Earnings Release

3Q13

Crédito Real S.A.B. de C.V., SOFOM, E.N.R.

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CREDITO REAL increased 45.2% its net income in the third quarter of 2013

Mexico City, Mexico – October 23, 2013 – Crédito Real, S.A.B. de C.V. SOFOM E.N.R. ("Crédito Real" or "the Company") (BMV: CREAL*) announced its financial results for the quarter ended September 30, 2013. All figures are stated in nominal Mexican Pesos (Ps.). The Financial Statements were prepared under the accounting criteria established by the National Banking and Securities Commission (CNBV) and published in the Mexican Stock Exchange (BMV), www.bmv.com.

3Q13 HIGHLIGHTS

- Net Income increased 45.2% during 3Q13 reaching Ps. 256.8 million, compared to Ps. 176.8 million in 3Q12. The return on the average loan portfolio was 11.7% during 3Q13 compared to 11.6% for the same period of 2012.

- Year-to-date (YTD) September 2013 net income increased 62.4% or Ps. 272.9 million, reaching Ps. 710.0 million compared to the Ps. 437.1 million recorded in the same period of 2012. The return on average loan portfolio for the first nine months of 2013 was 12.1% against 10.0% the same period of 2012.

- Financial Margin during 3Q13 rose 41.5% to Ps. 515.4 million, compared to Ps. 364.1 million in 3Q12. YTD September 2013 financial margin increased 34.5% or Ps. 363.2 million, reaching Ps. 1,414.8 million compared to Ps. 1,051.7 of the same period of 2012.

- Loan Portfolio increased 42.6%, reaching Ps. 9,191.2 million during 3Q13, compared to Ps. 6,446.2 million as of 3Q12.

- The company's capitalization index for the 3Q13 was 46.4% compared to 29.6% as of the 3Q12. Efficiency ratio improved reaching 24.6%, compared to 33.3% in 3Q12.

- Credito Real was certified as a "Great Place To Work" in Mexico. The certification is the result of the Company's objective of having best in class policies and practices to improve the quality of life of its employees, and a working environment that promotes trust, collaboration and talent development.

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COMMENTS FROM THE CEO

"I am pleased to announce to our investors, partners and employees that the results we have achieved as of September 2013 have met our expectations and are aligned to our guidance disclosed by the end of 2012. Furthermore, the growth in our portfolio recorded growth of 43% year over year. Such growth is being reached maintaining high asset quality; it suffices to say that we have maintained the past-due loans rate below 2%, which we perceive as an adequate level staying below the average of the sector.

The growth of our portfolio was mainly boosted by our payroll division, which increased 47% when compared to 2012; our payroll distributors continued delivering high quality growth. In anticipation of this segment's performance, we have continued to strengthen our processes and business structure to further seize the opportunities that the market brings to us. We keep diversifying our portfolio by expanding the range of distribution channels allowing us to reach more customers. Our used car loans and small business loans continue to show a strong performance and to benefit from Credito Real´s strengths.

We assessed internally the possible impact in our business coming from the recently approved education reform, including the Federal Government´s decision to centralize payroll for public sector employees, the financial reform that has been submitted to the congress targeting increased availability of credit and encouraging competition in the financial sector, as well as discussions being held in regards to tax reform. We think there are strong arguments to believe our business model is in well position to meet changes of current regulation:

- Regarding the process of centralizing payroll for public sector employees, based on discussions with the authorities we believe this change will be likely concluded in 2015, and in fact it will be positive for Crédito Real, since it will make collection process easier as well as the management of loans.
- We have developed a unique distribution strategy, specific for each credit product, that is hard to replicate. We have best-in-class processes for the origination and the management of the loan portfolio. We are confident that we are in a strong position to capture the value of the potential credit market of low and middle income segments of the population due to our solid infrastructure and our diverse distribution network of more than 30 distributors involving more than 3,000 trained sales promoters that actively reach our customers with attractive credit solutions. This represents an important competitive advantage, it is important to highlight that banks have been unable to achieve the same distribution efficiency and network required to reach this segment of the population. We believe there is still an ample market to be served for Crédito Real and other financial player in our target market.
- Although the final outcome of the proposed tax reform is yet to come, from the bill that has been passed by the lower house of congress, we do not believe it will have a material adverse effect on our business given that we have not benefited from fiscal consolidation and we do not benefit from immediate deduction of non-performing loans as other financial institutions do.
- Finally, based on discussions with officials and people close to the matter, we believe caps on interest rates are unlikely. We will continue to provide our customers with attractive and competitive credit products.

