BANCO NACIONAL

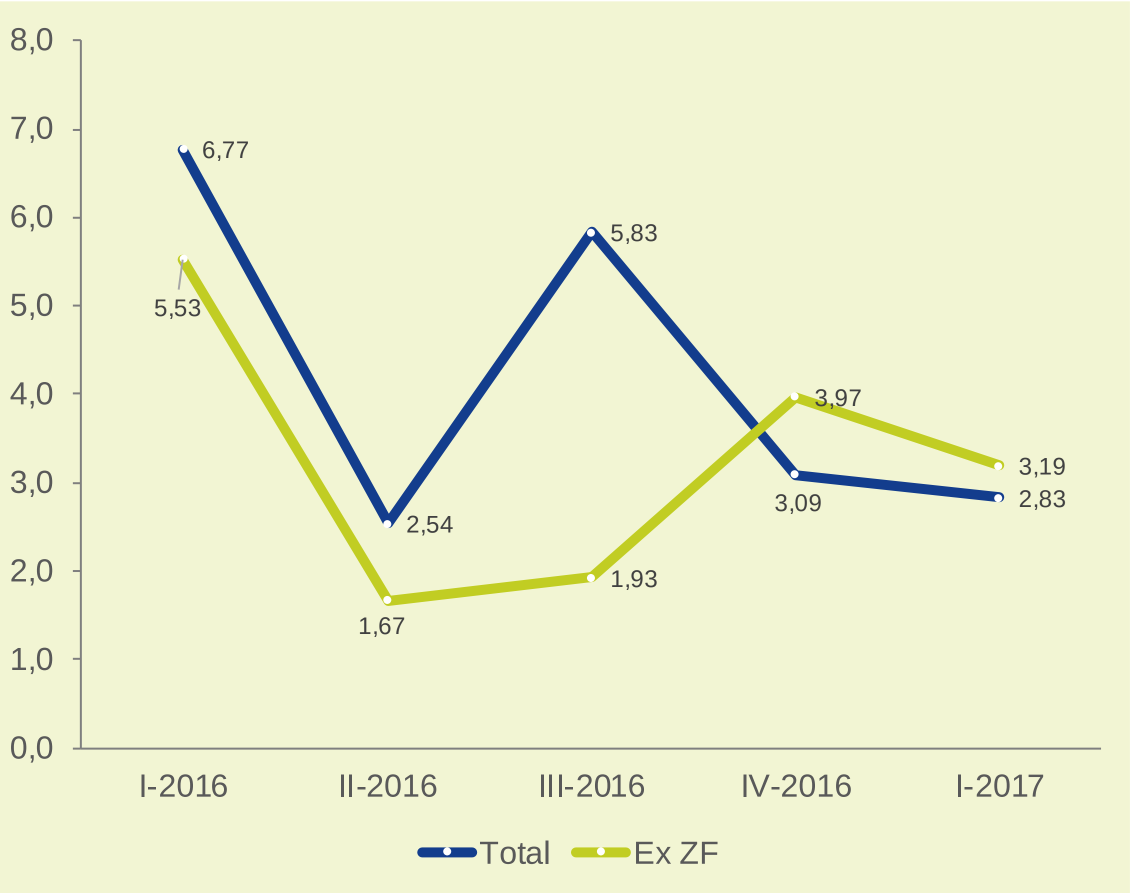
INVESTORS REPORT

THIRD QUARTER, 2017

Juntos somos Progreso

COSTA RICA: ECONOMIC ACTIVITY

IMAE(1) (QoQ variation annualized, %)

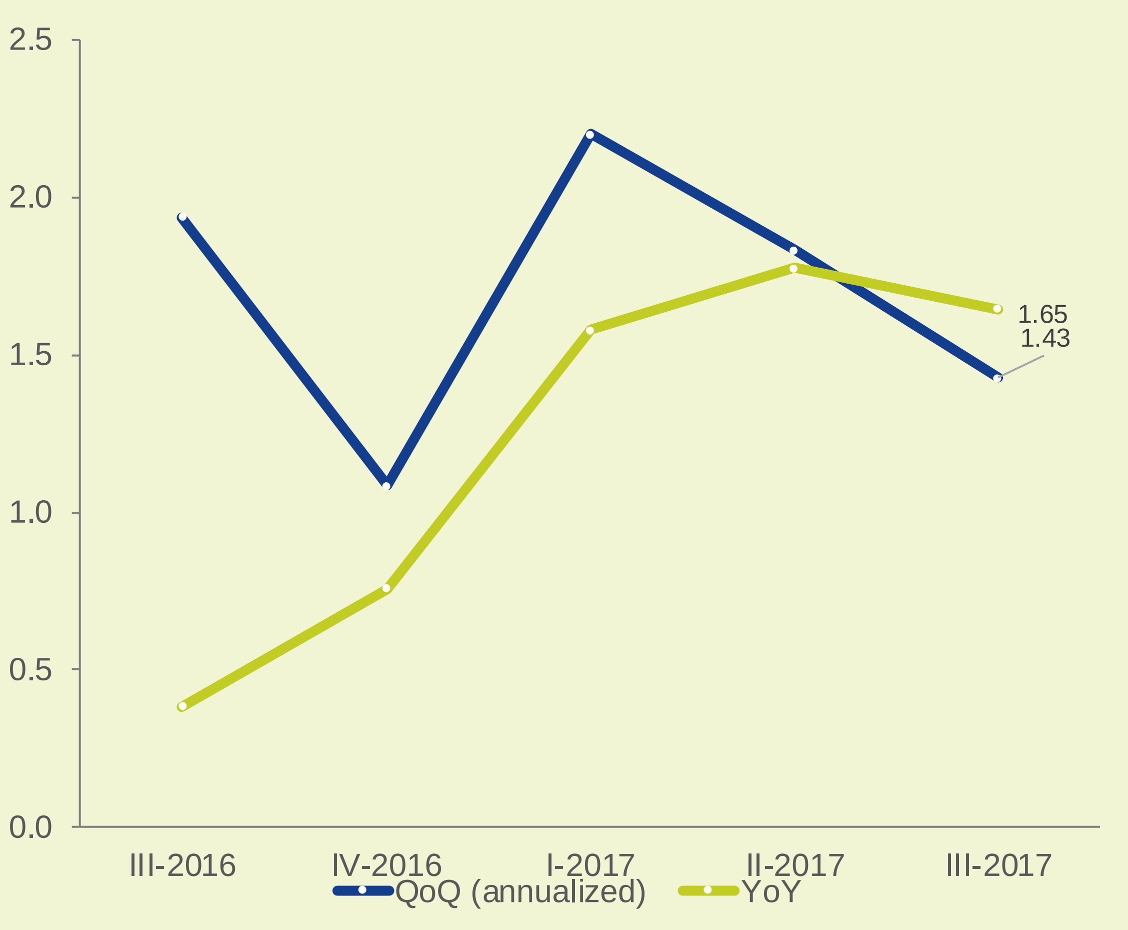


Balance of Payments (last year, million USD)

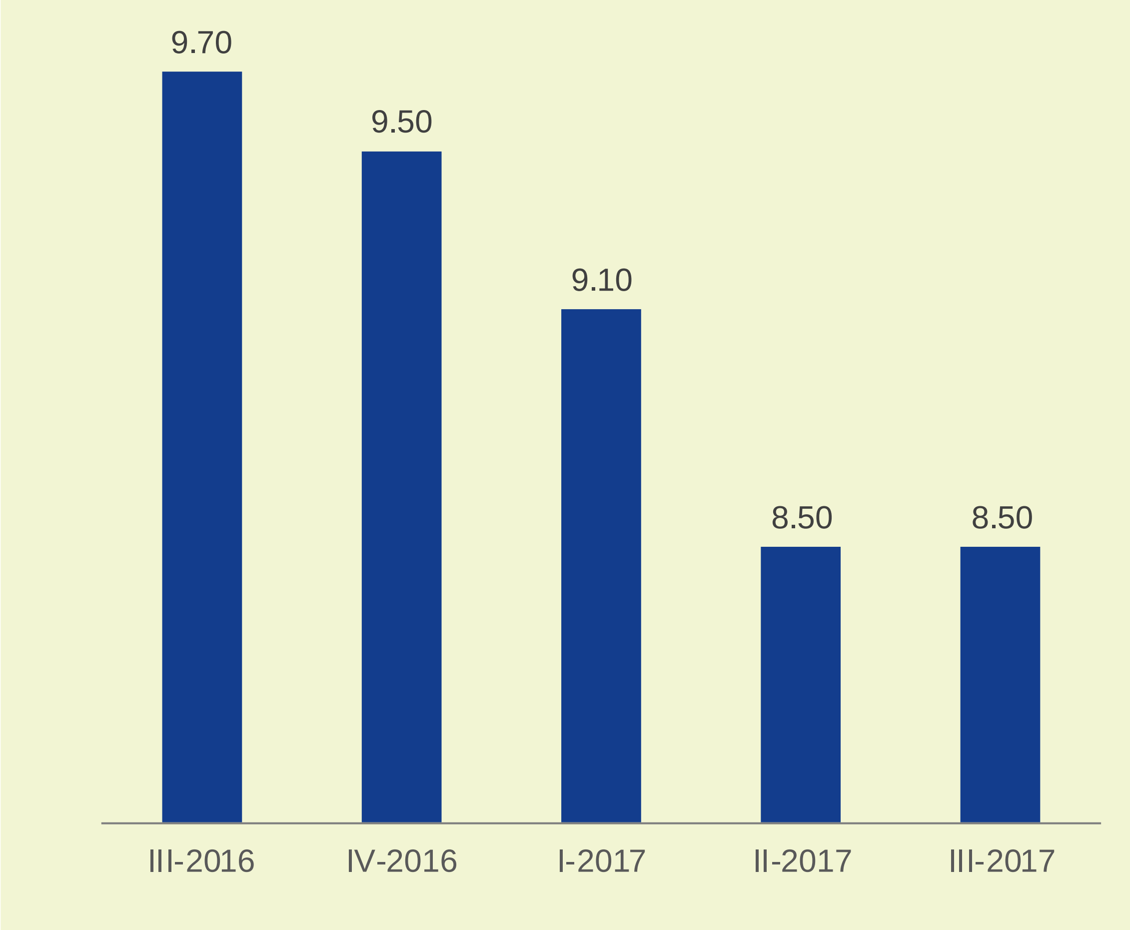
(1) IMAE stands for Índice Mensual de Actividad Económica, it is a gauge of economic activity computed by the Central Bank

Costa Rica: Inflation and unemployment

Consumer Price index (CPI)



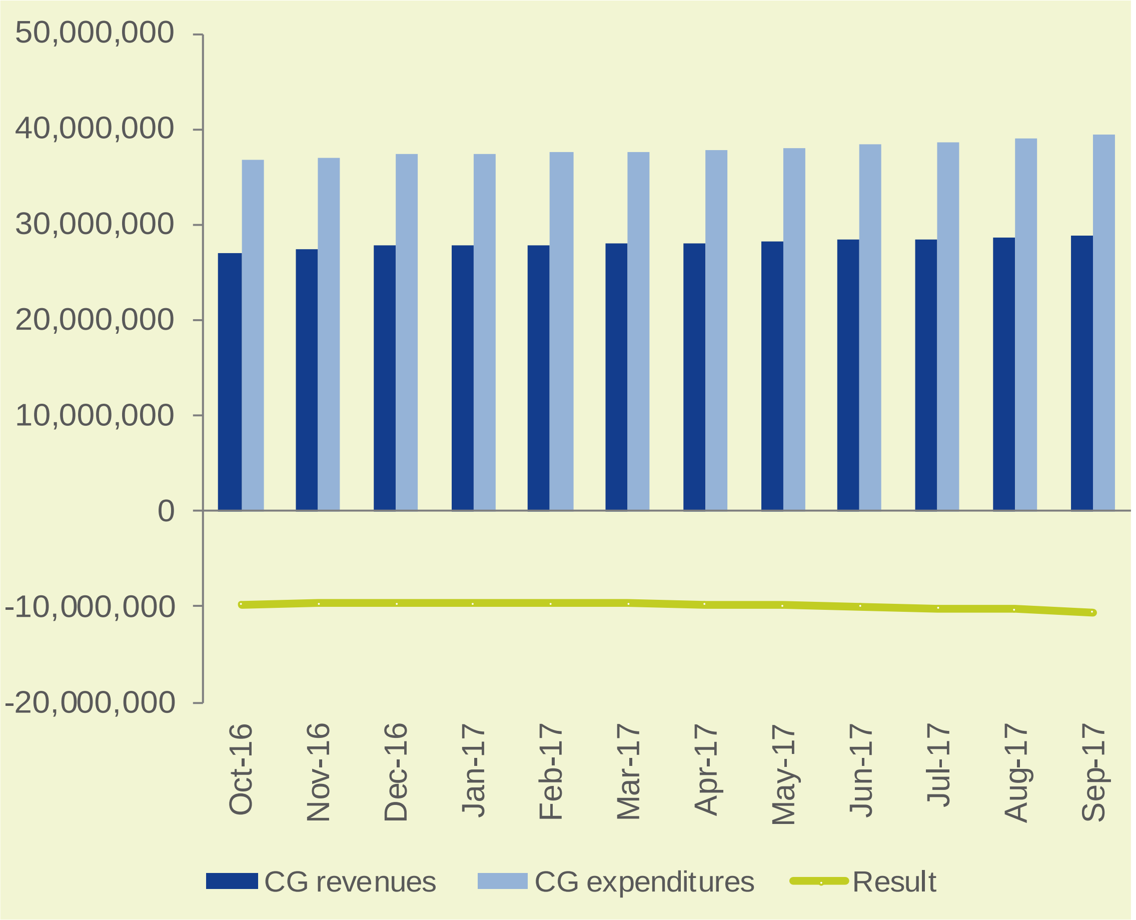
Unemployment



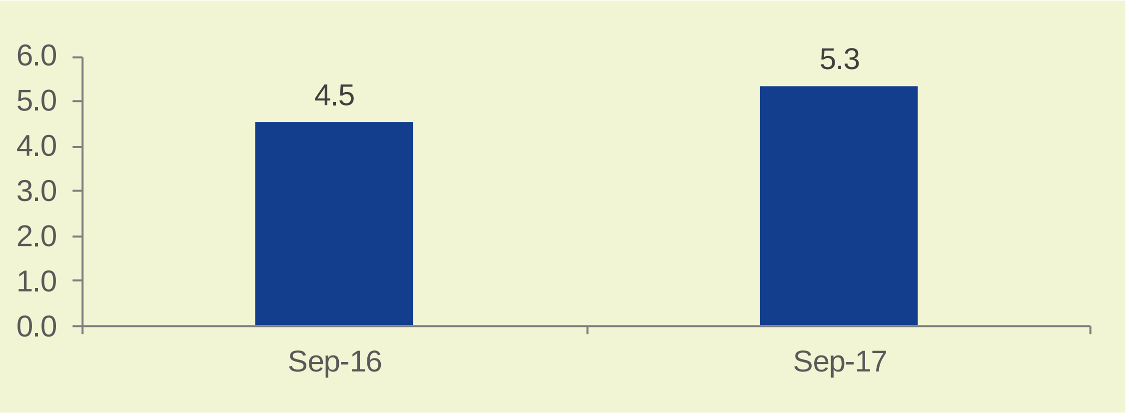
Source: Banco Central de Costa Rica e Instituto Nacional de Estadística y Censos (INEC)

