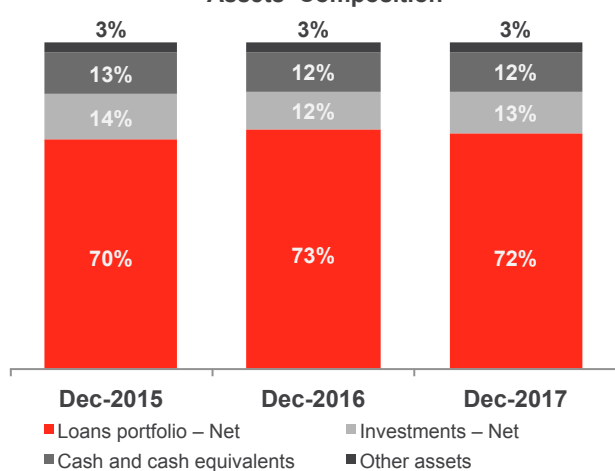


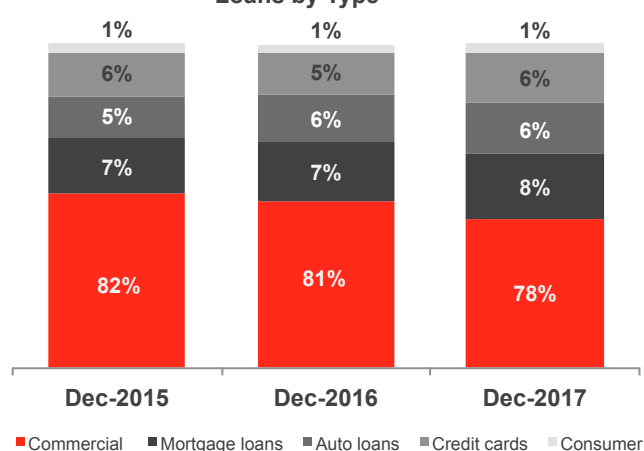
**BAM and Subsidiaries reports consolidated total assets of Q24,531 million and consolidated net income of Q276 million for the year ended December 31, 2017.**

- Net loans increased Q480 million annually, 2.7%. This increase was focused on personal loans such as Mortgage Loans, Credit Cards and consumer loans, in line with the bank's strategy of diversification of the loan portfolio. On the other hand, Commercial loans did not show any increase in 2017 due mainly to some important pre payments from clients that during this period obtained foreign financial funds..
- Non-performing loans (90 days overdue) as percentage of total gross loans remained low at 2.0%, with loan loss reserves coverage of 112.5% of NPL and 2.3% of total loans, similar levels compared with last year.
- Investment portfolio increased Q431 million, 15.3%. These investments maintain an approach of moderate risk and high liquidity; therefore, 71.5% is registered as available for sale and correspond to local investments, mainly in term deposits certificates issued by the government of the republic of Guatemala and the Central Bank of Guatemala. In addition, investment held to maturity, 28.5% of the total portfolio, corresponds to mortgage notes guaranteed by The Mortgage Fund in Guatemala (FHA).
- 75% of the bank's liabilities are Deposits, which increased Q677 million during 2017, 4.3%. 60.2% of total deposits correspond to demand deposits and the rest, 39.8% to time deposits.
- The net consolidated income of Q276 million for the year 2017 represents an increase of 28.9% compared to the previous year. net income was affected by:
  - o Net Financial Income. The increase in Financial Income does not correspond to the increase in assets because in 2016 the bank obtained a relevant profit from a swap settlement that was part of Financial Income.
  - o Loan loss provisions decreased mainly due to an improvement in the behavior of credit card clients.
  - o Administrative expenses increased mostly in payroll in order to support growth in operations.
  - o Prior period expenses decreased due to the past year total amortization of deferred expenses related to long-term credits, in order to adapt it to local accounting standards.
- The bank continues to have a healthy capital coverage, 14.3% over risk-weighted assets; exceeding by Q793 million the minimum required by local regulation, 10%.

