

Financial Results

as of September 30th, 2022

3Q22

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I. Executive Summary

- Effective January 2022, new accounting rules, approaching convergence to IFRS international standards, were adopted by the Mexican banking system; thus, reflecting changes in the main indicators. To facilitate comparison, 2021 financial statements were restated under these same accounting rules.
- **Despite operating in a challenging economic environment, GFNorte improves profitability: Net Income +30% vs. 9M21,** driven by a sound business diversification.
- **9M22 with resilient financial ratios: ROE of the Group in 19.0%. Bank's ROE at 24.8%.**
- **Record annual growth of 12% in the consumer portfolio,** 19% in payroll, 15% in credit card, 10% in mortgage, and 8% in auto.
- **Asset quality and cost of risk remain** below expected levels.
- **Efficiency ratio improving at 37.5% as of 9M22,** with expenses increasing below inflation.

Figures for 2021 in the following graphs, as well as in the remainder of the document, were restated under new accounting standards, to facilitate comparison with 2022 information.



GFNorte reports Net Income of Ps 11.54 billion, stable sequentially and 30% higher vs. 3Q21.

(BMV: GFNORTEO; OTCQX: GBOOY; Latibex: XNOR)

2021 figures in this report were restated under new accounting rules, approaching convergence to IFRS international standards, as adopted by the Mexican banking system, to facilitate comparison with 2022 figures.

The most relevant results for the period ended on September 30, 2022, were:

Despite an increasingly challenging macroeconomic environment, with GDP growth expectations constantly revised downwards, growing inflationary pressures, restrictive monetary policies, and an uncertain international outlook, GFNorte has maintained its resiliency, closing the third quarter of the year with a net result of Ps 11.54 billion; stable sequentially and 30% higher vs. 3Q21. Credit demand remains solid in the consumer portfolio, with outstanding risk metrics that continue to surpass expectations. Despite inflationary pressures, GFNorte has maintained an efficient expense control as well as sound levels of loan loss provisions and strong capital ratios, shielding the balance sheet for the rest of 2022 and 2023.

The most relevant results for the quarter and year were:

- **Net Interest Income (NII)** increases 13% sequentially and 35% higher versus 3Q21, partially reflecting the reference rate hikes in the last 12 months. **NIM of the Group stood at 6.7% in 3Q22**, a sequential expansion of 74bps and an annual expansion of 143bps.
- **The bank and other subsidiaries'** sequential performance aligned with that of the market. **Bank's NIM was higher 71bps sequentially**, reflecting greater loan origination and, partially, the effect of the reference rate increases; in the quarter, the Mexican Central Bank increased the reference rate 75bps in August and 75bps in September, reaching 9.25%. Annually, bank's NIM increased 148bps.
- **Non-interest income decreased QoQ**, mainly due to lower trading results, technical results in the insurance and annuities business, and other operating income (expenses).
- The insurance business continues its gradual recovery; solid premium issuance and lower claims related to COVID-19.
- **Provisions were 29% higher** sequentially and 18% annually, aligned with the increase in loan origination, especially in the consumer portfolio. **Cost of risk** reached **1.4%**, still below historical average levels.
- **Non-interest expenses** increased 3% vs. 2Q22, and 10% in the year, maintaining an efficient control in expenses at the institutional level. The **cost to income ratio stood at 37.1% in 3Q22**, from 41.7% in 3Q21.
- **ROE** stood at **19.6%**, stable sequentially and **increasing 416bps annually**, reflecting a sound and resilient business performance of the group. **Additionally, ROA remained at 2.3%**, increasing **42bps** vs. 3Q21. **ROE for the Bank at 27.0%**, decreasing (11bps) sequentially and increasing 771bps annually.
- **Net Income for 9M22 totaled Ps 33.82 billion, 30% higher** than 9M21. **Net Interest Income** for the cumulative annual comparison grew 26% YoY; **NIM reached 6.2%, 101bps higher vs. 9M21**, still partially reflecting the 375bps increase in the reference rate during the nine months of 2022. **Non-interest income fell (59%)** vs. 9M21, and **non-interest expenses grew 8%**, below inflation -with an annual inflation at the end of September of 8.7%-, reaching an **efficiency ratio of 37.5%**, (439bps) better vs. 9M21.
- **Subsidiaries** contributed and supported the business' sound revenue diversification. In the 9M22, net income for the Bank grew 34%, Brokerage House 21%, Seguros Banorte 81%, with claims in a downward trend, and Annuities 31%.
- **Performing loan book**, in stages 1 and 2, **increased 2% QoQ**. During the quarter, **consumer loans rose 5%**, driven by mortgage, credit card, and payroll growing 5% and auto recovering with a 4% growth; mortgage presented a record expansion during the quarter. Corporate and government loans decreased (3%) and (2%), respectively, mainly due to prepayments; while commercial loans grew 2%, aligned with the focus in SME growth. In the year, the **performing loan book increased 8%**, driven by a record 12% growth in consumer, 7% in commercial, and 6% in corporate. Within the consumer portfolio, **payroll and credit card** showed a strong performance, **increasing 19% and 15%** respectively; while **mortgages expanded 10% and auto 8%**.
- **The quality of the loan portfolio continues to stand out** in all segments comprising the loan book. NPL ratio remains practically unchanged QoQ at 1.0%, and improves (9bps) annually, mainly due to consumer and commercial loans.
- **Cost of risk increased 30bps QoQ to 1.4%**, given greater provisions related to higher loan origination. **Coverage ratio** in 188.5%, from 193.4% in 2Q22.

- **Core Deposits decreased (2%)** during the quarter: demand deposits went down (2%), while time deposits remained stable. In the annual comparison, demand deposits grew 16%, and time deposits rose only 2%, in line with the low funding cost strategy. Overall, **Core Deposits increased 12% in the year.**
- **Capital strength, as well as liquidity management** are still top priorities for the Financial Group. The **bank's total Capital Adequacy Ratio (CAR)** reached **23.02%**, and **Core Equity Tier 1 (CET1)** reached **14.7%**, both well above regulatory minimums, helping the bank to comply with TLAC (Total loss-absorbing capacity) requirements, effective as of December 2022. The **quarterly average Liquidity Coverage Ratio** stood at **160%**, while the **Leverage Ratio** at **12.14%.**

GFNorte-Consolidated Statement of Comprehensive Income Highlights (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Interest Income *	48,256	60,466	72,162	19%	50%	142,045	187,889	32%
Interest Expense	25,515	33,238	41,468	25%	63%	74,631	102,954	38%
Net Interest Income	22,741	27,229	30,694	13%	35%	67,415	84,934	26%
Net Service Fees	3,807	4,313	4,216	(2%)	11%	11,182	12,539	12%
Premium Income Ins. & Annu. (Net)	10,319	8,967	9,361	4%	(9%)	34,261	34,084	(1%)
Technical Reserves Ins. & Annu.	7,071	5,685	6,983	23%	(1%)	23,070	24,367	6%
Cost of Acquisition from Insurance Operations	296	308	300	(3%)	1%	861	1,076	25%
Net Cost of Claims and Other Obligations	6,157	6,594	6,516	(1%)	6%	19,030	19,905	5%
Trading *	1,175	855	777	(9%)	(34%)	2,668	3,009	13%
Other Operating Income (Expenses)	(343)	(312)	(1,343)	(331%)	(292%)	(653)	(2,449)	(275%)
Non Interest Income	1,435	1,236	(787)	(164%)	(155%)	4,497	1,835	(59%)
Total Income	24,176	28,464	29,907	5%	24%	71,912	86,769	21%
Non Interest Expense	10,075	10,767	11,103	3%	10%	30,156	32,581	8%
Provisions	2,657	2,434	3,148	29%	18%	8,637	8,249	(4%)
Operating Income	11,445	15,264	15,657	3%	37%	33,119	45,939	39%
Taxes	2,975	3,703	4,187	13%	41%	8,409	12,221	45%
Subsidiaries' Net Income	532	128	233	82%	(56%)	1,638	558	(66%)
Minority Interest	128	166	159	(4%)	24%	361	460	27%
Net Income	8,874	11,524	11,544	0%	30%	25,987	33,816	30%
Other Comprehensive Income	(465)	(2,311)	158	107%	134%	(3,029)	(3,983)	(32%)
Comprehensive Income	8,537	9,378	11,861	26%	39%	23,319	30,293	30%

* In 3Q22, the valuation of financial instruments of "Seguros y Pensiones" was reclassified from the "Interest Income" line, into the "Trading Income" line. For comparison purposes, 2021 figures, as well as 2022 figures of the first two quarters, were reclassified.

GFNorte-Consolidated Statement of Financial Position Highlights (Million Pesos)	3Q21	2Q22	3Q22	Change	
				2Q22	3Q21
Asset Under Management	3,157,683	3,128,108	3,161,180	1%	0%
Loans Stage 1	806,885	853,365	866,330	2%	7%
Loans Stage 2	6,968	7,401	9,710	31%	39%
Performing Loans, Stage 1 & 2 (a)	813,853	860,766	876,040	2%	8%
Past Due Loans, Stage 3 (b)	9,351	8,898	9,259	4%	(1%)
Deferred Items (c)	1,611	1,590	1,560	(2%)	(3%)
Loan Portfolio from Insur. Subs.(d)	2,728	3,025	3,123	3%	15%
Total Loans (a+b+c+d)	827,542	874,278	889,982	2%	8%
Preventive Loan Loss Reserves	17,464	17,208	17,451	1%	(0%)
Total Loans Net	810,078	857,070	872,530	2%	8%
Total Assets	1,911,090	2,033,316	2,033,008	(0%)	6%
Total Deposits	793,292	865,191	872,912	1%	10%
Total Liabilities	1,674,150	1,800,068	1,789,097	(1%)	7%
Equity	236,940	233,248	243,911	5%	3%

Financial Ratios GFNorte	3Q21	2Q22	3Q22	9M21	9M22
Profitability:					
NIM (1)	5.2%	5.9%	6.7%	5.2%	6.2%
ROE (2)	15.4%	19.6%	19.6%	15.2%	19.0%
ROA (3)	1.9%	2.27%	2.27%	1.8%	2.3%
Operation:					
Efficiency Ratio (4)	41.7%	37.8%	37.1%	41.9%	37.5%
Operating Efficiency Ratio (5)	2.1%	2.1%	2.2%	2.1%	2.2%
CCL Banorte and SOFOM - Basel III (6)	183.7%	176.6%	160.4%	183.7%	160.4%
Asset Quality:					
Past Due Loan Ratio	1.1%	1.0%	1.0%	1.1%	1.0%
Coverage Ratio	186.8%	193.4%	188.5%	186.8%	188.5%
Cost of Risk (7)	1.30%	1.13%	1.43%	1.4%	1.28%
Market References					
Banxico Reference Rate	4.50%	7.75%	9.25%	4.50%	9.25%
TIE 28 days (Average)	4.64%	7.04%	8.47%	4.43%	7.17%
Exchange Rate Peso/Dollar (8)	20.56	20.13	20.09	20.30	20.05

1) NIM= Annualized Net Interest Income / Average Earnings Assets.

2) Annualized earnings as a percentage of average quarterly equity over the period, minus minority interest, for the same period.

3) Annualized earnings as a percentage of average quarterly assets over the period, minus minority interest, for the same period.

4) Non-Interest Expense / Total Income

5) Annualized Non-Interest Expense / Average Total Assets.

6) Preliminary CCL calculation. To be updated upon publication of Banco de Mexico's official calculations.

7) Cost of Risk = Annualized Provisions / Average Total Loans.

8) The Exchange Rate Peso/Dollar for the semester is the average.

*For more detail on Liquidity Coverage Ratio (LCR)*See Page. 26 to 28 of the [Risk Management Report](#)

Subsidiaries Net Income (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
				2Q22	3Q21			9M21
Banco Mercantil del Norte	6,706	9,211	8,758	(5%)	31%	18,984	25,469	34%
Banorte Broker Dealer	312	220	179	(19%)	(43%)	1,002	1,210	21%
Operadora de Fondos Banorte	90	87	83	(5%)	(8%)	304	266	(12%)
Retirement Funds - Afore XXI Banorte	458	99	178	80%	(61%)	1,311	432	(67%)
Insurance	324	852	889	4%	175%	1,643	2,973	81%
Annuities	472	520	876	68%	86%	1,462	1,908	31%
BAP (Holding)	12	(1)	(1)	54%	(106%)	29	(4)	(113%)
Other Finance Companies	213	245	65	(73%)	(69%)	551	437	(21%)
G. F. Banorte (Holding)	287	289	516	78%	80%	700	1,124	61%
Total Net Income	8,874	11,524	11,544	0%	30%	25,987	33,816	30%
Share Data	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
				2Q22	3Q21			9M21
Earnings per share (Pesos)	3.078	3.996	4.004	0%	30%	9.012	11.728	30%
Earnings per share Basic (Pesos)	3.111	4.028	4.048	0%	30%	9.108	11.831	30%
Dividend per Share for the period (Pesos)	0.00	6.08	0.00	(100%)	N.A.	3.17	6.08	92%
Payout for the period	0.0%	50.0%	0.0%	(100%)	N.A.	25.0%	50.0%	100%
Book Value per Share (Pesos)	81.17	79.95	83.61	5%	3%	81.17	83.61	3%
Outstanding Shares - BMV (Million)	2,883.5	2,883.5	2,883.5	0%	0%	2,883.5	2,883.5	0%
Stock Price (Pesos)	132.57	112.17	129.32	15%	(2%)	132.57	129.32	(2%)
P/BV (Times)	1.63	1.40	1.55	10%	(5%)	1.63	1.55	(5%)
Market Capitalization (Million Dollars)	18,590	16,065	18,559	16%	(0%)	18,590	18,559	(0%)
Market Capitalization (Million Pesos)	382,260	323,437	372,889	15%	(2%)	382,260	372,889	(2%)

Share performance



II. Management's Discussion & Analysis

2021 figures in this report were restated under new accounting rules, approaching convergence to IFRS international standards, as adopted by the Mexican banking system, to facilitate comparison with 2022 figures. Thus, financial information of 2021 is not comparable to the reports published in the respective year. Please refer to the section "Accounting Regulatory Changes" for further detail.

For comparison purposes, it is important to consider that GFNorte holds a 98.2618% ownership of the Bank; therefore, some figures may vary as they refer to the Group or the Bank.

Net Interest Income

Net Interest Income (NII) (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
				2Q22	3Q21			9M21
Interest Income *	48,256	60,466	72,162	19%	50%	142,045	187,889	32%
Interest Expense	25,515	33,238	41,468	25%	63%	74,631	102,954	38%
GFNORTE's NII	22,741	27,229	30,694	13%	35%	67,415	84,934	26%
Credit Provisions	2,657	2,434	3,148	29%	18%	8,637	8,249	(4%)
NII Adjusted for Credit Risk	20,084	24,795	27,546	11%	37%	58,778	76,685	30%
Average Earning Assets	1,743,466	1,842,672	1,845,944	0%	6%	1,716,939	1,823,878	6%
Net Interest Margin (1)	5.2%	5.9%	6.7%			5.2%	6.2%	
NIM after Provisions (2)	4.6%	5.4%	6.0%			4.5%	5.6%	
NIM from loan portfolio (3)	7.7%	8.1%	8.5%			7.5%	8.2%	

1) NIM (Net Interest Margin)= Annualized Net Interest Income of the quarter / Average Interest Earnings Assets.

2) NIM = Annualized Net Interest Income for the quarter adjusted for Credit Risks / Average of Performing Assets.

* In 3Q22, the valuation of financial instruments of "Seguros y Pensiones" was reclassified from the "Interest Income" line, into the "Trading Income" line. For comparison purposes, 2021 figures, as well as 2022 figures of the first two quarters, were reclassified.

NII increased 13% during the quarter, above the 8% expansion of the NII in the loan portfolio. The result was driven by the combined effect of the partial benefit of rate hikes, loan origination, and the positive effect in valuation of FX and inflation-indexed securities (UDIS) in the Annuities business. Interest expenses were 25% higher than the previous quarter, mainly due to the 142bps increase in the average reference rate (TIE28d), which increased deposit and funding interest in 21%. **NIM expanded 74bps to 6.7%**, given an increase in rates and stable average earning assets in the quarter. **NIM of the loan portfolio expanded 45bps in the quarter, reaching 8.5%**, reflecting greater loan origination activity and, partially, the gradual increase in the reference rate.

In the 9M22 comparison, **Net Interest Income rose substantially 26%**, boosted by 14% higher NII in the loan portfolio, on greater credit dynamism and reflecting, partially, a 475bp adjustment in the reference rate over the past 12 months, as well as the positive effect in the FX valuation and in inflation-indexed securities (UDIS) in the Annuities business. Interest expenses went up 38%, mainly due to an adjustment in the reference rate, but maintaining the efforts to improve the efficiency of the mix, increasing low-cost demand deposits by 16%, annually. **NIM increased 101bps, ending at 6.2%**; and the **NIM of the loan book increased 68bps, reaching 8.2%**.

For more detail on Margin Sensitivity (Bank):

- 1) Refer to page 32 and 33 of the [Risk Management Report](#)

Loan Loss Provisions

Credit Provisions (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Commercial, Corporate & Government	580	376	469	25%	(19%)	1,024	1,093	7%
Consumer	2,932	2,945	3,345	14%	14%	8,897	9,170	3%
Charge offs and discounts	(855)	(888)	(667)	25%	22%	(1,284)	(2,014)	(57%)
Credit Provisions	2,657	2,434	3,148	29%	18%	8,637	8,249	(4%)

Compared to the previous quarter, **credit provisions increased 714 million, or 29%**, derived mainly from the increase in loan origination focused on consumer, especially payroll, as well as due to a particular requirement in the commercial and corporate portfolios, which do not represent any geographic or sectoral trend. In the quarter, Ps 260 million reserves were used, out of the additional reserves constituted in 2020 to face the COVID-19 pandemic.

Out of the Ps 3.15 billion provisions recorded in the quarter, 41% correspond to new loan origination and the remaining to risk and portfolio variations.

In 9M22, provisions were (Ps 387 million), or (4%) lower vs. 9M21, as a result of greater charge-offs and discounts given a solid recovery management, despite higher requirements in the commercial, government, and payroll portfolios, due to greater activity in these segments.

Cost of risk increased 30bps in the quarter and 13bps in the year, reaching 1.4%; still below historical levels, although tending to normalize, as the consumer portfolio increases.

For more detail on Internal Credit Risk Models:

- 1) Pages 15 to 20 of the [Risk Management Report](#)

Non-Interest Income

Non-Interest Income (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Net Service Fees	3,807	4,313	4,216	(2%)	11%	11,182	12,539	12%
Premium Income Ins. & Annu. (Net)	10,319	8,967	9,361	4%	(9%)	34,261	34,084	(1%)
Technical Reserves Ins. & Annu.	7,071	5,685	6,983	23%	(1%)	23,070	24,367	6%
Cost of Acquisition from Insurance Operations	296	308	300	(3%)	1%	861	1,076	25%
Net Cost of Claims and Other Obligations	6,157	6,594	6,516	(1%)	6%	19,030	19,905	5%
Trading *	1,175	855	777	(9%)	(34%)	2,668	3,009	13%
Other Operating Income (Expenses)	(343)	(312)	(1,343)	(331%)	(292%)	(653)	(2,449)	(275%)
Non-Interest Income	1,435	1,236	(787)	(164%)	(155%)	4,497	1,835	(59%)

* In 3Q22, the valuation of financial instruments of "Seguros y Pensiones" was reclassified from the "Interest Income" line, into the "Trading Income" line. For comparison purposes, 2021 figures, as well as 2022 figures of the first two quarters, were reclassified.

Non-interest income with a sequential reduction of (164%), derived mainly from a drop in other operating income (expenses) and lower technical result due to higher technical reserves. Trading income fell (9%) sequentially, as a result of a lower valuations. **When compared to 9M21, non-interest income decreased (59%).**

Insurance and Annuities premium income increased 4% sequentially on a good business generation for annuities. Technical reserves increased 23% or Ps 1.29 billion, out of which Ps 1.26 billion correspond to the annuities business, impacted by higher premiums and the valuation effect on inflation, whereas Ps 35 million correspond to a lower reserves release in the insurance business, vs. the previous quarter. Acquisition costs were (3%) lower. Claims fell (1%) in the quarter, reflecting a decline in medical expenses and damages portfolios.

In the cumulative comparison, premium income from Insurance and Annuities fell slightly (1%), driven by a contraction in the annuities markets, while technical reserves expanded 6%, mainly on the effect of inflation in the annuities business. Claims increased 5%, due to a larger annuities portfolio, which was slightly offset by lower claims in the insurance business.

Service Fees

Service Fees (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Fund Transfers	517	515	527	2%	2%	1,521	1,513	(1%)
Account Management Fees	498	489	483	(1%)	(3%)	1,515	1,455	(4%)
Electronic Banking Services	3,246	4,197	4,280	2%	32%	9,374	12,267	31%
Basic Banking Services Fees	4,262	5,201	5,290	2%	24%	12,410	15,235	23%
For Commercial and Government Loans	329	472	393	(17%)	20%	902	1,231	36%
Consumer Loan Fees	1,307	1,521	1,617	6%	24%	3,734	4,533	21%
Fiduciary & Mortgage Appraisals	136	136	123	(9%)	(10%)	419	385	(8%)
Mutual Funds	507	523	535	2%	5%	1,494	1,558	4%
Trading & Financial Advisory Fees	137	163	135	(17%)	(1%)	490	438	(11%)
Other Fees Charged (1)	54	67	39	(41%)	(28%)	335	192	(43%)
Fees Charged on Services	6,732	8,082	8,132	1%	21%	19,785	23,573	19%
Interchange Fees	1,923	2,638	2,650	0%	38%	5,459	7,589	39%
Other Fees Paid	1,003	1,131	1,265	12%	26%	3,144	3,445	10%
Fees Paid on Services	2,925	3,769	3,916	4%	34%	8,603	11,034	28%
Net Service Fees	3,807	4,313	4,216	(2%)	11%	11,182	12,539	12%

1) Includes fees from transactions with pension funds, warehousing services, financial advisory services, and securities trading, among others.

Fees charged on services increased 1% in the quarterly comparison and 21% vs. 3Q21. The annual performance was supported by higher electronic banking services, fees from consumer loans in credit cards and mutual funds, resulting from the reactivation of domestic demand.

On the other hand, **fees paid on services grew 4% sequentially and 34% year-over-year.** The annual variation was mainly driven by higher commercial activity, reflected in an increase of interchange fees, mainly from the credit card business.

Altogether, **net service fees fell (2%) sequentially and expanded 11% YoY. For 9M22, the increase was 12%.**

Trading

Trading Income (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Currency and Metals	357	351	(146)	(142%)	(141%)	479	(339)	(171%)
Derivatives	51	424	(399)	(194%)	(886%)	126	1,379	993%
Negotiable Instruments *	767	(490)	(66)	87%	(109%)	199	(612)	(407%)
Valuation	1,175	285	(611)	(315%)	(152%)	804	429	(47%)
Currency and Metals	399	753	1,218	62%	205%	2,001	3,289	64%
Derivatives	(121)	(216)	115	153%	195%	(126)	(820)	(552%)
Negotiable Instruments	(278)	141	48	(66%)	117%	(12)	208	1908%
Trading	(0)	678	1,380	104%	N.A.	1,864	2,677	44%
Other financial results	-	(107)	8	107%	N.A.	-	(97)	N.A.
Trading Income *	1,175	855	777	(9%)	(34%)	2,668	3,009	13%

* In 3Q22, the valuation of financial instruments of "Seguros y Pensiones" was reclassified from the "Interest Income" line, into the "Trading Income" line. For comparison purposes, 2021 figures, as well as 2022 figures of the first two quarters, were reclassified.

Trading income was (9%) lower vs. 2Q22, due to the negative valuation effect in derivatives, currency & metals, as well as lower securities' trading. This was offset by higher trading with derivatives and currency & metals, along with a 107% increase in other financial results, recording Ps 8 million in the quarter.

In the 9M22 cumulative comparison, trading income expanded 13%, mainly due to a 44% increase in trading operations, driven by currency & metals, as well as securities. Valuation decreased (47%) on lower securities and currency & metals, despite the strong increase in derivatives. Other financial results recorded an estimated loss on financial instruments of (Ps 97 million).

Other Operating Income (Expenses)

Other Operating Income (Expenses) (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Contributions to IPAB	(889)	(954)	(985)	3%	11%	(2,691)	(2,874)	7%
Result for Foreclosed Assets	87	196	107	(45%)	22%	307	443	44%
Lease Income	42	86	88	2%	110%	159	236	49%
From Insurance & Annuities	252	237	(360)	(252%)	(243%)	722	107	(85%)
Others	165	124	(192)	(255%)	(217%)	850	(360)	(142%)
Other Operating Income (Expenses)	(343)	(312)	(1,343)	(331%)	(292%)	(653)	(2,449)	(275%)

Other operating income (expense) fell (331%) sequentially, mainly due to an increase in tax provisions in the Insurance and Annuities sector, as well as higher contributions to the IPAB, related to an increase in deposits' volume. The result was slightly offset by higher collection rights and revenues from the leasing company.

In the 9M22 cumulative comparison, there was a decrease of (275%), driven by the increase in tax provisions in the Insurance and Annuities sector, as well as lower recoveries and higher contributions to the IPAB, associated with an increase in the volume of deposits.

Non-Interest Expense

Non-Interest Expense (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Personnel	4,412	4,264	4,510	6%	2%	12,947	13,104	1%
Professional Fees	832	915	929	2%	12%	2,473	2,641	7%
Administrative and Promotional	1,779	1,789	2,116	18%	19%	5,346	5,768	8%
Rents, Depreciation & Amortization	2,122	2,434	2,336	(4%)	10%	6,386	7,171	12%
Other Taxes	531	502	613	22%	15%	1,582	1,647	4%
Employee Profit Sharing (PTU)	145	387	394	2%	172%	452	1,165	158%
Other expenses	254	476	205	(57%)	(19%)	971	1,086	12%
Non-Interest Expense	10,075	10,767	11,103	3.1%	10.2%	30,156	32,581	8.0%

Non-interest expenses rose 3.1% sequentially, primarily due to higher publicity and promotional expenses related to campaigns for different banking products and sponsorships, greater personnel expenses to strengthen the commercial teams to attend the different market's needs, as well as larger professional services and travel expenses, given a reactivation of in-person activity.

