

GFNORTE

2Q11 Results

Conference Call
July 26, 2011.

Material Events

- **Changes to the Board of Directors.** On July 21st, the Shareholders' Assembly formalized changes to the Board of Directors, designating 5 new Members, including highly recognized personalities in the business and financial sectors, as well as some former members of the Board of IXE Grupo Financiero. With these changes, GFNorte continues to adhere to the best international practices in Corporate Governance. Additionally, the Shareholders' Assembly approved the creation of an Advisory Board, that will serve as an advisory body to the Chairman of the Board, on topics related to the bank's development, new business opportunities, among others. It was also approved to create five Regional Boards: at the Northwest, Monterrey, Jalisco, Mexico City Metropolitan area and Merida. These Boards will provide opinions and advisory to the Board of Directors on the trends and opportunities of each region.
- **Organizational Changes.** In May, Hector Avila Flores and Armando Rivero Laing were appointed as Co- Managing Directors of the Legal Department of Grupo Financiero Banorte.

Material Events

- **New Mortgage Offering.** During July, Banorte launched its new mortgage offer with the objective of being positioned as a specialized mortgage bank that offers various home acquisition options with excellent payment conditions, a differentiated product offering and accessible interest rates for all needs. Through this concept, the market's needs will be met appropriately through a competitive offering, defining differentiated products for each segment.
- **Sale of Insurance products through Ixe's network.** Since July, Seguros Banorte-Generali began offering its products through Ixe's branch network. Products were designed to meet the specific needs of Ixe's clients under the best guarantee of service.
- **Recognitions by Euromoney and World Finance.** Banorte - IXE was recognized in July by EuroMoney magazine's 20th edition of its "Awards for Excellence" as the "Best Bank in Mexico 2011" and in May by World Finance magazine as the "Best Commercial Bank in Mexico 2011." These recognitions were given for the high level of service, innovation and specialization in attention to clients, as well as for the quality of our products and services, among other attributes.



Results 2Q11

Yearly Recap GFNorte

Million Pesos

| | 2Q10 | | 2Q11 |
|------------------------|-------|-------|-------|
| Net Income | 1,656 | ▲ 24% | 2,048 |
| ROE | 15.6% | | 12.4% |
| ROA | 1.1% | | 1.1% |
| Efficiency | 53.2% | | 57.8% |
| Net Interest Margin | 4.1% | ▲ 0.1 | 4.2% |
| Performing Loan Growth | 15% | | 29% |
| Past Due Loan Ratio | 2.3% | | 2.4% |
| Stock Price (pesos) | 50.14 | ▲ 6% | 53.30 |
| Book Value Per Share | 21.17 | ▲ 35% | 28.56 |
| P/BV | 2.37 | | 1.86 |

