

Grupo Scotiabank reports second quarter earnings

Mexico D.F., July 31, 2009 – Grupo Scotiabank today announced results for the second quarter of 2009. Consolidated net income was P\$372 million, compared to P\$798 million in the same quarter last year. Strong underlying growth in interest income and deposits and a lower effective tax rate, were more than offset by the loss derived from the sale of a portion of the Bank's credit card portfolio (see Items of note) and higher provisions. Excluding unusual items in both comparative periods, after-tax income was relatively unchanged.

Net interest income grew a strong P\$314 million or 16% from the same period last year, fuelled by robust asset growth in mortgages, which grew 15%. Demand and savings accounts were up 14% to P\$53 billion, reflecting the Bank's continued emphasis on growing its core deposit base, supported by innovative products and high quality service to customers. Other income was down P\$736 million or 40%, due primarily to the impact of the aforementioned sale and the gain recognized last year on the Mexican Stock Exchange IPO.

Expense growth was modest at 2%, resulting from the continued focus on expense control. Loan loss provisions increased P\$190 million or 38% from the same quarter last year, but have decreased for two consecutive quarters due to proactive management of the loan portfolios.

The Group's capital ratio remained strong at 16%, enabling continued pursuit of strategic growth initiatives. Return on equity was 6%, due partly to the Group's strong capital levels and the aforementioned loss on sale of loan assets.

“Our second quarter results reflect continued market share gains in loans and deposits and our focus on actively managing the balance sheet for quality assets and sustainable, low cost funding opportunities, in a challenging environment. We continue to maintain firm control on our expenses and have started to see early signs of improvement in our retail portfolios. While we expect headwinds to continue for the remainder of the year, we are confident our Group is well-positioned when the recovery begins”, said Nicole Reich De Polignac, Grupo Scotiabank President and CEO.

Second quarter financial results compared to the same period a year ago:

- Revenue of P\$3,363 million versus P\$3,785 million
- Net income of P\$372 million versus P\$798 million
- Productivity ratio of 61.2%* versus 59.5%
- Capital ratio of 16.0% versus 17.5%

Scotiabank Mexico - Selected financial and operational indicators:

1 CONTINUED GROWTH:

- Mortgage balances up 15%
- Demand and Savings account balances up 14%

2 CREDIT RISK MANAGEMENT:

- Past due portfolio at 4.3% of total loans
- Allowance for credit losses at 97% of past due portfolio

3 EFFICIENCY:

- Productivity ratio of 59.7%*

*Excludes impact of portfolio sale

Items of note:

On April 23, 2009, Scotiabank Mexico sold P\$806 million of its credit card portfolio to a related regulated financial company. Scotiabank Mexico will be providing administration and management services under a service contract with the company. A net loss on sale of P\$371 million before tax was recognized this quarter.

As required by regulatory accounting policies, this quarter's results follow new presentation and disclosure rules issued by the CNBV. These have been summarized where appropriate within this document. Prior periods have been restated for comparison purposes.

Non-Financial Highlights:

Grupo Scotiabank was ranked seventh among the Top Companies in Mexico. Recognized for a second consecutive year, Scotiabank was the only financial group within the top 10.

Scotia Capital was recognized as a key market player, being ranked first in ABS (Structured Finance) in Latin America, and fourth in total debt issuance in Mexico, according to Latin Finance and Bloomberg, respectively.

Scotia Fondos was awarded three *Platinum Awards* by Fund Pro for Scotia G – Short term debt, Scotia G – Short term debt, non-contributor and Scotia 7 – Mexican Equity Index funds. The Group's Fund subsidiary reached a milestone this quarter with assets under management totalling P\$50 billion.

JPMorgan Chase awarded the Bank the "2008 JPMorgan Chase Quality Recognition Award" for a fourth consecutive year, recognizing the operational excellence of Scotiabank Mexico in international wires processing.

The Bank was rated by the National Commission for the Protection and Defence of Consumers (Condusef) for the clarity and transparency of its *Contracts, statements and advertising*. The Bank ranked first in the industry for chequing accounts and second for credit cards.

FINANCIAL HIGHLIGHTS

Grupo Scotiabank Condensed Financial Information	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
<i>Net Income (P\$ millions):</i>					
Scotiabank Mexico	807	1,719	359	448	758
Holding company and other subsidiaries	53	126	13	40	40
Total Group	860	1,845	372	488	798
ROE	7%	15%	6%	7%	13%

Grupo Scotiabank Condensed Statement of Income (P\$ millions; Consolidated with subsidiaries)	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Net Interest income	4,738	4,191	2,259	2,479	1,945
Other income	2,639	3,529	1,104	1,535	1,840
Revenue	7,377	7,720	3,363	4,014	3,785
Provision for credit losses	(1,723)	(1,203)	(687)	(1,036)	(497)
Total revenue	5,654	6,517	2,676	2,978	3,288
Operating expenses	(4,430)	(4,174)	(2,216)	(2,214)	(2,180)
Profit before income tax	1,224	2,343	460	764	1,108
Income tax	(363)	(541)	(72)	(291)	(338)
Participation in results of subsidiaries and associated companies	(1)	43	(16)	15	28
Profit after income tax	860	1,845	372	488	798

Grupo Scotiabank is a member of the Scotiabank family. Scotiabank is one of North America's premier financial institutions and Canada's most international bank.

Grupo Scotiabank is one of the leading groups in Mexico, with 661 branches and 1,471 ATMs throughout Mexico. It employs approximately 9,282 people in its main subsidiaries: Scotiabank Mexico, Scotia Fondos, Scotia Casa de Bolsa and Scotia Afore. Together these companies offer an extensive range of financial products and services for individuals, small businesses and multinational corporations.

See Scotiabank Mexico at: www.scotiabank.com.mx

Shares held by Grupo Scotiabank	Scotiabank Mexico	99.9999%
	Scotia Casa de Bolsa	99.9864%
	Scotia Fondos	99.9999%
	Scotia Afore	99.9999%

Grupo Scotiabank, Scotiabank, Scotia Casa de Bolsa, Scotia Fondos and Scotia Afore are the trade names of, respectively, Grupo Financiero Scotiabank Inverlat, S.A. de C.V.; Scotiabank Inverlat S.A.; Scotia Inverlat Casa de Bolsa S.A. de C.V.; Scotia Fondos S.A. de C.V. and Scotia Afore S.A. de C.V.

July 31, 2009

Scotiabank Mexico

Total revenue was P\$2,447 million for the second quarter of 2009, a P\$556 million or 19% decline from the same period last year, and P\$305 million or 11% lower than last quarter. This decline was due primarily to the loss on sale, this quarter, of a portion of the Bank's credit card portfolio, and the gain recognized last year on the Mexican Stock Exchange IPO. Excluding these unusual items, Total revenue would have been relatively unchanged from the same period last year. The quarter-over-quarter decline was due entirely to the aforementioned portfolio sale.

Pre-tax income was P\$420 million this quarter, P\$572 million below the same period last year. This decline was due largely to higher net interest income being more than offset by the previously described one-time items and higher loan loss provisions. The P\$275 million decline from last quarter was due primarily to lower loan loss provisions being more than offset by the aforementioned portfolio sale and lower net interest income.

After-tax income was P\$359 million this quarter compared to P\$758 million for the same period last year and P\$448 million last quarter. Both declines are due primarily to the previously described one-time items.

For the six-month period ended June 30, 2009, after-tax net income was P\$807 million, compared to P\$1,719 million in the same period last year. The decline was due largely to higher net interest income being more than offset by one-time items, higher provisions for credit losses and a higher effective tax rate.

Scotiabank Mexico Condensed Statement of Income	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
<i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>					
Interest earned	8,144	8,359	3,577	4,567	3,957
Interest paid	(3,546)	(4,311)	(1,385)	(2,161)	(2,080)
Net interest income	4,598	4,048	2,192	2,406	1,877
Other income	2,324	3,120	942	1,382	1,623
Revenue	6,922	7,168	3,134	3,788	3,500
Provision for credit losses	(1,723)	(1,203)	(687)	(1,036)	(497)
Total revenue	5,199	5,965	2,447	2,752	3,003
Operating expenses	(4,084)	(3,846)	(2,027)	(2,057)	(2,011)
Profit before income tax	1,115	2,119	420	695	992
Income tax	(306)	(441)	(44)	(262)	(264)
Participation in results of subsidiaries and associated companies	(2)	41	(17)	15	30
Profit after income tax	807	1,719	359	448	758

Net Interest Income

Net interest income was P\$2,192 million for the second quarter of 2009, up P\$315 million or 17% from the same quarter last year, but down P\$214 million or 9% from last quarter. The increase from last year was due primarily to the strong growth of the Bank's mortgage portfolio and the continued growth of low cost deposits. The reduction from last quarter was due largely to lower loan volumes and a lower interest rate environment.

For the six months ended June 30, 2009, net interest income was P\$4,598 million, an increase of P\$550 million or 14% from the same period last year. This increase was due primarily to the year-over-year growth of the mortgage portfolio, and the continued growth of low cost deposits.

Net interest income continues to be negatively affected by the funding cost of certain investments (classified in Other Assets), for which revenue is recognized in other income.

