

QUARTERLY REPORT CFE FIBRA E

Q2 2019

Friday, July 26th 2019



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Executive summary

- I. Relevant data of CFE Fibra E**
- II. Average monthly price and volume**
- III. Analysts Coverage**
- IV. Revenue sources**
- V. Promoted and the Issuer Trusts**

Relevant data of CFE Fibra E

FCFE18	
Price	\$18.60
Target Price	\$22.28
YoY1 return	25.80%
Market Value ²	\$21,159.25
Average daily volume	466,084

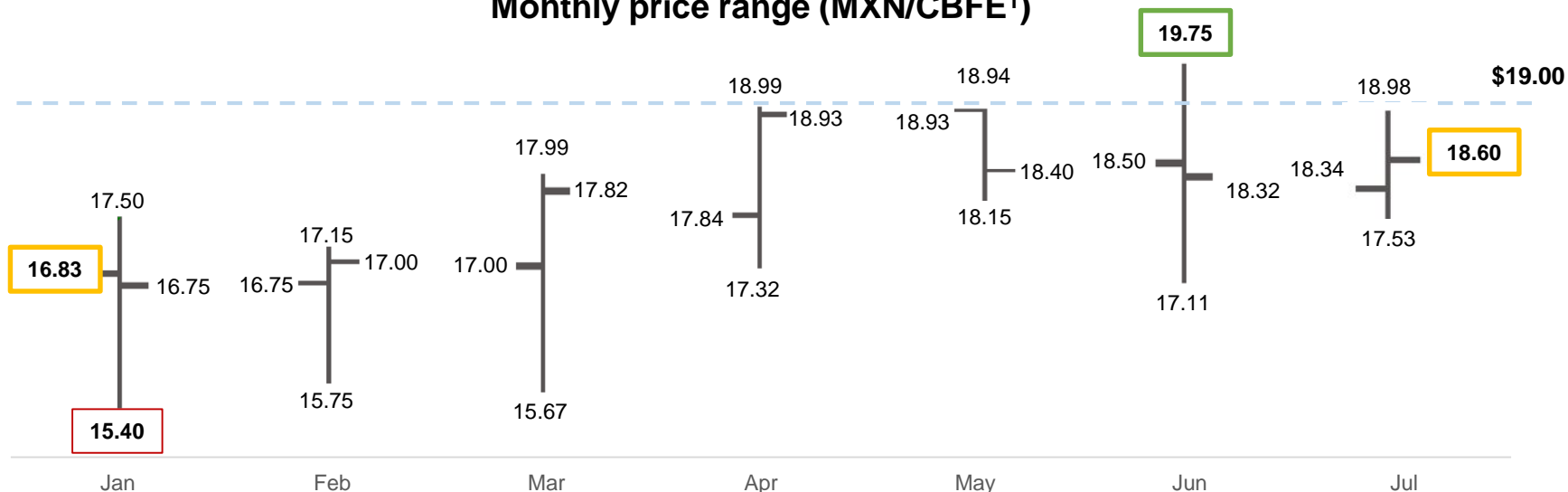
Instrument	12M Yield ³
IENOVA*	3.72%
FIBRAs Index	9.19%
DANHOS13	9.44%
FIBRAMQ	9.32%
FIBRAPL	4.54%
FUNO11	8.99%
TERRA13	11.09%
FVIA16	5.75%
FCFE18	14.29%

Source: CFECapital with information from Bloomberg.

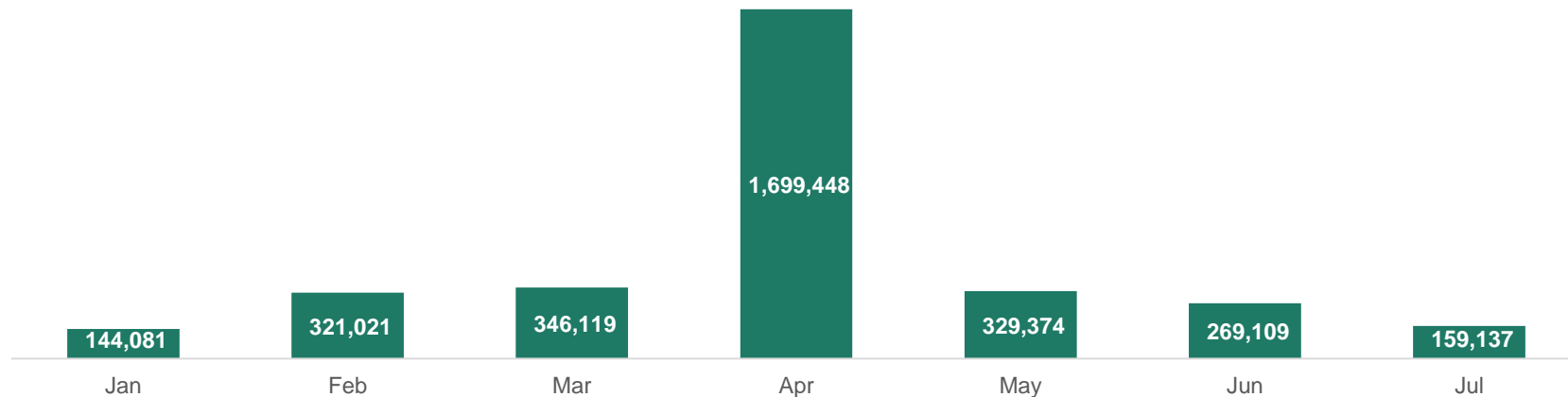
Notes: ¹Total return in the last year from the current work day. Dividends are reinvested, gross dividend is used. ²Figures in million MXN. ³Dividend yield over the last 12 months.

