

BBVA Mexico

Financial Report and Achievements

January-September 2023





Results 9M23

Good performance in total operating income

Total operating income

150,760 mp

NII after provisions + total fees + trading income + other income

Operational excellence

Efficiency ratio

32.3%

Calculated as operating expenses / Income



Adequate asset quality

Coverage Ratio

200.7%

NPL ratio

1.60%

Adequate capital & comfortable liquidity levels

Capitalization ratio

18.5%

LCR (local)

160.47%

LCR = Liquidity Coverage Ratio (short-term ratio with local standards)



TRANSFORMATION

Continuous innovation

BBVA Mexico strengthens telephone communication with its **customers** with "Secure Call".



BBVA Mexico incorporates to its mobile application the service "Secure Call" with which you can **validate** in the notifications section, the next **communications via telephone** from BBVA Mexico as well as the reason for them, thus **strengthening security** and **reducing fraud** by this means.



SUSTAINABILITY

Sustainable transition

BBVA Mexico has available for its more than **21 million mobile customers** the measurement of their **carbon footprint**.

The **carbon footprint** measurement is calculated by obtaining the **payment data** of each customer through credit and debit cards, **whose objective is to help** customers become **aware** of their **environmental impact** and **provide** them with **recommendations** to reduce their carbon footprint.



Index

Relevant information	4
Highlights	5
Support for natural disasters	6
Digital Strategy	8
Innovation	9
Sustainability	10
Macro environment	13
Management Discussion & Analysis (MD&A)	14
Commercial Activity	14
Loan portfolio at stage 1 and stage 2	14
Detail of credit stage 1 & stage 2	15
Asset Quality	16
Non-performing loans stage 3	16
Non-Performing Loans Movements Stage 3	17
Loan Portfolio Credit Quality Classification	17
Deposits	18
Results	19
Fees and Commissions	20
Trading income	21
Other Income (expenses) of the operation	21
Non-Interest Expenses	22
Capital and liquidity	23
Estimated capital ratio of BBVA Mexico	23
Ratings	27
Issuances	28
Financial Statements	29
Assets	29
Liabilities & Stockholders' Equity	30
Memorandum accounts	31
P&L	32
Cash Flow Statement	33
Changes in Stockholders Equity	34
Regulatory accounting pronouncement recently issued	35

Relevant information

BBVA México S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México, hereinafter referred to as BBVA Mexico or the Bank or the Institution.

Information as of September 2023

MAIN MAGNITUDES (MILLION PESOS)					
BBVA Mexico	2022		2023		
	3Q	4Q	1Q	2Q	3Q
Financial Statement					
Assets	2,791,676	2,753,601	2,808,249	2,815,137	2,914,149
Credit Portfolio Stage 1	1,401,002	1,449,354	1,480,398	1,515,785	1,565,311
Credit Portfolio Stage 2	37,038	37,875	38,746	35,989	37,311
Portfolio Valued at Reasonable Value	5,082	5,100	4,945	5,071	5,274
Credit Portfolio Stage 1, Stage 2 and Portfolio at Fair Value	1,443,122	1,492,329	1,524,089	1,556,845	1,607,896
Liabilities	2,494,280	2,453,568	2,500,434	2,498,463	2,587,393
Bank Deposits*	1,494,568	1,614,676	1,570,309	1,551,599	1,589,785
Equity	297,396	300,033	307,815	316,674	326,756
Results					
Net Interest Income	43,327	46,251	49,336	48,982	52,400
Total Operating Income	52,861	57,376	59,746	61,108	61,307
Provisions for loans losses	(7,796)	(11,162)	(9,197)	(10,006)	(12,198)
Expenses	(17,630)	(17,689)	(18,979)	(19,886)	(20,024)
Income Before Tax	27,456	28,690	31,594	31,446	29,089
Net Income	21,841	20,361	22,884	22,905	21,646
Indicators in %					
	3Q2022	4Q2022	1Q2022	2Q2023	3Q2023
Profitability					
ROE	29.9	27.3	30.1	29.3	26.9
Efficiency	33.4	30.8	31.8	32.5	32.7
Asset Quality					
Credit Portfolio Coverage Ratio Stage 3	193.1	207.9	213.0	208.5	200.7
Non-Performing Loans Ratio	1.7	1.6	1.5	1.5	1.6
Solvency and Liquidity					
Total Capital Ratio	19.3	19.2	18.4	18.9	18.5
Core Equity Ratio	16.8	16.8	16.4	16.1	15.8
Local LCR	205.96	197.68	185.60	168.82	160.47
Local NSFR	135.46	134.65	134.03	129.98	129.04
Leverage Ratio	10.3	10.4	10.5	10.6	10.6
Figures in Units (#)					
	3Q2022	4Q2022	1Q2022	2Q2023	3Q2023
Infrastructure					
Employees	40,209	41,247	41,835	43,101	43,894
Branches	1,727	1,733	1,735	1,736	1,740
ATMs	13,783	14,019	14,160	14,232	14,417

* Bank deposits include demand deposits and time deposits.

Highlights

Results and Activity.

BBVA México, S.A., Institución de Banca Múltiple, Grupo Financiero BBVA México (hereinafter, "BBVA México") reports a loan portfolio growth of 11.4% year-on-year, with a greater weight in the segments linked to households and families, which grew 13.9% compared to September 2022, consolidating the positive trend observed since the beginning of the year. Specifically, payroll and personal loans registered a placement of 2.1 million new loans (+11.0% year-on-year), with a total balance of 190,072 million pesos as of September 2023.

The wholesale portfolio, which includes larger companies and governments, grew by 9.5%, with the government segment performing favorably, at 184,670 million pesos, 7.6% more than the previous year.

As of September 2023, the housing portfolio reached a balance of 322,388 million pesos. During the year 2023, BBVA Mexico enabled 23 thousand families to acquire a home through a mortgage loan.

In terms of new credit cards, BBVA Mexico has placed 1.8 million new credit cards in the first nine months of 2023, 22.9% more than in the same period of the previous year, reaching a balance of 163,193 million pesos, equivalent to an annual increase of 23.0%.

SMEs, as a strategic target for BBVA Mexico, reached balances of 111,315 million pesos as of September 2023, with a 20.0% year-on-year growth. Through the "Banco de Barrio" initiative, the institution has banked 271,110 new micro-SMEs since its launch in 2020, granting 523,548 new accounts, 181,886 new POS terminals and 653,155 new payroll accounts.

BBVA Mexico continues to be the leading institution in promoting savings, achieving growth in bank deposits (demand + time) of 6.4% year-on-year, reaching a total balance of 1,590 billion pesos.

Asset quality indicators remain adequate, preserving Non-Performing Loan levels of 1.6%, comparing favorably with the system.

BBVA Mexico's strength continues to be reflected in its liquidity and solvency indicators. The capitalization ratio stood at 18.5% at the end of September 2023, comfortably above the minimum required.

The institution's net income for the first nine months of the year was 67,435 million pesos, 20.1% higher than in the first nine months of the previous year.

Support for natural disasters

In view of the unfortunate events caused by Hurricane Otis with severe impact on the state of Guerrero, the Ministry of Security and Citizen Protection, in accordance with the applicable regulations, issued on October 26, 2023 through press release number BDE-007-2023, the "Agreement" establishing an Emergency Situation for the state of Guerrero due to the occurrence of severe rain and strong winds on October 24, 2023.

In this regard, based on article 175, first paragraph of the "General provisions applicable to credit institutions", the National Banking and Securities Commission has determined to issue on a temporary basis through official letter P-307/2023 dated October 27, 2023, the special accounting criteria for borrowers who have their domicile or credits whose source of payment is located in the areas affected by the event referred to in the "Agreement" referred to in the preceding paragraph.

The support programs consist of granting borrowers a deferral of principal and/or interest payments for up to 6 months and will be applicable with respect to consumer, mortgage and commercial loans, and for customers who are classified in accounting terms as stage 1 and 2 as of October 24, 2023, observing that the adhesion procedures are completed no later than April 30, 2024.

