According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNorte Reports Net Income of Ps 4.35 billion in 9M09

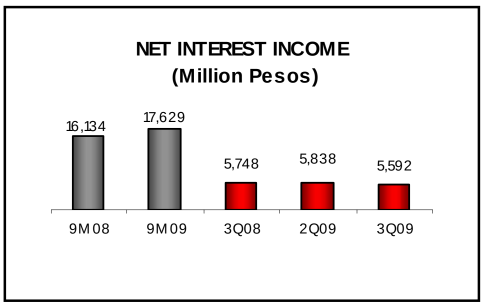
OPERATING RESULTS *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Net Interest Income	5,748	5,838	**5,592**	(4%)	(3%)	16,134	**17,629**	9%
Non Interest Income	2,011	1,933	**2,461**	27%	22%	5,924	**6,459**	9%
Total Income	7,759	7,771	**8,053**	4%	4%	22,058	**24,088**	9%
Non Interest Expense	3,736	4,024	**4,073**	1%	9%	11,438	**12,421**	9%
Operating Income	2,370	1,559	**1,826**	17%	(23%)	6,707	**5,163**	(23%)
Net Income	2,007	1,312	**1,428**	9%	(29%)	5,742	**4,352**	(24%)

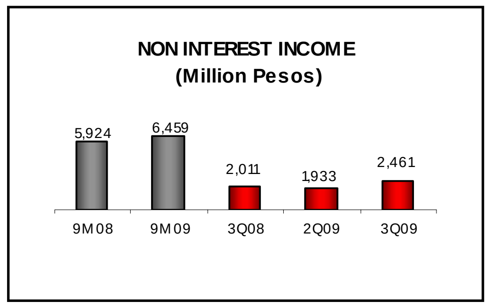
- **Net Interest Income (NII)**

In the first nine months of 2009, NII before Repomo reached Ps 17.63 billion, a 9% YoY growth compared to 9M08, driven by more loan origination fees and a reduction in the cost of funding due to an expansion in demand deposits. Compared to 2Q09, NII is 4% lower, affected by lower market interest rates and a contraction in the loan portfolio in most of its segments.

- **Non Interest Income**

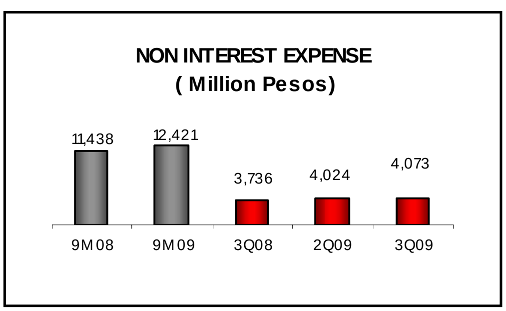
Rose to Ps 6.46 billion during 9M09, reflecting a 9% YoY and a 27% QoQ increase. The annual gain was due to increased FX & Trading revenues, as well as the reclassification of recoveries on proprietary loans previously written off to "Other Revenues (Expenses)", the new Non Interest Income account created as a consequence of changes in accounting criteria effective as of 2Q09 (these new criteria are explained in the annexes). The quarterly increase is explained by higher recoveries of written off loans and more intermediation revenues.

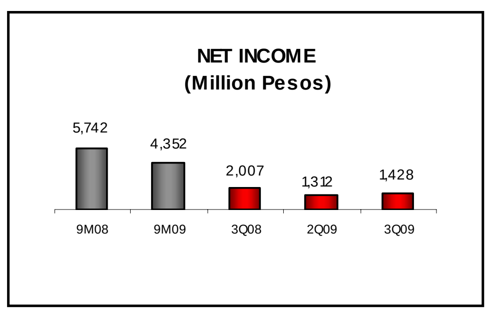




- **Non Interest Expense**

Non Interest Expenses totaled Ps 12.42 billion in 9M09, reflecting a 9% YoY and 1% QoQ increase. The annual increase was due to more professional fees paid, as well as increased IPAB contributions linked to more deposits, more rent, depreciation and amortization and the reclassification of employee profit sharing (PTU caused and deferred) in accordance with the new accounting criteria which became effective as of 2Q09. The quarterly increase was as a result of more personnel, administration and advertising expenses. The Efficiency Ratio was 51.6% for 9M09, 0.3 pp less than 9M08, while on a quarterly basis, the efficiency ratio dropped from 51.8% in 2Q09 and to 50.6% in 3Q09 as a result of the expense rationalization measures implemented since the end of 2008.





- **Net Income**

GFNorte's *Net Income* reached Ps 4.35 billion during 9M09, a (24%) YoY decline from 9M08, and (19%) when excluding the extraordinary revenues from the sale of VISA and BMV shares in their respective IPOs. The reduction in the annual recurrent net income is mainly due to a more adverse economic environment, reduced market interest rates and higher provisioning costs. However, profits grew 9% compared to 2Q09 due to increased income from recoveries and intermediation, as well as a reduction in loan loss provisions.

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According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

INCOME STATEMENT AND BALANCE SHEET HIGHLIGHTS – *GFNorte* (Million Pesos)	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Income Statement								
Net Interest Income before REPOMO	5,748	5,838	**5,592**	(4%)	(3%)	16,134	**17,629**	9%
Non Interest Income	2,011	1,933	**2,461**	27%	22%	5,924	**6,459**	9%
Total Income	7,759	7,771	**8,053**	4%	4%	22,058	**24,088**	9%
Non Interest Expense	3,736	4,024	**4,073**	1%	9%	11,438	**12,421**	9%
Provisions	1,653	2,188	**2,154**	(2%)	30%	3,912	**6,504**	66%
Operating Income	2,370	1,559	**1,826**	17%	(23%)	6,707	**5,163**	(23%)
Non Operating Income (Expense)	618	168	**138**	(18%)	(78%)	1,932	**720**	(63%)
Taxes and Profit Sharing	982	429	**545**	27%	(44%)	2,808	**1,549**	(45%)
Subsidiaries & Minority Interest	1	14	**10**	(31%)	808%	(90)	**18**	120%
Net Income	2,007	1,312	**1,428**	9%	(29%)	5,742	**4,352**	(24%)
Balance Sheet								
Assets Under Management	629,971	608,399	**635,060**	4%	1%	629,971	**635,060**	1%
Total Assets	343,204	581,922	**570,347**	(2%)	66%	343,204	**570,347**	66%
Perfoming Loans (a)	231,111	235,342	**235,429**	-%	2%	231,111	**235,429**	2%
Past Due Loans (b)	3,979	6,299	**6,103**	(3%)	53%	3,979	**6,103**	53%
Total Loans (a+b)	235,091	241,641	**241,532**	-%	3%	235,091	**241,532**	3%
Total Loans (Net) (d)	230,187	235,216	**233,985**	(1%)	2%	230,187	**233,985**	2%
Acquired Collection Rights (e)	3,232	2,804	**2,705**	(4%)	(16%)	3,232	**2,705**	(16%)
Total Loans (d+e)	233,419	238,020	**236,690**	(1%)	1%	233,419	**236,690**	1%
Total Liabilities	304,085	541,330	**528,559**	(2%)	74%	304,085	**528,559**	74%
Demand Deposits	107,694	123,755	**122,312**	(1%)	14%	107,694	**122,312**	14%
Time Deposits	133,799	141,608	**147,447**	4%	10%	133,799	**147,447**	10%
Equity	39,119	40,592	**41,789**	3%	7%	39,119	**41,789**	7%

FINANCIAL RATIOS - *GFNorte*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Profitability (1):								
NIM before REPOMO (2)	7.7%	4.3%	**4.2%**	(0.1 pp)	(3.5 pp)	7.7%	**4.4%**	(3.3 pp)
NIM after Provisions (3)	5.5%	2.7%	**2.6%**	(0.1 pp)	(2.9 pp)	5.8%	**2.8%**	(3.0 pp)
ROE (4)	21.8%	13.5%	**14.5%**	1.0 pp	(7.3 pp)	21.9%	**14.9%**	(7.0 pp)
ROA (5)	2.4%	0.9%	**1.0%**	0.1 pp	(1.4 pp)	2.5%	**1.0%**	(1.5 pp)
Operation:								
Efficiency Ratio (6)	48.2%	51.8%	**50.6%**	(1.2 pp)	2.4 pp	51.9%	**51.6%**	(0.3 pp)
Operating Efficiency Ratio (7)	4.5%	2.8%	**2.8%**	- pp	(1.7 pp)	4.9%	**2.9%**	(2.0 pp)
Liquidity Ratio (8)	59.9%	63.1%	**60.4%**	(2.7 pp)	0.5 pp	59.9%	**60.4%**	0.5 pp
Asset Quality:								
Past Due Loan Ratio	1.7%	2.6%	**2.5%**	(0.1 pp)	0.8 pp	1.7%	**2.5%**	0.8 pp
Coverage Ratio	123.2%	102.0%	**123.7%**	21.7 pp	0.5 pp	123.2%	**123.7%**	0.5 pp

1) The 4Q08 NIM and ROA indicators are not fully comparable to previous periods as a result of recording repos as on balance sheet assets.
2) NIM= Annualized Net Interest Margin before REPOMO / Average Earnings Assets.
3) NIM= Annualized Net Interest Margin adjusted by Loan Loss Provisions / Average Earnings Assets.
4) Annualized earnings as a percentage of the average quarterly equity over the period.
5) Annualized earnings as a percentage of the average quarterly assets over the period.
6) Non Interest Expense / (Total Operating Income – Repomo Margin + Loan Loss Provisions)
7) Annualized Non Interest Expense / Average Total Assets.
8) Liquid Assets / Liquid Liabilities (Liquid Assets = Cash and due from Banks + Negotiable Instruments + Securities held for sale) / (Liquid Liabilities = Demand Deposits + Loans from banks and other organizations with immediate call option + Short term loans from banks).

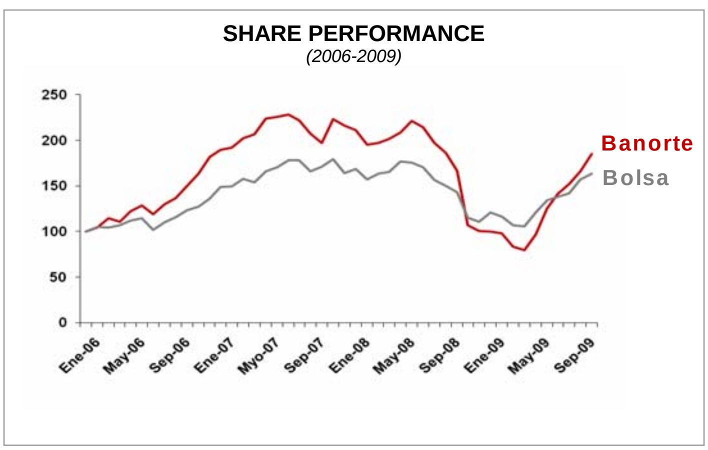
According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

SUBSIDIARIES *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Bank	1,802	1,104	**1,199**	9%	(33%)	5,042	**3,649**	(28%)
Banco Mercantil del Norte (1)	1,802	1,104	**1,199**	9%	(33%)	5,042	**3,649**	(28%)
Broker Dealer	58	32	**42**	31%	(27%)	272	**115**	(58%)
Long Term Savings	111	60	**88**	47%	(21%)	254	**267**	5%
Retirement Funds (Afore)	23	21	**38**	81%	65%	62	**89**	44%
Insurance	76	43	**43**	(1%)	(44%)	173	**163**	(5%)
Annuities	12	(4)	**7**	N.A.	(39%)	20	**15**	(24%)
Other Finance Companies	60	113	**97**	(14%)	63%	215	**311**	45%
Leasing & Factoring (2)	53	106	**91**	(14%)	71%	197	**291**	48%
Warehousing	6	7	**6**	(14%)	(7%)	17	**20**	12%
Microlending (Pronegocio)	(24)	6	**3**	(55%)	N.A.	(40)	**15**	N.A.
G.F. Banorte (Holding Company)	-	(3)	**(1)**	N.A.	N.A.	(1)	**(5)**	N.A.
Total Net Income	2,007	1,312	**1,428**	9%	(29%)	5,742	**4,352**	(24%)

1) Considering a participation of 96.11% until 2Q06. Participation increased to 97.06% in 3Q06 and to 97.07% in 3Q09. These figures don't yet reflect the IFC's investment in Banco Mercantil del Norte because the operation was concluded after the end of the quarter. N.A. = Not Applicable.
2) The merger of Leasing and Factoring became effective as of January 31, 2008
3) The merger of Pronegocio became effective as of August 31, 2009

SHARE DATA	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Earnings per Share (Pesos)	0.99	0.65	**0.71**	9%	(29%)	2.85	**2.16**	(24%)
Book Value per Share (1) (Pesos)	18.43	19.30	**19.86**	3%	8%	18.43	**19.86**	8%
Total Shares Outstanding (million shares)	2,018.3	2,018.3	**2,018.3**	-	-	2,018.3	**2,018.3**	-
Stock Price *(Pesos)*	34.92	32.05	**45.19**	41%	29%	34.92	**45.19**	29%
P/BV *(Times)*	1.89	1.66	**2.28**	37%	20%	1.89	**2.28**	20%
Market *Capitalization (Million Dollars)*	6,443	4,911	**6,755**	38%	5%	6,443	**6,755**	5%

1) Excluding Minority Holdings.



According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

RECENT EVENTS

- **CNByV authorizes Banorte to operate through third party correspondents.**

TELECOMM-TELEGRAPHS, a public decentralized organism of the Ministry of Transport and Communications (SCT) and BANORTE, received approval on September 30th by the National Banking and Securities Commission (CNBV) to jointly offer financial services on a national level in areas with little or no banking presence. This accreditation positions both institutions as the leading financial service providers through the new figure approved by the CNBV for third parties and commissioned agents, better known as third party correspondents; and continue to support the Federal Government's program to increase financial penetration throughout the entire country.

- **GFNorte's General Ordinary Shareholders' Meeting decreed a cash dividend payment for shareholders.**

GFNorte's General Ordinary Shareholders' Meeting held on October 5th decreed the payment of a cash dividend of Ps 0.18 per share. The dividend was paid on October 16th in accordance with the stated dividend policy approved by the Shareholders' Meeting of April 29th, 2003 which established a "payout ratio" of 15% of GFNORTE's net recurring income, provided that there is no legal impediment, and that market conditions and the Group's financial situation allow it. The decreed dividend corresponds to the first of three payments that will be made for a total amount of Ps 0.52 per share, which was approved by the Group's Board of Directors. In accordance with the decision taken in the session held on July 23rd, the Board of Directors will propose to the respective Shareholders' Assemblies to decree additional dividends for a total of $0.34 pesos per share, to be covered in two payments of Ps 0.17, in February and May of 2010.

- **Banco Mercantil del Norte's Extraordinary Shareholders' Meeting authorizes a share capital increase of this subsidiary.**

On October 23rd, Grupo Financiero Banorte announced that its banking subsidiary Banco Mercantil del Norte S.A. authorized, in an Extraordinary Shareholders' Meeting an increase in its ordinary capital and the modification of its corporate bylaws in order to execute the capitalization with International Financial Corporation (IFC), an member of the World Bank. A total of 4.8 billion shares of Banco Mercantil del Norte S.A., will be issued, with the remainder to be kept in Treasury . According to the announcement made by Grupo Financiero Banorte on July 23rd, 2009, the IFC will invest US$150 million dollars in Banco Mercantil del Norte S.A. This transaction was approved by Grupo Financiero Banorte's Board of Directors during the session held last July.

- **Banorte launches its " Anniversary Mortgage", a new mortgage product to support Mexicans**

To commemorate its 110th Anniversary, on September 9th Banorte launched a new mortgage product with a low interest rate of 11.0% and origination fee of 1.10%. This mortgage also offers the lowest initial payment available on the market and unemployment insurance. As part of this offer, Banorte clients have access to its Mobile Mortgage Quotes, the only tool on the market providing instant quotes for a whole range of mortgage options over a mobile phone - to help clients make the best decision when acquiring a home. Through this mortgage, Banorte provides support in the difficult economic situation facing Mexicans by offering lower initial payments, enabling them to acquire a larger home with the same monthly salary.

- **Banorte launches its "Cuenta Fuerte": an all-inclusive package with additional benefits.**

With the objective of offering all Mexicans the best package of banking products with the highest value, on September 3rd, Banorte launched its "Cuenta Fuerte", a set of products that includes an Enlace Global checking account, credit card, demand and time investments, internet banking, Banorte Movil, telephone banking, ATM services and life insurance; all under one contract.

- **Moody's, a rating agency, changes some of Banorte's ratings as part of its revised methodology to rate global financial institutions.**

Moody's new methodology re-evaluates the ability of governments to offer support to banks in their own countries during a prolonged systemic crisis. As a result, Banorte's deposits' global rating in local currency is reduced to A3 from A2, as well as short term deposits in local currency to Prime-2 (from Prime 1). Long term deposits' global ratings in local currency for subordinated debt eligible as Tier 2 and Tier 1 were lowered to Baa1 (previously A3) and Baa2 (previous Baa1) respectively; ratings for subordinated debt eligible as Tier 1 on a national scale in local currency was also lowered to Aaa1.mx (previously Aaa.mx). Ratings for the Broker Dealer and the Leasing and Factoring companies as long-term issuers in local currency was reduced from A2 to A3 and as short term issuers lowered from Prime -1 to Prime-2. The outlook of all these ratings was ratified as stable.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GRUPO FINANCIERO BANORTE

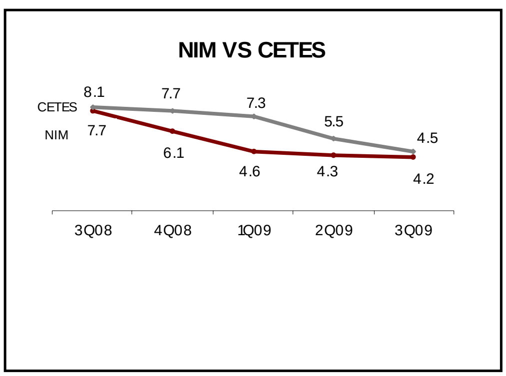
NET INTEREST INCOME *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Interest Income	12,820	11,358	**10,269**	(10%)	(20%)	35,803	**34,768**	(3%)
Interest Expense	7,209	5,656	**4,803**	(15%)	(33%)	20,023	**17,553**	(12%)
Loan Origination Fees	137	139	**137**	(2%)	-%	354	**429**	21%
Fees Paid	-	4	**11**	186%	N.A.	-	**14**	N.A.
Net Interest Income before REPOMO	5,748	5,838	**5,592**	(4%)	(3%)	16,134	**17,629**	9%
Average Earning Assets	298,705	542,444	**538,613**	(1%)	80%	280,288	**539,355**	92%
Net Interest Margin before REPOMO (1)	7.7%	4.3%	**4.2%**	(0.1 pp)	(3.5 pp)	7.7%	**4.4%**	(3.3 pp)

Note: In accordance with the accounting criteria B-3 "Repos" issued last October 14, as well as the authorization given by the Banking and Securities Commission (CNBV), credit institutions were allowed to classify debt instruments, regardless of their category, as Investments in Securities considering that: i) the guidelines relative to the reclassification of the instruments will be equally applicable to proprietary repos transactions and securities' lending, given that investment in securities is equally done through these operations; ii) the value of the instruments to be received in repos and securities' lending transactions may be adjusted to the market value (closing price) of such instruments corresponding to October 1, 2008 in the same manner as was stipulated for the book value adjustment of proprietary investments in securities; iii) once the book value of the instruments to be received in repos and securities' lending operations has been adjusted, such instruments can be reclassified to any category of investments in securities according with the institutions' intentionality for those instruments, and they will be later valued according to the valuation standards for each category established in the accounting criteria; iv) the reclassification of investments in securities, as well as the adjustment to the valuation of the repos to be received and securities' lending transactions, will be done in only one occassion on the date that each institution determines during the last quarter of 2008.
1) NIM = Annualized Net Interest Margin before REPOMO / Average Earnings Assets

- **Net Interest Income**

In 9M09, NII before Repomo increased 9% YoY, driven by a 2% annual growth in the performing loan portfolio and higher spreads on new loans as a consequence of reduced liquidity in the financial markets, combined with lower funding costs due to a 14% annual increase in demand deposits. NII growth was also driven by a 21% increase in fees charged on new loans. NII fell (4%) QoQ vs. 2Q09, affected by a 10% QoQ decline in interest revenues in the face of a 1.02 pp drop in market interest rates (TIIE averaged 4.91% in 3Q09 vs. 5.93% in 2Q09), coupled with a decline in several segments of the loan portfolio, which was partially offset with a 15% QoQ decline in interest expenses as a consequence of the expansion in non interest bearing demand deposits. Also, lower loan volumes resulted in a 2% QoQ decline in loan origination fees, while commissions paid on loans increased compared to the previous quarter.

Net Interest Margin (NIM was 4.4% during 9M09, reflecting a YoY decline of 3.3 percentage points (pp) compared to the previous year. However, these figures are not fully comparable due to the significant increase in productive assets at the end of 4Q08 as a result of the accounting criteria issued by CNBV for the reclassification of repos. NII declined 0.1 pp in 3Q09 vs. 2Q09, affected by lower market interest rates.



According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

NON INTEREST INCOME *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Fees charged on Services	2,185	1,918	**2,053**	**7%**	**(6%)**	6,314	**5,885**	**(7%)**
Fund Transfers	53	61	**63**	4%	20%	160	**184**	15%
Account Management Fees	260	237	**233**	(2%)	(11%)	745	**700**	(6%)
Fiduciary	79	68	**62**	(9%)	(22%)	224	**180**	(19%)
Income from Real Estate Portfolios (1)	223	164	**229**	40%	3%	530	**530**	-%
Electronic Banking Services	256	256	**253**	(1%)	(1%)	739	**759**	3%
Credit Card Fees	675	520	**571**	10%	(15%)	1,877	**1,681**	(10%)
Fees from IPAB (2)	-	-	**-**	-	-	-	**-**	-
Fees charged by Afore	242	246	**282**	15%	17%	759	**759**	-%
Other Fees Charged (3)	398	366	**359**	-%	(10%)	1,280	**1,090**	(15%)
Fees Paid on Services	298	306	**343**	**12%**	**15%**	871	**979**	**12%**
Fund transfers	4	5	**5**	(7%)	5%	14	**16**	12%
Other Fees Paid	293	301	**338**	12%	15%	857	**963**	12%
Expenses from Real Estate Portfolios (1)	-	-	**-**	-	-	-	**-**	-
Net Fees	1,887	1,612	**1,710**	**6%**	**(9%)**	5,443	**4,906**	**(10%)**
Trading Income	123	167	**411**	**146%**	**234%**	480	**823**	**71%**
Other Operating Income (Expenses) (4)	-	154	**340**	**N.A.**	**N.A.**	-	**730**	**N.A.**
Non Interest Income	2,011	1,933	**2,461**	**27%**	**22%**	5,924	**6,459**	**9%**

1) Since 1Q07, it only reflects Income from recoveries and amortizations of Real Estate Portfolios. Until 4Q06, it included income from recoveries and amortization of Acquired Portfolios.
2) Includes Fees received by Recovery Banking and by the Bank.
3) It includes fees from letters of credit, from transactions with pension funds, wharehousing services, financial advisory services and securities trading by the Brokerage House, among others.
4) As of April 2009, the CNBV issued changes to the main accoutnign criteria that require recording this ítem under Non Interest Income.

- **Non Interest Income**

In 9M09, Non Interest Income grew 9% YoY driven by increased FX & Trading revenues and the positive impact of the reclassification of revenues from portfolio recoveries to "Other Operating Revenues and Expenses " in accordance with the new accounting criteria. The 27% QoQ growth from 2Q09 is due to greater recoveries from previously written off loans and increased intermediation revenues.

NON INTEREST INCOME *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Services	1,665	1,447	**1,481**	2%	(11%)	4,913	**4,375**	(11%)
Recovery	223	164	**229**	39%	3%	530	**531**	-%
Trading	123	167	**411**	146%	234%	481	**823**	71%
Other Operating Income (Expense)	-	154	**340**	120%	100%	-	**730**	100%
Non Interest Income	**2,011**	**1,933**	**2,461**	**27%**	**22%**	**5,924**	**6,459**	**9%**

- **Service Fees**

During 9M09 accumulated fees were Ps 4.37 billion, (11%) less YoY due to a (19%) decrease in Fiduciary Revenues and (15%) in Other Fees Charged due to lower business volumes, as well as (10%) in Credit Card Fees due to reduced card originations and the elimination or reduction in some commissions to benefit clients and as a result of tougher regulation that also produced a (6%) decline in Account Management Fees. The 2% QoQ increase is due to growth in Credit Card Fees from higher billing volumes and deferred fixed payment purchases, and in commissions charged by the Afore pension fund derived from increased AUMs.

- **Recovery**

Non Interest Income from recoveries remained at the same level YoY in 9M09 due to the low volume of recoveries during the first half of the year as a result of the adverse economic environment. The 39% QoQ increase vs. 2Q09 is due to greater recoveries of real estate portfolios and an improvement in revenues related to investment projects. At closing of 3Q09 the total amount invested in these projects reached Ps 3.11 billion; the portfolio continues to show an adequate geographical diversification of projects, partners and industries.

- **Intermediation**

Intermediation Revenues registered a 71% YoY increase during 9M09, mainly due to favorable dynamics in FX revenues as a consequence of the volatility registered in the exchange rate in the last 12 months.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

Non Interest Expense (Million Pesos)	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
+ Personnel	1,572	1,544	**1,704**	10%	8%	4,598	**4,947**	8%
+ Professional Fees	293	340	**307**	(10%)	5%	756	**982**	30%
+ Administrative and Promotional	1,093	1,099	**1,102**	-	1%	3,653	**3,364**	(8%)
+ Rents, Depreciation & Amortization	407	435	**404**	(7%)	(1%)	1,250	**1,291**	3%
+ Taxes other than income tax	133	172	**149**	(13%)	12%	503	**530**	5%
+ Contributions to IPAB	238	265	**271**	2%	14%	679	**803**	18%
+ Employee Profit Sharing (PTU)	-	169	**136**	(10%)	100%	-	**504**	100%
= Non Interest Expense	3,736	4,024	**4,073**	**1%**	**9%**	11,438	**12,421**	**9%**

1) As of april 2009, the Banking and Securities Commission (CNBV) issued accounting changes that require recording this ítem as Non Interest Expense.

- **Non Interest Expense**

Non Interest Expenses during 9M09 increased 9% YoY, driven by 8% growth in Personnel Expenses as a result of the branch expansion program carried out during 2008 and to a lesser degree in 2009, as well as a 4% increase in remunerations to the AFORE sales force. Expenses also increased due to 30% growth in Professional Fees Paid from increased advisory services linked to the business, booking of micro-lending expenses as part of the merger of this unit with the bank, growth in employees hired under this regime, larger volume of professional fees for recovery of extra-judicial portfolios and an increase in expenses related to technological projects. IPAB contributions increased 18% YoY as a result of the important growth in deposits in the last 12 months. Expenses were also negatively affected YoY by the reclassification of Employee Profit Sharing (PTU) caused and deferred starting in 2Q09 as a result of the new accounting criteria effective as of April 2009. Non interest expenses grew only 2% on a comparable basis when profit sharing is added to 9M08 expenses.

Compared with 2Q09, expenses grew 1% QoQ mainly due to a 10% increase in Personnel Expenses resulting from the strengthening of the workforce in some areas, as well as a review of obligations for pensions, seniority bonuses and compensations derived from the periodic actuarial audit, which was offset by lower professional fees and other concepts.

The efficiency ratio remains practically at the same level of 52% compared to 2Q09.

- **Provisions**

Provisions charged to results during 9M09 reached Ps 6.5 billion, reflecting a 66% YoY increase derived mainly from higher delinquencies in the consumer portfolio. On a quarterly basis, there is a (2%) decline compared to 2Q09 due to an improvement in asset quality in most segments of the loan portfolio, especially in the consumer loans.

Provisions represented 3.6% of the average loan portfolio during 3Q09, a similar level compared to 2Q09.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

NON OPERATING INCOME (EXPENSE) NET *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Non Operting Income	701	690	**442**	(36%)	(37%)	2,292	**1,780**	(22%)
Other Revenues	227	193	**125**	(35%)	(45%)	1,094	**706**	(35%)
Foreign Exchange	-	-	**-**	-	-	-	**-**	-
Recoveries	445	108	**152**	41%	(66%)	1,079	**442**	(59%)
Repomo - Other Revenues	-	-	**-**	-	-	-	**-**	-
Warehousing	29	388	**164**	(58%)	466%	120	**633**	428%
Non Operating Expense	(83)	(521)	**(304)**	(42%)	266%	(360)	**(1,060)**	194%
Other Expenses	(55)	(139)	**(143)**	3%	160%	(244)	**(437)**	79%
Foreign Exchange	-	-	**-**	-	-	-	**-**	-
Repomo - Other Expenses	-	-	**-**	-	-	-	**-**	-
Warehousing	(28)	(383)	**(161)**	(58%)	475%	(116)	**(623)**	437%
Non Operating Income (Expense), net	618	168	**138**	(18%)	(78%)	1,932	**720**	(63%)

- **Non Operating Income (Expense), net**

During 9M09, Non Operating Income was Ps 720 million, a (63%) YoY decline due to a (59%) reduction in recoveries of acquired portfolios as a result of the reclassification of recoveries from proprietary loans as Non Interest Income as of 2Q09, as well as a (35%) reduction in Other Revenues because of the non recurring income from the sale of VISA and INDEVAL shares registered in the first two quarters of 2008.

