

GFNORTE

1Q13 Results

Conference Call
April 24th, 2013.

Material Events

- **Purchase of IFC's Investment in Banorte**

During March, Grupo Financiero Banorte signed an agreement with the IFC in order to finalize the capital investment made in Banco Mercantil del Norte in November 2009. The 5 year investment contemplated a cash payment to cover the investment plus capital gains, or convert the shares of Banco Mercantil del Norte into shares of Grupo Financiero Banorte. Given that exchange period ends in November 2014, GFNorte made an initial cash payment of Ps 2.135 billion, which was funded through dividends paid by its subsidiaries. Therefore, Grupo Financiero's stake in Banco Mercantil del Norte increases to 97.2%.

- **Alliance between Banorte and IBM**

GFNorte and IBM announced on March 11th the formalization of a 10-year strategic agreement that will allow Banorte to create a new customer-centric banking model, while substantially improving its efficiency to achieve levels close to 40% and return on equity above 20%. Banorte-Ixe's goal is to deeply understand their clients' needs and offer a superior customer service to its more than 20 million users through business analytics solutions. Most importantly, to develop and offer personalized products and services better suited for each customer's unique condition.

Material Events

- **Capital Strengthening Initiatives**

On February 22nd measures to strengthen Banorte's capitalization ratios were adopted to neutralize the short-term impact on Banorte's Capitalization ratio which decreased to approximately 13.3% forecasted at closing of January 2013 due to the acquisition of Afore Bancomer.

In order to offset this decline in the capitalization ratios, the Shareholders' Meeting of Banorte resolved on February 14th to authorize a capital increase of Ps. \$10.2 billion of this subsidiary of GFNorte. This capital increase was subscribed by GFNorte with the resources obtained from a loan granted by a syndicate consisting of Morgan Stanley Senior Funding, Merrill Lynch, Pierce, Fenner & Smith, J.P. Morgan Securities and The Bank of Tokyo-Mitsubishi UFJ.

Additionally, in February Afore XXI Banorte decreed a Ps. 950 million dividend payment and a capital decrease of Ps. 2.0 billion. As a result of the capital regeneration initiatives formerly described, Banorte's preliminary Capitalization ratio at closing of January 2013 was approximately 16.3%, and currently is 15.7%.

Material Events

- **Changes in Ratings of GFNorte and its subsidiaries**

On January 22nd, 2013 Fitch Ratings ratified GFNorte's, and its main subsidiary, Banorte's viability ratings (VR) of 'bbb' and long & short-term Issuer Default Ratings (IDRs) of 'BBB' and 'F2', respectively. The Ixe Banco's VR improved to 'bb+' from 'bb'. The national scale ratings of both banks, as well as the ratings of certain non-banking subsidiaries of 'AA+(mex)' and 'F1+(mex)' were ratified derived from the support granted by GFNorte . The outlook of all long-term ratings of these entities remains Stable.

On March 13th, Moody's de México ratified credit ratings of Banorte and maintained a negative outlook. The C- standalone bank financial strength rating and the A3 long-term global local currency deposit rating were ratified. Moody's also affirmed the Baa3 long-term subordinated debt and Ba1 junior subordinated debt ratings. The outlook on all of these ratings remains negative. At the same time, Moody's affirmed the A3 global local currency issuer ratings of Arrendadora y Factor Banorte, as well as the A3 issuer rating of Casa de Bolsa Banorte Ixe. The outlook on these ratings is negative.

Material Events

- **GFNorte's Exposure to Home Developers**

Banorte has been a very active bank in the home development sector, maintaining business relations of up to 15 years with companies of this sector through loans and joint equity investments, among others. The bank is aware that the sector has been facing a challenging financial situation, leading to a proactive management of the risk related to these; exposures, by increasing provisions and guarantees to cover most of the expected losses.

Given the strategic importance of the sector to the economy and to employment creation, Banorte considers that it has viability in the medium and long-term, and will keep being one of the main banks present in the homebuilding sector; nonetheless, Banorte recognizes that the risk profile of its borrowers has deteriorated in the short-term. As of March 2013, Banorte's exposure to the main homebuilders was 2.5% of the total loan portfolio, all of the loans are performing and the lowest internal rating on these loans is B2 (loan that represents 0.8% of total loan portfolio). Considering the leasing & factoring (SOFOM) and financial instruments exposures to these companies, GFNorte's total exposure amounts to 3% of the total portfolio, even though it is important to highlight that 0.4% of the total loan exposure is related to projects different from homebuilding, such as construction of jails.

Material Events

- **Recognitions**

In March 2013, Fund Pro granted Ixe Fondos the “Platinum Performance Award 2012”, for being the best fund manager in 2012 in the “Flexible Funds” category; moreover, the Institution was awarded in the “Short-term Debt”, “North American Shares”. “Non-Taxable Mid-term Debt” and “International Flexible Aggressive“.