The special accounting criteria are detailed below:

1. Loans with "single payment of principal at maturity and periodic payments of interest, as well as loans with single payment of principal and interest at maturity", which are restructured or renewed, will not be transferred to the next stage of greater risk in accordance with the provisions of Paragraph 99 of the B-6 Credit Portfolio contained in Annex 33 of the Single Circular of Banks (CUB). This is provided that the borrowers are classified as stage 1 or 2 as of October 24, 2023, according to paragraphs 10 and 11 of B-6.
2. For loans with "periodic payments of principal and interest", which are restructured or renewed, they may remain in the same risk category, without the provisions of Paragraphs 104 and 105 of B-6 being applicable. This is provided that the borrowers are classified as a portfolio in stages 1 and 2 as of October 24, 2023, in accordance with paragraphs 10 and 11 of B-6.
3. Loans that are stipulated to be revolving from the outset, which are restructured or renewed no later than April 30, 2024, may not be carried over to the next stage of increased risk in accordance with the provisions of Paragraph 100 of the B-6. This benefit may not exceed 6 months from the original maturity date of the operations and may only be applied to provisions authorized or agreed upon as of October 24, 2023, provided that the borrowers are classified as a stage 1 or 2 portfolio on that date, in accordance with paragraphs 10 and 11 of B-6.
4. In relation to the credits mentioned in the preceding paragraphs, these operations shall not be considered as restructured in accordance with the provisions of Paragraph 35 of Criterion B-6.

5. In the event of including write-offs, forgiveness, bonuses or discounts on the credit balance to support borrowers, the Institutions may defer the constitution of EPRC. When the amount of write-offs, write-offs, bonuses or discounts are > the EPRC will set up a reserve for the difference in a period not exceeding 12 months.

In order to apply the special accounting criteria, institutions must adhere to:

- Do not make contractual modifications that explicitly or implicitly consider the capitalization of interest, or the charging of any commission for the restructuring.
- In the case of revolving loans addressed to individuals, credit lines previously authorized or agreed as of October 24, 2023 must not be restricted or reduced by more than 50% of the undrawn portion of such lines, or cancelled.
- For revolving loans agreed with legal entities, credit lines previously authorized or agreed as of October 24, 2023 should not be restricted from previously authorized lines and may not be cancelled.
- Do not request additional warranties or substitution.
- Document the new conditions by evidence of the agreement between the parties (via email).

Due to the recent events, Management is in the process of determining the impacts of the implementation of the special accounting criteria to be included as part of the annual quarterly disclosures applicable to 2023 and 2024.

Digital Strategy

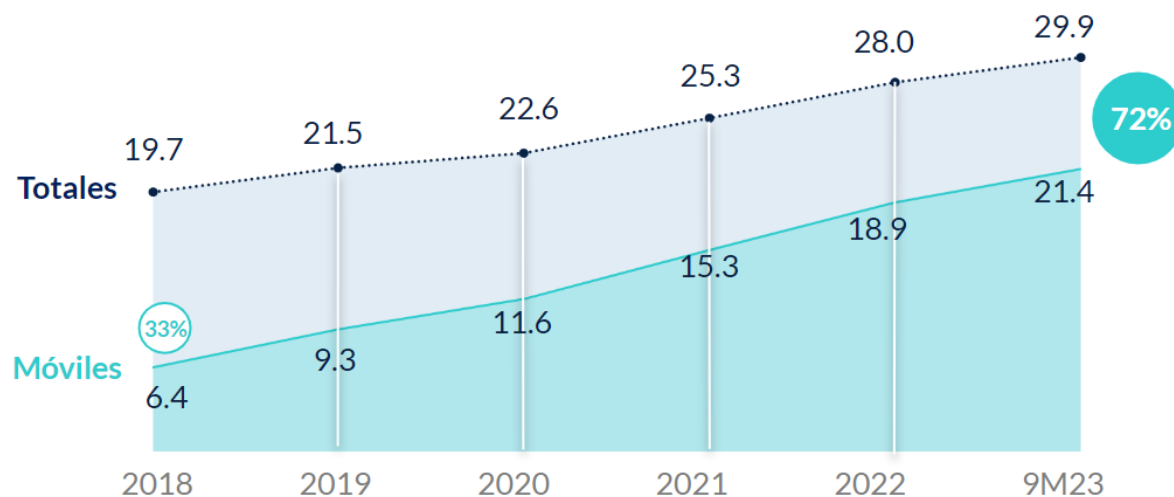
BBVA Mexico has set a clear leadership in innovation and technology by continuing to develop new products and services, which offer an agile and simple experience to its customers through its mobile applications.

This approach has led to a remarkable growth in the number of customers using digital channels, reaching a total of 21.4 million mobile customers at the end of September 2023, representing an increase of 18.4% compared to the previous year, and represents 71.6% of the total customer base.

The impact of digital channels is reflected in the increasing level of transactionality of customers. During the first nine months of 2023, 2,596 million financial transactions were carried out in the institution, equivalent to an annual increase of 22.1%. With this, transactions made through the mobile application and the website, represented 64% of the total (vs. 59% in September 2022).

Additionally, with the BBVA Spark unit, we have a new business model that generates proximity with the entrepreneurial ecosystem. BBVA Spark, born with the aim of providing a global service to high impact companies, companies with scalable business models based on technology and innovation.

The innovation and digital transformation strategy also reflects BBVA Mexico's commitment to continuous development, as well as its ability to adapt to the changing needs of the users of financial services, providing innovative financial solutions through secure and efficient digital channels.



Innovation

BBVA Mexico strengthens telephone communication with its customers with "Secure Call".

BBVA Mexico announces that it has incorporated the 'Secure Call' service into its mobile app, which will be available to its more than 21 million mobile customers and will allow them to verify that a phone call they are about to receive is from the bank. This can be validated within the BBVA Mx App, in the notifications section, where customers can review the reason for the call and verify that it corresponds to the same reason given by the telephone advisor.

"Secure Call" provides additional security measures to protect users.

BBVA Mexico and ICEL University sign an agreement to promote financial education.

Young people are the future of the country. Based on this reality and with the objective of providing more young people with the necessary tools to have better financial health.

The formalization of this agreement, an initiative of BBVA Mexico's Financial Education Program, seeks that students could be trained by BBVA in financial education and, with the experiences acquired, become promoters in their community to invite people to acquire free basic knowledge and tools to help them maintain healthier finances.

BBVA Mexico establishes alliance with Chinese Carmaker Great Wall Motor and presents GWM Finance

BBVA Mexico and Great Wall Motors (GWM) announced an alliance in which the banking institution will be the financier of the automaker that comes with the launch of its five brands: TANK, POER, ORA, HAVAL and WEY, which can be access at with an attractive rate in the industry. This alliance leverages the introduction of the Chinese automaker in the country.

The cars incorporate combustion engines and in favor of electromobility, new energy cars are offered, such as the Hybrid Electric Vehicle (HEV), Plug-in Hybrid Electric Vehicle (PHEV) and Electric Vehicle (EV).

Sustainability

Strategy

At BBVA, **supporting our customers' transition to a sustainable future** is a strategic priority. Our ambition is to drive **climate action** and **inclusive growth** through 3 main objectives:

New business model through sustainability	To reach Net-Zero Emissions by 2050	Generating a positive impact
Canalization	Decarbonization	Social Impact
Sustainable mobilization target to 2025: 300 billion euros	2030 alignment target for 6 carbon-intensive sectors	Community investment target: 550 million euros
Climate change and inclusive growth	... and neutral in net emissions from our direct activity	From 2021 to 2025

Governance Model

To implement the sustainability strategy, BBVA Group has a governance model with a transversal approach from the Board of Directors. At the executive level, there is a Global Sustainability Area, a Local Sustainability Office and specialized advisory teams.

Commitment to Sustainability




BBVA Group is a member and signatory of the following UNEP-FI (United Nations Environment Programme Finance Initiative) initiatives:

- **Net Zero Banking Alliance**- BBVA Group
- **Principles for Responsible Banking (PRB)** - BBVA Group and BBVA Mexico
- **Principles for Responsible Investment (PRI)** - BBVA Group and BBVA Mexico.

BBVA Mexico is also a member of the **United Nations Global Compact** and contributes to the **Sustainable Development Goals of the 2030 Agenda**.

Sustainable Financing

Sustainable Mobilization (January-September 2023)

Environment \$101,054 mp 	Inclusive Growth \$37,790 mp 	Total \$138,844 mp 
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* Information on sustainable financing for individuals, companies, as well as preliminary green and social bonds updated at the end of 3Q23







Climate Action

Focused on helping BBVA's customers change their behavior and promote the transition to a greener world. In this point, it is worth highlighting the financing of support for customers to manage the challenge of climate change for each industry and in general in matters such as:

- **Energy Efficiency.** Focused on technologies that reduce energy consumption per unit of product.
- **Circular Economy.** Managing recycling, use of new materials and responsible use of material resources.
- **CO2 reduction.** Promoting renewable energies and other sources of clean energy, electric mobility, etc.