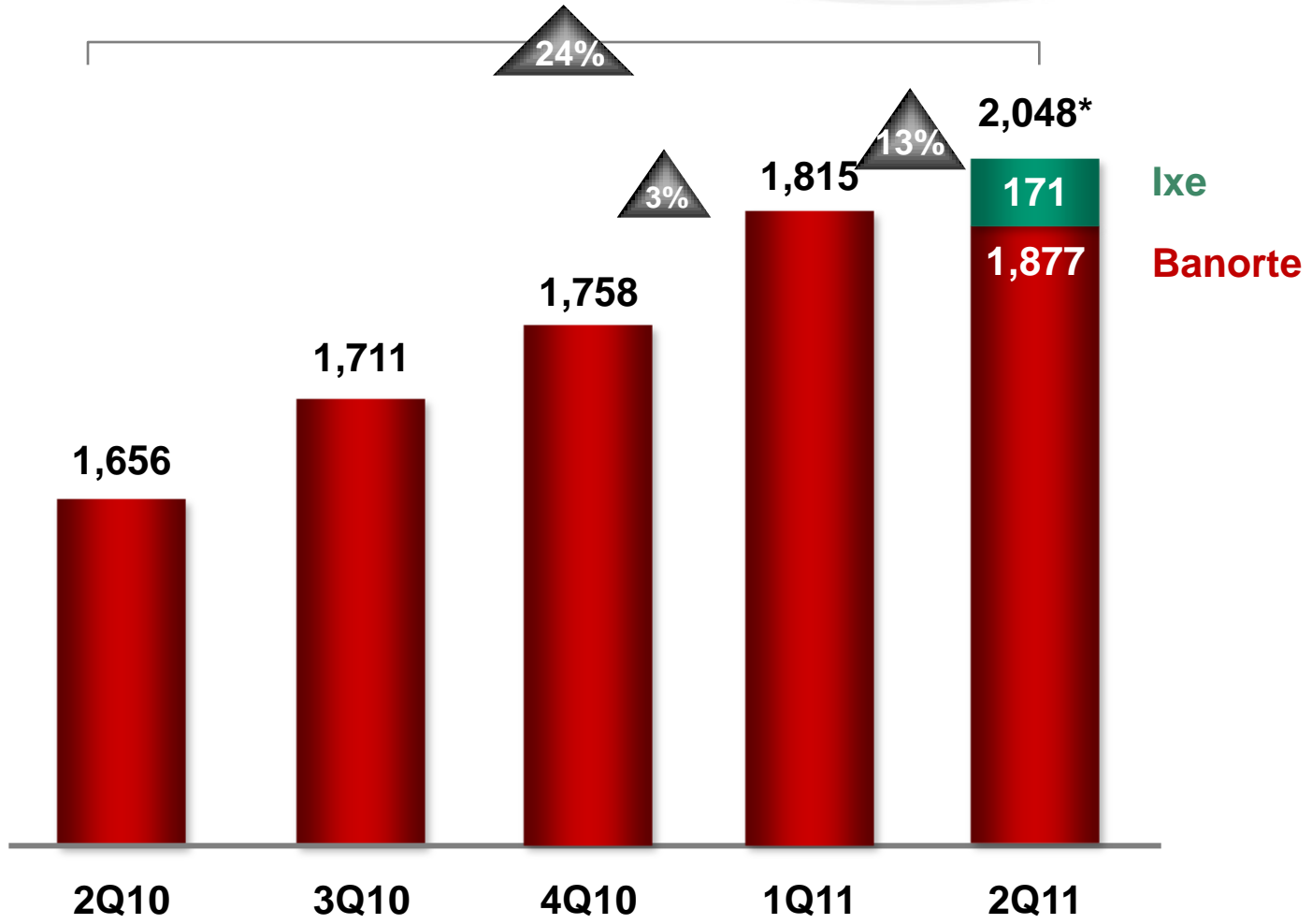
Income Statement

Million Pesos

| | 2Q10 | 1Q11 | 2Q11 | Change | |
|--------------------------------|-------|-------|--------|--------|-------|
| | | | | QoQ | YoY |
| Net Interest Income | 5,533 | 6,277 | 7,369 | 17% | 33% |
| Non Interest Income | 2,727 | 2,632 | 3,005 | 14% | 10% |
| <i>Service Fees</i> | 1,625 | 1,469 | 1,741 | 19% | 7% |
| <i>Recoveries</i> | 224 | 220 | 284 | 29% | 27% |
| <i>FX & Trading</i> | 580 | 517 | 219 | (58%) | (62%) |
| <i>Other Income (expenses)</i> | 299 | 427 | 761 | 78% | 155% |
| Total Income | 8,261 | 8,909 | 10,374 | 16% | 26% |
| Non Interest Expense | 4,391 | 4,653 | 5,991 | 29% | 36% |
| Net Operating Income | 3,870 | 4,256 | 4,383 | 3% | 13% |
| Provisions | 1,337 | 1,338 | 1,318 | (1%) | (1%) |
| Income Tax | 798 | 847 | 810 | (4%) | 1% |
| Subs & Minority Interest | (77) | (257) | (207) | (20%) | 167% |
| Net Income | 1,656 | 1,815 | 2,048 | 13% | 24% |

Quarterly Net Income

Million Pesos

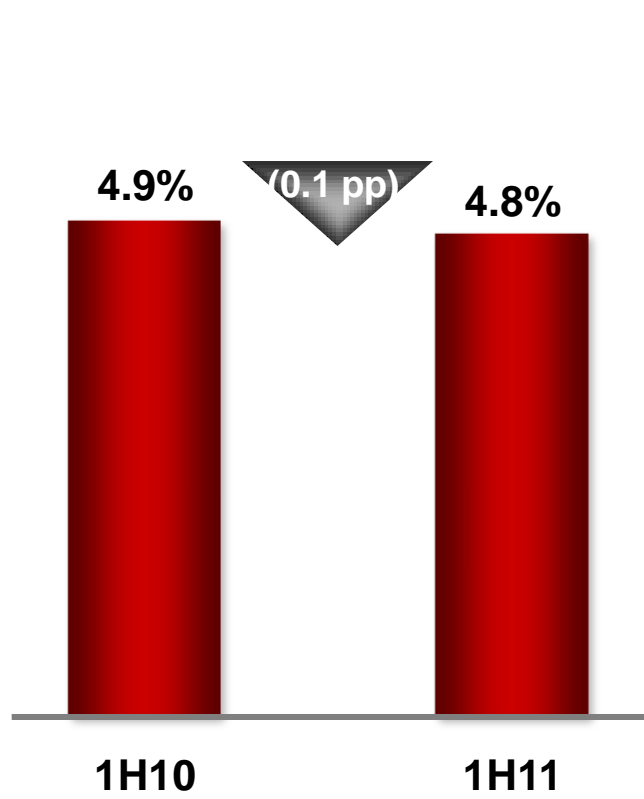
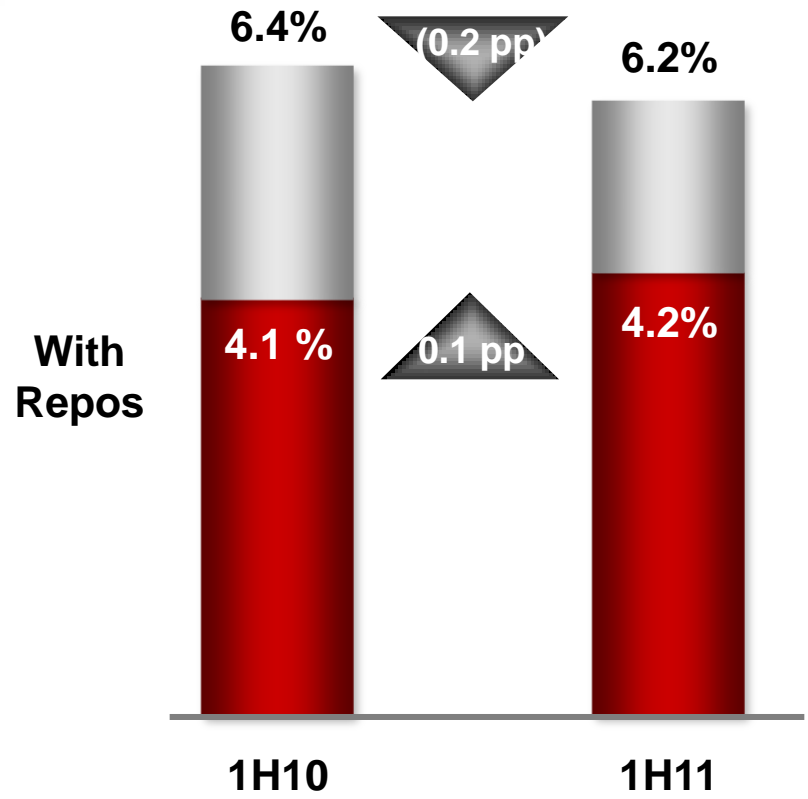


*Net Income for 2Q11 without restructuring charges was Ps 2.18 billion.

