

**Subject: Issuance of Tier 2 Subordinated Preferred Capital Notes for USD 500 million**

**Monterrey, N.L., September 30, 2016.** Banco Mercantil del Norte, S.A., Institución de Banca Múltiple, Grupo Financiero Banorte ("Banorte") informs to the investment public that successfully issued Tier 2 Subordinated Preferred Capital Notes for USD 500 million in the international markets.

This transaction considered the issuance of Tier 2 Notes with a 15-year term and a coupon rate at 5.750%, callable at the tenth year. Ratings granted by Moody's and Fitch were Ba1 and BB+, respectively. Moreover, it is worth mentioning that these debentures are Basel III-compliant.

Proceeds from the issuance will be used for general corporate purposes and to strengthen the bank's regulatory capital.

GFNORTE reiterates to the investment public that it expects to continue adopting the best international corporate practices regarding Corporate Governance and information disclosure. The Investor Relations and Financial Intelligence Department is available for any inquiry or comment regarding this material event at: [investor@banorte.com](mailto:investor@banorte.com) or at the number (55) 1670-2256.