Average monthly price and volume

Monthly price range (MXN/CBFE¹)



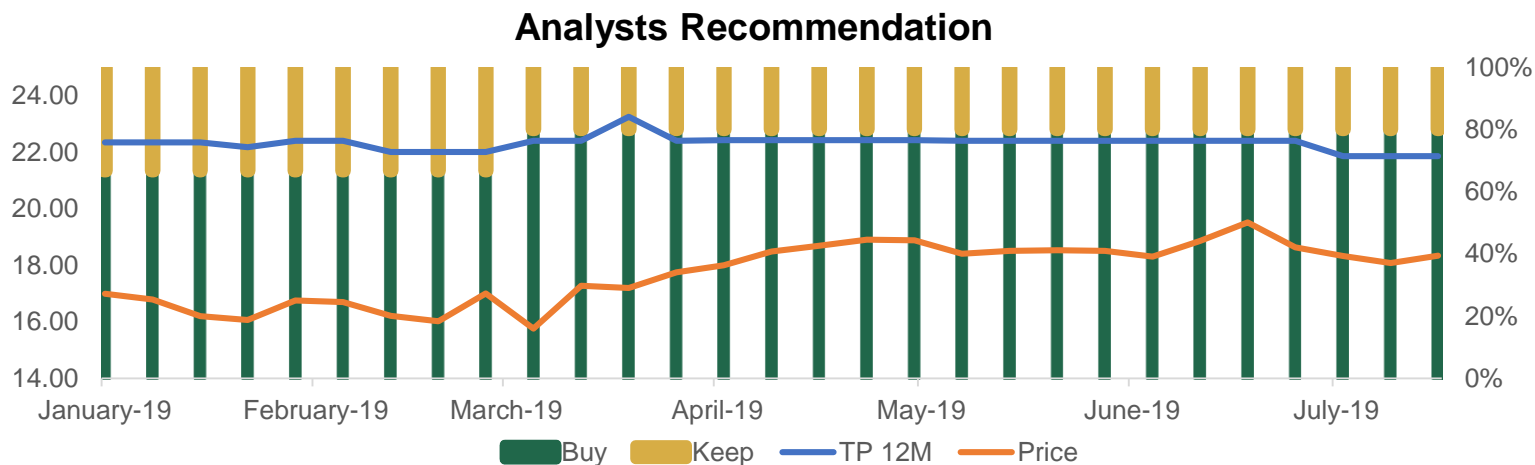
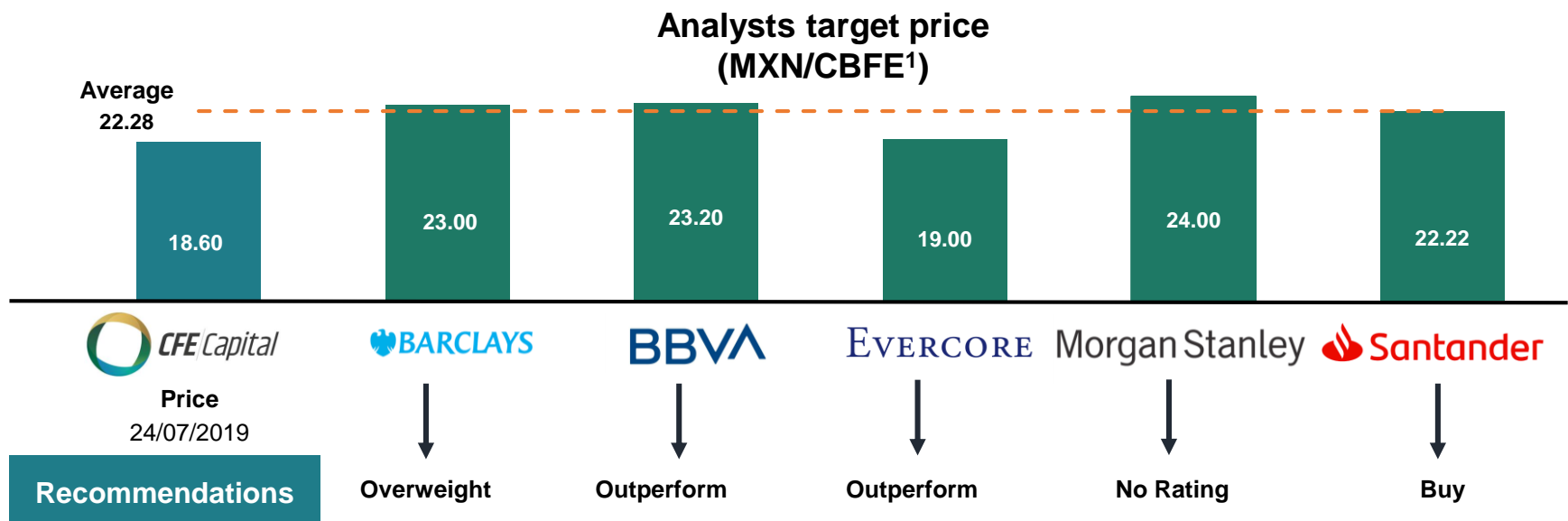
Average monthly volume (CBFE)



Source: CFECapital with data from Bloomberg.

Note: ¹Certificado Bursátil Fiduciario de Inversión en Energía e Infraestructura

Analysts coverage

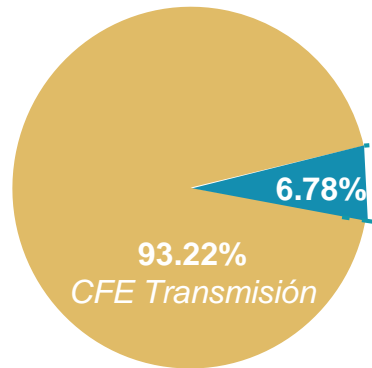


Source: CFE Capital with data from Bloomberg
 Note: ¹Certificado Bursátil Fiduciario de Inversión en Energía e Infraestructura

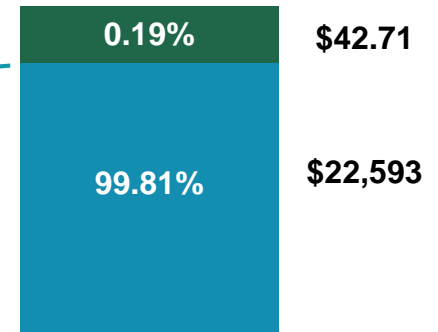
Revenue Sources

Aside from our initial asset, we did not have other revenue sources for the Q2 2019.

