



BanBajío



Press Release

4Q19

BANBAJÍO RECORDED A NET INCOME OF Ps. 5,613 MILLION AT THE CLOSE OF 2019, 10.6% MORE THAN 2018, ACHIEVING 1.6X IN PROFIT GROWTH IN COMPARISON TO THE BANKING SYSTEM*

León, Guanajuato, January 29, 2020 – Banco del Bajío, S.A. Institución de Banca Múltiple, (BMV:BBAJIO) announced today its non-audited results for the fourth quarter 2019 (“4Q19”) ended December 31st, 2019. All figures are expressed in million pesos unless otherwise specified.

Accumulated consolidated net income at the close of **December 31, 2019** totaled **Ps. 5,613 million**, **10.6%** above the Ps. 5,076 million recorded for 2018. Consolidated **net income** during 4Q19 was **Ps.1,402 million**, **2.5%** above the Ps. 1,368 million recorded in the same period of last year.

The ROE at the close of 2019 was **18.6%** while for the annualized quarter was **18.1%**.

Total revenues at the close of **December 31, 2019** **increased 10.8%** when compared to 2018, mainly driven by the growth in the non-interest income line that increased **22.0%**. **Net interest margin (NIM)** stood at **5.6%** at the close of 2019 as well as for 4Q19.

The **efficiency ratio for 2019** was **43.3%**, showing an improvement when compared to the 43.5% reported in 2018. In 4Q19 the efficiency ratio was **43.7%**.

The **total loan portfolio** amounted to **Ps. 180,208 million** at the close of 4Q19, a growth of **5.8%** in comparison to 4Q18. **Company loans**, a specialization niche for BanBajío that comprises corporates and SMEs, amounted to **Ps. 148,625 million** at the close of 4Q19, posting a **7.4%** increase from the same period in 2018.

In terms of asset quality, the **Non-Performing Loans (NPL)** ratio was **0.94%** at the close of 4Q19, in line with the one registered in 4Q18 but significantly lower than the banking system which was 2.24% at the end of November 2019. The **coverage ratio** for 4Q19 stood at **155.11%**, which is above the 146.45% recorded for the whole system as of November 2019.

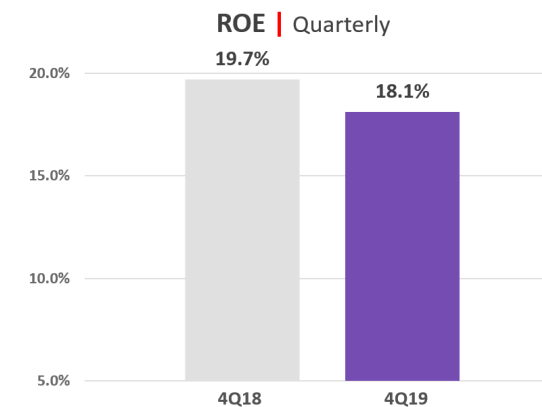
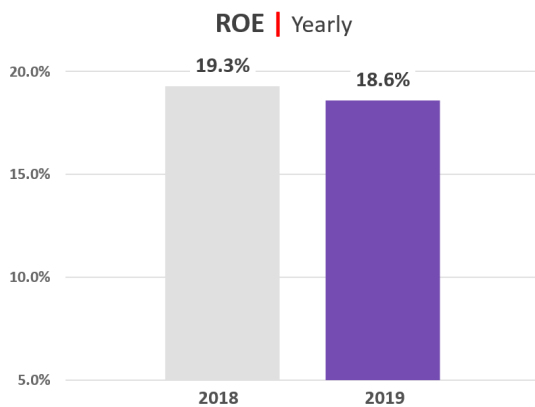
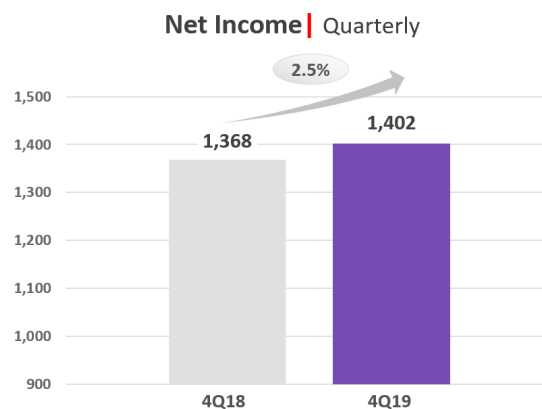
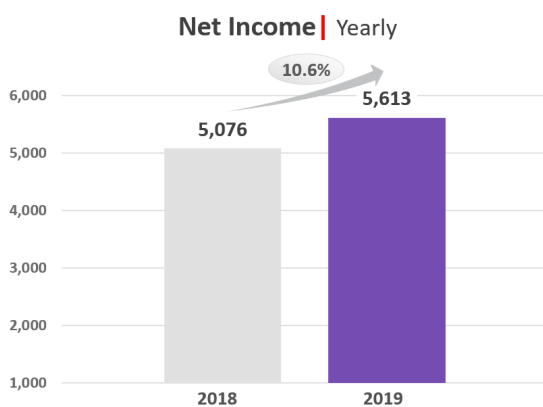
Total deposits in 4Q19 amounted to **Ps. 148,726 million**, increasing **11.1%** from 4Q18.