Based on the Bank's overall cost of funds, the interest spread on earning assets was as follows:

Scotiabank Mexico Analysis of Interest Income (Accumulated average)	Six months ended			
	June 30, 2009		June 30, 2008	
	Volume	Spread	Volume	Spread
Deposits with banks	19,941	1.5%	19,470	2.6%
Securities	13,811	3.5%	13,374	4.7%
Loans	93,646	8.6%	88,939	8.1%

Note: As required by regulatory accounting policies, starting this quarter, income from certain hedging derivatives have been reclassified from other income (revenue from trading and intermediation) to interest income. Prior periods have been restated for comparison purposes.

Other Income

Scotiabank Mexico Other Income (P\$ millions; Consolidated with subsidiaries and UDI trust)	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Commissions and fees (net)	1,015	1,018	472	543	533
Revenues from trading and intermediation	486	548	261	225	384
Other revenues and expenses (net)	1,006	1,203	482	524	594
Other operational income (net)	(183)	351	(273)	90	112
Total Other Income	2,324	3,120	942	1,382	1,623

Note: As required by regulatory accounting policies, starting this quarter, a new income category (Other operational income (net)) has been created. This category primarily includes loan loss recoveries, gains or losses related to the sale of loan assets, income from the sale of repossessed assets and charitable donations. These items were previously reported in Other revenues and expenses (net). Prior periods have been restated for comparison purposes. In addition, income from certain hedging derivatives have been reclassified from other income (revenue from trading and intermediation) to interest income.

This quarter's other income was P\$942 million, down P\$681 million or 42% from the same period last year. This decrease was due largely to the gain on the Mexican Stock Exchange IPO recognized last year (in other revenues and expenses (net)) and this quarter's loss on sale of a portion of the Bank's credit card portfolio (in other operational income (net)).

Compared to last quarter, other income declined P\$440 million, due primarily to the loss on sale of a portion of the Bank's credit card portfolio, lower credit card commissions (in commissions and fees (net)) and higher non-credit related provisions (in other revenues and expenses (net)).

For the six-month period ended June 30, 2009, Other income was P\$2,324 million, a P\$796 million decline from the same period last year. The decline was due largely to the aforementioned loss on sale of the credit card portfolio (in other operational income (net)) and the Mexican Stock Exchange IPO gain recognized last year (in other revenues and expenses (net)).

Scotiabank Mexico Commissions and fees (net) (P\$ millions; Consolidated with subsidiaries and UDI trust)	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Loan commissions	55	77	27	28	28
Account handling commissions	127	142	64	63	72
Credit card commissions	335	418	156	179	224
Trust	121	112	60	61	56
Electronic banking	150	123	79	71	70
Other	227	146	86	141	83
Total commissions and fees (net)	1,015	1,018	472	543	533

Net commissions and fees were P\$472 million this quarter, down P\$61 million or 11% from the same period last year, due primarily to lower credit card commissions. The P\$71 million or 13% decline from last quarter was due largely to higher loan syndication fees and credit card commissions last quarter.

On a year-to-date basis, total commissions and fees remained relatively unchanged.

Scotiabank Mexico Other revenues and expenses (net) <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Recoveries	361	444	171	190	135
Other income (net)	678	820	343	335	508
Rental income	27	22	13	14	8
Write-offs, write-downs and other charges	(60)	(83)	(45)	(15)	(57)
Total other revenues and expenses (net)	1,006	1,203	482	524	594

Other revenues and expenses were P\$482 million this quarter, a decline of P\$112 million or 19% from the same quarter last year. This decrease was driven largely by the gain related to the Mexican Stock Exchange IPO recognized in June 2008 (in Other income (net)), partially offset by higher recoveries and insurance revenues. The P\$42 million decline from last quarter was due primarily to lower recoveries and higher non-credit related provisions (in Write-offs, write downs and other charges).

For the six-month period ended June 30, 2009, Other revenues and expenses (net) of P\$1,006 million were down P\$197 million or 16% from the comparative period one year ago. The period-over-period decrease was due primarily to the gain related to the aforementioned IPO (in Other income (net)).

Scotiabank Mexico Other operational income (net) <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Loan loss recoveries	178	362	88	90	129
Loss on sale of loan assets	(371)	-	(371)	-	-
Revenue from sale of repossessed assets	24	(1)	18	6	(13)
Other	(14)	(10)	(8)	(6)	(4)
Total other operational income (net)	(183)	351	(273)	90	112

Other operational income was negative P\$273 million this quarter, down P\$385 million from the same quarter last year and P\$363 million from last quarter. These decreases were due primarily to the P\$371 million loss on sale of a portion of the Bank's credit card portfolio recorded this quarter.

For the six-month period ended June 30, 2009, Other operational income (net) was negative P\$183 million, down P\$534 million from the comparative period last year. This decrease was due largely to higher revenue from the sale of repossessed assets being more than offset by lower loan loss recoveries and the loss on sale of a portion of the Bank's credit card portfolio recorded this year.

Provision for credit losses

Scotiabank Mexico Provision for credit losses (net) <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Provision for credit losses	(1,723)	(1,203)	(687)	(1,036)	(497)
Loan loss recoveries (reported in Other operational income, net)	178	362	88	90	129
Total provision for credit losses (net)	(1,545)	(841)	(599)	(946)	(368)

Note: As required by regulatory accounting policies, loan loss recoveries are presented in Other Operational Income, instead of being applied against provisions for credit losses. As loan losses and recoveries are closely related, and in order to provide a sound comparative basis over time, the above table presents the net impact of provisions for credit losses and loan recoveries.

Provisions for credit losses, net of recoveries, were P\$599 million this quarter, up P\$231 million from the same quarter last year. Excluding recoveries, provision for credit losses were P\$687 million, an increase of P\$190 million from the same quarter one year ago. This increase was due to higher retail delinquencies, primarily in mortgages, and to higher commercial provisions no longer required in the comparative quarter.

Provisions for credit losses, net of recoveries, were down P\$347 million from last quarter. Excluding recoveries, provisions for credit losses decreased P\$349 million from the previous quarter. The decrease was due to lower retail provisions in all products following the implementation of restructuring and support programs and to the release, this quarter, of commercial provisions no longer required.

On a year-to-date basis, net provisions for credit losses increased P\$704 million, due largely to higher retail delinquencies and lower recoveries.

In response to the prevailing economic environment, the Bank is continuing to proactively manage its loan portfolios, closely working with its customers to help them manage their debt load and payment capacity.

Non-Interest Expenses

This quarter's productivity ratio of 67.0% (refer to Note 1 below) was negatively affected by lower income, following the loss on sale of a portion of the Bank's credit card portfolio. Excluding this impact, this quarter's productivity ratio was relatively unchanged from the same quarter last year and up 3.9% from last quarter. On a year-to-date basis, excluding the loss on sale of the credit card portfolio, the Bank's productivity ratio was 57.7%, up from 56.7% in the same period last year.

Scotiabank Mexico Non-Interest Expenses <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	Six months ended		Three months ended		
	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Personnel expenses	(1,895)	(1,803)	(909)	(986)	(927)
Other operating expenses	(2,189)	(2,043)	(1,118)	(1,071)	(1,084)
Total non-interest expenses	(4,084)	(3,846)	(2,027)	(2,057)	(2,011)

Note: As required by regulatory accounting policies, starting this quarter, PTU (*Participación de los Trabajadores en las Utilidades de la empresa*, or employee profit sharing) is included in Personnel expenses. Prior periods have been restated for comparison purposes.

Non-interest expenses were P\$2,027 million this quarter, relatively unchanged from both the same period last year and last quarter.

Compared to the same quarter last year, personnel expenses were down P\$18 million or 2%, as higher expenses related to the Bank's ongoing branch expansion program were more than offset by lower PTU. During the same period, other operating expenses increased P\$34 million or 3%, due primarily to higher deposit insurance and depreciation expenses, partially offset by lower marketing expenses.

Personnel expenses of P\$909 million this quarter were P\$77 million or 8% lower than the previous quarter, due largely to controlled staffing levels and lower PTU. Other operating expenses were up P\$47 million or 4% from the previous quarter, due primarily to higher professional fees and rental expenses.

On a year-to-date basis, total expenses increased P\$238 million or 6%, to P\$4,084 million. Other operating expenses were the largest component of the period-over-period increase, due to lower marketing expenses being more than offset by higher professional fees and higher deposit insurance and rental expenses.

Note 1: Non-interest expenses & PTU as a percentage of the sum of net interest income and other income, excluding loan loss recoveries. A lower ratio indicates improved productivity.

Participation in results of subsidiaries and associated companies

Participation in results of subsidiaries and associated companies was negative P\$17 million this quarter, down P\$47 million from the same quarter last year and P\$32 million from last quarter. The decline was due to lower income in an associated company.

For the six months ended June 30, 2009, participation in the results of subsidiaries and associated companies decreased P\$43 million due primarily to higher income in one of the Bank's associated companies last year.

Tax

Scotiabank Mexico Taxes	Six months ended		Three months ended		
(P\$ millions; Consolidated with subsidiaries and UDI trust)	June 30, 2009	June 30, 2008	June 30, 2009	March 31, 2009	June 30, 2008
Income tax current	(374)	(473)	(91)	(283)	(245)
Income tax deferred	68	32	47	21	(19)
Total Taxes	(306)	(441)	(44)	(262)	(264)

Note: As required by regulatory accounting policies, starting this quarter, PTU is included in Personnel expenses. Prior periods have been restated for comparison purposes.

Total income tax expense was P\$44 million this quarter, down P\$220 million from the same quarter last year and P\$218 million from last quarter. The decreases were due largely to lower earnings this past quarter, timing of loan loss deductions for tax purposes and other favourable timing differences.

