- Loan portfolio growth with YoY increases of 28.6% in SMEs, 11.6% in credit cards, 7.2% in consumer loans and 12.5% in mortgages

- Continued prudent risk management reflected in a NPL ratio of 2.8% and cost of risk of 3.4%

- Ongoing emphasis on operations reflected in a 39.9% efficiency ratio on a comparable basis

MEXICO CITY, Oct. 28, 2013 /PRNewswire/ -- **Grupo Financiero Santander Mexico, S.A.B. de C.V., (NYSE: BSMX ; BMV: SANMEX)**, ("Santander Mexico"), one of the leading financial groups in the Mexican financial system, today announced financial results for the three- and nine-month periods ending September 30, 2013.

Comparable net income in 3Q13 decreased 6.4% YoY to Ps.4,028 million. Comparable 3Q13 results eliminate the following items before taxes: i) an extraordinary non-cash benefit of Ps.2,935 million related to a mandatory regulatory change in employee profit sharing (EPS) future payments, ii) a cash expense of Ps.132 million to comply with the new employee profit sharing legal criteria and iii) branch expansion expenses of Ps.154 million. Additionally, comparable 3Q12 results reflect pre-tax expenses that were adjusted downward by Ps.130 million to be consistent with the accounting methodology adopted in 2013 to normalize expenses throughout the year. Reported net income for the quarter was Ps.5,882 million, representing YoY and QoQ increases of 39.6% and 42.0%, respectively.

Marcos Martinez, Executive Chairman and CEO, commented, *"This quarter our retail and corporate businesses performed well despite the continuing economic slowdown in Mexico*

.

Results, however, were affected by high volatility and overall uncertainty in the financial markets.

Our loan growth picked-up slightly from 8% YoY in 2Q13 to 10% YoY in 3Q13, in line with market trends, as we continue to prioritize asset quality. Among our core products, SMEs and mortgage loans grew YoY by 29% and 13%, respectively, above the Mexican financial system during the period. Credit Card loans increased 12% YoY, in line with market growth for this category of the industry, while Consumer loans grew 7% YoY, reflecting our more conservative approach in the current economic environment.

Net interest margin ratio for the quarter was 5.18% and our gross operating income remained solid, reflecting a healthy performance in our recurring business and financial margin and commissions, partially offset by lower trading gains due to capital market volatility in the period.

This quarter we remained on track with our branch expansion plan while keeping stringent cost controls in place. Excluding an extraordinary net benefit in 3Q13 related to a mandatory regulatory change in employee profit sharing future payments, we achieved an efficiency ratio of 39.9%."

Mr. Martínez concluded, *"While economic growth in 2013 has been slower than anticipated, macro and financial sector fundamentals in Mexico remain strong.*
We expect economic activity to pick-up next year, driven by an increase in public and private spending, the infrastructure program and by progress on the structural reform agenda the

country requires."

Grupo Financiero Santander Mexico

Highlights

3Q13

2Q13

3Q12

YoY

Income Statement Data

Net interest income

9,111

8,899

8,582

6.2%

Fee and commission, net

3,301

3,052

2,964

11.4%

Core revenues

12,412

11,951

11,546

7.5%

Provisions for loan losses

3,102

3,348

2,534

22.4%

Administrative and promotional expenses

2,737

5,314

5,157

-46.9%

Net income

5,882

4,143

4,213

39.6%

Net income per share [1]

2.18

1.32

2.13

2.3%

Balance Sheet Data

Total loans

378,795

365,360

343,383

10.3%

Deposits

389,517

378,690

336,289

15.8%

Shareholders´s equity

100,494

101,697

94,793

6.0%

Key Ratios

bps

Net interest margin

5.18%

5.05%

4.98%

19.7

Net loans to deposits ratio

93.2%

92.3%

98.7%

(553.5)

ROAE[2]

19.8%

18.5%

21.1%

(129.0)

ROAA

2.5%

2.2%

2.6%

(3.6)

Efficiency ratio

33.0%

39.2%

36.9%

(394.5)

Capital ratio

15.7%

15.3%

14.5%

123.5

NPLs ratio

2.84%

2.43%

1.61%

123.0

Coverage ratio

146.6%

180.0%

205.4%

(5,879.4)

Operating Data

%

Branches [3]

