



# **GFNORTE 1Q10 Results**

**Conference Call  
April 30, 2010.**

BANCO DE CHILE

# Yearly Recap GFNorte



Million Pesos

	1Q09		1Q10
Net Income	1,611	(2%)	1,580
Recurring Net Income	1,477	7%	1,580
ROE	16.8%		15.2%
ROA	1.1%		1.1%
Efficiency	52%		51%
Net Interest Margin	4.6%		4.2%
Performing Loan Growth	18%		1%
Past Due Loan Ratio	2.3%		2.5%
Book Value Per Share	19.26	8%	20.80

# Income Statement



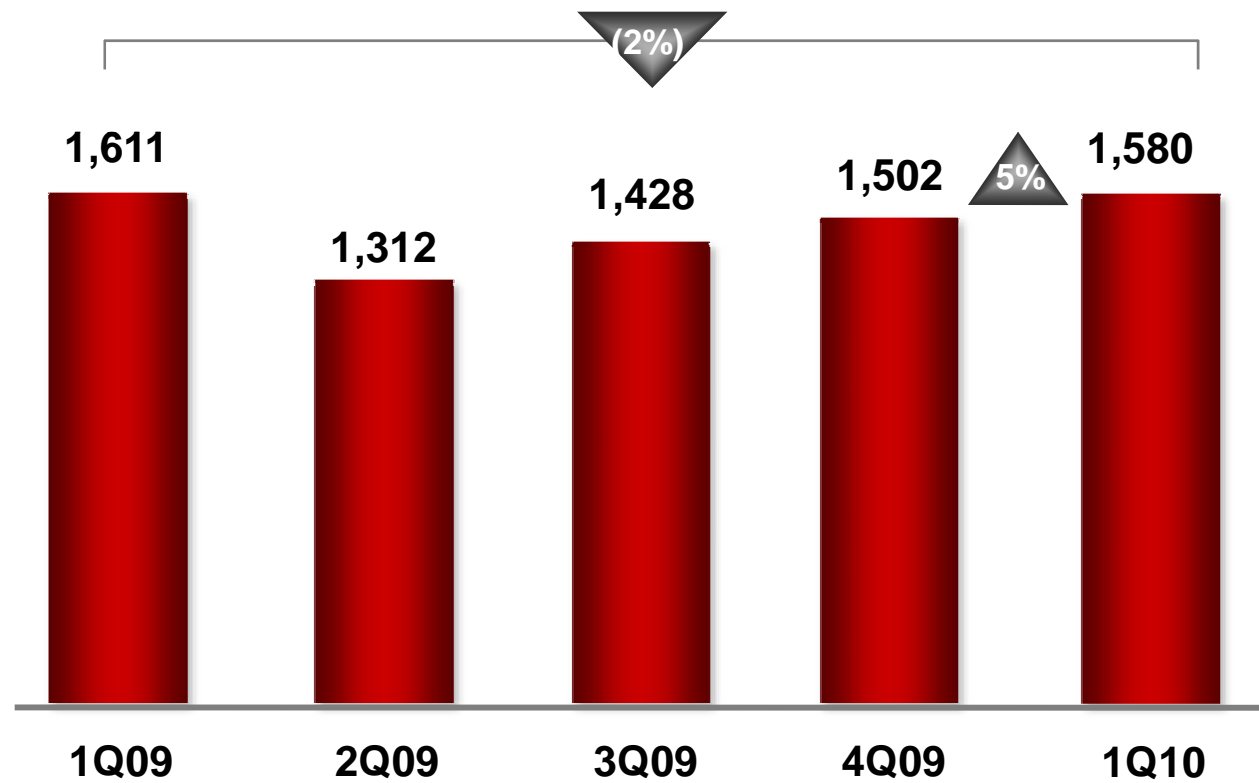
MILLION PESOS

	1Q09	4Q09	1Q10	Change	
				QoQ	YoY
Net Interest Income	6,199	5,554	5,562	0%	(10%)
Non Interest Income	2,065	2,719	2,681	(1%)	30%
<i>Service Fees</i>	1,447	1,761	1,614	(8%)	12%
<i>Recoveries</i>	372	537	481	(10%)	29%
<i>FX &amp; Trading</i>	246	421	585	39%	138%
Total Income	8,264	8,273	8,243	(0%)	(0%)
Non Interest Expense	4,324	4,604	4,190	(9%)	(3%)
Net Operating Income	3,941	3,669	4,053	10%	3%
Provisions	2,162	1,782	1,772	(1%)	(18%)
Non Operating Income	413	152	18	(88%)	(96%)
Income Tax	574	496	659	33%	15%
Subs & Minority Interest	(6)	(41)	(60)	46%	900%
Net Income	1,611	1,502	1,580	5%	(2%)

