

An abstract painting featuring bold, geometric shapes in red, blue, green, and yellow. A central figure is composed of these shapes, with a green face and a blue body. A small, circular, multi-colored object floats above the figure. The background is a mix of light and dark colors, creating a dynamic and energetic composition.

Annual Report 2019

A history of trust and financial stability throughout Honduras and Central America

1913

Banco Atlántida begins operations on February 10, in La Ceiba, Atlántida.

1913-1928

Branches are opened in Tegucigalpa, San Pedro Sula, Puerto Cortés, and Tela.

1974

Inauguration of the Headquarters Office in San Pedro Sula.

1970

Compañía Almacenadora, S.A. begins operations.

1978

Arrendamientos y Créditos Atlántida begins operations.

1981

Inauguration of the Headquarters Office in Tegucigalpa.

1998

AFP Atlántida, S.A. begins operations.

1985

Seguros Atlántida, S.A. begins operations.

2007

"Agente Atlántida" is implemented, the largest financial inclusion project.

2013

Banco Atlántida celebrates 100 years in operation.

2017

INVATLAN bond issuance, acquisition of Banco Atlántida, S.A. in El Salvador, and rebranding of the Group's Corporate Image.

2015

Inversiones Atlántida acquires AFP Confía, El Salvador.

2018

Acquisition of Atlántida Vida in El Salvador.

2019

Banco Atlántida, S.A. in Nicaragua begins operations.



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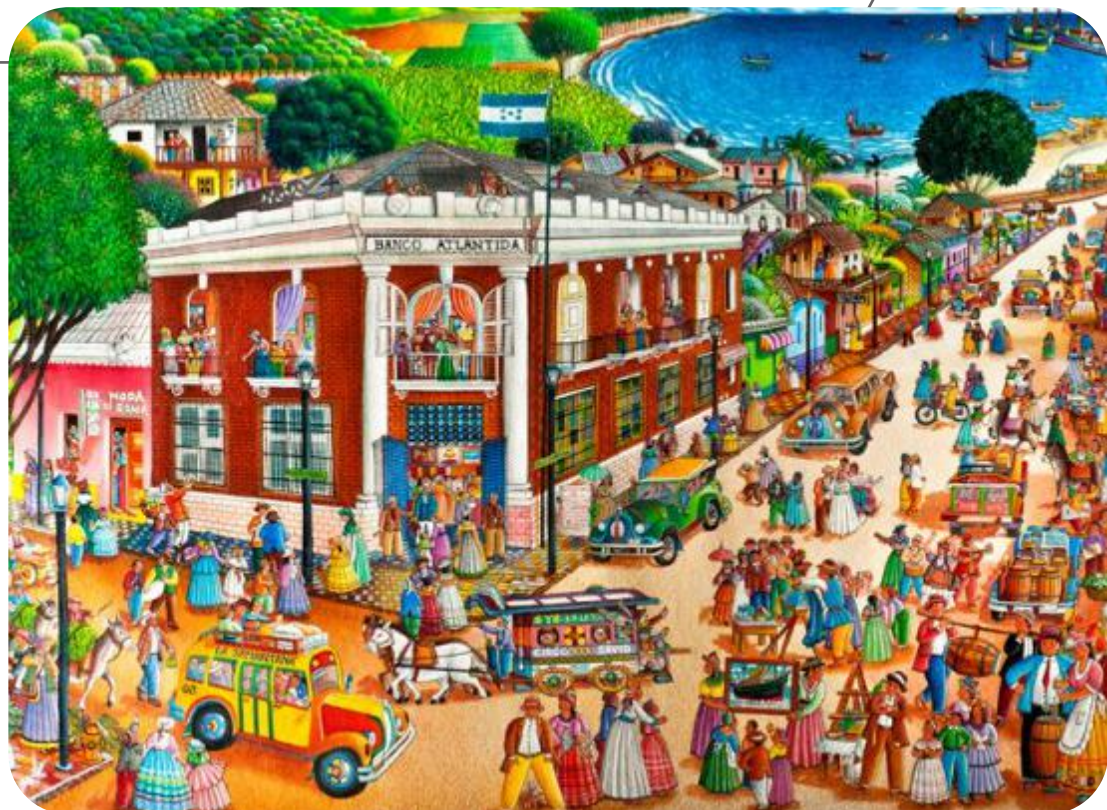
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Confía, S.A.**



To our Shareholders

The development of our operations during 2019 Fiscal Year took place in a relatively challenging economic environment. Even so, there were significant achievements which have placed Grupo Financiero Atlántida in dominant positions in the markets where we operate, because we are promoting significant initiatives in key sectors of the economies of different countries.

In Honduras, in spite of demonstrating relatively positive economic results in comparison with our peers, there was a tendency towards less dynamic behavior when compared to previous years. In fact, positive results were achieved in a number of areas, thanks to the support of our primary market, the United States of America, achieving a slight increase of 2.3% in real terms for our exports for this year. The Honduran economy grew by 2.7% in 2019, which, in spite of being a lower growth rate than that achieved in 2018 (3.7%), was still greater than the majority of countries in the region.

The Salvadoran economy showed a behavior similar to previous years, with a growth rate of 2.4% for 2019, while facing some complications as a result of the political environment nonetheless, showing with interesting expectations for many investors.

The Nicaraguan economy continued with a tendency toward shrinkage, although we remain somewhat optimistic for the long-term prospects, considering the multiple products in which the country has regional leadership.

Based on the above, the situation of our economies in general presents large and significant opportunities for investment, which favor the expansion of our Group, as well as the development of our traditional services and the expansion of our operations, especially regarding the loan and investment portfolios. These new markets also offer the opportunity for innovation and growth in digital service platforms.

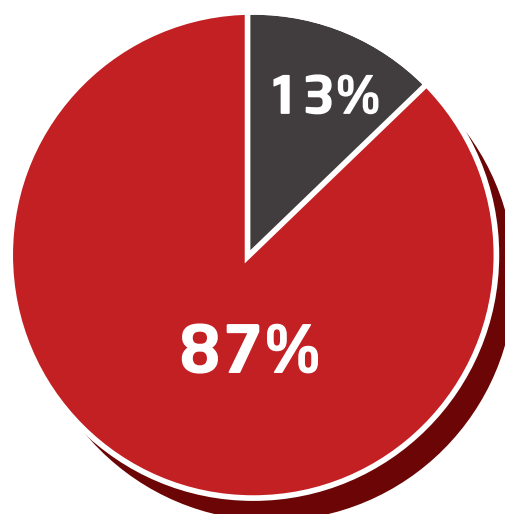
It must be acknowledged that each of these investments faces its own risks, based on the financial regulations of each industry and the economic, social, political, and climatic forces which affect them in each case. But even so, the consolidation and scale of the Group's operations provide added value for each of the individual operations, and at the same time, create a broad and efficient platform which is being built through a significant effort.

