



BBVA Continental

Investors Report

Third Quarter 2016

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Sections

- 1 Peru: Attractive economy and financial system
- 2 Organization
- 3 BBVA Continental vs. Peers
- 4 Ratings
- 5 Social responsibility and Awards

1

Peru:

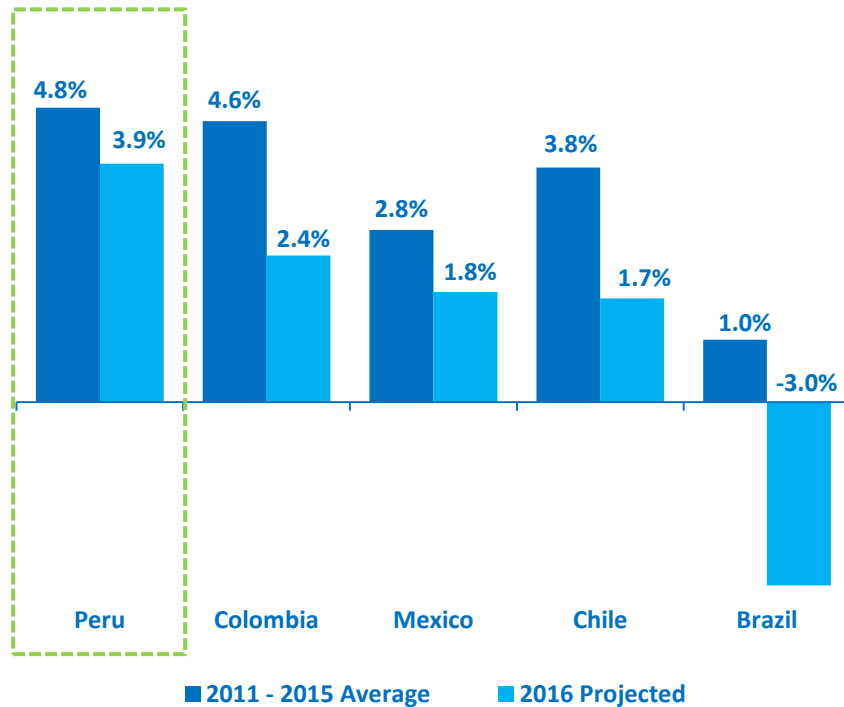
**Attractive economy &
financial system**

Peru: one of the most stable and fastest-growing economies in the region...

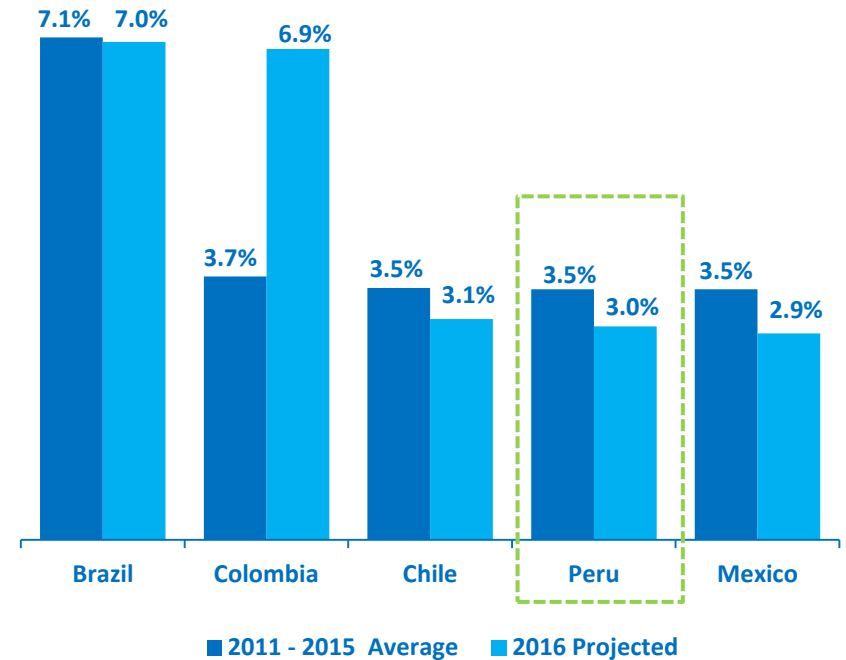
Peru is one of the economies with fastest growth in Latin America...

...with one of the lowest inflation rates in the region

Real GDP

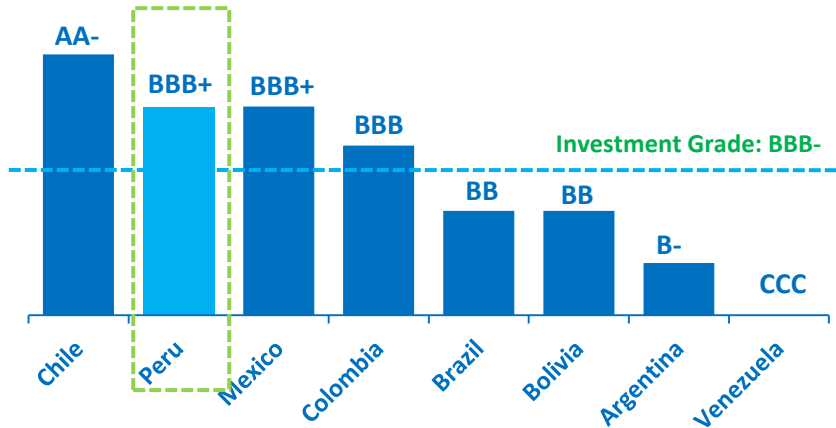


Inflation (End of Period)



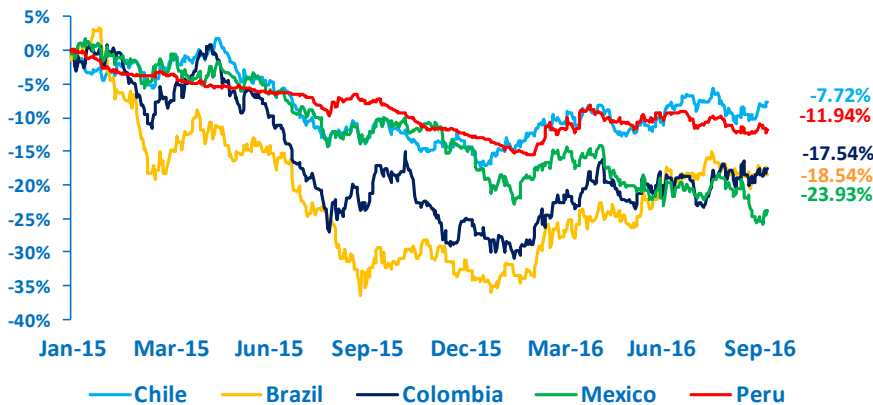
...sovereign investment grade, relatively stable currency and low levels of debt

Ratings



Source: Standard & Poor's

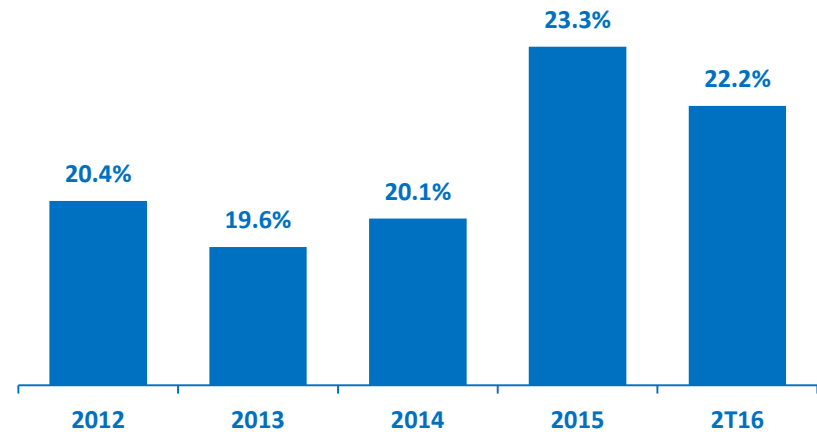
Currency depreciation against USD



Source: Bloomberg

Public Debt as a percentage of GDP

65.7% Average debt of the General Government / GDP for countries with BBB+ rating for 2015



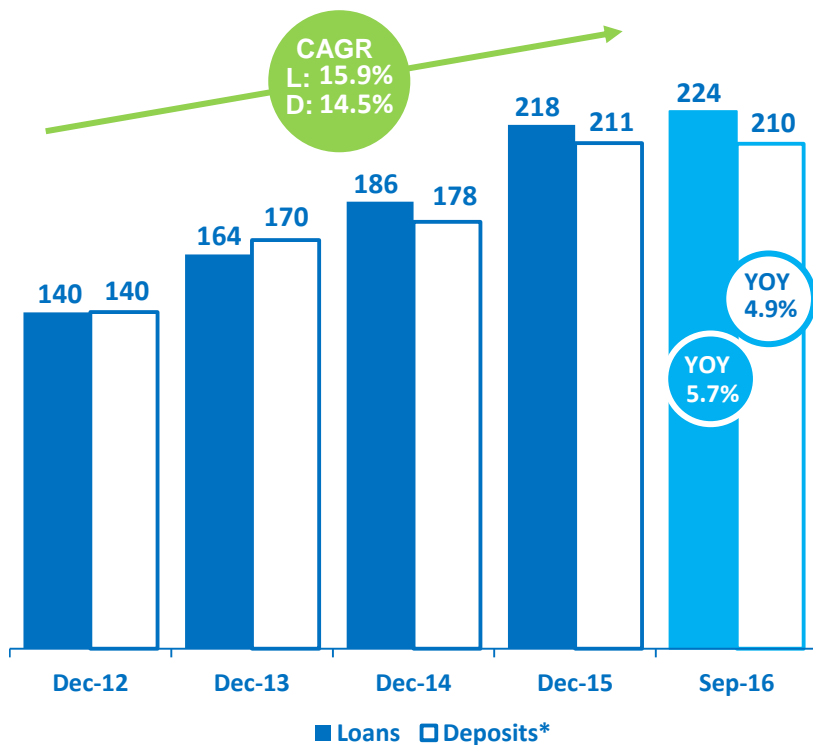
Source: Central Bank of Peru

Peru has a solid Financial System with great opportunities of expansion...

The Peruvian Banking System has shown strong growth...

