

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

Consolidated Balance Sheet (Q millions)	Jun-15	Jun-14	Dec-14	Growth	
				Vrs. Jun-14	Vrs. Dec-14
<b>Assets</b>					
Cash and cash equivalents	3,318.8	3,332.3	2,888.7	-0.4%	14.9%
Investments – Net	4,362.9	3,905.2	3,984.9	11.7%	9.5%
Loans portfolio – Net	14,449.2	12,832.5	14,380.3	12.6%	0.5%
Other assets	620.6	604.4	648.8	2.7%	-4.3%
<b>Total Assets</b>	<b>22,751.5</b>	<b>20,674.4</b>	<b>21,902.7</b>	<b>10.0%</b>	<b>3.9%</b>
<b>Liabilities and other credit balances</b>					
Deposits	15,555.1	13,466.8	14,624.9	15.5%	6.4%
Loans with other financial institutions	4,289.9	4,420.1	4,423.2	-2.9%	-3.0%
Financial obligations	18.6	29.3	18.9	-36.5%	-1.6%
Other liabilities and credit balances	685.6	613.9	629.3	11.7%	8.9%
<b>Total liabilities and other credit balances</b>	<b>20,549.2</b>	<b>18,530.1</b>	<b>19,696.3</b>	<b>10.9%</b>	<b>4.3%</b>
<b>Stockholders' equity</b>					
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	627.7	569.7	631.8	10.2%	-0.6%
<b>Total stockholders' equity</b>	<b>2,202.3</b>	<b>2,144.3</b>	<b>2,206.4</b>	<b>2.7%</b>	<b>-0.2%</b>
<b>Total liabilities and stockholders' equity</b>	<b>22,751.5</b>	<b>20,674.4</b>	<b>21,902.7</b>	<b>10.0%</b>	<b>3.9%</b>

Consolidated Income Statement (Q millions)	Acumulated Jun-15	Acumulated Jun-14	Variation
			Vrs. Jun-14
Financial Income	829.0	738.1	12.3%
Financial Expenses	(366.4)	(288.6)	27.0%
<b>Net Financial Income</b>	<b>462.6</b>	<b>449.5</b>	<b>2.9%</b>
Income and expenses from Services, net	51.0	37.0	37.8%
<b>Other operating income and expenses, net</b>			
Operating income	46.6	37.1	25.6%
Loan, accounts receivable, foreclosed assets and securities loss provisions	(68.0)	(68.2)	-0.3%
Operating expenses	(0.4)	(4.3)	-90.7%
Administrative expenses	(350.7)	(335.0)	4.7%
Extraordinary income and expenses, net	15.8	17.0	-7.1%
Prior period's income and expenses, net	(0.7)	1.3	-153.8%
Income taxes (1)	(0.2)	(0.2)	0.0%
<b>Net consolidated income</b>	<b>156.0</b>	<b>134.2</b>	<b>16.2%</b>

(1) The income tax corresponds only to entities that contribute monthly on the basis of gross income. The bank liquidates the income tax annually.

Principal ratios	Jun-15	Jun-14	Dec-14	Variation	
				Vrs. Jun-14	Vrs. Dec-14
<b>Profitability</b>					
Return on average total assets (1)	1.4%	1.4%	1.1%	0.0%	0.3%
Return on average shareholders' equity (2)	14.2%	12.7%	10.5%	1.5%	3.7%
<b>Efficiency</b>					
Efficiency ratio (3)	62.6%	64.5%	65.8%	-1.9%	-3.2%
Operating expenses / average total assets (4)	3.1%	3.5%	3.4%	-0.4%	-0.3%
<b>Liquidity</b>					
Liquid assets/ total deposits	49.4%	53.7%	47.0%	-4.3%	2.4%
Liquid assets/ total assets	33.8%	35.0%	31.4%	-1.2%	2.4%
Loans (5) / deposits	94.6%	97.2%	100.1%	-2.6%	-5.5%
<b>Capitalization</b>					
Stockholders' equity / total assets	9.7%	10.4%	10.1%	-0.7%	-0.4%
Tier 1 capital / risk-weighted assets	10.8%	12.1%	11.1%	-1.3%	-0.3%
Total Net Capital / risk-weighted assets	15.1%	16.8%	15.6%	-1.7%	-0.5%
<b>Credit quality data</b>					
Non-performing loans (6) / total loans	1.2%	1.2%	1.2%	0.0%	0.0%
Past-due loans (7) / loans	3.9%	4.6%	2.9%	-0.7%	1.0%
Allowance for possible loan losses / total loans	1.8%	2.0%	1.7%	-0.2%	0.1%
Allowance for possible loan losses / total non-performing loans	147.8%	164.1%	151.6%	-16.3%	-3.8%
Allowance for possible loan losses / loans graded "C," "D" and "E" (8)	89.8%	87.3%	62.4%	2.5%	27.4%

