

US\$2,000,000,000

## Mexico City Airport Trust

US\$1,000,000,000 4.250% Senior Secured Notes due 2026

US\$1,000,000,000 5.500% Senior Secured Notes due 2046

We are offering US\$1,000,000,000 aggregate principal amount of our 4.250% senior secured notes due 2026 (the "2026 Notes") and US\$1,000,000,000 aggregate principal amount of our 5.500% senior secured notes due 2046 (the "2046 Notes" and, together with the 2026 Notes, the "Notes"). The Notes are being issued by the irrevocable administration and payment trust created pursuant to the Irrevocable Administration and Payment Trust Agreement No. 80460 (*Contrato de Fideicomiso Irrevocable de Administración y Pago Número 80460*) (the "Mexico City Airport Trust") acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, not in its individual capacity, but solely as trustee. The Mexico City Airport Trust is a special purpose trust created under the laws of Mexico for the sole purpose of funding the purchase price for the acquisition of the rights to collect the passenger charges from the existing Benito Juárez International Airport located in Mexico City (the "Existing Airport") and, upon commencement of commercial 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 "Airports"); the proceeds from the sale of such collection rights will be used to partially fund the design, construction and development of the New Airport. Interest on the 2026 Notes will accrue at a rate of 4.250% per year and interest on the 2046 Notes will accrue at a rate of 5.500% per year. We will pay interest on the Notes semi-annually in arrears on April 30 and October 31 of each year, commencing on April 30, 2017. The 2026 Notes will mature on October 31, 2026, and the 2046 Notes will mature on October 31, 2046, unless previously redeemed. The Notes will be our senior secured obligations and will rank equally in right of payment with all of our other existing and future senior secured obligations (subject to certain tax obligations preferred by statute). The Notes will be issued in registered form in denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof.

We may redeem the Notes at our option, in whole or in part, at any time and from time to time, prior to the date that is three months, in respect of the 2026 Notes, and six months, in respect of the 2046 Notes, prior to the maturity date of the 2026 Notes and the 2046 Notes, respectively, at a redemption price equal to the greater of 100% of the outstanding principal amount of the Notes to be redeemed and a redemption price based on a "make-whole" premium, plus in each case accrued and unpaid interest to the date of redemption. In addition, we may redeem the Notes at our option, in whole or in part, at any time and from time to time, beginning on the date that is three months, in respect of the 2026 Notes, and six months, in respect of the 2046 Notes, prior to the maturity date of the 2026 Notes and the 2046 Notes, respectively, at a redemption price equal to 100% of the outstanding principal amount of the Notes to be redeemed, plus accrued and unpaid interest to the date of redemption. Upon the occurrence of specified events relating to Mexican tax law, we may redeem the Notes in whole, but not part, at 100% of their principal amount, plus accrued and unpaid interest to the date of redemption. See "Description of the Notes—Optional Redemption."

The Notes will be, and all of our outstanding indebtedness (approximately Ps.18,468.9 million (US\$1.0 billion) as of June 30, 2016) is, secured by a first-priority security interest over: (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 Airports, (iii) all proceeds of indemnities in connection with certain expropriation events affecting any of the Airports, (iv) all proceeds of security bonds payable by the airlines operating from time to time at any of the Airports in connection with their collection of passenger charges, (v) all amounts deposited in accounts maintained by the Security Trust (as defined herein), and (vi) all other property of any kind and nature from time to time contributed to the Security Trust for the benefit of our secured creditors (collectively, the "Collateral"). The Notes are not obligations of or guaranteed by, the Mexican government. The security over the Collateral and the rights of holders of our indebtedness will be subject to the provisions of the Intercreditor Agreement (as defined herein), to be dated as of the closing date of this offering.

Prior to this offering, there has been no market for the Notes. We intend to apply to have the Notes listed and quoted on the Official List of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this offering memorandum. Approval-in-principle from, and admission of the Notes to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST are not to be taken as an indication of the merits of the offering, the Issuer, the Sponsors, their respective subsidiaries (if any), their respective associated companies (if any), their respective joint venture companies (if any) or the Notes. The Notes will be in denominations of US\$200,000 each or integral multiples of US\$1,000 in excess thereof. The Notes will be traded on the SGX-ST in a minimum board lot size of US\$200,000 for so long as any of the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

Investing in the Notes involves significant risks. See "Risk Factors" beginning on page 27 for a discussion of certain information that you should consider before investing in the Notes.

2026 Notes Offering Price: 99.009% plus accrued interest, if any, from September 29, 2016.

2046 Notes Offering Price: 98.631% plus accrued interest, if any, from September 29, 2016.

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE MEXICAN NATIONAL SECURITIES REGISTRY (REGISTRO NACIONAL DE VALORES, OR "RNV") MAINTAINED BY THE MEXICAN NATIONAL BANKING AND SECURITIES COMMISSION (COMISIÓN NACIONAL BANCARIA Y DE VALORES, OR "CNBV"), AND, THEREFORE, MAY NOT BE OFFERED OR SOLD PUBLICLY IN MEXICO. THE NOTES MAY ONLY BE OFFERED AND SOLD IN MEXICO PURSUANT TO THE EXEMPTIONS SET FORTH IN THE MEXICAN SECURITIES MARKET LAW (LEY DEL MERCADO DE VALORES). WE WILL NOTIFY THE CNBV OF THE TERMS AND CONDITIONS OF THIS OFFERING OF THE NOTES OUTSIDE OF MEXICO. SUCH NOTICE WILL BE SUBMITTED TO THE CNBV TO COMPLY WITH THE MEXICAN SECURITIES MARKET LAW AND FOR STATISTICAL AND INFORMATIONAL PURPOSES ONLY. THE DELIVERY TO, AND RECEIPT BY, THE CNBV OF SUCH NOTICE DOES NOT CONSTITUTE OR IMPLY A CERTIFICATION AS TO THE INVESTMENT QUALITY OF THE NOTES, OUR SOLVENCY, LIQUIDITY OR CREDIT QUALITY OR THE ACCURACY OR COMPLETENESS OF THE INFORMATION SET FORTH IN THIS OFFERING MEMORANDUM. THIS OFFERING MEMORANDUM IS SOLELY OUR RESPONSIBILITY AND HAS NOT BEEN REVIEWED OR AUTHORIZED BY THE CNBV. THE ACQUISITION OF THE NOTES BY AN INVESTOR WHO IS A RESIDENT OF MEXICO WILL BE MADE UNDER SUCH INVESTOR'S OWN RESPONSIBILITY.**

The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended, (the "Securities Act"), any state securities laws, or the securities laws of any other jurisdiction and may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")), except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold in the United States only to qualified institutional buyers in compliance with Rule 144A under the Securities Act ("Rule 144A") and to persons other than U.S. persons outside the United States in compliance with Regulation S. Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of eligible offerees and certain restrictions on transfer of the Notes, see "Transfer Restrictions."

We expect that delivery of the Notes will be made in book-entry form only through the facilities of The Depository Trust Company ("DTC") for the accounts of its direct and indirect participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System ("Euroclear"), and Clearstream Banking, société anonyme, Luxembourg ("Clearstream"), on or about September 29, 2016.

Global Coordinators and Joint Bookrunners

**Citigroup**

**HSBC**

**J.P. Morgan**

Joint Bookrunners

**BBVA**

**Santander**

Co-Managers

**Credit Agricole Securities**

**Inbursa**

**MUFG**

**Scotiabank**

The date of this offering memorandum is September 22, 2016.



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All references to “we,” “us,” “our,” the “Mexico City Airport Trust” or the “Issuer” in this offering memorandum are to the Mexico City Airport Trust acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, not in its individual capacity, but solely as trustee. 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 we, 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 we 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 Notes. Our 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 Notes. Neither we nor any of the initial purchasers is making an offer to sell the Notes nor soliciting offers to buy the Notes 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 us solely for use in connection with the proposed offering of the Notes 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 Notes. 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 our 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 we nor the initial purchasers are making an offer to sell the Notes nor soliciting offers to buy the Notes 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 Notes 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 we nor the initial purchasers will have any responsibility therefor.

We are 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. We have submitted this offering memorandum solely to a limited number of qualified institutional buyers in the United States and to certain investors outside the United States and Mexico so they can consider a purchase of the Notes. 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 Notes is strictly prohibited. These undertakings and prohibitions are for our benefit, and we may enforce them. U.S. federal securities laws restrict trading in our securities while in possession of material non-public information with respect to us. By accepting delivery of this offering memorandum and by purchasing the Notes, you will be deemed to have made certain acknowledgments, representations and agreements as set forth under "Transfer Restrictions" in this offering memorandum. The Notes 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 Notes, 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 us and other sources that we believe to be reliable. We and the initial purchasers cannot assure you that information we have obtained from other sources is accurate or complete. This offering memorandum summarizes certain documents and other information and we refer you to them for a more complete understanding of what we discuss in this offering memorandum.

Neither we nor the initial purchasers are making any representation to any purchaser regarding the legality of an investment in the Notes 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 Notes 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 Notes.

We reserve the right to withdraw this offering of Notes at any time and we and the initial purchasers reserve the right to reject any commitment to subscribe the Notes in whole or in part and to allot to any prospective investor less than the full amount of Notes 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 Notes, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy, adequacy or completeness of this offering memorandum. Any representation to the contrary is a criminal offense.**

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### **Notice to Prospective Investors in the European Economic Area**

In any Member State of the European Economic Area that has implemented the Prospectus Directive (each, a “EEA Member State”), this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive. This offering memorandum has been prepared on the basis that any offer of Notes in any EEA Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make within the European Economic Area any offer of Notes which are the subject of the offering contemplated in this offering memorandum may only do so in circumstances in which no obligation arises for us or any of the initial purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither we nor the initial purchasers have authorized, nor do they authorize, the making of any offer (other than permitted public offers) of Notes in circumstances in which an obligation arises for us or the initial purchasers to publish a prospectus for such offer.

Each person in a EEA Member State who receives any communication in respect of, or who acquires any Notes under, the offer contemplated in this offering memorandum will be deemed to have represented, warranted and agreed to and with each initial purchaser and us that:

(a) it is a qualified investor within the meaning of the law in that EEA Member State implementing Article 2(1)(e) of the Prospectus Directive; and

(b) in the case of any Notes acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (1) the Notes acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any EEA Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the initial purchasers has been given to the offer or resale; or (2) where Notes have been acquired by it on behalf of persons in any EEA Member State other than qualified investors, the offer of those Notes to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the EEA Member State), and includes any relevant implementing measure in the EEA Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU.”

### **Notice to Prospective Investors in the United Kingdom**

This offering memorandum is only being distributed in the United Kingdom to, and is only directed at, (a) investment professionals falling within both Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) Order 2001, as amended (the “CIS Promotion Order”) and Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “General Promotion Order”), and (b) high net worth companies and other persons falling within both Article 22(2)(a) to (d) of the CIS Promotion Order and Article 49(2)(a) to (d) of the General Promotion Order.

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

## SERVICE OF PROCESS AND ENFORCEABILITY OF CIVIL LIABILITIES

We are an irrevocable administration and payment trust (*fideicomiso irrevocable de administración y pago*) created and existing under the laws of Mexico and substantially all of our trust assets are located, and all of our cash flows are derived from sources, outside the United States. Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, our trustee, is a development bank incorporated under the laws of Mexico. As a result, it may be difficult for holders of Notes to effect service of process within the United States upon us or to enforce both in the United States and outside the United States judgments against us 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.

In connection with the issuance of the Notes, we have appointed CT Corporation System as our authorized agent upon whom process may be served in connection with any action instituted in any United States federal or state court having subject matter jurisdiction in the Borough of Manhattan in New York arising out of or based upon the indentures governing the Notes (the “Indentures”).

## AVAILABLE INFORMATION

We are not subject to the reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). To permit compliance with Rule 144A under the Securities Act in connection with resales of Notes, we will be required under the Indentures, upon the request of a holder of Notes, for so long as the Notes remain outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, to furnish to the holder or beneficial owner of such restricted securities and any prospective purchaser of such restricted securities designated by such holder or beneficial owner the information required to be delivered under Rule 144A(d)(4) under the Securities Act, unless we either comply with the reporting requirements of Rule 12g3-2(b) under the Exchange Act or furnish information to the SEC pursuant to Section 13 or 15(d) of the Exchange Act. Any such request may be made to us in writing at our main offices located Insurgentes Sur 1971, Torre IV, Piso 6, Col. Guadalupe Inn, C.P. 01020, Ciudad de México, México, Attention: Karina Hernandez Angeles.

The Indentures further require that we furnish to the trustee under the Indenture (the “Indenture Trustee”) all notices of meetings of the holders of the Notes and other reports and communications that are generally made available to holders of the Notes. At our request, the Indenture Trustee will be required under the Indentures to give these notices, reports and communications received by it from us to all record holders of the Notes promptly upon receipt. See “Description of the Notes.”

We will make available to the holders of the Notes, at the corporate trust office of the Indenture Trustee at no cost, copies of the Indentures as well as this offering memorandum, including a review of our operations, and copies in English of our annual audited financial statements and our quarterly unaudited financial statements.

The Sponsors have prepared the NAICM Green Bond Framework available on the following webpage: [www.aeropuerto.gob.mx/costo-financiamiento/bono-verde.pdf](http://www.aeropuerto.gob.mx/costo-financiamiento/bono-verde.pdf). This NAICM Green Bond Framework describes how we will fund environmentally beneficial projects in alignment with the Green Bond Principles, 2016. Information contained on this website is not incorporated by reference in, and shall not be considered part of, this offering memorandum.

We intend to apply to have the Notes listed and quoted on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained in this offering memorandum. Approval-in-principle from, and admission of the Notes to the Official List of, the SGX-ST and quotation of the Notes on the SGX-ST are not to be taken as an indication of the merits of the offering, the Issuer, the Sponsors, their respective subsidiaries (if any), their respective associated companies (if any), their respective joint venture companies (if any) or the Notes. We will be required to comply with any undertakings given by us from time to time to the SGX-ST in connection with the Notes, and to furnish to it all such information as the rules of the SGX-ST may require in connection with the listing of the Notes

## GLOSSARY OF TERMS AND DEFINITIONS

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

“Agency Agreements” are to the Existing Airport Agency Agreement and the New Airport Agency Agreement.

“Airports” are to the Existing Airport and the New Airport.

“ASA” are to Airports and Auxiliary Services (*Aeropuertos y Servicios Auxiliares*).

“Assignment of Rights Agreements” are to the amended and restated assignment agreements, dated October 7, 2015, by and among the Sponsors and the Issuer, pursuant to which each Sponsor assigned to the Issuer 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” are to air traffic movements, which are all aircraft arrivals and departures to and from an airport.

“CAGR” are to compounded annual growth rate.

“Collateral” are to (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 Airports, (iii) all proceeds of indemnities in connection with certain expropriation events affecting any of the Airports, (iv) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at any of the Airports, (v) all amounts deposited in accounts maintained by the Security Trust, and (vi) all other property of any kind and nature from time to time contributed to the Security Trust for the benefit of our secured creditors.

“Concessions” are to the Existing Airport Concession and the New Airport Concession.

“Credit Agreement” are to the Amended and Restated Credit Agreement, dated October 7, 2015, among the Issuer, as borrower, the banks, financial institutions and other institutional lenders party thereto, as initial lenders, HSBC Bank USA, National Association, as administrative agent, Citibank, N.A., as offshore collateral agent and account holder (the “Offshore Collateral Agent”), Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex, División Fiduciaria, as onshore collateral agent (the “Onshore Collateral Agent” and, together with the Offshore Collateral Agent, the “Collateral Agents”), and the Security Trust Trustee, as amended as of the date of this offering memorandum.

“Debt Service” are to the amount equal to the sum of all payments due during a given period in respect of the Financing Documents, whether for principal, interest or fees, net of any payments received by us pursuant to swap contracts in effect during such period.

“Debt Service Coverage Ratio” are to the ratio of Net Passenger Charges during a given period to Debt Service payable for such period (including, without duplication, any withholding tax payable in respect of such Debt Service).

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

“exempt passengers” are to (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” are to the Benito Juárez International Airport located in Mexico City.

“Existing Airport Agency Agreement” are to the agency agreement entered into by and between the Existing Sponsor and the Security Trust Trustee relating to the collection of passenger charges from airlines operating at the Existing Airport.

“Existing Airport Concession” are to the concession that entitles the Existing Sponsor to operate, manage and exploit the Existing Airport.

“Existing Sponsor” are to the Aeropuerto Internacional de la Ciudad de México, S.A. de C.V., the concessionaire under the Existing Airport Concession

“Financing Document” are to each agreement, contract, indenture, note, instrument or document evidencing, guaranteeing or securing any debt incurred by the Issuer or securing any obligations under swap contracts entered into in respect of such debt, including the Credit Agreement and any collateral and other ancillary documents related thereto, and the Indentures.

“GDP” are to gross domestic product.

“IATA” are to the International Air Transport Association, the global trade association for the airline industry.

“Independent Traffic Consultant” are to ARUP Group Limited.

“Independent Traffic Report” are to the independent traffic report prepared by the Independent Traffic Consultant and included as Appendix A to this offering memorandum.

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

“Investment Grade Rating” are to a rating equal to or higher than BBB- (or the equivalent) by Fitch Ratings, Baa3 (or the equivalent) by Moody’s Investors Service, Inc. and BBB- (or the equivalent) by Standard & Poor’s Ratings Services.

“Net Passenger Charges” are to the amount of passenger charges, interest and other income deposited in, or credited to, without duplication, the revenue accounts in the Security Trust during any period of determination, *minus* value added tax due and payable with respect to such amounts and all fees, including collection fees, as agreed with certain airlines operating at the Existing Airport, costs and expenses accrued directly related to the performance by us of our obligations under the Project Agreements and the Financing Documents payable during such period (except for amounts payable in respect of principal and interest under any Financing Document).

“New Airport” are to 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 Agency Agreement” are to the agency agreement to be entered into by and between the New Sponsor and the Security Trust Trustee relating to the collection of passenger charges from airlines operating at the New Airport.

“New Airport Concession” are to the concession that entitles the New Sponsor to build, develop, operate, manage and exploit the New Airport.

“New Sponsor” are to Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., the concessionaire under the New Airport Concession.

“passenger charges” are to the tariff charged for the use of an Airport 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 one of the Airports to a destination within or outside Mexico.

“passenger traffic” are to the total number of passengers (including incoming and departing passengers, paying passengers and exempt passengers) in a given period.

“paying passenger traffic” are to the total number of paying passengers in a given period.

“paying passengers” are to 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 one of the Airports to a destination within or outside Mexico.

“Project Agreements” are to the Concessions, the Agency Agreements and the Assignment of Rights Agreements.

“restricted payments” are to any payment of any nature or any transfer of funds from the Security Trust’s accounts to us or to any Sponsor or affiliate thereof, after making all other applicable payments and transfers under the Security Trust’s waterfall.

“SCT” are to the Mexican Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes*).

“Security Trust” are to the trust created under the Security Trust Agreement to secure all of our obligations under our existing and future debt, including debt under the Credit Agreement and the Indentures.

“Security Trust Agreement” are to the Amended and Restated Irrevocable Guaranty, Administration and Payment Trust Agreement No. 2172, dated October 7, 2015, between us and the Security Trust Trustee, as amended as of the date of this offering memorandum.

“Security Trust Trustee” are to Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, as trustee of the Security Trust Agreement.

“Sponsors” are to the Existing Sponsor and the New Sponsor.

“Trust Agreement” are to the Amended and Restated Irrevocable Administration and Payment Trust Agreement No. 80460, dated October 7, 2015, among Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, acting as trustee, Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as settlor, and each Sponsor, as first place beneficiary, as amended as of the date of this offering memorandum.

“Trust Administrative Expenses” are to costs and expenses directly related to the performance of our obligations under the Financing Documents, including fees and expenses payable to the Issuer in its capacity as trustee of the Mexico City Airport Trust, the Security Trust Trustee, the administrative agent under the Credit Agreement and the Collateral Agents, costs and fees related to obtaining and maintaining governmental approvals and fees payable to the Sponsors under the Agency Agreements (not to exceed Ps.12.75 million per quarter and Ps.51 million per year, as adjusted for inflation from October 7, 2015). For the avoidance of doubt, the term “Trust Administrative Expenses” does not include other operating expenses of the Airports.

## 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 our future cash flows and financial position; (ii) statements regarding future passenger traffic volume at the Airports, (iii) statements regarding our financial model and financing plans, (iv) statements regarding the development and construction of the New Airport, and (v) statements of assumptions underlying the aforementioned statements. Words such as “aim,” “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “plan,” “potential,” “predict,” “seek,” “should,” “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. We caution investors that a number of important factors could cause actual cash flows or events to differ materially from the plans, objectives, expectations, estimates and intentions expressed or implied in such forward looking statements, including the following factors:

- our ability to derive cash flows from our assets in amounts sufficient to service our debt, including the Notes;
- refinancing risks associated with our debt;
- limitations on our access to sources of financing on competitive terms;
- the impact of competing airports and other means of transportation on the amount of passengers charges collected at the Airports;
- possible disruptions, flight decentralization or the decline of passenger traffic volume at any of the Airports;
- the accuracy of the assumptions and projections used for or included in the independent traffic report;
- natural and catastrophic events and conditions at the Airports, including civil disturbances, acts of terrorism and disputes with local communities;
- the Sponsors’ ability to maintain sufficient insurance coverage;
- capital and operating expenditures and maintenance requirements of the Airports;
- extended delays and cost overruns in the development and construction of the New Airport;
- the Sponsors’ ability to comply with environmental and safety regulations at the Airports;
- limitations on the Sponsors’ ability to raise passenger charge tariffs;
- the Sponsors’ ability to comply with applicable laws, rules and regulations and the terms and conditions of the Concessions;
- changes to applicable tax laws and regulations;
- global macroeconomic conditions and economic, political and social conditions in Mexico, particularly in Mexico City and surrounding areas;
- fluctuations in exchange rates or interest rates and stock market volatility;
- the effects of inflation; 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. Future events or circumstances could cause actual results to differ materially from historical results or those anticipated. Additional factors emerge from time to time and it is not possible for us to predict all of these factors, nor can we assess the impact of all such factors on our ability to service our debt 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.

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, forecasted or intended. 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 we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information or future events or developments. Although we believe the plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, we 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 us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement. 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 our audited statements of financial position as of December 31, 2015, 2014 and 2013, and the related statements of profit or loss, changes in trust capital and cash flows for each of the years then ended, together with the notes thereto (the “Audited Financial Statements”), as well as our unaudited condensed interim statements of financial position as of June 30, 2016 and 2015, and the related statements of profit or loss, changes in trust capital and cash flows for each of the six-month periods then ended, together with the notes thereto (the “Interim Financial Statements” and, together with the Audited Financial Statements, the “Financial Statements”), beginning on page F-1.

Our Audited Financial Statements have been audited by Galaz, Yamazaki, Ruiz Urquiza, S.C., Member of Deloitte Touche Tohmatsu Limited, independent accountants, as stated in their report appearing herein.

Our Audited 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.” Our Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the IASB. IFRS differs in certain significant respects from U.S. GAAP and financial reporting standards and generally accepted accounting principles used in other jurisdictions. We have made no attempt to quantify the impact of those differences by a reconciliation of our Financial Statements or the other financial information included in this offering memorandum to U.S. GAAP or such other financial reporting standards and generally accepted accounting principles. We urge you to consult your own advisors regarding the differences between IFRS and U.S. GAAP and how these differences might affect our Financial Statements and the rest of the financial information included in this offering memorandum.

### Non-IFRS Financial Measures

This offering memorandum contains financial measures that are not calculated or recognized in accordance with IFRS, primarily Net Passenger Charges and Debt Service Coverage Ratio. These financial measures are derived from information included in or derived from our Financial Statements and our accounting books and records. We consider that these non-IFRS financial measures may be useful as supplemental information about our cash flows, liquidity and leverage levels, but these measures may be calculated differently than other companies in our same industry. These non-IFRS financial measures should not be considered as an alternative to operating cash flow, as a measure of our liquidity. In addition, our definition and calculation of these non-IFRS financial measures may not be comparable to similarly titled measures disclosed by other companies.

We calculate Net Passenger Charges for any period as the amount of passenger charges, interest and other amounts deposited in, or credited to, without duplication, the revenue accounts in the Security Trust during such period, *minus* value added tax due and payable with respect to such amounts and all fees, costs and expenses directly related to the performance by us of our obligations under the Project Agreements and the Financing Documents payable during such period (except for amounts payable in respect of principal and interest under any Financing Document and any operating and maintenance expenses incurred by the Existing Sponsor or, from and after the commencement of commercial operations of the New Airport, the New Sponsor); including, without limitation, fees and expenses payable by us to the Security Trust Trustee and Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, as trustee of the Mexico City Airport Trust, costs and fees reasonably related to obtaining and maintaining any governmental authorization or approval relating to the Project Agreements and the Financing Documents, amounts payable under the Agency Agreements, and, to the extent not previously deducted by the applicable airline, fees payable on the collection of passenger charges.

We calculate Debt Service Coverage Ratio for any period as the ratio of Net Passenger Charges during such period to Debt Service payable for such period (including, without duplication, any withholding tax payable in respect of such Debt Service). We calculate Debt Service for any period as the amount equal to the sum of all payments due during such period in respect of the Financing Documents, whether for principal, interest or fees, net of any payments received by us pursuant to swap contracts in effect during such period.

## **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 peso,” “peso,” “pesos” or “Ps.” are to the Mexican peso, 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”), at the period ended December 31, 2015 (Ps.17.3398 to US\$1.00) or at the period ended June 30, 2016 (Ps.18.5550 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, 2015, which consists of the daily average of the exchange rates on each day during the year ended December 31, 2015 (Ps.15.8710 to US\$1.00) or the average exchange rate for the six months ended June 30, 2016, which consists of the daily average of the exchange rates on each day during the six months ended June 30, 2016 (Ps.18.0774 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 our 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 our own internal studies derived from our review of internal surveys and other independent sources. As far as we are aware and are able to ascertain from such sources, no facts have been omitted which would render such information inaccurate or misleading. Although we believe that we have taken reasonable care to ensure that the facts and statistics presented are accurately reproduced from such sources, they have not been independently verified by us, the initial purchasers or our respective advisors and therefore we make

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, we have based certain statements contained in this offering memorandum regarding our industry on certain assumptions concerning our customers and operations. These assumptions are based on our experience in the industry and our own investigation of market conditions. We cannot assure you as to the accuracy of any such assumptions, and such assumptions may not be indicative of our position in our industry.

### **Historical and Projected Passenger Traffic and Passenger Charges Data**

All historical passenger traffic data for the Existing Airport included in this offering memorandum has been derived from information and reports made available to us by the Existing Sponsor. The Existing Sponsor calculates paying passenger traffic by tracking the total number of paying passengers in a given period, and 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 we believe this information and these reports to be reliable, neither we nor the initial purchasers have independently verified such information or reports, nor do we nor the initial purchasers make any representations as to the accuracy of such information and reports.

Historical passenger charges data for the Existing Airport for the years 2013, 2014 and 2015 and the six-month periods ended June 30, 2015 and 2016 included in this offering memorandum has been derived from the statements of cash flows included in our audited Financial Statements.

All projected passenger traffic and passenger charges data for the Existing Airport and the New Airport included in this offering memorandum have been derived from the Independent Traffic Report prepared by the Independent Traffic Consultant, included as Appendix A to this offering memorandum. The Independent Traffic Consultant has been appointed to conduct an independent assessment of the projected passenger traffic and passenger charges for the Airports. This Independent Traffic Report should be read in its entirety for complete information with respect to the subjects and issues discussed therein. As stated therein, the Independent Traffic Consultant has made a number of assumptions in reaching its conclusions, and has used the sources of information described therein. The Independent Traffic Consultant believes that the use of such information and assumptions is reasonable for the purposes of the Independent Traffic Report. The Independent Traffic Report has been included in this offering memorandum in reliance upon the conclusions therein and upon the Independent Traffic Consultant's experience in preparing passenger traffic reports for similar airports. While we believe the information and data used in the preparation of the Independent Traffic Report to be reliable, neither we nor the initial purchasers have independently verified such information or data, nor do we nor the initial purchasers make any representations as to the accuracy of such information and data.

## SUMMARY

*This summary provides an overview of key aspects of this 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 Annexes hereto. Before deciding to invest in the Notes, you should read the entire offering memorandum carefully for a more complete understanding of this offering. For a discussion of certain factors to be considered in connection with an investment in the Notes, see "Risk Factors."*

### **The Issuer**

The issuer of the Notes is the Mexico City Airport Trust acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, not in its individual capacity, but solely as trustee.

We are a special purpose trust created under the laws of Mexico for the sole purpose of purchasing and holding the rights to collect passenger charges from the existing Benito Juárez International Airport located in Mexico City (the "Existing Airport") and, upon commencement of commercial operations, the new Mexico City International Airport (the "New Airport"). The Sponsors sold these collection rights to us, together with other related property and assets, in exchange for the right to receive the proceeds of any disbursements under the Credit Agreement and any future indebtedness to be incurred by us, including the Notes. The Sponsors will use the proceeds from such sale to partially fund the design, construction and development of the New Airport. As such, we own the exclusive rights to collect passenger charges from the Existing Airport and, upon commencement of commercial operations, the New Airport. We contributed these rights and other related property and assets to a security trust as collateral for the benefit of our secured creditors, including the trustee acting for the benefit of the holders of the Notes. The cash flows generated by the collection of passenger charges constitute the principal source of funding to service our debt, including the Notes. We are a private trust and no public funds have been contributed to us by the Mexican government or have been assigned to us in the Mexican federal budget to service our debt or for any other purpose.

For the year ended December 31, 2015 and the six-month period ended June 30, 2016, cash flows collected by the Security Trust related to passenger charges from the Existing Airport amounted to Ps. 6,762.8 million (US\$426.1 million) and Ps. 3,855.4 million (US\$213.3 million), respectively, and Net Passenger Charges amounted to Ps. 5,777.4 million (US\$364.0 million) and Ps. 3,286.7 million (US\$181.8 million), respectively.

### **The Existing Airport**

The Existing Airport is the largest airport in Mexico in terms of passenger traffic, according to data compiled by the SCT, and the second largest airport in Latin America in terms of passenger traffic, according to Airports Council International. 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 26 airlines flying to 107 destinations, including 55 international destinations as of June 30, 2016, 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 approximately 4.0 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 2015, passenger traffic has increased at a CAGR of 9.8%, and is projected to reach approximately 43.6 million by year 2018, according to the Independent Traffic Report. For the year ended December 31, 2015 and the six-month period ended June 30 2016, passenger traffic at the Existing Airport was 38.4 million and 19.5 million respectively, handling 426,761 ATMs and 218,356 ATMs, respectively.

In 2015, the Existing Airport served a total of 38.4 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 largest metropolitan area in the Americas and the third largest metropolitan area in the world, according to Mexican Government Information. Mexico City, one of the most important economic centers in Latin America, represented approximately 16.5% of Mexico's GDP in 2014 according to the INEGI, and is ranked as the eighteenth richest urban agglomeration in the world, 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. According to the Mexican Ministry of Tourism, approximately 13.1 million tourists visited Mexico City in 2015. In the year 2015, the Existing Airport served approximately 58% of Mexico's total cargo traffic of approximately 770 thousand tons and hosts 14 cargo airlines that fly from and to Europe, North, Central and South America, the Middle East and Asia.

The Existing Airport faces significant capacity constraints, with limited 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 further optimized if certain measures are placed into effect, 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 at Mexico City. The New Airport is a long-term solution to both accommodate expected passenger growth and attract additional traffic due to increased efficiency.

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

### **The Existing Sponsor and the New Sponsor**

Aeropuerto Internacional de la Ciudad de México, S.A. de C.V., the Existing Sponsor, is a state-owned company organized and existing under the laws of Mexico and a direct subsidiary of Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., the New Sponsor. The Existing Sponsor holds the concession to operate, manage and exploit the Existing Airport. This concession was granted by the Mexican government on June 29, 1998 for an initial term of 50 years ending on November 1, 2048, and the Existing Sponsor has an option to extend such term for an additional 50 years through 2098. The Existing Sponsor's revenue is derived from passenger charges distributed by us as restricted payments from the Security Trust, aeronautical services (other than passenger charges), commercial services and complementary services (including services such as parking and ground transportation and airport security services).

The Existing Sponsor operates the Existing Airport under a concession from the Mexican government, which allows it to provide a wide range of passenger services. Since 2013, the Existing Sponsor 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 the Existing Sponsor and ASA on August 30, 2013, which consisted of fixing payments to ASA according to a schedule for the years 2013 through 2016 and, afterwards, at Ps.1,331.2 million payable in monthly installments as adjusted on a monthly basis for cumulative inflation from December 2012, compared to a payment of 33% of total gross revenues of the Existing Airport prior to such amendment; and second, the implementation of the extraordinary increase of 38.1% and 74.3% in the Domestic Tariff and International Tariff at the Existing Airport, respectively, effective as of January 16, 2014. Since then, other revenues generated by the Existing Sponsor which are not pledged to the Security Trust (including revenues from airport services, complementary services and commercial services) have been sufficient to cover all operating and maintenance expenses of the Existing Airport. These include 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.

Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., the New Sponsor, is a state-owned company organized and existing under the laws of Mexico, wholly-owned by the SCT. The New Sponsor holds the concession to build, develop, operate, manage and exploit the New Airport. This concession was granted by the Mexican government on September 22, 2014 for an initial term of 50 years starting from the commencement of commercial operations of the New Airport, and the New Sponsor has an option to extend the initial term of the concession for an additional 50 years. The New Sponsor's revenue is derived from passenger charges distributed by us as restricted payments from the Security Trust and funds derived from the Federal Budget.

The Concessions require the Existing Sponsor and the New Sponsor 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 airport, complementary and commercial services as provided under the Mexican Airport Law (*Ley de Aeropuertos*) 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). Concession holders are also required to submit to the SCT a master development plan describing, among other things, the concession holder's construction and maintenance plans, which 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.

The New Airport Concession requires the New Sponsor to remain as a state majority-owned entity (*empresa con participacion estatal mayoritaria*) throughout the term of the New Airport Concession. In tum, the Existing Airport Concession requires the New Sponsor to retain at least 51.0% direct ownership interest in the Existing Sponsor throughout the term of the Existing Airport Concession. The following chart sets forth the corporate structure of the Existing Sponsor and the New Sponsor:



## The New Airport

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 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 site in 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 NACO (Netherlands Airport Consultants), a renowned global provider of airport planning, design and engineering services, with participation in the development of more than 550 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. The New Airport is expected to be environmentally sustainable and have an initial capacity of approximately 57 million annual passengers during its initial phase of operations, and increase progressively to reach 125 million annual passengers by 2065. 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 simultaneous runways and 108 boarding gates, and expand to achieve its maximum capacity to six triple-simultaneous runways and 191 boarding gates by 2065. The chart below represents a comparison between the Existing Airport, the New Airport following its first phase of construction and the New Airport after fully operational.

	<u>Existing Airport</u>	<u>New Airport – First Phase*</u>	<u>New Airport Fully Developed**</u>
	(as of December 31, 2015)	(projected information; % change versus Existing Airport)	(projected information; % change versus Existing Airport)
Passengers per year .....	38,433,012	57,000,000 (48% )	125,000,000 (225% )
ATMs per hour.....	62	144	175
ATMs per year .....	380,000	855,000	956,441
Runways .....	2 (non-simultaneous)	3 (triple-simultaneous) (50%)	6 (triple- simultaneous) (200%)
Boarding gates.....	60	108 (80.0%)	191 (218.3% )
Total land (hectares).....	769	4,431 (476%)	4,431 (476%)
Terminal building (m <sup>2</sup> ).....	581,953	743,000 (28%)	Subject to development plans

\* Expected to be completed by 2020.

\*\* Expected to be completed by 2065.

Source: Existing Sponsor.

## Passenger Charges

The principal source of revenue generated by the Existing Airport is derived from 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 exempt passengers. The Sponsors' right to collect passenger charges paid for the use of the Existing Airport and the New Airport are contained in their respective Concessions. 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, transit 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.

Domestic Tariffs apply to any departing paying passenger whose final destination is within Mexico, while International Tariffs apply to any paying passenger whose final destination is outside of Mexico. In each of 2015 and the six-month period ended June 30, 2016, approximately 43.9% of passenger charges were collected from international paying passengers, and 56.1% were collected from domestic paying passengers.

As of June 30, 2016, the International Tariff was US\$34.78 and the Domestic Tariff was US\$22.37. Because the Sponsors are state-owned companies, the International and Domestic Tariffs are determined unilaterally by the Mexican government through the Ministry of Finance and Public Credit. These tariffs 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 Official Federal Gazette, and are subsequently paid to the Security Trust in Mexican pesos. The Security Trust in turn converts Mexican peso amounts into U.S. dollars, in the amount necessary to satisfy our U.S. dollar-denominated obligations, including our debt service obligations. Since 2005, in accordance with a directive from the Ministry of Finance and Public Credit, Mexican passenger charge tariffs are adjusted annually to reflect inflation based on the Consumer Price Index for All Urban Consumers published by the United States Bureau of Labor Statistics in October of each year. Passenger charge tariffs are effective as of and published in the Official Federal Gazette on January 1 of each year. Passenger charge tariffs may be subject to change upon request made by the Sponsors to the Mexican Ministry of Transportation and Communications, which in turn makes a request to the Mexican Ministry of Finance and Public Credit, which authorizes or denies the request hearing the opinion of the Mexican Ministry of Economy. If approved, the airport's operator begins the new tariff registration process, which includes a request for recommendations from the Operating and Schedules Committee (*Comité de Operaciones y Horarios*) of the airport, a request for registration of the new tariffs before the SCT, through the Mexican Bureau of Civil Aviation (*Dirección General de Aeronáutica Civil*), and finally, publication of the new tariffs in the Official Federal Gazette in order for them to become effective. Only upon completion of this registration process do the new passenger charge tariffs become effective. 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 a single extraordinary increase. Effective as of January 16, 2014, the Mexican government published an increase in the Domestic and International Tariffs at the Existing Airport. Domestic Tariffs were raised 38.1% and International Tariffs were raised 74.3%. This extraordinary increase reflected the Mexican government's determination to increase passenger charge tariffs collected at the Existing Airport to more closely match the tariffs collected by private airports within Mexico, and was part of the measures adopted by the Existing Sponsor to execute the financing plan for the construction and development of the New Airport. 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 and 2015, after each annual tariff adjustment or increase.

	Total Departing Passengers (including exempt passengers)											
	2013			2014			2015			2016		
	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
	(in millions of Passengers, except percentages)											
Domestic Flights.....	0.78	0.72	0.84	0.85	0.78	0.89	0.92	0.88	1.07	1.00	0.95	1.13
International Flights.....	0.44	0.34	0.46	0.49	0.39	0.45	0.50	0.40	0.54	0.57	0.47	0.58
Total.....	<b>1.22</b>	<b>1.06</b>	<b>1.30</b>	<b>1.34</b>	<b>1.17</b>	<b>1.34</b>	<b>1.42</b>	<b>1.28</b>	<b>1.61</b>	<b>1.57</b>	<b>1.42</b>	<b>1.71</b>
Percentage growth on prior year....	-	-	-	9.84%	10.38%	3.08%	5.97%	9.40%	20.15%	10.56%	10.94%	6.21%

Source: Existing Sponsor

The Existing Airport's overall turnaround cost is highly competitive, despite the 2014 increase. As a result of the 2014 increase and the regular inflation adjustment in 2015, both passenger charge tariffs are now over the national average of Ps.296.0 (US\$16.0) for Domestic Tariffs and US\$28.4 for International Tariffs, and benchmark analysis of international passenger charge tariffs among Latin American airports shows that the International Tariff at the Existing Airport is one of the highest in the region, behind international passenger charge tariffs charged at the Monterrey, Bogotá and Culiacán airports. The Existing Airport also has one of the highest International Tariffs compared to global peers, only behind the Heathrow and Chicago airports. Nevertheless, on an overall airport turnaround charges basis (including landing, infrastructure, security and government charges), the Existing Airport continues to be competitive as compared to regional and global peers, reducing pressure on ticket pricing and keeping it competitive from the perspective of both airlines and passengers.

The following table shows the historical Domestic and International Tariffs in effect at the Existing Airport in the last five years.

	2011	2012	2013	2014	2014	2015	2016	CAGR
					Increase <sup>(3)</sup>			2011-2016
	(in dollars., except percentages)							
Domestic tariff.....	14.90	15.43	15.76	15.91	21.96	22.33	22.37	
Annual increase <sup>(1)</sup> .....	1.2%	3.5%	2.2%	1.0%	38.1%	1.7%	0.2%	8.47%
International tariff.....	18.34	18.99	19.40	19.59	34.15	34.72	34.78	
Annual increase <sup>(1)</sup> .....	1.2%	3.5%	2.2%	1.0%	74.3%	1.7%	0.2%	13.65%
U.S. inflation <sup>(2)</sup> .....	1.2%	3.5%	2.2%	1.0%	-	1.7%	0.2%	-

(1) Reflects the increase in the tariff for each year compared to the tariff for the prior year.

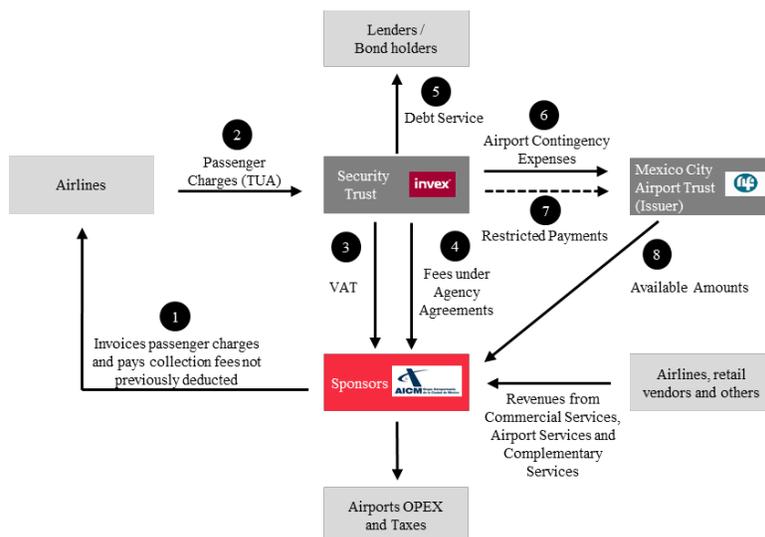
(2) Inflation based on the Consumer Price Index for all Urban Consumers published by the United States Bureau of Labor Statistics.

(3) Passenger charge tariffs effective on January 16, 2014.

Passenger charges are included as part of the ticket price charged to paying passengers and are collected by each airline in exchange for a fee of up to 3.0% of the amounts collected. The Existing Sponsor enters into collection agreements with the airlines from time to time, generally on an annual basis, which provide the rules and procedures for the collection and the payment of passenger charges by the airlines and the payment of the collection fee. The New Sponsor is expected to enter into collection agreements substantially similar to those entered by the Existing Sponsor with the airlines that will operate at the New Airport. As of June 30, 2016, ten airlines were responsible for approximately 88.1% of the passenger charges collected, based on the volume of flights operated by such airlines from the Existing Airport.

Pursuant to the Financing Documents, each airline at the Existing Airport (other than exempt airlines, which collectively collect no more than 5% of all amounts due in respect of passenger charges at the Existing Airport) has agreed to pay passenger charges directly to the Security Trust. Collection fees, which are negotiated between each airline and the Existing Sponsor pursuant to their respective collection agreements, are invoiced to and directly paid by the Existing Sponsor, except for a small number of international airlines that deduct their collection fee before transferring the amount of passenger charges collected to the Security Trust. As of June 30, 2016, airlines operating at the Existing Airport, collecting 26.8% of all passenger charges, deducted their collection fee prior to transferring the funds to the Security Trust.

The following chart summarizes the cash flow generated from the collection of the passenger charges by the airlines until the balance is paid to the Sponsors, as beneficiaries of the Mexico City Airport Trust:



### Financing and Collateral Structure

The financing for the development of the New Airport is 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 the Assignment of Rights Agreements entered into among each of the Sponsors and the Issuer, on October 29, 2014, each Sponsor agreed to assign to the Mexico City Airport Trust the rights to collect passenger charges from the Existing Airport and the New Airport, together with the other related property and assets that constitute the Collateral, in exchange for the right to receive the proceeds of any disbursements under the Credit Agreement and any future indebtedness to be incurred by us, including the Notes, to be used to fund the development and construction of the New Airport. We contributed the assets that constitute the Collateral to the Security Trust for the benefit of our secured creditors.

Until the New Airport commences operations, this financing structure and our ultimate repayment capacity are based solely on cash flows generated by the collection of passenger charges at the Existing Airport, taking into consideration its constraints and not accounting for incremental passenger traffic serviced from the increased capacity of the New Airport during the remaining term of the Existing Airport Concession. According to the forecasts accounting for capacity constraints provided in the Independent Traffic Report, the Existing Airport is expected to service 41.2 million passengers on 2016 and 44.8 million passengers per annum by 2020. 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 our debt. At that point our debt capacity, our repayment ability is expected to increase accordingly as a result of the increased capacity of the New Airport.

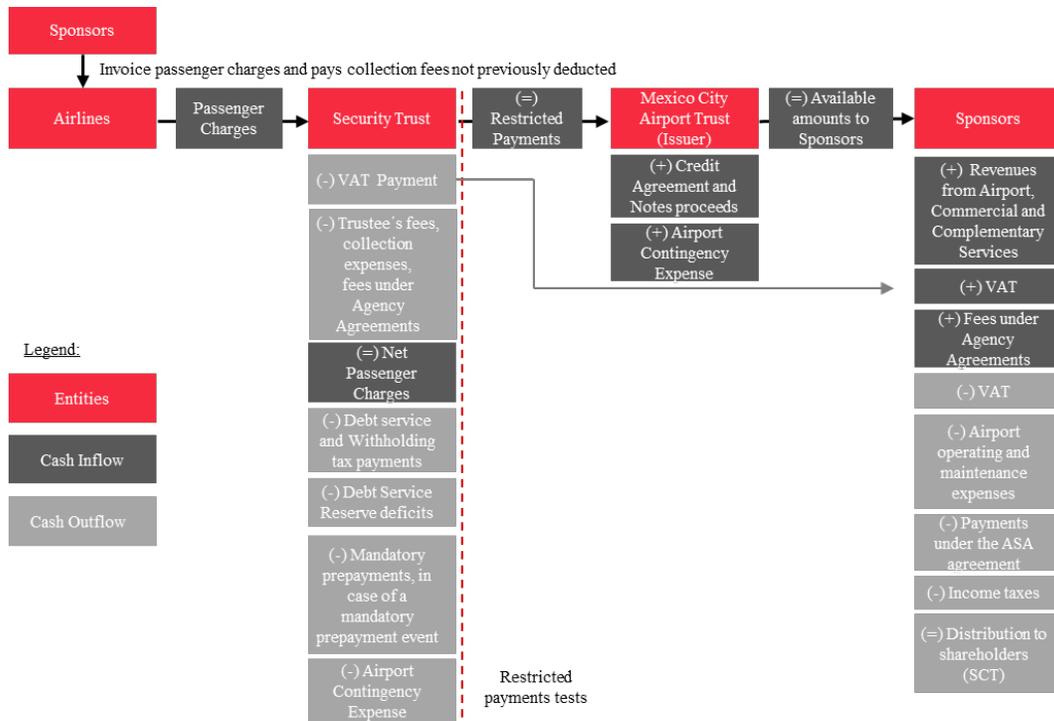
The private financing of the New Airport is expected to be funded from a combination of bank loans (mainly through debt incurred under the Credit Agreement) and the offering of debt securities in the domestic and international capital markets, including the Notes offered hereby. The early stages of construction and preparatory work to be executed at the New Airport were partially financed with the proceeds of a US\$1.0 billion senior secured term loan facility entered into on October 29, 2014. In order to increase the Sponsors' financial flexibility, this term loan facility was amended and restated on October 7, 2015, to increase the facility amount to US\$3.0 billion, convert the facility into a revolving facility and extend its scheduled maturity to October 7, 2020, with the possibility of one- or two-year extensions. As of the date of this offering memorandum, the principal amount outstanding under the Credit Agreement is US\$1.0 billion. Amounts repaid under the Credit Agreement may and are expected to be borrowed.

### *The Collateral*

To secure all of our obligations under our existing and future debt, including debt under the Credit Agreement and the Indentures, we entered into an Amended and Restated Irrevocable Guaranty, Administration and Payment Trust Agreement No. 2172, dated October 7, 2015 (the “Security Trust Agreement,” and the trust created thereunder, the “Security Trust”) with Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, as trustee (the “Security Trust Trustee”). The property and assets contributed by us to the Security Trust as collateral and which, together with all amounts deposited in accounts maintained by the Security Trust and all other property of any kind and nature from time to time contributed to the Security Trust for the benefit of our secured creditors, constitute the principal source of repayment of our indebtedness (the “Collateral”), 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 Airports;
- (iii) all proceeds of indemnities in connection with certain expropriation events affecting any of the Airports; and
- (iv) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at any of the Airports.

Pursuant to the Security Trust, the Security Trust Trustee maintains bank accounts where amounts due in respect of passenger charges are deposited by the airlines. The Security Trust includes a comprehensive set of rules and instructions to the Security Trust Trustee for the administration and use of the proceeds deposited in these bank accounts. The Security Trust must first segregate any necessary amounts in respect of taxes, costs and expenses relating to our financing and collateral structure, reserves, principal and interest on our outstanding debt, and certain operating and capital expenditures, and we must satisfy certain conditions, including maintaining a Debt Service Coverage Ratio of 1.15 to 1.00, before any amounts in the Security Trust may be transferred to us. Upon the transfer of any amounts to us, such amounts cease to be part of the Collateral and are then transferred by us to the Sponsors, as shown in the following chart:



Under the Credit Agreement, we are allowed to incur additional senior secured debt, including refinancing and incremental debt, on a *pari passu* basis with our existing and future indebtedness, including indebtedness under the Credit Agreement and the Notes (the “Additional Debt”). All our existing and future indebtedness will be secured by the Collateral and all of our secured creditors will be entitled to share ratably with the holders of the Notes in any proceeds generated by the Collateral. Under the Credit Agreement, the incurrence of Additional Debt is subject to satisfaction of certain conditions, such as the absence of a default under the Financing Documents, meeting certain financial ratios after giving effect to the Additional Debt (including a Debt Service Coverage Ratio and a ratio of projected Net Passenger Charges to outstanding indebtedness through the later of (x) 30 years from the date of determination and (y) the life of the Concessions, in each case, of 1.25 to 1.00), affirmation of two credit ratings at least equal to Investment Grade Rating after giving effect to the Additional Debt, and the Additional Debt having terms that are not more favorable than those provided under the Credit Agreement (such as a larger average life than the facility under the Credit Agreement, no scheduled payments of principal during a period of 9.5 years from the execution of the Credit Agreement, and no additional collateral, guarantees or credit enhancement).

### ***The Intercreditor Agreement***

The security over the Collateral and the rights of holders of our indebtedness will be subject to the provisions of an intercreditor agreement, to be dated as of the closing date of this offering, among us, the administrative agent under the Credit Agreement, acting on behalf and for the benefit of the lenders thereunder, the Indenture Trustee, acting on behalf and for the benefit of the holders of the Notes, Citibank, N.A., as Offshore Collateral Agent and Intercreditor Agent, and Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex, División Fiduciaria, as Onshore Collateral Agent (the “Intercreditor Agreement”). The incurrence of Additional Debt by us is also conditioned on the Indenture Trustee and the other Additional Debt providers (or any agent on their behalf) entering into and becoming a party to the Intercreditor Agreement on or prior to the incurrence of such Additional Debt.

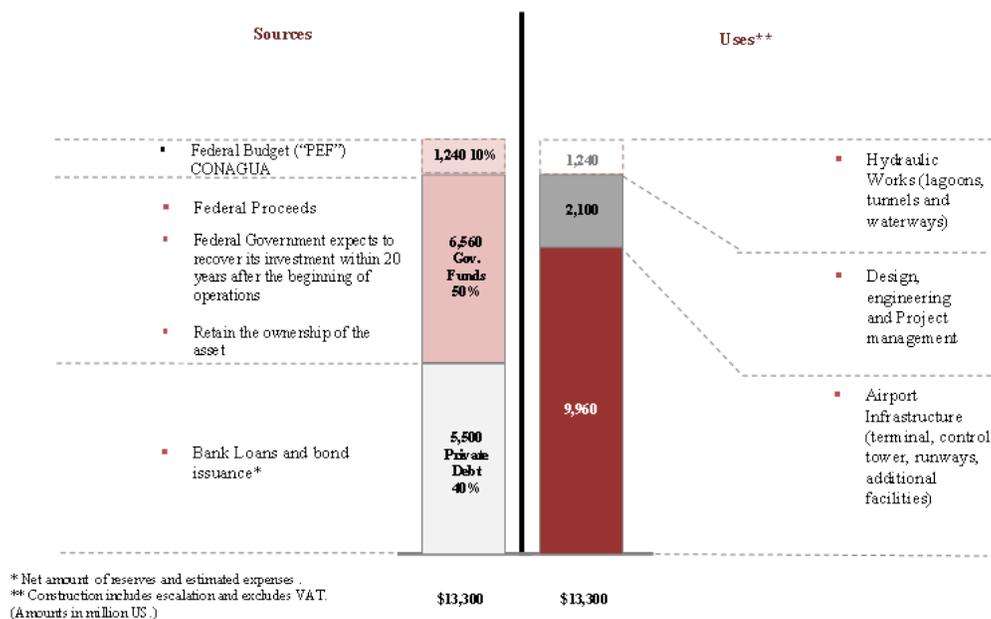
The Intercreditor Agreement requires certain procedures, including certain notices and an intercreditor vote, to be followed to direct the Collateral Agents to commence any enforcement action with respect to the Collateral. Depending on the type of default, the vote of all the classes or only certain classes of our indebtedness would be required. For those events that are considered fundamental events of default under the Intercreditor Agreement, the Collateral Agents and Intercreditor Agent will require the instruction of the majority of our senior secured creditors holding bank debt. For any other event of default, the instruction of the majority of our senior secured creditors holding any type of debt (including the holders of the Notes acting through the Indenture Trustee) will be necessary.

Nonetheless, the Intercreditor Agreement establishes that if 90 days after the date on which the Intercreditor Agent notifies all the holders of our indebtedness about a certain event of default, the required vote of senior secured creditors has not instructed the Intercreditor Agent to take an enforcement action, then the majority of such creditors that are holding bank debt (and that issued an affirmative or negative vote within such 90 days) will be entitled to instruct the undertaking of the enforcement action.

### Overall Funding Plan

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. The total funding required for the construction and initial operation of the New Airport is estimated at up to US\$13.3 billion, of which approximately 60% will be contributed by the Mexican government through the use of public funds, and approximately 40% is expected to be funded from a combination of bank loans (mainly through debt incurred under the Credit Agreement) and the offering of debt securities in the domestic and international capital markets, including the Notes offered hereby.

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:



## **Strengths**

We believe that the Existing Airport, which is expected to generate the passenger charges to be used to repay the Notes until the commencement of operations of the New Airport, and our financing and collateral structure have the following strengths:

### ***Strong and Stable Collateral Structure, with Passenger Charges Applied to Debt Repayment Before Other Airport Uses, Including Operating Expenditures***

The financing for the development of the New Airport is 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. However, our repayment capacity is estimated based solely on receivables from passenger charges derived from the operation of the Existing Airport. The construction risk and the risk of a failure or delay to complete the development of the New Airport are therefore substantially mitigated. Furthermore, passenger charges, which represent the main source of repayment of our senior secured debt under our financing structure, have historically been the principal and a stable source of revenue generated by the Existing Airport.

In addition, as a result of the assignment of the passenger charges and the collection rights thereof to us and their subsequent contribution from us to the Security Trust, passenger charges are segregated in an independent vehicle whose main purpose is to administrate the amounts due or to become due from the collection of the passenger charges and use such funds mainly to service our debt. This structure provides our creditors, including the holders of the Notes, with a priority claim on the passenger charges, even ahead of operating costs of the Existing Airport. The Issuer is not responsible for the operating expenses of the Existing Airport or the New Airport, and any cash flows of the Security Trust are released to the Mexico City Airport Trust and subsequently to the Sponsors only after repayment of our debt and satisfaction of the conditions set forth in the Credit Agreement and the Indentures to make restricted payments.

### ***Key National Asset***

The operation of the Existing Airport and the development and construction plans for the New Airport are closely aligned with the Mexican government's objectives, including supporting the country's economic and infrastructure development, and encouraging the growth of domestic and international travel within and to Mexico. The New Airport is a key national priority and plays a vital role in supporting further growth in economic activity, trade and travel through connectivity to the global cities around the world. According to the World Tourism Organization, in 2015 Mexico ranked in the top ten countries worldwide in terms of foreign visitors and ranked first in terms of foreign visitors traveling to Latin America and the Caribbean. The Existing Airport is, and the New Airport is expected to be, the principal and largest airport serving Mexico, representing a critical infrastructure asset for Mexican business, tourism and commerce. The Existing Airport has served as the international hub for Mexico and an important regional hub for Central America, facilitating a major part of Mexico's economic activity, trade and business exchange with other countries.

The Existing Airport's critical role in the Mexican aviation industry is underlined by the fact that, in recent years, it has accounted for approximately 33.3% of the total passenger traffic in Mexico. On average, more than 105,000 passengers use the Existing Airport on a daily basis, to and from 107 destinations. The Existing Airport is and the New Airport is expected to be key direct employment generators with approximately 1,183 direct jobs currently at the Existing Airport, on top of thousands of indirect jobs generated by firms and businesses linked to the Existing Airport, including tourist attractions. In addition, during the preparatory works at the New Airport, over 1,800 direct jobs were created and are expected to reach 2,000 by 2017. The New Airport is expected to generate approximately 160,000 jobs during its construction, and around 450,000 at its maximum development phase.

### ***Strategically Located Airport with Dominant Position***

The Existing Airport is and the New Airport is expected to be the largest airport in Mexico in terms of passenger traffic, and the leading aviation hub in Mexico. The geographic location of Mexico City makes the airport a suitable hub for both domestic and international passenger traffic, especially as it provides easy access to and from various major cities, linking Mexican cities and Mexico as a country with the world. While the de-regulation of Mexico's airline industry has resulted in new point-to-point routes between popular cities, point-to-point travel is not always possible on the main commercial airlines. The Existing Airport serves 55 international destinations (31 in the United States and Canada, 17 in Latin America, 6 in Europe, and 1 in Asia) and 52 domestic destinations, and has a central role in the transportation network of the whole country.

The Existing Airport is well 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. These extensive ground transport links facilitate access to the airport and makes it the principal gateway not only for the Mexico City metropolitan area, but for other cities within Mexico for visitors that use the airport as a regional hub. In addition, due to the proximity of the New Airport with the location of the Existing Airport, the New Airport will be able to take advantage of the existing infrastructure now serving the Existing Airport. Two of the main access roads to the New Airport, the Peñon-Texcoco highway and the Circuito Exterior Mexiquense, which border the southern and western limits of the New Airport, respectively, would only need moderate modifications to accommodate access to the New Airport. Moreover, the connectivity plan for the New Airport developed by the New Sponsor and SCT contemplates the improvement of direct connectivity to the New Airport with the construction and/or modernization of a total of 19 access roads, including the construction of four new roads, six new overpasses and the upgrade of nine existing access roads, as well as the improvement of the access routes to the Mexican Metropolitan area with the upgrade and expansion of eight major access routes, and by 2030 with the further construction of four multimodal transport systems and two subway lines.

### ***Long Concession Life with Renewal Option***

The Existing Airport Concession has an initial term of 50 years ending on November 1, 2048, and the Existing Sponsor has an option to extend such term for an additional 50 years through 2098. Upon commencement of commercial operations of the New Airport, the Existing Airport Concession will be terminated and substituted by the New Airport Concession, with an initial term of 50 years and an option for the New Sponsor, subject to certain conditions, to extend such term for up to additional 50 years. We expect the New Airport to commence operations in 2020; therefore, the initial term of the New Airport Concession would end in 2070, with an option to extend through 2120. The Existing Airport Concession grants the Existing Sponsor, and the New Airport Concession will grant the New Sponsor, the exclusive right to manage, operate and exploit the Airports for an extended period of time, ensuring a steady flow of passenger charges available to service our debt.

After the opening of the Mexican airport sector to private investment beginning in the mid-1990s, the Existing Airport remained the single airport in Mexico to be operated by a state-owned entity. We believe that the Existing Sponsor and the New Sponsor being subsidiaries of the SCT creates an alignment between the concession holders' and the Mexican government's objectives, providing the Airports' operations with more stability in the short and long term.

### ***Long History of Sustained Passenger Growth***

Between 2010 and 2015, passenger traffic at the Existing Airport has increased at a CAGR of 9.8%, with an increase in international and domestic passenger traffic at a CAGR of 8.6% and 10.4%, respectively, during such period. The Existing Airport has a stable and diversified passenger base from various markets, including the United States, Central and South America and Europe. This has contributed to passenger traffic at the Existing Airport being relatively resilient to the effects of seasonality and economic cycles affecting specific regions and business and tourism traffic.

### ***U.S. Dollar-Denominated, Inflation-Linked and Adjustable Passenger Charges***

Passenger charge tariffs are denominated in U.S. dollars and are adjusted annually to reflect inflation based on the Consumer Price Index for All Urban Consumers published by the United States Bureau of Labor Statistics. This has allowed passenger charges to remain resilient to fluctuations in the value of the Mexican peso relative to the U.S. dollar, and to inflation. In addition, passenger charge tariffs may be subject to change upon request made by the Sponsors. Effective as of January 2014, the SCT authorized the Existing Sponsor a 74.3% and a 38.1% increase in the international and domestic tariffs, respectively. This increase in passenger charge tariffs had no adverse effect in passenger traffic during 2014 or 2015, as passenger traffic increased 8.6% in 2014 as compared to 2013 and 12.2% in 2015 as compared to 2014, consistent with growth rates seen in prior years. This may be due to the fact that passenger charges represent a small percentage of the total cost of travel. The Sponsors may also request that passenger charge tariffs extend to passengers in transit on connecting flights which are currently considered exempt passengers.

### ***Diversified and Resilient History of Airline Operations***

The Existing Airport hosts 26 passenger airlines that connect Mexico City with 107 domestic and international destinations in Latin America, North America, Europe and Asia as of June 30, 2016. The Existing Airport has a diverse and balanced mix of hub, low cost and regional carriers. Aeromexico (a founding member of the SkyTeam airline alliance), Interjet and Volaris, the largest domestic airlines in terms of passenger charges collected, offer the largest 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 United Airlines, American Airlines, Delta Air Lines and Avianca Holdings, and serves as a hub for the SkyTeam airline alliance. 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.

In 2015, ten airlines were responsible for collecting approximately 85.8% of passenger charges collected at the Existing Airport, and for transporting 90.8% of the total passenger traffic. In 2015, Aeromexico, the Mexican flagship airline since 1934, together with its regional airline, Aeromexico Connect, held approximately 41.4% of the share of passenger traffic at the Existing Airport, with 5 other domestic low-cost airlines, Interjet, Volaris, VivaAerobus, Magnicharter and Aeromar representing approximately 42.6% of passenger traffic, and United Airlines, American Airlines and Delta Air Lines representing 7.0%. In the recent years the growth of the low-cost airlines at the Existing Airport has been extremely positive. In 2015, the highest growth in passenger traffic at the Existing Airport came from VivaAerobus, followed by Volaris, Aeromexico and Interjet. With the recent execution of the Air Transport Agreement between Mexico and the United States, new U.S. low-cost airlines such as JetBlue and Southwest are starting to enter the market. The majority of growth in passenger traffic at the Existing Airport is expected to come from a mix of full service carriers and low-cost airlines led by VivaAerobus, Volaris and Aeromexico.

While the Sponsors retain relationships with a number of leading airlines, we believe that the Existing Airport's value is independent of its carriers, given its role as the primary gateway to Mexico. In addition, as of June 30, 2016, approximately 45% of the passenger charges payable for operations at the Existing Airport were secured by seven airlines using performance bonds, which mitigates our receivables risk despite the concentration of our receivables as described above.

### ***Market with Robust Macroeconomic Indicators***

The Existing Airport is in a position to benefit from the economic growth, diversity and openness of Mexico and the economic performance of its principal trading partners. The strength of the macroeconomic indicators in Mexico, and major structural reform measures recently undertaken in important sectors such as energy and telecommunications, is expected to contribute to a significant increase in direct foreign investment and to the growth of commercial activities and services. Such activities are expected to have a positive impact on air traffic, increasing demand in the Existing Airport.

Mexico is the 15<sup>th</sup> largest economy in the world. In recent years, it has attracted high levels of foreign investment due to its strong competitive position, resulting from the following factors, among others: geographic location, low labor costs, highly skilled and relatively young labor force, developed and constantly improving infrastructure network (73 open airports, 117 seaports, 26,704 kilometers of railroads and more than 377,660 kilometers of roads). Mexico is also one of the most open economies in the world, with free trade agreements signed with 45 nations, giving it preferred access to over one billion potential consumers, representing over 60% of global GDP. Mexico's population in 2015 totaled 119.5 million, representing a growth of 7 million, or 1.4% growth per annum between 2010 to 2015.

In 2014, Mexico City had a GDP of Ps.2,692.1 billion, or approximately 16.5% of Mexico's GDP according to INEGI, which is a larger GDP than all countries in Latin America except for Argentina and Brazil, according to statistics of the International Monetary Fund. Mexico City has a population of approximately 8.9 million and, together with its urban area has an estimated population of approximately 20.2 million in 2016, which accounts for approximately 17% of Mexico's population, roughly the same size, population-wise, as each of the City of New York and São Paulo, both with approximately 20.6 million inhabitants.

Mexico's growing economic activity and increasing trade dynamics have led to a large increase in airport passenger traffic, which has grown at a CAGR of 9.8% between 2010 and 2015. According to the Independent Traffic Report, this growth is expected to continue, based on Mexico's expected economic growth resulting from an expanding middle class demographic and a significant increase in tourism, among other factors.

#### ***Open Skies Regulatory Improvements***

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 August 21, 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 nations, 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 addition of new routes between secondary cities in Mexico is a factor that may impact passenger traffic volume overall by reducing the number of connecting passengers using the Airports. However, any decrease in connecting passengers will not impact our capacity to repay our debt, which is based solely on cash flows generated by the collection of passenger charges at the Existing Airport, currently charged only to departing passengers (except for exempt passengers).

We believe that the new Air Transport Agreement will further elevate and strengthen the commercial and economic relationship between the United States and Mexico and will benefit U.S. and Mexican airlines, travelers, businesses, airports, and communities by allowing increased market access for passenger and cargo airlines to fly between any city in Mexico and any city in the United States. We believe that our business has benefited from and will continue to benefit from bilateral aviation agreements with the United States and that the new Air Transport Agreement will have a positive effect in our level of passenger traffic and the operations of the Airports. As an example, low-cost airlines from the United States such as JetBlue and Southwest are starting to enter the market. In general, according to the Independent Traffic Report, the new Air Transport Agreement opens up further opportunities for airlines from both Mexico and the United States to commercially develop more trans-border services.

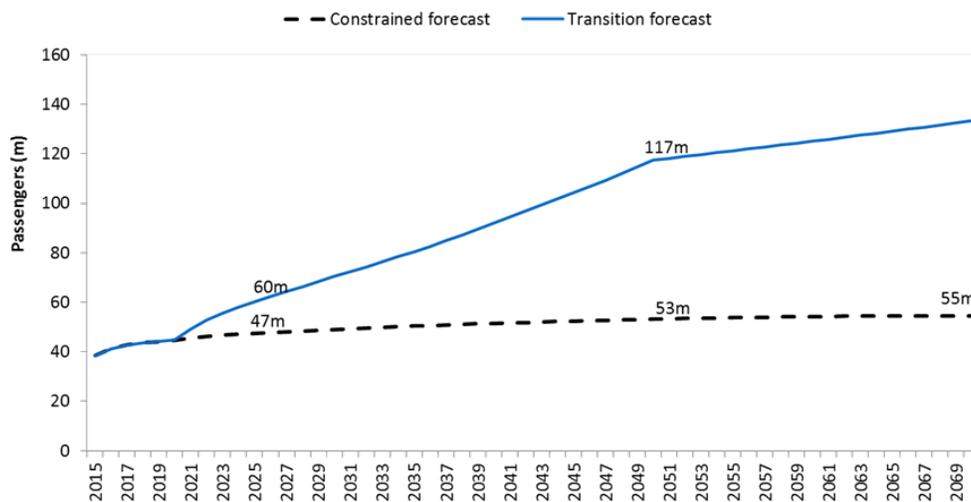
## Independent Traffic Report

The Sponsors appointed ARUP Group Limited as Independent Traffic Consultant, to conduct an independent assessment of the projected passenger traffic and passenger charges for the Airports (the “Independent Traffic Report”). The Independent Traffic Report, dated September 3, 2016, is attached as Appendix A to this offering memorandum.

The Independent Traffic Report provides with respect to the Existing Airport that passenger traffic at the Existing Airport is expected to continue its positive growth through the opening of the New Airport. 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. For example, while the passenger traffic at the Existing Airport is expected to grow at a CAGR of 4.3% between 2016 and 2025 in an unconstrained scenario, projected passenger traffic in a constrained scenario is expected to grow at a CAGR of 1.6%.

