

Profit & Loss

MXN Mn			3Q19		3Q20 ^(USD)		YTD'20		YTD'19		YTD'19	
	3Q20	3Q19	(%) Var.	Proforma	3Q20 ^(USD)	YTD'20	YTD'19	(%) Var.	Proforma	YTD'20 ^(USD)	YTD'19	(%) Var.
Interest income	2,523.3	2,950.0	(14.5)	2,934.3	114.0	7,615.5	8,640.0	(11.9)	8,507.6	343.9	343.9	
Interest expense	(1,107.9)	(1,195.0)	(7.3)	(1,277.1)	(50.0)	(3,369.0)	(3,360.2)	0.3	(3,435.9)	(152.1)	(152.1)	
Financial margin	1,415.4	1,755.0	(19.3)	1,657.3	63.9	4,246.5	5,279.8	(19.6)	5,071.7	191.8	191.8	
Net provision for loan losses	(504.4)	(364.0)	38.6	(364.6)	(22.8)	(1,368.8)	(955.4)	43.3	(950.9)	(61.8)	(61.8)	
Risk-adjusted margin	911.0	1,390.9	(34.5)	1,292.6	41.1	2,877.7	4,324.5	(33.5)	4,120.8	130.0	130.0	
Commissions and fees collected	37.2	137.1	(72.9)	179.4	1.7	115.6	411.6	(71.9)	499.0	5.2	5.2	
Commissions and fees paid	(62.7)	(82.6)	(24.0)	(82.6)	(2.8)	(181.9)	(263.1)	(30.9)	(263.1)	(8.2)	(8.2)	
Intermediation income	(31.5)	(52.6)	(40.1)	(52.6)	(1.4)	31.7	198.4	(84.0)	198.4	1.4	1.4	
Other income from operations	308.9	49.0	-	285.7	14.0	702.4	89.6	-	675.3	31.7	31.7	
Depreciation expense	(794.8)	(929.7)	(14.5)	(955.3)	(35.9)	(2,352.3)	(2,635.5)	(10.7)	(2,709.8)	(106.2)	(106.2)	
Administrative and promotion expenses	(179.9)	-	-	(69.1)	(8.1)	(334.6)	-	-	(291.6)	(15.1)	(15.1)	
Operating result	188.2	512.2	(63.3)	598.1	8.5	858.6	2,125.5	(59.6)	2,228.9	38.8	38.8	
Income taxes	(21.6)	(117.7)	(81.6)	(141.4)	(1.0)	(174.6)	(549.9)	(68.3)	(585.7)	(7.9)	(7.9)	
Income before participation in the results of subsidiaries	166.6	394.4	(57.8)	456.7	7.5	684.0	1,575.6	(56.6)	1,643.3	30.9	30.9	
Participation in the results of subsidiaries, associates and non-controlling participation	32.3	41.5	(22.2)	8.9	1.5	(48.4)	(22.7)	-	(41.5)	(2.2)	(2.2)	
Net income	198.9	436.0	(54.4)	465.7	9.0	635.7	1,552.9	(59.1)	1,601.8	28.7	28.7	

