



Tu Futuro. Nuestro Presente.

# 2012

## First Quarter



**FINANCIAL REPORT**  
Holding Monex



Mexico, Federal District - April 30, 2012 - Holding Monex, S.A.P.I.B. de C.V. announced its results for the first quarter ended March 31, 2012. All figures have been prepared in accordance with the provisions of the Comisión Nacional Bancaria y de Valores (CNBV) and are expressed in millions of pesos.

### **General Outlook**

Holding Monex is a 100% Mexican holding company, whose subsidiaries are Monex Grupo Financiero and other two non-financial corporations: Pagos Intermex and Prestaciones Universales.

The Subsidiary companies of Monex Grupo Financiero are Banco Monex, Monex Casa de Bolsa and Monex Fondos, through which we provide our clients with the following products: foreign exchange, capital market trading (debt, stock market and investment banking), investment funds, risk management products, international investment, trust services, loans and letters of credit, among others

Monex has 26 years experience in the financial market, period during which it has shown a constant and solid growth in traded volume and number of clients.

Through a successful promotional force distributed in 40 cities in Mexico, Monex offers financial products that satisfy foreign exchange, payment, investment and financial coverage and consultancy needs of its clients.

Pagos Intermex is a holding Monex subsidiary company through which it participates in the remittance payment business: Pagos Intermex is a company dedicated to the fast and secure payment of family remittances by account of money transfers or remittance companies located mainly in the USA. In order to carry out the business in Mexico, Pagos Intermex has a network of 63 branch offices for payment distribution, as well as correspondents with nearly 1,176 payment locations in Mexico.

Through Prestaciones Universales, Monex participates in the prepaid cards, food stamp and gasoline voucher markets with the "Si Vale" commercial brand.

Tempus consulting, Inc, subsidiary of Banco Monex, is an independent U.S. non-bank company focused on foreign exchange and international payments. Tempus has presence in USA: Washington, D.C., Los Angeles, and Houston; and in Europe: Oxford, England and Asturias, Spain.

### **Accounting Series**

According to the "General arrangements applicable to securities issuers and other participants in the stock market is the eighth title" Article 78 Title VIII, states: Financial statements of financial institutions should be prepared and audited in accordance with the accounting and auditing standards issued by Mexican authorities.

Preceding paragraph arrangements also apply to the financial statements of companies through its subsidiaries performs predominantly financial activities which are subject to Mexican authorities' supervision.

Through its subsidiaries Monex performs predominantly financial activities which are subject to Mexican authorities' supervision, that's why Monex develops and audits its financial statements on the same basis that those refer subsidiaries, in order to have comparable financial information consistent with financial entities regulated by the CNBV ("Banking and Securities National Commission").

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## Relevant Information

The following comments refer to accrued figures.

Balance Sheet (millions of pesos)	Mar-11	Dec-11	Mar-12	Variation Mar 12 vs Dec 11
Liquid assets	257	6,474	415	-94%
Investment in securities, repos and derivatives	9,304	13,546	12,361	-9%
Client Accounts Receivables	13,769	18,127	16,991	-6%
Deposits	3,000	3,769	3,538	-6%
Repo Creditors	7,127	10,044	9,011	-10%
Client Accounts Payable	13,225	24,874	16,945	-32%
Total Equity	3,038	3,354	3,582	7%

Profitability Indicators	Mar-11	Mar-12
ROE (annualized)	22.58%	23.42%
ROA (annualized)	2.50%	2.37%
Banco Monex* ICAP (Capitalization Index)	20.31%	22.55%*

Ratios	Mar-11	Mar-12
Past due reserves ratio (IMOR) **	3.00%	1.36%
Coverage ratio (ICOR)***	2.57%	1.42%

Relevant Indicators	Mar-11	Mar-12	Variation
Average deposits (millions of pesos)	2,506	3,243	29%
Pesos	1,415	1,770	25%
Foreign Currency	1,091	1,473	35%
Assets under management (millions of pesos)	9,741	9,670	-1%
Funds	4,932	4,549	-8%
International investments	4,809	5,121	6%
Average loan portfolio (millions of pesos)	2,902	4,669	61%
Forex Volume (millions of dollars)****	20,968	19,083	-9%
Derivatives traded volume (millions of pesos)	21,869	33,966	55%
Equities traded volume (millions of pesos)	23,961	20,546	-14%