Compared to 9M21 figures, non-interest expenses went up 8.0%, despite inflationary pressures -annual inflation in September reached 8.7%-, showing an important control at an institutional level. The increase vs. 9M21, resulted from higher expenses in the Employee Profit Sharing derived from the labor reform, higher amortization in IT projects, and personnel expenses, related to an increase in the commercial activity.

Thus, the **efficiency ratio reached 37.1% in the quarter**, a (70bp) reduction vs. the 37.8% of 2Q22; whereas, in 9M22, the ratio improved (439bps) vs. the 41.9% in 9M21.

Net Income

Net Income (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Operating Income	11,445	15,264	15,657	3%	37%	33,119	45,939	39%
Subsidiaries' Net Income	532	128	233	82%	(56%)	1,638	558	(66%)
Pre-Tax Income	11,977	15,392	15,890	3%	33%	34,757	46,497	34%
Taxes	2,975	3,703	4,187	13%	41%	8,409	12,221	45%
Net income from continuing operations	9,002	11,689	11,703	0%	30%	26,348	34,276	30%
Minority Interest	128	166	159	(4%)	24%	361	460	27%
Net Income	8,874	11,524	11,544	0%	30%	25,987	33,816	30%
Valuation Adjustments for Fair Value through other	(191)	(2,351)	(1,099)	53%	(474%)	(1,377)	(5,433)	(295%)
Cash Flow Hedges Valuation	(359)	(73)	1,101	1609%	407%	(1,922)	1,042	154%
Remeasurement on defined employee benefits	25	23	9	(61%)	(64%)	85	56	(35%)
Cumulative foreign currency translation adjustment	41	14	(5)	(136%)	(112%)	39	(38)	(197%)
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	19	76	152	100%	712%	147	390	166%
Other Comprehensive Income	(465)	(2,311)	158	107%	134%	(3,029)	(3,983)	(32%)
Comprehensive Income	8,537	9,378	11,861	26%	39%	23,319	30,293	30%

Operating income grew 3% in the quarter, with a stable and resilient operation in the businesses, despite the significant impact in other operating income (expenses) from the aforementioned reclassification, and the adjustment in trading income. **Compared to the same quarter of the previous year, it grew 37%**, as a result of better dynamics in the Bank's operations, Insurance, and Annuities. **Cumulative figures for the first nine months of the year grew 39%**, on better dynamics in all businesses, excluding Afore, which had an important regulatory adjustments at the beginning of 2022, along with valuation pressures in long-term investments.

Net income was Ps 11.54 billion, stable vs. 2Q22, and 30% higher year-over-year. On a cumulative basis, it grew 30% to Ps 33.82 billion at the end of 9M22.

Taxes went up 13% sequentially, and 41% compared to the same quarter of last year; on a cumulative basis, they were up 45%.

Earnings per share for the quarter were **Ps 4.004**.

Profitability

	3Q21	2Q22	3Q22	9M21	9M22
ROE	15.4%	19.6%	19.6%	15.2%	19.0%
Intangibles	16,866	17,786	17,994	16,866	17,994
Goodwill	26,733	26,725	26,724	26,733	26,724
Average Tangible Equity	181,744	180,915	183,004	181,744	183,004
ROTE	20.0%	25.6%	25.9%	19.0%	24.9%

In the quarter, **ROE** improved 3bps, remaining stable at **19.6%**; while in the annual comparison, the increase was 416bps, reflecting the strength of the group's businesses.

ROTE improved 27bps in the quarter to 25.9%, while it grew 586bps vs. 3Q21.

	3Q21	2Q22	3Q22	9M21	9M22
ROA	1.9%	2.3%	2.3%	1.8%	2.3%
Average Risk Weighted Assets (billion pesos)	880	842	835	880	835
RRWA	3.6%	4.8%	5.1%	3.6%	5.1%

ROA improved 1bps in the quarterly comparison to **2.3%**, whereas in the annual comparison it **grew 42bps**.

Deposits

Deposits (Million Pesos)	3Q21	2Q22	3Q22	Change	
				2Q22	3Q21
Non-Interest Bearing Demand Deposits	353,815	390,878	388,156	(1%)	10%
Interest Bearing Demand Deposits	165,569	224,849	212,275	(6%)	28%
Total Demand Deposits	519,385	615,727	600,431	(2%)	16%
Time Deposits – Retail	213,598	218,250	217,770	(0%)	2%
Core Deposits	732,983	833,978	818,201	(2%)	12%
Money Market and Credit Notes Issued	66,400	51,648	60,729	18%	(9%)
Total Bank Deposits	799,383	885,625	878,930	(1%)	10%
GFNorte's Total Deposits	793,292	865,191	872,912	1%	10%
Third Party Deposits	275,639	239,236	258,721	8%	(6%)
Total Assets Under Management	1,075,022	1,124,861	1,137,651	1%	6%

Core deposits decreased (2%) in the quarter, driven by (2%) lower demand deposits, due to natural variations in accounts, while time deposits remained stable. When compared to 3Q21, core deposits went up 12%, given 16% higher demand deposits and, to a lower extent, 2% higher time deposits, in line with our strategy to improve the cost of funds.

In contrast, **money market operations and credit notes issued increased 18% in the quarter** and decreased (9%) annually. Overall, **total bank deposits** decreased (1%) QoQ and increased 10% YoY.

Stage 1 + 2 loans, Performing loan portfolio

Stage 1 + 2 loans , Performing Loan Portfolio (Million Pesos)	3Q21	2Q22	3Q22	Change	
				2Q22	3Q21
Stage 1 + 2 loans, Performing Loan Portfolio					
Mortgages	197,792	207,524	218,039	5%	10%
Auto Loans	27,919	28,872	30,018	4%	8%
Credit Card	37,508	41,044	43,145	5%	15%
Payroll	54,633	61,591	64,970	5%	19%
Consumer	317,853	339,031	356,172	5%	12%
Commercial	198,258	207,275	212,036	2%	7%
Corporate	136,343	148,027	144,045	(3%)	6%
Government	161,400	166,433	163,788	(2%)	1%
Stage 1 + 2 loans, Performing Loan Portfolio	813,853	860,766	876,040	2%	8%

Further detail on Performing and Past due loan portfolios in the [Risk Management Report](#)

- 1) displayed by Sector and Subsidiary, page 9
- 2) displayed by Federal Entities and Subsidiary, page 10
- 3) displayed by Remaining Term, page 10

During the quarter, **performing loans grew 2%** driven by a 5% increase in the consumer portfolio, **boosted by mortgages, credit card and payroll, each of them showing a 5% increase**, while auto continues recovering with 4%; noteworthy is the quarterly increase in mortgages of **Ps 10.51 billion, a record growth figure**. The commercial portfolio continues to be focused on SME's with an appropriate risk profile, whereas the corporate portfolio is impacted by prepayments during the quarter.

In the year, there is a **substantial improvement of 12% in the consumer portfolio, showing off a record growth in the Bank's history**, driven by a 19% increase in payroll, followed by 15% in credit card, and 10% in mortgages, which also presented record growth. The commercial portfolio maintains a constant growth of 7%, reflecting greater economic activity, while the corporate portfolio presented a 6% growth, due to higher US dollar loan portfolio activity.

Within the commercial portfolio, **SMEs loans** were 3% higher sequentially and 8% yearly. NPL ratio improved (20bps) in the quarter and (119bps) in the year, ending at 1.36%, in line with the appropriate risk profile approach for this segment.

SME's Loans (Million Pesos)	3Q21	2Q22	3Q22	Change	
				2Q22	3Q21
Performing Portfolio	36,717	38,691	39,682	3%	8%
% of Performing Commercial Portfolio	18.5%	18.7%	18.7%	5 bp	20 bp
% of Total Performing Portfolio, stage 1 and 2	4.5%	4.5%	4.5%	3 bp	2 bp
NPL Ratio	2.55%	1.56%	1.36%	(20 bp)	(119 bp)

GFNorte's corporate book is well diversified by industry and by region, showing low concentration risk. The 20 main private sector corporate borrowers accounted for 11.1% of the group's performing book, stages 1 and 2. The group's largest corporate exposure represented 0.9% of the performing book, stages 1 and 2; whereas corporate borrower number 20 represented 0.3%. All 20 corporates have an A1 credit rating.

The **government book, stages 1 and 2, totaled Ps 163.79 billion, decreasing (2%) QoQ and increasing 1% YoY**, negatively impacted by pre-payments during the quarter. GFNorte's government portfolio is well diversified by region, showing an adequate risk profile, given that 35.6% of the portfolio is Federal Government exposure and 91.7% of municipal and state government loans are backed by fiduciary guarantees.

Market share position (using CNBV figures as of August 2022):

The system's stages 1 and 2 loans (performing loans) recovering, higher 11.4% annually; **Banorte rose 8.7%, reaching a 14.7%** market share, decreasing (37bps) in the year.

- **Mortgage Loans:** Banorte held a **18.8% market share**, down (64bps) annually, holding on to the second place in the system.
- **Credit Card Loans:** Banorte maintains **its market share** in the year, ending at **10.3%**.
- **Auto Loans:** In the year, Banorte regained 19bps market share to **19.7%**, still ranking second in the system. The market gradually recovering on new car sales.
- **Payroll Loans:** Banorte held a **20.8%** market share, increasing 33bps in the year, ranking second in the market.
- **Commercial Loans:** Market share totaled **11.6%**, including corporate and SMEs according to the CNBV classification. Market share decreased (37bps) in the last 12 months, but still ranking third in the system.
- **Government Loans:** Banorte's market share improved 109bps to **26.9%**, ranking second in the banking system.

Stage 3/ Past Due Loans

In the quarter, non-performing loans increased Ps 361 million, impacting mainly commercial, payroll and credit card, and to a lesser extent, mortgages and auto loans.

Stage 3/ Past Due Loans (Million Pesos)	3Q21	2Q22	3Q22	Change	
				2Q22	3Q21
Credit Cards	1,042	926	986	60	(56)
Payroll	1,351	1,713	1,868	155	518
Auto Loans	249	180	216	36	(33)
Mortgages	2,080	1,855	1,904	50	(175)
Commercial	3,914	3,442	3,774	332	(140)
Corporate	558	680	506	(174)	(51)
Government	159	102	4	(98)	(154)
Total	9,351	8,898	9,259	361	(92)

NPL ratio slightly increased to 1.04%, but remains below normal pre-pandemic levels and historical average. During the quarter, the ratio increased 2bps, whereas in the year, it improved (9bps), driven by strict loan origination controls and strong collection management.

Stage 3 Loans (Past Due Loans Ratios)	3Q21	4Q21	1Q22	2Q22	3Q22
Credit Cards	2.7%	2.3%	2.2%	2.2%	2.2%
Payroll	2.4%	2.5%	2.4%	2.7%	2.8%
Auto Loans	0.9%	0.8%	0.7%	0.6%	0.7%
Mortgages	1.0%	1.0%	0.9%	0.9%	0.9%
Commercial	1.9%	1.6%	1.7%	1.6%	1.7%
SMEs	2.5%	1.8%	1.7%	1.6%	1.4%
Rest of commercial	1.8%	1.5%	1.7%	1.6%	1.8%
Corporate	0.4%	0.0%	0.3%	0.5%	0.4%
Government	0.1%	0.1%	0.1%	0.1%	0.0%
Total	1.13%	0.95%	1.00%	1.02%	1.04%

Expected loss for Banco Mercantil del Norte, the group's largest subsidiary, was **1.9%**, and the unexpected loss was **4.1%**, with respect to the total portfolio as of 3Q22. In 2Q22, these ratios were 1.8% and 4.1%, respectively, and reached 1.7% and 3.9% twelve months ago.

Quarterly changes in accounts that affect stage 3 loans (past due loans) balance for the Financial Group were:

Stage 3 Loan (Past Due Loan) variations (Million Pesos)	
Balance as of June '22	8,898
Transfer from stage 1 + 2 Loans (Performing Loans) to stage 3 (Past Due Loans)	5,916
Portfolio Purchase	-
Renewals	(4)
Debt reversal	-
Cash Collections	(1,385)
Discounts	(52)
Charge-Offs	(3,045)
Foreclosures	(20)
Transfer from stage 3 (Past Due Loans) to stage 1 + 2 Loans (Performing Loans)	(1,060)
Loan Portfolio Sale	-
Foreign Exchange Adjustments	11
Fair Value Ixe	-
Balance as of September '22	9,259

Regarding risk ratings, 90% of the **total loan portfolio** was rated as Risk A, 6% as Risk B, and 4% as Risk C, D, and E altogether.

Risk Rating of Performing Loans as of 3Q22 - GFNorte
(Million Pesos)

CATEGORY	LOANS	LOAN LOSS RESERVES					
		COMMERCIAL			CONSUMER	MORTGAGES	TOTAL
		MIDDLE MARKET COMPANIES	GOVERNMENT ENTITIES	FINANCIAL INTERMEDIARIES			
A1	800,629	1,230	759	70	808	269	3,136
A2	33,871	216	12	11	370	19	629
B1	34,425	41	1	1	1,086	14	1,144
B2	13,604	17	0	0	564	23	604
B3	11,484	44	17	-	614	13	688
C1	11,044	278	-	0	678	33	990
C2	9,554	147	-	-	902	221	1,271
D	8,385	848	-	2	1,280	395	2,524
E	7,605	1,674	-	63	3,370	116	5,223
Total	930,600	4,495	790	147	9,673	1,103	16,209
Not Classified	(1,292)						
BAP Portfolio	3,123						
Partidas diferidas	1,560						
Exempt	-						
Total	933,992	4,495	790	147	9,673	1,103	16,209
Reserves							17,451
BAP Reserves							205
Preventive Reserves							1,038

Notes:

- Figures for reserve creation and rating are as of September 30, 2022.
- The loan portfolio is rated pursuant to rules issued by the CNBV, in Chapter V, Second Title of General Provisions Applicable to Credit Institutions, and it can also be rated according to internal methodologies authorized by this same regulator.
- The Institution uses regulatory methodologies to rate all credit portfolios. The Institution uses internal methodologies authorized by the CNBV according to the following: for the Revolving Consumer portfolio as of January 2018, for the Auto (Individuals) portfolio as of January 2020, and for the portfolio of commercial borrowers with sales or income greater than or equal to 14 million UDIS, from January 2019 in the Banco Mercantil del Norte subsidiary and from February 2019 in the subsidiaries Arrendadora and Factor Banorte.
- The Institution uses risk ratings: A1; A2; B1; B2; B3; C1; C2; D and E to classify provisions according to the portfolio segment and percentage of the provisions representing the outstanding balance of the loan, and which are set forth in Fifth Section of the "Reserve creation and their classification by degree of risk" found in Chapter 5, Second Title of the aforementioned regulation.
- The constituted complementary reserves follow the general provisions applicable to credit institutions, and they contemplate the additional reserves created to anticipate portfolio impairment effects due to COVID-19 previously described in "Provisions for Credit".

Based on the Accounting provisions, the Institution has formal policies and procedures so that, where appropriate, those loans that have elements that justify greater potential deterioration can be migrated to a higher risk stage, even if they have not complied with such requirements, according to the Accounting Policies and Criteria applicable to the loan portfolio.

As of 3Q22 **the Institution did not have loans considered as stage 3 under such policies.**

Loan Loss Reserves and Loan Loss Provisions

Loan Loss Reserves (Million Pesos)	3Q22
Previous Period Ending Balance	17,208
Provisions charged to results	3,823
Provisions charged to retained earnings	0
Created with profitability margin	0
Reserve Portfolio Sold	0
Other items	0
<u>Charge offs and discounts:</u>	
Commercial Loans	(471)
Consumer Loans	(2,678)
Mortgage Loans	(428)
Foreclosed assets	0
	(3,576)
Cost of debtor support programs	(5)
Valorization and Others	1
Adjustments	0
Loan Loss Reserves at Period End	17,451

Loan Loss Reserves as of 3Q22 totaled **Ps 17.45 billion**, increasing 1.4% vs. 2Q22. **Charge-offs and discounts** increased 18.7% quarterly.

Loan loss reserve coverage ratio totaled **188.5%**, in the quarter; resulting in a decrease when compared to the 193.4% from the previous quarter.

Capital

Shareholders' equity balance grew Ps 10.66 billion sequentially to Ps 243.91 billion; the main changes in the quarterly comparison are: net income of Ps 11.54 billion, Ps 1.10 billion higher valuation of cash flow hedging instruments, a reduction of (Ps 1.09 billion) in the valuation of financial instruments to collect or sell, and a reduction of (Ps 1.27 billion) from interests on subordinated notes.

Supplementary Notes to the Financial Information

The following is a breakdown of the credit notes issued by each entity:

[Notes Appendix 1 Grupo Financiero Banorte](#)

[Notes Appendix 1 Banco Mercantil del Norte](#)

Current Events

1. FITCH AFFIRMS "BANORTE RECUPERADOR DE ACTIVOS" AS SPECIAL MANAGER OF FINANCIAL ASSETS AT 'AAFC1(MEX)' MEXICO

On July 25th, Fitch Ratings affirmed Banco Mercantil del Norte S.A., Institución de Banca Múltiple's (Banorte RA) Special Manager of Financial Credit Assets, rating at 'AAFC1(mex)'. The Outlook is Stable.

2. BANORTE IS RECOGNIZED AS THE MOST AWARDED COMPANY IN MEXICO, IN THE INSTITUTIONAL INVESTOR RANKING.

On August 1st, the prestigious international publication Institutional Investor recognized Grupo Financiero Banorte as the "Most Honored Company" within the "Latin America Executive Team" ranking, having obtained first place in Mexico in all categories for 2022. GFNorte also ranked top 3 in Latin America, where it was also among the "Most Honored Companies".

The methodology consisted of the evaluation of 357 Latin American public companies, surveying 911 investment experts from 434 financial services' companies around the world; among the experts consulted, were financial analysts, portfolio managers, and researchers in investment firms around the world.

The 8 categories of the ranking are as follows:

Best CEO: Marcos Ramírez Miguel
 Best CFO: Rafael Arana de la Garza
 Best IR Professional: Tomás Lozano Derbez
 Best IR Team: GFNorte
 Best IR Program: GFNorte
 Best ESG: GFNorte
 Best COVID-19-Crisis Management: GFNorte
 Best Investor/Analyst Event: GFNorte

3. FITCH AFFIRMS OPERADORA BANORTE'S INVESTMENT MANAGEMENT QUALITY RATING

On August 31st, Fitch Ratings affirmed Operadora de Fondos Banorte, S.A. de C.V. (OB), Sociedad Operadora de Fondos de Inversión, Grupo Financiero Banorte, at "Excellent(mex)" with a stable outlook, according to the "Investment Management Quality Rating Methodology".

4. BANORTE RECOGNIZED AS WORLD'S MOST SOCIALLY RESPONSIBLE BANK BY NEWSWEEK MAGAZINE

On September 26th, Newsweek and Statista recognized Grupo Financiero Banorte as the world's most socially responsible bank. The list published in Newsweek, placed Banorte in the first position, with 86.8 points. In addition to being the highest-ranked financial institution, it was the only Mexican bank to appear in the ranking out of a total of 175 banks from 35 countries in the Americas, Europe, Africa, the Middle East, and Asia Pacific. Its analysis considers two main factors: key performance indicators through KPIs and ESG reputation extracted from a consumer survey.

5. BANORTE LAUNCHES 'BANORTEC', MOBILE BANKING EXCLUSIVELY FOR THE TEC COMMUNITY

On September 28th, as part of the strategic alliance between Banorte and Tecnológico de Monterrey, the financial institution presented "BanorTec", the mobile banking system developed exclusively for the Tec community, which is the most advanced digital financial ecosystem for a university community in México.

As part of the exclusive offer for Tec de Monterrey, Banorte also developed customized products: a personal account and two credit cards, BanorTec Bit and BanorTec Pro. Additionally, it offers benefits in auto and mortgage credit products.

The onboarding to the mobile banking and its products is 100% digital and is done from the app. BanorTec's main functionalities are:

- Personal account opening.
- BanorTec Bit and BanorTec Pro credit cards.
- BanorTec physical card linking.
- Digital card with dynamic CVV for more secure e-commerce purchases.
- Cardless cash withdrawals at Banorte ATMs and affiliated stores.

- Balance and transaction inquiries.
- Account configuration services.

6. GRUPO FINANCIERO BANORTE RECEIVES AUTHORIZATION FOR THE INCORPORATION OF A NEW DIGITAL BANK.

In line with the institutional digital strategy regarding the 1-2-3 Strategic Plan, which considers, among others, the creation of a fully digital bank, on September 30th, 2022, the National Banking and Securities Commission, with the favorable opinion of the Mexican Central Bank, granted GFNorte the authorization for the incorporation of a new banking institution.

Such authorization is an important step in the development of the digital bank, which allows us to move closer to consolidating the medium-term corporate strategy, as well as our digital leading position in the Mexican market.

Bank

Consolidated Statement of Comprehensive Income and Consolidated Statement of Financial Position Highlights - Bank (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
				2Q22	3Q21			
Net Interest Income	17,023	20,143	22,047	9%	30%	50,058	61,253	22%
Non-Interest Income	4,023	4,444	3,608	(19%)	(10%)	11,432	12,102	6%
Total Income	21,045	24,587	25,655	4%	22%	61,490	73,355	19%
Non-Interest Expense	9,257	9,776	10,346	6%	12%	27,653	29,783	8%
Provisions	2,598	2,390	3,098	30%	19%	8,413	8,123	(3%)
Operating Income	9,190	12,421	12,211	(2%)	33%	25,424	35,450	39%
Taxes	2,430	3,078	3,350	9%	38%	6,411	9,656	51%
Subsidiaries & Minority Interest	65	31	53	68%	(19%)	308	126	(59%)
Net Income	6,825	9,374	8,913	(5%)	31%	19,320	25,919	34%
Balance Sheet								
Loans Stage 1	789,687	838,067	846,928	1%	7%	789,687	846,928	7%
Loans Stage 2	6,886	7,085	9,406	33%	37%	6,886	9,406	37%
Performing Loans, Stage 1 & 2 (a)	796,573	845,152	856,334	1%	8%	796,573	856,334	8%
Past Due Loans, Stage 3 (b)	8,705	8,129	8,496	5%	(2%)	8,705	8,496	(2%)
Deferred Items (c)	1,627	1,606	1,575	(2%)	(3%)	1,627	1,575	(3%)
Total Loans (a+b+c)	806,905	854,887	866,405	1%	7%	806,905	866,405	7%
Preventive Loan Loss Reserves including Insurance	16,816	16,350	16,554	1%	(2%)	16,816	16,554	(2%)
Total Loans Net (d)	790,089	838,537	849,851	1%	8%	790,089	849,851	8%
Total Assets	1,518,790	1,523,461	1,515,735	(1%)	(0%)	1,518,790	1,515,735	(0%)
Total Deposits	799,383	885,625	878,930	(1%)	10%	799,383	878,930	10%
Total Liabilities	1,379,766	1,395,609	1,379,873	(1%)	0%	1,379,766	1,379,873	0%
Equity	139,024	127,852	135,862	6%	(2%)	139,024	135,862	(2%)
Financial Ratios - Bank								
Profitability:								
NIM (1)	4.8%	5.6%	6.3%			4.7%	5.7%	
NIM after Provisions (2)	4.1%	4.9%	5.4%			4.0%	4.9%	
ROE (3)	19.3%	27.2%	27.0%			18.6%	24.8%	
ROA (4)	1.8%	2.4%	2.3%			1.7%	2.2%	
Operation:								
Efficiency Ratio (5)	44.0%	39.8%	40.3%			45.0%	40.6%	
Operating Efficiency Ratio (6)	2.4%	2.5%	2.7%			2.5%	2.6%	
Average Liquidity Coverage Ratio for Banorte and SOFOM - Basel III (7)	183.7%	177%	160%			183.7%	160.4%	
Asset Quality:								
Past Due Loan Ratio	1.1%	1.0%	1.0%			1.1%	1.0%	
Coverage Ratio	193.2%	201.1%	194.8%			193.2%	194.8%	
Capitalization:								
Net Capital/ Credit Risk Assets	30.6%	31.7%	31.7%			30.6%	31.7%	
Total Capitalization Ratio	21.8%	22.9%	23.0%			21.8%	23.0%	
Leverage								
Basic Capital/ Adjusted Assets	11.6%	11.7%	12.1%			11.6%	12.1%	

1) NIM = Annualized Net Interest Income for the quarter / Average of Performing Assets.

2) NIM = Annualized Net Interest Income for the quarter adjusted for Credit Risks / Average of Performing Assets.

3) Net Income of the period annualized as a percentage of the quarterly average of Equity (excluding minority interest) for the same period.

4) Net Income of the period annualized as a percentage of the quarterly average of Total Assets (excluding minority interest) for the same period.

5) Non-Interest Expenses / Total Income.

6) Annualized Non-Interest Expenses of the quarter / Average of Total Assets.

7) LCR calculation is preliminary and will be updated once Banco de Mexico publishes official indicators.

Changes vs. the previous quarter

Net interest income (NII) increased 9% sequentially, with 8% higher NII from the loan portfolio compared to 2Q22, due to a still partial effect of higher interest rates and higher loan origination, along with the positive valuation effect of FX. Interest expenses increased 24%, reflecting the recent reference rate hikes, which rose deposit and funding interest by 24% in the quarter. Therefore, **NIM increased 71bps sequentially, reaching 6.3%.**

Non-interest income declined in the quarter, with slight growth in fees charged on services.

Fees charged rose 1% sequentially, derived from an increase in electronic banking transactions and higher fees from consumer loans in credit cards. Likewise, **fees paid rose 3%**, mainly on loan origination through the external sales force. In sum, **net fees fell (1%)**, reflecting a similar market activity vs. the last quarter.

Trading income declined (49%) in the quarter, driven by a strong negative valuation effect in currency & metals and securities, despite higher trading growth in currency & metals, as well as in derivatives.

Other operating income (expense) fell (Ps 317) million sequentially, mainly due to the significant impact in other items, derived from advertising support to Visa and Mastercard, as well as lower results from foreclosed assets and fewer recoveries.

Non-interest expenses were up 6% vs. the last quarter, primarily due to greater publicity and promotional expenses related to campaigns for different banking products and sponsorships, greater personnel expenses to strengthen the commercial teams to attend the different market's needs, as well as larger professional services and travel expenses, given a reactivation of in-person activity. Consequently, the **efficiency ratio** went from 39.8% in 2Q22 to **40.3% by the end of 3Q22.**

In the quarter, **provisions increased 30% QoQ**, on higher consumer loan origination, especially payroll.

