

BBVA Bancomer

January - March 2017

Financial Report
BBVA Bancomer



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Relevant Events

Decree and distribution of dividends

During the first quarter of 2017, the fourth partial payment of dividends approved at BBVA Bancomer S.A. Multiple Banking Institution's Ordinary General Shareholders' Meeting corresponding to the year 2016, was made at a rate of \$ 0.162670139259139 per share outstanding. Also, the first partial payment of dividends approved at the Ordinary General Shareholders' Meeting corresponding to fiscal year 2017 was made at a rate of \$ 0.19938047842535 per share outstanding.

Merger of *Hipotecaria Nacional* with BBVA Bancomer

On the Extraordinary Shareholders' Meeting held on January 27, 2017, it was approved to carry out the merger of *Hipotecaria Nacional*, *BETESE* and *Desitel* with the Bank, which took effect on February 14, 2017, once the legal proceedings concluded.

Credit support to PEMEX

Official Letter No. P021/2016 dated May 2, 2016, attending a systemic situation as a consequence of the budget cuts that have affected Pemex, declares that the National Banking and Securities Commission (CNBV, according to its acronym in Spanish) considers this to be a temporary situation, authorized the application of special accounting criteria regarding the following portfolios:

- Consumer and Mortgages.
- Commercial:
 - Granted to individuals and corporations with annual sales in 2015 < 250 million pesos.
 - With annual sales in 2015 < 250 million pesos and whose income comes primarily from the Mexican oil sector.
- Have their permanent residence in Campeche, Chiapas, Tabasco, Tamaulipas and Veracruz.

All cases should be classified for accounting purposes as performing at the moment of the time extension or grating of a grace period.

The implementation of the support programs to the credit owners consist in:

- Establishing support programs to defer payments not more than 12 months from the original deadline. The implementation of the programs should not exceed December 31st, 2016.
- The operations under this Official Letter, will not be considered as restructures or renovations.
- That the credits eligible to participate in the program are classified for accounting purposes as performing on the date of its execution, according to the provisions of the Paragraph 12 of the Criterion B-6 "Loan Portfolio" of the dispositions of CNBV.

Special accounting criteria applicable to BBVA Bancomer, by the type of credit, are the following:

- Loans with a “single payment of principal and periodic interest payments, as well as the loans with single payment of principal and interests at maturity”, that are restructured or renewed shall not be considered nonperforming loans in terms of the Paragraph 79 of the B-6.
- For credits with “periodic payments of principal and interests” that are restructured or renewed, could be considered performing at the time such an act is carried out, without Paragraphs 82 and 84 of B-6 being applicable.
- The loans granted under a credit line, revolving or not, that are restructured or renewed, will not be considered nonperforming loans in terms of the Paragraphs 80 and 81 of the B-6.
- In relation to the loans mentioned in the previous bullets, these will not be considered as restructured according to Paragraph 40 of the Criterion B-6.

Therefore, up to December 31th, 2016 and March 31th, 2017, the decrease in the performing loans would have been of 981.5 and 494.8 million pesos (mp); as loan balances that received the support would have been registered as nonperforming loans if the deferral hadn't been applied. The impact in the bank's results of the creation of the provisions would have been of 430.1 and 232.2 mp respectively. The NPL would have an impact of 10 basis points for both periods and Capital Index almost had no impact.

The following table shows the number of cases that adhere to the program and the total balance of credits with figures as of March 31, 2017 and December 31, 2016 integrated by type of credit:

Portfolio type	December 2016		March 2017	
	Accounts	Balance (mp)	Accounts	Balance (mp)
Commercial	4	33.2	4	33.21
Mortgages	1635	934.5	150	107.91
Total CC	273	14.4	168	8.31
Total Consumer	3828	438	2552	292.71
SMEs	171	148.2	55	52.71
Total	5,911	1,568.2	2,929	494.8

Management and Discussion Analysis

Commercial Activity

Performing Loans

BBVA Bancomer maintains a positive evolution of the commercial activity with double digit annual growth. As of March 2017, the loan portfolio reached a balance of 1,004,294 million pesos, equivalent to an annual growth of 10.2%.

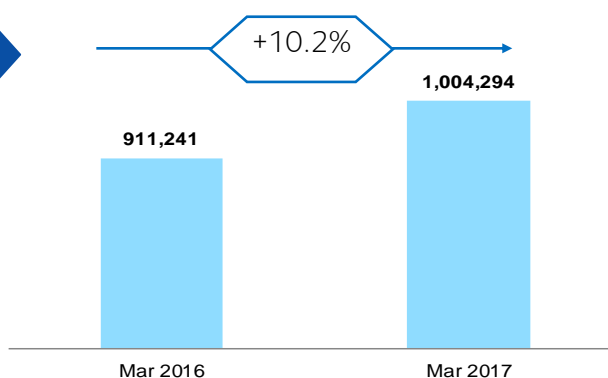
The higher dynamism was shown in the commercial lending which grew 10.7% during the year. Inside this portfolio, the credit to business or commercial activity (that includes corporate, medium enterprises, developers and SMEs) registered an increase of 14.9% in annual terms.

Consumer loans showed an annual increase of 9.9%, the drivers within this portfolio are payroll, personal and car loans, with a balance of 147,719 million pesos at the end of March 2017, equivalent to an annual growth of 13.6%. On the other side, the credit card portfolio maintains a positive annual growth of 4.7%, reaching a balance of 99,527 million pesos.

The mortgage loans increased 9.1% over the same period of the previous year, reaching a balance of 185,835 mp. Furthermore, BBVA Bancomer remains leader in the mortgage market by granting 1 out of every 4 new mortgages in the private sector according to the public information of the CNBV as of February 2017.