Alignment objectives (Global, including Mexico)

2030 alignment targets for 6 carbon-intensive sectors:

-  Oil & Gas
-  Electricity generation
-  Automobiles
-  Steel
-  Cement
-  Coal (2040 globally)

Energy and emissions (BBVA Mexico)

100% Renewable electricity purchased by 2022

BBVA Mexico is neutral in its own emissions as of 2020, including Scope 1, 2 and part of Scope 3 emissions.



Sustainable construction (BBVA Mexico)

10 BBVA buildings have ISO 14001:2015 certification

6 LEED Certified Buildings



Carbon Footprint App

BBVA Mexico has available for its more than 21 million mobile customers the measurement of their carbon footprint, which is calculated by obtaining data from payments and recurrent charges (*Domiciliaciones*) with credit and debit cards for items such as electricity, gas, gasoline and transportation. The objective is to help customers become aware of their environmental impact and provide them recommendations to reduce their footprint. For a better dimension of the impact, the functionality shows examples or equivalences with respect to the generation of carbon footprint. An example of these messages is: Your footprint is equivalent to 30 deforested trees.

1st BBVA National Sustainability Challenge "Juntos por el Caribe mexicano"

In September, the bank along with allies and partners launched this initiative that seeks, through the synergy of various public and private members, to find a viable solution to reduce the socio-environmental problems presented by sargassum in the Mexican Caribbean.

This call is aimed for students, scientists and researchers who, based on the viability of their project, three of them will be selected to develop their solution within a 12 months period, for which they will have a budget of up to 2 million pesos. The three finalists will be announced in November 2023 and the final winner will be announced in November 2024.

Inclusive growth

The objective of this part of BBVA's sustainability strategy is to stimulate economic growth that leaves no one behind and creates opportunities for all. By fostering inclusive growth, we actively contribute to the social development of the societies in which we operate. This approach not only benefits individuals but also strengthens the social fabric, creating a more cohesive, equitable and resilient society where everyone has the potential to thrive. The Inclusive Growth strategy covers three areas:

Customers	Society	Employees and suppliers
<ul style="list-style-type: none"> • Health and financial • Support for entrepreneurs and microenterprises in Mexico • Business financing <p>1.6 million digital accounts to unbanked customers (at year-end 2022)</p>	<ul style="list-style-type: none"> • BBVA Foundation Mexico • Financial Education <p>1,312 million pesos in programs with an impact on society, transforming the lives of 2.4 million people (BBVA Foundation, 2022).</p> <p>90 thousand people benefited from financial education workshops (2022).</p>	<ul style="list-style-type: none"> • Corporate Integrity • Respect for Human Rights <p>BBVA was recognized in the first edition of the Merco talento ranking</p> <p>1st place in the financial sector</p> 

BBVA Foundation's "Chavos que inspiran" School

College "Chavos que Inspiran" aims to provide excellent education to students living in socioeconomically vulnerable contexts, with no cost to their families. The first school opened its doors on August 28 in the municipality of Acolman, State of Mexico, an environment where 9 out of 10 families face economic challenges and where only 1 out of 10 citizens complete university. Through this initiative we will accompany students from the first year of elementary school through high school graduation.

Awards

BBVA Mexico's 2022 Annual Report was recognized by the LACP and ARC awards with a GOLD rating. For more information on the award-winning annual report, please visit the following link [BBVA Mexico 2022 Annual Report](#).

- **LACP** GOLD rating in the BANKS-COMMERCIAL category for integrated reports.
- **ARC** GOLD rating in the BANKS- INTERNATIONAL category.

Macro environment

Economic activity continues to expand at a relatively high pace, faster than anticipated, due to the dynamism of private consumption, the resilience of the manufacturing sector, the effects on private investment of the prospects for relocating industrial production away from China, the impact of higher government spending on the construction sector, in a context of better growth prospects in the United States. According to BBVA Research, GDP could grow by around 3.2% in 2023 and 2.6% in 2024 (in both cases, 80 basis points above the previous forecast). Annual inflation eased to 4.5% in September and will likely continue to be gradually subdued in the coming quarters, remaining around 3.8% in 2024. Official interest rates, which stood at 11.25% at the end of September, are expected to be cut somewhat later than expected, starting at the beginning of 2024.

Regarding the banking system, with data at the end of August 2023, the volume of performing loans to the non-financial private sector increased by 10.5% year-on-year, with a greater boost in the consumer portfolio (+18.2%), followed by mortgages (+10.3%) and enterprises (+7.5%). The growth of total deposits remains at 8.7% in August 2023, similar to recent months. Time deposits slowed slightly in August (15.3% year-on-year). On the other hand, the system's non-performing loans remain stable at around 2.36% and capital ratios are comfortable.

Management Discussion & Analysis (MD&A)

Commercial Activity

Loan portfolio at stage 1 and stage 2

During the first nine months of 2023, the economy reflects positive dynamics and consolidates the country's recovery. This, together with BBVA Mexico's strong commitment to boost economic development, can be reflected in the continued growth of credit, which has a balance of 1,607,896 million pesos, equivalent to an increase of 11.4% vs the nine months of the previous year. This consolidates BBVA Mexico's leadership with a market share of 24.7%, according to the most recent figures published by the CNBV at the end of August 2023.

Commercial loans reached 877,855 million pesos, of which 75% of the portfolio consists of the business segment (including corporate and medium-sized companies), which recorded a balance 10.1% higher than the previous year. This, mainly driven by the growing opportunities in the country and the strengthening in the attraction of investment (nearshoring).

An important strategic line of business for BBVA Mexico is the support of small and medium-sized enterprises (SMEs)¹ that have registered a balance of over 111,315 million pesos, equivalent to an annual growth of 20.0% and more than 58.2% new loans to this segment. Part of the initiatives to promote this segment has been the installation of the Banca de Barrio model, which since July 2020 to date has more than 3,900 specialized executives, increasing the customer base by 271 thousand with the installation of 182 thousand terminals points of sale to enhance business.

On the other hand, loans to individuals have had a positive evolution in the year, both in the balance and in new credits. In the first nine months of 2023, credit card dynamism stood out, which reached balances of 163,193 million pesos (+23.0% YoY), placing more than 1.8 million new plastics, which is 22.9% more than the same period of the previous year. Payroll and personal loans closed with a balance of 190,072 million pesos overall, equivalent to an annual growth of 18.7%, which have been supported by the momentum in the innovation strategy and the dynamism of domestic consumption in the country.

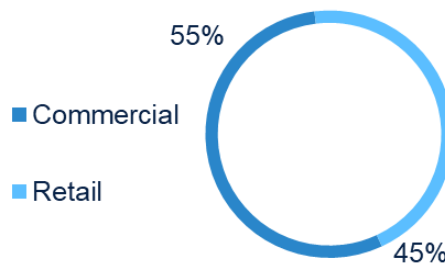
Mortgage lending has maintained a steady growth trend over the past few years. This allows BBVA Mexico to remain the leader by granting one in four new mortgages in private banks, according to information from the CNBV at the end of August 2023.

¹SME segmentation under internal management criteria at BBVA Mexico.

