



Grupo Financiero Banorte, S.A.B. de C.V.
Av. Revolución No. 3000 Sur, Col. Primavera, C.P. 64830,
Monterrey, Nuevo León

Ticker symbol "GFNORTEO"

CORPORATE RESTRUCTURING INFORMATION BROCHURE

Presented in accordance with Article 35 of the General Regulations Applicable
to Stock Issuers and other participants in the Stock Market

March 11th, 2011

Summary of the transaction. The corporate restructuring explained in this brochure refers to the merger of Grupo Financiero Banorte, S.A.B. de C.V. ("GF Banorte") as the merging entity, and Ixe Grupo Financiero, S.A.B. de C.V. ("Ixe GF"), as the merged entity, by virtue of which the first one will subsist, while the second will be absorbed. As consequence of the merger, GF Banorte will acquire all assets, properties and rights of Ixe GF.

The merger is subject to the approval of the Extraordinary General Shareholders' meetings of both GF Banorte and Ixe GF. The merger will take effect once the authorization from the Ministry of Finance and Public Credit and the agreements approved by the Extraordinary General Shareholders' Meeting of GF Banorte are registered in the Public Registry of Commerce in Monterrey, Nuevo León.

Once the merger is approved by GF Banorte and Ixe GF's Extraordinary General Shareholders' Meetings, the variable portion of GF Banorte's capital stock will be increased by Ps 1,078,035,819.00 (one billion, seventy eight million thirty five thousand eight hundred nineteen 00/100 Mexican Pesos), by means of the issuance of 308,010,234 (three hundred eight million ten thousand two hundred thirty four) registered Series "O" common shares with a nominal value of Ps 3.50 each (three pesos 50/100 Mexican Pesos), considering an exchange ratio of 0.3889943074 GF Banorte shares per Ixe GF share. The exchange ratio was determined based on negotiations between both institutions taking into consideration the estimated value of GF Banorte and Ixe GF. In the event that after applying the exchange ratio to any of Ixe GF's shareholders a fraction of a GF Banorte share is owed to them, GF Banorte will pay in cash to the shareholder the necessary number of Ixe shares for that shareholder to receive a full GF Banorte share, after applying the exchange factor. The price of such shares will be paid in cash at Ixe shares' closing market value on the day immediately preceding the merger's effective date, and must be supplied by a price provider approved by the CNBV. It is important to note that the only cash payments related to the merger will be those necessary to carry out the share payments under the terms described. GF Banorte will carry out such payments with its own resources and it is contemplated that the related amounts of these payments will not be substantial.

As a result of the merger, shareholders of Ixe GF will receive through S.D. Indeval, Institución para el Depósito de Valores, S.A. de C.V., 300,420,101 (three hundred million four hundred and twenty thousand one hundred one) shares in proportion to the shareholding of each Ixe GF's shareholder, and GF Banorte will deliver the remaining 7,590,133 (seven million five hundred ninety thousand one hundred thirty-three) shares to an irrevocable trust to be held between GF Banorte, acting as trustor and as primary trustee and the credit institution that GF Banorte designates as fiduciary as established in the Trust. After the Merger takes effect, all of Ixe GF's shareholders will be appointed as secondary trustees as established in the Trust).

The fiduciary will retain property of the shares contributed by GF Banorte for a period of 12 (twelve) months from the date the merger takes effect. In the event that contingencies are identified in the trust during this period, the fiduciary will provide GF Banorte with the corresponding number of shares in accordance with the trust's stipulations. At the end of that period, the fiduciary will deliver Ixe GF's shareholders, in proportion of their respective shares in Ixe GF's share capital at the time the merger became effective, the shares that were not provided to GF Banorte as established by the trust's stipulations.

The terms of exchange of shares as a result of the merger are regardless of class or type of share, they will be the same for all shareholders.

Section 3.1 - "Detailed Description of the Transaction" of the Corporate Restructuring Information Brochure that contains the transaction's procedure as well as a detailed description of the phases and documents signed in connection with the transaction.

The CNBV's Board ruled that the transaction to which this Corporate Restructuring Information Brochure refers is exempt from making a public offering of acquisition.

Shares' characteristics before and after the transaction. The features of GF Banorte's issued shares will not change as a result of the merger.

The shares representing GF Banorte's share capital are registered in the Mexican Securities Registry and are traded in the Mexican Stock Exchange, (Bolsa Mexicana de Valores, S.A.B. de C.V., BMV).

Registration in the Mexican Securities Registry does not imply a certification of the integrity of the securities, solvency of the issuer or of the accuracy or completeness of the information contained in this declaration nor does it authenticate acts that, if the case, might have been carried out in breach of the law.

Shareholders that require copies of this Corporate Restructuring Information Brochure may request them at the Investor Relations Department of GF Banorte with offices located at Ave. Prolongacion Reforma 1230, 4th Floor, Col. Cruz Manca Santa Fe, Delegación Cuajimalpa, México, D. F., 05300. Telephone:(5255) 5268 1680, e-mail: david.suarez@banorte.com or at Ave. Revolucion 3000, 8th Floor Col. Primavera, Monterrey, Nuevo Leon, 64830; telephone:(5281) 8318-5002, e-mail: investor@banorte.com. The electronic version of this Corporate Restructuring Information Brochure will be available online at the following websites: www.banorte.com and www.bmv.com.mx.

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1. GLOSSARY OF TERMS AND DEFINITIONS.

For the purposes of this Corporate Restructuring Information Brochure, the following defined terms can be used indistinctly in uppercase or lowercase, and in singular or plural form.

<u>"ADR's"</u>	<i>American Depositary Receipts</i>
<u>"Afore Banorte"</u>	<i>Banorte Generali, S.A. de C.V. AFORE</i>
<u>"Afore XXI"</u>	<i>Afore XXI, S.A. de C.V.</i>
<u>"Almacenadora Banorte"</u>	<i>Almacenadora Banorte, S.A. de C.V. Organización Auxiliar de Crédito, Grupo Financiero Banorte (Warehouse)</i>
<u>"Arrendadora y Factor Banorte"</u>	<i>Arrendadora and Factor Banorte, S.A. de C.V., SOFOM E.R., Grupo Financiero Banorte (Leasing and Factoring)</i>
<u>"Auditor's Firm"</u>	<i>has the meaning given to that term in section 3.1 "Detailed Description of the Transaction" of this brochure.</i>
<u>"Bancen"</u>	<i>Banco del Centro, S.A. Institución de Banca Múltiple</i>
<u>"Banco Deuno"</u>	<i>Banco Deuno, S.A., Institución de Banca Múltiple, Ixe Grupo Financiero</i>
<u>"Bancrecer"</u>	<i>Bancrecer, S.A., Institución de Banca Múltiple</i>
<u>"Banorte"</u>	<i>Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte</i>
<u>"Banpaís"</u>	<i>Banpaís, S.A., Institución de Banca Múltiple</i>
<u>"Binding Agreement"</u>	<i>has the meaning given to that term in section 3.1 of this brochure.</i>
<u>"BMV"</u>	<i>Bolsa Mexicana de Valores, S.A.B. de C.V. (Mexican Stock Exchange)</i>
<u>"Brochure"</u>	<i>refers to the Corporate Reestructuring Information Brochure.</i>
<u>"Brysam"</u>	<i>Brysam Global Partners</i>
<u>"Casa de Bolsa Banorte"</u>	<i>Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte (Broker Dealer)</i>

<u>"Casa Servicios"</u>	<i>Casa Servicios Administrativos, S.A. de C.V.</i>
<u>"CMA"</u>	<i>Compañía Mexicana de Aviación, S.A. de C.V.</i>
<u>"CNEV"</u>	<i>Comisión Nacional Bancaria y de Valores. (National Banking & Securities Commission)</i>
<u>"CISA"</u>	<i>Consultoría Internacional, S.A. de C.V.</i>
<u>"Claim"</u>	<i>has the meaning given to that term in section 3.1 "Detailed Description of the Transaction" of this brochure.</i>
<u>"Contingency"</u>	<i>Contingencies identified in the Trust's Annex "D"</i>
<u>"Corporación Financiera Internacional"</u>	<i>International Finance Corporation</i>
<u>"Damages"</u>	<i>has the meaning given to that term in section 3.1 "Detailed Description of the Transaction" of this brochure.</i>
<u>"Dollars" and the "\$" symbol</u>	<i>currency of the United States of America</i>
<u>"Fiduciary"</u>	<i>refers to The Bank of New York Mellon, S.A., Institución de Banca Múltiple.</i>
<u>"Fincasa"</u>	<i>Fincasa Hipotecaria, S. A. de C.V. SOFOM E.R., Ixe Grupo Financiero</i>
<u>"GF Banorte"</u>	<i>Grupo Financiero Banorte, S.A.B. de C.V.</i>
<u>"GF Banorte's Controlling Shareholders"</u>	<i>refers to the persons and entities identified in the document attached to the Trust's Annex "E"</i>
<u>"IMSS"</u>	<i>Instituto Mexicano del Seguro Social (Mexican Institute of Social Security)</i>
<u>"INB"</u>	<i>INB Financial Corporation</i>
<u>"Indeval"</u>	<i>S.D. Indeval, Institución para el Depósito de Valores S.A. de C.V. (Securities Depository)</i>
<u>"Ixe GF"</u>	<i>Ixe Grupo Financiero, S.A.B. de C.V.</i>

"Ixe GF's
Shareholders"

refers to the persons identified in the document attached to the Trust's Annex "C"

"Ixe GF's
Controlling
Shareholders"

refers to the persons and entities identified in the document attached to the Trust's Annex "A"

"Ixe GF's
Shareholders'
Broker Dealer"

refers to each of the Broker Dealers (or if the case, financial institutions providing direct or indirect custody services) identified in the Trust's Annex "C"

"Ixe Afore"

Ixe Afore, S.A. de C.V.

"Ixe Automotriz"

*Ixe Automotriz, S. A. de C.V. SOFOM, E.R.,
Ixe Grupo Financiero*

"Ixe Arrendadora"

Ixe Arrendadora, S.A. de C.V. (Warehouse)

"Ixe Banco"

*Ixe Banco, S.A. Institución de Banca
Múltiple, Ixe Grupo Financiero*

"Ixe Casa de Bolsa"

*Ixe Casa de Bolsa, S.A. de C.V., Ixe Grupo
Financiero. (Broker Dealer)*

"Ixe Equipamiento"

Ixe Equipamiento, S.A. de C.V.

"Ixe Factor"

Ixe Factor, S.A. de C.V.

"Ixe Fondos"

*Ixe Fondos, S.A. de C.V., Mutual Funds
Operator, Ixe Grupo Financiero*

"Ixe Securities"

Ixe Securities, Inc.

"Ixe Servicios"

*Ixe Servicios, S.A. de C.V., Ixe Grupo
Financiero*

"Ixe Sofol"

Ixe Sofol, S.A. de C.V.

"Ixe Soluciones"

*Ixe Soluciones, SOFOM E.R. Ixe Grupo
Financiero*

"JPM payment"	<i>is the contingency described in paragraph 21 of the Trust's Annex "D"</i>
" <u>Law to Regulate Financial Groups</u> "	<i>the Law to regulate financial groups. Ley de Agrupaciones Financieras.</i>
" <u>Majority of Ixe's Controlling Shareholders</u> "	<i>in regard to all of Ixe GF's controlling shareholders, the group of shareholders that together are entitled to the majority of Ixe's shares.</i>
" <u>Mexico</u> "	<i>the country of Mexico</i>
" <u>RNV</u> "	<i>Mexican Securities Registry</i>
" <u>Pensiones Banorte</u> "	<i>Pensiones Banorte Generali, S.A. de C.V., Grupo Financiero Banorte</i>
" <u>Pesos</u> " and the Symbol " <u>Ps</u> "	<i>means Pesos, currency of Mexico</i>
" <u>Reasonable Claim</u> "	<i>has the meaning given to that term in section 3.1 "Detailed Description of the Transaction" of this brochure.</i>
" <u>RSA</u> "	<i>Royal & Sun Alliance Seguros (México), S.A. de C.V.</i>
" <u>Seguros Banorte</u> "	<i>Seguros Banorte Generali, S.A. de C.V., Grupo Financiero Banorte</i>
" <u>SHCP</u> "	<i>Secretaría de Hacienda y Crédito Público. (Ministry of Finance & Public Credit)</i>
" <u>SOFOM</u> "	<i>Multiple Purpose Financial Institution (initials which stand for Sociedad Financiera de Objetivo Múltiple)</i>
" <u>Trust</u> "	<i>has the meaning given to that term in section 3.1 "Detailed Description of the Transaction" of this brochure.</i>
" <u>Trust Account</u> "	<i>has the meaning given to that term in section 3.1 "Detailed Description of the Transaction" of this brochure.</i>
" <u>Trust's Broker Dealer</u> "	<i>has the meaning given to that term in section 3.1 "Detailed Description of the Transaction" of this brochure.</i>

"Uniteller"

UniTeller Holdings Inc.

"USA"

United States of America

2. EXECUTIVE SUMMARY

2.1 Brief description of GF Banorte.

GF Banorte is a financial service holding company authorized to act as a controlling corporation in accordance with the stipulations of the Law to Regulate Financial Groups. GF Banorte was incorporated through the Registered Title Deed No. 61,903 dated July 21st, 1992, certified by Gerardo Correa Etchegaray, Public Notary No. 89 of the Distrito Federal. This Registered Title Deed was recorded in the Public Registry of Commerce in the Distrito Federal, on September 30th, 1992, under Folio No. 163,485.

GF Banorte's shares began trading in the BMV on October 7th 1992, and GF Banorte publishes its corporate, financial and operating information periodically, which can be viewed in the BMV's website, www.bmv.com.mx. Corporate, financial and operating information for GF Banorte and its subsidiaries can be viewed in GF Banorte's website: www.banorte.com

Grupo Financiero Banorte is comprised of the following financial entities:

- a) Banco Mercantil del Norte, S.A., *Institución de Banca Múltiple*, Grupo Financiero Banorte.
- b) Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte.
- c) Arrendadora y Factor Banorte, S.A. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad Regulada, Grupo Financiero Banorte.
- d) Almacenadora Banorte, S.A. de C.V., Organización Auxiliar Del Crédito, Grupo Financiero Banorte.
- e) Pensiones Banorte Generali, S.A. de C.V., Grupo Financiero Banorte.
- f) Seguros Banorte Generali, S.A. de C.V., Grupo Financiero Banorte.

GF Banorte's corporate domicile is Monterrey, Nuevo Leon and its headquarters is located at Avenida Revolucion No. 3000 South, Col. Primavera, C.P. 64830, Monterrey, Nuevo Leon, Mexico. The telephone number is 83-19-7200 and its website is www.banorte.com

2.2. Brief description of Ixe GF.

Ixe GF is a financial service holding company authorized to act as a controlling corporation in accordance with the stipulations of the Law to Regulate Financial Groups. Ixe GF was incorporated under the name of Comer Intra, S.A. de C.V. through Registered Title Deed No. 58,135 dated June 8th, 1990, certified by Francisco Daniel Sanchez

Dominguez, Public Notary No. 117 of the Distrito Federal. This Registered Title Deed was recorded in the Public Registry of Commerce in the Distrito Federal on October 24th, 1990 under Folio No. 135,804.

Ixe GF's shares began trading in the BMV on December 23rd, 1994. Ixe GF publishes its corporate, financial and operating information periodically, which can be viewed in the BMV's website at: www.bmv.com.mx. The corporate, financial and operating information of Ixe GF and its subsidiaries can be viewed in Ixe GF's website: www.ixe.com.mx

Grupo Financiero Ixe is comprised of the following financial entities:

- a) Ixe Banco, S. A., Institución de Banca Múltiple.
- b) Fincasa Hipotecaria, S. A. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad Regulada, Ixe Grupo Financiero.
- c) Ixe Automotriz, S. A. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad Regulada, Ixe Grupo Financiero.
- d) Ixe Casa de Bolsa, S. A. de C.V., Ixe Grupo Financiero.
- e) Ixe Fondos, S. A. de C.V., Sociedad Operadora de Sociedades de Inversión, Ixe Grupo Financiero.
- f) Ixe Soluciones, Sociedad Financiera de Objeto Múltiple, Entidad Regulada, Ixe Grupo Financiero.
- g) Ixe Servicios, S.A. de C.V., Ixe Grupo Financiero.

