



- Satisfy the financial requirements of our customers through the most advanced distribution channels that ensure high-quality service provided with friendliness and efficiency.
- Maintain the integrity and quality in all our operations, especially in handling the Group's deposits and capital.
- To focus in profitability and the generation of value in order to provide support to depositors and shareholders that serve as a base of reinvestment for the Group.
- Being responsible both as citizens and as an institution, seeking to achieve a position of leadership in the communities we serve, by promoting development through a "Think Big" philosophy.
- Being, as a company, a serious and fair source of employment treating each of our employees with the highest degree of equality and respect.



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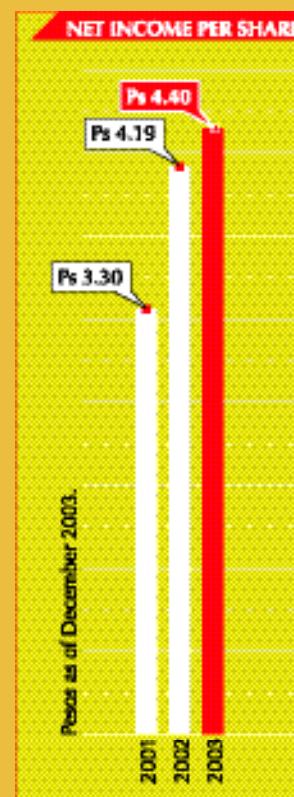
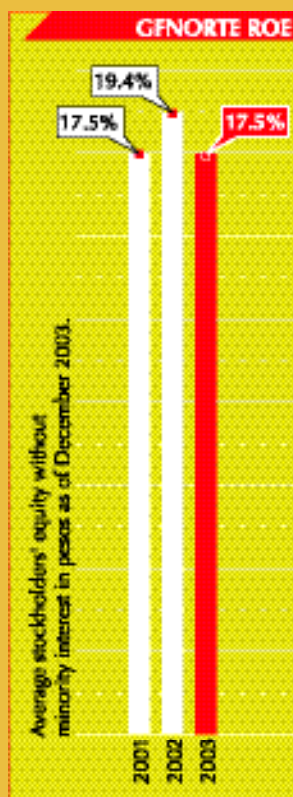
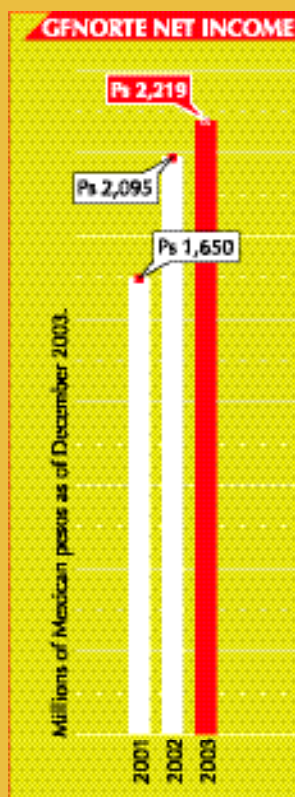


# HIGHLIGHTS

	2003 Net income	GFNorte Ownership in subsidiaries
<b>BANKING SECTOR</b>	<b>\$ 1,798.2</b>	
Banco Mercantil del Norte (Banorte)	\$ 964.0	96.11%
Banco del Centro (Bancentro)	\$ 834.2	99.99%
<b>BROKERAGE SECTOR</b>	<b>\$ 101.7</b>	<b>99.99%</b>
<b>LONG TERM SAVINGS SECTOR</b>	<b>\$ 216.8</b>	
Afore Banorte Generali <sup>(1)</sup> (pension funds management)	\$ 109.9	51.00%
Seguros Banorte Generali (insurance)	\$ 77.9	51.00%
Seguros Generali México (insurance)	\$ 1.0	51.00%
Pensiones Banorte Generali (annuities)	\$ 28.0	51.00%
<b>AUXILIARY ORGANIZATIONS SECTOR</b>	<b>\$ 93.3</b>	
Factor Banorte (factoring)	\$ 35.3	99.99%
Arrendadora Banorte (leasing)	\$ 27.4	99.99%
Almacenadora Banorte (warehousing)	\$ 20.1	99.99%
Fianzas Banorte (bonding)	\$ 10.6	99.99%
<b>HOLDING</b>	<b>\$ 8.4</b>	
<b>TOTAL</b>	<b>\$ 2,218.5</b>	

Majority share expressed in millions of Mexican pesos.

(1) Subsidiary of Banco del Centro.



<b>GRUPO FINANCIERO BANORTE</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Total Assets	115,641.6	207,473.4	213,186.6
Deposits	82,890.1	148,888.1	162,444.5
Loan Portfolio	91,829.2	160,785.2	152,498.6
Past Due Loan Ratio	5.4	3.1	2.3
Reserve Coverage	99.5	117.5	121.2
Stockholders' Equity <sup>(1)</sup>	9,943.8	11,612.8	13,469.6
Net Income (according to share)	1,650.0	2,094.7	2,218.5
ROE <sup>(2)</sup>	17.5	19.4	17.5
ROA <sup>(3)</sup>	1.4	1.1	1.1
Number of Shares (thousands)	500,122	499,926	504,552
Book Value per Share (pesos)	19.883	23.229	26.687
Net Income per Share (pesos)	3.299	4.190	4.397
Dividends per Share (pesos) <sup>(4)</sup>	0	1.0	0.7
Number of Branches <sup>(5)</sup>	459	1,069	1,029
Full-time Employees	11,055	14,868	15,840

#### **BANKING SECTOR**

##### **BANCO MERCANTIL DEL NORTE**

Total Assets	108,901.8	200,970.0	204,280.0
Stockholders' Equity	7,030.2	8,475.0	9,396.0
Net Income	520.7	1,527.3	1,003.0

##### **BANCO DEL CENTRO**

Total Assets	6,829.5	5,092.0	4,768.0
Stockholders' Equity	2,776.8	2,920.8	3,502.0
Net Income <sup>(6)</sup>	991.8	428.6	944.0

#### **BROKERAGE SECTOR**

##### **CASA DE BOLSA (brokerage house)**

Total Assets	481.7	471.0	543.9
Stockholders' Equity	261.1	338.6	433.5
Net Income	34.4	83.2	101.7

#### **LONG TERM SAVINGS SECTOR**

##### **AFORE BANORTE GENERALI (pension funds management)**

Total Assets	1,494.9	1,349.7	1,267.4
Stockholders' Equity	1,221.6	1,056.0	1,071.6
Net Income	189.9	254.3	215.5

##### **PENSIONES BANORTE GENERALI (annuities)**

Total Assets	3,899.4	4,624.1	4,914.6
Stockholders' Equity	131.4	131.5	186.3
Net Income	(12.0)	0	54.8

##### **SEGUROS BANORTE GENERALI (insurance)**

Total Assets	1,611.1	2,065.9	2,621.9
Stockholders' Equity	150.7	235.8	388.4
Net Income	15.2	82.3	152.7

##### **SEGUROS GENERALI MÉXICO (insurance)**

Total Assets			704.8
Stockholders' Equity			89.9
Net Income			3.5

#### **AUXILIARY ORGANIZATIONS SECTOR**

##### **ARRENDADORA BANORTE (leasing)**

Total Assets	806.4	1,004.2	1,664.3
Stockholders' Equity	138.5	170.5	181.8
Net Income	28.7	32.0	11.3

##### **FACTOR BANORTE (factoring)**

Total Assets	2,468.4	2,328.4	3,209.0
Stockholders' Equity	145.2	175.5	210.8
Net Income	30.3	30.3	35.3

##### **ALMACENADORA BANORTE (warehousing)**

Total Assets	239.3	386.9	300.7
Stockholders' Equity	65.6	61.5	75.2
Net Income	9.6	14.6	20.1

##### **FIANZAS BANORTE (bonding)**

Total Assets	159.3	203.5	240.4
Stockholders' Equity	77.6	85.4	96.1
Net Income	7.6	8.1	10.6

Millions of pesos as of December 2003.

With UDI's and subsidiaries.

(1) Without minority interest.

(2) Average Stockholders' Equity without minority interest in pesos as of December 2003.