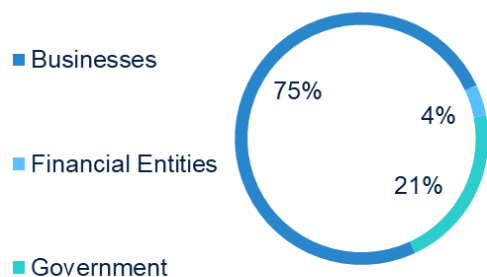
Detail of credit stage 1 & stage 2

CREDIT PORTFOLIO STAGE 1 AND 2 (MILLION PESOS)				Variation (%)	
BBVA Mexico	September	June	September	vs Jun.	vs Sep.
	2022	2023	2023	2023	2022
Credit Portfolio Stage 1	1,401,002	1,515,785	1,565,311	3.3	11.7
Enterprises	578,657	623,278	644,791	3.5	11.4
Financial Entities	32,295	35,751	34,813	(2.6)	7.8
Government	114,356	124,724	134,630	7.9	17.7
State-owned Entities	57,315	52,295	50,040	(4.3)	(12.7)
Government Entities	171,671	177,019	184,670	4.3	7.6
Commercial Loans	782,623	836,048	864,274	3.4	10.4
Consumer	331,181	374,878	390,844	4.3	18.0
Mortgage	287,198	304,859	310,193	1.7	8.0
Credit Portfolio Stage 2	37,038	35,989	37,304	3.7	0.7
Enterprises	19,115	14,069	13,574	(3.5)	(29.0)
Commercial Loans	19,115	14,069	13,574	(3.5)	(29.0)
Consumer	7,470	10,181	11,535	13.3	54.4
Mortgage	10,453	11,739	12,195	3.9	16.7
Credit Portfolio Stage 1 and 2	1,438,040	1,551,774	1,602,615	3.3	11.4
Portfolio Valued at Fair Value	5,082	5,071	5,274	4.0	3.8
Total Credit Portfolio	1,443,122	1,556,845	1,607,889	3.3	11.4

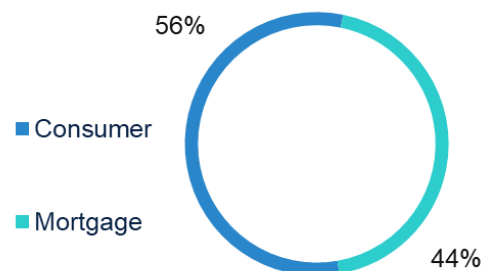
Mix of the portfolio stage 1 y 2 (%)



Commercial Loan Mix (%)



Retail Loan Mix(%)



Asset Quality

Non-performing loans stage 3

The robust and strict risk models are reflected in the non performing loan portfolio balances. The total balance of the Stage 3 loan portfolio stood at 26,070 mp at the third quarter of the year, which is reflected in an NPL ratio of 1.60%.

Coverage ratio of Stage 3 portfolio stood at 200.7% during the 3Q23.

CREDIT PORTFOLIO STAGE 3 (MILLION PESOS)			Variation (%)		
BBVA Mexico	Sep.	Jun.	Sep.	vs Jun.	vs Sep.
	2022	2023	2022	2023	2022
Enterprises	7,281	7,907	8,098	2.4	11.2
Financial Entities	9	9	-	n.a.	n.a.
Commercial Loans	7,290	7,916	8,098	2.3	11.1
Consumer	9,918	9,831	11,161	13.5	12.5
Mortgage	7,145	6,052	6,811	12.5	(4.7)
Credit Portfolio Stage 3	24,353	23,799	26,070	9.5	7.1

NPL ratio (%)

1.60%

September 2023

Coverage ratio (%)

200.7%

September 2023

Non-Performing Loans Movements Stage 3

NON-PERFORMING LOANS MOVEMENTS STAGE 3 TO SEPTEMBER 2023 (MILLION PESOS)

BBVA Mexico	Enterprises and Financial Entities	Credit Card	Consumer	Mortgages	Total
Final Balance (December 2022)	7,662	3,289	6,074	6,823	23,848
Inputs:	6,281	14,335	15,563	6,245	42,424
Transfer of current loan (Stage 1 and 2)	5,827	13,629	14,969	6,064	40,489
Restructured	454	706	594	181	1,935
Outputs:	(5,845)	(13,212)	(14,888)	(6,257)	(40,202)
Transfer of current loan (Stage 1 and 2)	(1,043)	(1,520)	(975)	(3,560)	(7,098)
Cash Settlements	(2,634)	(21)	(231)	(157)	(3,043)
Restructured	(5)	-	(6)	(16)	(27)
Financial Penalties	(502)	(831)	(1,075)	(711)	(3,119)
Write-offs	(1,661)	(10,840)	(12,601)	(1,813)	(26,915)
Final Balance (September 2023)	8,098	4,412	6,749	6,811	26,070

Loan Portfolio Credit Quality Classification

Around 80% was rated with the minimum risk level, which implies a sound asset quality.

PERFORMING LOANS RATING (MILLION PESOS)

BBVA México	Commercial		Mortgage		Consumer		Credit Card		TOTAL	
September 2023	Balance	Provision	Balance	Provision	Balance	Provision	Balance	Provision	Balance	Provision
<i>Risk Level</i>										
A1	796,356	1,812	295,193	213	64,550	598	94,984	1,906	1,251,083	4,529
A2	42,505	495	5,079	31	14,034	351	18,332	971	79,950	1,848
B1	6,654	122	4,081	35	74,292	2,488	9,437	673	94,464	3,318
B2	8,676	198	3,461	40	31,152	1,409	7,233	619	50,522	2,266
B3	11,649	449	2,776	48	10,194	564	7,486	771	32,105	1,832
C1	6,967	464	9,725	313	17,115	1,154	10,963	1,462	44,770	3,393
C2	2,770	297	2,588	161	17,530	1,848	9,682	2,182	32,570	4,488
D	4,480	1,147	2,758	720	6,792	1,437	5,890	3,129	19,920	6,433
E	6,534	4,723	3,531	1,865	11,884	7,691	3,598	3,019	25,547	17,298
Additional										6,918
Total required	886,591	9,707	329,192	3,426	247,543	17,540	167,605	14,732	1,630,931	52,323

Credit card for businesses and letters of credit are included in commercial.

Deposits

BBVA Mexico remains as the leading institution to enhance savings, promoting the constant use of financial instruments that allow customers to manage their resources. With this, bank deposits (demand deposits + time deposits) register a balance 6.4% higher than the previous year. Thus consolidating the leadership position in the Mexican market, by reaching a bank deposits market share of 22.6% (according to CNBV figures at the end of August 2023).

Demand deposits grew by 5.3% compared to the previous year, while time deposits closed with balances of 270,704 million. With this, our funding mix continues to strengthen, with the weight of low-cost deposits, representing 83% of the total. Likewise, the preference of clients for other products such as mutual funds has been driven by the high reference rates environment.

DEPOSITS (MILLION PESOS)			Variation (%)		
BBVA Mexico	Sep.	Jun.	Sep.	vs Jun.	vs Sep.
	2022	2023	2023	2023	2022
Demand deposits	1,252,826	1,300,541	1,319,081	1.4	5.3
Time deposits	241,742	251,058	270,704	7.8	12.0
Customer Deposits	240,674	236,068	250,532	6.1	4.1
Money Market	1,068	14,990	20,172	34.6	n.a.
Bonds	99,279	95,115	91,785	(3.5)	(7.5)
Deposits global account without movements	5,969	6,573	7,177	9.2	20.2
Total deposits	1,599,816	1,653,287	1,688,747	2.1	5.6

Bank Deposits Mix (%)



**Bank Deposits include demand and total time deposits*

Results

During the first nine months of 2023, BBVA Mexico recorded solid results, registering a net income of 67,435 million pesos, an increase of 20.1% more than the first nine months of the previous year, this result has been supported by the growing and constant recurring income.

Net income has been driven by an improvement in Net interest income due to greater activity in the loan portfolio, as well as by an environment of higher interest rates as well as a higher level of transactionality that is reflected in a positive result of fees and commissions.

INCOME STATEMENT (MILLION PESOS)	Variation (%)				Variation (%)		
BBVA Mexico	3Q	2Q	3Q	vs 2Q	9M	9M	vs 9M
	2022	2023	2023	2023	2022	2023	2022
Net Interest Income	43,327	48,982	52,400	7.0	120,542	150,718	25.0
Provisions for loans losses	(7,796)	(10,006)	(12,198)	21.9	(24,457)	(31,401)	28.4
Net Interest Income after provisions for loans losses	35,531	38,976	40,202	3.1	96,085	119,317	24.2
Total Fees & Commissions	8,905	9,912	10,858	9.5	25,677	30,426	18.5
Trading Income	2,178	4,333	126	(97.1)	7,888	6,978	(11.5)
Other operating income	(1,549)	(2,119)	(2,077)	(2.0)	(5,067)	(5,961)	17.6
Total operating income	45,065	51,102	49,109	(3.9)	124,583	150,760	21.0
Non-interest expense	(17,630)	(19,886)	(20,024)	0.7	(49,994)	(58,889)	17.8
Net operating income	27,435	31,216	29,085	(6.8)	74,589	91,871	23.2
Share in net income of unconsolidated subsidiaries	21	230	4	(98.3)	103	258	150.5
Income before income tax and profit sharing	27,456	31,446	29,089	(7.5)	74,692	92,129	23.3
Net Taxes	(5,615)	(8,541)	(7,443)	(12.9)	(18,523)	(24,694)	33.3
Net Income	21,841	22,905	21,646	(5.5)	56,169	67,435	20.1

NIM Total Assets (%)

7.1%

September 2023

ROE (%)

28.7%

Accumulated as of September 2023

Net interest income

During the first nine months of the year, net interest income continues to show strength with a growth of 25.0% compared to the previous year, due to portfolio growth in profitable segments with higher margins, and from a higher rate environment related to 2022.