Ixe GF's corporate domicile is Mexico City, and its headquarters are located at Paseo de la Reforma No. 505, 45th Floor, Col. Cuauhtemoc, C.P. 06500, Mexico, D.F. Its website is: www.ixe.com.mx.

2.3. Brief description of the Transaction's most relevant aspects.

The corporate restructuring referenced in this brochure consists of the merger of GF Banorte as the merging entity and Ixe GF as the merged entity, by virtue of which the first one will continue to exist, while the second one will be absorbed. As a consequence of the merger, GF Banorte will acquire all of Ixe GF's assets, properties and rights.

The merger is subject to approval by the Extraordinary General Shareholders' meetings of both GF Banorte and Ixe GF. This merger will be effective once the authorization from the Ministry of Finance and Public Credit and the agreements approved by the Extraordinary General Shareholders' Meeting of GF Banorte are registered in the Public Registry of Commerce in Monterrey, Nuevo Leon.

As a consequence of this merger, the variable portion of GF Banorte's capital stock will increase by Ps 1,078,035,819.00 (One

Billion, Seventy Eight Million Thirty Five Thousand Eight Hundred Nineteen 00/100), through the issuance of 308,010,234 (Three Hundred Eight Million Ten Thousand Two Hundred Thirty Four) registered Series "O" common shares, with a face value of Ps 3.50 each (Three Pesos 50/100 Mexican Pesos) based on an exchange ratio of 0.3889943074. The exchange ratio was determined based on negotiations between both institutions taking into consideration the estimated value of GF Banorte and Ixe GF.

As a result of the merger, shareholders of Ixe GF will receive through Indeval, 300,420,101 (three hundred million four hundred and twenty thousand one hundred one) shares in proportion to the shareholding of each of Ixe GF's shareholders, and (ii) the remaining 7,590,133 (seven million five hundred ninety thousand one hundred thirty-three) shares will be transferred to an irrevocable trust fund to be held between GF Banorte, acting as a trustor and as primary trustee and the credit institution that GF Banorte designates as fiduciary as established in the Trust. After the Merger takes effect, all of Ixe GF's shareholders will be appointed as secondary trustees (the "Trust").

The Trust's fiduciary will retain ownership of the shares that will be provided by GF Banorte for a period of 12 (twelve) months from the date that the merger takes effect, and during that period or upon completion of that time, the Trusted Shares will be passed on to the appropriate persons in accordance with the terms of the trust.

Section 3.1 - "Detailed Description of the Transaction" of this brochure contains the transaction's procedure as well as a detailed description of the phases and documents signed in connection with the transaction.

3. DETAILED INFORMATION ABOUT THE TRANSACTION

3.1. Detailed description of the transaction.

The transaction consists of a merger between GF Banorte, as the merging entity, and Ixe GF as the absorbed entity, by virtue of which the first will subsist, while the second will be extinguished.

3.1.1 Procedure to carry out the transaction

Extraordinary General Shareholders' approval of transaction

In order to make the merger effective, during the last Board of Directors' meeting held on January 25th, 2011, the Board of Directors of GF Banorte approved calling the Extraordinary General Shareholders' meeting, to be held on March 30th, 2011 in which, the merger described in this informative brochure will be submitted to the shareholders' consideration, among other points on the Agenda. Also, Ixe GF's Board of Directors' approved calling the Extraordinary General Shareholders' meeting to be held on March 30th, 2011 in which the merger described in this informative brochure will be submitted for the shareholders' consideration, among other points on the Agenda.

GF Banorte's Board of Directors obtained from Duff & Phelps, an independent financial advisory firm, a fairness opinion on the exchange ratio agreed by both financial groups in relation to the merger referred to in this brochure. This opinion will be submitted to the consideration of GF Banorte's Extraordinary General Shareholders' meeting.

Transaction's conditions subject to the Binding Agreement.

According to the conditions established in the Binding Agreement, the merger is subject to the following conditions: (a) signing of the definitive documents for the transaction, (b) both parties obtaining all necessary corporate, government and third party authorizations so that the transaction can be carried out (c) GF Banorte and Ixe GF's declarations in the final documents continue to be valid and correct in all substantial aspects (d) that no warrant is issued or any other legal restriction is imposed by any governmental authority that prohibits or substantially limits the completion of the operation (e) simultaneously with celebrating the Shareholders' Meetings of GF Banorte and Ixe GF in which the merger is approved, the Trust is constituted with a fiduciary institution acceptable to GF Banorte, and (f) that Ixe GF and its subsidiaries have continued to conduct their operations in the ordinary course of business and certain business conduct commitments have been honored prior to the closing date in accordance with in the stipulations of the Binding Agreement.

Date in which the merger will take effect.

If approved by the Extraordinary General Shareholders' Meetings of GF Banorte and Ixe GF, the merger will take effect once the requirements stipulated in Article 10 of the Law to Regulate Financial Groups and the conditions established in the Extraordinary General Shareholders' Meetings of GF Banorte and Ixe GF have been met. The merger will be effective once the authorization from the Ministry of Finance and Public Credit and the agreements approved by GF Banorte's Shareholders' Assembly are registered in the Public Registry of Commerce in Monterrey, Nuevo León.

GF Banorte's capital raise and share exchange.

As a consequence of this merger, the variable portion of GF Banorte's share capital will increase by Ps 1,078,035,819.00 (One Billion, Seventy Eight Million Thirty Five Thousand Eight Hundred Nineteen 00/100), through the issuance of 308,010,234 (Three Hundred Eight Million Ten Thousand Two Hundred Thirty Four) registered Series "O" common shares, with a face value of Ps 3.50 each (Three Pesos 50/100 Mexican Pesos) based on an exchange ratio of 0.3889943074. The exchange ratio was determined based on negotiations between both institutions taking into consideration the estimated value of GF Banorte and Ixe GF.

As a result of the merger, shareholders of Ixe GF will receive through Indeval, 300,420,101 (three hundred million four hundred and twenty thousand one hundred one) shares in proportion to the

shareholding of each Ixe GF's shareholder, and the remaining 7,590,133 (seven million five hundred ninety thousand one hundred thirty-three) shares will be transferred to the trust fund.

Conditions for GF Banorte's shares exchange

The terms of exchange of shares as a result of the merger will be the same for all shareholders regardless of class or type of share.

In the event that after applying the exchange ratio to any of Ixe GF's shareholders a fraction of a GF Banorte share is owed to them, GF Banorte will pay in cash to the shareholder the necessary number of Ixe shares for that shareholder to receive a full GF Banorte share, after applying the exchange factor. The price of such shares will be paid in cash at Ixe shares' closing market value on the day immediately preceding the merger's effective date, and must be supplied by a price provider approved by the CNBV. It is important to note that the only cash payments related to the merger will be those necessary to carry out the share payments under the terms described. GF Banorte will carry out such payments with its own resources and it is contemplated that the related amounts of these payments will not be substantial..

Except for the agreements that are described in the following paragraph, the transaction does not consider the existence of commitments or agreements related to the merger that impose obligations in favor or against any individual, to the benefit of GF Banorte or Ixe GF or any of their controlling groups.

It is anticipated that Ixe GF Shareholders who jointly represent approximately 96% of the capital stock of this company will sign lock-up agreements obligating them to retain 70% of GF Banorte's shares that they will receive as a result of the merger, for a period of 9 months as of the date that the merger takes effect, with some exceptions. The terms and conditions of these agreements are described further on.

Additionally, the merger does not consider the existence of payments or agreements to deliver benefits implying premiums to the amount established as the merger's exchange ratio in favor of an individual or group of individuals linked to Ixe GF, other than the exchange conditions of the merger.

Integration of subsidiaries into GF Banorte

As result of the merger, GF Banorte will acquire all assets, properties and rights of Ixe GF including its direct participation in Ixe Banco, S. A., Institución de Banca Múltiple, Fincasa Hipotecaria, S.A. de C.V. SOFOM E.R., Ixe Automotriz, S.A. de C.V. SOFOM, E.R., Ixe Casa de Bolsa, S.A. de C.V., Ixe Fondos, S.A. de C.V., Sociedad Operadora de Sociedades de Inversión, Ixe Soluciones, SOFOM E.R. and Ixe Servicios, S.A. de C.V., as well as Ixe's indirect participation in the subsidiaries of these companies. GF Banorte will also acquire all liabilities, obligations and responsibilities of Ixe GF without restrictions or limitations.

Initially, the companies will continue their operations in the ordinary course of business and GF Banorte will continue to use the names "Banorte" and "Ixe" as brands in the operations of each company. At a later stage, GF Banorte will analyze the necessity or convenience of modifying the group's structure through the merger or liquidation of one or more subsidiaries, and for that purpose, GF Banorte will request authorization from the corresponding authorities.

Cancellation of Ixe GF's securities registered in the RNV.

After the date in which the merger takes effect, the cancellation of Ixe GF's securities that are registered in the RNV will be requested.

3.1.2. Description of agreements signed by GF Banorte and Ixe GF prior to the Extraordinary General Shareholders' Meetings in which the merger will be approved.

On November 16th, 2010 GF Banorte and Ixe GF signed a binding agreement (the "Binding Agreement") through which they agreed to carry out the merger that the brochure describes. The Binding Agreement was signed by GF Banorte's CEO and by the Chairman of the Board of Directors and by Ixe GF's CEO and Chairman of the Board, and subsequently presented to the Board of Directors' of both groups. The following is a summary of the most relevant stipulations contained in the Binding Agreement:

A. Exchange Ratio. In accordance with the terms of the Binding Agreement, the transaction must be carried out based on an exchange ratio of 0.3889943074 GF Banorte shares for each Ixe GF share.

B. Final Documents. The specific terms and conditions for this transaction will be defined in mutual agreement and in good faith between GF Banorte and Ixe GF and will be reflected in the final documents of the transaction.

C. Conditions to carry out the transaction. According to the conditions established in the Binding Agreement, the merger is subject to the following conditions: (a) the signing of the definitive documents for the transaction, (b) both parties obtaining all necessary corporate, government and third party authorizations to carry out the transaction (c) GF Banorte and Ixe GF's declarations in the final documents continue to be valid and correct in all substantial aspects (d) no warrant is issued or any other legal restriction is imposed by any governmental authority that prohibits or substantially limits the closing of the operation (e) simultaneously with celebrating the Shareholders' Meetings of GF Banorte and Ixe GF in which the merger is approved, the Trust is constituted with a fiduciary institution acceptable to GF Banorte, and (f) that Ixe GF and its subsidiaries have continued to conduct their operations in the ordinary course of business and certain business conduct commitments have been honored prior to the closing date in accordance with in the stipulations of the Binding Agreement.

The Binding Agreement considers additional conditions related to the full acquisition by Ixe GF of Fincasa's and Ixe Automotriz's shares; which have already been acquired to the date of the printing of this brochure.

D. Exclusivity. The Binding Agreement establishes certain exclusivity obligations about the transaction until May 31st, 2011. In the case of GF Banorte, the exclusivity is limited to Mexican credit institutions that are direct competitors of Ixe. During the period of exclusivity, Ixe GF is obligated to reject any acquisition or exchange offer, or of any other nature. In the event of non-compliance with the exclusivity obligations by either Ixe GF or GF Banorte, the party violating the exclusivity will pay a penalty fee to the other.

3.1.3. Agreements that will be signed after holding the Extraordinary General Shareholders' Meetings to approve the merger

3.1.3.1. Trust

The following is a summary of the most relevant stipulations contained in the Trust. This summary does not seek to be thorough. GF Banorte shareholders can obtain a copy of the Trust from the Investor Relations Department of GF Banorte with offices located at Ave. Prolongacion Reforma 1230, 4th Floor, Col. Cruz Manca Santa Fe, Delegacion Cuajimalpa, Mexico, D. F., 05300. Telephone:(5255) 5268 1680, e-mail: david.suarez@banorte.com or at Ave. Revolucion 3000, 8th Floor Col. Primavera, Monterrey, Nuevo Leon, 64830; telephone:(5281) 8318-5002, e-mail: investor@banorte.com.

A. Constitution of the Trust. GF Banorte acting as Trustor will establish an irrevocable Trust with an initial cash contribution of Ps 1,000.00 (One thousand Pesos 00/100 M.N.).

On the date that the merger takes effect, GF Banorte will deposit 7,590,133 (seven million five hundred ninety thousand one hundred thirty-three) GF Banorte, Series "O" Common shares, with a face value of Ps 3.50 each (three pesos 50/100), resulting from the capital increase as a consequence of the merger.

GF Banorte and the Fiduciary will carry out the actions and sign the instruments and documents necessary or convenient so that the ownership of the shares held in the Trust is properly formalized and registered in the name of the fiduciary in the records of Indeval and those of the Broker Dealer of the Trust that the fiduciary hires to act as custodian of the Trust's shares.

B. Parts of the Trust. The Trust is comprised of:

Fiduciary:	The Bank of New York Mellon, S.A., Institución de Banca Múltiple.
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Trustor:	GF Banorte.
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Primary Trustee:

GF Banorte, in its right to have part or all the Trust's Patrimony delivered, within the terms established in the Trust.

Secondary Trustee:

Ixe GF's shareholders that are identified in Annex "C" of the Trust or their grantees or successors, with respect to their right to receive part of the shares held in the Trust in proportion to their stock participation in Ixe GF, in accordance with that established in Annex "C" of the Trust, once the conditions established in the Trust have been met, excluding the trusted shares that have been withdrawn in accordance with the Trust's stipulations in order to cover any payments against the Trust's Patrimony in accordance with the Trust's stipulations.

The Trust's patrimony will be made up of the following assets and rights: a) the initial cash contribution made by GF Banorte; b) the trusted shares, including the corporate and patrimonial rights of the shares; c) interest, products or returns obtained from investments made by the fiduciary using the liquid resources of the Trust, and d) any other assets or rights that are affected into the Trust or that are in any way transmitted to the fiduciary by any reason in connection with the Trust.