Performing loans and Deposits

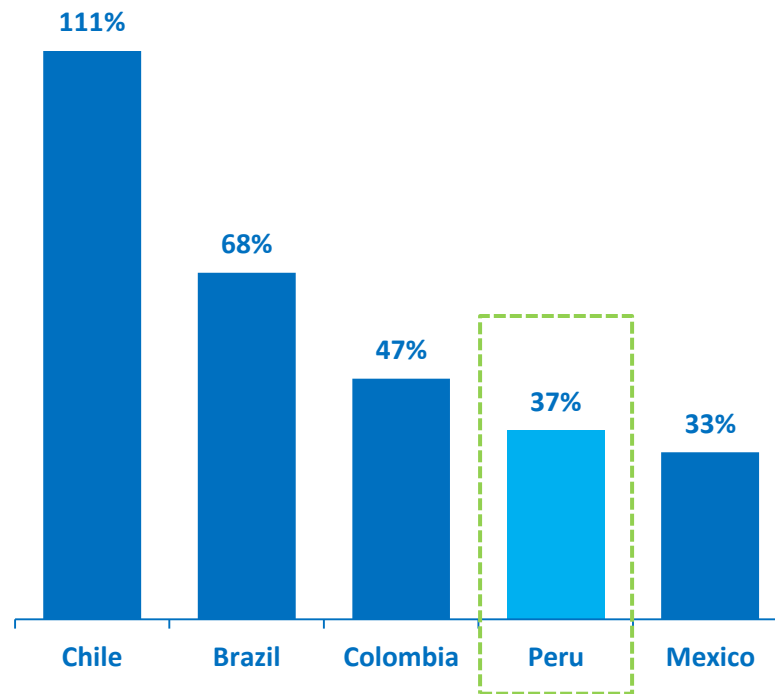
PEN thousands of millions



...with great potential for future expansion

Loans to private sector as a percentage of GDP

2015

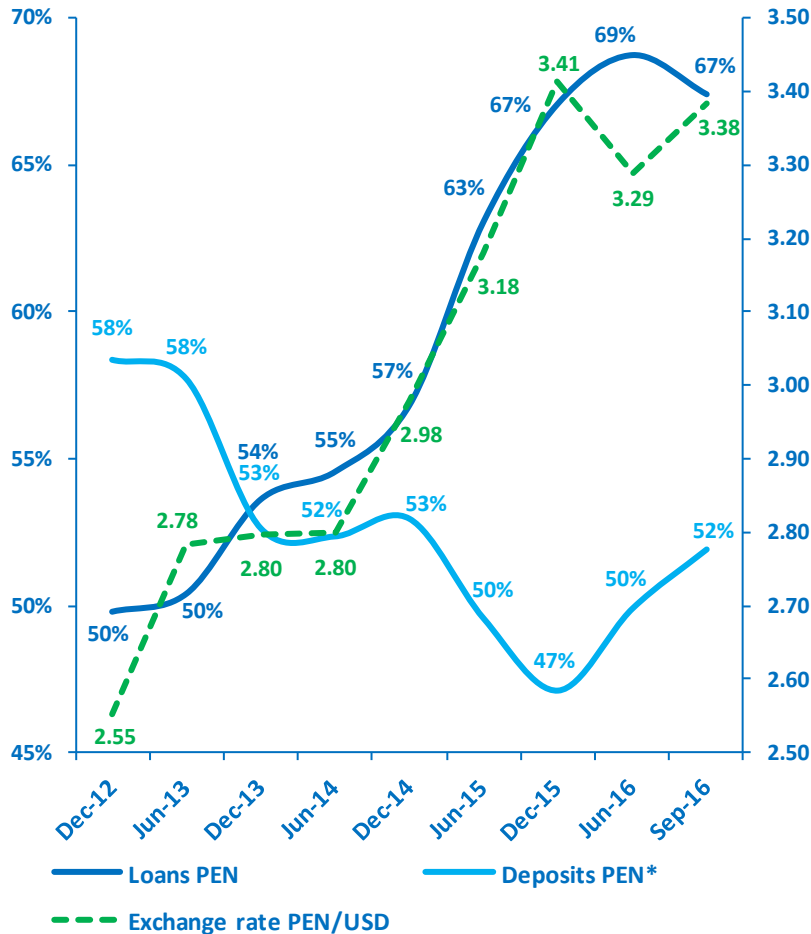


*Other obligations are excluded from deposits
Source: Superintendencia de Banca, Seguros y AFP

Source: World Bank.

...and an active Central Bank, which promotes PEN denomination of Loans

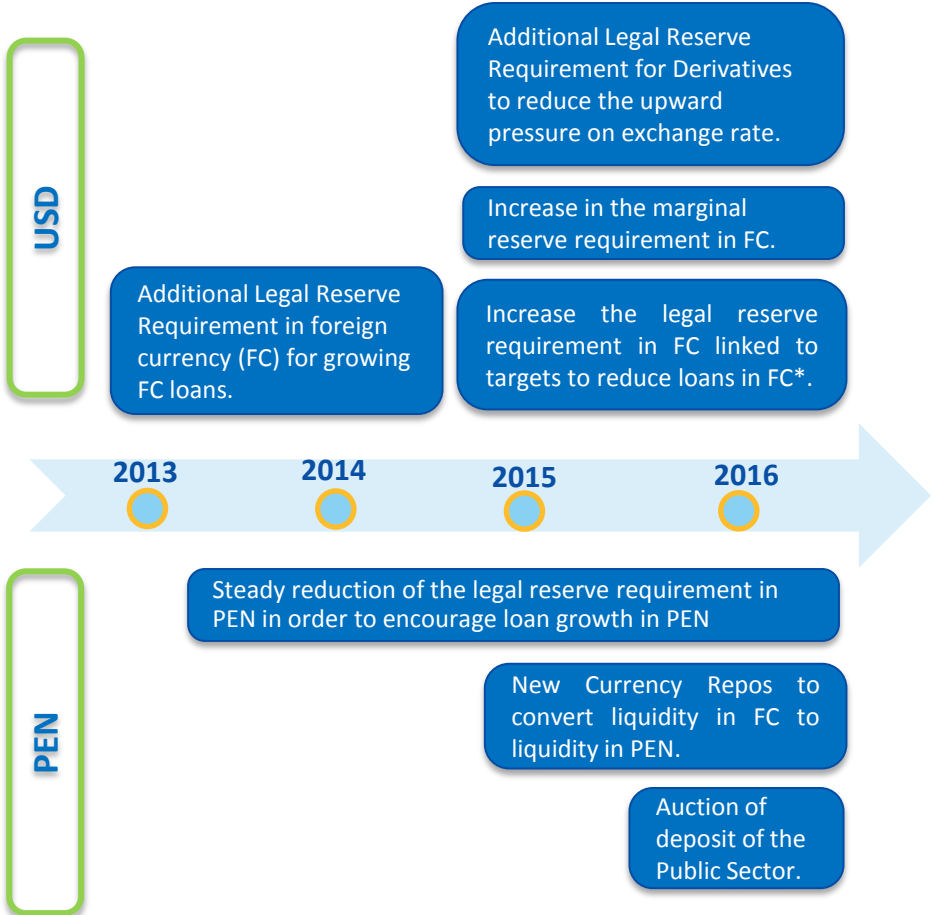
PEN - denominated Loans and Deposits at the Banking System



*Other obligations are excluded from deposits
Source: Superintendencia de Banca, Seguros y AFP

Objective: Reducing credit exchange rate risk

Central Bank Measures:

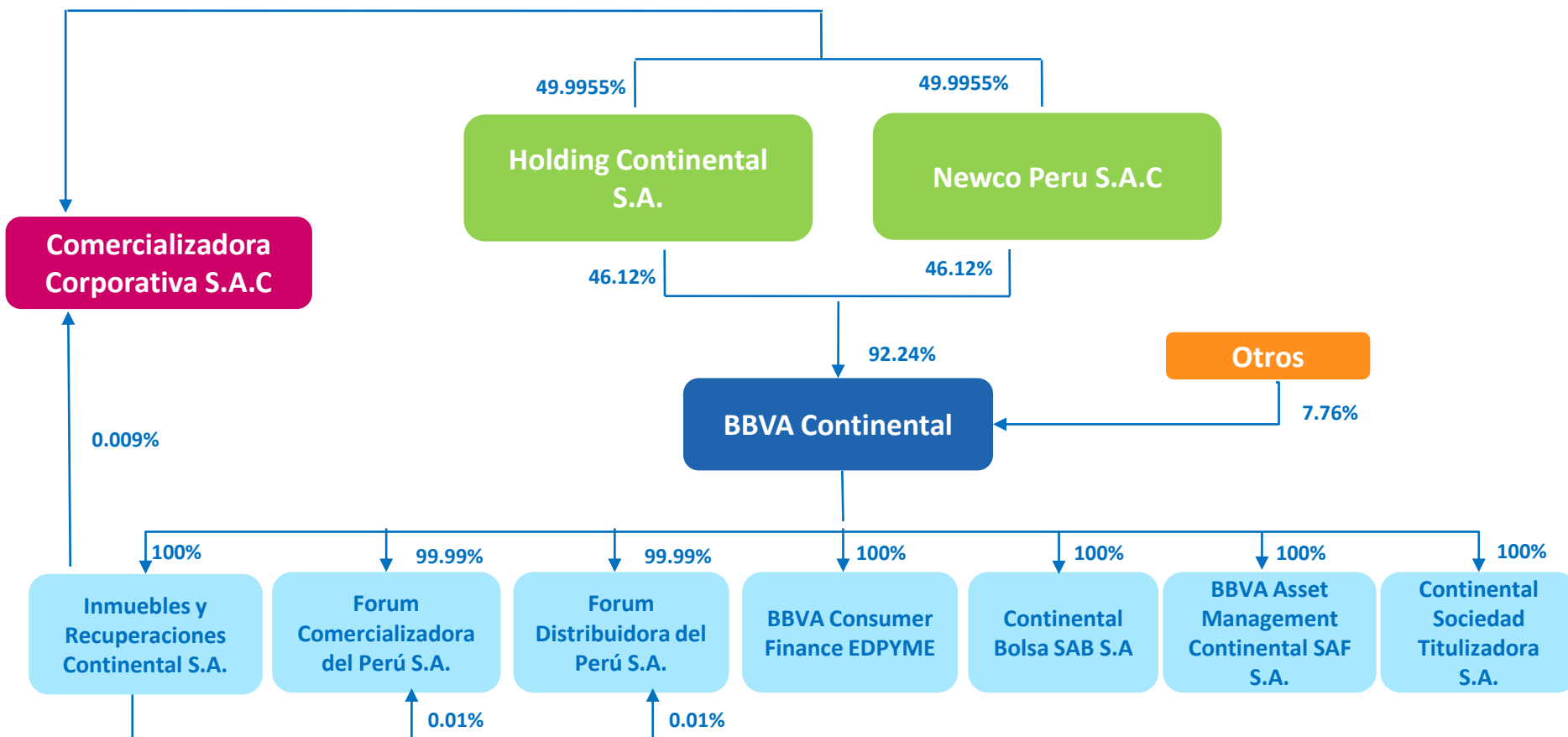


*Excluded operations higher than USD10MM and 3 years (before 4 years) from June 2015.
Source: Banco Central de Reserva del Perú, BCRP

2 Organization

BBVA Continental Shareholders

BBVA Continental and Subsidiaries are part of the Economic Group formed by BBVA Group and Breca:



Appropriate balance between developed and emerging markets that allows the BBVA Group to diversify its sources of income by providing a high degree of recurrence in their results