Provisions for loan losses registered a balance of 31,401 million pesos, 28.4% higher than the same period of the previous year, reflecting the greater activity in retail segments. With this, net interest income after provisions reached 119,317 million pesos, 24.2% higher than the previous year.

NET INTEREST INCOME (MILLIONS PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	3Q	2Q	3Q	vs 2Q	9M	9M	vs 9M
	2022	2023	2023	2023	2022	2023	2022
Interest income	59,840	72,352	78,109	8.0	162,343	220,277	35.7
Interest expenses	(17,103)	(24,018)	(26,718)	11.2	(43,387)	(71,738)	65.3
Margin fees	590	648	1,009	55.7	1,586	2,179	37.4
Net Interest Income	43,327	48,982	52,400	7.0	120,542	150,718	25.0
Provisions for loans losses	(7,796)	(10,006)	(12,198)	21.9	(24,457)	(31,401)	28.4
Net Interest Income after provisions	35,531	38,976	40,202	3.1	96,085	119,317	24.2

Fees and Commissions

During the first nine months of 2023, commissions and fee income reached 30,426 million pesos, an increase of 18.5% supported by higher volumes and billing from credit card customers that have had a favorable performance in 2023. Likewise, investment fund fees have had a favorable performance in the year, also derived from higher volumes encouraged by an environment of high interest rates.

FEES & COMMISSIONS (MILLION PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	3Q	2Q	3Q	vs 2Q	9M	9M	vs 9M
	2022	2023	2023	2023	2022	2023	2022
Bank fees	2,031	2,081	2,156	3.6	5,906	6,309	6.8
Credit and debit card	5,551	6,371	6,707	5.3	15,662	19,237	22.8
Investment funds	1,202	1,329	1,434	7.9	3,516	4,015	14.2
Others	121	131	561	n.a.	593	865	45.9
Commissions and fee income	8,905	9,912	10,858	9.5	25,677	30,426	18.5

Trading income

Trading income mainly reflects the activity of Global Markets and reached 6,978 million pesos in the first nine months of 2023, supported by a positive result in the purchase and sale of foreign currencies. During the quarter, it shows a drop, as a result of a one off exchange for interest rate risk purposes.

TRADING INCOME (MILLION PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	3Q	2Q	3Q	vs 2Q	9M	9M	vs 9M
	2022	2023	2023	2023	2022	2023	2022
Variable income	23	5	(4)	n.a.	20	19	(5.0)
Fixed income and repos	(1,309)	220	(1,672)	n.a.	(1,803)	(561)	(68.9)
Securities	(1,286)	225	(1,676)	n.a.	(1,783)	(542)	(69.6)
FX	1,423	(5,178)	3,939	n.a.	2,584	818	(68.3)
Derivatives	(3,024)	3,545	(6,630)	n.a.	146	(3,129)	n.a.
Results from valuation	(2,887)	(1,408)	(4,367)	210.2	947	(2,853)	n.a.
Variable income	(45)	(8)	(3)	(62.5)	(41)	2	n.a.
Fixed income and repos	393	272	(327)	n.a.	60	(522)	n.a.
Securities	348	264	(330)	n.a.	19	(520)	n.a.
FX	2,822	2,547	2,477	(2.7)	7,606	6,654	(12.5)
Derivatives	1,895	2,930	2,346	(19.9)	(684)	3,697	n.a.
Results from trading	5,065	5,741	4,493	(21.7)	6,941	9,831	41.6
Trading Income	2,178	4,333	126	(97.1)	7,888	6,978	(11.5)

Other Income (expenses) of the operation

Other operating income (expenses) recorded a loss of 5,961 million pesos in the first nine months of 2023, mainly as a result of the payment of IPAB fees which, as of January 1, 2022, began to be recorded under this segment.

OTHER INCOME (EXPENSES) (MILLION PESOS)			Variation (%)		Variation (%)		
BBVA Mexico	3Q	2Q	3Q	vs 2Q	9M	9M	vs 9M
	2022	2023	2023	2023	2022	2023	2022
Interest of loans to employees	231	259	278	7.3	675	787	16.6
Result of operations of foreclosed assets	467	147	124	(15.6)	801	460	(42.6)
Recovery for guarantee payments	21	30	13	(56.7)	71	60	(15.5)
Write-offs	(39)	(197)	(87)	(55.8)	(55)	(348)	n.a.
Legal and labor contingencies	(51)	(82)	(185)	125.6	(336)	(363)	8.0
Result of portfolio recovery	(168)	(224)	(193)	(13.8)	(458)	(587)	28.2
Donations	(256)	(313)	(281)	(10.2)	(768)	(816)	6.3
Payments of IPAB fees	(1,783)	(1,764)	(1,801)	2.1	(5,246)	(5,328)	1.6
Others	29	25	55	120.0	111	174	56.8
Other operating income	(1,549)	(2,119)	(2,077)	(2.0)	(5,067)	(5,961)	17.6

Non-Interest Expenses

Operating expenses reached 58,889 million pesos, 17.8% higher than the first nine months of the previous year. This increase is mainly due to high levels of inflation, technology expenses related to the growth of the business itself. In terms of personnel expenses, also an increase due to salary adjustment and increase in employees. However, BBVA Mexico maintains a lower efficiency ratio (measured as expenses divided by income) located at 32.2% during the first nine months of 2023.

BBVA Mexico maintains a solid infrastructure network with 1,740 offices and 14,417 ATMs, and has 43,894 employees (3,685 more employees than the first nine months of the previous year). This infrastructure complements the powerful range of digital applications and services to meet the current and future needs of our customers, which in the first nine months of the year exceeds 29.9 million

NON-INTEREST EXPENSES (MILLION PESOS)				Variation (%)		Variation (%)	
BBVA Mexico	3Q	2Q	3Q	vs 2Q	9M	9M	vs 9M
	2022	2023	2023	2023	2022	2023	2022
Administrative and operating expenses	13,019	14,594	14,927	2.3	36,701	43,303	18.0
Rents	1,566	2,005	1,720	-14.2	4,409	5,624	27.6
Depreciation and amortization	2,065	2,170	2,261	4.2	6,110	6,575	7.6
Taxes	980	1,117	1,116	(0.1)	2,774	3,387	22.1
Administrative and operating expenses	17,630	19,886	20,024	0.7	49,994	58,889	17.8

Efficiency ratio (%)

32.3%

Accumulated as of September 2023

Capital and liquidity

Capital

The estimated capitalization ratio of BBVA Mexico was 18.5% at the end of September 2023, composed of 15.8% CET1 and 2.7% T2 capital.

BBVA México maintains a robust capital position, fully complying with all capital requirements and remaining well above regulatory minimums. BBVA México has been ratified by the local regulator as a multiple banking institution of local systemic importance, classified in Grade IV.

During the month of June 2021, the regulation known as Total Loss Absorption Capacity (TLAC) came into effect. As a result of the foregoing, the regulator has modified the General Provisions applicable to credit institutions, in order to reflect the adoption of the aforementioned international standard, incorporating a supplement to net capital that will be applicable to multiple banking institutions of local systemic importance.

The constitution of the aforementioned net capital supplement will gradually increase year after year, starting in December 2022 and ending in December 2025. Considering the above, the minimum total capital for BBVA Mexico is currently 13.625%.

During the third quarter of 2023, BBVA Mexico made the third dividend payment, in terms of the resolutions approved by the General Ordinary Stockholders' Meeting for the 2022 fiscal year, at a rate of \$ 0.659163495909915, for each outstanding share.

Estimated capital ratio of BBVA Mexico

CAPITALIZATION (MILLION PESOS)

BBVA Mexico	September		June		September	
	2022		2023		2023	
Tier 1 capital		282,022		298,166		304,403
Tier 2 capital		40,653		51,410		52,370
Net capital		322,675		349,576		356,773
	Credit Risk	Market operational & Credit Risk	Credit Risk	Market operational & Credit Risk	Credit Risk	Market operational & Credit Risk
Risk-weighted assets	1,090,955	1,675,400	1,168,390	1,849,598	1,212,448	1,929,496
Tier 1 as % of risk-weighted assets	25.9%	16.8%	25.5%	16.1%	25.1%	15.8%
Tier 2 as % of risk-weighted assets	3.7%	2.4%	4.4%	2.8%	4.3%	2.7%
Net capital ratio	29.6%	19.3%	29.9%	18.9%	29.4%	18.5%

*Previous information. Figures are under review by the authority

Liquidity

Despite the complex environment, BBVA Mexico maintains sound liquidity levels for continued growth. The liquidity ratio, defined as loans to deposits, was 100.8% and the short-term indicator, defined as the Liquidity Coverage Coefficient (Local LCR) was 160.47%.

