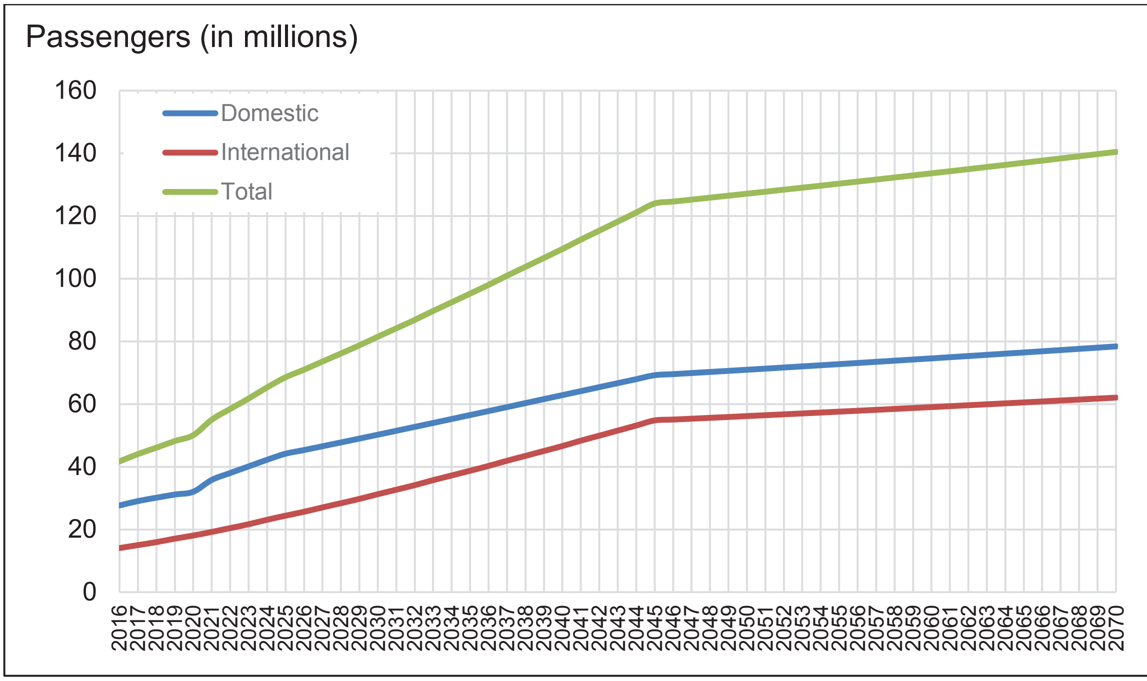
Regional Economies-Annual GDP Growth Rates											
Year	Mexico	North America	Latin America	Europe	World	**Year**	Mexico	North America	Latin America	Europe	World
2017	2.7%	3.0%	1.9%	1.8%	2.6%	**2032**	3.4%	2.2%	2.6%	1.7%	2.1%
2018	2.7%	2.8%	2.5%	1.8%	2.5%	**2033**	3.5%	2.1%	2.6%	1.7%	2.1%
2019	2.7%	2.6%	2.9%	1.8%	2.4%	**2034**	3.6%	2.1%	2.6%	1.7%	2.1%
2020	2.7%	2.6%	3.1%	1.8%	2.4%	**2035**	3.6%	2.0%	2.6%	1.7%	2.0%
2021	2.8%	2.5%	3.0%	1.8%	2.4%	**2036**	3.6%	2.0%	2.5%	1.6%	2.0%
2022	2.8%	2.5%	2.8%	1.8%	2.4%	**2037**	3.7%	1.9%	2.5%	1.6%	2.0%
2023	2.8%	2.4%	2.8%	1.8%	2.3%	**2038**	3.7%	1.9%	2.5%	1.6%	1.9%
2024	2.8%	2.4%	2.7%	1.8%	2.3%	**2039**	3.6%	1.9%	2.5%	1.5%	1.9%
2025	2.9%	2.4%	2.7%	1.8%	2.3%	**2040**	3.6%	1.8%	2.5%	1.5%	1.8%
2026	2.9%	2.4%	2.7%	1.8%	2.3%	**2041**	3.6%	1.8%	2.5%	1.5%	1.8%
2027	3.0%	2.4%	2.7%	1.8%	2.3%	**2042**	3.6%	1.7%	2.4%	1.5%	1.8%
2028	3.1%	2.4%	2.7%	1.8%	2.3%	**2043**	3.5%	1.7%	2.4%	1.5%	1.8%
2029	3.2%	2.3%	2.7%	1.7%	2.2%	**2044**	3.4%	1.7%	2.4%	1.4%	1.7%
2030	3.3%	2.3%	2.6%	1.7%	2.2%	**2045**	3.4%	1.7%	2.4%	1.4%	1.7%
2031	3.3%	2.2%	2.6%	1.7%	2.2%						

Source: Organisation for Economic Co-operation and Development (OECD), GDP Long-Term Forecast.

The result of this methodology is an estimated 55 million passengers for the first full year of operation at the NAICM (2021). It is projected that domestic traffic will account for about 65 percent of the passengers, with 35 percent of traffic being international. Connecting traffic will represent an estimated 26 percent of passengers in 2021. NAICM passengers are forecast to reach 68.6 million annual passengers by 2025, and 81.5 million by 2030. By 2070 in the long range forecast, total annual passengers at NAICM are projected to reach 140 million.

Figure 5-2, *International and Domestic Passenger Forecast (2016-2070)*, presents the NAICM annual passenger forecast from 2016 to 2070.

FIGURE 5-2 – INTERNATIONAL AND DOMESTIC PASSENGER FORECAST (2016-2070)



Year	Domestic	International	Total
2016	27,654,171	14,056,083	41,710,254
2021	35,803,000	19,209,000	55,012,000
2025	44,160,000	24,391,000	68,552,000
2030	50,228,000	31,249,000	81,478,000
2045	69,204,000	54,780,000	123,984,000
2070	78,393,000	62,055,000	140,449,000
Average Annual Growth Rate			
2016-25	5.3%	6.3%	5.7%
2016-30	4.4%	5.9%	4.9%
2016-45	3.2%	4.8%	3.8%
2016-70	1.9%	2.8%	2.3%

Source: Landrum & Brown.

NAICM passenger traffic segments are projected to grow in support of a larger transfer hubbing operation in Mexico City with both domestic and international connecting passenger segments growing faster than O&D.

In 2030, 29 percent of total annual passengers, approximately 24 million, are forecast to be connecting passengers. By 2045, 38.9 million, or 31 percent of the total passengers, are expected to be connecting passengers. A majority of these connecting passengers are estimated to be handled by Aeromexico as the dominant hub carrier at the NAICM. By 2070, as many as 44 million passengers are projected to be connecting through NAICM, and the overall connecting rate is expected to remain at 31 percent.

Figure 5-3, *O&D and Connecting Passenger Forecast (2016-2070)*, presents the NAICM annual passenger forecast broken down by O&D and connecting passengers from 2016 to 2070. Figure 5-3 presents the forecast in terms of total passengers with the assumption that an equal number of passengers arrive and depart from the airport, thus approximately 50 percent of the forecasted total passengers will be arriving and 50 percent departing. A detailed annual forecast of departing passenger projections is provided in **APPENDIX A**.

FIGURE 5-3 – O&D AND CONNECTING PASSENGER FORECAST (2016-2070)

	2016	2021	2025	2030	2045	2070
Domestic						
O&D	21,370,705	27,631,000	33,362,000	37,613,000	50,456,000	57,156,000
Connecting	6,283,466	8,172,000	10,798,000	12,615,000	18,748,000	21,238,000
% Connecting	*22.7%*	*22.8%*	*24.5%*	*25.1%*	*27.1%*	*27.1%*
Total	27,654,171	35,803,000	44,160,000	50,228,000	69,204,000	78,393,000
International						
O&D	10,803,254	13,164,000	16,261,000	19,873,000	34,584,000	39,176,000
Connecting	3,252,254	6,045,000	8,130,000	11,376,000	20,197,000	22,879,000
% Connecting	*23.1%*	*31.5%*	*33.3%*	*36.4%*	*36.9%*	*36.9%*
Total	14,056,083	19,209,000	24,391,000	31,249,000	54,780,000	62,055,000
Total						
O&D	32,174,534	40,795,000	49,623,000	57,486,000	85,040,000	96,332,000
Connecting	9,535,720	14,217,000	18,928,000	23,991,000	38,945,000	44,117,000
% Connecting	*22.9%*	*25.8%*	*27.6%*	*29.4%*	*31.4%*	*31.4%*
Total	41,710,254	55,012,000	68,552,000	81,478,000	123,985,000	140,449,000

Source: Landrum & Brown.

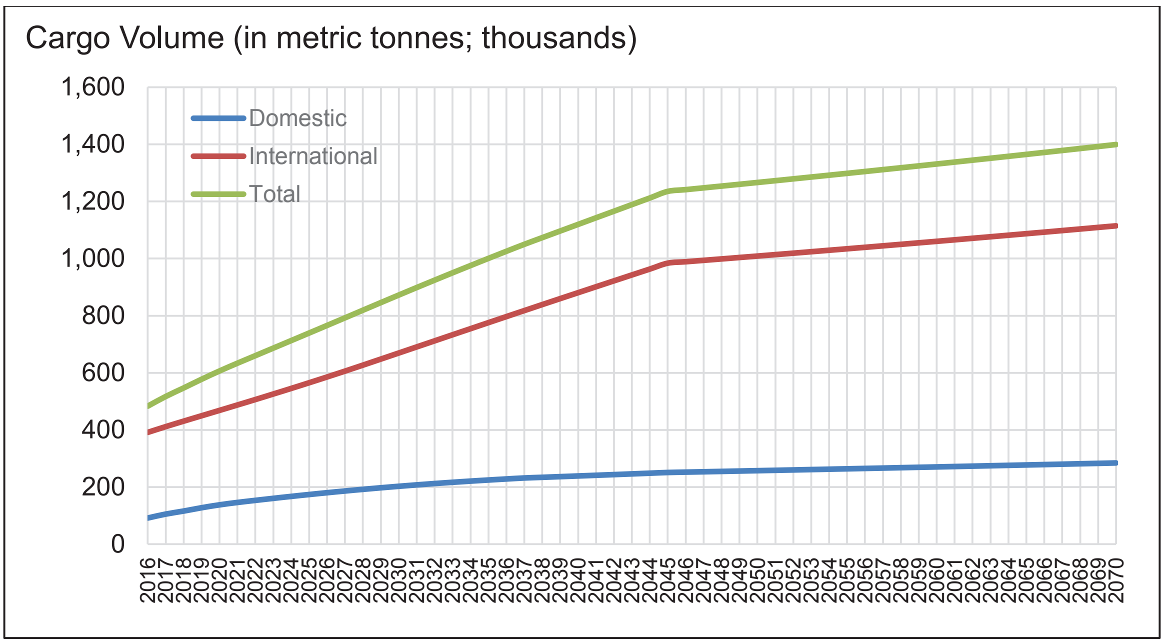
Note: Connecting passengers for 2016 onwards includes both departing and arriving passengers in connecting flights and therefore equals 2 times the airport´s departing passengers in connecting flights.

6. AIR CARGO TONNAGE FORECAST

Domestic cargo at NAICM was forecast by applying growth rates indicative of the potential due to increased e-commerce in the near-term. These growth rates are comparable to domestic cargo growth projections by Airbus and Boeing for North America. International cargo was forecast by utilizing an econometric model with U.S. GDP as the dependent variable.

Cargo tonnage is forecast to increase from 483,433 metric tonnes in 2016 to approximately 1.4 million metric tonnes by 2070. **Figure 6-1, *Cargo Tonnage Forecast (2016-2070)***, presents the cargo tonnage forecast through 2070.

FIGURE 6-1 – CARGO TONNAGE FORECAST (2016-2070)



Year	Domestic	International	Total
2016	91,820	391,613	483,433
2021	146,300	487,400	633,700
2025	174,100	565,300	739,400
2030	202,900	669,500	872,300
2045	251,200	983,900	1,235,100
2070	284,600	1,114,600	1,399,100
Average Annual Growth Rate			
2016-25	7.4%	4.2%	4.8%
2016-30	5.8%	3.9%	4.3%
2016-45	3.5%	3.2%	3.3%
2016-70	2.1%	2.0%	2.0%

Source: Landrum & Brown.

