

# BBVA Mexico

## 1Q22 Results

*Fixed Income*

# Disclaimer

This document has been drafted for information purposes and for the use of BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México (BBVA México) investors to whom it is addressed, in order to facilitate their understanding of certain information regarding BBVA Mexico, and only refers to the businesses of BBVA in Mexico. For detailed financial information about BBVA Mexico please visit the Bank's website [www.bbva.mx](http://www.bbva.mx).

The information contained herein (hereinafter "Information") shall not be deemed to be considered in any case as financial advice, investment advice, tax/legal advice or otherwise nor an offer to sell or a solicitation to acquire or dispose of an interest in securities, nor a recommendation to buy or sell securities or enter into any transaction nor should it be relied upon to make any sort of Decision in any direction. BBVA Mexico does not assume any obligation whatsoever to communicate any changes to this document or to update its contents.

BBVA Mexico has obtained the information included in this document from sources considered to be reliable. However, notwithstanding the fact that reasonable measures were taken to assure that the Information contained herein is not mistaken or misleading, BBVA Mexico does not represent or warrant, either express or implicit, its accuracy, integrity or correctness.

Investors or potential investors who have access to this document should be aware that the securities, instruments or investments to which it may refer may not be appropriate for them due to their specific investment goals, financial positions or risk profiles, as these have not been taken into account to prepare this report. Therefore, investors should make their own investment Decisions considering said circumstances and obtaining such specialized advice as may be necessary.

BBVA Mexico accepts no liability of any type for any losses arising from the use of this report or its contents. In no case BBVA Mexico, its branches, and/or its directors, officers, employees and authorised personnel shall be held responsible for any damage, losses, claims, or any sort of expenses that could result from the use of this document or from its contents.

The Information must be treated as confidential and no part of this document may be (i) copied, photocopied or duplicated by any other form or means (ii) redistributed (iii) quoted or (iv) furnished to any other person or entity without the prior written consent of BBVA Mexico. It is understood that its recipients accept all of the warnings and conditions contained herein in its integrity. All the data contained in this document is set forth as an example and is due to change.

This document is the property of BBVA Mexico. Any denominations, designs, and logos are registered trademarks of BBVA Mexico.

# Index

01 Macroeconomic Environment

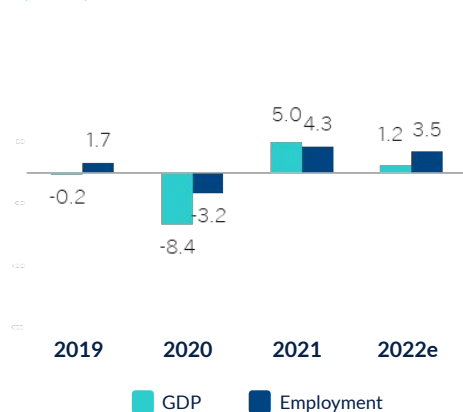
02 BBVA Mexico's Financial Performance

03 BBVA Mexico's Strategy

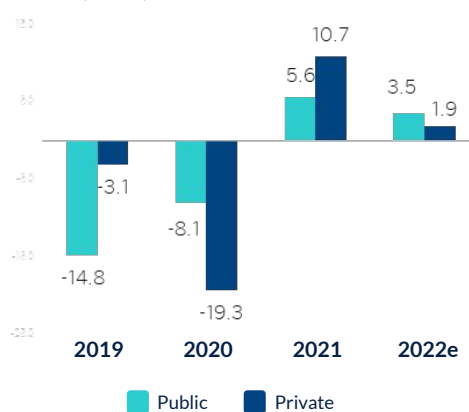
01

# Macroeconomic Environment

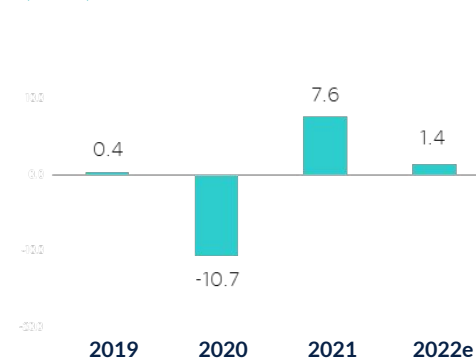
## GDP & FORMAL EMPLOYMENT (YoY %)



## TOTAL INVESTMENT (YoY %)



## PRIVATE CONSUMPTION (YoY %)



## Key Factors

- Gradual disappearance of bottlenecks towards 2H'22 in the US and Asia, with greater reactivation of the industrial and manufacturing sectors.
- Investment with contained recovery path.
- Growth risks due to the prolongation of the conflict in Ukraine and the zero-COVID policy in China, with effects on supply chains, price levels and monetary policy around the world.

