SECOND QUARTER 2014 EARNINGS RESULTS

Conference Call

Monday, July 28, 2014
9:00 a.m. (Mexico time)
10:00 a.m. (New York time)
Telephone:
+1 877 407 8031
+1 201 689 8031
Passcode: Vesta

Conference call reply
+1 877 660 6853
+1 201 612 7415
Passcode: 13585389
Available for a week

Contacts:

Juan Sottil
Chief Financial Officer
+52 55 5950-0070 ext. 133
jsottil@vesta.com.mx

Iga Wolska
Investor Relations
+52 55 5950-0070 ext. 124
iwolska@vesta.com.mx
investor.relations@vesta.com.mx

Lucia Domville
Grayling
+1 646 284-9416
vesta@grayling.com

Mexico City, July 25, 2014 – Corporacion Inmobiliaria Vesta S.A.B. de C.V., ("Vesta", or the "Company") (BMV: VESTA), one of Mexico's leading industrial real estate owner, developer and asset operator, announced today its results for the second quarter ended June 30, 2014. All figures included herein were prepared in accordance with the International Financial Reporting Standards (IFRS) and are stated in American dollars, unless otherwise noted.

Highlights

- The Investment Committee approved investments totaling US$ 23.6 million: US$ 9.2 million for the construction of two inventory buildings in Querétaro and US$ 14.4 million for the acquisition of the land reserve located in Tijuana, Baja California.
- During the first quarter we finished the construction of two buildings: the Colinas II inventory building located in Silao and the second inventory building in Aerospace Park located in Querétaro. Both buildings were in line with the budget.
- As a result of the previous highlight, the total gross leasable area ("GLA") increased to 15,294,973 SF (1,420,950 m^2), representing an increase of 1.5% compared with last quarter.
- In 2Q14 the vacancy rate decreased from 10.82% to 9.83% primarily as a result of the signing of a leasing contract with Chrysler Mexico regarding the industrial facility known as "S4" within the Vesta Park Toluca II complex.
- In addition, Chrysler requested an expansion of existing building. The total gross leasable area for Chrysler is 467,854 square feet. Chrysler will lease the premises for a mandatory term of 10 years.
- We continued the construction of fourteen buildings with a total GLA of 3,471,598 SF (322,522 m^2) and a total investment of US$ 133.9 million.
- Revenues grew 16.6% to US$ 16.85 million in 2Q14, from US$ 14.45 million in 2Q13.
- Net operating income ("NOI") in 2Q14 was US$ 16.11 million, 16.7% above the US$ 13.81 million in 2Q13. The NOI margin reached 95.6%.
- EBITDA increased 9.1% in 2Q14 to US$ 13.64 million, compared to US$ 12.50 million in 2Q13.
- Total comprehensive income resulted in a gain of US$ 16.32 million in 2Q14, compared to a loss of US$ 0.58 million in 2Q13.

- Funds from operations ("FFO") in 2014 totaled US$ 6.54 million, compared to US$ 4.65 million in the previous year, representing an increase of 40.7%.
- As of June 30, 2014, the value of Vesta's portfolio of investment properties amounted to US$ 1,008.98 million.

				6 months		
Financial Indicators (million)	**2Q14**	**2Q13**	**Chg. %**	**2014**	**2013**	**Chg. %**
Rental Income	16.85	14.45	16.6	33.24	28.02	18.6
NOI	16.11	13.81	16.7	31.87	26.72	19.3
NOI Margin %	*95.6%*	*95.6%*		*95.9%*	*95.4%*	
EBITDA	13.64	12.50	9.1	27.56	23.85	15.6
EBITDA Margin %	*80.9%*	*86.5%*		*82.9%*	*85.1%*	
EBITDA Per Share	*0.03*	*0.03*		*0.05*	*0.06*	
Total Comprehensive Income	16.32	(0.58)	25.9	25.93	32.72	(20.8)
FFO	6.54	4.65	40.7	12.89	10.13	27.3
FFO Per Share	*0.01*	*0.01*		*0.03*	*0.03*	
EPS	0.03	(0.00)		0.05	0.08	

1. See Appendix, Condensed Consolidated Interim Statements of Profit and Other Comprehensive Income

CEO Comments

Vesta, growth with a sharp shooter strategy

It has been two years since Vesta´s IPO. Time has gone quickly and the company has increased its gross leasable area by 40%. Our growth is based on a clear and consistent strategy focused on developing the most modern industrial portfolio in Mexico. This is a sharp shooter strategy supported more by clear goals and less by opportunistic decisions. We deliver on our promises by means of its correct implementation and effectively working in all regions where we have presence.

