

MINISTRY OF FINANCE

July 15, 2004

The Banks Accept the IPAB Audits

BBVA-Bancomer, Banamex, Banorte and HSBC have agreed to pay the amount that will be determined by the Administration, Existence and Legality audits ordered by the IPAB's Government Board.

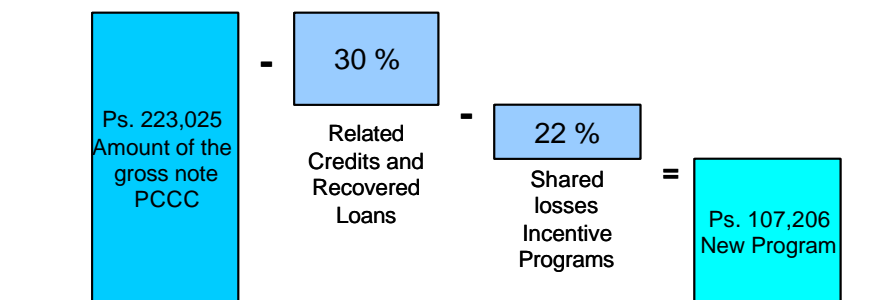
The Fobaproa notes will be substituted with new notes issued by the IPAB, and their amount will be less than half of the original outstanding amount.

Of the current value of Ps. 223 billion pesos, Ps. 116 billion will be recovered. This last figure includes recovered loans, loss sharing covered by the banks, and Ps. 9.5 billion from related credits that banks will pay.

Any additional amount resulting from the aforementioned audits will be added to the Ps. 116 billion to be recovered. The notes will be exchanged when the audits are concluded.

The diligence and professionalism of the Federation's Superior Audit body and the Vigilance Committee of the House of Representatives has been an important element for the achievement of these agreements.

This concludes a major chapter within Mexican public finance and with strict observance of the law.



Figures in millions of pesos on March 31st, 2004.