ANNUAL REPORT 2009

BANCOMEXT

Banca de Desarrollo

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MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

During a year characterized by economic difficulties resulting from the world recession that began in 2008, and a year in which Mexico also experienced the effects from the epidemiological crisis sparked by the AH1N1 flu virus, Bancomext demonstrated its effectiveness in conducting the Federal Government's emergency financing programs, fulfilling a vital anti-cyclical role.

The various programs and strategies that were quickly implemented signified a flow of resources to the national productive system in the amount of 23,000 million Mexican Pesos, which contributed toward mitigating the effects from the adverse environment at that time.

Beyond its anti-cyclical role, Bancomext also defined a new strategy in 2009 for assisting the economy's major export sectors, specifically the automotive, *maquiladora* (in-bond), tourism and aeronautical industries, which play a fundamental role in the national economy.

In addition to fulfilling its mandate to assist businesses associated with foreign trade and foreign currency generation, Bancomext earned 1,444 million Mexican Pesos in operating revenue, including 210 million Mexican Pesos in commissions for restructuring loans.

Significant efforts were also made to increase revenue and reduce expenditures, contrasting the loss of 1,900 million Mexican Pesos during 2008 with a net profit of 515 million Mexican Pesos in 2009. Bancomext ended the year with an overdue loan portfolio of 2.7%, enough reserves to cover 198% of the amount of that portfolio, and a capital ratio of 14.44%, demonstrating the Institution's solid financial situation.

Now, in 2010, our Institution reiterates its commitment to the high-priority sectors in the national economy that are associated directly or indirectly with exports and foreign currency generation. We have set major goals for this year, such as increasing the amount of financing by 18%, which is more than twice the increase anticipated by commercial banks during the same period. We also plan to diversify our assistance to the foreign trade community through international factoring, letters of credit, Eximbank-type products, loan hedging, and other strategies, and to use long-term funds from multilateral agencies to finance investment projects.

We are convinced that, in a more stable economic environment, the financing programs operated by our Institution and other entities providing development resources will permit Mexican businesses and industries to continue developing and contributing to the country's growth.

Héctor A. Rangel Domene
Chief Executive Officer

HIGHLIGHTS

	Millons of pesos	Millions of US Dollars[1/]
Financing		
Total	40,613	3,000
Credit[2/]	38,197	2,821
Guarantees	2,416	179
Firms assisted (number of)	3,635	3,635
Results		
Net profit	515	39
Interest income	7,531	576
Interest expense	(5,764)	(441)
Provision for credit losses	(309)	(24)
Year-end Balance		
Total assets	121,315	9,285
Total loan portfolio [3/]	45,277	3,465
Total liabilities	113,956	8,722
Stockholders' equity	7,359	563

1/ Figures in US dollars for descriptive purposes only. The exchange rate used for Results and Year-end Balance corresponds to December 2009, at MXP$13.0659/USD.
2/ Includes first and second tier credit.
3/ Does not include solidary obligations or guarantees.

ECONOMIC ENVIRONMENT

INTERNATIONAL ENVIRONMENT

In 2009 international economic activity diminished the rhythm of economic growth observed in Mexico the previous year. The world's Gross Domestic Product (GDP) dropped at a rate of 0.8%, while it had grown at a rate of 3.0% in 2008.

Emerging and developing economies, registering overall positive performance, were those that contributed to mitigating the decline in international economic activity in 2009. These economies grew at an average of 2.1%, with China's economy especially noteworthy, once again demonstrating an outstanding annual growth rate, this year at 8.7%. Advanced economies, in contrast, experienced a setback in their growth: the average rate was a drop of 3.2%, which is 3.7 percentage points below the rate observed in 2008. This situation is primarily a result of the mortgage and financial crisis occurring in industrialized countries, plus the increase in prices of raw materials, holding back growth in the aggregate demand and the rhythm of the credit system, and in turn provoking a loss of consumer confidence and an economic crisis. The growth rate in US and European economies declined from 0.4% and 0.6%, respectively, in 2008, to a negative growth rate of 2.5% and 3.9%, respectively, in 2009.

Gross Domestic Product (GDP) in selected economies
Growth rate (%)

Area	2008	2009
World	3.0	(0.8)
Advanced economies	0.5	(3.2)
United States	0.4	(2.5)
Japan	(1.2)	(5.3)
Eurozone	0.6	(3.9)
Enmerging and developing economies	6.1	2.1
China	9.6	8.7

Source: World Economic Outlook Update, January 2010, IMF

The inflation rate for advanced economies was 0.1% for 2009, lower than the rate registered in 2008, which was 3.4%. Emerging and developing economies experienced an inflation rate of 5.2%, higher than in advanced economies, but lower than the rate experienced in 2008, which was 9.2%.

Consumer Price Index (CPI) in selected economies
Growth rate (%)

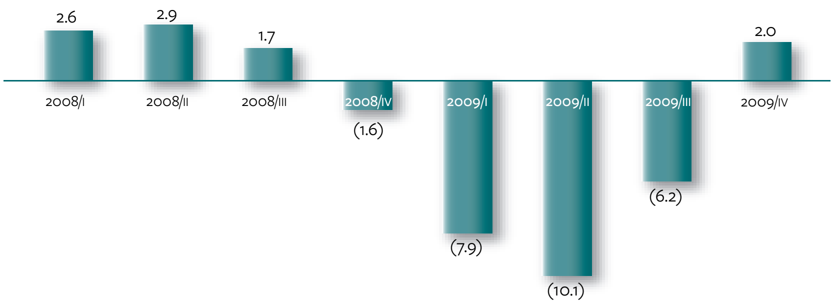
Area	2008	2009
Advanced economies	3.4	0.1
Emerging and developing economies	9.2	5.2
United States	3.8	(0.3)
Japan	1.5	(1.3)
Eurozone	3.3	0.7
Latin America	7.8	6.3

Source: Morgan Stanley and World Economic Outlook Update, January 2010, IMF

NATIONAL ENVIRONMENT

The Mexican economy registered a negative growth rate of 6.5% in 2009, below the positive rate of 1.3% registered in 2008. This can be largely explained by the contraction in foreign demand, especially from the United States, affecting Mexico's exports. Such is the case of the exports from the automotive sector, which registered a negative growth rate of 23.6% in relation to the level for 2008, and the trade balance surplus for petroleum products once again diminished in the same period.

Quarterly GDP variations
Growth rate (%)



Source: National Institute of Statistics, Geography and Informatics (*Instituto Nacional de Estadística, Geografía e Informática*-INEGI)

The annual inflation rate, as measured by the variation in the consumer price index, was 3.6% in 2009, considerably lower than the rate in 2008, which was 6.5%. This decrease in the inflation rate was due, among other causes, to the presence of external factors in the Mexican economy, primarily a lower rhythm of increases in international prices for raw materials in the food, energy and metal sectors.

The increases observed in international prices—a tendency that began in mid-2006—had an impact on domestic prices.

Inflationary pressures have been contained as a result of the critical phase of the economic cycle experienced by the Mexican economy in 2009 and due to monetary policies in line with those applied in most countries. The sectors that contributed most to price increases were the furniture and household appliance sectors, as well

as transportation and health and personal care sectors. The sectors that contributed somewhat to price increases were other services, food, beverages and tobacco, as well as the education and recreation sectors. The sectors contributing to diminishing price increases were the housing sector and the garment, footwear and accessories sectors. The behavior of underlying inflation, which continues to be high, corresponds primarily to the greater inflationary rhythm noted in merchandise.

There was a considerable decline in the federal funding rate in 2009, in line with the variation in consumer prices. If we use the three-month CETES (*Certificados de la Tesorerla*, or Treasury Certificates of Deposit) as a representative rate, we can observe that the average rate for 2009 was 5.52%, in comparison with 7.89% in 2008.

The average annual exchange rate for 2009 was 13.50763 Peso/Dollar, which is above the rate corresponding to 2008, at 11.15203 Peso/Dollar.

FOREIGN TRADE

During 2009, there was a notable contraction in Mexico's total foreign trade, due to a decline in both oil and non-oil exports. There was a drop in domestic demand as well, both in terms of consumption and gross fixed capital formation, negatively affecting dynamism in imports. The total value of foreign trade decreased by 22.6%, from 599,946 million US Dollars in 2008, to 464,090 million US Dollars in 2009.

Total exports reached a level of 229,705 million US Dollars, representing a decrease of 21.2% in relation to foreign sales the previous year. Meanwhile, total imports rose to 234,385 million US Dollars, which is 24.1% less than the amount in 2008. The trade balance registered a deficit of 4,680 million US Dollars, signifying a 72.9% decrease in relation to the deficit of 17,261 million US Dollars registered in 2008.

Mexican Foreign Trade, 2008-2009
Millions of US Dollars

ITEM	Jan-Dec		Variation	
	2008	2009	Amount	%
Total Trade Balance	**(17,261)**	**(4,680)**	**12,581**	**(72.9)**
Total Exports	**291,343**	**229,705**	**61,638**	**(21.2)**
Oil exports	50,635	30,881	19,754	(39.0)
Non-oil exports	240,707	198,825	41,882	(17.4)
Agricultural	7,895	7,798	97	(1.2)
Extractive	1,931	1,448	483	(25.0)
Manufacturing	230,882	189,579	41,303	(17.9)
Total imports	**308,603**	**234,385**	**74,218**	**(24.1)**
Consumer goods	47,941	32,828	15,113	(31.5)
Intermediate goods	221,565	170,912	50,653	(22.9)
Capital goods	39,097	30,645	8,452	(21.6)

Source: Central Bank (*Banco de México*)

EXPORTS

In 2009 exports of goods reached a total of 229,705 million US Dollars, with 13.4% corresponding to oil exports and 86.6% to non-oil exports.

Oil exports reached a level of 30,881 million US Dollars, or 39.0% below the amount exported in 2008. This decline can be explained by the lower oil prices prevailing in international markets during most of the year, impacting the annual average price of the Mexican oil mix, which fell by 31.9% in 2009, in comparison to 2008, from 84.38 to 57.44 US Dollars per barrel, with the highest average price of 72.44 US Dollars per barrel reached in November. Also contributing to the drop in exports was a smaller volume sold on the foreign market, with a reduction from 1,403,000 barrels of crude oil a day in 2008, to 1,225,000 barrels of crude oil a day in 2009, representing a drop of 12.7%.

Non-oil exports totaled 198,825 million US Dollars, a decrease of 17.4% in comparison to the previous year. Manufacturing goods totaled 189,579 million US Dollars, or 17.9% below the amount in 2008. There were also reductions in the agricultural and extractive sectors, of 1.2% and 25.0%, respectively.

During 2009, export sales in all eleven manufacturing activities dropped from the previous year. The activities with the smallest reductions, in descending order, were: mining-metallurgy; chemical; food, beverages and tobacco; paper, printing and publishing, and also other manufacturing industries, which together experienced a 9.9% drop, representing a total of 31,550 million US Dollars. Exports in the iron and steel sector and the metal products, machinery and equipment for other transport and communications sectors registered a 27.0% decline, from 66.9 billion US Dollars to 48.8 billion US Dollars in 2009.

Non-Oil Manufacturing Exports, 2008 – 2009
Millions of US Dollars

Industrial Activities	2008	2009	Variation	
			Amount	%
Total	**230,882**	**189,579**	**41,303**	**(17.9)**
1. Food, beverages and tobacco	8,467	7,300	1,167	(13.8)
2. Textiles, apparel and leather goods	7,685	6,469	1,216	(15.8)
3. Lumber industry	582	484	98	(16.8)
4. Paper, printing and publishing industry	1,945	1,675	270	(13.8)
5. Chemical	8,382	7,588	794	(9.5)
6. Plastic and rubber products	6,410	5,420	990	(15.4)
7. Non-metallic mineral product manufacturing	3,051	2,439	612	(20.1)
8. Iron and steel	8,728	4,957	3,771	(43.2)
9. Mining-metallurgy	8,687	8,574	113	(1.3)
10. Metal products, machinery and equipment	169,410	138,260	31,150	(18.4)
11. Other industries	7,534	6,413	1,121	(14.9)

Source: Central Bank (*Banco de México*)

Of all the exports, 84.1% went to the United States and Canada, 5.9% to Latin America, 5.4% to Europe, 3.3% to Asia and 0.5% to Oceania and Africa. The region that marginally increased its relative importance as a destination for Mexican exports was Asia, increasing its participation from 3.0% in 2008 to 3.3% in 2009.

At the regional level, a generalized decrease was observed in the sale of Mexican products to other countries of the world. Mexican products destined for the European continent decreased by 32.3%, and so did products destined for Latin America, by 27.2%, to the Asian continent, by 12.0%, and with partners in the North American Free Trade Agreement (NAFTA), by 19.7%.

IMPORTS

Imports came to a total of 234,385 million US Dollars in 2009, an amount 24.1% below the level observed in 2008, which was 308,603 million US Dollars.

Imports of intermediate goods were the least affected by the generalized decline in foreign trade. From a 7.9% increase in 2008, these imports dropped by 22.9% in 2009. Imports of capital goods experienced a more pronounced decline, from a 16.4% increase in 2008 to a 21.6% decrease in 2009. And, imports of consumer goods registered the greatest decline, from a positive growth rate of 11.3% in 2008 to a negative growth rate of 31.5% in 2009.

Of all imports, intermediate goods account for 170.9 billion US Dollars, or 72.9% of the total, while consumer goods account for 32.8 billion US Dollars, or 14.0%, and capital goods, 30.6 billion US Dollars, or 13.1%.

Imports from North American countries correspond to 51.2% of the total; those originating in Asia, 31.0%; in Europe, 12.6%; in Latin America, 4.3%; and in Africa and Oceania, 0.9%.

It is important to mention that the North American, European and Latin American regions reduced their participation as suppliers for Mexico by 0.90, 1.1 and 0.2 percentage points, respectively, while Asia increased its relative participation by 3.1 percentage points.

A comparison of imports by country indicates that 74.0% of the total value of imports was concentrated in five countries: the United States, with 48.0%; China, consolidating its position as the second largest supplier of Mexico imports, with 13.9%; Japan, with 4.9%; Korea, with 4.7%; and Germany, with 4.2%.

FINANCIAL SERVICES

TOTAL FINANCING

The global GDP registered a negative growth rate of 0.8%, contrasting with a positive growth rate of 3.0% the previous year, due mainly to the financial crisis in the United States, which expanded and impacted the world's economies and the international financial system. This also caused a severe contraction in the demand for financing.

In addition to the international crisis, Mexico also had to confront the health emergency sparked by the AH1N1 human flu virus. Bancomext, as an instrument of the Federal Government's economic policy, implemented a number of emergency programs:

- Emergency Assistance Program for economic reactivation of the tourism sector
- Financing Scheme for resolving the current situation affecting Mexican airlines
- Financing Program to support exporters in the autoparts industry

In 2009 Bancomext granted a total of 3,000 million US Dollars in financial assistance, of which 2,821 million US Dollars corresponded to financing and 179 million US Dollars to guarantees and solidary obligations. In addition, Bancomext granted 254 million US Dollars through induced financing and solidary obligations, although this amount was less than the promised goal of 1,197 million US Dollars, representing only 26.9% of that amount.

In comparison with figures for 2008, the total amount of financing in 2009, including Guarantees and Solidary Obligations, represented a decrease of 30.4%, due primarily to a decrease of 739 million US Dollars, or 28.1%, in first-tier operations. This resulted from the end of the emergency programs implemented during the last quarter of the previous year, with the following funds granted: for the Business Support Program for Corporate Debt, 451 million US Dollars and 3,867 million Pesos; and for the Securities Debt Program, an amount equivalent to 1,767.4 million Pesos.

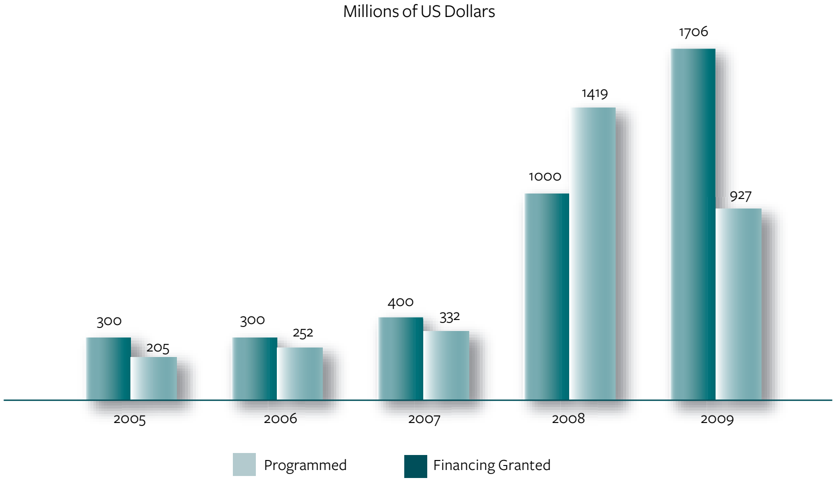
Total Financial Assistance, Jan-Dec, 2008 and 2009
Millions of US Dollars

Jan-Dec 2008		Jan-Dec 2009		Variation Financed 09/08 vs. Jan-Dec 2008 Financed		vs. Jan-Dec 2009 Budgeted	
Financed	Item	Budgeted	Financed	Amount	%	Amount	%
	Financing						
	First Tier						
83	Public Sector	250	6	(76)	(92.4)	(244)	(97.5)
2,550	Private Sector	1,830	1,888	(662)	(26.0)	57	3.1
2,633	**Total First Tier**	**2,080**	**1,894**	**(739)**	**(28.1)**	**(186)**	**(9.0)**
1,419	Second Tier	1,706	927	(492)	(34.7)	(779)	(45.7)
4,052	**Total Financing**	**3,786**	**2,821**	**1,231**	**(30.4)**	**(966)**	**(25.5)**
9	Guarantees	174	35	26	273.4	(139)	(79.8)
252	Solidary Obligations	120	144	(108)	(42.9)	24	19.6
4,313	**Total Financing**	**4,080**	**3,000**	**(1,313)**	**(30.4)**	**(1,081)**	**(26.5)**
236	Induced and Solidary Obligations	370	254	18	7.6	(116)	(31.4)
4,549	**Total Induced Financing**	**4,450**	**3,253**	**(1,295)**	**(28.5)**	**(1,197)**	**(26.9)**

SECOND-TIER FINANCING

In 2009 the amount of second-tier financing granted was 927 million US Dollars, reflecting a 34.7% decrease with respect to the same period in 2008. This is primarily due to the fact that beginning in June, a strategy was defined to move Productive Chains to Nacional Financiera with the aim of providing better attention to clients requiring this product.

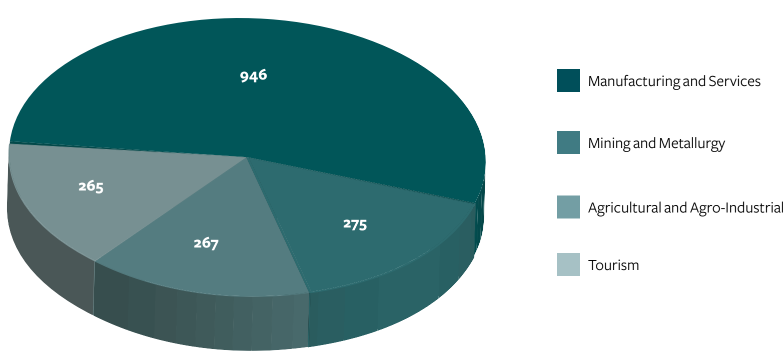
Second-tier financing granted, January-December 2009
Millions of US Dollars



FINANCING BY SECTOR

The sectors receiving the greatest amount of first-tier financing corresponded to the Manufacturing and Services sector, with 946 million US Dollars, Mining-Metallurgy, with 275 million US Dollars, and Agricultural and Agro-Industrial, with 267 million US Dollars. Together these sectors accounted for 85% of all the first-tier financing granted.

% of Financing Granted by Economic Sector



FINANCING BY REGION

Bancomext addresses the needs of its clients through a network of offices located in the Central, Northeastern, Western and Southern regions, generating alliances between government and private entities.

The total financing granted by the Bank during 2009 was distributed in the regions mentioned above as follows:

Assistance Granted by Region
Millions of US Dollars

Regional Offices	2008	2009
Central	2,142	1,458
Northeastern	1,791	1,083
Western	245	147
Southern	135	276
TOTAL	**4,312**	**2,964**

During 2009 the Mexican states receiving the largest amounts of the Bank's financing were: Federal District (Mexico City) with 34% and Nuevo Leon with 28%.

The states with the highest growth in the demand for financing are Quintana Roo, Tamaulipas and Coahuila. This demand is primarily related to activities in the Tourism, Manufacturing and Services sectors.

FIRMS FINANCED

The number of firms assisted with the Bank's financial resources decreased in 2009, from 4,811 firms in 2008 to 3,635 firms in 2009.

Of the total, 77% were Developing firms, classified as Small and Medium-Sized Firms by Bancomext, in line with its internal parameters.

Firms Financed

Type of firm	2008	2009
Developing	3,943	2,816
Intermediate	728	661
Consolidated	140	158
Total	**4,811**	**3,635**

Bancomext's Classification:
Developing: Annual export sales up to 2 million US Dollars.
Intermediate: Annual export sales between 2 and 20 million US Dollars.
Consolidated: Annual export sales above 20 million US Dollars.

CHANNELS FOR PROVIDING SERVICES

In order to respond to the financial needs of its current and potential clients, and to provide them with the corresponding services, Bancomext has two business areas focused on addressing different segments of the market, in line with their particular financial requirements:

Small Business Development	Business Financing

• Financial intermediaries
• Guarantees
• International Factoring
• Environmental Projects
• Links with other entities
	• First-Tier Program
	  ◦ Working Capital
	  ◦ Project Financing
	• Corporate Financing
	• Structured Credit
	• Selective and Securities Guarantees
	• Public Sector
	• Sector-Based Programs:
	  ◦ Automotive-Autoparts
	  ◦ Tourism
	  ◦ Aeronautical-Aviation
	  ◦ *Maquiladora* (In-bond) Export Industry

SMALL BUSINESS DEVELOPMENT

During 2009 the general strategy followed by the Small Business Development Department was primarily oriented toward assisting foreign trade firms through:

- Development of programs and products oriented toward addressing the needs of export firms.
- Assistance granted to the export sector through banking and non-banking financial intermediaries.
- Increased liquidity in export firms through international factoring.
- Environmental projects.
- Consolidation of strategic alliances with other private and public entities and institutions associated with foreign trade.

In terms of program and product development, three new products were designed, structured and implemented with the aim of addressing the emergency situation resulting from the world crisis and the health emergency provoked by the AH1N1 flu. These instruments for confronting the crisis were made available to export firms and firms that generate foreign currency.

The products developed were:

- Program for Financing to Exporters in the Autoparts Industry
- Emergency Program for Economic Reactivation of Tourism Sector
- Agile Selective Guarantees

In the case of assistance provided through financial intermediaries, relationships were strengthened with current intermediaries, offering discount and guarantee programs.

Through the guarantees programs (Automatic, Selective and Agile Selective), Bancomext continued its efforts to provide services to firms associated with foreign trade and strategic sectors, primarily small and medium-sized firms.

In order to continue to assist export firms, three new modalities in the factoring scheme were developed:

- Factoring with international financial counterparts
- Factoring with investment-grade business counterparts
- Factoring through credit insurance

LINKS WITH OTHER ENTITIES

During 2009 particular emphasis was placed on enhancing links with entities associated with foreign trade. Bancomext worked with institutions in both the public and private sectors (ProMéxico, Cescemex, COMCE, ANIERM, INA, FEMIA, among others), with the objective of consolidating its relationships with those entities, in order to support our Institution in fulfilling its mission to be a strong promoter of our country's foreign trade.

RESTRUCTURING BANCUBA LOANS

After a long period of negotiations, on March 13, 2008, Bancomext signed a Debt Acknowledgement Agreement with the National Bank of Cuba (Bancuba). Through this agreement, Bancuba's debts with Bancomext were restructured, and a purchasing line of credit was approved for 20.7 million US Dollars, to finance the acquisition of goods and services of Mexican origin.

In December 2008, in response to Cuba's state of emergency after three hurricanes passed through its territory, Bancomext authorized a new restructuring phase, through which interest payments were adjusted and the financing terms for the purchasing line of credit were expanded.

BUSINESS FINANCING

The Business Financing Department is responsible for promoting and granting the Institution's financial assistance to participants in the various activities related to foreign trade and foreign currency generation. The goals are to increase the competitiveness of these participants in the international context and to strengthen their participation in the export chain.

The Business Financing Department is responsible for developing and managing the portfolio for the segment consisting of firms with lines of credit above 30 million Pesos.

These financial services are promoted throughout the entire country, through the business executives in the following Regional Offices:

- Central Region, located in the Federal District (Mexico City) and covering the states of Mexico, Queretaro, Puebla and Hidalgo.
- Northeastern Region, located in Monterrey, Nuevo Leon, and covering the states of Chihuahua, Durango, Nuevo Leon, Tamaulipas and Coahuila.
- Western Region, located in Guadalajara, Jalisco, and covering the states of Guanajuato, San Luis Potosi, Zacatecas, Michoacan, Jalisco, Nayarit, Colima, Aguascalientes, Sonora, Sinaloa, Baja California and Baja California Sur.
- Southern Region, located in Merida, Yucatan, and covering the states of Quintana Roo, Veracruz, Chiapas, Tabasco, Oaxaca, Campeche, Tlaxcala and Yucatan.

During 2009 the Business Finance Department implemented a new business model designed to provide services to high-priority sectors or those with a high impact on Mexican exports or foreign currency generation. For this reason, specific Departments were created to address the following sectors:

- Tourism
- Automotive-Autoparts
- Aeronautical-Aviation
- *Maquiladora* (In-bond) Export Industry
- Structured Operations – Corporate Financing

ADVISORY COUNCILS

During 2009 the work of promoting financing at the national and regional levels was reinforced through the Institution's participation in the Advisory Councils in each state of the country. These Councils are entities established with the purpose of orienting, promoting and supervising the Institution's assistance programs.

The Advisory Councils meet regularly, and consist of members who are distinguished local businesspersons representing the commercial, industrial and services sectors, as well as the Secretaries of Economic Development and Tourism in some states.

CORPORATE FINANCING

Bancomext promotes the development of the suppliers of large businesses and promotes increasing the aggregate value of their exports by increasing domestic content in their products. It assists large businesses in accessing alternative sources of financing, basically money and capital markets, through the granting of partial securities guarantees.

Equally important for these businesses is to promote their internationalization, through support for their export projects, basically in non-traditional markets and markets in which participation by Mexican businesses is low. Also important is the development of mega projects in the tourism sector that are important in generating foreign currency, as well as participation in first-tier credit programs, and structured and corporate credit programs.

EMERGENCY PROGRAMS

With the objective of supporting the measures adopted by the Federal Government to confront the negative economic effects of the health emergency provoked by the AH1N1 Human Flu Virus, Bancomext's Board of Directors authorized the implementation of an Emergency Assistance Program for the economic reactivation of the tourism sector and a financing scheme for resolving the problems currently experienced by Mexican airlines.

In the case of the tourism sector, the program included financing in the amount of 3,000 million Pesos for assistance through commercial banks (emergency agile selective guarantees), direct credit for working capital, and the re-scheduling of payments for loans granted.

The results from this program during 2009 were the following:

- A total of 82 million US Dollars were authorized and contracted.
- Credit operations amounting to 86 million US Dollars were re-scheduled.

In response to the sector's needs, Bancomext anticipates continuing to promote traditional financial products in order to address needs in the tourism sector for new operations. Consequently, at the end of 2009, a total of 93 million US Dollars were authorized and ready for contracting.

In the case of the aviation sector, a total of 2,000 million Pesos was contemplated for assisting airlines in confronting the negative effects from the epidemic, however not for resolving their structural problems.

During 2009 loans in the amount of 4,210 million Pesos were authorized, and financing in the amount of 2,086 million Pesos was made available.

PROGRAM FOR FINANCING EXPORTERS IN THE AUTO-PARTS INDUSTRY

The objective of this program is to grant financing to autoparts suppliers established in Mexico, and export sales in the Automotive and Autoparts Industries.

This program is part of the assistance established by the Federal Government, where Bancomext, as a development bank, implemented a support scheme through which the following areas were addressed:

ExportaFácil Bancomext	**Guarantees to Banks**	**Direct Credit**
Direct sales to investment-grade automakers	Sales to Ford, GM and Chrysler	Sales by Bancomext's eligible exporters
• CIT coverage • Revolving line • Up to 10 million US Dollars per firm/group • Financing up to 90% of accounts receivable	• 1st Stage → Ford • Up to 20 million US Dollars per firm/group • Coverage and rate in relation to exporter rating and based on reference price	• Based on exporters' credit quality • If aplicable, structured financing • Loans of over 30 million Pesos
200 million USD	225 million USD	Case by case

During 2009 direct loans in the amount of 45 million US Dollars were authorized and a line of credit for guarantees in the amount of 15 million US Dollars was also authorized.

Bancomext expects to continue promoting this program during 2010, since at the end of 2009, potential operations in the amount of 280 million US Dollars had been identified.

ENVIRONMENTAL PROJECTS

Bancomext has positioned itself as a major promoter of projects oriented toward environmental sustainability, heading the Technical Committee of the Mexican Carbon Fund (*Fondo Mexicano de Carbono*—Fomecar). In this way it helps to coordinate the efforts of public and private entities working in the areas of information dissemination and technical and financial support for projects in Mexico that contribute to diminishing greenhouse gas emissions. With these efforts, it is possible to take advantage of the benefits from the Clean Development Mechanism established in the Kyoto Protocol.

Through Fomecar's Technical Committee, projects are analyzed to determine their eligibility for receiving assistance in order to be registered with the United Nations under the Clean Development Mechanism and thereby obtain access to the benefits from their implementation in the diminishing of greenhouse gas emissions.

Bancomext has the necessary tools, structure and presence in international markets to maximize income through the commercialization of carbon bonds obtained from the implementation of projects in Mexico, independently of whether or not Fomecar has participated in such projects.

During 2009, Fomecar's Technical Committee authorized financial assistance for three new projects, signifying a total of 13 projects approved for such assistance. Also, technical assistance was granted to 301 proposed projects, of which 37 are eligible for generating carbon bonds and if applicable, requesting funds from Fomecar.

As well, Bancomext maintains ongoing contact with development banks in the main countries with which Mexico conducts commercial exchange operations, for obtaining lines of credit with entities in those industrialized countries that grant financing with preferential treatment for sustainable projects.