# Quarterly Net Income



MILLION PESOS



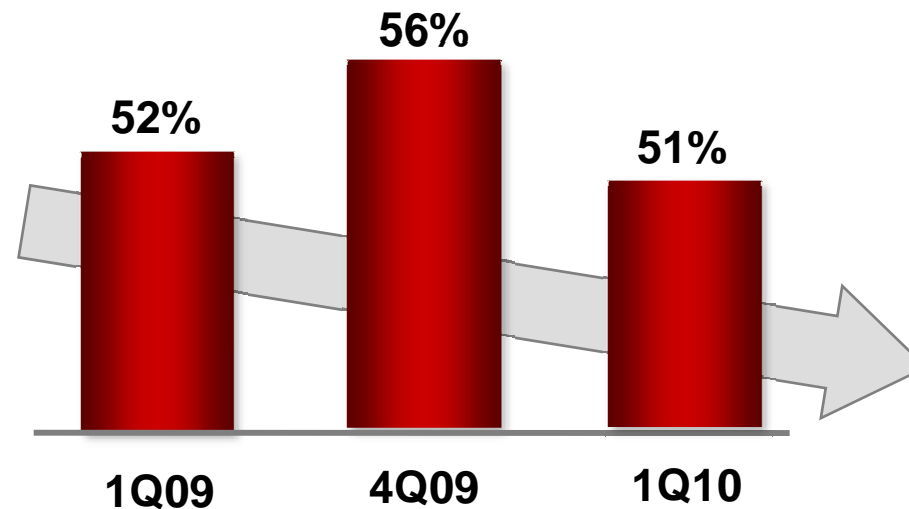
# Non Interest Expense



BILLION PESOS

	1Q09	4Q09	1Q10	Change QoQ	YoY
Total Income	8.2	8.2	8.2	-%	-%
Non Interest Expense	4.3	4.6	4.2	(9%)	(3%)

## EFFICIENCY RATIO



# Deposits



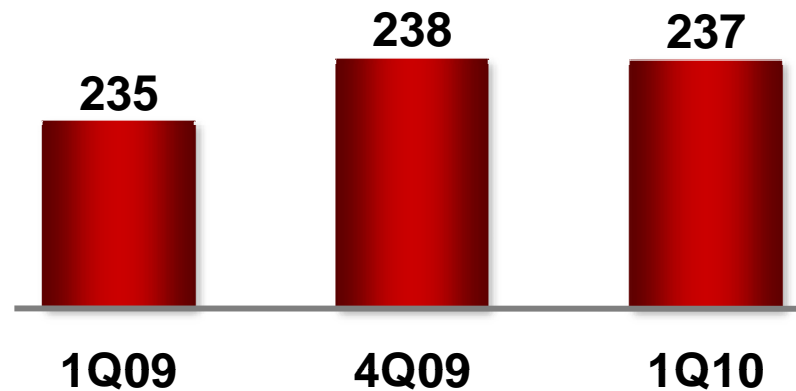
BILLION PESOS

	1Q09	4Q09	1Q10	Change QoQ YoY	
Demand	120	137	126	(8%)	5%
Time	82	85	86	2%	5%
Core Deposits	203	222	212	(5%)	5%
Money Market	53	53	59	13%	12%
Total	255	275	271	(1%)	6%

# Performing Loan Portfolio



BILLION PESOS

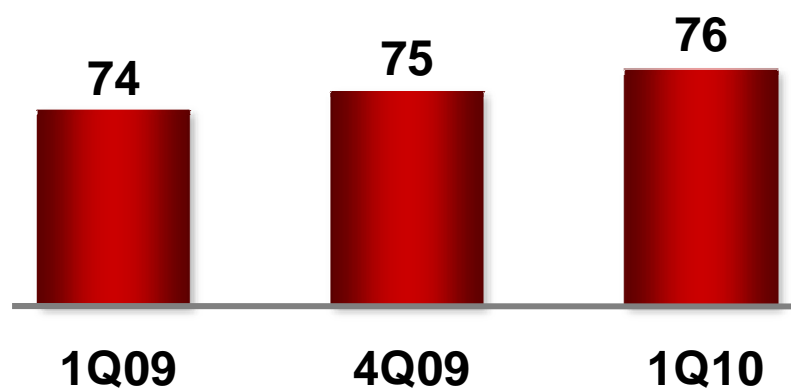


	1Q09	4Q09	1Q10	Change	
				QoQ	YoY
Consumer	74	75	76	2%	3%
Commercial	89	84	80	(5%)	(10%)
Corporate	44	40	39	(3%)	(10%)
Government	29	39	41	5%	43%
Total	235	238	237	(1%)	1%

# Performing Consumer Loan Portfolio



BILLION PESOS



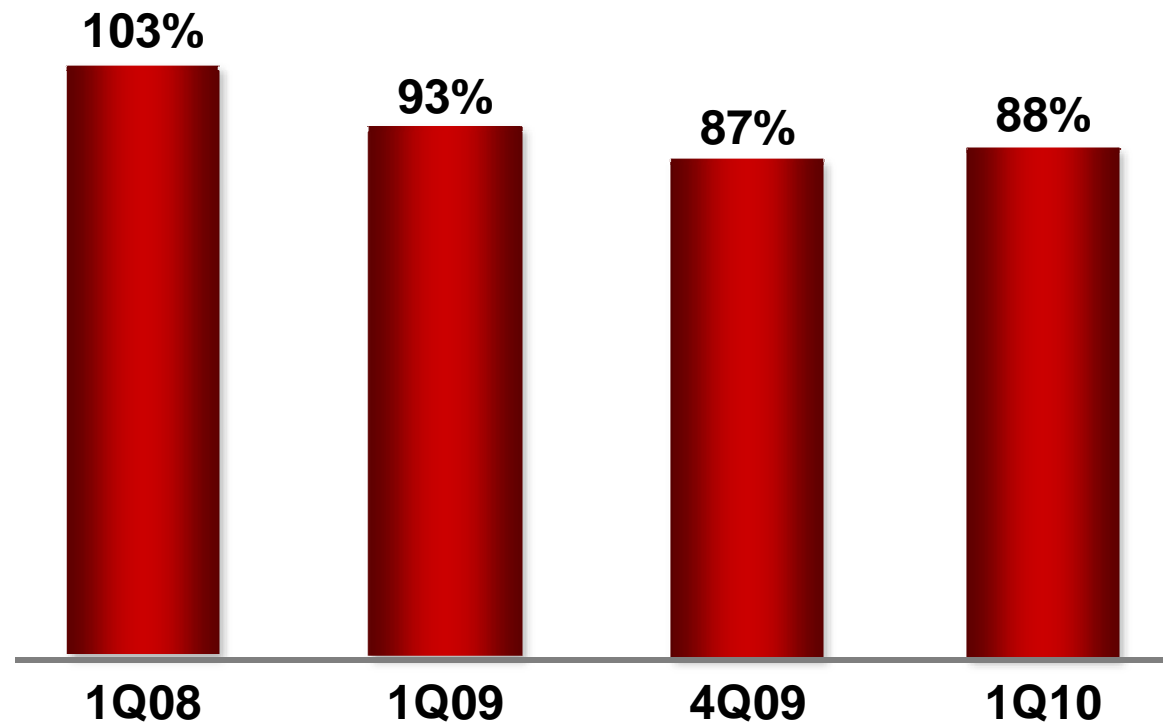
	1Q09	4Q09	1Q10	Change QoQ	YoY
Mortgage	46	49	50	2%	9%
Car	8	7	8	3%	1%
Credit Card	14	12	11	(5%)	(19%)
Payroll / Personal	6	6	7	7%	8%
<b>Consumer</b>	<b>74</b>	<b>75</b>	<b>76</b>	<b>2%</b>	<b>3%</b>