Stock Information (BMW:MONEX)*****	1Q11	4Q11	1Q12
Minimum	19.00	17.00	18.10
Maximum	19.80	19.00	20.00
Closing Price ( March 31, 2012)	19.80	18.10	19.00
Volume	321,500	1,827,300	202,050
Number of shares (millions)	399.98	398.7	398.7
Market Cap (millions of pesos)	7,920	7,217	7,575
Book value per share	7.59	8.41	8.99
Earnings per share (LTM)	1.78	2.13	2.23
Price to earnings (LTM)	11.14	8.50	8.54
Price to book ratio	2.61	2.15	2.11

## Repurchase Fund

By January 1, 2012 the Repurchase Fund had 1,288,325 shares, during the first quarter acquired 15,650 shares showing a balance of 1,303,975 shares at March 31, 2012.

\*Latest figure published by BANKICO (Feb 2012). \*\*Due credit portfolio/Total net portfolio \*\*\*Preventive credit risks estimation / Total net portfolio. \*\*\*\*Traded volume with clients according to internal source. \*\*\*\*\*Source: INFOSEL.



#### Rating Companies:

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Standard & Poor's increase 'mxA' & 'mxA-2' to 'mxA+' & 'mxA-1' long and short term ratings for Banco Monex and Monex Casa de Bolsa respectively; outlook is stable by December 13, 2011



Fitch Ratings increase 'A (mex)' to 'A +(mex)' long-term national scale rating and confirmed the 'F1 (mex)' short-term national scale rating for Banco and Monex Casa de Bolsa ; outlook is stable by November 30, 2011.

#### Business Areas:

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Holding Monex is integrated by: Monex Grupo Financiero, Prestaciones Universales and Pagos Intermex.

Monex Grupo financiero reported an income of 852 million pesos during the first quarter of 2012, which represents 88.5% of the Holding's net income. Showing an increase of 8.28% compared with the same period last year. This consists principally in foreign exchange trading operations.

Prestaciones Universales reported 86 million pesos of revenue during in the first quarter of 2012, showing an increase of 6.4% from the same period last year. This amount represents 9% of the Holding company's revenue.

Pagos Intermex, reported 25 million pesos of revenue in the first quarter of 2012, an 11.54% increase from the same period last year. This amount represents a 2.6% of Holding Monex's revenue.

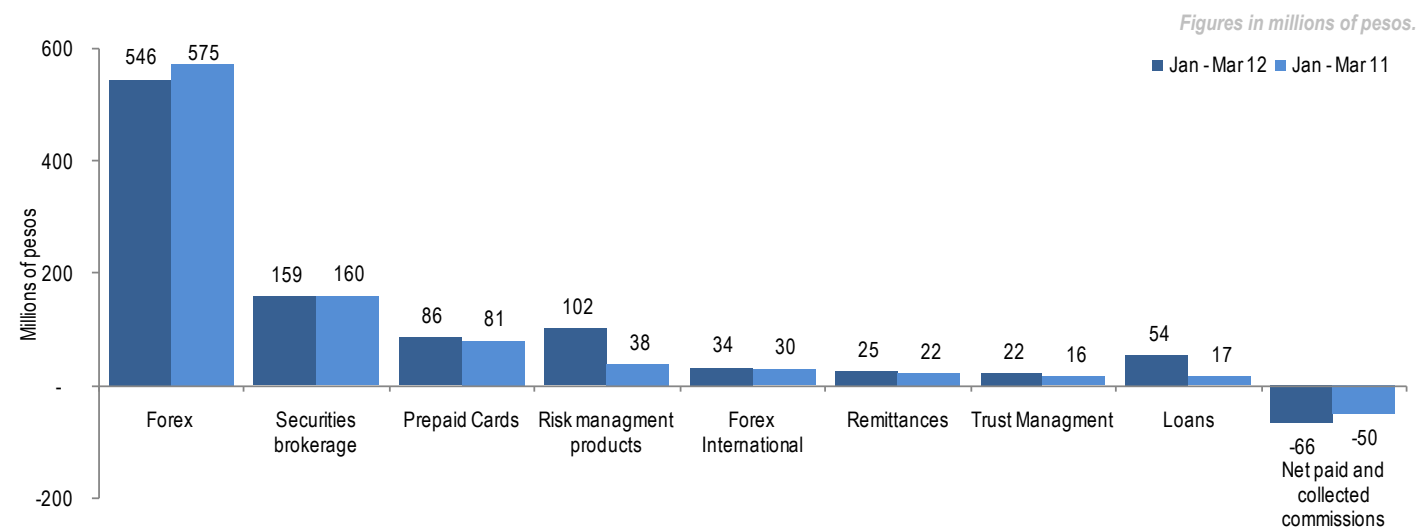
**Financial Information Holding Monex and Subsidiary Companies**