Net Interest Margin

Average
NIM

Average
TIIE

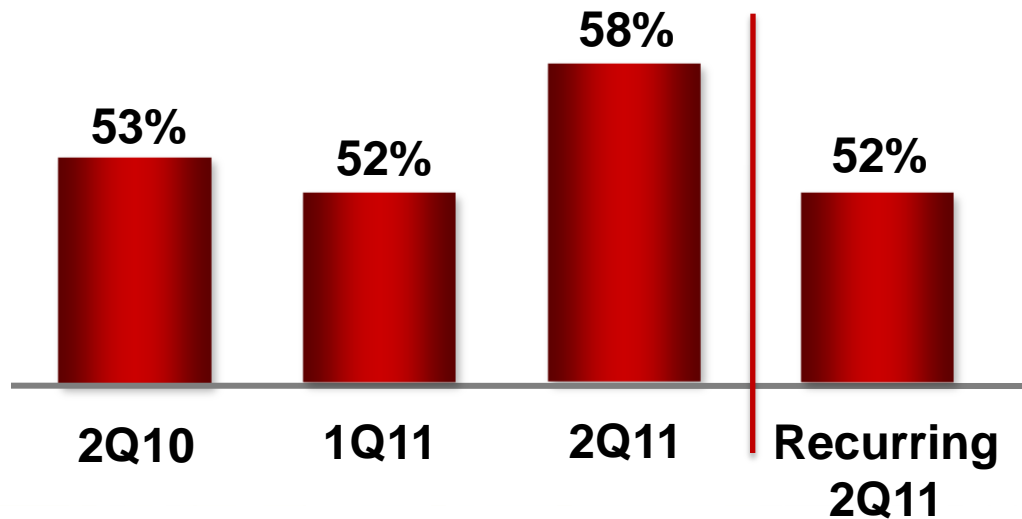


Non Interest Expense

Billion Pesos

| | 2Q10 | 1Q11 | 2Q11 | QoQ | YoY |
|--------------------------------|------|------|------|-------|-------|
| Non Interest Expense | 4.4 | 4.6 | 6.0 | ▲ 29% | ▲ 36% |
| Recurring Non Interest Expense | 4.4 | 4.5 | 4.8 | ▲ 6% | ▲ 9% |

EFFICIENCY RATIO



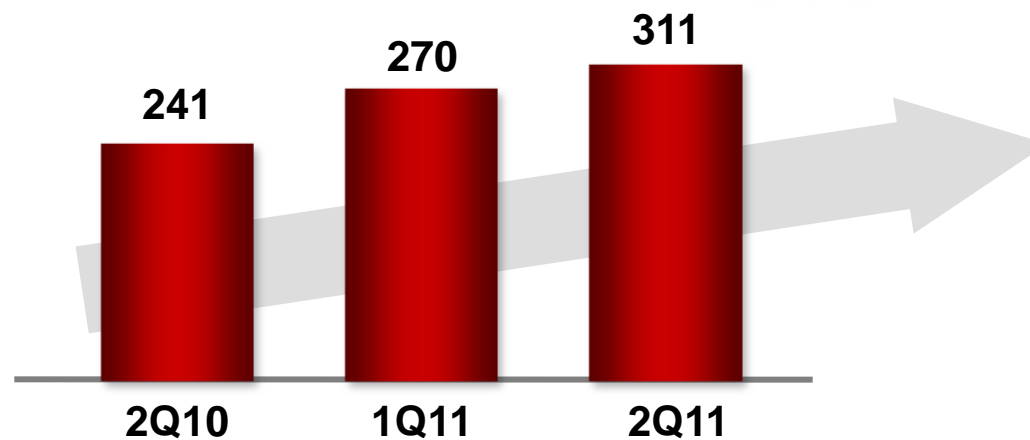
Deposits

Billion Pesos

| Deposits | 2Q09 | | 2Q10 | | 2Q11 | |
|----------------------|------------|-------------|------------|--------------|------------|------------------|
| Demand | 124 | ▲ 8% | 134 | ▲ 20% | 161 | |
| Time | 83 | ▲ 5% | 87 | ▲ 28% | 111 | |
| Core Deposits | 207 | ▲ 7% | 221 | ▲ 23% | 272 | → w/out Ixe: +8% |
| Mix | | | | | | |
| Demand | 60% | | 61% | | 59% | |
| Time | 40% | | 39% | | 41% | |
| | 100% | | 100% | | 100% | |