On a year-to-date basis, total income tax expense decreased P\$135 million. The decline was due largely to lower earnings and other favourable timing differences.

Balance Sheet

As at June 30, 2009, the Bank's total assets were P\$151.5 billion, an increase of P\$12 billion or 9% from a year ago. The increase was due primarily to strong mortgage loan growth, as well as higher volumes under an ongoing investment program (in other assets). Compared to last quarter, total assets decreased by P\$1.8 billion or 1%, due to lower securities positions this quarter.

Scotiabank Mexico – Condensed Balance Sheet <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	June 30, 2009	March 31, 2009	June 30, 2008
Cash, banks, securities	40,067	41,527	33,865
Performing loans	93,221	93,872	91,682
Past due loans	4,175	4,065	2,681
Allowance for loan losses	(4,039)	(4,252)	(3,155)
Other assets	18,100	18,067	14,465
Total assets	151,524	153,279	139,538
Deposits	105,167	108,816	104,416
Loans from bank	6,052	4,755	3,579
Other liabilities	16,089	15,860	7,623
Capital	24,216	23,848	23,920
Total liabilities and capital	151,524	153,279	139,538

Note: As required by regulatory accounting policies, starting this quarter some balance sheet items have been reclassified. Prior to this quarter, the obligation to repay the cash on repo transactions was netted against the pertaining security receivable. For reverse repos, the cash receivable was netted against the obligation to deliver the securities. These positions are no longer netted. Prior periods have been restated for comparison purposes

Performing Loans

Scotiabank Mexico – Performing Loan Portfolio <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	June 30, 2009	March 31, 2009	June 30, 2008
Credit card and other personal loans	17,971	19,042	19,988
Mortgages	35,011	33,925	30,420
Total personal loans	52,982	52,967	50,408
Business loans	32,216	33,545	29,192
Loans to financial institutions	3,675	2,530	3,657
Loans to government entities	4,348	4,830	8,425
Total business, financial and government	40,239	40,905	41,274
Total performing loans	93,221	93,872	91,682

The Bank's retail lending portfolio grew P\$2.6 billion or 5% from last year. This growth was largely concentrated in the mortgage portfolio which increased by P\$4.6 billion or 15% from the same period last year and P\$1.1 billion or 3% from last quarter. These increases were partially offset by the sale of a portion of the Bank's credit card portfolio and lower personal loan balances this quarter, when compared to both comparative periods.

Non-personal loans declined P\$1.0 billion or 3% from the same quarter last year and P\$0.7 billion or 2% from last quarter. The decrease from the same period last year was driven by a strong P\$3.0 billion or 10% growth in business loans being more than offset by the securitization of a P\$4.3 billion government loan in October 2008. The decrease from last quarter was due primarily to business loan repayments.

Past due loans

Scotiabank Mexico – Past Due Loan Portfolio <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	June 30, 2009	March 31, 2009	June 31, 2008
Past due loans	4,175	4,065	2,681
Allowance for credit losses	(4,039)	(4,252)	(3,155)
Net past due loans	136	(187)	(474)
Past due loans as a percent of total loans	4.3%	4.2%	2.8%
Allowance for credit losses as a percent of past due loans	97%	105%	118%

Gross past due loans totalled P\$4,175 million this quarter, an increase of P\$1,494 million or 56% from the same period last year, and P\$110 million or 3% above last quarter. The period-over-period increase was due to higher retail delinquencies, primarily in mortgages and a commercial loan. The increase from last quarter was due largely to the aforementioned classification of a commercial loan.

The Bank's allowance for credit losses increased by P\$884 million year-over-year but decreased P\$213 million from last quarter. The period-over-period increase was due largely to higher retail delinquencies. The decrease from last quarter was due primarily to lower allowances for both the retail and commercial portfolios.

As a percent of past due loans, allowance for credit losses was 97% as at June 30, 2009, down from 118% a year ago due to higher delinquencies in the retail portfolio and a commercial loan that was classified as past-due this quarter. Allowance for credit losses as a percent of past-due loans was 105% last quarter.

At June 30, 2009, the Bank's past due loan portfolio was 4.3% of the total portfolio compared to 2.8% in the same quarter last year and 4.2% in the prior quarter. These increases largely reflect the current economic environment and its effect on the Bank's retail loan portfolio, the past due classification this quarter of a commercial loan and the sale of a P\$806 million tranche of the Bank's credit card portfolio.

Deposits

Scotiabank Mexico – Deposits <i>(P\$ millions; Consolidated with subsidiaries and UDI trust)</i>	June 30, 2009	March 31, 2009	June 30, 2008
Total demand and saving	53,435	52,330	46,948
Term deposits from customers	47,378	50,199	51,146
Money market term deposits (Wholesale)	140	2,058	103
Total term deposits	47,518	52,257	51,249
Investment Certificates	4,214	4,229	6,219
Total deposits	105,167	108,816	104,416

Demand and saving deposits totalled P\$53.4 billion as at June 30, 2009, an increase of P\$6.5 billion or 14% over the same period last year, and up P\$1.1 billion or 2% from last quarter. These increases reflect the Bank's continuing emphasis on growing its cost-efficient core deposit base, supported by innovative products and high quality service to customers.

Total term deposits decreased P\$3.7 billion or 7% over the same quarter last year and P\$4.7 billion or 9% from last quarter. The annual decline was due largely to the maturity of higher cost government-related deposits. The quarter-over-quarter decrease was primarily concentrated in wholesale deposits, due to lower funding requirements.

Investment Certificates were down P\$2.0 billion from the same quarter last year and relatively unchanged from last quarter. The reduction from the comparative period last year was due to the maturity in March 2009 of a P\$2.0 billion tranche, which was not renewed due to market conditions and the strong liquidity position of the Bank.

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Attachment 1 Notes

This document has been prepared by the Group solely for the purposes of providing financial and other information to the markets. All official information (financial and other) of the Group and its subsidiaries is published in Spanish and is furnished to the Mexican financial authorities as required under applicable law and regulations. The information (financial and other) in Spanish published by the Group and its subsidiaries and furnished to the Mexican financial authorities is the only official information (financial and other) of the Group and its subsidiaries that should be used for purposes of determining the financial situation of the Group and its subsidiaries.

The information contained herein is based on financial information of each of the entities described herein. Results for any interim period are not necessarily indicative of results that maybe achieved for a full fiscal year or any other interim period. The financial information contained herein has been prepared in accordance with accounting principles and regulations issued by the National Banking and Securities Commission. The foregoing regulations and accounting principles may differ from each other and from generally accepted accounting principles established by the Mexican Institute of Public Accounting (“Mexican GAAP”). Such accounting practices and principles also differ from generally accepted accounting principles and U.S. Securities and Exchange Commission guidelines applicable to such institutions in the United States of America (“U.S. GAAP”). No reconciliation to U.S. GAAP of any of the financial information contained herein has been made. The information contained herein is not, and should not be interpreted as a solicitation of an offer to purchase, or an offer to sell, any securities of the companies described herein.

Some balances, totals and percentage calculations in this press release may differ slightly to the same balances, totals and/or percentage calculations disclosed elsewhere within this document and/or to the same balances, total and/or percentage calculations in the financial statements due to rounding.

Note

Scotiabank Mexico adopted the resolution published by the CNBV on June 12, 2009 related to the prevention and contingency plan for the new influenza A(H1N1) virus.

The loans that benefit from this program are: car, mortgage, Scotia line and credit card loans.

At the end of June 2009, only 4 loans were incorporated to this program: 2 car loans and 2 mortgage loans. The amount of these transactions was not material.

Changes in Accounting Criteria

Due to the globalization of the financial markets, it has become necessary to adopt accounting principles that are aligned with International accounting standards so that financial information is comparable and can be understood and analyzed in every part of the world

Below are the accounting changes that have been implemented in 2009 and that will impact the financial information of this Bank to bring them in-line with international standards.

Accounting Changes implemented in January 2009

Intangible Assets

- Expenditures related to research and development projects must be recorded as an expense if they relate to the research phase and, must be recorded as an intangible asset if they relate to the development phase and satisfy the criteria for recording intangible assets.
- The presumption that an intangible asset cannot have a useful life of more than 20 years has been eliminated.

Permanent Investments in Shares

- New accounting rules require the consolidation of SPEs (special purpose entities) in accordance to the control, whether or not majority ownership.

Subsidiaries

- Includes the existence of potential voting rights that could possibly be exercised or converted at the option of the owner as a holder of the shares.
- Valuation standards at acquisition date are established for net assets acquired and recognized using the purchase method

Affiliates

New criteria have been established to determine the existence of significant influence. These are as follows:

- The application of judgment by the issuer of the financial statements is required.
- The voting rights must be considered:
 - Equal to or more than 10% when the shares are quoted on a stock exchange
 - Equal to or more than 25% when the shares are not quoted on a stock exchange
- The right to appoint one or more board directors or one at least one trustee
- The right to participate in decisions on declaring dividends and other changes that impact capital.

Other Permanent Investments

- Are required to be carried on the books at cost of acquisition.

Accounting Changes implemented in April 2009

The CNBV issued new accounting rules for the recording of repo and reverse repo transactions in October 2008 that would take effect within six months, allowing the financial institutions the option of implementing them prior to April 2009. Scotiabank Mexico opted to implement the new accounting rules in April 2009.

