



GFNORTE

Conference Call: 3Q18 Results

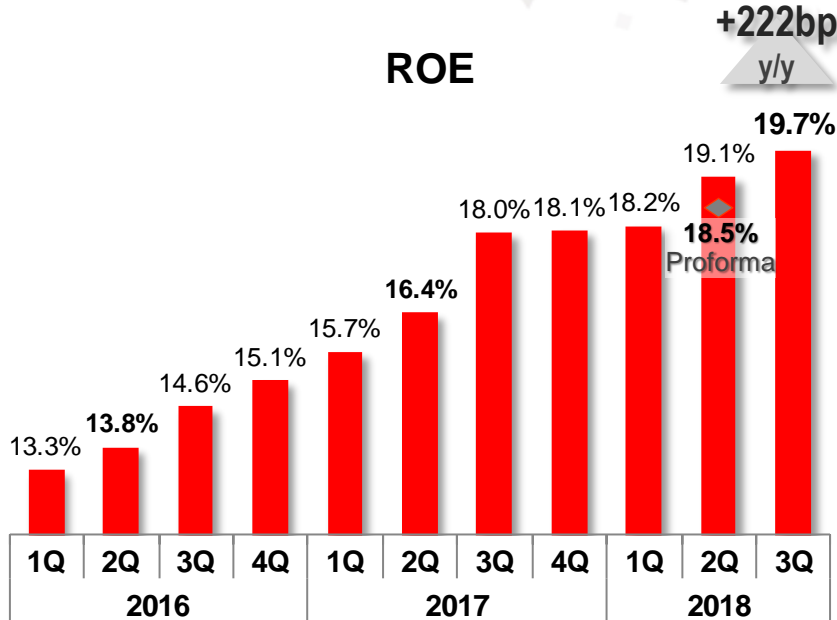
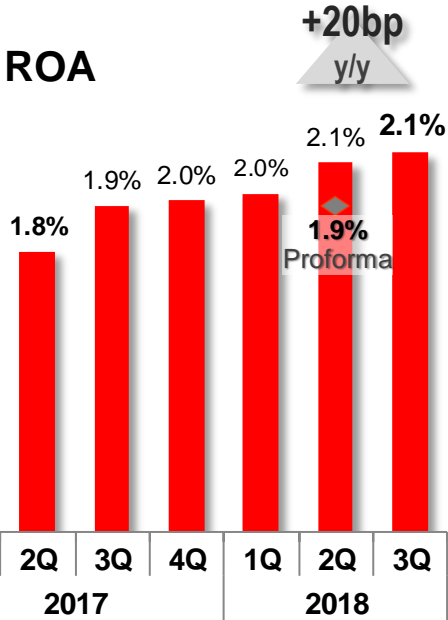
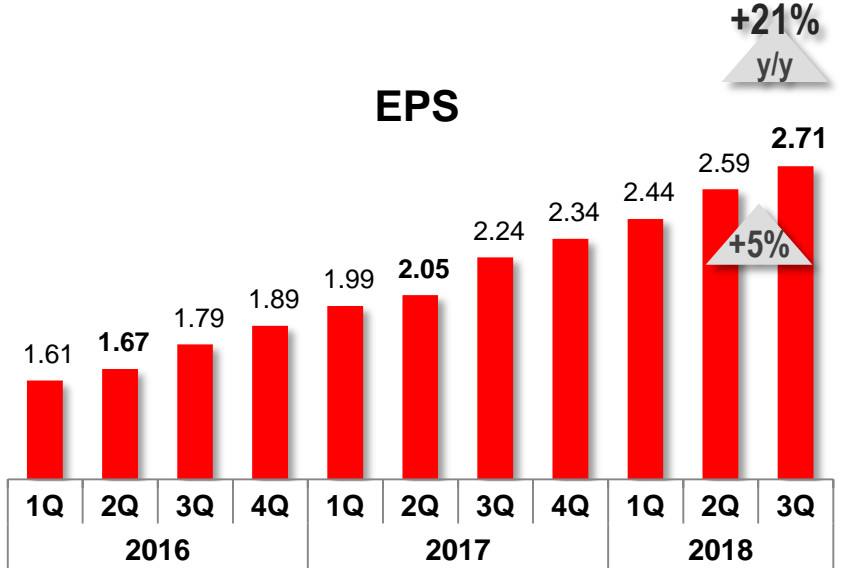
October 19th, 2018

