

Consubanco S.A., Institución de Banca Múltiple

Debt Certificates

CSBANCO 17

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All of Consubanco's relevant information, particularly regarding risk factors, is contained in the prospectus available in the website of the Bolsa Mexicana de Valores, S.A.B. de C.V. at www.bmv.com.mx.

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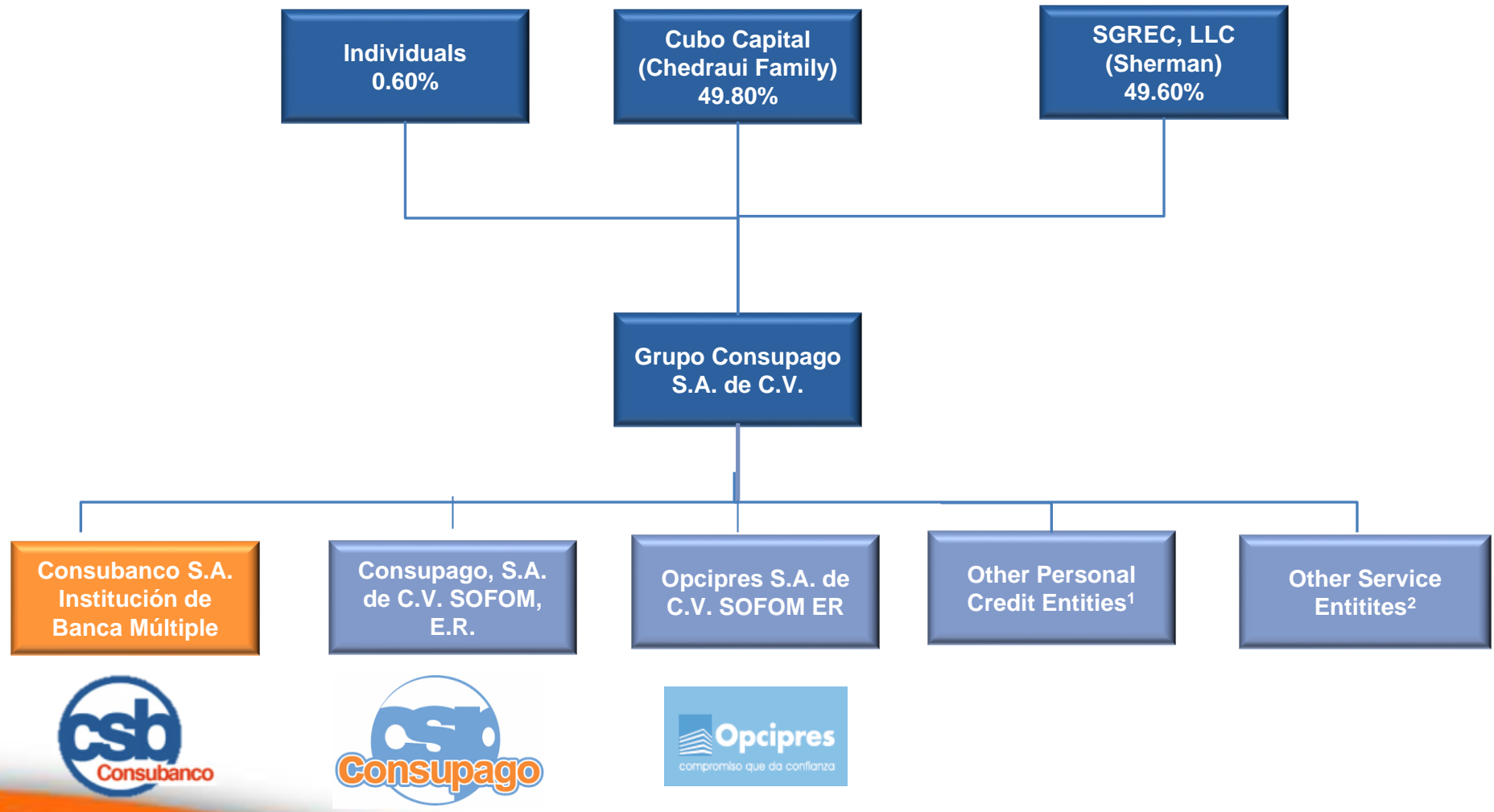
Executive Summary

Investment Considerations	
1	Multiple Bank Institution (<i>Institución de Banca Múltiple</i>), specialized in credits payable through payroll deductions, granted mainly to employees and pensioners of the public sector in Mexico.
2	The shareholders' experience and knowledge of the consumption financing market and the financial market.
3	Potential growth due to the low incursion of popular credits in Mexico. We have national coverage through our affiliates with 180 branch offices and more than 230 collaboration agreements.
4	Efficient origination process through our well-known brands and a solid operating platform (SAP)
5	Exclusive contracts with commission agents and distributors with national coverage.
6	Fitch: Global 'BB', National 'A' and 'F1'; long and short term respectively. S&P: Global 'BB', National 'mxA' and 'mxA2'; long and short term respectively.
7	Outstanding level of capitalization.

The background is a solid blue color with several lighter blue, wavy, horizontal lines that create a sense of movement or depth. A thick, bright orange arc curves along the bottom edge of the frame, starting from the left and ending on the right.

Management and Shareholders

Shareholding Structure



¹ Other entities: personal credits though payroll deductions: they sell their origination to Consubanco on a daily basis.

² Entities providing personnel and other services.

Source: Consubanco information as of December 2016

Members of the Board of Directors

OWNER	ALTERNATE
José Ramón Chedraui Eguía	Alfredo Chedraui López
José Antonio Chedraui Obeso	Alfredo Chedraui Obeso
Bradley Bo Newman	Robert Alan Roderick
Scott Christopher Jones	Dennis Grady
Alfredo Mauricio Flores Ibarrola	Francisco De Paula Hernández Weber
INDEPENDENT	INDEPENDENT ALTERNATE
José Roberto Latapí Fox	Gerardo Martín Flores Deuchler
Jorge Manuel Nicolín Fischer	Roberto González Hornedo

Executive Board

José Ramón Chedraui Eguía
Chairman of the Board of Directors

Carlos Fuentevilla Alvarez
Chief Executive Officer

Omar Sergio Olivero Arredondo
Assitant Operations and Collections Officer

Gabriela Hernández Morgan
Chief Legal and Compliance Officer

Christian Ramos Hurtado
Chief of Treasury and Financial Planning

Karla Marcela de la Garza
Chief of Institutional Relations

Javier Gámez García
Chief of MIS

Alfredo Mauricio Flores Ibarrola
Chief Executive Officer of Group CSP

Arturo Ávalos Favela
Assitant Financial Officer

Jackeline Ocampo Cervantes
Director of Credit Regulations and Risk Management

José Ramón Revuelta Lazcano
Chief IT Officer

Rogelio Antonio Ayala Ochoa
Chief of Human Resources

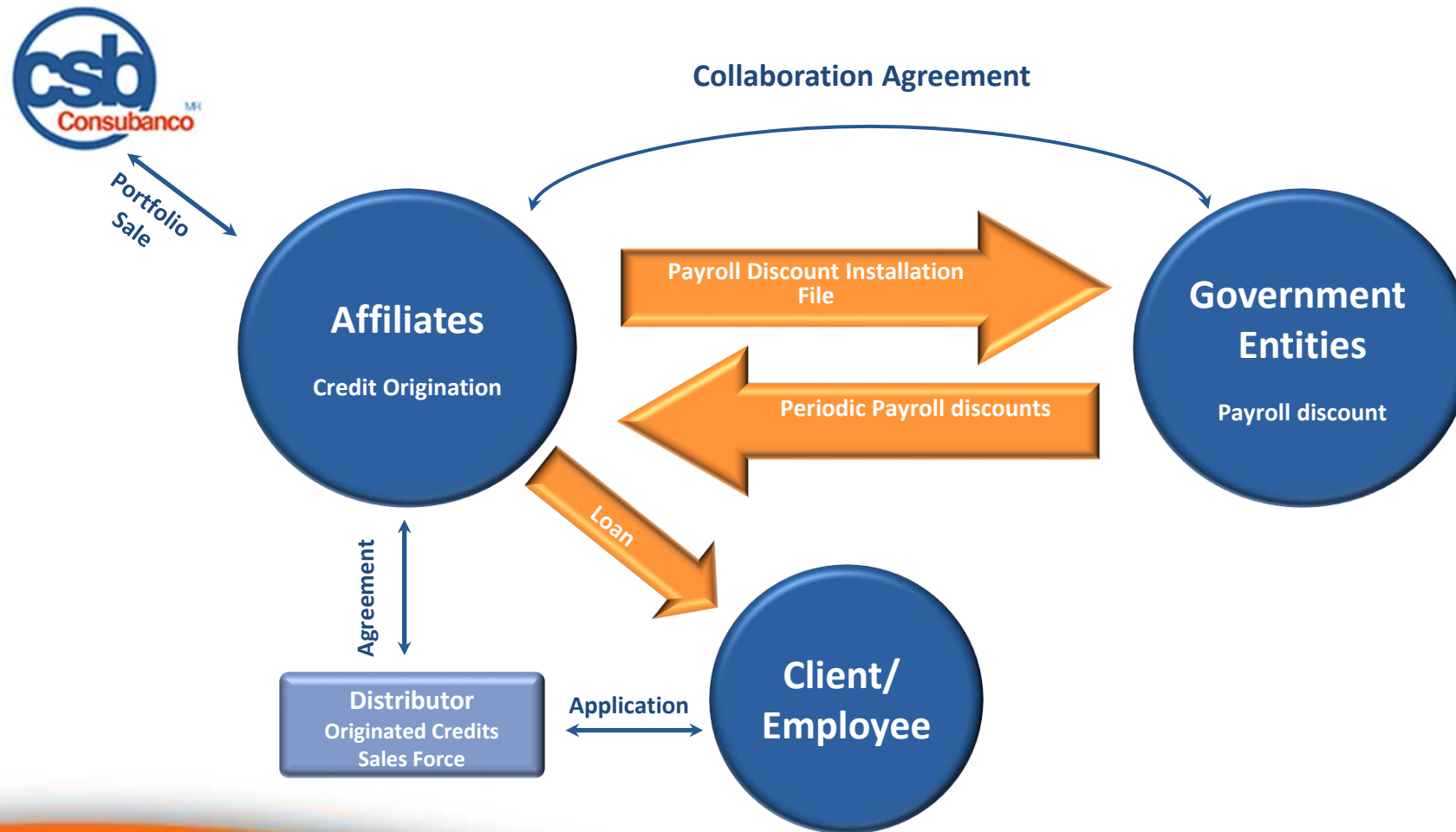
Javier Eduardo Juárez González
Chief of Commercial Business Partners