The (18%) QoQ decline is due to a (35%) reduction in Other Revenues as a result of lower cancellations of various creditors and a reduced level of adjustments in other liabilities, as well as a 3% increase in Other Expenditures for additional provisions related to FOVI guarantees.

- **Taxes**

Taxes in 9M09 totaled Ps 1.55 billion, a (45%) YoY decline due to higher profits in 9M08, and a 27% QoQ increase as a result of growth in profits during 3Q09. The effective tax rate for 3Q09 was 32%, the same level compared to 2Q09 and slightly less than the 33% registered in 3Q08.

- **Subsidiaries and Minority Interest**

During 9M09, subsidiaries and minority interest recorded profits of Ps 18 million, a favorable result compared to the Ps 90 million loss registered during the same period of 2008. The improvement is due to a profit of Ps 219 million from subsidiaries - mainly driven by the results of the Insurance company - that offsets a negative impact of Ps 201 million in minority interest from the AFORE results (Banorte owns 51%) and Banco Mercantil del Norte (GFNORTE owns 97.07% of Banorte). On a quarterly basis, this item registers a gain of Ps 10 million, less than the Ps 14 million profit of the 2Q09, driven by favorable results from the Insurance company and Siefores that were partially offset by the minority interest of the AFORE and the banking subsidiary.

Capitalization *(Million Pesos)*	3Q08	4Q08	1Q09	2Q09	3Q09	QoQ	YoY
Tier 1 Capital	30,538	28,300	29,358	31,598	**31,844**	1%	4%
Tier 2 capital	14,822	17,076	14,840	14,351	**15,054**	5%	2%
Net Capital	45,360	45,376	44,198	45,949	**46,898**	2%	3%
Credit Risk assets	197,080	204,884	203,501	206,135	**202,525**	(2%)	3%
Net Capital/ Credit Risk Assets	23.0%	22.1%	21.7%	22.3%	**23.2%**	0.9 pp	0.1 pp
Total Risk Assets (1)	287,412	302,279	301,905	294,272	**291,314**	(1%)	1%
Tier 1	10.6%	9.4%	9.7%	10.7%	**10.9%**	0.2 pp	0.3 pp
Tier 2	5.2%	5.6%	4.9%	4.9%	**5.2%**	0.3 pp	- pp
Capitalization Ratio	15.8%	15.0%	14.6%	15.6%	**16.1%**	0.5 pp	0.3 pp

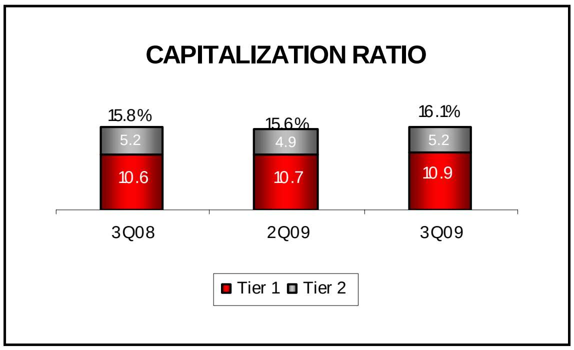
(1) Includes Market and Operational Risks. Without inter-company eliminations.
(*) The capitalization ratio of the last period reported is estimated.
(**) The capitalization ratio of 4Q08 was revised upwards due to an adjustment in the calculation of subordinated debentures as regulatory capital.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Capitalization**

The Capitalization Ratio (CR) was 16.1% for the 3Q09 ended September 30th considering credit, market and operational risks, and 23.2% considering only credit risks. The Tier 1 capital ratio was 10.9% and 5.2% for Tier 2. The QoQ increase of 0.5 percentage points (pp) is due mainly to the positive effect of reinvesting 3Q09's profits, - CR effect +0.55 pp, the positive impact to Tier 1 from securities and hedging instruments' valuation gains – CR effect +0.16 pp, and the reduction in Risk Assets – CR effect + 0.16 pp, which offset the negative impact of (0.38) pp from the additional credit card reserve requirement. The Capitalization Ratio of 3Q09 is higher than 3Q08 due to the reinvestment of the period's profits and the issuance of subordinated obligations for a total of Ps 2.2 billion, as well as the revalorization of dollar denominated obligations, which facilitated the absorption of a 1% increase in Total Risk Assets, the amortization of subordinated obligations in Feb-09, and diverse impacts on capital due to regulatory and market issues.

In 2008, the authorities determined that required capital for operational risk must be constituted during a 3 year term in proportional monthly allotments. The period of March 2008 to September 2009 has been covered (19/36 months) by 3Q09, having an impact of 1.14 basis points on the capitalization ratio.



According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

DEPOSITS *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY
Non Interest Bearing Demand Deposits	45,749	56,382	**56,968**	1%	25%
Interest Bearing Demand Deposits (1)	61,951	67,378	**65,458**	(3%)	6%
Total Demand Deposits (2)	107,700	123,760	**122,425**	(1%)	14%
Time Deposits – Retail	66,556	83,068	**83,832**	1%	26%
Core Deposits	174,256	206,828	**206,257**	-%	18%
Money Market (3)	67,457	58,692	**63,768**	9%	(5%)
Total Bank Deposits	241,713	265,520	**270,026**	2%	12%
GFNorte's Total Deposits (4)	241,483	265,345	**269,739**	2%	12%
Third Party Deposits	146,221	155,372	**155,296**	-%	6%
Total Assets Under Management	387,933	420,892	**425,322**	1%	10%

1) Includes Debit Cards.
2) Excludes IPAB cash management checking accounts for loan portfolios managed from Banpaís and Bancen. The balances of these accounts in 3Q08, 2Q09 and 3Q09 were Ps $10 million, Ps $18 million and Ps $20 million, respectively.
3) Includes Bank Bonds (Customers and Financial intermediaries).
4) Includes the eliminations between the subsidiaries (3Q08=230 millions, 2Q09=175 milllons and 3Q09=287 millions).

- **Total Deposits**

As of September 30th 2009, *Total Deposits* totaled Ps 270.0 billion, a 12% YoY increase, driven mainly by a 14% YoY growth in Demand Deposits, and in particular by a significant annual increase of 25% in Non Interest bearing Demand Deposits. Deposits grew by 2% QoQ, driven mainly by growth in Money Market Deposits, as well as slight increases in Non Interest bearing Demand Deposits and retail Time Deposits.

- **Demand and Time Deposits**

Demand Deposits grew by 14% YoY as of September 30th, 2009, driven by a 25% YoY growth in Non-Interest bearing Demand Deposits as a result of increased balances in Corporate and Individual Enlace Global accounts and Mujer Banorte accounts, as well as a 6% growth in Interest Bearing Demand Deposits due to higher balances in Banorte Fácil, Sumanómina, Suma, Inversión Vista and Individual Enlace accounts. On a quarterly basis, deposits declined slightly by (1%) QoQ, due to a (3%) QoQ decline in Interest Bearing Demand Deposits.

Retail Time Deposits grew 26% YoY and 1% QoQ during 3Q09, as a result of the successful campaign to sell promissory notes through the branches.

As a result of efforts to increase deposits, accumulated net account openings during the first nine months of the year totaled 411.3 thousand individual and 9.1 thousand corporate accounts. Additionally, Banorte was able to significantly increase market share in core deposits during the last 12 months, having the second position in terms of deposit growth among the largest banks in the system.

- **Money Market Deposits**

The (5%) YoY decline is explained by a decrease in deposits through the Broker Dealer, while the 9% QoQ increase in 3Q09 is explained by growth in deposits through the Broker Dealer and private client accounts.

- **Third Party Deposits**

Registered growth of 6% YoY due to the increase in clients' securities received in custody, and remained at the same levels QoQ compared to 2Q09.

- **Assets Under Management**

As of September 30th, 2009, AUMs totaled Ps 425.3 billion, a 10 % YoY increase, driven by higher bank and money market deposits. The 1% QoQ increase compared to 2Q09 was mainly as a result of money market deposit growth.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

PERFORMING LOAN PORTFOLIO *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY
Commercial	85,340	86,357	**85,342**	(1%)	-%
Consumer	74,260	73,626	**74,281**	1%	-%
Corporate	45,253	42,715	**41,374**	(3%)	(9%)
Government	25,411	31,921	**33,738**	6%	33%
Sub Total	230,265	234,619	**234,735**	-%	2%
Recovery Banking	847	722	**695**	(4%)	(18%)
Total	231,112	235,342	**235,430**	-%	2%

PERFORMING CONSUMER LOAN PORTFOLIO *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY
Mortgages	42,847	46,976	**48,105**	2%	12%
Car Loans	7,821	7,394	**7,297**	(1%)	(7%)
Credit Cards	16,450	12,913	**12,397**	(4%)	(25%)
Payroll	7,141	6,343	**6,483**	2%	(9%)
Consumer Loans	74,260	73,626	**74,281**	1%	-%

(Million Pesos)	3Q08	2Q09	3Q09	QoQ	YoY
IPAB Loans	-	-	**-**	-	-
Past Due Loans	3,979	6,299	**6,103**	(3%)	53%
Loan Loss Reserves	4,904	6,426	**7,547**	17%	54%
Acquired Rights	3,232	2,804	**2,705**	(4%)	(16%)

- **Total Performing Loans**

Total Performing Loans grew 2% YoY, from Ps 230.3 billion in 3Q08 to Ps 234.7 billion in 3Q09 excluding the portfolio managed by the Recovery Bank. This growth was driven by the government and mortgage portfolios.

Total Performing Loans had no growth compared to 2Q09, mainly due to a reduction in the Credit Card, Automobile, Commercial and Corporate portfolios, which was offset by growth in Government and Mortgage portfolios. The reduction in some portfolios is a result of the difficult economic situation which has reduced loan demand industrywide, as well as more restrictive placement policies implemented by most of the financial institutions.

Banorte is seeking to offset these industrywide lower loan volumes with greater penetration in sectors that continue to show high risk adjusted profitability and lower capital consumption, such as government and housing. The bank is also looking to take advantage of market opportunities in various segments as a result of less competition.

Itemized Loan Portfolio growth:

I. Loans to Individuals

- **Consumer + Mortgage:** Remained unchanged compared to 3Q08 and grew by 1% QoQ. The annual growth in the mortgage portfolio is offset by a reduction in other consumer segments. The quarterly growth is due to an increase in balances of the mortgage and payroll portfolios.

  - ***Mortgages***: Grew 12% YoY and 2% QoQ, driven by an increase in loans originated through the program established with Pemex and a higher average value of new loans. In spite of the portfolio growth, the number of new loan sold declined by 35% annually due to lower loan demand, adjustments to credit evaluation criteria and restrictions to penetrate in some categories of this product. In the last 12 months, 13,425 new loans were placed of which 3,019 were originated in 3Q09.

  - ***Credit Card:*** Registered a (25%) YoY and (4%) QoQ decline at closing of 3Q09, as a consequence of a 75% annual reduction in new cards issued due to more stringent origination policies and less demand for this product; although it is important to note that the number of credit cards issued grew by 8% QoQ and the net total billing by 5% compared to 2Q09. Banorte registered 1.1 million accounts as of September 30th, 2009, (19%) less than in the same period of 2008.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- ***Payroll Loans:*** As of September 30th, 2009, the portfolio declined (9%) YoY as a result of more restrictive origination policies in this segment, especially in personal loans, as well as lower demand caused by rising unemployment. The 2% QoQ growth in balances was driven by an 11% increase in the number of new payroll loans originated resulting from the bank's strategy to increase its penetration with existing payroll clients.

- ***Car Loans:*** The portfolio declined (7%) YoY and (1%) QoQ in 3Q09 due to a significant reduction in car sales in the domestic market and a more cautious approach to this segment because of the adverse economic conditions.

II. Loans to Institutions

- **Commercial:** The balance of this portfolio had no growth in 3Q09 compared to last year. Growth in the portfolio of large businesses was offset by a decline in the Crediactivo SME product. The commercial portfolio decreased (1%) QoQ resulting from lower loan demand due to an unfavorable economic environment, as well as reduced balances of large businesses and the Crediactivo SME product.

- **Corporate**: Declined (9%) YoY and (3%) QoQ in 3Q09, mainly due to pre-payments received as part of the bank's strategy to reduce the size of some large exposures in this segment, as well as lower loan demand as a consequence of the difficult economic situation. It is important to reiterate that Banorte's loan portfolio is diversified by sectors and regions, showing low concentration. The bank's 20 most important corporate exposures represent only 16% of the bank's total loan portfolio. The largest loan represents 1.8% of the total portfolio, while the 20th represents only 0.5%.

- **Government:** Rose 33% YoY and 6% QoQ in 3Q09 as a result of strengthening the area created to establish comprehensive banking relationships with these clients, offering integral solutions according to their needs, as well as participating in loans to finance productive projects of these entities.

- **Past Due Loans**

As of September 30th 2009, past due loans grew by 53% YoY driven by a deterioration in the consumer portfolio, especially credit cards, commercial loans and to a lesser degree mortgages. The (3%) QoQ decline is due to a reduction in consumer past due loans. This decline breaks the growing trend in past due loans of the last ten quarters.

As of September 30th 2009, the Past Due Loan Ratio was 2.5%, 0.8 percentage points higher than in 3Q08, but (0.1) percentage point lower from 2Q09. This decline during 3Q09 was due to an improvement in the quality of the consumer portfolio. Despite a decline in the overall portfolio balance, the PDL ratio for credit cards was 12.7% at quarter's end, an improvement compared with the 14.4% registered in 2Q09. It is important to emphasize that in last few months the creation of new NPLs has diminished, as well as the overall balance of NPLs in this segment. On the other hand, at the end of 3Q09, the PDL Ratio for car loans was 2.7%, Credinómina 2.8%, Mortgages 2.0%, Commercial 3.6%, and Corporate 0.1% while Government remained at 0%. Most of the items in the loan portfolio show a lower PDL Ratio in 3Q09, and these levels are lower from the original estimates made by the bank to reflect the adverse economic environment.

PAST DUE LOAN VARIATIONS *(Million Pesos)*		
Balance as of June 2009		**6,299**
	Transfer from Performing Loans to Past Due Loans	3,890
	Renewals	(38)
	Cash Collections	(778)
	Discounts	(9)
	Charge Offs	(1,840)
	Foreclosures	(113)
	Transfer from Past Due Loans to Performing Loans	(1,321)
	Foreign Exchange Adjustments	12
Balance as of September 2009		**6,103**

During 3Q09, 55% of new NPLs correspond to credit cards, while 49% of the required reserves and 62% of write-offs correspond to this segment.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

RISK RATING OF PERFORMING LOANS – *GFNorte*

(Million Pesos)

		LOAN LOSS RESERVES			
CATEGORY	LOANS	COMMERCIAL	CONSUMER	MORTGAGES	TOTAL
A	56,130	-	63	152	215
A1	101,807	462	-	-	462
A2	59,797	566	-	-	566
B	6,985	-	98	221	319
B1	6,260	106	259	-	366
B2	8,509	65	540	-	605
B3	2,240	236	-	-	236
C	2,650	-	862	126	988
C1	1,230	273	-	-	273
C2	474	192	-	-	192
D	2,570	173	1,460	238	1,871
E	1,048	824	227	-	1,051
Total	249,701				
Not Classified	(58)				
Exempt	42				
Total	249,684	2,897	3,510	737	7,145
Reserves					7,547
Excess (Deficit)					402

Notes:
1.- The ratings of loans and reserves created correspond to the last day referred in the Balance Sheet at September 30st, 2009.
2.- The loan portfolio is rated according to the rules issued by the Ministry of Finance and Public Credit (SHCP), the methodology established by the CNBV and internal methodologies approved by the CNBV. For Mortgage and Consumer loans, Banorte uses the regulation described in the Official Gazette published on December 2, 2005, and for Commercial loans it uses internal methodologies approved by the CNBV.
3. On August 12th, 2009 the National Banking and Securities Commission (CNBV) issued a resolution that modifies the applicable general regulatory dispositions for credit institutions and in accordance with Section I of the second transitory article in September 2009 against results of previous fiscal years, the financial effect resulting from the initial implementation of the new methodology after the end of September is the credit card portfolio according to the new provisions recognizing an initial effect on stockholders' equity of Ps $ 1,136 million.
4.- The excess in preventive reserves, follow the rules issued by the CNBV, to regulate support programs, that were constituted mainly in UDIS Trusts.
5.- The Ratings of Leasing and Factoring loans are dated as of June 2009 and Reserves, as of September, 2009.

LOAN LOSS RESERVES *(Million Pesos)*	**3Q09**
Previous Period Ending Balance	**6,426**
Provisions charged to results	2,113
Created with net income margin	19
Applied against retained earnings due to change in credit card methodology	1,136
Other items	(29)
Charge offs and discounts:	
Commercial Loans	(344)
Consumer Loans	(1,515)
Mortgage Loans	(239)
Foreclosed assets	(24)
	(2,122)
Cost of debtors support programs	(11)
Valuation and Others	16
Loan Loss Reserves at Period End	**7,547**

- **Loan Loss Provisions**

As of September 30th 2009, loan loss provisions were Ps 7.55 billion, 17% higher than the level registered in 2Q09. This change is explained mainly by the Banking Commission's (CNBV) new methodology established for credit cards, requiring additional reserves of Ps 1.14 billion, which were created against capital (retained earnings). Provisions charged against results were Ps 2.15 billion in 3Q09, while write-offs, waivers and discounts, were Ps 2.12 billion, and liberated reserves, other concepts, debt support programs and appraisals did not have an important impact in the balance of this account.

- **Requirements for Loan Loss Reserves**

Loan Loss reserves charged againts results in 3Q09 were Ps 2.15 billion, equivalent to a 30% YoY increase, but a slight (2%) QoQ decline. The annual increase in loan loss reserves during the third quarter is mainly as a result of growth in delinquencies in the consumer portfolio, especially credit cards, and to a lesser degree because of new regulations for credit cards with zero missed payments that became effective at the end of

2008. On the other hand, the quarterly decline is due to a stabilization in the asset quality indicators of the consumer portfolio.

BANKING SECTOR

INCOME STATEMENT & BALANCE SHEET *HIGHLIGHTS– Banking* *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Income Statement								
Net Interest Income before Repomo	5,519	5,578	**5,376**	(4%)	(3%)	15,481	**16,919**	9%
Provisions	1,587	2,151	**2,113**	(2%)	33%	3,808	**6,407**	68%
Non Interest Income	1,592	1,529	**1,955**	28%	23%	4,534	**5,167**	14%
Non Interest Expense	3,344	3,597	**3,633**	1%	9%	10,246	**11,207**	9%
Non Operating Income (Expense), Net	633	147	**137**	(7%)	(78%)	1,947	**696**	(64%)
Pre-Tax Income	2,813	1,506	**1,722**	14%	(39%)	7,908	**5,168**	(35%)
Net Income	1,880	1,159	**1,274**	10%	(32%)	5,258	**3,851**	(27%)
Balance Sheet								
Performing Loans	223,916	226,328	**225,716**	-%	1%	223,916	**225,716**	1%
Deposits	241,722	265,538	**270,046**	2%	12%	241,722	**270,046**	12%

The results of the Banking Sector do not include Pronegocio (Micro-Lending) figures from January until August 2009 since the merger with Banco Mercantil del Norte was not effective during that period. These numbers are consolidated in GFNorte, which is why the banking subsidiary's results are fully comparable with previous quarters.

- **Net Interest Income**

Net Interest Income before Repomo increased 9% YoY due to the 1% growth of Performing Loans, higher spreads in new loans due to the prevailing liquidity conditions in the financial markets, and to a reduction in the cost of funding as a consequence of increased demand deposits. Compared to 2Q09, NII is 4% lower, impacted by reduced market interest rates and the contraction of various segments of the loan portfolio.

- **Loan Loss Reserves**

Loan Loss Reserves reported for 9M09 were 68% greater YoY mainly due to higher credit card delinquencies. The (2%) QoQ decline is a result of an improvement in the quality of the consumer portfolio.

- **Non Interest Income**

Increased 14% YoY due to greater intermediation revenues and to the reclassification of revenues from previously written off loans to "Other Revenues and Expenses" according with the new accounting criteria effective as of April 2009. The 28% QoQ increase is explained by more revenues from intermediation and recoveries of written off loans.

- **Non Interest Expenses**

Grew 9% YoY due to higher Personnel Expenses related to the branch expansion, as well as more professional fees. The 1% QoQ growth from 2Q09 is due to the more Personnel Expenses.

- **Non Operating Income**

Diminished by (64%) YoY due to the extraordinary income recorded in 2008 from the sale of VISA and INDEVAL shares, as well as the reclassification of income from recoveries of proprietary loans as "Other Revenues and Expenses" in Non Interest Income under the new accounting criteria effective as of April 2009. The 7% QoQ decline compared to 2Q09 is due to a reduction in Other Revenues as a result of fewer cancellations of various creditors and a reduced level of adjustments in other liabilities, as well as an increase in Other Expenditures related to higher reserves to cover FOVI guarantees.

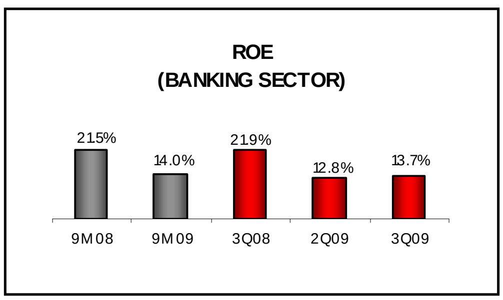
- **Net Income**

The accumulated net income of the Banking Sector (100%, including the AFORE by the participation method) reached Ps 3.85 billion in 9M09, (27%) less than in 9M08 due to an increase in loan loss reserves and the decline in non operating income. The 10% QoQ increase is due to growth in non interest income, lower provisions and cost containment.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

FINANCIAL RATIOS – *Banking Sector* *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Profitability								
NIM (1)	7.6%	4.2%	**4.1%**	(0.1 pp)	(3.5 pp)	7.6%	**4.3%**	(3.3 pp)
ROE (2)	21.9%	12.8%	**13.7%**	0.9 pp	(8.2 pp)	21.5%	**14.0%**	(7.5 pp)
ROA (3)	2.3%	0.8%	**0.9%**	0.1 pp	(1.4 pp)	2.3%	**0.9%**	(1.4 pp)
Operation								
Efficiency Ratio (4)	46.9%	50.8%	**49.6%**	(1.2 pp)	2.7 pp	51.0%	**50.7%**	(0.3 pp)
Operating Efficiency Ratio (5)	4.2%	2.6%	**2.6%**	- pp	(1.6 pp)	4.5%	**2.7%**	(1.8 pp)
Liquidity Ratio (6)	61.3%	63.2%	**62.0**	(1.2 pp)	0.7 pp	61.3%	**62.0%**	0.7 pp
Asset Quality								
Past Due Loan Ratio	1.7%	2.7%	**2.6%**	(0.1 pp)	0.9 pp	1.7%	**2.6%**	0.9 pp
Coverage Ratio	124.8%	102.1%	**123.1%**	21.0 pp	(1.7 pp)	124.8%	**123.1%**	(1.7 pp)
Growth (7)								
Performing Loans (8)	33%	7%	**1%**	(6 pp)	(32.0 pp)	33%	**1%**	(32 pp)
Core Deposits	9%	21%	**18%**	(3 pp)	9.0 pp	9%	**18%**	9.0 pp
Total Deposits	32%	20%	**12%**	(8 pp)	(20.0 pp)	32%	**12%**	(20.0 pp)
Capitalization								
Net Capital/ Credit Risk Assets	23.0%	22.3%	**23.2%**	0.9 pp	0.2 pp	23.0%	**23.2%**	0.2 pp
Total Capitalization Ratio	15.8%	15.6%	**16.1%**	0.5 pp	0.3 pp	15.8%	**16.1%**	0.3 pp

1) NIM = Annualized Net Interest Margin before REPOMO / Average Earnings Assets.
2) Annualized earnings as a percentage of the average quarterly equity over the period.
3) Annualized earnings as a percentage of the average quarterly assets over the period.
4) Non Interest Expense / (Total Operating Income – Repomo Margin + Loan Loss Provisions)
5) Annualized Administrative and Promotion Expenses / Average Total Assets.
6) Liquid Assets / Liquid Liabilities (Liquid Assets = Cash and due from Banks + Negotiable Instruments + Securities held for sale, Liquid Liabilities = Demand Deposits + Loans from banks and other institutions with option to redeem any moment + short term loans from banks.
7) Growth versus the previous period.
8) Does not include Fobaproa / IPAB and loans managed by Recovery Banking.



INCOME STATEMENT & BALANCE SHEET *HIGHLIGHTS– Banking Sector with Pronegocio Merged* *(Million Pesos)*	3Q09 w/o Merger	Pronegocio	3Q09 Merged	9M09 Merged
Income Statement				
Net Interest Income before Repomo	**5,376**	50	**5,426**	**16,969**
Provisions	**2,113**	17	**2,130**	**6,424**
Non Interest Income	**1,955**	3	**1,958**	**5,170**
Non Interest Expense	**3,633**	25	**3,658**	**11,232**
Non Operating Income (Expense), Net	**137**	9	**147**	**706**
Pre-Tax Income	**1,722**	21	**1,742**	**5,188**
Net Income	**1,274**	15	**1,289**	**3,866**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

BANORTE USA

I. Banorte USA

INCOME STATEMENT & BALANCE SHEET ***HIGHLIGHTS – Banorte USA*** *Figures in MEX GAAP (Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Income Statement								
Net Interest Income	171	187	**218**	17%	27%	493	**626**	27%
Non Interest Income	32	31	**30**	(3%)	(5%)	79	**99**	25%
Total Income	203	218	**248**	14%	22%	573	**725**	27%
Non Interest Expense	148	198	**153**	(22%)	4%	442	**549**	24%
Loan Loss Reserves	14	164	**115**	(30%)	715%	23	**287**	1,128%
Operating Income	41	(144)	**(20)**	86%	(149%)	107	**(112)**	(204%)
Non Operating Income (Expense)	50	61	**41**	(33%)	(19%)	165	**151**	(9%)
Taxes and Profit Sharing	29	(30)	**5**	118%	(82%)	91	**14**	(84%)
Subsidiaries & Minority Interest	21	(24)	**0**	(100%)	(100%)	65	**0**	(100%)
Net Income	41	(29)	**15**	152%	(63%)	117	**25**	(79%)

Under Mexican GAAP (MX GAAP), Banorte USA's net income (subsidiary that owns 100% of Inter National Bank, as well as 100% of Uniteller and Motran, both remittance companies) was Ps 25 million in 9M09, declining (79%) compared to the same period in 2008. This decline was driven by an annual increase of Ps 264 million in INB's loan loss provisions due to a deterioration in the quality of the loan portfolio as a result of the difficult economic environment in the United States and a stricter regulatory environment.

II. InterNational Bank (US GAAP)

INCOME STATEMENT & BALANCE SHEET ***HIGHLIGHTS - InterNational Bank*** *Figures in US GAAP (Millon Dollars)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Income Statement								
Net Interest Income	17.0	13.6	**15.3**	11.9%	(10.1%)	48.6	**44.4**	(8.5%)
Non Interest Income	3.9	4.1	**4.1**	(1.2%)	3.3%	11.5	**11.3**	(1.6%)
Total Income	20.9	17.8	**19.3**	8.8%	(7.6%)	60.0	**55.7**	(7.2%)
Non Interest Expense	8.9	9.8	**9.2**	(6.0%)	3.1%	25.4	**27.4**	7.7%
Loan Loss Reserves	1.1	12.8	**3.0**	(76.3%)	189.5%	4.2	**16.8**	298.8%
Operating Income	10.9	(4.9)	**7.1**	244.9%	(35.3%)	30.4	**11.6**	(62.0%)
Net Income	7.2	(3.0)	**4.7**	254.7%	(35.2%)	20.0	**7.8**	(61.1%)
Balance Sheet								
Investments in Securities	476.9	485.6	**560.7**	15.4%	17.6%	476.9	**560.7**	17.6%
Performing Loans	1,084.2	1,086.3	**1,072.6**	(1.3%)	(1.1%)	1,084.2	**1,072.6**	(1.1%)
Past Due Loans	17.6	56.9	**88.9**	56.4%	404.9%	17.6	**88.9**	404.9%
Demand Deposits	667.7	730.1	**737.7**	1.0%	10.5%	667.7	**737.7**	10.5%
Time Deposits	747.1	963.9	**1,015.7**	5.4%	36.0%	747.1	**1,015.7**	36.0%
Total Deposits	1,414.8	1,693.9	**1,753.5**	3.5%	23.9%	1,414.8	**1,753.5**	23.9%
Equity	140.1	367.2	**404.7**	10.2%	188.9%	140.1	**404.7**	188.9%

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

Financial Ratios *INB* ***Figures in US GAAP***	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Profitability:								
NIM	4.3%	3.3%	**3.5%**	0.2	(0.8)	4.3%	**3.6%**	(0.7)
ROE	21.6%	(4.6%)	**4.8%**	9.4	(16.8)	20.8%	**3.9%**	(17.0)
ROA	1.6%	(0.6%)	**0.9%**	1.5	(0.8)	1.6%	**0.5%**	(1.1)
Operational:								
Efficiency Ratio	42.7%	55.2%	**47.7%**	(7.5)	4.9	42.3%	**49.1%**	6.8
Asset Quality:								
Past Due Loan Ratio	1.6%	4.9%	**7.6%**	2.7	6.0	1.6%	**7.6%**	6.0
Coverage Ratio	79.7%	37.4%	**25.3%**	(12.1)	(54.4)	79.7%	**25.3%**	(54.4)
Capitalization:								
Leverage Ratio	7.5%	7.8%	**9.3%**	1.5	1.9	7.5%	**9.3%**	1.9
Capitalization Ratio	11.9%	13.7%	**16.9%**	3.2	5.0	11.9%	**16.9%**	5.0

Under US GAAP, net income of Inter National Bank (INB) was $7.8 million during 9M09, (61%) less than the same period last year. Net Income increased 255% QoQ due to higher margins, as well as lower expenses and provisions.