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Earnings and Returns acceleration

	3Q18	q/q	9M18	y/y
Net Income	7,816	9%	21,776	25%
NIM	5.7%	(1)bp	5.7%	25bp
ROE	19.7%	54bp	18.9%	222bp
ROA	2.1%	3bp	2.0%	20bp



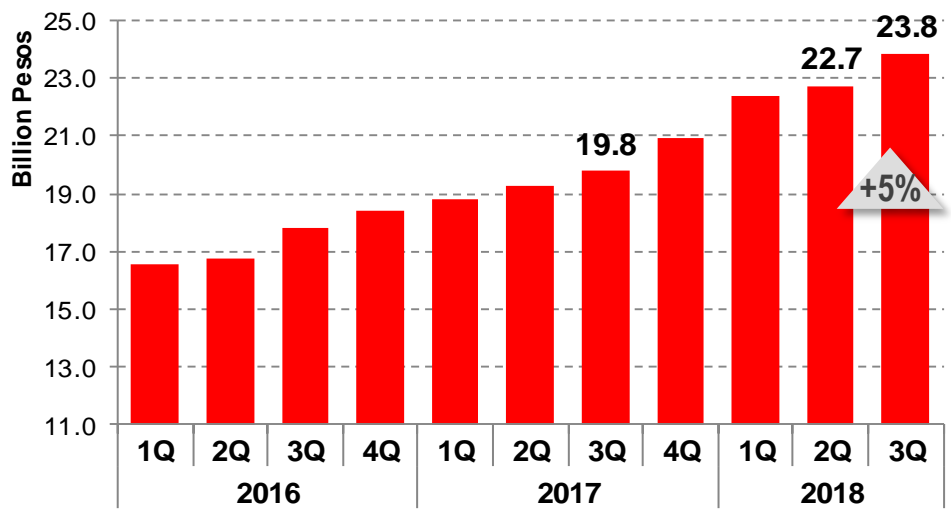
Historical Record in Revenues

- Total NIM -1bp q/q, but [+62bp] proforma numbers, improved by better cost of deposits.
- Quarterly NII +7% on GFI increased business.
- Insurance & Annuities also a contributor to NII by +16% q/q.
- Good results in trading.

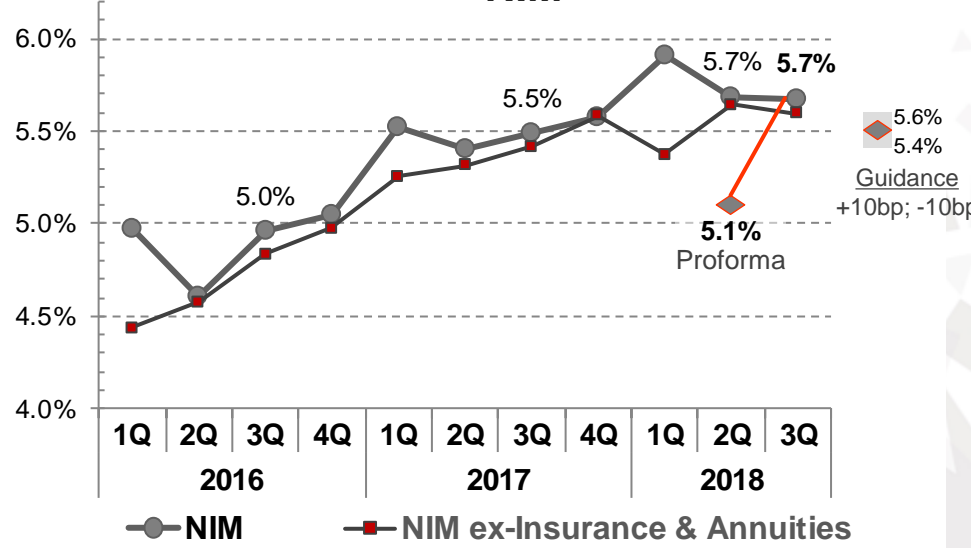
Million pesos	3Q18	q/q	9M18	y/y
NII Loans	14,875	8%	42,089	13%
NII Repos	2,200	1%	6,209	30%
NII Valorization Adjust	-37	(125%)	18	n.a.
NII Insurance & Annuities	2,023	16%	6,909	36%
NII	19,061	7%	55,226	18%
Net Service Fees	3,457	6%	9,320	10%
Trading Income	877	(28%)	2,964	27%
Other Income	452	13%	1,464	N.A.
Total Revenues	23,848	5%	68,975	19%