# Loans to Deposits Ratio



TOTAL LOANS / TOTAL DEPOSITS

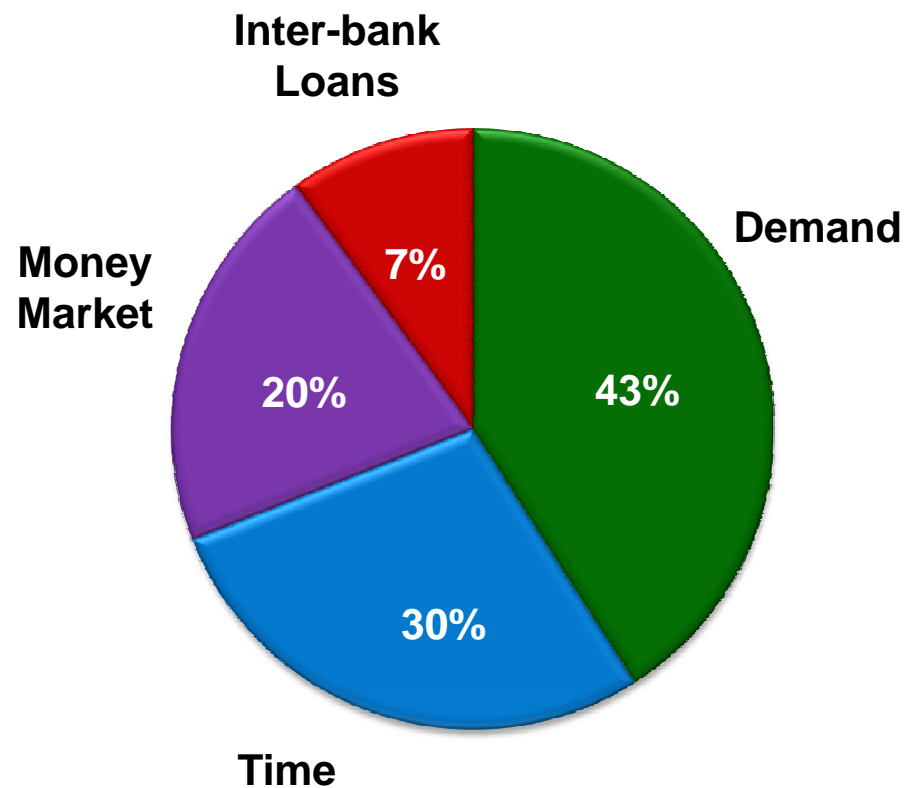


# Funding and Loan Portfolio Structure



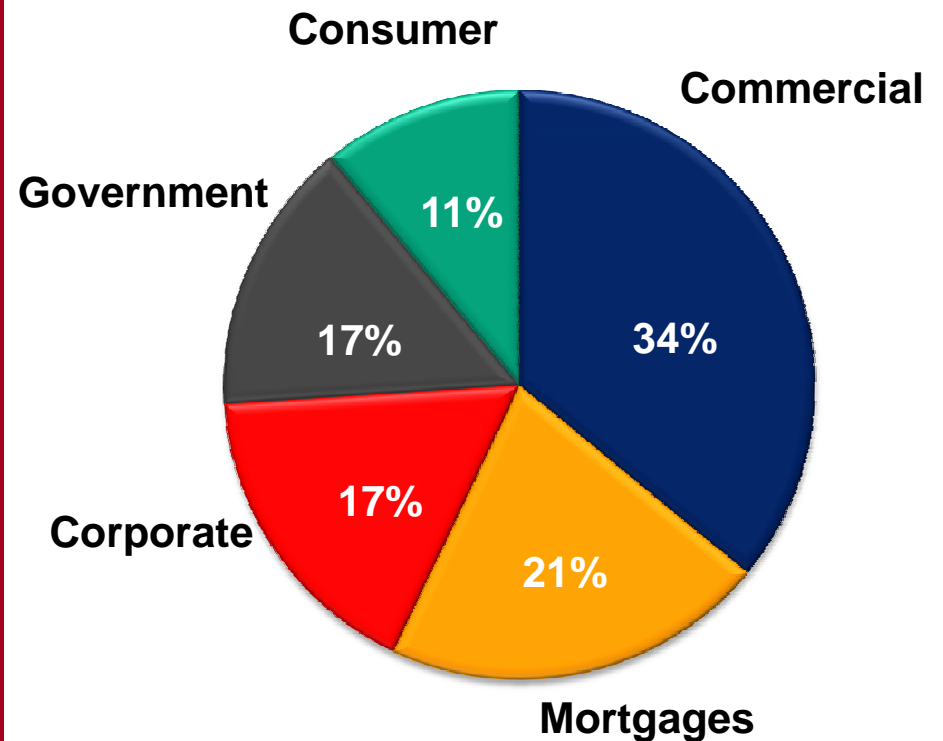
## FUNDING

\$292 Billion Pesos



## LOAN PORTFOLIO

\$243 Billion Pesos

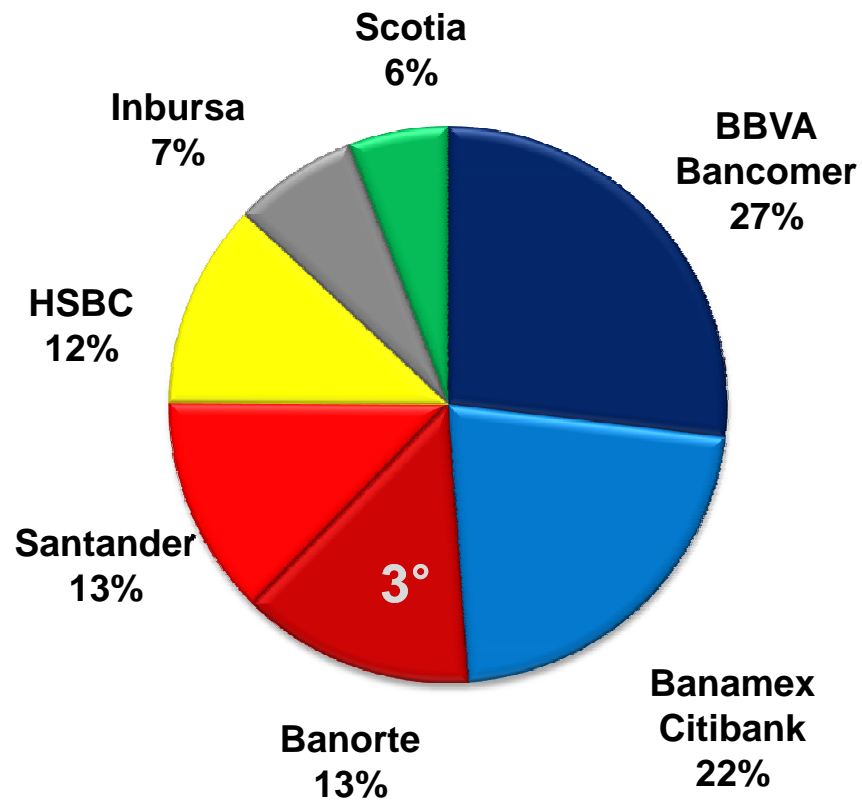


# Market Share

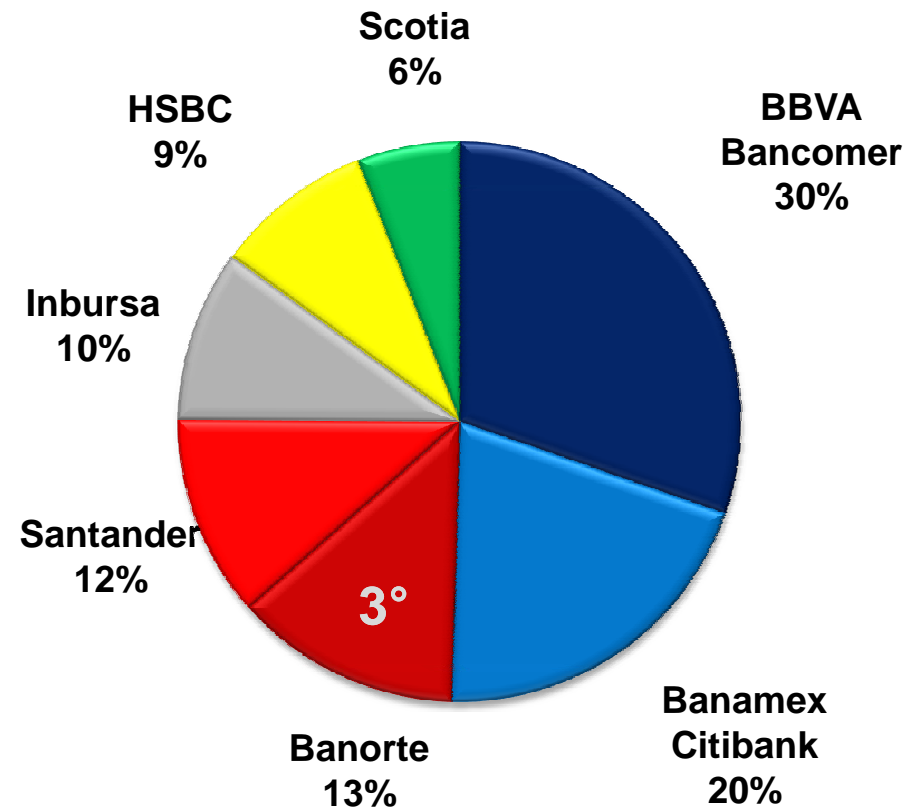


March 2010

## CORE DEPOSITS



## PERFORMING LOANS





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# **Asset Quality and Capitalization**

