BANCO NACIONAL

INVESTORS REPORT

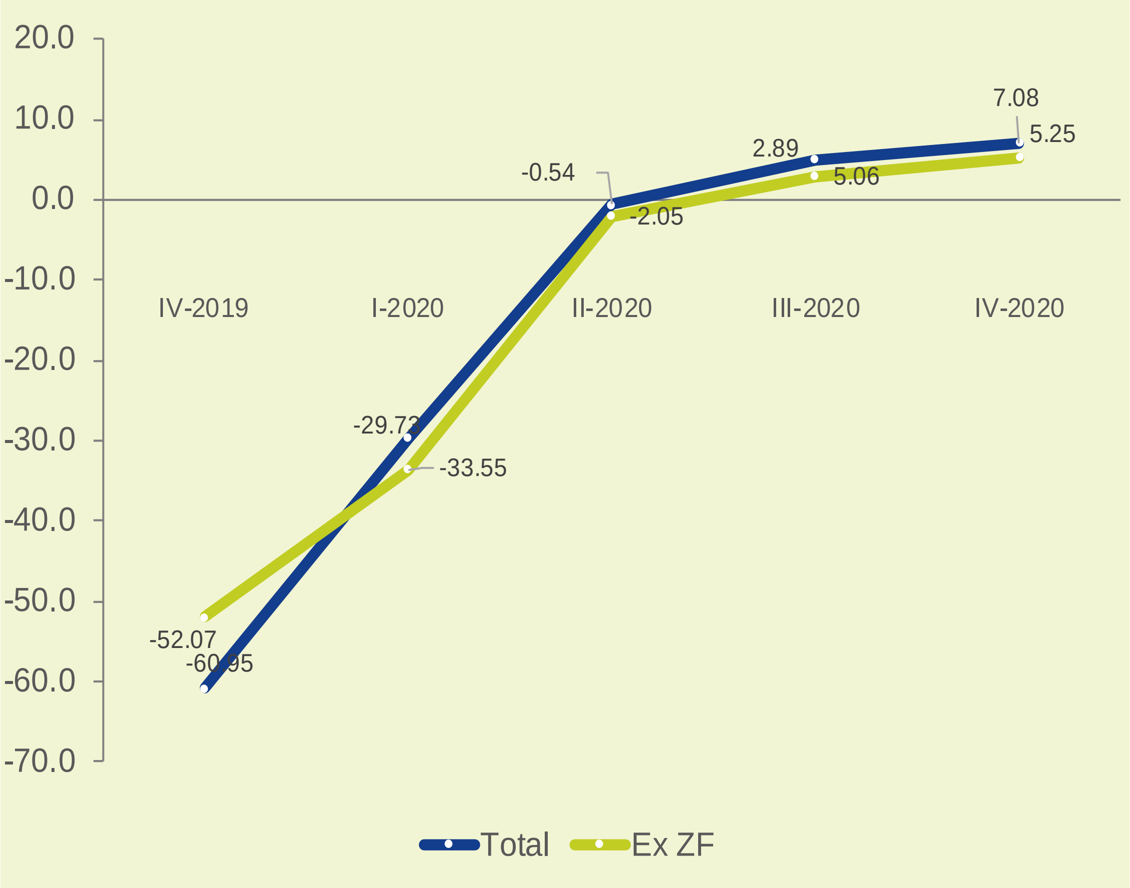
FOURTH QUARTER, 2020

Juntos somos

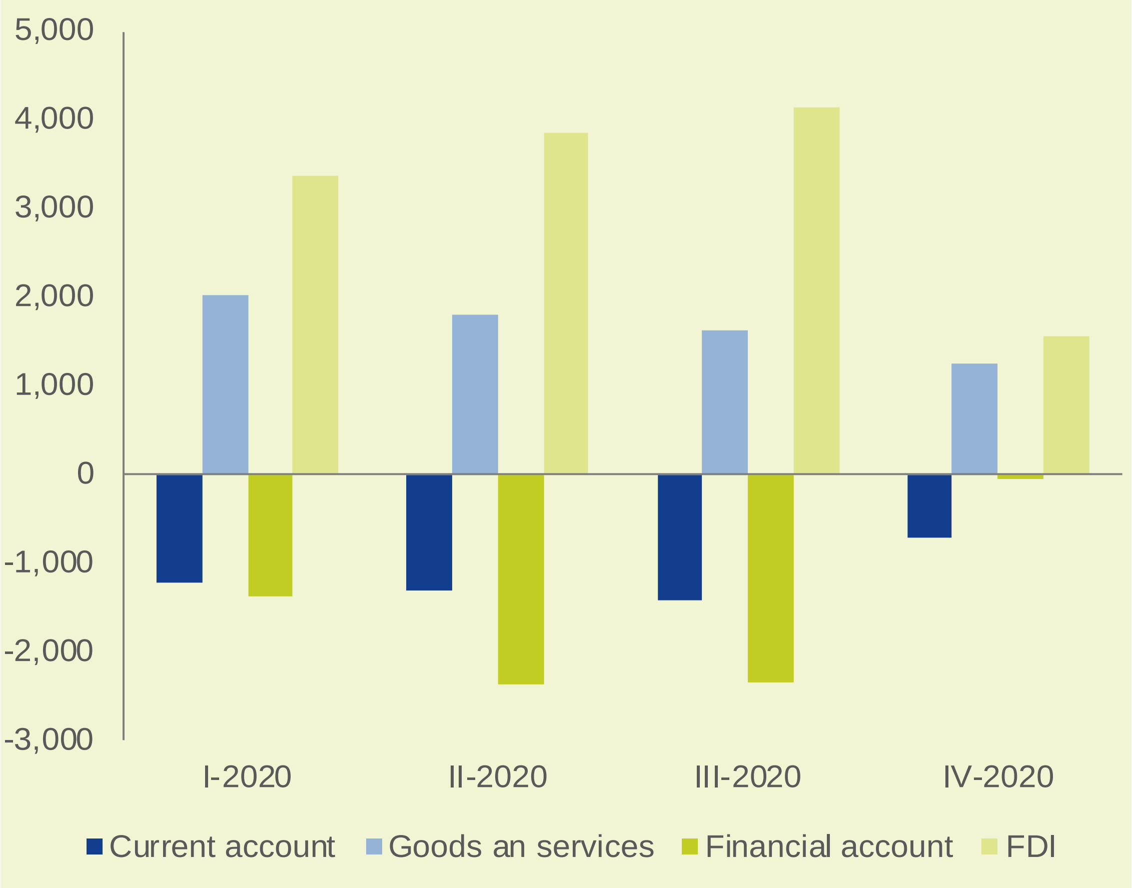
Progreso

COSTA RICA: ECONOMIC ACTIVITY

IMAE(1) (YoY variation, %)



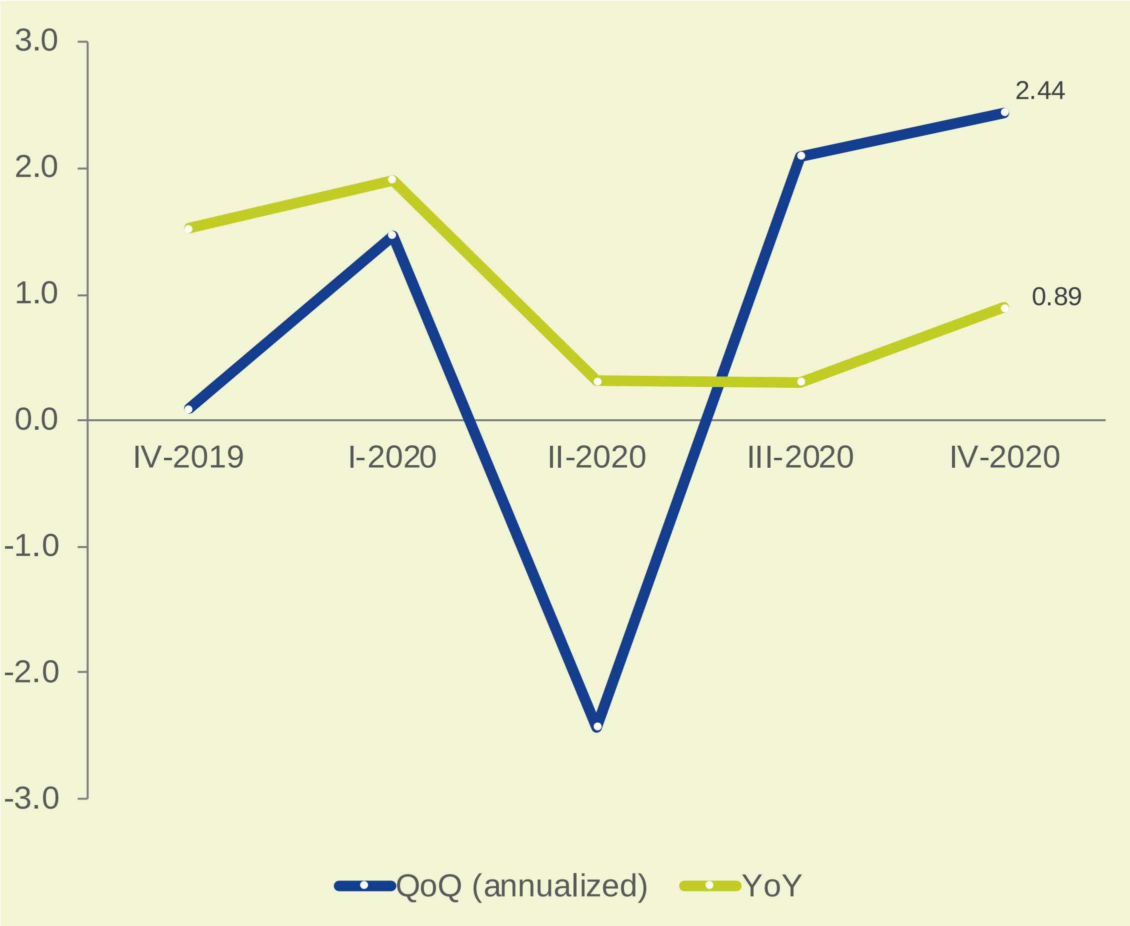
Balance of Payments (last year, million USD)



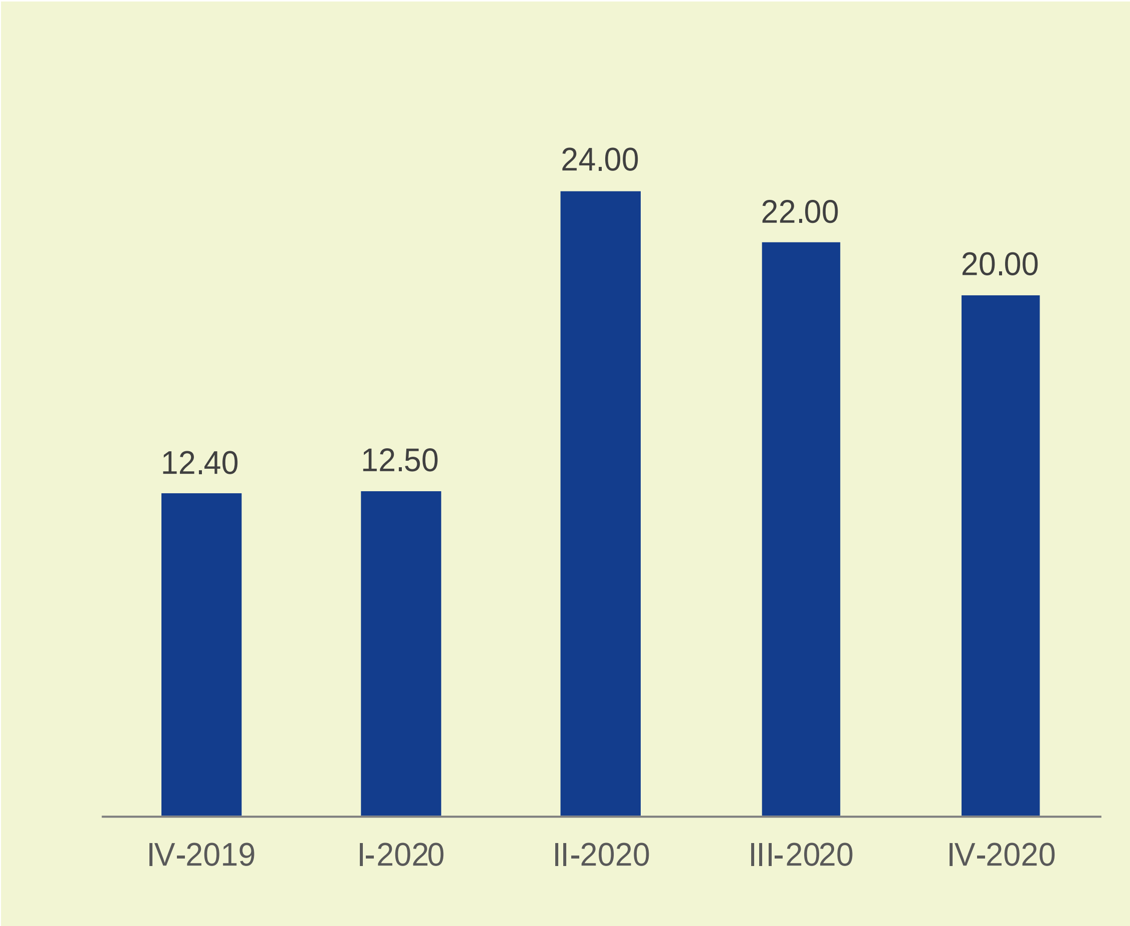
(1) IMAE stands for Índice Mensual de Actividad Económica, it is a gauge of economic activity computed by the Central Bank

COSTA RICA: INFLATION AND UNEMPLOYMENT

Consumer Price index (CPI)