BBVA Bancomer Performing Loans <i>Million pesos</i>	Mar 2016	Dec 2016	Mar 2017	% Q-o-Q Y-o-Y	
Commercial loans	515,817	572,221	571,213	(0.2)	10.7
Business or commercial activity	362,189	409,974	416,209	1.5	14.9
Financial entities	17,180	19,606	23,431	19.5	36.4
Government entities	136,448	142,641	131,573	(7.8)	(3.6)
Consumer	225,063	245,965	247,246	0.5	9.9
Mortgage	170,361	181,515	185,835	2.4	9.1
PERFORMING LOANS	911,241	999,701	1,004,294	0.5	10.2

PERFORMING LOANS (million pesos)



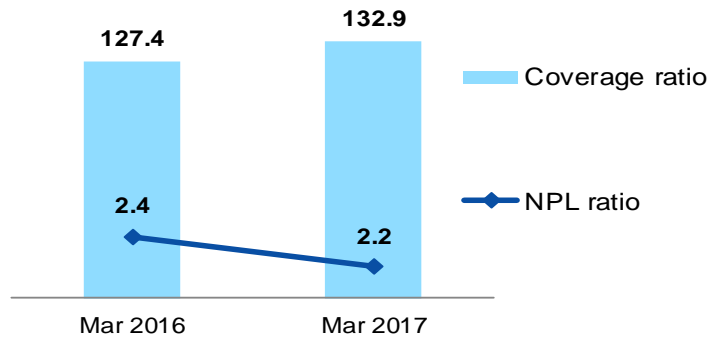
Asset quality

Non-performing Loans

The growth of the portfolio has been accompanied by an adequate asset quality. The NPL ratio shows an improvement of 19 basis points and stood at 2.2% at the end of March 2017.

BBVA Bancomer Non Performing Loans <i>Million pesos</i>	Mar 2016	Dec 2016	Mar 2017	% Q-o-Q Y-o-Y	
Commercial loans	5,978	6,323	6,464	2.2	8.1
Business or commercial activity	5,654	6,000	6,450	7.5	14.1
Financial entities	323	322	3	(99.1)	(99.1)
Government entities	1	1	11	n.a.	n.a.
Consumer	7,622	8,755	8,675	(0.9)	13.8
Mortgage	8,689	7,681	7,421	(3.4)	(14.6)
NON PERFORMING LOANS	22,289	22,759	22,560	(0.9)	1.2

COVERAGE RATIO VS
NPL RATIO



Loan Portfolio Credit Quality Classification

More than 80% of the portfolio is classified with the minimum risk level, which means that BBVA Bancomer has an adequate asset quality.

BBVA Bancomer Performing Loan Rating March 2017 <i>Million pesos</i>	Commercial Loans		Mortgage		Consumer		Credit Card	
	Balance	Provision	Balance	Provision	Balance	Provision	Balance	Provision
Ratings								
A1	517,750	1,354	135,109	280	47,122	584	37,205	822
A2	64,282	662	26,688	161	33,655	838	15,296	603
B1	21,026	204	6,362	54	27,530	968	9,675	553
B2	5,710	112	4,365	52	17,754	789	8,882	641
B3	9,199	274	1,793	32	9,356	502	8,346	747
C1	3,209	177	5,078	164	3,236	221	8,291	995
C2	708	80	4,307	328	5,089	536	11,818	2,759
D	4,925	1,399	7,627	1,615	3,695	857	2,079	993
E	4,164	2,513	2,138	1,115	6,324	3,799	2,043	1,758
Additional		0		489		0		0
TOTAL REQUIRED	630,973	6,775	193,467	4,290	153,761	9,094	103,635	9,871

Deposits

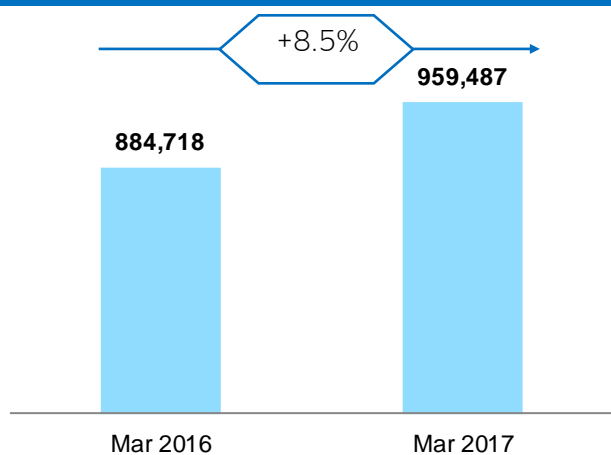
Bank deposits (defined as demand and time deposits) showed an annual growth of 8.5%. Demand deposits had a constant growth and closed the year with a balance of 768,334 million pesos, equivalent to an annual growth of 10.7%. While time deposits maintain the same levels as in March 2016. This evolution allows BBVA Bancomer to maintain a very profitable funding mix with a higher relative weight of low-cost deposits.

BBVA Bancomer consolidates its market leader position in terms of bank deposits with a 23% market share, according to the public information of the CNBV at the close of February 2017.

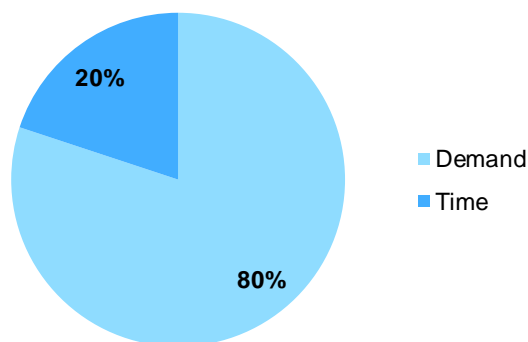
Total deposits also recorded a strong performance with an annual growth of 8.0%. Summing up all customer resources or funds, BBVA Bancomer manages 1.7 trillion pesos.