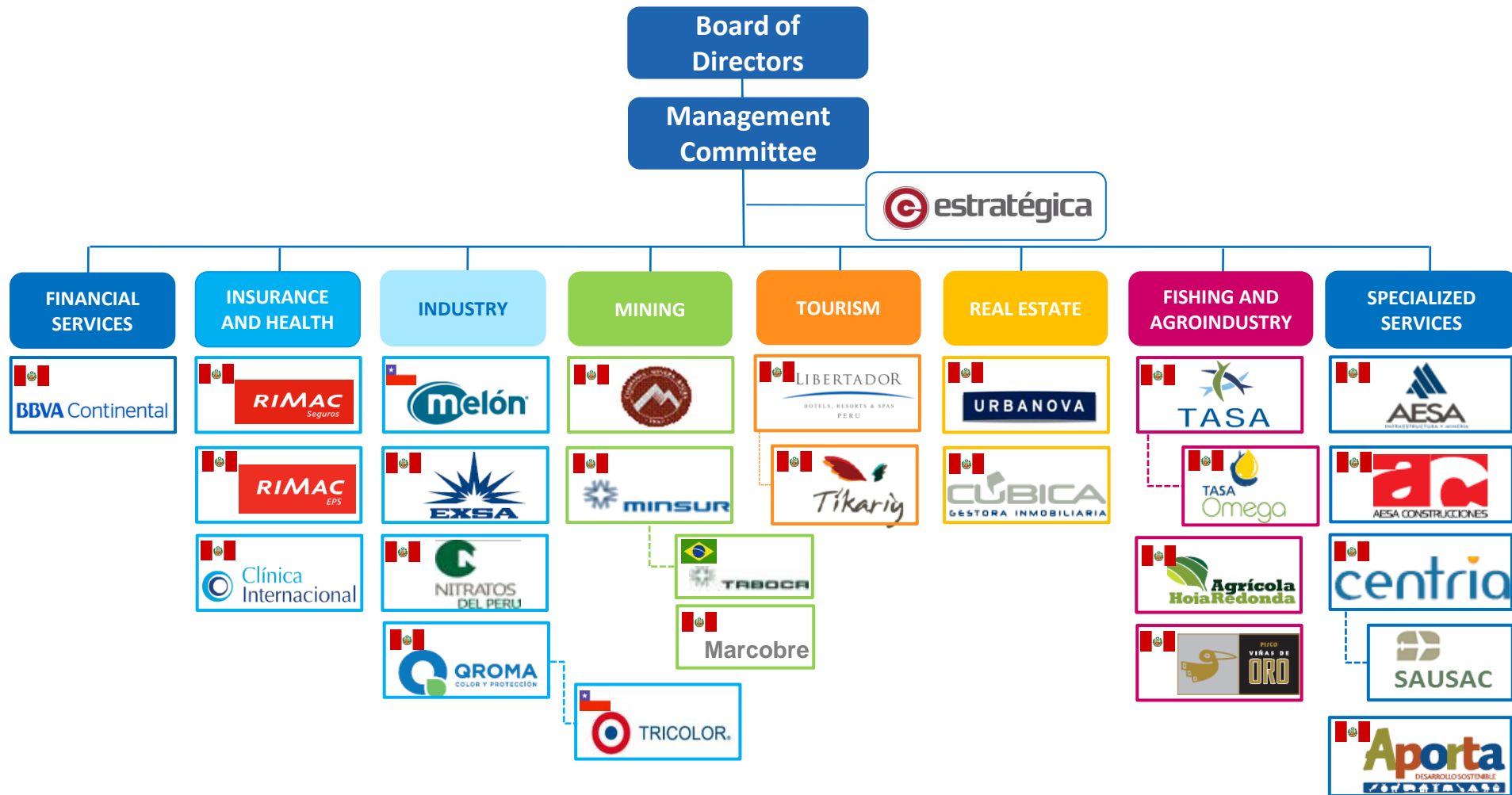


€ 725 billion in total assets	68 million customers <small>(to August of 2016)</small>	35 countries	8,761 branches	30,890 ATMs	136,244 employees
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1/ Excludes Corporate activities; YoY change in constant Euros
Source: BBVA Group

Breca

Business group founded by the Brescia Cafferata family, is one of the largest business conglomerates in Peru, with operations in Peru, Chile and Brazil

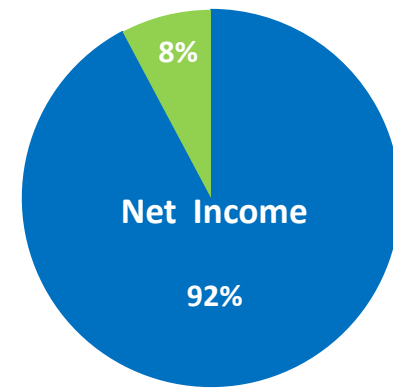
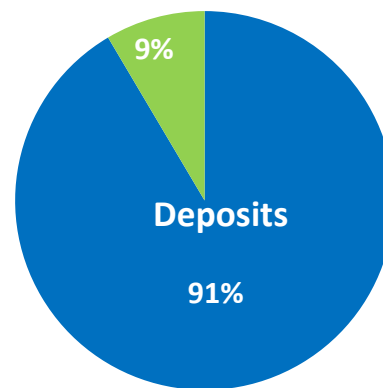
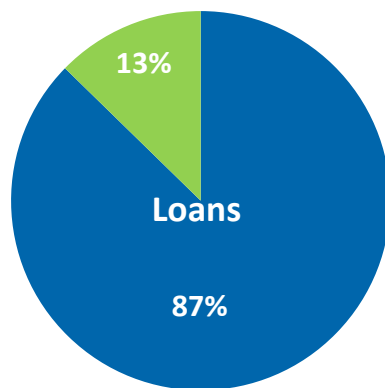


Peruvian Financial System

September 2016

Financial system	Institution PEN Million	Net loans Sep-16	Deposits* Sep-16	Net Income Sep-16
Banking system	Banks (16)	222,822	210,488	5,258
	Banco de la Nación	9,523	20,929	688
Other financial institutions	Cajas Municipales (12)	14,718	15,783	288
	Financieras (11)	8,729	5,443	202
	Cajas Rurales (6)	917	519	-5
	Edpymes (10)	1,394	-	0
	Leasing (2)	343	-	-2
	COFIDE	6,559	245	59
	Agrobanco	1,604	-	5

The four largest banks concentrate around 82% of the banks loans and deposits



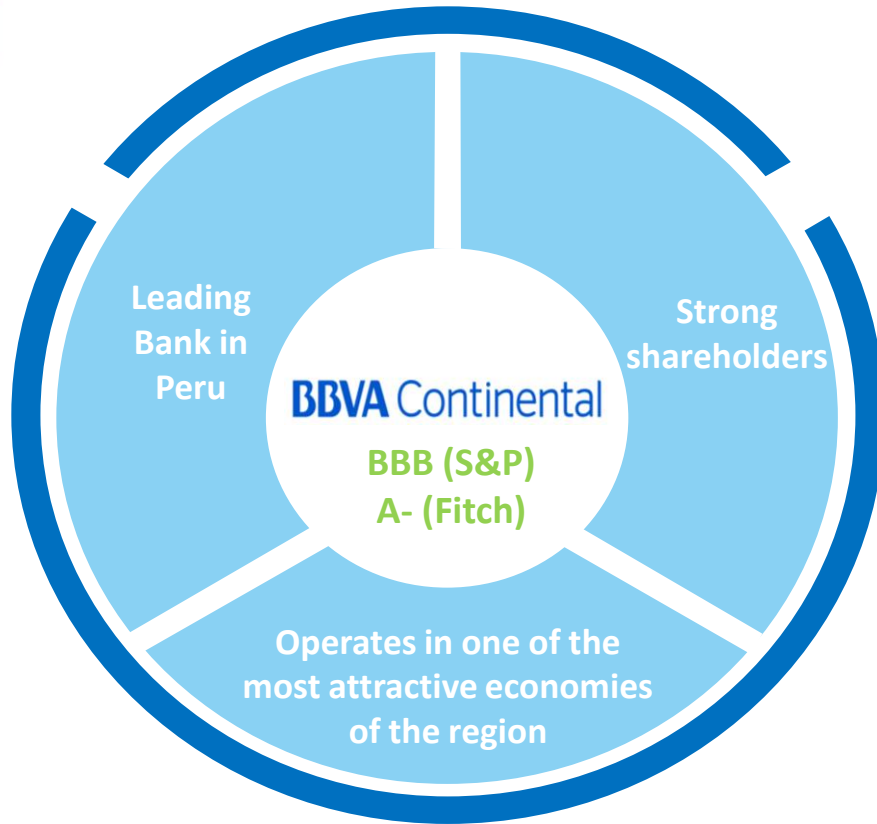
■ Banking System

■ Other Financial Institutions

*Other obligations are excluded from deposits
Source: Superintendencia de Banca, Seguros y AFP

Key performance indicators of BBVA Continental:

September 2016



Ranking among the 4 largest banks in terms of assets:

#1 in Cost of risk*	1.30%
#1 in NPL ratio	2.45%
#1 in Coverage ratio	192.32%
#3 in profitability ROE: Annualized net income / Average equity	21.42%
#3 in efficiency	39.93%
#2 in assets	S/.76,892 million
#2 in performing loans	S/.47,990 million
#2 in deposits**	S/.46,616 million
#2 in number of branches	321

*Cost of risk: Provisions for the last 12 months between total loans (average of the last 12 months).

**Other obligations are excluded from deposits.

- ✓ **Peru**, one of the most dynamic and attractive economies in the region
- ✓ **BBVA Continental**: second largest bank in the country and leading institution for over 60 years
- ✓ **Strong shareholders**: BBVA Group, leading global financial institution, and Brecia, one of the largest business conglomerates in Peru

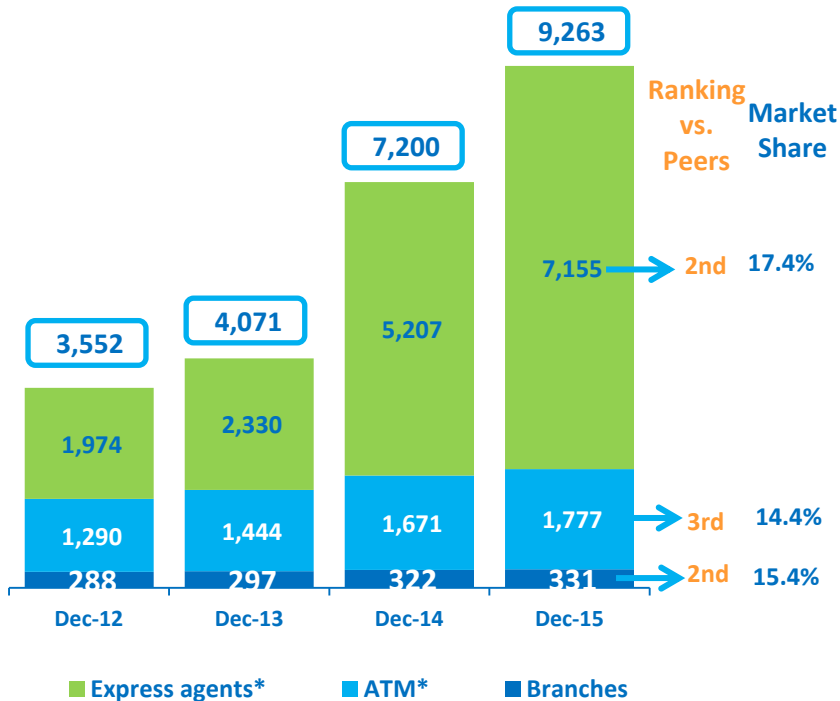
3 **BBVA Continental** **vs.** **Peers**

Strong banking platform

Distribution network:

One of the largest in the country

- ✓ 9,263 points of service
- ✓ More than 4.5 million customers



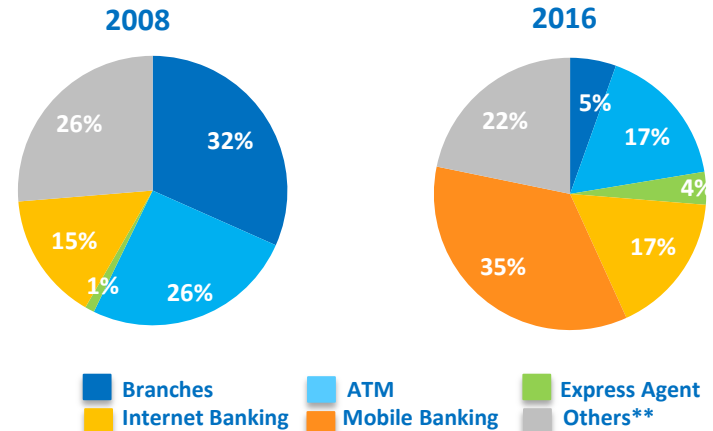
* ATM & EA as of September 2015, last available public information.