In April 2009, the CNBV issued the definitive accounting criteria changes, effective from May 2009. The main changes in criteria, to April 2009, that have been adopted by Scotiabank Mexico, are the following:

Documents for immediate collection

When the documents for immediate collection, are not collected within 5 business days (international collections), or within 2 business days (domestic collections), the remittances must be reclassified to Other Assets, in the case of the customer not having a credit contract. If the customer has a credit contract, the remittances will be accounted for in accordance with the accounting policy described at B-6 "Loans".

Repos, Reverse Repos and Loaning of Securities

The institution that receives the collateral must record it in the off-balance sheet memo accounts, while the institution that grants the collateral must reclassify the financial asset in the balance sheet to a restricted asset.

Offsetting or netting of asset and liability positions is no longer permitted except for repo-reverse-repo transactions where the institution sells or gives and guarantees, the collateral received.

Recognition and De-Recognition of Financial Assets

Criteria have been established to recognize and de-recognize financial assets on the balance sheet including:

- All contractual rights and obligations inherent in the ownership of a financial asset, as well as all the risks and benefits, which are acquired and/or transferred.
- When not transferring and/or not retaining substantially all of the risks and benefits of ownership in a financial asset, an assessment must be made whether the institution continues to exercise control over the financial asset in question and, if so, the asset should continue to be reported in the balance sheet.

- Whether the entity has retained control of the transferred asset depends on the transferee's ability to sell the asset.
- The obligation to recognize a retained servicing asset is required when the selling entity provides an administration service for the transferred asset in exchange for compensation.

Securizations

- In securitization transaction the assignee must evaluate, in accordance with the Recognition and De-recognition of Financial Assets criteria, if the transaction complies with the de-recognition criteria and, if so, the securitized asset must be derecognized from the balance sheet.
- Implementation of the new accounting standards will be introduced on a prospective basis and therefore will not be applicable to transactions entered into prior to 2009.

GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
LORENZO BOTURINI No. 202 COL. TRANSITO, MEXICO, D.F. C.P. 06820
CONSOLIDATED STATEMENT OF INCOME
FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN MILLIONS OF MEXICAN PESOS

Total interest earned		10,894
Total interest paid		6,157
Net interest profit		4,737
Provision for credit losses		1,723
Net interest profit, after provision for credit losses		3,014
Commissions earned	1,558	
Commissions paid	166	
Revenues from intermediation	517	
Other operational net income	(183)	1,726
Total operating revenues		4,740
Administrative and operating expenses		4,430
Result from operations		310
Other revenues	973	
Other expenses	60	913
Net income before income tax		1,223
Current income tax	432	
Deferred income tax	70	(362)
Results before subsidiaries and associated companies		861
Participation in the results of subsidiaries and associated companies		(1)
Net Income after tax		860

"These statement of income, consolidated with those of the financial and other entities comprising the Group that are subject to consolidation, were prepared in accordance with the accounting criteria for financial group holding companies issued by the National Banking and Securities Commission based on Article 30 of the Law that Regulates Financial Groups, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the revenues and costs relating to the transactions carried out by the Holding Company and the financial and other entities comprising the Group that are subject to consolidation, through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These consolidated statements of income were approved by the Board of Directors under the responsibility of the following officers".

NICOLE REICH DE POLIGNAC
PRESIDENT

JEAN-LUC RICH
DIRECTOR GENERAL FINANCE AND
ADMINISTRATION

KEN PFLUGFELDER
DIVISIONAL DIRECTOR
AUDIT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

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GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
LORENZO BOTURINI No. 202 COL. TRANSITO, MEXICO, D.F. C.P. 06820
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE PERIOD DECEMBER 31, 2008 TO JUNE 30, 2009
EXPRESSED IN MILLIONS OF MEXICAN PESOS

CONCEPT	Paid-in Capital			Capital Surplus										Total stockholders' equity
	Capital stock	Premium from the sale of shares	Statutory reserves	Results from previous years	Unrealised gain (loss) from valuation of available-for-sale securities	Effects from valuation of hedging instruments	Income (loss) from conversion of foreign operations	Cumulative effect of restatement	Gain from holding non-monetary assets (from valuation of fixed assets)	Gain from holding non-monetary assets (from valuation of permanent investments in shares)	Employee benefits adjustment at the retirement	Net income	Non-controller participation	
Balances as of December 31, 2008	4,507	-	901	18,005	331	62	-	-	-	-	-	3,101	-	26,907
ITEMS RELATED TO STOCKHOLDERS DECISIONS														
Issuance of shares														
Capitalisation of profits														
Creation of reserves														
Transfer of prior years results				3,101										
Dividend payment				(2,000)								(3,101)		(2,000)
Other														
Total	-	-	-	1,101	-	-	-	-	-	-	-	(3,101)	-	(2,000)
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME														
Net income												860		860
Gain from valuation of available-for-sale securities					18									18
Effects from valuation of hedging instruments						93								93
Cumulative effect of restatement														
Gain from holding non-monetary assets														
Employee benefits adjustment														
Other														
Total	-	-	-	-	18	93	-	-	-	-	-	860	-	971
Balances as of June 30, 2009	4,507	-	901	19,106	349	155	-	-	-	-	-	860	-	25,878

"These statement of changes stockholders' equity, consolidated with those of the financial and other entities comprising the Group that are subject to consolidation, were prepared in accordance with the accounting criteria for financial group holding companies issued by the National Banking and Securities Commission based on Article 30 of the Law that Regulates Financial Groups, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they all the stockholders' equity account entries relating to the transactions carried out by the Holding Company and the financial and other entities comprising the Group that are subject to consolidation, through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These consolidated statements of changes in stockholders' equity were approved by the Board of Directors under the responsibility of the following officers".

NICOLE REICH DE POLIGNAC
PRESIDENT

JEAN-LUC RICH
DIRECTOR GENERAL FINANCE AND
ADMINISTRATION

KEN PFLUGFELDER
DIVISIONAL DIRECTOR AUDIT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
 LORENZO BOTURINI No. 202 COL. TRANSITO, MEXICO, D.F. C.P. 06820
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN MILLIONS OF MEXICAN PESOS

Net income	860
Adjustments for items that not imply cash flow :	
Profit or loss valuation associated with investment and financing activities	(283)
Provision for credit losses	1,723
Provision for difficult or not collection	5
Losses for deterioration or cancel effect associated with investment and funding activities	48
Depreciation and amortisation	141
Provisions	-
Income tax (caused and deferred)	(91)
Participation in results unconsolidated subsidiaries and associated companies	1
Not controller participation	-
Discontinuous operations	-
	1,544
Operation activities	
Change in margin accounts	(43)
Change in securities investment	3,082
Change in repurchase agreements (debtor)	(44)
Change in securities receivable (assets)	-
Change in derivatives (assets)	(488)
Change in loan portfolio	271
Change in acquired collections	-
Change in benefits for receiving in operations of securitization	-
Change in foreclosed assets	(2)
Change in other operational assets	(2,755)
Change in funding	(9,218)
Change in bank and other loans	(103)
Change in liabilities related to securities in the course of settlement	-
Change in repurchase agreements (creditor)	(1,174)
Change in securities receivable (liabilities)	-
Change in collateral sold or in guarantee	(29)
Change in derivatives (liabilities)	47
Change in operations of securitization (liabilities)	-
Change in subordinated debentures (liabilities)	-
Change in other operational liabilities	2,131
Change in hedging instruments	-
Operation activities cash flow	(8,325)
Investment activities	
Collections for regulation of property, furniture and equipment	-
Payments for acquisition of property, furniture and equipment	(344)
Collections for regulation in subsidiaries and associated companies	27
Payments for acquisition in subsidiaries and associated companies	(2)
Collections in cash (dividends)	278
Payments for acquisition of intangible assets	-
Collections for regulation in long term assets available for sale	4,303
Collections for regulation in long term of other assets	-
Payments for acquisition in long term of other assets	-
Associated collections in hedging instruments	-
Associated payments in hedging instruments	-
Others	68
Investment activities cash flow	4,330
Financing activities	
Collections in equity issues	-
Payments for return in capital stock	-
Payments in cash (dividends)	(278)
Associated payments in equity repurchase	-
Collections in subordinated debentures (capital)	-
Associated payments in subordinated debentures (capital)	-
Financing activities cash flow	(278)
Net Increase in cash	(1,869)
Cash flow adjustments in foreign exchange and inflation variations	-
Cash and equivalent at the beginning of the period	22,882
Cash and equivalent at the final of the period	21,013

"These statement of cash flow, consolidated with those of the financial and other entities comprising the Group that are subject to consolidation, were prepared in accordance with the accounting criteria for financial group holding companies issued by the National Banking and Securities Commission based on Article 30 of the Law that Regulates Financial Groups, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they all the stockholders' equity account entries relating to the transactions carried out by the Holding Company and the financial and other entities comprising the Group that are subject to consolidation, through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These consolidated statement of cash flow were approved by the Board of Directors under the responsibility of the following officers".