TREASURY AND FINANCIAL MARKETS

Market recovery in 2009 was generally better than expected, however in most countries the gross domestic product for the year ended up in negative numbers.

The recovery observed was largely due to programs granting assistance to financial institutions and economic stimulus programs implemented by governments in developed countries, particularly in the United States. While economic activity in the United States recovered by 5.7% in the fourth Quarter, and major banks presented positive results in general, employment rates have not recovered, and the US unemployment rate is above 9%, indicating an imbalance in economic growth.

Despite the highly complex international financial context, the accumulated results from Bancomext's Treasury and Financial Market management reached a level of 835 million Pesos.

Its overall strategy consisted of carefully observing market tendencies in order to detect business opportunities, while using profitability criteria in managing portfolios, and assessing events that could affect them.

TREASURY

MANAGEMENT OF FINANCIAL RESOURCES AND FUNDING

Transfer prices were established for Bancomext's financial products at competitive market levels. The need for financial resources for the Institution's operations and businesses was addressed in an adequate and timely manner. The Treasury Department took advantage of conditions in financial markets, improving the costs of funding by approximately 35 basis points below TIIE for operations in the national currency, an average 110 basis points above Libor for short-term operations in US Dollars, and an average 210 basis points above Libor for medium-term operations in US Dollars. Average daily funding through clients' bank deposits in foreign currencies amounted to 741 million US Dollars and 16 million Euros.

MANAGEMENT OF INVESTMENTS

The Institution's own resources and the funds it manages on behalf of third parties (Bancomext's Pension Fund, Bancomext's Retirees' Loans and Special Savings Loan Trust Fund, Defined Contribution Pension Fund, Association of Former Students of the School of Economics Trust Fund) were invested in national and international financial markets, in line with availability and profitability criteria.

The financial margin generated by the Treasury Department rose to 701 million Pesos.

FINANCIAL MARKETS

MONEY DESK

The Bank's Money Desk responded to the investment needs of its clients and took advantage of market opportunities, conducting buying-selling operations and the repo of Government, Banking and Corporate securities, with daily average transactions of 55,000 million Pesos and net results of 130 million Pesos. It also placed securities issued for funding the Treasury's obligations in national currency among its clients and financial intermediaries, at the different terms required, and at a daily average of 12,000 million Pesos.

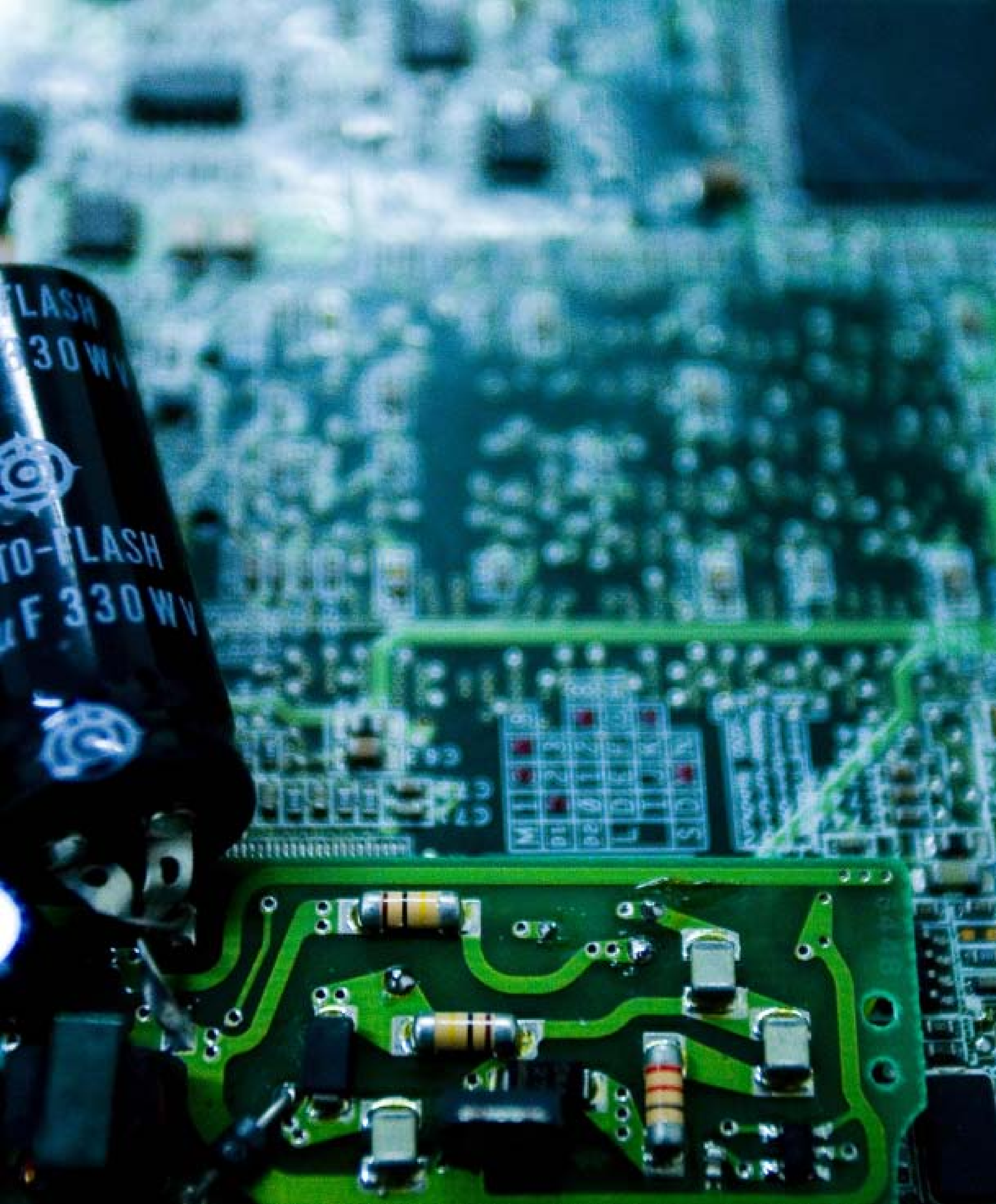
FOREIGN EXCHANGE DESK

The strategy used by the Foreign Exchange Desk was to optimize the risk-return relationship of the positions operated, while addressing the need to obtain foreign currency for the Institution's operations and businesses. The results from trading and client operations amounted to 13 million Pesos.

OTHER RESULTS

- In terms of the technological and communications platform for the Treasury's premises, the infrastructure for financial operation and information services was updated, and regarding the Foreign Exchange Desk, two projects oriented toward strengthening internal control, reducing operational risk and increasing the efficiency of the process were concluded.

- After the technical capacity review was completed, the Central Bank (*Banco de México*) renewed Bancomext's authorization to act as an Intermediary in Recognized Markets and/or Over the Counter in relation to operations on Futures and on Swaps of foreign currencies, and of nominal and real interest rates.



LEGAL SITUATION

STANDARDS ON TRANSPARENCY

In 2009 special attention was focused on the issues of transparency and accountability, and actions were taken to enhance compliance with the Federal Law on Transparency and Access to Governmental Public Information (*Ley Federal de Transparencia y Acceso a la Información Pública Gubernamental*—LFTAIPG).

Of the activities addressing the various responsibilities in the area of transparency, the following are especially worth noting:

- 217 requests for access to information were addressed in the appropriate manner and time frame. The predominant theme in the requests was regarding Bancomext's key activities, and there were also references to administrative and statistical matters. Of all the requests, 39 required a resolution from the Information Committee; of these, 16 were due to the lack of information, two because reserved or confidential information was involved, six were due to a partial lack of information, and 15 because information was partially classified. It is important to mention that six Requests for Revisions were filed, and were handled in a timely manner.
- Required information was provided to the Federal Institute for Access to Public Information (*Instituto Federal de Acceso a la Información Pública*—IFAI) for its annual report to the National Congress.
- During the year, the "Reserved File Index System" and "Reserved Information System" (*Sistema Persona*) electronic applications were updated.
- Each administrative unit entered the information related to transparency obligations derived from Article 7 of the LFTAIPG on the IFAI's Transparency Obligations web page (*Portal de Obligaciones de Transparencia*—POT).
- Measures were implemented and actions were taken to provide more efficient service to the public through the Liaison Unit's client services. It is especially worth mentioning that the Simulated User Program, corresponding to the first half of 2009, obtained a score of 9.9 out of a possible score of 10.

Bancomext's Information Committee met on 44 occasions to resolve a range of cases falling within its jurisdiction, including those related to the classification of information or lack of information, and to make decisions regarding updating the reserved file indexes.

TRUST FUNDS

During 2009, eight trusts were established, most of them in the framework of the Business Support Program for Corporate Debt.

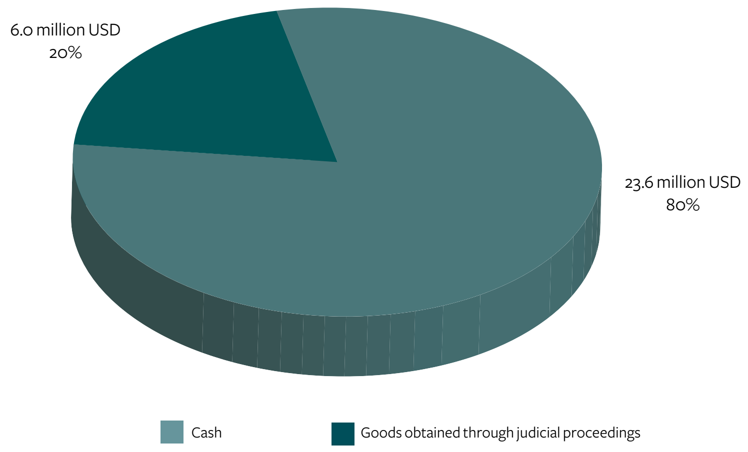
In 2007 a program was initiated to close trusts with low earnings, or whose objectives were not in line with the Institution's mission. As a result, during 2009, 35 trust fund businesses were closed or replaced. As of December 31, 2009, Bancomext was managing a total of 324 trust fund businesses.

Together, all the trust fund businesses managed by Bancomext maintain total assets in the amount of 53,488 million Pesos, of which 15,562 million Pesos correspond to liquid funds. These businesses generated revenue in the amount of 43.7 million Pesos.

PORTFOLIO RECOVERY

As of December 2009, the accumulated recovery of the portfolio amounted to 29.6 million US Dollars, in accordance with the following information:

Total Recovery up to December 2009
Millions of US Dollars



CORPORATE GOVERNANCE AND INTERNAL CONTROL

CORPORATE GOVERNANCE AND INTERNAL CONTROL

During 2009 the work of implementing and strengthening corporate governance and internal control practices continued, with the purpose of contributing to safeguarding institutional assets, achieving transparency and accountability, managing the risks to which the organization is exposed, complying with applicable regulations, and revealing timely information to government entities, investors, clients, authorities and the general public—all within the normative framework corresponding to credit institutions.

Bancomext has an Internal Control System based on a governance structure, composed of the Board of Directors as well as various committees that take decisions regarding different topics in relation to the Institution's operations, including: comprehensive risk management, credit activity, human resources and institutional development, computer systems, auditing and internal control.

Bancomext's Corporate Governance Structure

Board of Directors

Committees for providing support in the areas of:

Internal Control	Financing	Markets and Risks	Administration	Prevention of Illegal Operations
Auditing Committee	Executive Committee	Comprehensive Risk Management Committee	Human Resources and Institutional Development Committee	Communication and Control Committee

INTERNAL CONTROL

Actions carried out with the objective of strengthening internal control practices included the following:

- **Functioning of the Auditing Committee**

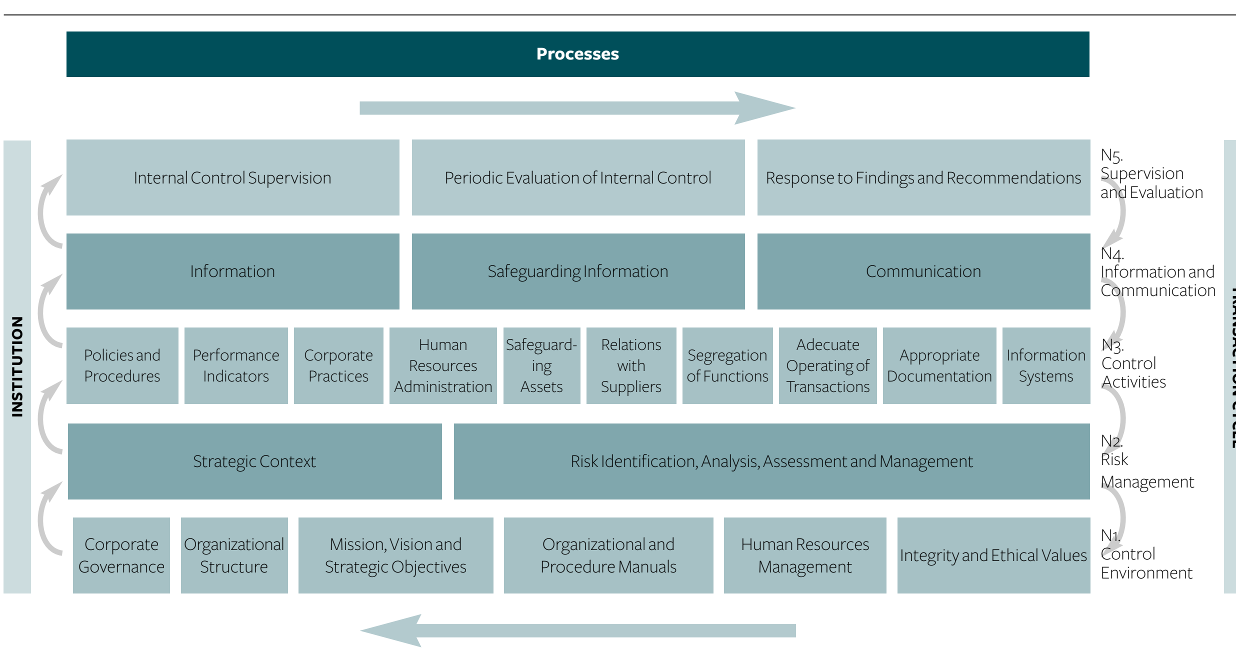
  The Auditing Committee is an entity that operates under the jurisdiction of the Board of Directors, and is responsible for evaluating and monitoring institutional activity in the framework of the Internal Control System. This committee functioned on a periodic basis during 2009.

- **Internal Control System**

  Bancomext updated the objectives and guidelines in its Institutional Model of Internal Control that must be observed by the Institution's personnel. The document was approved in December 2009 by both the Auditing Committee and the Board of Directors.

  The purpose of this model is to contribute in a significant way to generating an environment that facilitates orderly performance, adequate risk management, compliance with standards, development of processes through the efficient use of resources, reasonable certainty of institutional information and the prevention of loss of resources.

The elements making up this model are illustrated in the following diagram:



In 2009 an Annual Report on the Status of Institutional Internal Control was prepared and presented to the Auditing Committee and the Board of Directors, as well as the various fiscal entities.

- **Prevention-Focused Strengthening of Internal Control**
  The Internal Comptroller's Department implemented the Standardized Evaluation Methodology in certain critical processes, focused primarily on the establishment of self-control mechanisms to be used by government officials and employees in the Institution's main critical processes, with support from the Internal Comptroller.

- **Bancomext's Code of Conduct**
  In the area of integrity and ethical values, the Institution reviewed its Code of Conduct, which establishes the principles and guidelines that must be observed and applied by all of the Institution's employees as they carry out their functions. The Institution's employees were informed of the Code through intranet, and in addition, a general training program was given to all personnel on the Code's contents.

- **Transparency and Accountability Program**
  This program must be implemented in all Federal Public Administration offices and entities. The progress made in such implementation is measured through the Transparency Monitoring indicator. In 2009 Bancomext obtained a score of 9.27 on the indicator's scale of 0 to 10.

PREVENTION OF OPERATIONS USING FUNDS OF ILLEGAL ORIGIN AND THE FINANCING OF TERRORISM

In terms of actions carried out with the objective of strengthening practices in the area of Prevention of Operations using Funds of Illegal Origin and the Financing of Terrorism activities, the following are some examples:

- **Functioning of the Communication and Control Committee**
  The Communication and Control Committee is the entity under the jurisdiction of the Board of Directors that is responsible for establishing, evaluating and monitoring measures and controls focused on preventing money laundering and the financing of terrorism activities.

- **Normative Policies for Preventing, Detecting and Reporting Operations using Funds of Illegal Origin and the Financing of Terrorism**
  The document entitled "Criteria, Measures and Minimal Procedures for the Policies on Client Identification and Knowledge and User Identification" was updated and presented to the Communication and Control Committee for its consideration and to the Auditing Committee for its approval.

- **Annual Training for Personnel on the Prevention of Operations with Funds of Illegal Origin**
  The 2009 annual training program on the Prevention of Money Laundering and Financing of Terrorism was updated, and the entire institutional staff completed the corresponding evaluation.

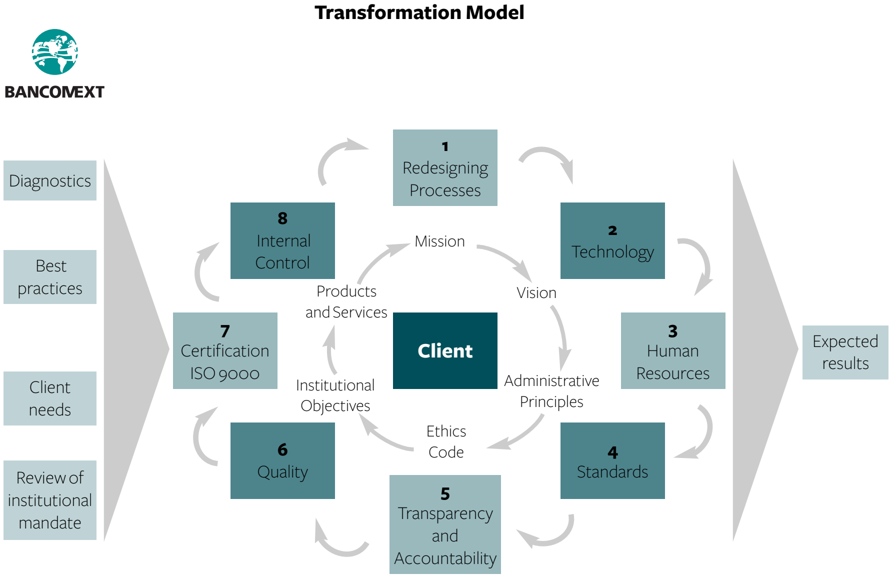
TRANSFORMATION MODEL

BANCOMEXT'S TRANSFORMATION

TRANSFORMATION MODEL

Through the transformation model, initiated in 2007, Bancomext used the review of its institutional mandate as a starting point, conducting a diagnostic assessment of the Bank's different areas to adapt their processes to clients' needs and to redefined objectives, in line with the Bank's mandate and its new business strategies.

Transformation Model



PROCESS REDESIGNING

Process redesigning has been documented in the standard Operating Manuals that incorporate procedures with their respective flow charts, to identify points of control and actions for immediate improvement, leading to the definition and incorporation of service levels, metrics and indicators as well as clear policies that are updated in line with needs in the market environment.

It is important to underscore that the basic premise of this documentation of processes is to avoid over-regulation of operations, and instead create standards for generating efficiency and savings, with the objectives of making Bancomext more productive and allocating fewer resources to administrative management and more resources to business development. By the end of 2009 the Bank had made 98% progress in the documentation of its institutional manuals.

QUALITY

Bancomext has an operating manual for the "Standardization and Publication of Operating Manuals" process. The objective is to establish and implement the methodology and guidelines for standardizing the development, updating and publication of the documentation of Bancomext's processes, promoting orderly operations and ongoing improvement of operations.

Each of the areas in charge of one of the Bank's processes is responsible for the development, updating and dissemination of information regarding operating manuals, according to the standards defined in the Human Resources and Quality Management Department. The latter is responsible for maintaining all operating manuals updated.

The transformation model stage has been concluded, and the Bank is currently in a stage of ongoing improvement, which includes fine-tuning the respective standards.

CREDIT PROCESS REENGINEERING

Due to organizational changes in Bancomext, it has been necessary to make strategic changes in the Business Department, involving the modification, calibration and reengineering of the Credit Process.

In September 2009 the Board of Directors authorized the beginning of the Reengineering of the Credit Process, considering its completion by March 2010, with the following objectives:

- Develop a closer working relationship with clients and reduce the amount of response time.
- Improve the Credit Process in some of the identified areas of opportunity.
- Simplify the credit origination and operation processes, to make transactions more agile, while maintaining strict control.
- Standardize processes in order to make better use of resources.
- Maintain a solid Credit Process in terms of its integrity, clarity in roles and responsibilities, separation of functions, and adequate risk management and monitoring.

These activities have been carried out within the established timelines, and the measurement of the results achieved is planned for the first half of 2010.

INFRASTRUCTURE AND TECHNOLOGY

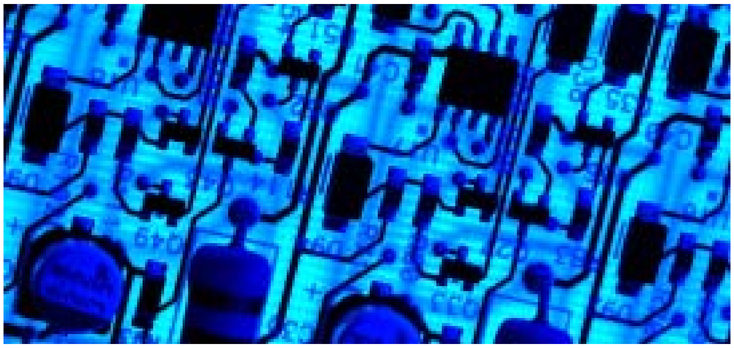
During 2009 the Strategic Technology Plan (*Plan Estratégico de Tecnología*—PET 2009) was revised, integrating initiatives in institutional automation and initiatives from the Improvement in Management Plan promoted by the Secretariat of Public Service (*Secretaría de la Función Pública*—SFP). The objective was to assure that the Bank's technological development is appropriately aligned to comply with the business objectives in the Institution's various departments; and to achieve the goals in PET 2009, using the Automation Index (*Índice de Automatización*) as the indicator, which increased from 64% to the current 72%. In terms of fulfilling the established goals, compliance with PET 2009 was 98%.

During the first half of the year, PET 2009 was defined and authorized, based on the following actions:

- Align Systems strategies with the Bank's Strategic Program.
- Direct the designing and updating of the technological platform, and provide the Institution's departments with the services and resources necessary for addressing automation projects.
- Strategically align technological development to create value in business areas.
- Improve service levels with a focus on the final user.
- Reduce exposure to operational and technological risks.

The Business Projects Portfolio was prioritized, according to the following justification criteria:

- Regulations
- Risk
- Maintenance
- Revenue
- Savings



In accordance with guidelines for austerity, rationality, discipline and control in the use of the 2009 budget, projects involving high costs were postponed. It was also decided to conduct Support and Maintenance processes in Systems and Infrastructure, to guarantee the continuity of services.

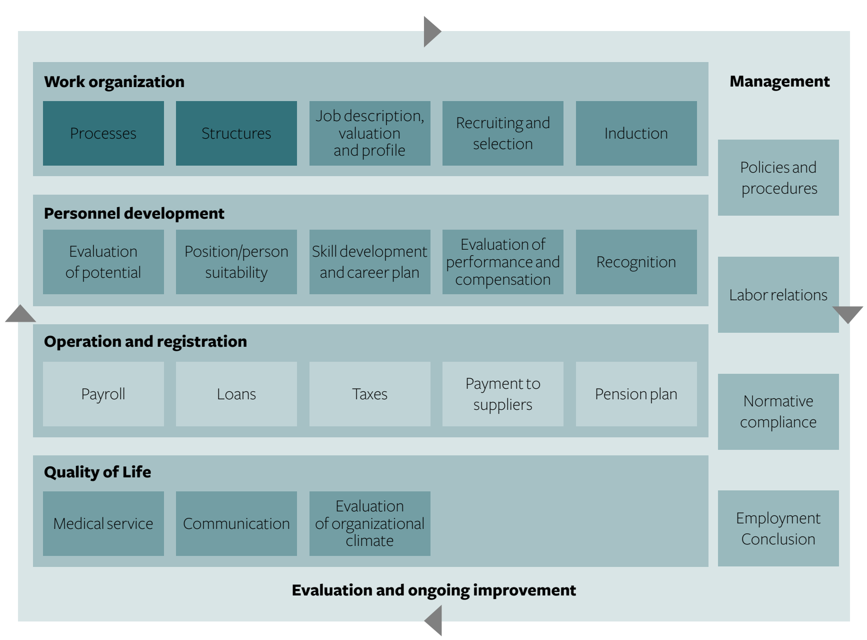
RESULTS ACHIEVED BY DECEMBER 2009

PET 2009 initially consisted of a portfolio of 29 business projects, and four more initiatives were incorporated during the year, arriving at a final portfolio of 33 projects. Of this total, 22 projects for improving institutional systems were concluded, with actions primarily focused on Credit systems, Administration, Markets and Treasury.

In the Infrastructure area, computer processing and storage services were carried out to update computing platforms. The migration of Windows and Linux servers was completed in March 2009, as part of the project for consolidating Department servers. This consolidation project was recognized in August 2009 as a "Best Practice in Ecological Awareness in the Financial Sector by IBM-Mexico." Also this year, Bancomext was awarded second place among "The Most Innovative Entities in the Public Sector" at the Government Innovation Forum organized by the *InformationWeek* magazine. Other important actions included: the Outsourcing of the Computer Services Project for updating the staff's PCs; the Implementation of Management of Administrative Processes from Information Technologies, based on ITIL (Information Technology Infrastructure Library) Methodology; Email Migration; and the implementation of infrastructure for access codes and the Service Desk.

HUMAN RESOURCES

Bancomext has a model for comprehensive management of human capital, from entry to exit. In the entry stage, the model provides human resources with the necessary training for their incorporation. During their time in the Institution, the development of the necessary skills for fulfilling functions and responsibilities is promoted, with programs and benefits for improving quality of life. The model also implements schemes for performance-based remuneration and recognition. And lastly, in the exit stage, the model includes the implementation of programs for facilitating the process of leaving the Institution and starting a new life plan.



Some of the most important results obtained were the following:

- Training and Development
- A special training program on Credit Certification ended in December 2009. A total of 128 employees and officials from the Business Financing, Small Business Development and Credit Departments participated in and completed the program.
- During the last quarter of the year, the 2009 Course on Prevention of Money Laundering and Financing of Terrorism was offered in an E-Learning format. All Bancomext personnel were required to complete the course, and 100% of personnel obtained course accreditation.

ACCOUNTABILITY

In 2009, Bancomext continued the practice of developing Accountability Reports, implemented in accordance with the work plan. The Institution's various departments included their information for the year, making this report an important tool for addressing the needs for administrative information and elevating the quality of concrete information.

The Institutional Accountability process was implemented, and is currently in the ongoing improvement stage.

The objective of this process is to obtain timely, transparent and standardized information regarding the status of matters within the responsibilities of the Bank's administrative departments, and the status of the use and application of resources allocated for the performance of these functions. This process provides information for the Accountability Report and supports the generation of other reports.

Administrative Areas	**Administrative Departments and Units**	**Administrative Department**	**Institutional Liaisons**
Information presentation	Prepare	Reviews and Reports	Administer
• Institutional results	• Actions undertaken • Programs • Results • Projects pending or in process	• Validates • Provides coherence • Integrates • Cross-checks figures	• Validate • Provide follow-up • Assure compliance
• HR • MR • Computer • Financial information	• Administration of resources • Expenditures-Budgets • Human Resources • Material Resources • Systems	• Reports deviations • Actions to correct deviation	
• Adherence to normativity (OIC) • Internal Control	• Normative observations (OIC and others)		

RISK MANAGEMENT

Risk management makes it possible to assure that the Bank's financial activities are conducted at levels in accordance with its capital and its operational capacity. Bancomext has worked to develop internal models and methodologies that are adapted to its specific risk profile.

In accordance with the risk-related framework issued by the National Banking and Securities Commission (*Comisión Nacional Bancaria y de Valores*—CNBV), the Institution's Board of Directors authorizes the objectives, guidelines and policies for comprehensive risk management, global limits on risk exposure, and mechanisms for carrying out corrective actions.

The Risk Management Committee meets at least once a month. In addition to Bancomext officials, two independent experts and a Board member also participate in these meetings. The committee closely monitors the various risks to which the Institution is exposed, and reports regularly to the Board.

The Committee is supported by a specialized area (independent from business areas) that systematically identifies, measures, analyzes, monitors and proposes control policies for market, credit, liquidity and operational risks. In addition, it periodically distributes reports on risk exposure to the Chief Executive Officer, the committees concerned, the business areas and regulatory authorities.

REGULATORY FRAMEWORK

In accordance with the stipulations determined by regulatory entities, Bancomext has complied with standards for risk management in which the following provisions are especially worth noting:

- General provisions applicable to credit institutions, issued by the National Banking and Securities Commission (CNBV) and published by Mexico's Secretariat of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*) in the Official Gazette (*Diario Oficial de la Federación*) on December 2, 2005.
- Requirements for institutions interested in participating in markets authorized by the Central Bank (*Banco de México*) in Annex 17 of Circular 1/2006 on the 31 points for operations in derivatives markets.

- Regulations corresponding to capitalization requirements for multiple banking institutions and national credit organizations (development banking institutions), published by Mexico's Secretariat of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*) in the Official Gazette (*Diario Oficial de la Federación*) on November 23, 2007, and entering into effect on January 1, 2008.

