Banco Agromercantil de Guatemala, S.A. and Subsidiaries

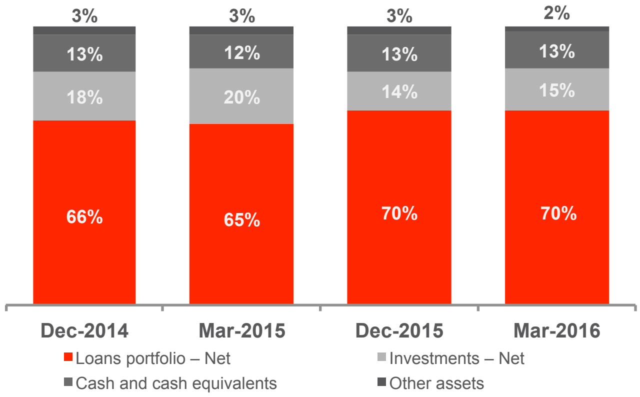
Quarterly Report

March 2016

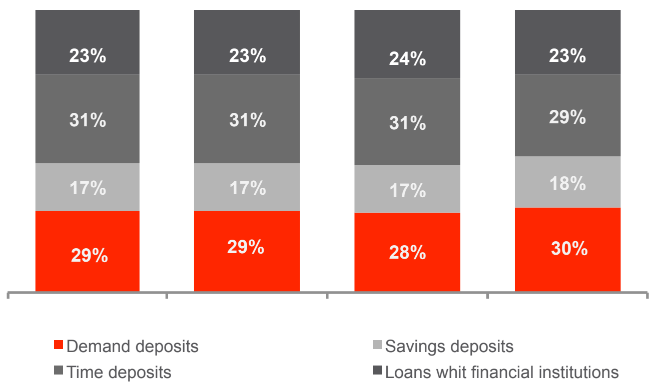
BAM and Subsidiaries reports consolidated total assets of Q.23,492.1 million as of March 2016 and net consolidated income of Q.75.5 million for the first quarter of 2016.

- Total assets increased Q.1,392.4 million, 6.3% compared to March 2015. This increase comes mainly from the net loan portfolio (14.6%).
- Compared to March 2015, investment portfolio decreased -Q.955.8 million (-21.2%) due to the allocation to the loans portfolio; however, there are sufficient liquid assets to support the Bank's obligations. The investment portfolio represents 15% of the total assets, of which 77% are registered as available for sale, with moderate risk approach and high liquidity.
- Net loans portfolio increased Q.2,087.9 million, 14.6% compared to March 2015. Loan loss reserves cover 116.1% of NPL and the ratio of NPL over total gross loans is 1.5%. The increase in past due loans (between 1 and 90 days) focuses on commercial loans. These circumstances are temporary and we are expecting to normalize them in short term.
- Deposits increased Q.838.9 million, 5.6% compared to March 2015. Such increase allows us to maintain an adequate liquidity position to cover immediate obligations.
- The EBIT (Earnings before income taxes) increased Q.15mm which represents 19.5% compared to the same period last year, mainly due to an increase of 6.8% in net interest income and an adequate control of administrative expenses (+ 1.7%) resulting in an improvement in operating efficiency (2.9%). A new local regulation requires marginal provision of income tax starting January 1st, 2016, which impacts the net results and profitability ratios compared to previous years.

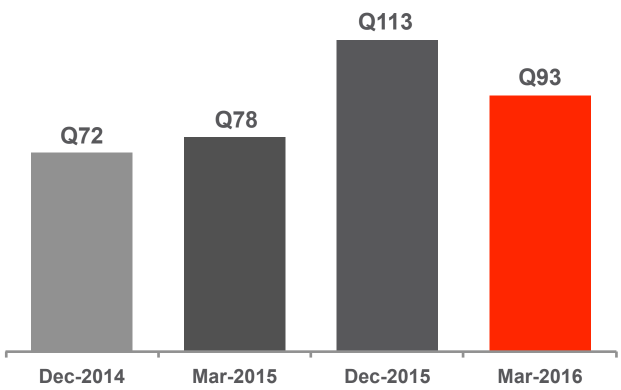
Assets Composition



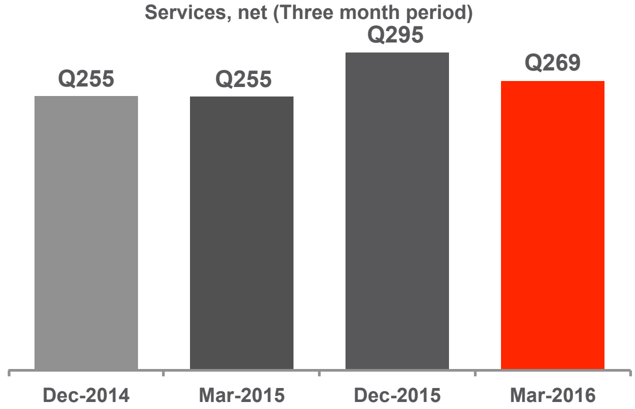
Funding Base Evolution



EBIT (three month period)