Marco Garnica Mendoza
Chief of Commercial Distribution



The Business

Business Model Payroll Discount



Product Features

Marketing

- Complete applications are approved within a period of 24 hours.
- Periods from 9 to 60 months depending on the needs of the client (average term 47 months).
- Competitive interest rates (average annual rate 46.93%).
- Loan amount based on payment capacity. Minimum amount: \$5,000 Mexican Pesos (average amount \$ 31,667 Mexican Pesos)

Dispositions

- Direct deposit to borrower's bank account.
- Payment orders available through commercial bank offices.

Requirements

- Be an employee of an affiliated government entity.
- ID or passport.
- Most recent payroll receipt.
- Age in accordance with Consubanco's credit policies.
- Report of Credit Bureau.
- Employees who are not politically exposed person or related to politically exposed persons.

Competitive Advantages

Origination

- High quality origination (100% owned).
- Well-known brands in the market.
- Solid technological platform (ICBS y SAP).
- Flexible system that allows the integration and performance of operational requirements.
- Internal and external sales force (1,283 promoters) with 180 branches of Consubanco and affiliates.

Collection

- Consubanco carries out the management collection of 100% of the credits granted.
- Control in the management of the application files.
- Local operational structure that assures the process of collection and conciliation.
- Strict and appropriate individualized system to follow-up to incidents.

Expertise

- Knowledge, experience and support of the shareholders in strategic area as well as in new products.
- The Chedraui family has extensive knowledge of the economy and consumption in Mexico.
- Sherman Financial, leading financial institution in the US in the consumption credit sector.

Market

- Strategic position versus competitors due to potential regulation of the sector.
- Low incursion of popular credits in Mexico.
- More than 230 collaboration agreements.
- Potential market of 10.3 million employees in public sector.

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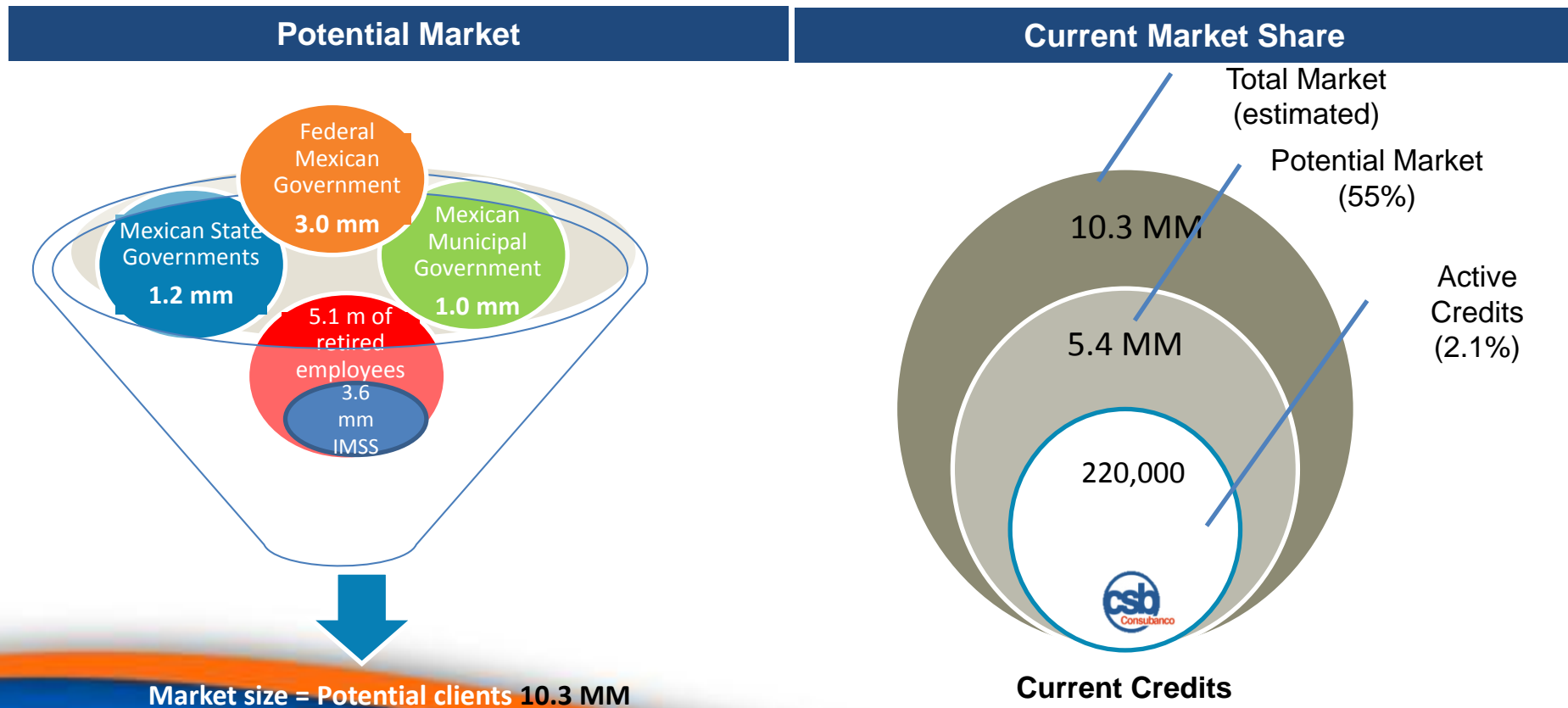
Industry and Consumption Financing Sector

Regulation and Competitors

- Federal government is looking for a stricter regulation of all financial institutions.
- Regulation focuses on the automation process to make it transparent. This will give us an advantage versus our competitors since we already have consolidated processes.
- Since the approval of the law to grant loans to Pensioners, the number of competitors has increased and more non-regulated entities and banks have entered into the market.
- The market trend in recent years has lowered the rates, this year's forecast is stabilization and possible increase of such rates.
- The credits are offered to our current customers and in Chedraui stores sale points.

