



## INVESTORS PRESENTATION

Fiscal Year 2019 Q3 - MARCH 31, 2019

## March 31<sup>st</sup>, 2019 (3Q - FY2019) - Highlights

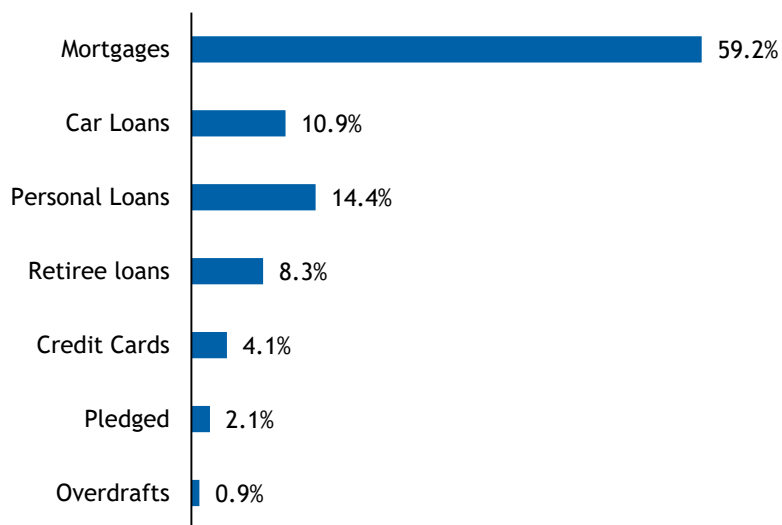
- Global Bank reported an adjusted net income of \$50.6 million, adjusted to exclude \$8.4 million in non-recurring charges related to the integration of Banvivienda and other expenses. Reported net income for the nine months ending March 31<sup>st</sup>, 2019 was \$42.2 million.
- Gross loans grew by \$41.6 million to US\$6.50 billion, representing a 0.6% quarter over quarter growth from December 31<sup>st</sup>, 2018.
  - Consumer loan portfolio totaled \$2.91 billion and the corporate portfolio totaled \$3.59 billion;
  - Our portfolio mix changed 44.8% consumer and 55.2% corporate due to volume growth in various consumer segments.
- Fee income grew by \$8.6 million to \$45.4, representing a 23.9% increase over the nine months reported in Fiscal Year 2018.
- Loan to deposit ratio increased to 134.8% versus 132.2% December 2018 (Q2 2019).
- On a quarter over quarter basis (Mar. '19 vs Dec. '18), the Bank's net interest margin showed an improvement of 5bps; increasing to 2.23% from 2.18%.
- Shareholders' equity increased by 2.1% or \$16.2 million to \$782.2 million as of March 31<sup>st</sup>, 2019 driven by retained earnings of \$13.0 million.
- Regulatory capital ratio increased to 13.3%, comfortably above the regulatory minimum of 8.0%.

# Consumer Banking Performance

Data in US\$ millions					Q2 FY19 vs. Q3 FY19	
	FY18 Q4	FY19 Q1	FY19 Q2	FY19 Q3	Δ-\$	Δ-%
	Jun - 18	Sept - 18	Dec - 18	Mar - 19		
Mortgages	1,145.1	1,171.2	1,692.9	1,720.4	27.5	1.6%
Car Loans	269.6	267.7	312.0	306.9	(5.1)	(1.7)%
Personal Loans	251.3	255.7	411.7	410.2	(1.5)	(0.4)%
Retiree loans	228.2	229.6	237.9	250.6	12.7	5.1%
Credit Cards	97.9	99.9	117.6	120.1	2.5	2.1%
Pledged	47.4	47.0	61.2	80.0	18.8	23.5%
Overdrafts	16.1	15.5	27.0	21.7	(5.3)	(24.4)%
<b>Total Consumer Banking</b>	<b>2,055.6</b>	<b>2,086.6</b>	<b>2,860.4</b>	<b>2,909.7</b>	<b>49.3</b>	<b>1.7%</b>

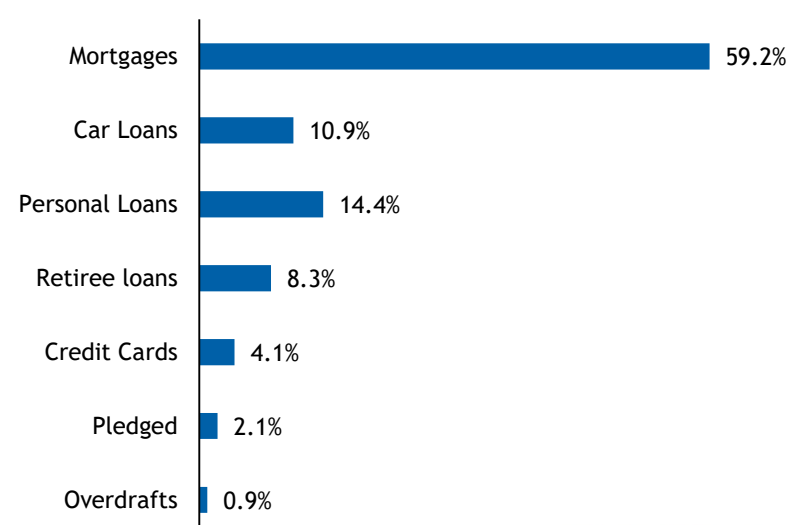
## Composition December 2018

Market share: 10.6%<sup>1,2</sup>



## Composition March 2019

Market share: 10.6%<sup>1,2</sup>



Source: Global Bank & Superintendency of Banks

1: Market shares were calculated based on the latest numbers provided by the Superintendency of Banks as of December 2018 & January 2019.