NICOLE REICH DE POLIGNAC
PRESIDENT

JEAN-LUC RICH
DIRECTOR GENERAL FINANCE AND
ADMINISTRATION

KEN PFLUGFELDER
DIVISIONAL DIRECTOR AUDIT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

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SCOTIABANK INVERLAT, S.A.
INSTITUCION DE BANCA MULTIPLE
GRUPO FINANCIERO SCOTIABANK INVERLAT.
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F., C.P. 11700
STATEMENT OF INCOME OF THE BANK CONSOLIDATED WITH ITS SUBSIDIARIES AND WITH THE TRUSTS
CONTAINING RESTRUCTURED LOANS DENOMINATED IN UDIS, FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN MILLIONS OF MEXICAN PESOS

Total interest earned	8,144	
Total interest paid	3,546	
Net interest profit		4,598
Provision for credit losses		1,723
Net interest profit, after provision for credit losses		2,875
Commissions earned	1,154	
Commissions paid	139	
Revenues from intermediation	486	
Other operational income	(183)	1,318
Total operating revenues		4,193
Administrative and operating expenses		4,085
Result from operations		108
Other revenues	1,066	
Other expenses	59	1,007
Net income before income tax		1,115
Current income tax	374	
Deferred income tax	68	(306)
Results before subsidiaries and associated companies		809
Participation in the results of subsidiaries and associated companies		(2)
Net Income before continuing operations		807
Continuing operations		-
Net income		807

"These statement of income was prepared in accordance criteria for institutions issued by the National Banking and Securities Commission based on Articles 99, 101 and 102 of the Credit Institutions Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the revenues and costs the transactions carried out by the institution through the dates noted above. Furthermore, these transactions were carried out and value in accordance with sound banking practices and the applicable legal and administrative provisions.

These statement of income were approved by the Board Directors under the responsibility of the following officers".

NICOLE REICH DE POLIGNAC
PRESIDENT

JEAN-LUC RICH
DIRECTOR GENERAL FINANCE AND
ADMINISTRATION

KEN PFLUGFELDER
DIVISIONAL DIRECTOR AUDIT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

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**SCOTIABANK INVERLAT, S.A.
 INSTITUCION DE BANCA MULTIPLE
 GRUPO FINANCIERO SCOTIABANK INVERLAT
 BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
 CONSOLIDATED STATEMENT OF CHANGES IN THE CAPITAL OF THE BANK WITH ITS SUBSIDIARIES AND WITH THE TRUSTS
 CONTAINING RESTRUCTURED LOANS DENOMINATED IN UDIS, FOR THE PERIOD DECEMBER 31, 2008 TO JUNE 30, 2009
 EXPRESSED IN MILLIONS OF MEXICAN PESOS**

CONCEPT	Paid-in Capital				Capital Surplus									Total stockholders' equity
	Capital stock	Premium from the sale of shares	Statutory reserves	Results from previous years	Unrealised gain (loss) from valuation of available-for-sale securities	Effects from valuation of hedging instruments	Income (loss) from conversion of foreign operations	Cumulative effect of restatement	Gain from holding non-monetary assets (from valuation of fixed assets)	Gain from holding non-monetary assets (from valuation of permanent investments in shares)	Employee benefits adjustment	Net income	Non-controller participation	
Balances as of December 31, 2008	7,451	472	1,911	12,113	276	62	-	-	-	-	-	3,099	-	25,384
ITEMS RELATED TO STOCKHOLDERS DECISIONS														
Issuance of shares														
Capitalisation of profits														
Creation of reserves			310	(310)										-
Transfer of prior year's results				3,099								(3,099)		-
Dividend payment				(2,070)										(2,070)
Other														
Total	-	-	310	719	-	-	-	-	-	-	-	(3,099)	-	(2,070)
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME														
Net income												807		807
Gain from valuation of available-for-sale securities					1									1
Effects from valuation of hedging instruments						94								94
Gain from conversion of foreign operations														
Cumulative effect of restatement														
Gain from holding non-monetary assets														
Employee benefits adjustment														
Revaluation of components of capital														
Total	-	-	-	-	1	94	-	-	-	-	-	807	-	902
Balances as of June 30, 2009	7,451	472	2,221	12,832	277	156	-	-	-	-	-	807	-	24,216

"These statement of changes in stockholders' equity were prepared in accordance criteria for institutions issued by the National Banking and Securities Commission based on Articles 99, 101 and 102 of the Credit Institutions Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the stockholders' equity account entries relating to the transactions carried out by the Bank through the dates noted above. Furthermore, these transactions were carried out and value in accordance with sound banking practices and the applicable legal and administrative provisions.

These statement of changes in stockholders' equity were approved by the Board Directors under the responsibility of the following officers".

NICOLE REICH DE POLIGNAC
 PRESIDENT

JEAN-LUC RICH
 DIRECTOR GENERAL FINANCE AND
 ADMINISTRATION

KEN PFLUGFELDER
 DIVISIONAL DIRECTOR AUDIT

GORDON MACRAE
 DIRECTOR GROUP ACCOUNTING

SCOTIABANK INVERLAT, S.A.
INSTITUCION DE BANCA MULTIPLE
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN MILLIONS OF MEXICAN PESOS

Net income	807
Adjustment for items that not imply cash flow:	
Profit or loss valuation associated with investment and financing activities	(249)
Provision for credit losses	1,723
Provision for difficult or not collection	6
Losses for deterioration or cancel effect associated with investment and funding activities	48
Depreciation and amortisation	135
Income tax (caused and deferred)	(88)
Participation in results unconsolidated subsidiaries and associated companies	2
	2,384
 <u>Operation activities</u>	
Change in margin accounts	(23)
Change in securities investment	1,783
Change in repurchase agreements (debtor)	7
Change in derivates (assets)	(486)
Change in loan portfolio	271
Change in foreclosed assets	(2)
Change in other operational assets	(1,673)
Change in funding	(9,760)
Change in bank and other loans	(103)
Change in repurchase agreements (creditor)	406
Change in derivates (liabilities)	850
Change in other operational liabilities	664
Operation activities cash flow	(5,682)
 <u>Investment activities</u>	
Payments for acquisition of property, furniture and equipment	(343)
Collections for regulation in subsidiaries and associated companies	27
Collections for regulation in long term assets available for sale	4,304
Others	68
Investment activities cash flow	4,056
 <u>Financing activities</u>	
Payments in cash (dividends)	(278)
Financing activities cash flow	(278)
Net Increase in cash	(1,904)
Cash and equivalent at the beginning of the period	22,878
Cash and equivalent at the final of the period	20,974

"These statement of cash flow were prepared in accordance criteria for institutions issued by the National Banking and Securities Commission based on Articles 99, 101 and 102 of the Credit Institutions Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the stockholders' equity account cash entrance and cash outflow relating to the transactions carried out by the Bank through the dates noted above. Furthermore, these transactions were carried out and value in accordance with sound banking practices and the applicable legal and administrative provisions.

These statement of cash flow were approved by the Board Directors under the responsibility of the following officers".

NICOLE REICH DE POLIGNAC PRESIDENT	JEAN-LUC RICH DIRECTOR GENERAL FINANCE AND ADMINISTRATION	KEN PFLUGFELDER DIVISIONAL DIRECTOR AUDIT	GORDON MACRAE DIRECTOR GROUP ACCOUNTING
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SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
STATEMENT OF INCOME FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN MILLIONS OF MEXICAN PESOS

Commissions and fees collected	227		
Commissions and fees paid	13		
Financial intermediation income	31		245
Service Income			245
Gain on purchase and sale of securities	242		
Loss on purchase and sale of securities	(249)		
Interest income	3,256		
Interest expense	(3,117)		
Valuation gain (loss) on securities	34		
			166
Net Interest Profit for Intermediation			166
Total operating revenues			-
Total Operating Income			411
Administrative expenses			306
Operating income			105
Other income	20		
Other expense	-		
			20
Net income before income tax			125
Current income tax	53		
Deferred income tax	(2)		
			51
Results before subsidiaries and associated companies			74
Participation in the results of subsidiaries and associated companies			-
Results from continuing operations			74
Net income after tax			74

"These statement of income were prepared in accordance with the accounting criteria for brokerage firms, issued by the National Banking and Securities Commission based on Article 205 last paragraph, 210 second paragraph and 211 of the Securities Market Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the revenues and disbursement relating to the transactions carried out by the Brokerage Firm through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These balance sheets were approved by the Board Directors under the responsibility of the following officers.

GONZALO ROJAS RAMOS
PRESIDENT

JEAN-LUC RICH
DIRECTOR GENERAL FINANCE
AND ADMINISTRATION

KEN PFLUGFELDER
DIVISIONAL DIRECTOR AUDIT

GORDON MACRAE
DIRECTOR GROUP
ACCOUNTING

FRANCISCO LOPEZ CHAVEZ
ASSISTANT DIRECTOR OF
ACCOUNTING

SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
 GRUPO FINANCIERO SCOTIABANK INVERLAT
 BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
 STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE PERIOD DECEMBER 31, 2008 TO JUNE 30, 2009
 EXPRESSED IN MILLIONS OF MEXICAN PESOS

CONCEPT	Paid-in Capital		Capital Surplus				Total stockholders' equity	
	Capital stock	Premium from the sale of shares	Statutory reserves	Results from previous years	Result for valuation of securities available for sale	Gain from holding non-monetary assets (from valuation of permanent investments in shares)		Net income
Balances as of December 31, 2008	551	-	35	670	55	-	35	1,346
ITEMS RELATED TO STOCKHOLDERS DECISIONS								
Issuance of shares								
Capitalisation of profits								
Creation of reserves			2	(2)				-
Dividend payment								
Transfer of prior year's results				35			(35)	-
Other movements								
Total	-	-	2	33			(35)	-
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME								
Integral Profit								
-Net income							74	74
-Gain from valuation of available-for-sale securities					17			17
-Gain from conversion of foreign operations								
-Cumulative effect of restatement								
-Gain from holding non-monetary assets								
-Employee benefits adjustment								
-Other movements	-	-	-	-	-			-
Total	-	-	-	-	17		74	91
Balances as of June 30 2009	551	-	37	703	72	-	74	1,437

"These statements of changes in stockholders' equity have been prepared in conformity with the accounting criteria for brokerage firms, issued by the National Banking and Securities Commission based on Article 205 last paragraph, 210 second paragraph and 211 of the Securities Market Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect all the stockholders' equity account entries relating to the transactions carried out by the Brokerage Firm through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These statement of changes in stockholders' equity were approved by the Board Directors under the responsibility of the following officers".