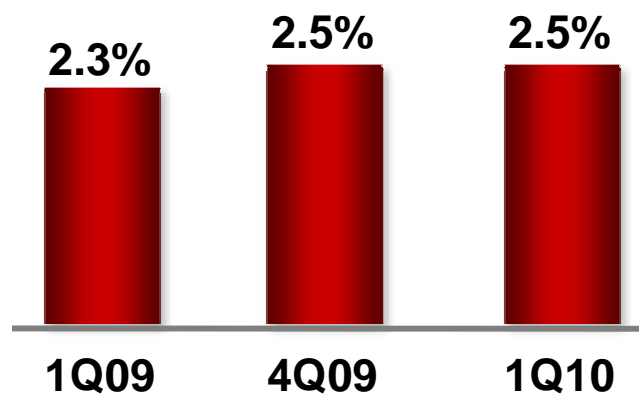
# Asset Quality



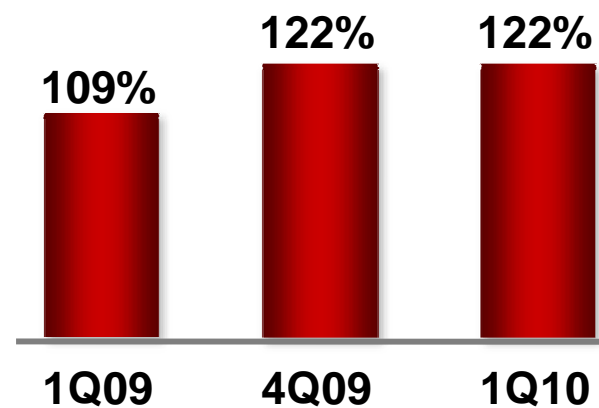
BILLION PESOS

	1Q09	4Q09	1Q10
Total Loan Portfolio	239	240	238
Past Due Loans	5.6	6.2	6.1
Loan Loss Reserves	6.1	7.5	7.5