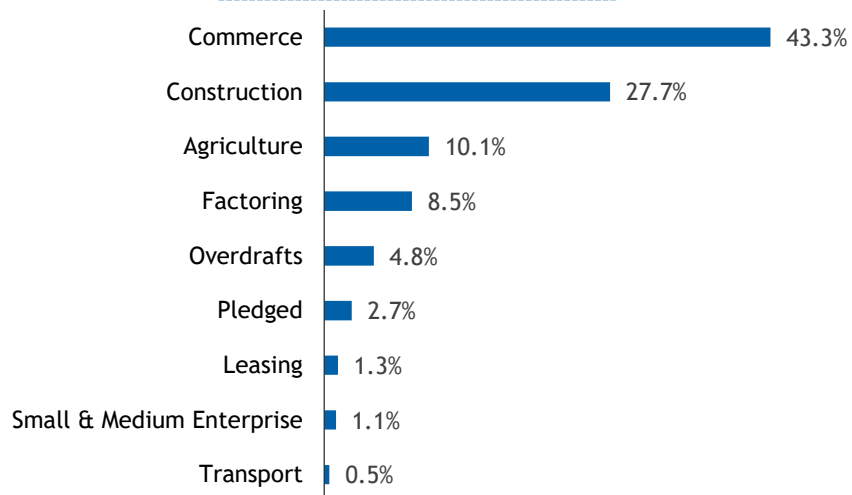
2: Includes Banvivienda

# Corporate Banking Performance

Data in US\$ millions	FY18 Q4 <i>Jun -18</i>	FY19 Q1 <i>Sept - 18</i>	FY19 Q2 <i>Dec - 18</i>	FY19 Q3 <i>Mar - 19</i>	Q2 FY19 vs. Q3 FY19	
					Δ-\$	Δ-%
Commerce	1,307.2	1,335.1	1,572.7	1,546.3	(26.4)	(1.7)%
Construction	800.3	784.0	993.3	996.7	3.4	0.3%
Agriculture	302.5	298.2	468.2	465.4	(2.8)	(0.6)%
Factoring	232.7	212.6	197.7	221.0	23.3	10.5%
Overdrafts	141.2	129.6	152.0	153.6	1.6	1.0%
Pledged	84.9	81.9	103.0	75.2	(27.8)	(37.0)%
Leasing	39.3	36.0	59.4	60.1	0.7	1.2%
Small & Medium Enterprise	29.2	31.9	36.4	57.1	20.7	36.3%
Transport	15.1	14.9	14.5	14.1	(0.4)	(2.8)%
<b>Total Corporate Banking</b>	<b>3,037.3</b>	<b>2,924.2</b>	<b>3,597.2</b>	<b>3,589.6</b>	<b>(7.7)</b>	<b>(0.2)%</b>

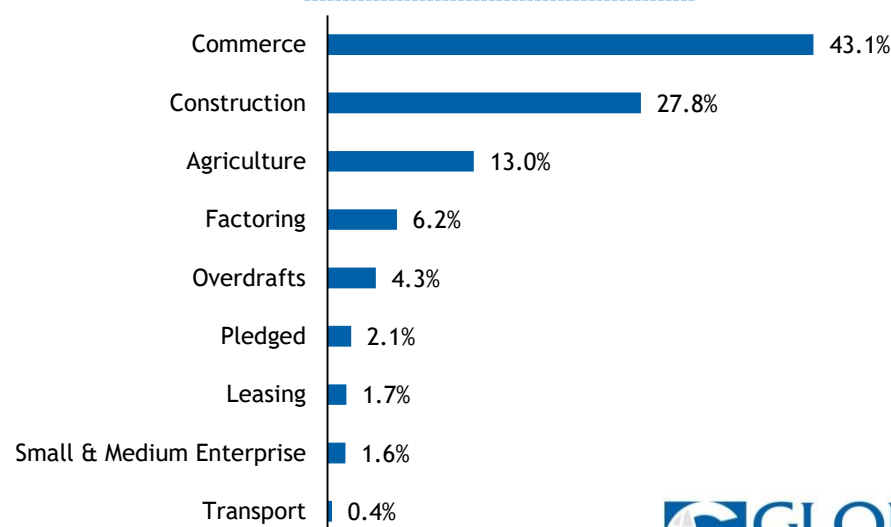
## Composition December 2018

Market share: 13.3%<sup>1,2</sup>



## Composition March 2019

Market share: 13.6%<sup>1,2</sup>



Source: Global Bank & Superintendency of Banks

1: Market shares were calculated based on the latest numbers provided by the Superintendency of Banks as of December 2018 & January 2019.