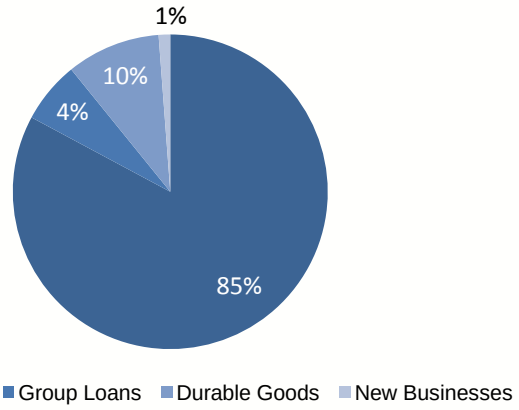
In summary, with over two decades as a leading provider of loans to the low and middle income segments of the population and a 10-year track record in payroll lending, Crédito Real has a sustainable business model with superior performance. We are confident that we are ideally positioned to capture credit opportunities of our target market and that we will continue to offer investors an excellent investment alternative."

RESULTS OF OPERATION

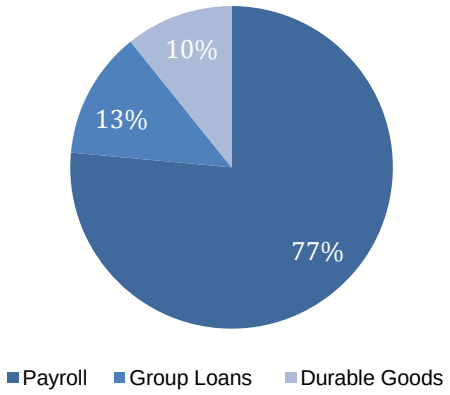
Summary	3Q'13	3Q'12	% Var	YTD'13	YTD'12	% Var
Ps. Millions						
Interest Income	697.9	530.4	31.6%	1,941.0	1,530.9	26.8%
Net income	256.8	176.8	45.2%	710.0	437.1	62.4%
Earnings per share	0.7	N/A	N/A	1.9	N/A	N/A
Total portfolio				9,191.2	6,446.2	42.6%
Capitalization				46.4%	29.6%	
ROAA				7.8%	6.6%	
ROAE				24.2%	34.9%	

Interest Income during 3Q13 was Ps. 697.9 million, a 31.6% increase from Ps. 530.4 million in 3Q12. This increase was mainly due to continued growth in the loan portfolio. YTD Sep 2013 interest income was Ps. 1,941.0 million, increasing 26.8% when compared to Ps. 1,530.9 million of the same period of 2012.

3Q'13 Interest Income Ps. 697.8



3Q'12 Interest Income Ps. 530.4



Interest Expense increased 9.8% or Ps. 16.3 million reaching Ps. 182.5 million during 3Q13, from Ps. 166.3 million during 3Q12. This increase is mainly explained by the increase of 3Q13 debt balance against 3Q12, derived from the loan portfolio growth. The year-to-date interest expense reached Ps. 526.2 million, a 9.8% increase compared to the Ps. 479.2 million as of September 2012.

