FitchRatings

Banks

Guatemala

Banco Agromercantil de Guatemala, S.A.

Full Rating Report

Ratings

Foreign Currency	
Long-Term IDR	BB+
Short-Term IDR	B
Viability Rating	bb
Support Rating	3
Support Rating Floor	NF
Local Currency	
Long-Term IDR	BBB–
Short-Term IDR	F3
National Ratings	
Long-Term Rating	AAA(gtm)
Short-Term Rating	F1+(gtm)
Sovereign Risk	
Foreign-Currency Long-Term IDR	BB
Local-Currency Long-Term IDR	BB

Outlook

Foreign-Currency Long-Term IDR	Stable
Local-Currency Long-Term IDR	Stable
National Long-Term IDR	Stable

Financial Data

Banco Agromercantil, de Guatemala S.A.

	12/31/15	12/31/14
Total Assets (USDm)	1,985.6	2,880.0
Total Assets (GTQm)	22,869.6	21,875.1
Total Equity (GTQm)	2,036.6	1,997.6
Operating Profit (GTQm)	334.0	260.0
Published Net Income (GTQm)	295.1	221.6
Comprehensive Income (GTQm)	295.1	235.2
Operating ROAA (%)	1.48	1.28
Operating ROAE (%)	16.31	12.80
Internal Capital Generation (%)	8.84	10.30
Fitch Core Capital/ Weighted Risks (%)	11.89	13.12

Related Research

Bancolombia S.A. (January, 2016)

2016 Outlook: Central America and Dominican Republic Banks (January 2016)

Guatemala (May 2016)

Analysts

Bertha Perez
+52 (81) 8399-9161
bertha.perez@fitchratings.com

Francesca Cedrola
+503 2516 6611
francesca.cedrola@fitchratings.com

Key Rating Drivers

Bancolombia's Support Drives IDR: The issuer default rating (IDR) of Banco Agromercantil de Guatemala, S.A. (BAM) now reflects the high probability of support from its main shareholder, Bancolombia, S.A. (Bancolombia; long-term IDR: 'BBB+'/Negative Rating Watch), if required. Fitch Ratings views BAM as an important subsidiary to its parent given its role in Bancolombia's regional expansion and the potential reputation risk it represents.

High Sovereign Exposure: Like all major local banks, BAM is significantly exposed to the Guatemalan sovereign (local currency and foreign currency IDRs of BB) through the holding of large debt securities portfolio (76.3% of equity) and the concentration of its business volume in the country. Fitch does not expect this to change due to limited investment options in the country. Guatemala's country ceiling limits BAM's IDR at 'BB+'.

Moderate Capitalization: Capital levels are pressured by high growth rates, above its internal capital generation in the last years. Nevertheless, asset growth decreased during 2015, allowing for a Fitch Core Capital of 11.9%. In Fitch's opinion, maintaining adequate loss absorption cushions is necessary given high concentration risks in the bank's balance sheet.

Vulnerable to Concentration Risks: The largest source of credit risk is the material single-name obligor concentration (Top 20 groups accounted for 35.1% of gross loans and 2.8x equity at YE2015). Loan quality metrics are sound, although impaired loan ratios have increased in the past year closer to the system average (1.35%). Fitch expects further deterioration as the loan portfolio matures although this will be manageable for the bank.

Pressured Profitability: Margin compression, due to increased funding costs and heightened competition in BAM's target segments, led to lower profitability indicators in 2015. Fitch expects that improving operating efficiency may provide a modest upside potential to improve core earnings in the short term.

Stable Funding and Liquidity: BAM's funding profile consists of a diversified and stable base of short-term household deposits. To reduce liquidity gaps, the bank has increased the use of wholesale funds to extend the maturity of its liabilities. The bank successfully accessed international capital markets through the issuance of a senior unsecured loan participation note.

Rating Sensitivities

Sovereign Downgrade: In the event of a sovereign downgrade, BAM´s IDR and VR would decrease accordingly. BAM's Foreign Currency IDR is capped by Guatemala's country ceiling. The bank's Long-Term Local Currency IDR is above the sovereign's Local Currency IDR and as such would be sensitive to any sovereign rating action.

Limited Upside Potential: Currently, there is no upside potential for the bank's IDRs as these are above the sovereign's IDRs, which have a Stable Outlook. Downward risk for the bank's IDRs, national ratings and support rating is limited given its parent support but the ratings could be downgraded if Fitch's assessment of Bancolombia's ability or willingness to support its subsidiaries changes.