NIM adjusted for credit risks improved 49bps sequentially, reaching **5.4%**, from 4.9% in the previous quarter.

Net income for the quarter was Ps 8.91 billion, **(5%)** lower vs. 2Q22, resulting in a **reduction in ROE of (11bp)** during the quarter, to **27%.** **ROA** decreased (5bp) to **2.3%** at the end of 3Q22.

Cumulative Changes vs. the previous year

Net interest income (NII) increased 22% vs. 9M21, on 15% higher revenues in the loan portfolio, given greater loan dynamics, and the still the partial effect of the 475bps increase in the reference rate in the previous 12 months, greater interest from repurchase agreements, as well as the positive effect in currency valuation. Interest expenses increased 34%, mainly due to the adjustment in the average reference rate (TIE28d), reaching 8.46%, although efforts have been maintained to increase further efficiency in the mix, increasing demand deposits by 16%, and time deposits by 2%, annually. Thus, **NIM was up 95bps in the period, to 5.7%.**

Non-interest income increased 6% compared to 9M21.

Fees charged grew 20% vs. 9M21, due to the solid growth in fees from electronic banking services and fees from commercial and consumer loans, reflecting a reactivation of the economic activity. **Fees paid rose 29%** compared to 9M21, mainly on higher interchange fees, resulting from the increase in transactional volumes. As a result, **net fees increased 12%** compared to 9M21.

Trading income grew 3% in the cumulative comparison, due to higher derivatives' valuation and a strong increase in currency & metals trading.

Other operating income (expense) decreased (Ps 715 million) compared to 9M21, mostly explained by other items, including advertising support to Visa and Mastercard, as well as a significant increase in administrative services, derived from shared services between subsidiaries.

Non-interest expenses grew 8% vs. 9M21, amid inflationary pressures -annual inflation in September reached 8.7%- , due to higher Employee Profit Sharing, derived from the labor reform, higher depreciation of leased properties, and higher travel expenses given a reactivation of in-person activities. Therefore, the **efficiency ratio** improved (437bps), reaching **40.6%** in 9M22, compared to the 45.0% reported in 9M21.

Provisions were down by (3%) or (Ps 291 million) vs. 9M21, as a result of higher charge-offs and discounts due to better recovery management, offsetted by greater requirements on higher credit activity in the portfolio. **NIM adjusted for credit risks improved 99bps** in the year, reaching **4.9% in 9M22**.

Net income grew 34% compared to 9M21 or Ps 6,599 million, mainly driven by better dynamics in the banking business, higher net fee income and trading income, despite the increase in expenses, although below inflation. **ROE expanded 626bps, to 24.8% in 9M22** from 18.6% in 9M21, while **ROA increased 53bp compared to the same period of the previous year**, reaching **2.2%**.

Capital

Shareholders' equity balance closed at Ps 135.9 billion, a 6% increase compared to the previous quarter. The main changes during the quarter were: net income of Ps 8.91 billion, a decrease of (Ps 1.29 billion) from interest on subordinated notes, and a decrease of (Ps 970 million) from the valuation of financial instruments to be received or sold.

Regulatory Capital (Banco Mercantil del Norte)

Banorte has fully adopted the capital requirements established to date by Mexican authorities and international standards, so-called Basel III, which came into effect in January 2013.

In 2022, Banorte was confirmed as Level II - Systemically Important Financial Institution, which implies that Banorte must maintain a 0.90 pp capital buffer. Therefore, **starting on December 2019, the minimum Capital Adequacy Ratio required for Banorte is 11.40%** (corresponding to the regulatory minimum of 10.5% plus the 0.90 pp capital supplement), which includes a minimum requirement of Core Equity Tier 1 (CET1) of 7.90%.

Banorte, as a Systemically Important Financial Institution, is subject to the net capital supplement, TLAC (Total loss-absorbing capacity), incorporated in the regulation during 2021, and effective as of December 2022, with annual increases of 1.625 pp, up to 6.5 pp in December 2025, taking the minimum Capital Adequacy Ratio required for Banorte to 17.90% from 11.40%.

Capitalization (Million Pesos)	3Q21	2Q22	3Q22	Change 2Q22 3Q21	
Core Tier 1	125,976	114,240	120,783	5.7%	(4.1%)
Tier 1 Capital	177,381	185,720	185,190	(0.3%)	4.4%
Tier 2 Capital	7,909	4,393	3,861	(12.1%)	(51.2%)
Net Capital	185,291	190,114	189,050	(0.6%)	2.0%
Credit Risk Assets	605,452	599,930	595,644	(0.7%)	(1.6%)
Net Capital / Credit Risk Assets	30.6%	31.7%	31.7%	0.0 pp	1.1 pp
Total Risk Assets	849,023	831,279	821,270	(1.2%)	(3.3%)
Core Tier 1	14.84%	13.74%	14.71%	1.0 pp	(0.1 pp)
Tier 1	20.89%	22.34%	22.55%	0.2 pp	1.7 pp
Tier 2	0.93%	0.53%	0.47%	(0.1 pp)	(0.5 pp)
Capitalization Ratio	21.82%	22.87%	23.02%	0.15 pp	1.20 pp

(*) The reported capitalization ratio of the period is submitted to the Central Bank of México.

At the end of 3Q22 the estimated Capital Adequacy Ratio (CAR) for Banorte was **23.02%** considering credit, market, and operational risks, and 31.74% considering only credit risk. Moreover, the Core Equity Tier 1 reached 14.71%, a level corresponding to a Systemically Important Institution Level I under CNBV classification.

CAR increased +0.15 pp vs. 2Q22 due to the following effects:

	3Q22 vs 2Q22
	+0.15 pp
1. Net Income in 3Q22	+1.09 pp
2. Growth in Risk Assets – Credit	+0.26 pp
3. Growth in Risk Assets – Market	+0.18 pp
4. Growth in Risk Assets – Operation	-0.02 pp
5. Other Capital Effects (1)	-0.07 pp
6. Securities' mark-to-market valuation and Hedging Derivatives (2)	-0.13 pp
7. Growth in Risk Assets – Credit (Others)	-0.14 pp
8. Prepayment of AT1 Capital Notes USD350 million (Jul'22)	-1.02 pp
(1) Includes actuarial changes from employee liability and variation of permanent and intangible investments.	
(2) Includes derivatives for hedging positions not valued with market prices.	

CAR increased +1.20 pp vs. 3Q21 due to the following effects:

	3Q22 vs 3Q21
	+1.20pp
1. Net Income in the period	+3.98 pp
2. Internal Model Effects (Credit and Market)	+1.05 pp
3. Capital Notes (1)	+0.49 pp
4. Growth in Risk Assets – Market	+0.31 pp
5. Growth in Risk Assets – Credit (Others)	+0.24 pp
6. Other Capital Effects (2)	-0.09 pp
7. Growth in Risk Assets – Operation	-0.09 pp
8. IFRS9 effect (3)	-0.33 pp
9. Growth in Risk Assets – Credit	-0.57 pp
10. Securities' mark-to-market valuation and Hedging Derivatives (4)	-0.60 pp
11. Dividend to the Financial Group	-3.20 pp
(1) Includes AT1 issuance for USD\$1.05 billion (Nov'21). Efficiency loss on Basel II Notes UDIS 276 million (Jan'22) Tender Offer Tier2 Capital Notes for USD\$202 million (May'22) Prepayment of AT1 Capital Notes USD\$350 million (Jul'22)	
(2) Includes actuarial changes from employee liability and variation of permanent and intangible investments.	
(3) Credit reserves, bond impairment, XVA in equity, and increase in fixed assets for leased goods.	
(4) Includes hedging derivatives on positions that are not marked to market.	

Evolution of Risk Assets

In compliance with capitalization requirements established to date by Mexican authorities and the International Standards Basel III, Banorte classifies its Risk Assets as Credit, Market, and Operational, which are actively managed by the Institution to monitor its quality.

Total Risk Assets as of September 2022 amounted to Ps 821.27 billion, decreasing (Ps 10.01 billion) compared to June 2022, and (Ps 27.75 billion) vs. September 2021.

The evolution of Risk Assets is presented below:

Risk Assets (Million Pesos)	3Q21	2Q22	3Q22	Change	
				2Q22	3Q21
Total Credit	605,452	599,930	595,644	(1%)	(2%)
Credit (Loan Portfolio)	510,187	510,717	501,664	(2%)	(2%)
Credit (Others)	95,266	89,213	93,980	5%	(1%)
Total Market	168,102	153,110	146,776	(4%)	(13%)
Total Operational	75,469	78,239	78,850	1%	4%
Total	849,023	831,279	821,270	(1%)	(3%)

The main quarterly changes in RWA vs. 2Q22 were:

- Decrease in Credit Risk Weighted Assets (Portfolio) driven by the portfolio's quarterly growth dynamics with the effects of changes in weights.
- Increase in Credit Risk Weighted Assets (Other) driven by higher requirements in other assets and deferred payments of less than a year.
- Decrease in Market Risk Weighted Assets due to the matching of local currency balance sheet positions.

The main annual changes in RWA vs. 3Q21 were:

- Decrease in Credit Risk Weighted Assets (Portfolio) driven by the annual calibration of internal models, as well as by the widespread growth dynamics in credit portfolios, with the effect of changes in weights.
- Decrease in Credit Risk Weighted Assets (Other) driven by the effect of higher rates in the Credit Valuation Adjustment requirement for derivative transactions and disposal of committed lines, offset by higher requirements in other assets and deferred payments of less than a year.
- Decrease in Market Risk Weighted Assets due to the positions' growth dynamic, matching of local currency balance sheet positions, effect of the increase in demand deposits in the market requirement of the local currency balance sheet.

Leverage Ratio (Banco Mercantil del Norte)

Leverage Ratio, according to CNBV's regulation, is presented below:

Leverage (Million Pesos)	3Q21	2Q22	3Q22	Change	
				2Q22	3Q21
Tier 1 Capital	177,381	185,720	185,190	(0.3%)	4.4%
Adjusted Assets	1,528,104	1,584,777	1,525,369	(3.7%)	(0.2%)
Leverage Ratio	11.61%	11.72%	12.14%	42 bp	53 bp

Adjusted Assets are defined according to the General Provisions applicable to Credit Institutions.

Long Term Savings

Seguros Banorte

Income Statement and Balance Sheet Highlights - Insurance - Seguros Banorte (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Interest Income (Net) *	239	468	543	16%	127%	883	1,404	59%
Credit Provisions	0	3	(0)	(100%)	(132%)	0	3	1212%
Premium Revenue (Net)	4,239	4,361	4,051	(7%)	(4%)	18,141	19,353	7%
Net increase in technical reserves	(78)	(868)	(833)	4%	(971%)	2,934	2,821	(4%)
Net Cost for Insurance Operations	550	587	597	2%	8%	1,662	1,916	15%
Net Cost of Claims and Other Obligations	3,570	3,646	3,469	(5%)	(3%)	11,844	11,133	(6%)
Trading Income *	150	(90)	115	228%	(23%)	171	(54)	(132%)
Other Operating Income (Expenses)	213	227	(21)	(109%)	(110%)	674	432	(36%)
Total Operating Income	800	1,597	1,455	(9%)	82%	3,429	5,262	53%
Non Interest Expense	339	439	239	(46%)	(29%)	1,099	1,162	6%
Operating Income	461	1,158	1,216	5%	164%	2,330	4,100	76%
Taxes	136	302	325	7%	139%	681	1,119	64%
Subsidiaries' Net Income	467	101	181	80%	(61%)	1,335	440	(67%)
Net income from continuing operations	792	957	1,073	12%	36%	2,984	3,421	15%
Minority Interest	10	6	6	5%	(37%)	29	15	(47%)
Net Income	782	951	1,067	12%	36%	2,955	3,406	15%
Other Comprehensive Income	(0)	(15)	(26)	(75%)	N.A.	91	(48)	(153%)
Comprehensive Income	791	942	1,048	11%	32%	3,075	3,373	10%
Shareholder's Equity	21,488	24,767	22,856	(8%)	6%	21,488	22,856	6%
Total Assets	60,042	71,291	67,807	(5%)	13%	60,042	67,807	13%
Technical Reserves	32,309	38,493	36,965	(4%)	14%	32,309	36,965	14%
Premiums sold	4,825	4,977	4,649	(7%)	(4%)	21,887	23,159	6%
Coverage ratio of technical reserves	1.1	1.1	1.2	0.0 pp	0.1 pp	1.1	1.2	0.1 pp
Solvency capital requirement coverage ratio	3.9	7.3	8.0	0.6 pp	4.1 pp	3.9	8.0	4.1 pp
Coverage ratio of minimum capital	186.9	200.9	185.3	(15.5 pp)	(1.6 pp)	186.9	185.3	(1.6 pp)
Claims ratio	82.8%	70.0%	71.3%	1.3 pp	(11.5 pp)	78%	68%	(10.4 pp)
Combined ratio	97.3%	86.6%	90.5%	3.9 pp	(6.8 pp)	88%	79%	(8.5 pp)
ROE	12.2%	15.9%	18.2%	2.3 pp	6.0 pp	14.5%	19.6%	5.1 pp
ROE ex-Afore	14.4%	43.6%	44.5%	0.9 pp	30.0 pp	21.6%	54.3%	32.7 pp

* In 3Q22, the valuation of financial instruments of "Seguros y Pensiones" was reclassified from the "Interest Income" line, into the "Trading Income" line. For comparison purposes, 2021 figures, as well as 2022 figures of the first two quarters, were reclassified.

Interest income (net) increased 16% in the quarter, due to a positive valuation effect on inflation-indexed securities (UDIS), whereas **9M22 figures** increased **59%**, mainly explained by a higher valuation on financial instruments and interests.

Premium income decreased (7%) sequentially due to a lower sale of flexible products, amid a stable expansion in the insurance business. **Technical reserves** had a lower release vs. the previous quarter (4%), given the increase in the portfolio not related to flexible products, and lower accrual of the premium issuance on seasonality. **Looking at 9M22 results, premium income increased 7%**, despite the negative effect of the cancellation of a business related to the life portfolio, as well as lower sales in flexible products. It is worth mentioning that in both cases, there was no material impact in earnings. However, if the aforementioned effects were to be eliminated, the accumulated annual increase in premiums would have been 16%, with a solid upward trend, mainly in bank-assurance.

Damages and claims decreased (5%) in the quarter, due to the claims' mix which reduced for the damages and medical expenses portfolios, and increased for auto, as it has been normalizing due to higher mobility. COVID-19-related life and medical claims continued to be in line with the expected downward trend, both approaching pre-pandemic levels. **Damages and claims decreased (6%) in the cumulative period**, on a low comparable base due to the pandemic effect in 2021. However, the behavior of the different portfolios has been developing within what was forecasted, improving for life and medical expenses, and increasing in damages and auto, as mobility picks up.

Acquisition costs increased 2% QoQ, and **15% vs 9M21**, driven by business growth.

Net operating income increased 5% QoQ, totaling **Ps 1.22 billion in 3Q22**. Compared to **9M21 results**, it went up **76%**, on business growth and lower claims; however, it's worth noting that these results are still impacted by the effects of the COVID-19 pandemic, although in a lesser extent.

Net Income for the quarter totaled **Ps 1.07 billion**, a **12%** increase vs. 2Q22 and **15%** higher vs. 9M21, amid the fact that the insurance business results continue to be affected by lower fees and valuation on rate volatility in the Afore. **Net Income for 3Q22** of Seguros Banorte, excluding its subsidiary Afore XXI Banorte, contributed with 7.7% of GFNorte's net income in the same period, **totaling Ps 889 million**. **Net income** for the 9-month period of Seguros Banorte, excluding its subsidiary Afore XXI Banorte, **reached Ps 1.97 billion**, an 81% increase vs. 9M21.

ROE for the Insurance business, excluding its subsidiary Afore XXI Banorte, grew 90bps vs. 2Q22, reaching **44.5% in 3Q22**, including the dividend payment to the group in July 2022.

Regarding the disclosure requested by the General Provisions applicable to the Financial Groups' holding companies, the following was presented for this reporting period:

- i. Risks assumed through the issuance of insurance premiums and bonds, with respect to operations and authorized branches of cancelled operations.
 - *No cancellations were registered during 3Q22 that involved any technical risk.*
- ii. Damages and claims, as well as compliance of reinsurers and bonding companies with their obligations.
 - *In 3Q22, damage ratios remained under control and reinsurers complied with their obligations.*
- iii. Costs generated from issuance of insurance policies and bonds.
 - *There were no relevant events to disclose in 3Q22.*
- iv. Risks transfer through reinsurance and bonding contracts.
 - *In the Life and Damages books, risks were transferred to reinsurers, for the most part to foreign reinsurers, under which there were 3 important businesses: 1 related to government and 2 associated with the transformation industry.*
- v. Contingencies arising from non-compliance of reinsurers and bonding companies.
 - *There were no relevant issues related to non-compliance during 3Q22.*

Afore XXI Banorte

Afore XXI Banorte (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
				2Q22	3Q21			9M21
Net Income	934	201	363	80%	(61%)	2,670	880	(67%)
Shareholder's Equity	24,773	22,966	23,328	2%	(6%)	24,773	23,328	(6%)
Total Assets	27,292	24,926	25,262	1%	(7%)	27,292	25,262	(7%)
AUM (SIEFORE)	1,065,791	1,016,665	995,499	(2%)	(7%)	1,065,791	995,499	(7%)
ROE	15.4%	3.5%	6.3%	2.7 pp	(9.1 pp)	14.7%	4.9%	(9.7 pp)

In 3Q22, Afore XXI Banorte reported net income of Ps 363 million, or an 80% sequential increase, driven by cost control efforts, as well as lower negative effect from financial products. In 9M22 net income declined (67%), reaching Ps 880 million, as a result of: i) the regulatory reduction in fees, effective at the beginning of the year, for around (Ps 1.03 billion); and ii) a decrease of (Ps 747 million) in financial products, due to the high volatility in the markets.

ROE reached **6.3% in 3Q22**, increasing 2.7 pp; while compared to 9M21, it dropped (9.7 pp). Excluding goodwill, **Return on Tangible Equity (ROTE)** reached **22.7%** in 3Q22.

Afore XXI Banorte represented 1.5% of the Financial Group's net income in 3Q22.

Afore XXI Banorte's **assets under management (AUM)**, totaled **Ps 995 billion**; decreasing (2%) compared to 2Q22 and (7%) vs. 9M21.

Pensiones Banorte

Income Statement and Balance Sheet Highlights - Annuities - Pensiones Banorte	3Q21	2Q22	3Q22	Change		9M21	9M22
				2Q22	3Q21		
(Million Pesos)							
Interest Income (Net) *	4,307	5,602	6,987	25%	62%	13,307	18,457
Credit Provisions	4	11	9	(11%)	121%	4	32
Premium Income (Net)	6,201	4,740	5,455	15%	(12%)	16,480	15,141
Technical Reserves	7,149	6,554	7,816	19%	9%	20,136	21,546
Damages, Claims (Net)	2,587	2,948	3,047	3%	18%	7,209	8,783
Trading Income *	(8)	33	175	423%	2318%	(30)	217
Other Operating Income (Expenses)	41	6	(343)	N.A.	(947%)	44	(337)
Total Operating Income	801	869	1,401	61%	75%	2,453	3,117
Non Interest Expense	128	129	113	(13%)	(12%)	369	360
Operating Income	674	740	1,288	74%	91%	2,084	2,757
Taxes	202	223	414	86%	104%	626	856
Subsidiaries' Net Income	1	3	2	(27%)	139%	4	6
Net income from continuing operations	472	520	876	68%	86%	1,462	1,908
Net Income	472	520	876	68%	86%	1,462	1,908
Other Comprehensive Income	0	(9)	(9)	(4%)	N.A.	(12)	(31)
Comprehensive Income	472	512	867	69%	84%	1,450	1,877
Shareholder's Equity	7,898	9,405	10,272	9%	30%	7,898	10,272
Total Assets	198,413	223,413	231,777	4%	17%	198,413	231,777
Technical Reserves	186,969	210,258	218,204	4%	17%	186,969	218,204
Premiums sold	6,201	4,740	5,455	15%	(12%)	16,480	15,141
Coverage ratio of technical reserves	1.0	1.0	1.0	0.0 pp	0.0 pp	1.0	1.0
Solvency capital requirement coverage ratio	7.1	9.3	10.0	0.7 pp	2.9 pp	7.1	10.0
Coverage ratio of minimum capital	42.7	47.3	51.6	4.4 pp	8.9 pp	42.7	51.6
ROE	24.7%	22.8%	35.6%	12.9 pp	11.0 pp	27.2%	27.5%

*In 3Q22, the valuation of financial instruments of "Seguros y Pensiones" was reclassified from the "Interest Income" line, into the "Trading Income" line. For comparison purposes, 2021 figures, as well as 2022 figures of the first two quarters, were reclassified

In 3Q22, **interest income (net)** amounted to **Ps 6.99 billion**, a **25%** sequential **increase** driven primarily by the positive valuation effect on inflation-indexed securities (UDIS) and greater portfolio interest. Compared to 9M21, it **rose 39%** or Ps 5.15 billion, out of which, Ps 968 million were related to earned interest, and Ps 4.18 billion to the valuation effect.

In the quarter, technical results declined (Ps 647 million) due to a 19% increase in technical reserves, related to higher premium sales and a valuation effect in inflation, the latter effect offset in the interest income. **In the cumulative comparison, technical results decreased (Ps 4.32 billion)** given lower premiums driven by a compression in the industry and higher technical reserves derived from the valuation effect on inflation, which is similarly offsetted in the financial margin. During the quarter, there was an extraordinary reserves' release that was partially compensated with a negative impact in the other operating expenses line.

Net income for Pensiones Banorte **grew 68%** sequentially, and **31%** with accumulated figures as of 9M22; representing 7.6% of the Financial Group's net income in 3Q22.

ROE of Pensiones Banorte stood at **35.6%** in 3Q22, **increasing** 12.9 pp quarterly, and 0.3 pp vs. 9M21, reaching 27.5%.

Brokerage

Brokerage Sector (Million Pesos)	3Q21	2Q22	3Q22	Change		9M21	9M22	Change 9M21
				2Q22	3Q21			
Net Income	402	308	262	(15%)	(35%)	1,306	1,477	13%
Shareholder's Equity	7,326	6,870	7,163	4%	(2%)	7,326	7,163	(2%)
Assets Under Management	983,675	964,814	988,681	2%	1%	983,675	988,681	1%
Total Assets	313,429	301,485	219,130	(27%)	(30%)	313,429	219,130	(30%)
ROE	22.3%	15.9%	14.9%	(1.0 pp)	(7.4 pp)	25.6%	26.0%	0.4 pp
Net Capital (1)	5,586	5,801	6,003	3%	7%	5,586	6,003	7%

1) Net capital structure: Core Equity =Ps 6.00 billion, Additional Capital= Ps 0 million.

The **Brokerage business** (Casa de Bolsa Banorte and Operadora de Fondos) reported a **net income of Ps 262 million in 3Q22**, a (15%) sequential decrease mainly due to higher interest expenses and lower net fees, not offsetted by better trading results. **Compared to 9M21, net income increased 13%**, on higher net interest income and non-interest income.

Net income from the brokerage business in 3Q22 accounted for 2.3% of the group's net income.

Assets Under Management

At the end of 3Q22, AUMs totaled **Ps 989 billion**, 2% higher quarterly and 1% annually.

Assets under management by mutual funds totaled **Ps 236 billion**, representing a **1.2% annual increase**. Assets held in **fixed income funds** totaled **Ps 216 billion, 3.2% higher** in the quarter, and 3.8% in the year. Assets held in **equity funds** amounted to **Ps 21 billion, down (8.1%)** in the quarter and (19.8%) in the year.

As of 3Q22, Banorte held an 8.3% share of the mutual fund market, comprised of 10.4% share in fixed income funds and 2.7% in equity funds.

SOFOM and other Finance Companies

SOFOM & Other Finance Companies	3Q21	2Q22	3Q22	Change		9M21	9M22	Change
(Million Pesos)				2Q22	3Q21			9M21
Warehousing								
Net Income	5	4	11	156%	98%	18	23	28%
Shareholder's Equity	301	304	314	4%	4%	301	314	4%
Inventories	960	1,398	1,590	14%	66%	960	1,590	66%
Total Assets	1,167	1,688	2,026	20%	74%	1,167	2,026	74%
ROE	7.2%	5.4%	13.8%	8.4 pp	6.5 pp	8.3%	10.1%	1.8 pp
Arrendadora y Factor (previous Sólida Administradora de Portafolios*)								
Net Income	208	226	38	(83%)	(82%)	555	370	(33%)
Shareholder's Equity	9,889	10,271	10,308	0%	4%	9,889	10,308	4%
Loan Portfolio (1)	33,340	33,181	35,440	7%	6%	33,340	35,440	6%
Past Due Loans	646	769	763	(1%)	18%	646	763	18%
Past Due Loan Ratio	1.9%	2.3%	2.2%	(0.2 pp)	0.1 pp	1.9%	2.2%	0.22 pp
Loan Loss Reserves	481	662	693	5%	44%	481	693	44%
Total Assets	43,188	42,558	44,844	5%	4%	43,188	44,844	4%
ROE	8.6%	9.1%	1.5%	(7.6 pp)	(7.1 pp)	7.8%	5.0%	(2.9 pp)
Ixe Servicios								
Net Income	0.0	15.4	16.2	5%	N.A.	(21.8)	43.8	301%
Shareholder's Equity	919	919	919	0%	0%	919	919	0%
Total Assets	919	919	919	0%	0%	919	919	0%
ROE	0.1%	3.7%	3.9%	0.2 pp	3.8 pp	(24.3%)	3.5%	27.8 pp

1) Includes operating lease portfolio of Ps 2.10 billion, and proprietary fixed assets of Ps 1.31 billion, both registered in property, plant, and equipment (net).

*For informational purposes.

Leasing and Factoring (Merger between Sólida and Arrendadora)

Net income in 3Q22 totaled **Ps 38 million, a quarterly decrease of (83%)**, mainly due to lower value in investment projects' assets. **Compared to 9M21 figures, it dropped (33%)**, driven by the reason previously mentioned, as well as higher administrative expenses.