During 2019, Inversiones Atlántida completed the work to consolidate its operations in El Salvador, a country which has shown modest economic growth in comparison to Honduras, but one in which the growth of our banking operations in particular has been outstanding. Similarly, in 2019 we continued the expansion of our Group by going to Nicaragua and Ecuador. In this latter country, we acquired Grupo Financiero Corporativo, whose activities and business philosophy are very much in line with the strategic focus of our Group, while at the same time opening a new market in latitudes whose economies represent opportunities and risks which are different from those of the Central American region.

Through all of these actions, we are strategically placed in different markets throughout the Americas to support a cross-border platform of investments and businesses, with profitable investments, given the availability of resources and competitive attributes of each one. This allows us to move forward with linkages to emerging economies in other regions of the world.

In this economic environment, along with the growth of our operations, as of the close of Fiscal Year 2019, our Financial Group has achieved total assets in the amount of L.115,165 million under direct control in Honduras; and L.16,747 million under direct control in other countries. Our overseas investments make up 12.7% of the total investments of the Group.

■ International Investments ■ National Investments



The capital which supports these operations is a total of L.5,950 million in investments in the financial companies under our administration as described below:

Company	
Banco Atlántida	60.1%
Administradora de Fondo de Pensiones, S. A.	4.6%
Seguros Atlántida, S. A.	7.3%
Leasing Atlántida, S. A.	3.2%
Casa de Bolsa Atlántida S. A.	0.0%
Banco Atlántida Nicaragua	2.8%
Inversiones Financieras Atlántida	14.8%
CONFIA	7.2%
	100.0%

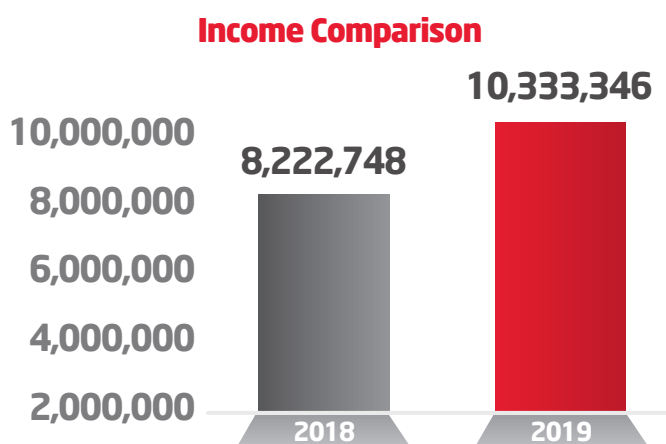
The growth in income reflected positively on our operations. Income through financial intermediation and banking services grew in 2019 to L.7,935.5 million, an increase over the L.5,953.6 million at the close of 2018, resulting in a significant increase of 33.3%. Income from insurance operations totaled L.554.2 million in 2019, which was greater than the L.489.2 million achieved during the 2018 Fiscal Year, an increase of 13.3%. Income from pension administration totaled L.1,843.7 million in 2019, an increase of 3.6% above the L.1,780.0 million in 2018. The other areas in which we operate demonstrated, for the most part, favorable and sustainable performance as can be seen in the details of the report which we present below.

As we have been responsibly dealing with the expansion and deepening of the regional market of the Group, we have concentrated on strategic actions to strengthen the efficiency of each and every one of our businesses. We have focused on a vision of excellence which addresses the interests of our shareholders, the needs and expectations of our clients, the required trust placed in us by our depositors and regulatory and Supervisory Authority, continuous improvement in our human capital, and solid institutional and technological infrastructure which offer security, efficiency, and quality services for the benefit of our clients, and the economies and societies in which we operate.

The complex challenges of 2020 may put to test our human, institutional, technological, and financial resilience. Our established presence and the trust in our reputation and the culture of risk management which we have incorporated into all of our operations, will support us in the prudent management approach which is required in these times of serious disruptions and risks.

I would like to highlight the role of our personnel, who have been critical elements responsible for the breath and quality of the results of our Group, acting always in a professional manner and with high ethical standards. I want to thank each one of you for the trust which you have deposited in this administration. We reiterate our important goal of preserving and growing the trust, prestige, and tradition of excellence of Grupo Financiero Atlántida.

Guillermo Bueso
President of the Board of Directors



Aggregate income for 2019 was a total of L.10,333 million, an increase of 25.7% over the amount for 2018 which was L.8,222 million.

Relevant Figures by Institution

In millions of Lempiras

Company	Total Assets	Investments and Productive Assets	Equity	Profit
Banco Atlántida, S.A.	96,008	79,462	9,940	1,150
Seguros Atlántida, S.A.	2,495	1,823	1,264	305
Administradora de Fondos de Pensiones Atlántida, S.A.	991	848	878	148
Leasing Atlántida, S.A.	2,117	1,792	483	60
Compañía Almacenadora, S.A.	580	32	421	38
Almacén Temporal Atlántida, S.A.	24	22	22	5
Casa de Bolsa Atlántida, S.A.	12	11	11	-1
Servicios Atlántida, S.A.	29	18	21	4
Informática Atlántida	73	36	61	16
Inversiones Financieras Atlántida	16,373	12,203	2,081	264
Banco Atlántida Nicaragua, S. A.	331	94	277	-9

Source: INVATLAN

Relevant Figures by Institution: Inversiones Financieras Atlántida (IFA)

In millions of Lempiras

Company	Total Assets	Investments and Productive Assets	Equity	Profit
Banco Atlántida El Salvador, S.A.	15,405	12,005	1,464	32
AFP Confía, S. A.	888	159	554	244
Atlántida Capital, S. A.	19	1	18	-13
Atlántida Securities, S. A.	22	12	19	5
Atlántida Vida, S. A.	39	26	26	-4

Source: INVATLAN



**Banco
Atlántida**



**Banco
Atlántida**

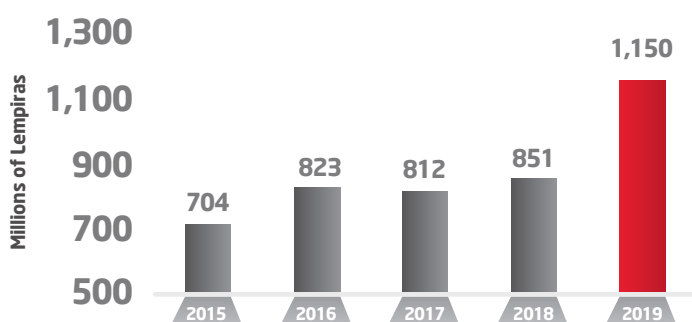
Banco Atlántida

The following presents a summary of performance and the most relevant figures for the subsidiary businesses of Inversiones Atlántida.

