

BBVA Mexico

2Q21 Results

Fixed Income

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02 BBVA Mexico's Strategy

- BBVA in Mexico
- Digital Edge & Sustainability Commitment

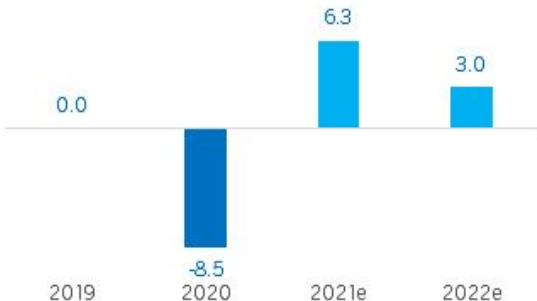
03 BBVA Mexico's Strengths

- Resilient Results
- Sound Capital
- Comfortable Liquidity Position

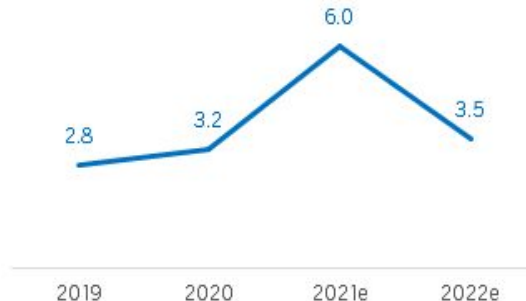
01

Macroeconomic Environment

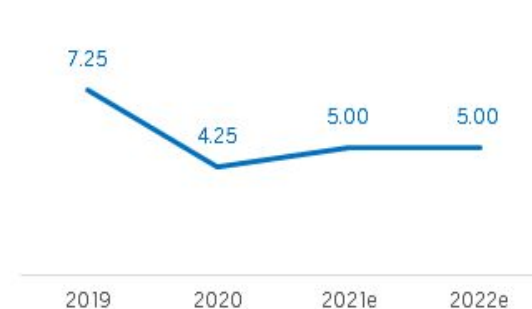
GDP (YoY, %)



Inflation (% eop)



Monetary Policy Rate (%)

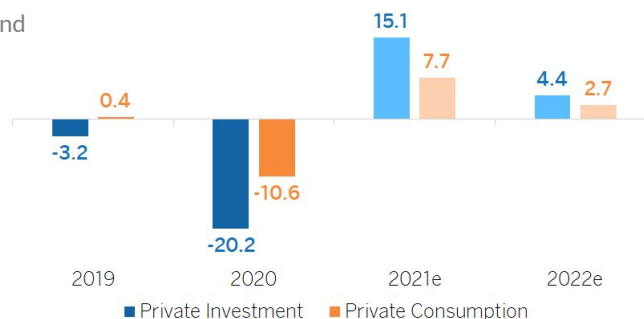


GDP growth expectation with an upward bias:

- Boost from stronger US GDP growth.
- Expecting higher dynamism of exports.
- Consumption fueled by igher employment and remittances

Private Investment and Private Consumption

(YoY, %)



Inflation above Banxico's target:

- Inflation spiked in April edging lower than expected in 2Q21, as a result of higher energy prices and pass through of costs related to the pandemic.
- Banxico signaled that if inflation does not edge down in 2021, reference rate will continue to increase.

Private investment and consumption rebounding stronger than expected:

- Consumption and Private Investment gather momentum (hotels, restaurants, recovering).
- This boost will likely allow formal private employment to reach its pre-pandemic level in 1Q22.

02

BBVA Mexico's Strategy

BBVA Mexico's Footprint

(Jun 21)

★ #1



OUR PURPOSE

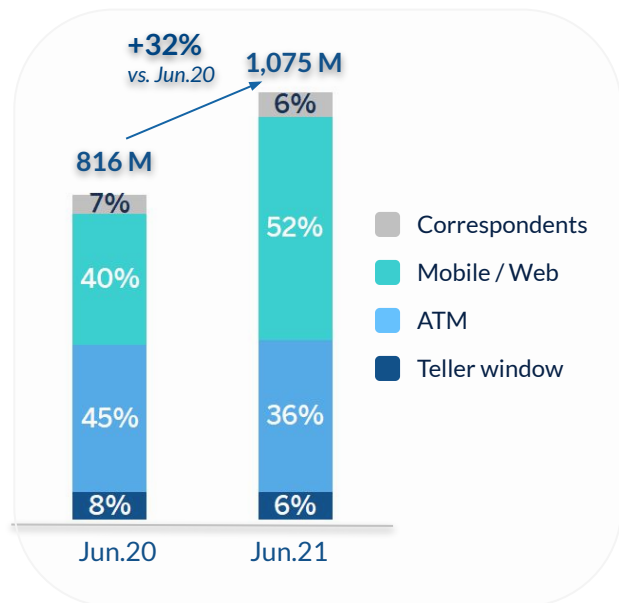
“To bring the age of opportunity to everyone”