**HOLDING MONEX, S.A.P.I.B. de C.V. y Subsidiaries**  
**State of Income**  
**From January 1 March 31 2011 and 2012**  
(Figures in millions of pesos)

State of Income	Jan - Mar 11	Jan - Mar 12	Variation
Total operations revenue	890	963	8%
Management and promotion expenses	660	659	-0.2%
Operating Income	230	304	32%
Other income and expenses	16	-7	-144%
Income before taxes	246	297	20%
Taxes	75	87	16%
<b>Net Income</b>	<b>171</b>	<b>210</b>	<b>22%</b>

By March 31, 2012, accrued operations revenue reached \$963 mdp, which represents an increase 8% compared to the same period of previous year. This performance is driven by an increase in the net revenue per line of business. Holding Monex's net income accrued comes 56.7% from forex transactions, 16.5% from securities brokerage and 9% from prepaid cards.

**Net Revenue per line of business accrued from January 1 to March 31 2012:**



	Forex	Securities	Prepaid	Risk Management Products	Forex International	Remittances	Trust Management	Loans	Net Paid and collected commissions
Net income participation	56.7%	16.5%	9.0%	10.6%	3.5%	2.6%	2.3%	5.6%	-6.8%
Growth vs Jan - Mar 11.	-5.0%	-0.5%	6.4%	169.8%	12.0%	11.5%	33.6%	214.6%	-32.3%

As shown in the previous chart, Holding Monex's net income accrued to March 2012 comes from forex transactions which operations revenue totaled \$546 million pesos. Securities brokerage posted revenues of \$159 million pesos without significant variation with the same period of 2011. Additionally prepaid cards revenue reached \$ 86 a 6.4% increase compared with the same period of previous year.

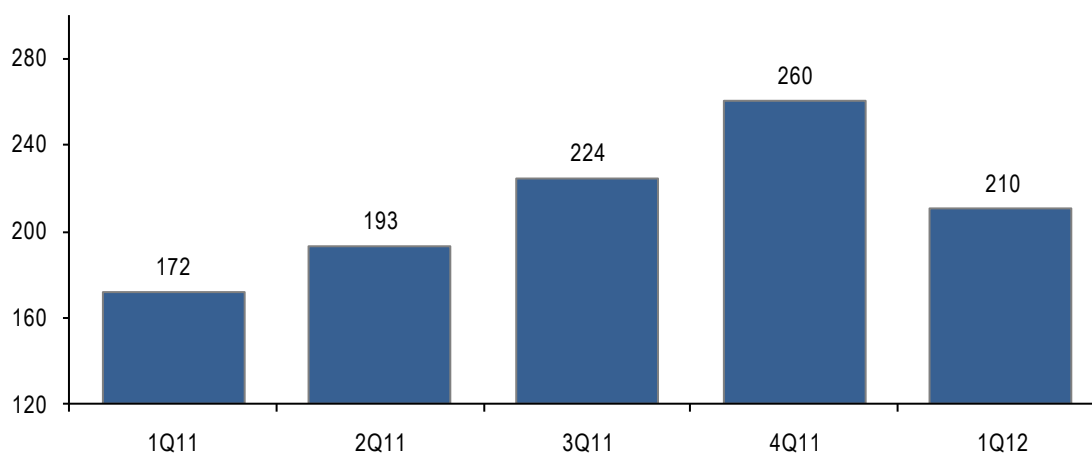


**monex**

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Quarterly net profit:

Figures in millions of pesos.



Quarterly net Profit

Net profit, by the first quarter of the year, totaled \$210 million pesos, which means a 22.09% increase from the same 2011 period.