The company has consistently shown its capability of delivering profitable margins in line or better than previous years. During the second quarter the revenues increased 16.6% compared to the same quarter in 2013 reaching 16.8 million dollars. Net operating income increased 16.7% from previous year, reaching 16.1 million dollars and 95.6% margin. We are currently developing fourteen projects which amount to a total gross leasable area of 3.47 million square feet and to be delivered by July of 2015.

Our portfolio consists of 15.3 million square feet of gross leasable area, which represent an increase of 15.3 % over the second quarter of 2013. Our vacancy rate decreased to 9.83% from 10.82% in the second quarter 2014, mainly due the signing of the lease agreement with Chrysler México.

The total gross leasable area for Chrysler is 467,854 square feet and comprises the entire inventory building known as "S4" within the Vesta Park Toluca II complex, including an expansion of 166,463 square feet.

Chrysler will lease the premises for a mandatory term of 10 years and will begin to pay rent starting in October 2014 for the first phase and in January 2015 for the remaining area.

We believe that the perspective for the industrial sector in Mexico and particularly for our clients and prospects is excellent. The opening of the oil and gas energy markets to foreign and local investors for the first time since 1938, together with the financial, labor, telecommunications, transparency and educational reforms will increase Mexico´s competitiveness, productivity and growth.

The implementation of the reforms is expected to be expedited, with bidding processes and investments starting on January 2015, surpassing the time that Brazil and Colombia took to go through the same process.

Even more, the Ministry of Energy indicated that joint investment of 18 billion US dollars between the government and the private sector directed to transportation of natural gas, will rapidly bring benefits from the low cost of natural gas coming from the United States.

This is Mexico's most significant economic initiative since the North American Free Trade Agreement and it will allow the industrial sector access to competitive energy prices as soon as 2018. It is also expected to generate an important growth in foreign direct investment for an additional $20 billion dollars per year.

Vesta is uniquely positioned to take advantage from this opportunity. Our management structure is national, with both a global vision and local insight in each region. We are planning to leverage on the new opportunities that are arising in the logistics sector supported by the growth of third party logistics (3PL), e-commerce and the ongoing reshoring, nearshoring and dedicated supplier park trends.

Mexico is already the eighth largest auto manufacturer and will soon become the sixth largest global producer. Vesta is well positioned to capture the opportunities of this fast growing industry. It is for this reason that we are developing the latest generation of industrial platforms like the Nissan's supplier park in Aguascalientes, and new industrial parks in Toluca, Tlaxcala and Baja California.

During the second quarter the Investment Committee approved an additional investment totaling 23.6 million dollars: 9.2 million dollars for two inventory buildings in Queretaro and 14.4 million dollars for the acquisition of land reserves in Tijuana, Baja California.

Vesta, as a development company, is constantly making efforts to improve its internal processes. We recently obtained the ISO 9001 re-certification from Lloyd Register, an English quality assurance firm, and started the implementation of a new information system platform.

Vesta will continue to drive its actions and decisions with its sharp shooting strategy, looking forward to the positive results that the reforms will bring about and always working to fulfill our commitment to improve the company performance and continue creating value for our shareholders, clients, employees and partners.

Lorenzo Berho,
Chief Executive Officer and
Chairman of Vesta

Second Quarter Financial Highlights

Consolidated Statutory Accounts

The accompanying audited consolidated condensed interim financial statements have been prepared in conformity with International Accounting Standards ("IAS") 34 Interim Financial Statements. The audited consolidated annual financial statements have been prepared in conformity with International Financial Reporting Standard ("IFRS") issued by IASB.

The financial statements presented were prepared using a historical cost basis, except for investment properties and financial instruments at the end of each period. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The results obtained in the second quarter 2014 are compared against the same period of the previous year and adjusted under the same rules.