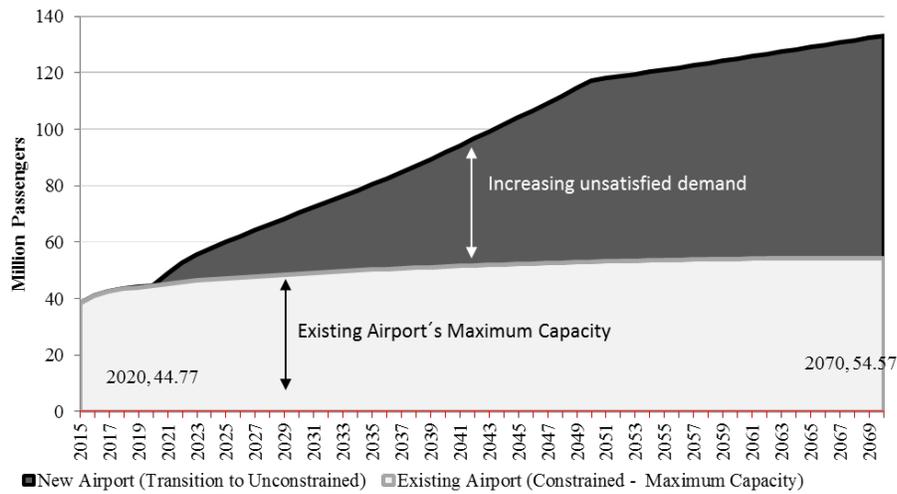
An increase of passengers per ATM in the long term to a maximum of 135 passengers, through the use of larger aircraft and higher load factors can maximize the runway capacity of the Existing Airport to approximately 55 million passengers per annum, compared to an unconstrained forecast of 60.2 million passengers per annum by 2025 and 117.4 million passengers per annum by 2050. The table below presents projected passenger growth between 2015 and 2070, when the New Airport is expected to operate at its maximum capacity.

### Long Term Passenger Forecast – Constrained vs. Unconstrained Scenarios



According to the projections included in the Independent Traffic Report, once the first phase of the New Airport’s construction is complete and the New Airport is operational, Mexico City passenger traffic will no longer be constrained by the landing slot restrictions at the Existing Airport. The chart below demonstrates the projected growth rates for the New Airport through 2025 and post 2025 assuming completion of the first phase of the New Airport’s construction and an opening in October of 2020.

### Long-Term Passenger Forecast and CAGR



From 2016 to 2025, passenger traffic is expected to grow at a CAGR of 4.3%, with domestic passenger traffic growing at a slower CAGR of 2.6%, and international passenger traffic growing at a CAGR of 7.2%. Following 2025, growth rate is expected to be more moderate, at around 2.7% per annum between 2025 and 2050, with international traffic growth increasing at a CAGR of 2.9% and domestic traffic growth increasing at a CAGR of 2.6%. The overall long-term passenger traffic growth from 2016 through 2070, when traffic is forecasted to potentially reach approximately 133 million passengers year, is expected to be 2.3% per year.

The projections and conclusions in the Independent Traffic Report 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 Independent Traffic Report.

## THE OFFERING

*The following summary highlights selected information regarding the terms of the Notes and is not intended to be complete. It does not contain all the information that may be important to you. For a more complete understanding of the Notes, you should read the entire offering memorandum carefully, including "Description of the Notes."*

Issuer .....	Mexico City Airport Trust acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, not in its individual capacity, but solely as trustee
Notes Offered.....	2026 Notes: US\$1,000,000,000 aggregate principal amount of 4.250% senior secured notes due 2026. 2046 Notes: US\$1,000,000,000 aggregate principal amount of 5.500% senior secured notes due 2046.
Offering Price.....	2026 Notes: 99.009%, plus accrued interest, if any, from September 29, 2016. 2046 Notes: 98.631%, plus accrued interest, if any, from September 29, 2016.
Maturity Date .....	2026 Notes: October 31, 2026. 2046 Notes: October 31, 2046.
Interest .....	The 2026 Notes will bear interest from and including September 29, 2016, at a rate of 4.250% per annum.  The 2046 Notes will bear interest from and including September 29, 2016, at a rate of 5.500% per annum.
Interest Payment Dates .....	April 30 and October 31 of each year, payable semi-annually in arrears beginning on April 30, 2017.
Security.....	The Notes will be secured by a first-priority security interest over the Collateral. Holders of the Notes will not be entitled to foreclose on the Collateral and their rights to direct the foreclosure on the Collateral are materially limited by the Intercreditor Agreement. See "Description of the Notes — Security Interest."
Ranking .....	The Notes will be our senior secured obligations and will rank equally in right of payment with all of our other existing and future senior secured obligations (subject to certain tax obligations preferred by statute).  As of June 30, 2016, our total indebtedness was Ps.18,468.9 million (US\$1.0 billion), all of which is secured by the Collateral. After giving pro-forma effect to the offer and sale of the Notes, as of June 30, 2016, our total indebtedness would have been Ps. [•] million (US\$ [•] million), all of which would have been secured by the Collateral.

Use of Proceeds ..... The estimated net proceeds from the offering of the Notes, after deducting the initial purchasers' fees and commissions and the estimated expenses, will be approximately US\$[ ] million.

We intend to use the net proceeds from the offering of the Notes to pay installments of the purchase price that we owe to the Sponsors under the Assignment of Rights Agreements for the acquisition of the rights to collect the passenger charges from the Existing Airport and the New Airport. See "Passenger Charges and Passenger Charges Collection Process—Assignment of Rights Agreements and Airline Consents." An amount equal to each installment of the purchase price paid under the Assignment of Rights Agreements will be used by the Sponsors to partially fund the design, construction and development of the New Airport in accordance with the NAICM Green Bond Framework available as described under "Available Information." Pending the allocation by the Sponsors of these funds to eligible green projects in accordance with the NAICM Green Bond Framework, all or a portion of the net proceeds from this offering may be used to repay indebtedness under the Credit Agreement.

In addition, the Sponsors will make available a quarterly report (the "NAICM Green Bond Report") on the allocation of amounts equal to the net proceeds in accordance with the NAICM Green Bond Framework which will include, where feasible, information on the environmental impact of the eligible green projects within the New Airport. The Sponsors will engage an appropriate external reviewer to review the allocation of the net proceeds on an annual basis and provide a report opining on its conformity with the NAICM Green Bond Framework.

See "Use of Proceeds."

Additional Amounts ..... We are required by Mexican law to deduct and pay to the Mexican tax authorities Mexican withholding taxes from payments of interest (and amounts deemed interest) made to holders who are not residents of Mexico for tax purposes, at a rate of 4.9% if certain requirements under Mexican law are met. See "Taxation—Certain Mexican Federal Income Tax Considerations." We generally will pay such additional amounts as may be necessary so that the amount received by holders of the Notes after withholdings or deductions for taxes in relation to payments under the Notes, will not be less than the amount that holders of the Notes would have received in the absence of such withholdings or deductions, subject to certain exceptions described under "Description of the Notes—Additional Amounts."

Redemption for Taxation Reasons.... We may redeem all, but not less than all, of the Notes at any time at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date and any additional amounts due thereon, if, as a result of certain changes in tax laws, there is an increase in the additional amounts we are obligated to pay under the Notes. See "Description of the Notes—Optional Redemption—Redemption for Taxation Reasons."

Optional Redemption ..... We may redeem the Notes at our option, in whole or in part, at any time and from time to time, prior to the date that is three months, in respect of the 2026 Notes, and six months, in respect of the 2046 Notes, prior to the maturity date of the 2026 Notes and the 2046 Notes, respectively, at a redemption price equal to the greater of 100% of the outstanding principal amount of the Notes to be redeemed and a redemption price based on a “make-whole” premium, plus in each case accrued and unpaid interest to the date of redemption.

In addition, we may redeem the Notes at our option, in whole or in part, at any time and from time to time, beginning on the date that is three months, in respect of the 2026 Notes, and six months, in respect of the 2046 Notes, prior to the maturity date of the 2026 Notes and the 2046 Notes, respectively, at a redemption price equal to 100% of the outstanding principal amount of the Notes to be redeemed, plus accrued and unpaid interest to the date of redemption.

See “Description of the Notes—Optional Redemption.”

Mandatory Redemption..... We are required to offer to redeem the Notes at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to the date of redemption in case any of the Concessions is expropriated by the Mexican government, or any such Concession is terminated or revoked.

Certain Covenants ..... The Indentures contain certain covenants, among others, that limit our ability to:

- incur debt;
- cause the Security Trust to make restricted payments to us;
- grant any liens on our assets;
- change the nature of our business or project;
- make any disposition of any assets contributed to the Security Trust;
- make investments;
- amend the Trust Agreement;
- cancel or terminate any Project Agreement;
- enter into hedging transactions for speculative purposes; and
- amend the Existing Airport concession or our services agreement with ASA.

All of these limitations and restrictions are subject to a number of significant qualifications and exceptions. See “Description of the Notes—Covenants.”

Transfer Restrictions .....	<p>We have not and will not register the Notes under the Securities Act, the Mexican Securities Market Law or the securities laws of any other jurisdiction. The Notes are subject to restrictions on transfer and may only be offered in transactions exempt from or not subject to the registration requirements of the Securities Act.</p> <p>The Notes have not been and will not be registered with the RNV maintained by the CNBV and may not be offered publicly in Mexico. The Notes may only be offered in Mexico pursuant to the exemptions to registration provided in article 8 of the Mexican Securities Market Law. See “Transfer Restrictions.”</p>
Further Issuances .....	<p>Subject to the covenants in the Indentures, we may from time to time, without the consent of the holders of the Notes, issue further securities having the same terms and conditions as the Notes in all respects. Any further issue may be consolidated with, and form a single series with, the Notes sold in this offering.</p>
Form and Denomination .....	<p>The Notes will be issued in the form of global Notes in fully registered form. The global Notes will be exchangeable or transferable, as the case may be, for definitive certificated Notes in fully registered form without interest coupons only in limited circumstances. The Notes will be issued in registered form in denominations of US\$200,000 and integral multiples of US\$1,000 in excess thereof. See “Description of the Notes” and “Book-Entry, Delivery and Form.”</p>
Settlement.....	<p>The Notes will be delivered in book-entry form only through the facilities of The Depository Trust Company (“DTC”) for the accounts of its direct and indirect participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System (“Euroclear”), and Clearstream Banking, <i>société anonyme</i>, Luxembourg (“Clearstream”).</p>
Governing Law .....	<p>The Indentures and the Notes will be governed by, and construed in accordance with, the laws of the State of New York.</p>
Indenture Trustee, Registrar, Paying Agent and Transfer Agent .....	<p>HSBC Bank USA, National Association</p>
Singapore Listing Agent.....	<p>Jones Day</p>
Listing .....	<p>We intend to apply to have the Notes listed and quoted on the SGX-ST. The Notes will be traded on the SGX-ST in a minimum board lot size of US\$200,000 for so long as any of the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.</p>
Risk Factors .....	<p>Investing in the Notes involves significant risks. See “Risk Factors” beginning on page 27 for a discussion of certain information that you should consider before investing in the Notes.</p>

Securities Codes ..... The Notes have been assigned the following securities codes:

2026 Notes Rule 144A: CUSIP: 59284M AA2  
ISIN: US59284MAA27

2026 Notes Regulation S: CUSIP: P6629M AA0  
ISIN: USP6629MAA01

2046 Notes Rule 144A: CUSIP: 59284M AB0  
ISIN: US59284MAB00

2046 Notes Regulation S: CUSIP: P6629M AB8  
ISIN: USP6629MAB83

## SUMMARY HISTORICAL FINANCIAL AND OPERATING INFORMATION

The following tables present our summary historical financial information and certain operating information and data of the Existing Airport as of the dates and for each of the periods indicated. The financial information set forth in the following tables is derived from and should be read in conjunction with, and is qualified in its entirety by reference to, our Financial Statements contained elsewhere in this offering memorandum.

Our Audited 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. Our Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the IASB. IFRS differs in certain significant respects from U.S. GAAP and financial reporting standards and generally accepted accounting principles used in other jurisdictions. We have made no attempt to quantify the impact of those differences by a reconciliation of our Financial Statements or the other financial information included in this offering memorandum to U.S. GAAP or such other financial reporting standards and generally accepted accounting principles. We urge you to consult your own advisors regarding the differences between IFRS and U.S. GAAP and how these differences might affect our Financial Statements and the rest of the financial information included in this offering memorandum.

Our 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 “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

	Years Ended December 31,				Six Months Ended June 30,		
	2013	2014	2015	2015 <sup>(1)</sup>	2015	2016	2016 <sup>(2)</sup>
	(Ps.)	(Ps.)	(Ps.)	(US\$)	(Ps.)	(Ps.)	(US\$)
	(in millions)						
<b>Income Statement Data:</b>							
Income and gains:							
Interest income.....	1,154.8	1,215.8	4,321.1	272.3	2,668.4	594.4	32.9
Other bank interest income.....	7.7	8.3	68.1	4.3	22.2	90.9	5.0
Foreign exchange gain.....	6.6	-	3,651.7	230.1	979.3	3,511.1	194.2
Gain on fair value of financial instruments.....	4.9	6.1	-	-	-	-	-
Gain on debt extinguishment.....	-	74.5	-	-	-	-	-
	<u>1,174.0</u>	<u>1,304.7</u>	<u>8,040.9</u>	<u>506.7</u>	<u>3,669.9</u>	<u>4,196.4</u>	<u>232.1</u>
Costs, expenses and losses:							
Interest expense.....	119.7	120.4	326.1	20.5	98.9	247.3	13.7
Foreign exchange loss.....	--	21.2	1,144.8	72.1	268.0	1,164.8	64.4
Operating expenses.....	6.0	12.6	137.8	8.7	60.3	107.6	6.0
	<u>125.7</u>	<u>154.2</u>	<u>1,608.7</u>	<u>101.3</u>	<u>427.2</u>	<u>1,519.7</u>	<u>84.1</u>
Profit for the year.....	1,048.3	1,150.5	6,432.2	405.4	3,242.7	2,676.7	148.0

- (1) U.S. dollar amounts translated at an exchange rate of Ps.15.8710 per U.S. dollar, which was the average for 2015 of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rate for the payment of obligations denominated in currencies other than Mexican pesos.
- (2) U.S. dollar amounts translated at an exchange rate of Ps.18.0774 per U.S. dollar, the average exchange rate for the six-month period ended June 30, 2016, of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rates for the payment of obligations denominated in currencies other than Mexican pesos.

	As of December 31,				As of June 30,	
	2013 (Ps.)	2014 (Ps.)	2015 (Ps.)	2015 <sup>(1)</sup> (US\$)	2016 (Ps.)	2016 <sup>(2)</sup> (US\$)
<b>(in millions)</b>						
<b>Statement of Financial Position Data:</b>						
Current assets:						
Cash, cash equivalents and restricted cash .....	648.9	942.1	4,059.7	234.1	5,638.7	303.9
Short-term account receivables .....	3,515.9	864.6	6,022.7	347.3	6,257.2	337.2
Total current assets .....	4,164.8	1,806.7	10,082.4	581.4	11,895.9	641.1
Non-current Assets:						
Long-term account receivables .....	-	13,758.0	44,346.1	2,557.5	44,874.6	2,418.5
Other account receivables .....	4.9	0.9	0.9	0.1	0.9	-
Total assets .....	4,169.7	15,565.6	54,429.4	3,139.0	56,771.4	3,059.6
Current liabilities:						
Account payable to settlor and other account payables .....	552.9	1,230.7	4,561.0	263.0	4,620.9	249.0
Short-term portion of long-term bank loan .....	1,601.1	83.7	53.0	3.1	65.8	3.5
Total current liabilities .....	2,154.0	1,314.4	4,614.0	266.1	4,686.7	252.5
Non-current liabilities:						
Long-term bank loan .....	-	4,032.2	16,436.9	947.9	17,609.1	949.0
Derivative financial instruments .....	105.0	-	-	-	-	-
Total liabilities .....	2,259.0	5,346.6	21,050.9	1,214.0	22,295.8	1,201.5
Trust capital:						
Capital contributions .....	1,897.5	9,068.5	25,795.6	1,487.7	24,216.0	1,305.1
Retained earnings .....	13.2	1,150.6	7,582.9	437.3	10,259.6	552.9
Total trust capital .....	1,910.7	10,219.1	33,378.5	1,925.0	34,475.6	1,858.0
Total .....	4,169.7	15,565.7	54,429.4	3,139.0	56,771.4	3,059.5

- (1) U.S. dollar amounts translated at an exchange rate of Ps.17.3398 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Official Federal Gazette on December 31, 2015, as the rate for the payment of obligations denominated in currencies other than Mexican pesos.
- (2) U.S. dollar amounts translated at an exchange rate of Ps.18.5550 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Official Federal Gazette on June 30, 2016, as the rate for the payment of obligations denominated in currencies other than Mexican pesos.

	Years Ended December 31,				Six Months Ended June 30,		
	2013	2014	2015	2015 <sup>(1)</sup>	2015	2016	2016 <sup>(2)</sup>
	(Ps.)	(Ps.)	(Ps.)	(US\$)	(Ps.)	(Ps.)	(US\$)
	(in millions)						
<b>Cash Flow Data:</b>							
<b>Operating Activities:</b>							
Passenger charges collected.....	3,153.1	4,833.2	6,762.8	426.1	3,045.2	3,855.4	213.3
Trust administrative expenses .....	(3.7)	(3.6)	(724.6)	(45.7)	(66.8)	(118.7)	(6.6)
Taxes and withholding taxes paid on behalf of settlor.....	(432.5)	(630.6)	(915.7)	(57.7)	(403.1)	(552.0)	(30.5)
Net cash flows from operating activities.....	2,716.9	4,199.0	5,122.5	322.7	2,575.3	3,184.7	176.2
<b>Investment Activities:</b>							
Interest received .....	7.7	8.3	68.1	4.3	22.2	90.9	5.0
Net cash flows from investment activities .....	7.7	8.3	68.1	4.3	22.2	90.9	5.0
<b>Financing Activities:</b>							
Distributions to settlor.....	(1,898.0)	(5,711.6)	(13,201.8)	(831.8)	(739.1)	(1,518.3)	(84.0)
Proceeds from bank loans .....	-	4,006.4	11,223.1	707.1	-	-	-
Repayment of financial instruments .....	(104.3)	(117.0)	-	-	-	-	-
Repayment of guarantees .....	(20.7)	(12.2)	-	-	-	-	-
Interest paid .....	(30.0)	(15.7)	(94.3)	(5.9)	(29.5)	(178.1)	(9.9)
Loan repayments .....	(734.2)	(2,064.1)	-	-	-	-	-
Net cash flows from financing activities .....	(2,787.2)	(3,914.2)	(2,073.0)	(130.6)	(768.6)	(1,696.4)	(93.9)
Net increase (decrease) in cash, cash equivalents and restricted cash .....	(62.6)	293.1	3,117.6	196.4	1,828.9	1,579.2	87.3
Cash, cash equivalents and restricted cash at the beginning of the year .....	711.6	648.9	942.1	59.4	942.1	4,059.7	224.6
Cash, cash equivalents and restricted cash at the end of the year .....	649.0	942.0	4,059.7	255.8	2,771.0	5,638.9	311.9

- (1) U.S. dollar amounts translated at an exchange rate of Ps.15.8710 per U.S. dollar, which was the average for 2015 of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rate for the payment of obligations denominated in currencies other than Mexican pesos.
- (2) U.S. dollar amounts translated at an exchange rate of Ps.18.0774 per U.S. dollar, the average exchange rate for the six-month period ended June 30, 2016, of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rates for the payment of obligations denominated in currencies other than Mexican pesos.

## Historical Passenger Traffic

The Existing Airport has seen passenger traffic grow over the last five years. Historic trends in passenger traffic and paying passenger traffic between 2011 and 2015 and in the six-month periods ending June 30, 2015 and June 30, 2016 are set forth below.

	Years Ended December 31,					Six Months Ended June 30,		CAGR 2011-2015
	2011	2012	2013	2014	2015	2015	2016	
	(in millions of passengers, except as ATMs and percentages)							
<b>ATMs</b>	350,032	377,743	392,566	409,954	426,761	207,382	215,208	5.1%
<b>Total Passenger Traffic<sup>(1)</sup></b>								
Domestic Flights	17.5	19.7	20.9	22.8	25.7	12.1	13.0	10.1%
International Flights	8.9	9.8	10.6	11.5	12.8	5.9	6.5	9.4%
<b>Total</b>	<b>26.3</b>	<b>29.5</b>	<b>31.5</b>	<b>34.3</b>	<b>38.4</b>	<b>18.1</b>	<b>19.5</b>	<b>10.0%</b>
Percentage Growth on Prior Year	-	11.83%	6.92%	8.63%	12.20%		7.81%	-
<b>Total Departing Passengers (including exempt passengers)</b>								
Domestic Flights	8.8	9.9	10.5	11.4	12.9	6.1	6.5	10.1%
International Flights	4.5	4.9	5.3	5.8	6.4	3.0	3.3	9.3%
<b>Total</b>	<b>13.2</b>	<b>14.8</b>	<b>15.8</b>	<b>17.2</b>	<b>19.2</b>	<b>9.0</b>	<b>9.7</b>	<b>9.8%</b>
Percentage Growth on Prior Year	-	12.0%	7.0%	8.5%	11.9%		8.0%	-
<b>Total Paying Passenger Traffic<sup>(2)</sup></b>								
Domestic Flights <sup>(3)</sup>	6.9	7.6	8.2	8.7	9.7	4.5	4.9	8.8%
International Flight <sup>(4)</sup>	3.7	4.0	4.3	4.6	4.9	2.3	2.5	7.4%
<b>Total</b>	<b>10.6</b>	<b>11.6</b>	<b>12.5</b>	<b>13.3</b>	<b>14.6</b>	<b>6.8</b>	<b>7.4</b>	<b>0.1</b>
Percentage Growth on Prior Year	-	9.1%	8.0%	6.6%	9.5%	-	8.1%	-
<b>Total Paying Passengers as a Percentage of Total Passengers</b>								<b>Average 2011-2015</b>
Domestic Flights	26.2%	25.8%	26.0%	25.5%	25.2%	25.1%	25.1%	25.7%
International Flight	14.0%	13.4%	13.6%	13.4%	12.7%	12.5%	12.7%	13.4%
<b>Total</b>	<b>40.2%</b>	<b>39.2%</b>	<b>39.6%</b>	<b>38.9%</b>	<b>37.9%</b>	<b>37.7%</b>	<b>37.8%</b>	<b>39.2%</b>

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

(2) Total number of 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 one of the Airports to a destination within or outside Mexico.

(3) Applicable Domestic Tariffs: US\$14.90 during 2011, US\$15.43 during 2012, US\$15.76 during 2013, US\$21.96 during 2014, US\$22.33 during 2015 and US\$22.37 during 2016.

(4) Applicable International Tariffs: US\$18.34 during 2011, US\$18.99 during 2012, US\$19.40 during 2013, US\$34.15 during 2014, US\$34.72 during 2015 and US\$34.78 during 2016.

Source: Existing Sponsor. Historical statistics of passenger traffic.

## Historical Passenger Charges and Net Passenger Charges

The following table sets forth the passenger charges and the Net Passenger Charges collected at the Existing Airport in the past three years and the six-month periods ended June 30, 2015 and June 30, 2016.

	Years Ended December 31,			Six Months Ended June 30,		CAGR
	2013	2014	2015	2015	2016	2013-2015
	(in millions of \$., except percentages)					
Passenger charges collected <sup>(1)</sup> .....	3,153.1	4,833.2	6,762.8	3,045.2	3,855.4	46.5%
<i>Plus</i>						
Interest received .....	7.7	8.3	68.1	22.2	90.9	197.4%
<i>Minus</i>						
Value added tax .....	432.5	630.6	915.7	403.1	552.0	45.5%
Trust Administrative Expenses <sup>(2)</sup> .....	6.0	12.6	137.8	60.3	107.6	379.2%
Net Passenger Charges <sup>(3)</sup> .....	<b>2,722.3</b>	<b>4,198.3</b>	<b>5,777.4</b>	<b>2,604.0</b>	<b>3,286.7</b>	<b>45.7%</b>
Net Passenger Charges Growth .....	-	54.2%	37.6%	-	26.2%	-

(1) Collection fees, which are negotiated between each airline and the Existing Sponsor pursuant to their respective collection agreements, are invoiced to and directly paid by the Existing Sponsor, except for a small number of international airlines that deduct their collection fee before transferring the amount of passenger charges collected to the Security Trust.

(2) Includes only accrued Trust Administrative Expenses.

(3) Net Passenger Charges is a financial measure that is not calculated or recognized in accordance with IFRS. We calculate Net Passenger Charges for any period as the amount of passenger charges, interest and other income deposited in, or credited to, without duplication, the revenue accounts in the Security Trust during such period, minus value added tax due and payable with respect to such amounts and all fees, including collection fees, as agreed with certain airlines operating at the Existing Airport, costs and expenses accrued directly related to the performance by us of our obligations under the Project Agreements and the Financing Documents payable during such period (except for amounts payable in respect of principal and interest under any Financing Document and any operating and maintenance expenses incurred by the Existing Sponsor or, from and after the commencement of commercial operations of the New Airport, the New Sponsor).

Source: Existing Sponsor.

## Debt Service Coverage Ratio

The Debt Service Coverage Ratio is calculated for any period as the ratio of Net Passenger Charges during such period to Debt Service payable for such period (including, without duplication, any withholding tax payable in respect of such Debt Service), including debt service payable under the Credit Agreement and, as of their issuance, the Notes.

The following table contains the calculation of the Debt Service Coverage Ratio for the periods indicated, which relates to quarterly periods since the execution of the Credit Agreement.

	Three months ended							Six months ended	Twelve months ended
	2015				2016			2016	
	Jan 28,	April 28,	July 28,	Oct. 28,	Jan. 28,	April 28,	July 28,	July 28,	July 28,
	(in millions of U.S. dollars)								
Net Passenger Charges .....	85.1	81.2	90.2	97.0	91.2	96.5	87.9	184.4	359.6
Debt Service <sup>(1)</sup> .....	2.5	2.4	2.5	5.5	7.5	8.2	8.3	16.5	17.9
<b>Debt Service Coverage Ratio.....</b>	<b>34.23x</b>	<b>33.51x</b>	<b>36.17x</b>	<b>17.70x</b>	<b>12.20x</b>	<b>11.71x</b>	<b>10.59x</b>	<b>11.15x</b>	<b>20.12x</b>

(1) Debt Service is calculated for any period as the amount equal to the sum of all payments due during such period in respect of the Financing Documents, whether for principal, interest or fees, net of any payments received by the issuer pursuant to swap contracts in effect during such period.

## RISK FACTORS

*An investment in the Notes involves risks. Before making a decision to invest in the Notes you should carefully consider the risks described below together with the other information contained in this offering memorandum. Any of the following risks could materially affect our business, financial condition and results of operations and our ability to service our debt. In that case, the market price and liquidity of the Notes could be materially adversely affected, and you could lose all or part of your investment in the Notes. The risks described below are those that we currently believe may adversely affect us. Additional risks that are not presently known to us or that we currently deem immaterial may also impair our business, financial condition and results of operations and our ability to service our debt.*

### **Risks Related to Passenger Charges and the Existing Airport's Operations**

#### ***Passenger charges are dependent upon levels of passenger traffic.***

All of our cash flow is generated by the collection of passenger charges, which are dependent on passenger traffic volume at the Existing Airport and, upon commencement of commercial operations, the New Airport. Passenger traffic depends on factors beyond our control, including the successful operation of the Airports, the general economic conditions in Mexico and elsewhere, financial, competitive, regulatory and other factors affecting the Airports, 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, passenger 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. The attractiveness of Mexico City as center for business and as a tourist destination is also likely to be affected by perceptions of travelers as to the safety and political and social stability of Mexico. There can be no assurance that passenger traffic at the Airports in the future will match or exceed current levels. Any decrease in passenger traffic to or from the Mexico City metropolitan area as a result of factors such as these could adversely affect the amount of passenger charges collected and therefore our ability to service our debt, including the Notes.

#### ***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 us, are substantially influenced by economic conditions in Mexico and the United States. In 2013, 2014 and 2015, 65.6%, 65.6% and 66.4%, respectively, of the Existing Airport's paying passengers traveled on domestic flights, and 60.7%, 55.5% and 56.1% of passenger charges collected in 2013, 2014 and 2015, 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 2015 and the six-month period ended June 30, 2016, international passenger traffic at the Existing Airport increased by 10.9% and 10.4%, as compared with the previous year and the six-month period ended June 30, 2016, respectively. According to the Independent Traffic Report, it is expected that international passenger traffic will continue to increase; however, we cannot predict how economic conditions in the United States may develop in the future or how these conditions will affect international passenger traffic.

In 2015 and the six-month period ended June 30, 2016, domestic passenger traffic at the Existing Airport increased by 12.8% and 6.6%, as compared with the previous year and the six-month period ended June 30, 2015, respectively. In Mexico, recessions have historically resulted in an overall decrease in levels of domestic passenger traffic as compared to historical passenger traffic levels. We cannot predict how economic conditions in Mexico may develop in the future or how these conditions will affect domestic passenger traffic.

***Projections of future passenger traffic may prove to be incorrect.***

The passenger traffic volume projections included in the Independent Traffic Report have been prepared by ARUP Group Limited. In preparing analyses and reports projecting future passenger traffic, the Independent Traffic Consultant made numerous assumptions, including assumptions in respect of material contingencies and other matters. The Independent Traffic Consultant prepared its projections and opinions on the basis of assumptions, estimates and projections that the Sponsors believe to be reasonable at the time. However, such assumptions, estimates and projects may not be accurate and actual passenger traffic may be materially different. In addition, our independent auditors have neither examined, compiled nor performed any procedures with respect to the prospective financial or other information contained in the Independent Traffic Report and, accordingly, express no opinion or any other form of assurance on such information. The holders of the Notes are cautioned not to place undue reliance on the projections and assumptions contained in the Independent Traffic Report and elsewhere in this offering memorandum. The Independent Traffic Report contains important discussions of the projections and of the assumptions, estimates, and forecasts used in their preparation and we urge you to read them in their entirety before making a decision to invest in the Notes.

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

Recently, 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 passenger traffic at the Existing Airport, and therefore on our ability to collect passenger charges in sufficient amounts to service our debt, including the Notes.

***Fluctuations in international petroleum prices could affect airline costs, which could increase air travel ticket prices and reduce demand for air travel, which would, in turn, reduce levels of passenger traffic.***

Fuel represents a significant cost for airlines. International prices of fuel have experienced significant volatility in recent years. Most of our airline customers 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 2015, with a high of US\$1.896 per gallon on May 14, 2015 and a low of US\$0.996 per gallon on December 14, 2015, according to the Energy Information Administration of the U.S. Department of Energy. As of June 30, 2016, the U.S. Gulf Coast spot price for jet fuel was US\$1.396 per gallon. 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 decreased 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. Likewise, recent decreases in international fuel prices have led to budgetary cuts in Mexico, affecting economic growth and consumer spending. Although the fluctuations in oil prices during the recent years have not negatively impacted passenger 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, thereby having an adverse effect on our cash flows and ability to service our debt, including the Notes.

***International events, including acts of terrorism, wars and global epidemics, could have a negative impact on passenger traffic.***

International events such as the terrorist attacks on the United States on September 11, 2001, the more recent terrorist attacks in 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, our airport operations and passenger traffic could be negatively impacted by terrorist attacks on aircrafts, such as those which occurred with international airlines' aircraft 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 passenger traffic volume at the Existing Airport, which would have an adverse effect on our cash flows and our ability to service our debt, including the Notes.

***Recent developments relating to the United Kingdom's referendum vote in favor of leaving the European Union could adversely affect us.***

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 the Brexit vote and the perceptions as to the impact of the withdrawal of the United Kingdom from the European Union may adversely affect business activity and economic and market conditions in the United Kingdom, the Eurozone and globally and could contribute to instability in global financial and foreign exchange markets, including volatility in the value of the euro. In addition, Brexit could lead to additional political, legal and economic instability in the European Union. The instability in the global economy may lead to a loss of appetite for traveling and consumer spending, which could affect the passenger traffic at the Existing Airport, in particular with respect to foreign visitors coming from Europe.

In addition, any of the abovementioned effects of Brexit, and others we cannot anticipate, could negatively impact the value of the Notes.

***Competition from new or existing airports in the Mexico City metropolitan area and other regional hubs could have a negative impact on passenger traffic.***

While the construction of the New Airport is underway, our 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, passenger 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 regular and long distance interstate buses. In Mexico, buses have historically attracted more passengers than the airline industry. Any material reduction in passenger traffic as a result of competition would adversely affect our cash flows and our ability to service our debt, including the Notes.

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

In October 2001, the General Office of Civil Aviation issued directives with enhanced rules and regulations for security in Mexican airports following the terrorist attacks of September 11, 2001 in response to recommendations from the Transportation Security Administration of the United States. If the General Office 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 or global or regional outbreaks of health epidemics could reduce passenger traffic at the Existing Airport due to increased passenger and baggage screening, slower security checkpoints and the imposition of limitations on air travel. In addition, any failure in any of the security measures at the Existing Airport that results in a serious security breach or a public security scare, may result in reputational damage which could also adversely affect passenger traffic. Any reduction in passenger traffic

due to the events described above would have an adverse effect on our cash flows and our ability to service our debt, including the Notes.

***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, which would in turn adversely affect the amount of passenger charges collected by it, thereby adversely affecting our liquidity and ability to service our debt, including the Notes.

***The United States Federal Aviation Administration could downgrade Mexico's air safety rating again, which could have a negative impact on passenger traffic.***

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. We cannot predict what impact the downgrade of the Mexican aviation safety rating would have on passenger traffic at the Airport, or on the public perception of the safety of the Existing Airport.

***Interruptions in the proper functioning of information systems and other technologies of the Existing Sponsor could disrupt operations at the Existing Airport and cause a reduction in passenger traffic and therefore a decrease in cash flows available to us.***

The proper functioning of information systems at the Existing Airport is important to its successful operation. If critical information systems fail or are otherwise unavailable, the Existing Sponsor's ability to properly provide airport services, collect passenger charges, 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 the Existing Sponsor's technological systems and result in a disruption of the operations at the Existing Airport. 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. Any of the events described above could therefore have an adverse effect on passenger traffic at the Existing Airport, which would in turn have an adverse effect on our cash flows and our ability to service our debt, including the Notes.

***Natural disasters could have a negative impact on passenger traffic.***

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, which would in turn have an adverse effect on passenger traffic. The occurrence of natural disasters in the Mexico City region has adversely affected, and could in the future adversely affect, passenger traffic and therefore our ability to collect passenger charges. 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 our insurance policies.

***The operations of our Airports may be disrupted due to the actions of third parties beyond our 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 we nor the Existing Sponsor 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 the Existing Sponsor will be able to find a suitable replacement to provide such services. Any disruption of operations at the Existing Airport may adversely affect passenger traffic, which would in turn adversely affect our cash flows and our ability to service our debt, including the Notes.

***Passenger traffic may be affected by seasonality.***

Passenger traffic at the Existing Airport is subject to seasonal fluctuations. In general, demand for air travel is typically higher during the summer months and during the winter holiday season, because there is more vacation travel during these periods. Our ability to collect passenger charges generally reflect this seasonality. As a result, our cash flows for a quarterly period are not necessarily indicative of cash flows for an entire year, and historical cash flows for a period are not necessarily indicative of cash flows for that period in a future year. Any event or factor that adversely affects passenger traffic during a season in which we would expect higher passenger traffic volumes could result in disproportionate adverse effects on our cash flows and our ability to service our debt, including the Notes.

***Construction, renovation or remediation works at the Existing Airport could have a negative impact on passenger traffic.***

The Existing Sponsor is currently in the process of 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. Although the Existing Sponsor is confident that this plan will remediate the sinking problem and help avoid any incidents at Terminal 2, we cannot provide any assurance that such plan will be successful or that passenger traffic volume at Terminal 2 will not be adversely affected. In addition, the Existing Sponsor 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 disrupt passenger traffic at the Existing Airport and therefore our ability to collect passenger charges. We cannot assure you that the operations of the Existing Airport will not decrease or be adversely affected by construction in the future.

***Currency fluctuations may adversely affect passenger traffic at the Airports or the cash flows available to repay our debt.***

International and Domestic Tariffs are determined by the Mexican government 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 Official Federal Gazette, and are subsequently paid to the Security Trust in Mexican pesos. High exchange rate volatility within a month directly affects this average exchange rate, which may result in decreased cash flows to us 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 derived from the collection of passengers charges in Mexican peso terms. Conversely, a devaluation of the Mexican peso against the U.S. dollar increases such cash flows in Mexican peso terms. While passenger charges represent a small percentage of the total cost for travel, we cannot assure you that any significant increase as a result of fluctuations in exchange rates will not lead to decreased passenger traffic volume as a result of increases in travel costs. Any of these events arising from currency fluctuations may have an adverse effect on our cash flows and our ability to service our debt, including the Notes.

***We may not be able to collect passenger charges invoiced to the airlines.***

As of June 30, 2016, we had Ps.14.5 million (US\$0.8 million) in defaulted receivables relating to passenger charges. Our ability to maintain a steady cash flow in sufficient amounts to service our debt, including the Notes, is dependent upon our receipt of passenger charges by airlines. Passenger charges are included as part of the ticket price and are collected by each airline, which are then obligated to deposit such amounts into accounts maintained by the Security Trust Trustee. In the event that an airline fails to pay the passenger charges collected to the Security Trust Trustee as a result of bankruptcy, insolvency or otherwise, we have entered into an agency agreement with the Sponsors to collect any unpaid passenger charges on our behalf. We cannot provide any assurance that the Sponsors would be successful in their collection procedures with defaulting airlines. If any of the Sponsors fails to collect unpaid amounts from any airline, we may be unable to recover such funds, which would have an adverse effect on our liquidity and ability to service our debt.

***The loss of one or more airlines could result in a loss of a significant amount of passenger charges.***

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. In 2015, 10 airlines were responsible for approximately 85.8% 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 27.7% of passenger charges collected during 2015. 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 the amount of passenger charges collected. Although the Existing Sponsor 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, we cannot assure you that the Existing Sponsor or the New Sponsor would be equally successful if any other key airline ceases operations at any of the Airports in the future. In addition, if any of these key airlines were to become insolvent or seek bankruptcy protection, we would be an unsecured creditor with respect to any unpaid passenger charges, and we might not be able to recover any outstanding and unpaid amount. Any of these events would have an adverse effect on our liquidity and ability to service our debt, including the Notes.

***International and domestic passenger charge tariffs are unilaterally set by the Mexican government, which may decide to maintain or decrease such tariffs at any point in time.***

International and Domestic Tariffs are determined and are regulated by the Mexican government. Although passenger charge tariffs may be subject to change upon request by the Existing Sponsor, 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 Ministry of Finance and Public Credit 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 passenger charge tariffs or to decrease passenger charge tariffs could have an adverse effect on the amount of passenger charges received, which would in turn may adversely affect our ability to service our debt, including the Notes.

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. Unless we are able to cover the exchange risk through hedging arrangements, such a determination by the Mexican government, which is beyond our control, would result in an event of default under instruments governing our debt, including the Credit Agreement and the Indentures.

***Changes to Mexican laws, regulations and decrees, as well as to Mexican governmental policies could have an adverse impact on passenger charges.***

Laws and regulations at the local, regional and national levels in Mexico change frequently, and the changes can have an adverse effect on passenger charge tariffs, operations at the Existing Airport or our ability to collect passenger charges. 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 costs, tax or environmental issues, could have an adverse impact on passenger traffic at the Existing Airport or on the passenger charge tariffs imposed.

***Anti-climate change regulation or practices could have a negative impact on passenger traffic.***

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 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.

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

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 the Existing Sponsor has adopted such policies and procedures, in some cases they have been recently adopted and may not completely eliminate instances in which other parties that operate at the Existing Airport engage in illegal or improper activities. The operation of the Existing Airport requires the services of and relationship with several third parties that are not in the Existing Sponsor'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 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 Existing Sponsor and its reputation may also be adversely affected.

In addition, under the Credit Agreement we are required to comply with certain covenants in connection with compliance with anti-money laundering, anti-terrorism and anti-corruption laws. To the extent that any of the Sponsors fails to comply with such laws, as a result of its own or a third party's acting, it may constitute an event of default under the Credit Agreement if not cured according to its terms.

***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, including passenger charges, are regulated, like in most airports in other countries. Furthermore, the Existing Airport's operations are subject to certain standards and to compliance by the Existing Sponsor of certain obligations established in the Mexican Airport Law and the Existing Airport Concession. These regulations may limit the Existing Sponsor'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 programs) or established by the SCT for five-year terms. The Existing Sponsor generally does not have the ability to unilaterally change its obligations (such as the investment obligations under the master development programs) 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, the Existing Sponsor'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."

***The insurance policies maintained with respect to the Airports may not provide sufficient coverage.***

The Existing Sponsor 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, the New Sponsor will hold effective business interruption insurance policies with respect to the New Airport. While we 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. Upon any partial or complete interruption of any of the Airports' operations, all proceeds of any insurance will be deposited in the Security Trust accounts to serve as source of payment of our obligations under the Financing Documents, including our obligations under the Credit Agreement and the Notes. However, we cannot assure that upon such business interruption, the insurance proceeds, with any other money deposited in the Security Trust accounts, will be sufficient to service all our outstanding senior secured debt.

In addition, certain of the Airports' 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 Airports 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 level of passenger traffic at such Airport and our ability to service our debt, including the Notes.

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

A Mexican airport concession may be revoked by the Mexican government for certain prescribed reasons, including failure to comply with the master development plan, a temporary or permanent halt in the airport's operations, 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. The Existing Sponsor 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 the Existing Sponsor 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 the Existing Sponsor 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 the Existing Sponsor and any other affected parties for any resulting damages.

Pursuant to the financing documents, any compensation received by the Existing Sponsor upon any such events shall be deposited in the Security Trust accounts and applied to prepay our indebtedness under the Credit Agreement. In addition, we cannot assure that upon the occurrence of any such events, the compensation paid by the Mexican government, with any other money deposited in the Security Trust accounts, will be sufficient to service all our outstanding senior secured debt, including the Notes.

***The Existing Sponsor's operations are subject to the general risks of litigation, which if related to the collection of passenger charges, may have an impact on our cash flows.***

The Existing Sponsor is involved on an ongoing basis in litigation arising in the ordinary course of business or otherwise. Litigation may include class actions involving consumers, employees or injured persons, and claims related to commercial, labor, employment 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. Furthermore, there may be claims or proceedings commenced by an airline or the Existing Sponsor in connection with the collection of or amount of passenger charges collected by such airline, which in case of an unfavorable outcome, may affect the cash flows received by the Security Trust that are used to serve our debt, including the Notes.

### **Risks Related to the New Airport's Operations**

***The transition of operations from the Existing Airport to the New Airport may not occur, which would adversely affect the projected growth in passenger traffic.***

Our long-term projected cash flows 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 up to US\$13.3 billion, of which approximately 60% 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 funded from a combination of bank loans and the offering of debt securities in the domestic and international capital markets, including the Notes. 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.

We believe that our projected cash flows derived from the Existing Airport, as appear in the Independent Traffic Report, will be sufficient to repay all our outstanding indebtedness as it becomes due, including under the Credit Agreement and the Notes. However, we 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 in our actual cash flows and our ability to repay the Notes at maturity.

***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 we 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 passenger traffic.

***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 we expect that at least part of the staff in the Existing Airport will continue working on the New Airport, the New Sponsor 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. The New Sponsor may be unable to create similar demand for passenger travel. If the projections relating to the New Airport's operations prove inaccurate or if the New Sponsor is unable to commence operations at the New Airport successfully, our cash flows and our ability to service our debt, including the Notes, may be adversely affected.

***The construction, development and operation of the New Airport may be affected by disputes and disagreements with local communities neighboring the construction site.***

Disputes with communities neighboring the construction site for the New Airport may arise from time to time. Although we expect the New Airport will contribute to local communities with 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.

***Upon commencement of commercial operations, the New Airport will be subject to the same or similar risks affecting the Existing Airport.***

Each of the risks described in “—Risks Related to Passenger Charges and the Existing Airport's Operations” that affect the Existing Airport and similar risks that generally affect the operations of airports, will also be applicable to the New Airport upon commencement of commercial operations.

#### **Risks Related to the Notes, the Collateral and this Offering**

***We are a special purpose vehicle. We do not generate revenue and depend on passenger charges to satisfy our debt service obligations, including payments under the Notes.***

The Mexico City Airport Trust was created for the sole purpose of raising capital to fund the design, construction and development of the New Airport. The Mexico City Airport Trust has no independent business operations, management, officers or employees, and we, in our capacity as trustee of the Mexico City Airport Trust, do not own any assets other than the property and assets that constitute the Collateral. If we fail to receive sufficient cash from the collection of passenger charges, we may not be able to service our debt, including making payments on the Notes in accordance with their terms.

***If an event of default under the Indentures occurs, recourse is limited to the Collateral and any cash on hand held by us and by the Security Trust.***

We are the only party responsible for making payments on the Notes. The Collateral, which principally consists of the right to collect passenger charges at the Existing Airport and the New Airport, constitutes the only collateral securing the Notes. The Notes will be paid by us solely from proceeds generated by the Collateral as applied in accordance with the Security Trust Agreement and the Intercreditor Agreement. Therefore, if passenger charges are not collected in sufficient amounts to pay principal and interest on the Notes in accordance with their

terms, or if an event of default under the Indentures otherwise occurs, any remedies under the Indentures will be limited to the Collateral and any cash on hand held by us and by the Security Trust. None of the Sponsors nor any of their respective affiliates has any liability for the payment of amounts due in respect of the Notes or for performance of any obligations under the Indentures. Payment of the Notes is not guaranteed by any person.

***The proceeds generated by the Collateral may not be sufficient to satisfy our debt service obligations, including payments under the Notes.***

We have incurred and intend to incur a substantial amount of additional indebtedness to fund the design, construction and development of the New Airport. As of June 30, 2016, after giving effect to the issuance of the Notes and the use of the net proceeds therefrom, our total indebtedness would have been Ps. [•] billion (US\$ [•] billion), all of which would have been secured by the Collateral. Our ability to service our debt, including payments under the Notes, is dependent on the successful operation of the Airports and the timely and effective collection and receipt of passenger charges, over which we have no control. The successful operation of the Airports is in turn affected by general economic conditions and by financial, competitive, regulatory and other factors affecting the Airports, the Sponsors or the aeronautical industry as a whole, all of which are also beyond our control. Passenger charges may not be available to us in an amount sufficient to enable us to service our indebtedness, including indebtedness under the Notes.

Under the Financing Documents, we may incur additional indebtedness, all of which will be secured by the Collateral and rank *pari passu* in right of payment with our existing indebtedness, including indebtedness under the Notes. Your rights to the Collateral and any proceeds generated by the Collateral will be diluted by any such future additional indebtedness or other obligations that are permitted to be secured by the Collateral. In addition, the claims of holders of the Notes will rank effectively junior to certain tax claims that are preferred by statute in case we are subject to an insolvency proceeding.

There can be no assurance that any assets constituting the Collateral will be subject to foreclosure or, if foreclosed, the value at which such assets may be sold or assigned to a third party. Accordingly, the proceeds of any sale of the Collateral may not be sufficient to satisfy, and may be substantially less than, amounts due on the Notes and any other obligations secured by the Collateral. If the proceeds of any sale of the Collateral were not sufficient to repay all amounts due on the Notes, the holders of the Notes would have no further recourse.

***The rights of holders of the Notes will be governed, and materially limited, by the Intercreditor Agreement. Holders of the Notes will not be entitled to foreclose on the Collateral and their rights to direct the foreclosure on the Collateral are materially limited.***

The rights of the holders of the Notes with respect to the Collateral securing the Notes will be governed, and materially limited, by the terms of the Intercreditor Agreement. Holders of the Notes will not be entitled to commence, or join with any other creditor in commencing, any foreclosure or other enforcement action against the Collateral, except as permitted under the Intercreditor Agreement. The Collateral Agents, following an event of default under the Indentures and acting on the instructions of the required percentage of secured creditors, shall foreclose on, and take other enforcement actions with respect to, the Collateral (for the benefit of all secured creditors). Holders of Notes will be entitled to vote on whether to direct and instruct the Collateral Agents to foreclose on, or otherwise exercise any remedies with respect to, the Collateral on very limited circumstances. Upon the occurrence of certain events of default set forth in the Intercreditor Agreement, including non-payment, certain bankruptcy events, certain events relating to the assignment of the right to collect passenger charges to us by the Sponsors and the entering of certain judgments against us, the holders of outstanding indebtedness under bank facilities, including the lenders under the Credit Agreement, will be the only parties entitled to vote on any enforcement action to be commenced and conducted by the Collateral Agents. For so long as the obligations under bank facilities, including the Credit Agreement (or any refinancing thereof with bank refinancing indebtedness), remain outstanding, the rights to direct the foreclosure on, foreclose on, or otherwise exercise any remedies with respect to, the Collateral, by the holders of the Notes and the Indenture Trustee will be materially limited, even if the rights of holders of Notes are adversely affected.

***The Collateral Agents' ability to foreclose on the Collateral may be subject to legal and practical problems associated with the realization of the Collateral Agents' security interest in such Collateral.***

The rights of the Collateral Agents under the Security Trust Agreement are governed by the laws of Mexico. The laws relating to security trusts and to the creation and perfection of security interests in Mexico differ from those in the United States and other jurisdictions and may be subject to restrictions and limitations. These restrictions and limitations may have the effect of preventing, limiting and/or delaying the enforcement of the Collateral Agents' rights or the foreclosure and subsequent disposition of the Collateral, and may materially impair the claims of the holders of secured debt. Any such delay in having an enforceable claim could also diminish the value of the interest of the holders of the Notes and other holders of secured debt in such Collateral due to, among other things, the existence of other potential creditors and claimants.

The ability of the Collateral Agents to foreclosure on the Collateral may be limited by both practical and legal considerations. By its very nature, the Collateral will be largely illiquid and may have no readily ascertainable market value. The right to receive passenger charges from the operation of the Airports may not be foreclosed on and sold or assigned to a third party without the authorization of the Mexican government. There can be no assurance that the Mexican government will authorize such a sale or assignment on a timely basis or at all. Under the Mexican Bankruptcy Law, the Mexican government will have rights in any Mexican bankruptcy proceeding, which may limit or materially delay any foreclosure or enforcement action by the Collateral Agents.

In addition, any enforcement action and other rights in respect of the Collateral may be limited by practical constraints imposed by the Intercreditor Agreement. The Intercreditor Agreement requires certain procedures, including certain notices and an intercreditor vote, to be followed to direct the Collateral Agents to commence any enforcement action with respect to the Collateral. These procedures required by the Intercreditor Agreement could cause material delays in any foreclosure or enforcement action in respect of the Collateral, which could result in a material impairment of the value of the Collateral available to satisfy our obligations to the holders of the Notes.

The value of, and the cash flows generated by, the Collateral and any amount that would be received upon foreclosure will depend upon many factors including, among others, the operating conditions at the Airports, general economic conditions, financial, competitive, regulatory and other factors affecting the Airports or the Mexican airport industry, the ability to sell the Collateral in an orderly sale, the availability of buyers and the flexibility given by Mexican courts and the Mexican government to sell the Collateral. No appraisal of any portion of the Collateral has been prepared by us or on our behalf in connection with the offering and sale of the Notes or is expected to be prepared while the Notes are outstanding. Each of these factors could reduce the likelihood of a foreclosure as well as reduce the amount of any proceeds in the event of foreclosure and thus cash available to holders of the Notes and other holders of secured debt.

***The Collateral will be shared on an equal and ratable basis among our current and future secured creditors in accordance with the Intercreditor Agreement.***

The Notes will be secured by a first-priority lien on the Collateral and the holders of the Notes will share a security interest in the Collateral on an equal and ratable basis with other current and future holders of our secured debt, including the lenders under the Credit Agreement. In the event of a foreclosure on the Collateral, we would be required to pay certain fees and other amounts prior to distribution of any amount in respect of the Notes and the other obligations secured by the Collateral, which amounts would then be shared ratably among the holders of Notes and the other holders of secured debt, including the lenders under the Credit Agreement and any additional secured debt we may incur. We can provide no assurance as to the amount that would be distributed in respect of the Notes upon any foreclosure or otherwise, or that the proceeds from the sale of the Collateral would be sufficient to satisfy our obligations under the Notes.

***The rights of holders of Notes in the Collateral may be adversely affected by our failure to perfect liens on the Collateral.***

The rights of the Collateral Agents with respect to the Collateral may be adversely affected by our failure to perfect security interests in the Collateral in the future. The Credit Agreement requires, and the Indentures governing each series of Notes will require, that we maintain a security interest in the Collateral as a perfected security interest. We may fail to make timely notifications to the appropriate public registries about any changes associated with the Collateral, which may adversely affect the security interest in the Collateral.

In order to maintain the value of the Collateral and the proceeds generated by the Collateral, we are required to cause a substantial number of airlines to consent and agree to, or otherwise be notified in the presence of a Mexican notary public of, their obligation to deposit passenger charges collected by them into accounts maintained by the Security Trust Trustee pursuant to the Security Trust Agreement. Our failure to do so, or to ensure that each collection agreement is duly executed by each airline, may adversely affect the amount of proceeds received by the Security Trust, which would in turn adversely affect our ability to service our debt, including payments under the Notes. The Collateral Agents have no obligation to monitor the Collateral, the receipt or uses of proceeds deposited into accounts maintained by the Security Trust Trustee pursuant to the Security Trust Agreement or the perfection of any security interest on the Collateral, including the consent by, or notification to, the airlines.

***We may incur additional indebtedness which could create additional risks or increase the risks described herein.***

Under the Financing Documents, we may incur additional indebtedness which would increase the risks associated with our existing indebtedness. All of our existing and future indebtedness will be secured by the Collateral and rank *pari passu* in right of payment with our existing indebtedness, including indebtedness under the Notes. All of our secured creditors will be entitled to share ratably with the holders of the Notes in any proceeds generated by the Collateral or otherwise distributed in connection with our insolvency, liquidation, reorganization, dissolution or other winding-up. The incurrence of additional indebtedness that is secured by the same Collateral as the Notes will have the effect of reducing the amount of proceeds available to repay the Notes.

***There is no sinking fund to ensure repayment of the Notes at maturity.***

The Notes will not be entitled to the benefit of any sinking fund. There will be no scheduled payments of principal on the Notes, and, thus, we are required to repay the entire principal amount of the Notes at maturity. Under the Security Trust Agreement, we are not required to deposit funds into a segregated account for the payment of principal on the Notes upon maturity. Because funds are not set aside periodically for the repayment of the Notes, you must rely on cash flows maintained by us and not otherwise distributed to the Sponsors, and other sources of financing for repayment. Our ability to refinance indebtedness under the Notes will be affected by prevailing economic conditions and financial, business and other factors, all of which are beyond our control. We cannot assure you that we will maintain sufficient cash flows, or that future financings will be available to us, in an amount sufficient to repay the Notes at maturity.

***We may not be able to repurchase all of the Notes upon the occurrence of a mandatory redemption event.***

In certain circumstances specified in the Indentures, including the loss by the Existing Sponsor of the Existing Airport Concession or, from and after the commencement of commercial operations of the New Airport, the loss by the New Sponsor of the New Airport Concession and certain expropriation events, we will be required to redeem the Notes at a price equal to 100% of their principal amount, plus any accrued and unpaid interest. The amount of Notes to be redeemed will be limited to the proceeds received by any Sponsor or for the account of such Sponsor in connection with such an event, which will be shared ratably with all our other indebtedness then outstanding. Our failure to purchase any such Notes when required under the Indentures would be an event of default under the Indentures, which may result in the acceleration of all of our indebtedness. We may not have sufficient funds available to us to repay any Notes that remain outstanding after a mandatory redemption event. See “Description of the Notes—Mandatory Redemption Upon Expropriatory Event or Loss of Concession.”

***The holders of the Notes will not benefit from certain mandatory prepayment events included in the Credit Agreement and any instruments governing future bank debt.***

Under certain circumstances and subject to certain limits described in the Credit Agreement, (i) the operation of an alternate airport or the decentralization of flights in a manner resulting in the Existing Airport having less than a specified number of passengers per annum, (ii) passengers (other than exempt passengers) paying passenger charge tariffs in an amount which is less than the full amount of the applicable passenger charge tariffs, (iii) certain events of force majeure (other than expropriation events), and (iv) the Debt Service Coverage Ratio being below 1.15:1.00 for a specified period of time, would result in a mandatory prepayment event under the Credit Agreement. The holders of the Notes do not benefit from similar mandatory redemption events and, therefore, the principal amount outstanding under the Notes would remain the same, notwithstanding the total or partial repayment of outstanding amounts under the Credit Agreement, should any of these events occur.

***The instruments governing our debt, including the Indentures and the Credit Agreement, may be accelerated as a result of a material default on the Concessions or the occurrence of certain political events.***

The instruments governing our debt, including the Indentures and the Credit Agreement, may be accelerated as a result of a material default by any of the Sponsors of their respective Concessions or the occurrence of certain political events, all of which are beyond our control. The Sponsors' failure to comply with certain terms of the Concessions or Mexican applicable law may also result in fines or other sanctions assessed by the SCT. Any suspension, revocation, cancellation, or termination of the Existing Sponsor (except as a result of the commencement of commercial operations of the New Airport) or the New Airport Concession, as a result of a default by any of the Sponsors or otherwise, would constitute an event of default under the instruments governing our debt, including the Indentures and the Credit Agreement. Political events include the occurrence of certain violent actions such as war or civil disturbance at any of the Airports, certain expropriation events relating to properties and assets held by any of the Sponsors or by us, including our right to collect passenger charges, certain transfer and inconvertibility events that would materially restrict our ability to convert Mexican pesos to U.S. dollars or to make any payment in U.S. dollars on our indebtedness, and certain reductions in the International and Domestic Tariffs payable under any Concession.

Under Mexican law, the Mexican government has the authority to terminate any of the Concessions upon the Sponsor's failure to comply with the terms of the respective Concession, and to expropriate all properties and assets held by us at any time if there are justified public interest or national security reasons. In the event of expropriation, all assets held by us, including our right to collect passenger charges, would revert to the Mexican government, which would be required to indemnify and compensate us for such dispossession of assets. The indemnification amount may, however, be lower than the market value of the expropriated property and the payment of the amount payable as indemnification may be paid after significant time. The value of the assets subject to expropriation would be determined by the National Assets' Administration and Appraisal Institute (*Instituto de Administración y Avalúos de Bienes Nacionales*). There can be no assurance that we would receive compensation equivalent to the value of our assets or in sufficient amounts to service all of our debt obligations.

***The instruments governing our debt, including the Indentures and the Credit Agreement, contain cross-default and cross-acceleration provisions that may cause substantially all of the debt we have issued or incurred to become immediately due and payable as a result of a default under any one of our debt instruments.***

The instruments governing our debt, including the Indentures and the Credit Agreement, contain certain affirmative and negative covenants. Any failure to comply with such covenants could result in an event of default under those instruments. Subject to the terms and conditions of the Intercreditor Agreement, an event of default under any of our debt instruments could permit the acceleration of that debt and require us to pay any outstanding amounts to the holders of such debt prior to scheduled maturity. An event of default under any of our debt instruments, including the Notes, may result in a default under any future debt agreements that contain cross-acceleration or cross-default provisions. In such case, we may not have sufficient funds to repay all or part of any such indebtedness, including the Notes, that is accelerated, or be able to find alternative financing. Even if we could obtain alternative financing, we cannot assure you that it would be on terms that are favorable or acceptable to us.

***A significant portion of our indebtedness bears interest at a floating rate, which could have a significant adverse effect on our liquidity and ability to pay principal or interest with respect to our debt, including the Notes.***

Our indebtedness under the Credit Agreement bears interest by reference to the London Interbank Offered Rate (“LIBOR”). As a result, any increase in LIBOR would directly affect our financing cost by increasing the amount of interest payable. We have not and are not obligated to hedge any exposure under the Credit Agreement, except in limited circumstances. Any material increase in LIBOR could have a significant adverse effect on our liquidity and ability to service our debt, including the Notes.

***Fluctuations in the value of the Peso against the U.S. Dollar, as well as the reinstatement of exchange controls and restrictions, could adversely affect our ability to repay our debt, including the Notes.***

The Mexican peso has been subject to significant devaluations against the U.S. dollar in recent years and may be subject to significant fluctuations in the future. In 2014, 2015 and 2016 (through June 30, 2016), the Mexican peso depreciated by approximately 12.8%, 17.7% and 7.0% against the U.S. dollar. Severe devaluation or depreciation of the Mexican peso, or government imposition of exchange controls, may also result in the disruption of the international foreign exchange markets and may limit our ability to transfer or to convert Mexican pesos into U.S. dollars and other currencies, which may in turn adversely affect our ability to make timely payments of interest and principal on the Notes and any additional U.S. Dollar-denominated debt that we may incur in the future.

***There is no existing market for the trading of the Notes, and we cannot assure you that you will be able to sell your Notes in the future.***

Each series of Notes will constitute a new issue of securities. Prior to the offering of the Notes there has been no public market and the Notes may not be widely distributed. Accordingly, an active trading market for the Notes may not develop. If a market for the Notes offered hereby does develop, the price of such Notes may fluctuate and liquidity may be limited. If a market for the Notes offered hereby does not develop, purchasers may not be able to resell such Notes for an extended period of time, if at all. The Issuer, through its listing agent, will apply for the listing and quotation of the Notes on the Official List of the SGX-ST. However, we cannot guarantee that the Notes will remain listed on the Official List of the SGX-ST or provide you with any assurances regarding the future development of a market for the Notes, the ability of holders of the Notes to sell their Notes, or the price at which such holders may be able to sell their Notes. If such a market were to develop, the Notes could trade at prices that may be higher or lower than the initial offering price depending on many factors which are beyond our control, including prevailing interest and exchange rates, the successful operation of the Airports, the timely and effective collection and receipt of passenger charges, general economic conditions and financial, competitive, regulatory and other factors affecting the Airports, the Sponsors or the aeronautical industry as a whole, and political and economic developments in and affecting Mexico and the markets for similar securities. The initial purchasers have advised us that they currently intend to make a market in the Notes but they are not under any obligation to do so, and any market-making with respect to the Notes may be discontinued at any time without notice at the sole discretion of the initial purchasers.

In addition, trading or resale of the Notes (or beneficial interests therein) may be negatively affected by other factors described in this offering memorandum, either arising from this transaction or from the market for securities of Mexican issuers generally. As a result, we cannot assure you of the level of liquidity of any trading market for the Notes and, as a result, you may be required to bear the financial risk of your investment in the Notes indefinitely.

***Payments of judgments against us on the Notes would be in Mexican pesos.***

In the event that proceedings are brought against us in Mexico, either to enforce a judgment or as a result of an original action brought in Mexico, we would not be required to discharge those obligations in a currency other than Mexican pesos. Under Mexican applicable law, an obligation, whether resulting from a judgment or by agreement, denominated in a currency other than Mexican pesos, which is payable in Mexico, may be satisfied in Mexican pesos at the rate of exchange in effect at the time and place of payment or judgment. Such rate is currently determined by the Mexican Central Bank and published every banking-business day in the Mexican Federal Official Gazette. As a result, you may suffer a shortfall in U.S. dollar terms if you obtain a judgment in Mexico and we elect

to make payments due under the Notes in Mexican pesos. You should be aware that no separate action exists or is enforceable in Mexico for compensation for any shortfall.

***We cannot assure you that the credit ratings for the Notes will not be lowered, suspended or withdrawn by the rating agencies.***

The credit ratings of the Notes may change after issuance. Such ratings are limited in scope, and do not address all material risks relating to an investment in the Notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the rating agencies. There can be no assurance that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Any lowering, suspension or withdrawal of such ratings may have an adverse effect on the market price and marketability of the Notes.

***Holders of Notes may find it difficult to enforce civil liabilities against us.***

We are an irrevocable administration and payment trust (*fideicomiso irrevocable de administración y pago*) created and existing under the laws of Mexico and substantially all of our trust assets are located, and all of our cash flows are derived from sources, outside the United States. Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, our trustee, is a development bank incorporated under the laws of Mexico. As a result, it may be difficult for holders of Notes to effect service of process within the United States upon us or to enforce both in the United States and outside the United States judgments against us 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.

***The Notes are not and will not be guaranteed by the Mexican government.***

The issuer of the Notes is the Mexico City Airport Trust acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, not in its individual capacity, but solely as trustee. Although the Sponsors are indirect wholly-owned subsidiaries of the Mexican government, the Sponsor's and our financial obligations do not constitute obligations of, and are not guaranteed by, the Mexican government.

The Mexican government does not guarantee or secure our obligations and has no obligation to pay the principal or interest on the Notes in the event that our cash flows and/or trust capital are not sufficient to make any such payments.

### **Risks Related to Mexico**

***Economic, political and social conditions in Mexico and other countries may adversely affect our liquidity and our ability to service our debt, including the Notes.***

We are incorporated in Mexico, our assets are located in Mexico and the operations of the Airports take and will take place in Mexico. As a result, we 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. 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 our ability to collect passenger charges.

Many countries worldwide, including Mexico, have suffered significant economic, political and social crises recently, and these events may occur again in the future. 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. We cannot assure you that such conditions will not return or that such conditions will not have a material and adverse effect on our liquidity and our ability to service our debt.

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. In November 2016, presidential elections will take place in the United States that will result in a change of the nation’s leadership and its outcome is still uncertain. Both candidates, Democratic candidate Hillary Clinton and Republican candidate Donald Trump, have made public their intention to re-negotiate the terms of NAFTA, but the content of any potential revisions has not been specified. Furthermore, candidate Donald Trump has stated that if Canada and Mexico do not agree to re-negotiate the pact, the United States may withdraw from NAFTA. In addition, candidate Donald Trump has repeatedly announced during his campaign his plan to build a wall along the U.S.-Mexico border in order to stop immigrants from coming into the United States illegally, which 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. However, there can be no assurance as to what a new U.S. administration will do, and the impact of these measures or any others adopted by the new U.S. administration 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 we have no control, will not have a material adverse effect on our liquidity or our ability to service our debt, including the Notes.

***Mexico has recently experienced adverse economic conditions.***

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. We cannot assume that such conditions will not return or that such conditions will not have an adverse effect on our liquidity and our ability to service our debt, including the Notes. 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, our liquidity and our ability to service our debt, including the Notes, may be adversely affected.

***Inflation in Mexico, along with government measures to curb inflation, may adversely affect our liquidity and our ability to service our debt.***

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 4.0% for 2013, 4.1% for 2014 and 2.1% for 2015. High inflation rates could adversely affect our liquidity and our ability to service our debt, including the Notes, by reducing purchasing power, thereby adversely affecting demand for air travel.

***High interest rates in Mexico could increase our financing costs.***

The year-average interest rates on 28-day Mexican government peso-denominated treasury bills (*Certificados de la Tesorería de la Federación*), were 3.8%, 3.0%, 3.0% and 3.6% for 2013, 2014 and 2015, and the six-month period ended June 30, 2016, respectively. The average 28-day Interbank Equilibrium Interest Rate (*Tasa de Interés Interbancaria de Equilibrio*), 4.3%, 3.5%, 3.3% and 3.9% for 2013, 2014, 2015 and the six-month period ended June 30, 2016, respectively. As a result of the weakening of economic activity in recent years, the Mexican Central Bank has maintained historic-low benchmark interest rates at 4.25%, in an effort to encourage lending and stimulate the economy. In the medium-term, it is possible that the Mexican Central Bank will increase its benchmark interest rate. Accordingly, if we incur Mexican peso-denominated debt in the future, it could be at higher interest rates.

***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 us, 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. The business of the Airports and, accordingly, passenger traffic, our ability to collect passenger charges and our ability to comply with our obligations under the Notes may be adversely affected by changes in governmental policies or regulations.

In the past, the Mexican economy has experienced balance of payment deficits and shortages in foreign exchange reserves. While the Mexican government does not currently restrict the ability of Mexican or foreign persons or entities to convert pesos to foreign currencies, including U.S. dollars, it has done so in the past and could do so again in the future. We cannot assure you that the Mexican government will not implement a restrictive exchange control policy in the future. Any such restrictive exchange control policy could prevent or restrict our access to U.S. dollars to meet our U.S. dollar denominated obligations, including the Notes, and could also have a material adverse effect on our liquidity. Tax legislation, in particular, in Mexico is constantly subject to change, such as the increases in tax rates resulting from the enactment of the Mexican tax legislation in effect as of January 2014, and the Mexican government may continue to make changes to it or any of its existing political, social, economic or other policies, which changes may have a material adverse effect on our liquidity or our ability to service our debt, including the Notes.

***Accounting standards and disclosure requirements in Mexico differ from the United States and may not adequately reflect our business and results of operations.***

In addition, accounting standards and disclosure requirements in Mexico differ from those of the United States. In particular, our financial statements are 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.

## USE OF PROCEEDS

We estimate that the net proceeds from this offering, after deducting the initial purchasers' discount and other estimated expenses payable in connection with this offering, will be approximately US\$[ ] million.

We intend to use the net proceeds from the offering of the Notes to pay installments of the purchase price that we owe to the Sponsors under the Assignment of Rights Agreements for the acquisition of the rights to collect the passenger charges from the Existing Airport and the New Airport. See "Passenger Charges and Passenger Charges Collection Process—Assignment of Rights Agreements and Airline Consents."

An amount equal to each installment of the purchase price paid under the Assignment of Rights Agreements will be used by the Sponsors to partially fund the design, construction and development of the New Airport in accordance with the NAICM Green Bond Framework available as described under "Available Information." Pending the allocation by the Sponsors of these funds to eligible green projects in accordance with the NAICM Green Bond Framework, all or a portion of the net proceeds from this offering may be used to repay indebtedness under the Credit Agreement.

