

## GENTERA REPORTS 3Q18 RESULTS

**Mexico City, Mexico –October 25, 2018 – GENTERA S.A.B. de C.V. (“GENTERA” or “the Company”)** (BMV: GENTERA\*) announced today non-audited consolidated financial results for the third quarter ended September 30, 2018. All figures were prepared in accordance with requirements from the National Banking and Securities Commission (CNBV) and are expressed in nominal Mexican pesos (Ps.)

### 3Q18 Highlights:

- **Total Loan Portfolio** reached **Ps. 33,234 million**, a **6.4% increase** compared with 3Q17 and 3.0% larger than 2Q18. Loan Portfolio per subsidiary was distributed as follows:
  - Banco Compartamos S.A. I.B.M. (Mexico) (Banco Compartamos) microcredit loan portfolio reached **Ps. 22,298 million**, showing a 1.7% contraction versus the figure recorded in 3Q17 and a 4.2% increase compared to 2Q18.
  - Compartamos Financiera (Peru) stood at **Ps. 10,370 million, a 29.1% increase** vs. 3Q17; and,
  - Compartamos S.A. (Guatemala) was **Ps. 566 million, 13.3% higher** compared to 3Q17.
- **Net Income** for 3Q18 was **Ps. 735 million**, a 2.0% contraction compared to 750 Ps. million reached in 3Q17 and a 10.5% contraction compared to the Net Income of Ps. 821 million achieved in 2Q18. **Earnings per share (EPS) in 3Q18** stood at \$0.46
- **Net Interest Income after provisions** for 3Q18 was **Ps. 4,179 million**, a 3.2% growth compared to the same period last year, while **NIM after provisions** stood at **42.7%**.
- **ROE** stood at **17.0%**, compared to 18.2% during 3Q17.
- **ROA** reached **6.2%**, compared to 7.3% in 3Q17.
- **Non-performing loans (NPLs)** for 3Q18 improved to **2.60%**, compared to 4.18% in 3Q17.
- **Efficiency ratio** for 3Q18 was **76.8%**, compared to **74.5%** reported in 3Q17.

### Financial Results and Ratios

	3Q18	3Q17	2Q18	% Change 3Q17	% Change 2Q18	9M18	9M17	% Change 9M17
Clients <sup>(1)</sup>	3,283,756	3,590,946	3,194,423	-8.6%	2.8%	3,283,756	3,590,946	-8.6%
Portfolio	33,234	31,221	32,258	6.4%	3.0%	33,234	31,221	6.4%
Net Income	735	750	821	-2.0%	-10.5%	2,282	2,562	-10.9%
NPLs / Total Portfolio	2.60%	4.18%	2.90%	-1.58 pp	-0.30 pp	2.60%	4.18%	-1.58 pp
ROA	6.2%	7.3%	7.2%	-1.1 pp	-1.0 pp	6.6%	8.3%	-1.7 pp
ROE	17.0%	18.2%	19.2%	-1.2 pp	-2.2 pp	17.7%	20.6%	-2.9 pp
NIM	49.3%	55.1%	50.2%	-5.8 pp	-0.9 pp	49.9%	54.2%	-4.3 pp
NIM after provisions	42.7%	45.5%	43.2%	-2.8 pp	-0.5 pp	43.0%	44.2%	-1.2 pp
Efficiency Ratio	76.8%	74.5%	76.3%	2.3 pp	0.5 pp	76.1%	71.5%	4.6 pp
Capital / Total Assets	37.4%	40.9%	35.0%	-3.5 pp	2.4 pp	37.4%	40.9%	-3.5 pp
Average Loan per Client	10,754	9,777	10,723	10.0%	0.3%	10,754	9,777	10.0%
Employees	21,914	21,860	21,918	0.2%	0.0%	21,914	21,860	0.2%
Service Offices**	733	727	733	0.8%	0.0%	733	727	0.8%
Branches	260	256	260	1.6%	0.0%	260	256	1.6%

1) In 3Q18, 3,090,409 credit clients and 193,347 clients from Savings and Insurance Products. The users/clients of the remittance services offered by INTERMEX are not reflected in this table

In this table employees in Banco Compartamos include employees from ATERNA, YASTAS and INTERMEX.

\*Portfolio and Net Income are expressed in millions (Mexican Pesos)

\*\* Some Service offices in Mexico are being transformed into Branches. 103 Branches are inside a Service Office (same location)

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### Comments from Mr. Enrique Majós, GENTERA's CEO:

GENTERA concluded the third quarter with a strong motivation given the dynamics experienced in this period of the year as the company started to capture the benefits of the decisions made in the past months. Results are aligned or slightly above the plan defined for the year and they will help us to keep gaining traction in the months to come.

At the conclusion of the third quarter, GENTERA's financial subsidiaries stood with a Loan Portfolio of Ps. 33,234 million, a 6.4% increase compared to 3Q17, serving over 3.09 million clients, through a network of 733 Service Offices and 260 Branches, and a staff of over 21.9 thousand employees distributed throughout Mexico, Peru and Guatemala, who are committed to the Company's objective of providing an outstanding customer service and achieving larger financial inclusion.

GENTERA's subsidiaries ATERNA, FIINLAB, YASTAS and INTERMEX continued to record solid performance in this period. ATERNA concluded the third quarter with 5.1 million active life insurance policies; YASTAS recorded 1.5 million financial transactions executed through a network of 2,873 affiliates, 10.7% more affiliates compared to 3Q17; in the case of INTERMEX, over 6,200 million pesos in remittances were processed, representing a growth above 9% compared to 3Q17; and, our innovation lab- FIINLAB- continued building alliances with Innovation Hubs and Startups. Fundación Gentera provided support to over 11 thousand people through multiple organizations with which we partner, as well as through our own staff.

Third quarter results confirm that the initiatives adopted by GENTERA are on the right track and that the Company now has a more solid foundation for the future. In coming years, we will continue our trajectory of growth and discipline in order to successfully meet our long-term aspiration of achieving greater financial inclusion. We, at GENTERA, are firm believers that by creating value for the customers we will create shared value for all our different stakeholders.

## 3Q18 Analysis & Results of Operations

Summary	Banco Compartamos		Compartamos Financiera		Compartamos S.A.	
	3Q18	Δ vs 3Q17	3Q18	Δ vs 3Q17	3Q18	Δ vs 3Q17
Clients 1)	2,433,012	-8.5%	558,761	25.2%	98,636	12.5%
Portfolio *	22,298	-1.7%	10,370	29.1%	566	13.3%
Net Income *	503	-19.3%	145	110.0%	19.4	167.5%
ROAA	6.9%	-2.0 pp	4.7%	1.7 pp	10.4%	6.2 pp
ROAE	19.1%	-1.7 pp	24.5%	10.6 pp	11.6%	7.0 pp
NIM	59.8%	-8.3 pp	26.0%	0.7 pp	85.4%	7.5 pp
NIM after provisions	52.3%	-3.7 pp	21.3%	0.4 pp	74.9%	7.5 pp
NPL	2.47%	-1.90 pp	2.81%	-0.75 pp	3.57%	-1.91 pp
Write - offs *	509	-32.8%	109	20.1%	16	24.2%
Coverage Ratio	222.0%	78.7 pp	250.8%	80.5 pp	160.5%	37.4 pp
Average Loan per Client	9,165	7.4%	18,559	0.0 pp	5,736	0.0 pp
Employees **	16,838	-3.1%	4,126	16.8%	950	-0.5%
Service Offices***	587	-0.2%	88	11.4%	58	-3.3%
Branches	260	1.6%	-	0.0%	-	0.0%

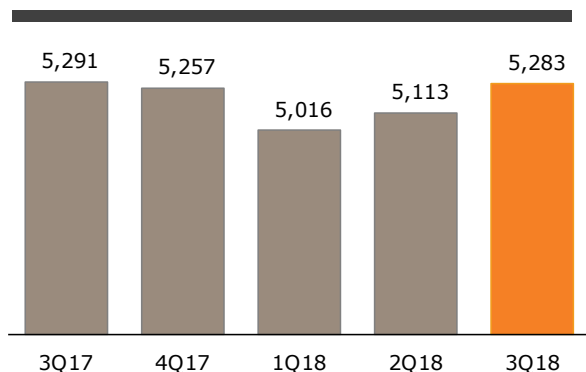
\* Portfolio, Net Income and Write-offs are expressed in millions (Mexican Pesos)

\*\* In this table employees in Banco Compartamos include employees from ATERNA, YASTAS and INTERMEX. Compartamos Financiera (Peru) is reported under Mexican GAAP (all figures in millions of pesos).

## Income Statement

The following financial results analysis is done with consolidated figures. The percentage comparisons are calculated for the third quarter 2018 versus the third quarter 2017, unless otherwise specified. The reader must take into consideration the FX movements in the comparable periods.