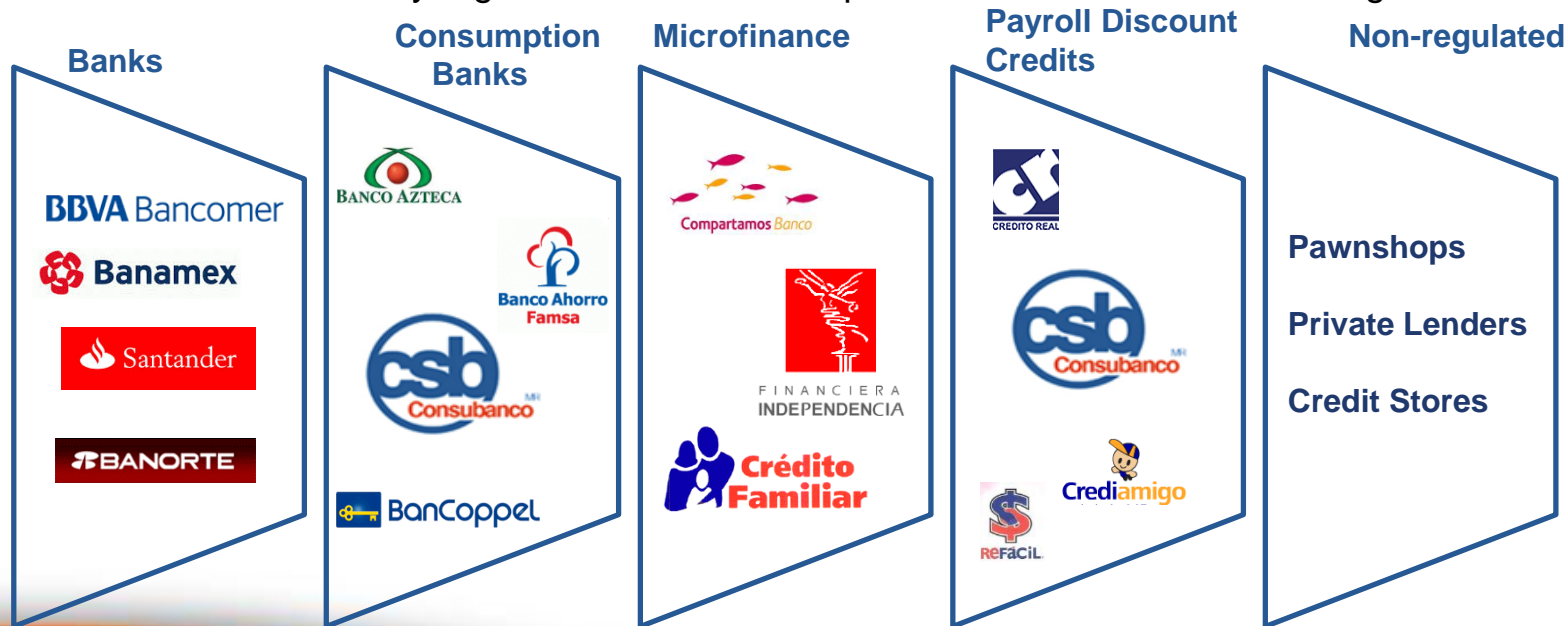
Market by Segments

- The financial services market in Mexico, including consumption credit, is highly competitive. However there is still low incursion in the segment in which we are specialized.
- The product of credits with payroll discounts, competes directly with entities like Crédito Real, Crediamigo, Refácil and other potential competitors such as consumption banks, microfinance banks and non-regulated financial entities.



Sector and Competitors

- Historically large banks have ignored clients with low income, which means that a large part of the population has no access to banks.
- In Mexico there are few licenses to operate as a bank institution.
- Loans with payroll discounts are often a more expensive alternative to non-regulated loans. Consubanco is the only regulated bank with competitive rates focused on this segment.

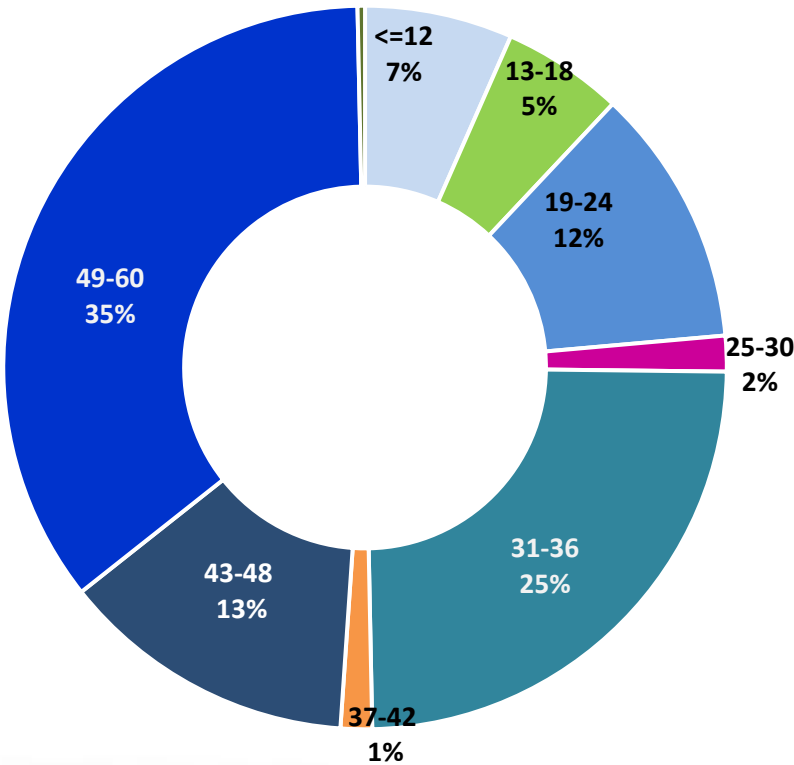


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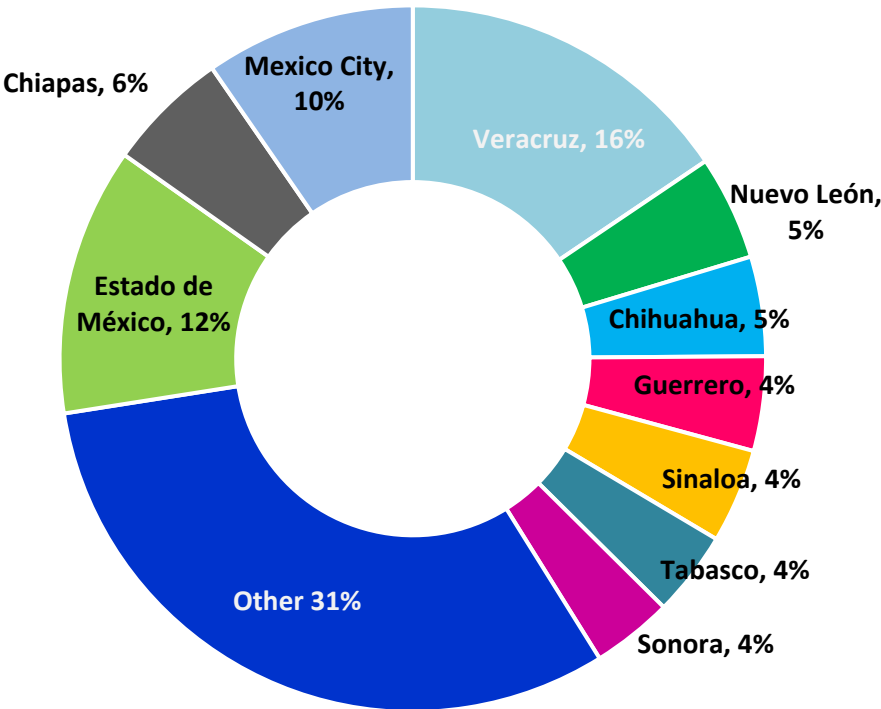
Portfolio Structure and Development

Portfolio Structure

By Remaining Term (Months)