In March, Fondo Personal MiFon won the “ConnectBanking” of the beyondBanking awards by the Inter-American Development Bank for using information and communication technologies for financial inclusion purposes. The main objective of this product, is to be offered in market segments that still do not have access to traditional financial services, expanding infrastructure and services to every corner of Mexico.

In April, Euromoney, announced the results of its study Best Managed Companies in Latin America 2013, in which Banorte ranked 6th among 261 nominated companies, and third considering only companies of the banking and finance sector. Banorte was the second Best Managed Company in Mexico among 59 companies, and the only of the finance sector ranking in the first six positions. Banorte was also recognized as the Best Local Bank in Mexico in the Private Banking & Wealth Management Annual Survey and 5th in the Annual Real Estate Survey.

Yearly Recap GFNorte

Million Pesos

	1Q12		1Q13
Net Income	2,463	▲ 27%	3,140
ROE	13.7%		15.1%
ROA	1.2%		1.3%
Efficiency	55.6%		53.8%
Net Interest Margin	4.2%		4.0%
Performing Loan Growth	33%		12%
Past Due Loan Ratio	1.8%		2.1%
Stock price (pesos)	56.98	▲ 73%	98.68
Book Value per Share	31.40	▲ 16%	36.28
P/BV	1.81		2.72

Income Statement

Million pesos

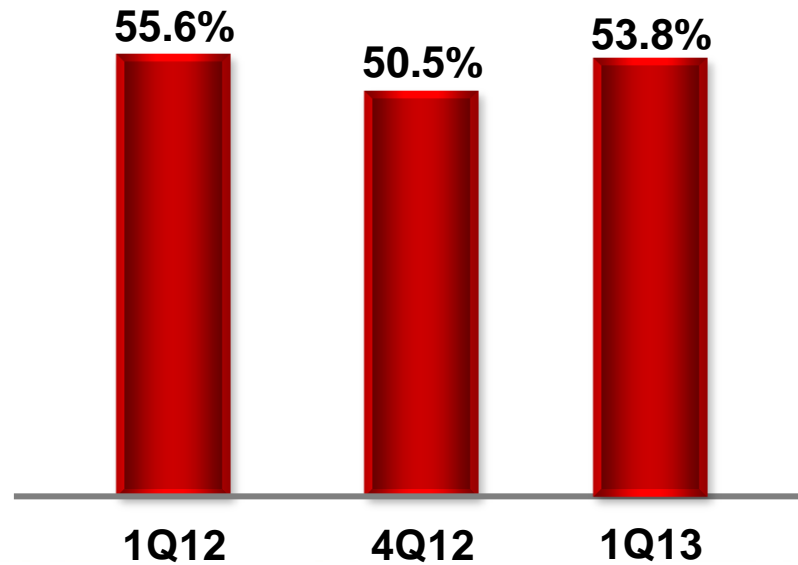
	1Q12	4Q12	1Q13	Change	
				QoQ	YoY
Net Interest Income	7,923	8,588	8,589	0%	8%
Non Interest Income	3,871	3,858	5,214	35%	35%
<i>Service Fees</i>	1,550	1,876	1,730	(8%)	12%
<i>Recoveries</i>	359	290	238	(18%)	(34%)
<i>FX & Trading</i>	1,182	1,050	2,132	103%	80%
<i>Other Income (expenses)</i>	780	642	1,114	73%	43%
Total Income	11,794	12,445	13,804	11%	17%
Non Interest Expense	(6,558)	(6,288)	(7,431)	18%	13%
Net Operating Income	5,236	6,158	6,373	3%	22%
Provisions	(1,467)	(1,996)	(2,073)	4%	41%
Income Tax	(1,140)	(1,030)	(1,230)	19%	8%
Subs & Minority Interest	(166)	(121)	70	(157%)	(142%)
Net Income	2,463	3,010	3,140	4%	27%

