

ASAMBLEA ANUAL DE ACCIONISTAS



Ciudad de México
24 de abril de 2019



Material para la Asamblea General Anual Ordinaria de Accionistas de Grupo Aeroportuario del Sureste, S.A.B. de C.V. a celebrarse el día 24 de abril de 2019 a las 10:00 horas

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Punto I a)

Informe del Director General de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
correspondiente al ejercicio 2018

**GRUPO AEROPORTUARIO DEL SURESTE, S.A.B. DE C.V.
INFORME DEL DIRECTOR GENERAL**

México, Distrito Federal, a 1 de marzo de 2019

Al Consejo de Administración de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Señores Consejeros:

Me permito rendir el informe sobre las actividades, la situación financiera, los resultados obtenidos y los proyectos existentes de Grupo Aeroportuario del Sureste, S.A.B. de C.V. (la “Sociedad” o “ASUR”) durante el ejercicio concluido el 31 de diciembre de 2018 en términos de lo establecido por el artículo 44, fracción XI de la Ley del Mercado de Valores, el artículo 172 de la Ley General de Sociedades Mercantiles y los estatutos sociales de la Sociedad.

Cabe mencionar que el informe que presento a su consideración también corresponde a las empresas de: Aeropuerto de Cancún, S.A. de C.V., Aeropuerto de Cozumel, S.A. de C.V., Aeropuerto de Huatulco, S.A. de C.V., Aeropuerto de Mérida, S.A. de C.V., Aeropuerto de Minatitlán, S.A. de C.V., Aeropuerto de Oaxaca, S.A. de C.V., Aeropuerto de Tapachula, S.A. de C.V., Aeropuerto de Veracruz, S.A. de C.V., Aeropuerto de Villahermosa, S.A. de C.V., Servicios Aeroportuarios del Sureste, S.A. de C.V., RH ASUR, S.A. de C.V., ASUR FBO, S.A. de C.V., Cancún Airport Services, S.A. de C.V., Caribbean Logistics, S.A. de C.V., Cargo R.F., S.A. de C.V., Aerostar Airport Holdings, LLC, y Sociedad Operadora de Aeropuertos de Centro Norte, S.A., subsidiarias de la Sociedad en las que ésta es titular de la mayoría de las acciones y en las que el valor de la inversión es mayor al 20% del capital contable de ASUR según el último estado de posición financiera de dichas subsidiarias.

Tras haber revisado la información respecto de las operaciones de la Sociedad y de sus subsidiarias por el periodo comprendido entre el 1 de enero y el 31 de diciembre de 2018 sírvanse tomar nota de las principales actividades, proyectos y resultados financieros realizados y obtenidos por la Sociedad durante dicho ejercicio:

Los ingresos de ASUR y sus subsidiarias, incluidos los ingresos por servicios de construcción, ascendieron a la cantidad de MXN \$15,821 millones de pesos, lo que representa un incremento del 26.4% en relación con el periodo concluido el 31 de diciembre de 2017; durante el mismo lapso, los ingresos sin servicios de construcción aumentaron en un 34.7% a la cantidad de MXN \$14,475 millones de pesos.

Los gastos de operación incluyendo los gastos incurridos por los servicios de construcción se redujeron en un 28.4% a la cantidad de MXN \$7,906 millones de pesos, mientras que los gastos de operación sin servicios de construcción descendieron en un 24.4% a 6,971 millones de pesos.

Lo anterior arroja una utilidad neta de MXN \$5,120 millones de pesos en el periodo concluido el 31 de diciembre de 2018, lo que representa un descenso de 24.2% en relación con el 2017.

Asimismo, acompaño al presente informe (i) Balances Generales Consolidados en los que se muestra la situación financiera de la Sociedad a la fecha de cierre del ejercicio, (ii) Estados de Resultados Consolidados en los que se muestran los resultados de la Sociedad durante el ejercicio, (iii) un Estado de Variaciones en el Capital Contable Consolidado en el que se muestran los cambios en las partidas que integran el patrimonio de la Sociedad ocurridos durante el ejercicio, (iv) un Estado de Flujo de Efectivo

Consolidado en el que se muestran los cambios en la posición de efectivo de la Sociedad, (v) un Estado de Cambios en la Situación Financiera Consolidado que también muestra la variación en la posición de efectivo de la Sociedad durante el ejercicio, y (vi) las notas que complementan y aclaran la información a que se refieren los incisos (i) a (iv) anteriores.

Los bienes inmuebles de los aeropuertos utilizados para llevar a cabo las actividades de ASUR se dividen en dos: lado aire, que se integra por las pistas, calles de rodaje, plataformas de estacionamiento para la aviación comercial, plataformas de estacionamiento para aviación general, hangares, camino y cerca perimetral, torre de control, zonas de seguridad, instalaciones para el cuerpo de rescate y extinción de incendios, etc.; y lado tierra, que comprende edificios terminales, estacionamientos, vialidades de acceso, etc.

Hemos seguido con nuestra política de inversión sostenida en todos estos bienes, haciendo un esfuerzo especial para mantener y conservarlos adecuadamente para cumplir con los estándares de calidad requeridos por la autoridad. Adicionalmente, se han efectuado inversiones sustanciales para incrementar la capacidad de las instalaciones y para mejorar la calidad en el servicio.

Desde el 28 de septiembre del año 2000, ASUR cotiza las acciones representativas de su capital social en los mercados de valores de Nueva York y México, en la *New York Stock Exchange* y en la Bolsa Mexicana de Valores.

Durante el primer trimestre de 2018, el precio más alto de las acciones en México y de los *American Depositary Shares* (cada uno de los cuales representa 10 acciones) en Nueva York fue de MXN \$377.71 pesos y \$201.93 dólares, respectivamente, en tanto el precio más bajo durante el mismo período fue de MXN \$306.42 pesos por acción y \$167.07 dólares por ADS.

Durante el segundo trimestre de 2018, el precio más alto de las acciones en México y de los *American Depositary Shares* (cada uno de los cuales representa 10 acciones) en Nueva York fue de MXN \$337.53 pesos y \$180.99 dólares, respectivamente, en tanto el precio más bajo durante el mismo período fue de MXN \$306.41 pesos por acción y \$153.72 dólares por ADS.

Durante el tercer trimestre de 2018, el precio más alto de las acciones en México y de los *American Depositary Shares* (cada uno de los cuales representa 10 acciones) en Nueva York fue de MXN \$392.14 pesos y \$208.41 dólares, respectivamente, en tanto el precio más bajo durante el mismo período fue de MXN \$307.80 pesos por acción y \$155.88 dólares por ADS.

Durante el cuarto trimestre de 2018, el precio más alto de las acciones en México y de los *American Depositary Shares* (cada uno de los cuales representa 10 acciones) en Nueva York fue de MXN \$385.00 pesos y \$205.82 dólares, respectivamente, en tanto el precio más bajo durante el mismo período fue de MXN \$267.88 pesos por acción y \$130.56 dólares por ADS.

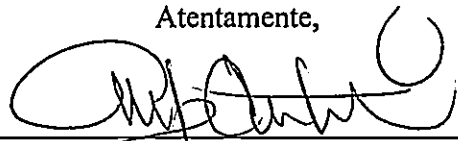
Por otra parte, sírvanse tomar nota, de manera formal, que es de mi conocimiento que al 31 de diciembre de 2018, existen tres accionistas propietarios de más de un 10% (diez por ciento) del capital social total de la Sociedad: las entidades directamente controladas y pertenecientes al Sr. Fernando Chico Pardo eran propietarias de un 16.41% de nuestro capital social total; las entidades directamente controladas y pertenecientes a Grupo ADO, S.A. de C.V. eran propietarias de un 16.13% de nuestro capital social total; mientras que Aberdeen Asset Management, plc, un fondo de inversión con base en el Reino Unido, era

propietario del 10.98% de nuestro capital social total. El resto de las acciones representativas del capital social se encuentran divididas entre el público inversionista, tanto nacional como internacional.

Como es de su conocimiento, la Asamblea General Anual Ordinaria de Accionistas celebrada el 26 de abril de 2017 decretó un dividendo ordinario en efectivo proveniente de la cuenta de utilidades pendientes de aplicación por la cantidad de \$6.16 M.N. (Seis pesos, 16/100 Moneda Nacional) por acción. La Asamblea General Anual Ordinaria de Accionistas celebrada el 26 de abril de 2018 decretó un dividendo ordinario en efectivo proveniente de la cuenta de utilidades pendientes de aplicación por la cantidad de \$6.78 M.N. (Seis pesos, 78/100 Moneda Nacional) por acción.

Sin otro particular, quedo de ustedes.

Atentamente,



Lic. Adolfo Castro Rivas,
Director General de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.



Punto I a)

Dictamen de los Auditores Externos de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
correspondiente al ejercicio 2018



Report of Independent Auditors

To the Shareholders and Directors of
Grupo Aeroportuario del Sureste, S. A. B. de C. V.

Opinion

We have audited the consolidated financial statements of Grupo Aeroportuario del Sureste, S. A. B. de C. V. and its subsidiaries (Company), which comprise the consolidated statement of financial position as of December 31, 2018, and the related consolidated statements of comprehensive income, of changes in stockholders' equity and of cash flows for the year then ended and the notes to the consolidated financial statements, which include a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2018, and its financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the Ethics Standards of Mexican Institute of Public Accountants together with other requirements applicable to our audit in Mexico. We have fulfilled our other ethical responsibilities in accordance with those requirements and standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period.

These matters were addressed in the context of our audit of the consolidated financial statements taken as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key audit matter	How our audit addressed the key audit matter
<p>Compliance with the maximum rate stated in concession agreements</p> <p>As discussed in Notes 19.1.3, 3.1.1 and 3.1.4 to the consolidated financial statements, the rules included in the concession agreements applicable to the airports operated by the Company in Mexico require compliance with an annual rate limit for each airport. This annual rate limit represents the maximum annual revenue per workload unit (one passenger or 100 kg of cargo) that can be recorded by the Company for the services rendered that are subject to these regulated prices. The concession agreements provide no guarantees the airports will receive the maximum amounts permitted.</p> <p>If the Company records regulated revenue in excess of the maximum annual rate, the government authorities could revoke one or more of the Company's concessions in Mexico. Consequently, management regularly monitors regulated revenue in Mexico so as not to exceed regulatory limits.</p> <p>Our audit was focused on recognition of regulated revenue in Mexico subject to the maximum annual rate, mainly due to its significance (Ps.6,245 million for the period ended on December 31, 2018) and due to the complexity involved in applying the calculation established in the concession agreements for determining maximum annual rates and obtaining the necessary data.</p>	<p>We evaluated and considered the design and operating effectiveness of internal controls (including Information Technology controls) related to regulated revenue in Mexico, the determination and authorization by management of the maximum annual rate and the corresponding discounts. As part of our audit, we performed the following procedures:</p> <ol style="list-style-type: none"> 1. As an example of daily transactions recorded by each of the airports, we compared the information provided by the airlines in the “inbound and outbound manifests” with the information recorded in the operating system used by the airports. We specifically perform this comparison for the following data: number of passengers required to pay TUA and details of other airport services subject to regulated rates. 2. As an example of monthly transactions, we obtained a reconciliation of the Company's accounting records to the information contained in the operating system used by the airports. 3. We compared the data used for calculating the maximum annual rate, such as: The National Producer Price Index, excluding oil, with the index published by the National Statistics and Geography Institute (INEGI by its acronym in Spanish); the passenger traffic and cargo statistics with the operating systems used by airports; the rates in force for airport services, the TUA and the exchange rate with the figures published in the Official Gazette (DOF, by its acronym in Spanish).



Key audit matter	How our audit addressed the key audit matter
<p>In particular, we focused our audit effort on:</p> <ul style="list-style-type: none"> • The process involved in calculating the maximum annual rate and the data used for such purpose, for instance, passenger traffic and cargo statistics. • The authorization of changes on the airport usage rates (TUA for its acronym in Spanish) and other airport services rates. 	<ol style="list-style-type: none"> 4. We independently reperformed the maximum annual rate calculation considering the applicable rules and information and data previously mentioned and compared the results with the ones determined by the Company. 5. As an example of transactions, we compared the rates used by the Company in calculating airport regulated revenue, included in the operating system used by the airports, with the rates in force, for each airport, published in the DOF. 6. We compared the revenue recorded by the Company related to domestic and international TUA and baggage inspection, with a reasonable test we performed, wherein we multiplied the total number of passengers times the authorized rates.



Key audit matter	How our audit addressed the key audit matter
<p>Evaluation of goodwill impairment</p> <p>As discussed in Note 8.1 to the consolidated financial statements, the Company performs an annual analysis of goodwill impairment, considering the cash-generating units that gave rise to it. (Aerostar and Airplan subsidiaries).</p> <p>Our audit procedures focused in this area due to the significance of the goodwill balance, which amounts to Ps.2,567 and represents 4.5% of total consolidated assets, and because determining recoverable value involves significant judgment when developing the assumptions considered in future cash flow forecasts.</p> <p>In particular, we focused our audit efforts on the following assumptions used by Management:</p> <ul style="list-style-type: none"> • Projected passenger traffic and the related growth rate. • Airport and commercial income growth rate. • Operating costs and expenses growth rate. • Discount rate applied to future cash flow forecasts. 	<p>We evaluated and considered the design and operating effectiveness of internal controls relating to the future cash flow forecasts and the assumptions used to perform the evaluation of goodwill impairment.</p> <p>With the support of our valuation experts, we performed the following procedures for each cash generating units:</p> <ol style="list-style-type: none"> 1. We considered and evaluated future cash flow forecasts prepared by management and the process for developing those future cash flow forecasts and if they were consistent with historical financial trends of the Company, other forecasts prepared by Management and approved business plans. 2. We compared the projected passenger traffic with the historical information. 3. We compared the passenger traffic growth rates, airport and commercial income growth rate operating costs and expenses growth rates with the historical growth recorded by the Company and the projected trends of inflation. 4. We compared the discount rate used by Management with the Weighted Average Cost of Capital (WACC) of the Company considering its financial performance and generally accepted market rates in this industry. 5. We conducted a sensitivity analysis, considering the potential changes in the discount rate and net growths and we evaluated and considered the related disclosures made in the notes to the financial statements.



Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS and for such internal control as Management determines necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events



or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and subsidiaries audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with Governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is stated below.

PricewaterhouseCoopers, S. C.

A handwritten signature in black ink, appearing to read "Antonio Nivón Trejo", written over a horizontal line.

Antonio Nivón Trejo
Audit Partner

Mexico City, March 15, 2019



Punto I b)

Informe del Consejo de Administración de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
correspondiente al ejercicio 2018

GRUPO AEROPORTUARIO DEL SURESTE, S.A.B. DE C.V.
INFORME DEL CONSEJO DE ADMINISTRACIÓN A LA
ASAMBLEA ANUAL GENERAL DE ACCIONISTAS

Opinión del Consejo de Administración sobre la información contenida en el Informe del Director General:

En relación con el informe presentado por el Director General (el “Informe”) en términos de la fracción XI del artículo 44 de la Ley del Mercado de Valores y del artículo 172 de la Ley General de Sociedades Mercantiles y en cumplimiento a lo establecido en la fracción IV, inciso (c) del artículo 28 de la Ley del Mercado de Valores, después de haber sostenido juntas diversas con el Director General y los demás Directores Relevantes de la Sociedad respecto del contenido del Informe, habiendo revisado la información y documentación de soporte presentada al Consejo de Administración por el Director General y los Directores Relevantes, así como escuchado las explicaciones de los mismos respecto del Informe, el Consejo de Administración, con el respaldo del Comité de Auditoría, considera que el Informe que se presenta a esta Asamblea, es adecuado y suficiente y refleja en forma veraz, razonable y suficiente la situación financiera de la Sociedad, así como los resultados de sus operaciones, los cambios en la inversión de los accionistas y los cambios en su situación financiera al 31 de diciembre de 2018, por lo que recomiendan que la información presentada por el Director General sea aprobada por la Asamblea.

Opinión del Consejo de Administración sobre las políticas y los criterios contables aplicados por la Sociedad:

Revisamos los estados financieros de la Sociedad, al 31 de diciembre de 2018, el informe de los auditores, así como las políticas de contabilidad utilizadas en la elaboración de los estados financieros, incluidas, en su caso, sus modificaciones y correspondientes efectos. Después de haber escuchado los comentarios de los auditores externos, quienes son responsables de expresar su opinión sobre la razonabilidad de los estados financieros de la Sociedad y sus subsidiarias y su conformidad con las normas de información financiera aplicables en México, y como resultado de las revisiones realizadas, los auditores externos recomendaron al Consejo de Administración de la Sociedad su aprobación con la finalidad de que dichos estados financieros sean presentados en la Asamblea Anual Ordinaria de Accionistas de la Sociedad.

Asimismo, el Consejo de Administración considera que las políticas y criterios contables y de información seguidos por la Sociedad y sus subsidiarias, Aeropuerto de Cancún, S.A. de C.V., Aeropuerto de Cozumel, S.A. de C.V., Aeropuerto de Huatulco, S.A. de C.V., Aeropuerto de Mérida, S.A. de C.V., Aeropuerto de Minatitlán, S.A. de C.V., Aeropuerto de Oaxaca, S.A. de C.V., Aeropuerto de Tapachula, S.A. de C.V., Aeropuerto de Veracruz, S.A. de C.V., Aeropuerto de Villahermosa, S.A. de C.V., Servicios Aeroportuarios del Sureste, S.A. de C.V., RH ASUR, S.A. de C.V., ASUR FBO, S.A. de C.V., Cancún Airport Services, S.A. de C.V., Caribbean Logistics, S.A. de C.V., Cargo R.F., S.A. de C.V., Aerostar Airport Holdings, LLC, y Sociedad Operadora de Aeropuertos de Centro Norte, S.A., se apegan a las normas de información financiera aplicables en México, son adecuados y suficientes en sus circunstancias y se aplicaron sobre bases consistentes.

Los estados financieros auditados representan razonablemente la situación financiera de la Sociedad y sus subsidiarias, Aeropuerto de Cancún, S.A. de C.V., Aeropuerto de Cozumel, S.A. de C.V., Aeropuerto de Huatulco, S.A. de C.V., Aeropuerto de Mérida, S.A. de C.V., Aeropuerto de Minatitlán, S.A. de C.V., Aeropuerto de Oaxaca, S.A. de C.V., Aeropuerto de Tapachula, S.A. de C.V., Aeropuerto de Veracruz, S.A. de C.V., Aeropuerto de Villahermosa, S.A. de C.V., Servicios Aeroportuarios del Sureste, S.A. de C.V., RH ASUR, S.A. de C.V., ASUR FBO, S.A. de C.V., Cancún Airport Services, S.A. de C.V., Caribbean Logistics, S.A. de C.V., Cargo R.F., S.A. de C.V., Aerostar Airport Holdings, LLC (a partir del 1º de junio de 2017), y Sociedad Operadora de Aeropuertos de Centro Norte, S.A. (a partir del 19 de octubre de 2017),

al 31 de diciembre de 2018, así como el resultado de sus operaciones y los cambios en su situación financiera a esa fecha.

Informe de las actividades y operaciones en las que el Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V. intervino en el ejercicio 2018 de acuerdo con el artículo 28 IV (e) de la Ley del Mercado de Valores

Se informa a los accionistas de la Sociedad que durante el periodo en cuestión, el Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V., no intervino en las operaciones de la misma, lo cual certifica el Secretario del Consejo de Administración.

Informe del Consejo de Administración sobre operaciones arriba de 2 millones de dólares:

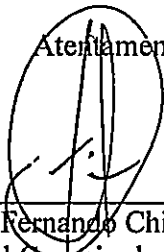
De acuerdo con las disposiciones del Artículo 33 de los estatutos de Grupo Aeroportuario del Sureste, S.A.B. de C.V., presento para su consideración una lista de las operaciones realizadas por la Sociedad entre el 1º de enero de 2018 y el 31 de diciembre de 2018 con un valor arriba de los USD \$2,000,000.00 (dos millones de dólares, moneda de curso legal de los Estados Unidos de América).

Monto USD*	Descripción	Contratista	Fecha de aprobación, Comité de Adquisiciones
\$3,568,347.61	Servicios de vigilancia durante un año en el Aeropuerto de Cancún	Tecnología en Seguridad Privada SSIA Q. Roo, S.A. de C.V.	31 de diciembre de 2018
\$2,968,729.45	Servicios de inspección de pasajeros durante un año en el Aeropuerto de Cancún	Tecnología en Seguridad Privada SSIA Q. Roo, S.A. de C.V.	31 de diciembre de 2018
\$2,770,053.72	Servicios de operación de aeropasillos durante tres años en el Aeropuerto de Cancún	Aeroworks, S. de R.L. de C.V.	31 de diciembre de 2018
\$2,686,629.33	Administración de proyectos para la ampliación y reconfiguración del edificio terminal en el Aeropuerto de Mérida	Arena Inmobiliaria, S.A. de C.V.	28 de septiembre de 2018

* Se calcula con base en el tipo de cambio oficial publicado en la fecha de aprobación del Comité de Adquisiciones y Contratos

En representación del Consejo de Administración de la Sociedad, quisiera agradecerles su presencia en esta Asamblea de Accionistas.

Atentamente,



Lic. Fernando Chico Pardo,
Presidente del Consejo de Administración de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
México, Distrito Federal, 12 de marzo de 2019



Punto I c)

Informe de las actividades y operaciones en las que el Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V. intervino en el ejercicio 2018 de acuerdo con el artículo 28 IV(e) de la Ley del Mercado de Valores

**Grupo Aeroportuario del Sureste, S.A.B. de C.V.
Informe de las actividades y operaciones en las que intervino el
Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V.
en el 2018**

Se informa a los accionistas de la Sociedad que durante el periodo en cuestión, el Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V., no intervino en las operaciones de la misma.

* * * * *

Lic. Fernando Chico Pardo
Presidente del Consejo de Administración
Marzo 2019



Punto I d)

Estados financieros individuales de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
correspondientes al ejercicio 2018

Estados financieros individuales

Esta sección se actualizará en breve



Punto I d)

Estados financieros consolidados de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
correspondientes al ejercicio 2018

***Grupo Aeroportuario del Sureste, S. A. B. de C. V.
and subsidiaries***

Consolidated Financial Statements
December 31, 2018 and 2017

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

Consolidated Statements of Financial Position

Thousands of Mexican pesos

	<u>December 31,</u>	
<u>Assets</u>	<u>2018</u>	<u>2017</u>
CURRENT ASSETS:		
Cash and cash equivalents (Note 5)	Ps 4,584,507	Ps 4,677,454
Restricted cash and equivalents (Note 5.1)	47,332	106,350
Accounts receivable - Net (Note 6)	793,110	685,502
Recoverable taxes (Note 14)	345,730	82,891
Inventory	48,740	50,239
Other assets	<u>181,529</u>	<u>185,426</u>
Total current assets	6,000,912	5,787,862
NON-CURRENT ASSETS:		
Land, furniture and equipment - Net (Note 7)	558,480	473,238
Intangible assets, airport concessions and goodwill - Net (Notes 1 and 8)	49,586,322	50,353,003
Receivable from third parties	<u>36,107</u>	<u></u>
Total assets	<u>Ps 56,181,821</u>	<u>Ps 56,614,103</u>
<u>Liabilities and Stockholders' Equity</u>		
CURRENT LIABILITIES:		
Bank loans (Note 11)	Ps 175,515	Ps 173,471
Short term debt (Note 12)	324,590	340,288
Income tax payable	36,693	133,316
Accounts payable and accrued expenses (Note 10)	<u>1,871,424</u>	<u>1,761,574</u>
Total current liabilities	2,408,222	2,408,649
NON-CURRENT LIABILITIES:		
Bank loans (Note 11)	7,042,598	10,321,382
Long-term debt (Note 12)	6,957,678	7,149,177
Deferred income tax (Note 14)	3,081,668	3,033,930
Employee benefits obligations	<u>10,266</u>	<u>12,664</u>
Total liabilities	<u>19,500,432</u>	<u>22,925,802</u>
STOCKHOLDERS' EQUITY (Note 13):		
Capital stock	7,767,276	7,767,276
Capital reserves	11,229,129	8,127,637
Other comprehensive income	189,791	195,511
Retained earnings	<u>9,919,989</u>	<u>9,949,654</u>
Controlling interest	29,106,185	26,040,078
Non-controlling interest	<u>7,575,204</u>	<u>7,648,223</u>
Total stockholders' equity	<u>36,681,389</u>	<u>33,688,301</u>
Total liabilities and stockholders' equity	<u>Ps 56,181,821</u>	<u>Ps 56,614,103</u>

The accompanying notes are an integral part of these consolidated financial statements.

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries
Consolidated Statements of Comprehensive Income - by Expense Function

Thousands of Mexican pesos

	Year ended December 31,	
	<u>2018</u>	<u>2017</u>
Continuing operations		
Revenue (Notes 3 and 19.1.3):		
Aeronautical services	Ps 8,942,910	Ps 6,484,219
Non-aeronautical services	5,531,557	4,261,383
Construction services (Note 3.1.3)	<u>935,774</u>	<u>1,844,216</u>
Total revenue	<u>15,410,241</u>	<u>12,589,818</u>
Operating costs and expenses (Note 4):		
Cost of aeronautical and non-aeronautical services (Includes impairment by Ps.4,719,096 in 2017 Note 8.1)	6,594,871	9,010,017
Cost of construction services	935,774	1,898,550
Administrative expenses	<u>235,264</u>	<u>204,418</u>
Total operating costs and expenses	<u>7,765,909</u>	<u>11,112,985</u>
Other income (Note 16.e)	134,637	
Operating profit	7,778,989	1,476,833
Interest income	280,623	245,787
Interest expense	(1,230,651)	(618,831)
Exchange income on foreign currency	462,218	761,782
Exchange loss on foreign currency	<u>(374,460)</u>	<u>(620,572)</u>
	<u>(862,270)</u>	<u>(231,834)</u>
Equity in the results of joint venture accounted for by the equity method (Note 9)		<u>112,345</u>
Gain in business combinations (Note 1.1)		<u>7,029,200</u>
Net income before income taxes	6,916,699	8,386,544
Income taxes (Note 14):		
Asset tax	932	932
Income tax	<u>1,795,961</u>	<u>1,635,447</u>
Net income for the year	<u>Ps 5,119,806</u>	<u>Ps 6,750,165</u>
Net income for the year attributable to:		
Controlling interest	4,987,601	5,834,484
Non-controlling interest	<u>132,205</u>	<u>915,681</u>
	<u>Ps 5,119,806</u>	<u>Ps 6,750,165</u>
Other comprehensive income:		
Items that will not be reclassified to income for the period:		
Remeasurement of labor obligations	Ps 4,692	(Ps 2,739)
Items that might be reclassified to income for the period:		
Equity in the other comprehensive results of joint venture accounted for by the equity method		(237,617)
Cancellation of the effects of the foreign currency translation in the joint venture		(655,515)
Effect of foreign currency translation in foreign subsidiaries	<u>116,059</u>	<u>315,021</u>
Total comprehensive income for the year	<u>Ps 5,240,557</u>	<u>Ps 6,169,315</u>
Comprehensive income for the year attributable to:		
Controlling interest	Ps 4,986,572	Ps 5,134,124
Non-controlling interest	<u>253,985</u>	<u>1,035,191</u>
Total comprehensive income for the year	<u>Ps 5,240,557</u>	<u>Ps 6,169,315</u>
Basic and diluted earnings per share expressed in Mexican pesos (Note 18.19)	<u>Ps 16.63</u>	<u>Ps 19.45</u>

The accompanying notes are an integral part of these consolidated financial statements.