Support

Support from Bancolombia Drives IDR

In Fitch's view, Bancolombia (long-term IDR: 'BBB+'/Stable) has the ability and propensity to support BAM, if needed. In the agency's opinion, BAM is an important subsidiary for Bancolombia, based on its role in Bancolombia's expansion and diversification in Central America. Bancolombia's propensity to support its new subsidiaries is influenced by the relevant reputational risk that a default from any of these entities would pose to Bancolombia, resulting in a support rating of '3'.

Operating Environment

Guatemala´s sovereign rating ('BB'/Stable) is supported by its track record of macroeconomic stability and disciplined policies, low public debt to GDP and sound external liquidity. These strengths are counterbalanced by a low tax base that undermines public finances, as well as weak governance and human development indicators. In Fitch´s opinion, family remittances from the United States and lower petrol costs encourage economic activity. The agency expects GDP growth will stand at approximately 3.9% in 2016 and 2017, mainly driven by consumption.

Fitch believes the Guatemalan banking system has ample potential for growth, given its relatively low loan penetration (gross loans/GDP: 33.3%) and stable economic prospects. Although the agency estimates loan growth will decelerate to around 9% in 2016; unpredictable political event risks may hinder growth prospects. Fitch expects ROAA of Guatemalan banks to weaken to around 1.5% in 2016. Tough competition, mainly in corporate loans, will limit any potential improvement in the banking system's NIM. Other limitations would also arise from the increasing use of wholesale funding; although this benefits the asset and liability management of foreign currency operations. This partially mitigates the risk arising from the dollarization of the balance sheets, which is close to 40% of loan portfolio versus 17% of deposits.

A weakening in bank asset quality could result from sustained low export prices of primary commodities. Agriculture and agribusiness loan portfolios appear most susceptible. However, this trend is unlikely to erode the banks' sound asset quality to any great extent. Fitch believes that low capitalization metrics will continue to be a structural weakness of the system. This is due to a potentially narrower NIM and relatively high dividend payout ratio. For the coming year, Fitch expects an equity-to-asset ratio of 9.5%, similar to previous years but well below the regional average.

In Fitch's opinion, Guatemala's financial regulatory framework has been improving gradually. However, there are important enhancement opportunities to close the gap with other Central American countries, especially in capital markets and banking regulation. The recently passed Credit Card Law, which had important effects on credit card issuers' profitability, was temporarily suspended by the Constitutional Court of Guatemala on March 31, 2016.

Company Profile

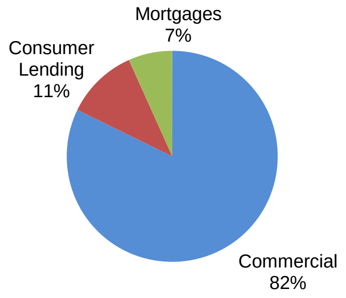
Bancolombia's Controlling Stake Enhances Credit Profile

As of January 2016, Bancolombia acquired a controlling stake (60%) in Grupo Agromercantil Holding, S.A., an intermediate holding company that owns BAM and an insurance company directly and an offshore bank (Mercom Bank Limited) indirectly. The remaining 40% of GAH is owned by BAM Financial Corporation (BFC). BFC's shareholders comprise Guatemalan businesspeople from various industries, no person or legal entity holds over 5% of BFC's ownership. In Fitch's opinion, Bancolombia's majority participation is positive for BAM's credit profile. BAM is the fourth-largest bank in Guatemala, with an 11% market share in banking

Related Criteria

Global Bank Rating Criteria (March 2015)

Loan Portfolio
December 2015



Source: BAM

system assets and 8% in deposits at year end 2015. The bank has been gradually strengthening its competitive position through high growth in recent years.

The bank serves primarily large companies, providing a wide range of products and services. BAM employs a relationship-based strategy in the corporate segment, benefiting from the business ties of its local shareholders and board members across various industries. Fitch also considers that Bancolombia's ownership will support business generation over the medium term. In the retail segment, BAM targets middle class "mass upper" and affluent segments.

Management

The management team is characterized by its satisfactory degree of depth, stability and experience, aligned with that of other similarly rated peers. Bancolombia relies on BAM's local management team for its local operations and the implementation of its strategy; there has been limited turnover of executives in the main business lines since its acquisition. In Fitch's opinion, Bancolombia's majority ownership will enhance management quality through the transfer of know-how, closer integration and implementation of best practices

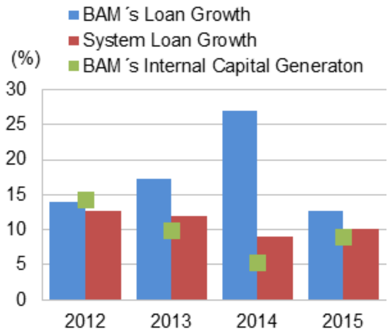
BAM's corporate governance standards are neutral to its ratings, in line with those of its Guatemalan peers. Related party lending represents a moderate 15.6% of equity at year-end 2015 (average 2009-2013: 28.8%). The board of directors now includes three directors from Bancolombia, as the new majority shareholder, while BFC has two representatives, along with their respective deputies.