In addition, the Sponsors will make available the quarterly NAICM Green Bond Report on the allocation of amounts equal to the net proceeds in accordance with the NAICM Green Bond Framework which will include, where feasible, information on the environmental impact of the eligible green projects within the New Airport. The Sponsors will engage an appropriate external reviewer to review the allocation of the net proceeds on an annual basis and provide a report opining on its conformity with the NAICM Green Bond Framework

## 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. Unless otherwise indicated, U.S. dollar amounts in this offering memorandum that have been translated from Mexican pesos, have been so translated at an exchange rate of Ps.18.5550 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Official Federal Gazette on June 30, 2016, as the rate for the payment of obligations denominated in currencies other than Mexican pesos.

Mexico has a free market for foreign exchange and the Mexican Central Bank allows the Mexican peso to float freely against the U.S. dollar and other foreign currencies. The Mexican Central Bank intervenes in the foreign exchange market only to reduce excessive volatility. We 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 Official Gazette of the Federation. These exchange rates are expressed in Mexican pesos per U.S. dollar.

<b>Year Ended December 31,</b>	<b>Exchange Rate (Ps. per US\$)<sup>(1)</sup></b>			
	<b>Low<sup>(2)</sup></b>	<b>High<sup>(2)</sup></b>	<b>Average<sup>(3)</sup></b>	<b>Period-End</b>
2011.....	11.50	14.24	12.42	13.98
2012.....	12.63	14.39	13.17	12.99
2013.....	11.98	13.44	12.77	13.07
2014.....	12.85	14.79	13.30	14.73
2015.....	14.56	17.38	15.87	17.34
<b>Month Ended</b>				
March 2016.....	17.25	18.10	17.69	17.25
April 2016.....	17.21	17.89	17.49	17.21
May 2016.....	17.18	18.55	18.10	18.48
June 2016.....	18.15	19.13	18.65	18.56
July 2016.....	18.30	18.90	18.59	18.90
August 2016.....	17.99	18.91	18.47	18.80
September 2016 (through September 2).....	18.85	18.86	18.86	18.85

<sup>(1)</sup> Source: Mexican Central Bank.

<sup>(2)</sup> Rates shown are the actual low and high, on a day-by-day basis for each period.

<sup>(3)</sup> Average of month end rates in the case of yearly averages and average of daily rates in the case of monthly averages.

## CAPITALIZATION

The following table sets forth our capitalization and indebtedness as of June 30, 2016 on (i) an actual basis and (ii) as adjusted to give effect to the issuance of the Notes offered hereby and the use of the proceeds thereby.

This table should be read in conjunction with, and is qualified in its entirety by reference to, “Use of Proceeds,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Selected Financial and Other Information” and our unaudited condensed interim financial statements included elsewhere in this offering memorandum.

	As of June 30, 2016			
	Actual		As adjusted	
	(Ps.)	(US\$) <sup>(2)</sup>	(Ps.)	(US\$) <sup>(2)</sup>
	(in millions)			
Short-term portion of long-term debt .....	65.8	3.5	65.8	3.5
Long-term debt:				
Long-term revolving credit, including interest <sup>(1)</sup> .....	18,534.7	998.9	18,534.7	998.9
Issuance cost .....	(859.8)	(46.3)	(859.8)	(46.3)
Interest payable .....	(65.8)	(3.5)	65.8	3.5
Notes offered hereby.....	-	-	[•]	[•]
	17,609.1	949.0	[•]	[•]
Total debt .....	17,674.9	952.6	[•]	[•]
 Total trust capital.....	 34,475.6	 1,858.0	 34,475.6	 1,858.0
Total capitalization.....	52,150.5	2,810.6	[•]	[•]

(1) Long-term revolving credit corresponds to the Credit Agreement which has a total facility amount of US\$3.0 billion. As of June 30, 2016, the principal amount outstanding under the Credit Agreement was US\$1.0 billion.

(2) U.S. dollar amounts translated at an exchange rate of Ps.18.5550 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Official Federal Gazette on June 30, 2016, as the rate for the payment of obligations denominated in currencies other than Mexican pesos.

## SELECTED HISTORICAL FINANCIAL AND OPERATING INFORMATION

The following tables present our selected historical financial information and certain operating information and data of the Existing Airport as of the dates and for each of the periods indicated. The financial information set forth in the following tables is derived from and should be read in conjunction with, and is qualified in its entirety by reference to, our Financial Statements contained elsewhere in this offering memorandum and the “Historical Financial and Operating Information” section of this offering memorandum.

Our Audited 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. Our Interim Financial Statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as issued by the IASB. IFRS differs in certain significant respects from U.S. GAAP and financial reporting standards and generally accepted accounting principles used in other jurisdictions. We have made no attempt to quantify the impact of those differences by a reconciliation of our Financial Statements or the other financial information included in this offering memorandum to U.S. GAAP or such other financial reporting standards and generally accepted accounting principles. We urge you to consult your own advisors regarding the differences between IFRS and U.S. GAAP and how these differences might affect our Financial Statements and the rest of the financial information included in this offering memorandum.

Our 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 “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

	Years Ended December 31,				Six Months Ended June 30,		
	2013	2014	2015	2015 <sup>(1)</sup>	2015	2016	2016 <sup>(2)</sup>
	(Ps.)	(Ps.)	(Ps.)	(US\$)	(Ps.)	(Ps.)	(US\$)
	(in millions)						
<b>Income Statement Data:</b>							
Income and gains:							
Interest income.....	1,154.8	1,215.8	4,321.1	272.3	2,668.4	594.4	32.9
Other bank interest income.....	7.7	8.3	68.1	4.3	22.2	90.9	5.0
Foreign exchange gain.....	6.6	-	3,651.7	230.1	979.3	3,511.1	194.2
Gain on fair value of financial instruments.....	4.9	6.1	-	-	-	-	-
Gain on debt extinguishment.....	-	74.5	-	-	-	-	-
	<u>1,174.0</u>	<u>1,304.7</u>	<u>8,040.9</u>	<u>506.7</u>	<u>3,669.9</u>	<u>4,196.4</u>	<u>232.1</u>
Costs, expenses and losses:							
Interest expense.....	119.7	120.4	326.1	20.5	98.9	247.3	13.7
Foreign exchange loss.....	--	21.2	1,144.8	72.1	268.0	1,164.8	64.4
Operating expenses.....	6.0	12.6	137.8	8.7	60.3	107.6	6.0
	<u>125.7</u>	<u>154.2</u>	<u>1,608.7</u>	<u>101.3</u>	<u>427.2</u>	<u>1,519.7</u>	<u>84.1</u>
Profit for the year.....	1,048.3	1,150.5	6,432.2	405.4	3,242.7	2,676.7	148.0

- (1) U.S. dollar amounts translated at an exchange rate of Ps.15.8710 per U.S. dollar, which was the average for 2015 of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rate for the payment of obligations denominated in currencies other than Mexican pesos.
- (2) U.S. dollar amounts translated at an exchange rate of Ps.18.0774 per U.S. dollar, the average exchange rate for the six-month period ended June 30, 2016, of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rates for the payment of obligations denominated in currencies other than Mexican pesos.

	As of December 31,				As of June 30,	
	2013	2014	2015	2015 <sup>(1)</sup>	2016	2016 <sup>(2)</sup>
	(Ps.)	(Ps.)	(Ps.)	(US\$)	(Ps.)	(US\$)
<b>(in millions)</b>						
<b>Statement of Financial Position Data:</b>						
Current assets:						
Cash, cash equivalents and restricted cash .....	648.9	942.1	4,059.7	234.1	5,638.7	303.9
Short-term account receivables .....	3,515.9	864.6	6,022.7	347.3	6,257.2	337.2
Total current assets .....	4,164.8	1,806.7	10,082.4	581.4	11,895.9	641.1
Non-current Assets:						
Long-term account receivables .....	-	13,758.0	44,346.1	2,557.5	44,874.6	2,418.5
Other account receivables .....	4.9	0.9	0.9	0.1	0.9	-
Total assets .....	4,169.7	15,565.6	54,429.4	3,139.0	56,771.4	3,059.6
Current liabilities:						
Account payable to settlor and other account payables .....	552.9	1,230.7	4,561.0	263.0	4,620.9	249.0
Short-term portion of long-term bank loan .....	1,601.1	83.7	53.0	3.1	65.8	3.5
Total current liabilities .....	2,154.0	1,314.4	4,614.0	266.1	4,686.7	252.5
Non-current liabilities:						
Long-term bank loan .....	-	4,032.2	16,436.9	947.9	17,609.1	949.0
Derivative financial instruments .....	105.0	-	-	-	-	-
Total liabilities .....	2,259.0	5,346.6	21,050.9	1,214.0	22,295.8	1,201.5
Trust capital:						
Capital contributions .....	1,897.5	9,068.5	25,795.6	1,487.7	24,216.0	1,305.1
Retained earnings .....	13.2	1,150.6	7,582.9	437.3	10,259.6	552.9
Total trust capital .....	1,910.7	10,219.1	33,378.5	1,925.0	34,475.6	1,858.0
Total .....	4,169.7	15,565.7	54,429.4	3,139.0	56,771.4	3,059.5

- (1) U.S. dollar amounts translated at an exchange rate of Ps.17.3398 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Official Federal Gazette on December 31, 2015, as the rate for the payment of obligations denominated in currencies other than Mexican pesos.
- (2) U.S. dollar amounts translated at an exchange rate of Ps.18.5550 per U.S. dollar, which was the exchange rate published by the Mexican Central Bank in the Official Federal Gazette on June 30, 2016, as the rate for the payment of obligations denominated in currencies other than Mexican pesos.

	Years Ended December 31,				Six Months Ended June 30,		
	2013	2014	2015	2015 <sup>(1)</sup>	2015	2016	2016 <sup>(2)</sup>
	(Ps.)	(Ps.)	(Ps.)	(US\$)	(Ps.)	(Ps.)	(US\$)
	(in millions)						
<b>Cash Flow Data:</b>							
<b>Operating Activities:</b>							
Passenger charges collected.....	3,153.1	4,833.2	6,762.8	426.1	3,045.2	3,855.4	213.3
Trust administrative expenses .....	(3.7)	(3.6)	(724.6)	(45.7)	(66.8)	(118.7)	(6.6)
Taxes and withholding taxes paid on behalf of settlor.....	(432.5)	(630.6)	(915.7)	(57.7)	(403.1)	(552.0)	(30.5)
Net cash flows from operating activities.....	2,716.9	4,199.0	5,122.5	322.7	2,575.3	3,184.7	176.2
<b>Investment Activities:</b>							
Interest received .....	7.7	8.3	68.1	4.3	22.2	90.9	5.0
Net cash flows from investment activities .....	7.7	8.3	68.1	4.3	22.2	90.9	5.0
<b>Financing Activities:</b>							
Distributions to settlor.....	(1,898.0)	(5,711.6)	(13,201.8)	(831.8)	(739.1)	(1,518.3)	(84.0)
Proceeds from bank loans .....	-	4,006.4	11,223.1	707.1	-	-	-
Repayment of financial instruments .....	(104.3)	(117.0)	-	-	-	-	-
Repayment of guarantees .....	(20.7)	(12.2)	-	-	-	-	-
Interest paid .....	(30.0)	(15.7)	(94.3)	(5.9)	(29.5)	(178.1)	(9.9)
Loan repayments .....	(734.2)	(2,064.1)	-	-	-	-	-
Net cash flows from financing activities .....	(2,787.2)	(3,914.2)	(2,073.0)	(130.6)	(768.6)	(1,696.4)	(93.9)
Net increase (decrease) in cash, cash equivalents and restricted cash .....	(62.6)	293.1	3,117.6	196.4	1,828.9	1,579.2	87.3
Cash, cash equivalents and restricted cash at the beginning of the year .....	711.6	648.9	942.1	59.4	942.1	4,059.7	224.6
Cash, cash equivalents and restricted cash at the end of the year .....	649.0	942.0	4,059.7	255.8	2,771.0	5,638.9	311.9

(1) U.S. dollar amounts translated at an exchange rate of Ps.15.8710 per U.S. dollar, which was the average for 2015 of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rate for the payment of obligations denominated in currencies other than Mexican pesos.

(2) U.S. dollar amounts translated at an exchange rate of Ps.18.0774 per U.S. dollar, the average exchange rate for the six-month period ended June 30, 2016, of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rates for the payment of obligations denominated in currencies other than Mexican pesos.

## Historical Passenger Traffic

The Existing Airport has seen passenger traffic grow over the last five years. Historic trends in passenger traffic and paying passenger traffic between 2011 and 2015 and in the six-month periods ending June 30, 2015 and June 30, 2016 are set forth below.

	Years Ended December 31,					Six Months Ended June 30,		CAGR 2011-2015
	2011	2012	2013	2014	2015	2015	2016	
	(in millions of passengers, except as ATMs and percentages)							
<b>ATMs</b>	350,032	377,743	392,566	409,954	426,761	207,382	215,208	5.1%
<b>Total Passenger Traffic<sup>(1)</sup></b>								
Domestic Flights	17.5	19.7	20.9	22.8	25.7	12.1	13.0	10.1%
International Flights	8.9	9.8	10.6	11.5	12.8	5.9	6.5	9.4%
<b>Total</b>	<b>26.3</b>	<b>29.5</b>	<b>31.5</b>	<b>34.3</b>	<b>38.4</b>	<b>18.1</b>	<b>19.5</b>	<b>10.0%</b>
Percentage Growth on Prior Year	-	11.83%	6.92%	8.63%	12.20%		7.81%	-
<b>Total Departing Passengers (including exempt passengers)</b>								
Domestic Flights	8.8	9.9	10.5	11.4	12.9	6.1	6.5	10.1%
International Flights	4.5	4.9	5.3	5.8	6.4	3.0	3.3	9.3%
<b>Total</b>	<b>13.2</b>	<b>14.8</b>	<b>15.8</b>	<b>17.2</b>	<b>19.2</b>	<b>9.0</b>	<b>9.7</b>	<b>9.8%</b>
Percentage Growth on Prior Year	-	12.0%	7.0%	8.5%	11.9%		8.0%	-
<b>Total Paying Passenger Traffic<sup>(2)</sup></b>								
Domestic Flights <sup>(3)</sup>	6.9	7.6	8.2	8.7	9.7	4.5	4.9	8.8%
International Flight <sup>(4)</sup>	3.7	4.0	4.3	4.6	4.9	2.3	2.5	7.4%
<b>Total</b>	<b>10.6</b>	<b>11.6</b>	<b>12.5</b>	<b>13.3</b>	<b>14.6</b>	<b>6.8</b>	<b>7.4</b>	<b>0.1</b>
Percentage Growth on Prior Year	-	9.1%	8.0%	6.6%	9.5%	-	8.1%	-
<b>Total Paying Passengers as a Percentage of Total Passengers</b>								<b>Average 2011-2015</b>
Domestic Flights	26.2%	25.8%	26.0%	25.5%	25.2%	25.1%	25.1%	25.7%
International Flight	14.0%	13.4%	13.6%	13.4%	12.7%	12.5%	12.7%	13.4%
<b>Total</b>	<b>40.2%</b>	<b>39.2%</b>	<b>39.6%</b>	<b>38.9%</b>	<b>37.9%</b>	<b>37.7%</b>	<b>37.8%</b>	<b>39.2%</b>

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

(2) Total number of 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 one of the Airports to a destination within or outside Mexico.

(3) Applicable Domestic Tariffs: US\$14.90 during 2011, US\$15.43 during 2012, US\$15.76 during 2013, US\$21.96 during 2014, US\$22.33 during 2015 and US\$22.37 during 2016.

(4) Applicable International Tariffs: US\$18.34 during 2011, US\$18.99 during 2012, US\$19.40 during 2013, US\$34.15 during 2014, US\$34.72 during 2015 and US\$34.78 during 2016.

Source: Existing Sponsor. Historical statistics of passenger traffic.

## Historical Passenger Charges and Net Passenger Charges

The following table sets forth the passenger charges and the Net Passenger Charges collected at the Existing Airport in the past three years and the six-month periods ended June 30, 2015 and June 30, 2016.

	Years Ended December 31,			Six Months Ended June 30,		CAGR
	2013	2014	2015	2015	2016	2013-2015
	(in millions of \$., except percentages)					
Passenger charges collected <sup>(1)</sup> .....	3,153.1	4,833.2	6,762.8	3,045.2	3,855.4	46.5%
<i>Plus</i>						
Interest received .....	7.7	8.3	68.1	22.2	90.9	197.4%
<i>Minus</i>						
Value added tax .....	432.5	630.6	915.7	403.1	552.0	45.5%
Trust Administrative Expenses <sup>(2)</sup> .....	6.0	12.6	137.8	60.3	107.6	379.2%
Net Passenger Charges <sup>(3)</sup> .....	<b>2,722.3</b>	<b>4,198.3</b>	<b>5,777.4</b>	<b>2,604.0</b>	<b>3,286.7</b>	<b>45.7%</b>
Net Passenger Charges Growth .....	-	54.2%	37.6%	-	26.2%	-

(1) Collection fees, which are negotiated between each airline and the Existing Sponsor pursuant to their respective collection agreements, are invoiced to and directly paid by the Existing Sponsor, except for a small number of international airlines that deduct their collection fee before transferring the amount of passenger charges collected to the Security Trust.

(2) Includes only accrued Trust Administrative Expenses.

(3) Net Passenger Charges is a financial measure that is not calculated or recognized in accordance with IFRS. We calculate Net Passenger Charges for any period as the amount of passenger charges, interest and other income deposited in, or credited to, without duplication, the revenue accounts in the Security Trust during such period, minus value added tax due and payable with respect to such amounts and all fees, including collection fees, as agreed with certain airlines operating at the Existing Airport, costs and expenses accrued directly related to the performance by us of our obligations under the Project Agreements and the Financing Documents payable during such period (except for amounts payable in respect of principal and interest under any Financing Document and any operating and maintenance expenses incurred by the Existing Sponsor or, from and after the commencement of commercial operations of the New Airport, the New Sponsor).

Source: Existing Sponsor.

## Debt Service Coverage Ratio

The Debt Service Coverage Ratio is calculated for any period as the ratio of Net Passenger Charges during such period to Debt Service payable for such period (including, without duplication, any withholding tax payable in respect of such Debt Service), including debt service payable under the Credit Agreement and, as of their issuance, the Notes.

The following table contains the calculation of the Debt Service Coverage Ratio for the periods indicated, which relates to quarterly periods since the execution of the Credit Agreement.

	Three months ended							Six months ended	Twelve months ended
	2015				2016			2016	
	Jan 28,	April 28,	July 28,	Oct. 28,	Jan. 28,	April 28,	July 28,	July 28,	July 28,
	(in millions of U.S. dollars)								
Net Passenger Charges .....	85.1	81.2	90.2	97.0	91.2	96.5	87.9	184.4	359.6
Debt Service <sup>(1)</sup> .....	2.5	2.4	2.5	5.5	7.5	8.2	8.3	16.5	17.9
<b>Debt Service Coverage Ratio</b> .....	<b>34.23x</b>	<b>33.51x</b>	<b>36.17x</b>	<b>17.70x</b>	<b>12.20x</b>	<b>11.71x</b>	<b>10.59x</b>	<b>11.15x</b>	<b>20.12x</b>

(1) Debt Service is calculated for any period as the amount equal to the sum of all payments due during such period in respect of the Financing Documents, whether for principal, interest or fees, net of any payments received by the issuer pursuant to swap contracts in effect during such period.

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

*The following management's discussion and analysis of financial condition and results of operations should be read in conjunction with our Financial Statements included elsewhere in this offering memorandum. The financial information included in the following discussion derives from our Financial Statements, which have been prepared in accordance with IFRS as issued by the IASB, and the related interpretations issued by IFRIC, which may differ from financial reporting standards adopted in other countries in a number of respects. We urge you to consult your own advisors regarding the differences between IFRS and U.S. GAAP and how these differences might affect our Financial Statements and the rest of the financial information included in this offering memorandum. In addition to the information included in the following discussion, investors should consider carefully the information set forth under "Risk Factors" before investing in the Notes.*

### Overview

We are a special purpose trust created under the laws of Mexico for the sole purpose of purchasing and holding the rights to collect passenger charges from the Existing Airport and, upon commencement of commercial operations, the New Airport. The Sponsors sold these collection rights to us, together with other related property and assets, in exchange for the right to receive the proceeds of any disbursements under the Credit Agreement and any future indebtedness to be incurred by us, including the Notes. The Sponsors will use the proceeds from such sale to partially fund the design, construction and development of the New Airport. As such, we own the exclusive rights to collect passenger charges from the Existing Airport and, upon commencement of commercial operations, the New Airport. We contributed these rights and other related property and assets to a security trust as collateral for the benefit of our secured creditors, including the trustee acting for the benefit of the holders of the Notes. The cash flows generated by the collection of passenger charges constitute the principal source of funding to service our debt, including the Notes. We are a private trust and no public funds have been contributed to us by the Mexican government or have been assigned to us in the Mexican federal budget to service our debt or for any other purpose.

### Factors that May Influence Future Cash Flows from Operations

***Determination of Passenger Charge Tariffs.*** Because the Sponsors are state-owned companies, International and Domestic Tariffs are regulated and determined by the Mexican government through the Ministry of Finance and Public Credit. While passenger charge tariffs may be subject to change upon request by the Existing 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 at its sole discretion at any point in time. Since 2005, in accordance with a directive from the Ministry of Finance and Public Credit, 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 United States 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 our overall performance. Future economic downturns or regional downturns affecting the Mexican aeronautical and airline industries that have an impact in the level of passenger traffic at the Existing Airport, could adversely affect our ability to maintain or increase the cash flow derived from the collection of passenger charges.

***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 conditions, security and health concerns, war or threat of war, 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.*** International and Domestic Tariffs are determined by the Mexican government 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 Official Federal Gazette, and are subsequently paid to the Security Trust in Mexican pesos. High exchange rate volatility within a month directly affects this average exchange rate, which may result in decreased cash flows to us 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 derived from the collection of passengers charges in Mexican peso terms. Conversely, a devaluation of the Mexican peso against the U.S. dollar increases such cash flows in Mexican peso terms.

## **Critical Accounting Policies and Estimates**

We prepare our financial statements in accordance with IFRS, as issued by the IASB. The preparation of financial statements in conformity with IFRS requires that management make significant estimates and assumptions that affect our cash flows, assets, liabilities and other related amounts. Management routinely makes judgments and estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the future resolution of the uncertainties increases, these judgments become more subjective and complex. We have identified the following accounting policies as the most important to the representation of our current financial condition and results of operations.

### ***Estimates and Assumptions***

In the application of the trust's accounting policies, the trust's management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions used and other sources of estimates with uncertainty as of the date of the financial statements, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets or liabilities, are related to fair value.

### ***Long-term Accounts Receivable***

Long-term receivables represent the right to receive projected passenger charges. This account receivable was initially recorded at its present value, taking into consideration future passenger charges expected to be collected in a period of five years. It is a financial asset that is not negotiated in an active market. It is valued at amortized cost using the effective interest rate method, less any impairment. This account receivable decreases as passenger charges are paid by the airlines to the Security Trust.

### ***Fair Value of Financial Instruments***

The fair value of financial assets or liabilities (e.g. the fair value of derivatives) that are not actively traded in the market, are determined using valuation techniques that consider mathematical models. When available, the inputs used in these models come from observable market data; otherwise judgments are applied to determine the fair value. These judgments include the consideration of liquidity and the data of the model and the volatility of the derivative over the long term as well as discount rates, the anticipated amortization rate and the estimated default payments.

## Recently Issued Accounting Pronouncements

The following new and revised IFRSs have been issued, to become effective for annual periods beginning on or after January 1, 2018, with earlier application permitted:

- IFRS 9 – Financial Instruments
- IFRS 15 – Revenue from Contracts with Customers
- IFRS 16 – Lease

As of the date of our Financial Statements, we have not applied the new IFRS accounting pronouncements and we estimate that their adoption will either not have an effect on our financial statements or the effects thereof will be immaterial.

## Results of Operations

### *Passenger Charges and Net Passenger Charges*

The principal source of revenue generated by the Existing Airport is derived from the collection of passenger charges. Passenger charges are included in the cost of flight tickets and are directly collected by each airline operating at the Existing Airport, and subsequently paid to the Security Trust pursuant to collection agreements executed with such airlines (except for certain airlines that collect less than 5% of all amounts due in respect of passenger charges, which make payments directly to the Existing Sponsor).

Passenger charges paid to the Security Trust are reflected as cash flows from operating activities in our cash flow statement.

Net Passenger Charges are calculated for any period as the amount of passenger charges, interest and other income deposited in, or credited to, without duplication, the revenue accounts in the Security Trust during such period, *minus* value added tax due and payable with respect to such amounts and all fees, costs and expenses directly related to the performance by us of our obligations under the Project Agreements and the Financing Documents payable during such period (except for amounts payable in respect of principal and interest under any Financing Document and any operating and maintenance expenses incurred by the Existing Sponsor or, from and after the commencement of commercial operations of the New Airport, the New Sponsor).

The following table sets forth the passenger charges and Net Passenger Charges collected at the Existing Airport in the three years ended December 31, 2015 and the six-month periods ended June 30, 2015 and 2016.

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2013 (Ps.)	2014 (Ps.)	2015 (Ps.)	2015 <sup>(1)</sup> (US\$) (in millions)	2015 (Ps.)	2016 (Ps.)	2016 <sup>(2)</sup> (US\$)
Passenger charges collected .....	3,153.1	4,833.2	6,762.8	426.1	3,045.2	3,855.4	213.3
Net Passenger Charges .....	2,722.3	4,198.3	5,777.4	364.0	2,604.0	3,286.7	181.8

(1) U.S. dollar amounts translated at an exchange rate of Ps.15.8710 per U.S. dollar, which was the average for 2015 of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rate for the payment of obligations denominated in currencies other than Mexican pesos.

(2) U.S. dollar amounts translated at an exchange rate of Ps.18.0774 per U.S. dollar, the average exchange rate for the six-month period ended June 30, 2016, of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rates for the payment of obligations denominated in currencies other than Mexican pesos.

## Operating Expenses

Our operating expenses are comprised of fees and expenses payable to Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, for its services as trustee of the Mexico City Airport Trust, fees and expenses payable to our advisors, as well as certain withholding taxes payable to the Mexican authorities on behalf of the Existing Sponsor.

## Foreign Exchange (Loss) Gain

We enter into transactions denominated in foreign currency. In consequence, our results are exposed to currency fluctuations.

The following table sets forth the breakdown of our foreign exchange losses and gains for each of the periods indicated:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2013 (Ps.)	2014 (Ps.)	2015 (Ps.)	2015 <sup>(1)</sup> (US\$)	2015 (Ps.)	2016 (Ps.)	2016 <sup>(2)</sup> (US\$)
				(in millions)			
Foreign exchange gain.....	6.6	-	3,651.7	230.1	979.3	3,511.1	194.2
Foreign exchange (loss).....	-	(21.2)	(1,144.8)	(72.1)	(268.0)	(1,164.8)	(64.4)
<b>Total foreign exchange (loss) gain .....</b>	<b>6.6</b>	<b>(21.2)</b>	<b>2,506.9</b>	<b>158.0</b>	<b>711.3</b>	<b>2,346.3</b>	<b>129.8</b>

- (1) U.S. dollar amounts translated at an exchange rate of Ps.15.8710 per U.S. dollar, which was the average for 2015 of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rate for the payment of obligations denominated in currencies other than Mexican pesos.
- (2) U.S. dollar amounts translated at an exchange rate of Ps.18.0774 per U.S. dollar, the average exchange rate for the six-month period ended June 30, 2016, of all exchange rates published by the Mexican Central Bank in the Official Federal Gazette as the rates for the payment of obligations denominated in currencies other than Mexican pesos.

## Collection Fees

Airlines are compensated for the expenses related to the collection of passenger charges through collection fees paid to the airlines. Airlines are entitled to receive a percentage of the passenger charges collected as compensation for their collection services provided to the Security Trust. Collection fees, which are negotiated between each airline and the Existing Sponsor pursuant to their respective collection agreements, are invoiced to and directly paid by the Existing Sponsor, except for a small number of international airlines that deduct their collection fee before transferring the amount of passenger charges collected to the Security Trust. As of June 30, 2016, airlines operating at the Existing Airport, collecting 26.8% of all passenger charges, deducted their collection fee prior to transferring the funds to the Security Trust. See “Passenger Charges and Passenger Charges Collection Process—Collection of Passenger Charges.”

## Results of Operations for the Six Months ended June 30, 2016 compared to the Six Months ended June 30, 2015

*Net interest income (expense).* The amount shown as interest income in our statement of profit or loss represents the return on our account receivable calculated based on the applicable interest rate. Net interest income (expense) for the six-month period ended June 30, 2016 amounted to Ps.347.1 million, representing a decrease of 86.5% as compared to Ps.2,569.5 million for the same period in 2015. This decrease was mainly as a result of lower interest income recognized with respect to accounts receivable from the Issuer, which decreased from Ps.2,668.4 million in the six-month period ended June 30, 2015 to Ps.594.4 million in the same period in 2016.

*Other bank interest income.* Other bank interest income for the six-month period ended June 30, 2016 amounted to Ps.90.9 million, representing an increase of 309.5% as compared to Ps.22.2 million for the same period in 2015. This increase was mainly as a result of higher interest received as a result of an increase in cash, cash equivalents and restricted cash during the six-month period ended June 30, 2016, as compared to the same period in 2015.

*Foreign exchange (loss) gain.* Foreign exchange (loss) gain for the six-month period ended June 30, 2016 amounted to Ps.2,346.3 million, representing an increase of 229.9% as compared to Ps.711.3 million for the same period in 2015. This increase was mainly as a result of exchange gains in Mexican peso recorded by U.S. dollar denominated assets that were higher than U.S. dollar denominated liabilities.

*Operating Expenses.* In the six-month period ended June 30, 2016, our operating expenses were Ps.107.6 million, representing an increase of 78.4% as compared to Ps.60.3 million in the same period in 2015.

*Profit for the period.* For the reasons explained above, in the six-month period ended June 30, 2016, our profit for the period amounted to Ps.2,676.7 million, representing a decrease of 17.5% as compared to Ps.3,242.7 million in the same period in 2015.

#### ***Results of Operations for the Year ended December 31, 2015 compared to the Year ended December 31, 2014***

*Net interest income (expense).* Net interest income (expense) in 2015 amounted to Ps.3,995.0 million, representing an increase of 264.7% as compared to Ps.1,095.4 million in 2014. This increase was mainly as a result of higher interest income recognized with respect to accounts receivable from the Issuer, which increased from Ps.1,215.8 million in 2014 to Ps.4,231.1 million in 2015.

*Other bank interest income.* Other bank interest income in 2015 amounted to Ps.68.1 million, representing an increase of 720.5% as compared to Ps.8.3 million in 2014. This increase was mainly as a result of higher interest received as a result of increase in cash, cash equivalents and restricted cash in 2015, as compared with 2014.

*Foreign exchange (loss) gain.* Foreign exchange gain in 2015 amounted to Ps.2,506.9 million, in comparison to a loss of Ps.21.2 million in 2014. This increase was mainly as a result of exchange gains in Mexican peso recorded by U.S. dollar denominated assets (mainly accounts receivable) that were higher than U.S. dollar denominated liabilities.

*Operating Expenses.* In 2015, our operating expenses were Ps.137.8 million, representing an increase of 993.7% as compared to Ps.12.6 million in 2014. This increase was mainly as a result of commissions and fees paid in accordance with the Existing Airport Agency Agreement and as a result of the amendments to the irrevocable administration and payment trust agreement number 80460, in each case dated October 7, 2015.

*Profit for the period.* For the reasons explained above, in 2015, our profit for the period amounted to Ps.6,432.2 million, representing an increase of 459.1% as compared to Ps.1,150.5 million in 2014.

#### ***Results of Operations for the Year ended December 31, 2014 compared to the Year ended December 31, 2013***

*Interest income (expense).* Interest income (expense) in 2014 amounted to Ps.1,095.4 million, representing an increase of 5.8% as compared to Ps.1,035.1 million in 2013. This increase was mainly as a result of higher interest income recognized with respect to accounts receivable from the Issuer, which increased from Ps.1,154.8 million in 2013 to Ps.1,215.8 million in 2014.

*Other bank interest income.* Other bank interest income in 2014 amounted to Ps.8.3 million, representing an increase of 7.8% as compared to Ps.7.7 million in 2013. This increase was mainly as a result of higher interest received as a result of increase in cash, cash equivalents and restricted cash in 2014, as compared with 2013.

*Foreign exchange (loss) gain.* Foreign exchange loss in 2014 amounted to Ps.21.2 million, in comparison to a gain of Ps.6.6 million in 2013. This increase was mainly as a result of exchange losses in 2014 recorded by U.S. dollar denominated assets, primarily accounts receivable.

*Operating Expenses.* In 2014, our operating expenses were Ps.12.6 million, representing an increase of 110.0% as compared to Ps.6.0 million in 2013. This increase was mainly as a result of commissions and fees paid in accordance with the Existing Airport Agency Agreement and as a result of the amendments to the amended and restated irrevocable administration and payment trust agreement number 80460, in each case dated October 29, 2014.

*Profit for the period.* For the reasons explained above, in 2014, our profit for the period amounted to Ps.1,150.5 million, representing an increase of 9.7% as compared to Ps.1,048.3 million in 2013.

## Liquidity and Capital Resources

Our short- and long-term liquidity requirements consist primarily of funds to service our debt and pay for operating expenses, consisting of fees and expenses payable to Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, for its services as trustee, fees and expenses payable to our advisors, as well as certain withholding taxes payable to the Mexican authorities. Payments on our outstanding indebtedness and operating expenses are made from funds deposited with the Security Trust.

### Indebtedness and Sources of Liquidity

Our primary source of external liquidity consisted of our borrowings under the Credit Agreement, which we used to pay the Sponsors as the purchase price for the assets that constitute the Collateral, including the right to collect passenger charges for the use of the Existing Airport and, upon the commencement of commercial operations, the New Airport. The aggregate principal amount outstanding under the Credit Agreement as of June 30, 2016, was US\$1.0 billion. For a detailed description of our indebtedness see “Financing and Collateral Structure.”

The cash flows collected by the Security Trust related to passenger charges from the Existing Airport are our principal sources of liquidity from operations. In 2015 and the six-month period ended June 30, 2016, the aggregate amount of restricted payments from the Security Trust received by us amounted to Ps.13,201.8 million (US\$831.8 million) and Ps.1,518.4 million (US\$84.0 million), respectively. As of June 30, 2016, we had Ps.1,335.8 million (US\$72.0 million) of restricted cash, which consisted of cash held in the Security Trust’s accounts, including the debt service reserve accounts. Our access to such cash is conditioned upon the satisfaction of certain conditions for restricted payments from the Security Trust to us.

The following table presents the Issuer’s cash flows for the years ended December 31, 2013, 2014 and 2015 and the six month periods ended June 30, 2015 and 2016:

	Years Ended December 31,			Six Months Ended June 30,	
	2013	2014	2015	2015	2016
	(in millions of Ps.)				
Net cash flow provided by operating activities.....	2,716.9	4,199.0	5,122.5	2,575.3	3,184.7
Net cash flow provided by investing activities.....	7.7	8.3	68.1	22.2	90.9
Net cash flow provided by (used) in financing activities ..	(2,787.2)	(3,914.2)	(2,073.0)	(768.6)	(1,696.4)
<b>Net increase (decrease) in cash, cash equivalents and restricted cash.....</b>	<b>(62.6)</b>	<b>293.1</b>	<b>3,117.6</b>	<b>1,828.9</b>	<b>1,579.2</b>

## Operating Activities

Net cash flow provided by operating activities for the six-month period ended June 30, 2016 amounted to Ps.3,184.7 million, representing an increase of 23.7% as compared to Ps.2,575.3 million for the same period in 2015, mainly as a result of a 26.6% increase in passenger charges collected. In the six-month period ended June 30, 2016, the total amount of passenger charges collected by the Security Trust was Ps.3,855.4 million as compared to

Ps.3,045.2 million in the same period in 2015. This increase was mainly as a result of a 8.1% increase in total paying passenger traffic at the Existing Airport in the six-month period ended June 30, 2016 as compared to the same period in 2015, resulting from a 7.7% increase in paying passenger traffic on domestic flights, and a 8.7% increase in paying passenger traffic on international flights. Net Passenger Charges in the six-month period ended June 30, 2016 amounted to Ps.3,286.7 million, representing an increase of 26.2% as compared to Ps.2,604.0 million in the same period in 2015.

Net cash flow provided by operating activities in 2015 amounted to Ps.5,122.5 million, representing an increase of 22.0% as compared to Ps.4,199.0 million in 2014, mainly as a result of a 39.9% increase in passenger charges collected. In 2015, the total amount of passenger charges collected by the Security Trust was Ps.6,762.8 million as compared to Ps.4,833.2 million in 2014. This increase was mainly as a result of a 9.5% increase in total paying passenger traffic at the Existing Airport in 2015 as compared to 2014, resulting from an 11.5% increase in paying passenger traffic on domestic flights, and a 6.5% increase in paying passenger traffic on international flights. Net Passenger Charges in 2015 amounted to Ps.5,777.4 million, representing an increase of 37.6% as compared to Ps.4,198.3 million in 2014.

Net cash flow provided by operating activities in 2014 amounted to Ps.4,199.0 million, representing an increase of 54.6% as compared to Ps.2,716.9 million in 2013, mainly as a result of a 53.3% increase in passenger charges collected. In 2014, the total amount of passenger charges collected by the Security Trust was Ps.4,833.2 million as compared to Ps.3,153.1 million paid in the in 2013. This increase was mainly as a result of the extraordinary 38.1% and 74.3% increases in the domestic passenger charge tariff and international passenger charge tariff at the Existing Airport, respectively, effective as of January 16, 2014, as well as a 6.6% increase in total paying passenger traffic at the Existing Airport in 2014 as compared to 2013, resulting from a 6.1% increase in paying passenger traffic on domestic flights, and a 7.0% increase in paying passenger traffic on international flights. Net Passenger Charges in 2014 amounted to Ps.4,198.3 million, representing an increase of 54.2% as compared to Ps.2,722.3 million in 2013.

### **Investment Activities**

Net cash flow provided by investment activities for the six-month period ended June 30, 2016 amounted to Ps.90.9 million, representing an increase of 309.5% as compared to Ps.22.2 million for the same period in 2015.

Net cash flow provided by investment activities in 2015 amounted to Ps.68.1 million, representing an increase of 720.5% as compared to Ps.8.3 million in 2014.

Net cash flow provided by investment activities in 2014 amounted to Ps.8.3 million, representing an increase of 7.8% as compared to Ps.7.7 million in 2013.

### **Financing Activities**

Net cash flow used in financing activities for the six-month period ended June 30, 2016 amounted to Ps.1,696.4 million, representing an increase of 120.7% as compared to Ps.768.6 million for the same period in 2015, mainly as a result of a 105.4% increase in distributions made to the Sponsors, from Ps.739.2 million the six-month period ended June 30, 2015, to Ps.1,518.4 million in the same period in 2016.

Net cash flow used in financing activities in 2015 amounted to Ps.2,073.0 million, representing a decrease of 47.0% as compared to Ps.3,914.2 million in 2014. This decrease was mainly due to Ps.2,064.1 million used in 2014 to repay all outstanding amounts under a credit agreement entered into by the Issuer in 2005 for the construction and development of Terminal 2 of the Existing Airport, which was partially offset by a 131.1% increase in distributions made to the Sponsors, from Ps.5,711.6 million in 2014, to Ps.13,201.8 million in 2015, and a 180.1% increase in proceeds from bank loans, from Ps.4,006.4 million in 2014, to Ps.11,223.1 million in 2015.

Net cash flow used in financing activities in 2014 amounted to Ps.3,914.2 million, representing an increase of 40.4% as compared to Ps.2,787.2 million in 2013. This increase was mainly due to a 181.1% increase in loan repayments in 2014 as compared to 2013, and a 200.9% increase in distributions made to the Sponsors, from

Ps.1,898.0 million in 2013, to Ps.5,711.6 million in 2014. These increases were partially offset by the Ps.4,006.4 million received in proceeds from bank loans in 2014, compared to Ps.0 in 2013.

### **Restricted Payments and Restricted Cash**

In the six month period ended June 30, 2016, restricted payments made by the Security Trust to the Issuer amounted to Ps.1,518.4 million. As of June 30, 2016, the Issuer had Ps.1,335.8 million in restricted cash deposited in the Security Trust accounts.

In 2015, restricted payments made by the Security Trust to the Issuer amounted to Ps.13,201.8 million. As of December 31, 2015, the Issuer had Ps.1,180.6 million in restricted cash deposited in the Security Trust accounts.

In 2014, restricted payments made by the Security Trust to the Issuer amounted to Ps.5,711.6 million. As of December 31, 2014, the Issuer had Ps.942.1 million in restricted cash deposited in the Security Trust accounts.

In 2013, restricted payments made by the Security Trust to the Issuer amounted to Ps.1,898.0 million. As of December 31, 2013, the Issuer had Ps.457.2 million in restricted cash deposited in the Security Trust accounts.

## PASSENGER CHARGES AND PASSENGER CHARGES COLLECTION PROCESS

### Description of Passenger Charges

The principal source of revenue generated by the Existing Airport is derived from 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 exempt passengers. The Sponsors' right to collect passenger charges paid for the use of the Existing Airport and the New Airport are contained in their respective Concessions. 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, transit 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.

Because the Sponsors are state-owned companies, the International and Domestic Tariffs are determined unilaterally by the Mexican government through the Ministry of Finance and Public Credit. See "Risk Factors—Risks Related to the Passenger Charges and the Airports' Operations—International and Domestic Tariffs are unilaterally set by the Mexican government, which may decide to decrease such tariffs at any point in time. Such lower tariff could result in a decrease in passenger charges." Since 2005, in accordance with a directive from the Ministry of Finance and Public Credit, Mexican passenger charge tariffs are adjusted annually to reflect inflation based on the Consumer Price Index for All Urban Consumers published by the United States Bureau of Labor Statistics in October of each year. Passenger charge tariffs are effective as of and published in the Official Federal Gazette on January 1 of each year.

Passenger charges are levied on both domestic and international paying passengers. Domestic Tariffs apply to any paying passenger whose final destination is within Mexico, while International Tariffs apply to any paying passenger whose final destination is outside of Mexico.

In each of 2015 and the six-month period ended June 30, 2016, approximately 43.9% of passenger charges were collected from international paying passengers and 56.1% were collected from domestic paying passengers.

### Historical Passenger Charge Tariffs

The following table shows the historical Domestic and International Tariffs in effect at the Existing Airport in the last five years.

	2011	2012	2013	2014	2014 Increase <sup>(3)</sup>	2015	2016	CAGR 2011-2016
	(in dollars., except percentages)							
Domestic tariff .....	14.90	15.43	15.76	15.91	21.96	22.33	22.37	
Annual increase <sup>(1)</sup> .....	1.2%	3.5%	2.2%	1.0%	38.1%	1.7%	0.2%	8.47%
International tariff .....	18.34	18.99	19.40	19.59	34.15	34.72	34.78	
Annual increase <sup>(1)</sup> .....	1.2%	3.5%	2.2%	1.0%	74.3%	1.7%	0.2%	13.65%
U.S. inflation <sup>(2)</sup> .....	1.2%	3.5%	2.2%	1.0%	-	1.7%	0.2%	-

(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 United States Bureau of Labor Statistics.

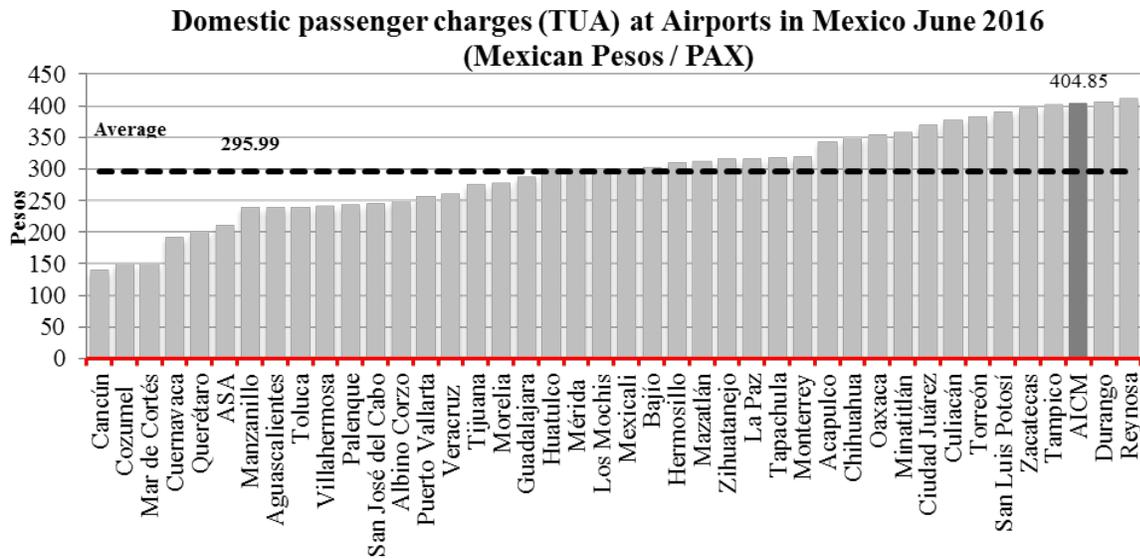
(3) Passenger charge tariffs effective on January 16, 2014.

Source: Existing Sponsor and Official Federal Gazette.

Effective as of January 16, 2014, the Mexican government published an increase on the Domestic and International Tariffs at the Existing Airport. Domestic Tariffs were raised 38.1%, from US\$15.91 in 2013 to US\$21.96, and International Tariffs were raised 74.3%, from US\$19.59 in 2013 to US\$34.15. Before the 2014 increase, the Domestic and International Tariffs at the Existing Airport were significantly below the passenger

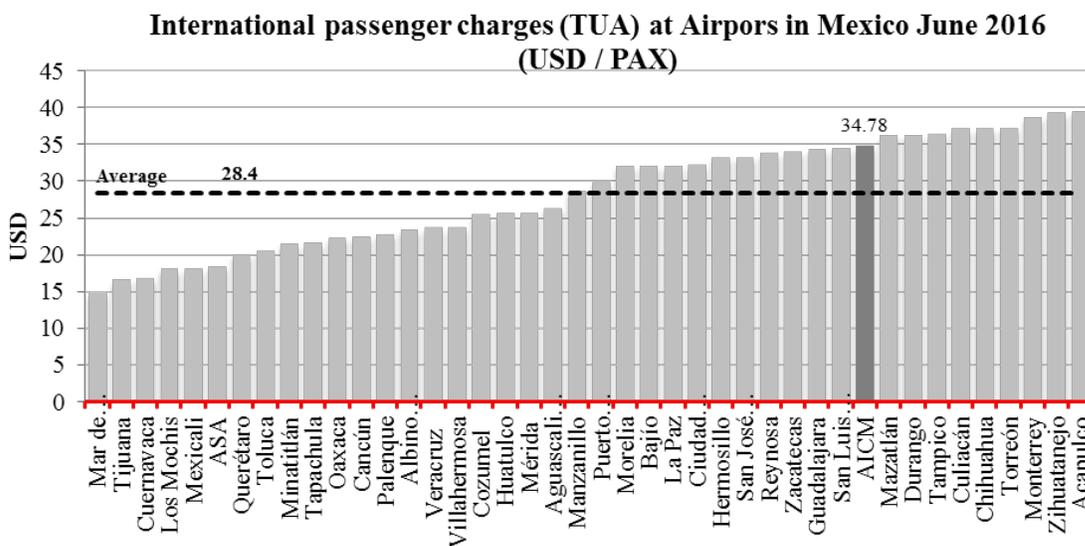
charge tariffs collected at private airports within Mexico and the national average. This extraordinary increase reflected the Mexican government’s determination to increase passenger charge tariffs collected at the Existing Airport to more closely match the tariffs collected by private airports within Mexico, and was part of the measures adopted by the Existing Sponsor to execute the financing plan for the construction and development of the New Airport. As a result of this increase and the regular inflation adjustment in 2015, both passenger charge tariffs are now over the national average of Ps.296.0 for domestic passenger charge tariffs and US\$28.4 for international passenger charge tariffs.

The following chart provides a comparison between the Domestic Tariff at the Existing Airport against the domestic passenger charge tariffs at other major airports in Mexico.



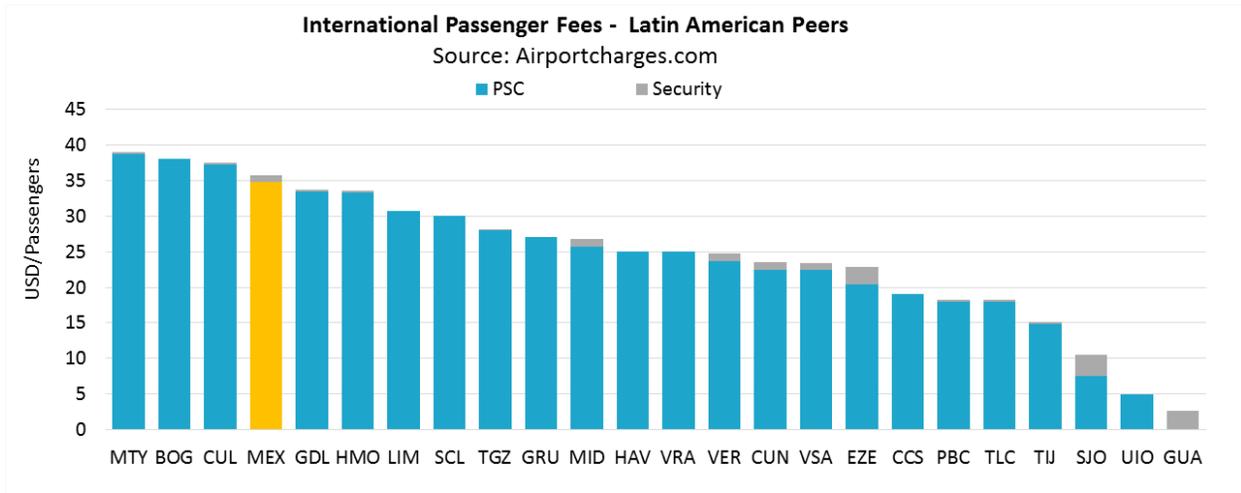
Source: SCT. Domestic passenger charge (TUA) at AICM is denominated in U.S. dollars (US\$22.37 as of June 2016); converted into Mexican peso equivalent using an exchange rate of Ps.18.09 per US\$1.00.

The following chart provides a comparison between the International Tariff at the Existing Airport against the international charge tariffs at other major airports in Mexico.



Source: SCT

The following chart provides a comparison between the International Tariff at the Existing Airport against the international charge tariffs at other major airports in Latin America:



Source: Independent Traffic Report and Airportcharges.com

The following chart provides a comparison between the International Tariff at the Existing Airport against the international charge tariffs at other major airports worldwide:

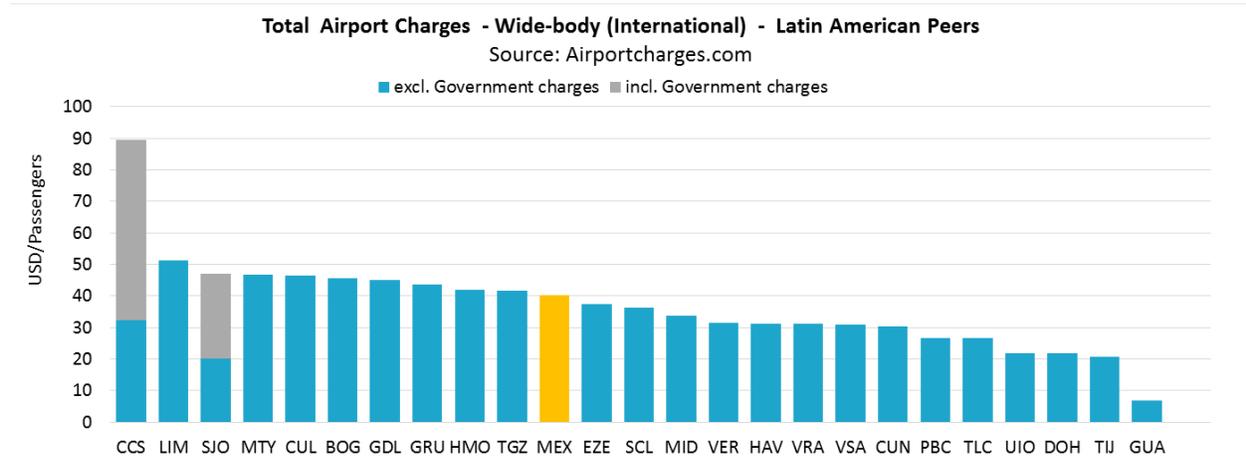
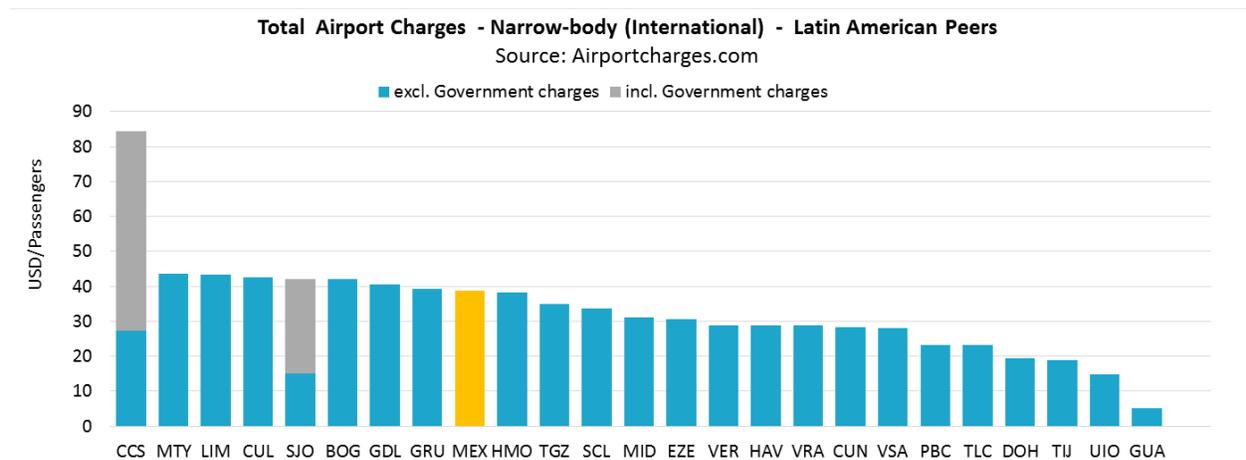


There are a number of airport usage fee structures in airports worldwide, although the fees most commonly charged to passengers for the use of airports are passenger charges. In general, this tariff is charged only to departing passengers, but can sometimes be split (in particular in Europe) into a passenger charge, a security charge and a Persons with Reduced Mobility (PRM) charge. Regardless of how the tariff is split, these in the aggregate generally cover the same costs for processing passengers and related security processes.

Due to the different fee structures applied in the United States, particularly at the major hub airports that would normally compare to the Existing Airport, the Independent Traffic Consultant's analysis is focused on European, Asian, Central and South American airports as suitable international benchmarks.

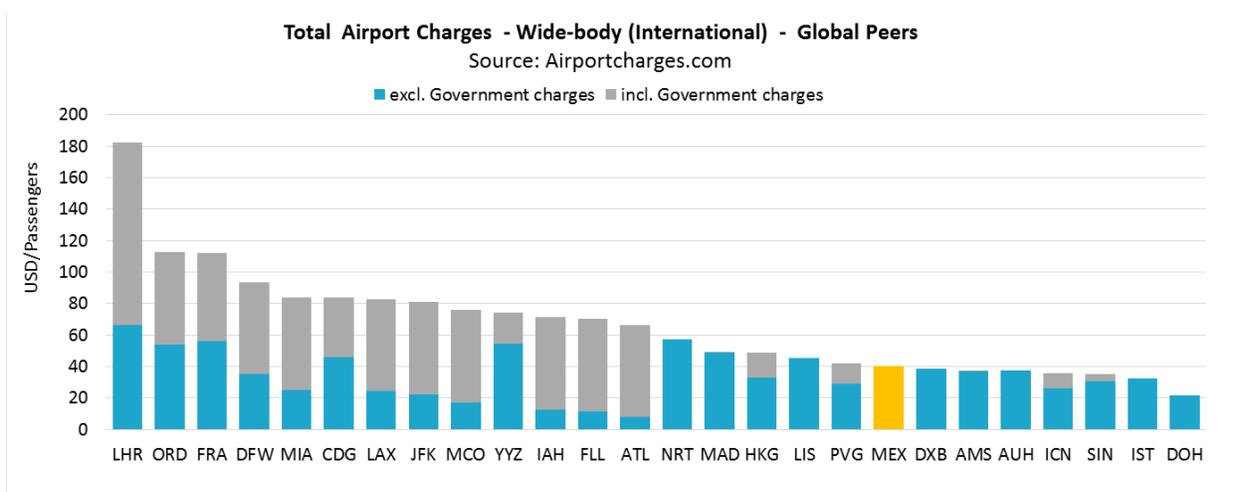
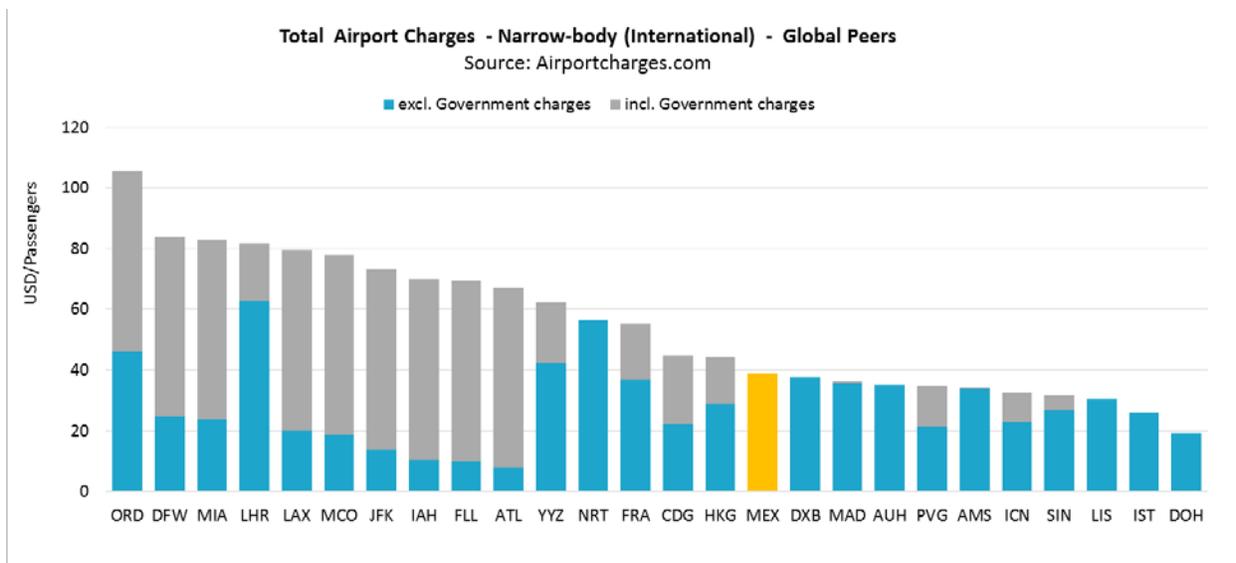
The Existing Airport's overall airport turnaround cost is highly competitive, despite the 2014 increase. As a result of the 2014 increase and the regular inflation adjustment in 2015, both passenger charge tariffs are now over the national average of US\$16.0 for Domestic Tariffs and US\$28.4 for International Tariffs, and benchmark analysis of International Tariffs among Latin American airports shows that the International Tariff at the Existing Airport is one of the highest in the region, behind International Tariffs charged at the Monterrey, Bogotá and Culiacán airports. The Existing Airport also has one of the highest International Tariffs compared to global peers, only behind the Heathrow and Chicago airports. Nevertheless, on an overall airport turnaround charges basis (including landing, infrastructure, security and government charges), the Existing Airport continues to be competitive as compared to regional and global peers, reducing pressure on ticket pricing and keeping it competitive from the perspective of both airlines and passengers.

Although the Existing Airport has one of the highest passenger fees in the region, when benchmarked in terms of total airport charges (turnaround cost), including government fees, the Existing Airport locates itself within the middle range of Latin American peers.



Source: Independent Traffic Report

On a global level, the Existing Airport's total airport charges per passenger are lower than the majority of peers that include government charges within the total airport charges. The Existing Airport is particularly competitive on wide-body turnaround charges compared to global peers and competitive for narrow-body charges among North American airlines.



Source: Independent Traffic Report

When comparing passenger charges at benchmark airports (excluding U.S. airports, which in many cases combine their passenger charges with terminal/gate rental fees), the passenger charge tariffs at the Existing Airport are higher than the average fees charged at benchmarked airports.

### Changes to Tariffs

In order to increase passenger charge tariffs, as with the 2014 increase, the Existing Sponsor 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, the Existing Sponsor must apply for and receive internal corporate authorization with respect to the increase. Following receipt of such corporate authorization, the Existing Sponsor must make a formal request to the SCT. The SCT, in turn, makes a request to the Mexican Ministry of Finance and Public Credit, 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 the Existing Sponsor.

If approved, the Existing Sponsor 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 passenger charge tariffs before the SCT, through the Mexican Bureau of Civil Aviation, and finally, publication of the new passenger charge tariffs in the Official Federal Gazette. Only upon completion of this registration process do the new passenger charge tariffs become effective.

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 a single extraordinary increase, the 2014 increase 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 and 2015, after each annual tariff adjustment or increase.

	Total Departing Passengers (including exempt passengers)											
	2013			2014			2015			2016		
	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
	(in millions of Passengers, except percentages)											
Domestic Flights.....	0.78	0.72	0.84	0.85	0.78	0.89	0.92	0.88	1.07	1.00	0.95	1.13
International Flights.....	0.44	0.34	0.46	0.49	0.39	0.45	0.50	0.40	0.54	0.57	0.47	0.58
Total.....	<b>1.22</b>	<b>1.06</b>	<b>1.30</b>	<b>1.34</b>	<b>1.17</b>	<b>1.34</b>	<b>1.42</b>	<b>1.28</b>	<b>1.61</b>	<b>1.57</b>	<b>1.42</b>	<b>1.71</b>
Percentage growth on prior year....	-	-	-	9.84%	10.38%	3.08%	5.97%	9.40%	20.15%	10.56%	10.94%	6.21%

Source: Existing Sponsor

## Currency Denomination

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 Official Federal Gazette, and are subsequently paid to the Security Trust in Mexican pesos. The Security Trust in turn converts Mexican peso amounts into U.S. dollars, in the amount necessary to satisfy our U.S. dollar-denominated obligations, including our debt service obligations.

## Collection of Passenger Charges

### Collection by the Airlines

Passenger charges are included as part of the ticket price and are collected by each airline operating departing flights from the Existing Airport (and, upon commencement of commercial operations, the New Airport) in exchange for a fee of up to 3.0%. The Existing Sponsor enters into collection agreements with the airlines from time to time, generally on an annual basis, which provide the rules and procedures for the collection and the payment of passenger charges by the airlines and the payment of the collection fee. The New Sponsor is expected to enter into collection agreements substantially similar to those entered by the Existing Sponsor with the airlines that will operate at the New Airport. The Existing Airport's Procedure Manual for the Collection of Aeronautical Services sets forth the Existing Airport's policies governing the collection of payments related to aeronautical services as well as the protocol for collecting any past-due payments.

As of June 30, 2016, ten airlines were responsible for approximately 88.1% of the passenger charges collected, based on the volume of flights operated by such airlines from the Existing Airport. The following table presents the amount of passenger charges received by the Security Trust from each of those ten airlines in the six-month period ended June 30, 2016:

### Collection of Passenger Charges: Top 10 Airlines

Airline	Passenger charges collected (in millions of Ps.)	Percentage
ABC Aerolineas, S.A. de C.V. (Interjet) .....	799.7	20.7%
Aerovias de Mexico, S.A. de C.V. (Aeromexico) .....	711.4	18.5%
Concesionaria Vuela Compañía de Aviación, SAPI de C.V. (Volaris) .....	615.7	16.0%
Aerolitoral, S.A. de C.V. (Aeromexico Regional) .....	407.0	10.6%
Aeroenlaces Nacionales, S.A. de C.V. (Viva Aerobus)	229.0	5.9%
American Airlines, Inc.	203.3	5.3%
United Airlines, Inc.	185.6	4.8%
Delta Air Lines, Inc. ....	124.9	3.2%
Iberia, Líneas Aéreas de España, S.A. (Iberia)	60.4	1.6%
Compañía Panameña de Aviación, S.A. (Copa Airlies) .....	59.2	1.5%
<b>Total Passenger Charges from top 10 airlines</b> .....	<b>3,396.3</b>	<b>88.1%</b>
<b>Total Passenger Charges</b> .....	<b>3,855.4</b>	<b>100.0%</b>

The Existing Airport has recently established several arrangements for the collection and delivery of passenger charges by each airline. The following table summarizes the principal terms and conditions of each arrangement and lists the airlines adhered to each such arrangement as agreed under the respective collection agreements.

	Principal Terms and Conditions			
	30	60	120	30
Days to deposit passenger charges.....	30	60	120	30
Collection fee (%).....	2.5%	3.0%	-	< 1.4%
Guarantied amount (billing days).....	30	60	-	-
Airlines .....	Aerorepublica Interjet TAM	Viva Aerobus Volaris	Aeromexico Aeromexico Connect JetBlue	Avianca Air Canada American Airlines British Airways Copa Airlines Cubana de Aviacion Delta Airlines Magnicharters Iberia KLM LAN LACSA Lufthansa Taca Aeromar Air France United Airlines Southwest

\*The Existing Sponsor has negotiated with JetBlue an arrangement under which, such airline deposits passenger charges in advance based on a forward-looking estimation. JetBlue has a 0% collection fee.  
Source: Existing Sponsor

**Assignment of Rights Agreements and Airline Consents**

Each of the Sponsors has agreed, pursuant to Assignment of Rights Agreements dated October 29, 2014, entered into among each Sponsor and the Issuer, to assign to the Mexico City Airport Trust:

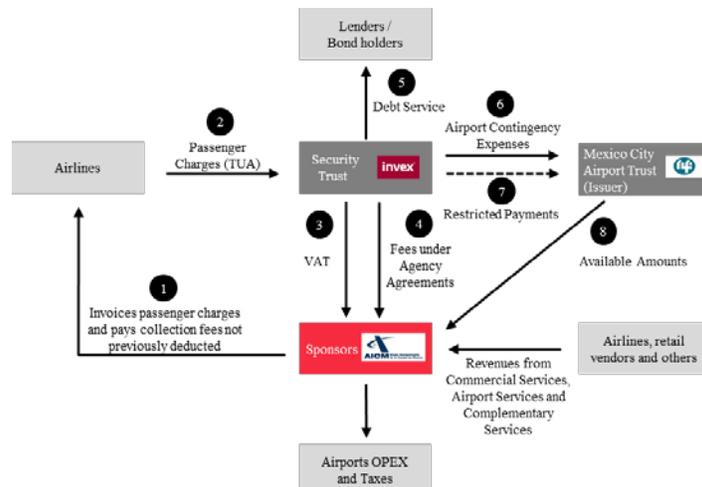
- (i) the right to collect passenger charges for the use of the Existing Airport and, upon the commencement of commercial operations, the New Airport;
- (ii) all proceeds of insurance payable with respect to the partial or complete interruption of the operation of the Airports;
- (iii) all proceeds of indemnities in connection with certain expropriation events affecting any of the Airports; and
- (iv) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at any of the Airports.

In turn, the Issuer, as settlor of the Security Trust, has contributed those rights to the Security Trust as Collateral for the benefit of our secured creditors. The Sponsors have retained their rights to receive the surplus passenger charges after debt service, funding reserves and certain conditions are satisfied under the payment waterfall in the Financing Documents. See “Finance and Collateral Structure—The Repayment and Collateral Structure—Description of the Waterfall.”

In exchange for the assignment of the collection rights and assets mentioned above, we are required to pay to the Sponsors the proceeds of any financing raised, including the proceeds from the Credit Agreement and the Notes (unless any proceeds are used to refinance existing indebtedness).

Pursuant to the Financing Documents, each airline at the Existing Airport (other than exempt airlines, which collectively collect no more than 5% of all amounts due in respect of passenger charges at the Existing Airport) has agreed to pay passenger charges directly to the Security Trust. Collection fees, which are negotiated between each airline and the Existing Sponsor pursuant to their respective collection agreements, are invoiced to and directly paid by the Existing Sponsor, except for a small number of international airlines that deduct their collection fee before transferring the amount of passenger charges collected to the Security Trust. As of June 30, 2016, airlines operating at the Existing Airport, collecting 26.8% of all passenger charges, deducted their collection fee prior to transferring the funds to the Security Trust. See “Financing and Collateral Structure—The Repayment and Collateral Structure-Description of the Waterfall.”

The following chart summarizes the cash flow generated from the collection of the passenger charges by the airlines until the balance is paid to the Sponsors, as beneficiaries of the Mexico City Airport Trust:



### *Agency Agreements*

On October 29, 2014, the Existing Sponsor entered into the Existing Airport Agency Agreement with the Security Trust Trustee, in order to collect passenger charges from airlines operating at the Existing Airport on behalf of the Security Trust Trustee. The Existing Sponsor is responsible for billing and collecting passenger charges, pursuing delinquent payments, maintaining books and records and performing periodic reporting activities. The Existing Sponsor collects past-due amounts in respect of passenger charges owed by any airline and transfers such amounts to the revenue accounts in the Security Trust.

