

PERFORMING LOAN BOOK INCREASED 8% YEAR OVER YEAR, AT THE CLOSE OF 3Q22

- Grupo Financiero Banorte (GFNorte), registered an annual increase in Total Loan Book. Noteworthy 12% increase in Consumer portfolio.
- Remarkable annual growth in auto 8%, mortgages 10%, credit card 15%, and payroll 19%.
- Non-performing Loan Ratio remains at 1.0%, one of the healthiest in the system.
- Core deposits increased 12% in the year.
- Capital Adequacy Ratio reached 23.0%, Core Tier 1 Ratio 14.7%, Leverage Ratio 12.1%, and quarterly average Liquidity Coverage Ratio stood at 160%.
- “Banorte is committed to staying close to Mexican families and companies, backing them with the credit they need. México’s strong bank will continue working to support them”: Carlos Hank González.

Mexico City, October 20th, 2022.— Grupo Financiero Banorte (GFNorte) reported an annual 8% increase in the Performing Loan Book, at the end of 3Q22, boosted by a solid recovery in the demand of **Consumer portfolio**, increasing 12%. Besides, the quality of the loan portfolio continues to stand out, **Non-performing Loans Ratio stood at 1.0%**.

During the year, GFNorte registered solid performance in Consumer portfolio products, **Auto increased 8%, while Mortgages 10%, Credit Card 15%, and Payroll 19%**.

Carlos Hank González, Chairman of the Board of Directors of GFNorte, commented: “Banorte is committed to staying close to Mexican families and companies, backing them with the credit they need. México’s strong bank will continue working to support them”.

Increase in Deposits

At the end of 3Q22, **Core Deposits** totaled Ps 818.20bn, **increasing 12%** year over year.

Demand Deposits grew 16%, reaching Ps 600.43bn, while **Time deposits increased 2%**, reaching Ps 217.77bn.

Performing Loan Portfolio Growth

Banorte's **Performing Loan Portfolio** amounted to Ps 876.04bn at the end of 3Q22, increasing **8%** compared to the same quarter of the previous year.

The **Consumer Loan Portfolio**, which reflects financing to Mexican families, reached Ps 356.17bn, **up 12%** vs 3Q21.

Going into detail on the Consumer Loan Portfolio, **Mortgages grew 10%**, reaching Ps 218.04bn, and **Auto Loans increased 8%** year over year, totaling Ps 30.02bn.

Payroll Book totaled Ps 64.97bn, **19% higher** vs. 3Q21, and **Credit card** balances totaled Ps 43.15bn, **increasing 15%** YoY.

The **Commercial portfolio** totaled Ps 212.04bn, representing a 7% annual growth; **Corporate loans** reached Ps 144.05bn, a **6%** increase vs 3Q21, and **Government loans** amounted to Ps 163.79bn, **1%** higher compared to the same period of 2021.

Table 1. Performing Loan Portfolio

Stage 1 + 2 loans , Performing Loan Portfolio (Million Pesos)	3Q21	3Q22	Change 3Q21
Stage 1 + 2 loans, Performing Loan Portfolio			
Mortgages	197,792	218,039	10%
Auto Loans	27,919	30,018	8%
Credit Card	37,508	43,145	15%
Payroll	54,633	64,970	19%
Consumer	317,853	356,172	12%
Commercial	198,258	212,036	7%
Corporate	136,343	144,045	6%
Government	161,400	163,788	1%
Stage 1 + 2 loans, Performing Loan Portfolio	813,853	876,040	8%

Non-performing loan ratio reached **1.0%** at the end of 3Q22, improving (9bps) vs. 3Q21.

Strong capitalization

Capital strength, as well as liquidity management, are still top priorities for the Financial Group, both well above local and international regulatory requirements.

Capital Adequacy Ratio reached 23.0%, **Core Tier 1 Ratio** 14.7%, **Leverage Ratio** 12.1% and **quarterly average Liquidity Coverage Ratio** stood at 160%.

Results

GFNorte's **Net Income** for 3Q22 totaled **Ps 11.54bn**.

At the close of 3Q22, **ROE** stood at **19.6%**, whereas **ROA** reached **2.3%**. **NIM** ended the period at **6.7%** and the **Efficiency Ratio** totaled **37.1%**.

The financial group reported **Earnings Per Share** of Ps 4.004 in 3Q22.

Increase in digital clients

Moreover, **Banorte's total digital clients registered an annual 25% increase**, moving from 5.7 million in 3Q21 to **7.1 million in 3Q22**.

Out of those, **mobile banking clients increased 24%** year over year, to **5.2 million** from 4.2 million, in the same period last year.

Current events:

National Banking and Securities Commission (CNBV) granted GFNorte the authorization for the constitution of a new Digital Bank

On September 30th, 2022, the National Banking and Securities Commission (CNBV), granted GFNorte the authorization for the constitution of a new banking institution.

Newsweek recognized Banorte as the #1 Bank in Social Responsibility worldwide

In September 2022, Newsweek and Statista ranked Banorte in the first position of *The World's Most Socially Responsible Banks ranking*, thanks to its performance in ESG (Environmental, Social and Governance) matters.

Fitch Ratings granted the rating "Excellent(mex)" to Operadora de Fondos Banorte

In August 2022, the international rating agency, *Fitch Ratings*, ratified Banorte with the highest national scale rating in investment management, considering its investment processes, risk management and investments yield.

Grupo Financiero Banorte, recognized as “The most awarded company” in Mexico, in Institutional Investor ranking,

In July 2022, the prestigious international publication, *Institutional Investor*, recognized Grupo Financiero Banorte as the "Most Honored Company" in México, within the “Latin America Executive Team” ranking, having ranked first place in Mexico in all categories for 2022. GFNorte also ranked among the top 3 in Latin America.

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About Banorte

Grupo Financiero Banorte (GFNorte) is the largest Mexican financial institution. It offers financial services to individuals and companies through its businesses: banking, brokerage house, fund operator, insurer, pensions, leasing and factoring company, warehousing, portfolio manager and Uniteller remittance company.

GFNorte also integrates Afore XXI Banorte, the largest in the country by asset management. GFNorte is a public company listed on the main indicator of the Mexican Stock Exchange, and has more than 31,000 employees, 1,100 branches, 9,800 ATMs, 163,00 point of sale terminals, and 19,300 correspondents.

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