## PAST DUE LOAN RATIO



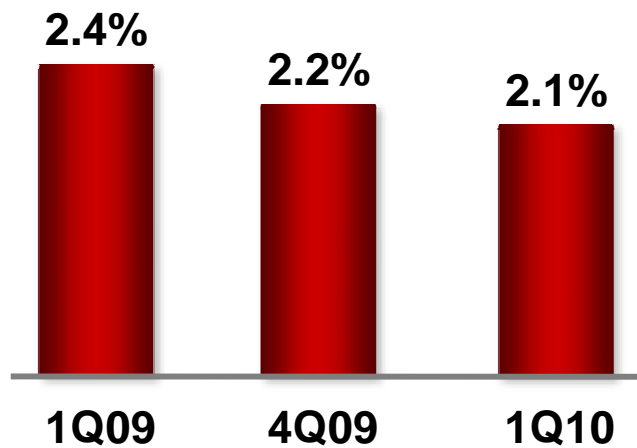
## RESERVE COVERAGE RATIO



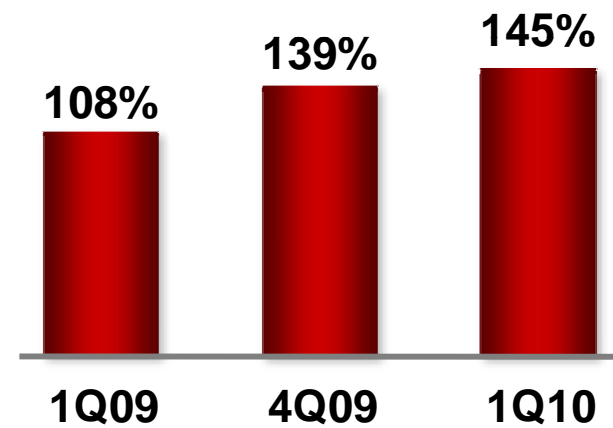
# Asset Quality without INB



**PAST DUE LOAN  
RATIO**



**RESERVE  
COVERAGE RATIO**



# Past Due Loan Ratios

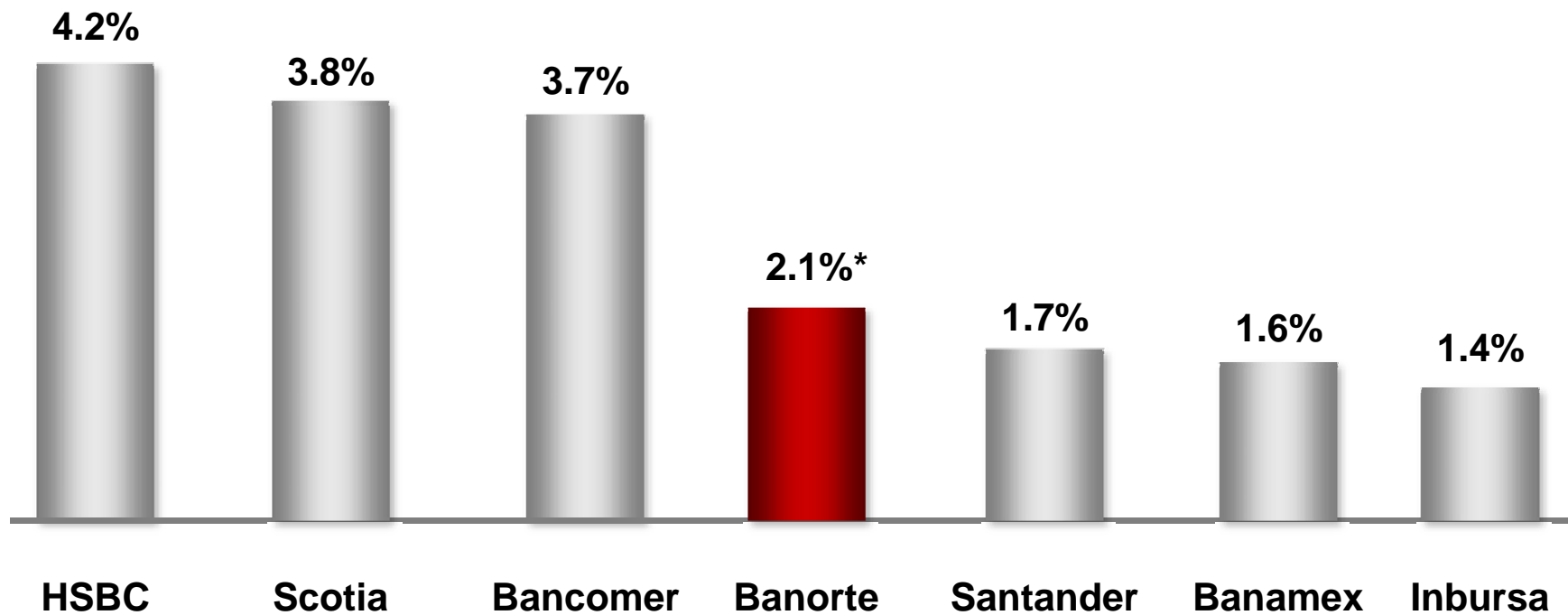


	1Q09	2Q09	3Q09	4Q09	1Q10	
Credit Cards	13.6%	14.4%	12.7%	12.0%	10.5%	↓
Payroll	2.9%	3.0%	2.8%	2.8%	2.1%	↓
Car	2.5%	3.0%	2.7%	2.0%	1.4%	↓
Mortgage	1.7%	1.9%	2.0%	2.1%	1.7%	↓
Commercial	2.6%	3.4%	3.6%	4.0%	5.0%	↑