Beneficiary rights of the Promoted Trust



CFE FIBRA E Assets as of June 30, 2019 (million MXN)



Promoted Trust, Q2 2019 account balance

Account balance Promoted Trust as June 30, 2019

(million MXN)

	1Q19	April ⁽¹⁾	May	June	2Q19
Initial balance		3,401.06	7,584.59	11,803.54	
+ Collection payments	17,109.09	5,704.22	7,505.91	6,553.23	19,763.36 ⁽²⁾
- Collection payments VAT	2,359.88	786.79	1,035.30	903.88	2,725.97
- Reimbursements and reliquidations	4,190.63	770.04	2,312.96	1,229.87	4,312.87
- Distribution to holders	7,541.67	-	-	11,549.53	11,549.53 ⁽³⁾
Gross balance		7,548.45	11,742.24	4,673.49	
+ Interest	91.72	41.30	70.00	61.11	172.41 ⁽⁴⁾
- Interest tax	11.45	5.15	8.70	7.62	21.47 ⁽⁵⁾
Final balance		7,584.60	11,803.54	4,726.98	

Q2 balance began with MXN 3,401.06 million⁽¹⁾. Collection payments for the period summed up to MXN 19,763.36 million⁽²⁾, with interests of MXN 172.41 million⁽⁴⁾ which generated MXN 21.47 million⁽⁵⁾ of interest tax. Expenditures (collection payments VAT, reimbursements, and reliquidations) for the period summed up to MXN 7,038.34 million, and the distribution amount to holders was MXN 11,549.53⁽³⁾.

Issuer Trust, Q2 2019 account balance

Account balance Issuer Trust as of June 30, 2019 (million MXN)

	1Q19	April	May	June	2Q19
Initial Balance	233.37	46.63 ⁽¹⁾	20.28	19.80	
+ Promoted trust distribution	511.03	-	-	782.61	782.61 ⁽²⁾
- Distribution to holders	699.26	-	-	757.41 ⁽⁵⁾	757.41
- Trust Expenses	1.25	26.56	0.61	4.02	31.19 ⁽³⁾
Gross balance		20.07	19.67	40.98	
+ Interest	2.73	0.21	0.13	1.72	2.06 ⁽⁴⁾
Final balance	46.63	20.28	19.80	42.70	
Accrued interest	-	-	-	-	
Portfolio value	46.63	20.28	19.80	42.70	

The second quarter began with a balance of MXN 46.63 million⁽¹⁾, to which was added MXN 782.61 million⁽²⁾, correspondent to the distribution amount of the Promoted Trust (F/80758), of which the holders finally received MXN 757.41 million⁽⁵⁾. During the quarter, interest was generated by MXN 2.06 million⁽⁴⁾. Disbursements amount to 31.19 million pesos⁽³⁾, which correspond to reserve of expenses to the Issuer Trust.

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***CFE Transmisión* performance indicators**

Promoted Trust income flow and reimbursements

Distribution calculation and financial information

CFE Capital administration and corporate governance

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CFE Transmisión performance indicators

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CFE Transmisión performance indicators

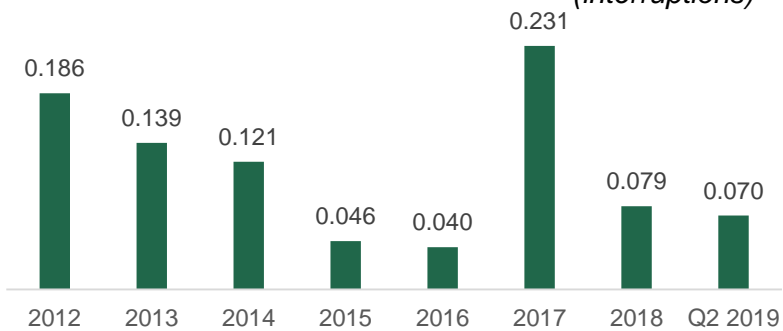


Promoted
Trust

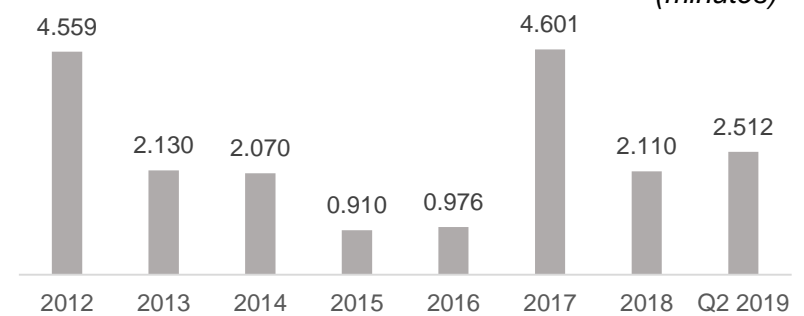
CFE
Fibra E



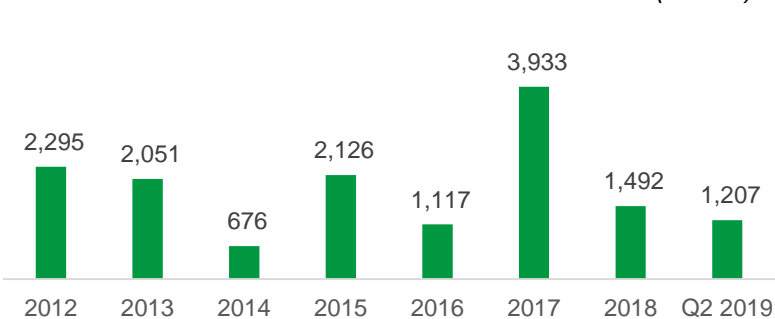
System Average Interruption Frequency Index¹
(interruptions)



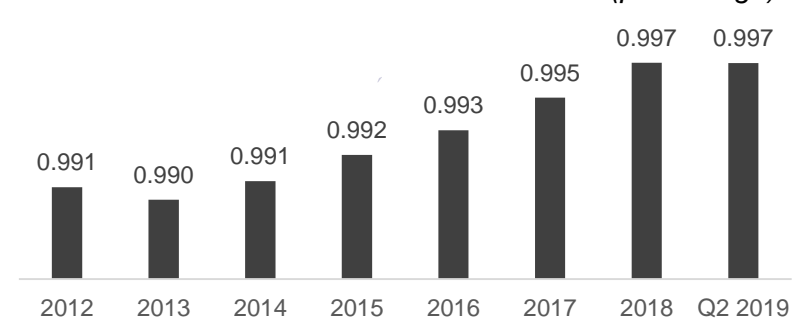
System Average Interruption Duration Index²
(minutes)