COSTA RICA: FISCAL PERFORMANCE

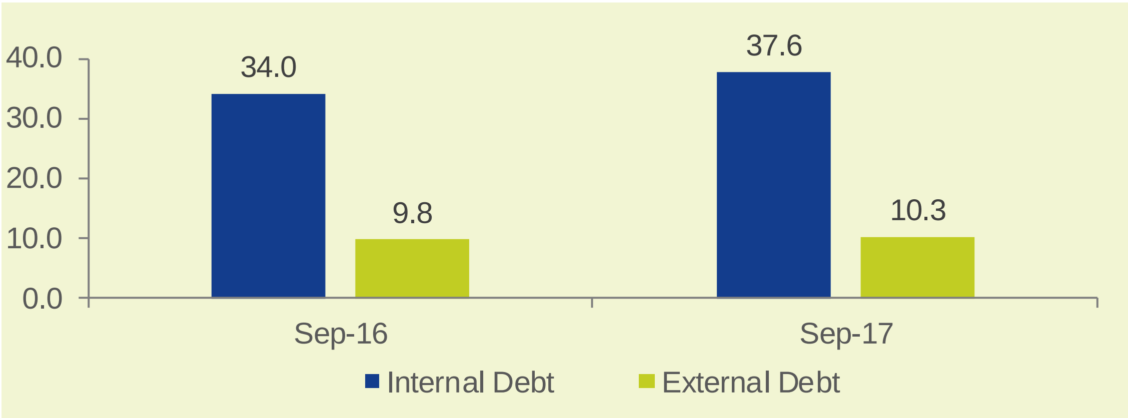
Central government: revenues and expenditures (last year, million CRC)



Central Government Deficit / GDP (%)



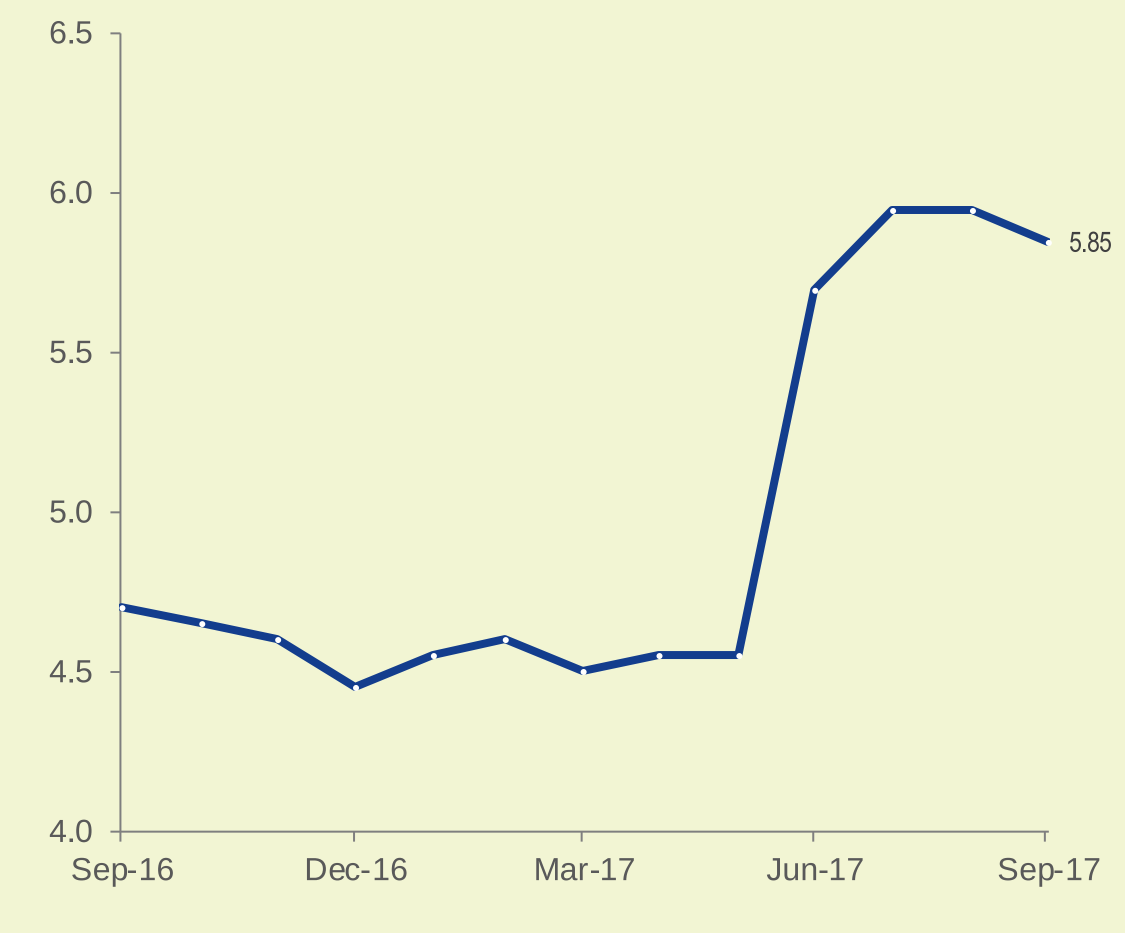
Central Government Debt/ GDP (%)



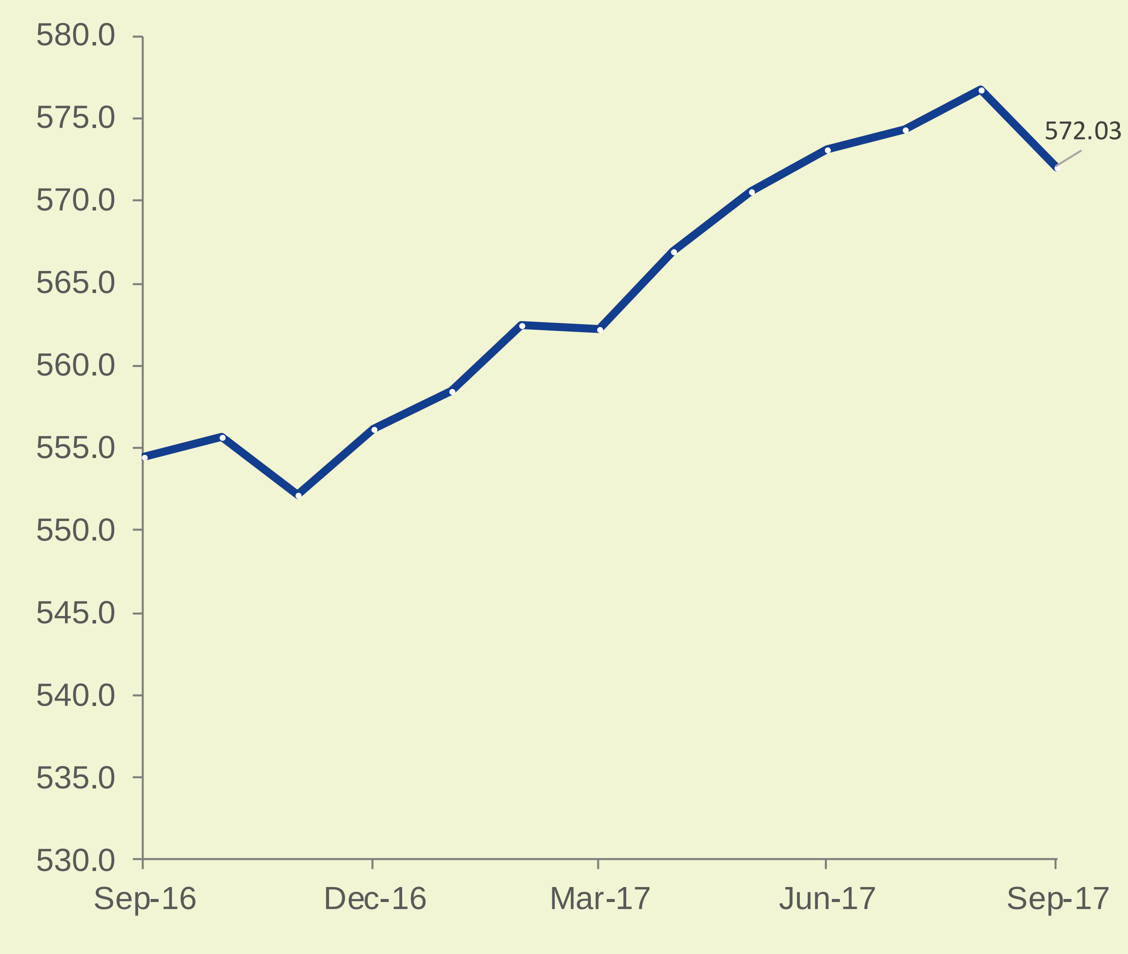
Source: Costa Rica Ministry of Finance

COSTA RICA: INTEREST AND EXCHANGE RATES

Tasa básica pasiva



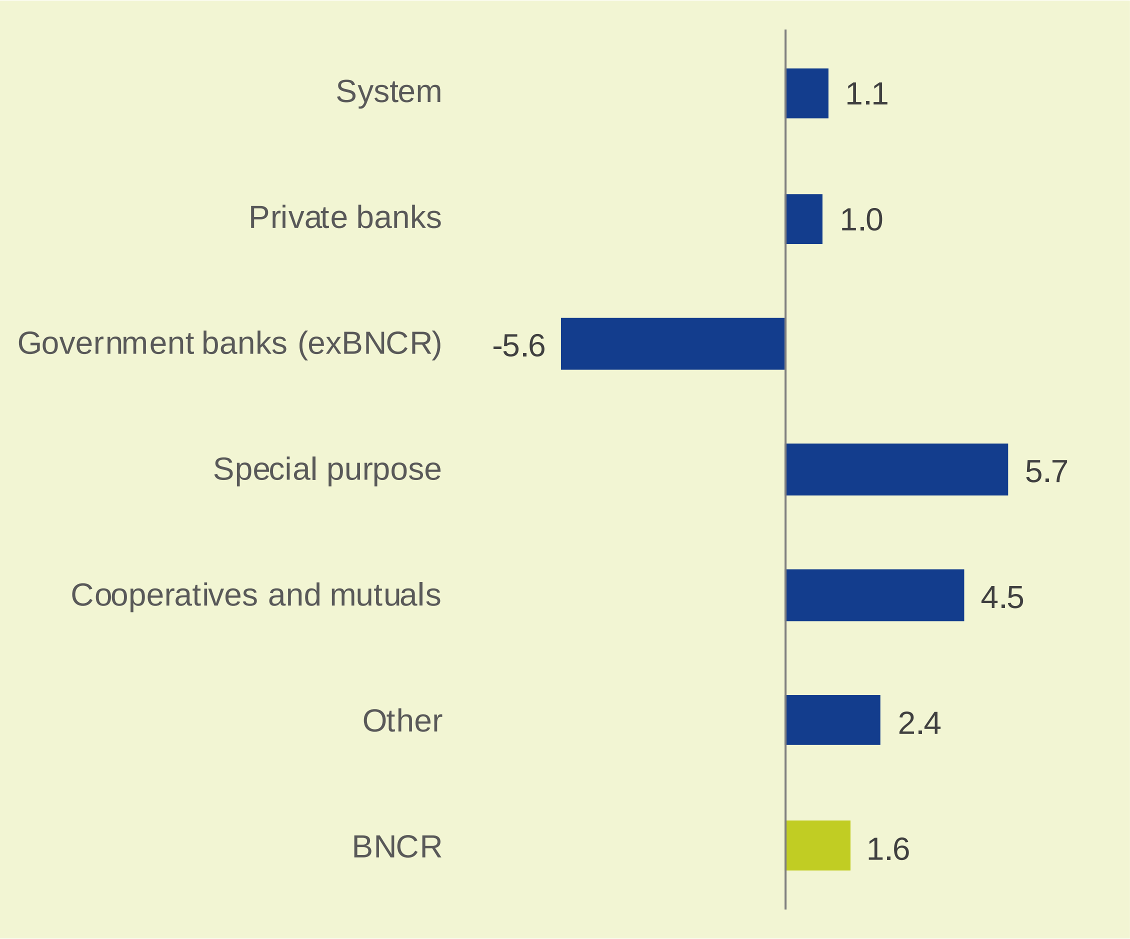
Average exchange rate USDCRC (Monex)