Corporate	0%	0.1%	0.1%	0.1%	0.1%	▬
Government	0%	0%	0%	0%	0%	▬
	2.3%	2.6%	2.5%	2.5%	2.5%	

# Industry PDL Ratios



March 2010



Source: CNBV. Banorte does not include INB.



# Capitalization

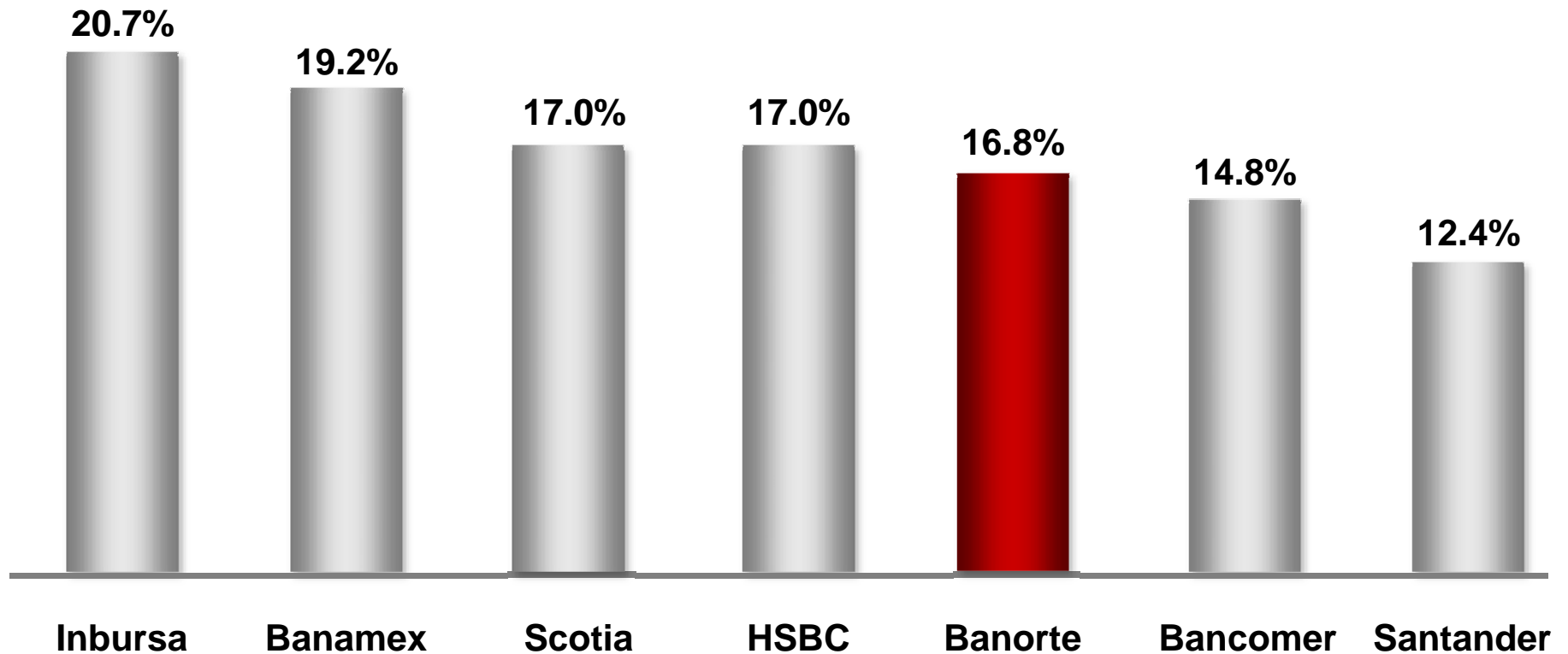


	1Q09	2Q09	3Q09	4Q09	1Q10
Tier 1	9.7%	10.7%	10.9%	12.0%	12.1%
Tier 2	4.9%	4.9%	5.2%	4.8%	4.7%
TOTAL	14.6%	15.6%	16.1%	16.8%	16.8%
% Tier 1	66%	69%	68%	71%	72%

# Industry Capitalization Ratios



February 2010



Source: CNBV. Banorte's ratio corresponds to March 2010.