BBVA Bancomer Deposits <i>Million pesos</i>	Mar 2016	Dec 2016	Mar 2017	% Q-o-Q Y-o-Y	
Demand deposits	694,226	754,858	768,334	1.8	10.7
Customer deposits	161,781	173,800	173,847	0.0	7.5
Money market	28,711	23,806	17,306	(27.3)	(39.7)
Time deposits	190,492	197,606	191,153	(3.3)	0.3
Banking Deposits	884,718	952,464	959,487	0.7	8.5
Bonds	76,691	79,990	79,501	(0.6)	3.7
Global account of deposits w/o movements	3,126	3,170	3,003	(5.3)	(3.9)
TOTAL DEPOSITS	964,535	1,035,624	1,041,991	0.6	8.0

Total Banking Deposits (mp)



Banking Deposits Composition (%)

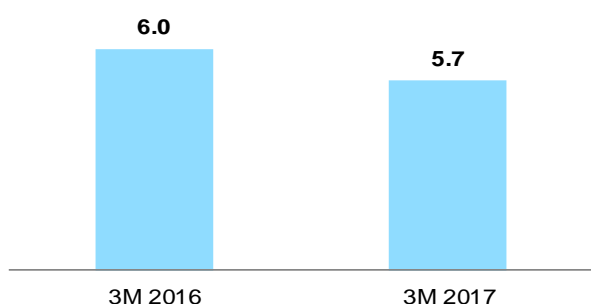


Results

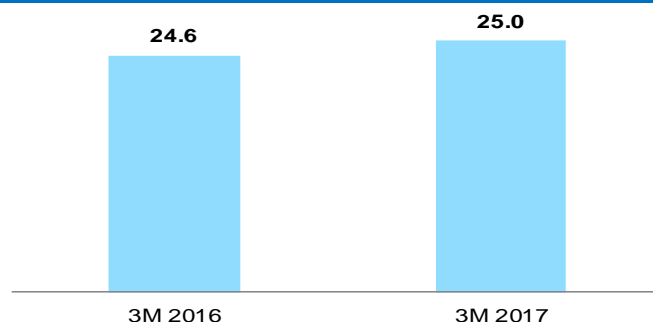
Despite the complex economic environment observed during the first months of the year, BBVA Bancomer has recorded solid results, maintaining double-digit annual growth in net income. At the close of March 2017, net income stood at 9,971 million pesos (mp), 12.0% higher than the same quarter of the previous year.

BBVA Bancomer								
Income Statement	1Q	4Q	1Q	%		3M	3M	%
<i>Million pesos</i>	2016	2016	2017	QoQ	YoY	2016	2017	YoY
Net interest income	25,893	26,639	27,026	1.5	4.4	25,893	27,026	4.4
Provisions for loan losses	(7,370)	(7,982)	(8,213)	2.9	11.4	(7,370)	(8,213)	11.4
Net interest income after provisions for loan losses	18,523	18,657	18,813	0.8	1.6	18,523	18,813	1.6
Total Fees & Commission	5,748	6,560	6,359	(3.1)	10.6	5,748	6,359	10.6
Trading income	687	1,070	1,431	33.7	108.3	687	1,431	108.3
Other operating income	20	(162)	325	n.a.	n.a.	20	325	n.a.
Total operating revenues	24,978	26,125	26,928	3.1	7.8	24,978	26,928	7.8
Non-interest expense	(13,299)	(17,201)	(13,605)	(20.9)	2.3	(13,299)	(13,605)	2.3
Net operating income	11,679	8,924	13,323	49.3	14.1	11,679	13,323	14.1
Share in net income of unconsolidated subsidiaries and affiliates	2	(4)	(4)	-	n.a.	2	(4)	n.a.
Income before income tax and profit sharing	11,681	8,920	13,319	49.3	14.0	11,681	13,319	14.0
Net Taxes	(2,913)	(1,900)	(3,349)	76.3	15.0	(2,913)	(3,349)	15.0
Income before discontinued operations	8,768	7,020	9,970	42.0	13.7	8,768	9,970	13.7
NET INCOME	8,899	7,020	9,971	42.0	12.0	8,899	9,971	12.0

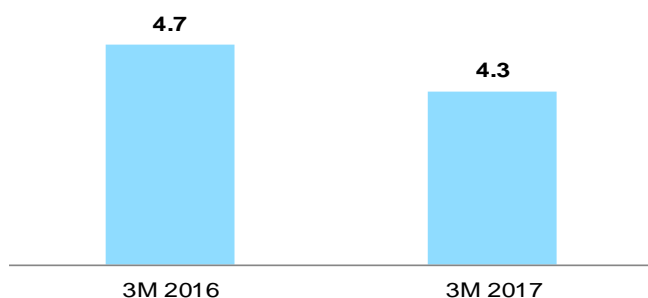
NIM (total assets, %)¹



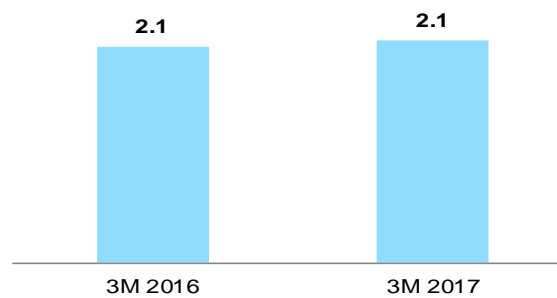
ROE (%)



NIM Adjusted (interest bearing assets, %)²



ROA (%)



¹ Net Interest Margin (NIM) on total assets.

² NIM adjusted after provisions for loan losses on productive assets.

Net Interest Income

In the breakdown of the net interest income (NII), it is observed that the income derived from the banking operation registers a 9% annual growth, in line with the volumes of commercial activity. When adding the net repos financial revenues, the NII grows 4.4% per year due to a higher cost of funding that has been reflected inside this line on the interest expenses.