GONZALO ROJAS RAMOS
 PRESIDENT

JEAN-LUC RICH
 DIRECTOR GENERAL FINANCE AND
 ADMINISTRATION

KEN PFLUGFELDER
 DIVISIONAL DIRECTOR AUDIT

GORDON MACRAE
 DIRECTOR GROUP ACCOUNTING

FRANCISCO LOPEZ CHAVEZ
 ASSISTANT DIRECTOR OF ACCOUNTING

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SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
STATEMENT OF CASH FLOW, FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN MILLIONS OF MEXICAN PESOS

Net income	74
Adjustments for items that do not imply flow of cash	
Profit or loss valuation associated with investment and funding activities	(34)
Provision for difficult or not collection	-
Losses for deterioration or cancel effect associated with investment and funding activities	-
Depreciation and amortisation	5
Provisions	3
Income tax (caused and deferred)	(3)
Participation in results of not consolidated subsidiaries and associated companies	-
Discontinuous operations	-
	(29)
Operation Activities	
Change in margin accounts	(20)
Change in securities investment	1,315
Change in repurchase agreements (debtor)	(51)
Change in securities receivable (assets)	-
Change in derivatives (assets)	(2)
Change in benefits for receiving in operations of securitization	-
Change in other operational assets	(793)
Change in liabilities	-
Change in bank and other loans	
Change in repurchase agreements (creditor)	(1,579)
Change in securities receivable (liabilities)	-
Change in collateral sold or in guarantee	-
Change in derivatives (liabilities)	(29)
Change in operations of securitization (liabilities)	(803)
Change in subordinated debentures (liabilities)	-
Change in other operational liabilities	
Change in hedging instruments	1,473
Operation activities cash flow	(489)
Investment Activities	
Collections for regulation of property, furniture and equipment	-
Payments for acquisition of property, furniture and equipment	(1)
Collections for regulation in subsidiaries and associated companies	-
Payments for acquisition in subsidiaries and associated companies	-
Collections for regulation in long term investments	-
Payments for acquisition in long term investments	-
Collections in cash (dividends)	-
Payments for acquisition of intangible assets	-
Collections for regulation in long term assets available for sale	-
Collections for regulation in long term of other assets	-
Payments for acquisition in long term of other assets	-
Associated collections in hedging instruments	-
Associated payments in hedging instruments	-
Investment activities cash flow	(1)
Financing activities	
Collections in equity issues	-
Payments for return in capital stock	-
Payments in cash (dividends)	-
Associated payments in equity repurchase	-
Collections in subordinated debentures (capital)	-
Associated payments in subordinated debentures (capital)	-
Financing activities cash flow	-
Net Increase in cash	(445)
Cash flow adjustments in foreign exchange and inflation variations	-
Cash and equivalent at the beginning of the period	1,332
Cash and equivalent at the final of the period	887

"These statements of cash flow have been prepared in conformity with the accounting criteria for brokerage firms, issued by the National Banking and Securities Commission based on Article 205 last paragraph, 210 second paragraph and 211 of the Securities Market Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the cash entrance and cash outflow of funds relating to the transactions carried out by the Brokerage Firm through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These statement of cash flow were approved by the Board Directors under the responsibility of the following officers".

GONZALO ROJAS RAMOS	JEAN-LUC RICH	KEN PFLUGFELDER	GORDON MACRAE	FRANCISCO LOPEZ CHAVEZ
PRESIDENT	DIRECTOR GENERAL FINANCE AND ADMINISTRATION	DIVISIONAL DIRECTOR AUDIT	DIRECTOR GROUP ACCOUNTING	ASSISTANT DIRECTOR OF ACCOUNTING

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Attachment 5

SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSION
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F., C.P. 11700
BALANCE SHEET AS AT JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS

ASSETS		LIABILITIES AND STOCKHOLDERS' EQUITY	
FUNDS AVAILABLE	15	OTHER PAYABLES	
		Income tax and employee profit sharing	5,449
		Sundry creditors and other payables	54,169
			59,618
FINANCIAL INSTRUMENTS		TOTAL LIABILITIES	59,618
Securities – available for trading	105,992		
OTHER ACCOUNTS RECEIVABLE (NET)	57,984	STOCKHOLDERS' EQUITY	
		PAID-IN CAPITAL	
		Capital stock	2,586
DEFERRED TAXES	1,400	CAPITAL SURPLUS	
		Statutory reserves	517
OTHER ASSETS		Results from prior years	86,747
Other assets, deferred changes and intangible assets	240	Net results	16,163
			103,427
		TOTAL STOCKHOLDERS' EQUITY	106,013
TOTAL ASSETS	165,631	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	165,631

MEMORANDUM ACCOUNTS

Assets and Liabilities contingent	1,486
Assets in custody or under administration	100,548,205

"These balance sheets were prepared in accordance with the accounting criteria for mutual fund management companies, issued by the National Banking and Securities Commission based on Article 76 of the Investment Companies Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the transactions carried out by the Management Companies through the dates indicated above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These balance sheets were approved by the Board Directors under the responsibility of the following officers.

The historical capital stock amount is \$ 2,000 (thousands)".

ERNESTO DIEZ SANCHEZ
PRESIDENT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSION
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
STATEMENT OF INCOME FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS

Commissions and fees collected	242,307	
Commissions and fees paid		217,750
Service Income		24,557
Valuation gain (loss) on securities	342	
Gain and loss on purchase and sale of securities	2,784	3,126
Total Operating Income		27,683
Administrative expenses		4,371
Operating income		23,312
Other income	45	
Other expense	748	(703)
Net income before income tax and PTU		22,609
Current income tax and PTU	6,056	
Deferred income tax and PTU	390	6,446
Results before subsidiaries and associated companies		16,163
Results from continuing operations		16,163
Net income after tax and PTU		16,163

"These statement of income were prepared in accordance with the accounting criteria for mutual fund management companies, issued by the National Banking and Securities Commission based on Article 76 of the Investment Companies Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the revenues and costs relating to the transactions carried out by the Management Companies through the dates indicated above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These statement of income were approved by the Board Directors under the responsibility of the following officers".

ERNESTO DIEZ SANCHEZ
PRESIDENT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

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SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSION
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE PERIOD DECEMBER 31, 2008 TO JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS

CONCEPT	Paid-in Capital		Capital Surplus			Total stockholders' equity	
	Capital stock	Premium from the sale of shares	Statutory reserves	Results from previous years	Employee benefits adjustment		Net income
Balances as of December 31, 2008	2,586	-	517	54,926	-	31,821	89,850
ITEMS RELATED TO STOCKHOLDERS DECISIONS							
Issuance of shares							-
Capitalisation of profits							-
Creation of reserves							-
Dividend payment							-
Transfer of prior year's results							-
Other movements				31,821		(31,821)	-
Total	-	-	-	31,821	-	(31,821)	-
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME							
Integral Profit							
-Net income						16,163	16,163
-Gain from valuation of available-for-sale securities							-
-Gain from conversion of foreign operations							-
-Cumulative effect of restatement							-
-Gain from holding non-monetary assets							-
-Employee benefits adjustment							-
-Other movements							-
Total	-	-	-	-	-	16,163	16,163
Balances as of June 30, 2009	2,586	-	517	86,747	-	16,163	106,013

"These statement of changes in stockholders' equity have been prepared in accordance with the accounting criteria for mutual fund management companies, issued by the National Banking and Securities Commission based on Article 76 of the Investment Companies Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect all the stockholders' equity account entries relating to the transactions carried out by the Management Companies through the dates indicated above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These statement of changes in stockholders' equity were approved by the Board Directors under the responsibility of the following officers".

ERNESTO DIEZ SANCHEZ
PRESIDENT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSION
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
STATEMENT OF CHANGES IN THE FINANCIAL POSITION FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS

OPERATING ACTIVITIES

Net income	16,163
Valuation of securities	(342)
Depreciation and amortisation	-
Deferred taxes	390
Reserves for various obligations	-
	<u>48</u>
Decrease or increase in Treasury operations (securities)	<u>(16,282)</u>
Cash generated through operations	<u>(71)</u>

FINANCING ACTIVITIES

Bank and other loans	-
Amortisation of bank and other loans	-
Payment of dividends in cash	-
Reduction of share capital	-
Decrease or increase in other payables	17,928
Cash generated through financing activities	<u>17,928</u>

INVESTMENT ACTIVITIES

Decrease or increase in deferred charges or deferred credits	(125)
Employee benefits adjustment	-
Decrease or increase in other receivable net	(17,730)
Funds provided by investing activities	<u>(17,855)</u>

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS

2

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR

13

CASH AND CASH EQUIVALENTS AT END OF YEAR15

"These statement of changes in financial position have been prepared in accordance with the accounting criteria for mutual fund management companies, issued by the National Banking and Securities Commission based on Article 76 of the Investment Companies Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the sources and application of funds relating to the transactions carried out by the Management Companies through the dates indicated above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These statement of changes in financial position were approved by the Board Directors under the responsibility of the following officers".