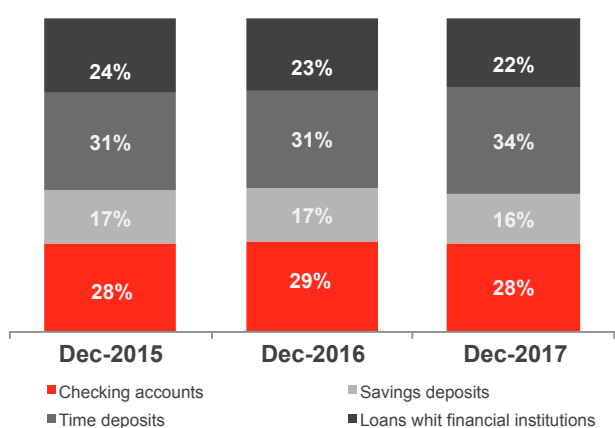
**Assets Composition**



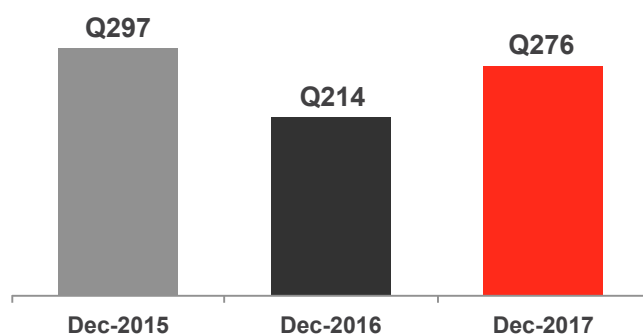
**Loans by Type**



**Funding Base Evolution**



**Net Income (Qmm)**





**Banco Agromercantil de Guatemala, S. A. and Subsidiaries**

<b>Consolidated Balance Sheet</b>				<b>Growth</b>
(Q millions)	<b>Dec-17</b>	<b>Dec-16</b>	<b>Vrs. Dec-16</b>	
<b>Assets</b>				
Cash and cash equivalents	2,885.6	2,737.4	5.4%	
Investments – Net	3,243.2	2,811.8	15.3%	
Loans portfolio – Net	17,710.6	17,290.8	2.4%	
Other assets	691.4	710.7	-2.7%	
<b>Total Assets</b>	<b>24,530.8</b>	<b>23,550.7</b>	<b>4.2%</b>	
<b>Liabilities and other credit balances</b>				
Deposits	16,537.2	15,860.0	4.3%	
Loans with other financial institutions	4,877.1	4,736.1	3.0%	
Financial obligations	16.6	17.1	-2.9%	
Other liabilities and credit balances	700.4	636.4	10.1%	
<b>Total liabilities and other credit balances</b>	<b>22,131.3</b>	<b>21,249.5</b>	<b>4.1%</b>	
<b>Stockholders' equity</b>				
Paid-in capital	1,167.6	1,167.6	0.0%	
Additional paid-in capital	407.0	407.0	0.0%	
Retained earnings, reserves and other	824.9	726.6	13.5%	
<b>Total stockholders' equity</b>	<b>2,399.5</b>	<b>2,301.2</b>	<b>4.3%</b>	
<b>Total liabilities and stockholders' equity</b>	<b>24,530.8</b>	<b>23,550.7</b>	<b>4.2%</b>	

<b>Consolidated Income Statement</b>		<b>Acumulated</b>	<b>Acumulated</b>	<b>Variation</b>
(Q millions)	<b>Dec-17</b>	<b>Dec-16</b>	<b>Vrs. Dec-16</b>	
Financial Income	1,799.2	1,738.4	3.5%	
Financial Expenses	(774.3)	(741.6)	4.4%	
<b>Net Financial Income</b>	<b>1,024.9</b>	<b>996.8</b>	<b>2.8%</b>	
Income and expenses from Services, net	83.3	79.7	4.5%	
<b>Other operating income and expenses, net</b>				
Operating income	81.4	79.5	2.4%	
Loan, accounts receivable, foreclosed assets and securities loss provisions	(144.7)	(166.7)	-13.2%	
Operating expenses	(3.0)	(1.0)	203.1%	
Administrative expenses	(758.6)	(726.3)	4.4%	
Extraordinary income and expenses, net	49.6	35.5	39.7%	
Prior period's income and expenses, net	11.2	(26.5)	-142.3%	
<b>Net income before taxes</b>	<b>344.1</b>	<b>271.0</b>	<b>27.0%</b>	
Income taxes	(68.0)	(56.9)	19.6%	
<b>Net consolidated income</b>	<b>276.0</b>	<b>214.1</b>	<b>28.9%</b>	

<b>Principal ratios</b>		<b>Dec-17</b>	<b>Dec-16</b>	<b>Variation</b>
				<b>Vrs. Dec-16</b>
<b>Profitability</b>				
Return on average total assets (1)		1.1%	0.9%	0.2%
Return on average shareholders' equity (2)		11.7%	9.4%	2.3%
<b>Efficiency</b>				
Efficiency ratio (3)		63.9%	62.9%	1.0%
Operating expenses / average total assets (4)		3.2%	3.1%	0.1%
<b>Liquidity</b>				
Liquid assets/ total deposits		37.1%	35.0%	2.1%
Liquid assets/ total assets		25.0%	23.6%	1.4%
Loans (5) / deposits		109.6%	111.2%	-1.6%
<b>Capitalization</b>				
Stockholders' equity / total assets		9.8%	9.8%	0.0%
Tier 1 capital / risk-weighted assets		9.3%	9.4%	-0.1%
Total Net Capital / risk-weighted assets		14.3%	13.6%	0.7%
<b>Credit quality data</b>				
Non-performing loans (6)/ total loans		2.0%	1.8%	0.2%
Past-due loans (7) / loans		4.5%	3.6%	0.9%
Allowance for possible loan losses / total loans		2.3%	2.0%	0.3%
Allowance for possible loan losses / total non-performing loans		112.5%	112.9%	-0.3%
Allowance for possible loan losses / loans graded "C," "D" and "E" (8)		64.4%	71.7%	-7.2%