Prior to the scheduled commercial operation of the New Airport, the New Sponsor is expected to enter into the New Airport Agency Agreement with the Security Trust Trustee, in order to collect passenger charges from airlines operating at the New Airport on behalf of the Security Trust Trustee. The New Sponsor is expected to have the same duties as the Existing Sponsor under the Existing Airport Agency Agreement.

## THE MEXICAN REGULATORY FRAMEWORK

### Laws and Regulations Applicable to the Aeronautical Industry in Mexico

The following are the principal laws, regulations and instruments that govern our business and the operation of Existing Airport and will be applicable to the New Airport:

#### *Laws*

- the Financial Institutions Law (*Ley de Instituciones de Crédito*), enacted August 27, 1932,
- the General Law on Negotiable Instruments and Credit Transactions (*Ley General de Títulos y Operaciones de Crédito*), enacted August 27, 1932,
- the Organizational Law of Nacional Financiera (*Ley Orgánica de Nacional Financiera*), enacted December 26, 1986,
- the Mexican Airport Law (*Ley de Aeropuertos*), enacted December 22, 1995,
- the Mexican National Assets Law (*Ley General de Bienes Nacionales*), enacted May 20, 2004,
- the Federal Law of Governmental Entities (*Ley Federal de las Entidades Paraestatales*), enacted May 14, 1986,
- the Federal Law of Public Servants' Administrative Responsibilities (*Ley Federal de Responsabilidades Administrativas de los Servidores Públicos*), enacted March 13, 2002,
- 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 Federal Law for Transparency and Access to Public Governmental Information (*Ley Federal de Transparencia y Acceso a la Información Pública Gubernamental*), 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 Mexican 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 Mexican Civil Aviation Law (*Ley de Aviación Civil*), enacted May 12, 1995,
- the Income Tax Law (*Ley del Impuesto a la Renta*), enacted December 11, 2013,
- the Federal Anti-trust Law (*Ley Federal de Competencia Económica*), enacted May 23, 2014, and
- the General Law for Governmental Accounting (*Ley General de Contabilidad Gubernamental*), enacted December 31, 2008.

#### *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 y Servicios Relacionados con las Mismas*), enacted July 28, 2010,
- the Regulations to the Federal Anti-trust Law (*Reglamento de la Ley Federal de Competencia Económica*), enacted October 12, 2007,
- the Regulations to the Federal Law of 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 Gubernamental*), 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 General Rules Applicable to Financial Institutions (*Disposiciones de carácter general aplicables a las Instituciones de Crédito*), enacted December 2, 2005, and
- the General Rules related to Article 115 of the Financial Institutions Law (*Disposiciones de carácter general a que se refiere el artículo 115 de la Ley de Instituciones de Crédito*), enacted April 20, 2009.

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 Law of Governmental Entities and its regulations regulate the organization, functions and control of the Mexican governmental entities, including state-owned companies (*empresas de participación estatal mayoritaria*). 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 Federal Law of 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 the Existing Sponsor and the New Sponsor 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 the Existing Sponsor. According to the Mexican Airports Law, the Existing Sponsor waived a preemptive right granted under the Existing Airport Concession to request the concession to operate the New Airport, allowing the New Sponsor 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. We believe 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 representatives 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 our capacity as trustee of the Mexico City Airport Trust, our organization and functions are governed by the Mexican Financial Institutions Law (*Ley de Instituciones de Crédito*) and by the General Law on Negotiable Instruments and Credit Transactions (*Ley General de Títulos y Operaciones de Crédito*). We are not a public (governmental) trust subject to the Federal Law of Governmental Entities (*Ley Federal de las Entidades Paraestatales*), Federal Public Administration Organizational Law (*Ley Orgánica de la Administración Pública Federal*), Public Debt General Law (*Ley General de Deuda Pública*), among others, applicable to Mexican public trusts. The trust estate is comprised of private funds and according to our purpose, we are 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:

- grant, modify and revoke concessions for the 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 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.

## **Role of Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, as trustee (NAFIN)**

The Trustee Division of NAFIN provides trustee services primarily to support the development of both public and private sectors, mostly related to the execution of medium and long-term projects. NAFIN has provided trustee services practically since its creation, historically acting as the trustee of the Mexican government. The Trustee Division has had an active role in the development of the Mexican securities market, participating as trustee in the issuance of neutral investment funds, the first exchange-traded fund in Mexico, and one of the first oil bonds in Mexico. The Trustee Division is also noteworthy acknowledged for its performance as trustee in major infrastructure projects, such as Mexico City's new international airport.

The Trustee Division provides its clients with transparent and reliable investment and administration services, a management that assures them the purpose of each contract will be fulfilled in strict adherence to its terms and conditions.

As of December 31, 2015, the Trustee Division managed assets in an aggregate amount of Ps.1.1 trillion, which represents a 2.5% increase compared to December 31, 2014, under 479 trusts, out of which 274 correspond to public entities and 205 to private entities. According to CNBV, as of September 2015, NAFIN's Trustee Division was ranked as the second-biggest among all trustees, managing 17% of the total trust assets in Mexico and 71% of the total trust assets managed in Mexico by development banks.

During 2015, the Trustee Division's revenues amounted to Ps.196 million, representing a 9% increase from 2014. Out of the total revenues generated during 2015, Ps.188 million, or 96%, were accounted by professional fees for trustee services, and Ps.8 million, or 4%, by fees for securities services.

Ps.264 billion, or 24% of the total assets managed by the Trustee Division as of December 31, 2015, correspond to liquid assets, of which Ps.113 billion were invested by NAFIN's own treasury, Ps.4 billion were invested in Operadora de Fondos NAFINSA (mutual funds manager), Ps.86 billion were deposited in the Mexican Treasury (*Tesorería de la Federación*), and Ps.62 billion were invested or deposited in other financial institutions. As of December 31, 2015, liquid assets under management by the Trustee Division increased 10% compared to 2014.

### **Scope of the Concessions and Obligations of Each Sponsor Thereunder**

As authorized under the Mexican Airport Law, the Existing Airport Concession held by the Existing Sponsor is for an initial 50-year term from November 1, 1998. The New Airport Concession held by the New Sponsor 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 the Existing Sponsor and the New Sponsor 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 airport, complementary and commercial 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 Airports 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 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 SCT. No agreement documenting liens approved by the SCT may allow the beneficiary of a pledge to become a concession holder under any circumstances.

The Sponsors may not assign any of their rights or obligations under their Concessions without the authorization of the SCT.

### ***Classification of Services Provided at Airports***

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:

- **Airport Services.** Airport 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.
- **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. 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.
- **Commercial 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 and banks and —advertising.

Third parties rendering airport, complementary or commercial 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. Airport 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 airport and complementary services on a priority basis to military aircraft, disaster support aircraft and aircraft experiencing emergencies. Airport 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 airport 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.

### ***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 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.

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. See "The Benito Juarez International Airport of Mexico City (the Existing Airport)—Description of the Existing Airport's Operations—Master Development Plan" for a description of the current Master Development Plan at the Existing Airport.

### ***Ownership Structure***

The New Airport Concession requires the New Sponsor 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 the New Sponsor to retain at least 51.0% direct ownership interest in the Existing Sponsor 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 the Existing Sponsor or the New Sponsor 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 Anti-trust 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. The Existing Sponsor and New Sponsor 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.

### ***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 June 30, 2016, the value of the UMA was Ps.73.0. As a result, the maximum penalty at such date could have been Ps.14.6 million (US\$0.8 million). As of the date of this offering memorandum, no penalty has been imposed on the Existing Sponsor.

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 airport 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.

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 (*requisita* — 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 the Existing Sponsor or the New Sponsor for damages and lost profits (*daños y perjuicios*) caused by such requisition, calculated at their actual value (*valor real*); provided that if the Existing Sponsor or the New Sponsor 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 the Existing Sponsor or the New Sponsor 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 the Existing Sponsor and the New Sponsor; 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.

## **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, administered by SEMARNAT and enforced by PROFEPA for federal matters, 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. We expect 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

### Mexico and Mexico City

Mexico is one of the main tourist destinations in the world. In 2015, Mexico ranked in the top ten countries worldwide in terms of foreign visitors according to the World Tourism Organization, with approximately 32.1 million visitors, according to the Mexican Ministry of Tourism (*Secretaría de Turismo*). Within Latin America and the Caribbean, Mexico ranked first in 2015 in terms of number of foreign visitors and income from tourism, according to the World Tourism Organization. In total, the Mexican tourism sector recorded a US\$7,357 million surplus in the balance of payments in 2015, a 11.4% increase from the US\$6,603 surplus recorded in 2014.

Mexico City is Mexico's capital and largest city with a population of 8.9 million, according to the latest census conducted by INEGI in 2010. The Mexico City metropolitan area has an estimated population of approximately 20.2 million in 2016, which accounts for approximately 17% of Mexico's population, roughly the same size, population-wise, as each of the City of New York and São Paulo, both with approximately 20.6 million inhabitants.

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 No. 1 destination to visit according to the New York Times. The Mexico City metropolitan area houses 6 UNESCO world heritage sites. According to Mexican Ministry of Tourism, approximately 12.7 million, 13.1 million and 13.1 million tourists visited Mexico City in 2013, 2014 and 2015, respectively.

Mexico City is one of the most important economic centers in Latin America. In 2014, the city produced approximately 16.5% 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, 8 out of the 13 largest Mexican corporations including América Movil, Pemex, CFE, Comex, Grupo Televisa, Bimbo, Grupo Carso, Grupo Liverpool, 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 *Bolsa Mexicana de Valores, S.A.B. de C.V.* (Mexican Stock Exchange).

### Mexico's Macroeconomic Environment

Mexico is one of the largest economies in Latin America with nominal GDP of US\$1,144.3 billion in 2015 and a per capita GDP (PPP) of US\$17,276.6 according to the World Bank, 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 2.5%, 2.3% and 1.3% in 2015, 2014 and 2013, respectively, and is estimated to grow at 2.5% and 2.8% in 2016 and 2017, respectively, according to the World Bank. During 2015 the Mexican peso depreciated against the U.S. dollar, ranging from an average exchange rate of Ps.13.3 in 2014 to Ps.15.87 in 2015, and during 2016 the Mexican peso continued to depreciate, reaching Ps.19.17 per US\$1.00 on February 12, 2016. As of December 31, 2015, the unemployment rate was 4.2%, compared to 4.4% 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 World Bank, Mexico's growth is expected to strengthen at a moderate pace in 2016 and 2017, by 2.5% and 2.8%, 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 (*Congreso de la Unión*) 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 lower house of Congress passed a series of implementing secondary legislation to help reorder the energy industry. While Mexico's growth is expected to continue in 2016 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 5.03% by 2020 (compared to 3.56% in Brazil and 3.90% 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 (the Existing Sponsor). 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, OMA and the Existing Sponsor, as well as the airports operated by ASA, indicating the passenger traffic in each of the airports during 2015:

## Mexican Airport Groups

Airport	2015 Passenger Traffic (in millions)	Percentage of Total
<b>Existing Airport</b>	<b>38.43</b>	<b>33.82%</b>
<b>ASUR (total)</b>	<b>26.14</b>	<b>23.01%</b>
Cancún	19.60	17.25%
Mérida	1.66	1.46%
Villahermosa	1.27	1.12%
Veracruz	1.25	1.10%
Oaxaca	0.66	0.58%
Huatulco	0.62	0.55%
Cozumel	0.55	0.48%
Tapachula	0.27	0.24%
Minatitlán	0.26	0.23%
<b>GAP (total)</b>	<b>27.25</b>	<b>23.98%</b>
Guadalajara	9.76	8.59%
Tijuana	4.85	4.27%
San José del Cabo	3.52	3.10%
Puerto Vallarta	3.52	3.10%
Hermosillo	1.31	1.15%
El Bajío	1.47	1.29%
La Paz	0.62	0.55%
Mexicali	0.59	0.52%
Morelia	0.47	0.41%
Agua calientes	0.62	0.55%
Los Mochis	0.24	0.21%
Uruapan	0.11	0.10%
Manzanillo	0.17	0.15%
<b>OMA (total)</b>	<b>16.91</b>	<b>14.88%</b>
Monterrey	8.46	7.45%
Culiacán	1.43	1.26%
Chihuahua	1.11	0.98%
Ciudad Juárez	0.86	0.76%
Mazatlán	0.85	0.75%
Tampico	0.76	0.67%
Acapulco	0.73	0.64%
Zihuatanejo	0.56	0.49%
Torreón	0.56	0.49%
Reynosa	0.51	0.45%
San Luis Potosí	0.44	0.39%
Zacatecas	0.32	0.28%
Durango	0.32	0.28%

<b>ASA (total)</b>	<b>4.89</b>	<b>4.30%</b>
Campeche	0.18	0.16%
Chetumal	0.18	0.16%
Ciudad del Carmen	0.62	0.01
Ciudad Obregón	0.25	0.22%
Ciudad Victoria	0.08	0.07%
Colima	0.11	0.10%
Guaymas	0.02	0.02%
Loreto	0.06	0.05%
Matamoros	0.10	0.09%
Puebla	0.33	0.29%
Puerto Escondido	0.19	0.17%
Poza Rica	0.06	0.05%
Querétaro	0.50	0.44%
Tepic	0.11	0.10%
Toluca	0.87	0.77%
Tuxtla Gutierrez	1.12	0.99%
Uruapan	0.11	0.10%
<b>Total</b>	<b>113.6</b>	<b>100.00%</b>

In 2015 and the six-month period ended June 30, 2016, the Mexican airport system serviced approximately 113.6 million passengers and 60.3 million passengers, respectively, compared to 100.9 million passengers in 2014 and 54.6 million passenger during the six-month period ended June 30, 2015. From 2011 to 2015, growth in the number of passengers serviced by the Mexican aeronautical industry has increased at a compound annual rate of 9.2%. This trend is 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 destination 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 travel hub, point-to-point travel is not always possible on the main commercial airlines.

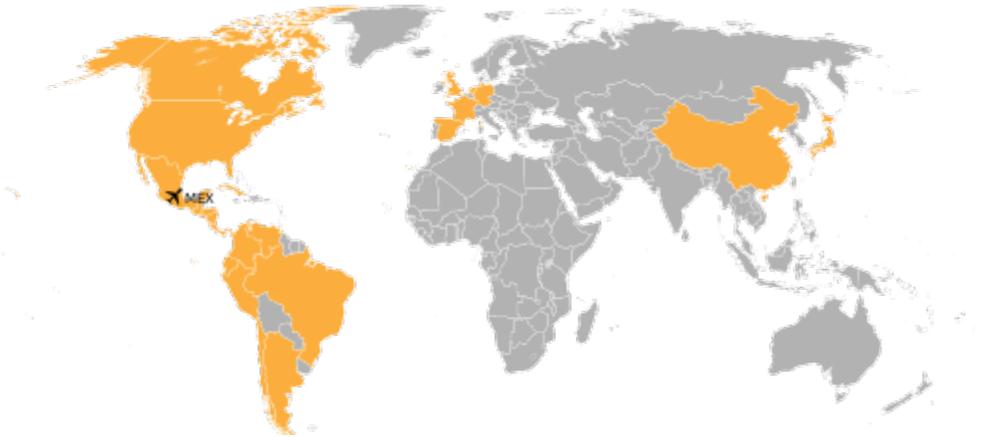
On December 18, 2015, the United States and Mexico entered into an Air Transport Agreement with the purpose of promoting and facilitating an international aviation system based on competition among airlines, to facilitate the expansion of international air transport opportunities and ensure the highest degree of safety and security in air transport. The new agreement, which replaced the current 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 nations, 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. We believe that our business has benefited from and will continue to benefit from bilateral aviation agreements with the United States.

## THE BENITO JUAREZ 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 Mexico's 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.

In terms of passenger traffic, in 2015, the Existing Airport ranked second to São Paulo in Latin America, 17<sup>th</sup> in the Americas and 45<sup>nd</sup> in the world. The Existing Airport hosts 26 airlines, including several major European and North American airlines, and is the worldwide hub of Aeroméxico and multiple other domestic airlines. The Existing Airport connects 52 domestic and 55 international destinations in Latin America, North America, Europe and Asia. The Existing Airport serves a range of market segments, including business and leisure travelers, origin and destination and transfer passengers, long and short haul routes, and full-cost, low-cost and charter carriers. The following map shows all countries served by flights from the Existing Airport, including seasonal destinations:



The Existing Airport's facilities include two terminals. Terminal 1 was opened in 1958 and was expanded multiple times through 2004. It occupies 332,136 square meters and includes 33 contact positions and 33 jetways. Terminal 2 was opened on November 15, 2007 and was formally inaugurated on March 26, 2008. It occupies 249,817 square meters and has 24 contact positions and 24 jetways. Overall, as of June 30, 2016, the Existing Airport had 60 gates, 57 of which were accessible by passenger walkways, and 51 remote positions.

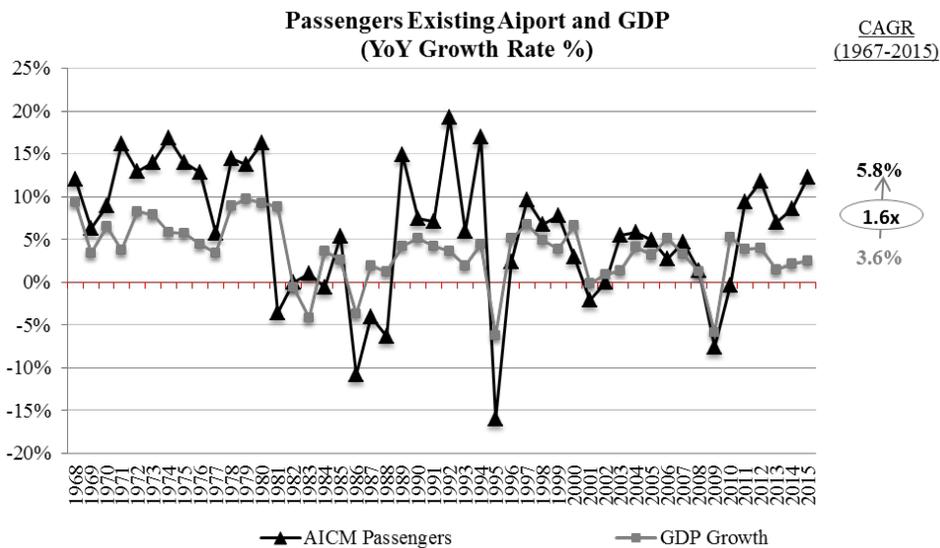
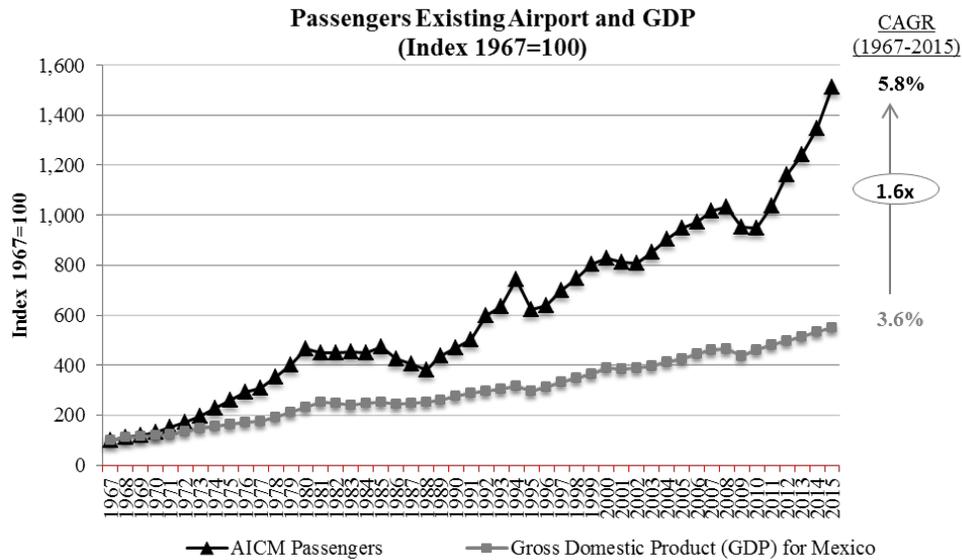
The Existing Airport is served by two non-simultaneous runways, each with a length of 3,457 meters and 3,985 meters, respectively. The airport also has an Instrument Landing System (ILS) that assists pilots in poor weather. The airport has 921 retail outlets located throughout Terminals 1 and 2. The general aviation building has an additional 581,952.63 square meters. The Existing Airport has over 6,517 public parking spaces and is served by metro services, extensive bus services and authorized taxis.

### Description of the Existing Airport's Operations

#### *Passenger Traffic*

According to SCT figures, the Existing Airport's commercial aviation passenger traffic accounted for approximately 33.9%, 33.9% and 33.8% of all departing commercial aviation passengers in Mexico in 2013, 2014 and 2015, respectively.

The Existing Airport has seen passenger traffic grow over the last 48 years at an annual compound rate of 5.8%. Historically, the Existing Airport's passenger traffic has correlated at a rate of 1.6 times the Mexican GDP. The following two charts show available data on historical passenger traffic at the Existing Airport by millions of passengers as compared to Mexican GDP and annual compound growth percentage of passenger traffic.



As shown above, passenger traffic has decreased on a yearly basis, only in those periods of economic crisis/recession. The largest drop in a single year occurred in 1995 (-16%). After each recession the capacity has recovered to its pre-crisis level over a period of 1 to 3 years.

The following table sets forth the number of passengers served by the Existing Airport based on flight destination for the years indicated.

Region	Years Ended December 31,				(%)
	2012	2013	2014	2015	
	(in thousands)				
Mexico.....	11,314.3	12,040.9	13,020.3	14,577.5	67.4%
United States.....	2,945.9	3,216.3	3,491.6	3,811.0	17.6%
Canada.....	0.5	0.6	0.5	0.6	-
Europe.....	1,014.0	1,070.2	1,138.4	1,248.5	5.8%
Latin America.....	1,380.3	1,543.1	1,681.8	2,000.5	9.3%
Asia and Others.....	-	-	-	-	-
<b>Total.....</b>	<b>16,655.0</b>	<b>17,871.0</b>	<b>19,332.5</b>	<b>21,638.0</b>	<b>100.0%</b>

Figures exclude private aviation passengers.  
 Figures include domestic flights taken by international passengers.  
 Source: SCT. Dirección General de Aeronáutica Civil (DGAC)

### Historical Paying Passenger Traffic

Historic trends in paying passenger traffic during the last three years and in the six-month period ending June 30, 2016 are discussed below. For year-by-year passenger figures with respect to passenger traffic and paying passenger traffic from 2011 to 2015 see “Historical Financial and Operating Information of the Issuer.”

	Years Ended December 31,			Six Months Ended June 30,	
	2013	2014	2015	2015	2016
	(in millions of passengers, except percentages)				
<b>Total Paying Passengers</b>					
Domestic Flights.....	8.2	8.7	9.7	4.5	4.9
International Flights.....	4.3	4.6	4.9	2.3	2.5
Total.....	<b>12.5</b>	<b>13.3</b>	<b>14.6</b>	<b>6.8</b>	<b>7.4</b>
Percentage Growth on Prior Year.....	-	6.6%	9.5%		8.1%

Source: Existing Sponsor

In the six-month period ended June 30, 2016, the Existing Airport transported 7.4 million paying passengers, representing an increase of 8.1% as compared to 6.8 million paying passengers in the same period in 2015. During the six-month period ended June 30, 2016, 4.9 million or 66.2%, were paying passengers boarding domestic flights, representing an increase of 7.7% as compared to 4.5 million paying passengers in the same period in 2015, and 2.5 million, or 33.8%, were paying passengers boarding international flights, representing an increase of 8.7% as compared to 2.3 million paying passengers in the same period in 2015.

In 2015, the Existing Airport transported 14.6 million paying passengers, representing an increase of 9.5% as compared to 13.3 million paying passengers in 2014. In 2015, 9.7 million, or 66.4%, were paying passengers boarding domestic flights, representing an increase of 11.5% as compared to 8.7 million paying passengers in 2014, and 4.9 million, or 33.6%, were paying passengers boarding international flights, representing an increase of 6.5% as compared to 4.6 million paying passengers in 2014.

In 2014, the Existing Airport transported 13.3 million paying passengers, representing an increase of 6.6% as compared to 12.5 million paying passengers in 2013. In 2014, 8.7 million, or 65.4%, were paying passengers boarding domestic flights, representing an increase of 6.1% as compared to 8.2 million paying passengers in 2013, and 4.6 million, or 34.6%, were paying passengers boarding international flights, representing an increase of 7.0% as compared to 4.3 million paying passengers in 2013.

Due to its limited potential for expansion, overall passenger growth at the Existing Airport is increasingly dependent on factors such as increased passenger numbers per aircraft, including through higher load factors and the introduction of larger aircraft, until the New Airport commences operations. See “—Capacity.”

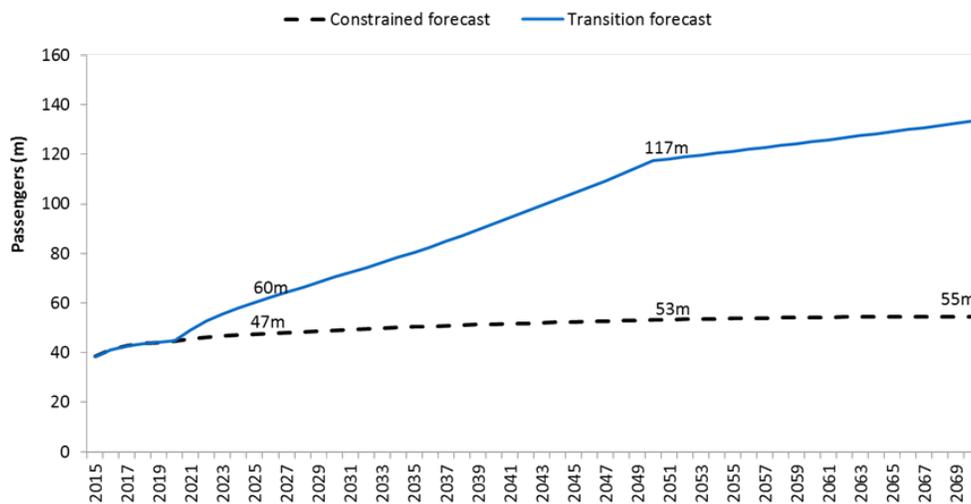
### Projected Passenger Traffic

Based on projections of passenger traffic as of September 2016, passenger traffic at the Existing Airport is expected to continue its positive growth through the opening of the New Airport. For 2016, passenger traffic is expected to increase to 41.2 million passengers, from 38.4 million passengers in 2015, driven by a continued expansion of the domestic market from a mix of full service carriers and low-cost airlines.

Since 2011, passenger traffic at the Existing Airport increased at a CAGR of 9.8%. 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. For example, while the passenger traffic at the Existing Airport is expected to grow at a CAGR of 4.3% between 2016 and 2025 in an unconstrained scenario, projected passenger traffic in a constrained scenario is expected to grow at a CAGR of 1.6%.

Incremental increase of passengers per ATM in the long term to a maximum of 135 passengers, through the use of larger aircraft and higher load factors can maximize the runway capacity of the Existing Airport to approximately 55 million passengers per annum, compared to an unconstrained forecast of 60.2 million passengers per annum by 2025 and 117.4 million passengers per annum by 2050. The table below presents projected passenger growth between 2015 and 2070, when the New Airport is expected to operate at its maximum capacity.

### Long Term Passenger Forecast – Constrained vs. Unconstrained Scenarios



### Cargo Traffic

In the year 2015, the Existing Airport served approximately 58% of Mexico’s total cargo traffic of approximately 770 thousand tons and hosts 14 cargo airlines that fly from and to Europe, North, Central and South America, the Middle East and Asia.

### 2015 Cargo (tons)



## *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, domestic passenger traffic is expected to grow at a constrained CAGR of 1.1% between 2016 and 2025 and international passenger traffic is expected to grow at a CAGR of 2.4% during that period, according to the Independent Traffic Report. 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:

- limitation of airport use by non-commercial aircraft;
- optimization of processes related to gate arrival, departure and use of taxi runways;
- implementation of new procedures for turboprop aircraft takeoffs;
- 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.

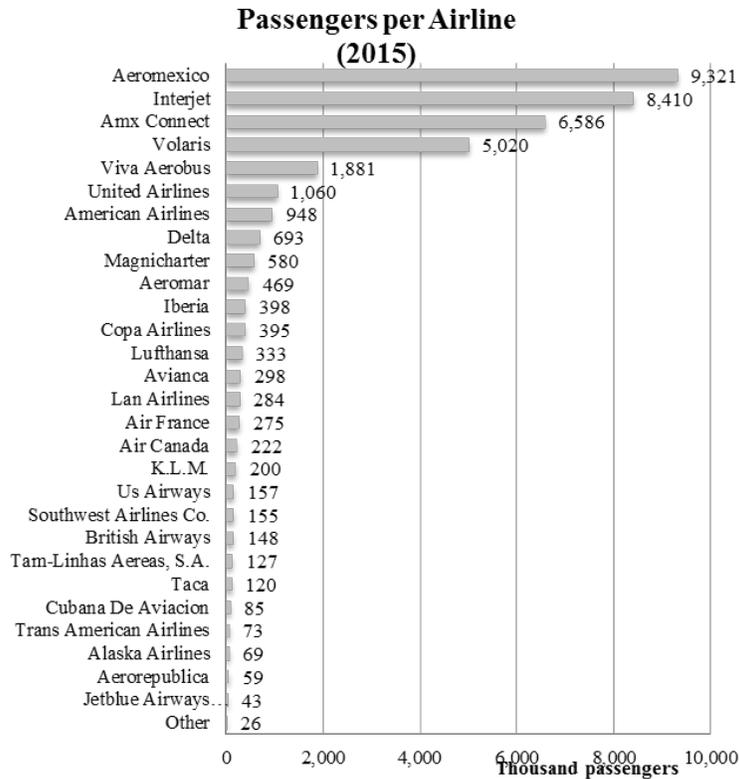
However, because of the limitations imposed by the physical and geographical constraints at the Existing Airport, the above optimization measures are considered palliative and short-term remedies that will not accommodate the projected long-term growth in passenger traffic volume at Mexico City, which is expected to reach 125 million passengers per year by the year 2065. The New Airport is a long-term solution to both accommodate expected passenger growth and attract additional traffic due to increased efficiency. See "The New Airport Development Project."

## *Airlines*

The Existing Airport is designated as international airport under Mexican law, which indicates that it is equipped to receive international flights and have customs and immigration facilities. The Existing Airport hosts 26 passenger airlines that connect Mexico City and domestic and international destinations in Latin America, North America, Europe and Asia. The airport serves as a hub for several national airlines including Interjet, Volaris, Aeromar, Magnicharters and Aeroméxico, which recently signed an agreement with Delta Airlines with the aim of creating a stronger alliance. The Aeroméxico—Delta joint venture recently obtained clearance from the Mexican Antitrust Commission and is awaiting U.S. government approval. In addition, as of June 30, 2016, 19 international airlines, including United States-based airlines such as American Airlines, Southwest, TedDke and United Air Lines, as well as Air France, British Airways, Iberia, KLM, Lufthansa and 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.

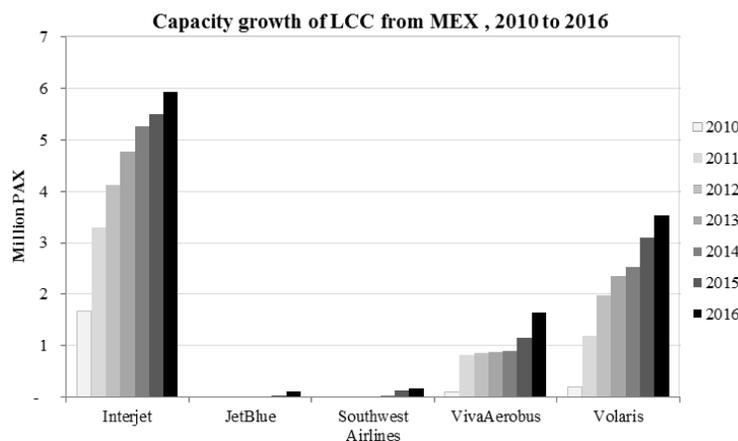
Airlines operating at the Existing Airport reach 107 destinations, including several major international routes such as Mexico City-Los Angeles, which, in 2015, ranked among the busiest international routes in Mexico by total number of passengers according to the Mexican Bureau of Civil Aviation. International airlines such as United Airlines, American Airlines, Delta Airlines and Avianca Holdings fly multiple times per day from the Existing Airport's terminals. Airlines such as Iberia and Air France offer transatlantic flights from Mexico City to Madrid and Paris. Domestic airlines such as Aeroméxico and Interjet operate the most departures to the most destinations, including destinations in Central and South America and Asia.

In 2015, 10 airlines were responsible for approximately 85.8% of passenger charges collected at the Existing Airport, and for transporting approximately 91% 90.8% of the total passenger traffic; the top five airlines transported approximately 81% of passenger traffic, while the top three airlines transported approximately 63% of total traffic. The following chart sets out market share of passenger traffic per airline at the Existing Airport:



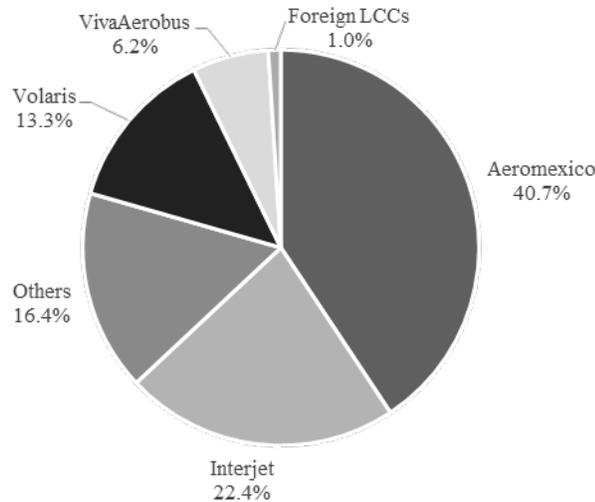
In 2015, Aeroméxico held approximately 41.4% of the share of passenger traffic at the Existing Airport, with five other domestic airlines, Interjet, Volaris, VivaAerobús, Magnicharter and Aeromar representing approximately 42.6% of passenger traffic.

According to the Independent Traffic Report, 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 States to commercially develop more trans-border services. The following chart shows the capacity growth of low-cost airlines operating at the Existing Airport from the years 2010 to 2016:



The following chart shows the share of Aeroméxico, the lead carrier, and the main low-cost airlines at the Existing Airport in terms of capacity in 2016:

**Capacity share of the LCC at MEX airport in 2016**



### ***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 2015, the Existing Airport was the primary airport within the group of five, accounting for 95% of domestic and 97% of international seat capacity.

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. Historically, the Existing Airport lost some share to the Toluca International Airport as low-cost airlines developed services at the latter and also through the collapse of Mexicana de Aviación. However, since 2008/2009, the Existing Airport has been growing strongly while the Toluca International Airport lost 71% of its passenger traffic. The Existing Airport also benefits from good links into the wider bus network serving Mexico City, although the Toluca International Airport is close to certain higher-income and business center areas in 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 and 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, 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.

## *Security*

The Mexican Department 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 our 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 General Office of Civil Aviation issued directives in October 2001 establishing new rules and procedures to be adopted at our airports. 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 General Office 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*

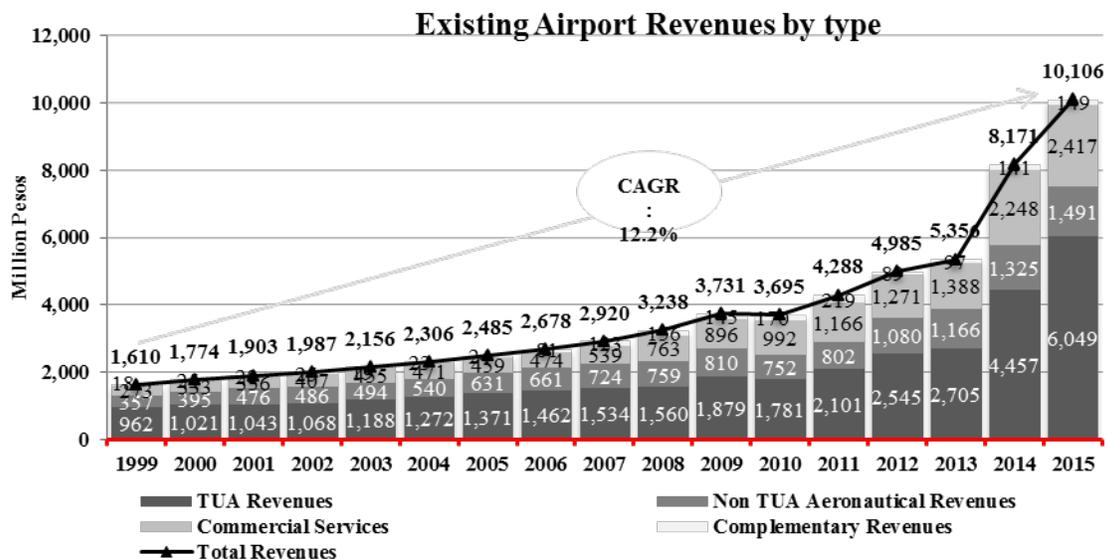
The Existing Sponsor maintains the following insurance coverage for the Existing Airport:

- **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 (Aerotren); 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**.

### Key Sources of Revenue

The Existing Airport is subject to economic regulation by the Mexican Airports Law and the Existing Airport Concession. The Existing Airport generates four primary types of revenues: fees charged for aeronautical services, complementary services, commercial services, and other services (such as parking and ground transportation). The Existing Airport Concession generally allows it to provide these services directly or through third parties. The chart below represents the total revenue by source in the past 25 years:



The Existing Sponsor operates the Existing Airport under a concession from the Mexican government, which allows it to provide a wide range of passenger services. Since 2013, the Existing Sponsor 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 the Existing Sponsor and ASA on August 30, 2013, which consisted of fixing payments to ASA according to a schedule for the years 2013 through 2016 and, afterwards, at Ps.1,331.2 million payable in monthly installments as adjusted on a monthly basis for cumulative inflation from December 2012, compared to a payment of 33% of total gross revenues of the Existing Airport prior to such amendment; and second, the implementation of the extraordinary increase of 38.1% and 74.3% in the Domestic Tariff and International Tariff at the Existing Airport, respectively, effective as of January 16, 2014. Since then, other revenues generated by the Existing Sponsor which are not pledged to the Security Trust (including revenues from airport services, complementary services and commercial services) have been sufficient to cover all operating and maintenance expenses of the Existing Airport. These include 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*

The Existing Airport levies two types of airport charges:

- **Passenger charges** are based on the number of paying passengers on board in an aircraft and are levied in respect of all departing paying passengers on domestic and international flights. There is no charge in respect of crew members working on flights, children under two years of age, foreign diplomats and passengers in transit on connecting flights. See “Passenger Charges and Collection of Passenger Charges.”
- **Aircraft landing charges, parking charges, passenger walkway charges and security charges** are collected from carriers for the use of the Existing Airport facilities by their aircraft and passengers. For each aircraft’s arrival, a landing charge is collected that is based on the average of the aircraft’s maximum takeoff weight and the aircraft’s weight without fuel. Aircraft parking charges are also collected and based on the time an aircraft is at an airport’s gate or parking position. Parking charges at several of our airports vary based on the time of day that the relevant service is provided (with higher fees generally charged during peak usage periods at certain of our airports). Aircraft parking charges are applied the entire time an aircraft is on the Existing Airport’s aprons. Airlines are also assessed charges for the connection of their aircraft to the Existing Airport’s terminals through a passenger walkway. The Existing Airport also assesses an airport security charge, which is collected from each airline based on the number of its departing passengers.

## *Complementary Services*

The Existing Airport earns revenue from access fees charged to various 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. Under current regulations, these services may be provided by the Existing Airport under its concession, or by a carrier or a third party hired by the Existing Airport or the carrier. 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. Under the Mexican Airport Law, third-party providers of complementary services are required to enter into agreements with the concession holder at each airport, in this case the Existing Airport.

Consorcio Aeroméxico, the parent of the Aeroméxico airline, owns Administradora Especializada en Negocios, S.A. de C.V., or Administradora Especializada, the successor company to Servicios de Apoyo en Tierra, a company that provides certain complementary services, such as baggage handling, to various carriers at airports throughout Mexico, including the Existing Airport.

## *Commercial Services*

The Existing Airport generally generates a significant portion of its revenues 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 terminal design, 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.

## *Other Services*

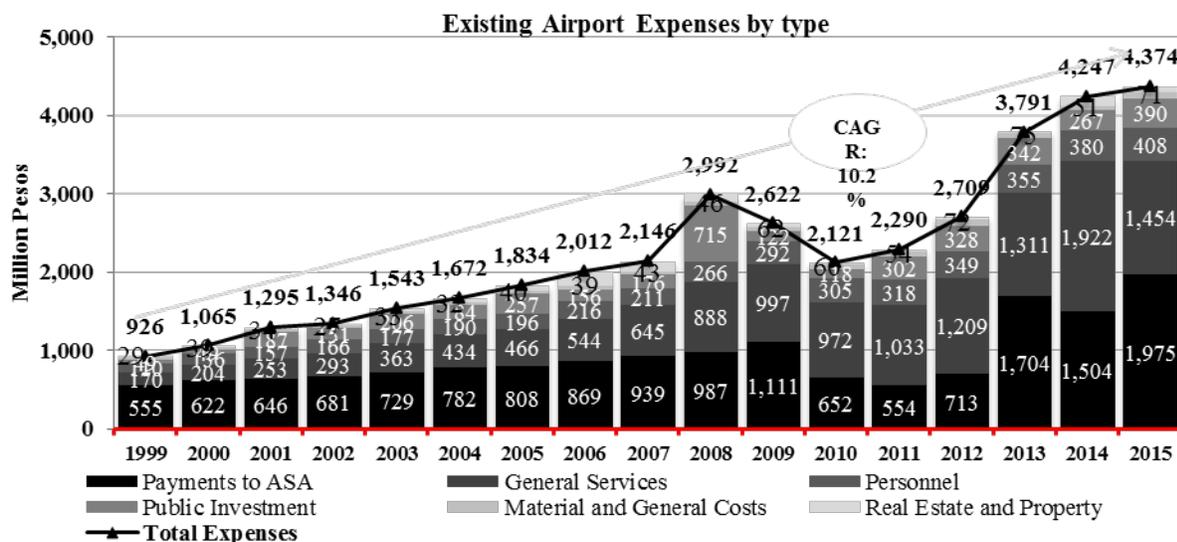
The Existing Airport also provides other services, including automobile parking and ground transport and airport security services.

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. 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.

### Expenses and Capital Expenditures

The Existing Airport has six primary types of cash expenses: payments to ASA under the Services Agreement between the Existing Sponsor and ASA, general services, personal services, material and general costs, real estate and property, and public investment. The chart below represents the total cash expenses by source during the past 17 years:



(1) During 2008 "Public Investment" included extraordinary expenses related to the construction and beginning of operations of Terminal 2.  
 (2) During years 2010 to 2012, the compensation under the agreement between the Existing Sponsor and ASA then equivalent to 33% of gross revenues from AICM was not paid in full and AICM recorded unpaid amounts to ASA for a total of Ps.2,032,888,822.59. On June 28th 2013 was signed between ASA and AICM an Indebtedness Recognition and Form of Payment Agreement whereby AICM recognized its obligations to repay amounts owed to ASA, which were fully repaid in the period between 2013 and 2015. Payments to ASA shown in chart above for years 2013 to 2015 include repayment of such amounts owed.  
 Source: Existing Sponsor.

### Agreement between ASA and the Existing Sponsor

The Existing Sponsor fully operates and manages the Existing Airport with its own resources. However, since 1998, the Existing Sponsor 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 the Existing Sponsor 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 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.

During 2015, payments to ASA (including repayment of past obligations) represented 45.2% of the Existing Airport's total cash expenses.

### ***General Services***

The Existing Airport requires a wide range of services for its proper operation. Historically, general services accounted for the largest portion of the Existing Airport's total expenses, excluding payments under the services agreement between ASA and the Existing Sponsor. Expenses for general services include:

- Administrative services provided to the Existing Sponsor by its affiliate Servicios Aeroportuarios de la Ciudad de México S. A. de C.V., a subsidiary of the New Sponsor;
- Basic services, including postal, telephone and cell phone services, electricity, gas and water supply, radiolocation service and analog signals service;
- Leasing of buildings, machinery, equipment, computer equipment and other relevant items;
- Professional, scientific, technical and other advisory and consulting services, including training and computer services;
- Financial, banking and commercial services, including insurance services and payment of duties, freights, patents, among others;
- Installing, repairing and maintenance of computer equipment, vehicles and other assets required for the Existing Airport's operation; and
- Other general services such as publicity, social media, official services, transfer services, among others.

### ***Personnel***

The Existing Airport incurs in costs related to its staff team and the rest of the personnel involved in the management and operation of the Existing Airport. Such expenses include, among others, remuneration to permanent staff and transitory staff, special remunerations and severance payments, social security and social and economic labor benefits.

### ***Public Investment (CAPEX)***

This category is related to maintenance of the Existing Airport and includes investment in public works required to maintain the Existing Airport in proper operating conditions and in compliance with national and international standards.

### ***Real Estate and Property***

The Existing Airport also incurs in costs related to maintenance and acquisition of machinery and assets related to its operations. The main subcategories of these type of expenses are machinery and tools for administration, educational tools, real estate assets and other assets, machinery and tools.

### ***Material and General Costs***

This category of expenses includes expenses related to general supplies, tools and uniforms for the Existing Airport's staff, fuels and additives for official vehicles, tools and minor spare parts, commodities, administration equipment, equipment for the issuance of official documents, among others.

## Description of the Existing Sponsor

The Existing Sponsor is a direct subsidiary of the New Sponsor, a majority state-owned entity with its own legal personality and assets. See “The New Airport– Description of the New Sponsor.” The Existing Sponsor began formal operations on November 1, 1998, the date on which the Existing Airport Concession was granted. The Existing Sponsor fully operates and manages the Existing Airport.

The Existing Sponsor’s management consists of the following departments:

- **General Management**, which is subdivided into Operations, Commercial Services, Administrative and Legal departments;
- **Terminal Assistant Management**, including one assistant manager responsible for each terminal; and
- **Corporate Coordination Assistant Management**, including social communications and administration of the Official Room at the Existing Airport.

The Existing Sponsor employed 1,183 direct employees as of June 30, 2016, as compared to 1,140 as of June 30, 2015 and 1,128 as of December 31, 2014.

## Board of Directors

The following table sets forth the current members of the Existing Sponsor’s Board of Directors, their respective positions and their affiliation within the Mexican government:

<u>Name</u>	<u>Alternate</u>	<u>Affiliation</u>
Gerardo Ruiz Esparza	Yuriria Mascott Pérez	SCT
Roberto Kobeh González	Rubén Campos Mora	SENEAM
Miguel Peláez Lira	Vacant	SCT
Alfonso Sarabia de la Garza	Oscar Chanona García	Auxiliary Services Agency
Alejandro Sibaja Ríos	Fernando López Moreno	Ministry of Finance and Public Credit
María de Rocío Ruiz Chávez	Elsa Regina Ayala Gómez	Ministry of Economy
Vacant	Victor Manuel Vargas Ramírez	Ministry of the Interior
Vacant	José Ángel Díaz Rebolledo	Ministry of Tourism
Rodrigo Ramírez Reyes	José Armando Ruíz Massieu	SCT
Federico Patiño Márquez	Aguirre Ricardo Dueñas Espriu	Grupo Aeroportuario de la Ciudad de México, S.A. de C.V.
Vacant	Francisco Loera Aguilar	SCT

The following sets forth biographical information for each of the members of the Existing Sponsor’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.

*Roberto Kobeh González* has served as a member of the Board 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 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 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 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 since 2014. She has served as Undersecretary for Competitiveness and Normativity at the Ministry of Economy.

*Rodrigo Ramírez Reyes* has served as a member of the Board since 2012. He serves as “Oficial Mayor del Ramo” at SCT.

*Federico Patiño Márquez* has served as member of the Board since 2015. He has served as Chief Executive Officer of Grupo Aeroportuario de la Ciudad de Mexico, S.A. de C.V. since 2015. Mr. Patiño held studies in Law at the Universidad Nacional Autónoma de México (UNAM). He has served as Director of Investment Banking and Corporate Financing at the Fondo Nacional de Infraestructura (FONADIN) and held several positions at Nacional Financiera, S. N. C., Institución de Banca de Desarrollo (NAFIN).

*Yuriria Mascott Pérez* has served as a substitute member of the board 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 Mexican Airports and Auxiliary Services Agency.

*Rubén Campos Mora* has served as a member of the Board since 2015. He serves as Deputy General Director of Finance at the SENEAM.

*Oscar Chanona García* has served as a member of the Board since 2015. He serves as Director of Legal Affairs at ASA.

*Fernando López Moreno* has served as a member of the Board since 2015. He serves as Deputy General Director of Budgeting and Programming for Social Development, Labor, Economics and Communications at the Ministry of Finance and Public Credit.

*Elsa Regina Ayala Gómez* has served as a member of the Board 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 a member of the Board since 2014. He serves as Federal Delegate in Mexico City for the Nacional Immigration Institute at the Ministry of the Interior.

*José Angel Díaz Rebolledo* has served as a member of the Board since 2015. He serves as General Director for Management of Destinations at the Ministry of Tourism.

*José Armando Ruiz Massieu Aguirre* has served as a member of the Board since 2012. He serves as General Director for Programming, Organization and Budgeting at the SCT.

*Ricardo Dueñas Espriu* has served as a member of the Board since 2015. He serves as Chief Financial Officer of Grupo Aeroportuario de la Ciudad de México, S.A. de C.V.

*Francisco Loera Aguilar* has served as a member of the Board since 2014. He serves as Deputy Director of the Legal Affairs Unit at the SCT.

Pursuant to the Federal Law of Governmental Entities, no potential material conflicts of interest shall 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

The business address of the Existing Sponsor's directors is Avenue Capitán Carlos León S/N. Gate E2, Third Floor, Colony Peñón de los Baños, Venustiano Carranza, Postal Code 15620, Mexico City, Mexico.

### **Key Executive Officers**

The Chief Executive Officer of the Existing Sponsor is appointed by the Board of Directors and holds office at its discretion. The Existing Sponsor's current key executive officers are as follows:

<b>Name</b>	<b>Position</b>	<b>Year Appointed</b>
Alexandro Argudín Le Roy	Chief Executive Officer	2014
Victor Manuel Muñoz de Cote Navarro	Chief Administration Officer	2014
Sergio Saavedra Arrellano	Chief Legal Officer	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 executive officers of the Existing Sponsor:

*Alexandro Argudín Le Roy* has served as Chief Executive Officer of the Existing Sponsor since 2014. Mr. Argudín holds an Administration in Tourism degree from the *Centro de Estudios Tecnológicos Internacional de Turismo*. He has served in the General Direction of Civil Aviation (*Dirección General de Aeronáutica Civil*), 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 the Existing Sponsor 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 the Existing Sponsor 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 the Existing Sponsor 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 the Existing Sponsor since 2014. Mr. Subirats holds an Engineer degree from the *Escuela Superior de Ingeniería Mecánica y Eléctrica del I.P.N.* He has served in the General Direction of Civil Aviation (*Dirección General de Aeronáutica Civil*), 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.

## Shareholders

The SCT owns 0.01% of the Existing Sponsor's shares and the New Sponsor owns 99.99% of the Existing Sponsor's shares. The following table sets forth information concerning the Existing Sponsor's share ownership structure as of June 30, 2016:

Shareholder	Number of Shares of Common Stock	Percentage Ownership of Common Stock
Grupo Aeroportuario de la Ciudad de México, S.A. de C.V. ....	105,244,179	99.999%
SCT .....	1	0.0001%
<b>Total</b> .....	<b>105,244,180</b>	<b>100.0%</b>

Source: Existing Sponsor

## Description of the Existing Airport Concession

On June 29, 1998, the Mexican government granted the Existing Airport Concession to the Existing Sponsor, 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 maintain the Existing Airport Concession, the Existing Sponsor will be required to comply with all regulatory standards applicable to concessionaires. We believe 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 the Existing Sponsor under the Existing Airport Concession.

## Master Development Plan

In June 2011, the SCT approved the Existing Airport's current master development plan for the period 2012-2016. This plan is in effect from January 1, 2012 to December 31, 2016. The preparation of the master development plan for the next-five year period for the Existing Airport is currently underway.

The following table sets forth the Existing Airport's committed investments for the regulated part of its business pursuant to the terms of our current master development plan for the period presented. Even though the Existing Sponsor is committed to invest the amounts in the table, those amounts could be lower or higher depending on the cost of each project.

### Committed Investments Under Master Development Plan for 2012-2016

Year Ended December 31,				
2012	2013	2014	2015	2016
(in millions of pesos)				
486.35	311.4	281.4	249.4	267.4

Source: Existing Sponsor

See "The Mexican Regulatory Framework—Scope of the Concessions and Obligations of Each Sponsor Thereunder—Master Development Plans."

## 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 in Mexico City 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 the New Sponsor, 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 site in 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 airports in Latin America in terms of passenger traffic and an important regional hub. The New Airport is expected to have an initial capacity of approximately 57 million annual passengers during its initial phase of operations, and increase progressively to reach 125 million annual passengers by 2065. 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 simultaneous runways and 108 boarding gates, and expand to achieve its maximum capacity to six triple-simultaneous runways and 191 boarding gates by 2065.

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, with participation in the development of more than 550 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 US\$13.3 billion, of which approximately 60% will be contributed by the Mexican government through the use of public funds, and approximately 40% is expected to be financed through bank debt, including the Credit Agreement, and the offering of debt securities in the domestic and international capital markets, including the Notes. 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 passenger charges, which have been irrevocably assigned to the Security Trust. See “Finance and Collateral Structure—The Repayment and Collateral Structure—Overall Funding Plan.”

## 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) certification. The terminal structure is designed to capture sun power, collect rainwater, provide shade and direct daylight, while meeting high thermal and acoustic standards. For a large part of the year, the building will maintain comfortable temperatures with little or no addition of artificial heating or cooling. At its initial stage, the New Airport will have a single terminal building strategized to minimize costs and maximize experience, ensuring short walking distances and few level changes, without the need of using internal trains or tunnels. In addition, the terminal building will be built over a giant raft, as a floating structure, designed to protect it from earthquakes and other tremors caused by the nearby Popocatepetl volcano.

Construction of the New Airport is expected to take place in two phases. The first phase is expected to take approximately 6 years and consists on the construction of an initial terminal. After completion of the initial phase, the New Airport is expected to be fully operational and will operate as the sole Mexico City airport after an overnight transition from the Existing Airport. The second phase of construction will expand the New Airport's capacity over the following 45 years, at which point the New Airport is expected to operate at its maximum development.

In addition, the development of the initial phase of the New Airport requires the completion of four stages:

- Development of studies, planning and design,
- Construction,
- Testing period and obtaining of certifications, and
- Starting of operations.

The construction works will be allocated in 21 bidding packages that will be awarded to construction companies following public tender processes. 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. The public bids for awarding the first set of construction packages are currently in process.

As of June 30, 2016, the New Sponsor has hired the following advisors:

- Parsons Corporation, as project manager;
- ARUP Group Limited, for development of the Master Plan for construction;
- 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; and
- BCG, as the business plan developer.

## 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 initial 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 after fully operational.

	<u>Existing Airport</u>	<u>New Airport – First Phase*</u>	<u>New Airport Fully Developed**</u>
	(as of December 31, 2015)	(projected information; % change versus Existing Airport)	(projected information; % change versus Existing Airport)
Passengers per year .....	38,433,012	57,000,000 (48% )	125,000,000 (225% )
ATMs per hour.....	62	144	175
ATMs per year .....	380,000	855,000	956,441
Runways .....	2 (non-simultaneous)	3 (triple-simultaneous) (50%)	6 (triple- simultaneous) (200%)
Boarding gates.....	60	108 (80.0%)	191 (218.3% )
Total land (hectares).....	769	4,431 (476%)	4,431 (476%)
Terminal building (m <sup>2</sup> ).....	581,953	743,000 (28%)	Subject to development plans

\* Expected to be completed by 2020.

\*\* Expected to be completed by 2065.

Source: Existing Sponsor.

## 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, 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.

## Expected Capacity

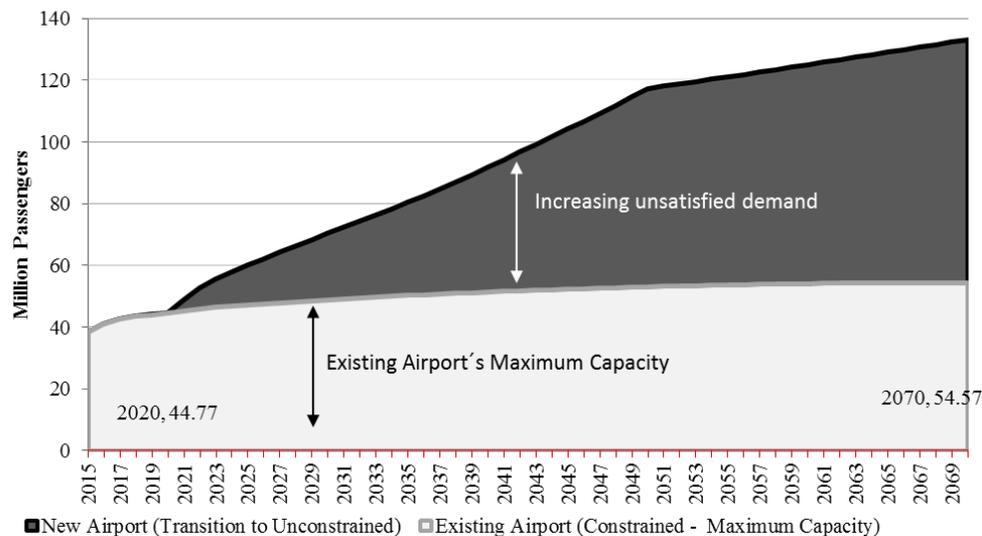
During its first phase of operations, the New Airport is expected to have a theoretical capacity of 144 ATMs per hour, or 855,000 ATMs per annum, allowing it to accommodate 57 million passengers per year, as compared to the Existing Airport's current capacity of 62 ATMs per hour or approximately 380,000 annual ATMs, equivalent to approximately 38.4 million passengers per year.

After completion, the New Airport is expected to reach a maximum theoretical capacity of 175 ATMs per hour, or 956,441 ATMs per annum, allowing it to accommodate 125 million passengers per year. Theoretical capacity is determined by the Independent Traffic Consultant by considering the maximum hourly throughput of each type of stand at the airport (e.g. contact or remote), assuming an efficient turnaround time for the largest aircraft capable of using the stand.

## Projected Passenger Traffic

According to the projections included in the Independent Traffic Report, once the first phase of the New Airport's construction is complete and the New Airport is operational, Mexico City passenger traffic will no longer be constrained by the landing slot restrictions at the Existing Airport. By 2025, passenger traffic volume at the New Airport is expected to reach the unconstrained medium-term forecast of 60.2 million passengers per year at a CAGR of 4.3% per year between 2016 and 2025. The chart below demonstrates the projected growth rates for the New Airport through 2025 and post 2025 assuming completion of the first phase of the New Airport's construction and an opening in October of 2020.

**Long-Term Passenger Forecast and CAGR**



From 2016 to 2025, passenger traffic is expected to grow at a CAGR of 4.3%, with domestic passenger traffic growing at a slower CAGR of 2.6%, and international passenger traffic growing at a CAGR of 7.2%. Following 2025, growth rate is expected to be more moderate, at around 2.7% per annum between 2025 and 2050, with international traffic growth increasing at a CAGR of 2.9% and domestic traffic growth increasing at a CAGR of 2.6%. The overall long-term passenger traffic growth from 2015 through 2070, when traffic is forecasted to potentially reach approximately 133.3 million passengers per year, is expected to be 2.3% per year.

### 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**, awarded to the New Sponsor as of September 22, 2014;
- **2015 Federal Budget for the New Airport**, approved by the Mexican Congress on December 31, 2014. 2016 Congressional approval for subsequent annual budgets must be sought each year;
- **The Environmental Impact Assessment Resolution** for the New Airport was obtained as of November 28, 2014; and
- **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.

## Description of the New Sponsor

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 the Existing Sponsor, as concessionaire of the Existing Airport, and of Servicios Aeroportuarios de la Ciudad de México, S.A. de C.V., a company responsible for providing administrative services to the New Sponsor and the Existing Sponsor. The New Sponsor owns 99.9% of the shares of the Existing Sponsor and owns 99.9% of the shares of SACM.

As of June 30, 2016 the SCT owns 99.9% of the New Sponsor's shares and ASA owns 0.01% of the New Sponsor's shares. The following chart sets out the New Sponsor's corporate structure.



## Board of Directors

The following table sets forth the current members of the New Sponsor's Board of Directors, their respective positions and their affiliation within the Mexican government:

<u>Name</u>	<u>Alternate</u>	<u>Affiliation</u>
Gerardo Ruiz Esparza.....	Yuriria Mascott Pérez	SCT
Vacant.....	Ardelio Vargas Fosado	Ministry of the Interior
Alejandro Sibaja Ríos.....	Vacant	Ministry of Finance and Public Credit
Jorge León Wolpert Kuri.....	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.....	Roberto Benjamín Cabral y Bowling	Ministry of Tourism
José Rogelio Garza Garza.....	Héctor Márquez Solís	Ministry of Economy
Alejandro Medina Mora Nieto.....	Vacant	National Water Commission
Alfonso Sarabia de la Garza.....	Jorge Nevárez Jacobo	ASA

The following sets forth biographical information for each of the members of the New Sponsor's Board of Directors:

*Gerardo Ruiz Esparza* has served as 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 Ríos* has served as member of the board since 2014. He served 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.

*Jorge León Wolpert Kuri* serves as Director of the Administrative Area for Urban and Housing Development as part of the Ministry of Agrarian, Territorial and Urban Development. Dr. Wolpert Kuri holds degree of Architecture from the *Universidad Iberoamericana*, with a master's and doctorate in Architecture and Renewable Energy, both degrees obtained from the University of Nottingham, UK. He served as a consultant in Renewable Energy and Environment for the World Bank. In the public sector he has worked at the Ministry of Energy and the National Commission for Housing in Mexico.

*Alfonso Flores Ramírez* has been a member of the board since 2014. He is the General Director for the Administrative Unit for Integral management of Materials and Risk Activities at the Ministry of the Environment and Natural Resources. Mr. Flores holds a degree in Industrial Chemical Engineering from the Technological Institute of 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 since 2014 and is currently placed in the Ministry of Tourism as Under ministry for Tourism Planning and Policy. He has a degree in Economics by 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 Garza* has served as a member of the Board since 2014. He has served as Undersecretary for Industry and Trade at the Ministry of 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 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 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 a substitute member of the board 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 Mexican Airports and Auxiliary Services Agency.

*Ardelio Vargas Fosado* has served as a substitute member of the board since 2015. Mr. Vargas 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 National Center of Planning, Analysis and Information; and as President of the National Defense Commission.

*Francisco Covarrubias Gaytán* has served as a substitute member of the board since 2015. Mr. Covarrubias holds a degree in Architecture from the National Autonomous University of Mexico, as well as a Master's in Urbanism and has accredited 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 referring to urban development. He has also worked as Subsecretary for Urban Development for Mexico City and served as Secretary of Urban Development and Housing for the State of Mexico. He currently works at the Ministry of Agrarian, Territorial and Urban Development.

*Roberto Benjamín Cabral y Bowling* has served as a substitute member of the board since 2015. Mr. Cabral is currently the General Director of Planning for the Ministry of Tourism. Mr. Cabral is an Economist and has given lectures and classes at the *Universidad Nacional Autónoma de México*. He has published two books on economy and various papers concerning alternate energy.

*Héctor Márquez Solís* has served as a substitute member of the Board since 2014. He serves as Head of National Content and Promotion of Production Chains in the Energy Sector Unit at the Ministry of Economy. Mr. Márquez holds a Business Administration degree from the Universidad Independiente de Nuevo León, and a Ph.D. in Economics from the University of Rochester.

*Jorge Nevárez Jacobo* has served as a substitute member of the Board 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 in Applied Sciences from the University of Waterloo.

Pursuant to the Federal Law of Governmental Entities, no potential material conflicts of interest shall 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.

The business address of the New Sponsor's directors is Insurgentes Sur 2452, 2<sup>nd</sup> floor, Col. Tizapán, Del. Alvaro Obregon, 01090 Mexico City, Mexico.

### **Key Executive Officers**

The Chief Executive Officer of the New Sponsor is appointed by the Board of Directors and holds office at its discretion. The New Sponsor's current key executive officers are as follows:

<b>Name</b>	<b>Position</b>	<b>Year Appointed</b>
Federico Patiño Márquez.....	Chief Executive Officer	2015
Ricardo Dueñas Espriu.....	Chief Financial Officer	2015
Raúl González Apaolaza.....	Chief Infrastructure Officer	2014
Rafael Francisco Salgado Perez.....	Chief Administration Officer	2015

The following sets forth selected biographical information for each of the executive officers of the New Sponsor:

*Federico Patiño Márquez* has served as Chief Executive Officer of the New Sponsor since 2015 and previously served as Chief Financial Officer of the New Sponsor 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. (BANOBAS) 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. Mr. Patiño held studies in Law at the Universidad Nacional Autónoma de México (UNAM).

*Ricardo Dueñas Espriu* has served as Chief Financial Officer of the New Sponsor 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, from 2002 to 2004 he worked as analyst in Banco de México, during 2006 he worked in a hedge fund in New York and in 2005 he worked as advisor for the Mexican Representation of the OECD in Paris. He also gives lectures at the Instituto Tecnológico Autónomo de México (ITAM). Mr. Dueñas holds an Economics degree from the ITAM, a Master in Business Administration from Harvard Business School and a Master in Public Administration from Harvard Kennedy School. In 2004 he was awarded with the IMEF National Prize of Economics.

*Raúl González Apaolaza* has served as Chief Infrastructure Officer of the New Sponsor since 2014. 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.

*Rafael Francisco Salgado Pérez* has served as Chief Administration Officer of the New Sponsor since 2015. He served as Budget Sub-director of the New Sponsor during 2014 to 2015 and from 1992 to 2013 he held several positions at Petróleos Mexicanos (PEMEX) including, advisor of different Pemex’s subsidiaries and affiliated entities, Manager of Budgetary Control, Advisor of the Finance Corporate Director and the Sub-director of Financial Information Systems and Manager of Regulation and Technical Support of the Asset Administration Unit. He also served as Sub-director of Acquisitions and Project Administration of Fertimex from 1985 to 1989, as General Director of Public Service for the Mexican Ministry of Planning and Budget and Sub-director of Budgetary Regulation for the Mexican Ministry of Finance and Public Credit. Mr. Salgado holds a Business Administration degree from the Universidad Nacional Autónoma de México (UNAM).

## Shareholders

The SCT owns 99.9% of the New Sponsor’s shares and ASA owns 0.01% of the New Sponsor’s shares. The following table sets forth information concerning the New Sponsor’s share ownership structure as of June 30, 2016:

Shareholder	Number of Shares of Common Stock	Percentage Ownership of Common Stock
SCT .....	22,131,009,144	99.999%
ASA .....	1	0.001%
<b>Total</b> .....	<b>22,131,009,145</b>	<b>100.00%</b>

## Description of the New Airport Concession

On September 22, 2014, the New Sponsor 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.

We believe that the New Sponsor 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, the New Sponsor will be required to comply with all regulatory standards applicable to concessionaires. 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 the New Sponsor under the New Airport Concession.

## FINANCING AND COLLATERAL STRUCTURE

*The following summary of certain provisions of the instruments evidencing our material indebtedness does not purport to be complete, but it does discuss the provisions that are, in our view, material for investors in the Notes, and is subject to, and qualified in its entirety by reference to, all of the provisions of the corresponding agreements.*

### **The Financing Structure**

The financing for the development of the New Airport is structured as a securitization of receivables from passenger charges derived from the operation of the Existing Airport and, upon its completion, the New Airport, without recourse to the Mexican government or the Sponsors. In exchange for the right to receive the proceeds of the financing that will be used to fund the development of the New Airport, the Sponsors assigned to us pursuant to the Assignment of Rights Agreements, the rights to collect all passenger charges generated by the Existing Airport and the New Airport, together with the other related property and assets that constitute the Collateral. We in turn contributed the Collateral to the Security Trust for the benefit of our secured creditors.

### **The Credit Agreement**

The early stages of construction and preparatory work to be executed at the New Airport were primarily financed with the proceeds of a US\$1.0 billion senior secured term loan facility entered into on October 29, 2014. This term loan facility was amended and restated on October 7, 2015 to increase the facility amount to US\$3.0 billion, convert the facility into a revolving facility and extend its scheduled maturity to October 7, 2020, with the possibility of one- or two-year extensions. Amounts repaid under the Credit Agreement may be re-borrowed. The proceeds of the Credit Agreement are mainly destined to finance our acquisition of all amounts due or to become due in respect of the passenger charges for the use of the Airports pursuant to the Assignment of Rights Agreements.

As of the date of this offering memorandum, the principal amount outstanding under the Credit Agreement is US\$1.0 billion.

The Credit Agreement is governed by New York law.