Non Interest Expense

Billion Pesos

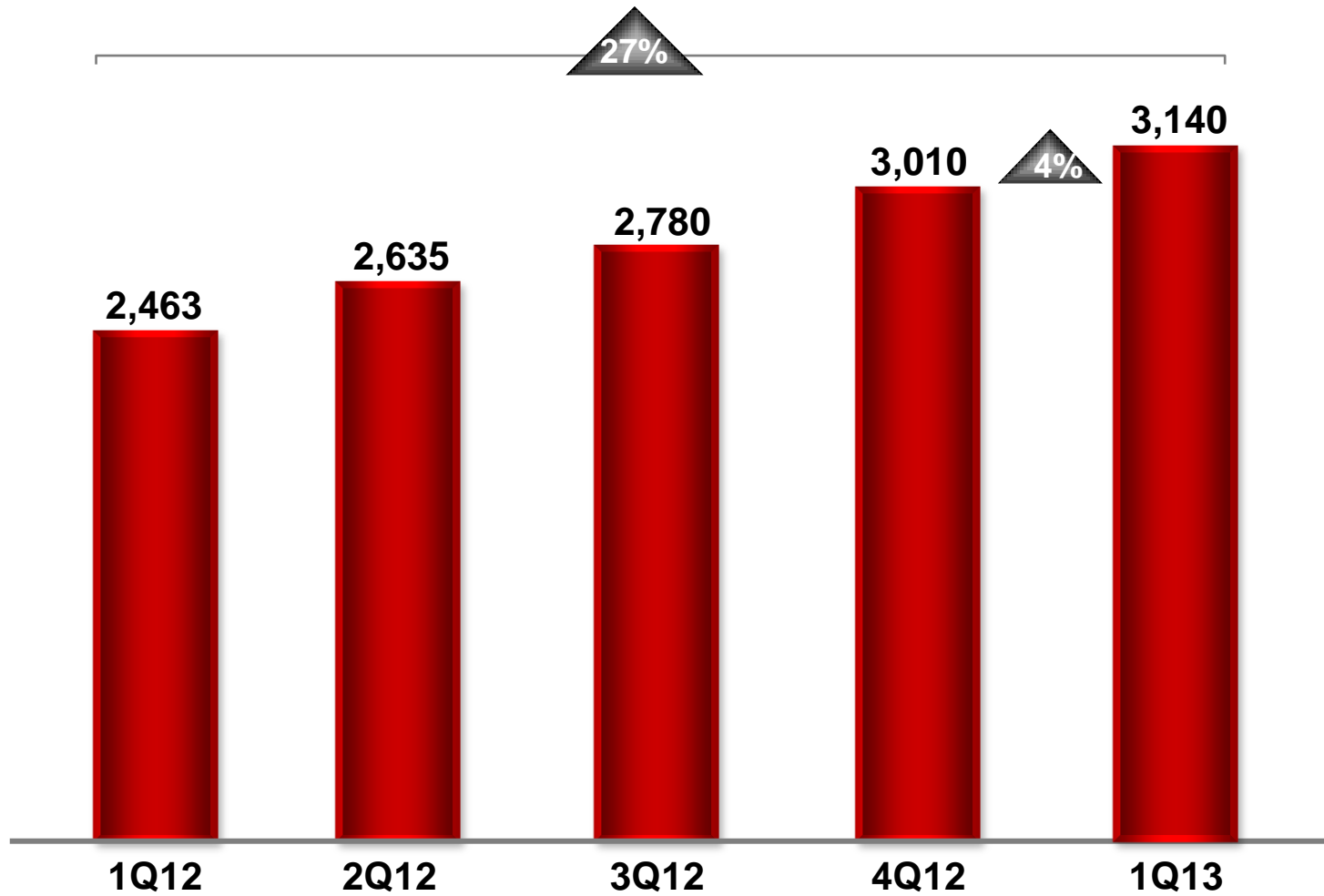
	1Q12		1Q13
Total Expense	6.6	▲ 13%	7.4

Efficiency Ratio



Quarterly Net Income

Million Pesos



Adjusted Earnings, ROTE, Return on Risk Weighted Assets

Net Income without Extraordinaries (million pesos)

