

CRÉDITO REAL

Corporate Presentation

3Q19 Financial Update

CONTACT INFORMATION

Renata González Muñoz
+52 (55) 5228 9753
rgonzalez@creditoreal.com.mx

Eduardo Hanono Gómez
+52 (55) 5340 5200 Ext. 2182
ehanono@creditoreal.com.mx



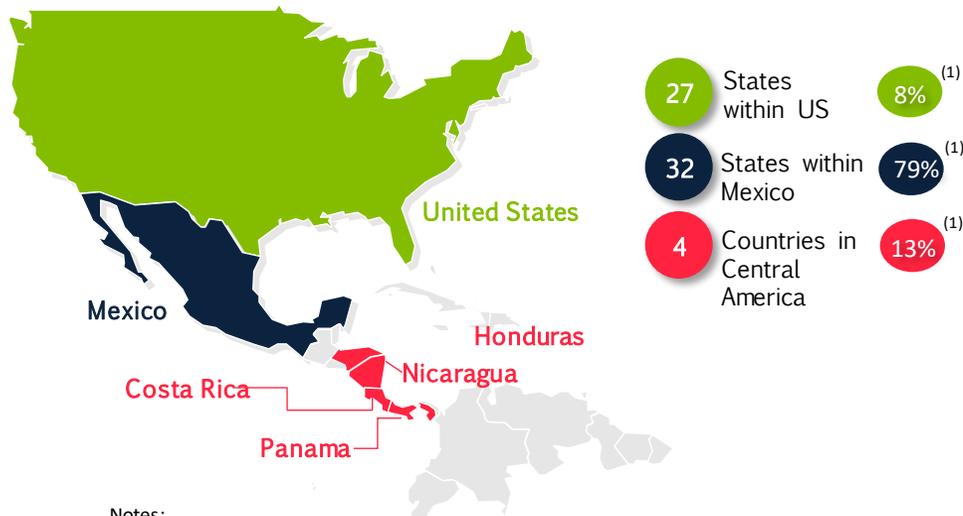
CREAL*

Crédito Real in a Nutshell

Key Company Highlights

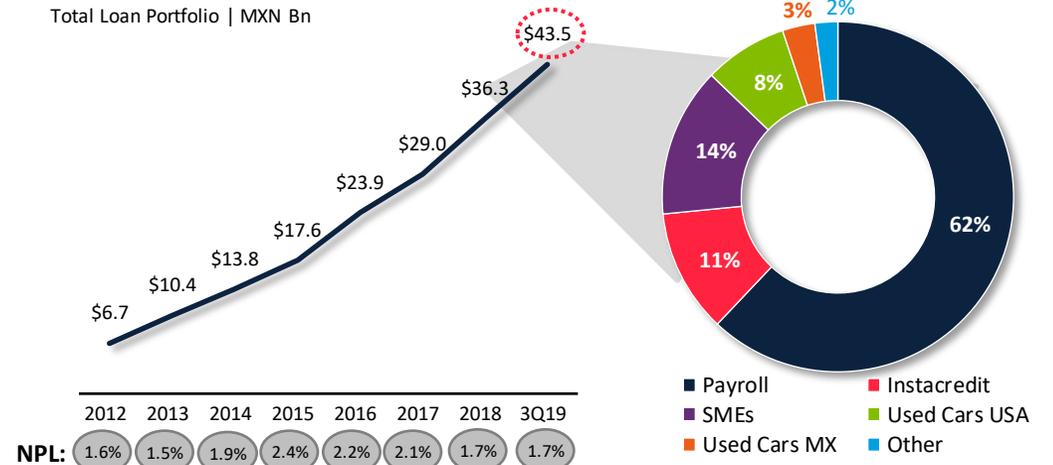
- + A leading specialty finance company in Mexico with a growing international presence (United States and Central America).
- + Highly recognized by its product offering, designed specifically for our customer base which is underserved by the traditional banking sector.
- + Over 25 years of experience in understanding the credit profile of customers and in developing and refining proprietary underwriting standards.
- + Listed on the Mexican Stock Exchange since 2012, being actively a public debt issuer in Mexico and in international bond-markets since 1995 and 2010, respectively.

Market presence



Notes:
(1) Percentage of Loan Portfolio as of 3Q19.

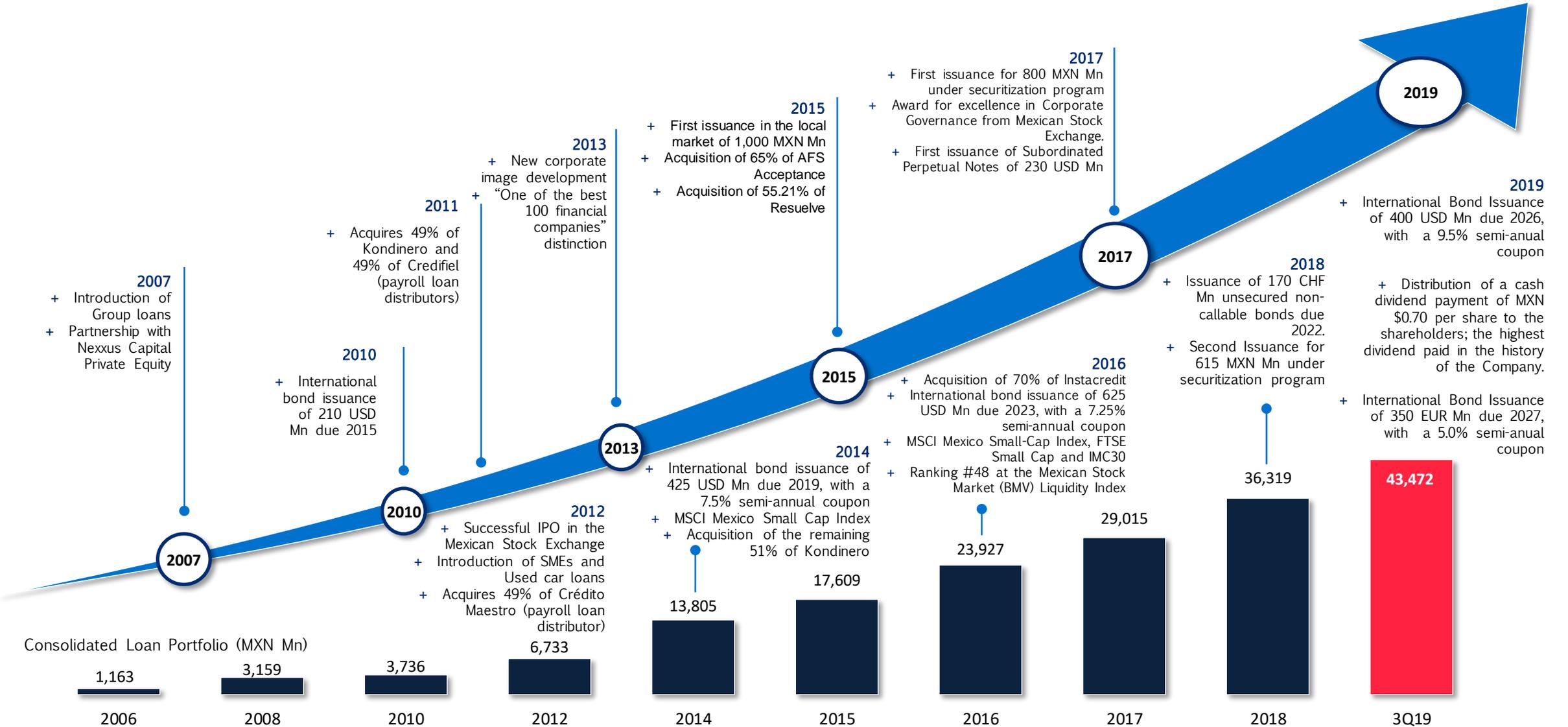
Consistently Growing Loan Portfolio



Selected Financials

MXN Mn	2015	2016	2017	2018	YTD'18	YTD'19	CAGR / Avg. 2015-2018
Income Statement							
Interest Income	\$4,264	\$6,958	\$8,557	\$10,288	\$7,465.7	\$8,640.0	34.1%
Financial Margin	\$3,312	\$5,042	\$5,773	\$7,080	\$5,036.8	\$5,279.8	28.8%
Net income	\$1,371	\$1,714	\$1,661	\$1,955	\$1,387.3	\$1,552.9	12.6%
Balance Sheet							
Assets	\$25,996	\$35,915	\$42,238	\$49,562	\$47,023	\$57,392	24.0%
Debt	\$17,444	\$24,589	\$23,585	\$30,647	\$27,865	\$37,466	20.7%
Equity	\$6,713	\$9,277	\$14,768	\$15,809	\$15,307	\$16,483	33.0%
Key Ratios							
ROAA	6.0%	5.0%	4.5%	4.2%	4.4%	3.1%	4.9%
ROAE	22.2%	20.2%	15.9%	12.9%	13.3%	10.8%	17.8%
Capitalization	38.1%	38.8%	50.9%	43.5%	43.8%	37.9%	42.8%
Efficiency	35.9%	55.2%	50.2%	42.4%	45.4%	46.1%	45.9%