Additionally, with the provisions for loan losses, which grew at an annual rate of 11.4%, the adjusted NII increased 1.6% when compared to the closing of March of the previous year.

BBVA Bancomer								
Net Interest Income	1Q	4Q	1Q	%		3M	3M	%
<i>Million pesos</i>	2016	2016	2017	QoQ	YoY	2016	2017	YoY
Loans and deposits financial revenues	24,469	25,947	26,633	2.6	8.8	24,469	26,633	8.8
Margin fees	318	422	363	(14.0)	14.2	318	363	14.2
Banking net interest income	24,787	26,369	26,996	2.4	8.9	24,787	26,996	8.9
Repos financial revenues	1,106	270	30	(88.9)	(97.3)	1,106	30	(97.3)
Net interest income	25,893	26,639	27,026	1.5	4.4	25,893	27,026	4.4
Provisions for loan losses	(7,370)	(7,982)	(8,213)	2.9	11.4	(7,370)	(8,213)	11.4
Net interest income after provisions	18,523	18,657	18,813	0.8	1.6	18,523	18,813	1.6

Fees and Commissions

Commissions increased at 10.6% in annual terms, due to a higher transaction volume of customer with credit and debit cards.

BBVA Bancomer								
Fees & Commissions	1Q	4Q	1Q	%		3M	3M	%
<i>Million pesos</i>	2016	2016	2017	QoQ	YoY	2016	2017	YoY
Bank fees	1,714	1,620	1,628	0.5	(5.0)	1,714	1,628	(5.0)
Credit and debit card	2,793	3,384	3,242	(4.2)	16.1	2,793	3,242	16.1
Investment funds	602	707	738	4.4	22.6	602	738	22.6
Others	639	848	751	(11.4)	17.5	639	751	17.5
Commissions and fee income	5,748	6,559	6,359	(3.0)	10.6	5,748	6,359	10.6

Other income (expenses) of the operation

Other operating income shows an annual increase of 305 million pesos, due to the extraordinary income drive by a real estate sale.

BBVA Bancomer								
Other income	1Q	4Q	1Q	%		3M	3M	%
<i>Million pesos</i>	2016	2016	2017	QoQ	YoY	2016	2017	YoY
Recoveries of loan portfolio	182	445	193	(56.6)	6.0	182	193	6.0
Credit portfolio acquisition revenues (expenses)	8	15	6	(60.0)	(25.0)	8	6	(25.0)
Impact on provisions for doubtful or difficult recoveries	(218)	30	(235)	n.a.	7.8	(218)	(235)	7.8
Write-offs	(363)	(511)	(344)	(32.7)	(5.2)	(363)	(344)	(5.2)
Net result of sale and estimation for impairment loss of foreclosed assets	3	114	22	(80.7)	n.a.	3	22	n.a.
Interests from loans to employees	139	147	148	0.7	6.5	139	148	6.5
Other income	269	(402)	535	n.a.	98.9	269	535	98.9
Other operating income	20	(162)	325	n.a.	n.a.	20	325	n.a.

Non-Interest Expenses

Strict management in the control of spending is reflected in the growth of 2.3% compared to March 2016. It can be seen that the greater focus has been made in the administrative and operating expenses, which has remained almost in line with the first quarter of 2016.

The investment has been reflected in the expansion of the banking infrastructure, which places BBVA Bancomer as a leading company with 1,836 offices and 11,534 ATMs, 543 more than in March 2016.

As a result, BBVA Bancomer consolidates its position as one of the most efficient institutions in the financial system, with an efficiency ratio, measured as expenses divided by income, of 38.7% at the end of March 2017.

BBVA Bancomer								
Non-Interest Expenses	1Q	4Q	1Q	%		3M	3M	%
<i>Million pesos</i>	2016	2016	2017	QoQ	YoY	2016	2017	YoY
Administrative and operating expenses	8,822	12,777	8,887	(30.4)	0.7	8,822	8,887	0.7
Rent, depreciation and amortization	2,437	2,328	2,543	9.2	4.3	2,437	2,543	4.3
Taxes	875	899	953	6.0	8.9	875	953	8.9
Deposit guarantee fund (IPAB)	1,103	1,197	1,222	2.1	10.8	1,103	1,222	10.8
Administrative and promotional expenses	13,299	17,201	13,605	(20.9)	2.3	13,299	13,605	2.3

Financial Indicators

BBVA Bancomer	1Q 2016	2Q 2016	3Q 2016	4Q 2016	1Q 2017	3M 2016	3M 2017
Infrastructure Indicators (#)							
Branches	1,825	1,821	1,833	1,836	1,836	1,825	1,836
ATMs	10,991	11,133	11,319	11,434	11,534	10,991	11,534
Employees	30,070	30,182	30,922	31,083	34,576	30,070	34,576
Profitability Indicators (%)							
a) NIM adjusted (interest bearing assets)	4.7	4.0	4.1	4.4	4.3	4.7	4.3
b) NIM (total assets)	6.0	5.6	5.6	5.7	5.7	6.0	5.7
c) Operating efficiency	3.1	3.0	3.0	3.7	2.9	3.1	2.9
d) Efficiency (cost to income)	41.1	40.7	41.9	50.4	38.7	41.1	38.7
e) Productivity index	43.2	42.8	44.5	38.1	46.7	43.2	46.7
f) ROE	24.6	24.5	21.1	17.7	25.0	24.6	25.0
g) ROA	2.1	2.0	1.8	1.5	2.1	2.1	2.1
Asset Quality Indicators (%)							
h) NPL ratio	2.4	2.3	2.3	2.2	2.2	2.4	2.2
i) Coverage ratio	127.4	129.3	131.1	131.8	132.9	127.4	132.9
Solvency Indicators (%)							
j) Core equity tier 1 ratio	10.7	10.8	10.7	10.7	11.1	10.7	11.1
l) Total capital ratio	14.0	14.0	13.8	13.7	13.6	14.0	13.6
m) Leverage ratio	6.5	6.8	7.0	6.7	8.5	6.5	8.5
Liquidity Indicators (%)							
n) Liquidity ratio (CNBV requirement)	74.8	75.6	73.8	74.9	71.8	74.8	71.8
o) Liquidity ratio (Loans / Deposits)	103.0	101.8	104.0	105.0	104.7	103.0	104.7
p) Liquidity Coverage Coefficient (Local LCR)	118.72	121.78	120.57	124.43	125.21	118.72	125.21

