

## Banorte takes part in FOBAPROA - IPAB notes swap

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Mexico, D.F. July 15, 2004.- As it is of public knowledge, the country's financial authorities and four banking institutions, Banorte among them, reached an agreement to swap Fobaproa promissory notes for IPAB (Instituto para la Protección al Ahorro Bancario) debt.

In this view, and abiding by the agreement with the authorities, Grupo Financiero Banorte, S.A. de C.V. confirms its decision to turn down its injunction against the Administration, Existence and Legality (GEL- Spanish acronym) Audits to be performed by the IPAB. Therefore, Banorte will offer all the facilities to carry out such audits.

Regarding the "related parties loans" transferred to Fobaproa under the Capitalization and Loan Purchasing Program (PCCC), which should be repurchased by the corresponding financial institution, Banorte has no impact whatsoever.

As to the loans under Ps 200 thousand- which will be subject to revision or "encapsulating" - and which are under observation of the Superior Audit of the Federation, Banorte will "encapsulate" Ps 137 million.