Corporate History

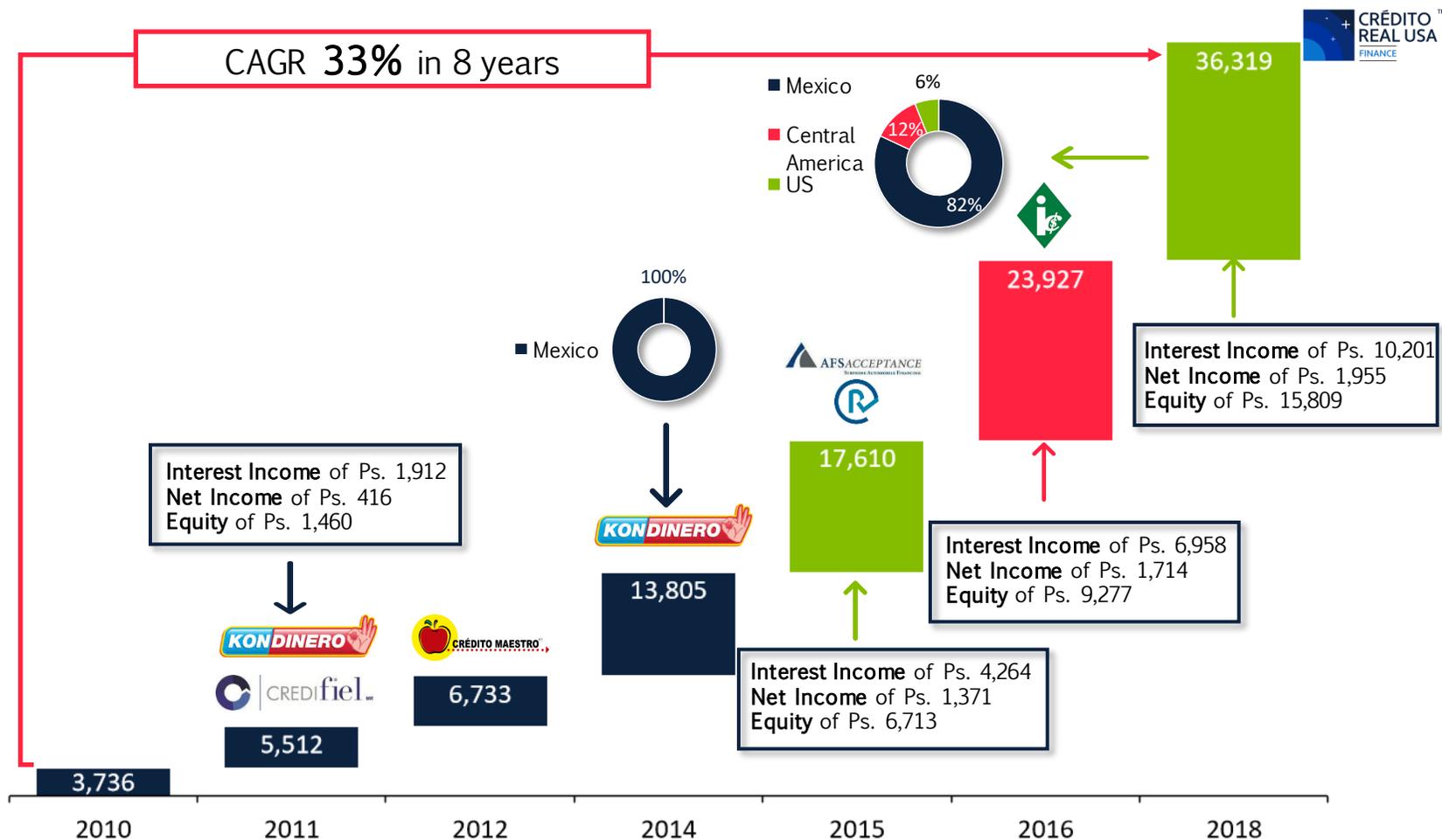


Key Investment Highlights



1 Products

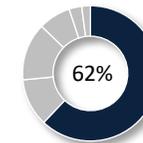
Company's Evolution



Products

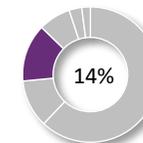
Payroll

Payroll-deducted loans to public employees and pensioners



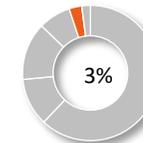
SMEs

Non-revolving lines to fund working capital and investment activities, as well as leasing



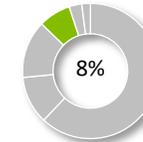
Used Cars MX

Financing to individuals and legal entities through cars and commercial vehicle warranty



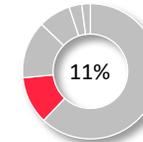
CR USA

Loans for used cars through strategic partners



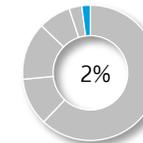
Instacredit

Consumer Loans, Auto Loans, SMEs Loans and Home Equity Loans in Central America



Others

Integrated by Group Loans and Durable Goods



+ Profitable growth through our product diversification.

+ Sustained Double-digit growth rates.

Payroll

Product overview



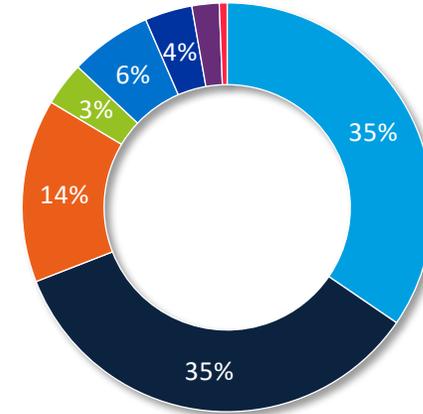
Presence all over Mexico

+ Personal loans granted mainly to unionized state and federal public-sector employees, retirees and pensioners

-  Ps. 63,171
-  Bi-weekly
-  40 months
-  427,168
-  56%
-  1.4%

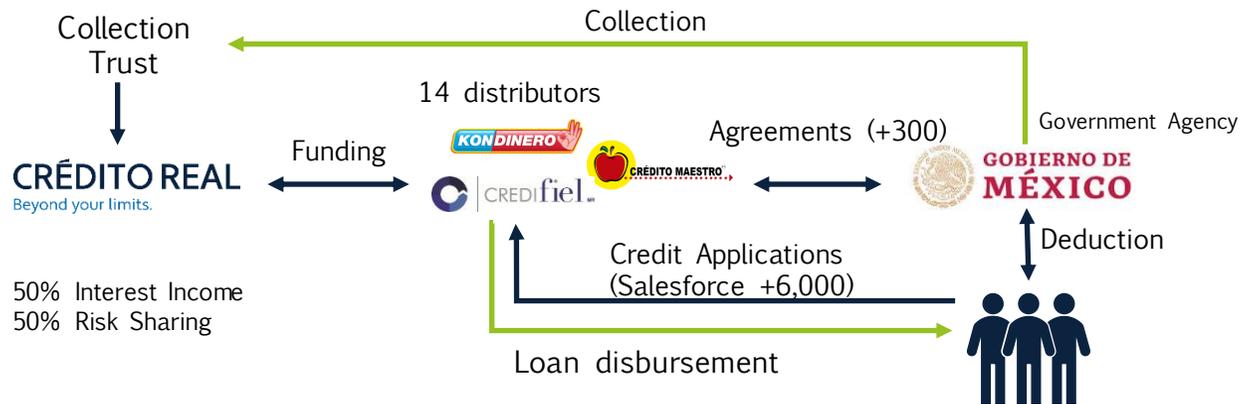
Payroll portfolio by sector

Payroll Portfolio | 26,984.5 MXN Mn
2% 1%

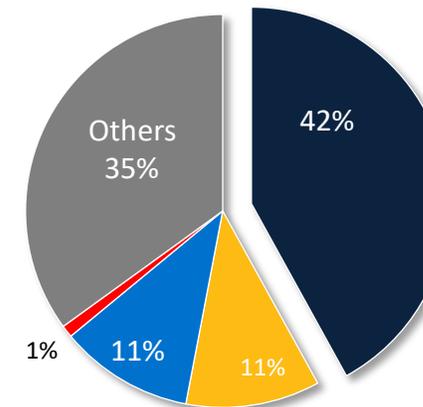


- Federal Education
- IMSS
- Government
- Education Ministry
- Health
- State Education
- Non-centralized agencies
- Other

Origination and Collection Process



Market Share

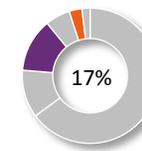


- Crédito Real
- Alphacredit
- Consubanco
- Findep
- Others

-  Average loan amount
-  Average annual interest rate
-  Customers
-  Average term
-  Payment frequency
-  Non-performing loan ratio

Source: Company estimates, based on AMDEN's information. Filled with financial reports as of December 2018

SMEs and Used Cars MX



SMEs – Product overview

+ Providing financing sources to **small and medium businesses** for working capital requirements and investment activities as well as leasing

Ps. 8.4 billion Monthly

36 months 711

19% 0.5%



Presence all over Mexico

Used Cars MX – Product overview

+ Focused on financing **semi-new and used cars** through strategic alliances with a network of distributors that use their own sales force to promote our loans

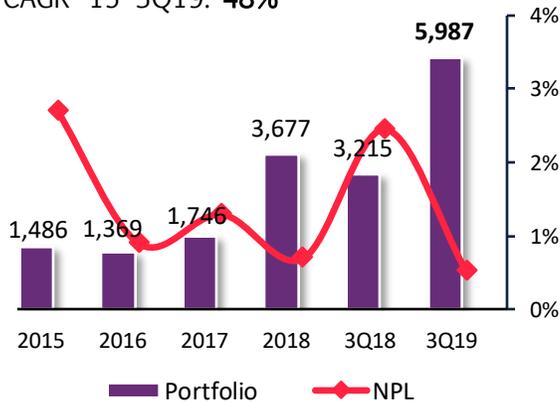
Ps. 123,420 Monthly

40 months 10,598

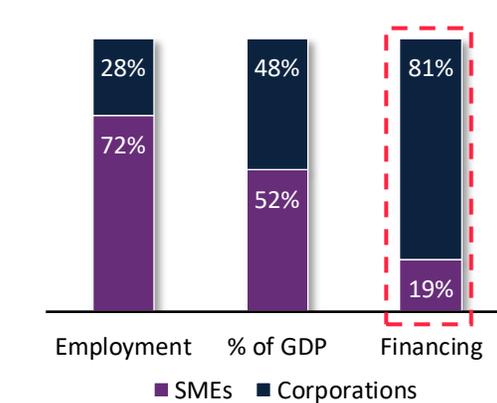
35% 0.9%

Solid Growth in the portfolio

CAGR '15-'3Q19: 48%

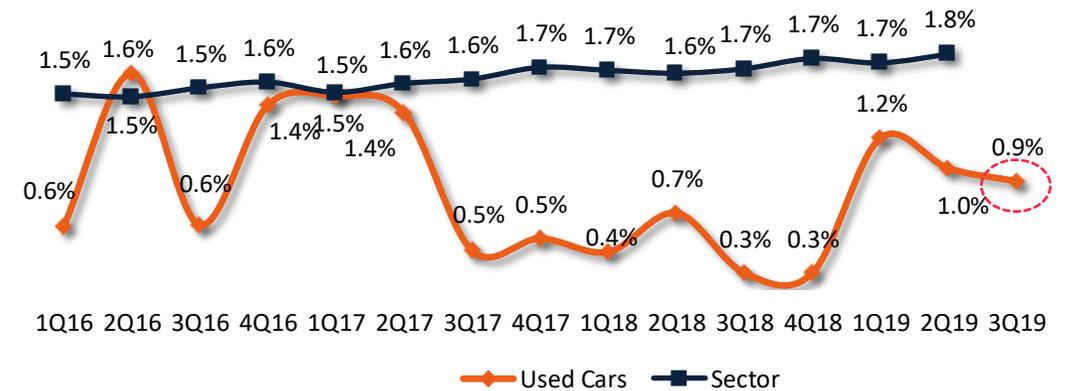


Market Underserved in Mexico



Source: INEGI

Attractive Low-Risk Business



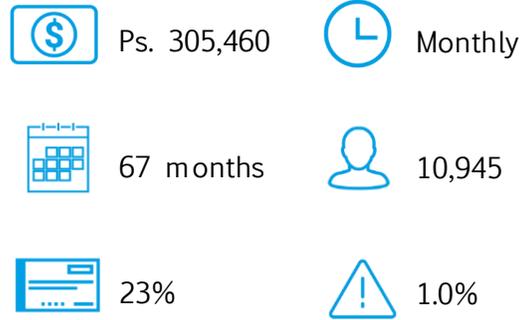
Source: CNBV

- Average loan amount
- Average term
- Average annual interest rate
- Payment frequency
- Customers
- Non-performing loan ratio