INB's investment portfolio is mainly concentrated in mortgage backed securities (MBS), which increased 15% QoQ and 18% YoY. The underlying mortgages of these securities are rated AAA. As of 3Q09 the portfolio presents an unrealized valuation gain of US $13 million. The average weighted life of the portfolio is 3.5 years.

Total deposits increased 24% YoY and 4% QoQ driven by greater time deposits.

Performing Loans declined (1%) YoY and QoQ, while Past Due Loans increased 405% YoY and 56% QoQ, mainly due to greater delinquencies in real estate backed loans, due to the difficult environment in this sector. It is important to note that INB uses stricter US criteria to classify past due loans (30+ vs. 60+ days in Mexico).

During the quarter, INB's capitalization indicators improved considerably. The capitalization ratio was 16.9%, reflecting an increase of 5.0 pp YoY and the bank's leverage increased by 1.9 pp YoY to 9.3%, as a result of Banorte's US $30 million capital contribution to Inter National Bank during 3Q09 through the controlling subsidiaries Banorte USA and INBFC. Regarding Asset Quality indicators, the Past-Due Loan Ratio was 7.6% at the end of the quarter, increasing 2.7 pp QoQ while the Reserve Coverage was 25.3% falling 12.1 pp QoQ. The Efficiency Ratio declined 7.5 pp QoQ to 47.7%. ROE increased 9.4 pp QoQ to 4.8%, while ROA increased 1.5 pp QoQ to 0.9% and NIM increased 0.2 pp QoQ to 3.5%.

On September 21st, 2009, Inter National Bank signed a formal agreement with the OCC (Office of the Comptroller of the Currency), the main US banking regulator for banks with national licenses, in response to the observations resulting from a recent revision. This measure is a reflection of a much stricter regulatory environment as a consequence of the economic and financial crisis in the United States.

The formal agreement requires, among other things:

- Development and implementation of an action plan to improve management of the Bank's loan portfolio.
- Revision of the models to calculate loan loss reserves and the establishment of a program to maintain an appropriate level of reserves, guaranteeing a minimal level according to regulation.
- Adoption and implementation of a program to diversify the loan portfolio in accordance with the banking regulations, including a method to determine compliance with this program.
- Adoption of a program to ensure a continuous and effective Portfolio Revision process.
- Development and fulfillment of a detailed 3 year strategic plan, including controls to monitor fulfillment of the plan.

The agreement is focused mainly in the loan management process and does not observe or establishes corrective measures regarding liquidity or capitalization, financial risk or prevention of money laundering.

The Formal Agreement will remain in effect until modified, suspended or canceled by the OCC. The Bank is advancing in the development of action plans and corrective measures to fulfill all the obligations established in this supervision agreement, and will make the adjustments needed to meet all the information and monitoring requirements.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

RECOVERY BANKING

INCOME STATEMENT HIGHLIGHTS – Recovery Banking *(Million Pesos)*	9M08	9M09	YoY
Net Interest Income	(151)	(164)	9%
Loan Loss Provisions	25	37	48%
Non Interest Income	899	1,049	17%
Non Interest Expense	649	641	(1%)
Non Operating Income (Expense), net	626	346	(45%)
Pre-tax Income & Subsidiaries	700	554	(21%)
Income Tax & Profit Sharing	215	152	(29%)
Undistributed Earnings of Subsidiaries	-	-	-
Net Income	485	402	(17%)

As of 1Q07, the financial information of Sólida Administradora de Portafolios is consolidated in Banorte according to the new accounting standards that went into effect in January 2007.

ASSETS UNDER MANAGEMENT *(Million Pesos)*	3Q09	ACCOUNTING IN THE BALANCE SHEET	ACCOUNTING IN THE INCOME STATEMENT
Fobaproa-IPAB Portfolios:	372	Off balance trusts	Fees charged to Fobaproa and Fiduciary
Loans purchased:	30,001	Sólida Asset Management and Banorte	Non Interest Income and Other Revenues and Expenses (Banorte)
Investment Projects:	3,111	Sólida Asset Management	Non Interest Income
Banking Sector Portfolio:	30,988	Banorte's Portfolio and Repossessed assets	Net Interest Income and Other Revenues and Expenses
Total	64,472		

- As of September 30th 2009, acquired loan portfolios totaled Ps 30.0 billion, broken down as follows: 41% corresponds to mortgages, 39% to corporate and commercial loans, 13% to real estate portfolios and 7% to foreclosed assets. Revenues generated by these portfolios during the first 9 months of the year reached Ps 468 million, (27%) less YoY, while net income was Ps 96 million, (49%) lower YoY. The recovery ratio was 57% during the first nine months of the year, higher than the 45% registered in 9M08. The Recovery Bank did not acquire any assets during 3Q09.

- The amount invested by Solida in investment projects as of September 30th 2009 reached Ps 3.1 billion, a similar level compared to 3Q08. The investments cover 34 projects nationwide. Revenues generated by these projects during the first 9 months of the year reached Ps 405 million, 5% more YoY, while net income was Ps143 million, (11%) lower YoY.

- Banorte's proprietary assets managed by the Recovery Bank amounted to Ps 31.0 billion as of September 30th 2009, of which 33% correspond to credit cards, 28% to mortgages, 10% to corporate and commercial loans, 11% to Crediactivo SME loans, 8% to car loans, 7% to payroll and personal loans and 3% to other goods. Revenues generated by this portfolio during the first 9 months of the year reached Ps 571 million, a 12% YoY increase, while profits were Ps163 million, a 20 % YoY increase.

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BROKERAGE

Brokerage *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Brokerage								
Net Income	58	32	**42**	31%	(27%)	272	**115**	(58%)
Stockholder's Equity	1,292	1,223	**1,323**	8%	2%	1,292	**1,323**	2%
Assets Under Custody	165,833	114,776	**131,603**	15%	(21%)	165,833	**131,603**	(21%)
Total Assets	1,673	5,271	**3,645**	(31%)	118%	1,673	**3,645**	118%
ROE	18.8%	10.8%	**13.3%**	2.5 pp	(5.6 pp)	31.7%	**12.6%**	(19.1 pp)
Net Capital								
Net Capital	1,049	984	**1,074**	9%	2%	1,049	**1,074**	2%

- **Broker-Dealer**

Net Income

During the first 9M09, the Broker Dealer registered net income of Ps 115 million, a (58%) YoY decline due to lower revenues in fixed and variable income mutual funds, as well as the negative impact in variable income revenues due to lower portfolio management (discretionary accounts) activity. Income grew 31% QoQ driven by private banking accounts, investment banking and money market revenues, as well as the containment of general expenses.

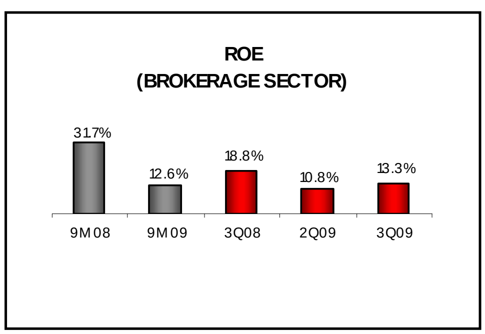
Mutual Funds

Assets under management grew 27% growth during the first nine months of the year as a result of efforts to improve the family of funds' yields, although there is still an annual decline in AUM given clientele migration towards checking accounts and other bank deposit products. Assets managed in fixed income funds rose to Ps 22.8 billion, while variable income mutual funds were Ps 4.0 billion. Banorte's market participation in mutual funds is currently 2.9%.

Assets Under Custody

As of September 30th 2009, the broker dealer's assets under custody totaled Ps 131.6 billion, a (21%) YoY decline affected mainly by the decrease at the end of 2008 and the first semester of 2009 in mutual funds AUM's and also in other clients' securities under custody. There was a 14% QoQ increase driven by mutual funds AUM's, as well as money market & variable income assets, and assets managed by Banorte Securities.

The annual growth in the broker dealer's assets is due mainly to changes in accounting of Repos.



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LONG TERM SAVINGS

LONG TERM SAVINGS *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Afore								
Net Income	47	42	**77**	81%	65%	124	**179**	44%
Equity	1,087	1,154	**1,231**	7%	13%	1,087	**1,231**	13%
Total Assets	1,257	1,286	**1,427**	11%	14%	1,257	**1,427**	14%
AUM (SIEFORE)	56,148	62,785	**68,115**	8%	21%	56,148	**68,115**	21%
ROE	17.5%	15.0%	**25.8%**	10.8 pp	8.3 pp	16.1%	**21.0%**	4.9 pp
Insurance								
Net Income	149	85	**84**	(1%)	(44%)	338	**320**	(5%)
Equity	1,970	2,365	**2,250**	(5%)	14%	1,970	**2,250**	14%
Total Assets	13,236	12,181	**11,567**	(5%)	(13%)	13,236	**11,567**	(13%)
Technical Reserves	9,417	7,536	**7,303**	(3%)	(22%)	9,417	**7,303**	(22%)
Premiums sold	1,665	1,717	**1,420**	(17%)	(15%)	6,664	**5,217**	(22%)
ROE	29.9%	14.6%	**14.6%**	- pp	(15.4 pp)	23.3%	**18.9%**	(4.4 pp)
Annuities								
Net Income	24	(8)	**14**	270%	(39%)	39	**29**	(24%)
Equity	991	1,001	**1,015**	1%	2%	991	**1,015**	2%
Total Assets	13,703	16,257	**16,949**	4%	24%	13,703	**16,949**	24%
Technical Reserves	12,408	15,100	**15,703**	4%	27%	12,408	**15,703**	27%
Premiums sold	962	791	**553**	(30%)	(42%)	2,492	**2,016**	(19%)
ROE	8.9%	(3.4%)	**5.7%**	9.0 pp	(3.2 pp)	4.7%	**3.9%**	(0.8 pp)

- **Afore**

During 9M09, the AFORE reported net income of Ps 179 million (51% corresponds to Banorte), a 44% YoY and 81% QoQ increase. The annual change is due to a significant increase in financial income, while the quarterly growth is due to greater operating income and financial income as a result of better market returns and the acquisition of IXE and Ahorra Ahora Afores. At closing of 3Q09, the AFORE's AUM grew by 21% YoY and 8% QoQ, reaching Ps 68.11 billion.

Banorte has a 6.3% market participation in AUM's, ranking 6th in the market at the end of September 2009. It also ranks 6th in the industry in terms of growth in AUM's.

On the other hand, at of the end of 3Q09, the AFORE had a total of 3,891,018 affiliates, with a 9.9% participation of total affiliates in the system and 9.8% of certified accounts.

- **Insurance**

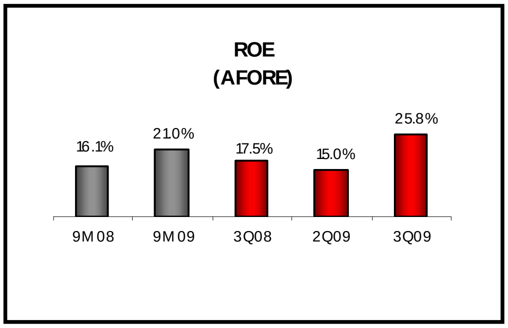
Profits were Ps 320 million in 9M09 (51% corresponds to GFNorte), (5%) less YoY, due to a decline in revenues as a result of lower accrued premiums, a decrease in financial income and higher tax payments. Net income declined (1%) QoQ, due to lower accrued premiums and financial income.

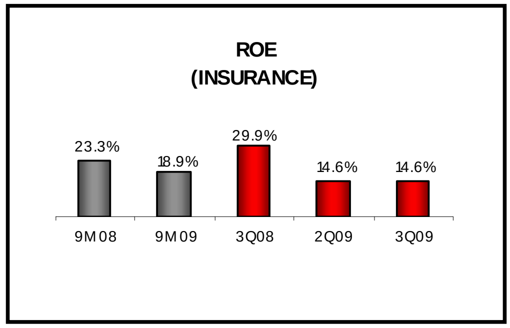
Issued premiums reduced by (22%) YoY reaching Ps 5.22 billion due to lower sales of private banking products, while accrued premiums rose to Ps 4.27 billion at closing of 9M09, a (4%) YoY decline. Technical reserves were Ps 7.30 billion, dropping (22%) YoY given the decline in the integral wealth management product, but remained stable QoQ.

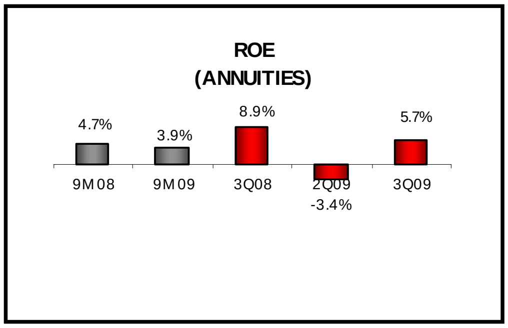
- **Annuities**

Reported net income of Ps 29 million in the first 9M09 (51% corresponds to GFNorte), dropping (24%) YoY given a decline in premiums sold and an increase in sales expenses. Profits rose 270% QoQ, due to revenue growth from interest paid on capital and reserves.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.







According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

OTHER FINANCE COMPANIES

OTHER FINANCE COMPANIES (1) *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Leasing and Factoring								
Net Income	53	106	**91**	(14%)	71%	197	**291**	48%
Equity	1,189	1,384	**1,375**	(1%)	16%	1,189	**1,375**	16%
Loan Portfolio (2)	12,741	13,457	**13,226**	(2%)	4%	12,741	**13,226**	4%
Past Due Loans	57	117	**99**	(16%)	75%	57	**99**	75%
Loan Loss Reserves	81	119	**157**	32%	93%	81	**157**	93%
Total Assets	12,828	13,521	**13,242**	(2%)	3%	12,828	**13,242**	3%
ROE	18.4%	31.8%	**26.5%**	(5.3 pp)	8.1 pp	24.1%	**29.8%**	5.7 pp
Warehousing								
Net Income	6	7	**6**	(14%)	(7%)	17	**20**	12%
Equity	118	136	**141**	4%	19%	118	**141**	19%
Inventories	571	2,014	**427**	37%	(25%)	571	**427**	(25%)
Total Assets	749	439	**556**	27%	(26%)	749	**556**	(26%)
ROE	21.4%	20.3%	**16.7%**	(3.6 pp)	(4.8 pp)	21.3%	**19.6%**	(1.6 pp)

(1) When making annual comparisons of other finance companies, it is important to keep in mind that as of March 31 2007, the bonding company was divested from Grupo Financiero Banorte. During 1Q07 it reported a net income of Ps $ 9 million, which is not reflected in the results presented in this report.
(2) Includes the portfolio of assets under pure leasing registered in property, plant and equipment.

- **Leasing and Factoring**

As of February 2008, the Leasing and Factoring companies merged under a "Sociedad Financiera de Objeto Múltiple (SOFOM)", a regulated entity. This merger allows among other things, to optimize the use of capital, improve leverage capacity and the outlook for higher credit ratings of the new entity. Results of both companies, as of 1Q08 are presented on a consolidated basis under the denomination "Arrendadora y Factor Banorte, S.A. de C.V."

Arrendadora and Factor generated profits of Ps 291 million during the first 9M09, 48% higher YoY due to a 4% annual growth in the loan portfolio and an improvement in margins. Profits for 3Q09 are (14%) lower QoQ due to a 32% QoQ increase in the loan loss reserves resulting from the rating of the portfolio.

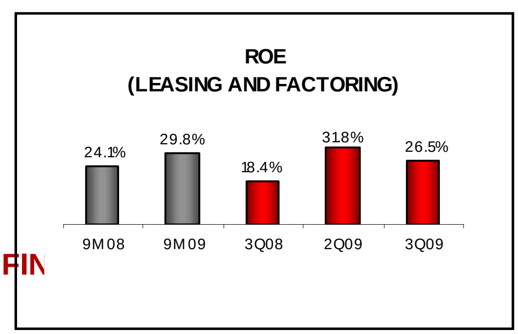
At the end of 2Q09, the PDL ratio was 0.75%, while the Capitalization Ratio was 10.28%, with average risk assets of Ps 13.75 billion.

As of September 30th 2009, Arrendadora and Factor Banorte ranked 2nd in terms of portfolio size among the 41 companies of this sector.

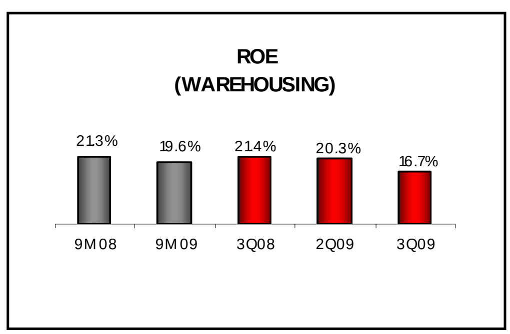
- **Warehousing**

Net income during 9M09 was Ps 20 million, 12% higher YoY due mainly to an increase in the fitting of storage services and the commercialization of inventories. On a quarterly basis, Net Income fell (14%) due to the cyclical decline in fitting of storage services and the commercialization of inventories.

As of September 30th 2009, the Capitalization Ratio was 9.2% considering Ps 1.54 billion in total certificates at risk in circulation. It currently ranks 3rd among the 20 Warehousing Companies in terms of profits generated.



II. FIN



According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

PRONEGOCIO

MICROLENDING PRONEGOCIO *(Million Pesos)*	3Q08	2Q09	3Q09	QoQ	YoY	9M08	9M09	YoY
Net Income	(24)	6	**3**	(55%)	112%	(40)	**15**	137%
Equity	51	60	**-**	N.A.	N.A.	51	**-**	N.A.
Loan Portfolio	347	102	**-**	N.A.	N.A.	347	**-**	N.A.
Non Performing Loans	82	13	**-**	N.A.	N.A.	82	**-**	N.A.
Loan Loss Reserves	32	11	**-**	N.A.	N.A.	32	**-**	N.A.
Total Assets	463	197	**-**	N.A.	N.A.	463	**-**	N.A.
ROE	(153.2%)	44.1%	**37.3%**	(6.9 pp)	190.5 pp	(82.2%)	**48.2%**	130.5 pp

- **Pronegocio**

The Board of Directors' Meeting held on January 29th, 2009, approved the merger of Banco Mercantil del Norte as the merging company, with Créditos Pronegocio, S.A. de C.V., as the merged entity. Since this resolution was approved, there has been a gradual transfer of expenses to the bank and the relocation of performing clientele of the SOFOM to other Banorte products. The final merger agreement was signed on August 31st, 2009, after receiving the necessary authorizations from the regulating authorities.

The profits accumulated during 9M09 of Ps 15 million are not representative of this subsidiary's performance, because of the transfer of expenses and other accounting items in the course of the year to Banco Mercantil del Norte as part of the merger process.

The merger process required a specific work plan to reduce the financial impact on Banorte's long term capitalization process of this company, as well as the absorption of recurring losses for several fiscal years. As a reference, just in 2008 Pronegocio accumulated a loss of Ps 120 million.

The work plan designed to conclude in December 2009 included among its objectives the closing of all branches at the end of 3Q09 and the reduction of the financial impact. In accordance to this plan, all branches were closed at the end of September of 2009 and the financial impact has been reduced to almost Ps 265 million. This cost could decrease if the loan portafolio is further controlled and the recovery of existing portfolio balances continues.

As of January 2010, the Asset Recovery unit will be in charge of monitoring the recovery of the remaining portfolio through third parties.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

RATINGS

International Ratings				
Rating Agency	**Rated Institution**	**Rating**	**Category**	**Date**
Moody's	Banorte	Negative C- Stable Baa1 P-2 A3 P-2	**Outlook BFSR** **Modest Financial Strength** **Outlook GLC** **Foreign long - term bank deposits** **Foreign short- term bank deposits** **Local long - term bank deposits** **Local short - term bank deposits**	October, 2009
Moody's	Banorte	Baa1 Baa2 Baa1 Baa2	Long term local currency subordinated debt (Tier 2) Long term local currency subordinated debt (Tier 1) Long term foreign currency subordinated debt (Tier 2) Long term foreign currency subordinated debt	October, 2009
Moody's	Casa de Bolsa Banorte	Stable A3 P-2	**Outlook** **Issue Rating Long Term** **Issue Rating ShortTerm**	October, 2009
Standard & Poors	Banorte	Stable BBB- BBB- A-3 A-3	**Outlook** **Long term foreign issuer credit** **Long term local currency deposits** **Short term foreign issuer credit** **Short tem local issuer credit**	December, 2008
Fitch	Banorte Grupo Financiero Banorte	Stable BBB BBB F2 F2 C 2 5	**Outlook** **Long Term Foreign currency** **Long Term Local currency** **Short Term Local Currency** **Short Term Foreign Currency** **Individual - Foreign Currency** **Support Rating** **Support Rating**	February, 2009

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

Domestic Ratings				
Rating Agency	**Rated Institution**	**Rating**	**Category**	**Date**
Fitch	Banorte	F1 + (mex) AA +(mex) F1 + (mex) AA +(mex)	**Short term counterparty risk** **Long term counterparty risk** **Short term CD's and Term Deposits** **Long term CD's and Term Deposits**	February, 2009
	Arrendadora y Factor Banorte	AA + (mex) F1 + (mex)	**Medium and Long Term** **Short Term**	May, 2007
Moody's Domestic Scale	Banorte	Aaa.mx MX-1	**Long Term Deposits** **ShortTerm Deposits**	October, 2009
	Arrendadora Banorte	Aaa.mx MX-1	**Issue Rating in Domestic Scale Long Term** **Issue Rating in Domestic Scale ShortTerm**	October, 2009
	Factor Banorte	Aaa.mx MX-1	**Issue Rating in Domestic Scale Long Term** **Issue Rating in Domestic Scale ShortTerm**	October, 2009
	Banorte	Aa1.mx	**Long term Mexican National Scale junior subordinated debt**	October, 2009
Other Ratings				
Fitch	Banorte	AAFC1(mex)	**Financial Asset Administrator**	February, 2008
Fitch	Seguros Banorte Generali	AA (mex)	**Insurance Financial Strength**	November, 2008
Fitch	Casa de Bolsa Banorte	Stable F1 + (mex) AA +(mex)	**Outlook** **Short term counterparty risk** **Long term counterparty risk**	March, 2009
Moodys	Casa de Bolsa Banorte	Stable Aaa.mx MX-1	**Outlook** **Issue Rating Long Term** **Issue Rating ShortTerm**	**October, 2009**

INFRASTRUCTURE

INFRASTRUCTURE	3Q08	2Q09	3Q09
Employees	20,493	19,679	**19,491**
Banking (1)	14,886	15,043	**15,180**
Other	5,607	4,636	**4,311**
Branches (2)(3)	1,085	1,076	**1,080**
INB	20	20	20
Pronegocio	97	14	0
ATM's	4,073	4,247	**4,330**

(1) Includes INB since 4Q06 and Uniteller since 1Q07.
(2) Includes banking modules and remote teller windows. Excludes 1 branch located in Cayman Island.

- During this quarter, 4 new branches were opened, and none were closed. The quarter ended with 4,330 ATMs, a 6% annual growth.
- The opening of 15 new branches and 5 relocations and refurbishments was considered for 2009. All these movements were part of the 2008 expansion program, but were pending due to various delays.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

ANNEXES

1. GROUP'S GENERAL INFORMATION

2. SUMMARY OF RESULTS AND FINANCIAL STATEMENTS

3. ACCOUNTING CHANGES AND REGULATIONS

4. LOAN PORTFOLIO SALES TO SOLIDA ADMINISTRADORA DE PORTAFOLIOS

5. NOTES TO THE GROUP'S FINANCIAL STATEMENTS

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNORTE'S GENERAL INFORMATION

GFNorte Ownership of Subsidiaries	3Q09
Banco Mercantil del Norte (1)	97.07%
Brokerage House	99.99%
Retirement Funds – Afore (2)	51.00%
Insurance	51.00%
Annuities	51.00%
Leasing and Factoring	99.99%
Warehouse	99.99%
Banorte USA (2)	100.00%

1) As a resukt of merging Pronegocio on August 31,2009.
2) Subsidiary of Banco Mercantil del Norte. Banorte USA owns 100% of Uniteller and 100% of INB.

Holding Company Capital Structure	
Number of Shares	**SERIE O As of september 30, 2009**
Number of Shares Outstanding	2,018,347,548
Shares held in the bank's Treasury	-

Group Officers	
NAME	**CURRENT POSITION**
Alejandro Valenzuela del Río	Chief Executive Officer
BUSINESS UNITS	
Fernando Solís Soberón	Managing Director – Long Term Savings
Carlos Garza	Managing Director – Banorte USA
Ricardo Acevedo Garay	Managing Director – Brokerage House
Jesús Garza Martínez	Managing Director – Retail and Commercial Banking
Antonio Ortiz Cobos	Managing Director – Corporate Banking
Manuel Sescosse Varela	Managing Director – Government Banking
Luis Fernando Orozco	Managing Director – Asset Recovery
STAFF	
Alejandro Garay Espinosa	Managing Director – Corporate Services
Román Martínez Méndez	Managing Director - Audit
Javier Márquez Diez-Canedo	Managing Director - Risk
Aurora Cervantes Martínez	Managing Director - Legal
Carla Juan Chelala	Managing Director - Marketing
Sergio García Robles Gil	Chief Financial Officer
Prudencio Frigolet Gómez	Managing Director –Technology

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

SUMMARY OF RESULTS

Monterrey, N. L., October 27, 2009. Grupo Financiero Banorte announced today its operating results as of September 2009, reporting quarterly net income of Ps 1.43 billion, a 9% QoQ increase. The bank contributed with 84% of these profits, reaching Ps 1.19 billion. The return on annualized equity of GFNorte increased from 13.5% to 14.5%, and the return on assets improved from 0.9% to 1.0%.

Net Interest Income
During the third quarter, net interest income declined 4% QoQ, reaching Ps 5.59 billion. Deposits grew by 2% QoQ driven by retail time and money market deposits. Demand deposits fell by 1% during the period reported.

Loan Portfolio
As of September 30th 2009, Performing Loans remained at the same level compared to a year ago, reaching a balance of Ps 234.7 billion. This in spite of an adverse and difficult economic environment, and as a consequence of the bank's determination to take advantage of market opportunities, as well as increasing penetration in segments such as government.

Commercial loans totaled Ps 85.34 billion, lower by (1%) QoQ. The corporate portfolio reduced by (9%) QoQ to Ps 41.37 billion and the government portfolio increased by 6% QoQ to Ps 33.74 billion.

Consumer loans posted a slight 1% increase compared to the previous quarter. Mortgages maintained an upward trend to end 3Q09 with a Ps 48.10 billion balance, a 2% QoQ increase, which consolidates Banorte as the number two mortgage bank in the country.

One of the main achievements during the quarter was the stabilization in the past due loan ratio, which fell for the first time in the past 10 quarters to 2.5% at the end of 3Q09, one of the lowest in the banking system. Grupo Financiero Banorte ended 3Q09 with a past due loan balance of Ps 6.10 billion, 3% lower than the previous quarter.

Loan loss reserve coverage for the Group was 124%, an important QoQ increase due to the new methodology established by CNBV for credit cards, which translated into additional reserves of Ps 1.14 billion that were created against capital.

Efficiency Ratio
The efficiency ratio improved in 3Q09, from 52% in the previous quarter to 51%, driven by higher growth in total income compared to expenses. It is important to note that as a result of the weak economic and business environment, at the end of 2008, Banorte initiated a series of measures to contain costs, which has been reflected in efficiencies throughout the year.

Other Subsidiaries
The contribution to profits from the Long Term Savings sector, which includes the AFORE, insurance and annuities companies, was Ps 88 million in 3Q09, 47% higher compared to 2Q09. During the quarter, Other Finance Companies (Factoring & Leasing, and Warehousing), posted profits of $97 million, (14%) lower than the previous quarter. The Broker Dealer reported profits of Ps42 million in the period, 31% higher QoQ.