02

# BBVA Mexico Financial Performance

# BBVA Mexico competitive strengths and key results

## Footprint

March 2022

### Branches

**1,722 #2**

\*Main Peer 1,980

### ATMs

**13,558 #1**

\*Main Peer 9,716

### Total Clients

**25.9 M**

## \*Market Share

### Performing Loans

Feb. 22

**BBVA 23.9%**

Next Peer 14.9%

### Deposits

Feb. 22

**BBVA 23.2%**

Next Peer 14.2%



## Leader in Loan Performance & Strong funding structure

### Lending

**+8.9%**

YoY

### Deposits

**+12.5%**

YoY

## Resilient P&L March 2022

### Revenues

**26.4 %**

vs 1T21

### Expenses

**-5.5 %**

vs 1T21

### NAP

**67.4%**

vs 1T21

## Sounds asset quality and profitability

March 2022

### NPL

**2.0%**

### Coverage Ratio

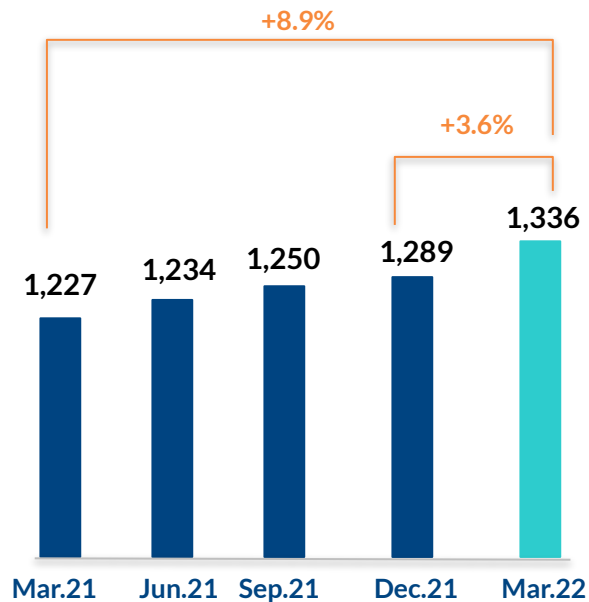
**163.2%**

### ROE

**22.6%**

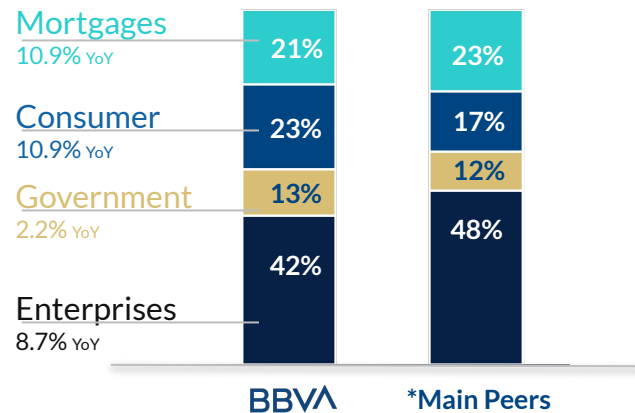
## Performing Loans

(Billion Pesos)



## Lending Mix

(March 22, %)



Figures under local accounting standards with BBVA Mexico data..