C. Trust's Objectives. The objectives of the Trust are: 1) That the fiduciary (a) signs an intermediation contract with the Trust's Broker Dealer through which such brokerage house opens an account in the name of and for the benefit of the Trust, in which the property and ownership of the shares held in the Trust are registered to the Trust (the "Trust Account") and (b) with previous written instructions from the Trustor once the merger takes effect, give the Trust's Broker Dealer the necessary instructions so that the Trust's Broker Dealer can (i) register the property and ownership of the trusted shares to the Trust Account and (ii) carry out the necessary or convenient acts or steps so that Indeval registers the transfer of ownership of the trusted shares to the Trust Broker Dealer (acting for and in benefit of the Trust), 2) that the Fiduciary receives the Initial Contribution in cash and eventually the property and ownership of the trusted shares; 3) that the Fiduciary hires a firm of auditors; 4) in the event that a Claim is presented which is related to updating a Contingency, as established in the Trust and once the procedure referred to in Clause 7 is completed and it results in a reasonable compensation for damages, then the Fiduciary will apply any liquid amount that is in the patrimony of the Trust, including those received as dividends or other distributions from the trusted shares, and if such amounts are not

enough, it will be necessary to transfer ownership of the number of trusted shares whose value corresponds to the compensation amount, according to the stipulations in Clause 7 of the Trust; 5) subject to the stipulations in the Trust, the fiduciary exercises the right to vote and other rights that correspond to the trusted shares in the same way that the majority of GF Banorte's Controlling Shareholders would vote, according with the procedure established in the Trust; 6) that the fiduciary can exercise all property rights that correspond to the trusted shares, in accordance with the stipulations of the Trust, in the understanding that any economic benefit either in cash or in kind, derived from the shares held in Trust, will belong to and be considered part of the Trust and destined according to the means established here; 7) that the fiduciary maintains and defends the patrimony of the Trust, under the terms of the Trust and in accordance with the applicable legislation; 8) that the fiduciary presents monthly account statements that show the state of the patrimonial situation, net income, investment portfolio, report of maturities and items that affect the Trust, in accordance with the stipulations of the Trust and provide the Trustor with access to all documentation and information related to the Trust, as requested by the Trustor; 9) that the fiduciary invests the liquid resources constituting the Trust in authorized investments in accordance with the regulations of the Trust; 10) that the fiduciary timely and diligently fulfills each and every one of the obligations determined in the Trust; 11) in case that it is necessary to have other payments charged to the patrimony of the Trust, as established in the Trust the Fiduciary will apply any liquid amount that is in the patrimony of the Trust with prior written notice given to the Trustor and the Trust's technical committee, including those received as dividends or other distributions from the trusted shares and if such amounts are not enough, it will proceed to sell the number of trusted shares necessary to cover this obligation through the BMV at the prevalent market price on that date and apply the revenues from the sale to pay the corresponding obligation, with the understanding that the Trustor or the Technical Committee may instruct the Fiduciary not to carry out the sale, for which it shall deliver to the Fiduciary the sufficient liquid amounts to meet the respective obligations; 12) that the Fiduciary, acting under the instructions of the Technical Committee, gives written instructions to each of the Ixe Shareholders' Broker Dealers identified in Annex "C" of the the Trust, about the establishment of the Trust so that these brokerages inform their customers about the need to maintain their accounts opened in Ixe Shareholders' broker dealers, so that the Fiduciary is in a position to transmit into those accounts the trusted shares that would correspond to each of Ixe GF's Shareholders at the end of the term of the Trust, subject to the terms and conditions established; in such notifications the Fiduciary will request Ixe's Shareholders' broker dealers to report if any of Ixe's shareholders has changed brokerage houses during the term of the Trust and that the Fiduciary takes record of such changes; 13) that once the Trust expires, considering there is no Claim pending to be resolved, the Fiduciary will transfer ownership of the trusted shares and any cash that exists in the Trust (excluding any amounts charged to the Trust that are pending to be paid, if the case), to each of the Secondary Trustees in the proportion that corresponds to each, in accordance with Annex "C" of

the Trust in consistence with the Trust's stipulations. In the event that after applying the exchange ratio to any of Ixe GF's shareholders a fraction of the trusted shares is owed to them, the Trustor will provide the Trust with the cash amounts necessary so that the Fiduciary can pay the corresponding Ixe Shareholder the value of the fraction of the trusted shares that he is entitled to. The Fiduciary will proceed to pay the corresponding amount according to the instructions to that effect received by the Trustor. For this calculation, the Trustor will consider as a basis the price of the trusted shares prevailing in the market the day the corresponding payment is made, and 14) once the distribution referenced in the previous paragraph is made, the Fiduciary will proceed to extinguish the Trust.

D. Duration of the Trust. The Trust will remain in effect for a term of 12 (twelve) months as of the date in which the merger takes effect, with the understanding that if at the time that the Trust expires, a pending unresolved Claim exists, the term of the Trust will be extended for the entire time that the Claim lasts and until the procedure has been entirely completed and resolved.

E. Claims and reversal procedure for trusted shares. In the event that during the life of the Trust, a Contingency is updated, the Trustor will submit to the fiduciary, with a copy to the technical committee of the Trust, a claim with a detailed description of each one of the facts related to the updated Contingency, as well as the estimate of the damages incurred (hereinafter referred to as "Damages") to GF Banorte, the calculations used to determine the amount of the Damages and the available evidence (hereinafter referred to as a "Claim").

A Claim may only be presented in cases where the amount of the respective Damages exceed Ps 10,000,000.00 (Ten Million Pesos 00/100) jointly or individually.

The Technical Committee of the Trust will have a term of 30 (thirty) working days from the date of receipt of the Claim, to review it. Within this term the committee will be able to request explanations and additional information that it considers pertinent from GF Banorte in writing. GF Banorte will provide the required explanations and information within a period of 15 (fifteen) working days from the date that the Technical Committee of the Trust presents the request. In turn, the Technical Committee of the Trust will have a term of 10 (ten) additional working days from the date that the explanations and information is received, to review the additional information presented by GF Banorte and to formulate a response to the Claim, which can be (i) to object the calculation of Damages, or (ii) to accept the Claim as presented. In the event that the Technical Committee does not respond within the aforementioned term, it will be understood that the Technical Committee has accepted the Claim as presented.

In the event that the Technical Committee decides to object the Claim, two authorized directors of GF Banorte and two members of the Technical Committee will meet to review and negotiate the Claim in good faith, as well as the objection, during a period of 20 (twenty)

working days from the date that the Technical Committee issues its objection to the Claim.

If that period of time lapses before the disagreement has been resolved, GF Banorte and the Technical Committee will submit such disagreement for a final and indisputable decision by the Auditing firm hired by the fiduciary for this purpose. The review by the Audit firm will only focus on the reasonability of the calculations done to determine the amount of the respective Damages.

Any Claim presented by GF Banorte that corresponds to a JPM Payment, cannot be objected to or rejected by the Technical Committee under any circumstances.

In the event that (i) the Technical Committee did not object to the Claim within the stipulated term, (ii) GF Banorte and the Technical Committee reached an agreement regarding the Claim, (iii) the Claim is derived from a JPM Payment, or (iv) the Audit firm decides that the final amount of Damages corresponding to the respective Claim (hereinafter the suppositions previously indicated will be referred to jointly as a "Reasonable Claim"), then the Fiduciary, acting on instructions from the Trustor, will apply any liquid amount that is in the patrimony of the Trust, including those received as dividends or other distributions from the trusted shares, and if such amounts are insufficient, it will sell the ownership of the number of trusted shares necessary to pay the corresponding Damages in the market through the BMV, in accordance with the written instructions received from the Trustor. Calculation of the number of trusted shares necessary to transfer, will be made based on the quoted price of the BMV's trusted shares on the date that the transfer is carried out.

F. Rights Derived from the Trusted shares. The Fiduciary must exercise the voting rights corresponding to the trusted shares, in any of GF Banorte's Shareholders' Meeting, in the same way that the majority of GF Banorte's Controlling shareholders vote, through an authorized fiduciary delegate, to whom sufficient power of attorney is granted under the terms of the corporate bylaws of GF Banorte and the applicable legislation. For such events, the procedure as established in the Trust must be followed.

G. Authorized Investments. The Fiduciary will invest the amount of money that it might receive regarding the trust's patrimony, in Permitted Investments in accordance with the Trust stipulations.

H. Technical Committee. As of the date of signing the Trust, a technical committee will begin operating.

The Technical Committee will consist of 3 (three) Proprietary Members and their respective Alternates, who will be appointed by Ixe GF according to the resolutions of the Extraordinary General Shareholders' Meeting held to approve the merger. The Proprietary Members of the Technical Committee and their Alternates will have the same authority. The President of the Technical Committee will be appointed by a majority of the members from such Committee and will not have a quality vote. The Technical Committee members'

responsibilities are of an honorary nature and therefore they will not receive remuneration.

Any change in the members of the Technical Committee (Proprietary and Alternates), can only be made as a result of death or impairment of the current member, by an appointment of the majority of Ixe's Controlling Shareholders or by the remaining members of the Technical Committee, through a written notice submitted to the Fiduciary (accompanied by a photocopy of the Voter's Card or Passport of each appointed Proprietary Members and Alternates). Every alternate will replace its respective proprietary in the case of absence or in the case of death or impairment. The notice of change of any member of the Technical Committee must also contain the name and signature of the candidate and the address at which the notice of any session of this committee will be sent. The Fiduciary will keep record of the members of the Technical Committee.

According to the Trust's stipulations, the Technical Committee has the faculty to (i) review Claims that are presented by the Primary Trustee, request explanations and information that they consider to be pertinent and to issue, if the case, the corresponding response within the terms and according to the procedures established in Clause 7 in the Trust. The Technical Committee has no authority to oppose or instruct the Fiduciary from carrying out the transfer of trusted shares in accordance with the Trust's stipulations of Clause 7 (ii) give instructions or necessary information so that the Fiduciary gives a written notification to each of the Ixe Shareholders' Broker Dealers identified in Annex "C" of the Trust, about the creation of the Trust, to the effect that these brokerage houses inform their customers about the need to maintain their accounts opened in the Ixe Shareholders' broker dealers, so that the Fiduciary is in a position to deliver into those accounts the trusted shares, that if the case, correspond to each of Ixe GF's Shareholders at the end of the term of the Trust, subject to the terms and conditions established in the Trust. In such notifications the Fiduciary will request Ixe's Shareholders' broker dealers identified in Annex "C" of the Trust to report any changes among brokerage houses that any of Ixe's shareholders may incur during the term of the Trust (iii) in the event that any of Ixe's Shareholders has changed its broker dealer established in Annex "C" of the Trust, it will determine and instruct the Fiduciary of the broker dealer (or, if the case, the financial institution that provides direct or indirect custody services) to which the Fiduciary shall transfer the trusted shares that correspond to any of Ixe's Shareholders at the time the Trust expires.

The Technical Committee will work in accordance with the stipulations established in the Trust.

3.1.3.2. Agreements to restrict the transfer of shares.

As previously mentioned, it has been considered that the shareholders of Ixe GF who represent approximately 96% of the company's capital stock sign lock up agreements which obligate them to retain 70% of the GF Banorte shares that they receive as a result of the merger for a period of 9 months from the date that the merger

takes effect. The following is a summary of the more relevant regulations contained in these agreements:

A. Objective. The shareholders who sign these agreements will be under obligation and cannot sell, give, transfer or grant under any circumstance, 70% of the GF Banorte shares that they receive as a result of the merger for a period 9 (nine) months from the date in which the merger takes effect.

Shareholders will be able to give the shares in guarantee subject to restrictions in order to guarantee individual obligations of transactions done under good faith, provided that prior to the creation of the guarantee, the shareholder in question obtains from the corresponding creditor a document in which the creditor (i) expressly recognizes the existence of the restriction agreement; (ii) concurs that the shares subject to restriction remain subject to the limitations established in the contract even after they are transferred as a result of the execution of the mentioned guarantee, and (iii) is obligated to obtain from any third party interested in acquiring the shares that are subject to restriction, a written commitment through which the buyer assumes the obligations established in the contract of the shareholder.

B. Condition. The obligation of the signing shareholders of not transferring their shares in accordance with the contract is subject to the condition that the merger takes effect.

C. Acceptance of the Binding Agreement and Trust. Through a contract, the signing shareholders will accept and ratify the Binding Agreement under its terms, and accept the Trust under its terms and conditions.

3.1.3.3. *Merger Agreement.*

In accordance with the resolutions approved by the Extraordinary General Shareholders' Meetings of GF Banorte and Ixe GF, both companies will celebrate a merger agreement. The following is a summary of the most relevant items contained in this agreement:

A. Merger. GF Banorte, as the merging entity, and Ixe GF, as the merged entity, agree to merge according to the terms and under the conditions established in the Merger Agreement, with the understanding that GF Banorte will be the society that subsists and Ixe GF will be the society that is absorbed.

B. Bases of the merger. The merger will be effective based on the balances to December 31st, 2010 of GF Banorte and Ixe GF which are presented to the respective Extraordinary Shareholders' Meetings. As a result of the merger, the variable portion of GF Banorte's capital stock will be increased by Ps 1,078,035,819.00 (one billion seventy-eight million thirty-five thousand eight hundred nineteen 00/100), through the issuance of 308,010,234 (three hundred eight million ten thousand two hundred thirty-four) registered Series "O" Common shares, with a face value of Ps 3.50 each (three pesos 50/100) at an

exchange ratio of 0.3889943074 as agreed in the Binding Agreement of November 16th, 2010.

As a result of the merger process, Ixe's shareholders will receive 300,420,101 (three hundred million four hundred and twenty thousand one hundred one) shares through Indeval, proportional to the stock participation of each Ixe shareholder and GF Banorte will deposit 7,590,133 (seven million five hundred ninety thousand one hundred thirty three) of the remaining shares to an irrevocable Trust to be held between GF Banorte, acting as a trustor and as primary trustee and the institution that GF Banorte designates as fiduciary as established in the Trust. After the Merger takes effect, all of Ixe GF's shareholders will be appointed as secondary trustees as established in the Trust.

The fiduciary of the trust will keep the shares contributed by GF Banorte for a period of 12 (twelve) months from the date the merger takes effect and, during this term or once it is extinguished, it will transfer the trusted shares to the corresponding individuals in accordance with the terms of the Trust.

C. Transfer of Ixe GF Patrimony. GF Banorte as the merging entity, will acquire the entire patrimony of Ixe GF, as the merged entity, without reserve or limitations and GF Banorte will assume all rights and actions corresponding to Ixe GF, and will replace Ixe in all contractual obligations and guarantees issued, resulting from any type of contract, agreement, license, permission, concession and in general, acts or operations carried out by Ixe GF or those in which Ixe GF has intervened.

D. Publication of merger agreements. In fulfillment of the stipulations in Article 10 of the Law to Regulate Financial Groups, GF Banorte and Ixe GF will register the merger agreements approved by the Extraordinary General Shareholders' Meetings and the authorization of the Mexican Ministry of Finance and Public Credit to carry out the merger, in the Public Registry of Commerce corresponding to their respective addresses, and publish such agreements in the Diario Oficial de la Federación (Mexican Official Gazette of the Federation) as well as in two newspapers with wide circulation in the domicile of both groups.

E. Effects of the Merger. The merger between both institutions will take effect on the date in which the authorization from the Ministry of Finance and Public Credit for the merger and the merger agreements approved by the Shareholders' Assembly are registered in the Public Registry of Commerce in Monterrey, Nuevo León.

3.2. Objective of the transaction.

The objective of Ixe GF merging into GF Banorte is to consolidate Grupo Financiero Banorte as a leading financial institution in Mexico. The individual strengths of Grupo Financiero Banorte and Ixe Grupo Financiero in their respective markets, as well as the complementarities of each other's strengths, generate an opportunity to create value.

GF Banorte estimates that the merger will allow it to combine the benefits of its scale with the specialized business model of Ixe GF. GF Banorte believes that the operations of both companies complement each other, and that the merger will increase the potential to create value in the different business lines, client bases, geographical coverage and brands of both companies.

In this regard, GF Banorte estimates that as a result of the merger:

- a) GF Banorte will take advantage of Ixe GF's business model and will be able to offer its products and services to a more diverse client base than its current one, including in the A/B segments.
- b) GF Banorte will have access to a more specialized client base than its current one. For example, in the SME, broker dealer and mutual funds.
- c) Ixe GF's presence in certain metropolitan areas, such as Mexico City, combined with GF Banorte's presence in certain regions of the country will allow GF Banorte to offer clients service with greater coverage.
- d) GF Banorte will be able to reduce operational costs.

Given the importance of properly segmenting the market within the retail bank, the immediate first stage seeks to maintain both brands "Banorte" and "Ixe" and both business models separately.

At a later stage, the merger of the different subsidiaries will be pursued in order to maximize synergies in areas of support (including systems, operations, human resources and finance) and business areas. For this purpose, the necessary approvals will be required from internal corporate bodies and regulatory agencies.

3.3. Date of Shareholders' Meeting to approve the merger

In the session of GF Banorte's Board of Directors held on January 25th, 2011, it was approved to call an Extraordinary General Shareholders' meeting to be held on March 30th, 2011, in which the merger described in this brochure, among other items on the Agenda, will be submitted to the consideration of the shareholders.

Ixe GF's Board of Directors approved to call an Extraordinary General Shareholders' meeting, to be held on March 30th, 2011, in which the merger described in this brochure, among other items on the Agenda, will be submitted to the consideration of the shareholders.

This merger will be effective once the requirements stipulated in Article 10 of the Law to Regulate Financial Groups and any additional conditions approved by both Extraordinary General Shareholders' meetings have been met.

3.4. Date for the exchange of Ixe GF's shares for GF Banorte's shares.

It has been proposed that the exchange of Ixe GF's shares for GF Banorte's shares as a result of the merger, will be made immediately through Indeval as of the date in which the merger takes effect.