At the close of Fiscal Year 2019, Banco Atlántida recorded a net profit of L.1,150.1 million, 35.08% greater than what was achieved in 2018. This result was due to the growth in financial income, as well as increased commissions for services and growth in loan activities, while maintaining appropriate controls over expenses, which have been responsibly managed while maintaining all of the necessary requirements for the growth of the business.

These results have allowed an improvement in the profitability indicators of the Bank, achieving a Return on Equity (ROE) of 13.2% and a Return On Net Assets (ROA) of 1.3%. Both of these figures are above the results achieved in 2018.

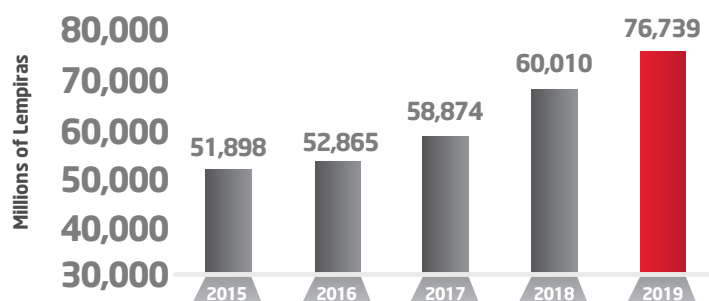
Net Earnings



Loans and Investments

As a result of the work and the management of loan placements carried out in all areas of the Bank, it was possible to increase Banco Atlántida's loan portfolio and investments in 2019 by 12.8%, achieving a total of L.76,739 million, representing 79.9% of total assets.

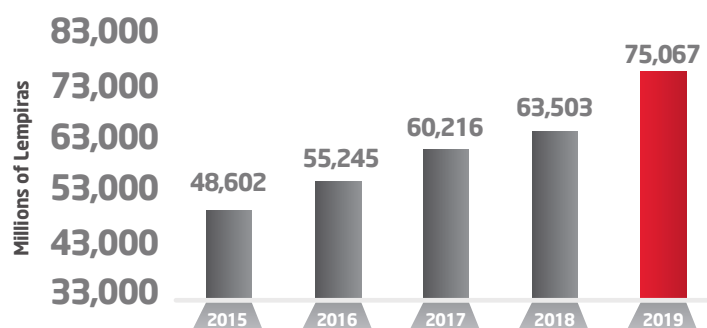
Loan and Investment Portfolio Amounts



Deposits

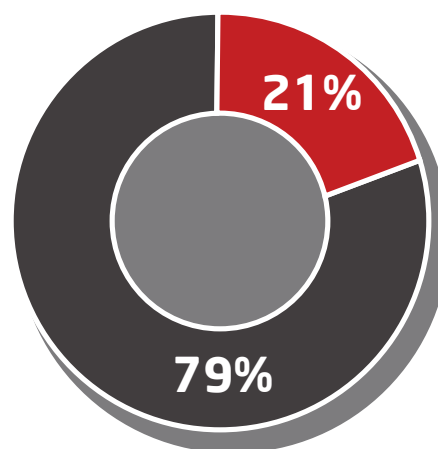
Banco Atlántida maintains its strength in this area and continues to show sustained growth in capturing resources from the public which, as of the close of Fiscal Year 2019, totaled L.75,066.6 million in deposits, achieving an inter-annual growth rate of 18.2%.

Deposits



Inter-annual growth was supported by all of the deposits, but especially by savings deposits, with an increase of L.3,481.6 million, equivalent to 11.0% inter-annual growth, which increased its contribution to 46.6%, followed by term deposits, which increased by L.5,197.9 million (22.9%) and representing 37.2% of total funding. Checking deposits rose by L.2,709.6 million, corresponding to 31.1% and representing 15.2% of total deposits.

Participation in the Savings Deposit Market



■ Banco Atlántida ■ Other Banks

Equity Position

Banco Atlántida has been able to reach a total paid-in capital amount of L8,000.0 million, 6.7% greater than the amount in 2018, as a result of the consistent internal generation of capital from its shareholders. Consolidating all of the accounts of capital and reserves results in a total equity of L9,940.0 million, which represents a consolidated increase of L1,021 million (11.4%) with regard to the same period in the previous year.

As of 31 December - Balances in millions of Lempiras

	2018		2019	
	Balance	Percent	Balance	Percent
Paid-in Capital	7,500	84.1	8,000	80.5
Capital Reserves	1,419	15.9	1,940	19.5
Total	8,919	100.0	9,940	100.0

Relevant Figures: Banco Atlántida

As of 31 December, 2015-2019 in millions of Lempiras

	2015	2016	2017	2018	2019
Total Assets	64,637	69,792	76,686	86,140	96,008
Loans and investments	51,898	52,865	58,747	68,010	76,739
Total Deposits	48,602	54,216	60,216	63,503	75,067
Equity	6,257	6,764	7,572	8,918	9,940
Earnings	712	823	812	851	1,150

Financial Indicators

	2015	2016	2017	2018	2019
IAC	13.4%	12.4%	12.3%	12.4%	12.4%
Return On Equity	14.6%	14.6%	12.1%	10.6%	13.2%
Return On Assets	1.2%	1.2%	1.1%	1.1%	1.3%
Coefficient of Liquidity	44.6%	42.8%	38.5%	34.0%	29.0%
Total Default Portfolio	3.0%	2.9%	2.7%	2.4%	2.2%