2: Includes Banvivienda

# Risk Management

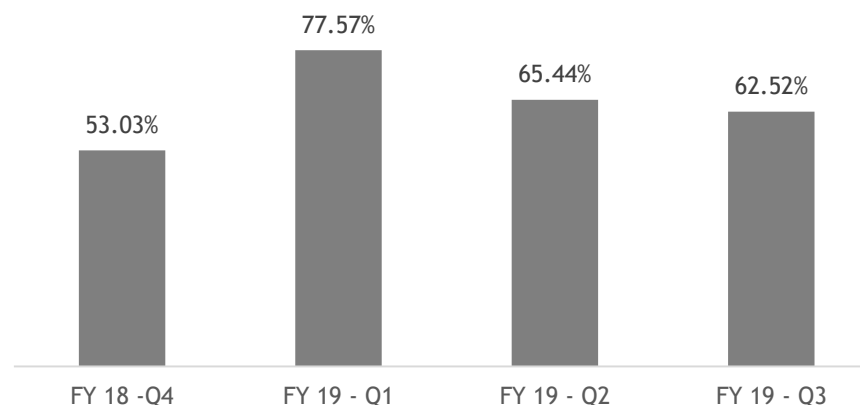
## Non Performing Loans (NPLs) by Segment<sup>1</sup>

(Data in US\$)

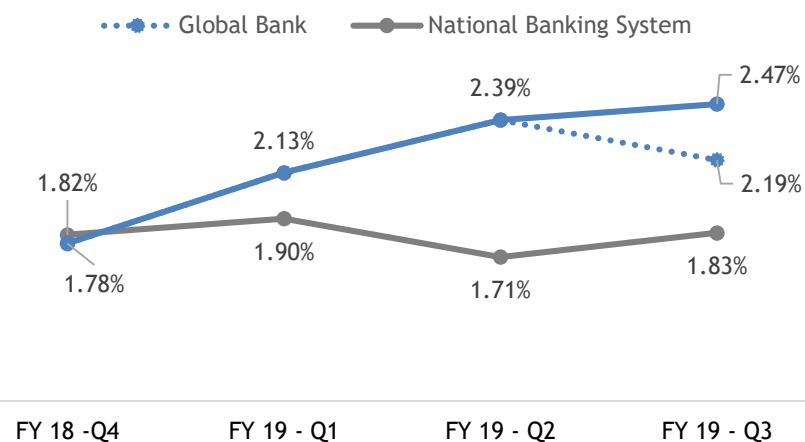
Products	FY 2019 Q2	FY 2019 Q3	Δ-%
1. Commercial	53,479,629	55,786,593	4.3%
2. Agriculture	21,946,405	26,407,458	20.3%
3. Factoring	5,242,532	5,193,088	(0.9)%
4. Overdrafts	3,345,481	3,091,599	(7.6)%
5. Industrial	3,179,784	10,191,480	220.5%
6. Leasing	1,243,441	1,269,401	2.1%
7. Transportation	190,092	159,729	(16.0)%
<b>Sub Total</b>	<b>88,627,364</b>	<b>102,099,349</b>	<b>15.2%</b>

Products	FY 2019 Q2	FY 2019 Q3	Δ-%
1. Mortgages	37,045,079	33,426,627	(9.8)%
2. Personal	15,110,314	13,017,381	(13.9)%
3. Credit Cards	8,453,388	8,357,038	(1.1)%
4. Auto	4,183,737	2,656,208	(36.5)%
5. Retirees	691,104	692,573	0.2%
<b>Sub Total</b>	<b>65,483,622</b>	<b>58,149,828</b>	<b>(11.2)%</b>
<b>Total NPLs</b>	<b>154,110,986</b>	<b>160,249,177</b>	<b>4.0%</b>
<b>Total NPLs, adjusted</b>	<b>154,110,986</b>	<b>142,249,176</b>	<b>(8.0)%</b>

## Loan Loss Provisions/NPLs 2018-2019



## NPLs / Gross Loans 2018-2019<sup>1</sup>



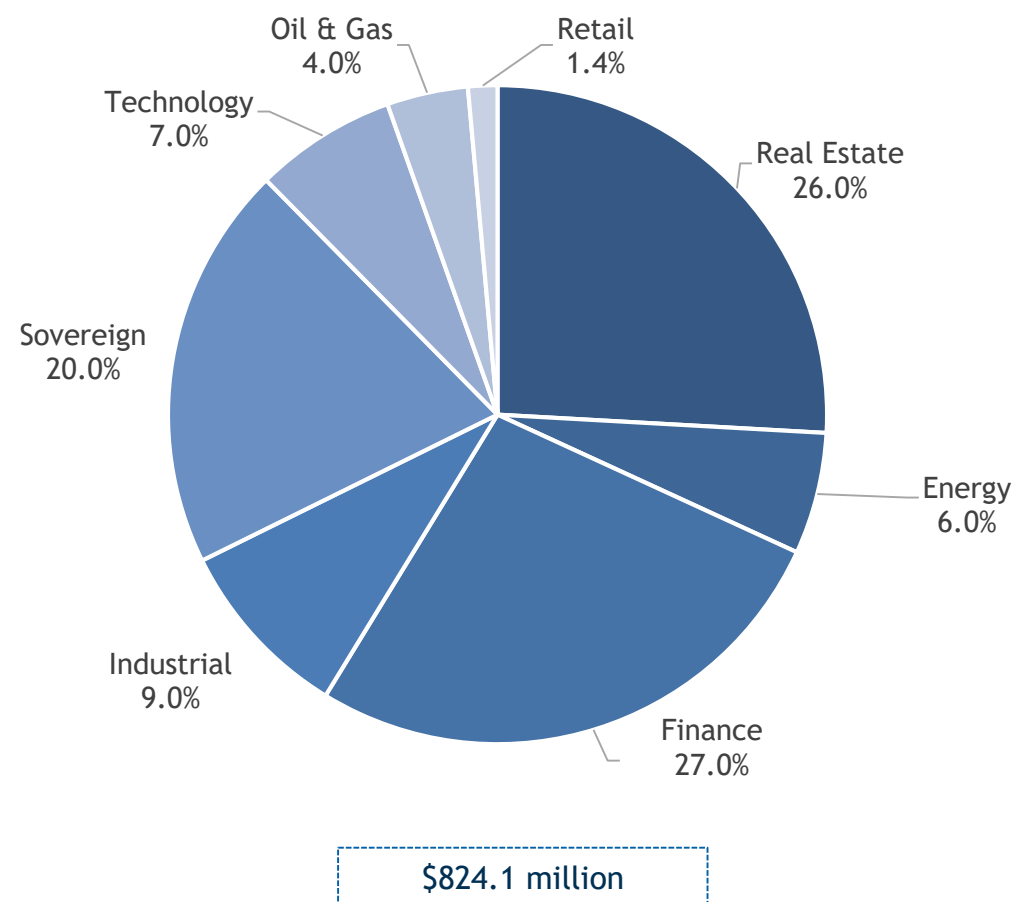
1: National Banking System NPLs/Gross Loans as of January 2019 - Global Bank 2.2% adjusted for the auction of \$18M collateral from PDL.