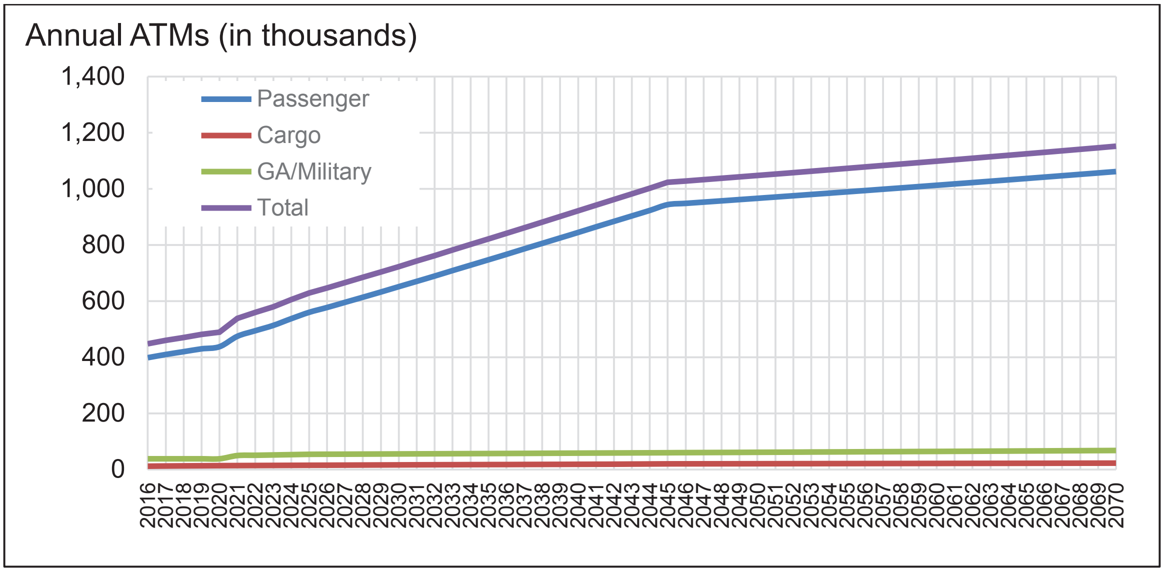
Cargo tonnage is expected to remain mainly international. A vast majority of the current cargo traffic is handled in the belly compartment of commercial passenger aircraft. This is unlikely to change materially in the future. Therefore, it is anticipated that throughout the forecast period, 80 percent of all cargo will be handled by passenger airlines.

7. FORECAST OF AIR TRANSPORT MOVEMENTS (ATMS)

Future Air Transport Movements (ATMs), defined as aircraft arrivals plus departures, were forecast separately for the three major categories of users at NAICM: passenger, cargo and General Aviation (GA)/military. These components were then aggregated to derive a total ATM forecast for NAICM. The future ATMs are a direct result of the passenger and cargo tonnage forecasts. GA/military activity is mainly government and military traffic and future growth was estimated from stakeholder input on peak daily and hourly projections from each of the major groups.

Total ATMs are expected to increase from approximately 448,150 ATMs in 2016 to nearly 1.2 million ATMs in 2070. Passengers ATMs are forecast to increase from 398,401 ATMs in 2016 to nearly 1.1 million ATMs in 2070. All-cargo (or freighter) ATMs are forecast to increase from 11,724 ATMs in 2016 to 22,600 ATMs in 2070. GA/military ATMs are forecast to increase from 38,025 ATMs in 2016 to 67,600 ATMs in 2070 of which an estimated 39.1 percent are fixed-wing in 2025 and thereafter. **Figure 7-1, *Annual ATMs Forecast (2016-2070)***, presents the forecast of annual ATMs.

FIGURE 7-1 – ANNUAL ATMS FORECAST (2016-2070)



Year	Passenger	Cargo	GA/Military	Total
2016	398,401	11,724	38,025	448,150
2021	474,700	13,900	49,600	538,300
2025	560,100	15,000	55,400	629,100
2030	651,600	16,400	55,226	723,400
2045	944,000	20,000	59,700	1,023,700
2070	1,061,900	22,600	67,600	1,152,100
Average Annual Growth Rate				
2016-25	3.9%	2.8%	4.0%	3.9%
2016-30	3.6%	2.4%	2.7%	3.5%
2016-45	3.0%	1.8%	1.6%	2.9%
2016-70	1.8%	1.2%	1.1%	1.8%

Source: Landrum & Brown.

Passenger ATMs are based on the passenger forecast and operations metrics which are projected to increase throughout the forecast period. Average aircraft gauge is projected to increase from 134 seats in 2016 to 163 seats by 2070, with average passengers per departure increasing from 105 to 133 passengers by 2070. Average annual load factors remain at 81 percent by 2021 and thereafter. See **Figure 7-2, *Total Passenger ATM Metrics***.

FIGURE 7-2 – TOTAL PASSENGER ATM METRICS

	2016	2021	2025	2030	2070
Average Seats per Departure	134	143	151	153	163
Average Passengers per Departure	105	116	122	125	133
Average Load Factor	78%	81%	81%	81%	81%

Source: Landrum & Brown.

8. DESIGN DAY AND PEAK HOUR FORECASTS

The traffic demand patterns imposed upon an airport are subject to seasonal, monthly, daily, and hourly variations. Understanding traffic peaking characteristics is critical when assessing the overall facility's ability to accommodate increases in passenger and operations activity. The objective of developing a design day and peak hour forecast is to provide a design level of demand that allows for sizing facilities.

The following sections present the design day and peak hour forecasts of passengers and operations at NAICM for the years 2016, 2021, 2030, and 2065.

8.1 DESIGN DAY FORECAST

The IATA and ICAO "busy day" definition was used to determine the 2016 design day flight schedule at AICM. According to IATA, "a typical 'busy day' is the second busiest day in an average week during the peak month."

Air traffic at AICM is not very seasonal compared to many other airports in Mexico or Latin America. This is likely the result of the current capacity constraints at AICM. Historically, the peak months for air traffic at AICM have been the summer months of July and August with December also achieving the peak month in some years in terms of operations. Following the analysis of peak months at AICM, July 21, 2016 was selected as the design day for 2016. Scheduled flight data from the Official Airline Guide (OAG) was used as the basis of developing the 2016 design day schedules.

Future NAICM design day flight schedules were developed for 2021, 2025, 2030, and 2065 based on the annual and derivative (peak) forecasts. The principle of peak smoothing was applied to forecast future peak periods.

Figure 8-1, *Design Day Forecast,* presents the design day forecast for years 2016, 2021, 2025, 2030, and 2065.

FIGURE 8-1 – DESIGN DAY FORECAST

	2016	2021	2025	2030	2065
PASSENGERS					
Annual					
O&D	32,174,534	40,795,000	49,623,000	57,486,000	93,959,000
Connecting	9,535,720	14,217,000	18,928,000	23,991,000	43,030,000
Total	41,710,254	55,012,000	68,552,000	81,478,000	136,989,000
Peak Month					
O&D	3,062,194	3,931,000	4,758,000	5,501,000	8,774,000
Connecting	971,646	1,373,000	1,811,000	2,293,000	3,997,000
Total	4,033,840	5,304,000	6,569,000	7,794,000	12,771,000
Design Day					
O&D	106,252	132,859	161,044	184,981	288,938
Domestic O&D	*74,259*	*89,092*	*106,911*	*119,922*	*177,220*
International O&D	*31,993*	*43,767*	*54,133*	*65,059*	*111,718*
Connecting	29,832	46,092	60,704	76,071	132,194
Domestic Connecting	*17,054*	*25,824*	*33,348*	*38,367*	*63,289*
International Connecting	*12,778*	*20,268*	*27,356*	*37,704*	*68,905*
Total	136,084	178,951	221,748	261,052	421,132
Domestic Total	*91,313*	*114,916*	*140,259*	*158,289*	*240,509*
International Total	*44,771*	*64,035*	*81,489*	*102,763*	*180,623*
ATMs					
Annual	398,200	474,700	560,100	651,600	1,037,200
Peak Month	34,900	42,100	49,600	57,700	91,300
Design Day	1,190	1,440	1,715	1,984	3,084
Annual to Design Day Ratio	335	330	327	328	336
Peak Month %	8.8%	8.9%	8.9%	8.9%	8.8%
Design Day %	3.4%	3.4%	3.4%	3.4%	3.4%

Source: Landrum & Brown.

8.2 PEAK HOUR PASSENGER FORECAST

Design day passenger forecasts were used to determine peak hour passengers. **Figure 8-2, *Peak Rolling Hour Passengers*** presents the peak hour passengers for the years 2016, 2021, 2025, 2030, and 2065. Peak hour passengers are presented using a rolling peak hour, which is an analysis of the activity during a 60-minute period (an hour), counted every five minutes, instead of the clock hour, which represents the activity for each clock hour and can miss peaks that are present when analyzed in more frequent intervals. **Figures 8-3, 8-4 and 8-5,** illustrate the forecast distribution of passengers in the design day flight schedules based on a rolling hour, for the years 2016, 2021, 2025, 2030 and 2065.

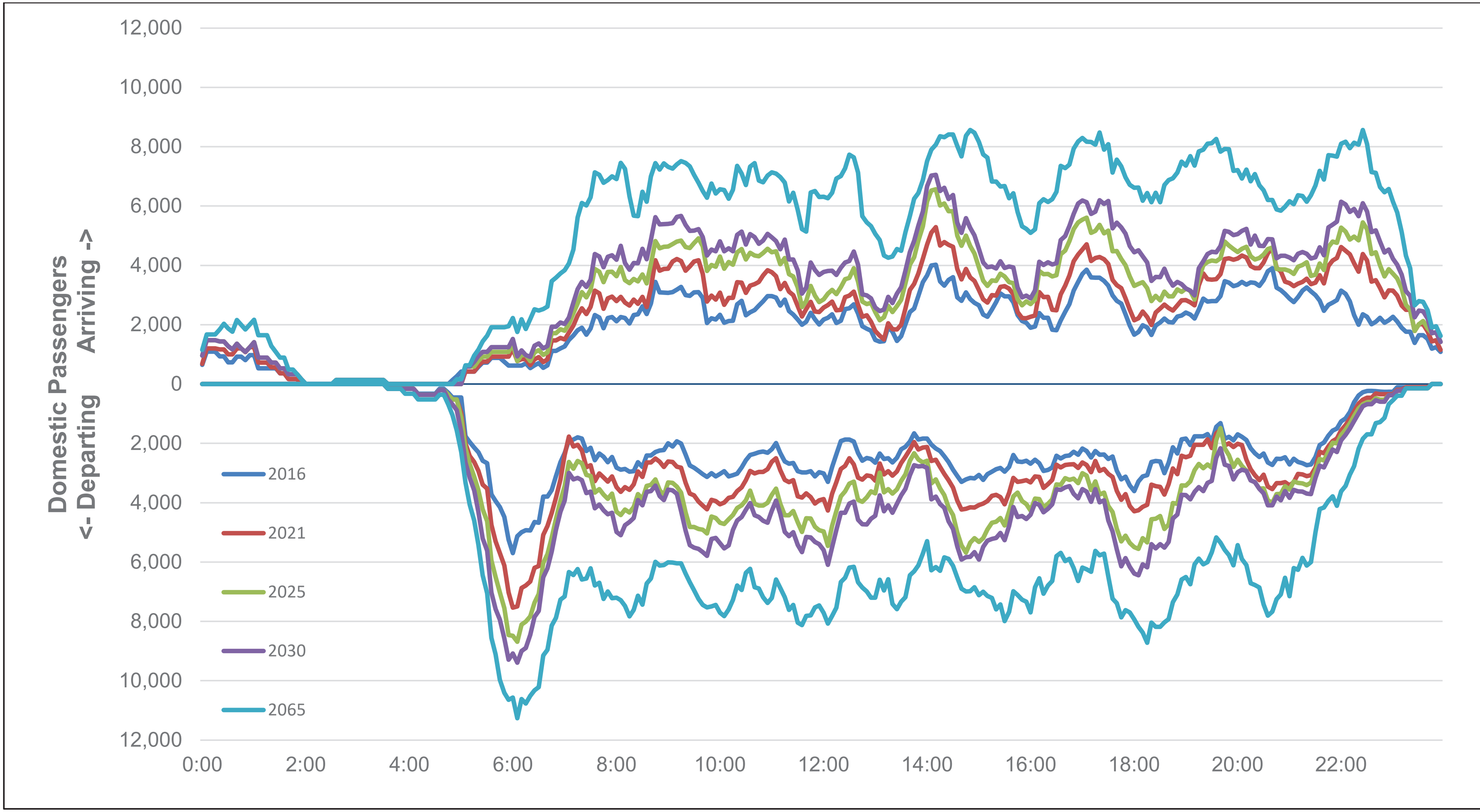
FIGURE 8-2 – PEAK ROLLING HOUR PASSENGERS