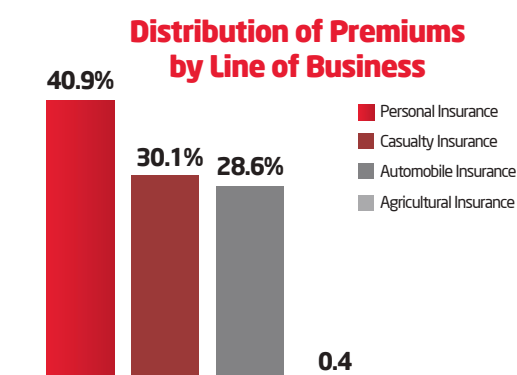
**Seguros
Atlántida**



Seguros Atlántida

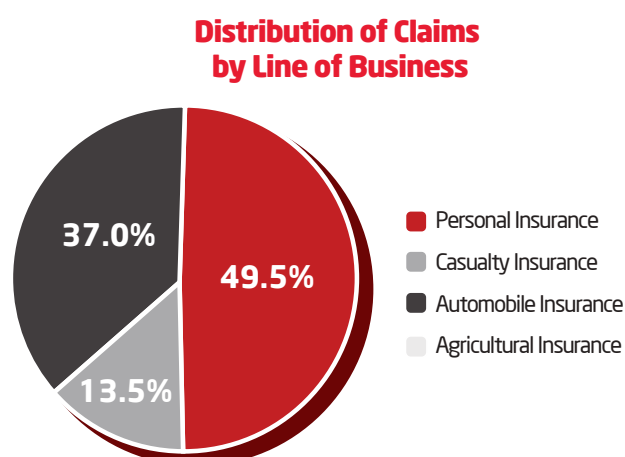
Seguros Atlántida continues to show favorable performance in all of its insurance operations, having achieved earnings of L.304 million, which is very similar to the results obtained in the previous year in spite of operating in an environment characterized by a reduction in economic activity, which impacted the growth of the insurance market previously enjoyed by Honduras.

Income increased by 2.8% with regard to 2018, achieving a total amount of L.3,686.7 million. It is important to highlight that the categories of Financial Income and of Salvage and Recovery both experienced growth, achieving income amounts of L.152.3 and L.73.2 million respectively.



During 2019, total net premiums for policies issued were L.1,665.4 million, which are distributed among the four Lines of business, of which the largest is personal Insurance, with a 40.9% share.

The company maintains a strong position in the Honduran insurance market, occupying the third place overall in the capture of premiums.



Regarding the total amount of claims estimated and paid during 2019, the company registered a value of L.752 million, of which Personal Insurance claims represent 49.5% of the total.

Total assets are L.2,501 million, comprised primarily of L.1,824 million in Loans Receivable and Investments, L.100 million in Cash and Cash Equivalents, and L.443 million in Premiums Receivable.

Liabilities total L.1,224 million, with the largest portion being in Technical and Mathematical Reserves, and Reserves for Claims, totaling L.865 million. These reserves represent the backing for the company to be able to meet its obligations whenever a claim arises.

The relevant figures regarding Return on Equity and Return On Assets in 2019 were 23.8% and 12.2%, respectively, while the Index of Operating Efficiency was 29.5%.

During the 2019 Fiscal Year, the insurance company, as a socially responsible company, along with its shareholders and government agencies, provided a total contribution of L.208.3 million which is distributed as follows:

Contributions and Taxes Paid

2019 Period	
Support to the CNBS	6,604,389
Taxes	
Income Tax	42,166,956
Solidarity Contribution	8,395,891
Industry and Commerce Tax	4,602,207
Withholding	
Sales Tax	84,125,461
Withholding Tax	6,573,148
Other Withholding	55,879,357
Total	208,347,409

Relevant Figures: Seguros Atlántida, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Technical and Mathematical Reserves	Return on Equity	Return on Assets
2015	2,440	1,114	981	232	530	23.65%	9.51%
2016	2,623	1,203	1,068	289	613	27.08%	11.03%
2017	2,659	1,365	1,370	318	609	23.21%	11.96%
2018	2,683	1,701	1,280	333	682	26.01%	12.40%
2019	2,501	1,824	1,277	304	620	23.81%	12.16%



**AFP
Atlántida**

Pensiones y Cesantías

Administradora de Fondos de Pensiones Atlántida (AFP Atlántida)

In 2019, AFP Atlántida maintained its leadership in the area of Pension Funds, maintaining its first place position in the market based on the number of members, closing out the 2019 Fiscal Year with a growth rate of 6.2% in the opening of new accounts, maintaining its sustained pace of growth in relation to the available market, consisting generally of major contributors to the Fondo de Pensiones Atlántida.

During this period, Fondo de Pensiones Atlántida once again registered strong growth in its total assets, equivalent to L.2,400.6 million, which represents an increase of 20.1% over Fiscal Year 2018, as a result of the contributions of its members who primarily represent individuals, families, and joint contributions (employee - employer) who continue to find the Fondo de Pensiones to be the best place to maintain their equity, some of them established with resources which have come from a variety of institutions in the national financial system. The business sector, although to a lesser degree, was also active during this time, making use of the alternative provided by Employer Pension Funds to accumulate liquid reserves in order to cover their labor obligations in the future.

Market Returns in 2019

During 2019, members continue to benefit from their accounts with the payment of returns of 9.8% in national currency and 5.3% for accounts in foreign currency, with both of these returns being very close to the historical averages, while at the same time being higher than those offered by similar products as a result of the investment strategies and new placements which have been carried out.

As a part of its objectives, the Company has kept the resources of the Pension Fund invested in a wide variety of financial instruments with fixed returns, most of them being instruments of the national financial system and the Government, applying sound investment criteria in terms of security, profitability, and availability, as well as rigorous investment guidelines and risk management, requiring an exhaustive process of analysis and selection in order to become part of the investment portfolio, all of which translates into an appropriate risk return balance for our members, while complying with local and corporate regulations.

Benefit Payments

With regard to the payment of benefits to the members of the Fondo de Pensiones Atlántida, in terms of pensions, or of partial or total withdrawals during 2019, there was a total of L.1,339 million paid out, which, when compared with the previous year, represents an increase of 3.6% in the payment of benefits to our members.

Balance Sheet and Income Statement for 2019

Administradora de Fondos de Pensiones Atlántida, S.A., (AFP Atlántida) completed its twenty-first year of operations, registering the following relevant figures and indicators:

Relevant Figures: Administradora de Fondos de Pensiones Atlántida, S.A.