Product overview

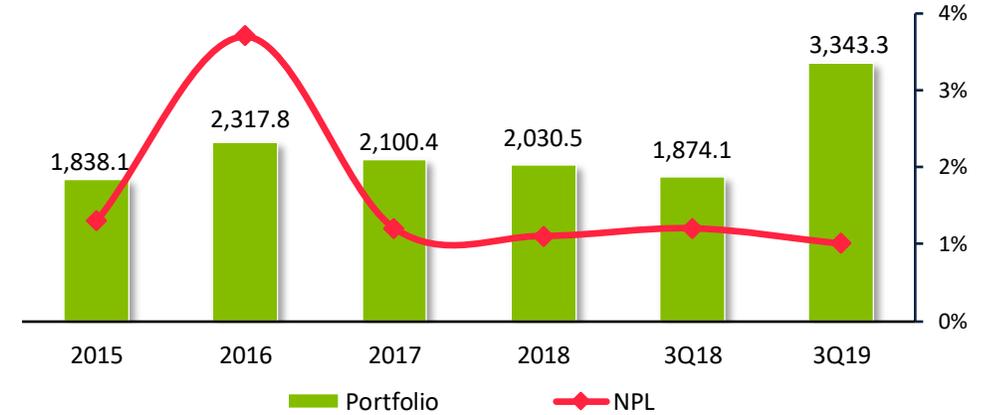


+ Commercial and financing business for used cars through our strategic alliances



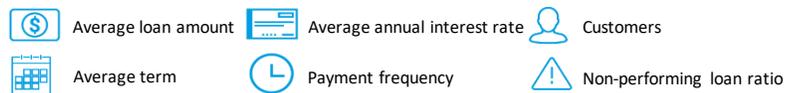
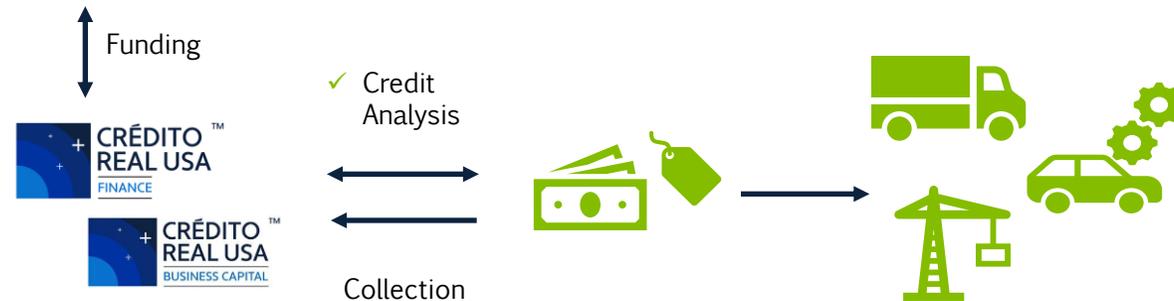
Headquarters

Portfolio Evolution



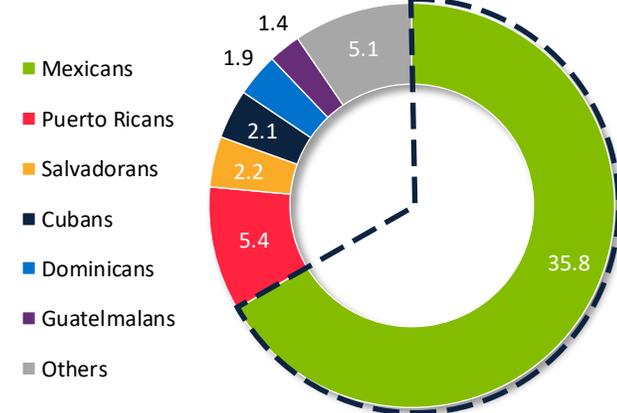
Origination and Collection Process

CRÉDITO REAL
Beyond your limits.



Hispanics in the US

In millions



+ Biggest hispanic market outside Mexico with more than 53 million people, which represents a big **opportunity** to offer our financial services in the US.

Source: Pew Research Center.

Product overview

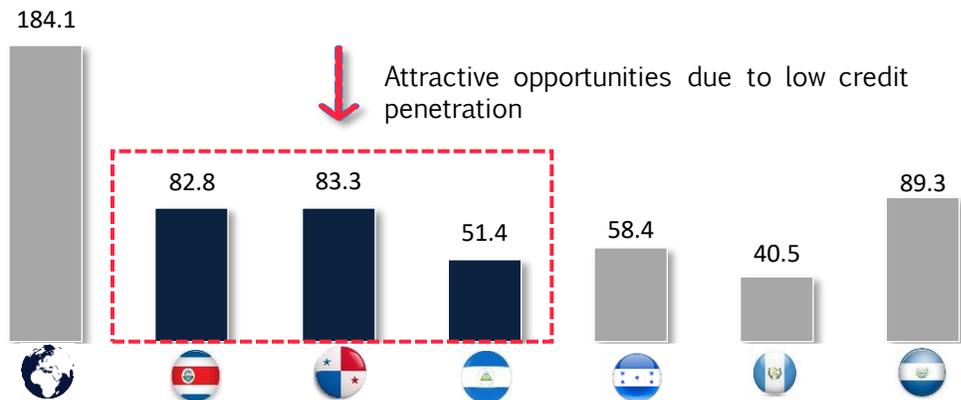
+ Consumer loans, SMEs loans, auto loans and mortgage loans granted in Costa Rica, Nicaragua and Panama



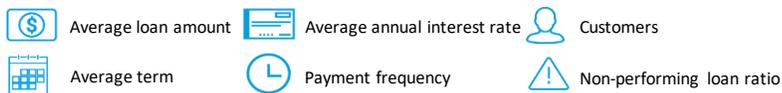
Portfolio by product

Products	Personal	Used Cars	Small Business	Home Equity
% Mix Portfolio	51.9%	33.3%	12.1%	2.7%
Customers	116,335	32,706	22,485	1,027
Avg. Loan Amount	19,452	44,465	23,526	112,756
Avg. Term	40	49	41	57
Avg. Interest Rate	61.6%	49.0%	56.5%	51.7%

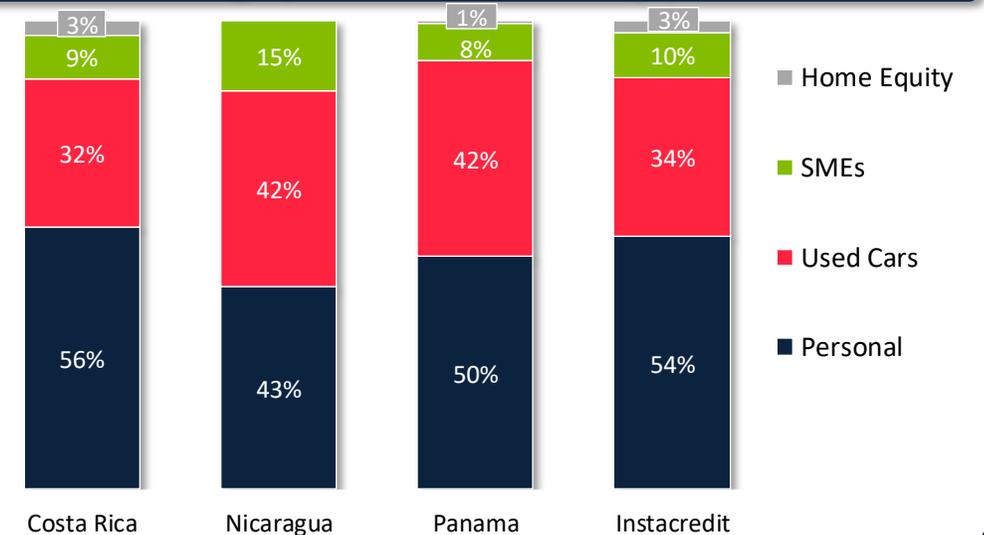
Domestic credit provided by Financial Sector (% of GDP)