TECHNOLOGICAL PLATFORM

In order to measure and control risks and to estimate the value of risk positions, the Institution has implemented risk measurement models and systems based on the following tools:

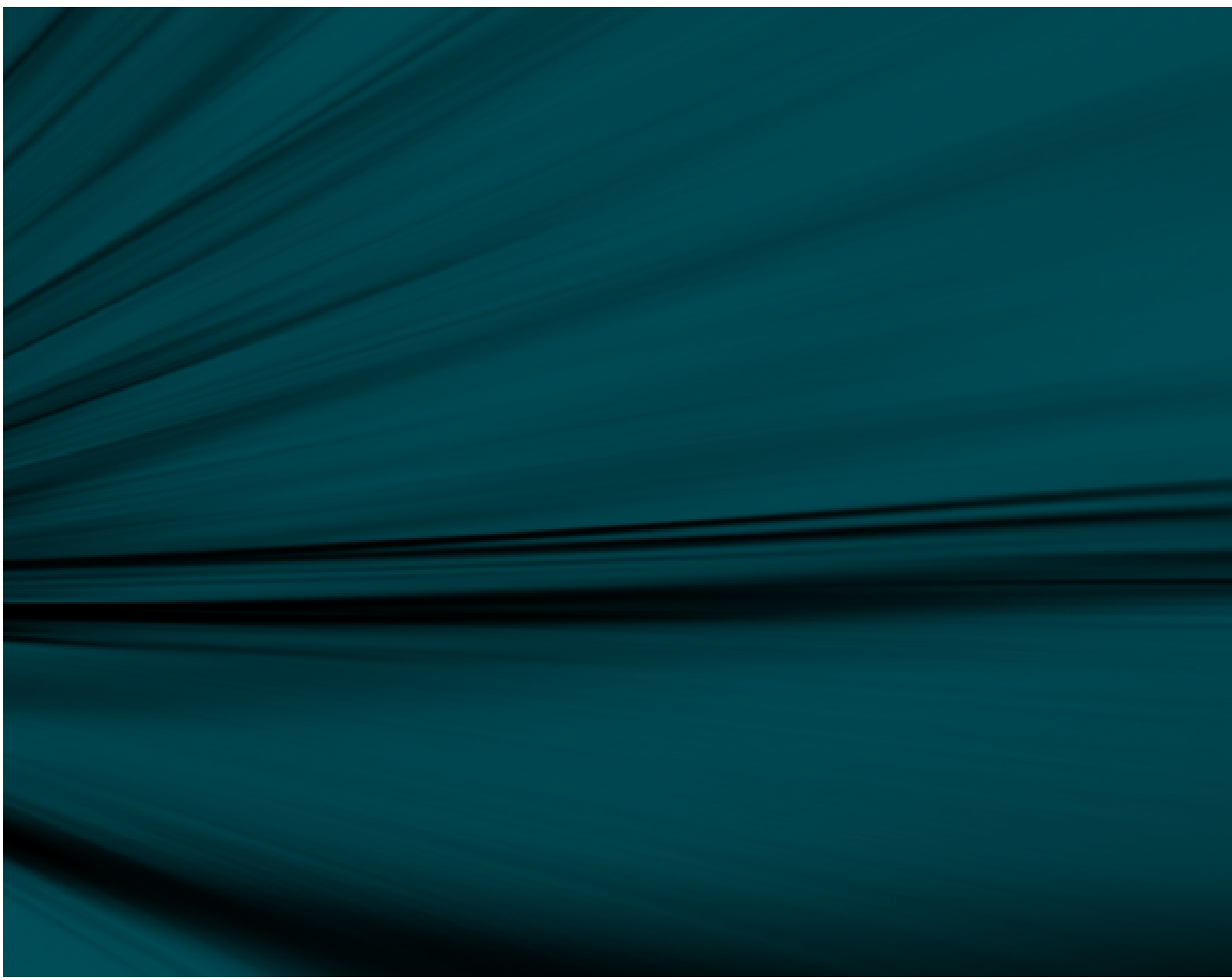
- Credit VaR System: used to construct migration matrices of probabilities, and to estimate expected losses and the value of the loan portfolio at risk. In addition credit risk limits are monitored, stress and performance tests are conducted, and various indicators of the loan portfolio's risk concentration, risk propensity and credit quality are calculated.
- Market VaR System: used for daily estimates of the value at risk (VaR) of the portfolios operated by the Treasury; for monitoring market risk limits; and for conducting sensitivity analyses, stress tests and performance tests.
- Assets and Liabilities Management System: used to measure the risk exposure of the financial margin, given variations in interest rates and foreign exchange rates; and to carry out sensitivity analyses and simulation exercises in response to changes in risk factors.
- Risk Diversification System: used to monitor and control concentration limits on credit risk applicable to a single person or a group of persons constituting a common risk for the Institution. Information is reported on a quarterly basis to the Risk Management Committee, the Board of Directors and the CNBV, and the main results are published in the notes added to the Financial Statements.
- Monitoring System for Derivatives Operations: used to monitor derivatives positions, credit limits utilization, and the business' capacity for growth, all on a daily basis.

In 2009 Bancomext made important advances in risk management, including the following:

- Renewal of the Central Bank's authorization for derivatives operations. The Central Bank (*Banco de México*) has authorized the Institution, for a period from April 1, 2009 to March 31, 2010, to act as an Intermediary in Recognized Markets and Over the Counter Operations on Swaps and Futures Transactions in relation to: a) foreign currencies, including local currency against foreign currency, and foreign currency against foreign currency; and b) nominal and real interest rates and spreads, including securities issued, backed or guaranteed by the Mexican government or by foreign governments, for which there is a market reference price or rate.

- Tactical and Strategic Capital Limits. In November 2009, derived from the Institution's capital movements, the Board of Directors and Risk Management Committee authorized new capital limits at strategic and tactical levels, determined on the basis of a capital management model originating in regulatory capital.
- Capital Ratio. The frequency of estimates of capitalization requirements related to the Institution's credit, market and operational risks was changed from weekly to daily. Information is provided in a report that includes the daily use of the strategic and tactical limits on capital due to credit and market risks. The operational risk requirement will be established at 36 months, thus at the end of 2009 61% had been established.
- Determination of Pricing for Credit and Guarantees Operations. Price estimates for financial intermediaries were included in the price estimates already calculated for all credit and guarantees operations conducted by the Institution. The prices calculated are the spread and guarantee premium, respectively, derived from the operation's credit risk.
- Non-discretionary Quantifiable Risks. In 2009, 11 critical processes were updated, together with 34 Business Continuity Plans and 28 General Contingency Plans. Tests were conducted for Business Continuity Plans, Operation Continuity Plans and Recovery Plans in the Case of Disasters, with satisfactory results. The In-house Operational Risk Methodology, which assesses the part of the Institution's critical processes characterized by operational risk, was applied in some sections of three processes, and technical reports on these processes are currently being prepared.
- Four indicators of technological risk were reported on a quarterly basis: 1) Security in Internet Access, with zero intrusions; 2) Detecting and Blocking Viruses in Internet, with zero impacts; 3) Detecting and Blocking Access to Restricted Web Sites, with zero impacts; and 4) Availability Level of Critical Services, without significant incidents that impact critical services. In addition a risk indicator is reported on an annual basis in connection with the Recovery of Critical Services under the Disaster Recovery Plan, with satisfactory compliance.

INTERNAL CONTROL ENTITY



AUDITS AND CONTROL REVISIONS

Bancomext's Internal Control Entity (*Órgano Interno de Control*—OIC) complied with its 2009 Annual Audits and Control Program (*Programa Anual de Auditoría y Control 2008*—PAAC). It focused on identifying opportunities for improving internal control and risk management, in order to reasonably assure achievement of the Institution's goals and objectives, selectively reviewing its operations, reviewing financial, accounting and budget information, assuring compliance with applicable standards, and safeguarding the Bank's resources.

The areas selected for auditing were: Acquisitions and General Services; Medical Service; Credit Supervision and Monitoring; Diverse Creditors; Training in the area of Money Laundering; Pensions; Other Products (SCADA-SCADI); Sale of Goods Obtained through Judicial Proceedings, Computer Systems in the Treasury Department; Productive Chains; Automatic and Securities Guarantees; Press Office; and three performance audits.

Intervention by the OIC in 2009 in relation to improving processes led to 10 reviews of the Institution's processes, including Productive Chains, Control Desk, Automatic and Securities Guarantees, Press Office, Goods Obtained through Judicial Proceedings, Risk Management Model, and Austerity Measures. These reviews led to agreements on 11 actions for improvement.

CONCLUSION

Recommendations were made to implement actions for improvement and address the observations made in audits and control revisions, prioritizing a focus on prevention in order to contribute to strengthening internal control and modernizing processes.

ASSESSMENT OF INSTITUTIONAL INTERNAL CONTROL, 2009

In accordance with the General Standards on Internal Control applicable to Federal Public Administration, the head of the Internal Control Entity (*Organo Interno de Control*—OIC) presented an evaluation on Institutional Internal Control functioning during 2008 to the Auditing Committee. Also, the review and validation of the Institutional Internal Control Evaluation was presented, based on evidence from the application of the Secretariat of Public Service surveys, corresponding to internal control functioning in Bancomext during 2008. In addition the internal control evaluation corresponding to the first half of 2009 was presented. It was concluded in the reports that the Bank is addressing the commitments assumed in an adequate manner, with the aim of strengthening the control environment.

INTERNAL REGULATORY IMPROVEMENT

The Internal Control Entity (OIC) actively promoted and participated in the modification and implementation of the Regulatory Improvement Committee (*Comité de Mejora Regulatoria*—Comeri) during 2008, in the terms established by the Secretariat of Public Service. It is a useful tool for the simplification, deregulation and regulatory improvement of normativity in Bank processes, with the aim of promoting effective, efficient operations. As well, during 2009, Bancomext continued to promote regulatory improvements, and was able to achieve the deregulation or merging of 479 manuals, representing a 73% advance in the review of current normativity.

SPECIAL PROGRAM FOR IMPROVEMENT IN MANAGEMENT

The Special Program for Improvement in Management (*Programa Especial de Mejora de la Gestión*—PMG) in Federal Public Administration is an instrument of the federal executive branch of government that is obligatory for Bancomext. The objective of this tool is to make improvements that will systematically transform the management of institutions within Federal Public Administration. This Program entered into effect in September 2007.

The Internal Control Entity participates as a facilitator and promoter of the program, to facilitate compliance with the Institution's strategic objectives in an efficient, effective, creative and transparent manner.

In the framework of this program, the Institution's Auditing Department for the Development and Improvement of Public Management (*Área de Auditoría para Desarrollo y Mejora de la Gestión Pública*—ADMGP) promoted and provided consultation for planning, development and compliance with actions, strategies and projects in the areas of comprehensive administrative development, modernization and improvement in institutional public management. During the period from January to December 2009, this department carried out integration activities focused on implementing the Comprehensive Program for Improvement in Management (*Programa Integral de Mejora de la Gestión*—PIMG) and monitoring activities for verifying progress and results in the actions to which Bancomext made a commitment in the PIMG:

This information made it possible to identify areas of opportunity with significant impact on the Institution's fundamental processes, in terms of modernization as well as improvement in management.

Bank officials in charge of this Special Program decided to use the diagnostic assessment conducted by the OIC as a starting point for developing this program at Bancomext.

The ADMGP also participated in forming teams for each system established for the Special Program, and actively participated in the process of negotiating and reaching agreements with the areas involved in improving commitments to take actions in this regard. It also participated in the comprehensive projects for improving management, and in the identification and definition of projects to be included in the Comprehensive Project for Management Improvement (*Proyecto Integral de Mejora de la Gestión*—PIMG).

ACQUISITION PROCESSES

During 2009 the Internal Control Entity participated in an advisory role in sessions of the Committee on Acquisitions, Leasing and Services, issuing recommendations and suggestions from a normative perspective when considered pertinent. It also reviewed public bidding processes, making the comments it deemed relevant in a timely manner to the General Services and Acquisitions Department. It also addressed contracting procedures, allowing it to exert prevention-oriented control in the area of acquisition of goods and services.

AUDITING COMMITTEE

During 2009 the OIC continued to provide logistical support and to participate in sessions held by the Auditing Committee, which constitutes one of the pillars of the Institutional Corporate Governance Structure. It is part of the international best practices in the area of internal control that contribute toward safeguarding assets and fulfilling the Institution's mission and objectives, while managing financial information and internal control.

SERVICES TO THE PUBLIC, RESPONSIBILITIES AND COMPLAINTS

During this period, the Internal Control Entity initiated 26 administrative procedures regarding responsibilities, as well as 29 complaints and denouncements presented against public servants. It also obtained firm decisions corresponding to dispute measures, derived from administrative resolutions issued, in which the validity of the disputed resolutions was acknowledged.

The OIC addressed 54 administrative notices related to public servants assuming or discontinuing functions or responsibilities, and provided consultation for presenting a declaration of modifications in assets.

In relation to obligations in the terms of the Federal Law on Transparency and Access to Government Public Information (*Ley Federal Transparencia y Acceso a la Información Pública Gubernamental*), 30 requests for information were addressed. Also, Bancomext fulfilled obligations with respect to its reserved files and web site on Obligations regarding Transparency.

FINANCIAL SITUATION

RESULTS

For a better understanding of the figures provided in the financial statements, the main results are presented here:

Net Profits

As of December 31, 2009, the Bank's net profits totaled 514.8 million Pesos, indicating positive results amounting to 2,416.8 million Pesos in relation to the final results from 2008.

Markets and Treasury

At the end of December 2009, Bancomext reported 834.7 million Pesos in revenue. This figure is 125.5% or 464.5 million Pesos higher than the amount reported in December of the previous year. This variation is associated with Treasury profits amounting to 267.7 million Pesos and an increase in revenue in the national Money Desk amounting to 190.3 million Pesos, resulting from the Bank's position in terms of Government securities, whose spread has been very sensitive to market shifts.

Credit

A total of 1,384.4 million Pesos in revenue generated in the following manner: 860.1 million from the Private Sector, 262.5 million Pesos from the Public Sector, 258.1 million Pesos from net loan commissions, 249.6 million Pesos in Extraordinary Revenue, and 3.7 million Pesos from interest, overdue loan portfolio and valuation.

The results achieved in relation to those from the previous year represent an increase of 917.8 million Pesos. This is due to greater assistance provided to businesses and the implementation of the Emergency Program of Anti-cyclical Measures.

Operation Expenditures

These expenditures for 2009 reached a total of 1,343 million Pesos, representing a 14.3% reduction, or 225 million Pesos, in relation to the amount reported at the end of December 2008. This reduction can be explained primarily by: the process of removing Exporter Development Activity that was transferred to the ProMéxico trust fund; the Reengineering Program implemented by the Institution during 2009; and the application of austerity measures dictated by the Secretariat of Finance and Public Credit (*Secretaría de Hacienda y Crédito Público*—SHCP).

Allowance for Loan Risks

In the amount of 861.6 million Pesos, for establishing legal risk and credit reserves.

Other Net Revenue (Expenditures)

The amount of 90.1 million Pesos for 2009, in comparison to the amount for 2008, indicates a decrease of 4,933.5 million Pesos. This can be explained primarily by the 4,770 million Pesos in revenue from the sale of securities and transfer of loans corresponding to two companies located in Chile, 102.9 million Pesos from the restructuring of a debt to a foreign financial entity, and from the reimbursement of expenditures for promotional activity that were transferred to the Proméxico trust fund.

GENERAL BALANCE

ASSETS

The Institution's total assets increased to 121,315 million Pesos, an amount that is 31,939 million Pesos higher than the figure reported at the end of 2008. The main variations can be found in the Investment in Securities line item, which reached a total of 48,629 million Pesos, or 30,711 million Pesos higher than the amount reported in December 2008. This was primarily a result of an increase of 31,063 million Pesos in Trading Securities.

The Institution's own portfolio amounted to 45,277 million Pesos at the end of December 2009. If 11,235 million Pesos in Securities Guarantees, Guarantees, Letters of Credit and Induced Financing are included, total financing amounts to 56,512 million Pesos, which is 3,191 million Pesos less than the figure reported at the end of 2008.

The current portfolio amounts to 4,194 million Pesos less than the final figure for 2008. There was an increase of 619 million Pesos in assistance provided through Securities Guarantees, Guarantees, Letters of Credit and Induced Financing.

At the end of December 2009, the Institution's reserves were 2.0 times greater than its overdue portfolio, signifying 1.5 percentage points less than the figure reported at the end of the previous year.

LIABILITIES

The Institution's liabilities amounted to 113,956 million Pesos at the end of 2009, exceeding the amount for the previous year by 31,247 million Pesos. This is in line with the increase of 31,939 million Pesos in assets. The liabilities consist of the following:

Payables Under Repurchase Agreements
Due to the new accounting regulations, the amount payable in repurchase sales operations is presented under Liabilities, in the amount of 33,240 million Pesos.

Internal Debt and External Debt

Internal Debt increased by 3,384 million Pesos derived mainly from loans contracted with the Central Bank for 600 million US Dollars, and inter-bank loans contracted with Multiple Banking (*Banca Múltiple*) for 2,500 million Pesos. Partial compensation for the latter was obtained through the liquidation of Promissory Notes with Interest Paid at Maturity (*Pagarés con Rendimiento Liquidable al Vencimiento*—PRLV), amounting to 3,849 million Pesos, and fixed-term and diverse deposits, amounting to 1,438 million Pesos. The External Debt increased by 10 million Pesos during 2009. Especially worth mentioning is the payment of the Bond for an amount of 400 million US Dollars which matured in January 2009, and 1,115 million US dollars in external debt contracted during the year.

STOCKHOLDERS' EQUITY

Stockholders' Equity. In comparison with December 2008, there was an increase of 691 million Pesos in stockholders' equity, derived primarily from profits of 515 million pesos during 2009. Also, better results were observed at the end of December 2009 in the valuation of available-for-sale securities (primarily UMS), at 174 million Pesos, with the depreciation in this line item decreasing from minus 197 million Pesos to minus 23 million Pesos.

PROGRAMMABLE EXPENDITURES

The modified 2009 budget for programmable expenditures authorized by the Secretariat of Finance and Public Credit amounted to 865 million Pesos.

2009 Budget

Item	Millons of Pesos
Current Expenditures	859
Physical Investment	6
Total Programmable Expenditures	**865**

During 2009 Bancomext used 811 million Pesos, or 94% of the funds authorized, signifying savings of 54 million Pesos.

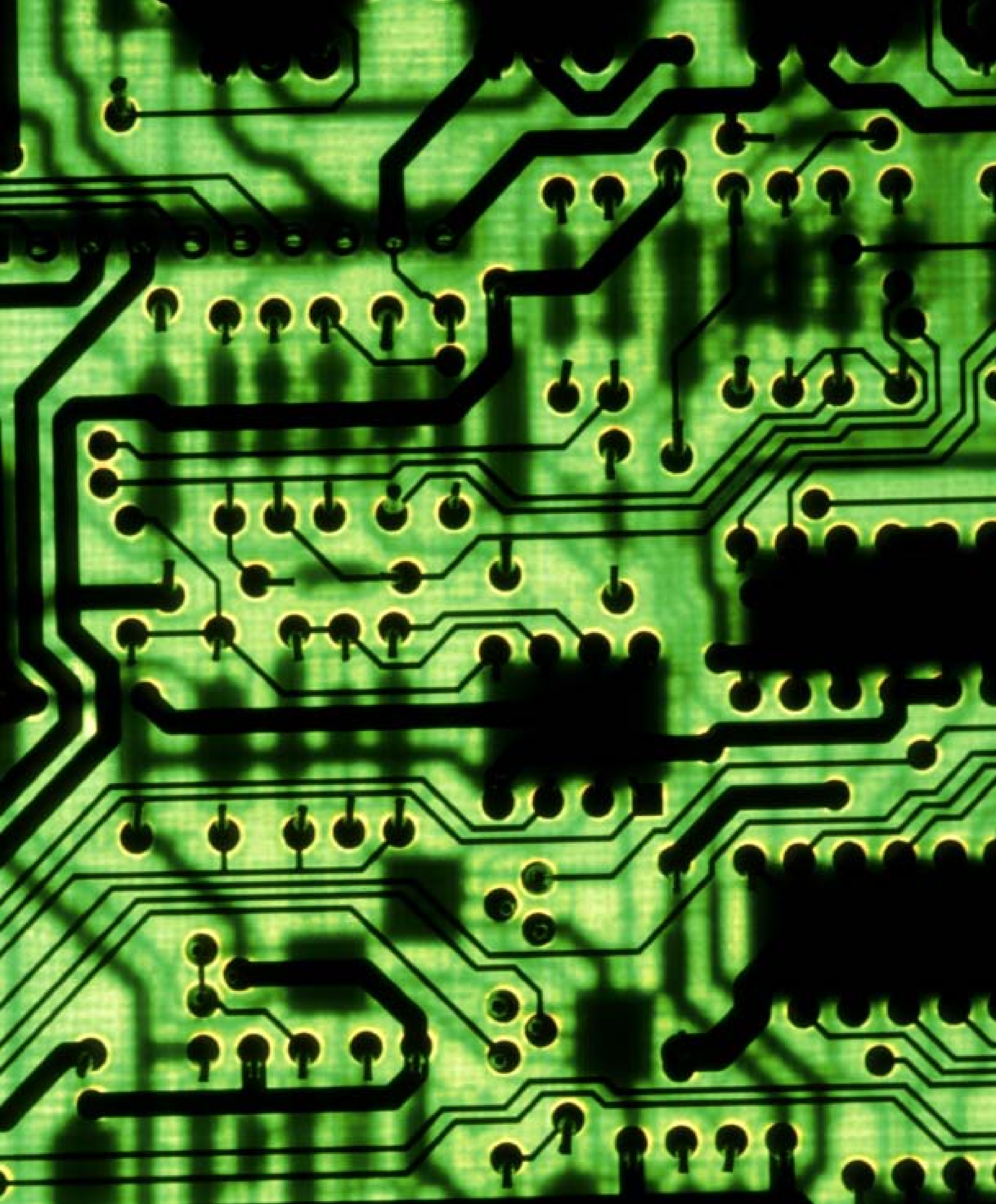
During the year, Bancomext implemented the following actions to optimize expenditures, with the aim of making more efficient use of budgetary funds, and in this way supporting the Institution's sustainability.

The 2009 Reengineering Program was implemented using the Institution's own funds, and involved reducing the number of job positions by 94, specifically 83 in 2009 and 11 scheduled for 2010. This signified a 14.6% reduction in the previous 642-person staff.

- The Bank continued to contract services under the pluri-annual modality, resulting in various benefits, especially savings in prices and optimization of timelines in the departments participating in contracting processes.
- The Bank also continued its efforts to optimize physical spaces in the buildings belonging to or rented by the Institution, in line with current needs. The objective is to reduce maintenance costs and rent payments. The Property Reduction Program was also initiated, for the purpose of reducing the amount of items that are obsolete, unusable or no longer useful for the purpose for which they were purchased.

- In the systems area, an ongoing strategy is to modernize the technological platform using the outsourcing scheme instead of acquiring goods through investments. In addition to reducing costs, this strategy complies with the Guidelines for Austerity and Discipline in Spending, published in the Official Gazette (DOF) on December 29, 2006.
- Physical investment was once again subjected to cost-benefit criteria.

The actions listed above contributed positively to budget expenditures. At the end of the year, 461 million Pesos had been saved, in relation to the original spending authorized for 1,273 million Pesos. And total spending for the year was 291 million Pesos lower than the 1,102 million Pesos used in 2008. It is thus evident that these actions clearly contribute to the Institution's sustainability, through the rational, selective use of available budgetary funds.



BANCOMEXT DIRECTORIES

BANCOMEXT BOARD OF DIRECTORS
Board Members, Series "A"

Members	Deputy Members
Ernesto Javier Cordero Arroyo Secretary of Finance and Public Credit and Chairman of the Board	**Rafael Gamboa González** Head of the Development Banking Unit Secretariat of Finance and Public Credit
Gerardo Ruiz Mateos Secretary of Economy	**Felipe Duarte Olvera** Deputy Secretary of Competitiveness and Normativity Secretariat of Economy
Francisco Javier Mayorga Castañeda Secretary of Agriculture	**Pedro Adalberto González Hernández** Deputy Secretary for Agribusiness Development Secretariat of Agriculture
Patricia Espinosa Cantellano Secretary of Foreign Affairs	**Rogelio Granguillhome Morfín** Head of the Economic Relations and International Cooperation Unit, Secretariat of Foreign Affairs
Georgina Kessel Martínez Secretary of Energy	**César Baldomero Sotelo Salgado** General Director of Propane Gas Secretariat of Energy
Alejandro Mariano Werner Wainfeld Deputy Secretary of Finance and Public Credit Secretariat of Finance and Public Credit	**Gerardo Rodríguez Regordosa** Head of the Public Credit Unit Secretariat of Finance and Public Credit
Dionisio Arturo Pérez-Jácome Friscione Deputy Secretary of Expenditures Secretariat of Finance and Public Credit	**Carlos Alberto Treviño Medina** General Director for Budget and Programming "B" Secretariat of Finance and Public Credit
Beatriz Eugenia Leycegui Gardoqui Deputy Secretary of Foreign Trade Secretariat of Economy	**Gustavo Meléndez Arreola** General Director of Entrepreneurial Promotion Secretariat of Economy
Guillermo Ortiz Martínez Governor of Central Bank (Banco de México)	**José Gerardo Quijano León** General Director of Financial System Analysis Central Bank (Banco de México)

Board Members, Series "B"

Members	Deputy Members
Armando Paredes-Arroyo Loza Chairman, Consejo Coordinador Empresarial (CCE)	**Claudio X. González Laporte** Chairman, Consejo Mexicano de Hombres de Negocios (CMHN)
Valentín Diez Morodo Chairman, Consejo Empresarial Mexicano de Comercio Exterior, Inversión y Tecnología (COMCE)	**Juan Carlos Cortés García** Chairman, Consejo Nacional Agropecuario (CNA)
Salomón Presburger Slovik Chairman, Confederación de Cámaras Industriales de los Estados Unidos Mexicanos (CONCAMIN)	**Ignacio Deschamps González** Chairman, Asociación de Bancos de México
Miguel Marón Manzur National Chairman, Cámara Nacional de la Industria de Transformación (CANACINTRA)	**Juan Gilberto Marín Quintero** Chairman of the Board, Grupo P.I. Mabe

Independent Members, Series "B"

There are only Regular (not Deputy) Independent Members	
Alberto Felipe Mulás Alonso General Director, Cresce Consultores, S.C.	**José María Basagoiti Caicoya** General Director, Basagoiti y Asociados Consultores

Commissioners

Members	Deputy Members
Series "A"	
To be Designated Public Commissioner and Delegate of Finance Sector Secretariat of Public Service	**José Carlos Bustos Nuche** Deputy Public Commissioner of Finance Sector Secretariat of Public Service
Series "B"	
Carlos Aguilar Villalobos General Director, Despacho Aguilar Villalobos y y Asociados, S.C.	**Roberto Mateos Cándano** Despacho Jurídico Gómez, Mateos, Flores y Asociados

Technical Secretariat for Board of Directors

Secretary	Prosecretary
Lázaro Jiménez García	**María Elsa Ramírez Martínez**

MAIN OFFICERS

Héctor Alejandro Rangel Domene
Chief Executive Officer

Ing. Pedro A. Argüelles Rodríguez Moncada
Deputy General Director
Credit

Lic. Víctor Manuel Carrillo Ramos
Deputy General Director
Legal and Fiduciary

Act. Antonio Castaño Leal
Deputy General Director
Financing

C.P. Anthony MarcCarthy Sandland
Deputy General Director
Business Financing

Lic. María del Carmen Arreola Steger
Deputy General Director
Finances

C.P. José Antonio Padilla Aguilar
Deputy General Director
Administration
(beginning January 1, 2010)

Lic. Rolando S. Vázquez Castellanos
Deputy General Director
Small Business Development

C.P. Sergio S. Cancino y León
Head of Internal Control Entity

BANCOMEXT OFFICES IN MEXICO

REGION	STATES COVERED	TELEPHONE	FAX
CENTRAL **MEXICO CITY** Periférico Sur No. 4333, 3er. Piso Poniente Col. Jardines en la Montaña 14210 México, D.F. D.R. Lic. Luis Gabriel Martínez Márquez lmartinm@ bancomext.gob.mx	Mexico City State of Mexico Guerrero Morelos Hidalgo Querétaro Puebla	**(01-55)** 54-49-90-00 54-49-90-66	54-49-94-85
NORTHEASTERN **MONTERREY** Av. Gómez Morín # 320, Condominio AON 4° piso, local 402 64010 Monterrey, N. L. D.E.R. Lic. Jorge Arturo Tovar Castro jatovar@bancomext.gob.mx	Nuevo León Coahuila Chihuahua Durango Tamaulipas	**(01-81)** 83-69-21-10	83-69-21-66 y 55
WESTERN **GUADALAJARA** Blvd. Puerta de Hierro 5090-5, Fracc. Puerta de Hierro, 45110 Zapopan, Jal. D.R. Lic. Ramiro Ayala Flores rayalaf@bancomext.gob.mx	Jalisco Nayarit Guanajuato Colima San Luis Potosí Michoacán Zacatecas Aguascalientes Sinaloa Sonora Baja California Baja California Sur	**(01 - 33)** 36-48-27-00 36-48-27-61 36-48-27-46	36-48-27-16 36-48-27-14
SOUTHERN **MÉRIDA** Calle 17 X 28 No. 135 Col. México 97125 Mérida, Yuc. D.R. Lic. Griselda Chiang Sam Garcia gchiang@bancomext.gob.mx	Yucatán Quintana Roo Tabasco Tlaxcala Campeche Oaxaca Veracruz Chiapas	**(01 - 999)** 927-00-74 Con 4 líneas	927-69-55

2009 REVIEWED FINANCIAL STATEMENTS

BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C.
Development Banking Institution and Subdiaries

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31st, 2009 AND 2008

BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C.
Development Banking Institution and Subdiaries

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To the Ministry of Civil Service

To the Board of Directors of Banco Nacional de Comercio Exterior, S.N.C. Institución de Banca de Desarrollo

1. We have audited the consolidated balance sheets of Banco Nacional de Comercio Exterior, S.N.C., Institucion de Banca de Desarrollo (Development Banking Institution) and its Subsidiaries at December 31st, 2009 and 2008, and the consolidated statements of income and changes in consolidated stockholders equity for the years then ended, as well as the statements of consolidated cash flows and changes in consolidated financial position for the years ended at December 31st, 2009 and 2008, respectively. These financial statements are the responsibility of the Institution's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audits in accordance with generally accepted auditing standards in Mexico. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, and prepared in accordance with the grouping rules and accounting practices issued for Credit Institutions by the National Banking and Securities Commission (CNBV, Comisión Nacional Bancaria y de Valores). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting rules and practices used and significant estimates made by the Institution's Management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

3. As explained in Note 2, the accompanying financial statements are prepared based on accounting criteria for Credit Institutions issued by the National Banking and Securities Commission, which set forth the valuation, recording, and presentation rules for specific line items of the financial statements. The same note sets forth the main differences between the criteria discussed and Financial Reporting Standards (NIF's, Normas de Información Financiera).

4. On February 23th, 2009, we issued our qualified opinion on the financial statements of the Institution as of December 31st, 2008, since the Institution's Management recognized the amount of $2 billion 287 million in prior year income, applicable to past services considering that they are associated with the contribution made by the Federal Government in 2006. However, in accordance with the procedure set forth in Financial Reporting Standard NIF D-3 "Employee benefits", effective January 1st, 2008, those benefits should be amortized in a period not exceeding five years or they should be recognized directly in income for the year. This situation has no impact on financial reporting for fiscal 2009.