The Mexican banking system faced during the third quarter an adverse and complicated environment; the interbank rate TIIE reduced from 5.93% to 4.91% with respect to 2Q09; the economy suffered a severe contraction, the Central Bank regulation mandated the elimination of some credit card, deposit products and ATM fees. Also, the Banking and Securities Commission (CNBV) determined the creation of additional reserves. In light of this complicated environment, Banorte improved its profitability, maintained its loan portfolio, increased its capitalization ratio and reverted the growing trend in the NPL ratio. These achivements shw that the most difficult phase for Banorte might be over.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

HOLDING

Holding – INCOME STATEMENT *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	Accum. 2008	1Q09	2Q09	3Q09	4Q09	Accum. 2009
Income Subsidiaries & Other	1,930	1,806	2,007	1,266	**7,009**	**1,613**	**1,315**	**1,429**		**4,357**
Interest Income	3	3	3	3	**13**	1	2	2		4
Interest Expense	-	-	-	-	**-**	-	-	-		-
Fees & Tariffs	-	-	-	-	**-**	-	-	-		-
Trading Income	-	-	-	-	**-**	-	-	-		-
Monetary Position REPOMO	-	-	-	-	**-**	-	-	-		-
Total Operating Income	**1,933**	**1,809**	**2,010**	**1,269**	**7,022**	**1,614**	**1,317**	**1,431**		**4,361**
Admin & Promotion Expense	2	1	1	2	**6**	1	3	2		6
Operating Income	**1,932**	**1,808**	**2,009**	**1,268**	**7,016**	**1,612**	**1,314**	**1,429**		**4,355**
Non Operating Income	-	-	-	-	**-**	2	-	-		2
Non Operating Expense	-	-	-	-	**-**	-	-	-		-
Non Operating Income, net	-	-	-	**-**	-	**2**	**-**	**-**		**2**
Pre-tax Income	**1,932**	**1,808**	**2,009**	**1,268**	**7,016**	**1,614**	**1,314**	**1,429**		**4,357**
Income Tax & Profit Sharing	3	1	3	-	**7**	1	(1)	-		-
Tax on Assets	-	-	-	-	**-**	-	-	-		-
Deferred Income Tax & PS	-	1	(1)	(5)	**(5)**	2	3	-		5
	3	1	2	**(5)**	**2**	**3**	**2**	**-**		**5**
Profit from Cont Ops	**1,928**	**1,806**	**2,007**	**1,272**	**7,014**	**1,611**	**1,312**	**1,428**		**4,352**
Extraordinary Items, net	**-**	-	-	-	**-**	-	-	-		-
Total Net Income	**1,928**	**1,806**	**2,007**	**1,272**	**7,014**	**1,611**	**1,312**	**1,428**		**4,352**

Holding – BALANCE SHEET *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
ASSETS								
Cash & Due from Banks	131	204	157	**24**	63	150	254	
Margin Accounts	-	-	-	**-**	-	-	-	
Investment in Securities	-	-	-	**-**	-	-	-	
Sundry Debtors & Other Accts Receivable, net	11	11	164	**12**	2	3	104	
Real Estate, Furniture & Equipment, net	**-**	**-**	**-**	**-**	-	-	-	
Investments in Subsidiaries	34,345	36,964	37,574	**38,184**	39,186	39,455	40,655	
Deferred Taxes	-	-	-	**5**	3	1	1	
Goodwill	36	35	33	**32**	34	31	31	
Other Assets, Deferred Charges & Intangibles	-	-	-	**-**	-	-	-	
TOTAL ASSETS	**34,524**	**37,214**	**37,929**	**38,257**	**39,288**	**39,640**	**41,044**	
LIABILITIES								
Due to Banks & Correspondents	**-**	**-**	**-**	**-**	-	-	-	
Income Tax & Profit Sharing	-	-	-	**-**	-	-	-	
Other Accounts Payable	5	3	1	**1**	1	1	1	
Deferred Taxes	**-**	**1**	**-**	**-**	-	-	-	
TOTAL LIABILITIES	**5**	**3**	**1**	**1**	1	1	1	
STOCKHOLDER´S EQUITY								
Paid-in Capital	12,018	12,020	12,014	**12,004**	12,007	12,020	12,020	
Premium of Share Subscription & Issuance	1,863	1,863	1,863	**1,860**	1,859	1,853	1,852	
Subordinated Convertible Debt	-	-	-	**-**	-	-	-	
Subscribed Capital	**13,881**	**13,882**	**13,877**	**13,865**	**13,866**	**13,873**	**13,871**	
Capital Reserves	2,446	2,807	2,767	**2,720**	2,748	3,173	3,175	
Retained Earnings	21,376	21,035	21,035	**16,935**	23,965	23,459	21,228	
Surplus (Deficit) from Valuation of Securities	-	-	-	**(550)**	(1,315)	(867)	452	
Mark To Market of Securities	-	-	-	**-**	-	(1,342)	(1,547)	
Results from Conversions of Foreign Ops	-	-	-	**1,094**	1,244	(1,580)	(488)	
Surpluss (Deficit) in Capital Restatement	-	-	-	**-**	-	-	-	
Results of Non Monetary Fixed Assets	-	-	-	**-**	-	-	-	
Results of Non Monetary Investment Assets	(5,113)	(4,250)	(5,493)	**(2,821)**	(2,833)	-	-	
Adjustmens in the Employees' Liabilities	-	-	-	**-**	-	-	-	
Net Income	1,928	3,735	5,742	**7,014**	1,611	2,923	4,352	
Earned Capital	**20,638**	**23,328**	**24,051**	**24,391**	**25,421**	**25,767**	**27,172**	
Total Stockholder´s Equity	**34,519**	**37,210**	**37,928**	**38,256**	**39,287**	**39,640**	**41,043**	
TOTAL LIABILITIES & EQUITY	**34,524**	**37,214**	**37,929**	**38,257**	**39,288**	**39,640**	**41,044**	

Holding – MEMORANDUM ACCOUNTS *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
Securities held under Custody	3,716	3,716	3,716	**3,716**	3,716	3,716	3,716	
Other Registration Accounts	1	1	1	**1**	1	1	1	
	3,717	**3,717**	**3,717**	**3,717**	**3,717**	**3,717**	**3,717**	

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GRUPO FINANCIERO BANORTE

GFNorte – INCOME STATEMENT *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	Accum. 2008	1Q09	2Q09	3Q09	4Q09	Accum. 2009
Interest Income	11,307	11,676	12,820	14,061	**49,864**	13,141	11,358	10,269		**34,768**
Interest Expense	6,247	6,568	7,209	7,766	**27,789**	7,094	5,656	4,803		**17,553**
Loan Fees Charged	101	117	137	156	**510**	153	139	137		**429**
Fees Paid	-	-	-	-	**-**	-	4	11		**14**
Net Interest Income (NII)	**5,161**	**5,225**	**5,748**	**6,451**	**22,585**	**6,199**	**5,838**	**5,592**		**17,629**
Monetary Adjustment (Repomo) to margins	-	-	-	-	**-**	-	-	-		**-**
NII after Repomo	**5,161**	**5,225**	**5,748**	**6,451**	**22,585**	**6,199**	5,838	**5,592**		**17,629**
Preventive Provisions for Loan Losses	1,005	1,255	1,653	2,983	**6,896**	2,162	2,188	2,154		**6,504**
Loan Loss Sharing Provisions Fobaproa	-	-	-	-	**-**	-	-	-		**-**
NII Adjusted for Credit Risk	**4,156**	**3,971**	**4,095**	**3,467**	**15,689**	**4,037**	**3,650**	**3,438**		**11,125**
Fund Transfers	52	55	53	63	**222**	60	61	63		**184**
Account Management	235	250	260	253	**998**	230	237	233		**700**
Fiduciary	69	76	79	72	**295**	51	68	62		**180**
Income from Real Estate Portfolios	190	117	223	204	**734**	137	164	229		**530**
Electronic Banking Services	234	249	256	269	**1,009**	250	256	253		**759**
Credit Card Fees	581	621	675	655	**2,533**	590	520	571		**1,681**
Fees Charged to IPAB	-	-	-	1	**1**	-	-	-		**1**
Other Fees	664	735	640	621	**2,660**	597	612	641		**1,849**
Fees Charged on Services	**2,026**	**2,103**	**2,185**	**2,138**	**8,452**	**1,915**	**1,918**	**2,053**		**5,885**
Fund Transfers	5	5	4	5	**19**	6	5	5		**16**
Other Fees	277	287	293	332	**1,189**	324	301	338		**963**
Expenses from Real Estate Portfolios	-	-	-	-	**-**	-	-	-		**-**
Fees Paid on Services	**282**	**292**	**298**	**337**	**1,208**	**330**	**306**	**343**		**979**
Foreign Exchange	128	135	165	351	**779**	360	162	199		**721**
Securities - Realized Gains	153	19	235	(131)	**276**	17	92	179		**288**
Securities - Unrealized Gains	(83)	6	(277)	339	**(15)**	(131)	(86)	32		**(185)**
Market Related Income	**198**	**159**	**123**	**559**	**1,040**	**246**	**167**	**411**		**823**
Other Operating Income (Expense)	**-**	**-**	**-**	**-**	**-**	**235**	154	**340**		**730**
Non-Interest Income	**1,942**	**1,971**	**2,011**	**2,360**	**8,284**	**2,066**	**1,933**	**2,461**		**6,459**
Total Operating Income	**6,098**	**5,941**	**6,106**	**5,828**	**23,973**	**6,102**	**5,583**	**5,899**		**17,585**
Personnel	1,504	1,522	1,572	1,558	**6,156**	1,699	1,544	1,704		**4,947**
Profit Sharing	-	-	-	-	**-**	199	169	136		**504**
Professional Fees Paid	227	236	293	437	**1,192**	334	340	307		**982**
Administrative and Promotional Expenses	1,255	1,304	1,093	1,288	**4,941**	1,163	1,099	1,102		**3,364**
Rents, Depreciation and Amortization	417	426	407	436	**1,687**	452	435	404		**1,291**
Other Taxes (other than Income tax)	183	187	133	391	**894**	209	172	149		**530**
Contributions to IPAB	213	228	238	259	**938**	267	265	271		**803**
Non-Interest Expense	**3,799**	**3,903**	**3,736**	**4,369**	**15,808**	**4,324**	**4,024**	**4,073**		**12,421**
Net Operating Income	**2,299**	**2,038**	**2,370**	**1,458**	**8,166**	**1,778**	**1,559**	**1,826**		**5,163**
Other Revenues	583	374	256	770	**1,984**	468	581	289		**1,339**
Changes in Foreign Exchange Valuation	-	-	-	-	**-**	-	-	-		**-**
Recoveries	267	367	445	727	**1,806**	181	108	152		**442**
Repomo - Other revenues	-	-	-	-	**-**	-	-	-		**-**
Non-Operating Income	**850**	**741**	**701**	**1,497**	**3,789**	**649**	**690**	**442**		**1,780**
Other Expenses	(112)	(165)	(83)	(1,084)	**(1,444)**	(235)	(521)	(304)		**(1,060)**
Foreign Exchange	-	-	-	-	**-**	-	-	-		**-**
Repomo - Other (creditor balance)	-	-	-	-	**-**	-	-	-		**-**
Non-Operating Expense	**(112)**	**(165)**	**(83)**	**(1,084)**	**(1,444)**	**(235)**	**(521)**	**(304)**		**(1,060)**
Non Operating Income (Expense), net	**738**	**576**	**618**	**413**	**2,346**	**413**	**168**	**138**		**720**
Pre-Tax Income	**3,038**	**2,614**	**2,988**	**1,871**	**10,511**	**2,192**	**1,728**	**1,964**		**5,883**
Income Tax	799	687	724	552	**2,761**	258	413	765		**1,436**
Profit Sharing	232	233	258	160	**884**	-	-	-		**-**
Tax on Assets	-	-	-	-	**-**	-	-	-		**-**
Deferred Income Tax	44	(169)	-	(120)	**(245)**	317	17	(220)		**113**
Taxes	**1,075**	**751**	**982**	**592**	**3,400**	**574**	**429**	**545**		**1,549**
Net Income before Subsidiaries	**1,963**	**1,863**	**2,006**	**1,279**	**7,111**	**1,617**	**1,298**	**1,419**		**4,334**
Subsidiaries' Net Income	77	22	100	77	**276**	89	45	85		**219**
Net Income form Continuos Operations	**2,040**	**1,885**	**2,106**	**1,356**	**7,386**	**1,706**	**1,343**	**1,504**		**4,553**
Extraordinary Items, net	-	-	-	-	**-**	-	-	-		**-**
Minority Interest	111	79	99	84	**372**	95	31	75		**201**
TOTAL NET INCOME	**1,928**	**1,806**	**2,007**	**1,272**	**7,014**	**1,611**	**1,312**	**1,428**		**4,352**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNORTE – BALANCE SHEET *(Millions Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
ASSETS								
Cash and Due from Banks	**39,804**	**41,694**	**45,858**	**54,402**	**56,303**	**56,918**	**55,439**	
Margin Accounts	-	-	-	-	**14**	**17**	**20**	
Negotiable Instruments	7,909	10,697	10,993	6,075	5,172	25,672	18,439	
Securities Available for Sale	15,329	14,803	14,955	11,480	11,870	11,566	13,268	
Securities Held to Maturity	749	742	728	221,617	217,922	210,702	201,066	
Investment in Securities	**23,987**	**26,242**	**26,676**	**239,172**	**234,965**	**247,940**	**232,774**	
Non-assigned Securities for Settlement	-	-	-	-	-	-	-	
Debtor Balance in Repo Trans, net	92	90	159	148	1,620	16	6	
Securities lending	-	-	-	-	-	-	-	
For trading purposes	-	-	-	-	6,406	5,525	5,381	
For hedging purposes					2,529	1,142	1,313	
Transactions with Derivatives	2,368	4,525	2,587	8,168	**8,936**	6,667	6,694	
Operations w/ Derivatives & Securities	**2,460**	**4,615**	**2,746**	**8,317**	**10,556**	**6,684**	**6,700**	
Commercial Loans	101,040	107,097	114,752	126,798	122,563	120,617	118,508	
Financial Intermediaries' Loans	13,592	14,531	15,853	10,860	10,229	8,462	8,214	
Consumer Loans	28,642	30,380	31,413	29,369	27,775	26,651	26,177	
Mortgage Loans	39,046	41,170	43,682	46,282	47,023	47,691	48,792	
Government Entities' Loans	17,556	24,367	25,412	26,989	28,592	31,921	33,738	
IPAB Loans	-	-	-	-	-	-	-	
Performing Loans	**199,875**	**217,544**	**231,111**	**240,298**	**236,181**	**235,342**	**235,429**	
Commercial PDL's	1,089	1,135	1,319	1,703	2,181	2,796	2,914	
Financial Intermediaries PDL's	-	-	-	-	3	-	-	
Consumer PDL's	1,208	1,471	1,956	2,499	2,541	2,584	2,195	
Mortgage PDL's	893	619	704	746	825	919	994	
Government Entities PDL's	-	-	-	-	-	-	-	
Past Due Loans	**3,189**	**3,225**	**3,979**	**4,948**	**5,550**	**6,299**	**6,103**	
Gross Loan Portfolio	**203,065**	**220,769**	**235,091**	**245,246**	**241,731**	**241,641**	**241,532**	
Preventive Loan Loss Reserves	4,048	4,217	4,904	6,690	**6,051**	**6,426**	7,547	
Net Loan Portfolio	**199,017**	**216,552**	**230,187**	**238,556**	**235,680**	**235,215**	**233,985**	
Acquired Collection Rights	3,538	3,375	3,232	3,049	**2,923**	2,804	2,705	
Total Credit Portfolio	**202,554**	**219,927**	**233,419**	**241,605**	**238,603**	**238,019**	**236,690**	
Benef.receivab.securitization transactions	546	520	404	796	**699**	557	465	
Sundry Debtors & Other Accs Rec, net	12,459	10,431	13,118	9,514	**13,769**	10,771	15,719	
Inventories	61	77	571	165	**479**	312	427	
Foreclosed Assets, net	506	653	682	863	**841**	800	870	
Real Estate, Furniture & Equipment, net	7,959	8,058	8,192	8,429	**8,459**	8,419	8,535	
Investments in Subsidiaries	2,685	2,632	2,491	2,559	**2,668**	2,896	2,940	
Deferred Taxes, net	148	304	336	471	**147**	141	760	
Goodwill	4,034	3,953	4,247	5,377	**5,799**	4,330	4,638	
Intangibles	238	219	209	275	**4,499**	4,119	4,371	
Other Assets	4,085	4,286	4,255	5,079	**-**	-	-	
	32,175	**30,612**	**34,101**	**32,732**	**37,361**	**32,345**	**38,724**	
TOTAL ASSETS	**301,526**	**323,611**	**343,204**	**577,025**	**577,802**	**581,922**	**570,347**	

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

***GFNORTE* – BALANCE SHEET** *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
LIABILITIES								
Demand Deposits	103,26	106,693	107,694	128,350	120,255	123,755	122,312	
Time Deposits	93,830	114,557	133,799	132,419	134,964	141,608	147,447	
Bank Bonds	-	-	-	-	-	-	-	
Deposits	**197,092**	**221,250**	**241,492**	**260,769**	**255,219**	**265,363**	**269,759**	
Immediate Redemption Loans	5,615	3,136	824	1,245	4,180	501	2,711	
Short Term Loans	18,538	11,375	11,952	24,803	25,322	25,057	19,266	
Long Term Loans	10,178	10,070	10,395	10,636	10,723	9,727	9,648	
Due to Banks & Correspondents	**34,332**	**24,581**	**23,170**	**36,684**	**40,225**	**35,285**	**31,625**	
Non-assigned Securities for Settlement	1,745	1,570	1,486	-	420	540	-	
Creditor Balance in Repo Trans, net	291	605	632	192,727	191,479	200,933	185,202	
Secs to be received in Repo Trans, net	-	-	-	-	-	-	-	
Repo Transactions with Collateral	-	-	-	2	304	-	1	
For trading purposes	-	-	-	-	6,300	5,219	5,079	
For hedging purposes	-	-	-	-	5,345	3,976	4,446	
Transactions with Derivatives	3,157	4,443	2,946	10,746	11,646	9,195	9,525	
Operations w/ Derivatives & Securities	**5,192**	**6,619**	**5,064**	**203,475**	**203,849**	**210,668**	**194,727**	
Income Tax Payable	1,197	1,340	1,512	1,272	211	170	496	
Profit Sharing Payable	-	-	-	-	285	371	505	
Creditors for settlement of transactions					6,832	1,709	2,264	
Other Creditors & Accounts Payable	12,538	13,306	13,654	13,121	10,894	8,516	9,108	
Other Payable Accounts	**13,734**	**14,646**	**15,166**	**14,393**	**18,222**	**10,767**	**12,373**	
Subordinated Non Convertible Debt	14,561	16,932	17,923	20,613	18,053	17,783	18,505	
Deferred Taxes	-	-	-	-	-	-	-	
Deferred Credits	977	1,146	1,269	1,346	1,336	1,464	1,568	
TOTAL LIABILITIES	**265,888**	**285,174**	**304,085**	**537,280**	**536,903**	**541,330**	**528,558**	
EQUITY								
Paid-in Capital	11,965	11,968	11,951	11,941	11,932	11,945	11,945	
Share Subscription Premiums	1,275	1,273	1,187	1,468	1,530	1,247	966	
Subordinated Convertible Debentures	-	-	-	-	-	-	-	
Subscribed Capital	**13,239**	**13,241**	**13,138**	**13,409**	**13,462**	**13,192**	**12,911**	
Capital Reserves	2,446	2,807	2,767	2,720	2,748	3,173	3,175	
Retained Earnings	21,376	21,035	21,035	16,935	23,965	23,459	21,228	
Surplus (Deficit) of Secs Available for Sale	-	-	-	(550)	(1,315)	(866)	452	
Results from Valuation of Hedging Secs	-	-	-	-	-	(1,342)	(1,547)	
Results from Conversions	-	-	-	1,094	1,244	(1,580)	(488)	
Surplus (Deficit) in Capital Restatement	-	-	-	-	-	-	-	
Results of Non Monetary Fixed Assets	-	-	-	-	-	-	-	
Results of Non Monetary –Investment Assets	(5,113)	(4,250)	(5,493)	(2,821)	(2,833)	-	-	
Adjustments in the Employee's Pensions	-	-	-	-	-	-	-	
Accumulated Effect of Deferred Liabilities	-	-	-	-	-	-	-	
Net Income	1,928	3,735	5,742	7,014	1,611	2,923	4,352	
Earned Capital	**20,638**	**23,328**	**24,051**	**24,391**	**25,421**	**25,767**	**27,172**	
Minority Interest	1,761	1,868	1,930	1,945	2,016	1,633	1,706	
Total Equity	**35,638**	**38,437**	**39,119**	**39,746**	**40,899**	**40,592**	**41,789**	
TOTAL LIABILITIES & EQUITY	**301,526**	**323,611**	**343,204**	**577,025**	**577,802**	**581,922**	**570,347**	

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

***GFNORTE* – MEMORANDUM ACCOUNTS** *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
On behalf of Third Parties								
Customer's Banks	12	16	12	74	30	7	4	
Dividends Receivable from Customers	-	-	-	-	-	-	-	
Interest Receivable from Customers	-	-	-	-	-	-	-	
Settlement of Customer Transactions	37	44	(98)	35	246	118	(196)	
Customer Premiums	-	-	-	-	-	-	-	
Settlement with Clients' Foreign Currency	-	-	-	-	-	-	-	
Margin Accounts in Futures' Operations	-	-	-	-	-	-	-	
Other Current Accounts	-	-	-	-	-	-	-	
Customers' Current Account	**49**	**60**	**(86)**	**109**	**276**	**125**	**(192)**	
Client Securities Received in Custody	185,033	185,766	164,891	118,537	97,315	113,978	130,648	
Securities and Documents Received in Guarantee	-	-	-	-	-	-	-	
Client Securities Abroad	-	-	-	-	-	-	-	
Clients' Securities	**185,033**	**185,766**	**164,891**	**118,537**	**97,315**	**113,978**	**130,648**	
Clients' Repurchase Operations	23,511	32,360	32,881	35,688	30,925	27,617	32,058	
Clients' Repo Transactions w/ Securities	-	-	-	-	-	-	-	
Purchase of Futures & Forward Contracts notional	-	-	-	-	-	-	-	
Sale of Futures and Forward Contracts, notional	-	-	-	-	-	-	-	
Clients' Option Purchase Operations	144	481	440	274	281	-	-	
Clients' Option Sales Operations	-	-	-	-	-	-	-	
Purchase of Derivatives' Packages	-	-	-	-	-	-	-	
Sale of Derivatives' Packages	-	-	-	-	-	-	-	
Trusts Ander Administration	2,360	2,602	1,897	2,377	2,244	3,422	3,702	
Transactions On Behalf of Clients	**26,015**	**35,443**	**35,218**	**38,340**	**33,450**	**31,039**	**35,760**	
TOTAL ON BEHALF OF THIRD PARTIES	**211,096**	**221,269**	**200,023**	**156,986**	**131,042**	**145,142**	**166,215**	
Endorsement Guarantees Granted	-	-	-	-	-	2,503	2,135	
Loan Obligations	2,846	2,530	2,580	2,793	3,129	98,397	104,565	
Fideicomisos	-	-	-	-	88,471	1,924	2,107	
Mandatos	-	-	-	-	2,161	100,321	106,673	
Properties in Trusts and Warrant	108,959	108,574	105,738	90,469	90,632	161,005	169,018	
Properties in Custody or Administration	101,841	131,306	149,820	131,886	150,235	24,990	31,716	
Collaterals Received	20,952	21,235	21,574	31,567	31,156	26,794	42,144	
Amounts committed to Operations with Fobaproa	-	-	-	-	-	-	-	
Drafts in Transit	-	-	-	-	-	-	-	
Certificates of Deposits in Circulation	1,377	1,692	1,971	3,006	2,825	2,014	1,538	
Letters of Credit to the Corporation as Guarantee	-	-	-	-	-	-	-	
Securities to the Corporation for Custody	698	856	511	886	900	-	-	
Government Secs of the Corp under Custody	56	88	641	101	100	-	-	
Securities of the Corp given as Guarantee	-	-	-	-	-	-	-	
Securities of the Corp Abroad	-	-	-	-	-	-	-	
Settlement with FX of the Corp Abroad	-	-	-	-	-	-	-	
Debts with the Contingency Fund	-	-	-	-	-	-	-	
Contingent Assets & Liabilities	265	262	266	266	264	267	266	
Investment bank Trans on Behalf of Third Parties	101,754	109,570	94,858	84,615	91,943	87,165	84,921	
Uncollected Accrued Interest from Past Due Loans	111	104	109	137	181	220	203	
Investments of Retirement Savings Funds	-	-	-	-	-	-	-	
Integration of the Credit Portfolio	-	-	-	-	-	-	-	
Amounts Contracted in Derivatives	-	-	-	-	-	-	-	
Other Registration Accounts	-	-	-	-	-	-	-	
Proprietary Transactions	**338,858**	**376,217**	**378,068**	**345,726**	**371,364**	**405,279**	**438,613**	
Repo Securities to be Received	226,589	238,589	241,457	39,939	31,324	-	-	
(Minus) Repurchase Creditors	(226,81	(239,160	(242,020	(40,176)	(31,414)	-	-	
Repurchase Transactions	**(224)**	**(571)**	**(563)**	**(237)**	**(90)**	**-**	**-**	
Repurchase Debtors	23,194	36,249	40,263	35,054	27,757	-	-	
(Minus) Repo Securities to be Delivered	(23,169)	(36,193)	(40,173)	(34,908)	(27,663)	-	-	
Repurchase Transactions	25	56	90	146	93	**-**	**-**	
TOTAL PROPRIETARY	**338,658**	**375,702**	**377,595**	**345,635**	**371,367**	**405,279**	**438,613**	

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNORTE - CONSOLIDATED STATEMENT OF CASH FLOW JANUARY 1, 2009 –SEPTEMBER 30, 2009 *(Million Pesos)*	
Cash Flow from Operating Activities	
Net Income	**4,352**
Items charged to results that do not generate or require use of resources	
Provisions for loan losses	6,504
Estimate for non recovery or difficult collection	159
Depreciation and amortization	726
Provisions for obligations	(1,939)
Effective and deffered taxes on profits	1,549
Profit sharing	416
	7,415
Change in items related to operations:	
Change in Margin Accounts	(14)
Change in Invesment in Securities	6,226
Change in repo debtors	142
Change in derivatives (assets)	(56)
Changesin Loan Portfolio	(2,329)
Change in purchased receivables	344
Change in benefits to receive from securitizations	332
Change in foreclosed assets	(19)
Change in other operating assets	(5,400)
Change in core deposits	9,519
Change in interbank loans and other entities	(5,019)
Change in repo creditors	(7,524)
Change in sold collaterals or granted as guarantees	(1)
Change in derivatives (liability)	(192)
Change in subordinated debt with characteristics of liabilities	(2,101)
Change in other operating liabilities	(1,282)
Change in hedging instruments (the related hedged transaction activities)	500
Net cash generated or used from operations	**4,893**
Investment Activities:	
Charges for disposal of property, furniture and equipment	282
Payments for acquisition of property, furnitute and equipment	(1,133)
Subsidiaries and associated acquisitions payment	(2,731)
Charges for other permanent investments	1
Payment s for purchase of other invesments	(1)
Charges for cash dividends	136
Net cash generated or used from investment activities	3,446
Financing Activities :	
Payments assopciated with the repurchase of proprietary shares	(386)
	(386)
Net Cash Increase (decrease)	**1,061**
Cash flow adjusmtents given exchange rate or inflation variations	**(18)**
Cash and cash equivalents at beginning of period	**54,396**
Cash and cash equivalents at end of period	**55,439**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNORTE – CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER´S EQUITY JANUARY 1, 2009 – SEPTEMBER 30, 2009.