**Balance Sheet HOLDING MONEX, S.A.P.I.B. de C.V. and Subsidiaries**  
**From January 1 to March 31 2012 and 2011 and December 2011**  
(Figures in millions of pesos)

Assets	Mar-11	Dec-11	Mar-12	Variation	Mar 12 vs Dec 11
Liquid assets	257	6,474	415	-94%	
Investment in securities, repos and derivatives	9,304	13,546	12,361	-9%	
Loan portfolio (net)	2,585	3,643	4,090	12%	
Other accounts receivables (net)	13,769	18,127	16,991	-6%	
Real-estate, furniture ,equipment (net) and awarded assets	159	100	96	-4%	
Permanent investment in equity	19	16	15	-7%	
Other assets	1,337	1,390	1,423	2%	
<b>Total Assets</b>	<b>27,430</b>	<b>43,297</b>	<b>35,390</b>	-18%	

Liabilities	Mar-11	Dec-11	Mar-12	Variation	Mar 12 vs Dec 11
Deposits	3,000	3,769	3,538	-6%	
Loans from Banks and other institutions	690	741	1,198	62%	
Transactions with securities, repos and derivatives	7,409	10,541	10,070	-4%	
Other accounts payable	13,225	24,874	16,945	-32%	
Differed taxes (net)	52	4	43	931%	
Other liabilities	17	14	14	-3%	
<b>Total Liabilities</b>	<b>24,393</b>	<b>39,943</b>	<b>31,808</b>	-20%	

Equity	Mar-11	Dec-11	Mar-12	Variation	Mar 12 vs Dec 11
Initial Equity	1,506	1,506	1,506	0%	
Earned Equity	1,532	1,848	2,076	12%	
Total Equity	3,038	3,354	3,582	7%	
<b>Total Liabilities and Equity</b>	<b>27,430</b>	<b>43,297</b>	<b>35,390</b>	-18%	

## Derivative Financial Instruments

Derivatives	Mar-12				Mar-11			
	Nominal amount	Asset position	Nominal amount	Liability position	Nominal amount	Asset position	Nominal amount	Liability position
Currency Futures	4,611	0	1368.48	0	3,898	0	1833	0
Security Futures	0	0	0	0	0	0	0	0
Interest rate Futures	0	0	0	0	0	0	0	0
Index Futures	8.18	0	7.8	0	5	0	12	0
<b>Total</b>	<b>4,619</b>	<b>0</b>	<b>1376.28</b>	<b>0</b>	<b>3,903</b>	<b>0</b>	<b>1845</b>	<b>0</b>
Currency Forwards	18,256	137	19,221	123	29,348	100	28,437	64
Index Forwards	0	0	0	0	0	0	0	0
Other Forwards	0	0	761.49	0	0	0	0	0
Security Forwards	0	0	0	0	0	0	679	0
<b>Total</b>	<b>18,256</b>	<b>137</b>	<b>19,982</b>	<b>123</b>	<b>29,348</b>	<b>100</b>	<b>29,116</b>	<b>64</b>
Currency Options	70.9	0	64.41	9	50	38	47	46
Interest rate Options	130.04	18	104.39	13	27	15	26	13
Index Options	1.91	0	4.43	2	3	2	4	-8
<b>Total</b>	<b>202.85</b>	<b>18</b>	<b>173.23</b>	<b>24</b>	<b>80</b>	<b>55</b>	<b>77</b>	<b>51</b>
Rate Swaps	3,320	60	3,455	187	1,408	17	1,398	7
Currency Swaps	0	0	0	0	0	0	0	0
<b>Total</b>	<b>3,320</b>	<b>60</b>	<b>3,455</b>	<b>187</b>	<b>1,408</b>	<b>17</b>	<b>1,398</b>	<b>7</b>
<b>Total Negotiation</b>	<b>26,397</b>	<b>215</b>	<b>24,987</b>	<b>334</b>	<b>34,739</b>	<b>172</b>	<b>32,436</b>	<b>122</b>
Currency Forwards	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Security Swaps	0	0	0	0	581	27	554	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>581</b>	<b>27</b>	<b>554</b>	<b>0</b>
<b>Total Hedging</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>581</b>	<b>27</b>	<b>554</b>	<b>0</b>
<b>Total</b>	<b>26,397</b>	<b>215</b>	<b>24,987</b>	<b>334</b>	<b>35,320</b>	<b>199</b>	<b>32,990</b>	<b>122</b>

As in equity and currency Exchange markets, in operations with derivative financial instruments, Monex, only acts as a broker with the purpose of cover the positions of their activity

The valuation effect of derivative financial instruments with negotiation purposes is reported in the statement of income under the "brokerage result" account heading.