Energy not delivered³
(MWh⁴)



Transmission System Availability Index⁵
(percentage)



Source: CFE Transmisión. ¹Average number of service interruptions due to failure in the National Transmission Network (NTN) for a final user. ²Average interruption duration of electricity supply to a final user. ³Energy not supplied to users due to interruptions for periods longer than five minutes that occur as a consequence of failures in the NTN. ⁴Means megawatt-hour, or one thousand kilowatt-hours. ⁵Availability of all component elements of the NTN. Information as June 30th 2019.



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CFE *Transmisión* performance indicators

Promoted Trust income flow and reimbursements

Distribution calculation and financial information

CFE Capital administration and corporate governance

Seasonal behavior



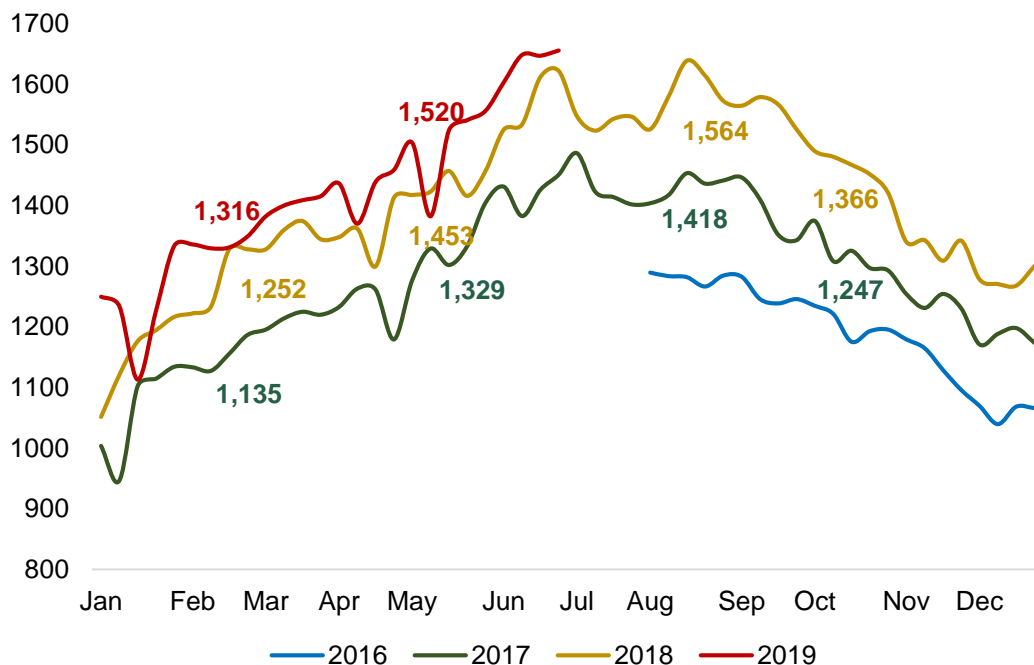
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Collection rights from CENACE¹

(million MXN)



For the second quarter of 2019, the weekly collection rights grew 15.50% compared to the previous quarter.

- Compared to the same quarter of 2018, the weekly collection rights increased 4.61%.
- It is expected that the energy consumption will continue to grow over the GDP rate at an average 3% rate for the next 15 years.

Note: The figures shown in the chart correspond to the quarterly average of weekly collection rights.

Source: CFE Transmisión, CFECapital and PRODESEN. Revenues in the graph include VAT (IVA).
Note: ¹Centro Nacional de Control de Energía (CENACE).



Reimbursements and collections rights of the Promoted Trust

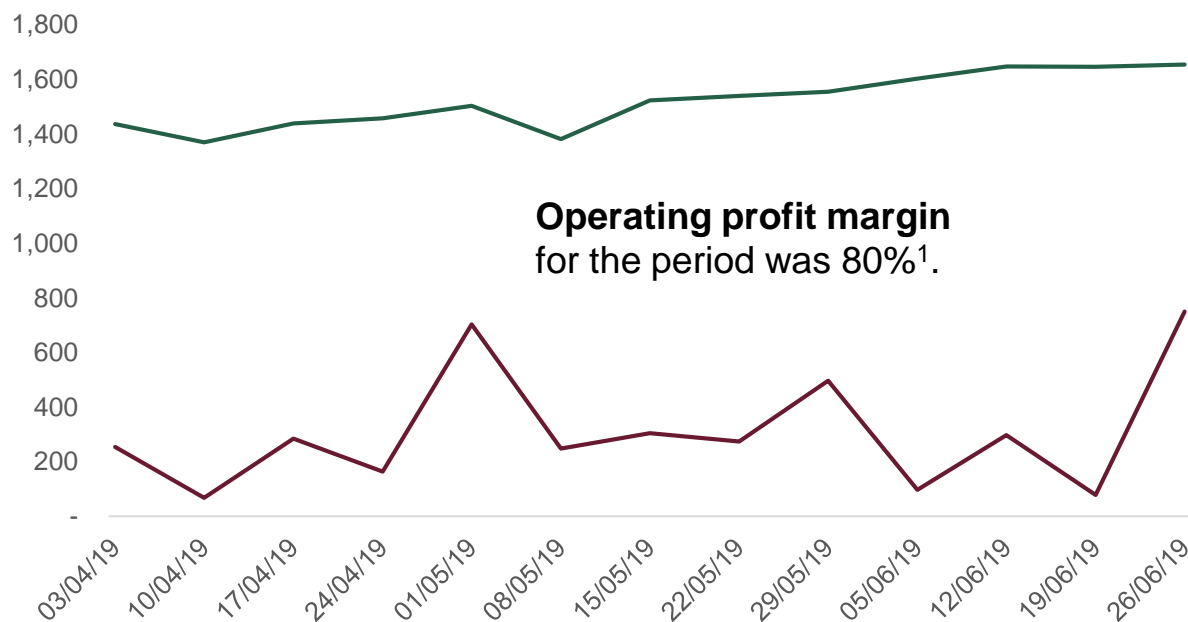


Promoted Trust

CFE Fibra E



Collection rights and reimbursements to CFE Transmisión (million MXN)



- On average, **weekly collection rights** from April to June were 1,520.26 million MXN and **weekly reimbursements** were 309.47 million MXN.
- Average **weekly reimbursements** decreased 9.08% compared to the first quarter.