3.5. Accounting criteria for the transaction.

The transaction will be registered based on Financial Information Regulation B-7 ("NIF B-7") "Business Acquisitions", stipulating that the acquisition of a business is the transaction through which an entity acquires, directly or indirectly, the net assets of one or several businesses and in this way obtains control. It includes all mergers between independent entities and is equally applicable to acquisitions that are purchased through the issuance of securities.

The merger of Grupo Financiero Banorte and IXE Grupo Financiero is considered to be an acquisition covered by the NIF B-7, taking into consideration that before the merger these companies were controlled by separate entities.

The registration of the accounting for this transaction will be carried out by applying the Purchase Method established in the same NIF B-7, which requires:

- a) Determination that a business is being acquired; meaning that if the acquired business, besides owning properties, has activities coordinated by an administration that when applied to these properties generates a product or service.
- b) Identification of the buyer: In all business acquisitions the buyer, the one that obtains control over the acquired business, must be identified. On occasions it might be unclear at first who the buyer is; usually the entity that pays the cash disbursement, incurs in liabilities or issues stock, which is the case of Grupo Financiero Banorte.
- c) Setting the date of acquisition. The date of acquisition or purchase is the date on which control of the acquired business is transferred to the purchasing entity without restrictions, except for those established to protect shareholders or other owners of the acquired business.
- d) Making the initial recognition, appraising identifiable assets and assumed liabilities of the acquired business, as well as any uncontrolled participation. Intangible assets and the goodwill should be included.
- e) Valuation of the compensation: The value of the compensation paid to the previous owners of the acquired business is the sum of the transferred net assets, assumed liabilities and stock issued by the buyer to the seller for the acquisition, all of which are valued at a reasonable price.

- f) Recognizing an acquired goodwill, or uncommonly, a purchase made at a bargain price, in the terms established by the aforementioned NIF. Goodwill must be recognized by the economic entity when the sum of the compensation paid for the acquisition and the uncontrolled participation, both valued at a reasonable value, is greater than the value of the net assets of the acquired business valued in accordance to that established by the NIF B-7.

Accounts that will be affected by registering the operation are:

- a) The goodwill account, for the recognition of the excess of compensation paid over the reasonable value of the net assets acquired.
- b) The share capital account, for the stock issued as compensation to pay for the transaction.
- c) The account of premiums in the sale of securities, for the issuance of stock as compensation to pay for the transaction.
- d) If the case, asset accounts for the assets identified in the application of the purchase method.
- e) If the case, liability accounts for the liabilities assumed in the application of the purchase method.

3.6. Fiscal consequences of the transaction.

There are no tax implications since Grupo Financiero Banorte will give advance notice of the merger to the SAT (Tax Administration Service) and submit the financial statements and informative reports of IXE Grupo Financiero according to Article 14-B of the Federal Tax Code.

4. INFORMATION REGARDING EACH OF THE PARTIES INVOLVED IN THE TRANSACTION

4.1. Information regarding GF Banorte.

4.1.1. Name of the issuer.

Grupo Financiero Banorte, S.A.B. de C.V.

4.1.2. Description of the Business.

GF Banorte is a financial service holding company authorized to act as a controlling corporation in accordance with regulations established in the Law to Regulate Financial Groups. The main activity of GF Banorte is to acquire and manage shares representing capital of financial entities and companies that provide

complementary or auxiliary services to each other, and other types of companies as determined by the SHCP.

Grupo Financiero Banorte is comprised of the following corporations:

Banco Mercantil del Norte, S.A., *Institución de Banca Múltiple*, Grupo Financiero Banorte; Casa de Bolsa Banorte, S.A. de C.V., Grupo Financiero Banorte; Arrendadora y Factor Banorte, S.A. de C.V. Sociedad Financiera de Objeto Múltiple, Entidad Regulada (SOFOME, Grupo Financiero Banorte (Leasing & Factoring); Almacenadora Banorte, S.A. de C.V., Organización Auxiliar Del Crédito, Grupo Financiero Banorte (Warehouse); Pensiones Banorte Generali, S.A. de C.V., Grupo Financiero Banorte (Annuities); Seguros Banorte Generali, S.A. de C.V., Grupo Financiero Banorte (Insurance).

GF Banorte, through its subsidiaries, participates in diverse businesses in the following sectors:

a) The Banking Sector that provides universal banking services in Mexico and in the state of Texas, USA through INB. In the banking sector GF Banorte seeks to offer universal banking products and services through the following:

- Consumer Banking: specializes in individuals and small businesses, providing non specialized products and bank services through its distribution network. Among the main products and services offered are: checking and deposit accounts; credit cards; mortgages, car, payroll and individual loans.
- Corporate Banking: this sector specializes in loan products for small and medium-sized companies (SMEs). The main products of this sector are loans and credit lines, cash management services, fiduciary services and payroll payment services. Equally, it provides comprehensive financial solutions to corporate clients (Mexican and large foreign multi-national companies) through several specialized types of financing.
- Government Banking: in this sector, GF Banorte provides services to federal, municipal and state governments in Mexico and other entities such as social security institutions, etc. Products and services offered include checking accounts, loans, cash management services, payroll payment services and insurance products, among others.
- Asset Recovery: is responsible for the management, collection and recovery of loans originated by Banorte that are delinquent. This sector also carries out the management and collection of loan and real estate portfolios acquired through public and private auctions.

b) Long Term Savings sector, manages the Afores, insurance and annuities.

- c) Other Finance Companies are those that provide leasing, factoring and warehouse services.
- d) The Brokerage sector provides comprehensive brokerage financial services and products.

For more information on GF Banorte's businesses, see Section 2 of GF Banorte's Annual Report available online at: www.banorte.com and www.bmv.com.mx.

4.1.3. Description of the issuer's evolution

4.1.3.1 Historical Evolution of GF Banorte.

GF Banorte, commonly known as "Banorte", was incorporated indefinitely on July 21st, 1992 in Mexico, Distrito Federal. The headquarters are located at: Ave. Revolucion 3000, Col. Primavera C. P. 64830 Monterrey, N.L., Mexico; Telephone: (0181) 8319-6500 and in Mexico City at: Ave. Prolongacion Reforma 1230, Col. Cruz Manca Santa Fe, Delegacion Cuajimalpa C. P. 05300, Mexico, D.F.; Telephone: (0155) 1103-4000.

GF Banorte's origins date back to the founding of Banco Mercantil de Monterrey in 1899 and Banco Regional del Norte in 1947, both with headquarters in Monterrey, Nuevo Leon, Mexico. These banks merged in January 1986 under the name of Banco Mercantil del Norte, Sociedad Nacional de Crédito.

In May 1987 the bank initiated the private placement of its certificates of patrimonial participation, which was the beginning of its privatization and also of its expansion, starting with leasing services in 1990 and adding factoring and warehouse services in 1991.

In 1993, former Afin Casa de Bolsa was integrated, currently Casa de Bolsa Banorte, and thus Grupo Financiero Banorte was formed. In 1997 Grupo Financiero Banorte acquired Bancen and Banpais, achieving its objective of becoming an institution with nationwide coverage. Also, all the necessary corporate actions were completed to successfully carry out the merger of Banpais with Banorte, and the latter subsists as of March 1st, 2000.

On September 30th, 1997, GF Banorte signed a joint-investment contract with Assicurazioni Generali S.P.A., through which the Italian institution acquired 49% of Afore Banorte, Seguros Banorte and Pensiones Banorte, thus formally integrating the Long Term Savings Banking Division.

Subsequently, GF Banorte acquired Bancrecer and on January 8th, 2002 became responsible for its management. SHCP authorized the merger with Bancrecer as the merged entity and Banorte as the merging entity, and the name was changed to "Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte". On August 28th, 2006 Bancen merged with Banorte through agreements

approved by their respective Extraordinary General Shareholders' Meetings held on the 16th and 17th of August 2006, ending with the bank's last phase of integration, and as of that date, Bancen was extinguished. On November 16th, 2006 GF Banorte acquired 70% of the shares of INB Financial Corp, which in turn holds 100% of Inter National Bank's shares, with headquarters in McAllen, Texas, USA. On January 18th, 2007, the purchase of 100% of Uniteller, a New Jersey based company dedicated to sending remittances was concluded and in December 100% of Motran Services, Inc., a Los Angeles based company dedicated to sending remittances was also acquired. On March 30th, 2007, Afianzadora Banorte was separated from the Financial Group and as of January 31st, 2008 the Leasing and Factoring companies were merged. On April 1st, 2009 the remaining 30% of INB Financial Corp's shares were purchased.

On August 31st, 2009 the final merger agreement of Pronegocio with Banorte was signed. Pronegocio began operations as a subsidiary of GF Banorte in February 2005 with the objective of attending the sector of the population with limited or no access to bank services.

On November 12th, 2009 the International Finance Corporation (IFC) invested \$150 million US dollars in Banorte, which represented 4.48% of Banorte's equity.

4.1.3.2 Material events of 2010 and 2011.

The Ministry of Finance and Public Credit approves the Merger of Grupo Financiero Banorte and Ixe Grupo Financiero

Last March 8th, as a follow up to the material event published last November 17, 2010 indicating that GF Banorte and Ixe GF had reached a binding agreement to merge the two financial groups, and that the agreement was subject to the corporate approvals and also of relevant authorities, GF Banorte informed that through the communiqué UBVA / 012 / 2011, the Ministry of Finance and Public Credit ("SHCP") authorized the merger of Grupo Financiero Banorte as the merging or subsisting entity, and IXE Grupo Financiero as the merged or absorbed entity, in accordance to Article 10 of the Law to Regulate Financial Groups and with prior positive opinion from the National Banking and Securities Commission (CNBV) and Bank of Mexico (Banxico). The merger is subject to the terms and conditions of the proposals presented to SHCP with respect to the Assemblies and merger agreement. As part of this authorization, SHCP informed that the merger will be effective when its approval and the merger agreements that will be approved by the corresponding Shareholders' Assemblies, are registered in the respective Public Registry of Commerce. In this respect, GF Banorte and Ixe GF continue with the process to seek approval by their respective Shareholders' Assemblies, which have been called for March 30th, 2011.

Changes in the Board of Directors

In the Ordinary General Shareholders' meeting held on February 18th, 2011, Don Guillermo Ortiz Martinez was appointed as Chairman and Related Proprietary Member of the Board of Directors, and Don

Roberto Gonzalez Barrera was appointed as Chairman Emeritus of the Board of Directors, in the understanding that his functions as Chairman Emeritus are subject to the approval by the Mexican Ministry of Finance and Public Credit to modify the Corporate By-Laws, in order to define the scope of his responsibilities. The changes were approved with 86% of the votes of the shares represented at the Assembly (89% of the Group's equity).

Payment of a cash dividend

GF Banorte's General Ordinary Shareholders' Meeting held on February 18, 2011 decreed the payment of a cash dividend of Ps 0.17 pesos per share which was paid on February 28, 2011 and corresponds to the second of three payments, the remaining payment of Ps. 0.18 per share is subject to Shareholders' Assembly's approval, to be paid during the following month of May.

Grupo Financiero Banorte, S.A.B de C.V. announces the underwriters' decision to exercise the over-allotment option fully.

Last February 14, 2011 GF Banorte announced that in connection with its secondary offering, the Mexican and the International underwriters informed of their decision to exercise the over-allotment option fully on February 11, 2011. As a result, all of the shares included in the Global Offering were settled on February 15, 2011, and Casa de Bolsa BBVA Bancomer, S.A. de C.V., Grupo Financiero BBVA Bancomer and UBS Casa de Bolsa, S.A. de C.V., UBS Grupo Financiero, will not carry out the stabilization operations which are referred in the prospectus and the purchase agreement. Consequently, the total proceeds from the Offering of 177'546,496 shares were delivered to the selling shareholder GRUMA on February 15, the closing date of the transaction. Following the offering and the exercise of the over-allotment option by the initial purchasers and the Mexican underwriters, Gruma no longer owned any of our share capital. The Offering in Mexico was carried out through the Mexican Stock Exchange (BMV). The international offering was carried out in the United States under Rule 144A of the U.S. Securities Act of 1933 (the "Securities Act") and outside the United States under Regulation S of the Securities Act. The common shares being offered in the secondary offering were not registered under the Securities Act, and could not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The common shares were offered only to qualified institutional buyers under Rule 144A and outside the United States in compliance with Regulation S under the Securities Act.

Grupo Financiero Banorte, S.A.B. de C.V. Announces pricing of common shares in secondary offering.

Last February 10, 2011 GF Banorte announced that on February 9th 2011, the pricing of its common shares was determined, in connection with the secondary offering by a selling shareholder, Gruma, S.A.B. de C.V. ("GRUMA") (BMV: GRUMAB; NYSE:GMK). Gruma sold 161,405,905 GF Banorte common shares in an international offering and a public offering in Mexico at a price of Ps.52.00 per common share, constituting an offer size of Ps.8,393,107,060.00 equivalent to

approximately US\$696,916,688 excluding the over-allotment option. The offering also included an over-allotment option exercisable for 30 days from the pricing date which, if exercised by the Mexican underwriters and the international initial purchasers, would result in the sale of 16,140,591 additional common shares by Gruma. The Offering in Mexico was carried out through the Mexican Stock Exchange (BMV). The international offering was carried out in the United States under Rule 144A of the U.S. Securities Act of 1933 (the "Securities Act") and outside the United States under Regulation S of the Securities Act. The common shares offered in the secondary offering were not registered under the Securities Act, and could not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The common shares were being offered only to qualified institutional buyers under Rule 144A and outside the United States in compliance with Regulation S under the Securities Act.

Antitrust Commission (Comisión Federal de Competencia) approves the merger of Grupo Financiero Banorte and Ixe Financial Group

On February 8th 2011, GF Banorte informed that the Antitrust Commission (Comisión Federal de Competencia) approved on February 3rd the concentration through a merger of the two financial groups. The main reason behind the approval was that the concentration indices resulting from the transaction between GFNORTE and IXE in the markets where they have joint operations (banking and credit services, broker-dealer, investment and leasing companies) are within the thresholds established by the Commission to be considered with low risks of antitrust practices and, therefore, it is not anticipated that the transaction may have adverse effects on free competition. GF Banorte informed that it continues the process for the approval by the Ministry of Finance (SHCP), with the opinion of Bank of Mexico and the National Banking and Securities Commission (CNBV), as well as the approval by its Shareholders' Assembly.

Gruma announced its intention to sell part or all of its stake in Grupo Financiero Banorte

On January 21, Gruma made public its intention to sell part or all of its common shares in GF Banorte through a global offering, which represented 8.8% of GF Banorte's share capital.

Mexicana de Aviación Exposure

Following the material event published on August 4th, 2010 to inform the investment community of Banorte's exposure to Mexicana de Aviación's holding company, GF Banorte informed that as of December 31st, 2010 the loan's outstanding balance of Ps 1.25 billion had been 100% reserved.

Banorte Movil the Bank in your Mobile phone demonstrates leadership

"Banorte Mobile" received the "Best Solution in the Mobile category" award granted by the Mexican Internet Association and the Latin

American Institute of Electronic Commerce, as well as the "E-Commerce Award Mexico 2010". These recognitions demonstrate Banorte's leadership in technology and innovation in mobile banking.

Duff & Phelps issues a fairness opinion on the merger between Grupo Financiero Banorte and Ixe Grupo Financiero

Following the merger agreement between GF Banorte and Ixe, on December 17th, Duff & Phelps, an international financial advisory and investment banking services firm, issued an opinion stating that as of the date of the binding agreement, the merger consideration was fair to GF Banorte's shareholders. This fairness opinion was issued after a comprehensive analysis of the share exchange ratio between the two financial groups.

Nacional Financiera (Nafin) recognizes Banorte as Leader in the SME sector

For the second consecutive year, on December 12th Banorte was recognized as the institution receiving the highest number of awards from Nacional Financiera (Nafin) for the support offered to small and medium sized Mexican companies (SMEs) during 2010. Banorte received awards from Nafin for: "Financing to the SME Sector" and "Leadership in the Productive Chain Program to promote SME Growth".

Marcos Ramírez Miguel is named Chief Corporate Officer

On December 2010, Marcos Ramírez was named GF Banorte's Chief Corporate Officer. Mr. Ramírez has a successful professional trajectory of more than 27 years in the financial arena, and over the last three years served as President of the Mexican Stock Brokers' Association "Asociación Mexicana de Intermediarios Bursátiles".