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

Consolidated Statement of Changes in Stockholders' Equity

Thousands of Mexican pesos

_____ Capital reserves

	Capital stock	Legal reserve	Reserve for repurchase of shares	Other comprehensive income	Retained earnings	Non-controlling interest	Total stockholders' equity
Balances at December 31, 2016	Ps 7,767,276	Ps 893,133	Ps 5,045,254	Ps 893,132	Ps 8,155,159	Ps	Ps 22,753,954
Comprehensive income:							
Net profit for the year					5,834,484	915,681	6,750,165
Other comprehensive expense accounted for by the equity method				(237,617)			(237,617)
Cancellation of the effect of the foreign currency translation in the joint venture				(655,515)			(655,515)
Effect of foreign currency translation in foreign subsidiaries				195,511	(2,739)	119,510	315,021
Remeasurement of labor obligations				(697,621)			(2,739)
Total comprehensive income				(697,621)	5,831,745	1,035,191	6,169,315
Transfer to legal reserve		181,869			(181,869)		
Transfers to the reserve for acquisitions of shares (Note 13)			2,007,381		(2,007,381)		
Dividends paid on April 26, 2017 (Ps 6.16 per share) (Note 13)					(1,848,000)		(1,848,000)
Non-controlling interest						6,613,032	6,613,032
Balances at December 31, 2017	7,767,276	1,075,002	7,052,635	195,511	9,949,654	7,648,223	33,688,301
Comprehensive income:							
Net profit for the year					4,987,601	132,205	5,119,806
Effect of foreign currency translation in foreign subsidiaries				(5,720)		121,779	116,059
Remeasurement of labor obligations					4,692		4,692
Total comprehensive income				(5,720)	4,992,293	253,984	5,240,557
Transfer to legal reserve		291,865			(291,865)		
Transfers to the reserve for acquisitions of shares (Note 13)			2,809,627		(2,809,627)		
Transactions with shareholders:							
Dividends paid on April 26, 2018 (Ps 6.78 per share) (Note 13)					(2,034,000)		(2,034,000)
Difference in the consideration paid for the acquisition of the non-controlling interest of Airplan recognized on parents equity (Note 1.2)					113,534	(327,003)	(213,469)
Balances at December 31, 2018	Ps 7,767,276	Ps 1,366,867	Ps 9,862,262	Ps 189,791	Ps 9,919,989	Ps 7,575,204	Ps 36,681,389

The accompanying notes are an integral part of these consolidated financial statements.

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

Consolidated Statements of Cash Flows

Thousands of Mexican pesos

	Year ended December 31,	
	<u>2018</u>	<u>2017</u>
Operating activities		
Income before income taxes	Ps 6,916,699	Ps 8,386,544
Adjustments for:		
Gain in business combinations (Note 1.1)		(7,029,200)
Impairment of goodwill (Note 8.1)		4,719,096
Depreciation and amortization (Notes 4, 7 and 8)	1,760,741	1,166,114
Interests income	(280,623)	(245,787)
Interests expense	1,230,651	618,831
Other comprehensive income from results of joint venture accounted by the equity method (Note 9)		(112,345)
Exchange loss	16,373	95,788
Exchange gain	(295,524)	(262,405)
Working capital variations:		
Accounts receivable (Note 6)	(107,608)	(51,155)
Recoverable taxes and other current assets	48,182	54,030
Other assets		394,972
Trade accounts payable and other liabilities (Note 10)	<u>490,827</u>	<u>154,791</u>
	9,779,718	7,889,274
Income taxes paid (Note 14)	<u>(2,083,398)</u>	<u>(1,858,139)</u>
Net cash flows generated from operating activities	<u>7,696,320</u>	<u>6,031,135</u>
Investing activities		
Payment for investment increase in Aerostar, net of cash acquired		(183,386)
Payment for acquisition of the subsidiary Airplan, net of cash acquired		(3,752,081)
Loans collected from joint venture (Note 9)		275,376
Improvements to assets under concession and acquisition of furniture and equipment (Note 8)	(1,636,325)	(1,471,418)
Interests received	265,350	259,717
Restricted cash and cash equivalents (Note 5.1)	<u>59,018</u>	<u>(89,361)</u>
Net cash flows used in investing activities	<u>(1,311,957)</u>	<u>(4,961,153)</u>
Financing activities		
Consideration paid for the non-controlling interest of Airplan	(213,469)	
Bank loans received (Note 11)		8,000,000
Bank loans paid (Note 11)	(3,090,124)	(5,339,338)
Long-term debt paid (Note 12)		(102,907)
Interests paid (Note 11)	(1,139,071)	(628,222)
Dividends paid (Note 13)	<u>(2,034,000)</u>	<u>(1,848,000)</u>
Net cash flows (used) generated from financing activities	<u>(6,476,664)</u>	<u>81,533</u>
(Decrease) increase in cash and cash equivalents	(92,301)	1,151,515
Cash and cash equivalents at the beginning of the year	4,677,454	3,497,635
Exchange (loss) gains on cash and cash equivalents	<u>(646)</u>	<u>28,304</u>
Cash and cash equivalents at end of the year	<u>Ps 4,584,507</u>	<u>Ps 4,677,454</u>

The accompanying notes are an integral part of these consolidated financial statements.

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

Notes to the Consolidated Financial Statements December 31, 2018 and 2017

*Figures expressed in Thousands of Mexican pesos (Ps),
except for number of shares, earnings per share and exchange rates*

Note 1 - History of the Company, and relevant events:

On June, 1998, the Mexican Department of Communications and Transportation (SCT by its Spanish acronym) granted to the Company's subsidiaries concessions to administrate, operate, exploit and develop the nine Southeast airports over a period of 50 years commencing on November 1, 1998. The term of the concessions may be extended by the parties under certain circumstances, in accordance with Article 15 of the Airports Law that establishes, among other things: 1) it had fulfilled the conditions set out in the respective title, 2) if requested before the five years of the concession's validity begun and 3) accept the new conditions.

Notwithstanding the Company's rights to administrate, operate, exploit, develop and, if applicable, build the nine airports pursuant to the Mexican General Law of National Assets; all the land, furniture and permanent fixed assets located in the airports are the property of the Mexican federal government. Upon expiration of the Company's concessions, these assets, including any improvements made during the term of the concessions, automatically revert to the Mexican federal government.

Through its subsidiary Aeropuerto de Cancun, on May 30, 2017, the Company increased its shareholding from 50% to 60% in Aerostar Airport Holding, LLC (Aerostar), which operates and manages Aeropuerto Internacional Luis Muñoz Marín (Aeropuerto LMM) in San Juan de Puerto Rico. As a result of said increase, the Company acquired control of Aerostar, as it now has the capacity to direct its relevant business activities. With this acquisition, the company expects to continue offering world-class services to its clients and improving operations and client services for the benefit of passengers at Aeropuerto LMM. See Note 1.1.

On October 19, 2017, the Company acquired 92.42% of the shares of Sociedad Operadora de Aeropuertos Centro Norte, S. A. (Airplan), a company incorporated in Medellín, Colombia, on March 6, 2008 for the sole purpose of subscribing and executing the Concession Agreement for managing, operating, commercially exploiting, conditioning, modernizing and maintaining the Olaya Herrera Medellín, José María Córdoba de Rionegro, El Caraño de Quibdó, Los Garzones de Montería, Antonio Roldán Betancourt de Carepa and Las Brujas de Corozal Airports. As of that date, Airplan consolidates its results in the Company's financial statements. This acquisition is an important strategic addition that allows ASUR to penetrate the South American market by offering airport services at six airports in Colombia. See Note 1.2.

At December 31, 2018, the capital stock of the Company is represented by the stock held by the general investing public (67.46%), and has been placed at securities markets in New York (NYSE) and Mexico (BMV). Inversiones y Técnicas Aeroportuarias, S. A. P. I. de C. V. (ITA) (7.65%), Servicios Estrategia Patrimonial, S. A. de C. V. (7.12%), Agrupación Aeroportuaria Internacional III, S. A. de C. V. (5.46%), and Inversiones Productivas Kierke, S. A. de C. V. (up to June 4, 2018, Remer Soluciones a la Inversión, S. A. de C. V.) (12.31%). Shareholding is divided among different parties, with no particular shareholder or group directly controlling the Group.

On June 4, 2018, Remer Soluciones a la Inversión, S.A. de C. V. was merged into Consorcio Safij, S. A. de C. V. (subsisting the latter).

On August 7, 2018, Consorcio Safij, S. A. de C. V. was merged into Compañía Inmobiliaria y de Inversiones del Noroeste, S. A. de C. V. (subsisting the latter).

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

Notes to the Consolidated Financial Statements

December 31, 2018 and 2017

On October 15, 2018, Compañía Inmobiliaria y de Inversiones del Noroeste, S. A. de C. V. was merged into Inversiones Productivas Kierke, S. A. de C. V. (subsisting the latter) and currently holds 12.31% of the Company's shares.

Relevant event

On May 25, 2018, the Company, through the Aeropuerto de Cancun, increased its shareholding in Airplan by acquiring an additional 7.58%, which gave it a 100% interest in that company. See Note 1.2.

1.1) Acquisition of Aerostar

Until May 30, 2017, the Company considered Aerostar to be a joint venture (see Notes 1 and 9); as of May 31, 2017, in accordance with International Financial Reporting Standard 3, "Business combination", the acquisition is considered a business combination.

The following table summarizes the consideration pertaining to Aerostar at the combination date or date of the transaction:

	<u>May 30, 2017</u>
Cash paid	Ps 726,628
Previous benefit acquired by departure of the previous shareholder	<u>848,923</u>
Consideration on May 30, 2017	1,575,551
Share capital's fair value of held in Aerostar prior to the business combination	7,877,756
Non-controlling interest at the business combination date	<u>6,302,205</u>
Total purchase consideration	<u>Ps15,755,512</u>

Due to the business combination, the following effects were originated:

- The Company estimated a fair value of its previously acquired share capital in Aerostar of 50% at Ps.7,877,756, which showed a book value at the date of the transaction of Ps.2,353,040. As a result of measuring its interest in Aerostar at fair value, the Company has recognized a nonrecurring profit, unrelated to the cash flow, of Ps.5,524,716, which is included as "Gain in business combination" in the consolidated statement of income. The mechanics to determine fair value were based on the use of two methods: a) discounted cash flows and b) implicit multiples (based on a sample of comparable public companies). The most relevant assumptions considered in the first method were the applied discount rate, the projected passenger traffic, and its growth rate and percentages of revenue growth, costs and expenses in the term of the concession; and for the second method, the multiples of income and profit before interest, taxes, amortizations and depreciations and adjustments applied to the net premium of control.
- Once the Joint Venture between the Company and Highstar Capital IV (Highstar) was completed, both parties decided to review the income received and contributions made in order to adjust the price to be paid for the 10% acquired by the Company. As a result of the revision, the adjustment to the price was Ps.848,923 (included in the line "profits in business combination" of the income statement). The consideration paid at May 30, 2017, includes an amount paid in cash by the Company of Ps.726,628 plus the benefit previously acquired for the departure of Highstar. Additionally, as a result of the consolidation of Aerostar at the date of the business combination, the effects of foreign currency

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

Notes to the Consolidated Financial Statements December 31, 2018 and 2017

translation accrued at the transaction date were recycled, which amounted to Ps.655,561. This movement was recorded in the line "earnings in business combination" within the consolidated statement of income.

Said gain was presented as an adjacent line where the participation method was recognized, as it is considered associated with said transaction and because the Company does not perform this type of operations as part of its ordinary activities.

- During the evaluation of assets stage, an intangible asset derived from the "commercial rights" acquired was identified, representing the rights to commercially exploit the areas of the airport in addition to the aeronautical operation, such as, commercial store leasing and advertising spots, etc., amounting to Ps.6,053,820. For its identification, the discounted cash flow method was used to determine the fair value of commercial rights, and the most relevant assumptions considered were the applied discount rate, projected passenger traffic, as well as percentages of revenue, costs and expenses growth during the term of the concession.
- Due to the difference resulting from the comparison of the fair values and the book value, a deferred income tax was determined at Ps.605,382.
- The difference between the net assets acquired in the business combination and the total consideration results in a goodwill of Ps.5,606,265 at the business combination date (see Note 8.1). The goodwill associated with this business combination is not deductible for income tax purposes.
- An amortization of the intangible identified in the business combination has been determined at Ps.98,780 and expensed as part of the depreciation and amortization in the consolidated statement of income.
- The non-controlling interest derived from this transaction was determined to be Ps.6,302,205. This interest was determined at fair value with references to comparable market values, since Highstar at the same time sold its interest to another company at the time of the transaction.

In the case of business combinations carried out in stages, International Financial Reporting Standards (IFRS) require that any interest previously held by an acquirer in the acquired entity be adjusted to its fair value at the business combination date, and any gain (or loss) arising from such remeasurement are recognized under gain or loss in the consolidated statement of income. The IFRS also require that any amount previously recognized in comprehensive income relating to such investments be recycled to the consolidated statement of income, as if such investment were sold.

The fair value of the Trader and accounts receivable considered in the business combinations are similar to the contractual value thereof, and the related amounts are not expected to raise impairment issues.

Liabilities at the fair value have been calculated at the date of the transaction and correspond mainly to bank loan valuations. At the reporting date, those liabilities were evaluated, and it has been determined that book value is the same as the fair value determined, which was calculated based on their possible settlement. The cash flow required to settle those liabilities is expected to materialize between 1 to 17 years.

The liabilities have also been calculated at the fair value at the combination date and are similar to their book value.

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

Notes to the Consolidated Financial Statements

December 31, 2018 and 2017

Following are the fair value of the net assets acquired under the business combination at the acquisition date:

<u>Assets</u>	<u>Fair value</u>
CURRENT:	
Cash and cash equivalents	Ps 543,242
Restricted cash and cash equivalents	16,989
Other current assets	<u>142,410</u>
Current assets	<u>702,641</u>
NON-CURRENT:	
Land, furniture and equipment	135,929
Intangible assets, airport concessions - Net	<u>19,308,402</u>
Total non-current assets	<u>19,444,331</u>
Total assets	<u>Ps 20,146,972</u>
<u>Liabilities</u>	
CURRENT:	
Current liabilities	Ps <u>647,896</u>
NON-CURRENT:	
Long-term debt	8,254,620
Deferred income tax	808,894
Other non-current liabilities	<u>286,315</u>
Total non-current liabilities	<u>9,349,829</u>
Total liabilities	<u>9,997,725</u>
Net assets acquired under the business combination	10,149,247
Total purchase consideration	<u>15,755,512</u>
Goodwill at the acquisition date (Note 8.1)	<u>Ps 5,606,265</u>

The main characteristics of fair value adjustments are described below:

<u>Caption</u>	<u>Item</u>	<u>Methodology</u>
Intangible assets:		
Commercial rights	Commercial exploitation rights at the LMM airport	Discounted flows and implicit multiples using the WACC rate

The fair value adjustments mentioned in previous table were obtained for the purpose of applying the purchase method of the Aerostar acquisition. The non-controlling interest was recognized as its fair value. The projection used to apply the aforementioned methodologies was based on business plans approved by Aerostar Management.

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The goodwill recognized by the Company is attributable to the expected growth in the North American airport sector and in line with the Company's expansion opportunity in the consolidation of additional airport groups. No contingent liability or contingent consideration arrangement has arisen from this acquisition. If the acquisition had taken place on January 1, 2017, revenues would have increased by Ps.1,549,099 and net income by Ps.127,042.

For the determination of the fair value of the non-controlling interest, considering the absence of public market prices of Aerostar, the fair value of the controlling party was taken as a basis, which reflects a goodwill of the company as a whole, including the controlling and non-controlling parties, thereby better reflecting the economic interests of the transaction given that the non-controlling party also participated in the future economic benefits generated from the acquisition.

Aerostar relevant information and its significant non-controlling interest

The Aerostar condensed financial information at December 31, 2018 and 2017, which shows its significant non-controlling interest, is shown below:

	Year ended December 31	
<u>Condensed statement of financial position</u>	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	Ps. 868,095	Ps. 436,774
Restricted cash and cash equivalents	47,332	106,350
Other current assets	<u>175,479</u>	<u>247,517</u>
Total currents assets	1,090,906	790,641
Financial liabilities:		
Current liabilities	<u>(640,785)</u>	<u>(633,084)</u>
Working capital	450,121	157,557
Land, furniture and equipment	174,450	141,708
Intangible assets, airport concessions – Net	13,587,071	13,636,227
Other long term assets	544	584
Long term debt	(7,282,268)	(7,489,465)
Accounts payable to the Company	(1,152,805)	(1,210,088)
Other long term liabilities	(21,609)	
Deferred income tax – Net	<u>(330,999)</u>	<u>(267,307)</u>
Shareholders' equity	<u>Ps. 5,424,505</u>	<u>Ps. 4,969,216</u>
<u>Condensed statements of comprehensive income</u>		
Revenue	Ps. 3,025,267	Ps. 1,497,557
Operating cost and expenses	(2,098,323)	(1,186,028)
Other income	134,637	
Comprehensive financial cost – Net	(538,268)	(295,803)
Deferred income tax	<u>(62,252)</u>	<u>(28,679)</u>
Net income (loss) for the year	461,061	(12,953)
Foreign currency translation	<u>(5,772)</u>	<u>254,110</u>
Total comprehensive income for the year	<u>Ps. 455,289</u>	<u>Ps. 241,157</u>

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Regarding the non-controlling interest in its subsidiary Aerostar, there are no significant restrictions on the possibility of having access to the assets or of using them for the payment of obligations.

1.2) Acquisition of Airplan

1) As of October 19, 2017, in accordance with the International Financial Information Standard 3 "Business Combination" (IFRS 3) the acquisition is considered a business combination, and therefore, it has been registered using the purchase method established in IFRS 3. The acquisition was recorded by distributing the total assets acquired, including intangible assets and assumed liabilities, based on the fair values determined at the date of acquisition. The excess of the acquisition cost over the net of the fair values of the assets acquired and liabilities assumed has been recorded as goodwill.

A goodwill of Ps.1,474,955 was recognized at the business combination date (see Note 8.1). The goodwill associated with this business combination is not deductible for income tax purposes.

The fair value of the Trade and accounts receivable considered in the business combinations are similar to the contractual value thereof, and the related amounts are not expected to raise impairment issues.

The liabilities have been determined at fair value at the date of the combination and correspond mainly to the valuation of bank loans.

For the determination of the fair value of the non-controlling interest, comparable market values were used (based on a sample of comparable public companies). The most relevant assumptions considered were multiples of income and earnings before interest, taxes, amortizations and depreciations and adjustments applied to the net premium of control.

The following table summarizes the consideration pertaining to Airplan at the business combination date:

	October 19, <u>2017</u>
Consideration paid on October 19, 2017	Ps 3,789,797
Non-controlling interest at the combination date	<u>310,827</u>
Total purchase consideration	<u>Ps 4,100,624</u>

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The distribution of the purchase price over the net assets acquired of Airplan at the business combination date are shown below:

<u>Assets</u>	<u>Fair value</u>
CURRENT:	
Cash and cash equivalents	Ps 37,716
Other current assets	<u>189,372</u>
Current assets	<u>227,088</u>
NON-CURRENT:	
Land, furniture and equipment	3,400
Intangible assets, airport concessions - Net	<u>7,232,588</u>
Total non-current assets	<u>7,235,988</u>
Total assets	<u>Ps 7,463,076</u>
<u>Liabilities</u>	
CURRENT:	
Current liabilities	<u>Ps 551,000</u>
NON-CURRENT:	
Bank loans	3,424,897
Deferred taxes on profits	861,483
Other non-current liabilities	<u>27</u>
Total non-current liabilities	<u>4,286,407</u>
Total liabilities	<u>4,837,407</u>
Net assets acquired under the business combination	2,625,669
Total consideration	<u>4,100,624</u>
Goodwill at acquisition date and at acquisition date (Note 8.1)	<u>Ps 1,474,955</u>

The main characteristics of fair value adjustments are described below:

<u>Caption</u>	<u>Item</u>	<u>Methodology</u>
Intangible assets: Concession	Commercial exploitation rights in Airplan	Discounted flows and implicit multiples using the WACC rate
Non-current liabilities: Long-term debt	Fair value of the Bank loans	Present value of estimated future cash flows

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The fair value adjustments specified in the previous table were obtained from Company Management for the purpose of applying the purchase method to the acquisition of Airplan. The non-controlling interest was recognized based on the proportional interest in net acquired assets.

The projections used to apply the methodologies described above were based on the business plans approved by the Administration of Airplan at the time of acquisition, which subsequently served as the basis for the analysis of deterioration made by the Administration at the date of the consolidated financial statements.

The goodwill recognized by the Company represents non-separable assets due to the growth potential and development opportunities of Airplan. No contingent liability has arisen from this acquisition that must be registered; there are also no contingent consideration agreements. If the acquisition had taken place on January 1, 2017, revenues would have increased by Ps.2,640,493 and net income by Ps.231,130.

2) On May 25, 2018, the Company increased its shareholding in Airplan by acquiring an additional 7.58%, which gave it a 100% interest in that company. Considering and that on October 19, 2017, a record was made of the acquisition of businesses via the acquisition method established in IFRS 3 using fair value of the overall business determined at the date of acquisition, recording of the operation involving the additional acquisition resulted in recognition within stockholders' equity of the net effect (definitive values) of the operation, which is analyzed as follows:

	May 25, <u>2018</u>
Consideration paid for the non-controlling interest	Ps.213,469
Carrying value of the non-controlling interest	<u>(327,003)</u>
Difference recognized in stockholders' equity	<u>Ps.113,534</u>

Note 2 - Segment information:

The Company is a Mexican entity that was incorporated in April 1998 as a wholly-owned entity of the federal public government to administrate, operate and if necessary, condition and modernize nine airports in the Southeast of Mexico. The nine airports are located in the following cities: Cancun, Cozumel, Mérida, Huatulco, Oaxaca, Veracruz, Villahermosa, Tapachula and Minatitlán. The Company operates two companies that provide administrative services: Servicios Aeroportuarios del Sureste, S. A. and C. V. and RH Asur, S. A. de C. V.

In addition, Cancun Airport hold an interest in the following subsidiaries: 100% in Caribbean Logistic, S. A. de C. V. and Cargo RF, S. A. de C. V, companies providing storage services, handling services, warehousing and custody of foreign trade merchandise and the related to the premises inspected at airports concessioned to third parties, as well as Cancun Airport Services, S. A. de C. V., whose main activity is to establish and operate shops, for the sale of all type of products.

On May 30, 2017, Cancun Airport increased its shareholding from 50% to 60%, in Aerostar Airport Holdings LLC, a limited liability company, incorporated on February 27, 2013 under the laws of the Commonwealth of Puerto Rico, and that he entered into a Lease Agreement (Agreement) for 40 years with the Port Authority of Puerto Rico (Authority), owner of the LMM, for the purpose and essential consideration of operating the airport for public use safely; maintain the safety and protection of the LMM Airport Facility at the highest possible levels, and promote, facilitate, assist and improve trade, tourism and

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economic development, for which the recognition as a joint venture was until May 30 2017 (Note 9), and as of May 31, 2017, Aerostar consolidates line by line in the Company's finances.

On October 19, 2017, Cancun Airport acquired 92.42% of the shares of Airplan, a company domiciled in the city of Medellín, Colombia, who operates and administrate through a single concession (contract 8000011-OK) the Airports of Olaya Herrera Medellín, José María Córdoba from Rionegro. El Caraño from Quibdó, Los Garzones from Montería, Antonio Roldán Betancourt from Carepa and Las Brujas from Corozal. As of October 20, 2017, Airplan is part of the consolidation of the Company.

On May 25, 2018, the Company, through the Aeropuerto de Cancun, increased its shareholding in Airplan by acquiring an additional 7.58%, which gave it a 100% interest in that company.

The information by segments is shown in the next page.

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Year ended on December 31, 2018	Cancún	Aerostar (*)	Airplan (**)	Mérida	Villahermosa	Holding & Services	Other	Consolidation adjustments	Total
Revenue from contracts with customers:									
Aeronautical revenue	Ps. 4,428,546	Ps. 1,700,859	Ps. 1,276,506	Ps. 469,879	Ps. 201,502	Ps. 1,684,204	Ps. 865,618	Ps. (1,684,654)	Ps. 8,942,910
Non-aeronautical revenue	3,831,325	964,404	396,834	117,277	59,822		162,345		5,531,557
Revenue for construction services	205,834	360,004	312,375	4,831	15,604		37,126		935,774
Operating profit	5,206,971	882,381	239,893	297,468	113,038	605,860	433,358	(29,335,081)	7,778,969
Non-current assets	16,927,804	20,515,694	6,592,640	1,454,497	921,162	28,789,664	4,314,529		50,180,909
Total assets	19,002,035	21,607,145	6,905,451	1,857,958	1,241,529	29,525,000	5,377,784	(29,335,081)	56,181,821
Total liabilities	4,528,342	10,040,600	4,575,476	(25,257)	79,070	205,077	97,124		19,500,432
Improvements to assets under concession and acquisition of furniture and equipment in the period	364,795	772,009	415,042	7,116	12,671		64,692		1,636,325
Amortization and depreciation	(455,003)	(632,236)	(452,364)	(47,803)	(30,147)	(640)	(142,548)		(1,760,741)
Revenue recognized									
At a point in time:									
Aeronautical revenue	3,846,184	1,245,320	1,200,941	426,070	180,407		788,406		7,687,328
Non-aeronautical revenue	621,850								621,850
Total	4,468,034	1,245,320	1,200,941	426,070	180,407		788,406		8,309,178
Over a period of time:									
Aeronautical revenue	543,282	455,539	75,565	41,179	21,027		73,068		1,209,661
Non-aeronautical revenue	2,888,043	954,626	395,410	57,554	39,395		143,100		4,478,129
Revenue for construction services	205,834	360,004	312,375	4,831	15,604		37,126		935,774
Total	Ps. 3,637,160	Ps. 1,770,169	Ps. 783,350	Ps. 103,564	Ps. 76,027	Ps. 253,295	Ps. 6,623,564		Ps. 6,623,564

(*) Subsidiary located in Puerto Rico

(**) Subsidiary located in Colombia

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Year ended on December 31, 2017

	Cancun	Aerostar (*)	Airplan (**)	Merida	Villahermosa	Holding & Services	Other	Consolidation adjustments	Total
Aeronautical revenue	Ps 3,963,324	Ps 939,042	Ps 225,693	Ps 394,531	Ps 195,554	Ps 1,492,287	Ps 766,075	Ps 1,492,605	Ps 6,484,219
Non-aeronautical revenue	3,401,235	482,590	69,071	97,656	61,909		149,240		4,261,383
Revenue for construction services	1,421,942	72,925	187,294	46,146	6,336		106,573		1,844,216
Operating profit	4,623,499	311,529	782	264,098	119,772	501,617	374,634	(4,719,098)	1,476,833
Non-current assets	17,539,396	19,831,755	7,107,932	1,497,095	935,624	25,176,942	4,430,766	(25,693,269)	50,826,241
Total assets	20,486,290	20,609,156	7,327,398	1,769,962	1,227,172	25,693,958	5,193,436	(25,693,269)	56,614,103
Total liabilities	7,932,392	9,599,943	5,092,968	(180)	82,802	131,983	85,894		22,925,802
Own assets acquired (***)		13,390,511	7,235,988						20,626,499
Exchange rate translation from non-current assets (****)		686,198	161,277						847,475
Commercial right's (****)		6,053,820							6,053,820
Improvements to assets under concession and acquisition of furniture and equipment in the period	1,009,625	139,078	189,536	50,021	8,965	813	97,174		1,495,212
Amortization and depreciation	(457,447)	(437,852)	(54,998)	(46,470)	(29,892)	(700)	(138,755)		(1,166,114)

(*) Subsidiary located in Puerto Rico

(**) Subsidiary located in Colombia

(***) These items are an integral part of the "total assets" line and are presented for greater understanding derived from the acquisition.

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Note 3 - Income from contracts with clients:

The Company adopted IFRS 15 “Revenue from contracts with customers” as from January 1, 2018, which specifies how and when to recognize income contemplating a 5-step model based on principles applied to all contracts with clients. Contracts with clients were first identified (step 1). In step 2, performance obligations for each of the contracts were identified, in step 3, transaction prices were determined, in step 4, transaction prices were assigned to individual performance obligations, and in step 5, the respective income was recorded when the company had complied with all the performance obligations pertaining to each contract, the condition for which was that control of the services had been transferred to the client.