BAM's strategic objectives are articulated and oriented to a short-term level of business and generally include more opportunistic measures. Nevertheless, the bank's objectives for this year will focus on leveraging its integration with Bancolombia as well as improving efficiency levels. The bank will participate in a regional efficiency program its main shareholder will roll out to its Central American subsidiaries during 2016. The bank's growth targets are more moderate than in past years, favoring preservation of capital buffers and managing pressures its net interest margin that may have resulted from high competition in corporate lending and potential regulatory limitations in credit card lending.

BAM's execution has been generally satisfactory in the past five years. The bank has since then successfully increased market shares, improved asset quality metrics and enhanced its risk management systems. While not its base case, the agency expects that negative changes in the economic or interest rate cycles may constrain the bank's execution ability going forward.

Risk Appetite

Loan Growth
December 2015



Source: BAM and Local Regulator

BAM's strong growth rates during 2012-2014 averaged 19.4% well above the system's average of 11.2%, implying a heightened risk appetite. Nevertheless, this trend has decreased during 2015. Loan growth levels (12.6%) registered below the system average (13.9%) as did average asset growth (BAM: 4.6% vs system: 10.0%). So far, the dynamic credit expansion has not translated into materially higher cost of risk, but the agency anticipates some deterioration is possible as the loan portfolio seasons.

In Fitch's opinion, BAM's underwriting standards and pricing strategies are adequate and reflect a moderate risk appetite. Fitch believes that the track records of adequate impairment levels are the outcome of sound credit standards and the predominantly corporate focus of its loan portfolio. BAM has sound risk management standards which will be enhanced with the transfer of Bancolombia's know-how, further improving underwriting policies. The loan book is the largest source of risk, as the bank has limited appetite for credit exposure in its securities portfolio. This consists mostly of Guatemalan sovereign and central bank debt, held for liquidity purposes. Risk and reporting tools at BAM are good and, the agency expects these will gradually evolve to comply with Bancolombia's standards, which exceed those of local peers.

BAM has a moderate exposure to market risks and, in Fitch's opinion, these are well-controlled. Structural interest rate risks mismatches arising from longer-term loan book vs shorter-term funding, are partially offset by BAM's ability to reprice loans.. As a corporate oriented bank, BAM has a moderate FX exposure stemming from a large portfolio of USD-dollar denominated loans granted to non-currency generators (18.2% of total portfolio). BAM has a high open position in USD equivalent to 24.2% of equity at YE 2015. Nonetheless, Fitch believes that the stability in the USD/GTQ exchange rate, together with higher capital charges against FC loans to non-USD generators partially mitigate this risk.

Price risk is limited mostly to variations in the securities portfolio, which is dominated by sovereign debt securities held for liquidity purposes, mostly in local currency. The banks that report VaR measurements reflect gains and losses below 5% of equity.

Financial Profile

Asset Quality

Asset Quality Metrics

(%)	Dec-15	Dec-14	Dec-13	Dec-12
Growth of Gross Loans	12.60	26.91	17.32	13.98
Impaired Loans/ Gross Loans	1.38	1.13	1.18	1.53
Reserves for Impaired Loans/ Gross Loans	1.71	1.72	1.78	2.01
Impaired loans - Reserves / Fitch Core Capital	(2.62)	(4.31)	(3.65)	(4.10)
Net Charge-offs/ Average Gross Loans	0.81	0.69	1.08	n.a.

Source: BAM

Loan Portfolio Highly Concentrated

Currently, the largest source of credit risk is the material single-name obligor concentration, which increases sensitivity to sharp fluctuations in loan quality and a rise in credit costs. Top 20 groups accounted for 35.1% of gross loans and 2.8 times equity; all of these exposures were performing and of good quality. Fitch does not expect concentration levels to decline in the short term given BAM's corporate orientation.

Sound Loan Quality Metrics; Prudent Provisioning

Loan quality indicators are sound, although impaired loan ratios have increased in the past year closer to the system average (1.35%). This was due to the deterioration of a specific cross border loan transaction in a neighboring country. BAM's holding company has adopted Bancolombia's conservative internal policy of fully reserving 30+ days NPL while local practices completely reserve 90+ days NPLs. This results in sufficient reserve coverage of impaired loans and gross loans at BAM. The Fitch base case scenario is that the bank will be able to maintain a stable risk profile, supported by adequate underwriting standards. Additionally, BAM is targeting more moderate growth rates in the short term.

