

FOURTH QUARTERLY DISTRIBUTION OF 2019 OF CFE FIBRA E

## Strong fundamentals of the instrument reaffirmed

This distribution period, which covers 13 weeks of operations, resumes the positive behavior of the electric industry in Mexico and the strong fundamentals of the instrument, since it confirms that the sector is growing over the national GDP growth rate, which is currently at stagnation, and it is expected to keep doing so for the foreseeable future. On the other hand, CFE Fibra E has proved to have a robust corporate structure and an attractive return on investment.

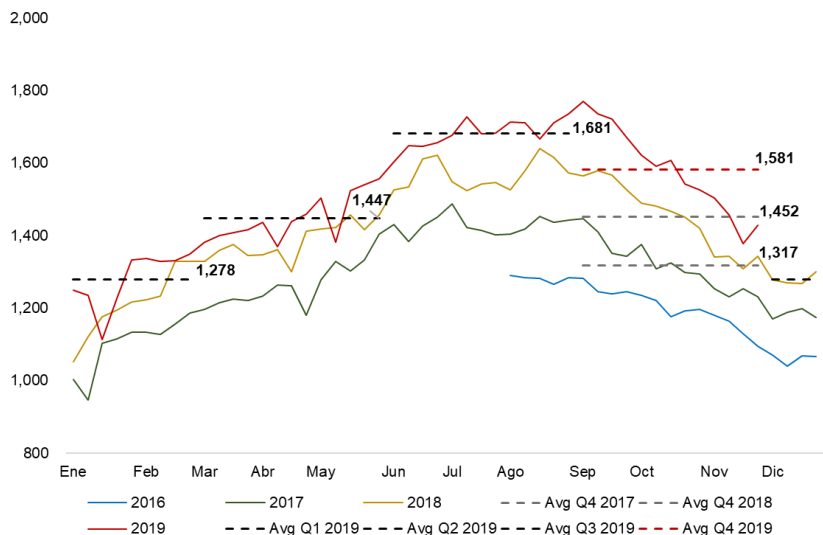
Mexico City, December 18, 2019.- CFECapital has declared the quarterly distribution of CFE Fibra E to be paid on December 31, 2019. According to regulation, this was published through EMISNET, the information system of the *Bolsa Mexicana de Valores* (BMV).

The collection period for this distribution comprises 13 weeks and includes the months of September, October and November. The highlights of this distribution are:

- In Mexico the power consumption increases during the summer months and diminishes as the winter comes closer, since the extra consumption is mostly used for cooling and air conditionings which are not necessary during the winter. Given this, **the average weekly revenue decreased 5.96% compared to the last distribution period, which covered the months of June, July and August and the highest power consumption period.**

### Weekly revenues from CENACE<sup>1</sup>

(million MXN)



Source: Promoted Trust statement of account.

Notes: Q4 2019 distribution: September 1 to November 30; Q3 2019 distribution: June 1 to August 30; Q2 2019: March 1 to May 31; Q1 2019: December 31, 2018 to February 28. Q4 2018 and Q4 2017 consider equivalent periods.

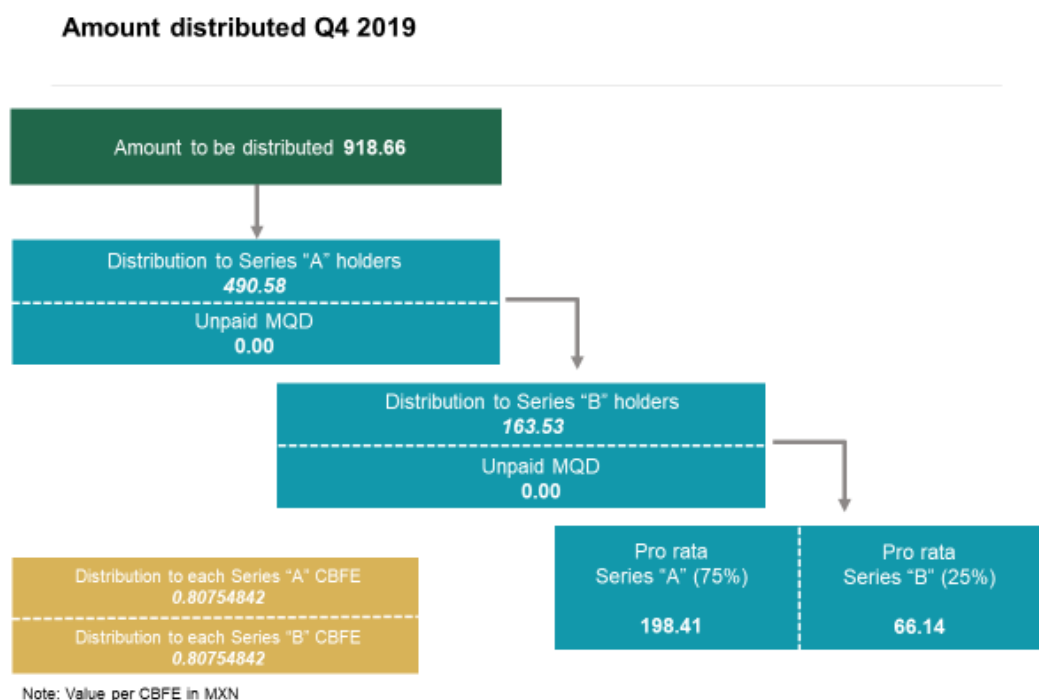
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<sup>1</sup> Centro Nacional de Control de Energía (CENACE), independent operator and payment collector.