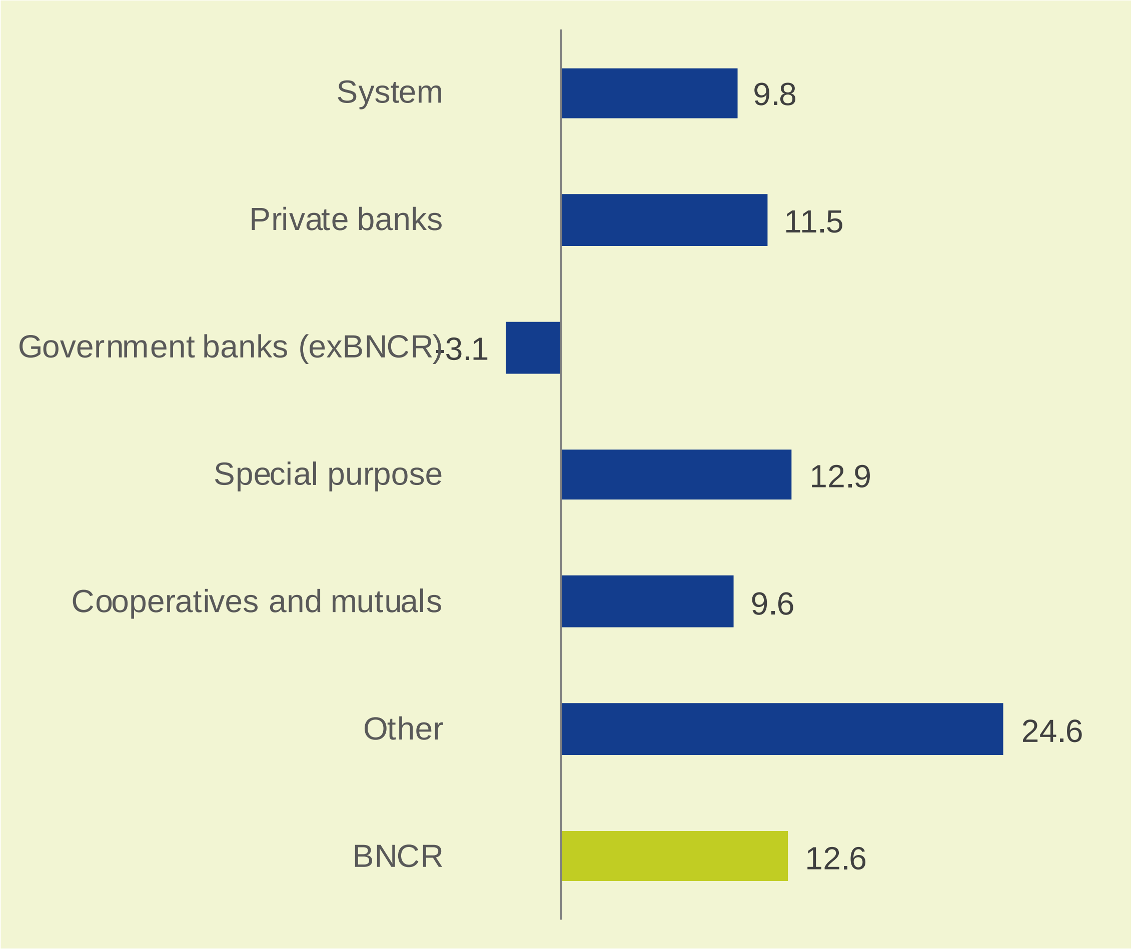
Source: Banco Central de Costa Rica

BANK SYSTEM: CREDIT (GROSS)

Quarterly growth (3Q 2017)

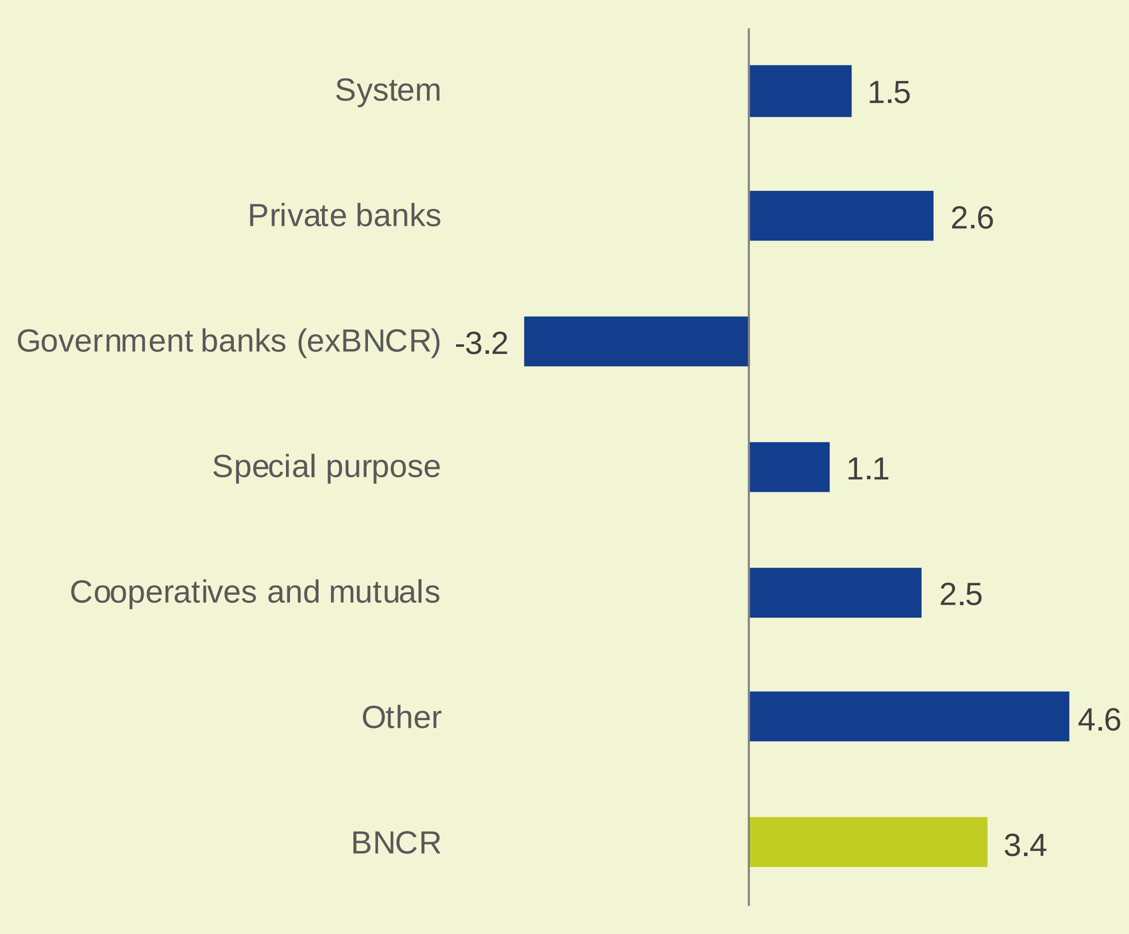


Year growth (3Q 2017)

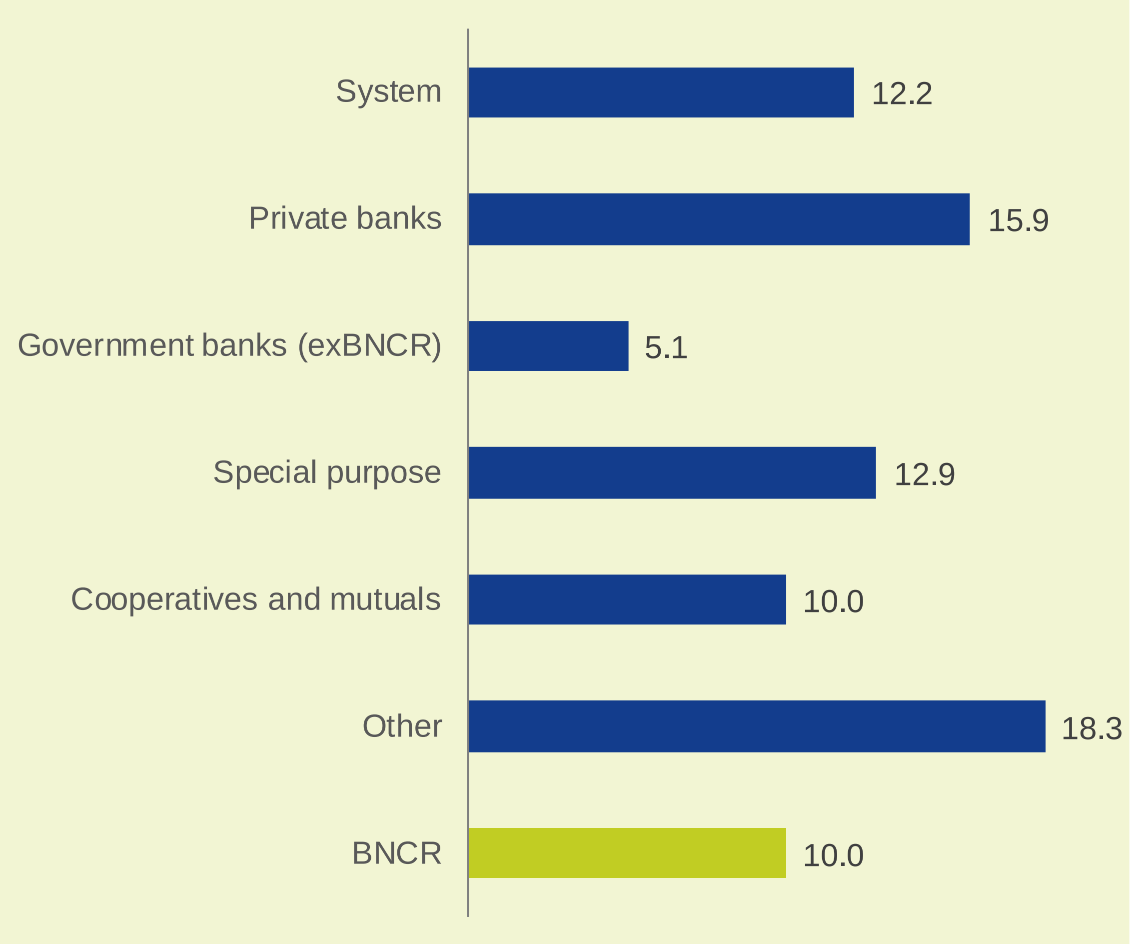


BANK SYSTEM: DEPOSITS

Quarterly growth (2Q 2017)



Year growth (2Q 2017)



CORPORATE GOVERNANCE

Governance Structure

Board of Directors

Chairman

Ana Isabel Solano

Vice-chairman

Víctor Hugo Carranza Salazar

Secretary

Luis Pal Hagedüs

Directors

Xinia Herrera Durán

Jorge Mendez Zamora

Olman Briceño Fallas

Jeannette Ruiz Delgado

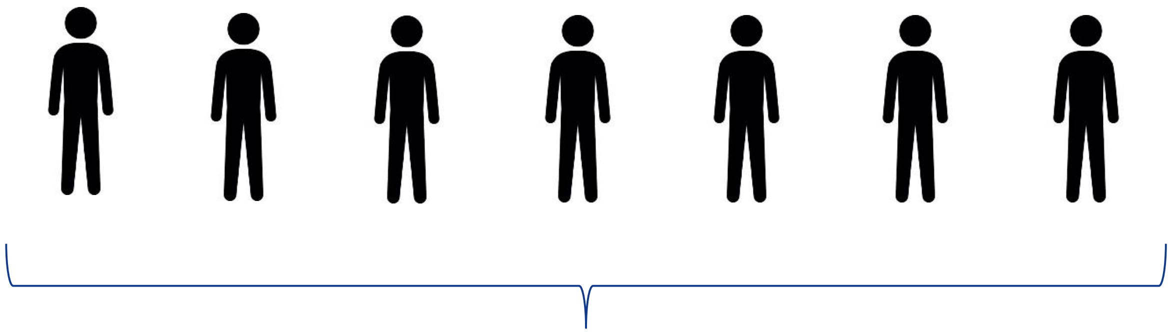
Internal and external independent auditors

Chief Executive Officer

Juan Carlos Corrales Salas

Officers and Support Committees

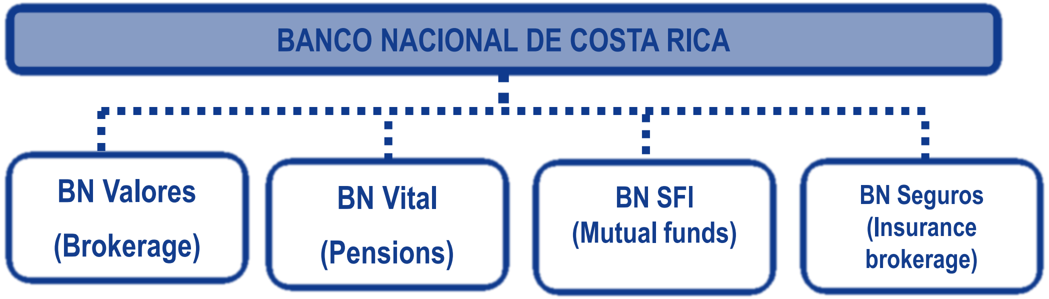
Independent Board of Directors



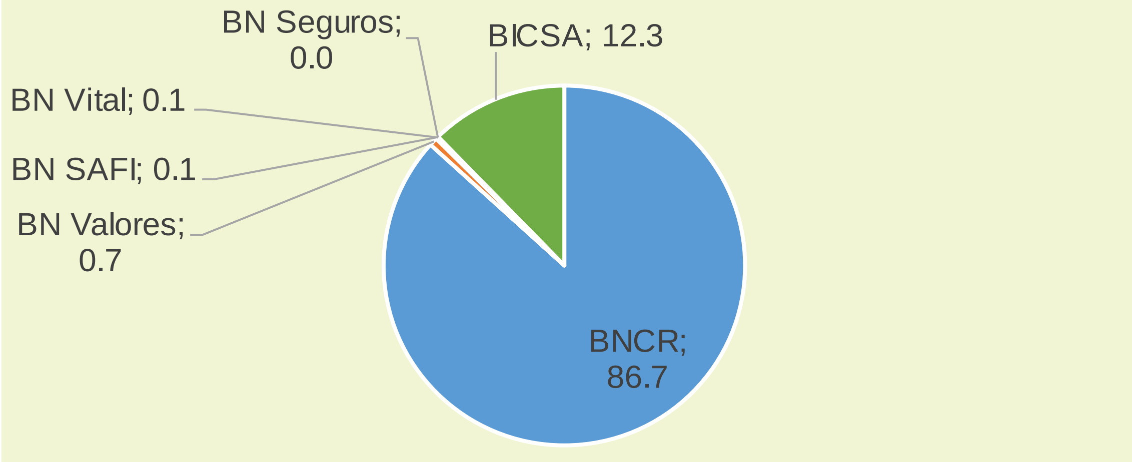
100% independent

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

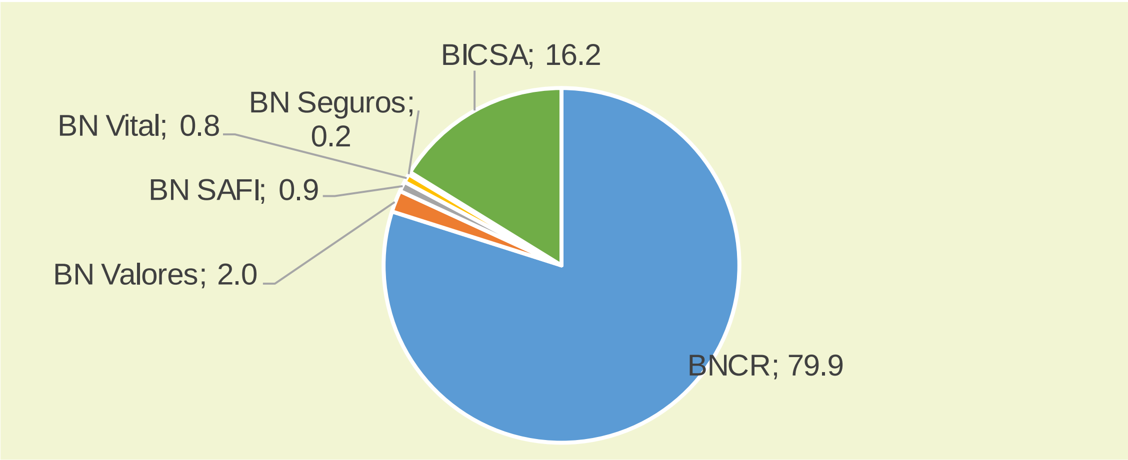
CORPORATE GOVERNANCE (CONT.)