Last update: 06/30/19. Reimbursements according to annual budget.

Source: CFE Transmisión and CFECapital.

Note: ¹Operating Profit Margin is calculated as profits once reimbursements have been subtracted from the collection rights.



Utilization of Promoted Trust budget for 2019



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Reimbursements made during 2019 second quarter vs Budget approved

(million MXN)

Category	2019	2Q 2019	% Budget
Intercompany expenses	7,769	3,102	40%
Operation and maintenance	7,126	2,790	39%
Obligations expenses	3,471	1,431	41%
Major maintenance	2,027	480	24%
Trust expenses	17	0	0%
Financing Costs	0	0	0%
Total	20,410	7,802	38%

Up to date, total savings from the approved budget represent a 12%, equivalent to 2,403 million MXN for the first half of the year.¹



Source: CFE Transmisión and CFECapital.

Note: ¹It considers the equivalent amount for first semester of operations.

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Promoted Trust income flow and reimbursements

Distribution calculation and financial information

CFE Capital administration and corporate governance

Promoted Trust collection rights minus reimbursements



**Promoted
Trust**

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Account balance of the Promoted Trust (million MXN)

	1Q19	April	May	June	Total
Initial balance		3,401.06	7,584.59	11,803.54	
+ Collection payments	17,109.09	5,704.22	7,505.91	6,553.23	19,763.36
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- Reimbursements and reliquidations	4,190.63	770.04	2,312.96	1,229.87	4,312.87
- Distributions	7,541.67	-	-	11,549.53	11,549.53
Final balance		7,548.45	11,742.24	4,673.49	



Source: CFECapital. Rounded figures. June initial balance includes the account reserve of MXN 250 million.

Distribution to CFE Fibra E and CFE *Transmisión*



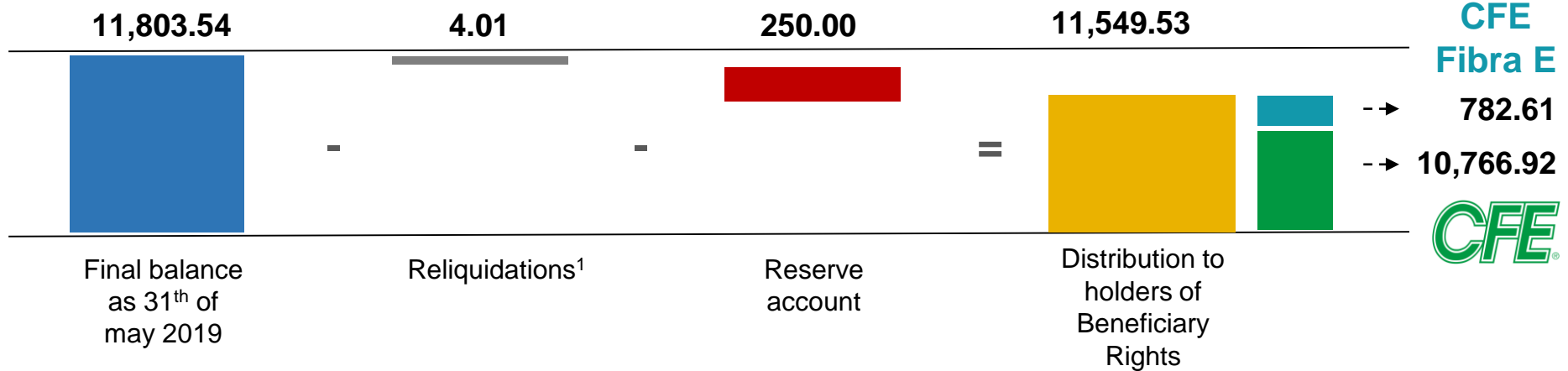
Promoted Trust

CFE Fibra E



The distribution amount was approved by the Technical Committee of the Promoted Trust in its third ordinary session on June 11.

Calculation of the distribution amount (million MXN)



Source: CFECapital. ¹Defined as adjusted payments resulting from disputes due to discrepancies. Reliquidations generate credit or debit notes in the daily account statements. There are 4 types: initial (49 days after the operation), intermediate (105 days), final (210 days) or controversy (no defined term). This item was approved to be reimbursed on the Technical Committee session of the Promoted Trust.

Fiscal treatment of distributions



Promoted Trust

CFE Fibra E



Promoted Trust taxable result 2Q19 (million MXN, cumulative amount)

Income from CENACE	26,137
Interests	203
Reimbursements	(7,264)
Intangible asset amortization	(6,879)
Taxable income (cumulative)	(4,797)
Taxable income (2Q)	7,400

Capital reimbursements	4,149
Distribution to holders	11,549

Issuer Trust taxable result 2Q19 (million MXN)

Taxable income from the Promoted Trust	501.44
Trust expenses – earned interests	(25.20)
Issuance expenses amortization	(8.9)
Taxable income	467.34