** Other channels include Telephone Banking, POS, Net Cash and Automatic debit.

Source: Superintendencia de Banca, Seguros y AFP & BBVA Continental

Evolution in transactions per channel

September 2016



Digital Banking:

Our objective: To be the leading Digital Bank in the region

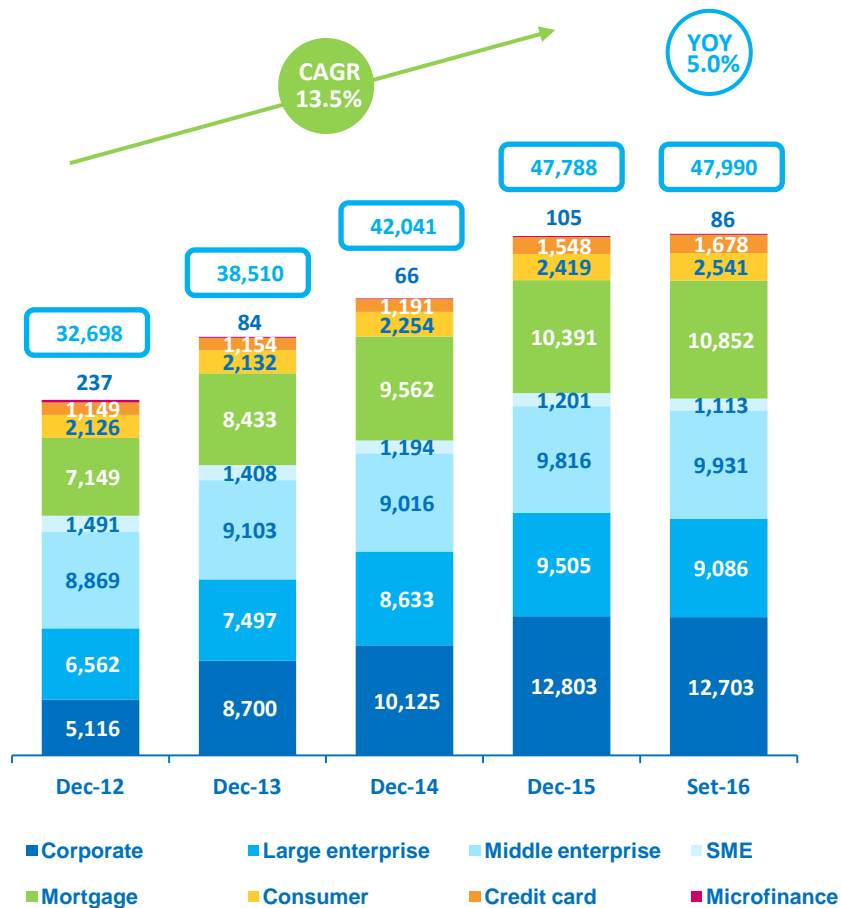
- ✓ Digital Sales: Credit Cards, Consumer Loans Insurances & Mutual Funds
- ✓ More digital campaigns: Online registration
- ✓ Optimization in the Online Banking enrollment process and UX improvements in Online and Mobile Banking.
- ✓ Improvements in the user experience on the web



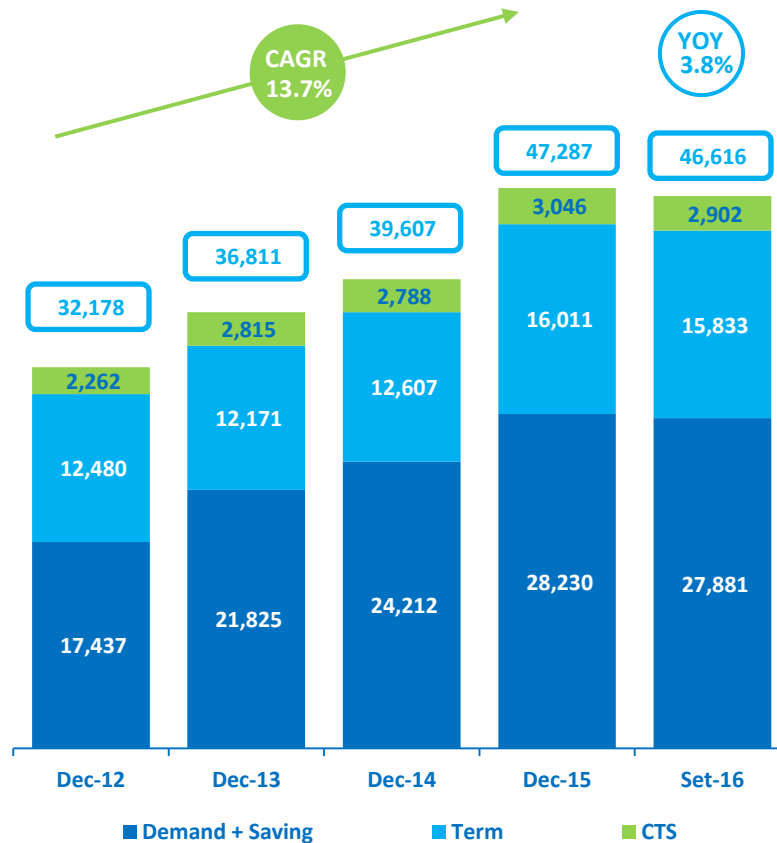
Outstanding growth

PEN Million

Performing loans



Deposits*



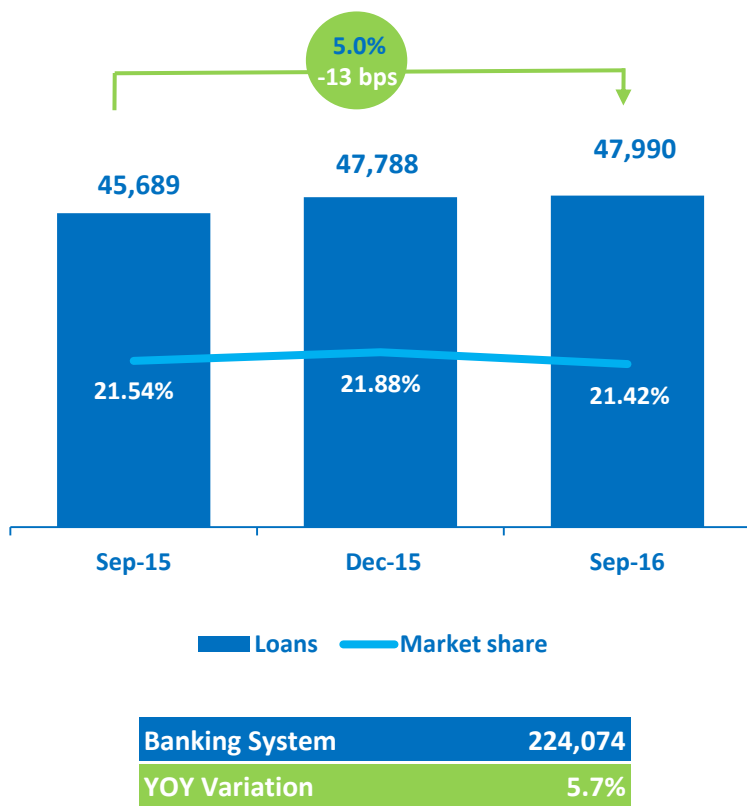
*Other obligations are excluded from deposits
Source: Superintendencia de Banca, Seguros y AFP

Performing loans

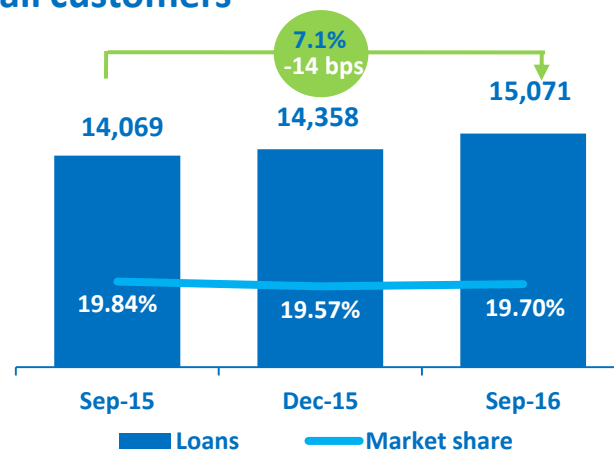
PEN Million and percentage (%)

BBVA Continental shows steady loan growth...