### Interest Income (Ps. millions)



Interest income in 3Q18 was **Ps. 5,283** million a slight **decrease of 0.2%** compared to 3Q17, driven by the contraction experienced in the Mexican portfolio during the same period comparison. However, the contraction observed in that subsidiary is less than the decrease presented in the previous quarter on a year-on-year comparison, highlighting that for this 3Q18 Banco Compartamos showed a 4.2% growth compared to 2Q18. Also worth highlighting is the performance of the Peruvian subsidiary, Compartamos Financiera, where the 29.1% growth in the loan portfolio, and as a consequence the 35.3% growth in interest income, continued showing the solid evolution of this subsidiary.

Banco Compartamos represented most of GENTERA's current portfolio and interest income, with 67.1% and 80.1%, respectively, compared to 3Q17 when it represented 72.7% and 84.7%.

Gentera's three main subsidiaries grant loans with different **average outstanding balances** per client (Ps. 9,165 for Banco Compartamos, Ps. 18,559 for Compartamos Financiera and Ps. 5,736 for Compartamos Guatemala). These variations in ticket size are related to the share of the group lending or individual lending products in their respective portfolio. The **Yield** for GENTERA's portfolio stood at **65.5%**.

**GENTERA's interest expense** stood at **Ps. 458 million, or a 19.9%** growth compared to the figure generated in 3Q17. This increase is mainly explained by i) the increase in the reference interest rate in Mexico; ii) the extra liquidity that Banco Compartamos took at the end of 2Q18 to mitigate potential market volatility; and, iii) the increase in interest-bearing liabilities in Compartamos Financiera to fund the robust growth shown in that subsidiary. Additional details are explained below:

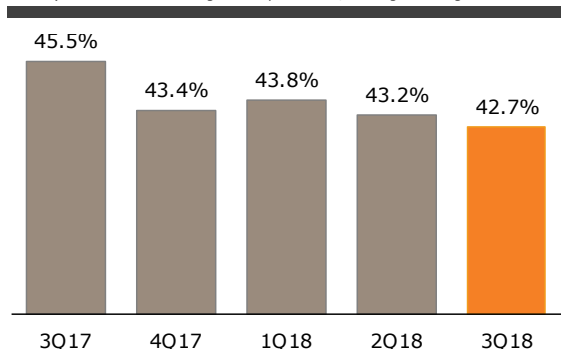
- **The Funding Cost of Banco Compartamos in Mexico**, which includes wholesale funding and deposits, **stood at 7.52%** in 3Q18 compared to **7.21%** in 3Q17. Interest expenses at this subsidiary increased 18.0% to Ps. 328 million, compared to Ps. 278 million in 3Q17. At the end of the quarter, **62.1%** of Banco Compartamos liabilities (considering interbank liabilities and Long-Term Debt issuances) were contracted at a **fixed rate**.
- **Compartamos Financiera in Peru** increased its Interest Expenses by **19.4%** to Ps. 131.8 million versus 3Q17, which implies a smaller growth compared to the 33.0% growth mark in the liabilities used to fund the portfolio. This was possible thanks to better terms and conditions in credit lines and improvements in the reference interest rate, which at the end of June 2018 was at 2.75% compared to 4.00% at the end of June 2017. **Cost of funding stood at 5.5%** compared to 6.2% in 3Q17.

**GENTERA's Net Interest Margin (NIM)** for the third quarter 2018 reached **49.3%, a smaller figure compared to the 55.1% achieved in 3Q17**. This movement is mainly explained due to: 1) A smaller average loan portfolio during most of the days in 3Q18 compared with the larger loan portfolio reached in the last days of the third quarter 2018; 2) As previously explained, during the last days of the second quarter 2018, as a prudent approach, Banco Compartamos decided to have extra liquidity in its account; 3) The smaller participation of Banco Compartamos in the consolidated portfolio, representing 67.1% at the end of 3Q18 compared to 72.7% in 3Q17. Given these three dynamics, the following happened: 1) A smaller interest income was generated in the period and 2) The extra liquidity increased the level of "productive assets," and, as a consequence, the NIM ratio was impacted.

**Provisions for loan losses** reached **Ps. 646 million** during the quarter. This amount was Ps. 215 million or **25.0%** less when compared to 3Q17. This level was due to improvements in early NPL's (between 9 and 90 days) performance. The methodology followed is in line with new CNBV regulations and methods, reflecting the level required for each product.

### NIM after provisions <sup>1)</sup>

1) Net Interest margin after provisions / Average Yielding Assets



**NII after provisions** rose to **Ps. 4,179 million**, a 3.2% growth compared to **Ps. 4,048 million** in 3Q17. As explained in the previous report asset quality has been improving and, in this third quarter, GENTERA continued benefiting from those improvements.

As a result of the aforementioned and given the extra liquidity at Banco Compartamos in Mexico, **NIM after provisions** (NII after provisions for losses / average yielding assets) for 3Q18 stood at 42.7%, compared to 45.5% in 3Q17. It is worth highlighting that GENTERA's subsidiary, Banco Compartamos, increased its Cash position at the end of 2Q18 with the purpose of mitigating potential volatility. This additional liquidity impacted the NIM before and after provisions since the average yielding assets increased substantially at the end of that specific quarter.

**The net effect between commissions charged and commissions paid** in 3Q18 reached a total of **Ps. 236 million**, a slight contraction of **Ps. 10 million, or 4.1%**, compared to the net effect obtained in 3Q17 of Ps. 246 million, and is explained as follows:

**Commissions and fee income** during the quarter **contracted 0.6%** to Ps. 344 million, compared to 3Q17. This line item mainly reflected: i) late payment fees charged to clients with delinquent loans at Banco Compartamos; ii) fees generated at YASTAS, ATERNA and INTERMEX; and iii) commissions generated at Compartamos Financiera. **The following table shows consolidated numbers for the different subsidiaries.**

Commissions and fee income			
	3Q18	3Q17	2Q18
Banco Compartamos	225	244	216
Compartamos Financiera	44	28	40
Yastás	6	5	5
Aterna	24	24	23
Intermex	45	45	48
<b>Total</b>	<b>344</b>	<b>346</b>	<b>332</b>

**Commissions and fee expenses** during the quarter increased **8.0% compared to 3Q17**, or Ps. 8 million, to **Ps. 108 million**. The main reason for this increase in fee expenses had to do with the fact that we are giving flexibility to Banco Compartamos clients to use alternative channels. However, a large number of Banco Compartamos' disbursements and collection operations of its credits continued to be executed in GENTERA's channels, representing, at the end of September '18, 72.5% and 36.4%, respectively, compared to 73.4% and 39.8% in the previous quarter. **We expect that this participation in GENTERA's channels will change in the coming quarters as we have decided to give additional flexibility to Banco Compartamos' clients to execute those disbursements and payments in different channels.** This line item included: i) fees charged by third parties to Banco Compartamos for the use of their networks, as well as ii) fees related to the operation of YASTAS and INTERMEX. **The following table shows consolidated numbers of the different subsidiaries.**

Commissions and fee expense			
	3Q18	3Q17	2Q18
Banco Compartamos	65	55	61
Compartamos Financiera	14	13	13
Compartamos Guatemala S.A.	2	2	2
<b>Otras*</b>	<b>27</b>	<b>30</b>	<b>28</b>
SAB	2	1	1
Yastás	14	18	15
Servicios	1	1	1
Intermex	10	10	11
<b>Total</b>	<b>108</b>	<b>100</b>	<b>104</b>

**Trading Gains** during 3Q18 represented a loss of **Ps. 17 million**.

**Other Operating Income/Expenses** during 3Q18 represented an income of **Ps. 27 million**. This item reflected non-recurring income or expenses which for the third quarter were primarily driven by income coming from a provision that was canceled.

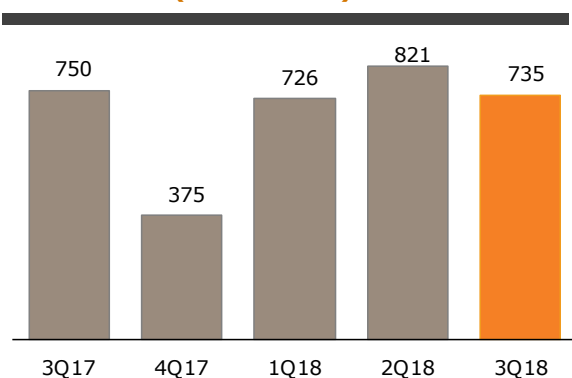
**Operating expenses** stood at **Ps. 3,397 million, a 7.4% growth** versus the Ps. 3,164 million reached in 3Q17. This increase was mainly attributable to increases in expenses related to employees. Employees expenses and infrastructure typically represent 80% of total operating expenses, as is explained by the following:

GENTERA's subsidiaries jointly totaled **21,914 employees**, a slight increase of 0.2% compared to 3Q17, considering the corporate restructuring process at the headquarters in Mexico that took place in 1Q18.