5. In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Banco Nacional de Comercio Exterior, S.N.C., Institucion de Banca de Desarrollo (Development Banking Institution) and its Subsidiaries as of December 31st, 2009, the consolidated results of its operations, consolidated changes in stockholders' equity, as well as the consolidated cash flows for the year then ended. In connection with fiscal 2008, in our opinion, except as discussed in paragraph 4 above, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Banco Nacional de Comercio Exterior, S.N.C., Institucion de Banca de Desarrollo (Development Banking Institution) and its Subsidiaries as of December 31st, 2008, the consolidated results of its operations, consolidated changes in stockholders' equity, and changes in consolidated financial position for the year ended, in conformity with the accounting bases discussed above.

Prieto, Ruiz de Velasco y Cía., S. C.

Ignacio Pineda Luna, CPA
Partner

February 17, 2010.
Mexico City, Mexico

BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C.
INSTITUCIÓN DE BANCA DE DESARROLLO

CONSOLIDATED BALANCE SHEETS OF THE INSTITUTION AND ITS SUBSIDIARIES AS OF DECEMBER 31st, 2009 AND 2008
(Amounts stated in millions of pesos)

ASSETS	2009	2008
LIQUID ASSETS (Note 6)	$ 25,730	$ 20,534
INVESTMENTS IN SECURITIES		
Trading securities (Note 7.1)	41,670	29,095
Available-for-sale securities (Note 7.2)	1,537	1,667
Held-to-maturity securities (Note 7.3)	5,422	5,645
	48,629	36,407
RECEIVABLES UNDER REPURCHASE TRANSACTIONS (Note 8)	-	10,591
	-	10,591
CURRENT LOAN PORTFOLIO (Note 9)		
Commercial credits		
Business or commercial activity	26,805	26,393
Financial entities	5,507	7,420
Governmental entities	11,521	14,209
Consumer lending	26	32
Housing lending	203	203
TOTAL CURRENT LOAN PORTFOLIO	44,062	48,257
NONPERFORMING LOAN PORTFOLIO (Note 9)		
Commercial credits		
Business or commercial activity	1,198	786
Consumer lending	8	16
Housing lending	9	28
TOTAL NONPERFORMING LOAN PORTFOLIO	1,215	830
LOAN PORTFOLIO	45,277	49,087
(-) Less		
ALLOWANCE FOR CREDIT RISKS (Note 9.11)	-2,703	-2,919
LOAN PORTFOLIO (NET)	42,574	46,168
OTHER RECEIVABLES (NET) (Note 13)	2,836	3,186
REPOSSESSED ASSETS (NET) (Note 10)	4	32
PROPERTY, FURNITURE AND EQUIPMENT (NET) (Note 11)	554	589
PERMANENT STOCK INVESTMENTS (Note 12)	372	330
DEFERRED TAXES AND EMPLOYEE PROFIT SHARING (NET) (Note 17.2)	12	12
OTHER ASSETS		
Deferred charges, prepaid expenses and intangibles	1	9
Other short / long term assets	504	488
TOTAL ASSETS	$ 121,216	$ 118,346

LIABILITIES AND CAPITAL	2009	2008
TRADITIONAL DEPOSITS		
Demand deposits	$ 2	$ 5,031
Time deposits (Note 14)		
Money market	37,831	33,503
Negotiable instruments issued (Note 15)	4,019	9,647
	41,852	48,181
INTERBANK AND OTHERS ENTITIES LOANS (Note 16)		
Immediately due and payable	843	1,029
Short-term	26,967	13,217
Long-term	5,871	6,601
	33,681	20,847
PAYABLES UNDER REPURCHASE TRANSACTIONS (Note 8)	33,129	28,991
DERIVATIVES		
Hedging derivatives (Note 19)	2,327	8,872
	35,456	37,863
OTHER PAYABLES		
Income Tax payable	5	0
Employee profit sharing payable	18	93
Creditors for operations settlement	186	11
Sundry creditors and other payables	2,346	4,387
	2,555	4,491
DEFERRED CREDITS AND ACCELERATED COLLECTIONS	313	297
TOTAL LIABILITIES	113,857	111,679
STOCKHOLDERS' EQUITY (Note 20)		
PAID-IN CAPITAL		
Capital stock	14,959	4,844
Contributions for future capital increases agreed upon with its Government Agency	-	10,115
Paid stock premium	81	81
	15,040	15,040
CAPITAL GAINS		
Capital reserves	141	141
Prior year losses	-8,290	-6,390
Result from valuation of available-for-sale securities	-22	-197
Result from holding of nonmonetary assets	-25	-25
Net income (loss)	515	-1,902
	-7,681	-8,373
TOTAL STOCKHOLDERS' EQUITY	7,359	6,667
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 121,216	$ 118,346

MEMORANDUM ACCOUNTS	2009	2008
Guarantees granted (Note 23)	$ 2,411	$ 3,265
Contingent assets and liabilities	3,911	3,229
Credit commitment (Note 22)	1,878	798
Assets placed in trust or legal custody (Note 24)		
Trusts	46,549	39,074
Mandates	6,603	5,606
Federal Government Financial Agent	309	-
Property in custody or administration (Note 25)	167,178	96,893
Collateral received by the entity (Note 8)	9,836	45,479
Collateral received and sold or delivered in guarantee (Note 8)	9,836	34,917
Uncollected interest accrued on nonperforming loan portfolio	820	1,184
Loan portfolio rating	49,633	52,719
Other recorded accounts	187,135	162,987

These consolidated balance sheets were prepared in conformity with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, in accordance with the provisions of Articles 99, 101, and 102 of the Law of Credit Institutions. These criteria, whose observance is general and mandatory, were applied on a consistent basis. The transactions conducted by the Institution are reflected in the balance sheets at the dates referred above and were performed and valued in accordance with healty banking practices and the pertinent legal and administrative provisions.

These consolidated balance sheets were approved by the Board of Directors, under the responsibility of the Directors who sign it.

The amount of historical subscribed capital stock at the date of these financial statements amounts to $ 14,009 million.

The Capitalization Ration on assets subject to credit risk is 18.96% and 14.44% on assets subject to total risk as of December 2009. At December 31st, 2008, the Capitalization Ration over assets exposed to credit risks was 17.2% and 14% on assets exposed to credit and market risks. Those Capitalization Ration were validated by the Central Bank of Mexico.

The web site of the worldwide network known as Internet of Banco Nacional de Comercio Exterior, S.N.C., where the information relative to these financial statements is found at:
http://www.bancomext.com/Bancomext/portal/portal.jsp?parent=6&category=3598&document=3445. The web page of the National Banking and Securities Commission where the financial information of Bancomext can be consulted is: http://www.cnbv.gob.mx/seccion.asp?sec_id=777&com_id=2

The Head of the Internal Audit Area signs these financial statements, based on the results of the audits performed to date, which have permitted that the sufficiency of the process of generating the financial information established by the Institution's Management be substantiated, as well as its capacity to generate reliable information covered by the same audits.

The accompanying explanatory notes are an integral part of these financial statements.

Ing. Hector A. Rangel Domene
General Director

Lic. María del Carmen Arreola Steger
Assistant General Director of Finance

C.P. Martha Martínez Quiroz
Finance Director

L.C. Angela Ma. Montesinos San Martín
Accounting Manager

C.P. Horacio Manuel Díaz Mercado Cuellero
Head of the Internal Audit Area

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Exhibit "B"

BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C.
INSTITUCIÓN DE BANCA DE DESARROLLO

CONSOLIDATED INCOME STATEMENTS OF THE INSTITUTION AND ITS SUBSIDIARIES
FOR THE YEARS ENDED DECEMBER 31st, 2009 AND 2008
(Amounts stated in millions of pesos)

	2009	2008
Interest earned	$ 7,531	$ 10,589
Interest expenses	-5,760	-9,856
FINANCIAL MARGIN (Note 21.1)	1,771	733
Allowance for loan risks	-309	-2,250
FINANCIAL MARGIN ADJUSTED FOR LOAN RISKS	1,462	-1,517
Commissions and fees earned	427	275
Commissions and fees paid	-123	-123
Trading income (Note 21.2)	15	194
Other operating income (expenditures) (Note 21.4)	304	4,494
	623	4,840
TOTAL OPERATING INCOME (EXPENSES)	2,085	3,323
Administrative and promotional expenses	-1,207	-1,540
OPERATING INCOME (LOSS)	878	1,783
Other proceeds (Note 21.3)	193	1,576
Other expenses (Note 21.3)	-559	-4,775
	-366	-3,199
INCOME (LOSS) BEFORE INCOME TAX	512	-1,416
Current Income Tax (Note 17)	-7	-490
Income Tax Deferred (Net) (Note 17)	-	-2
	-7	-492
INCOME (LOSS) BEFORE EQUITY UN UNCONSOLIDATED SUBSIDIARIES AND ASSOCIATES	505	-1,908
Equity in earnings of unconsolidated subsidiaries and associates	10	6
INCOME (LOSS) BEFORE DISCONTINUED OPERATIONS	515	-1,902
Discontinued operations	-	-
NET INCOME (LOSS)	$ 515	$ -1,902

These consolidated income statements were prepared in conformity with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, in accordance with the provisions of Articles 99,101, and 102 of the Law of Credit Institutions. These criteria, whose observance is general and mandatory, were applied on a consistent basis. All income and expenses derived from the transactions conducted by the Institution are reflected during the periods referred above and were performed and valued in accordance with healthy banking practices and the pertinent legal and administrative provisions.

These cosolidated income statements were approved by the Board of Directors, under the responsibility of the Directors who sign them.

The web site of the worldwide network known as Internet of Banco Nacional de Comercio Exterior, S.N.C., where the information relative to these financial statements is found at: http://www.bancomext.com/Bancomext/portal/portal.jsp?parent=6&category=3598&document=3445. The web page of the National Banking and Securities Commission where the financial information of Bancomext can be consulted is http://www.cnbv.gob.mx/seccion.asp?sec_id=777&com_id=2.

The Head of the Internal Audit Area signs these financial statements, based on the results of the audits performed to date, which have permitted that the sufficiency of the process of generating the financial information established by the Institution's Management be substantiated, as well as its capacity to generate reliable information covered by the same audits.

The accompanying explanatory notes are an integral part of these financial statements.

Ing. Héctor A. Rangel Domene
General Director

Lic. María del Carmen Arreola Steger
Assistant General Director of Finance

C.P. Martha Martínez Quiroz
Finance Director

L.C. Ángela Ma. Montesinos San Martín
Accounting Manager

C.P. Horacio Manuel Díaz Mercado Queijeiro
Head of the Internal Audit Area

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Exhibit "C"

BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C.
INSTITUCIÓN DE BANCA DE DESARROLLO

CONSOLIDATED STATEMENTS ON CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEARS ENDED DECEMBER 31st, 2009 AND 2008
(Amounts stated in millions of pesos)

	PAID-IN CAPITAL			CAPITAL GAINS					
	Capital Stock	Contributions for future capital increases agreed upon with its Government Agency	Paid stock premium	Capital Reserves	Prior year income (loss)	Result for valuation of available-for-sale securities	Result for possession of nonmonetary assets	Net income (loss)	Total Stock-holders' Equity
Balances as of December 31st, 2007	$ 4,844	$ 6,115	$ 81	$ 141	$ -2,302	$ -382	$ 39	$ 126	$ 8,662
CHANGES INHERENT TO RESOLUTIONS OF THE STOCKHOLDERS									
Contributions for future capital increases	-	4,000	-	-	-	-	-	-	4,000
Capitalization of income	-	-	-	-	126	-	-	-126	-
Total	-	4,000	-	-	126	-	-	-126	4,000
CHANGES INHERENT TO THE RECOGNITION OF COMPREHENSIVE INCOME									
Comprehensive Income:									
Net Income (loss)	-	-	-	-	-	-20	-	-1,902	-1,922
Result from valuation of available-for-sale securities	-	-	-	-	-	205	-	-	205
Result from holding of nonmonetary assets	-	-	-	-	64	-	-64	-	-
Provision for labor obligations at retirement	-	-	-	-	-2,287	-	-	-	-2,287
Provision for the financial cost for credits and guaranteed returns	-	-	-	-	-1,991	-	-	-	-1,991
Total	-	-	-	-	-4,214	185	-64	- 1,902	-5,995
Balances as of December 31st, 2008	$ 4,844	$ 10,115	$ 81	$ 141	$ -6,390	$ -197	$ -25	$ -1,902	$ 6,667
CHANGES INHERENT TO RESOLUTIONS OF THE STOCKHOLDERS									
Contributions for future capital increases	10,115	-10,115	-	-	-	-	-	-	-
Capitalization of income	-	-	-	-	-1,902	-	-	1,902	-
Total	10,115	- 10,115	-	-	- 1,902	-	-	1,902	-
CHANGES INHERENT TO THE RECOGNITION OF COMPREHENSIVE INCOME									
Comprehensive Income:									
Net income (loss):	-	-	-	-	2	32	-	515	549
Result from valuation of available-for-sale securities	-	-	-	-	-	143	-	-	143
Total	-	-	-	-	2	175	-	515	692
Balances as of December 31st, 2009	$ 14,959	$ -	$ 81	$ 141	$ -8,290	$ -22	$ -25	$ 515	$ 7,359

These consolidated statements of changes in stockholders' equity were prepared in conformity with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, in accordance with the provisions of Articles 99,101, and 102 of the Law of Credit Intitutions. Those criteria, whose observance is general and mandatory, were applied on a consistent basis. The changes in stockholders' equity accounts derived from the transactions conducted by the Institution are reflected during the periods referred above and were performed and valued in accordance with healthy banking practices and the pertinent legal and administrative provisions.

These consolidated statements of changes in stockholders' equity were approved by the Board of Directors, under the responsibility of the Directors who sign it.

The web site of the worldwide network known as Internet of Banco Nacional de Comercio Exterior, S.N.C., where the information relative to these financial statements is found at: http://www.bancomext.com/Bancomext/portal/portal.jsp?parent=6&category=3598&document=3445.
The web page of the National Banking and Securities Commission where the financial information of Bancomext can be consulted is http://www.cnbv.gob.mx/seccion.asp?sec_id=777&com_id=2.

The Head of the Internal Audit Area signs these financial statements, based on the results of the audits performed to date, which have permitted that the sufficiency of the process of generating the financial information established by the Institution's Management be substantiated, as well as its capacity to generate reliable information covered by the same audits.

The accompanying explanatory notes are an integral part of these financial statements.

Ing. Héctor A. Rangel Domene	Lic. María del Carmen Arreola Steger	C.P. Martha Martínez Quiroz	L.C.Angela Ma. Montesinos San Martín	C.P.Horacio Manuel Díaz Mercado Queijeiro
General Director	Assistant General Director of Finance	Finance Director	Accounting Manager	Head of the Internal Audit Area

Exhibit "D"

BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C.
INSTITUCIÓN DE BANCA DE DESARROLLO

CONSOLIDATED STATEMENT OF CASH FLOWS OF THE INSTITUTION AND ITS SUBSIDIARIES
FROM JANUARY 1st TO DECEMBER 31st, 2009
(Amounts stated in millions of pesos)

		2009
Net income	$	515
Adjustments on items that do not imply cash flow		
Allowance for loan risks		309
Depreciation and Amortization		33
Provisions		574
Income Taxes Current and Deferred		7
Equity in earnings of unconsolidated subsidiaries and associates		-10
		913
Operating activities		
Change in investments in securities		-12,015
Change in receivables under repurchase transactions		740
Changes in derivatives (assets)		8,603
Change in loan portfolio		3,285
Change in repossessed assets		22
Change in other operating assets		-2,464
Change in traditional deposits		-6,329
Change in interbank loans and from other entities		12,933
Change in payables under repurchase transactions		4,074
Change in collateral sold or pledged		9,850
Changes in derivatives (liabilities)		-15,147
Change in other operating liabilities		313
Net cash flows from operating activities.		3,765
Investing activities		
Collections on disposals of real property, furniture and equipment		3
Net cash flows from investing activities.		3
Net increase or decrease in cash		5,196
Cash and cash equivalents at beginning of period		20,534
Cash and cash equivalents at end of period	$	25,730

This statement of cash flows was prepared in conformity with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, in accordance with the provisions of Articles 99,101, and 102 of the Law of Credit Institution. Those criteria, whose observance is general and mandatory, were applied on a consistent basis. All cash receipts and cash disbursements derived from the transactions performed by the Institution are reflected up to the dates referred to above and were performed and valued in accordance with healthy banking practices and the pertinent legal and administrative provisions.

This statement of cash flows was approved by the Board of Directors, under the responsibility of the Directors who sing them.

The website of the worldwide network known as Internet of Banco Nacional de Comercio Exterior, S.N.C., where the information relative to this statement is found at:
http://www.bancomext.com/Bancomext/portal/portal.jsp?parent=6&category=3598&document= 3445.
The web page of the National Banking and Securities Commission where the financial information of Bancomext can be consulted is
http://www.cnbv.gob.mx/seccion.asp?sec_id=777&com_id=2

The Head of the Internal Audit Area signs this financial statement, based on the results of the audits performed to date, which have permitted that the sufficiency of the process of generating the financial information established by the Institution's Management be substantiated, as well as its capacity to generate reliable information covered by the same audits.

The accompanying explanatory notes are an integral part of this financial statements.

Ing. Héctor A. Rangel Domene
General Director

Lic. María del Camen Arreola Steger
Assistant General Director of Finance

C.P. Martha Martínez Quiroz
Finance Director

L.C. Angela Ma. Montesinos San Martín
Accounting Manager

C.P. Horacio Manuel Díaz Mercado Queijeiro
Head of the Internal Audit Area

ISO 9001-2000 RSGC231 IMNC

Exhibit "E"

BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C.
INSTITUCIÓN DE BANCA DE DESARROLLO

CONSOLIDATED STATEMENTS ON CHANGES IN FINANCIAL POSITION OF THE INSTITUTION AND ITS SUBSIDIARIES
FROM JANUARY 1ST TO DECEMBER 31ST, 2008
(Amounts stated in millions of pesos)

		2008
OPERATING ACTIVITIES		
Net income (loss)	$	-1,902
ITEMS APPLIED TO INCOME THAT DID NOT PROVIDE OR REQUIRE A CASH OUTLAY:		
Gain or loss on valuation at fair value		4
Allowance for loan risks		2,250
Depreciation and amortization		39
Deferred taxes		2
Provisions for other liabilities		858
Share in net income of subsidiaries		-6
		3,147
ITEMS RELATED TO OPERATING ACTIVITIES:		
Decrease in deposits		-5,015
Increase in loan portfolio		-19,181
Decrease in treasury trading activities (investments in securities and repurchase transactions)		3,948
Decrease of derivative financial instrument trading activities		8,577
Amortization of interbank loans and loans from other entities		6,932
		-4,739
FUNDS PROVIDED BY (USED IN) OPERATING ACTIVITIES		-3,494
FINANCING ACTIVITIES		
Contributions for future capitalization increases		4,000
Decrease in other payables		-370
FUNDS PROVIDED BY FINANCING ACTIVITIES		3,630
INVESTING ACTIVITIES		
Sales of fixed assets and permanent investments in stock		233
Increase in deferred charges or credits		26
Decrease in other receivables		345
FUNDS PROVIDED BY INVESTING ACTIVITIES		604
INCREASE IN CASH AND CASH EQUIVALENTS		740
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		19,794
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$	20,534

This consolidated statement of changes in financial position was prepared in conformity with the Accounting Criteria for Credit Institutions issued by the National Banking and Securities Commission, in accordance with the provisions of Articles 99,101, and 102 of the Law of Credit Institutions. Those criteria, whose observance is general and mandatory, were applied con a consistent basis. All cash flows derived from the transactions carried out by the Institution are reflected during the periods referred above and were performed and valued in accordance with healthy banking practices and the pertinent legal and administrative provisions.

This consolidated statement of changes in financial position were approved by the Board of Directors, under the responsibility of the Directors who sign it.

The web site of the worldwide network known as Internet of Banco Nacional de Comercio Exterior, S.N.C., where the information relative to this financial statements is found at: http://www.bancomext.com/Bancomext/portal/portal.jsp?parent=6&category=3598&document=3445.
The web page of the National Banking and Securities Commission where the financial information of Bancomext can be consulted is: http://www.cnbv.gob.mx/seccion.asp?sec_id=777&com_id=2.

The Head of the Internal Audit Area signs this financial statement, based on the results of the audits performed to date, which have permitted that the sufficiency of the process of generating the financial information established by the Institution's Management be substantiated, as well as its capacity to generate reliable information covered by the same audits.

The accompanying explanatory notes are an integral part of this financial statement.

Ing. Héctor A. Rangel Domene
General Director

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C.P. Martha Martínez Quiroz
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Head of the Internal Audit Area

ISO 9001-2000 RSGC231 IMNC

Exhibit "F"

BANCO NACIONAL DE COMERCIO EXTERIOR, S. N. C.
Development Banking Institution and Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR YEARS ENDED DECEMBER 31st, 2009 AND 2008
(In millions of pesos)

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1. INCORPORATION, CORPORATE PURPOSE AND BASIS OF PRESENTATION

a. Banco Nacional de Comercio Exterior, S.N.C. – Development Banking Institution (BANCOMEXT) is an agency of the Mexican Federal Public Administration with its own corporate identity and equity, incorporated as a National Credit Corporation under the terms of the LIC (Ley de Instituciones de Crédito - Law of Credit Institutions) and its own Organic Law.

Banco Nacional de Comercio Exterior, S. A. was incorporated as of June 8th, 1937.

Following the nationalization of the banks, on July 12th, 1985, Banco Nacional de Comercio Exterior, S.A. became Banco Nacional de Comercio Exterior, S. N. C., a development banking institution.

On January 20th, 1986, the Mexican Congress issued the "BANCOMEXT Organic Law". On June 24th, 2002 the SHCP (Secretaría de Hacienda y Crédito Público - Ministry of Finance and Public Credit) amended, added up and revoked some provisions of such Organic Law by means of the Official Daily Gazette, focusing on aspects such as: corporate purpose and operations, management and supervision, the Board of Directors and Chief Executive Officer competencies. On April 2nd, 1991, the SHCP issued the bank's organization rules, which are currently in force.

b. Under the terms of BANCOMEXT's Organic Law, the corporation, as a development bank, provides public banking and credit services subject to the objectives and priorities of the National Development Plan, particularly the National Programs to Finance the Development and Promotion of the Industrial Sector and Foreign Trade, in order to promote and finance its corresponding activities and sectors provided as its responsibilities in terms of such Law.

As a development banking institution, its purpose is to finance Mexico's foreign trade and to promote such activity.

c. The accompanying consolidated financial statements include the financial statements of the Company and those of the subsidiaries mentioned below:

	% of Equity		
COMPANY	**SERIES A**	**SERIES B**	**MAIN ACTIVITY**
Desarrollo Inmobiliario Especializado, S.A. de C.V.	99.99	100.00	Real Estate
Coordinadora de Asistencia Administrativa, S.A. de C.V. In liquidation	99.87	100.00	Services

The main activities of the Institution's Subsidiaries are as follows:

Desarrollo Inmobiliario Especializado, S.A. de C.V. (DIESA)

Its corporate purpose is the property, acquisition, leasing, managing, operating, transferring and occupancy as well as the execution of adaptation, conservation, construction, demolition, maintenance and modification works that might be carried out on property that has or will have offices of Banco Nacional de Comercio Exterior, S.N.C. Its total assets account for 0.39% of the Institution's total assets.

Coordinadora de Asistencia Administrativa, S.A. de C.V. in liquidation (CAASA)

The corporate purpose of this partnership is to render complementary or auxiliary services to the management or to the execution of the corporate purpose of any National Credit Partnership that be or could be its stockholder or of their auxiliary companies and trusts as well. Likewise, it is in charge of the installation, maintenance, cleaning, repairing, revising and operating of the change-over switches; the management of the executive dining-rooms, carrier services, personnel transportation, surveillance service, property, as well as the elaboration of all types of printing.

At the meeting held on January 30th, 2008, the Board of Directors of Bancomext acknowledged and authorized all operative, administrative, and legal formal procedures to be carried out in connection with the liquidation of CAASA. At the Extraordinary Stockholders' Meeting of that company held on October 22th, 2008, the stockholders resolved to dissolve and start liquidation of the company. The year from January 1st to October 21st, 2008 was audited by an external firm. At December 31st, 2009, the company's current assets consist of what is required for its liquidation, and the remaining balance will be reimbursed to Bancomext. Its total assets are not representative with respect to the Institution's total assets.

d. The investment in unconsolidated subsidiaries is valued using the equity method. Investments in stock of associated companies in which it has no control or significant influence are presented using the UDI (Unidad de inversión - Investment unit value).

e. The main activities of the Institution are regulated by the LIC and by the Law of the Central Bank (Banco de México - BANXICO). In such regulations, several limitations are included restraining that indicate the maximum level of leveraging and the capitalization requirements; therefore limiting the Institution's investments and transactions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant Accounting Policies - The Institution's accounting policies are in conformity with Accounting Criteria Applicable to Credit Institutions established in the Third Title "Financial Information and its Disclosure" and in Appendix 33 of the General Provisions Applicable to Credit Institutions (Official Banking Publication) issued by the CNBV (Comisión Nacional Bancaria y de Valores - National Banking and Securities Commission) published on December 2nd, 2005, in the Official Daily Gazette, and modified on March 3rd and 28th, September 15th and December 6th and 8th, 2006, January 12th, March 23th, April 26th and November 5th, 2007, March 10th, August 22th, September 19th, October 14th and December 4th, 2008, April 27th, May 28th, June 11th, August 12th, October 16th, November 9th and December 1st, 2009; pursuant to the NIF's (Normas de Informacion Financiera - Financial Reporting Standards) issued by the CINIF (Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera - Mexican Council For Research and Development of Financial Reporting Standards).

General Provisions Applicable to Credit Institutions in force since December 3rd, 2005 are a legal instrument that includes provisions applicable to Credit Institutions, such provisions were issued by the CNBV systematizing its integration and homologating the terminology used in order to provide legal certainty regarding the ruling frame which financial institutions must be subject to at the performance of their operations.

The main effects of these amendments in Banco Nacional de Comercio Exterior, S.N.C. (BANCOMEXT, the Institution, the Bank) are discussed in detail below:

With respect to the rules of recording and valuation, Criterion B-3 Repurchase Transactions (Repo Operations) sets in spite of that repurchase transactions are considered for legal purposes as a sale where a repurchase agreement is established of the financial assets transferred, the economic substance of repurchase transactions is that of collateralized financing where the lending part deliveres cash as financing, in exchange for obtaining financial assets that serve as protection in the event of nonperformance.

When the Institution acts as the borrowing part, the delivered securities, subject matter of the trade, was recorded under the foregoing criterion as a credit entry in the securities investment item, and an asset position was recognized which represented the right to receive the securities, subject matter of the trade, whereas the liability position represented the future commitment to reacquire the ownership of the securities at the price upon maturity.

With the current regulation, securities, subject matter of the trade, are held in the caption that applies as restricted or securities received under repurchase transaction are recorded in memorandum accounts of collateral received and sold. For both restricted and collateralized securities, the same standards are followed for recording, presentation, and disclosure in accordance with the pertinent accounting criterion for lending institutions. The payable that represents the obligation to restore the cash to the lending part is valued at its amortized cost.

When the institution acts as a the lending part, the securities received under the repurchase transaction were recognized and classified as trading securities. Moreover, an asset position was recognized which represented the right to receive the price upon maturity, whereas the liability position represented the future commitment to return the ownership of the securities, subject matter of the transaction.

Pursuant to the present criterion, securities received as collateral are recorded in memorandum accounts of collateral received, by following the rules relative to custody operations of criterion B-9 for their valuation. The account receivable that represents the right to recover cash delivered is valued at its amortized cost.

With respect to the rules of presentation of the financial statements, repurchase transactions were presented in the Balance Sheet in assets and liabilities, according to the debit and credit balance, respectively, resulting from offsetting the asset and liability position individually of each one of the transactions carried out by the Institution.

With the current regulation, the Balance Sheet reflects restricted securities in assets, in accordance with the rules of presentation applicable thereto, according to the type of asset involved. When the Institution, in turn, pledges the securities purchased under repurchase transactions, it offsets the account receivable that it has the right to receive in its capacity as the lending part with the account payable that it is bound to in its capacity as the borrowing part. If it is a debit balance, it is presented in the asset in the caption of Receivables under Repurchase Transactions. If it is a credit balance, it is presented in the liability on the line item of Collateral sold or delivered in guarantee.

The account payable that the Institution is bound to, in its capacity as the borrowing part of securities held by the Institution, is presented in the liability in the item of Payables under repurchase transactions.

The items of Other Assets, Income Tax and Employee Profit Sharing Payable and Other Payables are presented in the Balance Sheet in greater detail.

The item of Other operating income (expenditures) are added in the Statement of Income, in order to include the items in operating income that refer to ordinary revenues and expenses referred to in NIF A-5, which are not included in the items of Finantial Margin, Comissions and Fees Earned and Paid, as well as the Trade Income. They are not part of Administrative and promotional expenses, neither.

The foregoing allows for the items of Other proceeds and Other expenses to incorporate only the items of non-ordinary revenues and expenses referred to in NIF A-5 of NIF's.

Employee Profit Sharing current and deferred is shifted to the item of "Administrative and promotional expenses".

Financial Statements

The new standard substitutes the Statement of Changes in Financial Position by the Statement of Cash Flows. The Statement of Changes in Financial Position shows the changes in the financial structure of the entity, which can or can not be identified with the generation or application of funds in the period, whereas the Statement of Cash Flows presents the cash flows that represent the generation or application of the entity's funds during the period.

For comparative purposes, the accompanying financial statements with amounts at December 31th, 2008 were reissued, based on the accounting criteria effective April 28th, 2009, except for the Statement of Cash Flows, which is presented only for the period from January 1st to December 31st, 2009. The Statement of Changes in Financial Position is added from January 1st to December 31st, 2008. It was prepared in accordance with the extinct criterion D-4, in conformity with transitory Article Sixth of the Resolution that amends the general provisions applicable to credit institutions of April 27th, 2009.

a. Recognition of the impact of inflation on the financial information.

The Institution uses NIF B-10 "Impact of inflation" for the recognition of the impact of inflation on its financial statements, in accordance with the provisions of Criterion A-2 of Exhibit 33 to the Sole Circular of the CNBV.

Effective January 1st, 2008, NIF B-10 annulled Bulletin B-10 "Recognition of the impact of inflation on the financial information (integrated document)".