Performing loans

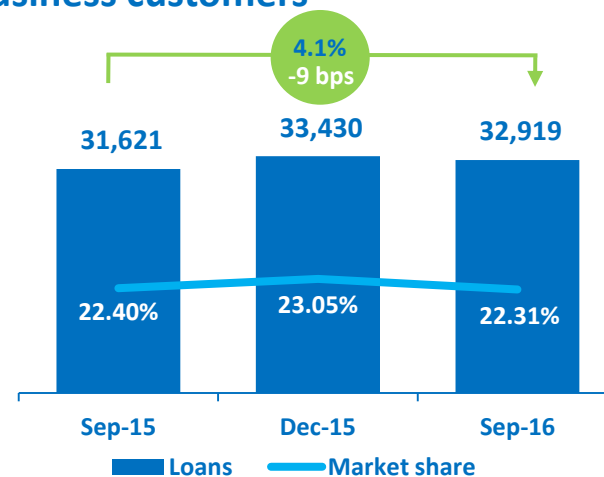


Retail customers



Banking System	76,489
YOY Variation	7.9%

Business customers

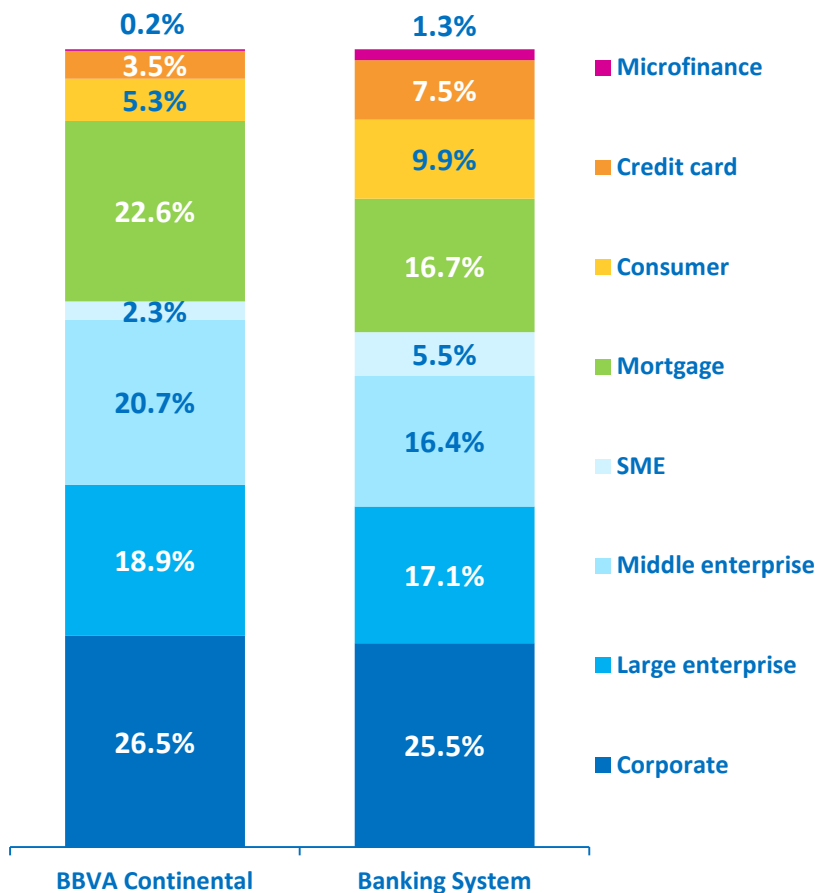


Banking System	147,585
YOY Variation	4.5%

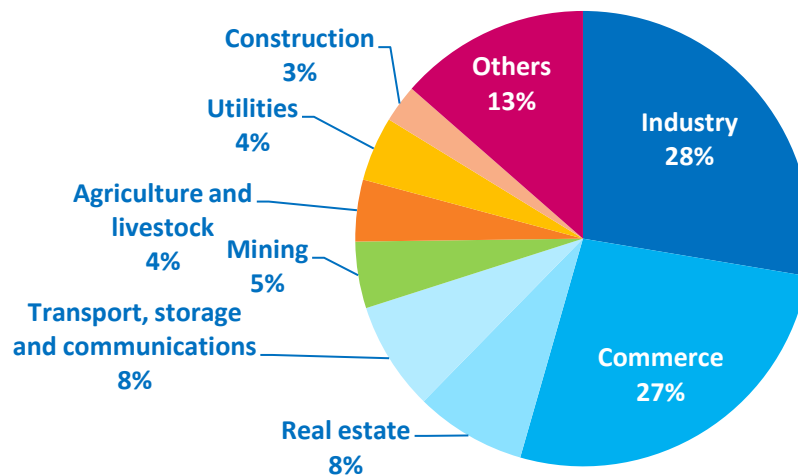
High quality of loan portfolio

September 2016

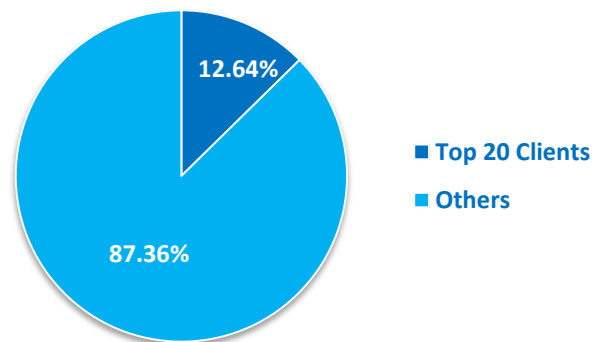
Loans breakdown



Loans by economic sector



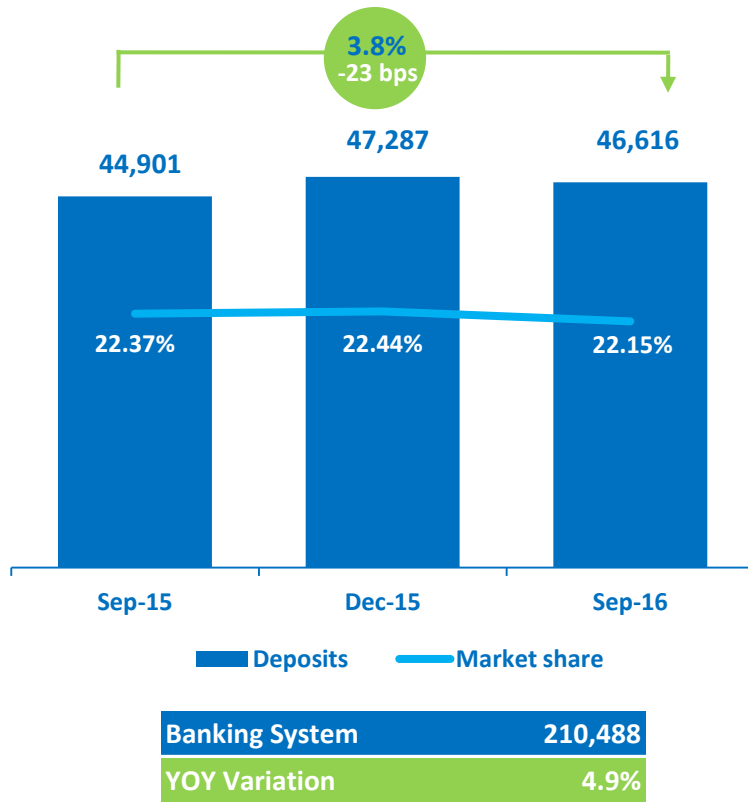
Top 20 clients and others



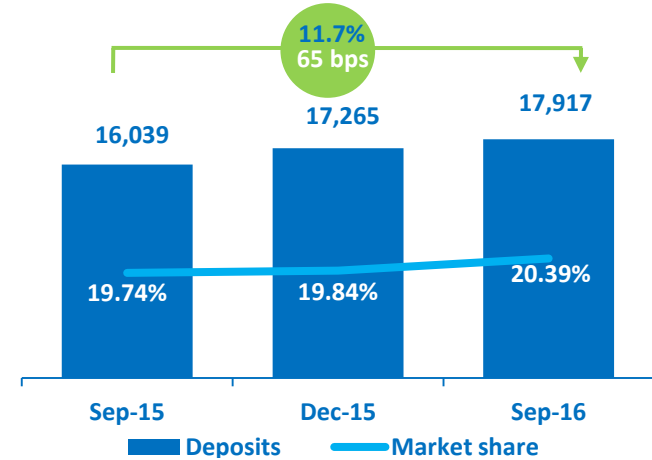
Deposits

PEN Million and percentage (%)

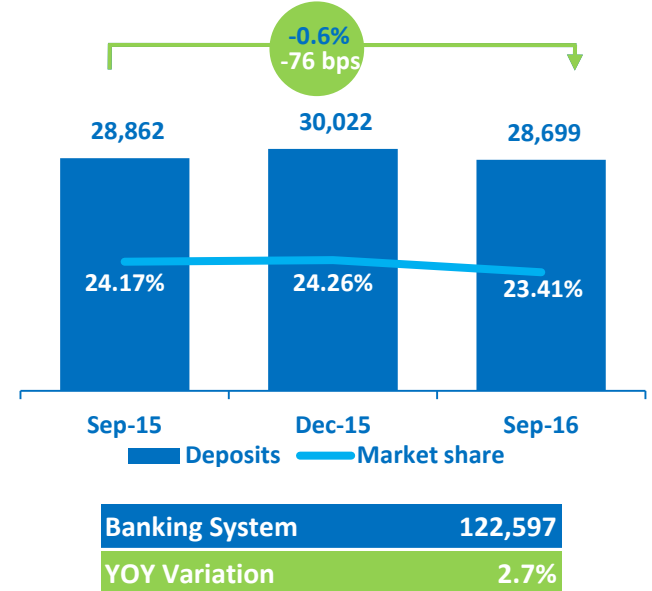
Growth continues also in deposits...