Total Revenues

+19%
y/y



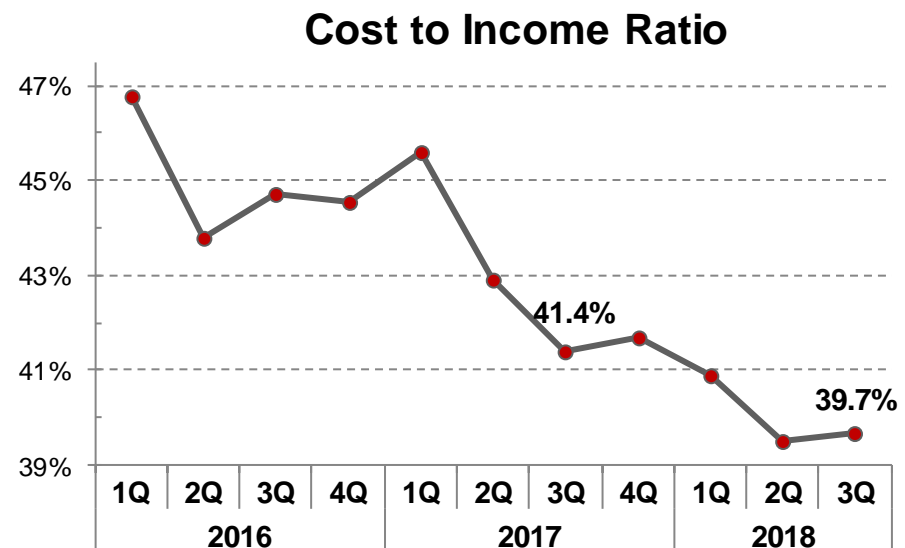
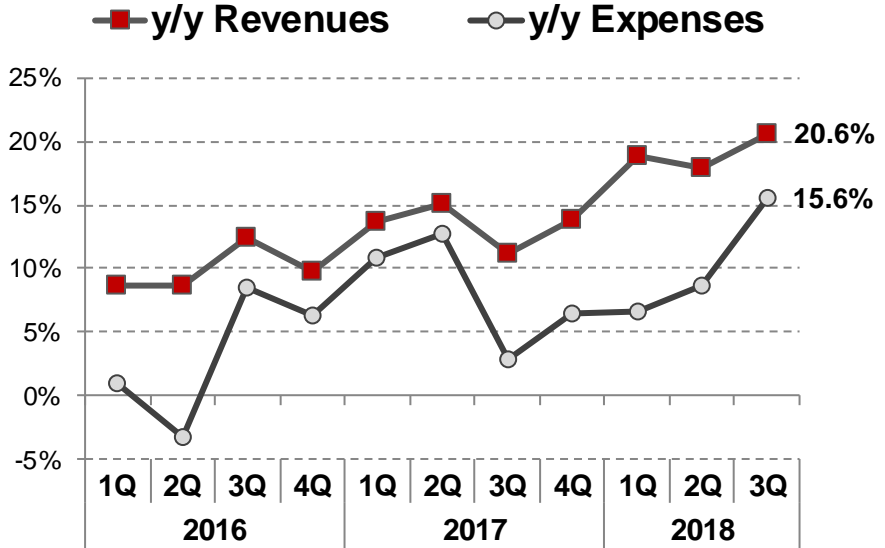
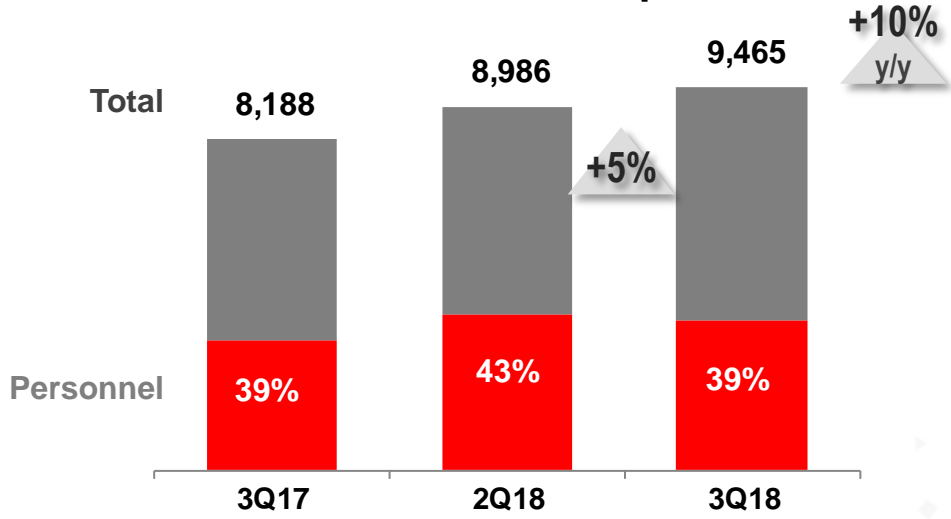
NIM