In millions of Lempiras

Year	Total Assets	Loans and investments	Equity	Earnings	Funds under Administration	Return on Equity	Return on Assets
2015	513	120	434	105	6,435	24.19%	20.47%
2016	633	153	548	111	7,943	20.26%	17.54%
2017	728	170	628	125	9,620	19.90%	17.17%
2018	833	453	730	132	11,890	18.08%	15.85%
2019	991	679	87	148	14,291	170.11%	14.93%

Total Assets and Liabilities

As a result of operations in Fiscal Year 2019, total assets grew by 18.9%, reaching a total amount of L.991.3 million, an increase of L158.0 million over the amount in 2018.

The most important account among all of the assets was that of Investments, with a balance of L.626.2 million, which represents 63.2% of total assets, followed by the portfolio of Loans Receivable from members, and short-term, demand investments in the amount of L.286.6 million, making up 28.9% of the total. When taken together, these two accounts add up to L.912.8 million, representing 92.1% of the total assets which are generating financial results for AFP.

The shares which make up the assets invested to produce income are primarily a result of the equity accounts funded through normal business operations of the company.

Total liabilities increased by 9.5% as a result of a transfer of equity to liabilities in the form of special reserves, which, as of the end of the Fiscal Year totaled L.87.7 million, responding to a standard for accounting procedures issued by the National Banking and Insurance Commission (CNBS).

Net Equity

Net Equity increased by 10.8% over Fiscal Year 2018, as a result of earnings generated during the year and an increase in legal reserves for earnings during that period. For its part, Net Equity covered 103% of the minimum equity required by standards issued by the National Banking and Insurance Commission, closing out the year with a net equity index of 5.2%, which is 3 percentage points greater than what is required by the standard.

Equity resources remain primarily invested in the investment portfolio and the personal loan portfolio which is presently subject to liquidation based on requirements from the Supervisory Authority. These resources were previously used to provide loans at preferential rates to members of the Pension Fund, the majority of which were guaranteed by the existing balances in the individual accounts or Individual Pension Funds.

It should be noted that the loan portfolio shows no growth beginning in the month of April, 2018, which was when the National Banking and Insurance Commission decreed the suspension of loan activities for all pension fund administrators operating within the country, causing an impact on the service offered to members in this area. Nevertheless, the National Banking and Insurance Commission, in a new standard approved on September 15, 2019, re-established the issuing of loans to members, but restricting these to the use of resources from Pension Funds only.

Net Earnings

We are pleased to communicate to you that our company showed, as of December 31, 2019, net earnings of L.148.2 million, an increase of 12.0% over the figure for 2018, which was L.132.3 million.

The results obtained were driven primarily by normal business operations, resulting from commissions charged for the operation of the individual accounts which make up the Pension Fund and financial results generated by the investment portfolio and the personal loans portfolio of loans issued to members of the Fund.

Income

Total income in 2019 grew by 8% over 2018, as a result of the commissions generated through the administration of the pension programs and the behavior of the financial results generated by the investment portfolio and the loan portfolio as well as other income related to the primary focus of the business.

The most important part of the total income received was through commissions obtained through the operation of the business which represented, 66.35% of total income in 2019.

Expenses

Total expenses grew by 9% over 2018, as a result of the constitution of new reserves and the strengthening of the organizational structure of the business, as well as an increase in variable costs directly related to the growth in collections intermediation expenses. Expenses are managed at all times within the operational efficiency standards set by the business, which is 45% for the ratio between total expenses and total income.

Social Contributions 2019

During the 2019 Fiscal Year, AFP, as a socially responsible company working with its collaborators, shareholders, and government agencies, contributed L.155,721,892 which is detailed as follows:

Salaries paid to Employees:	L27,175,545
Shareholder Compensation:	L62,500,000
Income Tax Payments:	L39,805,779
Municipal Tax Payments:	L1,205,496
Payment of Taxes for Solidarity Contribution:	L7,911,156
Payment for Cross-Selling Grupo Financiero Atlántida:	L15,210,844
Pay INFOP:	L562,080
Pay Social Security:	L1,101,694
Pay RAP:	L248,298

Tax Withholding Agent

The following details amounts paid as Tax Withholding Agent:

Category	Total
12.5%	L9,108,227.0
10.0%	L9,672,976.0
Employees	L37,431,045.0
1.0%	L690,206.0
Total	L56,902,454.0

Operating Efficiency

Considering jointly the categories of income and expenses, both were well managed during the year in order to maintain an operating efficiency level of under 45%, achieving a final figure of 44.95%.



**Leasing
Atlántida**



As of the end of 2019, Leasing Atlántida achieved a total figure of L.2,117.3 million in assets, representing an increase of 33.4% over the previous year, with the Financial Leasing portfolio making up 68.5% of the total, upon closing out the year at L.1,450.0 million.

The level of purchases of assigned assets in Financial Leasing during 2019 was L.925.9 million, representing a growth of 38.7%. This was the result of an expansion achieved in the client base, an improved market share in the interior of the country, and a significant amount of repeated business from clients in the current portfolio as a result of our constant efforts to improve our services both before and after sales.

As a result of management efforts made in the Financial Leasing area, the contract portfolio grew by 36.9%, from L.1,058.9 million to L.1,450.0 million.

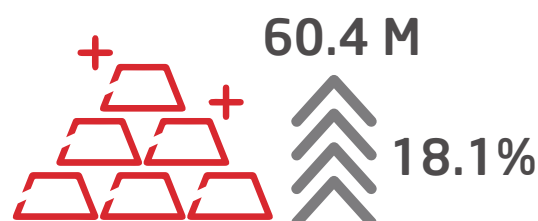
Viewed by type of equipment, the purchases of assets assigned for Leasing concentrated in the areas of vehicles (51%), industrial equipment and machinery (38%), and furnishings and other equipment (11%).

Loan activity is carried out primarily in support of Financial Leasing, as this becomes a way to facilitate the availability of resources for our clients for the overseas purchase of equipment and machinery of their own choice, which, once they have been imported and installed, are converted to Leasing operations. As of the end of the Fiscal Year, the loan portfolio had grown by 20.5%, increasing from L.265.2 million to L.319.7 million.