(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 June-15 reflect grade as of March-15, the final categories will be update until August 14th, 2015.

Some assets, liabilities and transactions are in foreign currency mainly in dollars. The exchange rate QTZ/USD at the end of periods were Q7.62452 for June-2015, Q7.77861 for June-2014 and Q7.59675 for Dec-2014.



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

Investments (Q millions)	Jun-15	% of total	Jun-14	% of total	Dec-14	% of total	Growth	
							Vrs. Jun-14	Vrs. Dec-14
Available-for-sale securities	3,603.4	82.5%	3,225.7	82.6%	3,273.4	82.0%	11.7%	10.1%
Held-to-maturity securities (F.H.A. mortgage notes)	765.8	17.5%	680.8	17.4%	717.8	18.0%	12.5%	6.7%
Interest paid in purchase of available-for-sale securities	-	0.0%	0.6	0.0%	-	0.0%	-100.0%	0.0%
<b>Total investments</b>	<b>4,369.2</b>	<b>100.0%</b>	<b>3,907.1</b>	<b>100.0%</b>	<b>3,991.2</b>	<b>100.0%</b>	<b>11.8%</b>	<b>9.5%</b>
Allowance on F.H.A. mortgage notes	(6.3)	0.1%	(1.9)	0.0%	(6.3)	0.2%	231.6%	0.0%
<b>Investments, net</b>	<b>4,362.9</b>		<b>3,905.2</b>		<b>3,984.9</b>		<b>11.7%</b>	<b>9.5%</b>

**Loans Portfolio**

Type of loan (Q millions)	Jun-15	% of total loans	Jun-14	% of total loans	Dec-14	% of total loans	Growth	
							Vrs. Jun-14	Vrs. Dec-14
Commercial	11,819.8	80.3%	10,338.8	79.0%	11,749.2	80.3%	14.3%	0.6%
Mortgage loans	1,047.5	7.1%	919.1	7.0%	990.5	6.8%	14.0%	5.8%
Auto loans	184.3	1.3%	184.9	1.4%	186.0	1.3%	-0.3%	-0.9%
Credit cards	862.7	5.9%	851.2	6.5%	915.5	6.2%	1.3%	-5.8%
Consumer	804.4	5.5%	796.1	6.1%	794.5	5.4%	1.0%	1.3%
<b>Total loans</b>	<b>14,718.7</b>	<b>100.0%</b>	<b>13,090.1</b>	<b>99.9%</b>	<b>14,635.8</b>	<b>100.0%</b>	<b>12.4%</b>	<b>0.6%</b>
Allowance for loan losses	(269.5)	1.8%	(257.6)	2.0%	(255.5)	1.7%	4.6%	5.5%
<b>Loans portfolio, net</b>	<b>14,449.2</b>		<b>12,832.5</b>		<b>14,380.3</b>		<b>12.6%</b>	<b>0.5%</b>