Improving Efficiency

- Non-interest Expenses +5% QoQ, 9M +10% y/y in line with guidance,
- Cost to Income for 3Q18 was 39.7%, -172bp y/y.
- Ongoing positive operating leverage.
- Cost to Income Ratio, strong below 40%.

Non-Interest Expense

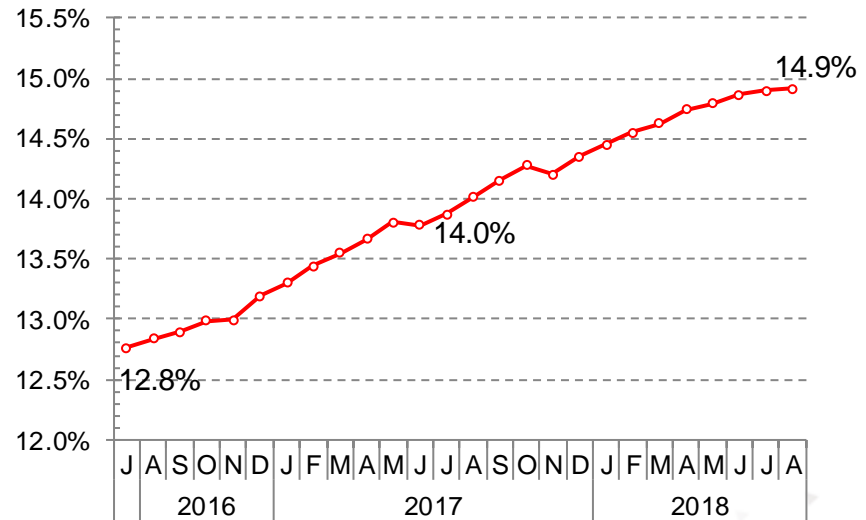


Loan Growth

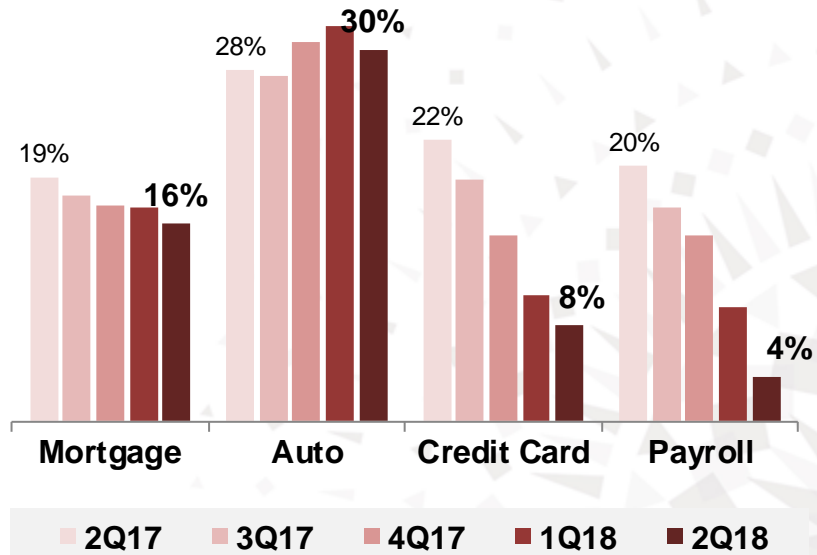
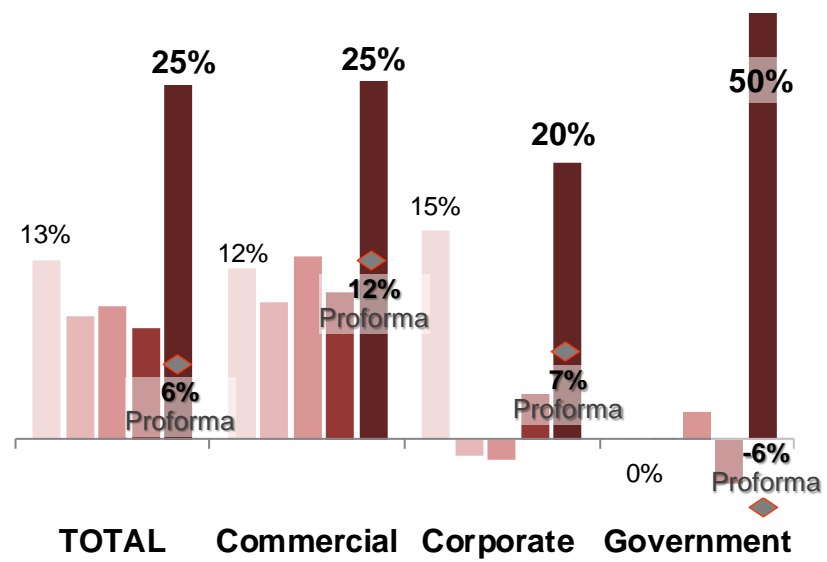
- Strategic deceleration in unsecured consumer but market share continuously improving.
- Commercial, Corporate and Government positively impacted on GFI merger.

	3Q18	Change 2Q18	Proforma 2Q18
Government	197,636	52%	(6%)
Commercial	163,218	14%	1%
Corporate	127,409	15%	1%
Consumer & Mortgages	263,414	3%	3%
Performing Loan Portfolio	751,678	17%	(0%)