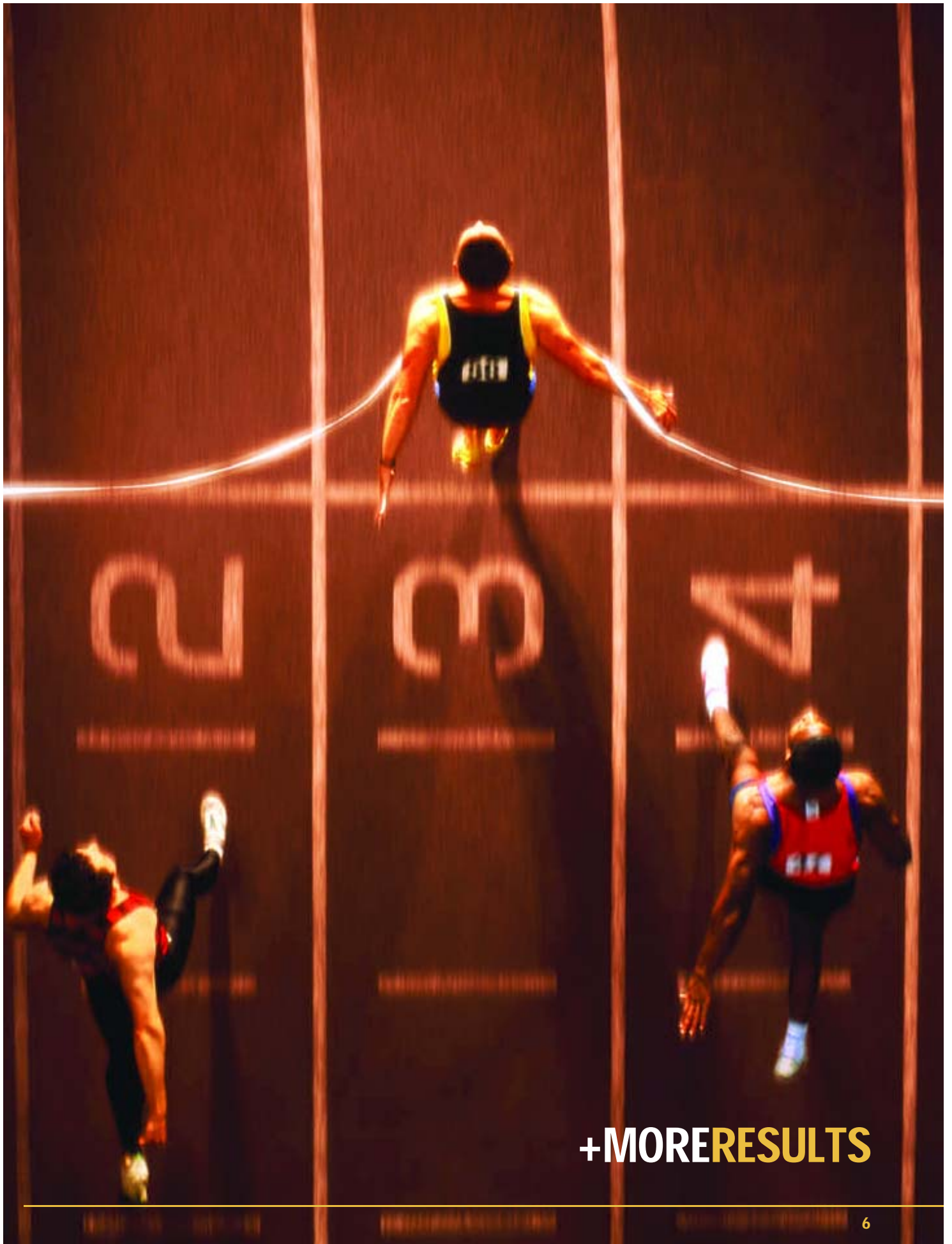
(3) Total average assets without minority interest in pesos as of December 2003.

(4) Nominal pesos of October 2002 and October 2003.

(5) Includes bank modules and excludes agencies operating abroad.

(6) As of 2000: includes Afore majority interest.

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## MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

**Roberto González Barrera**  
*Chairman of the Board*

2003, was a difficult year for the world's economies, especially the first half. In the early part of the year, geopolitical fears deepened and finally led United States and its allies to invade Iraq. Although the most intense combat stage of the war was fortunately short-lived and restricted to that country, the consequences remain. In the aftermath, Iraq is still occupied by military forces, while some pressure start being exerted on Iran, North Korea is still a source of tension and the threat of terrorism persists.

In the economic sphere, the mood of doubt about an upturn persisted for several months. Not until the second half of the year did any signs of reactivation appeared, especially in the case of the United States, which is still the most important driving force in the world.

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However, these signs of recovery were not enough, and interest rates in the developed nations dropped to the lowest levels in many years and concerns raised about worldwide deflation. As a result of the monetary and fiscal policies undertaken by the United States, its fiscal and trade balance deficits became more significant. This was evidenced by a weak dollar with respect to the Euro and the Yen, while pressure began to be exerted on China to make its foreign exchange policy more flexible. Furthermore, oil prices have remained high, which, despite bolstering the exporting nations, is a hindrance to the recovery of the countries that are dependent on imports of this energy source.

By the end of 2003, estimates for 2004 anticipated more widespread but uneven global economic growth. 2004 is a presidential election year, in the United States, the Euro-region will continue its structural reforms, while the Far East will experience the beginning of the long-awaited economic recovery for Japan, while China is viewed as the star player, based on the major impact it is currently having on the global economy.

The Mexican economy grew 1.3% in 2003, which was lower than the U.S. growth rate, and the most important concern was Mexico's loss of competitiveness compared mainly to China but also to the other countries that have entered into free trade agreements with the world's most powerful economy. This topic became even more relevant with the debates in the Mexican congress, first on electric power reforms and then on tax reforms.

The economic environment was not favorable to investments in the real economy and employment levels dropped. Not until the year was drawing to a close did any encouraging figures on growth appear and it became increasingly evident that Mexico is integrated into the U.S. economy, although it is lagging behind and shows a decreased response capacity towards growth.

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The prudent and disciplined handling of Mexico's monetary and fiscal policies enabled the nation's financial markets to hold up very well to the uncertainties not only in the international arena but in the nation as well, due to its internal political conflicts, which had a brief effect characterized by volatility in exchange and interest rates, the latter of which have continued on a downward trend. Consequently the country's risk factor was the lowest in history.

Nevertheless, the nation's structural reforms are still pending and these matters are crucial to triggering the country's growth potential and recuperation of its competitiveness. Meanwhile, the evolution of the Mexican economy will continue to be linked to the behavior of the U.S. economy, therefore, the outlook is for greater growth in 2004, which in turn will be an incentive for national and foreign investment.

In this challenging economic context, [Grupo Financiero Banorte](#) once again opted for an aggressive growth strategy. Although the prevailing low interest rates made inroads into the institution's profit margins, these decreases were compensated by increased volumes of investors deposits and the important growth of the loan portfolio, which strengthened results.

This higher income was made possible due to the implementation of a strategy to promote consumer products, both in low-cost deposits with aggressive promotions, as well as in products oriented to mass credit placement such as mortgage loans, in which the institution is the absolute leader, granting 1 out of every 2 of this type of loans in the market; [BANORTE](#) ranks second in automobile loan granting, while the stimulus given to small and medium-sized businesses via "Crediativo" put the bank in the forefront of this segment; on-going support was provided to Mexican agriculture through "Agroactivo Banorte" and credit cards were promoted.

The branch network also grew, including those branches acquired from Bancrecer, which, after completing the re-branding and personnel training, resumed their credit operations, following strict control criteria.

The traditional business loan portfolio increased 8% in 2003. Steps have been taken in order to create a Sofol that would grant credits to the micro-business segment.

These actions, together with the efforts oriented to improve the efficiency, as well as a conservative risk control policy, led to the growth of the bank's operating income, making it less dependent on the income from IPAB notes and the Recovery Banking.



The results from Recovery Banking were quite satisfactory and actions were implemented towards maintaining the income levels generated in this area. One important achievement is that the subsidiary named Sólida Administradora de Portafolios offered this year the country's first mortgage securitization for \$340 million pesos that will be used to new acquisition of loan portfolios.

The operations increased in the different companies comprising the Long Term Savings Sector grew, except for Annuities, due to the problems the Mexican Social Security Institute (IMSS) is experiencing. The Group acquired the majority interest of Seguros Generali during the year and the first steps were taken to complete its merger with our insurance company, Seguros Banorte Generali. Thus, we will expand our insurance operations into new segments such as damages, medical expenses and other traditional insurance operations.

Our Brokerage House, achieved highly positive results. A growth strategy was implemented for our private banking with the opening of various offices to serve this customer segment, while our affiliate, Banorte Securities, strengthened its presence abroad.

In the corporate area, the Risk Policy Committee and the Audit Committee continued to advance in strengthening their functions and operating areas, which constituted a source of great assistance and support to the Board of Directors' activities and responsibilities.

The performance of [Grupo Financiero Banorte](#), which is listed on the Mexican Stock Exchange, is of particular relevance, not only because its stock ranked among the highest-yielding banking stock in the year, but also because of the improvement in its operating indicators. The institution is committed to have a permanent communication with the investor community to convey our results and strategies. The established policy of paying cash dividends to our stockholders was observed and these were paid in October.

In 2003 [BANORTE](#) continued to advance in the strategy it developed some years ago: to orient itself to the mass market with the right products that efficiently meet customers' needs and, for this reason, the institution's main actions have been directed towards achieving this objective, such as its strong drive towards creating product and service strategies by ensuring added value and guaranteeing that [BANORTE](#) always offers better prices and quality, that in turn put it in a stronger competitive position.

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With respect to its corporate image, BANORTE continue with its strategy of positioning itself in the market as a solid, experienced and modern bank, the one having the best understanding of Mexicans' needs, as well as being fully committed to fulfilling its role of giving impetus to the nation's development. In this sense, record levels were achieved in image surveys, in which BANORTE placed first in such aspects as "responsibility to society" and "products and services". The institution has undertaken all its actions keeping this objective in mind, for example investing in the network acquired from Bancrecer, in its image, in adapting the branches and making them more efficient, in Human Resources training and in Technology. These actions have made us one of the most highly-esteemed and successful institutions in the Mexican market. This is evidenced by the "Mexican Index of Business Reputations," published by the firms Transparencia Mexicana and Consulta Mitofsky, which classified BANORTE as the top-ranking institution in financial services, based on their evaluation of the bank's concern for the interests of its shareholders, investors and partners, its respect for the laws and standards in effect, the service it provides customers and suppliers, its respect for the environment and employee rights, its relationship with the community and with the competition and its commitment to the development of Mexico.

Our view of the institution's future is that it will become more competitive with the major world banks operating in the country, through the strengthening of our most valuable assets: the quality of our personnel and our knowledge of the Mexican market, fully aware of the fact that our customers demand ever-increasing efficiency and better costs. We are confident that we will achieve this goal and will reach a higher position among the major global banks operating in the country, as well as maintaining and strengthening BANORTE's position as "The Strong Bank of Mexico."

I would like to express my appreciation for the loyalty demonstrated by our customers, shareholders, members of the board, directors and employees for our renewed commitment to remain as an institution that is ever more sound, profitable and dynamic, one that continually endeavors to achieve higher goals that will benefit those of us at BANORTE and our nation as well.