According to CNBV accounting criteria, the valuation effect shown in the general balance sheet of derivatives is presented under the heading "margin accounts" along with minimum initial contributions.

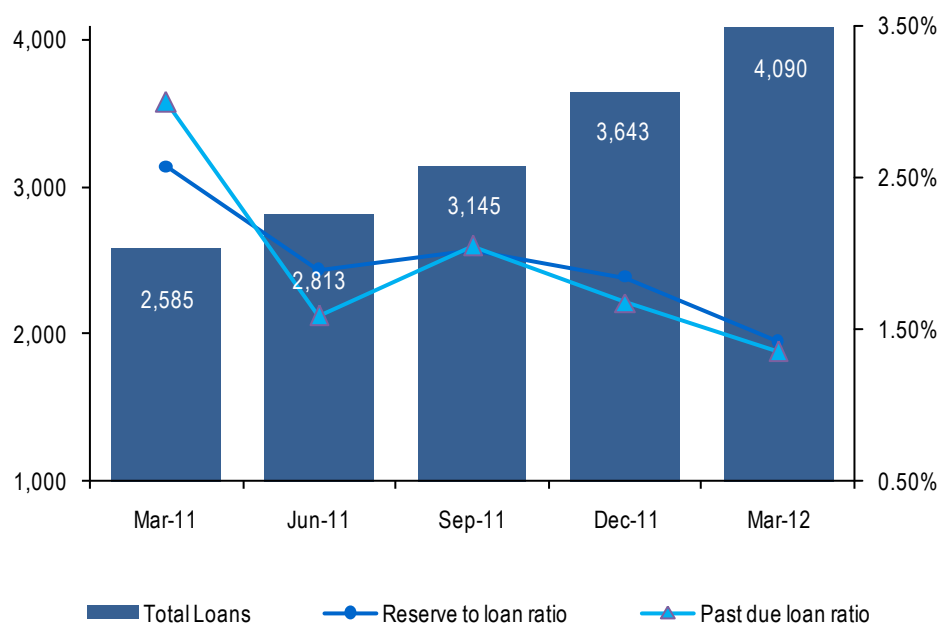


**Portfolio Distribution:**

Portfolio (millions of pesos)	Mar-11	Dec-11	Mar-12	Variation Mar 12 vs Dec 11
Loan portfolio	2,572	3,648	4,092	12%
Commercial	2,226	2,275	2,592	14%
Mortgage Loans*	0	602	821	37%
Credit with financial entities	346	690	630	-9%
Credit with government entities	0	81	48	-40%
Past loans	79	62	56	-10%
Commercial	79	62	56	-10%
Loan risk reserves	67	67	58	-13%
Total loans	2,585	3,643	4,090	12%

**Quarterly Portfolio Evolution:**

*Figures in millions of pesos.*



By March 31, 2012, the loan portfolio reached \$4,092 million pesos, an increase of 12% over December 2011. Holding Monex grants credits mainly to financial and insurance services (25.3%). Geographically, 43% of its portfolio is concentrated in Mexico City and Nuevo León.

As shown in the graph, the total portfolio posts an upward trend, standing at \$4,090 million pesos in the first quarter of 2012, an increase of 12% over December 2011. Loan risk reserves totaled \$58 million pesos in the first quarter of 2012.