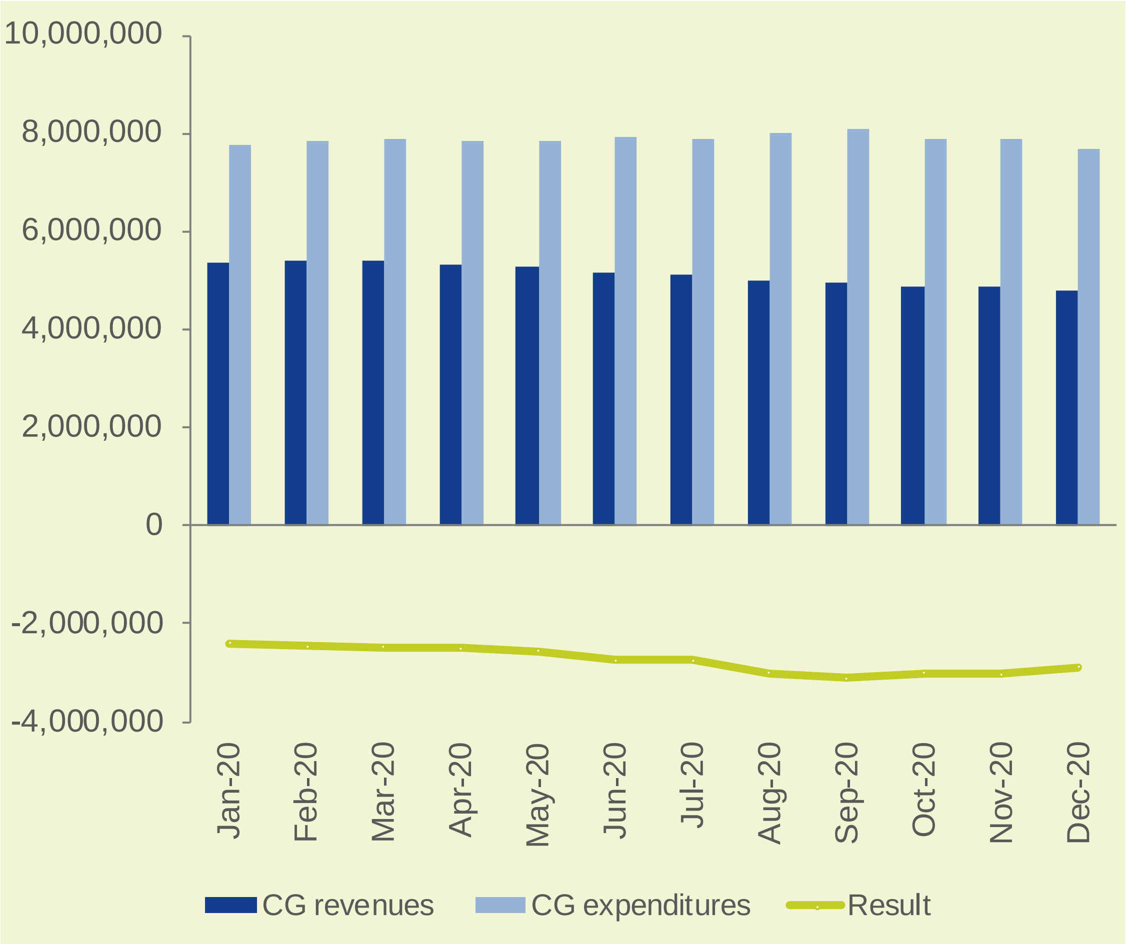
Unemployment



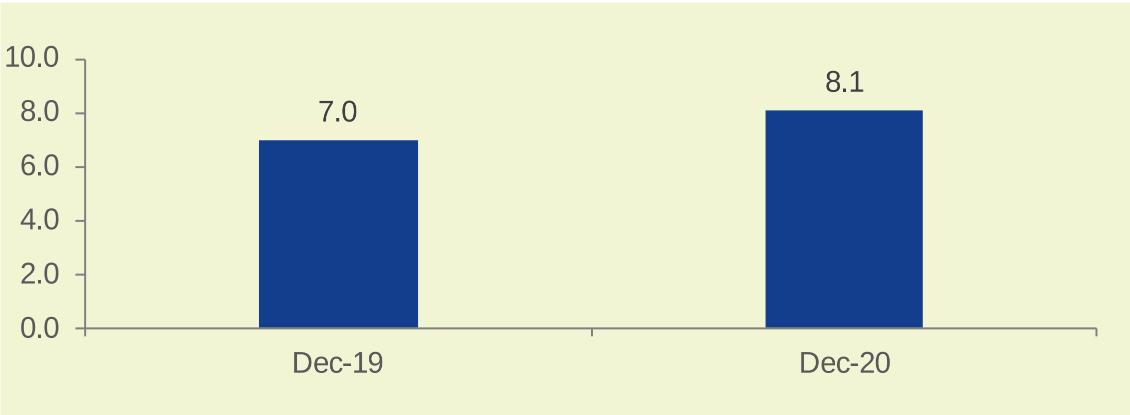
Source: Banco Central de Costa Rica e Instituto Nacional de Estadística y Censos (INEC)

COSTA RICA: FISCAL PERFORMANCE

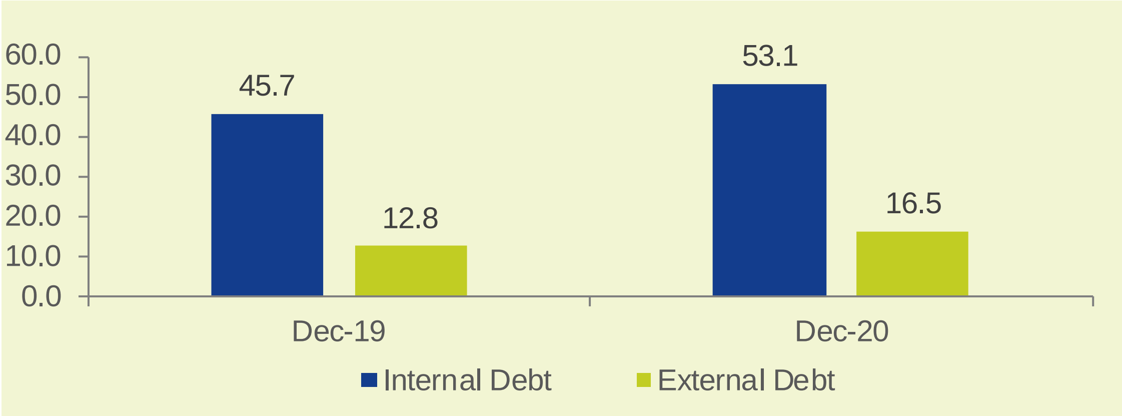
Central government: revenues and expenditures (last year, million CRC)



Central Government Deficit / GDP (%)



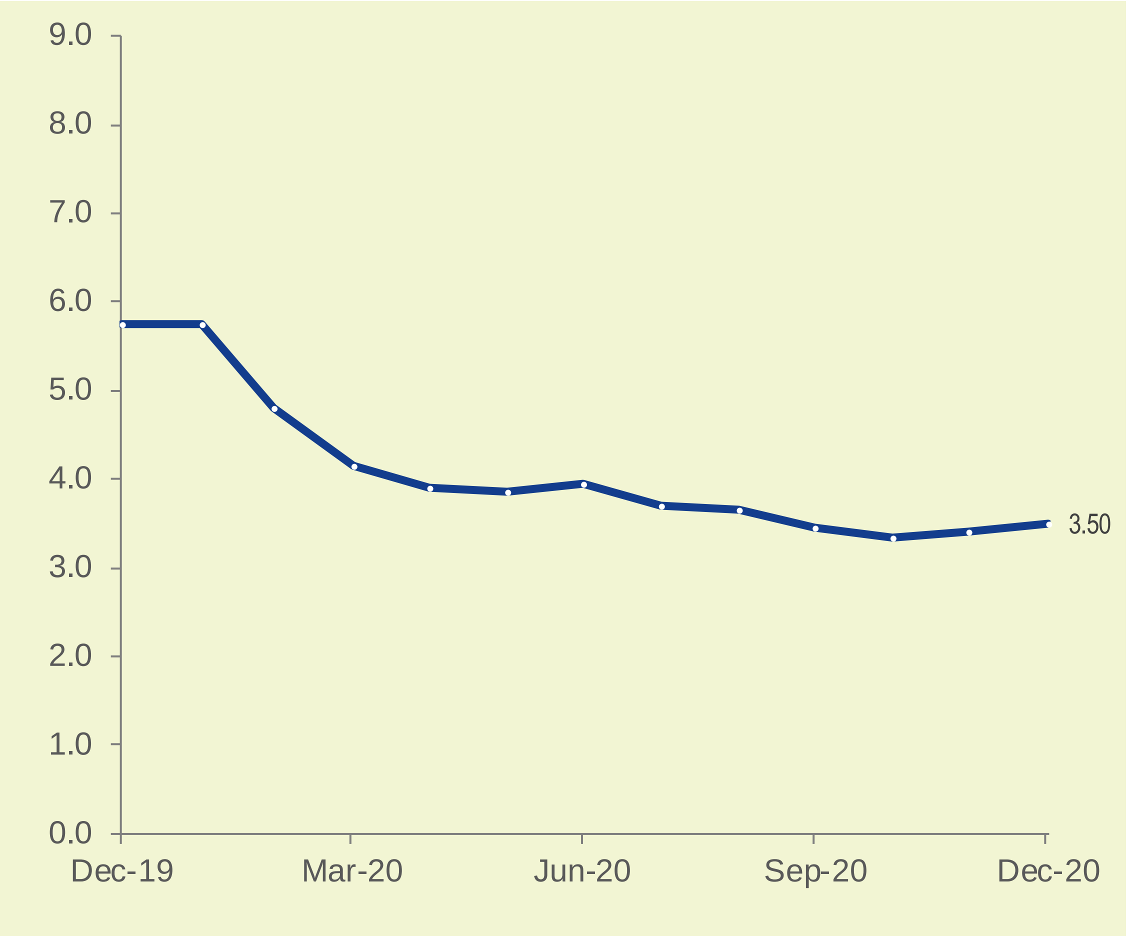
Central Government Debt/ GDP (%)