Consumer Market Share



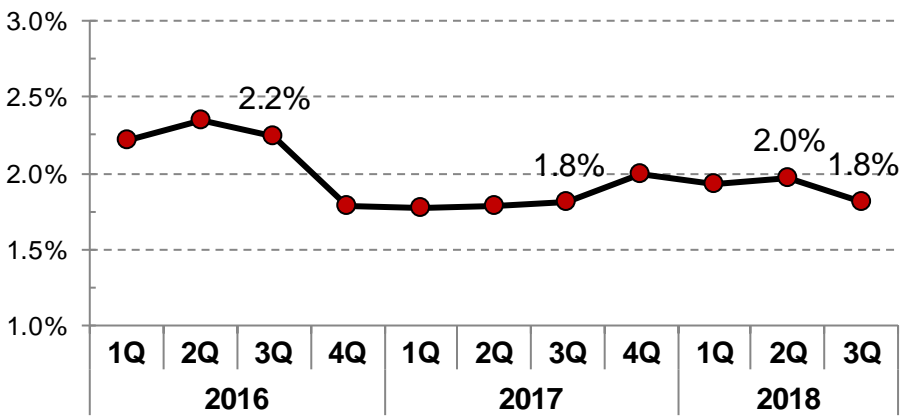
Loan Portfolio y/y Growth



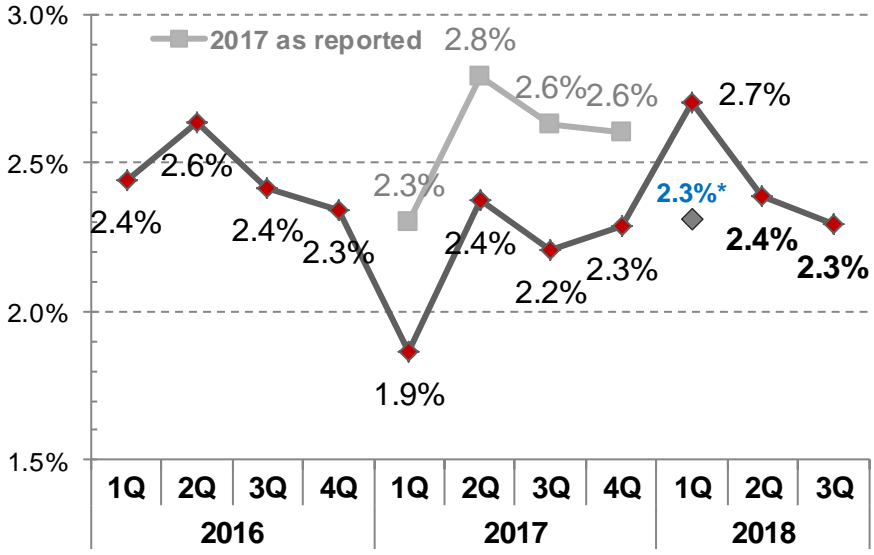
Asset Quality

- Stable NPL ratio.
- Reasonable and stable cost of risk.
- Lower Charge-off rate.