PROFITABILITY

- a) *Net Interest Margin adjusted (NIM adjusted): Financial margin after provisions for loan losses (annualized) / Average productive assets*
Average productive assets: Cash + Securities + Repodebtors + securities lending + derivatives + performing loans + Receivable benefits from securitization transactions + Valuation adjustments derived from hedges of financial assets
- b) *Net Interest Margin (NIM): Net interest income (annualized) / Average total assets*
- c) *Operating efficiency: Expenses (annualized) / Average total assets*
- d) *Efficiency index: Administrative and promotional expenses / Net interest income + fees and commissions, net interest income + net income + other income (expense) of the operation*
- e) *Productivity Index: Commissions and fees, net / Promotional and administrative expenses*
- f) *Return on equity (ROE): Net income (annualized) / Average capital*
- g) *Return on assets (ROA): Net income (annualized) / Average total assets*

ASSET QUALITY

- h) *NPL ratio: Past due loans / Total gross portfolio*
- i) *Coverage Ratio: Allowance for loan losses / Portfolio overdue*

SOLVENCY

- j) *Fundamental Ratio: Fundamental Capital / Risk Weighted Assets to credit risk, market and operational (applied in Mexico from January 2013)*
- k) *Tier 1 Capital Ratio: Tier 1 Capital / Risk Weighted Assets to credit risk, market and operational (applied in Mexico from January 2013)*
- l) *Leverage Ratio: Risk Capital / Exposure*

LIQUIDITY

- m) *Liquidity Ratio: Liquid assets / Liquid liabilities*
Liquid Assets: Cash and cash equivalents + Trading (securities) + Available for sale (securities)
Liquid Liabilities: Demand deposits + Interbank loans and loans from other entities payable on demand + Interbank loans and loans from other entities short term
- n) *Loans / Deposits: Performing loans / Core deposits (demand + time)*
- o) *CCL (Local LCR - Liquidity Coverage Ratio): Computable Liquid Assets / Outputs - Inputs*

Capital and Liquidity

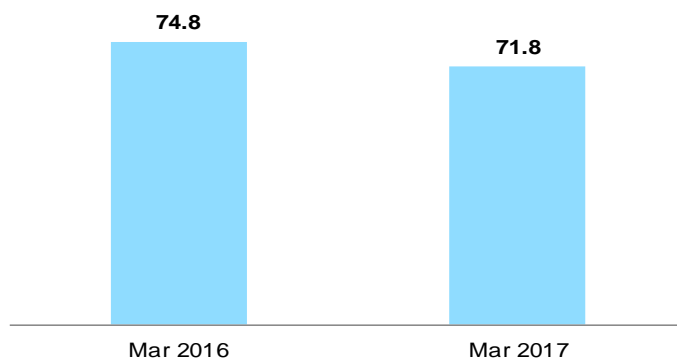
Net capital ratio of BBVA Bancomer stood at 13.6% at the end of March 2017, which is composed by 11.6% of Tier 1 capital and 2.0% of Tier 2 capital.

BBVA Bancomer fully covers the minimum capital requirements. For this year 2017, derived from the additional allocation of capital for being classified as domestic systemically important entity (Grade IV), BBVA Bancomer has a minimum requirement of 11.25% for the total capital ratio.

BBVA Bancomer Capitalization (estimate) <i>Million pesos</i>		March 2016		December 2016		March 2017	
Tier 1 capital		142,313		158,728		159,670	
Tier 2 capital		32,447		32,406		27,531	
Net capital		174,760		191,134		187,201	
Risk-weighted assets	882,922	1,244,709	967,882	1,392,051	970,440	1,373,146	
		Market, Credit Risk	Operative & Credit Risk	Market, Credit Risk	Operative & Credit Risk	Market, Credit Risk	Operative & Credit Risk
Tier 1 as % of risk-weighted assets	16.1%	11.4%	16.4%	11.4%	16.5%	11.6%	
Tier 2 as % of risk-weighted assets	3.7%	2.6%	3.3%	2.3%	2.8%	2.0%	
Net capital ratio	19.8%	14.0%	19.7%	13.7%	19.3%	13.6%	

The regulatory liquidity ratio, defined as Liquid Assets / Liquid Liabilities, stood at 71.8%. The Liquidity Coverage Ratio (Local LCR) stood at 125.21%, with a required minimum of 80%, this allows BBVA Bancomer to have comfortable levels for further growth.