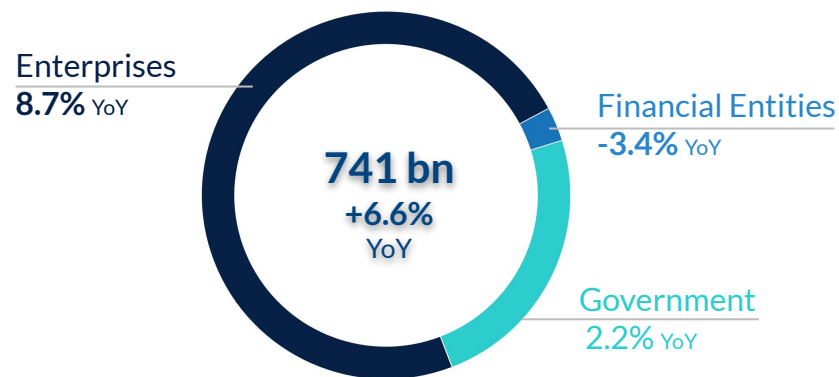
Note: Performing Loans as of March 22 are under the new criteria is the sum of stage 1, stage 2 and valued at fair value.

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

\*Main Peers: Banorte, HSBC, Citibanamex, Scotiabank, Inbursa and Santander (CNBV Data as of February)

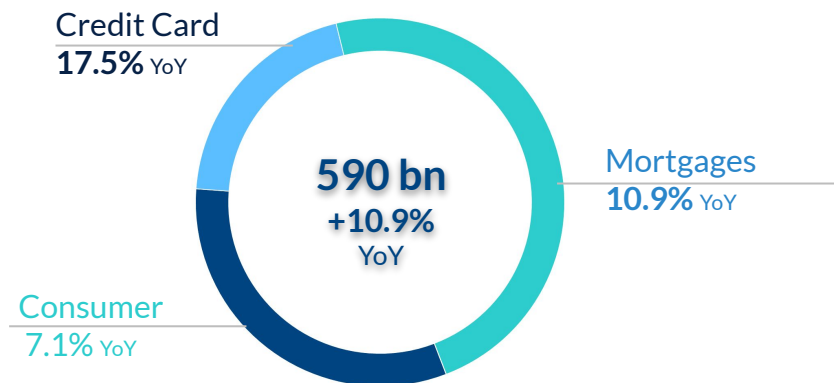


## Wholesale



Good performance due to economic recovery

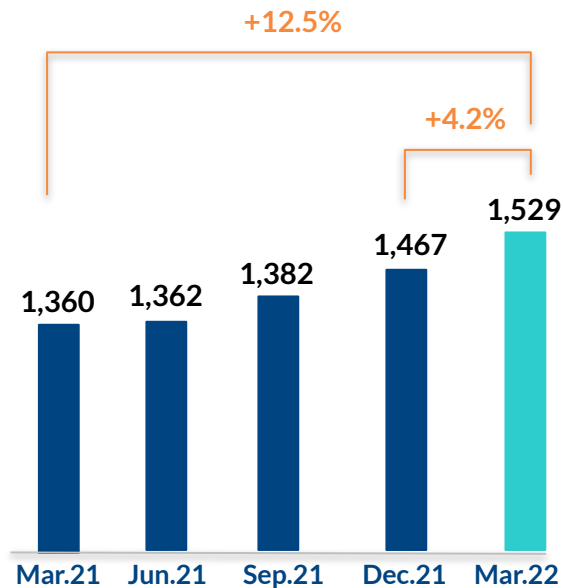
## Retail



Increase in profitable segments

## Deposits

(Demand + Time Deposits, billion pesos)



## Deposit Mix

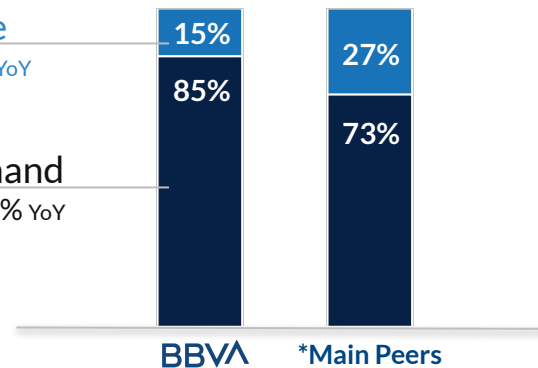
(%)