The **non-performing loan ratio** reached **2.2%**, a (17bp) decrease vs. the previous quarter. The Coverage ratio totaled 90.8%, 4.9 pp above 2Q22. **Capital ratio for 3Q22 stood at 27.47%**, considering total risk weighted assets of Ps 31.71 billion. Leverage ratio as of June and September 2022, reached 18.84% and 18.31%, respectively, considering adjusted assets of Ps 45.38 billion and Ps 47.58 billion, respectively.

In 3Q22, Net Income from Leasing and Factoring represented 0.3% of the group's total results.

As of June 2022, Arrendadora y Factor Banorte continues to rank second in terms of portfolio size among the 65 companies in this sector, according to the Asociación Mexicana de Sociedades Financieras de Arrendamiento, Crédito y Factoraje, A.C. (AMSOFAC).

Warehouse

In 3Q22, the Warehousing business reported **net income of Ps 11 million, 156% higher vs. 2Q22**, derived mainly from inventory and trading operations. **ROE** reached **13.8%**, and the **capital ratio** totaled **184%**, considering a Ps 314 million equity, and negotiable certificates of deposit issued in active warehouses for Ps 2.83 billion.

Almacenadora Banorte ranks third place among the warehousing businesses in the sector in terms of net income as of March 2022.

III. Sustainability Strategy

Environmental



Climate Change

Banorte publishes its response to the CDP Climate Change Questionnaire

In early August, Banorte published its response to CDP's Climate Change Questionnaire for financial institutions, detailing its governance practices, climate strategy, climate-related risks and opportunities, GHG emissions from operations (Scope 1 and 2), and value chain emissions (Scope 3), among other aspects. The scope of the response includes Banco Mercantil del Norte, Afore XXI Banorte, Operadora de Fondos Banorte, and Seguros y Pensiones Banorte.

Please refer to the latest report at the following [link](#).

GHG Program Mexico

For the ninth consecutive year, GFNorte voluntarily participated in "Programa GEI México" in the GEI2 category, led by the Private Sector Study Commission for Sustainable Development (CESPEDES) along with SEMARNAT. Its participation implied reporting the GHG emissions inventory from operations (Scope 1 and 2), as well as its respective verification with a satisfactory opinion issued by a body endorsed by the regulatory agent.

Social



Gender Equality

Banorte joins the Global Compact's "Target Gender Equality".

Global Compact Mexico and UN Women launched "Target Gender Equality" (TGE), a global initiative to accelerate and support companies to set and meet ambitious corporate goals for women's representation and leadership in business. In June, Banorte was accepted into the program to reinforce its best practices aligned with the Diversity, Equality, and Inclusion Subcommittee's plan.

Governance



Corporate Governance

Sustainability Committee

In early August, the 1st. session of the Sustainability Committee was held with an attendance of 92%. The agenda included an update of the Group's sustainability strategy, the approval of ESG goals, and a follow-up on initiatives related to climate change, financial education and inclusion, as well as to diversity, equity and inclusion.

Technology and Innovation

Reconognitions

Banorte receives the "Google Customer Award" one year after announcing Google Cloud as a technology partner to promote its digital transformation and personalize the experience of its clients. Google Cloud recognized the two-month migration of Banorte's local servers to the cloud as a success story. The Banorte-Google Cloud synergy has made it possible to improve service personalization as well as strengthen the cybersecurity processes.

The Banker, an international publication specialized in financial intelligence, included Banorte in the *Top 1000 World Banks 2022* ranking, placing it as the best capitalized Mexican financial group in the country and among the top 5 in Latin America. Each year, the publication announces the *Top 1000 World Banks* ranking, the only publication that compares and analyzes banks globally, regionally, and by country.

In September, we received the results of the *Corporate Sustainability Assessment (CSA) 2022* questionnaire, carried out by S&P Global. In the questionnaire, a total score of 64 points was achieved, reporting a 1-point increase compared to last year's score.

Sustainable Finance



Sustainable Finance Products

Autoestrene verde

Regarding electromobility in the country, from its launch date on February 2022 to September 30, 2022; we have placed 405 loans for the purchase of hybrid and electric vehicles, representing a total amount of Ps 244.9 million in the portfolio.

Eco-Credit SME

As of September 2022, we have an active portfolio of Ps. 13.26 million in our SME portfolio that focuses on clients that operate under energy efficiency or through renewable energies via the Energy Efficiency Eco-Credit and the Solar Photovoltaic Systems programs. This amount corresponds to 3 energy efficiency credits and to 2 credits related to the installation of photovoltaic solar systems.

ESG updates



ENVIRONMENTAL

- Participation in the **CDP Climate Change 2022** Questionnaire



SOCIAL

- Grupo Financiero Banorte was recognized as the **most socially responsible bank in the world** by **Newsweek** magazine and global data firm **Statista**
- Banorte joins "**Meta Igualdad de Género Pacto Mundial México**", a program that promotes business success and sustainability in companies



GOVERNANCE

- Recognized as the **"Most Honored Company" in México** in the "Latin America Executive Team" ranking by **Institutional Investor**
- Recognition in the **Google Customer Awards** in the Financial Services 2021 category by **Google Cloud**
- The Banker** included Banorte as one of the **Top 1000 World Banks 2022**, ranking us as the best capitalized Mexican financial group in the country
- NPS 3Q22: 75*
▲ 5.90 vs 3Q21
▲ 0.30 vs 2Q22
- Grupo Financiero Banorte receives authorization to constitute a new **Digital Bank**
- Banorte obtained a total score of **64** in the **S&P Global Corporate Sustainability Assessment** (+1 vs 2021)
- First session of the **Sustainability Committee 2022**:
- ESG goals' approval
- Initiatives' monitoring

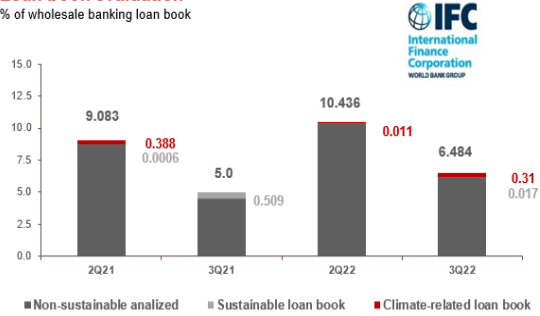


*For 3Q22, the Banorte Integral NPS also includes digital channels and strategic segments.

Sustainable Finance (3Q22)

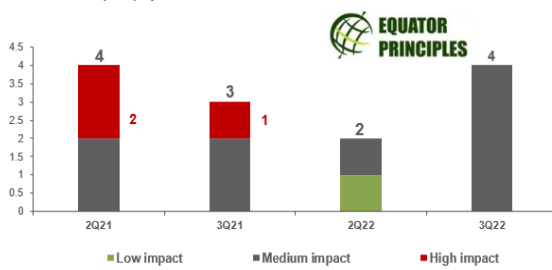
Loan book evaluation

% of wholesale banking loan book



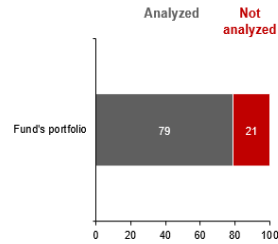
Loan book evaluation under Equator Principles

Number of analyzed projects

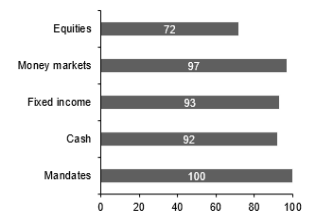


Responsible Investments – Mutual Funds

% share of total analyzed AUM by instrument

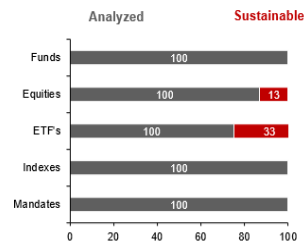


Analyzed by asset class

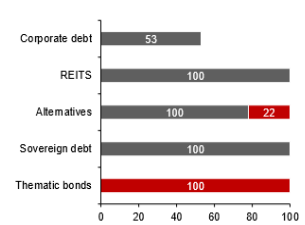


Responsible Investments – Pension Funds

% share of total analyzed AUM by instrument



Analyzed Sustainable



IV. General Information

GFNORTE's Analyst Coverage

In compliance with the requirements of BOLSA MEXICANA DE VALORES, S.A.B. DE C.V., we present the list of brokers who provide an analysis coverage for GFNORTEO.

COMPANY	ANALYST	RECOMMENDATION	DATE
Actinver	Valentín Mendoza	Buy	21-Apr-22
Autonomous	Geoffrey Elliott	Buy	29-Aug-22
Barclays	Gilberto García	Buy	22-Jul-22
BBVA	Rodrigo Ortega	Buy	29-Aug-22
BofA	M. Pierry/ E. Gabilondo	Buy	11-Aug-22
Bradesco	Gustavo Schroden	Buy	30-Aug-22
BTG Pactual	Eduardo Rosman	Buy	21-Jul-22
CITI	José Luis Cuenca	Buy	22-Aug-22
GBM	Carlos de Legarreta	Buy	17-Jan-21
Goldman Sachs	Tito Labarta	Buy	6-Oct-22
HSBC	Carlos Gómez	Buy	8-Aug-22
Interam	Carlos Gómez	Buy	21-Jul-22
Itau	Jorge Pérez	Buy	21-Aug-22
JP Morgan	Domingos Falavina	Buy	25-Jul-22
Monex	J. Roberto Solano	Buy	21-Jul-22
Santander	Andrés Soto	Buy	6-Sep-22
Scotia	Jason Mollin	Buy	22-Jul-22
UBS	Thiago Batista	Buy	24-Jul-22
Vector	Marco Montañez	Buy	21-Jul-22
Credit Suisse	Alonso García	Hold	29-Aug-22
Morgan Stanley	Jorge Kuri	Hold	20-Sep-22
Nau	Iñigo Vega	Hold	6-Oct-22

Capital Structure

Holding Company Capital Structure

Number of Shares (Million)	SERIES O As of September 30, 2022
Number of Issued , Subscribed and Paid Shares	2,883,456,594
Number of Shares Outstanding	2,883,456,594
Shares held in GFNorte's Treasury	0

V. Financial Statements

Grupo Financiero Banorte

GFNorte- Consolidated Statement of Comprehensive Income <i>(Million Pesos)</i>	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Interest Income	47,505	46,284	48,256	53,743	55,261	60,466	72,162
Interest Expense	24,614	24,502	25,515	27,252	28,249	33,238	41,468
Net Interest Income (Nil)	22,891	21,782	22,741	26,492	27,012	27,229	30,694
Preventive Provisions for Loan Losses	3,214	2,766	2,657	2,725	2,668	2,434	3,148
Net Interest Income Adjusted for Credit Risk	19,677	19,017	20,084	23,767	24,344	24,795	27,546
Fund Transfers	473	530	517	552	471	515	527
Account Management Fees	509	508	498	508	483	489	483
Electronic Banking Services	2,916	3,212	3,246	4,049	3,790	4,197	4,280
For Commercial and Mortgage Loans	296	278	329	345	-	-	-
For Consumer and Credit Card Loans	1,164	1,263	1,307	1,505	1,395	1,521	1,617
Fiduciary	106	177	136	110	127	136	123
Income from Real Estate Portfolios	10	23	24	19	-	-	-
Mutual Funds	484	503	507	513	500	523	535
Trading & Financial Advising Fees	187	166	137	169	141	163	135
Other Fees Charged	405	221	306	328	331	331	381
Fees Charged on Services	6,374	6,678	6,732	7,779	7,359	8,082	8,132
Interchange Fees	1,625	1,911	1,923	2,515	2,301	2,638	2,650
Insurance Fees	339	236	295	257	-	-	-
Other Fees Paid	1,018	1,123	1,003	987	1,048	1,131	1,265
Fees Paid on Services	2,644	3,034	2,925	3,502	3,350	3,769	3,916
Net Service Fees	3,731	3,644	3,807	4,277	4,010	4,313	4,216
Premium Income Ins. & Annu. (Net)	15,340	8,602	10,319	11,309	15,756	8,967	9,361
Technical Reserves Ins. & Annu.	11,016	4,983	7,071	10,748	11,699	5,685	6,983
Cost of Acquisition from Insurance Operations	334	231	296	260	468	308	300
Net Cost of Claims and Other Obligations	7,097	5,777	6,157	6,634	6,796	6,594	6,516
Currency and Metals	575	(453)	357	(549)	(543)	351	(146)
Derivatives	8	68	51	245	1,354	424	(399)
Negotiable Instruments	(693)	125	767	172	(56)	(490)	(66)
Valuation	(110)	(261)	1,175	(131)	755	285	(611)
Currency and Metals	764	838	399	1,155	1,319	753	1,218
Derivatives	5	(10)	(121)	(142)	(719)	(216)	115
Negotiable Instruments	87	180	(278)	423	19	141	48
Trading	856	1,008	(0)	1,436	619	678	1,380
Other financial results	-	-	-	-	2	(107)	8
Trading Income	746	747	1,175	1,305	1,376	855	777
Contributions to IPAB	(912)	(889)	(889)	(905)	(934)	(954)	(985)
Acquired collection rights	99	85	91	95	54	68	141
Result for Foreclosed Assets	87	132	87	195	140	196	107
Donations	(3)	(83)	(37)	(61)	(143)	(36)	(23)
Impairment of Assets	-	-	-	(372)	-	-	(204)
Result on sale of Property, Furniture and Equipment	(20)	0	(15)	(21)	(5)	(15)	(28)
Lease Income	62	55	42	66	62	86	88
From Insurance	275	195	252	648	230	237	(360)
Securitization Operation Valuation Result	0	0	-	-	-	-	-
Other Operating Expense	327	230	122	210	(198)	102	(89)
Total Other Operating Income (Expense)	(85)	(225)	(343)	(144)	(794)	(312)	(1,343)
Total Non Interest Income	1,285	1,777	1,435	(894)	1,386	1,236	(787)
Total Operating Income	20,962	20,794	21,519	22,872	25,730	26,031	26,759
Personnel	4,168	4,367	4,412	4,717	4,330	4,264	4,510
Employee Profit Sharing (PTU)	156	151	145	1,115	385	387	394
Professional Fees	811	830	832	933	797	915	929
Administrative and Promotional Expenses	4,922	4,676	4,686	5,408	5,200	5,201	5,270
Total Non Interest Expense	10,057	10,024	10,075	12,173	10,712	10,767	11,103
Operating Income	10,905	10,770	11,445	10,699	15,018	15,264	15,657
Subsidiaries' Net Income	429	676	532	639	197	128	233
Pre-Tax Income	11,334	11,446	11,977	11,338	15,215	15,392	15,890
Taxes	2,678	2,756	2,975	2,148	4,331	3,703	4,187
Net Income from Continuous Operations	8,656	8,690	9,002	9,191	10,884	11,689	11,703
Discontinued Operations	-	-	-	-	-	-	-
Net income from continuing operations	8,656	8,690	9,002	9,191	10,884	11,689	11,703
Minority Interest	112	122	128	129	136	166	159
Net Income	8,544	8,568	8,874	9,061	10,748	11,524	11,544
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	(1,602)	416	(191)	(830)	(1,983)	(2,351)	(1,099)
Cash Flow Hedges Valuation	(1,327)	(237)	(359)	149	14	(73)	1,101
Income and Expenses related to Assets Held for Disposal	-	-	-	-	-	-	-
Remeasurement on defined employee benefits	30	30	25	217	23	23	9
Cumulative foreign currency translation adjustment	32	(34)	41	(4)	(47)	14	(5)
Res. for holding non-monetary assets	-	-	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-	-	-
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	121	6	19	(33)	163	76	152
Other Comprehensive Income	(2,745)	182	(465)	(502)	(1,830)	(2,311)	158
Comprehensive Income	5,910	8,872	8,537	8,688	9,054	9,378	11,861

GFNorte - Consolidated Statement of Financial Position (Million Pesos)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
ASSETS							
Cash and Equivalents	116,389	110,851	67,768	98,842	124,571	99,209	91,746
Margin Accounts	11,012	8,703	8,268	7,999	8,221	6,526	5,730
Negotiable Instruments	260,030	252,901	260,759	258,201	257,355	267,006	270,043
Securities Available for Sale	236,274	231,710	234,479	233,594	230,875	222,511	215,601
Securities Held to Maturity	207,858	215,382	233,050	258,562	282,726	298,351	307,127
Investment in Securities	704,162	699,992	728,289	750,357	770,955	787,868	792,671
Estimate of Expected Credit Losses for Investments	-	-	-	-	291	304	297
Debtor Balance in Repo Trans., net	102,435	116,606	102,623	55,593	88,593	53,054	54,794
Securities Lending	-	-	-	-	-	-	-
For trading purposes	28,458	24,423	25,999	26,941	29,453	33,775	38,896
For hedging purposes	609	648	753	1,055	1,096	1,256	1,814
Operations w/ Derivatives & Securities	-	-	-	-	-	-	-
Transactions with Derivatives	29,068	25,072	26,751	27,996	30,550	35,031	40,709
Valuation adjustments for Asset Coverage	51	47	43	40	36	32	19
Commercial Loans	322,358	315,035	325,282	331,691	328,682	336,398	334,444
Loans to financial entities	8,440	8,873	8,151	10,915	16,637	17,135	17,967
Consumer Loans	114,609	116,874	118,229	120,578	122,920	129,446	135,779
Payroll Loans	50,628	52,122	52,926	53,306	55,340	59,648	62,692
Personal Loans	619	717	692	702	647	632	706
Credit Card	35,589	36,334	37,065	39,108	39,197	40,601	42,663
Auto Loans	27,773	27,701	27,546	27,462	27,737	28,565	29,718
Mortgage Loans	188,555	192,478	193,823	197,000	199,148	203,953	214,353
Medium and Residential	185,864	189,907	191,331	194,598	196,932	201,848	212,310
Low-income housing	4	3	3	3	2	2	2
Loans acquired from INFONAVIT or FOVISSSTE	2,687	2,567	2,489	2,400	2,214	2,102	2,041
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-	-	-
Government Entities' Loans	160,042	154,649	161,400	154,318	160,031	166,433	163,788
Performing Loans, Stage 1	794,004	787,909	806,885	814,502	827,419	853,365	866,330
Commercial Loans	2,171	1,540	1,130	1,574	1,819	1,733	3,670
Loans to financial entities	4	1	37	1	1	36	0
Consumer Loans	2,242	1,977	1,831	1,791	2,014	2,061	2,355
Payroll Loans	1,006	1,026	1,012	1,023	1,261	1,283	1,542
Personal Loans	4	3	3	3	31	28	30
Credit Card	769	519	443	427	410	443	483
Auto Loans	463	430	373	339	313	307	300
Mortgage Loans	2,726	3,701	3,969	3,551	3,494	3,571	3,685
Medium and Residential	2,726	3,701	3,969	3,551	3,408	3,482	3,599
Low-income housing	0	0	0	0	0	0	0
Loans acquired from INFONAVIT or FOVISSSTE	-	-	-	-	86	89	86
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-	-	-
Government Entities' Loans	-	-	-	-	0	-	-
Performing Loans, Stage 2	7,142	7,219	6,968	6,917	7,329	7,401	9,710
Commercial PDL's	3,649	5,498	4,471	3,252	3,886	4,017	4,174
Financial Entities PDL's	-	-	-	-	101	105	106
Consumer PDL's	3,936	3,022	2,641	2,523	2,530	2,820	3,070
Payroll PDL's	1,520	1,302	1,312	1,359	1,380	1,665	1,832
Personal PDL's	37	44	39	29	45	49	36
Credit Card PDL's	1,992	1,360	1,042	915	902	926	986
Auto PDL's	386	316	249	220	203	180	216
Mortgage PDL's	2,011	1,912	2,080	1,985	1,763	1,855	1,904
Medium and Residential	1,758	1,654	1,803	1,710	1,446	1,521	1,552
Low-income housing	0	0	0	0	0	0	0
Loans acquired from INFONAVIT or FOVISSSTE	252	258	277	275	317	334	353
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-	-	-
Government Entities PDL's	192	186	159	159	159	102	4
Past Due Loans, Stage 3	9,788	10,618	9,351	7,919	8,440	8,898	9,259
Loan Portfolio Valued at Fair Value	-	-	-	-	-	-	-
Deferred Items	1,327	1,505	1,611	1,704	1,580	1,590	1,560
Loans from Insur. Subsidiaries	2,495	2,601	2,728	2,827	2,927	3,025	3,123
Deferred (BAP)	-	-	-	-	-	-	-
Gross Loan Portfolio	814,756	809,851	827,542	833,870	847,695	874,278	889,982
Preventive Loan Loss Reserves	19,670	18,175	17,297	16,251	16,905	17,013	17,247
Loan Loss-reserve for Insurance and Bail Bond Risks	162	163	167	173	185	195	205
Net from Reserves Loan Portfolio	794,924	791,514	810,078	817,446	830,605	857,070	872,530
Acquired Collection Rights (net)	1,529	1,421	1,260	1,036	582	466	322
Total Credit Portfolio	796,453	792,935	811,338	818,482	831,187	857,536	872,852
Account Receivables from Insurance and Annuities	11,144	8,638	7,016	4,284	10,995	8,677	6,567
Amounts recoverable by Reinsurance and Counter-guarantee	7,521	7,707	7,981	7,451	8,022	8,033	7,589
Account Receivables from Reinsurance	-	-	-	-	-	-	-
Benef. receivab. securization transactions	2	-	-	-	-	-	-
Sundry Debtors & Other Accs Rec, Net	38,701	49,971	46,886	34,059	55,687	69,339	48,377
Inventories	832	611	960	1,026	1,019	1,398	1,590
Foreclosed Assets, Net	1,552	1,953	1,949	1,873	1,759	1,957	1,894
Advanced Payments and Other Assets	12,762	14,847	14,581	13,787	18,557	16,728	20,138
Real Estate, Furniture & Equipment, Net	32,737	20,437	20,599	21,262	21,070	22,133	22,086
Rights of Use of Intangible Assets	8,514	8,050	7,962	7,344	7,638	7,372	7,346
Investment in Subsidiaries	13,511	14,155	14,476	15,004	13,420	14,216	14,476
Assets for Rights of Use of Property, Furn. & Eq.	-	-	-	-	-	-	-
Deferred Income Tax Assets	(0)	0	0	0	(0)	(0)	(0)
Intangibles	4,324	16,701	16,866	16,956	16,718	17,786	17,994
Rights of Use of Intangible Assets	-	-	-	-	-	-	-
Goodwill	26,731	26,720	26,733	26,732	26,720	26,725	26,724
TOTAL ASSETS	1,917,900	1,923,999	1,911,090	1,909,088	2,035,427	2,033,316	2,033,008

GFNorte -Consolidated Statement of Financial Position <i>(Million Pesos)</i>	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
LIABILITIES							
Demand Deposits	541,002	529,030	511,091	528,051	570,690	592,056	591,051
Time Deposits-Retail	246,883	243,038	246,329	240,051	234,985	248,191	256,447
Time Deposits-Money Market	8,069	3,364	3,261	100	-	200	200
Global Account of deposits without movements	2,639	2,744	2,825	3,023	3,060	3,237	3,362
Senior Unsecured Debt	31,937	31,907	29,786	27,800	27,293	21,507	21,852
Deposits	830,531	810,082	793,292	799,025	836,028	865,191	872,912
<u>Due to Banks & Correspondents:</u>							
Demand Loans	0	0	0	7,809	0	0	0
Short Term Loans	20,054	19,531	16,829	18,089	20,059	15,285	17,627
Long Term Loans	13,962	14,223	13,952	13,589	12,778	13,861	14,831
Due to Banks & Correspondents	34,016	33,754	30,780	39,488	32,837	29,146	32,459
Technical Reserves	200,479	204,291	219,403	230,425	243,336	248,838	255,216
Non-assigned Securities for Settlement	-	-	-	-	-	-	-
Creditor Balance in Repo Trans, Net	205,036	210,397	158,946	166,677	169,718	249,066	315,524
Secs to be received in Repo Trans, Net	0	0	0	-	0	0	-
<u>Collateral sold or pledged as collateral</u>							
Repos (Credit Balance)	265,684	285,953	315,066	261,530	295,829	178,235	101,485
Securities' Loans	13	22	6	-	-	-	-
Transactions with Derivatives	-	-	-	-	-	-	-
Other sold collateral	-	-	-	-	-	-	-
Total Collateral Sold	265,697	285,975	315,072	261,530	295,829	178,235	101,485
<u>Derivatives</u>							
For trading purposes	24,508	20,011	21,637	22,442	22,855	27,172	32,487
For hedging purposes	5,566	5,623	6,565	6,571	5,549	5,651	3,857
Operations w/ Derivatives & Securities	-	-	-	-	-	-	-
Total Derivatives	30,073	25,634	28,202	29,013	28,404	32,823	36,344
Valuation adjustments for financial liability coverage	-	-	-	-	-	-	-
Obligations in securitization transactions	-	-	-	-	-	-	-
Payable Accountsfor Reinsurance	3,145	2,790	2,501	2,514	3,807	3,514	3,414
Lease Liabilities	8,495	8,055	7,984	7,366	7,695	7,407	7,099
Creditors for settlement of transactions	4,020	8,282	6,837	3,398	13,468	23,233	13,887
Margin Accounts Payable	-	-	-	-	-	-	-
Creditors for collateral received in cash	3,603	3,970	7,502	10,803	18,425	22,059	24,113
Contributions payable	2,289	2,140	1,878	2,284	2,291	2,197	1,967
Suppliers	-	-	-	-	-	-	-
Related Party	-	-	-	-	-	-	-
Other Creditors & Accounts Payable	31,758	30,976	29,519	24,429	47,605	49,005	38,937
Other Payable Accounts	41,669	45,367	45,735	40,913	81,790	96,494	78,904
Contributions for future capital increases pending formalization by its governing body	-	-	-	-	-	-	-
Subordinated Non Convertible Debt	58,761	57,245	59,187	80,574	78,316	75,050	68,008
Income Tax Liabilities	3,034	3,902	5,102	4,961	5,139	6,086	8,481
Employee benefit liability	5,517	5,942	6,715	8,043	7,199	7,042	8,014
Deferred Credits	1,307	1,243	1,231	1,320	1,239	1,176	1,238
TOTAL LIABILITIES	1,687,758	1,694,677	1,674,150	1,671,848	1,791,336	1,800,068	1,789,097
EQUITY							
Paid-in Capital	14,936	14,936	14,939	14,957	14,969	14,941	14,938
Provision for future capital increase not formalized by its governing entity	-	-	-	-	0	0	0
Share Subscription Premiums	47,863	48,283	48,491	48,292	48,200	48,462	48,657
Finan. instr. that qualify as capital	-	-	-	-	-	-	-
Subscribed Capital	62,799	63,219	63,430	63,248	63,169	63,403	63,595
Capital Reserves	9,719	8,415	8,451	8,835	9,110	8,209	8,106
Retained Earnings	148,359	139,558	138,647	130,076	162,794	143,760	142,523
Net Income	8,544	17,112	25,987	35,048	10,748	22,272	33,816
<u>Comprehensive Income</u>							
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	2,199	2,615	2,424	1,594	(389)	(2,740)	(3,839)
Valuation Adjustment for Cash Flow Hedges	(2,214)	(2,451)	(2,810)	(2,661)	(2,648)	(2,721)	(1,619)
Income and expenses related to assets held for disposal	-	-	-	-	-	-	-
Remeasurements defined benefits for employees	(2,229)	(2,199)	(2,174)	(1,957)	(1,934)	(1,911)	(1,902)
Cumulative foreign currency translation adjustment	166	132	173	169	122	136	131
Res. for holding non-monetary assets	-	-	-	-	-	-	-
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	(110)	(103)	(85)	(118)	45	120	272
Participation in other comprehensive income of other entities	-	-	-	-	-	-	-
Earned Capital	164,434	163,079	170,613	170,985	177,848	167,125	177,487
Minority Interest	2,908	3,025	2,897	3,006	3,074	2,720	2,829
Total Equity	230,142	229,322	236,940	237,239	244,091	233,248	243,911
TOTAL LIABILITIES & EQUITY	1,917,900	1,923,999	1,911,090	1,909,088	2,035,427	2,033,316	2,033,008