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# Subsidiaries

# Recovery Bank



MILLION PESOS

	1Q09	1Q10
Net Income	146	180

23%

AUM  
BILLION PESOS

	1Q09	4Q09	1Q10	Change YoY
Proprietary Assets	26	32	34	28%
Acquired Assets	33	29	29	(10%)
Investment Projects	3	4	4	38%
IPAB	2	0.4	0.4	(73%)
Total	64	66	68	6%

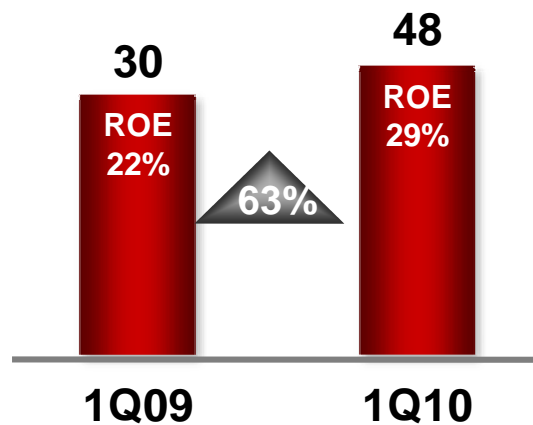
# Long Term Savings



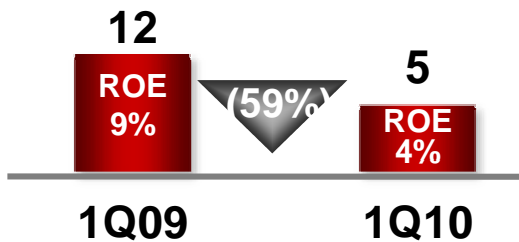
NET INCOME IN MILLION PESOS

	1Q09		1Q10
Total	119	3%	123

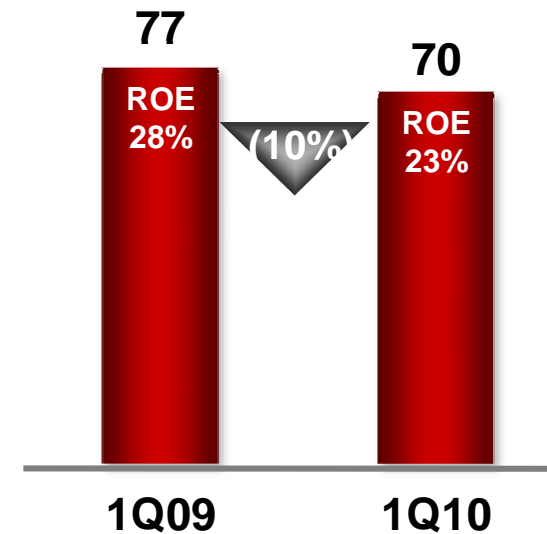
## AFORE



## ANNUITIES



## INSURANCE



# Long Term Savings



## ASSETS UNDER MANAGEMENT Billion pesos

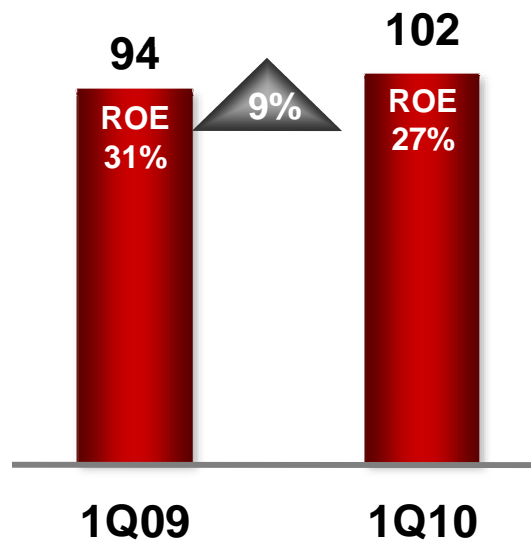
	1Q09	4Q09	1Q10	Change YoY
AFORE	56.3	72.3	75.6	34%
Insurance	11.4	12.3	12.3	8%
Annuities	15.5	18.2	19.8	28%
Total	83.2	102.8	107.7	29%

# Subsidiaries

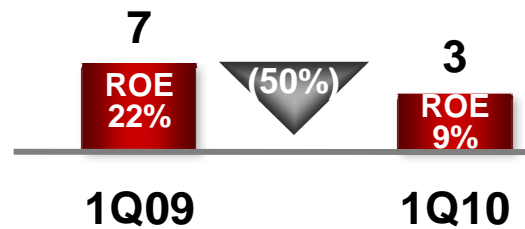


NET INCOME IN MILLION PESOS

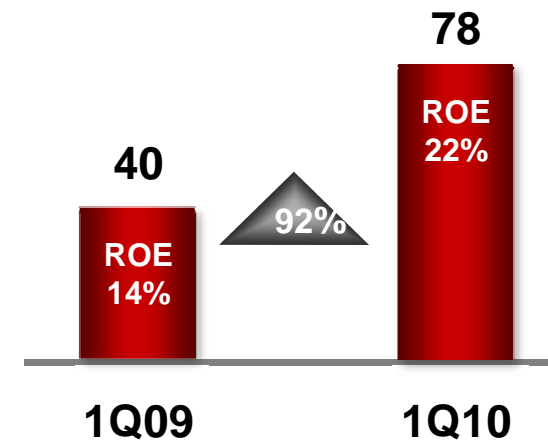
## LEASING AND FACTORING



## WAREHOUSING



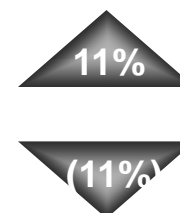
## BROKER DEALER





MILLION DOLLARS

	1Q09	1Q10
Earnings before loan loss provisions	10.3	7.0
Loan Loss Reserves	0.9	10.5
Net Income	6.1	(2.1)
MIN	3.9%	3.5%
ROE	16.0%	(2.1%)
ROA	1.4%	(0.4%)
Efficiency	44.8%	61.9%
Total Deposits	1,566	1,731
Performing Loans	1,136	1,009
PDL Ratio	2.3%	11.4%
Coverage Ratio	54.0%	21.4%