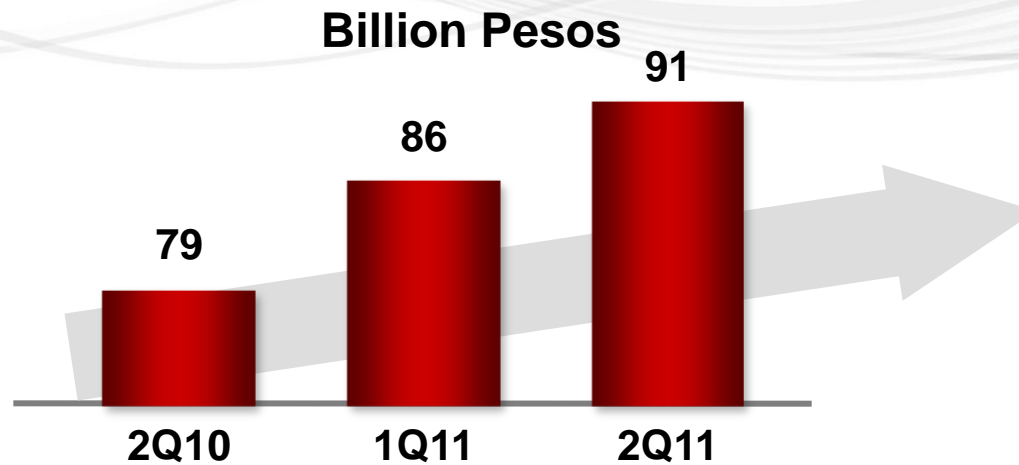
Performing Loan Portfolio

Billion Pesos



| | 2Q10 | 1Q11 | 2Q11 | Change | | W/out Ixe | |
|--------------|------------|------------|------------|------------|------------|-----------|------------|
| | | | | QoQ | YoY | QoQ | YoY |
| Consumer | 79 | 86 | 91 | 6% | 16% | 3% | 13% |
| Commercial | 82 | 87 | 114 | 30% | 38% | 2% | 9% |
| Corporate | 39 | 46 | 51 | 12% | 31% | 4% | 23% |
| Government | 41 | 51 | 55 | 8% | 34% | 2% | 27% |
| Total | 241 | 270 | 311 | 15% | 29% | 3% | 16% |

Performing Consumer Loan Portfolio



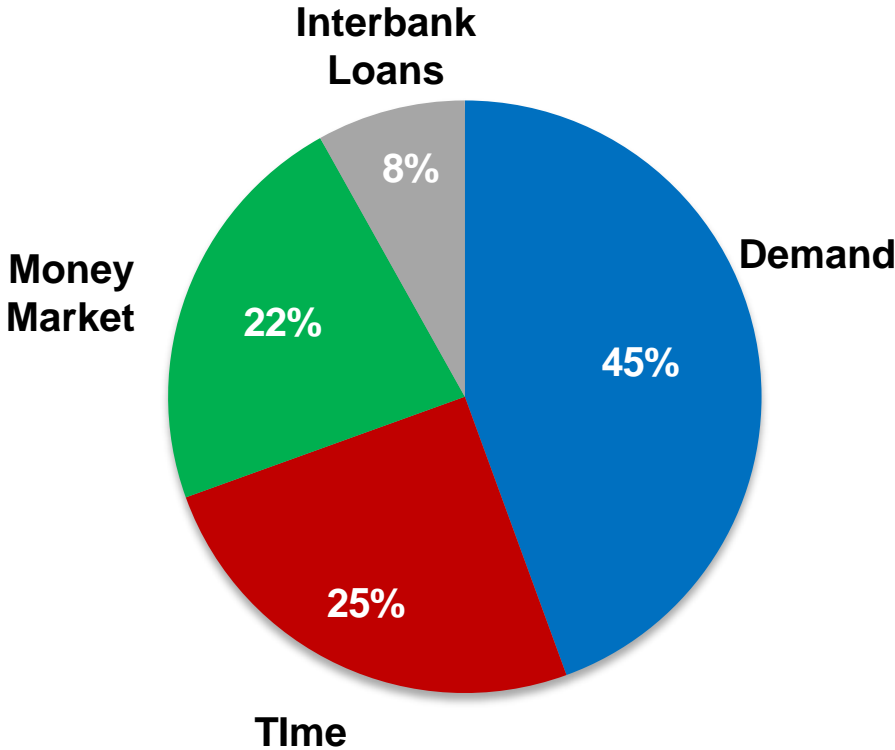
| | 2Q10 | 1Q11 | 2Q11 | Change | |
|-----------------|-----------|-----------|-----------|-----------|------------|
| | | | | QoQ | YoY |
| Mortgage | 52 | 57 | 60 | 6% | 15% |
| Car | 8 | 8 | 9 | 4% | 14% |
| Credit Card * | 11 | 11 | 11 | (1%) | (2%) |
| Payroll | 7 | 9 | 11 | 16% | 47% |
| Consumer | 79 | 86 | 91 | 6% | 16% |