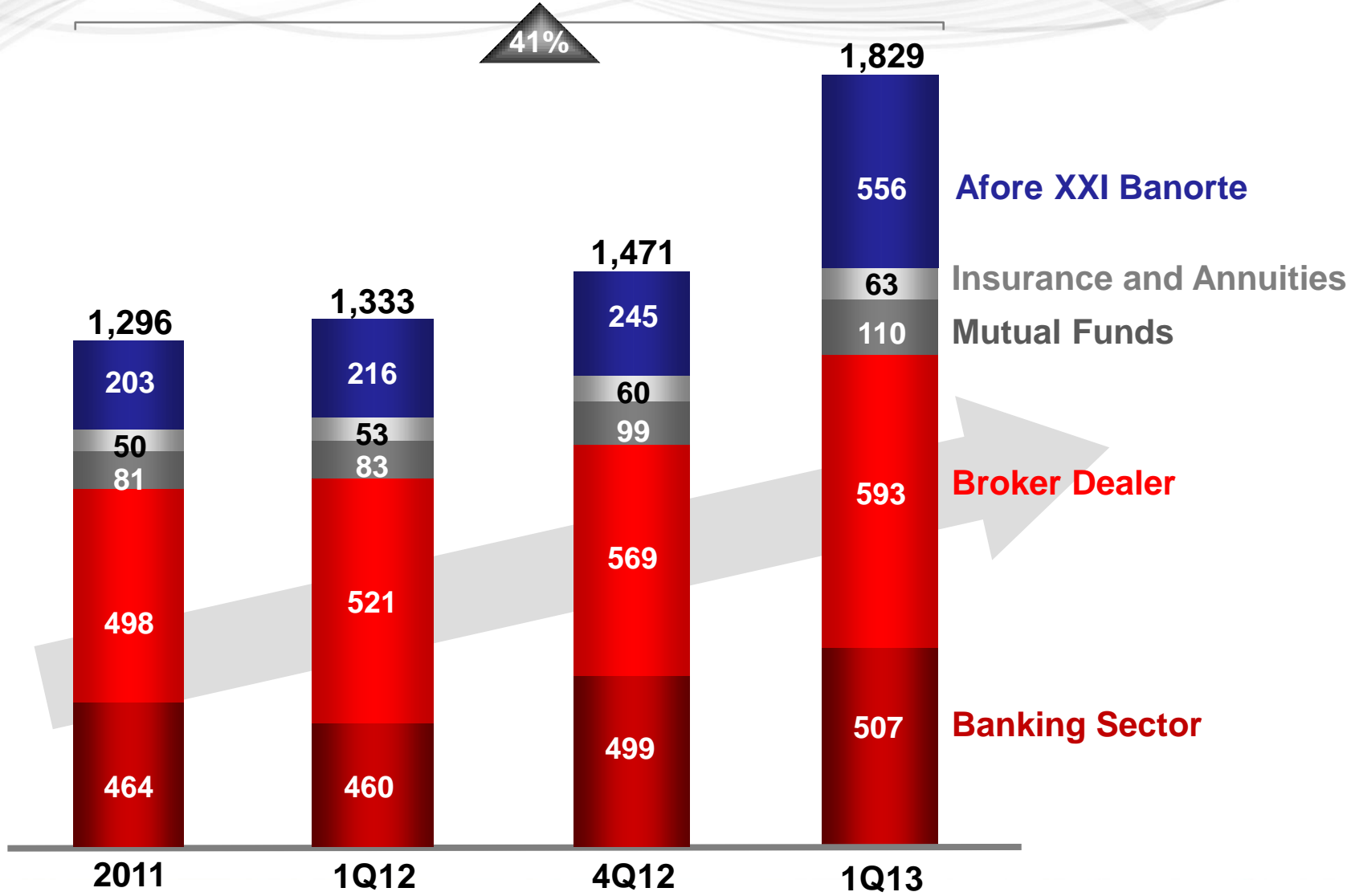
	1Q13	Change vs.	
		4Q12	1Q12
Reported Net Income	\$3,140	4%	27%
+ Personnel Severance Expenses	\$161		
Recurring Net Income	\$3,301	10%	34%

Return on Tangible Common Equity (ROTE) & Return on Risk Weighted Assets (RRWA)

	1Q12	4Q12	1Q13
Reported ROE	13.7%	15.0%	15.1%
Goodwill & Intangibles	\$20,448	\$20,724	\$20,380
Average Tangible Equity	\$51,458	\$57,031	\$59,886
ROTE	17.8%	19.1%	19.3%
Reported ROA	1.2%	1.3%	1.3%
Average Risk Weighted Assets	\$371,013	\$384,360	\$392,775
RRWA	2.5%	2.8%	2.9%

Assets under Management

Billion Pesos



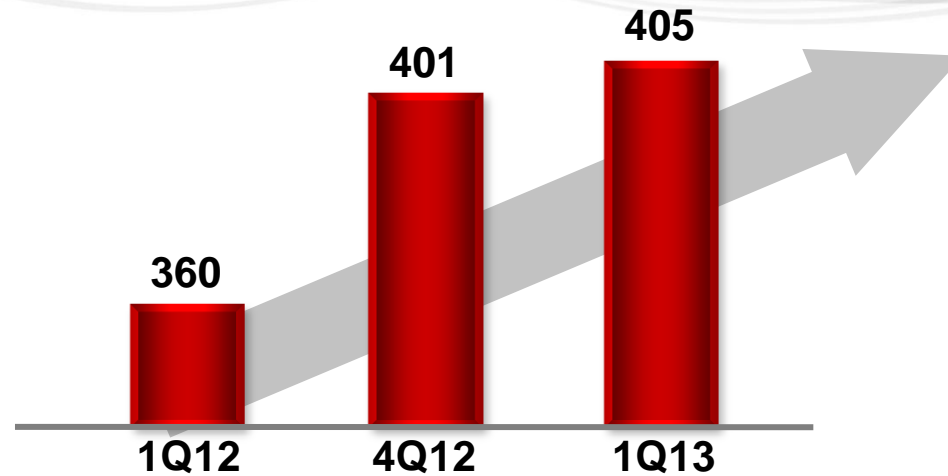
Deposits

Billion Pesos

Deposits	1Q11		1Q12		1Q13
Demand	145	▲ 28%	186	▲ 10%	205
Time	90	▲ 30%	116	▲ 8%	126
Core Deposits	234	▲ 29%	302	▲ 10%	331
Mix					
Demand	62%		61%		62%
Time	38%		39%		38%
	100%		100%		100%