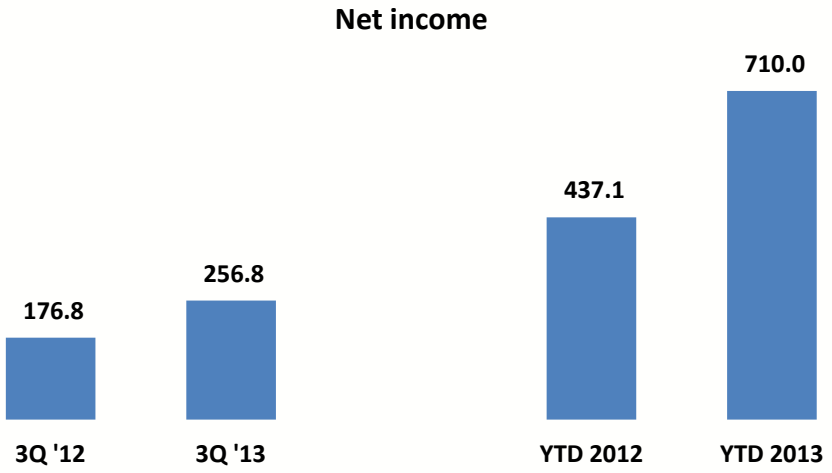
Financial Margin during 3Q13 increased Ps. 151.3 million, equivalent to a 41.5% growth, reaching Ps. 515.4 million, from Ps. 364.1 million during 3Q12, mainly driven by the higher growth in interest income and the lower growth in interest expense. Similarly, the cumulative financial margin during the first nine months of 2013 rose to Ps. 1,414.8 million compared to Ps. 1,051.7 million as of the first nine months in 2012, equivalent to a 34.5% growth.

Provision for Loan Losses reached Ps. 112.7 million during 3Q13, Ps. 31.7 million above those in 3Q12. The cumulative provision, during the first nine months rose from Ps. 298.5 million in 2013 compared to Ps. 183.6 million in the first nine months of 2012.

Administrative and promotion expenses increased during 3Q13 by 6.3% to Ps. 122.5 million, compared to Ps. 115.3 million in 3Q12. The cumulative administrative costs during the first nine months of 2013 increased by Ps. 11.7 million or 3.3%, reaching Ps. 363.2 million compared to Ps. 351.5 million the same period of 2012.

Participation in the results of subsidiaries and associates contributed Ps. 50.4 million during the quarter, an increase of 155.0% compared to 3Q12. The increase reflects a full quarter effect of the investment in Crédito Maestro, as well as the efficient performance of our two other affiliates. Similarly, the cumulative Participation in Affiliates´ Profits during the first nine months of 2013 was Ps. 154.2 million compared to Ps. 59.9 million obtained during the same period of 2012.

Net Income during 3Q13 grew 45.2% to Ps. 256.8 million compared to Ps. 176.8 million in 3Q12. Year-to-date net income as of September increased 62.4%, reaching Ps. 710.0 million compared to Ps. 437.1 million in 2012.



BALANCE SHEET

Total Assets reached Ps. 13,330.4 million as of 3Q13, increasing 32.7% against Ps. 10,046.1 million in 3Q12. The increase was driven by growth in the loan portfolio and the investment in Crédito Maestro as of October 2012.

Total Loan Portfolio at the end of 3Q13 was Ps. 9,191.2 million, an increase of 42.6% compared to Ps. 6,446.2 of 3Q12. This increase was due to the origination from our main distributors in payroll loans, and the strong origination in durable goods portfolio, including higher disbursement from the used car loans, and small business loans.

Past-due Loans as a percentage of the total loan portfolio at the end of 3Q13 was 1.7% or Ps. 152.1 million, compared to 1.4% or Ps. 89.4 million at the end of 3Q12. The company has consistently applied its credit standards and collection procedures, allowing us to maintain a past-due loan in the level of 2.0% or below, being one of the lowest in the industry.

Allowance for Loan Losses at the end of 3Q13 reached Ps. 174.0 million, equivalent to 114.3% coverage of past-due loans compared to Ps. 116.1 million past-due loan portfolio reported in 3Q12.