When analysis of the contract had been concluded in the terms of IFRS 15, it was determined whether income arising from each contract should be recognized at a particular point in time or over a period time. That determination was based on specific criteria having to do with the point at which each performance obligation was transferred to the client.

The Company considered using the simplified retrospective transition method, which resulted in changes to accounting policies and in a breakdown of performance obligations in the note on segments in the consolidated financial statements, which does not alter the information presented at the close of the preceding period. Other IFRS 15 implications are described in the following portion of this note.

3.1) Revenue recognition

Airports operated by the Company receive income from external clients for aeronautical services rendered to airlines and the rendering of complementary services. The Company also recognizes revenue from construction services arising from concession agreements with government entities.

Practical files used: IFRS 15 provides a practical resource allowing entities to ignore the effects of a financing component in certain circumstances. The practical file focuses on cases where goods or services are provided as compared to the point at which payment is made rather than the duration of the contract. The practical resource can be used even when the duration of the contract exceeds 12 months if the time difference between the obligation and the payment is less than 12 months. However, the practical resource cannot be used to ignore the effects of financing in the first 12 months of a longer-term agreement that includes a significant financing component. The Company has opted to make use of this practical file considering that its agreements exceed 12 months, although the deadline for complying with its obligations and payment of same is less than 12 months.

Following is a description of the principal types of service agreements from which the Company receives revenue.

3.1.1) Aeronautical services

The Company operates airports in three countries (Mexico, Puerto Rico and Colombia), providing different aeronautical services involving principally the following performance obligations.

- a. Passenger rates (Airport Use Fee - TUA), which is calculated based on total outgoing passengers (other than diplomats, infants and passengers in transit) making use of air terminals operated by the Company.
- b. Landing fees, which contemplate landing services, the use of runways, taxiing strips, and bands.

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- c. Platform use fees, based on the time and aircraft remains at a terminal after landing.
- d. Security services, calculated on the basis of the total number of incoming and outgoing passengers.
- e. Baggage inspection fee, calculated on the basis of total number of outgoing passengers.
- f. Use of passenger walkways, which consists of rendering passenger walkways service connecting an aircraft to the terminal after landing.
- g. Fee for the use of passenger documentation counters; the fee is applied on the basis of the holding of documentation for one-hour periods. After the first hour has elapsed, the fee is charged proportionately for 30-minute increments.

Revenue is measured based on the consideration specified in the tariff regulating system applicable to airports in each country for each performance obligation identified. In Mexico, these are regulated by the Department of Communications and Transport (SCT), in Puerto Rico by the Federal Aviation Administration (FAA) and in Colombia by Aerocivil.

Passenger, landing and security fees are recorded at a particular point in time, once the aircraft departure manifest has been delivered. Revenue arising from other performance obligations is recorded over a period of time as the services are rendered.

Discounts

The Company may apply discounts to its rates, provided they are not discriminatory in the light of the laws in effect in the countries in which the Company operates. Discounts are granted based on the discount policy and conditions negotiated with the National Autotransportation Chamber (CANAERO), and regulated income must be delivered within a period of 30 days.

Revenue is recorded net of estimated discounts based on applicable rates.

The prompt-payment discount for regulated income principally the Airport Use Fees (TUA by its initials in Spanish) is established in each of the contracts signed with the airlines, and is subtracted from the aforementioned income. In 2018 and 2017, the discount amounted to Ps.45,293 and Ps.43,802, respectively.

Terms of payment

According to the airport service contract signed with clients, the credit term is 30 days; and the first of each month for complementary services.

3.1.2) Non-aeronautical services

The Company generates revenue from non-aeronautical services, which involve basically the following performance obligations:

- a. Access rates to nonpermanent overland transportation based on the number of access events experienced by the transportation companies operated by 3rd parties providing passenger transportation services at the terminal.

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- b. Car parking, rates based on the time vehicles remain at public parking areas.
- c. Retail sales, recorded when a product is sold to a client and payment on the transaction is made at the time of purchase.

Revenue arising from access rates to overland transportation and retail sales are recorded at a particular point in time, to the extent that the performance obligation is satisfied and the promised goods and services are transferred, while parking area income is recorded over time.

Contracts for commercial revenue

IFRS 15 must be applied to all contracts with clients. However, there are exceptions, such as contracts for the leasing of commercial space, which fall under IAS 17 "Leases".

Presently, space leased at airports to airlines and other commercial lessees comprise the most significant source of income related to non-aeronautic services. Leasing income is accrued monthly and is determined by applying a percentage established in the lease contract to income from actual sales of lessees (interest), or an agreed minimum fee.

Commercial leasing operations include the leasing of automobiles, the sale of food and beverages, retail sales, sales made at kiosks, graphic advertising, overland transportation, fixed operations and other services rendered. Commercial income is partially recorded on the basis of lessee income and is partially based on minimum lease rates.

Leasing income is accrued monthly and is determined by applying a percentage established in the lease contract to income from actual sales of lessees (interest), or as an agreed minimum fee. At December 31, 2018 in 2017, variable leasing income was Ps.2,689,149 and Ps.2,466,980, respectively, and Ps.264,920 and Ps.166,747, respectively, for fixed leasing rates.

3.1.3) Construction services

As an operator of airport concessions, the Company is required to improve items under concession. Works carried out within the airport are based on development plans authorized by the regulators. Revenue from construction services are recorded on the basis of percentages of completion approved by the regulator at least once a year. Improvements made are expected to complement the infrastructure of the airport operated by the Group. IFRS 15 establishes that during the construction period of the infrastructure related to concessions received, they must be shown as "contract assets" in the statement of financial position, regardless of the type of consideration received (financial asset or intangible asset). See Note 8.

Construction services carried out by the Group do not entitled it to a direct cash consideration; rather, it is entitled to charge users for airport services rendered at the terminals during the concession period. Revenue from construction services is measured at fair value of the services rendered, which increased the value of the intangible asset, plus the cost of capitalized financing.

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	Year ended on December 31	
	<u>2018</u>	<u>2017</u>
Revenue associated to the intangible of the concession contract of compulsory works ⁽ⁱ⁾	Ps 15,672	Ps 35,154
Revenue associated of complementary works ⁽ⁱⁱ⁾	<u>296,703</u>	<u>152,140</u>
	<u>Ps312,375</u>	<u>Ps 187,294</u>

⁽ⁱ⁾ Compulsory works .- These are Works that the concessionaire undertakes to execute in compliance with the Airport Adjustment and Modernization Plan.

⁽ⁱⁱ⁾ Complementary works .- These are the words that are not part of the Adequacy and Modernization Plan but are executed at the proposal of the concessionaire , or at request of the grantors.

3.1.4) Airports Law and Regulations

Mexico

Under the Airports Law and Regulations thereto in Mexico, Company revenue is classified as regulated Services, and non-regulated Services. Regulated Services are that mainly consist of the use of runways, taxiways and platforms for landings and departures, parking for aircrafts, use of mechanical boarders, security services, hangars, car parking, as well as the general use of the terminals and other infrastructure by the aircrafts, passengers and cargo, including the rent of space that is essential for the operation of airlines and suppliers of complementary services. Non-regulated Services consist mainly of ramp services and handling of luggage and cargo, food services, maintenance and repair and related activities that provide support to the airlines.

The Rate Regulation provides that the following sources of revenues are regulated under this system:

- Revenues from airport services (as defined under the Mexican Airport Law), other than automobile parking, and
- Access fees earned from third parties providing complementary services, other than those related to the establishment of administrative quarters that the Ministry of Communications and Transportation (SCT, by initials in Spanish) determines to be non-essential.

Non-regulated Services consist of services that are not considered essential for an airport's operation, such as the rent of spaces to businesses, restaurants and banks. Access fees and income from other services are recognized as services are rendered.

Following is the Company revenue at December 31, 2018 and 2017, using the classification established in the Airport Law and the Regulations thereto. The grouping for the 2018 period was considered on the basis of performance obligations established under IFRS 15, whose difference as compared to the 2017 grouping consists of showing the Company's own retail sales, which were Ps.621,850, under non-regulated services with revenue arising from contracts with clients.

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	<u>Year ended on</u> <u>December 31</u>	
	<u>2018</u>	<u>2017</u>
Regulated services:		
Airport services for revenue from contracts with customers (*):		
Passengers fees	Ps 6,547,645	Ps 4,908,716
Landing fees	1,047,687	593,557
Platform	413,129	329,835
Security services	91,996	72,312
Baggage inspection fees	268,940	223,847
Passengers walkway	509,440	300,847
Passengers documentation counters	18,152	15,650
Other airport services	<u>325,546</u>	<u>299,067</u>
	<u>Ps 9,222,535</u>	<u>Ps 6,743,831</u> ^(***)
Non regulated services:		
Non regulated services for revenue from contracts with customers:		
Retail stores	Ps 621,850	Ps
Access fees on non permanent ground transportation	57,885	47,756
Car parking and related access fees	298,536	183,977
Other services	<u>151,952</u>	<u>124,241</u>
	<u>1,130,223</u>	<u>355,974</u>
Commercial services	<u>4,121,709</u>	<u>3,645,797</u>
Total non regulated services (**)	<u>5,251,932</u>	<u>4,001,771</u>
Construction services	<u>935,774</u>	<u>1,844,216</u>
Total	<u>Ps 15,410,241</u>	<u>Ps 12,589,818</u>

(*) This includes Aerostar regulated income of Ps.1,700,859 and Ps.939,042, for 2018 and 2017, respectively and Ps.1,276,506 and Ps.225,693 for Airplan in the same period. The foregoing is as from inclusion in the Company's consolidation going back to May 31 and October 19, 2017, respectively.

(**) This line item in the consolidated statement of income (non-aeronautical services) includes complementary and airport services totaling Ps.279,625 and Ps.259,612 for the 2018 and 2017 periods, respectively.

(***) Regulated services for 2017 are opened for comparative purposes with the year 2018, in which they were opened by the application of IFRS 15.

Puerto Rico

According to the agreement entered into by the Puerto Rico Authority and Aerostar, Aerostar revenue is classified as for regulated services and non-regulated services. See notes 3.1.1 and 3.1.2.

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Colombia

Under resolution 4530 of Civil Aeronautics in Colombia, Airplan revenue is classified as for regulated services and non-regulated services. See notes 3.1.1 and 3.1.2.

The grouping for the 2018 period was considered on the basis of performance obligations established under IFRS 15, whose difference as compared to the 2017 grouping consists of showing the Company's own retail sales, which were Ps.621,850, under non-regulated services with revenue arising from contracts with clients.

The following table sets forth the revenue from commercial activities for the years indicated.

	Year ended December 31,	
	2018	2017
Commercial revenues:		
Retail stores	Ps	Ps 1,194,772
Duty free shops	1,861,116	881,705
Food and beverage	738,371	609,304
Advertising revenues	161,214	139,545
Car rental companies	611,864	379,162
Banking and currency exchange services	119,855	97,311
Teleservices	14,139	12,973
Ground Transportations	76,106	5,729
Other services	<u>539,044</u>	<u>325,296</u>
Total commercial revenues	<u>Ps 4,121,709</u>	<u>Ps 3,645,797</u>

As shown following, the estimates for future income (per year), comes from non-cancelable operating leases considering the commercial contracts of minimum rent at December 31, 2018.

For the years ended December 31:

	2018	2017
2018	Ps	Ps 3,986,487
2019	3,535,065	2,584,950
2020	3,257,229	2,358,698
2021	2,880,142	2,054,600
2022	2,861,442	4,159,744
2023 a 2028	<u>16,382,714</u>	<u>6,940,544</u>
Total	<u>Ps.28,916,592</u>	<u>Ps.22,085,023</u>

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Note 4 - Costs and expenses by nature:

	<u>January 1 to December 31,</u>	
	<u>2018</u>	<u>2017</u>
Termination benefits (Note 18.17)	Ps 1,595	Ps 1,984
Short term benefits	1,118,926	772,129
Employees' statutory profit sharing	8,052	6,359
Electric power	458,827	234,879
Maintenance and conservation	673,603	401,479
Professional fees	306,169	217,930
Insurance and bonds	200,477	86,838
Surveillance services	310,065	207,303
Cleaning services	229,003	142,531
Technical assistance (Note 15.4)	386,249	346,487
Right of use of assets under concession (DUAC) ⁽¹⁾	898,253	468,695
Amortization and depreciation of intangible assets, furniture and equipment	1,760,741	1,166,114
Goodwill impairment (Note 8.1)		4,719,096
Consumption of commercial items	300,845	252,602
Construction services (Note 3.1.3)	935,774	1,898,550
Financial assets impairment		45,687
Other	<u>177,330</u>	<u>144,322</u>
Total aeronautical and non-aeronautical services costs, costs of construction services and administrative expenses	<u>Ps 7,765,909</u>	<u>Ps 11,112,985</u>

⁽¹⁾ As of December 31, 2018 and 2017, DUAC by Ps.458,290 and Ps.406,733 correspond to the consideration for the concessions in Mexico, which is equivalent to 5% of the gross revenues of each of the concessions, Ps. 312,244 and Ps.56,005 corresponds to the consideration of the Airplan concession at 19% of gross revenues for the year ending December 31, 2018 and from the period of October 19 to December 31, 2017, Ps.127,719 and Ps.5,957 for the consideration of the Aerostar concession at 5% of the airport's gross receipts for the year ending December 31, 2018 and from the period of May 31 to December 31 2017.

Note 5 - Cash and cash equivalents:

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Cash and cash held at banks	Ps 3,713,072	Ps 4,417,791
Short term investments	841,295	240,701
Fiduciary rights ^(*)	<u>30,140</u>	<u>18,962</u>
Total cash and cash equivalents	<u>Ps 4,584,507</u>	<u>Ps 4,677,454</u>

^(*) Corresponds to the fiduciary's agreement 2875 of Airplan, Company's subsidiary, signed with Fiduciaria Bancolombia to administrate the resources of the concession contract. See Notes 8.2 and 18.5.

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5.1) Restricted cash and cash equivalents

At December 31, 2018 and 2017, restricted cash and cash equivalents includes Ps.47,332 and Ps.106,350 respectively, that amount was collected by Aerostar from PFCs and are restricted to funding investment projects in airport infrastructure authorized by the FAA. See Notes 18.6 and 9.

Note 6 - Accounts receivable - Net:

	<u>December,31</u>	
	<u>2018</u>	<u>2017</u>
Clients	Ps 991,033	Ps 858,900
Less: impairment provision	(179,639)	(173,398)
Adoption effect IFRS 9	<u>(18,284)</u>	<u> </u>
Total accounts receivables	<u>Ps 793,110</u>	<u>Ps 685,502</u>

The expectation for collection of the short-term account receivable is one month in relation to the reporting date.

Accounts receivable are comprised mainly of TUA paid by passengers (other than diplomats, infants and passengers in transit) who travel using the airport terminals operated by the Company. The balance at December 31, 2018 and 2017 amounted to Ps.600,518 and Ps.525,379, respectively.

At December 31, 2018, the total balance of unimpaired past due accounts receivable was Ps.275,490 (Ps.192,805 at December 31, 2017). These accounts relate to a number of independent clients that do not have a recent history of non-compliance.

The maturity analysis of past due accounts receivable is as follows:

	<u>December 31,</u>
	<u>2017</u>
Three months	Ps 137,155
From three to six months	71,049
More than six months	<u>157,999</u>
	366,203
Minus:	
Past due accounts receivable not impaired	<u>192,805</u>
Amount of the estimation for impairment	<u>Ps 173,398</u>

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The movements in the impairment provision are as follows:

Provision for impairment at January 1, 2017	Ps 127,711
Application to the provision in Mexico during the period	36,621
Aerostar's provision impairment	6,690
Airplan's provision impairment	<u>2,376</u>
Provision for impairment at December 31, 2017	173,398
Application to the provision in Mexico during the period	(35,403)
Aerostar's provision impairment	20,128
Airplan's provision impairment	3,232
Valuation IFR'S 9 provision	<u>18,284</u>
Provision for impairment at December 31, 2018	<u>Ps 179,639</u>

Provision for impairment of accounts receivable has been recorded in the consolidated comprehensive income statement under cost of services, and the amounts charged to the provision are written off from accounts receivable when recovery is not expected.

The Company applies the simplified approach contained in IFRS 9 for measuring expected credit losses, which makes use of an expected loss provision over the lifetime of the instrument for all accounts receivable and contract assets

In order to measure expected credit losses, accounts receivable and contract assets have been grouped on the basis of their shared credit risk features and days past due. The Company held no relevant contract assets at January 1 or December 31, 2018.

The expected loss rates are based on the profiles for payment of sales in a 12-month period prior to December 31, 2018 or January 1, 2018, respectively, and on historical credit losses experienced within that period. Historical loss rates are adjusted to reflect current and prospective information on macroeconomic factors affecting client capacity for covering accounts receivable. The Group has determined that the economic situation of a country can have adverse effects on the transportation industry, in addition to the cost of complying with aviation regulations and union pressures on airlines, which are the most relevant factors, and therefore adjusts historical loss rates based on changes expected in those factors.

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On that basis, the provision for losses at December 31, 2018 and at January 1, 2018 (for adoption of IFRS 9) was determined as follows for accounts receivable and for contract assets:

<u>Expected loss rate:</u>	<u>Due to expire</u>	<u>1 to 90</u>	<u>91 to 180</u>	<u>181 to 365</u>	<u>More than 365</u>	
Mexico	0.02%	0.02%	0.02%	100%	100%	
Aerostar	0.25%	0.25%	15.00%	100%	100%	
Airplan	0.88%	0.88%	0.88%	100%	100%	

<u>At December 31, 2018</u>	<u>Due to expire</u>	<u>1 to 90</u>	<u>91 to 180</u>	<u>181 to 365</u>	<u>More than 365</u>	<u>Total estimate 31/12/2018</u>
Mexico's accounts receivables	Ps 93	Ps 604	Ps 1,252	Ps 495	Ps 128,804	Ps 131,248
Mexico's provision impairment				495	128,804	129,299
Aerostar's account receivables	154,235	49,645	239	5,790	36,738	246,647
Aerostar's provision impairment	386	124	36	5,790	36,738	43,073
Airplan's accounts receivables		183,223		5,653		188,876
Airplan's provision impairment		1,612		5,653		7,265
Total estimate	Ps 386	Ps 1,737	Ps 36	Ps 11,938	Ps 165,542	Ps 179,639

<u>At January 1, 2018</u>	<u>Due to expire</u>	<u>De 1 a 90</u>	<u>De 91 a 180</u>	<u>De 181 a 365</u>	<u>Más de 365</u>	<u>Total estimación al 01/01/18</u>
Mexico's accounts receivables	Ps	Ps	Ps	Ps 37,102	Ps 127,230	Ps 164,332
Mexico's provision impairment				37,102	127,230	164,332
Aerostar's accounts receivables	111,731	62,764	28,549		18,240	221,285
Aerostar's provision impairment	279	157	4,282		18,240	22,958
Airplan's accounts receivables		183,985		2,772		186,757
Airplan's provision impairment		1,619		2,772		4,391
Total estimate	Ps 279	Ps 1,776	Ps 4,282	Ps 39,874	Ps 145,471	Ps 191,682

Note 7 - Land, furniture and equipment - Net:

At December 31, 2018 and 2017, the land furniture and equipment are made up as follows:

	<u>01/01/2017</u>	<u>Business acquisition</u>	<u>Foreign currency translation</u>	<u>Additions</u>	<u>Disposals transfers</u>	<u>31/12/2017</u>
Land	Ps 302,050	Ps 290	Ps 7			Ps 302,347
Furniture & equipment	60,001	8,801	380	Ps 5,852	(Ps 2,326)	72,708
Machinery & equipment		54,723	2,843	7,817		65,383
Computer equipment		12,231	464	2,872		15,567
Transport equipment		18,980	975	958		20,913
Improvements to leased premises		42,532	2,384			44,916
Accumulated Depreciation	(38,952)			(22,903)	2,326	(59,529)
	323,099	137,557	7,053	(5,404)		462,305
Equipment in transit		1,772	92	9,069		10,933
	Ps 323,099	Ps 139,329	Ps 7,145	Ps 3,665	Ps	Ps 473,238

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	<u>01/01/2018</u>	Foreign currency <u>translation</u>	<u>Additions</u>	<u>Disposals transfers</u>	<u>31/12/2018</u>
Land	Ps 302,347	(Ps 24)			Ps 302,323
Furniture & equipment	72,708	(335)	Ps 11,093		83,466
Machinery & equipment	65,383	(150)	15,278		80,511
Computer equipment	15,567	(337)	30,860	(Ps 278)	45,812
Transport equipment	20,913	(64)	1,215		22,064
Improvements to leased premises	44,916	52	15,672		60,640
Accumulated depreciation	<u>(59,529)</u>	<u>(929)</u>	<u>(44,298)</u>	<u>278</u>	<u>(104,478)</u>
	462,305	(1,787)	29,820		490,338
Equipment in transit	<u>10,933</u>	<u>(230)</u>	<u>57,439</u>		<u>68,142</u>
	<u>Ps 473,238</u>	<u>(Ps 2,017)</u>	<u>Ps 87,259</u>	<u>Ps _____</u>	<u>Ps 558,480</u>

The consolidated depreciation expense for 2018 was Ps.44,298 (Ps.22,903 in 2017), including the depreciation of Aerostar Ps.40,410 and Ps.20,697 for the year ended December 31, 2018 and for the period of May 31 to December 31, 2017 and the depreciation of Airplan Ps.1,066 and Ps.175 for the year ended December 31,2018 and for the period of from October 19 to December 31, 2017, respectively, and which has been charged in aeronautical and non-aeronautical services costs, and administrative expenses.

Note 8 - Intangible assets, airport concessions - Net:

The movements of intangible assets of airport concessions in the periods presented in the consolidated financial statements are as follows:

	<u>01/01/2017</u>	Business <u>acquisition</u>	Foreign currency <u>translation</u>	<u>Additions (*)</u>	<u>Disposals transfers</u>	<u>31/12/2017</u>
Concessions (Regulated activity)	Ps 27,639,119	Ps 20,487,170	Ps 484,045	Ps 1,449,729	Ps _____	Ps 50,060,063
Licences and ODC	205,527			18,915		224,442
Commercial Right's (Non-regulated Activity)		6,053,820	140,951			6,194,771
Goodwill		7,081,220	2115,334			7,296,554
Goodwill's impairment				(4,719,096)		(4,719,096)
Accumulated amortization	<u>(7,560,520)</u>	<u>_____</u>	<u>_____</u>	<u>(1,143,211)</u>	<u>_____</u>	<u>(8,703,731)</u>
	<u>Ps 20,284,126</u>	<u>Ps 33,622,210</u>	<u>Ps 840,330</u>	<u>(Ps 4,393,663)</u>	<u>Ps _____</u>	<u>Ps 50,353,003</u>

	<u>01/01/2018</u>	Foreign currency <u>translation</u>	<u>Additions (*)</u>	<u>Disposals transfers</u>	<u>31/12/2018</u>
Concessions (Regulated Activity)	Ps 49,423,536	(Ps 468,600)	Ps 105,512	Ps 900,805	Ps 49,961,253
Contracts assets	636,527		935,774	(900,805)	671,496
Licences and ODC	224,442		25,229		249,671
Commercial Right's (Unregulated Activity)	6,194,771	336,860			6,531,631
Goodwill	2,577,458	(10,093)			2,567,365
Goodwill's impairment	<u>(8,703,731)</u>	<u>25,080</u>	<u>(1,716,443)</u>	<u>_____</u>	<u>(10,395,094)</u>
	<u>Ps 50,353,003</u>	<u>(Ps 116,753)</u>	<u>(Ps 649,928)</u>	<u>Ps _____</u>	<u>Ps 49,586,322</u>

(*) The most significant additions made in 2018 are a) improvements to the facilities at terminal buildings 3 and 4 at the Cancun Airport; b) construction of the federal inspection station and outfitting for operations at the LMM Airport and c) expansion to the national and international passenger terminal area, expansion of the international apron, advances in the construction of the cargo terminal at the Rionegro airport and extension of the passenger terminal and construction of the service center at Quibdó.

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(**) The most significant additions includes: a) Improvements in the installation of the terminal 3 building at Cancun Airport; b) Construction of the new terminal 4 building at Cancun Airport; c) Supply and installation of passenger boarding bridges in the terminals 3 and 4 buildings; d) Expansion of the commercial platform of the terminal 3 building; e) Construction of earth fills and pavement for the terminal 4 platform, and f) Construction of wheel treads, connector, and head rests in Cancun Airport.

As a result of the acquisition of Aerostar, an intangible asset was identified for the Commercial Rights acquired for an amount of Ps.6,053,820, which represent the rights to commercially explore the airport areas in addition to the aeronautical operation, that is, leases to commercial premises, commercial stores and advertisements.

The expense for amortization of Concessions in the amount of Ps.1,694,252 (Ps.1,130,481 in 2017) has been charged to the cost of aeronautical and non-aeronautical services, this amount includes the amortization of commercial rights of Ps179,199 (Ps.98,780 in 2017), recognized by the valuation of its investment in accordance with IFRS 3 "Business combinations", and the amortization of the intangible assets of Airplan for Ps.100,479.

The amortization expense of the Mexican concession by Ps. 656,428 (Ps. 571,788 in 2017) has been charged to the cost of the aeronautical and non-aeronautical services.

The amortization expense of the Aerostar concessions by Ps.406,261 (Ps.405,090 in 2017) has been charged to the cost of aeronautical and non-aeronautical services.

The amortization expense of the Airplan concessions by Ps. 351,885 (Ps.54,823 in 2017) has been charged to the cost of aeronautical and non-aeronautical services.

Otherwise, the expense for amortizing licenses and ODC of Ps.22,191 (Ps.12,730 in 2017) has been charged to administrative expenses.

8.1) Impairment testing of goodwill

The Administration reviews the performance of the business based on a segmentation of its subsidiaries based on its geography.

Goodwill is assigned to the operating segments that are expected to benefit from the synergies of the business combination, regardless of whether other assets or liabilities of the acquired entities are assigned. The following is a summary of the allocation of goodwill for each operating segment

	<u>2018 and 2017</u>
Aerostar (Note 1.1)	Ps 887,169
Airplan (Note 1.2)	<u>1,474,955</u>
	<u>Ps 2,362,124</u>

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Significant estimate - Impairment:

As a result of the passage of Hurricane Maria on the island of Puerto Rico on September 20, 2017, which affected the infrastructure of the LMM airport as well as causing severe damage to the rest of the island that impacted the expected future flows of Aerostar the Company recognized an impairment of Ps.4,719,096 in cost of aeronautical and non-aeronautical services within operating costs and expenses. As a result of the above, the Administration also carried out impairment tests on the intangible asset of the concession, without determining a deterioration to be recognized. Remaining a net effect, as shown below:

Goodwill (Note 1.1)	Ps 5,606,265
Impairment (Note 4)	<u>(4,719,096)</u>
	<u>Ps 887,169</u>

Methodology:

Aerostar and Airplan.- The Company's Management performed the calculation based on the fair value less costs to sell and the value in use, in accordance with the methodologies established in IAS 36, derived from the above, took into account the most high. In this case, he chose the fair value less costs to sell. The method for determining this was discounted cash flows.

For the determination of fair value less costs to sell, projections of cash flows approved by the Administration are used, covering a period of 36 years in the case of Aerostar and 15 years in the case of Airplan, which are the remaining years of the airport concessions.