	2016	2021	2025	2030	2065
Domestic					
Arrivals	4,020	5,291	6,563	7,051	8,566
O&D	3,345	4,183	5,094	5,489	6,700
Connecting	888	1,230	1,500	1,775	2,475
Departures	5,700	7,542	8,689	9,396	11,263
O&D	4,682	5,852	6,636	7,119	8,173
Connecting	1,018	1,772	2,154	2,415	3,123
Total	6,626	8,735	10,684	11,426	15,549
O&D	5,498	6,760	8,407	8,843	11,810
Connecting	1,318	1,975	2,522	2,910	4,249
International					
Arrivals	2,238	3,230	3,568	4,752	8,125
O&D	1,521	2,202	2,367	2,947	4,717
Connecting	782	1,260	1,266	1,789	3,392
Departures	2,330	3,565	4,579	5,433	8,214
O&D	1,586	2,304	2,981	3,243	4,507
Connecting	754	1,279	1,598	2,351	3,888
Total	3,664	5,006	6,363	8,201	14,071
O&D	2,531	3,396	4,047	4,773	7,841
Connecting	1,133	1,799	2,316	3,539	6,230
Total					
Arrivals	5,391	7,609	8,896	9,933	15,351
O&D	4,267	5,815	6,832	7,430	10,699
Connecting	1,245	2,038	2,457	2,844	4,965
Departures	7,098	9,780	11,502	12,530	16,590
O&D	5,733	7,475	8,574	9,209	12,373
Connecting	1,426	2,408	3,007	3,461	5,730
Total	9,255	12,406	15,159	17,745	26,943
O&D	7,512	9,451	11,576	13,139	18,385
Connecting	2,028	3,068	4,152	5,543	9,469

Note: Figures are not additive as peaks occur at different times of the day.

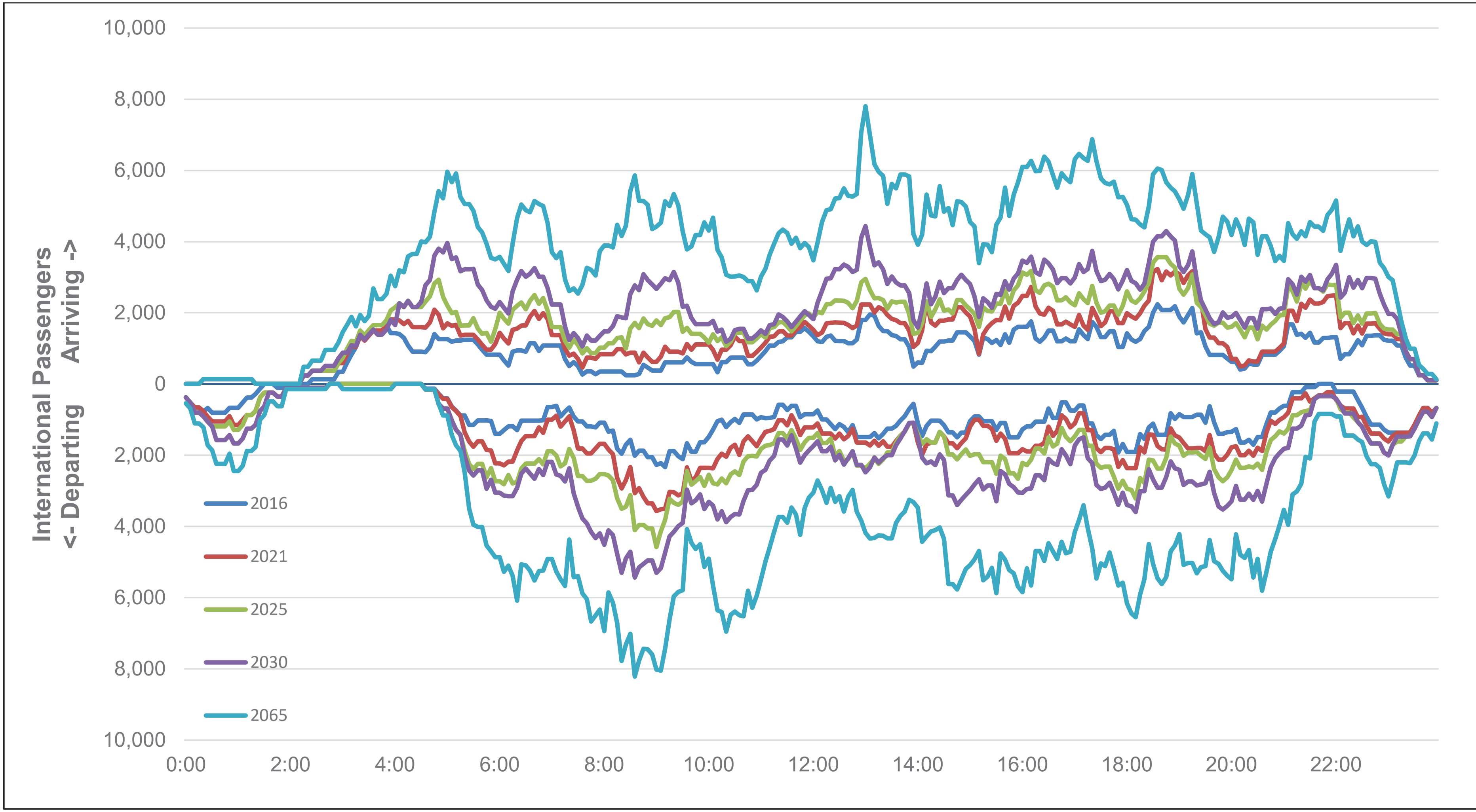
Source: Landrum & Brown.

FIGURE 8-3 – DOMESTIC DESIGN DAY PASSENGERS BY ROLLING HOUR



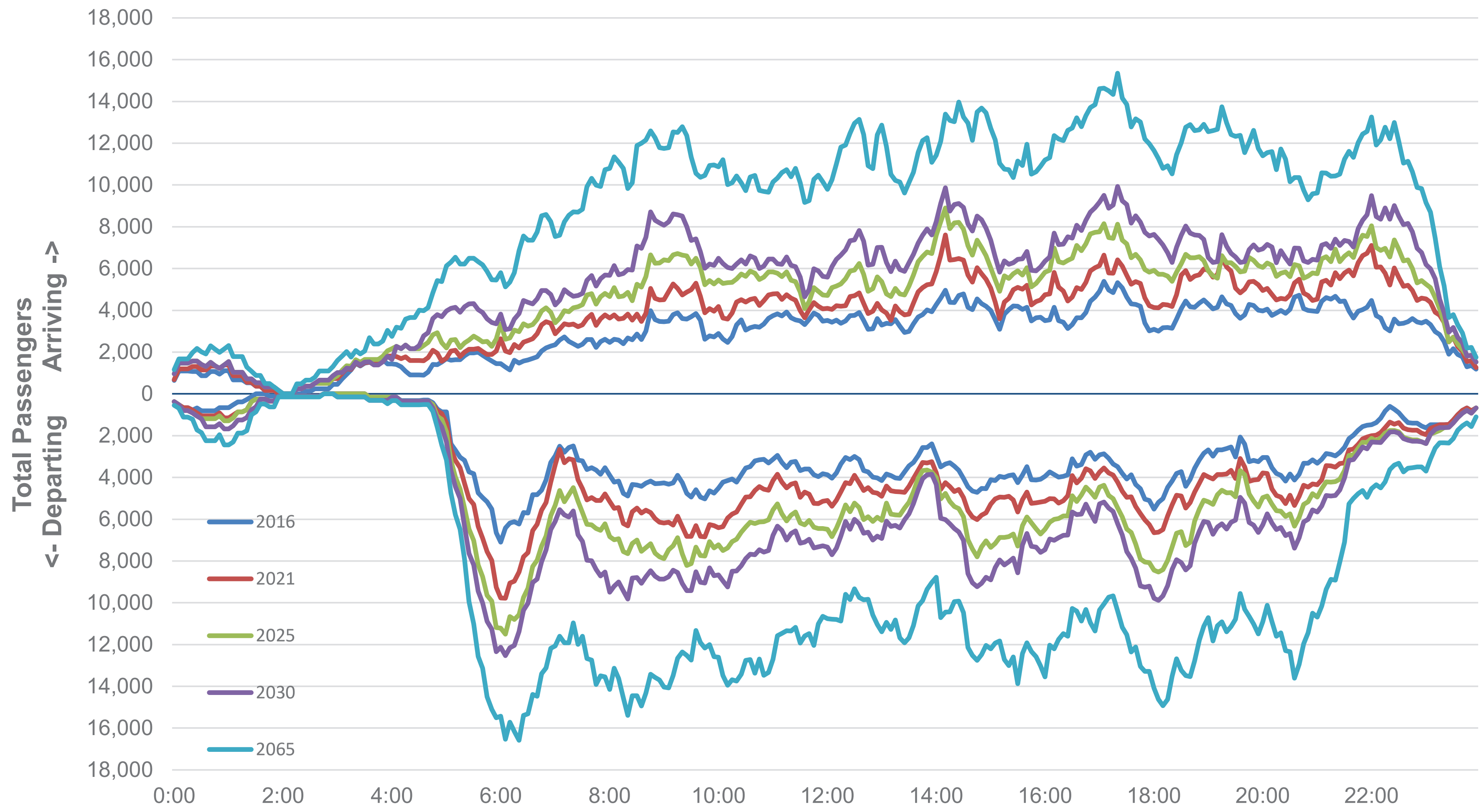
Source: Landrum & Brown

FIGURE 8-4 – INTERNATIONAL DESIGN DAY PASSENGERS BY ROLLING HOUR



Source: Landrum & Brown.

FIGURE 8-5 – TOTAL DESIGN DAY PASSENGERS BY ROLLING HOUR



Source: Landrum & Brown.

8.3 PEAK HOUR ATMs FORECAST

Design day ATMs forecasts were used to determine peak hour ATMs by segment. Design day flight schedules were developed to represent the design day and peak hour ATMs.

Figure 8-6*, Peak Hour ATMs,* displays the peak hour ATMs forecast for the years 2016, 2021, 2025, 2030 and 2065 for all aircraft operations including passenger, cargo, and GA/military operations.

Figures 8-7, 8-8, and **8-9,** illustrate the distribution of ATMs in the design day flight schedules based on a rolling hour, for the years 2016, 2021, 2025, 2030 and 2065.