Roberto González Barrera  
Chairman of the Board



# BUSINESS AND RESULTS

## Executive Summary

For Mexico, the year 2003 was characterized in general terms as being one of declining inflation and interest rates, as well as sluggish economic growth, similar to the trends of the previous two years.

Towards year end, there were some signs of economic recovery, with an upturn in exports and interest rates, while some uncertainty remained about whether the Mexican congress would approve the tax and energy structural reforms.

Management had the foresight to anticipate market conditions and devised a strategy oriented to counteracting the drop in income due to lower interest rates and decreased financial intermediation margins.





The disciplined execution of the actions specified in that strategy produced excellent results, since in 2003 Grupo Financiero Banorte (GFNORTE) and its subsidiaries generated a Net Income of \$2,218.5 million pesos, 6% higher than in 2002. If, however, the \$410 million pesos of extraordinary income received from Generali in June 2002 is excluded, the 2003 net income rose 32%. This result enabled GFNORTE to receive a 17.5% return on equity, which makes it one of the most attractive financial groups in the Mexican market.

Fully 81% of GFNORTE's net income was comprised of the \$1,798.2 million pesos net income from the Banking Sector (without including the Afore) and was 33% higher than accumulated net income in 2002 (discounting the \$410 million pesos extraordinary income from Assicurazioni Generali recorded in 2002).

In 2003, BANORTE not only increased its market share in deposits from 11.3% to 11.8% but, above all, substantially strengthened its deposit structure, since demand deposits rose to 30% of total deposits, compared to 25% in 2002, with the consequent improvement in the cost of deposits.

The granting of a larger volume of credits in highly profitable segments was another of the Banking Sector's operating priorities for the year. BANORTE consolidated its first-place position for mortgages granted and came in second for automobile loans. Thus, 2003 was a year of



significant growth in loans granted to the commercial and entrepreneurial sector (30%), mortgage loans (25%) and consumer loans (68%). It should be noted that these increases in productive loan portfolio almost entirely compensated for the \$12,000 million pesos in pre-payments made by the IPAB in 2003, which resulted in higher income from the bank's assets.

One important source of income for BANORTE is Recovery Banking, which contributed over 30% of the Banking Sector's net income through the management of assets and the recovery of loan portfolios. It should be stressed that the contribution to income from the portfolios acquired by this business unit have become increasingly significant, superseding the administration of IPAB's loan portfolio in importance. Therefore, BANORTE will continue to purchase new loan portfolios from IPAB and from other banks, as well as administer and deal assets, to continue extending the life span of this important business unit.

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Based on a conservative criteria, the BANORTE's reserve coverage was at 122% at the end of 2003 and the year closed with a 12.7% capitalization ratio.

The Long Term Savings Sector comprised a second source of income for GFNORTE, where its Pensions Funds Management, Insurance and Annuities companies generated a combined income of \$216.9 million pesos, 26% over 2002, equivalent to 10% of GFNORTE's total income.

This stronger performance resulted from the significant increase in the number of Afore affiliates and the assets under management, as well as the intense commercial activity in insurance operations, so that premiums rose 35% for the year in a slumping market that dropped 4%.

The Brokerage House showed an excellent performance in 2003, generating an income of \$101.7 million pesos, 22% higher than the previous year, mainly due to the income generated in the money market and corporate financing business and in its subsidiary, Banorte Securities, as well as the growth in resources handled by the fixed income (15%) and stock mutual funds (22%).

Finally, the Auxiliary Organizations Sector, comprised of the companies engaged in Factoring, Leasing, Warehousing and Bonding, had a combined income of \$93.3 million pesos, comprising 4% of the Group's total income.

Another goal achieved in 2003 was clearly the successful conclusion of the integration process of Bancrecer and Banorte. BANORTE's operating procedures became standardized in the new branches, while at the same time care was taken to incorporate Bancrecer's innovations, best practices and systems, thus making the most of the synergy sought with the acquisition.

The work on optimizing the structure of the distribution channels led to a 40 decrease in the number of branches by year end, with 1,029 branches remaining, while the number of ATM's grew from 2,504 to 2,524. This optimization of distribution channels includes the plan to open branches in locations with a high potential for profitability in the next few years.



Thus, **BANORTE** has consolidated its position as the only Mexican bank with national coverage that retains a strategy to promote products and services based on its knowledge of what Mexican consumers need, which enables it to successfully compete in the national market and hold the distinction of being **THE STRONG BANK OF MEXICO**.

## **GFNORTE BUSINESS SECTORS**

### **BANKING SECTOR**

#### **RESULTS**

In 2003, the prevailing conditions in the Mexican financial market, with the continual drop in interest rates, were not very conducive to banking. Nevertheless, the **GFNORTE**'s Banking Sector generated a net income of \$1,798.2 million pesos, a 33% increase over that of 2002, excluding the \$410 million pesos of extraordinary income from Assicurazioni Generali in 2002.

This income growth resulted from a strategy designed to counteract the aforementioned decreased profit margins. Therefore, the Banking Sector's operating priorities in 2003 were aimed at improving the structure for attracting deposits in order to reduce costs, increase the loan portfolio, maintain the strong performance of the Recovery Banking area, increase non financial income and fees from the various services, while controlling expenses.

#### **DEPOSITS**

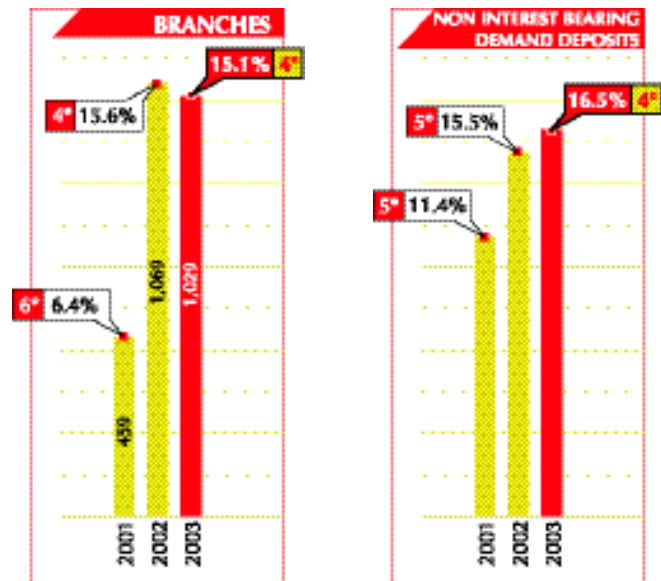
As of December 31, 2003, the Banking Sector deposits totalled \$221,080 million pesos, 1% below those for the prior year. However, the market decline was relatively

greater in 2003, which led to the strengthening of **BANORTE**'s market share from 11.3% to 11.8%.

Nearly three quarters of the total deposits are traditional, up 9% in real terms during the year to \$162,563 million pesos. It is important to stress that the \$14,992 million pesos growth in total demand deposits and term deposits compensated nearly completely for the \$15,478 million pesos decrease in third party deposits.

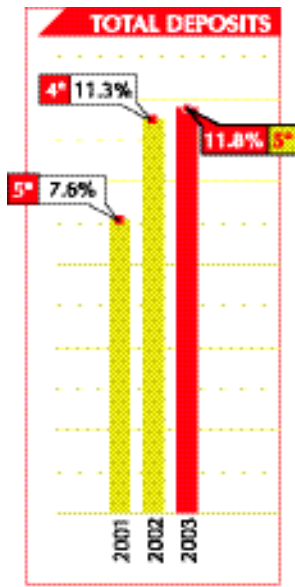
As a result of the efforts to lower the cost of resources handled, demand deposits increased 21% in 2003 and the average demand deposits per branch went up from \$51 million to \$64 million pesos. Important strides were taken in enhancing the deposits structure, since the proportion of demand deposits compared to total deposits increased from 25% to 30%, with the resulting positive effect on financial costs.

### **MARKET SHARE**

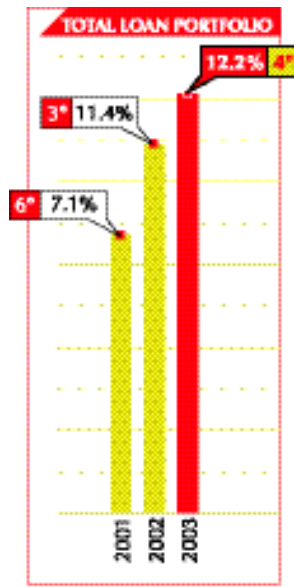


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Excluding financial intermediaries.



Excluding Fobaproa and IPAB portfolio.