Assets (Sept-17)



Equity (Sept-17)



BNCR owns a 49% stake in BICSA

Total assets and equity of BNCR Group amount CRC 8,087,945 million and equity CRC 642,073 million (excluding BICSA)

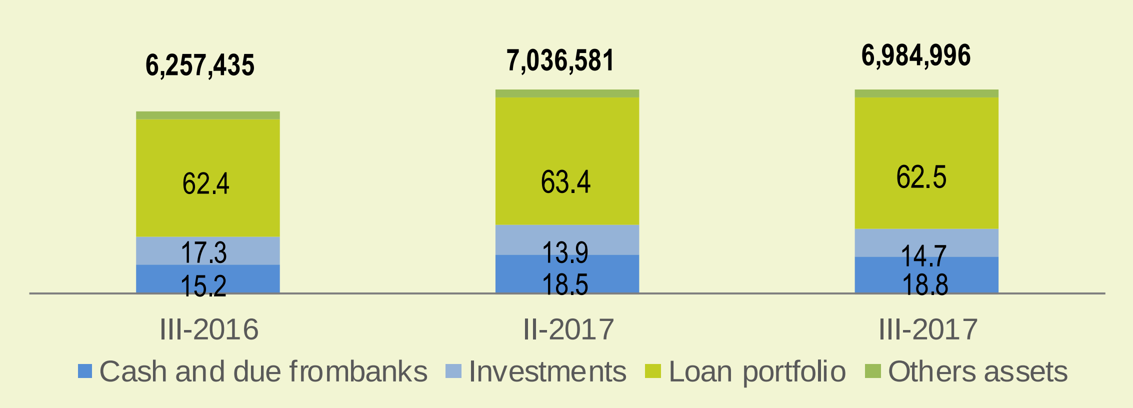
BNCR: INVESTMENT HIGHLIGHTS (3Q 2017)

Profitability	Net income	CRC 8,423 million	↘ 38.0% QoQ	↘ 51.2% YoY
	ROAE	5.54%	↘ 358 b.p. QoQ	↘ 682 YoY
	ROAA	0.49%	↘ 35 b.p. QoQ	↘ 3 b.p. YoY
Credit	Loan portfolio	CRC 4,397,471 million	↗ 4.50% QoQ	↗ 13.43% YoY
	Provisions	CRC 12,331 million	↗ 76.39% QoQ	↗ 23.29% YoY
	Cost of risk(1)	1.15%	↗ 69.5 b.p. QoQ	↗ 9.4 b.p. YoY
NII and NIM	Net Financial income	CRC 50,868 million	↘ 13.57% QoQ	↗ 0.64 % YoY
	NIM	4.42%	↘ 39 b.p. QoQ	↘ 33 b.p. YoY
	Net NIM(2)	3.93%	↘ 79 b.p. QoQ	↘ 29 b.p. YoY
Efficiency	Efficiency ratio(3)	67.3%	↗ 275 b.p. QoQ	↘ 188 b.p. YoY
Capital	ISP(4)	13.58%	↘ 34 b.p. QoQ	↘ 14 p.b. YoY

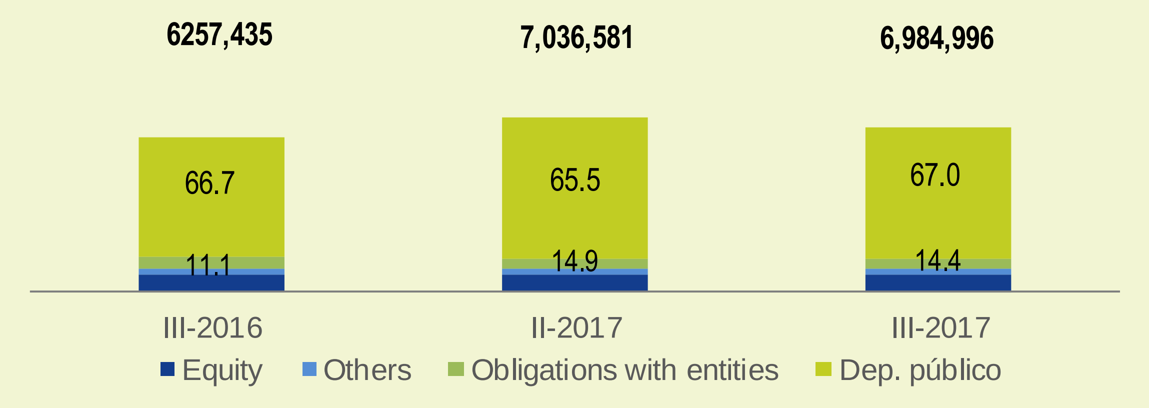
(1) Cost of risk: annualized provisions for loan loses on average gross loans.
(2) After allowances for impairment and recovery of assets and decrease in allowances
(3) Administrative expenditure on gross operational income.
(4) Regulatory Capital Adequacy Ratio

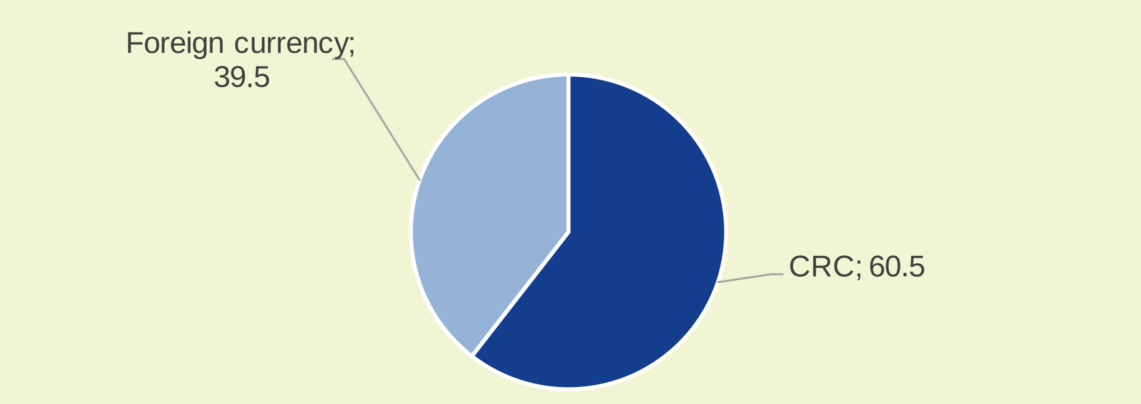
BNCR (STAND-ALONE): BALANCE SHEET BREAKDOWN

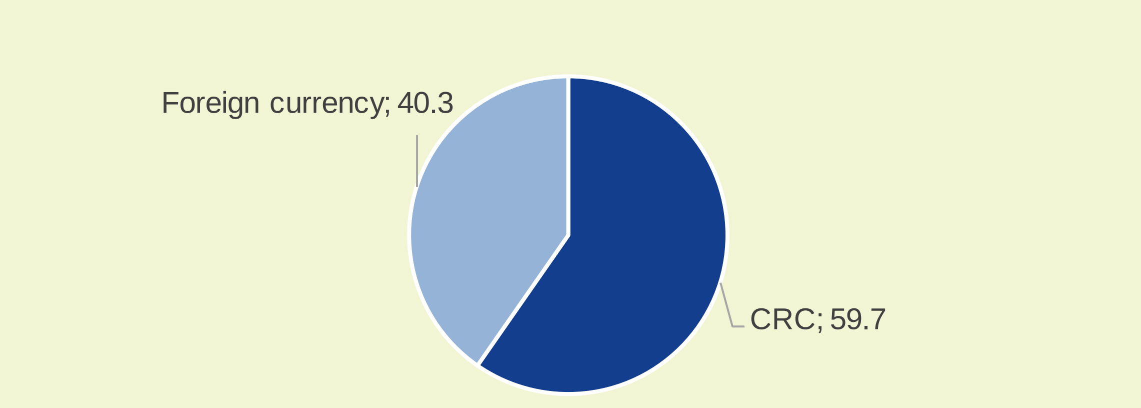
Assets (million CRC)



Liabilities and Equity (million CRC)

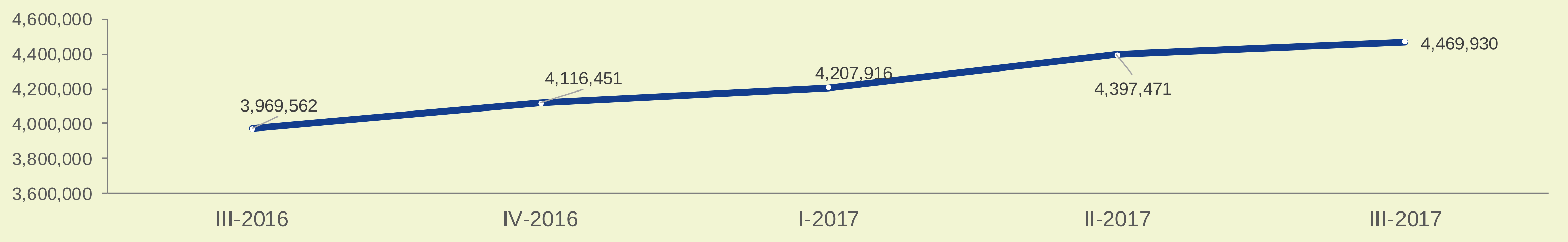




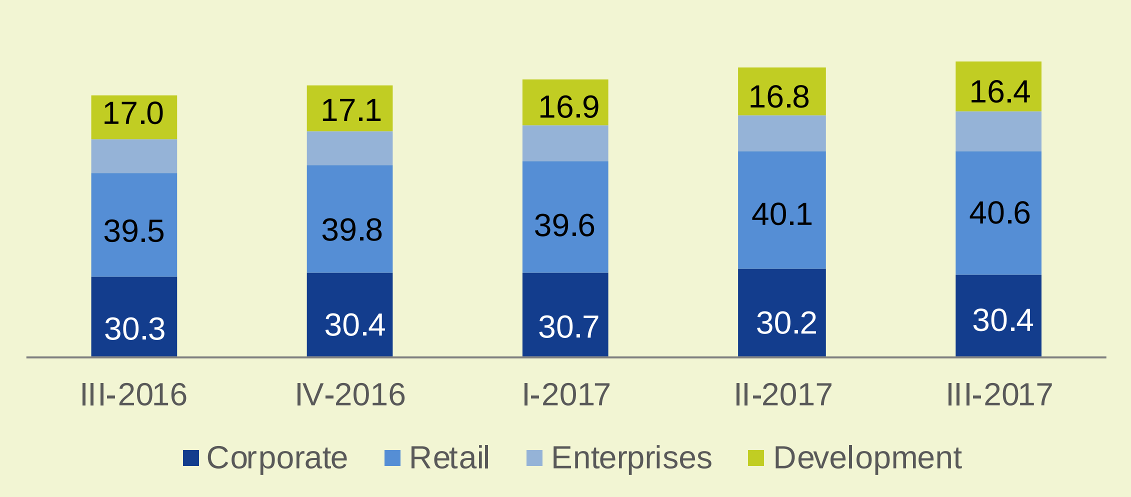


BNCR (STAND-ALONE): LOAN PORFOLIO

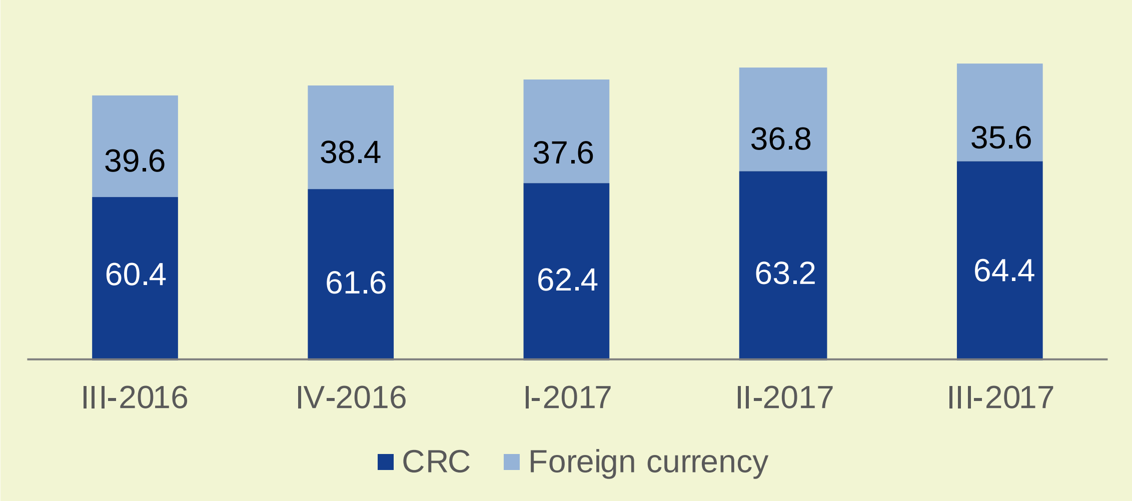
Loan portfolio gross (million CRC)



Portfolio composition (%)

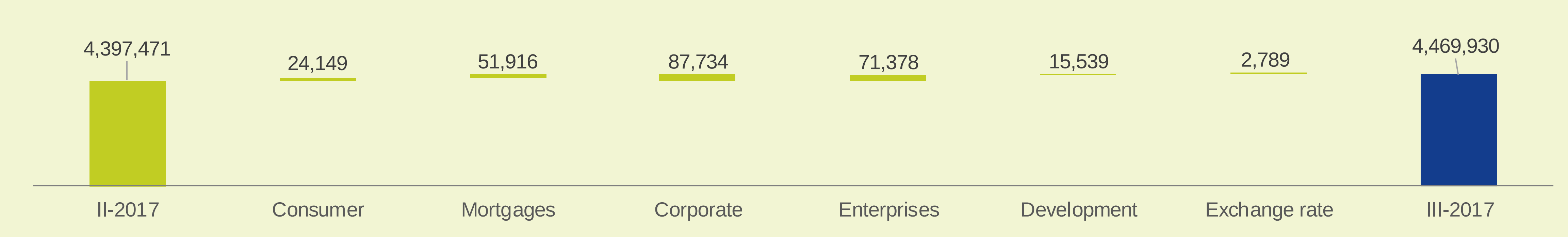


Loan portfolio by currency (%)