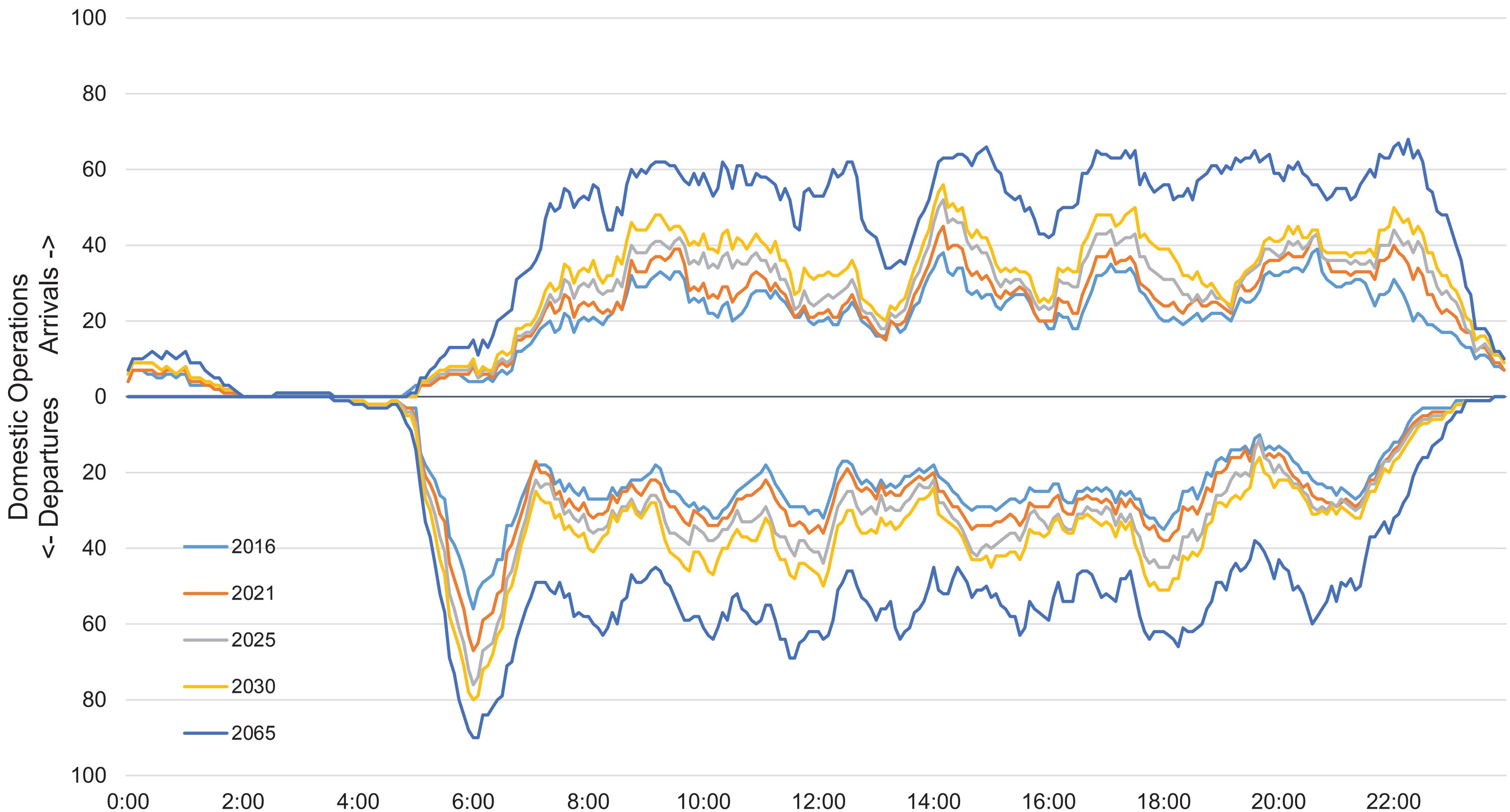
FIGURE 8-6 – PEAK HOUR ATMs

	2016	2021	2025	2030	2065
Domestic Passenger ATMs					
Arrivals	38	45	50	54	66
Departures	57	68	73	77	91
Total	**62**	**76**	**84**	**91**	**118**
International Passenger ATMs					
Arrivals	15	21	25	32	51
Departures	18	26	32	37	53
Total	**26**	**37**	**45**	**56**	**94**
Total Passenger ATMs					
Arrivals	46	64	72	82	111
Departures	66	83	91	98	121
Total	**80**	**103**	**117**	**132**	**186**
Cargo ATMs					
Arrivals	5	5	5	5	7
Departures	5	5	6	8	9
Total	**6**	**7**	**7**	**9**	**10**
GA/Military ATMs					
Arrivals	2	5	7	7	7
Departures	5	9	10	10	10
Total	**5**	**11**	**12**	**12**	**12**
Total ATMs					
Arrivals	50	61	73	82	111
Departures	68	84	98	105	128
Total	**84**	**106**	**123**	**145**	**205**

Note: ATMs are not additive as peaks occur at different times of the day.

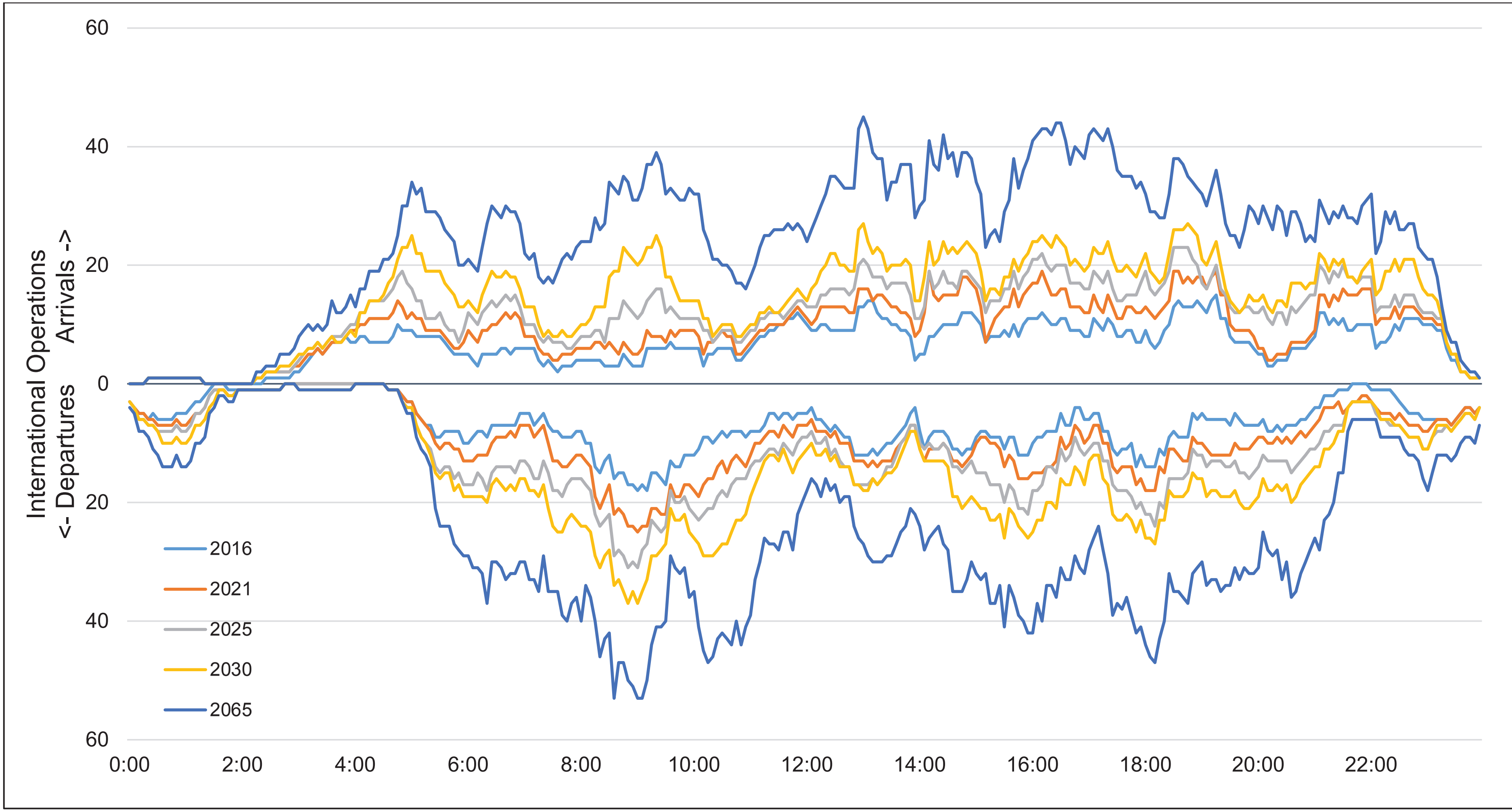
Source: Landrum & Brown.

FIGURE 8-7 – DOMESTIC DESIGN DAY PASSENGER ATMs BY ROLLING HOUR



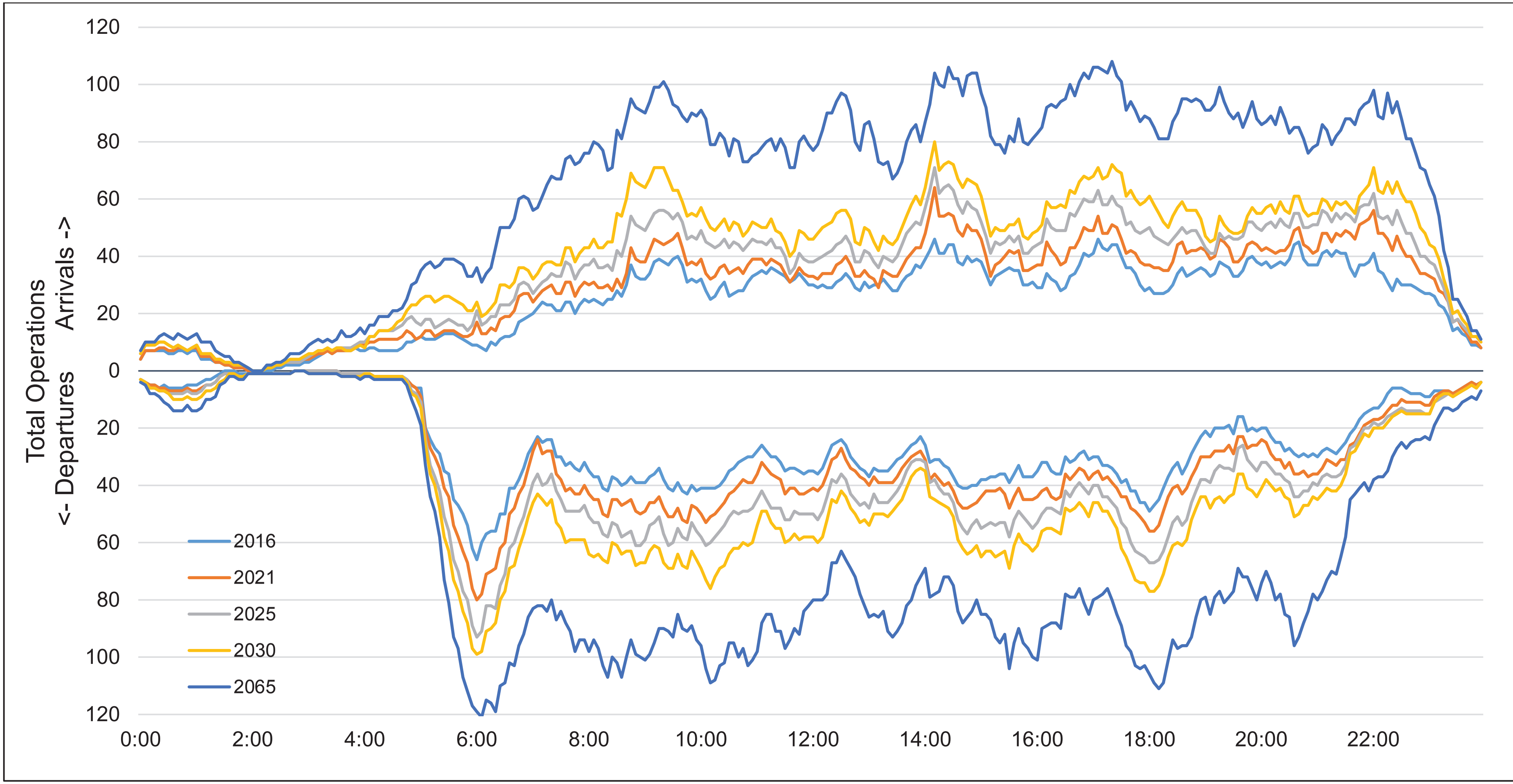
Source: Landrum & Brown.

FIGURE 8-8 – INTERNATIONAL DESIGN DAY PASSENGER ATMs BY ROLLING HOUR



Source: Landrum & Brown.

FIGURE 8-9 – TOTAL DESIGN DAY PASSENGER ATMs BY ROLLING HOUR



Source: Landrum & Brown.

8.4 DESIGN DAY FLEET MIX FORECAST

The design day flight schedules were analyzed to determine the mix of aircraft operations based on the ICAO code classifications. The annual fleet mix developed for the air traffic movements forecast served as the baseline target of aircraft selections in the development of the design day fleet mix. Design day fleet mixes are commonly a little heavier in aircraft gauge than the annual fleet mix. **Figure 8-10*, Design Day Fleet Mix,*** displays the number and percentage of operations by aircraft code for all aircraft operations including passenger, cargo, and GA/military operations.