WE FOLLOW BBVA GROUP STRATEGIC PRIORITIES

- Improving our clients' financial health
- Helping our clients transition towards a sustainable future
- Reaching more clients
- Driving operational excellence
- The best and most engaged team
- Data and Technology

Total financial transactions, 6M21 (excludes POS)

% financial transactions



Móvil / Web

559 millions transactions

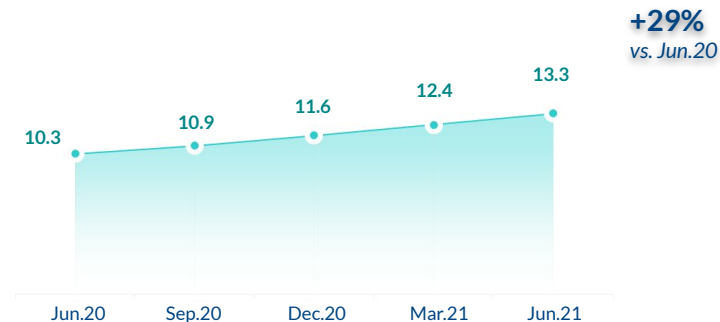


+70.4%
vs. 6M20

More than 1 billion transactions in the first six months

Mobile Clients

millions



Digital Sales

% total sales, units



CONTACTLESS CARDS

- **AQUA**, with all digital capabilities of App BBVA



- Without printed data, dynamic CVV
- Total Finances Control
- Contactless y Mobile payment
- Digital management of credit card use (blocking, reposition, additional)

- **SMART KEY**, First biometric and contactless card in Latinamerica



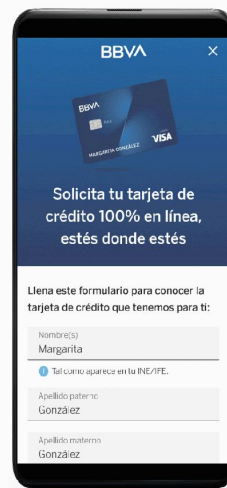
- Digital Print reader
- Without printed data
- Digital management of credit card use (blocking, reposition, additional)

DOUBLE PLAY: DIGITAL SERVICE HIRING

- Process **100% digital** in open market
- 5 min in opening an **N2 digital account** + CC (max 3000 UDIS)
- **Client attention and identification** through Glomo

14k

Placed CC 3M

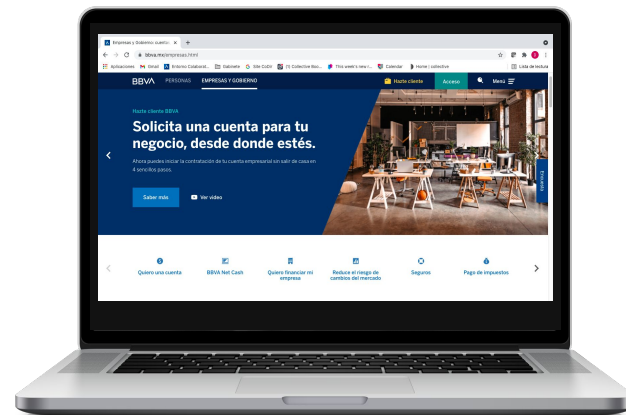


ENTERPRISES: DIGITAL E2E HIRING

- **Open check account through** bbva.mx
- **Formalize it in a face to face interview**

963

OPEN ACCOUNTS 6M21





BANCARIZATION

- Our strategy of **Banca de Barrio** for SMEs.
- **Boost CoDi among clients**, focus on new developments for its use.



5.7 M

ENROLLED BBVA
ACCOUNTS (62% TOTAL)

40%

PAYMENTS

43%

DEPOSITS

- Specific products for young people:

LinkCard:

Debit <18 year

27 thousand

NEW 6M21

+74% vs. 6M20

Credit Card Crea

Credit 18 and 30 years

29 thousand

NEW 6M21

+10% vs. 6M20



DIVERSITY AND EDUCATION

- **Diversity and inclusion council:** Action plans on Gender Diversity in leadership positions. Maternity and paternity license.

+4

WEEKS

BEST IN CLASS

FINANCIAL SECTOR

- **Financial Education:**

Web Specific

2.6 M

VISITS 6M21

Workshops

+1,822

WORKSHOPS
6M21



SUSTAINABLE FINANCING

- Loans with special conditions to individuals and companies

1,626 MP

INDIVIDUALS 6M21

22,026 MP

COMMERCIAL 6M21

- Issuer of:

7,500 MP

SOCIAL BONDS

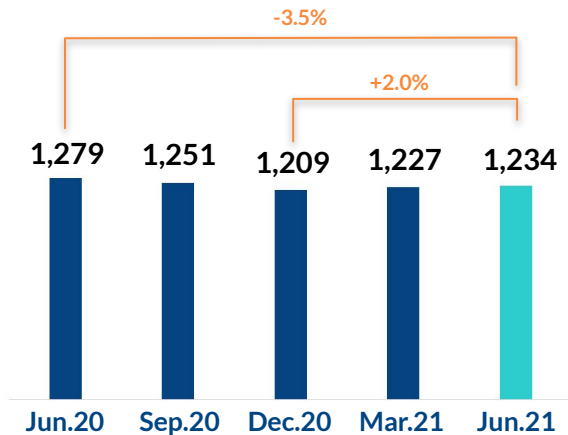


03

BBVA Mexico's Strengths

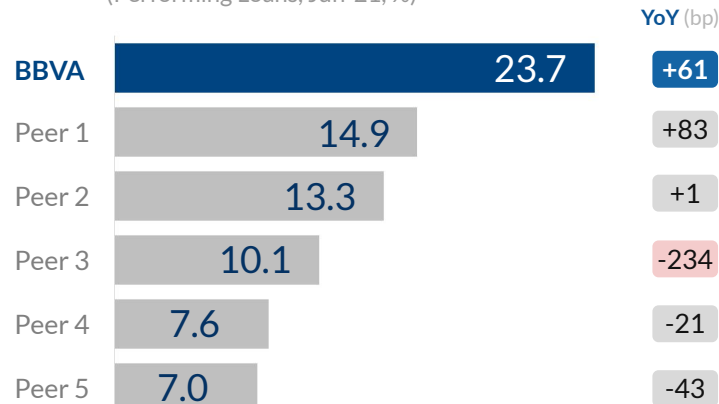
Performing Loans

(Billion Pesos)



Market Share

(Performing Loans, Jun-21, %)



Market share, CNBV figures of total banks.

Lending Yield

(%)



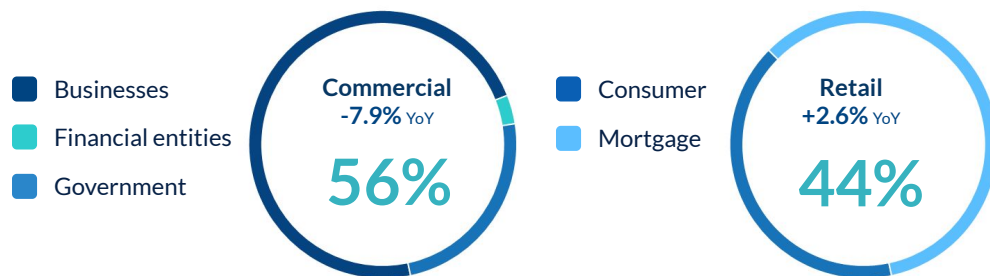
Reference Rate
(Central Bank)

Lending Rate

Main Peers: Banorte, HSBC, Citibanamex, Scotiabank and Santander

Lending Mix

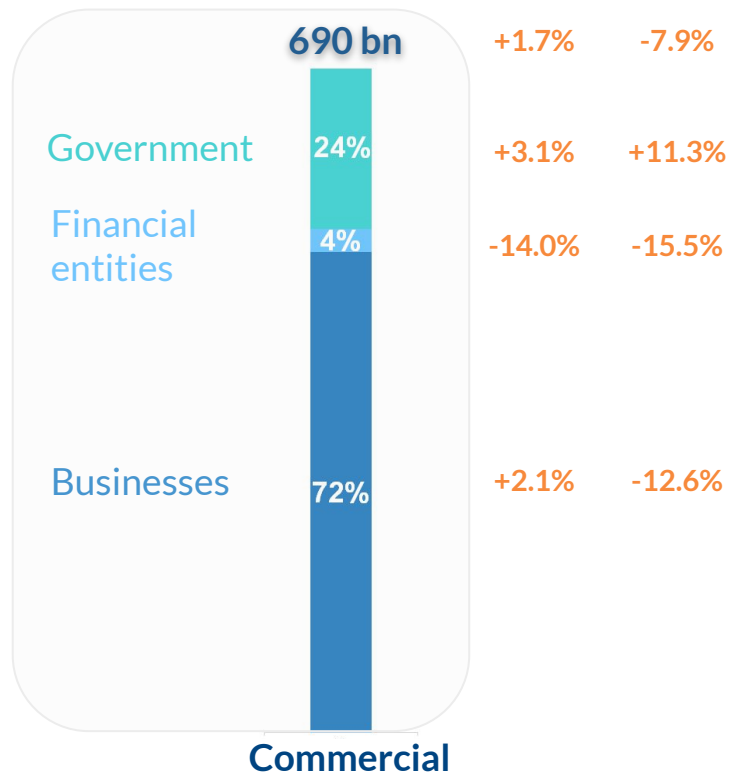
(%)