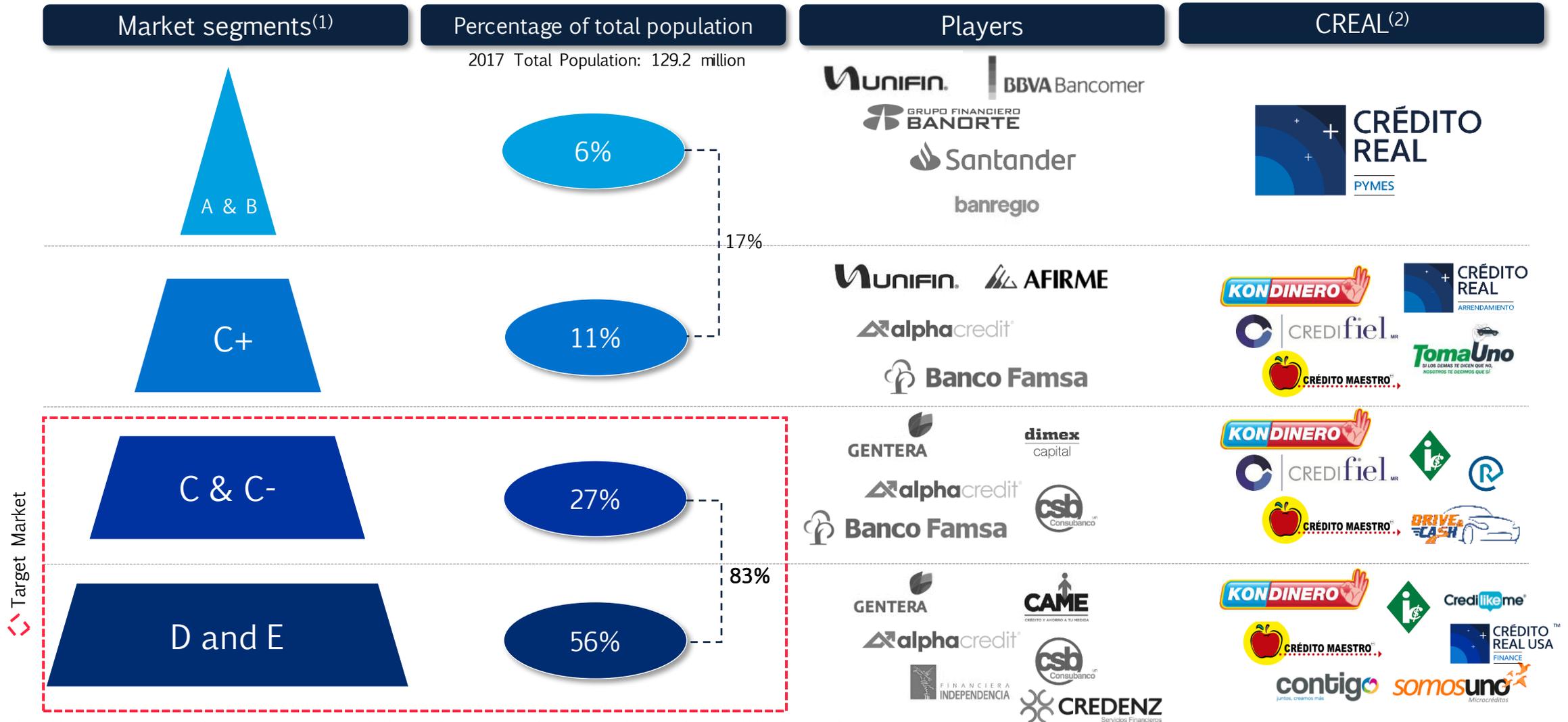
Source: World Bank as of 2017.



Geographic concentration by product



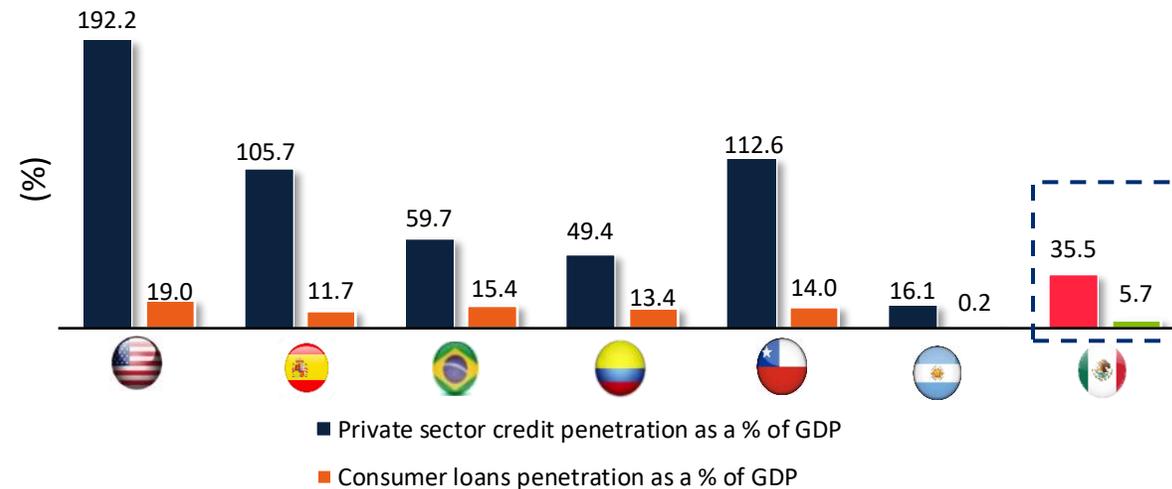
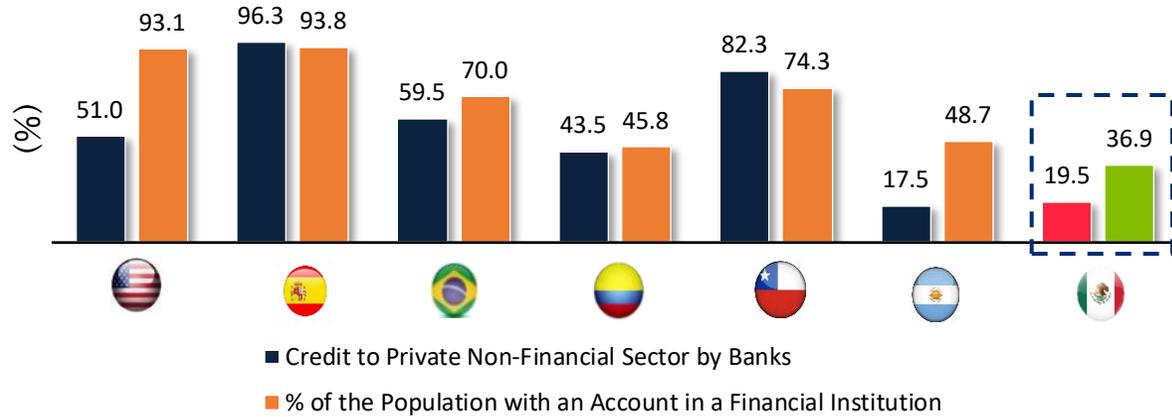
Market opportunity – Focused on Underserved Segments(1/2)



(1) Market segments are defined based on monthly family income, in accordance with the categories established by AMAI: Segment E, from Ps.0.00 to Ps.2,699; Segment D, from Ps.2,700 to Ps.6,799; Segment C, from Ps.11,600 to Ps.34,999, Segment C+, from Ps.35,000 to Ps.84,999, Segment A and B, from Ps.85,000 or more.

(2) The market segments of Instacredit and Crédito Real USA are defined based on their average loan amount as of 3Q19.

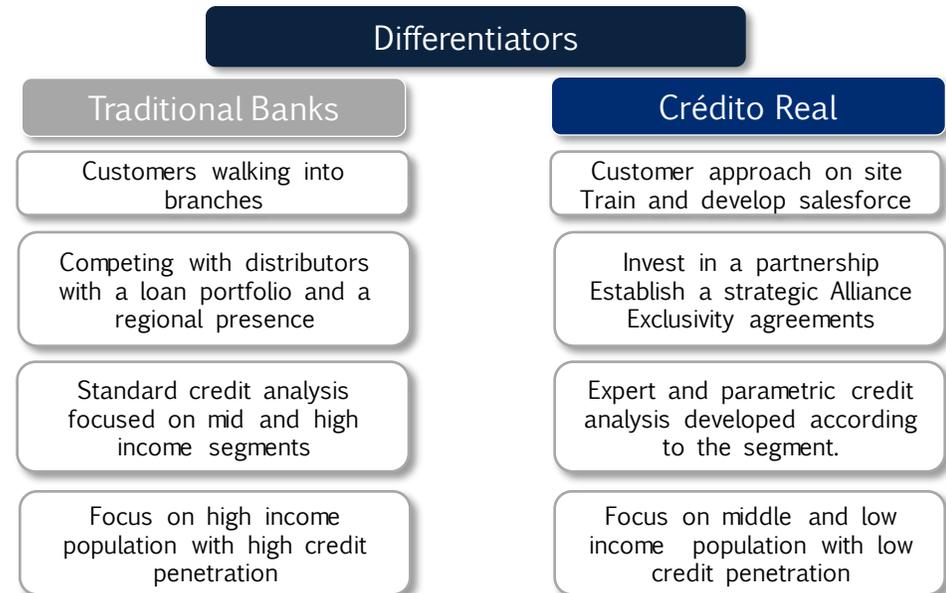
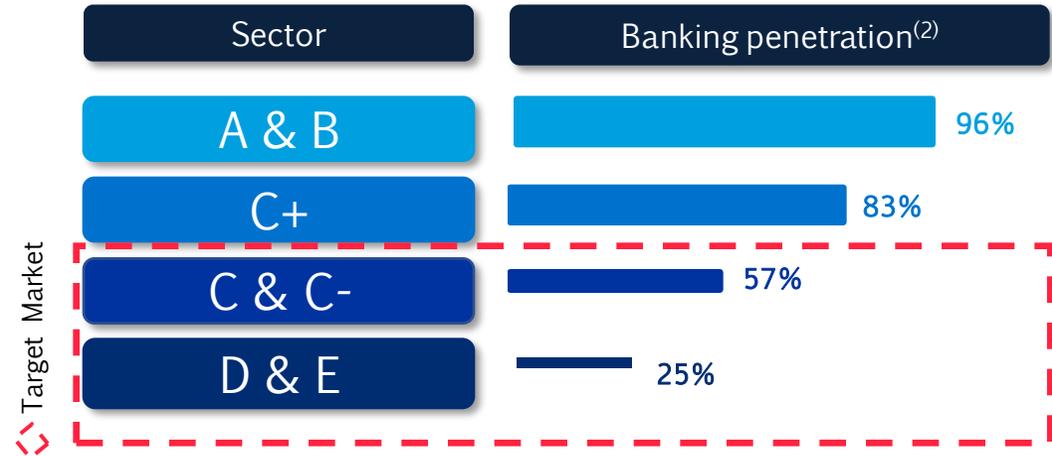
Market opportunity – Focused on Underserved Segments(2/2)



Source: CNBV, ENIF, BCRA, BCRB, SBIF, SBS, Superfinanciera de Colombia, IMF and World Bank.
 Note: Serving an underpenetrated market date reported as of 2017. Bancarization reported as of 2013.