High Proportion of FX Loans to Non-USD Generators

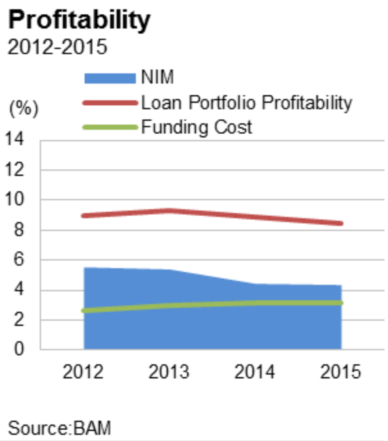
FX loans account for 50.8% of BAM's credit portfolio, which is a common feature of corporate lenders in Guatemala. The bank mainly allocates FX loans on customers that generate revenues in U.S. dollars, nevertheless non-USD generators represent 18% of total loan portfolio. Nonetheless, Fitch believes that the stability in the USD/GTQ exchange rate, together with higher capital charges against FX loans to non-USD generators partially mitigate this risk.

Earnings and Profitability

Profitability Metrics

(%)	Dec-15	Dec-14	Dec-13	Dec-12
Interest Income on Loans/ Average Gross Loans	8.42	8.91	9.32	8.94
Interest Expense on Deposits/ Avg. Customer Deposits	3.18	3.17	2.99	2.65
Net Interest Income/ Avg. Earning Assets	4.34	4.42	5.38	5.52
Non-Interest Expense/ Gross Revenues	61.95	63.71	66.06	71.04
Loans and securities impairment charges/ Pre-impairment Op. Profit	23.01	31.40	27.01	22.72
Operating Profit/ Average Equity	16.31	12.75	18.00	17.30
Operating Profit/ Average Total Assets	1.48	1.28	1.51	1.39

Source: BAM

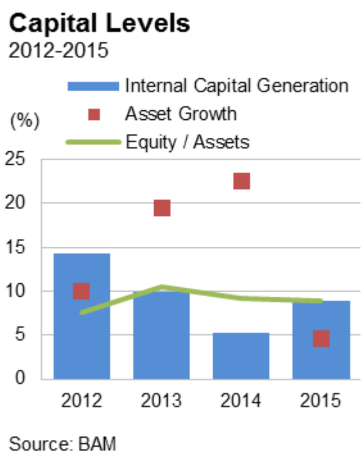


Profitability levels are acceptable for its corporate orientation although its return on average assets (1.3%) is below the system's average (1.6%) for YE 2015. The net interest margin (NIM) continues to be pressured by the increased funding costs and heightened competition, leading to lower profitability indicators in 2015. BAM benefits from controlled credit costs. Loan impairment charges (LICs) decreased to levels closer to the bank's historic average.

Operating efficiency levels (non-interest expenses absorbed 62% of gross revenues) compare positively to the system's average of 68%, nevertheless other large corporate oriented banks are able to manage efficiency levels of close to 55%. Fitch expects that improving operating efficiency may provide a modest upside potential to improve core earnings in the short term. Management expects to achieve this through the regional efficiency program its main shareholder is implementing. By adopting the group's best practices, BAM hopes to converge to Bancolombia's efficiency levels. The bank is focusing on enhancing value on its branch network and closing unprofitable branches

Interest income from its loan portfolio and to a lesser degree from its securities portfolio remains BAM's primary revenue stream, representing around 80% of earnings. Fee-based income now represents 23% of earnings; nevertheless the agency does not consider this revenue stream to be diversified, as it remains linked to credit activity.

Capitalization



In previous years, internal capital generation levels have been below asset growth. Nevertheless, during 2015 asset expansion decreased substantially. The agency believes

Capital Metrics

(%)	Dec-15	Dec-14	Dec-13	Dec-12
Fitch Core Capital/ Risk Weighted Assets	11.89	13.12	15.43	11.11
Tangible Common Equity/ Tangible Assets	8.90	9.13	10.46	7.64
Total Regulatory Capital Ratio	13.70	15.35	18.00	12.00
Equity/ Total Assets	8.91	9.13	10.47	7.64
Cash Dividends Paid & Declared/ Net Income	38.97	7.13	8.06	9.02
Internal Capital Generation	8.84	10.30	9.90	14.30

Source: BAM

BAM's capital buffers are currently adequate relative to larger corporate-oriented banks and taking into consideration its decreased growth prospects. In Fitch's opinion, maintaining adequate loss-absorption cushions is necessary given high concentration risks in the bank's balance sheet. Management is targeting a regulatory capital ratio close to 13%, which the bank should be able to maintain through lower growth and sufficient retained earnings.