Fixed term deposits from the public are the most important source of funds for the operations offered by Leasing Atlántida, and in 2019 they continued to be the fundamental pillar for the growth which was achieved, with an increase in the portfolio of 46.4%, closing out the year with a total of L.1,509.8 million.

As a result of the growth achieved by Leasing Atlántida, earnings during the year increased by 18.2% over those of the previous year, from L.51.1 million in 2018 to L.60.4 million in 2019, for a Return on Equity (ROE) of 12.5%.

Earnings



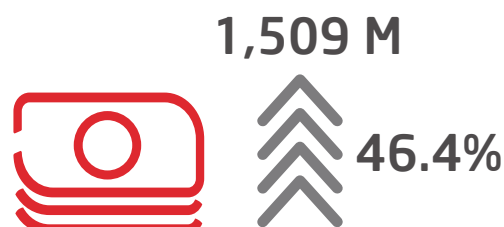
Contracts



ROE



Resources obtained from the Public



Relevant Figures: Leasing Atlántida, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Leases	Equity	Earnings	Return on Equity	Return on Assets
2015	778	158	258	257	35	13.62%	4.50%
2016	1,044	214	538	290	45	15.52%	4.31%
2017	1,169	133	791	322	48	14.91%	4.11%
2018	1,587	285	1,059	448	51	11.38%	3.21%
2019	2,117	335	1,450	483	60	12.42%	2.83%

Leasing Atlántida operates from three separate offices located in the cities of Tegucigalpa, San Pedro Sula, and La Ceiba, providing employment for a team of 73 employees during 2019. The investment made in our human capital in the form of salaries, bonuses, training, and others totaled L.28.1 million for the year.

As a result of our activities in 2019, taxes and other contributions to a variety of Government institutions were made for a total direct payment of L.18.4 million, as shown in the following table:

Taxes and Contributions

In thousands of Lempiras

Income Tax	10,636.1
Solidarity Contribution	2,077.4
Deposit Insurance Fund	1,382.3
CNBS	1,168.6
Municipal Taxes	1,327.9
Other Taxes	1,855.5
Total	18,447.8

Similarly, during 2019, Leasing Atlántida, acting as a Tax Withholding Agent, paid the government a total amount of L.8.5 million, which is detailed below:

Taxes Withheld

In thousands of Lempiras

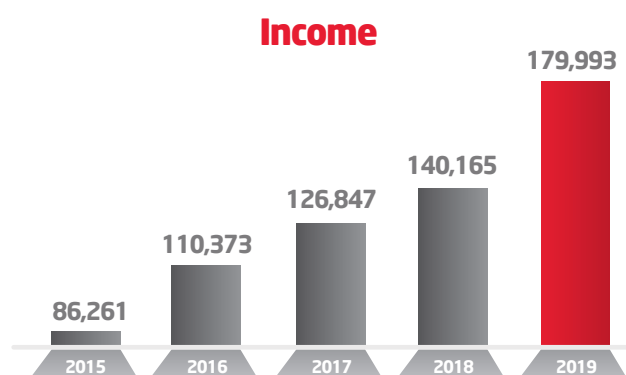
1% Goods & Services (Decree 217-2010)	760.9
15% ISV (Decree 215-2010)	717.9
Income Tax - Employees	1,692.6
12.5% Fees	244.6
10% Flat Rate on Interest	5,001.3
Others	52.1
Total	8,469.4



COALSA[®]
COMPAÑIA ALMACENADORA S.A.

Compañía Almacenadora (COALSA)

In 2019 COALSA continued to establish itself in the warehousing market of the country, as a result of its expansion program and investments in infrastructure during recent years, which has allowed it to continue as a leader in the warehousing market in the country.



Total income at the close of Fiscal Year 2019 was L.179.9 million, growing by 28.4% over the previous year. Total equity reached L.421.20 million with net earnings of L.37.8 million.

During 2019, COALSA improved the quality of its productive assets, its solvency, and its liquidity. The investment activities which were carried out required additional financing, which was obtained under favorable market conditions. It is important to note that due to regulatory limitations on transactions between related parties, all of the financing sources are outside of Grupo Financiero Atlántida.

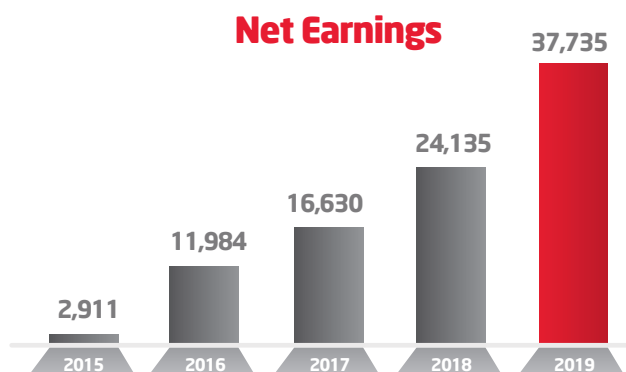
In 2019, COALSA achieved a 9.0% Return on Equity and a 6.5% Return on Assets. For the year 2020, the Company will continue with its investment program including: facilities in the northern zone of the country, rolling stock, interactive information systems, and other complementary tools, which will allow them to provide improved services in a comprehensive manner, while diversifying into other logistics services, helping to establish the growth of the Company while increasing income through complementary services and added value.

During 2019, COALSA, as a socially responsible company, reported following supports to its employees and Government agencies:

Taxes and Contributions

In thousands of Lempiras

Income Tax	12,581,424
Temporary Solidarity Contribution	2,466,285
Salaries to Officers and Employees	16,433,873
Contribution to the CNBS	1,294,544
Total	32,776,126



Relevant Figures: Compañía Almacенadora, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Return on Equity	Return on Assets
2015	539	7	331	3	0.91%	0.56%
2016	579	12	343	12	3.50%	2.07%
2017	582	18	359	17	4.74%	2.92%
2018	583	18	383	24	6.27%	4.12%
2019	579	27	421	38	9.03%	6.56%



ataasa®
Almacén Temporal Atlántida S.A.



Almacén Temporal Atlántida (ATASA)

In 2019, ATASA continued its phase of growth, achieving the establishment of two of its principal services as a logistics operator. Those were Documentation Management and Transportation and Courier Services, while at the same time providing support services to other members of the group including: Leasing Atlántida, AFP Atlántida, Compañía Almacenadora, S.A., and Logística Financiera, S. A.