Revenues

				6 months		
Consolidated Interim Statements of Profit and Other Comprehensive Income (million)	**2Q14**	**2Q13**	**Chg. %**	**2014**	**2013**	**Chg. %**
Revenues						
Rental income	16.85	14.45	16.6	33.24	28.02	18.6
Operating Costs	(0.89)	(0.81)	9.9	(1.73)	(1.64)	5.5
Related to properties that generate rental income	(0.74)	(0.64)	15.6	(1.37)	(1.30)	5.4
Related to properties that did not generate rental income	(0.15)	(0.17)	(11.8)	(0.36)	(0.34)	5.9
Gross profit	15.96	13.64	17.0	31.51	26.38	19.4

Vesta's rental revenues at the end of 2Q14 were US$ 16.85 million compared to US$ 14.45 million at the end of 2Q13, which represents an increase of US$ 2.40 million, or 16.6%. The increase in rental revenues was primarily attributed to: [i] an increase of US$ 2.92 million, or 20.2%, related to rentals of space that ware vacant in 2Q13 and were rented in 2Q14; and, [ii] an increase of US$ 0.28 million, or 1.9%, related to the inflationary adjustments made in 2Q14 on property already rented.

It is worth noting that most of our contracts are indexed to the US Consumer Price Index, if nominated in dollars and INPC if they are denominated in pesos, which are adjusted on an annual basis.

This increase in rental revenues in 2Q14 was partially offset by several factors, which include: [i] a decrease of US$ 0.50 million, or 3.5%, related to lease agreements that expired and were not renewed during 2Q13 or 2Q14; [ii] a decrease of US$ 0.05 million, or 0.3%, related lease agreements which were renewed during 2Q14 at a lower rental rate to retain the clients; [iii] an decrease in rental income of US$ 0.15 million or 1.0% due to the effect of conversion of rental income denominated in pesos to dollars; and, [iv] a decline of US$ 0.10 million, or 0.7%, in expenses that we made on behalf of our clients and that are later reimbursed and have not been considered as rental revenue.

Property Operating Costs

Operating costs in the 2Q14 amounted to US$ 0.89 million, compared with US$ 0.81 million in 2Q13, which represents an increase of US$ 0.08 million, or 9.9%.

Of this increase, US$ 0.10 million is related with the direct operating costs for leased investment properties that generated rental revenue. During the second quarter of 2014 this cost amounted to US$ 0.74 million, while in the same period of 2013 this cost amounted to US$ 0.64 million.

This increase was primarily attributable to: [i] other costs related with the properties increased US$ 0.10 million, or 48.0% from 2Q13 to 2Q14. These costs were mainly related with the cost of electricity, water and security; [ii] the property taxes did not change significantly from 2Q13 to 2Q14. The property taxes are paid in pesos. Starting the second quarter of 2013, the company is accruing on a quarterly basis the property tax payment that is paid in the first three months of the year.

In addition, the direct operating costs from investment properties that did not generate rental income during the year decreased US$ 0.2 million, or 11.8%.

This decrease is mainly explained by: [i] the decrease of US$ 0.01 million in other costs related to the properties. These costs originated from the commissions paid to the industrial parks where we maintain the land reserves, payment of electricity and security of those properties that do not generate revenue; [ii] the decline of US$ 0.01 million in maintenance costs in 2Q14.

Administrative Expenses

Consolidated Interim Statements of Profit and Other Comprehensive Income (million)	2Q14	2Q13	Chg. %	6 months 2014	2013	Chg. %
Administration Expenses	(2.31)	(1.12)	106.3	(3.93)	(2.49)	57.8
Depreciation	(0.01)	(0.02)	(50.0)	(0.02)	(0.04)	(50.0)
EBITDA	13.64	12.50	9.1	27.56	23.85	15.6

Administrative expenses for the 2Q14 totaled US$ 2.31 million compared with the US$ 1.12 million in the second quarter of 2013, which represents an increase of US$ 1.19 million, or 106.3%. These variations were mainly due to: [i] an increase of US$ 1.14 million due to the salaries and administrative costs of the portfolio, and [ii] an increase of US$ 0.05 in stock-exchange expenses during 2Q14.

Depreciation

Depreciation during the second quarter of 2014 reached US$ 0.01 million, compared with US$ 0.02 million the second quarter of 2013.

EBITDA

EBITDA increased 9.1% from US$ 12.50 million in 2Q13 to US$ 13.64 million during the 2Q14.

Other Income and Expenses

Consolidated Interim Statements of Profit and Other Comprehensive Income (million)	2Q14	2Q13	Chg. %	6 months 2014	2013	Chg. %
Interest income	1.50	1.02	47.1	3.68	2.52	46.0
Other income (expense)	0.03	0.01	na	(0.38)	0.01	na
Interest expense	(5.52)	(5.99)	(7.8)	(11.05)	(11.88)	(7.0)
Exchange loss	(0.61)	(10.63)	(94.3)	(0.10)	(1.75)	(94.3)
Gain on revaluation of investment properties	13.05	3.48	275.0	14.15	25.94	(45.5)
Total other income	**8.45**	**(12.11)**	**na**	**6.30**	**14.84**	**(57.5)**

Other income and expenses at the end of the second quarter of 2014 resulted in an income of US$ 8.45 million, compared to an expense of US$ 12.11 million at the end of the second quarter of 2013.