For each CGU with a significant amount of goodwill, the key assumptions are the following:

	<u>2018</u>		<u>2017</u>	
	<u>Airplan</u> <u>%</u>	<u>Aerostar</u> <u>%</u>	<u>Airplan</u> <u>%</u>	<u>Aerostar</u> <u>%</u>
Discount rate	10.46	10.93	10.07	10.93
Discount rate for the value in use method	15.12	11.75	15.12	11.75
Annual average of revenue growth	3.10	4.14	3.10	2.44
Output passenger growth rate	4.50	2.50	3.80	1.88
Level of the fair value hierarchy of value recoverable from the CGU	3	3	3	3

Management has determined the values assigned to each of the above key assumptions as follows:

Assumptions

Approach used to determine the values

Discount rate

It reflects the specific risks related to the market rates of the industry and the countries in which they operate.

Annual average of revenue growth

Weighted average growth rate during the period of the concessions, historical trends of national and international passengers are based.

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Passenger departures growth rates

Weighted average rate of growth in departing passengers during the period of the concessions which is linked to the operational and financial growths.

CGU Aerostar:

2018:

If the discount rate applied to the cash flow projections of this CGU would have been + 1% or -1%, the Management's estimate would have to recognize the following additional effects. In the case of a rate increase (11.93% instead of 10.93%), the Company would have to recognize and additional impairment of Ps.617,025, and in the case of the decrease in the rate (9.93% instead of 10.93%) the excess of cash flows against the carrying value would be increased by Ps.2,350,705.

2017:

If the discount rate applied to the cash flow projections of this CGU would have been + 1% or -1%, the Management's estimate would have to recognize the following additional effects. In the case of a rate increase (11.93% instead of 10.93%), the Company would have to recognize and additional impairment of Ps.1,525,824, and in the case of the decrease in the rate (9.93% instead of 10.93%) Company would have to recognize a lower amount of impairment of Ps.1,827,599

CGU Airplan:

2018:

If the discount rate applied to the cash flow projections of this CGU would have been + 1% or -1%, the Management's estimate would have to recognize the following additional effects. In the case of a rate increase (11.46% instead of 10.46%), the Company would have to recognize and additional impairment of Ps.118,552, and in the case of the decrease in the rate (9.46% instead of 10.46%) the excess of cash flows against the carrying value would be increased by Ps.371,769.

2017:

If the discount rate applied to the cash flow projections of this CGU would have been + 1% or -1%, the Management's estimate would have to recognize the following additional effects. In the case of a rate increase (11.07% instead of 10.07%), the Company would have to recognize and additional impairment of Ps.393,929, and in the case of the decrease in the rate (9.07% instead of 10.07%) the excess of cash flows against the carrying value would be increased by Ps.429,668.

8.2) Basic terms and conditions of the concessions

Mexico:

The basic terms and conditions of each concession are the following:

- a. The concession holder must undertake the construction, improvement and maintenance of the facilities in accordance with its Master Development Plan (MDP) and is required to update the plan every five years. See Note 16.

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The concession holder may only use the airport facilities for the purposes specified in the concession and must provide services in accordance with all applicable laws and regulations, and is subject to statutory oversight by the SCT.

- b. The concession holder shall pay a DUAC (currently 5% of the gross income of the concession holder, resulting from the use of public assets in accordance with the terms of the concessions) as required by the applicable law. DUAC is presented in the consolidated statement of income under "Cost of aeronautical services". See Note 4.
- c. Fuel services and fuel supply are to be provided by the Mexican Airport and Auxiliary Services Agency, a Decentralized Public Entity.
- d. The concession holder must grant access to and the use of specific areas of the airport to government agencies to perform their activities inside the airports.
- e. The concession may be terminated if the concession holder fails to comply with certain of the obligations imposed by the concession as established in Article 27 or for the reasons specified in Article 26 of the Airport Law.
- f. Revenues resulting from the concession are regulated and subject to a review process. See note 19.1.3.
- g. The terms and conditions of the regulations governing the operations of the Company may be modified by the SCT.

Aerostar:

The purpose of the Aerostar concession (Agreement) is to operate the public airport safely by maintaining the highest possible levels of safety and protection at the LMM Airport, and promoting, facilitating and improving commerce, tourism and economic development. The Puerto Rico authorities, Aerostar and the other airlines have agreed to the terms and conditions of the LMM Airport Facility Contract. The concession period is 40 years as of the closing of the agreement assigning the Airport's operating rights (February 27, 2013).

Under the Agreement, Aerostar has no rights to control in full the use of the Airport facilities, and it is required to provide certain maintenance services within the airport.

As part of the Agreement, the authorities grant Aerostar the right to sublease the LMM Airport non-aeronautical areas and to collect and retain the fees, charges and payments and income arising from all subleased facilities.

According to the provisions of the Agreement, the Company has the right to collect the annual contributions of all airlines, which will be equal to the sum of the: a) platform use fees; b) landing fees; c) other leases, and d) international and domestic airport use fees.

The Agreement requires Aerostar to make a cash payment of USD2.5 million per year for the first five years after the first five years, the authority establishes a payment of "Annual Authority Income Share", consisting of 5 % of the gross revenues of the airport obtained by Aerostar from the sixth year to the thirtieth year. From year 31 to 40, this amount will increase to 10% of the airport's gross revenues.

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Airplan:

The object of the concession contract 8000011-0K is the granting by the Civil Aeronautics of Colombia and in favor of Airplan of the concession for the administration, operation, commercial exploitation, adaptation, modernization and maintenance of the airports Antonio Roldán Betancourt, El Caraño, José María Córdova, Las Brujas and Los Garzones, and the granting by Olaya Herrera Airport - AIH in favor of the Concessionaire of the concession for the administration, commercial operation, adaptation, modernization and maintenance of Olaya Herrera Airport.

The term of execution of the contract extends from the date of signing of the act of commencement of execution and until the date on which one of any of the following events occurs:

- That the regulated revenues generated are equal to the expected regulated revenues, provided that by that time 15 years have elapsed from the date of execution of the certificate of commencement of execution.
- That 25 years have elapsed since the date of execution of the execution start certificate regardless of whether, for the time being, regulated revenues generated have not matched the value of the expected regulated revenues.
- If the regulated income generated equals the expected regulated revenue before 15 years have elapsed from the date of execution of the certificate of commencement of execution, the duration of execution of the certificate of commencement of execution and during this term the Concessionaire must execute all the obligations under his charge under the Concession Contract.

It must be taken into account, for purposes of the regulated revenue expected as defined in the concession contract, that the expected regulated revenue will increase once each of the complementary works (mandatory or voluntary) is delivered to the grantor. As of December 31, 2018 and 2017, the expected regulated income adjusted for complementary works is Ps.15,973 and Ps.14,292, respectively.

The Grantors agree to assign the regulated and unregulated revenues corresponding to each of the airports to Airplan. The Concessionaire will obtain all of its remuneration for the concession only of the assignment of the regulated revenues and of the unregulated revenues that the concessionaires make in their favor.

The Concessionaire is obliged, with the grantor to pay, during the term of the Contract, a consideration equivalent to 19% of the gross income of the Concessionaire.

The Concession granted by virtue of this Contract imposes on the Concessionaire the general obligation to administer, make commercial use and operate the airports in accordance with the minimum specifications set forth in the Contract and at their own risk.

The determination of the economic useful life of the intangible is subject to the percentage of execution of the revenues with respect to the total expected income of the financial model that the Company has.

Contract of Fiducia

For the administration of the resources of the Concession and the payment of the obligations in charge of the Concessionaire Airplan, it was forced to constitute a trust, to which it transfers all of its gross income received and all the resources of debt and capital that it obtains for the execution of the Concession.

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The Trustee will maintain, in accordance with current accounting standards, a record of each and every one of the payments and transfers that are made to third parties or to the Concessionaire itself with charge to any of the accounts of the trust. The foregoing without prejudice to understand that the assignment of regulated income and non - regulated income that this agreement makes the Concession is made in favor of the Concessionaire and not the trust and that the debt and capital resources obtained by the Concessionaire should be adequately recorded as such in its own accounting and not in the Trust, since it is constituted solely for purposes of the administration of resources.

The constitution of the trust was made through the execution of an irrevocable mercantile trust and administration contract whose term will be the maximum authorized by Colombian commercial laws.

8.3) Subsequent measurement of the intangible asset

The Company will subsequently measure the intangible asset over its economic useful life at cost, less accumulated amortization and impairment loss.

Note 9 - Investment in joint ventures accounted for under the equity method:

In 2013, the Company participated in a bidding process through its subsidiary, Aeropuerto de Cancún, S. A. de C. V. (Cancun) for a long-term lease agreement to operate and administer the LMM Airport located in San Juan, Puerto Rico.

The investment between Highstar Capital IV (Highstar) and Cancun, created Aerostar Airport Holdings, LLC (Aerostar). It was determined that operations of Aerostar constitute a Joint Venture. Aerostar signed a 40-year lease agreement to operate the LMM Airport. As part of the bidding terms, Aerostar made an initial payment of USD615 million (Ps.7,846 million pesos approximately) to the Puerto Rico authorities. A portion of that payment was funded by a private placement of bonds by Aerostar in the amount of USD350 million (Ps.4,471 million pesos approximately) in the same year of acquisition of the concession.

Nature of the investment

Aerostar is a limited liability company incorporated under the laws of Puerto Rico. It is mainly engaged in operating the facilities of the LMM Airport. Aeropuerto de Cancún, S. A. de C. V. holds 60% in the ownership interest of Aerostar (50% until May 30, 2017) and the Public Sector Pension Investment Board "PSP Investments" own the other 40% (until May 30, 2017 owned by Highstar Capital IV in 50%). See Note 1.

Passenger Facility Charges (PFC):

The United States Congress of North America approved the "Aviation Safety and Capacity Expansion Act." In which it authorizes United States airports to impose a Passenger Facility Charge (PFC). PFC can be used for airport projects that meet at least one of the following criteria: preserve or improve the security, protection or capacity of the national air transport system; reduce noise or mitigate noise resulting from an airport; or provide opportunities for increased competition between airlines. PFC revenues and accrued interest are restricted for use in capital projects approved by the FAA and are classified as restricted cash. See Note 5.1. For the period to December 31, 2018 and the period from June 1 to December 31, 2017, revenues collected by PFC were Ps. 329,532 and Ps.191,356, respectively.

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As of May 30, 2017, Aerostar consolidates its shareholding as a subsidiary in the Company, increasing its shareholding from 50% to 60%, for which the recognition as a joint venture is until May 30, 2017.

CONDENSED STATEMENT FINANCIAL POSITION

	<u>May 30, 2017</u>
Cash and cash equivalents	Ps 543,242
Restricted cash and cash equivalents	16,989
Other current assets	<u>142,410</u>
Current assets	<u>702,641</u>
Financial liabilities	
Other current liabilities	<u>(647,896)</u>
Current liabilities	<u>(647,896)</u>
Working capital	<u>54,745</u>
Land, furniture and equipment	135,373
Intangible assets, airport concessions - Net	13,254,582
Other non-current assets	<u>556</u>
Non-current assets	<u>13,390,511</u>
Long term debt	(6,824,310)
Loan payable to the Company	(1,430,310)
Other non-current liabilities	(286,325)
Deferred taxes - Net	<u>(203,502)</u>
Non-current liabilities	<u>(8,744,447)</u>
Stockholders' equity	<u>Ps4,700,809</u>

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CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Period from January 1 st to May 30, 2017
Total revenue	Ps1,170,888
Operating costs and expenses	(506,636)
Depreciation and amortization	(187,799)
Comprehensive financing expenses	(252,068)
Comprehensive financing income	22,279
Deferred income taxes	<u>(21,974)</u>
Net income for the period	224,690
Foreign currency translation	<u>(475,233)</u>
Comprehensive result	<u>(Ps 250,543)</u>
<u>Reconciliation of condensed financial information</u>	
Initial capital contribution to Aerostar	Ps3,016,003
Accumulated earnings (deficit)	176,335
Net income for the period	224,690
Other accumulated comprehensive income	1,786,266
Other comprehensive result	<u>(502,485)</u>
Net assets at period closing	4,700,809
Equity percentage in joint business	<u>50%</u>
Carrying value	<u>Ps2,350,405</u>
Net income for the period	Ps 224,690
Equity percentage in joint venture	<u>50%</u>
Equity method income	<u>Ps 112,345</u>

Note 10 - Accounts payable and accrued expenses:

At December 31, 2018 and 2017, the balances are as follows:

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Suppliers	Ps 313,577	Ps 428,881
Taxes payable	230,193	157,387
Use rights of assets under concession	247,729	127,076
Accounts payable to related parties (Note 15.1)	97,332	87,951
Salaries payable	127,289	111,984
Sundry creditors for services provided	810,973	583,059
Accounts payable to contractors	<u>44,331</u>	<u>265,236</u>

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Total Ps 1,871,424 Ps 1,761,574

Due to the fact that these accounts mature at a term of under one year, their fair value is considered to approximate their carrying value.

Note 11 - Bank loans:

At December 31, 2018, the Company has used the total amount of these credits as shown below:

Bank	Credit line foreign currency	Credit line used in pesos	Principal amortization	Commissions and interests - Net	Short	Term		Fair value
						Long		
Santander, S.A.		Ps 2,000,000	Ps -	(Ps 10,733)	Ps -	Ps 1,986,267	Ps 2,132,256	
BBVA Bancomer, S. A. (*)		2,000,000	4,000,000	(1,598)	2,731	1,995,671	2,135,210	
BBVA Bancomer, S. A. *	USD 72,500	1,425,560	1,425,560					
Bank of America Merrill Lynch (*)	USD 72,500	1,425,560	1,425,560					
Total México	USD 145,000	Ps 6,851,120	Ps 2,851,120	(Ps 12,331)	Ps 2,731	Ps 3,984,938	Ps 4,267,466	
Bancolombia	COP 146,250,000	1,099,078		2,656	Ps 58,958	Ps 1,042,776	Ps 1,065,445	
CorpBanca	99,450,000	747,684		2,947	40,030	710,601	724,502	
Banco Bogotá	87,750,000	659,584		2,064	35,317	626,331	639,267	
Banco Bavivienda	36,074,210	270,972		144	14,528	256,588	262,810	
Banco de Occidente	36,074,228	270,970		135	14,527	256,578	262,810	
Banco Popular	7,799,030	58,389		(580)	3,275	54,534	56,824	
Banco AV Villas	7,800,000	58,642		233	3,141	55,734	56,824	
Serfinansa	7,800,000	58,393		(867)	3,008	54,518	56,824	
Total Airplan	COP 428,997,468	Ps 3,223,712	Ps -	Ps 6,732	Ps 172,784	Ps 3,057,660	Ps 3,125,306	
			Ps 2,851,120	(Ps 5,599)	Ps 175,515	Ps 7,042,598	Ps 7,392,772	

At December 31, 2017, the Company has used the total amount of these credits as shown below:

Bank	Credit line foreign currency	Credit line used in pesos	Principal amortization	Commissions and interests - Net	Short	Term		Fair value
						Long		
Santander, S. A.		Ps 2,000,000	Ps -	Ps 14,875	Ps 14,875	Ps 2,000,000	Ps 2,089,786	
BBVA Bancomer, S. A.		4,000,000	4,000,000	-	-	-	-	
BBVA Bancomer, S. A.		2,000,000		(10,576)	2,957	1,986,467	2,091,065	
BBVA Bancomer, S. A.	USD 72,500	1,425,560		3,215	5,675	1,423,100	1,540,499	
Bank of America Merrill Lynch (*)	USD 72,500	1,425,560		3,215	5,675	1,423,100	1,535,374	
Total México	USD 145,000	Ps 10,851,120	Ps 4,000,000	Ps 10,729	Ps 29,182	Ps 6,832,667	Ps 7,256,724	
Bancolombia	COP 150,000,000	1,295,381		Ps (2,595)	Ps 103,100	Ps 1,189,686	Ps 1,204,983	
CorpBanca	102,000,000	718,021		(633)	2,840	810,284	819,389	
Banco Bogotá	37,000,000	813,757		(1,047)	34,159	714,374	297,229	
Banco Bavivienda	90,000,000	328,112		(1,159)	2,488	292,905	722,990	
Banco de Occidente	37,000,000	295,186		(1,258)	1,031	292,898	297,229	
Banco Popular	8,000,000	63,824		(941)	369	62,514	64,266	
Banco AV Villas	8,000,000	63,824		(49)	223	63,552	64,266	
Serfinansa	8,000,000	63,824		(1,243)	79	62,502	64,266	
Total Airplan	COP 440,000,000	Ps 3,641,929	Ps -	(Ps 8,925)	Ps 144,289	Ps 3,488,715	Ps 3,534,614	
		Ps 14,493,049	Ps 4,000,000	Ps 1,804	Ps 173,471	Ps 10,321,382	Ps 10,791,338	

(*) The following variables were used to determine the fair values of the loans at December 31, 2018 and 2017:

As a result of the business combination in Airplan on October 19, 2017, a fair value of the syndicated loan, valued at its amortized cost, was determined, increasing its value by Ps.605,382. The debt contracted in the original currency (the Colombian peso) plus this adjustment to fair value will result in COP.535,125,402.

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México:

2018:

- FRA TIE Curve 28 at December 31, 2018.
- Implicit Curve Weights as of December 31, 2018.
- Probability of default ASUR at December 31, 2018.

2017:

- FRA LIBOR Curve 6 months.
- FRA TIE Curve 28.
- LIBOR Discount curve 3 months.
- Implicite curve weights.
- Probability of default ASUR.

Airplan:

2018:

- Spot Rate (DTF) at the start date of each of the provisions.
- Colombian reference rate as of December 31, 2018.
- Probability of default ASUR at December 31, 2018

2017:

- Spot Rate (DTF) at the start date of each of the provisions.
- Colombian reference rate

Level 2 of fair value hierarchy

Methodology:

The following methodology was used to determine fair value in the terms of IFRS 13. The valuation technique used is one recognized in the financial environment (estimated future cash flows discounted at their present value) using market information available at the valuation date.

Mexico:

On July 17, 2015, the Company agreed on several lines of credit with BBVA Bancomer and Bank of America Merrill Lynch in the amount of USD.215 million. The loan will be amortized in nine payments, from July 2018 to July 2022. The loan was denominated in US dollars and was subject to LIBOR plus 1.85%. On November 16, 2017, the Company paid Ps.70 toward the principal and canceled the remaining portion of the loan, in order to renegotiate new loans with both banks for USD.72.5 million from each. The loans are for a six-year period and mature on November 16, 2023. The loans are denominated in US dollars and are subject to LIBOR plus a spread of 1.525% for one and LIBOR plus a spread of 1.45% for the other.

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The credit lines may be used for general corporate purposes and to finance capital expenditures related to the PMD. On May 16, 2018, the Company made a capital payment of US 72.5 million (Ps.1,415,301 pesos) and on November 16, 2018, paid off the remainder of the US Ps.72.5 million loan (Ps.1,478,848 pesos).

On July 31, 2017, Cancun entered into a loan with BBVA Bancomer in the amount of Ps 4,000 million. The term of the loan was one year, which would be amortized in a single payment on July 31, 2018. The loan was denominated in pesos and subject to the monthly rate TIIE plus 0.60% for the period of July 31 to October 31, 2017, TIIE plus 0.85% from October 31, 2017, to January 31, 2018, TIIE plus 1.10% from January 31 to April 30, 2018, and TIIE plus 1.60% from April 30 to July 31, 2018. The credit was used for general corporate purposes.

On October 2017, the Company restructured the debt with BBVA Bancomer, liquidating Ps 4,000 million, and acquiring with the same institution a loan of Ps 2,000 million. The new loan is payable in seven years and will be paid in nine semiannual payments from October 2020 to October 2025 at the rate of 28-day TIIE plus 1.25 points.

On October 2017, the Company acquired a loan with Banco Santander of Ps 2,000 million. The term of the loan is five years, with maturity on October 27, 2022, at the TIIE rate of 28 days plus 1.25 points.

Airplan:

On June 1, 2015, the Company acquired a new long-term syndicated loan of COP.440,000,000 Colombian pesos (Ps 2,897,404) payable in 2027 with a three-year grace period for the payment of principal.

The participants of this syndicated loan are:

<u>Entity</u>	<u>Amount (COP\$.)</u>
Bancolombia, S. A.	\$ 150,000,000
Corpbanca Colombia, S. A.	102,000,000
Banco Davivienda, S. A.	90,000,000
Banco de Bogotá, S. A.	37,000,000
Banco de Occidente, S. A.	37,000,000
Banco Popular, S. A.	8,000,000
Banco AV Villas, S. A.	8,000,000
Servicios Financieros, S. A.	<u>8,000,000</u>
	<u>\$ 440,000,000</u>

Financial obligations

Mexico:

Under the terms of the peso credit granted by BBVA Bancomer, the Company is required to maintain a level of consolidated leverage no greater than 3.5x, calculated as a total financial debt between the UAFIDA (pretax operating profit, the interest expense, plus depreciation, plus amortization at the consolidated level) for the 12 months prior to each quarter closing and minimum interest coverage ratio of 3.0x, calculated as the UAFIDA between financial expenses associated with the total financial debt for the twelve months preceding each quarter closing.

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Under the terms of the peso credit granted by Santander, the Company is required to maintain a level of leverage on the last day of each fiscal quarter not greater than 3.5x and a minimum interest coverage ratio of 3.0x. Both ratios must be calculated for the 12 months prior to each quarter.

The Company must refrain from creating, incurring, assuming or generating any liens on its goods, assets and rights, and from assuming obligations on behalf of third parties, or from acting as guarantor or granting any type of real personal or fiduciary guarantees to secure obligations on its behalf or on the behalf of third parties that are relevant or may have a relevant adverse effect on the payment of the loan.

As part of the terms of the loan made by BBVA Bancomer and Bank of America Merrill Lynch, the Company and its subsidiaries are required to keep a consolidated leverage level equal to or below 3.50:1.00 and a consolidated interest hedging index equal to or below 3.00:1.00 on the last day of each tax quarter. In the event of breach of the foregoing, the loan limits the capacity to pay dividends to the shareholders. Additionally, in the event of breach, all amounts due under the loan may be claimed and must be payable immediately.

During the term of the loan made by BBVA Bancomer and Merrill Lynch, the Company and its subsidiaries are not authorized to place a lien on any of the properties or sell any assets equivalent to more than 10% of the total assets consolidated in the most recent tax quarter prior to the sale or make any fundamental changes to the corporate structure.

Airplan:

The Company is obligated throughout the term of the credit to comply with the following financial commitments:

Maintain long-term financial indebtedness limited to this syndicated loan operation: This consists of the sum of the balances payable by the debtor during the term of the syndicated loan, as a result of long- and short-term financial indebtedness, the amount of which may not exceed the sum of COP.440,000,000 Colombian pesos.

Maintain the capital structure: This addresses the relationship between capital and debt that the debtor must meet in relation to the project throughout the term of the loan, in such a way that the result of the financial indicator Capital 1 (Capital + debt) is equal to or higher than 16%.

Maintain the index of debt coverage: This refers to the indicator that the debtor must maintain during the entire term of the loan, defined as: $EBITDA - Taxes / Debt\ service\ 2: 1.2$.

The Company is in compliance with the financial obligations and clauses of all loans at December 31, 2018 and 2017.

Note 12 – Long-term documents:

As a result of including Aerostar in the consolidation, as from May 31, 2017, the following long-term document payable is recorded.

As of May 31, 2017, Aerostar consolidates as a subsidiary in the Company by increasing its shareholding from 50% to 60%, and thus obtaining control.

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To finance a portion of the agreement payment to the Puerto Rico Authority, and certain other costs and expenditures associated with it, Aerostar into a Note Purchase Agreement in March 22, 2013, where Aerostar authorized the issue of subordinated bonds and sale of an aggregate principal of Ps.4,471 million Mexican pesos (USD350 million) of its 5.75% senior secured notes due on March 22, 2035.

Performance	2.39%
Spread credit (bps)	+336
Coupon	5.75%

On June 24, 2015, Aerostar signed an agreement for private placement of bonds in the amount of Ps.737 million pesos (USD50 million), maturing on March 22, 2035, based on the following conditions:

Performance	6.75%
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At December 31, 2018 the integration of the debt is shown as follows:

	Credit line used in USD	Interest in USD	Credit line in pesos	Interest in pesos	Term		Fair value
					Short	Long	
Loan	<u>USD 400,000</u>	<u>USD 9,831</u>	<u>Ps. 7,333,536</u>	<u>(Ps. 51,268)</u>	<u>Ps.324,590</u>	<u>Ps.6,957,678</u>	<u>Ps. 7,509,065</u>

At December 31, 2017 the integration of the debt is shown as follows:

	Credit line used in USD	Interest in USD	Credit line in pesos	Interest in pesos	Term		Fair value
					Short	Long	
Loan	<u>USD 400,000</u>	<u>USD 6,444</u>	<u>Ps. 7,489,465</u>	<u>Ps. 126,712</u>	<u>Ps. 340,288</u>	<u>Ps. 7,149,477</u>	<u>Ps. 6,766,798</u>

Inputs:

2018:

Corporate risk through Yield to Maturity of comparable bonds of the “Transportations and Logistics” sector.

2017:

Corporate risk through Yield to Maturity of comparable bonds of the “Transportations and Logistics” sector.

Methodology:

The following methodology was used to determine fair value in the terms of IFRS 13 the valuation technique used is one recognized in the financial environment (estimated future cash flows discounted at their present value) using market information available at the valuation date.

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Note 13 - Stockholders' equity:

At December 31, 2018 and 2017, the minimum fixed capital with no withdrawal rights is of Ps.1,000 and the variable portion is of Ps7,766,276, (nominal figure) comprised of 300,000,000 common, nominative Class I shares no par value, wholly subscribed and paid in. The variable portion of capital stock is comprised of Class II common, nominative shares. At December 31, 2018, no Class II shares have been issued. Both classes of shares will have the characteristics determined at the Shareholders' meeting where issuance is approved and they are integrated as follows:

<u>Description</u>	<u>Total shares</u>		<u>Capital stock as of December 31,</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
B Series	277,050,000	277,050,000	Ps 7,173,079	Ps 7,173,079
BB Series	<u>22,950,000</u>	<u>22,950,000</u>	<u>594,197</u>	<u>594,197</u>
Total	<u>300,000,000</u>	<u>300,000,000</u>	<u>Ps 7,767,276</u>	<u>Ps 7,767,276</u>

All ordinary shares confer the same rights and obligations on the holders of each series of shares. Series BB shares have voting shares and other rights, such as the right to elect two members of the Board of Directors, and Series B shareholders are entitled to appoint the remaining members of the Board of Directors. Series BB may not represent more than 15% of the Company's capital stock.

Legal reserve

The Company is legally required to allocate at least 5% of its unconsolidated annual net income to a legal reserve fund. This allocation must continue until the reserve is equal to 20% of the issued and outstanding capital stock of the Company. Mexican corporations may only pay dividends on retained earnings after the reserve fund for the year has been set up.

Reserve for acquisition of shares

The reserve for acquisition of shares represents the reservation authorized by the stockholders for the Company to purchase its own shares subject to certain criteria set forth in the bylaws and the Securities Market Law. At December 31, 2018 and 2017, the reserve for repurchase of shares totals Ps.9,862,262 and Ps.7,052,635, respectively.

Dividends

At the April 26, 2018 General Ordinary Stockholders' meeting, the Company's stockholders agreed to pay net dividends of Ps.2,034,000 (nominal), which don't gave rise to IT because the dividends were paid from the Net Profit Account (CUFIN, by its initials in Spanish).

At the April 26, 2017 General Ordinary Stockholders' meeting, the Company's stockholders agreed to pay net dividends of Ps.1,848,000 (nominal), which don't gave rise to IT because the dividends were paid from the After-tax Earnings Account (CUFIN, by its initials in Spanish).

Dividends are tax free if paid from the CUFIN. Dividends paid in excess of the CUFIN balances are subject to tax equivalent to 42.86%. Tax due is payable by the Company and may be credited against IT for the year

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or IT for the two immediately following fiscal years. Dividends paid from previously taxed earnings are not subject to tax withholding or payment. At December 31, 2018 and 2017, the companies CUFIN lump sum is Ps.11,382,509 and Ps.8,951,912, respectively, whereas the combined contribution capital account amounts Ps.41,606,425 and Ps.39,689,426, respectively.