Grupo Financiero Banorte and Ixe Grupo Financiero reach a merger agreement

On November 16th, 2010, following the material event published on October 19th stating that Grupo Financiero Banorte S.A.B de C.V. ("GF Banorte") (BMV: GFNORTEO) and IXE Grupo Financiero S.A.B. de C.V. ("IXE") (BMV: IXEGFO) had reached a binding agreement to pursue an integration mechanism, GF Banorte informed that after having carried out the corresponding audits, both institutions had reached a binding merger agreement, subject to corporate approvals and by the corresponding authorities. It is estimated that the merger will be completed by the end of 1Q11.

Banorte and 7-Eleven Mexico initiate third party correspondent operations

On November 9th, 2010, Banorte and 7-Eleven formally began to offer financial services in seven states, enabling Banorte's clients and account holders to make deposits to their accounts, pay various

services and their Banorte credit cards at more than 1,170 7-Eleven stores.

Banorte builds a modern Call Center in Monterrey with an investment of Ps 616 million

On November 4th, 2010, the Governor of Nuevo Leon, Rodrigo Medina de la Cruz and Don Roberto Gonzalez Barrera, President of the GF Banorte's Board of Directors, accompanied by CEO Alejandro Valenzuela, set the first stone of what will be the "Banorte Call Center", an environmentally friendly, modern building through which the institution will generate approximately 2,000 jobs, primarily for Nuevo Leon students, with an investment of Ps 616 million.

Designation of Guillermo Ortiz Martínez as a Board Member

The Board of Directors meeting held on October 26, 2010, designated Guillermo Ortiz Martínez, former Governor of the Central Bank, as Board Member and Chairman of the Board as of March 2011. According to the current legal framework and GF Banorte's bylaws, in order for these changes to become effective, they required the approval of the General Shareholders Assembly.

Mexicana de Aviacion Exposure

The Mexican airline Compañía Mexicana de Aviación, S.A. de C.V. ("Mexicana") filed for bankruptcy and ceased operations in August 2010. Banorte's outstanding loan to Mexicana totaled Ps.1,576 million at the time of the bankruptcy filing. Since the loan was secured by the present and future collection rights from the sale of airline tickets with Mexican and U.S. credit cards, it has been partially amortized through the use of resources coming from some of these guarantees. The outstanding loan amount is currently Ps.1,377 million. As of September 30, 2010, Banorte had constituted a total of Ps.689 million in provisions to cover potential losses from this loan, which represents 50% of the total loan outstanding. Additional reserves were constituted during the fourth quarter of 2010 to cover at least 60% of the outstanding loan amount. Since the inception of the loan, the collection rights from the sale of tickets have been voluntarily and irrevocably transferred by Mexicana to the Administration and Payment Trust (the "Trust") managed by HSBC in Mexico, as well as to escrow accounts in banks in the U.S. Between August 3, 2010 and August 12, 2010, in the absence of any judicial or legal impediments to the contrary, Banorte withdrew Ps.182 million from the Trust. Since August 23, 2010, when judicial precautionary measures were issued, Banorte has not withdrawn any funds from the Trust or from the escrow accounts in the U.S. We are unable to predict the ultimate outcome of these bankruptcy proceedings or the ultimate losses that might result in respect of such loan.

Changes in the Board of Directors

During GF Banorte's General Ordinary Shareholders' Meeting held on October 4th, 2010, Roberto Gonzalez Moreno was appointed as the Alternate for Don Roberto Gonzalez Barrera. Bertha Gonzalez Moreno

was appointed as a Proprietary Board member and Don Juan Gonzalez Moreno as the Alternate member.

Payment of a cash dividend

GF Banorte's General Ordinary Shareholders' Meeting held on October 4th, 2010 decreed the payment of a cash dividend of Ps 0.17 pesos per share corresponding to the profits of 2009, which was paid on October 15th, 2010 and corresponds to the first of three payments to cover a total amount of Ps 0.52 pesos per share, that will be covered by two partial payments of Ps 0.17 pesos and Ps 0.18 pesos in February and May of 2011, respectively.

ADRs begin trading in the OTCQX International Premier platform

On July 15th, the American Depositary Receipts program (ADR's) Level 1 (ticker: GBOOY) was authorized to list and operate in OTCQX International Premier, the market's highest tier "Over the Counter" (OTC).

Banorte receives CNBV's authorization to operate through 7-Eleven

On July 15th, Banorte and 7-Eleven Mexico received the CNBV's authorization to operate under a third party correspondent agreement in order to provide financial services to more Mexicans in a network of over 1,150 7-Eleven stores throughout the country.

Senior Debt Issued in International Markets

On July 14th, Banco Mercantil del Norte, through its Gran Cayman branch, successfully concluded the issuance of Non-Guaranteed Senior Debt Notes in the international markets for a total amount of US 300 million dollars, for use in general corporate purposes.

Designation of New Members to GF Banorte's Board of Directors

Everardo Elizondo, former Deputy Governor of Banco de Mexico (Central Bank) and Patricia Armendariz, former Vice-president of the CNBV (National Banking and Securities Commission), were appointed as Independent Members of Grupo Financiero Banorte's Board of Directors during the Annual General Shareholders' Meeting held last April 23. Their talent, trajectory and reputation in the financial system are of the highest profile. With these appointments Banorte increases the number of Independent Members to 8, which is more than 50% of the total Board members. This places Banorte as one of the leading companies in adopting the best international practices regarding Corporate Governance.

CONDUSEF rates Banorte as the bank with the most transparent payroll account

The financial ombudsman, CONDUSEF, ranked Banorte as the bank with the most transparent payroll account, assigning the product with a grade of 10, the highest granted by that Commission. The bank stood

out for the transparency in contracts, internet sites, covers and account statements issued by the institution.

Ranks among the top ten companies in "A Great Place to Work" survey

In its debut in the "Great Place to Work" ranking, Banorte was considered amongst the top ten companies to work that employ 5,000 or more people. As part of the certification process, the "Great Place to Work Institute" in Mexico conducted a survey among the employees of the 400 participating companies, as well as an analysis of human resources' practices.

Recognized as "Best Financial Group in Mexico 2010" by World Finance

In April, Grupo Financiero Banorte was awarded "Best Financial Group in Mexico 2010" by "World Finance" magazine for a second consecutive occasion. This recognition is granted to leading companies in the financial sector. The main selection criteria was: excellence in client service, value added and transparency to investors, innovation and flexibility, ability to remain ahead of the competition, evidence of greater market penetration, market transformations, leadership and geographical scope.

Moody's modifies the rating of the Tier 1 subordinated debt issued during 2006 in the international financial markets

Moody's informed during the month of February of its decision to reduce in two notches, from Baa2 to Ba1, the rating of the bank's subordinated debt issued in the international markets in 2006 which are eligible as Tier 1 capital. The downgrade is a result of changes in Moody's methodology for rating hybrid instruments and subordinated debt which was published in November 2009. The rating agency also mentioned that the outlook for these instruments is stable and that other bank ratings were not affected by the change in methodology.

GF Banorte's Shareholders approve the payment of a cash dividend

Grupo Financiero Banorte informed that the Extraordinary Shareholders' Meeting held in February approved the payment of a cash dividend of Ps 0.17 per share in circulation. Additionally, the Annual General Shareholders' Assembly which was held in April authorized an additional payment of Ps 0.17 per share to be disbursed in May. These two payments correspond to the second and third payments in order to cover the amount of Ps 0.52 pesos per share, equivalent to the total cash dividend decreed by the Board of Directors in October 2009.

4.1.4. Equity structure.

To the date of this brochure, the subscribed and paid share capital amounted to Ps 7,064'216,418.00, represented by 252'157,233 Series "O" Class I common shares, and 1,766'190,315 Series "O" Class II common shares, all with a face value of Ps 3.50.

The following table describes GF Banorte's share capital before and after the merger:

	Number of Current Shares	Number of shares to be issued as a result of the merger	Number of shares after the merger	Current subscribed and paid share capital	Subscribed and paid share capital after merger
Share Capital					
Fixed	252,157,233		252,157,233	882,550,316	882,550,316
Variable	1,766,190,315	308,010,234	2,074,200,549	6,181,666,103	7,259,701,922
Total Capital Stock	2,018,347,548		2,326,357,782	7,064,216,418	8,142,252,238

4.1.5. Significant changes in the financial statements since the last annual report.

Management Analysis and Comments

In 2010 GF Banorte reported profits of Ps 6.705 billion, 15% more than in 2009. In this period, Banking Sector profits, excluding the Afore and considering 92.72% participation, totaled Ps 5.387 billion, 13% greater than in the previous year, contributing with 80% of the Group's profits. The Brokerage Sector reported Ps 403 million in profits, 98 % more than in 2009, Other Finance Companies obtained Ps 500 million, 18% more than in 2009 and the Long Term Savings Sector reported a profit of Ps 444 million, 17% more than in 2009.

Grupo Financiero Banorte

GF Banorte's Consolidated Income Statement

	2010	2009
NII before REPOMO	\$22,732	\$23,183
+ REPOMO-Margin	-	-
= NII before credit risks	22,732	23,183
- Preventive provisions for Loan Losses	6,889	8,286
- Loan Loss Sharing Provisions Fobaproa	-	-
= NII adjusted for credit risks	15,843	14,897
+ Non Interest Income (1)	11,114	9,177
= Total Income	26,957	24,074
- Non Interest Expense (2)	17,691	17,024
= Total Operating Income	9,266	7,050
- Non Operating Income, net	581	872
= Income before Taxes and Profit Sharing	9,847	7,922
- Income Tax and Profit Sharing (2)	2,735	2,581
- Tax on Assets	-	-
- Deferred Income Tax and Profit Sharing	70	(536)
= Net Income before subsidiaries	7,042	5,877
+ Subsidiaries' Net Income	320	313
= Net Income from continuous operations	7,362	6,190
+ Extraordinary items, net	-	-
- Minority interest	657	336

	2010	2009
= Total Net Income	\$6,705	\$5,854

Million Pesos

(1)As a result of the new accounting criteria effective as of April 2009, recoveries of previously written-off loans are registered as non interest income in "Other Revenues (Expenses) ".

(2)As a result of applying new accounting criteria in April 2009, employee profit sharing is registered as a non interest expense.

The following is a breakdown of the most important items of the Income Statement:

Net Interest Income

	2010	2009
Interest Income	\$40,861	\$44,873
Interest Expense	18,603	22,235
Loan Fees Charged	619	578
Loan Fees Paid	144	33
Net Interest Income	\$22,732	\$23,183
Average Productive Assets	\$545,229	\$537,603
% Net Interest Income (NIM) (1)	4.2%	4.3%

Million Pesos

(1)NIM (net interest margin) = net interest income / average productive assets of the period.

During 2010 Net Interest Income was Ps 22.732 billion, a (2%) YoY decline due to a (9%) reduction in interest revenues as a result of lower market interest rates, which was partially off-set by increased loan volumes and improved portfolio mix in the second half of 2010, as well as a (16%) decline in interest expense due to stable funding costs and 7% YoY increase in core deposits. The average annual NIM declined slightly from 4.3% in 2009 to 4.2% in 2010 affected by a (1.0) percentage point reduction in average market interest rates, as well as by a 1% increase in average productive assets.

Non Interest Income

	2010	2009
+ Fund transfers	\$239	\$248
+ Account Management Fees	945	946
+ Fiduciary	288	254
+ Revenues from Real Estate Portfolios	906	818
+ Electronic banking services	905	1,030
+ Credit Card Fees	2,601	2,310
+ Fees from IPAB (1)	0	1
+ Fees charged by Afore	1,269	1,070
+ Other Fees Charged (2)	2,081	1,613
Fees charged for Services	9,234	8,291
+ Fund Transfers	26	21
+ Other Fees Paid	1,522	1,317
+ Acquired Portfolio Expenses	-	-
Fees paid for Services	1,548	1,338
= Net Fees	7,686	6,953
+ Foreign Exchange	703	875
+ Trading	528	522

	2010	2009
+ Securities - Unrealized Gains	458	(153)
= Trading Revenues	1,689	1,244
Other operating revenues and expenses	1,739	980
= Non Interest Income	\$11,114	\$9,177

Million Pesos

(1) Includes fees received by the Recovery Bank and by the Bank.

(2) Includes fees from letters of credit, transactions with pension funds, warehouse services, financial advisory services and purchase/sale of securities by the Brokerage House, among others.

The following table identifies the sources of Non Interest Income:

	2010	2009
Services	\$6,780	\$6,134
Recovery	906	819
Trading	1,689	1,244
Other Operating Income (Expenses)	1,739	980
Non Interest Income	\$11,114	\$9,177

Million Pesos

Non Interest Income for 2010 totaled Ps 11.11 billion, a 21% YoY increase, driven by growth in all items:

•Service Fees: during 2010, service fees totaled Ps 6.78 billion, a YoY increase of 11% due to the favorable impact in volumes of a higher client base and the commercial network expansion program, as well as the positive performance of credit card fees resulting from i) greater volume in interchange fees, ii) higher revenues from campaigns to incentivize purchases with deferred fixed payments and iii) the growth in annual fees as a consequence of the 6% increase in the number of credit card holders. Service fees were also driven by increased Afore fees as a result of a 19% growth in AUMs, fiduciary due to greater volumes in business and wealth managed and various fees related to consumer insurance products, letters of credit, Telecomm-Telegrafos services and prepayments among others.

•Recoveries: Non Interest income from recoveries of previously written-off proprietary portfolios and the sale of foreclosed assets (whose revenues are classified as Other Operating Income and Expenses) and also real estate portfolios increased by 47% in 2010 due to higher recoveries of previously written-off loans, including the recovery of approximately Ps 629 million of the Comercial Mexicana loan, as well as a 12% increase in the returns of real estate investment projects in light of a more favorable economic environment and an increase in the invested amount to Ps 5.01 billion at closing of 2010 (+17% compared to 2009). The investment portfolio continues to show an adequate diversification by geography, projects and industries.

•Trading: accumulated revenues totaled Ps1.69 billion, a 36% YoY increase due to adequate strategies followed in order to take advantage of value opportunities in the trading positions as a result of a flattening the yield curve, as well as profits from the sale of the remaining MasterCard shares.

Non Interest Expense

	2010	2009
Personnel Expense	\$7,166	\$6,763
Professional Fees	1,408	1,465
Administrative and Promotional Expense	4,400	4,452
Rents, Depreciations and Amortizations	1,949	1,727
Other taxes	847	865
Contributions to IPAB	1,084	1,073
Employee Profit Sharing PTU (1)	837	679
Non Interest Expenses	\$17,691	\$17,024

Million Pesos

During 2010, Non Interest Expenses totaled Ps 17.69 billion, a 4% YoY increase, mainly driven by more Personnel Expenses resulting from the expansion in the branch network and the strengthening of some business and staff areas. Operating Expenses also increased annually due to more rents, depreciations and amortizations resulting from the acquisition of new and previously leased ATMs and other equipment as part of the renovation strategy, and the depreciation of equipment related to commercial projects as well as an increase in employee profit sharing (PTU) resulting from increased profitability. These increases were partially offset by reductions in administration and promotional expenses, professional fees paid and other taxes.

The efficiency ratio was 52.3% in 2010, (0.3) pp lower than in 2009, as a result of positive operating leverage throughout the year. After eliminating the effect of reclassifying PTU as an expense in 2009, the efficiency ratio was 49.8% for 2010, (0.7) pp less than in 2009.

Non Operating Income (Expense)

	2010	2009
+ Other Revenues	\$1,503	\$939
+ Foreign Exchange	-	-
+ Recoveries	240	525
+ REPOMO - Other Revenues	-	-
+ Warehousing	136	975
= Other Products	1,879	2,438
- Other Expenses	(1,166)	(608)
- Foreign Exchange	-	-
- REPOMO - Other Expenses	-	-
- Warehousing	(132)	(958)
= Other Expenses	(1,298)	(1,566)
= Non Operating Income (Expense)	\$581	\$872

Million Pesos

Other Income and Expenses, net reported for 2010 was Ps 581 million, a (33%) YoY drop, due to higher expenses resulting from an increase in estimates for items more than 90 days overdue, contingencies, bankruptcies and losses in loan portfolio sale transactions, as well as reduced recovery income from the sale of loan portfolios purchased, furniture and properties, and a drop in revenues from the

commercialization of warehousing inventories, which offset the increase in "Other Revenues".