ERNESTO DIEZ SANCHEZ
PRESIDENT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSION
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
STATEMENT OF INVESTMENT LOAN VALUATION, AS AT JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS

REFERENCE NUMBER	INVESTMENT TYPE	ISSUER	SERIES	COUPON	SECURITY TYPE	MARKET RATE	RATE TYPE	CREDIT RATING	No. OF SECURITIES	No. OF SECURITIES ISSUED	AVERAGE ACQUISITION COST / UNIT	TOTAL ACQUISITION COST	MARKET PRICE	TOTAL MARKET VALUE	DAYS TO MATURITY
	D	SCOTIAG	M6	0	51	0	TR	AAA/2 F	3,208,119	206,896,552	35.045762	106,123	35.002643	105,992	0
TOTALS:												106,123	105,992		

"These statement of investment loan valuation have been prepared in accordance with the accounting criteria for mutual fund management companies, issued by the National Banking and Securities Commission based on Article 76 of the Investment Companies Law, which are of a general and mandatory nature and have been applied on a consistent basis. Accordingly, they reflect the sources and application of funds relating to the transactions carried out by the Management Companies through the dates indicated above. Furthermore, these transactions were carried out and valued in accordance with sound practices and the applicable legal and administrative provisions.

These statement of investment loan valuation were approved by the Board Directors under the responsibility of the following officers".

ERNESTO DIEZ SANCHEZ
PRESIDENT

GORDON MACRAE
DIRECTOR GROUP ACCOUNTING

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**SCOTIA AFORE, S.A. DE C.V.
ADMINISTRADORA DE FONDOS PARA EL RETIRO
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 COL. BOSQUE DE LAS LOMAS, MÉXICO, D.F. C.P. 11700
BALANCE SHEET AS AT JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS, EXCEPT TITLES**

ASSETS		LIABILITIES AND STOCKHOLDERS' EQUITY	
INVESTMENT		LIABILITIES	
Special investment provision:		Other obligations	6,520
Siefore Basica 1	1,376		
Siefore Basica 2	4,833	Provision for various obligations	11,739
Siefore Basica 3	7,208		
Siefore Basica 4	8,058	Total Liabilities	<u>18,259</u>
Siefore Basica 5	3,813		
Siefore Ahorro Voluntario CP 1	290		
Special investment provision restated	(2,224)	STOCKHOLDERS' EQUITY	
Investment in Capital stock minimum:		Paid-in Capital	
Siefore Basica 1	4,000	Historical fixed	56,000
Siefore Basica 2	100	Restated fixed	2,629
Siefore Basica 3	100	Historical variable	201,200
Siefore Basica 4	100	Restated variable	1,751
Siefore Basica 5	100	Retained Earnings- Prior Periods	(136,270)
Siefore Ahorro Voluntario CP 1	100	Excess or insufficiency in stockholder's equity	-
Investment in Capital stock minimum restated	1,044	Net income	(36,934)
	<u>28,898</u>		
Total Investment		Total Stockholders' Equity	88,376
FUNDS AVAILABLE			
Bank	2,646		
Available investments	<u>24,000</u>		
Total Fund Available	26,646		
OTHER RECEIVABLES			
Various debtors	4,101		
Commissions collected	584		
Employees	<u>107</u>		
Total Other receivables	4,792		
OTHER INVESTMENT			
Investments in service entities	381		
Other investment	<u>5,878</u>		
Total other investment	6,259		
PROPERTY, FURNITURE AND EQUIPMENT (NET)			
Furniture and equipment (net)	2,480		
Total furniture and equipment	<u>2,480</u>		
ANTICIPATED PAYMENTS AND DEFERRED CHARGES (NET)			
Deferred Tax	4,375		
Anticipated payments (net)	10,168		
Compensation to employees promoted	<u>23,017</u>		
Total Anticipated payments	37,560		
TOTAL ASSET	<u>106,635</u>	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>106,635</u>

MEMORANDUM DEBT ACCOUNTS

Authorised Capital Stock*	187,200
Stocks issued (authorized number)	187,200,000
Housing contributions*	1,379,201
Siefores stocks, third position (number)	6
Siefores stocks, own position (number)	24,928,986
ISSSTE pension bond	11,192
Housing contributions (Foviste)	3,416
Investment management employees (number)	2,462,745,724
Accumulated withdrawals*	484,337
Accumulated retirements*	27,038
Internal Control of Administrator	2,894
Member accounts of banks	470
Independent accounts of banks	42,520

* Historical thousand pesos

* Balance sheet has been formulated in agreement to the rules of group of accounts established by the National Commission of the System of Saving for the Retirement, and under the strict responsibility of the executives who sign ":

Pablo Alberto Magaña Arana
President Scotia Afore

Brenda Patricia Rivera Quijada
Manager of Administration and Treasury

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SCOTIA AFORE, S.A. DE C.V.
RETIREMENT FUND ADMINISTRATOR
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 PISO 4 COL. BOSQUES DE LAS LOMAS, MEXICO D.F. C.P. 11700
STATEMENT OF INCOME FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS, EXCEPT APPRAISAL PRICE

Income		
Commissions	22,047	
Other revenues	4,013	
Participation in results of subsidiaries and associated companies	911	
Total income		26,971
Egresos:		
Personnel remunerations	7,725	
Personnel services	2,466	
Personnel and Commissioners remunerations	150	
Professional fees	744	
Full revenues	584	
Promotion expense	5	
Administrative and operating expenses	14,475	
Commissions	28	
Administrative services	7,097	
Taxes	5,272	
Depreciation	211	
Amortization	130	
Not deductible expenses	462	
Personnel promotion remuneration	19,924	
Personnel services to the promotion	4,616	
Financial expenses	8	
Monetary position result	8	
Total expenses		63,905
Net Income		(36,934)

The all shares management by the Investment society AFORE are shown on June 30, 2009.

	Shares outstanding	Appraisal Price	Total amount
Basic Investment Society 1:			
Own position Afore	5,806,083	\$ 1.253072	\$ 7,275
Worker Appraisal	210,169,602	\$ 1.253072	263,358
Basic Investment Society 2:			
Own position Afore	3,736,445	\$ 1.143630	\$ 4,273
Worker Appraisal	442,829,232	\$ 1.143630	506,433
Basic Investment Society 3:			
Own position Afore	5,938,395	\$ 1.129689	\$ 6,709
Worker Appraisal	715,490,046	\$ 1.129689	808,281
Basic Investment Society 4:			
Own position Afore	6,639,754	\$ 1.124620	\$ 7,467
Worker Appraisal	792,387,918	\$ 1.124620	891,135
Basic Investment Society 5:			
Own position Afore	2,536,049	\$ 1.132764	\$ 2,873
Worker Appraisal	290,119,663	\$ 1.132764	328,637
Volunteer and save investment society:			
Own position Afore	272,259	\$ 1.104734	\$ 301
Worker Appraisal	11,749,264	\$ 1.104734	12,980
Societies:			
Own position Afore	24,928,986		\$ 28,898
Worker Appraisal	2,462,745,724		2,810,824
		Total	\$ 2,839,722

"This statement of income has been presented in accordance with the rules established by the National Commission for the Retirement Saving System ("Comision Nacional de Sistema de Ahorro para el Retiro") and are the responsibility of the undersigned officers:

Pablo Alberto Magaña Arana
President Scotia Afore

Brenda Patricia Rivera Quijada
Manager of Administration and Treasury

SCOTIA AFORE, S.A. DE C.V.
ADMINISTRADORA DE FONDOS PARA EL RETIRO
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 COL. BOSQUE DE LAS LOMAS, MÉXICO, D.F. C.P. 11700
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE PERIOD DECEMBER 31, 2008 TO JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS

	Paid-in Capital		Retained Earnings – Prior Period	Adjustment for Retirement Liabilities	Net Income	Total Stockholders Equity
	Restated fixed	Restated variable				
Balances as of December 31, 2008	58,629	132,951	(49,806)	-	(86,464)	55,310
Items related to stockholders decisions						
Transfer of prior year's results			(86,464)		86,464	-
Capital contribution		70,000				70,000
Inherent movements at the integral result:						
Net Income					(36,934)	(36,934)
Cancellation of additional liability recognized in net stockholder's equity of deferred taxes						
	-	-	-	-	-	-
Balances as of June 30, 2009	58,629	202,951	(136,270)	-	(36,934)	88,376

"This statement of changes in stockholders' equity has been presented in accordance with the rules established by the National Commission for the Retirement Saving System ("Comision Nacional de Sistema de Ahorro para el Retiro") and are the responsibility of the undersigned officers:

Pablo Alberto Magaña Arana
 President Scotia Afore

Brenda Patricia Rivera Quijada
 Manager of Administration and Treasury

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SCOTIA AFORE, S.A. DE C.V.
ADMINISTRADORA DE FONDOS PARA EL RETIRO
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 COL. BOSQUE DE LAS LOMAS, MÉXICO, D.F. C.P. 11700
STATEMENT OF CHANGES IN THE FINANCIAL POSITION FOR THE PERIOD JANUARY 1 TO JUNE 30, 2009
EXPRESSED IN THOUSANDS OF MEXICAN PESOS