The majority of the current commercial passenger fleet at AICM consists of Code C aircraft, such as the Boeing 737, Airbus 320, Embraer 170/190 and ATR 42/72. The future fleet for NAICM is projected to remain predominantly Code C aircraft. A small percentage of Code B aircraft, such as the CRJ-700, are projected to remain in the fleet through 2030. Code E aircraft, such as the Boeing 787, Boeing 777 and Airbus 330 are forecast to increase as a percentage of total operations, from about 4 percent to nearly 6 percent. Code A (GA/military) and Code F aircraft (Airbus A380 and Boeing 747-8) represent a small component of the total fleet. In total, widebody aircraft (ICAO Codes D, E and F) are estimated to represent approximately seven percent in 2065.

FIGURE 8-10 – DESIGN DAY FLEET MIX

DESIGN DAY AIRCRAFT OPERATIONS BY AIRCRAFT CODE										
CODE	**2016**		**2021**		**2025**		**2030**		**2065**	
A	0	0.0%	4	0.3%	6	0.3%	6	0.3%	6	0.2%
B	57	4.5%	52	3.3%	72	3.9%	78	3.6%	100	3.1%
C	1,130	89.8%	1,400	89.9%	1,675	89.8%	1,927	89.9%	2,927	89.5%
D	21	1.7%	28	1.8%	30	1.6%	32	1.5%	39	1.2%
E	45	3.6%	64	4.1%	74	4.0%	89	4.2%	187	5.7%
F	6	0.5%	9	0.6%	9	0.5%	11	0.5%	12	0.4%
Total	1,259	100%	1,557	100%	1,866	100%	2,143	100%	3,271	100%

Note: Percentages may not add up to 100 percent due to rounding.

Source: Landrum & Brown.

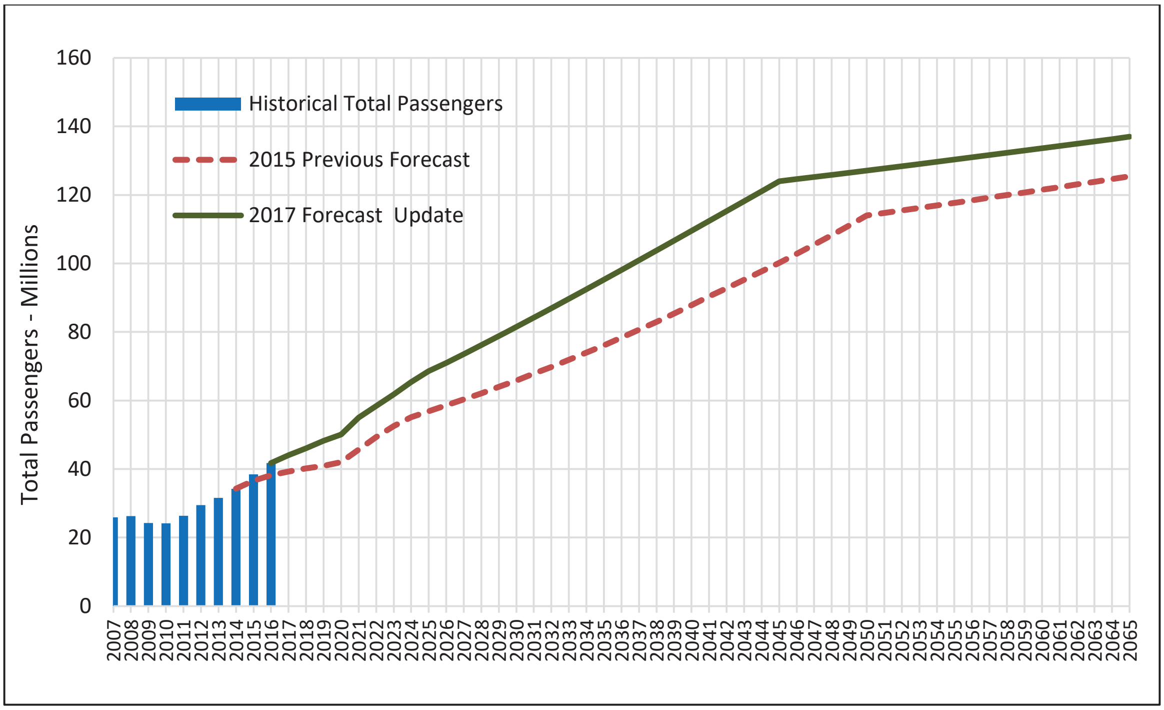
9. COMPARISON TO THE PREVIOUS FORECAST

9.1 TOTAL PASSENGER FORECAST COMPARISON

The updated forecasts start with a higher base of total passengers, which exceeds the previous forecast[6] by more than 9 percent. Thus, the 2017 forecast update is higher than the previous forecast during the full forecast period. The previous total passenger forecast results in a 2.6 percent AAGR yielding 125.4 million annual passengers in 2065. The 2017 forecast grows at 2.4 percent AAGR over the same forecast period yielding 137 million annual passengers in 2065, a long-range difference of 11.6 million. The 2017 forecast update reaches 140.5 million annual passengers by 2070.

Figure 9-1, *Comparison of Total Passenger Forecast*, presents a graphical comparison of the 2015 and 2017 annual total passenger forecasts.

FIGURE 9-1 – COMPARISON OF TOTAL PASSENGER FORECAST



	2016	2021	2025	2030	2065
2015 Previous Forecast	38,160,308	45,630,000	56,831,000	65,865,000	125,422,000
2017 Forecast Update	41,710,254	55,012,000	68,552,000	81,478,000	136,989,000
Percent Change	9.3%	20.6%	20.6%	23.7%	9.2%

Source: AICM, 2015 Previous Forecast, Landrum & Brown.

[6] Previous forecast refers to the ARUP forecast prepared for AICM in 2015.

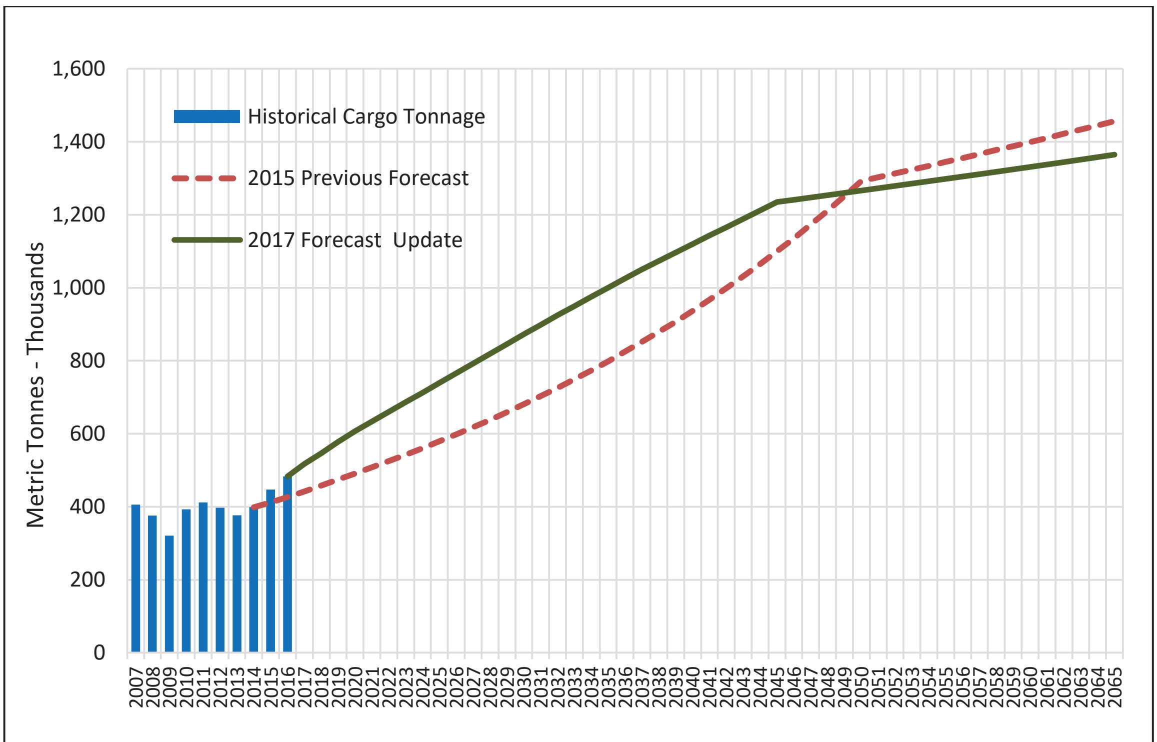
9.2 CARGO TONNAGE FORECAST COMPARISON

The 2015 previous forecast projected air cargo growth to remain steady through 2050, when growth rates begin to drop and a constant long-range mature growth rate was applied. Air cargo tonnage was projected to grow from 399,000 metric tonnes in 2014 to nearly 1.5 million metric tonnes in 2065 (a 2.6 percent AAGR over the forecast period).

The 2017 forecast starts from a higher baseline, but growth rates (mainly long-term) are not as aggressive (2.1 percent AAGR) resulting in lower projections in 2065 than the 2015 previous forecast. Domestic cargo is projected to exhibit more growth in the 2017 forecast update compared to the 2015 previous forecast. The 2017 forecast update projects air cargo tonnage to increase to 1.4 million metric tonnes in 2065 (92,000 metric tonnes below the 2015 forecast). In 2045 the 2017 forecast update is higher by 135,000 metric tonnes. Beyond 2045 a more conservative long range growth rate was applied, thus creating the 2065 differential. The 2017 forecast update reaches nearly 1.4 million tonnes by 2070.

Figure 9-2, *Comparison of Cargo Tonnage Forecast*, presents a graphical comparison of the 2015 and 2017 annual air cargo forecasts.

FIGURE 9-2 – COMPARISON OF CARGO TONNAGE FORECAST



	2016	2021	2025	2030	2065
2015 Previous Forecast	426,601	508,000	579,000	681,000	1,457,000
2017 Forecast Update	483,433	634,000	739,000	872,000	1,365,000
Percent Change	13.3%	24.8%	27.6%	28.0%	- 6.3%

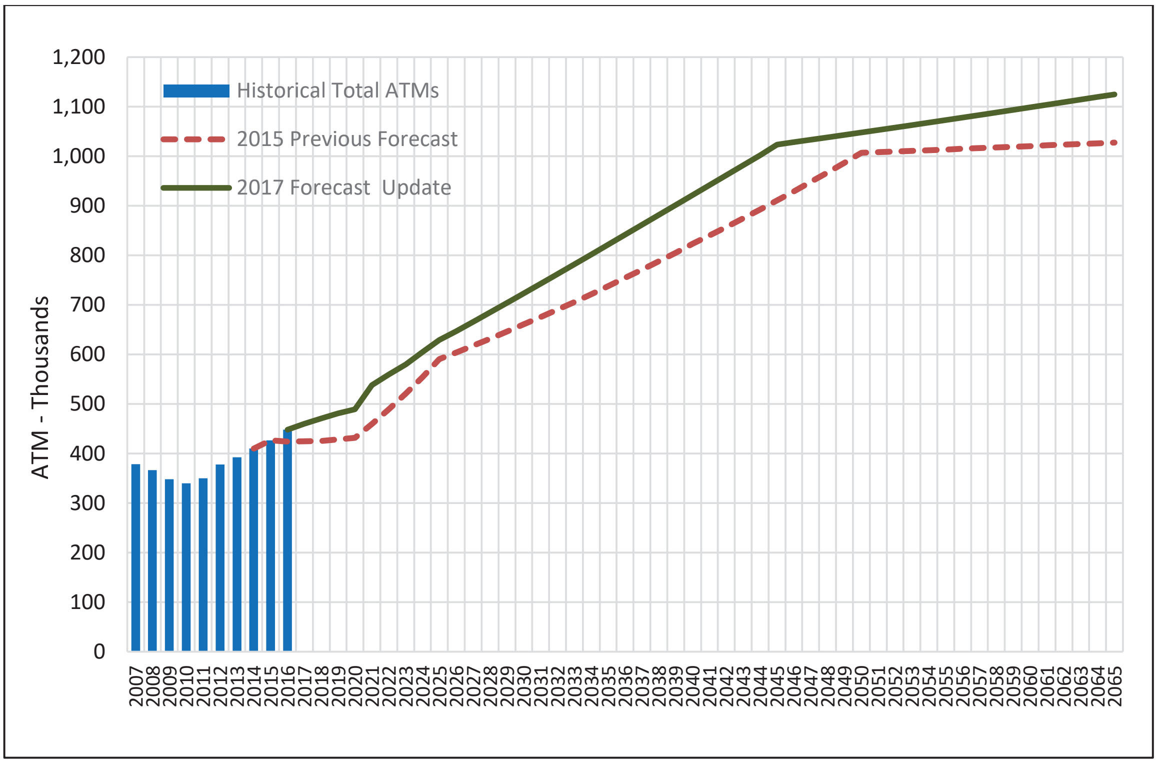
Source: AICM, 2015 Previous Forecast, Landrum & Brown.