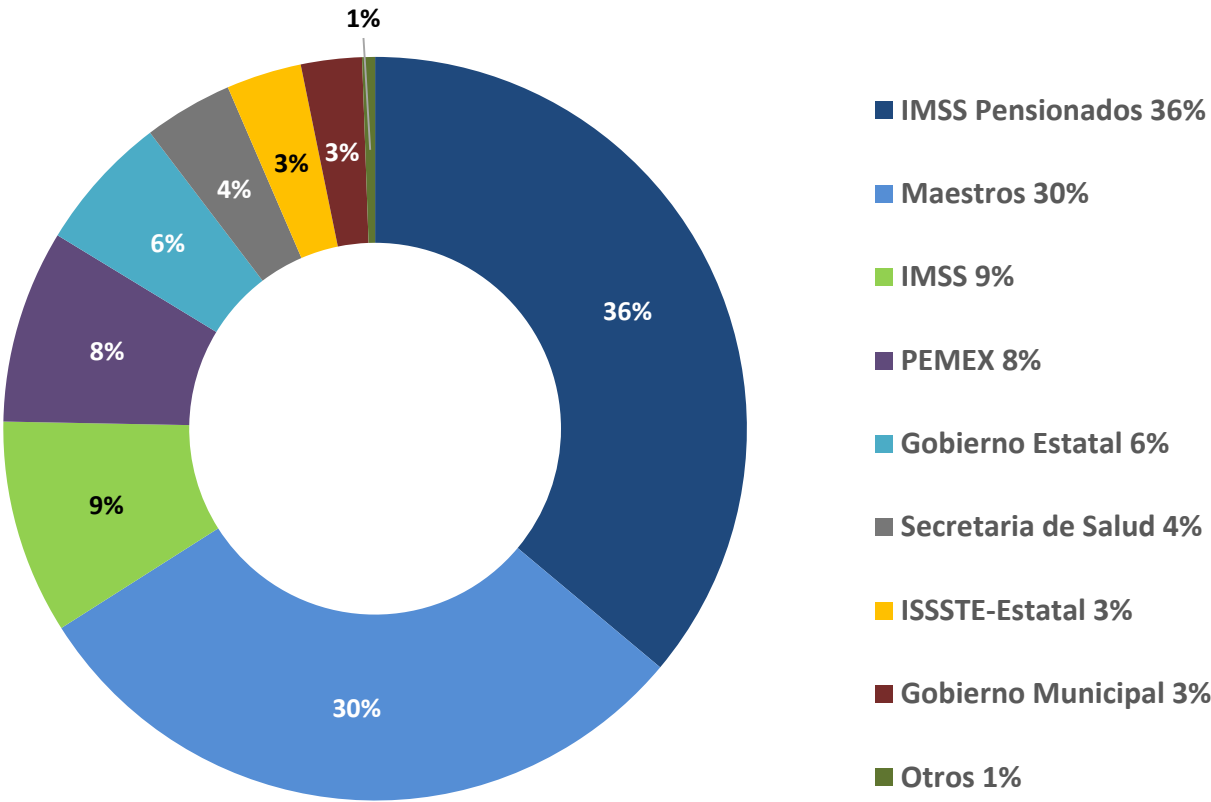
By Geographical Distribution



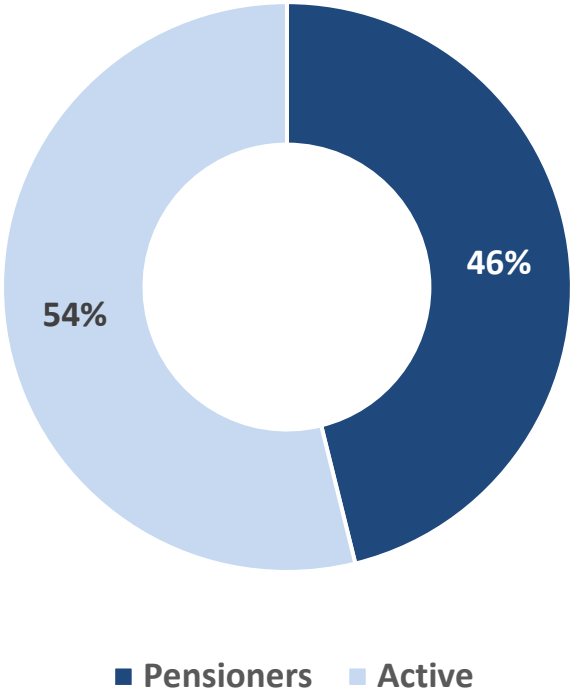
Note: Information to December 2016

Portfolio Structure

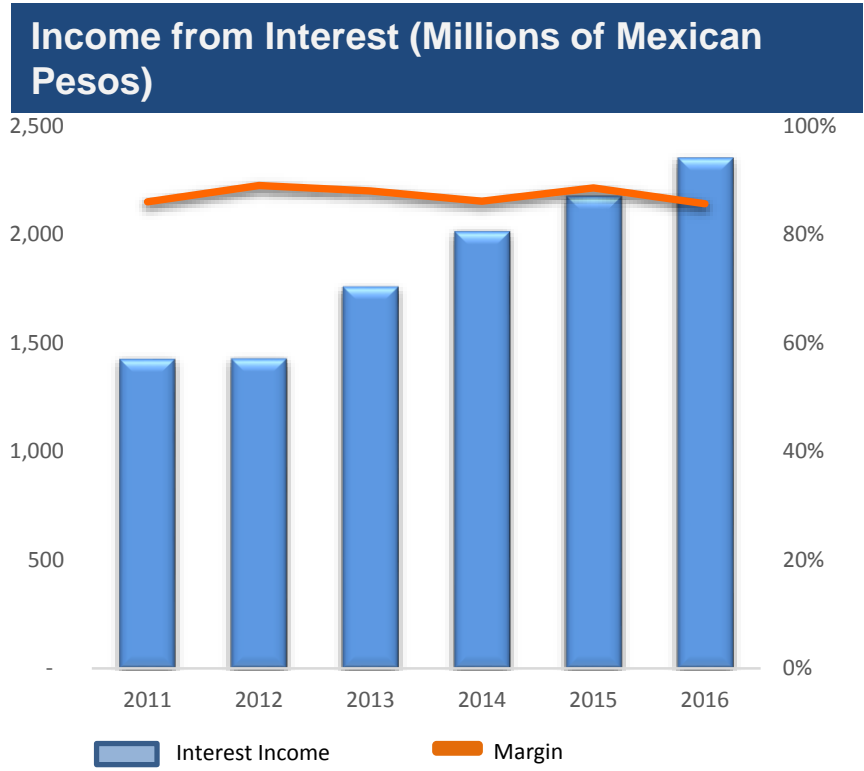
Type of entity



Active and Pensioners



Note: Information as of December 2016



Additional \$177 million of Mexican pesos were generated at the end of 2016 4Q compared to the same period of previous year.

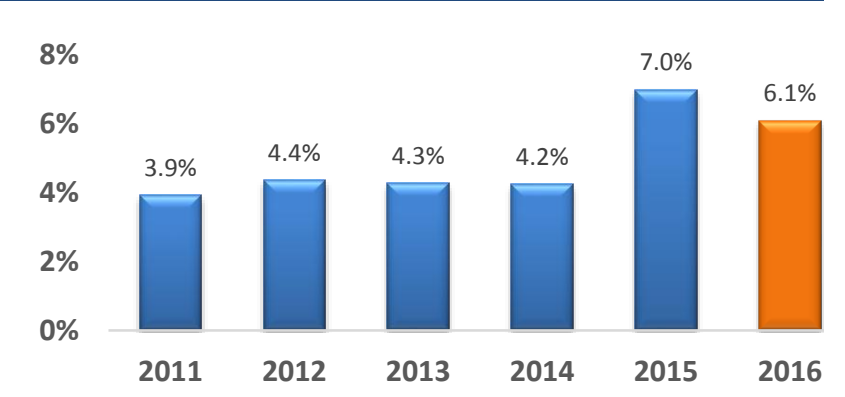


Gross portfolio reached \$5,835 millions of Mexican pesos at the end of 2016 4Q.

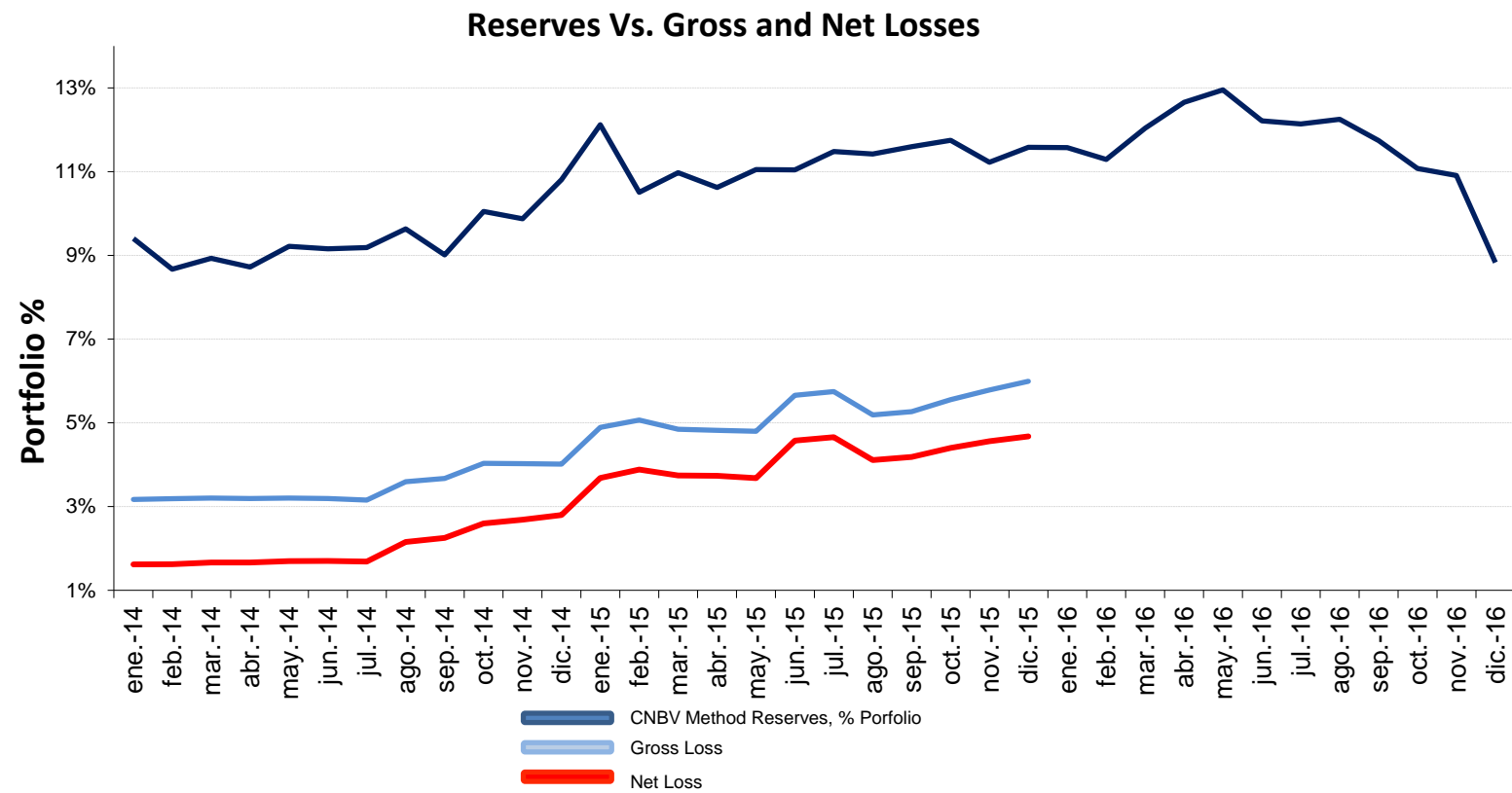
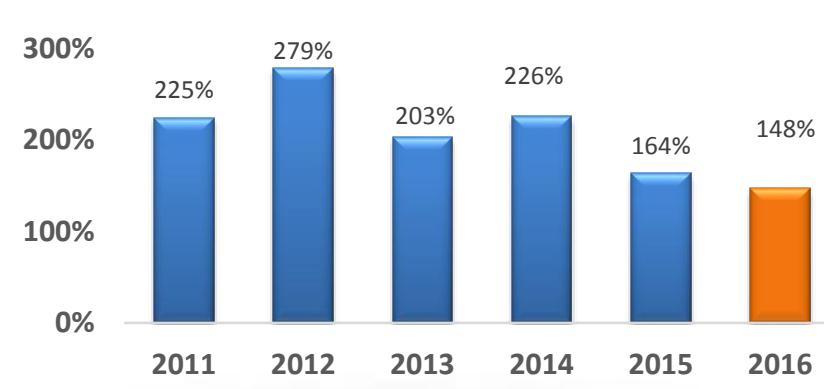
Note: Information as of December 2016