### Time

6.6% YoY

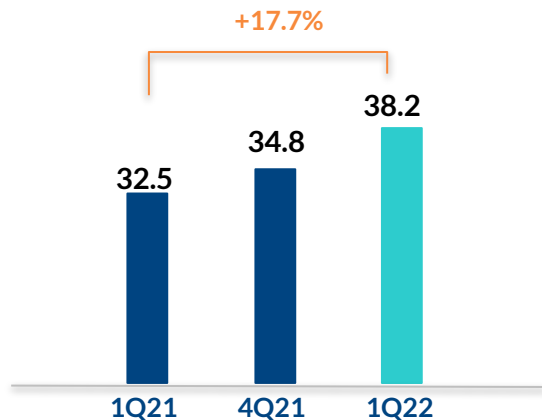
### Demand

+16.6% YoY



## NET INTEREST INCOME

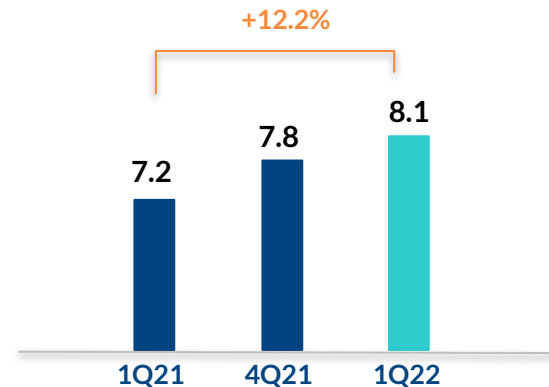
(billion pesos)



Loan demand recovery and profitable mix

## NET FEES & COMMISSIONS

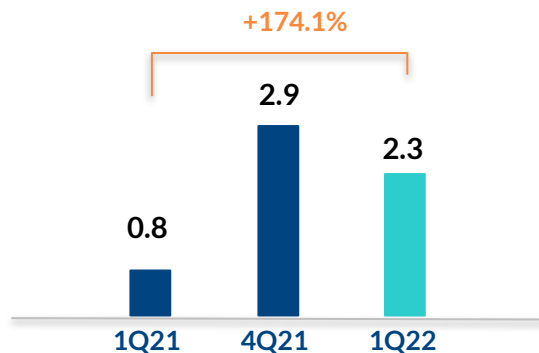
(billion pesos)



Higher transaction volumes  
(Credit Cards and Mutual Funds)

## TRADING INCOME

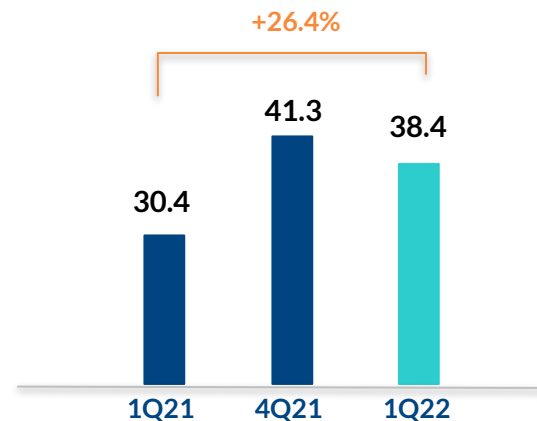
(billion pesos)



Positive results on Global Markets

## GROSS INCOME

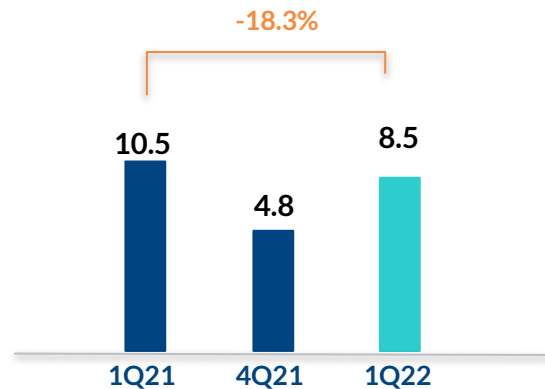
(billion pesos)



Good performance in total operating income

## PROVISIONS FOR LOAN LOSSES

(billion pesos)



Strict risk control

## NPL

(%)