The valuation made during the second quarter of 2014 shows a gain of US$ 13.05 million, compared with a gain of US$ 3.48 million in the second quarter of 2013. The valuation was made in July 2014 and reflects the conditions of the real estate market observed at this date.

Interest income increased US$ 0.48 million in 2Q14. The increase stems from investment of the proceeds of our follow-on offer that are being invested in short-term government instruments.

Interest expense declined US$ 0.47 million, or 7.8 %, at the close of 2Q14, compared to the same quarter last year. The decrease stems from a lower average debt balance during the quarter ending June 30, 2014, compared to the same period in 2013.

The foreign exchange loss in 2Q14 amounted to US$ 0.61 million, compared to a loss of US$ 10.63 million in 2Q13. The foreign exchange loss is mainly explained by the effect of the foreign exchange in the balance of the debt in dollars with WTN, and the balance in pesos that CIV has related to IPO proceeds.

Income Before Taxes

				6 months		
Consolidated Interim Statements of Profit and Other Comprehensive Income (million)	**2Q14**	**2Q13**	**Chg. %**	**2014**	**2013**	**Chg. %**
Profit Before Income Taxes	22.09	0.39	na	33.86	38.69	(12.5)
Income Tax Expense	(7.12)	(8.67)	(17.9)	(8.05)	(9.53)	(15.5)
Current Tax	(1.59)	(0.15)	na	(3.64)	(0.30)	1113.3
Deferred Tax	(5.53)	(8.52)	(35.1)	(4.41)	(9.23)	(52.2)
Profit for the Period	14.97	(8.28)	na	25.81	29.16	(11.5)
Exchange differences on translating other functional currency operations	1.35	7.70	(82.5)	0.12	3.56	(96.6)
Total Comprehensive Income for the period	16.32	(0.58)	na	25.93	32.72	(20.8)

As a result of the above described, during the 2Q14 the income before taxes amounted to US$ 22.09 million compared to a gain of US$ 0.39 million recorded in the same quarter last year.

Income Taxes

During the second quarter of 2014, income taxes resulted in an expense of US$ 7.12 million, compared to an expense of US$ 8.67 million at the end of June 30, 2013. This decrease is primarily due to the difference in deferred tax expenses between the quarters ended June 2014 and June 2013. The deferred taxes primarily reflect: [i] the effect of the exchange rate used to convert the taxable assets on our balance in Mexican pesos for tax calculations (including the fiscal value of our investment properties and benefits of tax loss carry forwards) to U.S. dollars at the end of the second quarter of 2014 and 2013; [ii] a benefit resulting from the impact of inflation on the tax base of our fiscal assets, according to the extent allowed under the law of income tax; and, [iii] for the purpose of recognizing the fair value of investment property for accounting purposes as the tax value of assets remains at historical cost and then appreciated.

Profit for the Period

For the reasons described above our profit as of June 30, 2014 amounted to US$ 14.97 million, compared with the loss of US$ 8.28 million as of June 30, 2013.

Total Comprehensive Income for the Period

Vesta's total comprehensive income reflects the impact of the foreign exchange rate form one year to the other mainly in the capital accounts of WTN, which is our only subsidiary that uses the peso currency. At the end of the second quarter of 2014, we reported a gain in the total comprehensive income of US$ 1.35 million, compared with a gain of US$ 7.70 million at the end of the second quarter of 2013.

Capex

Investing activities were primarily related to payments related to the progress in the construction of new buildings in Bajio, Toluca, Aguascalientes and Baja California. Additionally, during the quarter we acquired land in Ciudad Juarez and Tlaxcala for the construction of the industrial complex for BRP and the development of industrial buildings for potential suppliers of Audi. Total investments for the period amounted to US$ 26.39 million.

Debt

As of June 30, 2014, the balance of long term debt reached US$ 310.92 million, of which US$ 8.40 million, or 3.0%, is related to short term liabilities, while the US$ 302.52 million, or 97.0%, represent long-term debt, both contracted with General Electric (GE Real Estate de México, S. de R. L. de C.V.). The total debt is guaranteed by most of our investment properties as well as the income derived from them. At the close of June 30, 2014, 100% of the debt was denominated in dollars.