Important to mention that arising from disclosure requirements and looking to enhance a stable funding profile in relation to the composition of the assets and off-balance sheet activities, the Net Stable Funding Ratio (Local NSFR) is 129.04% for the third quarter of the year.

On September 21, 2023, the issuance identified with ticker symbol BACOMER18 for an amount of MXN 3,500 million pesos matured.

Loans to deposits ratio (%)

100.8%

September 2023

LCR (%)

160.47%

September 2023. Previous information

Financial Indicators

FINANCIAL INDICATORS					
BBVA Mexico	2022		2023		
	3Q	4Q	1Q	2Q	3Q
Infrastructure Indicators (#)					
Branches	1,727	1,733	1,735	1,736	1,740
ATMs	13,783	14,019	14,160	14,232	14,417
Employees	40,209	41,247	41,835	43,101	43,894
Profitability Indicators (%)					
a) NIM Adjusted (Produced Assets)	5.6	5.5	6.4	6.1	6.0
b) NIM (Total Assets)	6.2	6.7	7.1	7.0	7.3
c) Operating Efficiency	2.5	2.6	2.7	2.8	2.8
d) Efficiency Ratio	33.4	30.8	31.8	32.5	32.7
e) Productivity Ratio	50.5	52.1	50.9	49.8	54.2
f) Return on Equity (ROE)	29.9	27.3	30.1	29.3	26.9
g) Return on Assets (ROA)	3.1	2.9	3.3	3.3	3.0
Asset Quality Indicators (%)					
h) Non - Performing Loans Ratio	1.7	1.6	1.5	1.5	1.6
i) Portfolio Coverage Ratio Stage 3	193.1	207.9	213.0	208.5	200.7
Solvency Indicators (%)					
j) Core Equity Tier 1 Ratio	16.8	16.8	16.4	16.1	15.8
k) Tier Ratio	16.8	16.8	16.4	16.1	15.8
l) Total Capital Ratio	19.26	19.2	18.4	18.9	18.5
m) Leverage Ratio	10.33	10.39	10.5	10.6	10.6
Liquidity Indicators (%)					
n) Liquidity Ratio (CNBV Requirement)	60.6	52.1	48.2	53.1	53.3
o) Liquidity (Performing Loans / Deposits)	96.2	92.1	96.7	100.0	100.8
p) Liquidity Coverage Ratio	205.96	197.68	185.60	168.82	160.47
q) Net Stable Funding Coefficient	135.46	134.65	134.03	129.98	129.04

INFRASTRUCTURE

ATM's: Include those that have activity during the quarter.

PROFITABILITY

- a) Net interest margin adjusted (NIM): Net interest income after provisions for loan losses (annualized) / Average productive assets
Average productive assets: Cash + Investment in financial instruments + Repo debtors + securities lending + derivatives + loans stage 1 and 2 + Receivable benefits from securitization transaction + Valuation adjustments derived from hedges of financial assets.

- b) Net interest Margin (NIM): Net interest income (annualized)/ Average total assets
- c) Operating efficiency: Expenses (annualized) / Average total assets.
- d) Efficiency ratio: Administrative and promotional expenses / Net interest income + commissions and fee income + trading income + other operating income (expense).
- e) Productivity ratio: Commissions and fees / Promotions and administrative expenses.
- f) Return on equity (ROE): Net income (annualize) / Average capital.
- g) Return on assets (ROA): Net income (annualize)/ Average total assets .

ASSET QUALITY

- h) NPL Ratio: Balances of stage 3 end of period / total loan portfolio.
- i) Coverage ratio: Allowances for loan losses / Balances of stage 3 end of period

SOLVENCY (BBVA México Information)

- j) Core Equity Tier 1 ratio: CET1 Capital / Risk Weighted Assets to credit risk, market and operational (applied in Mexico since January 2013)
- k) Tier1 ratio: Tier 1 Capital / Risk weighted assets to credit risk, market and operational (applied in Mexico since January 2013)
- l) Total Capital Ratio: Net Capital / Risk Weighted assets to credit risk, market and operational (applied in Mexico since January 2013).
- m) Leverage ratio: Risk Capital / Exposure.

LIQUIDITY

- n) Liquidity ratio: Liquid assets / Liquid liabilities.

Liquid Assets: Cash and cash equivalents + Unrestricted Tradable Financial Instruments + Financial Instruments to collect or sell without restrictions

Liquid Liabilities: Demand deposits + interbank loans and loans from other entities payable on demand + Interbank loans and loans from other entities short term

- o) Liquidity: Liquidity: Portfolio with stage 1 and stage 2 credit risk + credit portfolio valued at fair value / Bank deposits (demand deposits + time deposits).
- p) Liquidity Coverage Ratio (Local LCR): Computable Liquid Assets / 30-day stressed Net Outflows (BBVA Mexico information). Quarterly average. Preliminary figure
- q) Total Amount of Stable Financing Available / Total Amount of Stable Financing Required

Notes: Average data = ((Balances of the quarter + Balances of the previous quarter) / 2).

Annualized data = Balances of the quarter * 4).

Ratings

BBVA Mexico's Ratings

	Long Term	Short Term	Outlook
Standard and Poor's			
Issuer Credit Rating - Foreign Currency	BBB	A-2	Stable
Issuer Credit Rating - Local Currency	BBB	A-2	Stable
National Scale	mxAAA	mxA-1+	Stable
Stand Alone Credit Profile (SACP)	bbb+		
Moody's			
Bank Deposits - Foreign Currency	Baa1	P-2	Stable
Bank Deposits - Domestic Currency	Baa1	P-2	Stable
National Scale Rating Bank Deposits	AAA.mx	ML A-1.mx	Estable
Baseline Credit Assessment (BCA/ABCA)	baa2/baa1		
Fitch			
Issuer Default Rating - Foreign Currency	BBB	F2	Stable
Issuer Default Rating - Local Currency	BBB	F2	Stable
National Scale Rating	AAA(mex)	F1+(mex)	Stable
Viability Rating (VR)	bbb		

Issuances

BBVA Mexico

Issuances

Instruments	Amount	Original Currency	Issue Date	Due Date	Call Date	Term (years)	Rate	Ratings		
Senior Debt								S&P	Moody's	Fitch
BACOMER 07U	2,240	UDIS	30-ene-07	9-jul-26		19.4	4.36%		Aaa.mx	AAA(mex)
US05533UAD00 (ISIN 144A)	750	USD	3-abr-14	10-abr-24		10.0	4.38%		Baa1	BBB
BACOMER 19-2	5,000	MXN	21-jun-19	11-jun-27		8.0	8.49%		Aaa.mx	AAA(mex)
BACOMER 20-2	6,000	MXN	10-feb-20	5-feb-25		5.0	TIIE28 + 15		Aaa.mx	AAA(mex)
US05533UAH14 (ISIN 144A)	500	USD	15-sep-20	18-sep-25		5.0	1.88%		Baa1	BBB
BBVAMX 22X	10,000	MXN	23-jun-22	18-jun-26		4.0	TIIE Fondeo + 28	mxAAA	Baa1/Aaa.mx	AAA(mex)
BBVAMX 23V	8,689	MXN	20-feb-23	15-feb-27		4.0	TIIE ON + 32	mxAAA		AAA(mex)
BBVAMX 23	6,131	MXN	20-feb-23	11-feb-30		7.0	9.54%	mxAAA		AAA(mex)
Subordinated Debt										
US05533UAE82 (ISIN 144A)	200	USD	6-nov-14	12-nov-29	12-nov-24	15NC10	5.35%	BB	Baa3	BB
US05533UAF57 (ISIN 144A)	1,000	USD	17-ene-18	18-ene-33	18-ene-28	15NC10	5.125%	BB		BB
US05533UAG31 (ISIN 144A)	750	USD	05-sep-19	13-sep-34	19-sep-29	15NC10	5.875%		Baa3	BB
US07336UAA16 (ISIN 144A)	1,000	USD	22-jun-23	29-jun-38	29-jun-33	15NC10	8.450%		Baa3	BB