# 2.0%

March 2022

## COVERAGE RATIO

(%)

# 163.2%

March 2022

## CoR

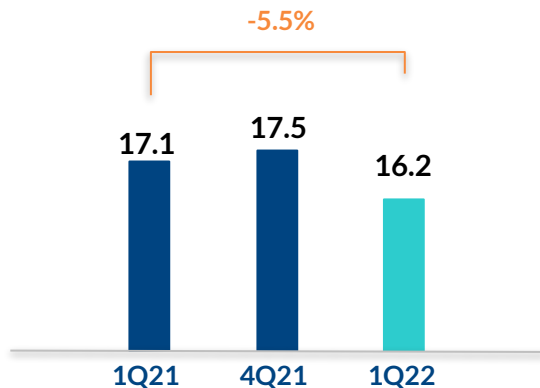
(%)

# 1.89%

March 2022

## NON-INTEREST EXPENSES

(billion pesos)



## EFFICIENCY RATIO

(%)

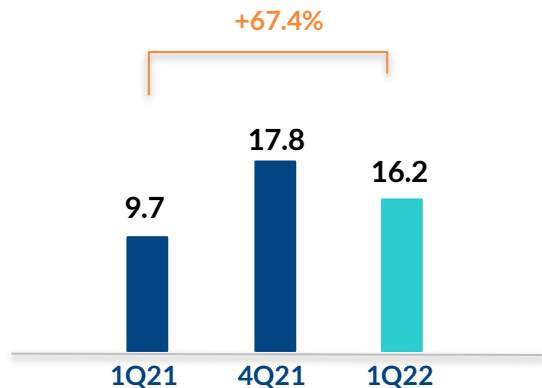
# 34.5%

March 2022

Positive evolution of expenses in part supported by new accounting criteria

## NET INCOME

(billion pesos)



## ROE

(Accumulated, %)

# 22.6%

March 2022

Differential profitability level

## BBVA MEXICO

(million pesos)

	1Q21	1Q22	Y-o-Y(%)
<b>Net Interest Income</b>	<b>32,498</b>	<b>38,241</b>	<b>+17.7</b>
Provisions for loan losses	(10,445)	(8,535)	(18.3)
<b>Net Interest Income after provisions</b>	<b>22,053</b>	<b>29,706</b>	<b>34.7</b>
Fees & Commissions	7,225	8,108	12.2
Trading Income	848	2,324	N.A
Other Income	282	(1,726)	N.A
<b>Gross Income</b>	<b>30,408</b>	<b>38,422</b>	<b>26.4</b>
Non-Interest Expenses	(17,135)	(16,188)	(5.5)
<b>Net Operating Income</b>	<b>13,273</b>	<b>22,234</b>	<b>67.5</b>
<b>Income Before Tax</b>	<b>13,291</b>	<b>22,269</b>	<b>67.5</b>
<b>Net Attributable Profit</b>	<b>9,702</b>	<b>16,244</b>	<b>67.4</b>

Net interest income with positive evolution explained by constant growth of retail portfolio, as well as an improvement in funding cost.

Lower provisions as a result of sound asset quality best performance of our portfolio.

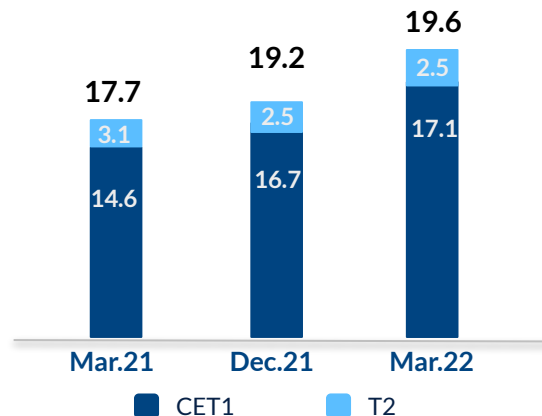
Higher commissions as a result of an increase in transaction volumes.