- The growth of power consumption on a Year over Year (YoY) basis was 8.86%, it is worth to note rate is composed by the increased in the regulated tariff of 4.9%<sup>2</sup> from the previous year and increment of consumption of electricity. According to the Ministry of Energy the power consumption is expected to have an average growth rate of 3% for the next 15 years<sup>3</sup>.
- Since there are not any unpaid MQD from previous distribution periods to any of the CBFE Series, the distribution will be carried out according to the distribution policy<sup>4</sup>. Which states that the CBFE Series "A" (FCFE18) and Series "B" (FCFE18-2) holders will receive the MQD of 0.575 MXN per CBFE based on the subordination from the latter, plus a pro rata distribution of 0.23254842 MXN per CBFE for both Series.

### CFE Fibra E 2018 distributions comparison

(million MXN)



Source: CFECapital.

Note: Rounded figures. CBFE: Certificado Bursátil Fiduciario de Inversión en Energía e Infraestructura.

- CFECapital maintains a full distribution policy by distributing the cash reserve of the general account.<sup>5</sup>

<sup>2</sup> CRE A/063/2018 <http://drive.cre.gob.mx/Drive/ObtenerAcuerdo?id=692>

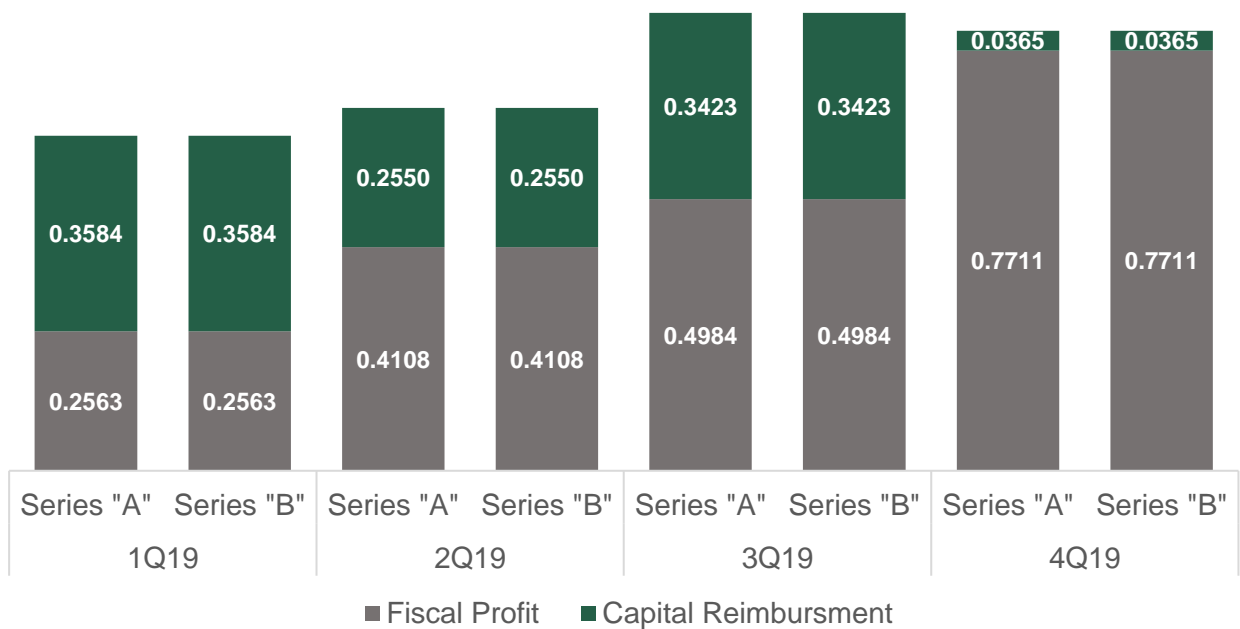
<sup>3</sup> PRODESEN 2019 – 2033 [https://www.gob.mx/cms/uploads/attachment/file/475496/PRODESEN\\_VI.pdf](https://www.gob.mx/cms/uploads/attachment/file/475496/PRODESEN_VI.pdf)

<sup>4</sup> Page 93 of the Offering Memorandum -in Spanish- (<http://cfecapital.com.mx/wp-content/uploads/2018/05/III-EI-Fideicomiso-Emisor.pdf>), page 58 of the Offering Memorandum -in English- (<http://cfecapital.com.mx/wp-content/uploads/2018/05/Offering-Memorandum-FCFE18.pdf>).

<sup>5</sup> According to sections 5.07 and 6.02 of the Issuer Trust Contract (<http://cfecapital.com.mx/wp-content/uploads/2018/05/IX-Anexos.pdf>, pages 40 and 45).

- With the objective of maintaining the fiscal benefits of the “Fibras E” regime for our investors, CFECapital strategy is to distribute a larger share of the fiscal profits this quarter in order to fulfill the requirement of distributing at least 95% of the fiscal profits before March 15 of the following year, and then readjust the capital reimbursement share in the first distribution of 2020 that will take place on March 31 and will cover the months of December, January and February. This decision was approved by the Technical Committee of the Issuer Trust during its tenth session of December 16, 2019.

**Graph 2. CFE Fibra E 2019 distributions per certificate for both Series holders.**  
(MXN)



Source: CFECapital.