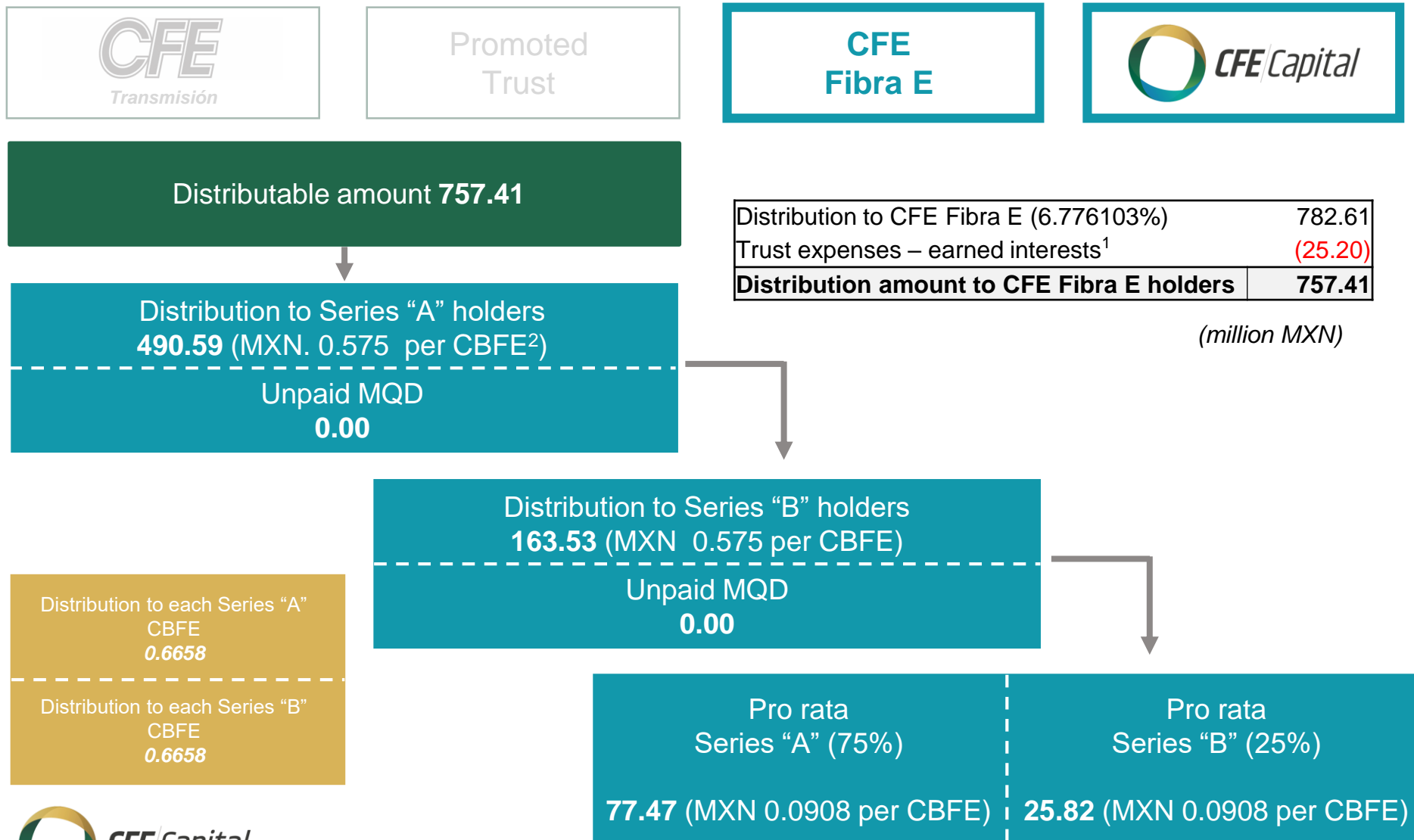
Capital reimbursements	281.17
Issuance expenses amortization	8.9
CFE Fibra E Distribution	757.41

6.78%

Source: CFECapital and accounting advisor of the Promoted Trust. Income from CENACE and reimbursements exclude Value Added Tax (IVA).



Amount distributed to Series “A” and Series “B”



Source: CFECapital. All information includes VAT, all information in MXN million. ¹As issuer's trust agreement establishes, it has to maintain a MXN 45 million expenses reserve fund. Thus, the Trust Technical Committee approved its replenishment. ²Certificados Bursátiles Fiduciarios de Inversión en Energía e Infraestructura, CBFES. Rounded figures.