Source: ABM

DEPOSITS	Dec '02	Dec '03	Variation %
Non interest bearing demand deposits	18,633	22,046	18%
Interest bearing demand deposits	36,105	44,145	22%
<b>Total demand deposits</b>	<b>54,738</b>	<b>66,191</b>	<b>21%</b>
Term deposits	92,833	96,372	4%
Bank bonds	1,345	0	(100%)
<b>Traditional</b>	<b>148,916</b>	<b>162,563</b>	<b>9%</b>
<b>Third Party</b>	<b>74,004</b>	<b>58,517</b>	<b>(21%)</b>
<b>Total Deposits</b>	<b>222,920</b>	<b>221,080</b>	<b>(1%)</b>

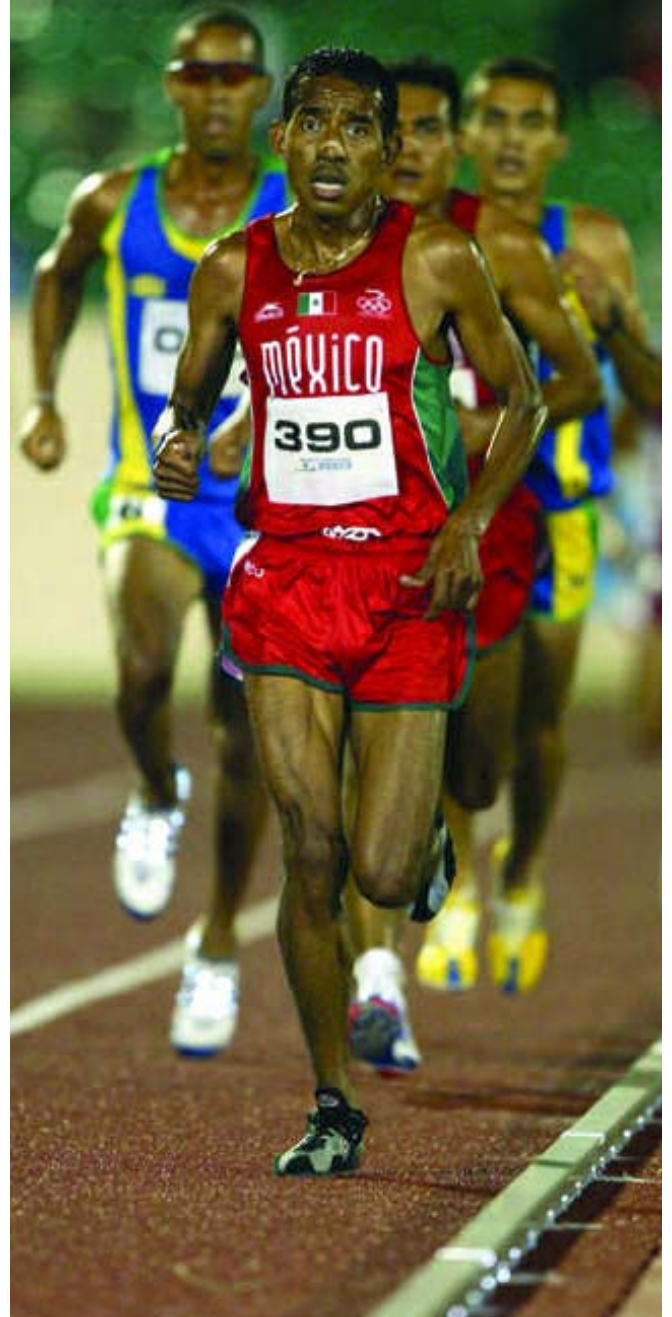
Balances in millions of Mexican pesos as of December 2003.

## LOAN PORTFOLIO

In 2003, BANORTE made great strides in granting loans, thanks to which the balance in the traditional loan portfolio increased 8%, up from \$64,917 million to \$70,007 million pesos.

This growth resulted from the stronger balances in commercial and entrepreneurial loans (30%), mortgage loans (25%) and consumer loans (68%) so that BANORTE ranked number one in the placement of mortgage loans and number two in the placement of automobile loans. It is noteworthy that a total of 288,398 loans were approved in these portfolio segments alone.

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The loan portfolio balance comprised of Fobaproa loans and IPAB notes decreased by \$12,908 million pesos as a result of various pre-payments made during the year, so that the total loan portfolio balance as of December 31, 2003 was \$149,054 million pesos, pushing BANORTE's market share up from 11.4% to 12.2%. Furthermore, by year-end, the past due loans ratio dropped from 3.1% to 2.4%.

<b>SEGMENT</b>	<b>Dec '02</b>	<b>Dec '03</b>	<b>Variation %</b>
COMMERCIAL AND ENTREPRENEURIAL	17,743	23,036	30%
MORTGAGE	10,838	13,551	25%
Automobile	3,089	5,022	63%
Credit Cards	1,729	2,829	64%
Payroll Credit (Credinómina)	583	1,214	108%
CONSUMER	5,402	9,065	68%
CORPORATE	14,573	11,859	(19%)
FINANCIAL AND GOVERNMENT ENTITIES	16,360	12,497	(24%)
<b>TRADITIONAL LOAN PORTFOLIO</b>	<b>64,917</b>	<b>70,007</b>	<b>8%</b>
RECOVERY	5,516	3,321	(40%)
FOBAPROA LOANS-IPAB NOTES	88,634	75,726	(15%)
<b>TOTAL LOAN PORTFOLIO</b>	<b>159,067</b>	<b>149,054</b>	<b>(6%)</b>

	<b>Dec '02</b>	<b>Dec '03</b>	<b>Variation %</b>
Performing Loans	154,146	145,537	(6%)
Past Due Loans	4,921	3,517	(29%)
<b>TOTAL LOAN PORTFOLIO</b>	<b>159,067</b>	<b>149,054</b>	<b>(6%)</b>
<b>PDL%</b>	3.1%	2.4%	

Balances in millions of Mexican pesos as of December 2003.

## RECOVERY BANKING

In 2003, the Recovery unit generated 36% of the profits recorded for the GFNORTE's Banking Sector.

In the last quarter of the year, BANORTE participated in and won the bidding for Banco Bital's \$2,184 million pesos mortgage loan package. Thus, the Institution continued in the lead as the largest purchaser of portfolios auctioned off in the market, due to the fact that from February 2000 to the 2003 year end closing, BANORTE had already acquired 47% of the \$79,788 million pesos loan portfolio that had been up for bidding in the market.

Thus, by the end of 2003, the assets under management by the Recovery Banking reached \$58,830 million pesos, comprised of loan portfolios, foreclosed assets, stocks and securities, only 12% of which (equivalent to \$6,813 million pesos) represent a contingency for BANORTE.

**+MORE**

In September another of the Institution's noteworthy achievements took place, the first mortgage securitization on the Mexican Stock Exchange, was made in the order of \$340 million pesos, for which the AAA rating was received, the highest Fitch grants in Mexico.

In 2003, a total of \$9,336 million pesos was recovered, 68% of which corresponded to the own risk portfolio, including BANORTE assets under management and foreclosed, with the remaining 32% comprised of IPAB risk assets.

**2003 ACCUMULATED RECOVERY**

<b>Concept</b>	<b>Own</b>	<b>IPAB</b>	<b>Total</b>
Cash	3,132	1,571	4,703
Debt settlement	414	186	600
Restructuring	531	139	670
Acquittances	2,230	1,133	3,363
<b>Total</b>	<b>6,307</b>	<b>3,029</b>	<b>9,336</b>
<b>% Risk</b>	<b>68%</b>	<b>32%</b>	

*Millions of Mexican pesos.*

Evidently, the position that Banorte Real State company holds in the market and its participation in biddings for loan portfolios ensure that the Recovery Banking results will continue to be satisfactory in the coming years.

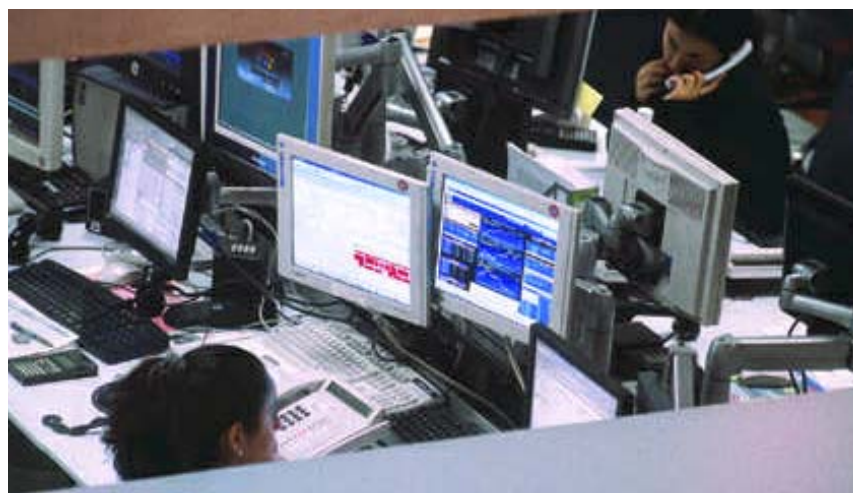
**OTHER INCOME AND EXPENSE**

In addition to the efforts made to place loan portfolios in highly profitable segments and those aimed at rationalizing the cost of deposits by enhancing its structure, it was possible to increase non interest income 27% over the preceding year, partly due to the

strong performance in Recovery Banking but also to higher trading gains and banking service fees.

To complement this, special focus was put on achieving greater operating efficiency and curbing non interest expenses oriented as far as possible to generating additional business. As a result of this effort, despite the larger volume of operations due to credits granted, the fact that various projects were amortized during the year and the IPAB contributions increased, accumulated non interest expense for the year were 1.8% higher than 2002.

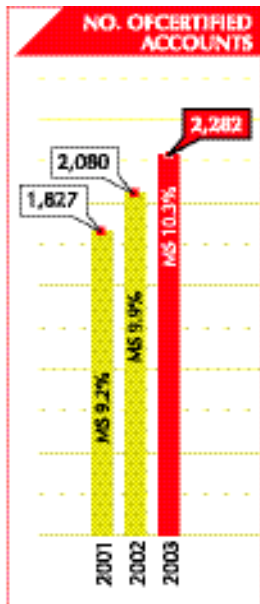
In summary, a strategy designed on the basis of a forecast attuned to the prevailing conditions in the financial market, as well as the disciplined execution of the same, enabled BANORTE's Banking Sector to increase its market share in both deposits and loans, in addition to enhancing the quality and structure of its assets, while gaining a much higher income than in the previous year.



## LONG TERM SAVINGS SECTOR

The companies comprising GFNORTE's Long Term Savings Sector are: Afore Banorte Generali, Pensiones Banorte Generali, Seguros Banorte Generali and Seguros Generali México.

This sector accounted for \$216.8 million pesos of income in 2003, which represented 10% of GFNORTE's total income. This figure is 26% higher than that of 2002 and placed this sector as the second largest contributor to the Group's income.