- **Salaries and benefits** represented approximately **Ps. 2,209 million**, or **65.0%** of total operating expenses.
- During 3Q18, GENTERA had 484 service offices and 260 branches in Mexico, 88 service offices in Peru and 58 in Guatemala for a **total of 890 Service Offices and Branches**. Together, these service offices and branches (SO&B) and the Headquarters office represented **Ps. 526 million**, or **15.5%** of operating expenses. The current number of service offices and branches reported in 3Q18 was 890.
- **Other strategic initiatives and advisory services, such as:** i) Investments in technology: the SAP platform and the ERP; ii) the deposit/savings program; and, iii) YASTAS and FIINLAB; and, iv) strategies to improve customer experience, among others, jointly represented **Ps. 456 million, or 13.4%** of operating expenses during 3Q18.
- **Marketing Campaigns** represented **Ps. 206 million, or 6.1%** of operating expenses, during the third quarter, including the investment associated with the **loyalty program (now Super-Client) in Banco Compartamos** which totaled **Ps. 150.6 million** this quarter.

**Participation in Net Income from Non-Consolidated Subsidiaries** represented an income of Ps. 19 million during the quarter, compared to a loss of Ps. 16 million in 3Q17. This line item reflects GENTERA's minority contribution in Companies in which it has been investing.

### Net Income (Ps. millions)



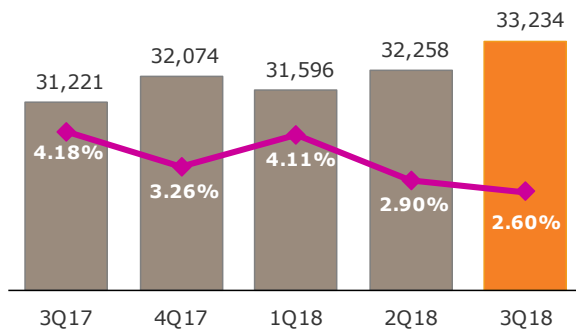
**For 3Q18, Net Income amounted to Ps. 735 million, which represents a 2.0% contraction** compared to the Ps. 750 million in net income recorded in 3Q17. **Excluding the non-recurrent events in 2Q18, Net Income for 3Q18 grew 15.8% on quarter on quarter comparison.**

For this third quarter, Compartamos Banco represented 68.4% of GENTERA's total Net Income, whereas Compartamos Financiera in Peru represented 19.7% and the other subsidiaries, YASTAS, INTERMEX, Compartamos Servicios, and GENTERA SAB generated the remaining 11.9%.

## Balance Sheet

**Cash and other investments** stood at **Ps. 6,036 million** during the third quarter of 2018. This level of liquidity enables us to cover operating expense growth, debt amortizations and expected portfolio growth for the following 30 days. It is important to note that the extra liquidity that Banco Compartamos decided to have in its account at the end of the second quarter, with the purpose of mitigating potential volatility in the market, was prepaid in August. In 3Q18, 46.2% of the cash on the balance sheet corresponded to Banco Compartamos, with Ps. 2,791 million held in highly liquid assets. The remainder is held in GENTERA's accounts in its various subsidiaries.

## Total Loan Portfolio (Ps. Millions) & NPL



**Total Loan Portfolio** reached **Ps. 33,234 million** in 3Q18, a **6.4% growth compared to** the figure reported in 3Q17. The Loan Portfolio was distributed as follows: 67.1% at Banco Compartamos, 31.2% at Compartamos Financiera in Peru and 1.7% at Compartamos in Guatemala.

Banco Compartamos continued taking actions during the quarter to improve customer experience, among many other initiatives, with the goal of returning to high levels of customer service. In this quarter Compartamos started to have some benefits of the different actions carried out in the past months.

## Credit Quality (Non-Performing Loans / Total Portfolio)

**Consolidated non-performing loans reached 2.60%** in 3Q18, a substantial improvement compared to the 4.18% NPL recorded in 3Q17 and 2.90% in 2Q18. This improvement was possible due to returning to high levels of origination processes, better levels of service to all the clients compared to previous quarters and adequate monitoring of customer performance.

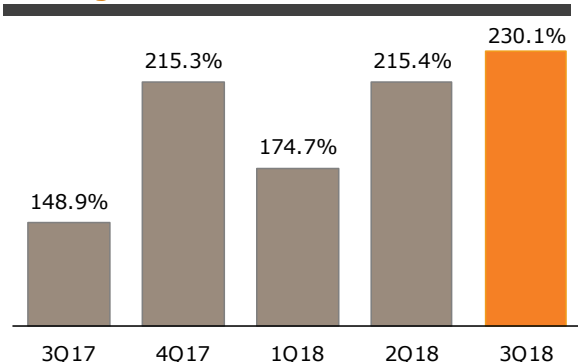
Worth highlighting is that GENTERA's short to medium term expectations, and considering the different risk profile products in the portfolio and to the effects of more competition in some regions of Mexico, NPLs should be moving slightly upwards in following years. It is important to mention that Banco Compartamos' policy is to write-off loans that are past due after 180 days.

PRODUCT	3Q18				3Q17				2Q18			
	Portfolio	NPL	NPL Ratio	Write- Offs	Portfolio	NPL	NPL Ratio	Write- Offs	Portfolio	NPL	NPL Ratio	Write- Offs
C. Mujer	12,362	152	1.23%	142	11,469	254	2.22%	201	11,769	171	1.45%	241
C. Comerciante	4,507	175	3.88%	173	5,244	395	7.53%	290	4,323	210	4.86%	305
Group Methodology	16,869	327	1.94%	315	16,713	649	3.88%	491	16,092	381	2.37%	546
C. Individual	2,633	115	4.37%	87	2,659	156	5.85%	109	2,532	116	4.56%	114
C. CA (de CM y CCR)	433	12	2.75%	12	498	21	4.28%	19	416	15	3.47%	21
C. CCM( de CM, CCR y CI)	2,352	97	4.12%	95	2,815	166	5.89%	139	2,339	117	5.01%	135
C. Otros (CGD,CEC y CIA)	11	0	3.06%	0	4	0	4.39%	0	11	0	4.44%	0
Individual Methodology	5,429	224	4.13%	194	5,976	343	5.73%	267	5,298	248	4.67%	270
<b>Banco Compartamos</b>	<b>22,298.00</b>	<b>551.0</b>	<b>2.47%</b>	<b>509</b>	<b>22,689</b>	<b>992</b>	<b>4.37%</b>	<b>758</b>	<b>21,390</b>	<b>629</b>	<b>2.94%</b>	<b>816</b>
C. Mujer	1,989	26	1.31%	13	1,393	27	1.96%	12	1,946	25	1.28%	13
Group Methodology Peru	1,989	26	1.31%	13	1,393	27	1.96%	12	1,946	25	1.28%	13
Individual Methodology Peru	8,381	266	3.17%	96	6,640	258	3.89%	78	8,347	263	3.15%	99
<b>Compartamos Financiera</b>	<b>10,370</b>	<b>292</b>	<b>2.81%</b>	<b>109</b>	<b>8,033</b>	<b>286</b>	<b>3.56%</b>	<b>91</b>	<b>10,293</b>	<b>288</b>	<b>2.80%</b>	<b>112</b>
Group Methodology Guatemala	566	20	3.57%	16	499	27	5.48%	13	575	20.4	3.55%	24
<b>Compartamos Guatemala S.A.</b>	<b>566</b>	<b>20</b>	<b>3.57%</b>	<b>16</b>	<b>499</b>	<b>27</b>	<b>5.48%</b>	<b>13</b>	<b>575</b>	<b>20.2</b>	<b>3.55%</b>	<b>24</b>
<b>Total</b>	<b>33,234</b>	<b>862.60</b>	<b>2.60%</b>	<b>633</b>	<b>31,221</b>	<b>1,305</b>	<b>4.18%</b>	<b>861</b>	<b>32,258</b>	<b>937.4</b>	<b>2.90%</b>	<b>952</b>



## Performance Ratios and Metrics

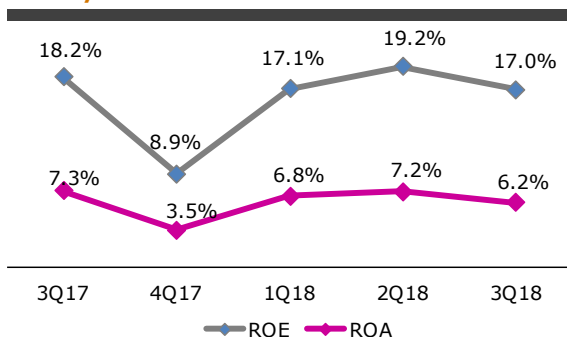
### Coverage Ratio



The 3Q18 **coverage ratio** was **230.1%**, which is well in accordance with the portfolio mix and its current dynamics, as well as with Mexican financial regulations.