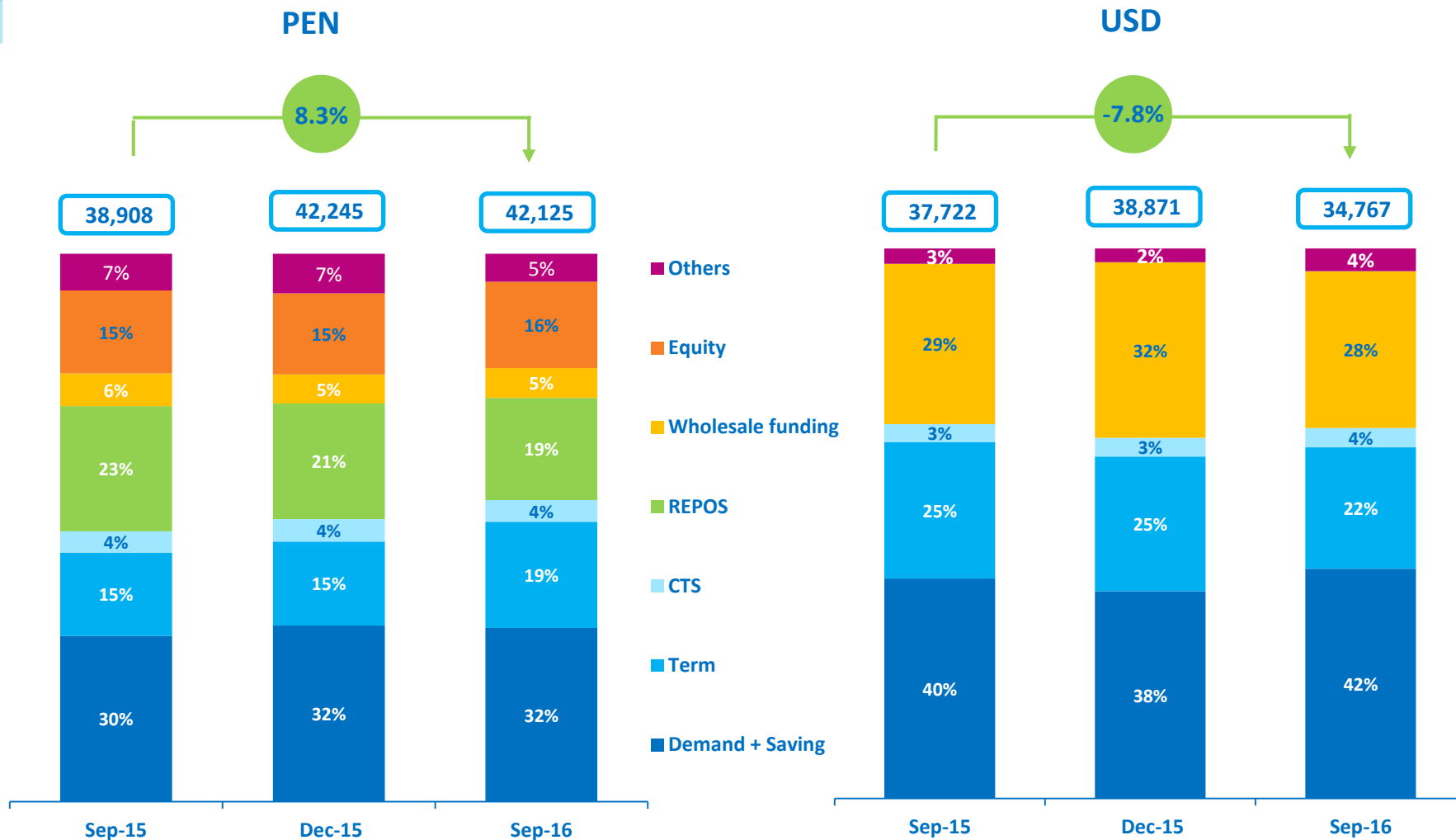
Retail customers



Business customers



Liabilities and Capital Breakdown

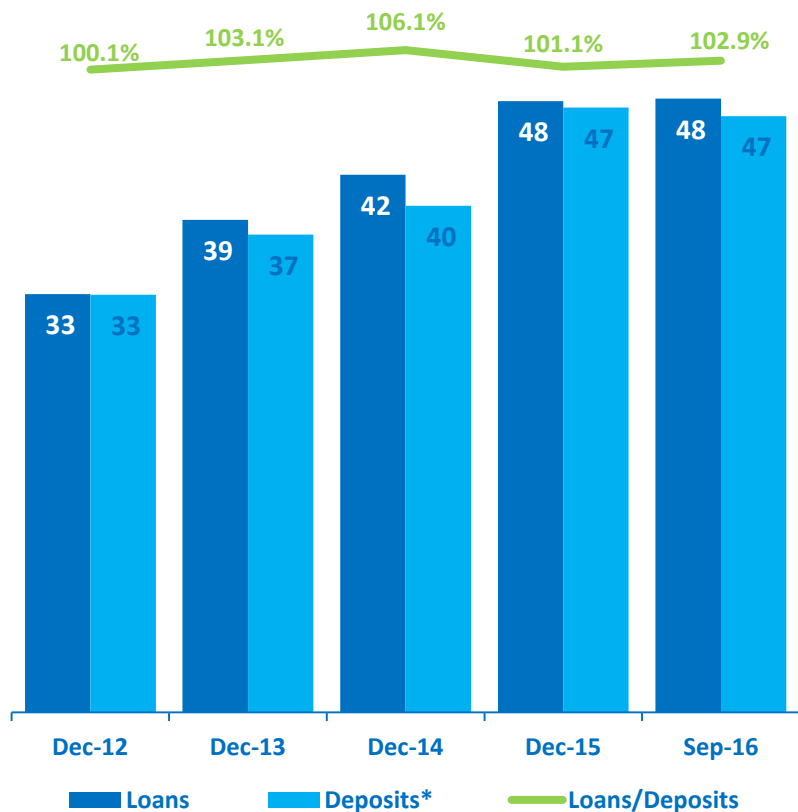


High level of self-financing and balance sheet denomination in PEN

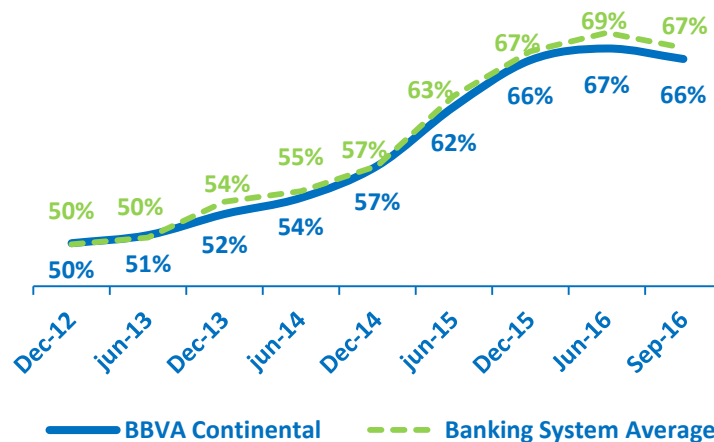
September 2016

Loans and Deposits

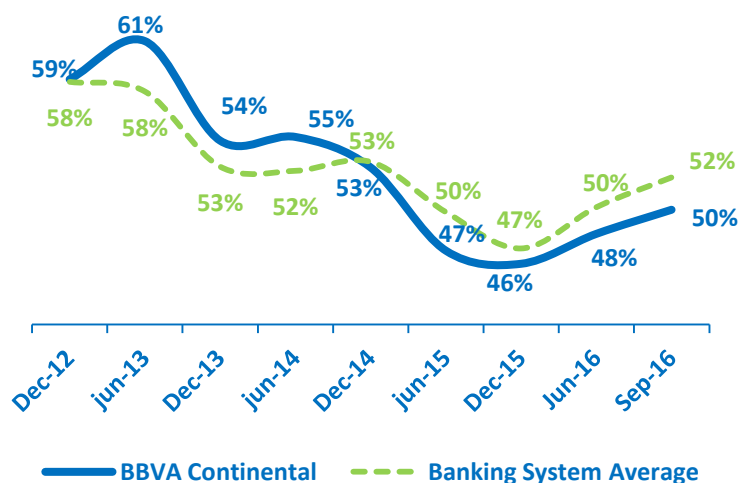
PEN Thousands of millions



PEN-denominated Performing Loans



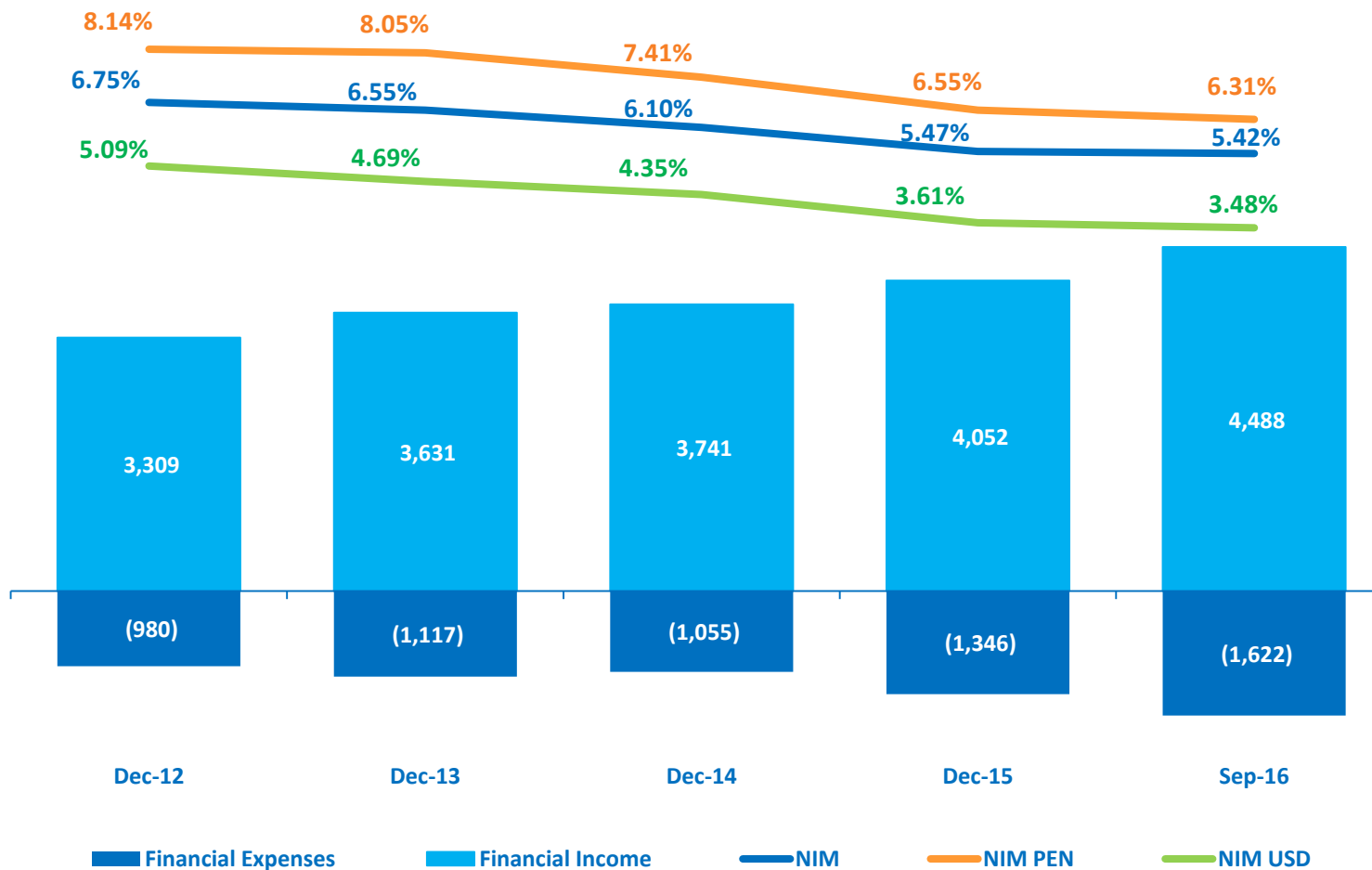
PEN-denominated Deposits



*Other obligations are excluded from deposits
Source: Superintendencia de Banca, Seguros y AFP

Financial margin

PEN Million and percentage (%)



¹ **NIM ratio:** Interest margin for the last 12 months divided by average interest earning assets (interbank funds, investments, net loans).

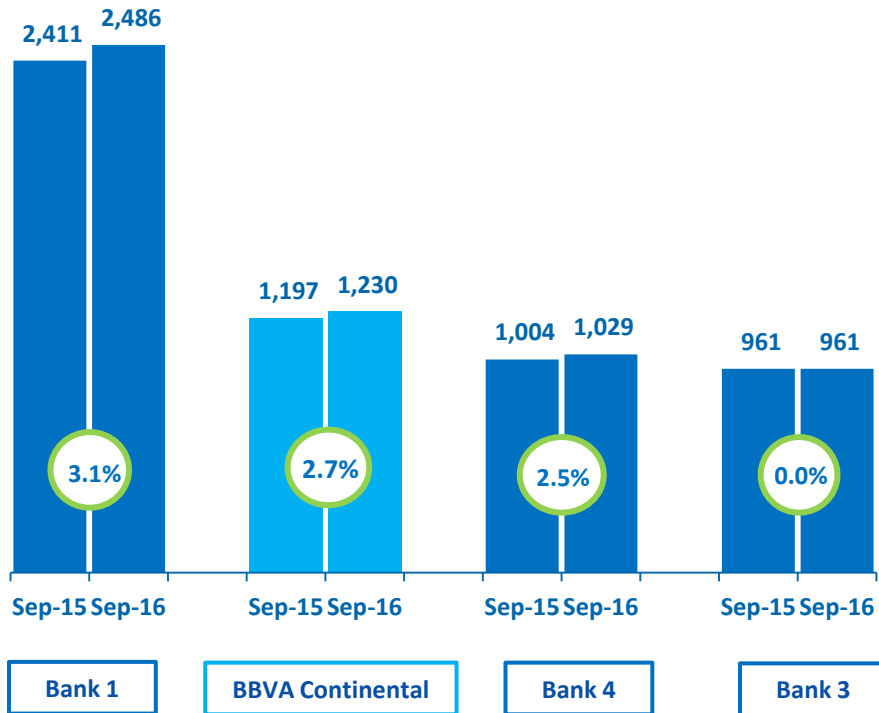
Source: Superintendencia de Banca, Seguros y AFP / Asociación de Bancos del Perú