* Excludes the SOFOM's portfolio

Funding and Loan Portfolio Structure

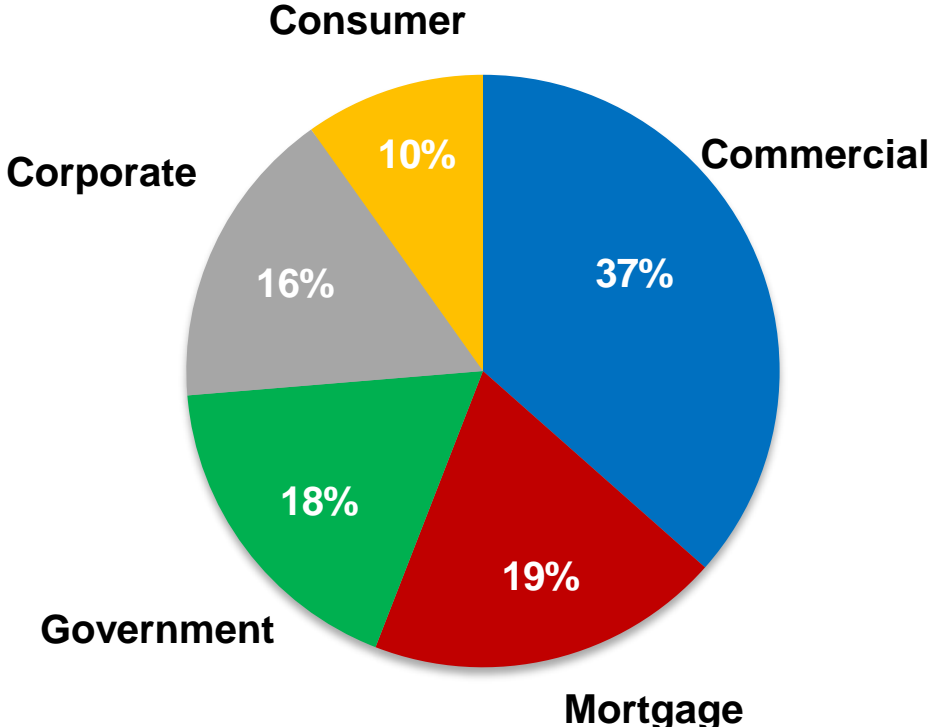
FUNDING

\$365 Billion Pesos



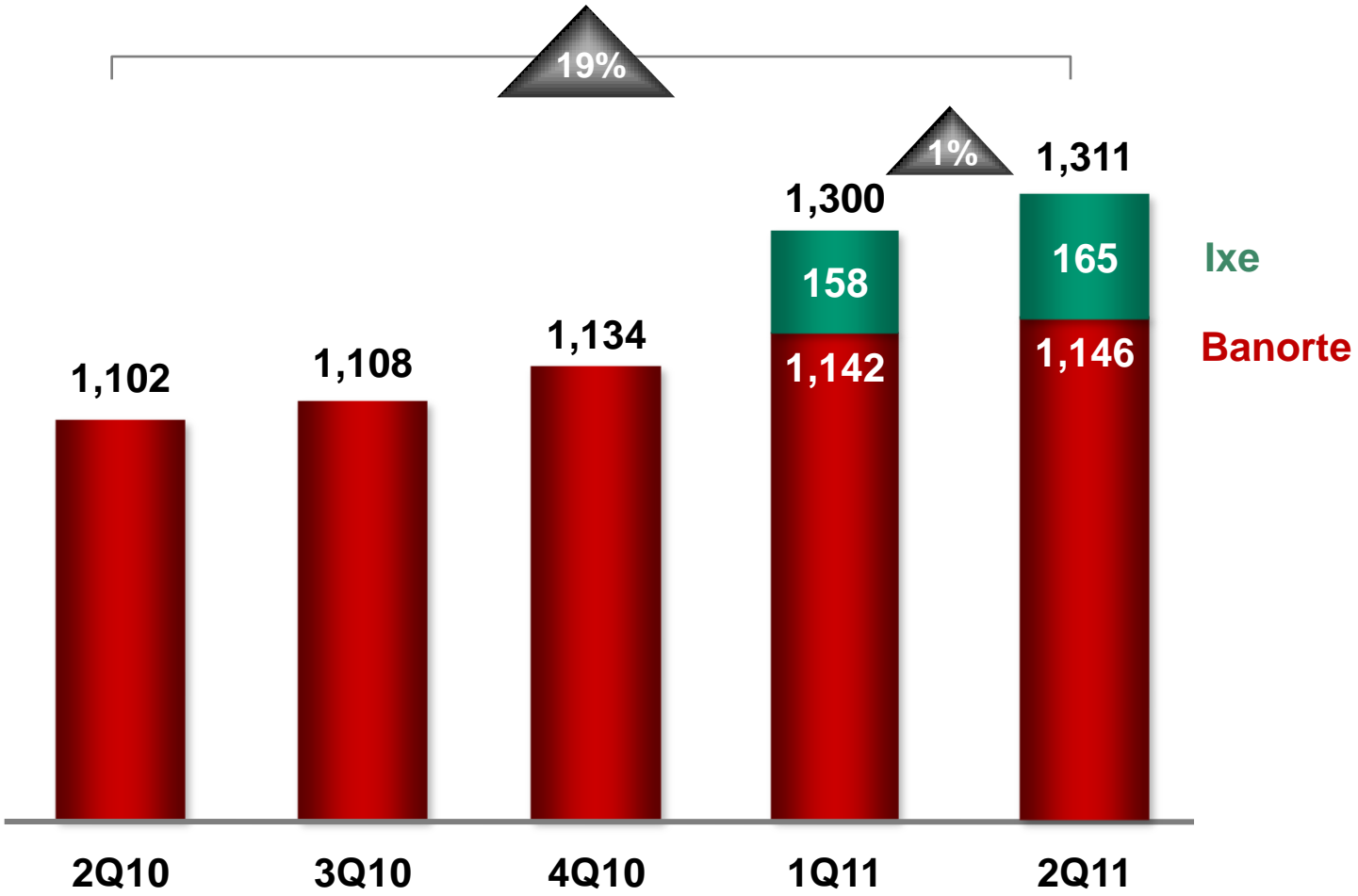
LOAN PORTFOLIO