**Goodwill** amounted to Ps. 909 million and was related to the acquisition of Compartamos Financiera and INTERMEX, which was recorded as an asset.

### ROAE/ROAA



During 3Q18, GENTERA reached a return on average equity (**ROAE**) of **17.0%**, compared to 18.2% in 3Q17. For the nine-month period 2018, it stood at 17.7% compared to 20.6% in 9M17. Return on average assets (**ROAA**) for 3Q18 was **6.2%** compared to 7.3% in 3Q17. For 9M18 it stood at 6.6% compared to 8.3% in 9M17.

### Other 3Q18 Highlights:

- With **1.53 million** debit accounts, **deposits from Clients in Banco Compartamos** stood at **Ps. 2,162 million**, which were generated from demand and time deposits, growing more than 48% compared to the Ps. 1,454 million reached at the end of 3Q17.
- **YASTAS** recorded **3.75 million of operations** during the quarter, out of those, **1.49 million were financial transactions**. At the end of 3Q18 YASTAS had a network of 2,873 affiliates, 10.7% more than 3Q17.
- **ATERNA** ended the quarter with **5.1 million active life insurance policies** throughout its operations in Mexico, Peru and Guatemala.
- **INTERMEX**, with more than 2.5 thousand points of payment processed more than **Ps. 6,250 million** in remittances payments, representing a growth above 9% compared with the figure reached in 3Q17.
- At the end of the third quarter, **GENTERA repurchased 9,310,538 shares** through the Company's stock buyback program established on April 20, 2018. **Shares outstanding as of September 30, 2018, amounted to 1,603,263,179.**
- **During 3Q18, Fundación GENTERA** made alliances benefiting more than **11 thousand people** with educational opportunities and Social responsibility actions. **53% of Gentera's employees** participated in at least one volunteer activity during this quarter; through this effort, more than **18 thousand hours** were devoted in different activities, benefiting more than **24 thousand people.**

**GENTERA**  
**Consolidated Income Statement**  
**For the three months ended September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18	9M18	9M17	% Change 9M17
Interest income	5,283	5,291	-0.2%	5,113	3.3%	15,412	15,632	-1.4%
Interest expense	458	382	19.9%	385	19.0%	1,218	1,165	4.5%
<b>Net Interest Income</b>	<b>4,825</b>	<b>4,909</b>	<b>-1.7%</b>	<b>4,728</b>	<b>2.1%</b>	<b>14,194</b>	<b>14,467</b>	<b>-1.9%</b>
Provisions for loan losses	646	861	-25.0%	659	-2.0%	1,963	2,670	-26.5%
<b>Net interest income after provisions</b>	<b>4,179</b>	<b>4,048</b>	<b>3.2%</b>	<b>4,069</b>	<b>2.7%</b>	<b>12,231</b>	<b>11,797</b>	<b>3.7%</b>
Commissions and fee income	344	346	-0.6%	332	3.6%	990	1,033	-4.2%
Commissions and fee expense	108	100	8.0%	104	3.8%	305	316	-3.5%
Trading gains (losses)	(17)	3	N/C	9	N/C	(13)	2	N/C
Other operating income (expense)	27	(50)	-154.0%	189	-85.7%	235	(9)	N/C
Operating Expenses	3,397	3,164	7.4%	3,429	-0.9%	9,995	8,943	11.8%
<b>Net operating income</b>	<b>1,028</b>	<b>1,083</b>	<b>-5.1%</b>	<b>1,066</b>	<b>-3.6%</b>	<b>3,143</b>	<b>3,564</b>	<b>-11.8%</b>
Participation in net income from non consolidated and associated subsidiaries	19	(16)	N/C	(2)	N/C	12	(26)	-146.2%
<b>Total income before income tax</b>	<b>1,047</b>	<b>1,067</b>	<b>-1.9%</b>	<b>1,064</b>	<b>-1.6%</b>	<b>3,155</b>	<b>3,538</b>	<b>-10.8%</b>
Income tax	312	317	-1.6%	243	28.4%	873	976	-10.6%
<b>Net income</b>	<b>735</b>	<b>750</b>	<b>-2.0%</b>	<b>821</b>	<b>-10.5%</b>	<b>2,282</b>	<b>2,562</b>	<b>-10.9%</b>
Participation (in net income) from controlling company	729	743	-1.9%	815	-10.6%	2,264	2,548	-11.1%
Participation (in net income) from non-controlling company	6	7	-14.3%	6	0.0%	18	14	28.6%

**GENTERA**  
**Consolidated Balance Sheet**  
**As of September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18
Cash and other investments	6,036	5,292	14.1%	8,521	-29.2%
Total performing loans	32,371	29,916	8.2%	31,321	3.4%
Non-performing loans	863	1,305	-33.9%	937	-7.9%
<b>Total loan portfolio</b>	<b>33,234</b>	<b>31,221</b>	<b>6.4%</b>	<b>32,258</b>	<b>3.0%</b>
Allowance for loan losses	1,986	1,943	2.2%	2,018	-1.6%
<b>Loan portfolio, net</b>	<b>31,248</b>	<b>29,278</b>	<b>6.7%</b>	<b>30,240</b>	<b>3.3%</b>
Other accounts receivable	1,797	1,073	67.5%	2,007	-10.5%
Fixed assets	1,155	1,178	-2.0%	1,204	-4.1%
Permanent investment	2,342	94	N/C	2,194	6.7%
Other assets	3,326	3,338	-0.4%	3,428	-3.0%
Goodwill	909	892	1.9%	962	-5.5%
<b>Total assets</b>	<b>46,813</b>	<b>41,145</b>	<b>13.8%</b>	<b>48,556</b>	<b>-3.6%</b>
Clients deposits	2,613	1,753	49.1%	2,493	4.8%
Deposits	6,010	4,262	41.0%	5,689	5.6%
Long term debt issuance	6,984	8,579	-18.6%	7,988	-12.6%
Interbank loans	9,859	6,250	57.7%	11,862	-16.9%
Other accounts payable	3,846	3,463	11.1%	3,510	9.6%
<b>Total liabilities</b>	<b>29,312</b>	<b>24,307</b>	<b>20.6%</b>	<b>31,542</b>	<b>-7.1%</b>
Capital stock	4,764	4,764	0.0%	4,764	0.0%
Premium on sale of stock	558	558	0.0%	558	0.0%
Capital reserves	2,065	1,462	41.2%	2,092	-1.3%
Retained earnings	7,699	7,154	7.6%	7,699	0.0%
Other capital accounts	108	285	-62.1%	329	-67.2%
Net income for the year	2,264	2,548	-11.1%	1,535	47.5%
Participation (in net income) from controlling company	17,458	16,771	4.1%	16,977	2.8%
Participation (in net income) from non-controlling company	43	67	-35.8%	37	16.2%
<b>Total stockholders' equity</b>	<b>17,501</b>	<b>16,838</b>	<b>3.9%</b>	<b>17,014</b>	<b>2.9%</b>
<b>Total liabilities and stockholders' equity</b>	<b>46,813</b>	<b>41,145</b>	<b>13.8%</b>	<b>48,556</b>	<b>-3.6%</b>





The following section sets forth the non-audited financial results for the third quarter of 2018 (3Q18) for Banco Compartamos, S.A. I.B.M. ("Banco Compartamos" or "the Bank"), which is GENTERA's main subsidiary and is located in Mexico. All figures are expressed in Mexican pesos in accordance with the CNBV regulations applicable to credit institutions and may vary due to rounding.