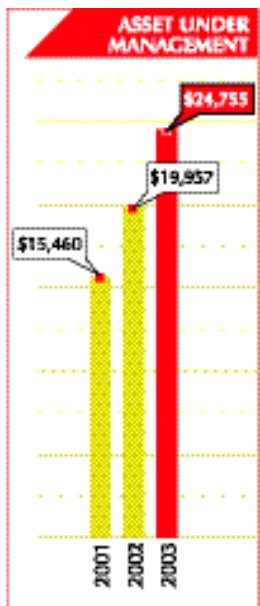
Thousands of affiliated workers.  
MS: Market Share.

### AFORE BANORTE GENERALI (pension funds management)

In 2003, Afore Banorte Generali registered 201,975 new affiliates, which ranked it third in the number of affiliates. The transfer operation between Afores was particularly favorable to Banorte Generali, since the number of incoming accounts was 60% higher than the ones that transferred to other Afores, resulting in the positive figures of 15,109 accounts and \$444 million pesos.

Thus, as of December 2003, the total number of certified accounts reached 2,281,593, a 10% increase over the prior year and placed Banorte Generali in fifth place among the twelve Afore companies operating in the Mexican market, with a 10.3% market share.

Sifore Banorte Generali's assets under management totalled \$24,755 million pesos at year-end, with an accumulated annual yield of 11.42%, which once again placed it as the best in the market.



Millions of Mexican pesos  
as of December 2003.

Banorte Generali remains one of the least expensive options in membership fees in the entire system (\$1,025) and its sales force is the most productive in the market with an average of 0.68 new memberships daily per agent.

Afore Banorte Generali obtained a \$215.5 million pesos income in 2003, 15% lower than in 2002, due to a reduction of commissions charged to members, which was carried out as per the business plan.

### SEGUROS BANORTE GENERALI (Insurance)

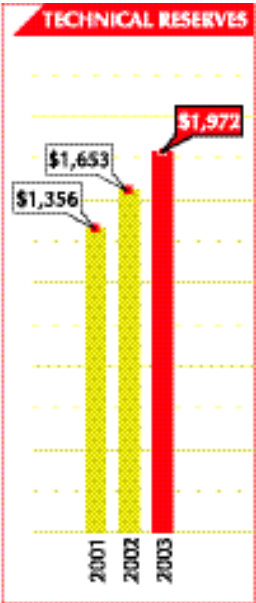
Seguros Banorte Generali offers auto, life and home insurance packages throughout the BANORTE branches network. It also offers traditional insurance to customers that require greater insurance coverage, through a strong network of professional agents and promoters, with extensive experience in the Mexican insurance market.

The company engaged in intensive commerce throughout 2003, which enabled it to achieve a 35% increase in its premiums, a favorable contrast to the 4% downturn in the market. Consequently, Banorte Generali's market share went from 1.3% to 1.6% and, based on the AMIS classification, it moved up from being a small to a medium-size insurer, rising from 16th to 14th place.

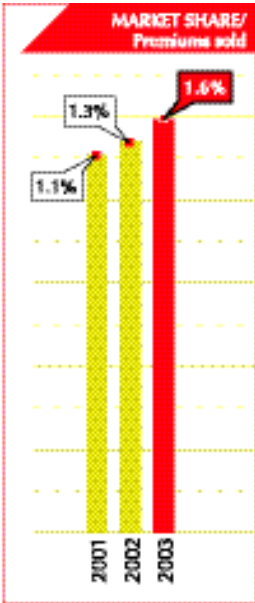
Profits nearly doubled over the prior year to reach \$152.7 million pesos, while the company's technical reserves increased to \$1,972 million pesos, 19% higher than the previous year.

A noteworthy point is the December 2003 acquisition by Grupo Financiero Banorte of 51% of Seguros Generali México, a company engaged in traditional insurance, scheduled to merge with Seguros Banorte Generali in the first half of 2004 and thus strengthen the supply of products offered in this market.

**+MORELEADERSHIP**



Millions of Mexican pesos as of December 2003.



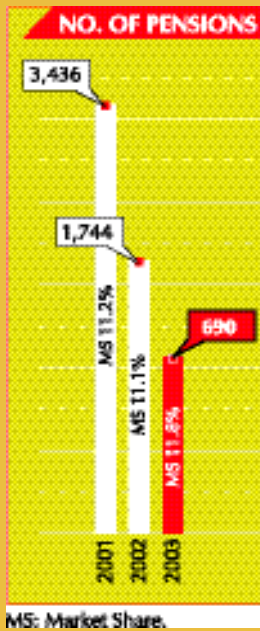
Source: AMIS (Mexican Association of Insurance Institutions), Share of the private market.

**+MORE**

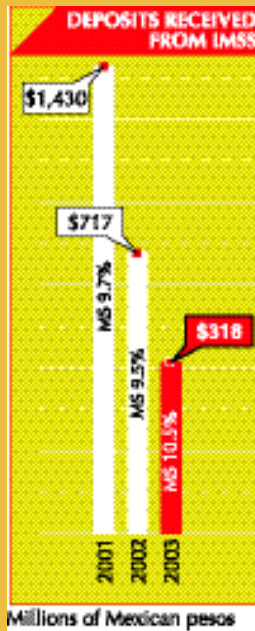
## PENSIONES BANORTE GENERALI (Annuities)

Pensiones Banorte Generali recorded a \$54.8 million pesos income in 2003, which was 100% higher than in 2002.

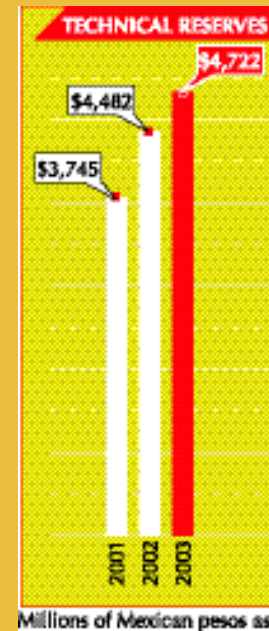
At year-end closing, this area held fourth place among the 10 companies comprising the Mexican market, where it holds an in 11.8% share of the number of pensions placed, while Pensiones Banorte Generali's technical reserves amounted to \$4,722 million pesos, up 5% over 2002.



MS: Market Share.



Millions of Mexican pesos as of December 2003.  
MS: Market Share.



Millions of Mexican pesos as of December 2003.

**+MOREVISION**

## BROKERAGE SECTOR

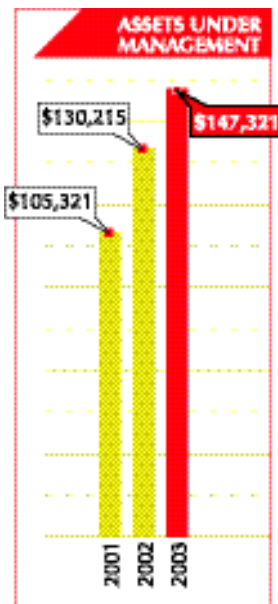
GFNORTE's brokerage sector services are provided by Casa de Bolsa Banorte, which has two main affiliates, Banorte Securities Ltd. and Operadora de Fondos Banorte.

### CASA DE BOLSA BANORTE

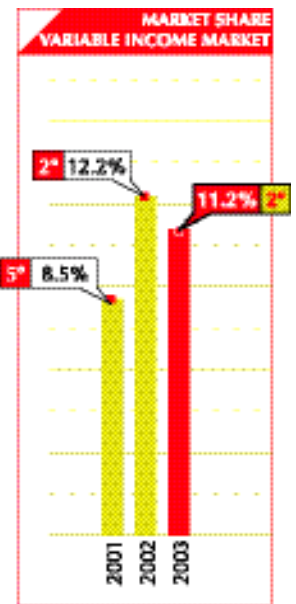
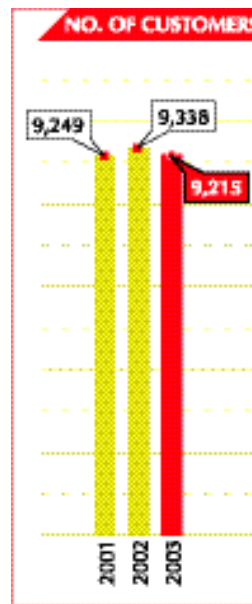
Casa de Bolsa Banorte performed very strongly in 2003, generating a profit of \$101.7 million pesos, which represents 5% of the total Group profit. Up 22% over the prior year, this profit proceeded for the most part from the revenues in the money market, corporate financing and the Banorte Securities subsidiary.

Casa de Bolsa Banorte holds a 11.2% share of the stock market operations, putting it in second place among 22 brokerage houses operating in the country. It serves 9,215 high income customers that need investment products and financial services through its Private Banking. The \$147,321 million pesos assets under management, increased 13% for the year.

Banorte Securities, Ltd., GFNORTE's brokerage house in New York, manages a \$760 million dollar portfolio and is consolidating its role as a leading-edge option for those BANORTE customers that invest in international markets. In line with its strategy to offer the best financial alternatives, it offers a select range of the best funds available in the world market, covering all economic sectors and geographical regions. In addition, it offers an excellent Asset Allocation program to constitute international investment portfolios to meet each customer's particular objectives, time considerations and risk profile.