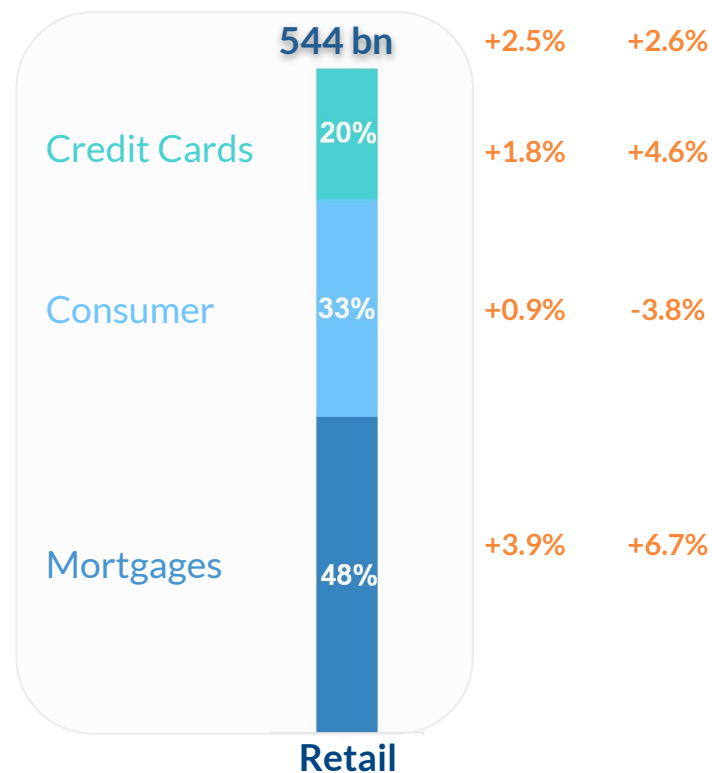
Figures under local accounting standards with BBVA Mexico data. Businesses include large, medium & small companies

(Billion Pesos)

Chang. Balances
Y-t-D Y-o-Y

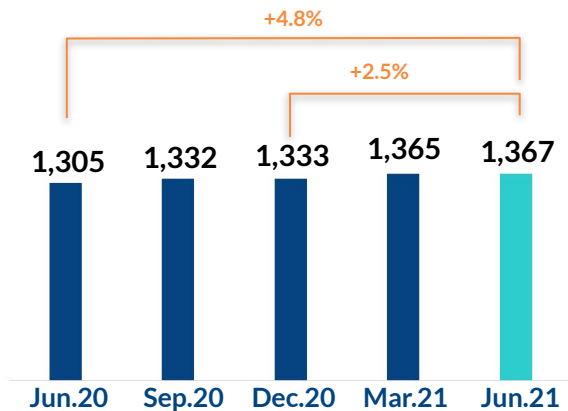


Chang. Balances
Y-t-D Y-o-Y

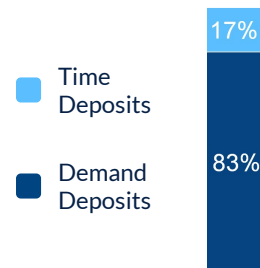


Deposits

(Demand + Time Deposits, billion pesos)



Deposits Mix



Chang. Balances

Y-t-D

Y-o-Y

-5.9%

-18.9%

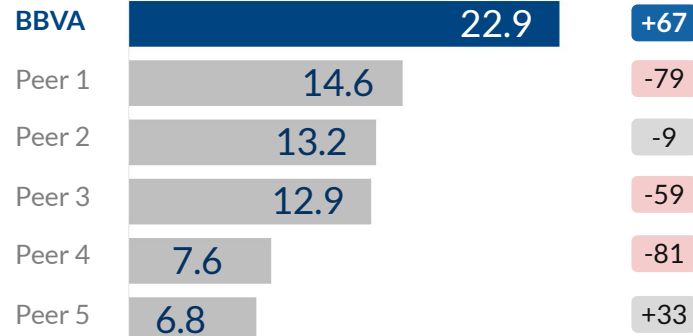
+4.4%

+11.3%

Market Share

(Bank Deposits, Jun-21, %)

YoY (bp)

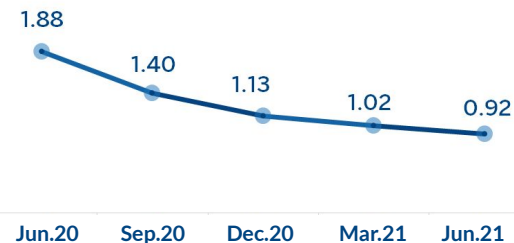


Market share, CNBV figures of total banks.