In the event of a capital reduction, any excess of stockholders' equity over paid-in capital contribution account balances is accorded the same tax treatment as dividends, in accordance with the procedures provided for in the ITL.

Retained earnings

Substantially, all consolidated Company earnings were generated by its Subsidiaries. Retained earnings can be distributed to the Company's shareholders to the extent that the subsidiaries have distributed earnings to the Company.

Note 14 - Income tax incurred and deferred:

The Company does not consolidate its results for tax purposes.

a. Income Tax (IT)

Mexico:

In 2018 and 2017, the Company determined tax profits in its subsidiaries in the amounts of Ps.5,984,043 and 6,358,687, respectively. In 2018 and 2017, the tax profits were partially offset with the amortization of tax losses in the amounts of Ps.41,977 and Ps.86,083, respectively.

The subsidiaries that at December 31, 2018 and 2017, has not assessed income tax due to the tax loss carryforwards, are Cozumel, Minatitlán and Tapachula.

Taxable income differs from the book income due to temporary and permanent differences arising from the different bases for the recognition of the effects of inflation for tax purposes and from the permanent effects of items affecting only the book or tax results.

The ITL establishes for 2014 and subsequent years an income tax rate of 30%.

The Company has performed the evaluation of the Preferential Tax Regimes and has determined that this year it is not applicable because it does carry out a business activity, in the case of the investment in the airport of Puerto Rico, and that passive income does not represent more than 20% of its total income.

Aerostar:

The Company determined tax loss in Puerto Rico for Ps.343,534 and Ps.437,197 in 2018 and 2017, respectively, derived from the agreement with the Department of the Treasury of Puerto Rico in which its operations are subject to income taxes of Puerto Rico of 10% under the provisions of Section 12 (a) of the Public Private Partnership Law (Law) enacted in June 2009. Derived from the analysis carried out by the Administration, it is considered that there are no impacts due to changes in the legislation of the United States of America made since the 2018 fiscal year.

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Airplan:

The Company determined taxable income in accordance with the tax law of Colombia for the period at December 31, 2018 and for the period from October 19, to December 31, 2017 of Ps.94,843 and Ps.48,877, and a presumptive income on liquid equity, which results from applying the 4% and 3.5% rate on the fiscal liquid equity of the previous year, of Ps.24,719 and Ps.23,462 respectively.

The Company is subject in 2018 and 2017 to income taxes in Colombia of 33% (34% in 2017) plus a 6% surcharge on liquid income less COP.800,000. The company determined an income tax of Ps.31,298 in 2018 and Ps.16,618 in 2017, and an additional surcharge tax of Ps. 3,600 and Ps.2,933 for the aforementioned periods.

Law 1739 of December 23, 2014 in force, establishes the determination and payment of a surcharge on income tax for equity - CREE, which is the responsibility of the taxpayers of this tax and applies to a taxable base higher than the COP. 800,000, which is equivalent to 6%.

The tax reform establishes that the tax rate applicable for the year 2018 and subsequent years is 33% of the taxable income.

The IT provision at December 31, 2018 and 2017 is as follows:

México:

	<u>2018</u>	<u>2017</u>
Current IT	Ps 1,766,083	Ps 1,908,646
Deferred IT	<u>13,116</u>	<u>(312,091)</u>
Mexican IT provision	<u>Ps 1,779,199</u>	<u>Ps 1,596,555</u>

Aerostar:

IT deferred for the the year ended December 31,2018 and for the period from May 31 to December 31, 2017	Ps 33,879	Ps 28,678
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Airplan:

Current IT	(Ps 20,098)	Ps 19,551
Deferred IT	<u>2,981</u>	<u>(9,337)</u>
IT Provision Airplan for the year ended December 31, 2018 and for the period October 19 to December 31, 2017	<u>(Ps (17,117))</u>	<u>Ps 10,214</u>
Total IT provision	<u>Ps1,795,961</u>	<u>Ps 1,635,447</u>

The reconciliation between the statutory and effective income tax rates is shown in the next page:

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	<u>2018</u>	<u>2017</u>
Consolidated income before IT and joint venture equity method	Ps 6,916,699	Ps 8,498,889
Plus (less):		
Net (loss) income before taxes of subsidiaries Airplan and Aerostar	(297,179)	16,011
Net (loss) income before taxes of subsidiaries in México not subject to IT	<u>(89,685)</u>	<u>(62,327)</u>
Income before provisions for income taxes	6,529,835	8,452,573
Statutory IT rate	<u>30%</u>	<u>30%</u>
IT that would result from applying the IT rate to book profit before income taxes	1,958,951	2,535,772
Non-deductible items and other permanent differences	15,126	8,693
Gain in business combination		(2,108,760)
Goodwill impairment		1,415,729
Annual adjustment for tax inflation	12,101	(2,406)
Accounting disconnect inflation	(189,237)	(249,336)
Initial recognition for deferred IT consolidation in Aerostar ⁽¹⁾	33,879	28,678
Initial recognition for IT consolidation in Airplan ⁽¹⁾	(17,117)	10,214
Other non-taxable earnings	<u>(17,742)</u>	<u>(3,137)</u>
IT provision	<u>Ps 1,795,961</u>	<u>Ps 1,635,447</u>
Effective IT rate	<u>28%</u>	<u>19.3%</u>

⁽¹⁾ As of May 31, 2017, Aerostar consolidates in the Company and as of October 19, 2017, Airplan consolidates financially in the company.

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Following are the principal temporary differences with respect to deferred tax:

	Year ended December 31	
<u>Current deferred income tax:</u>	<u>2018</u>	<u>2017</u>
Deferred income tax asset:		
Accrued liabilities	Ps. 53,121	Ps. 48,439
Bank loan's fair value	213,617	208,394
Allowance for doubtful accounting	<u>36,874</u>	<u>44,916</u>
	<u>303,612</u>	<u>301,749</u>
<u>No current deferred income tax payable:</u>		
Fixed assets and concession (*)	(3,139,757)	(2,900,893)
Deferred income	(244,502)	(433,411)
Amortization of deferred expenses	<u>(1,021)</u>	<u>(1,375)</u>
	<u>(3,385,280)</u>	<u>(3,335,679)</u>
Deferred income tax liability - Net	<u>(Ps. 3,081,668)</u>	<u>(Ps. 3,033,930)</u>

At May 31, 2017, and October 19, 2017, Aerostar and Airplan consolidated in the Company, respectively, with an initial recognition for deferred tax liabilities of Ps.808,894 and Ps.579,585, respectively, due to the temporary difference between accounting and tax amortization rates.

(*) Includes Ps.943,256 and Ps. 267,307 from Aerostar from the periods 2018 and 2017, and Ps.909,706 and Ps.357,563 from Airplan in 2018 and 2017.

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The net movements of the deferred tax asset and liability for the year are as follows:

	Provision for loan portafolio impairment	Concesioned assets	Recoverable asset tax	Foreign currency translation	Other	Total
Balances at January 1, 2017	(Ps33,930)	Ps1,672,641	(Ps152,785)	Ps _____	(Ps 29,906)	Ps1,456,020
Recovery of asset tax			152,785			152,785
Initial recognition of Aerostar		203,512				203,512
Initial valuation in Aerostar investment		605,382				605,382
Net assets acquired under the business combination of Airplan		281,899				281,899
Effect of foreign currency translation Aerostar				35,117		35,117
Initial recognition of Airplan		356,296			223,289	579,585
Effect of foreign currency translation Airplan				7,458	4,922	12,380
		1,447,089	152,785	42,575	228,211	1,870,660
Tax charged or credited in the consolidated statement of income:						
Airplan		(6,191)			(3,146)	(9,337)
Aerostar		28,678				28,678
México	(10,986)	(283,899)	-		(17,206)	(312,091)
	(10,986)	(261,412)	-		(20,352)	(292,750)
Balances at December 31, 2017	(Ps44,916)	Ps2,858,318	Ps -	Ps42,575	Ps177,953	Ps3,033,930
Effect of foreign currency translation Airplan and Aerostar				20,427	(22,665)	(2,238)
				20,427	(22,665)	(2,238)
Tax charged or credited in the consolidated statement of income						
Airplan	(2,468)	178,236		(1,433)	(171,354)	2,981
Aerostar		35,440		(1,561)		33,879
México	10,510	7,755	-		(5,149)	13,116
	8,042	221,431	-	(2,994)	(176,503)	49,976
Balances at December 31, 2018	(Ps36,874)	Ps3,079,749	Ps -	Ps 60,008	(Ps 21,215)	Ps 3,081,668

b. Return of Asset Tax (AT) in accordance with the Law on Flat Rate Business Tax (LIETU) in Mexico.

AT in excess of IT effectively paid until December 31, 2007, (date on which AT was repealed) is subject to refund in accordance with the procedure established in the Flat Tax Law in the following ten periods up to 10% of the total AT paid and not yet recovered, without it exceeding the difference between the IT paid in the period and the AT paid in the previous three years, whichever is lower, in accordance with the Flat Tax Law, when IT incurred is higher than AT in any of those years, and it is subject to restatement through the application of "National Consumer Price Index" Mexican factors. The last year that the AT can be recovered is 2017.

During fiscal year 2018 and 2017, the Company obtained the recovery of AT for Ps.89,365 and Ps.211,675 respectively, with recognition in the results of 2018 and 2017 as revenue Ps.89,365 and Ps.58,890, respectively.

In 2018 and 2017, AT of Ps. 932 respectively, was applied in the results for the period under income taxes in favor of some subsidiaries in which the tax will not be recoverable not in accordance with the procedure

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established in the Flat Tax Law, which establishes that the tax is recoverable gradually every year up to a maximum of 10% of the total AT paid in the 10 years prior to 2008.

Recoverable taxes

At December 31, 2018 and 2017, the tax credits are as follows:

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Income tax	Ps345,730	Ps 74,885
Asset tax	<u> </u>	<u>8,006</u>
	<u>Ps345,730</u>	<u>Ps 82,891</u>

Aerostar Tax loss Carry forwards:

Aerostar had cumulative tax loss carry forwards whose right to be amortized against future taxable income expires as shown below:

<u>Year of loss</u>	<u>US dollar Amount</u>	<u>Year of expiration</u>
2012	USD 7,085	2022
2013	37,256	2023
2014	25,545	2024
2015	28,520	2025
2016	27,745	2026
2017	22,248	2027
2018	<u>17,482</u>	2028
	<u>USD 165,881</u>	

Temporal differences not recognized

Temporary difference related to investments in subsidiaries for which no liabilities have been recognized for deferred income tax:

Undistributed utilities	Ps 3,089,012
Tax rate	<u>30%</u>
Deferred income tax liabilities unrecognized with the previous temporary differences	<u>Ps 926,704</u>

This tax could be subject to a more thorough revision, as well as the application of tax treaties existing in the countries of origin.

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Note 15 - Balances and transactions with related parties:

15.1) Balances receivable and payable

At December 31, 2018 and 2017, respectively, the balances receivable from (payable to) related parties shown in the consolidated statement of financial position are comprised as follows:

	<u>2018</u>	<u>2017</u>
Accounts receivable:		
Autobuses de Oriente ADO, S. A. de C. V. (Shareholder/services)	Ps. 538	Ps. 47
Autobuses Golfo Pacífico, S. A. de C. V. (Shareholder/services)	<u>271</u>	<u>390</u>
	<u>Ps 809</u>	<u>Ps 437</u>
(**) Accounts payable and accumulated expenses (Note 10):		
Inversiones y Técnicas Aeroportuarias, S. A. de C. V. (Shareholder/technical assistance)	(Ps 96,643)	(Ps 82,771)
Sociedad Operadora Airplan, S. A. (Shareholder/technical assistance)		(4,133)
Lava Tap de Chiapas, S. A. de C. V. (Key management personnel/services)	<u>(689)</u>	<u>(1,047)</u>
	<u>(97,332)</u>	<u>(87,951)</u>
Net	<u>(Ps 96,523)</u>	<u>(Ps 87,514)</u>

(**) These are accounts with terms of less than one year under similar market conditions.

15.2) Transactions with related parties

At December 31, 2018 and 2017, the following transactions were held with related parties, which were set at the same prices and conditions as those that would have been used in comparable operations by third parties:

	<u>2018</u>	<u>2017</u>
<u>Commercial revenue:</u>		
Autobuses de Oriente, S. A. de C. V. (Stockholder)	Ps 14,445	Ps 11,770
Autobuses Golfo Pacífico, S. A. de C. V. (Stockholder)	7,014	6,382
Coordinados de México de Oriente, S. A. de C. V. (Stockholder)	150	139
<u>Interest income:</u>		
Aerostar (joint venture)		Ps 69,202
<u>Expenses:</u>		
Technical assistance (Note 15.4)	(Ps 386,249)	(Ps 346,487)
Leasing	(5,232)	(5,019)
Cleaning services	(10,854)	(10,239)
Other		(598)

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15.3) Compensation of key personnel

Key personnel include directors, members of the Steering Committee, and Committees. In the years ended on December 31, 2018 and 2017, the Company granted the following benefits to the key management personnel, the Steering Committee and the different Company Committees:

	<u>2018</u>	<u>2017</u>
Short-term salaries and other benefits paid to key personnel (Note 18.17) (*)	Ps 119,202	Ps 84,642
Fees paid to the Board of Directors and Committees	8,695	4,974

(*) In 2018 and 2017, includes cost of Ps. 53,268 and Ps.34,879 , and Ps. 16,350 and Ps.3,268, respectively by key personnel of directors of Aerostar and Airplan, who as of May 31, 2017 and October 19, 2017, respectively, consolidate in the Company.

15.4) Technical assistance agreement

With regard to the sale of series “BB” shares to ITA held in 1998, the Company signed a technical assistance agreement with ITA, whereby the latter company and its stockholders agreed to provide management and consulting services and transfer knowledge and experience in the industry and technology to the Company in exchange for compensation.

The agreement is for an initial term of 15 years and renews automatically for subsequent five year periods, unless one of the parts issues the other a cancellation notice within a determined term prior to the programmed expiration date. The Company can only exercise its termination right through a resolution of the shareholders. ITA began to provide its services under said contract on April 19, 1999.

In accordance with the contract, the Company agreed to pay an annual compensation equivalent to the higher of a fixed amount or 5% of the consolidated income of the Company before deducting the compensation for technical assistance and before the comprehensive financial result, IT, depreciation and amortization, determined in accordance with financial reporting standards applicable in Mexico. Beginning in 2003, the minimum fixed amount is of USD2 million (Ps.29.4 million pesos).

The minimum fixed amount will increase annually by the inflation rate of the United States plus the added value tax over the amount of the payment. The Company entered into an amendment agreement for technical assistance and transfer of knowledge, which establishes that the compensation will be paid on a quarterly basis beginning in January 1, 2008, and that such payments are to be deducted from the annual compensation.

At December 31, 2018 and 2017, the expenses for technical assistance amounted Ps.386,249 and Ps.346,487, respectively which are recorded in the consolidated comprehensive income statement within the aeronautical and non-aeronautical service cost line. ITA also has the right to refund the expenses incurred during the provision of the services specified in the agreement. The ITA BB series shares were put in a trust in order to ensure compliance with the technical assistance agreement, among other things.

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Note 16 - Commitments and contingencies:

Commitments

- a. The Company began leasing office space on May 21, 2015, under an operating lease agreement. This agreement includes an available extension of 60 months. The monthly rent due is of USD 21,547 (Ps.11,855).

The total minimum future payments derived from the non-cancellable operating lease agreement that shall be covered in the future are as follows:

Up to one year	Ps 5,232
Between one and three years	<u>10,464</u>
Total	<u>Ps 15,696</u>

At December 31, 2018 and 2017, the rent expense embedded within the aeronautical and non-aeronautical service cost in the statement of income, was approximately of Ps. 5,232 and Ps.5,019, respectively.

- b. On June 22, 2018, the Company received SCT approval for the PMDs for the five-year period from 2019 to 2023 in which the Company committed to carry out improvements.

At December 31, 2018, investment commitments for that PMD are as follows:

<u>Period</u>	<u>Amount</u>
2019	Ps 2,173,764
2020	5,108,847
2021	3,017,146
2022	1,816,852
2023	<u>849,799</u>
	<u>Ps 12,966,408</u> ⁽¹⁾

⁽¹⁾ Figures in thousand pesos adjusted at December 31, 2018 based on the Construction Price Index (IPCO) in the terms of the PMD.

- c. Pursuant to the terms for the purchase of the land in Huatulco that occurred in October 2008, the Company has the obligation to build 450 hotel rooms, for which purpose the Company will enter into agreements with third parties to develop the comprehensive tourism plan without a specific due date. At December 31, 2018, there is an indefinite extension to this commitment issued by FONATUR.
- d. As part of the Concession Agreement, Aerostar has committed to fund and complete certain capital and repair projects with respect to the LMM Airport Facilities. The Company has no time restrictions to complete these projects, except that they must be made at any time during the term of the lease. As these projects are carried out, repairs will be recorded as expenses incurred or capitalized and depreciated according to their nature; consistent with the Company's accounting policies. Capital projects will be capitalized as part of an intangible concession improvement asset and will be amortized over their useful lives or the remaining life of the concession contract, whichever is less.

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These projects include: the relocation of certain inspection facilities, repairs and improvements to parking garages, road signage, roof repairs, repair of certain aerodrome concrete surfaces, air conditioning improvements, restroom remodeling, extended sidewalk areas, public address systems, security plans and inspection services capacity. These commitments were excluded from the liability for initial obligations assumed due to factors of uncertainty, the variability of future costs and the extended period of time in which commitments can be fulfilled. As of December 31, 2018 and 2017, Aerostar fulfilled the agreed commitments.

- e. On September 20, 2017, hurricane Maria made landfall on the island of Puerto Rico. Operations were suspended at the San Juan airport on the 19th and resumed in a limited manner on the 21st of the month. The damages to airport infrastructure have been evaluated by the company to be approximately USDPs.15 million, of which most have been disbursed at the reporting date and which amount will be recorded in the cost of services as incurred. The infrastructure has material damage insurance. Insurance worth Ps.134,637 was recovered in 2018, and was recorded as other income under the consolidated statement of income. At the date of this report, the Company continues negotiating with the insurance companies for full recovery.
- f. Under the Plan for the Refurbishment and Modernization of the Airplan Concession Contract, the concessionaire is currently committed to delivering the works known as “Plataforma, Calle de Conexión y Bodegas del Terminal de Carga del Aeropuerto José María Córdova de Rionegro”, which as agreed by the parties in Otrosí No. 18 of the Concession Contract, should have been delivered on December 15, 2018 and is still under construction. A time extension was therefore requested for delivery of that works, which was granted via an amendment to the Concession Contract under Amendment No. 23 which extends the term for delivery of those works by 18 months as from December 15, 2018.
- g. As concerns complementary works in addition to those specified in the Airplan Concession Contract (via Amendment No. 8 dated 2014), conclusion is still pending of the construction of the Módulos de Conexión Edificio Público and JMC flight works pertaining to one of the Connection modules known as Punto B. Due to technical difficulties, an order for suspension was issued and a new design was determined. Via amendment No. 22 to the Concession Contract dated April 4, 2018, the term for those works was extended by 541 days as from April 4, 2018 and the project is currently on track.

Contingencies

As of December 31, 2018 and 2017, the Company has confirmed that the results of its lawsuits cannot be accurately predicted as their due processes are currently ongoing and there are not enough elements to determine whether they could largely affect the Company’s financial position in the case of an adverse ruling.

- a. The Company’s transactions are subject to Mexican Federal and State Laws as well as the Puerto Rico and Colombia Law due to its subsidiaries out of Mexico.
- b. At the time that the Company was carrying out the competitive bidding process for the sale of shares of the Airport Groups, the SCT established and communicated that concessionaires could amortize for tax purposes the value of the concession up to 15% a year. In February 2012, the SCT estimated an amount due payable by Cancun in the amount of Ps.865 million pesos against the ruling in question, because it considered that the determination of the 15% amortization was not valid in 2006 and 2007. The Company disagreed with the decision and filed an appeal to overturn this

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determination. However, in order to adhere to the amnesty program set forth in Transitory Article Three of the new Income Law for 2013, the Company partially desisted from the appeal as it relates to the income tax obligation, but not in regards to the determination of the additional distribution related to employees' statutory profit sharing, which the Company continues to appeal. The risk is that if a judge does not rule in favor of Cancun the amount payable would be Ps.116 million pesos.

- c. There are currently a number of labor suits in progress against the Company, mainly in relation to involuntary termination. Any sentences that might be handed down not favoring the interests of the Company do not represent significant amounts. The Company is in legal proceedings at the date of this report and a resolution has not been issued yet. The total amount of those suits is approximately Ps.20 million pesos.
- d. On March 17, 2014, the Port Authority of Puerto Rico filed a lawsuit against Aerostar and two fuel sellers at the LMM airport claiming to be entitled to a fee charged to the fuel sellers of the airport and not to Aerostar. On November 7, 2018 the court ruled in favor of Aerostar in the sense that all revenues from the fuel sales fee are from Aerostar, but authorizes the Ports Authority to charge two cents of the fee per gallon charged to the fuel sellers. As of the date of this report, the judicial process continues.

Note 17 - Basis for preparation:

The accompanying consolidated financial statements at December 31, 2018 and 2017 have been prepared in accordance with the IFRS and their Interpretations (IFRIC) as issued by the International Accounting Standard Board (IASB).

17.1) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis. Except for certain financial instruments measured at amortized cost or at their fair value as explained in the accounting policies described below.

The consolidated financial statements have been prepared under the going concern basis.

17.2) Use of estimates and judgments

The preparation of consolidated financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. The areas involving a higher degree of judgment or complexity, or the areas where assumptions and estimates are significant to the consolidated financial statements, are described in Note 20.

Critical estimates and assumptions are reviewed regularly. Adjustments to the accounting estimates are recognized in the period in which the estimate is reviewed and in any future period affected.

Note 18 - Summary of the main accounting policies:

In the following we point the main standards, interpretations or changes to existing standards in effect for the first time for the period beginning on January 1, 2018:

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18.1) New standards and modifications adopted by the Company

i. New standards and modifications adopted by the Company

The Company has applied the following standards and modifications for the first time for the annual reporting period beginning on January 1, 2018:

- **IFRS 9 Financial Instruments**

Since January 1, 2018, the Company has prospectively evaluated expected credit losses associated with its debt instruments at amortized cost. The impairment methodology applied depends on whether a significant increase in credit risk has arisen.

For accounts receivable, the Company applies the simplified method allowed by IFRS 9, which requires losses expected over the lifetime of the instrument to be recorded as from initial recognition of accounts receivable. See Note 6 for further details.

IFRS 9 replaces the provisions of International Accounting Standards (IAS) 39, which deals with recognition, classification and measurement of financial assets and financial liabilities, the disposal of financial instruments, the impairment of financial assets and accounting for coverage.

Adoption of IFRS 9 Financial Instruments as from January 1, 2018 resulted in changes in accounting policies and adjustments to the amounts recorded in the financial statements. The new accounting policies are explained in Note 18.7. As specified in the transitory provisions of IFRS 9 (7.2.15) and (7.2.26), comparative figures were not restated.

The overall impact on the Group's retained earnings at January 1, 2018 was Ps.18,284 and is shown in Note 6.

- **IFRS 15 Revenue from contracts with customers**

See application concerning the standard in Note 3 for more details.

ii. New standards and interpretations not yet adopted

A number of new standards and interpretations have been published which are not effective for reporting periods at December 31, 2018, and have not been applied in advance by the Company. Following is an explanation of the Company's evaluation of the impact of these new standards and interpretations:

- **IFRS 16 Leases**

Following is a list of the effects of new standards and amendments thereto issued by the IASB and applicable for annual periods starting on January 1, 2019 and subsequent periods.

IFRS 16 was issued by the IASB in January 2016 for accounting for leases. The standard replaced IAS 17. IFRS 16 eliminates the classification of leases as either financial or operating and requires recognition of a liability by reflecting future payments and an asset for "right to use" in most leases. The IASB has included certain exceptions for short-term leases and leases of low-value assets. The foregoing modifications are

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applicable to the lessee's accounting for leases, while rules for the lessor remain similar to those currently in effect.

The Company intends to apply the simplified transition approach as from January 1, 2019 and will not restate the comparative amounts for the year prior to that in which the standard is applied. All other right-of-use assets will be measured at the amount of the leasing liability in adoption of the new rules (adjusted for any leasing expenses accumulated or paid in advance). As concerns short-term leases and assets of little value, it will opt for the practical solution of excluding them from the analysis and recognizing them by the straight-line as expenses in the statement of comprehensive income.

The Company has determined that the effect will be minimum, since it holds only one operating lease contract, as detailed in Note 16(a). The foregoing will not affect the statement of financial position.

- **IFRIC 23 – Uncertainly over Income Tax Treatments**

The interpretation explains how to record and measure current and deferred tax assets and liabilities when there is uncertainty concerning the tax treatment. In particular, it explains:

- How to determine the appropriate account unit and that each uncertain tax treatment should be considered separately or jointly as a group, depending on the focus that best predicts resolution of the uncertainty.
- That the entity must assume that the tax authorities will be examining the uncertain tax treatment and will have full knowledge of all related information, such as ignoring the risk of detection.
- That the entity must reflect the effect of the uncertainty in the accounting records for income tax when the tax authorities are unlikely to approve the treatment.
- That the impact of the uncertainty should be measured using the most likely figure or the expected value method, whichever best predicts resolution of the uncertainty, and
- That judgment and estimations must be freshly evaluated every time circumstances have changed or there is new information affecting resolutions.

Although there are no new disclosure requirements, entities are reminded of the general requirement to provide information on judgments and estimations applied when preparing the financial statements. The Company has evaluated the provisions of this standard and considers that it will not impact its financial figures. There are no other standards that have not yet gone into effect that could be expected to significantly impact the Company in current or future reporting periods and in foreseeable future transactions.

18.2) Consolidation

The Company's consolidated subsidiaries, all of them based in Mexico, in which it holds shares at December 31, 2018 and 2017 are as follows:

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	Shareholding percentage (%)	Main activity
Aeropuerto de Cancún, S. A. de C. V. ^(*) (**)	100.00%	Airport services
Aeropuerto de Cozumel, S. A. de C. V.	100.00%	Airport services
Aeropuerto de Mérida, S. A. de C. V.	100.00%	Airport services
Aeropuerto de Huatulco, S. A. de C. V.	100.00%	Airport services
Aeropuerto de Oaxaca, S. A. de C. V.	100.00%	Airport services
Aeropuerto de Veracruz, S. A. de C. V.	100.00%	Airport services
Aeropuerto de Villahermosa, S. A. de C. V.	100.00%	Airport services
Aeropuerto de Tapachula, S. A. de C. V.	100.00%	Airport services
Aeropuerto de Minatitlán, S. A. de C. V.	100.00%	Airport services
Cancun Airport Services, S. A. de C. V. ^(***)	100.00%	Airport services
RH Asur, S. A. de C. V.	100.00%	Administrative services
Servicios Aeroportuarios del Sureste, S. A. de C. V.	100.00%	Administrative services
Asur FBO, S. A. de C. V. ^(***)	100.00%	Administrative services
Caribbean Logistics, S. A. de C. V. ^(***)	100.00%	Cargo services
Cargo RF, S. A. de C. V. ^(***)	100.00%	Cargo services

(*) Cancun had a 50% of Aerostar until May 30, 2017, which was accounted as a joint venture. See Note 9. As of May 30, 2017, the Cancun acquired an additional 10% equity interest in Aerostar, As a result of this acquisition, the Company has a 60% shareholding and now controls Aerostar, therefore consolidate in the financial statement of the Company

(**) Aeropuerto de Cancún, S. A. de C. V. acquired on October 19, 2017 a 92.42% and later in May 25, 2018 the 7,58% left to obtain the 100% equity interest in Sociedad Operadora de Aeropuertos Centro Norte, S. A. (Airplan), Company that holds the concession for the administration, operation, commercial exploitation, adaptation, modernization and maintenance of the airports of Olaya Herrera from Medellín, José María Córdoba from Rionegro, El Caraño from Quibdó, Los Garzones from Montería, Antonio Roldán Betancourt from Carepa and Las Brujas from Corozal and from that date Airplan line by line in the airport's financiers of Cancun and the Company.