Performing Loan Portfolio

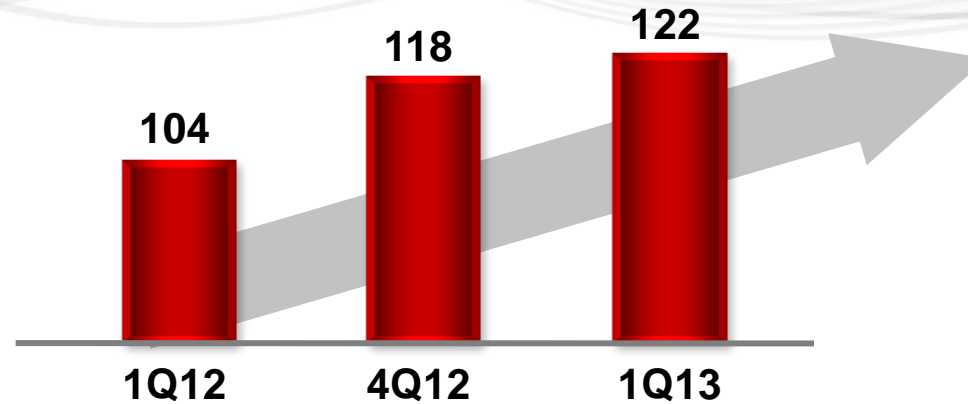
Billion Pesos



	1Q12	4Q12	1Q13	Change QoQ	YoY
Consumer	104	118	122	3%	17%
Commercial	123	131	130	(1%)	6%
Corporate	58	64	62	(2%)	8%
Government	75	88	90	1%	19%
Total	360	401	405	1%	12%

Performing Consumer Loan Portfolio

Billion Pesos



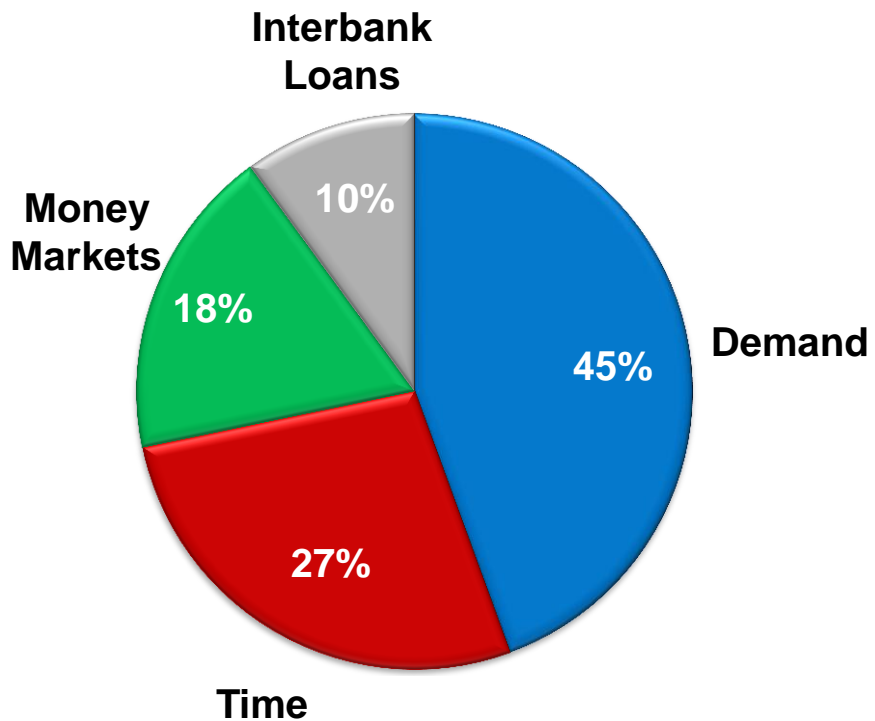
	1Q12	4Q12	1Q13	Change	
				QoQ	YoY
Mortgage	66	72	74	2%	13%
Car	10	10	11	2%	9%
Credit Cards*	15	18	18	1%	21%
Payroll	14	18	20	10%	40%
Consumer	104	118	122	3%	17%