# Investment portfolio rating and economic segment profile

Portfolio Composition by Rating as of FY19 - Q3

US\$ million	Portfolio <sup>1</sup>	% of Equity <sup>2</sup>
<b>Total</b>	<b>824.1</b>	<b>105.4%</b>
<b>Investment Grade</b>	<b>402.7</b>	<b>51.5%</b>
A+	19.2	2.5%
A	20.5	2.6%
A-	23.8	3.0%
BBB+	97.0	12.4%
BBB	158.6	20.3%
BBB-	83.6	10.7%
<b>Non Investment Grade</b>	<b>148.2</b>	<b>18.9%</b>
BB+	40.1	5.1%
BB	38.8	5.0%
BB-	60.7	7.8%
B+	3.5	0.4%
B-	5.1	0.7%
<b>Local Investment Grade</b>	<b>100.2</b>	<b>12.8%</b>
AA-.pa	5.4	0.7%
AA.pa	0.5	0.1%
A+.pa	31.3	4.0%
A.pa	2.1	0.3%
BBB+.pa	44.1	5.6%
BBB.pa	16.8	2.1%
<b>Non rating</b>	<b>173.0</b>	<b>22.1%</b>

Portfolio Composition by Industry (% of total)



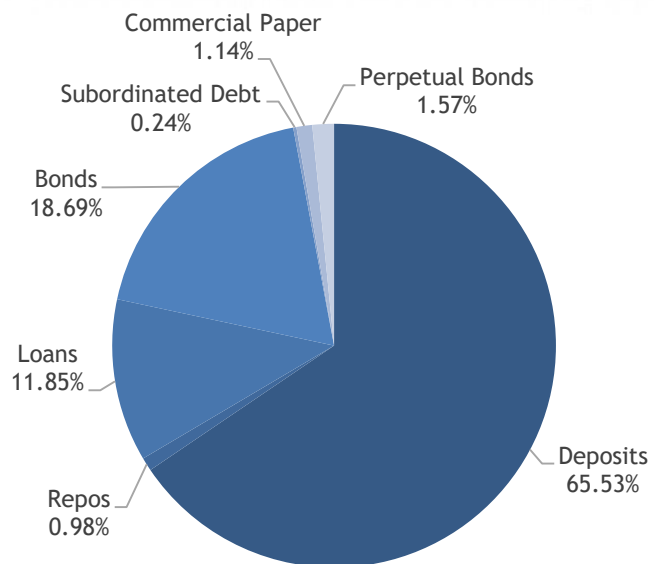
Source: Global Bank

1: Gross Portfolio managed by Global Bank Treasury, excludes repos and reserves.

2: Equity as of March 31st, 2019 is \$782.2.

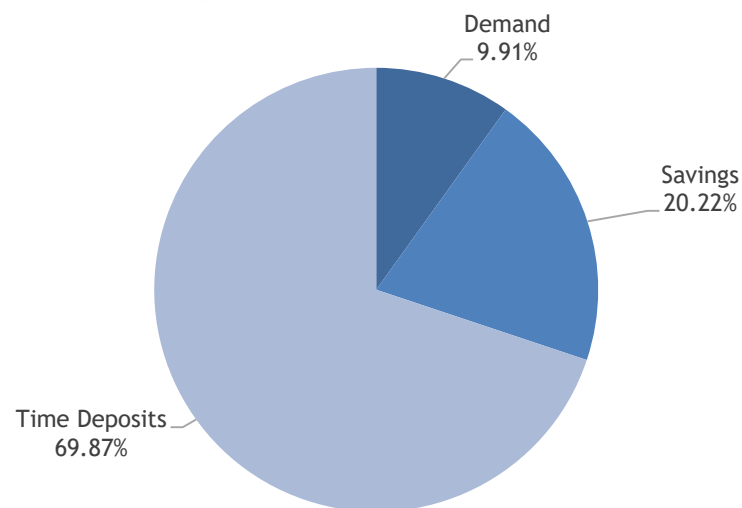
# Funding Strategy as of March 2019

## Funding Sources



**\$7,360 million<sup>1</sup>**

## Customer Deposits



**\$4,698 million**

US\$mm	18Q4 <i>Jun - 18</i>	19Q1 <i>Sept - 18</i>	19Q2 <i>Dec - 18</i>	19Q3 <i>Mar - 19</i>	Q2 FY19 vs. Q3 FY19	
					Δ-\$	Δ-%
Demand	410.2	400.1	523.1	465.6	(57.5)	(10.99)%
Savings	643.4	649.5	955.5	949.7	(5.8)	(0.61)%
Time	2,420.5	2,417.4	3,255.5	3,282.7	27.2	0.84%
Interbank	69.3	118.3	152.3	124.4	(27.9)	(18.32)%
Total GB	3,543.4	3,585.3	4,886.3	4,822.4	(63.90)	(1.31)%
Loan/Deposits	141.3%	139.8%	132.2%	134.8%		

