

Banorte & fifomi subscribe credit lines

16 May 2001

Monterrey N.L. May 17, 2001.- This Thursday the Mining Promotion Trust Fund [Fideicomiso de Fomento Minero (FIFOMI)], an organization that depends on the Ministry of Economy, formally granted three credit lines for a minimum of \$30 Million Dollars to Grupo Financiero Banorte.

Through the respective contracts, credit lines shall be granted in favor of Banco Mercantil del Norte, S.A., Arrendadora Banorte, S.A. and Factor Banorte S.A. for \$10 Million Dollars or an equivalent in Mexican Pesos to each financial entity, with an automatic discount of loan operations. Said operations may be expanded to meet the funding requirements and considering how the representatives of the sector intend to use them.

The agreement between FIFOMI and BANORTE will make it possible to grant loans to more than 500 companies and/or self-employed professionals, as well as businesses related to the mining sector or that are a part of this productive chain.

As the representatives of both institutions have stated, the main objective making funding available to the mining sector is to increase the levels of demand for mineral, thereby benefiting the industry in general through a multiplying effect.

As to the financial programs considered in said financial support which, BANORTE as first floor banking will channel, the following possibilities are contemplated: obtain support for working capital acquisition of fixed assets and the consolidation of liabilities in terms of up to 13 years (depending on the individual characteristics of each case), and having access to factoring services and financial leasing at competitive rates.

As a reference basis for these loans the Cetes rates will be applied using a variable and fixed rate scheme, in accordance with the needs of each applicant.

This type of financing intends to simplify the decision-making process and discount usually required for each loan, delegating to BANORTE, as financial intermediary, the power to analyze the operation's technical and financial feasibility, with the possibility of requesting, if necessary, the participation of Fifomi's specialized technicians to obtain a technical assessment of the diverse projects, mainly in the areas of mineral extraction and benefit, an added value for both commercial banking and businessmen.

Participating in the formalization of the agreements were Norberto Roque Díaz de León, General Director of Fifomi, Federico Valenzuela Ochoa, General Director of Banco Mercantil del Norte, S.A., Enrique Catalán Guzmán, General Director of Banca Empresarial, and Gerardo Zamora Nañez, Director of Arrendadora y Factor Banorte, all of whom signed the respective credit contracts.