NPL Ratio

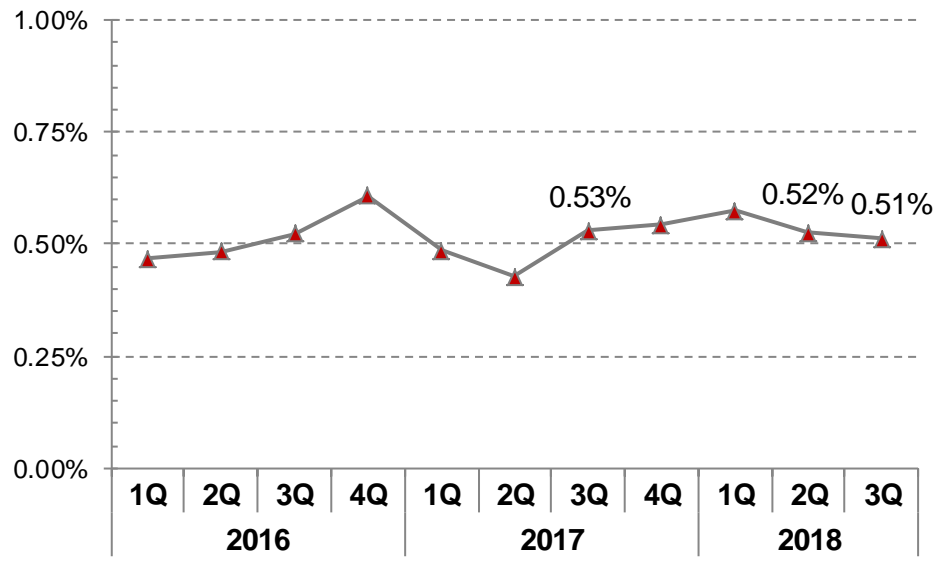


Cost of Risk



* Excluding extraordinary Provisions on Corporate exposure

Charge-Off Rate



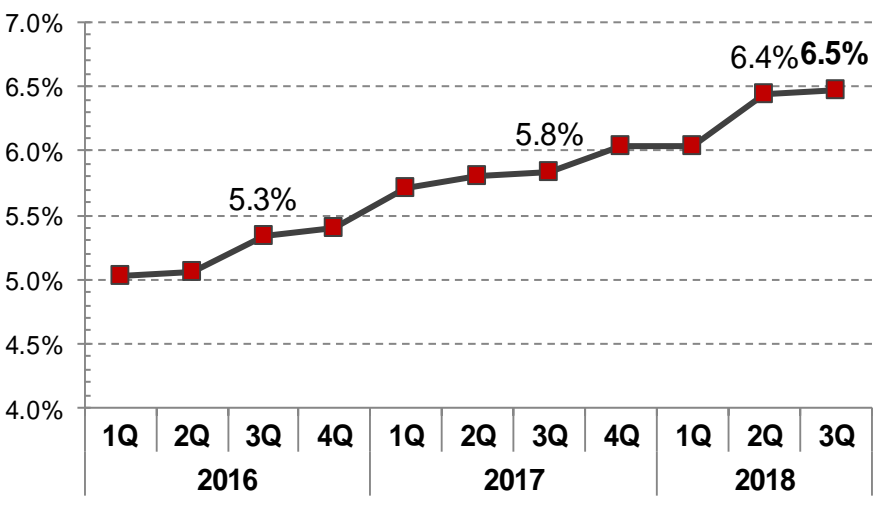
Relevant Subsidiaries

- NIM of Bank up +63bp y/y, improved by rates & funding cost.
- Cyclical reduction in Insurance but annual premium growth of +16% y/y.
- On track to deliver better than expected 2018 targets.

Net Income

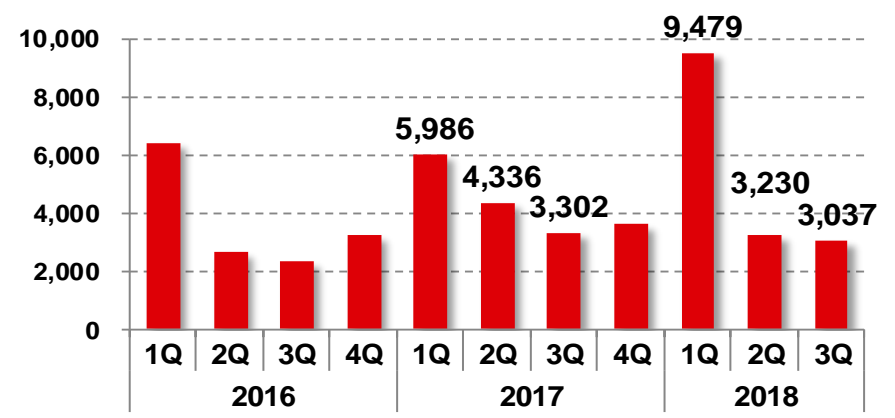
Million pesos	3Q18	q/q	9M18	y/y
Bank	5,900	11%	15,732	19%
Brokerage Sector	335	3%	895	21%
Insurance	688	(8%)	2,788	29%
Annuities	230	22%	629	16%
Afore	343	(6%)	1,035	6%
Leasing & Factoring	177	(39%)	657	19%