The changes in this standard that affected the entries recorded, valuation, and presentation of the financial statements of this institution as of January 1st, 2008 and during fiscal 2009, they are:

Discontinuation of inflationary accounting.- For purposes of this standard, the impact of inflation is recognized when the environment is considered inflationary, that is, when accumulated inflation of the three prior fiscal years is equal or exceeds 26% (annual average of 8%). Otherwise, there is a discontinuation (suspension) of the recognition of the impact of inflation.

Since accumulated inflation from 2006 to 2008 was 15.03% (Udis), and it was 11.27% from 2005 to 2007, the Institution applied the discontinuance of inflationary accounting. Accordingly, the following items are not recognized:

- Gain or loss on monetary position of the year.
- Restating the income statement according to the dates on which transactions were generated.
- The impact of inflation in nonmonetary items and in stockholders' equity.

The Institution maintained the impact of restatement of its assets, liabilities, and stockholders' equity up to December 31st, 2007. That impact will be retired the same date and with the same procedure that assets, liabilities, and components of stockholders' equity to which they belong are retired.

Since the valuation methods that require that the gain or loss on holding nonmonetary assets be recognized are eliminated, this item tends to disappear from the financial statements once they are entirely recycled.

Once this new NIF B-10 went into effect, BANCOMEXT reclassified the realized gain or loss on holding nonmonetary assets amounting to $64 from the line with the same name to Prior year losses.

Comparative financial statements.- Bulletin B-10 "Recognition of the impact of inflation on the financial information" (Integrated Document), effective up to December 31 st, 2007, required that the financial statements and their notes be presented in pesos of purchasing power at the year-end date of the last year they were presented, which was carried out by the Institution up to that date based on the UDI value published by the Central Bank of Mexico, in accordance with standards set forth by the CNBV.

As a result of the discontinuation of inflationary accounting set forth in NIF B-10, the financial statements at December 31st, 2009 and 2008 include balances in pesos of purchasing power of the dates of the transactions.

b. Foreign Currency Transactions

Transactions in foreign currency are recorded in the original currency in which the transaction is formalized. Transactions involving buying or selling currencies are translated into Mexican Pesos at current exchange rate on which transactions are carried out. Monetary assets and liabilities in foreign currency are valued at Mexican Pesos by using the exchange rate published by BANXICO on the date of the financial statements. The exchange rate fluctuations area registered directly to period income.

The currencies used by the Institution are the: US Dollar, Swiss Franc, Pound Sterling, Canadian Dollar, Japanese Yen, and Euro.

c. Liquid Assets

Liquid assets are recorded at nominal value. Coined metals are recorded at fair value. Interest - bearing deposits and inter-bank loans at a term shorter than or equal to three banking days are recognized as realized in the income statement as they are accrued.

d. Investments in Securities

- Trading Securities

Those securities that the Institution's management maintains in its own position with the intent to operate as a participant on the market are included and they are recorded at the time they are acquired at fair value. Subsequently, they are valued at their fair value furnished by independent pricing services authorized by the CNBV, based on the market value and valuation adjustments are recorded in income of the period. Yields on debt securities are recorded in income, in accordance with the effective interest or straight-line method, as the case may be.

The difference between net carrying-out value and book value is recorded in the statement of income upon the date of its disposition.

- **Marketable Securities**

This category includes debt instruments and shares acquired with a different intended use than trading or holding them to maturity. Yields on debt securities are recorded in the statement of income for the year in accordance with the effective interest or straight-line methods.

Financial securities classified as marketable are also recorded at acquisition cost and are valued at their fair value. Valuation adjustments are recorded in stockholders' equity.

Investments in securities are valued at fair value using prices provided by price vendors but whenever the securities fair value may not be determined, it shall be determined based on the equity method in accordance with NIF C-7, Investments in associates and other permanent investments.

- **Held-to-maturity Securities**

These are debt securities with determinable payments acquired with the intent to hold them until they reach maturity. The gain or loss on the spread between net realization value and book value for such securities is recognized on the date they are sold. Yields are recorded in income, in accordance with the effective interest or straight-line method, as well as the discount or premium received or paid at the time they are acquired.

On October 16 th, 2008, the CNBV issued Official Letter 100-035/2008 for the purpose of incorporating the amendments issued by the International Accounting Standards Board (ISAB) into its accounting standards, thereby aiding stability and recovering liquidity on the international markets while permitting that securities be reclassified. The foregoing permitted Lending Institutions to reevaluate the intent that they had in connection with holding investments and reclassify investments in securities classified as "Trading securities" to "Available-for-sale securities" or "Held-to-maturity securities", or from the category of "Available-for-sales securities" to "Held-to-maturity securities".

Based on this criterion, in 2008 BANCOMEXT reclassified securities recorded as "trading securities" to "held-to-maturity securities", with the intent to hold those securities until they mature.

e. Repurchase transactions (Repo Operations).

Wherein the Institution acts as the borrowing part, financial assets owned by the Institution are recorded in the pertinent item as restricted. Financial assets received under repurchase transactions are recorded in memorandum accounts of collateral received and sold. For both restricted financial assets and collateralized financial assets received, the same standards are followed for recording, presentation, and disclosure in accordance with the pertinent accounting criterion for lending institutions.

The account payable that represents the obligation to restore the cash to the lendindg part is valued at its amortized cost.

Wherein the Institution acts as the lending part, the account receivable that represents the right to recover the cash delivered is valued at its amortized cost. Financial assets received as collateral are recorded in memorandum accounts of collateral received, and the rules relative to custody operations of Criterion B-9 are followed for their valuation.

The gain or loss on valuation of repurchase transactions is recorded in income of the period.

For purposes of presentation, the Balance Sheet reflects restricted financial assets in assets, in accordance with the rules of presentation applicable thereto, according to the type of asset involved. When the Institution, in turn, pledges the financial assets purchased under repurchase transactions, it offsets the account receivable that it has the right to receive in its capacity as the lending part with the account payable that it is bound to in its capacity as the borrowing part. If it is a debit balance, it is presented in the asset in the caption of Receivables under Repurchase Transactions. If it is a credit balance, it is presented in the liability on the line item of Collateral sold or delivered in guarantee.

f. Securities and derivatives trading

The Institution trades with derivative financial instruments for purposes of negotiating with the intent to obtain earnings in accordance with the policies and limits established by the CAIR, Comité de Administración Integral de Riesgos - Risk Management Committee, as well as for hedging purposes with the intent of offsetting market risks, due to variations in interest rates and exchange rates, as well as counterparty risk.

In accordance with Criterion B-5 "Derivatives and Hedging Transactions" of the CNBV, hedging transactions are classified as fair value hedges, cash flow hedges, and foreign currency hedges. Transactions carried out by the bank were classified as fair value hedges.

The risk management area developed the "Effectiveness Model", which permits the changes in fair value or cash flows of the hedging instrument to be measured as a quotient or hedge ration that fluctuates in a range between 80% and 125% of the reverse correlation.

- Futures and Forward Contracts

As a participant in the futures markets and forward contracts BANCOMEXT's primary policy is to hedge risk positions resulting from assets and liabilities in U.S. Dollars, as well as those arising from trading operations of the Mexican Peso against the U.S. Dollar or of the U.S. Dollar against other foreign currencies.

Forward contracts transactions for trading purposes are referred to the Mexican Pesos versus the U.S. Dollar and are offered to its borrowers as part of credit support to financing and promotional programs for foreign trade operations.

BANCOMEXT carries out a selection of several of the future contracts generally used by the Institution taking into consideration the market conditions as well as the implicit conditions of liquidity and analysis of interest rates related to funding and placement costs.

BANCOMEXT participates in recognized markets where futures contracts are traded such as the Chicago Mercantile Exchange (CME) and the Mercado Mexicano de Derivados, S.A. de C.V. (MexDer). With regard to forward contracts the Institution trades in the inter-bank market with qualified institutions with an investment grade issued by credit risk rating agencies, thus considerably reducing credit and legal risks.

Futures operations carried out by BANCOMEXT were for purposes of trading. In forward contracts operations, the fair value and obligations shall be the theoretical price of the celebrated contracts being determined by formal valuation techniques and carried out by third parties without conflict of interest. In futures contracts, fair value corresponds to a face value at which a new equal contract would be entered into in each valuation date. Its balance represents the difference between fair value of the contract and the agreed upon forward price of said contract and it is presented as part of the securities and derivatives portfolio. Its balance represents the difference between the fair value of the contract and the stipulated forward price therof. The result from these instruments is presented as Trading Income.

The collateral for futures transactions is established within the operations carried out with the CME and the MexDer through cash or by documented securities transfers documented in U.S. Dollars and in Mexican Pesos, respectively. Such collateral is recorded as securities earmarked as a guarantee in foreign and domestic banks.

As of December 31 st, 2009 and 2008, there are no futures and forward contracts in effect.

- **Swaps trading activities.**

Transactions with swaps made by the Institution are intended to hedge open risk positions not only for interest rates but also for foreign currency swaps.

Swaps transactions are agreed upon based on conditions of the correlation between the amount of funding and placement of financial resources with the borrowers, concerning interest rates or foreign currencies. This type of transactions are intended to exchange similar flows of fixed interest rates for floating interest rates or for different foreign currencies versus the U.S. Dollar, in a position opposed to giving rise to the open position at risk.

Swaps operations are celebrated with financial institutions that have an investment grade issued by recognized credit risk rating agencies, thus considerably reducing credit and legal risks inherent to this type of transactions.

Effective January 1st, 2007, the Institution measures the effectiveness of the swaps derivative financial instruments designated as hedges, through a model defined by the Risk Management area.

g. Repossessed Assets.

They are recorded at their cost or fair value, deducted from the costs and expenses strictly indispensable that are disbursed in their awardment, whichever is lower.

If the carrying value of the asset that gave rise to the acquisition through judicial proceedings or received in payment is less than the value of the asset acquired, the value of the asset is written down to the carrying value that this asset had.

Effective 2007, assets acquired through juridical processes are not considered as nonmonetary items.

Based on the Second Title "Prudential Provisions", Chapter V "Portfolio Rating", Section III, Item D "Regarding provisions for awarded property or property paid in kind" of the Official Banking Publication issued by the CNBV, the Institution prepares additional provisions to recognize potential losses of value due to the time elapsed of the foreclosed assets acquired through judicial or out-of-court proceedings, either chattels or property, as well as collection rights and securities investments.

As of December 31st, 2006, the Institution has prudentially created reserves at 100% of the repossessed or received in payment assets, recognizing potential losses in value due to time, as well as the loan recovery at the moment of the assets commercialization.

In connection with assets held for sale, the adjudicated value, the base for the determination of the estimate, is the carrying value reduced by the collections received for account of the asset. The percentages of the pertinent allowances or provisions in accordance with the tables contained in Section D of the provisions referred to above are applied to that value.

h. Loan Portfolio

Credits granted are recorded into assets from the date of the funds disposition. Interests are added up to the amount granted to the borrower as they are drawn, accordingly to the credit payment scheme.

The corresponding interest to the performing credit operations is recognized and applied in the income statements as they are drawn.

Effective 2007, fees charged for the initial granting of credit are recorded as a deferred credit, which is amortized against income of the year as interest income, under the straight-line method during the duration of the credit.

Outstanding loan balances are recorded as past due loans, when:

ISO 9001-2000 RSGC231

- Loans with a single payment of principal and interest at maturity, which are 30 or more days overdue;

- Loans with a single payment of principal at maturity and periodic interest payments, which are 90 or more days overdue for interest payments, or 30 or more days overdue for payment of principal;

- Loans with partial payments of principal and interest, which are 90 or more days overdue;

- Revolving credits, when payment has not been received for two monthly billings or 60 or more days past due

- Interest earned during the period in which loan was considered as overdue portfolio is recognized as income of the year when collected; meanwhile they will remain as part of the 100% reserve.

Restructured and Renewed Loans

Restructured past-due loans remain in past-due loan portfolio as long as there is no evidence of sustained payment.

When the borrower of renewed loans fails to pay accrued interest and 25% of the original loan amount as per contractual conditions, these loans are considered past due, as long as there is no evidence of sustained payment.

Impaired loans.

Credits in effect and nonperforming are considered as impaired commercial loans. Based on current information and events, as well as the loan review process of such loans, there is a considerable likelihood that both the principal and interest may not be recovered entirely, in accordance with the terms and conditions agreed upon originally.

Suspension of Interest Accruals

It is suspended the interest accrual of the drawn interests of the credit transactions in the moment that the credit unpaid balance is considered as past due.

As long as the loan is kept in the past-due portfolio, the drawn interests' control is held upon memorandum accounts. Whenever the aforementioned past-due interests are collected, shall be directly recorded in the fiscal year's income statements.

Loan Portfolio Rating

Second Title "Prudential Provisions", Chapter V "Loan Portfolio Rating" of the Official Banking Publication, states that whenever a commercial portfolio is being rated, the following shall be assessed:

- Creditworthiness of debtor.- It is determined according to the result obtained from independently, specifically and progressively evaluating the Country Risk, Financial Risk, Industry Risk and Payment Experience.

- Credit Rating.- Loans suited according to collateral value or to the property value held in trust or under schemes known as "structured" allows adjusting debtor's creditworthiness through an estimate of likely loss in relation with coverage level of collateral endorsing each credit granted.

Collateral coverage will determine both the covered and the uncovered portion of credits and accordingly, it will be determined the allowance for loan losses as needed.

The coverage of guarantees will determine the covered part and uncovered part of credits so that based thereupon, the amount of necessary preventive reserves is determined.

In order to determine the net value of the Commercial Loan Portfolio, Institutions will rate all loans individually, in accordance with the methodology applicable thereto based on their balance, in accordance with the following:

- Loans whose balance is less than the equivalent in local currency of four million UDIs at the date of the rating, including those payable by the same debtor whose overall sum is less than that amount, may be rated by suing the parametric rating methodology.

  Toward that end, the total portfolio will be stratified based on the number of periods that report nonperformance of the total or partial payment at the date of the rating, by using the data of at least the twelve months prior to that date and, in the case of a new portfolio, those available at the time of the rating.

- Loans whose balance is equal to or higher than the equivalent in local currency of four million UDIs at the date of the rating, including those payable by the same debtor whose overall sum is equal to or higher than that amount, should be rated individually.

  The rating methodology for the consumer and mortgage portfolios is based upon the portfolio stratification that is based on the number of billing periods which reports payment defaults at the rating date, non compliance probability and whenever be the case, the severity of loss related to the value and nature of the loan guarantees.

  Pursuant to the foregoing, BANCOMEXT calculates the amount of the preventive estimate for credit risks, which is recorded in income of the pertinent year. The Institution periodically evaluates whether a nonperforming loan should remain on the balance sheet, or if it should be written off or eliminated. Toward that end, the unpaid balance of the loan is written off against the preventive estimate.

  Recoveries of previously written off or eliminated loans are recognized in income of the year.

  The excess in the preventive estimate for loan risks are charged off against income of the year, by applying the same line item that gave rise thereto, that is, the line item of the actual preventive estimate in cases in which the amount to be written off exceeds the balance recorded of that estimate is recognized as other proceeds.

Policies and procedures established for granting, controlling, and recovering credits.

The Credit Manual contains the regulatory guidelines applicable to the Credit Process, ranging from the definition of the target market up to the recovery of the loan.

The specific policies for each one of the stages that comprises the Credit Process (PDC, Proceso de Crédito), which are pointed out below, are defined in the operating manuals and are an integral part of the Institution's credit regulatory scheme.

I. Business Development
- Promotion Management
- Development and/or Updating Programs or Products
- Credit File Management

II. Analysis and Decision

- Borrower Evaluation
- Authorization

III. Implementation and Disbursement
- Contracting
- Control Desk
- Safekeeping and Custody of Securities

IV. Follow up and Recovery
- Management and Portfolio Control
- Supervision and Follow up on Borrowers and Brokers
- Portfolio rating
- Specialized Collection Function
- Collection Managment

Support Processes
- Credit Regulations
- Application of Loan Loss Reserves and Loan Write-offs
- Credit Investigation of the Applicant
- Management Reports

Other Credit Programs
- Automatic Guarantee Program
- Former Employee Portfolio Management
- Promotion, Implementation and Operation of Easy Export and Productive Chains
- Letters of Credit

i. Property, Furniture and Equipment

Net replacement value has been restated by applying the factors derived from the UDI value since 1997. Until December 31st 1996, property had been restated at net replacement value based on calculations done by independent appraisers and quarterly factors issued by the CNBV.

Property depreciation is calculated using the straight-line method based upon its remaining useful life, determined by independent appraisers.

Depreciation of furniture and equipment is calculated by using the method of probable life (straight-line method) on the restated value, and applying the following rates:

Furniture	10%
Vehicles	25%
Computers	30%

j. Impairment and Disposal of Long-Lived Assets

The Institution applied the Bulletin C-15 of the NIF's, which provides specific criteria in determining when there is impairment in the value of long-lived assets, for both tangible and intangible assets. The Institution applied these accounting criteria on its own property.

k. Unamortized Expenses

The expenses for the issuance of debt are amortized under the straight-line method taking into account the term of the titles they gave rise.

l. Use of Estimates

The preparation of the financial statements in accordance with the used accounting practices requires the Institution's Management to perform estimates which affect the amounts reported in the accompanying financial statements and disclosures. Estimates are based upon management's knowledge of current events.

Since December 31st, 2006, the Institution estimates the potential losses amount derived from unfavorable judicial or administrative decisions, as well as from possible penalties due to lawsuits in which BANCOMEXT acts as defendant, in accordance with legal risk policies and procedures authorized by the Risk Management Committee.

m. Property held in Custody

Securities issued and placed by BANCOMEXT are not safeguarded by the Institution. Instead, holders safeguard these securities in entities specialized in deposit of international instruments such as Euroclear.

The Institution has no property in safeguarding and custody on behalf of third parties; therefore, there are no revenues from this item.

There are neither significant conditions nor significant terms that differ from the provisions set forth by the CNBV and BANXICO affecting the operations of safeguarding investments in securities assets, or repurchasing agreements that could represent a transfer of ownership.

Likewise, BANCOMEXT has in safeguarding and custody neither ownership rights nor derivative financial instruments on behalf of third parties.

n. Income **Tax, Corporate Flat Tax, Employee Profit Sharing, Current and Deferred.**

- Current.

Provisions for Income Tax and Corporate Flat Tax (IETU – Impuesto Empresarial a Tasa Unica) are recorded in income of the year they are due, and recognized in accordance with the provisions of NIF D-4 "Income Tax", and the provision for Employee Profit Sharing or PTU (Participación de los Trabajadores en las Utilidades), in accordance with NIF D-3 "Employee Benefits".

Income Tax, IETU and PTU due should be recognized in the result of the period and represent the liability due in a term of less than one year.

- Deferred.

Deferred Income Tax and Corporate Flat Tax or IETU are determined in accordance with the guidelines set forth in NIF D-4 and Deferred Employee Profit Sharing or PTU, in accordance with NIF D-3, all of which are in accordance with Criterion A-2 of Exhibit 33 of the Sole Circular.

During fiscal years 2009 and 2008, the Institution did not recognize the effects of the application of the calculation of deferred taxes in accordance with NIF's D-3 and D-4, in consideration that there is a high likelihood that future revenues and tax bases will not be obtained in the future that allow for offsetting tax loss and tax credit carryforwards maintained by the Bank. Deferred IETU was recognized in accordance with INIF 8 (NIF's interpretation) in 2007.

ñ. Employee **Benefits**

According to the Federal Labor Law, the Institution has a responsibility for indemnities to employees who are dismissed under certain circumstances or when certain requirements are met. It also rules payment of obligations set forth in labor contracts.

The Institution created a Retirement Pension Plan, including seniority premiums and post-retirement benefits for its employees, in addition to those benefits established in the Governing Law.

These labor obligations are recognized following supplementary accounting principles set forth in criterion A-2 "Application of particular norms", of Appendix 33 of the Sole Circular, through the use of the NIF D-3 "Employee Benefits".

Effective January 1st, 2008, this NIF D-3 considers shorter periods for the amortization of unamortized items, and even provides the option to be able to recognize actuarial gains or losses directly in income as accrued.

Liabilities applicable to retirement benefits are calculated under projected unit credit method, determined through actuarial studies prepared by independent experts. As of December 31st, 2009 and 2008, the calculation was prepared and adjusted to actual numbers within the same year.

Net cost of the year, based on actuarial calculations over projected salaries, is debited in income of the year. Indemnification and direct labor costs are debited to the income of the period in which they are paid.

Effective 2007, the Institution established a defined contribution plan for newly hired workers who, upon reaching 60 years of age and 30 years of service, will be eligible for a retirement annuity pension, which will apply to the total accrued fund in his or her individual account.

o. Comprehensive Income

The amount of comprehensive income presented in the Statement of Changes in Stockholders' Equity is the result of the total performance of the Institution during the period, and it is represented by net income plus the items pursuant to accounting practices to be reflected in stockholders' equity.

Moreover, it is presented the increase or decrease in property derived from two kinds of movements; those related to stockholders' decisions and those related to recognition of the comprehensive income.

p. Significant Differences from the NIF's (Financial Reporting Standards)

The significant differences between accounting criteria followed by the Institution and the NIF's are as follows:

- Debtors .- The NIF's require making an appropriate estimate of recoverable debts. The CNBV requires debiting to income through the creation of an allowance at 100% of all those items are not cleared and not identified in 60 days, and all those identified but not collected or paid in 90 days without carrying out a study of their recovery.
- Investments in securities.- The NIF's require recording the result from valuation in the statement of income while the CNBV accounting criteria require that valuation effects from marketable securities be recorded in stockholders' equity.
- Balance Sheet Accounts.- The NIF's require presenting entries comprising assets and liabilities in the Balance Sheet considering their demand on long or short term while the CNBV accounting criteria present other classification in the balance sheet.
- The impact of inflation on financial information was recognized up to December 31st, 2007, through the restatement factor accordingly determined based upon the UDI value instead of the INPC (Índice Nacional de Precios al Consumidor - National Consumer Prices Index).

New accounting pronouncements.

Continuing with the objective of moving forward toward greater convergence with International Financial Reporting Standards (IFRS), the CINIF enacted improvements to NIF's in effect and some interpretations of NIF's in the last months of 2009, which went into effect as of January 1st, 2010. Following are the NIF's and INIF's that apply to the Institution.

The improvements enacted to the NIF's are presented as classified into two sections:

a) Amendments to the following NIF's which, in accordance with NIF B-1 "Accounting changes and error corrections", generate accounting changes in valuation, presentation or disclosure in the financial statements of entities:

- B-1 "Accounting changes and error correction".
- B-2 "Statement of cash flows".
- B-7 "Business acquisitions".
- C-7 "Investments in associates and other permanent investments".
- C-13 "Related parties".

b) Amendments to the following NIF's to make clarifications that help to establish a clearer, more readily understood regulatory approach, therefore, they do not generate changes in the financial statements of entities:

- NIF A-5 "Basic elements of the financial statements".
- NIF B-2 "Statement of cash flows".
- NIF B-3 "Income statement".
- NIF B-15 "Foreign currency translation".
- NIF C-7 "Investments in associates and other permanent investments".

Moreover, the CINIF issued the following NIF's and INIF's in 2008:

NIF B-16 "Financial statements of not-for-profit organizations".
NIF C-1 "Cash and cash equivalents".
NIF E-2 "Donations received and given by not-for-profit organizations".
INIF 14 "Construction contracts, sale and rendering of services related to real property".
INIF 17 "Concession service contracts".

The Institution considers that these provisions will not have any material effects in the presentation of its financial statements and disclosures in the explanatory notes.

3. TOTAL RISK MANAGEMENT

Policies and Procedures

The Risk Management policies and procedures are basically pursuant to the General Provisions Applicable to Credit Institutions, Chapter IV, Section II, concerning Risk Management issued on December 2nd, 2005.

Following the provisions set forth by the CNBV, BANCOMEXT's risk management functions are carried out by an independent area of the Bank business units. This area manages market, credit, liquidity, operational, technological and legal risks. The Institution counts with policies and procedures oriented to the identification, analysis and control of the aforementioned risks, which are incorporated into the Risk Management Manual.

In order for assumed risks to be maintained within levels that do not exceed the Institution's financial capacity, the Comprehensive Risk Management Committee (CAIR) proposes new limits that are authorized by the Board of Directors. These limits are determined based on a capital management model. That model is based on regulatory capital and it sets limits at a strategic level, by considering distributable capital allocated to the various businesses of the Institution: Credit, market operating, and shareholdings. Moreover, limits at a tactical level are assigned to the various portfolios that make up each business. Capital limits for market risk are translated into Value at Risk limits for the various treasury portfolios.

: Risk Management Committee is integrated by the Chief Executive Officer, three independent risk experts, a rnber of the Board of Directors, and the officer responsible for the Risk Management Unit (UAIR, Unidad para Administración Integral de Riesgos). Additionally, some Deputy General Directors of the business areas rticipate as well as the officer in charge of the Internal Control Management with authority to speak but without ht to vote in order to avoid any possible conflict of interest. The Risk Management Committee meets at least ce a month. This Committee monitors the different types of risk, issues recommendations and approves ethodologies, models, parameters and scenarios used to measure risks. It also reviews recommended risk ontrol policies.

olicies for controlling loan portfolio concentration.

Chapter III of the general provisions applicable to credit institutions relative to "Risk Diversification" (Provisions) ssued by the Ministry of Finance and Public Credit sets forth limits on the concentration of credit risk applicable to a person or group of persons that comprise common risks.

In accordance with Article 57 of the Provisions, the limit applicable to the fourth quarter of 2009 was determined by considering the 16.05% rate of capitalization and basic capital amounting to $6,596.5 of June 2008.

Article 54 of the Provisions sets forth a maximum limit on financing for private sector companies, based on the Bank's level of capitalization, by applying a factor on the Institution's basic capital. The limit applicable to the fourth quarter of 2009 was 40% of the basic capital of BANCOMEXT ($2,638.6 equivalent to USD 201.9 million).

In addition, BANCOMEXT is authorized by the CNBV to apply temporary individual financing limits on three corporate debtor groups and the three overall major debtors, which exceed the regulatory limits determined in terms of Article 54 of Provisions. These temporary limits normalize the regulatory limits exceeded by the three corporate groups and the three overall major debtors, until the normalization plans delivered to the CNBV are complied with.

The temporary limits were authorized by the CNBV on November 13th, 2009, pursuant to Article 59 of Provisions and in conformity with the "Resolution that amends the General Provisions Applicable to Credit Institutions" published in the Official Daily Gazzette on June 11th, 2009.

As of December 31st, 2009, the responsibilities incumbent upon the three corporate debtor groups of BANCOMEXT accounted for 71%, 100%, and 69% of their individual temporary limits. In accordance with their normalization plans, the dates to comply with the regulatory limit are: February 28th, 2014, June 30th, 2017, and April 30th, 2011, respectively.

The responsibilities incumbent upon the three overall major debtors amount to $10,384.9, equivalent to USD 794.8 million, which accounted for 79% of their temporary limit. In accordance with their normalization plan, the date to comply with the regulatory limit is February 28th, 2014.

Financing authorized to the three largest debtors		
	MILLIONS OF USD	
	December 2009	December 2008
Amount of Financing	794.8	943.9
Number of times the basic capital	1.57	2.32

On the other hand, financing granted to one state-owned entity that exceeds by 53% the limit set forth in Article 54 of the foregoing Provisions for this type of entity, equivalent to the 100% of the Institution's basic capital. In accordance with their normalization plan, the date to comply with the regulatory limit is May 31st, 2012.

Exceeding the regulatory limits and normalization plans discussed above were reported to the National Banking and Securities Commission (CNBV) at the proper time, in accordance with the applicable Provisions.

In addition, in accordance with Article 60 of the Provisions, it is disclosed that at December 31st, 2009, financing has been granted to nine groups of debtors (16 borrowers) of the private sector, whose individual financing exceeds the equivalent of 10% of the basic capital of the Institution, as shown below:

Financing to debtors by amounts exceeding 10% of basic capital		
	MILLIONS OF USD	
	December 2009	December 2008
Amount of Financing	1,344.8	1,337.9
Number of times the basic capital	2.66	3.3

Market Risk.

Investments in securities.- In connection with this account of the financial statements, market risk is derived from changes in interest rates. Foreign currency denominated instruments, risk is also dependent upon foreign currency fluctuations. This risk is measured by using the Value at Risk (VaR) methodology based on the historical method by taking 250 observations, a risk horizon of one day, and a 97.5% confidence level, which implies that there is only a 2.5% likelihood that these investments may experience an unrealized loss greater than the loss estimated for that period. These parameters werw authorized by the Risk Management Committee at its meeting held on October 30th, 2009.

The policies and practices applied to control the market risk of investments in securities include capital and VaR limits, as well as the generation of market value reports of positions and their value at risk in normal conditions, under sensitivity scenarios and on extreme conditions. A report is drawn up every day and delivered to Executive Management monthly to the Risk Management Committee and quarterly to the Board of Directors.

As of December 31st, 2009, investments in securities in national currency are subject to market risk were in government, banking and corporate discount, with review and real rate. At that time these positions represent 78% and repurchase transaction position constituted 22% of total investments in the local currency desk; the VaR of this desk was $ 7.3, representing 38.2% of the authorized limit of $ 19.0, the annual average value at risk was placed at $ 10.4. Capital consumption of this portfolio was $ 402.3 which represented 88% of the authorized limit.

At December 31st, 2009, the foreign currency denominated investment portfolio consisted of sovereign bonds. At December month-end, a VaR of $ 12.2 was recorded for the total position of the foreign currency denominated investment, which accounted for 39.3% of the authorized limit of $ 31.0. The annual VaR average was set at $22.5. Regulatory capital consumption of this portfolio was $ 22.5, which represented 24% of the authorized limit.

At its meeting held on November 26th, 2009, the Board of Directors approved new capital and VaR limits for its money desk portfolio.

Derivative financial instruments.- This account of the financial statements is subject to market risk from changes in interest rates and foreign exchange rate fluctuations, as well as counterparty credit risk.

For the positions in derivative instruments, VaR is measured for Mexican peso futures on the Chicago Mercantile Exchange (CME), US dollar futures on the Mexican Derivatives Market (MexDer), Peso / dollar forward contracts with customers, and Interbank dollar / foreign currency forward contracts. The VaR is estimated based on the historical method by taking 250 observations, a risk horizon of one day, and a 97.5% confidence level, which implies that there is only a 2.5% likelihood that these investments may experience an unrealized loss greater than the loss estimated for that period. These parameters were authorized by the Risk Management Committee at its meeting held on October 30th, 2009.