The capitalization index was **16.13%**** at the end of 4Q19. It is worth highlighting that 99.9% of our net capital is **TIER 1**. Such index is significantly higher than the regulatory requirements.

* Note: CNBV information; historical series, consolidated figures, for the period nov18-nov19 (last available information).

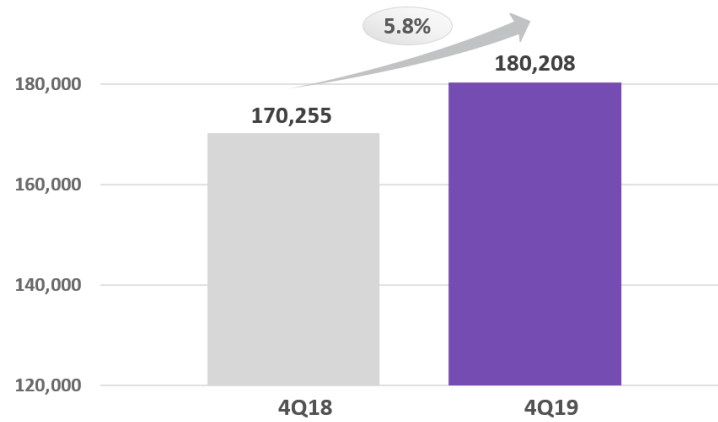
** Preliminary for December 2019, in revision by CNBV and Banco de México.

FINANCIAL HIGHLIGHTS	4Q18	3Q19	4Q19	Y to Y	Q to Q
▪ Net Income	1,368	1,389	1,402	2.5%	0.9%
▪ Financial Margin	3,074	3,139	3,168	3.1%	0.9%
▪ NIM	5.76%	5.57%	5.60%	(16) <i>b.p.</i>	3 <i>b.p.</i>
▪ Loan Portfolio	170,255	178,719	180,208	5.8%	0.8%
▪ Total Deposits	133,896	150,809	148,726	11.1%	-1.4%
▪ Shareholder's Equity	28,550	30,375	31,669	10.9%	4.3%
▪ Efficiency Ratio	42.87%	43.03%	43.74%	87 <i>b.p.</i>	71 <i>b.p.</i>
▪ Non-performing Loans	0.94%	0.97%	0.94%	- <i>b.p.</i>	(3) <i>b.p.</i>
▪ Coverage Ratio	187.38%	156.62%	155.11%	(3,227) <i>b.p.</i>	(151) <i>b.p.</i>