Expenses driven by a strict control and our optimization strategy and a reclassification to others of IPAB payments



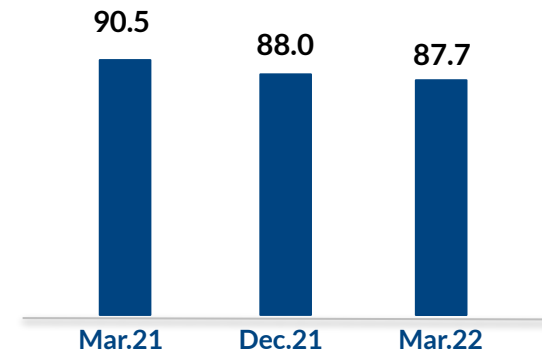
## CAPITAL RATIO

(%)



## LOANS TO DEPOSITS

(%)



Proven capacity to generate  
organic capital

## CCL (LOCAL LCR)

(%)

234.30 %

Minimum required of 100%

## NSFR (Net Stable Funding Ratio)

(%)

137.85 %

Minimum required of 100%

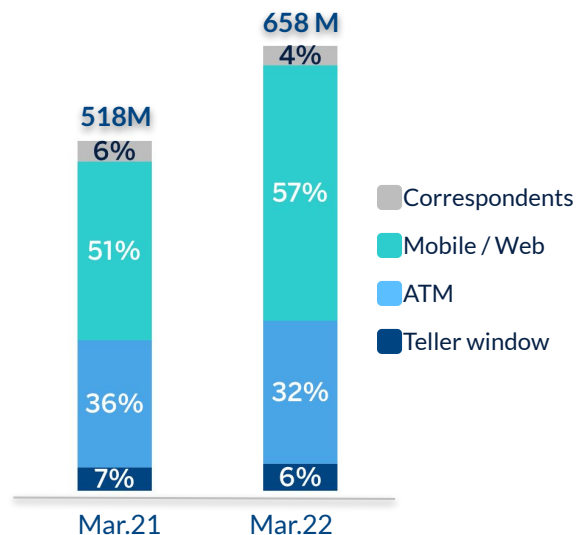
03

# BBVA Mexico's Strategy



## Total financial transactions, 3M22 (excludes POS)

% financial transactions



Móvil / Web

**378** millions transactions

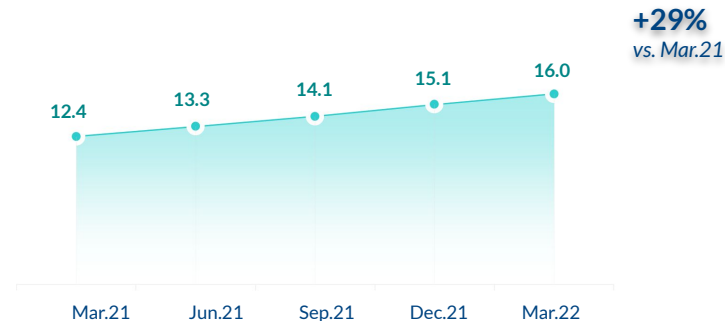


**+43.0%**  
vs. 3M21

More than 200 million transactions per month

## Mobile Clients

millions

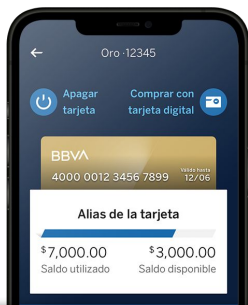


## Digital Sales

% total sales, units



## We constantly deliver improvements to our customers with products and services aimed to meet their goals



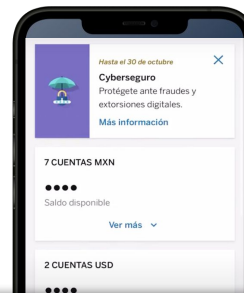
16M  
Mobile clients  
Mar.22



### App BBVA Mexico

#### SERVICING & TRANSACTIONS

- Online banking for additional cards
- Commerce purchases with additional CC with dynamic CVV
- "Mobile Payment" with NFC (Android)
- Biometric Access
- Advice: +3 proactive journeys



393K  
Mobile clients  
Mar..22



### App BBVA Enterprises

#### SERVICING & TRANSACTIONS

- New activation with Cronto (Physical Token)
- International Transfers (incl. FX)
- Notifications Push (offers, alerts, etc.)