### Financial Highlights

	3Q18	3Q17	2Q18	% Change 3Q17	% Change 2Q18	9M18	9M17	% Change 9M17
Clients	2,433,012	2,659,145	2,391,665	-8.5%	1.7%	2,433,012	2,659,145	-8.5%
Portfolio	22,298	22,689	21,390	-1.7%	4.2%	22,298	22,689	-1.7%
Net Income	503	623	521	-19.3%	-3.5%	1,623	2,130	-23.8%
NPLs / Total Portfolio	2.47%	4.37%	2.94%	-1.90 pp	-0.47 pp	2.47%	4.37%	-1.90 pp
ROA	6.9%	8.9%	7.3%	-2.0 pp	-0.4 pp	7.6%	10.1%	-2.5 pp
ROE	19.1%	20.8%	18.9%	-1.7 pp	0.2 pp	19.8%	23.8%	-4.0 pp
NIM	59.8%	68.1%	61.3%	-8.3 pp	-1.5 pp	61.5%	65.9%	-4.4 pp
NIM after provisions	52.3%	56.0%	53.2%	-3.7 pp	-0.9 pp	53.5%	53.8%	-0.3 pp
Efficiency Ratio	80.4%	75.7%	79.1%	4.7 pp	1.3 pp	78.3%	72.2%	6.1 pp
ICAP	31.0%	37.2%	28.3%	-6.2 pp	2.7 pp	31.0%	37.2%	-6.2 pp
Capital / Total Assets	38.4%	44.6%	34.2%	-6.2 pp	4.2 pp	38.4%	44.6%	-6.2 pp
Average Loan (Ps.)	9,165	8,532	8,944	7.4%	2.5%	9,165	8,532	7.4%
Employees	16,600	17,096	16,811	-2.9%	-1.3%	16,600	17,096	-2.9%
Service Offices*	587	588	587	-0.2%	0.0%	587	588	-0.2%
Branches	260	256	260	1.6%	0.0%	260	256	1.6%

\*Portfolio and Net Income are expressed in millions of Mexican pesos.

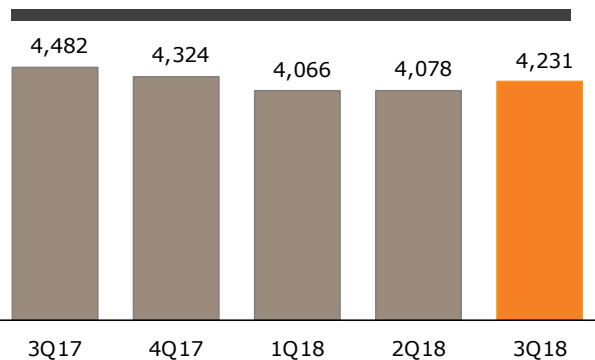
\*\* Some of the Service offices transformed into Branches. 103 Branches are inside a Service Office (same location)

### 3Q18 Highlights:

- **Total loan portfolio reached** Ps. 22,954 million, distributed as follows:
  - Loan portfolio from microcredit loans at **Ps. 22,298 million**, a 1.7% contraction compared to 3Q17.
  - Related party loans at Ps.656 million.
- **Non-performing loans** stood at **2.47%** in 3Q18, an improvement compared to **4.37%** in 3Q17.
- **Net income for 3Q18** reached **Ps. 503 million**, a contraction compared to the Ps. 623 million in 3Q17, and a slight decrease compared to Ps. 521 million in 2Q18.
- **Capitalization Ratio** stood at **30.99%**.
- **ROA** was **6.9%**, compared to 8.9% in 3Q17, while **ROE** was **19.1%**, compared to 20.8% in 3Q17.
- On September 27, **Banco Compartamos issued Ps. 2.5 billion in local Bank bonds** for a tenor of 4 years, with an interest rate of TIIE + 42 bps. It was oversubscribed by 2.1 times.

### Results of Operations

#### Interest Income (Ps. millions)



Interest income reached **Ps. 4,231 million in 3Q18**, **5.6%** less than 3Q17, which is a similar performance with the average loan portfolio in 3Q18 compared to 3Q17.

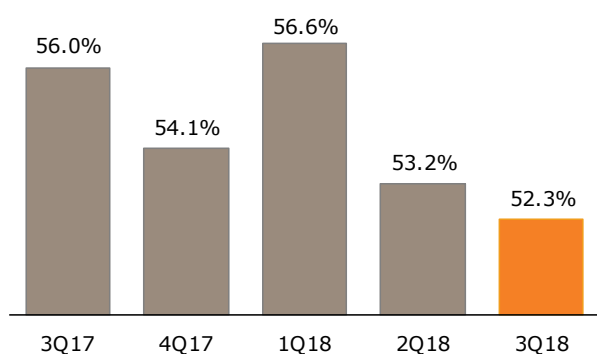
**The Funding Cost**, which includes liabilities and deposits from the public, **stood at 7.52%** in 3Q18 compared to **7.21%** in 3Q17. Interest expenses increased 18.0% to Ps. 328 million, compared to Ps. 278 million in 3Q17. This increase is explained by the extra liquidity that Banco Compartamos took on at the end of 2Q18 with the purpose of mitigating any potential market volatility and also due to the increase in the reference interest rate.

It is worth highlighting that at the end of the quarter, 62.1% of the Company’s liabilities were contracted at a fixed rate.

As a result of the aforementioned, Banco Compartamos reported a **Net Interest Income of Ps. 3,903 million, a 7.2% contraction** compared to 3Q17.

**Provisions for loan losses** were Ps. 488 million, which represented a 34.5% decrease compared to Ps. 745 million reached in 3Q17, driven by the improvements in the performance of NPLs below 90 days.

### Net Interest Margin<sup>1)</sup> (after provisions)



1) Net Interest margin after provisions / Average Yielding Assets

**NII after provisions** rose to Ps. 3,415 million, a slight 1.3% contraction compared to Ps. 3,459 million in 3Q17.

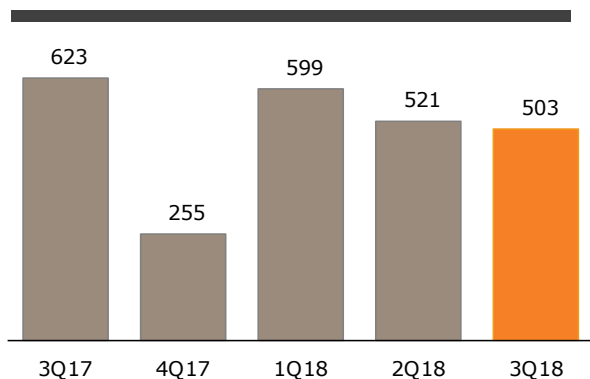
**NIM** (Net Interest Margin) after provisions (NII after provisions for losses / average yielding assets) for **3Q18 was 52.3%**, compared to 56.0% in 3Q17. The NIM after provisions in 3Q18 is similar compared to the 2Q18 level of 53.2%. These levels are below the 56.0% level registered in 3Q17 and were attributed to mainly the increase in its Cash position with the purpose of mitigating potential volatility and a smaller average portfolio in 2018. The additional liquidity impacted the NIM before and after provisions since the average yielding assets increased substantially at the end of the second quarter.

### Net Operating Income

- **Commissions and fee income** reached Ps. 231 million, a 7.6% contraction versus 3Q17. This line item reflected the collection fees and penalties charged to clients with delinquent accounts, representing 27.4% of fee income, as well as sales commissions for voluntary life insurance policies, which accounted for 64.4%. The remaining 8.2% was related to other concepts and fees.
- **Commissions and fee expenses** totaled Ps. 122 million, representing a slight 2.5% increase when compared to 3Q17. This line item mainly reflected: i) 20.3% collection and disbursement fee costs; ii) 35.8% for alternative locations to pay and withdraw loans from Banco Compartamos; iii) 11.8% for the free voluntary life insurance coverage included in the *Credito Mujer* product; and iv) 32.1% fees paid to YASTAS and other fees.
- **Other income/expenses** reached an income of **Ps. 2 million**. This item reflected non-recurring income or expenses.
- **Operating expenses** for 3Q18 rose **5.2% to Ps. 2,822 million** when compared to 3Q17, primarily attributable to: i) the operation of branches, ii) salaries and benefits to the sales force, and iii) the execution of strategic initiatives.

## Net Income

### Net Income (Ps. millions)



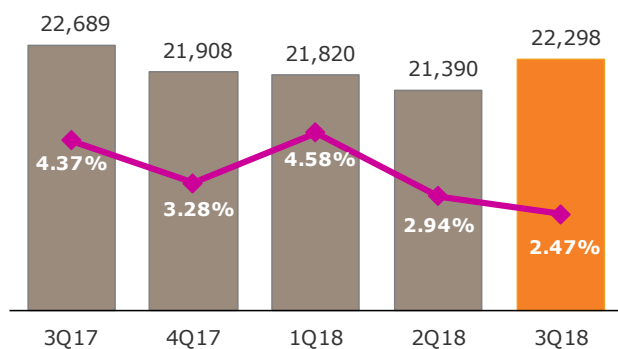
**Banco Compartamos** reported a **Net Income of Ps. 503 million**, representing a contraction of 3.5% versus 2Q18, and a 19.3% reduction compared to 3Q17.

## Balance Sheet

**Cash and other investments** increased by **8.6%** to **Ps. 2,791 million**, compared to **Ps. 2,569 million** in 3Q17. The amount reached at the end of the third quarter is the funding required by Banco Compartamos to cover operating expenses, debt maturities and loan portfolio growth for the following 30 days. Cash and other investments are placed in short-term instruments where the counterparty risk is approved by the Board's Risk Committee.