Million dollars

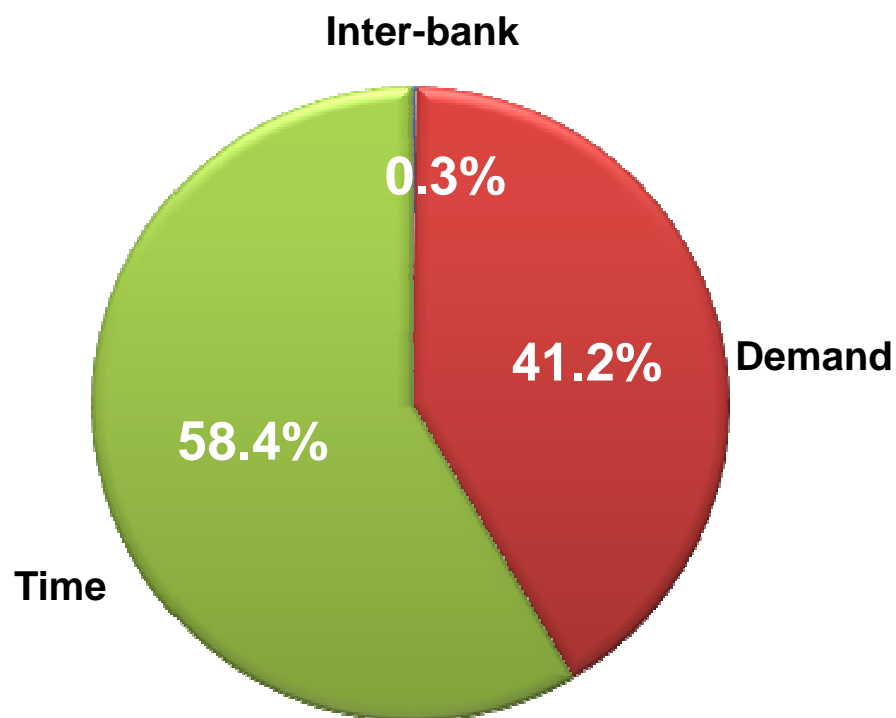
	1Q09	1Q10	Change
Net Interest Income	15.5	14.8	(4%)
Non Interest Income	3.1	3.7	18%
Total Income	18.6	18.5	(1%)
Non Interest Expense	8.4	11.5	37%
Earnings before provisions	10.3	7.0	(32%)
Loan Loss Provisions	0.9	10.5	1026%
Net Income	6.1	(2.1)	(135%)
Performing Loans	1,136	1,009	(11%)
Past Due Loans	27	130	379%
Total Deposits	1,566	1,731	11%

# Funding and Loan Structure



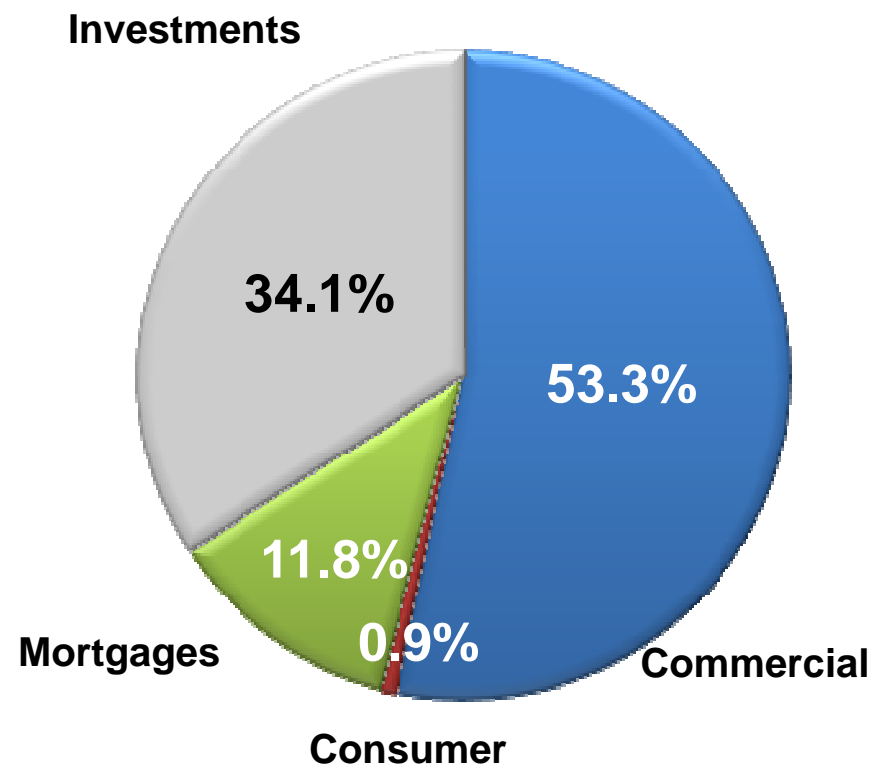
## DEPOSITS

\$1.74 billion dollars



## ASSETS

\$1.73 billion dollars





	1Q09	4Q09	1Q10
<b>Leverage</b>	<b>8.2%</b>	<b>9.3%</b>	<b>9.0%</b>
<b>Capitalization</b>			
<b>Tier 1</b>	<b>12.1%</b>	<b>15.9%</b>	<b>16.1%</b>
<b>Tier 2</b>	<b>1.2%</b>	<b>1.3%</b>	<b>1.3%</b>
<b>Total</b>	<b>13.3%</b>	<b>17.1%</b>	<b>17.4%</b>
<b>Percentage Tier 1</b>	<b>90.7%</b>	<b>92.6%</b>	<b>92.7%</b>