Expenses management

We manage an attractive efficiency ratio

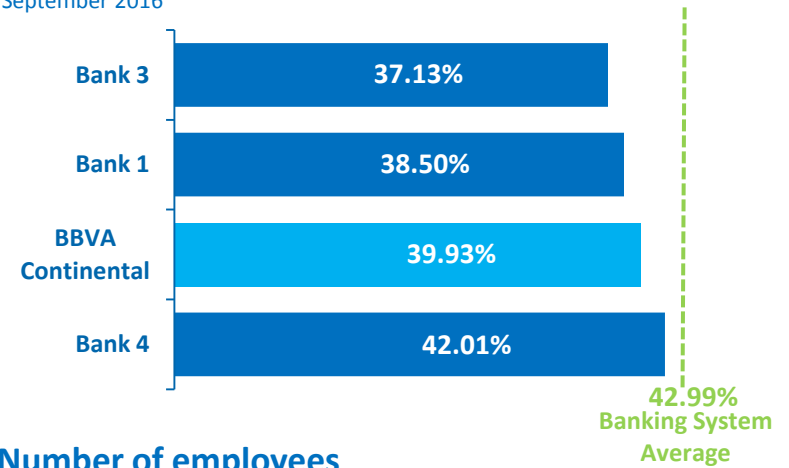
Administrative expenses*

PEN Million



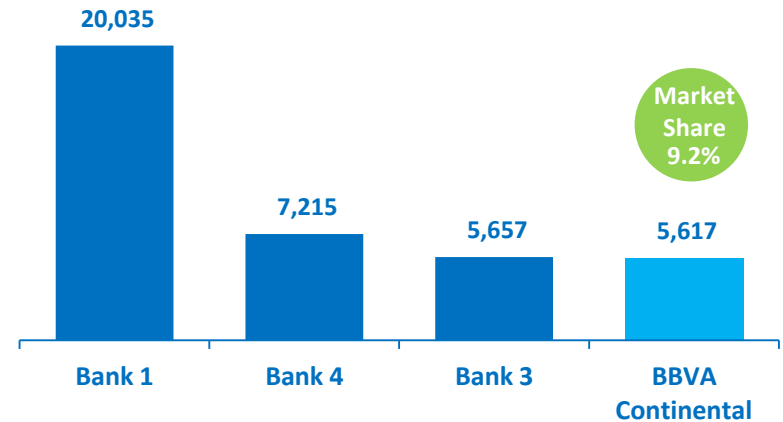
Efficiency Ratio

September 2016



Number of employees

September 2016

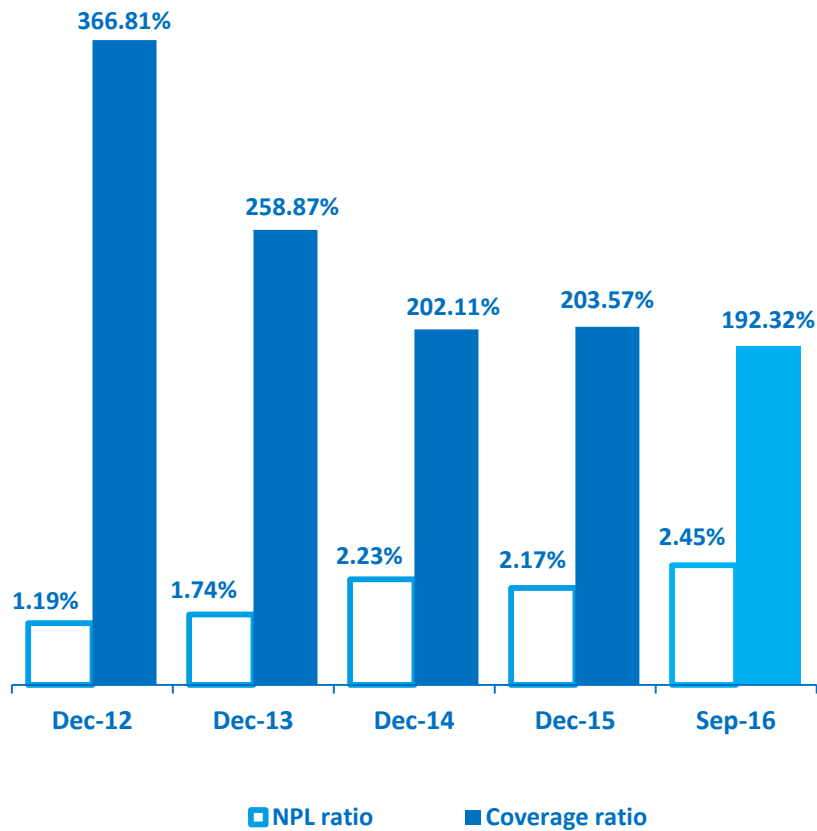


* Includes Amortization and Depreciation

Risk management

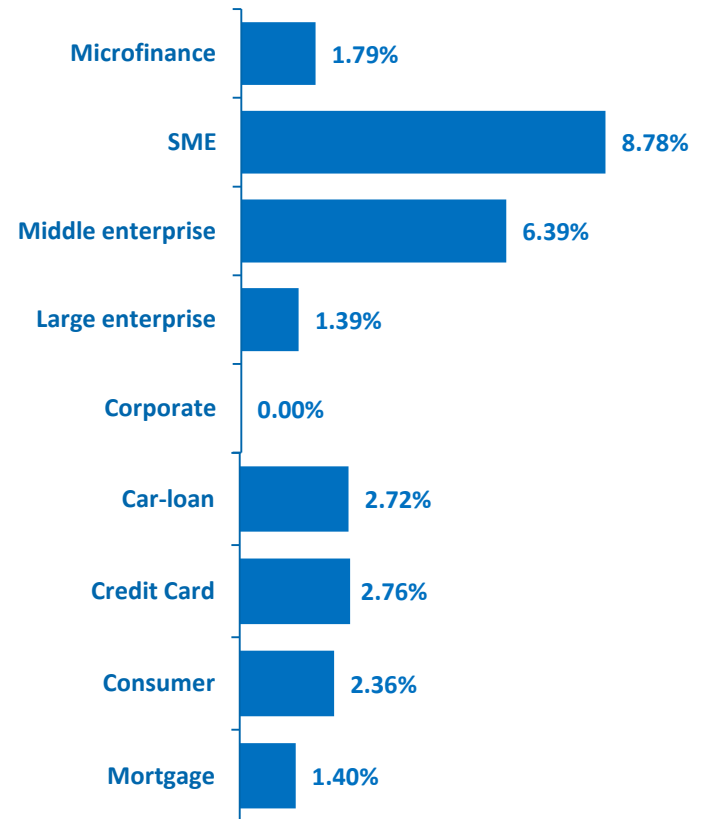
Outstanding asset quality

BBVA Continental



NPL ratio by product and segment

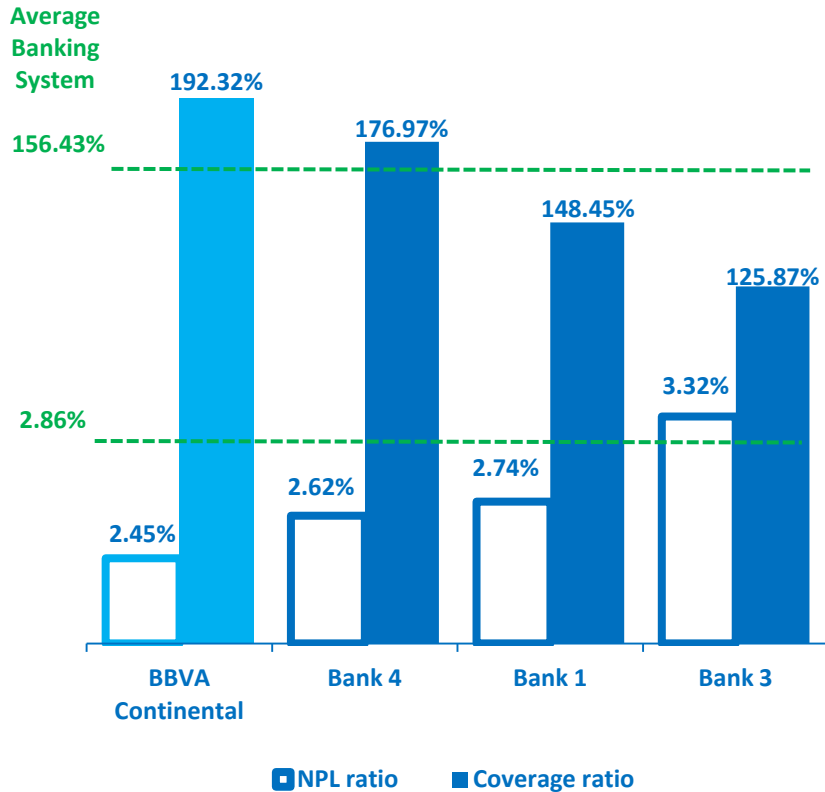
September 2016



Risk management

Best NPL Ratio and Coverage Ratio

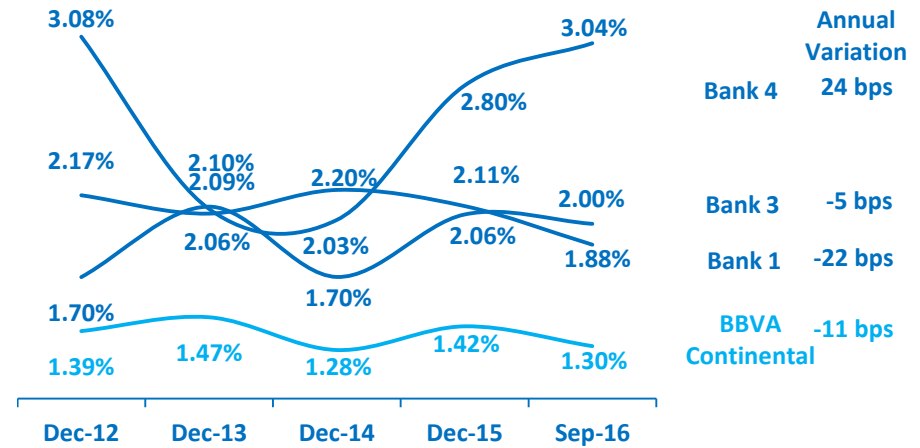
September 2016



*Risk Cost: Provisions for the last 12 months between total loans (average of the last 12 months)

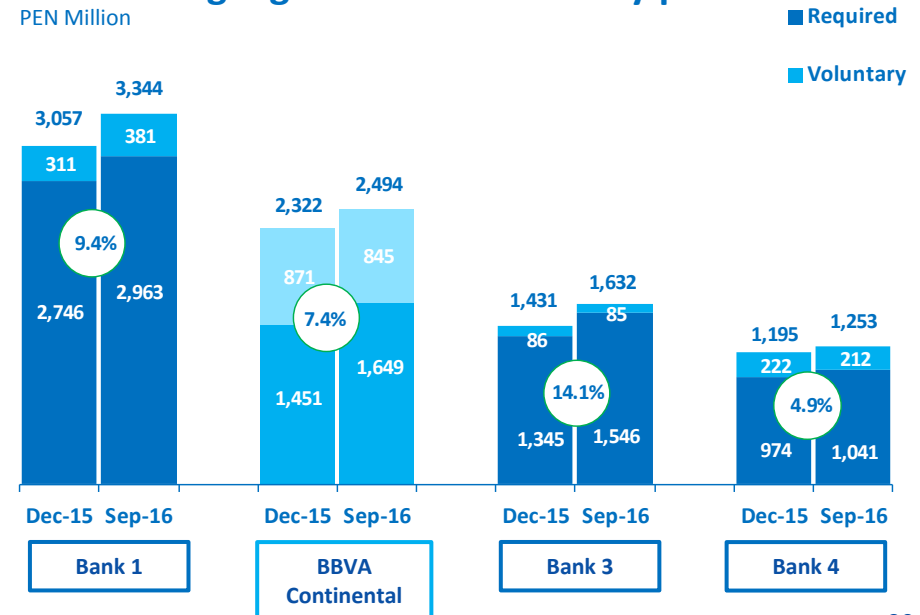
Source: Superintendencia de Banca, Seguros y AFP