Delinquency, Reserves y Net Losses

Due Portfolio

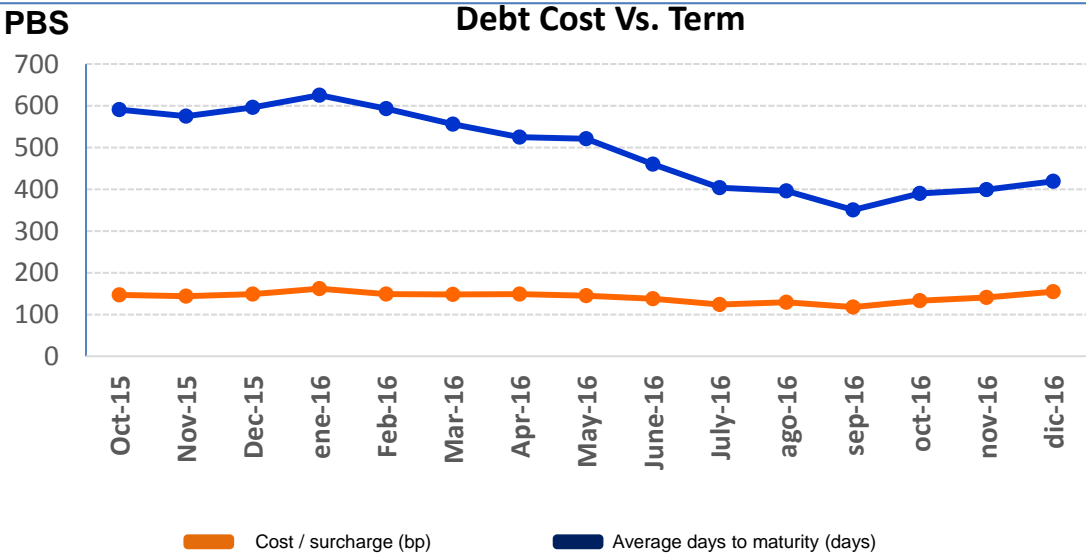
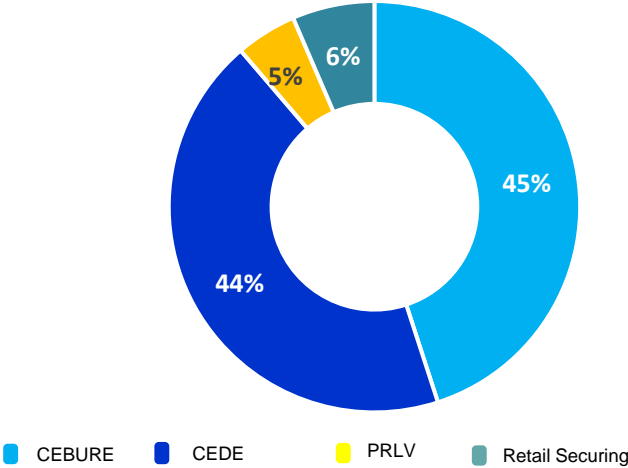


Due Portfolio Coverage



Note: Information to December 2016

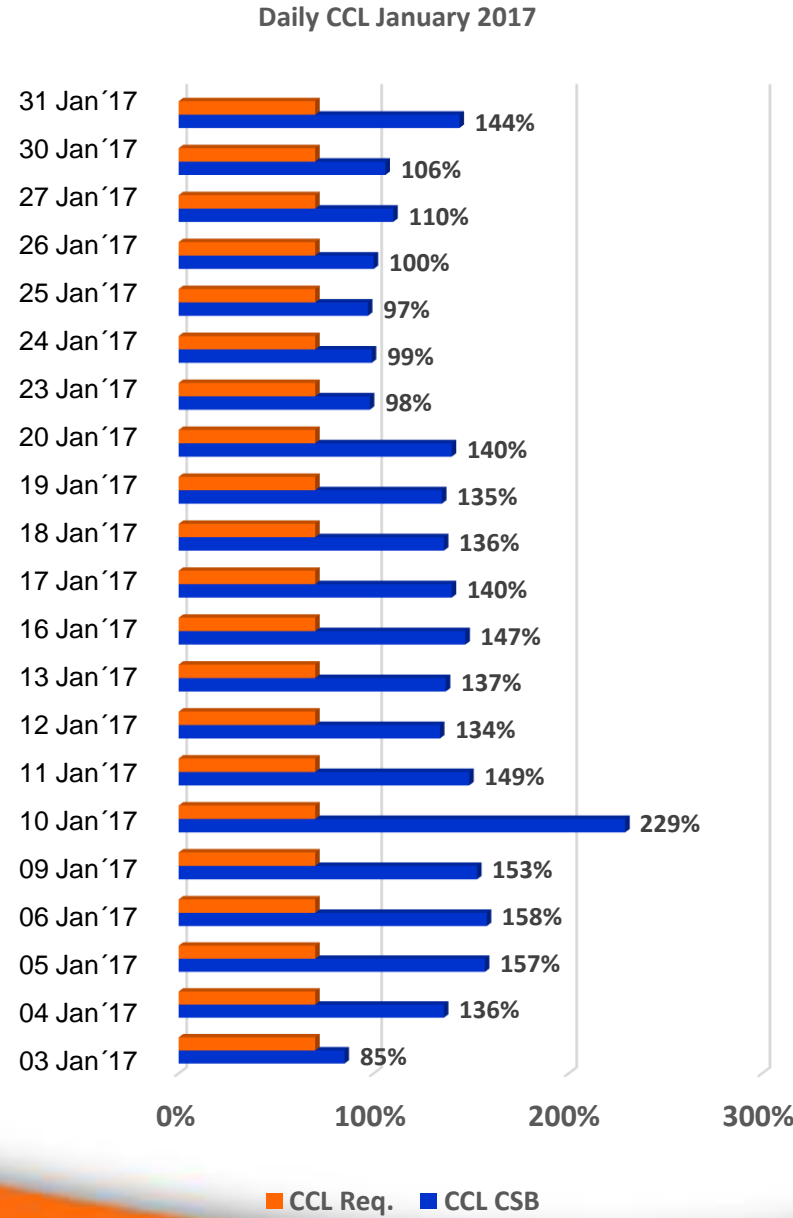
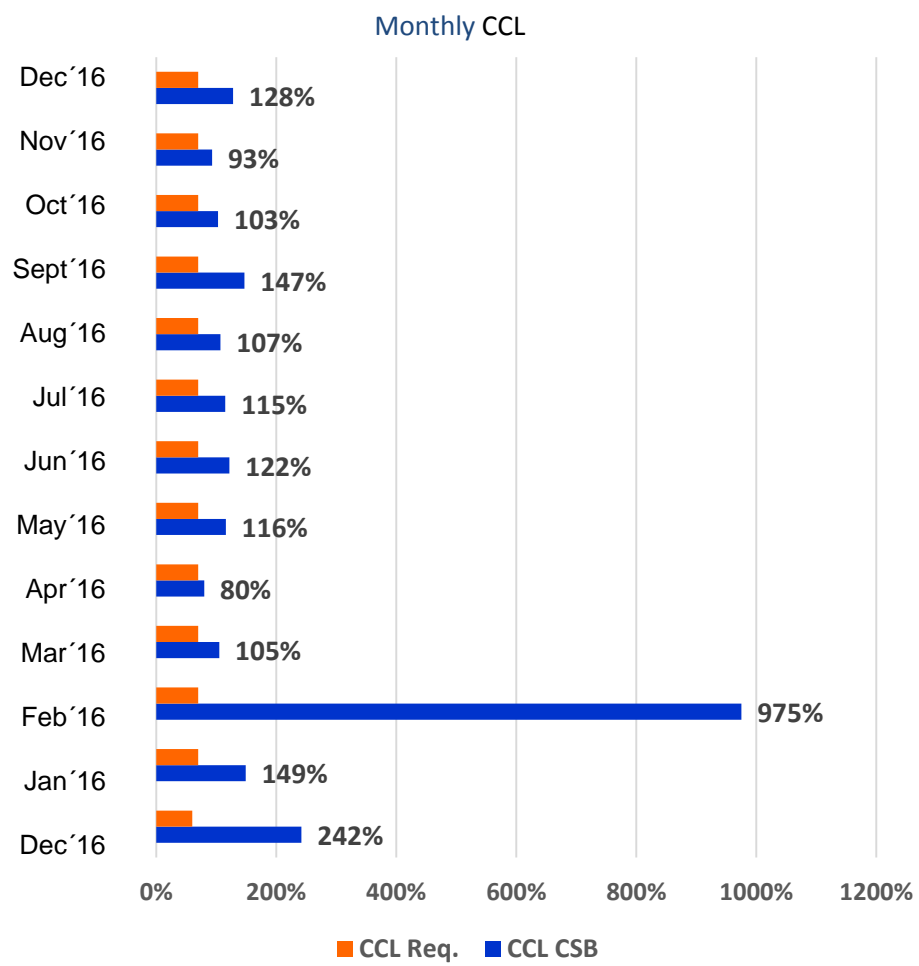
Sources of Financing (MPD debt)