(1) US show figures as of 2016,

(2) Population utilizing banking services. Income level by bracket (approximate annual amount in US\$): "A/B" +108,400; "C+" 76,500; "Cm/C" 29,700; "D" 8,900; "E" 3,400.

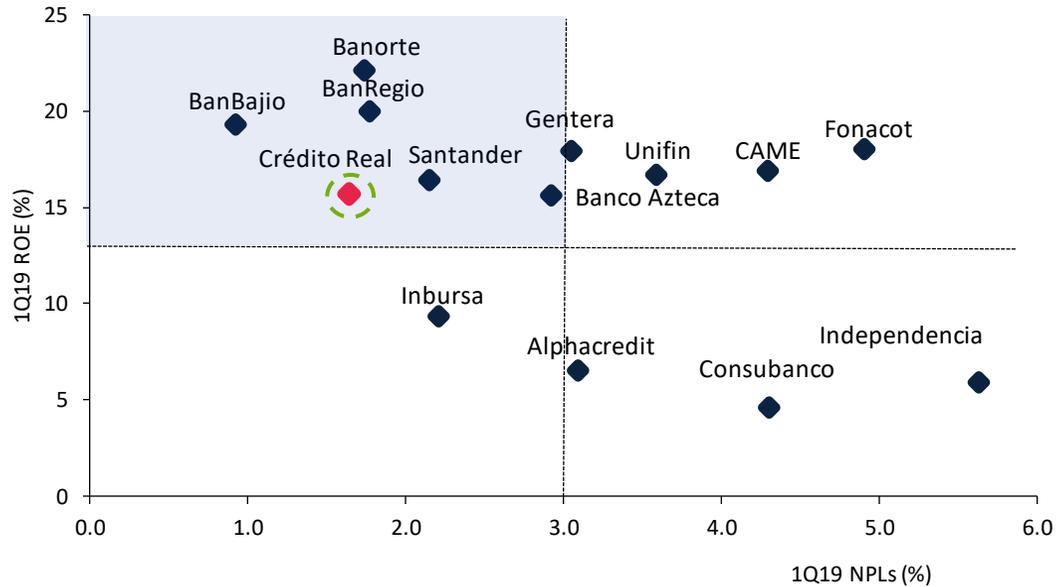


Current businesses growth strategy

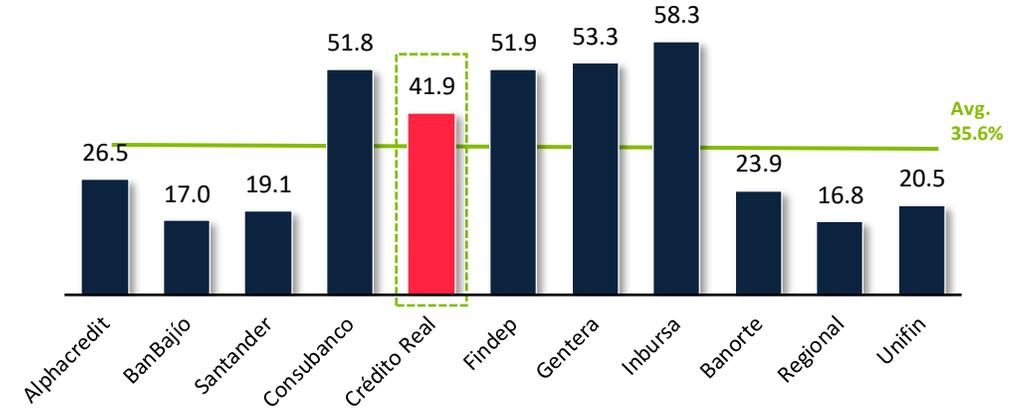
Product	Key Subsidiaries Ownership	Distribution Network	Annual Interest Rate	Customers	Avg. Loan Amount (Ps\$)	Strategy	Yield 2022
PAYROLL	100% 	14 distributors +6,000 reps	56%	427,168	63,171	Pensioners market development Focus on federal-level employees	35%
	49% 						
	49% 						
INSTACREDIT	70% 	46 branches in Costa Rica 13 branches in Nicaragua and 6 in Panama	57%	172,553	28,719	Efficiency in funding cost and general expenses Improvement in asset quality Expansion in Central America	60%
USED CARS MX	51%  	20 branches and agreements with 106 agencies in 32 States of Mexico	35%	10,598	123,420	Used Cars MX expansion Enlarge dealers network Increase competitive positioning	30%
CR USA	99% 	One strategic alliances with one Branch and +900 distributors in the US	23%	10,945	305,460	Grow dealers network New Crédito Real USA brand, expanding product offering Coupled with the enhancement in servicing and collection	30%
SMEs	 	Alliance with Fondo H CR Arrendamiento	19%	711	8.4 Million	Diversification of Fondo H portfolio Define new products sized for our clients Leasing and factoring	20%
Average yield							> 30%

2 Profitability – Defensive Competitive Positioning

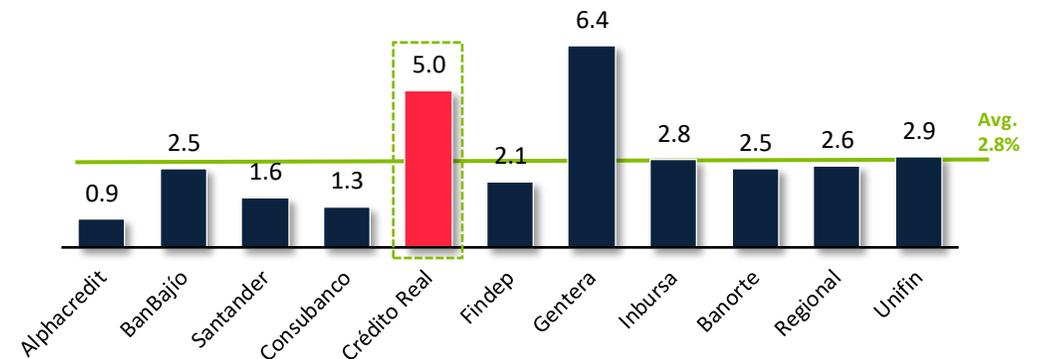
Risk-return view⁽¹⁾



Solid capital base⁽²⁾



Delivering bottom-line results (ROAA)⁽³⁾

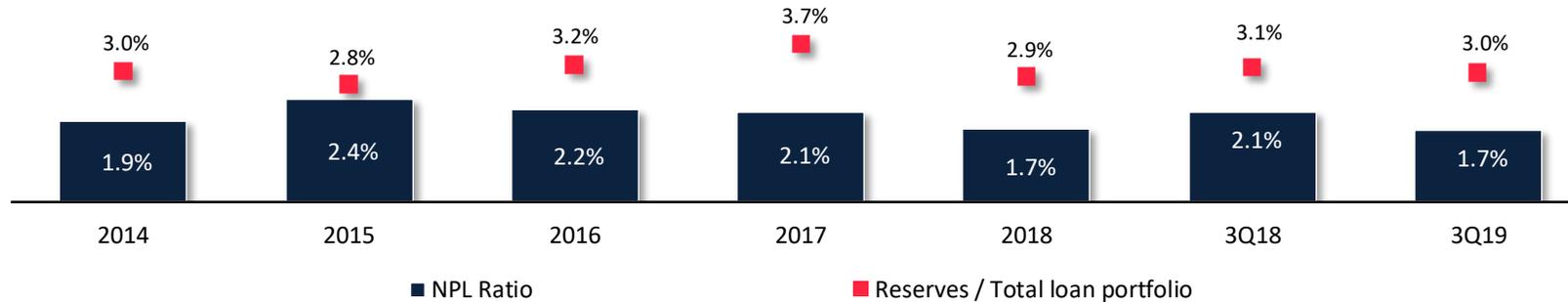


Source: Crédito Real Research and last updated information filed with BMV – *Bolsa Mexicana de Valores*. Information as of 1Q19, except Alphacredit which show figures as of 2018.

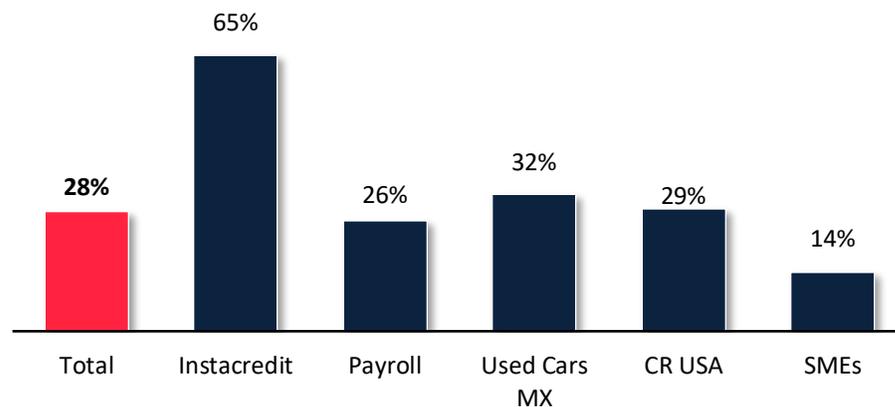
- Notes:
- (1) ROAE = 1Q19 Net Income / Average Stockholders' Equity between 1Q19 and 4Q18
 - (2) Capitalization Ratio = 1Q19 Stockholders' Equity / 1Q19 Total Loan Portfolio
 - (3) ROAA = 1Q19 Net Income / Average Assets between 1Q19 and 4Q18.