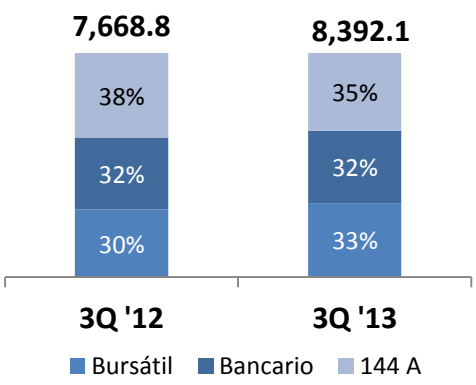
Other Accounts Receivable increased by Ps. 397.0 million, or 20.6%, to Ps. 2,325.4 million from Ps. 1,928.5 million in 3Q13. The increase was due to portfolio growth from the income sharing agreements established with payroll distributors.

Total Indebtedness increased to Ps. 9,065.2 million, a 11.4% increase over the Ps. 8,141.0 million as of 3Q12.

- **Market Debt** outstanding in the local and international debt markets was Ps. 5,682.5 million for 3Q13, which represents an increase of 9.2% when compared to the Ps. 5,203.2 million recorded at the end of 3Q12.

- **Bank Debt** as of 3Q13 amounted to Ps. 2,709.6 million, a 9.9% increase when compared to Ps.2,465.5 million at the end of 3Q12.

Debt Amortization Schedule		
	3Q´13	
Year	Ps. million	%
2013	1,297.7	15.5%
2014	2,803.9	33.4%
2015	4,175.2	49.8%
2016	115.3	1.4%
Total	8,392.1	100%



Stockholders´ Equity reached Ps. 4,265.2 million for 3Q13, an increase of 123.9% compared to Ps. 1,905.2 million reported in 3Q12, which is mainly explained by the funds obtained in the Initial Public Offering ("IPO") performed on October 17, 2012.

RATIOS

Our efficiency ratio improved to 24.6% for 3Q13 compared to the 33.2% in the same quarter of 2012, reflecting an increase in our financial margin while keeping control in administrative expenses, which only grew 6.3%.

During 3Q13, Crédito Real had an annualized Return on Average Assets ("ROAA") of 8.0%, against 7.6% in 3Q12.

Return on Average Equity ("ROAE") was 24.9% for 3Q13 compared to 39.0% in 3Q12. The reduction is consequence of the growth in stockholder's equity, mainly driven from the IPO proceeds and year-to-date net income.

The company´s capitalization index was 46.4% for 3Q13 compared to 29.6% in 3Q12, reflecting the increment over stockholder's equity described above.

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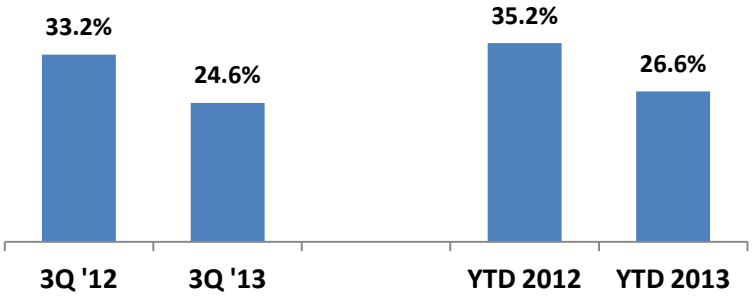
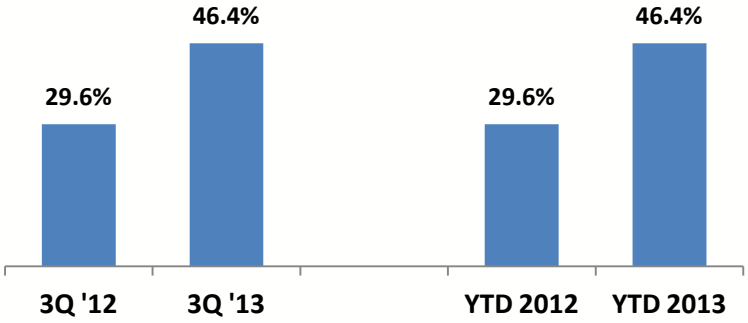
FINANCIAL RATIOS (September 2013)