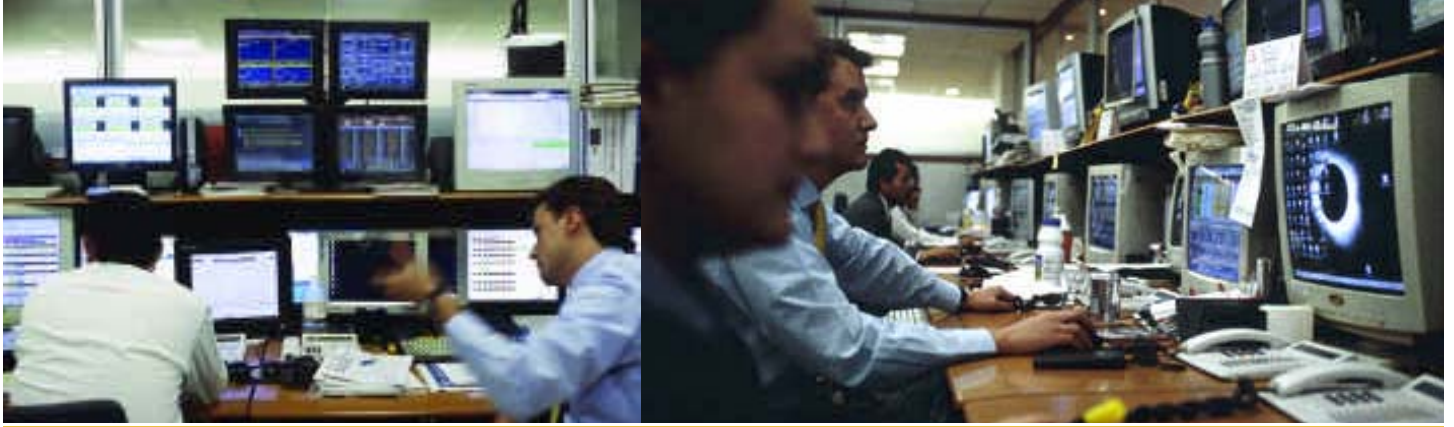


Millions of pesos  
as of December 2003.



**+MORE**

**+MOREQUALITY**



Operadora de Fondos Banorte administers \$15,073 million pesos through 21 different funds: 17 specialize in fixed income securities and 4 in stock. One fact of note is that 3 of the debt portfolios are the leaders in yields for their customers.

This Casa de Bolsa subsidiary was the first operator in Mexico to qualify as an Administrator of Investment Financial Assets and in 2003 it consolidated its position as one of the best in the country, when its rating was upgraded to aa+(mex), which confirms its "capacity and efficiency in administrating investments and risk management," previously granted solely to subsidiaries of the major global banks.

#### AUXILIARY ORGANIZATIONS SECTOR

GFNORTE's Auxiliary Organizations Sector consists of the following companies: Factor (Factoring), Arrendadora (Leasing), Almacenadora (Warehousing) and Fianzas (Bonding) Banorte.

The profit generated by this sector during the period covered by the present report reached \$93.3 million pesos, comprising 4% of the total profit for the Group.

#### FACTOR BANORTE (Factoring)

In 2003, this company expanded its portfolio and retained its leading position among the 11 factoring companies operating in the market, with a nearly 31% market share.

**+MORE**



Based on the increased size of its portfolio and efficient collection of commissions, Factor Banorte obtained a \$35.3 million pesos income, at the same time as it strengthened its past due loan reserves from 68% in 2002 to 129% in 2003.

#### ARRENDADORA BANORTE (Leasing)

Arrendadora Banorte recorded a \$27.4 million pesos profit and ranked third among the 27 leasing operations nationwide based on the size of its \$1,578 million pesos loan portfolio. Therefore, the company's market share rose from 6.9% to 9.1% during the year.

#### ALMACENADORA BANORTE (Warehousing)

This company generated \$20.1 million pesos in income and continues to enhance its presence in various states

of Mexico through refurbishing warehouses, thus gaining greater acceptance of its warehousing and financial services in the market. This situation enabled it to be the leader in the sector based on its profitability and the development of services tailored to the needs of its customers.

#### FIANZAS BANORTE (Bonding)

The income from the Fianzas Banorte at year end was \$10.6 million pesos, a 31% increase over 2002.

It issued \$111.6 million pesos in premiums in 2003, a 14% increase that gave it a 3.3% share of the national market.

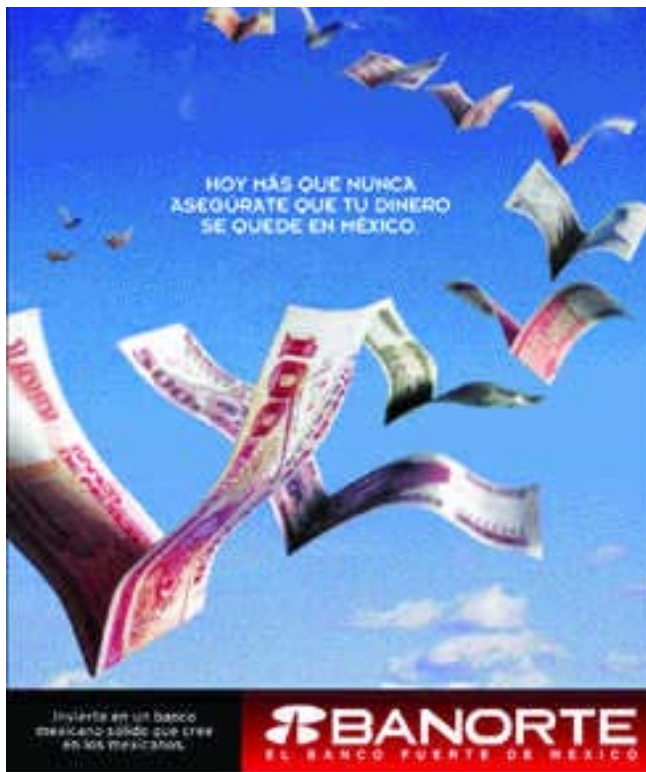




**STRATEGY**

**AND IMPLEMENTATION**

BANORTE ALWAYS GIVES YOU **MORE+**



The entry of the leading global banks into the Mexican market meant not only a challenge for Banorte but also an opportunity, insofar as the characteristics that defined the image of most of the banks formerly operating in the country no longer remain and today's bank services users look for more substantial reasons than tradition, image and nationality when selecting an institution.

Unquestionably the tangible benefits offered to the public through bank products and services have become fundamental, although one intangible factor has become especially important: the way the Bank demonstrates its faith in users.

### IMAGE

In 2003, GFNORTE continued the process of building Banorte's Brand Equity and its endeavor of positioning itself as the only Mexican bank with national coverage that has in-depth knowledge of Mexican consumers' needs, the one that offers the most suitable products and services to meet these needs and is concerned with the development of Mexico and Mexicans.

This positioning has been strengthened through a strategy based on a high-impact institutional communications campaign and the formulation of a range of products and services of sound and attractive value for its customers, which have been identified with the basic promise of "Banorte Always Gives You More."

For the BANORTE team, this clear and specific promise has called for a solid commitment and new methods of working.

The effectiveness of the communication and message transmitted was demonstrated by the high levels of advertising recall. At the same time, significant advance was made in the public's recognition of the BANORTE brand, as shown by the high percentages of Top-of-Mind and Share-of-Mind, which rose from 9.7% to 11.9% and from 51% to 62%, respectively.

BANORTE reached the highest figures and largest number of first places for brand positioning in its history, particularly in the attributes of the institution's Social Responsibility to the country, where it ranks number one; likewise in products and services and in the acknowledgment of its Soundness, Transparency and Reliability. These attributes are BANORTE's hallmark and identity, and respond to the communication based on the institution's real commitment to driving Mexico's development, backed by every action the bank takes, such as credit placement.

On an emotional level, BANORTE continued to hold a place in Mexicans' minds as a symbol of national pride and strength. The bank endeavors not only to communicate in words the faith it has in the nation's people but also to demonstrate with actions that it is and will continue to be the support they seek for achieving their life's plans and meet their financial needs.

## "BANORTE ALWAYS GIVES YOU MORE"

### PRODUCTS AND SERVICES

The basic promise stating that "Banorte Always Gives You More" is an expression of BANORTE's commitment to its customers, employees and shareholders and has been made concrete in the launch of products to attract deposits and place resources, which have gotten a very good reception by the market, in the optimization of its distribution channels, which have been oriented to make them as convenient for customers as possible and cost efficiency, in executing programs aimed at raising the standard of quality in customer service and the corporate culture of "always give more" among its employees.

Aggressive communications and promotions campaigns were launched for the mass placement consumer products that put BANORTE in the leading position for such products as the Crediactivo for SMES and mortgage loans.

To support the growth of products, programs with real added value were implemented, aggressive advertising campaigns were launched complemented by highly attractive promotions. Among these were the "You Are Worth Gold" campaign, the promotional program to differentiate and make tangible the programs to attract deposits and the Banorte time deposit product "Pagamás."

Unquestionably, the efforts expended on BANORTE's cutting edge products provided the added value of their being differentiated, creative, tangible and attractive,

which contributed to the institution's growth in the attraction of deposits and loan placement and to its increased market share.

### Loans

BANORTE was the first bank to once again start granting **Mortgage Loans** subsequent to the 1994 crisis, which has made it the leader in the field, with a product that is competitive in interest rates and commissions, with high levels of service and response. Moreover, BANORTE created an unemployment insurance policy for this product, that was formulated with the customers' needs in mind, in order to allay their fear about what to do if they lost their jobs and found themselves unable to meet their debt payments.

In 2003, BANORTE placed over 7,800 mortgage loans in the Mexican market, comprising a 50% market share in the number of mortgages and 42% of the total amount of mortgage loans granted by the Mexican banking system. This meant that BANORTE closed the year with a mortgage loan portfolio of over \$13,300 million pesos, consisting of 68,554 mortgages, a 27% growth in its balance over the preceding year.

BANORTE's automobile loans (**AutoEstrene**) offer fixed-rate financing for the purchase of new vehicles, with the swiftest response in the market, and terms of up to 48 months, in addition to various special financing plans which the bank has negotiated with the automakers.