GFNorte - Memorandum Accounts <i>(Million Pesos)</i>	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
On behalf of Third Parties							
Customer's Banks	49	18	13	23	22	6	18
Dividends Receivable from Customers	-	-	-	-	-	-	-
Interest Receivable from Customers	-	-	-	-	-	-	-
Settlement of Customer Transactions	47	12,022	9,823	92	(409)	397	52
Customer Premiums	-	-	-	-	-	-	-
Settlement with Clients' Foreign Currency	-	-	-	-	-	-	-
Margin Accounts in Futures' Operations	-	-	-	-	-	-	-
Other Current Accounts	-	-	-	-	-	-	-
Customers' Current Account	97	12,039	9,836	115	(386)	403	70
Client Securities Received in Custody	720,880	740,294	750,150	734,409	758,691	734,542	753,736
Securities and Documents Received in Guarantee	-	-	-	-	-	-	-
Client Securities Abroad	-	-	-	-	-	-	-
Clients' Securities	720,880	740,294	750,150	734,409	758,691	734,542	753,736
Clients' Repurchase Operations	277,305	261,799	290,366	288,025	575,341	569,214	413,030
Clients' Repo Transactions w/ Securities	-	-	-	-	-	-	-
Collateral received in guarantee for customer accounts	277,318	261,821	290,372	288,025	278,975	284,634	206,515
Purchase of Futures & Forward Contracts, national	-	9,345	9,268	11,969	-	-	-
Sale of Futures and Forward Contracts, national	-	-	-	-	-	-	-
Clients' Option Purchase Operations	-	-	-	-	-	-	-
Clients' Option Sales Operations	-	-	-	-	-	-	-
Purchase Operations of derivatives	-	9,345	9,268	11,969	-	-	-
Clients' Sales Operations of derivatives	-	-	-	-	-	-	-
Trusts under Management	187	129	177	191	195	201	210
Siefores shares held by employees	-	-	-	-	-	-	-
Miscellaneous accounts	-	-	-	-	-	-	-
Transactions On Behalf of Clients	554,810	533,094	590,183	588,211	854,511	854,049	619,755
Investment Bank Trans. on behalf of Third (Net)	238,860	236,451	264,315	249,907	268,105	292,819	310,999
TOTAL ON BEHALF OF THIRD PARTIES	1,514,646	1,521,878	1,614,484	1,572,641	1,880,922	1,881,813	1,684,560
Endorsement Guarantees Granted	-	-	182	211	185	221	281
Loan Obligations	276,976	282,098	298,397	329,855	324,304	353,074	363,564
Trusts	309,954	319,065	292,739	287,105	291,862	294,351	291,433
Mandates	7,024	6,860	7,129	8,377	8,167	8,489	8,266
Properties in Trusts and Warrant	316,978	325,925	299,868	295,482	300,029	302,840	299,700
Properties in Custody or Management	478,426	483,225	497,770	479,018	468,507	483,761	496,832
Shares delivered in custody or as collateral	43,458	43,458	43,458	43,458	43,458	43,458	43,458
Collateral Received	384,922	398,497	445,062	386,681	423,172	300,480	242,372
Collateral Received or sold or delivered	543,789	548,764	606,470	550,622	579,659	462,826	307,954
Assets' Deposit	2,482	2,150	2,512	3,325	2,888	3,258	3,113
Contingent assets & Liabilities	122	155	207	120	148	60	80
Uncollected Accrued Interest from Past Due Loans	286	242	221	220	424	356	386
Responsibilities for bonds in force (net)	-	-	-	-	-	-	-
Recovery guarantees for bonds issued	-	-	-	-	-	-	-
Complaints received pending verification	-	-	-	-	-	-	-
Contingent claims	-	-	-	-	-	-	-
Claims paid	-	-	-	-	-	-	-
Claims cancelled	-	-	-	-	-	-	-
Recovered claims	-	-	-	-	-	-	-
Siefores' shares, own position	-	-	-	-	-	-	-
Miscellaneous accounts	448,251	446,948	478,995	467,035	545,793	579,155	603,289
TOTAL PROPRIETARY	2,495,690	2,531,462	2,673,142	2,556,028	2,688,568	2,529,490	2,361,029

GFNORTE - CONSOLIDATED STATEMENT OF CASH FLOWS**JANUARY 1, 2022 – SEPTEMBER 30, 2022***(Million Pesos)***Operation activities****Net income before taxes** **46,497****Adjustments for items associated with investing activities** **2,413**

Depreciation in property, furniture, and equipment 2,369

Amortization of intangible assets 602

Participation in the net income of other entities (558)

Adjustments for items associated with financing activities: **2,454**

Interest associated with interbank loans and loans from other organizations 1,560

Interest associated with financial instruments that qualify as a liability 894

Sum **4,867****Changes in operating items** **(19,691)**

Change in margin accounts (derivative financial instruments) 2,269

Change in investments in financial instruments (securities) (net) (47,663)

Change in repo debtors (net) 799

Change in derivative financial instruments (asset) (11,934)

Change in loan portfolio (net) (55,084)

Change in acquired collection rights (net) 714

Change in debtors of insurance and bail-bond companies (2,284)

Amounts recoverable by reinsurance and counter-guarantee (137)

Change in inventories (564)

Change in other accounts receivable (net) (21,698)

Change in foreclosed assets (net) (22)

Change in traditional deposits 73,886

Change in technical reserves 24,791

Changes of interbank loans and other organizations (8,589)

Change in creditors by repo 148,847

Change in collateral sold or given in guarantee (160,044)

Change in derivative financial instruments (liability) 10,045

Change in accounts payable for reinsurance and reguarantee (liability) 900

Change in hedging derivative financial instruments (2,431)

(of hedged items related to operating activities)

Change in assets/liabilities for employee benefits (24)

Change in other accounts payable 37,647

Income tax payments (9,115)

Net cash flows from operating activities **31,673****Investment activities**

Payments for the acquisition of property, furniture and equipment (3,813)

Charges for disposal of property, furniture and equipment 823

Payments for the acquisition of associates, joint ventures and other permanent investments (815)

Collections of cash dividends from permanent investments 1,817

Net cash flows from investing activities **(1,988)****Financial activities**

Lease liability payments (751)

Payments associated with financial instruments that qualify as capital (3,659)

Cash Dividend Payments (17,524)

Payments associated with the repurchase of own shares (1,042)

Payments associated with financial instruments that qualify as a liability (13,460)

Interest payments for lease liability (322)

Net cash flows from financing activities **(36,758)****Effects of changes in the value of cash and cash equivalents** **(7,073)****Cash and cash equivalents at the end of the period** **(23)****Cash and cash equivalents at the beginning of the period** **98,842****Cash and cash equivalents at the beginning of the period** **91,746**

GFNORTE - CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
JANUARY 1, 2022 – SEPTEMBER 30, 2022
(Million Pesos)

	CONTRIBUTED CAPITAL		EARNED CAPITAL									
	Fixed Paid-in Capital	Premium from Sale of Securities	Capital Reserves	Retained Earnings	Financial Instruments to Collect or Sell Valuation	Results from Cash Flow Hedges	Remeasurement on Defined Employee Benefits	Remeasurement by Result in the Valuation of the Unexpired Risk Reserve due to Variation in Discount Rates	Cumulative Foreign Currency Translation Adjustment	Total Majority Interest	Total Minority Interest	Total Stockholders' Equity
Balance as of December 31, 2021	14,957	48,292	8,835	165,124	1,594	(2,661)	(1,957)	(118)	168	234,234	3,006	237,240
Retrospective adjustments for accounting changes				(1,171)	46					(1,125)		(1,125)
Balance as of December 31, 2021 adjusted	14,957	48,292	8,835	163,953	1,640	(2,661)	(1,957)	(118)	168	233,109	3,006	236,115
CHANGES STEMMING FROM STOCKHOLDERS' DECISIONS												
Repurchase of share-based payment plan liquidable in equity instruments	(19)	310	(729)							(438)		(438)
Dividends Decreed by the Ordinary General Meeting of Shareholders on May 23, 2022				(17,524)						(17,524)		(17,524)
Total	(19)	310	(729)	(17,524)	0	0	0	0	0	(17,962)	0	(17,962)
COMPREHENSIVE INCOME:												
Net Income				33,816						33,816		33,816
OTHER COMPREHENSIVE INCOME												
Financial instruments to collect or sell valuation					(5,645)					(5,645)		(5,645)
Effect of subsidiaries, associates and mutual funds		55		(247)	165					(27)		(27)
Result from conversion of foreign operations									(37)	(37)		(37)
Cash flow hedges valuation						1,042				1,042		1,042
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates								390		390		390
Defined remeasurements for employees benefits							55			55		55
Interest of subordinated debentures				(3,659)						(3,659)		(3,659)
Total	0	55	0	29,910	(5,480)	1,042	55	390	(37)	25,935	0	25,935
Minority Interest											(177)	(177)
Balance as of September 30, 2022	14,938	48,657	8,106	176,339	(3,840)	(1,619)	(1,902)	272	131	241,082	2,829	243,911

Bank

Bank-Consolidated Statement of Comprehensive Income <i>(Million Pesos)</i>	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Interest Income	39,669	40,329	41,623	44,111	46,022	50,904	60,095
Interest Expense	23,497	23,466	24,600	26,185	26,959	30,762	38,048
Net Interest Income (Nil)	16,173	16,863	17,023	17,926	19,063	20,143	22,047
Preventive Provisions for Loan Losses	3,231	2,584	2,598	2,694	2,634	2,390	3,098
Net Interest Income Adjusted for Credit Risk	12,942	14,279	14,424	15,232	16,429	17,753	18,949
Fund Transfers	473	530	517	552	471	515	527
Account Management Fees	509	508	498	508	483	489	483
Electronic Banking Services	2,916	3,212	3,246	4,049	3,790	4,197	4,280
For Commercial and Mortgage Loans	277	261	323	337	-	-	-
For Consumer and Credit Card Loans	1,164	1,263	1,307	1,505	1,395	1,521	1,617
Fiduciary	106	176	136	110	127	135	123
Income from Real Estate Portfolios	6	7	4	9	-	-	-
Mutual Funds	-	-	-	-	-	-	-
Trading & Financial Advising Fees	0	0	0	0	0	(0)	-
Other Fees Charged	836	617	693	728	748	777	854
Fees Charged on Services	6,116	6,388	6,469	7,488	7,065	7,778	7,847
Interchange Fees	1,625	1,911	1,923	2,515	2,301	2,638	2,650
Insurance Fees	-	-	-	-	-	-	-
Other Fees Paid	929	1,045	938	925	968	1,065	1,170
Fees Paid on Services	2,555	2,956	2,861	3,440	3,269	3,703	3,820
Net Service Fees	3,561	3,431	3,608	4,048	3,796	4,075	4,027
Premium Income Ins. & Annu. (Net)	-	-	-	-	-	-	-
Technical Reserves Ins. & Annu.	-	-	-	-	-	-	-
Cost of Acquisition from Insurance Operations	-	-	-	-	-	-	-
Net Cost of Claims and Other Obligations	-	-	-	-	-	-	-
Currency and Metals	574	(449)	353	(548)	(542)	350	(146)
Derivatives	8	(1)	54	190	1,361	406	(383)
Negotiable Instruments	(264)	102	498	3	(1)	(220)	(131)
Valuation	317	(349)	905	(355)	818	537	(661)
Currency and Metals	764	838	399	1,155	1,319	753	1,218
Derivatives	5	(10)	(121)	(142)	(719)	(209)	115
Negotiable Instruments	3	128	(112)	266	(25)	(22)	(178)
Trading	772	956	165	1,279	575	522	1,155
Other financial results	-	-	-	-	2	(93)	1
Trading Income	1,090	607	1,070	924	1,395	966	495
Contributions to the IPAB	(912)	(889)	(889)	(905)	(934)	(954)	(985)
Acquired collection rights	85	68	71	75	51	63	137
Income from foreclosed assets	86	132	101	180	118	192	93
Donations	(3)	(79)	(35)	(59)	(136)	(36)	(23)
Impairment of Assets	-	-	-	(352)	-	-	-
Result on sale of Property, Furniture and Equipment	(2)	0	(16)	(21)	(6)	(16)	(28)
Lease Income	2	2	3	0	0	0	0
From Insurance	-	-	-	-	-	-	-
Securitization Operation Valuation Result	0	0	-	-	-	-	-
Other Operating Expense	185	(45)	10	133	(276)	(18)	(219)
Total Other Operating Income (Expense)	(555)	(725)	(655)	(929)	(1,141)	(596)	(913)
Total Non Interest Income	4,096	3,314	4,023	4,043	4,050	4,444	3,608
Total Operating Income	17,038	17,592	18,447	19,275	20,479	22,196	22,557
Personnel	3,985	4,183	4,008	3,919	3,839	3,792	4,030
Employee Profit Sharing (PTU)	155	149	143	1,042	367	367	367
Professional Fees	704	723	735	775	688	799	804
Administrative and Promotional Expenses	4,370	4,127	4,371	5,091	4,766	4,817	5,144
Total Non Interest Expense	9,214	9,182	9,257	10,828	9,661	9,776	10,346
Operating Income	7,824	8,410	9,190	8,447	10,818	12,421	12,211
Subsidiaries' Net Income	29	214	65	22	42	31	53
Pre-Tax Income	7,852	8,624	9,255	8,469	10,860	12,452	12,264
Taxes	1,879	2,103	2,430	1,703	3,228	3,078	3,350
Net Income from Continuous Operations	5,974	6,522	6,825	6,766	7,632	9,374	8,913
Discontinued Operations	-	-	-	-	-	-	-
Net income from continuing operations	5,974	6,522	6,825	6,766	7,632	9,374	8,913
Minority Interest	(0)	0	0	0	0	(0)	0
Net Income	5,974	6,522	6,825	6,766	7,632	9,374	8,913
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	(1,658)	453	(187)	(759)	(1,936)	(2,169)	(975)
Cash Flow Hedges Valuation	(1,350)	(241)	(365)	151	14	(74)	1,121
Income and Expenses related to Assets Held for Disposal	-	-	-	-	-	-	-
Remeasurement on defined employee benefits	30	30	26	210	24	24	24
Cumulative foreign currency translation adjustment	25	(27)	33	(4)	(37)	11	(5)
Res. for holding non-monetary assets	-	-	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-	-	-
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	-	-	-	-	-	-	-
Other Comprehensive Income	(2,952)	215	(493)	(401)	(1,936)	(2,208)	164
Comprehensive Income	3,021	6,737	6,332	6,365	5,696	7,166	9,078

Bank -Consolidated Statement of Financial Position (Million Pesos)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
ASSETS							
Cash and Equivalents	115,949	110,406	67,251	98,302	124,197	98,778	91,252
Margin Accounts	11,012	8,703	8,268	7,999	8,221	6,526	5,730
Negotiable Instruments	39,609	43,914	30,280	32,263	32,064	34,414	117,925
Securities Available for Sale	142,487	140,484	142,115	136,172	130,391	130,393	120,871
Securities Held to Maturity	40,044	42,292	44,099	60,200	75,062	85,255	85,108
Investment in Securities	222,139	226,690	216,494	228,636	237,517	250,063	323,903
Estimate of Expected Credit Losses for Investments	-	-	-	-	209	208	208
Debtor Balance in Repo Trans, net	268,513	286,814	314,987	261,535	293,727	173,934	100,332
Securities Lending	-	-	-	-	-	-	-
For trading purposes	28,458	24,346	25,999	26,865	29,452	33,734	38,873
For hedging purposes	609	648	753	1,055	1,096	1,256	1,814
Operations w/Derivatives & Securities	-	-	-	-	-	-	-
Transactions with Derivatives	29,068	24,995	26,751	27,920	30,548	34,990	40,687
Operations w/Derivatives & Securities	297,581	311,809	341,738	289,454	324,275	208,924	141,019
Valuation adjustments for Asset Coverage	51	47	43	40	36	32	19
Commercial Loans	293,191	288,651	297,283	302,654	301,983	307,605	307,352
Financial Intermediaries' Loans	22,719	20,688	22,610	28,685	29,285	33,282	31,946
Consumer Loans	114,602	116,869	118,224	120,574	122,916	129,443	135,775
Payroll Loans	50,628	52,122	52,926	53,306	55,340	59,648	62,692
Personal Loans	619	717	692	702	647	632	706
Credit Card	35,589	36,334	37,065	39,108	39,197	40,601	42,663
Auto Loans	27,767	27,696	27,541	27,457	27,733	28,562	29,715
Mortgage Loans	188,555	192,478	193,823	197,000	199,148	203,953	214,353
Medium and Residential	185,864	189,907	191,331	194,598	196,932	201,848	212,310
Low-income housing	4	3	3	3	2	2	2
Loans acquired from INFONAVIT or FOVISSSTE	2,687	2,567	2,489	2,400	2,214	2,102	2,041
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-	-	-
Government Entities' Loans	156,941	150,703	157,746	147,734	153,946	163,785	157,501
Performing Loans, Stage 1	776,008	769,389	789,687	796,647	807,278	838,067	846,928
Commercial Loans	2,066	1,389	1,048	1,458	1,050	1,453	3,366
Financial Intermediaries' Loans	4	1	37	1	-	-	-
Consumer Loans	2,242	1,977	1,831	1,791	2,014	2,061	2,355
Payroll Loans	1,006	1,026	1,012	1,023	1,261	1,283	1,542
Personal Loans	4	3	3	3	31	28	30
Credit Card	769	519	443	427	410	443	483
Auto Loans	463	429	373	339	313	307	300
Mortgage Loans	2,726	3,701	3,969	3,551	3,494	3,571	3,685
Medium and Residential	2,726	3,701	3,969	3,551	3,408	3,482	3,599
Low-income housing	0	0	0	0	0	0	0
Loans acquired from INFONAVIT or FOVISSSTE	-	-	-	-	86	89	86
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-	-	-
Government Entities' Loans	-	-	-	-	-	-	-
Performing Loans, Stage 2	7,038	7,068	6,886	6,800	6,558	7,085	9,406
Commercial PDL's	3,303	5,163	3,830	2,588	3,153	3,252	3,420
Financial Intermediaries PDL's	-	-	-	-	101	105	101
Consumer PDL's	3,936	3,021	2,641	2,523	2,530	2,820	3,070
Payroll PDL's	1,520	1,302	1,312	1,359	1,380	1,665	1,832
Personal PDL's	37	44	39	29	45	49	36
Credit Card PDL's	1,992	1,360	1,042	915	902	926	986
Auto PDL's	386	315	248	219	203	180	215
Mortgage PDL's	2,011	1,912	2,080	1,985	1,763	1,855	1,904
Medium and Residential	1,758	1,654	1,803	1,710	1,446	1,521	1,552
Low-income housing	0	0	0	0	0	0	0
Loans acquired from INFONAVIT or FOVISSSTE	252	258	277	275	317	334	353
Restruct. or improv. guaranteed by development banks or public trusts	-	-	-	-	-	-	-
Restruct. or improv. guaranteed by housing sub-account	-	-	-	-	-	-	-
Government Entities PDL's	188	182	154	154	154	98	-
Past Due Loans, Stage 3	9,438	10,278	8,705	7,250	7,702	8,129	8,496
Loan Portfolio Valued at Fair Value	-	-	-	-	-	-	-
Deferred Items	1,345	1,522	1,627	1,721	1,596	1,606	1,575
Gross Loan Portfolio	793,828	788,257	806,905	812,418	823,135	854,887	866,405
Preventive Loan Loss Reserves	19,145	17,741	16,816	15,744	16,278	16,350	16,554
Net Loan Portfolio	774,683	770,515	790,089	796,674	806,857	838,537	849,851
Acquired Collection Rights (net)	1,529	1,421	1,260	1,036	582	466	322
Total Credit Portfolio	776,212	771,936	791,349	797,710	807,439	839,003	850,173
Benef. receivab. securization transactions	2	-	-	-	-	-	-
Sundry Debtors & Other Accs Rec, Net	35,528	45,486	43,479	31,034	50,928	64,829	45,296
Inventories	-	-	-	-	-	-	-
Foreclosed Assets, Net	1,406	1,812	1,835	1,717	1,620	1,848	1,770
Advanced Payments and Other Assets	6,308	7,919	7,164	5,788	11,080	9,358	12,715
Real Estate, Furniture & Equipment, Net	28,569	16,523	16,737	17,472	17,235	18,246	18,145
Rights of Use of Intangible Assets	8,194	7,755	7,690	7,096	7,424	7,178	7,173
Investment in Subsidiaries	552	734	588	523	559	1,261	1,339
Assets for Rights of Use of Property, Furn. & Eq.	-	-	-	-	-	-	-
Deferred Income Tax Assets	422	0	(1)	-	-	817	544
Intangibles	2,463	14,651	14,751	14,689	14,424	15,410	15,468
Rights of Use of Intangible Assets	-	-	-	-	-	-	-
Goodwill	1,402	1,392	1,404	1,403	1,391	1,396	1,396
TOTAL ASSETS	1,507,789	1,525,862	1,518,790	1,501,864	1,606,136	1,523,461	1,515,735

Bank -Consolidated Statement of Financial Position (Million Pesos)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
LIABILITIES							
Demand Deposits	545,953	534,257	516,559	535,201	580,928	612,491	597,069
Time Deposits-Retail	246,944	243,118	246,951	240,089	235,005	248,191	256,447
Time Deposits-Money Market	8,069	3,364	3,261	100	-	200	200
Global Account of deposits without movements	2,639	2,744	2,825	3,023	3,060	3,237	3,362
Senior Unsecured Debt	31,937	31,907	29,786	27,800	27,293	21,507	21,852
Deposits	835,542	815,389	799,383	806,213	846,286	885,625	878,930
Due to Banks & Correspondents:							
Demand Loans	0	0	0	7,809	0	0	0
Short Term Loans	8,224	8,155	6,721	7,330	6,481	6,255	5,459
Long Term Loans	6,632	6,599	6,325	6,422	5,944	7,572	7,744
Due to Banks & Correspondents	14,856	14,754	13,047	21,562	12,425	13,827	13,203
Technical Reserves	-	-	-	-	-	-	-
Non-assigned Securities for Settlement	-	-	-	-	-	-	-
Creditor Balance in Repo Trans, Net	113,047	119,110	100,565	108,591	110,034	108,400	190,801
Secs to be received in Repo Trans, Net	-	-	-	-	-	-	-
Collateral sold or pledged as collateral:							
Repos (Credit Balance)	265,684	283,942	312,066	258,530	291,402	172,035	98,485
Securities' Loans	-	-	-	-	-	-	-
Transactions with Derivatives	-	-	-	-	-	-	-
Other sold collateral	-	-	-	-	-	-	-
Total Collateral sold	265,684	283,942	312,066	258,530	291,402	172,035	98,485
Derivatives							
For trading purposes	24,508	20,003	21,703	22,487	22,950	27,238	32,555
For hedging purposes	5,566	5,623	6,565	6,571	5,549	5,651	3,857
Total Derivatives	30,073	25,626	28,269	29,058	28,499	32,889	36,412
Valuation adjustments for financial liability coverage	-	-	-	-	-	-	-
Obligations in securitization transactions	-	-	-	-	-	-	-
Payable Accountsfor Reinsurance	-	-	-	-	-	-	-
Lease Liabilities	8,175	7,759	7,712	7,118	7,478	7,211	6,923
Creditors for settlement of transactions	3,140	17,474	15,254	2,458	9,553	21,269	12,881
Margin Accounts Payable	-	-	-	-	-	-	-
Creditors for collateral received in cash	2,848	3,192	6,723	10,006	18,425	22,059	24,113
Contributions payable	1,325	1,291	1,089	1,270	1,280	1,335	1,189
Suppliers	-	-	-	-	-	-	-
Related Party	-	-	-	-	-	-	-
Other Creditors & Accounts Payable	29,335	28,433	26,797	21,671	43,742	44,363	34,559
Other Payable Accounts	36,649	50,389	49,864	35,404	73,000	89,025	72,742
Contributions for future capital increases pending formalization by its governing body	-	-	-	-	-	-	-
Subordinated Non Convertible Debt	58,761	57,245	59,187	80,574	78,316	75,050	68,008
Income Tax Liabilities	1,220	1,324	2,117	1,690	2,598	4,008	5,909
Employee benefit liability	5,380	5,801	6,434	7,382	6,655	6,462	7,393
Deferred Credits	1,161	1,107	1,124	1,108	1,087	1,076	1,066
TOTAL LIABILITIES	1,370,547	1,382,446	1,379,766	1,357,229	1,457,778	1,395,609	1,379,873
EQUITY							
Paid-in Capital	18,795	18,795	18,795	18,795	18,795	18,795	18,795
Provision for future capital increase not formalized by its governing entity	-	-	-	-	-	-	-
Share Subscription Premiums	3,076	3,442	3,646	3,851	4,051	4,249	4,455
Finan. instr. that qualify as capital	-	-	-	-	-	-	-
Subscribed Capital	21,871	22,237	22,440	22,646	22,845	23,044	23,249
Capital Reserves	18,959	18,959	18,959	18,959	18,959	18,959	18,959
Retained Earnings	92,748	91,819	80,892	79,931	103,845	75,975	74,701
Net Income	5,974	12,495	19,320	26,086	7,632	17,006	25,919
Comprehensive Income							
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	2,213	2,666	2,479	1,720	(216)	(2,385)	(3,360)
Valuation Adjustment for Cash Flow Hedges	(2,255)	(2,496)	(2,861)	(2,710)	(2,696)	(2,770)	(1,649)
Income and expenses related to assets held for disposal	-	-	-	-	-	-	-
Remeasurements defined benefits for employees	(2,303)	(2,272)	(2,247)	(2,036)	(2,013)	(1,989)	(1,965)
Cumulative foreign currency translation adjustment	32	5	38	34	(3)	8	3
Res. for holding non-monetary assets	-	-	-	-	-	-	-
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	-	-	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-	-	-
Earned Capital	115,368	121,176	116,580	121,985	125,508	104,804	112,608
Minority Interest	3	4	4	4	4	4	5
Total Equity	137,242	143,416	139,024	144,635	148,358	127,852	135,862
TOTAL LIABILITIES & EQUITY	1,507,789	1,525,862	1,518,790	1,501,864	1,606,136	1,523,461	1,515,735