(***) These subsidiaries sub-consolidate at the Cancun Airport.

Aerostar records and reports its financial information on accounting principles in the United States (US GAAP) and in USD. For purposes of consolidating Aerostar in the Company, a translations to Mexican pesos is performed and a reconciliation from US GAAP to IFRS is carried out. The exchange rate used at 2018 and 2017 year end was Ps.19.65 and Ps.19.66 Mexican pesos per dollar.

Airplan records and reports its financial information in IFRS as adopted in Colombia and their corresponding IFRIC issued by the IASB and in Colombian pesos. For purposes of consolidating Airplan in the Company, a translations to Mexican pesos is performed. The exchange rate used at 2018 and 2017 year end was Ps.165.29 and Ps. 151.86 Colombian pesos per Mexican peso.

(a) Subsidiaries

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

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Intercompany transactions, balances, revenues and expenses due to transactions between the group companies were eliminated. The non-realized results were also eliminated. The subsidiaries' accounting policies are consistent with the policies adopted by the Company. The Company uses the purchase method to recognize business acquisitions. The consideration for the acquisition of a subsidiary is determined based on the fair value of the net assets transferred, the liabilities assumed and the capital issued by the Company. The Company defines a business combination as a transaction in which it obtains control of a business, through which it has the power to govern and manage the relevant activities of the of assets and liabilities of said business with the purpose of providing return in the form of dividends, lower costs or other economic benefits directly to investors.

The consideration transferred in the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability that results from a contingent consideration agreement. The identifiable assets acquired, the liabilities and contingent liabilities assumed in a business combination are initially measured at their fair value on the date of acquisition. The Company recognizes any non-controlling interest in the acquired entity based on the proportional part of the non-controlling interest in the net identifiable assets of the acquired entity.

Costs related to the acquisition are recognized as expenses in the consolidated statement of income as incurred.

Goodwill is initially measured as the excess of the consideration paid and the fair value of the non-controlling interest in the acquired subsidiary over the fair value of the identifiable net assets and the liabilities acquired. If the consideration transferred is less than the fair value of the net assets of the acquired subsidiary in the case of a purchase at a bargain price, the difference is recognized directly in the consolidated statement of income. If the business combination is reached in stages, the book value at the date of acquisition of the participation previously held by the Company in the acquired entity, is remeasured at its fair value at the acquisition date. Any loss or gain resulting from such remeasurement is recognized in the results of the year. At the date of the measurement made by the Management, a gain in business combination was determined for Ps.7,029,200, which was reflected in the consolidated statement of comprehensive income.

(b) Changes in the interests of subsidiaries without loss of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, which are transactions with shareholders in their capacity as owners. The difference between the fair value of the consideration paid and the interest acquired in the carrying value of the net assets of the subsidiary is recorded in stockholders' equity. Gains or losses on the sale of non-controlling interests are also recorded in stockholders' equity.

(c) Disposal of subsidiaries

When the Company loses control over one entity, any retained interest in the entity is measured at fair value, recognizing the effect in income. Subsequently, the fair value is the initial carrying amount for the purpose of determining the retained interest as an associate, joint venture or financial asset, as appropriate. Additionally, the amounts previously recognized in Other Comprehensive Income (OCI) relating to those entities are canceled as though the Company had directly disposed of the related assets or liabilities. This means that the amounts previously recognized in OCI are reclassified to income for the period.

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- (d) Investment in joint ventures is accounted for under the equity method

The Company applied the guidance under IFRS 11 to the agreement entered into with Highstar for the operation of the LMM Airport through Aerostar as of the initial operation date of February 27, 2013 until May 30, 2017. Under IFRS 11, “Joint arrangements” operations are classified as joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Company has evaluated the nature of its operations and has determined that it is a joint venture. Joint ventures are consolidated by the equity method.

Under the equity method, the interest in the joint business is recognized initially at cost and it is subsequently adjusted to recognize the Company's interest in the earnings after the acquisition, or losses and movements in OCI. When the Company's interest in the losses of a joint business is the same as or higher than its interest in said business (which includes all long-term interest that forms part of the net investment of the Company in the joint venture), the Company does not recognize additional losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealized gains from transactions carried out between the Company and the joint business are eliminated based on the percentage of the Company's interest in the joint businesses. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment in the transferred assets. The accounting policies for joint ventures have been changed when deemed necessary to guarantee adherence with the policies adopted by the Company.

In accordance with IFRS 3 “Business combinations”, as of May 30, 2017 the acquisition is considered a business combination conducted in stages, which means that the fair value of interest previously acquired was also revalued.

18.3) Translation of foreign currencies

Functional currency and reporting currency

Items included in the consolidated financial statements of each of the companies of the Company are measured in the currency of the primary economic environment in which the entity operates, i.e., its “functional currency” which is also the reporting currency. The consolidated financial statements are presented in (thousands of Mexican pesos), which is the Company's reporting currency.

18.3.1) Consolidation of subsidiaries with a functional currency different from the reporting currency

The results and financial position of Aerostar and Airplan (none of which handle a currency that corresponds to a hyperinflationary economy) expressed in a functional currency other than the reporting currency are converted to the reporting currency as follows.

- (i) The assets and liabilities recognized in the consolidated statement of financial position are translated at the exchange rate on the balance sheet date.
- (ii) The stockholders' equity in the consolidated statement of financial position is translated using the historical exchange rates.

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- (iii) Income and expenses recognized in the consolidated statement of income are translated at the average exchange rate for each year (unless that average is not a reasonable approximation of the effect of translating the results derived from the exchange rates prevailing at transaction dates, in which case the Company uses the respective rates).
- (iv) The resulting exchange differences are recognized within OCI.

Goodwill and fair value adjustments that arise on the date of acquisition of a foreign operation to measure them at fair value are recognized as assets and liabilities of the foreign entity and are converted at the closing exchange rate.

18.3.2) Transactions in foreign currency and results from exchange fluctuations

Operations carried out in foreign currency are recorded in the functional currency applying the exchange rates in effect at the transaction date or the exchange rate at the date of the valuation when the items are revalued.

Exchange differences arising from fluctuations in the exchange rates between the transactions and settlement dates, or the consolidated statement of financial position date, are recognized in the consolidated comprehensive income statement.

18.4) Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other highly liquid investments with low risk of changes in value with original maturities of three months or less. As of December 31, 2018 and 2017, cash and cash equivalents consisted primarily of peso and dollar denominated bank deposits and peso denominated investment bonds issued by the Mexican Federal Government.

18.5) Fiduciary rights

For the administration of the resources of the Concession and the payment of the obligations in charge of Airplan a trust is constituted to which it transfers all the gross income received as remuneration of the contract and all the debt and capital resources obtained for the execution of the concession.

18.6) Restricted cash and cash equivalents

Restricted cash includes cash and cash equivalents that are restricted in terms of withdrawal or use. The nature of the restrictions includes restrictions imposed by financing agreements, federal agency funds related to capital expenditures, for example, for purposes of Aerostar, PFC and Airport Improvement Program (AIP) or other reserves (for example, Fund for promotion and support of air travel). Aerostar have restricted cash Ps.47,332 and Ps.106,350 at December 31 , 2018 and 2017 , respectively. See note 5.1 and 9.

Restricted cash and cash equivalents is presented as current if it is expected to be used within twelve months of the filing date. Any restricted fund beyond twelve months is recorded as non-current. Restricted cash is presented in the consolidated statements of cash flows within the investments activities since it is related to the investment in airport infrastructure.

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18.7) Financial assets

- Accounting policy applied from January 1 to December 31, 2018:
 - a. Classification - Beginning as from January 1, 2018, the Company classifies its financial assets as per the following measurement categories: a) those measured at amortized cost and b) those subsequently measured at fair value (either with changes in other comprehensive income or in income), not currently held by the Company. The classification depends on the business model of the entity used to handle its financial assets and the contractual features of cash flows. The Company reclassifies financial asset when, and only when, it changes its business model for managing those assets.
 - b. Measurement - At initial recognition, financial assets at amortized cost are measured at fair value plus transaction costs directly attributable to their acquisition. The transaction costs of financial assets at fair value (with changes via income or OCI) are recorded in income at the time they arise. For assets measured at fair value, profits and losses are recorded in income and OCI. Financial assets with implicit derivatives are entirely considered when determining whether cash flows are merely payments of principal and interest. Accounts receivable are non-derivative financial assets with fixed or determined payments that are not traded in an active market. They are included as current assets, except for maturities of over 12 months after the date of the statement of financial position. They are classified as non-current assets. Loans and accounts receivable are initially valued at fair value, plus transaction costs incurred, and are subsequently recognized at amortized cost.

Accounting policy applied up to December 31, 2017:

The Company has applied IFRS 9 following the practical file permitted since January 1, 2018, without adjusting comparative figures. As a result, the comparative information for the preceding period continues to be accounted for as per the accounting policy previously in effect, as described below:

- a. Classification - Up to the accounting policy applied until December 31, 2017, the Company held only financial assets classified as loans and accounts receivable. Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. Assets in this category are classified as current assets, unless they are expected to be collected after one year following the closing date, in which case, they are classified as non-current. Loans and accounts receivable are shown in the following captions of the statement of financial position: "Accounts receivable" and "Cash and cash equivalents".
- b. Impairment of financial assets - At the end of each year, the Company determines whether or not there is any objective evidence of impairment in each financial asset or group of financial assets. An impairment loss was recorded only when there was objective evidence of impairment as a result of one or more events occurred after initial recognition of the asset (loss event), when the impact of the loss event (or events) could be reliably estimated on estimated future cash flows derived from the financial asset or group of financial assets. See Note 6 for further details.

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18.8) Leasing

18.8.1) As lessor

The leasing of terminal space made by the Company in its capacity as lessor at the terminals is documented by contracts with either fixed income or monthly fees based on the higher amount of a minimum monthly fee or a percentage of the lessee's monthly revenue.

Since the leased assets are part of the concession assets and thus do not belong to the Company, there is no transfer of the risks and rewards of ownership and therefore are classified as operating leases.

Revenues from operating leases are recognized as non-aeronautical revenues on a straight line basis over the lease term.

Property, plant and equipment leases in which Airplan holds substantially all the risks and rewards of ownership are classified as financial leases. Financial leases are capitalized at the beginning of the lease at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Each financial lease payment is allocated between the liability and the financial costs. Financial lease obligations, net of the financial burden, are presented as debts (financial obligations), current or non-current, depending on whether or not payment maturities are below a 12-month period. Financial costs are charged to income for the year over the lease period so as to produce a periodic constant interest rate on the remaining balance of the liability for each period. Property, plant and equipment acquired under financial leases are depreciated over the shorter of the useful life of the asset and the lease term.

18.8.2) As lessee

The leases in which a significant portion of the risk and rewards related to ownership are retained by the lessor are classified as operating leases. The payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income based on the straight-line method over the lease term.

18.9) Land, furniture and equipment

Furniture and equipment are recorded at cost less accumulated depreciation and impairment loss. The cost includes expenses directly attributable to the acquisition of those assets and all costs associated with placing the assets in the location and in the condition necessary for them to operate as intended by Management.

Land is recorded at cost and it is not depreciated. Depreciation of other items of plant and equipment is calculated on the straight-line method based on the residual values over their estimated useful lives. The useful lives from the date of acquisition are 10 years. The useful lives at the acquisition date of the furniture and equipment are as shown below:

	<u>2018</u>	<u>2017</u>
Furniture equipment	10 to 20%	10 to 20%
Machinery	10 to 20%	10 to 20%
Computer equipment	33 to 20%	33 to 20%
Transportation equipment	20 to 25%	20 to 25%
Improvements to leased premises	10%	10%

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The residual values, useful life and depreciation method are reviewed and adjusted, if necessary, on an annual basis.

18.9.1) Land

Land represents a territorial extension for which the Company has an obligation of constructing 450 hotel rooms along with the National Tourism Fund (FONATUR in its acronym in Spanish) in Huatulco which are recorded at its cost and are not subject to depreciation. See Note 16.

18.10) Intangible assets

18.10.1) Concessions

The airports that are part of the Company performed the analysis of the criteria that must be taken into account to know if they are within the scope of IFRIC 12:

- a. The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them at what price.
 - The grantor does not need to have full price control; it is sufficient that the price is regulated by the grantor, the contract or the regulator;
 - The grantor can control the price through a limit mechanism;
 - The price can vary from fixed price arrangements to those based on a formula up to a maximum price.
- b. The grantor controls, through ownership, the right of benefits or otherwise, any significant residual interest in the infrastructure at the end of the term of the agreement.

Taking into consideration the foregoing, these criteria are applicable to each of the concessions that the Company has, that is why it is considered that their measurement and determination will be within the scope of IFRIC 12. In addition to that at the end of all the concessions all assets become the property of the nation in which the concession is located.

Within the scope of IFRIC 12, the respective assets can be classified as:

- **Financial assets:** when the licensor establishes an unconditional right to receive cash flows and other financial assets independently of the use of the public service by the users.
- **Intangible assets:** only when the licensor agreements do not establish a contractual right to receive cash flows and other financial assets from the licensor, independently of the use of the public service by the users. Airport concessions have been considered within the scope of IFRIC 12 as an intangible asset because they comply with the above provisions and no financial assets have been recognized in that regard.

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Mexico:

Rights to use airport facilities and airport concessions include the acquisition of the nine airport concessions and the rights acquired.

Amortization is computed using the straight-line method over the estimated useful life of the concessions, (original term of 50 years as of November 1, 1998; 30 years as of December 31, 2018).

Aerostar:

The airport concession right, which includes certain capital expenditures in improvement projects, the intangible asset is recognized at cost less accumulated amortization and impairment losses.

Amortization is calculated using the straight-line method during the term of the agreement (40 years); 35 years as of December 31, 2018.

Airplan:

In the case of Airplan, the right granted by the Concession Contract No.8000011-OK and Public Tender No.10000001OL2010, respectively, is recorded as intangible, through which the grantors assign to the Company the regulated and unregulated income corresponding to each of the airports subject of the concession.

In turn, the costs per loan that are related to the works in execution are part of the intangible.

The intangible asset resulting from the recognition and updating of the estimated income of the contract is amortized based on the proportion of the accumulated income of the contract and the total income. Amortization is recognized in the results of the period.

The useful life for the amortization was determined as the duration of the concession and the amortization rate is calculated based on the percentage of execution of the revenues with respect to the total expected income of the financial model that the Company has. The minimum term of the concession is the year 2015; however, in accordance with the complementary works carried out and the measurement of the expected income against the income generated, the concession will have a useful life until the year 2032.

18.10.2) Licenses, commercial direct operation (ODC, by its acronym in Spanish) and commercial rights

These items are recognized at their cost less the accrued amortization and any recognized impairment losses. They are amortized on a straight line basis using their estimated useful life, determined based on the expected future economic benefits, and are subject to testing when indication of impairment is identified.

The estimated useful lives at December 31, 2018 are as follows:

Licenses	30 years
ODC	30 years
Commercial Right's of Aerostar	35 years
Commercial Right's of Airplan	14 years

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18.10.3) Goodwill

Goodwill represents the acquisition cost of a subsidiary in excess of the Company's interest in the fair value of the identifiable net assets acquired, determined at the acquisition date, and it is not subject to amortization. Goodwill is shown separately in the consolidated statement of financial position and is recorded at cost less accumulated impairment losses, which are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

18.10.4) Intangible assets acquired as part of a business combination

When an intangible asset is acquired as part of a business combination, it is recognized at fair value at acquisition date. Subsequently, intangible assets acquired in a business combination, such as commercial rights, are recognized at cost less the accumulated amortization and the accrued amount of impairment losses, see useful lives of these rights in note 18.10.2.

18.11) Impairment of long term non-financial assets

The long term non-financial assets subject to amortization or depreciation are subject to annual impairment tests or more frequently if there are events or circumstances that indicate that they might be affected. Other assets are subject to impairment tests when events or circumstances arise that indicate that their book value might not be recovered. Impairment losses correspond to the amounts where the book value of the asset exceeds their recoverable amount. The recoverable amount of assets is the higher of the fair value of the asset less the costs incurred for its sale and value in use. For impairment assessment purposes, assets are grouped at the lowest levels at which they generate identifiable cash flows separately which are largely independent of the cash flows of other assets or the Company's assets (cash-generating units). Non-financial assets are assessed at every reporting date in order to identify potential reversals of such impairment. At December 31, 2017, Management has identified in Aerostar events or circumstances that indicated that a portion of the book value of goodwill might not be recovered for Ps. 4,719,096. See note 8.1

18.12) Accounts payable

Accounts payable are liabilities with creditors for purchases of goods or services acquired during the regular course of the Company's operations. When payment is expected over a period of one year or less from the closing date, they are presented under current liabilities. If the foregoing is not complied with, they are presented under non-current liabilities.

Accounts payable are initially recognized at their fair value and are subsequently measured at amortized cost using the effective interest method.

18.13) Bank loans and long term debt

Loans from financial institutions are initially recognized at their fair value, net of transaction costs. Those funds are subsequently recorded at their amortized cost; any difference between the funds received (net of transaction costs) and the redemption value is recognized in the statement of income during the funding period using the effective interest method.

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18.13.1) Refinancing costs

When loan contracts are altered, Management analyzes if the changes are substantial enough for the recognition of a new loan due to the invalidation of the old loan. If the changes are not substantial, the loan can be recorded as a renegotiation of the original loan. Depending on whether the loan should be cancelled and recognized as a new loan or classified as a renegotiation, the transaction costs have different treatments.

The costs incurred in commissions either from the origin or generated in the refinancing derived from the renegotiation of an indebtedness, are recorded in a prospective way in case it is not deemed an extinction of the original document occurred, but it is determined that there were changes only in the conditions for the agreed flows at the beginning of the negotiation.

18.13.2) Costs for loans

Costs for specific and general loans directly attributable to the construction of qualifying assets are capitalized during the period of construction and preparation of the asset for its use. Qualifying assets are those that require a substantial period to be ready and able to be used (usually greater than one year). Financial revenues obtained from temporary investments made with money coming from specific loans that will be used for the construction of qualifying assets are decreased of financial costs eligible for capitalization.

The capitalization of costs for loans in foreign currency that generates interests and losses due to foreign exchange fluctuations, are only capitalized up to the amount of interest that would have been generated by loan in national currency, with similar conditions of time.

18.14) Derecognition of financial liabilities

The Company derecognizes its financial liabilities if, and only if, the obligations of the Company are met, are cancelled or if they expire.

18.15) Provisions

Liability provisions represent a present legal obligation or an assumed obligation as a result of past events, when the use of economic resources is likely in order to settle the obligation and when the amount can be reasonably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of expenses expected to cover the related obligation, using a pretax rate that reflects the actual considerations of the value of money market over time and the specific risks inherent in the obligation. The increase in the provision over time is recognized as an interest expense.

When there are similar obligations, the likelihood of the outflow of economic resources for settling those obligations is determined considering them as a whole. In these cases, the provision thus estimated is recorded, provided the likelihood of the outflow of cash with respect to a specific item considered as a whole is remote.

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18.16) Deferred IT, and tax on dividends

The expense for IT includes both the current tax and deferred taxes. Tax is recognized in the statement of income, except when it relates to items recognized directly in OCI or in stockholders' equity in which case, the tax is also recognized in OCI items or directly in stockholders' equity, respectively.

Deferred IT were recorded based on the comprehensive method of liabilities, which consists of recognizing deferred taxes on all temporary differences between the book and tax values of assets and liabilities to be materialized in the future at the enacted or substantially enacted tax rates in effect at the consolidated financial statement date. See Note 14.

Deferred tax assets are only recognized if future tax profits are expected to be incurred against which temporary differences can be offset.

Deferred tax assets and liabilities from the temporary differences arising from the investments in subsidiaries and joint businesses are recognized, except when the Company controls the reversal period for such temporary differences and it is likely that the temporary differences will not be reverted in a near future.

Deferred IT are offset when there is a legal right for each entity to offset current tax assets against current tax liabilities and when deferred IT assets and liabilities relate to the same tax authorities.

The credits for income taxes incurred is computed based on tax laws approved in Mexico at the date of the consolidated statement of financial position.

Current IT is made up of IT, which is recorded under income for the year in which they are incurred. The tax is based on taxable income.

To determine the IT the applicable rate in Mexico for 2018 and 2017 was 30%, the applicable rate for Airplan, according to Colombian legislation for 2018 and 2017 was 33% and 34% and the applicable rate for Aerostar, in accordance with the Port legislation. Puerto Rico for 2017 was 10%.

Aerostar and Airplan hold undistributed profits which, if paid as dividends, would require the beneficiaries to pay tax. There is a temporary taxable difference, but no deferred tax liability is recognized, as the Company as the controlling entity is capable of deciding the point at which the subsidiary should make distributions. It is not expected to distribute those benefits in the foreseeable future, because both companies would first have to pay off their bank or private debts before they can declare dividends.

18.17) Employee benefits

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows using the interest rates of high-quality corporate bonds denominated in the same currency in which the benefits will be paid and that have expiration terms that are approximate the terms of the pension obligation. In those countries where there is no deep market for such bonds, interest rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. This cost is included in the expense for employee benefits in the consolidated statement of income.

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Gains and losses for remeasurements derived from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur directly in OCI. They are included in the accumulated results in the statement of changes in stockholders' equity and in the consolidated statement of financial position.

Variations in the present value of the defined benefit obligation that result from modifications or reductions of the plan are recognized immediately in results as past service costs.

Termination benefits

Termination benefits are paid when the employment relationship ends before the normal retirement date or when an employee voluntarily accepts the termination in exchange for these benefits. The Group recognizes termination benefits on the first of the following dates: (a) it is committed to terminate the employment relationship of employees in accordance with a detailed formal plan without having the possibility of evading its obligation, and (b) when the entity recognizes restructuring costs in accordance with IAS 37 and involves payment of termination benefits. In the case of an offer that promotes voluntary termination, termination benefits are valued based on the expected number of employees accepting the offer. Benefits that mature 12 months after the reporting date are discounted to their present value. The charge to income for the years ended December 31, 2018 and 2017 was Ps.1,595 and Ps.1,984, respectively. See Note 4.

Short-term obligations

Salaries for wages and salaries, including non-monetary benefits and accumulated sick leave, which are expected to be fully settled within 12 months after the end of the period in which the employees provide the related service, are recognized in connection with the service of employees until the end of the period and are measured by the amounts that are expected to be paid when the liabilities are settled. Liabilities are presented as current obligations for employee benefits in the consolidated statement of financial position.

Share in profits

The Group recognizes a liability and an expense for profit sharing based on a calculation that takes into account the profit attributable to the shareholders of the Company after certain adjustments. The Group recognizes a provision when it is contractually bound or when there is a past practice that generates an implicit obligation.

18.18) Stockholders' equity

Capital stock, capital reserves and retained earnings are expressed at their historical cost. The capital reserves consist of the legal reserve, the reserve to repurchase own shares, and the reserve to reflect the effect of translating foreign currency.

18.19) Basic and diluted earnings per share

Basic earnings per share were computed by dividing income available to the stockholders (Ps.4,987,601 and Ps.5,834,484) by the weighted average number of shares outstanding in 2018 and 2017. The number of shares outstanding for the periods from January 1 to December 31, 2018 and 2017 was 300 million. The basic earnings share for the year ended as of December 31, 2018 and 2017 are expressed in pesos. As of December 31, 2018 and 2017, there were no outstanding dilutive instruments.

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18.20) Financial reporting by segments

The segment financial information is presented in a manner that is consistent with the internal reporting provided to the General Directors in charge of making operational decisions, allocating resources and assessing the performance of the operating segments.

The Company determines and evaluates the performance of its airports on an individual basis, after allocating personnel costs and other costs of services, which are incurred by a Company's subsidiary which hires some of the Company's employees. The performance of these services is determined and assessed separately by management. All the airports provide substantially the same services to their clients. The performance of (Services) is determined and evaluated separately by Management. All airports provide substantially the same services to their customers. Note 2 includes the financial information related to the Company's different segments, which includes Cancun and subsidiaries (Cancun), showing separately due to its importance Aerostar and Airplan, subsidiaries starting on May 31 and October 19, 2017, respectively, the Aeropuerto de Villahermosa (Villahermosa), the Aeropuerto de Mérida (Mérida) and Servicios Aeroportuarios del Sureste (Servicios). The financial information of the remaining six airports, of RH Asur, S. A. de C. V. and of the holding company (including the investment of the Company in its subsidiaries) has been grouped and is included in the "Others" column. The elimination of the investment of the Company in its subsidiaries is included in the "Consolidation Adjustments" column.

Resources are assigned to the segments based on the significance of each one to the Company's operations. Transactions among operating segments are recorded at their fair value.

As of May 31, 2017, Aerostar consolidates its shareholding as a subsidiary in the Company, increasing its shareholding from 50% to 60%, for which the recognition as Join-venture was until May 30, 2017, and for the period from May 31 to December 31, 2017, consolidates Aerostar line by line in the Company's finances.

As of October 19, 2017, Airplan, S. A. consolidates as a subsidiary in the Company.

18.21) Revenue recognition

The accounting policies for the Company's revenue from contracts with customers are explained in Note 3.

With respect to the revenue presented in 2017, they are recognized and disclosed under the previous regulations that in this case is the International Accounting Standard (IAS) 18 - Revenue, as described in the following paragraphs.

Revenue comprises the fair value of the consideration received or to be received for services rendered primarily in the ordinary course of the Company's business. Revenue is presented net of discounts, as well as the elimination of revenues for services between subsidiaries of the Company, as appropriate.

The Company recognizes revenue when the amount of it can be valued with reliability, it is likely that the future economic benefits will flow to the entity and specific criteria have been met for each type of service of the Company.

Revenues are obtained from aeronautical services (which are generally related to the use of the airport infrastructure by airlines and passengers), non-aeronautical services and constructions services.

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Note 19 - Financial risk management:

The Company is exposed to financial risks that result from changes in interest rates, foreign exchange rates, price risk, liquidity risk and credit risk. The Company controls and maintains the treasury control functions related to transactions and global financial risks through practices approved by its Executive Board and Board of Directors.

This note contains information regarding the Company's exposure to each of the aforementioned risks, and the objectives, policies and procedures to measure and manage risk.

The main risks to which the Company is exposed are:

- 19.1) Market risk
 - 19.1.1) Interest rate risk
 - 19.1.2) Exchange rate risk
 - 19.1.3) Price risk
- 19.2) Liquidity risk
- 19.3) Credit risk - credit quality

19.1) Market risks

19.1.1) Interest rate risk

The Company has contracted bank loans to partially finance its operations. These transactions expose the Company to interest risk, with the main exposure to the risk of variable interest rates resulting from changes in the market base rates (banks charge interest based on London Inter Bank Offered Rate (LIBOR) plus 1.85%) that are applied to the Company's bank loans maturing in 2022 and 2024.

As of the issuance of the consolidated financial statements in 2018 and 2017, the reference rate used by the Company, i.e., LIBOR, has remained stable. If the LIBOR rate increases or decreases by 2.59 percentage points, the effect on the consolidated statement of income would be an increase or decrease in income of approximately Ps.1,476 in 2017. As of December 31, 2018, there are no LIBOR loans. Therefore risk is considered low, based on the materiality of the possible effect.