Portfolio

As of June 30, 2014, our portfolio consists of 106 high quality industrial assets, with a total gross leasable area, or GLA, of 15.3 million SF (1.4 million m^2). Vesta's properties are mostly located in growing markets of the country such as the Central and Bajio regions. During 2Q14, the 76.4% of our income is denominated in US dollars. Our tenants are mostly multinational companies, and we have a balanced exposure to sectors such as automotive, aerospace, food and beverage and logistics, amongst others.

Vesta's portfolio as of 2Q14 was valued at US$ 1,008.98 million, including land reserves.

	1Q14			*2Q14*	
Region	**Existing Portfolio**		**Growth SF**	**Total Portfolio**	
	SF	**%**		**SF**	**%**
Central Mexico	4,793,340	31.8%	0	4,793,340	31.3%
Bajio	7,765,793	51.5%	220,013	7,985,807	52.2%
Baja California	1,863,405	12.4%	0	1,863,405	12.2%
Juarez	652,421	4.3%	0	652,421	4.3%
Total	**15,074,959**	**100%**	**220,014**	**15,294,973**	**100%**

Vacancy

As of June 30, 2014, Vesta's property portfolio had a physical vacancy rate of 9.83% compared with 10.82% at the end of 1Q14.

	1Q14		*2Q14*				
	Vacant SF	**% Total**	**Vacant SF**	**Inventory**	**Total**	**% Same Store**	**% Total**
Central Mexico	513,588	3.4%	210,725	0	210,725	1.5%	1.4%
Bajio	826,891	5.5%	337,579	669,143	1,006,722	2.3%	6.6%
Baja California	114,167	0.8%	108,472	0	108,472	0.8%	0.7%
Juarez	177,150	1.2%	177,150	0	177,150	1.2%	1.2%
Total	**1,631,796**	**10.82%**	**833,926**	**669,143**	**1,503,069**	**5.79%**	**9.83%**

Projects Approved by the Investment Committee

During the second quarter, the Investment Committee approved a total of US$ 23.6 million in investments: US$ 9.2 million for the construction of two inventory buildings in Querétaro and US$ 14.4 million for the acquisition of the land reserve located in Tijuana, Baja California.

Project	GLA (SF)	GLA (m^2)	Investment (USD$ MM)	Type	Expected Termination Date	Region
PIQSA 8	140,361	13,040	4.44	Inventory	mar-15	Bajio
PIQSA 9	151,125	14,040	4.78	Inventory	mar-15	Bajio
Total	**291,486**	**27,080**	**9.22**			

Projects Under Construction

Vesta is currently developing 3,471,598 SF (322,522 m^2) in BTS and inventory buildings.

Project	GLA (SF)	GLA (m^2)	Investment (USD$ MM)	Type	Progress	Expected Termination Date	Region
S1	149,812	13,918	4.18	Inventory	2%	mar-15	Central Mexico
S2	157,734	14,654	4.67	Inventory	32%	ene-15	Central Mexico
S4B	166,463	15,465	5.66	Inventory	2%	ene-15	Central Mexico
S5	279,075	25,927	7.99	Inventory	0%	abr-15	Central Mexico
S6	205,946	19,133	6.03	Inventory	0%	abr-15	Central Mexico
H1	173,764	16,143	5.63	Inventory	0%	feb-15	Central Mexico
H2	183,397	17,038	5.85	Inventory	0%	mar-15	Central Mexico
H3	172,203	15,998	5.61	Inventory	0%	abr-15	Central Mexico
BRP Phase III	36,500	3,391	1.82	BTS	45%	sep-14	Bajio
BRP Juarez	500,000	46,452	25.70	BTS	0%	jul-15	Juarez
El Florido	150,323	13,965	3.76	Inventory	42%	oct-14	Baja California
Nissan	1,296,381	120,438	57.00	BTS	87%	sep-14	Bajio
Total	**3,471,598**	**322,522**	**133.90**				