\$319 Billion Pesos



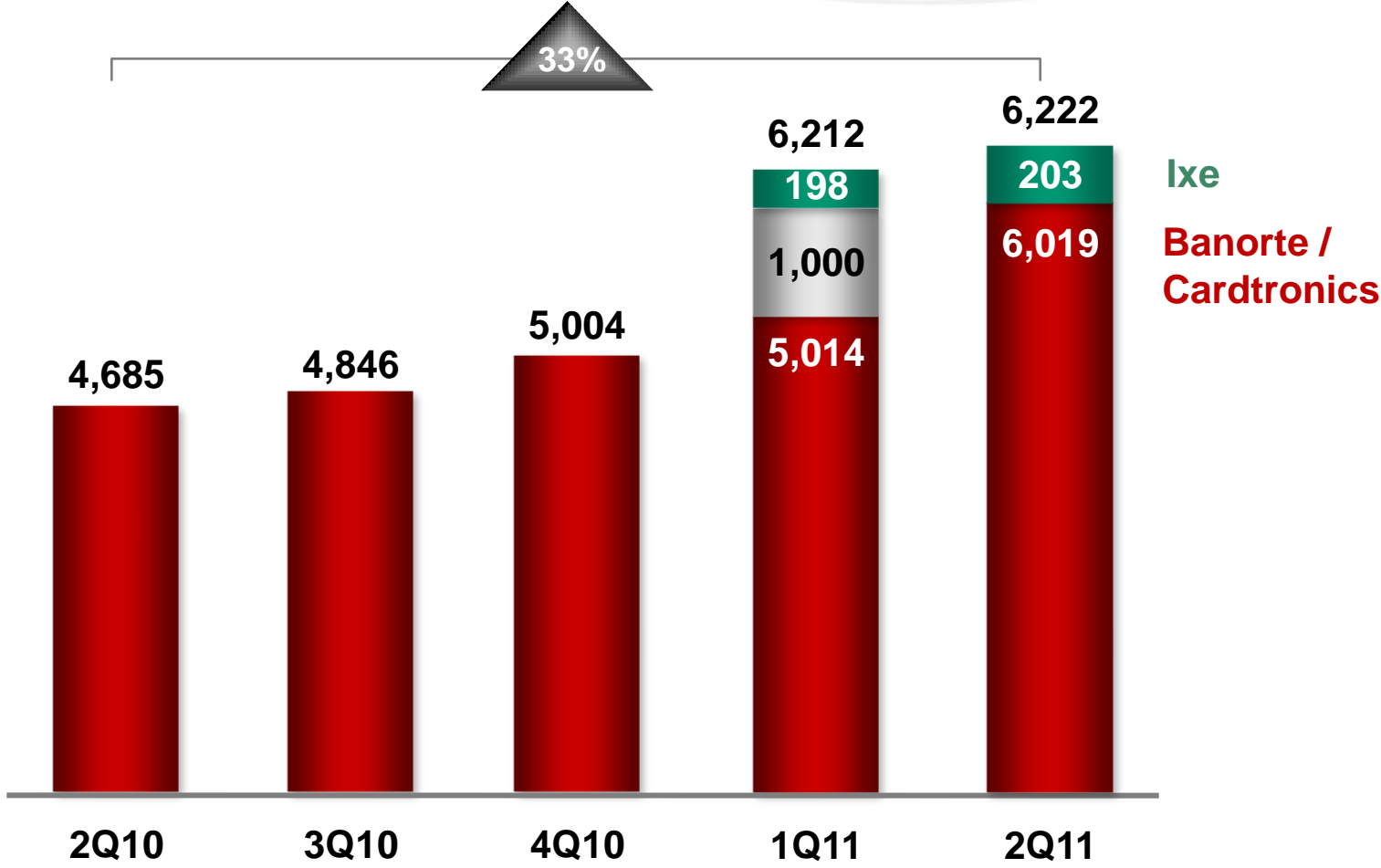
Distribution Network

Branches



Distribution Network

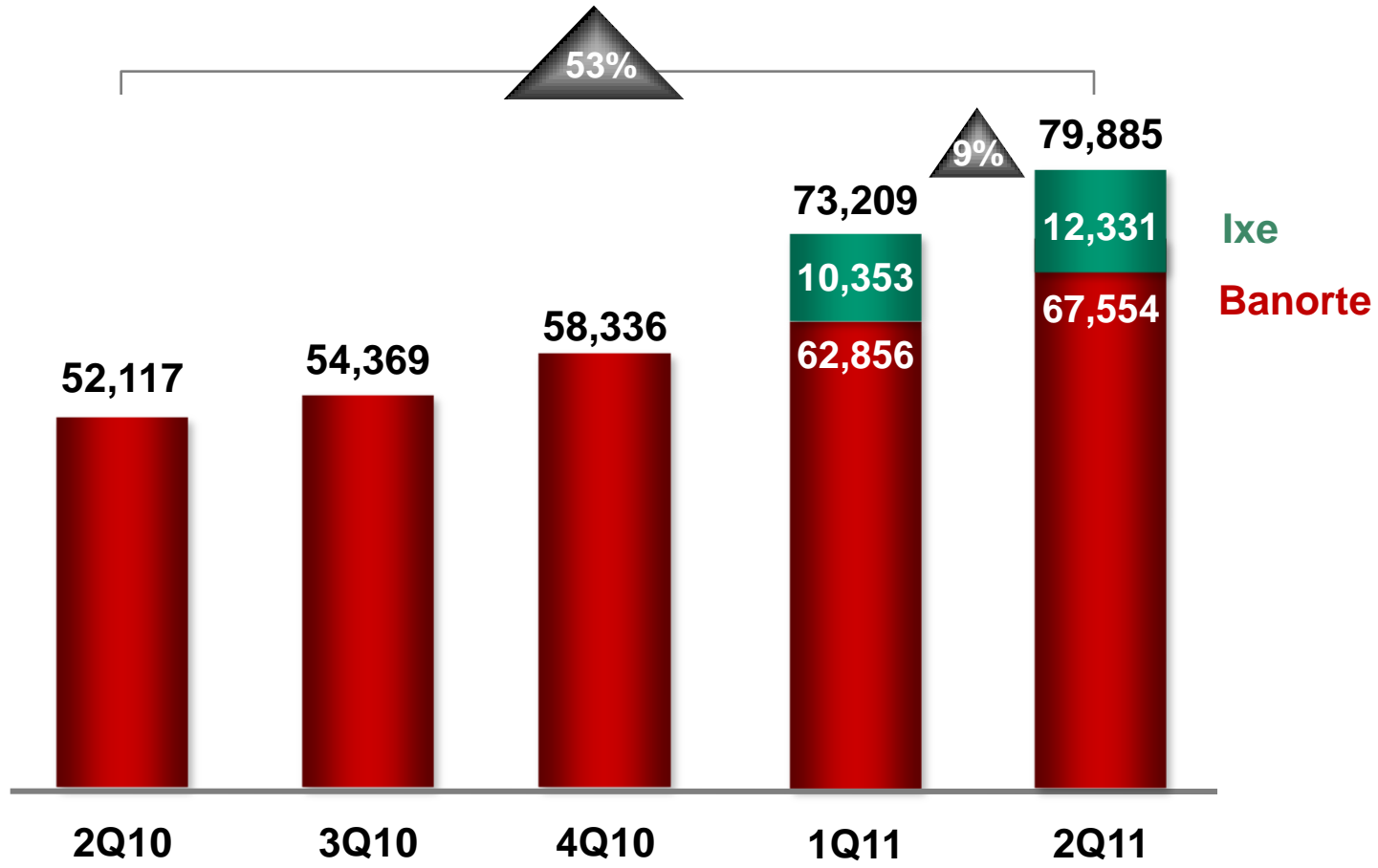
Automated Teller Machines (ATM's)