In 2003, over 41,000 AutoEstrene loans were granted, an accumulated total of 72,872 loans amounting to \$5,633 million pesos, a 62% increase over the prior year. Thus, BANORTE's market share rose from 20% to 24% for 2003 in this segment.

People who are paid their salary through BANORTE have the option to access the **CrediNómina** (electronic payroll) loan, a fast-response advance of 3 months' salary in the event of an emergency. In 2003, 128,572 loans were granted for an accumulated balance of \$1,230 million pesos, a 98% growth in placement volume over 2002. This product had a past due loan ratio of less than 3% by year-end.

With respect to **Credit Cards**, BANORTE concentrated on developing attributes for placing the product in a competitive position, optimizing the "Puntos Banorte" loyalty program, the "Flexplan" fixed payments with interest plan, a dynamic minimum payments system based on the customer's balance and a fixed 25% interest rate, which generated high competitiveness and preference among customers.

In 2003, Banorte's Credit Card customers' average ranked highest in the Mexican industry, with accumulated billings of \$6,951 million pesos, up 39% over the preceding year. Thus the total portfolio for the product rose 64%, from \$1,729 to \$2,829 million pesos by the 2003 year-end closing, with the issue of over 120,000 new cards.

### Insurance

The Banca Seguros Banorte products are distinguished for being highly competitive in price and for including attributes oriented to customers and service. The sales strategy was based largely in the branches network via incentives, advertising and promotional campaigns and cross-selling.

The placement of Banca Seguros products in 2003 was one of the most dynamic, with an increase in the number of insurance policies, 31% in Formula Auto (car insurance), 82% in Fórmula Vida (life insurance) and 41% in Fórmula Hogar (home insurance) over the preceding year.

### Deposits

The year 2003 was an especially constricted one for term investment products, as a result of the continual drop in interest rates which made traditional banking instruments less attractive.

In this environment, the outstanding success of the "Pagamás" campaign, which offered additional yields through a bonus payment, reversed the downward trend in the amounts invested in the 28 day Note and attracted over \$1,000 million pesos more during the year.

The attraction of deposits from individuals was promoted through the innovative "You're Worth Gold" campaign, that rewarded customers for their deposits in the **SUMA** and **Enlace** accounts, while simultaneously sending them a message of how much they mean to the Bank. Moreover, both families of products were adapted to make them more competitive and to add tangible values for customers, such as with Internet operations and the Emergency Protection program.

Customers were also encouraged to make more intensive use of the new electronic channels by making purchases with their debit card and a new rates plan was generated for the SUMA account that orients customers to utilize the Internet and ATM's more. This meant the simultaneous achievement of more convenience for customers and an optimization of operating costs for the bank.

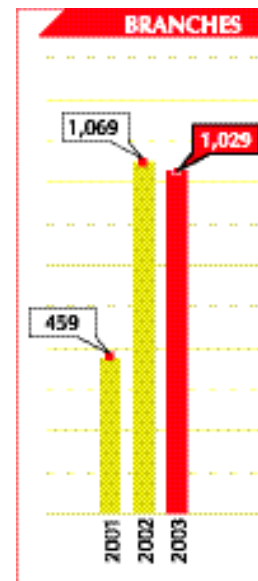
## DISTRIBUTION CHANNELS

### Branches

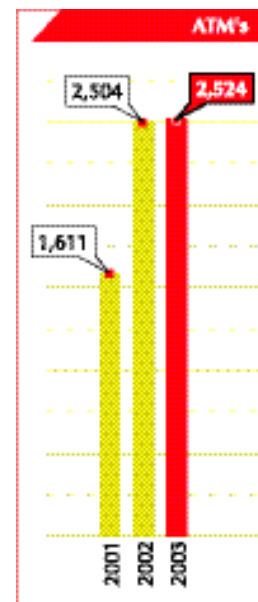
In 2003, **BANORTE** achieved great improvements in the profitability and geographic consolidation of its branches network (1,029) a process that will continue in 2004 via the selective opening and relocation of offices in those states where a new branch is needed, particularly in the Mexico City and Southeast regions.

### ATM's

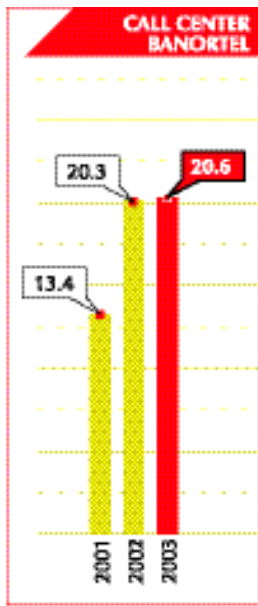
The ATM network is a fundamental distribution channel, since over 50% of the Bank's operations are carried out through them. By 2003, **BANORTE** already had over 2,500 ATM's, 13.5% of the national market, with plans to substantially increase the number of machines in 2004.



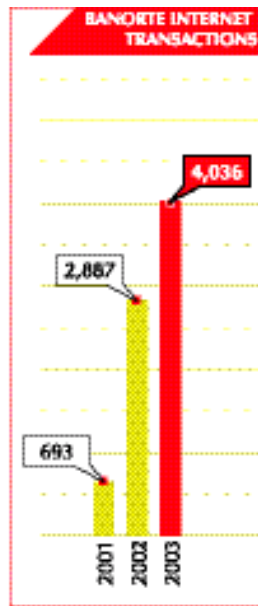
Includes bank modules and excludes agencies operating abroad.



**+MORE**



Millions of calls.



Thousands of transactions in the month of December.

### Call Center "Banortel"

Over 20 million calls were handled by the Call Center "Banortel" during the year, with a mix of 90% of the transactions channeled through the automatic system and 10% through executives.

Exhaustive analyses were made over the course of 2003 of the areas offering opportunities in processes, technological transactions and structures for optimizing operations, seeking to reduce the time required to process calls.

Some strategies related to profitability and the optimization of resources were strengthened through a charge per

consultation plan and directing the VOICE service through IVR or the Internet, thus obtaining \$4.5 million pesos in non financial income (28% higher than in 2002).

### Internet Banking

BANORTE's customers have made the Internet an important channel of carrying out money transfers. The value of monetary operations varies but the monthly average is \$250 million pesos or 45% of the money passing through all the bank's channels.

In 2003, 39 million operations were carried out via Internet, 80% of which were consultations, while the remainder consisted of monetary transactions such as transfers and service payments. The number of users has grown more than 200% since 2001, so that by the 2003 year-end closing there was a total of 187,000 customers.





Currently over 2,500 customers per week use the institution's Internet services, making it an important generator of non financial income, with a total volume of \$75 million pesos in 2003, 100% over that earned in 2002.

## SERVICE

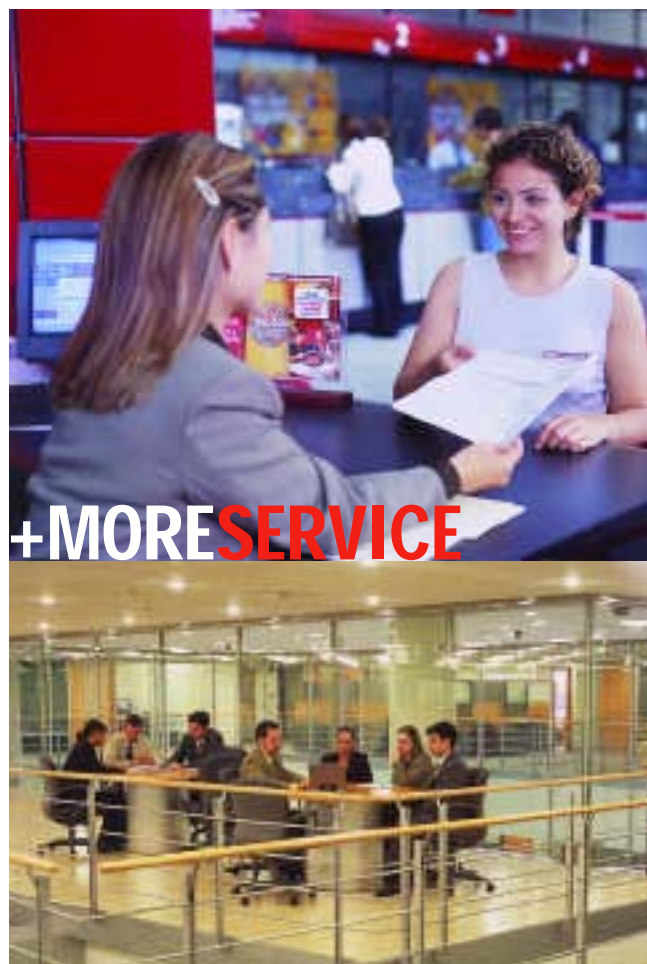
In 2003, GFNORTE took a series of steps to enhance customer service, since this particular aspect carries a great deal of weight when users are in the process of selecting the bank that will meet their financial services needs. Therefore, special stress was given to two essential factors: the bank's technological infrastructure and its human resources.

### GFNorte's Human Resources

A fundamental part of customer service lies in ensuring that it is excellent and this is an aspect that is based on human resources.

After an evaluation and selection process conducted by the "Great Place to Work® Institute" in collaboration with Expansión magazine, BANORTE was chosen as "One of the Best Companies to Work for in Mexico in 2004" and the very best one in banking. This study showed that among the 15,840 people comprising the Group's human resources, 84% are concentrated in the Banking Sector, and that it has an environment which is conducive to work and people's development.