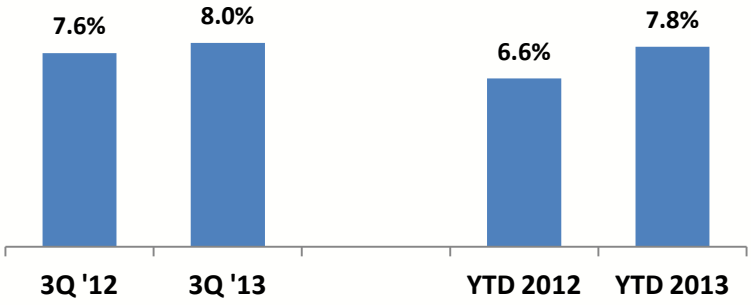
Efficiency



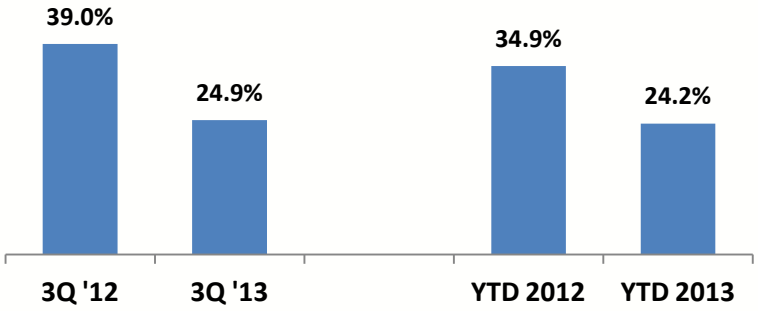
Capitalization



ROAA



ROAE



OPERATIONS SUMMARY

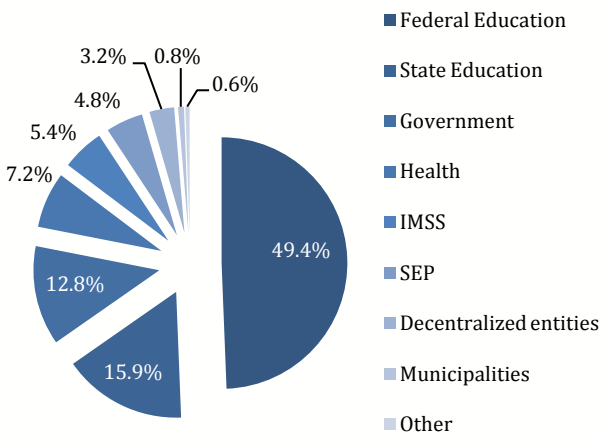
Summary	3Q'13				3Q'12				
	Portfolio (Ps million)	Customers	NPL's	Average Loan (Ps)	Portfolio (Ps million)	Customers	NPL's	Average Loan (Ps)	Var % Portfolio
Payroll	$7,838.2	348,186	1.5%	$22,511.6	$5,337.5	313,527	1.3%	$17,023.9	46.9%
Groups	$174.5	52,330	1.1%	$3,334.4	$197.0	97,639	2.8%	$2,017.4	-11.4%
Durable goods	$1,068.3	73,791	2.2%	$14,478.0	$911.8	74,426	1.4%	$12,251.0	17.2%
New Businesses	$110.2	568	4.4%	$193,948.2					
Total	**$9,191.2**	**474,875**	**1.7%**	**$19,355.0**	**$6,446.2**	**485,592**	**1.4%**	**$13,275.0**	**42.6%**