### ***Interest***

The Credit Agreement bears interest at LIBOR plus the applicable margin (150bps to 215bps per annum). LIBOR is fixed for interest periods of 3 or 6 months each, as selected by the Issuer. If we fail to pay the amount due on each payment date, interest will accrue on the unpaid amount from the due date up to the date of actual payment, and interest on an overdue amount (provided that such overdue amount is not a principal amount of the loan) is payable at a rate of 2% per annum above the rate which would have been payable.

### ***Mandatory Prepayments***

Pursuant to the Credit Agreement, we agreed to prepay the outstanding loans thereunder upon the occurrence of any of the following events:

- (i) at any time until the commencement of commercial operations of the New Airport, the commencement of commercial operations of any airport (other than the Airports) in the Mexico City area, with an actual capacity of more than 7.5 million passengers per annum;
- (ii) if an airline or group of airlines reduces international flights or domestic flights (other than, in each case, chartered passenger flights) in a manner resulting in the Existing Airport or, if the commencement of commercial operations of the New Airport has occurred, the New Airport having a passenger traffic volume of less than 25 million passengers per annum;

(iii) if any class of passengers that is not within the class of exempt passengers becomes entitled to a reduction or discount on the payment of passenger charges;

(iv) occurrence of an event of force majeure that renders impossible or delays our ability to perform or comply with our obligations under the Credit Agreement and related loan documents;

In each of the foregoing cases, a mandatory prepayment will be triggered only if as a result of the relevant event, the projected debt service coverage ratio determined on the basis of projected passenger traffic at the Airport (based upon a report prepared at the time by an independent market consultant), is less than 1.15 to 1.00. If such an event occurs, amounts deposited in the Security Trust accounts shall be applied to prepay loans under the Credit Agreement until the projected debt service coverage ratio is restored.

(v) if the historical Debt Service Coverage Ratio for the two quarterly periods preceding an interest payment date is less than 1.15 to 1.00, amounts deposited in the Security Trust accounts shall be applied to prepay loans under the Credit Agreement until the debt service coverage ratio for two consecutive quarterly periods is restored;

(vi) upon the occurrence of certain expropriation events with respect to the Concessions or the Airports, the net proceeds of any compensation received from the Mexican government shall be applied to prepay the loans under the Credit Agreement;

(vii) upon termination or revocation of any of the Concessions, an amount equal to any compensation received by the Sponsors from the Mexican government shall be applied to prepay the loans under the Credit Agreement; or

(viii) if we incur or issue debt different from indebtedness permitted pursuant to the Credit Agreement, the net proceeds thereof shall be applied to prepay the loans thereunder.

## **Covenants**

### *Affirmative and Negative Covenants*

Pursuant to the Credit Agreement we are subject to certain covenants, including affirmative requirements to comply with all provisions of the Concessions and other Project Agreements and to take any actions required to perfect and maintain a first priority lien over the Collateral for the benefit of the Secured Parties pursuant to the Security Trust. We shall also comply with affirmative covenants related to compliance with laws and maintenance of required governmental approvals, maintenance of business interruption insurance for the Airports, keeping of books and records, use of proceeds, preservation of existence, as well as reporting requirements related to the construction of the New Airport and environmental compliance.

We are also subject to restrictive covenants, including, among other things, restrictions on our ability to incur additional indebtedness and make investments, create liens, dispose of assets or acquire real estate, hire employees or amend, terminate or grant a waiver under the Trust Agreement, the services agreement between the Existing Sponsor and ASA or any Project Agreement.

With respect to the limitations on our ability to incur additional debt, we are allowed to incur additional senior secured debt, including refinancing and incremental debt, on a *pari passu* basis with our existing and future indebtedness, including indebtedness under the Credit Agreement and the Notes (the "Additional Debt"). All our existing and future indebtedness will be secured by the Collateral and all of our secured creditors will be entitled to share ratably with the holders of the Notes in any proceeds generated by the Collateral. Under the Credit Agreement, the incurrence of Additional Debt is subject to satisfaction of certain conditions, such as the absence of a default under the Financing Documents, meeting certain financial ratios after giving effect to the Additional Debt (including a Debt Service Coverage Ratio and a ratio of projected Net Passenger Charges to outstanding indebtedness through the later of (x) 30 years from the date of determination and (y) the life of the Concessions, in each case, of 1.25 to 1.00), affirmation of two credit ratings at least equal to Investment Grade Rating after giving

effect to the Additional Debt, and the Additional Debt having terms that are not more favorable than those provided under the Credit Agreement (such as a larger average life than the facility under the Credit Agreement, no scheduled payments of principal during a period of 9.5 years from the execution of the Credit Agreement, and no additional collateral, guarantees or credit enhancement).

#### *Financial Covenants*

On each interest payment date during the life of the Credit Agreement, our Debt Service Coverage Ratio shall be at least 1.15 to 1.00 for the two consecutive quarterly periods ending on such date and for the four consecutive quarterly periods ending on such date.

As of the date of this offering memorandum, we are, and in the past we have been, in compliance with all the covenants under the Credit Agreement.

#### *Events of Default*

Under the Credit Agreement, each of the following events will constitute an event of default, unless waived or cured within the cure period and in the manner set forth in the Credit Agreement:

- (i) failure to pay principal, interest or any other amount payable under any other loan document contemplated in the Credit Agreement when they become due;
- (ii) a misrepresentation by us or any of the Sponsors under any of the Project Agreements or any document executed pursuant to the Credit Agreement;
- (iii) failure to comply with certain covenants under the Credit Agreement;
- (iv) an insolvency or similar procedure with respect to us or any of the Sponsors;
- (v) our or the Sponsors' failure to make a payment under any indebtedness or guarantee having an aggregate principal amount of more than US\$500,000 in respect to us or US\$6 million in respect to any Sponsor, or the acceleration of such indebtedness;
- (vi) final judgments against us or the Sponsors in an aggregate amount exceeding US\$500,000 in respect to us or US\$6 million in respect to any Sponsor or non-monetary judgments that could reasonably be expected to have, individually or in the aggregate, a material adverse effect;
- (vii) the Sponsors' failure to comply with the material terms of the Concessions or if any of them is suspended, revoked or terminated or amended in a manner that could reasonably be expected to have a material adverse effect;
- (viii) any provision of any of the Project Agreements or any document executed pursuant to the Credit Agreement ceases to be in full force and effect or any person contests the validity or enforceability of any such provision;
- (ix) any core governmental authorization obtained pursuant to the Credit Agreement is revoked or suspended or any person contests the validity or enforceability of any provision thereof;
- (x) the Security Trust Trustee ceases to be authorized as the sole person entitled to receive all amounts due in respect of the passenger charges for the use of the Airports;
- (xi) the passenger charges for the use of the Airports are determined or published in a currency other than dollars;

(xii) any Sponsor prevents any airline from delivering the passenger charges for the use of the Airports directly to the Security Trust Trustee or breaches in any material respect or causes the termination or suspension of any Agency Agreement;

(xiii) any Sponsor ceases to be directly or indirectly majority owned and controlled by the Mexican federal government;

(xiv) any collateral document executed pursuant to the Credit Agreement ceases to create a valid and perfected first priority lien on and security interest in the Collateral;

(xv) any Project Agreement is terminated or suspended or we or any Sponsor breaches in any material respect any Project Agreement;

(xvi) a violent political or civil disturbance that causes the cessation of a material part of the operation of the Airports for more than 60 days or a material damage to the Sponsors' assets, if as a result of such event, the projected debt service coverage ratio determined on the basis of projected passenger traffic at the Airport (based upon a report prepared at the time by an independent market consultant), is less than 1.15 to 1.00;

(xvii) if any action by the Mexican government or any failure by us to maintain any required foreign exchange authorizations (i) limits our rights or the Security Trust Trustee's rights to receive payments denominated in dollars or of the Security Trust Trustee to maintain any of the accounts described below, (ii) renders us or any other person unable legally to convert Pesos to make any payment in dollars or (iii) materially restricts the availability of dollars through the Mexican banking system;

(xviii) a reduction of the International Tariff or the Domestic Tariff or the elimination of either tariff when no substitute fee is payable for the use of the Airports;

(xix) certain expropriation events with respect to the Concessions or the Airports;

(xx) a declaration of moratorium that lasts for more than 10 days; or

(xxi) if the assignment of the passenger charges and collection rights thereof pursuant to any Assignment of Rights Agreement is determined by judgment to not be an absolute assignment (other than for tax purposes).

### **The Hedging Agreements and the Security Agreements**

Pursuant to the Credit Agreement, concurrently with the incurrence of Additional Debt, we shall execute and deliver interest rate hedging agreements as to a notional principal amount of all such Additional Debt that bears interest at a floating rate and currency hedging agreements as to the aggregate principal amount and projected interest payments of all such Additional Debt that is not denominated in dollars (collectively, the "Hedging Agreements"). The notional principal amount hedged under the interest rate Hedging Agreements may be reduced from time to time, provided that the unhedged amount with respect to all our indebtedness outstanding at any time shall not exceed of US\$3 billion.

In addition, pursuant to the Credit Agreement, concurrently with the execution of any Hedging Agreement, we shall enter into a security agreement with the Offshore Collateral Agent and file a financing statement with the UCC for the District of Columbia, to create a lien over all rights under such Hedging Agreements to secure our indebtedness.

### **The Intercreditor Agreement**

The security over the Collateral and the rights of holders of our indebtedness, including the Notes, the Credit Agreement, the Hedging Agreements and any Additional Debt incurred by us (together, the "Senior Secured Debt"), will be subject to the provisions of the Intercreditor Agreement, to be dated as of the closing date of this

offering, among us, the administrative agent under the Credit Agreement, acting on behalf and for the benefit of the lenders thereunder, the Indenture Trustee, acting on behalf and for the benefit of the holders of the Notes, the Collateral Agents and the Intercreditor Agent. Pursuant to the Credit Agreement and the Indentures, the incurrence of Additional Debt by us is conditioned, among others, to the Additional Debt providers (or any agent on their behalf) entering into and becoming a party to the Intercreditor Agreement on or prior to the incurrence of such Additional Debt.

The purpose of the Intercreditor Agreement is to establish the relative creditor rights of each class of senior secured creditors (the “Secured Parties”) with respect to payments, security and recoveries of our Senior Secured Debt.

The Intercreditor Agreement is governed by New York law.

### ***Ranking and Priority***

All Senior Secured Debt shall rank *pari passu* in right of payment and in right of security with the other Senior Secured Debt, without any preference or priority among the Secured Parties.

The Intercreditor Agreement provides that the holders of the Notes, the lenders under the Credit Agreement and all other Secured Parties will share ratably in the Collateral. If any Secured Party acquires any new lien on any of the assets of the Issuer to secure its Senior Secured Debt, which assets are not also subject to the lien of the Collateral Agents for the benefit of the Secured Parties generally, then such Secured Party shall hold such lien (and any amounts received by or distributed to such Secured Party as a result of such lien) for the benefit of all Secured Parties generally until any of the Collateral Agents acquires a lien on such assets for the benefit of all Secured Parties generally.

### ***Enforcement Actions***

The Intercreditor Agreement requires certain procedures, including certain notices and an intercreditor vote, to be followed to direct the Collateral Agents to commence any enforcement action with respect to the Collateral. Following an event of default under any Senior Secured Debt, only the Collateral Agents at the written direction of the Intercreditor Agent (acting on the instructions of the required vote of Secured Parties), shall have the right to foreclose upon and take other enforcement actions with respect to the Collateral, for the benefit of the Secured Parties.

### ***Exercise of Remedies; Enforcement Action***

Depending on the type of default, the vote of all the classes or only certain classes of Secured Parties will be required to take an enforcement action:

- For those events that are considered fundamental events of default under the Intercreditor Agreement, the Collateral Agents and Intercreditor Agent will require the instruction of the majority of Secured Parties holding bank debt, as long as any bank debt remains outstanding. Pursuant to the Intercreditor Agreement, the events of default described in paragraphs (i), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii), (xiii), (xiv) and (xxi) under “Financing and Collateral Structure—The Credit Agreement—Events of Default” constitute fundamental events of default.
- For any other event of default, the instruction of the majority of Secured Parties holding any type of Senior Secured Debt (including the holders of the Notes acting through the Indenture Trustee) will be necessary.

Nonetheless, the Intercreditor Agreement establishes that if 90 days after the date on which the Intercreditor Agent notifies all the Secured Parties about a certain event of default, the required vote of Secured Parties has not instructed the Intercreditor Agent to take an enforcement action, then the majority of Secured Parties

that are commercial banks (and that issued an affirmative or negative vote within such 90 days) will be entitled to instruct the undertaking of the enforcement action.

### ***Acceleration***

The Secured Parties holding any class of Senior Secured Debt (other than any counterparty to a Hedging Agreement) may, upon the occurrence and during the continuance of an event of default under its Senior Secured Debt, accelerate such class of Senior Secured Debt in accordance with the terms thereof, provided that unless any of the Collateral Agents has taken an enforcement action, such acceleration shall not alter the application of proceeds pursuant to the pre-enforcement waterfall described below.

### ***Amendments and Waivers***

In general, any agreements governing Senior Secured Debt may be amended, waived or otherwise modified in accordance with its terms, without notice to or the consent of any Secured Party not a party to such agreement, unless such amendment or waiver contravenes the provisions of the Intercreditor Agreement, has a material adverse effect on the rights and entitlements of the other Secured Parties under their respective Senior Secured Debt agreements (including under any collateral documents) or affect the lien priority over the Collateral, in which case, the voting rules established under the Intercreditor Agreement will apply.

We do not have any right to consent to or approve any amendment, waiver or other modification except to the extent that it amends, waives or otherwise modifies any provision relating to release of the Collateral, the amendment provisions of the Intercreditor Agreement or any provision relating to the designation of Additional Debt or would cause us to be in default under the Intercreditor Agreement or any Senior Secured Debt.

### **The Repayment and Collateral Structure**

The collateral documents consist of the Security Trust Agreement, the Intercreditor Agreement, any security agreements and any other documents delivered pursuant to the terms thereunder that creates or purports to create a lien in favor of the Collateral Agents for the benefit of the Secured Parties.

### ***The Collateral***

Our obligations under our Senior Secured Debt, including the Credit Agreement and the Indentures, are secured by the following Collateral:

- (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 Airports;
- (iii) all proceeds of indemnities in connection with certain expropriation events affecting any of the Airports;
- (iv) all proceeds of security bonds payable by the airlines in connection with their collection of passenger charges at any of the Airports;
- (v) all amounts deposited in accounts maintained by the Security Trust; and
- (vi) all other property of any kind and nature from time to time contributed to the Security Trust for the benefit of our secured creditors.

## *The Security Trust*

On October 7, 2015, we entered into an Amended and Restated Security Trust Agreement, with Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, acting as security trust trustee, later amended and restated on October 7, 2015. Pursuant to the Security Trust, we have assigned to the Security Trust Trustee all of our rights to the Collateral and created a first priority lien in favor of the Onshore Collateral Agent for the benefit of the Secured Parties. The main purposes of the Security Trust are:

- (i) receive and administrate the amounts due or to become due from the collection of the passenger charges for the operation of the Airports and other proceeds derived from the Collateral,
- (ii) serve as source of payment of our obligations under our Senior Secured Debt, by application of the amounts deposited in the Security Trust accounts pursuant to the waterfall established in the Security Trust and the Intercreditor Agreement, see “—Description of the Waterfall,” and
- (iii) secure all of our obligations under our Senior Secured Debt, including the Credit Agreement and the Indentures.

Upon any default under our Senior Secured Debt, the Onshore Collateral Agent shall enforce the security lien created in its favor, for the benefit of the Secured Parties, in accordance with and subject to the provisions of the Intercreditor Agreement.

### *Security Trust Accounts*

Pursuant to the Security Trust, we have established the following segregated non-interest bearing Dollar-denominated offshore accounts, in the name of the Security Trust Trustee and under the sole dominion and control of the Offshore Collateral Agent:

- (i) Offshore Revenues Account. The Sponsors and any other person who is obligated at any time to make any payment to us for any reason (other than any payment to be made in Pesos and, prior to the occurrence and continuance of an event of default under the Credit Agreement, payments under the Hedging Agreements entered in respect of the Credit Agreement, if any), pay such amount to the Security Trust Trustee for deposit into, or credit to, this account. Transfers and withdrawals from this account are made pursuant to the waterfall established under the Intercreditor Agreement. See “—Description of the Waterfall—Pre-enforcement Waterfall.”
- (ii) Debt Service Accrual Accounts. Funds are transferred to, or deposited in, these accounts pursuant to priorities *Fourth*, *Sixth*, *Seventh* and *Eighth* of the pre-enforcement waterfall. See “—Description of the Waterfall—Pre-enforcement Waterfall.” On each interest payment date, the funds deposited in these accounts are applied to the payment of interest, principal, fees and other payments due and payable on such date under the Credit Agreement, the Indentures and any other agreements entered into in respect of Additional Debt.
- (iii) Debt Service Reserve Accounts. An amount sufficient to cover our debt service obligations under the Credit Agreement, the Indentures and any other agreements entered into in respect of Additional Debt, including the Indentures, and any payments due under the Hedging Agreements entered in respect of the Credit Agreement, if any, during the next six consecutive months *plus*, in the case of the debt service reserve account in respect of the Credit Agreement, the equivalent in dollars of Ps.85 million, are deposited in these debt service reserve accounts. In case of a deficiency, the reserve would be restored by applying funds pursuant to priority *Fifth* of the waterfall. See “—Description of the Waterfall—Pre-enforcement Waterfall.” On any interest payment date under the Credit Agreement, the Indentures and any other agreement entered into in respect of Additional Debt, on which the amounts deposited in the debt service accrual accounts are insufficient to make the payments due and payable on such date, funds deposited in this account would be applied to cover such deficiency.

Pursuant to the Security Trust, we have established the following segregated non-interest bearing Peso-denominated trust accounts, in the name of the Security Trust Trustee and under the sole dominion and control of the Security Trust Trustee:

- (i) Peso Revenues Account. The Sponsors and any other person who is obligated at any time to make any payment denominated in Pesos to us for any reason, including any amounts payable in respect of any collected passenger charges for the operation of the Airports and all business interruption insurance proceeds, will pay such amount to the Security Trust Trustee for deposit into, or credit to, this account. Transfers and withdrawals from this account are made pursuant to the waterfall established under the Intercreditor Agreement. See “—Description of the Waterfall—Pre-enforcement Waterfall.”
- (ii) Expropriation Compensation Account. Any compensation received from the Mexican government upon the occurrence of certain expropriation events with respect to the Concessions or the Airports would be deposited in this account. The funds in this account are applied to prepay, ratably, the outstanding amounts under our Senior Secured Debt, including the Credit Agreement and the Indentures.
- (iii) Peso Withholding Account. The amount of taxes, if any, payable to any Mexican governmental authority derived from the payment of any obligations under our Senior Secured Debt, including the Credit Agreement and the Indentures, are deposited into this account, and are used for payment of the required taxes when due.

### ***Description of the Waterfall***

#### *Pre-enforcement Waterfall*

The following is a general summary of the pre-enforcement waterfall and is not intended to be complete. Reference is made to the Intercreditor Agreement for a more complete description of the pre-enforcement waterfall. Pursuant to the Security Trust and the Intercreditor Agreement, the Security Trust Trustee shall transfer available funds on deposit in, or credited to, the Peso Revenues Account and the Offshore Revenues Account in accordance with the order of priority set forth therein, which, in general terms, can be summarized as follows:

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

*Second*, on the last business day of each calendar month (each a “Funds Transfer Date”), to pay the Trust Administrative Expenses, including our fees and expenses and the fees and expenses of the Security Trust Trustee;

*Third*, on any business day, ratably to the payment of any obligations then due to any Secured Party 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 Senior Secured Debt (including debt service accrual accounts with respect to the Credit Agreement, the Indentures and any other Additional Debt);

*Fifth*, on each Funds Transfer Date, ratably, to make a payment to the debt service reserve accounts of each type of Senior Secured Debt (including debt service reserve accounts with respect to the Credit Agreement, the Indentures and any other 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 Senior Secured Debt (including debt service accrual accounts with respect to the Credit Agreement, the Indentures and any other 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 we are required to make a mandatory prepayment in accordance with the Credit Agreement or under any Senior Secured Debt, funds deposited in the Peso Revenues Account and the Offshore Revenues Account *minus* all amounts applied to make payments under priorities *First* through *Sixth* above shall be used, ratably, to make mandatory prepayments pursuant to the Credit Agreement and under other Senior Secured Debt;

*Eighth*, on any business day to the extent that we have elected to make a voluntary prepayment, ratably, to make such voluntary prepayment with respect to all Senior Secured 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 us 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 us an amount equal to MX\$42.5 million (as adjusted for inflation from October 7, 2015), to cover operating and maintenance expenses of 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 us or any other person instructed by us, any restricted payment permitted to be paid on such date.

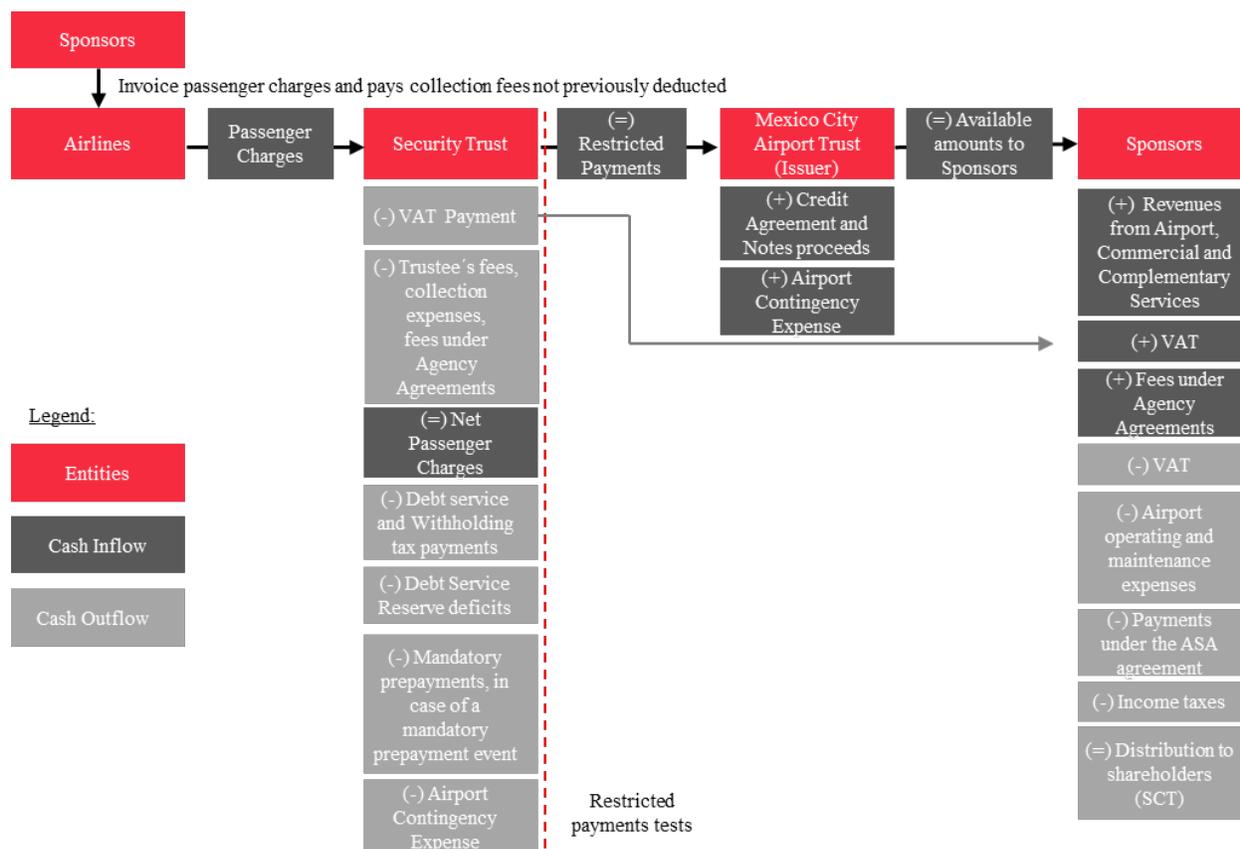
Every time a payment is made pursuant to priorities *Third*, *Fourth*, *Sixth*, *Seventh* and *Eighth* above, an amount equal to the amount of withholding taxes, if any, payable to the Mexican authorities in connection with such payment, are transferred to the Peso Withholding Account.

#### *Restricted Payments*

In order for us or any person appointed by us to receive restricted payments at the end of the waterfall, certain conditions must be satisfied, including the following:

- (i) our Debt Service Coverage Ratio as of such interest payment date 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 our Senior Secured Debt;
- (iii) there shall be no deficiency in the debt service reserve accounts maintained pursuant to the Credit Agreement, the Indentures and any other agreement entered into in respect of Additional Debt;
- (iv) if a mandatory prepayment event under the Credit Agreement has occurred, the projected debt service coverage ratio shall be at least 1.15 to 1.00; and
- (v) delivery of an officer certificate certifying that such restricted payment is permitted by and satisfies all requirements under the Senior Secured Debt incurred by us.

Upon the transfer of any amounts to us, such amounts cease to be part of the Collateral and are then transferred by us to the Sponsors, as shown in the following diagram:



### Enforcement Waterfall

The following is a general summary of the enforcement waterfall and is not intended to be complete. Reference is made to the Intercreditor Agreement for a more complete description of the enforcement waterfall. In general terms, upon receipt of an enforcement direction by the required vote of Secured Parties, the Offshore Collateral Agent shall establish and thereafter maintain an account (the "Dollar Enforcement Proceeds Account") and the Onshore Collateral Agent shall establish and thereafter maintain an account (the "Peso Enforcement Proceeds Account" and, with the Dollar Enforcement Proceeds Account, collectively, the "Enforcement Proceeds Accounts"), in each case, for the purpose of depositing therein:

- (i) any balances then standing in the Security Trust accounts or received therein from time to time thereafter,
- (ii) the proceeds from the exercise of any rights or remedies granted to the Secured Parties in respect of the Collateral pursuant to any collateral document or the applicable law as a result of the occurrence and continuation of any event of default,
- (iii) any compensation received from the Mexican government under the Concessions, and
- (iv) all proceeds and any moneys otherwise received in satisfaction of any obligations under the Senior Secured Debt.

All moneys held in the Enforcement Proceeds Accounts shall be held by the Collateral Agents in trust for the benefit of the Secured Parties for the purpose of making payments in accordance with the following order of priority:

*First,* to make a payment of value added taxes with respect to payments of the passenger charges deposited in the Peso Revenues Account;

*Second, ratably,* to payment in full of that portion of Senior Secured Debt constituting fees, costs, expenses (and interest thereon (if any)) payable to each agent in its capacity as such in respect of such Senior Secured Debt;

*Third, ratably,* to payment of that portion of the Senior Secured Debt constituting fees, costs, expenses (and interest owing thereon (if any)) and any other amounts payable to the Secured Parties but excluding principal of and accrued interest on the Senior Secured Debt, subject to the provisions of the Intercreditor Agreement;

*Fourth, ratably,* to the payment of accrued and unpaid interests (including default interest) with respect to all our Senior Secured Debt, subject to the provisions of the Intercreditor Agreement;

*Fifth, ratably,* to the payment of principal under all our Senior Secured Debt, subject to the provisions of the Intercreditor Agreement; and

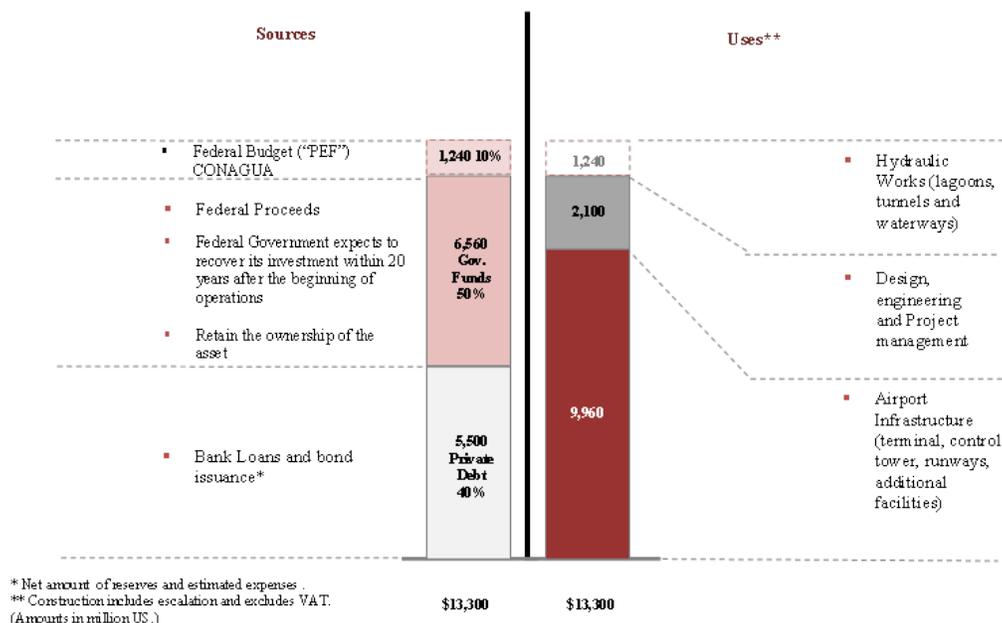
*Sixth,* to transfer the balance, if any, after all the Senior Secured Debt (other than in respect of indemnification, expense reimbursement, tax gross-up or any contingent obligations, in each case, for which no claim has been made) has been indefeasibly paid in full, to us or as otherwise required by the applicable law.

## Overall Funding Plan

### Expected Sources and Uses of Funding

The total funding required for the construction and initial operation of the New Airport, including enabling and complementary works, is estimated at up to US\$13.3 billion, which approximately 60% will be contributed by the Mexican government through the use of public funds, and approximately 40% is expected to be funded from a combination of bank loans (mainly through debt incurred under the Credit Agreement) and the offering of debt securities in the domestic and international capital markets, including the Notes offered hereby.

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 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 <sup>(1)</sup>	2022 <sup>(1)</sup>	TOTAL	As % of Total Investment
Airport Infrastructure .....	16.9	503.3	1,253.9	2,778.4	2,909.9	1,476.9	36.7	0.2	8,976.1	67.5%
Design, engineering and project management.....	236.0	347.5	382.8	474.2	390.8	149.3	118.0	1.6	2,100.0	15.8%
CONAGUA .....	-	534.8	656.5	52.5	-	-	-	-	1,243.8	9.4%
Escalation.....	-	8.5	52.9	149.0	183.2	118.2	1.1	-	512.8	3.9%
Preliminary works.....	-	57.1	45.8	142.6	146.0	75.6	0.7	-	467.7	3.5%
<b>Total investment.....</b>	<b>252.9</b>	<b>1,451.1</b>	<b>2,391.9</b>	<b>3,596.8</b>	<b>3,629.8</b>	<b>1,819.9</b>	<b>156.5</b>	<b>1.7</b>	<b>13,300.5</b>	<b>100.0%</b>

(1) Amounts on 2021 and 2022 are associated to expected retainages.

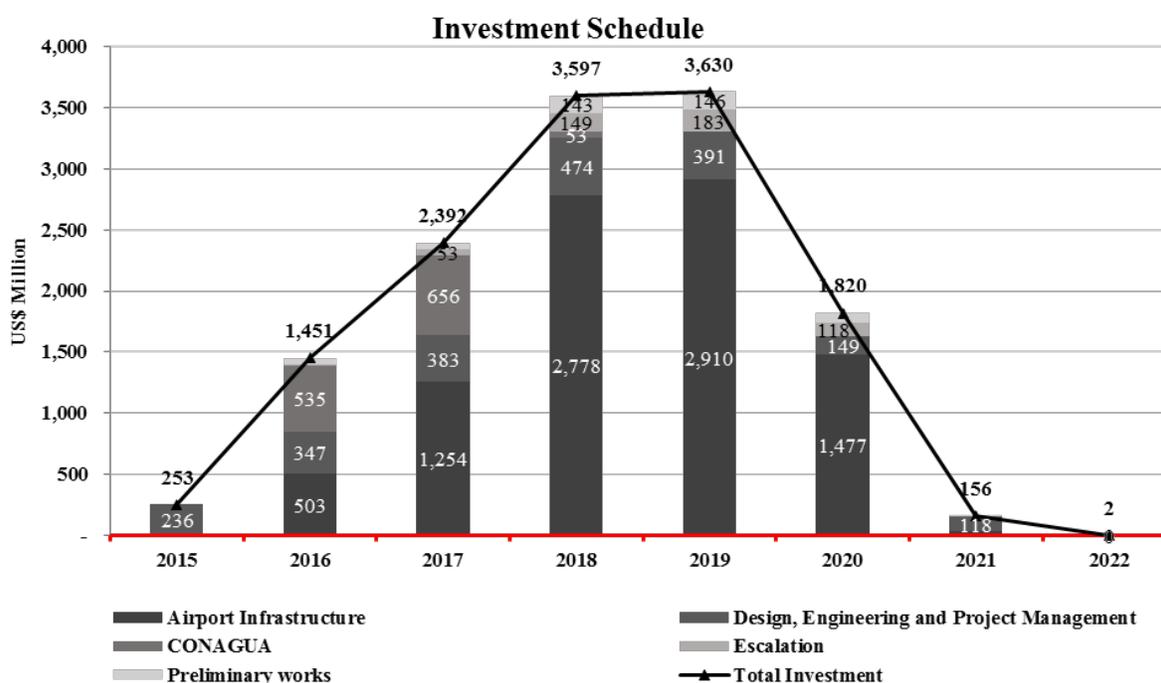
Source: New Sponsor, with information of Parsons. Figures are subject to continuous adjustment as the procurement advances.

Hydraulic works associated with the New Airport's construction will 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

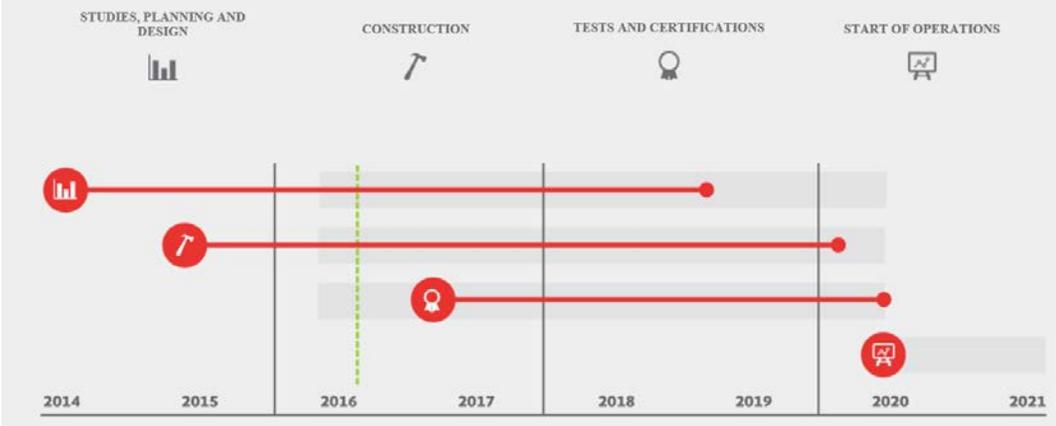
The New Airport's construction schedule will define the timing of the financing. In anticipation of beginning construction in the third quarter of 2015, investment on preliminary activities towards the New Airport construction project began after the project was announced on September 3, 2014, with combined funding of US\$281 from the Mexican government as well as a US\$1 billion disbursement from the Credit Agreement.

Investment from 2016-2022 is scheduled to occur as set forth in the following chart, subject to receiving approvals for the required disbursements from the Mexican federal budget:



According to the construction program, the New Airport is expected to start operations on October 2020. We believe 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 Plan as well as commencement of geotechnical studies. According to the construction program, the construction works will be allocated in 21 bidding packages that will be awarded to construction companies following public tender processes. The first set of packages is related to preliminary construction works (including foundations, electric systems, land leveling), the second set is for construction of the infrastructure for main services (including the terminal building) and the third and final set is for construction of buildings and stations related to the operation of the New Airport (including fire stations, parking lots, operation center).

As of June 30, 2016, preliminary construction and civil works were underway and the bidding process for construction contracts had begun. The plan for 2016 is to award 11 of such contracts with an aggregate value of US\$5.5 billion, including for works related to the construction of runways 2 and 3, an electrical substation and preparatory works for the terminal building and the terminal raft. The construction of the terminal building is expected to start in December 2016, with the laying of foundations, and is scheduled to be completed in May 2018.

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

## DESCRIPTION OF THE NOTES

*The Issuer will issue US\$2,000,000,000 in aggregate principal amount of Notes, consisting of two series of Notes (each, a “series”): US\$1,000,000,000 aggregate principal amount of 4.250% Senior Secured Notes due 2026 (the “2026 Notes”) and US\$1,000,000,000 aggregate principal amount of 5.500% Senior Secured Notes due 2046 (the “2046 Notes”) and, together with the 2026 Notes, the “Notes”). The 2026 Notes will be issued under an indenture (the “2026 Indenture”) among the Issuer, HSBC Bank USA, National Association, as trustee (the “Indenture Trustee”), paying agent and transfer agent and the Collateral Agents. The 2046 Notes will be issued under an indenture (the “2046 Indenture”) and, together with the 2026 Indenture, the “Indentures”) among the Issuer, the Indenture Trustee, as trustee, paying agent and transfer agent and the Collateral Agents. The following summary of certain provisions of the Indentures and the Notes is not complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the Indentures and the Notes, as applicable. The holders of the Notes will be entitled to the benefits of, be bound by, and be deemed to have notice of, all of the provisions of the Indentures and the Notes, including, without limitation, the immunities and rights of the Indenture Trustee. Copies of the Indentures will be on file at the corporate trust office of the Indenture Trustee in the City of New York and may be inspected upon request.*

### General

The Notes will constitute senior secured indebtedness of the irrevocable administration and payment trust created pursuant to the Irrevocable Administration and Payment Trust Agreement No. 80460 (*Contrato de Fideicomiso Irrevocable de Administración y Pago Número 80460*) (the “Issuer”) acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, not in its individual capacity, but solely as trustee. The Issuer is a special purpose trust created under the laws of Mexico.

The 2026 Notes will be due and payable on October 31, 2026 and the 2046 Notes will be due and payable on October 31, 2046. The Notes will be, and all of our outstanding indebtedness (approximately Ps.18,468.9 million (US\$1.0 billion) as of June 30, 2016) is secured by a first-priority security interest over: (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 Airports, (iii) all proceeds of indemnities in connection with certain expropriation events affecting any of the Airports, (iv) all proceeds of security bonds payable by the airlines operating from time to time at any of the Airports in connection with their collection of passenger charges at any of the Airports, (v) all amounts deposited in accounts maintained by the Security Trust, and (vi) all other property of any kind and nature from time to time contributed to the Security Trust for the benefit of the Issuer's secured creditors (collectively, the “Collateral”).

### Interest

The 2026 Notes will bear interest at 4.250% per annum and the 2046 Notes will bear interest at 5.500% per annum, in each case from September 29, 2016 or from the immediately preceding interest payment date to which interest has been paid, payable semi-annually in arrears on April 30 and October 31 of each year, commencing on April 30, 2017, to the holders of the Notes of record at 5:00 pm (New York City time) on the April 15 or October 16, respectively, immediately preceding the corresponding interest payment date (the “Record Date”). Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months.

### Additional Amounts

The Issuer will make payments of, or in respect of, principal, premium (if any) and interest on the Notes free and clear of, and without withholding or deduction for or on account of any present or future tax, levy, impost, duty, assessment or other governmental charge whatsoever and wherever imposed, assessed, levied or collected, including any interest, additions to tax or penalties applicable thereto (“Taxes”), unless such withholding or deduction is required by law.

If the Issuer or any paying agent is required to deduct or withhold any amount in respect of Taxes for the account of Mexico (or any political subdivision thereof or any authority therein or thereof having the power to tax)

or any other jurisdiction (or any political subdivision or any authority thereof or therein) from or through which such payments are made (each, a “Relevant Jurisdiction”), the Issuer will pay to a holder of a Note such additional amounts (“Additional Amounts”) as may be necessary so that the net amount received by such holder will not be less than the amount such holder would have received if such Taxes had not been withheld or deducted, it being understood that for Mexican tax purposes the payment of such Additional Amounts will be deemed and construed as additional interest.

The foregoing obligation to pay Additional Amounts to any holder of Notes, however, will not apply to or in respect of:

(a) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that the holder or beneficial owner of the Note (or a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, trust, partnership or corporation) is or has been a domiciliary, national or resident of, or engaging or having been engaged in a trade or business or maintaining or having maintained a permanent establishment or being or having been physically present in, a Relevant Jurisdiction or otherwise having or having had some present or former connection with a Relevant Jurisdiction other than the mere purchase, holding or ownership of, or the collection of principal of, and premium (if any) or interest on, a Note;

(b) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required in order to receive payment, the Note was presented more than 30 days after the date on which such payment became due and payable or was provided for, whichever is later, except to the extent that the holder or beneficial owner thereof would have been entitled to Additional Amounts had the Note been presented for payment on any day during such 30-day period (and no Additional Amounts shall be paid for or on account of any additional withholdings or deductions that arise as a result of such presentment after such 30-day period);

(c) any estate, inheritance, gift, sales, stamp, transfer, excise, or personal property or similar Taxes;

(d) any Taxes that are payable otherwise than by deduction or withholding from payments on or in respect of the applicable Note;

(e) any Taxes that would not have been so imposed, assessed, levied or collected but for the failure by the holder or the beneficial owner of the Note to provide any certification, identification, information, documentation or other evidence concerning the nationality, residence or identity of the holder or the beneficial owner or its connection with a Relevant Jurisdiction, if (i) compliance is required by statute, rule, regulation or administrative practice of a Relevant Jurisdiction as a condition to relief, reduction or exemption from all or part of such Taxes and (ii) the Issuer has given the registered holders at least 30 days' written notice prior to the first payment date with respect to which such certification, identification, information, documentation or other evidence is required to the effect that holders will be required to provide such information and identification;

(f) any payment on the Note to a holder that is a fiduciary, a partnership, a limited liability company taxed as a partnership for U.S. federal income tax purposes or any person other than the sole beneficial owner of any such payment to the extent that a beneficiary or settlor with respect to such fiduciary, a partner of such partnership, a member of such limited liability company, or the beneficial owner of the payment would not have been entitled to the Additional Amounts had the beneficiary, settlor, partner, member or beneficial owner been the holder of the Note;

(g) any withholding or deduction that is imposed on the Note that is presented for payment, where presentation is required, by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting such Note to another paying agent in a member state of the European Union;

(h) any withholding or deduction imposed on a payment by any tax authority other than a Relevant Jurisdiction; or

(i) any combination of the Taxes and/or withholdings or deductions described in (a) through (h) above.

The limitations on our obligations to pay Additional Amounts set forth in clause (e) above shall not apply if (i) the provision of information, documentation or other evidence described in such clause (e) would be materially more onerous, in form, in procedure or in the substance of information disclosed, to a holder or beneficial owner of a note, than comparable information or other reporting requirements imposed under U.S. tax law (including the United States-Mexico income tax treaty), regulations (including temporary or proposed regulations) and administrative practice, or (ii) with respect to taxes imposed by Mexico or any political subdivision or taxing authority thereof, Article 166, Section II, subsection (a), of the Mexican Income Tax Law (*Ley del Impuesto Sobre la Renta*) (or a substitute or equivalent provision, or a substantially similar successor of such Article, whether included in any law or regulation) is in effect, unless (a) the provision of the information, documentation or other evidence described in (e) above is expressly required by statute, regulation, the applicable Mexican laws or official administrative practice in order to apply Article 166, Section II, subsection (a), of the Mexican Income Tax Law (or a substantially similar successor, substitute or equivalent provision), (b) the Issuer cannot obtain the information, documentation or other evidence necessary to comply with the applicable Mexican laws and regulations on its own through reasonable diligence, and (c) the Issuer, as applicable, otherwise would meet the requirements for application of the applicable Mexican laws and regulations.

In addition, clause (e) above does not require, and shall not be construed to require, that any holder, including any non-Mexican pension fund, retirement fund, tax-exempt organization or financial institution, register, to the extent applicable, with the Mexican Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*) or the Tax Management Service (*Servicio de Administración Tributaria*) to establish eligibility for an exemption from, or a reduction of, Mexican withholding taxes.

As provided in “—Payments and Paying Agents,” all payments in respect of the Notes will be made subject to any withholding or deduction required pursuant to Section 1471(b) of the Internal Revenue Code of 1986, as amended (the “Code”), or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations thereunder or official interpretations thereof or any law implementing an intergovernmental approach thereto (collectively, “FATCA”), and we will not be required to pay any Additional Amounts on account of any such deduction or withholding required pursuant to FATCA.

Unless otherwise stated, references in any context to the payment of principal of, and premium, if any, or interest on, any Note, will be deemed to include payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

### **Further Issuances**

The Issuer will initially issue an aggregate of US\$2,000,000,000 of Notes, but may, subject to the limitations set forth under “—Negative Covenants of the Issuer—Limitation on Indebtedness,” issue an unlimited principal amount of the 2026 Notes under the 2026 Indenture and an unlimited principal amount of the 2046 Notes under the 2046 Indenture. The Issuer may, without your consent, issue additional 2026 Notes or additional 2046 Notes (together the “Additional Notes”) in one or more transactions, which have substantially identical terms (other than issue price, issue date and date from which the interest will accrue) as the 2026 Notes or the 2046 Notes, respectively, issued on the Issue Date. Such Additional Notes may be issued with the same or different CUSIP numbers; provided, however, that unless such Additional Notes are issued under a different CUSIP number, such Additional Notes are part of the same “issue” for U.S. federal income tax purposes. Any Additional Notes of a series will be consolidated and form a single class with the other Notes of such series issued on the Issue Date, so that, among other things, holders of any Additional Notes of any series will have the right to vote together with holders of such series of Notes issued on the Issue Date as one class.

### **Form, Denomination and Registration**

The Global Notes (and beneficial interests therein) will be issued in registered form only without interest coupons in denominations of U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof. No Notes will be issued in bearer form. Notes offered and sold in reliance upon Rule 144A will be issued in the form of one or more

Rule 144A Global Notes. Notes offered and sold in reliance on Regulation S will be issued in the form of one or more Regulation S Global Notes. Each of the Global Notes will be registered in the name of DTC or its nominee and deposited with HSBC Bank USA, National Association as custodian for DTC. Beneficial interest in the Global Notes will be shown on, and transfers thereof will be affected only through, the book entry records maintained by DTC and its direct and indirect participants (including Euroclear and Clearstream).

### **Payments and Paying Agents**

We will make all payments on the Notes exclusively in such coin or legal currency of the United States as at the time of payment will be legal tender for the payment of public and private debts.

We will make payments of principal and interest on the Notes to the Indenture Trustee, which will pass such funds to the paying agents or to the holders of the Notes. Initially, the Indenture Trustee will act as registrar, transfer agent and paying agent for the Notes.

We will make payments of principal upon surrender of the relevant Notes at the specified office of the Indenture Trustee or any of the paying agents. We will pay interest on the Notes to the Persons in whose name the Notes are registered at the close of business on the fifteenth day immediately preceding the due date for payment. Payments of principal and interest in respect of each global note will be paid by wire transfer of immediately available funds to DTC. Payments of principal and interest in respect of any certificated notes will be made by U.S. Dollar check drawn on a bank in the City of New York and mailed to the holder of such Note at its registered address. Upon application by the holder of at least US\$1.0 million in aggregate principal amount of Notes to the specified office of the trustee or any paying agent not less than 15 days before the due date for any payment in respect of a Note, such payment may be made by transfer to a U.S. Dollar account maintained by the payee with a bank in The City of New York.

All payments will be subject in all cases to any applicable tax or other laws and regulations, but without prejudice to the provisions of "—Additional Amounts." For the purposes of the preceding sentence, the phrase "applicable tax or other laws and regulations" will include any obligation on us to withhold or deduct from a payment pursuant to FATCA. No commissions or expenses will be charged to the holders in respect of such payments.

Subject to any applicable abandoned property law, the Indenture Trustee and the paying agents will pay to us upon our request any monies held by them for the payment of principal or interest that remains unclaimed for two years, and, thereafter, holders entitled to such monies must look to us for payment as our general creditors. After the return of such monies by the Indenture Trustee or the paying agents to us, neither the Indenture Trustee nor the paying agents shall be liable to the holders in respect of such monies.

### **Open Market Purchases**

To the extent permitted under applicable law, the Issuer and its affiliates may at any time and from time to time purchase any Notes or a beneficial interest therein in the open market or otherwise at any price.

### **Optional Redemption**

We may redeem on one or more occasions some or all of the Notes before they mature.

The 2026 Notes will be redeemable, in whole or in part, at our option at any time and from time to time, prior to July 31, 2026 (three months prior to the scheduled maturity of the 2026 Notes) (the "2026 Par Call Date"), at a redemption price equal to the greater of (i) 100% of the principal amount of the 2026 Notes to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon as if redeemed on the 2026 Par Call Date (exclusive of any interest accrued and unpaid to the date of redemption) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30 day months) at the applicable Treasury Rate plus 45 basis points, plus, in either case, accrued and unpaid interest, if any, to the date of redemption.

The 2026 Notes will be redeemable, in whole or in part, at our option at any time from time to time, commencing on July 31, 2026 (three months prior to the scheduled maturity of the 2026 Notes), at a redemption price equal to 100% of the principal amount of the 2026 Notes to be redeemed plus accrued and unpaid interest, if any, to the redemption date.

The 2046 Notes will be redeemable, in whole or in part, at our option at any time and from time to time, prior to April 30, 2046 (six months prior to the scheduled maturity of the 2046 Notes) (the “2046 Notes Par Call Date”), at a redemption price equal to the greater of (i) 100% of the principal amount of the 2046 Notes to be redeemed or (ii) the sum of the present values of the remaining scheduled payments of principal and interest thereon as if redeemed on the 2046 Notes Par Call Date (exclusive of any interest accrued and unpaid to the date of redemption) discounted to the date of redemption on a semi-annual basis (assuming a 360-day year consisting of twelve 30 day months) at the applicable Treasury Rate plus 50 basis points, plus, in either case, accrued and unpaid interest, if any, to the date of redemption.

The 2046 Notes will be redeemable, in whole or in part, at our option at any time from time to time, commencing on April 30, 2046 (six months prior to the scheduled maturity of the 2046 Notes), at a redemption price equal to 100% of the principal amount of the 2046 Notes to be redeemed plus accrued and unpaid interest, if any, to the redemption date.

Notes called for redemption become due on the date fixed for redemption (the “Redemption Date”). Notices of redemption will be mailed by first-class mail at least 30 but not more than 60 days before the Redemption Date to each holder of Notes to be redeemed at its registered address. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer will cause notices of redemption to be announced through the SGX-ST. The notice of redemption for the Notes will state the amount to be redeemed. On and after the Redemption Date, interest ceases to accrue on any Notes that are redeemed. If less than all the Notes are redeemed at any time, the Indenture Trustee will select Notes by lot or on a pro rata basis or by any other method that the Indenture Trustee deems fair and appropriate.

For purposes of determining the optional redemption price, the following definitions are applicable:

“Comparable Treasury Issue” means the United States Treasury security or securities selected by an Independent Investment Banker as having an actual or interpolated maturity that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of a comparable maturity to the 2026 Notes Par Call Date with respect to the 2026 Notes, or the 2046 Notes Par Call Date with respect to the 2046 Notes.

“Comparable Treasury Price” means, with respect to any redemption date, (i) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (ii) if the Independent Investment Banker is unable to obtain at least five such Reference Treasury Dealer Quotations, the average of all Reference Treasury Dealer Quotations obtained by the Independent Investment Banker.

“Independent Investment Banker” means one of the Reference Treasury Dealers appointed by the Issuer from time to time to act as the “Independent Investment Banker.”

“Reference Treasury Dealer” means Citigroup Global Markets Inc., HSBC Securities (USA) Inc. and J.P. Morgan Securities LLC, or their respective affiliates or successors which are primary U.S. Government securities dealers in New York City (“Primary Treasury Dealers”), and two other nationally recognized investment banking firms that are Primary Treasury Dealers selected from time to time by the Issuer; *provided, however*, that if any of the foregoing shall cease to be a Primary Treasury Dealer, the Issuer shall substitute therefor another nationally recognized investment banking firm that is a Primary Treasury Dealer.

“Reference Treasury Dealer Quotation” means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker by such Reference Treasury Dealer at 3:30 p.m., New York City time, on the third business day preceding that redemption date.

“Treasury Rate” means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third business day immediately preceding that redemption date) of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for that redemption date.

### **Optional Redemption upon Tax Event**

The Issuer may at any time redeem each series of Notes at its option, in whole, but not in part, at a redemption price equal to 100% of the then-outstanding principal amount of the Notes, plus accrued and unpaid interest thereon to, but excluding, the date of redemption and any Additional Amounts payable with respect thereto, if the Issuer certifies to the Indenture Trustee (in the manner prescribed below) that:

(a) the Issuer has or will become obligated to pay Additional Amounts in connection with payments of interest, or amounts deemed interest, on the Notes in respect of withholding taxes in excess of a 4.9% rate (the “Excess Additional Amounts”) as a result of any generally applicable change in or amendment to the laws or regulations of a Relevant Jurisdiction or any political subdivision or governmental authority thereof or therein having power to tax, or any generally applicable change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective or, in the case of a change in official position, is announced on or after the later of the date of issuance of the Notes and the date that a Relevant Jurisdiction becomes a Relevant Jurisdiction; and

(b) such obligation cannot be avoided by taking reasonable measures available to the Issuer;

*provided, however*, that the notice of redemption, which will specify the date of redemption and redemption price, will not be given earlier than 60 days before the earliest date on which the Issuer would be obligated to pay such Excess Additional Amounts if a payment in respect of the Notes were then due.

No later than 15 days (unless a shorter period is acceptable to the Indenture Trustee) before giving any notice of redemption as described in the preceding clauses, the Issuer will deliver an officer's certificate to the Indenture Trustee stating that the Issuer is entitled to effect such redemption in accordance with the terms of the respective Indenture and setting forth in reasonable detail a statement of facts relating thereto. The officer's certificate will be accompanied by a written opinion of recognized independent counsel experienced in tax and other related matters in the Relevant Jurisdiction to the effect that:

(a) the Issuer has or will become obligated to pay the Excess Additional Amounts as a result of such change or amendment; and

(b) all governmental approvals necessary for the Issuer to effect the redemption have been obtained and are in full force and effect or specifying any such necessary approvals that as of the date of such opinion have not been obtained.

### **Mandatory Redemption Upon Expropriatory Event or Loss of Concession**

On the first Quarterly Date occurring after receipt by the Issuer or the Security Trust of any Expropriation Compensation payable to, received by or paid to or for the account of the Issuer or the Security Trust, the Issuer will or will cause the Security Trust Trustee to apply, as the case may be, any Net Cash Proceeds to prepay, ratably, the outstanding amounts under the Issuer's Senior Secured Debt, including the Indentures and the Credit Agreement.

On the first Quarterly Date occurring after any Loss of Concession, the Issuer will prepay, ratably, the outstanding amounts under the Issuer's Senior Secured Debt, including the Indentures and the Credit Agreement, equal to the amount of any amounts payable to any Sponsor or for the account of such Sponsor arising from such Loss of Concession.

In the event of such mandatory redemption, the Notes shall be redeemed at a redemption price equal to 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest, if any, to the date of redemption and any Additional Amounts payable with respect thereto.

## **Security**

To secure the obligations of the Issuer under the Notes, the Issuer will grant a security interest in the Collateral to the Collateral Agents for the benefit of the holders of the Notes. See "Financing and Collateral Structure—The Repayment and Collateral Structure." The security over the Collateral and the rights of holders of the Issuer's indebtedness, including the Notes, the Credit Agreement, the hedging agreements and any Additional Debt incurred by the Issuer (collectively, the "Senior Secured Debt"), will be subject to the provisions of the Intercreditor Agreement, to be dated as of the Issue Date of the Notes, among the Issuer, the Administrative Agent under the Credit Agreement, acting on behalf and for the benefit of the lenders thereunder, the Indenture Trustee, acting on behalf and for the benefit of the holders of the Notes and the Collateral Agents (the "Intercreditor Agreement"). See "Financing and Collateral Structure—The Intercreditor Agreement."

## **Affirmative Covenants of the Issuer**

Pursuant to the Indentures, the Issuer will agree to the following (among other affirmative covenants):

### ***Compliance with Laws, Etc.***

The Issuer will comply with all Applicable Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except where any failure to so comply could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

The Issuer will cause the Existing Airport, the Project and the New Airport (whether fully constructed or under construction), to be in compliance with the requirements of the Environmental and Social Management Plan, the Equator Principles Action Plan (if any) and the Environmental Impact Assessment, except where any failure to so comply could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

### ***Payment of Obligations***

The Issuer will pay and discharge as the same become due and payable all of its obligations and liabilities, including (i) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are subject to contest in good faith and for which reasonable reserves have been provided for; (ii) all premiums owed under any insurance policies and (iii) all lawful claims that, if unpaid, would by law become a Lien upon its properties, except in the case of clauses (i), (ii) and (iii) where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

### ***Preservation of Existence, Etc.***

The Issuer will (i) preserve and maintain in full force and effect the Mexico City Airport Trust Agreement in accordance with its terms under the laws of Mexico and (ii) take all reasonable action to obtain and maintain in full force and effect all Governmental Authorizations and all other rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except where the failure to maintain such Governmental Authorizations could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

### ***Books and Records***

The Issuer will maintain books of record and accounts in conformity with Mexican GAAP consistently applied and in material conformity with applicable requirements of any Governmental Authority having regulatory jurisdiction over the Issuer.

### ***Inspection Rights***

Reasonably permit representatives of the Indenture Trustee, under guidance of officers of the Issuer, to visit and inspect any of the properties of the Issuer and to examine its corporate, financial and operating records, no more than one time per fiscal year at the expense of the holders of the Notes and at such reasonable times during normal business hours, upon reasonable advance written notice to the Issuer; *provided* that when an Event of Default exists, the Indenture Trustee (or any of its representatives or independent contractors) may do any of the foregoing as often as may be reasonably desired at the expense of the Issuer at any time during normal business hours and without advance notice. The Issuer will not be required to disclose information to the Indenture Trustee that is prohibited by Applicable Law or contract or is subject to attorney-client or similar privilege or constitutes attorney work product.

### ***Maintenance of Separate Existence***

The Issuer will do all things necessary to maintain its existence separate and apart from any Sponsor and any Affiliates of such Sponsor (other than the Issuer), including, except as permitted by the Indentures, the Intercreditor Agreement, the Collateral Documents or the Project Agreements, (i) providing at all times for its own operating expenses and liabilities from its own funds; (ii) maintaining its assets and transactions separately from those of any Sponsor and such Affiliates, reflecting such assets and transactions in financial statements separate and distinct from those of any Sponsor and such Affiliates, and evidencing such assets and transactions in books and records separate and distinct from those of any Sponsor and such Affiliates; (iii) not maintaining any joint account with any Sponsor or such Affiliates or becoming liable as a guarantor or otherwise with respect to any Indebtedness or Contractual Obligation of any Sponsor or such Affiliates; (iv) not directing or participating in the management of any Sponsor or such Affiliates; (v) not making any payment or distribution of assets with respect to any obligation of any Sponsor or such Affiliates or granting an adverse claim on any of its assets to secure any obligation of any Sponsor or such Affiliates; (vi) not making loans or advances or otherwise extending credit to any Sponsor or such Affiliates; and (vii) not holding itself out as having agreed to pay, or as being liable (primarily or secondarily) for, any obligations of any Sponsor or such Affiliates.

### ***Further Assurances***

The Issuer will, promptly upon the written request of the Indenture Trustee or the Collateral Agents, and at the cost and expense of the Issuer (i) correct any material defect or error that may be discovered in the Indentures and any Collateral Document or in the execution, acknowledgment, filing or recordation thereof; and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, conveyances, pledge agreements, mortgages, deeds of trust, trust deeds, assignments, financing statements and continuations thereof, termination statements, notices of assignment, transfers, certificates, assurances and other instruments as the Indenture Trustee or the Collateral Agents may reasonably require from time to time in order to (A) enable the Issuer lawfully to perform and comply with its obligations under the Notes, (B) to the fullest extent permitted by Applicable Law, subject the Issuer's properties, assets, rights or interests to the Liens intended to be covered by any of the Collateral Documents, (C) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (D) assure, convey, grant, assign, transfer, preserve and protect and confirm more effectively unto the Indenture Trustee for the benefit of the holders of the Notes the rights granted or purported to be granted in accordance with the terms of the Collateral Documents.

### ***Project Agreements, Etc.***

The Issuer will (i) perform and observe all terms and provisions of the Project Agreements to be performed or observed by it, (ii) maintain the Project Agreements to which it is a party in full force and effect, and (iii) exercise

all its rights, discretion and remedies, if any, under the Project Agreements to which it is a party in accordance with its terms and in a manner consistent with (and subject to) the Issuer's obligations under the Indentures and the Collateral Documents, in each case of clauses (i) through (iii) above, except to the extent that failure to do any of the foregoing could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

The Issuer will (i) upon the reasonable request of the Indenture Trustee or the Collateral Agents, make to the applicable Sponsor such demands and requests for information and reports or for action as the Issuer is entitled to make under the Mexico City Airport Trust Agreement or Project Agreements to which such Sponsor is a party, (ii) notify the Indenture Trustee and Collateral Agents of any proposed amendment, termination, modification or waiver of which it is aware to any Project Agreement and (iii) notify the Indenture Trustee and Collateral Agents of any proposed amendment, termination, modification or waiver to, under or in respect of, the Mexico City Airport Trust Agreement.

### ***Use of Proceeds***

The Issuer shall use the net proceeds from the offering of the Notes to pay installments of the Purchase Price due under the Assignment of Rights Agreements and/or prepay outstanding Indebtedness.

### ***Ranking***

The Issuer will ensure that the Notes and all amounts due under the Indentures shall at all times rank, in right of payment, upon the bankruptcy or insolvency of the Issuer, *pari passu* in right of payment with, and share equally and ratably in the Collateral with, all of the Issuer's other present and future Indebtedness secured by the Collateral, other than those obligations or Indebtedness mandatorily preferred by operation of Applicable Law or secured by a Permitted Lien.

### ***Covenant to Give Security***

Upon the acquisition of any property which is not already subject to a perfected first priority security interest in favor of the Offshore Collateral Agent, the Security Trust Trustee or the Onshore Collateral Agent for the benefit of the Secured Parties, the Issuer, at its own expense, will within 15 Business Days of such acquisition, (A) duly execute and deliver, in form and substance reasonably satisfactory to the Collateral Agents, a contribution to the Security Trust of such property and take whatever action (including any recording, filing of UCC financing statements, the giving of notices and the endorsement of notices on title documents) necessary to vest in the Security Trust Trustee, valid and subsisting first priority Liens on the properties purported to be contributed to the Security Trust, enforceable against all third parties in accordance with its terms; or (B) duly execute and deliver a mortgage, pledge, assignment and other security agreements, in form and substance reasonably satisfactory to the Collateral Agents, securing payment of all of the Secured Obligations and constituting Liens on all such properties and take whatever action (including the recording of mortgages, the filing of UCC financing statements, the giving of notices and the endorsement of notices on title documents) necessary to vest in the Offshore Collateral Agent or the Onshore Collateral Agent, as the case may be, valid and subsisting first priority Liens on the properties purported to be subject to such mortgages, pledges, assignments and security agreements, enforceable against all third parties in accordance with their terms.

Concurrently with the execution of any Swap Contract, the Issuer shall (A) enter into a Security Agreement, and (B) submit and file proper financing statements under the UCC for the District of Columbia in order to perfect and protect the first priority Liens created under the Security Agreement, covering the Collateral described in the Security Agreement.

### ***Swaps***

The Issuer will duly execute and deliver at the times specified below and maintain in full force and effect at all times thereafter:

(a) concurrently with the incurrence of any Additional Debt that bears interest at a floating rate, one or more Interest Rate Swap Contracts as to a notional principal amount of all such Additional Debt from time to time outstanding, which Interest Rate Swap Contracts shall not contain any obligation of the Issuer to provide any collateral other than collateral provided on the respective date of execution of such Interest Rate Swap Contracts (including, for the avoidance of doubt, any obligation to comply with margin calls); *provided*, that the notional principal amount required to be hedged under such Interest Rate Swap Contracts may be reduced from time to time by the following amounts: (i) the aggregate notional principal amount then hedged under the Interest Rate Swap Contracts in full force and effect at such time in respect of the Credit Agreement and (ii) the amount of any permanent reduction of the commitments under the Credit Agreement; *provided*, further, that the Issuer shall procure that the Unhedged Amount shall not exceed US\$3,000,000,000 at any time and any Swap Contract Termination Payments resulting from a reduction of the notional principal amount required to be hedged shall be made by the Security Trust Trustee, on behalf of the Issuer, from funds available; and

(b) concurrently with the Incurrence of any Additional Debt that is not denominated and payable in Dollars, FX Swap Contracts as to the aggregate principal amount of such Additional Debt and all projected interest payment and other Additional Debt Service Obligations in respect of such Additional Debt, which FX Swap Contracts shall not contain any obligation of the Issuer to provide any collateral other than collateral provided on the respective date of execution of such FX Swap Contracts (including, for the avoidance of doubt, any obligation to comply with margin calls),

and the Issuer shall procure that each Swap Counterparty to such Swap Contract accedes to the Intercreditor Agreement concurrently with the execution of such Swap Contract.

The Issuer will procure that each Required Swap Contract shall (i) only provide for cross-acceleration (and not cross-default) to the indebtedness evidenced by the Notes and customary events of default set forth in standardized documentation published by ISDA, and (ii) not include any covenants, other than covenants customary in standardized documentation published by ISDA and information covenants; *provided*, that the foregoing shall not be deemed to prohibit provisions that do not conform to standard definitions set forth in standardized documentation published by ISDA so long as any such deviations from such standard definitions shall either be customary or no less favorable in any material respect to the Issuer as compared to the relevant standard definition set forth in standardized documentation published by ISDA.

### ***Collection Agreements***

The Issuer will cause that each Collection Agreement executed by the relevant Sponsor with an Airline (except for Exempt Airlines) after the Issue Date contain an acknowledgment by such Airline that (i) it will be responsible for collecting passenger charges at the Existing Airport and, from and after the commencement of commercial operations of the New Airport, the New Airport, and (ii) it shall deposit all passenger charges collected to an account maintained by the Security Trust.

### ***Maintenance of Insurance***

The Issuer will cause the Existing Sponsor and, from and after the commencement of commercial operations of the New Airport, the New Sponsor, to maintain the insurance policies and endorsements thereof in effect, with the current insurers or other financially sound and reputable insurers, required pursuant to the Assignment of Rights Agreements, the Concessions and Applicable Law.

### ***Subordinated Debt***

The Issuer will, no earlier than 15 (fifteen) days prior to the incurrence of any Subordinated Debt, deliver or cause to be delivered to the Indenture Trustee a Ratings Affirmation from two Rating Agencies.

## Negative Covenants of the Issuer

Pursuant to the Indentures, the Issuer will agree to the following (among other negative covenants):

### *Limitation on Indebtedness*

(1) The Issuer will not create, incur, assume or suffer to exist any Indebtedness except that the Issuer may incur Indebtedness if:

(i) after giving *pro forma* effect to the Incurrence thereof and the application of the proceeds therefrom (excluding the aggregate amount of any Facility Debt Service Reserve Requirement, Indenture Debt Service Reserve Requirement or Additional Debt Service Reserve Requirement, existing or contractually required to exist), the average Debt Service Coverage Ratio for the two (2) Quarterly Periods immediately preceding the Incurrence of such Indebtedness is equal to or greater than 1.20:1.00; or

(ii) the Concession Life Coverage Ratio shall be equal to or greater than 1.20:1.00 at the time of the Incurrence thereof;

*provided that*, for purposes of calculating Debt Service Coverage Ratio with respect to the Incurrence of Indebtedness:

(a) the aggregate amount of commitments under the Credit Agreement shall be deemed fully drawn;

(b) the interest rate applicable to any outstanding Indebtedness is equal to the interest rates applicable to such Indebtedness for each of the two (2) Quarterly Periods immediately preceding the date of determination;

(c) the interest rate applicable to any Indebtedness to be Incurred is equal to the fixed interest rate of such Indebtedness under the relevant Additional Debt Agreement or under the relevant Swap Contract in effect on the date of determination;

(d) a hypothetical fixed interest rate equal to the Reference Rate shall be applied to (x) all Indebtedness to be Incurred that does not bear interest at a fixed interest rate under the relevant Additional Debt Agreement or under the relevant Swap Contract in effect on the date of determination and (y) all amounts of undrawn commitments under the Credit Agreement assumed to be fully drawn;

(e) the Net Passenger Charges Amount to be used shall be the Net Passenger Charges Amount during the applicable Quarterly Periods; provided that, if any of the Passenger Tariffs were adjusted for inflation or otherwise modified during the applicable Quarterly Periods or during the period from the most recent Quarterly Date to the date of determination, the Passenger Charges amount to be used for the calculation of the Net Passenger Charges Amount will be the amount equal to the actual volume of passenger traffic calculated based on the registered volume during the applicable Quarterly Periods as evidenced by the two (2) latest Traffic Volume Reports delivered under clause (f) of “—Reporting Requirements,” multiplied by the Passenger Tariffs, as applicable, in force and effect on the date of determination (taking into account, for the avoidance of doubt, the Passenger Tariffs as adjusted or otherwise modified).