NOTE: Main peers = Banorte, Santander, Citibanamex, Scotiabank and HSBC

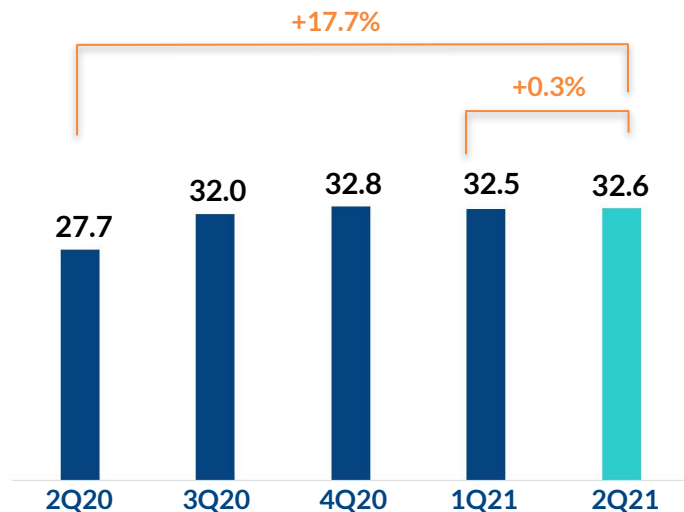
Funding cost

(Demand and time deposits of Banxico, monthly annualized, %)



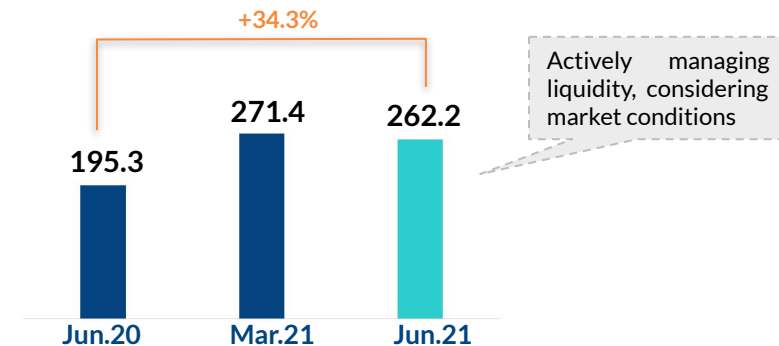
NET INTEREST INCOME

(billion pesos)



ALCO PORTFOLIO

(billion pesos)



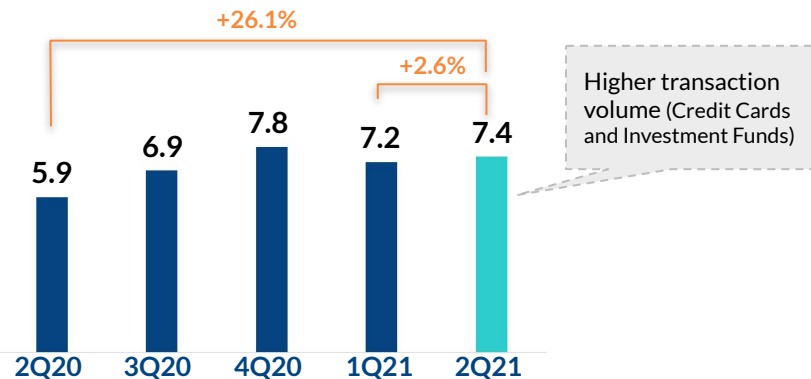
CUSTOMER SPREAD

(%)



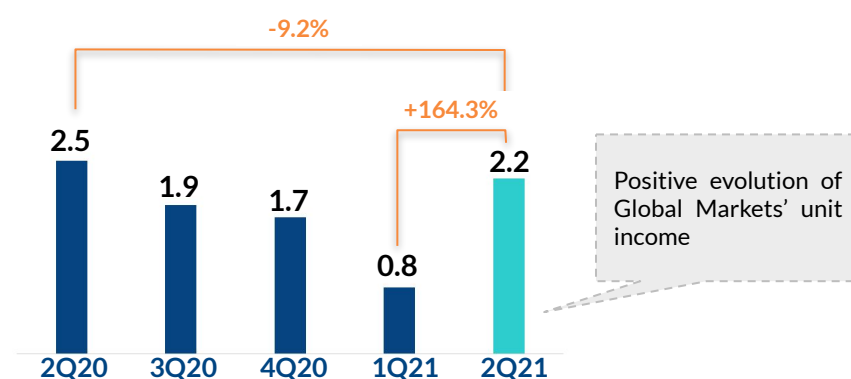
NET FEES & COMMISSIONS

(billion pesos)



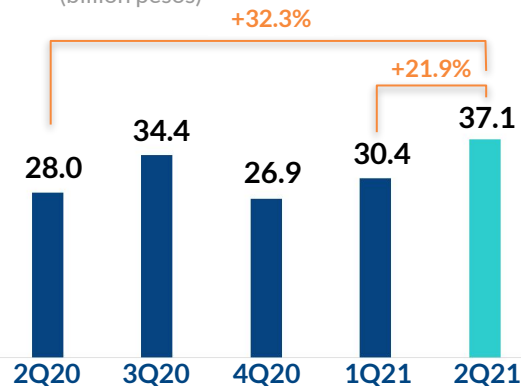
TRADING INCOME

(billion pesos)