Summary	3Q'13 Origination	3Q'12 Origination	Var %	YTD'13 Origination	YTD'12 Origination	Var %
Ps. Million						
Payroll	$873.6	$809.5	7.9%	$2,446.8	$1,899.2	28.8%
Groups	$220.8	$386.1	-42.8%	$718.8	$1,188.8	-39.5%
Durable goods	$290.2	$347.9	-16.6%	$999.2	$830.6	20.3%
New Businesses	$52.6			$119.8		
Total	**$1,437.3**	**$1,543.5**	**-6.9%**	**$4,284.6**	**$3,918.6**	**9.3%**

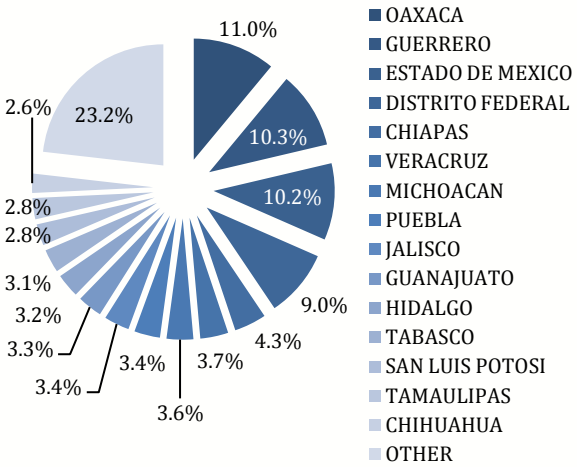
Payroll Loans Portfolio grew to Ps. 7,837.7 million, a 46.8% increase from Ps. 5,337.5 million in 3Q12. Approximately 80.4% of payroll loans originated during 3Q13 came from the three distributors in which we have an interest, reflecting the positive impact of the agreement reached with them, and the high performance of our other distributors. In terms of origination we saw a small deceleration of growth during September when compared to the prior year, which is explained by Manuel and Ingrid storms that affected the economic activity in various states of Mexico.

We continued to observe a healthy payroll loan portfolio. The growth in our loan portfolio observed during 3Q13 has not impacted the quality of assets. During the quarter adequate collection drove non-performing loans down to 1.5% of the portfolio.

3Q´13 PAYROLL BY SECTOR Ps. 7,838.2 million



3Q´13 PAYROLL LOAN PORTFOLIO BY REGION



Durable Goods Loans Portfolio grew to Ps. 1,068.3 million, a 17.2% increase from Ps. 911.8 million in 3Q12. The increase is a direct result of the implementation of new credit campaigns with the retailers. Non-performing loans reached 2.2% of the portfolio. In terms of origination during the quarter, new credits were originated in the amount of Ps. 290.2 million, a reduction from 3Q12, which is explained by weaker durable goods sales from our distributors and retailers.

Group Loans Portfolio amounted to Ps. 174.5 million, decreasing 11.4% from Ps. 197.0 million in 3Q12. However when compared to 2Q13 it shows a significant growth, given that the portfolio amounted to Ps. 120.8 million in such period. It is worth noting that despite the difficult operating environment, the company has been able to grow its portfolio as a result of the implementation of certain measures, including mechanisms to retain group promoters and a tight controls of past due loans, as well as a new alliance signed with a distributor to strengthen loan origination. We believe that the challenging environment will continue in the coming months however we expect a gradual but constant improvement in this segment of the business. Non-performing loans amounted 1.1% of the portfolio, a recovery from the 2.8% as of the previous quarter of this year. This is a reflection of the new controls and strategies that we are implementing in the business.

Used Car Loans Portfolio has continued to grow, today used car loans has a loan portfolio of Ps. 44.9 million. In general terms, the growth strategy has focused on identifying markets niches that are underserved and developing alliances in order to better serve them. The used car business model, in the long run will seek to maintain high quality of assets, similar to other products of Credito Real.

Small Business Loans Portfolio (C+R) started in 2012 and as of 3Q13 had a Ps. 58.7 million loan portfolio. In its initial stage, we have decided to focus on Mexico City and operate with a sales team of 10 advisors. The growth strategy is to find market niches underserved by the traditional banking system, which will allow us to offer customized loans according to the needs of each client.