9.3 ATMS FORECAST COMPARISON

The 2015 previous forecast projected ATM growth to remain steady through 2050, when growth begins to slow down due to market maturity. Total ATMs were projected to increase from 409,000 in 2014 to 1 million in 2065 (a 1.8 percent AAGR over the forecast period). The 2017 forecast update projects ATMs to increase to 1.1 million by 2065 (97,000 ATMs above the 2015 forecast, and a 1.9 percent AAGR over the forecast period). The 2017 forecast update reaches nearly 1.2 million ATMs by 2070.

Figure 9-3, *Comparison of ATMs Forecast*, presents a graphical comparison of the 2015 and 2017 annual ATM forecasts.

FIGURE 9-3 – COMPARISON OF ATMS FORECAST



	2016	2021	2025	2030	2065
2015 Previous Forecast	423,795	460,000	590,000	661,000	1,028,000
2017 Forecast Update	448,150	538,000	629,000	723,000	1,125,000
Percent Change	5.7%	17.0%	6.6%	9.4%	9.4%

Source: AICM, 2015 Previous Forecast, Landrum & Brown.

10. SUMMARY CONCLUSIONS

The forecasts presented and discussed herein were prepared as a reasonable base forecast of traffic at AICM and then NAICM after the opening of the new airport; assumed to be October 2020. The forecasts incorporate near-term constraints in AICM runway capacity and estimate unconstrained mid-term and long-range demand when operations shift to NAICM.

The passenger forecasts assume realistic growth projections from the six major domestic carriers on an independent carrier basis, which the consultant revised down in the near-term based on a cumulative forecast estimation process (assumes demand overlap).

Domestic passenger growth was determined to have a theoretical upper limit in the range of 70 million annual passengers based on a market demand and daily frequency threshold. International passenger demand was estimated from econometric regression models and the use of demand multipliers for long-range projections. Input from the major carriers on connecting passenger trends and the results of benchmarking research of hubbing operation airports in the United States and Latin America were used to lead the shift in existing connection rate AICM to the projections for NAICM.

Air cargo demand for NAICM was estimated for domestic and international cargo segments separately with assumed average annual growth rates comparable to manufacturers forecast projections for domestic and an econometric regression model was performed for international cargo against U.S. GDP as Mexico's primary trade partner. A near-term surge for domestic cargo was also applied to incorporate the expanding e-commerce component. Belly cargo and freighter cargo shares were held constant during the forecast.

Aircraft movements were estimated for passenger and cargo operations with average passengers per movement and freight per cargo movement factors being used with the total passenger and freighter tonnage forecasts to determine the number of movements necessary to provide the total demand. GA/Military operations were estimated from stakeholder input and near-term estimated activity levels and then allowed to experience a five year growth surge in an unconstrained environment and considering expansion desires by the stakeholders before applying long-range maturity growth rates after 2025.

All forecasts were concluded with a mature growth rate of 0.5 percent per year after 2045 as a conservative maturity assumption. Forecast revisions and updates every five to 10 years are recommended and prudent to incorporate unpredictable external changes in the industry and economies of the local region and world.

The potential risks which could reduce the probability of achieving the forecast are:

- Long economic recessions (local, national or world) or major financial crises
- Political instability within Mexican or close trade partner governments
- Non-beneficial changes to existing bilateral agreements
- Surge in Oil and fuel prices
- Tourism related safety issues such as terrorism and natural disasters

Changes to the NAFTA agreement, if any, are not expected to have a material impact on the traffic forecast.

APPENDIX A
NAICM PASSENGER FORECAST DATA TABLE

Passengers (millions)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Domestic TUA paying passengers (departures)	10.47	11.45	11.79	12.05	12.23	13.54	14.32	15.04	15.74	16.35
Domestic passengers in connection (departures)	3.14	2.84	3.03	3.28	3.53	4.09	4.39	4.71	5.05	5.40
Domestic arrival passengers	13.81	14.52	15.06	15.57	16.01	17.90	19.00	20.06	21.12	22.08
Total Domestic passengers	**27.65**	**29.05**	**30.12**	**31.14**	**32.02**	**35.80**	**38.00**	**40.11**	**42.23**	**44.16**
International TUA paying passengers (departures)	5.28	5.19	5.49	5.84	6.12	6.48	6.87	7.23	7.67	8.01
International passengers in connection (departures)	1.63	2.24	2.40	2.61	2.81	3.02	3.25	3.49	3.76	4.07
International arrival passengers	7.07	7.50	7.98	8.53	9.03	9.60	10.22	10.83	11.54	12.20
Total International passengers	**14.06**	**15.01**	**15.96**	**17.07**	**18.06**	**19.21**	**20.44**	**21.67**	**23.09**	**24.39**
Total Passengers	**41.71**	**44.06**	**46.08**	**48.21**	**50.08**	**55.01**	**58.44**	**61.78**	**65.32**	**68.55**

Passenger ATMs	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Domestic departures	142,706	145,237	147,057	148,435	148,912	163,855	169,712	175,170	182,617	189,730
Domestic arrivals	142,706	145,236	147,057	148,434	148,912	163,855	169,711	175,169	182,617	189,730
Total Domestic ATMs	**285,412**	**290,473**	**294,114**	**296,869**	**297,824**	**327,710**	**339,423**	**350,339**	**365,234**	**379,460**
International departures	56,495	59,668	62,874	66,564	69,872	73,496	77,560	81,578	86,134	90,323
International arrivals	56,494	59,668	62,875	66,565	69,873	73,497	77,560	81,579	86,135	90,324
Total International ATMs	**112,989**	**119,336**	**125,749**	**133,129**	**139,745**	**146,993**	**155,120**	**163,157**	**172,269**	**180,647**
TOTAL ATM	**398,401**	**409,809**	**419,863**	**429,998**	**437,569**	**474,703**	**494,543**	**513,496**	**537,503**	**560,107**

Pax/ATM	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Domestic departures	97.0	100.0	102.4	104.9	107.5	109.3	112.0	114.5	115.6	116.4
Domestic arrivals	96.8	100.0	102.4	104.9	107.5	109.3	112.0	114.5	115.6	116.4
Total Domestic	**96.9**	**100.0**	**102.4**	**104.9**	**107.5**	**109.3**	**112.0**	**114.5**	**115.6**	**116.4**
International departures	123.7	125.8	126.9	128.2	129.2	130.7	131.8	132.8	134.0	135.0
International arrivals	125.1	125.8	126.9	128.2	129.2	130.7	131.8	132.8	134.0	135.0
Total International	**124.4**	**125.8**	**126.9**	**128.2**	**129.2**	**130.7**	**131.8**	**132.8**	**134.0**	**135.0**
TOTAL AICM/NAICM	**104.7**	**107.5**	**109.7**	**112.1**	**114.4**	**115.9**	**118.2**	**120.3**	**121.5**	**122.4**

Based on historical data, TUA paying passengers were estimated to be 98.0 percent of domestic and 98.5 percent of international outbound O&D passengers. Connecting passengers do not pay TUA.

Passengers (millions)	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Domestic TUA paying passengers (departures)	16.75	17.17	17.59	18.01	18.43	18.85	19.28	19.70	20.12	20.55
Domestic passengers in connection (departures)	5.57	5.75	5.93	6.12	6.31	6.50	6.69	6.89	7.08	7.28
Domestic arrival passengers	22.66	23.27	23.88	24.50	25.11	25.74	26.36	26.99	27.62	28.25
Total Domestic passengers	**45.33**	**46.54**	**47.76**	**48.99**	**50.23**	**51.47**	**52.72**	**53.98**	**55.24**	**56.50**
International TUA paying passengers (departures)	8.34	8.72	9.07	9.42	9.79	10.22	10.67	11.18	11.64	12.10
International passengers in connection (departures)	4.35	4.66	4.98	5.32	5.69	5.96	6.24	6.52	6.80	7.08
International arrival passengers	12.82	13.52	14.18	14.87	15.62	16.34	17.07	17.86	18.61	19.37
Total International passengers	**25.64**	**27.03**	**28.37**	**29.75**	**31.25**	**32.68**	**34.13**	**35.73**	**37.22**	**38.73**
Total Passengers	**70.96**	**73.57**	**76.13**	**78.74**	**81.48**	**84.15**	**86.85**	**89.71**	**92.46**	**95.23**

Passenger ATMs	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Domestic departures	194,397	199,317	204,267	209,247	214,253	219,282	224,334	229,405	234,493	239,596
Domestic arrivals	194,396	199,317	204,268	209,247	214,252	219,282	224,333	229,404	234,493	239,597
Total Domestic ATMs	**388,793**	**398,634**	**408,535**	**418,494**	**428,505**	**438,564**	**448,667**	**458,809**	**468,986**	**479,193**
International departures	94,269	98,547	102,735	107,025	111,559	115,948	120,374	125,081	129,575	134,090
International arrivals	94,269	98,548	102,735	107,025	111,560	115,949	120,375	125,082	129,576	134,090
Total International ATMs	**188,538**	**197,095**	**205,470**	**214,050**	**223,119**	**231,897**	**240,749**	**250,163**	**259,151**	**268,180**
TOTAL ATM	**577,331**	**595,729**	**614,005**	**632,544**	**651,624**	**670,461**	**689,416**	**708,972**	**728,137**	**747,373**

Pax/ATM	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Domestic departures	116.6	116.8	116.9	117.1	117.2	117.4	117.5	117.6	117.8	117.9
Domestic arrivals	116.6	116.8	116.9	117.1	117.2	117.4	117.5	117.6	117.8	117.9
Total Domestic	**116.6**	**116.8**	**116.9**	**117.1**	**117.2**	**117.4**	**117.5**	**117.6**	**117.8**	**117.9**
International departures	136.0	137.1	138.1	139.0	140.1	140.9	141.8	142.8	143.6	144.4
International arrivals	136.0	137.1	138.1	139.0	140.1	140.9	141.8	142.8	143.6	144.4
Total International	**136.0**	**137.1**	**138.1**	**139.0**	**140.1**	**140.9**	**141.8**	**142.8**	**143.6**	**144.4**
TOTAL AICM/NAICM	**122.9**	**123.5**	**124.0**	**124.5**	**125.0**	**125.5**	**126.0**	**126.5**	**127.0**	**127.4**

Passengers (millions)	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Domestic TUA paying passengers (departures)	20.97	21.39	21.82	22.24	22.66	23.07	23.49	23.90	24.31	24.72
Domestic passengers in connection (departures)	7.48	7.69	7.89	8.10	8.31	8.52	8.73	8.95	9.16	9.37
Domestic arrival passengers	28.88	29.52	30.15	30.79	31.43	32.06	32.70	33.34	33.97	34.60
Total Domestic passengers	**57.77**	**59.04**	**60.31**	**61.58**	**62.86**	**64.13**	**65.40**	**66.67**	**67.94**	**69.20**
International TUA paying passengers (departures)	12.56	13.07	13.54	14.01	14.49	15.04	15.54	16.03	16.53	17.03
International passengers in connection (departures)	7.37	7.69	7.99	8.29	8.59	8.89	9.19	9.49	9.79	10.10
International arrival passengers	20.13	20.96	21.74	22.52	23.30	24.16	24.96	25.77	26.58	27.39
Total International passengers	**40.26**	**41.92**	**43.47**	**45.03**	**46.61**	**48.33**	**49.93**	**51.53**	**53.15**	**54.78**
Total Passengers	**98.02**	**100.96**	**103.78**	**106.62**	**109.46**	**112.46**	**115.33**	**118.20**	**121.09**	**123.98**