Composition of the 2Q19 distribution per CBFE¹

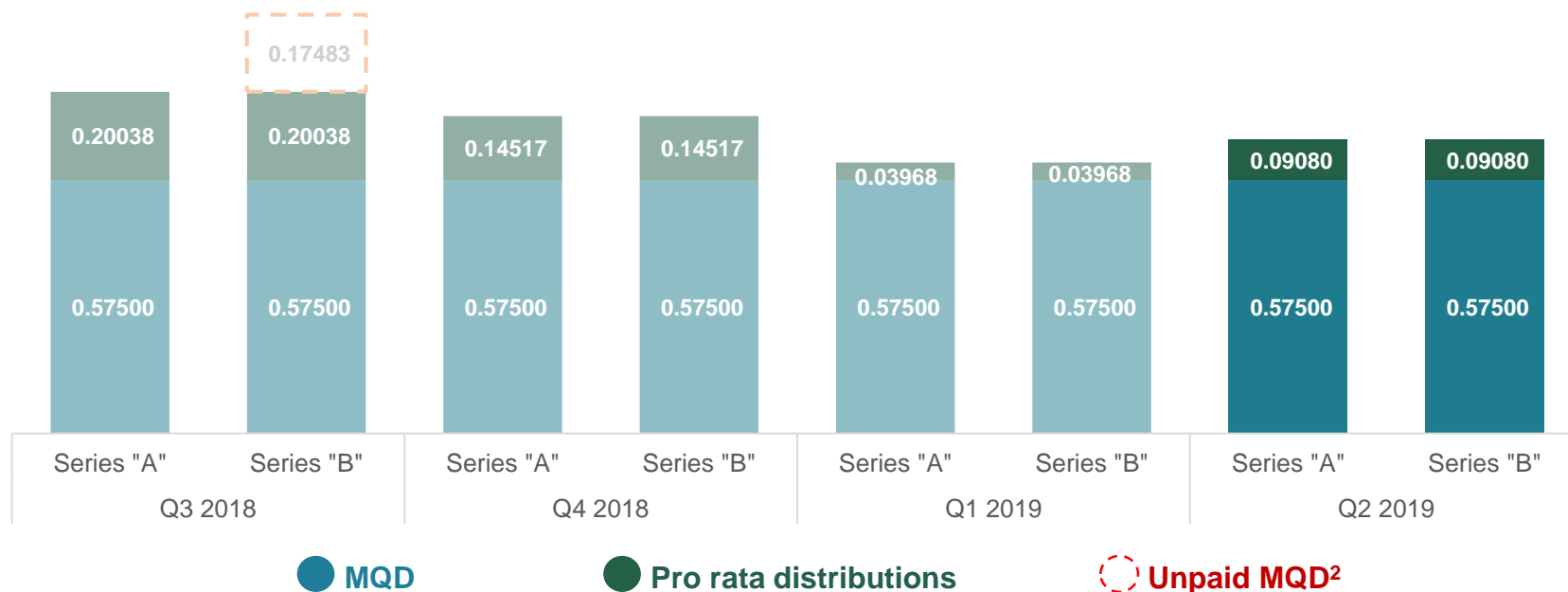


Promoted Trust

CFE Fibra E



Revenue composition of CFE Fibra E distributions for both Series 2019 (MXN per CBFE¹)



Source: CFECapital.

Note: ¹Certificado Bursátil Fiduciario de Inversión en Energía e Infraestructura. CFECapital gives the reimbursement instruction to the Trustee, who makes the deposit at INDEVAL, the central securities depository for the Mexican securities market. The custodian acts as the tax withholding agent. ²There has been no Unpaid MQD on either 2019 distributions. Rounded figures.



Fiscal composition of 2Q19 distribution per CBFE¹

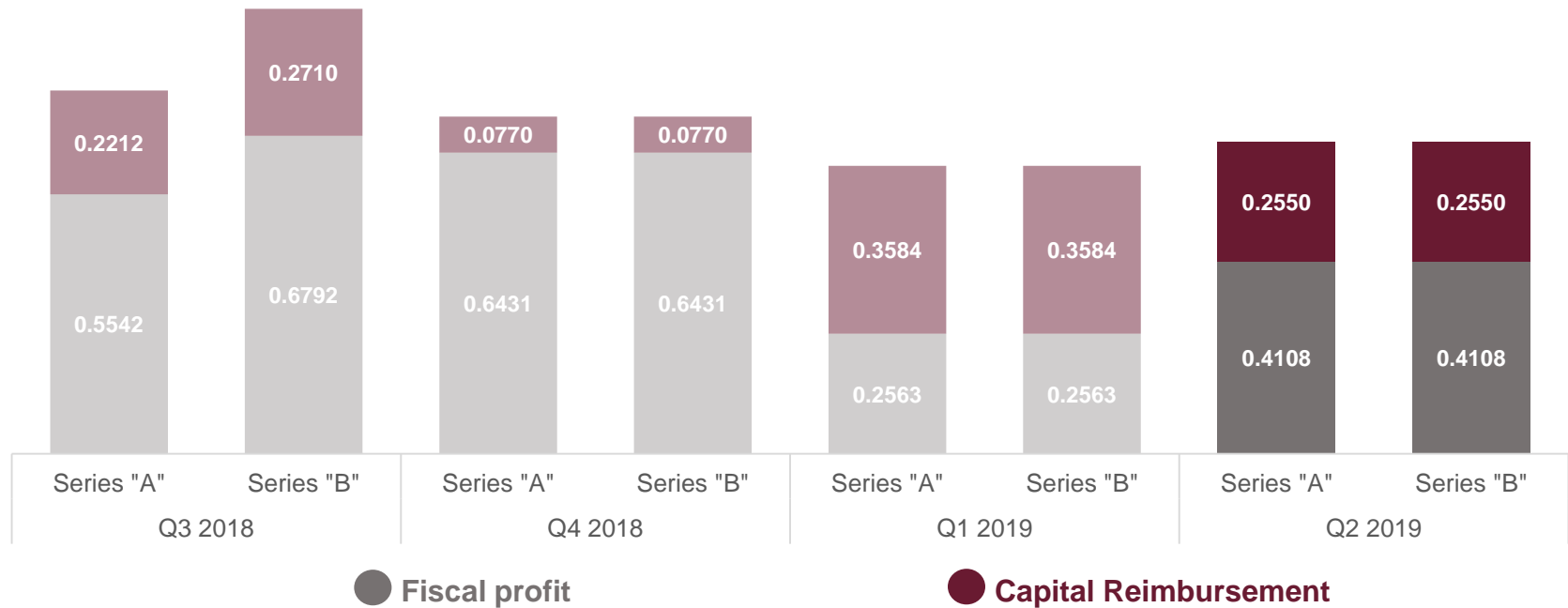


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Fiscal composition of CFE Fibra E distributions for both Series (MXN per CBFE)



Source: CFECapital

Note: ¹Certificado Bursatil Fiduciario de Inversión en Energía e Infraestructura. CFE Fibra E distribution strategy is approved by its Technical Committee and it is determined based on the fiscal requirements for Mexico Income Tax Law. Rounded figures.