Bank - Memorandum Accounts <i>(Million Pesos)</i>	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Investment Banking transactions for third parties, net	-	-	-	-	-	-	-
TOTAL ON BEHALF OF THIRD PARTIES	-	-	-	-	-	-	-
Endorsement Guarantees Granted	-	-	182	211	185	221	281
Loan Obligations	242,137	239,502	256,608	288,260	281,480	307,653	320,206
Trusts	309,954	319,065	292,739	287,105	291,862	294,351	291,433
Mandates	7,024	6,860	7,129	8,377	8,167	8,489	8,266
Properties in Trusts and Warrant	316,978	325,925	299,868	295,482	300,029	302,840	299,700
Properties in Custody or Management	491,631	487,310	528,132	506,559	509,168	544,522	570,922
Shares delivered in custody or as collateral	-	-	-	-	-	-	-
Collateral Received	365,461	386,101	415,333	362,574	395,593	277,352	206,071
Collateral Received or sold or delivered	266,471	284,928	313,091	259,597	291,829	171,992	98,441
Deposits of assets	-	-	-	-	-	-	-
Contingent assets & liabilities	122	155	207	120	148	60	80
Uncollected Accrued Interest from Past Due Loans	286	242	221	220	418	349	378
Liabilities for active bonds (net)	-	-	-	-	-	-	-
Recovery guarantees for issued bonds	-	-	-	-	-	-	-
Complaints received pending verification	-	-	-	-	-	-	-
Contingent claims	-	-	-	-	-	-	-
Claims paid	-	-	-	-	-	-	-
Claims cancelled	-	-	-	-	-	-	-
Recovered claims	-	-	-	-	-	-	-
Miscellaneous accounts	427,148	424,607	456,283	443,973	511,708	542,442	565,765
TOTAL PROPRIETARY	2,110,234	2,148,771	2,269,924	2,156,996	2,290,559	2,147,431	2,061,843

BANORTE - CONSOLIDATED STATEMENT OF CASH FLOWS

JANUARY 1, 2021 – SEPTEMBER 30, 2022

(Million Pesos)

Operation activities**Net income before taxes 35,575****Adjustments for items associated with investing activities 2,531**

Depreciation in property, furniture, and equipment 2,201

Amortization of intangible assets 456

Participation in the net income of other entities (126)

Adjustments for items associated with financing activities: 1,458

Interest associated with interbank loans and loans from other organizations 648

Interest associated with financial instruments that qualify as a liability 810

Sum 3,989**Changes in operating items 1,300**

Change in margin accounts (derivative financial instruments) 2,269

Change in investments in financial instruments (securities) (net) (100,263)

Change in repo debtors (net) 161,203

Change in derivative financial instruments (asset) (11,988)

Change in loan portfolio (net) (53,177)

Change in acquired collection rights (net) 714

Change in other accounts receivable (net) (14,157)

Change in foreclosed assets (net) (54)

Change in other operating assets (net) (7,734)

Change in traditional deposits 72,717

Changes of interbank loans and other organizations (9,006)

Change in creditors by repo 82,210

Change in collateral sold or given in guarantee (160,044)

Change in derivative financial instruments (liability) 10,069

Change in other operating liabilities (41)

Change in hedging derivative financial instruments (2,412)

Change in assets/liabilities for employee benefits 16

Change in other accounts payable 36,680

Income tax payments (5,702)

Net cash flows from operating activities 40,864**Investment activities**

Payments for the acquisition of property, furniture and equipment (3,159)

Charges for the acquisition of property, furniture, and equipment 634

Pagos por adquisición de asociadas, negocios conjuntos y otras inversiones permanentes (815)

Cobros de dividendos en efectivo de inversiones permanentes 42

Net cash flows from investing activities (3,298)**Financial activities**

Lease liability payments (763)

Payments associated with financial instruments that qualify as capital (3,724)

Dividends paid in cash (26,416)

Payments associated with financial instruments that qualify as a liability (13,376)

Interest payments for lease liability (314)

Net cash flows from financing activities (44,593)**Net increase or decrease in cash and cash equivalents (7,027)****Effects of changes in the value of cash and cash equivalents (23)****Cash and cash equivalents at the beginning of the period 98,302****Cash and cash equivalents at the end of the period 91,252**

BANORTE - CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
JANUARY 1, 2022 – SEPTEMBER 30, 2022
(Million Pesos)

	CONTRIBUTED CAPITAL		EARNED CAPITAL								
	Fixed Paid-in Capital	Premium from Sale of Securities	Capital Reserves	Retained Earnings	Financial Instruments to Collect or Sell Valuation	Results from Cash Flow Hedges	Remeasurement on Defined Employee Benefit	Cumulative Foreign Currency Translation Adjustment	Total Majority Interest	Minority Interest	Total Stockholders' Equity
Balance as of December 31, 2021	18,795	3,851	18,959	106,018	1,720	(2,710)	(2,036)	34	144,631	4	144,635
Retrospective adjustments for accounting changes				(993)	(46)				(1,039)		(1,039)
Balance as of December 31, 2021 adjusted	18,795	3,851	18,959	105,025	1,674	(2,710)	(2,036)	34	143,592	4	143,596
CHANGES STEMMING FROM STOCKHOLDERS' DECISIONS											
Plan based on shares payable in equity instruments		604							604		604
Dividends Decreed by the Ordinary General Meeting of Shareholders on May 16, 2022 and June 22, 2022				(26,416)					(26,416)		(26,416)
Total	0	604	0	(26,416)	0	0	0	0	(25,812)	0	(25,812)
COMPREHENSIVE INCOME:											
Net Income				25,919					25,919		25,919
OTHER COMPREHENSIVE INCOME											
Financial instruments to collect or sell valuation					(5,203)				(5,203)		(5,203)
Effect of subsidiaries, associates and mutual funds				(184)	169				(15)		(15)
Result from conversion of foreign operations								(31)	(31)		(31)
Cash flow hedges valuation						1,060			1,060		1,060
Defined remeasurements for employees' benefits							71		71		71
Interest of subordinated debentures				(3,724)					(3,724)		(3,724)
Total	0	0	0	22,011	(5,034)	1,060	71	(31)	18,077	0	18,077
Minority Interest	0	0	0	0	0	0	0	0	0	1	1
Balance as of September 30, 2022	18,795	4,455	18,959	100,620	(3,360)	(1,650)	(1,965)	3	135,857	5	135,862

Seguros Banorte

Income Statement - Insurance - Seguros Banorte (Million Pesos)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
Interest Income	323	321	239	283	334	648	462
Interest Expense	-	-	-	-	(59)	180	(80)
Monetary Positions Net Interest Income	-	-	-	-	-	-	-
Net Interest Income (NII)	323	321	239	283	393	468	543
Preventive Provisions for Loan Losses	(0)	0	0	(0)	0	3	(0)
Net Interest Income	323	320	239	283	393	465	543
Premium Revenue (Net)	11,085	2,817	4,239	5,270	10,941	4,361	4,051
Net increase in technical reserves	4,537	(1,525)	(78)	1,062	4,522	(868)	(833)
Net Cost for Insurance and Bond Operations	626	485	550	512	731	587	597
Net Cost of Claims and Other Obligations	4,884	3,390	3,570	3,901	4,018	3,646	3,469
Trading Income	(29)	50	150	202	(79)	(90)	115
Total Other Operating Income (Expenses)	269	192	213	663	226	227	(21)
Total Non-Interest Income	1,277	709	560	659	1,817	1,132	913
Total Operating Income	1,600	1,029	800	942	2,210	1,597	1,455
Personnel	107	109	115	104	129	104	116
Professional Fees	63	51	37	69	63	62	63
Administrative and Promotional	37	42	37	45	30	36	29
Rents, Depreciation & Amortization	45	46	48	52	54	50	43
Other Taxes	34	27	34	19	23	25	29
Employee Profit Sharing (PTU)	1	1	1	46	4	6	13
Other expenses	94	104	67	91	181	155	(55)
Total Non-Interest Expense	380	381	339	426	484	439	239
Operating Income	1,220	649	461	516	1,726	1,158	1,216
Subsidiaries' Net Income	404	465	467	619	158	101	181
Pre-Tax Income	1,624	1,113	928	1,136	1,884	1,259	1,398
Taxes	361	184	136	59	493	302	325
Net Income from Continuous Operations	1,263	929	792	1,076	1,391	957	1,073
Discontinued Operations	-	-	-	-	-	-	-
Net income from continuing operations	1,263	929	792	1,076	1,391	957	1,073
Minority Interest	9	10	10	9	4	6	6
Net Income	1,254	919	782	1,068	1,387	951	1,067

Insurance - Seguros Banorte - Balance Sheet (Million Pesos)	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
ASSETS							
Cash and Equivalents	86	143	82	1,411	3,441	3,517	1,589
Margin Accounts	-	-	-	-	-	-	-
Negotiable Instruments	32,163	30,642	23,366	23,753	25,011	25,874	25,961
Securities Available for Sale	551	1,720	2,969	4,121	5,443	4,827	5,685
Securities Held to Maturity	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Investment in Securities	32,714	32,362	26,336	27,874	30,454	30,701	31,646
Estimate of Expected Credit Losses for Investments	-	-	-	-	-	-	-
Debtor Balance in Repo Trans, net	5,337	5,315	2,098	3,786	2,049	3,381	3,554
Securities Lending	-	-	-	-	-	-	-
For trading purposes	-	-	-	-	-	-	-
For hedging purposes	-	-	-	-	-	-	-
Operations w/Derivatives & Securities	-	-	-	-	-	-	-
Transactions with Derivatives	-	-	-	-	-	-	-
Operations w/Derivatives & Securities	5,337	5,315	2,098	3,786	2,049	3,381	3,554
Valuation adjustments for Asset Coverage	-	-	-	-	-	-	-
Insurance and Bail Bond portfolio	9	9	24	25	25	24	25
Deferred Items (BAP)	-	-	-	-	-	-	-
Loan Loss-reserve for Insurance and Bail Bond Risks	9	9	24	25	25	24	25
Net Insurance and Bail Bond Loan Portfolio	0	0	0	0	0	0	0
Loan Portafolio, net	9	9	24	25	25	24	25
Net from Reserves Loan Portfolio	9	9	24	25	25	24	25
Acquired Collection Rights (net)	-	-	-	-	-	-	-
Total Credit Portfolio	9	9	24	25	25	24	25
Account Receivables from Insurance and Annuities	10,876	8,028	5,765	3,674	10,664	8,410	6,196
Amounts recoverable by Reinsurance and Counter-guarantee	7,521	7,707	7,981	7,451	8,022	8,033	7,589
Account Receivables from Reinsurance	-	-	-	-	-	-	-
Benef. receivab. securization transactions	-	-	-	-	-	-	-
Sundry Debtors & Other Accs Rec, Net	275	302	409	494	236	583	370
Inventories	-	-	-	-	-	-	-
Foreclosed Assets, Net	-	-	-	-	-	-	-
Advanced Payments and Other Assets	728	1,039	1,391	1,720	1,679	1,673	1,689
Real Estate, Furniture & Equipment, Net	414	334	330	259	251	243	235
Assets for Rights of Use of Property, Furniture and Equipment	289	267	245	223	193	173	154
Investment in Subsidiaries	12,785	13,249	13,715	14,329	12,712	12,812	12,993
Assets for Rights of Use of Property, Furn. & Eq.	-	-	-	-	-	-	-
Deferred Income Tax Assets	335	335	335	327	338	338	338
Intangibles	1,224	1,303	1,330	1,365	1,385	1,403	1,429
Rights of Use of Intangible Assets	-	-	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-
TOTAL ASSETS	72,593	70,392	60,042	62,937	71,447	71,291	67,807

Insurance - Seguros Banorte - Balance Sheet <i>(Million Pesos)</i>	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22
LIABILITIES							
Technical Reserves	36,094	33,217	32,309	34,079	39,729	38,493	36,965
Non-assigned Securities for Settlement	-	-	-	-	-	-	-
Total Derivatives	-	-	-	-	-	-	-
Valuation adjustments for financial liability coverage	-	-	-	-	-	-	-
Obligations in securitization transactions	-	-	-	-	-	-	-
Payable Accounts for Reinsurance	3,145	2,790	2,501	2,514	3,807	3,514	3,414
Lease Liabilities	289	267	245	223	195	175	157
Creditors for settlement of transactions	-	-	-	-	-	-	-
Margin Accounts Payable	-	-	-	-	-	-	-
Creditors for collateral received in cash	-	-	-	-	-	-	-
Contributions payable	852	758	673	885	893	731	677
Suppliers	-	-	-	-	-	-	-
Related Party	-	-	-	-	-	-	-
Other Creditors & Accounts Payable	1,642	1,680	1,619	1,516	2,006	2,313	2,123
Other Payable Accounts	2,494	2,438	2,292	2,401	2,900	3,044	2,800
Contributions for future capital increases pending formalization by its governing body	-	-	-	-	-	-	-
Subordinated Non Convertible Debt	-	-	-	-	-	-	-
Income Tax Liabilities	708	887	1,019	1,074	811	1,116	1,440
Employee benefit liability	129	132	134	132	132	133	133
Deferred Credits	56	53	53	46	50	50	42
TOTAL LIABILITIES	42,916	39,784	38,554	40,469	47,623	46,525	44,951
EQUITY							
Paid-in Capital	13,928	13,928	13,928	13,928	13,928	13,928	13,928
Provision for future capital increase not formalized by its governing entity	-	-	-	-	7	7	7
Share Subscription Premiums	-	-	-	-	-	-	-
Finan. instr. that qualify as capital	-	-	-	-	-	-	-
Subscribed Capital	13,928	13,928	13,928	13,928	13,934	13,934	13,934
Capital Reserves	3,268	3,840	3,840	3,840	3,834	4,236	4,236
Retained Earnings	10,765	10,193	343	337	4,333	3,930	1,007
Net Income	1,254	2,173	2,955	4,022	1,387	2,339	3,406
<u>Resultados Integrales:</u>							
Valuation Adjustments for Fair Value through other (Formerly Securities Available for Sale)	164	160	141	68	(102)	(192)	(356)
Valuation Adjustment for Cash Flow Hedges	-	-	-	-	-	-	-
Income and expenses related to assets held for disposal	-	-	-	-	-	-	-
Remeasurements defined benefits for employees	10	10	10	20	20	20	6
Cumulative foreign currency translation adjustment	0	0	0	0	0	0	0
Res. for holding non-monetary assets	-	-	-	-	-	-	-
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	(108)	(101)	(83)	(116)	46	122	274
Participation in other comprehensive income of other entities	-	-	-	-	-	-	-
Earned Capital	15,354	16,274	7,206	8,172	9,519	10,455	8,574
Minority Interest	395	406	355	368	371	377	348
Total Equity	29,677	30,608	21,488	22,468	23,825	24,767	22,856
TOTAL LIABILITIES & EQUITY	72,593	70,392	60,042	62,937	71,447	71,291	67,807

Information by Segments

GFNorte - Income Statement as of September 30, 2022

(Million Pesos)

	Holding	Banorte	Ahorro y Previsión	Arrendadora y Factor	Almacenadora	Casa de Bolsa Banorte
Interest on Loan Portfolio	1,068	157,022	19,905	2,010	52	17,333
Interest on cash and cash equivalents	244	2,956	103	2	0	311
Interest and yields in favor from margin accounts	-	(413)	-	-	-	0
Interest and yields in favor from OTC collateral operations	-	118	-	-	-	-
Interest and yields in favor from investments in financial instruments	-	10,692	6,815	-	-	16,221
Interest and yields on repurchase agreements	824	12,200	0	-	-	189
Operations' coverage income from hedging operations	-	3,757	-	-	-	-
Income from trading financial instruments	-	58,341	-	-	-	581
Interest on loan portfolio with credit risk stage 1	-	-	-	-	-	-
Commercial loans	-	20,190	-	1,746	52	-
Financial entities	-	1,366	-	14	-	-
Government entities	-	8,984	-	194	-	-
Consumer loans	-	22,687	-	-	-	-
Mortgage loans	-	13,735	-	-	-	-
Interest on loan portfolio with credit risk stage 2	-	-	-	-	-	-
Commercial Loans	-	139	-	47	-	-
Financial entities	-	0	-	2	-	-
Government entities	-	-	-	4	-	-
Consumer loans	-	286	-	-	-	-
Mortgage loans	-	262	-	-	-	-
Interest on loan portfolio with credit risk stage 3	-	-	-	-	-	-
Commercial loans	-	51	-	1	-	-
Financial entities	-	0	-	-	-	-
Government entities	-	5	-	-	-	-
Consumer loans	-	48	-	0	-	-
Mortgage loans	-	53	-	-	-	-
Insurance and bond loan portfolio interest	-	-	599	-	-	-
Interest on acquired collection rights	-	-	-	-	-	-
Loan commissions	-	1,093	-	-	-	-
Effect of loan portfolio renegotiation	-	153	-	-	-	-
Securities' loans premiums	-	-	190	-	-	-
Debt issuance premiums	-	-	-	-	-	-
Net dividends from equity instruments	-	15	3	-	-	30
Income from valuation	-	304	12,194	-	0	0
Increase due interest income update	-	-	-	-	-	-

GFNorte - Income Statement as of September 30, 2022

(Million Pesos)

	Holding	Banorte	Ahorro y Previsión	Arrendadora y Factor	Almacenadora	Casa de Bolsa Banorte
Interest expense	-	95,769	42	1,482	1	15,401
Interest on demand deposits	-	5,822	-	-	-	-
Interest on time deposits	-	8,836	-	-	-	-
Interest due to banks and correspondents	-	649	-	1,476	-	-
Interest, transaction costs, and discounts of financial instruments that qualify as liabilities	-	894	-	-	-	-
Interest and yields charged from OTC collateral operations	-	213	-	-	-	-
Premiums paid for the early redemption of financial instruments that qualify as liabilities	-	-	-	-	-	-
Interest and yields payable in repurchase agreements	-	16,858	-	-	-	14,779
Expenses from hedging operations	-	3,553	-	-	-	-
Expenses from trading financial instruments	-	56,718	-	-	-	554
Proceeds from lent securities	-	-	-	-	-	68
Effect of loan portfolio renegotiation	-	371	-	-	-	-
Costs expenses of granting loans	-	1,118	-	-	-	-
Insurance and bail bond loan origination costs and expenses	-	-	-	-	-	-
Foreign exchange valorization income	-	242	33	6	1	0
Chargeable interest associated with the global deposit account without movements	-	182	-	-	-	-
Interest on lease liabilities	-	314	9	-	-	-
Increase due to update of interest expense	-	-	-	-	-	-
Financial Margin	1,068	61,253	19,863	527	51	1,932
Allowance for loan losses	0	8,123	35	92	-	-
Risk adjusted net interest income	1,068	53,130	19,829	435	51	1,932
Commissions and fees charged on services	-	22,690	-	222	-	980
Commissions and fees paid on services	-	10,792	-	47	0	144
Premium revenue (net)	-	-	34,445	-	-	-
Increase in technical reserves (net)	-	-	24,367	-	-	-
Cost of acquisition for insurance and bail bonds operations (net)	-	-	1,924	-	-	-
Cost of damages, claims, and other obligations	-	-	19,916	-	-	-
Trading income	-	2,855	163	(1)	-	(40)
Total other operating income (expense)	0	(2,651)	95	411	38	28
Administrative and promotional Expenses	85	29,783	1,474	623	52	1,121
Operating income	983	35,450	6,851	398	37	1,634
Subsidiaries' net income	32,809	126	440	(0)	-	0
Pre-tax income	33,793	35,576	7,291	398	37	1,635
Taxes	(20)	9,656	1,972	28	13	424
Net income from continuous operations	33,812	25,919	5,319	370	23	1,210
Discontinued Operations	-	-	-	-	-	-
NET INCOME	33,812	25,919	5,310	370	23	1,210
Minority interest	-	0	9	0	-	-
Other comprehensive income	-	-	-	-	-	-
Financial instruments to collect or sell valuation	(5,479)	(5,080)	(455)	-	-	(30)
Cash flow hedges valuation	1,042	1,060	-	-	-	-
Remeasurement on defined employee benefits	56	71	(14)	(0)	0	(0)
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	390	-	390	-	-	-
Cumulative foreign currency translation adjustment	(38)	(31)	-	-	-	(7)
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-	-
Other comprehensive income	(4,029)	(3,980)	(79)	(0)	0	(37)
COMPREHENSIVE INCOME	29,783	21,940	5,240	370	24	1,173

GFNorte - Income Statement as of September 30, 2022

(Million Pesos)

	Operadora de Fondos Banorte	IXE Servicios	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
Interest on Loan Portfolio	33	59	197,481	9,800	208	187,889
Interest on cash and cash equivalents	33	-	3,648	599	-	3,049
Interest and yields in favor from margin accounts	-	-	(413)	-	-	(413)
Interest and yields in favor from OTC collateral operations	-	-	118	-	-	118
Interest and yields in favor from investments in financial instruments	-	46	33,773	-	-	33,773
Interest and yields on repurchase agreements	-	13	13,226	8,478	-	4,748
Operations' coverage income from hedging operations	-	-	3,757	-	-	3,757
Income from trading financial instruments	-	-	58,923	-	-	58,923
Interest on loan portfolio with credit risk stage 1	-	-	-	-	-	-
Commercial loans	-	-	21,987	40	-	21,947
Financial entities	-	-	1,381	584	-	796
Government entities	-	-	9,177	-	208	9,385
Consumer loans	-	-	22,687	-	-	22,687
Mortgage loans	-	-	13,735	-	-	13,735
Interest on loan portfolio with credit risk stage 2	-	-	-	-	-	-
Commercial Loans	-	-	186	-	-	186
Financial entities	-	-	2	-	-	2
Government entities	-	-	4	-	-	4
Consumer loans	-	-	286	-	-	286
Mortgage loans	-	-	262	-	-	262
Interest on loan portfolio with credit risk stage 3	-	-	-	-	-	-
Commercial loans	-	-	52	-	-	52
Financial entities	-	-	0	-	-	0
Government entities	-	-	5	-	-	5
Consumer loans	-	-	48	-	-	48
Mortgage loans	-	-	53	-	-	53
Insurance and bond loan portfolio interest	-	-	599	-	-	599
Interest on acquired collection rights	-	-	-	-	-	-
Loan commissions	-	-	1,093	-	-	1,093
Effect of loan portfolio renegotiation	-	-	153	-	-	153
Securities' loans premiums	-	-	190	99	-	92
Debt issuance premiums	-	-	-	-	-	-
Net dividends from equity instruments	-	-	48	-	-	48
Income from valuation	-	0	12,498	-	-	12,498
Increase due interest income update	-	-	-	-	-	-

GFNorte - Income Statement as of September 30, 2022

(Million Pesos)

	Operadora de Fondos Banorte	IXE Servicios	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
Interest expense	-	-	112,695	-	9,740	102,954
Interest on demand deposits	-	-	5,822	-	598	5,223
Interest on time deposits	-	-	8,836	-	0	8,836
Interest due to banks and correspondents	-	-	2,125	-	565	1,560
Interest, transaction costs, and discounts of financial instruments that qualify as liabilities	-	-	894	-	-	894
Interest and yields charged from OTC collateral operations	-	-	213	-	-	213
Premiums paid for the early redemption of financial instruments that qualify as liabilities	-	-	-	-	-	-
Interest and yields payable in repurchase agreements	-	-	31,636	-	8,577	23,060
Expenses from hedging operations	-	-	3,553	-	-	3,553
Expenses from trading financial instruments	-	-	57,273	-	-	57,273
Proceeds from lend securities	-	-	68	-	-	68
Effect of loan portfolio renegotiation	-	-	371	-	-	371
Costs expenses of granting loans	-	-	1,118	-	-	1,118
Insurance and bail bond loan origination costs and expenses	-	-	-	-	-	-
Foreign exchange valorization income	-	-	282	-	-	282
Chargeable interest associated with the global deposit account without movements	-	-	182	-	-	182
Interest on lease liabilities	-	-	322	-	-	322
Increase due to update of interest expense	-	-	-	-	-	-
Financial Margin	33	59	84,786	9,800	9,948	84,934
Allowance for loan losses	-	-	8,249	-	-	8,249
Risk adjusted net interest income	33	59	76,537	9,800	9,948	76,685
Commissions and fees charged on services	1,558	-	25,449	1,876	-	23,573
Commissions and fees paid on services	1,129	1	12,114	-	1,079	11,034
Premium revenue (net)	-	-	34,445	361	-	34,084
Increase in technical reserves (net)	-	-	24,367	-	-	24,367
Cost of acquisition for insurance and bail bonds operations (net)	-	-	1,924	-	848	1,076
Cost of damages, claims, and other obligations	-	-	19,916	-	11	19,905
Trading income	27	(0)	3,005	(4)	-	3,009
Total other operating income (expense)	11	0	(2,067)	393	12	(2,449)
Administrative and promotional Expenses	129	15	33,281	52	752	32,581
Operating income	371	44	45,768	12,479	12,650	45,939
Subsidiaries' net income	(8)	-	33,368	32,809	-	558
Pre-tax income	363	44	79,135	45,288	12,650	46,497
Taxes	96	-	12,170	50	-	12,221
Net income from continuous operations	266	44	66,965	45,339	12,650	34,276
Discontinued Operations	-	-	-	-	-	-
NET INCOME	266	44	66,974	45,339	13,101	33,816
Minority interest	-	-	9	-	451	460
Other comprehensive income	-	-	-	-	-	-
Financial instruments to collect or sell valuation	-	(2)	(11,047)	2,190	7,804	(5,433)
Cash flow hedges valuation	-	-	2,102	(454)	(1,515)	1,042
Remeasurement on defined employee benefits	(0)	-	112	57	-	56
Remeasurement by result in the valuation of the unexpired risk reserve due to variation in discount rates	-	-	780	390	-	390
Cumulative foreign currency translation adjustment	-	-	(76)	-	38	(38)
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in other comprehensive income of other entities	-	-	-	-	-	-
Other comprehensive income	(0)	(2)	(8,128)	2,182	6,327	(3,983)
COMPREHENSIVE INCOME	266	42	58,856	47,521	19,879	30,293