## Total Loan Portfolio

### Loan Portfolio (Ps. millions) & NPL



The **loan portfolio from microcredit loans** reached **Ps. 22,298 million**, a **1.7%** contraction compared to the **Ps. 22,689 million** reported in 3Q17. The Portfolio reached at the end of 3Q18 increased 4.24% compared to the loan portfolio from microcredit that Banco Compartamos had at the end of 2Q18 when it stood at Ps. 21,390 million. That performance was consistent with our expectations of experiencing better dynamics in the loan portfolio during this second semester.

The **average outstanding balance per client** in 3Q18 was **Ps. 9,165**, **7.4%** above the Ps. 8,532 reported in 3Q17.

## Loan Products & Credit Quality

The loan products offered by Banco Compartamos are distributed under two main categories (*Group and Individual Methodologies*):

- Group Lending Methodology:** Merchant Credit (*Credito Comerciante*) and Women Credit (*Credito Mujer*) represented **75.7%** of the total loan portfolio in 3Q18, which combined presented an **NPL of 1.94%** for 3Q18 an improvement compared to 3.88% in 3Q17.
- Individual Lending Methodology:** Improvement Loans (*Crece y Mejora*), Additional Loans (*Credito Adicional*) and Personal Loans (*Credito Individual*) represented a **24.3%** share of the total loans portfolio in 3Q18, with a consolidated **NPL of 4.13%** in 3Q18, compared to 5.73% one year ago.

During **3Q18** total **NPLs reached 2.47%**, compared to the 4.37% recorded in 3Q17. **Banco Compartamos' policy is to write-off loans that are past due after 180 days.** During the third quarter, write-offs reached Ps. 509 million or 32.9% less than the amount recorded in 3Q17.

For 3Q18, the coverage ratio (*allowance for loan losses / non-performing loans*) was 222.0% compared to 143.4% in 3Q17. Allowance for loan losses is based on the methodology established by the CNBV, which requires specific reserve coverage for each originated loan: Group Loans with a solidarity figure and a different coverage for Individual Loans. It is important to highlight that our methodology follows the rules that apply to the '*Personal Credit*' category instead of the '*Consumer Loans, Not Revolving, Others*' category, as described previously.

The allowance for loan losses by qualification was distributed as follows:

Risk	3Q18			3Q17			2Q18		
	%Allowance	Balance	Allowance <sup>2)</sup>	%Allowance	Balance	Allowance <sup>2)</sup>	%Allowance	Balance	Allowance <sup>2)</sup>
A-1	1.1%	14,940	168	1.1%	14,323	160	1.1%	14,405	162
A-2	2.7%	957	25	2.7%	937	25	2.7%	854	23
B-1	3.4%	153	5	3.5%	198	7	3.5%	196	7
B-2	4.1%	1,865	76	4.1%	1,581	65	4.1%	1,660	68
B-3	5.6%	484	27	5.7%	523	30	5.6%	486	27
C-1	7.2%	1,724	124	7.2%	1,874	135	7.2%	1,682	121
C-2	10.6%	963	102	11.0%	1,198	132	10.9%	863	94
D	21.4%	325	70	21.5%	502	108	21.1%	295	62
E	70.4%	887	624	71.2%	1,552	1,105	71.6%	946	678
<b>Total</b>		<b>22,297</b>	<b>1,222</b>		<b>22,690</b>	<b>1,766</b>		<b>21,389</b>	<b>1,242</b>
<b>Coverage Ratio<sup>1</sup></b>			<b>2.22</b>			<b>1.78</b>			<b>1.98</b>

<sup>1</sup> Allowance for loan losses / Non-performing loans

<sup>2</sup> Additional allowance for non performing loans included

Classification for allowance for loan losses is in accordance with CNBV regulations (Section V, Article 129, and Paragraph II) applicable to credit institutions since July 2013<sup>1</sup>. Allowance for loan losses continued to sufficiently cover non-performing loans. The ratings and the allowance reported consider the modifications to the General Provisions for Credit Institutions published in the DOF (Diario Oficial Federación) on January 6, 2017, and for which its initial effect was constituted on December 31st, 2017, according to the applicable regulation.

## Total Liabilities

During 3Q18, total liabilities reached Ps. 17,290 million, 13.0% above the Ps. 15,297 million recorded during 3Q17. All of Banco Compartamos' current liabilities are fully peso-denominated; therefore, there is no FX exposure.

**Banco Compartamos** maintains a well-diversified funding mix with different sources:

**i) Long-term debt issuances:** Banco Compartamos is a frequent issuer in the Mexican debt capital market. As of September 30, 2018, it had Ps. 6,581 million outstanding in Certificados Bursátiles Bancarios (Bank Bonds).

**ii) Strong capital base:** 38.4% of total assets were funded with equity.

**iii) Credit lines with banks and other institutions:** Banco Compartamos had **Ps. 6,837 million** in credit lines among various banking creditors (Development Banks and Commercial Banks).

**iv) Deposits:** For 3Q18, deposits from Clients stood at **Ps. 2,162 million, a figure 48.7% larger than the Ps. 1,454 million recorded in 3Q17.** At the end of 3Q18, Banco Compartamos had over **1.5 million** debit accounts.

## Total Stockholders' Equity

**The capitalization ratio was 30.99%** compared to 37.23% reported in 3Q17. The current ratio continues to reflect the Bank's strength in accordance with levels required by Basel III and is well above the Mexican banking system standards. Banco Compartamos reported Ps. 9,498 million in Tier I capital and risk-weighted assets of Ps. 30,646 million.

**Banco Compartamos, S.A., Institución de Banca Múltiple**  
**Income Statement**  
**For the three months ended September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18	9M18	9M17	% Change 9M17
Interest income	4,231	4,482	-5.6%	4,078	3.8%	12,375	13,197	-6.2%
Interest expense	328	278	18.0%	257	27.6%	840	848	-0.9%
<b>Net Interest Income</b>	<b>3,903</b>	<b>4,204</b>	<b>-7.2%</b>	<b>3,821</b>	<b>2.1%</b>	<b>11,535</b>	<b>12,349</b>	<b>-6.6%</b>
Provisions for loan losses	488	745	-34.5%	505	-3.4%	1,498	2,272	-34.1%
<b>Net interest income after provisions</b>	<b>3,415</b>	<b>3,459</b>	<b>-1.3%</b>	<b>3,316</b>	<b>3.0%</b>	<b>10,037</b>	<b>10,077</b>	<b>-0.4%</b>
Commissions and fee income	231	250	-7.6%	221	4.5%	668	752	-11.2%
Commissions and fee expense	122	119	2.5%	122	0.0%	355	384	-7.6%
Trading gains (losses)	(17)	3	N/C	9	N/C	(13)	2	N/C
Other operating income (expense)	2	(48)	N/C	154	-98.7%	168	(102)	N/C
Operating Expenses	2,822	2,683	5.2%	2,829	-0.2%	8,228	7,466	10.2%
<b>Net operating income</b>	<b>687</b>	<b>862</b>	<b>-20.3%</b>	<b>749</b>	<b>-8.3%</b>	<b>2,277</b>	<b>2,879</b>	<b>-20.9%</b>
<b>Total income before income tax</b>	<b>687</b>	<b>862</b>	<b>-20.3%</b>	<b>749</b>	<b>-8.3%</b>	<b>2,277</b>	<b>2,879</b>	<b>-20.9%</b>
Income tax	184	239	-23%	228	-19.3%	654	749	-12.7%
<b>Net income</b>	<b>503</b>	<b>623</b>	<b>-19.3%</b>	<b>521</b>	<b>-3.5%</b>	<b>1,623</b>	<b>2,130</b>	<b>-23.8%</b>