Performing Loan Portfolio

	2010	2009
Commercial	\$87,825	\$84,118
Consumer	83,545	74,932
Corporate	44,176	40,245
Government	47,550	38,993
Subtotal	263,096	238,288
Recovery Bank	454	666
Total Performing Loans	\$263,550	\$238,954
Fobaproa / IPAB Portfolio	-	-
Past due loans	6,664	6,154
% Past Due Loan Ratio	2.5%	2.5%

Million Pesos

Performing Consumer Loan Portfolio

	2010	2009
Mortgages	\$55,718	\$49,221
Car Loans	8,208	7,424
Credit cards	11,159	11,801
Payroll	8,460	6,487
Total Performing Consumer Loans	\$83,545	\$74,932

Million Pesos

The Performing Loan portfolio increased by Ps 24.80 billion YoY, from Ps 238.28 billion to a total balance of Ps 263.1 billion; when excluding loan portfolios managed by the Recovery Bank. This increase is mainly due to growth in the Government, Consumer (except Credit cards), Mortgage and Corporate portfolios.

This is evidence of greater loan demand in Mexico, and also a reflection of the policies implemented by Banorte to reactivate loan volumes. In the coming months, we anticipate that the favorable trends in loan growth will continue in the banking industry.

At closing of 2010, past due loans grew by 8% YoY reaching Ps 6.66 billion, mainly driven by the classification of the Mexicana de Aviacion loan as delinquent during the fourth quarter of 2010. At the end of 2010, the PDL ratio was 2.5%, the same level as in 2009. The PDL Ratio for credit cards was 8.5% in 2010 which compares favorably against the 12.0% in 2009. On the other hand, at closing of 2010, the PDL Ratio for car loans was 1.0% (vs. 2.0% in 2009), Payroll was 1.8% (vs. 2.8% in 2009), Mortgages 1.7% (vs. 2.1% in 2009), Commercial 3.9% (vs. 4.0% in 2009), and Corporate 2.5% (vs. 0.1% in 2009) growing in the fourth quarter due to the classification of the Gamma Servicios de Negocio (Mexicana) loan as delinquent, while Government remained at 0% throughout the entire year.

Deposits

	2010	2009
Non Interest Bearing Demand Deposits	\$69,615	\$61,611
Interest Bearing Demand Deposits (1)	80,218	75,977
Total Demand Deposits (2)	149,833	137,588
Time Deposits - Retail	88,805	84,808
Core Deposits	238,638	222,396
Money Market (3)	54,142	52,646
Total Bank Deposits	\$292,780	\$275,042
GFNorte's Total Deposits (4)	\$292,615	\$274,888
Third Party Deposits	145,602	156,864
Total Assets Under Management	\$438,382	\$431,906

Million Pesos

(1) As of 2004, excludes retroactively for comparison, IPAB checking accounts in which collections of managed portfolios of Banpaís and Bancen are deposited in cash. The balances of these accounts for 2009 and 2010 were Ps 20 million and Ps 0 million respectively.

(2) Includes debit cards.

(3) Includes bank bonds. (Customers and financial intermediaries).

(4) Includes eliminations between subsidiaries. Balances of said eliminations for (2008, 2009 and 2010 were Ps 142 million, Ps 154 million and Ps 165 million respectively.

At closing of 2010, Total Deposits were Ps 292.6 billion, a 6% YoY increase driven mainly by a 9% YoY growth in Demand Deposits, and a 5% growth in retail time deposits.

FINANCIAL SITUATION, LIQUIDITY AND CAPITAL RESOURCES**NET INCOME AND PROFITABILITY INDEXES****GF Banorte's Stockholders' Equity (*)**

	2010	2009
Paid-in Capital	11,971	11,956
Premium of Subscribed & Issued Shares	1,673	1,526
Subscribed Capital	\$13,644	\$13,481
Capital Reserves	3,181	3,154
Retained Earnings	25,492	20,681
Surplus (Deficit) from Valuation of Securities Available for Sale	309	206
Results from Valuation of Hedging Instruments	(2,214)	(1,369)
Results from Conversions of Foreign Operations	(1,000)	(641)
Surplus (Deficit) from valuation of equity	-	-
Results of Non Monetary Assets:	-	-
Fixed Assets	-	-
Accumulated effect of deferred taxes	-	-
Net result	6,705	5,854
Earned Capital	\$32,473	\$27,885
Minority Interest	4,110	3,608
Total Shareholders' Equity	\$50,227	\$44,974

Million Pesos

(*) Does not include the Afore.

Banking Sector Capitalization Ratio

	Dic-10	Dic-09
Tier 1 Capital	39,369	35,380
Tier 2 Capital	13,252	14,277
Net Capital	\$52,621	\$49,657
Credit Risk Assets	222,146	203,305
Market & Operational Risk Assets	104,335	92,741
Total Risk Assets (1)	\$326,481	\$296,046
Net Capital / Total Risk Assets	23.7%	24.4%
Tier 1 Capital	12.1%	12.0%
Tier 2 Capital	4.1%	4.8%
Capitalization Ratio	16.1%	16.8%

Million Pesos

(1) Without inter-company eliminations.

At closing of 2010, the Capitalization Ratio was 16.1% taking into consideration credit and market risks, and 23.7% considering only credit risks. The Tier 1 ratio was 12.1% while Tier 2 was 4.1%. On an annual basis, the capitalization ratio for 2010 was lower than in 2009 due to:

- 1) The effect of profits generated in 2010: +1.8 pp.
- 2) Growth of risk assets in the period: -1.7 pp.
- 3) The effect of valuation of hedging instruments: -0.3 pp.
- 4) Payment of dividends: -0.2 pp.
- 5) Valuation of Securitizations: -0.2 pp.
- 6) FX effect for Subordinated Obligations: -0.1 pp.

4.2. Information regarding Ixe GF.

4.2.1. Name of the issuer.

Ixe Grupo Financiero, S.A.B. de C.V.

4.2.2. Description of the Business.

Ixe Grupo Financiero is a financial service holding company with the majority of its capital being Mexican and with headquarters in Mexico City. Its objective is to operate as a controlling corporation of a Financial Group within the terms of the Law to Regulate Financial Groups in order to acquire and manage shares representing capital stock in financial entities and companies that provide complementary or auxiliary services, and other types of companies as determined by the SHCP.

Ixe Grupo Financiero is composed of Ixe Banco, Ixe Casa de Bolsa, Ixe Fondos, Ixe Automotriz, Fincasa Hipotecaria, Ixe Soluciones and Ixe Servicios (a service company). In turn, IPATI, an Investment

Advisor (incorporated in June 2007, but currently not operational) is a subsidiary of Ixe Fondos; Casa Servicios Administrativos, a service company, Fincasa's subsidiary; Ixe Holdings is a subsidiary of Ixe Casa de Bolsa, Ixe Fleet is a subsidiary of Ixe Automotriz and as of November 2008, Ixe Tarjetas is a subsidiary of Ixe Banco.

Ixe GF's main activities carried out through its subsidiaries are focused on commercial banking, private banking, asset management, business banking, brokerage and investment banking. It also participates in consumer loans, financing for construction and mortgages, car loans (leasing and lending), fleet management, factoring, foreign exchange, insurance and other related financial services.

The following is a description of Ixe GF's main activities:

a) Ixe Banco: Strategy is focused on clients of the upper and middle-class sectors of the population, as well as on corporate clients, government entities and SMEs.

- Individuals: mainly savings and investment products (demand and time deposits, investment funds and money market), credit cards, mortgages, car loans, personal loans, payroll loans, insurance and safety deposit boxes.
- Corporate clients, government entities and SMEs: mainly loans (including factoring and productive chains) and lines of credit, foreign exchange, derivatives, investment products (demand and time deposits, investment funds and money market), fiduciary services, payroll payment services and point of sale terminals.

b) Ixe Casa de Bolsa: the Broker Dealer's main areas of business are Patrimonial and Private Banking, Portfolio Management, Capital Markets, Money Markets and Investment Banking.

- The Patrimonial Banking area services individuals with minimum investments of Ps 1 million, mainly offering them products in the money and capital markets, foreign exchange and derivatives markets and a diversity of mutual funds to satisfy their financial needs.
- Private Banking offers personalized services to individual clients with significant assets. A minimum investment of Ps 5 million is required. The main products offered to clients are: investments in money and capital markets, foreign exchange and derivatives, mutual funds, portfolio management, structured notes, fiscal advisory and fiduciary services.
- Portfolio Management is a leading business area in the local market focused on servicing wealthy individuals and institutional clients. The minimum amount required for investment is Ps 10 million. This area is divided into

three groups: Portfolio Management, Institutional Investments, Annuities and Long Term Savings Funds.

- Capital Markets area is responsible for managing Ixe GF's proprietary position in the capital markets and to serve as a platform for the execution of client operations.
 - The Money Market's function is to manage Ixe GF's proprietary position in the money market.
 - Investment banking management provides advisory services in corporate finance and mergers and acquisitions.
- c)** Ixe Automotriz provides financing for the acquisition of automobiles through pure leasing and loans. Its subsidiary, Ixe Fleet, offers fleet management services.
- d)** The objective of Ixe Fondos is to provide services for portfolio management, distribution, promotion and acquisition of shares issued by Ixe GF's mutual funds.
- e)** Acquired by Ixe GF in 2005, Fincasa's main activity is the origination and management of bridge loans mainly for construction in the middle and lower class sectors of the population.

For more information on Ixe GF's business, refer to Section 2 of Ixe GF's Annual Report which is available online in the following websites: www.ixe.com.mx and www.bmv.com.mx.

4.2.3. Description of the issuer's evolution

4.2.3.1. Historical Evolution of Ixe GF.

Ixe GF was incorporated in June 1990 in Mexico City (D.F.) under the denomination of Comer Intra, S.A. de C.V. Its objective is to operate indefinitely as the controlling corporation of a Financial Group under the terms of the Law to Regulate Financial Groups. The headquarters are located at: Paseo De La Reforma No. 505, 45th Floor, Col. Cuauhtémoc, C.P. 06500, Mexico, D.F. Telephone: 5268-90-00.

One year after its incorporation, Comer Intra, S.A. de C.V. acquired CISA and in 1993 it also acquired Fimsa Casa de Bolsa, S.A. de C.V. (incorporated in 1964) and Factor Fin, S.A. de C.V. (incorporated in 1986), companies dedicated to trading and factoring respectively. On July 29th, 1994 Comer Intra, S.A. de C.V. changed its name to Fimsa Grupo Financiero, S.A. de C.V., and on August 1st of that same year Banco Fimsa, S.A. Institución de Banca Múltiple (Multiple Banking Institution) was incorporated.

In May 1995 Fimsa Grupo Financiero, S.A. de C.V. changed its name to Ixe Grupo Financiero, S.A. de C.V. During the same month, Banco Fimsa, S.A., and Fimsa Casa de Bolsa, S.A. de C.V. changed their names to Ixe Banco and Ixe Casa de Bolsa respectively. In 1996

Factor Fin, S.A. de C.V. changed its name to Ixe Factor, S.A. de C.V. In 1997 Afore XXI, a retirement savings fund manager was incorporated as a co-investment between Ixe Banco and the Social Security (IMSS); with each party owning 50% of Afore XXI's capital stock. On May 22nd, 1998 Ixe Servicios, S.A. de C.V was incorporated to the group. CISA was sold in 1999 and since then, foreign exchange transactions are carried out by Ixe Banco.

On October 10th, 2000 a new group of investors and Mexican businessmen purchased 91.7% of Ixe GF's capital stock, thereby acquiring its control. On November of that same year, the group carried out a recapitalization by issuing shares for 16.5% of the capital stock.

In April 2001, Ixe Factor merged with Ixe Banco. The merger was concluded in December of that same year with Ixe Banco subsisting as the merged company.

On November 28th, 2001 a new subsidiary of Ixe GF, Ixe Fondos, was incorporated to manage the investment funds of Ixe GF.

On March 15th, 2002 Ixe Banco sold its shares in Afore XXI to Prudential International Investments Corporation, a subsidiary of Prudential Financial Inc., and DMO Mexico, S.de R.L. of C.V.

In 2003 Ixe Casa de Bolsa and Deutsche Bank incorporated Deutsche Ixe, LLC., an entity located in New York and dedicated to providing fundamental analysis of Latin American companies and promoting emerging capital markets among institutional investors around the world. Ixe Casa de Bolsa owned 60% of the capital stock in Deutsche Ixe, LLC through its subsidiary Ixe Securities.

In order to enter into the car leasing business, in September 2003 Ixe GF together with SF Autouno, acquired 100% of the capital stock of Arrendadora Chapultepec, S.A. de C.V. They also changed the company's name to Ixe Arrendadora, S.A. de C.V., incorporating the new entity to the Financial Group.

In 2004 a branch expansion program was initiated. In December of that same year the new branch concept of "Ixe Café" was introduced with the opening of the Acoxpa branch.

In order to enter into the business of managing retirement funds, Ixe Afore was incorporated as a subsidiary of Ixe Banco. The new entity began operations in June 2004.

In December 2004 Ixe GF and SF Autouno incorporated Ixe Automotriz, Sofol specializing in car loans, of which Ixe GF holds 60% of the capital stock.

In March 2005 Ixe GF acquired Fincasa Hipotecaria and Casa Servicios (a company that provides diverse services to Fincasa) strengthening Ixe GF's position in the mortgage services market.

In July 2005 the change of name from Ixe Automotriz to Ixe Sofol, S.A. de C.V. was approved, and the new entity was incorporated to the Financial Group.

In December 2005 the corporate offices of Ixe GF and its subsidiaries were moved to the Torre Mayor to provide a work environment that promoted greater efficiency and growth in the Group.

In January 2006, Ixe Securities sold all its shares, representing 60% of the capital stock in Deutsche Ixe, LLC, to NDB Capital Markets Corporation (a subsidiary of Deutsche Bank). Later on, Ixe Securities changed its name to Ixe Holdings and in May acquired Arka Securities which adopted the name of Ixe Securities, and is located in New York providing mostly brokerage and investment banking services.

In March 2006 Ixe GF sold 100% of its capital stock of Casa Servicios to Fincasa. During the same month, Ixe GF sold 49% of its capital stock of Fincasa to Deutsche Bank.

As part of Ixe GF's strategy to concentrate asset management activities in a specialized entity, in April 2006 Ixe Banco sold Ixe Afore to Ixe Fondos.

In October 2006 Ixe Arrendadora changed its name to Ixe Automotriz, S.A. de C.V. and became a SOFOM (Multiple Purpose Financial Institution).

At closing of 2006 Ixe Sofol changed its name to Ixe Equipamiento, S.A. de C.V. and became a SOFOM. Likewise, in December of the same year, Fincasa also became a SOFOM.

In January 2007, Ixe Automotriz and FCE Internacional, LLC, created Ixe Fleet, S.A. de C.V. with 60% of the shares representing the capital stock of this new company belonging to Ixe Automotriz and 40% to FCE Internacional, LLC. The objective of this new company is to promote fleet management services. FCE Internacional, LLC, owns Wheels Inc., one of the leading fleet management companies in the USA, with presence in the USA, Europe and Canada.

In February 2007 Ixe Banco issued perpetual non-cumulative subordinated preferable and redeemable bonds for the amount of \$120 million US dollars, at a rate of 9.75% among institutional investors in USA, Asian and European markets.

Ixe Equipamiento sold its entire loan portfolio to Ixe Automotriz in February 2007. In April 2007 SF Autouno withdrew its participation in Ixe Equipamiento through a reduction in capital, leaving Ixe GF with 99.99% of the capital stock.