Funding and Liquidity

Liquidity Metrics

(%)	Dec-15	Dec-14	Dec-13	Dec-12
Loans/ Customer Deposits	109.04	100.18	88.77	81.20
Interbank Assets/ Interbank Liabilities	n.a.	n.a.	n.a.	n.a.
Customer Deposits/ Total Funding	75.22	76.41	84.97	90.79

Source: BAM

BAM's funding and liquidity base are generally stable. Its deposits are mostly retail and short-term, registering relatively low depositor concentration levels. Top 20 depositors represented 11% of total deposit funding at YE 2015. Deposits represented the bulk of the bank's funding (75%), although their participation has steadily decreased from 90.8% in 2012. BAM is favoring wholesale funding which benefits its asset and liability management as well as its FX mismatches. The bank successfully accessed international capital markets through the issuance of a senior unsecured loan participation note. Additionally, the bank had close to 20 credit lines approved from correspondent banks. Other wholesale instruments include a private issue of preferred stock, which receives no equity credit under Fitch's criteria.

As the bank significantly expanded the use of wholesale funding, the loans to deposit ratio (LDR) increased to 109% at year-end 2015. This ratio is well above peer and market averages. We expect that as loan growth decelerates, the LDR will likely decrease, although it would still be higher than that of peers.

Adequate Liquidity Buffers

The bank's balance sheet registers a high volume of liquid assets. Cash, cash equivalents and available for sale securities represented 23% of total assets and covered 35% of deposits at YE 2015. The agency views this as necessary given the bank's reliance on short-term funds. Like all major local banks, BAM has a sizeable exposure to Guatemalan sovereign securities (LC and FC IDRs of 'BB'). Fitch does not expect this to change due to limited investment options in the country.

Debt Ratings

Fitch Ratings has assigned a 'BB' long-term foreign currency rating to Agromercantil Senior Trust's (AST) five-year USD loan participation notes (the notes). The notes are senior unsecured obligations that rank equally to BAM's unsecured and unsubordinated obligations. The notes were issued for USD300 million and are secured by AST's sole asset, a 100% participation in and to a senior unsecured loan (the loan) from Bank of America to BAM.

Banco Agromercantil de Guatemala S.A.

	31-Dec-2015		31-Dec-2014	31-Dec-2013	31-Dec-2012	31-Dec-2011
	Year End	Year End	Year End	Year End	Year End	Year End
	USDm	GTQm	GTQm	GTQm	GTQm	GTQm
	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified	Unqualified
Income Statement						
1. Interest Income on Loans	167.0	1,279.5	1169.1	967.9	822.8	697.2
2. Other Interest Income	36.1	276.8	252.7	218.9	221.9	226.1
3. Dividend Income	1.2	9.5	8.0	3.8	6.7	8.2
4. Gross Interest and Dividend Income	204.4	1,565.8	1429.8	1,190.6	1,051.4	931.5
5. Interest Expense on Customer Deposits	62.8	481.3	434.4	368.4	305.4	260.3
6. Other Interest Expense	27.0	206.8	165.6	32.1	24.7	24.6
7. Total Interest Expense	89.8	688.1	600.0	400.5	330.1	284.9
8. Net Interest Income	114.6	877.7	829.8	790.1	721.3	646.6
9. Net Gains (Losses) on Trading and Derivatives	(0.5)	(3.9)	(1.3)	(1.6)	(2.3)	n.a.
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	1.0	n.a.	n.a.	9.1
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
12. Net Insurance Income	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13. Net Fees and Commissions	23.3	178.6	178.3	125.5	118.9	84.8
14. Other Operating Income	11.4	87.6	36.6	55.6	46.8	51.9
15. Total Non-Interest Operating Income	34.2	262.3	214.6	179.5	163.4	145.8
16. Personnel Expenses	41.1	314.5	300.3	277.3	270.4	249.9
17. Other Operating Expenses	51.1	391.7	365.1	363.2	358.1	327.9
18. Total Non-Interest Expenses	92.2	706.2	665.4	640.5	628.5	577.8
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
20. Pre-Impairment Operating Profit	56.6	433.8	379.0	329.1	256.2	214.6
21. Loan Impairment Charge	12.2	93.1	102.8	83.8	39.7	41.0
22. Securities and Other Credit Impairment Charges	0.9	6.7	16.2	5.1	18.5	6.3
23. Operating Profit	43.6	334.0	260.0	240.2	198.0	167.3
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
25. Non-recurring Income	4.9	37.6	46.3	38.6	31.6	18.4
26. Non-recurring Expense	0.8	6.4	1.2	6.9	3.2	3.3
27. Change in Fair Value of Own Debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
28. Other Non-operating Income and Expenses	0.5	3.9	(24.5)	(2.4)	5.9	2.0
29. Pre-tax Profit	48.2	369.1	280.6	269.5	232.3	184.4
30. Tax expense	9.7	74.0	59.0	68.4	52.7	37.8
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
32. Net Income	38.5	295.1	221.6	201.1	179.6	146.6
33. Change in Value of AFS Investments	n.a.	n.a.	14.5	n.a.	0.0	0.0
34. Revaluation of Fixed Assets	n.a.	n.a.	(0.9)	n.a.	(3.9)	n.a.
35. Currency Translation Differences	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
36. Remaining OCI Gains/(losses)	n.a.	n.a.	n.a	(50.0)	(125.2)	n.a.
37. Fitch Comprehensive Income	38.5	295.1	235.2	151.1	50.5	146.6
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
39. Memo: Net Income after Allocation to Non-controlling Interests	38.5	295.1	221.6	201.1	179.6	146.6
40. Memo: Common Dividends Relating to the Period	13.0	99.4	0.0	0.0	0.0	13.3
41. Memo: Preferred Dividends Related to the Period	2.0	15.6	15.8	16.2	16.2	10.8
Exchange rate		USD1 = GTQ7.66000	USD1 = GTQ7.59550	USD1 = GTQ7.85210	USD1 = GTQ7.89490	USD1 = GTQ7.80660