* Includes the credit card SOFOM Ixe Tarjeta's portfolio since 1Q12

Funding and Loan Portfolio Structure

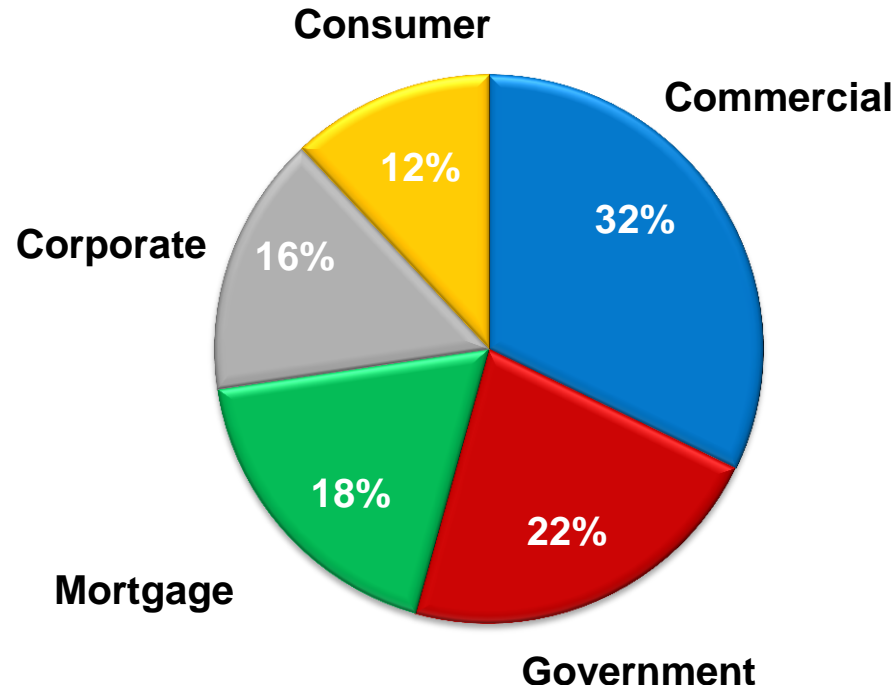
FUNDING

\$461 Billion Pesos



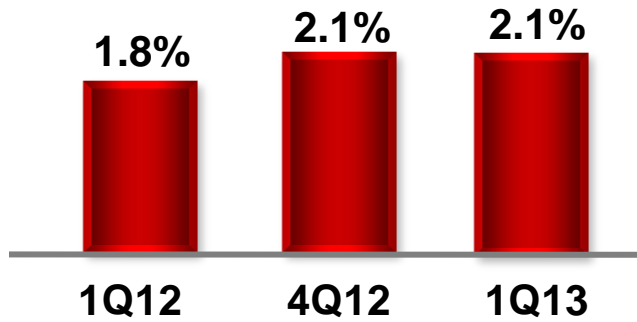
LOAN PORTFOLIO

\$413 Billion Pesos

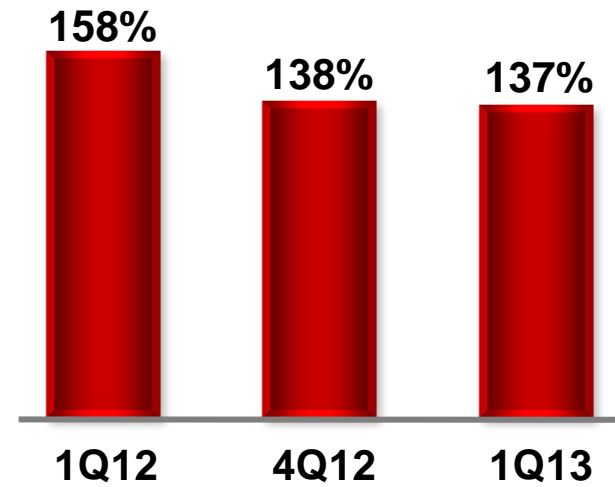


Asset Quality

PAST DUE LOAN RATIO



COVERAGE RATIO

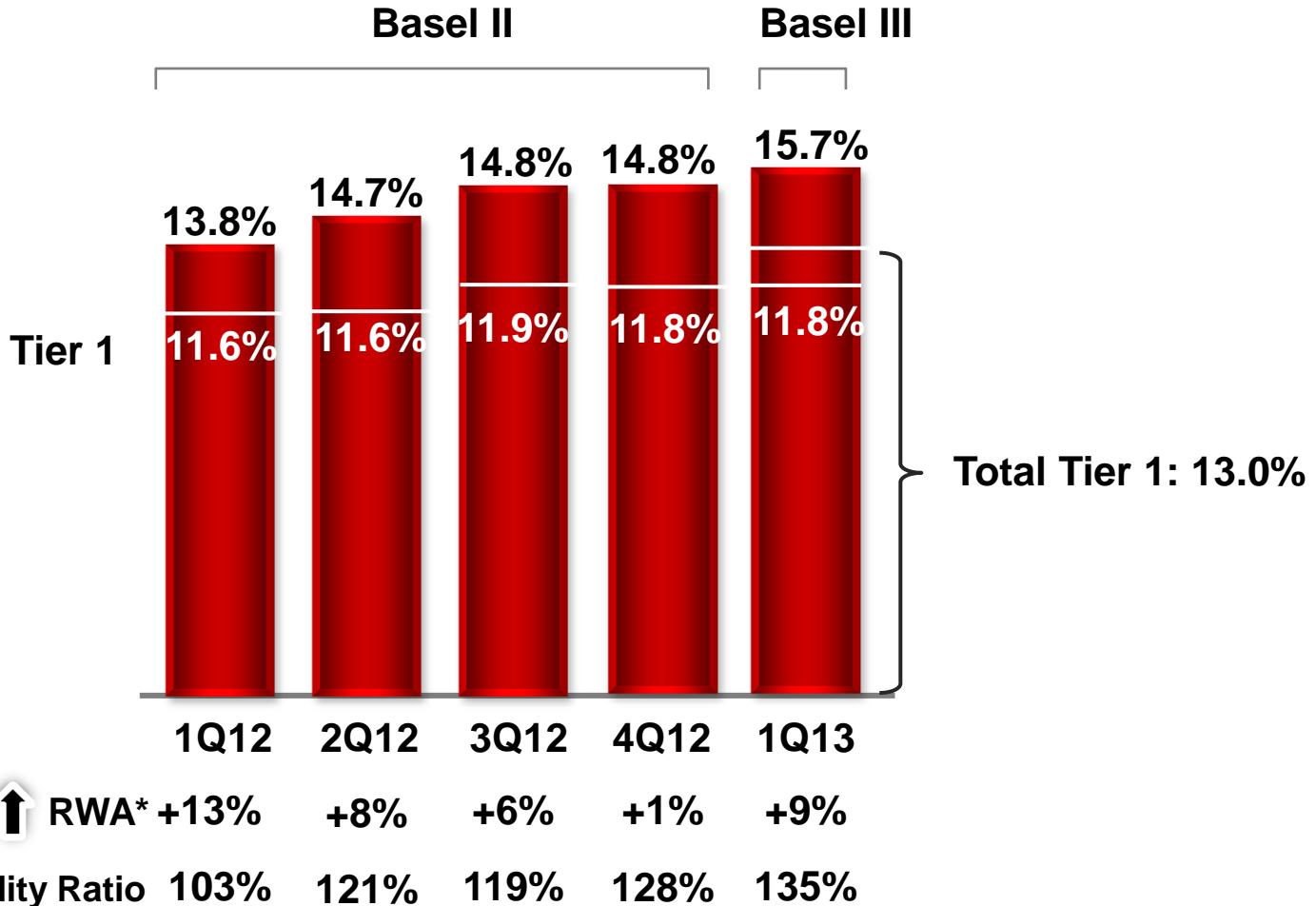


Past Due Loan Ratios

	1Q12	2Q12	3Q12	4Q12	1Q13	
Credit Cards	6.3%	6.8%	5.3%	5.0%	5.7%	↑
Payroll	1.6%	1.8%	1.9%	2.2%	2.2%	
Car Loans	1.4%	1.5%	1.4%	1.3%	1.1%	↓
Mortgage	1.3%	1.1%	1.2%	1.1%	1.1%	
Commercial	2.5%	2.7%	3.0%	3.5%	3.6%	↑
Corporate	2.2%	2.1%	2.0%	2.2%	2.0%	↓
Government	0.0%	0.0%	0.1%	0.1%	0.0%	↓
GFNorte's NPL Ratio	1.8%	1.8%	1.9%	2.1%	2.1%	

Capitalization and liquidity

Banorte (%)