GFNorte - Balance Sheet as of September 30, 2022

(Million Pesos)

ASSETS	Holding	Banorte	Ahorro y Previsión	Arrendadora y Factor	Almacenadora	Casa de Bolsa Banorte
Cash and cash equivalents	13	91,252	1,688	230	13	4,426
Margin accounts (derivate financial instruments)	-	5,730	-	-	-	-
Investment in securities						
Trading financial instruments	-	117,925	32,167	-	-	119,430
Financial instruments to collect or sell	-	120,871	5,710	-	-	88,075
Financial instruments to collect principal and interest (securities)	-	85,108	221,487	-	-	879
Estimate of expected credit losses for investments (securities)	-	(208)	(82)	-	-	(7)
Debtor balance in repo trans (net)	29,658	100,332	3,554	-	-	3,000
Securities lending	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Transactions with derivatives for trading purposes	-	38,873	-	-	-	629
Transactions with derivatives for hedging purposes	-	1,814	-	-	-	-
Asset hedges valuation adjustments	-	19	-	-	-	-
Loan portfolio with credit risk stage 1	-	846,928	-	34,389	-	-
Commercial loans						
Commercial	-	307,352	-	27,092	-	-
Financial entities	-	31,946	-	1,007	-	-
Government	-	157,501	-	6,287	-	-
Consumer loans	-	135,775	-	3	-	-
Mortgage						
Medium and residential	-	212,310	-	-	-	-
Low-income housing	-	2	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	2,041	-	-	-	-
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 2	-	9,406	-	304	-	-
Commercial loans						
Commercial	-	3,366	-	304	-	-
Financial entities	-	-	-	0	-	-
Government	-	-	-	-	-	-
Consumer loans	-	2,355	-	-	-	-
Mortgage						
Medium and residential	-	3,599	-	-	-	-
Low-income housing	-	0	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	86	-	-	-	-
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 2	-	9,406	-	304	-	-

GFNorte - Balance Sheet as of September 30, 2022

(Million Pesos)

ASSETS	Holding	Banorte	Ahorro y Previsión	Arrendadora y Factor	Almacenadora	Casa de Bolsa Banorte
Loan portfolio with credit risk stage 3						
Commercial loans						
Commercial	-	3,420	-	754	-	-
Financial entities	-	101	-	4	-	-
Government	-	-	-	4	-	-
Consumer loans	-	3,070	-	0	-	-
Mortgage	-	-	-	-	-	-
Medium and residential	-	1,552	-	-	-	-
Low-income housing	-	0	-	-	-	-
Loans acquired from INFONAVIT or FOVISSSTE	-	353	-	-	-	-
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 3	-	8,496	-	763	-	-
Loan portfolio	-	864,829	-	35,456	-	-
(+/-) Deferred items	-	1,575	-	(16)	-	-
(-) Minus						
Allowance for loan losses	-	(16,554)	-	(693)	-	-
Loan portfolio (net)	-	849,851	-	34,747	-	-
Loan portfolio from insurance and bail bonds	-	-	3,123	-	-	-
(+/-) Deferred items	-	-	-	-	-	-
(-) Minus						
Loan loss-reserve for insurance and bail bond risks	-	-	(205)	-	-	-
Total insurance and bail bond loan portfolio (net)	-	-	2,918	-	-	-
Acquired collection rights (net)	-	322	-	-	-	-
Loan portfolio, net	-	850,173	2,918	34,747	-	-
Benef. receivab. securization transactions	-	-	-	-	-	-
Debtors of insurance and surety companies	-	-	6,567	-	-	-
Amounts recoverable by reinsurance and counter-guarantee (net)	-	-	7,589	-	-	-
Other accounts receivable (net)	42	45,296	449	913	345	1,322
Inventories	-	-	-	-	1,590	-
Foreclosed assets (net)	-	1,770	-	124	-	-
Advanced payments and other assets (net)	0	12,715	2,589	4,422	18	278
Property, furniture, and equipment (net)	-	18,145	245	3,410	52	72
Assets for rights of use of property, furniture and equipment (net)	-	7,173	173	-	-	-
Investment in subsidiaries	185,643	1,339	12,993	32	-	2
Deferred income tax assets	-	544	-	965	7	-
Intangible assets (net)	455	15,468	1,429	-	-	1
Goodwill	25,329	1,396	-	-	-	-
TOTAL ASSETS	241,138	1,515,735	299,478	44,844	2,026	218,107

GFNorte - Balance Sheet as of September 30, 2022

(Million Pesos)

ASSETS	Operadora de Fondos Banorte	IXE Servicios	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
Cash and cash equivalents	58	1	97,681	84	6,018	91,746
Margin accounts (derivate financial instruments)	-	-	5,730	-	-	5,730
Investment in securities						
Trading financial instruments	647	-	270,169	-	126	270,043
Financial instruments to collect or sell	-	844	215,501	-	-	215,501
Financial instruments to collect principal and interest (securities)	-	-	307,475	-	347	307,127
Estimate of expected credit losses for investments (securities)	-	-	(297)	-	-	(297)
Debtor balance in repo trans (net)	-	91	136,635	-	81,841	54,794
Securities lending	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-
Transactions with derivatives for trading purposes	-	-	39,502	-	606	38,896
Transactions with derivatives for hedging purposes	-	-	1,814	-	-	1,814
Asset hedges valuation adjustments	-	-	19	-	-	19
Loan portfolio with credit risk stage 1						
Commercial loans						
Commercial	-	-	334,444	-	-	334,444
Financial entities	-	-	32,953	-	14,987	17,967
Government	-	-	163,788	-	-	163,788
Consumer loans	-	-	135,779	-	-	135,779
Mortgage						
Medium and residential	-	-	212,310	-	-	212,310
Low-income housing	-	-	2	-	-	2
Loans acquired from INFONAVIT or FOVISSSTE	-	-	2,041	-	-	2,041
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 1	-	-	881,317	-	14,987	866,330
Loan portfolio with credit risk stage 2						
Commercial loans						
Commercial	-	-	3,670	-	-	3,670
Financial entities	-	-	0	-	-	0
Government	-	-	-	-	-	-
Consumer loans	-	-	2,355	-	-	2,355
Mortgage						
Medium and residential	-	-	3,599	-	-	3,599
Low-income housing	-	-	0	-	-	0
Loans acquired from INFONAVIT or FOVISSSTE	-	-	86	-	-	86
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 2	-	-	9,710	-	-	9,710

GFNorte - Balance Sheet as of September 30, 2022

(Million Pesos)

ASSETS	Operadora de Fondos Banorte	IXE Servicios	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
Loan portfolio with credit risk stage 3						
Commercial loans						
Commercial	-	-	4,174	-	-	4,174
Financial entities	-	-	106	-	-	106
Government	-	-	4	-	-	4
Consumer loans	-	-	3,070	-	-	3,070
Mortgage	-	-	-	-	-	-
Medium and residential	-	-	1,552	-	-	1,552
Low-income housing	-	-	0	-	-	0
Loans acquired from INFONAVIT or FOVISSSTE	-	-	353	-	-	353
Remodeling or improvement with guarantee of the housing subaccount	-	-	-	-	-	-
Loan portfolio with credit risk stage 3	-	-	9,259	-	-	9,259
Loan portfolio	-	-	900,285	-	14,987	885,299
(+/-) Deferred items	-	-	1,560	-	-	1,560
(-) Minus	-	-	-	-	-	-
Allowance for loan losses	-	-	(17,247)	-	-	(17,247)
Loan portfolio (net)	-	-	884,599	-	14,987	869,612
Loan portfolio from insurance and bail bonds	-	-	3,123	-	-	3,123
(+/-) Deferred items	-	-	-	-	-	-
(-) Minus	-	-	-	-	-	-
Loan loss-reserve for insurance and bail bond risks	-	-	(205)	-	-	(205)
Total insurance and bail bond loan portfolio (net)	-	-	2,918	-	-	2,918
Acquired collection rights (net)	-	-	322	-	-	322
Loan portfolio, net	-	-	887,839	-	14,987	872,852
Benef. receivab. securization transactions	-	-	-	-	-	-
Debtors of insurance and surety companies	-	-	6,567	-	-	6,567
Amounts recoverable by reinsurance and counter-guarantee (net)	-	-	7,589	-	-	7,589
Other accounts receivable (net)	213	73	48,652	-	275	48,377
Inventories	-	-	1,590	-	-	1,590
Foreclosed assets (net)	-	-	1,894	-	-	1,894
Advanced payments and other assets (net)	48	67	20,138	-	-	20,138
Property, furniture, and equipment (net)	0	3	21,927	203	44	22,086
Assets for rights of use of property, furniture and equipment (net)	-	-	7,346	-	-	7,346
Investment in subsidiaries	110	-	200,119	390	186,033	14,476
Deferred income tax assets	3	-	1,518	-	1,518	-
Intangible assets (net)	-	641	17,994	-	-	17,994
Goodwill	-	-	26,724	-	-	26,724
TOTAL ASSETS	1,078	1,721	2,324,127	676	291,795	2,033,008

GFNorte - Balance Sheet as of September 30, 2022

(Million Pesos)

LIABILITIES & EQUITY	Holding	Banorte	Ahorro y Previsión	Arrendadora y Factor	Almacenadora	Casa de Bolsa Banorte
Deposits						
Demand deposits	-	597,069	-	-	-	-
Time deposits						
Time deposits-retail	-	256,447	-	-	-	-
Time deposits-money market	-	200	-	-	-	-
Senior unsecured debt	-	21,852	-	-	-	-
Global account of deposits without movements	-	3,362	-	-	-	-
Due to banks & correspondents						
Demand loans	-	0	-	-	-	-
Short-term loans	-	5,459	-	25,483	1,672	-
Long-term loans	-	7,744	-	7,087	-	-
Non-assigned securities for settlement	-	-	-	-	-	-
Technical reserves	-	-	255,169	-	-	-
Creditor balance in repo transactions (net)	-	190,801	-	-	-	206,565
Securities to be received in repo transactions (net)	-	-	-	-	-	-
Collateral sold or pledged as collateral	-	-	-	-	-	-
Repos	-	98,485	-	-	-	3,000
Securities' loans	-	-	-	-	-	-
Transactions with derivatives	-	-	-	-	-	-
Other sold collateral	-	-	-	-	-	-
Derivative financial instruments						
For trading purposes	-	32,555	-	-	-	538
For hedging purposes	-	3,857	-	-	-	-
Valuation adjustments for financial liability coverage	-	-	-	-	-	-
Payable accounts for reinsurance and counter-guarantee entities (net)	-	-	3,414	-	-	-
Obligations in securitization transactions	-	-	-	-	-	-
Lease liabilities	-	6,923	176	-	-	-
Other payable accounts						
Creditors of liquidation operations	-	12,881	-	-	-	1,022
Margin accounts payable	-	-	-	-	-	-
Creditors from collaterals received in cash	-	24,113	-	-	-	-
Contributions payable	-	1,189	692	12	5	47
Other creditors and accounts payable	2	34,559	2,591	1,720	22	252
Financial instruments that qualify as a liability						
Financial instruments that qualify as a liability	-	68,008	-	-	-	-
Income tax liabilities	39	5,909	3,967	-	3	81
Employee benefit liability	-	7,393	146	104	9	299
Deferred credits and advanced charges	-	1,066	42	129	-	0
TOTAL LIABILITIES	41	1,379,873	266,196	34,535	1,711	211,805
Equity						
Paid-in capital						
Common stock	14,941	18,795	15,776	12,294	87	1,985
Additional paid-in capital	48,586	4,455	5,594	16	-	77
Provision for future capital increase not formalized by its governing entity	-	-	-	-	-	-
Financial instruments that qualify as equity	-	-	-	-	-	-
Earned capital						
Capital reserves	8,106	18,959	1,580	770	62	397
Cumulative results						
Retained earnings	142,609	74,701	4,957	(3,327)	142	2,456
Net income	33,812	25,919	5,310	370	23	1,210
Other comprehensive income						
Valuation of financial instruments to collect or sell	(3,839)	(3,360)	(479)	-	-	48
Cash flow hedges valuation	(1,619)	(1,649)	-	-	-	-
Defined remeasurements for employees benefits	(1,902)	(1,965)	2	1	(0)	1
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	272	-	273	-	-	-
Cumulative foreign currency translation adjustment	131	3	-	-	-	129
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in OCI of other entities	-	-	-	-	-	-
Majority interest	241,097	135,857	33,013	10,125	314	6,303
Minority Interest	-	5	269	184	0	-
TOTAL EQUITY	241,097	135,862	33,282	10,308	314	6,303
TOTAL LIABILITIES AND EQUITY	241,138	1,515,735	299,478	44,844	2,026	218,107

GFNorte - Balance Sheet as of September 30, 2022

(Million Pesos)

LIABILITIES & EQUITY	Operadora de Fondos Banorte	IXE Servicios	Total	Charges Intercompany Eliminations	Credits Intercompany Eliminations	Final Balance
Deposits						
Demand deposits	-	-	597,069	6,018	-	591,051
Time deposits						
Time deposits-retail	-	-	256,447	-	-	256,447
Time deposits-money market	-	-	200	-	-	200
Senior unsecured debt	-	-	21,852	-	-	21,852
Global account of deposits without movements	-	-	3,362	-	-	3,362
Due to banks & correspondents						
Demand loans	-	-	0	-	-	0
Short-term loans	-	-	32,614	14,987	-	17,627
Long-term loans	-	-	14,831	-	-	14,831
Non-assigned securities for settlement	-	-	-	-	-	-
Technical reserves	-	-	255,169	-	47	255,216
Creditor balance in repo transactions (net)	-	-	397,365	81,841	-	315,524
Securities to be received in repo transactions (net)	-	-	-	-	-	-
Collateral sold or pledged as collateral	-	-	-	-	-	-
Repos	-	-	101,485	-	-	101,485
Securities' loans	-	-	-	-	-	-
Transactions with derivatives	-	-	-	-	-	-
Other sold collateral	-	-	-	-	-	-
Derivative financial instruments						
For trading purposes	-	-	33,093	606	-	32,487
For hedging purposes	-	-	3,857	-	-	3,857
Valuation adjustments for financial liability coverage	-	-	-	-	-	-
Payable accounts for reinsurance and counter-guarantee entities (net)	-	-	3,414	-	-	3,414
Obligations in securitization transactions	-	-	-	-	-	-
Lease liabilities	-	-	7,099	-	-	7,099
Other payable accounts						
Creditors of liquidation operations	-	-	13,903	16	-	13,887
Margin accounts payable	-	-	-	-	-	-
Creditors from collaterals received in cash	-	-	24,113	-	-	24,113
Contributions payable	18	4	1,967	-	-	1,967
Other creditors and accounts payable	163	2	39,311	411	37	38,937
Financial instruments that qualify as a liability						
Financial instruments that qualify as a liability	-	-	68,008	-	-	68,008
Income tax liabilities	-	-	10,000	1,518	-	8,481
Employee benefit liability	37	26	8,014	-	-	8,014
Deferred credits and advanced charges	-	-	1,238	-	-	1,238
TOTAL LIABILITIES	218	31	1,894,411	105,397	84	1,789,097
Equity						
Paid-in capital						
Common stock	170	644	64,692	49,798	44	14,938
Additional paid-in capital	-	-	58,728	10,392	322	48,657
Provision for future capital increase not formalized by its governing entity	-	1,034	1,034	1,034	-	-
Financial instruments that qualify as equity	-	-	-	-	-	-
Earned capital						
Capital reserves	34	2	29,910	21,805	-	8,106
Cumulative results						
Retained earnings	388	(33)	221,894	87,623	8,251	142,523
Net income	266	44	66,956	33,140	-	33,816
Other comprehensive income						
Valuation of financial instruments to collect or sell	-	(2)	(7,633)	1,408	5,201	(3,839)
Cash flow hedges valuation	-	-	(3,269)	707	2,356	(1,619)
Defined remeasurements for employees benefits	1	-	(3,862)	-	1,960	(1,902)
Remeasurement by results in valuation of risk reserve in progress due to variation in discount rates	-	-	545	273	-	272
Cumulative foreign currency translation adjustment	-	-	262	132	-	131
Result from holding non-monetary assets	-	-	-	-	-	-
Participation in OCI of other entities	-	-	-	-	-	-
Majority interest	860	1,690	429,259	206,310	18,134	241,082
Minority interest	-	-	457	-	2,372	2,829
TOTAL EQUITY	860	1,690	429,716	206,310	20,505	243,911
TOTAL LIABILITIES AND EQUITY	1,078	1,721	2,324,127	311,708	20,589	2,033,008

VI. Appendix

Accounting & Regulatory Changes

Numbers in this section are stated in million pesos.

Early termination of support programs for mortgage loan debtors

On June 30th, 2010, the Federal Government, through the SHCP (Tax and Credit Institutions Authority), signed an agreement to early terminate the support programs for the mortgage loan debtors. Therefore, as of January 1, 2011, the Holding entity absorbed the discount that was early applied to the mortgage loan debtors enrolled in the program.

The agreement established a set of payment obligations by the Federal Government payable in 5 equal annual payments ending on June 1, 2015; day in which the bank received Ps 29 million including a monthly interest from the day after the cutoff date until the ending month before the payment date.

As of September 30th, 2022, the remaining balance of CETES ESPECIALES which have not been repurchased by the Federal Government, totaled Ps 447 million, with maturities in 2027.

New Financial Reporting Standards

In accordance with the resolution that modified the general regulation applicable to Financial Institutions published on December 4, 2020, in the Official Gazette of the Federation (DOF), about rules published on March 13th, 2020, regarding the Financial Reporting Standards (NIF) issued by the Mexican Council of Financial Information Standards (CINIF), referred to in paragraph 3 of Criterion A-2 "Application of particular standards" of Annex 33, will enter into force on January 1st, 2022.

The NIFs issued and that began to become applicable as of January 1st, 2022, are:

- NIF B-5 "Financial information by segments".
- NIF B-12 "Compensation of financial assets and financial liabilities".
- NIF B-17 "Determination of reasonable value".
- NIF C-2 "Investment in financial assets".
- NIF C-3 "Accounts receivable".
- NIF C-9 "Provisions, contingencies and commitments".
- NIF C-10 "Derivative and hedging financial instruments".
- NIF C-13 "Related parties".
- NIF C-14 "Transfer and derecognition of financial assets".
- NIF C-16 "Impairment of financial instruments receivable".
- NIF C-19 "Financial instruments payable".
- NIF C-20 "Financial instruments receivable principal and interest".
- NIF D-1 "Income from contracts with customers".
- NIF D-2 "Costs for contracts with customers".
- NIF D-5 "Leases".
- NIF C-22 "Cryptocurrencies".

The adoption of the aforementioned reporting standards did not have a material impact in the consolidated Financial Statements, which were recognized in the entry of Retained Earnings inside Stockholder's Equity.

Changes in the Local Liquidity Regulations for Banking Institutions

Aligned with the regulatory changes implemented on March 1st, 2022, the declaration of the institutions that consolidate in the calculation of the LCR and the NSFR can be found in the following link (available only in Spanish).

Notes to Financial Statements

FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q22

(Million Pesos)

Trading Financial Instruments	Book Value	Interest	Unrealized Gain (Loss)	Market Value
Government Securities	241,137	2,959	(39)	244,056
Unrestricted	16,683	676	11	17,370
BONDES D	-	-	-	-
BONDES F	-	-	-	-
BONDES M	(298)	1	(1)	(298)
BPA	30	-	-	30
BREMS	-	-	-	-
Government Securities	8	0	2	10
Municipalities Securities	-	-	-	-
UDI Securities	-	-	-	-
CETES	12,469	605	(81)	12,993
CETES (Special)	-	-	-	-
Government Eurobonds	70	0	(14)	56
Udibonds	4,404	69	105	4,577
Restricted	224,454	2,283	(50)	226,687
BONDES D	46,351	146	19	46,516
BONDES F	15,814	57	1	15,872
BONDES M	3,261	54	(94)	3,220
BPA	155,957	2,020	38	158,015
Government Securities	2,019	7	0	2,026
Municipalities Securities	-	-	-	-
UDI Securities	0	0	(0)	0
CETES	230	-	(3)	228
Government Eurobonds	-	-	-	-
Udibonds	821	1	(12)	810
Banking Securities	12,189	38	1	12,228
Unrestricted	3,218	0	(0)	3,218
Bank Acceptances	5	-	-	5
Development Bank Securities	5	0	(0)	5
Bank Securities	7	0	0	7
Deposit Certificates	60	-	-	60
Structured Notes	-	-	-	-
Other Banking Securities	184	0	(0)	184
Promissory Notes	2,958	-	(0)	2,958
Restricted	8,971	38	1	9,010
Development Bank Securities	2,904	15	0	2,920
Bank Securities	1,618	8	0	1,626
Deposit Certificates	4,149	14	0	4,163
Other Banking Securities	300	2	0	302
Promissory Notes	-	-	-	-
Private Securities	12,709	14	1,035	13,758
Unrestricted	12,279	14	1,041	13,334
Shares	728	-	753	1,481
Investment Company Shares	10,167	-	362	10,529
Stock Certificates BORHIS	-	-	-	-
Corporate Stock Certificates	459	1	3	463
Private Eurobonds	925	13	(76)	861
Other Banking Securities	-	-	-	-
CP	-	-	-	-
Restricted	431	-	(6)	425
Shares	420	-	(6)	414
Corporate Stock Certificates	-	-	-	-
Private Eurobonds	11	-	(0)	11
Reasonable Value Adjustment lxe Bank Acq	-	-	-	-
Total	266,035	3,011	997	270,043

FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q22

(Million Pesos)

Instruments to Collect or Sell	Book Value	Interest	Unrealized Gain (Loss)	Market Value
Government Securities	170,427	2,011	(3,465)	168,973
Unrestricted	29,113	262	(1,172)	28,204
BONDES D	48	0	(0)	48
BONDES F	-	-	-	-
BONDES M	206	5	(30)	181
BPA	149	0	(1)	148
BREMS	7,778	2	-	7,780
Government Securities	677	7	(84)	600
Municipalities Securities	898	2	27	927
UDI Securities	102	4	173	279
CETES	8,436	23	(80)	8,379
CETES (Special)	-	-	-	-
Government Eurobonds	8,877	194	(1,081)	7,990
Udibonds	1,942	26	(96)	1,872
Restricted	141,314	1,748	(2,292)	140,770
BONDES D	3,034	16	3	3,053
BONDES F	-	-	-	-
BONDES M	2,260	24	(307)	1,977
BPA	94,601	1,479	96	96,176
Government Securities	3,052	10	(0)	3,062
Municipalities Securities	2,527	4	(6)	2,525
UDI Securities	-	-	-	-
CETES	67	-	(1)	66
Government Eurobonds	29,000	127	(1,960)	27,167
Udibonds	6,772	88	(116)	6,744
Banking Securities	30,678	123	(371)	30,430
Unrestricted	19,208	87	(383)	18,912
Bank Acceptances	-	-	-	-
Development Bank Securities	2,212	28	(251)	1,989
Bank Securities	2,311	28	(85)	2,255
Deposit Certificates	10,926	29	(16)	10,938
Structured Notes	606	-	(9)	597
Other Banking Securities	400	2	0	402
Promissory Notes	2,753	-	(21)	2,732
Restricted	11,470	37	12	11,519
Development Bank Securities	3,133	11	(1)	3,143
Bank Securities	7,337	23	14	7,373
Deposit Certificates	1,000	3	(0)	1,002
Other Banking Securities	-	-	-	-
Promissory Notes	-	-	-	-
Private Securities	17,461	283	(1,646)	16,097
Unrestricted	14,935	257	(1,369)	13,823
Shares	-	-	-	-
Investment Company Shares	-	-	-	-
Stock Certificates BORHIS	77	-	(77)	0
Corporate Stock Certificates	6,339	72	(573)	5,838
Private Eurobonds	8,519	186	(720)	7,985
Other Banking Securities	-	-	-	-
CP	-	-	-	-
Restricted	2,526	25	(277)	2,274
Shares	-	-	-	-
Corporate Stock Certificates	1,124	2	7	1,133
Private Eurobonds	1,402	24	(284)	1,142
Reasonable Value Adjustment lxe Bank Acq	-	-	-	-
Total	218,566	2,417	(5,482)	215,501

FINANCIAL INSTRUMENTS AND VALUATION EFFECTS 3Q22

(Million Pesos)