(2) Notwithstanding clause (1) above, the Issuer may incur the following Indebtedness:

(a) Indebtedness in respect of the Notes, excluding additional Notes;

(b) Indebtedness under the Loan Documents outstanding from time to time;

(c) Required Swap Debt outstanding from time to time;

(d) Refinancing Debt with respect to which each of the following conditions has been satisfied:

(i) the Average Life of such Refinancing Debt shall not be shorter than the Average Life of the Indebtedness being refinanced;

(ii) the aggregate principal amount (or initial accreted value, if applicable) of such Refinancing Debt as of the date of such proposed refinancing does not exceed the aggregate principal amount (or accreted value as of such date, if applicable) of the Indebtedness being refinanced (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness and the amount of reasonable expenses incurred by the Issuer in connection with such refinancing);

(iii) the interest payment dates for such Refinancing Debt shall not fall on dates other than Quarterly Dates and the principal payments for such Refinancing Debt shall not fall on dates other than Quarterly Dates;

(iv) the Issuer shall enter into the Swap Contracts required under, and is otherwise in compliance with the requirements of “—Affirmative Covenants of the Issuer—Swaps,” and

(v) the Additional Debt Providers in respect of such Refinancing Debt or any agent appointed by them, shall have entered into or acceded to the Intercreditor Agreement on or prior to the Incurrence of such Refinancing Debt.

(e) Indebtedness pursuant to Credit Facilities; provided that the aggregate principal amount at any time outstanding does not exceed US\$100.0 million (or the equivalent in other currencies);

(f) Swap Contracts for bona fide hedging purposes and not for speculative purposes, including, without limitation, in respect of financing transactions permitted under the Indentures;

(g) Subordinated Debt provided that the conditions included in “Affirmative Covenants of the Issuer—Subordinated Debt” are satisfied; and

(h) Indebtedness in the form of banker’s acceptances, performance bonds, surety or appeal bonds and other similar bonds and reimbursement obligations securing the performance of regulatory or license obligations of the Issuer (in each case, other than for an obligation for borrowed money).

For purposes of determining compliance with this “Limitation on Indebtedness” covenant, in the event that an item of proposed Indebtedness (or any portion thereof) meets the criteria of more than one of the categories described in clauses (a) through (h) above, or is entitled to be incurred pursuant to paragraph (1) of this covenant, the Issuer, in its sole discretion, will be permitted to classify such item of Indebtedness (or any portion thereof) on the date of its incurrence, or later reclassify all or a portion of such item of Indebtedness, in any manner that complies with this covenant and will only be required to include the amount and type of such Indebtedness in one of the above clauses.

The accrual of interest, the accretion or amortization of original issue discount and the payment of interest on any Indebtedness in the form of Additional Debt with the same terms will not be deemed to be an incurrence of Indebtedness for purposes of this covenant. For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar amount of Indebtedness denominated in a currency other than the U.S. dollar shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred; *provided* that, the principal amount of any Refinancing Debt shall be calculated based on the currency exchange rate that is in effect on the date of such refinancing. Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer may incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

### ***Restricted Payments***

(a) The Issuer shall not make, nor shall the Issuer instruct the Security Trust Trustee to make, any Restricted Payment unless such Restricted Payment is made on a Business Day occurring on or within thirty (30) Business Days after a Quarterly Date and only if the following conditions are satisfied as of the date of such Restricted Payment:

(i) the Debt Service Coverage Ratio as of such Quarterly Date is not less than (x) 1.15:1.00, for the Quarterly Period ending on such Quarterly Date and (y) 1:15:1:00, for the period of four (4) consecutive Quarterly Periods ending on such Quarterly Date (or, if less than four (4) Quarterly Periods have elapsed as of such Quarterly Date, the period from the Issue Date of the Notes through such Quarterly Date);

(ii) at the time of the making of such Restricted Payment, and immediately after giving effect to such Restricted Payment, no Prospective Event of Default or Event of Default shall have occurred and be continuing;

(iii) as of such Quarterly Date, and after giving effect to all payments of Secured Indenture Obligations made on such date, (x) the balance in the Indenture Debt Service Reserve Account (including Dollar Permitted Investments therein) equals or exceeds the Indenture Debt Service Reserve Requirement, or (y) the Issuer has delivered to the Security Trust Trustee for the benefit of the holders of the Notes an irrevocable letter of credit drawn on a bank with a credit rating at least equal to the credit rating of the Notes on the Issue Date, payable on the next interest payment date in an amount available to be drawn thereunder at least equal to the Indenture Debt Service Reserve Requirement;

(iv) such Restricted Payment is permitted by, and satisfies all requirements of, the Credit Agreement and, if Additional Debt has been incurred by the Issuer, Additional Debt Agreements, in respect of Restricted Payments or similar payments; and

(v) the amount of such Restricted Payment to the Issuer or any Sponsor shall not exceed an amount equal to (A) the aggregate amount deposited in, or transferred into, the Peso Revenues Account and the Offshore Revenues Account during the Quarterly Period ending on such Quarterly Date, minus (B) all payments and transfers higher in priority than priority *Tenth* of Section 4.1(a) and Section 4.1(b) of the Intercreditor Agreement which were made from the Peso Revenues Account and the Offshore Revenues Account during the Quarterly Period ending on such Quarterly Date, subject to the limitations contained therein, *plus* (C) all Cash Trapped Amounts, if any, as of the Quarterly Date next preceding such Quarterly Date.

(b) Notice. If the Issuer is intending to make a Restricted Payment it will, not less than five Business Days prior to the date on which the Restricted Payment is intended to be made, give the Offshore Collateral Agent and the Security Trust Trustee notice thereof.

### ***Limitation on Liens***

The Issuer will not create, incur, assume or suffer to exist any Lien (other than Permitted Liens) upon any of its properties, assets or revenues, whether now owned or hereafter acquired.

### ***Change in Nature of Business or Project***

The Issuer will not engage in any business other than the purpose specified in the Mexico City Airport Trust Agreement.

### ***Disposition***

Except for Restricted Payments as described under “—Restricted Payments” or as otherwise permitted by the Intercreditor Agreement or the Collateral Documents, the Issuer will not make any Disposition, or enter into any agreement to make any Disposition, of any of the Security Trust Assets or its rights as Security Trust Beneficiary.

### ***Investments***

The Issuer will not make or hold any Investments in any Person except for (i) Cash Equivalents; and (ii) Required Swap Contracts.

### ***Amendments to the Mexico City Airport Trust Agreement***

Except for any amendments, modifications, waivers or supplements that would not otherwise materially adversely affect the rights of any holder of Notes or that would otherwise be consistent with the terms of the Indentures or the Loan Documents, the Issuer will not amend, modify or supplement the Mexico City Airport Trust Agreement, in each case unless permitted by the Indenture Trustee, acting on the instructions of at least a majority of the holders of the Notes.

### ***Project Agreements***

Except as would not reasonably be expected to materially impair the value of the interest or rights of the Issuer thereunder or otherwise reasonably be expected to have a Material Adverse Effect, the Issuer will not (i) cancel or terminate any Project Agreement or any Collection Agreement or consent to or accept any cancellation or termination thereof, (ii) amend, modify or change in any manner any term or condition of any Project Agreement or any Collection Agreement, (iii) give any consent, waiver or approval under the Mexico City Airport Trust Agreement or any Project Agreement or any Collection Agreement, or (iv) consent to any assignment or transfer of rights under the Mexico City Airport Trust Agreement or any Project Agreement or any Collection Agreement (other than as required by the Collateral Documents), in each case unless permitted by the Indenture Trustee, acting on the instructions of at least a majority of the holders of the Notes.

### ***Speculative Transactions***

The Issuer will not engage in any transaction involving commodity options or futures contracts or similar speculative transactions.

### ***Amendments to the Existing Airport Concession and ASA Services Agreement***

The Issuer will not agree to any amendment, waiver, suspension or termination of any provision of (i) the Existing Airport Concession providing that (A) payments due to the SCT by the Existing Sponsor in respect of any *aprovechamiento* are subordinated to the operating costs (including debt service) of the Existing Sponsor, and (B) that the Existing Sponsor shall only be required to make payments to the SCT in respect of any *aprovechamiento* to the extent that the Existing Sponsor has, after payment in full of all its operating costs (including debt service), available cash for such purpose (*disponibilidad presupuestal*), or (ii) the ASA Services Agreement relating to the priority of payments to be made by each Sponsor of all fees and other amounts that may be or may become due to ASA from such Sponsor from time to time (including under the ASA Services Agreement), in each case unless permitted by the Indenture Trustee, acting on the instructions of at least a majority of the holders of the Notes; *provided*, that with respect to the ASA Services Agreement, the Sponsors may (I) terminate the ASA Services Agreement, or (II) reduce the amounts payable by any of the Sponsors to ASA thereunder, in the case of each of (I) and (II), to the extent that the Airport continues to operate in the ordinary course consistent with past practice.

## Reporting Requirements

The Issuer will provide the Indenture Trustee and, upon request, the holders of the Notes, with the following reports and notices:

(a) as soon as available, but in any event within sixty (60) days after the end of each of the first three (3) Fiscal Quarters and ninety (90) days after the end of the fourth Fiscal Quarter, an unaudited balance sheet of the Issuer as at the end of such Fiscal Quarter period, and the related statements of income or operations and cash flows for such Fiscal Quarter, in accordance with Mexican GAAP;

(b) as soon as available, but in any event within one hundred twenty (120) days after the end of each Fiscal Year, an audited balance sheet of the Issuer as at the end of such Fiscal Year, and the related statements of income or operations and cash flows for such Fiscal Year, in accordance with Mexican GAAP, audited and accompanied by a report of the Independent Auditors;

(c) without duplication, upon request, English language versions or summaries in electronic format of such other reports or notices as may be filed or submitted by (and within ten (10) days after filing or submission by) the Issuer with the SGX-ST, or any other stock exchange on which the Notes may be listed, in each case, to the extent that any such report or notice is generally available to the Issuer's debt holders, provided, however, that the Issuer shall not be required to furnish such information to the extent such information is available on the Issuer's or any of the Sponsor's website or to the extent that the information contained therein is not materially different than the information provided pursuant to clause (a) and (b) above;

(d) so long as the Issuer is not subject to Section 13 or Section 15(d) of the Exchange Act and exempt from reporting pursuant to Rule 12g3-2(b) of the Exchange Act, upon request, to any holder and any prospective purchaser of the Notes, the information required pursuant to Rule 144A(d)(4) under the Securities Act;

(e) promptly (but in any event within ten (10) Business Days after a Responsible Officer of the Issuer obtains knowledge or is aware thereof), a notice of: (i) the occurrence of any Default or Event of Default under the Notes, and (ii) the occurrence of any material default under, or any amendment, waiver, modification, supplement, cancellation, suspension or termination of, under or in respect of any Project Agreement (except for any amendments, modifications, waivers or supplements of a clerical, technical or administrative matter) and any request therefor;

(f) within forty-five (45) Business Days after each Quarterly Date, a Traffic Volume Report for the Quarterly Period ending on such Quarterly Date; and

(g) within thirty (30) Business Days after each Quarterly Date, an officer's certificate setting forth in reasonable detail a calculation of the Debt Service Coverage Ratio for (a) the Quarterly Period ending on such Quarterly Date, (b) the two (2) consecutive Quarterly Periods ending on such Quarterly Date and (c) the four (4) consecutive Quarterly Periods ending on such Quarterly Date.

Simultaneously with the delivery of each set of financial statements referred to in clause (a) above, the Issuer will provide the Indenture Trustee with an officers' certificate stating whether a Default or Event of Default exists on the date of such certificate and, if a Default or Event of Default exists, setting forth the details thereof and the action which the Issuer is taking or propose to take with respect thereto.

## Events of Default

Pursuant to the Indentures each of the following events, acts, occurrences or conditions, will constitute an event of default under each series of Notes (each an “Event of Default”). “Default” means any event that with the lapse of time or the giving of notice, or both, would become an Event of Default.

(a) (i) The Issuer fails to pay any amount of principal on any Note when the same becomes due and payable, or (ii) the Issuer fails to pay interest on any Note within thirty (30) days after the same becomes due and payable;

(b) Any representation or warranty made by the Issuer or either of the Sponsors in any Project Agreement shall be incorrect or misleading when made, unless such misrepresentation could not reasonably be expected to have a Material Adverse Effect or is capable of remedy and either (i) is remedied within thirty (30) days after the Indenture Trustee has provided written notice thereof to the Issuer or (ii) the Issuer is continuing diligently in good faith to remedy such inaccuracy, in which case the 30-day period will be extended to the earlier of (A) the date in which the Issuer is no longer working in good faith to remedy such misrepresentation and (B) 180 days.

(c) The Issuer fails to comply with the covenant described under “—Negative Covenants of the Issuer—Limitation on Indebtedness,” and such failure continues for 30 days after the notice specified below;

(d) The Issuer fails to comply with any of the covenants or agreements in the relevant series of Notes or the respective Indenture (other than those referred to in clauses (a) and (c) above), and such failure continues for 60 days after the notice specified below;

(e) Any Insolvency Proceeding occurs with respect to the Issuer or either of the Sponsors;

(f) The Issuer or either of the Sponsors (i) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) in respect of any Indebtedness or Guarantee (including Additional Debt but excluding Indebtedness under the Notes or the Indentures) having an aggregate principal amount (including amounts owing to all creditors under any combined or syndicated credit arrangement) in excess of US\$150 million, or (ii) fails to observe or perform any other material agreement or condition relating to any such Indebtedness or Guarantee (including Additional Debt but excluding Indebtedness under the Notes or the Indentures) or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; *provided* that in the case of the Sponsors, the terms “Indebtedness” and “Guarantee” as used in this paragraph will be limited to obligations of each Sponsor for borrowed money and will not include (i) debt subordinated to other Indebtedness of such Sponsor or to the payment of operating and maintenance expenses of any Airport, or (ii) debt owed to any of its Affiliates (including ASA and any Mexican Governmental Authority);

(g) There is entered against the Issuer (i) a final judgment or order for the payment of money in an aggregate amount exceeding US\$150 million (to the extent not covered by independent third-party insurance as to which the insurer is rated at least “A” by A.M. Best Company, has been notified of the potential claim and has not disputed coverage), (ii) a final non-appealable judgment or order for the payment of money in an aggregate amount exceeding US\$150 million that such person fails to make payment thereof within the period of time mandated by such judgment or order or (iii) any one or more non-monetary judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of forty-five (45) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect;

(h) Notwithstanding paragraph (p) (i) except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, any Sponsor fails to perform or observe any term, covenant or agreement contained in the Existing Airport Concession (in the case of the Existing Sponsor) or the New Airport Concession (in the case of the New Sponsor) on its part to be performed or observed by it and, if such failure to perform or observe is of a nature such that it can be remedied, such failure to perform or observe shall continue unremedied beyond any applicable cure period set forth therein, or in the event no such cure period is specified, such failure shall remain unremedied for thirty (30) days after the earlier of (A) a Responsible Officer of such Sponsor has knowledge of such failure and (B) written notice thereof has been given to the Issuer by the Indenture Trustee, the Offshore Collateral Agent or the Onshore Collateral Agent or (ii) any Concession shall (A) be suspended, revoked, cancelled, or terminated unless being contested by the Existing Sponsor (in the case of the Existing Airport Concession) or the New Sponsor (in the case of the New Airport Concession), or any Sponsor shall consent to or accept any suspension, revocation, cancellation or termination thereof, in each case, except for the termination of the Existing Airport Concession as a result of the commencement of commercial operations of the New Airport, (B) be amended, modified or changed in any manner or any consent, waiver or approval shall be given thereunder for such purpose and, in the case of this clause (B) only, such occurrence could reasonably be expected to have a Material Adverse Effect;

(i) Except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (i) any provision of any Project Agreement, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder, ceases to be in full force and effect unless the same is being contested by the Issuer or a Sponsor that is party thereto; (ii) the Issuer or a Sponsor or any other Person contests in any manner the validity or enforceability of any provision of any Project Agreement; or (iii) the Issuer or either Sponsor denies that it has any or further liability or obligation under any Project Agreement, or purports to revoke, terminate, suspend or rescind any Project Agreement;

(j) Any Core Governmental Authorization at any time after the issuance, granting, publication or delivery thereof and for any reason other than as expressly permitted hereunder or thereunder, is revoked, modified, withheld, suspended, terminated or expires or otherwise ceases to be in full force and effect; or the Issuer or a Sponsor or any other Person contests in any manner the validity or enforceability of any provision of any Core Governmental Authorization, in each case, except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(k) The Security Trust Trustee shall cease to be authorized or recognized by any Mexican Governmental Authority as the sole Person entitled to collect and receive for its own account all such amounts due or to become due in respect of Passenger Charges from the Airports (excluding, for the avoidance of doubt, any entitlement or right to provide the service giving rise to such amounts, which entitlement or right shall continue to remain with the relevant Sponsor notwithstanding such assignment);

(l) The Passenger Charges at the Airports are determined, announced or published by any Mexican Governmental Authority in any currency other than Dollars; *provided* that if such Passenger Charges become redenominated in Pesos, no Event of Default shall occur if the Issuer executes a currency Swap Contract (with the Sponsors guaranteeing all obligations of the Issuer thereunder) with an Acceptable FX Bank in respect of the revenues from Passenger Charges for a notional amount not less than the outstanding amount of Notes and other Projected Debt Service within fifteen (15) Business Days of such redenomination, in compliance with the requirements of the Intercreditor Agreement;

(m) Any Sponsor, in its capacity as agent (*comisionista*), (i)(A) prevents any Airline from delivering Passenger Charges directly to the Security Trust within the agreed-upon time, (B) defaults under any agreement with any Airlines that permits such Airlines to withhold payment of Passenger Charges directly to the Security Trust, or (C) fails to perform any obligations relating to the collection or delivery of Passenger Charges under the Agency Agreement to which it is a party, except in the case of (i)(B) and (i)(C) as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (ii) except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, a the Issuer or either Sponsor breaches in any respect, or causes the termination, rescission, cancellation or suspension of, any Agency Agreement and (iii) the circumstances described in clauses (i) and (ii) above are of a nature such that they may be remedied and remain unremedied beyond any applicable cure period set forth in the Agency Agreement, or in the event no such cure period is

specified in such Agency Agreement, such failure shall remain unremedied for thirty (30) days after the earlier of (A) a Responsible Officer of such Sponsor having knowledge of such failure and (B) written notice thereof has been given to the Issuer by the by the Indenture Trustee, the Offshore Collateral Agent or the Onshore Collateral Agent;

(n) Any Sponsor ceases to be directly or indirectly majority owned and Controlled by the Mexican federal government;

(o) Any Collateral Document shall for any reason (other than pursuant to the terms thereof) cease to create a valid and perfected first priority lien on and security interest in the Collateral purported to be covered thereby, except when due to clerical error, *provided* that the Issuer shall be diligently pursuing the perfection of such first priority lien and such clerical error shall be corrected no later than thirty (30) Business Days after the earlier of (i) a Responsible Officer of the Issuer has knowledge of such clerical error and (ii) written notice thereof has been given to the Issuer by the by the Indenture Trustee, the Offshore Collateral Agent or the Onshore Collateral Agent;

(p) (i) Any Project Agreement is terminated, rescinded, cancelled or suspended in advance of its expiration unless such termination, rescission, cancellation or suspension is being contested by the Issuer or a Sponsor or (ii) except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Issuer or a Sponsor breaches in any respect, or causes the termination, rescission, cancellation or suspension of, any Project Agreement, and such termination described in clauses (i) and (ii) shall remain unremedied for thirty (30) Business Days after the earlier of (A) a Responsible Officer of such Person having knowledge of such termination, termination, rescission, cancellation or suspension and (B) written notice thereof has been given to the Issuer by the by the Indenture Trustee, the Offshore Collateral Agent or the Onshore Collateral Agent;

(q) An Expropriatory Event, a Political Violence Event, a Transfer and Inconvertibility Event or a Reduction in Charge Event shall have occurred;

(r) Any Governmental Authority asserting *de jure or de facto* governmental or police powers in Mexico shall, by moratorium laws or otherwise, cancel, suspend or defer the obligation of the Issuer to pay any amount required to be paid under the Indentures when the same become due and payable thereunder and such cancellation, suspension or deferral shall continue for ten (10) or more consecutive Business Days; or

(s) If any transfer of rights to collect Passenger Charges at any of the Airports pursuant to any Assignment of Rights Agreement is determined in a non-appealable judgment or order, by a competent Governmental Authority to not be an absolute assignment (other than for tax purposes) pursuant to Applicable Law and such judgment or order is not subject to contest within forty-five (45) days of such judgment or order.

Upon the occurrence and during the continuation of any Event of Default, the Indenture Trustee (if so instructed in writing by the holders of at least 25% in aggregate principal amount of a series of Notes then outstanding), by notice then given in writing to the Issuer, will declare the aggregate principal balance of all Notes of such series immediately due and payable; *provided* that any Event of Default due to bankruptcy and insolvency (see clause (e) above) will automatically result in the aggregate principal balance of all Notes of such series becoming immediately due and payable.

At any time after a declaration of acceleration with respect to the Notes of a series as described in the preceding paragraph, holders of a majority in principal amount of the outstanding Notes of such series may rescind and cancel such declaration and its consequences:

- if the rescission would not conflict with any judgment or decree;
- if all existing Events of Default have been cured or waived, except nonpayment of principal or interest that has become due solely because of the acceleration;
- to the extent the payment of such interest is lawful, interest on overdue installments of interest and overdue principal, which has become due otherwise than by such declaration of acceleration, has been paid; and

- if the Issuer has paid the Indenture Trustee its reasonable compensation and reimbursed the trustee for its reasonable expenses, disbursements and advances.

No rescission will affect any subsequent Default or impair any rights relating thereto.

Holders of a majority in principal amount of the outstanding Notes of a series may waive any existing Default or Event of Default under the Indenture related to such series, and its consequences, except a default under clause (a) above.

The Indenture Trustee will be under no obligation to exercise any of its rights or powers under the Indenture at the request or direction of any of the holders of the Notes, unless such holders will have offered to the trustee indemnity and/or security reasonably satisfactory to the Indenture Trustee. Subject to such provision for the indemnification of and security to the Indenture Trustee, the holders of a majority in aggregate principal amount of the outstanding Notes will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee in respect of the Notes or exercising any trust or power conferred on the Indenture Trustee in respect of the Notes.

### **Satisfaction and Discharge**

The Indenture with respect to a series of Notes will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of such series of Notes and the rights of the Indenture Trustee, as expressly provided for in the Indenture) as to all outstanding Notes of such series when:

(a) either:

(i) all of the Notes of such series previously authenticated and delivered (except lost, stolen or destroyed Notes which have been replaced or paid and Notes for whose payment money has previously been deposited in trust or segregated and held in trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust) have been delivered to the Indenture Trustee for cancellation; or

(ii) all Notes of such series not previously delivered to the Indenture Trustee for cancellation (i) have become due and payable or will become due and payable within one year or (ii) are to be called for redemption within one year under irrevocable arrangements satisfactory to the Indenture Trustee for the giving of notice of redemption by the Indenture Trustee in the name, and at the Issuer's expense, and, in each case, the Issuer has irrevocably deposited or caused to be deposited with the Indenture Trustee funds or certain direct, non-callable obligations of, or guaranteed by, the United States sufficient without reinvestment to pay and discharge the entire indebtedness on the Notes not previously delivered to the Indenture Trustee for cancellation, for principal of, premium, if any, and interest on the Notes to the date of deposit (in the case of Notes that have become due and payable) or to the maturity or redemption date, as the case may be, and any Additional Amounts payable with respect thereto, together with irrevocable instructions from the Issuer directing the Indenture Trustee to apply such funds to the payment;

(b) the Issuer has paid all other sums payable by it under such Indenture and the Notes under such Indenture; and

(c) the Issuer has delivered to the Indenture Trustee an officers' certificate stating that all conditions precedent under the Indenture relating to the satisfaction and discharge of the Indenture have been complied with.

### **Defeasance**

We may at any time terminate all of our obligations with respect to any series of Notes ("defeasance"), except for certain obligations, including those to the Indenture Trustee and the agents appointed under the applicable Indenture, those regarding any trust established for a defeasance and obligations to register the transfer or exchange of such series of Notes, to replace mutilated, destroyed, lost or stolen Notes of such series and to maintain agencies in respect of Notes of such series. We may at any time terminate our obligations under certain covenants set forth in

the Indenture with respect to a series of Notes, and any omission to comply with such obligations will not constitute a Default or an Event of Default with respect to the Notes of such series (“covenant defeasance”). In order to exercise either defeasance or covenant defeasance, we must irrevocably deposit in trust, for the benefit of the holders of a series of Notes, with the trustee money or U.S. government obligations, or a combination thereof, in such amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants expressed in a written certificate delivered to the Indenture Trustee, without consideration of any reinvestment, to pay the principal of and interest on the Notes of such series to redemption or maturity and comply with certain other conditions, including the delivery of an opinion of legal counsel of recognized standing to the effect that the holders of the Notes of such series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same time as would otherwise have been the case (and in the case of a defeasance that is not a covenant defeasance, such opinion shall be based on a change in law or a ruling of the U.S. Internal Revenue Service).

### **Amendment, Supplement, Waiver**

Subject to certain exceptions, the Indenture with respect to a series of Notes may be amended or supplemented with the consent of the holders of at least a majority in principal amount of such series of Notes then outstanding, and any past Default or compliance with any provision may be waived with the consent of the holders of at least a majority in principal amount of such series of Notes then outstanding. However, without the consent of each holder of an outstanding series of Notes affected thereby, no amendment may:

- (a) reduce the rate of or extend the time for payment of interest on the Notes;
- (b) reduce the principal, or change the Stated Maturity, of the Notes;
- (c) reduce the amount payable upon redemption or repurchase of the Notes or change the time at which the Notes may be redeemed or repurchased;
- (d) make any change in the provisions of the Indenture of such series described under “— Additional Amounts” that adversely affects the rights of any holder of Notes;
- (e) change the currency for, or place of payment of, principal or interest on the Notes;
- (f) impair the right to institute suit for the enforcement of any payment on or with respect to the Notes;
- (g) waive certain payment defaults with respect to the Notes;
- (h) reduce the principal amount of Notes whose holders must consent to any amendment or waiver; or
- (i) make any change in the amendment or waiver provisions which require each holder’s consent.

The holders of the relevant series of Notes will receive prior notice as described under “—Notices” of any proposed amendment to the Notes or the Indenture of such series of Notes described in this paragraph. After an amendment described in the preceding paragraph becomes effective, we are required to deliver to the holders a notice briefly describing such amendment. However, the failure to give such notice to all holders of a series of Notes, or any defect therein, will not impair or affect the validity of the amendment.

The consent of the holders of a series of Notes is not necessary to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

The Issuer and the Indenture Trustee may, without the consent or vote of any holder of a series of Notes, amend or supplement the Indenture or the Notes with respect to a series of Notes for the following purposes:

- (a) to cure any ambiguity, omission, defect or inconsistency; provided that such amendment or supplement does not materially adversely affect the rights of any holder;
- (b) to add guarantees or collateral with respect to the Notes;
- (c) to add to the covenants of the Issuer for the benefit of holders of the Notes;
- (d) to surrender any right conferred upon the Issuer;
- (e) to evidence and provide for the acceptance of an appointment by a successor trustee;
- (f) to provide for the issuance of Additional Notes;
- (g) to conform the text of the respective Indenture or the Notes of a series to any provision of this “Description of the Notes” to the extent that such provision in this “Description of the Notes” was intended to be a verbatim recitation of a provision of such Indenture or the Notes of such series; or
- (h) to make any other change that does not materially adversely affect the rights of any holder of the Notes.

In executing any amendment, waiver or supplemental indenture to any Indenture or the Notes, the Indenture Trustee will be entitled to receive an officers’ certificate and an opinion of legal counsel of recognized standing, each stating that such amendment, waiver or supplemental indenture is authorized or permitted by the Indenture, that it is not inconsistent with the terms of the Indenture, and that it shall be valid and binding upon the Issuer in accordance with its terms.

## **Notices**

For so long as Notes in global form are outstanding, notices to be given to holders will be given to the depository, in accordance with its applicable policies as in effect from time to time. If Notes are issued in individual definitive form, notices to be given to holders will be deemed to have been given upon the mailing by first class mail, postage prepaid, of such notices to holders of the Notes at their registered addresses as they appear in the registrar’s records. Neither the failure to give any notice to a particular holder of the Notes, nor any defect in a notice given to a particular holder of the Notes, will affect the sufficiency of any notice given to another holder of the Notes.

## **Governing Law and Submission to Jurisdiction**

The Notes and the Indentures will be governed by, and construed in accordance with, the laws of the State of New York.

Each of the parties to the Indentures will irrevocably submit to the jurisdiction of the U.S. federal and New York State courts located in the Borough of Manhattan, City and State of New York and to the courts of its own corporate domicile in respect of actions brought against it as a defendant for purposes of all legal actions and proceedings instituted in connection with the Notes and the Indentures. We have appointed CT Corporation System at 111 Eighth Avenue, New York, New York 10011, United States of America, as our authorized agent upon which process may be served in any such action.

## **Currency Indemnity**

U.S. Dollars are the sole currency of account and payment for all sums payable by the Issuer under or in connection with the Notes and the Indentures, including damages. To the greatest extent permitted under applicable law, any amount received or recovered in a currency other than Dollars (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise) by any holder of a Note in respect of any sum expressed to be due to it from the Issuer will only constitute a discharge

to the Issuer to the extent of the Dollar amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that Dollar amount is less than the Dollar amount expressed to be due to the recipient under any Note, the Issuer will indemnify such holder against any loss sustained by it as a result; and if the amount of U.S. Dollars so purchased is greater than the sum originally due to such holder, such holder will, by accepting a Note, be deemed to have agreed to repay such excess. In any event, the Issuer will indemnify the recipient against the cost of making any such purchase.

For the purposes of the preceding paragraph, it will be sufficient for the holder of a Note to certify in a satisfactory manner (indicating the sources of information used) that it would have suffered a loss had an actual purchase of Dollars been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of Dollars on such date had not been practicable, on the first date on which it would have been practicable, it being required that the need for a change of date be certified in the manner mentioned above). These indemnities will constitute a separate and independent obligation from the other obligations of the Issuer, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by any holder of a Note and will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note.

### **Indenture Trustee**

For a description of the duties and the immunities and rights of the Indenture Trustee under the Indentures, reference is made to the Indentures, and the obligations of the Indenture Trustee to the holders of the Notes are subject to such immunities and rights as set forth therein. Pursuant to the Indentures, the Indenture Trustee has no obligation to perform any calculation or to make any determination with respect to any financial matter (including, without limitation, the determination of any financial ratio or any amount due in respect of payments of the Notes).

### **Certain Definitions**

“Acceptable FX Bank” means any of Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex, HSBC Bank USA, National Association and JPMorgan Chase Bank, N.A., any Affiliate thereof and any other financial institution with similar ratings for long-term unsecured and non-credit enhanced debt obligations.

“Additional Debt” means any Refinancing Debt and any Incremental Debt.

“Additional Debt Accounts” means the Additional Debt Service Accrual Account (if any) and the Additional Debt Service Reserve Account (if any), in each case, in respect of any Additional Debt.

“Additional Debt Agreements” means each agreement, contract, indenture, instrument or document evidencing, guaranteeing or securing any Additional Debt or securing any Obligations under a Required Swap Contract entered into in respect of such Additional Debt.

“Additional Debt Obligations” means all advances to, and debts, liabilities, Obligations, covenants and duties of, the Issuer under the Additional Debt Agreements or otherwise with respect to any Additional Debt or each Required Swap Contract by and between the Issuer and any Swap Counterparty related to such Additional Debt (if any), whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Issuer thereof of any Insolvency Proceeding naming the Issuer as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Additional Debt Obligations of the Issuer under the Additional Debt Agreements include the obligation to pay principal, interest, expenses, fees, attorney costs, consultants costs, indemnities and other amounts payable by the Issuer under any Additional Debt Agreements.

“Additional Debt Providers” means the holders or providers of Additional Debt.

“Additional Debt Secured Parties” means, collectively, to the extent that such Person or any agent appointed by such Person has entered into or acceded to the Intercreditor Agreement, each Additional Debt Provider, any administrative agent appointed by the Additional Debt Providers, each Swap Counterparty party to a Required Swap Contract and any co-agent or sub-agent appointed by such administrative agent from time to time pursuant to the terms of any Additional Debt Agreements.

“Additional Debt Service” means, for any period or date, an amount equal to (a) the sum of all payments due during such period or on such date, as applicable, in respect of Additional Debt, whether for principal, interest (taking into account Required Swap Contracts related to such Additional Debt (if any) in effect as of the date of determination), fees, Primary Swap Obligations, if any due and payable by the Issuer under such Required Swap Contracts and Swap Contract Termination Payments related to such Additional Debt (if any) payable by the Issuer or otherwise under such Required Swap Contracts minus (b) all payments, if any, due from the Swap Counterparties to the Issuer pursuant to such Required Swap Contracts related to such Additional Debt (if any) during such period or date in respect thereof.

“Additional Debt Service Accrual Account” means each segregated non-interest bearing Dollar or Peso-denominated debt service accrual account, if any, notified from time to time by the Issuer (and confirmed by the holders of Additional Debt or any agent on their behalf) or any Additional Debt Provider or any agent on their behalf in respect of Additional Debt to the Security Trust Trustee as the account for the accrual from time to time of Additional Debt Service Payments in respect of such Additional Debt.

“Additional Debt Service Payment” means, with respect to any Funds Transfer Date and any Additional Debt (if any), an amount in Dollars or Pesos equal to the aggregate Additional Debt Service in respect thereof due and payable on such Funds Transfer Date, as notified in writing by the Issuer (and confirmed by the holders of Additional Debt or any agent on their behalf) or the Additional Debt Providers under such Additional Debt (or any agent on their behalf) (with respect to such Additional Debt Service other than Obligations under any related Required Swap Contracts) and the Issuer or any Swap Counterparty (with respect to such Additional Debt Service due under the Required Swap Contract related to such Additional Debt to which it is a party), less the amount on deposit in, or credited to, the Additional Debt Service Accrual Account (if any) for such Additional Debt on such Funds Transfer Date.

“Additional Debt Service Reserve Account” means each segregated non-interest bearing Dollar or Peso-denominated offshore debt service reserve account, if any, notified from time to time by the Issuer (and confirmed by the holders of Additional Debt or any agent on their behalf) or any Additional Debt Provider or any agent on their behalf in respect of such Additional Debt to the Security Trust Trustee as the reserve account for such Additional Debt.

“Additional Debt Service Reserve Requirement” means the amount notified from time to time (but in any event, no later than ten (10) days prior to each Funds Transfer Date) by the Issuer or the Additional Debt Providers or any agent on their behalf in respect of Additional Debt to the Security Trust Trustee as the amount required to be on deposit in, or credited to, the Additional Debt Service Reserve Account in respect of such Additional Debt on each Funds Transfer Date; provided that in no event shall such amount exceed, on any Funds Transfer Date, an aggregate amount equal to the aggregate Additional Debt Service due in respect of such Additional Debt and all related Required Swap Contracts during the period of six (6) months thereafter.

“Administrative Agent” means HSBC Bank USA, National Association in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

“Affiliate” means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. For purposes of this definition, the term “control” (including the terms “controlling”, “controlled by” and “under common control with”) of a Person means the possession, direct or indirect, of the power to vote 20% or more of the Voting Interests of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of Voting Interests, by contract or otherwise. Notwithstanding the foregoing, (a) none of the Secured Parties shall be an Affiliate of the Issuer or a Sponsor solely by virtue of their respective Voting Interests in the

Issuer or the Security Trust and (b) the Issuer and each of the Sponsors shall be deemed to be Affiliates with one another and with their respective Affiliates.

“Agency Agreements” means, collectively, the Existing Airport Agency Agreement and the New Airport Agency Agreement.

“Agents” means, collectively, the Administrative Agent, the Offshore Collateral Agent, the Onshore Collateral Agent and the Security Trust Trustee; each, individually, an “Agent”.

“Airline” means any Person (Mexican or foreign), other than natural persons, holding a permit or concession pursuant to Mexican law and operating or conducting International Flights or Domestic Flights.

“Airport” means (a) the Existing Airport or (b), if the commencement of commercial operations of the New Airport has occurred, the New Airport.

“Airport Contingency Expenses” means an aggregate amount equal to MX\$42,500,000 (as adjusted for inflation from October 7, 2015 according to the Inflation Index), or its Applicable Currency Equivalent, to be transferred to the Issuer on each Funds Transfer Date in accordance with priority Tenth of Section 4.1(a) and Section 4.1(b) of the Intercreditor Agreement, to cover any operating and maintenance expenses incurred by the Existing Sponsor or, from and after the commencement of commercial operations of the New Airport, the New Sponsor, not otherwise deemed an Operating Cost.

“Applicable Accounting Principles” means, with respect to (a) any Person (other than the Issuer and the Sponsors), GAAP as in effect from time to time in the jurisdiction in which such Person is incorporated, formed or organized and (b) the Issuer and the Sponsors, Mexican GAAP.

“Applicable Currency Equivalent” means, as of any date of determination with respect to an amount denominated in Pesos, the equivalent in Dollars of such amount of Pesos, determined using the Peso/Dollar exchange rate published by Banco de México in the Federal Official Gazette (*Diario Oficial de la Federación*) as the rate “*para solventar obligaciones denominadas en moneda extranjera pagaderas en la República Mexicana*” for the purchase of Dollars with Pesos in effect for such date or, if Banco de México fails to publish such exchange rate, the rate quoted by the Administrative Agent (so long as the Credit Agreement is outstanding, and thereafter by any of Citigroup Global Markets Inc., HSBC Securities (USA), Inc., and J.P. Morgan Securities LLC) for its purchase of Dollars with Pesos on such date as of the close of business on such date.

“Applicable Laws” means, with respect to any Person or the Project, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority.

“ASA” means *Aeropuertos y Servicios Auxiliares*, a public decentralized entity (*organismo público descentralizado*) of the Mexican federal government.

“ASA Services Agreement” means the services agreement by and among the Existing Sponsor and ASA, dated November 1, 1998.

“Assignment of Rights Agreements” means, collectively, the Existing Airport Assignment of Rights Agreement and the New Airport Assignment of Rights Agreement.

“Average Life” means, as of any date of determination, with respect to any Indebtedness, the quotient obtained by dividing: (a) the sum of the products of the number of years (rounding to the nearest one twelfth of one year) from the date of determination to the dates of each remaining scheduled principal payment (including the payment at final maturity) of such Indebtedness multiplied by the amount of such payment, by (b) the sum of all such payments.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized or required to close under the laws of New York, New York, United States of America or Mexico City, Mexico.

“Business Interruption Insurance Proceeds” means any and all proceeds of any insurance, indemnity, warranty or guaranty payable from time to time with respect to the partial or complete interruption of the operation of the Airports.

“Capitalized Leases” means all leases that have been or should be, in accordance with Applicable Accounting Principles, recorded as capitalized leases.

“Cash Equivalents” means Dollar Permitted Investments and Peso Permitted Investments.

“Cash Trapped Amounts” means funds deposited in the Peso Revenues Account and Offshore Revenues Account that shall be used to make mandatory prepayments or transfers pursuant to the Intercreditor Agreement other than upon the occurrence of an Expropriatory Event or a Loss of Concession.

“Certified IVA Payment” means, with respect to any IVA Payment Date, the amount certified in writing by the Issuer to be due and payable in respect of value added taxes (*impuesto al valor agregado*) applicable to payments of the Passenger Charges deposited in, or credited to, the Peso Revenues Account since the next preceding IVA Payment Date.

“Change in Law” means, after the Issue Date, the occurrence of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any applicable law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“Collateral” means all of the property (whether tangible or intangible) and assets of the Issuer that are or are intended under the terms of the Collateral Documents to be subject to Liens in favor of the Offshore Collateral Agent or the Onshore Collateral Agent, as the case may be, for the benefit of the Secured Parties.

“Collateral Agents” means the Onshore Collateral Agent and the Offshore Collateral Agent.

“Collateral Documents” means, collectively, paragraphs (e) and (s) of Clause Five of the Mexico City Airport Trust Agreement, the Security Trust Agreement, any security agreement, the Intercreditor Agreement and any other agreements, instruments or documents that creates or purports to create a Lien in favor of the Offshore Collateral Agent or the Onshore Collateral Agent for the benefit of the Secured Parties.

“Collection Agreement” means each agreement relating to the collection of Passenger Charges between an Airline and any Sponsor.

“Collection Fee” means, with respect to any Collection Agreement, the fee payable to the Airline party thereto in consideration of its collection of Passenger Charges from passengers boarding Domestic Flights or International Flights of such Airline not to exceed 4.0% of the amounts collected.

“Concession Life Coverage Ratio” means, with respect to the Incurrence of Indebtedness, for the period commencing on the date of determination through the Notional Tenor End Date, the ratio of (a) the present value of the Net Passenger Charges Amount projected to be received by the Security Trust during such period (based on the actual operations of the Airport operating at the time of such calculation), as determined in good faith by the

Existing Sponsor or, following the commencement of commercial operations of the New Airport, the New Sponsor, as the case may be, in accordance with the most recent independent traffic report available (with such present value determined using a discount rate equal to the Reference Rate), to (b)(i) the aggregate principal amount of all outstanding Indebtedness of the Issuer, after giving *pro forma* effect to the Incurrence of such Indebtedness and the application of the proceeds therefrom and assuming the aggregate amount of commitments under the Credit Agreement to be fully drawn, *minus* (ii) the aggregate amount of any Facility Debt Service Reserve Requirement, Indenture Debt Service Reserve Requirement or Additional Debt Service Reserve Requirement, existing or contractually required to exist.

“Concessions” means, collectively, the Existing Airport Concession and the New Airport Concession.

“Contractual Obligation” means, as to any Person, (a) any provision of any security issued by such Person or (b) any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Core Governmental Authorizations” means (1) the resolutions adopted by the shareholders meeting of the Existing Sponsor authorizing the assignment under the Existing Airport Assignment of Rights Agreement; and (2) the resolutions adopted by the shareholders meeting of the New Sponsor authorizing the assignment under the New Airport Assignment of Rights Agreement.

“Credit Agreement” means the Amended and Restated Credit Agreement, dated October 7, 2015, among the Issuer, as borrower, the banks, financial institutions and other institutional lenders party thereto, as initial lenders, HSBC Bank USA, National Association, as Administrative Agent, Citibank, N.A., as Offshore Collateral Agent, Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex, División Fiduciaria, as Onshore Collateral Agent and the Security Trust Trustee, as amended or amended and restated from time to time.

“Credit Facilities” means one or more debt facilities, commercial paper facilities, structured note certificates or other similar instruments, in each case with banks, investment banks, insurance companies, mutual funds and/or other institutional lenders or institutional investors, in each case providing for revolving credit loans or letters of credit, and in each case, as amended, extended, renewed, restated, refinanced, supplemented or otherwise modified (in whole or in part, and without limitation as to amount, terms, conditions, covenants and other provisions) from time to time.

“Current Assets” means, with respect to any Person, all assets of such Person that, in accordance with Applicable Accounting Principles, would be classified as current assets on the balance sheet of a company conducting a business the same as or similar to that of such Person, after deducting appropriate and adequate reserves therefrom in each case in which a reserve is proper in accordance with Applicable Accounting Principles.

“Debt Service” means all the Additional Debt Service (if any), the Indenture Debt Service and the Facility Debt Service.

“Debt Service Coverage Ratio” means, for any period, the ratio of (a) Net Passenger Charges Amount received by the Security Trust during such period to (b) the Debt Service payable for such period (including, without duplication, the Required Withholding Tax Payment in respect of such Debt Service).

“Debtor Relief Laws” means the Bankruptcy Code of the United States, the *Ley de Concursos Mercantiles* of Mexico and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States, Mexico or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Disposition” means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Dollar” or “US\$” means the lawful currency of the United States.

“Dollar Permitted Investments” means any of the following types of Investments, to the extent owned by or held for the benefit of the Security Trust, free and clear of all Liens (other than Liens created under the Collateral Documents):

(a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than 360 days from the date of acquisition thereof; provided that the full faith and credit of the United States is pledged in support thereof;

(b) time deposits with, or insured certificates of deposit or bankers’ acceptances of, any commercial bank that (i) (A) is a Lender or (B) is organized under the laws of the United States, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia, and is a member of the Federal Reserve System of the United States, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (e) of this definition and (iii) has combined capital and surplus of at least US\$1,000,000,000, in each case with maturities of not more than ninety (90) days from the date of acquisition thereof;

(c) readily marketable Dollar-denominated obligations issued or directly and fully guaranteed or insured by Mexico or any federal agency or instrumentality thereof having maturities of not more than one hundred eighty (180) days from the date of acquisition thereof; provided that the full faith and credit of Mexico is pledged in support thereof;

(d) Dollar-denominated time deposits with, or insured certificates of deposit or bankers’ acceptances of, any commercial bank that (i) is organized under the laws of Mexico or is the principal banking subsidiary of a bank holding company organized under the laws of Mexico, and is a member of Banco de México, (ii) issues (or the parent of which issues) commercial paper at least “Prime-1” (or the then equivalent grade) by Moody’s or at least “A-1” (or the then equivalent grade) by S&P and (iii) has combined capital and surplus of at least US\$1,000,000,000, in each case with maturities of not more than ninety (90) days from the date of acquisition thereof;

(e) commercial paper issued by any Person organized under the laws of any state of the United States and rated at least “Prime-1” (or the then equivalent grade) by Moody’s or at least “A-1” (or the then equivalent grade) by S&P, in each case with maturities of not more than ninety (90) days from the date of acquisition thereof;

(f) Investments, classified in accordance with Mexican GAAP as Current Assets of the Issuer, in money market investment programs registered under the United States Investment Company Act of 1940, which are administered by financial institutions that have the highest rating obtainable from either Moody’s or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (a), (b), (c), (d) and (e) of this definition; and

(g) money market funds having a rating in the highest investment category granted thereby by a recognized credit rating agency at the time of acquisition, including any fund for which the Offshore Collateral Agent (or an Affiliate thereof) serves as an investment advisor, administrator, shareholder, servicing agent, custodian or sub-custodian, notwithstanding that (A) the Offshore Collateral Agent (or an Affiliate thereof) charges and collects fees and expenses from such funds for services rendered (provided that such charges, fees and expenses are on terms consistent with terms negotiated at arm’s length) and (B) the Offshore Collateral Agent charges and collects fees and expenses for services rendered, pursuant to the Credit Agreement; provided that if at any time the Offshore Collateral Agent or the Security Trust Trustee has not received instructions as to the investment of funds in the Offshore Accounts, the Offshore Collateral Agent and the Security Trust Trustee shall use commercially

reasonable efforts to invest such funds in the JPMorgan Liquidity Funds – US Dollar Treasury Liquidity Fund – T38, or such other fund as the required lenders under the Credit Agreement (so long as the Credit Agreement is outstanding) may determine and notify the Offshore Collateral Agent and the Security Trust Trustee in writing.

“Domestic Flight” means any scheduled commercial passenger flight (*servicio de transporte aéreo regular de pasajeros*) or chartered passenger flight (*servicio de transporte aéreo no regular de pasajeros*), in each case, originating from any Airport to a destination within Mexico.

“Domestic Passenger” means any passenger (other than Exempt Passengers) who boards any Domestic Flight.

“Domestic Tariff” means the tariff payable under any Concession by Domestic Passengers, as approved by any competent Governmental Authority.

“Environmental and Social Management Plan” means the *Plan de Manejo Ambiental* (PMA), dated January, 2015, prepared by the Issuer and filed with SEMARNAT and the Environmental and Social Management Plan prepared by the New Sponsor which identify the environmental and social management and mitigation actions required to implement the Project.

“Environmental Impact Assessment” means the environmental impact study prepared by Especialistas Ambientales, S.A. de C.V., including the resolution issued by SEMARNAT by means of official communication No. SGPA/DGIRA/DG/9965, dated November 28, 2014.

“Environmental Laws” means, as applicable to any Person, any federal, state, local or foreign statutes, laws, ordinances, rules, regulations, codes, standards, orders, writs, judgments, injunctions, decrees or governmental restrictions relating to pollution and the protection of the environment or the release of any Hazardous Materials into the environment or wastes, air emissions and discharges to waste or public systems.

“Equator Principles” means the risk management framework, adopted by financial institutions, for determining, assessing and managing environmental and social risk in projects, which is primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making effective from June 4, 2013.

“Equator Principles Action Plan” means, if required at any time, a document that describes and prioritizes the actions needed to bring the Project in line with applicable standards as defined in Principle 4 of the Equator Principles.

“Equity Interests” means, with respect to (a) the Issuer, the rights of the Mexico City Airport Trust Beneficiaries to the Trust Assets, (b) the Security Trust, the rights of the Security Trust Beneficiaries to the Security Trust Assets, and (c) any other Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended.

“Exempt Airlines” means, as of any date of determination, each Airline that delivers such Airline’s collection of amounts due in respect of the Passenger Charges directly to any Sponsor; provided that such Airlines collectively shall collect no more than 5% of the aggregate amounts due in respect of Passenger Charges during the period of twelve (12) consecutive months immediately preceding such date of determination; each, an “Exempt Airline”.

“Exempt Category” means any of the following, unless the SCT or any other Governmental Authority eliminates the exemption for the payment of Passenger Charges with respect to such category of passengers: (a) infants who are two (2) years or younger; (b) diplomatic representatives and agents from a country other than Mexico; provided that a similar exemption from airport fees, tariffs or taxes is afforded to Mexican diplomatic representatives and agents by such other country with respect to their use of airports within such other country; (c) passengers who depart on flights originating from any Airport without leaving such Airport after arriving at such Airport on flights which originated at an airport other than such Airport in accordance with applicable guidelines specified by the SCT from time to time; and (d) pilots, co-pilots, flight engineers and flight attendants, duly commissioned with all applicable work authorizations and licenses, operating on Domestic Flights or International Flights originating from any Airport.

“Exempt Passenger” means a passenger who (a) is within any of the Exempt Categories and (b) boards a flight to any destination (whether within or outside Mexico) at any Airport.

“Existing Airport” means the Benito Juárez International Airport of Mexico City (the *Aeropuerto Internacional Benito Juárez de la Ciudad de México*) located in Mexico City, Federal District and within the concession area more particularly described in the Existing Airport Concession, and the domicile of which is located at Boulevard Puerto Aéreo, no number, Colonia Federal, Mexico, Federal District, postal code 15620, Mexico, as the same may be refurbished, expanded or otherwise modified from time to time.

“Existing Airport Agency Agreement” means that certain amended and restated Agency Agreement (*Contrato de Comisión Mercantil*), dated October 7, 2015, between the Existing Sponsor, as agent (*comisionista*), and the Security Trust, for the rendering of services relating to the collection of the Existing Airport Passenger Charges from the Airlines.

“Existing Airport Assignment of Rights Agreement” means that certain amended and restated Assignment Agreement (*Convenio de Cesión*), dated October 7, 2015, pursuant to which the Existing Sponsor assigned all of its rights, title and interests in and to all (a) amounts due or to become due in respect of the Existing Airport Passenger Charges to the Issuer and (b) any guaranties, letters of credit or other credit support provided by any Airline in respect of its obligations under any Collection Agreement.

“Existing Airport Concession” means (a) the *Concesión otorgada en favor de Aeropuerto Internacional de la Ciudad de México, S.A. de C.V.* as amended by the *Modificación a la Concesión otorgada en favor de Aeropuerto Internacional de la Ciudad de México, S.A. de C.V.*, in each case, granted by the SCT and published in the Federal Official Gazette (*Diario Oficial de la Federación*) on June 1, 2004, as further amended by official communication number 1.036 of the SCT dated March 9, 2005 and published in the Federal Official Gazette (*Diario Oficial de la Federación*) on July 27, 2005, whereby the term of the concession granted to the Existing Sponsor was extended from November 1, 2010 to November 1, 2048, (b) each annex thereto, and (c) the “*Plan Maestro de Desarrollo 2012-2016*” (Master Development Plan 2012-2016) approved by SCT with respect to and as applicable to the Existing Sponsor.

“Existing Airport Passenger Charges” means (a) the “*Tarifa de Uso de Aeropuerto por los Servicios que Presta Aeropuerto Internacional de la Ciudad de México, S.A. de C.V.*” (Airport Usage Fee), as determined from time to time by the SHCP, or by any competent Mexican Governmental Authority, in accordance with the Existing Airport Concession; (b) any other fee, tariff or other amount in lieu of, or in substitution for, or in addition to, the fee described in clause (a) above, in each case, which is payable by Domestic Passengers or International Passengers (other than Exempt Passengers) for the use of the Existing Airport; and (c) all rights related to clauses (a) and (b) above.

“Existing Sponsor” means Aeropuerto Internacional de la Ciudad de México, S.A. de C.V., a majority state-owned company (*empresa de participación estatal mayoritaria*) organized and existing under the laws of the United Mexican States as a *sociedad anónima de capital variable*.

“Expropriation Compensation” means all value (whether in the form of money, securities, property or otherwise) paid or payable to any of the Mexico City Airport Trust Beneficiaries or Security Trust Beneficiaries in connection with the occurrence of any Expropriatory Event.

“Expropriatory Event” means any action or series of actions by any Governmental Authority (a) to appropriate, confiscate, condemn, expropriate, nationalize, seize or otherwise take all or a material portion of any Concession, property, assets or business operations of any Sponsor, (b) to appropriate, confiscate, condemn, expropriate, nationalize, seize or otherwise take all or a material portion of the Collateral, property, assets or business operations of the Issuer or the Security Trust, (c) to subject to *requisita* or otherwise assume custody or control of the operations of any Airport (or any material portion thereof) to the extent such event adversely affects the collection by the Security Trust of amounts due or to become due in respect of Passenger Charges or subject any Concession to *rescate*, in each case, pursuant to Mexican law, (d) that results in the dissolution or disestablishment of the Issuer, any Sponsor or the Security Trust or (e) that prevents any Sponsor from carrying on the business or operations of any Airport (or any material portion thereof); provided, that upon termination of the Existing Airport Concession as a result of the commencement of commercial operations of the New Airport, the events described in clauses (a) through (e) above, as they relate to the Existing Airport, the Existing Airport Passenger Charges and the Existing Sponsor, shall cease to constitute an Expropriatory Event.

“Facility” means the senior secured loan facility under the Credit Agreement.

“Facility Debt Service” means, for any period, an amount equal to (a) the sum of all payments due during such period in respect of the Secured Facility Obligations, whether for principal, interest (taking into account Facility Swap Contracts in effect as of the date of determination (if any)), fees, Primary Swap Obligations due and payable by the Issuer in respect thereof, any Swap Contract Termination Payments payable by the Issuer or otherwise in respect thereof minus (b) all payments, if any, due from the Facility Swap Counterparties to the Issuer pursuant to each Facility Swap Contract during such period in respect thereof.

“Facility Debt Service Reserve Account” means a segregated non-interest bearing Dollar-denominated debt service reserve account, Account No. 11336800, established by the Security Trust Trustee, in the name of the Security Trust and under the sole dominion and control of the Offshore Collateral Agent.

“Facility Debt Service Reserve Requirement” means, as of any date of determination, the amount equal to (a)(i) the sum of (A) the aggregate interest and fees in respect of the then outstanding balance of the Secured Facility Obligations scheduled to become due pursuant to Sections 2.05(a) and 2.07 of the Credit Agreement plus (B) all payments due from the Issuer pursuant to Article III of the Credit Agreement with respect to such interest and fees plus (C) all payments, if any, due from the Issuer pursuant to each Facility Swap Contract minus (ii) all payments, if any, due from the Facility Swap Counterparties to the Issuer pursuant to each Facility Swap Contract, in the case of clauses (i) and (ii) above, during the next six (6) consecutive months occurring after such date, plus (b) the Applicable Currency Equivalent of MX\$85,000,000 (as adjusted for inflation from October 7, 2015 according to the Inflation Index).

“Facility Swap Contract” means each Interest Rate Swap Contract in respect of the Facility executed in accordance with Section 7.01(m) of the Credit Agreement.

“Facility Swap Counterparty” means any of the Global Coordinators, BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer and Banco Santander (México) S.A., Institución de Banca Múltiple, Grupo Financiero Santander México or any Affiliate thereof, in each case, solely in its capacity as a party to a Facility Swap Contract.

“Fiscal Quarters” means, with respect to each of the Issuer and the Sponsors, the periods commencing on (a) January 1 in any calendar year and ending on the next succeeding March 31, (b) April 1 in any calendar year and ending on the next succeeding June 30, (c) July 1 in any calendar year and ending on the next succeeding September 30, and (d) October 1 in any calendar year and ending on the next succeeding December 31; each a “Fiscal Quarter”.

“Fiscal Year” means, with respect to each of the Issuer and the Sponsors, the period commencing on January 1 in any calendar year and ending on the next succeeding December 31.

“Fitch” means Fitch Ratings and any successor to its rating agency business.

“Funds Transfer Date” means the last day of each calendar month or, if such day is not a Business Day, the immediately preceding day that is a Business Day.

“FX Swap Contract” means a Swap Contract, entered into pursuant to the covenant under the caption “— Swaps” and in compliance with the requirements of the Intercreditor Agreement, between the Issuer and an Acceptable FX Bank, to protect against the risk of foreign exchange fluctuations in respect of any Additional Debt, for a period concurrent with the tenor of such Additional Debt through its maturity.

“GAAP” means, with respect to any jurisdiction, generally accepted accounting principles as may be adopted or endorsed by a significant segment of the accounting profession in such jurisdiction, that are applicable to the circumstances as of any date of determination, consistently applied.

“Global Coordinators” means Citigroup Global Markets Inc., HSBC Securities (USA), Inc., and J.P. Morgan Securities LLC, not in their respective individual capacities except as expressly set forth herein but solely as global coordinators and joint bookrunners and lead arrangers.

“Governmental Authority” means the government of Mexico, the United States, or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

“Governmental Authorization” means any authorization, approval, consent, franchise, license, covenant, order, ruling, permit, certification, exemption, notice, declaration or similar right, undertaking or other action of, to or by, or any filing, qualification or registration with, any Governmental Authority.

“Guarantee” means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“Incremental Debt” means Indebtedness of the Issuer other than (a) Indebtedness under the Indentures (excluding any Additional Notes), (b) Indebtedness under the Loan Documents, (c) Required Swap Debt and (d) Refinancing Debt.

“Incur” means, with respect to any Indebtedness, to incur, create, issue, assume, guarantee or otherwise, contingently or otherwise, become liable, directly or indirectly, for or with respect to, or to extend the maturity of, or

become responsible for, the payment of such Indebtedness; provided, however, that neither (a) the accrual of interest, (b) the accretion of original issue discount nor (c) an increase in the outstanding amount of Indebtedness caused solely by fluctuations in the exchange rates of currencies shall be considered an Incurrence of Indebtedness. The terms “Incurrence” and “Incurring” have corresponding meanings.

“Indebtedness” means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with Applicable Accounting Principles:

- (a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;
- (b) all obligations of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers’ acceptances, bank guarantees, surety bonds and similar instruments;
- (c) net obligations of such Person under any Swap Contract;
- (d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and not past due for more than 60 days after the date on which each such trade payable or account payable was created);
- (e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;
- (f) all Obligations of such Person under Capitalized Leases;
- (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interests in such Person or any other Person or any warrants, rights or options to acquire such Equity Interests, valued, in the case of redeemable preferred interests, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and
- (h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date.

“Indenture Debt Service” means, for any period, an amount equal to the sum of all payments due during such period in respect of the Secured Indenture Obligations.

“Indenture Debt Service Reserve Account” means a segregated non-interest bearing Dollar-denominated debt service reserve account to be established by the Security Trust Trustee, in the name of the Security Trust and under the sole dominion and control of the Offshore Collateral Agent.

“Indenture Debt Service Reserve Requirement” means, as of any date of determination, the amount equal to the aggregate interest in respect of the then outstanding balance of the Secured Indenture Obligations scheduled to become due during the next six (6) consecutive months occurring after such date.

“Indenture Trustee” means HSBC Bank USA, National Association.

“Independent Auditors” means PricewaterhouseCoopers S.C., Mancera, Ernst & Young or such other independent auditor of recognized international standing having no affiliation with the Issuer, the Sponsors or any of their Affiliates.

“Inflation Index” means (a) for amounts denominated in Pesos, the Mexican Consumer Price Index (*Índice Nacional de Precios al Consumidor*), published by the National Institute of Statistics and Geography (*Instituto Nacional de Estadística y Geografía*, or INEGI) and (b) for amounts denominated in Dollars, the Producer Price Index (Finished Goods Less Food and Energy) (WPSSOP3500), published by the United States Department of Labor, provided that, for purposes of calculating any amount in Pesos or in Dollars to be specified in the Credit Agreement or any other Loan Document by reference to the applicable inflation index, the relevant base date of calculation shall be, unless otherwise specified, the closing date of the Credit Agreement.

“Insolvency Proceeding”, with respect to any Person, means (a) entry by any competent Governmental Authority of any jurisdiction or a court having jurisdiction in the premises of (i) a decree or order for relief in respect of such Person in an involuntary case or proceeding under any applicable Debtor Relief Law or (ii) an involuntary or contested decree or order adjudging such Person as bankrupt or insolvent, or approving as properly filed a petition seeking suspension of payment, reorganization, arrangement, adjustment or composition of or in respect of such Person under any applicable Debtor Relief Law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of such Person or of any substantial part of the property of such Person, or ordering the dissolution, winding up or liquidation of the affairs of such Person and the continuance of any such decree or order referred to in clauses (i) and (ii) above remains undismissed or unstayed and in effect for a period of ninety (90) consecutive days, (b) commencement by such Person of a voluntary case or proceeding under any applicable Debtor Relief Law or of any other case or proceeding to be adjudicated as bankrupt or insolvent, or the consent by such Person to the entry of a decree or order for relief in respect of such Person in an involuntary case or proceeding under any applicable Debtor Relief Law or to the commencement of any bankruptcy or insolvency case or proceeding against such Person, or the filing by such Person of a petition or answer or consent seeking reorganization or relief under any applicable Debtor Relief Law; or consent by such Person to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of such Person or of any substantial part of the property of such Person, or the making by such Person of an assignment for the benefit of creditors or (c) the admission by such Person in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by such Person in furtherance of any such action.

“Intercreditor Agent” means Citibank, N.A., as the intercreditor agent appointed pursuant to the Intercreditor Agreement.

“Intercreditor Agreement” means the intercreditor agreement, to be dated as of the Issue Date, among the Borrower, the Lenders (or any agent on their behalf), the Administrative Agent, the Indenture Trustee, the Offshore Collateral Agent, the Onshore Collateral Agent, the Security Trust Trustee, the Intercreditor Agent, each Swap Counterparty and each Additional Debt Provider or agents or representatives of such Additional Debt Providers.

“Interest Rate Swap Contract” means a Swap Contract entered into pursuant to the covenant under the caption “—Swaps” and in compliance with the requirements of the Intercreditor Agreement, between the Issuer and a Swap Counterparty, to protect against the risk of interest rate fluctuations in respect of the Facility or any Additional Debt, for a period concurrent with the tenor of the Facility or such Additional Debt, as applicable, through its maturity.

“International Flight” means any scheduled commercial passenger flight (*servicio de transporte aéreo regular de pasajeros*) or chartered passenger flight (*servicio de transporte aéreo no regular de pasajeros*), in each case, originating from any Airport to a destination outside Mexico.

“International Passenger” means any passenger (other than Exempt Passengers) who boards any International Flight.

“International Tariff” means the tariff payable under each Concession by International Passengers, as approved by any competent Governmental Authority.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests or debt of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other

debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor Incurs debt of the type referred to in clause (h) of the definition of “Indebtedness” in respect of such Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person.

“Investment Grade Rating” means a rating equal to or higher than BBB- (or the equivalent) by Fitch, Baa3 (or the equivalent) by Moody’s and BBB- (or the equivalent) by S&P.

“ISDA” means the International Swaps and Derivatives Association, Inc.

“Issue Date” means the first date of issuance of Notes under the Indentures.

“Issuer Approvals” means (1) the acknowledgments by the SCT, dated October 23, 2014 and October 24, 2014, evidencing that the SCT has (x) authorized the execution of the Assignment of Rights Agreements and the assignment of all amounts due or to become due in respect of Passenger Charges and collection rights thereof for the period specified therein by the Sponsors to the Issuer, and (y) confirmed and acknowledged that the Issuer shall be solely entitled to all amounts due or to become due in respect of Passenger Charges for so long as the Secured Parties shall remain as beneficiaries under the Security Trust; and (2) the filing and registration of the Assignment of Rights Agreements before the Public Registry of Commerce of Mexico City.

“IVA Payment Date” means the Business Day from time to time on which Certified IVA Payments are requested by the Issuer, provided that no more than two (2) IVA Payment Dates may occur in any one calendar month.

“Lender” means each of Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex, HSBC Bank USA, National Association and JPMorgan Chase Bank, N.A. as initial lenders under the Credit Agreement and each Person that shall become a Lender under the Credit Agreement for so long as such initial lender or Person, as the case may be, shall be a party to the Credit Agreement.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge or preference, priority, fideicomiso or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Loan” means the loans provided by the Lenders under the Credit Agreement.

“Loan Documents” means, collectively, (a) the Credit Agreement, (b) the promissory notes under the Credit Agreement, (c) the Mexico City Airport Trust Agreement, (d) the Collateral Documents, (e) the Facility Swap Contracts (if any), (f) the Existing Sponsor power of attorney, (g) after the Trigger Date, the New Sponsor power of attorney, (h) the Intercreditor Agreement, (i) the fee letters between the Borrower and the Agents and (j) any ancillary documents and all certificates delivered under or in connection with the documents referred to in clauses (a) through (i).

“Loss of Concession” means any Concession is terminated or revoked, or any Sponsor ceases for any reason (including its breach of its respective Concession) to be the Person or Persons solely entitled to operate the Existing Airport (in the case of the Existing Sponsor) or the New Airport (in the case of the New Sponsor) in accordance with its applicable Concession; provided, that upon termination of the Existing Concession as a result of the commencement of commercial operations of the New Airport, the events described above, as they relate to the Existing Airport, the Existing Concession and the Existing Sponsor, shall cease to constitute a Loss of Concession.

“Material Adverse Effect” means a material adverse effect on (a) the operations, business, condition (financial or otherwise) or prospects of the Issuer or either of the Sponsors; (b) the Liens in favor of the Offshore Collateral Agent or the Onshore Collateral Agent, (c) the ability of any Agent or any Secured Party to enforce its

rights and remedies under the Indentures or any Loan Document, or (d) the ability of (A) the Issuer or either Sponsor to perform its obligations under the Indentures or any Loan Document to which it is a party, or (B) the Issuer or either Sponsor to perform its material obligations under any Project Agreement to which it is a party; provided, that upon termination of the Existing Airport Concession as a result of the commencement of commercial operations of the New Airport, the events described in clauses (a) through (d) above, as they relate to the Existing Airport, the Existing Airport Passenger Charges and the Existing Sponsor, shall cease to constitute a Material Adverse Effect.

“Mexican GAAP” means, as applicable, (i) Mexican Financial Reporting Standards (*Normas de Información Financiera*) as in effect from time to time issued by the Mexican Financial Reporting Standards Board (*Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera, A.C.*), (ii) International Financial Reporting Standards as in effect from time to time issued by the International Accounting Standards Board, (iii) accounting standards and rules as in effect from time to time provided in the General Law of Governmental Accounting (*Ley General de Contabilidad Gubernamental*), or (iv) 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*).

“Mexican Income Tax Law” means the *Ley del Impuesto sobre la Renta*.

“Mexico City Airport Trust Agreement” means the amended and restated irrevocable administration and payment trust agreement (*fideicomiso irrevocable de administración y pago reexpresado*) Number 80460, dated October 7, 2015, by and among Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as settlor, the Mexico City Airport Trust Trustee, as trustee, and each Sponsor, as first place beneficiary, as amended or amended and restated from time to time.

“Mexico City Airport Trust Beneficiaries” means, at any date, those Persons designated as beneficiaries of the Mexico City Airport Trust pursuant to Clause Three of the Mexico City Airport Trust Agreement as of such date.

“Mexico City Airport Trust Trustee” means Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, solely in its capacity as trustee under the Mexico City Airport Trust Agreement, or any permitted successor in interest thereto, as trustee for the Issuer, duly appointed in accordance with Article Twenty of the Mexico City Airport Trust Agreement.

“Moody’s” means Moody’s Investors Service, Inc. and any successor to its rating agency business.

“Net Cash Proceeds” means, with respect to any Expropriation Compensation received or paid to the account of any Sponsor or the Issuer, as the case may be, (A) the sum of cash and cash equivalents (including Cash Equivalents) received in connection with such transaction (including any cash or cash equivalents (including Cash Equivalents) received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) over (B) the sum of (a) any reasonable and documented out-of-pocket expenses incurred by the Issuer, the Security Trust or any Sponsor in connection with the collection and payment of such Expropriation Compensation (including attorney costs) and (b) income taxes reasonably estimated to be actually payable within two (2) years of the date of the relevant transaction as a result of any gain recognized in connection therewith.

“Net Passenger Charges Amount” means, with respect to any period, the amount equal to (a) the sum of (i) all Passenger Charges deposited in, or credited to, without duplication, the Peso Revenues Account and the Offshore Revenue Account during such period and (ii) all interest and other income of the Issuer deposited in, or credited to, without duplication, the Peso Revenues Account and the Offshore Revenue Account during such period, minus (b) the sum of (i) all Certified IVA Payments made during such period pursuant to priority First, of Section 4.1(a) and Section 4.1(b) of the Intercreditor Agreement plus (ii) all Operating Costs paid during such period pursuant to priority Second, of Section 4.1(a) and Section 4.1(b) of the Intercreditor Agreement, during such period.