Average collection rights per distribution period

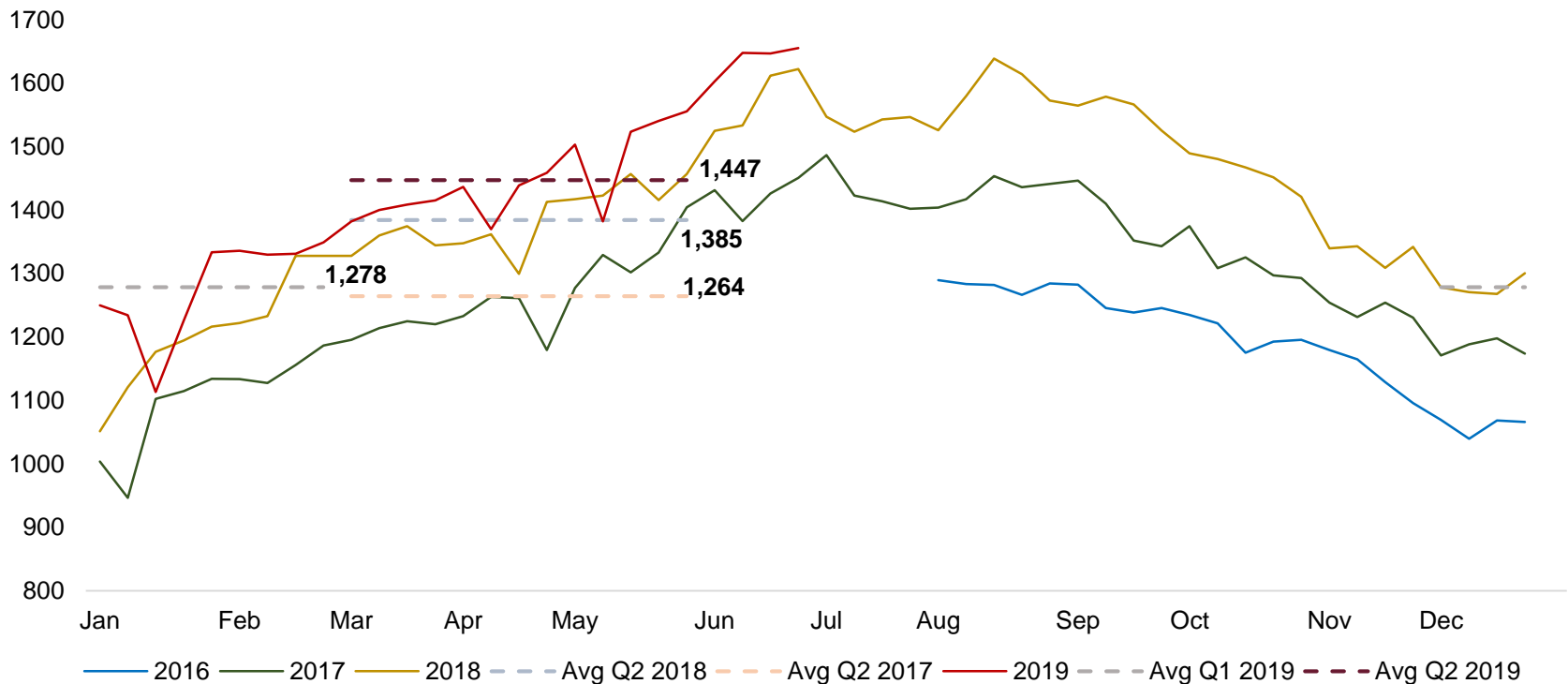


Promoted Trust

CFE Fibra E



Weekly revenues from CENACE (million MXN)



Source: CFECapital and Promoted Trust statement of account.
 Note: 1Q 2019 distribution: December 1 to March 31; 2Q 2019 distribution: March 1 to May 31; Comparison for 2Q of 2017 and 2018 considers equivalent periods. Rounded figures. Last update: 06/30/2019.

Issuer Trust, 2Q 2019 balance sheet

Balance sheet Issuer Trust as of June 30, 2019 (million MXN)

	1Q19	April	May	June
Cash and equivalents	46.63	20.28	19.80	42.71
Fiduciary rights	22,546.00	22,546.00	22,557.80	22,489.52
Other assets	-	2.59	2.31	2.03
Total assets	22,592.63	22,568.87	22,579.91	22,534.26
Short-term liabilities	0.23	0.13	0.04	0.17
Total liabilities	0.23	0.13	0.04	0.17
Equity	20,604.39	20,604.39	20,604.39	20,314.26
Distribution taxable income	(1,023.21)	(1,023.21)	(1,023.21)	(1,490.49)
Result of exercise	707.79	684.13	695.27	1,406.90
Result of previous exercise	2,303.42	2,303.42	2,303.42	2,303.42
Total equity	22,592.39	22,568.74	22,579.87	22,534.08
Total liabilities & equity	22,592.62	22,568.87	22,579.91	22,534.26

Source: CFECapital.

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CFE *Transmisión* performance indicators

Promoted Trust income flow and reimbursements

Distribution calculation and financial information

CFE Capital administration and corporate governance

Corporate governance activities



Promoted Trust

CFE Fibra E



On June 11, 2019 the Promoted Trust Technical Committee had its ordinary session. Key decisions were taken:

- **Review and reconciliation of the reimbursements to *CFE Transmisión*.**
- **Calculation of the distributed amount to holders of Beneficiary Rights.**
- **Presentation of the Financial Statements of the Promoted Trust as at May 31, 2019.**

On June 17, 2019 the Technical Committee of the Issuer Trust had one session, where:

- **They approved the amount to be distributed to CBFE¹ holders of both Series on June 28, corresponding to 2Q19.**

On July 11, 2019 the Audit Committee and the Technical Committee of the Issuer Trust had one session, where:

- **Review and approval of 2Q19 Financial Statements of the Issuer Trust.**

CFE Capital expenditures



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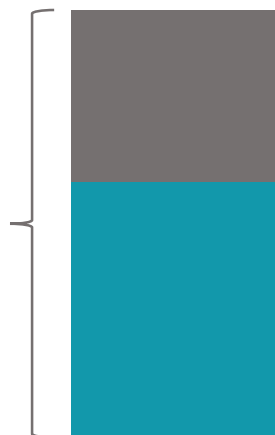


Maintenance expenses (million MXN)

	1Q19	April	May	June	2Q19	Cumulative
Administration fee	23.63	22.25	-	3.02	25.27	48.90
Fiduciary and common representative fees	0.54	-	0.04	-	0.04	0.58
Technical independent members fees	0.55	0.25	0.07	0.31	0.63	1.18
External audit fees, accounting services, fiscal advisers and any other professional services	0.43	0.46	0.36	0.05	0.87	1.30
Insurance	-	3.36	-	-	3.36	3.36
External audit fees tax	0.28	0.23	0.13	0.04	0.40	0.68
Other expenses	0.62	0.01	0.01	0.60	0.62	1.24
Total	26.05	26.56	0.61	4.02	31.19	57.24

Administration fee annual budget vs utilization

Annual budget
MXN 79.7 million
100%



Remaining budget
MXN 30.80 million
38.64%

Budget utilization
MXN 48.90 million
61.36%

Source: CFECapital.



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