Financial Statements

Balance Sheet

(figures in millions of pesos)

Assets

ASSETS (MILLION PESOS)					
BBVA México	Sep. 2022	Dec. 2022	Mar. 2023	Jun. 2023	Sep. 2023
CASH AND CASH EQUIVALENTS	325,938	275,795	249,655	214,126	202,501
Margin call accounts	6,455	9,718	8,131	11,575	10,207
INVESTMENTS IN FINANCIAL INSTRUMENTS	512,630	533,782	510,031	607,665	631,497
Negotiable financial instruments	241,917	244,852	200,989	263,793	286,182
Financial instruments to collect or sell	195,487	195,031	189,690	215,636	218,236
Financial instruments to collect principal and interest (securities)(net)	75,226	93,899	119,352	128,236	127,079
Debtors from repurchase agreement	19,755	26,324	22,267	24,409	71,735
Derivatives	244,382	216,165	217,342	201,076	230,711
Trading	235,681	209,518	209,521	191,373	221,586
Hedging Transactions	8,701	6,647	7,821	9,703	9,125
Valuation adjustments derived from hedges of financial assets	(1,017)	(639)	(768)	(644)	(2,080)
CREDIT PORTFOLIO WITH CREDIT RISK STAGE 1	1,401,002	1,449,354	1,480,398	1,515,785	1,565,311
Commercial loans	782,623	809,063	823,405	836,048	864,274
Business or commercial activity	578,657	593,756	604,366	623,278	644,791
Financial entities	32,295	29,571	33,360	35,751	34,813
Government entities	171,671	185,736	185,679	177,019	184,670
Consumer	331,181	346,721	357,775	374,878	390,844
Mortgage	287,198	293,570	299,218	304,859	310,193
Middle and Residential	282,922	289,472	295,071	301,003	306,563
Low income	4,276	4,098	4,147	3,856	3,630
CREDIT PORTFOLIO WITH CREDIT RISK STAGE 2	37,038	37,875	38,746	35,989	37,311
Commercial loans	19,115	18,831	17,759	14,069	13,581
Business or commercial activity	19,115	18,831	17,759	14,069	13,574
Financial entities	0	0	0	0	7
Consumer	7,470	8,616	9,848	10,181	11,535
Mortgage	10,453	10,428	11,139	11,739	12,195
Middle and Residential	9,924	9,963	10,667	11,222	11,673
Low income	529	465	472	517	522
CREDIT PORTFOLIO WITH CREDIT RISK STAGE 3	24,353	23,848	23,042	23,799	26,070
Commercial loans	7,290	7,662	7,623	7,916	8,098
Business or commercial activity	7,281	7,653	7,614	7,907	8,098
Financial entities	9	9	9	9	0
Consumer	9,918	9,363	9,326	9,831	11,161
Mortgage	7,145	6,823	6,093	6,052	6,811
Middle and Residential	6,881	6,592	5,898	5,862	6,606
Low income	264	231	195	190	205
LOAN PORTFOLIO VALUED AT FAIR VALUE	5,082	5,100	4,945	5,071	5,274
CREDIT PORTFOLIO	1,467,475	1,516,177	1,547,131	1,580,644	1,633,966
Deferred accounts	(5,243)	(3,271)	(2,139)	(2,029)	(1,734)
Allowance for loan losses	(47,014)	(49,588)	(49,075)	(49,629)	(52,323)
TOTAL LOANS, NET	1,415,218	1,463,318	1,495,917	1,528,986	1,579,909
Acquired collection rights (net)	0	1	1	1	1
TOTAL LOAN PORTFOLIO (NET)	1,415,218	1,463,319	1,495,918	1,528,987	1,579,910
Other accounts receivable, net	182,171	139,189	217,456	136,775	93,578
Reposessed assets, net	1,677	1,611	1,531	1,449	1,400
Prepayments and other assets (net)	3,288	3,309	2,980	3,241	4,727
Property, furniture and equipment, net	34,657	36,289	36,023	36,501	37,716
Assets for rights of use of property, furniture and equipment (net)	4,696	5,009	5,392	5,551	5,617
Equity investments	1,183	1,183	1,212	1,178	1,188
Deferred taxes, net	36,592	38,096	36,664	38,594	40,776
Intangible assets (net)	4,051	4,451	4,415	4,654	4,666
TOTAL ASSETS	2,791,676	2,753,601	2,808,249	2,815,137	2,914,149

Liabilities & Stockholders' Equity

LIABILITIES & STOCKHOLDERS' EQUITY (MILLION PESOS)					
BBVA México	Sep. 2022	Dec. 2022	Mar. 2023	Jun. 2023	Sep. 2023
TOTAL DEPOSITS	1,599,816	1,710,211	1,670,512	1,653,287	1,688,747
Demand deposits	1,252,826	1,367,045	1,323,166	1,300,541	1,319,081
Time Deposits	241,742	247,631	247,143	251,058	270,704
Customer deposits	240,674	243,521	237,306	236,068	250,532
Money market	1,068	4,110	9,837	14,990	20,172
Bonds	99,279	88,819	93,708	95,115	91,785
Deposits global account without movements	5,969	6,716	6,495	6,573	7,177
INTER BANK LOANS AND LOANS FROM OTHER ENTITIES	38,173	39,162	38,323	39,084	39,437
Payable on demand	0	0	0	257	0
Short- term	5,963	6,528	5,946	5,262	6,137
Long- term	32,210	32,634	32,377	33,565	33,300
Creditors from repurchase agreements	284,664	187,057	228,610	300,407	317,070
Securities creditors	2	2	2	1	2
COLLATERALS SOLD OR DELIVERED IN GUARANTEE	46,851	54,734	53,628	39,586	88,003
Repurchase	16,626	15,304	21,573	4,577	21,764
Securities lending	30,225	39,430	32,055	35,009	66,239
DERIVATIVES	269,200	241,172	238,703	220,987	256,265
Trading	260,154	232,352	231,528	213,401	248,089
Hedge transactions	9,046	8,820	7,175	7,586	8,176
Valuation adjustments derived from hedges of financial liabilities	(5,170)	(4,771)	(3,472)	(3,955)	(6,084)
Lease liability	4,745	5,139	5,560	5,788	5,930
OTHER PAYABLES	196,169	155,775	216,472	170,143	124,118
Transaction settlement creditors	79,989	13,847	87,002	81,932	70,701
Creditors for margin accounts	2,100	342	190	25	3,383
Creditors from collaterals received in cash	18,060	13,438	18,680	18,371	12,881
contributions payable	2,261	2,797	2,708	3,654	2,792
Accrued liabilities and other	93,759	125,351	107,892	66,161	34,361
FINANCIAL INSTRUMENTS THAT QUALIFY AS LIABILITIES	39,587	38,623	35,289	50,943	51,873
Subordinated debt	39,587	38,623	35,289	50,943	51,873
Income tax liability	12,326	14,112	7,519	8,081	6,998
Liabilities for employee benefits	5,166	6,993	3,960	8,457	9,406
Deferred credits and advanced collections	2,751	5,359	5,328	5,654	5,628
TOTAL LIABILITIES	2,494,280	2,453,568	2,500,434	2,498,463	2,587,393
SUBSCRIBED CAPITAL	40,003	40,003	40,003	40,003	40,003
Paid- in capital	24,143	24,143	24,143	24,143	24,143
Share premium	15,860	15,860	15,860	15,860	15,860
EARNED CAPITAL	257,320	259,951	267,727	276,579	286,654
Capital reserves	6,901	6,901	6,901	6,901	6,901
Results of prior years	267,039	267,846	274,480	285,035	296,681
Other Integral Income	(16,620)	(14,796)	(13,654)	(15,357)	(16,928)
Valuation of financial instruments to collect or sell	(10,910)	(8,703)	(7,657)	(6,835)	(8,704)
Valuation of derivative financial instruments for cash flow hedges	(1,512)	(1,353)	(1,307)	(1,048)	(868)
Remeasurements of Defined Benefits to Employees	(4,198)	(4,740)	(4,690)	(7,474)	(7,356)
EARNED CAPITAL	297,323	299,954	307,730	316,582	326,657
Non- controlling interest in consolidated subsidiaries	73	79	85	92	99
TOTAL STOCKHOLDERS EQUITY	297,396	300,033	307,815	316,674	326,756
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	2,791,676	2,753,601	2,808,249	2,815,137	2,914,149

Memorandum accounts

MEMORANDUM ACCOUNTS (MILLION PESOS)					
BBVA Mexico	2022		2023		
	Sep.	Dec.	Mar.	Jun.	Sep.
Contingent assets and liabilities	1,361	2,524	198	210	235
Credit commitments	769,391	792,231	790,919	802,739	813,116
In trusts	634,701	672,475	825,597	816,729	778,149
Under mandate	191	200	212	214	221
Assets in trust or under mandate	634,892	672,675	825,809	816,943	778,370
Assets in custody or under administration	269,525	264,323	306,201	297,837	299,783
Collaterals received by the institution	66,639	77,156	67,482	72,986	153,669
Collaterals received and sold or pledged as collateral by the institution	47,381	55,253	53,661	39,995	87,999
Investment banking transactions on behalf of third parties, net	1,954,601	2,035,619	2,209,451	2,331,658	2,338,828
Accrued interest on non- performing loans	2,449	2,195	2,192	2,197	2,467
Other record accounts	3,709,129	3,772,334	3,761,845	3,677,046	3,834,485

"The historical balance of the capital stock as of September 30, 2023 is 4,248 million pesos".