Summary of the Six Month Results

Consolidated Interim Statements of Profit and Other Comprehensive Income (million)	2Q14	2Q13	Chg. %	2014	2013	Chg. %
				6 months		
Revenues						
Rental income	16.85	14.45	16.6	33.24	28.02	18.6
Operating Costs	(0.89)	(0.81)	9.9	(1.73)	(1.64)	5.5
Related to properties that generate rental income	(0.74)	(0.64)	15.6	(1.37)	(1.30)	5.4
Related to properties that did not generate rental income	(0.15)	(0.17)	(11.8)	(0.36)	(0.34)	5.9
Gross profit	**15.96**	**13.64**	**17.0**	**31.51**	**26.38**	**19.4**
Administration Expenses	(2.31)	(1.12)	106.3	(3.93)	(2.49)	57.8
Depreciation	(0.01)	(0.02)	(50.0)	(0.02)	(0.04)	(50.0)
EBITDA	13.64	12.50	9.1	27.56	23.85	15.6
Other Income and Expenses						
Interest income	1.50	1.02	47.1	3.68	2.52	46.0
Other income (expense)	0.03	0.01	na	(0.38)	0.01	na
Interest expense	(5.52)	(5.99)	(7.8)	(11.05)	(11.88)	(7.0)
Exchange loss	(0.61)	(10.63)	(94.3)	(0.10)	(1.75)	(94.3)
Gain on revaluation of investment properties	13.05	3.48	275.0	14.15	25.94	(45.5)
Total other income	**8.45**	**(12.11)**	**na**	**6.30**	**14.84**	**(57.5)**
Profit Before Income Taxes	**22.09**	**0.39**	**na**	**33.86**	**38.69**	**(12.5)**
Income Tax Expense	(7.12)	(8.67)	(17.9)	(8.05)	(9.53)	(15.5)
Current Tax	(1.59)	(0.15)	na	(3.64)	(0.30)	na
Deferred Tax	(5.53)	(8.52)	(35.1)	(4.41)	(9.23)	(52.2)
Profit for the Period	**14.97**	**(8.28)**	**na**	**25.81**	**29.16**	**(11.5)**
Exchange differences on translating other functional currency operations	1.35	7.70	(82.5)	0.12	3.56	(96.6)
Total Comprehensive Income for the period	**16.32**	**(0.58)**	**na**	**25.93**	**32.72**	**(20.8)**
Shares (average)	507.45	392.88	29.2	507.45	392.88	29.2
EPS	0.03	(0.00)	na	0.05	0.08	(38.6)

Consolidated total rental revenues increased 18.6% to US$ 33.24 million in the six-month period of 2014 compared to US$ 28.02 million in the same period last year.

The gross profit for the six-month period rose 19.4% to US$ 31.51 million in 2014 compared to same 2013 period. The operating cost of investment properties increased 5.5%, mainly due to an increase in other costs related to the investment properties, such as expenses for electricity, water, security, and contributions to the industrial parks in which Vesta has properties. This increase in operating costs was offset by a decrease in the maintenance costs of investment properties.

At the close of June 30, 2014, salaries and expenses of personnel management were reflected in administrative expenses for the 6-month period, in addition to other expenses related to the investment properties, valuation services, and expenses related to fees paid to the board of directors and other consulting fees.

Other operating income and expenses decreased 57.5% to US$ 6.30 million in the six-month period of 2014 compared to the previous year. The decrease stems from the gain in the revaluation of investment properties; the valuation was made as of June 30, 2014, and reflects the real estate market conditions observed at the moment, as well as the increase of interest income generated by the investments made with the proceeds of the IPO and the follow on. It is worth noting that the interest expenses is due to a lower balance of our debt in the 2014 period compared to the same period in 2013.

As a result of the conditions above described, our profit before taxes increased to US$ 33.86 million in the first six months of 2014 from the same 2013 period.

Property taxes at the close of June 30, 2014 totaled US$ 8.05 million compared to US$ 9.53 million at the close of June 30, 2013; the increment is mainly explained by the effect of the deferred taxes and the effective taxes of the company, which amounted to US$ 3.64 million.

Net income for six-month period of 2014 decreased to US$ 25.81 million compared to the same 2013 period at US$ 29.16 million, and is explained by the above mentioned conditions.

During the first six months of 2014, Capex amounted to US$ 56.06 million given the acquisition of investment properties. Resources were primarily used to pay the progress in construction and acquisition of land for future investment projects in Tlaxcala and Ciudad Juarez.