Balance Sheet

MXN Mn			3Q19		3Q20 ^(USD)		4Q19		% Var.
	3Q20	3Q19	(%) Var.	Proforma	3Q20 ^(USD)	4Q19	% Var.		
Cash and cash equivalents	399.6	658.2	(39.3)	680.9	18.0	1,180.9	66.2	(66.2)	
Investments in securities	2,144.3	258.6	-	290.6	96.8	1,294.4	65.7	65.7	
Securities and derivatives transactions	5,246.8	860.1	-	860.1	236.9	-	-	-	
Total performing loan portfolio	47,664.9	42,739.8	11.5	40,327.6	2,152.5	46,325.7	2.9	2.9	
Total non-performing loan portfolio	850.4	732.5	16.1	732.5	38.4	632.7	34.4	34.4	
Loan portfolio	48,515.3	43,472.4	11.6	41,060.1	2,190.9	46,958.4	3.3	3.3	
Less: Allowance for loan losses	1,847.8	1,310.0	41.1	1,327.2	83.4	1,390.0	32.9	32.9	
Loan portfolio (net)	46,667.5	42,162.3	10.7	39,732.9	2,107.5	45,568.4	2.4	2.4	
Factoring portfolio	1,525.4	264.5	-	876.7	68.9	162.8	-	-	
Other accounts receivable (net)	7,965.3	6,598.3	20.7	6,203.6	359.7	6,634.1	20.1	20.1	
Foreclosed assets (net)	32.2	9.5	-	9.5	1.5	10.8	-	-	
Property, furniture and fixtures (net)	3,307.8	733.1	-	3,167.0	149.4	625.3	-	-	
Long-term investments in shares	1,252.5	1,263.3	(0.9)	1,177.7	56.6	1,273.6	(1.6)	(1.6)	
Debt insurance costs, intangibles and others	5,404.8	4,584.4	17.9	4,585.1	244.1	4,841.5	11.6	11.6	
Total assets	73,946.3	57,392.4	28.8	57,584.3	3,339.4	61,591.7	20.1	20.1	
Notes payable (securitizations)	859.9	581.9	47.8	581.9	38.8	1,261.0	(31.8)	(31.8)	
Senior notes payable	30,095.8	22,179.7	35.7	22,179.7	1,359.1	24,636.7	22.2	22.2	
Bank loans and borrowings from other entities (short-term)	12,204.3	8,069.9	51.2	8,069.9	551.1	7,597.6	60.6	60.6	
Bank loans and borrowings from other entities (long-term)	9,273.7	6,635.3	39.8	6,635.3	418.8	8,015.9	15.7	15.7	
Total bank loans	21,478.0	14,705.1	46.1	14,705.1	969.9	15,613.5	37.6	37.6	
Total debt	52,433.7	37,466.8	39.9	37,466.8	2,367.9	41,511.2	26.3	26.3	
Income taxes payable	333.3	318.6	4.6	385.8	15.1	330.5	0.9	0.9	
Securities and derivatives transactions	96.0	-	-	-	4.3	765.3	(87.5)	(87.5)	
Other accounts payable	941.1	683.6	37.7	1,197.3	42.5	810.2	16.2	16.2	
Deferred taxes	2,362.8	2,439.5	(3.1)	1,970.8	106.7	2,110.6	11.9	11.9	
Total liabilities	56,166.9	40,908.5	37.3	41,020.8	2,536.5	45,527.8	23.4	23.4	
Capital stock	1,731.2	1,845.7	(6.2)	1,845.7	78.2	1,852.4	(6.5)	(6.5)	
Perpetual notes	4,206.7	4,206.7	(0.0)	4,206.7	190.0	4,206.7	-	-	
Accumulated results from prior years	9,670.3	8,201.9	17.9	8,201.9	436.7	7,778.3	24.3	24.3	
Result from valuation of cash flow hedges, net	(150.8)	(403.7)	(62.7)	(403.7)	(6.8)	(708.2)	(78.7)	(78.7)	
Cumulative translation adjustment	523.4	20.2	-	20.2	23.6	5.5	-	-	
Controlling position in subsidiaries	1,163.0	1,060.3	9.7	1,091.1	52.5	949.1	22.5	22.5	
Net income	635.7	1,552.9	(59.1)	1,601.8	28.7	1,980.1	(67.9)	(67.9)	
Total stockholders' equity	17,779.4	16,483.9	7.9	16,563.5	802.9	16,063.9	10.7	10.7	
Total liabilities and stockholders' equity	73,946.3	57,392.4	28.8	57,584.3	3,339.4	61,591.7	20.1	20.1	

Financial Ratios

	3Q20	3Q19	(%) Var.	3Q19 Proforma	YTD'20	YTD'19	(%) Var.	YTD'19 Proforma
Yield	21.1%	28.0%	(6.9)	29.4%	21.1%	29.0%	(7.9)	30.0%
Net interest margin	11.8%	16.7%	(4.8)	16.6%	11.8%	17.7%	(5.9)	17.9%
Return on average loan portfolio	1.7%	4.1%	(2.5)	4.7%	1.8%	5.2%	(3.4)	5.7%
ROAA: return on average assets	1.1%	3.1%	(2.1)	3.3%	1.2%	3.9%	(2.7)	4.0%
ROAE: return on average stockholders' equity	4.5%	10.8%	(6.3)	11.5%	4.8%	12.9%	(8.1)	13.2%
ROAE: return on average stockholders' equity (excluding perpetual notes)	5.8%	14.5%	(8.7)	15.4%	6.3%	17.5%	(11.2)	17.9%
Debt to equity ratio	2.9	2.3	0.6	2.3	2.9	2.3	0.6	2.3
Debt to equity ratio (excluding perpetual notes)	3.9	3.1	0.8	3.0	3.9	3.1	0.8	3.0
Average cost of funds	8.4%	13.2%	(4.8)	14.1%	9.1%	13.3%	(4.7)	13.6%
Efficiency ratio	54.2%	46.1%	8.2	54.5%	53.6%	43.3%	10.3	51.1%
Capitalization ratio	33.8%	37.7%	(3.9)	38.1%	33.8%	37.7%	(3.9)	38.1%
Capitalization ratio (excluding perpetual notes)	28.0%	28.2%	(0.3)	30.1%	28.0%	28.2%	(0.3)	30.1%
Provisions for loan losses as a percentage of total loan portfolio	4.2%	3.3%	0.8	3.5%	3.8%	2.9%	0.8	3.0%
Allowance for loan losses as a percentage of total past-due loan portfolio	217.3%	178.8%	38.4	181.2%	217.3%	178.8%	38.4	181.2%
Total past-due loan portfolio as a percentage of total loan portfolio	1.8%	1.7%	0.1	1.8%	1.8%	1.7%	0.1	1.8%