Source: BAM's audited unconsolidated financial statements

Banco Agromercantil de Guatemala S.A.

	31-Dec-2015		31-Dec-2014	31-Dec-2013	31-Dec-2012	31-Dec-2011
	Year End	Year End	Year End	Year End	Year End	Year End
	USDm	GTQm	GTQm	GTQm	GTQm	GTQm
Balance Sheet						
Assets						
A. Loans						
1. Residential Mortgage Loans	n.a.	n.a.	990.5	n.a.	n.a.	n.a.
2. Other Mortgage Loans	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3. Other Consumer/ Retail Loans	402.9	3,086.4	1,868.5	2,569.6	2,276.2	1,952.4
4. Corporate & Commercial Loans	1,744.0	13,359.4	11,722.5	8,938.8	7,533.5	6,654.4
5. Other Loans	n.a.	n.a.	23.9	n.a.	n.a.	n.a.
6. Less: Reserves for Impaired Loans	36.7	280.9	251.3	204.4	197.2	239.3
7. Net Loans	2,110.3	16,164.9	14,354.1	11,304.0	9,612.5	8,367.5
8. Gross Loans	2,147.0	16,445.8	14,605.4	11,508.4	9,809.7	8,606.8
9. Memo: Impaired Loans included above	29.7	227.5	165.3	136.2	150.4	211.1
10. Memo: Loans at Fair Value included above	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
B. Other Earning Assets						
1. Loans and Advances to Banks	289.6	2,218.1	2,307.6	2,286.6	2,000.6	1,677.2
2. Reverse Repos and Cash Collateral	n.a.	n.a.	114.0	n.a.	n.a.	n.a.
3. Trading Securities and at FV through Income	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
4. Derivatives	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
5. Available for Sale Securities	305.9	2,343.3	3,150.9	2,275.1	1,311.7	1,772.9
6. Held to Maturity Securities	105.1	805.0	707.0	655.1	637.5	599.8
7. Equity Investments in Associates	7.3	55.6	54.5	53.2	56.1	56.3
8. Other Securities	2.1	16.0	14.9	14.5	13.8	14.1
9. Total Securities	420.4	3,219.9	4,041.3	2,997.9	2,019.1	2,443.1
10. Memo: Government Securities included Above	197.7	1,514.6	3,919.6	n.a.	n.a.	n.a.
11. Memo: Total Securities Pledged	n.a.	n.a.	14.9	n.a.	n.a.	n.a.
12. Investments in Property	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
13. Insurance Assets	0.0	0.0	n.a.	n.a.	n.a.	n.a.
14. Other Earning Assets	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
15. Total Earning Assets	2,820.2	21,602.9	20,703.0	16,588.5	13,632.2	12,487.8
C. Non-Earning Assets						
1. Cash and Due From Banks	90.7	694.9	580.9	708.3	786.5	612.0
2. Memo: Mandatory Reserves included above	n.a.	n.a.	1,667.6	n.a.	n.a.	n.a.
3. Foreclosed Real Estate	8.8	67.6	79.5	68.9	84.4	65.7
4. Fixed Assets	33.8	258.6	273.1	273.5	267.0	266.5
5. Goodwill	n.a.	n.a.	0.0	0.0	0.0	0.0
6. Other Intangibles	0.1	0.4	0.4	0.4	0.5	0.5
7. Current Tax Assets	6.0	45.8	43.22	n.a.	n.a.	n.a.
8. Deferred Tax Assets	n.a.	n.a.	n.a.	39.8	26.4	23.3
9. Discontinued Operations	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
10. Other Assets	26.0	199.4	195.1	170.5	151.8	139.7
11. Total Assets	2,985.6	22,869.6	21,875.1	17,849.9	14,948.8	13,595.5
Exchange rate		USD1 = GTQ7.66000	USD1 = GTQ7.59550	USD1 = GTQ7.85210	USD1 = GTQ7.89490	USD1 = GTQ7.80660