Passenger ATMs	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Domestic departures	244,713	249,842	254,979	260,123	265,272	270,424	275,576	280,728	285,876	291,594
Domestic arrivals	244,714	249,842	254,979	260,123	265,272	270,423	275,576	280,727	285,876	291,593
Total Domestic ATMs	**489,427**	**499,684**	**509,958**	**520,246**	**530,544**	**540,847**	**551,152**	**561,455**	**571,752**	**583,187**
International departures	138,621	143,406	147,968	152,539	157,114	161,954	166,552	171,160	175,779	180,409
International arrivals	138,621	143,407	147,969	152,539	157,115	161,955	166,553	171,160	175,779	180,410
Total International ATMs	**277,242**	**286,813**	**295,937**	**305,078**	**314,229**	**323,909**	**333,105**	**342,320**	**351,558**	**360,819**
TOTAL ATM	**766,669**	**786,497**	**805,895**	**825,324**	**844,773**	**864,756**	**884,257**	**903,775**	**923,310**	**944,006**

Pax/ATM	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045
Domestic departures	118.0	118.2	118.3	118.4	118.5	118.6	118.7	118.7	118.8	118.7
Domestic arrivals	118.0	118.2	118.3	118.4	118.5	118.6	118.7	118.7	118.8	118.7
Total Domestic	**118.0**	**118.2**	**118.3**	**118.4**	**118.5**	**118.6**	**118.7**	**118.7**	**118.8**	**118.7**
International departures	145.2	146.2	146.9	147.6	148.3	149.2	149.9	150.5	151.2	151.8
International arrivals	145.2	146.2	146.9	147.6	148.3	149.2	149.9	150.5	151.2	151.8
Total International	**145.2**	**146.2**	**146.9**	**147.6**	**148.3**	**149.2**	**149.9**	**150.5**	**151.2**	**151.8**
TOTAL AICM/NAICM	**127.9**	**128.4**	**128.8**	**129.2**	**129.6**	**130.0**	**130.4**	**130.8**	**131.1**	**131.3**

Passengers (millions)	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Domestic TUA paying passengers (departures)	24.85	24.97	25.10	25.22	25.35	25.47	25.60	25.73	25.86	25.99
Domestic passengers in connection (departures)	9.42	9.47	9.52	9.56	9.61	9.66	9.71	9.76	9.80	9.85
Domestic arrival passengers	34.77	34.95	35.12	35.30	35.48	35.65	35.83	36.01	36.19	36.37
Total Domestic passengers	**69.55**	**69.90**	**70.25**	**70.60**	**70.95**	**71.31**	**71.66**	**72.02**	**72.38**	**72.74**
International TUA paying passengers (departures)	17.12	17.20	17.29	17.38	17.46	17.55	17.64	17.73	17.81	17.90
International passengers in connection (departures)	10.15	10.20	10.25	10.30	10.35	10.41	10.46	10.51	10.56	10.61
International arrival passengers	27.53	27.66	27.80	27.94	28.08	28.22	28.36	28.51	28.65	28.79
Total International passengers	**55.05**	**55.33**	**55.61**	**55.88**	**56.16**	**56.44**	**56.73**	**57.01**	**57.30**	**57.58**
Total Passengers	**124.60**	**125.23**	**125.85**	**126.48**	**127.11**	**127.75**	**128.39**	**129.03**	**129.68**	**130.32**

Passenger ATMs	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Domestic departures	293,051	294,517	295,989	297,469	298,957	300,452	301,954	303,464	304,982	306,507
Domestic arrivals	293,052	294,517	295,990	297,470	298,957	300,452	301,955	303,465	304,982	306,507
Total Domestic ATMs	**586,103**	**589,034**	**591,979**	**594,939**	**597,914**	**600,904**	**603,909**	**606,929**	**609,964**	**613,014**
International departures	181,177	181,949	182,723	183,501	184,282	185,066	185,854	186,645	187,439	188,237
International arrivals	181,178	181,949	182,724	183,501	184,282	185,067	185,855	186,646	187,440	188,238
Total International ATMs	**362,355**	**363,898**	**365,447**	**367,002**	**368,564**	**370,133**	**371,709**	**373,291**	**374,879**	**376,475**
TOTAL ATM	**948,458**	**952,932**	**957,426**	**961,941**	**966,478**	**971,037**	**975,618**	**980,220**	**984,843**	**989,489**

Pax/ATM	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055
Domestic departures	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7
Domestic arrivals	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7
Total Domestic	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**
International departures	151.9	152.0	152.2	152.3	152.4	152.5	152.6	152.7	152.8	153.0
International arrivals	151.9	152.0	152.2	152.3	152.4	152.5	152.6	152.7	152.8	152.9
Total International	**151.9**	**152.0**	**152.2**	**152.3**	**152.4**	**152.5**	**152.6**	**152.7**	**152.8**	**153.0**
TOTAL AICM/NAICM	**131.4**	**131.4**	**131.4**	**131.5**	**131.5**	**131.6**	**131.6**	**131.6**	**131.7**	**131.7**

Passengers (millions)	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
Domestic TUA paying passengers (departures)	26.12	26.25	26.38	26.51	26.64	26.78	26.91	27.05	27.18	27.32
Domestic passengers in connection (departures)	9.90	9.95	10.00	10.05	10.10	10.15	10.20	10.25	10.31	10.36
Domestic arrival passengers	36.55	36.74	36.92	37.10	37.29	37.48	37.66	37.85	38.04	38.23
Total Domestic passengers	**73.11**	**73.47**	**73.84**	**74.21**	**74.58**	**74.95**	**75.33**	**75.70**	**76.08**	**76.46**
International TUA paying passengers (departures)	17.99	18.08	18.17	18.26	18.36	18.45	18.54	18.63	18.73	18.82
International passengers in connection (departures)	10.67	10.72	10.77	10.83	10.88	10.94	10.99	11.05	11.10	11.16
International arrival passengers	28.93	29.08	29.23	29.37	29.52	29.67	29.81	29.96	30.11	30.26
Total International passengers	**57.87**	**58.16**	**58.45**	**58.74**	**59.04**	**59.33**	**59.63**	**59.93**	**60.23**	**60.53**
Total Passengers	**130.98**	**131.63**	**132.29**	**132.95**	**133.62**	**134.28**	**134.95**	**135.63**	**136.31**	**136.99**

Passenger ATMs	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
Domestic departures	308,039	309,579	311,127	312,683	314,246	315,817	317,396	318,983	320,578	322,181
Domestic arrivals	308,040	309,580	311,128	312,683	314,247	315,818	317,397	318,984	320,579	322,182
Total Domestic ATMs	**616,079**	**619,159**	**622,255**	**625,366**	**628,493**	**631,635**	**634,793**	**637,967**	**641,157**	**644,363**
International departures	189,038	189,843	190,651	191,462	192,277	193,095	193,916	194,742	195,570	196,403
International arrivals	189,039	189,843	190,651	191,463	192,278	193,096	193,917	194,742	195,571	196,403
Total International ATMs	**378,077**	**379,686**	**381,302**	**382,925**	**384,555**	**386,191**	**387,833**	**389,484**	**391,141**	**392,806**
TOTAL ATM	**994,156**	**998,845**	**1,003,557**	**1,008,291**	**1,013,048**	**1,017,826**	**1,022,626**	**1,027,451**	**1,032,298**	**1,037,169**

Pax/ATM	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065
Domestic departures	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7
Domestic arrivals	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7	118.7
Total Domestic	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**
International departures	153.1	153.2	153.3	153.4	153.5	153.6	153.7	153.9	154.0	154.1
International arrivals	153.1	153.2	153.3	153.4	153.5	153.6	153.7	153.9	154.0	154.1
Total International	**153.1**	**153.2**	**153.3**	**153.4**	**153.5**	**153.6**	**153.7**	**153.9**	**154.0**	**154.1**
TOTAL AICM/NAICM	**131.7**	**131.8**	**131.8**	**131.9**	**131.9**	**131.9**	**132.0**	**132.0**	**132.0**	**132.1**

Passengers (millions)	2066	2067	2068	2069	2070
Domestic TUA paying passengers (departures)	27.45	27.59	27.73	27.87	28.01
Domestic passengers in connection (departures)	10.41	10.46	10.51	10.57	10.62
Domestic arrival passengers	38.42	38.61	38.81	39.00	39.20
Total Domestic passengers	**76.84**	**77.23**	**77.62**	**78.00**	**78.39**
International TUA paying passengers (departures)	18.91	19.01	19.10	19.20	19.29
International passengers in connection (departures)	11.21	11.27	11.33	11.38	11.44
International arrival passengers	30.41	30.57	30.72	30.87	31.03
Total International passengers	**60.83**	**61.13**	**61.44**	**61.75**	**62.06**
Total Passengers	**137.67**	**138.36**	**139.05**	**139.75**	**140.45**

Passenger ATMs	2066	2067	2068	2069	2070
Domestic departures	323,792	325,411	327,039	328,674	330,317
Domestic arrivals	323,793	325,412	327,039	328,674	330,318
Total Domestic ATMs	**647,585**	**650,823**	**654,078**	**657,348**	**660,635**
International departures	197,239	198,078	198,922	199,768	200,619
International arrivals	197,239	198,079	198,922	199,769	200,619
Total International ATMs	**394,478**	**396,157**	**397,844**	**399,537**	**401,238**
TOTAL ATM	**1,042,063**	**1,046,980**	**1,051,921**	**1,056,885**	**1,061,873**

Pax/ATM	2066	2067	2068	2069	2070
Domestic departures	118.7	118.7	118.7	118.7	118.7
Domestic arrivals	118.7	118.7	118.7	118.7	118.7
Total Domestic	**118.7**	**118.7**	**118.7**	**118.7**	**118.7**
International departures	154.2	154.3	154.4	154.5	154.7
International arrivals	154.2	154.3	154.4	154.5	154.7
Total International	**154.2**	**154.3**	**154.4**	**154.5**	**154.7**
TOTAL AICM/NAICM	**132.1**	**132.2**	**132.2**	**132.2**	**132.3**

Source: Landrum & Brown.

APPENDIX B

Distributable Cash Flow

Distributable Cash Flow Formula

For each Distribution Period, GACM will determine the Distributable Cash Flow by applying, based on the GACM Financial Statements in accordance with IFRS, the following formula:

$$DCF_n = TOI_n + ERPC_n - OC_n$$

Where:

DCF_n = the Distributable Cash Flow in the n^{th} Distribution Period.

TOI_n = based on GACM's consolidated income statements, the total operating income during the n^{th} Distribution Period, but *excluding* (i) aeronautical revenues derived from passenger charges and (ii) revenues for construction services. For purposes of clarity, total operating income only includes revenues for aeronautical services different from passenger charges and revenues from non-aeronautical services.

$ERPC_n$ = based on the notes to the GACM Financial Statements or the information that GACM receives from the trustee of the TUA Issuer Trust, the excess revenues from passenger charges derived from the collection of passenger charges that have been transferred or returned by the TUA Issuer Trust to GACM or AICM during the n^{th} Distribution Period, after the financing payments, fiduciary expenses and withholdings of the trustee of the TUA Issuer Trust or the TUA Security Trust have been deducted. For purposes of clarity, the excess revenues from passenger charges will include the excess revenues from passenger charges derived from contingent expenses of the airports, plus the Restricted Payments transferred by the TUA Security Trust to the TUA Issuer Trust during a Distribution Period, pursuant to priorities *Tenth* and *Eleventh* of clause 7, sub-clauses I(a)(i) and II(a)(i), of the TUA Security Trust, but will exclude any payment for value added tax or corresponding withholding tax, or any amount derived from financing which main source of payment is the collection of passenger charges.

OC_n = based on GACM's consolidated income statement and, if applicable, the corresponding notes, the operating costs and administrative expenses of the n^{th} Distribution Period including expenses for maintenance, corresponding duties or taxes and payments to ASA under any services agreement between AICM or GACM and ASA, but excluding the amounts related to (i) any Budgetary Concession Fees or Government Concession Fees paid by AICM and/or GACM, unless such Government Concession Fee is related to the partial payment of the consideration owed to GACM by the TUA Issuer Trust; (ii) any amount identified as financing fees or financing commissions; (iii) any expenses related to construction services, and (iv) any expense that does not represent immediate cash disbursements such as depreciation or amortization of assets or allowance for impairment of uncollectible accounts, among others.

provided, that Distributable Cash Flow shall be at least equal to 95% of GACM's net income (*resultado fiscal*) for the corresponding year.