19.1.2) Exchange rate risk

The Company is exposed to minor risk for changes in the value of the Mexican Peso against the U. S. Dollar. Historically, a significant portion of income generated by the Company (mainly derived from the fees charged to international passengers) are denominated in U. S. Dollars, and despite that, income is invoiced in Pesos at the average exchange rate of the previous month and likewise the cash flows are collected in Pesos. At December 31, 2018 and 2017, the Company is exposed to exchange rate risk for monetary position, as shown below:

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Monetary position:		
Asset	USD 45,003	USD 50,905
Liability	(<u>3,149</u>)	(<u>148,417</u>)
	<u>USD 41,854</u>	<u>(USD 97,512)</u>

Grupo Aeroportuario del Sureste, S. A. B. de C. V. and subsidiaries

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December 31, 2018 and 2017

At December 31, 2018 and 2017, the exchange rate was Ps.19.65 and Ps.19.66, respectively. Had the currency weakened by 5% in 2018 (10% in 2017) with respect to the U.S. Dollar, the Company would have had a loss on monetary position at the close in the amount of Ps.41.1 in 2018 (monetary loss of Ps 192 in 2017). As of March 15, 2019, the date of issuance of this report, the last known exchange rate was Ps.19.33.

19.1.3) Price risk

The rate regulation system applicable to the airports of the Company imposes maximum rates for each airport, which should not be exceeded on an annual basis. The maximum rates are the maximum annual income per unit of traffic (one passenger or 100 kg of cargo). If the maximum annual rate is exceeded, the government authorities could revoke one or more of the Company's concessions.

The Company monitors and adjusts its income on a regular basis in order for its annual invoicing not to exceed the maximum rate limits.

Concentrations:

At December 31, 2018 and 2017, approximately 51.07% and 59.09%, of revenue, not including income from construction services, resulted from operations at the Cancun International Airport.

19.2) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its funding requirements. The Company's Management has established policies, procedures and limits of authority that govern the Treasury function. Treasury is responsible for ensuring liquidity and managing the working capital to ensure payments to suppliers, debt servicing and funding of operating costs and expenses.

The following table presents the analysis of the net financial liabilities of the Company based on the period between the date of the statement of consolidated financial position and the maturity date. The amounts presented in the table reflect the undiscounted cash flows, including contractual interest.

	<u>Under 3 months</u>	<u>Between 3 months and one year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>
<u>At December 31, 2018</u>				
Bank loans and interest	Ps 14,506	Ps 161,009	Ps 212,959	Ps 6,829,639
Long term debt	119,680	204,910	208,027	6,749,651
Suppliers	313,577			
Accounts payable and accrued expenses	1,557,847			
	<u>Under 3 months</u>	<u>Between 3 months and one year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>
<u>At December 31, 2017</u>				
Bank loans and interest	Ps 177,080	Ps 606,433	Ps 880,357	Ps 12,146,826
Long term debt	337,107	317,789	633,140	11,442,620
Suppliers	428,881			
Accounts payable and accrued expenses	1,175,306			

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The following table shows the Company's short term liquidity as of:

	<u>December 31,</u>	
	<u>2018</u>	<u>2017</u>
Current assets	Ps 6,000,912	Ps 5,787,862
Current liabilities	<u>2,408,222</u>	<u>2,408,649</u>
Short term position (liquidity)	<u>Ps 3,592,690</u>	<u>Ps 3,379,213</u>

19.3) Credit risk - credit quality

The financial instruments that are potentially subject to credit risks consist mainly of accounts receivable. Income obtained from fares charged to passengers is not guaranteed and therefore the Company faces the risk of not being able to collect the full amounts invoiced in the event of insolvency of its clients, which are the airlines.

In recent years, some airlines have reported substantial losses, and the income resulting from fares imposed to passengers coming from the main client airlines are not all guaranteed through bonds or other types of guarantees. Therefore, in the event of insolvency of any of the airlines, the Company would have no certainty of recovering the total sum of amounts invoiced to the airlines for passenger fees. In August 2010, Grupo Mexicana filed for bankruptcy. Grupo Mexicana owes the Company Ps.128 million pesos for passenger fees. As a result of Grupo Mexicana's bankruptcy, the Company has increased its reserve for uncollectable accounts by Ps.128 million pesos. The Company has determined that it may not be able to collect that amount.

The Company operates under three methods to collect from Airlines:

- a. Credit, mainly offered to airlines with which there is a history of frequent and stable flights,
- b. Advances, from airlines with reasonably stable flights or that are in the exploration stage of routes or destinations, and
- c. Cash, mainly offered for Charter flights and airlines with new flights.

With this segregation, the Company reduces its collection risk since the airlines that operate under methods b) and c) do not generate accounts receivable.

Cash and cash equivalents are not subject to credit risks since the amounts are kept at financial institutions of good standing, and investments are subject to lower significant risk as they are being backed by the Mexican Federal Government or institutions with AAA high market ratings.

19.4) Capital management

The objective of Management is to safeguard the Company's ability to continue operating as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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These activities are monitored through the review of information pertaining to the Company's operation and the Industry. This effort is coordinated by the CEO. Through a planning method, detailed simulations are formulated of identified risks as they are known. The risks identified are valued in terms of probability and impact and are presented to the proper authorities. The result of all these activities is reported to the market through 20-F reports, the Circular Única and quarterly reports by a financial Risk Analysis Committee that reports to Company's Board of Directors.

19.5) Fair value

Financial instruments at fair value, presented by levels, in accordance with the valuation method used are included in levels 1 and 2. At December 31, 2018 and 2017, the Company has no financial instruments carried at fair value.

The different levels have been defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Quoted prices for similar instruments in active markets; quoted prices for instruments, identical or similar, in non-active markets and valuations through models where all significant data are observable in the active markets.

Level 3: Asset or liability input that is not based on observable market data (i.e., non-observable).

The fair value of financial instruments traded in active markets is based on market prices quoted at the consolidated statement of financial position closing date. A market is considered active if quotation prices are clearly and regularly available through a stock exchange, trader, dealer, industry group, price fixing services, or regulatory agency, and those prices reflect regularly and on current bases the market transactions under independent conditions. The quoted price used for the financial assets held by Company's is the current offer price.

Note 20 - Critical accounting judgments and key sources of estimation uncertainty:

In applying the Company's accounting policies, which are described below, Company Management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities. Estimates and assumptions are based on historical experience and other factors considered relevant. Actual results could differ from those estimates.

Critical accounting judgments

Significant information on assumptions, critical judgments and uncertainty estimations recognized in the consolidated financial statements are as follows:

- 20.1 Revenue
- 20.2 Deferred taxes, assets and liabilities
- 20.3 Reserve for doubtful accounts
- 20.4 Commercial services revenues from leased locales
- 20.5 Useful life of the Airplan concession
- 20.6 Evaluation of impairment of goodwill

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Notes to Consolidated Financial Statements December 31, 2018 and 2017

20.1 Revenue

As mentioned in Note 19.1.3, Management regularly monitors and adjusts income so as to avoid exceeding the maximum rate at each of the airports operated by the Company in Mexico, which is the annual maximum income per traffic unit that can be received, and therefore the amount that the Company can record for services rendered whose prices are regulated.

If the Company recognized income exceeding that maximum rate, the authorities could cancel one or more airport concessions. Therefore, management regularly monitors regulated income in Mexico to ensure it does not exceed the limit. The application of the procedure established in the concession titles for determining maximum rates and securing the necessary information are complex procedures. Among the information used in determining the maximum rate is passenger traffic and cargo statistics, in addition to variables such as the National Producer Price Index (excluding oil), authorized rates for airport services and the Rate for Airport Use.

20.2 Deferred taxes, assets and liabilities

The Company recognizes deferred tax assets and liabilities based on the differences between the financial statement basis and the tax bases of assets and liabilities. In order to determine the basis of deferred IT, taxable income projections are prepared to evaluate whether the legal entity will be subject to IT.

The determination of the IT provision requires calculations and interpretation and application of complex tax laws. Those calculations are used to assess the period and method of recovery of favorable tax balances.

Management has determined deferred taxes based on approved tax rates that are in line with its expectation of the form of realization of such items. See Note 18.16. Management's expectation could be affected by the main detailed items described in Note 14.

20.3 Reserve for doubtful accounts

The Company carries out constant evaluations of the credits made to its clients and adjusts the credit limits based on the payment history of its clients as well as on the credit's current value. It continuously monitors collections and payments of its clients, thus preventing estimated credit losses based on its experience and losses from collection to the client that has been identified. Although those credit losses have been historically within expectations, as well as within the reserve created to prevent them, it cannot be guaranteed that the Company will continue experiencing the same credit losses that it had in the past. See Notes 6 and 18.7.

The Company conducts a sensitivity analysis to determine the degree to which possible changes to the assumptions used in determining whether or not the amount calculated of the reserve would be significantly affected. Management has concluded that percentage used to determine the reserve is the most sensitive assumption and therefore, if said percentage were to show an increase or decrease of 15%, it would have no significant effect, since this would represent Ps.24 positive or negative in 2018 (Ps.29 positive or negative in 2017).

As required by IFRS 9, the Company applies a sensitivity analysis by client in order to determine the level of possible expected losses for the following 12-month period, or the amount representing the entire cash flow not expected to be received during the entire lifetime of the financial instrument related to possible events of default over the following 12 months as from the reporting date and evaluation of significant increases in credit risk, which involves identifying possible events of noncompliance, including those that

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have not occurred: such as events that can be directly related to the account receivable from the client, or to macroeconomic variables not related to a group of assets, such as market indicators.

20.4 Commercial services revenues from leased locales

Lease revenues are accrued monthly, and they are determined by applying a percentage on real sales revenues of the lessors (equity) or a minimum agreed upon. Both are set forth in the respective lease agreements. The Company performs an estimate for the last days of the month to determine the monthly percentage of equity. Management compares the estimated bases with the real billing to conclude that there were no significant differences.

20.5 Useful life of the Airplan concession

The term of execution of the contract extends from the date of signing of the act of commencement of execution and until the date on which one of any of the following events occurs:

- That the regulated revenues generated are equal to the expected regulated revenues, provided that by that time 15 years have elapsed.
- That 25 years have elapsed since the date of execution of the execution start certificate, regardless of whether, at the time, the regulated revenues generated have not matched the value of the expected regulated revenues.
- If the regulated income generated equals the expected regulated income before 15 years have elapsed from the date of execution of the certificate of execution, the duration of the execution of the contract will be, in any case, 15 years.

It must be taken into account, for purposes of the regulated revenues expected according to the definition of the concession contract, that the expected regulated revenue will increase once each of the complementary works (mandatory or voluntary) is delivered to the grantor.

The useful life for the amortization was determined as the duration of the concession and the amortization is calculated on a linear basis based on the years in which the recovery of the expected income of the financial model held by the Company is expected. The minimum term of the concession is the year 2015; however, in accordance with the complementary works carried out and the measurement of the expected income against the income generated, the concession will have a useful life until the year 2032.

The Company conducts sensitivity analysis to determine the level of possible changes in the assumptions used to determine the useful life of the concession. Management has concluded that the percentage used to determine the growth of income is the most sensitive assumption and therefore, any 3% increase or decrease in that percentage would modify the useful life of the concession either increasing or decreasing it in two years. At December 31, 2018 the expected total revenues considering the additional works amount to Ps.23,474,154.

20.6 Evaluation of impairment of goodwill

Goodwill is evaluated for impairment annually whenever events or changes in circumstances indicate that there is impairment in the book value of appreciation, i.e., changes in tourist preferences, in the economic situation and in security levels in the different countries or other factors affecting passengers making use

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of our airports. In order to determine whether there is impairment in the value of goodwill, the cash generating unit to which goodwill has been assigned should be evaluated using present value techniques. When applying that valuation technique, the Company employs a series of factors which include historical income, business plans, forecasts and market data. The foregoing is described in greater detail in Note 8.1. As can be concluded from that description, changes in the conditions of these judgments and estimations can significantly affect the evaluated value of appreciation.

Note 21 - Consolidated statements of cash flows:

As of December 31, 2018 and 2017, the analysis of net debt and movements in net debt is presented below:

	Long - term debt		Bank Loans	
	2018	2017	2018	2017
Accounts payable	Ps. 324,590	Ps. 340,288	Ps.	Ps.
Bank loans (Note 11)			175,515	173,471
Bank loans (Note 11)			7,042,598	10,321,382
Long-term debt (Note 12)	<u>6,957,678</u>	<u>7,149,177</u>		
Balances at December 31	<u>Ps. 7,282,268</u>	<u>Ps. 7,489,465</u>	<u>Ps. 7,218,113</u>	<u>Ps. 10,494,853</u>
Balances at January 1 of the debt net	Ps. 7,489,465	Ps.	Ps. 10,494,853	Ps. 4,460,776
Acquisition of Aerostar and Airplan		7,182,963		3,424,717
Interest expense	475,110	295,834	696,641	322,996
Proceeds from bank loans				8,000,000
Interest paid	(646,418)	(277,068)	(492,653)	(351,152)
Payments of the long term debt and bank loan		(102,907)	(3,090,124)	(5,339,338)
Foreign currency translation	(35,889)	390,643	(166,301)	217,385
Exchange (income) / loss on foreign currency			<u>(224,303)</u>	<u>(240,531)</u>
Balances at December 31	<u>Ps. 7,282,268</u>	<u>Ps. 7,489,465</u>	<u>Ps. 7,218,113</u>	<u>Ps. 10,494,853</u>

Note 22 - Authorization of the consolidated financial statements:

The consolidated financial statements and their twenty two notes are an integral part of the consolidated financial statements, which were approved for their issuance on March 15, 2019 by Mr. Adolfo Castro Rivas, Chief Executive Officer of Grupo Aeroportuario del Sureste, S. A. B. de C. V.



Punto I e)

Informe anual del Comité de Auditoría de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
correspondiente al ejercicio 2018

**Informe Anual del Comité de Auditoría y Prácticas Societarias
al Consejo de Administración y a la Asamblea de Accionistas de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.:**

En cumplimiento a lo dispuesto en los Artículos 42 y 43 de la Ley del Mercado de Valores y el Reglamento del Comité de Auditoría, informo a ustedes sobre las actividades que llevamos a cabo durante el año terminado el 31 de Diciembre de 2018. En el desarrollo de nuestro trabajo, hemos tenido presentes las recomendaciones establecidas en el Código de Mejores Prácticas Corporativas y por tratarse de una Empresa registrada en el mercado de valores en los Estados Unidos de América, las disposiciones establecidas en la Ley Sarbanes-Oxley. Nos reunimos cuando menos trimestralmente y con base en un programa de trabajo, llevamos a cabo las actividades que se describen a continuación.

EVALUACIÓN DE RIESGOS

Evaluamos periódicamente la efectividad del Sistema de Administración de Riesgos establecido para la detección, medición, registro, evaluación y control de riesgos del Grupo, así como la implementación de medidas de seguimiento que aseguren su eficiente funcionamiento, concluyendo que es adecuado.

Revisamos con la Administración y los Auditores Externos e Internos, los factores críticos de riesgo que puedan afectar las operaciones del Grupo y su patrimonio, determinándose que los mismos han sido apropiadamente identificados, evaluados y administrados.

CIBERSEGURIDAD

Considerando el incremento significativo, que durante el presente año, han tenido los riesgos de acceso no autorizados a los sistemas de información del Grupo y la continuidad de operaciones en el área de tecnología de información, les dedicamos atención específica en nuestras juntas. Recurrimos a apoyos externos para tener una seguridad razonable, que existan los controles adecuados en los accesos y también, que aseguren la continuidad de operaciones en las áreas de proceso de información.

CONTROL INTERNO

Nos cercioramos que la Administración, en cumplimiento de sus responsabilidades y teniendo presente la evaluación de riesgos del Grupo, haya establecido los procesos necesarios para la aplicación y el cumplimiento de un adecuado sistema de control interno. En adición, dimos seguimiento a los comentarios y observaciones que al respecto, hayan desarrollado los Auditores Externos e Internos en el desempeño de su trabajo.

9

Validamos las acciones realizadas por la empresa a fin de dar cumplimiento a la sección 404 de la Ley Sarbanes-Oxley relativa a la autoevaluación de los controles internos que la empresa efectuó y deberá reportar por el año 2018. Durante este proceso, se dio seguimiento a las medidas preventivas y correctivas implementadas relativas a aspectos de control interno que requieran mejorarse.

AUDITORÍA EXTERNA

Recomendamos al Consejo de Administración la contratación de los Auditores Externos del Grupo para el ejercicio fiscal 2018. Para este fin, nos cercioramos de su independencia y el cumplimiento de los requerimientos establecidos en la Ley y en las disposiciones del carácter general aplicables a las entidades y emisoras supervisadas por la Comisión Nacional Bancaria y de Valores que contraten servicios de auditoría externa de Estados Financieros básicos, que entraron en vigor a partir de 1 de agosto del 2018. Analizamos con ellos su enfoque y programa de trabajo así como su coordinación con el área de auditoría interna.

Modificamos y sometimos a la aprobación del Consejo de Administración, nuestro reglamento para dar cumplimiento a las nuevas disposiciones. Implementamos las acciones establecidas en el ordenamiento mencionado, en lo relativo a las responsabilidades del Comité y también, en lo referente a los requerimientos aplicables a los Auditores Externos.

Revisamos el programa de trabajo de la auditoría externa y su coordinación, con el área de Auditoría Interna.

Mantuvimos con los Auditores Externos una comunicación constante y directa para conocer los avances de su trabajo, y las observaciones que tuvieran, y para tomar nota de los comentarios sobre su revisión a los estados financieros trimestrales y anuales. Conocimos oportunamente sus conclusiones e informes sobre los estados financieros anuales y dimos seguimiento a la implementación de las observaciones y recomendaciones que desarrollaron en el transcurso de su trabajo.

Autorizamos los honorarios pagados a los Auditores Externos por servicios de auditoría y otros servicios permitidos, asegurándonos que no interfirieran con su independencia del Grupo.

Tomando en cuenta los puntos de vista de la Administración, iniciamos el proceso de evaluación del desempeño de los Auditores Externos correspondientes al ejercicio 2018.

AUDITORÍA INTERNA

Con el fin de mantener su independencia y objetividad, el área de Auditoría Interna, le reporta funcionalmente al Comité de Auditoría. A continuación se describen las actividades que llevamos a cabo:

1. Con la debida oportunidad, revisamos y aprobamos su programa y presupuesto anual de actividades. Para elaborarlo, Auditoría Interna participó en el proceso de identificación de riesgos, establecimiento de controles y prueba de los mismos, para cumplir con los requerimientos de la Ley Sarbanes-Oxley. Como consecuencia, aprobamos también, el presupuesto anual y la estructura de la función.
2. Recibimos informes periódicos relativos al avance del programa de trabajo aprobado, las variaciones que pudiera haber tenido así como las causas que las originaron.
3. Dimos seguimiento a las observaciones y sugerencias que desarrollaron y su implementación oportuna.
4. Nos aseguramos que se tuviera implementado un plan anual de capacitación.
5. Iniciamos el proceso de evaluación de la función de Auditoría Interna correspondiente al ejercicio 2018.

INFORMACIÓN FINANCIERA, POLÍTICAS CONTABLES E INFORMES A TERCEROS

Revisamos con las personas responsables, el proceso de preparación de los estados financieros trimestrales y anuales de la Sociedad y recomendamos al Consejo de Administración su aprobación y autorización para ser publicados. Como parte de este proceso tomamos en cuenta la opinión y observaciones de los Auditores Externos y nos cercioramos que los criterios, las políticas contables y de información utilizados por la Administración para preparar la información financiera, sean adecuados y suficientes y que se hayan aplicado en forma consistente con el ejercicio anterior. En consecuencia, la información presentada por la Administración, refleja en forma razonable la situación financiera, los resultados de la operación y los flujos de efectivo de la Sociedad, por el año terminado el 31 de Diciembre de 2018.

Revisamos también, los reportes trimestrales y anuales que prepara la Administración para ser presentados a los accionistas, autoridades y al público en general, verificando que fueran preparados de acuerdo a las normas internacionales de contabilidad utilizando los mismos criterios contables empleados para preparar la información anual. Nuestra revisión incluyó el satisfacernos, que existe un proceso integral que proporcione una seguridad razonable sobre su contenido. Como conclusión, recomendamos al Consejo que autorizara su publicación.

Nuestra revisión incluyó también los reportes y cualquier otra información financiera requerida por los Organismos Reguladores en México y los Estados Unidos de América.

Revisamos y recomendamos al Consejo de Administración, la aprobación e implementación de las normas contables que entraron en vigor en enero de 2019.

9

CUMPLIMIENTO DE LA NORMATIVIDAD, ASPECTOS LEGALES Y CONTINGENCIAS

Confirmamos la existencia y confiabilidad de los controles establecidos por el Grupo, para asegurar el cumplimiento de las diferentes disposiciones legales a que está sujeto, asegurándonos que estuviesen adecuadamente reveladas en la información financiera.

Revisamos periódicamente las diversas contingencias fiscales, legales y laborales existentes en el Grupo, vigilamos la eficacia del procedimiento establecido para su identificación y seguimiento, así como su adecuada revelación y registro.

CÓDIGO DE ÉTICA

Con el apoyo de Auditoría Interna, nos cercioramos del cumplimiento por parte del personal, del Código de Ética vigente en el Grupo, que existan procesos adecuados para su actualización y difusión al personal, así como de la aplicación de las sanciones correspondientes en los casos de violaciones detectadas.

Revisamos las denuncias recibidas en el Sistema que para este fin se tiene establecido, dando seguimiento a su correcta y oportuna atención.

TRANSACCIONES CON PARTES RELACIONADAS

Revisamos que las transacciones con partes relacionadas fuesen resultado de operaciones propias del negocio, a valores de mercado y que se hayan expuesto claramente en los estados financieros. Para este objeto, nos apoyamos en la función de Auditoría Interna.

EVALUACIÓN Y REMUNERACIÓN DE DIRECTIVOS RELEVANTES

El Consejo de Administración tiene establecido un Comité de Nominaciones y Compensaciones cuyas responsabilidades, entre otras, incluyen proponer al Consejo de Administración la designación del Director General y los directivos relevantes de la Sociedad, así como la evaluación de su desempeño y la determinación de su remuneración integral anual. El Comité fue informado de los niveles de remuneración propuestos para el ejercicio 2018, y ratificó los mismos.

ASPECTOS ADMINISTRATIVOS

Llevamos a cabo reuniones del Comité con la Administración para mantenernos informados de la marcha de la sociedad y las actividades y eventos relevantes o poco usuales. También nos reunimos con los Auditores Externos e Internos, para comentar el desarrollo de su trabajo, limitaciones que pudieran haber tenido y facilitar cualquier comunicación privada que desearan tener con el Comité.

En los casos que juzgamos conveniente, solicitamos el apoyo y opinión de expertos independientes. Asimismo, no tuvimos conocimiento de posibles incumplimientos significativos a las políticas de la operación, sistema de control interno y políticas de registro contable.

Celebramos reuniones ejecutivas con la participación exclusiva de los miembros del Comité, estableciéndose durante las mismas, acuerdos y recomendaciones para la Administración.

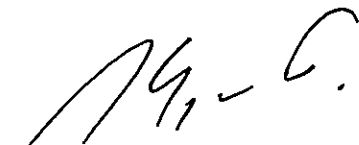
Nuestra revisión incluyó también, los reportes y cualquier otra información financiera, requerida por los organismos reguladores en México y los Estados Unidos de América.

El Presidente del Comité de Auditoría reportó trimestralmente al Consejo de Administración, las actividades que se desarrollaron.

Verificamos el cumplimiento de los requisitos de educación profesional y experiencia, por parte del experto financiero del Comité y de los criterios de independencia para cada uno de sus miembros, conforme a las regulaciones aplicables.

Los trabajos que llevamos a cabo, quedaron debidamente documentados en actas preparadas por cada una de las cinco reuniones que tuvimos, las cuales fueron revisadas y aprobadas oportunamente por los integrantes del Comité.

Atentamente



Ing. Ricardo Guajardo Touché
Presidente del Comité de Auditoría

21 de febrero de 2019



Punto I f)

Dictamen fiscal de
Grupo Aeroportuario del Sureste, S.A.B. de C.V.
correspondiente al ejercicio 2017



Informe sobre otros requerimientos legales y normativos
Informe sobre la revisión de la situación fiscal del contribuyente

Al Consejo de Administración y Accionistas de
Grupo Aeroportuario del Sureste, S.A.B. de C. V.
A la Secretaría de Hacienda y Crédito Público
~~A~~ Servicio de Administración Tributaria (SAT),
A la Administración General de Grandes Contribuyentes.

1. Emito el presente informe en relación con la auditoría que realicé bajo las Normas Internacionales de Auditoría (NIA), de los estados financieros preparados por la Administración de Grupo Aeroportuario del Sureste, S. A. B. de C. V. de conformidad con los artículos 32-A del Código Fiscal de la Federación (CFF), 58 fracciones I, IV, y V del Reglamento del CFF (RCFF), las reglas 2.13.7., 2.13.15. de la Resolución Miscelánea Fiscal para 2018 (RMF) y con los instructivos de integración y de características y los formatos guía para la presentación del dictamen de estados financieros para efectos fiscales contenidos en el Anexo 16 de la RMF.

Como consecuencia de esta auditoría emití un informe con fecha 28 de Julio de 2018 sin salvedades.

2. Exclusivamente por lo mencionado en este apartado 2., declaro, bajo protesta de decir verdad, con fundamento en los artículos 52, fracción III del CFF, 57 y 58 fracción III del RCFF y la regla 2.13.16. de la RMF que:
 - a. En relación con la auditoría practicada conforme a las NIA, de los estados financieros de Grupo Aeroportuario del Sureste, S.A.B. de C. V., por el año terminado el 31 de diciembre de 2017, a la que me refiero en el apartado anterior, emití mi opinión sin salvedades que afecten la situación fiscal del contribuyente.
 - b. Como parte de mi auditoría, descrita en el apartado anterior, revisé la información y documentación adicional preparada por y bajo la responsabilidad de la Compañía, de conformidad con los artículos 32-A del CFF, 58 fracciones I, IV y V del RCFF, las reglas 2.13.7., 2.13.15. de la RMF y con los formatos guía y los instructivos de integración y de características para la presentación del dictamen de estados financieros para efectos fiscales contenidos en el Anexo 16 de la RMF, que se presenta en el Sistema de Presentación del Dictamen Fiscal 2017 (SIPRED) vía Internet al SAT. He auditado esta información y documentación mediante pruebas selectivas, utilizando los procedimientos de auditoría aplicables en las circunstancias, dentro de los alcances necesarios para poder expresar mi opinión sobre los estados financieros tomados en su conjunto, de acuerdo con las NIA. Dicha información se incluye para uso exclusivo y de análisis por parte de la Administración General de Grandes Contribuyentes. Con base en mi auditoría manifiesto lo siguiente:
 - i. Dentro de las pruebas selectivas llevadas a cabo en cumplimiento de las NIA, revisé la situación fiscal del contribuyente a que se refiere el artículo 58, fracción V del RCFF, las reglas 2.13.19. y la fracción XVI de la regla 2.13.16. de la RMF, por el periodo, que cubren los estados financieros dictaminados y, dentro del alcance de mis pruebas selectivas, revisé que los



bienes y servicios adquiridos o enajenados u otorgados en uso o goce a la Compañía, fueron efectivamente recibidos, entregados o prestados, respectivamente. Conforme a la fracción II de la regla 2.13.16. de la RMF, los procedimientos que apliqué no incluyeron el examen respecto al cumplimiento de las disposiciones en materia aduanera y de comercio exterior.

En mis papeles de trabajo existe evidencia de los procedimientos de auditoría aplicados a las partidas seleccionadas mediante muestreo y que soportan las conclusiones obtenidas.