Maturity Profile									
Instrument	\$ Millions	1Q ´17	Jan´17	Feb´17	Mar´17	2Q´17	3Q´17	4Q´17	1Q´18
CEBURE	2,400	-	-	-	-	-	-	1,000	1,400
CEDE	2,332	660	160	250	250	430	1,062	180	-
PRLV	256	256	53	-	203	-	-	-	-
Retail Securing	345	345	345	-	-	-	-	-	-
Total	5,333	1,261	558	250	453	430	1,062	1,180	1,400

Note: Information as of December 2016

Liquidity Coverage Coefficient (CCL)



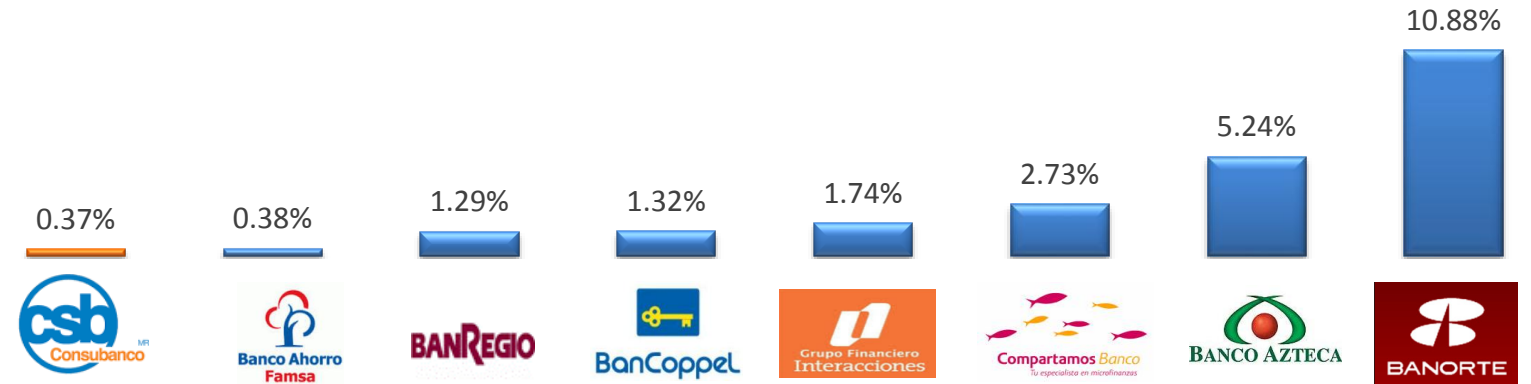
Note: Monthly CCL to December 2016. Daily CCL to January 31 2017.

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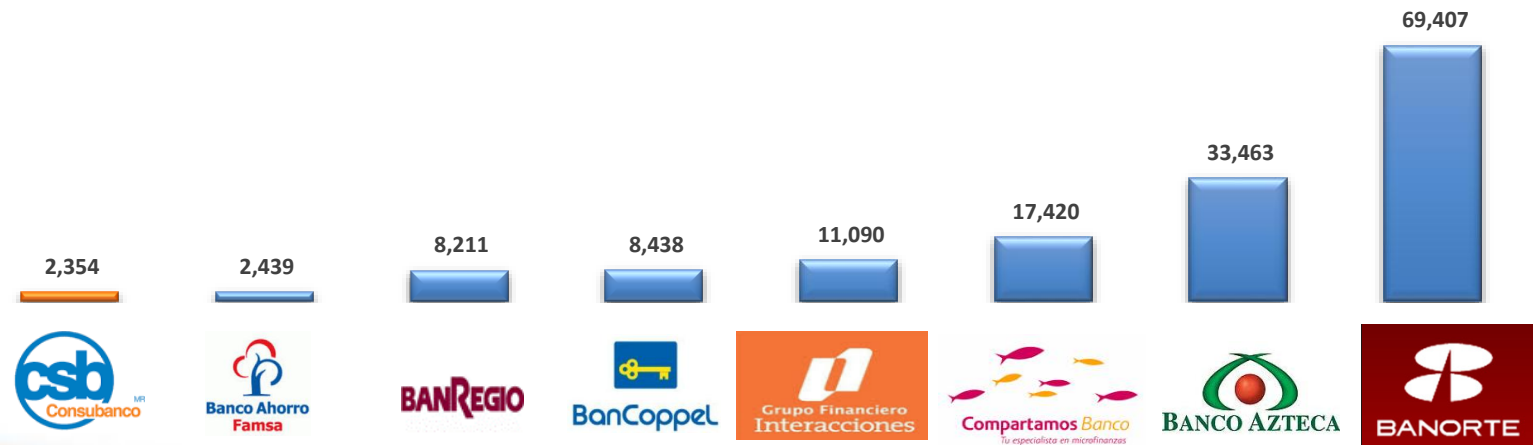
Comparative Market Analysis