<i>GFNorte Full-Time Personnel</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>
<i>Banking Sector</i>	<i>8,515</i>	<i>12,778</i>	<i>13,336</i>
<i>Auxiliary Organizations Sector</i>	<i>70</i>	<i>151</i>	<i>130</i>
<i>Long Term Savings Sector</i>	<i>2,127</i>	<i>1,604</i>	<i>2,015</i>
<i>Brokerage Sector</i>	<i>343</i>	<i>335</i>	<i>359</i>
<b><i>GFNorte</i></b>	<b><i>11,055</i></b>	<b><i>14,868</i></b>	<b><i>15,840</i></b>



In 2003 BANORTE continued utilizing integral evaluation programs for the personnel holding key positions, therefore the executives' profile was reviewed, tests were applied to measure knowledge and skills and their business performance was measured, thus providing a valuable source of information on the human efforts expended to make precise and timely decisions related to promotions, turnover, training and development.

A new culture of learning was encouraged through live courses, via BanorTV television broadcasts, specialized websites, as well as on-line information and courses, in accordance with the new E-learning concept.

**+MORE**



Finally, in September the Banorte Service company was created, under the management of the Human Resources department, to ensure that the customer contact personnel providing various services to the organization, such as switchboard operators, messengers and receptionists, among others, fit the profile established by BANORTE.

#### **Technological Infrastructure**

Technology plays a major support role for human resources in providing excellent service and, therefore, in 2003, stress was placed on achieving consistent enhancement to the level of service in every distribution channel in order to elevate the level of the user satisfaction. These improvements were partially the result of the execution of projects that had a major impact on operations, such as "Visión," which replaced the credit card processing service with an internal process; "Traslado de Efectivo" provides internal controls over cash remittances and external controls over the companies that transfer securities and "Truncamiento de Cheques" which now outsources processes related to the check clearing house.

Commercial services were also standardized throughout the branches network and the New Financial Terminal

started operating. Particular care was taken to ensure that the standards of customer service are in no way lowered while satisfying the increased operating demand originated by business growth. Therefore, the systems, technological infrastructure and operating processes were improved and legal requirements were complied with.

One very clear objective was to consolidate the Internet as a distribution channel and tool for transformation, continuing to improve the infrastructure, security and processes, which, on one hand aided in absorbing the 38% annual increase in customers and also helped in innovating financial services such as the Kiosks, Banorte's Internet Mobile, Checks and E-Business.

#### **THE FUTURE**

BANORTE has consolidated its clear-cut and sound image within the Mexican banking system, which has provided it a solid foundation on which to continue evolving towards enhancing the tangible benefits offered by the bank in accordance with users' new demands.

BANORTE is currently perceived as a bank that is proud to be a Mexican institution, one which is strong, experienced

and modern, that believes in Mexicans and is truly committed to supporting the nation's development.

The actions carried out in 2004 will be oriented towards consolidating this positioning, while simultaneously seeking to raise the public's awareness of BANORTE's infrastructure, thus fortifying its attribute of strength. At the same time, the strategy related to tangibles will become more aggressive, offering products with real added value and optimum and convenient channels with the main goal of continuing our serious work on raising our customer service standards.

Our objective is to continue aggressive and prudent personnel training to ensure that we stay ahead of the world's major players.

Future success will depend in large measure on offering better customer service, which is a crucial factor in creating customer loyalty and differentiating the bank from the competition. In 2003, numerous activities were carried out to build excellent service, which has enabled BANORTE to maintain the highest standards of service in the Mexican banking system, living up to its promise through actions characterized by always giving more. In 2004, the required adaptations and redesigning will be implemented to provide maximum satisfaction to customers' demands, which will generate a differentiated competitive edge through service.







## SOCIAL RESPONSIBILITY

Helping others has always been and will continue to be one of **BANORTE's** most important tasks. Being a Mexican that lends a helping hand to other Mexican is one of our traditions, which is carried out through the ongoing promotion of education, health, core values and quality of life.

Thus in 2003 an important portion of our resources was dedicated to supporting various social programs, among which the following are some of the most important:

Programs were developed to support the development of communities and provide aid in the event of natural disasters, such as those that struck the states of Colima, Baja California Sur and Sinaloa, by means of donations and fund raising programs to assist the people affected by these situations.

Major support was earmarked for matters related to health and education through both public and private institutions, such as the Mexican Red Cross, the Mexican Association that aids children with cancer and various foundations and organizations that promote family health and such institutions of higher learning as the Tecnológico de Monterrey, the Universidad Autónoma de Querétaro and others operating in the country.

Always endeavoring to promote the best about Mexico, which is its youth, and being aware of the importance of sports in developing healthy young people and building a nation's future, in 2003 **BANORTE** became the Official Sponsor of the Mexican Olympic Committee, thus providing support to the Mexican olympic team's performance.

# GROUP'S OFFICERS

## Othón Ruiz Montemayor

Executive Vice-Chairman of the Board of Directors  
and Chief Executive Officer of GFNorte



◀ **Juan Manuel Quiroga Garza**  
Corporate GFNorte  
General Director

**Federico Valenzuela Ochoa** ▶  
Administration and Finance  
General Director



**Carlos Herrera Prats**  
Brokerage House  
General Director ▶



▲ **Manuel Sescosse Varela**  
Banking  
General Director

**Sergio García Robles Gil** ▶  
Planning and Control  
General Director



**Enrique Castellón Vega** ▶  
Long Term Savings Banking  
General Director



**Miguel Ángel García-Padilla Fernández** ▶  
Recovery Banking  
General Director



**Aurora Cervantes Martínez** ▶  
Legal Department  
General Director



**Gerardo Coindreau Farías** ▶  
Integral Risk Management  
General Director



▲ **Román Martínez Méndez**  
Auditing  
General Director

**Alejandro Ramos Larios** ▶  
Technology and Operations  
General Director



▲ **Eduardo Sastré de la Riva**  
Communications  
General Director



◀ **Jorge Eduardo Vega Camargo**  
Controllershship and Special Projects  
General Director

**Gerardo Soto Pérez** ▶  
Human Resources  
General Director





◀ **Cecilia Miller Suárez**  
Marketing  
General Director



**Ricardo Acevedo de Garay** ▶  
Fixed Income Operations  
General Director



▲ **Enrique Catalán Guzmán**  
Entrepreneurial Banking  
General Director



◀ **Antonio Emilio Ortiz Cobos**  
Corporate Banking and International Business  
General Director



**Mauricio Ortiz Mena** ▶  
Private Banking  
General Director



▲ **Alejandro Valenzuela del Río**  
Institutional Relations  
General Director



▲ **Javier Rodríguez de la Torre**  
Securities  
Director



◀ **Rafael del Castillo Torre de Mer**  
Government Banking and Government Relations  
General Director



◀ **Eugenio López Macías**  
Special Projects  
General Director

**Marcelo Armando Guajardo Vizcaya**  
Mexico City  
Territorial Director



**Jesús Oswaldo Garza Martínez** ▶  
Monterrey  
Territorial Director



◀ **Juan Carlos Cuellar Sánchez**  
Northeast  
Territorial Director



▲ **Juan Antonio de la Fuente Arredondo**  
Northwest  
Territorial Director



◀ **David Alberto Salazar Vite**  
West  
Territorial Director



**Leónides Ocampo Jaime** ▶  
Southeast  
Territorial Director

# MEMBERS OF THE BOARD OF DIRECTORS

## EXECUTIVE COMMITTEE

<b>Chairman</b>	Roberto González Barrera	<b>Alternates</b>	Juan Manuel Quiroga Garza
<b>Vice-Chairman</b>	Rodolfo Barrera Villarreal		Jesús L. Barrera Lozano
<b>Member</b>	José G. Garza Montemayor		David. J. Villarreal Montemayor
<b>Member</b>	Jacobo Zaidenweber Cvilich		Simón Nizri Cohen
<b>Member</b>	Alejandro Álvarez Figueroa		César Verdes Sánchez
<b>Member</b>	Othón Ruiz Montemayor		Federico Valenzuela Ochoa
<b>Secretary</b>	Aurora Cervantes Martínez	<b>Alternate Secretary</b>	Jorge Antonio García Garza

## GFNORTE BOARD OF DIRECTORS

<b>Chairman</b>	Roberto González Barrera	<b>Vice-Chairman</b>	Rodolfo Barrera Villarreal
<b>Regular Examiner</b>	Carlos Arreola Enríquez	<b>Alternate Examiner</b>	Fernando Morales Gutiérrez
<b>Secretary</b>	Aurora Cervantes Martínez	<b>Alternate Secretary</b>	Jorge Antonio García Garza

### Regular Members

Roberto González Barrera (Patrimonial)  
Rodolfo Barrera Villarreal (Patrimonial)  
Magdalena García de Martínez Cavaría (Independent)  
Jacobo Zaidenweber Cvilich (Independent)  
Alejandro Álvarez Figueroa (Independent)  
Richard Frank (Patrimonial)  
José G. Garza Montemayor (Patrimonial)  
David Villarreal Montemayor (Patrimonial)  
Netzahualcóyotl de la Vega García (Independent)

Bertha González Moreno (Patrimonial)  
Juan Diez-Canedo Ruiz (Independent)  
Othón Ruiz Montemayor (Related)  
Eugenio Clariond Reyes-Retana (Independent)  
Francisco Alcalá de León (Independent)

### Alternate Members

Eduardo Livas Cantú (Independent)  
Jesús L. Barrera Lozano (Patrimonial)  
Carlos Chavarría Garza (Independent)  
Simón Nizri Cohen (Independent)  
César Verdes Sánchez (Independent)  
Alejandro Schwedhelm (Patrimonial)  
Federico Valenzuela Ochoa (Related)  
Manuel Sescosse Varela (Related)  
Germán Francisco Moreno Pérez (Independent)  
Juan Manuel Quiroga Garza (Related)  
Javier Vélez Bautista (Independent)  
José Antonio Díaz Vicente (Independent)  
Isaac Hamui Musalí (Independent)  
Isaac Becker Kabacnic (Independent)  
Javier Martínez Abrego (Independent)