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	31-Dec-2015		31-Dec-2014	31-Dec-2013	31-Dec-2012	31-Dec-2011
	Year End	Year End	Year End	Year End	Year End	Year End
	USDm	GTQm	GTQm	GTQm	GTQm	GTQm
Balance Sheet						
Liabilities and Equity						
D. Interest-Bearing Liabilities						
1. Customer Deposits - Current	729.8	5,590.0	5,404.3	4,947.2	5,159.8	4,618.1
2. Customer Deposits - Savings	439.2	3,364.0	3,277.9	3,211.3	3,025.4	3,030.9
3. Customer Deposits - Term	797.9	6,111.7	5,896.5	4,797.4	3,895.9	3,321.3
4. Total Customer Deposits	1,969.0	15,082.5	14,578.7	12,955.9	12,081.1	10,970.3
5. Deposits from Banks	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
6. Repos and Cash Collateral	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
7. Other Deposits and Short-term Borrowings	9.3	71.7	59.7	60.1	56.1	38.8
8. Total Deposits, Money Market and Short-term Funding	1,976.1	15,136.8	15,638.4	13,016.0	12,137.2	11,009.1
9. Senior Debt Maturing after 1 Year	638.8	4,893.3	4,441.0	2,203.8	1,139.7	959.2
10. Subordinated Borrowing	n.a.	n.a.	n.a.	n.a.	-	8.9
11. Other Funding	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
12. Total Long Term Funding	638.8	4,893.3	4,441.0	2,203.8	1,139.7	968.1
13. Derivatives	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
14. Trading Liabilities	n.a.	n.a.	n.a.	28.1	29.5	30.1
15. Total Funding	2,614.9	20,030.1	19,079.3	15,247.9	13,306.4	12,007.3
E. Non-Interest Bearing Liabilities						
1. Fair Value Portion of Debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2. Credit impairment reserves	n.a.	n.a.	n.a.	n.a.	-	-
3. Reserves for Pensions and Other	17.2	132.0	132.1	128.1	126.1	-
4. Current Tax Liabilities	9.7	74.0	59.0	68.4	52.7	37.8
5. Deferred Tax Liabilities	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
6. Other Deferred Liabilities	n.a.	n.a.	1.7	2.0	2.0	1.9
7. Discontinued Operations	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
8. Insurance Liabilities	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
9. Other Liabilities	52.4	401.1	431.4	361.2	318.9	403.1
10. Total Liabilities	2,694.2	20,637.2	19,703.5	15,807.6	13,806.1	12,450.1
F. Hybrid Capital						
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
2. Pref. Shares and Hybrid Capital accounted for as Equity	22.7	174.0	174.0	174.0	174.0	174.0
G. Equity						
1. Common Equity	269.5	2,064.4	2,014.2	1,850.1	921.5	921.5
2. Non-controlling Interest	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
3. Securities Revaluation Reserves	(0.8)	(6.0)	4.2	(10.3)	17.8	16.6
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
5. Fixed Asset Revaluations and Other Accumulated OCI	(2.8)	(21.8)	(20.8)	28.5	29.4	33.3
6. Total Equity	265.9	2,036.6	1,997.6	1,868.3	968.7	971.4
7. Total Liabilities and Equity	2,982.7	22,847.8	21,875.1	17,849.9	14,948.8	13,595.5
8. Memo: Fitch Core Capital	265.8	2,036.2	1,997.2	1,867.9	968.2	947.6
9. Memo: Fitch Eligible Capital	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Exchange rate		USD1 = GTQ7.66000	USD1 = GTQ7.59550	USD1 = GTQ7.85210	USD1 = GTQ7.89490	USD1 = GTQ7.80660