Source: Global Bank Financial Statements March 2019.  
 Note: Global Bank Fiscal Year ends June 30<sup>th</sup>  
 1: Excludes Others Liabilities

# Capitalization Ratios

## Capital Adequacy Evolution

US\$MM	FY 19 Q1	FY 19 Q2	FY 19 Q3
	Sept - 18	Dec - 18	Mar - 19
Common Capital (Tier 1)	542.0	634.3	649.2
Additional Tier 1	115.8	115.6	115.8
Tier 2	17.4	17.4	17.4
<b>Total Capital</b>	<b>675.3</b>	<b>767.3</b>	<b>782.3</b>
RWAs	4,740.8	5,864.6	5,868.8
<b>Capital Adequacy</b>	<b>14.24%</b>	<b>13.08%</b>	<b>13.33%</b>
Tier 1 ratio	13.88%	12.79%	13.04%
Tier 1 Common	11.42%	10.82%	11.06%
<i>Min. Regulatory Capital Ratio</i>	<i>8.00%</i>	<i>8.00%</i>	<i>8.00%</i>

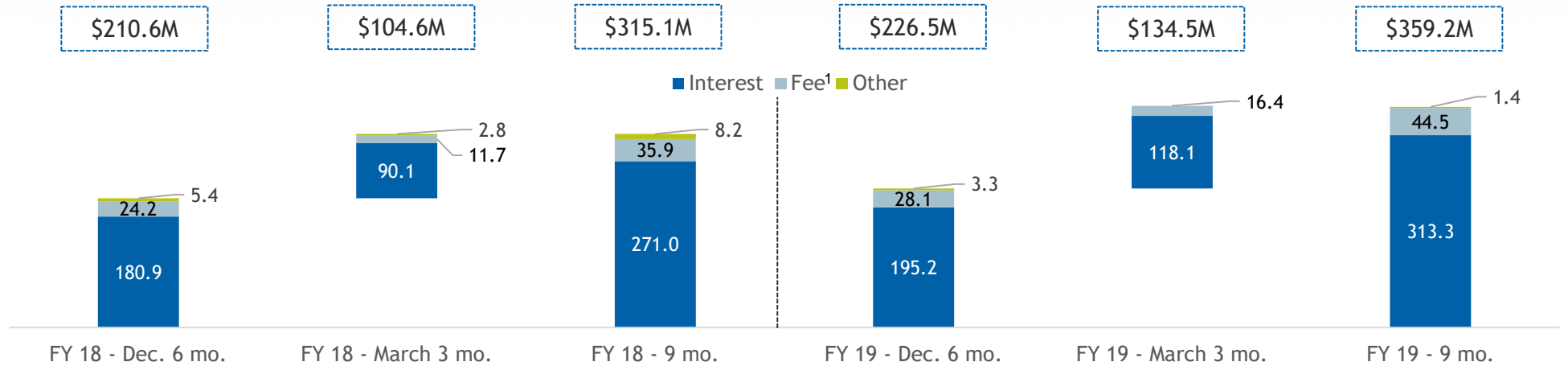
Source: Global Bank and Subsidiaries  
 Note: Minimum regulatory capital ratio is 8%.



# Income Statement: Interest & Fee Income

## Total Income

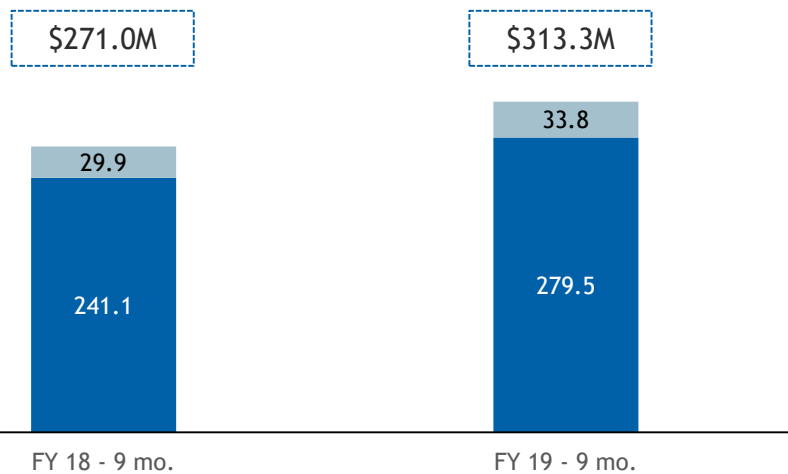
(USD millions)



## Interest Income - 9 months FY 2019

(USD millions)