ANALYST COVERAGE

Actinver Casa de Bolsa S.A. de C.V
Barclays Capital Casa De Bolsa, S.A. De C.V. , Grupo Financiero Barclays Mexico
BBVA Bancomer, S.A. Institución de Banca Múltiple
Deutsche Securities, S.A. de C.V., Casa de Bolsa
IXE Casa de Bolsa S.A. de C.V., Grupo Financiero Banorte
J.P. Morgan Securities, LLC

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About Crédito Real

Crédito Real is a leading financial institution in Mexico, focusing on consumer lending with a diversified business platform in three main lines of business: loans with payment via payroll, group loans, and loans to finance the purchase of durable goods. We offer products to the low- and middle-income segments of the population, which historically have been underserved by other financial institutions. The shares of Crédito Real are listed in the Mexican Stock Exchange under the ticker "CREAL*".

This earnings release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Bank performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Bank, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

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Appendix – September 2013

Profit & Loss	3Q'13	3Q'12	% Var	YTD'13	YTD'12	% Var	2012	2011	% Var
Ps. Millions									
Interest Income	697.9	530.4	31.6%	1,941.0	1,530.9	26.8%	2,090.4	1,912.3	9.3%
Interest Expense	(182.5)	(166.3)	9.8%	(526.2)	(479.2)	9.8%	(654.8)	(612.8)	6.9%
Financial Margin	515.4	364.1	41.5%	1,414.8	1,051.7	34.5%	1,435.6	1,299.5	10.5%
Provision for Loan Losses	(112.7)	(31.7)	-255.6%	(298.5)	(183.6)	-62.6%	(272.8)	(309.0)	-11.7%
Financial Margin adjusted for Credit Risks	402.7	332.4	21.1%	1,116.3	868.1	28.6%	1,162.8	990.5	17.4%
Commissions and fees paid	(17.9)	(16.5)	8.5%	(51.5)	(52.9)	-2.6%	(69.5)	(61.3)	13.3%
Other income from the operation	2.3	5.2	-56.3%	8.3	15.4	-46.0%	20.6	18.1	13.8%
Administrative and promotion expensses	(122.5)	(115.3)	6.3%	(363.2)	(351.5)	3.3%	(480.5)	(465.6)	3.2%
Income before income taxes	264.5	205.8	28.5%	709.9	479.1	48.2%	633.4	481.7	31.5%
Income taxes	(58.1)	(48.7)	19.2%	(154.0)	(101.9)	51.2%	(144.4)	(102.5)	40.9%
Income before participation in the results of subsidiaries	206.4	157.1	31.4%	555.8	377.2	47.4%	489.1	379.2	29.0%
Participation in the results of subsidiaries and associates	50.4	19.8	155.0%	154.2	59.9	157.3%	125.1	36.3	244.5%
Net Income	256.8	176.8	45.2%	710.0	437.1	62.4%	614.1	415.5	47.8%