(Million Pesos)

	CONTRIBUTED CAPITAL	
	Fixed Paid-in Capital	**Premium from sale of securities**
Balance as of December 31,2008	**11,941**	**1,469**
Changes stemming from stockholder's decisions		
Stock repurchases	4	(494)
Capitalization of profits	-	-
Provisions Created	-	-
Increase in Capital	-	-
Total	**4**	**(494)**
Changes stemming from profits		
Total profits:		
Net Income	-	-
Equity participation method	-	(5)
Changes in accounting policies	-	(4)
Total	**-**	**(9)**
Balance as of September 30,2009	**11,945**	**966**

	EARNED CAPITAL							
	Capital Reser-ves	**Retained earnings**	**Valuation Effects of Securities Available for**	**Results from val of instrum Cash flow hedges**	**Results from Conversions**	**Results from Non Monet. Assets (Investments)**	**Net Income**	**Minority Interest**	**Total Stockholders´ Equity**
Balance as of December 31,2008	**2,720**	**16,934**	**(550)**	**-**	**1,094**	**(2,821)**	**7,014**	**1,945**	**39,746**
Changes stemming from stockholder's decisions									
Stock repurchases	104	-	-	-	-	-	-	-	(386)
Application of profits	-	7,014	-	-	-	-	(7,014)	-	-
Provisions created	351	(351)	-	-	-	-	-	-	-
Increase in Capital	-	-	-	-	-	-	-	-	-
Total	**455**	**6,663**	**-**	**-**	**-**	**-**	**(7,014)**	**-**	**(386)**
Changes stemming from profits									
Total profits:									
Net Income	-	-	-	-	-	-	4,352	-	**4,352**
Equity participation method	-	(729)	617	31	(1,598)	-	-	-	**(1,684)**
Changes in accounting policies	-	(1,640)	385	(1,578)	16	2,821	-	-	**-**
Total	**-**	**(2,369)**	**1,002**	**(1,547)**	**(1,582)**	**2,821**	**4,352**	**-**	**2,668**
Recognition of minority interest	-	-	-	-	-	-	-	(239)	**(239)**
Balance as of June 30,2009	**3,175**	**21,228**	**452**	**(1,547)**	**(488)**	**-**	**4,352**	**1,706**	**41,789**

BANORTE

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

BANKING SECTOR

BANKING SECTOR - INCOME STATEMENT* *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	Accum. 2008	1Q09	2Q09	3Q09	4Q09	Accum. 2009
Interest Income	10,772	11,250	12,446	13,559	**48,027**	12,688	10,899	9,920		33,507
Interest Expense	5,965	6,303	7,059	7,530	**26,857**	6,873	5,455	4,669		16,997
Loan Fees Charged	97	112	132	152	**493**	149	137	136		422
Fees Paid	-	-	-	-	**-**	-	4	11		14
Net Interest Income (NII)	**4,903**	**5,058**	**5,519**	**6,181**	**21,662**	**5,965**	**5,578**	**5,376**		**16,919**
Monetary Adjustment (Repomo) to margins	-	-	-	-	**-**	**-**	-	-		**-**
NII after Repomo	**4,903**	**5,058**	**5,519**	**6,181**	**21,662**	**5,965**	**5,578**	**5,376**		**16,919**
Preventive Provisions for Loan Losses	987	1,234	1,587	2,914	**6,722**	2,144	2,151	2,113		**6,407**
Loan Loss Sharing Provisions Fobaproa	-	-	-	-	**-**	**-**	-	-		**-**
NII Adjusted for Credit Risk	**3,916**	**3,824**	**3,932**	**3,267**	**14,940**	**3,822**	**3,427**	**3,263**		**10,511**
Fund Transfers	52	55	53	63	**222**	60	61	63		**184**
Account Management	235	250	260	253	**998**	230	237	233		**700**
Fiduciary	69	76	79	72	**295**	51	68	62		**180**
Income from Real Estate Portfolios	190	117	223	204	**734**	137	164	229		**530**
Electronic Banking Services	234	249	256	269	**1,009**	250	256	253		**759**
Credit Cards Fees	581	621	675	655	**2,533**	590	520	571		**1,681**
Fees Charged to IPAB	-	-	-	1	**1**	-	-	-		**-**
Other Fees	236	248	245	264	**993**	225	226	195		**645**
Fees Charged on Services	**1,597**	**1,615**	**1,791**	**1,781**	**6,785**	**1,543**	**1,532**	**1,606**		**4,681**
Fund Transfers	5	5	4	5	**19**	6	5	5		**16**
Other Fees	261	275	279	317	**1,132**	293	282	310		**886**
Expenses from Real Estate Portfolios	-	-	-	-	**-**	-	-	-		**-**
Fees Paid on Services	**266**	**280**	**283**	**321**	**1,151**	**300**	**287**	**315**		**902**
Foreign Exchange	128	135	165	351	**779**	360	162	199		**721**
Securities - Realized Gains	158	(68)	197	(174)	**114**	(25)	36	94		**105**
Securities - Unrealized Gains	(85)	7	(277)	340	**(16)**	(133)	(73)	32		**(174)**
Market Related Income	**201**	**74**	**85**	**518**	**878**	**202**	**125**	**324**		**652**
Other Operating Income (Expenses)	**-**	**-**	**-**	**-**	**-**	**237**	**159**	**339**		**735**
Non-Interest Income	**1,532**	**1,410**	**1,592**	**1,978**	**6,512**	**1,683**	**1,529**	**1,955**		**5,167**
Total Operating Income	**5,449**	**5,234**	**5,524**	**5,245**	**21,452**	**5,504**	**4,956**	**5,218**		**15,678**
Personnel	1,457	1,472	1,466	1,417	**5,812**	1,571	1,376	1,544		**4,491**
Profit sharing	-	-	-	-	**-**	197	167	134		**498**
Professional Fees Paid	219	230	286	428	**1,163**	330	335	285		**951**
Administrative and Promotional Expenses	1,036	1,084	942	1,151	**4,213**	1,065	991	973		**3,028**
Rents, Depreciation and Amortization	332	328	304	321	**1,285**	355	337	299		**991**
Other Taxes (other than Income tax)	151	151	109	369	**780**	191	126	127		**443**
Contribuitons to IPAB	213	228	238	259	**938**	267	265	271		**803**
Non-Interest Expense	**3,408**	**3,494**	**3,344**	**3,945**	**14,191**	**3,976**	**3,597**	**3,633**		**11,207**
Net Operating Income	**2,041**	**1,740**	**2,180**	**1,300**	**7,261**	**1,528**	**1,359**	**1,585**		**4,471**
Other Revenues	576	302	250	276	**1,404**	393	186	130		**709**
Foreign Exchange	-	-	-	-	**-**	-	-	-		**-**
Recoveries	265	354	441	727	**1,786**	175	102	149		**426**
Repomo - other revenues	-	-	-	-	**-**	-	-	-		**-**
Non-Operating Income	**841**	**656**	**690**	**1,002**	**3,190**	**568**	**288**	**279**		**1,135**
Other Expenses	(74)	(108)	(58)	(462)	**(703)**	(156)	(141)	(142)		**(439)**
Changes in Foreign Exchange Valuation	-	-	-	-	**-**	-	-	-		**-**
Repomo - other expenses (creditor balance)	-	-	-	-	**-**	-	-	-		**-**
Non-Operating Expense	**(74)**	**(108)**	**(58)**	**(462)**	**(703)**	**(156)**	**(141)**	**(142)**		**(439)**
Non Operating Income (Expense), net	**767**	**548**	**633**	**540**	**2,487**	**412**	**147**	**137**		**696**
Pre-Tax Income	**2,808**	**2,288**	**2,813**	**1,840**	**9,748**	**1,940**	**1,506**	**1,722**		**5,168**
Income Tax	732	627	669	523	**2,551**	209	380	712		**1,301**
Profit Sharing	232	232	252	161	**877**	-	-	-		**-**
Tax on Assets	-	-	-	-	**-**	-	-	-		**-**
Deferred Income Tax and Profit Sharing	48	(157)	18	(107)	**(198)**	318	17	(222)		**114**
Taxes	**1,011**	**702**	**939**	**578**	**3,230**	**527**	**398**	**490**		**1,415**
Net Income before Subsidiaries	**1,796**	**1,586**	**1,874**	**1,262**	**6,518**	**1,413**	**1,108**	**1,232**		**3,753**
Subsidiaries' Net Income	34	14	28	37	**113**	29	27	42		**99**
Net Income form Continuos Operations	**1,830**	**1,600**	**1,901**	**1,299**	**6,631**	**1,442**	**1,135**	**1,274**		**3,851**
Extraordinary Items, net	-	-	-	-	**-**	**-**	-	-		**-**
Minority Interest	25	27	21	14	**88**	24	(24)	-		**-**
TOTAL NET INCOME	**1,804**	**1,573**	**1,880**	**1,285**	**6,543**	**1,418**	**1,159**	**1,274**		**3,851**

(*) Afore is included in the Subsidiaries' net income.

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According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

***BANKING SECTOR* – BALANCE SHEET** *(Million Pesos)*	**1Q08**	2Q08	**3Q08**	**4Q08**	**1Q09**	2Q09	**3Q09**	**4Q09**
ASSETS								
Cash and Due from Banks	**39,471**	**41,284**	**45,391**	**53,896**	**55,776**	**56,598**	**55,106**	
Margin Accounts	-	-	-	-	14	12	16	
Negotiable Instruments	7,151	9,749	9,967	5,577	4,629	21,375	15,806	
Securities Available for Sale	15,329	14,803	14,826	11,971	12,163	12,074	13,983	
Securities Held to Maturity	749	742	728	221,268	217,573	210,345	200,703	
Investment in Securities	**23,229**	**25,294**	**25,520**	**238,636**	**234,365**	**243,793**	**230,492**	
Non-assigned Securities pending Settlement	-	-	-	-	-	-	-	
Debtor Balance in Repo Trans, net	49	34	61	1	1,502	8	3	
Securities lending	-	-	-	-	-	-	-	
For trading purposes	-	-	-	-	6,406	5,525	5,381	
For hedging purposes	-	-	-	-	2,529	1,142	1,313	
Transactions with Derivatives	2,368	4,523	2,587	8,168	8,936	6,667	6,694	
Operations w/ Derivatives & Securities	**2,417**	**4,557**	**2,648**	**8,169**	**10,437**	**6,676**	**6,697**	
Commercial Loans	90,957	97,022	103,446	114,446	111,385	108,861	107,070	
Financial Intermediaries' Loans	17,329	18,070	19,977	14,331	13,374	11,224	9,958	
Consumer Loans	28,626	30,376	31,409	29,365	27,770	26,646	26,171	
Mortgage Loans	39,046	41,170	43,682	46,282	47,023	47,691	48,792	
Government Entities' Loans	17,556	24,366	25,401	26,977	28,574	31,906	33,725	
IPAB Loans	-	-	-	-	-	-	-	
Performing Loans	**193,514**	**211,003**	**223,916**	**231,400**	**228,126**	**226,328**	**225,716**	
Commercial PDL's	944	973	1,180	1,591	2,065	2,666	2,815	
Financial Intermediaries PDL's	-	-	-	-	3	-	-	
Consumer PDL's	1,208	1,471	1,956	2,499	2,540	2,584	2,195	
Mortgage PDL's	893	619	704	746	825	919	994	
Government Entities PDL's	-	-	-	-	-	-	-	
Past Due Loans	**3,044**	**3,063**	**3,840**	**4,836**	**5,434**	**6,169**	**6,004**	
Gross Loan Portfolio	**196,558**	**214,066**	**227,756**	**236,237**	**233,560**	**232,496**	**231,720**	
Preventive Loan Loss Reserves	3,976	4,153	4,791	6,582	5,942	6,295	7,390	
Net Loan Portfolio	**192,582**	**209,913**	**222,966**	**229,654**	**227,618**	**226,201**	**224,329**	
Acquired Collection Rights	3,538	3,375	3,232	3,049	2,923	2,804	2,705	
Total Credit Portfolio	**196,120**	**213,288**	**226,198**	**232,704**	**230,541**	**229,005**	**227,034**	
Benef.receivab.securitization transactions	546	520	404	796	699	557	465	
Sundry Debtors & Other Accs Rec, net	12,132	9,992	12,520	9,074	13,361	10,385	15,268	
Foreclosed Assets, net	506	653	682	863	841	801	870	
Real Estate, Furniture & Equipment, net	6,344	6,339	6,406	6,575	6,654	6,610	6,780	
Investments in Subsidiaries	871	839	866	931	977	1,128	1,169	
Deferred Taxes, net	177	325	360	484	138	150	817	
Goodwill	4,000	3,920	4,214	5,345	5,766	4,132	4,454	
Intangibles	238	217	208	275	4,190	3,775	3,985	
Other Assets	4,376	4,638	4,666	4,686	-	-	-	
	28,645	**26,924**	**29,923**	**28,232**	**32,625**	**27,537**	**33,808**	
TOTAL ASSETS	**290,428**	**311,867**	**330,083**	**562,433**	**563,758**	**563,620**	**553,153**	

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

***BANKING SECTOR* – BALANCE SHEET** *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
LIABILITIES								
Demand Deposits	103,274	106,725	107,710	128,371	120,269	123,778	122,445	
Time Deposits	93,971	114,746	134,012	132,539	135,038	141,760	147,601	
Bank Bonds	-	-	-	-	-	-	-	
Deposits	**197,245**	**221,471**	**241,722**	**260,911**	**255,307**	**265,538**	**270,046**	
Immediate Redemption Loans	5,615	3,136	824	1,245	4,180	501	2,711	
Short Term	14,225	6,836	6,569	17,886	19,223	18,289	11,775	
Long Term	7,912	7,718	7,780	8,105	8,193	7,253	7,150	
Due to Banks & Correspondents	**27,752**	**17,691**	**15,173**	**27,236**	**31,596**	**26,043**	**21,637**	
Non-assigned Securities for Settlement	1,745	1,570	1,486	-	420	540	183,139	
Creditor Balance in Repo Trans, net	252	553	537	192,581	191,364	197,102	-	
Repo Transactions with Collateral	-	-	-	2	304	1	1	
Secs to be received in Repo Trans, net	-	-	-	-	-	-	-	
For trading purposes	-	-	-	-	6,300	5,219	5,079	
For hedging purposes	-	-	-	-	5,345	3,976	4,446	
Transactions with Derivatives	3,156	4,443	2,946	10,746	11,646	9,195	9,524	
Operations w/ Derivatives & Securities	**5,153**	**6,566**	**4,969**	**203,330**	**203,733**	**206,837**	**192,664**	
Income Tax Payable	1,121	1,209	1,328	1,042	141	122	416	
Profit Sharing Payable	-	-	-	-	285	369	502	
Creditors for settlement of transactions	-	-	-	-	6,832	1,709	2,263	
Other Creditors & Accounts Payable	11,973	12,694	12,946	12,486	10,180	7,817	8,360	
Other Payable Accounts	**13,094**	**13,902**	**14,274**	**13,528**	**17,437**	**10,017**	**11,541**	
Subordinated Non Convertible Debt	14,561	16,932	17,923	20,613	18,053	17,783	18,505	
Deferred Taxes	-	-	-	-	-	-	-	
Deferred Credits	923	1,088	1,211	1,291	1,275	1,400	1,508	
TOTAL LIABILITIES	**258,727**	**277,650**	**295,272**	**526,908**	**527,402**	**527,617**	**515,901**	
STOCKHOLDER¨S EQUITY								
Paid-in Capital	10,955	**10,955**	**10,955**	**10,955**	**10,955**	**10,955**	**11,151**	
Share Subscription Premiums	856	856	856	853	852	850	848	
Subordinated Convertible Debentures	-	-	-	-	-	-	-	
Subscribed Capital	**11,811**	**11,811**	**11,811**	**11,808**	**11,807**	**11,805**	**11,998**	
Capital Reserves	3,390	4,005	4,005	4,005	4,005	4,659	4,659	
Retained Earnings	14,749	14,039	14,039	13,426	19,988	19,346	18,505	
Results from Valuation of Secs Available for Sale	392	749	(517)	(237)	(999)	(329)	330	
Results from Valuation of Hedging Secs	(833)	58	(318)	(1,626)	(1,637)	(1,383)	(1,594)	
Results from Conversions of Foreign Ops	(33)	(258)	67	1,123	1,274	(682)	(522)	
Surplus (Deficit) in Capital Restatement	-	-	-	-	-	-	-	
Results of Non Monetary Fixed Assets	-	-	-	-	-	-	-	
Results of Non Monetary –Investment Assets	86	71	80	87	87	-	-	
Adjustments in the Employee's Pensions	-	-	-	-	-	-	-	
Accumulated Effect of Deferred Liabilities	-	-	-	-	-	-	-	
Net Income	1,804	3,378	5,258	6,543	1,418	2,577	3,866	
Earned Capital	**19,554**	**22,042**	**22,614**	**23,320**	**24,135**	**24,188**	**25,244**	
Minority Interest	335	364	386	397	415	10	10	
Total Stockholder´s Equity	**31,700**	**34,216**	**34,811**	**35,526**	**36,356**	**36,003**	**37,252**	
TOTAL LIABILITIES & STOCKHOLDER´S EQUITY	**290,428**	**311,867**	**330,083**	**562,433**	**563,758**	**563,620**	**553,153**	

***BANKING SECTOR* – MEMORANDUM ACCOUNTS** *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
Endorsement Guarantees Granted	-	-	-	-	-	-	-	
Contingent Assets & Liabilities	265	262	266	266	264	267	266	
Irrevocable Lines of Credit	2,846	2,530	2,580	2,793	3,129	2,503	2,135	
Trust	-	-	-	-	88,471	98,397	104,565	
Mandate	-	-	-	-	2,161	1,924	2,107	
Assets held in Trusts or Mandate	108,959	108,574	105,738	90,469	90,632	100,321	106,673	
Assets held in custody or in administration	98,070	127,528	146,036	128,137	146,493	157,269	165,302	
Investment banking transactions for third parties, net	101,754	109,570	94,858	84,615	91,943	87,165	84,921	
Uncharged accrued interest from past - due loans	105	99	104	136	180	220	203	
Collaterals Received	20,952	21,235	21,574	31,567	31,156	24,990	31,716	
Amounts committed to fobaproa operations	-	-	-	-	-	-	-	
Investment of retirement saving funds	-	-	-	-	-	2,999	9,520	
Integration of loan portfolio	-	-	-	-	-	-	-	
Amounts received in derivative instruments	-	-	-	-	-	-	-	
Fobaproa trusts	-	-	-	-	-	-	-	
Repurchase securities to be received	202,305	205,840	208,509	4,248	-	-	-	
(Less) creditors from repos	(202,496)	(206,363	(208,982)	(4,341)	-	-	-	
Debtors from repos	9,583	5,768	9,269	-	-	-	-	
(Less) Repurchase securities to be delivered	(9,595)	(5,764)	(9,273)	-	-	-	-	
Other control accounts	-	-	-	-	-	-	-	
	332,747	**369,279**	**370,680**	**337,890**	**363,798**	**375,735**	**400,735**	

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***BANORTE USA* – INCOME STATEMENT** *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	2008	1Q09	2Q09	3Q09	4Q09	2009
Interest Income	299	293	298	363	1,253	379	340	364		**1,083**
Interest Expense	140	130	127	146	542	158	153	145		**457**
Loan Fees Charged	-	-	-	-	-	-	-	-		**-**
Fees Paid	-	-	-	-	-	-	-	-		**-**
Net Interest Income (NII)	**159**	**163**	**171**	**217**	**711**	**221**	**187**	**218**		**626**
Monetary Adjustment (Repomo) to margins	-	-	-	-	-	-	-	-		**-**
NII after Repomo	**159**	**163**	**171**	**217**	**711**	**221**	**187**	**218**		**626**
Preventive Provisions for Loan Losses	(7)	17	14	81	104	9	164	115		**287**
Loss Sharing Provisions	-	-	-	-	-	-	-	-		**-**
NII Adjusted for Credit Risk	**166**	**147**	**157**	**136**	**606**	**212**	**23**	**103**		**339**
Fund transfers	-	-	-	-	-	-	-	-		**-**
Account management	-	-	-	-	-	-	-	-		**-**
Fiduciary	-	-	-	-	-	-	-	-		**-**
Income from Loan Portfolios Acquired	-	-	-	-	-	-	-	-		**-**
Electronic Banking Services	-	-	-	-	-	-	-	-		**-**
Credit Card Fees	-	-	-	-	-	-	-	-		**-**
Fees Charged to IPAB	-	-	-	-	-	-	-	-		**-**
Other fees	24	24	32	67	147	34	32	34		**100**
Fees Charged on Services,	**24**	**24**	**32**	**67**	**147**	**34**	**32**	**34**		**100**
Fund transfers	-	-	-	-	-	-	-	-		**-**
Other fees	-	-	-	-	-	-	-	-		**-**
Expenses from Loan Portfolios Acquired	-	-	-	-	-	-	-	-		**-**
Fees Paid on Services	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
Foreign exchange	-	-	-	-	-	-	-	-		**-**
Securities –Realized gains	-	-	-	-	-	-	-	-		**-**
Securities- Unrealized gains	-	-	-	-	-	-	-	-		**-**
Market Related Income	**-**	**-**	**-**	**-**	**-**	**4**	**10**	**13**		**27**
Total Non Interest Income	**24**	**24**	**32**	**67**	**147**	**38**	**42**	**19**		**99**
Total Operating Income	**190**	**170**	**189**	**204**	**753**	**250**	**66**	**122**		**438**
Personnel	57	60	57	72	245	71	64	65		**199**
Profit Sharing	-	-	-	-	-	-	-	-		**-**
Professional Fees Paid	7	7	7	11	32	11	13	13		**37**
Administrative and Promotional Expenses	70	75	75	106	326	111	116	70		**297**
Rents, depreciation and amortization	9	9	9	7	34	6	5	5		**16**
Taxes, other than income tax	-	-	-	-	-	-	-	-		**-**
Contributions to IPAB	-	-	-	-	-	-	-	-		**-**
Non-Interest Expense	**143**	**152**	**148**	**196**	**638**	**198**	**198**	**153**		**549**
Operating Income	**48**	**19**	**41**	**8**	**115**	**51**	**(132)**	**(31)**		**(112)**
Other Revenues	59	53	49	67	229	48	48	50		**146**
Foreign exchange	-	-	-	-	-	-	-	-		**-**
Recoveries	1	1	1	2	5	1	2	2		**4**
Repomo-other revenues	-	-	-	-	-	-	-	-		**-**
Non Operating Income	**60**	**55**	**50**	**69**	**234**	**50**	**50**	**52**		**151**
Other Expenses	-	-	-	-	-	-	-	-		**-**
Changes in Foreign Exchange Valuation	-	-	-	-	-	-	-	-		**-**
Repomo-other expenses (creditor balance)	-	-	-	-	-	-	-	-		**-**
Non Operating Expense	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
Non Operating Income (Expense), net	**60**	**55**	**50**	**69**	**234**	**50**	**50**	**52**		**151**
Pre-tax Income	**108**	**73**	**91**	**77**	**349**	**101**	**(83)**	**20**		**39**
Income Tax	(36)	(25)	(29)	(14)	(105)	(38)	30	(5)		**(14)**
Profit sharing	-	-	-	-	-	-	-	-		**-**
Tax on Assets	-	-	-	-	-	-	-	-		**-**
Deferred Income Tax and Profit sharing	-	-	-	-	-	-	-	-		**-**
	(36)	**(25)**	**(29)**	**(14)**	**(105)**	**(38)**	**30**	**(5)**		**(14)**
Net Income before subsidiaries	**71**	**48**	**62**	**63**	**245**	**62**	**(53)**	**15**		**25**
Subsidiaries' net income	-	-	-	-	-	-	-	-		**-**
Net Income from continuos operations	**71**	**48**	**62**	**63**	**245**	**62**	**(53)**	**15**		**25**
Extraodinary items, net	-	-	-	-	-	-	-	-		**-**
Minority Interest	(25)	(19)	(21)	(14)	(79)	(24)	24	-		**-**
TOTAL NET INCOME	**46**	**30**	**41**	**49**	**166**	**38**	**(29)**	**15**		**25**

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BANORTE USA – BALANCE SHEET *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
ASSETS								
Cash and due from Banks	347	459	332	**480**	492	1,426	1,407	
Negotiable Instruments	-	-	-	**-**	-	-	-	
Securities available for sale	5,312	5,487	5,249	**6,227**	6,484	6,411	7,583	
Securities held to maturity	10	10	10	**13**	13	12	13	
Investment in Securities	**5,322**	**5,497**	**5,259**	**6,240**	**6,498**	**6,423**	**7,596**	
Non-assigned securities pending Settlement	-	-	-	**-**	-	-	-	
Debtor Balance in Repo Trans, net	-	-	-	**-**	-	-	-	
Repo Transactions with Collateral	-	-	-	**-**	-	-	-	
Secs to be received in Repo Trans, net	-	-	-	**-**	-	-	-	
Transactions with derivatives	-	-	-	**-**	-	-	-	
Operations w/ Derivatives & Securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
Commercial Loans	9,063	8,834	10,004	**12,845**	13,495	11,866	12,269	
Financial Intermediaries' Loans	-	-	-	**-**	-	-	-	
Consumer Loans	180	166	186	**249**	239	199	195	
Mortgage Loans	1,641	1,683	1,950	**2,532**	2,732	2,690	2,755	
Goverment Entities' Loans	-	-	-	**-**	-	-	-	
IPAB Loans	-	-	-	**-**	-	-	-	
Fiduciary Collection Rights	-	-	-	**-**	-	-	-	
Performing Loans	**10,884**	**10,683**	**12,140**	**15,625**	**16,466**	**14,755**	**15,219**	
Commercial PDL's	120	57	96	**183**	172	411	498	
Financial Intermediaries' PDL's	-	-	-	**-**	-		-	
Consumer PDL's	1	1	1	**1**	-	1	1	
Mortgage PDL's	16	21	19	**41**	30	35	104	
Goverment Entities PDL's	-	-	-	**-**	-	-	-	
Past Due Loans	**137**	**79**	**117**	**225**	**202**	**447**	**603**	
Gross Loan Portfolio	**11,021**	**10,762**	**12,256**	**15,850**	**16,668**	**15,201**	**15,822**	
Preventive loan loss reserves	119	128	149	**259**	266	327	426	
Net Loan Portfolio	**10,902**	**10,634**	**12,107**	**15,591**	**16,402**	**14,874**	**15,397**	
Credit Assets Portfolio	-	-	-	**-**	-	-	-	
Sundry debtors and other accs rec,net	-	-	-	**89**	643	602	622	
Foreclosed assets, net	152	313	326	**484**	452	409	471	
Real Estate, Furniture & Equipment, net	580	572	606	**753**	760	695	705	
Investments in subsidiaries	7	7	7	**9**	9	9	9	
Deferred taxes, net	-	-	-	**18**	-	21	5	
Risk Coverage for Mortgage	-	-	-	**-**	-	-	-	
GoodWill	2,512	2,431	2,590	**3,263**	3,345	3,117	3,193	
Intangible	126	114	112	**133**	131	117	115	
Otros Assets	485	685	666	**680**	269	225	319	
Other Assets	**3,123**	**3,229**	**3,368**	**4,076**	**3,746**	**3,460**	**3,627**	
TOTAL ASSETS	**20,434**	**20,712**	**22,005**	**27,740**	**29,001**	**27,919**	**29,838**	

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

BANORTE USA – BALANCE SHEET *(Million Pesos)*	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09	3Q09	4Q09
LIABILITIES								
Demand Deposits	7,909	7,269	7,313	**8,530**	9,348	9,613	9,947	
Time Deposits	7,372	7,349	8,204	**10,535**	12,814	12,696	13,705	
Bank Bonds	-	-	-	**-**	-	-	-	
Deposits	**15,280**	**14,618**	**15,517**	**19,065**	**22,162**	**22,309**	**23,652**	
Immediate Redemption Loans	-	845	824	**1,2**	-	-	-	
Short term	768	1,0	1,1	**1,6**	814	5	-	
Long term	77	71	73	**89**	88	79	78	
Due to banks and correspondents	**844**	**1,956**	**1,998**	**2,968**	**903**	**84**	**78**	
Non-assigned securities pending settlement	-	-	-	**-**	-	-	-	
Cerditor Balance in Repo Trans, net	-	-	-	**-**	-	-	-	
Repo transactions with collateral	-	-	-	**-**	-	-	-	
Securities to be received in Repo Trans, net	-	-	-	**-**	-	-	-	
Transactions with derivatives, net	-	-	-	**-**	-	-	-	
Operations w/ Derivatives & Securities	**-**	**-**	**-**	**-**	**-**	**-**	-	
Income Tax & Profit Sharing Payable	2	-	2	**-**	-	-	-	
Other creditors & accounts payable	141	141	137	**168**	179	212	214	
Other payable accounts	**143**	**141**	**139**	**168**	**179**	**212**	**214**	
Subordinated non Convertible Debenture	220	213	226	**285**	292	272	278	
Deferred Taxes	44	52	-	**-**	9	-	-	
Deferred credits	33	34	38	**52**	48	41	37	
TOTAL LIABILITIES	**16,564**	**17,014**	**17,919**	**22,538**	**23,592**	**22,917**	**24,259**	
STOCKHOLDER´S EQUITY								
Paid-in Capital	3,344	3,346	3,346	**3,346**	3,346	4,266	4,668	
Share subscription premiums	-	-	-	**-**	-	-	-	
Subordinated Convertible Debentures	-	-	-	**-**	-	-	-	
Subscribed Capital	**3,344**	**3,346**	**3,346**	**3,346**	**3,346**	**4,266**	**4,668**	
Capital Reserves	-	-	-	**-**	-	-	-	
Retained Earnings	122	122	122	**122**	284	284	284	
Results from Valuation of Secs Available for Sale	105	(2)	82	**98**	122	59	87	
Results from Conversions of Foreign Ops	(81)	(199)	43	**1,082**	1,213	383	514	
Surplus (Deficit) in capital restatement	-	-	-	**-**	-	-	-	
Results of Non Monetary fixed assets	-	-	-	**-**	-	-	-	
Results on non monetary - investment assets	-	-	-	**-**	-	-	-	
Adjustment in employees' pensions	-	-	-	**-**	-	-	-	
Accumulated effect of Deferred Liabilities	-	-	-	**-**	-	-	-	
Net Income	46	76	117	**166**	38	10	25	
Earned Capital	**192**	**(3)**	**365**	**1,4**	**1,657**	**736**	**911**	
Minority Holdings	334	354	376	**387**	405	-	-	
Total Stockholder´s Equity	**3,870**	**3,698**	**4,087**	**5,202**	**5,409**	**5,002**	**5,578**	
TOTAL LIABILITIES & STOCKHOLDER´S CAPITAL	**20,434**	**20,712**	**22,005**	**27,740**	**29,001**	**27,919**	**29,838**	