Distributable Cash Flow Example Calculation

For illustrative purposes, the following is an example calculation of Distributable Cash Flow based on figures from the GACM Financial Statements for 2016 and 2017. Notwithstanding the foregoing, the amount of GACM's Distributable Cash Flow in future periods may materially differ from the amounts estimated for these periods. Investors are cautioned not to consider the below calculations as amounts of Distributable Cash Flow that might be considered in future periods. For example, passenger charges available for transfer to the Issuer, representing more than half of the estimated total revenue, are subject to a variety of factors that may reduce amounts available, including possible future issuances of debt financing.

	Year Ended December 31, 2016	2017
	(thousands of pesos)	
Total Operating Income, excluding passenger charges (TOI)		
Revenues from aeronautical services, *excluding* passenger charges	1,120.1	1,267.1
Revenues from non-aeronautical services	3,003.5	3,389.1
Total operating income, *excluding* passenger charges (TOI)	4,123.6	4,656.3
(plus)		
Total excess revenues from passenger charges transferred from the TUA Security Trust to the TUA Issuer Trust (ERPC)		
Contingent expenses of the airports	510.0	552.5
Restricted Payments	5,651.3	5,158.1
Total excess revenues from passenger charges transferred from the TUA Security Trust to the TUA Issuer Trust (ERPC)	6,161.3	5,710.6
(minus)		
Operating costs and administrative expenses (OC)		
Total operating costs and administrative expenses	7,195.7	9,128.2
Excluding:		
Government Concession Fees	643.6	1,070.6
Depreciation and amortization	163.5	527.2
Allowance for doubtful accounts	239.3	373.3
Financing fees	28.7	228.6
Other taxes	69.3	250.7
Financing commissions	178.7	95.9
Operating costs and administrative expenses (OC)	5,872.5	6,582.0
(equal to)		
Distributable Cash Flow	4,412.4	3,784.9

During 2017, GACM's estimated Distributable Cash Flow decreased by 14.2%, derived mainly from an increase in GACM's consolidated operating costs and administrative expenses, as well as a decrease in total excess revenues from passenger charges.

The increase in GACM's consolidated operating costs and administrative expenses is mostly due to the fact that during 2017 such costs include an estimated amount of Ps.1,070.3 million, corresponding to the following items: (i) extraordinary works associated with the September 2017 earthquake in Mexico City, (ii) non-recurrent works related to rehabilitation, reconditioning and structural reinforcement of the Existing Airport, (iii) expenditures related to the construction of the New Airport, which under Governmental GAAP are capitalized as an intangible asset but under IFRS are adjusted to form part of the costs and expenses in the income statement.

The decrease in excess revenues from passenger charges is due to a 7.3% decrease in the Restricted Payments (including contingent expenses of the airports) made by the TUA Security Trust from Ps.6,161.3 million in 2016 to Ps.5,710.6 million in 2017, as a result of the issuance of the Existing Notes in 2016 and 2017.

APPENDIX C

IPO Call Amount

IPO Call Amount Formula

The number of GACM shares that shall be delivered to holders of CBFEs upon the exercise of an IPO Call or a Combined Call will be determined by applying the following formula:

$$\mathrm{ATR} = (\mathrm{NS}) * (\mathrm{PPS})$$

Where:

NS = Number of ordinary shares to be delivered by GACM to redeem the GACM Special Shares, as determined in an IPO by GACM, rounded to the nearest whole number.

ATR = Amount in pesos that, considering all Capital Distributions paid to the Issuer until the Redemption Date, would permit the Issuer as holder of the GACM Special Shares to reach the Target Return; understanding that, if such calculation is made in the context of a Combined Call, then “ATR” will be multiplied by the percentage to be redeemed in shares.

PPS = Price of placement per share determined in the IPO, in pesos.

APPENDIX D

Form of U.S. Qualified Purchaser's Letter

To: CI Banco, S.A., Institución de Banca Múltiple, not in its individual capacity, but solely as trustee of the Mexico City Airport FIBRA E (the "Issuer")
Avenida Cordillera de los Andes 265, piso 2
Colonia Lomas de Chapultepec, Miguel Hidalgo
Ciudad de México, C.P. 11000
México

Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

(as Representatives of the several Initial Purchasers)

Ladies and Gentlemen:

We are delivering this letter (this "U.S. Qualified Purchaser's Letter") in connection with our purchase of the FIBRA E Trust Certificates (*Certificados Bursátiles Fiduciarios de Inversión en Energía e Infraestructura,* or the "CBFEs") of the Issuer in its global offering. The term "U.S. person" as used in this U.S. Qualified Purchaser's Letter is understood to have the meaning given to it in Regulation S ("Regulation S") under the U.S. Securities Act of 1933, as amended (the "Securities Act").

We represent and warrant to, and agree with you on, the following:

1. We are purchasing the CBFEs for our own account or for one or more beneficial owners for which we are acting as fiduciary or agent, with complete investment discretion and with authority to bind each such person and not with a view to any public resale or distribution of such CBFEs. We, and each account for which we are acting, are each purchasing CBFEs amounting to at least U.S.$250,000 or its equivalent in another currency. All references in this U.S. Qualified Purchaser's Letter to us are understood to include each such beneficial owner for whom we may be acting.

2. We understand and acknowledge that:

    (a) the CBFEs have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction, other than Mexico;

    (b) the CBFEs are being offered in a transaction not involving any public offering within the United States within the meaning of Section 4(a)(2) of the Securities Act;

    (c) no registration has been or will be undertaken by the Issuer under the U.S. Investment Company Act of 1940, as amended, and the rules and regulations thereunder (the "Investment Company Act"); and

    (d) the sale to us of CBFEs is being made in reliance on the exemption provided by Rule 144A from registration under the provisions of Section 5 of the Securities Act and the exemption from registration provided by Section 3(c)(7) of the Investment Company Act.

3. We (and each beneficial owner for whom we may be acting):

   (a) are a "qualified institutional buyer" as defined in Rule 144A under the Securities Act ("Rule 144A") and a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act;

   (b) are not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25 million in securities of unaffiliated issuers;

   (c) are not a participant-directed employee plan, such as a plan described in subsections (a)(1)(i)(D), (E) or (F) of Rule 144A;

   (d) are not a pension, profit-sharing or other employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended, or an individual retirement account or other arrangement subject to Section 4975 of the U.S. Internal Revenue Code;

   (e) are not subscribing to, or purchasing, the CBFEs with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the Securities Act) that would be in violation of the securities laws of the United States or any state thereof;

   (f) (i) were not formed for the purpose of investing in the Issuer; (ii) if we are a private investment company relying upon Section 3(c)(1) or 3(c)(7) of the Investment Company Act or a foreign investment company relying upon Section 7(d) and Section 3(c)(1) or 3(c)(7) with respect to its U.S. holders and were formed on or before April 30, 1996, we have received the necessary consent from our beneficial owners pursuant to the Investment Company Act; (iii) we do not and will not invest more than 40% of our total assets in the Issuer; and (iv) we are not managed as a device for facilitating individual investment decisions of our beneficial owners, but rather are managed as a collective investment vehicle; and

   (g) are knowledgeable, sophisticated and experienced in business and financial matters, we fully understand the limitations on ownership and transfer and the restrictions on sales of the CBFEs and we are aware that there are substantial risks incidental to the purchase of the CBFEs and able to bear the economic risk of such purchase.

4. We agree that neither we, nor any of our affiliates, nor any person acting on our or their behalf, will make, and represent and warrant that our purchase of CBFEs is not the result of, and that we have not at any time initiated any process in relation to any purchase of CBFEs as a result of nor considered any purchase of CBFEs as a result of:

   (a) any "directed selling efforts" (as defined in Regulation S) in the United States in connection with any offer or sale of the CBFEs;

   (b) any "general solicitation" or "general advertising" (as defined in Regulation D under the Securities Act) in the United States in connection with any offer or sale of the CBFEs;

   (c) any statement or information found on any website of the Issuer, or any of its affiliates or the Mexican Stock Exchange (*Bolsa Mexicana de Valores*, or "BMV"); and

   (d) any statement or information found in any announcement, press release or press-related materials released by the Issuer, any of their affiliates or any person acting on its or their behalf, including the Initial Purchasers, their affiliates or any person acting on its or their behalf and including any such announcement, press release or materials released by or through the BMV.

   We further represent and agree that neither we, nor any of our affiliates, nor any person acting on our or their behalf, has relied nor will rely upon any statement or information described in subparagraphs 4(c) and 4(d) above and that we waive, and will procure that each of our affiliates and each person acting on our or their behalf will waive, all claims with respect to any inaccuracy or omission in any such statement or information. In making the decision to purchase or subscribe to the CBFEs, we relied solely on the information set forth in the offering memorandum dated March 13, 2018 relating to the CBFEs ("the Offering Memorandum").

5. We agree that the CBFEs we purchase, or any interest therein, may be sold, transferred, assigned, pledged or otherwise disposed of, only in bona fide "offshore transactions" (as defined in and in reliance on, Regulation S) on the BMV to a person outside the United States and not known by us to be a U.S. person by pre-arrangement or otherwise or to a U.S. person in the United States that is a qualified institutional buyer that is also a qualified purchaser under the Investment Company Act in compliance with the restrictions and requirements described in the Offering Memorandum.

6. Except in case of a disposition in the manner described in paragraph 5 above, we also agree not to effect any sale, transfer, assignment, pledge or other disposition unless we first execute a U.S. resale letter in the form provided by the Issuer that includes certain written representations, agreements and acknowledgements relating to the transfer restrictions described in the Offering Memorandum and deliver such letter to the Issuer prior to the settlement of any sale, transfer, assignment, pledge or other disposition of the CBFEs.

7. We understand and agree that our purchase of CBFEs and any subsequent sale or transfer of CBFEs (or beneficial interest therein) to a person may be void and of no effect if such purchase, sale or transfer does not comply with the representations, warranties and agreements set out in this U.S. Qualified Purchaser's Letter.

8. We acknowledge that each of the Issuer, the Initial Purchasers and their respective affiliates are relying on the truth and accuracy of, and compliance with, the foregoing acknowledgements, representations and agreements and agree that if we, or any transferee, breach any agreement contained herein or have made any misrepresentation herein or if any U.S. person or any person within the United States who is required under the restrictions set forth in this letter to be a "qualified institutional buyer" as defined in Rule 144A and a "qualified purchaser" as defined in Section 2(a)(51) of the Investment Company Act but is not a qualified institutional buyer or qualified purchaser at the time it acquires a beneficial interest in the CBFEs, the Issuer may (to the extent permitted by the BMV and the applicable Mexican law) require that we, or any such transferee, as applicable, transfer such beneficial interest immediately to a non-U.S. person in an offshore transaction pursuant to Regulation S on the BMV and not known by the transferor to be a U.S. person by pre-arrangement or otherwise or purchase our CBFEs for cancellation or transfer. If the obligation to transfer is not met, the Issuer is irrevocably authorized, without any obligation, to sell and transfer the CBFEs (a) in an offshore transaction pursuant to Regulation S or (b) to a U.S. person or a person in the United States who is both a qualified institutional buyer and a qualified purchaser and, if such CBFEs are sold, the Issuer would be obligated to distribute the net proceeds to the entitled party. Pending such transfer, the Issuer is authorized to suspend the exercise of any voting rights, any rights to receive notice of, or attend, a meeting of the Issuer and any rights to receive distributions with respect to such CBFEs.

9. Upon a proposed sale, transfer, assignment, pledge or other disposition of the CBFEs, we will notify any purchaser of such CBFEs, the executing broker and any other agent of the transferor involved in selling the CBFEs, as applicable, of the transfer restrictions set forth in this U.S. Qualified Purchaser's Letter that are applicable to the CBFEs being sold and will require the broker and such other agent, as applicable, to comply with such restrictions.

Where there are joint applicants, each must sign this U.S. Qualified Purchaser's Letter. Applications from a corporation must be signed by an authorized officer or be completed otherwise in accordance with such corporation's constitutional documents (and evidence of such authority may be required).

____

(Name of Purchaser)

Name:
Title:
Date:

ISSUER

Mexico City Airport FIBRA E
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México

272,727,273 CBFEs

Mexico City Airport FIBRA E

FIBRA E Trust Certificates

OFFERING MEMORANDUM

March 23, 2018

Global Coordinator

Credit Suisse

International Joint Bookrunners

Credit Suisse **Citigroup**