3Q20 Highlights

- **Cash and investment in securities balance** amounted Ps. 2,543.9 million, reflecting a solid liquidity position toward the end of the year.
- **Total portfolio** reached Ps. 52,628.1 million at the end of 3Q20, while the non-performing loan ratio stood at 1.8%.
- 3Q20 **average cost of funds** stood at 8.4%, a decrease of 480 bps. when compared to 13.2% in 3Q19.
- **Net provision for loan losses** reached Ps. 504.4 million and provisions for loan losses as a % of loan portfolio stood at 4.2% in 3Q20.
- **Financial margin** reached Ps. 1,415.4 million and **net income** totaled Ps. 198.9 million.
- **Capitalization ratio** ended the quarter at 33.8%, a clear illustration of the Company's strong capitalization.
- During the quarter, the share of **fixed-rate debt** represented 60.8% of the total consolidated debt.
- **Revolvers** maturing during the quarter for a total amount of Ps. 3.1 billion were **successfully renewed**.
- In September, the Company arranged two **new credit lines**: US\$50 million with a 15-month term with Barclays and US\$25 million with a 3-year term, with responsAbility, (an investment management company focused on microfinance and small, and medium-sized enterprises financing).

Summary of Operations

Loan portfolio summary

	3Q20					3Q19					% Var. Portfolio
	Portfolio ²	% Customers	NPL's	Average Loan	Portfolio ²	% Customers	NPL's	Average Loan			
Mexico											
Payroll	29,414.4	55.9%	464,559	1.7%	63,317	26,984.5	61.7%	427,168	1.4%	63,171	9.0
SMEs ³	11,388.6	21.6%	624	0.6% ⁶	11,790,458 ⁶	5,986.9	13.7%	711	0.5%	8,420,395	90.2
Used Cars	1,347.5	2.6%	11,788	1.3%	114,315	1,308.0	3.0%	10,598	0.9%	123,420	3.0
Others ⁴	743.4	1.4%	261,444	5.9%	2,843	894.1	2.1%	291,693	3.9%	3,065	(16.9)
Central America											
Instacredit	5,385.5	10.2%	154,268	4.1%	34,910	4,955.6	11.3%	172,553	5.0%	28,719	8.7
United States											
Used Cars	2,705.2	5.1%	10,512	0.8%	257,343	1,962.1	4.5%	9,375	1.7%	209,294	37.9
SMEs ⁵	1,673.5	3.2%	2,327	0.5% ⁶	671,278 ⁶	1,645.6	3.8%	1,570	0.0% ⁶	879,698 ⁶	1.7
Total	52,658.1	100.0%	905,522	1.8%⁶	53,577⁶	43,736.8	100.0%	913,668	1.7%⁶	47,580.0⁶	20.4

Origination summary

	3Q20		3Q19		% Var.	YTD'20		YTD'19		% (%) Var.
	Origination ²	%	Origination ²	%		Origination ²	%	Origination ²	%	
Mexico										
Payroll	1,483.9	18.7%	1,434.7	19.3%	3.4	3,617.4	15.1%	4,118.6	19.5%	(12.2)
SMEs	2,822.5	35.6%	2,043.1	27.5%	38.2	9,911.6	41.3%	6,355.7	30.1%	55.9
Used Cars	135.8	1.7%	287.7	3.9%	(52.8)	526.1	2.2%	1,039.0	4.9%	(49.4)
Others ⁴	1,757.5	22.2%	1,804.5	24.3%	(2.6)	5,433.1	22.7%	4,898.1	23.2%	10.9
Central America										
Instacredit	527.5	6.6%	909.5	12.2%	(42.0)	1,968.6	8.2%	2,505.7	11.9%	(21.4)
United States										
Used Cars	508.5	6.4%	506.1	6.8%	0.5	1,081.1	4.5%	1,160.6	5.5%	(6.8)
SMEs	698.5	8.8%	450.8	6.1%	55.0	1,433.6	6.0%	1,011.1	4.8%	41.8
Total	7,934.2	100.0%	7,436.3	100.0%	6.7	23,971.6	100.0%	21,088.9	100.0%	13.7

(1) Figures are expressed in millions of dollars at period-end exchange rate: \$22.1438

(2) Figures are expressed in millions of pesos.

(3) Integrated by SMEs traditional and CRA, and includes Ps. 2,61.4 million of leasing and Ps. 1,414.0 million factoring registered in fixed assets and other accounts receivable, respectively.

(4) Integrated by Group Loans and Durable Goods, and includes strategic alliances.

(5) Includes Ps.111.4 million in 3Q20 and Ps. 264.5 million in 3Q19 of factoring US registered in other accounts receivable.

(6) Related to loan portfolio which excludes the leasing and factoring portfolios previously detailed.

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The shares of Credito Real are listed in the Mexican Stock Exchange under the ticker "CREAL*".

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