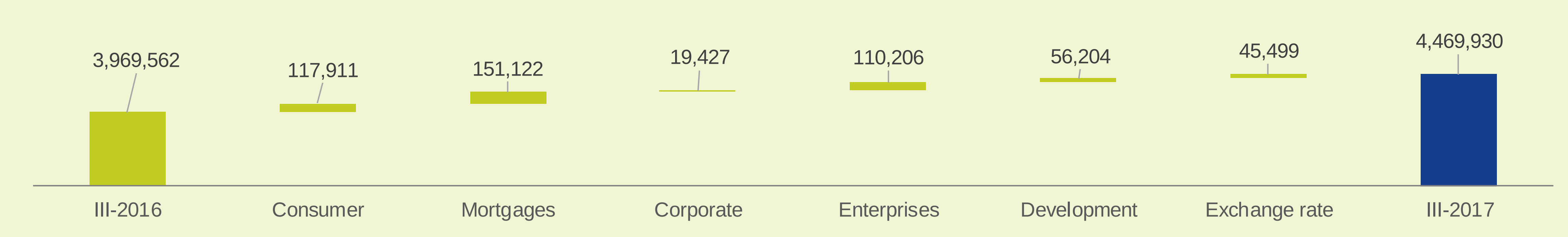


BNCR (STAND-ALONE): LOAN PORTFOLIO

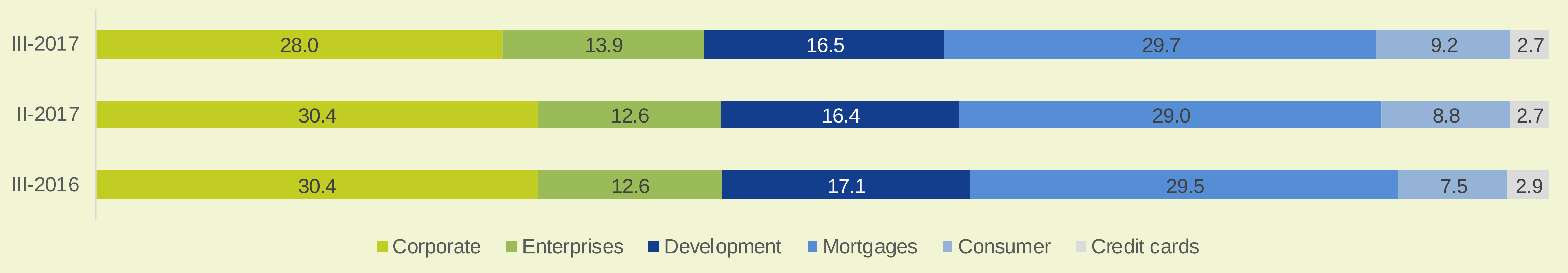
Contribution to portfolio growth QoQ (million CRC)



Contribution to portfolio growth YoY (million CRC)

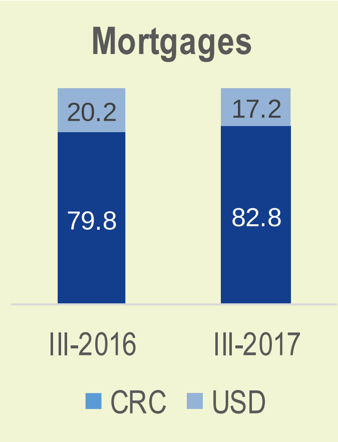


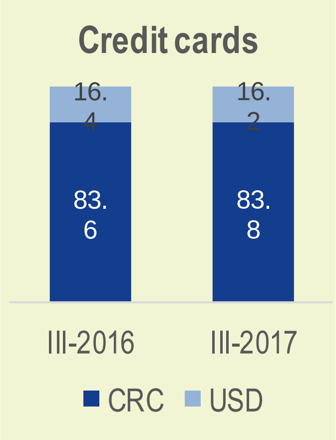
BNCR (STAND-ALONE): LOAN PORTFOLIO BY SEGMENT



Loans million CRC	As of the end of 2Q 2016	1Q 2017	2Q 2017	% Part. 2Q 2017	% nominal change QoQ	YoY	% real change QoQ	YoY
Corporate	1,175,692	1,272,421	1,338,974	30.4	5.2	13.9	4.8	11.9
Development								
Enterprises	508,679	541,917	551,997	12.6	1.9	8.5	1.4	6.6
SME	660,193	706,642	723,308	16.4	2.4	9.6	1.9	7.6
Consumer								
Mortgages	1,148,391	1,223,958	1,276,075	29.0	4.3	11.1	3.8	9.2
Credit cards	106,960	116,999	119,814	2.7	2.4	12.0	1.9	10.1
Consumer	276,837	345,978	387,302	8.8	11.9	39.9	11.4	37.5
Total	**3,876,752**	**4,207,916**	**4,397,471**	**100**	**4.5**	**13.4**	**4.0**	**11.5**

BNCR (STAND-ALONE): LOAN PORTFOLIO BY SEGMENT

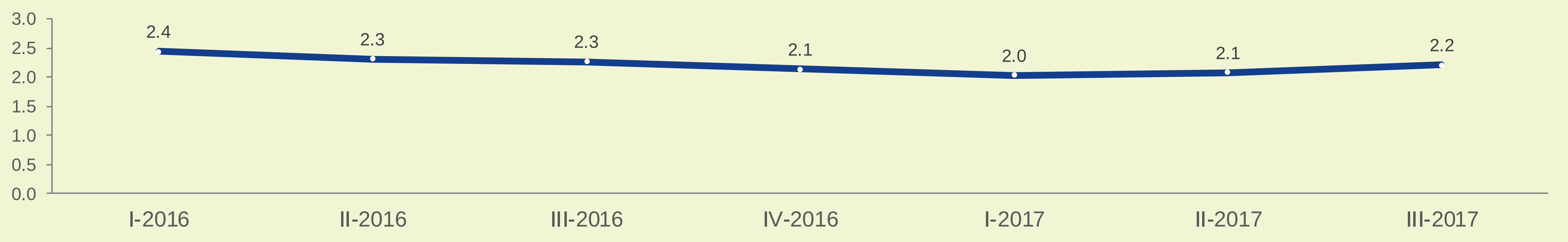




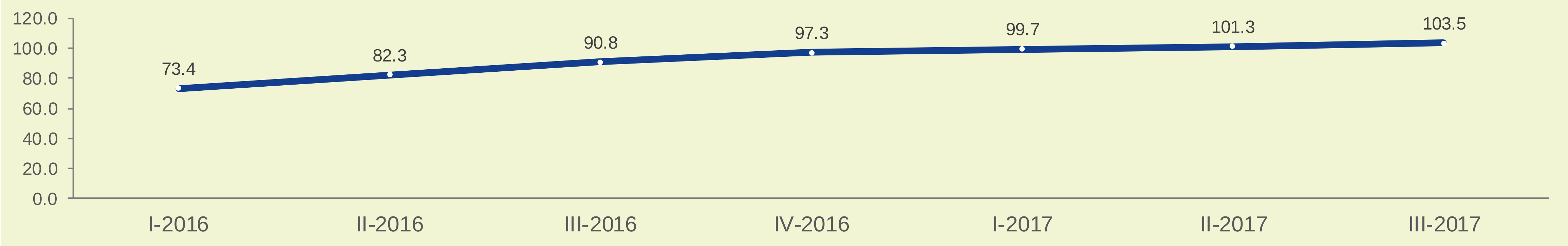
Loans Million CRC	Local currency (million CRC)					Foreign currency (million CRC)				
	2Q 2016	1Q 2017	2Q 2017	Δ QoQ (%)	Δ YoY (%)	2Q 2016	1Q 2017	2Q 2017	Δ QoQ (%)	Δ YoY (%)
Corporate	435,866	485,045	524,206	7.5	20.3	739,826	787,376	814,769	1.5	5.5
Development										
Enterprises	146,552	193,551	205,963	6.0	40.5	362,127	348,366	346,034	-2.6	-8.4
SME	551,181	593,830	608,110	2.3	10.3	109,011	112,812	115,198	0.2	1.3
Consumer										
Mortgages	908,835	999,997	1,056,808	5.4	16.3	239,557	223,961	219,267	-4.1	-12.3
Credit cards	89,625	97,912	100,383	2.5	12.0	17,335	19,087	19,431	-0.1	7.4
Consumer	211,148	289,819	334,512	13.4	58.4	65,690	56,159	52,790	-8.4	-23.0
Total	**2,343,207**	**2,660,155**	**2,829,982**	**6.4**	**20.8**	**1,533,545**	**1,547,761**	**1,567,489**	**-0.7**	**-2.1**

BNCR (STAND-ALONE): ASSET QUALITY

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

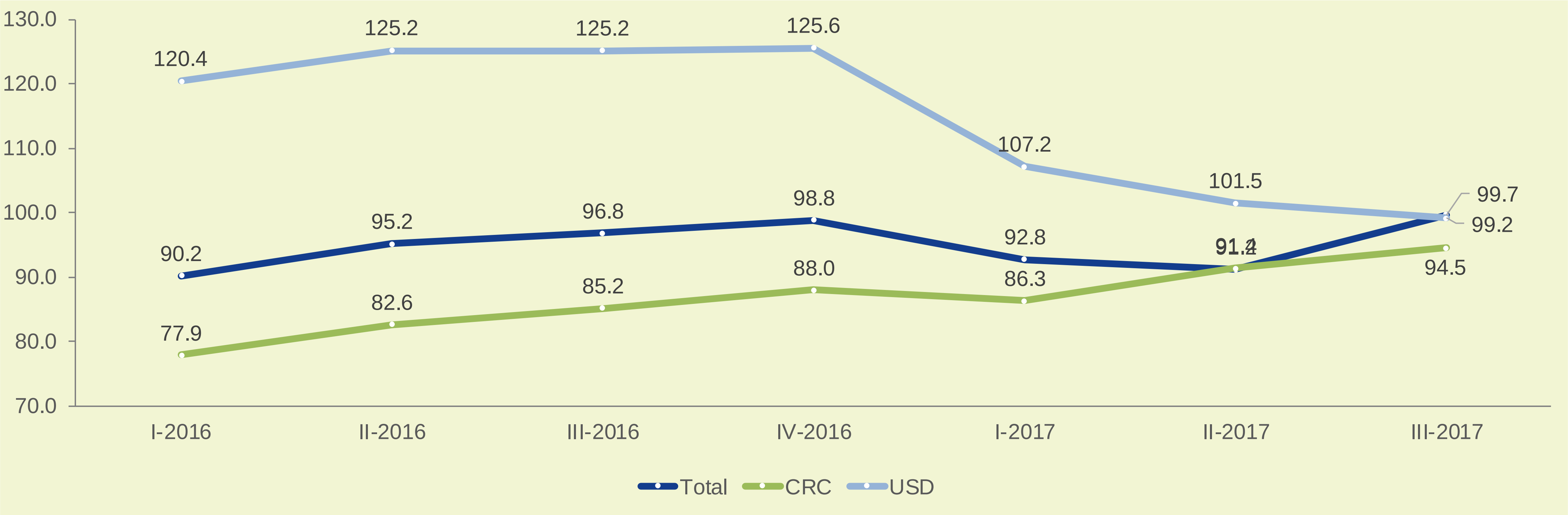


Coverage ratio[2]



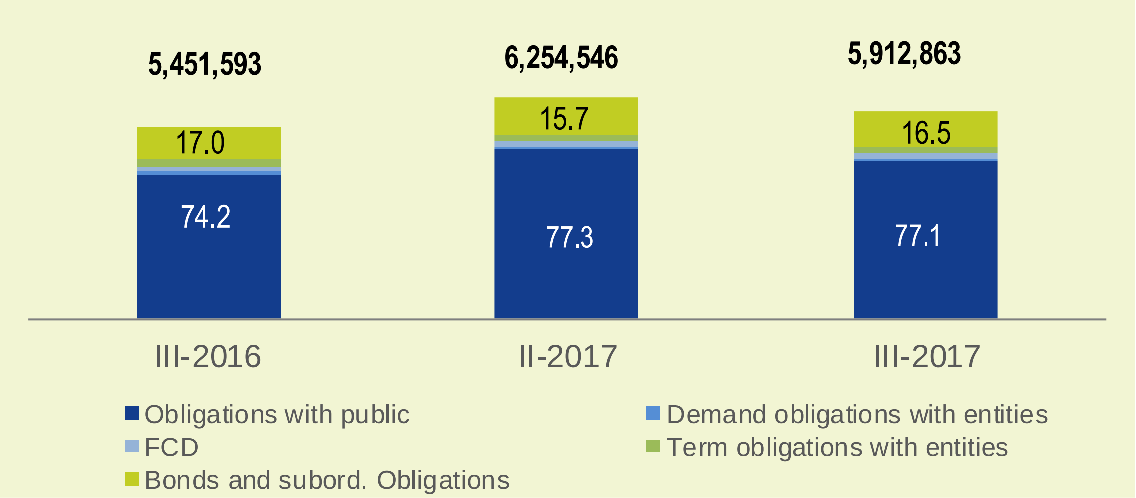
(1) NPL: credits more delay 90 days
(2) Allowances for loan impairments over NPLs

