

Banco Industrial

6 Decades of Innovation

by Leigha Proctor

In mid-2024, following a staff visit, the International Monetary Fund (IMF) praised Guatemala's economic stability, highlighting the country's "remarkable stability and soundness." The IMF also pointed to the resilience of the banking sector, which has remained "liquid and profitable" despite external shocks, further strengthened by recent reforms.

At the forefront of this dynamic sector is Banco Industrial, the largest bank in Central America and a key player in Guatemala's financial landscape. Through its parent company, Corporación Bi, the bank has expanded its operations to El Salvador, Honduras and Panama.

With nearly six decades of experience, Corporación Bi has established itself as a regional powerhouse. Its ultimate parent company, Bicapital Corporation, controls over \$29 billion in assets, employs more than 19,600 people and has more than 2600 shareholders. The bank's board is composed of industry leaders from sectors such as sugar, steel and construction, providing it with deep insight into the regional economy and its macroeconomic trends. Reflecting its commitment to excellence, the majority of Banco Industrial's employees hold university degrees, with many pursuing additional qualifications.

Ramiro Castillo, the current president of Banco Industrial, started his role in 2020 and has been with the bank since the 1990s, following in the footsteps of his father, one of the founders and former president of Banco Industrial.



Ramiro Castillo
President

"We are a bank you can trust," he says "We prioritize the well-being of our employees, customers and shareholders. Our success is built on our professionalism, ethical standards and advanced technology. This is not a family business; we are a well-structured company, and that is a significant part of why we have thrived."

Banco Industrial also stands as a market leader in handling remittances, which play a crucial role in Guatemala's economy. In 2024, the country is expected to receive over \$20 billion in remittances, with Banco Industrial commanding more than 34 percent of the market share as of June.

Corporación Bi aims to expand its presence across Central America, seeking to become the largest bank

in Honduras, El Salvador and Panama. It is also exploring diversification into strategic sectors such as electricity and infrastructure. Recently, it launched Zigi, a digital bank tailored to the younger generation, marking an important step toward the future.

Staying on the cutting edge of technology remains a priority, particularly in the area of cybersecurity, as customer protection is paramount. At its core, Banco Industrial is dedicated to supporting both its customers and shareholders, while contributing to the prosperity of Guatemala's economy.

Looking ahead, Banco Industrial's continued development presents exciting opportunities for investors and potential partners.

"Our management team is open to forming alliances and partnerships," says Ramiro. "We are committed to growth and to offering the best services and technology, and we recognize that partnerships can help us achieve that."

"Guatemala has so much to offer," Ramiro emphasizes. "Our banking system is strong; our economy is stable - we've had the same exchange rate for 20 years. We have vast natural resources, beautiful landscapes with potential for tourism, and a highly skilled workforce. Guatemalans are known for being hard-working and capable."



Grupo Financiero G&T Continental

Transparency, Governance, Honesty

The largest economy in Central America in both population and GDP, Guatemala has achieved economic growth over the Latin America and Caribbean region average in recent years, posting a 3.5 percent expansion in 2023. This comes on the back of solid 3.5 percent average growth between 2010 and 2019, and a rapid rebound from the Covid-19 pandemic in 2022.

by Leigha Proctor

Guatemala's impressive economic performance is underpinned by a solid and steadily growing banking sector. In a May 2024 assessment of the country's economy, the International Monetary Fund praised the sector as being "liquid and profitable," and resilient to shocks. Recent reform around credit regulations will further strengthen the system, the IMF said. The sector's strength and positive outlook is reflected in the 2023 decision by ratings agency Fitch to upgrade five of the largest local banks.

One of those upgraded was Grupo Financiero G&T Continental, the country's third-largest bank by assets. Fitch noted its improved asset quality and profitability, as well as its "sound capitalisation and a strong funding profile."

We are open to partnerships in all formats and are ready to expedite investors' business success."

Rodríguez Mahr has been G&T Continental's CEO for seven years and has more than 40 years' experience in the financial sector, including insurance, brokerage and banking. Among a number of national and international positions, he is also vice president of the Guatemala Banking Association, and an alternate member of the monetary board that presides over Banguat, the country's central bank. His career has been dedicated to the development of Guatemala's financial industry.

This commitment is reflected in G&T Continental's offer to its clients—an accessible, open bank, and a one-stop shop that provides all the services that they need.



Enrique Rodríguez Mahr
CEO

contribution to the economy. Overall, 80 percent of its transactions are digital. The bank is always open to partnerships that can support its technological development through tech and knowledge transfer.

"We continue to be very focused on implementing initiatives to strengthen our data analysis and cybersecurity capabilities, to offer personal solutions to clients," says Mahr. "At the same time, we're implementing a robust VPN and CRM, which are both necessary to continue strengthening our position as the leading bank in service and agility for our clients. We are committed to continuous improvement, always seeking to optimise our processes."

Rodríguez Mahr also underlines the bank's solvency, which stands over 15 percent, and its commitment to sustainable business to maintain this position, and to ensure that it can continue to serve clients over the long term. Partners can be assured that this is a bank that matches robustness with agility.