Appendix: Financial Tables

Consolidated Interim Statements of Profit and Other Comprehensive Income (million)	2Q14	2Q13	Chg. %	*6 months* 2014	2013	Chg. %
Revenues						
Rental income	16.85	14.45	16.6	33.24	28.02	18.6
Operating Costs	(0.89)	(0.81)	9.9	(1.73)	(1.64)	5.5
Related to properties that generate rental income	(0.74)	(0.64)	15.6	(1.37)	(1.30)	5.4
Related to properties that did not generate rental income	(0.15)	(0.17)	(11.8)	(0.36)	(0.34)	5.9
Gross profit	**15.96**	**13.64**	**17.0**	**31.51**	**26.38**	**19.4**
Administration Expenses	(2.31)	(1.12)	106.3	(3.93)	(2.49)	57.8
Depreciation	(0.01)	(0.02)	(50.0)	(0.02)	(0.04)	(50.0)
EBITDA	13.64	12.50	9.1	27.56	23.85	15.6
Other Income and Expenses						
Interest income	1.50	1.02	47.1	3.68	2.52	46.0
Other income (expense)	0.03	0.01	na	(0.38)	0.01	na
Interest expense	(5.52)	(5.99)	(7.8)	(11.05)	(11.88)	(7.0)
Exchange loss	(0.61)	(10.63)	(94.3)	(0.10)	(1.75)	(94.3)
Gain on revaluation of investment properties	13.05	3.48	275.0	14.15	25.94	(45.5)
Total other income	**8.45**	**(12.11)**	**na**	**6.30**	**14.84**	**(57.5)**
Profit Before Income Taxes	**22.09**	**0.39**	**na**	**33.86**	**38.69**	**(12.5)**
Income Tax Expense	(7.12)	(8.67)	(17.9)	(8.05)	(9.53)	(15.5)
Current Tax	(1.59)	(0.15)	na	(3.64)	(0.30)	na
Deferred Tax	(5.53)	(8.52)	(35.1)	(4.41)	(9.23)	(52.2)
Profit for the Period	**14.97**	**(8.28)**	**na**	**25.81**	**29.16**	**(11.5)**
Exchange differences on translating other functional currency operations	1.35	7.70	(82.5)	0.12	3.56	(96.6)
Total Comprehensive Income for the period	**16.32**	**(0.58)**	**na**	**25.93**	**32.72**	**(20.8)**
Shares (average)	507.45	392.88	29.2	507.45	392.88	29.2
EPS	0.03	(0.00)	na	0.05	0.08	(38.6)

Consolidated Statements of Financial Position (million)	June 30, 2014	December 31, 2013
ASSETS		
CURRENT		
Cash and cash equivalents	11.37	8.30
Financial assets held for trading	165.47	233.05
Recoverable taxes	19.36	16.55
Operating lease receivable, net	6.81	6.71
Prepaid expenses	1.05	0.32
Total current assets	**204.06**	**264.93**
NON-CURRENT		
Investment properties	1,008.98	951.88
Office equipment - net	0.46	0.34
Guarantee Deposits made	2.69	2.97
Total non-current assets	**1,012.13**	**955.19**
TOTAL ASSETS	**1,216.19**	**1,220.12**
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current portion of long-term debt	8.40	8.22
Accrued interest	3.04	3.17
Accounts payable	0.07	9.48
Income tax payable	0.09	1.15
Accrued expenses	1.62	1.67
Total current liabilities	**13.22**	**23.69**
NON-CURRENT		
Long-term debt	302.52	309.81
Guarantee deposits received	5.85	5.52
Deferred income taxes	95.92	91.52
Total non-current liabilities	**404.29**	**406.85**
TOTAL LIABILITIES	**417.51**	**430.54**
STOCKHOLDERS' EQUITY		
Capital stock	370.37	370.37
Additional paid-in capital	211.87	211.87
Retained earnings	213.23	204.26
Foreign currency translation	3.21	3.08
Total shareholders' equity	**798.68**	**789.58**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,216.19**	**1,220.12**

Consolidated Statements of Cash Flows (million)	June 30, 2014	June 30, 2013
Cash flow from operating activities:		
Profit before income taxes	33.86	38.69
Adjustments:		
Depreciation	0.02	0.04
Gain on revaluation of investment properties	(14.15)	(25.94)
Effect of foreign exchange rates	0.43	6.19
Interest income	(3.68)	(2.52)
Interest expense	11.05	11.88
Working capital adjustments		
Operating leases receivables- net	(0.11)	(2.63)
Recoverable taxes	(2.81)	(6.60)
Prepaid expenses	(0.72)	(1.20)
Guarantee deposits made	0.28	0.00
Accounts payable	(0.22)	(0.61)
Guarantee Deposits received	0.32	0.41
Accrued expenses	(0.06)	0.50
Income Tax Paid	(4.69)	(2.61)
Net cash generated by operating activities	**19.52**	**15.60**
Cash flow from investing activities		
Acquisition of investment property	(56.06)	(52.96)
Acquisition of office furniture	(0.13)	(0.05)
Financial assets held for trading	67.59	34.53
Proceeds on sale of investment property	3.92	0.00
Interest received	3.68	0.95
Net cash used in investing activities	**19.00**	**(17.53)**
Cash flow from financing activities		
Interest paid	(11.18)	(12.05)
Repayments of borrowings	(7.11)	(5.53)
Dividends paid	(16.85)	(10.47)
Net cash used in financing activities	**(35.14)**	**(28.05)**
Effects of exchange rates changes on cash	**(0.31)**	**(0.20)**
Net Increase in cash and cash equivalents	**3.07**	**(30.18)**
Cash and cash equivalents		
At the beginning of the period	**8.30**	**36.95**
At the end of the period	**11.37**	**6.77**