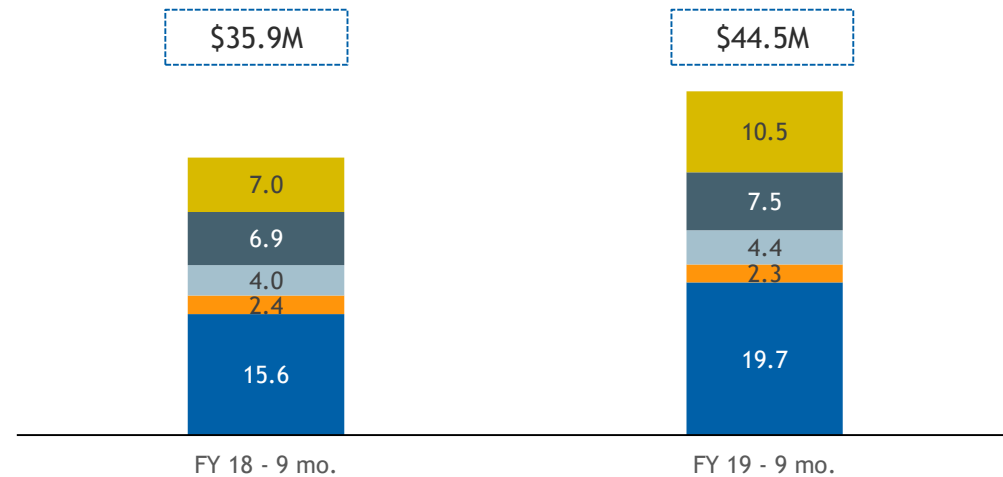
Loans Time Deposits & Investments



## Fee Income - 9 months FY 2019

(USD millions)

Loans Credit Letters Accounts Trust Services Others



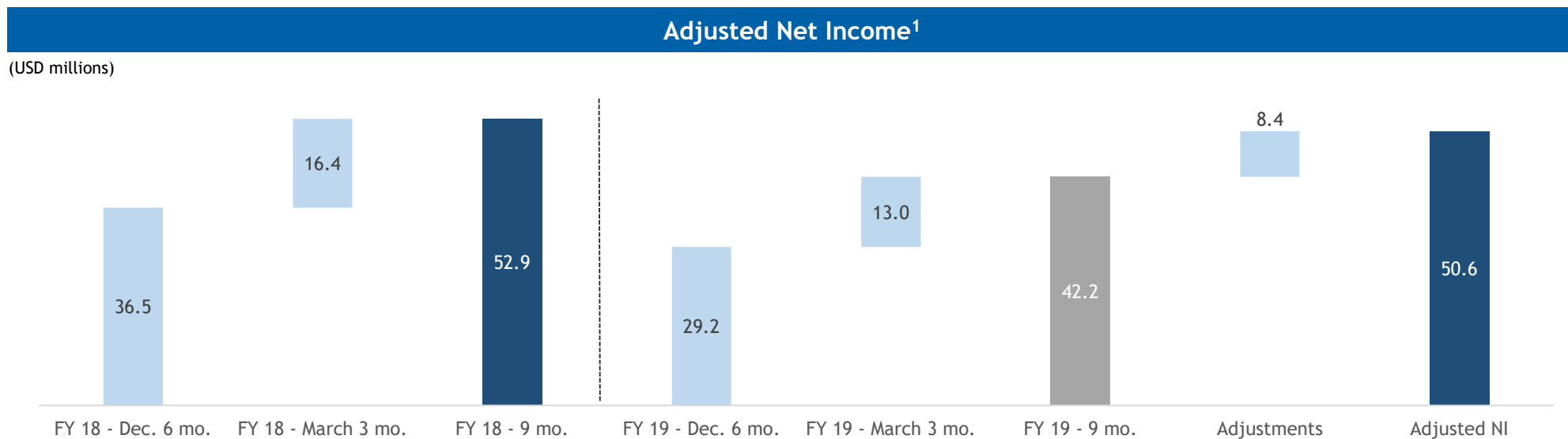
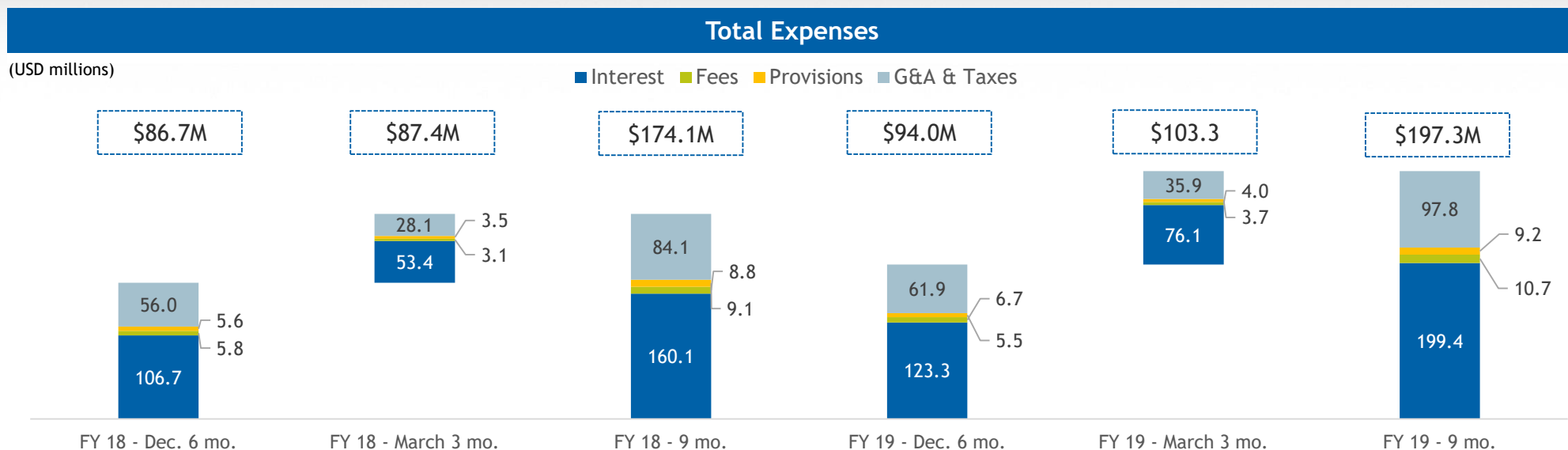
Source: Global Bank, data as of March 2019

Notes:

• Global Bank's Fiscal Year ends June 30

1: Includes Net Insurance Premiums, results of tradeable securities, trust services, among others.