- ii. Verifiqué con base en pruebas selectivas y a las NIA el cálculo y entero de las contribuciones federales que se causaron en el ejercicio, incluidas en la relación de contribuciones a cargo del contribuyente como sujeto directo o en su carácter de retenedor.
- iii. Revisé con base en pruebas selectivas y a las NIA que el contribuyente tiene el derecho a los saldos a favor solicitados en las devoluciones o aplicados en compensaciones que se llevaron a cabo durante el ejercicio sujeto a revisión y que las cantidades pendientes de devolver o devueltas a la Compañía por la autoridad fiscal derivan de dicho saldo.
- iv. Revisé en función de su naturaleza y mecánica de aplicación utilizada, en su caso, en ejercicios anteriores, los conceptos e importes que se muestran en los siguientes anexos:
 - Conciliación entre el resultado contable y el fiscal para los efectos del impuesto sobre la renta (ISR) y
 - Conciliación entre los ingresos dictaminados según el estado de resultado integral, los acumulables para los efectos del ISR y la suma del total de los actos o actividades para efectos del impuesto al valor agregado (IVA) de los pagos mensuales definitivos efectuados correspondientes al ejercicio terminado el 31 de diciembre de 2017.
- v. Durante el ejercicio no tuve conocimiento que el contribuyente hubiera presentado declaraciones complementarias que modificaran las de ejercicios anteriores ni por diferencias de impuestos del ejercicio dictaminado.
- vi. Revisé mediante pruebas selectivas, los saldos de las cuentas que se indican en los anexos relativos a el análisis comparativo de las subcuentas de gastos, el análisis comparativo de las subcuentas del resultado integral de financiamiento, conciliando, en su caso: a) las diferencias con los estados financieros básicos, originadas por reclasificaciones para su presentación, y b) la determinación de los montos deducibles y no deducibles para los efectos del ISR.
- vii. Durante el ejercicio que terminó el 31 de diciembre de 2017, no tuve conocimiento de que la Compañía obtuvo resoluciones de las autoridades fiscales o jurisdiccionales, o que gozó de estímulos fiscales, exenciones, subsidios o créditos fiscales.
- viii. Durante el ejercicio, la Compañía no fue responsable solidaria como retenedora en la enajenación de acciones efectuada por residentes en el extranjero.



- ix. Durante el ejercicio se realizaron operaciones que generaron fluctuaciones cambiarias, sin embargo, no se realizó trabajo por dichas operaciones ya que no estuvieron en nuestro alcance derivado de que no superaron la materialidad establecida.
- x. Los saldos de la Compañía con sus principales partes relacionadas, al 31 de diciembre de 2017, se revelan en la Nota 7 a los estados financieros, incluida en el Anexo "Notas a los Estados Financieros" del SIPRED. Las operaciones con partes relacionadas efectuadas durante el ejercicio, se revelan en el Anexo 16 "Operaciones con Partes Relacionadas" del SIPRED.
- xi. Dentro del alcance de mis pruebas selectivas revisé el cumplimiento de las obligaciones relativas a operaciones con partes relacionadas conforme se establece en las siguientes disposiciones: artículos 11, 27, fracción XIII, 28, fracciones XVII, cuarto párrafo, inciso b), XVIII, XXVII, XXIX y XXXI, 76, fracciones IX, X y XII, de la Ley del ISR.
- xii. Durante el ejercicio que terminó el 31 de diciembre de 2017, en el Anexo de Datos Generales del SIPRED, la compañía incorporó la información relacionada con la aplicación de algunos de los criterios diferentes a los que en su caso hubiera dado a conocer la autoridad fiscal conforme al inciso h) de la fracción I del artículo 33 del CFF vigente al 31 de diciembre de 2017. El contribuyente manifestó en el anexo mencionado que durante el ejercicio que terminó el 31 de diciembre de 2017 no aplicó dichos criterios.
- xiii. Dentro del alcance de mis pruebas selectivas, revisé la información que el contribuyente manifestó en las declaraciones informativas presentadas en los siguientes anexos de la Declaración Informativa Múltiple sin observar omisión alguna:
 - Anexo 2 "Información sobre pagos y retenciones del ISR, IVA e IEPS".

Otros asuntos

3. Mis respuestas a las preguntas de los cuestionarios de diagnóstico fiscal y en materia de precios de transferencia, que forman parte de la información incluida en el SIPRED, se basan en el resultado de mi auditoría de los estados financieros básicos, tomados en su conjunto, de Grupo Aeroportuario del Sureste, S. A. B. de C. V. al 31 de diciembre de 2017 y por el año terminado en esa fecha, el cual fue realizado de acuerdo con las NIA; consecuentemente, las respuestas que indican cumplimiento con las disposiciones fiscales por parte del contribuyente, están sustentadas con: a) el resultado de mi auditoría que efectué de acuerdo con las NIA, o b) el hecho que durante mi auditoría que efectué conforme a las NIA, revisé y no tuve conocimiento de algún incumplimiento del contribuyente con las obligaciones fiscales.

Algunas respuestas a las preguntas del cuestionario de diagnóstico fiscal y del cuestionario en materia de precios de transferencia, se dejaron en blanco debido a que: 1) no aplican a la Compañía, 2) no hay posible respuesta o 3) la información no fue revisada, por no formar parte del alcance de mi revisión, lo cual no constituye un incumplimiento con las disposiciones fiscales.



4. En relación a las respuestas que dio la Compañía, sobre los cuestionarios de diagnóstico fiscal del contribuyente y en materia de precios de transferencia que se incluyen en los anexos "Datos Generales" e "Información del Contribuyente sobre sus Operaciones con Partes Relacionadas", respectivamente, que forman parte de la información incluida en el SIPRED, he analizado y revisado que dichas respuestas sean consistentes con el resultado de mi auditoría que efectué de acuerdo con las NIA.

Consecuentemente, las respuestas que indican cumplimiento con las disposiciones fiscales por parte del contribuyente, están sustentadas en el hecho de que durante la auditoría que efectué, revisé y no tuve conocimiento de algún incumplimiento respecto de las obligaciones fiscales a las que se refieren dichos cuestionarios.

Asimismo, algunas preguntas requieren información que no forma parte de los estados financieros básicos, por lo que las respuestas fueron proporcionadas por la Compañía y no forman parte del alcance de mi auditoría.

5. Al 31 de diciembre de 2017 no se identificaron diferencias no materiales en contribuciones a cargo del contribuyente como sujeto directo o en su carácter de retenedor.

A handwritten signature in black ink, appearing to read "Antonio Nivón Trejo", is written over a horizontal line.

C.P.C. Antonio Nivón Trejo
Inscripción número 18382 en la
Administración General de
Auditoría Fiscal Federal

Ciudad de México, 28 de julio de 2018



Punto II a)

Propuesta de aplicación de las utilidades acumuladas de Grupo Aeroportuario del Sureste, S.A.B. de C.V. al cierre del ejercicio 2018;
Propuesta de incremento de la reserva legal

Grupo Aeroportuario del Sureste, S.A.B. de C.V.
Propuesta de incremento de la reserva legal

Bajo la legislación mexicana, ASUR y cada una de sus subsidiarias tienen la obligación de asignar como mínimo un 5% de sus utilidades netas anuales para aumentar su reserva legal, hasta que dicha reserva sea equivalente al 20% del capital social emitido (histórico) de la sociedad en cuestión. Las empresas mexicanas solamente pueden pagar dividendos de sus cuentas de utilidades retenidas después de haber constituido la reserva legal.

Por lo tanto, en 2019 ASUR deberá incrementar su reserva legal en **Ps. \$261,103,992.46 (Doscientos sesenta y un millones ciento tres mil novecientos noventa y dos pesos, 46/100 M.N.)**, monto que será cargado a la cuenta de utilidades retenidas acumuladas al cierre de 2018.

Se informa que dicha propuesta ya fue aprobada por el Socio Estratégico de la Sociedad, por el Comité de Operaciones de la Sociedad, y por el Consejo de Administración de la Sociedad.

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Lic. Fernando Chico Pardo
Presidente del Consejo de Administración
Marzo 2019



Punto II b)

Propuesta de aplicación de las utilidades acumuladas de Grupo Aeroportuario del Sureste, S.A.B. de C.V. al cierre del ejercicio 2018;

Propuesta de pago de dividendo ordinario y extraordinario en efectivo de la cuenta de utilidades retenidas acumuladas

Grupo Aeroportuario del Sureste, S.A.B. de C.V.
Propuesta de pago de dividendo ordinario y extraordinario en efectivo de la
cuenta de utilidades retenidas acumuladas

Referente a la distribución de las utilidades retenidas acumuladas al cierre del ejercicio 2018, la administración de ASUR propone el pago a los accionistas de la Sociedad de un dividendo ordinario por acción equivalente a **Ps. \$7.46 (Siete pesos, 46/100 M.N.)**, así como un dividendo extraordinario por acción equivalente a **Ps. \$2.54 (Dos pesos, 54/100 M.N.)**, por lo que el dividendo total por acción sería de **Ps. \$10.00 (Diez pesos, 00/100 M.N.)**.

Se informa que dicha propuesta ya fue aprobada por el Socio Estratégico de la Sociedad, por el Comité de Operaciones de la Sociedad, y por el Consejo de Administración de la Sociedad.

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Lic. Fernando Chico Pardo
Presidente del Consejo de Administración
Marzo 2019



Punto II c)

Propuesta de aplicación de las utilidades acumuladas de Grupo Aeroportuario del Sureste, S.A.B. de C.V. al cierre del ejercicio 2018;

Propuesta del monto máximo que podrá destinar la Sociedad a la recompra de acciones propias en 2019

Grupo Aeroportuario del Sureste, S.A.B. de C.V.
Propuesta del monto máximo que podrá destinar la Sociedad a la recompra de acciones propias en 2019

El monto máximo propuesto por la administración de ASUR que podrá destinar la Sociedad a la recompra de acciones propias durante el ejercicio 2019, con el fin de apoyar la liquidez en el mercado, es de **Ps. \$1,957,650,198.99 (Un mil novecientos cincuenta y siete millones seiscientos cincuenta mil ciento noventa y ocho pesos, 99/100 M.N.)**.

Se informa que dicha propuesta ya fue aprobada por el Socio Estratégico de la Sociedad, por el Comité de Operaciones de la Sociedad, y por el Consejo de Administración de la Sociedad.

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Lic. Fernando Chico Pardo
Presidente del Consejo de Administración
Marzo 2019



Punto III a)

Ratificación de la administración del Consejo de Administración
y del Director General de la Sociedad durante el ejercicio fiscal
2018

Grupo Aeroportuario del Sureste, S.A.B. de C.V.
Propuesta para la ratificación de la administración del Consejo de
Administración y del Director General de la Sociedad
durante el ejercicio fiscal 2018

Se propone la ratificación por parte de los accionistas de la administración del Consejo de Administración y del Director General de la Sociedad durante el ejercicio fiscal 2018.



Punto III b)

Propuesta de nombramiento o ratificación, en su caso, de las
personas a constituir el Consejo de Administración de la
Sociedad

Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Propuesta para la integración del Consejo de Administración

Se informa a los accionistas que en ejercicio de sus derechos bajo el artículo 6, inciso 2. a) de los estatutos de la Sociedad, Inversiones y Técnicas Aeroportuarias, S.A.P.I. de C.V. ("ITA"), en su capacidad de accionista de la Serie BB, ha nombrado al Sr. Pablo Chico Hernández en sustitución del Sr. Federico Chávez Peón Mijares como miembro suplente del Sr. Fernando Chico Pardo en el Consejo de Administración de la Sociedad. Dicho nombramiento obtuvo la opinión favorable del Comité de Nominaciones y Compensaciones de la Sociedad, mismo que propone su ratificación por la Asamblea de Accionistas.

El Comité de Nominaciones y Compensaciones también propone la ratificación en sus cargos de todos los demás miembros del Consejo de Administración y sus suplentes, en caso de tenerlos, así como del secretario y prosecretario.

Como consecuencia de lo anterior, en el Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V. se ratificarían las siguientes personas en sus cargos:

III. b) i.

Fernando Chico Pardo – Presidente <i>(Alternó: Pablo Chico Hernández)</i>	Ratificación en su cargo Nombrado por ITA y ratificado por el Comité de Nominaciones y Compensaciones para representar a los accionistas de la Serie BB
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Fernando Chico Pardo

El señor Fernando Chico Pardo fue nombrado Presidente del Consejo de Administración de ASUR en abril de 2005, y ha fungido como Director General de ASUR desde enero de 2007. El señor Chico Pardo fue nombrado al Consejo de ASUR por ITA, el Socio Estratégico de la Sociedad, y representa las acciones de la serie BB. Es fundador y Presidente del fondo de inversión Promecap, S.C. Anteriormente, el señor Chico Pardo fue socio y Director General Interino de Grupo Financiero Inbursa, S.A. de C.V.; socio y Director General Interino de Acciones e Inversora Bursátil, S.A. de C.V. Casa de Bolsa; fundador y Director de Acciones y Asesoría Bursátil, S.A. de C.V. Casa de Bolsa; Director of Metals Procurement en Salomon Brothers (Nueva York); Representante de América Latina para Mocatta Metals Corporation; y Representante de México para Standard Chartered Bank (Londres). El señor Chico Pardo ha sido miembro del consejo de administración de Grupo Financiero Inbursa, Condumex, Grupo Carso, Sanborns Hermanos, Sears Roebuck de México y Grupo Posadas de México.

Pablo Chico Hernández

El Sr. Chico Hernández se graduó de la Universidad Iberoamericana en la Ciudad de México donde estudió Administración de Negocios, y obtuvo un MBA de la Southern Methodist University en Dallas, Texas, con especialidad en Finanzas y Empresariado. Ha trabajado en Promecap, S.C., y en

Prudential Bank México, donde administró una cartera de USD \$100M indexada a la Bolsa Mexicana de Valores. Actualmente trabaja en SSA Marine, una empresa de logística de transporte marítimo y ferroviario con sede en Seattle, Washington.

III. b) ii.

José Antonio Pérez Antón (<i>Alternativo: Luis Fernando Lozano Bonfil</i>)	Ratificación en su cargo Nombrado por ITA y ratificado por el Comité de Nominaciones y Compensaciones para representar a los accionistas de la Serie BB
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José Antonio Pérez Antón

El señor Pérez Antón ha sido Director General de Grupo ADO desde 2006. Forma parte del consejo de administración de esa empresa desde 2005, y ha trabajado en el Grupo desde 1996. Actualmente, el señor Pérez Antón también se desempeña como Vicepresidente de la Cámara Nacional del Autotransporte de Pasaje y Turismo (CANAPAT) y es consejero del ITI (Intermodal Transportation Institute, con base en Denver, EE.UU.). También es miembro del Consejo Coordinador Empresarial y del Consejo Mexicano de Negocios.

Luis Fernando Lozano Bonfil

El señor Lozano Bonfil ha sido Director de Desarrollo de Negocios de Grupo ADO desde 2007. Anteriormente, se desempeñó como Tesorero del Grupo. El señor Lozano Bonfil también ocupa el cargo ya sea de miembro del consejo de administración o de administrador único en varias empresas subsidiarias de Grupo ADO. Es miembro del Instituto Mexicano de Ejecutivos de Finanzas (IMEF). Ha trabajado en Grupo ADO desde el año 2000.

III. b) iii.

Luis Chico Pardo	Ratificación en su cargo Nombrado por Fernando Chico Pardo en su calidad de tenedor de una participación mayor al 10% (diez por ciento) en las acciones de la Serie B, y ratificado por el Comité de Nominaciones y Compensaciones
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Luis Chico Pardo

El señor Luis Chico Pardo ha sido miembro de nuestro Consejo de Administración desde abril de 2008. El señor Luis Chico Pardo se ha desempeñado como economista en el Banco de México, como Gerente de la División Internacional en el Banco de México, como Coordinador General del Departamento de Crédito en la Secretaría de Hacienda y Crédito Público de México, como Director General de Banco Mexicano, como Vicepresidente Ejecutivo de Banco Mexicano Somex, y como Director General de Banco B.C.H. Actualmente es miembro del consejo de administración de la firma de inversión de capital Promecap.

III. b) iv.

Aurelio Pérez Alonso	Ratificación en su cargo Nombrado por Grupo ADO, S.A. de C.V. en su calidad de tenedor de una participación mayor al 10% (diez por ciento) en las acciones de la Serie B, y ratificado por el Comité de Nominaciones y Compensaciones
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Aurelio Pérez Alonso

El señor Pérez Alonso ha sido Director General Adjunto de Grupo ADO desde 2006, y forma parte del consejo de administración de esa empresa desde 2005. Antes de unirse al Grupo en 1998, el señor Pérez Alonso se desempeñó como consultor en Arthur Andersen. Actualmente también forma parte del consejo de administración de la Cámara Nacional del Autotransporte de Pasaje y Turismo (CANAPAT).

III. b) v.

Rasmus Christiansen	Ratificación en su cargo
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Rasmus Christiansen

El señor Christiansen ha sido miembro de nuestro Consejo de Administración desde abril de 2007. El señor Christiansen ha fungido como Director General de Copenhagen Airports International A/S. Anteriormente, se ha desempeñado como Vicepresidente de Copenhagen Airports International A/S, Director de Desarrollo y Adquisiciones de Copenhagen Airports International A/S, Director de una empresa de importaciones/exportaciones en Hungría, Vicepresidente de Dolce International, International Hotel Development & Operations, Director General de Scanticon Conference Center, Aarhus y Director de Ventas de Scanticon Conference Center, Aarhus.

III. b) vi.

Francisco Garza Zambrano	Ratificación en su cargo
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Francisco Garza Zambrano

El señor Garza es miembro independiente de nuestro Consejo de Administración. Ha fungido como Presidente de Cementos Mexicanos (CEMEX) para México, Estados Unidos, y Centro, Sudamérica y el Caribe. Es miembro de los consejos de administración de Autlán, S.A.B. de C.V., CYDSA, S.A.B. de C.V., ESCALA, Fomento Empresarial Inmobiliario S.A. de C.V., IDEI: Internacional de Inversiones, S.A.P.I. de C.V., MFM OPM SAPI de C.V. SOFOM ENR, Mitsui de México, S. de R.L. de C.V. y Xignux, S.A. de C.V. Asimismo es presidente del Consejo Regional Monterrey del Banco de México, de Ciudad de los Niños de Monterrey, A.B.P., de Club Industrial A.C., y de Sociedad Nacional de Crédito (NAFINSA).

III. b) vii.

Ricardo Guajardo Touché	Ratificación en su cargo
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Ricardo Guajardo Touché

El señor Guajardo es miembro independiente de nuestro Consejo de Administración. Ha sido Presidente de Grupo Financiero BBVA Bancomer, S.A. de 2000 a 2004, Presidente y Director General de Grupo Financiero BBVA Bancomer, S.A. de 1991 a 2000, además de Director General de Grupo Vamsa a partir de 1989. Actualmente es miembro de los consejos de administración de Grupo Bimbo y de Almacenes Coppel, y ha ocupado cargos en los consejos de administración del Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM), de Fomento Económico Mexicano (FEMSA), de Grupo Valores de Monterrey (VAMSA), de Transportación Marítima Mexicana (TMM), de Alfa and de El Puerto de Liverpool.

III. b) viii.

Guillermo Ortiz Martínez	Ratificación en su cargo
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Guillermo Ortiz Martínez

El señor Ortiz es miembro independiente de nuestro Consejo de Administración. Ha ocupado el cargo de Presidente del Consejo de Administración de Grupo Financiero Banorte. Anteriormente, ha sido Gobernador del Banco de México durante dos períodos, de 1998 a 2003, y de 2004 a 2009. De 1994 a 1997, se desempeñó como Secretario de Hacienda y Crédito Público de la República Mexicana. El señor Ortiz fue Subsecretario de Hacienda y Crédito Público de 1988 a 1994. Entre 1984 y 1988, ocupó el cargo de Director Ejecutivo del Fondo Monetario Internacional (FMI). De 1977 a 1984, fungió como Economista, Subgerente y Gerente en la Dirección de Investigación Económica del Banco de México. El señor Ortiz ingresó al Servicio Público Federal como Economista en la Secretaría de la Presidencia. Durante el 2009, fungió como Presidente del Consejo de Administración del Banco de Pagos Internacionales (BIS) con base en Basilea, Suiza.

III. b) ix.

Roberto Servitje Sendra	Ratificación en su cargo
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Roberto Servitje Sendra

El señor Servitje es miembro independiente de nuestro Consejo de Administración. Se ha desempeñado como Subdirector General de Grupo Bimbo (1969), y como Director General (1978) y Presidente Ejecutivo (1990) de la misma empresa. Actualmente es Presidente del consejo de administración de Grupo Bimbo (a partir de 1994). También forma parte del consejo de administración de FEMSA, así como de los consejos consultivos de Chrysler México, Grupo Altex, la Escuela Bancaria y Comercial y el Hermann International Memorial.

III. b) x.

Rafael Robles Miaja (Secretario)

Ratificación en su cargo

Rafael Robles Miaja

El Lic. Robles es socio del despacho de abogados Robles Miaja Abogados, S.C. Funge como Secretario no miembro del Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V. desde 2007.

III. b) xi.

Ana María Poblanno Chanona (Prosecretario)
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Ratificación en su cargo

Lic. Ana María Poblanno Chanona

La Lic. Ana María Poblanno anteriormente fue socia del despacho de abogados Santamarina y Steta, S.C. Ha ocupado el cargo de Prosecretaria no miembro del Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V. desde 2000.



Punto III c)

Propuesta de nombramiento o ratificación, en su caso, del
Presidente del Comité de Auditoría

Grupo Aeroportuario del Sureste, S.A.B. de C.V. Propuesta relativa al Presidente del Comité de Auditoría

III c) i.

Se propone que el **Ing. Ricardo Guajardo Touché** sea ratificado en su cargo como Presidente del Comité de Auditoría de Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Ricardo Guajardo Touché

El señor Guajardo es miembro independiente de nuestro Consejo de Administración, y ha fungido como Presidente del Comité de Auditoría de la Sociedad desde su constitución en 2002. Ha sido Presidente de Grupo Financiero BBVA Bancomer, S.A. de 2000 a 2004, Presidente y Director General de Grupo Financiero BBVA Bancomer, S.A. de 1991 a 2000, además de Director General de Grupo Vamsa a partir de 1989. Actualmente es miembro de los consejos de administración de Grupo Bimbo y de Almacenes Coppel, y ha ocupado cargos en los consejos de administración del Instituto Tecnológico y de Estudios Superiores de Monterrey (ITESM), de Fomento Económico Mexicano (FEMSA), de Grupo Valores de Monterrey (VAMSA), de Transportación Marítima Mexicana (TMM), de Alfa y de El Puerto de Liverpool.



Punto III d)

Propuesta de nombramiento o ratificación, en su caso, de las
personas a constituir el Comité de Nominaciones y
Compensaciones de la Sociedad

Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Propuesta para la integración del Comité de Nominaciones y Compensaciones de la Sociedad

Se propone la ratificación de los miembros actuales del Comité de Nominaciones y Compensaciones de Grupo Aeroportuario del Sureste, S.A.B. de C.V. en sus posiciones en dicho Comité:

III d) i.

Se propone que el **Lic. Fernando Chico Pardo** sea ratificado en su cargo como Presidente del Comité de Nominaciones y Compensaciones de Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Fernando Chico Pardo

El señor Fernando Chico Pardo fue nombrado Presidente del Consejo de Administración de ASUR en abril de 2005, y ha fungido como Director General de ASUR desde enero de 2007. El señor Chico Pardo fue nombrado al Consejo de ASUR por ITA, el Socio Estratégico de la Sociedad, y representa las acciones de la serie BB. Es fundador y Presidente del fondo de inversión Promecap, S.C. Anteriormente, el señor Chico Pardo fue socio y Director General Interino de Grupo Financiero Inbursa, S.A. de C.V.; socio y Director General Interino de Acciones e Inversora Bursátil, S.A. de C.V. Casa de Bolsa; fundador y Director de Acciones y Asesoría Bursátil, S.A. de C.V. Casa de Bolsa; Director of Metals Procurement en Salomon Brothers (Nueva York); Representante de América Latina para Mocatta Metals Corporation; y Representante de México para Standard Chartered Bank (Londres). El señor Chico Pardo ha sido miembro del consejo de administración de Grupo Financiero Inbursa, Condumex, Grupo Carso, Sanborns Hermanos, Sears Roebuck de México y Grupo Posadas de México.

III d) ii.

Se propone que el **Ing. José Antonio Pérez Antón** sea ratificado en su cargo como miembro del Comité de Nominaciones y Compensaciones de Grupo Aeroportuario del Sureste, S.A.B. de C.V.

José Antonio Pérez Antón

El señor Pérez Antón ha sido Director General de Grupo ADO desde 2006. Forma parte del consejo de administración de esa empresa desde 2005, y ha trabajado en el Grupo desde 1996. Actualmente, el señor Pérez Antón también se desempeña como Vicepresidente de la Cámara Nacional del Autotransporte de Pasaje y Turismo (CANAPAT) y es consejero del ITI (Intermodal Transportation Institute, con base en Denver, EE.UU.). También es miembro del Consejo Coordinador Empresarial y del Consejo Mexicano de Negocios.

III d) iii.

Se propone que el **Lic. Roberto Servitje Sendra** sea ratificado en su cargo como miembro del Comité de Nominaciones y Compensaciones de Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Roberto Servitje Sendra

El señor Servitje es miembro independiente de nuestro Consejo de Administración. Se ha desempeñado como Subdirector General de Grupo Bimbo (1969), y como Director General (1978) y Presidente Ejecutivo (1990) de la misma empresa. Actualmente es Presidente del consejo de administración de Grupo Bimbo (a partir de 1994). También forma parte del consejo de administración de FEMSA, así como de los consejos consultivos de Chrysler México, Grupo Altex, la Escuela Bancaria y Comercial y el Hermann International Memorial.



Punto III e)

Propuesta para la determinación de los emolumentos
correspondientes

Grupo Aeroportuario del Sureste, S.A.B. de C.V.
Propuesta relativa a los emolumentos a pagarse a los miembros del Consejo de Administración y de los Comités de la Sociedad

De acuerdo con la resolución aprobada por el Comité de Nominaciones y Compensaciones en su sesión celebrada el día 5 de marzo de 2019, se propone que a partir de la fecha de la presente Asamblea, los miembros del Consejo de Administración y de los Comités de la Sociedad reciban la compensación neta que se menciona a continuación para cada sesión a la que asisten:

III. e) i.

Órgano:	Propuesta de honorarios por sesión
Consejo de Administración	MXN \$66,000 <i>(sesenta y seis mil pesos M.N.)</i>

III. e) ii.

Órgano:	Propuesta de honorarios por sesión
Comité de Operaciones	MXN \$66,000 <i>(sesenta y seis mil pesos M.N.)</i>

III. d) iii.

Órgano:	Propuesta de honorarios por sesión
Comité de Nominaciones y Compensaciones	MXN \$66,000 <i>(sesenta y seis mil pesos M.N.)</i>

III. e) iv.

Órgano:	Propuesta de honorarios por sesión
Comité de Auditoría	MXN \$93,500 <i>(noventa y tres mil quinientos pesos M.N.)</i>

III. e) v.

Órgano:	Propuesta de honorarios por sesión
Comité de Adquisiciones y Contratos	MXN \$22,000 <i>(veintidós mil pesos M.N.)</i>



Punto IV

Propuesta de designación de delegados para dar cumplimiento a las resoluciones de la Asamblea General Anual Ordinaria de Accionistas de Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Grupo Aeroportuario del Sureste, S.A.B. de C.V.

Se propone designar a los delegados que se mencionan a continuación, para que den cumplimiento a las resoluciones aprobadas en la Asamblea General Anual Ordinaria de Accionistas de Grupo Aeroportuario del Sureste, S.A.B. de C.V. celebrada el día 24 de abril de 2019:

IV. a)

Lic. Claudio R. Góngora Morales

El Lic. Góngora es el Director Jurídico de Grupo Aeroportuario del Sureste, S.A.B. de C.V. Tiene más de 17 años trabajando en la empresa.

IV. b)

Lic. Rafael Robles Miaja

El Lic. Robles es socio del despacho de abogados Robles Miaja Abogados, S.C. Funge como Secretario no miembro del Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V. desde 2007.

IV. c)

Lic. Ana María Poblano Chanona

La Lic. Ana María Poblano anteriormente fue socia del despacho de abogados Santamarina y Steta, S.C. Ha ocupado el cargo de Prosecretaria no miembro del Consejo de Administración de Grupo Aeroportuario del Sureste, S.A.B. de C.V. desde 2000.