Net Financial Income + Income and expenses from Services, net (Three month period)



This report corresponds to the consolidated financial statements of Banco Agromercantil de Guatemala, S.A. (the "Bank" or BAM) and its subsidiari es Financiera Agromercantil, S.A., Tarjeta Agromercantil, S.A., Agrovalores, S.A., Arrendadora Agromercantil and the following companies of which it owns indirectly more than 50% of capital stock participation: Agencia de Seguros y Fianzas Agromercantil, S.A. and Asistencia y Ajustes, S.A.

Banco Agromercantil de Guatemala, S. A. and Subsidiaries

Consolidated Balance Sheet (Q millions)	Mar-16	Mar-15	Dec-15	Growth Vrs. Mar-15	Growth Vrs. Dec-15
Assets					
Cash and cash equivalents	2,984.7	2,721.7	2,913.3	9.7%	2.5%
Investments – Net	3,545.3	4,501.1	3,160.3	-21.2%	12.2%
Loans portfolio – Net	16,360.5	14,272.6	16,189.4	14.6%	1.1%
Other assets	601.6	604.3	629.8	-0.4%	-4.5%
Total Assets	**23,492.1**	**22,099.7**	**22,892.8**	**6.3%**	**2.6%**
Liabilities and other credit balances					
Deposits	15,718.6	14,879.7	15,117.5	5.6%	4.0%
Loans with other financial institutions	4,844.3	4,417.6	4,876.0	9.7%	-0.7%
Financial obligations	18.3	18.7	18.3	-2.1%	0.0%
Other liabilities and credit balances	689.3	623.9	612.8	10.5%	12.5%
Total liabilities and other credit balances	**21,270.5**	**19,939.9**	**20,624.6**	**6.7%**	**3.1%**
Stockholders' equity					
Paid-in capital	1,167.6	1,167.6	1,167.6	0.0%	0.0%
Additional paid-in capital	407.0	407.0	407.0	0.0%	0.0%
Retained earnings, reserves and other	647.0	585.2	693.6	10.6%	-6.7%
Total stockholders' equity	**2,221.6**	**2,159.8**	**2,268.2**	**2.9%**	**-2.1%**
Total liabilities and stockholders' equity	**23,492.1**	**22,099.7**	**22,892.8**	**6.3%**	**2.6%**

Consolidated Income Statement (Q millions)	Acumulated Mar-16	Acumulated Mar-15	Variation Vrs. Mar-15
Financial Income	436.1	414.0	5.3%
Financial Expenses	(186.3)	(180.1)	3.4%
Net Financial Income	**249.8**	**233.9**	**6.8%**
Income and expenses from Services, net	19.4	20.7	-6.3%
Other operating income and expenses, net			
Operating income	32.5	28.1	15.7%
Loan, accounts receivable, foreclosed assets and securities loss provisions	(38.8)	(38.3)	1.3%
Operating expenses	(0.1)	(0.2)	-50.0%
Administrative expenses	(178.2)	(175.2)	1.7%
Extraordinary income and expenses, net	7.3	8.5	-14.1%
Prior period's income and expenses, net	1.3	0.5	160.0%
Earnings before income taxes	**93.2**	**78.0**	**19.5%**
Income taxes (1)	(17.7)	(0.2)	8750.0%
Net consolidated income	**75.5**	**77.8**	**-3.0%**

(1) The new local regulation establishes calculate the monthly provision of income tax from 2016.

Principal ratios	Mar-16	Mar-15	Dec-15	Variation Vrs. Mar-15	Variation Vrs. Dec-15
Profitability					
Return on average total assets (1)	1.3%	1.4%	1.3%	-0.1%	0.0%
Return on average shareholders' equity (2)	13.5%	14.3%	13.3%	-0.8%	0.2%
Efficiency					
Efficiency ratio (3)	59.1%	62.0%	62.2%	-2.9%	-3.1%
Operating expenses / average total assets (4)	3.1%	3.2%	3.2%	-0.1%	-0.1%
Liquidity					
Liquid assets/ total deposits	41.5%	48.5%	40.2%	-7.0%	1.3%
Liquid assets/ total assets	27.8%	32.7%	26.5%	-4.9%	1.3%
Loans (5) / deposits	105.9%	97.6%	109.0%	8.3%	-3.1%
Capitalization					
Stockholders' equity / total assets	9.5%	9.8%	9.9%	-0.3%	-0.4%
Tier 1 capital / risk-weighted assets	9.7%	11.1%	9.9%	-1.4%	-0.2%
Total Net Capital / risk-weighted assets	13.4%	15.1%	14.0%	-1.7%	-0.6%
Credit quality data					
Non-performing loans (6)/ total loans	1.5%	1.2%	1.4%	0.2%	0.1%
Past-due loans (7) / loans	4.5%	2.8%	2.6%	1.7%	1.9%
Allowance for possible loan losses / total loans	1.7%	1.7%	1.7%	0.0%	0.0%
Allowance for possible loan losses / total non- performing loans	116.1%	141.1%	124.8%	-25.0%	-8.7%
Allowance for possible loan losses / loans graded "C," "D" and "E" (8)	65.0%	83.8%	63.3%	-18.8%	1.7%

(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 March-16 reflect grade as of Dec-15, the final categories will be update until May 15th, 2016.