● Banorte's market share increased to 16.7% in 2Q11, the third largest network.

Distribution Network

Point of Sale Terminals (POS's)



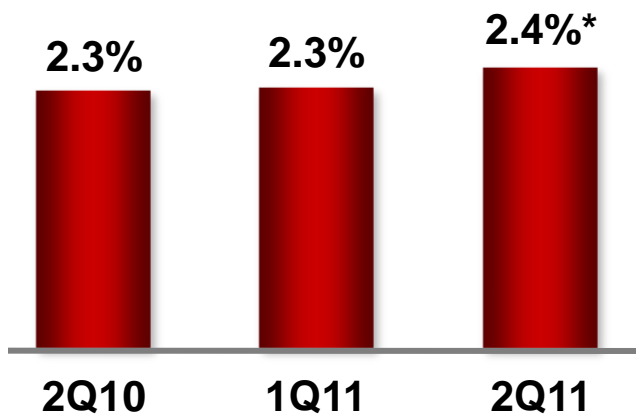
● Billing grows at 31% YoY vs. 18% for the market.



Asset Quality and Capitalization

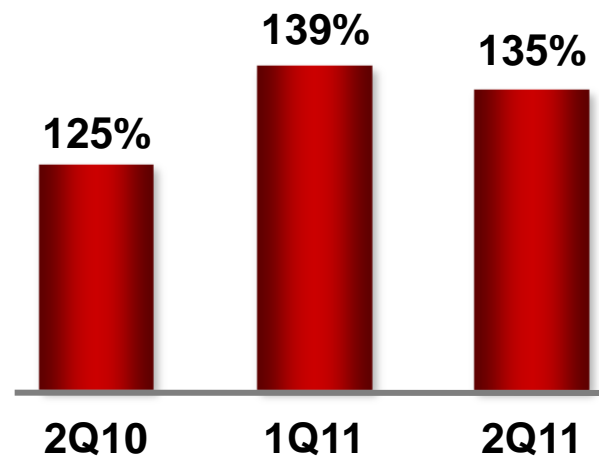
Asset Quality

PAST DUE LOAN RATIO



W/out INB & IXE 2Q11: 2.3%

COVERAGE RATIO



W/out INB & IXE 2Q11: 140%

Past Due Loan Ratios

| | 2Q10 | 3Q10 | 4Q10 | 1Q11 | 2Q11 |
|-----------------------------|-------------|-------------|-------------|-------------|-------------|
| Credit Cards | 10.6% | 9.3% | 8.5% | 9.1% | 9.4% |
| Payroll | 1.9% | 1.9% | 1.8% | 1.5% | 1.7% |
| Car | 1.3% | 1.4% | 1.0% | 0.8% | 1.0% |
| Mortgage | 1.7% | 1.9% | 1.7% | 1.2% | 1.4% |
| Commercial | 4.1% | 4.1% | 3.9% | 4.1% | 4.0% |
| Corporate | 0.2% | 0.1% | 2.5% | 2.4% | 2.3% |
| Government | 0% | 0% | 0% | 0% | 0% |
| Banorte's NPL ratios | 2.3% | 2.2% | 2.5% | 2.3% | 2.3% |

Capitalization

| | 2Q10 | 3TQ0 | 4Q10 | 1Q11 | 2Q11 |
|--------------|--------------|--------------|--------------|--------------|--------------|
| Tier 1 | 12.0% | 12.1% | 12.1% | 12.2% | 12.0% |
| Tier 2 | 4.7% | 4.5% | 4.0% | 3.9% | 3.6% |
| TOTAL | 16.7% | 16.6% | 16.1% | 16.1% | 15.6% |
| % Tier 1 | 72% | 73% | 75% | 76% | 77% |



Subsidiaries

Net Income in Million Pesos *

| | 1H10 | | 1H11 |
|--------------|------------|--------------|------------|
| Total | 353 | ▲ 16% | 410 |

AUM BILLION PESOS

| | 2Q10 | 2Q11 | YoY Change |
|-----------------------------------|-------------|-------------|---------------|
| Proprietary Assets | 35.4 | 40.2 | 14% |
| Acquired Assets | 28.9 | 28.2 | (3%) |
| Investment Projects | 4.4 | 5.6 | 27% |
| Managed Assets "Su Casita" | - | 6.7 | - |
| Ixe Assets | - | 5.2 | - |
| Total | 68.7 | 85.9 | 25% |

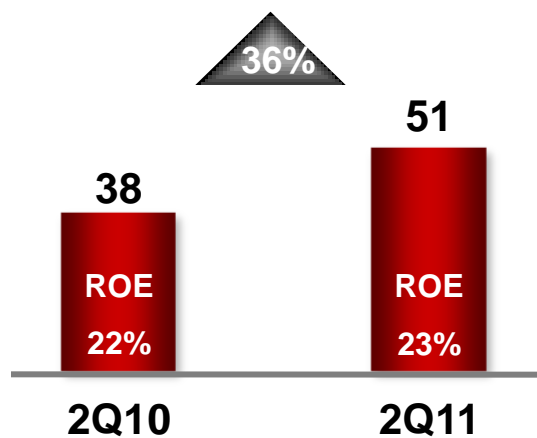
* Since May 2011, the business related to investment projects are managed by Wholesale Banking.