“New Airport” means the new international airport to serve Mexico City and the surrounding areas in an approximate area of 46,600,000 square meters, to be located in Texcoco, State of Mexico as described in the New Airport Concession.

“New Airport Agency Agreement” means that certain Agency Agreement (*Contrato de Comisión Mercantil*) to be executed on or before the Trigger Date between the New Sponsor, as agent (*comisionista*), and the Security Trust, for the rendering of services relating to the collection of the New Airport Passenger Charges from the Airlines.

“New Airport Assignment of Rights Agreement” means that certain amended and restated Assignment Agreement (*Convenio de Cesión*), dated October 7, 2015, pursuant to which the New Sponsor assigned all of its rights, title and interest in and to all (a) amounts due or to become due in respect of the New Airport Passenger Charges to the Issuer and (b) any guaranties, letters of credit or other support provided by any Airline in respect of its obligations under any Collection Agreement.

“New Airport Concession” means (a) the *Concesión otorgada en favor de Grupo Aeroportuario de la Ciudad de México, S.A. de C.V.* granted by the SCT and published in the Federal Official Gazette (*Diario Oficial de la Federación*), on January 26, 2015, and (b) each annex thereto.

“New Airport Passenger Charges” means (a) the *Tarifa de Uso de Aeropuerto* (Airport Usage Fee), as determined from time to time by the SHCP, or by any competent Mexican Governmental Authority, in accordance with the New Airport Concession; (b) any other fee, tariff or other amount in lieu of, or in substitution for, or in addition to, the fee described in clause (a) above, in each case, which is payable by Domestic Passengers or International Passengers (other than Exempt Passengers) for the use of the New Airport; and (c) all rights related to clauses (a) and (b) above.

“New Sponsor” means Grupo Aeroportuario de la Ciudad de México, S.A. de C.V., a majority state-owned company (*empresa de participación estatal mayoritaria*) organized and existing under the laws of the United Mexican States as a *sociedad anónima* de capital variable.

“Notional Tenor End Date” means the later of (a) the date that is thirty (30) years following the date of determination and (b) the expiration date of the Existing Airport Concession or, upon termination of the Existing Airport Concession as a result of the commencement of commercial operations of the New Airport, the New Airport Concession.

“Obligations” means, with respect to any Person, any payment, performance or other obligation of such Person of any kind, including any liability of such Person on any claim, whether or not the right of any creditor to payment in respect of such claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, disputed, undisputed, legal, equitable, secured or unsecured, and whether or not such claim is discharged, stayed or otherwise affected by any Insolvency Proceeding.

“Offshore Collateral Agent” means Citibank in its capacity as Offshore Collateral Agent under any of the Loan Documents, or any successor Offshore Collateral Agent.

“Offshore Revenues Account” means a segregated non-interest bearing Dollar-denominated Dollar revenues account, Account No. 11336700, established by the Security Trust Trustee, in the name of the Security Trust and under the sole dominion and control of the Offshore Collateral Agent.

“Onshore Collateral Agent” means Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex, División Fiduciaria in its capacity as onshore collateral agent under any of the Loan Documents, or any successor onshore collateral agent appointed.

“Operating Costs” means, on any Funds Transfer Date, the sum of (a) any Trustee Payment due and owing as of such Funds Transfer Date; (b) any payments due and owing to the Security Trust Trustee as of such Funds Transfer Date; (c) costs and fees reasonably related to obtaining and maintaining any Issuer Approval; (d) amounts

payable under the Agency Agreements not to exceed (i) MX\$12,750,000 (as adjusted for inflation from October 7, 2015 according to the Inflation Index) on any Quarterly Date in respect of the Quarterly Period then ended and (ii) MX\$51,000,000 per Year (as adjusted for inflation from October 7, 2015 according to the Inflation Index, in each case plus any increase in the premiums under any business interruption insurance policy); (e) any fees and expenses payable by the Issuer to any Agent under the Indentures or any Loan Document; (f) any other cost and expense directly related to the performance by the Issuer of the Issuer's obligations under the Credit Agreement, Indentures any Additional Debt Agreement and any other Transaction Document, and (g) to the extent not previously deducted by the applicable Airline, Collection Fees in accordance with Collection Agreements executed on fair market terms comparable to those Collection Agreements existing on the date hereof; provided that "Operating Costs" shall not include amounts payable in respect of (x) except as set forth above, the Secured Obligations or any other Indebtedness of the Issuer permitted under the Indentures and the Transaction Documents (including any Taxes payable in respect thereof), (y) Airport Contingent Expenses, and (z) amounts in excess of those described in clause (d) above.

"Passenger Charges" means, collectively, the Existing Airport Passenger Charges and the New Airport Passenger Charges.

"Passenger Tariffs" means the Domestic Tariff and the International Tariff.

"Permitted Liens" means such of the following as to which no enforcement, collection, execution, levy or foreclosure proceeding shall have been commenced: (a) Liens for taxes, not yet due or which are subject to contest; (b) Liens securing judgments for the payment of money not constituting an Event of Default under clause (g) of "— Events of Default" or securing appeal or other surety bonds related to such judgments; and (c) any Liens created in favor of any of the Secured Parties under or pursuant to the Loan Documents, Indentures and Additional Debt Agreements (if any).

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Peso" or "MX\$" means the lawful currency of Mexico.

"Peso Permitted Investment" means any Peso-denominated obligation issued or directly and fully guaranteed or insured by Mexico or any federal agency or instrumentality thereof and maturing not more than one hundred eighty (180) days after the acquisition thereof; provided that the full faith and credit of Mexico is pledged in support thereof; (b) demand deposit accounts with Mexican banks specified in clause (c) of this definition maintained in the ordinary course of business; and (c) certificates of deposit, bank promissory notes and bankers' acceptances denominated in Pesos, maturing not more than one hundred eighty (180) days after the acquisition thereof and issued or guaranteed by any one of the five largest banks (based on assets as of the immediately preceding December 31) organized under the laws of Mexico and which are not under intervention or controlled by the *Instituto para la Protección al Ahorro Bancario* or any successor thereto.

"Peso Revenues Account" means a segregated non-interest bearing Peso-denominated Peso revenues account, Account No. 16481, established by the Security Trust Trustee, in the name of the Security Trust and under the sole dominion and control of the Security Trust Trustee.

"Political Violence Event" means the occurrence of both (a) a Political Violence Trigger and (b) the Projected Debt Service Coverage Ratio being less than the Required Debt Service Coverage Ratio.

"Political Violence Trigger" means any violent action such as war (declared or undeclared), civil war or other military action, riot, revolt, insurrection, sabotage, blockade, revolution, terrorism or other civil disturbance that (a) causes the cessation of all or a material part of the operation of the Existing Airport or, if the commencement of commercial operations of the New Airport has occurred, the New Airport, or (b) causes material damage to, or the destruction of, property or assets of the Existing Sponsor or, if the commencement of commercial operations of the New Airport has occurred, the New Sponsor.

“Primary Swap Obligations” means any Indebtedness payable by any Person party to any Required Swap Contract, including any amounts owed under Section 15 of such Required Swap Contract in connection with the occurrence of any “Optional Early Termination Event” or “Mandatory Early Termination Event” under such Required Swap Contract or any amounts payable pursuant to any “Confirmation” related to such Required Swap Contract (including any Swap Contract Termination Payment), but excluding any amounts owed in respect of (a) “Indemnifiable Taxes” under such Required Swap Contract; (b) expenses under the terms of Section 11 of such Required Swap Contract; and (c) other amounts owed in respect of indemnification obligations of the Issuer under any such Required Swap Contract (the terms “Optional Early Termination Date”, “Mandatory Early Termination Date”, “Confirmation” and “Indemnifiable Taxes” having the meanings specified in the relevant Required Swap Contract).

“Project” means the design, construction, furnishing, installation, operation and maintenance of a new passenger airport and related facilities in an approximate area of 46,600,000 square meters, to be located in Texcoco, State of Mexico.

“Project Agreements” means, collectively, the Concessions, the Existing Airport Agency Agreement, the Assignment of Rights Agreements and, after the Trigger Date, the New Airport Agency Agreement; each, individually, a “Project Agreement”.

“Projected Debt Service” means, on any date of determination and for any period, the amount of Debt Service projected to be payable by the Issuer during such period as determined in good faith by the Existing Sponsor and, upon the commencement of commercial operations of the New Airport, the New Sponsor.

“Projected Debt Service Coverage Ratio” means, as of any date of determination and for any period, the ratio of (a) the Net Passenger Charges Amount projected to be received by the Security Trust for such period, as determined in good faith by the Existing Sponsor and, upon the commencement of commercial operations of the New Airport, the New Sponsor, to (b) Projected Debt Service, in each case for such period.

“Prospective Event of Default” means any event or condition that, with the giving of notice or lapse of time, or both, would constitute an Event of Default.

“Purchase Price” means (a) with respect to Existing Airport Passenger Charges, the amount payable by the Issuer to the Existing Sponsor in respect of the assignment by the Existing Sponsor to the Issuer of all rights to amounts due or to become due in respect of the Existing Airport Passenger Charges, including all rights to collect such Existing Airport Passenger Charges related thereto, pursuant to Clause Three of the Existing Airport Assignment of Rights Agreement and (b) with respect to the New Airport Passenger Charges, the amount payable by the Issuer to the New Sponsor in respect of the assignment by the New Sponsor to the Issuer of all rights to amounts due or to become due in respect of the New Airport Passenger Charges, including all rights to collect such New Airport Passenger Charges related thereto, pursuant to Clause Three of the New Airport Assignment of Rights Agreement.

“Quarterly Date” means the last day of January, April, July and October of each year or, if such day is not a Business Day, the immediately preceding day that is a Business Day.

“Quarterly Period” means the period commencing on any Quarterly Date through (but excluding) the next succeeding Quarterly Date.

“Rating Agency” means Fitch, S&P, Moody’s or any other nationally recognized United States rating agency.

“Ratings Affirmation” means, with respect to the Incurrence of any Additional Debt or Subordinated Debt, a letter issued by a Rating Agency confirming that, after giving effect to the Incurrence of such Additional Debt or Subordinated Debt, and after taking into account all outstanding Indebtedness of the Issuer, the corporate credit rating of the Issuer is at least equal to Investment Grade Rating.

“Reduction in Charge Event” means the occurrence of both (a) a Reduction in Charge Trigger and (b) the Projected Debt Service Coverage Ratio being less than the Required Debt Service Coverage Ratio.

“Reduction in Charge Trigger” means the occurrence of any of the following (unless waived by the Lenders, in the case of clauses (a) and (b) only): (a) the International Tariff payable under any Concession with respect to each International Passenger, as approved by the appropriate Governmental Authority, is less than US\$34.72, as adjusted from time to time for inflation pursuant to the applicable Concession, (b) the Domestic Tariff payable under any Concession with respect to each Domestic Passenger, as approved by the appropriate Governmental Authority, is less than US\$22.33, as adjusted from time to time for inflation pursuant to the applicable Concession or (c) the SHCP has approved the elimination of either the International Tariff or the Domestic Tariff and no other fee, tariff or other amount in lieu of, or in substitution for, or in addition to, such tariff, is payable by Domestic Passengers or International Passengers (other than Exempt Passengers) for the use of the Airports; provided, that upon termination of the Existing Airport Concession as a result of the commencement of commercial operations of the New Airport, the events described in clauses (a) through (c) above, as they relate to the Existing Airport shall cease to constitute a Reduction in Charge Trigger.

“Reference Rate” means a fixed interest rate equal to the weighted average of the fixed interest rates applicable to any existing Indebtedness of the Issuer or any Swap Contract in effect on the date of determination.

“Refinancing Debt” means Indebtedness of the Issuer incurred in exchange for or to refinance, in whole or in part, existing Indebtedness of the Issuer.

“Required Debt Service Coverage Ratio” means, as of any date, (a) with respect to any Political Violence Trigger or a Reduction in Charge Trigger, the Projected Debt Service Coverage Ratio for each four (4) consecutive Quarterly Periods commencing from such date through the Notional Tenor End Date, a ratio which is equal to or higher than 1.15:1.00, and (b) with respect to any Debt Service Coverage Ratio for any period ending on any Quarterly Date, a ratio equal to or higher than 1.15:1.00.

“Required Swap Contracts” means (a) Interest Rate Swap Contracts and FX Swap Contracts described in, and satisfying the requirements of “—Swaps” and (b) Swap Contracts described in, and satisfying the requirements of paragraph (l) under “—Events of Default.”

“Required Swap Debt” means Indebtedness incurred under the Required Swap Contracts.

“Required Withholding Tax Payment” means, as applicable, (a) with respect to any payment of Secured Obligations under the Indentures or any Loan Document, the amount of Taxes, if any, which will be payable to any Mexican Governmental Authority in respect of such Secured Obligation amount or (b) with respect to any payment of Additional Debt, the amount of Taxes, if any, which will be payable to any Mexican Governmental Authority in respect of such Additional Debt.

“Responsible Officer” means (a) with respect to any Agent, any officer within the corporate trust or agency department of such Agent including any vice president, assistant vice president, treasurer, assistant treasurer, trust officer or any other officer of such Agent who (i) customarily performs functions similar to those performed by the persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person’s knowledge of and familiarity with the particular subject and (ii) shall have direct responsibility for the administration of the Loan Documents to which such Agent is a party, and (b) with respect to any other Person, the chief executive officer, the president, chief financial officer, treasurer or assistant treasurer of a Person and, with respect to the Issuer and the Security Trust, shall mean the trustee delegate (*delegado fiduciario*) of the Mexico City Airport Trust Trustee or Security Trust Trustee, as the case may be. Any document delivered hereunder that is signed by a Responsible Officer of any Person shall be conclusively presumed to have been authorized by all necessary corporate, trust, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Person.

“Restricted Payments” means any payment of any nature or any transfer of funds from any Security Trust Accounts to the Issuer or any Sponsor or any Affiliate thereof, *provided* that, notwithstanding the foregoing, none of (i) any payment of Operating Costs in accordance with priority Second, of Section 4.1(a) and Section 4.1(b) of the Intercreditor Agreement, (ii) any payment in connection with a Terminal 2 Report in accordance with priority Ninth, of Section 4.1(a) of the Intercreditor Agreement or priority Ninth, of Section 4.1(b) of the Intercreditor Agreement, (iii) any payment of Airport Contingency Expenses in accordance with priority Tenth, of Section 4.1(a) of the Intercreditor Agreement or priority Tenth, of Section 4.1(b) of the Intercreditor Agreement or (iv) any payment of transaction costs in connection with the Indentures, Credit Agreement or Project Agreements or the Purchase Price shall constitute a “Restricted Payment”.

“S&P” means Standard & Poor’s Ratings Services, a division of The McGraw Hill Companies, Inc., and any successor to its rating agency business.

“SCT” means the Ministry of Communications and Transportation (*Secretaría de Comunicaciones y Transportes*) of Mexico.

“Secured Facility Obligations” means all advances to, and debts, liabilities, Obligations, covenants and duties of, the Issuer under the Loan Documents or otherwise with respect to any Loan or Facility Swap Contract, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Issuer thereof of any Insolvency Proceeding naming the Issuer as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Secured Facility Obligations of the Issuer under the Loan Documents (and, with respect to the Intercreditor Agreement, insofar as they relate to the Facility) include the obligation to pay principal, interest, expenses, fees, attorney costs, consultants costs, indemnities and other amounts payable by the Issuer under any Loan Document.

“Secured Facility Parties” means, collectively, the Administrative Agent, each Lender, if applicable, any Facility Swap Counterparty, any co-agent or sub-agent appointed by any Agent from time to time pursuant to Sections 13.05 or 13.15 of the Credit Agreement and any other Person holding Secured Facility Obligations that are or are purported to be secured by the Collateral under the terms of the Collateral Documents other than the Offshore Collateral Agent and the Onshore Collateral Agent.

“Secured Indenture Obligations” means all advances to, and debts, liabilities, Obligations, covenants and duties of, the Issuer under the Indentures or otherwise with respect to the Notes, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against the Issuer thereof of any Insolvency Proceeding naming the Issuer as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Secured Indenture Obligations of the Issuer under the Indentures (and, with respect to the Intercreditor Agreement, insofar as they relate to the Indentures) include the obligation to pay principal, interest, expenses, fees, attorney costs, consultants costs, indemnities and other amounts payable by the Issuer under the Indentures.

“Secured Obligations” means (a) the Secured Facility Obligations, (b) the Secured Indenture Obligations, (c) the Additional Debt Obligations, (d) the Obligations of the Issuer under any Required Swap Contracts not otherwise covered in clauses (a) and (c) above, and (e) the obligation of the Issuer to reimburse any amount in respect of any of the foregoing that any Secured Party, in its sole discretion, may elect to pay or advance on behalf of the Issuer as well as any costs and expenses incurred by any Secured Party necessary or desirable in order to perfect and protect the first priority liens and security interests created under the Collateral Documents.

“Secured Parties” means, collectively, (a) the Secured Facility Parties, (b) the Indenture Trustee, (c) the Additional Debt Secured Parties (if any) and (d) the Offshore Collateral Agent, the Onshore Collateral Agent, the Security Trust Trustee, once appointed in accordance with the Intercreditor Agreement, the Intercreditor Agent, and any co-agents, sub agents and attorneys-in-fact appointed by the Offshore Collateral Agent or Onshore Collateral Agent, as the case may be, pursuant to the Loan Documents for purposes of holding or enforcing any Lien on the

Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Offshore Collateral Agent or Onshore Collateral Agent.

“Security Trust” means the irrevocable guaranty, administration and payment trust (*fideicomiso irrevocable de garantía, administración y pago*) created and existing under the laws of Mexico, established with the Security Trust Trustee, pursuant to the Security Trust Agreement.

“Security Trust Accounts” means, collectively, the Onshore Accounts and the Offshore Accounts; each, individually, a “Security Trust Account”.

“Security Trust Agreement” means that certain amended and restated irrevocable guaranty, administration and payment trust agreement (*Contrato de Fideicomiso Irrevocable de Garantía, Administración y Fuente de Pago*) No. 2172, dated October 7, 2015, by and among the Security Trust Trustee, as trustee, the Mexico City Airport Trust, as settlor and second place beneficiary, and the first place beneficiaries parties thereto, as amended or amended and restated from time to time.

“Security Trust Assets” means all of the Issuer’s right, title and interest in and to receive (a) all Trust Assets, (b) amounts due or to become due in respect of Passenger Charges, (c) any Business Interruption Insurance Proceeds, (d) its rights under Clauses Second, Fourth and Fifth of the Assignment of Rights Agreements, and (e) indemnities under or in connection with the Concessions.

“Security Trust Beneficiaries” means at any date, those Persons designated as beneficiaries of the Security Trust pursuant to Clause Three of the Security Trust Agreement as of such date.

“Security Trust Trustee” means Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero, solely in its capacity as trustee under the Security Trust.

“SEMARNAT” means the Secretary for the Environment and Natural Resources (*Secretaría del Medio Ambiente y Recursos Naturales*) of Mexico.

“SGX-ST” means the Singapore Exchange Securities Trading Limited.

“SHCP” means the Ministry of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*) of Mexico.

“Sponsor” means, collectively, the Existing Sponsor and the New Sponsor.

“Stated Maturity” means, with respect to any security, the date specified in such security as the fixed date on which the principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

“Subordinated Debt” means Indebtedness that is paid, in whole or in part, with the proceeds of Restricted Payments.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options, forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions, or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master

agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Swap Contract Termination Payment” means the amount of any swap breakage or termination payment due in respect of any Required Swap Contract upon termination thereof or partial termination thereof, any “Settlement Amount” in respect of any “Early Termination Date” (as those terms are defined in such Required Swap Contract) and any other payment in respect of any termination of such Required Swap Contract.

“Swap Counterparty” means (a) with respect to any Facility Swap Contract, any Facility Swap Counterparty, (b) with respect to any Interest Rate Swap Contract, any Lender or any Affiliate thereof and (c) with respect to any FX Swap Contract or any currency Swap Contract entered into pursuant to paragraph (I) under “— Events of Default,” any Acceptable FX Bank.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Terminal 2” means the terminal referred to as “Terminal 2” in the Existing Airport.

“Terminal 2 Report” means the report prepared pursuant to subclause 5.1.15.19 of Clause Five of the Existing Airport Assignment of Rights Agreement containing a capital investment program and construction budget and schedule to remediate the sinking of Terminal 2 of the Existing Airport.

“Traffic Volume Report” means a report showing the volume of traffic of passengers in the Existing Airport and, if the commencement of commercial operations of the New Airport has occurred, the New Airport, for each month during the relevant Quarterly Period, which report shall present the traffic of domestic and international passengers on a segregated basis.

“Transaction Documents” means the Loan Documents and the Project Agreements; each, individually, a “Transaction Document”.

“Transfer and Inconvertibility Event” means (a) any action by Mexico, the *Banco de México* or any other Mexican Governmental Authority or (b) any failure by the Issuer to obtain and keep current in full force and effect any foreign exchange approvals or authorizations in the case of clauses (a) and (b) above, which (i) suspends, terminates or materially and adversely limits the rights of (A) the Issuer or Security Trust to receive payments denominated in Dollars under the Transaction Documents or (B) the Security Trust to maintain any of the Security Trust Accounts, (ii) renders the Issuer or any other Person unable legally to convert Pesos to make any payment in Dollars to any Secured Party through any customary legal channels for transactions of the type contemplated by the Indentures and the Loan Documents or (iii) materially restricts the availability of Dollars through the Mexican banking system to enable any of the Issuer or the Sponsors and Agents to perform its respective obligations under the Loan Documents; provided that the rights afforded to any debtor pursuant to Article 8 of the *Ley Monetaria de los Estados Unidos Mexicanos* (Monetary Law of the United Mexican States) as in effect on the date hereof shall not constitute a Transfer and Inconvertibility Event.

“Trigger Date” means the date that is thirty (30) days prior to the scheduled commercial operation date of the New Airport.

“Trust Assets” has the meaning specified for the term “*Patrimonio del Fideicomiso*” in the Mexico City Airport Trust Agreement.

“Trustee Payment” means any fees and expenses payable by the Issuer to the Mexico City Airport Trust Trustee pursuant to Clause Twelve of the Mexico City Airport Trust Agreement from time to time.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“Unhedged Amount” means, at any time of determination, (a) the aggregate principal amount of Indebtedness of the Issuer (assuming that the commitments under the Credit Agreement have been disbursed in full, so long as the Credit Agreement is outstanding) then outstanding less (b) the aggregate notional principal amount then hedged under all Interest Rate Swap Contracts in full force and effect at such time.

“Voting Interests” means shares of capital stock issued by a corporation, or equivalent Equity Interests in any other Person (including, in the case of the Issuer, the interests in the Trust Assets held by the Mexico City Airport Trust Beneficiaries), the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even if the right so to vote has been suspended by the happening of such a contingency.

“Year” means, as of any date of determination, the period commencing on such date and ending on the next succeeding December 31 and, thereafter, each period commencing on January 1 in any calendar year and ending on the next succeeding December 31.

## **BOOK-ENTRY, DELIVERY AND FORM**

The Notes are being offered and sold to qualified institutional buyers in reliance on Rule 144A (“Rule 144A Notes”). Notes also may be offered and sold in offshore transactions in reliance on Regulation S (“Regulation S Notes”). Notes will be issued at the closing of this offering only against payment in immediately available funds.

Rule 144A Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the “Rule 144A Global Notes”). Regulation S Notes initially will be represented by one or more Notes in registered, global form without interest coupons (collectively, the “Regulation S Global Notes” and, together with the Rule 144A Global Notes, the “Global Notes”).

The Global Notes will be deposited upon issuance with the Indenture Trustee as custodian for DTC, in New York, New York, and registered in the name of DTC or its nominee, in each case, for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the commencement of this offering and the closing of this offering (such period through and including such 40th day, the “restricted period”), beneficial interests in the Regulation S Global Notes may be held only through Euroclear and Clearstream (as indirect participants in DTC), unless transferred to a person that takes delivery through a Rule 144A global note in accordance with the certification requirements described below. Beneficial interests in the Rule 144A Global Notes may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except in the limited circumstances described below. See “—Exchanges Between Regulation S Notes and Rule 144A Notes.”

Except as set forth below, the Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for Notes in certificated form except in the limited circumstances described below. See “—Exchange of Global Notes for Certificated Notes.” Except in the limited circumstances described below, owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of Notes in certificated form.

Rule 144A Notes (including beneficial interests in the Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend as described under “Transfer Restrictions.” Regulation S Notes will also bear the legend as described under “Transfer Restrictions.” In addition, transfers of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time.

### ***Depository Procedures***

The following description of the operations and procedures of DTC, Euroclear and Clearstream is provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to changes by them. We take no responsibility for these operations and procedures and urge investors to contact the system or their participants directly to discuss these matters.

DTC has advised us that DTC is a limited purpose trust company created to hold securities for its participating organizations (collectively, the “participants”) and to facilitate the clearance and settlement of transactions in those securities between participants through electronic book entry changes in accounts of its participants. The participants include securities brokers and dealers (including the initial purchasers), banks, trust companies, clearing corporations and certain other organizations. Access to DTC’s system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain custodial relationship with a participant, either directly or indirectly (collectively, the “indirect participants”). Persons who are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants. The ownership interests in, and transfers of ownership interests in, each security held by or on behalf of DTC are recorded on the records of the participants and indirect participants.

DTC has also advised us that, pursuant to procedures established by it:

- (1) upon deposit of the Global Notes, DTC will credit the accounts of participants designated by the initial purchasers with portions of the principal amount of the Global Notes; and
- (2) ownership of these interests in the Global Notes will be shown on, and the transfer of ownership of these interests will be effected only through, records maintained by DTC (with respect to the participants) or by the participants and the indirect participants (with respect to other owners of beneficial interests in the Global Notes).

Investors in the Global Notes who are participants in DTC's system may hold their interests therein directly through DTC. Investors in the Rule 144A Global Notes who are not participants may hold their interests therein indirectly through organizations (including Euroclear and Clearstream) which are participants in such system. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositories, which are Euroclear Bank S.A./N.V., as operator of Euroclear, and Citibank, N.A., as operator of Clearstream. All interests in a global note, including those held through Euroclear or Clearstream, may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream may also be subject to the procedures and requirements of such systems. The laws of some states require that certain persons take physical delivery in definitive form of securities that they own. Consequently, the ability to transfer beneficial interests in a global note to such persons will be limited to that extent. Because DTC can act only on behalf of participants, which in turn act on behalf of indirect participants, the ability of a person having beneficial interests in a global note to pledge such interests to persons that do not participate in the DTC system, or otherwise take actions in respect of such interests may be affected by the lack of a physical certificate evidencing such interests.

**Except as described below, owners of interests in the Global Notes will not have Notes registered in their names, will not receive physical delivery of Notes in certificated form and will not be considered the registered owners or "holders" thereof under the Indentures for any purpose.**

Payments in respect of the principal of, and interest and premium and additional interest, if any, on a global note registered in the name of DTC or its nominee will be payable to DTC in its capacity as the registered holder under the Indentures. Under the terms of the Indentures, the Issuer and the Indenture Trustee will treat the persons in whose names the Notes, including the Global Notes, are registered as the owners of the Notes for the purpose of receiving payments and for all other purposes. Consequently, neither the Issuer, the Indenture Trustee, the transfer agent, registrar, the paying agent nor any agent of the Issuer, nor the Indenture Trustee has or will have any responsibility or liability for:

- (1) any aspect of DTC's records or any participant's or indirect participant's records relating to or payments made on account of beneficial ownership interest in the Global Notes or for maintaining, supervising or reviewing any of DTC's records or any participant's or indirect participant's records relating to the beneficial ownership interests in the Global Notes; or
- (2) any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

DTC has advised us that its current practice, upon receipt of any payment in respect of securities such as the Notes (including principal and interest) is to credit the accounts of the relevant participants with the payment on the payment date unless DTC has reason to believe it will not receive payment on such payment date. Each relevant participant is credited with an amount proportionate to its beneficial ownership of an interest in the principal amount of the relevant security as shown on the records of DTC. Payments by the participants and the indirect participants to the beneficial owners of Notes will be governed by standing instructions and customary practices and will be the responsibility of the participants or the indirect participants and will not be our responsibility or that of DTC or the Indenture Trustee. Neither the Issuer nor the Indenture Trustee will be liable for any delay by DTC or any of its participants in identifying the beneficial owners of the Notes, and the Issuer and the Indenture Trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

Subject to the transfer restrictions set forth under “Transfer Restrictions,” transfers between participants in DTC will be effected in accordance with DTC’s procedures, and will be settled in same-day funds, and transfers between participants in Euroclear and Clearstream will be effected in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the Notes described herein, cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC’s rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depository; however, such cross market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counter-party in such system in accordance with the rules and procedures and within the established deadlines (Brussels time) of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement on its behalf of delivering or receiving interests in the relevant global note in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositories for Euroclear or Clearstream.

DTC has advised us that it will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account DTC has credited the interests in the Global Notes and only in respect of such portion of the aggregate principal amount of the Notes as to which such participant or participants has or have given such direction. However, if there is an event of default under the Notes, DTC reserves the right to exchange the Global Notes for legended Notes in certificated form, and to distribute such Notes to its participants.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Rule 144A Global Notes and the Regulation S Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and may discontinue such procedures at any time. Neither the Issuer nor the Indenture Trustee nor any of their respective agents will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

#### ***Exchange of Global Notes for Certificated Notes***

A global note is exchangeable for definitive Notes in registered certificated form (“Certificated Notes”) if:

- (1) DTC (a) notifies the Issuer that it is unwilling or unable to continue as depository for the Global Notes and DTC fails to appoint a successor depository or (b) has ceased to be a clearing agency registered under the Exchange Act;
- (2) The Issuer, at its option, notifies the Indenture Trustee in writing that it has elected to cause the issuance of the Certificated Notes; or
- (3) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

In addition, beneficial interests in a global note may be exchanged for Certificated Notes upon prior written notice given to the Indenture Trustee by or on behalf of DTC in accordance with the Indentures. In all cases, Certificated Notes delivered in exchange for any global note or beneficial interests in Global Notes will be registered in the names, and issued in any approved denominations, requested by or on behalf of the depository (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in “Transfer Restrictions,” unless that legend is not required by applicable law.

### ***Exchange of Certificated Notes for Global Notes***

Certificated Notes may not be exchanged for beneficial interests in any global note unless the transferor first delivers to the Indenture Trustee a written certificate (in the form provided in the Indentures) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See “Transfer Restrictions.”

### ***Exchanges Between Regulation S Notes and Rule 144A Notes***

Beneficial interests in the Regulation S Global Notes may be exchanged for beneficial interests in the Rule 144A Global Notes only if:

- (1) such exchange occurs in connection with a transfer of the Notes pursuant to Rule 144A; and
- (2) the transferor first delivers to the Indenture Trustee a written certificate (in the form provided in the Indentures) to the effect that the Notes are being transferred to a person:
  - (A) who the transferor reasonably believes to be a qualified institutional buyer within the meaning of Rule 144A;
  - (B) purchasing for its own account or the account of a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; and
  - (C) in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interest in a Rule 144A global note may be transferred to a person who takes delivery in the form of an interest in the Regulation S global note, whether before or after the expiration of the restricted period, only if the transferor first delivers to the Indenture Trustee a written certificate (in the form provided in the Indentures) to the effect that such transfer is being made in accordance with Rule 903 or 904 of Regulation S.

Transfers involving exchanges of beneficial interests between the Regulation S Global Notes and the Rule 144A Global Notes will be effected in DTC by means of an instruction originated by the DTC participant and approved by the Indenture Trustee through the DTC Deposit / Withdraw at Custodian system. Accordingly, in connection with any such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S global note and a corresponding increase in the principal amount of the Rule 144A global note or vice versa, as applicable. Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in the other global note will, upon transfer, cease to be an interest in such global note and will become an interest in the other global note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interest in such other global note for so long as it remains such an interest. Transfers between Regulation S and Rule 144A Notes will need to be done on a delivery free of payment basis and separate arrangements will need to be made outside of DTC for payment.

## 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 Notes by holders that are treated as non-resident of 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 United States or Mexican tax considerations that may be relevant to a decision to purchase, hold or dispose of the Notes.

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 Notes, 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 Notes. Prospective purchasers of the Notes should consult their own tax advisors as to the tax consequences, if any, of the application of any such treaties.

### Certain Mexican Federal Income Tax Considerations

The following is a general summary of certain Mexican federal income tax consequences of the purchase, ownership and disposition of the Notes by certain non-Mexican resident investors (foreign holders), and that do not hold such Notes through a permanent establishment for tax purposes in Mexico to which income under the Notes is attributable. This discussion is based on the Mexican Income Tax Law (*Ley del Impuesto sobre la Renta*), its rules and regulations, which are in effect as of the date of this offering memorandum, each of which are subject to change, or to new or differing interpretations, which could affect the continued validity of this summary.

The summary does not address all of the Mexican tax consequences that may be applicable to specific holders of the Notes and does not purport to be a comprehensive description of all the Mexican tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. Hence, we urge you to consult your own tax advisors regarding the Mexican tax consequences of the purchase, ownership and disposition of the Notes. In particular, this summary does not describe any tax consequences arising under the laws of any state or municipality other than certain federal laws of Mexico.

### *Payments of Interest*

Pursuant to the Mexican Income Tax Law, payments of interest on the Notes (including original issue discount or any premium paid in respect of the Notes, which is deemed to be interest) paid by us to foreign holders, will be subject to Mexican withholding tax at a rate of 4.9%, if, as expected, the following requirements are met:

- The Notes, as expected, are placed through banks or brokerage houses, in a country with which Mexico has entered into a treaty for the avoidance of double taxation and such treaty is in effect (which currently includes the United States).
- The issuance of the Notes is notified to the CNBV pursuant to Article 7, second paragraph of the Mexican Securities Market Law and the terms and conditions of the Note's offering outside of Mexico.

- We duly complied with information requirements established in the general rules issued by the Tax Administration Service (*Servicio de Administracion Tributaria*, or “SAT”), which include, among others, the following requirements:
  - We submit before the SAT, a copy of the notification filed before the CNBV in accordance to Article 7 of the Mexican Securities Market Law;
  - We file before the SAT, fifteen days after the placement of the Notes, information regarding the placement, describing the main characteristics set forth herein. If the characteristics of the Notes are changed, we must notify the corresponding modifications within the following thirty days;
  - We file before the SAT, on a quarterly basis, information related to the interest payment amount and payment date, disclosing that no related party mentioned, below jointly or individually, directly or indirectly, is the effective beneficiary of more than 5.0% of the aggregate amount of each interest payment, and we maintain records that evidence compliance with this requirement.
    - Shareholders that hold more than 10% of the voting shares of us, whether directly or indirectly, and individually or in conjunction with related parties, or
    - Legal entities whose voting shares are owned by us in more than 20%, whether directly or indirectly, and individually or in conjunction with related parties.

We expect that the requirements mentioned above will be met and, accordingly, we expect to be entitled to withhold the 4.9% tax rate in respect of interest payments on the Notes made by us to foreign holders. In the event that any of the foregoing requirements is not met, the corresponding withholding tax rate would be 10% or a higher tax rate, in accordance with the provisions set forth in the Mexican Income Tax Law.

#### *Payments of Principal*

In accordance with the Mexican Income Tax Law, payments of principal on the Notes made by us to a foreign holder, will not be subject to Mexican withholding tax.

#### *Sale and Dispositions*

Under the Mexican Income Tax Law, capital gains resulting from the sale or other disposition of the Notes by a foreign holder to another foreign holder are not taxable in Mexico. Gains resulting from the sale of the Notes by a foreign holder to a Mexican resident for tax purposes or to a foreign holder deemed to have a permanent establishment in Mexico for tax purposes, will be subject to the Mexican taxes.

#### *Redemption*

Under Mexican Income Tax Law, the payment by us to redeem the Notes, will be subject to the Mexican taxes pursuant to the rules described above with respect to interest payments and payments of principal.

#### *Other Taxes*

Pursuant to the Mexican Law, a foreign holder will not be liable for Mexican estate, gift, registration, inheritance or similar taxes with respect to its holding of the Notes.

It is important to highlight that, in general terms we will pay any additional amounts as may be necessary so that the amount received by holders of the Notes after withholdings or deductions for taxes in relation to payments under the Notes, will not be less than the amount that holders of the Notes would have received in the absence of such withholdings or deductions, subject to certain exceptions described under “Description of the Notes—Additional Amounts”.

## Certain United States Federal Income Tax Consequences

The following discussion summarizes certain material U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes for U.S. holders (as defined below) as well as certain considerations (described below under “—*Information Reporting and Backup Withholding*”) relevant to a holder of a Note that is not a U.S. holder. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended, U.S. Treasury regulations, published administrative interpretations of the Internal Revenue Service (“IRS”) and judicial decisions, all of which are subject to change, possibly with retroactive effect. This summary deals only with U.S. holders that hold the Notes as capital assets and acquired the Notes upon original issuance at their original issue price. This discussion does not address the tax consequences that may be relevant to U.S. holders subject to special tax rules, including partnerships (or entities or arrangements treated as partnerships for U.S. federal income tax purposes) and other pass-through entities and partners or members therein, insurance companies, tax-exempt organizations, banks and financial institutions, brokers, dealers in securities or currencies, persons whose functional currency is not the U.S. Dollar, persons that have hedged the risk of holding the Notes, persons that hold the Notes as part of a “straddle” or other integrated transaction, and traders that elect mark-to-market treatment. In addition, this discussion does not consider the effect of any applicable state, local or foreign tax laws, or any aspect of U.S. federal taxation other than income taxation (such as estate and gift tax laws, the alternative minimum tax or the net investment income tax).

For purposes of this discussion, “U.S. holder” means a beneficial owner of the Notes that is an individual who is a citizen or resident of the United States or a domestic corporation or any person that is otherwise subject to U.S. federal income tax on a net income basis in respect of the Notes.

**You should consult your tax adviser about the tax consequences of holding the Notes, including the relevance to your particular situation of the considerations discussed below, as well as the relevance to your particular situation of state, local or other tax laws.**

### *Payments of Interest*

Payments of interest on the Notes (including the amount of any withholding taxes and any Additional Amounts paid with respect thereto) generally will be taxable to a U.S. holder as ordinary interest income at the time that such payments accrue or are received, in accordance with the U.S. holder’s method of accounting for U.S. federal income tax purposes.

It is expected, and this discussion assumes, that the Notes will not be considered as issued with original issue discount (“OID”) in excess of a *de minimis* amount. In general, however, if the Notes are issued with OID that is more than a *de minimis* amount, regardless of a U.S. holder’s regular method of accounting for U.S. federal income tax purposes, such holder will have to include OID as ordinary gross income under a “constant yield method” before the receipt of cash attributable to such income.

With certain exceptions as noted below, any Mexican withholding tax that is imposed on payments of interest will be treated as a foreign income tax that is eligible (subject to generally applicable limitations and conditions under U.S. tax laws) for credit against a U.S. holder’s federal income tax liability or, at the U.S. holder’s election, for deduction in computing the U.S. holder’s taxable income. Payments of interest on the Notes generally will constitute foreign-source “passive category income” for U.S. foreign tax credit purposes. The calculation and availability of foreign tax credits and, in the case of a U.S. holder that elects to deduct foreign taxes, the availability of such deduction involves the application of complex rules that depend on a U.S. holder’s particular circumstances. U.S. holders should consult their own tax advisors regarding the availability of foreign tax credits.

### *Dispositions of the Notes*

A U.S. holder generally will recognize gain or loss on the sale, exchange, redemption or other taxable disposition of the Notes in an amount equal to the difference between the amount realized on such disposition (less any amounts attributable to accrued but unpaid interest, which will be taxable as such to the extent not previously included in income) and the U.S. holder's adjusted tax basis in the Notes. A U.S. holder's adjusted tax basis in a note generally will equal its U.S. Dollar cost in that note. Gain or loss realized by a U.S. holder on a sale, exchange, redemption or other disposition of the Notes generally will be U.S.-source capital gain or loss, and generally will be long-term capital gain or loss if, at the time of such disposition, the Notes have been held for more than one year. Accordingly, if Mexican tax is imposed on the sale or other disposition of the Notes, such tax generally will not be available as a credit for the U.S. Holder against U.S. federal income tax unless such holder has other income from foreign sources, in the appropriate category, for purposes of the foreign tax credit rules or such U.S. holder is entitled to treat such gain as Mexican source under the U.S.-Mexico Tax Treaty. The U.S. holder may also take a deduction for any Mexican tax. The net amount of long-term capital gain realized by certain non-corporate holders (including individuals) may be subject to taxation at a preferential rate. The deduction of capital losses is subject to limitations.

### *Information Reporting and Backup Withholding*

Payments in respect of the Notes that are paid within the United States or through certain U.S.-related financial intermediaries are generally subject to information reporting, unless the U.S. holder is a corporation (other than an S Corporation) or other exempt recipient. Such payments to a non-exempt recipient may also be subject to backup withholding, unless the U.S. holder provides an accurate taxpayer identification number and certifies that it has not lost its exemption from backup withholding. The amount of any backup withholding collected from a payment to a U.S. holder will be allowed as a credit against the U.S. holder's U.S. federal income tax liability and may entitle the U.S. holder to a refund, provided that certain required information is timely furnished to the IRS. Non-U.S. holders are generally exempt from backup withholding, but such holder may have to comply with certification procedures to prove entitlement to this exemption. Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the ownership or disposition of the Notes.

## **ERISA AND OTHER CODE CONSIDERATIONS**

The Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and/or certain overlapping provisions of the Code apply to certain pension plans, profit-sharing plans, stock bonus plans, annuity plans, individual retirement accounts, individual retirement annuities, welfare benefit plans and medical savings accounts (collectively, “Plans”). ERISA and certain provisions of the Code prohibit and/or tax certain transactions (“prohibited transactions”) directly or indirectly between certain Plans and certain parties-in-interest and disqualified persons, as defined in ERISA and the Code, respectively. Each potential purchaser of the Notes which is, or is acting on behalf of, a Plan should consult its tax and/or legal advisors as to whether the purchase, holding or sale of the Notes is or might constitute a “prohibited transaction.” In addition, each potential purchaser of the Notes that intends or may intend to sell the Notes to a Plan should also consult its tax and/or legal advisors as to whether it is a “party in interest” under ERISA or a “disqualified person” under the Code and whether it may be subject to the civil penalties imposed by § 502(i) of ERISA, other adverse consequences under ERISA or the taxes imposed by § 4975(a) and (b) of the Code as a result of such sale. Subject to the provisions described herein, to each specific Plan’s organizational, documentation, and investment policies and qualifications, and other legal provisions and otherwise, the Notes may be purchased by Plans. Neither the Issuer nor the initial purchasers, nor their respective officers, agents or attorneys expresses any opinion or makes any representation as to whether any purchase, holding or sale of the Notes is a prohibited transaction under ERISA or the Code or whether such a purchase, holding or sale would be subject to the civil penalties imposed by § 502(i) of ERISA, other adverse consequences under ERISA or the taxes imposed by § 4975(a) or (b) of the Code. Prior to any purchase, holding or sale of the Notes, potential purchasers and potential sellers of the Notes should consult their respective tax and/or legal advisors with respect to such matters.

**EACH PURCHASER OF THE NOTES OR AN INTEREST IN THE NOTES WILL BE DEEMED TO HAVE REPRESENTED THAT SUCH PURCHASE IS NOT A PROHIBITED TRANSACTION UNDER ERISA OR THE OVERLAPPING PROVISIONS OF THE CODE AND THAT SUCH NOTES OR SUCH INTEREST IN THE NOTES IS AN ELIGIBLE INVESTMENT FOR THE PLAN.**

## PLAN OF DISTRIBUTION

Citigroup Global Markets Inc., HSBC Securities (USA) Inc. and J.P. Morgan Securities LLC are acting as joint book-running managers of this offering and as representatives of the initial purchasers named below. Subject to the terms and conditions stated in the purchase agreement dated the date of this offering memorandum, each initial purchaser named below has severally agreed to purchase, and we have agreed to sell to that initial purchaser, the principal amount of the Notes set forth opposite the initial purchaser's name.

Initial Purchaser	Principal Amount			
	2026 Notes		2046 Notes	
Citigroup Global Markets Inc.....	US\$	200,000,000	US\$	200,000,000
HSBC Securities (USA) Inc.....		200,000,000		200,000,000
J.P. Morgan Securities LLC.....		200,000,000		200,000,000
BBVA Securities Inc.....		100,000,000		100,000,000
Santander Investment Securities Inc.....		100,000,000		100,000,000
Credit Agricole Securities (USA) Inc.....		50,000,000		50,000,000
Inversora Bursátil, S.A. de C.V., Casa de Bolsa, Grupo Financiero Inbursa.....		50,000,000		50,000,000
MUFG Securities Americas Inc.....		50,000,000		50,000,000
Scotia Capital (USA) Inc.....		50,000,000		50,000,000
<b>Total.....</b>	<b>US\$</b>	<b>1,000,000,000</b>	<b>US\$</b>	<b>1,000,000,000</b>

Inversora Bursátil, S.A. de C.V., Casa de Bolsa, Grupo Financiero Inbursa is not a broker-dealer registered with the U.S. Securities and Exchange Commission and will not be offering or selling Notes in the United States or to U.S. persons unless it is through one or more U.S. registered broker-dealers as permitted by applicable U.S. law.

The purchase agreement provides that the obligations of the initial purchasers to purchase the Notes are subject to approval of legal matters by their counsel, including the validity of the Notes, and to other conditions contained in the purchase agreement, such as the receipt by the initial purchasers of officer's certificates and legal opinions. The initial purchasers must purchase all the Notes if they purchase any of the Notes. If an initial purchaser defaults, the purchase agreement provides that the purchase commitments of the non-defaulting initial purchasers may be increased or the purchase agreement may be terminated. The initial purchasers may offer and sell the notes through their affiliates.

The initial purchasers propose to resell each series of Notes at the offering price set forth on the cover page of this offering memorandum within the United States to qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A and outside the United States in reliance on Regulation S. See "Transfer Restrictions." The price at which the Notes are offered may be changed at any time without notice.

The Notes have not been and will not be registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Each purchaser of the notes will be deemed to have made acknowledgements, representations and agreements as described under "Transfer Restrictions." In connection with sales outside the United States, each of the initial purchasers has agreed that it will not offer, sell or deliver the notes to, or for the account of, U.S. persons (unless in reliance on Rule 144A) (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, and it will send to each dealer to whom it sells such notes during such period a confirmation or other notice setting forth the restrictions on offers and sales of the notes within the United States or to, or for the account or benefit of, U.S. persons. Resales of the notes are restricted as described under "Transfer Restrictions."

In addition, until 40 days after the commencement of this offering, an offer or sale of Notes within the United States by a dealer that is not participating in this offering may violate the registration requirements of the Securities Act if that offer or sale is made otherwise than in accordance with Rule 144A.

We have agreed that, for a period of 30 days from the date of this offering memorandum, we will not, without the prior written consent of Citigroup Global Markets Inc., HSBC Securities (USA) Inc. and J.P. Morgan Securities LLC, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce the offering of, any U.S.-dollar denominated debt securities issued or guaranteed by us in the international capital markets.

The Notes will constitute a new class of securities with no established trading market. However, we cannot assure you that the prices at which the Notes will sell in the market after this offering will not be lower than the initial offering price or that an active trading market for the Notes will develop and continue after this offering. The initial purchasers have advised us that they currently intend to make a market in the Notes. However, they are not obligated to do so and they may discontinue any market-making activities with respect to the Notes at any time without notice. Accordingly, we cannot assure you as to the liquidity of, or the trading market for, the Notes.

In connection with this offering, the initial purchasers may purchase and sell Notes in the open market. Purchases and sales in the open market may include short sales, purchases to cover short positions and stabilizing purchases.

- Short sales involve secondary market sales by the initial purchasers of a greater principal amount of Notes than they are required to purchase in the offering. The initial purchasers must close out any short position by purchasing Notes in the open market.
- Covering transactions involve purchases of Notes in the open market after the distribution has been completed in order to cover short positions.
- Stabilizing transactions involve bids to purchase Notes so long as the stabilizing bids do not exceed a specified maximum.

Purchases to cover short positions and stabilizing purchases, as well as other purchases by the initial purchasers for their own accounts, may have the effect of preventing or retarding a decline in the market price of the Notes. They may also cause the price of the Notes to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The initial purchasers may conduct these transactions in the over-the-counter market or otherwise. If the initial purchasers commence any of these transactions, they may discontinue them at any time. Neither we nor the initial purchasers make 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 Notes.

We expect to deliver each series of Notes against payment for such Notes on or about the date specified in the last paragraph of the cover page of this offering memorandum, which will be the fifth business day following the date of the pricing of the Notes. Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally settle in three business days, purchasers who wish to trade Notes on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify alternative settlement arrangements at the time of such trade to prevent a failed settlement.

The initial purchasers are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The initial purchasers and their respective affiliates have in the past performed commercial banking, investment banking and advisory services for us from time to time for which they have received customary fees and reimbursement of expenses and may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses. In the ordinary course of their various business activities, the initial purchasers and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. In addition, affiliates of some of the initial purchasers are lenders, and in some cases agents for the lenders, under the Credit Agreement. If any of the initial purchasers or their affiliates has a lending relationship with us, certain of those initial purchasers or their affiliates routinely hedge, and certain other of those initial purchasers or their affiliates may hedge, their credit exposure to us consistent with their

customary risk management policies. Typically, these initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. 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 instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We have agreed to indemnify the initial purchasers against certain liabilities in connection with this offering, including liabilities under the Securities Act, or to contribute to payments that the initial purchasers may be required to make because of any of those liabilities.

### **Notice to Prospective Investors in the European Economic Area**

In relation to each member state of the European Economic Area, an offer of securities described in this offering memorandum may not be made to the public in that member state other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer or dealers nominated by us for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

*provided* that no such offer of securities shall require us or any initial purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of this provision, the expression an “offer of securities to the public” in any member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression “Prospectus Directive” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in that relevant member state.

The European Economic Area selling restriction is in addition to any other selling restriction set out in this offering memorandum.

The sellers of the securities have not authorized and do not authorize the making of any offer of securities through any financial intermediary on their behalf, other than offers made by the initial purchasers with a view to the final placement of the securities as contemplated in this offering memorandum. Accordingly, no purchaser of the securities, other than the initial purchasers, is authorized to make any further offer of the securities on behalf of the sellers or the initial purchasers.

### **Notice to Prospective Investors in the United Kingdom**

This offering memorandum is only being distributed in the United Kingdom to, and is only directed at, (a) investment professionals falling within both Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) Order 2001, as amended (the “CIS Promotion Order”) and Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “General Promotion Order”), and (b) high net worth companies and other persons falling with both Article 22(2)(a) to (d) of the CIS Promotion Order and Article 49(2)(a) to (d) of the General Promotion Order.

## Notice to Prospective Investors in France

Neither this offering memorandum nor any other offering material relating to the Notes described in this offering memorandum has been submitted to the clearance procedures of the Autorité des Marchés Financiers or of the competent authority of another member state of the European Economic Area and notified to the Autorité des Marchés Financiers. The Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this offering memorandum nor any other offering material relating to the Notes has been or will be:

- released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- used in connection with any offer for subscription or sale of the Notes to the public in France.

Such offers, sales and distributions will be made in France only:

- to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code monétaire et financier;
- to investment services providers authorized to engage in portfolio management on behalf of third parties; or
- in a transaction that, in accordance with article L.411-2-II-1°-or-2°-or 3° of the French Code monétaire et financier and article 211-2 of the General Regulations (*Règlement Général*) of the Autorité des Marchés Financiers, does not constitute a public offer (*appel public à l'épargne*).

The Notes may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French Code monétaire et financier.

## Notice to Prospective Investors in Italy

The offering of the Notes has not been registered with the Commissione Nazionale per le Società e la Borsa ("CONSOB") pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor copies of this prospectus supplement, the accompanying prospectus, any pricing supplement or any other documents relating to the Notes may be distributed in Italy except:

(a) to "qualified investors," as referred to in Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "Decree No. 58") and defined in Article 26, paragraph 1, letter d) of CONSOB Regulation No. 16190 of 29 October 2007, as amended ("Regulation No. 16190") pursuant to Article 34 ter, paragraph 1, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("Regulation No. 11971"); or

(b) in any other circumstances where an express exemption from compliance with the offer restrictions applies, as provided under Decree No. 58 or Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this prospectus supplement, the accompanying prospectus, any pricing supplement or any other documents relating to the Notes in Italy must be:

(a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993, as amended (the "Banking Law"), Decree No. 58 and Regulation No. 16190 and any other applicable laws and regulations;

(b) in compliance with Article 129 of the Banking Law, and the implementing guidelines of the Bank of Italy, as amended; and

(c) in compliance with any other applicable notification requirement or limitation which may be imposed, from time to time, by CONSOB or the Bank of Italy or other competent authority.

Please note that, in accordance with Article 100 bis of Decree No. 58, where no exemption from the rules on public offerings applies, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under Decree No. 58 and Regulation No. 11971.

### **Notice to Prospective Investors in Canada**

The Notes 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 Notes 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 prospectus supplement (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 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 initial purchasers conflicts of interest in connection with this offering.

### **Notice to Prospective Investors in Mexico**

The Notes have not been and will not be registered with the National Securities Registry maintained by the Mexican National Banking and Securities Commission ("CNBV"), and therefore may not be offered or sold publicly in Mexico. The Notes may be offered or sold to qualified and institutional investors in Mexico, pursuant to the private placement exemption set forth under Article 8 of the Mexican Securities Market Law. As required under the Mexican Securities Market Law, Mexico will give notice to the CNBV of the offering of the Notes under the terms set forth herein. Such notice will be submitted to the CNBV to comply with the Mexican Securities Market Law, and for informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not certify the solvency of Mexico, the investment quality of the Notes, or that the information contained in this prospectus supplement or in the prospectus is accurate or complete. Mexico has prepared this prospectus supplement and is solely responsible for its content, and the CNBV has not reviewed or authorized such content.

### **Notice to Prospective Investors in Hong Kong**

The Notes 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 Notes 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 Notes 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 Notes offered in this offering memorandum have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. The Notes 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 (including any corporation or other entity organized under the laws of Japan), except (i) pursuant to an exemption from the registration requirements of the Financial Instruments 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 Notes may not be circulated or distributed, nor may the Notes 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, in each case subject to compliance with conditions set forth in the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- 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
- 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, shares, debentures and units of shares and debentures 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 Notes pursuant to an offer made under Section 275 of the SFA except:
- to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
- where no consideration is or will be given for the transfer; or
- where the transfer is by operation of law.

### **Notice to Prospective Investors in Switzerland**

This offering memorandum, as well as any other materials relating to the Notes which are the subject of the offering contemplated by this offering memorandum, do not constitute an issue prospectus pursuant to Article 652a of the Swiss Code of Obligations. The Notes will not be listed on the SWX Swiss Exchange and, therefore, the documents relating to the Notes, including, but not limited to, this document, do not claim to comply with the disclosure standards of the listing rules of the SWX Swiss Exchange and corresponding prospectus schemes annexed to the listing rules of the SWX Swiss Exchange. The Notes are being offered in Switzerland by way of a private placement, (i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the Notes with the intention to distribute them to the public). The investors will be individually

approached by the initial purchasers from time to time. This document, as well as any other material relating to the Notes, do not constitute an offer to any other person. This document may only be used by those investors to whom it has been provided in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

### **Notice to Prospective Investors in Brazil**

The Notes have not been, and will not be, registered with the *Comissão de Valores Mobiliários*, or CVM (Securities Commission). The notes may not be offered or sold in Brazil, except in circumstances that do not constitute a public offering or distribution under Brazilian laws and regulations.

### **Notice to Prospective Investors in Chile**

Pursuant to Law No. 18,045 of Chile (the securities market law of Chile) and Rule (*Norma de Carácter General*) No. 336, dated June 27, 2012, issued by the Superintendency of Securities and Insurance of Chile (*Superintendencia de Valores y Seguros de Chile*, or “SVS”), the Notes may be privately offered in Chile to certain “qualified investors” identified as such by Rule 336 (which in turn are further described in rule No. 216, dated June 12, 2008, of the SVS).

Rule 336 requires the following information to be provided to prospective investors in Chile:

1. Date of commencement of the offer: September 6, 2016. The offer of the Notes is subject to Rule (*Norma de Carácter General*) No. 336, dated June 27, 2012, issued by the SVS;
2. The Notes and the offering memorandum are not registered with the Securities Registry (*Registro de Valores*) of the SVS, nor with the foreign securities registry (*Registro de Valores Extranjeros*) of the SVS and as such as not subject to the oversight of the SVS;
3. Since the Notes are not registered in Chile, there is no obligation by the issuer to make publicly available information about the Notes in Chile; and
4. The Notes shall not be subject to a public offering in Chile unless registered with the relevant Securities Registry of the SVS.

### **Notice to Prospective Investors in the Dubai International Financial Centre**

This offering circular relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or DFSA. This offering circular is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this offering circular nor taken steps to verify the information set forth herein and has no responsibility for the offering circular. The securities to which this offering circular relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this offering circular you should consult an authorized financial advisor.

### **Notice to Prospective Investors in Germany**

The Notes will not be offered, sold or publicly promoted or advertised in the Federal Republic of Germany other than in compliance with the German Securities Prospectus Act (*Gesetz über die Erstellung, Billigung und Veröffentlichung des Prospekts, der beim öffentlichen Angebot von Wertpapieren oder bei der Zulassung von Wertpapieren zum Handel an einem organisierten Markt zu veröffentlichen ist—Wertpapierprospektgesetz*) as of 22 June 2005, effective as of 1 July 2005, as amended, or any other laws and regulations applicable in the Federal Republic of Germany governing the issue, offering and sale of securities. No selling prospectus (*Verkaufprospekt*)

within the meaning of the German Securities Selling Prospectus Act has been or will be registered within the Financial Supervisory Authority of the Federal Republic of Germany or otherwise published in Germany.

#### **Notice to Prospective Investors in the Netherlands**

The Notes may not be offered, sold, transferred or delivered, in or from the Netherlands, as part of the initial distribution or as part of any reoffering, and neither this offering memorandum nor any other document in respect of the offering may be distributed in or from the Netherlands, other than to individuals or legal entities which trade or invest in securities in the conduct of their profession or trade (which includes banks, investment banks, securities firms, insurance companies, pension funds, other institutional investors and treasury departments and finance companies of large enterprises), in which case, it must be made clear upon making the offer and from any documents or advertisements in which a forthcoming offering of Notes is publicly announced that the offer is exclusively made to said individuals or legal entities.

#### **Notice to Prospective Investors in Peru**

The offer of the Notes, this offering memorandum and the Notes have not been, and will not be, registered with the *Comisión Nacional Supervisora de Empresas y Valores* (the Peruvian Securities and Exchange Commission). The offer of the Notes in Peru is not considered a public offering and will not be launched in Peru except in circumstances which do not constitute public offering or distribution under Peruvian laws and regulations.

This notice is for informative purposes and it does not constitute public offering of any kind.

#### **Notice to Prospective Investors in Colombia**

The Notes will not be authorized by the *Superintendencia Financiera de Colombia* (Colombian Superintendency of Finance) and will not be registered under the *Registro Nacional de Valores y Emisores* (Colombian National Registry of Securities and Issuers), and, accordingly, the Notes will not be offered or sold to persons in Colombia except in circumstances which do not result in a public offering under Colombian law.

## TRANSFER RESTRICTIONS

The Notes have not been, and will not be, registered under the Securities Act, or the securities laws of any other jurisdiction and may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S), except in transactions exempt from, or not subject to, the registration requirements of the Securities Act. Accordingly, we are offering the Notes only:

- in the United States to qualified institutional buyers (as defined in Rule 144A) pursuant to Rule 144A; and
- outside the United States to non-U.S. persons in offshore transactions meeting the requirements of Rule 903 of Regulation S.

As used herein, the terms “offshore transaction,” “United States” and “U.S. person” have the respective meanings given to them in Regulation S.

### **Purchasers’ Representations and Restrictions on Resale and Transfer**

Each purchaser of Notes (other than the initial purchasers in connection with the initial issuance and sale of Notes) and each owner of any beneficial interest therein will be deemed, by its acceptance or purchase thereof, to have represented and agreed as follows:

- it is purchasing the Notes for its own account or an account with respect to which it exercises sole investment discretion and it and any such account is either (a) a qualified institutional buyer and is aware that the sale to it is being made pursuant to Rule 144A or (b) a non-U.S. person that is outside the United States;
- it acknowledges that the Notes have not been registered under the Securities Act or with any securities regulatory authority of any state, that the Notes are being offered in a transaction that does not involve any public offering in the United States within the meaning of the Securities Act and that the Notes may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;
- it understands and agrees that Notes initially offered in the United States to qualified institutional buyers will be represented by a global note and that Notes offered outside the United States pursuant to Regulation S will also be represented by a global note;
- it will not resell or otherwise transfer any of such Notes except (a) to us, (b) within the United States to a qualified institutional buyer in a transaction in compliance with Rule 144A, (c) outside the United States in compliance with Rule 903 or 904 under the Securities Act, (d) pursuant to an exemption from registration under the Securities Act (if available) or (e) pursuant to an effective registration statement under the Securities Act;
- it agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes;
- it acknowledges that prior to any proposed transfer of Notes (other than pursuant to an effective registration statement or in respect of Notes sold or transferred either in compliance with (a) Rule 144A or (b) Regulation S) the holder of such Notes may be required to provide certifications relating to the manner of such transfer as provided in the Indentures;
- it acknowledges that the trustee, registrar or transfer agent for the Notes will not be required to accept for registration transfer of any Notes acquired by it, except upon presentation of evidence satisfactory to us that the restrictions set forth herein have been complied with;

- if it is a non-U.S. purchaser acquiring a beneficial interest in a Regulation S global note offered pursuant to this offering memorandum, it acknowledges and agrees that, until the expiration of the 40 day “distribution compliance period” within the meaning of Regulation S, any offer, sale, pledge or other transfer shall not be made by it in the United States or to, or for the account or benefit of, a U.S. person, except pursuant to Rule 144A to a qualified institutional buyer taking delivery thereof in the form of a beneficial interest in a U.S. global note;
- it acknowledges that we, the initial purchasers and other persons will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of the acknowledgements, representations and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it will promptly notify us and the initial purchasers; and
- if it is acquiring the Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each account.

### Legends

The following is the form of restrictive legend which will appear on the face of the Rule 144A global note and which will be used to notify transferees of the foregoing restrictions on transfer:

“THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE OR OTHER SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES FOR THE BENEFIT THE ISSUER THAT THIS NOTE OR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (1) TO THE ISSUER, (2) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A) IN ACCORDANCE WITH RULE 144A, (3) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR 904 OF REGULATION S UNDER THE SECURITIES ACT, (4) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE) OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND IN EACH OF SUCH CASES IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER APPLICABLE JURISDICTION. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, REPRESENTS AND AGREES THAT IT SHALL NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. AS USED HEREIN, THE TERMS “OFFSHORE TRANSACTION,” “UNITED STATES” AND “U.S. PERSON” HAVE THE RESPECTIVE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

THE FOREGOING LEGEND MAY BE REMOVED FROM THIS NOTE ONLY AT THE OPTION OF THE ISSUER.”

The following is the form of restrictive legend which will appear on the face of the Regulation S global note and which will be used to notify transferees of the foregoing restrictions on transfer:

“THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE OR OTHER SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THIS NOTE, AGREES THAT, PRIOR TO THE EXPIRATION OF THE 40-DAY DISTRIBUTION COMPLIANCE PERIOD (AS DEFINED IN REGULATION S (“REGULATION S”) UNDER THE SECURITIES ACT), NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES (AS DEFINED IN REGULATION S) OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON (AS DEFINED IN REGULATION S), EXCEPT TO A QUALIFIED INSTITUTIONAL BUYER IN

COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT IN A TRANSACTION MEETING THE REQUIREMENTS OF THE INDENTURES REFERRED TO HEREIN.

THE FOREGOING LEGEND MAY BE REMOVED FROM THIS NOTE AFTER 40 DAYS BEGINNING ON AND INCLUDING THE LATER OF (A) THE DATE ON WHICH THE NOTES ARE OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) AND (B) THE ORIGINAL ISSUE DATE OF THE NOTES.”

For further discussion of the requirements (including the presentation of transfer certificates) under the Indentures to effect exchanges or transfers of interest in global notes and certificated notes, see “Description of the Notes.”

#### **Other Jurisdictions**

The distribution of this offering memorandum and the offer and sale or resale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this offering memorandum comes are required by us and the initial purchasers to inform themselves about and to observe any such restrictions.

## **LEGAL MATTERS**

Certain legal matters in connection with this international offering will be passed upon for the Issuer with respect to New York law by Cleary Gottlieb Steen & Hamilton LLP and with respect to Mexican law by Jones Day México, S.C. Certain legal matters in connection with this international offering will be passed upon for the initial purchasers with respect to New York law by Paul Hastings LLP and with respect to Mexican law by Galicia Abogados, S.C.

## **INDEPENDENT AUDITORS**

Our financial statements as of and for the years ended December 31, 2015, 2014 and 2013, have been audited by Galaz, Yamazaki, Ruiz Urquiza, S.C., Member of Deloitte Touche Tohmatsu Limited, independent accountants, as stated in their report appearing herein.

## **INDEPENDENT PASSENGER TRAFFIC CONSULTANT**

The Independent Traffic Consultant has prepared the Independent Traffic Report that is included as Appendix A to this offering memorandum. The Independent Traffic Report should be read in its entirety for complete information with respect to the subjects and issues discussed therein. As stated in the Independent Traffic Report, the Independent Traffic Consultant has made a number of assumptions in reaching its conclusions, which are set forth therein, and has used the sources of information described therein. The Independent Traffic Consultant believes that the use of such information and assumptions is reasonable for the purposes of the Independent Traffic Report. The Independent Traffic Report has been included in this offering memorandum in reliance upon the conclusions therein and upon the Independent Traffic Consultant's experience in preparing traffic reports for similar projects.

## LISTING AND GENERAL INFORMATION

1. The Notes have been accepted for clearance and settlement through DTC, Euroclear and Clearstream. The CUSIP and ISIN numbers for the Notes are as follows:

<u>2026 Notes</u>	<u>Restricted Global Notes</u>	<u>Regulation S Global Notes</u>
CUSIP.....	59284M AA2	P6629M AA0
ISIN.....	US59284MAA27	USP6629MAA01
<u>2046 Notes</u>	<u>Restricted Global Notes</u>	<u>Regulation S Global Notes</u>
CUSIP.....	59284M AB0	P6629M AB8
ISIN.....	US59284MAB00	USP6629MAB83

2. We are an irrevocable administration and payment trust (*fideicomiso irrevocable de administración y pago*) created and existing under the laws of Mexico. We were created pursuant to an amended and restated irrevocable administration and payment trust agreement (*fideicomiso irrevocable de administración y pago reexpresado*) Number 80460, dated October 7, 2015. Our trustee is Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria, a development bank incorporated under the laws of Mexico, with its main offices located at Insurgentes Sur 1971, Torre IV, Piso 6, Col. Guadalupe Inn, C.P. 01020, Ciudad de México, México.
3. Copies of our Financial Statements and our future financial statements, and copies of our amended and restated irrevocable administration and payment trust agreement (*fideicomiso irrevocable de administración y pago reexpresado*) Number 80460, as well as the Indentures (including the form of Notes), will be available free of charge at the offices of the principal paying agent and any other paying agent.
4. We intend to apply to have the Notes listed and quoted on the Official List of the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or information contained in this offering memorandum. Approval in-principle from the SGX-ST, admission of the Notes to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST are not to be taken as an indication of the merits of this offering, the Issuer, the Sponsors, their respective subsidiaries (if any), their respective associated companies (if any), their respective joint venture companies (if any) or the Notes. The Notes will be traded on the SGX-ST in a minimum, board lot size of US\$200,000 for so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that a Global Note is exchanged for definitive Notes. In addition, in the event that a Global Note is exchanged for certificated Notes, an announcement for such exchange shall be made by or on behalf of the Issuer through the SGX-ST, and such announcement shall include all material information with respect to the delivery of the certificated Notes, including details of the paying agent in Singapore, so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require. .
5. We will notify the CNBV of the terms and conditions of this offering of the Notes outside of Mexico. Such notice will be submitted to the CNBV to comply with article 7, second paragraph, of the Mexican Securities Market Law and for statistical and informational purposes only. The delivery to, and receipt by, the CNBV of such notice does not constitute or imply a certification as to the investment quality of the Notes, our solvency, liquidity or credit quality or the accuracy or completeness of the information set forth in this offering memorandum. This offering memorandum is solely our responsibility and has not been reviewed or authorized by the CNBV.
6. We have all necessary consents, approvals and authorizations in connection with the issuance or performance of the Notes.

7. Except as disclosed in this offering memorandum, there has been no material adverse change in our financial position or results of operations since June 30, 2016, the date of the latest financial statements included in this offering memorandum.
8. We are not involved in any legal or arbitration proceedings (including any such pending or threatened proceedings) relating to claims or amounts that may have or have had, during the 12 months prior to the date of this offering memorandum, a material adverse effect on our financial position.
9. Galaz, Yamazaki, Ruiz Urquiza, S.C., Member of Deloitte Touche Tohmatsu Limited have agreed to the inclusion of their reports in this offering memorandum in the form and context in which they are included.