Comparative Market Metrics

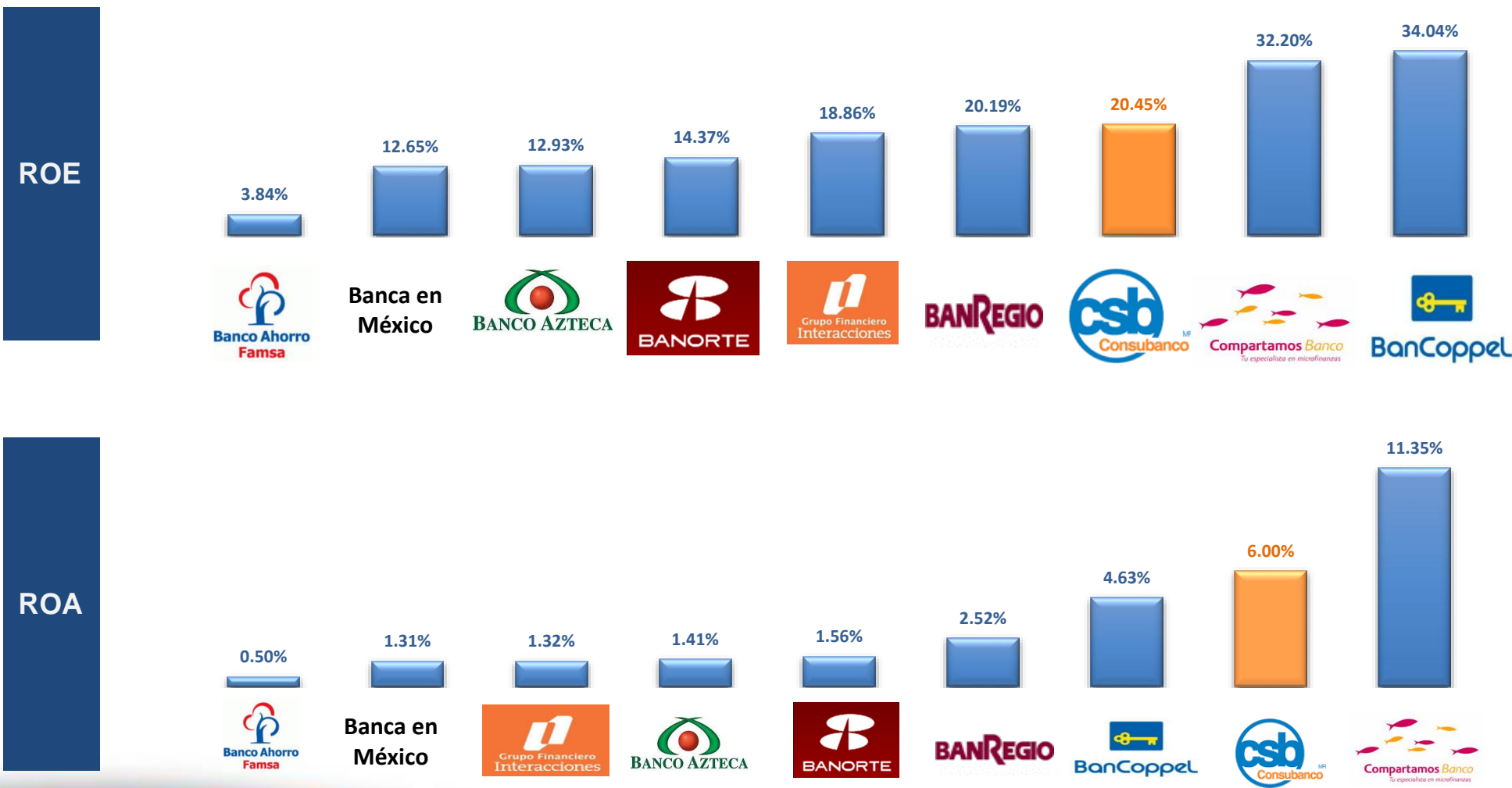
Banks participation % of Interest Income



Interest Income

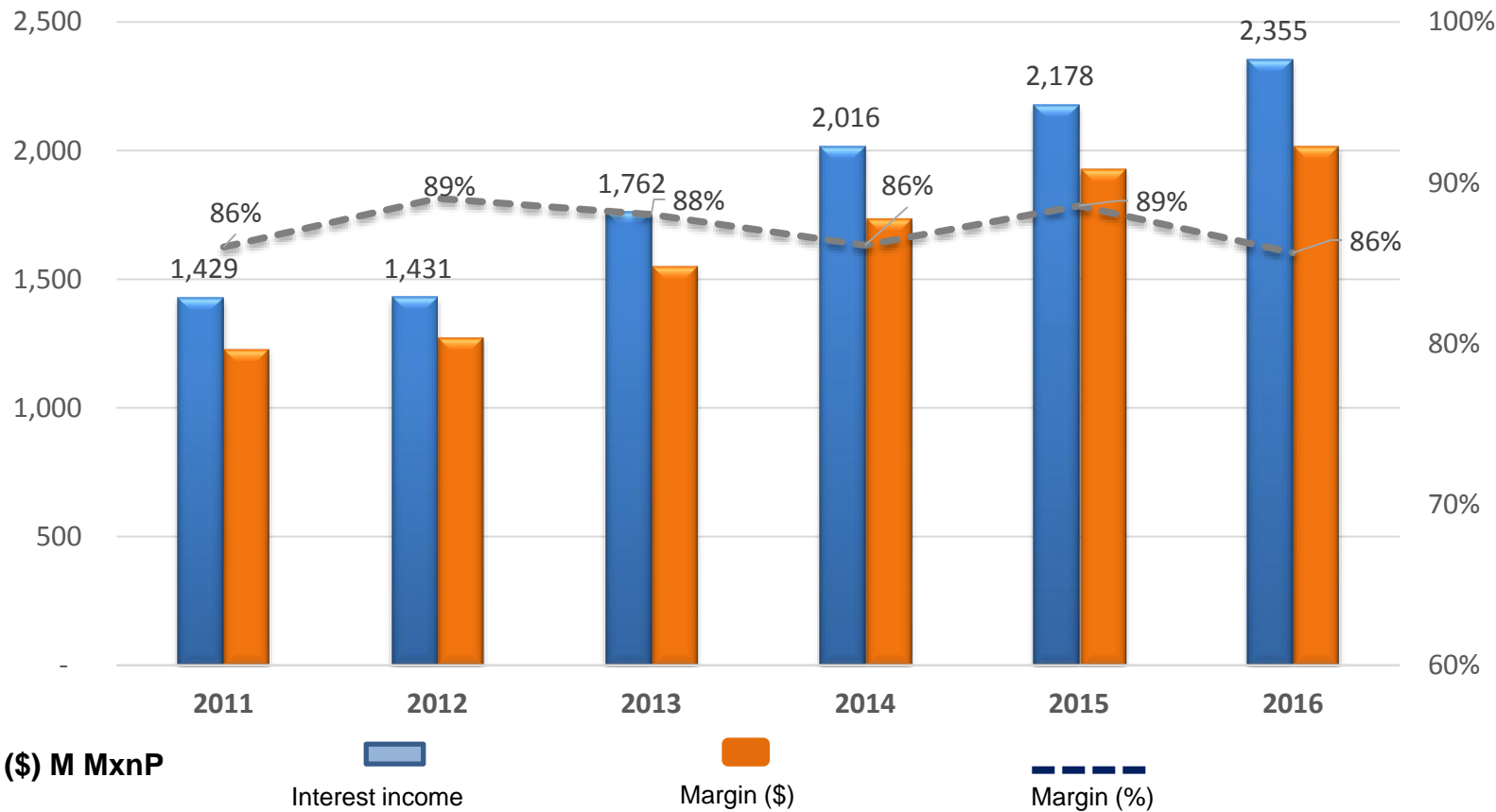


Comparative Market Metrics

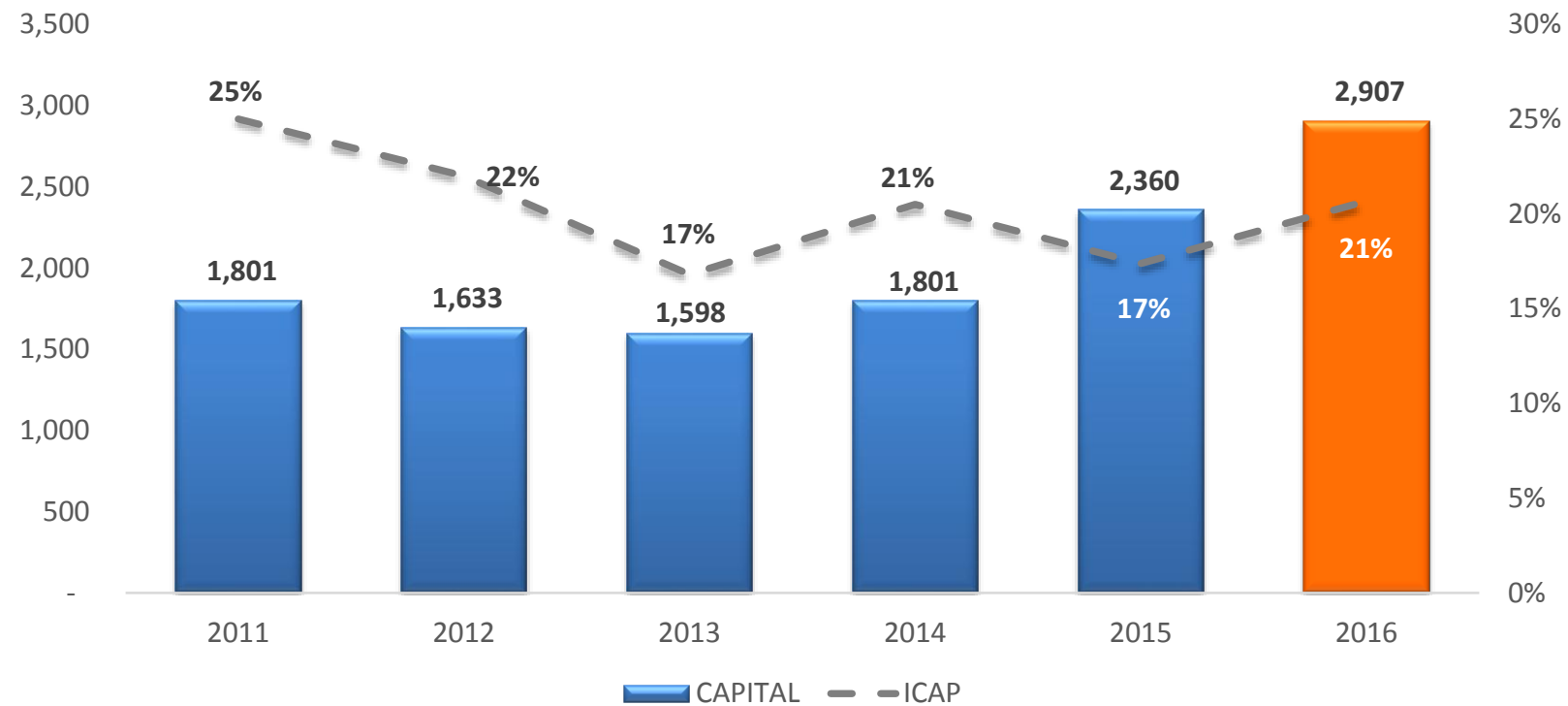


Source: National Banking and Securities Commission (CNBV).
Figures to December 2016.

