

Banorte issued Subordinated Debt in the Mexican Stock Exchange for a total of Ps 2.75 billion.

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Mexico City, June 30, 2008.- Grupo Financiero Banorte ("GFNorte"), through Banco Mercantil del Norte, S.A. ("Banorte"), a subsidiary of GFNorte, placed Ps 2.75 billion in Subordinated Debentures in the local market that will strengthen Banorte's capital.

This third issuance, which consisted of Preferred, Non-Convertible Subordinated Debentures (BANORTE 08-2), amounted to Ps 2.75 billion, with a 10-year term and an interest rate of 28 day TIIE plus 77 basis points. Moody's assigned an Aaa.mx rating to the securities.

The final demand for these obligations reflects Banorte's acceptance as an issuer in the domestic financial markets. With this transaction, Banorte continues an innovative 5-year program to issue up to Ps 15.0 billion in Preferred and Non-Preferred, Non-Convertible Subordinated Debentures, which compute as Regulatory Capital. The main goal of this program is to strengthen Banorte's current and future growth capacity.

The first issuance made under this program was placed on March 2008 for an amount of almost Ps 5 billion in the local markets.

The first tranche of Non-Preferred, Non-Convertible Subordinate Debentures (BANORTE 08) amounted to Ps 3 billion, with a 10 year term and an interest rate of 28 day TIIE plus 60 basis points; the second tranche of Preferred, Non-Convertible Subordinated Debentures (BANORTE 08U) was made for an amount equivalent in UDI's (inflation indexed units of account) of Ps 2 billion, with a 20 year term and a fixed real interest rate of 4.95% paid every 182 days. Both tranches were assigned a Aaa.mx rating by Moody's.