"We have clarity about our decision-making, knowing when to make decisions on what," says Rodríguez Mahr. "Again this comes down to governance and transparency - they are the key words. We have the strong governance and transparency to support fast decision-making. It's in our DNA."

Rodríguez Mahr has made a great contribution to the growth and development of the Guatemalan financial sector over the past four decades, and he is determined that G&T Continental will continue to take the lead in driving the market into the future, as a strategic priority for the bank. And he is confident that Guatemala will continue to offer huge opportunities for business growth, for domestic businesses and foreign investors alike.

"Guatemala has a dynamic and strong economy with a geographical position that provides competitive advantages, favouring the attraction of investments and offering an appropriate ecosystem for business establishment and development," says Rodríguez Mahr. "We have the most stable currency in Latin America, which helps you predict the future of your investments. We've had macroeconomic stability for years. Guatemala also has a low cost of investment. The 200 microclimates make it ideal for a diverse range of agricultural and manufacturing activities. We have a strong economy based on private enterprise and competition. And investment will help develop the economy significantly, particularly infrastructure. Come visit Guatemala—it's beautiful, you'll fall in love with it."



Grupo Pantaleon

Building Synergy for the Future

by Leigha Proctor

Having achieved growth above the Latin American and Caribbean regional average for the past decade, Guatemala should see its GDP rise by an impressive 4 percent in 2024, according to the World Bank.

The country's growth, location, and dynamic export-oriented industries generate continued demand for logistics and industrial real estate, particularly in the Grade A segment, as JLL has noted.

Grupo Pantaleon subsidiary Spectrum is developing a project that could prove transformational for the country: Synergy Industrial Park, a development on a huge 500-hectare site at Escuintla, 45-minute drive from Guatemala City and the same distance from Puerto Quetzal, Guatemala's major Pacific Coast port.

"This is a project that's going to have a massive social impact, not just generate a return," says Grupo Pantaleon CEO Diego Herrera. "It's one of a kind: the most modern, sophisticated industrial park in Central America, which will compete head-to-head with the best industrial parks in northern Mexico."

Grupo Pantaleon is an eighth-generation company founded in 1849 by Manuel María Herrera, of whom Diego Herrera is a direct descendant. Established as an agricultural enterprise, Pantaleon is one of the world's top 10 sugarcane producers. While its core business is processing sugar cane to produce sugar, molasses, renewable energy, alcohols and biofuels, it has diversified to other industries such as real estate development. Spectrum was established



nearly three decades ago and has an outstanding track record, having delivered 1.3-square-meters of construction, including 12,000 housing units, with another 3,000 under construction; it has achieved 18 percent annual EBITDA growth since 2005.

Synergy will leverage a highly strategic location, with a workforce of 500,000 in a 25-kilometer radius, and access to Guatemala's main transport arteries. The project offers great flexibility to developers and investors. The site has 195-hectare of "build to suit" land and 57-hectare zoned for ZDEEP, a special economic zone with tax incentives, as well as a 12-hectare residential area and 81 hectares of land for general sale. At the time of writing, 170,000 square meters of land have been sold and 10,200 square meters of multitenant buildings have been rented. There is a 74,000-square-meter construction pipeline, 40,000 square meters of it multitenant and

34,000-square-meter build-to-sell. To enable tenants to focus on their core business of production or distribution, Synergy offers essential infrastructure and high-quality services at a low cost such as energy and water, along with planning, design, construction support, and competitively priced diesel for vehicles.

"We are leasing warehouses made-to-measure for international companies," says Herrera. "We can support new entrants from A to Z, providing everything from green energy to training for their employees."

Interest has come from potential clients around the world, particularly Central and North America, with more than a fifth of interested prospects from Europe and Asia. Synergy's potential as a logistics and industrial hub is clear; 61 percent of prospects are manufacturing businesses.

As befits a development from a business with Grupo Pantaleon's commitment to sustainability, Synergy is registered for LEED certification.

"Guatemala is very close to the U.S., and it has access to both oceans," says Herrera. "The country itself has a \$100-billion economy, and is very stable macroeconomically. Foreign investors are welcome - and Synergy will put Guatemala on the map for them."



These advantages place the bank strongly as a partner to foreign investors in Guatemala.

"Partners can be sure that in G&T Continental they find friends, and people who believe in transparency, strong corporate governance, and honesty," says Enrique Rodríguez Mahr, Grupo Financiero G&T Continental's CEO. "We are here to serve anyone that wants to invest and believe in Guatemala. We are a universal bank and serve enterprise and personal clients; we have the capability to be the bank of choice for anyone who comes to Guatemala. We are an established, trustworthy bank and partner who can help businesses understand the nuances of the market and guide them through the investment process here."

"We're not a price-based institution—there is more to things than that—but we are competitive" says Rodríguez Mahr. "We try and find a balance, being clear about what a client can expect from us, setting expectations and ensuring it is a win-win for everyone. Clients will get the best possible service."

G&T Continental prides itself on its innovation and use technology, which it is constantly seeking to improve in order to deliver better, more efficient services to customers and partners. Through technology the bank has been able to lower the cost of money transfers, which are particularly important in Guatemala, in which expatriate workers' remittance payments make a significant

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