**Banco Compartamos, S.A., Institución de Banca Múltiple**  
**Balance Sheet**  
**As of September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18
Cash and other investments	2,791	2,569	8.6%	5,397	-48.3%
Related parties	656	-	N/C	854	-23.2%
Total performing loans	21,747	21,697	0.2%	20,761	4.7%
Non-performing loans	551	992	-44.5%	629	-12.4%
<b>Total loan portfolio</b>	<b>22,954</b>	<b>22,689</b>	<b>1.2%</b>	<b>22,244</b>	<b>3.2%</b>
Allowance for loan losses	1,223	1,422	-14.0%	1,243	-1.6%
<b>Loan portfolio, net</b>	<b>21,731</b>	<b>21,267</b>	<b>2.2%</b>	<b>21,001</b>	<b>3.5%</b>
Other accounts receivable	1,035	766	35.1%	1,066	-2.9%
Fixed assets	520	574	-9.4%	549	-5.3%
Other assets	1,994	2,437	-18.2%	2,066	-3.5%
<b>Total assets</b>	<b>28,071</b>	<b>27,613</b>	<b>1.7%</b>	<b>30,079</b>	<b>-6.7%</b>
Clients' Deposits	2,162	1,454	48.7%	2,054	5.3%
Deposits	517	520	-0.6%	324	59.6%
Long term debt issuance	6,581	8,580	-23.3%	7,565	-13.0%
Interbank loans	6,837	3,570	91.5%	8,840	-22.7%
Derivates financial instruments	-	-	N/C	-	N/C
Other accounts payable	1,193	1,173	1.7%	1,018	17.2%
Deferred income tax	-	-	N/C	-	N/C
<b>Total liabilities</b>	<b>17,290</b>	<b>15,297</b>	<b>13.0%</b>	<b>19,801</b>	<b>-12.7%</b>
Capital stock	591	558	5.9%	558	5.9%
Contributions for future capital increases	-	-	N/C	33	N/C
Capital reserves	538	506	6.3%	538	0.0%
Retained earnings	8,029	9,123	-12.0%	8,029	0.0%
Remeasurements for employees benefit	-	(1)	N/C	-	N/C
Net income for the year	1,623	2,130	-23.8%	1,120	44.9%
<b>Total stockholders' equity</b>	<b>10,781</b>	<b>12,316</b>	<b>-12.5%</b>	<b>10,278</b>	<b>4.9%</b>
<b>Total liabilities and stockholders' equity</b>	<b>28,071</b>	<b>27,613</b>	<b>1.7%</b>	<b>30,079</b>	<b>-6.7%</b>

## Compartamos Financiera (Peru)



The following section sets forth the non-audited financial results for the third quarter of 2018 (3Q18) for Compartamos Financiera, GENTERA's Peruvian subsidiary. All figures are in Mexican pesos and may vary due to rounding. The Reader must take into consideration the FX movements in the comparison periods.

Note: It is important to highlight that the analysis and figures are expressed in accordance with Mexican Generally Accepted Accounting Principles and CNBV (National Banking and Securities Commission) regulations. These figures are not comparable to the financial statements submitted to the Peruvian *Superintendencia de Banca, Seguros y AFP* (Peruvian Banking, Insurance and Pension Fund Commission).

### Financial Highlights

Summary	3Q18	3Q17	2Q18	% Change 3Q17	% Change 2Q18	9M18	9M17	% Change 9M17
Clients	558,761	446,401	521,464	25.2%	7.2%	558,761	446,401	25.2%
Portfolio *	10,370	8,033	10,293	29.1%	0.7%	10,370	8,033	29.1%
Net Income *	144.5	68.8	132.3	110.0%	9.3%	342.2	165.1	107.3%
NPLs / Total Portfolio	2.81%	3.56%	2.8%	-0.75 pp	0.01 pp	2.81%	3.56%	-0.75 pp
ROA	4.7%	3.0%	4.5%	1.7 pp	0.2 pp	3.8%	2.4%	1.4 pp
ROE	24.5%	13.9%	23.8%	10.6 pp	0.7 pp	20.2%	11.0%	9.2 pp
NIM	26.0%	25.3%	26.3%	0.7 pp	-0.3 pp	25.3%	25.5%	-0.2 pp
NIM after provisions	21.3%	20.9%	21.4%	0.4 pp	-0.1 pp	20.6%	20.2%	0.4 pp
Efficiency Ratio	70.5%	79.3%	72.1%	-8.8 pp	-1.6 pp	75.6%	83.3%	-7.7 pp
Capital / Total Assets	19.0%	21.1%	19.2%	-2.1 pp	-0.2 pp	19.0%	21.1%	-2.1 pp
Average Loan (Ps.)	18,559	17,994	19,739	3.1%	-6.0%	18,559	17,994	3.1%
Employees	4,126	3,533	3,908	16.8%	5.6%	4,126	3,533	16.8%
Service Offices	88	79	86	11.4%	2.3%	88	79	11%

Compartamos Financiera's figures are reported under Mexican GAAP.

\*Portfolio and Net Income are expressed in Mexican pesos (millions) with their corresponding FX for the quarter.

### 3Q18 Highlights:

- **Total loan portfolio** reached **Ps. 10,370 million**, 29.1% higher than that of 3Q17.
- **Non-performing loans** stood at **2.81%** in 3Q18, an improvement compared to **3.56%** in 3Q17.
- **Active clients** reached 558,761, a 25.2% increase compared to 3Q17.
  - Group Loans (**Credito Mujer**) product represented **69.9%** of the clients served in Peru, ending the period with **388,897 clients**, 31.2% more clients than in 3Q17.
- **Class & Asociados Rating Agency** upgraded Compartamos Financiera financial strength rating, moving it from B+ to A-, with a stable outlook, while **Apoyo & Asociados Rating Agency** improved the outlook from stable to positive.
- **On September 26, 2018**, Compartamos Financiera issued S/. 63.1 million in the Peruvian debt market. The tenor of this issuance is one year with an interest rate of 4.6778% and was oversubscribed by 1.58 times.
- Compartamos Financiera reached a total of **88 service offices**, nine more offices than in 3Q17.



**Compartamos Financiera**  
**Income Statement**  
**For the three months ended September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18	9M18	9M17	% Change 9M17
Interest income	913.2	675.1	35.3%	878.1	4.0%	2,590.5	2,021.5	28.1%
Interest expense	131.8	110.4	19.4%	132.4	-0.4%	389.3	336.3	15.8%
<b>Net interest income</b>	<b>781.3</b>	<b>564.7</b>	<b>38.4%</b>	<b>745.7</b>	<b>4.8%</b>	<b>2,201.2</b>	<b>1,685.3</b>	<b>30.6%</b>
Provisions for loan losses	141.0	99.7	41.4%	137.1	2.8%	414.7	351.0	18.1%
<b>Net interest income after provisions</b>	<b>640.3</b>	<b>465.0</b>	<b>37.7%</b>	<b>608.6</b>	<b>5.2%</b>	<b>1,786.5</b>	<b>1,334.2</b>	<b>33.9%</b>
Commissions and fee income	43.3	28.1	54.2%	40.4	7.1%	119.7	85.0	40.8%
Commissions and fee expenses	13.4	12.7	5.7%	13.6	-0.9%	38.9	34.9	11.6%
Other operating income (expense)	13.3	7.4	79.6%	16.5	-19.5%	37.9	33.0	14.7%
Operating expenses	481.9	386.7	24.6%	470.2	2.5%	1,439.7	1,180.2	22.0%
<b>Net operating income</b>	<b>201.5</b>	<b>101.1</b>	<b>99.4%</b>	<b>181.8</b>	<b>10.8%</b>	<b>465.5</b>	<b>237.2</b>	<b>96.2%</b>
<b>Total income before income tax</b>	<b>201.5</b>	<b>101.1</b>	<b>99.4%</b>	<b>181.8</b>	<b>10.8%</b>	<b>465.5</b>	<b>237.2</b>	<b>96.2%</b>
Current and Deferred	57.0	32.2	76.8%	49.6	15.0%	123.3	72.1	71.0%
<b>Net income</b>	<b>144.5</b>	<b>68.8</b>	<b>110.0%</b>	<b>132.3</b>	<b>9.3%</b>	<b>342.2</b>	<b>165.1</b>	<b>107.3%</b>

**Compartamos Financiera**  
**Balance Sheet**  
**As of September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18
Cash and other investments	1,971.8	1,464.1	34.7%	2,009.1	-1.9%
Total performing loans	10,078.5	7,746.9	30.1%	10,005.2	0.7%
Non-performing loans	291.6	285.8	2.0%	288.2	1.2%
<b>Total loan portfolio</b>	<b>10,370.0</b>	<b>8,032.6</b>	<b>29.1%</b>	<b>10,293.3</b>	<b>0.7%</b>
Allowance for loan losses	731.3	486.6	50.3%	741.9	-1.4%
<b>Loan portfolio, net</b>	<b>9,638.7</b>	<b>7,546.0</b>	<b>27.7%</b>	<b>9,551.5</b>	<b>0.9%</b>
Other accounts receivable	36.6	21.0	74.5%	28.7	27.4%
Fixed assets	283.9	227.7	24.7%	282.8	0.4%
Other assets	420.7	258.0	63.1%	459.1	-8.4%
<b>Total assets</b>	<b>12,351.6</b>	<b>9,516.8</b>	<b>29.8%</b>	<b>12,331.2</b>	<b>0.2%</b>
Deposits	6,813.0	4,560.8	49.4%	6,549.7	4.0%
Interbank loans	2,819.1	2,679.8	5.2%	3,021.5	-6.7%
Other accounts payable	378.4	263.7	43.5%	387.4	-2.3%
<b>Total liabilities</b>	<b>10,010.5</b>	<b>7,504.4</b>	<b>33.4%</b>	<b>9,958.6</b>	<b>0.5%</b>
Capital stock	1,411.6	1,262.6	11.8%	1,411.6	0.0%
Contributions for future capital increases	-	-	N/C	-	N/C
Capital reserves	106.2	89.6	18.6%	106.4	-0.2%
Foreign exchange effect	458.1	415.9	10.1%	633.8	-27.7%
Retained earnings	23.0	79.2	-71.0%	23.0	0.0%
Net income for the year	342.2	165.1	107.3%	197.7	73.1%
<b>Total stockholders' equity</b>	<b>2,341.2</b>	<b>2,012.4</b>	<b>16.3%</b>	<b>2,372.5</b>	<b>-1.3%</b>
<b>Total liabilities and stockholders' equity</b>	<b>12,351.6</b>	<b>9,516.8</b>	<b>29.8%</b>	<b>12,331.2</b>	<b>0.2%</b>

## Compartamos, S.A. (Guatemala)



The following section sets forth the non-audited financial results for the third quarter of 2018 (3Q18) for Compartamos S.A., the Company's Guatemalan subsidiary. All figures are expressed in Mexican pesos in accordance with Mexican Accounting Principles and Regulations, and may vary due to rounding. The Reader must take into consideration the FX movements in the comparison periods.