At the close of the Fiscal Year, income for ATASA reached a total of L.26.8 million, achieving a net earnings amount of L.4.6 million.

For 2020, there are plans to expand the Transportation and Courier Services operation, in the cities of San Pedro Sula and La Ceiba, and to implement the service of Documentation Management working with AFP Atlántida and Leasing Atlántida, as well as supporting other businesses of Grupo Financiero Atlántida in a variety of logistics services, and doing all of this with the goal of further establishing the growth of the business.

ATASA has made the following contributions to the Government and to its employees in 2019:

Taxes and Contributions

In thousands of Lempiras

Income Tax and Temporary Solidarity Contribution	1,531,657
Sales Tax	3,514,534
Payroll Taxes, Other Tax Withholding	68,072
Taxes on Fees, 12.5% Withholding	44,745
Prepaid Taxes, Income Tax, 1% Withholding	7,368
Tax on Earned Interest 10%	152,785
Tax on Sales Volume	217,876
Citizen Security Tax	52,102
Wages and Salaries for Officers and Employees	11,152,328
Total	16,741,467

Relevant Figures: Almacén Temporal Atlántida, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Return on Equity	Return on Assets
2015	10	10	10	0	0.00%	0.00%
2016	11	10	11	1	9.09%	9.09%
2017	14	10	13	2	15.38%	14.29%
2018	20	17	17	4	23.53%	20.00%
2019	24	22	22	5	22.73%	20.83%



**Casa de Bolsa
Atlántida**

Casa de Bolsa Atlántida, S.A.

During 2019, trading activity in the local stock market contracted in terms of overall activity from a value of L.464,562.2 million to just L.242,515.2 million.

For Casa de Bolsa in particular, activity continued to be concentrated in the trading of short-term government notes. The Central Bank of Honduras (BCH) at the beginning of the year, as a precautionary measure, increased the monetary rate policy as a part of monetary policy by 25 basis points, establishing an interest rate of 5.75%. Then at the end of the month of December, the rate was reduced, also by 25 basis points, to once again have the rate set at 5.50%. This was because total inflation in the month of November was at its lowest level in recent months. At the same time, BCH commenced operations of the Electronic Money Table (MED) for the exclusive use of financial institutions, which directly affected trading activity in terms of participation in liquidity auctions. Nevertheless, Casa de Bolsa Atlántida maintained its position in second place in terms of transactions, with a market share of 24.3%, which was less than the 46.0% achieved in 2018, having only a total of L.58,825.5 million in trading volume, which was 72.0% lower than that of 2018.

This year we have made additional investments in personnel, aiming to grow and to have the qualified staff that can provide support in the development and marketing of products, and with this in mind, support for training activities increased to an amount of L.134,684.

For Fiscal Year 2019, income totaled L.4,133 thousand, which was 34.5% less when compared to 2018. It should be pointed out that 67.0% of income derives from trading commissions, 21.0% from interest received on investments, and the difference of 12.0% corresponds to other income generated through an agreement with our counterpart institution in El Salvador and non-operational income from the reversal of provisions from prior periods. Expenses were a total of L.4,838 thousand, which was L.13.5 thousand greater than the previous year.

The level of income less expenses generated a net loss of L.704.2 thousand, while the assets administered by Casa de Bolsa Atlántida in 2019, totaled L.11,582 thousand, 6.2% less than the corresponding amount for 2018. While current liabilities totaled L.404.3 thousand, which was 26.2% less than the previous year, and equity was L.11,092 thousand, 5.9% less than 2018. In terms of social contributions to the Government, Casa de Bolsa Atlántida reported the following payments:

Taxes and Contributions

In thousands of Lempiras	
Taxes	
Municipal Taxes	72,623
Citizen Security Tax	10,289
Withholding for Fees	40,327
Withholding 12.5%	20,000
Withholding 1%	2,781
Payments on Account	95,391
Wages and Salaries	
Employee Salaries	939,137
Allowances and Directors	700,000
Contributions to the CNBS	109,948
Training	134,684
Total	2,125,180

Relevant Figures: Casa de Bolsa Atlántida, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Return on Equity	Return on Assets
2015	9	8	9	3	33.33%	33.33%
2016	10	8	10	1	10.00%	10.00%
2017	11	11	11	1	9.09%	9.09%
2018	12	10	12	1	8.33%	8.33%
2019	11	11	11	-1	-9.09%	-9.09%



**Servicios
Atlántida**



Servicios Atlántida S.A.

During Fiscal Year 2019, SESA has contracted 605 employees to provide services in different areas of the Bank.



605

**New employees for
Grupo Financiero**

In order to provide follow-up on the behavior and performance of our personnel in the Bank, beginning in July, 2018, three service coordinators were appointed for the different regional offices.

SESA provided support to the Bank in the migration of the ATM's, to convert them to the new chip technology, and also participating in the project for migration to Costa Rica of credit and debit cards, not only in the business of issuing cards, but also as the acquiring organization, and provided additional guidance in the area of bank cards, to cleanse the databases prior to the migration in order to reduce costs. We also provided assistance to the bank in the area of operations with the VISA and MasterCard brands.

Work continued in the implementation of the International Financial Reporting Standards (IFRS), which will be implemented beginning in January of 2020.

At the end of Fiscal Year 2019, the total assets of Servicios Atlántida, S. A. were L28.8 million, while liabilities closed the year with a total of L7.9 million, and equity increased by L4.2 million, to a total of L20.9 million, achieving net earnings of L4.2 million.

Taxes and Contributions

In thousands of Lempiras

Income Tax	1,540,218
Solidarity Contribution	258,218
Municipal Taxes	651,524
Wages and Salaries	147,062,668
Total	149,512,628

Relevant Figures: Servicios Atlántida, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Return on Equity	Return on Assets
2015	20	14	13	0	0.00%	0.00%
2016	30	19	16	3	18.75%	10.00%
2017	25	16	17	0	0.00%	0.00%
2018	22	16	17	3	17.65%	13.64%
2019	29	18	21	4	19.05%	13.79%



IA INFATLAN

Informática Atlántida (INFATLAN)

At the end of Fiscal Year 2019, the total assets of INFATLAN were L.72.8 million, with a one year increase of 27%. The growth reflects increases in the accounts of Investments and Banks. At the same time, liabilities were reduced in the account related to Accounts Payable and increased in the account for Income Tax.