LIQUIDITY RATIO (regulatory, %)



Ratings

BBVA Bancomer Ratings				
	Long Term	Short Term		Outlook
Standard and Poor's				
Issuer Credit Rating - Foreign Currency	BBB+	A-2	Negativa	Negative
Issuer Credit Rating - Local Currency	BBB+	A-2	Negativa	Negative
National Scale	mxAAA	mxA-1+	Estable	Stable
Stand Alone Credit Profile (SACP)	a-			
Moody's				
Bank Deposits - Foreign Currency	A3	P-2	Negativa	Negative
Bank Deposits - Domestic Currency	A3	P-2	Negativa	Negative
National Scale Rating Bank Deposits	Aaa.mx	MX-1		
Baseline Credit Assessment (BCA)	baa2			
Fitch				
Issuer Default Rating - Foreign Currency	A-	F1	Negativa	Negative
Issuer Default Rating - Local Currency	A-	F1	Negativa	Negative
National Scale Rating	AAA(mex)	F1 + (mex)	Estable	Stable
Viability Rating (VR)	a-			

Issuances

BBVA Bancomer Issuances								
Instruments	Amount - Original Cy	Issue Date	Due/Call Date	Term (years)	Rate	Ratings		
Senior Debt						S&P	Moody's	Fitch
Bond 3rd Issuance UDIS (2.240) - BACOMER 07U	2,240 UDIS	02-feb-07	09-jul-26	19.4	4.36%		A3/Aaa.mx	AAA(mex)
Bond 7th Issuance UDIS (1.092) - BACOMER 10U	1,092 UDIS	06-sep-10	24-ago-20	10.0	3.70%		A3/Aaa.mx	AAA(mex)
Bond 8th Issuance - BACOMER 10	\$1,078	06-sep-10	24-ago-20	10.0	7.83%		A3/Aaa.mx	AAA(mex)
Bond 2nd Issuance 2011 - BACOMER 21145	\$1,000	15-abr-11	02-abr-21	10.0	TIE28 + 0.80%		A3/Aaa.mx	AAA(mex)
Bond 4th Issuance 2012 - BACOMER 22224	\$1,000	07-jun-12	26-may-22	10.0	TIE28 + 0.85%		A3/Aaa.mx	AAA(mex)
Senior Notes Dlls 2014	US\$750	10-abr-14	10-abr-24	10.0	4.38%		A3	A-
Bond 4th Issuance 2015 - BACOMER 15	\$5,000	27-mar-15	23-mar-18	3.0	TIE28 + 0.14%		A3/Aaa.mx	AAA(mex)
Bond 1st Issuance 2015 - BACOMER 16	\$4,000	30-jun-16	27-jun-19	3.0	TIE28 + 0.23%		A3/Aaa.mx	AAA(mex)
Subordinated Debentures								
Capital Notes Tier 1 2017 (15NC10)	US\$500	17-may-07	17-may-17	15NC10	6.008%		Ba1	BB+
Capital Notes Tier 1 2020	US\$1000	22-abr-10	22-abr-20	10.0	0.0725		Ba1	BB+
Subordinated Debentures Tier 2 2021	US\$1,250	10-mar-11	10-mar-21	10.0	6.500%		Baa3	BBB-
Subordinated Debentures Tier 2 2022	US\$1,500	19-jul-12	30-sep-22	10.2	6.75%		Baa3	BBB-
Subordinated Debentures Tier 2 2029 (15NC10)	US\$200	06-nov-14	06-nov-24	15NC10	5.35%		Ba1	BBB-
Mortgage Securitization								
1st Issuance - BACOMCB 07	\$2,540	21-dic-07	13-mar-28	20.2	9.05%	mxAAA	A3/Aaa.mx	AAA(mex)
2nd Issuance - BACOMCB 08	\$1,114	14-mar-08	14-jul-28	20.3	8.85%	mxAAA		AAA(mex)
4th Issuance - BACOMCB 08-2	\$5,509	01-dic-08	19-ago-30	21.7	9.91%	mxAAA	A3/Aaa.mx	
5th Issuance Serie 3 - BACOMCB 09-3	\$3,616	07-ago-09	24-may-29	19.8	10.48%	mxAAA		AAA(mex)
1st Issuance - BMERCB 13	\$4,192	21-jun-13	07-abr-33	19.8	6.38%	mxAAA		AAA(mex)

Financial Statements

Balance Sheets (Last 5 quarters)

BBVA Bancomer					
Assets	Mar	Jun	Sep	Dec	Mar
<i>Million pesos</i>	2016	2016	2016	2016	2017
CASH AND CASH EQUIVALENTS	167,219	130,262	158,524	186,749	143,241
Margin call accounts	2,426	3,005	7,816	8,998	11,809
SECURITIES	394,931	440,054	399,234	401,350	436,872
Trading	239,933	274,523	225,691	235,030	274,826
Available for sale	138,006	148,409	156,246	150,664	146,163
Held to maturity	16,992	17,122	17,297	15,656	15,883
Debtors from repurchase agreement	1,476	96	150	289	85
Derivatives	122,169	141,545	144,285	167,891	141,122
Trading	106,920	122,576	124,309	148,957	127,174
Hedging Transactions	15,249	18,969	19,976	18,934	13,948
Valuation adjustments derived from hedges of finan	2,463	2,378	2,044	262	766
PERFORMING LOANS	911,241	948,102	967,374	999,701	1,004,294
Commercial loans	515,817	539,753	548,698	572,221	571,213
Business or commercial activity	362,189	380,193	392,330	409,974	416,209
Financial entities	17,180	20,317	21,165	19,606	23,431
Government entities	136,448	139,243	135,203	142,641	131,573
Consumer	225,063	232,903	240,799	245,965	247,246
Mortgage	170,361	175,446	177,877	181,515	185,835
Residential Mortgages	153,843	159,367	162,524	166,694	171,528
Social Housing	16,518	16,079	15,353	14,821	14,307
NON PERFORMING LOANS	22,289	22,780	23,186	22,759	22,560
Commercial loans	5,978	6,203	6,403	6,323	6,464
Business or commercial activity	5,654	5,881	6,078	6,000	6,450
Financial entities	323	321	324	322	3
Government entities	1	1	1	1	11
Consumer	7,622	7,791	8,675	8,755	8,675
Mortgage	8,689	8,786	8,108	7,681	7,421
Residential Mortgages	7,575	7,777	7,207	6,828	6,606
Social Housing	1,114	1,009	901	853	815
TOTAL LOANS	933,530	970,882	990,560	1,022,460	1,026,854
Allowance for loan losses	(28,396)	(29,451)	(30,390)	(30,005)	(29,972)
TOTAL LOANS, NET	905,134	941,431	960,170	992,455	996,882
Receivable benefits from securitization transactions	1,123	223	210	197	182
Other accounts receivable, net	90,639	100,561	91,567	80,807	77,545
Reposessed assets, net	5,337	5,099	4,552	3,866	3,509
Property, furniture and equipment, net	39,955	40,851	41,550	42,563	41,904
Equity investments	1,223	1,223	1,211	1,207	1,200
Long-Term assets available for sale	0	12	0	0	0
Deferred taxes, net	11,636	13,390	11,874	14,998	14,867
Other assets	12,251	14,308	8,869	7,049	7,360
Deferred charges, prepaid expenses and intangibles	11,218	13,254	7,794	6,293	6,582
Other assets, short and long term	1,033	1,054	1,075	756	779
TOTAL ASSETS	1,757,982	1,834,393	1,832,056	1,908,681	1,877,344