In September 2007 Ixe GF's capital was increased by Ps 2.670 billion through a subscription of 199,655,725 Series "O" shares. Brysam acquired 188,782,008 shares equivalent to Ps 2.525 billion and 27.9% of the Financial Group's capital stock. Minority shareholders

subscribed a total of 10,873,717 shares, representing Ps 145.4 million in additional capital for Ixe GF.

In April 2008 Banco Mexicano de Consumo was incorporated; a new multiple purpose banking institution that would be directed at the middle-class sector of the population and SMEs. In October 2008 Ixe GF received authorization to operate this new multiple purpose banking institution. The new entity changed its name to El Banco Deuno and began operations with 12 branches: 6 in Guadalajara and 6 in Mexico City.

In December 2008 the Group decided to fuse its two banking institutions, keeping the two business models focused on different market sectors within one single entity (Ixe Banco). This strengthened Ixe Banco's capitalization level and allowed it to take advantage of important synergies.

Ixe Banco maintained its penetration strategy in the credit card market. To strengthen this initiative, in November 2008 Ixe Banco and JPMorgan Chase & Co., through its subsidiary CMC Holdings Delaware Inc., created Ixe Tarjetas, a company dedicated to developing the credit card business in Mexico. Ixe Banco sold its credit card business to the new entity.

In 2008 Ixe Equipamiento acquired the name Ixe Soluciones, S.A. de C.V., with its main objective being the management and recovery of loan portfolios.

In June 2009 Ixe GF sold Ixe Afore, its retirement savings funds' management business to Afore Banorte-Generali, which implied the transfer of a portfolio of 311,850 clients and Ps 5.447 billion in assets under management. As a result of the sale of Ixe Afore's portfolio in December, this entity was merged with Ixe Soluciones, with the latter acting as the merging entity.

4.2.3.2 Material events in 2010 and 2011.

In December 2010 Ixe GF acquired 49% of the capital stock of Fincasa, owned by Deutsche Bank. With this purchase, Ixe GF owns 100% of Fincasa's capital stock.

Ixe GF acquired 40% of the capital stock of Ixe Automotriz, owned by SF Aunouno, with two transactions that took place in October and November of 2010, and through which Ixe GF acquired 100% ownership of this entity.

In November 2010, Ixe GF and GF Banorte signed a binding agreement for the merger of both institutions that this brochure describes.

In October 2010 Ixe Banco issued non- preferred subordinated bonds amounting to \$120 million US dollars through a global offering, maturing in October 2020 with a 9.25% rate.

Between June and August 2010 operations of El Banco Deuno branches were suspended and all business were transferred to the offices of

Ixe GF's network. In the first 9 months of the year 10 bank branches were opened.

In May 2010 Ixe Banco and RSA, a subsidiary of RSA Insurance Group plc, signed a formal 10 year agreement for the distribution of insurance. RSA is one of the world's leading insurance groups.

In May 2010 Ixe GF's Shareholders' Meeting approved the issuance of 100 million shares at a face value of Ps 1.00 per share plus a subscription premium of Ps 14.00 per share. By September 30 a total of Ps 1.462 billion was subscribed and paid. Ixe GF made a contribution to Ixe Banco's capital of Ps 800 million.

4.2.4. Capital Structure.

Ixe GF's authorized capital stock, to the date of this Brochure, amounts to Ps 791,811,674.00 (seven hundred ninety one million, eight thousand eleven six hundred seventy four pesos 00/100) represented by 791,811,674 Series "O", common shares with face value of Ps 1.00 (one peso 00/100).

4.2.5 Significant changes in the financial statements since the last annual report.

At the date of this Brochure, there are no significant changes in Ixe GF's financial statements reflected in the company's annual report that was presented to the CNBV regarding the year ended in December 31, 2009, which may affect or influence the merger.

5. INHERENT RISK FACTORS OF THE MERGER

GF Banorte has identified the following risk factors related to the merger that could significantly affect the performance and profitability of GF Banorte and influence on the price of GF Banorte's shares representing its capital stock. Additionally, the risk factors for GF Banorte, Ixe GF and the industry are reflected in the annual reports of both institutions, which can be accessed online at www.banorte.com, www.ixe.com.mx, respectively and in www.bmv.com.mx.

The risks described below are not the only ones that can affect the performance and profitability of GF Banorte and influence the price of GF Banorte's shares representing its capital stock. Additional risks and uncertainties not currently known to us or that we currently consider immaterial may also materially adversely affect GF Banorte or the price of the shares representing its capital stock.

Expansion through mergers & acquisitions

GF Banorte's growth strategy is in part dependent on our ability to acquire other financial institutions; GF Banorte might not be successful in implementing that strategy and, if it acquires other

financial institutions, it may not be successful in integrating the operations of those financial institutions, which could disrupt the operations and adversely affect its financial position.

The ability to grow by acquisition is dependent upon, and may be limited by the availability of suitable acquisition candidates, our ability to negotiate acceptable acquisition terms and our assessment of the characteristics of potential acquisition targets such as:

- financial conditions and results of operations;
- attractive products and services;
- suitability of distribution channels;
- management ability;
- the degree to which the acquired operations can be integrated with our operations.

Furthermore, the completion of these acquisitions is subject to a number of risks, including the following:

- access to capital and financing sources;
- restrictions contained in our debt instruments; and
- the uncertainty of the legal environment relating to mergers and acquisitions.

Growth through acquisitions involves risks that could have a material and adverse effect on GF Banorte's results of operations, including (i) difficulties in integrating the operations, (ii) undisclosed liabilities and other hidden asset quality problems, (iii) failure of the acquired entities to achieve expected results, (iv) non-qualified personnel of the acquired companies, (v) diversion of management attention from the operation of the existing businesses, (vi) possible inability to achieve expected synergies and/or economies of scale, and (vii) the potential loss of key personnel and customers of acquired companies. It cannot assured that GF Banorte will be able to identify suitable acquisition candidates, complete the acquisitions on satisfactory terms or, if any such acquisitions are consummated, satisfactorily integrate the acquired businesses.

GF Banorte acquired Bancentro in 1996, Banpais in 1997, Bancrecer in December 2001, INB in 2006, UniTeller in 2006, and Motran in 2007. The integration of the banking operations of these merged entities faced difficulties and problems that affected GF Banorte's performance by diverting its management's attention and human resources. GF Banorte could face similar problems if it engages in similar transactions in the future. In addition, future acquisitions may entail operating in markets that are new to GF Banorte and may subject it to regulatory arrangements in other countries in which it has no prior experience.

On November 16, 2010, GF Banorte announced that it had entered into an agreement to merge IXE into GF Banorte through the issuance and exchange of shares. The merger is subject to regulatory and other customary approvals. GF Banorte cannot provide assurances that the merger will be consummated as contemplated or at all. If GF Banorte completes the merger with IXE, the integration of the two companies could result in severance payments, divestitures or additional contingent liabilities or write-offs. GF Banorte cannot predict whether these events will occur or, if they do, whether they would have a material and adverse effect on its results of operations or business. In addition, the IXE merger, and any other merger, acquisition or other business combination involving GF Banorte, is likely to entail risks such as the ones mentioned above.

Expansion to other markets

In addition to the markets in which GF Banorte operates, it also intends to expand its business into other geographical markets, such as certain regions of the United States. Due to factors such as the changing regulatory environment, as well as intense competition, GF Banorte cannot guarantee that it will be successful in expanding into new markets.

If GF Banorte is unable to implement and manage its growth strategy, financial results, operations and business could be materially and adversely affected.

The merger could affect the price of GF Banorte's common shares.

If the merger is approved, the market price of GF Banorte's shares could fluctuate and there is no guarantee that this variation will be positive.

The Balance Sheet on the date of the merger can be different from the Proforma Balance

The proforma financial information of GF Banorte included in this information brochure showing its balance sheet post merger is subject to variations derived from results of its operations, as well as from the effects of other factors that are beyond the control of GF Banorte's management and the merged companies.

The failure to comply with certain conditions agreed on the binding agreement could lead to contractual penalties

The Binding Agreement establishes certain exclusivity obligations in order to carry out the transaction. If any of the companies does not comply with such exclusivity, a penalty will be paid by the other party.

Holders of GF Banorte's common shares may be diluted as a result of the merger

Current GF Banorte's shareholders may be diluted proportionately as a result of the merger.

6. SELECTED FINANACIAL INFORMATION

MANAGEMENT ANALYSIS AND COMMENTS ABOUT GF BANORTE'S OPERATING RESULTS AND FINANCIAL INFORMATION

The following selected financial information should be read together with other information included in this brochure; including section "Management Analysis and Comments about GF Banorte's Operating Results and Financial Information".

The Merged Financial Group's Proforma Income Statement and Balance Sheet is presented as of December 31, 2010.

GRUPO FINANCIERO BANORTE, S.A.B. DE C.V.
PROFORMA INCOME STATEMENT CONSOLIDATED WITH THE UDIS' TRUST AND SUBSIDIARIES AS OF DECEMBER 31, 2010

(Million Pesos)

	GF Banorte	Purchase entries		IXE GF	Total	Eliminations		Merged
		Debit	Credit			Debit	Credit	
								Cargos
Interest income	\$41,479	\$-	\$-	\$6,631	\$48,110	\$-	\$-	\$48,110
Interest expense	(18,747)	-	-	(4,379)	(23,126)	-	-	(23,126)
NET INTEREST INCOME	22,732	-	-	2,252	24,984	-	-	24,984
Provision for loan losses	6,889	-	-	472	7,361	-	-	7,361
NET INTEREST INCOME AFTER ALLOWANCE FOR LOAN LOSSES	15,843	-	-	1,780	17,623	-	-	17,623
Commission and fee income	9,234	-	-	1,648	10,882	-	-	10,882
Commission and fee expense	(1,548)	-	-	(412)	(1,960)	-	-	(1,960)
Brokerage revenues	1,689	-	-	850	2,539	-	-	2,539
Other revenues	1,739	-	-	(102)	1,637	-	-	1,637
NET OPERATING REVENUES	26,957	-	-	3,764	30,721	-	-	30,721
Administrative and promotional expenses	(17,691)	-	-	(4,119)	(21,810)	-	-	(21,810)
OPERATING INCOME	9,266	-	-	(355)	8,911	-	-	8,911
Other income	1,879	-	-	379	2,258	-	-	2,258
Other expenses	(1,298)	-	-	(128)	(1,426)	-	-	(1,426)
	581	-	-	251	832	-	-	832
INCOME BEFORE INCOME TAX	9,847	-	-	(104)	9,743	-	-	9,743
Current income tax	(2,735)	-	-	(40)	(2,775)	-	-	(2,775)
Deferred income taxes, net	(70)	-	-	32	(38)	-	-	(38)
	(2,805)	-	-	(8)	(2,813)	-	-	(2,813)
INCOME BEFORE EQUITY IN EARNINGS OF UNCONSOLIDATED	7,042	-	-	(112)	6,930	-	-	6,930
Equity in earnings of unconsolidated subsidiaries and associated companies	320	-	-	(101)	219	(146)	-	365
INCOME BEFORE NONCONTROLLING INTEREST	7,362	-	-	(213)	7,149	(146)	-	7,295
Noncontrolling interest	(657)	-	-	67	(590)	-	-	(590)

NET INCOME	\$6,705	\$-	\$-	(\$146)	\$6,559	(\$146)	\$-	\$6,705
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PROFORMA BALANCE SHEET CONSOLIDATED WITH THE UDIS' TRUST AND SUBSIDIARIES AS OF DECEMBER 31, 2010

(Million Pesos)

	GF Banorte	Purchase Entries		IXE GF	Total	Eliminations		Merged
ASSETS		Debit	Credit			Debit	Credit	
CASH AND EQUIVALENTS	\$62,497	\$-	\$-	\$4,019	\$66,516	\$-	\$14	\$66,502
MARGIN ACCOUNTS	177	-	-	299	476	-	-	476
INVESTMENT IN SECURITIES								
Trading Securities	66,181	-	-	30,786	96,967	-	200	96,767
Securities Available for Sale	12,288	-	-	228	12,516	-	-	12,516
Securities Held to Maturity	139,913	-	-	30,681	170,594	-	-	170,594
	218,382	-	-	61,695	280,077	-	200	279,877
REPOS (DEBITOR BALANCE)	583	-	-	4,847	5,430	-	-	5,430
DERIVATIVES								
For Trading	7,463	-	-	4,164	11,627	-	-	11,627
For Hedging	596	-	-	306	902	-	-	902
	8,059	-	-	4,470	12,529	-	-	12,529
ADJUSTMENT IN VALUATION OF HEDGING FINANCIAL INSTRUMENTS	-	-	-	89	89	-	-	89
PERFORMING LOAN PORTFOLIO								
Commercial Loans								
Business and Commercial Activity	126,483	-	-	22,479	148,962	-	-	148,962
Financial Institutions	5,521	-	-	2,948	8,469	-	-	8,469
Government Entities	47,550	-	-	4,219	51,769	-	-	51,769
Consumer Loans	27,828	-	-	525	28,353	-	-	28,353
Mortgage Loans	56,168	-	-	1,574	57,742	-	-	57,742
TOTAL PERFORMING LOANS	263,550	-	-	31,745	295,295	-	-	295,295
PAST DUE LOANS								
Commercial Loans								
Business and Commercial Activity	4,417	-	-	562	4,979	-	-	4,979
Financial Institutions	-	-	-	6	6	-	-	6
Consumer Loans	1,276	-	-	80	1,356	-	-	1,356
Mortgage Loans	971	-	-	247	1,218	-	-	1,218
TOTAL PAST DUE LOANS	6,664	-	-	895	7,559	-	-	7,559
LOAN PORTFOLIO	270,214	-	-	32,640	302,854	-	-	302,854
PREVENTIVE LOAN LOSS RESERVES	(8,245)	-	-	(924)	(9,169)	-	-	(9,169)
LOAN PORTFOLIO, net	261,969	-	-	31,716	293,685	-	-	293,685
ACQUIRED COLLECTION RIGHTS	2,025	-	-	924	2,949	-	-	2,949
TOTAL LOAN PORTFOLIO, net	263,994	-	-	32,640	296,634	-	-	296,634
BENEFITS TO BE RECEIVED IN SECURITIZATIONS	950	-	-	259	1,209	-	-	1,209
OTHER ACCOUNTS RECEIVABLE, net	10,864	-	-	1,345	12,209	-	-	12,209
INVENTORY OF MERCHANDISE	49	-	-	-	49	-	-	49
FORECLOSED ASSETS, net	809	-	-	440	1,249	-	-	1,249
FURNITURE AND EQUIPMENT, net	9,316	-	-	1,528	10,844	-	-	10,844
PERMANENT INVESTMENTS	3,130	7,201	-	500	10,831	-	7,201	3,630
TAXES AND DEFERRED EMPLOYEE PROFIT SHARING, net	1,340	-	-	148	1,488	-	-	1,488
OTHER ASSETS								
Goodwill	2,950	10,928	-	-	13,878	-	-	13,878
Intangibles	1,553	-	-	1,305	2,858	-	-	2,858
Other short and long term assets	5,905	-	-	15	5,920	-	-	5,920
	10,408	10,928	-	1,320	22,656	-	-	22,656
TOTAL ASSETS	\$590,558	\$18,129	\$-	\$113,599	\$722,286	\$-	\$7,415	\$714,871

	GF Banorte	Purchase Entries		IXE GF	Total	Eliminations		Merged
LIABILITIES		Debit	Credit			Debit	Credit	
CORE DEPOSITS								
Demand Deposits	\$149,817	-	-	12,775	162,592	-	-	162,592
Time Deposits								