Summary	3Q18	3Q17	2Q18	% Change 3Q17	% Change 2Q18	9M18	9M17	% Change 9M17
Clients	98,636	87,670	95,127	12.5%	3.7%	98,636	87,670	12.5%
Portfolio *	565.8	499.3	574.9	13.3%	-1.6%	565.8	499.3	13.3%
Net Income *	19.4	7.2	(3.0)	167.5%	-756.3%	25.1	40.4	-37.9%
NPLs / Total Portfolio	3.57%	5.48%	3.55%	-1.91 pp	0.02 pp	3.57%	5.48%	-1.91 pp
ROA	10.4%	4.2%	-1.6%	6.2 pp	12.0 pp	4.6%	7.7%	-3.1 pp
ROE	11.6%	4.6%	-1.8%	7.0 pp	13.4 pp	5.1%	8.5%	-3.4 pp
NIM	85.4%	77.9%	83.3%	7.5 pp	2.1 pp	83.1%	81.8%	1.3 pp
NIM after provisions	74.9%	67.4%	73.0%	7.5 pp	1.9 pp	72.8%	71.8%	1.0 pp
Efficiency Ratio	80.6%	90.6%	101.0%	-10.0 pp	-20.4 pp	90.4%	83.7%	6.7 pp
Capital / Total Assets	91.3%	91.8%	89.0%	-0.5 pp	2.3 pp	91.3%	91.8%	-0.5 pp
Average Loan (Ps.)	5,736	5,695	6,044	0.7%	-5.1%	5,736	5,695	0.7%
Employees	950	955	954	-0.5%	-0.4%	950	955	-0.5%
Service Offices	58	60	60	-3.3%	-3.3%	58	60	-3.3%

Figures are expressed in Mexican pesos with their corresponding FX for the quarter.

Exchange rate as of September 30, 2018, from Quetzales to USD: 7.70

Exchange rate as of September 30, 2018, from USD to MXP: 18.72

Portfolio and Net Income are expressed in Mexican pesos (millions) with their corresponding FX for the quarter.

Source: Banco de Guatemala and Banco de Mexico.

### 3Q18 Highlights:

- **Total loan portfolio** reached **Ps. 566 million, 13.3%** higher when compared to 3Q17.
- **Net Income for 3Q18** stood at **Ps. 19.4 million**, more than two times larger compared to Ps. 7.2 million generated in 3Q17.
- **Non-performing loans** stood at **3.57%** in 3Q18, compared to 5.48% in 3Q17.
- **Active clients** reached 98,636, a **12.5%** increase compared to 3Q17.

**Compartamos S.A.**  
**Income Statement**  
**For the three months ended September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18	9M18	9M17	% Change 9M17
Interest income	144.6	121.6	19.0%	140.2	3.1%	415.0	384.4	7.9%
Interest expense	-	0.0	N/C	-	N/C	-	0.3	N/C
<b>Net interest income</b>	<b>144.6</b>	<b>121.5</b>	<b>19.0%</b>	<b>140.2</b>	<b>3.1%</b>	<b>415.0</b>	<b>384.1</b>	<b>8.0%</b>
Provisions for loan losses	17.8	16.4	8.9%	17.3	2.8%	51.5	47.1	9.2%
<b>Net interest income after provisions</b>	<b>126.8</b>	<b>105.2</b>	<b>20.5%</b>	<b>122.9</b>	<b>3.2%</b>	<b>363.5</b>	<b>337.0</b>	<b>7.9%</b>
Commissions and fee expenses	1.9	2.1	-9.2%	1.7	7.2%	5.7	5.9	-2.3%
Other operating income (expense)	0.4	0.3	25.6%	1.0	-60.6%	3.0	3.0	-0.9%
Operating expenses	101.0	93.7	7.8%	123.4	-18.1%	326.2	279.7	16.6%
<b>Net operating income</b>	<b>24.26</b>	<b>9.7</b>	<b>149.9%</b>	<b>(1.2)</b>	<b>N/C</b>	<b>34.6</b>	<b>54.4</b>	<b>-36.5%</b>
<b>Total income before income tax</b>	<b>24.3</b>	<b>9.7</b>	<b>149.9%</b>	<b>(1.2)</b>	<b>N/C</b>	<b>34.6</b>	<b>54.4</b>	<b>-36.5%</b>
Current and Deferred	4.86	2.5	97.7%	1.7	182.5%	9.5	14.0	-32.3%
<b>Net income</b>	<b>19.4</b>	<b>7.2</b>	<b>167.5%</b>	<b>(3.0)</b>	<b>N/C</b>	<b>25.1</b>	<b>40.4</b>	<b>-37.9%</b>

**Compartamos S.A.**  
**Balance Sheet**  
**As of September 30, 2017 and 2018**  
(in millions of Mexican pesos)

	3Q18	3Q17	% Change 3Q17	2Q18	% Change 2Q18
Cash and other investments	105.8	147.9	-28.5%	147.9	-28.5%
Total performing loans	545.6	472.0	15.6%	554.5	-1.6%
Non-performing loans	20.2	27.3	-26.0%	20.4	-0.9%
<b>Total loan portfolio</b>	<b>565.8</b>	<b>499.3</b>	<b>13.3%</b>	<b>574.9</b>	<b>-1.6%</b>
Allowance for loan losses	32.5	33.7	-3.6%	32.9	-1.3%
<b>Loan portfolio, net</b>	<b>533.3</b>	<b>465.6</b>	<b>14.5%</b>	<b>542.1</b>	<b>-1.6%</b>
Other accounts receivable	10.6	7.5	42.6%	7.8	35.6%
Fixed assets	55.0	57.1	-3.6%	61.5	-10.6%
Other assets	9.9	14.8	-32.7%	10.9	-8.9%
<b>Total assets</b>	<b>714.7</b>	<b>692.8</b>	<b>3.2%</b>	<b>770.3</b>	<b>-7.2%</b>
Interbank loans	-	-	N/C	-	N/C
Other accounts payable	62.2	56.5	10.0%	85.1	-27.0%
<b>Total liabilities</b>	<b>62.2</b>	<b>56.5</b>	<b>10.0%</b>	<b>85.1</b>	<b>-27.0%</b>
Capital stock	439.7	439.7	0.0%	439.7	0%
Capital reserves	6.3	3.6	73.1%	6.3	0%
Foreign exchange effect	116.1	127.8	-9.2%	168.2	-30.9%
Retained earnings	65.4	24.8	163.9%	65.4	0%
Net income for the year	25.1	40.4	-37.9%	5.7	N/C
<b>Total stockholders' equity</b>	<b>652.5</b>	<b>636.3</b>	<b>2.6%</b>	<b>685.2</b>	<b>-4.8%</b>
<b>Total liabilities and stockholders' equity</b>	<b>714.7</b>	<b>692.8</b>	<b>3.2%</b>	<b>770.3</b>	<b>-7.2%</b>

Figures are expressed in Mexican pesos (millions) with their corresponding FX for the quarter.

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**About GENTERA**

GENTERA, S.A.B. de C.V. (formerly Compartamos, S.A.B. de C.V.) is a holding company whose primary objective is to promote, organize and manage companies, domestic and international, that are subject to its investment policies. GENTERA was established in 2010 and is headquartered in Mexico. Its stock began trading on the Mexican Stock Exchange on December 24, 2010 under the ticker symbol COMPARC\*. On January 2, 2014, the ticker symbol was changed to GENTERA\*.

**Note on Forward-Looking Statements**

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on Management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of Management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.