BNCR (STAND-ALONE): LOAN-TO-DEPOSIT RATIO

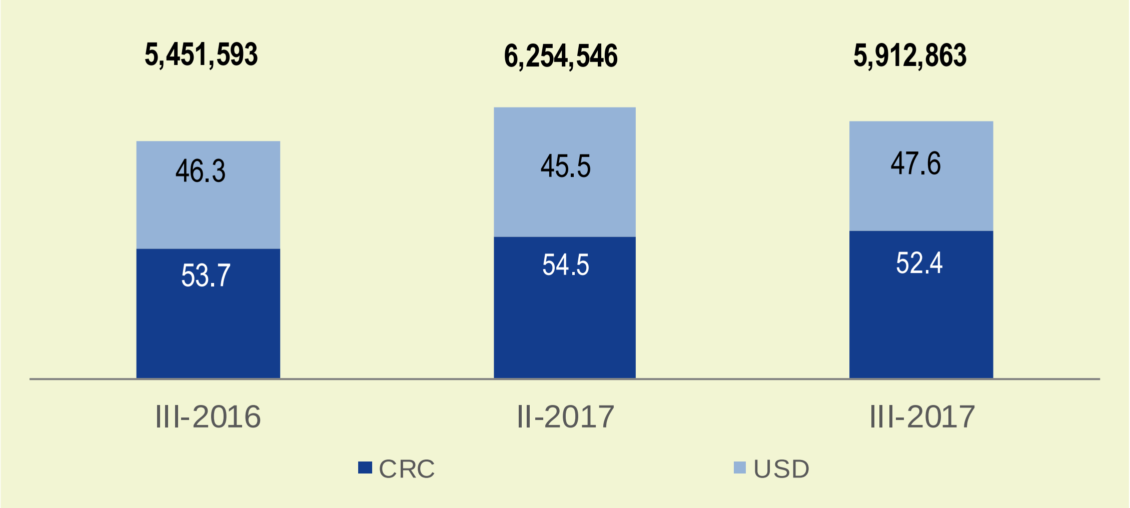


BNCR (STAND-ALONE): FUNDING STRUCTURE

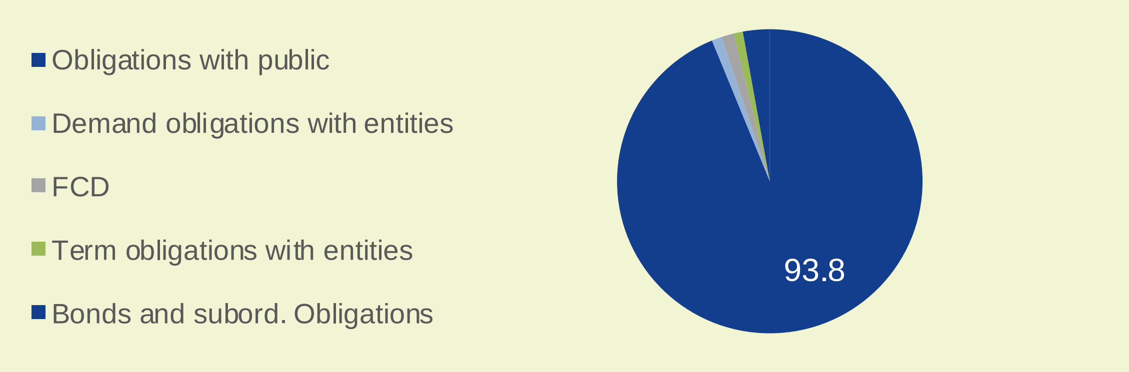
By product



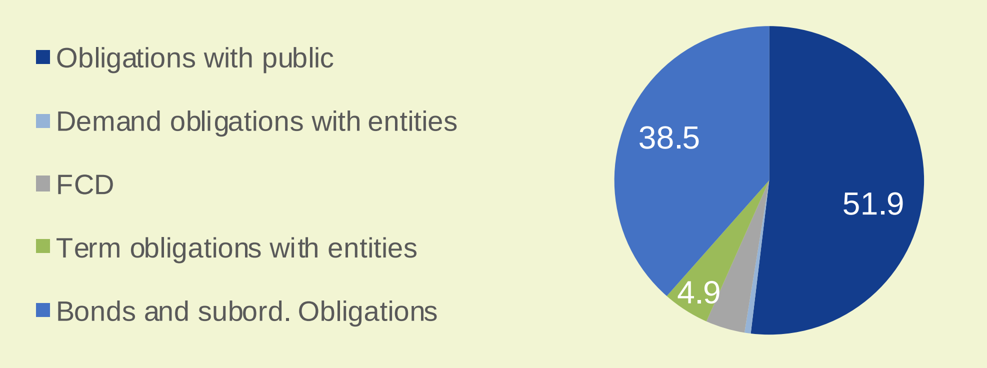
By currency



CRC

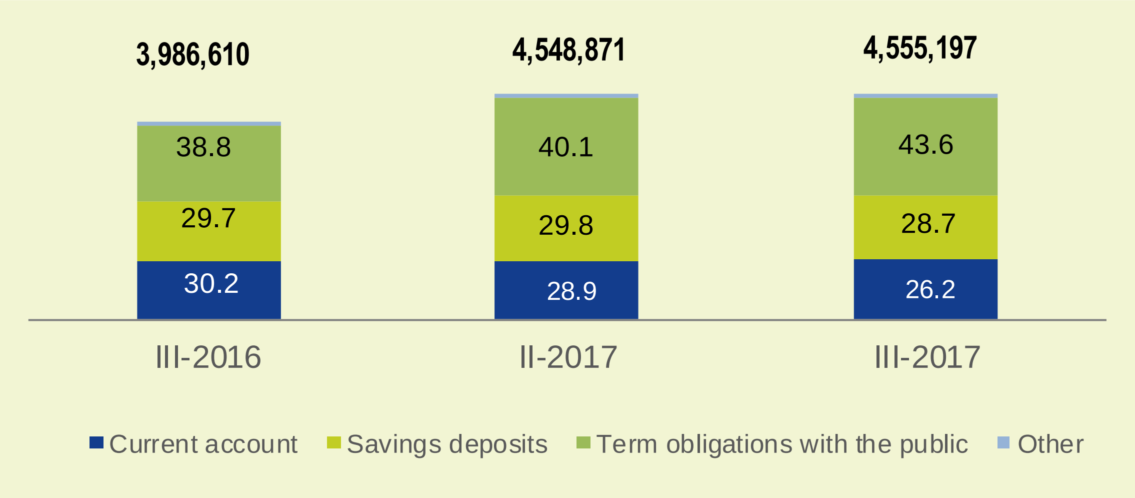


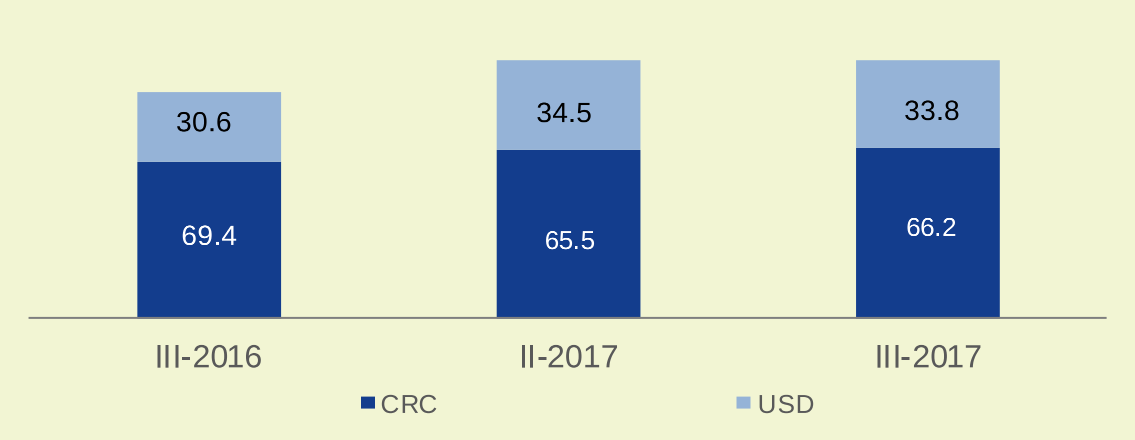
Foreign currency



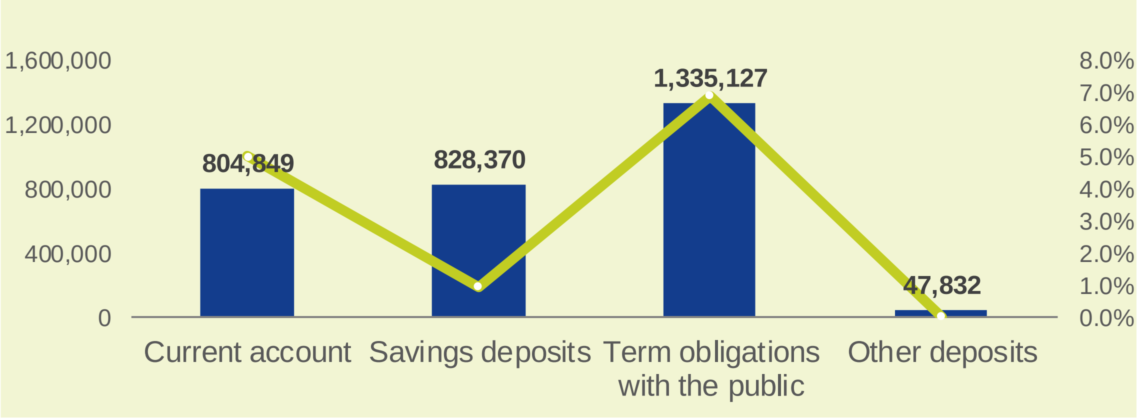
BNCR (STAND-ALONE): DEPOSIT BREAKDOWN

Structure of deposits

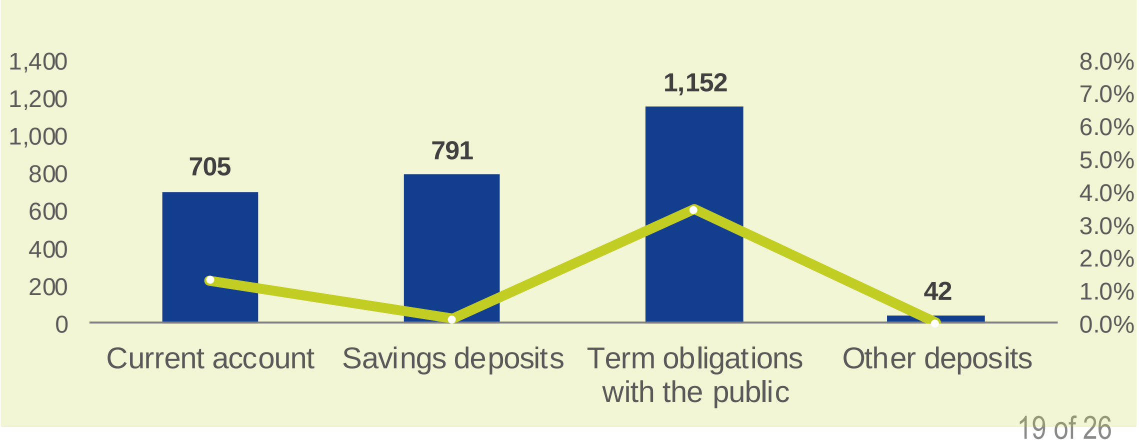




Deposits and average cost (CRC)



Deposits and average cost (other)



BNCR: OUTSTANDING DEBT

Security	Issue date	Maturity	Initial term (years)	Currency	Issued amount (million)	Outstanding amount	Interest rate
BNCR$2D	15-nov-2012	15-nov-2017	5 años	USD	5 MM	1.08	5.00%
BNCRC2D	15-nov-2012	15-nov-2017	5 años	CRC	5,000 MM	3,996	11.46%
BNCRC2F	05-feb-2014	05-feb-2018	4 años	CRC	10,000 MM	8,577	8.73%
BNCRC3B	22-oct-2014	22-oct-2017	3 años	CRC	20,000 MM	20,000	8.74
BNCR$2E	12-nov-2015	12-nov-2017	2 años	USD	20 MM	10.1	3.69%
BNCRC4A	05-set-2016	05-set-2018	2 años	CRC	20,000 MM	20,000	5.60%
BNCR4A	12-jul-2017	12-jul-2019	2 años	CRC	20,000 MM	20,000	8.03%
Subordinada	27-may-2014	15-nov-2023	9.6 años	USD	100 MM	100 MM	Libor6m+5.00%
Subordinada	2-nov-2014	23-oct-2029	15 años	USD	30 MM	30 MM	Libor6m+5.25%
RegS / 144A	1-nov-2013	1-nov-2018	5 años	USD	500 MM	500 MM	4.875
RegS / 144A	25-abr-2016	25-abr-2021	5 años	USD	500 MM	500 MM	5.875
RegS / 144A	1-nov-2013	1-nov-2023	10 años	USD	500 MM	500 MM	6.25

Long term obligations	MM de USD	%
Local		
International	293	5.13
Total		

CREDIT RATINGS

Local

BNCR	Fitch
Last	Jun-17

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

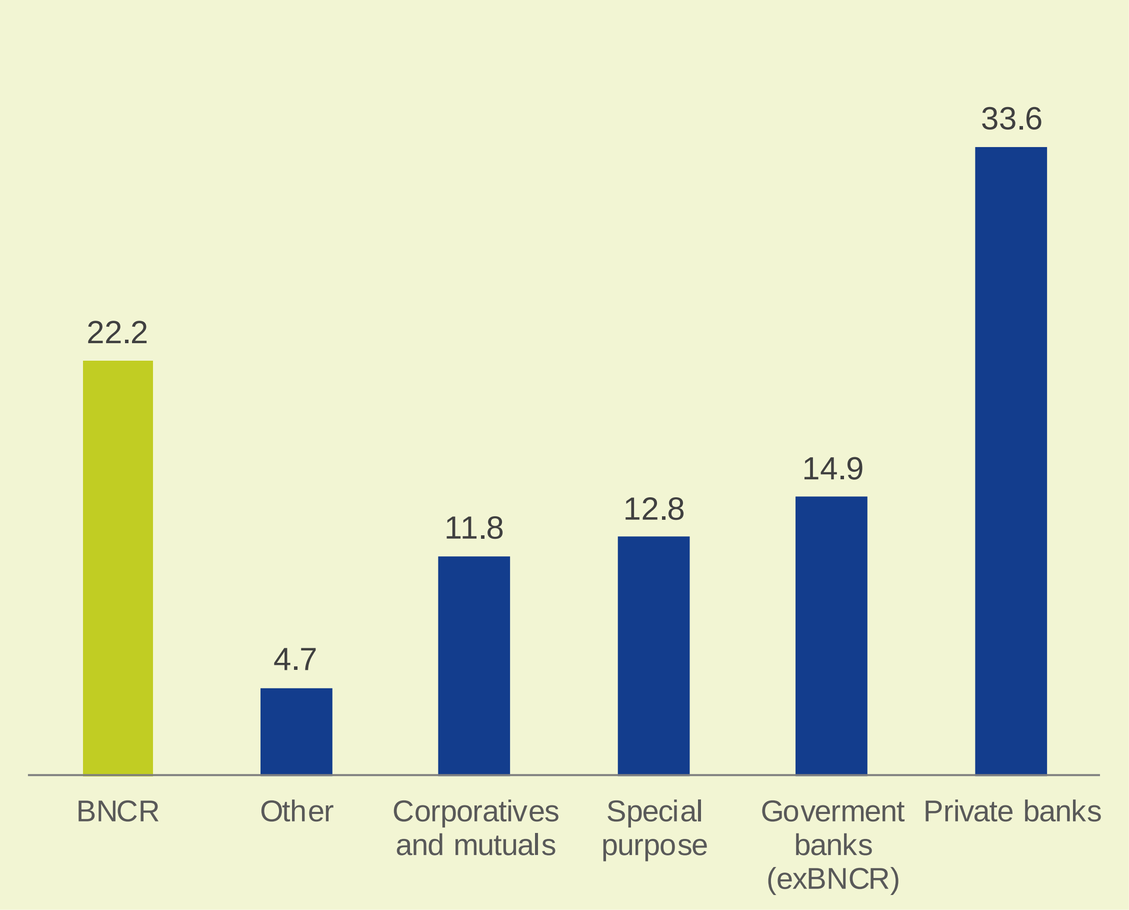
Short term debt	Fitch
Short term deposits	F1+
Certificates of deposits	F1+