# Income Statement: Expenses & Net Income



Source: Global Bank, data as of March 2019

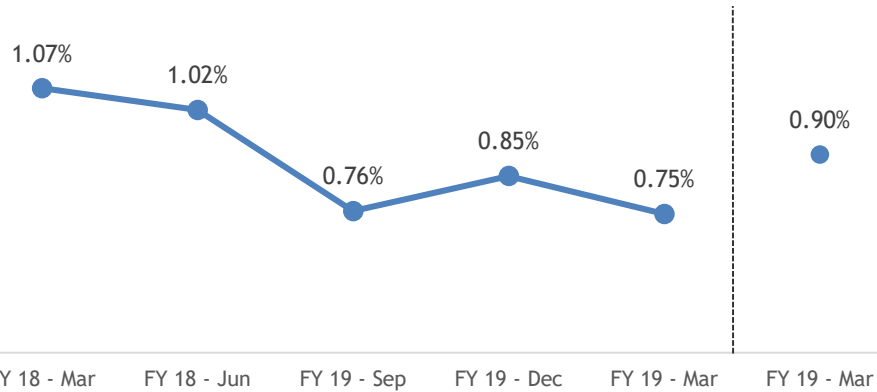
Notes:

• Global Bank's Fiscal Year ends June 30

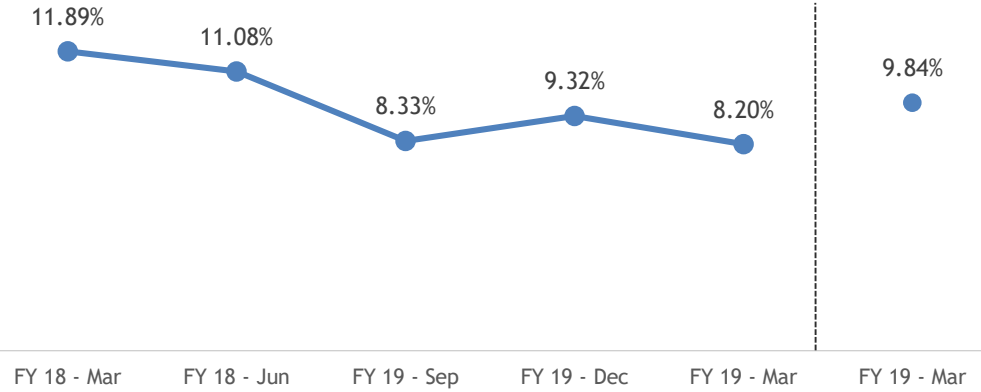
(1): \$8.4M in adjustments include \$1.0M in agriculture portfolio income, \$4.8M in other income and \$2.6M in non-recurrent expenses.

# Key Performance Metrics

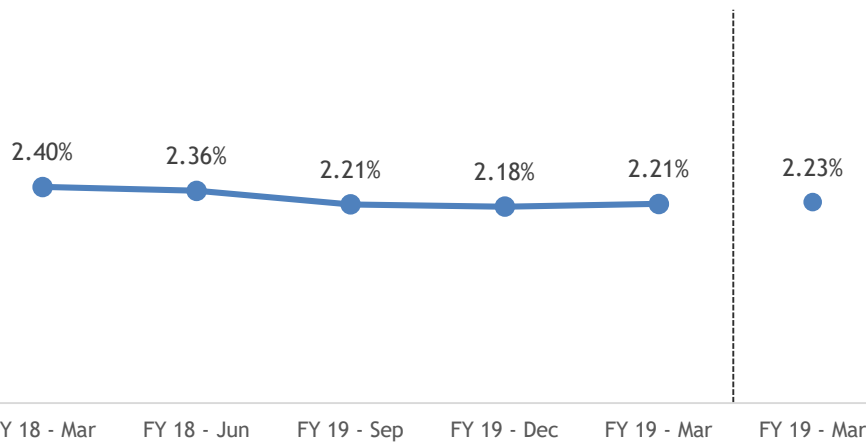
## ROAA<sup>1</sup>



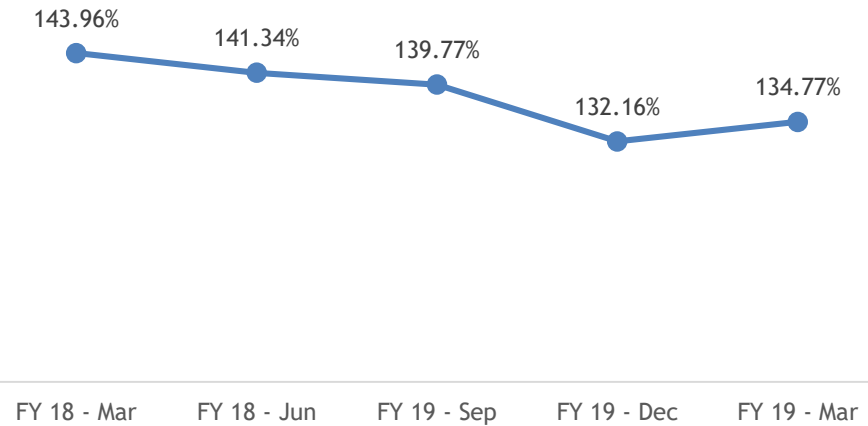
## ROAE<sup>1</sup>



## Net Interest Margin<sup>1</sup>



## Loan to Deposits



Source: Global Bank, data as of March 2019

Notes:  
 • Global Bank's Fiscal Year ends June 30  
 (1): \$8.4M in adjustments include \$1.0M in agriculture portfolio income, \$4.8M in other income and \$2.6M in non-recurrent expenses.