In connection with counterparty credit risk, interest rate forward contracts are traded with domestic and international financial institutions, whereas Peso / dollar futures are exempt from counterparty credit risk since they are traded on recognized security exchanges (CME and MexDer). The credit risk of forward contracts with customers is covered by their credit lines with BANCOMEXT. For interbank credit lines, contracts are entered into only with institutions with counterparty limits, as well as control mechanisms that allow for monitoring positions to maintain them within the authorized levels. At December 31st, 2009, the credit risk of derivatives trading is within the authorized limits.

Policies and practices to control derivative financial instrument risk comply with the Provisions of the Central Bank of Mexico. A capital and VaR limit by line of business have been established and reports are drawn up on the market value of positions and their value at risk in normal conditions, under sensitivity scenarios an on extreme conditions, which are delivered daily to Executive Management, monthly to the Risk Management Committee and quarterly to the Board of Directors.

As of December 31st, 2009, there are closed positions of peso/dollar and dollar/currency forwards. The foreign currency forward VaR, as well as the foreign exchange desk VaR, amounted to $0.0, equivalent to 0.0% of the authorized limit of $5.0. The annual average of risk value of futures, forwards, and foreign exchange desk was set at $0.0. Capital consumption of this portfolio was $0.0 which represented 0% of the authorized limit.

Credit risk.

In connection with this account of the financial statements, credit risk is measured for expected losses from possible loan portfolio impairment, estimated by starting with the calculation of annual and quarterly transition matrices. Those matrices consist of the probabilities of impairment or improvement of the loan portfolio rating, which are obtained by starting with historical information from the Bank's borrowers.

In this way, estimates on the likelihood of nonperformance are performed to evaluate credit risks, as well as of recovery rates, rating migration frequencies (transition matrices), expected and unexpected losses (in accordance with percentages of reserve) and calculation of Value at Risk (VaR) of Credit.

A report on the operation and credit position of the Bank is presented to the Risk Management Committee every month and to the Board of Directors every quarter which, among other things, includes an analysis of the taxonomy of the loan portfolio, relevant information on changes in the loan portfolio, the overall credit risk position and its composition by sub-portfolio, nonperforming loan portfolio, changes in reserves, risk concentrations by rating, loan portfolio diversification, and main risk indicators, as well as VaR credit estimates and expected or unexpected losses.

As of December 31st, 2009, the descriptive statistic of credit risk of the private sector loan portfolio shows the following distribution by number of borrowers, in connection with its average risk level.

Distribution of the private sector portfolio at December 2009

Number of customers	Amount	Participation (%)	Accumulated Amount	Accumulated	Preventive Reserves (%)	Average Risk Level
1 - 5	10,862	39.4	10,862	39.4	2.4	B1 Intermediate
6 - 10	4,528	16.4	15,390	55.9	5.2	B2 Lower
11 - 15	2,533	9.2	17,923	65.1	8.1	B2 Superior
16 - 20	1,805	6.6	19,728	71.6	10.4	B3 Lower
21 - 25	1,402	5.1	21,130	76.7	4.6	B1 Superior
26 - 30	1,051	3.8	22,180	80.5	18.4	B3 Superior
31- 187	5,365	19.5	27,545	100.0	18.9	B3 Superior
Total	**27,545**	**100.0**			**7.8**	**B2 Intermediate**

As of that date, the quarterly VaR (without considering the expected repayments obteined for guarantees) of the private sector loan portfolio amounted to $3,400. This amount represents an extreme value of the distribution of losses and earnings due to possible portfolio impairment with a 99% confidence level.

The quarterly VaR represents 48% of the net capital as of December 2009.

The estimate for annual losses amounts to $2,882.

In addition, the above report presents the capital limit structure at a strategic level and its consumption, as well as the marginal behavior of the rated loan portfolio, common credit risk concentration, sector, line of economic activity, by borrower companies and ranges of liabilities.

At its meeting held on November 26th, 2009, the Board of Directors approved new capital limits for loan and counterparty portafolios.

Liquidity Risk.

The cash flow risk of lending operations and their respective financing is measured by a risk factor base rate and spread. In this respect, the repricing gap and due date structure is reported to the Risk Management Committee every month, with a sensitivity analysis that measures the effect of adverse changes of interest rates on net interest income. The degree of diversification of sources of financing is estimated as well.

In accordance with the repricing and due date structure of productive assets and onerous liabilities of the current Balance Sheet as of December 31st, 2009, in the event that there should be an increase of 25 base points in each one of the risk factors that make up the interest rate (base rate and spread), net income would decrease in the amount of USD 4.3 thousands on a per day average (approximately 1.6% of daily net interest income).

Non-discretional quantifiable risks.

The purpose of non-discretional risk management is to identify, measure, oversee, limit, control, and report operational, technological and legal risks associated with the Institution's relevant processes, which allow for placing levels of concentration in those processes, the efficiency with which they operate, as well as the estimate of the economic impact derived from them.

Operational risk.

The risk is analyzed qualitatively, quantitatively and for Regulatory Compliance.

- *Qualitative Analysis.*- This analysis is performed by applying self-evaluations to the preventive critical processes selected thereby issuing an operational risk technical opinion.

- *Quantitative Analysis.*- Losses are obtained from the defined bank accounts for recording operational risk events.

- *Regulatory Compliance.*- The Institution uses the Basic indicator method to estimate its operational risk capital requirements, in accordance with the capitalization rules of Credit Institutions. The total operational risk capital requirement amounted to $160. In accordance with the standard, this requirement will be created in 36 month. Accordingly, the accrued requirement amounts to $98 as of December 2009, which accounts for 61% of the total to be created.

Technological risk

Technological risk is measured and controlled by applying five critical indicators: 1) Access to the network security; 2) Blocking and Locks the network against viruses; 3) Availability of Critical Applications; 4) Detecting and Blocking Access to Restricted Websites; and 5) Recovery of Critical Services under Disaster Drill (DRP). Further, Business Continuity Plans (BCP) of processes identified are applied as critical in reliance on the Institutional Operation Continuity Plan (PCOOP – Plan de Continuidad de Operaciones Institucional). As of December 31st, 2009, indicators shown that goals defined for each indicator were met in general terms.

Legal risk

Policies are established that allow for identifying, measuring, and recording provisions and/or contingencies for potential losses, due to unfavorable rulings handed down in a legal proceeding derived from litigations in which the Bank is a plaintiff or defendant, in order to mitigate the impact on the Institution's patrimony.

With the application of that policy, reserves created for legal risks amounted to $1,421 as of December 2009, which consist of: $182 for commercial action lawsuits, $57 for labor litigations, $11 for costs and expenses, including administrative expenses, and $1,171 for lawsuits for international operations.

4. SALE OF STOCK AND ASSIGNMENT OF CREDIT

BANCOMEXT, through an international public bid, sold the stock of two companies located in Chile, as well as the assignment of a credit payable by one of them, in the amount of 553 million dollars on September 23, 2008.

This sale allowed for recovering:

a) The value of stock acquired through judicial proceedings amounted to $338.4, which had an effect in income in the amount of $3,101.5 for the gain on the sale amounting to $2,763.2, and the release of the reserves for potential losses of value of assets adjudicated in legal proceedings in the amount of $338.4 (Notes 10 and 21.4).

b) The value of share certificates that had been recorded as Available-for-sale Securities at a value amounting to $1,186.9, generated a gain on the sale amounting to $565.9, which was reflected in income in the amount of $210.8 and in stockholders' equity in the amount of $355.1, due to the reversal of the unrealized loss of those securities (Notes 7.2, 20, and 21.4).

c) The face value of credits and interest in the amount of $1,369.6, whose effect was recognized in income for the recovery of credit reserves eliminated from assets in the amount of $1,288.2 and $81.4 for interest (Notes 9.11 and 21.4).

Taxes due on this transaction amounted to $483, which were paid to the Internal Revenue Service in the Republic of Chile (Note 17.1).

The bid documents and buy and sell contract contemplate that an escrow account be created equivalent to 20% of the transaction price to guarantee and, if applicable, pay the eventual indemnifications which, in this case, amounted to USD 110.6 million. That account will remain at least 1 year subsequent to the sales closing date. Any contingency or dispute generated that is not solved by the parties will be subject to arbitration, in accordance with the Arbitration Procedural Regulations in effect (Center of Arbitration in and for Santiago). At December 31st, 2008, two letters of complaint have been received by the Buyer of one of the companies. The first letter contains two specific claims concerning the financial statements, and the second letter refers to fines applied due to nonperformances of the Assignment Contract. Accordingly, the Institution prudently created provisions in the amount of USD 40 million (Notes 6 and 21.3). As of December 31st, 2009, those claims were submitted to an arbitration proceeding, as discussed above.

5. FOREIGN EXCHANGE CURRENCY

As of December 31st, 2009 and 2008, the amount of the transactions denominated in foreign currency of the foreign currencies used by the Institution and its own positioning is as follows:

As of December 31st, 2009.

FOREIGN CURRENCY	ASSETS ORIGIN CURRENCY IN THOUSANDS	LIABILITIES	LONG (SHORT) POSITION	EXCHANGE RATE PESOS		MEXICAN PESOS MILLION
U.S. Dollars	4,990,672	4,987,350	3,322	13.0659	$	43
Swiss Francs	105	-	105	12.6448		1
Pound Sterling	74	-	74	21.0975		2
Canadian Dollars	38	-	38	12.4734		0
Japanese Yens	12,975	-	12,975	0.1405		2
Euros	46,163	45,276	887	18.7457		17
					$	65

As of December 31st, 2008.

FOREIGN CURRENCY	ASSETS ORIGIN CURRENCY IN THOUSANDS	LIABILITIES	LONG (SHORT) POSITION	EXCHANGE RATE PESOS		MEXICAN PESOS MILLION
U.S. Dollars	5,419,770	5,428,012	(8,242)	13.8325	$	(114)
Swiss Francs	306	-	306	13.1425		4
Pound Sterling	75	-	75	19.9548		1
Canadian Dollars	44	1	43	11.2864		-
Japanese Yens	20,785	15,918	4,867	0.1534		1
Euros	56,451	56,064	387	19.5592		8
					$	(100)

6. LIQUID ASSETS

As of December 31st, 2009 and 2008, the liquid assets are composed as follows:

	2009		2008	
Deposits in Domestic Banks	$	2,499	$	2,490
Deposits in Foreign Banks		736		794
Demand Deposits		4,150		6,287
Call Money		148		69
Time Deposits		18,181		10,884
Currency Buys (Spot)		186		1
Collateral Deposits		-		-
Others		(170)		9
	$	25,730	$	20,534

Deposits in Domestic Banks

	2009			2008		
	USD THOUSANDS	MEXICAN PESOS		USD THOUSANDS	MEXICAN PESOS	
Banco de México - Foreign Currency	758	$	10	693	$	10
Banco de México - National Currency	-		2,465	-		2,465
Other Banks in Foreign Currency	937		12	791		11
Other Banks in National Currency	-		12	-		4
	1,695	$	2,499	1,484	$	2,490

Deposits in Foreign Banks

	2009			2008		
	ORIGIN CURRENCY IN	MEXICAN PESOS		ORIGIN CURRENCY IN THOUSANDS	MEXICAN PESOS	
Mexican Pesos	1,665	$	2	1,665	$	2
U.S. Dollars	52,775		690	50,927		705
Swiss Francs	105		1	306		4
Pound Sterling	14		-	15		-
Canadian Dollars	38		-	44		-
Japanese Yens	12,975		2	20,785		3
Euros	2,163		41	4,109		80
		$	736		$	794

Demand Deposits

2009

ORIGIN CURRENCY	RATE	TERM DAYS	ORIGIN CURRENCY IN THOUSANDS	MEXICAN PESOS
USD	De 0.001% a .1%	4	300,705	$ 3,929
EUR	0.2%	4	11,782	221
				$ 4,150

2008

RATE	TERM DAYS	ORIGIN CURRENCY IN THOUSANDS	MEXICAN PESOS
0.010%	2	435,285	$ 6,021
1.800%	2	13,603	266
			$ 6,287

Documented Call Money

2009

ORIGIN CURRENCY	RATE	TERM DAYS	ORIGIN CURRENCY THOUSANDS	MEXICAN PESOS
Domestic Banks				
National Currency	4.10%	4	$ 148,551	$ 148
				-
				$ 148

2008

RATE	TERM DAYS	ORIGIN CURRENCY THOUSANDS	MEXICAN PESOS
8.10%	2	$ 68,509	$ 69
			-
			$ 69

Time Deposits

2009

RATE	TERM DAYS	ORIGIN CURRENCY	ORIGIN CURRENCY THOUSANDS	MEXICAN PESOS
De .06% a .22%	De 5 a 29	USD	585,904	$ 7,656
De .1% a .25%	De 30 a 180	USD	789,749	$ 10,319
De .69% a .85%	De 181 a 310	USD	10,041	$ 131
0.23%	7	EURO	4,013	$ 75
			1,389,707	$ 18,181

2008

RATE	TERM DAYS	USD THOUSANDS	MEXICAN PESOS
0.05%	6	100,000	$ 1,383
0.10%	12	100,000	1,383
0.21%	17	100,000	1,383
0.45%	25	151,918	2,101
0.53%	28	201,441	2,786
1.25%	30	90,000	1,245
3.31%	180-182	43,507	603
		786,866	$ 10,884

This line includes a deposit in the amount of USD 112 million as a restricted liquid assets in an escrow account abroad, in order to guarantee and, if applicable, pay the eventual indemnifications, derived from the stock purchase and credit assignment contract (Note 4).

Foreign Currency Buys (Spot)

	2009			2008		
	ORIGIN CURRENCY	ORIGIN CURRENCY IN THOUSANDS	MEXICAN PESOS	ORIGIN CURRENCY	ORIGIN CURRENCY IN THOUSANDS	MEXICAN PESOS
Domestic Banks		-	-	USD	102	$ 1
Foreign Banks	USD	14,276	186			-
			$ 186			$ 1

Others

	2009	2008
Cash	$ 2	$ 3
Foreign Bills and Coins	3	1
Currency Sales (Spot)	(184)	(14)
Drawn Interests from Investing Deposits	9	19
	$ (170)	$ 9

The Institution maintains 10 centenaries that are valued monthly with the month-end quote of the gold coin. Its value as of December 31st, 2009 amounts to $146 (thousand) and $123 (thousand) in 2008.

7. INVESTMENT IN SECURITIES

As of December 31st, 2009 and 2008 the investment in securities are composed as follows:

7.1 Trading Securities

	2009	2008
Government securities	$ 2,058	$ 15
Bank securities	2,904	30
Securities delivered in guarantee	3,474	-
Pledged securities under repurchase transactions	33,234	29,049
Debentures and other Securities	-	1
	$ 41,670	$ 29,095

- **Government securities**

Government securities as of December 31st, 2009 and 2008 are as follows:

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Unrestricted Governmental Securities	$ 2,058	$ 2,058	$ -	$ 15	$ 15	$ -

- **Bank securities.**

Bank securities as of December 31st, 2009 and 2008 are summarized as follows:

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Debt securities	$ 2,904	$ 2,904	$ -	$ 30	$ 30	$ -

- **Securities delivered in guarantee**

Securities delivered in guarantee as of December 31st, 2009 and 2008 are comprised as follows:

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Government securities	$ 3,473	$ 3,474	$ 1	$ -	$ -	$ -

- **Pledged securities under repurchase transactions**

Pledged securities under repurchase transactions as of December 31st, 2009 and 2008 are summarized as follows:

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Government Securities	$ 33,240	$ 33,234	$ (6)	$ 27,315	$ 27,316	$ 1
Public company securities	-	-	-	1,733	1,733	-
	$ 33,240	$ 33,234	$ (6)	$ 29,048	$ 29,049	$ 1

- **Debentures and other securities**

Debentures and other securities as of December 31st, 2009 and 2008 are comprised as follows:

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Certificates of Deposit	-	-	-	$ 1	$ 1	$ -

7.2 Available-for-sale securities

	2009	2008
Debentures and other securities in USD	$ 1,244	$ 1,324
Securities delivered in guarantee	129	-
Shares in Mexican Pesos	119	180
Shares in USD	8	8
Hedge swaps valuation (net)	37	155
	$ 1,537	$ 1,667

- **Debentures and other securities**

Debentures and other securities as of December 31st, 2009 and 2008 are composed as follows:

a) Debentures

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Debt securities	$ 1,275	$ 1,244	$ (31)	$ 1,479	$ 1,324	$ (155)

b) Securities issued by foreign entities

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Foreing Bank	$ 26	-	$ (26)	$ 28	-	$ (28)
Total debentures and other securities	$ 1,301	$ 1,244	$ (57)	$ 1,507	$ 1,324	$ (183)

- **Securities delivered in guarantee**

	2009			2008		
	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)	BOOK VALUE	FAIR VALUE	SURPLUS (DEFICIT)
Debt Securities	$ 122	$ 129	$ 7	-	-	-

- **Shares in Mexican Pesos**

Shares in Mexican Pesos as of December 31st, 2009 and 2008 are summarized as follows;

	2009			2008		
	COST OF ACQUISITION	FAIR VALUE	UNREALIZED LOSS	COST OF ACQUISITION	FAIR VALUE	UNREALIZED LOSS
Not quoted	$ 205	$ 119	$ (86)	$ 280	$ 180	$ (100)

- **Shares in foreign currency – valued in Mexican Pesos**

Shares as of December 31st, 2009 and 2008 are as follows:

	2009			2008		
	COST OF ACQUISITION	FAIR VALUE	UNREALIZED INCOME	COST OF ACQUISITION	FAIR VALUE	UNREALIZED INCOME
Not quoted in USD	$ 5	$ 8	$ 3	$ 6	$ 8	$ 2

As discussed in Note 4, BANCOMEXT sold the stock of a company located in Chile in 2008, whose book value amounted to $1,186.9 and an unrealized loss amounting to $355.

Dividends collected on available-for-sale shares amounted to $373 thousand and $405 thousand in fiscal years 2009 and 2008. The gain or loss on valuation recognized in other items of comprehensive income in stockholders' equity in the 2009 and 2008 period amounts to $175 and $185.

7.3 Held-to-maturity securities

	2009	2008
Govermment securities	$ 1,361	$ 1,401
Bonds from Domestic Companies	4,061	4,244
	$ 5,422	$ 5,645

- **Government securities.**

Government securities as of December 31st, 2009 and 2008 are summarized as follows:

	Amount	Provision	Total	Amount	Provision	Total
Pledged governmental securities	$1,310	$51	$1,361	-	-	-
Government securities	-	-	-	$1,359	$42	$1,401
Total	$1,310	$51	$1,361	$1,359	$42	$1,401

- **Bonds from domestic companies**

Bonds from domestic companies as of December 31st, 2009 and 2008 are integrated as follows:

	2009		2008	
	USD THOUSANDS	Mexican Pesos	USD THOUSANDS	Mexican Pesos
Pledged debt securities – Mexican Pesos	-	$ 4,061	-	-
Debt securities Mexican Pesos	-	-	10,247	4,102
Debt securities Foreign Currency	-	-	-	142
Total	-	$ 4,061	10,247	$ 4,244

As discussed in Note 2 d, in 2008 BANCOMEXT reclassified securities recorded as "Trading Securities" to "Held-to-maturity securities" in the amount of $5,376, with the intent to hold those securities classified as such until their maturity. The position that the Institution had in trading securities sold prior to reclassification amounted to $33 thousand. Had those securities not been reclassified, the unrealized loss that would have been reflected in Institution's income amounted to $31. Due to the change in valuation methodology, since trading securities are calculated based on fair value and recorded in income of the period. Held-to-maturity securities are valued at cost. These value of securities show no indicators of impairment.

7.4 Interest income, Gain or loss on market-to-market. Trading securities income as of December 31st, 2009 and 2008

	2009	2008
Trading securities income 1/	$ 14	$ 126
Interest income	$ 4,705	$ 5,230
Gain or loss on mark-to-market	$ (5)	$ (17)

1/ In 2008 it includes $211 as a gain derived from the sale of stock of a company located in Chile, as discussed in Notes 4 and 7.2b.

8. RECEIVABLE BALANCES IN REPURCHASE TRANSACTIONS

Repurchase agreements (Repo Operations) celebrated as of December 31st, 2009 and 2008 are comprised mainly by Savings Protective Bonds, Development Bonds; Fixed Rate Bonds, Cetes, Udibonos, Stock Exchange Certificates, liquidation terms of repurchase transactions vary from 1 to 28 days.

- BORROWING PART

	2009	2008
Collateral received and pledged		
Government securities	$ 8,822	$ 34,917
Bank securities	1,014	-
Public entities securities	-	-
Total Collateral received and pledged	**$ 9,836**	**$ 34,917**
Payables under Repurchase Transactions		
- Securities held by the Institution 1/		
Government securities	$ 33,129	$ 27,258
Bank securities	-	-
Public entities securities	-	1,733
Total Payables under Repurchase Transactions	**$ 33,129**	**$ 28,991**
- Securities received as collateral under repurchase transactions		
Government securities	8,850	34,917
Bank securities	1,000	-
Public entities securities	-	-
Subtotal A	**$ 9,850**	**$ 34,917**

1/ Securities reported that are recorded in the item of Trading securities (Note 7.1).

LENDING PART

	2009	2008
Receivables under repurchase transactions		
Government securities	$ 8,850	$ 45,508
Bank securities	1,000	-
Public entities securities	-	-
Subtotal B	**$ 9,850**	**$ 45,508**
Receivables under repurchase transactions (B minus A)	-	$ 10,591

Collateral received

Government securities	$ 8,822	$ 45,479
Bank securities	1,014	-
Public entities securities	-	-
Total collateral received	**$ 9,836**	**$ 45,479**

As of December 31st, 2009 and 2008 premiums generated by Repo Operations amounted to $1,389 and $2,542, respectively and premiums paid on Repo Operations amounted to $2,965 and $4,862.

9. LOAN PORTFOLIO

9.1 As of December 31st, 2009 and 2008, the loan portfolio is composed as shown below:

Foreign Currency Portfolio – Valued in Mexican Pesos

TYPE OF LOAN	2009			2008		
	CURRENT	OVERDUE	TOTAL	CURRENT	OVERDUE	TOTAL
Commercial Loans	$ 18,185	$ 782	$ 18,967	$ 21,989	$ 756	$ 22,745
Loans to Financial	2,097	-	2,097	2,204	-	$ 2,204
Loans to Government Entities	11,466	-	11,466	13,917	-	13,917
Subtotal	$ 31,748	$ 782	$ 32,530	$ 38,110	$ 756	$ 38,866

Portfolio in Mexican Pesos

TYPE OF LOAN	2009			2008		
	CURRENT	OVERDUE	TOTAL	CURRENT	OVERDUE	TOTAL
Commercial Loans	$ 8,620	$ 416	$ 9,036	$ 4,404	$ 30	$ 4,434
Loans to Financial Entities	3,410	-	3,410	5,216	-	5,216
Loans to Government Entities	55	-	55	292	-	292
Consumer Loans	26	8	34	32	16	48
Housing Loans	203	9	212	203	28	231
Subtotal	$ 12,314	$ 433	$ 12,747	$ 10,147	$ 74	$ 10,221
Total	$ 44,062	$ 1,215	$ 45,277	$ 48,257	$ 830	$ 49,087

The Board of Directors approved the Corporate Debt Business Support Program at its meeting held on October 13th, 2008, whereby 6 companies were supported and lines were authorized in the amount of USD 865 million, of which $3,867 pesos and USD 451.1 million were exercised. The provisions created for these credits amounted to $431.

9.2 Nonperforming loan portfolio as of December 31st, 2009 and 2008, is composed as shown below:

	2009		2008	
TERM	AMOUNT	%	AMOUNT	%
From 1 to 180 days	$ 637	53%	$ 117	14%
From 181 to 365 days	187	15%	139	17%
From 1 to 2 years	211	17%	503	61%
Over 2 years	180	15%	71	8%
Total	$ 1,215	100%	$ 830	100%

9.3 Significant changes in the nonperforming loan portfolio:

CONCEPT	2009	2008
Initial Balance in Past-Due loan Portfolio	$ 830	$ 3,690
Minus:		
Exchange rate change on opening balance	42	(964)
Payments	410	362
Acquittances	1	5
Write-offs	335	5,618
Transfers to current portfolio	323	351
Cancellation for restructuring	5,223	4,013
Plus:		
Opening for restructurings	5,540	5,819
Transfers to past-due loan portfolio	$ 1,179	700
Renewals	-	6
Past-due Portfolio loan Balances at end of year	$ 1,215	$ 830

At the meeting held on June 26th, 2008, the Board of Directors authorized a restructured overdue loan to be recorded in memorandum accounts in the amount of $4,062 with a 5 year period of grace for amortization of capital and capitalization of interests, secured by a nonresident financial entity. As part of the restructuring terms, a new line of credit was granted to support exports of Mexican business persons in the amount of the payment received of 20.7 million dollars.

On December 18th, 2008, the first amending agreement to the debt recognition agreement was entered into, as well as the consolidation of liabilities, assumption of debt, partial payment, and method of payment signed with this borrower, whereby the amortization table was changed and capitalization of interest was agreed upon, subject to the performance of the condition precedent of the delivery of the respective letter of guarantee, which was delivered on January 8th, 2009.

9.4 Integration of the loan portfolio by economic sector as of December 31st, 2009 and 2008, as shown below:

ECONOMIC SECTOR	2009 AMOUNT	2009 %	2008 AMOUNT	2008 %
Agriculture	$ 140	0.50	$ 679	2.47
Mining	125	0.44	131	0.48
Food, Beverages and Tobacco	5,161	18.29	4,730	17.23
Textiles, Garment and Leather	783	2.78	1,285	4.68
Lumber and its Products	89	0.32	91	0.33
Paper, Printing and Publishing	98	0.35	150	0.55
Chemical Products and Plastic or Rubber Products	2,611	9.26	2,915	10.62
Non-metallic Minerals	5,363	19.01	7,090	25.82
Siderurgy	1,577	5.59	1,390	5.06
Mining and metallurgy	3	0.01	4	0.01
Metallic Products, Machinery and Equipment	2,539	9.00	1,280	4.66
Other manufacturing industries	8	0.03	11	0.04
Construction	297	1.05	370	1.35
Electricity, Gas and Water Supply	187	0.66	230	0.84
Trade	464	1.64	905	3.30
Tourism	4,378	15.52	2,793	10.17
Transportation and Communications	1,573	5.58	259	0.94
Real Estate and Leasing Services	1,876	6.65	1,710	6.23
Professional, Personal and Social Services	191	0.68	343	1.25
Unclassified Services	83	0.29	142	0.52
Individuals	247	0.88	285	1.04
Primary position valuation of subject portfolio with no sector	418	1.48	665	2.42
Private Sector	28,211	100	27,458	100
Public Sector	11,576		14,257	
Financial Sector	5,490		7,372	
Total	$ 45,277		$ 49,087	

9.5 Restructured loans and renewed loans as of December 31st, 2009 and 2008:

TYPE OF LOAN	2009 OUTSTANDING PORTFOLIO	2009 PAST-DUE PORTFOLIO	2009 TOTAL	2008 OUTSTANDING PORTFOLIO	2008 PAST-DUE PORTFOLIO	2008 TOTAL
Commercial Loans						
Restructured	$ 11,682	$ 755	$ 12,437	$ 3,051	$ 91	$ 3,142
Renewed	-	5	5	69	5	74
Subtotal	11,682	760	12,442	3,120	96	3,216
Loans to Financial Entities						
Restructured	-	-	-	-	-	-
Housing Loan						
Restructured	30	1	31	22	-	22
Consumer Loans						
Restructured	3	-	3	3	-	3
Loans to Government Entities						
Restructured	-	-	-	-	-	-
Renewed	99	-	99	105	-	105
Subtotal	99	-	99	105	-	105
Total	$ 11,814	$ 761	$ 12,575	$ 3,250	$ 96	$ 3,346

9.6 Restructured Credit additional Guarantees and Concessions Granted

The amount and nature of guarantees for the restructured loans were as follows:

ADDITIONAL GUARANTEES	2009	2008
Trust	$ 6,552	$ 27

9.7 Interests and Commissions as of December 31st, 2009 and 2008, were as follows:

Type of Loan	2009 Collected Interests	2009 Collected Commissions	2009 Total	2008 Collected Interests	2008 Collected Commissions	2008 Total
Commercial Loans	$ 1,584	$ 44	$ 1,628	$ 1,078	$ 9	$ 1,087
Loans to Financial Entities	371	-	371	513	-	513
Loans to Government Entities	627	-	627	633	-	633
Consumer Loans	3	-	3	3	-	3
Housing Loan	13	-	13	12	-	12
Total	$ 2,598	$ 44	$ 2,642	$ 2,239	$ 9	$ 2,248

9.8 Fees on initial granting of credit.

Unamortized fees on initial granting of credit as of December 31st, 2009 and 2008, amount to $118 and $67, which are amortized against income for the year as interest income, under the straight-line method over the life of the credit.

9.9 Rediscounts

Amount related to rediscounts during 2009 and 2008 was $2,505 and $4,603 respectively.

9.10 Loans with and without Collection Problems Layout

Breakdown of commercial loans, identifying them as loans with or without collection problems, outstanding and past due, is presented as follows:

As of December 31st, 2009

	PORTFOLIO					
	OUTSTANDING		PAST-DUE		TOTAL	
Portfolio without collection problems	$	47,852	$	430	$	48,282
Portfolio with collection problems		199		767		966
Past-due Interest		-		21		21
Total rated portfolio	**$**	**48,051**	**$**	**1,218**	**$**	**49,269**

1_/ Valued at the prevailing exchange rate as of December 31st, 2009
2_/ Ratable Portfolio
3_/ Commercial Portfolio, Government Entities, Financial Intermediaries and Guarantees included and confirmed irrevocable letters of credit
4_/ Consumer and Housing Portfolio not included
5_/ Past-due Interest are included for information purposes only, since according to portfolio rating, it is reserved at the moment it is generated.

As of December 31st, 2008

	PORTFOLIO					
	OUTSTANDING		PAST-DUE		TOTAL	
Portfolio without collection problems	$	51,184	$	66	$	51,250
Portfolio with collection problems		308		692		1,000
Past-due Interest		-		28		28
Total rated portfolio	**$**	**51,492**	**$**	**786**	**$**	**52,278**

1_/ Valued at the prevailing exchange rate as of December 31st, 2008
2_/ Ratable Portfolio
3_/ Commercial Portfolio, Government Entities, Financial Intermediaries and Guarantees included and confirmed irrevocable letters of credit
4_/ Consumer and Housing Portfolio not included
5_/ Past-due Interest are included for information purposes only, since according to portfolio rating, it is reserved at the moment it is generated.