International

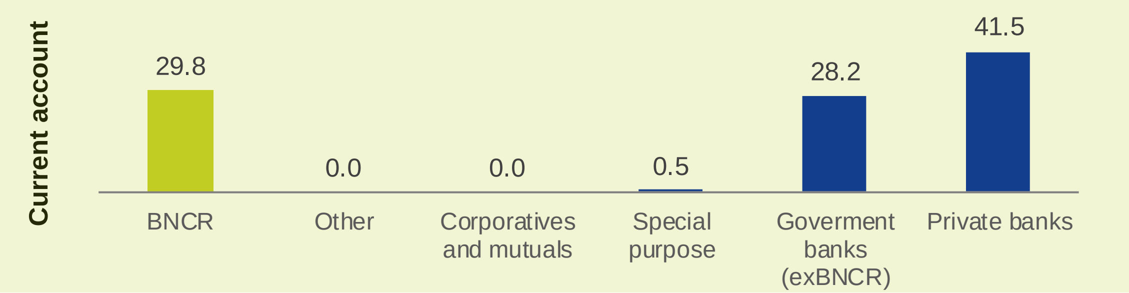
BNCR	Fitch	Moody's
Last	Jan-17	Feb-17
Outlook	Est	Neg
Stand alone rating foreign currency	BB	Ba3

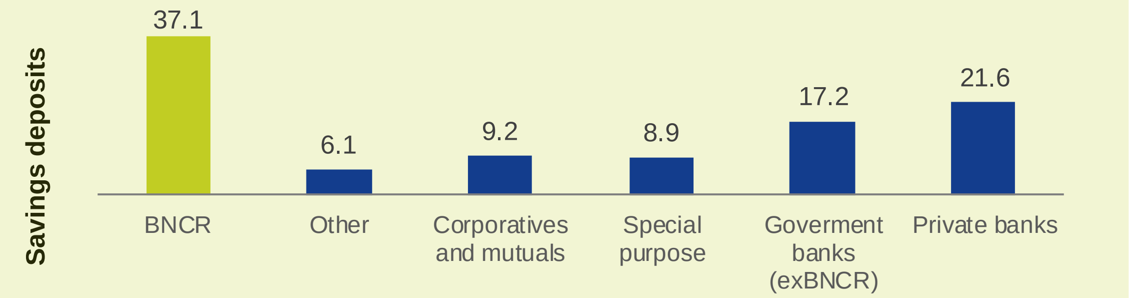
MARKET SHARE

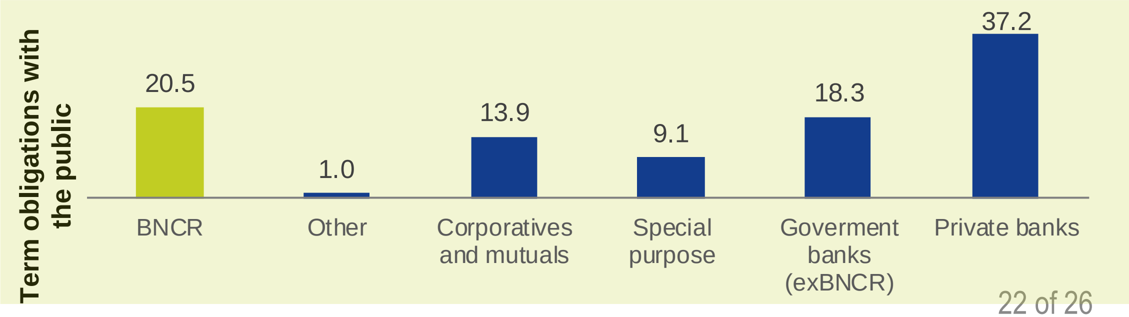
Credit



Deposits

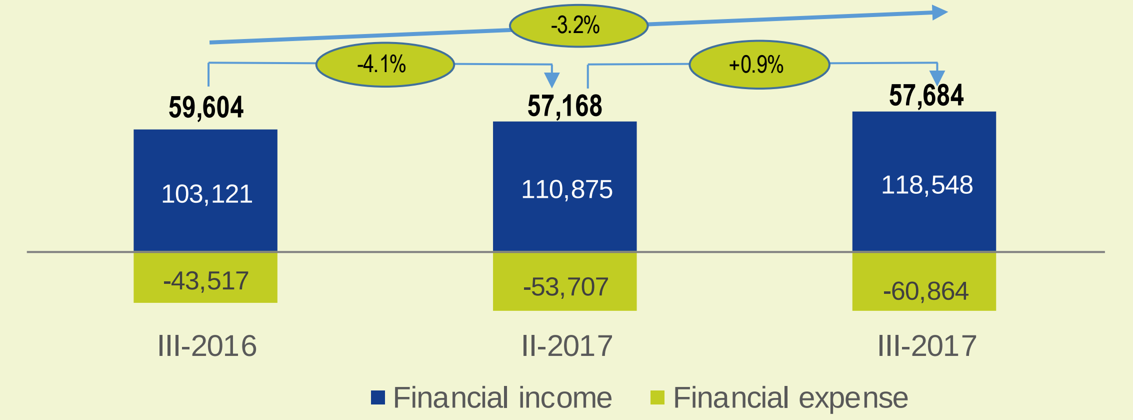




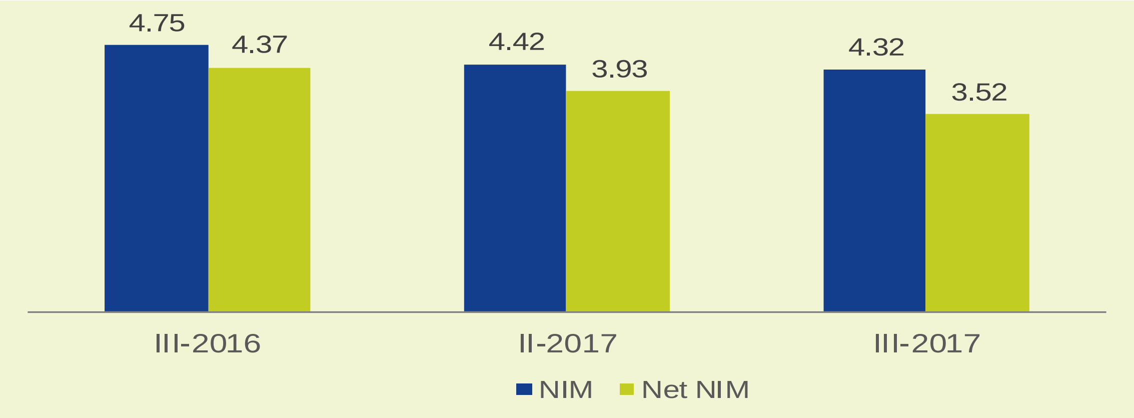


FINANCIAL PERFORMANCE

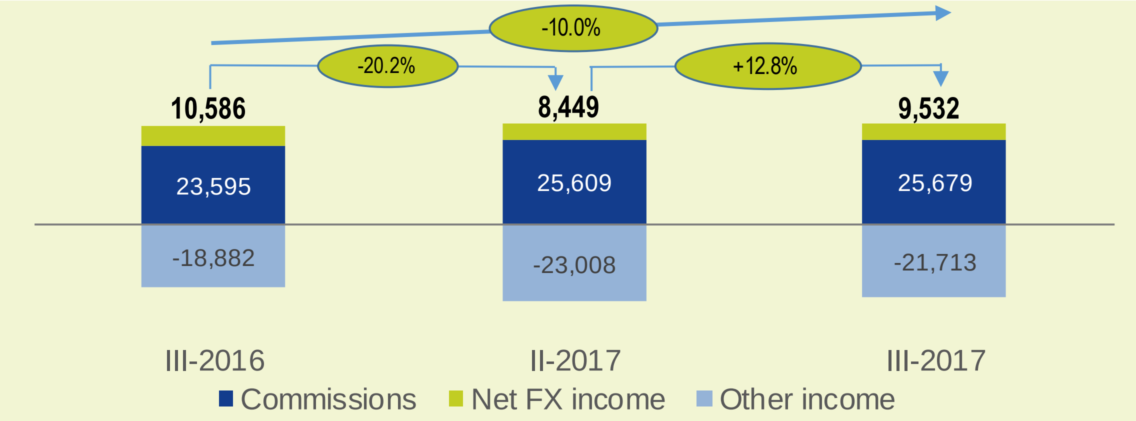
Financial income (million CRC)



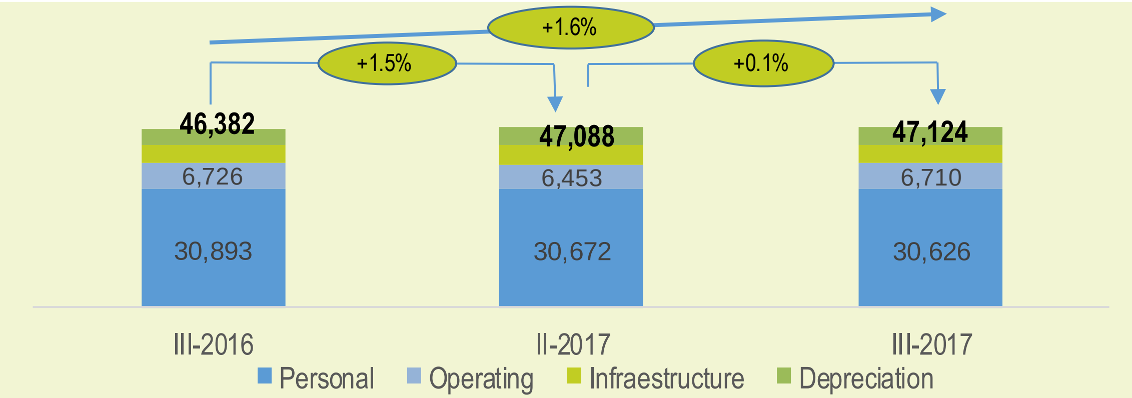
NIM



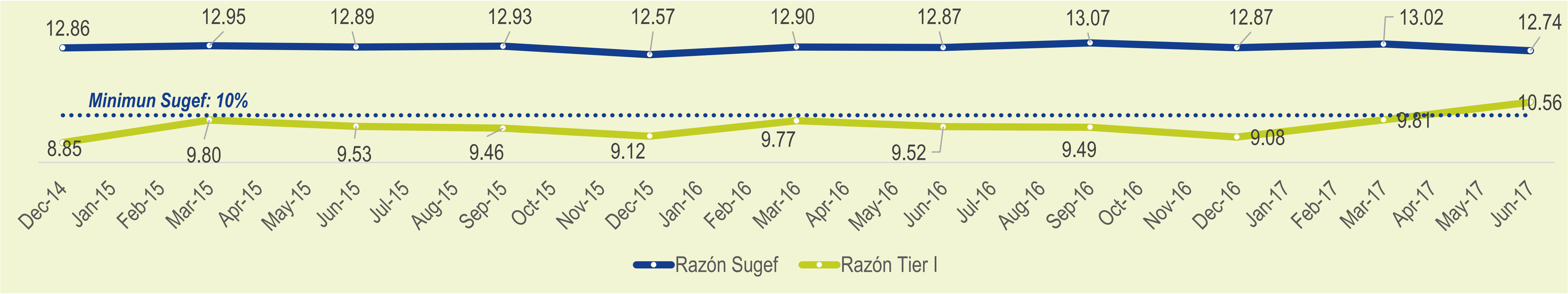
Fee income (million CRC)



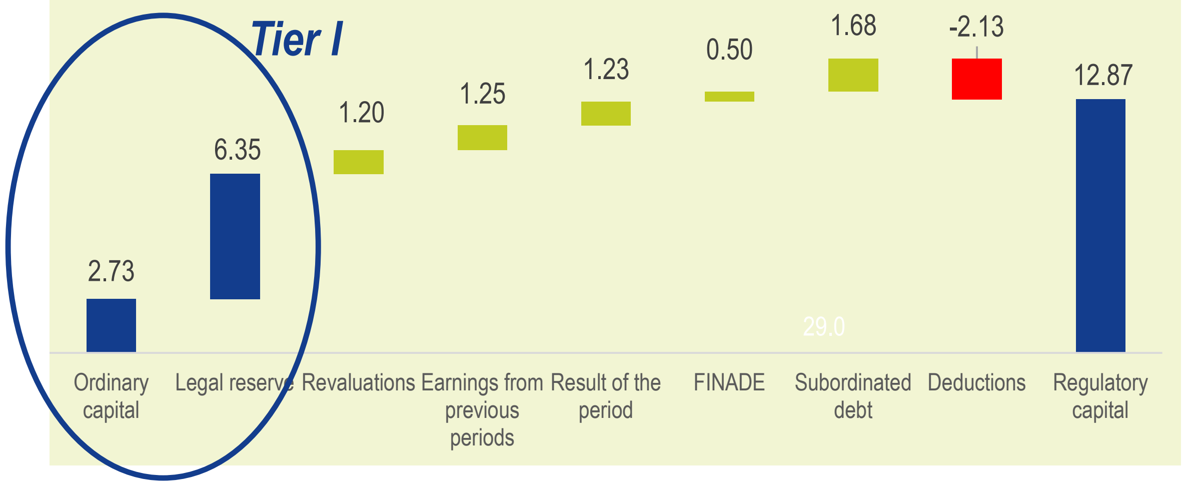
Operational expenditure (million CRC)