Best Risk Cost* ratio vs. Peer Group



Maintaining high levels of voluntary provisions

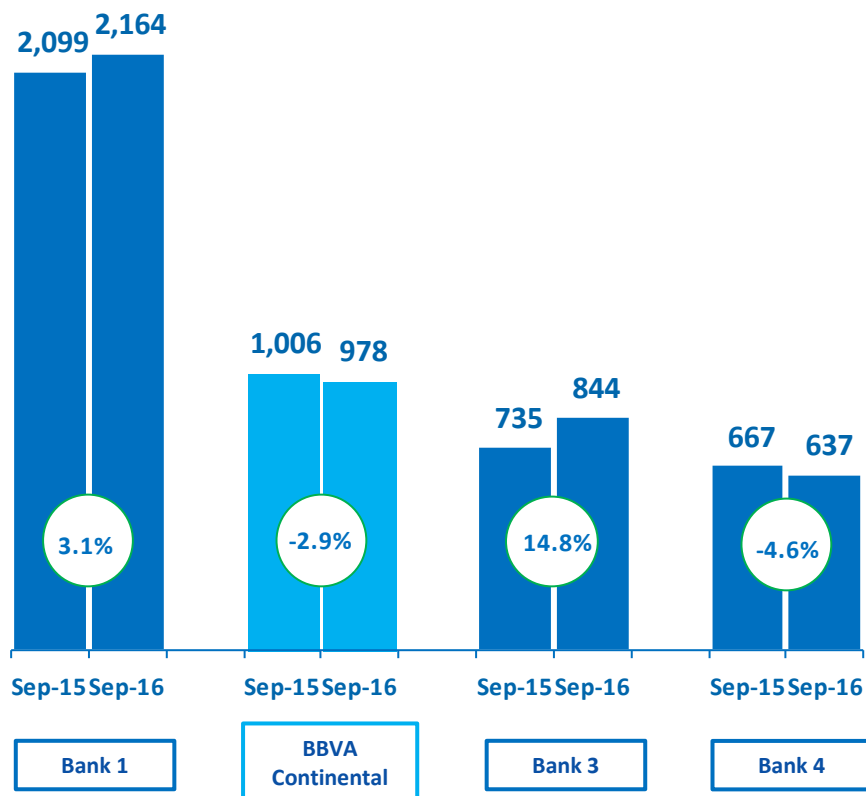
PEN Million



Profitability management

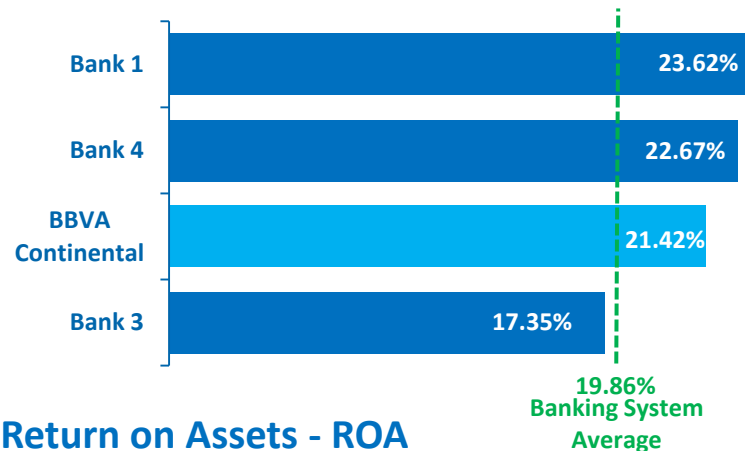
Net income

PEN million



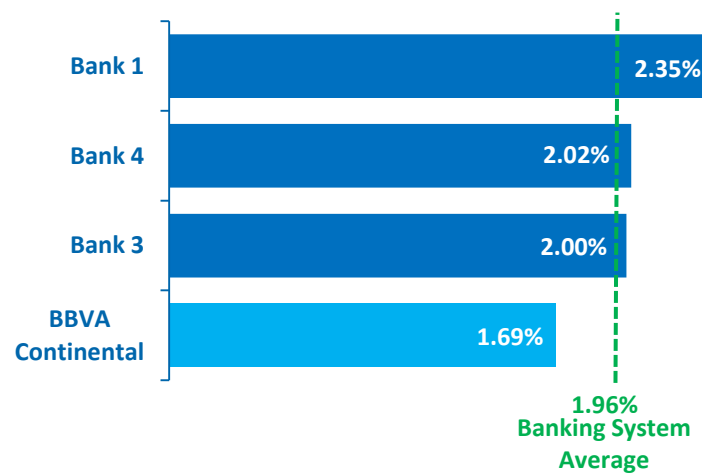
Return on Equity - ROE

September 2016



Return on Assets - ROA

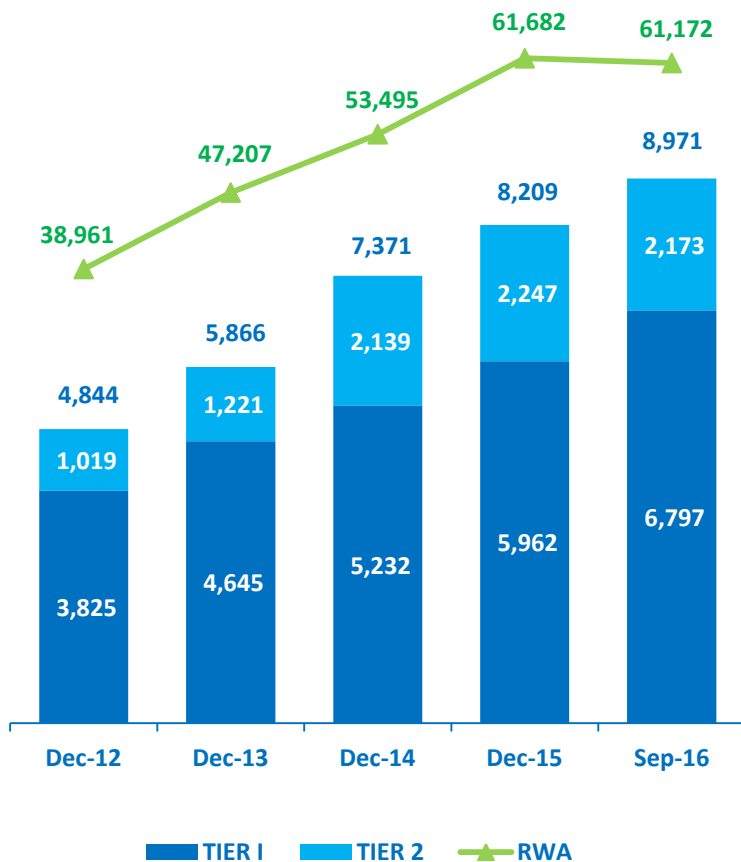
September 2016



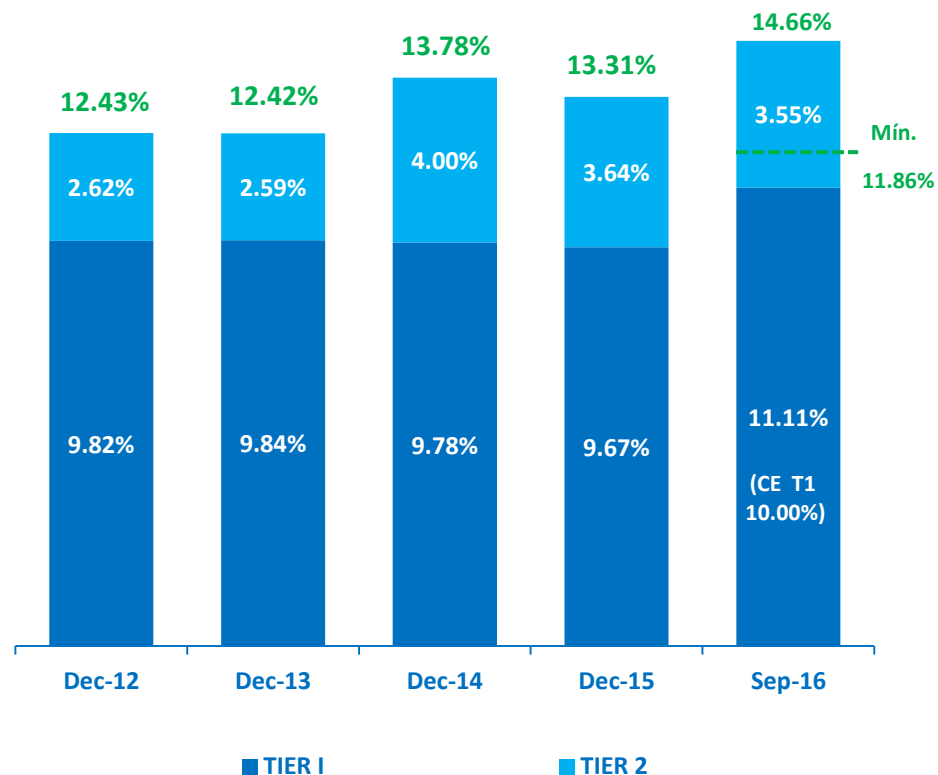
Solvency management

Regulatory capital

PEN million



Composition of capitalization



4 Ratings

International & Local Rating

Rating agencies have granted BBVA Continental the best international and local ratings:

Instrument	Fitch Ratings	Standard & Poors
Foreign currency long term issuances	A-	BBB
Foreign currency short term issuances	F1	A-2
Local currency long term issuances	A-	BBB
Local currency short term issuances	F1	A-2
Outlook	Stable	Stable

Instrument	Apoyo & Asociados	Equilibrium	PCR
Negotiable Certificate of Deposits (CD)	CP-1+ (pe)	EQL 1+.pe	p1+
Short term deposits	CP-1+ (pe)	EQL 1+.pe	Categoría I
Term deposits > 1 year	AAA (pe)	AAA.pe	pAAA
Corporate bonds	AAA (pe)	AAA.pe	pAAA
Subordinated bonds	AA+ (pe)	AA+.pe	pAA+
Leasing bonds	AAA (pe)	AAA.pe	pAAA
Common shares	1a (pe)	1a Clase.pe	PC N1
Issuer rating	A+	A+	A+

5 Social Responsibility and Awards

The Bank maintains its commitment to society and is highly regarded in the market

SOCIAL RESPONSIBILITY

BBVA Continental

Informe de Banca Responsable 2014



Social, Economical and Environmental Responsibility Report

**Reading Program:
"Leer es estar adelante"**



AWARDS



Forbes



BOLSA DE VALORES DE LIMA



BBVA Continental is part of the Best Corporate Governance Principle's Index of companies.



BBVA Continental

Investors Report

Third Quarter 2016