9.11 Allowance for Credit Risks as of December 31st, 2009 and 2008.

The balance of this item was determined considering the loan portfolio rated in December 31st, 2009, in accordance with the applicable regulations issued by the SHCP and the CNBV authorities for Development Banking Institutions, showing the following results:

TOTAL RATABLE PORTFOLIO BY TYPE OF LOAN AS OF DECEMBER 31st, 2009

RATING	COMMERCIAL	GOVERNMENT ENTITIES	FINANCIAL INTERMEDIARIES	GUARANTEES	HOUSING	CONSUMER	TOTAL PORTFOLIO
A	$ -	$ -	$ -	$ -	$ 159	$ 18	$ 177
A-1	8,364	11,323	987	1,762	-	-	22,436
A-2	3,552	-	4,391	1,737	-	-	9,680
B	-	-	-	-	33	4	37
B-1	5,624	-	-	175	-	-	5,799
B-2	5,910	-	90	1,086	-	-	7,086
B-3	1,641	-	39	11	-	-	1,691
C	-	-	-	-	-	1	1
C-1	1,042	-	-	1	-	-	1,043
C-2	544	-	-	1	-	-	545
D	72	-	-	-	-	2	74
E	775	99	-	1	20	10	905
Subtotal	**$ 27,524**	**$ 11,422**	**$ 5,507**	**$ 4,774**	**$ 212**	**$ 35**	**$ 49,474**
Interest Due	21	-	-	-	-	-	21
Total	**$ 27,545**	**$ 11,422**	**$ 5,507**	**$ 4,774**	**$ 212**	**$ 35**	**$ 49,495**

ALLOWANCE REQUIRED BY RISK GROUP AS OF DECEMBER 31st, 2009

RATING	COMMERCIAL	GOVERNMENT ENTITIES	FINANCIAL INTERMEDIARIES	GUARANTEES	HOUSING	CONSUMER	TOTAL PORTFOLIO
A	$ -	$ -	$ -	$ -	$ -	$ -	$ -
A-1	42	57	5	9	-	-	113
A-2	35	-	43	17	-	-	95
B	-	-	-	-	1	-	1
B-1	156	-	-	4	-	-	160
B-2	416	-	9	109	-	-	534
B-3	187	-	4	1	-	-	192
C	-	-	-	-	-	1	1
C-1	260	-	-	-	-	-	260
C-2	224	-	-	-	-	-	224
D	47	-	-	-	-	1	48
E	774	99	-	2	19	10	904
Subtotal	**$ 2,141**	**$ 156**	**$ 61**	**$ 142**	**$ 20**	**$ 12**	**$ 2,532**
Interest Due	21	-	-	-	-	-	21
Total	**$ 2,162**	**$ 156**	**$ 61**	**$ 142**	**$ 20**	**$ 12**	**$ 2,553**
Generic Reserves							150
Total Constituted							$ 2,703

As for the fiscal year 2009 credit portfolio rating, the Institution applied the Methodology established by the General Provisions Applicable to Credit Institutions.

As of December 31st, 2009, the estimate for credit risks valued in local currency amounted to $2,703, proceeds from increases in the amount of $309, as well as decreases in remissions in the amount of $39, applications amounting to $338, and the effect of exchange rate fluctuations amounting to $148. The additional estimates reported to the CNBV amount to $150, and were determined considering the historic annual migration matrices and percentages of credit reserves according to the degree of risk for the commercial portfolio. A comparison was made between the theoretical regulatory reserve and the regulatory reserve, considering migration movements.

Criterion B-6 "Loan Portfolio" of exhibit 33 of the Sole Circular sets forth the possibility that the Institution may choose to eliminate those overdue credits that are totally provided for (100%) from its assets. The Institution eliminated the amount of $31.2 and USD 23.1 million from the assets of the loan portfolio versus the preventive estimate for credit risks. The pertinent amounts were $19.4 and USD 404.8 million in 2008. Loan portfolio recoveries amount to $292 in 2009, and this includes the recovery of debts written off of a Bank (National Credit Institution) in liquidation in the amount of $243. These recoveries amount to $1,373 in 2008, and they include the recovery of the assignment of credits granted abroad as explained in note 4.

The portfolio exempted for the rating amounts to $138.

The balance of this item was determined considering the loan portfolio rated in December 31st, 2008, in accordance with regulations issued by the SHCP and the CNBV applicable to the Development Banking Institutions, obtaining the following results:

TOTAL RATABLE PORTFOLIO BY TYPE OF LOAN AS OF DECEMBER 31st, 2008

RATING	COMMERCIAL	GOVERNMENT ENTITIES	FINANCIAL INTERMEDIARIES	GUARANTEES	HOUSING	CONSUMER	TOTAL PORTFOLIO
A	$ -	$ -	$ -	$ -	$ 169	$ 24	$ 193
A-1	6,669	13,991	1,665	1,921	-	-	24,246
A-2	4,903	-	5,712	1,958	-	-	12,573
B	-	-	-	-	27	3	30
B-1	8,341	-	-	157	-	-	8,498
B-2	1,429	-	43	247	-	-	1,719
B-3	1,960	-	-	11	-	-	1,971
C	-	-	-	-	-	1	1
C-1	1,686	-	-	-	-	-	1,686
C-2	539	-	-	-	-	-	539
D	11	-	-	-	4	2	17
E	900	105	-	3	30	18	1,056
Subtotal	$ 26,438	$ 14,096	$ 7,420	$ 4,297	$ 230	$ 48	$ 52,529
Interest Due	27	-	-	-	1	-	28
Total	$ 26,465	$ 14,096	$ 7,420	$ 4,297	$ 231	$ 48	$ 52,557

ALLOWANCE REQUIRED BY RISK GROUP AS OF DECEMBER 31st, 2008

RATING	COMMERCIAL	GOVERNMENT ENTITIES	FINANCIAL INTERMEDIARIES	GUARANTEES	HOUSING	CONSUMER	TOTAL PORTFOLIO
A	$ -	$ -	$ -	$ -	$ 1	$ -	$ 1
A-1	33	70	8	10	-	-	121
A-2	48	-	57	19	-	-	124
B	-	-	-	-	1	-	1
B-1	383	-	-	4	-	-	387
B-2	119	-	4	25	-	-	148
B-3	266	-	-	2	-	-	268
C	-	-	-	-	-	1	1
C-1	553	-	-	-	-	-	553
C-2	220	-	-	-	-	-	220
D	8	-	-	-	3	1	12
E	900	105	-	3	30	18	1,056
Subtotal	$ 2,530	$ 175	$ 69	$ 63	$ 35	$ 20	$ 2,892
Interest Due	27	-	-	-	-	-	27
Total	$ 2,557	$ 175	$ 69	$ 63	$ 35	$ 20	$ 2,919

9.12 Interest income recognized in credits at the time it is capitalized.

Interest income recognized at the time when capitalized for fiscal 2009 amounts to $478. During fiscal 2008, interest income was not recognized at the time when credits were capitalized.

9.13 Credit Lines

Credit openings recorded in memorandum accounts as of December 31st, 2009 amount to $3,533 and USD $4,005, as well as $2,093 and USD $3,664 as of December 31st, 2008.

10. REPOSSESSED ASSETS

10.1 As of December 31st, 2009 and 2008, such property is comprised as follows:

CONCEPT	MEXICAN PESOS	USD MILLIONS	MEXICAN PESOS	2009	2008
Personal Property	$ 20	$ -	$ -	$ 20	$ 35
Securities	26	10	136	162	174
Collection Rights	3	-	-	3	4
Subtotal	**$ 49**	**10**	**$ 136**	**$ 185**	**$ 213**
REAL ESTATE					
Rural Lots	67	-	-	67	88
Urban Lots	50	-	-	50	54
Industrial Plants	489	-	-	489	476
Commercial Premises	143	-	-	143	145
Others	12	-	-	12	3
Subtotal	**$ 761**	**$ -**	**$ -**	**$ 761**	**$ 766**
Property held for sale					
Real Estate	32	-		32	61
Personal Property	1	-	-	1	4
Subtotal	**$ 33**	**$ -**	**$ -**	**$ 33**	**$ 65**
Minus: Reserves Constituted	839	10	136	975	1,012
Total	**$ 4**	**$ -**	**$ -**	**$ 4**	**$ 32**

10.2 Provision for Holding Repossessed Assets or Payment in Kind

The provision for holding repossessed assets or payment in kind as of December 31st, 2009 and 2008 was as follows:

	2009	2008
Personal Property	$ 20	$ 35
Securities	163	174
Collection Rights	2	4
Real Estate	761	766
Property held for sale	29	33
Total Reserves	**$ 975**	**$ 1,012**

The charge to income for this item amounted to $57 and $19 at December 31st, 2009 and 2008, respectively.

As discussed in Note 4, BANCOMEXT sold the stock (securities) of a company located in Chile in 2008, whose book value amounted to $338.4 with reserves at 100%.

11. PROPERTY, FURNITURE AND EQUIPMENT

As of December 31st, 2009 and 2008 this item is integrated as follows:

	2009		2008	
Office Furniture	$	192	$	192
Computer Equipment		262		268
Transportation Equipment		4		4
Minus: Accrued Depreciation		(435)		(433)
Office Furniture revaluation surplus		2		1
Total Office Furniture	$	25	$	32
Property		340		347
Minus: Accrued Depreciation		(97)		(88)
Land		161		163
Property Revaluation Surplus		76		76
Total Property	$	480	$	498
Others (net)		49		59
Total	$	554	$	589

The depreciation debited to the Income Statement as of December 31st amounted to $33 in 2009 and $39 in 2008.

As discussed in Note 21, BANCOMEXT, in compliance of the Decree dated February 29th, 2008, which the ProMexico Trust was created, donated 2 real properties, furniture and equipment whose carrying value amounted to $200.

12. PERMANENT STOCK INVESTMENTS

12.1 The companies in which the equity method was used, as well as the shareholdings of BANCOMEXT in those companies at December 31st, 2009, are as follows:

COMPANY	% OF EQUITY SERIES A	SERIES B	MAIN ACTIVITY	
Cesce México, S.A. de C.V. (CESCEMEX)	48.99		Insurance	
Exportadores Asociados, S. A. de C. V. (EASA)	100.00	100.00	Commerce	a/
Corporación Mexicana de Inversiones de Capital, S.A. de C.V. (CMIC)	19.00	13.90	Investment Fund	

a/ On June 10th, 2004, the Board of Directors of BANCOMEXT authorized that during 2004, were started actions intended to dissolve Ocean Garden Products, Inc. (A subsidiary company of Exportadores Asociados, S. A. de C. V.) On May 2nd, 2005, a call was published for participation in the bidding process for the sale of Ocean Garden Products, Inc. The buy and sell contract was signed on December 13th, 2005. On February 23 th, 2006, the buyer furnished evidence of compliance with the contractual conditions related whith the transfer of ownership of shareholdings. Accordingly, the sale was formally executed on March 2nd, 2006. On February 22nd, 2007, the Board of Directors of EASA approved the liquidation of the company. The company is currently in that process.

Subsidiary companies are audited by an independent Public Accountant other than the auditor of BANCOMEXT.

12.2 The amounts used to recognize equity method at December 31st, 2009 and 2008, are mentioned below:

	STOCKHOLDERS' EQUITY	RETAINED EARNINGS (LOSSES)	DEFICIT ON EQUITY RESTATEMENT	NET - INCOME	2009 TOTAL	2008 TOTAL
EASA	$ 153	(138)	-	(1)	$ 14	$ 15
CESCEMEX 1/	96	(5)	-	2	93	86
CIMC 2/	198	7	21	9	235	200
Otras					30	29
			Total		$ 372	$ 330

1/ Bancomext's participation is 48.99%

2/ Bancomext's participation is 12.50%

12.3 As of December 31st, 2009 and 2008, assets, liabilities and the significant items in the statement of income from the subsidiary companies are as follows:

BALANCES AS OF DECEMBER 31st, 2009

	TOTAL ASSETS	TOTAL LIABILITIES	INCOME	EXPENSES
EASA	14	-	-	2
CESCEMEX	253	101	17	22
CMIC	2,043	164	302	169

BALANCES AS OF DECEMBER 31st, 2008

	TOTAL ASSETS	TOTAL LIABILITIES	INCOME	EXPENSES
EASA	194	53	7	22
CESCEMEX	15	-	-	-

12.4 Investments in stock in associated companies in which the Institution has no control or significant participation is shown restated through the application of the UDI value. Acquisition cost of other permanent investments in stock amounts to $ 2 in 2009 and $ 2 in 2008.

13. OTHER ACCOUNTS RECEIVABLE

As of December 31st, 2009 and 2008, the balance of this item is comprised as follows:

	2009	2008
Sundry debtors	$ 294	$ 688
Debtors for commissions on current transactions	12	12
Guarantee deposits	6	6
Value Added Tax	6	-
Loans to personnel of the Institution	2,067	2,125
Debtors for credit guarantees	2	3
Assigned accounts receivable	288	357
Debtors for settlement of foreign currency transactions	185	15
Debtors for settlement of repurchase transactions	-	6
Debtors for settlement of investment in securities trading	-	7
Allowance for write-offs	(24)	(33)
Total	**$ 2,836**	**$ 3,186**

As of December 31st, 2009 and 2008, accounts receivable are included in foreign currency valued in Mexican Pesos in the amount of $95 and $126 respectively.

14. TIME DEPOSITS

The balance of this item as of December 31st, 2009 and 2008, is composed as follows:

CONCEPT	2009	2008
Fixed-term deposits in Mexican Pesos	$ 86	$ 86
Promissory notes with interest payable at maturity	30,485	34,702
Deposits of special loans for savings	719	762
Fidex-term deposits in USD	7,273	1,974
Valuation of swaps with hedging purposes (net)	(732)	(4,021)
TOTAL	$ 37,831	$ 33,503

14.1 The situation of fixed-term deposits in Mexican Pesos as of December 31st, 2009 and 2008, was as follows:

As of December 31st, 2009

RATE	TERM DAYS	MATURITY	AMOUNT	INTEREST	TOTAL
9.05%	294	21/10/2010	$ 85	$ 1	$ 86
			$ 85	$ 1	$ 86

As of December 31st, 2008

RATE	TERM DAYS	MATURITY	AMOUNT	INTEREST	TOTAL
9.05%	630	21/10/2010	$ 85	$ 1	$ 86
			$ 85	$ 1	$ 86

14.2 The situation of the Promissory Notes with interest payable upon maturity in 2009 and 2008 were as follows:

CONCEPT	TERM	INITIAL AMOUNT	INTERESTS EARNED	2009	2008
Promissory Note	1 to 28 days	$ 17,675	$ 22	$ 17,697	$ 16,475
Promissory Note	30 to 180 days	11,853	57	11,910	6,247
Promissory Note	180 to 365 days	870	8	878	11,980
		$ 30,398	$ 87	$ 30,485	$ 34,702

15. NEGOTIABLE INSTRUMENTS ISSUED.

The balance of this item is comprised as follows:

		2009		2008
Stock Certificates	$	4,019	$	4,018
Bond issues in national currency		-		5,628
Swaps valuation with hedge purposes (net)		-		1
	$	4,019	$	9,647

15.1 The situation of the Stock Certificates were as follows:

As of December 31st, 2009

RATE	TERM DAYS	MATURITY	AMOUNT	INTEREST	TOTAL
8.15% to 8.54%	From 344 to 2,164	10/12/2010 to 04/Dic/2015	$ 4,000	$ 19	$ 4,019

As of December 31st, 2008

RATE	TERM DAYS	MATURITY	AMOUNT	INTEREST	TOTAL
8.15% to 8.54%	From 709 to 2,529	10/12/2010 to 04/Dic/2015	$ 4,000	$ 18	$ 4,018

15.2 The status of the main programs of Bond Issues as of December 31st, 2008 was as follows:

ISSUE DATE	AMOUNT THOUSANDS	INTEREST RATE	INTEREST PAYMENT	INTEREST THOUSANDS	MATURITY DATE	MARKET	2008 EQUIVALENT IN MEXICAN PESOS
21/01/2004	400,000	3.88%	Semestral	$ 7	21-ene-09	EUROMER	$ 5,628

15.3 Article 10 of BANCOMEXT's Organic Law establishes that the Federal Government will respond at all times for the transactions carried out by BANCOMEXT.

16. INTERBANK AND OTHER ENTITIES LOANS

The balances comprising the Interbank and other entities loans as of December 31st, 2009 and 2008 are summarized as follows:

	2009	2008
Guaranteed lines	$ 1,671	$ 2,094
Commercial lines	19,663	10,930
Domestic debt	7,840	1
Executor	386	408
Development banking	1,580	4,496
Call Money Transactions	843	1,029
Loans from the Federal Government	1,640	1,840
Interest allowance	58	49
	$ 33,681	$ 20,847

16.1 As of December 31st, 2009 is comprised as follows:

a) Guaranteed lines

	CURRENCY	WEIGHTED RATE	MEXICAN PESOS
Foreign Banks	USD	From .48% to 1.25%	$ 1,134
Foreign Banks	EURO	From 2% to 2.25%	537
			$ 1,671

b) Commercial lines

	CURRENCY	AVERAGE RATE	MEXICAN PESOS
Foreign Banks	MN	5.50%	$ 2,500
Foreign Banks	USD	0.31%	17163
			$ 19,663

c) Domestic debt

GUARANTOR	CURRENCY	ISSUE DATE	MATURITY DATE	RATE	COUNTERPARTY	MEXICAN PESOS
Federal Government	USD	23/04/2009	12/01/2010	0.67%	Banxico	$ 7,840

This liability is backed by governmental securities (Note 7.1).

d) Balances of loans when acting as Executor Agent

CURRENCY	RATE	ORIGIN CURRENCY MILLIONS		MEXICAN PESOS
USD	1.51%	19		$ 261
USD	1.60%	9		125
			Total	$ 386

e) Development banking

COUNTERPARTY	TYPE OF CURRENCY	RATE	ISSUE DATE	MATURITY DATE	LOCAL CURRENCY
Development Banking	USD	0.58%	02-oct-09	18-mar-10	$1,580

f) Call money

COUNTERPARTY	CURRENCY	ORIGIN CURRENCY	RATE	MEXICAN PESOS
Domestic Banks	USD	65	0.25%	$ 843

g) Loans from the Federal Government

COUNTERPARTY	CURRENCY	ORIGIN CURRENCY MILLIONS	RATE	MEXICAN PESOS
Domestic Banks	M.N.	47	4.49%	$ 47
Domestic Banks	USD	122	De 0.23% a 6%	1,593
				$ 1,640

16.2 As of December 31st, 2008, it is integrated as follows:

a) Guaranteed lines

	CURRENCY	WEIGHTED RATE	MEXICAN PESOS
Foreign Banks	USD	2.71%	$ 1,397
Foreign Banks	EURO	2.13%	697
			$ 2,094

b) Commercial lines

	CURRENCY	AVERAGE RATE	MEXICAN PESOS
Foreign Banks	USD	2.36%	$ 10,930

c) Domestic debt

GUARANTOR	CURRENCY	ISSUE DATE	MATURITY DATE	RATE	COUNTERPARTY	MEXICAN PESOS
Federal Government	Mexican Pesos	27/08/2002	27/08/2010	12.06	Banca de Desarrollo	$ 1

d) Balances of loans when acting as Executor Agent

LOAN	CURRENCY	RATE	ORIGIN CURRENCY MILLIONS	MEXICAN PESOS
Loan as Executor Agent	USD	2.69%	19	$ 277
Loan as Executor Agent	USD	3.04%	9	132
Loan as Executor Agent	USD	4.06%	18	244
			Subtotal	$ 653
			Total hedging (net)	(245)
			Total	$ 408

e) Development Banking

COUNTERPARTY	CURRENCY	ORIGIN CURRENCY MILLIONS	RATE	MEXICAN PESOS
Development Banking	USD	325	2.43%	$ 4,496
				$ 4,496

f) Call money

COUNTERPARTY	CURRENCY	ORIGIN CURRENCY MILLIONS	RATE	MEXICAN PESOS
Domestic Banks	USD	74	0.01%	$ 1,029
				$ 1,029

g) Loans from the Federal Government

COUNTERPARTY	CURRENCY	ORIGIN CURRENCY MILLIONS	RATE	MEXICAN PESOS
Domestic Banks	M.N.	44	7.82%	$ 44
Domestic Banks	USD	49	1.90%	692
Domestic Banks	USD	76	1.95%	1,056
Domestic Banks	USD	3	6.00%	48
				$ 1,840

17. INCOME TAX, CORPORATE FLAT TAX AND EMPLOYEE STATUTORY PROFIT SHARING CURRENT AND DEFERRED

17.1 The Income Tax, Corporate Flat Tax and Employee Statutory Profit Sharing in profit generated as of December 31st, 2009 and 2008 are summarized as follows:

	2009	2008
Income Tax and Corporate Flat Tax:		
Incurred	$ 7	$ 490
Deferred	-	2
	$ 7	$ 492
Employee Statutory Profit Sharing:		
Incurred	17	89
Deferred	-	-
	$ 17	$ 89

Of the amount presented in the caption of 2008 income tax due, the amount of $483 applies to the tax paid in Chile on the sale of stock and assignment of a loan in that country (see Note 4). That tax was recognized in income of the year 2008, even when there is the option to credit that tax against income tax that the Institution is subject to in the ten subsequent years. There is presently no high likelihood of generating taxable income in the future to assure that the pertinent tax loss carryforward can be realized.

In the event that income tax should be due in the term indicated, BANCOMEXT may credit the tax paid in Chile against income tax assessed on the Institution, properly restated from the date it was paid and up to the date on which it is credited. Toward that end, the amount of that tax was recorded in memorandum accounts.

The disposal of stock and uncollected documents are not subject to paying corporate flat tax (IETU), therefore, it is not admissible to credit the tax paid in Chile against IETU payable by the Institution.

The Institution and its subsidiaries are subject to Income Tax and Corporate Flat Tax (IETU).

Taxable income or tax loss of the year is determined for Income Tax purposes, by increasing or reducing those items that have exclusive tax effects from book income, and those book items are increased or decreased that have no tax effect.

Tax loss carryforwards, if any, may be applied against taxable income. Taxable income that exceeds tax losses will provide a base for taxable income for income tax purposes.

In accordance with the Income Tax Law, the applicable rate for fiscal 2009 is 28%. A 30% rate will apply for fiscal years 2010, 2011, and 2012. A 29% rate will apply for fiscal 2013 and, effective fiscal 2014, a 28% rate will apply.

Pursuant to the foregoing, the Institution and each subsidiary that consolidates determined their bases and taxes.

The amounts of the above captions applicable to the Institution were the following for fiscal years 2009 and 2008, since it does not consolidate for tax purposes with its subsidiaries.

	2009	2008
Restated book income (loss)	515	(1,902)
Effects of restatement	-	-
Application of restatement to 2007 nonmonetary items	19	232
Historical book income (loss)	**534**	**(1,670)**
Increases		
Taxable non-book income	255	4,028
Book non-taxable deductions	1,223	2,688
Decreases		
Taxable non-book deductions	1,480	273
Employee profit sharing paid in the year	92	-
Book non-taxable income	410	3,809
(Loss) Income of the year a/	**30**	**964**
Prior year tax loss carryforwards	(30)	(964)
Taxable income of the year	$ -	$ -

a/ Taxable income of fiscal 2009 is prior to the special statutory tax report.

In accordance with the IETU Law, the tax base will be the difference resulting from reducing the deductions authorized by this Law from the total revenues for taxed activities. Toward that end, those items that have exclusive tax effects are increased or reduced from book income and those items that are increased or decreased that have no tax effect.

In the event that authorized deductions should exceed taxed income, the Institution will be eligible for a tax credit that will result from applying the factor applicable to the tax rate enacted in the year at issue to the difference (0.165 for 2008, 0.17 for 2009, and 0.175 effective 2010).
The amount of the tax credit discussed in the foregoing paragraph may be offset against the tax generated on the base (revenues received over authorized deductions), as well as the tax credit obtained by applying the 0.165 factor for 2008 (0.17 for 2009 and 0.175 effective 2010) to the amount of salaries and wages taxed, as well as the amount of social security contributions paid in the fiscal year involved. Income tax of the year may also be reduced up to the amount of that difference. The result obtained will be IETU payable of the year.

In accordance with the IETU Law, a 16.5% rate was applicated in 2008, 17% in 2009 and will be applicable 17.5% effective 2010.

The amounts of the above captions applicable to the Institution were the following for fiscal 2009, since it does not consolidate for tax purposes with its subsidiaries.

		2009
BOOK INCOME	$	2,650
OTHER INCOME, TAXED		240
Total revenues received		2,890
BOOK INCOME, NOT TAXED (EXEMPT)		(460)
Revenues for purposes of IETU		2,430
BOOK DEDUCTIONS		2,111
BOOK DISBURSEMENTS, NONDEDUCTIBLE		(1,778)
OTHER DEDUCTIBLE DISBURSEMENTS		498
Authorized deductions		831
Tax base (credit base)		1,599
Tax rate		17
Tax determined (Tax Credit)		272
IETU tax credit		
Deductions authorized that exceed revenues received		272
Salaries		-
Income treated as salaries		-
Contributions to social security		-
Investments (acquired between 1998 and 2007)		-
Income Tax of the year, actually paid		-
Tax credits		272
Tax payable	$	-

The amounts of fiscal 2009 presented are prior to the special tax audit report.

The Institution and subsidiaries are bound to distribute the profit sharing among its workers that is obtained by applying a 10% to the taxable income of the year, determined pursuant to the terms set forth in the Income Tax Law.

As of December 31st, 2009 and 2008, the Institution maintains an unpaid Employee Profit Sharing balance in the amount of $1 and $4 of fiscal 2008 and 2007, respectively.

17.2 No Deferred Income Tax was generated pursuant to the regulations set forth in NIF D-4 and considering that there is a high likelihood of not generating taxable income in the future that allows for realizing prior year tax loss carryforwards maintained by the Institution and its subsidiaries. As a result of the foregoing, in 2008 Coordinadora de Asistencia Administrativa, S. A. de C. V. reversed the balance of Deferred Income Tax recorded in prior years.

Deferred Employee Profit Sharing has not been generated even when the Institution had Employee Profit Sharing payable because it has not obtained a taxable income base in the immediately foregoing years. This is why there is not a high likelihood of obtaining a tax base, together with the fact that there should be no indicator that the situation that generates the temporary differences relative to deferred Employee Profit Sharing is going to change.

In accordance with NIF D-4, deferred IETU should be recognized. However, a tax credit (authorized deductions that exceed revenues generated) was obtained in the year 2009 and considering that there is not a high likelihood to obtain a taxable base that allows its accreditation, the Institution did not generate deferred IETU for fiscal 2009. Considering the provisions of paragraph 12 of that INIF-8 the recognition of deferred IETU in the financial statements of 2007 for $12 is held.

17.3 As of December 31st, 2009, the Institution and its subsidiaries have tax loss carryforwards that can be offset against taxable income generated, as well as an amount of recoverable IETU tax credit against this tax in subsequent years, and asset tax that can be recovered by meeting certain requirements. Since the Institution does not consolidate with its subsidiaries for tax purposes, the restated amounts, in accordance with currently enacted legislation for Income Tax, IETU, and Asset Tax, are:

YEAR GENERATED	TAX LOSS	LOAN IETU	ASSETS TAX	MATURITY DATE
1999	-	-	12	2009
2000	-	-	11	2010
2001	-	-	11	2011
2002	-	-	11	2012
2003	-	-	10	2013
2004	-	-	9	2014
2005	-	-	8	2015
2006	1,453	-	7	2016
2007	-	-	4	2017
2008	-	361	-	2018
2009	-	-	-	2019

18.- EMPLOYEE BENEFITS

Pension Plans and the Special Loan Program for Savings (PEA – Préstamo Especial para el Ahorro) and Loan Interest Rate Spread, Defined Benefit.

BANCOMEXT has a pension plan with defined benefits that covers all employees who meet the requirements set forth in the General Labor Conditions, which consist of granting them a pension calculated on the base of the average salary obtained during the last year worked, integrated with a year-end bonus and vacation premium, to which the percentage is applied in accordance with their age and pertinent years of service.

This plan also covers seniority bonuses, which consist of a sole payment of 12 days of salary for every year worked, based on the last salary (the salary is limited to double the bank minimum wage in effect at the date of the retirement), as well as payment of other retired personnel benefits, among other things: medical expenses, medicines, hospitals, and athletic clubs.

The PEA Program consists of a credit that Banco Nacional de Comercio Exterior, S.N.C. grants to its retired and active personnel that can only be used as an investment (term-deposit) in the same Institution, which guarantees a minimum yield. There is a spread payable by the Institution against the funding rate. Effective 2008, the Institution recognized the liability for this item and created the fund to cover these obligations in 2009.

The relative liability and annual cost of those benefits are calculated by an independent actuary, in accordance with the bases defined in the plans, as well as the provisions of the CNBV and NIF D-3 of the CINIF.

During 2009, the Reengineering Program was carried out whereby 60 retirements and 34 terminations of the employment relationship were authorized with funds from BANCOMEXT. The impact on income as part of the net cost for the period by this Program amounted to $149, net of the effect by reduction and early liquidation of obligations amounting to $82.

Circular S-22.2, which was issued by the National Insurance and Surety Bond Commission and announces the New EMSSA 2009 Mortality Table for men and women, was published in the Official Daily Gazette on November 19th, 2009. Application of the EMSSA 2009 Mortality Table generated an additional actuarial loss amounting to $1,348.9 which, in accordance with what was reported to the Board of Directors at their meeting of December 17th, 2009, will be recognized with the option and procedures set forth in paragraphs 86 and 87 of NIF D-3, consistently with the accounting policy adopted by the Institution upon the effectiveness of this standard in 2008, which consists of the amortization of the loss on the average remaining labor life of active personnel. The effect on the net cost of the period in income of 2009 amounted to $62.

During fiscal 2006, the Federal Government made a capital contribution in the amount of $2,449 to support the retirement pension fund ($1,333) and other postretirement benefits ($1,116). This contribution to increase plan assets generated a projected net asset that represents a prepayment of the defined benefit pension plan.

In 2008, the new NIF D-3 the Institution's Management recognized the liability for accrued labor obligations in prior year income in the amount of $2,287, and applied the projected net asset generated by the contribution of the Federal Government in December 2006, thereby reflecting the real financial position of the pension plan (Note 20h). Management did not adopt the transitory facility set forth in NIF D-3 to amortize these items in the future (5 years), considering that the pension fund has (sufficient) financial resources.