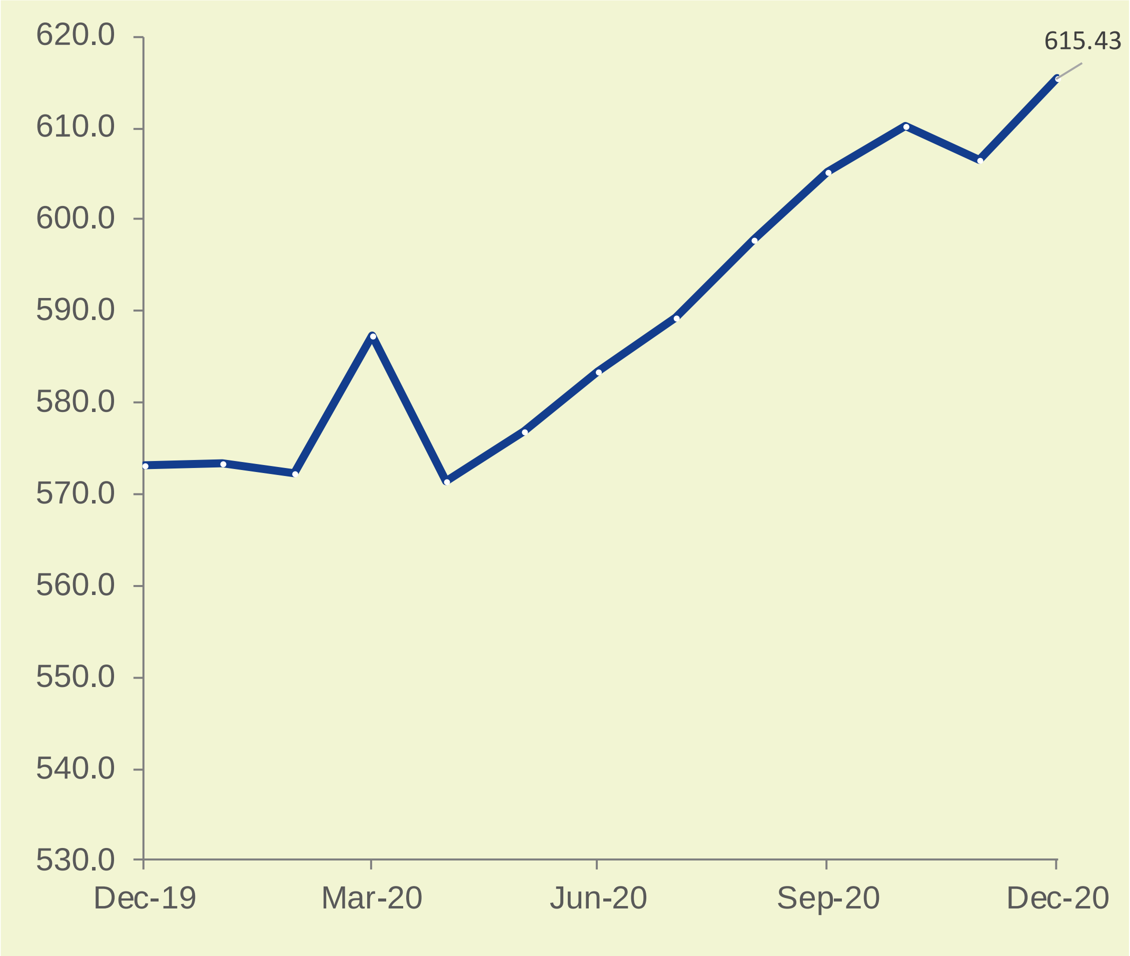
Source: Costa Rica Ministry of Finance

COSTA RICA: INTEREST AND EXCHANGE RATES

Tasa básica pasiva



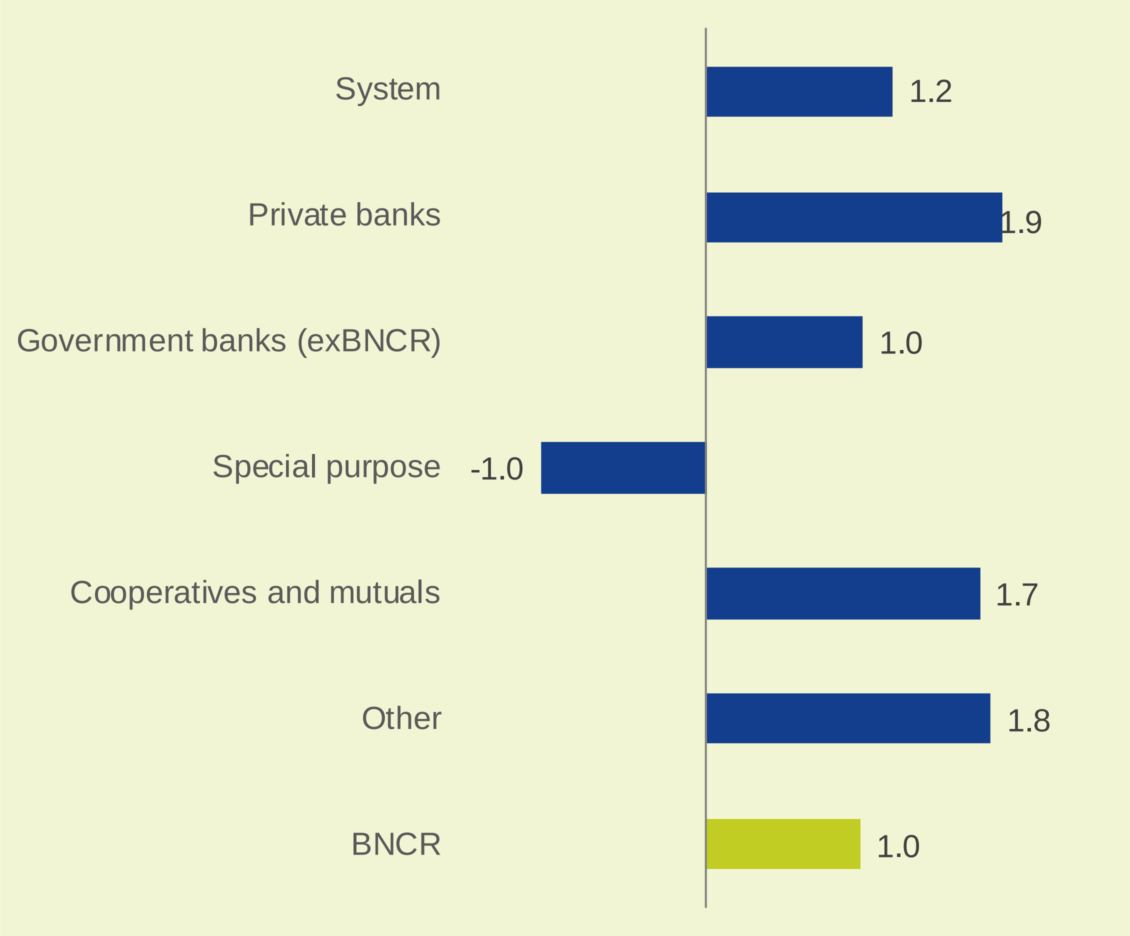
Average exchange rate USDCRC (Monex)



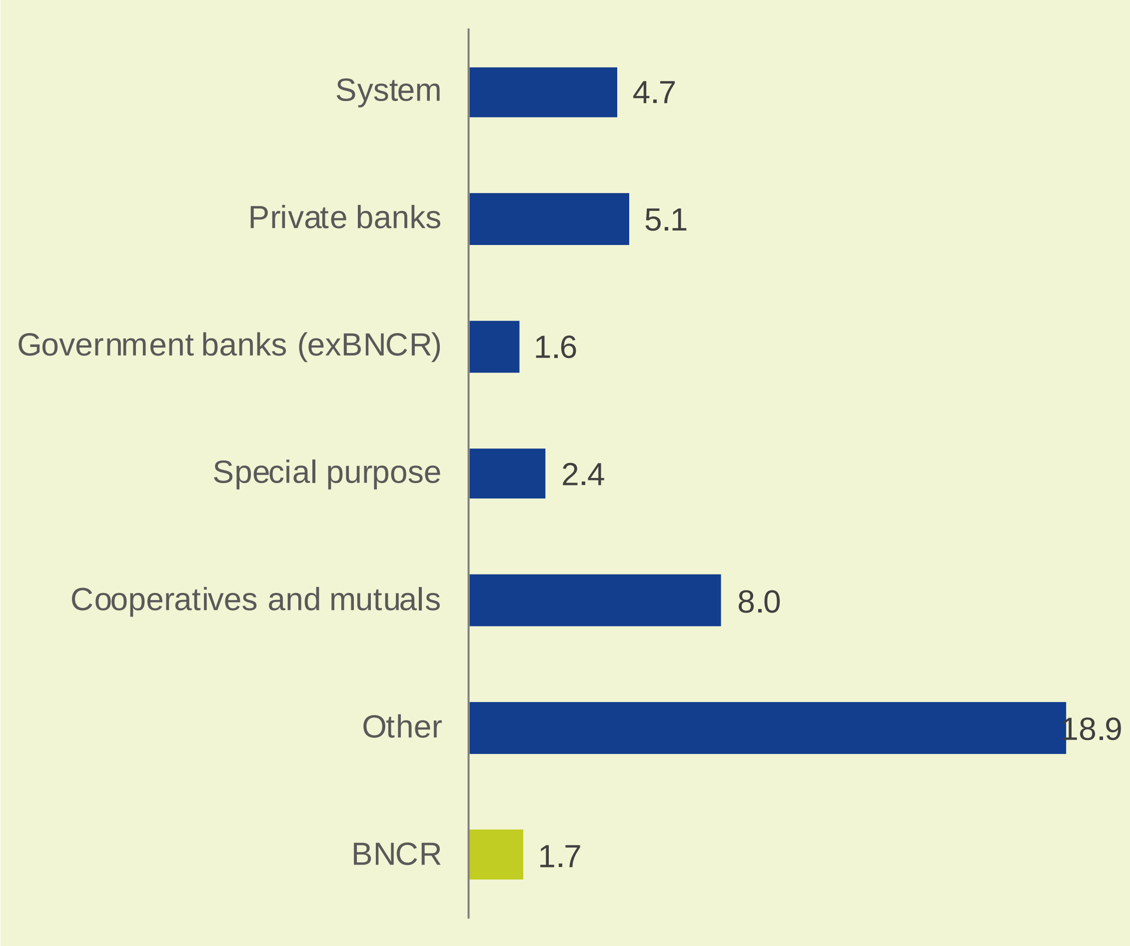
Source: Banco Central de Costa Rica

BANK SYSTEM: CREDIT (GROSS)

Quarterly growth (4Q 2020)

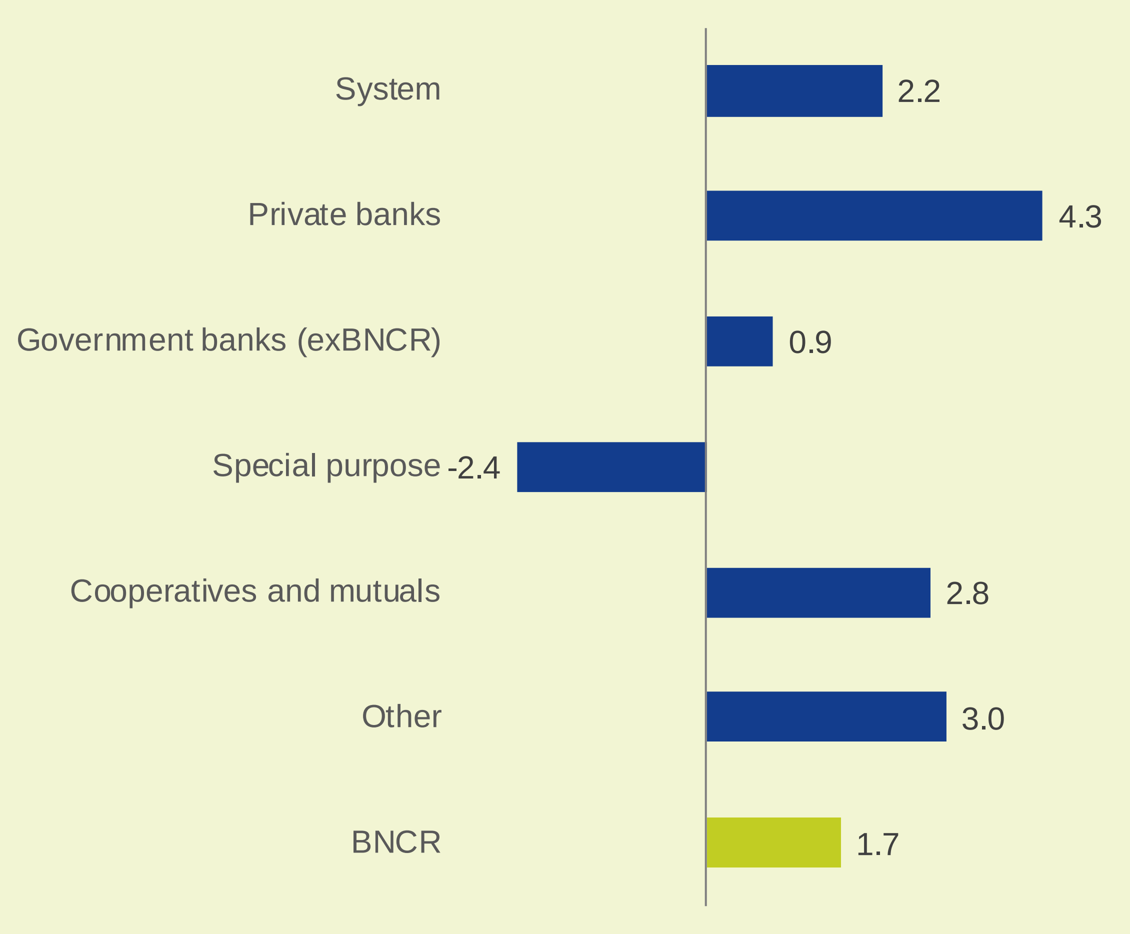


Year growth (4Q 2020)

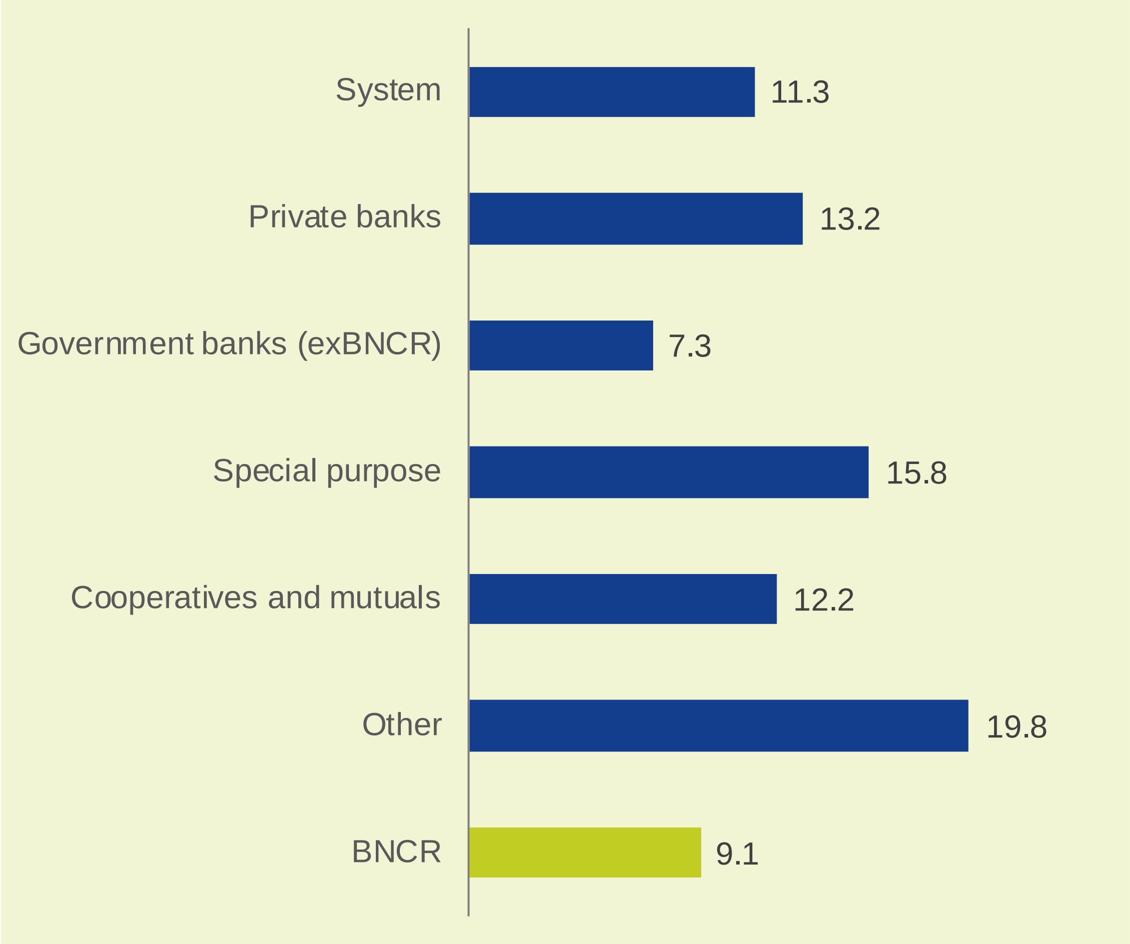


BANK SYSTEM: DEPOSITS

Quarterly growth (4Q 2020)



Year growth (4Q 2020)



Corporate Governance

Governance Structure

Board of Directors

Chairman

Jeannette Ruíz Delgado

Vice-chairman

Marvin Arias Aguilar

Secretary

Rodolfo González Cuadra

Directors

Ana Isabel Solano Brenes

María Magdalena Rojas Figueredo

Ruth Alfaro Jara

Mario Carazo Zeledón

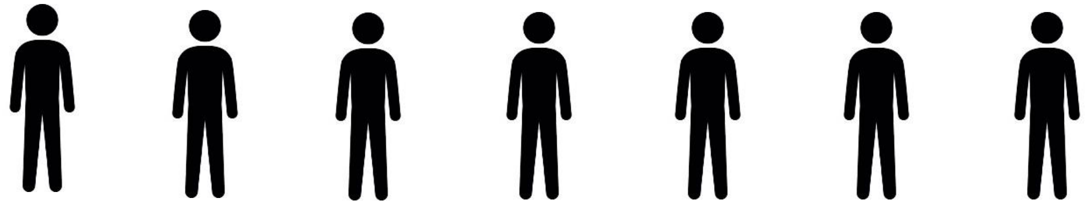
Internal and external independent auditors