***BANORTE USA* – MEMORANDUM ACCOUNTS** *(Million Pesos)*	1Q07	2Q07	3Q07	4Q07	1Q09	2Q09	3Q09	4Q09
Endorsement guarantees granted	-	-	-	-	-	-	-	
Other contingent obligations	-	-	-	-	-	-	-	
Credit commitments	**23**	**26**	**33**	**36**	**42**	**29**	**33**	
Irrevocable lines of credit	-	-	-	-	-	-	-	
Assets held in trusts or mandate	-	-	-	-	-	-	-	
Assets held in custody or in administration	-	-	-	-	-	-	-	
Investment banking transactions for third parties, net	-	-	-	-	-	-	-	
Amounts committed to fobaproa operations	-	-	-	-	-	-	-	
Investment of retirement saving funds	-	-	-	-	-	-	-	
Integration of loan portfolio	-	-	-	-	-	-	-	
Amounts received in derivative instruments	-	-	-	-	-	-	-	
Fobaproa trusts	-	-	-	-	-	-	-	
Repurchase securities to be received	-	-	-	-	-	-	-	
(Less) creditors from repos	-	-	-	-	-	-	-	
Debitors from repos	-	-	-	-	-	-	-	
(Less) Repurchase securities to be delivered	-	-	-	-	-	-	-	
Other control accounts	-	-	-	-	-	-	-	
Endorsement guarantees granted	**18**	**21**	**14**	**14**	**42**	**42**	**33**	

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Information by Segments**

GFNORTE – INCOME STATEMENT 3Q09
(Million Pesos)

	Holding	Banorte	Brokerage	Leasing & Factoring	Warehouse	Total	Eliminations	Final Balance
Interest Income	4	33,591	1,618	1,258	2	36,473	(1,706)	34,767
Interest Expense	-	17,011	1,582	594	1	19,187	(1,620)	17,567
Loan Fees	-	429	-	-	-	429	-	429
Net Interest Income (NII)	**4**	**17,009**	**37**	**664**	**1**	**17,715**	**(86)**	**17,629**
Repomo-Margin	-	-	-	-	-	-	-	-
NII after Repomo	**4**	**17,009**	**37**	**664**	**1**	**17,715**	**(86)**	**17,629**
Loan Loss & Loss Sharing Provisions	-	6,424	-	80	-	6,504	-	6,504
NII after Provisions	**4**	**10,585**	**37**	**584**	**1**	**11,211**	**(86)**	**11,125**
Fees on services,	-	5,446	382	15	44	5,887	(2)	5,885
Fees paid,	-	921	46	13	-	981	(2)	979
Market-related Income	-	652	172	-	-	823	-	823
Other Operating Income (Expenses)	-	735	(1)	5	(9)	730	-	730
Total Non Interest Income	**-**	**5,912**	**507**	**7**	**35**	**6,459**	**-**	**6,459**
Total Operating Income	**4**	**16,496**	**543**	**591**	**36**	**17,671**	**(86)**	**17,585**
Non-Interest Expense	**6**	**11,796**	**401**	**313**	**22**	**12,538**	**(117)**	**12,421**
Operating Income	**(2)**	**4,700**	**143**	**278**	**14**	**5.133**	**31**	**5.163**
Non Operating Income	2	1,145	23	15	635	1,820	(39)	1,780
Non Operating Expense	-	439	5	2	624	1,069	(9)	1,060
Non Operating Income	**2**	**706**	**19**	**14**	**11**	**751**	**(31)**	**720**
Pre-tax Income	**-**	**5,405**	**161**	**291**	**26**	**5,883**	**-**	**5,883**
Tax and Profit sharing	5	1,491	47	-	6	1,549	-	**1,549**
Net Income before subsidiaries	**(5)**	**3,914**	**115**	**291**	**20**	**4,334**	**-**	**4,334**
Subsidiaries´ net income	4,357	40	-	-	-	4,397	(4,179)	219
Net Inc. from continuos	**4,352**	**3,954**	**115**	**291**	**20**	**8,732**	**(4,179)**	**4,553**
Extraodinary items, net	-	-	-	-	-	-	-	-
Minority Interest	-	(88)	-	-	-	(88)	113	(201)
TOTAL NET INCOME	**4,352**	**3,866**	**115**	**291**	**20**	**8,644**	**(4,292)**	**4,352**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNORTE – BALANCE SHEET AS OF 3Q09
(Million Pesos)

ASSETS	Holding	Banorte	Brokerage	Leasing & Factoring	Warehouse	Total	Eliminations	Final balance
Cash and due from Banks	**254**	**55,432**	**2**	**39**	**8**	**55,735**	**(296)**	**55,439**
Margin Accounts	-	16	4	-	-	20	-	**20**
Negotiable Instruments	-	15,806	2,633	-	-	18,439	-	**18,439**
Securities held for sale	-	13,983	245	-	-	14,228	(960)	**13,268**
Securities held to maturity	-	200,703	364	-	-	201,066	-	**201,066**
Financial Instruments:	**-**	**230,492**	**3,243**	**-**	**-**	**233,734**	**(960)**	**232,774**
Non-assigned securities to pay	-	-	-	-	-	-	-	**-**
Futures receivable, net	-	3	3	-	-	6	-	**6**
For trading purposes	-	5,381	-	-	-	5,381	-	**5,381**
For hedging purposes	-	1,313	-	-	-	1,313	-	**1,313**
Repos & Derivatives :	**-**	**6,697**	**3**	**-**	**-**	**6,700**	**-**	**6,700**
Commercial	-	107,070	-	11,438	-	118,508	-	**118,508**
Financial Intermediaries	-	9,958	-	49	-	10,008	(1,793)	**8,214**
Consumer	-	26,171	-	6	-	26,177	-	**26,177**
Mortgage	-	48,792	-	-	-	48,792	-	**48,792**
Goverment Entities	-	33,725	-	13	-	33,738	-	**33,738**
Fobaproa	-	-	-	-	-	-	-	**-**
Performing Loans	**-**	**225,716**	**-**	**11,506**	**-**	**237,222**	(1,793)	**235,429**
Commercial	-	2,815	-	99	-	2,914	-	**2,914**
Financial Intermediaries	-	-	-	-	-	-	-	**-**
Consumer	-	2,195	-	-	-	2,195	-	**2,195**
Mortgage	-	994	-	-	-	994	-	**994**
Goverment Entities	-	-	-	-	-	-	-	**-**
Past Due Loans	**-**	**6,004**	**-**	**99**	**-**	**6,103**	**-**	**6,103**
Total Credit	**-**	**231,720**	**-**	**11,605**	**-**	**243,325**	**(1,793)**	**241,532**
Preventive loan loss reserves	-	7,390	-	157	-	7,547	-	**7,547**
Net Loan Portfolio	**-**	**224,329**	**-**	**11,449**	**-**	**235,778**	**(1,793)**	**233,985**
Acquired collection rights	-	2,705	-	-	-	2,705	-	**2,705**
Total Loans	**-**	**227,034**	**-**	**11,449**	**-**	**238,483**	**(1,793)**	**236,690**
Benef.receivab.securitization	-	465	-	-	-	465	-	**465**
Sundry debtors and other assets,net	104	15,347	112	116	31	15,711	8	**15,719**
Merchandise Inventory	-	-	-	-	427	427	-	**427**
Foreclosed assets, net	-	870	-	-	-	870	-	**870**
Real Estate, Furniture & Equipment,	-	6,851	10	1,621	54	8,535	-	**8,535**
Investments in subsidiaries	40,236	1,255	20	-	-	41,511	(38,571)	**2,939**
Deferred taxes	1	386	-	-	-	387	(59)	**328**
GoodWill	30	3,193	-	-	-	3,223	-	**3,223**
Intangible	-	1,262	153	-	-	1,415	-	**1,415**
Otros Assets	-	4,220	99	17	35	4,371	-	**4,371**
Total Other Assets	**40,371**	**33,384**	**393**	**1,754**	**547**	**76,449**	**(38,622)**	**37,827**
TOTAL ASSETS	**40,625**	**553,520**	**3,645**	**13,242**	**556**	**611,587**	**(41,622)**	**569,915**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNORTE – BALANCE SHEET AS OF 3Q09
(Million Pesos)

LIABILITIES	Holding	Banorte	Brokerage	Leasing & Factoring	Warehouse	Total	Eliminations	Final balance
Demand Deposits	-	122,444	-	-	-	122,444	(132)	122,312
Time Deposits	-	147,600	-	-	-	147,600	(154)	147,447
Bonds	-	-	-	-	-	-	-	-
Deposits	**-**	**270,044**	**-**	**-**	**-**	**270,044**	**(285)**	**269,759**
Demand	-	2,711	-	-	-	2,711	-	2,711
Short term	-	11,775	-	8,900	384	21,059	(1,793)	19,266
Long term	-	7,150	-	2,498	-	9,648	-	9,648
Due to banks & corresp.	**-**	**21,637**	**-**	**11,398**	**384**	**33,419**	**(1,793)**	**31,626**
Assigned securities to pay	-	-	-	-	-	-	-	-
Futures receivable, net	-	183,138	2,063	-	-	185,203	-	185,203
For trading purposes	-	5,079	-	-	-	5,079	-	5,079
For hedging purposes	-	4,446	-	-	-	4,446		4,446
Repos & Derivatives:	**-**	**192,664**	**2,063**	**-**	**-**	**194,727**	**-**	**194,727**
Income Tax	-	496	-	-	-	496	-	496
Profit Sharing	-	502	3	-	-	505	-	505
Creditors for settlement of transactions	-	2,263	1	-	-	2,264	-	2,264
Other Creditors & Accounts Payable	-	8,477	205	409	20	9,111	(3)	9,108
Other payable accounts	**1**	**11,738**	**209**	**409**	**20**	**12,376**	**(3)**	**12,373**
Subordinated non Convertible Debenture	-	18,505	-	-	-	18,505	-	18,505
Deferred Taxes	-	-	49	-	10	59	(59)	-
Deferred credits	-	1,508	-	60	-	1,568	-	1,568
TOTAL LIABILITIES	**1**	**516,096**	**2,322**	**11,867**	**414**	**530,699**	**(2,141)**	**528,558**
STOCKHOLDER´S EQUITY								
Paid-in Capital	12.020	11,151	540	306	87	24,103	(12,158)	11,945
Share subscription premiums	1,852	848	-	-	-	2,699	(1,734)	966
Subordinated Convertible Debentures	-	-	-	-	-	-	-	-
Subscribed Capital	**13,871**	**11,998**	**540**	**306**	**87**	**26,803**	**(13,892)**	**12,911**
Capital Reserves	3,175	4,659	81	195	17	8,127	(4,952)	3,175
Retained Earnings	20,809	18,073	437	583	17	39,920	(19,111)	20,809
Surplus (Deficit) from securities	452	330	131	-	-	913	(461)	452
Results from coverage securities valuation	(1,547)	(1,594)	-	-	-	(3,141)	1,594	(1,547)
Results of foreign operations exchange	(488)	(522)	19	-	-	(991)	503	(488)
Excess (Insuf.) in capital restatement	-	-	-	-	-	-	-	-
Non Mon assets results Fixed Assets	-	-	-	-	-	-	-	-
Non Mon assets results Investm subsidiaries	-	-	-	-	-	-	-	-
Adjustment in the employees pension funds	-	-	-	-	-	-	-	-
Net Income	4,352	3,866	115	291	20	8,644	(4,292)	4,352
Earned Capital	**26,753**	**24,813**	**784**	**1,069**	**54**	**53,473**	**(26,720)**	**26,753**
Minority Holdings	-	613	-	-	-	613	1,080	1,693
Total Stockholder´s Equity	**40,624**	**37,424**	**1,323**	**1,375**	**141**	**80,888**	**(39,531)**	**41,357**
TOT. LIAB. & STOCKHOL. EQUITY	**40,625**	**553,520**	**3,645**	**13,242**	**556**	**611,587**	**(41,672)**	**569,915**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

ACCOUNTING CHANGES AND REGULATIONS

- **General guidelines applicable to the financial information of holding companies of financial institutions subject to supervision by the National Banking and Securities Commission (CNBV.)**

On April 27, 2005, the CNBV issued general provisions applicable to the financial information of the controlling companies of financial groups in order to homologate the information that financial groups issue to the public for the analysis of their solvency and economic stability. This is done in order to facilitate savings and investment decision-making. GFNorte's Financial Statements can be found in our website at www.banorte.com/informacion_financiera

- **Provisions for implementation of the new Basel Capital Agreement.**

On October 3th, 2005, the CNBV published the agreement signed by financial authorities and the Mexican Banker's Association in order to implement the new capital guidelines that contain the standards and principles known as Basel II that will enable the bank's capital to reflect with greater precision the credit, market and operational risks.

- **New rules for banking institutions' capital requirements.**

On December 28, 2005, the Ministry of Finance(Secretaria de Hacienda y Credito Publico (SHCP)), issued new regulations for capital requirements, establishing a greater number of of bands and higher capital requirements. These new regulations came into effect on January, 2006.

- **B-11 Bulletin.**

The income and amortizations from investments in collection rights will be recognized according to according to the rules established in the B-11 critera of the CNBV using one of the three different methods established in this critera for that effect.

- **B-10 Bulletin "Inflation Effects".**

When comparing 2008 results vs. reported figures for previous periods are not fully comparable, as a result of the NIF B10 "Inflation Effects" norm taking effect in January of this year. This norm indicates that the economic environment is non-inflationary when the accumulated inflation rate over the last three years is less than 26%. Under this context, it is not necessary to re-express financial statements as of January 2008. For the purpose of comparisons, 2007 and previous year's results are expressed in pesos of December 2007.

- **Change in rules for loan loss reserves requirements**

According to the new provisions of the CNBV published on August 22, 2008 in the DOF regarding the percentage of credit card reserves when there are no delinquent payments, and according to the second transitory article which makes it possible to make such adjustments by October, the impact of the change will be gradual. The percentage applied to reserves for zero delinquent payments for september is 1.72%, and at the close of October the change will be completed by applying a 2.5% reserve percentage for zero delinquent payments.

- **Repo Transactions and reclassification of investments in securities**

NEW ACCOUNTING CRITERIA

On October 14, 2008 the CNBV published a series of changes to its accounting criteria in the Official Gazette of the Federation (DOF). Such changes became effective the following day. The most important changes include:

- *Criterion B-3 "Repurchasing and Sales Agreements"*

Repurchase or Resale Agreement operations will be recorded according to the financial substance of the operation itself which is financing with collateral, in which the purchaser of securities gives cash as financing in exchange for financial assets that serve as protection in case of default.

Financial assets given as collateral by the purchaser of securities, pursuant to criterion C-1 are still recognized in the balance sheet provided that the risks, benefits and control of the same are kept.

On the repurchase and sale operation contract date, the entity acting as the purchaser of securities should record the incoming cash or a debt-liquidating account as well as an account payable at a reasonable value at the initially agreed price, which represents the obligation to return such cash to the purchaser of securities.

Throughout the life of the repurchasing and sale agreement, the account payable mentioned above will be valued at its reasonable value by acknowledging the interest on the repurchasing and sale agreement in the period's results as accrued, according to the effective interest method that affects such account payable.

On the repurchase and sale agreement operation contract date, the entity acting as the purchaser of securities should record the outlay of availabilities or a creditor-liquidating account, as well as an account receivable at a reasonable value, at initially the agreed price, which represents the right to recover the cash.

Throughout the life of the repurchasing and sale agreement, the account receivable mentioned above will be valued at its reasonable value by acknowledging the interest on the repurchase and sale agreement in the period's results as accrued, according to the effective interest method that affects such account receivable.

PREVIOUS ACCOUNTING CRITERIA
Repurchase or Resale Agreement Operations

Represent the temporary purchase or sale of certain financial instruments in exchange for an established premium with the obligation to resell or repurchase such securities in the future.

When the Institution acts as the seller of securities, the net position represents the difference between the fair value of the securities covered by the repurchase agreement (asset position) which, in turn, represents the securities to be received through the transaction, valued according to the investment valuation methods established for trading securities, and the value of the present value of the price at maturity (liability position).

When the Institution acts as the purchaser of securities, the net position represents the difference between the present value of the price at maturity (asset position) and the fair value of the securities received under the repurchase agreement (liability position) which are valued according to the method discussed in the preceding paragraph.

The debit or credit balance resulting from transactions involving repurchase agreements is presented under assets or liabilities in the consolidated balance sheet under the heading "Securities and derivative financial instruments".

For repurchase transactions entered into for periods exceeding three business days, a guarantee must be provided to mitigate market and counterpart risks. Guarantees received for repurchase transactions not involving the transfer of ownership are recognized in memoranda accounts and are considered as restricted assets.

a. Reclassification of Securities

In view of the current economic situation and considering the worldwide financial system crisis, the CNBV has adjusted various criteria, especially those relative to Repurchase or Resale Agreement operations, to allow reporting debt securities independently of the category in which they are found, within the "Investment in Securities" line item. This is to avoid restricting financial market liquidity and volatility securities' prices. Furthermore, the Commission authorized the Institution, by means of Document No. 100-035/2008 issued on October 16, 2008 and Document No. 100-042/2008 issued on November 10, 2008, to reclassify the investment-in-securities holding position and the position of receivable securities in Repurchase or Resale Agreement operations, pursuant to the rules set forth in such documents.

Therefore, during October, the Institution reclassified from the "Negotiable Securities" item to "Securities-held-to-maturity" item a total of 6,035,947,400 titles whose book value at the reclassification date was Ps 12,803. Additionally, from the "Securities available for sale" item the Institution reclassified to "Securities-held-to-maturity" a total of 560,523,193 instruments whose book value was USD 553 million and € 20 million.

The above reclassification was due to the valuation loss that negotiable securities were showing when valuated at a reasonable value, caused by market volatility. By December 31, 2008 the position in securities-held-to-maturity has not shown indications of permanent deterioration.

The effect of the valuation at reasonable value that would have been acknowledged if the above reclassification had not been made, would have shown up in the period results Ps (20) million and in shareholders' equity Ps (710) million.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Main changes resulting from new accounting criteria and norms.**

Among the main changes resulting from the new measures and norms issued or modified by the Commission and CINIF that became effective as of January 1st, 2009 are:

The C-2 criteria, "Securitizations", establishes that in this type of transaction, the assigner can decide to transfer the risks and benefits and/or control of financial assets or not to the assignee.

It establishes that the benefits from the asignee's surplus will be recognized as "benefits to be received in securitization transactions" and remain valued since its initial registration, at a reasonable value, with any valuation adjustments recognized in the results of the exercise. This valuation must be consistent with “Entity with a Specific Purpose”, Entidad de Propósito Especifico (EPE) accounting policies established as the securitization medium.

If an assigner provides administrative services for transferred assets, an asset or liability must be registered initially from management of assets and liabilities, at its reasonable value according to the C-1 measure as follows:

a) An asset is registered if payment exceeds the cost and expenses incurred in providing the service; to the contrary a liability is registered.

b) Later, such asset or liability will be valued at a reasonable value, registering the effects of its valuation in the results of the exercise.

Benefits of the remaining balances of securitization operations and the asset from management of financial assets transferred will be exhibited under the heading "Benefits to be received in securitization operations".

The valuation of benefits to be received, as well as the asset or liability from management will be exhibited under the heading of "Other products" or "Other expenses", as appropriate.

The effects of said measure, in the event of having been applied to securitizations effective December 31st, 2008 are detailed as follows:

In realized securitization operations, the financial assets were eliminated from the balance sheet based on the effective accounting measures to date, C-1 "Transfer of financial assets" and C-2 "Securitization". Given that the new accounting measures that substitute the previous ones are applied prospectively, no retroactive recording will apply for operations performed prior to applying this measure, which is why the re-valuation of financial asset transfers previously registered is not required.

Notwithstanding, in accordance with these new accounting measures, securitized loans for mortgage, state and municipal government portfolios that Banorte carried out during 2006 and 2007, respectively, did not fulfill the requirements of the new accounting measures for elimination from the balance sheet, given that in both operations most of the inherent risks and/or benefits are retained.

The C-5 measure "Consolidation of Entities with a Specific Purpose" defines the particular norms related to the consolidation of EPEs. It establishes that an entity must consolidate an EPE when the economic substance of the relationship between both entities indicates that it controls said EPE.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Main changes to accounting criteria**

On April 27 and May 28, 2009, the National Banking and Securities Commission issued changes in accounting criteria applicable to credit institutions and the financial groups' holdings companies, to make them consistent with financial reporting standards set out in Mexico and abroad, while at the same time facilitate the comparison of the information provided to authorities, public and the markets. Such changes were adopted and applied since April 2009. The most relevant changes are listed below:

Adjustments were made to the conceptual outline of the accounts, eliminating the concept of "rules of general application" which were substituted by "Standards and criteria for recognition."

With regard to the criteria B-2 "Investments in Securities" , the securities value impairment was extended in regards to their identification and treatment. As of now, it also includes securities available for sale and not just the securities held to maturity, as previously considered. The new criteria requires that in case that there is objective evidence of events subsequent to the initial recognition that have a negative impact on the expected cash flow, such deterioration must be booked in the value of that security.

The accrued interest from debt securities must be determined in accordance to the effective interest method regardless of the category in which these securities are registered. Previously, the straight line method was used to recognize such interests.

Regarding criteria B-5 "Derivatives and hedging transactions", the leasing contracts and the common buy-sell and supply of assets, on those underlyng derivatives' financial instruments that institutions are allowed to trade must be analyzed, with the aim of evaluating whether it complies with the definition of embedded derivative and if it may have an impact on results. Also, the NIF C-10 substitution is eliminated.

The costs and expenses arising from initial loan placements are registered as deferred charges, and must be amortized against interest expense during the life of the loan.

The annual or renewal fees charged on credit cards will be registered as a deferred loan and will be amortized during a 12 month period.

As a result of the accounting criteria changes to the diverse Income Statement line items, the Income Statement has been adapted to reflect these modifications. The changes basically consist on the following:

The Balance Sheet includes new lines like: margin accounts, repo debtors, securities lending, hedging and trading derivatives' details, adjustments to hedging securities mark to market valuations, benefits to receive from securitizations, long term securities available for sale and mandates in securitization transactions, among others. In memo accounts, the received collaterals by entity and the received and sold or delivered collaterals as guarantee by the entity are included in this line item.

In the Income Statement, the Profit Sharing line is included within the Administrative and Promotional Expenses. Also, the net interest income adjusted for credit risk and the trading income details are included, as well as other operating income (expenses) which includes, among other things, loan recoveries arising from the sale or disposal of the loan portfolio, the impairment loss or reversal of assets other than investments in securities and the mark to valuation results in awarded property.

- The D-4 criteria is reestructured and contemplates changes in substance between the State of Changes in Financial Position and the Cash Flow Statement. This was done because the first one showed the changes in the financial structure of the entity, which may or may not identify the generation or application of resources in the period, while the second shows the cash flows that represent the creation or application of cash of the entity during the period

For comparison purposes, financial information is presented for the first quarter of 2009, based on accounting criteria contained in the resolution amending the general provisions applicable to financial reporting by companies of financial groups subject to supervision of the National Banking and Securities Commission issued on May 28, 2009.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

***GFNorte* – INCOME STATEMENT** *(Million Pesos)*	1Q09 Previous criteria	Reclassifications	Current criteria	Adjustments to current criteria	1Q09 reprocessed criteria	2Q09	1H09 Reprocessed to current criteria
Interest Income	13,141	-	13,141	-	13,141	11,358	24,499
Interest Expense	7,094	-	7,094	3	7,097	5,656	12,753
Loan Fees	153	-	153	-	153	139	292
Fees Paid	-	-	-	-	-	4	4
NII before Repomo	6,199	-	6,199	(3)	6,197	5,838	12,034
Repomo – Margin	-	-	-	-	-	-	-
NII after Repomo	6,199	-	6,199	(3)	6,197	5,838	12,034
Preventive Provision for Loan Losses	2,162	-	2,162	-	2,162	2,188	4,350
Loan Loss Provisions Fobaproa	-	-	-	-	-	-	-
NII Adjusted for Credit Risk	4,037	-	4,037	(3)	4,034	3,650	7,684
Fund Trasnfers	60	-	60	-	60	61	121
Account Management	230	-	230	-	230	237	467
Fiduciary	51	-	51	-	51	68	119
Income from Real Estate Portfolios	137	-	137	-	137	164	302
Electronic Banking Services	250	-	250	-	250	256	506
Credit Card Fees	590	-	590	(56)	534	520	1,054
Fees Charged to IPAB	-	-	-	-	-	-	-
Other Fees	596	-	596	-	-	606	1,202
Fees Charged on Services	1,914	-	1,914	(56)	1,858	1,912	3,770
Fund Trasnfers	6	-	6	-	6	5	11
Other Fees	305	-	305	-	305	289	594
Real Estate Portfolios	-	-	-	-	-	-	-
Fees Paid on Services	312	-	312	-	312	294	605
FX	356	-	356	-	356	163	518
Securities –realized gains	19	-	19	17	36	79	115
Securities –unrealized gains	(133)	-	(133)	-	(133)	(85)	(218)
Market Related Income	241	-	241	17	259	157	416
Other Operating Income (expenses)	-	226	226	-	226	147	373
Non Interest Income	1,844	226	2,070	(39)	2,032	1,922	3,954
Total Operating Income	5,881	226	6,107	(41)	6,066	5,572	11,638
Personnel	1,692	-	1,693	-	1,693	1,523	3,216
Profit Sharing	-	199	199	-	199	169	368
Profesional Fees Paid	334	-	334	-	334	340	675
Admin. And Promotional Expenses	1,186	-	1,186	(36)	1,150	1,132	2,282
Rents, Depreciation and Amortization	452	-	452	-	452	435	887
Other Taxes	209	-	209	-	209	172	381
Contributions to IPAB	267	-	267	-	267	265	532
Non Interest Expense	4,142	199	4,341	(36)	4,304	4,037	8,341
Operating Income	1,739	27	1,767	(5)	1,762	1,535	3,297
Other Products	502	(33)	469	-	469	595	1,064
Changes in FX valuation	-	-	-	-	-	-	-
Recoveries	403	(207)	196	-	196	122	318
Repomo – ohters(creditor balance)	-	-	-	-	-	-	-
Non-Operating Income	904	(240)	665	-	665	717	1,382
Otros Expenses	(253)	13	(240)	-	(240)	(525)	(764)
Changes in FX valuation	-	-	-	-	-	-	-
Repomo - other (debtor balance)	-	-	-	-	-	-	-
Non-Operating Expenses	(253)	13	(240)	-	(240)	(525)	(764)
Non Operating Income (Expense), net	652	(226)	425	-	425	193	618
Pre-tax Income	2,391	(199)	2,192	(5)	2,187	1,728	3,915
Income tax	258	-	258	-	258	413	670
Profit Sharing	199	-	-	-	-	-	-
Tax on Assets	-	-	-	-	-	-	-
Deffered Income Tax	317	-	317	-	317	17	334
Taxes	774	199	574	-	574	429	1,004
Net Income before Subsidiaries	1,617	-	1,617	(5)	1,613	1,298	2,911
Subsidiaries' Net Income	89	-	89	-	89	45	134
Net Income from Continous Operations	1,706	-	1,706	(5)	1,701	1,343	3,045
Extraordinary items, net	-	-	-	-	-	-	-
Minority Interest	95	-	95	-	95	31	126
Net Income	1,611	-	1,611	(5)	1,607	1,312	2,919