"This consolidated balance sheet is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

The Board of Directors under the responsibility of the managers who subscribe it approved this consolidated financial statement."

Eduardo Osuna Osuna

Luis Ignacio De La Luz
Dávalos

Adolfo Arcos González

Ana Luisa Miriam Ordorica
Amezcu

CEO

CFO

Head of Internal Audit

Head of Accounting

P&L

INCOME STATEMENT (MILLION PESOS)					
BBVA Mexico	3Q	4Q	1Q	2Q	3Q
	2022	2022	2023	2023	2023
Interest Income	60,430	66,648	70,338	73,000	79,118
Interest Expenses	(17,103)	(20,397)	(21,002)	(24,018)	(26,718)
Net interest income	43,327	46,251	49,336	48,982	52,400
Provisions for loan losses	(7,796)	(11,162)	(9,197)	(10,006)	(12,198)
Net interest income after provisions for loan losses	35,531	35,089	40,139	38,976	40,202
Commissions and fees charged	15,435	17,235	16,675	17,431	18,210
Commissions and fees paid	(6,530)	(8,012)	(7,019)	(7,519)	(7,352)
Total Fees & Commissions	8,905	9,223	9,656	9,912	10,858
Trading income	2,178	3,665	2,519	4,333	126
Other operating income	(1,549)	(1,763)	(1,765)	(2,119)	(2,077)
Non-interest expense	(17,630)	(17,689)	(18,979)	(19,886)	(20,024)
Net operating income	27,435	28,525	31,570	31,216	29,085
Share in net income of unconsolidated subsidiaries and affiliates	21	165	24	230	4
Income before income tax and profit sharing	27,456	28,690	31,594	31,446	29,089
Net Taxes	(5,615)	(8,329)	(8,710)	(8,541)	(7,443)
Net Income	21,841	20,361	22,884	22,905	21,646
Other integral income for the period:					
Valuation of financial instruments to collect or sell	89	2,207	1,046	823	(1,870)
Valuation of derivative financial instruments for cash flow hedges	0	159	46	259	179
Remeasurement of defined benefits to employees	(693)	(540)	50	(2,784)	118
Other comprehensive income for the period	(604)	1,826	1,142	(1,702)	(1,573)
Integral result	21,237	22,187	24,026	21,203	20,073
Net Income attributable to:					
Controlling Interest	21,849	20,367	22,890	22,912	21,653
Non-controlling interest	(8)	(6)	(6)	(7)	(7)
	21,841	20,361	22,884	22,905	21,646
Net Income attributable to:					
Controlling Interest	21,245	22,196	24,032	21,210	20,080
Non-controlling interest	(8)	(9)	(6)	(7)	(7)
	21,237	22,187	24,026	21,203	20,073
Basic Earnings per Ordinary share (pesos per share)	1.44	1.34	1.51	1.51	1.43

"This consolidated income statement is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

The Board of Directors under the responsibility of the managers who subscribe it approved this consolidated financial statement."

Eduardo Osuna Osuna

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Dávalos

Adolfo Arcos González

Ana Luisa Miriam Ordorica
Amezcu

CEO

CFO

Head of Internal Audit

Head of Accounting

Cash Flow Statement

CASH FLOW STATEMENT (MILLION PESOS)

BBVA México

from January 1st to September 30th 2023

Income before taxes		92,129
Adjustments associated with items of investing activities:		
Losses or reversal of losses due to impairment of long-lived assets	103	
Depreciation of property, furniture and fixtures	1,994	
Amortization of installation expenses	1,469	
Amortization of intangible assets	1,291	
Participation in the net result of other entities	(258)	4,599

Operating activities

Change in margin call accounts	(1,041)
Change in investments in financial instruments (securities) (net)	(101,930)
Change in debtors from repurchase agreement	(45,411)
Change in derivatives (assets)	(12,067)
Change in loan portfolio (net)	(138,056)
Change in other accounts receivable (net)	44,906
Change in foreclosed assets (net)	211
Change in other operating assets (net)	(1,406)
Change in deposits	4,885
Change in interbank loans and other loans from other entities	541
Change in creditors from repurchase agreements	130,013
Change in collaterals sold or delivered in guarantee	33,268
Change in derivative financial instruments (liability)	15,737
Change in other operating liabilities	61,501
Change in hedging instruments (of hedge items related to operation activities)	(2,907)
Change in assets/liabilities for employee benefits	(722)
Change in other accounts payable	(90,349)
Income tax payments	(34,460)
Net cash flows used in operating activities	(40,559)

Investment activities

Proceeds from the disposal of property, furniture and fixtures	26
Payments for the acquisition of property furniture and fixtures	(4,935)
Payments for acquisition of intangible assets	(1,592)
Net cash flows used in investment activities	(6,501)

Financing activities

Cash Dividend Payments	(38,600)
Proceeds associated with financial instruments that qualify as liabilities	17,388
Net cash flows from financing activities	(21,212)
Net increase or decrease in cash and cash equivalents	(68,272)
Effects of changes in the value of cash and cash equivalents	(5,022)
Cash and cash equivalents at the beginning of the period	275,795
Cash and cash equivalents at the end of the period	202,501

"This consolidated cash flow statement is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

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Changes in Stockholders Equity

CHANGES IN STOCKHOLDERS EQUITY (MILLION PESOS)										
BBVA Mexico	Subscribed Capital		Earned Capital					Total participation of the controlling company	noncontrolling interest	Total Stockholder's Equity
from January 1 to September 30, 2023	Paid in Capital	Share Premium	Capital Reserves	Results of prior years	Unrealized Gain on Available for Sale Securities	Result from Valuation of Cash Flow Hedging Instruments	Remeasurement of defined benefits to employees			
Balances as of December 31st, 2022	24,143	15,860	6,901	267,846	(8,703)	(1,353)	(4,740)	299,954	79	300,033
OWNER MOVEMENTS										
Dividend Decree	-	-	-	(38,600)	-	-	-	(38,600)	-	(38,600)
Total	-	-	-	(38,600)	-	-	-	(38,600)	-	(38,600)
INTEGRAL RESULT										
Net result				67,435				67,435	20	67,455
Other comprehensive results										
Valuation of financial instruments to collect or sell					(2)			(2)		(2)
Result from valuation of cash flow hedging instruments						485		485		485
Remeasurement of defined employee benefits							(2,616)	(2,616)		(2,616)
Total	-	-	-	67,435	(2)	485	(2,616)	65,302	20	65,322
Balances as of September 30th, 2023	24,143	15,860	6,901	296,681	(8,705)	(868)	(7,356)	326,656	99	326,755

"This consolidated variation in stakeholders' equity statement is prepared in accordance with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, based on the Articles 99, 101 and 102 of the Mexican Credit Institutions Law, of general and compulsory observance, consistently applied, reflecting the operations conducted by the Bank up to the above date, which were realized and valued in accordance with sound banking practices and applicable legal and administrative disposals.

The Board of Directors, under the responsibility of the managers who subscribe to it, approved this consolidated financial statement.."

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Regulatory accounting pronouncement recently issued

For more detail, please refer to the 3Q23 Financial Report (in Spanish) where you can find the explanations and effects.

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BBVA Mexico

Financial Results and Achievements

January-September 2023

Contact

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