BBVA Bancomer					
Liabilities & Stockholders' Equity					
<i>Million pesos</i>					
	Mar	Jun	Sep	Dec	Mar
	2016	2016	2016	2016	2017
TOTAL DEPOSITS	964,535	1,016,952	1,017,356	1,035,624	1,041,991
Demand deposits	694,226	715,336	721,918	754,858	768,334
Time Deposits	190,492	215,844	208,183	197,606	191,153
Customer deposits	161,781	175,128	181,343	173,800	173,847
Money market	28,711	40,716	26,840	23,806	17,306
Bonds	76,691	82,837	83,962	79,990	79,501
Deposits global account without movements	3,126	2,935	3,293	3,170	3,003
INTER BANK LOANS AND LOANS FROM OTHER ENTITIES	42,375	25,002	18,511	19,204	27,345
Payable on demand	24,262	10,757	3,430	413	10,861
Short-term	10,395	5,972	6,530	8,619	6,899
Long-term	7,718	8,273	8,551	10,172	9,585
Creditors from repurchase agreements	257,906	229,169	234,898	264,485	266,772
Securities creditors	1	1	1	1	1
COLLATERALS SOLD OR DELIVERED IN GUARANTEE	24,313	33,221	37,949	34,416	38,159
Repurchase	119,560	139,737	142,694	159,036	136,284
Securities lending	24,313	33,221	37,949	34,416	38,159
DERIVATIVES	119,560	139,737	142,694	159,036	136,284
Trading	109,361	128,074	129,138	148,027	128,106
Hedge transactions	10,199	11,663	13,556	11,009	8,178
Valuation adjustments derived from hedges of financial liability:	7,016	8,397	8,623	5,095	3,795
OTHER PAYABLES	112,013	136,622	119,380	130,922	110,132
Profit taxes payable	0	0	0	1,005	1,406
Employee profit sharing (PTU) payable	2	2	4	2	2
Transaction settlement creditors	49,022	74,782	61,880	59,192	50,165
Creditors from collaterals received in cash	28,321	33,137	30,572	36,271	22,215
Accrued liabilities and other	34,668	28,701	26,924	34,452	36,344
Subordinated debt	77,607	83,454	87,245	93,185	84,616
Deferred credits and advanced collections	8,031	7,951	7,860	7,731	8,172
TOTAL LIABILITIES	1,613,357	1,680,506	1,674,517	1,749,699	1,717,267
SUBSCRIBED CAPITAL	39,864	39,864	39,864	39,864	40,003
Paid-in capital	24,138	24,138	24,138	24,138	24,143
Share premium	15,726	15,726	15,726	15,726	15,860
EARNED CAPITAL	104,724	113,986	117,638	119,081	120,039
Capital reserves	6,881	6,881	6,881	6,881	6,901
Results of prior years	89,016	89,016	85,211	82,742	105,915
Unrealized gain on available-for-sale securities	(788)	(750)	(1,486)	(3,967)	(2,521)
Result from valuation of cash flow hedging instruments	358	362	302	141	-210
Accumulated effect by conversion	358	419	440	440	440
Redefined benefits to employees	0	-1	-1	-467	-457
Net income	8,899	18,059	26,291	33,311	9,971
MAJORITY STOCKHOLDERS' EQUITY	144,588	153,850	157,502	158,945	160,042
Non-controlling interest in consolidated subsidiaries	37	37	37	37	35
TOTAL STOCKHOLDERS' EQUITY	144,625	153,887	157,539	158,982	160,077
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	1,757,982	1,834,393	1,832,056	1,908,681	1,877,344

Memorandum accounts

BBVA Bancomer Memorandum accounts <i>Million pesos</i>	Dec 2015	Mar 2016	Jun 2016	Sep 2016	Dec 2016	Mar 2017
Contingent assets and liabilities	403	376	397	343	394	489
Credit commitments	458,700	480,834	493,165	532,941	553,195	541,497
In trusts	372,612	371,067	380,625	423,132	438,732	420,242
Under mandate	9,779,404	106,299	24,231	24,217	24,206	24,199
Assets in trust or under mandate	10,152,016	477,366	404,856	447,350	462,938	444,441
Assets in custody or under administration	193,529	198,315	186,626	186,853	181,474	178,602
Collaterals received by the institution	115,402	34,904	35,713	43,496	44,789	44,184
Collaterals received and sold or pledged as collateral by the institution	104,440	33,519	35,673	43,461	44,752	42,567
Investment banking transactions on behalf of third parties, net	62,129	898,668	1,140,703	916,030	889,097	1,104,631
Accrued interest on non-performing loans	11,335	12,325	13,123	10,559	7,762	8,506
Other record accounts	2,682,535	2,753,280	2,977,923	3,126,558	3,189,623	3,144,162

This consolidated balance sheet is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

This consolidated financial statement was approved by the Board of Directors under the responsibility of the managers who subscribe it.