Chief Executive Officer

Bernardo Alfaro Araya

Officers and Support Committees

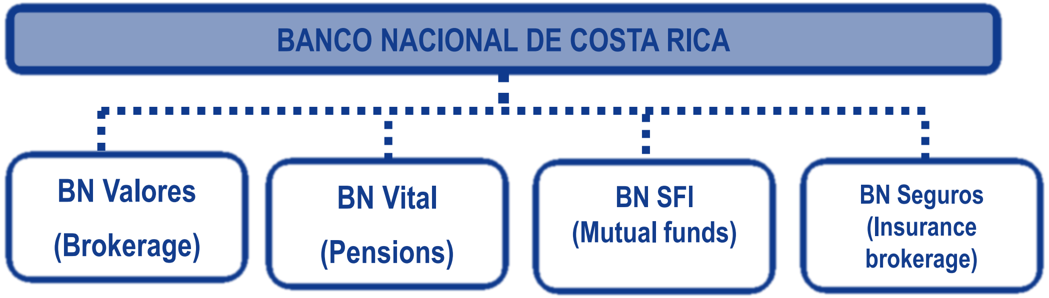
Independent Board of Directors



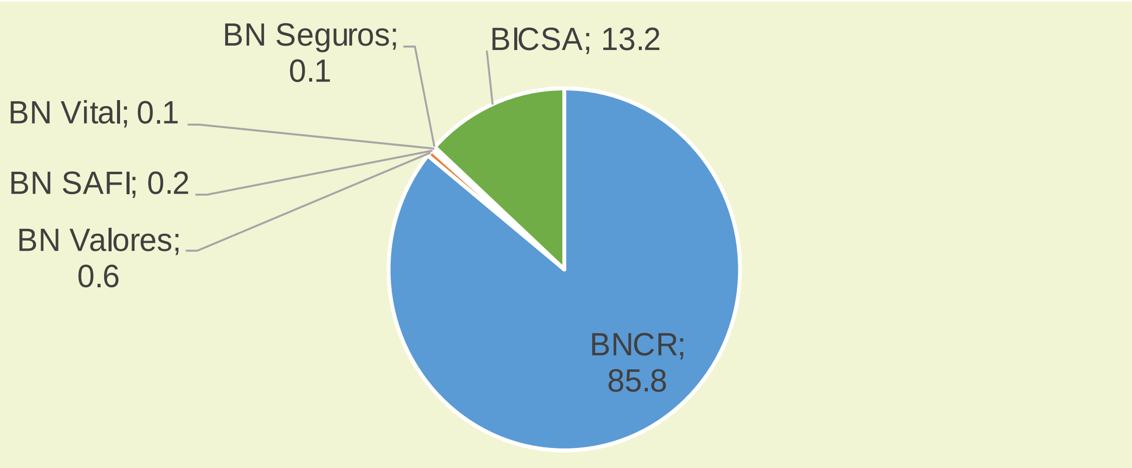
100% independent

- Appointed by the Counsel of Ministers.
- 8-year term.
- Every 4 years, 3 or 4 members change.

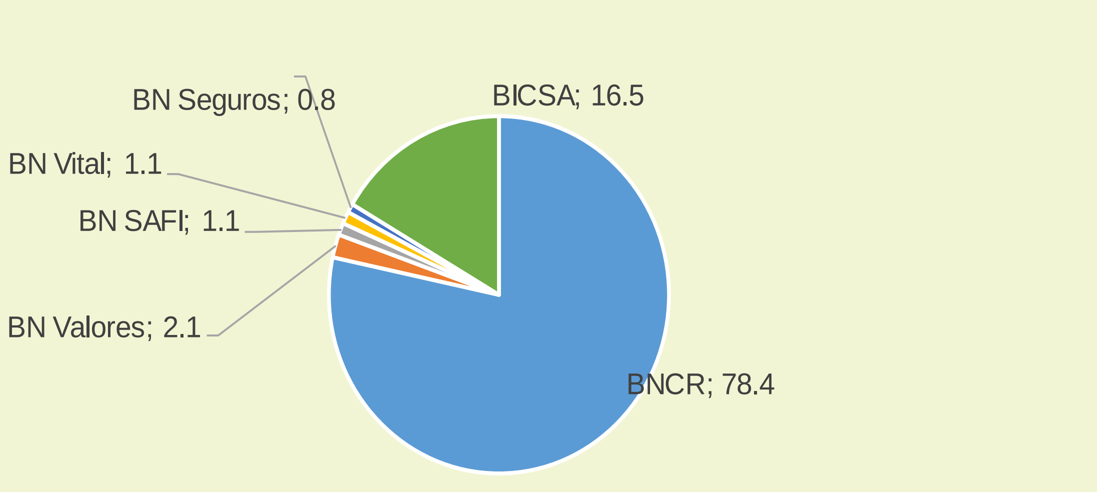
CORPORATE GOVERNANCE (CONT.)



Assets (Dec-20)



Equity (Dec-20)



BNCR owns a 49% stake in BICSA

Total assets and equity of BNCR Group amount CRC 7,536,739 million and equity CRC 743,095 MM million (excluding BICSA).

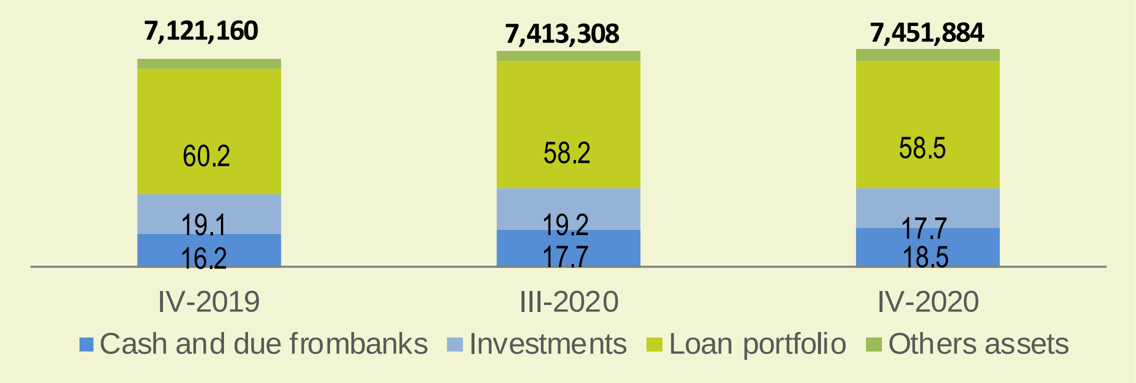
BNCR: INVESTMENT HIGHLIGHTS (4Q 2020)

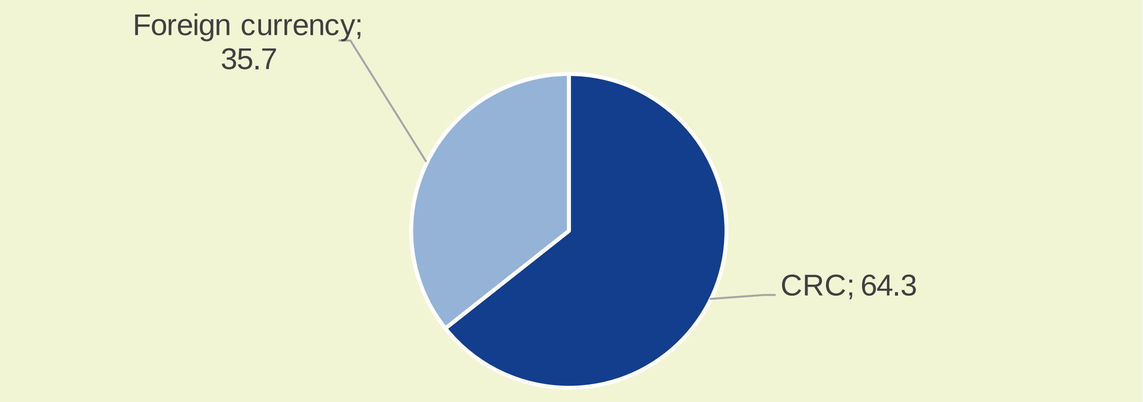
Profitability	Net income	CRC 3,998 million	↗ 9.1% QoQ	↘ 24.3% YoY
	ROAE	2.28 %	↗ 19 b.p QoQ	↘ 80 b.p YoY
	ROAA	0.22 %	↗ 2 b.p QoQ	↘ 9 b.p YoY
Credit	Loan portfolio	CRC 4,358,712 million	↗ 0.98% QoQ	↗ 1.69% YoY
	Provisions	CRC 14,941 million	↘ 19.15% QoQ	↗ 5.86% YoY
	Cost of risk (1)	1.38 %	↘ 35.6 b.p QoQ	↗ 6.8 b.p YoY
NII and NIM	Net Financial income	CRC 51,796 million	↗ 16.56% QoQ	↘ -2.44% YoY
	NIM	4.51 %	↗ 29.2 b.p QoQ	↘ 20 b.p YoY
	NIM neto (2)	3.63 %	↗ 54 b.p QoQ	↘ 25 b.p YoY
Efficiency	Efficiency ratio (3)	64.68 %	↗ 75 b.p QoQ	↗ 171 b.p YoY
Capital	ISP (4)	13.24 %	↘ 37 b.p QoQ	↘ 44 b.p YoY

(1) Cost of risk: annualized provisions for loan loses on average gross loans.
(2) After allowances for impairment and recovery of assets and decrease in allowances
(3) Administrative expenditure on gross operational income.
(4) Regulatory Capital Adequacy Ratio

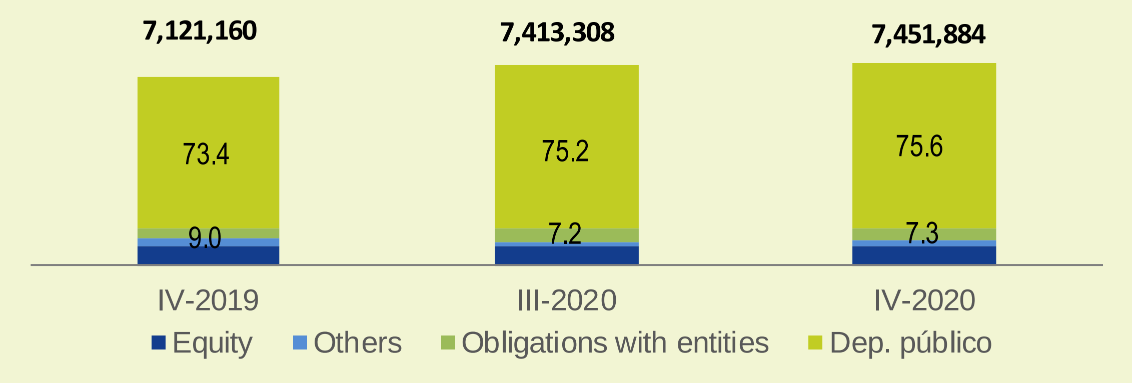
BNCR (STAND-ALONE): BALANCE SHEET BREAKDOWN

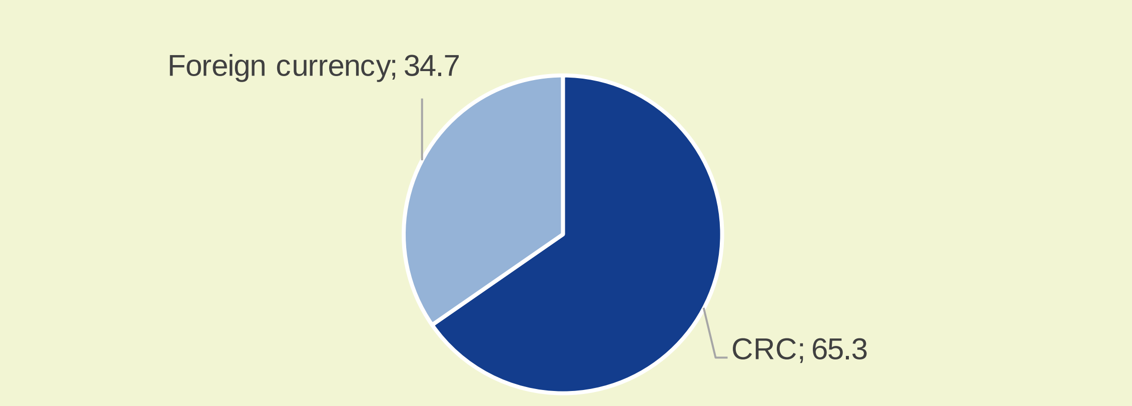
Assets (million CRC)





Liabilities and Equity (million CRC)