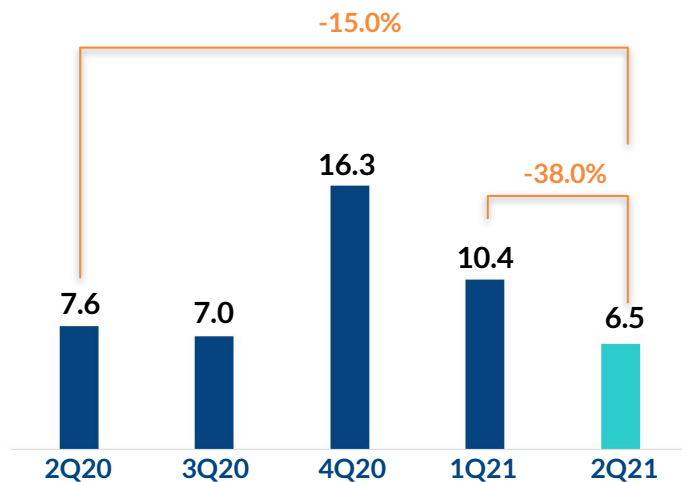
GROSS INCOME

(billion pesos)



PROVISIONS FOR LOAN LOSSES

(billion pesos)



NPL and COVERAGE RATIO

(%)



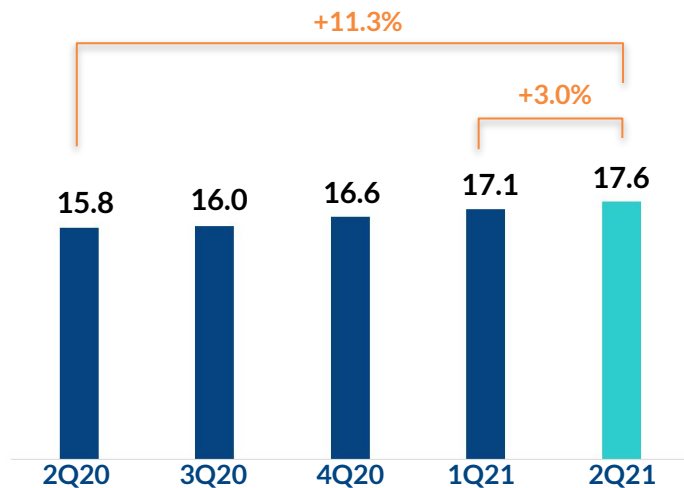
COST OF RISK

(12m-Accumulated, %)



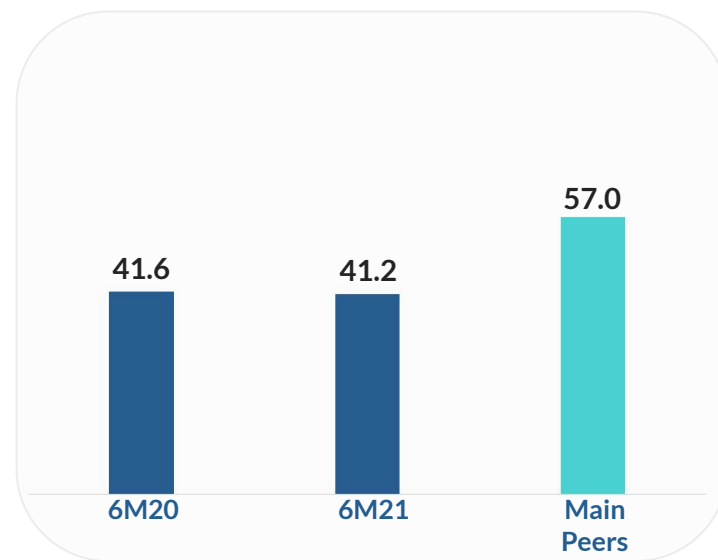
NON-INTEREST EXPENSES

(billion pesos)



EFFICIENCY RATIO

(%)



BBVA MEXICO

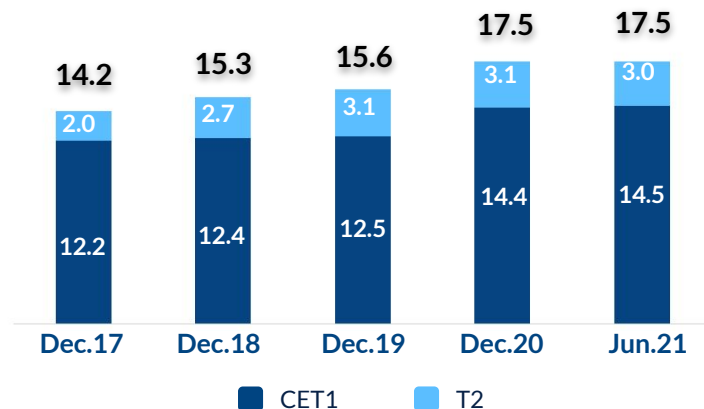
(million pesos)

	6M20	6M21	Y-o-Y(%)
Net Interest Income	60,728	65,084	+7.2
Provisions for loan losses	(23,846)	(16,916)	(29.1)
Net Interest Income after provisions	36,882	48,168	30.6
Fees & Commissions	12,807	14,640	14.3
Trading Income	4,795	3,089	(35.6)
Other Income	(347)	1,575	n.a.
Gross Income	54,137	67,472	24.6
Non-Interest Expenses	(32,430)	(34,781)	7.2
Net Operating Income	21,707	32,691	50.6
Income Before Tax	21,711	32,735	50.8
Net Attributable Profit	15,917	23,051	44.8

- Net Interest Income resumed a growth trend
- explained by the recovery in demand for credit and optimization of the funding mix.
- **Lower provisions** compared to 6M20 as additional reserves were created in 2020.
- **Higher commissions** as a result of an increase in transaction volumes (credit, debit card) and from investment funds.
- Negative **Trading Income** due to volatility observed in the financial markets during the semester.
- Higher expenses driven by the unfavorable comparison of expenses not incurred in 2020.