Financial instruments to Collect Principal and Interest (securities) (net)	Book Value	Interest	Unrealized Gain (Loss)	Market Value
Government Securities	296,158	3,357	-	299,516
Unrestricted	277,299	3,031	-	280,330
BONDES D	-	-	-	-
BONDES F	1,996	7	-	2,004
BONDES M	928	21	-	949
BPA	-	-	-	-
BREMS	-	-	-	-
Government Securities	1,664	2	-	1,666
Municipalities Securities	2,216	18	-	2,234
UDI Securities	234	4	-	239
CETES	6,377	-	-	6,377
CETES (Special)	446	-	-	446
Government Eurobonds	51,444	503	-	51,948
Udibonds	211,993	2,476	-	214,468
Restricted	18,859	326	-	19,186
BONDES D	-	-	-	-
BONDES F	-	-	-	-
BONDES M	15,518	316	-	15,834
BPA	-	-	-	-
Government Securities	-	-	-	-
Municipalities Securities	2,900	7	-	2,907
UDI Securities	-	-	-	-
CETES	-	-	-	-
Government Eurobonds	190	-	-	190
Udibonds	250	3	-	254
Banking Securities	1,096	243	-	1,339
Unrestricted	1,096	243	-	1,339
Bank Acceptances	-	-	-	-
Development Bank Securities	-	-	-	-
Bank Securities	916	9	-	925
Deposit Certificates	-	-	-	-
Structured Notes	180	235	-	415
Other Banking Securities	-	-	-	-
Promissory Notes	-	-	-	-
Restricted	-	-	-	-
Development Bank Securities	-	-	-	-
Bank Securities	-	-	-	-
Deposit Certificates	-	-	-	-
Other Banking Securities	-	-	-	-
Promissory Notes	-	-	-	-
Private Securities	5,540	1,080	-	6,620
Unrestricted	5,540	1,080	-	6,620
Shares	-	-	-	-
Investment Company Shares	-	-	-	-
Stock Certificates BORHIS	2	0	-	2
Corporate Stock Certificates	1,065	1,073	-	2,138
Private Eurobonds	3,200	7	-	3,207
Other Banking Securities	1,272	-	-	1,272
CP	-	-	-	-
Restricted	-	-	-	-
Shares	-	-	-	-
Corporate Stock Certificates	-	-	-	-
Private Eurobonds	-	-	-	-
Reasonable Value Adjustment Ixe Bank Acq	(347)	-	-	(347)
Reasonable value adjustment Ixe Bank Acq	(297)	-	-	(297)
Reasonable Value Adjustment Ixe Bank Acq	(297)	-	-	(297)
Total	302,150	4,681	-	306,831

REPURCHASE AGREEMENT OPERATIONS 3Q22*(Million Pesos)*

	Repo Debtors			Repo Creditors	
	MV Repo Debtors	VM Collateral Received/Sold in Repo Trans	Debtor Balance	Creditor Balance	MV Repo Creditors
Government Securities	52,850	94,488	-	-	299,588
Banking Securities	444	4,788	-	-	10,129
Private Securities	1,500	2,209	-	-	5,807
Total	54,794	101,485	-	-	315,524

**DERIVATES FINANCIAL INSTRUMENTS
OPERATIONS 3Q22***(Million Pesos)*

Creditor Balance	
Instrument	Fair Value
Futures	
TIE 28 Futures	-
Forward	
Fx Forward	103
Options	
Rate Options	1,034
Fx Options	93
Warrants	0
Swaps	
Rate Swap	33,609
Fx Swap	3,832
Credit Swap	224
Negotiable Total	38,896
Options	
Rate Options	-
Fx Options	-
Swaps	
Rate Swap	-
Fx Swap	1,814
Credit Swap	-
Hedging Total	1,814
Position Total	40,709

**DERIVATES FINANCIAL INSTRUMENTS
OPERATIONS 3Q22
(Million Pesos)**

Debtor Balance	
Instrument	Fair Value
Futures	
TIIE 28 Futures	-
Forward	
Fx Forward	24
Options	
Rate Options	1,075
Fx Options	174
Warrants	1
Swaps	
Rate Swap	26,395
Fx Swap	4,810
Credit Swap	6
Negotiable Total	32,487
Options	
Rate Options	-
Fx Options	-
Swaps	
Rate Swap	1,088
Fx Swap	2,769
Credit Swap	-
Hedging Total	3,857
Position Total	36,344

**NOTIONAL PRINCIPAL AMOUNT IN DERIVATIVE OPERATIONS 3Q22 - Banorte
(Million Pesos)**

PRODUCT	TYPE	UNDERLYING	NOTIONAL	OPERATIONS
FX Forwards	Purchases	Exchange Rate (USD/MXN)	1,853	109
FX Forwards	Sales	Exchange Rate (USD/MXN)	2,171	121
FX Forwards	Sales	Exchange Rate (EUR/MXN)	1,077	5
FX Options	Purchases	Exchange Rate (Dollar)	16,752	11
FX Options	Sales	Exchange Rate (Dollar)	16,491	10
Interest Rate Options	Purchases	TIIE	24,663	82
Interest Rate Options	Sales	TIIE	31,171	300
Interest Rate Options	Purchases	LIBOR	8,986	20
Interest Rate Options	Sales	LIBOR	11,091	27
Interest Rate Swaps	USD LIBOR	LIBOR	268,267	3,479
Interest Rate Swaps	MXN TIIE	TIIE	1,183,546	3,954
Interest Rate Swaps	USD SOFR	SOFR	48,572	694
Interest Rate Swaps in Brokerage House	MXN TIIE M M	TIIE	14,647	12
Interest Rate Swaps in Brokerage House	USD LIBOR	TIIE	2,236	2
Interest Rate and FX Swaps	CS USDMXN	FIX/VARIABLE	117	2
Interest Rate and FX Swaps	CS USDMXN	VARIABLE/VARIABLE	114,157	121
Interest Rate and FX Swaps	CS USDMXN	FIX/FIX	33,338	52
Interest Rate and FX Swaps	CS CHF MXN	FIX/FIX	9,185	3
Interest Rate and FX Swaps	CS CHF MXN	FIX/VARIABLE	3,113	1
Interest Rate and FX Swaps	CS EUR MXN	FIX/FIX	19,077	81
Interest Rate and FX Swaps	CS UDIMXN	FIX/FIX	700	1
Interest Rate and FX Swaps	CS GBPMXN	FIX/FIX	2,575	11
Credit Derivatives	CDS USD	D2_PEMEX_150927	1,087	5
Credit Derivatives	CDS USD purchases	D1_MEXC46_270328	301	1
Credit Derivatives	CDS USD sales	D1_MEXC46_270328	301	1
Equity Options	Purchases	*I_MEXBOL_IND	6	1
Equity Options	Sales	*I_MEXBOL_IND	5	1

LOAN PORTFOLIO								
<i>(Million Pesos)</i>								
	Local Currency		UDIS		Foreign Currency		Total	
	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22	3Q21	3Q22
Performing Loans Stage 1 & 2								
Commercial Loans	259,289	262,848	0	0	67,124	75,265	326,413	338,114
Loans to Financial Entities	7,785	11,836	0	0	403	6,131	8,188	17,967
Consumer Loans	120,060	138,133	0	0	0	0	120,060	138,133
Mortgage Loans	197,722	217,977	71	61	0	0	197,792	218,039
Government Loans	143,141	139,895	0	0	18,259	23,893	161,400	163,788
Total	727,997	770,690	71	61	85,786	105,289	813,853	876,040
Past Due Loans Stage 3								
Commercial Loans	3,028	2,996	0	0	1,443	1,179	4,471	4,174
Financial to Financial Entities	0	106	0	0	0	0	0	106
Consumer Loans	2,641	3,070	0	0	0	0	2,641	3,070
Mortgage Loans	2,072	1,901	7	4	0	0	2,080	1,904
Government Loans	159	4	0	0	0	0	159	4
Deferred Items	1,626	1,572	-	-	(15)	(13)	1,611	1,560
Total Credit Portfolio	737,523	780,338	78	65	87,214	106,455	824,814	886,858
Insurance and Bail Bond Portfolio	2,728	3,123	-	-	-	-	2,728	3,123
Total Proprietary Loans with Insur. and Subs.	740,250	783,462	78	65	87,214	106,455	827,542	889,982

**COST OF BALANCES OF FINAPE, FOPYME, MORTGAGE UDIS AND
MORTGAGE FOVI LOAN PORTFOLIOS AS OF 3Q22- GFNorte**

(Million Pesos)

	TOTAL	
	PERIOD COST	BALANCE OF LOAN PORTFOLIO
FINAPE	-	-
FOPYME	-	-
Mortgage UDIS	1.0	0.0
Mortgage FOVI	-	-
	1.0	0.0

DEFERRED TAXES 3Q22

(Million Pesos)

ASSETS	INCOME TAX	NET
Global loss reserves loan portfolio	4,966	4,966
Non deductible provisions	1,196	1,196
Excess of accounting value over fiscal value on repossessed long-term assets	301	301
Diminishable Employee Profit Sharing (PTU)	459	459
Advanced charged fees	1,085	1,085
Effects from valuation of instruments	448	448
Tax losses pending amortization	467	467
Provisions for possible loss in loans	440	440
Pension funds contribution	37	37
Loss on sale of foreclosed assets and credits	-	-
Value decrease in property	-	-
Loan interest	-	-
Other accounts	7	7
Total Assets	9,407	9,407
LIABILITIES		
Pension funds contribution	-	-
Loan portfolio acquisitions	(91)	(91)
Projects to be capitalized	(7,179)	(7,179)
Intangible assets different from commercial funds	-	-
Effects from valuation of instruments	(2,325)	(2,325)
Intangible assets related with clients	(322)	(322)
Unrealized loss on securities held for sale	(82)	(82)
Total Liabilities	(9,998)	(9,998)
Assets (Liabilities) accumulated net	(591)	(591)

LONG TERM DEBT AS OF SEPTEMBER 30, 2022 - BANCO MERCANTIL DEL NORTE

(Million Pesos)

TYPE OF DEBT	CURRENCY	DATE OF ISSUANCE	ORIGINAL AMOUNT	ORIGINAL AMOUNT (VALUED)	CURRENT AMOUNT	TERM	RATE	CALLABILITY	MATURITY	INTEREST PAYMENT
Non Convertible Subordinated Bonds 2008 (Q_BANORTE_08U)	UDIS	11-mar-08	495	1,963	2,085	20 years	4.950%	25-feb-23	15-feb-28	182 days
Non Convertible Subordinated Bonds 2016 (D2_BANOC36_311004)	USD	04-oct-16	500	9,607	1,808	15 years	5.750%	04-oct-26	04-oct-31	180 days
Non Convertible Subordinated Bonds 2017 (D2_BANOE91_999999)	USD	06-jul-17	550	10,077	11,070	Perpetual	7.625%	10-ene-28	Perpetual	Quarterly
Stock certificates 2016 (94_BINTER_16U)	UDIS	13-oct-16	365	2,000	2,750	10 years	4.970%	-	01-oct-26	182 days
Stock certificates 2019 (94_BANORTE_19-2)	MXN	17-may-19	1,500	1,500	1,500	5 years	TIE +0.17%	-	10-may-24	28 days
Eurobond (Swiss francs) 2019 (D2_BANO397_221011)	CHF	11-apr-19	250	4,694	5,107	3.5 years	1.550%	-	11-oct-22	Annual
Non Convertible Subordinated Bonds 2019 (D2_BANO64_999999)	USD	27-jun-19	600	11,501	12,076	Perpetual	6.750%	27-sep-24	Perpetual	Quarterly
Non Convertible Subordinated Bonds 2019 (D2_BANOB48_999999)	USD	27-jun-19	500	9,584	10,064	Perpetual	7.500%	27-jun-29	Perpetual	Quarterly
Eurobond (Swiss francs) 2019 (D2_BANO343_231218)	CHF	18-sep-19	160	3,112	3,268	4.3 years	0.450%	-	18-dec-23	Annual
Eurobond (Swiss francs) 2020 (D2_BANO664_241206)	CHF	06-mar-20	225	4,826	4,596	4.8 years	0.500%	-	06-dec-24	Annual
Non Convertible Subordinated Bonds 2020 (D2_BANOC21_999999)	USD	14-jul-20	500	11,309	10,064	Perpetual	8.375%	14-oct-30	Perpetual	Quarterly
Stock certificates 2020 (94_BANORTE_20U)	UDIS	30-sep-20	107	700	805	10 years	2.760%	-	18-sep-30	182 days
Non Convertible Subordinated Bonds 2021 (D2_BANO99_999999)	USD	24-nov-21	500	10,718	10,064	Perpetual	5.875%	24-ene-27	Perpetual	Quarterly
Non Convertible Subordinated Bonds 2021 (D2_BANOB72_999999)	USD	24-nov-21	550	11,790	11,070	Perpetual	6.625%	24-ene-32	Perpetual	Quarterly

BANK AND OTHER ENTITIES LOANS¹ AS OF 3Q22*(Million Pesos)*

	LOCAL CURRENCY	FOREIGN CURRENCY	TOTAL
Loans from Local Banks	-	2,525	2,525
Loans from Foreign Banks generated in the country	-	-	-
Loans from Development Banks	15,800	1,463	17,263
Loans from Public Funds	6,839	979	7,817
Call Money & Loans from Banks	19,614	-	19,614
Loans from Fiduciary Funds	42	-	42
Provisions for Interest	184	-	184
	42,479	4,967	47,445
Eliminations			(14,987)
Total			32,459

**CORE DEPOSITS AND DUE TO BANKS & CORRESPONDENTS -
INTEREST RATES 3Q22****CORE DEPOSITS (BANORTE)****Demand Deposits**

Local Currency and UDIs	1.85%
Foreign Currency	0.19%

Time Deposits - Retail

Local Currency and UDIs	5.58%
Foreign Currency	0.26%

Time Deposits - Money Market

Local Currency and UDIs	9.66%
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DUE TO BANKS & CORRESPONDENTS (BANORTE)**Immediate Redemption Loans**

Local Currency and UDIs	8.44%
Foreign Currency	-

Public Funds and Development Banks

Local Currency and UDIs	8.27%
Foreign Currency	2.55%

MAIN CREDIT LINES RECEIVED 3Q22 (BANORTE)*Million pesos*

	3Q21			2Q22			3Q22		
	Line	Used	% used	Line	Used	% used	Line	Used	% used
Bank Counterparty Lines (Call Money)	220,021	2,348	1.1%	268,635	2,300	0.9%	268,628	9	0.0%
Banxico (Repos for liquidity with the System of Payments) RSP*	79,135	7,806	9.9%	88,286	7,810	8.8%	85,428	7,778	9.1%
Banxico MXN & USD Credit Auction*	58,469	-	0.0%	68,616	-	0.0%	64,833	-	0.0%
Banxico Credit line with Government and Banking securities as collateral (Ordinary Facility)*	58,469	-	0.0%	68,616	-	0.0%	64,833	-	0.0%
Banxico Credit line with State and Municipal Government securities as collateral (Extraordinary Facility)	86,106	-	0.0%	90,645	-	0.0%	90,121	-	0.0%
TOTAL	502,199	10,154	2.0%	584,798	10,110	1.7%	573,843	7,787	1.4%

* The credit amount of the RSP, Banxico Credit Auction, and Green Facility are interchangeable.

TRADING INCOME 3Q22*Million Pesos*

Trading income	Consolidated
Securities - Unrealized gains	768
Trading financial instruments	(612)
Derivate trading financial instruments	1,438
Derivative instruments - hedging	(59)
Impairment loss or revaluation increase	(97)
Result from foreign exchange valuation	(338)
Result from valuation of precious metals	(2)
Result from purchase/sale of securities and derivatives	(612)
Trading financial instruments	359
Financial instruments to collect or sell	(30)
Financial instruments to collect principal and interest (securities)	(121)
Derivative instruments - Negotiation	(44)
Cash flow hedges	(776)
Result from purchase/sale of foreign exchange	3,286
Result from purchase/sale of precious metals	3
Total	3,009

Internal Control

For Grupo Financiero Banorte, S.A.B. de C.V. (GFNORTE), internal control is a shared responsibility among all of its constituents; therefore, the Board of Directors, other Corporate Governance entities, the senior management team, and each one of its executives and employees are part of the Internal Control System (ICS).

ICS is the general framework set forth by the Board of Directors with the objective of reaching institutional objectives through policies and monitoring activities and procedures, which have a positive impact on risk management, on the trustworthiness of financial information being generated, and on regulatory compliance.

ICS establishes the objectives and general guidelines which provide a framework to activities and responsibilities applicable to all personnel in charge of origination, operational processing, and execution. Such activities are monitored by teams specialized in risk monitoring and in mitigating controls.

ICS is structured around three defense lines:

- A. **First.** The owners of support and business processes, who are ultimately responsible for the primary internal control function in their activities.
- B. **Second.** Risk, Credit, Legal and Controller departments, which provide permanent control and monitoring support, and
- C. **Third.** Internal Audit, with which the independence granted by its direct line of report to the Internal Audit and Corporate Practices Committee, supervises all activities and the adequate development of all functions across all areas.

At GNORTE we are convinced that having an adequate control environment is yet another competitive advantage that drives our growth and solid presence in the domestic financial market. Therefore, all executives and employees perform their daily activities with discipline as well as with strict adherence to the norm; following a philosophy of getting things done right the first time without having to rely on reviews that might be carried out by other areas.

During the third quarter of 2022, there was a continuous development of activities related to strengthening control, risk evaluation and management, establishment and monitoring of controls, and quality of information assurance; highlighting the following:

- A. The various Corporate Governance Committees have had the required financial, economic, accounting and/or legal information for proper decision-making.
- B. The Corporate Governance documents relating to Internal Control were revised and updated, as well as presented by the CAPS team to the Board of Directors for authorization.
- C. The manuals containing policies and procedures have been updated for changes in external regulations, new products, and changes in the Institution's processes or improvements to internal controls.
- D. The requests from different internal areas regarding the internal control matters were addressed, both in support of the development of new institutional projects, as well as with those that derive from regulatory changes.
- E. GFNORTE's business and operating support processes were constantly monitored through the Business Process and Management Controllers. They issue periodic compliance reports and identify areas of opportunity so that they can be remediated appropriately.
- F. Various activities regarding internal accounting control were carried out and were concluded with the work plan established at the beginning of the year.
- G. Effectiveness tests related to the Business Continuity Plan were carried out in accordance with the calendar dates and scope, approved by the corresponding Corporate Governance Committee.
- H. We continued to monitor the improvement initiatives derived from the observations made by the different members of the SCI.
- I. The Information Security Officer (CISO) presented the Master Plan for approval to the Management Team of GFNorte, and it carried out its functions according to it. It also kept reporting the findings and the details of the activities carried out, to the General Director and to the Corresponding Corporate Governance Committees, while maintaining a matrix coordination with the Comptroller, as part of the SCI.
- J. The requirements of the Supervisory Authorities were answered, and the information requirements required by the external regulation were fulfilled. In addition, ordinary inspector visits are being attended.

Financial Situation and Liquidity

Main sources of liquidity

The main liquidity source comes from the various deposit products that the institution offers to customers, such as interest bearing and non-interest-bearing demand deposits, as well as time deposits.

Regarding other sources of liquidity, Banorte has diverse mechanisms to access the debt and capital markets. The Institution obtains resources through the issuance of debt securities, including subordinated debt (Capital Notes), and loans and facilities from other institutions including the Central Bank and international banking institutions.

Liquid assets include investments in government securities and deposits held in the Central Bank and other foreign banks.

Important initiatives of Banorte's liquidity during 3Q22.

Banorte's liquidity strategy is aimed at maintaining adequate liquidity levels based on prevailing circumstances. In this sense, and given the current contingency, management decided to maintain current liquidity levels prioritizing funding from client's deposits.

In July 2022, Banorte exercised its right to call the full amount of its subordinated, non-preferred, non-convertible, perpetual notes, with ticker symbol BANOD36, issued in 2017, for a total USD\$350 million.

In addition, it should be noted that Banorte has not used the Central Bank of México's Ordinary Facilities or Extraordinary Facilities during 3Q22.

Detailed information related to liquidity sources is reported in different headings of the GFNorte's Balance Sheet in this report.

Related Parties Loans

According to Article 73 of the Law of Credit Institutions, loans granted to the related parties of credit institutions cannot exceed the established limit of 35% of the basic portion of net capital.

In the case of GFNorte as of September 30, 2022 and June 30, 2022, the amount of loans granted to third parties is as follows (billion pesos):

Lender	Sep-2022	% Basic Equity	Jun-22	% Basic Equity
Banorte	Ps 16.52	8.9%	Ps 14.89	7.2%
	Ps 16.52		Ps 14.89	

The loans granted are under the 100% limit set forth by the LIC.

Banorte

As of **September 30, 2022**, total loans granted to related parties, under Article 73 of the Law of Credit Institutions, was Ps 16.52 billion (including Ps 1.67 billion in Letters of Credit "CC", which are registered in memorandum accounts), representing 1.9% of Banorte's total loan portfolio (excluding the balance of CC). Of the total related loans balance, Ps 15.74 billion were loans granted to clients linked to members of the Board of Directors, and Ps 786 million were linked to companies related to GFNORTE. At the end of September 2022, there were no loans granted to clients related to shareholders.

In accordance with Article 73 of the Law for Credit Institutions, the balance of GFNORTE's related party loan portfolio for individuals and corporations at the end of September 2022 was 8.9% of Core Equity.

Related party loans have been granted under market conditions and rated in accordance with the policies, procedures and rating systems applicable to the rest of GFNORTE's loan portfolio based on the general dispositions applicable to credit institutions regarding rating of loan portfolios issued by CNBV. Additionally, 100% of the related party loans are rated in Category "A", and most of these loans were classified as commercial loans.

As of **June 30, 2022**, total loans granted to related parties, under the Article 73 of the Law of Credit Institutions, was Ps 14.89 billion (including Ps 1.93 billion in — Letters of Credit "CC", which are registered in memorandum accounts),

representing 1.7% of Banorte's total loan portfolio (excluding the balance of CC). Of the total related loans balance, Ps 14.13 billion were loans granted to clients linked to members of the Board of Directors, and Ps 754 million were linked to companies related to GFNORTE. At the end of June 2022, there were no loans granted to clients related to shareholders.

In accordance with Article 73 of the Law for Credit Institutions, the balance of GFNORTE's related party loan portfolio for individuals and corporations at the end of June 2022 was 7.2% of Core Equity.

Related party loans have been granted under market conditions and rated in accordance with the policies, procedures and rating systems applicable to the rest of GFNORTE's loan portfolio based on the general dispositions applicable to credit institutions regarding rating of loan portfolios issued by CNBV. Additionally, 100% of the related party loans are rated in Category "A", and most of these loans were classified as commercial loans.

Loan or tax liabilities

The tax credits listed below are currently in litigation:

As of September 30, 2022		
AFORE BANORTE	Ps	2
Loan #4429309391 Payroll Tax of the state of Coahuila		2
PENSIONES BANORTE	Ps	364
Financial year 2014		364
SEGUROS BANORTE	Ps	1,128
Financial year 2014		1,128
SEGUROS BANORTE	Ps	1,979
Financial year 2017		1,979

Million pesos

People in Charge

The undersign represent under oath that, taking into account our respective functions, we have drawn up the information relative to Grupo Financiero Banorte, which, to the best of our knowledge, reasonably reflects its financial situation. Furthermore, we express that we are not aware that relevant information has been omitted or falsified in this quarterly report or that it contains information that may lead to errors for investors.

Act. Jose Marcos Ramirez Miguel
Chief Executive Officer of Grupo Financiero Banorte, S.A.B. de C.V.

Eng. Rafael Arana de la Garza
Chief Operating Officer & Chief Financial Officer

C.P. Isaias Velazquez Gonzalez
Managing Director of Internal Audit

Lic. Jorge Eduardo Vega Camargo
Deputy Managing Director of Comptrollership

C.P.C. Mayra Nelly López
Executive Director of Accounting

Basis for submitting and presenting Financial Statements

Grupo Financiero Banorte (GFNorte). Issues the financial statements in consolidated form with its Subsidiaries in accordance with the General Provisions Applicable to the Controlling and Sub-Controlling Companies of Financial Groups that regulate the matters that correspond jointly to the National Supervisory Commissions (the Provisions) published in the Official Gazette of the Federation on June 29, 2018, modified through Resolution published in the same official medium on December 21, 2021.

Banorte. Issues the financial statements in consolidated form with its Subsidiaries in accordance with the General Provisions Applicable to the financial information of the Credit Institutions (the Provisions) published in the Official Gazette of the Federation on December 2, 2005, modified by means of published Resolutions in the aforementioned Official Gazette on March 3 and 28, September 15, December 6 and 8, 2006, January 12, March 23, April 26, November 5, 2007, March 10, August 22, September 19, October 14, December 4, 2008, April 27, May 28, June 11, August 12, October 16, November 9, December 1 and 24, 2009, January 27, February 10, April 9 and 15, May 17, June 28, July 29, August 19, September 9 and 28, October 25, November 26 and December 20, 2010, January 24 and 27, March 4, April 21, July 5, August 3 and 12, September 30, October 5 and 27, and December 28, 2011, June 19, July 5, October 23, November 28 and December 13, 2012, January 31, April 16, May 3, June 3 and 24, July 12, October 2 and December 24, 2013, January 7 and 31, March 26, May 12 and 19, July 3 and 31, September 24, October 30, December 8 and 31, 2014, January 9, 5 February, April 30, May 27 and June 23, 2015, August 27, September 21, October 29, November 9 and 13, December 16 and 31, 2015, April 7 and 28 and June 22, 2016, July 7 and 29, August 1, September 19 and 28, 2016, and December 27, 2016, January 6, April 4 and 27, May 31, June 26, 4 and 24 July, August 29, October 6 and 25, December 18, 26 and 27, 2017, January 22, March 14, April 26, May 11, June 26, July 23, August 29, September 4, October 5, November 15 and 27, 2018, and April 15, July 5, October 1, and November 4 and 25, 2019, March 13, April 9, June 9, August 21, October 12, November 19, December 4, May 21 and June 18, July 20 and 23, and August 6, 2021, September 23, and December 15, 30, and 31 2021, May 13 and 27, June 22, as well as September 2, 2022, respectively.

GFNorte and Banorte. The financial information contained in this document has been prepared in accordance with the regulation issued by the National Banking and Securities Commission (CNBV) for the holding company and the financial entities that make up the Financial Group and the NIF issued by the Mexican Board of Standards of Financial Information, AC (CINF). The regulation of the CNBV and the NIFs differ from each other due to the specialized operations of the Credit Institutions. They also differ from the accounting principles generally accepted in the United States of America (US GAAP) and the regulations and principles established by the North American authorities for this type of financial entities. In order to present the information contained in an international format, the format for the classification and presentation of certain financial information differs from the format used for the financial information published in Mexico.

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