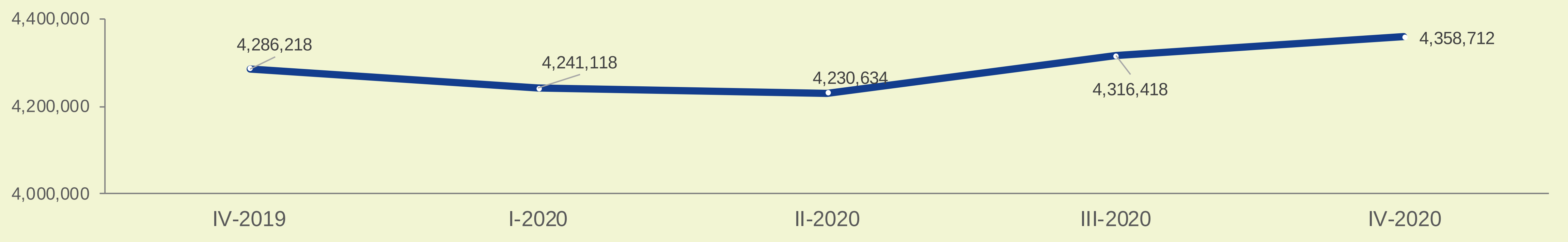




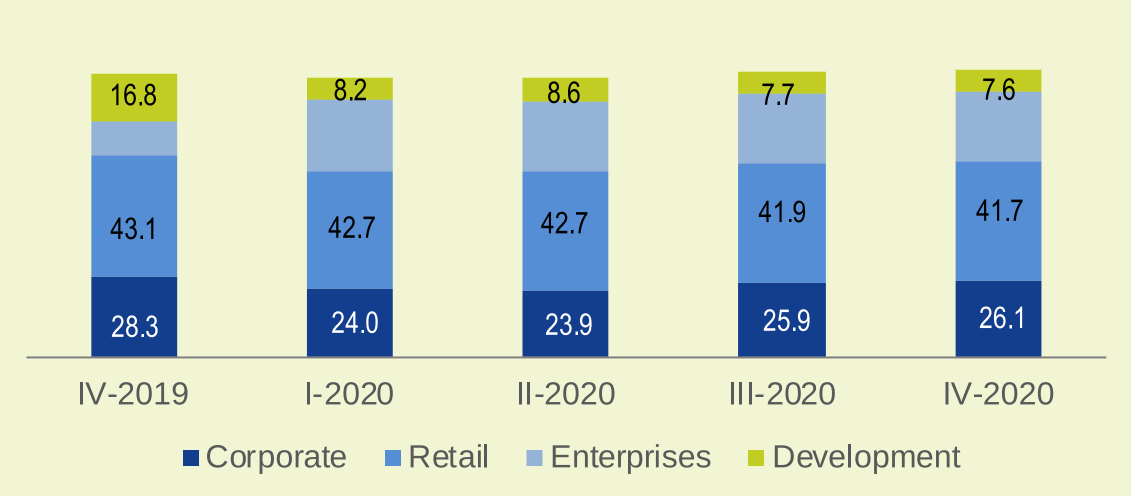
PÚBLICA

BNCR (STAND-ALONE): LOAN PORFOLIO

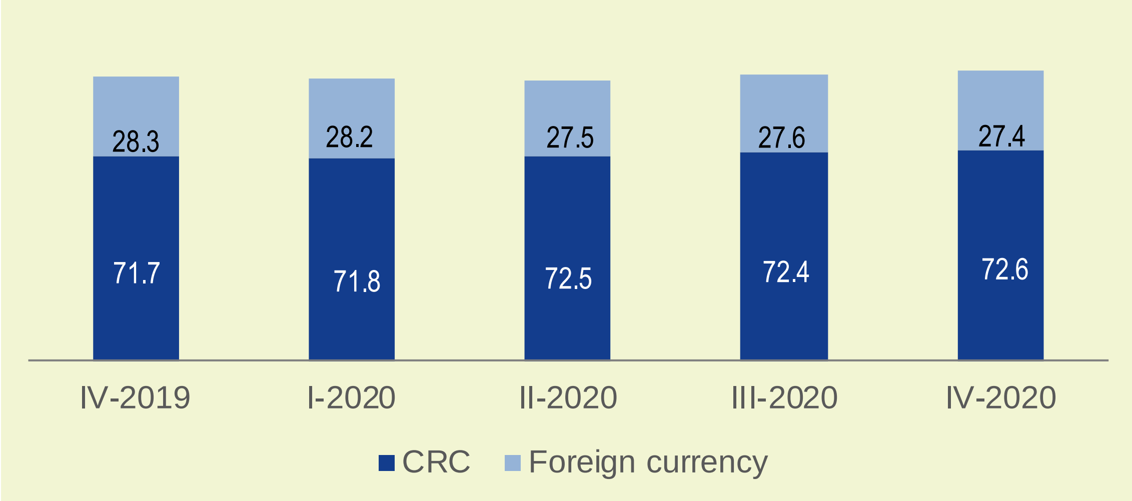
Loan portfolio gross (million CRC)



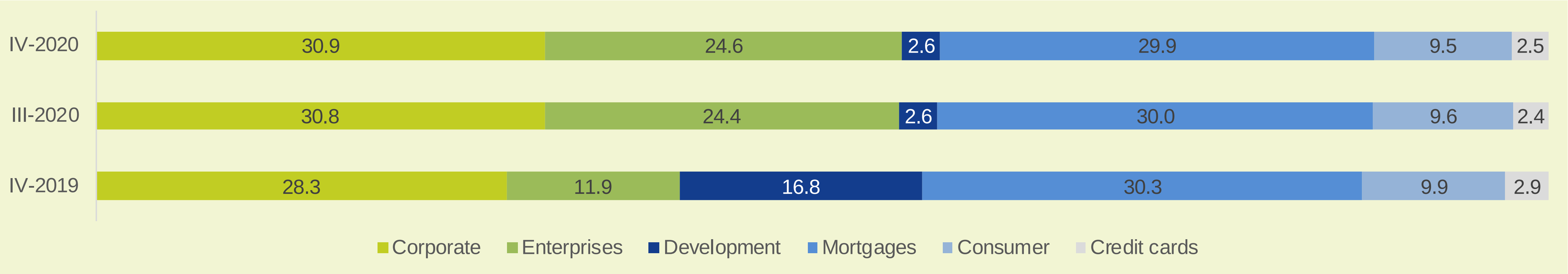
Portfolio composition (%)



Loan portfolio by currency (%)



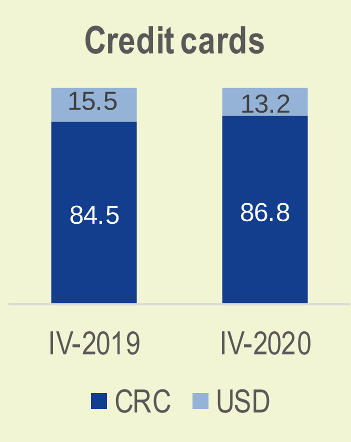
BNCR (STAND-ALONE): LOAN PORTFOLIO BY SEGMENT

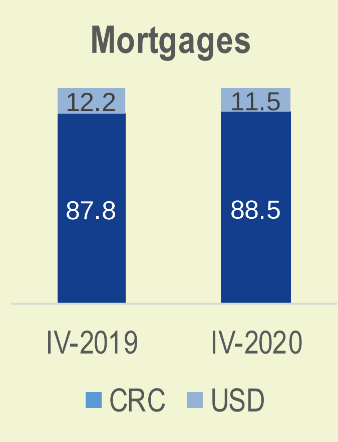


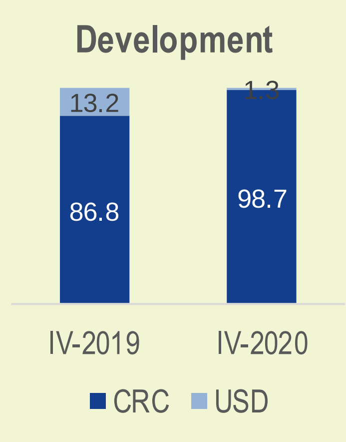
Loans million CRC	As of the end of IV-2019	III-2020	IV-2020	% Part. 4T 2020	% nominal change QoQ	YoY	% real change QoQ	YoY
Corporate	1,211,766	1,331,400	1,348,412	30.9	1.3	11.3	0.7	10.3
Development								
Enterprises	508,605	1,055,326	1,071,489	24.6	1.5	110.7	0.9	108.8
MSE	718,972	113,728	113,525	2.6	-0.2	-84.2	-0.8	-84.3
Personas								
Retail	1,298,363	1,296,403	1,301,890	29.9	0.4	0.3	-0.2	-0.6
Credit cards	126,199	105,593	110,196	2.5	4.4	-12.7	3.7	-13.5
Consumer	422,312	413,968	413,200	9.5	-0.2	-2.2	-0.8	-3.0
Total	**4,286,218**	**4,316,418**	**4,358,712**	**100.0**	**1.0**	**1.7**	**0.4**	**0.8**

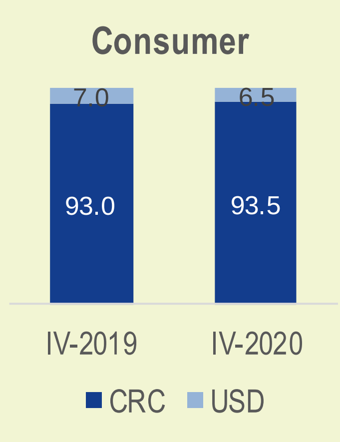
Due to the adjustment in the accounting catalog, according to the Financial Information Regulation (RIF), a change is reflected in the categories of the portfolio.
The Medium Business portfolio was in the Development category, this portfolio is transferred to Business.
The Development portfolio now only includes Micro and small Business

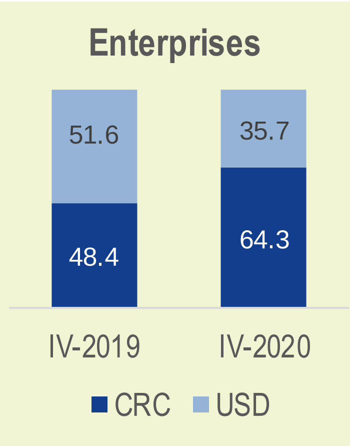
BNCR (STAND-ALONE): LOAN PORTFOLIO BY SEGMENT











Loans million CRC	Local currency (million CRC)					Foreign currency (million de CRC)				
	IV-2019	III-2020	IV-2020	∆ QoQ (%)	∆ YoY (%)	IV-2019	III-2020	IV-2020	∆ QoQ (%)	∆ YoY (%)
Corporate	564,245	710,065	727,476	2.4	28.9	647,522	621,334	620,936	-1.0	-10.0
Development										
Enterprises	246,280	678,905	687,818	1.3	179.3	262,325	376,421	383,672	-2.9	32.1
MSE	624,075	112,274	111,659	-0.6	-82.1	94,897	1,455	1,866	34.8	-97.8
Personas										
Retail	1,140,547	1,147,173	1,154,698	0.7	1.2	157,816	149,230	147,192	-0.7	-11.1
Credit cards	106,595	91,679	95,278	3.9	-10.6	19,605	13,915	14,918	12.4	-24.4
Consumer	392,813	386,961	388,863	0.5	-1.0	29,499	27,006	24,336	4.9	-8.8
Total	**3,074,554**	**3,127,056**	**3,165,793**	**1.2**	**3.0**	**1,211,664**	**1,189,361**	**1,192,920**	**-1.2**	**-8.1**

Due to the adjustment in the accounting catalog, according to the Financial Information Regulation (RIF), a change is reflected in the categories of the portfolio.
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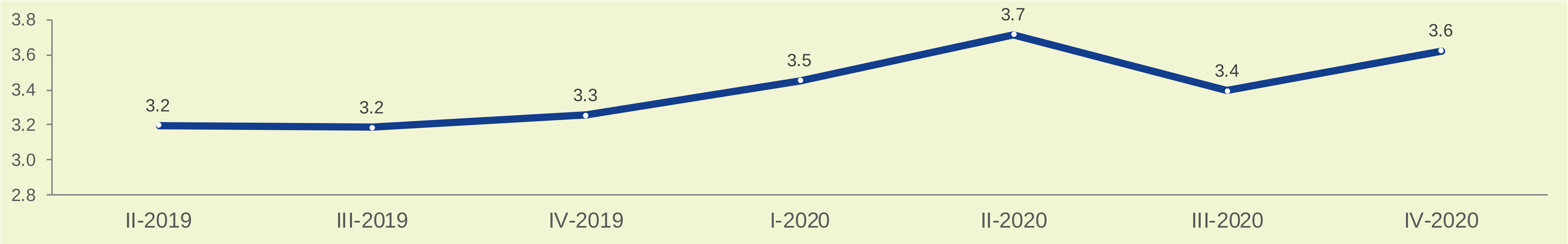
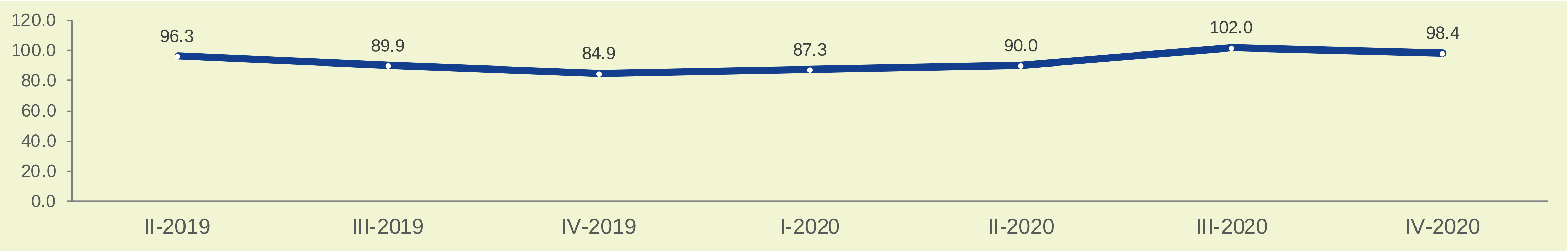
BNCR (STAND-ALONE): ASSET QUALITY

NPLs[1] percentage of the loan portfolio (gross)



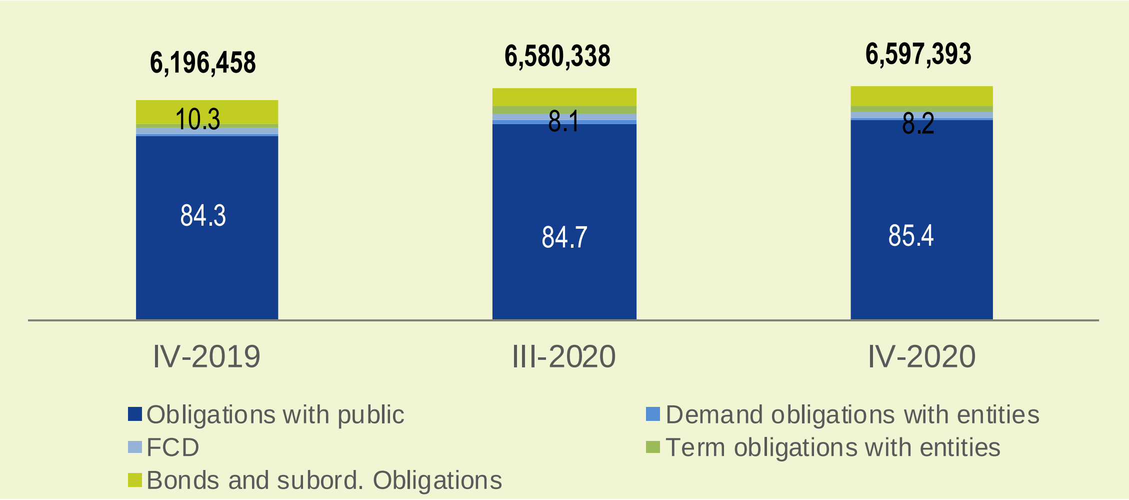
Coverage ratio[2]