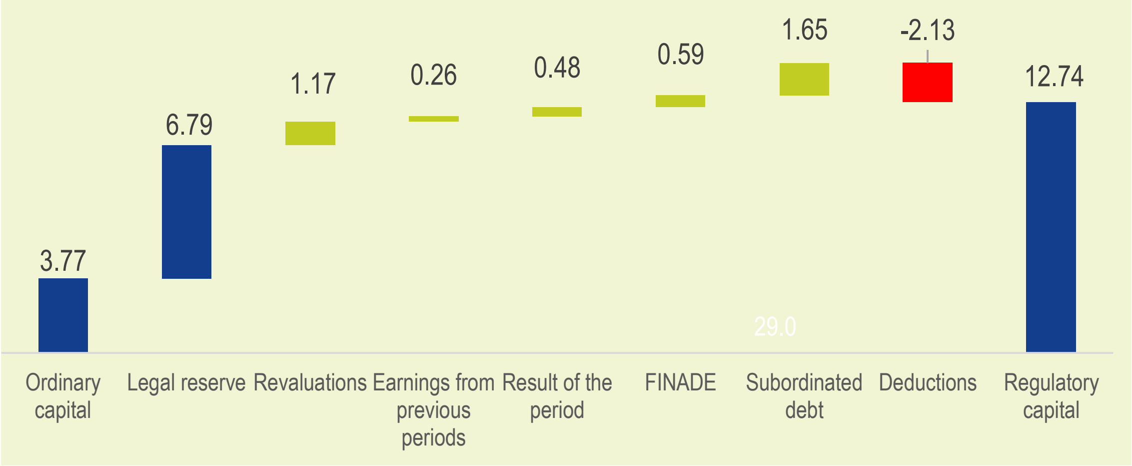
CAPITALIZATION



ISP composition (Dec-16)

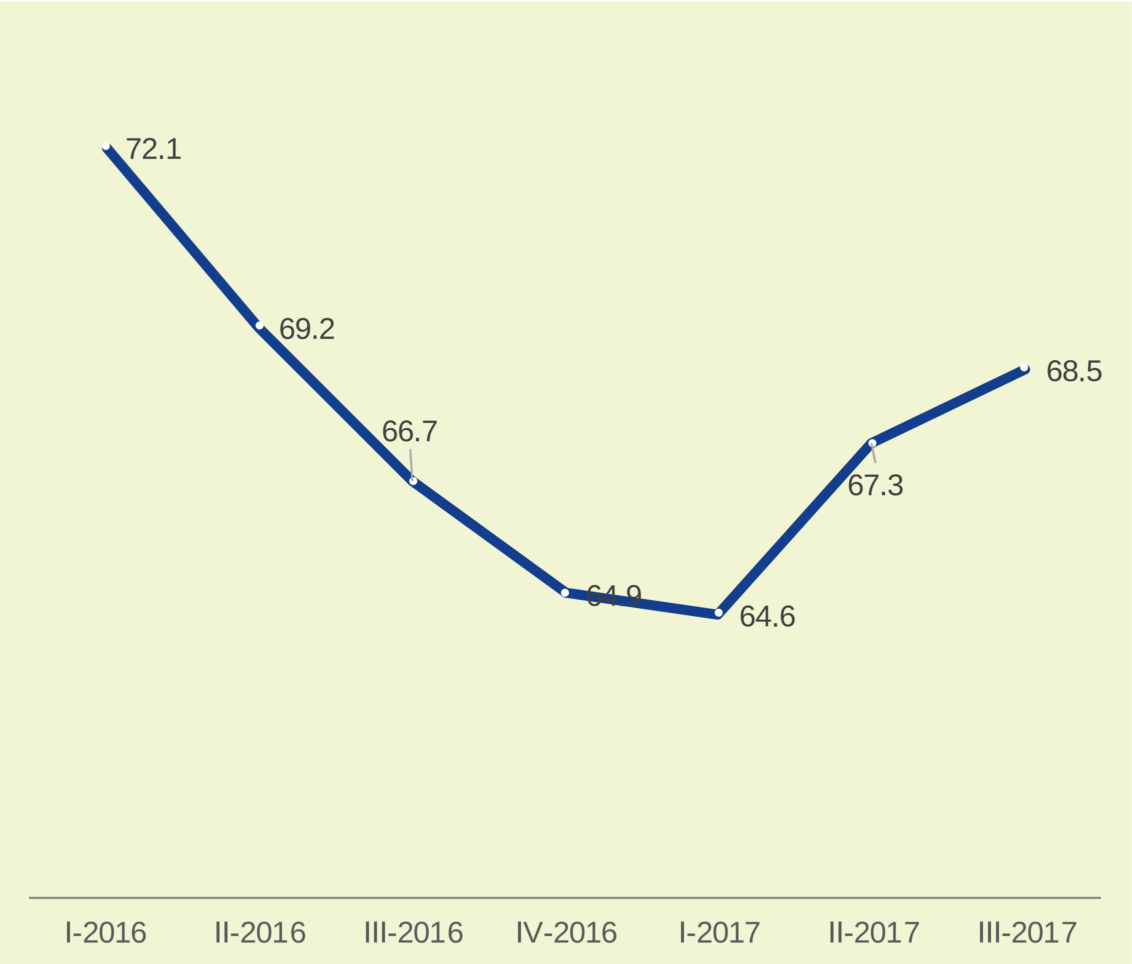


ISP composition (Jun-17)

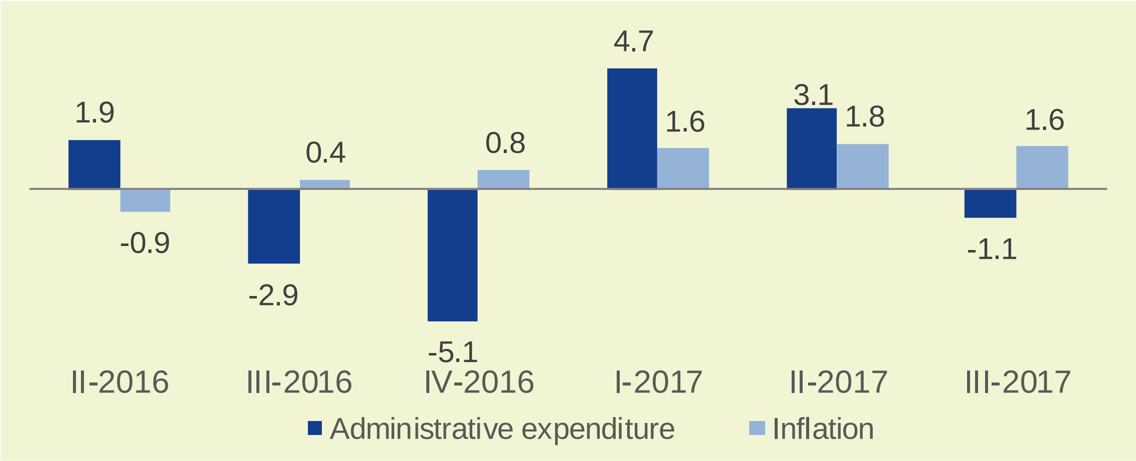


EFFICIENCY

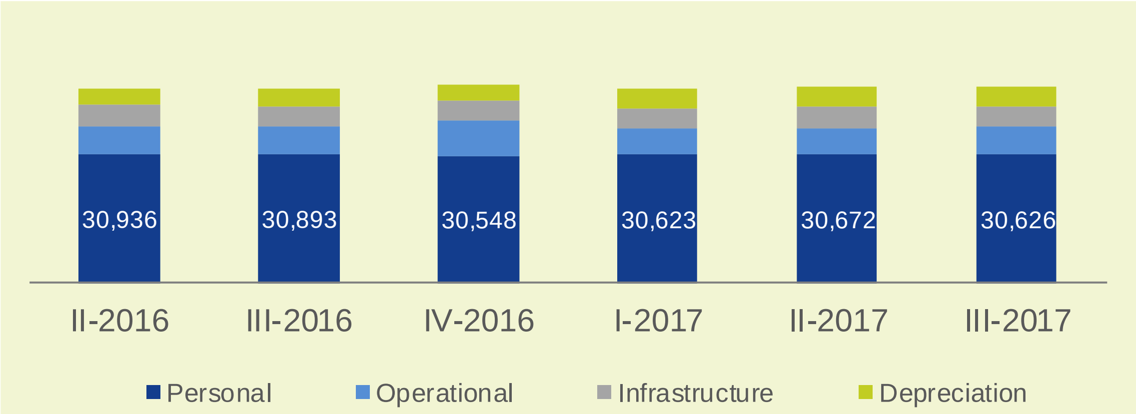
Efficiency ratio



Administrative expenditure (YoY growth, %)



Administrative expenditure breakdown (million CRC)

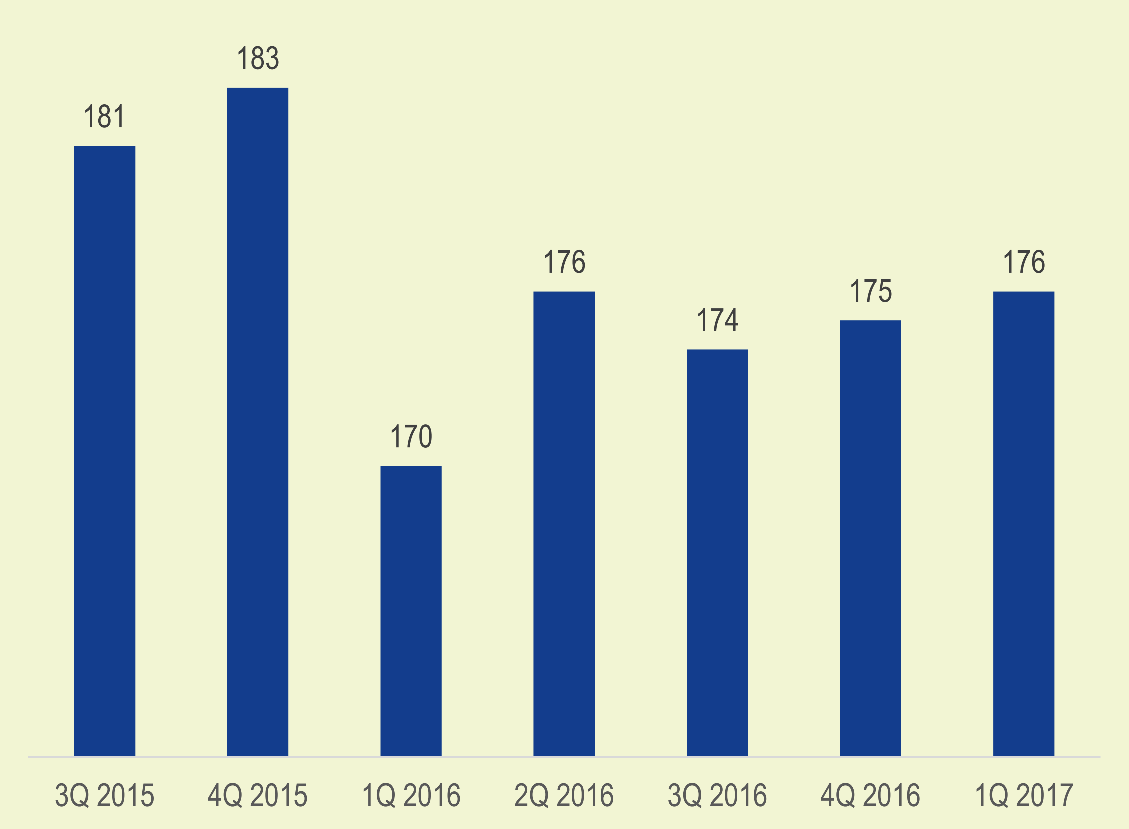


BANCO NACIONAL

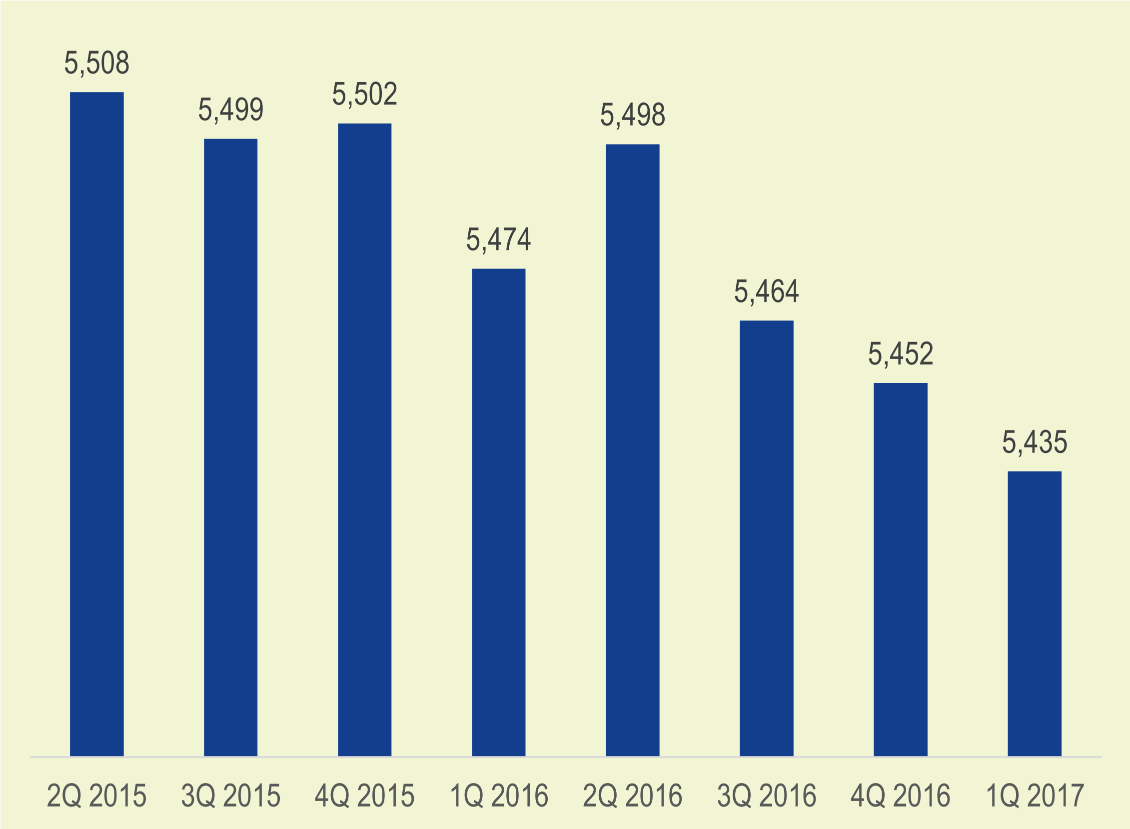
Juntos somos Progreso

BRANCHES AND PAYROLL

Branches(1)



Payroll(1)



(1) Includes all BNCR Group