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	31-Dec-2015 Year End	31-Dec-2014 Year End	31-Dec-2013 Year End	31-Dec-2012 Year End	31-Dec-2011 Year End
Summary Analytics					
A. Interest Ratios					
1. Interest Income on Loans/ Average Gross Loans	8.42	8.91	9.32	8.94	8.81
2. Interest Expense on Customer Deposits/ Average Customer Deposits	3.18	3.17	2.99	2.65	2.53
3. Interest Income/ Average Earning Assets	7.74	7.62	8.11	8.05	7.99
4. Interest Expense/ Average Interest-bearing Liabilities	3.49	3.40	2.87	2.61	2.53
5. Net Interest Income/ Average Earning Assets	4.34	442	5.38	5.52	5.54
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	3.88	3.87	4.81	5.22	5.19
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	4.26	4.34	5.27	5.40	5.45
B. Other Operating Profitability Ratios					
1. Non-Interest Income/ Gross Revenues	23.01	20.55	18.51	18.47	18.40
2. Non-Interest Expense/ Gross Revenues	61.95	63.71	66.06	71.04	72.92
3. Non-Interest Expense/ Average Assets	3.13	3.27	4.02	4.40	4.55
4. Pre-impairment Op. Profit/ Average Equity	21.18	18.58	25.78	26.41	23.77
5. Pre-impairment Op. Profit/ Average Total Assets	1.92	1.86	2.07	1.80	1.69
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	23.01	31.40	27.01	22.72	22.04
7. Operating Profit/ Average Equity	16.31	12.75	18.81	20.41	18.53
8. Operating Profit/ Average Total Assets	1.48	1.28	1.51	1.39	1.32
9. Operating Profit / Risk Weighted Assets	1.95	1.71	1.98	1.93	1.89
C. Other Profitability Ratios					
1. Net Income/ Average Total Equity	14.41	10.87	15.07	18.51	16.24
2. Net Income/ Average Total Assets	1.31	1.09	1.26	1.26	1.15
3. Fitch Comprehensive Income/ Average Total Equity	14.41	13.20	15.07	5.21	16.24
4. Fitch Comprehensive Income/ Average Total Assets	1.31	1.32	1.26	0.35	1.15
5. Taxes/Pre-tax Profit	20.05	21.03	25.38	22.69	23.40
6. Net Income/ Risk Weighted Assets	1.72	1.46	1.66	1.75	1.65
D. Capitalization					
1. Fitch Core Capital/Weighted Risks	11.89	13.12	15.43	11.11	10.69
2. Fitch Eligible Capital/ Weighted Risks	n.a.	n.a.	n.a.	n.a.	n.a.
3. Tangible Common Equity/ Tangible Assets	8.90	9.13	10.46	7.64	6.98
4. Tier 1 Regulatory Capital Ratio	n.a.	11.05	n.a.	n.a.	n.a.
5. Total Regulatory Capital Ratio	13.70	15.35	18.00	12.00	14.20
6. Core Tier 1 Regulatory Capital Ratio	n.a.	n.a.	n.a.	n.a.	n.a.
7. Equity/ Total Assets	8.91	9.13	10.47	7.64	7.15
8. Cash Dividends Paid & Declared/ Net Income	38.97	7.13	8.06	9.02	16.44
9. Internal Capital Generation	8.84	10.30	9.90	14.30	12.61

Source: Fitch calculations

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	31-Dec-2015 Year End	31-Dec-2014 Year End	31-Dec-2013 Year End	31-Dec-2012 Year End	31-Dec-2011 Year End
Summary Analytics					
E. Loan Quality					
1. Growth of Total Assets	4.55	22.55	19.41	9.95	15.12
2. Growth of Gross Loans	12.60	26.91	17.32	13.98	19.26
3. Impaired Loans/ Total Gross Loans	1.38	1.13	1	1.53	2.45
4. Reserves for Impaired Loans/ Gross loans	1.71	1.72	2.01	2.01	2.78
5. Reserves for Impaired Loans/ Impaired Loans	123.47	152.03	150.07	131.12	131.12
6. Impaired Loans less Reserves for Imp Loans / Fitch Core Capital	(2.62)	(4.31)	(3.65)	(4.10)	(2.98)
7. Impaired Loans less Reserves for Imp Loans/ Equity	(2.62)	(4.31)	(3.65)	(4.10)	(2.98)
8. Loan Impairment Charges/ Average Gross Loans	0.61	0.781	0.81	0.43	0.52
9. Net Charge-offs/ Average Gross Loans	0.81	0.69.	1.08	n.a.	0.22
F. Funding					
1. Loans/ Customer Deposits	109.04	100.18	88.77	81.20	78.46
2. Interbank Assets/ Interbank Liabilities	n.a.	n.a.	n.a.	n.a.	n.a.
3. Customer Deposits/ Total Funding (excluding derivatives)	75.22	76.41	84.97	90.79	91.37

Source: Fitch calculations

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.