Consolidated Statements of Changes in Stockholders' Equity (million)	**Capital Stock**	**Additional Paid-in Capital**	**Retained Earnings**	**Foreign Currency Translation**	**Total Stockholders´ Equity**
Balance as of Jan 1, 2013	286.87	101.90	125.30	3.16	517.23
Dividends declared			(10.47)		(10.47)
Comprehensive Income			29.16	3.56	32.72
Balance as of June 30, 2013	**286.87**	**101.90**	**143.99**	**6.72**	**539.48**
Balance as of Jan 1, 2014	370.37	211.87	204.27	3.08	789.59
Declared dividends			(16.85)		(16.85)
Comprehensive Income			25.81	0.12	25.93
Balance as of June 30, 2014	**370.37**	**211.87**	**213.23**	**3.20**	**798.67**

Notes and Disclaimer

Interim Consolidated Condensed Financial Statements: The figures presented for the three and six months period ending as of June 30, 2014, and 2013, presented in this release have not been audited.

Annual Financial Statements: The consolidated financial statements as of December 31, 2013, presented in this release have been audited.

Exchange Rate: The exchange rate used for the figures expressed in US dollars (US$) were:

Date	**Foreign Exchange**
Balance Sheet	
December 31, 2013	13.077
June 30, 2014	13.032
Income Statement	
2Q13 *(average)*	12.472
2Q14 *(average)*	13.003

Previous period: Unless otherwise stated, the comparison of the operating and financial figures compare the same previous year period.

Percentages may not coincide due to rounding.

Net Operating Income (NOI) is calculated as: rental income minus the operating cost so the investment properties that generated income**.**

EBITDA stands for rental revenue minus the operating cost of the investment properties minus the administrative costs. The rental cost and administrative cost does not include depreciation or amortization.

Funds from Operations (FFO) are calculated as: the total comprehensive gain/loss in the period minus the conversion effect of the foreign operations, the income tax, gain (loss) due to the revaluation of the investment properties, foreign exchange gain (loss), other income (expenses), interest income, depreciation of other assets and paid taxes in cash.

Build to Suit (BTS): means a build-to-suit building that is designed and constructed in a tailor-made manner in order to meet client-specific needs.

Inventory buildings: are buildings that are built in accordance with standard industry specifications, for the purpose of having sufficient space available for clients that do not have the time or interest to build a BTS Building.

Analyst Coverage

In compliance with the internal regulation of the BMV, article 4.033.01 Frac. VIII, we inform that we have analyst coverage from the following brokers:

- Casa de Bolsa Credit Suisse S.A. de C.V.
- Casa de Bolsa Santander S.A. de C.V.
- HSBC México S.A. de C.V.
- Barclays Bank Mexico, S.A.
- Itaú Corretora de Valores S.A
- J.P. Morgan Casa de Bolsa, S.A. de C.V.

Furthermore, Casa de Bolsa Credit Suisse (México) S.A. de C.V. is our market maker.

About Vesta

Vesta is a real estate owner, developer and asset administrator of industrial buildings and distribution centers in Mexico. As of June 30, 2014, Vesta owned 106 properties located in modern industrial parks in 12 states of Mexico totaling a GLA of 15.3 million SF (1.4 million m^2). The Company has multinational clients, which are focused in industries such as aerospace, automotive, food and beverage, logistics, medical devices, and plastics, among others. For additional information visit: www.vesta.com.mx.

Note on Forward-Looking Statements

This report may contain certain forward-looking statements and information relating to the Company that reflects the current views and/or expectations of the Company and its management with respect to its performance, business and future events. Forward looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like "believe," "anticipate," "expect," "envisages," "will likely result," or any other words or phrases of similar meaning. Such statements are subject to a number of risks, uncertainties and assumptions. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this presentation and in oral statements made by authorized officers of the Company. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.