(1) Net income for the period divided by the average of the end-of-period and end-of-prior period total assets. (2) Net income for the period divided by the average of the end-of-period and end-of-prior period total stockholder's equity. (3) Refers to the period's total administrative expenses divided by the period's total operating income. (4) Refers to the period's total administrative expenses divided by the average of the end-of-period and end-of-prior period total assets. (5) Refers to total loans portfolio (6) A loan is considered non-performing after being 90 days overdue. (7) A loan is considered past-due when it has been in default between 1 and 90 days. For accounting purposes, these loans are considered performing. (8) Risk ratings as of December-17 reflect grade as of September-17, the final categories will be update until February 15th, 2018.

Some assets, liabilities and transactions are in foreign currency mainly in dollars. The exchange rate QTZ/USD at the end of periods were Q7.34477 for December-2017 and Q7.52213 for December-2016.



## Banco Agromercantil de Guatemala, S. A. and Subsidiaries

### Investments

Investments (Q millions)	Dec-17	% of total	Dec-16	% of total	Growth
					Vrs. Dec-16
Available-for-sale securities	2,324.5	71.5%	1,964.1	69.6%	18.3%
Held-to-maturity securities (F.H.A. mortgage notes)	927.5	28.5%	856.5	30.4%	8.3%
<b>Total investments</b>	<b>3,252.0</b>	<b>100.0%</b>	<b>2,820.6</b>	<b>100.0%</b>	<b>15.3%</b>
Allowance on F.H.A. mortgage notes	(8.8)	0.3%	(8.8)	0.3%	0.0%
<b>Investments, net</b>	<b>3,243.2</b>		<b>2,811.8</b>		<b>15.3%</b>

### Loans Portfolio

Type of loan (Q millions)	Dec-17	% of total loans	Dec-16	% of total loans	Growth
					Vrs. Dec-16
Commercial	14,184.1	78.3%	14,234.2	80.7%	-0.4%
Mortgage loans	1,482.5	8.2%	1,270.3	7.2%	16.7%
Auto loans	206.3	1.1%	201.0	1.1%	2.7%
Credit cards	1,087.2	6.0%	903.3	5.1%	20.4%
Consumer	1,159.1	6.4%	1,030.6	5.9%	12.5%
<b>Total loans</b>	<b>18,119.2</b>	<b>100.0%</b>	<b>17,639.3</b>	<b>100.0%</b>	<b>2.7%</b>
Allowance for loan losses	(408.6)	2.3%	(348.5)	2.0%	17.2%
<b>Loans portfolio, net</b>	<b>17,710.6</b>		<b>17,290.8</b>		<b>2.4%</b>

### Deposits

Type of deposit (Q millions)	Dec-17	% of total deposits	Dec-16	% of total deposits	Growth
					Vrs. Dec-16
Checking accounts	5,874.3	35.5%	5,912.6	37.3%	-0.6%
Saving accounts	3,480.6	21.0%	3,536.2	22.3%	-1.6%
Time deposits	7,075.7	42.8%	6,318.1	39.8%	12.0%
Other	106.6	0.7%	93.1	0.6%	14.5%
<b>Total deposits</b>	<b>16,537.2</b>	<b>100.0%</b>	<b>15,860.0</b>	<b>100.0%</b>	<b>4.3%</b>

### Capital

Capital ratio (Q millions)	Dec-17	% (4)	Dec-16	% (4)	Growth
					Vrs. Dec-16
Tier 1 capital (1)	1,726.6	9.3%	1,716.0	9.4%	0.6%
Tier 2 Additional net capital (1)	918.5	5.0%	770.6	4.2%	19.2%
Total Net Capital (1)	2,645.1		2,486.6		6.4%
Total risk-weighted assets (2)	18,486.4		18,275.2		1.2%
<b>Capital adequacy</b>		<b>14.3%</b>		<b>13.6%</b>	
Minimum regulatory capital required (3)	1,852.0		1,852.0		0.0%
<b>Excess of capital over minimum regulatory capital required</b>	<b>793.3</b>		<b>634.8</b>		<b>25.0%</b>

(1) Based on the Guatemalan regulatory requirements. (2) Risk-weighted assets are calculated in accordance with Monetary Board resolution JM-46-2004, as amended. (3) The minimum requirement in Guatemala is 10% of equity to risk-weighted average assets except by some assets with special requirements. (4) As a percentage of risk-weighted assets.