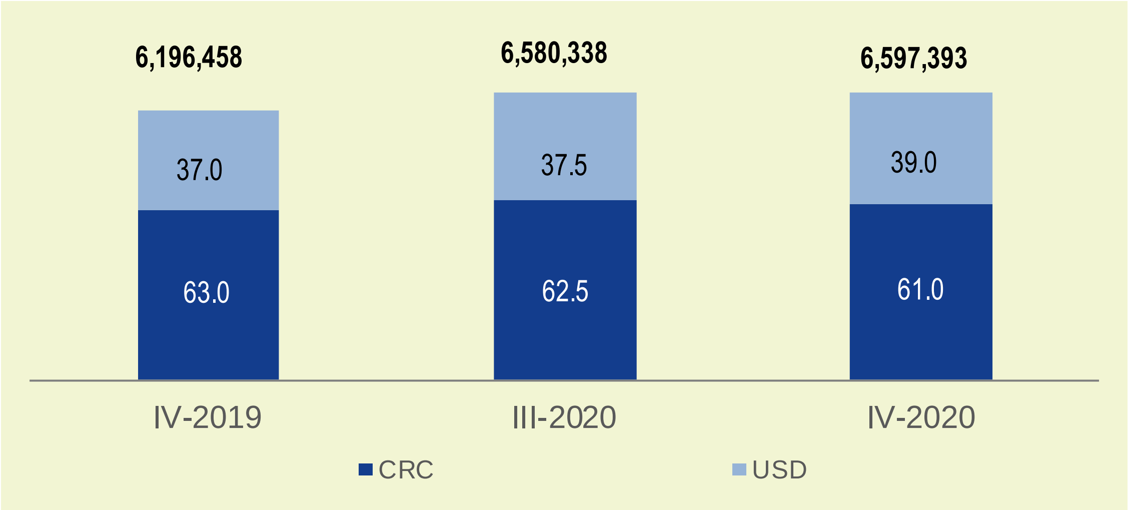
(1) NPL: credits more delay 90 days
(2) Allowances for loan impairments over NPLs

BNCR (STAND-ALONE): FUNDING STRUCTURE

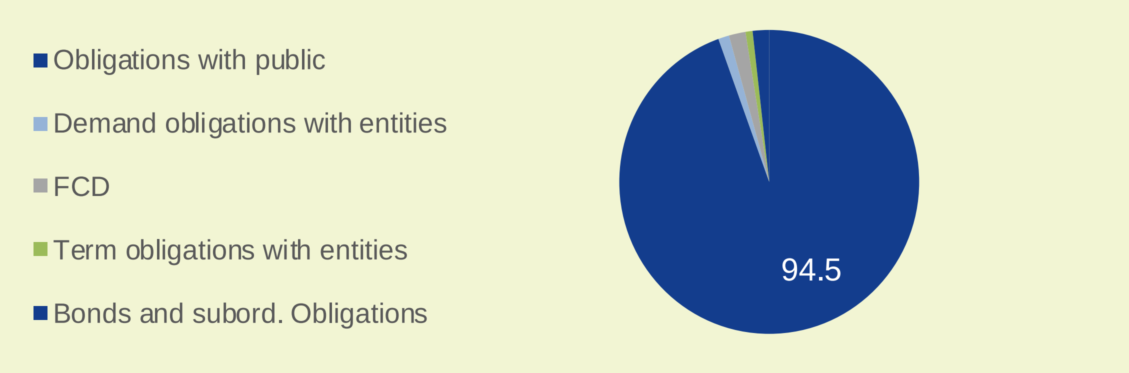
By product



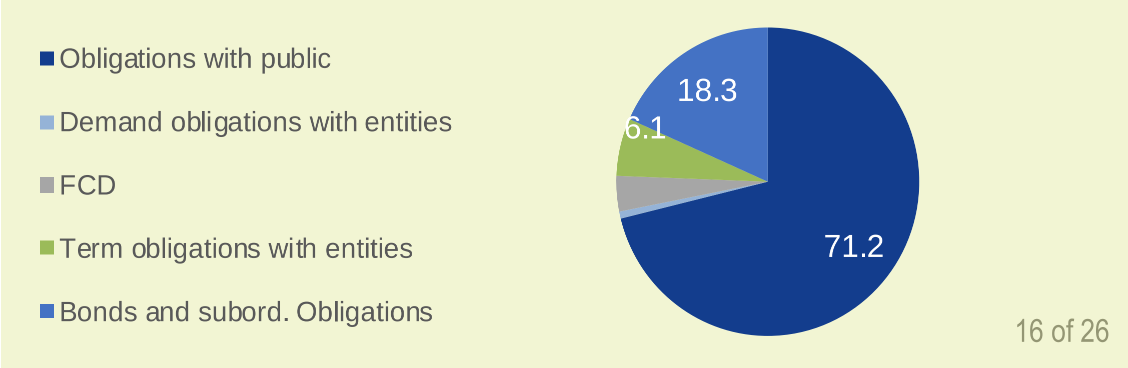
By currency



CRC

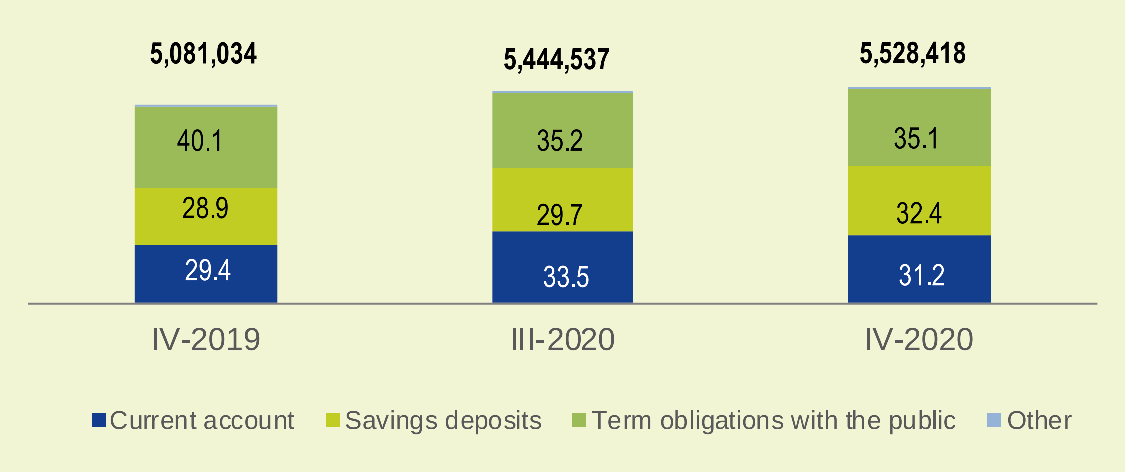


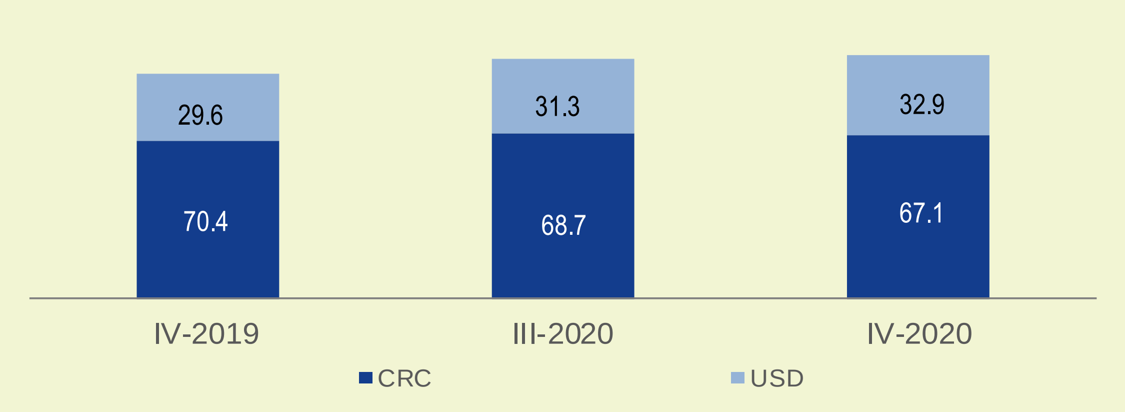
Foreign currency



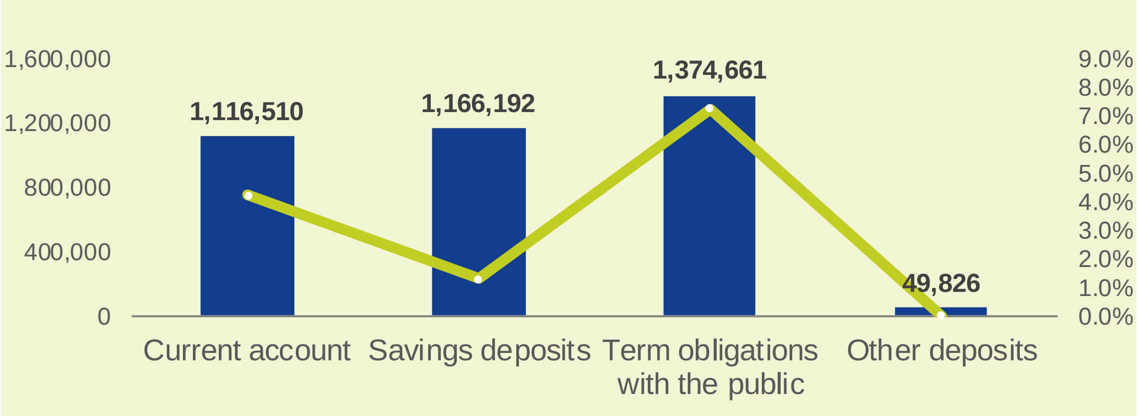
BNCR (STAND-ALONE): DEPOSIT BREAKDOWN

Structure of deposits

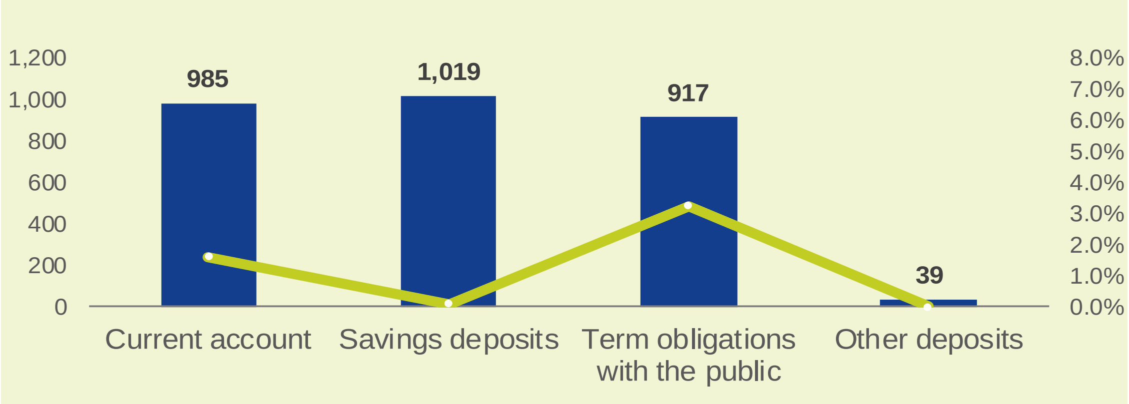




Deposits and average cost (CRC)



Deposits and average cost (other)



BNCR: OUTSTANDING DEBT

Security	Issue date	Maturity	Initial term (years)	Currency	Issued amount (million)	Outstanding amount	Interest rate
BNRC5A	21/01/2019	21/01/2022	3	CRC	35,000 MM	35,000	10.03%
BNRC5D	09/04/2019	09/04/2021	2	CRC	30,000 MM	30,000	8.64%
BNCR5E	15-mayo-2020	15-mayo-2023	3 años	CRC	15,000 MM	8,752	6.75%
Subordinated	27-may-2014	15-nov-2023	9.6	USD	100 MM	70 MM	Libor6m+5.00%
Subordinated	2-nov-2014	23-oct-2029	15	USD	30 MM	27.0 MM	Libor6m+5.25%
RegS / 144A	25-abr-2016	25-abr-2021	5	USD	500 MM	309.42 MM	5.875
RegS / 144A	1-nov-2013	1-nov-2023	10	USD	500 MM	339.65 MM	6.25

Deuda de largo plazo (empréstitos)	MM de CRC	Tasa	MM de USD	Tasa
Local	30,186	3.75%		
Internacional			185.28	5.30%
Total	**30,186**	**3.75%**	**185.28**	**5.30%**

CREDIT RATINGS

Local

BNCR	Fitch
Last	Nov-20

Long term debt	Fitch
Corporative bonds	AA+
Mortgage bonds	AA+
Long term deposits	AA+

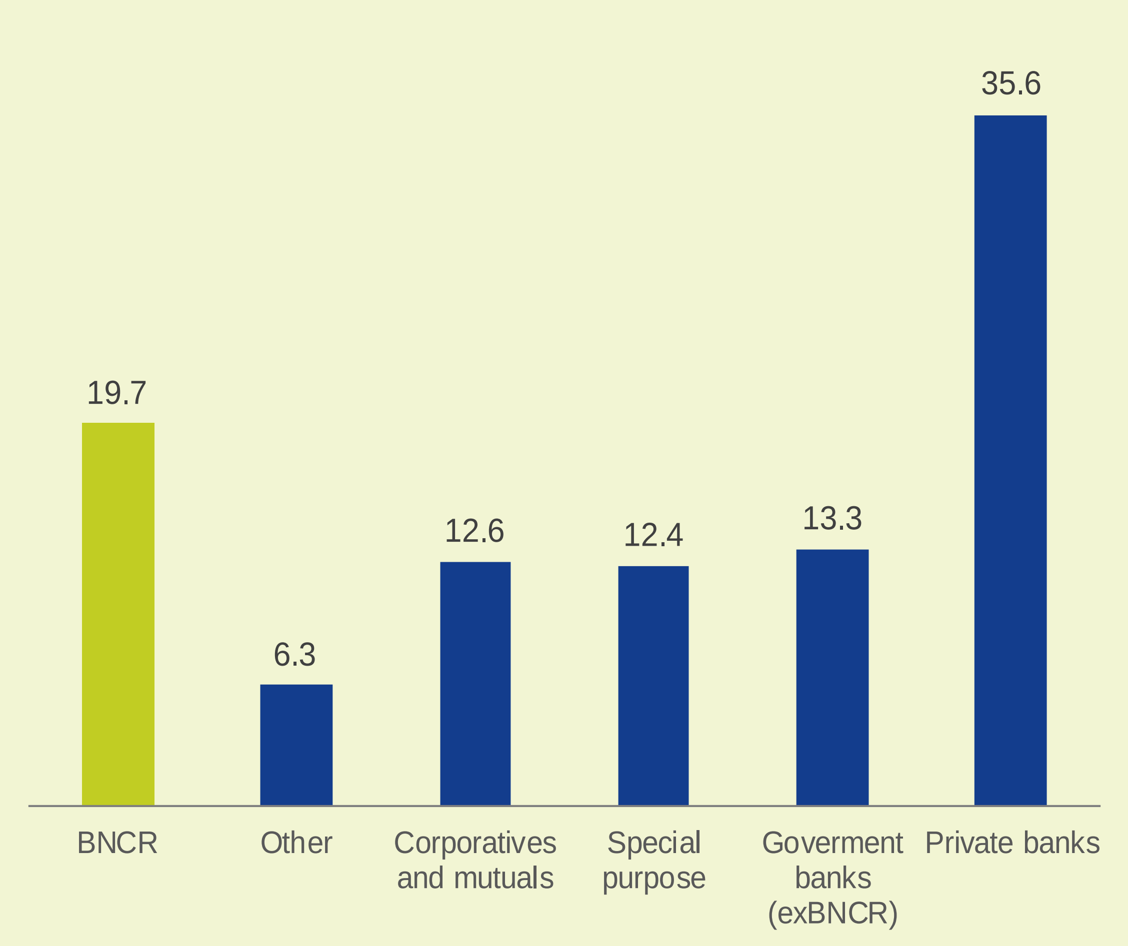
Short term debt	Fitch
Short term deposits	F1+
Certificates of deposits	F1+