Defined Contribution Pension Plan

Effective January 1st, 2007, Banco Nacional de Comercio Exterior, S.N.C. amended the General Work Conditions, based on the trends and better practices in connection with handling and operating retirement schemes and pensions to incorporate new employees, as well as those who decide to migrate from the current Defined Benefits System to the Defined Contribution System. The new scheme allows for having greater control over the costs and liabilities of the plan, maintain an adequate cost-benefit ratio for the institution and for the workers, and it sets clear rules for contribution or retirement as well. At December 31st, 2009 and 2008, the defined Contribution Trust amounts to $166.4 and $150.1, respectively.

Reserve for the guaranteed yield derived from the Special Loan Program for the Savings (PEA) and Loan Interest Rate Spread in 2008

The Institution created the pertinent reserve in the amount of $2,049 in fiscal 2008, in accordance with the actuarial calculation performed, of which $1,991 were recorded in prior year income that apply to the obligation as of December 31st, 2007, and $59 in income of fiscal 2008 (Note 20 h).

As of December 31st, 2009, the gain or loss on the actuarial valuation performed by an independent actuary expert are as follows:

	RETIREMENT PENSIONS	SENIORITY BONUSES	BENEFITS AT RETIREMENT DIFFERENT FROM PENSIONS	PEA AND FINANCIAL COST FOR CREDITS
Obligation for acquired rights	$ 5,077	$ -	$ 2,775	$ 2,162
Obligation for defined benefits	(5,835)	(10)	(3,168)	(2,605)
Plan assets	5,281	20	2,266	2,080
Fund status	(554)	10	(902)	(525)
Prior service for opening transition liability (asset)	-	(6)	-	-
Prior service for amendments of plan	-	-	(8)	-
Actuarial loss (assumption changes)	817	2	1,009	528
Projected net asset	263	6.00	99	3
Historical net cost of the period	135	(5)	163	107
Labor cost	49	-	27	26
Financial cost	412	1	173	184
Expected returns	411	2	169	104
Annual amortization	-	(2)	(1)	-
Effect of retirements	118	-	95	23
Effect of reduction of obligations	38	2	21	20
Effect of EMSSA 2009 Mortality tables	5	-	59	(2)
Contributions to fund	135	-	162	2,160
Payments	364	3.00	139	159
Amortization period of unamortized items:				
Prior service for opening transition liability (asset)	n/a	3 years	n/a	n/a
Prior service for amendments of plan	n/a	4.77 and 3 years	9.57 years	n/a
Actuarial loss (assumption changes)	9.86 years	10.90 years	12 years	9.86 years
Estimated discount rate	8.68%	8.68%	8.68%	8.68%
Rate of estimated salary increase	4.52%	4.52%	4.52%	4.52%
Rate of medical expenses increase	n/a	n/a	6.60%	n/a
Estimated rate of return	8.68%	8.68%	8.68%	8.68%

Effect of increasing the rate of cost of other benefits by one point, considering the other unchanged assumptions in:

Total labor cost and financial cost			$ 306	
Accrued obligation			$ 3,677	

As of December 31st, 2008, the gain or loss on the actuarial valuation performed by an independent actuary expert are as follows:

	RETIREMENT PENSIONS	SENIORITY BONUSES	BENEFITS AT RETIREMENT DIFFERENT PENSIONS	PEA AND FINANCIAL COST FOR CREDITS
Obligation for acquired rights	$ 4,113	$ -	$ 1,682	$ 1,763
Obligation for defined benefits	(4,896)	(12)	(2,031)	(2,183)
Plan assets	4,853	20	1,975	-
Fund status	(43)	8	(56)	(2,183)
Prior service for opening transition liability (asset)	-	(11)	-	-
Prior service for amendments of plan	-	-	(9)	-
Actuarial loss (assumption changes)	306	3	164	134
Projected net asset	263	-	99	(2,049)
Historical net cost of the period	74	(1)	53	196
Labor cost	78	1	35	30
Financial cost	384	1	167	166
Expected returns	388	2	151	-
Annual amortization	-	(2)	2	-
Actuarial (gain) / loss not yet recognized in income	-	3	-	-
Effect of reduction of obligations	376	(2)	196	-
Contribution - Federal Government	376	-	196	-
Contributions to fund	72	-	53	-
Payments	319	-	88	-
Payments (income / loss)	-	-	-	137
Increase in reserve (income / loss)	-	-	-	59
Amortization period of unamortized items:				
Prior service for opening transition liability (asset)	n/a	4 years	n/a	n/a
Prior service for amendments of plan	n/a	5.77 and 4 years	11.57 years	n/a
Actuarial loss (assumption changes)	10 years	11 years	12 years	9.20 years
Estimated discount rate	8.68%	8.68%	8.68%	8.68%
Rate of estimated salary increase	4.52%	4.52%	4.52%	4.52%
Rate of medical expenses increase			6.60%	
Estimated rate of return	8.68%	8.68%	8.68%	n/a
Effect of increasing the rate of cost of other benefits by one point, considering the other unchanged assumptions in:				
Total labor cost and financial cost			$ 204	
Accrued obligation			$ 2,299	

19. DERIVATIVE FINANCIAL INSTRUMENTS TRADING

Derivative financial instruments for hedging risk positions as of December 31st, 2009 and 2008, consist of fair value hedge swap trades as follows:

	2009		2008	
	PURCHASE	SALE	PURCHASE	SALE
Swaps				
For hedging loan portfolio	$ 7,834	$ 8,289	$ 1,421	$ 2,088
For hedging securities – asset position	1,054	1,389	14,147	22,355
For hedging securities – liability position	12,725	14,262	14,648	14,645
	$ 21,613	**$ 23,940**	**$ 30,216**	**$ 39,088** 1/

1/ The net of this amount between buy and sell amounts to $2,327 and $8,872 at 2009 and 2008, respectively.

For Hedging Loan Portfolio

	TYPE OF SWAP	ORIGIN CURRENCY	THOUSANDS PRINCIPAL	INTEREST	TOTAL	MEXICAN PESOS
Purchase	Rate	USD	58,509	230	58,739	$ 767
Purchase	Rate	USD	538,837	2026	540,863	7,067
					Subtotal Purchase	**$ 7,834**
Sale	Rate	USD	58,509	587	59,096	$ 772
Sale	Rate	USD	538,837	4,438	543,275	7,098
						$ 7,871
Valuation	Rate	USD			32,043	419
					Subtotal Sale	**$8,289**

For Hedging Securities (Asset Position)

	TYPE OF SWAP	ORIGIN CURRENCY	THOUSANDS PRINCIPAL	INTEREST	TOTAL	MEXICAN PESOS
Purchase	Rate	USD	80,000	703	80,703	$ 1,054
					Subtotal Purchase	**$ 1,054**
Sale	Rate	USD	80,000	2,682	82682	$ 1,080
						$ 1,080
In advance	Rate	USD			20788	**272**
Valuation	Rate	USD			2830	37
					Subtotal Sale	$ 1,389

For Hedging Securities (Liability Position)

	TYPE OF SWAP	ORIGIN CURRENCY	THOUSANDS PRINCIPAL	INTEREST	TOTAL	MEXICAN PESOS
Purchase	Currency	Mexican Pesos	13,375,686	81,939	13,457,625	$ 13,458
						$ 13,458
Valuation	Currency	Mexican Pesos			(733)	(733)
					Subtotal Purchase	$ 12,725
Sale	Currency	USD	1,091,347	227	1,091,574	$ 14,262
					Subtotal Sale	$ 14,262

As of December 31st, 2009 and 2008, the gain or loss on valuation of fair value hedge instruments are summarized as follows:

	2009 Derivatives	2009 Primary Position	2008 Derivatives	2008 Primary Position
Swaps				
For hedging loan portfolio	$ 216	$ (216)	$ 613	$ (613)
For hedging securities – asset position	114	(118)	(86)	70
For hedging securities – liability position	3,294	(3,288)	$4,000	(3,994)
	$ 3,624	$ (3,622)	$ 4,527	$ (4,537)

In order to manage the balance sheet risks, BANCOMEXT enters into contracts mainly for long-term operations, interest rate and/or foreign currency swaps, in order to hedge its lending and borrowing transactions. As of December 31st, 2009 and 2008 the Institution entered into swaps transactions for a total amount equivalent to USD 1,701 million and 2,432 million, respectively.

Effective January 1st, 2008, INIF-5 "Recognition of the consideration agreed upon at the beginning of the derivative financial instrument to adjust it to its fair value" amends paragraph 90 of Bulletin C-10 "Financial Instruments and Hedging Transactions" for considering additional cash flows received or delivered in the opening fair value of the derivative financial instrument, in order to adjust those instruments to fair value. Accordingly, opening fair value will be adjusted since the additional consideration is not subject to being amortized. The net effect of this change amounted to $15.3.

20. STOCKHOLDERS´ EQUITY

a. The stockholders´ equity as of December 31st, 2009 and 2008, is comprised as follows:

December 2009

	NUM. OF CAPITAL STOCK CERTIFICATE (CAP's)	PAR VALUE	RESTATEMENT EFFECTS	Total
Subscribed:				
Series A	92,460,098	$ 9,246	$ 627	$ 9,873
Series B	47,630,960	4,763	323	5,086
Subtotal	140,091,058	14,009	950	14,959
Paid Stock Premium		71	10	81
Capital Reserves		(547)	688	141
Prior year losses		(7,245)	(1,045)	(8,290)
Result from valuation of available-for-sale securities		(22)	-	(22)
Result from holding non-monetary assets		-	(25)	(25)
Net income (loss)		534	(19)	515
Uncontroled equity		-	-	-
TOTAL		$ 6,800	$ 559	$ 7,359

December 2008

	NUM. OF CAPITAL STOCK CERTIFICATE (CAP's)	PAR VALUE	RESTATEMENT EFFECTS	Total
Subscribed:				
Series A	33,000	$ 3,300	$ 425	$ 3,725
Series B	17,000	1,700	219	1,919
Subtotal	50,000	5,000	644	5,644
Unsubscribed:				
Series A	4,677	(468)	(60)	(528)
Series B	2,410	(241)	(31)	(272)
Subtotal	7,087	(709)	(91)	(800)
NET		4,291	553	4,844
Paid Stock Premium		71	10	81
Contributions for future capital increases agreed upon with its Gobernment Agency		9,718	397	10,115
Capital Reserves		(547)	688	141
Prior year losses		(5,511)	(879)	(6,390)
Result from valuation of available-for-sale securities		(197)	-	(197)
Result from holding non-monetary assets			(25)	(25)
Net income (loss)		(1,670)	(232)	(1,902)
Uncontrolled equity		-	-	-
TOTAL		$ 6,155	$ 512	$ 6,667

b. Capital stock is represented by credit instruments denominated Certificados de Aportación Patrimonial - Capital Stock Certificates (CAP's); registered, without coupons and broken down in the following series:

Series "A" will always represent 66% of the Capital Stock of the society and will be only subscribed by the Federal Government; only one certificate will be issued, it will be non-transferable and in any case it must not change its nature or the rights confered by to the Federal Government as the holder of the same.

Series "B" represents 34% of the Capital Stock and can be issued in one or several certificates of the same value. They can be subscribed by the Federal Government, the Governments of the States and the Municipalities or by individuals or Mexican entities of social and private sectors, favoring those related with the foreign trade. No individual or entity will be able to control the certificates for more than 5% of the paid-in capital owned by the Institution. No foreign legal entities or individuals may participate in any way in capital stock nor Mexican companies whose by-laws do not include direct or indirect exclusion of foreigners.

Capital Stock is represented by the Federal Government (99.9762%), BANXICO (0.0139%), Nacional Financiera, S. N. C. (0.0054%), and Banco Nacional de Obras y Servicios, S.N.C. (0.0045%).

c. The distribution or reduction of net worth once restated invested capital has been subtracted (CUCAP) and restated taxable profit (CUFIN) would be subject to Income Tax at a 28% rate charged to the Institution. For fiscal years 2010, 2011, and 2012 a 30% rate will apply 29% for fiscal 2013 and, effective fiscal 2014, a 28% rate will apply.

As of December 31st, 2009, since the Institution does not consolidate for tax purposes, its tax accounts related to stockholders' equity known as Cuenta de Capital de Aportación - Paid-in Capital Account (CUCAP) and Cuenta de Utilidades Fiscales Netas - Net Taxable Profit Account (CUFIN) are:

Paid-in Capital Accounts (CUCA)	$	37,093
Net Taxable Profit Account (CUFIN)	$	6,733

d. On September 10th, 2009, the SHCP published the agreement in the Official Daily Gazette, whereby it provides the capital stock increase of BANCOMEXT and amends Article 7 of the Organic Rules of Procedure to reflect this increase. Accordingly, the contributions for future capital increases were formalized and capital stock increased in the amount from $5,000 to $14,009.

e. On December 14th, 2007, BANCOMEXT petitioned the SHCP for funds in an amount up to $269 to strengthen capital stock, which was contributed in January 2008 (Note 27).

f. On November 27th, 2008, the Board of Directors authorized that an increase in the Institution's capital stock in the amount of $4,000 be proposed to the SHCP to strengthen its capital stock. This would enable the Institution to contribute to meeting the commitments established for Development Banking by the Federal Executive, in the framework of the Measures Program to encourage Growth and Employment, the Stock Market Debt Support Program and the apportionment of up to an additional $35,000 for business financing. This contribution was received on December 22nd, 2008.

g. In accordance with the LIC, Development Banks should maintain a net minimum capital of 8% with respect to the total of their assets subject to credit market risk.

Capitalization Risk as of December 2009 and 2008

		2009		2008
Net Capital	**$**	**7,108**	**$**	**6,445**
Basic		6,899		6,199
Complementary		209		246
Assets subject to risks		**49,226**		**46,019**
Credit		37,496		37,478
Market		10,508		7,981
Operational		1,222		560
Capitalization Index (%)		**14.44**		**14.00**

As of December 31st, 2009 and 2008, BANCOMEXT fulfills this requirement since it reports a capitalization index of 14.44% and 14.00%, respectively; this index was estimated based on the rules to determine capitalization requirements published by the SHCP in the Official Daily Gazette as of December 28th, 2005.

The capitalization index is reported in a monthly basis to the Risk Management Committee and to the Board of Directors, explaining the main variations presented in the items integrating it.

h. Prior year losses.

During fiscal 2008, the Institution applied prior year income in the amount of $64 to recognize the gain or loss on holding nonmonetary assets, derived from the valuation of permanent stock investments, carried out in accordance with NIF B-10 "Impact of inflation", effective January 1, 2008.

As explained in Note 18, the Institution recognized $2,287 in prior year income in 2008, for the accrued liability of labor obligations at retirement. It further applied the projected net asset generated by the contribution of the Federal Government in December 2006, as well as $1,991 for the reserve for the guaranteed yield derived from Préstamo Especial para el Ahorro - Special Loan Program for Savings (PEA) and loan interest rate spread.

21. INCOME STATEMENT

21.1 Financial Margin

As of December 31st, 2009 and 2008, the financial margin is integrated as follows:

2009 FINANCIAL MARGIN	MEXICAN PESOS	FOREIGN CURRENCY VALUED IN MEXICAN PESOS	TOTAL
INCOME:			
Income on loan portfolio	$ 900	$ 1,742	$ 2,642
Interest on securities portfolio receivable	5,722	573	6,295
Interest on liquid assets receivable	144	37	181
Gain or loss on valuation of derivative instruments	(1,132)	(458)	(1,590)
Net gain (loss) on monetary position of net interest income	-	-	-
Others	3	-	3
	$ 5,637	$ 1,894	$ 7,531
EXPENSES:			
Expenses from Repo operations	(4,052)	-	(4,052)
Interest payable on immediately withdrawable deposits	-	(5)	(5)
Interest payable on time deposits	(1,926)	(477)	(2,403)
Interest payable on negotiable instruments	(336)	(13)	(349)
Interest payable on bank loans and other entities	1,204	(155)	1,049
	(5,110)	**(650)**	**(5,760)**
	$ 527	**$ 1,244**	**$ 1,771**

2008 FINANCIAL MARGIN	MEXICAN PESOS	FOREIGN CURRENCY VALUED IN MEXICAN PESOS	TOTAL
INCOME:			
Income on loan portfolio	$ 505	$ 1,742	$ 2,247
Interest on securities portfolio receivable	7,621	105	7,726
Interest on liquid assets receivable	355	240	595
Gain or loss on valuation of derivative instruments	(994)	(550)	(1,544)
Others	15	6	21
	$ 7,502	**$ 1,543**	**$ 9,045**
EXPENSES:			
Expenses from Repo operations	(7,530)	-	(7,530)
Interest payable on immediately withdrawable deposits	-	(112)	(112)
Interest payable on time deposits	(1,570)	(42)	(1,612)
Interest payable on negotiable instruments	(386)	(181)	(567)
Interest payable on bank loans and other entities	2,023	(514)	1,509
	(7,463)	**(849)**	**(8,312)**
	$ 39	**$ 694**	**$ 733**

21.2 Trading income

As of December 31st, 2009 and 2008, gains or loss on brokerage is as follows:

	2009	2008
Result from securities valuation and metals	$ (2)	$ (4)
Result from dealing securities	14	126
Result from dealing foreign currency	3	72
	$ 15	$ 194

21.3 Other Proceeds and Expenses

As of December 31st, 2009 and 2008, the main accounts of other proceeds and expenses are summarized as follows:

		2009		2008
Recoveries	$	21	$	62
Estimate for risk management		(551)		(558)
Collection of expenses (Foreign Trade promotion activities)		-		133
Effect of personnel reduction		-		272
Donations of real property and furniture		-		(200)
Subtotal a/		-	$	205
Debt recognition of credits to foreign entities b/		-		914
Income collected on loans to personnel	$	90	$	97
Gain (loss) on sale of property, furniture and equipment		(3)		15
Other items		77		66
Subtotal	$	164	$	178
Other proceeds and other expenses before public use tax	$	(366)	$	801
Payment of public use taxes c/		-	$	(4,000)
Total	$	(366)	$	(3,199)

a/ In 2008, it includes the effects of compliance of Executive Orders dated June 13th, 2007 and February 29th, 2008 (creation of the ProMexico Trust) (Note 27).

b/ In 2008, it includes the effects of the credit restructuring to a foreign financial entity (Note 9.3).

c/ On December 3rd, 2008, Bancomext paid $4,000 of public use taxes to the Federal Government for the sovereign guarantee thereof, in connection with the liabilities contracted by the Institution, with international and bilateral financial agencies, as well as for the traditional deposits on the money market, in connection with official communication 102.B-212 dated December 1st, 2008, from the SHCP.

21.4 Other operating income (expenditures)

As of December 31st, 2009 and 2008, the main accounts of other operating income and expenditures are summarized as follows:

		2009		2008
Gain (loss) on sale of repossessed assets	$	16	$	2,784
Recoveries		292		1,372
Reversal of provision for repossessed assets		51		357
		359		4,513
Write-down of repossessed assets	$	(57)	$	(19)
Subtotal a/		302		4,494
Other items		2		-
Total	$	304	$	4,494

a/ In 2009, recovery is included of the debt written off of a Bank (National Credit Institution) in liquidation in the amount of $243.
In 2008, it includes the effects of the sale of stock and assignment of credit of the companies located in Chile (Note 4).

21.5 Commissions and fees earned.

As of December 31st, 2009 and 2008, commissions and fees earned are summarized as follows

		2009		2008
Loan Portfolio	$	323	$	181
Endorses		57		48
Credit cards		1		5
Trust		36		34
Valuations		9		7
Other commissions and fees earned		1		-
Total	$	427	$	275

22. COMMITMENTS AND CONTINGENCIES

The Institution has commitments through irrevocable lines for granting Credits as of December 31st, 2009 and 2008, in the amount of $1,878 and $798, respectively.

23. GUARANTEES

As of December 31st, 2009 and 2008, guarantees by endorsement are summarized as follows:

PURPOSE	2009	2008
Endorse an issue of security certificates up to USD 35 million or its equivalent in local currency partially up to the amount of $ 1,000 million, including principal and interest, without exceeding $ 384 over a term of up to 5 years, counted as of the issue of the securities. The purpose of the guarantee of our Institution is to increase the company's rating to "AA".	-	350
Partially guarantee or endorse the payment of capital and/or interest up to 35% of an issuance of stock exchange certificates up to $ 2,500 million pesos over a 7 year term, in order to improve the rating given to the stock exchange issues of the sector.	785	785
Partially guarantee or endorse the payment of capital and/or interest up to 35% of an issuance of stock exchange certificates up to $ 1,000 million pesos over a 7 year term, in order to improve the rating given to the stock exchange issues of the sector.	300	300
Partially guarantee or endorse the payment of capital and/or interest up to 40% of an issuance of stock exchange certificates up to $ 2,200 million pesos over a 12 year term, in order to improve the rating given to the stock exchange issues of the sector.	859	859
Partially guarantee or endorse the payment of capital and/or interest up to 35% of an issuance of stock exchange certificates up to $ 1,500 million pesos over a 15 year term, in order to improve the rating given to the stock exchange issues of the sector.	467	467
Partially guarantee or endorse the payment of capital up to 50% of a stock exchange certificate issuance up to $1,245.4 million pesos for issues up to 180 days with renewals that can not exceed 360 days from the first guaranteed issue in the Stock Exchange Debt Support Program.	-	132
Partially guarantee or endorse the payment of capital up to 50% of a stock exchange certificate issuance up to $3,148.8 million pesos for issues up to 180 days with renewals that can not exceed 360 days from the first guaranteed issue in the Stock Exchange Debt Support Program.	-	125
Partially guarantee or endorse the payment of capital up to 50% of a stock exchange certificate issuance up to $964.94 million pesos for issues up to 180 days with renewals that can not exceed 360 days from the first guaranteed issue in the Stock Exchange Debt Support Program.	-	247
Guarantees by endorsement in Local Currency	**$ 2,411**	**$ 3,265**

The provisions created for this item amount as of December 31st, 2009 and 2008, is of $115 and $48, respectively.

The Board of Directors of BANCOMEXT authorized the Securities Debt Support Program, on October 21st, 2008, in order to support companies in the renewal of their debt issues, by granting a partial payment guarantee on paper issued.

The balance of the program as of December 31st, 2008 amounts to $504 with $27 of reserves created. This program concluded in October 2009.

24. TRUSTS AND MANDATES

As of December 31st, 2009 and 2008, the balances of transactions where BANCOMEXT acts as trustee are comprised as follows:

		2008		2008
Guarantee Trusts	$	13,270	$	12,850
Management Trusts		23,363		25,635
Investment Trusts		248		236
Dominion Transfer Trusts		9,668		353
		46,549		39,074
Mandates		6,603		5,605
Total	$	53,152	$	44,679

Income from management trusts as of December 31st, 2009 and 2008, amounts to $36 and $34, respectively.

The balances of the Pension Fund Trusts as of December 31st, 2009 and 2008 are: a) Defined Benefit $7,567 and $6,848; and b) Defined Contribution $150 and $166, and that applicable to the Special Loan for Savings and Financial Cost of Credits amounts to $ 2,080 at December 31st, 2009.

25. PROPERTY HELD IN CUSTODY OR UNDER ADMINISTRATION

As of December 31st, 2009 and 2008, operations regarding assets in custody and under administration are summarized as follows:

	2009			2008		
	USD (MILLIONS)	EURO (THOUSANDS)	MEXICAN PESOS	USD (MILLIONS)	EURO (THOUSANDS)	MEXICAN PESOS
Transactions on behalf of third parties in repurchase agreements	-	-	$ 1,430	-	-	$ 2,652
Transactions on behalf of third parties, direct	-	-	3,497	-	-	$322
Others instruments under administration 1/	9,196	2,705	161,360	5,382	1,800	93,012
Others securities under administration	13	-	174	11	-	147
Special loan for savings	-	-	717	-	-	760
	9,209	2,705	$ 167,178	5,393	1,800	$ 96,893

1/ This applies to the recording of instruments that supports the loan portfolio of BANCOMEXT

26. FOREIGN CURRENCY RISK POSITION

According to Official Notification 1/2006 of the BANXICO, the foreign exchange risk position, globally and for each currency is within established limits, equivalent to 15% of the Institution's basic capital amounting to USD 74,549 thousand and USD 123,008 thousand as of December 31st, 2009 and 2008, respectively

As of December 31st, 2009 and 2008 the foreign exchange risk position in U.S.D. is as follows:

	FOREIGN CURRENCY USD THOUSANDS	FOREIGN CURRENCY USD THOUSANDS
	2009	2008
US Dollars	70,561	7,353
Swiss Francs	102	291
Pound Sterling	119	108
Canadian Dollars	36	36
Japanese Yens	139	54
Euros	1,282	568
Total	72,239	8,410

To determine foreign exchange risk positions, the following exchange rates were used (Foreign currency - US Dollar).

FOREIGN CURRENCY	EXCHANGE RATES 2009	2008
US Dollar	1.000000	1.000000
Swiss Franc	1.033303	1.052499
Pound Sterling	0.619310	0.693193
Canadian Dollar	1.047504	1.225595
Japanese Yen	93.023256	90.171326
Euro	0.697010	0.707214
Other currencies	0.000000	0.029881

As of December 31st, 2009 and 2008, the exchange rates used to translate foreign currencies to Mexican Pesos are the following:

FOREIGN CURRENCIES	EXCHANGE RATES 2009	2008
US Dollar	13.0659000	13.832500
Swiss Franc	12.6447900	13.142540
Pound Sterling	21.0975100	19.954770
Canadian Dollar	12.4733614	11.286352
Japanese Yen	0.1404600	0.153400
Euro	18.7456500	19.559160
Other currencies	0.0000000	462.918572

27. INFORMATION BY SEGMENTS

The information derived from the operation of each one of the segments in which the Institution's activity is mainly divided into, is itemized below:

	Assets		Liabilities		Revenues		Expenditures	
Business Segment	**Amount**	% Equity	**Amount**	% Equity	**Amount**	% Equity	**Amount**	% Equity
First Floor Credit	$ 36,978	30.6	$ -	-	$ 2,604	30.7	$ 1,678	21.1
Second Floor Credit	5,499	4.5	-	-	375	4.4	402	5.0
Financial Markets and Deposits	74,360	61.3	110,988	91.6	5,064	59.7	4,400	55.2
Other areas	4,379	3.6	10,227	8.4	440	5.2	1,488	18.7
Total Institution	**$ 121,216**	**100.0**	**$ 121,215**	**100.0**	**$ 8,483**	**100.0**	**$ 7,968**	**100.0**

The First Floor Credit Operation applies to loans placed directly among companies. The Second Floor Credit Operation channels funds through bank financial brokers and other non-bank brokers. Financial Markets and Deposits apply to obtaining the funds necessary to comply with the Annual Financial Program authorized by the SHCP. It meets the Institution's liquidity needs and allocates transfer costs toward operating segments that require funds to carry out their operations.

Funding and Loan portfolio

As of December 31st, 2009 the annual average balance of the credit placement amounted to $44,711 of which $12,870 (28.79%) are related to public sector operations, $26,700 (59.72%) to second-tier transactions and $5,141 (11.50%) to investment banking transactions.

Funds allocated toward granting credits are attracted mainly by loans from International Lending Institutions, and placements of bonds on foreign markets, as well as from the issuance of commercial paper in local currency, which are incorporated into a fund basket for obtaining an interest that allows competitive placement rates to be offered in first and second tier lending activities.

Promotion of Foreign Trade Activities and attraction of direct foreign investment

An Executive Order was published in the Official Daily Gazette on June 13rd, 2007, whereby the Institution is ordered to create Public Trust considered a State-Run Entity known as ProMexico, in order to concentrate the efforts of various competent agencies and entities of the competent Federal Public Administration to promote exports and attract direct foreign investment.

On July 9th, 2007, the ProMexico Trust Agreement was signed whereby the Federal Government, through the Ministry of Finance and Public Credit, acted as the Grantor and BANCOMEXT as the Trustee Bank.

On February 29th, 2008, was published the Decree that amends, repeals, and adds the miscellaneous items, whereby the Institution is ordered to create the creation of the Public Trust and considered a State-Run Entity known as ProMexico. The main changes eliminates paragraph three of transitory Article four concerning the transfer to the Trust of the human resources for carrying out foreign trade promotion as well attracting foreign investment. This amendment implied the reduction in 2008, of 231 positions, 58 liquidations of local personnel at Trade Commission, the transfer of 25 offices to ProMexico, and closing of 19 regional offices and 7 abroad. The cost amounted to $603 of which $503 were covered by the Ministry of Finance and Public Credit.

Moreover, BANCOMEXT is ordered to carry out all the acts necessary in terms of the legal provisions applicable for transmitting as a gift without valuable consideration.

a) The total furniture, equipment and vehicles that had been assigned for the duty of promoting foreign trade and attracting direct foreign investment.
b) Trademarks, licenses, and rights, as well as informatics developments to discharge such duties; and
c) Real property located at Av. Camino a Santa Teresa Num. 1580 and 1679, Col. Jardines del Pedregal, Mexico City, Mexico.

In accordance with the provisions of both executive orders, the Board of Directors of BANCOMEXT, at its meeting held on March 10th, 2008, in accordance with their attributions and powers, authorized the funds, which BANCOMEXT had been using, as a gift without valuable consideration to be transferred, to promote foreign trade and attract direct foreign investment.

The foregoing actions had an impact on income of the year 2008 in the amount of $200 for the donation of private and real property, as well as informatics resources.

At December 31st, 2007, BANCOMEXT disbursed $565.5 for activities carried out for promoting foreign trade and attracting direct foreign investment. The Ministry of Finance and Public Credit made a capital contribution in the amount of $269 for the net expense disbursed from January 1st to July 9th, 2007, and for the amount incurred at the start of the creation of the ProMexico Trust up to December 31st, 2007, the Institution billed the Trust in the amount of $296.6. In 2008, BANCOMEXT recovered $133 for the period from January 1st up to July 31st, 2008 (Note 11, 20 e, and 21.3).

Mexico City, Mexico, February 17th, 2010.

ING. HÉCTOR A. RANGEL DOMENE GENERAL DIRECTOR	**LIC. MARIA DEL CARMEN ARREOLA STEGER** ASSISTANT GENERAL DIRECTOR OF FINANCE
C.P. MARTHA MARTÍNEZ QUIROZ FINANCE DIRECTOR	**L.C. ANGELA MA. MONTESINOS SAN MARTÍN** ACCOUNTING MANAGER

C.P. HORACIO MANUEL DÍAZ MERCADO QUEIJEIRO
HEAD OF THE INTERNAL AUDIT AREA

The Head of the Internal Audit Area signs these notes to the financial statements, based on the results of the audits performed to date, which have permitted that the sufficiency of the process of generating the financial information established by the Institution's Management be substantiated, as well as its capacity to generate reliable information covered by the same audits.