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

***GFNORTE* – BALANCE SHEET** *(Milliones Pesos)*	1Q09 Previous criteria	Reclassifications	Current criteria	Adjustments to current criteria	1Q09 reprocessed criteria	2Q09
ASSETS						
Cash and Due from Banks	56,317	(14)	56,303	-	56,303	56,918
Margin Accounts	-	14	14	-	14	17
Negotiable Instruments	5,172	-	5,172	-	5,172	25,672
Securities Available for Sale	11,870	-	11,870	-	11,870	11,566
Securities Held to Maturity	217,922	-	217,922	-	217,922	210,702
Investment in Securitiees	234,965	-	234,965	-	234,965	247,940
Non-assigned Sec for Settlement	-	-	-	-	-	-
Debtor balance in repo trans, (net)	1,620	-	1,620	-	1,620	16
Securities Lending	-	-	-	-	-	-
For trading	-	6,406	6,406	-	6,406	5,525
For hedging	-	2,529	2,529	-	2,529	1,142
Derivatives	8,936	(8,936)	-	-	-	-
Operations w/ Derivatives & Securities	8,936	-	8,936	-	8,936	6,667
Commercial Loans	122,563	-	122,563	-	122,563	120,616
Financial INtermediaries' Loans	10,229	-	10,229	-	10,229	8,462
Consumer Loans	27,775	-	27,775	-	27,775	26,651
Mortgage Loans	47,023	-	47,023	-	47,023	47,691
Government Entities' Loans	28,592	-	28,592	-	28,592	31,921
IPAB Loans	-	-	-	-	-	-
Performing Loans	236,181	-	236,181	-	236,181	235,342
Commercial Loans	2,187	(6)	2,181	-	2,181	2,796
Financial Intermediaries' Loans	3	-	3	-	3	-
Consumer Loans	2,541	-	2,541	-	2,541	2,584
Mortgage Loans	825	-	825	-	825	919
Government Entities' Loans	-	-	-	-	-	-
Past due Loans	5,556	(6)	5,550	-	5,550	6,299
Gross Loan Portfolio	241,737	(6)	241,731	-	241,731	241,641
Preventive Loan Loss Reserves	6,051	-	6,051	-	6,051	6,426
Net Loan Portfolio	235,686	(6)	235,680	-	235,680	235,216
Acquired Collection Rights	2,923	-	2,923	-	2,923	2,804
Total Loan Portfolio	238,609	(6)	238,603	-	238,603	238,020
Benef.receivab.securitiz. transactions	699	-	699		699	557
Sundry Debtors & Other Accs Rec, net	13,764	6	13,769	-	13,769	10,770
Inventories	479	-	479	-	479	312
Foreclosed Assets, net	841	-	841	-	841	800
Real Estate, Furniture & Equipment, net	8,459	-	8,459	-	8,459	8,419
Investments in Subsidiaries	2,668	-	2,668	-	2,668	2,896
Deferred Taxes, net	147	-	147	-	147	141
Deferred charges,and intangibles	-	5,799	5,799	-	5,799	4,330
Other short and long term assets	-	4,499	4,499	35	4,534	4,119
Other assets	5,506	(5,506)	-	-	-	-
Intangibles	293	(293)	-	-	-	-
Other Assets	4,499	(4,499)	-	-	-	-
	10,298	-	10,298	35	10,333	32,345
Total Assets	577,802	-	577,802	35	577,837	581,922

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

GFNORTE – BALANCE SHEET (Milliones Pesos)	1Q09 Previous criteria	Reclassifi cations	Current criteria	Adjust ments to	1Q09 reproc essed	2Q09
LIABILITIES						
Demand Deposits	120,255	-	120,255	-	120,255	123,755
Time Deposits	134,964	-	134,964	-	134,964	141,608
Bank Bonds	-	-	-	-	-	-
Deposits	255,219	-	255,219	-	255,219	265,363
Immediate Redemption Loans	4,180	-	4,180	-	4,180	501
Short Term Loans	25,322	-	25,322	-	25,322	25,057
Long Term Loans	10,723	-	10,723	-	10,723	9,727
Due to Banks & Correspondents	40,225	-	40,225	-	40,225	35,285
Assigned securities to settle	420	-	420	-	420	540
Creditor Balances in Repo Trans, net	191,479	-	191,479	-	191,479	200,933
Securities Lending	-	-	-	-	-	-
Repo Transactions with Collateral	304	-	304	-	304	-
Trading	-	6,300	6,300	(18)	6,282	5,219
Hedging	-	5,345	5,345	-	5,345	3,976
Transactions with Derivatives	11,646	(11,646)	-	-	-	
	11,646	-	11,646	(18)	11,628	9,195
Operations w/ derivatives and Securities	203,849	-	203,849	(18)	203,831	210,668
Income Tax payable	496	(285)	211	-	211	170
Profit Sharing .	-	285	285	-	285	371
Creditor for settlement of transactions	-	6,832	6,832	-	6,832	1,709
Other loans and accounts payable	17,726	(6,832)	10,894	-	10,894	8,516
Other Payable accounts	18,222	-	18,222	-	18,222	10,767
Subordinated Debentures	18,053	-	18,053	-	18,053	17,783
Deferred Taxes	-	-	-	-	-	-
Deferred Credits	1,336	-	1,336	58	1,393	1,464
TOTAL LIABILITIES	536,903	-	536,903	40	536,943	541,330
EQUITY						
Paid-in Capital	11,932	-	11,932	-	11,932	11,945
Share Subscription Premiums	1,530	-	1,530	-	1,530	1,247
Subordinated Convertible Debentures	-	-	-	-	-	-
Subscribed Capital	13,462	-	13,462	-	13,462	13,192
Capital Reserves	2,748	-	2,748	-	2,748	3,173
Retained earnings	23,965	-	23,965	-	23,965	23,459
Results from sec available for sale	(1,315)	-	(1,315)	-	(1,315)	(867)
Results from valuation of securities	-	-	-	-	-	(1,342)
Resuls from Conversion of Foreign Ops	1,244	-	1,244	-	1,244	(1,580)
Surplus (deficit) in capital restatement	-	-	-	-	-	-
Results of Non Monetary Fixed Assets	-	-	-	-	-	-
Results of Non Monetary Invesment Assets	(2,833)	-	(2,833)	-	(2,833)	-
Adjusments in the Employees' Pension	-	-	-	-	-	-
Accumulated Effect or Deferred Liabilites	-	-	-	-	-	-
Net Income	1,611	-	1,611	(5)	1,607	2,923
Minority Interest	2,016	-	2,016	-	2,016	1,633
Earned Capital	27,437	-	27,437	(5)	27,432	27,400
Total Equity	40,899	-	40,899	(5)	40,894	40,592
TOTAL LIABILITIES AND EQUITY	577,802	-	577,802	35	577,837	581,922

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Special accounting treatment to various support programs implemented in response to the swine flu outbreak.**

As a result of the slowdown in economic activity due to the health measures undertaken by federal and local authorities to contain the swine flu outbreak, the bank took the decision to support the entities and economic sectors affected through the implementation of various support programs to the most vulnerable clients. These programs were implemented in two phases:

I. Emerging plan to support SME's, which consists of:

- Deferral of principal for 3 months for companies and businesses affected mainly in Mexico City, the State of Mexico and San Luis Potosí.
- Deferral of principal for 6 months, including a 3 month interest payment grace period for companies affected in the tourist zones of Riviera Maya, Nayarit, Jalisco y Baja California Sur.

In light of this, the Banking and Securities Commission (CNBV) issued special accounting criteria through the bulletin number 100/014/2009, in which it authorized the defferal of principal and interest according to the Plan; these will not be considered as reestructured loans as established by pharagraph 24 of criteria B-6 "Loan Portfolio" and so they remain as performing loans during the term established by the Plan. Also, these loans are contemplated as performing loans for determination of preventive reserves.

II. Support for mortgage, car, credit card and consumer loans consist of:

Mortgage Loans

- Deferral of principal and interest payments for up to 4 months.

Car and Consumer Loans

- Deferral of principal and interest payments for up to 3 months..

Credit Cards

- Deferral of minimum payment for up to 3 months.

In this respect, the communique number 100/021/2009 issued on June 12, 2009 by the Banking and Securities Commission established special accounting criteria applicable as of the date of publication of the communication and for the duration of the support program, for mortgage, car, credit cards, personal and payroll loans granted or with payment sources located in the Riviera Maya, Riviera Nayarita, Mazatlán and los Cabos zones. This special criteria authorizes the insitution to:

a) Consider loans subject to renovations as performing at the moment of renewal, without applying the requisite established in pharagraphs 52 and 53 of criteria B-6 "Loan Portfolio" consisting of the borrower paying total accrued interest on time as per the terms and conditions originally agreed upon and 25% of the original loan amount. This is applicable to loans that were performing until April 15, 2009 in accordance with pharagraph 8 of criteria B-6.

   This authorization is not applicable to loans that participate in the Debtor Support Programs for Banks established by the Federal Government and the banking industry.

b) Not consider as reestructured loans those performing credits in which principal and interest deferrals is granted in accordance with pharagraph 24 of criteria B-6 and will continue as perfoming loans during the term that the deferral is granted. As a consequence, these loans are considered as performing for determination of preventive reserves.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

If these special accounting changes had not been authorized, the balances that the Institution would be presenting in its balance sheet in September 30, 2009, would be:

PERFORMING LOANS	
Commercial Loans	
Business or commercial activity	$118,052,939,676
Financial Entities	8,214,404,613
Government Entities	33,738,012,797
Consumer Loans	26,176,211,939
Mortgage Loans	48,791,931,629
TOTAL PERFORMING LOANS	**234,973,500,654**
PAST DUE LOANS	
Commercial loans	
Business or comercial activity	3,389,422,637
Consumer Loans	2,195,616,916
Mortgage Loans	993,853,993
TOTAL PAST DUE LOANS	**6,578,893,546**
LOAN PORTFOLIO	**241,552,394,200**
(Minus) PREVENTIVE LOAN LOSS RESERVES	(7,638,806,006)
LOAN PORTFOLIO, net	**233,913,588,194**
ACQUIRED COLLECTION RIGHTS	**2,705,075,850**
TOTAL LOAN PORTFOLIO, net	**$236,618,664,044**

Also, the net income of this period would be $4,245,370,630, as a result of booking an additional $91,791,365 of preventive loan loss reserves that would origínate if the support had not been granted to borrowers.

The amount of deferred payments derived from this Plan at the end of September 30, 2009 is as follows:

	Deferred Amount
Consumer Loans	$61,633
	$61,633

The amount of renewed loans according to the plans established is as follows:

	Amount Renewed
Commercial Loans	
Business or commercial activity	$731,971,480
Financial Entities	-
Government Entities	-
Consumer Loans	26,000
Mortgage Loans	-
TOTAL	$731,997,480

- Modification of the consumer portfolio rating methodology for credit card transactions.

On August 12th, 2009 the National Banking and Securities Commission (CNBV) issued a resolution that modifies the applicable general regulatory dispositions for credit institutions. This change consists of modifying the applicable rating methodology of revolving consumer portfolios, so that parameters used to estimate loan loss reserves reflect, based on the current environment, the expected 12 month losses for credit cards.

In accordance with the aforementioned change, the Institution opted to recognize the initial accumulated financial effect of the first application of these new dispositions in accordance with Section I of the second transitory article on September 2009 against results of previous fiscal years.

The accounting registry to recognize the aforementioned effect was created with Ps 1,135,732,953 charged to the "results of previous fiscal years" equity account against a loan for the same amount to the "estimated loan loss reserves" account of the Balance Sheet. The corresponding deferred taxes were registered through a charge in the "deferred taxes" account in the Balance Sheet amounting to Ps 431,578,522 against a loan in "results of previous fiscal years " in equity.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

Acknowledgement of the effect of the aforementioned and the amounts to be registered and presented in the balance sheet as well as the income statement, are:

Balance Sheet	Original figures	Effect	Presented figures
Loan Portfolio	241,532,055,787	-	241,532,055,787
(less) Provisions for loan losses	**7,547,014,640**	**-**	**7,547,014,640**
Loan Portfolio, net	**233,985,041,146**	**-**	**233,985,041,146**
Acquired collection rights	2,705,075,850	-	2,705,075,850
Total Loan Portfolio, net	**236,690,116,996**	**-**	**236,690,116,996**
Deferred Taxes	759,390,919	-	759,390,919
Total Assets	**$ 570,347,351,377**	**-**	**$ 570,347,351,377**
Equity			
Results from previous years	21,228,186,172	704,154,431	21,932,340,603
Majority Net Results	4,351,708,368	(704,154,431)	3,647,553,937
Total Equity	**41,788,690,689**	**-**	**41,788,690,689**
Total Liabilities plus Equity	**$ 570,347,351,377**	**-**	**$ 570,347,351,377**

Income Statement			
Net Interest Income	**17,628,752,424**		**17,628,752,424**
Provisions for loan losses	6,503,922,923	1,135,732,953	7,639,655,876
Net Interest Income adjusted for credit risks	**11,124,829,501**	**1,135,732,953**	**9,989,096,548**
Deferred Income Taxes (net)	113,425,494	(431,578,522)	(318,153,028)
Net Income	**$ 4,351,708,368**	**(704,154,431)**	**$ 3,647,553,937**

Results for asset accounts and items will not be affected by the changes in accounting regulations; however equity and income statements will suffer variations in relation to the figures presented at closing of 9M09.

- **Changes in accounting rules**

On July 30 2009, the National Banking and Securities Commission (CNBV) issued changes to accounting criteria applicable, among others, to auxiliary credit institutions, financial companies of limited scope and regulated financial companies of multiple scope; also on August 31 2009, it issued changes in accounting criteria applicable to mutual funds. These changes were done to make them consistent with the financial information norms established in Mexico and abroad; they are similar to the changes recently implemented for Credit Institutions and Broker Dealers in 2Q09.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

LOAN PORTFOLIO SALES TO SOLIDA ADMINISTRADORA DE PORTAFOLIOS

On February, 2003 Banorte sold Ps $1.9 billion (Ps $1.861 billion in Past-due loans & Ps $64 million in Performing loans) of its own portfolio (including interests) to its subsidiary Sólida Administradora de Portafolios, S.A. de C.V. for Ps $378 million. The transaction was done based on August 2002 figures, and therefore the final figure that affected the February balance was Ps $1.856 billion, once the collections made since August 2002 are considered. The past-due portfolio as well as Ps $1.577 billion in associated loan reserves were cancelled.

As instructed by the CNBV, we show the integration of the loan portfolio sold in 1Q03 by Banorte to its subsidiary Sólida Administradora de Portafolios, S.A. de C.V. The Purpose of this sale was to concentrate the portfolio in this specialized recovery unit as it had been managing the collections of this loans previously. This was a one time operation.

	Local Currency (2)			Foreign Currency (USD) (3)			Total		
(Millions of Nominal Pesos)	**Aug'02**	**Jun'09**	**Sep'09**	**Aug'02**	**Jun'09**	**Sep'09**	**Aug'02**	**Jun'09**	**Sep'09**
Performing Loans									
Commercial	5	-	-	5	-	-	10	-	-
Consumer	-	-	-	-	-	-	-	-	-
Mortgage	54	33	24	-	-	-	54	33	24
Total	**59**	**33**	**24**	**5**	**-**	**-**	**64**	**33**	**24**
Non Performing Loans									
Commercial	405	363	363	293	111	113	698	474	476
Consumer	81	72	72	-	-	-	81	72	72
Mortgage	1,112	368	366	-	-	-	1,112	368	366
Total	**1,598**	**803**	**801**	**293**	**111**	**113**	**1,891**	**914**	**914**
TOTAL LOANS	**1,657**	**836**	**825**	**298**	**111**	**113**	**1,955**	**947**	**938**
Loan Loss Reserves (1)									
Commercial	326	350	350	246	111	113	572	461	463
Consumer	77	72	72	-	-	-	77	72	72
Mortgage	669	352	346	-	-	-	669	352	346
Total	**1,072**	**774**	**768**	**246**	**111**	**113**	**1,318**	**885**	**881**

1) Reserve requirements using the same classification method used for the bank.
2) Includes UDIS.
3) The dollar portfolio and reserves are re-expressed in pesos.
Note 1.- There was a Reserve deficit of Ps 75 mllion as of September 2009.
Note 2.- Banorte has a 99.99% stake in Sólida.

In 3Q09 the Loan portfolio showed changes due to: collections for Ps $4 million, restructures for Ps $1 million, repossessed assets for Ps $2 millon and Ps $26 million in charge-offs and discounts. In the Loan loss provisions, there were charge-offs and discounts for Ps $7 million. There were transfers from performing loans to past due loans for Ps $9 million and transfers from past due loans to performing loans for Ps $1 million.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

As instructed by the CNBV for purposes of determining financial indicators and a general disclosure referred to regulations, we show the integration of the Banorte's portfolio including the portfolio which was sold to Sólida Administradora de Portafolios, S.A. de C.V..

	Local Currency (1)		Foreign Currency (USD)(2)		Total	
(Millions of Nominal Pesos)	**Jun'09**	**Sep'09**	**Jun'09**	**Sep'09**	**Jun'09**	**Sep'09**
Performing Loans						
Commercial	130,218	128,561	12,895	12,302	143,113	140,863
Consumer	26,447	25,976	-	-	26,447	25,976
Mortgage	45,034	46,061	-	-	45,034	46,061
Fobaproa / IPAB	-	-	-	-	-	-
Performing Loans	**201,699**	**200,598**	**12,895**	**12,302**	**214,594**	**212,900**
Non Performing Loans						
Commercial	2,577	2,634	152	159	2,729	2,793
Consumer	2,655	2,266	-	-	2,655	2,266
Mortgage	1,252	1,256	-	-	1,252	1,256
Non Performing Loans	**6,484**	**6,156**	**152**	**159**	**6,636**	**6,315**
TOTAL LOANS	**208,183**	**206,754**	**13,047**	**12,461**	**221,230**	**219,215**
Loan Loss Reserves	**6,577**	**7,587**	**277**	**259**	**6,854**	**7,846**
Net Loan Portfolio	**201,606**	**199,167**	**12,770**	**12,202**	**214,376**	**211,369**
Loan Loss Reserves					**103.29%**	**124.24%**
% Past Due Loans					**3.00%**	**2.88%**

1) Includes UDIS.
2) The dollar portfolio and reserves are re-expressed in pesos.

BANORTE

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

NOTES TO FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q09 (Million Pesos)

NEGOTIABLE INSTRUMENTS	BOOK VALUE	INTEREST	UNREALIZED GAIN (LOSS)	MARKET VALUE
Goverment Securities	7,129	4	-	7,132
Unrestricted	153	3	2	158
Cetes	300	-	2	302
Bonds	(147)	3	-	(144)
Bondes	-	-	-	-
Bpas	-	-	-	-
Restricted	6,976	1	(2)	6,974
Cetes	246	-	-	246
Bonds	38	1	-	38
Bondes	3,143	1	(1)	3,143
Bpas	3,548	1	(1)	3,547
Brems	-	-	-	-
UMS	-	-	-	-
Udibonds	-	-	-	-
Stock Certificates	-	-	-	-
Banking Securities	11,004	-	1	11,004
Unrestricted	9,648	-	-	9,648
Notes	9,648	-	-	9,648
Cedes	-	-	-	-
Bonds	-	-	-	-
Stock Certificates	-	-	-	-
Other Banking Securities	-	-	-	-
Restricted	1,356	-	-	1,356
Notes	1,356	-	-	1,356
Private	46	-	-	46
Unrestricted	-	-	-	-
Commercial Paper Pesos	-	-	-	-
Commercial Paper U.S. Dollars	-	-	-	-
PEMEX	-	-	-	-
EUROBONDS	-	-	-	-
Stock Certificates	46	-	-	46
Subordinated paper	-	-	-	-
Other securities	-	-	-	-
Foreign Goverment	190	-	-	191
Treasury Bonds	-	-	-	-
Treasury Bill	-	-	-	-
Treasury Notes	190	-	-	190
Other securities	-	-	-	-
Shares listed in the SIC	-	-	-	-
Guarantee (collateral) for futures	-	-	-	-
Mutual Funds	66	-	-	66
Total	**18,434**	**4**	**1**	**18,439**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q09
(Million Pesos)

Securities Held to Maturity	BOOK VALUE	INTEREST	UNREALIZED GAIN (LOSS)	MARKET VALUE
Cetes	716	3	-	720
Affected papers as collateral	-	-	-	-
Fiduciary duties	-	-	-	-
Goverment Securities	149,291	139	-	149,430
Restricted	148,898	136	-	149,033
Cetes	-	-	-	-
Bonds	622	(1)	-	621
Bondes	33,214	15	-	33,229
Bpas	112,866	95	-	112,961
Brems	-	-	-	-
UMS	2,194	27	-	2,221
Udibonds	3	-	-	3
Stock Certificates	-	-	-	-
Unrestricted	392	4	-	396
Bonds	-	-	-	-
Bondes	11	-	-	11
Bpas	70	-	-	70
UMS	290	4	-	293
Stock Certificates	22	-	-	22
Banking Securities	26,635	44	-	26,680
Restricted	17,323	6	-	17,329
Notes	-	-	-	-
Cedes	9,706	3	-	9,708
Bonds	-	-	-	-
Stock Certificates	7,618	3	-	7,621
Other Banking Securities	-	-	-	-
Unrestricted	9,312	39	-	9,351
Bonds	2,550	-	-	2,550
Stock Certificates	5,607	24	-	5,631
Other Banking Securities	1,154	15	-	1,169
Private	24,106	119	-	24,224
Restricted	19,533	93	-	19,626
Commercial Paper Pesos	-	-	-	-
Commercial Paper U.S. Dollars	-	-	-	-
PEMEX	61	2	-	63
EUROBONDS	4,788	81	-	4,869
Stock Certificates	14,684	10	-	14,694
Sructured Notes	-	-	-	-
Unrestricted	4,573	25	-	4,598
Stock Certificates	4,220	20	-	4,241
Bonds	61	2	-	63
PEMEX	292	3	-	295
Sructured Notes	-	-	-	-
Other Unrestricted	-	-	-	-
Other Debt Securities	-	-	-	-
U.S. Government Securities	12	-	-	13
Subordinated paper	-	-	-	-
Total	**200,761**	**306**	**-**	**201,066**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

SECURITIES HELD FOR SALE 3Q09
(Million Pesos)

SECURITIES HELD FOR SALE	BOOK VALUE	INTEREST	UNREALIZED GAIN (LOSS)	MARKET VALUE
Unrestricted	10,050	86	212	10,348
Goverment Securities	7,377	30	175	7,583
Mexican Government Securities (UMS)	186	3	3	192
Treasury Bonds	-	-	-	-
Private company bonds	2	-	2	123
Private company bonds	-	-	29	29
GFNorte's Stock	-	-	-	-
BMV's Stock	234	-	3	237
Bonds	1,633	28	32	1,693
Eurobonds	535	22	(140)	418
Bank Paper	-	-	-	-
Structured notes	-	-	-	-
PEMEX	62	2	-	64
Other	21	-	(12)	9
Restricted	3,003	37	(120)	2,920
Mexican Government Securities (UMS)	170	3	5	178
Treasury Bonds	-	-	-	-
Bonds	1,478	17	(204)	1,291
PEMEX	476	7	32	515
Total	**13,053**	**123**	**92**	**13,268**

SECURITIES ASSIGNED FOR SETTLEMENT 3Q09
(Million Pesos)

SECURITIES ASSIGNED FOR SETTLEMENT	BOOK VALUE	INTEREST	UNREALIZED GAIN (LOSS)	MARKET VALUE
Government securities	-	-	-	-
Cetes	-	-	-	-
Bonds	-	-	-	-
Bondes	-	-	-	-
Bpas	-	-	-	-
Brems	-	-	-	-
UMS	-	-	-	-
UdiBonds	-	-	-	-
2U CBIC	-	-	-	-
Stock Certificates	-	-	-	-
Bank Paper	-	-	-	-
Private	-	-	-	-
Foreign Goverment	-	-	-	-
Total	**-**	**-**	**-**	**-**

REPURCHASE AGREEMENT OPERATIONS 3Q09
(Million Pesos)

SALES	MARKET VALUE		FINANCIAL STATEMENT		
				INDIVIDUAL COMPENSATION	
	RECEIVABLES ON REPURCHASE AGREEMENT	SECURITIES TO BE DELIVERED	GLOBAL POSITION	ASSET BALANCE	LIABILITY BALANCE
Goverment Securities	-	153,703	(153,703)	-	153,703
Banking Securities	-	18,402	(18,402)	-	18,402
Private Securities	-	13,098	(13,098)	-	13,098
Total		185,203	(185,203)	-	185,203

PURCHASES	MARKET VALUE		FINANCIAL STATEMENT		
				INDIVIDUAL COMPENSATION	
	RECEIVABLES ON REPURCHASE AGREEMENT	SECURITIES TO BE DELIVERED	GLOBAL POSITION	ASSET BALANCE	LIABILITY BALANCE
Goverment Securities	4,326	4,321	(6)	6	-
Banking Securities	4,705	4,705	-	-	1
Private Securities	496	496	-	-	-
Total	9,528	9,522	(5)	6	1
				6	185,203

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

DERIVATIVE FINANCIAL INSTRUMENTS OPERATIONS 3Q09
(Million Pesos)

INSTRUMENT	TO RECEIVE	TO DELIVER	NET	DEBTOR BALANCE	CREDITOR BALANCE
FUTURES					
Over Inflation (INPC)	-	-	-	-	-
					-
FORWARD FX CONTRACTS	AGREED PRICE	MARKET VALUE	VALUATION		
Negotiable					
Purchases	3,495	(3,621)	(127)		
Sells	(4,649)	5,025	376		
Total	(1,154)	1,404	249	301	51
					249
Hedging					
Purchases	-	-	-		
Sells	-	-	-		
Total	-	-	-	-	-
SWAPS	TO RECEIVE	TO DELIVER	NET		
Negotiable					
Capital	15,528	(15,472)	55		
Interest rate	607	(597)	9		
Valuation	49,748	(49,816)	(68)		
Subtotal	65,882	(65,886)	(4)	4,937	4,942
					(4)
Hedging					
Capital	13,843	(15,319)	(1,476)		
Interest rate	196	(273)	(78)		
Valuation	8,171	(9,934)	(1,763)		
Subtotal	22,209	(25,526)	(3,317)	1,129	4,446
OPTIONS					
Negociable-Assets					
Swaptions	-	-	-		
Rate Options	89	46	135		
Fx	11	(3)	8		
Index Options (ipc)	-	-	-		
Total	100	43	143	143	-
Hedging -Assets	-	-	-		
Swaptions	205	(21)	184		
Rate Options	-	-	-		
Index Options (ipc)	-	-	-		
Total	205	(21)	184	184	-
Negociable-Liability					
Swaptions	(3)	2	(1)		
FX	(12)	4	(8)		
Rate Options	(109)	33	(76)		
Index Options (ipc)	-	-	-		
Total	(124)	38	(86)	-	(85)
Debtor Balance				6,694	
Creditor Balance					9,524

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

NOTIONAL PRINCIPAL AMOUNT IN DERIVATIVE OPERATIONS 3Q09

(Mililon Pesos)

PRODUCT	TYPE	UNDERLYING	CURRENCY	NOTIONAL
FX Forwards	Purchases	Exchange Rate (Dollar)	MXN	3,495
FX Forwards	Sales	Exchange Rate (Dollar)	MXN	4,649
FX Options	Purchases	Exchange Rate (Dollar)	MXN	374
FX Options	Sales	Exchange Rate (Dollar)	MXN	516
Interest Rate Options	Purchases	TIIE	MXN	33,050
Interest Rate Options	Sells	TIIE	MXN	10,927
Interest Rate Options	Swaption	TIIE	MXN	2,300
Interest Rate Swaps	USLI/IRS	LIBOR	MXN	9,205
Interest Rate Swaps	TIIE/IRS	TIIE	MXN	203,289
FX Swaps	CS EURMXN	FIX/FIX	MXN	1,029
FX Swaps	CS USDCETE	CETE	MXN	3,576
FX Swaps	CS USDMXN	FIX/FIX	MXN	24,766

INVESTMENT IN NON GOVERNMENTAL FINANCIAL INSTRUMENTS THAT RESPRESENT MORE THAN 5% NET CAPITAL 3Q09

(Million Pesos)

INDUSTRY	INVESTMENT INSTRUMENT	AMOUNT	% NET CAPITAL
BANCOMER	Banking Bond	7,714	16%
INBURSA	Note payable at maturity	7,125	15%

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

LOAN PORTFOLIO
(Million Pesos)

	Local Currency		UDIS		Foreign Currency		Total	
	3Q08	3Q09	3Q08	3Q09	3Q08	3Q09	3Q08	3Q09
Performing Loans								
Commercial	88,087	91,268	293	295	26,372	26,945	114,752	118,508
Financial Intermediaries	15,106	8,053	-	-	746	161	15,853	8,214
Consumer	31,130	25,905	97	77	186	195	31,413	26,177
Mortgages	40,820	45,256	911	780	1,950	2,755	43,682	48,792
Goverment Entities	25,142	33,517	-	-	269	221	25,412	33,738
Fobaproa	-	-	-	-	-	-	-	-
Total	**200,287**	**204,000**	**1,301**	**1,153**	**29,524**	**30,277**	**231,111**	**235,429**
Past Due Loans								
Commercial	1,185	2,364	6	6	128	544	1,319	2,914
Financial Intermediaries	-	-	-	-	-	-	-	-
Consumer	1,955	2,194	-	-	1	1	1,956	2,195
Mortgages	618	853	66	37	19	104	704	994
Goverment Entities	-	-	-	-	-	-	-	-
Total	**3,759**	**5,411**	**72**	**43**	**149**	**649**	**3,979**	**6,103**
Total Propietary Loans	**204,046**	**209,411**	**1,373**	**1,196**	**29,672**	**30,925**	**235,091**	**241,532**

COST OF BALANCES OF FINAPE, FOPIME, MORTGAGE UDIS AND MORTGAGE FOVI LOAN PORTFOLIOS AS OF 3Q09
()Million Pesos)

	TOTAL	
	PERIOD COST	BALANCE OF LOAN PORTFOLIO
FINAPE	-	-
FOPYME	-	-
Mortgage UDIS	21.1	41.6
Mortgage FOVI	-	-
	21.1	**41.6**

Quarter ending balance of Ps 41.6 million pesos in debtors support programs with a cost for the period of Ps 21.1 million.