Retail	132,673	-	-	18,397	151,070	-	-	151,070
Money Market	6,347	-	-	-	6,347	-	-	6,347
Non Secured Senior Debt	3,778	-	-	801	4,579	200	-	4,379
	292,615	-	-	31,973	324,588	200	-	324,388
INTERBANK LOANS								
Call Money	4,837	-	-	330	5,167	14	-	5,153
Short Term	13,114	-	-	9,016	22,130	-	-	22,130
Long Term	8,496	-	-	1,044	9,540	-	-	9,540
	26,447	-	-	10,390	36,837	14	-	36,823
SECURITIES ASSIGNED TO SETTLE								
CREDITOR REPO BALANCES	178,747	-	-	53,100	231,847	-	-	231,847
COLLATERAL SOLD OR PLEDGED AS GUARANTEES								
REPOS (Creditor Balance)	11	-	-	-	11	-	-	11
DERIVATIVES								
For Trading	7,238	-	-	4,720	11,958	-	-	11,958
Fir Hedging	3,499	-	-	86	3,585	-	-	3,585
	10,737	-	-	4,806	15,543	-	-	15,543
ADJUSTMENT FOR VALUATION OF HEDGING FINANCIAL LIABILITIES								
	-	-	-	(217)	(217)	-	-	(217)
OTHER ACCOUNTS PAYABLE								
Income Tax	711	-	-	104	815	-	-	815
Employee Profit Sharing	797	-	-	27	824	-	-	824
Creditors for settlement of transactions	867	-	-	1,388	2,255	-	-	2,255
Other creditors and accounts payable	9,871	-	-	1,437	11,308	-	-	11,308
	12,246	-	-	2,956	15,202	-	-	15,202
SUBORDINATED DEBT OUTSTANDING								
	17,803	-	-	3,116	20,919	-	-	20,919
DEFERRED CREDITS AND ANTICIPATED COLLECTIONS								
	1,725	-	-	271	1,996	-	-	1,996
TOTAL LIABILITIES	\$540,331	\$-	\$-	\$106,395	\$646,726	\$214	\$-	\$646,512

	GF Banorte	Purchase Entries		IXE GF	Total	Eliminations		Merged
		Debit	Credit			Debit	Credit	
SHAREHOLDERS EQUITY								
CONTRIBUTED CAPITAL								
Paid-in Capital	\$11,971	\$-	\$1,078	\$1,582	\$14,631	\$1,582	\$-	\$13,049
Premium of Subscribed and Issued Shares	1,673	-	17,051	5,569	24,293	5,569	-	18,724
	13,644	-	18,129	7,151	38,924	7,151	-	31,773
EARNED CAPITAL								
Capital Reserves	3,181	-	-	301	3,482	301	-	3,181
Retained Earnings	25,492	-	-	(166)	25,326	(166)	-	25,492
Results from Valuation of Securities Available for Sale	309	-	-	64	373	64	-	309
Results from Valuation of Hedging Securities	(2,214)	-	-	(3)	(2,217)	(3)	-	(2,214)
Results from Conversion of Foreign Operations	(1,000)	-	-	-	(1,000)	-	-	(1,000)
Net Income	6,705	-	-	(146)	6,559	(146)	-	6,705
	32,473	-	-	50	32,523	50	-	32,473
MINORITY INTEREST	4,110	-	-	3	4,113	-	-	4,113
TOTAL SHAREHOLDERS' EQUITY	50,227	-	18,129	7,204	75,560	7,201	-	68,359
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$590,558	\$-	\$18,129	\$113,599	\$722,286	\$7,415	\$-	\$714,871

In order to prepare the proforma financial statements of the new Financial Group, consolidated financial statements were used as of December 31st, 2010 of Grupo Financiero Banorte S.A.B. de C.V. and IXE Grupo Financiero S.A.B. de C.V. The first step was for GF Banorte to recognize the acquisition of 100% of IXE Grupo Financiero's shares in accordance with NIF B-7 "Business Acquisitions", using GF Banorte's closing share price of December 31st, 2010.

The second step consisted of combining the operating results and balance sheets of both companies.

This was followed by the elimination of the investment registered in the first step against the equity of IXE Grupo Financiero.

Finally, eliminations were made resulting from account balances of rights and obligations that existed between the companies individually until the date of the merged financial statements.

7. MANAGEMENT ANALYSIS AND COMMENTS ABOUT THE PRO-FORMA FINANCIAL INFORMATION AND OPERATING RESULTS

i) Operating Results

The following selected financial information is based on GF Banorte and Ixe GF's Income Statements prior to the merger and the Income Statement of the Merged Financial Group, according to the financial information and account grouping; the Proforma statements presented by the Auditors that are substantial for this brochure.

Below is a breakdown of the most important items that constitute the Proforma Income Statement:

Net Interest Income

	Merged	IXE GF	GF Banorte
Interest Income	\$ 47,940	\$ 6,461	\$ 41,479
Interest Expense	(23,126)	(4,379)	(18,747)
Net Interest Income	\$ 24,814	\$ 2,082	\$ 22,732

Million Pesos

Net Interest Income of the Merged Financial Group would amount to Ps. 24.81 billion, a 9.2% increase compared to the amounts presented by GF Banorte at closing of 2010.

Non Interest Income

	Merged	IXE GF	GF Banorte
Fees Charged on Services	\$ 10,863	\$ 1,629	\$ 9,234
Fees Paid on Services	(1,962)	(414)	(1,548)
Trading Income	2,729	1,040	1,689
Other Operating Income (Expenses)	1,637	(102)	1,739
Non Interest Income	\$ 13,267	\$ 2,153	\$ 11,114

Million Pesos

Non Interest Income of the Merged Financial Group's would amount to Ps. 13.27 billion, increasing by 19.4% compared to the figures presented by GF Banorte at closing of 2010.

Provisions

	Merged	IXE GF	GF Banorte
Provisions (Preventive Provisions for Loan Losses)	\$ 7,361	\$ 472	\$ 6,889

Million Pesos

Provisions of the Merged Financial Group would total Ps. 7.36 billion, growing by 6.9% with respect to the figures presented by GF Banorte at closing of 2010. At closing of 2010, Accumulated Provisions for loan losses of the Merged Group would represent 2.5% of the loan portfolio.

Non Interest Expense

	Merged	IXE GF	GF Banorte
Non Interest Expense (Administrative and Promotional Expenses)	\$21,807	\$4,116	\$17,691

Million Pesos

Non Interest Expense of the Merged Financial Group's would amount to Ps. 21.81 billion, increasing by 23.3% compared to the figures presented by GF Banorte at closing of 2010. The Merged Group's efficiency ratio would be approximately 57%.

Non Operating Income (Expense), Net

	Merged	IXE GF	GF Banorte
Non Operating Income	\$ 2,259	\$ 380	\$ 1,879
Non Operating Expense	(1,425)	(127)	(1,298)
Other Income (Expense), Net	\$ 834	\$ 253	\$ 581

Million Pesos

Other Income and Expenses (net) for the Merged Financial Group would amount to Ps. 834 million growing by 43.6% compared to the figures presented by GF Banorte at closing of 2010.

Pre-Tax Income of the Merged Financial Group would amount to Ps. 9.75 billion, lower by 1% compared to the results presented by GF Banorte at closing of 2010.

In the Proforma Income Statement, eliminations of Ps. (143) million were carried out in the item Equity in earnings of unconsolidated subsidiaries and associated companies, which represents Ixe GF's Net Income at closing of 2010. Due to this elimination, Net Income for the Merged Financial Group would amount to Ps. 6.7 billion, presenting no change compared to the figure presented by GF Banorte at closing of 2010.

ii) Financial Situation, Liquidity and Capital Resources

The following selected financial information is based on GF Banorte and Ixe GF's Balance Sheets prior to the merger and the Balance Sheet of the Merged Financial Group, according to the financial information and account's grouping; the Proforma statements presented by the Auditors that are substantial for this brochure.

Total Assets.

After the merger, the total Assets of the Merged Financial Group would grow by Ps. 124.31 billion, a 21.1% higher (considering eliminations) going from Ps. 590.6 billion to Ps. 714.87 billion.

This increase in Total Assets was mainly due to:

- Recognizing the acquisition of 100% of Ixe GF's shares by GF Banorte according to the NIF B-7 "Business Acquisitions", taking into consideration the closing price of GF Banorte as of December 31, 2010. The acquisition was valued as of December 31, 2010, and with the objective of preparing the Proforma Financial Statements, at Ps. 18.13 billion. For the purposes of the Proforma Financial Statements, such amount originated Ps. 10.92 billion of Goodwill.
- As a procedure for preparing the Proforma Financial Statements, Ps. 7.42 billion were considered as eliminations. The main items identified in the Assets for this purpose were: Permanent Investments in Subsidiaries of Ps. 7.21 billion, Securities for Trading of Ps. 200 million and Cash and Due from Banks of Ps. 14 million.

The main items that reflect the merger, and must be analyzed from a business point of view, are the following:

Investments in Securities

	Merged	IXE GF	GF Banorte
Trading Securities	\$96,765	\$ 30,784	\$ 66,181
Securities Available for Sale	12,521	233	12,288
Securities Held to Maturity	170,594	30,681	139,913
Investments in Securities	\$ 279,880	\$ 61,698	\$ 218,382

Million Pesos

After the merger described in this brochure, Investments in Securities would increase by Ps. 61.69 billion or 28.2%, from Ps. 218.38 billion to Ps. 279.88 billion, considering eliminations. This increase is mainly driven by an increase in Securities Held to Maturity of Ps. 30.68 billion and Trading Securities of Ps. 30.78 billion, higher by 21.9% and 46.2%, respectively.

Loan Portfolio

	Merged	IXE GF	GF Banorte
Commercial Loans			
Corporate Loans	\$ 148,964	\$ 22,481	\$ 126,483
Financial Intermediaries' Loans	8,468	2,947	5,521
Government Entities' Loans	51,769	4,219	47,550
Consumer Loans	28,367	539	27,828
Mortgage Loans	57,742	1,574	56,168
Performing Loans	\$ 295,310	\$ 31,760	\$ 263,550
Past Due Loans	7,558	894	6,664
Gross Loan Portfolio	\$ 302,868	\$ 32,654	\$ 270,214

Million Pesos

The Loan Portfolio would increase by 12.1% after the merger, or Ps. 31.76 billion, from Ps. 263.55 billion to Ps. 295.31 billion. This increase is mainly due to a 17.8% or Ps. 22.48 billion rise in the commercial loan portfolio, the main item in Ixe GF's loan portfolio;

followed by government loans with an 8.9% increase or 4.22 billion, as well as a 53.4% increase or Ps. 2.95 billion in Financial Institutions loans; a 2.8% increase or Ps. 1.57 billion in mortgage loans and a 1.9% or Ps. 539 million in the Consumer loan portfolio.

After the merger, past due loans would grow by 13.4%, from Ps. 6.66 billion to Ps. 7.56 billion, driven mainly by a 12.7% increase in the commercial loans PDL's, representing 62.6% of Ixe GF's total past due loans.

Consequently, the loan portfolio (performing and non performing loans) would amount to Ps. 302.87 billion, a 12.1% increase.

These items represent 84.5% of the total variations in Assets of the Merged Financial Group.

Total Liabilities

After the Merger described in this brochure, total liabilities would amount to Ps. 106.18 billion, an increase of 19.7% (considering eliminations), from Ps. 540.33 billion to Ps. 646.51 billion.

This increase in liabilities is mainly due to:

- As part of the procedure to prepare the Proforma Financial Statements, Ps. 214 million is considered as eliminations. The main items identified in the liabilities for this purpose were: core deposits - senior notes issued for an amount of Ps. 200 million and Interbank loans - call money for Ps. 14 million.

The main items that reflect the merger that are analyzed from a business point of view are:

Creditor Balance in Repo Trans

	Merged	IXE GF	GF Banorte
Creditor Balance in Repo Trans, Net	\$231,847	\$53,100	\$178,747
Million Pesos			

Creditor Balance in Repo Transactions will increase by Ps. 53.10 billion or 29.7%, from Ps. 178.75 billion to Ps. 231.85 billion.

Deposits

	Merged	IXE GF	GF Banorte
Total Demand Deposits	\$ 162,592	\$ 12,775	\$ 149,817
Time Deposits			
Retail	151,070	18,397	132,673
Money Market	6,347	-	6,347
Senior Notes	6,885	3,307	3,778
Core Deposits	\$ 326,894	\$ 34,479	\$ 292,615
Million Pesos			

Core deposits would grow by Ps. 34.28 billion or 11.7%, from Ps. 292.62 billion to a Ps. 326.89 billion, considering eliminations. This rise is mainly due to an increase in total retail time deposits of Ps. 18.39 billion or 13.9%, which is Ixe GF's current main funding source, followed by an increase of Ps. 12.78 billion or 8.5% in Demand Deposits and by an increase of Ps.3.31 billion in Senior Notes.

Interbank and Other Bank Loans

	Merged	IXE GF	GF Banorte
Call Money	\$ 5,153	\$ 330	\$ 4,837
Short-term loans	19,625	6,511	13,114
Long-term loans	9,544	1,048	8,496
Interbank and Other Bank Loans	\$ 34,322	\$ 7,889	\$ 26,447

Million Pesos

Interbank and other Bank loans would increase by Ps. 7.89 billion or 29.8% increase, considering eliminations. This increase is mainly due to an increase of Ps. 6.51 billion or 49.7% in Short Term Interbank Loans.

Transactions with Derivatives

	Merged	IXE GF	GF Banorte
Transactions with Derivatives	\$15,543	\$4,806	\$10,737

Million Pesos

Derivatives Transactions would grow by Ps. 4.81 billion or 44.8%, from Ps. 10.74 billion to Ps. 15.54 billion.

Subordinated Non Convertible Debt

	Merged	IXE GF	GF Banorte
Subordinated Non Convertible Debt	\$20,919	\$3,116	\$17,803

Million Pesos

Subordinated Non Convertible Debt would grow by Ps. 3.12 billion or 17.5% higher, from Ps. 17.80 billion to Ps. 20.92 billion.

These items represent 97.2% of the total variation in liabilities in the Merged Financial Group.

Equity

After the Merger described in this brochure takes effect, total equity would grow by Ps. 18.13 billion or 36.1% (considering eliminations), going from Ps. 50.23 billion to Ps. 68.36 billion.

As part of the procedure to prepare the Proforma Financial Statements in accordance to the NIF B-7 "Business Acquisitions", in the proforma shareholders' equity the recognized investment was eliminated against Ixe GF's total equity. The eliminations in

shareholders' equity were Ps. 7.21 billion, corresponding to the amount registered in assets as Permanent Stock Investments.

Total Equity

	Merged	IXE GF	GF Banorte
Paid-in Capital	\$13,049	\$1,582	\$11,971
Premium of Subscribed & Issued Shares	18,724	5,569	1,673
Contributed Capital	\$31,773	\$7,151	\$13,644
Capital Reserves	3,181	301	3,181
Retained Earnings	25,492	(166)	25,492
Surplus (Deficit) from Valuation of Securities Available for Sale	309	68	309
Results from Valuation of Hedging Instruments	(2,214)	(3)	(2,214)
Results from Conversions of Foreign Operations	(1,000)	-	(1,000)
Net Income	6,705	(143)	6,705
Earned Capital	32,473	57	\$32,473
MINORITY INTEREST	4,114	4	4,110
Total Shareholders Equity	\$68,360	\$7,212	\$50,227

Million Pesos

The main increase of Ps 18.13 in shareholders' equity is a result of the recording the merger between Ixe GF en GF Banorte in the Proforma Balance Sheet. Following is a summary of the main items within the subscribed capital that recognize the investment of Ps. 18.13 billion, as well as Ixe GF's subscribed capital prior to the merger and the respective eliminations:

	Merged	Eliminations	IXE GF	Purchase Entries	GF Banorte
Paid-in Capital	\$13,049	\$1,582	\$1,582	\$1,078	\$11,971
Subscribed Premium or Issued Shares	18,724	5,569	5,569	17,051	1,673
Contributed Capital	\$31,773	\$7,151	\$7,151	\$18,129	\$13,644

Million Pesos

8. Responsible Officers

We, the undersigned, do hereby swear under oath that, in the environment of our respective functions, we prepared the information related to the issuer in this brochure, which, to our knowledge and understanding, reasonably reflects the situation. We also swear under oath that we do not have any knowledge of relevant information that has been omitted or falsified in this brochure or that this brochure contains information that could induce investors to error.

Dr. Alejandro Valenzuela del Río
Chief Executive Officer

Ing. Sergio García Robles Gil
Chief Financial Officer

Lic. Héctor Ávila Flores
Managing Director of Legal

9. ANNEXES

External auditors' opinion.