Peer-superior asset quality

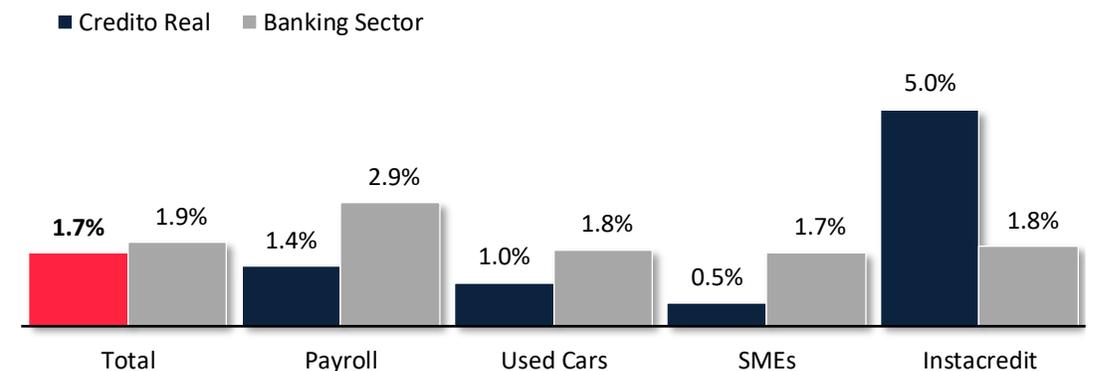
Improving levels of NPL while maintaining healthy reserves⁽¹⁾



Average Yield Breakdown by Product



NPL Breakdown by Product⁽²⁾



+ Below the banking sector in most of our products

Source: Company filings, CNBV, SUGEF

(1) Reserves calculated as end of period allowance for loan losses divided by total loan portfolio.

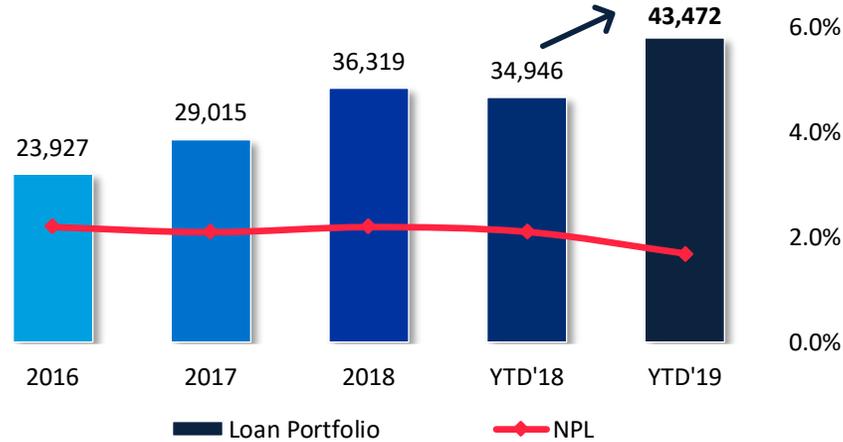
(2) Average LTM as of May 2019.

