

# **Board of Directors' Report Regarding Shares Repurchase Transactions**

## **Shares Repurchase Fund**

2016 Report – 2017 Proposal

# 2016 Shares Repurchase Fund

## Authorized by the Board of Directors and Shareholders' Meeting of Grupo Financiero Banorte

- **SIZE:** equivalent to 1.5% of the Financial Groups' market capitalization value as of December 2015 (\$263.48 billion pesos).
- **MAXIMUM EQUIVALENT AMOUNT:** \$ 3,952'000,000 (Three billion, nine hundred and fifty-two million pesos 00/100).
- **OBJECTIVE:** to purchase Company's shares subject to the Treasury's Policy for Transactions with Shares and to the applicable regulation.
- **VALIDITY:** transactions to be carried out in 2016 and until April 2017.

### Note

- The Company may allocate resources for the acquisition of its own shares, not exceeding the Net Profits of the Company, including retained earnings, in accordance with section IV, article 56 of the LMV (Securities Market Law).

# Proposal for 2017 Shares Repurchase Fund

- **SIZE:** equivalent to 1.5% of the Financial Groups' market capitalization value as of December 2016 (\$283.75 billion pesos).
- **MAXIMUM EQUIVALENT AMOUNT:** \$4,256'000,000 (Four billion, two hundred and fifty-six million pesos 00/100).
- **OBJECTIVE:** to purchase Company's shares subject to the Treasury's Policy for Transactions with Shares and to the applicable regulation.
- **VALIDITY:** transactions to be carried out in 2017 and until April 2018.

## Note

- The Company may allocate resources for the acquisition of its own shares, not exceeding the Net Profits of the Company, including retained earnings, in accordance with section IV, article 56 of the LMV (Securities Market Law).

# 2016 Shares Repurchase Fund Operating Report

- During 2016, 14.26 million net shares were traded for a net amount of \$1.39 billion pesos

Date	Operation	Shares	Avg. Price	Amount
05/Jan/2016	Buy	1,000,000	91.56	91,557,915
06/Jan/2016	Buy	1,000,000	91.31	91,307,015
07/Jan/2016	Buy	1,000,000	90.29	90,289,945
08/Jan/2016	Buy	1,000,000	89.4	89,401,668
11/Jan/2016	Buy	1,280,000	89.64	114,732,929
06/Apr/2016	Buy	980,000	96.01	94,093,729
01/Sep/2016	Buy	500,000	104.41	52,205,906
02/Sep/2016	Buy	500,000	104.87	52,437,209
14/Sep/2016	Buy	500,000	100.76	50,382,064
15/Sep/2016	Buy	500,000	100.79	50,397,006
03/Oct/2016	Buy	300,000	103.87	31,162,320
04/Oct/2016	Buy	700,000	106.26	74,380,637
08/Nov/2016	Buy	1,000,000	112.97	112,970,702
09/Nov/2016	Buy	1,000,000	108.01	108,014,184
10/Nov/2016	Buy	1,000,000	99.34	99,339,896
11/Nov/2016	Buy	1,000,000	94.78	94,783,096
18/Nov/2016	Buy	500,000	91.68	45,840,335
16/Nov/2016	Buy	500,000	101.25	50,623,690
<b>2016</b>	<b>Net</b>	<b>14,260,000</b>		<b>1,393,920,247</b>

- During 2017, 3.35 million net shares have been traded for \$340.26 million pesos.

Date	Operation	Shares	Avg. Price	Amount
28/Feb/2017	Buy	1,300,000	99.31	129,099,545
01/Mar/2017	Buy	1,200,000	99.97	119,959,171
23/Mar/2017	Buy	850,000	107.29	91,197,520
<b>2017</b>	<b>Net</b>	<b>3,350,000</b>		<b>340,256,236</b>