## Committed to Mexico more than ever, expanding our scholarship program and our sustainable offer



### Education- “Chavos que inspiran”

1st generation  
**100**

“Chavos que inspiran” with  
different capacities

Investment  
**3.6 mp**

**+44 k**

Active scholarship  
holders

### Recurring donors

**+16 K**

Collaborators

**+320 K**

Clients

**+5 k**

Active Mentors



### Sustainable Financing

mp, 1Q 2022

#### Retail

**799**

**+31%** vs. 1T21

#### Enterprises

**19,038**

**>100%** vs. 1T21

#### Social

**4,680**



# Concluding Remarks

## Solid Institution

- Solid customer service to offer the best experience (innovation)
- Solid strategy with main focus in sustainability as a growth lever
- Solid results reflected in the financial performance

# BBVA Mexico

## 1Q22 Results

*Fixed Income*



# ANNEX

BBVA

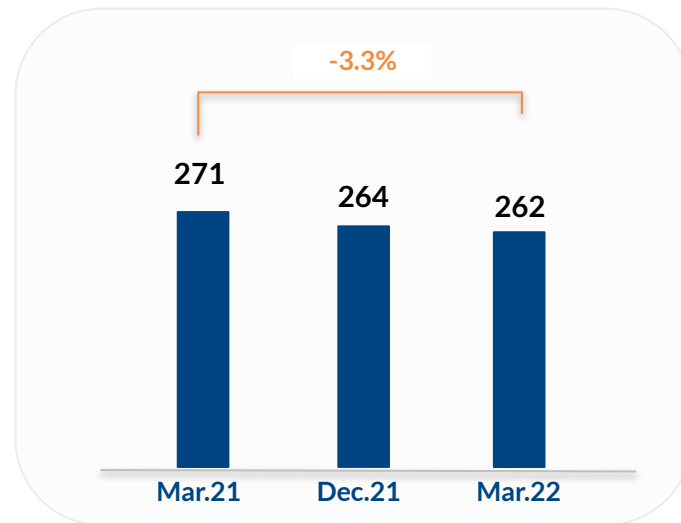
Creating Opportunities

## Macroeconomic Expectations

	2019	2020	2021	2022
GDP (% y/y)	-0.2	-8.4	5.0	1.2
Inflation (% eop)	2.8	3.2	7.4	5.7
Interest rate Bank funding (eop)	7.25	4.25	5.50	8.25
FX MXN / USD (eop)	19.1	19.9	20.9	21.2
Unemployment rate (% of labor force)	3.5	4.4	4.1	3.5
Private consumption (% y/y)	0.4	-10.7	7.3	1.4

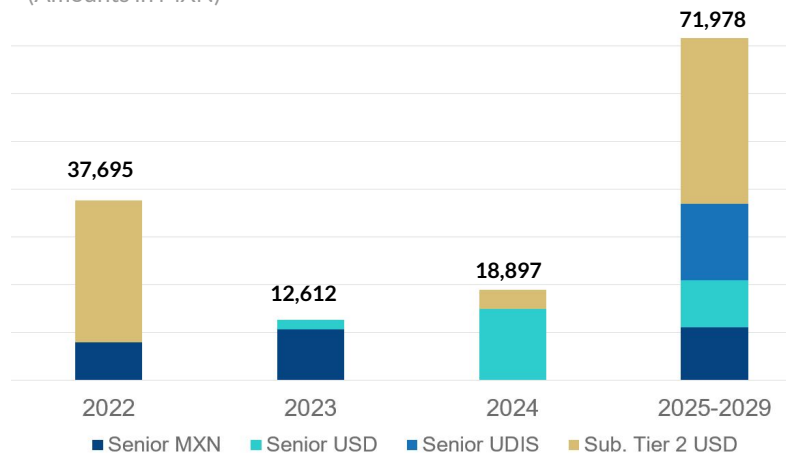
## Alco Portfolio

(billion pesos)