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Distressed Portfolio**

Based on criterion B6 Credit Portfolio of the CNBV, a Distressed Portfolio is defined as those commercial loans that are unlikely to be recovered fully, including both the principal and the interest pursuant to the terms and conditions originally agreed. Such determination is made based on actual information and data and on the loan revision process. Performing loans and past-due loans are susceptible to being identified as Distressed Portfolios. The D and E risk degrees of the commercial loan rating are as follows:

(Million Pesos)	**Total**
Distressed Portfolio	997
Total Loans	241,532
Distressed Portfolio / Total Loans	**0.4%**

DEFERRED TAXES

(Million Pesos)

ASSETS	INCOME TAX	PROFIT SHARING	NET
Tax losses pending amortization	1	-	1
Provisions for possible loss in loans	108	-	108
Earnings per Society			
Deferred compensation			
Non deductible provisions and cumulative income	340	113	453
Net operating loss carryforward – Uniteller and Banorte USA corp.	40	-	40
Excess of preventive reserves accounts over the fiscal limit	836	299	1,135
State Tax on Assets Deferred	2	-	2
Excess of accounting value over fiscal value on Reposessed Assets	322	62	383
Diminishable profit sharing	178	64	243
Past-due loan reserves	-	-	-
Anticipated Income and Expenses	1	-	1
Installation expenses	10	-	10
Effects from valuation of instruments	1	-	1
Other	23	-	23
Total Assets	**1,862**	**538**	**2,400**
LIABILITIES			
Accrued interest and inflationary component of Fixed Assets, Foreclosed, Intangible & Others	(225)	62	(288)
Pension Funds Contribution	(279)	100	(379)
Loan Portfolio Acquisitions	(615)	111	(727)
Projects to be capitalized	-	-	-
Income tax to pay on UDIS Trust funds	(40)	-	(40)
Book value depreciation	-	-	-
Dividends Federal Home Loan Bank	-	-	-
Intangibles' amortizations	(33)	-	(33)
Unrealized loss from Securities held for sale	(61)	-	(61)
Expenses paid in advance	(2)	-	(2)
Effects of other accounts	(1)	-	(1)
Effects from valuation of instruments	(74)	-	(74)
Reversal of Sale Costs	(4)	-	(4)
Organization and Recording Expenses & Installation Expenses	-	-	-
Unrealized capital gain from investments in Siefore	(30)	-	(30)
Total liabilities	**(1,367)**	**274**	**(1,640)**
Assets (Liabilities) Accumulated Net	**495**	**264**	**759**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

LONG TERM DEBT AS OF 3Q09
(Million Pesos)

TYPE OF DEBT	CURRENCY	DATE OF ISSUE	AMOUNT (Pesos)	ORIGINAL AMOUNT (Million Ps, Dlls or UDIS)	TERM	INTEREST RATE	MATURITY	INTEREST PAYMENT
CD's- Banorte U01001	UDIs	Jan 11 '01	388	90	10 years	8.13%	Dec 30 '10	E/182 days
Non Convertible Subordinated Bonds 2006	USD	Oct 13 '06	5,397	400	1 year	6.135%	Oct 13 '16	E/ 180 days
Non Convertible Subordinated Bonds 2006	USD	Oct 13 '06	2,634	200	15 years	6.862%	Oct 13 '21	E/ 180 days
Non Convertible Subordinated Bonds Q Banorte 08	MXN	Mar 11 '08	3,000	3,000	10 years	TIIE + 0.60%	Feb 27 '18	E/ 28 days
Non Convertible Subordinated Bonds Q Banorte 08U	UDIs	Mar 11 '08	1,917	441	20 years	4.95%	Feb 27 '18	E/ 182 days
Non Convertible Subordinated Bonds Q Banorte 08-2	MXN	Jun 27 '08	2,750	2,750	10 years	TIIE + 0.77%	Jun 15 '18	E/ 28 days
Non Convertible Subordinated Bonds Q Banorte 09	MXN	Mar 30 '09	2,200	2,200	10 years	TIIE + 2.00%	Mar 18 '19	E/ 28 days

BANK AND OTHER ENTITIES LOANS' AS OF 3Q09
(Million Pesos)

	LOCAL CURRENCY	INTEREST RATE	TERM (DAYS)	FOREIGN CURRENCY	INTEREST RATE	TERM (DAYS)	TOTAL
LOANS FROM LOCAL BANKS	-	-	-	2,222	1.2896%	196	2,222
LOANS FROM FOREIGN BANKS GENERATED IN THE COUNTRY	-	-	-	913	L+0.9	928	913
LOANS FROM FOREIGN BANK GENERATED FROM CAYMAN	-	-	-	2,853	3.21%	489	2,853
LOANS FROM DEVELOPMENT BANKS	6,813	4.18%	478	2,511	3.38%	30	9,324
LOANS FROM PUBLIC FUNDS	5,603	5.98%	556	456	1.56%	442	6,059
CALL MONEY & LOANS FROM BANKS	11,513	493%	9	-	-	-	11,513
LOANS FROM FIDUCIARY FUNDS	466	7.75%	4,403	-	-	-	466
PROVISIONS FOR INTEREST	69	N.A.	N.A.	-	-	-	69
	24,464			**8,955**			**33,419**
Eliminations	1,793			-			1,793
Total	**22,671**			**8,955**			**31,626**

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

TRADING INCOME 3Q09 *(Million Pesos)*	
VALUATION EFFECTS	
Negotiable Instruments	(12)
Securities Held to Maturity	(171)
Repurchase Agreements	-
Derivative instruments	(2)
Futures	-
From repo trasactions	-
Range	-
Inflation Adjustment	-
Total	**(185)**
Dividends Received	**-**
RESULTS FORM BUYING AND SELLING	
Negotiable Instruments	212
Securities Held for Sell	41
Hedging Derivatives	-
Securities Held to Maturity	-
Derivative Operations	35
Inflation Adjustment	-
Total of Buying and Selling Instruments	**288**
FX Spot	565
FX Forwards	167
FX Futures	-
FX Futures TIIE	-
FX Hedging	-
Changes in FX Valuation	(19)
Intermediation of metals	3
Changes in valuation of Metals	5
Total Foreign Exchange	**721**
Inflation Adjustment	**-**
Total of Buying and Selling	**1,009**
TOTAL TRADING INCOME	823

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Risk Management**

Credit Risk

Credit risk is the risk of clients failing to meet their payments. Therefore, it is essential to correctly manage such a risk in order to maintain a quality loan portfolio.

The objectives of credit risk management at GFNorte are:

- Improve the quality, diversification and composition of the loan portfolio in order to optimize the risk-performance (yield) ratio
- Provide Executive Management with reliable, timely information to assist decision making regarding loans.
- Provide the Business Areas with clear and sufficient tools to support loan placement and follow-up.
- Create economic value for shareholders by efficient loan risk management.
- Comply with the information requirements that the authorities set forth regarding loan risk management.
- Perform risk management in accordance with the best practices, implementing models, methodologies, procedures and systems based on the main advances worldwide.

Individual Credit Risk

The Bank of the Group separate the loan portfolio into two large groups: consumer loans and company loans.
The individual loan risk for consumer loans is identified, measured and controlled by a parametric system (scoring) that includes origination and behavior models for each of the consumer products: mortgage, car, payroll loans and credit cards.

The individual risk for company loans is identified, measures and controlled by the Target Markets, Risk Acceptance Criteria and Banorte's Internal Risk Qualification (CIR).
The Target Markets and Risk Acceptance Criteria are tools that, along with the Internal Risk Qualification, are part of GFNorte's Loan Strategy and give support to loan risk level estimation.

The Target Markets are activities selected by region and economic activity – backed by economic research and loan behavior analysis – where Banorte is interested in placing loans.

The Risk Acceptance Criteria are parameters that describe the risk identified by the industry, which makes it possible to estimate the risk involved for the bank when granting a loan to customer on the bases of their economic activity. The types of risk contemplated in the Risk Acceptance Criteria are financial risk, operation risk, market risk, company life cycle, legal, regulatory, loan experience and management quality.

Early Alerts are a set of criteria based on borrower information and indicators and their conditions that were established as a mechanism for the timely prevention and identification of a probable deterioration in the loan portfolio, thereby enabling the institution to take prompt preventive actions to mitigate the credit risk..

Banorte's CIR aligns with the "general PROVISIONS applicable to the loan qualification method of loan institution" issued by the CNByV on December 2, 2005. Banorte's CIR was certified by the CNBV and by an international external auditor in 2001.

Banorte's CIR is applied to commercial loans equal to or greater than an amount in Mexican pesos equivalent to four million investment units on the qualification date.

Portfolio Credit Risk

GFNorte has designed a portfolio credit risk method that, besides contemplating the major and latest international practices in identification, measurement, control and follow-up, has been adapted to work within the context of the Mexican Financial System.

This credit risk methodology makes it possible to know the current value of the portfolio loans of GFNorte, that is, *the loan exposure*, allowing surveillance of the risk concentration levels per risk qualification, geographical regions, economic activities, currency and type of product in order to know the portfolio's profile and take action to direct it toward a diversification which will maximize profitability with the lowest risk.

Calculating loan exposure implies generating a cash flow of each one of the loans, of both capital and interest to discount it later. This exposure is sensible to changes in the market, thereby facilitating calculations under different economic scenarios.

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The method, in addition to contemplating loan exposure, takes into consideration the probability of non-compliance, the recovery level associated to each client and the classification of the debtor based on the Merton model. The *probability of non-compliance* is the probability that the debtor will not meet his/her debt obligation with the bank according to the originally agreed terms and conditions. The probability of non-compliance is based on the transition matrixes that the Banks calculate from the migration of the debtors through different risk qualification levels. The *recovery ratio* is the percentage of total exposure that is estimated to be recovered if the debtor fails to comply.

The *classification of the debtor*, based on the Merton model, associates the debtor's future behavior to loan and market factors on which his "credit health" depends, as determined by statistical techniques.

The results are risk measures such as the expected and unexpected loss at a one-year horizon. The expected loss is the credit portfolio's loss distribution average, which is used to measure the following year's expected loss due to non-compliance or variations in debtors' credit quality. This unexpected loss is an indicator of the loss that could be expected in extreme scenarios and is measured as the difference between the maximum loss given the distribution of losses, at a specific reliability level that in the case of the Banking Sector is 95%, and the expected loss.

The results obtained are used as a tool for better decision-making in granting loans and in the diversification of the portfolio, according to the Banks' global strategy. The individual risk identification tools and the portfolio credit risk methodology are periodically checked and updated to allow the application of new techniques that may support or strengthen them.

By September 30, 2009, the Banco Mercantil del Norte total portfolio was Ps 218,277 million. The expected loss represents 2.6% and the unexpected loss is 4.0% with respect to the total portfolio. The average expected loss is 2.6% during the period between July and September 2009

- **General rules for risk diversification in asset and liability operations applicable to loan institutions**

In compliance with the risk diversification rules in asset and liability operations, Banco Mercantil del Norte submits the following information:

Basic capital by June 30, 2009	$31,598
I. Financings whose individual amount represents more than 10% of the basic capital:	
Credit operations	
– Number of financings	1
– Total amount of financings	$4,531
– % vs. basic capital	14%
Money Market operations	
– Number of financings	0
– Total amount of financings	$0
– % vs. basic capital	0%
Transactions in overnight	
– Number of financings	2
– Amount of financings taken as a whole	$10,255
– % in relation to basic capital	32%

*Investments with Banks in checking accounts

II. Maximum amount of financing with the 3 major Common Risk debtors and groups	$25,434

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

➢ **Market Risk**

• ***Value at Risk***

The exposure to market risk is determined through the calculation of the Value at Risk ("VaR"). The meaning of the VaR under this method is the potential loss which could be generated in the valuation of the portfolios at a given date. This methodology is used both for the calculation of market risk and for the establishment and control of internal limits.

In order to calculate the Value at Risk (VaR), the Institution applies the nonparametric historical simulation method, considering for such purpose a 99% confidence level, using the 500 immediate historical scenarios, multiplying the result by a security factor that fluctuates between 3 and 4 depending on the annual Back Testing results calculated up to the previous quarter, also considering 10 days to break up the risk portfolio in question. These measures make it possible to insure considering unforeseen volatilities in the main risk factors that affect such portfolios.

Such methodology is applied to all financial instrument portfolios within and beyond the balance, including money market and treasury transactions, capital, foreign-exchange and derivatives held for trading and hedging purposes, which are exposed to variations in their value due to changes in the risk factors affecting their market valuation (domestic and foreign interest rates, exchange rates and indexes, among others).

The average VaR for the July – September 2009 quarter for the portfolio is Ps 3,154 million.

Million Pesos	3Q08	4Q08	1Q09	2Q09	3Q09
Total Var *	2,210	2,447	2,376	2,887	**3,154**
Net Capital **	46,410	44,149	45,113	46,933	**47,972**
VaR/Net Capital	4.76%	5.54%	5.27%	6.15%	**6.57%**

* Quarter Average of Bank and Brokerage House
** Net capital of the Banking Sector is the arithmetic sum of the net capitals of Bank and Brokerage House.

Moreover, the average Value at Risk per risk factor of the portfolio of instruments described for the Bank and Brokerage House, during the third quarter of 2009 is shown below:

Risk Factor	VaR
Domestic interest rate	3,251
Foreign interest rate	759
Exchange rate	576
Capitals	137
Total VaR of Bank and Brokerage House	3,154

The VaR for each of the risk factors shown is determined by simulating 500 historical scenarios of the variables that make up each of such factors, maintaining constant the variables that affect the other risk factors mentioned above. Similarly, the consolidated Value at Risk for the Bank and Brokerage House considers the correlations of all the risk factors that affect portfolio valuation. That is why the arithmetic sum of the Value at Risk per Risk Factor does not match.

• ***Backtesting Analysis***

In order to validate the daily VaR calculation measurement effectiveness, as a measure of market risk, the Backtesting analysis is updated weekly. This analysis makes it possible to compare the results estimated by VaR with the actual results.

• ***Sensitivity Analysis and Extreme Conditions Test***

To enrich the analysis and to obtain the desired impact that movements on risk factors may have on positions, sensitivity analizes and tests under extreme conditions are periodically implemented. These analizes prevent the Institution from negative situations that could arise in which extraordinary losses result from the valuation of financial instruments in position.

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- **Liquidity Risk and Balance**

In response to the Banking Sector's need to measure Liquidity Risk and to have consistent follow-up, the Banks us financial ratios, such as the Liquidity Ratios (Liquid Assets / Liquid Liabilities). Liquid Assets include availabilities, securities to negotiate and securities available for sale. Liquid Liabilities include demand deposits, demand interbanking loans and short-term interbanking loans.

For liquidity risk quantification and follow-up, the Banking Sector uses for the dollar portfolios, the criteria that the Bank of Mexico established for developing the Liquidity Coefficient, which makes it possible to evaluate the differentials between asset and liability flows in different periods of time. This promotes a healthier distribution of terms for these assets.

Moreover, to prevent the risk of concentrating terms and re-appreciation date for each of the Banks in the Banking Sector, a Gap Analysis is made to face the resources with sources of funding, detecting any concentration in advance. These analyses are made separately per currency (domestic, foreign, and udis).

The structural risk of the Balance is evaluated using the analysis of balance simulation, among others, which allows the evaluation of future static or dynamic behavior in the Balance Sheet. It analyzes sensitivity to movements in domestic, foreign and real rates obtaining the impact that they have on the Economic Value and on the Net Interest Income. Likewise, tests are conducted under extreme conditions wherein the result of extreme changes is evaluated on rates, funding and exchange rates.

Projections are periodically compared with real data as a measure of evaluation of the effectiveness of the simulation model. These tests make it possible to evaluate the suppositions and methodology used, and if necessary, adjust them.

With the objective of strengthening follow-up of risk, early detection alarms have been determined, which allow the anticipation of problems and if necessary, put contingency plans into action.

- **Operational Risk**

As of January 2003, GFNorte established a formal operational risk department called the "Operational Risk Management Department" (ARO) within the General Directorship of Risk Management.

Our institution defines Operational Risk as the potential loss due to failures or deficiencies in the internal controls, errors in operation processing and storing or in data transmitting, as well as to adverse administrative and judicial rulings, fraud or theft (this definition includes Technological and Legal risk).

The objectives of the Operational Risk Management are: a) To allow and support the organization to reach its institutional objectives through the prevention and management of operational risks; b) To insure that the existing operational risks and the required controls are duly identified, assessed and in line with the risk strategy established by the organization; and c) To insure that the operational risks are duly quantified in order to make the proper capital allocation per operational risk.

Pillars of Operational Risk Management

I. Policies, Objectives and Guidelines

As part of the institutional regulations, there are documented policies, objectives, guidelines, methodologies and responsible areas in Operating Risk management.

The Operating Risk Directorship maintains close communication and coordination with the Regulatory Comptrollership in order to facilitate effective Internal Control in which the proper procedures and controls are established that will mitigate Operating Risk in the processes, and provide follow up through the Internal Audit Department.

The Regulatory Comptrollership, as part of the Internal Control System, carries out the following activities to mitigate risk: a) Internal control validations; b) Institutional regulations management and control; c) Monitoring of operating processes' internal control by means of control indicators reports, that are reported by the process comptrollers in the various areas; d) Money Laundering Prevention process management; e) Control and follow up of the regulatory provisions; f) Analysis and assessment of the operating processes and projects with the participation of the responsible directors of each process in order to insure adequate internal control.

II. Quantitative and Qualitative Measuring Tools

Operating Losses Database

To record operating loss events, a system has been developed internally known as the "Operating Loss and Events Capture System" (SCERO). This system enables the central information supplier areas to directly record such events online, which are classified by Type of Event in accordance with the following categories:

Types of Events	Description
Internal Fraud	Losses derived from a type of action intended to defraud, unlawfully take goods or sidestep regulations, laws or company policies (excluding diversity/discrimination events) in which at least one company party is involved.
External Fraud	Losses derived from a type of action intended to defraud, unlawfully take goods or sidestep the laws, caused by a third party.
Labor Relations and Safety in the Workplace	Losses caused by acts that are incompatible with the legislation or labor agreements regarding hygiene or safety, the payment of personal damage claims, or cases associated with diversity/discrimination.
Customers, Products & Business Practices	Losses caused by involuntary noncompliance or negligence of a professional obligation to specific customers (including fiduciary and adjustment requirements), or due to the nature or design of a product.
Natural Disasters and Other Events	Losses caused by damage or harm to material assets as a consequence of natural disasters or other events.
Incidences in the Business and Systems Failures	Losses caused by incidences in the business and systems failures
Process Execution, Delivery and Management	Losses caused by errors in operations processing or management, as well as the relations with commercial counterparties and providers.

This historical Database provides the statistics of the operating events in which the institution has incurred so as to be able to determine their trends, frequencies, impact and distribution. Moreover, the Database will make it possible in the future to have enough information to calculate the capital requirements per Advances Models.

- ***Legal and Fiscal Contingencies Database***

For the recording and follow-up of legal, administrative and tax issues that may arise from adverse unappealable ruling, an internal system called “Legal Risk Issues Monitoring System” (SMARL) was developed. This system enables the central data supplying areas to record such events directly and on-line, which are then classified by company, sector and legal issue, among others.

As part of GFNorte’s legal risk management, legal and fiscal contingencies are estimated by the attorneys that process the issues based on an internal methodology. This makes it possible to create the necessary book reserve to face such estimated contingencies.

- ***Risk Management Model***

GFNorte has defined objectives, which are achieved through different plans, programs and projects. Compliance with such objectives may be adversely affected due to operating risks, for which reason a methodology must be in place to manage them within the organization. Consequently, operating risk management is now an institutional policy defined and supported by senior management.

To perform Operating Risk Management, each of the operating risks involved in the processes must be identified in order to analyze them. In this regard, the risks identified by the Regulatory Comptrollership are recorded in a risk matrix and processed in order to eliminate or mitigate them (seeking to reduce their severity or frequency) by defining tolerance levels, as the case may be. At present, work is being done on developing a new Institution Operating Risk Management Model and the technological tools needed to implement it.

III. Required Capital Calculation

As of November 2007, the Official Gazette of the Federation published the Capitalization Rules for Operation Risk, establishing the use of a Basic Model, which is periodically calculated and reported to the authority.

IV. Information and Reporting

The information generated by the Database and the Management Model is processes periodically to report to the Risk Policies Committee and the Board of Directors regarding the main operating events that were detected, the trends, identified risks (risk matrix) and their mitigating strategies. Reporting is also done on the status of the main Operating Risk mitigation initiatives implemented by the various areas of the organization.

- **Technology risk**

Technological Risk is defined in our institution as all potential losses from damage, interruption, alteration or failures derived from the use of or dependence on hardware, software, systems, applications, networks and any other information distribution channel in the rendering of banking services to the customers.. This risk forms an inherent part of Operating Risk, which is why its management is handled collectively throughout the entire organization.

To address the Operating Risk associated with information integrity, and “Integrity Committee” has been created. Its objectives are to align security and information control efforts under a prevention focus, to define new strategies, policies, processes or procedures and to provide solutions to information security issues that affect or may affect the Institutional patrimony.

The functions established by the CNBV or Technology Risk Management are performed by the Institution under institution regulatory and Integrity Committee guidelines.

To address the Operating Risk caused by high impact external events, GFNorte has a Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) based on a same-time data replication system at an alternate computer site. All the above cover the back up and recovery of the Institution’s critical applications in the event or any relevant operating contingency.

- **Legal risk**

Legal Risk is defined as the potential loss from failure to comply with the applicable legal and administrative provisions, the issuance of indisputable unfavorable court rulings and the application of penalties regarding the operations that the institution performs.

The Legal Risk must be measured as an inherent part of Operating Risk in order to understand and estimate its impact. Therefore, those legal issues which result in actual operating losses of the SMARL system are later recorded in the SCERO in accordance with a predetermined classification.

Based on the statistics of the current legal issues and real loss events, the Institution can identify specific legal or operating risks, which are analyzed in order to eliminate or mitigate them in an attempt to reduce or limit their future occurrence or impact.

- **Internal Control**

The companies that make up GFNorte has an Internal Control System (SCI) that has been structured according to the guidelines set forth by its Board of Directors and that addresses the requirements indicated by the regulating authorities.

The SCI's mission is to help in the operation of an adequate internal control in the operation and in data generating and recording. It is made up of various elements:

A. Board of Directors with the support of the Risk Policies Committee and the Audit and Corporate Practices Committee (CAPS).

B. CEO and the direct reports, such as the Risk Management Unit (UAIR), Legal and Controlling Departments who are responsible for enforcing the proper control and risk levels in the Group's operations.

C. Internal Audit, External Audit and Commissary (The Commissary applies only to GFNorte subsidiaries) as additional support structures to check how the Internal Control System functions and provide reasonable assurance regarding the reliability of the generated data.

D. The Executive Group as those mainly responsible for SCI assurance according to the functions and responsibilities assigned to them. In addition to promoting the enforcement of the regulations established for the Institution and the strategies set forth by the CEO GFNorte.

E. Documents that establish the general control criteria that should be followed in the operation and reporting of transactions; in optimizing human, material and technological resources; in the use, security, timeliness and reliability of the information; and in the due compliance with the external and internal regulations. Code of Conduct that regulates the behavior that each advisor, officer or employee of the Group should assume while performing their activities.

F. Policy and procedure manuals that regulate documentation, recording and liquidation operations that the Institution carries out and establish the control points that should be observed, assuring the separation of functions, clear assigning of responsibilities, safekeeping of information and prevention of unlawful acts.

During 3Q09, SCI continued to work properly developing activities associated with strengthening risk control, assessment and management, establishing and monitoring controls, and insuring information quality.

A. The various Corporate Governance Committees have had the required financial, economic, accounting and/or legal information for proper decision-making.

B. The policy and procedure manuals have been updated as per the changes in external regulations, new products, and changes in the Institution's processes or improvements to internal controls. Additionally, there has been continuous follow-up of the improvement actions regarding the observations made by the different members of the SCI.

C. The Supervisory Authorities' requirements have been addressed and the information required by the external regulations has been submitted.

- **Treasury Policy**

GFNorte's Banking Sector Treasury is the central unit in charge of balancing its resource needs, monitoring and managing the regulatory levels, eliminating the rate risk of fixed-rate placement operations by using coverage and implementing arbitrage strategies.

The cash currencies and investment in securities are in Mexican pesos and U.S. dollars.

- **Internal and External Liquidity Sources**

The internal liquidity sources, in local as well as foreign currency, come from the various deposit products that the institution offers its customers, that is checking accounts and term deposits. Another source is the sales of the institution's assets.

External liquidity sources include various mechanisms to access the debt and capital markets. For instance, issuing credit titles, loans from other institution including the Central Bank and international agencies, as well as issuing subordinate debts. This concept also considers the liquidity that the bank obtains by reporting the securities the institution has that are feasible for this type of operation.

Another alternative for getting resources is by issuing capital shares.

- **Dividend Policy**

During the April 30, 2003 session, the Board of Directors approved a dividend payment policy in which it will propose to the General Ordinary Stockholders' Meeting a dividend payment consisting of at least 15% of the Partnership's net recurring profit, providing that there is no legal impediment and that market conditions and the Partnership's financial situation allow it.

- **Related Parties Loans**

At GFNorte, the amount of the loans performed with related individuals and companies, does not exceed the established limit of 50% of the Tier 1 capital. As of September 30, 2009 and June 30, 2009, the loans granted to related parties totaled Ps $6,940 million and Ps $8,318 million, respectively.

- **People in Charge**

The undersigned represent under oath that, within the scope of our respective functions, we have drawn up the information relative to Grupo Financiero Banorte contained in this report, which, to the best of our knowledge, reasonably reflects its situation.

Dr. Alejandro Valenzuela del Río
Chief Executive Officer of Grupo Financiero Banorte, S. A. B. de C. V.

Ing. Sergio García Robles Gil
Chief Financial Officer

C.P. Román Martínez Méndez
Managing Director Audit

Lic. Jorge Eduardo Vega Camargo
Executive Director Comptrollership

C.P. Nora Elia Cantú Suárez
Executive Director Accounting

According to the new criteria, effective as of January 2008, inflationary accounting no longer applies for re-expressing financial statements. Nonetheless, the figures for 2007 and previous years will continue to be expressed in pesos of December 2007.

- **Basis for submitting Financial Statements**

Grupo Financiero Banorte (GFNorte) issues consolidated financial statements with its Subsidiaries in accordance with the General Provisions Applicable to Financial Information of the Regulating Agencies of Financial Groups Subject to Supervision by the National Banking and Securities Commission (CNByV) published in the Official Gazette of the Federation on April 27, 2005 and modified on August 11, 2006, August 14, 2006, December 19,2006 and January 8,2007. As a result of the norm NIF B10 "Inflation Effects" taking effect and according to INIF 9 "Presentation of comparable financial statements as a consequence of NIF B-10 taking effect", which mentions that the economic enviornment is non inflationary when accumulated inflation for the last three years is lees than 26%. Under this context, it is not necessary to re-express financial statements as of January 2008 and for comparison pruposes, figures for 2007 and previous years are expressed in December 2007 pesos.

In order to comply with the new general provisions applicable to the financial information of holding companies, since 2Q05, the Quarterly Report provides consolidated information for the financial group.

Banking Sector (Banorte) Issues consolidated financial statements with trust funds in udis and its subsidiaries in conformity with the General Provisions for Financial Information of Credit Institutions in effect as published on December 2, 2006 and modified on March 3, 2006, March 28, 2006, September 15, 2006, December 6,2006, December 8, 2006 and January 12, 2007 . As a result of the norm NIF B10 "Inflation Effects" taking effect and according to INIF 9 "Presentation of comparable financial statements as a consequence of NIF B-10 taking effect", which mentions that the economic enviornment is non inflationary when accumulated inflation for the last three years is lees than 26%. Under this context, it is not necessary to re-express financial statements as of January 2008 and for comparison pruposes, figures for 2007 and previous years are expressed in December 2007 pesos.

Grupo Financiero Banorte (GFNorte) and Banking Sector (Banorte) The financial information contained in this document has been developed according to the regulations issued by the CNByV for the regulating agency and the financial entities that make up the Financial Group and to Norms of Financial Information **(Normas de Información Financiera NIF)**, emitted by the Mexican Council for the Investigation and Development of Norms of Financial Information, A.C. (CINIF). The regulations of the CNByV and the NIF mentioned above differ given the specialized operations of the Credit Institutions. Moreover, there is a difference in the generally accepted accounting principles of the United States (US GAAP) and the regulations and principles established by the American authorities for this type of financial entities. In order to present the information contained herein in an international format, the classification format and the presentation of certain financial information differ from the format used for the financial information published in Mexico.

The information contained in this document is based on the non-audited financial information of each of the entities to which it refers.