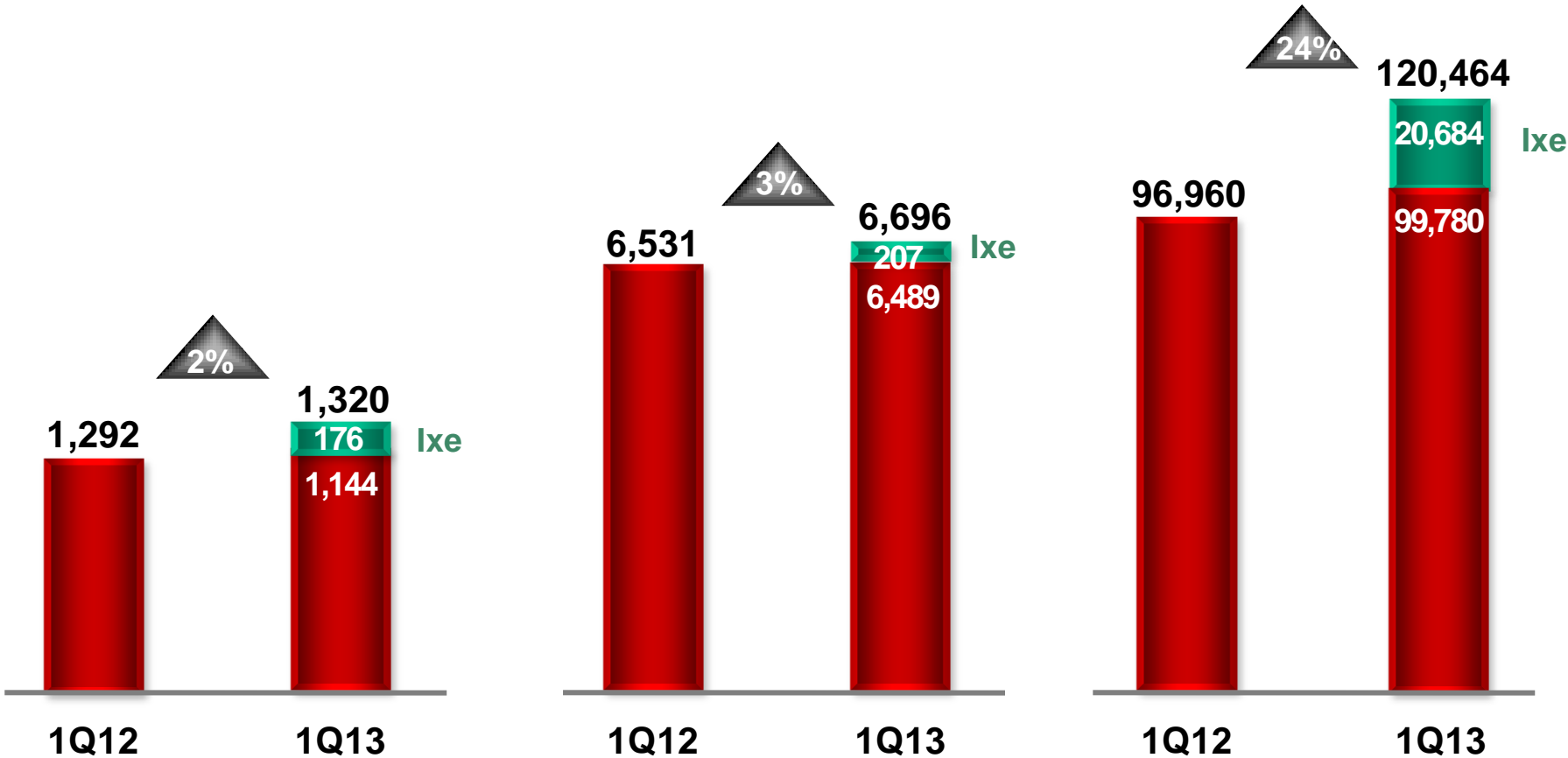
*RWA= Risk Weighted Assets

Distribution Network

Branches

ATM's

POS's



Subsidiaries

1Q13
Million Pesos

Company	Net Income	Change vs YoY	ROE
Banking Sector	2,386	15%	15.7%
Banco Mercantil del Norte	2,042	7%	
Ixe Banco	81	(65%)	
Banorte –Ixe Tarjetas	263	N.A	
Broker Dealer	245	120%	33.9%
Long Term Savings			
Retirement Savings	335	191%	19.4%
Insurance	144	18%	36.2%
Annuities	25	51%	16.3%
Other Finance Companies			
Leasing and Factoring	131	4%	17.2%
Warehousing	13	69%	19.6%
Other *	(139)		

* Includes Ixe Automotriz, Fincasa Hipotecaria, Ixe Soluciones, Ixe Servicios and the Holding Company

Net Income in Million Pesos*

	1Q12		1Q13
Total	132	▲163%	348

AUM BILLION PESOS*

	1Q12	1Q13	Change YoY
Proprietary Assets	40.6	38.5	(5%)
Aquired Assets	27.3	27.5	1%
Investment Projects	7.1	7.0	(1%)
Managed Assets "Su Casita"	6.7	7.3	10%
Ixe Assests	5.7	7.2	26%
Total	87.5	87.6	-

*Since May 2011, the business related to investment projects is managed by Wholesale Banking.

Million Dollars

	1Q12		1Q13
Pre-Tax Net Income	6.0		5.0
Provisions	0.2		(0.1)
Net Income	3.9		3.5
NIM	3.2%		2.6%
ROE	3.7%		3.3%
ROA	0.7%		0.7%
Efficiency	66.8%		72.3%
Total Deposits	1,738	(2%)	1,699
Performing Loans	733	(5%)	696
PDL Ratio USGAAP	2.3%		0.8%
Coverage Ratio USGAAP	110.5%		258.3%
Classified Assets to Capital	38.9%		21.2%



 **BANORTE**
EL BANCO FUERTE DE MEXICO