EDUARDO OSUNA OSUNA
CEO

LUIS IGNACIO DE LA LUZ DAVALOS
CFO

NATALIA ORTEGA GOMEZ
HEAD OF INTERNAL AUDIT

JOSE HOMERO CAL Y MAYOR GARCIA
HEAD OF ACCOUNTING

P&L (Last 5 quarters)

BBVA Bancomer Financial Results	1Q	2Q	3Q	4Q	1Q	3M	3M
<i>Million pesos</i>	2016	2016	2016	2016	2017	2016	2017
Interest Income	33,929	32,653	34,325	36,972	39,000	33,929	39,000
Interest Expenses	(8,036)	(7,680)	(8,726)	(10,333)	(11,974)	(8,036)	(11,974)
Net interest income	25,893	24,973	25,599	26,639	27,026	25,893	27,026
Provisions for loan losses	(7,370)	(8,492)	(8,539)	(7,982)	(8,213)	(7,370)	(8,213)
Net interest income after provisions for loan losses	18,523	16,481	17,060	18,657	18,813	18,523	18,813
Total Fees & Commissions	5,748	5,742	6,151	6,560	6,359	5,748	6,359
Trading income	687	627	1,178	1,070	1,431	687	1,431
Other operating income	20	1,677	16	(162)	325	20	325
Non-interest expense	(13,299)	(13,424)	(13,820)	(17,201)	(13,605)	(13,299)	(13,605)
Operating income	11,679	11,103	10,585	8,924	13,323	11,679	13,323
Share in net income of unconsolidated subsidiaries and affiliates	2	166	(148)	(4)	(4)	2	(4)
Income before tax	11,681	11,269	10,437	8,920	13,319	11,681	13,319
Current income tax and profit sharing	(2,172)	(4,114)	(885)	(3,803)	(3,682)	(2,172)	(3,682)
Deferred income tax and profit sharing	(741)	1,798	(1,854)	1,903	333	(741)	333
Income before discontinued operations	8,768	8,953	7,698	7,020	9,970	8,768	9,970
Discontinued operations	131	207	534	0	0	131	0
NET INCOME	8,899	9,160	8,232	7,020	9,971	8,899	9,971

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Cash Flows

BBVA Bancomer Cash Flow Statement (from January 1st to March 31th, 2017) Million pesos	
Net income	9,971
Adjustments derived from items not involving cash flow	
Profit or loss derived from the valuation of investment and financing activities	
Depreciation of property, furniture and fixtures	810
Amortization of intangible assets	540
Provisions	853
Income taxes	3,352
Share in net income of unconsolidated subsidiaries and affiliated companies	4
Noncontrolling interest	(1)
Operating activities	
Change in margin call accounts	(3,034)
Change in investments in securities	(37,296)
Change in debtors from repurchase agreement	433
Change in derivatives (assets)	21,783
Change in loan portfolio (net)	(18,047)
Change in receivable benefits from securitization transactions	15
Change in repossessed assets	356
Change in other operating assets	2,243
Change in deposits	22,347
Change in interbank loans and other loans from other entities	8,255
Change in creditors from repurchase agreements	2,287
Change in collaterals sold or delivered in guarantee	3,743
Change in derivatives (liabilities)	(19,921)
Change in subordinated debt	(357)
Change in other operating liabilities	(23,600)
Change in hedging instruments (of hedge items related to operation activities)	507
Income taxes payment	(3,277)
Net cash flows used in operating activities	(43,563)
Investment activities	
Proceeds from the disposal of property, furniture and fixtures	7
Payments for the acquisition of property furniture and fixtures	(158)
Payments for acquisition of intangible assets	(251)
Net cash flows used in investment activities	(402)
Financing activities	
Cash dividends paid	(5,490)
Proceeds from share issuance	6
Net cash flows used in financing activities	(5,484)
Net increase or decrease in cash and cash equivalents	(33,920)
Effects of changes in cash and cash equivalents	(9,588)
Cash and cash equivalents at the beginning of the year	186,749
Cash and cash equivalents at the end of the year	143,241

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Variation in Stakeholders' Equity

BBVA Bancomer <i>Million pesos</i>	Subscribed Capital		Earned Capital							Majority Stockholder's Equity	Non Controlling Interest in Consolidated Subsidiaries	Total Stockholder's Equity
	Paid in Capital	Share Premium	Capital Reserves	Results of prior years	Unrealized Gain on Available for Sale Securities	Result from Valuation of Cash Flow Hedging Instruments	Result from Conversion of Foreign Subsidiaries	Redefined benefits to employees	Net Income			
Balances as of December 31th, 2016	24,138	15,726	6,881	82,742	(3,967)	141	440	(467)	33,311	158,945	37	158,982
HOLDERS' MOVEMENTS IN LINE WITH STOCKHOLDERS												
Subscription of shares (Hipotecaria Nacional merger)	5	134	20	24						183		183
Transfer from net income to results of prior years				33,311					(33,311)	-		-
Payment of cash dividends				(10,163)						(10,163)		(10,163)
Total	5	134	20	23,172	-	-	-	-	(33,311)	(9,980)	-	(9,980)
HOLDERS MOVEMENTS IN RECOGNITION TO THE REVENUES												
Net income									9,971	9,971	(1)	9,970
Result from valuation of securities available for sale					1,446					1,446		1,446
Result from valuations of Cash Flow Hedging							(351)			(351)		(351)
Redefined benefits to employees								10		10		10
Total	-	-	-	-	1,446	(351)	-	10	9,971	11,076	(1)	11,075
Balances as of March 31th, 2017	24,143	15,860	6,901	105,914	(2,521)	(210)	440	(457)	9,971	160,041	36	160,077

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January - March 2017

Financial Report BBVA Bancomer

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