

Banorte makes a unique operation in Mexico for State and City financing.

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Monterrey, N.L., May 24, 2006. Grupo Financiero Banorte and the Treasury of the State of Nuevo León ¿ through the state's Vehicle Control Institute ¿ settled the first public offer of securities based on revenue from the renewal of license plates, for a sum of Ps two billion 677 million.

This is the first securitization of its kind, considering it was made by a state of the Mexican Republic for a 30-year term for the issuances that have a financial guarantee or for operations made by the Federation.

Despite the volatile behavior of the financial markets this week, investors readily accepted the placement, so much so that the entire issuance was placed.

The total sum of the issuance was 725,179,400 UDIS. Banorte's Brokerage House, Casa de Bolsa Banorte, handled the trading. The revenue obtained from the placement shall be used for productive public investment in the issuing state.

This operation could trigger a trend to be followed by other states in the country as it enables them ¿ as in the case of Nuevo León - to obtain additional financial resources without affecting public finances in any way.

Banorte, with innovative and attractive instruments, strengthens its position as the undisputable leader in financing scheme variety and availability for the state and city governments of Mexico.