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**Fideicomiso Irrevocable de Administración y Pago Número 80460**  
**Reexpresado**  
**(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)**

**Unaudited Condensed Interim Financial**  
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**Fideicomiso Irrevocable de Administración y Pago Número 80460**  
**Reexpresado**  
**(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)**

**Condensed Interim Statements of Financial Position**

As of June 30, 2016 (unaudited) and December 31, 2015

(In thousands of Mexican pesos)

<b>Assets</b>	<b>Notes</b>	<b>June 30, 2016</b> <b>(Unaudited)</b>	<b>December 31, 2015</b>
Current assets:			
Cash, cash equivalents and restricted cash	4	\$ 5,638,702	\$ 4,059,673
Short-term accounts receivable	5	<u>6,257,242</u>	<u>6,022,666</u>
Total current assets		11,895,944	10,082,339
Long-term accounts receivable	5	44,874,582	44,346,105
Other accounts receivable		<u>947</u>	<u>947</u>
Total		<u>\$ 56,771,473</u>	<u>\$ 54,429,391</u>
<b>Liabilities and trust capital</b>			
Current liabilities:			
Account payable to Trustor and other accounts payable		\$ 4,620,940	\$ 4,561,006
Interest payable	7	<u>65,806</u>	<u>52,958</u>
Total current liabilities		4,686,746	4,613,964
Long-term bank loan	7	<u>17,609,123</u>	<u>16,436,925</u>
Total liabilities		<u>22,295,869</u>	<u>21,050,889</u>
Trust capital:			
Capital contributions	8	24,216,019	25,795,632
Retained earnings		<u>10,259,585</u>	<u>7,582,870</u>
Total trust capital		<u>34,475,604</u>	<u>33,378,502</u>
Total		<u>\$ 56,771,473</u>	<u>\$ 54,429,391</u>

See accompanying notes to the unaudited condensed interim financial statements.

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Lic. Karina Hernández Ángeles  
Trust Business Vice Director

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C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

## Fideicomiso Irrevocable de Administración y Pago Número 80460 Reexpresado

(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)

### Unaudited Condensed Interim Statements of Profit or Loss

For the three and six-month periods ended on June 30, 2016 and 2015

(In thousands of Mexican pesos)

	Notes	For the six months ended June 30		For the three months ended June 30	
		2016	2015	2016	2015
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Income and gains:					
Interest income		\$ 594,371	\$ 2,668,386	\$ 290,468	\$ 1,314,863
Other bank interest income		90,884	22,254	51,753	13,943
Foreign exchange gain, net	6	<u>3,511,136</u>	<u>979,341</u>	<u>3,480,444</u>	<u>450,783</u>
		<u>4,196,391</u>	<u>3,669,981</u>	<u>3,822,665</u>	<u>1,779,589</u>
Costs, expenses and losses:					
Interest expense		247,258	98,944	124,385	68,728
Foreign exchange loss		1,164,831	268,006	1,167,566	108,201
Operating expenses	9	<u>107,587</u>	<u>60,293</u>	<u>93,052</u>	<u>19,760</u>
		<u>1,519,676</u>	<u>427,243</u>	<u>1,385,003</u>	<u>196,689</u>
Profit for the period		<u>\$ 2,676,715</u>	<u>\$ 3,242,738</u>	<u>\$ 2,437,662</u>	<u>\$ 1,582,900</u>

See accompanying notes to the unaudited condensed interim financial statements.

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Lic. Karina Hernández Ángeles  
Trust Business Vice Director

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C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

**Fideicomiso Irrevocable de Administración y Pago Número 80460  
Reexpresado**

**(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)**

**Unaudited Condensed Interim Statements of Changes in Trust Capital**

**For the six-month period ended on June 30, 2016 and 2015**

**(In thousands of Mexican pesos)**

	Capital contributions	Retained earnings	Total partners' Capital
Balance as of January 1, 2015	\$ 9,068,469	\$ 1,150,628	\$ 10,219,097
Distributions to Trustor	(764,205)	-	(764,205)
Profit for the period	<u>-</u>	<u>3,242,738</u>	<u>3,242,738</u>
Balance as of June 30, 2015 (Unaudited)	<u>\$ 8,304,264</u>	<u>\$ 4,393,366</u>	<u>\$ 12,697,630</u>
Balance as of January 1, 2016	\$ 25,795,632	\$ 7,582,870	\$ 33,378,502
Distributions to Trustor	(1,579,613)	-	(1,579,613)
Profit for the period	<u>-</u>	<u>2,676,715</u>	<u>2,676,715</u>
Balance as of June 30, 2016 (Unaudited)	<u>\$ 24,216,019</u>	<u>\$ 10,259,585</u>	<u>\$ 34,475,604</u>

See accompanying notes to the unaudited condensed interim financial statements.

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Lic. Karina Hernández Ángeles  
Trust Business Vice Director

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C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

**Fideicomiso Irrevocable de Administración y Pago Número 80460  
Reexpresado**

**(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)**

**Unaudited Condensed Interim Statements of Cash Flows**

**For the six-month period ended on June 30, 2016 and 2015**

**(In thousands of Mexican pesos)**

	Notes	June 30, 2016 (Unaudited)	June 30, 2015 (Unaudited)
Cash flows from operating activities			
Collection rights received		\$ 3,855,407	\$ 3,045,229
Operating expenses paid		(118,726)	(66,851)
Tax and withholding taxes paid on behalf of Trustor		<u>(552,042)</u>	<u>(403,116)</u>
Net cash flows provided by operating activities		3,184,639	2,575,262
Cash flows from investing activities			
Interest received		<u>90,884</u>	<u>22,254</u>
Net cash flows provided by investing activities		<u>90,884</u>	<u>22,254</u>
Cash flows from financing activities			
Distributions to Trustor	8	(1,518,354)	(739,154)
Interest paid		<u>(178,140)</u>	<u>(29,505)</u>
Net cash flows used in financing activities		<u>(1,696,494)</u>	<u>(768,659)</u>
Net increase in cash, cash equivalents and restricted cash		1,579,029	1,828,857
Cash, cash equivalents and restricted cash at the beginning of the year		<u>4,059,673</u>	<u>942,113</u>
Cash, cash equivalents and restricted cash at the end of the year		<u>\$ 5,638,702</u>	<u>\$ 2,770,970</u>

See accompanying notes to the unaudited condensed interim financial statements.

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Lic. Karina Hernández Ángeles  
Trust Business Vice Director

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C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

# Fideicomiso Irrevocable de Administración y Pago Número 80460 Reexpresado

(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)

## Notes to the Unaudited Condensed Interim Financial Statements

For the three and six month periods ended on June 30, 2016 and 2015

(In thousands of Mexican pesos)

### 1. Basis of presentation

The accompanying condensed interim financial statements have not been audited. They have been prepared in conformity with International Accounting Standard (IAS, for its acronym in English) 34, “*Interim Financial Reporting*”. The financial performance for the periods presented are not necessarily indicative of full year performance, which mainly can vary due to the transit passengers.

The accompanying condensed interim financial statements do not include all information required in a complete set of financial statements and therefore should be read in conjunction with the entity’s annual financial statements as of and for the year ended on December 31, 2015.

The condensed interim financial statements have been prepared on a historical cost basis.

### 2. Significant accounting policies

The Trust has applied the same accounting policies and valuation methods in the preparation of these unaudited condensed interim financial statements as those applied in the annual financial statements for the year ended on December 31, 2015.

### 3. Critical estimates

Preparation of these unaudited condensed interim financial statements in accordance with IAS 34 requires the use of certain critical accounting estimates. It also requires that management to exercise its judgment in the process of applying the Entity’s accounting policies. There have been no significant changes to Management’s critical accounting estimates or judgments compared to those applied on the Entity’s audited consolidated financial statements as of December 31, 2015.

### 4. Changes in cash equivalents and restricted cash

	June 30, 2016 (Unaudited)	December 31, 2015
Cash equivalents (1)	\$ 4,302,934	\$ 2,879,058
Trust funds (restricted cash)	<u>1,335,768</u>	<u>1,180,615</u>
	<u>\$ 5,638,702</u>	<u>\$ 4,059,673</u>

(1) Restricted cash is only increased as a result of the terms of the loan agreement, the remainder cash from collections is invested in cash equivalents in highly liquid short term investments.

## 5. Accounts receivable

Accounts receivable from the AICM are as follows:

	June 30, 2016 (Unaudited)	December 31, 2015
Balance as of January 1	\$ 50,368,771	\$ 13,758,034
Amount TUA received	(3,323,634)	(6,762,761)
TUA collection rights acquired (1)	-	35,400,660
Interest income	594,370	4,321,118
Exchange (loss) profit	<u>3,492,316</u>	<u>3,651,720</u>
Balance as of December 31	51,131,824	50,368,771
Short-term receivable balance	<u>(6,257,242)</u>	<u>(6,022,666)</u>
Long-term receivable balance (1)	<u>\$ 44,874,582</u>	<u>\$ 44,346,105</u>

- (1) The long-term receivables presented in the unaudited combined statement of financial position represent the right to receive projected TUA collections for the following five years, which corresponds to the term of the long-term debt issued by the Trust. No additional debt was obtained during to 2016.

There are no overdue balances in any period.

## 6. Financial instruments

### Management risks

The exposition of the Trust's financial instruments and the Trust's strategy to manage them has not changed from its financial statements as of December 31, 2015.

The exposition of the Trust as of June 30, 2016 and December 31, 2015 is as follows:

*As of June 30, 2016 and December 31, 2015, the foreign currency monetary position is as follows:*

	June 30, 2016 (Unaudited)	December 31, 2015
U.S. dollars:		
Monetary assets	2,769,181	2,920,149
Monetary liabilities	<u>(957,233)</u>	<u>(956,007)</u>
Net monetary asset position	<u>1,811,948</u>	<u>1,964,142</u>
Equivalent in Mexican pesos	<u>\$ 33,456,896</u>	<u>\$ 33,878,896</u>

*Mexican peso exchange rates in effect at the dates of the statement of financial position and at the date of issuance of these financial statements were as follows:*

	July 31, 2016	June 30, 2016	December 31, 2015
U.S. dollar	<u>\$ 18.7837</u>	<u>\$ 18.4646</u>	<u>\$ 17.2487</u>

The net monetary asset position in U.S. dollars and the appreciation of this currency resulted in a net foreign exchange gain during 2016.

Fair value

The Entity considers that the carrying amount of financial assets and liabilities approximate their fair values except for the variable interest rate bank loans for which fair value was Ps\$18,004,929 (unaudited) and Ps\$17,833,416, as of June 30, 2016, and December 31, 2015, respectively. The fair value of these loans are fair value hierarchy Level 3.

The fair value of financial instruments disclosed has been determined by the Trust using information available in the markets or other valuation techniques consistent with those used in the financial statements as of December 31, 2015. The assumptions used are based on market conditions existing at each reporting date, and require management to use judgment with respect to the inputs and other requirements of such valuation techniques. As a result, the estimated amounts presented are not necessarily indicative of the amounts that the Trust could obtain in a current market exchange. The use of different assumptions and/or estimation methods could have a material effect on the estimated amounts of fair value.

During the period there were no transfers between hierarchy of assets and liabilities Level 1, 2 and 3.

**7. Bank loans**

a. As of December 31, bank loans payable are composed as follows:

	June 30, 2016 (Unaudited)	December 31, 2015
Long-term revolving credit, including interest	\$ 18,534,742	\$ 17,371,305
Issuance cost	(859,813)	(881,422)
Less – Interest payable	<u>(65,806)</u>	<u>(52,958)</u>
Total	<u>\$ 17,609,123</u>	<u>\$ 16,436,926</u>

b. The increase in the balance corresponds mainly to the effect of the appreciation of the US dollar, currency in which are these loans.

c. The maturity of the long-term portion of this liability is October 7, 2020 and may be extended for an additional 12 or 24 months.

d. The Trust was in compliance with related covenants as of June 30, 2016 and December 31, 2015.

**8. Trust capital**

Distributions to Trustor during 2015 and 2016 for \$764,205 and \$1,579,613, respectively include \$25,051 and \$61,259 foreign exchange gain, respectively.

## 9. Operating expenses

Operating expenses are as follows :

	For the six months ended June 30		For the three months ended June 30	
	2016	2015	2016	2015
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Fees		20,095		
	\$ 38,979		\$ 34,634	\$ 5,168
Other taxes	22,583	7,319	12,393	3,632
Commissions	<u>46,025</u>	<u>32,879</u>	<u>46,025</u>	<u>10,960</u>
(1)	<u>\$ 107,587</u>	<u>\$ 60,293</u>	<u>\$ 93,052</u>	<u>\$ 19,760</u>

- (1) The increase in the period compared to December, 2015, corresponded mainly to the payment of commitment fees and withholding taxes for interest payments to banks residing abroad. The amount of commitment fees had an increase of \$1,300 as of June, 2016, and the amount of withholding taxes for interest payments to banks residing abroad had an increase of \$700 as of June, 2016.

## 10. Unaudited condensed interim financial statements issuance authorization

The unaudited condensed interim financial statements and their notes were authorized for issuance on July 31, 2016, by Karina Hernández Ángeles, Trust Business Vice Director of Nacional Financiera S.N.C., I.B.D., Dirección Fiduciaria, and Genaro Téllez Chávez, Trust Accounting Vice Director of Nacional Financiera S.N.C., I.B.D., Dirección de Contabilidad y Presupuestos; consequently, they do not reflect events which occurred after that date.

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Lic. Karina Hernández Ángeles  
Trust Business Vice Director

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C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

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**Fideicomiso Irrevocable de  
Administración y Pago número 80460  
Reexpresado  
(Nacional Financiera, S. N. C., Institución  
de Banca de Desarrollo, Dirección  
Fiduciaria)**

Financial Statements for the Years  
Ended December 31, 2015, 2014 and  
2013 and Independent Auditors' Report  
Dated May 31, 2016

**Fideicomiso Irrevocable de Administración y Pago número 80460**  
**Reexpresado**  
(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)

**Independent Auditors' Report and Financial  
Statements for 2015, 2014, and 2013**

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Espacio intencionalmente en blanco para el informe del auditor

**Fideicomiso Irrevocable de Administración y Pago número 80460  
Reexpresado (Nacional Financiera, S. N. C., Institución de Banca de  
Desarrollo, Dirección Fiduciaria)**

**Statements of Financial Position**

As of December 31, 2015, 2014 and 2013

(In thousands of Mexican pesos)

<b>Assets</b>	Notes	2015	2014	2013
Current assets:				
Cash, cash equivalents and restricted cash	5	\$ 4,059,673	\$ 942,113	\$ 648,922
Short-term accounts receivable	8	<u>6,022,666</u>	<u>864,593</u>	<u>3,515,905</u>
Total current assets		10,082,339	1,806,706	4,164,827
Long-term accounts receivable	8	44,346,105	13,758,034	-
Other accounts receivable		<u>947</u>	<u>947</u>	<u>4,916</u>
Total		<u>\$ 54,429,391</u>	<u>\$ 15,565,687</u>	<u>\$ 4,169,743</u>
<b>Liabilities and trust equity capital</b>				
Current liabilities:				
Account payable to Trustor and other accounts payable		\$ 4,561,006	\$ 1,230,739	\$ 552,927
Short-term portion of long-term bank loan	9	<u>52,958</u>	<u>83,658</u>	<u>1,601,118</u>
Total current liabilities		4,613,964	1,314,397	2,154,045
Long-term bank loan	9	16,436,925	4,032,193	-
Derivative financial instruments	7	<u>-</u>	<u>-</u>	<u>105,041</u>
Total liabilities		<u>21,050,889</u>	<u>5,346,590</u>	<u>2,259,086</u>
Trust capital:				
Capital contributions	12	25,795,632	9,068,469	1,897,461
Retained earnings		<u>7,582,870</u>	<u>1,150,628</u>	<u>13,196</u>
Total trust capital		<u>33,378,502</u>	<u>10,219,097</u>	<u>1,910,657</u>
Total		<u>\$ 54,429,391</u>	<u>\$ 15,565,687</u>	<u>\$ 4,169,743</u>

See accompanying notes to financial statements.

Lic. Karina Hernández Ángeles  
Private Trust Business Vice Director

C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

**Fideicomiso Irrevocable de Administración y Pago número 80460  
Reexpresado (Nacional Financiera, S. N. C., Institución de Banca de  
Desarrollo, Dirección Fiduciaria)**

**Statements of Profit or Loss**

For the years ended December 31, 2015, 2014 and 2013

(In thousands of Mexican pesos)

	Notes	2015	2014	2013
Income and gains:				
Interest income		\$ 4,231,118	\$ 1,215,839	\$ 1,154,808
Other bank interest income		68,123	8,338	7,710
Foreign exchange gain		3,651,720	-	6,560
Gain on fair value of financial instruments		-	6,067	4,882
Gain on debt extinguishment		-	74,463	-
		<u>8,040,961</u>	<u>1,304,707</u>	<u>1,173,960</u>
Costs, expenses and losses:				
Interest expense		326,055	120,369	119,744
Foreign exchange loss		1,144,820	21,157	-
Operating expenses	11	<u>137,844</u>	<u>12,553</u>	<u>5,956</u>
		<u>1,608,719</u>	<u>154,079</u>	<u>125,700</u>
Profit for the year		<u>\$ 6,432,242</u>	<u>\$ 1,150,628</u>	<u>\$ 1,048,260</u>

See accompanying notes to financial statements.

\_\_\_\_\_  
Lic. Karina Hernández Ángeles  
Private Trust Business Vice Director

\_\_\_\_\_  
C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

**Fideicomiso Irrevocable de Administración y Pago número 80460  
Reexpresado (Nacional Financiera, S. N. C., Institución de Banca de  
Desarrollo, Dirección Fiduciaria)**

**Statements of Trust Capital**

For the years ended December 31, 2015, 2014 and 2013  
(In thousands of Mexican pesos)

	Capital contributions	Retained earnings	Total partners' capital
Balance as of January 1, 2013	\$ 2,721,091	\$ (1,035,064)	\$ 1,686,027
Profit for the year	-	1,048,260	1,048,260
Distributions to Trustor	<u>(823,630)</u>	<u>-</u>	<u>(823,630)</u>
Balance as of December 31, 2013	1,897,461	13,196	1,910,657
Distributions to Trustor	(1,897,456)	(13,196)	(1,910,652)
Profit for the year	-	1,150,628	1,150,628
Contributions to Trust	<u>9,068,464</u>	<u>-</u>	<u>9,068,464</u>
Balance as of December 31, 2014	9,068,469	1,150,628	10,219,097
Distributions to Trustor	(11,199,536)	-	(11,199,536)
Profit for the year	-	6,432,242	6,432,242
Contributions to Trust	<u>27,926,699</u>	<u>-</u>	<u>27,926,699</u>
Balance as of December 31, 2015	<u>\$ 25,795,632</u>	<u>\$ 7,582,870</u>	<u>\$ 33,378,502</u>

See accompanying notes to financial statements.

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Lic. Karina Hernández Ángeles  
Private Trust Business Vice Director

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C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

**Fideicomiso Irrevocable de Administración y Pago número 80460**  
**Reexpresado**  
**(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección Fiduciaria)**

**Statements of Cash Flows**

For the years ended December 31, 2015, 2014 and 2013

(In thousands of Mexican pesos)

	2015	2014	2013
Cash flows from operating activities			
Collection rights received	\$ 6,762,761	\$ 4,833,220	\$ 3,153,065
Operating expenses paid	(724,597)	(3,649)	(3,725)
Tax and withholding taxes paid on behalf of Trustor	<u>(915,682)</u>	<u>(630,578)</u>	<u>(432,491)</u>
Net cash flows provided by operating activities	5,122,482	4,198,993	2,716,849
Cash flows from investing activities			
Interest received	<u>68,123</u>	<u>8,338</u>	<u>7,710</u>
Net cash flows provided by investing activities	<u>68,123</u>	<u>8,338</u>	<u>7,710</u>
Cash flows from financing activities			
Distributions to Trustor	(13,201,801)	(5,711,600)	(1,898,010)
Proceeds from bank loans	11,223,082	4,006,420	-
Repayment of financial instruments	-	(116,970)	(104,307)
Repayment of guarantees	-	(12,166)	(20,675)
Interest paid	(94,326)	(15,734)	(30,028)
Loan repayments	<u>-</u>	<u>(2,064,090)</u>	<u>(734,237)</u>
Net cash flows used in financing activities	<u>(2,073,045)</u>	<u>(3,914,140)</u>	<u>(2,787,257)</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	3,117,560	293,191	(62,698)
Cash, cash equivalents and restricted cash at the beginning of the year	<u>942,113</u>	<u>648,922</u>	<u>711,620</u>
Cash, cash equivalents and restricted cash at the end of the year	<u>\$ 4,059,673</u>	<u>\$ 942,113</u>	<u>\$ 648,922</u>

See accompanying notes to financial statements.

\_\_\_\_\_  
 Lic. Karina Hernández Ángeles  
 Private Trust Business Vice Director

\_\_\_\_\_  
 C.P. Genaro Téllez Chávez  
 Trust Accounting Vice Director

**Fideicomiso Irrevocable de Administración y Pago número 80460  
Reexpresado  
(Nacional Financiera, S. N. C., Institución de Banca de Desarrollo, Dirección  
Fiduciaria)**

**Notes to the Financial State ments**

**For the years ended December 31, 2015, 2014 and 2013  
(In thousands of Mexican pesos)**

**11. Nature of the trust, most important characteristics and significant events**

**a) Creation of Trust**

The Fideicomiso Irrevocable de Administración y Pago número 80460 Reexpresado (the Trust) was created pursuant to an irrevocable administration and payment trust agreement (*fideicomiso irrevocable de administración y pago*) Number 80460, dated August 26, 2005, by and among *inter alia* Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa, as trustor, Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria, solely in its capacity as trustee (Trustee or NAFIN), the initial lenders under the Credit Agreement described below, as first place beneficiaries, NAFIN and Banco Nacional de Obras y Servicios Públicos, S.N.C. (BANOBRAS), as second place beneficiaries, and Aeropuerto Internacional de la Ciudad de México, S.A. de C.V., as third place beneficiary (Existing Sponsor).

The Trust has no personnel of its own; the Trustee is responsible for all administrative services, management and control of its operations.

The Trust is a special purpose trust formed under the laws of Mexico. The current purpose of the Trust is to purchase and hold the rights to collect passenger charges from the existing Benito Juárez International Airport located in Mexico City (Existing Airport) and, upon commencement of commercial operations, the new Mexico City International Airport (the New Airport). The Existing Sponsor and Grupo Aeroportuario de la Ciudad de México, S.A. de C.V. (New Sponsor) sold these collection rights to the Trust, together with other related property and assets, in exchange for the right to receive the proceeds of any financing to be incurred by the Trust. The Existing Sponsor and the New Sponsor will use the proceeds from such sale to partially fund the design, construction and development of the New Airport. The Trust is prohibited from engaging in activities other than the financing and related transactions for the purpose described above.

**Terminal 2 Financing**

In 2005, the Trust entered into a series of transactions whereby it purchased from the Existing Sponsor the rights to collect passenger charges from Terminal 1 and, upon commencement of commercial operations, Terminal 2 of the Existing Airport, together with other related property and assets, in exchange for the right to receive the proceeds of a financing incurred by the Trust (T2 Financing). The Existing Sponsor used the proceeds from such sale to partially fund the design, construction and development of Terminal 2 of the Existing Airport. The T2 Financing was repaid in full in October 2014, and the rights to collect passenger charges from Terminal 1 and Terminal 2 of the Existing Airport reverted in favor of the Existing Sponsor. The Trust executed the following agreements in connection with the T2 Financing:

i. **The 2005 Passenger Charges Assignment Agreement**

On August 24, 2005, the Ministry of Communications and Transportation (SCT) authorized the Existing Sponsor to assign to the Trust the rights to collect passenger charges from Terminal 1 of the Existing Airport and certain indemnification rights and the rights over certain insurance and bonds (collectively, the “Rights”), through the execution of the 2005 Passenger Charges Assignment Agreement. On August 26, 2005, the 2005 Passenger Charges Assignment Agreement was executed and the Existing Sponsor transferred to the Rights to the Trust.

The Trust paid the Existing Sponsor an amount equal to the proceeds received by the Trust from the 2005 Credit Agreement (as defined below), *less* fees and costs incurred and any established reserves.

ii. **2005 Credit Agreement**

On August 26, 2005, the Trust entered into a credit agreement with, *inter alia*, Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa; BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer (Grand Cayman Branch); Citibank N.A. and HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC, in their capacity as lenders (the “2005 Lenders”), for the amount of US\$400 million (the “2005 Credit Agreement”), the proceeds of which were used to fund the acquisition of the Rights from the Existing Sponsor.

iii. **2005 Lenders’ Trust Agreement**

On August 26, 2005, the Trust, in its capacity as trustor, entered into an Irrevocable Administration Trust Agreement number F/524 with GE Capital Bank, S.A., Institución de Banca Múltiple, GE Capital Grupo Financiero, División Fiduciaria (GE Capital), as trustee, and a related assignment agreement, pursuant to which the Trust, in its capacity as trustor, transferred to GE CAPITAL, as trustee, any and all amounts derived from certain indemnification rights and the guarantees provided by Nafin and Banobras with respect to the Trust’s obligations under the 2005 Credit Agreement.

iv. **2005 Hedge Agreements**

On August 26, 2005, the Trust entered into three interest rate hedge agreements with BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer; Banco Nacional de México, S.A, Integrante del Grupo Financiero BANAMEX, and HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC, (collectively the “2005 Hedge Providers”). Interest rate hedge agreements were executed with each 2005 Hedge Provider to cover the aggregate principal amount outstanding under the 2005 Credit Agreement.

Note 7 presents further information on these instruments.

v. **2005 Pledge Agreement**

On August 26, 2005, the Trust executed a Pledge Agreement with Banco Nacional de México, S.A, Integrante del Grupo Financiero BANAMEX (“Banamex”), whereby it created a lien over the following assets for the benefit of certain secured parties, including the 2005 Lenders and the 2005 Hedge Providers, to secure the punctual payment and performance of its obligations under the 2005 Loan Agreement and the 2005 Hedge Agreements:

- (i) the rights to collect passenger charges from Terminal 1 and, upon commencement of commercial operations, Terminal 2 of the Existing Airport;
- (ii) the Rights; and
- (iii) any other new or additional right which might be acquired or owned in the future under the Trust.

vi. **2005 Guarantees**

On August 26, 2005, NAFIN and BANOBRAS, as guarantors, entered into certain guarantees with respect to the Trust’s obligations under the 2005 Credit Agreement. Pursuant to these guarantees, each of NAFIN and BANOBRAS irrevocably and unconditionally guaranteed the punctual payment and performance of 50% of the Trust’s obligations under the 2005 Loan Agreement. The limit on the guarantees decreased in the same proportion as the outstanding amounts under the 2005 Loan Agreement were repaid.

The guarantees consisted of the obligation of NAFIN and BANOBRAS to pay to the Trust, the necessary amounts to address the following cash flow deficiencies:

- (1) passenger charges paid by the passengers were less than US\$7 per passenger, and
- (2) funds deposited with the Trust were less than the total amount of principal, interest and any other amount payable by the Trust under the 2005 Credit Agreement and the 2005 Hedge Agreements on any quarterly date.

The Trust paid NAFIN and BANOBRAS, as commission for the effective term of the guarantees, an amount equivalent to 0.75% (zero point seventy-five percent) per year, of 50% of the outstanding amounts under the 2005 Credit Agreement.

b) **First Amendment to the Trust**

On September 29, 2006, the 2005 Credit Agreement was amended (the “Amended 2005 Credit Agreement”) to increase the amount available thereunder by US \$108.5 million (Portion B) so that, together with the original US\$400 million (Portion A), the total amount outstanding under the 2005 Credit Agreement would total US\$508.5 million.

As result of the above, on September 29, 2006, the First Amendment Agreement to the Trust was executed to reflect the adjustments made to the 2005 Credit Agreement. The Trust entered into the following agreements in connection with such amendment:

i. **Amended 2005 Passenger Charges Assignment Agreement**

The total consideration amount was increased in the amount of the Portion B loan under the Amended 2005 Credit Agreement, *less* fees and costs incurred and any reserves created.

ii. **Amended 2005 Lenders' Trust Agreement**

The 2005 Lenders' Trust Agreement was amended to include Portion B loan under the Amended 2005 Credit Agreement.

iii. **Amended 2005 Hedge Agreements**

The Trust entered into new interest rate hedge agreements, under the same terms and conditions as the 2005 Hedge Agreements with the 2005 Hedge Providers (the "Amended 2005 Hedge Agreements").

One third of Portion B of the Amended 2005 Credit Agreement was hedged by each of the 2005 Hedge Providers, which, when added to the initial hedge of Portion A loan under the 2005 Credit Agreement, the Amended 2005 Hedge Agreements covered the aggregate principal amount outstanding under the Amended 2005 Credit Agreement.

Note 7 presents further information on these instruments.

iv. **Amended Pledge Agreement**

The 2005 Pledge Agreement was amended to include Portion B loan under the Amended 2005 Credit Agreement.

v. **Amended 2005 Guarantees**

The 2005 Guarantees by NAFIN and BANOBRAS were amended in order to include Portion B loan under the Amended 2005 Credit Agreement, amending the guaranteed amount under each guarantee by US\$254.25 million each.

The passenger charge tariffs paid by passengers at Terminal 1 of the Existing Airport was amended on September 29, 2006 to US \$8.33 dollars per passenger, and NAFIN and BANOBRAS guaranteed payments to the Trust if:

- (1) passenger charges paid by passengers were less than US\$8.33 per passenger, and
- (2) funds deposited with the Trust were less than the total amount of principal, interest and any other amount payable by the Trust under the Amended 2005 Credit Agreement and the Amended 2005 Hedge Agreements on any quarterly date.

The Trust paid NAFIN and BANOBRAS, as commission for the effective term of the guarantees, an amount equivalent to 0.75% (zero point seventy-five percent) per year, of 50% of the outstanding amounts under the Amended 2005 Credit Agreement.

As of December 31, 2013, no foreclosure or enforcement of the collateral was required, since cash flows derived from the collection of passenger charges were sufficient to fulfill the Trust's payment obligations under the Amended 2005 Credit Agreement.

c) **Second Amendment and Restatement to the Trust**

Due to the current and future demand for airport services in the Mexico City Metropolitan Area, the Federal Government explored different options to expand the current airport infrastructure in the region. In this regard, the SCT, through the New Sponsor, is carrying out the construction and development of the New Airport.

To enable the Federal Government to build and develop the New Airport, a funding scheme has been structured based on the definitive assignment by the Existing Sponsor of the rights to collect passenger charges from the Existing Airport and, upon commencement of commercial operations, the New Airport to the Trust.

Accordingly, through a resolution adopted by the Board of Directors of the Existing Sponsor on August 15, 2014, the Directors agreed (i) to instruct the Trust to repay, in advance, all outstanding amounts under the Amended 2005 Credit Agreement, by using a portion of the resources from a new credit agreement (the “2014 Credit Agreement”), such that upon payment, such collection rights owned by the Trust would revert to the Existing Sponsor, (ii) to authorize the Existing Sponsor to re-assign to the Trust the rights to collect passenger charges from the Existing Airport and certain indemnification rights and rights over insurance and bonds, through the execution of an assignment agreement (the “2014 Existing Airport Passenger Charges Assignment Agreement”), authorized by the SCT through the official notice number 4.056/2014, dated October 23, 2014.

Furthermore, in a resolution adopted by the Board of Directors of the New Sponsor on October 3, 2014, the New Sponsor was authorized to assign to the Trust, the rights to collect passenger charges from the New Airport upon commencement of commercial operations, certain indemnification rights and rights over certain insurance and bonds, through the execution of an assignment agreement (the “2014 New Airport Passenger Charges Assignment Agreement” and, together with the (the “2014 Existing Airport Passenger Charges Assignment Agreement, the (the “2014 Passenger Charges Assignment Agreements”), authorized by the SCT through the official notice number 4.057/2014, dated October 23, 2014.

In order to fund the purchase price under the 2014 Passenger Charges Assignment Agreements, in October 29, 2014, the Trust entered into a Credit Agreement for up to US \$1.0 billion (the “2014 Credit Agreement”).

With the resources from the 2014 Credit Agreement, the Existing Sponsor instructed the Trust to make the advance payment of the outstanding balance under the Amended 2005 Credit Agreement, including the signing and execution of the documentation needed for such purpose.

In accordance with the aforementioned events, the obligations entered into by Nacional Financiera, S.N.C., as the Trustee of the Trust were paid in full and the Trust was restated to change its trust purpose to its current purpose of purchasing and holding the rights to collect passenger charges from the existing Existing Airport and, upon commencement of commercial operations, the New Airport.

The total outstanding amount under the Amend 2005 Credit Agreement on October 29, 2014 was the following:

	Amount in thousands of US dollars	T.C.(1)	Amount in thousands Mexican pesos
Principal	97,462	13.5701	\$ 1,322,569
Interest	214	13.5701	2,904
Compensation for prepayment	7	13.5701	95
Total	<u>97,683</u>		<u>\$ 1,325,568</u>

- (1) The exchange rate used to settle obligations on October 29, 2014 was the one published by Mexican Central Bank on October 28, 2014.

As a result of the prepayment, the following documents were executed:

i. **2014 Passenger Charges Assignment Agreements:**

- Upon the repayment of the outstanding amounts under the Amended 2005 Credit Agreement, the Amended 2005 Passenger Charges Assignment Agreement was terminated.
- On October 29, 2014, the 2014 Passenger Charges Assignment Agreements were executed by the Existing Sponsor and the New Sponsor pursuant to which they assigned and transferred to the Trust (i) the rights to collect passenger charges from the Existing Airport and the New Airport; and (ii) certain indemnification rights and rights over certain insurance and bonds (the “2014 Rights”).

The Trust is required to pay to the Sponsors in installments an amount equal to the proceeds received by the Trust from the 2014 Credit Agreement, *less* fees and costs and any established reserves.

ii. **2014 Credit Agreement**

On October 29, 2014, the Trust entered into the 2014 Credit Agreement with, *inter alia*, Banco Inbursa, S.A., Institución de Banca Múltiple, Grupo Financiero Inbursa; BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer, acting through its Texas Agency, Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex and HSBC Bank USA, National Association, in their capacity as lenders (the “2014 Lenders”), for the amount of US\$1.0 billion, the proceeds of which were used to repay, in advance, all outstanding amounts under the Amended 2005 Credit Agreement and to fund the acquisition of the 2014 Rights from the Sponsors.

iii. **2005 Lenders’ Trust Agreement**

The 2005 Lenders’ Trust Agreement was terminated.

iv. **Irrevocable Guarantee, Administration and Source of Payment Trust Agreement No. 2172**

On October 29, 2014, the Trust, in its capacity as trustor, entered into an Irrevocable Guarantee, Administration and Source of Payment Trust No. 2172 (“2014 Security Trust”) with Banco Invex, S.A., Institución de Banca Múltiple, Invex Grupo Financiero (Invex), as trustee, the 2014 Lenders, as first place beneficiaries, pursuant to which the Trust, in its

capacity as trustor, transferred to Invex, as trustee, the 2014 Rights to secure and create a repayment mechanism to pay principal and interest, expenses, fees, attorney's expenses and any other amount payable by the Trust pursuant to the 2014 Credit Agreement.

v. **2005 Hedge Agreements**

On October 29, 2014, the 2005 Hedge Agreements were terminated and settled.

vi. **2005 Pledge Agreement**

On October 29, 2014, the 2005 Pledge Agreement was terminated.

vii. **2005 Guarantees**

On October 29, 2014, the 2005 Guarantees was terminated.

As of October 29, 2014, no enforcement of the guarantees was required, since cash flows derived from the collection of passenger charges were sufficient to fulfill the Trust's payment obligations under the Amended 2005 Credit Agreement.

d) **Third Amendment and Restatement Agreement to the Trust**

On October 7, 2015, the Third Amendment and Restatement Agreement to the Trust was executed.

The main purpose of this amendment was to incorporate the option to issue debt through the Trust, either privately or publicly, in local markets or international markets, as a funding source.

**Amended and Restated Revolving Credit Agreement**

On October 7, 2015, the Trust amended and restated the 2014 Credit Agreement with, *inter alia*, Banco Nacional de México, S.A., Integrante del Grupo Financiero Banamex, HSBC Bank USA, National Association and JPMorgan Chase Bank, N.A., in their capacity as lenders (the "2015 Lenders"), to increase the amount available thereunder to US\$3.0 billion (the "A&R Revolving Credit Agreement"). The proceeds of the A&R Revolving Credit Agreement were used to continue to fund the acquisition of the 2014 Rights from the Sponsors. (see Note 9).

On October 7, 2015, the 2014 Passenger Charges Assignment Agreements and the 2014 Security Trust, were also amended in line with the amendments reflected in the A&R Revolving Credit Agreement.

**12. Application of new and revised International Financial Reporting Standards**

a. *New and revised IFRSs in issue but not yet effective*

The Trust has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments <sup>1</sup>
IFRS 15	Revenue from Contracts with Customers <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after January 1, 2018, with earlier application permitted.

At the date of issuance of these financial statements, the adoption of these improvements did not have a material effect on the Trust Management financial information.

### 13. Significant accounting policies

#### a. *Translation to English*

The accompanying financial statements have been translated from Spanish into English for use mainly outside of Mexico. Certain accounting practices applied by the Trust that conform with the IFRS may not conform to accounting principles generally accepted in the country of use.

#### b. *Statement of compliance*

The financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”).

#### c. *Basis of preparation*

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

##### i. Historical cost

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

##### ii. Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Trust takes into account the characteristics of the asset or liability if market participants would take those characteristics in the moment when pricing the asset or liability at the measurement date.

#### d. *Financial instruments*

Financial assets and financial liabilities are recognized when the Trust becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

e. ***Cash, cash equivalents and restricted cash***

Cash and cash equivalents consist mainly of bank deposits in checking accounts and short-term investments that a) are high liquidity and easily convertible into cash, b) mature within three months from their acquisition date and c) are subject to low risk of material changes in value. Cash is stated at nominal. Cash equivalents are comprised mainly of short-term investments. Restricted cash is comprised mainly of reserves for the debt service.

f. ***Financial assets***

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss (“FVTPL”), held-to-maturity investments, available-for-sale (AFS) financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All purchases or sales of financial assets are recognized and derecognized as of the trade date. The purchases or sales are purchases or sales of financial assets that require delivery of assets within the time set by regulation or convention in the marketplace.

Trust’s financial assets are comprised mainly of cash, cash equivalents, restricted cash and accounts receivable.

1. **Effective interest method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as of FVTPL.

2. **Financial assets at FVTPL**

Financial assets are classified as FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as of FVTPL.

A financial asset is classified as held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Trust manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising from the revaluation recognized in profit or loss. The profit or loss net recognized in the statements of profit or loss incorporates any dividend or interest earned on the financial asset and is included in the “other income (expenses)” - Net line item. Fair value is determined in the manner described in Note 6.

3. Loans and receivables

Receivables with fixed or determined payment are non-derivative financial assets not negotiated in an active market. The assets are initially valued at fair value, receivables comprise passenger charges receivables, payable through the maturity of the A&R Revolving Credit Agreement and, if any, other obligations to be paid with cash flows from passenger charges. The direct costs of the transaction for the acquisition of the financial assets (different from financial assets at fair value through profit or loss) are added to the fair value of the financial assets, in the case of initial recognition. The direct cost of transaction on financial assets FVTPL are immediately recognized in profit or loss. Subsequently the receivables are valued at amortized cost using the effective rate method, less any impairment.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

4. Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Breach of agreement, such as a default or delinquency in interest or principal payments; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

For financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced using an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortized cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized..

5. Derecognition of financial assets

The Trust derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

g. ***Derivative financial instruments***

The Trust enters into a variety of derivative financial instruments to manage its exposure to interest rate, including foreign interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 6.

Derivatives are initially recognized at fair value at the date the derivative agreements are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host agreements are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host agreements and the agreements are not measured at FVTPL.

The negotiation of derivative financial instruments is carried out only with recognized institutions and limits have been established for each institution. The policy of the Trust is to not enter into derivative instruments for speculative purposes.

When the derivatives are entered into with the purpose of hedging a risk and the instrument fulfills all the requirements of hedge, the designation is documented at the beginning of the contract, describing the objective, characteristics, accounting recognition and the effectiveness.

h. ***Hedge accounting***

The derivatives designated for hedging, recognize the change in value according to their characteristics: (1) Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in profit or loss in the line item relating to the hedged item; (2) The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the 'other income (expenses) - Net' line item.

Some of the derivative financial instruments, even when they are sign for an economic perspective coverage, by not accomplished all the requirements that the Normativity requires, for accounting effects, have been design has negotiation. The exchange in the fair value of this derivative are recognized in the profit or loss.

i. ***Provisions***

Provisions are recognized when the Trust has a present obligation (legal or constructive) as a result of a past event, it is probable that the Trust will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

j. ***Income tax***

The Trust is not a legal entity for income tax purposes; therefore, the Trust is not subject to income tax (ISR) and the operations of the Trust are subject to the tax regime of the Trustors. The Trust pays on behalf of the Trustors withholding taxes payable to the Mexican authorities resulting from the payment of interest on its financial indebtedness to foreign institutions.

The tax obligations generated are the obligation of the Trustor or the Beneficiaries as appropriate, but not of the Trust.

For such reason, the cessation of the receivables to the capital of the Trust is not considered a sale for tax purposes (article 14 of the Federal Tax Code), since at no time has the Trustor lost the right that the receivables will ultimately revert to it.

k. ***Trust capital***

Trust capital is increased by the initial contribution, additional contributions and resources, Rights of the Trust and the yields obtained from investments. Trust capital is decreased as a result of interest and principal payments from financing and for the payment of other expenses of the operation of the Trust as well as disbursements to the Trustor.

l. ***Risk management policies***

The Trust is exposed to certain financial risks related to its operations that are managed through the identification, measurement, concentration or risk limits, and supervision systems.

The management of risks in the Trust is preventative in nature and is focused on the medium and long-term, taking into consideration the most probable scenarios of evolution of the variables that could affect each of the identified risks. Special attention is given to the management of market risk, especially for interest rate and foreign currency risk, as well as liquidity risk and credit risk (see Note 6).

m. ***Financial liabilities***

i) **Classification as debt or equity**

Debt and equity instruments issued by the Trust are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii) **Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

iii) **Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading, or is designated as at FVTPL.

The Trust has no financial liabilities classified as FVTPL.

iv) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

v) Derecognition of financial liabilities

The Trust derecognizes financial liabilities when, and only when, the Trust's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

n. ***Revenue recognition***

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Trust and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

o. ***Fair value of the financial instruments registered at amortized cost***

The fair value of the financial instruments that are presented in the financial statement have been determined by the Trust using the information available in the market or other valuation techniques that require judgment to develop and interpret fair value estimates. Additionally, those techniques use inputs based on market conditions as of the reporting date.

Consequently, the estimated fair value of the financial instruments presented is not necessarily indicative of the amount that the Trust could get in the open market. The use of different assumptions and/or estimation methods could have a material effect in the fair value calculations

## 14. **Critical Accounting Policies and Estimates**

- ***Estimates and assumptions***

In the application of the Trust accounting policies, the Trust's management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions used and other sources of estimates with uncertainty as of the date of the financial statements, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets or liabilities, are related to fair value.

- ***Long-term accounts receivable***

The long-term receivables represent the right to receive projected passenger charges for the next five years, equal to the term of the long-term debt issued by the Trust. It is a financial asset that is not negotiated in an active market. It is valued at amortized cost using the effective interest rate method, less any impairment.

- ***Fair value of the financial instruments***

The fair value of the financial assets or liabilities, for example the fair value of derivatives that are recognized in these financial statements that are not actively traded in the markets, were determined using valuation techniques that consider mathematical models. When possible, the inputs used in these models come from observable market data; in case that such is not available, judgment is applied to determine the fair value. Judgments include the consideration of liquidity and the data of the model and the volatility of the derivative over the long term as well as discount rates, the anticipated amortization rate and the estimated default payments.

**15. Cash, cash equivalents and restricted cash**

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the statements of cash flows can be reconciled to the related items in the statement of financial position as follows:

	2015	2014	2013
Cash	\$ -	\$ 5	\$ -
Cash equivalents (2)	2,879,058	-	191,743
Trust funds (restricted cash) (1)	<u>1,180,615</u>	<u>942,108</u>	<u>457,179</u>
	<u>\$ 4,059,673</u>	<u>\$ 942,113</u>	<u>\$ 648,922</u>

- As mentioned in Notes 1c and 1d, concurrently with the execution by the Trust of the 2014 Credit Agreement and the prepayment of the debt to the 2005 Lenders on October 29, 2014, the 2014 Security Trust was established, with the purpose of securing the payment of all secured obligations of the Trust. The principal characteristics of the 2014 Security Trust, as amended as a result of the amendment to the 2014 Credit Agreement, are described in this note.

Cash amounts of the 2014 Security Trust as of December 31, 2015 were comprised of funded capital, interest, guarantee payments, returns on financial instruments and reserves in the form of restricted cash.

With cash flows deposited, the 2014 Security Trust manages such funds in accordance with the following policies and in accordance with the A&R Revolving Credit Agreement:

- The Security Trust receives in the revenue accounts, in US dollars and Mexican Pesos, payments resulting from the exercise of the 2014 Rights and financial income earned on all amounts maintained in the revenue accounts.
- The Security Trust receives in a retention account Mexican Pesos for the payment of withholding taxes owed to Mexican authorities from the payment of interest on its financing agreements as provided for in the trust agreement that created the 2014 Security Trust (the "2014 Security Trust Agreement"). According to instructions provided from time to time by NAFIN, as trustee of the Trust, funds are transferred and managed by the 2014 Security Trust ;

provided that, if the Trust fails to provide the corresponding instruction, the administrative agent under the A&R Revolving Credit Agreement (the “Administrative Agent”) may instruct the 2014 Security Trust to transfer and manage such funds.

- c. Any amount from any compensation as a result from any expropriation would be deposited in the bank account for expropriations in Mexican pesos. Such funds would be used by the 2014 Security Trust to prepay amounts outstanding under the Trust’s secured financings, in accordance with instructions provided by the Administrative Agent.
- d. On each quarterly date under the A&R Revolving Credit Agreement, amounts owed to the 2015 Lenders become enforceable and payable pursuant to the A&R Revolving Credit Agreement. The 2014 Security Trust applies any amounts deposited in a Debt Service Reserve Account in U.S. dollars towards the payment of such amounts.
- e. The Debt Service Reserve Account in US dollars is the bank account that holds funds necessary to create and maintain a reserve for the servicing of the Trust’s debt. The account holds an amount equal to or greater than the funds required to be reserved pursuant to the 2014 Security Trust.
- f. The 2014 Security Trust’s financial position as of December 31, 2015 and 2014 is as follows:

	2015	2014
<b>Statement of financial position:</b>		
Current assets	<u>\$ 1,180,615</u>	<u>\$ 942,113</u>
Capital	<u>\$ 1,180,615</u>	<u>\$ 942,113</u>
<b>Statement of profit or loss:</b>		
Income	\$ 186,804	\$ 21,175
Expenses	<u>(158,037)</u>	<u>(19,196)</u>
Excess income over expenses	<u>\$ 28,767</u>	<u>\$ 1,979</u>

The 2014 Security Trust will remain in full force and effect until it has fulfilled its purpose. It may be extinguished as a result of any cause established in numeral 392 of the General Law of Negotiable Instruments and Credit Transactions, except for that discussed in section VI, considering that the 2014 Security Trust and its estate are irrevocable in nature, thereby waiving its trustee the right to so revoke.

- 2. Cash equivalents are all highly liquid short-term investments with original maturities of 90 days or less from the date of acquisition and have a low risk related to fair value changes.

## 16. Financial instruments

- a. *Significant accounting policies*

The details of the significant accounting policies and the approved methods (including the recognition criteria, valuation basis and the basis to recognize income or expense) of any kind of financial assets or financial liability, are disclosed in Note 3.

b. ***Risk administration of Trust capital***

The Trust manages its capital to ensure the Trust will be able to continue as going concern and maximizes capital through the optimization of debt equity. The general strategy of the Trust was not modified in 2015, 2014 and 2013.

Trust capital consists of net debt (the loans described in Note 9 less cash and cash equivalents and restricted cash amounts), and Trust capital (comprised of contributions, the Rights of the Trust, returns obtained from investments and the retained profit and loss as are described in Note 3f and Note 12, respectively).

The Trust is not subject to any external imposition for the administration of its own Capital, except that the remaining capital after the waterfall payments as established by the Trust Agreement must be returned to the Trustor.

The Indebtedness Index is determined as the proportion of net debt and Trust capital. The Indebtedness Index as of December 31, 2015, 2014 and 2013 was 37%, 31% and 50%, respectively (see below).

- Indebtedness index

The indebtedness index is as follows:

	2015	2014	2013
Debt (i)	\$ 16,489,883	\$ 4,115,851	\$ 1,601,118
Cash, equivalent cash and restricted cash	<u>(4,059,673)</u>	<u>(942,113)</u>	<u>(648,922)</u>
Net debt	<u>\$ 12,430,210</u>	<u>\$ 3,173,738</u>	<u>\$ 952,196</u>
Trust capital (ii)	<u>\$ 33,378,502</u>	<u>\$ 10,219,097</u>	<u>\$ 1,910,657</u>
Indebtedness Index	<u>37%</u>	<u>31%</u>	<u>50%</u>

(i) Debt is defined as long and short-term loans (excluding the derivatives and the financial guarantee agreements), as is described in Note 9.

(ii) Trust capital includes the contributions, Trust rights, returns on investments and retained earnings.

c. ***Financial instruments categories***

The main categories of financial instruments are as follows:

	2015	2014	2013
<b><u>Financial assets</u></b>			
Cash, cash equivalents and restricted cash	\$ 4,059,673	\$ 942,113	\$ 648,922
Short-term accounts receivable	6,022,666	864,593	3,515,905
Long-term accounts receivable	44,346,105	13,758,034	-

**Financial liabilities**

At amortized cost:

Accounts payable to Trustor and other accounts payable	\$ 4,561,006	\$ 1,230,739	\$ 552,927
Current portion of bank loans	52,958	83,658	1,601,118
Long-term bank loans	16,436,925	4,032,193	-
Derivative financial instruments	-	-	105,041

d. ***Financial risk management objectives***

The activities of the Trust are subject to several economic risks which includes (i) financial market risk (interest rate), (ii) credit risk, and (iii) liquidity risk.

The use of financial derivatives is governed by the policies of the Trust, which have been approved by its management, which includes interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments and investment of liquidity surplus (the internal control policy of the Trust requires that the acquisition of credit requires analysis prior to their authorization). The Trust seeks to minimize the effects of interest rate risk using derivative financial instruments to hedge exposures to such risk

e. ***Market risk***

The Trust is exposed primarily to interest rates risk (see section i) below) and changes in foreign currency exchange rates (see section ii) below). The Trust entered into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

There has been no change to the Trust's exposure to market risks or the manner in which these risks are managed and measured.

(i) ***Interest rate risk management***

The Trust is exposed to interest rate risk because the Trust borrowed funds at floating interest rates. The risk is hedged by the Trust by engaging in interest rate swap agreements. Hedging activities are evaluated regularly to align with interest rate expectations and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

- **Interest rate sensitivity analysis**

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivatives and non-derivative financial instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase and decrease is used when reporting interest rate risk internally to key management personnel to assess the impact on changes in interest rates.

If interest rates had been 0.50, basis points higher/lower and all other variables were held constant:

- Net income for the year ended December 31, 2015, 2014 and 2013 would decrease/increase by \$5,749, \$7,293 and \$852, respectively. This is mainly attributable to the Trust's exposure to interest rates on its variable rate borrowings.

- ***Interest rate swap agreements***

Under interest rate swap agreements, the Trust agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such agreements enable the Trust to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt and the cash flow exposures on the issued variable rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the agreement, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

The following tables detail the notional principal amounts and remaining terms of interest rate swap agreements outstanding through October 2014.

Outstanding receive floating pay fixed agreements	Average contracted fixed interest rate December 31, 2013 %	Fair Value at December 31, 2013	Year	Liquidity gap		Net
				Assets	Liabilities	
<u>Interest rate swaps</u>						
<u>SWI201509180001241 Banamex</u>	5.6270		<u>2015</u>	<u>\$ 20,727</u>	<u>\$ 92,168</u>	<u>\$ (71,441)</u>
<u>SWI201509180001242 Banamex</u>	6.1700		<u>2015</u>	<u>11,930</u>	<u>43,830</u>	<u>(31,900)</u>
<u>SWI201509180001244 BBVA</u>	5.6270		<u>2016</u>	<u>1,148</u>	<u>3,130</u>	<u>(1,982)</u>
<u>SWI201509180001247 BBVA</u>	6.1700					
<u>SWI201509180001243 HSBC</u>	5.6270					
<u>SWI201509180001248 HSBC</u>	6.1700					
		<u>\$ 105,041</u>				

The interest rate swaps settle on a quarterly basis. The floating rate on the interest rate swaps is the LIBOR rate plus a spread of 1%. The Trust will settle the difference between the fixed and floating interest rate on a net basis.

All interest rate swap agreements exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Trust's cash flow exposure resulting from variable interest rates on borrowings.

(ii) ***Foreign currency risk management***

- The Trust undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arises. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange agreements.

The Trust is mainly exposed to the currency of the United States of America.

The following table details the Trust's sensitivity to a 1% increase and decrease in the Mexican peso against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the impact of possible changes in foreign

exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. The sensitivity analysis includes external loans where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower. A positive number below indicates an increase in profit or equity where the Mexican peso strengthens 1% against the relevant currency. For a 1% weakening of the Mexican pesos against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

	2015	USD effect 2014	2013
Profit (loss) for the year 1% increase (1)	\$ (956,007)	\$ (15,122)	\$ (11,999)
Profit (loss) for the year 1% decrease (1)	956,007	15,156	12,011

- (i) This is mainly attributable to the exposure to outstanding Mexican pesos payables at the end of the reporting period.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

f. ***Credit risk management***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Trust. In the case of the Trust, maximum credit risk exposure as of December 31, 2015, 2014 and 2013, is presented in cash and cash equivalents and restricted cash, in accounts receivables (both, short and long term) and in the derivative financial instruments in the statements of financial position.

The Trust has a policy to maintain the cash and the cash equivalents only with highly rated institutions.

Credit risk originates from accounts receivable, as they represent only amounts receivable from the Existing Sponsor.

Credit risk from financial instruments is partially limited as the counterparties are reputable banks by the counterpart's s that are the high ratings Banks of the assigned credit, and recognized by the rating agencies. The effect of the fair value of the derivative financial instruments by the credit risk is as follows:

	2015	Credit risk fair value effect 2014	2013
Derivative financial instruments	\$ -	\$ 208	\$ 707

g. ***Liquidity risk management***

Historically the principal sources of the liquidity for the Trust has been the cash flows generated by passenger charges collection and the resources obtained from loans.

The table below was prepared based on the undiscounted cash flows related to each obligation beginning from when the first payment is due; however, the table does not estimate payments of excess passenger charges held by the Trust. The table includes payment of principal and interest. It was calculated using the interest rate as of December 31, 2015, 2014 and 2013 and the estimated value of the exchange rate at each payment period, considering inflation determined by Bank of Mexico, which was 3% annual.

As of December 31, 2015	1 year	2 to 4 years	5 to 10 years	Total
Accounts payable to Trustor	\$ (4,561,006)	\$ -	\$ -	\$ (4,561,006)
Long-term bank loans	-	-	(17,248,700)	(17,248,700)
Bank interest expense	<u>(327,123)</u>	<u>(1,425,948)</u>	<u>(849,265)</u>	<u>(2,602,336)</u>
Total	<u>\$ (4,888,129)</u>	<u>\$ (1,425,948)</u>	<u>\$ (18,097,965)</u>	<u>\$ (24,412,042)</u>
As of December 31, 2014	1 year	2 to 4 years	5 to 10 years	Total
Accounts payable to Trustor	\$ (1,230,739)	\$ -	\$ -	\$ (1,230,739)
Long-term bank loans	-	(520,466)	(4,759,232)	(5,279,698)
Bank interest	<u>(72,069)</u>	<u>(317,601)</u>	<u>(119,838)</u>	<u>(509,508)</u>
Total	<u>\$ 1,302,808</u>	<u>\$ (838,067)</u>	<u>\$ (4,879,070)</u>	<u>\$ (7,019,945)</u>
As of December 31, 2013	1 year	2 to 4 years	5 to 10 years	Total
Accounts payable to Trustor	\$ (552,927)	\$ -	\$ -	\$ (552,927)
Current portion of long-term bank loans	(2,016,257)	-	-	(2,016,257)
Bank interest	(17,293)	-	-	(17,293)
Derivative financial instruments	<u>-</u>	<u>(105,041)</u>	<u>-</u>	<u>(105,041)</u>
Total	<u>\$ (2,586,477)</u>	<u>\$ (105,041)</u>	<u>\$ -</u>	<u>\$ (2,691,518)</u>

h. ***Fair value measurements of financial instruments***

This note provides information about how the Trust determines fair values of various financial assets and financial liabilities.

***Fair value hierarchy***

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Trust can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

1. Fair value of the Trust's financial assets and financial liabilities which are measured at fair value on a recurring basis

Derivative financial instruments outstanding through October 2014 are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial liabilities	Fair value 2013	Fair value hierarchy	Valuation technique(s) and key input(s)
Interest rate swaps (see Notes 7 and 6)	Liabilities (not designated for hedging) – \$105,041	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and agreed-upon forward rates, discounted at a rate that reflects the credit risk of various counterparties

During the year, 2014 there were no transfers between Level 1 and 2 in the period.

2. Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

	2015		2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liabilities held at amortized cost:</b>						
Variable interest rate bank loans	\$16,489,883	\$17,833,416	<u>\$4,115,851</u>	<u>\$4,684,521</u>	<u>\$1,601,118</u>	<u>\$1,840,570</u>
			<b>Fair value hierarchy as of December 31, 2015</b>			
			Level 1	Level 2	Level 3	Total
<b>Financial liabilities held at amortized cost:</b>						
Variable interest rate bank loans			<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,833,416</u>	<u>\$ 17,833,416</u>
			<b>Fair value hierarchy as of December 31, 2014</b>			
			Level 1	Level 2	Level 3	Total
<b>Financial liabilities held at amortized cost:</b>						
Variable interest rate bank loans			<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,684,521</u>	<u>\$ 4,684,521</u>
			<b>Fair value hierarchy as of December 31, 2013</b>			
			Level 1	Level 2	Level 3	Total
<b>Financial liabilities held at amortized cost:</b>						
Variable interest rate bank loans			<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,840,570</u>	<u>\$ 1,840,570</u>

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

## 17. Derivative financial instruments

On August 31, 2005, the Trust entered into three interest rate swaps agreements of which notional amount was 133,333,333 US dollars per swap, with floating rate payments (BBA LIBOR rate published by the English Banking Association for the deposits in US dollars with a maturity of the same period that the interest, plus a 1% of margin), and the fixed rate of 5.267% with the following counterparties: BBVA Bancomer, S. A.; HSBC México, S. A., and Banco Nacional de México, S. A. These operations will mature on February 26, 2016 with quarterly settlements.

On September 29, 2006, the Trust entered into three additional interest rate swap agreements with the same counterparties mentioned above, under the same conditions and maturity, with a notional amount of \$36,166,667 US dollars each, at a fixed rate of 6.17%.

The swap operations entered into by the Trust have been classified as held for trading. For the year ended December 31, 2013, the derivative financial instruments shown below generated a gain in profit and loss of \$4,882.

Position on January 1, 2014:

Swap's notional amount	Inception Date	Maturity date	Received rate	Paid rate
133,333,333	August 2005	February 2016	LIBOR91 + 1%	5.627%
36,166,667	September 2006	February 2016	LIBOR91 + 1%	6.17%

In October 2014, the Trust cancelled in advance the interest rate swaps agreements. The effect of that cancellation generated a gain of \$6,067, which was recognized in the statement of profit and loss of the year.

## 18. Accounts receivable

Accounts receivables from the Existing Sponsor and in US dollar translated to local currency, are as follows:

	2015	2014	2013
Balance as of January 1	\$ 13,758,034	\$ 3,515,905	\$ 5,068,903
Amount of passenger charges received	(6,762,761)	(3,515,905)	(2,714,456)
Passenger charges collection rights acquired	35,400,660	13,427,945	-
Interest income	4,321,118	1,215,839	1,154,808
Exchange (loss) profit	<u>3,651,720</u>	<u>(21,157)</u>	<u>6,650</u>
Balance as of December 31	50,368,771	14,622,627	3,515,905
Short-term receivable balance	<u>(6,022,666)</u>	<u>(864,593)</u>	<u>(3,515,905)</u>
Long-term receivable balance	<u>\$ 44,346,105</u>	<u>\$ 13,758,034</u>	<u>\$ -</u>

There are no overdue balances in any period.

**19. Bank loans**

e. As of December 31, bank loans payable are composed as follows:

	2015	2014	2013
Long-term revolving credit, guaranteed and preferential, for an authorized amount as of December 31, 2015 of USD3,000,000,000 and as of December 31, 2014 of USD1,000,000,000, respectively, with resources to be used as described in Note 1. As of December 31, 2015 and 2014, the outstanding amount under these loans was USD1,000,000,000 and USD300,000,000, respectively generating interest payable on a quarterly basis with a BBA LIBOR rate plus a margin of 1.5% in the first year to 2.25%. The maturity date is October 7, 2020.	\$ 17,371,305	\$ 4,384,229	\$ -
Term loan for USD 400,000,000 with the 2005 Lenders, executed on August 31, 2005, accruing interest on a quarterly basis at the BBA LIBOR interest rate plus a margin of 1% (1.24% to 2013), with maturity on January 31, 2016	-	-	1,288,966
Amendment to to Term loan for USD 400,000,000 which increased the amount of financing by USD 108,500,000, on September 26, 2006, accruing interest on a quarterly basis at the BBA Libor interest rate plus a margin of 1% (1.58 as December 31, 2015, 1.30% as December 31, 2014 and 1.24% as December 31, 2013), and maturity date of March 31, 2016.	<u>-</u>	<u>-</u>	<u>329,483</u>
	17,371,305	4,384,229	1,618,449
Issuance cost	(881,421)	(268,378)	(17,331)

	2015	2014	2013
Less – Current portion (includes interest payment for \$52,958, \$13,474 and \$2,259 on December 31, 2015, 2014, and 2013 respectively)	<u>(52,958)</u>	<u>(83,658)</u>	<u>(1,601,118)</u>
Total	<u>\$ 16,436,926</u>	<u>\$ 4,032,193</u>	<u>\$ -</u>

- f. The maturity of the long-term portion of this liability is October 7, 2020 and may be extended for an additional 12 or 24 months:
- g. Through the maturity of the financial debt the Trust and the Existing Sponsor must comply with certain covenants, the most important of which are the following:
- Payment Obligation: To pay as the obligations and liabilities become due.
  - Preservation of existence: To preserve and maintain valid the Trust Agreement of the borrower.
  - Books and records: Maintain the books and records in conformity with IFRS.
  - Use of funds: The funds from the loan are to be exclusively used as described in Note 1 and to fund the debt service reserve account.
  - Swap Agreements: On and after entering into new debt at floating rates, maintain swap agreements through the maturity dates of such debt.
  - Insurance agreement: The Trust will ensure the Existing Sponsor makes reasonable efforts to obtain insurance policies for consequential losses and endorsements agreed in the 2014 Passenger Charges Assignment Agreements, as amended.
  - Insurance: On or before thirty (30) days prior to the commencement of commercial operations at the New Airport (the “trigger date”), the Trust will ensure that the New Sponsor provides an insurance study with the probable maximum loss and an analysis to expand the insurance coverage.
  - New Sponsor Agency Agreement: On or after the trigger date, execute the New Sponsor Agency Agreement for the services related to the collection of passenger charges at the New Airport.
  - Limitation on liens
  - Limitation on debt except for certain exceptions.
  - Modification to the Trust Agreement: Except for any amendments, modifications, waivers or supplements of a clerical, technical or administrative matter that would not otherwise adversely affect the rights of any 2015 Lender, amend, modify or supplement the Trust Agreement, without the consent of each 2015 Lender.

The Trust was in compliance with these covenants as of December 31, 2015, 2014 and 2013.

## 20. Foreign currency balances

a. *As of December 31, the foreign currency monetary position is as follows:*

	2015	2014	2013
U.S. dollars:			
Monetary assets	2,920,149	1,055,853	309,197
Monetary liabilities	<u>(956,007)</u>	<u>(283,192)</u>	<u>(122,369)</u>
Net monetary asset position	<u>1,964,142</u>	<u>772,671</u>	<u>186,828</u>
Equivalent in Mexican pesos	<u>\$ 33,878,896</u>	<u>\$ 11,390,104</u>	<u>\$ 2,444,508</u>

b. *Mexican peso exchange rates in effect at the dates of the statement of financial position and at the date of issuance of these financial statements were as follows:*

	May 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
U.S. dollar	<u>\$ 18.4777</u>	<u>\$ 17.2487</u>	<u>\$ 14.7414</u>	<u>\$ 13.0843</u>

## 21. Operating expenses

Operating expenses are as follows:

	2015	2014	2013
Fees	\$ 55,075	\$ 10,124	\$ 3,212
Other taxes	24,501	2,429	2,744
Commissions	<u>58,268</u>	<u>-</u>	<u>-</u>
	<u>\$ 137,844</u>	<u>\$ 12,553</u>	<u>\$ 5,956</u>

## 22. Trust's Estate

In accordance with the Trust Agreement, the Trust's estate is comprised, among other things, of the following:

- i. The existing amounts of the initial contributions to the Trust.
- ii. Returns on investments
- iii. Beneficiaries' rights under the 2014 Security Trust Agreement
- iv. The right to collect passenger charges from the Existing Airport and, upon commencement of commercial operations, the New Airport, which were contributed in guarantee by the Trust to the 2014 Security Trust for the benefit of the Trust's creditors
- v. Certain rights over insurance, which were contributed in guarantee by the Trust to the 2014 Security Trust for the benefit of the Trust's creditors
- vi. Certain indemnification rights, which were contributed in guarantee by the Trust to the 2014 Security Trust for the benefit of the Trust's creditors

- vii. Certain rights over bonds, which were contributed in guarantee by the Trust to the 2014 Security Trust for the benefit of the Trust's creditors
- viii. The amounts in cash received by any hedging agreements
- ix. The rights, resources and obligations under any financing documents, the 2014 Passenger Charges Assignment Agreements and the Collection Agreements with the Airlines
- x. The rights and obligations under any financing documents executed in connection with the New Airport
- xi. Any amount paid by the Existing Sponsor, the New Sponsor or any other party to the Trustee, under the 2014 Passenger Charges Assignment Agreements and any financing documents executed in connection with the New Airport
- xii. Any other asset that the Trustee receives or any other payments that the Trustee receives by a third party for the payment of the Trust's financial obligations

Once all the secured obligations under the 2014 Security Trust have been paid, the Existing Sponsor and the New Sponsor, as first place beneficiaries will be the owners and sole beneficiaries of any existing Trust right, including the express capacity to terminate the Trust, acquire the remaining estate, and proceed to cancel any agreements and loan documents executed by the Trust.

### **23. Tax matters**

The Trust qualifies as a pass through entity for income tax purposes in Mexico, and thereby is relieved of tax obligations that are generally applicable to other types of business trusts.

The Trustee must keep an account for each of the people that take part as trustor and beneficiaries in the Trust, individually registering their contributions to the Trust. Likewise, those individuals must comply with their individual tax obligations in accordance with Chapter IV or V of the Mexican Income Tax Law, depending on the type of income they generate, when they are individuals residing in México or abroad.

### **24. Authorization to issue the financial statements**

The financial statements and their notes were reviewed and authorized for issue on May 31, 2016, by Karina Hernández Ángeles, Private Trust Business Vice Director of Nacional Financiera S.N.C., I.B.D., Dirección Fiduciaria, and the Public Accountant Genaro Téllez Chávez, Trust Accounting Vice Director of Nacional Financiera S.N.C., I.B.D., Dirección de Contabilidad y Presupuesto.

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Lic. Karina Hernández Ángeles  
Private Trust Business Vice Director

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C.P. Genaro Téllez Chávez  
Trust Accounting Vice Director

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**APPENDIX A**

**Independent Traffic Report**

**ISSUER**

**Mexico City Airport Trust**

acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria,  
not in its individual capacity, but solely as its trustee  
Insurgentes Sur 1971, Torre IV, Piso 6  
Col. Guadalupe Inn  
C.P. 01020, Ciudad de México  
México

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**HSBC Bank USA, National Association**

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New York, New York 10018  
United States of America

**LISTING AGENT IN SINGAPORE**

**Jones Day**

138 Market Street  
Level 28 CapitaGreen  
Singapore 048946

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**Member of Deloitte Touche Tohmatsu Limited**

Río Lerma 232, Piso 9  
Col. Cuauhtémoc, Del. Cuauhtémoc  
C.P. 06500, Ciudad de México  
México

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**Mexico City Airport Trust**  
acting through Nacional Financiera, S.N.C., Institución de Banca de Desarrollo, Dirección Fiduciaria,  
not in its individual capacity, but solely as its trustee

**US\$2,000,000,000**

**Mexico City Airport Trust**

**US\$1,000,000,000 4.250% Senior Secured Notes due 2026**

**US\$1,000,000,000 5.500% Senior Secured Notes due 2046**

## **Offering Memorandum**

September 22, 2016

*Global Coordinators and Joint Bookrunners*

**Citigroup**

**HSBC**

**J.P. Morgan**

*Joint Bookrunners*

**BBVA**

**Santander**

*Co-Managers*

**Credit Agricole Securities**

**Inbursa**

**MUFG**

**Scotiabank**

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