Banco Agromercantil de Guatemala, S. A. and Subsidiaries

Investments

Investments (Q millions)	Mar-16	% of total	Mar-15	% of total	Dec-15	% of total	Growth Vrs. Mar-15	Growth Vrs. Dec-15
Available-for-sale securities	2,735.2	77.0%	3,752.0	83.2%	2,351.7	74.3%	-27.1%	16.3%
Held-to-maturity securities (F.H.A. mortgage notes)	818.8	23.0%	755.4	16.8%	814.9	25.7%	8.4%	0.5%
Interest paid in purchase of available-for-sale securities	0.1	0.0%	-	0.0%	-	0.0%	100.0%	100.0%
Total investments	**3,554.1**	**100.0%**	**4,507.4**	**100.0%**	**3,166.6**	**100.0%**	**-21.1%**	**12.2%**
Allowance on F.H.A. mortgage notes	(8.8)	0.2%	(6.3)	0.1%	(6.3)	0.2%	39.7%	39.7%
Investments, net	**3,545.3**		**4,501.1**		**3,160.3**		**-21.2%**	**12.2%**

Loans Portfolio

Type of loan (Q millions)	Mar-16	% of total loans	Mar-15	% of total loans	Dec-15	% of total loans	Growth Vrs. Mar-15	Growth Vrs. Dec-15
Commercial	13,633.7	81.9%	11,693.3	80.5%	13,423.6	81.5%	16.6%	1.6%
Mortgage loans	1,142.8	6.9%	1,015.8	7.0%	1,114.1	6.8%	12.5%	2.6%
Auto loans	183.6	1.1%	186.6	1.3%	182.7	1.1%	-1.6%	0.5%
Credit cards	802.1	4.8%	841.9	5.8%	900.5	5.5%	-4.7%	-10.9%
Consumer	888.3	5.3%	785.8	5.4%	853.4	5.2%	13.0%	4.1%
Total loans	**16,650.5**	**100.0%**	**14,523.4**	**100.0%**	**16,474.3**	**100.0%**	**14.6%**	**1.1%**
Allowance for loan losses	(290.0)	1.7%	(250.8)	1.7%	(284.9)	1.7%	15.6%	1.8%
Loans portfolio, net	**16,360.5**		**14,272.6**		**16,189.4**		**14.6%**	**1.1%**

Deposits

Type of deposit (Q millions)	Mar-16	% of total deposits	Mar-15	% of total deposits	Dec-15	% of total deposits	Growth Vrs. Mar-15	Growth Vrs. Dec-15
Checking accounts	6,117.4	38.9%	5,558.2	37.4%	5,576.7	36.9%	10.1%	9.7%
Saving accounts	3,644.7	23.2%	3,374.8	22.7%	3,362.5	22.2%	8.0%	8.4%
Time deposits	5,881.1	37.4%	5,886.3	39.6%	6,107.2	40.4%	-0.1%	-3.7%
Other	75.4	0.5%	60.4	0.4%	71.1	0.5%	24.8%	6.0%
Total deposits	**15,718.6**	**100.0%**	**14,879.7**	**100.0%**	**15,117.5**	**100.0%**	**5.6%**	**4.0%**

Capital

Capital ratio (Q millions)	Mar-16	% (4)	Mar-15	% (4)	Dec-15	% (4)	Growth Vrs. Mar-15	Growth Vrs. Dec-15
Tier 1 capital (1)	1,716.0	9.7%	1,700.9	11.1%	1,700.9	9.9%	0.9%	0.9%
Tier 2 Additional net capital (1)	651.8	3.7%	621.3	4.1%	710.7	4.1%	4.9%	-8.3%
Total Net Capital (1)	2,367.8		2,322.2		2,411.5		2.0%	-1.8%
Total risk-weighted assets (2)	17,720.5		15,333.0		17,203.2		15.6%	3.0%
Capital adequacy		**13.4%**		**15.1%**		**14.0%**		
Minimun regulatory capital required (3)	1,795.9		1,556.7		1,744.8		15.4%	2.9%
Excess of capital over minimun regulatory capital required	**571.9**		**765.5**		**666.7**		**-25.3%**	**-14.2%**

(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 minimun requeirement 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.