International

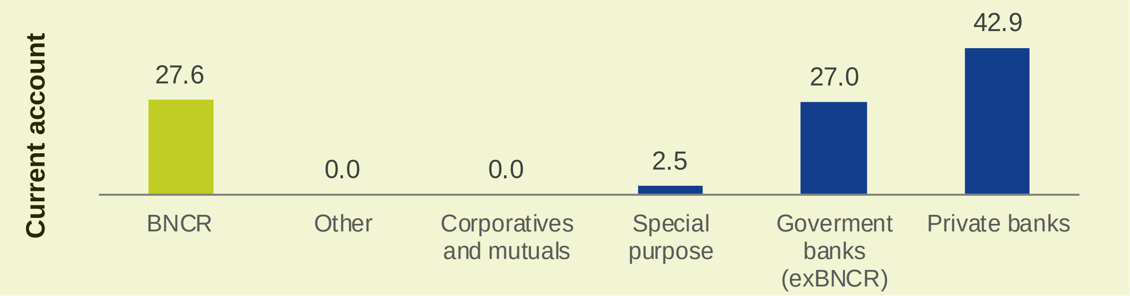
BNCR	Fitch	Moody's
Last	Nov-20	Dic-20
Outlook	Neg	Neg
Stand alone rating foreign currency	B	B1

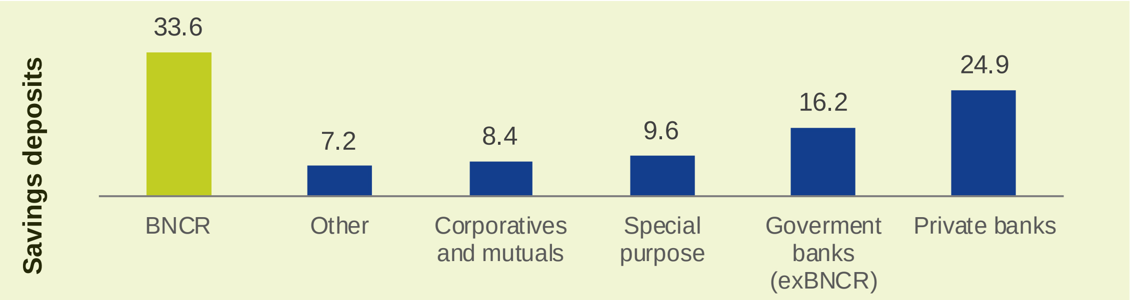
Market share

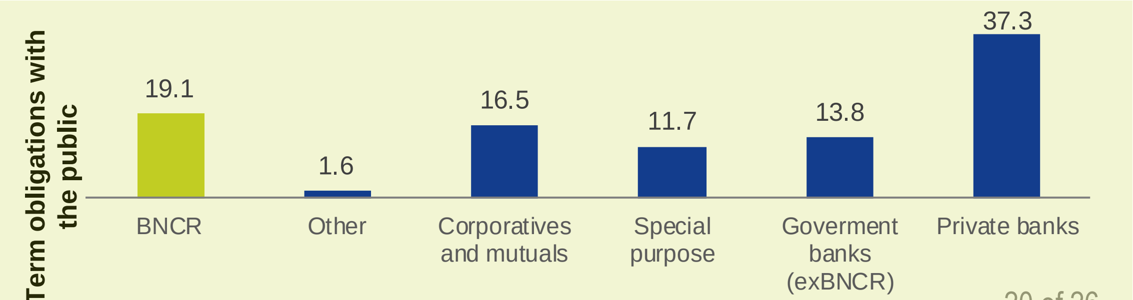
Credit



Deposits

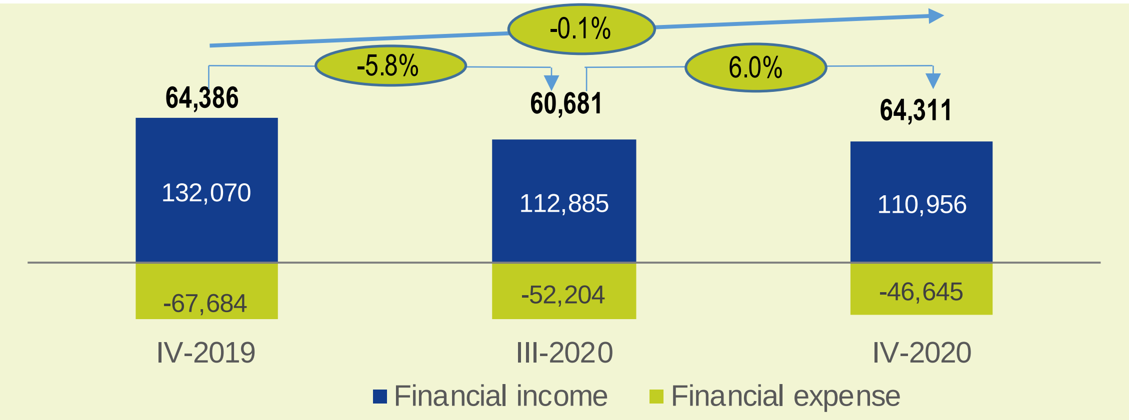




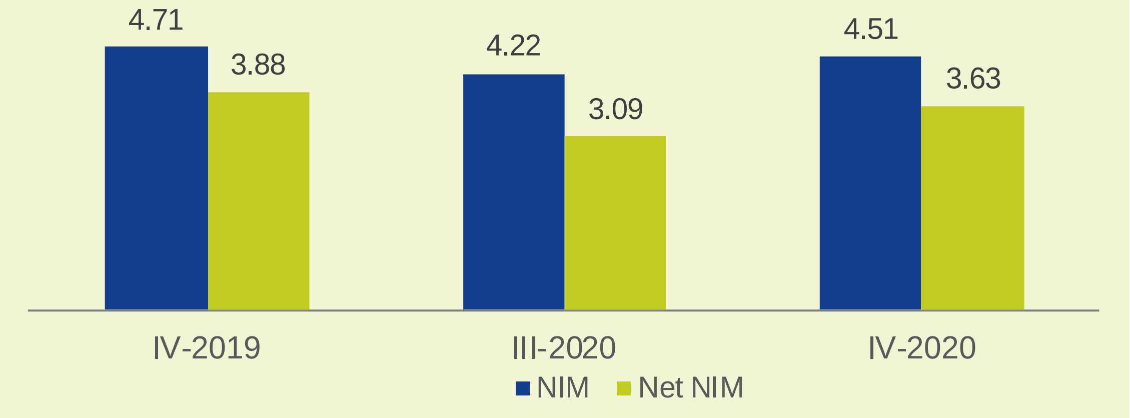


FINANCIAL PERFORMANCE (ANNUAL)

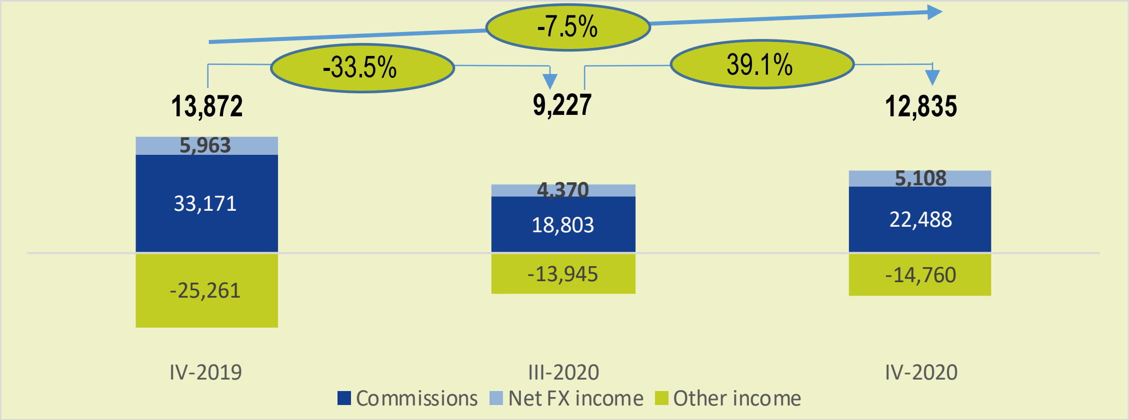
Financial income (million CRC)



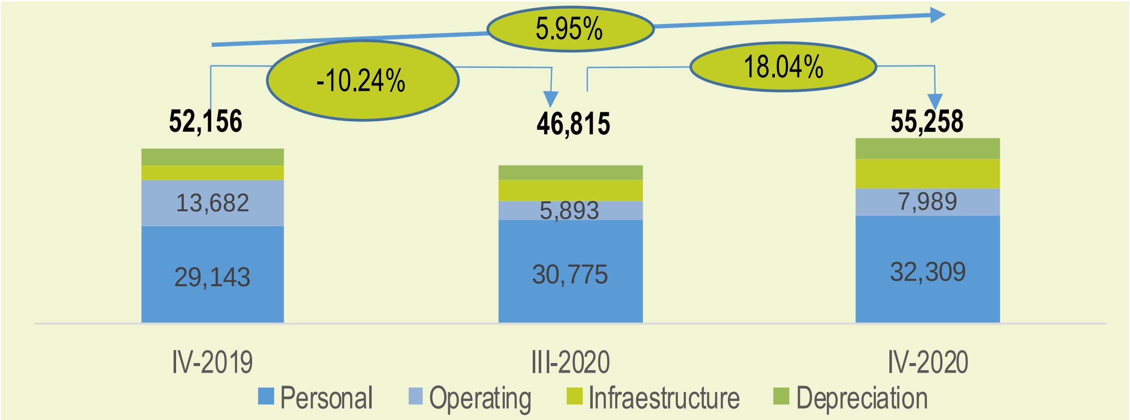
NIM



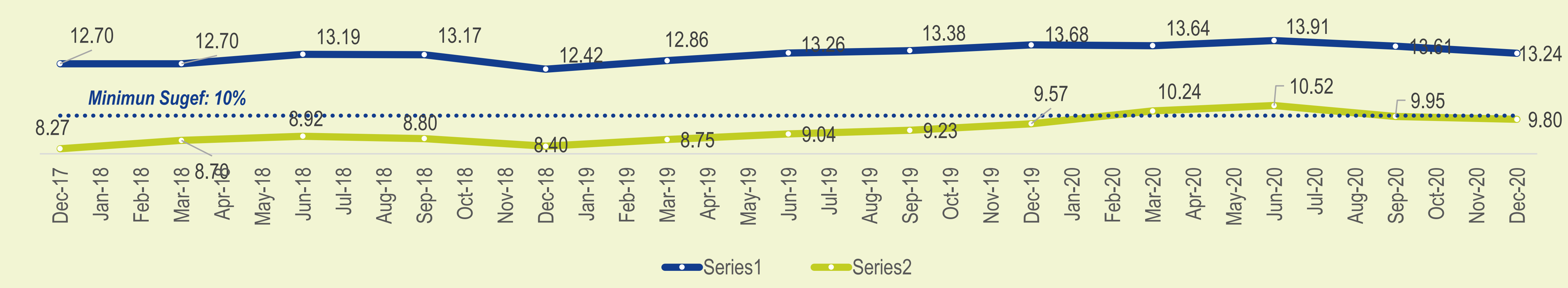
Fee income (million CRC)



Operational expenditure (million CRC)