CAPITAL RATIO

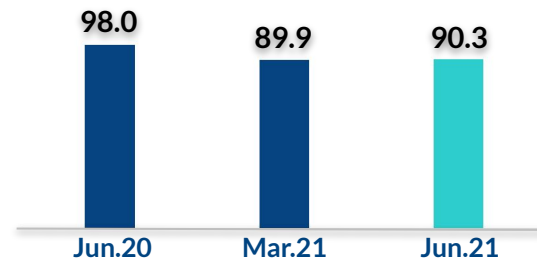
(%)



Proven capacity to generate organic capital

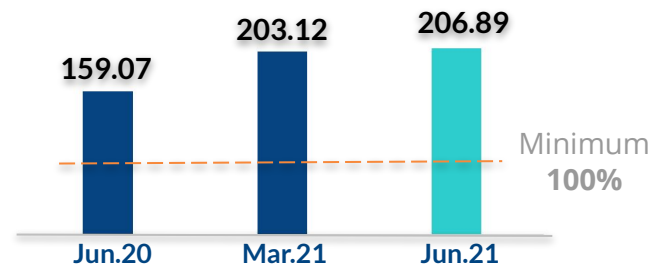
LOANS TO DEPOSITS

(%)



CCL (LOCAL LCR)*

(%)



BBVA Mexico

2Q21 Results

Fixed Income

ANNEX

BBVA

Creating Opportunities





Macroeconomic Expectations

	2019	2020	2021	2022
GDP (% y/y)	0.0	-8.5	6.3	3.0
Private consumption (% y/y)	0.6	-10.6	7.7	2.7
Formal Employment (IMSS) milion	20.42	19.77	20.41	21.00
Inflation (% eop)	2.8	3.2	6.0	3.5
Interest rate (eop)	7.25	4.25	5.00	5.00
FX MXN / USD (eop)	19.1	20.0	19.7	20.7

BBVA Mexico Long-term Senior Ratings

Long-term Global Foreign Currency Ratings

(updated as of July 30, 2021)

	S&P	Fitch	Moody's
Investment Grade	AAA	AAA	Aaa
	AA+	AA+	Aa1
	AA	AA	Aa2
	AA-	AA-	Aa3
	A+	A+	A1
	A	A	A2
	A-	A-	A3
	BBB+	BBB+	Baa1 BBVA Mx 
	BBB BBVA Mx 	BBB BBVA Mx 	Baa2
	BBB-	BBB- 	Baa3
Non Investment Grade	BB+	BB+	Ba1
	BB	BB	Ba2
	BB-	BB-	Ba3
	B+	B+	B1
	B	B	B2
	B-	B-	B3
	(...)	(...)	(...)

S&P

Negative outlook
(Mar 26th, 2020)

BBB

Fitch

Stable outlook
(Nov 11th, 2020)

BBB

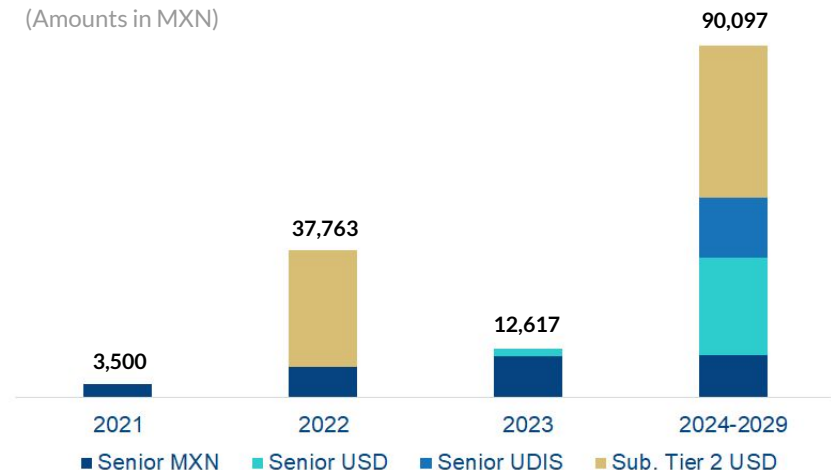
Moody's

Negative outlook
(April 22nd, 2020)