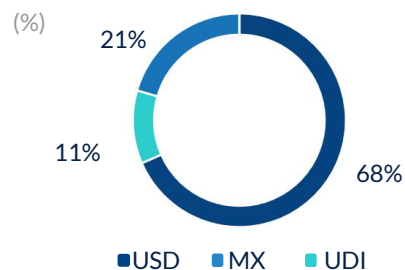


## ANNUAL MATURITY PROFILE

(Amounts in MXN)

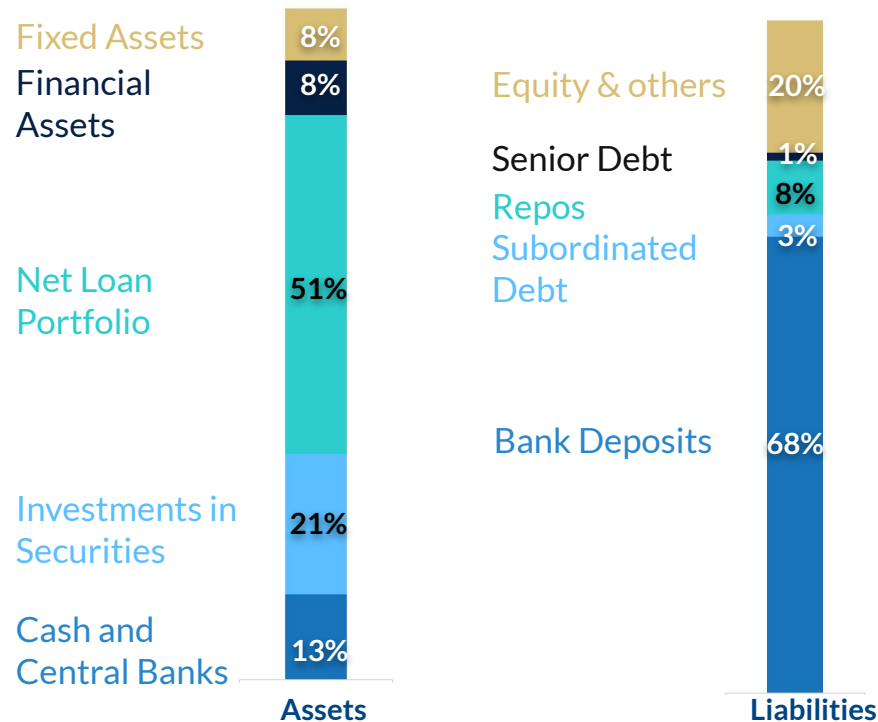


## Distribution by Currency



## LIQUIDITY BALANCE SHEET

(As of March 2022)



BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México										
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	TIIE28 + 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	TIIE28 + 35		Baa1/Aaa.mx	AAA(mex)
BACOMER 18	3,500	MXN	27-sep-18	21-sep-23		5.0	TIIE28 + 19		Baa1/Aaa.mx	AAA(mex)
BACOMER 19	5,000	MXN	21-jun-19	17-jun-22		3.0	TIIE + 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	TIIE28 + 5		Baa1/Aaa.mx	AAA(mex)
BACOMER 20-2	6,000	MXN	10-feb-20	05-feb-25		5.0	TIIE28 + 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

## BBVA Mexico Long-term Senior Ratings

## Long-term Global Foreign Currency Ratings

(updated as of November 1, 2021)

### Investment Grade

### Non Investment Grade

#### S&P

AAA  
AA+  
AA  
AA-  
A+  
A  
A-  
BBB+  
BBB BBVA Mx  
BBB-  
BB+  
BB  
BB-  
B+  
B  
B-  
(...)

#### Fitch

AAA  
AA+  
AA  
AA-  
A+  
A  
A-  
BBB+  
BBB BBVA Mx  
BBB-  
BB+  
BB  
BB-  
B+  
B  
B-  
(...)

#### Moody's

Aaa  
Aa1  
Aa2  
Aa3  
A1  
A2  
A3  
Baa1 BBVA Mx  
Baa2  
Baa3  
Ba1  
Ba2  
Ba3  
B1  
B2  
B3  
(...)

S&P

Negative outlook  
(Mar 27th, 2020)

BBB

Fitch

Stable outlook  
(Jun 26th, 2020)

BBB

Moody's

Negative outlook  
(April 22nd, 2020)

Baa1

**BBVA**