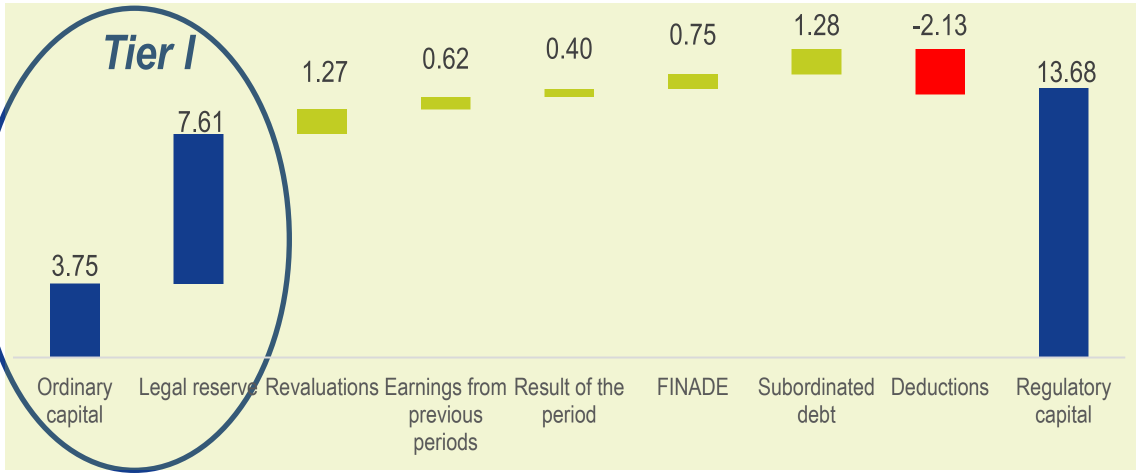


CAPITALIZATION

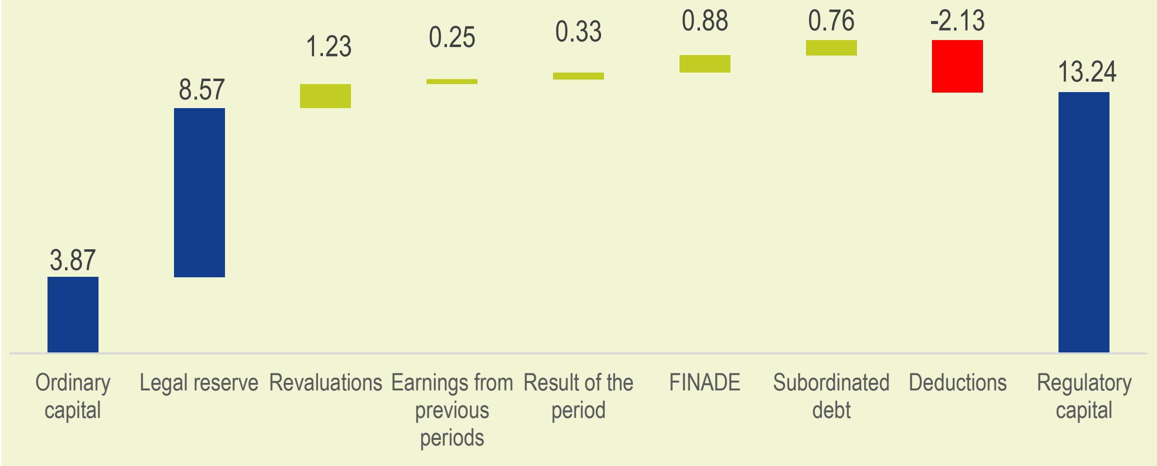


Note: Tier I les deductions

ISP composition (Dec-19)

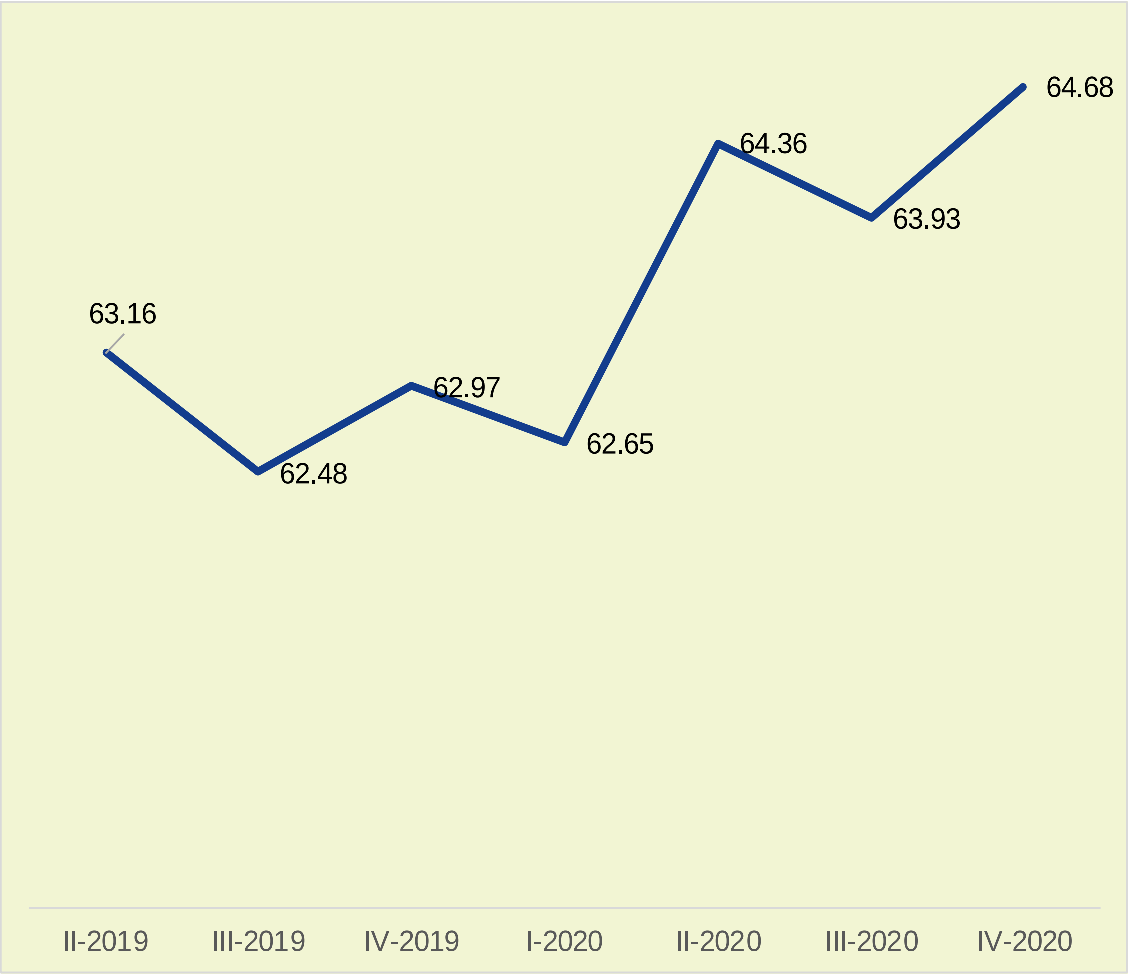


ISP composition (Dec-20)

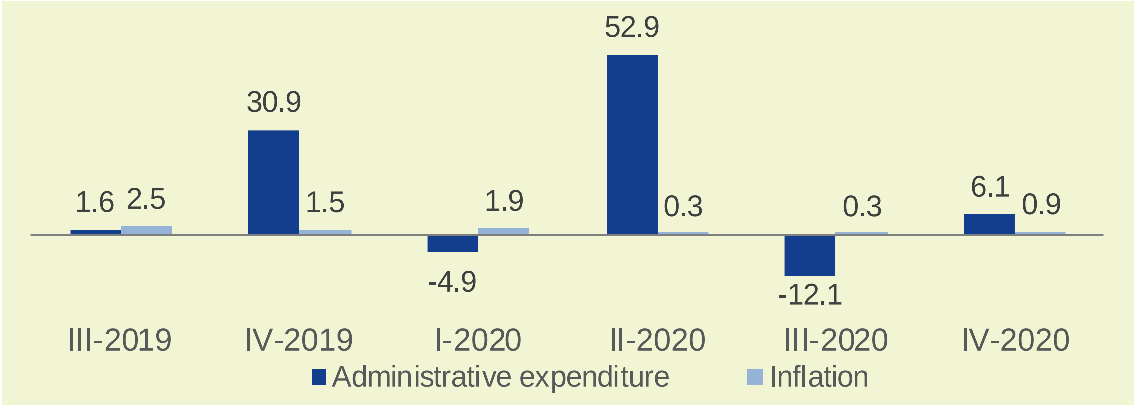


EFFICIENCY

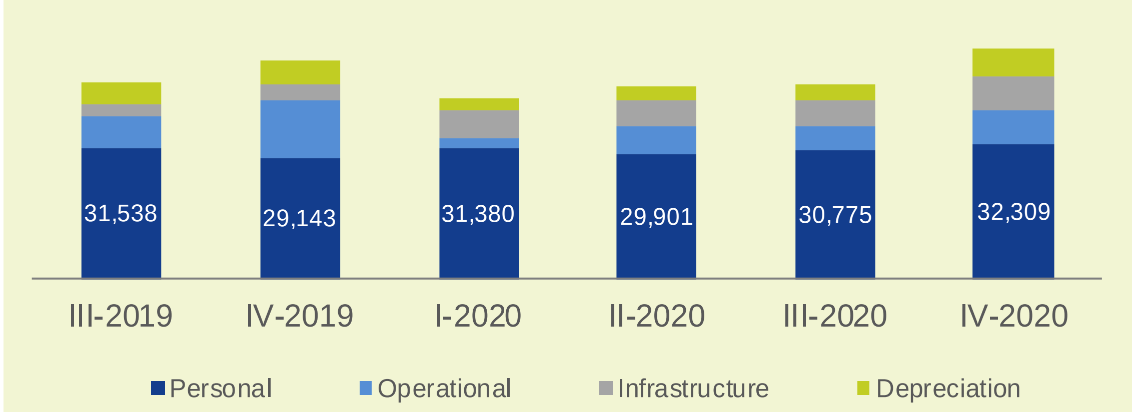
Efficiency ratio



Administrative expenditure (YoY growth, %)

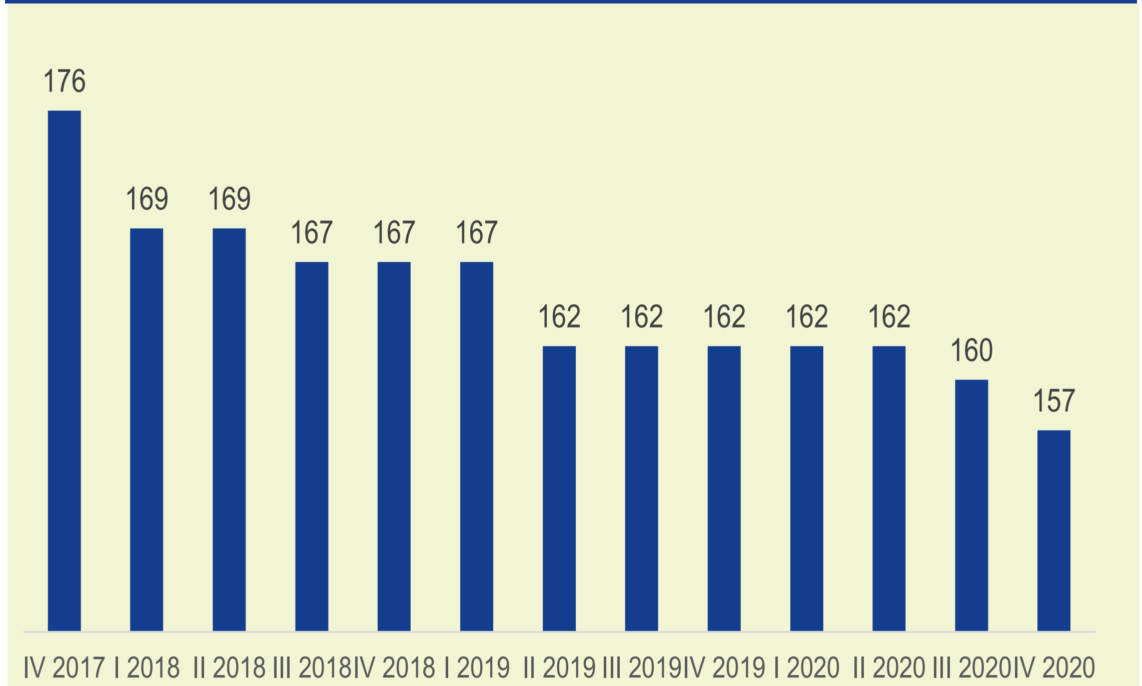


Administrative expenditure breakdown (million CRC)

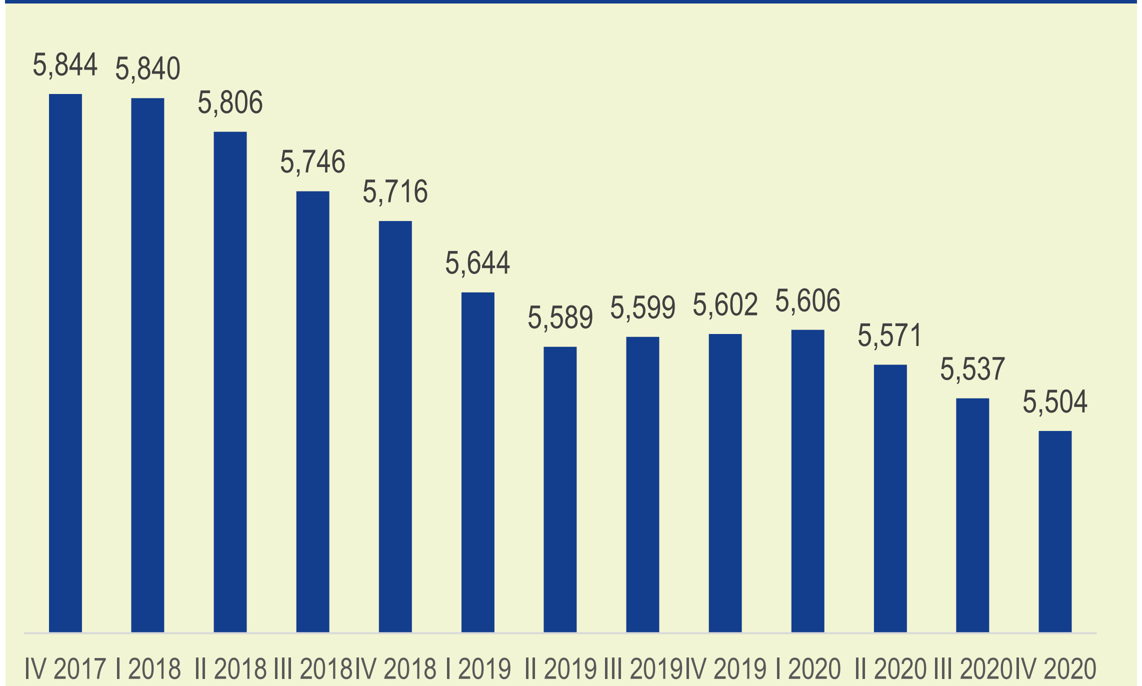


BRANCHES AND PAYROLL

Branches(1)



Payroll(1)



As of December 30, 2020, the Bank has 157 offices, 455 ATM's, and along with its subsidiaries a total of 5,504 employees. Employees are distributed as follows: Banco Nacional de Costa Rica - 5,070 employees; BN Valores Puesto de Bolsa, S.A. - 67 employees; BN Vital Operadora de Planes de Pensiones Complementarias, S.A. - 179 employees; BN Sociedad Administradora de Fondos de Inversión, S.A. - 88 employees; and BN Sociedad Corredora de Seguros, S.A. - 100 employees. The Bank's website is www.bncr.fi.cr

(1) Includes all BNCR Group