# Summary Financials

## Balance Sheet: Assets

US\$mm	FY2016	FY2017	FY2018	FY2019 Q3
<b>Assets</b>				
<b>Cash and deposits</b>	<b>489.0</b>	<b>471.8</b>	<b>440.9</b>	<b>492.8</b>
Repos	6.1	3.0	3.0	5.0
Investments Portfolio	557.9	733.5	785.3	823.8
<b>Total investments</b>	<b>563.9</b>	<b>736.5</b>	<b>788.3</b>	<b>828.8</b>
Total loan portfolio	4,760.1	5,136.6	5,008.2	6,499.3
Less: provisions for loan losses	(38.8)	(43.0)	(47.2)	(100.2)
Less: deferred fees	(19.0)	(19.2)	(10.9)	(16.0)
<b>Net loans</b>	<b>4,702.3</b>	<b>5,074.4</b>	<b>4,949.9</b>	<b>6,383.1</b>
Plant, property and equipment	104.2	138.8	157.6	201.1
Other assets	182.1	203.4	218.6	463.5
<b>Total assets</b>	<b>6,041.4</b>	<b>6,624.9</b>	<b>6,555.3</b>	<b>8,369.4</b>

# Summary Financials

## Balance Sheet: Liabilities & Shareholder's Equity

US\$mm	FY2016	FY2017	FY2018	FY2019 Q3
<b>Liabilities</b>				
Checking	425.3	426.1	410.2	465.7
Saving	651.8	637.2	643.4	949.7
CDs - Client	2,278.6	2,341.0	2,420.5	3,282.7
CDs - Banks	148.5	170.9	69.2	124.7
<b>Total Deposits</b>	<b>3,504.2</b>	<b>3,575.1</b>	<b>3,543.1</b>	<b>4,822.4</b>
Securities sold under repurchase agreements (Repos)	33.9	30.0	67.0	72.0
Bank financing	654.8	681.8	697.9	872.4
Corporate bonds	1,075.7	1,448.4	1,283.7	1,375.5
Commercial paper	14.4	28.5	20.6	84.2
Subordinated bonds	94.5	17.4	17.4	17.4
Perpetual bonds	23.3	112.1	115.7	115.8
Other Liabilities	128.8	155.1	197.7	227.1
<b>Total Liabilities</b>	<b>5,529.5</b>	<b>6,048.4</b>	<b>5,943.8</b>	<b>7,587.2</b>
<b>Shareholder Equity</b>				
Common shares	98.2	98.2	98.2	267.9
Capital paid in excess	2.1	2.6	2.3	4.6
Capital reserves	35.6	41.5	33.6	32.3
Regulatory reserve	67.4	73.3	90.6	97.4
Retained earnings	308.6	360.9	386.9	370.9
<b>Total Shareholder's Equity</b>	<b>511.9</b>	<b>576.5</b>	<b>611.5</b>	<b>782.2</b>
<b>Total liabilities and equity</b>	<b>6,041.4</b>	<b>6,624.9</b>	<b>6,555.3</b>	<b>8,369.4</b>

# Summary Financials

## Income Statement

US\$mm	FY2016	FY2017	FY2018	FY18 - 9 Mo.	FY19 - 9 Mo.	FY19 - 9 Mo. Adj. <sup>1</sup>
<b>Income</b>						
Net Interest Income	150.6	153.7	144.4	110.8	113.9	114.9
Net Fee Income	42.4	45.2	39	27.1	33.8	33.8
Other Income	9.2	9.1	9.7	8.2	1.4	6.1
Net Total Income	202.2	208	193.2	146.1	149.1	154.8
<b>Expenses &amp; Provisions</b>						
Provisions	(11.1)	(19.4)	(11.8)	(9.0)	(8.8)	(8.8)
G&A	(100.7)	(103.5)	(107.6)	(79.1)	(92.2)	(89.6)
Total Expenses & Provisions	(111.8)	(123.0)	(119.4)	(88.1)	(101.0)	(98.4)
<b>Income before taxes</b>	90.3	85.0	73.8	57.9	48.0	56.5
Taxes	(10.3)	(8.6)	(7.0)	(5.0)	(5.9)	(5.9)
<b>Net Income</b>	80.0	76.4	66.8	52.9	42.2	50.6

Source: Global Bank, data as of March 2019

Notes:

• Global Bank's Fiscal Year ends June 30

(1): \$8.4M in adjustments include \$1.0M in agriculture portfolio income, \$4.8M in other income and \$2.6M in non-recurrent expenses.

## Contact Information

For further information, please refer to our financial statements available in our investors relations website, or contact:

Carlos Mouynes

Chief Financial Officer (CFO)

Email: [Carlos.Mouynes@globalbank.com.pa](mailto:Carlos.Mouynes@globalbank.com.pa)

Phone: (507) 206-6602

Investors Relations website:

<https://www.globalbank.com.pa/en/investor-relations/financial-information>