Baa1

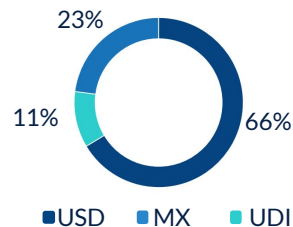
ANNUAL MATURITY PROFILE

(Amounts in MXN)



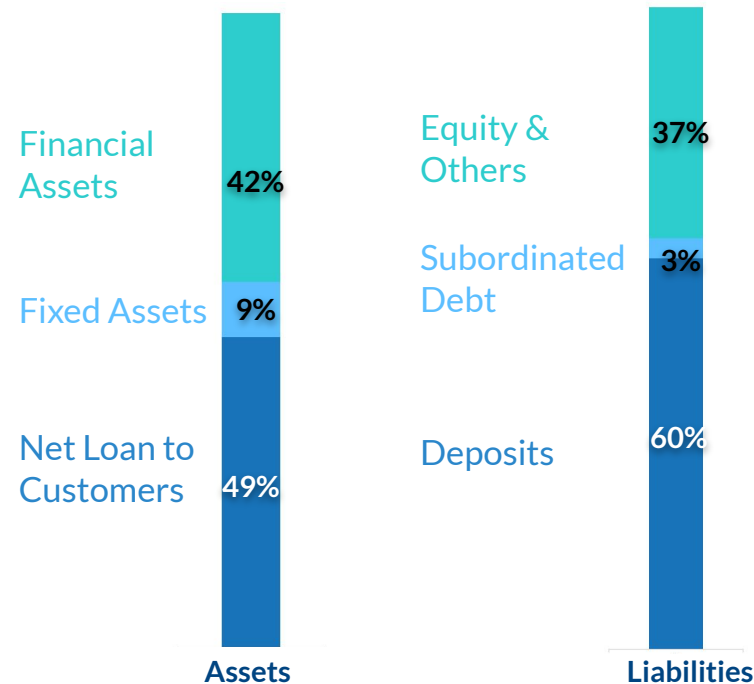
Distribution by Currency

(%)



LIQUIDITY BALANCE SHEET

(As of June 2021)



BBVA Bancomer, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer

Issuances

Instruments	Amount	Original Currency	Issue Date	Due Date	Call Date	Term (years)	Rate	Ratings		
Senior Debt								S&P	Moody's	Fitch
BACOMER 07U	2,240	UDIS	30-ene-07	09-jul-26		19.4	4.36%		Baa1/Aaa.mx	AAA(mex)
BACOMER 22224	1,000	MXN	07-jun-12	26-may-22		10.0	TIE28 + 85		Baa1/Aaa.mx	AAA(mex)
Senior Notes Dlls 2024	750	USD	03-abr-14	10-abr-24		10.0	4.375%		Baa1	BBB
Senior Notes Dlls 2025	500	USD	15-sep-20	18-sep-25		5.0	1.875%		Baa1	BBB
BACOMER 17-2	1,858	MXN	26-may-17	20-may-22		5.0	TIE28 + 35		Baa1/Aaa.mx	AAA(mex)
BACOMER 18V	3,500	MXN	27-sep-18	23-sep-21		3.0	TIE28 + 10		Baa1/Aaa.mx	AAA(mex)
BACOMER 18	3,500	MXN	27-sep-18	21-sep-23		5.0	TIE28 + 19		Baa1/Aaa.mx	AAA(mex)
BACOMER 19	5,000	MXN	21-jun-19	17-jun-22		3.0	TIE + 7		Baa1/Aaa.mx	AAA(mex)
BACOMER 19-2	5,000	MXN	21-jun-19	11-jun-27		8.0	8.49%		Baa1/Aaa.mx	AAA(mex)
BACOMER 20	7,123	MXN	10-feb-20	08-feb-23		3.0	TIE28 + 5		Baa1/Aaa.mx	AAA(mex)
BACOMER 20-2	6,000	MXN	10-feb-20	05-feb-25		5.0	TIE28 + 15		Baa1/Aaa.mx	AAA(mex)
BACOMER 20D	100	USD	10-feb-20	27-ene-23		3.0	Libor3M + 49		Baa1/Aaa.mx	AAA(mex)
Subordinated Debt										
Subordinated Debentures Tier 2 2022	1,500	USD	19-jul-12	30-sep-22		10.2	6.75%		Baa2	BB
Subordinated Debentures Tier 2 15NC10 2029	200	USD	06-nov-14	12-nov-29	12-nov-24	15NC10	5.35%	BB	Baa3	BB
Subordinated Debentures Tier 2 15NC10 2033	1,000	USD	17-ene-18	18-ene-33	18-ene-28	15NC10	5.125%	BB		BB
Subordinated Debentures Tier 2 15NC10 2034	750	USD	05-sep-19	13-sep-34	19-sep-29	15NC10	5.875%		Baa3	BB
Mortgage Securitization										
BACOMCB 09-3	3,616	MXN	07-ago-09	24-may-29		19.8	10.48%	mxAAA		AAA(mex)

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Creating Opportunities

BBVA