**Deposits**

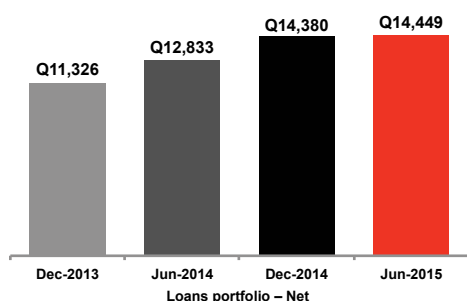
Type of deposit (Q millions)	Jun-15	% of total deposits	Jun-14	% of total deposits	Dec-14	% of total deposits	Growth	
							Vrs. Jun-14	Vrs. Dec-14
Checking accounts	5,729.1	36.8%	5,062.3	37.6%	5,397.9	36.9%	13.2%	6.1%
Saving accounts	3,471.2	22.3%	3,185.0	23.7%	3,276.9	22.4%	9.0%	5.9%
Time deposits	6,292.4	40.5%	5,157.3	38.3%	5,890.4	40.3%	22.0%	6.8%
Other	62.4	0.4%	62.2	0.5%	59.7	0.4%	0.3%	4.5%
<b>Total deposits</b>	<b>15,555.1</b>	<b>100.0%</b>	<b>13,466.8</b>	<b>100.0%</b>	<b>14,624.9</b>	<b>100.0%</b>	<b>15.5%</b>	<b>6.4%</b>

**Capital**

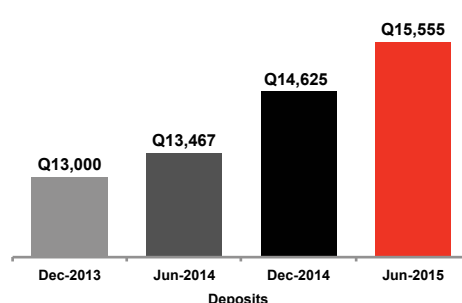
Capital ratio (Q millions)	Jun-15	% (4)	Jun-14	% (4)	Dec-14	% (4)	Growth	
							Vrs. Jun-14	Vrs. Dec-14
Tier 1 capital (1)	1,700.9	10.8%	1,689.4	12.1%	1,689.4	11.1%	0.7%	0.7%
Tier 2 Additional net capital (1)	678.6	4.3%	654.3	4.7%	701.8	4.6%	3.7%	-3.3%
Total Net Capital (1)	2,379.5		2,343.7		2,391.2		1.5%	-0.5%
Total risk-weighted assets (2)	15,732.7		13,966.5		15,288.5		12.6%	2.9%
<b>Capital adequacy</b>		<b>15.1%</b>		<b>16.8%</b>		<b>15.6%</b>		
Minimum regulatory capital required (3)	1,596.3		1,417.3		1,551.5		12.6%	2.9%
<b>Excess of capital over minimum regulatory capital required</b>	<b>783.2</b>		<b>926.4</b>		<b>839.7</b>		<b>-15.5%</b>	<b>-6.7%</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.

**BAM and Subsidiaries reports consolidated total assets of Q22,751.5 million as of June 2015, which represents an increase of Q2,077.1 million, or 10% compared to June 2014.**



- Net loans increased Q1,616.7 million, 12.6%. The loan portfolio has reported healthy increases. Loan loss reserves cover 147.8% of NPL and the ratio of NPL over total gross loans remains low, 1.2%.



- Deposits increased Q2,088.3 million, 15.5%. The rapid increase in deposits allows us to maintain an ample liquidity position to cover immediate obligations.

During the six-month period ended in June 2015, BAM and Subsidiaries reported net consolidated income of Q156 million, which represents an increase of 16.2% compared to the same period last year.

- Net Financial Income increased 2.9% mainly due to growth in the loan portfolio of the corporate segment's; nevertheless the increase in financial expenses was 27% due to growth in time deposits and long-term loans.
- Net Income and expenses from Services increased 37.8%, mainly due to fees from structuring loans.
- Operating income net of Operating expenses increased primarily as a result of the foreign exchange rate fluctuations.
- Administrative expenses had a reasonable increase of 4.7%, 1.2 times lower with respect to the increase of Net financial income and Net income from services.