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Balance Sheet						
	3Q'13	3Q'12	% Var	2012	2011	% Var
Ps. Million						
Cash and cash equivalents	81.8	83.2	-1.6%	85.2	64.3	32.5%
Investments in securities	209.4	819.7	-74.5%	346.8	253.6	36.7%
Securities and derivatives transactions	320.8	300.4	6.8%	241.5	521.4	-53.7%
Performing loan portfolio						
Commercial loans	9,039.1	6,356.8	42.2%	6,625.6	5,403.1	22.6%
Total performing loan portfolio	9,039.1	6,356.8	42.2%	6,625.6	5,403.1	22.6%
Non-performing loan portfolio						
Commercial loans	152.1	89.4	70.1%	106.9	109.0	-2.0%
Total non-performing loan portfolio	152.1	89.4	70.1%	106.9	109.0	-2.0%
Loan portfolio	9,191.2	6,446.2	42.6%	6,732.5	5,512.2	22.1%
Less: Allowance for loan losses	174.0	116.1	49.8%	141.3	130.5	8.2%
Loan portfolio (net)	9,017.2	6,330.1	42.4%	6,591.2	5,381.6	22.5%
Other accounts receivable (net)	2,325.4	1,928.5	20.6%	2,504.3	1,574.0	59.1%
Foreclosed assets (net)	-	-		-	-	
Property, furniture and fixtures (net)	21.4	16.5	29.9%	17.8	14.3	24.7%
Long-term investments in shares	762.0	392.0	94.4%	752.5	364.0	106.7%
Other assets						
Debt insurance costs, intangibles and others	592.4	175.9	236.8%	425.9	179.4	137.4%
Total assets	13,330.4	10,046.1	32.7%	10,965.3	8,352.7	31.3%
Liabilities						
Notes payable (certificados bursatiles)	2,775.4	2,310.4	20.1%	1,751.0	1,944.0	-9.9%
Senior notes payable	2,907.1	2,892.9	0.5%	2,814.4	3,122.1	-9.9%
Bank loans and borrowings from other entities						
Short-term	1,014.9	1,633.5	-37.9%	1,562.4	1,053.9	48.2%
Long-term	1,694.7	832.0	103.7%	719.6	516.0	39.5%
	2,709.6	2,465.5	9.9%	2,282.0	1,569.9	45.4%
Other accounts payable	12.8	28.4	-54.9%	17.8	4.2	326.2%
Income taxes payable	660.3	443.8	48.8%	503.7	252.1	99.8%
Total liabilities	9,065.2	8,141.0	11.4%	7,368.9	6,892.3	6.9%
Stockholders' equity						
Capital stock	2,017.3	507.4	297.5%	2,017.2	507.4	297.5%
Earned capital:						
Accummulated results from rior years	1,523.0	952.9	59.8%	935.8	537.4	74.1%
Result from valuation of cash flow hedges, net	14.8	7.7		29.3	-	
Net income	710.0	437.1	62.4%	614.1	415.5	47.8%
Total stockholders' equity	4,265.2	1,905.2	123.9%	3,596.4	1,460.4	146.3%
Total Liabilities and Stockholders' equity	13,330.4	10,046.1	32.7%	10,965.3	8,352.7	31.3%

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Financial Ratios	3Q'13	3Q'12	Var	YTD'13	YTD'12	Var	2012	2011	Var
Yield	31.9%	34.9%	-3.0%	33.0%	35.1%	-2.1%	34.2%	38.7%	-4.5%
Return on Average Loan Portfolio	11.7%	11.6%	0.1%	12.1%	10.0%	2.0%	10.0%	8.4%	1.6%
ROAE: Return on average stockholders' equity	24.9%	39.0%	-14.1%	24.2%	34.9%	-10.7%	27.9%	33.3%	-5.4%
Debt to Equity Ratio	2.0	4.0	- 2.1	2.0	4.0	- 2.1	1.9	4.5	- 2.6
Average cost of funds	9.1%	9.4%	-0.3%	9.3%	9.4%	-0.1%	9.5%	10.7%	-1.2%
Efficiency ratio	24.6%	33.2%	-8.5%	26.6%	35.2%	-8.6%	35.2%	37.6%	-2.4%
Capitalization Ratio	46.4%	29.6%	16.9%	46.4%	29.6%	16.9%	53.4%	26.5%	26.9%
Provisions for loan losses as a percentage of total loan portfolio	4.9%	2.0%	2.9%	4.3%	3.8%	0.5%	4.1%	5.6%	-1.6%
Allowance for loan losses as a percentage of total past-due loan portfolio	114.3%	129.8%	-15.5%	114.3%	129.8%	-15.5%	132.2%	119.7%	12.4%
Total past-due loan portfolio as a percentage of total loan portfolio	1.7%	1.4%	0.3%	1.7%	1.4%	0.3%	1.6%	2.0%	-0.4%

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