The total equity is L.60 million, which generated net earnings of L.15.7 million. These results were influenced by income from information services provided and from a reduction in costs.

In terms of activities carried out during 2019, work continued in the development of informatics applications related to the expansion strategy of Grupo Financiero Atlántida, and especially of Banco Atlántida. At the same time, efforts continued to update technology, focusing in particular on the introduction of new management platforms for ATMs, the deployment of banking agents, and improvements in the platform for the Bank's Call Center. The processes related to project implementation were improved through the creation of a project office, applying a methodology similar to that which is employed by the Bank's own project office. At the same time, the storage and processing capacities of the Bank's information equipment were increased.

In addition, equipment for the processing of POS transactions was enhanced, security improved for services exposed to the Internet, electric consumption efficiency was improved for the Data Center, networks were enhanced in Plaza Bancatlan in Tegucigalpa and Torre Bancatlan in San Pedro Sula, with additional security equipment and the infrastructure was updated at the Banco Atlántida Contact Center.

Relevant Figures: Informática Atlántida, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Return on Equity	Return on Assets
2015	40		33	2	6.06%	5.00%
2016	46	2	36	3	8.33%	6.52%
2017	49	2	40	4	10.00%	8.16%
2018	58	7	45	5	11.11%	8.62%
2019	73	36	61	16	26.23%	21.92%

XI. Banco Atlántida El Salvador, S.A.

Relevant Figures: Banco Atlántida El Salvador, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Return on Equity	Return on Assets
2016	7,298	5,771	596	-16	-2.68%	-0.22%
2017	8,054	6,108	976	13	1.33%	0.16%
2018	11,795	9,115	1,174	25	2.13%	0.21%
2019	15,405	12,006	1,464	32	2.19%	0.21%

XII. Administradora de Fondos de Pensiones Confía, S.A.

Relevant Figures: AFP Confía, S.A.

In millions of Lempiras

Year	Total Assets	Loans and Investments	Equity	Earnings	Funds under Administration	Return on Equity	Return on Assets
2016	861	348	616	320	115,975	51.95%	37.17%
2017	941	444	643	346	126,665	53.81%	36.77%
2018	946	365	591	284	140,990	48.05%	30.02%
2019	888	159	554	243	155,548	43.86%	27.36%

INVERSIONES ATLANTIDA, S. A. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2019
(Expressed in thousands of Lempiras)

Assets	2019	2018
Cash and Cash Equivalents	17,977,645	16,315,543
Financial Investments, net	11,575,907	11,232,437
Premiums Receivable, net	443,186	526,731
Loans and Interest, net	79,647,625	68,917,196
Accounts Receivable, net	2,313,481	2,475,328
Property, Furnishings, & Equipment, net	2,641,498	2,299,020
Investment Properties	1,038	1,065
Assets Maintained for Sale, net	943,669	1,047,679
Deferred Income Taxes	50,963	2,727
Other Assets, net	3,798,755	2,650,818
Total Assets	119,393,767	105,468,544
Pension Funds under Administration	169,822,118	152,855,573
Total Assets under Administration	289,215,885	258,324,117

Liabilities and Equity:	2019	2018
Liabilities and Equity:		
Deposits	84,383,869	70,424,658
Banking Obligations	9,842,323	12,474,913
Interest Payable	332,016	437,199
Accounts Payable	1,159,965	1,189,247
Reserves for Claims	245,237	275,226
Technical and Mathematical Reserves	619,711	682,237
Obligations for Re-Insurance and Refinancing	157,671	252,822
Other Liabilities	139,082	124,336
Income Tax Payable	472,858	218,746
Deferred Income Tax	43,762	39,603
Sundry Creditors	374,582	355,279
Provisions	682,654	478,896
Special Reserves	73,023	77,160
Guaranteed Bonds and Notes	6,778,077	6,132,089
Total Liabilities	105,304,830	93,162,411
Non-Controlling Interests	1,624,538	1,107,150
Equity		
Paid-in Capital	5,950,000	5,950,000
Capital Reserves	6,514,399	5,248,983
Total Equity	12,464,399	11,198,983
Total Liabilities and Equity	119,393,767	105,468,544

INVERSIONES ATLANTIDA, S. A. AND SUBSIDIARIES

Consolidated Statement of Financial Position

December 31, 2019

(Expressed in thousands of Lempiras)

		2019	2018
Financial Income:			
Interest Income	L	8,889,164	7,703,183
Interest Expenses		4,260,350	3,538,920
Financial Earnings		<u>4,628,814</u>	<u>4,164,263</u>
Provision for Loans		661,229	766,378
Interest Rate Margin, Net of Impairment Charge		<u>3,967,585</u>	<u>3,397,885</u>
Income from Insurance Activities		3,454,168	3,274,465
Expenses for Insurance Activities		2,970,330	2,853,900
Earnings from Insurance Activities		<u>483,838</u>	<u>420,565</u>
Results from Services:			
Services		137,598	154,486
Commissions		2,702,381	1,453,102
Leasings		195,363	163,986
Other Income		558,404	457,546
Total Results from Services		<u>3,593,746</u>	<u>2,229,120</u>
Other Expenses:			
Personnel Expenses		2,270,935	1,876,432
General and Administrative Expenses		3,443,662	2,415,652
Depreciation and Amortization		601,821	647,808
Other Expenses		6,316,418	4,939,892
Earnings from Operations		<u>1,728,751</u>	<u>1,107,678</u>
Non-Operational Income (Expenses):			
Income from Dividends on Shares		34,470	191,729
Gains on the Sale of Assets Available for Sale		151,372	77,052
Earnings on the Sale of Fixed Assets		14,817	40,825
Tax on Interest		(48,545)	(44,288)
Other Income, net		373,100	349,625
Total Non-Operational Income (Expenses)		<u>525,214</u>	<u>614,943</u>
Earnings before Taxes and Minority Interests		<u>2,253,965</u>	<u>1,722,621</u>
Income Tax and Temporary Solidarity Contribution		790,310	550,214
Deferred Income Tax		3,664	1,708
		<u>793,974</u>	<u>551,922</u>
Earnings before Minority Interests		<u>1,459,991</u>	<u>1,170,699</u>
Net Income Attributable to Minority Interests		173,342	105,698
Net Earnings	L	1,286,649	1,065,001



INVATLAN

INVERSIONES ATLANTIDA, S.A.