NIM of Bank



Insurance Premiums

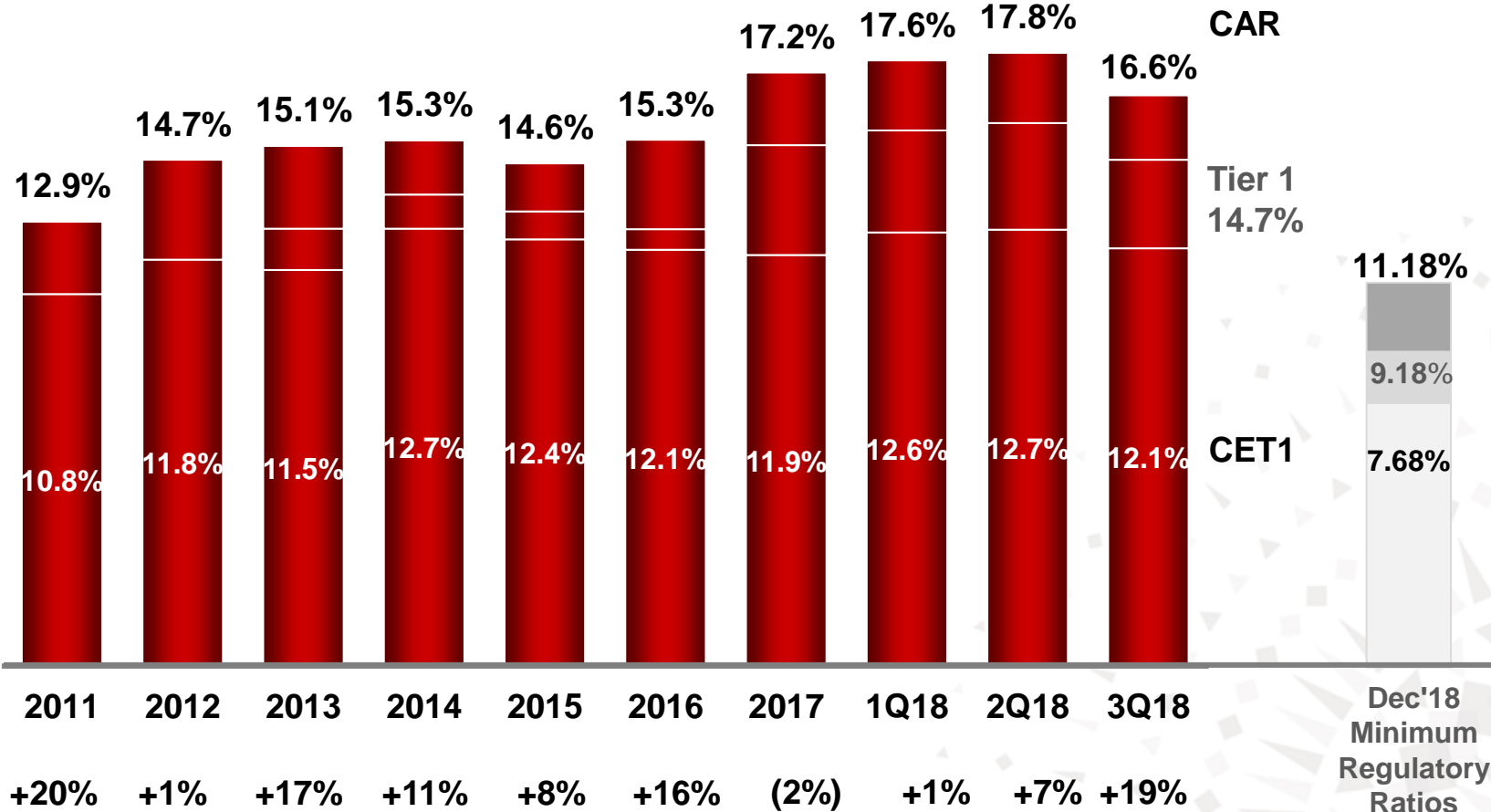
9M	\$13,624	+16% y/y	\$15,646
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Regulatory Capital Ratios

Capital Adequacy Ratio (CAR)

Basel III



*RWA= Risk Weighted Assets annual growth

	Actual
Loan Growth	26% – 28%
NIM Expansion	(10) – 10pb
Expense Growth	10% – 12%
Efficiency	39% – 40%
Cost of Risk	2.2% – 2.4%
Tax Rate	27% – 29%
Net Income	30.3 – 31.1
Accretion	2% – 4%
ROE	18.7% – 19.2%



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