Key financial performance

Loan Portfolio

CAGR '16-'18: 23%

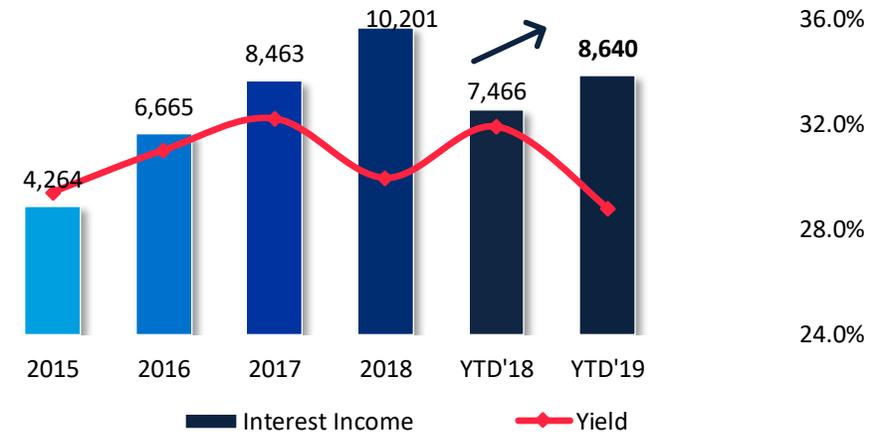
YoY Growth: **24%**



Interest Income

CAGR '16-'18: 24%

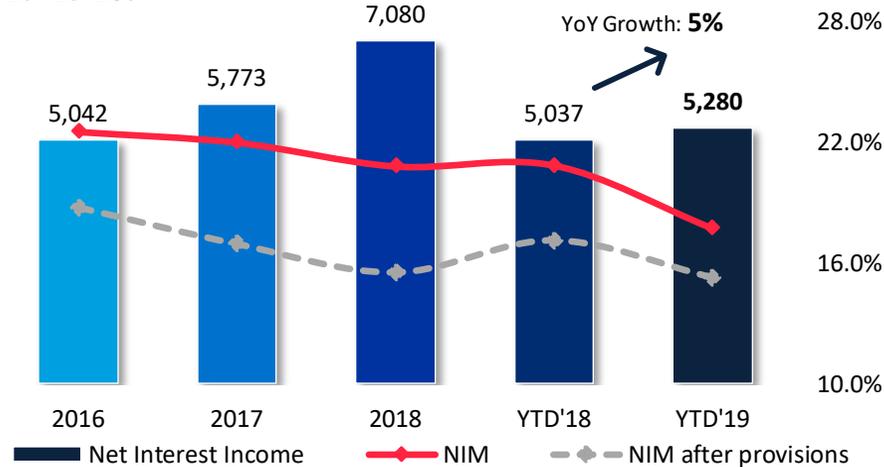
YoY Growth: **16%**



Financial Margin

CAGR '16-'18: 19%

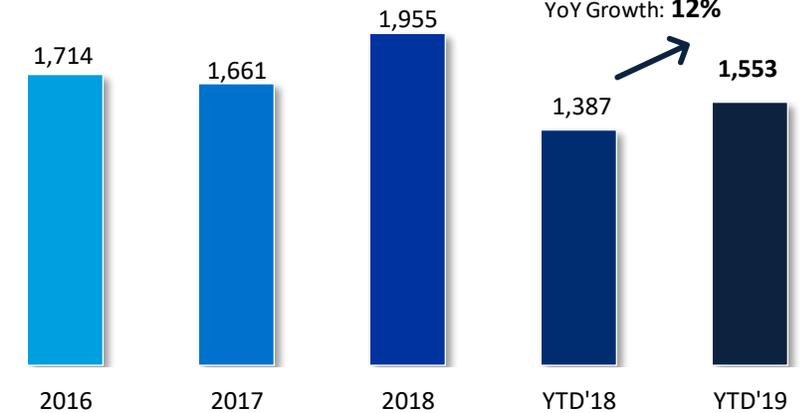
YoY Growth: **5%**



Net Income

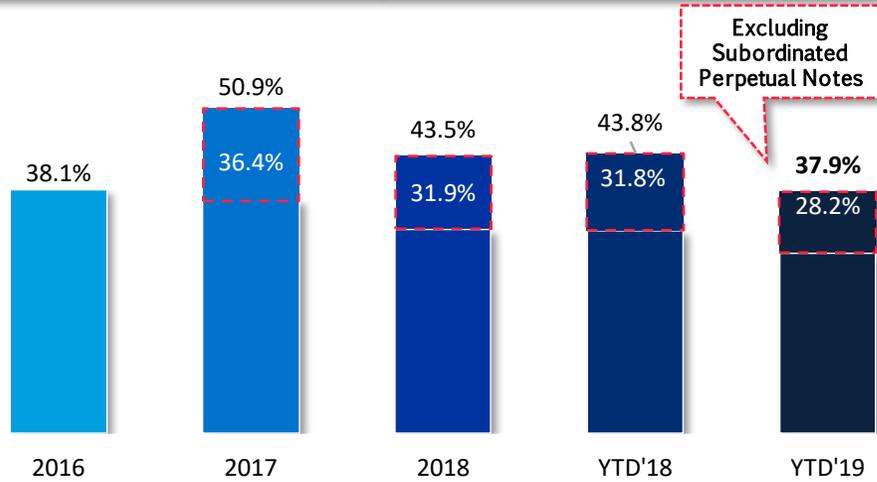
CAGR '16-'18: 7%

YoY Growth: **12%**

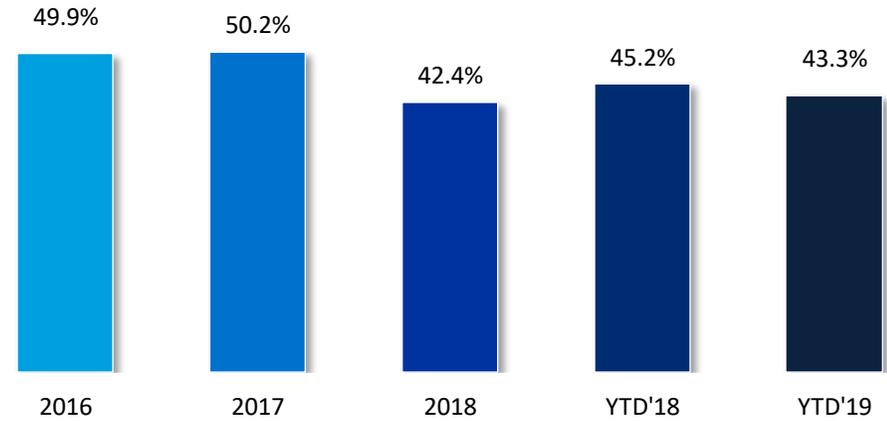


Key financial measures

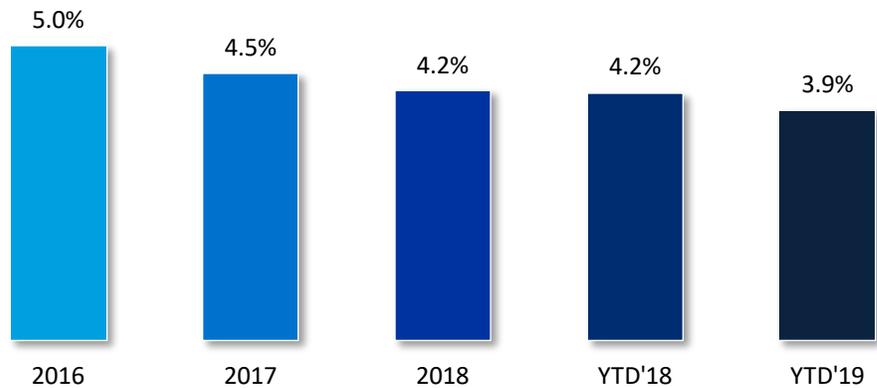
Capitalization



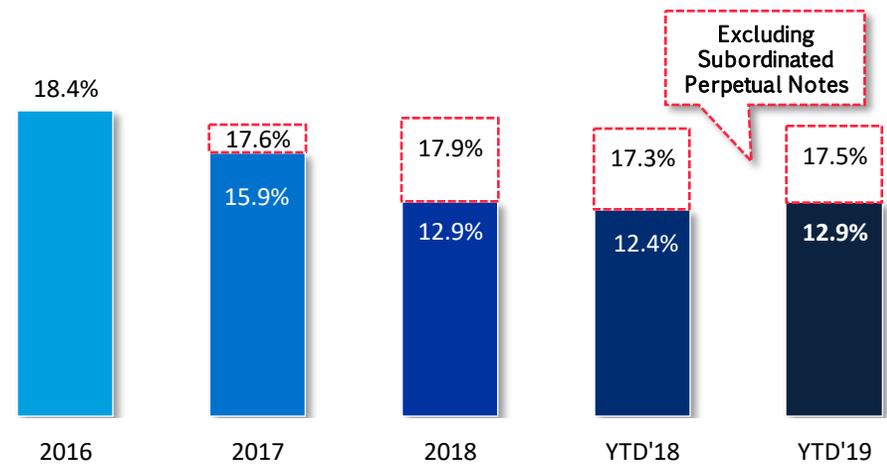
Efficiency



ROAA



ROAE



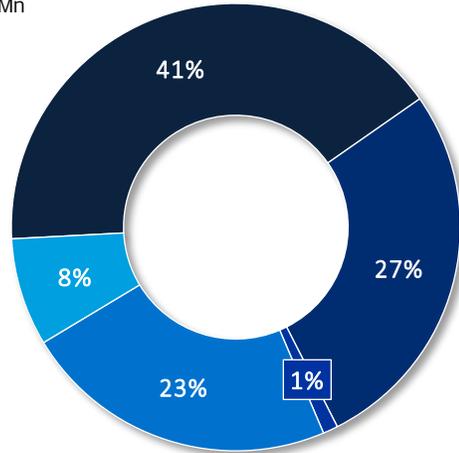
3 Funding sources

Capital Structure

Adjusted Capitalization | 53,950.6 MXN Mn

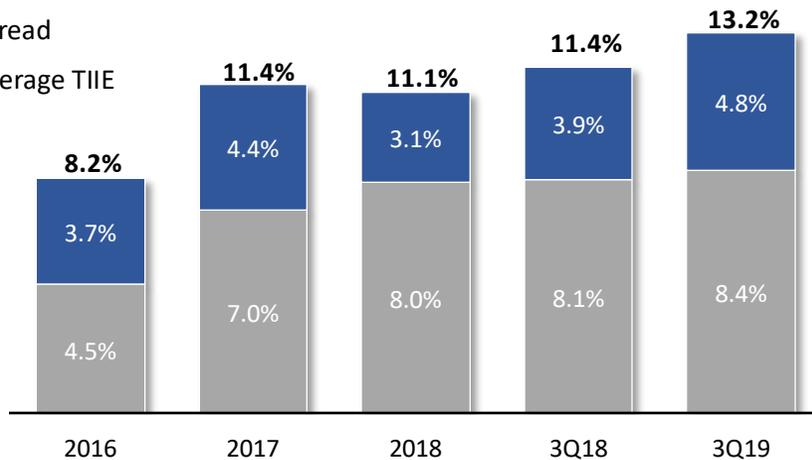
- Senior Notes
- Credit Lines
- Securitizations
- Equity
- Hybrid

28.7%⁽¹⁾



Cost of funds

- Spread
- Average TIIE



(1) Hybrid plus Equity as percentage of total Assets

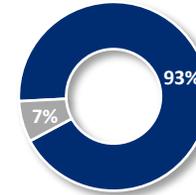
(2) Short term refers to amortization under 1 year. Long term ranges from 1 to 5 years.

Consolidated Debt Status

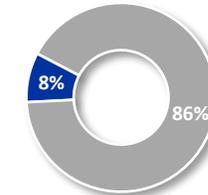
MXN Mn

Drawn vs. Undrawn

- Drawn
- Undrawn



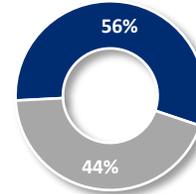
Credit Lines
100% = \$16,029



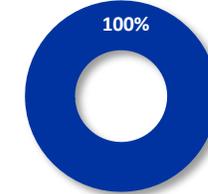
Securitizations
100% = \$10,000

Secured vs. Unsecured

- Secured
- Unsecured



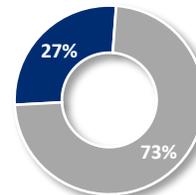
Credit Lines
100% = \$14,984



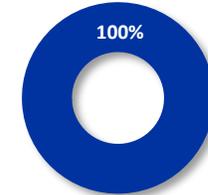
Securitizations
100% = \$10,000

Term

- Short Term
- Long Term



Credit Lines
100% = \$14,984



Securitizations
100% = \$10,000

Market risks

Interest Rate Risk

51.3% of Crédito Real's consolidated debt is fixed

Asset & Liabilities duration

Assets

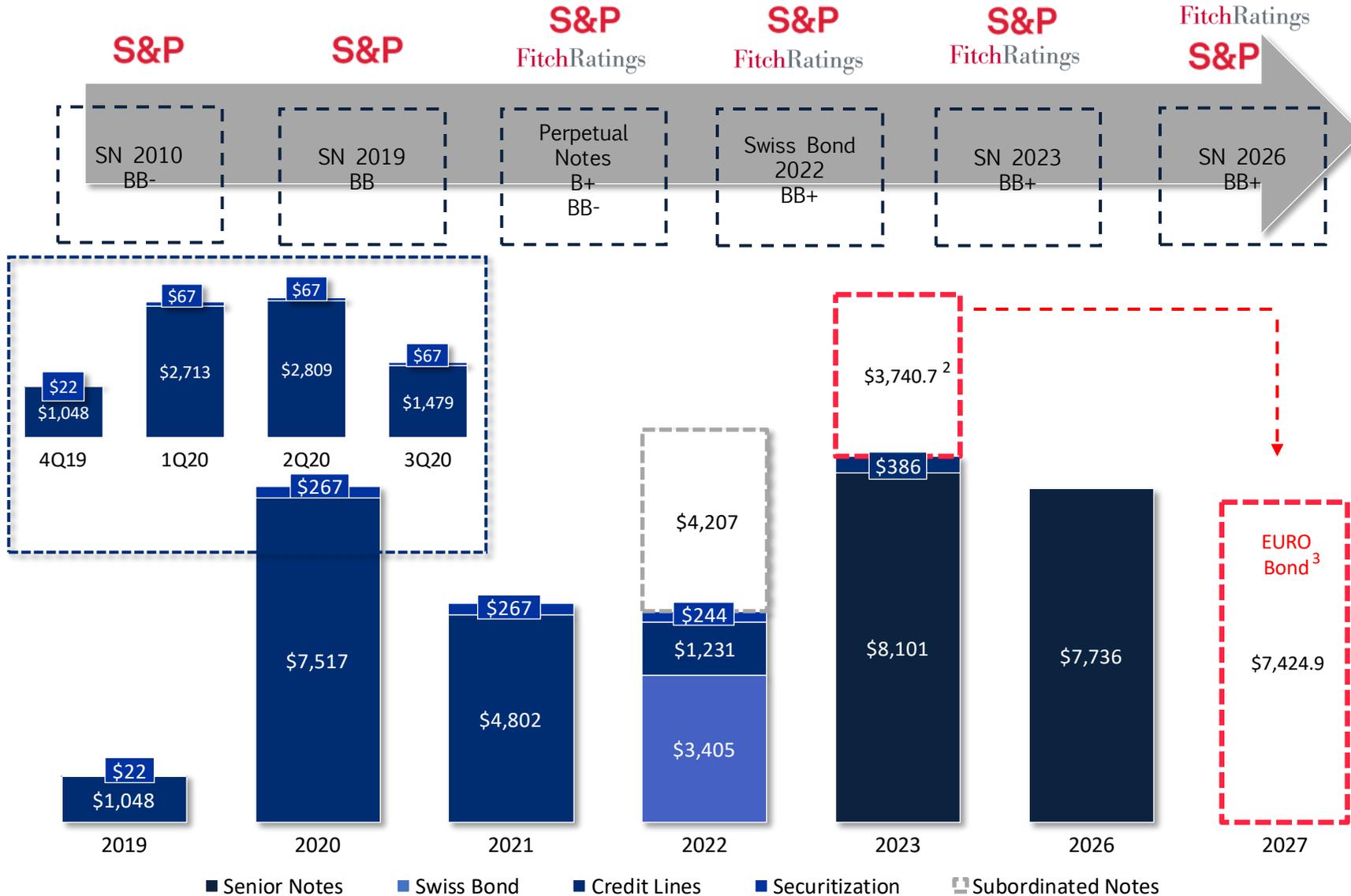
Liabilities

1.7 years

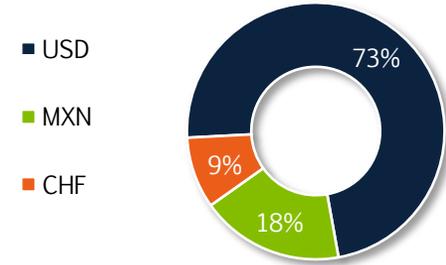
3.3 years

Assets in USD: +100 million

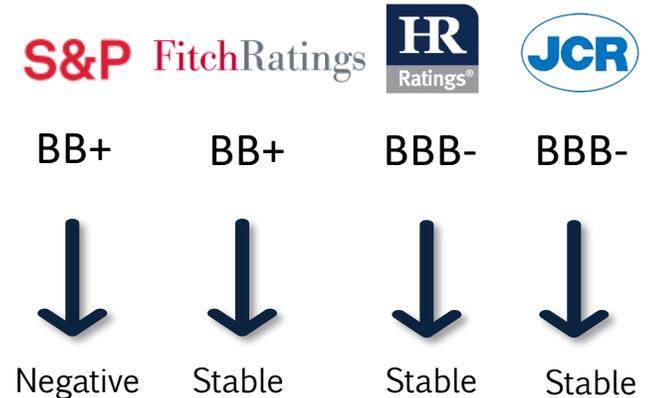
Debt Profile



Debt by currency



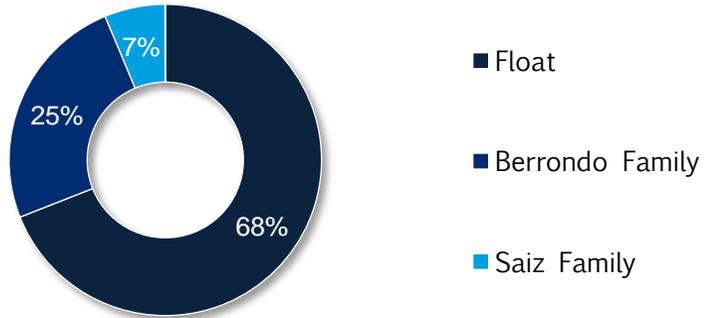
Global Scale



(1) All the figures represent only the notional and exclude accrued interests and mark-to-market of hedges. Debt converted using US\$ 1 / Ps\$ 19.7345 as of September 30, 2019.
 (2) Repayment of US \$ 198.0 mm out of US \$ 625 mm of the 2023 Senior Notes.
 (3) On October 1, 2019, Crédito Real issued EUR \$350 million Senior Notes due 2027, with a 5.00% semi-annual coupon.