\*Renew your home program

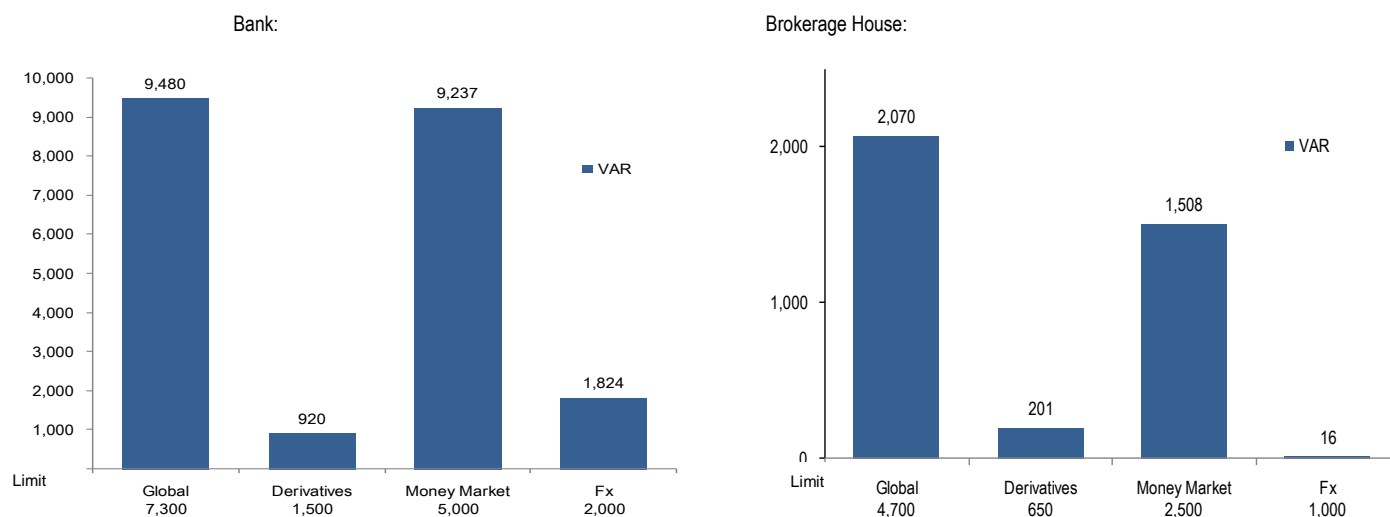




### Risk Management Process

**Market Risk:** In order to mitigate the possibility of market risk affecting Holding Monex's revenue, we have implemented policies that allow market risk exposure identification and we have established VAR restrictions on a daily basis for global and business unit levels for the Bank as well as for the Brokerage Firm, according to the following graphs:

*Figures in millions of pesos*

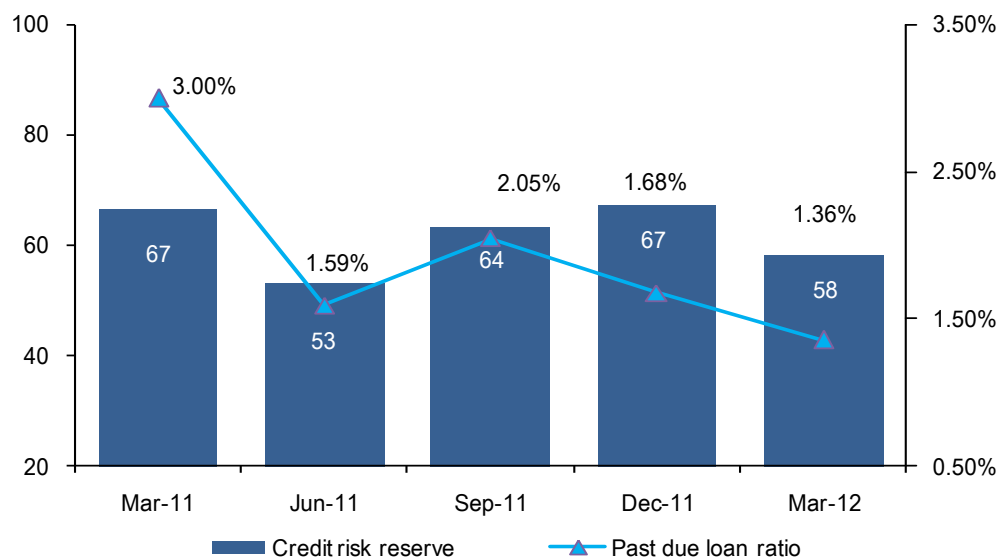


Foreign money market, risk management products and debt instruments positions are evaluated on a daily basis using a value-at-risk method along with a stress scenario analysis, according to certain parameters approved by the risk committee.

**Credit Risk:** Holding Monex is subject to credit risk in lending operations, foreign exchange and risk management products. All relevant exposure to credit risk needs to be approved by the subcommittee of credit risks.

The subcommittee establishes limits for credit exposure by analyzing financial information and creating credit risk reserves, as shown in the following chart:

*Figures in millions of pesos*



\*Due credit portfolio / Total net portfolio