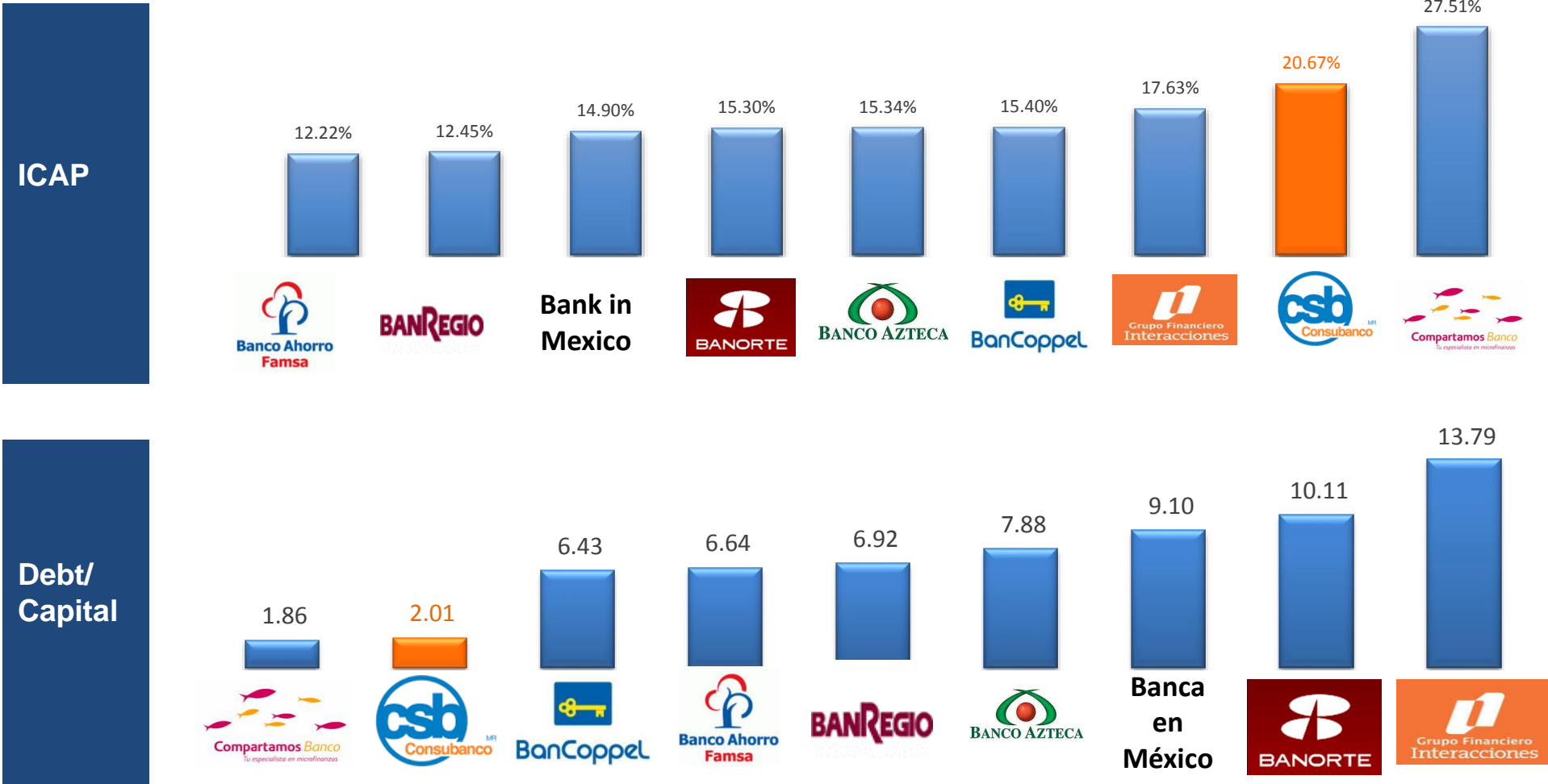
Financial Margin



Source: National Banking and Securities Commission (CNBV).
Figures to December 2016.



Comparative Market Metrics (cont.)



Source: National Banking and Securities Commission (CNBV).
Figures to December 2016.

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Issuance Characteristics

Characteristics of the Issuance

Issuer	Consubanco, S.A., Institución de Banca Múltiple
Authorized amount of the Program	Up to MXN\$ 4,000 million
Instrument	Debt Certificates
Currency	Mexican pesos
Issuance Amount	Up to MXN\$750 million
Number of Issuance under the Program	Fourth
Ticker	CSBANCO 17
Term	1,092 days, (3 years)
Interest rate	TIIE 28 + spread
Ratings	Fitch: [*] S&P: [*]
Redemption	A single payment on due date
Placement Agent	Actinver Casa de Bolsa
Warranty	The Certificates are unsecured
Date of Publication of Public Offer Notice	March [*] 2017
Issuance and Registration Date	March [*] 2017



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Appendix – Financial Statements

Historical Financial Information

INCOME STATEMENT	CONSUBANCO					
	2013	2014	2015	2014 / 2015	2016	2015/2016
Interest Income	1,762	2,016	2,178	8%	2,354	8%
Interest Expenses	367	465	555	19%	692	25%
Financial Margin	1,395	1,551	1,623	5%	1,662	2%
Gross margin	79%	77%	75%		71%	
Preventive estimate for credit risks	192	238	390	64%	262	-33%
Financial Margin Adjusted for Risks	1,203	1,313	1,233	-6%	1,400	14%
Fees	46	15	9	-40%	23	156%
Total revenue for operation	1,249	1,328	1,242	-6%	1,423	15%
Managment and Promotion expenses	661	748	702	-6%	824	17%
Operation Results	588	580	540	-7%	599	11%
Other income (expenses) of the operation	206	90	342	280%	241	-30%
Income before taxes	382	670	882	32%	840	-5%
Taxes on income earned	-82	217	238	10%	308	29%
Net Result	464	453	644	42%	532	-17%

Historical Financial Information

GENERAL BALANCE	CONSUNBANCO					
	2013	2014	2015	2014 / 2015	2016	2015/2016
ASSETS	5,568	7,269	8,209	13%	8,739	6%
Availabilities	412	322	647	101%	481	-26%
Investment in Securities		184	30	-84%	103	243%
Debtors in Repurchase	110	806	5	-99%	55	1000%
Derivatives	-	5	1	-80%	22	2100%
Loan Portfolio (Net)	3,544	3,975	4,967	25%	5,311	7%
Current Loan Portfolio	3,715	4,210	5,216	24%	5,480	5%
Overdue Loan Portfolio	166	186	392	111%	355	-9%
Default Rate	5%	5%	8%		7%	
Preventive Estimate for Credit Risk	-337	-421	-641	52%	-524	-18%
Coverage Ratio	203%	226%	164%		148%	
Other Accounts Receivable (Net)	772	1,050	979	-7%	873	-11%
Real Estate, Furniture and Equipment (Net)	30	22	14	-36%	14	0%
Permanent Investments	2	1	1	0%	2	100%
Deferred taxes and PTU (in favor)	206	88	64	-27%	-	-100%
Other Assets	492	816	1,501	84%	1,878	25%
LIABILITIES	3,970	5,468	5,849	7%	5,832	-0.3%
Traditional Securing	2,863	4,982	5,220	5%	5,361	3%
Interbank and Other Loans	946	0	254		-	-100%
Deferred Taxes and PTU ()	-	-	-		122	
Other Accounts Payable	160	484	371	-23%	338	-9%
Deferred Credits and Prepaid Charges	1	2	4	100%	11	175%
Owner's Equity	1,598	1,801	2,360	31%	2,907	23%
Contributed Capital	1,951	1,716	1,616	-6%	1,616	0%
Capital Gain	-353	85	744	775%	1,291	74%