4 Strong Corporate Governance and Experienced Management Team CRÉDITO REAL Beyond your limits.

Shareholder Structure



Governance Highlights

- + Listed on Mexican stock exchange (BMV:CREAL*) with a market cap of ~380 USD Mn⁽¹⁾
- + Founding members well-known and reputable in the Mexican business community (founders of leading manufacturer in the Americas, MABE)
- + Our management have a proven expertise on the sector
- + 50% of Crédito Real's Board is integrated by independent members



⁽¹⁾ As of June, 2019

Management team

Ángel Romanos CEO 25 years in CR	Carlos Ochoa Co-CEO / CFO 22 years in CR	Luis Carlos Aguilar Commercial Officer for Payroll Loans 23 years in CR
Jose Juan González COO 10 years in CR	Luis Magallanes CMO 6 years in CR	Claudia Jolly General Treasurer 21 years in CR
Luis Calixto López General Counsel 18 years in CR	Adalberto Robles Human Resources Officer 11 years in CR	Luis Berrondo M&A Officer 4 years in CR
Pablo Bustamante Comptroller 3 years in CR	Felipe Guelfi Project Officer 3 years in CR	Hector Huelgas Internal Audit Officer 3 years in CR

Key Committees



A modern conference room with a large window overlooking a city. The room features a long table, chairs, and a large screen. The ceiling has two large circular pendant lights. The room is dimly lit, with a blue tint. The word "Appendix" is overlaid in white text on the right side of the image.

Appendix

Profit & Loss

MXN Mn	3Q19	3Q18	% Var.	3Q19 (million dollars)	YTD'19	YTD'18	% Var.	YTD'19 (million dollars)
Interest income	2,950.0	2,562.0	15.1	149.5	8,640.0	7,465.7	15.7	437.8
Interest expense	(1,195.0)	(833.0)	43.5	(60.6)	-(3,360.2)	-(2,428.9)	38.3	(170.3)
Financial margin	1,755.0	1,728.9	1.5	88.9	5,279.8	5,036.8	4.8	267.5
Provision for loan losses	(429.2)	(472.0)	(9.1)	(21.7)	(1,150.1)	(1,348.3)	(14.7)	(58.3)
Adjusted financial margin	1,325.8	1,256.9	5.5	67.2	4,129.7	3,688.5	12.0	209.3
Commissions and fees collected	137.1	188.2	(27.2)	6.9	411.6	564.0	(27.0)	20.9
Commissions and fees paid	(82.6)	(55.9)	47.8	(4.2)	(263.1)	(177.8)	48.0	(13.3)
Intermediation income	(52.6)	31.4	-	(2.7)	198.4	81.1	-	10.1
Other income from operations	114.1	157.6	(27.6)	5.8	284.4	330.8	(14.0)	14.4
Administrative and promotion expenses	(929.7)	(941.4)	(1.2)	(47.1)	(2,635.5)	(2,704.5)	(2.6)	(133.5)
Operating result	512.2	636.8	(19.6)	26.0	2,125.5	1,782.0	19.3	107.7
Income taxes	(117.7)	(156.4)	(24.7)	(6.0)	(549.9)	(437.5)	25.7	(27.9)
Income before participation in the results of subsidiaries	394.4	480.4	(17.9)	20.0	1,575.6	1,344.4	17.2	79.8
Participation in the results of subsidiaries, Associates and non-controlling participation	41.5	25.0	66.0	2.1	(22.7)	42.8	-	(1.2)
Net income	436.0	505.4	(13.7)	22.1	1,552.9	1,387.3	11.9	78.7

Balance Sheet

<i>Ps. million</i>	3Q19	3Q18	% Var.	3Q19 (million US dollars) ¹	4Q18	% Var.
Cash and cash equivalents	658.2	459.7	43.2	33.4	1,106.3	(40.5)
Investments in securities	258.6	997.7	(74.1)	13.1	410.3	(37.0)
Securities and derivatives transactions	860.1	-	-	43.6	1,028.0	(16.3)
Total performing loan portfolio	42,739.8	34,210.1	24.9	2,165.7	35,701.6	19.7
Total non-performing loan portfolio	732.5	736.3	(0.5)	37.1	617.6	18.6
Loan portfolio	43,472.4	34,946.4	24.4	2,202.9	36,319.1	19.7
Less: allowance for loan losses	1,310.0	1,095.2	19.6	66.4	1,067.9	22.7
Loan portfolio (net)	42,162.3	33,851.2	24.6	2,136.5	35,251.2	19.6
Other accounts receivable (net)	6,862.8	5,486.3	25.1	347.8	5,389.3	27.3
Foreclosed assets (net)	9.5	-	-	0.5	-	-
Property, furniture and fixtures (net)	733.1	353.0	-	37.1	341.5	-
Long-term investments in shares	1,263.3	1,145.1	10.3	64.0	1,193.4	5.9
Debt insurance costs, intangibles and others	4,584.4	4,730.8	(3.1)	232.3	4,842.5	(5.3)
Total assets	57,392.4	47,023.8	22.0	2,908.2	49,562.5	15.8
Notes payable	581.9	850.9	(31.6)	29.5	1,415.0	(58.9)
Senior Notes payable	22,179.7	15,446.0	43.6	1,123.9	17,084.2	29.8
Bank loans and borrowings from other entities						
Short-term	8,069.9	6,851.8	17.8	408.9	7,342.9	9.9
Long-term	6,635.3	4,716.9	40.7	336.2	4,804.7	38.1
Total Bank loans	14,705.1	11,568.7	27.1	745.1	12,147.6	21.1
Total debt	37,466.8	27,865.6	34.5	1,898.5	30,646.7	22.3
Income taxes payable	318.6	367.7	(13.4)	16.1	390.7	(18.4)
Securities and derivatives transactions	-	245.8	-	-	-	-
Other accounts payable	683.6	1,139.3	(40.0)	34.6	1,078.6	(36.6)
Deferred taxes	2,439.5	2,098.0	16.3	123.6	1,637.6	49.0
Total liabilities	40,908.5	31,716.3	29.0	2,072.9	33,753.6	21.2
Capital stock	1,845.7	2,142.6	(13.9)	93.5	2,067.7	(10.7)
Perpetual notes	4,206.7	4,206.7	-	213.2	4,206.7	-s
Accumulated results from prior years	8,201.9	6,978.1	17.5	415.6	6,572.1	24.8
Result from valuation of cash flow hedges, net	(403.7)	(161.1)	-	(20.5)	138.6	-
Cumulative translation adjustment	20.2	(118.3)	-	1.0	(30.1)	-

Financial Ratios

	2Q19	2Q18	% Var.	YTD'19	YTD'18
Yield	28.0%	29.9%	(1.9)	29.0%	30.9%
Net Interest Margin	16.7%	20.2%	(3.5)	17.7%	20.8%
Return on Average Loan Portfolio	4.1%	5.9%	(1.8)	5.2%	5.7%
ROAA: Return on Average Assets	3.1%	4.4%	(1.2)	3.9%	4.2%
ROAE: Return on Average Stockholders' Equity	10.8%	13.3%	(2.6)	12.9%	12.4%
ROAE: Return on Average Stockholders' Equity (excluding Perpetual Notes)	14.5%	18.5%	(3.9)	17.5%	17.3%
Debt to Equity ratio	2.3	1.8	0.5	2.3	1.8
Debt to Equity ratio (excluding Perpetual Notes)	3.1	2.5	0.6	3.1	2.5
Average cost of funds	13.2%	12.0%	1.1	13.3%	11.3%
Efficiency ratio	46.1%	45.4%	0.7	43.3%	45.2%
Capitalization ratio	37.9%	43.8%	(5.9)	37.9%	43.8%
Capitalization ratio (excluding Perpetual Notes)	28.2%	31.8%	(3.5)	28.2%	31.8%
Provisions for loan losses as a percentage of total loan portfolio	3.9%	5.3%	(1.4)	3.5%	5.1%
Allowance for loan losses as a percentage of total past-due loan portfolio	178.8%	148.8%	30.1	178.8%	148.8%
Total past-due loan portfolio as a percentage of total loan portfolio	1.7%	2.1%	(0.4)	1.7%	2.1%

Disclaimer

CRÉDITO REAL

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About Crédito Real

Crédito Real is a leading financial institution in Mexico, with presence in the United States, Costa Rica, Panama, Nicaragua and Honduras, focusing on consumer lending with a diversified business platform in the following main lines of business: payroll loans, small business loans, used car loans, consumer loans through Instacredit and group loans. Crédito Real offers its products mainly to low and middle-income segments of the population that have historically been underserved by other financial institutions. The Company’s stock is listed on the Mexican Stock Exchange under the ticker symbol “CREAL*”. (Bloomberg identification number is CREAL*:MF)





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