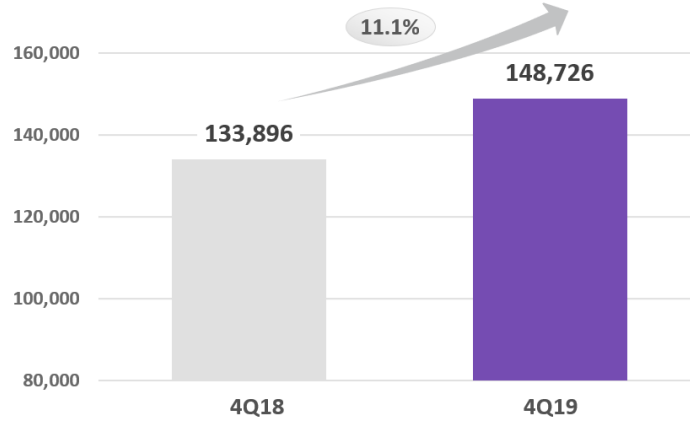


• Million Pesos

Total Loans

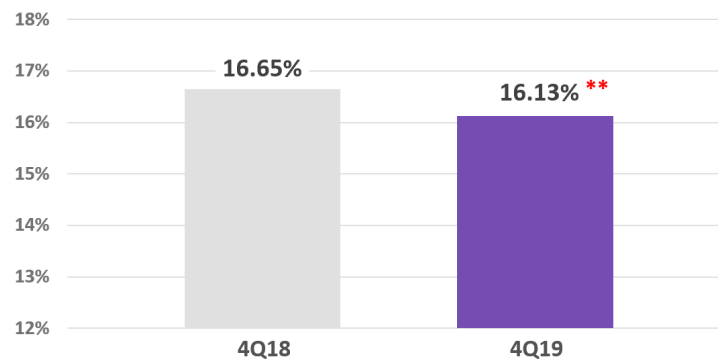


Total Deposits



• Million Pesos

Capitalization Index



** Preliminary

BanBajío's capitalization index (ICAP) stood at **16.13%** at the end of December 2019. It is worth highlighting that 99.9% of our net capital is **TIER 1**. Such index is significantly higher than the regulatory requirements.

Analyst Coverage

To BanBajío's knowledge, the following institutions and analysts have issued opinions and/or analysis regarding the performance of the issuer to date. This does not exclude that there might be some other institution and/or analyst that issues opinions on BanBajío.

INSTITUTION	ANALYST	E-MAIL	RECOMMENDATION
Scotiabank	Jason Mollin	jason.mollin@scotiabank.com	Sector Outperform
GBM	Natalia Zamora Madrazo	nzamora@gbm.com.mx	Market Outperform
Santander	Claudia Benavente	claudia.benavente@santander.cl	Buy
BTG Pactual	Eduardo Rosman	eduardo.rosman@btgpactual.com	Neutral
Barclays	Gilberto García	gilberto.garcia@barclays.com	Equal weight
Citi	Jörg Friedemann	Jorg.friedemann@citi.com	Neutral
UBS	Thiago Batista	thiago.batista@ubs.com	Buy
Morgan Stanley	Jorge Kuri	Jorge.kuri@morganstanley.com	Underweight
Actinver	Enrique Mendoza	emendoza@actinver.com.mx	Market Outperform
Itaú BBA	Arturo Langa	arturo.langa@itaubba.com	Market Perform
BBVA	Rodrigo Ortega	r.ortega@bbva.com	Market Perform
BX+	Eduardo López Ponce	elopezp@vepormas.com	Buy
Bank of America Securities	Ernesto Gabilondo	ernesto.gabilondo@bofa.com	Neutral
InterCam	Alejandra Marcos	amarcos@intercam.com.mx	Buy
HSBC Securities (USA) Inc.	Neha Agarwala	neha.agarwala@us.hsbc.com	Buy

BanBajío will host a conference call to discuss the results of the fourth quarter of 2019, on Thursday, January 30, 2020 at 10:00 a. m. Mexico City time (11:00 a.m. ET).

To participate you must dial: from USA telephone +1-877-830-2576, or from other international locations (outside the US) telephone +1-785-424-1726. There will be a live webcast broadcast available at: <https://services.choruscall.com/links/bbajio200130wSzWXnYU.html>.

The replay of this teleconference will be available for 7 days. To obtain the replay please dial: from USA +1-844-488-7474 and International (outside the U.S.) +1-862-902-0129, with access code: 95148826.

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