Long Term Savings

Net Income in Million Pesos

| | 2Q10 | | 2Q11 |
|-------|------|-------|------|
| Total | 86 | ▲ 44% | 124 |

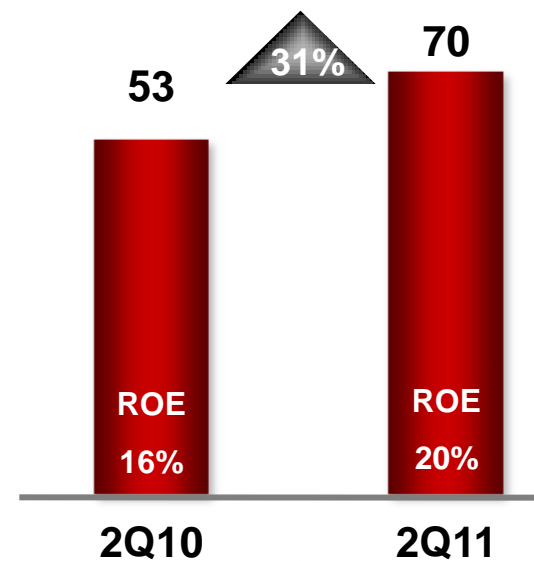
AFORE



ANNUITIES



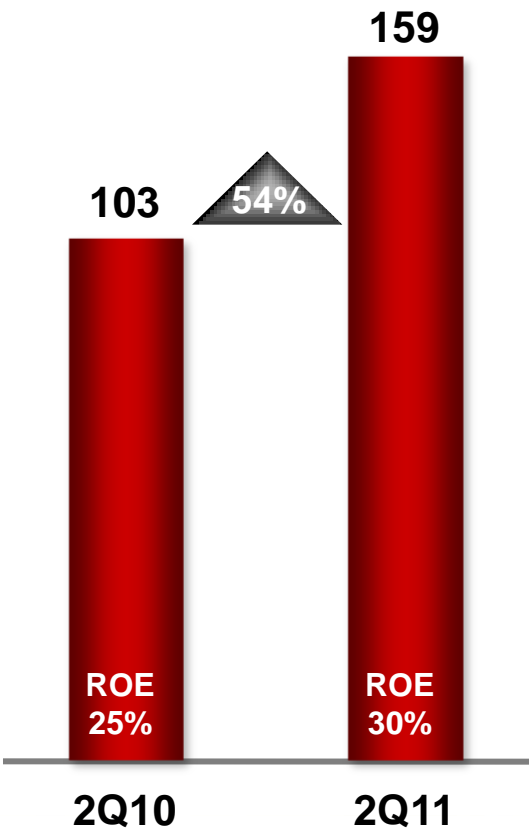
INSURANCE



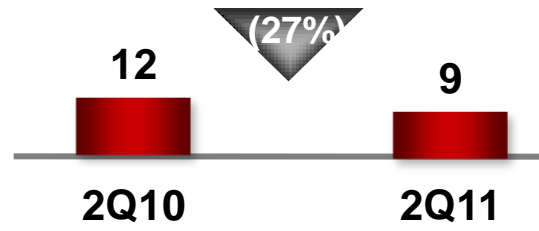
Subsidiaries - Banorte

Net Income in Million Pesos

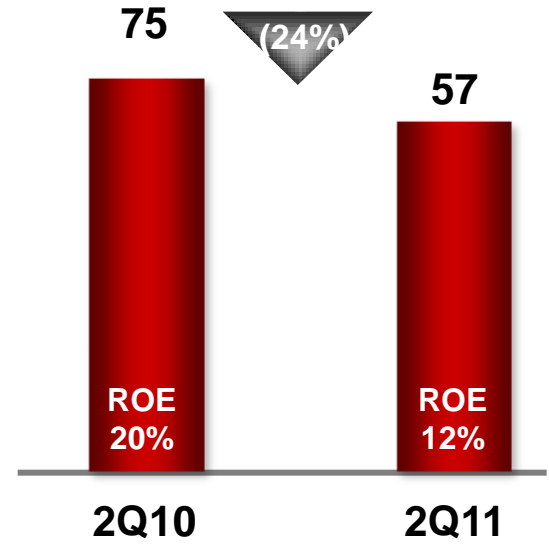
LEASING AND FACTORING



WAREHOUSING



BROKER DEALER



Inter National Bank

Million Dollars

| | 2Q10 | | 2Q11 |
|-----------------------|-------|---------|-------|
| Net Income | 0.1 | | 3.0 |
| NIM | 3.4% | | 3.4% |
| ROE | 0.1% | | 2.9% |
| ROA | 0% | | 0.5% |
| Efficiency | 65.3% | | 66.9% |
| Total Deposits | 1,720 | ▲ 8% | 1,860 |
| Performing Loans | 991 | ▼ (17%) | 823 |
| PDL Ratio USGAAP | 6.7% | | 4.2% |
| Coverage Ratio USGAAP | 40.8% | | 68.0% |



 **BANORTE**
EL BANCO FUERTE DE MEXICO