1,229

1,215

1,123

6.0%

ATMs

5,209

5,100

4,840

7.6%

Customers

10,586,497

10,325,561

9,764,741

8.4%

Employees

13,883

13,623

12,766

8.7%

1) Treasury Shares and discontinued operations are not included

2) ROAE for 2Q13 excludes declared dividends from equity / ROAE for 3Q13 and 3Q12 as reported

3) As of 3Q13 includes: 991 branches + 120 cash desks + 3 select offices + 49 select units + 38 select b

To obtain the full text of this **earnings report** and the **3Q13 earnings presentation**, please click on the following link:
http://www.santander.com.mx/ir/english/financial/quarterly.html

3Q13 EARNINGS CALL DIAL-IN INFORMATION

Date:

Tuesday, October 29, 2013

Time:

8:30 AM (MCT); 10:30 AM (US ET)

Dial-in Numbers:

1-866-416-5346 US & Canada; 1-913-312-0714 International & Mexico

Access Code: □□□□

5073807

Webcast:

https://viavid.webcasts.com/starthere.jsp?ei=1023969

Replay:

Starting Tuesday, October 29, 2013 at 1:30pm US ET, and ending on Tuesday, November 5, 2013 at 11

ABOUT GRUPO FINANCIERO SANTANDER MEXICO, S.A.B. DE C.V. (NYSE: BSMX ;

BMV: SANMEX)

Grupo Financiero Santander Mexico, S.A.B. de C.V. (Santander Mexico), one of Mexico's leading financial services holding companies, provides a wide range of financial and related services, including retail and commercial banking, securities brokerage, financial advisory and other related investment activities. Santander Mexico offers a multichannel financial services platform focused on mid- to high-income individuals and small- to medium-sized enterprises, while also providing integrated financial services to larger multinational companies in Mexico. As of September 30, 2013, Santander Mexico had total assets of Ps.806.3 billion under Mexican GAAP and more than 10.6 million customers. Headquartered in Mexico City, the Company operates 991 branches and 238 offices nationwide and has a total of 13,883 employees.

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Grupo Financiero Santander Mexico cautions that this report may contain forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements could be found in various places throughout this reports and include, without limitation, statements regarding our intent, belief, targets or current expectations in connection with: asset growth and sources of funding; growth of our fee-based business; expansion of our distribution network; our focus on strategic businesses; our compound annual growth rate; our risk, efficiency and profitability targets; financing plans; competition; impact of regulation; exposure to market risks including interest rate risk, foreign exchange risk and equity price risk; exposure to credit risks including credit default risk and settlement risk; projected capital expenditures; capitalization requirements and level of reserves; liquidity; trends affecting the economy generally; and trends affecting our financial condition and our results of operations. While these forward-looking statements represent our judgment and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to: changes in capital markets in general that may affect policies or attitudes towards lending to Mexico or

Mexican companies; changes in economic conditions, in
Mexico
in particular, in
the United States
or globally; the monetary, foreign exchange and interest rate policies of the Mexican Central Bank (Banco de
Mexico
); inflation; deflation; unemployment; unanticipated turbulence in interest rates; movements in foreign exchange rates; movements in equity prices or other rates or prices; changes in Mexican and foreign policies, legislation and regulations; changes in requirements to make contributions to, for the receipt of support from programs organized by or requiring deposits to be made or assessments observed or imposed by, the Mexican government; changes in taxes; competition, changes in competition and pricing environments; our inability to hedge certain risks economically; economic conditions that affect consumer spending and the ability of customers to comply with obligations; the adequacy of allowances for loans and other losses; increased default by borrowers; technological changes; changes in consumer spending and saving habits; increased costs; unanticipated increases in financing and other costs or the inability to obtain additional debt or equity financing on attractive terms; changes in, or failure to comply with, banking regulations; and certain other factors indicated in the "Risk Factors" section of our Registration Statement on Form F-1 (File No. 333-183409). The risk factors and other key factors that we have indicated in our past and future filings and reports, including those with the U.S. Securities and Exchange Commission, could adversely affect our business and financial performance.

Note: The information contained in this report is not audited. Nevertheless, the consolidated accounts are prepared on the basis of the accounting principles and regulations prescribed by the Mexican National Banking and Securities Commission (Comision Nacional Bancaria y de Valores) for credit institutions, as amended (Mexican Banking GAAP). All figures presented are in nominal terms. Historical figures are not adjusted by inflation.

SOURCE Grupo Financiero Santander Mexico, S.A.B. de C.V.

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