Operating Activities	
Net Income	(36,934)
Item not requiring (providing) funds	
Depreciation and amortisation	341
Subsidiaries results participation	(911)
Deferred taxes	302
	(37,202)
Resources used in operation	(37,202)
 (Investment net applied to) net financial derived of operational accounts:	
Various debtors	(895)
Anticipated payments and deferred charges	(7,654)
Other obligations	(468)
Reserves for various obligations	2,547
	(43,672)
Resources used in operational activities	(43,672)
 Resources generated from financial activities through stockholders equity contributions	70,000
 Investing Activities	
Decrease (increase) of special investment provisions and siefore's investment capital stock minimum	(2,425)
Acquisition of equipment and furniture	(251)
	(2,676)
Funds provided by investing activities	(2,676)
 Increase of available	23,652
 Funds Available	
At beginning of year	2,994
At end of year	26,646

"This statement of changes in financial position has been presented in accordance with the rules established by the National Commission for the Retirement Saving System ("Comision Nacional de Sistema de Ahorro para el Retiro") and are the responsibility of the undersigned officers:

Pablo Alberto Magaña Arana
 President Scotia Afore

Brenda Patricia Rivera Quijada
 Manager of Administration and Treasury

Attachment 7 Grupo Scotiabank

Grupo Scotiabank Financial Indicators					
	2009		2008		
	Q2	Q1	Q4	Q3	Q2
ROE <i>(Annualised quarterly net income / average capital for the quarter)</i>	5.8	7.5	7.5	11.6	12.7
ROA <i>(Annualised quarterly net income / average of total assets for the quarter)</i>	1.0	1.3	1.3	2.0	2.2
Net Interest margin <i>(Net interest margin including credit loss provisions / average earning assets)</i>	5.1	4.4	4.2	4.9	5.3
Operating efficiency <i>(Annualised quarterly operating expenses / average of total assets for the quarter)</i>	6.1	5.9	6.1	5.7	5.7
Delinquency index <i>(Balance of past due loans at quarter end / balance total loans)</i>	4.3	4.2	3.6	3.1	2.8
Reserve coverage of past due loans <i>(Allowance for credit losses at quarter end / balance of past due loans)</i>	96.8	104.6	108.1	105.1	117.7
Net capital / Credit risk adjustment assets	20.28	19.81	21.12	21.80	21.47
Net capital / Total risk adjustment assets <i>(credit, market and operational risk)</i>	15.98	14.96	15.50	16.55	17.51
Liquidity <i>(Liquid assets / liquid liabilities)</i>	57.9	65.0	67.1	67.7	76.3

Note: The 2009 figures include the netting of Restricted Investment related to Repos.

Grupo Scotiabank Segments; as at June 30, 2009 <i>(P\$ millions)</i>				
	Credit & Services	Trading & Treasury	Other	Total Group
Net interest income	3,933	665	140	4,738
Other income	1,838	355	446	2,639
Revenue	5,771	1,020	586	7,377
Provision for credit losses	(1,723)	-	-	(1,723)
Total revenue	4,048	1,020	586	5,654
Operating expenses	(3,779)	(290)	(361)	(4,430)
Participation in results of subsidiaries and associated companies	-	(2)	-	(1)
Profit before income tax and PTU	269	728	226	1,223
Income tax and PTU				(363)
Profit after income tax and PTU				860

Related-party transactions

During the normal course of business, The Group carries out transactions with related parties. According to the Group's policies, the Bank's Board of Directors authorizes all credit transactions with related parties, which are granted at market rates with guarantees and terms in accordance with sound banking practices.

At June 30, 2009 principal balances with related parties are for bank loans granted of P\$4,672 million.

Financial Information Disclosure

The Bank of Nova Scotia (“BNS”), the controlling entity, provides diversified financial services globally, and is listed on the Toronto and New York stock exchanges. As issuer, BNS issues, amongst other information, annual and quarterly financial information prepared in accordance with Canadian generally accepted accounting principles (Canadian GAAP). The consolidated financial statements also comply with the accounting requirements of the Canadian Bank Act. The financial information includes the results of entities that are consolidated in Grupo Financiero Scotiabank Inverlat (“SBM”).

Based on the requirements set forth by the Comisión Nacional Bancaria y de Valores (“CNBV”), SBM issues, through its electronic page in the world wide web (“Internet”), its consolidated financial statements with figures as of March, June, September and December, prepared in accordance with the Accounting Criteria for Financial Institutions defined by the CNBV.

Reconciliation of Mexican and Canadian GAAP

The net income of MXN 488 million reported by SBM for the quarter ending March 31, 2009 is different from the MXN 585 million (CAD 51 million) figure reported by BNS since financial institutions in Mexico prepare and present their financial statements according to Mexican GAAP, which differs in some aspects from Canadian GAAP. The reconciling items can be grouped as follows:

Non-controlling interest - BNS records, as an expense, the non-controlling interest in SBM’s net income.

Acquisition accounting and other Canadian GAAP adjustments- On acquisition of SBM, BNS was required to record its share of SBM’s assets and liabilities at their fair value. As a result, in subsequent periods, BNS’ share of SBM’s net income is affected by these differences in carrying values. There are also other measurement differences between Mexican and Canadian GAAP, which are adjusted by BNS.

Summary of the main reconciling items between net income reported by SBM and net income reported by BNS for the quarter ending March 31st, 2009.

In MXN millions (except as indicated)	Q1/09
SBM consolidated net income under Mexican GAAP – per the March 2009 Press Release	488
Non-controlling interest – 2.7%	(13)
Acquisition accounting and other Canadian GAAP adjustments	110
SBM consolidated net income under Canadian GAAP as reported by BNS	585
SBM consolidated net income under Canadian GAAP reported by BNS in Canadian dollars	CAD \$51

Internal Control

The internal control policies establish the internal control framework for Grupo Scotiabank and its subsidiaries and the control environment in which they operate, with the objective of having a reasonable level of confidence that the institution operates in prudent and sound manner.

An internal control model has been established to clearly identify responsibilities, subject to the premise that all the members of GSB share responsibility concerning internal control matters. The internal control model is composed of:

- A Board of Directors that is responsible for overseeing that GSB operates in accordance with sound practices and that it is effectively and efficiently managed. The Board of Directors are also responsible for approving GSB objectives and Internal Control Policies, the Conduct in Business Guidelines and other internal conduct manuals, as well as the organization's structure. The Board is also responsible for appointing GSB internal and external auditors, as well as its key officers.
- An Audit Committee assists the Board of Directors in determining and updating all internal control policies and procedures, and in verifying and evaluating them. The Audit Committee is composed of three regular directors and is presided over by an independent director. It meets on a monthly basis.
- The Executive Management is responsible for establishing the internal control system that manages all GSB subsidiaries and verifies that they operate efficiently and effectively.
- Organizational and procedural controls supported by an effective management information system (MIS), for the Executive that allows managing GSB's exposure to risk.
- An independent audit area for purposes of supervising the effectiveness and efficiency of all controls in place.
- In addition for compliance and controllership activities, an independent area works for insurance integrity of the Internal Control System.
- Management Integral Risk Area, (UAIR like their initials in Spanish) gives support in all the process areas of risk control establishing policies and methods, keeping development and promotion which includes Self Assessment's methodology of Operative Risk.
- Very clear mandates in terms that each one of the areas and individuals, that compose GSB, is responsible for observing all internal control aspects and complying with the laws, regulations and internal policies of the institution.

In addition to the foregoing, GSB conducts itself in accordance with all applicable laws and regulations, it abides by and observes all best corporate practices, and keeps its annual certification under the 404 rule Sarbanes Oxley Law in 2008, in its capacity as a subsidiary of The Bank of Nova Scotia in Canada.

Treasury Policies

Grupo Scotiabank (GSB) administers and maintains conservative and adequate liquidity levels, always within the best industry practices and in accordance with regulatory requirements. To this end, a stable, traditional and well-diversified deposit base is maintained as well as an active participation in the inter-bank market. In addition to the solid deposit base, GSB has at its disposal a wide range of lines of credit for working capital purposes, as well as irrevocable letters of credit that can be used to cover part of its established liquid asset requirements required by the Bank of Mexico.

Together with the above, The Group has adopted policies, procedures and clear limits for liquidity administration which outline the timely steps to follow to maintain sufficient liquidity gaps and liquid assets in case of some unforeseen contingency. These policies promote the uniform distribution of cash flows and try to minimize the liquidity gaps between assets and liabilities, taking into consideration the historic movements and the various products that make up the liquidity gaps.

The Bank of Directors and the Risk Committee have delegated to the Asset and Liability Committee, the administration and monitoring of liquidity risk within the parameters and limits established by the Board. The financial position with respect to liquidity, re-pricing, securities investment, risk and intermediation positions are periodically monitored by the Risk Administration area, that in turn, informs the Asset and Liability Committee and the Risk Committee for their analysis, follow-up and action as required. The Group Treasury Department is responsible for managing the liquidity risk and strategies to cover the liquidity and re-pricing gaps including taking risk positions and investing in securities.

Attachment 8 Scotiabank Mexico

Scotiabank Mexico					
Financial Indicators					
	2009		2008		
	Q2	Q1	Q4	Q3	Q2
ROE <i>(Annualised quarterly net income / average capital for the quarter)</i>	6.0	7.3	9.9	12.5	12.8
ROA <i>(Annualised quarterly net income / average of total assets for the quarter)</i>	1.0	1.2	1.7	2.1	2.2
Net Interest margin <i>(Net interest margin including credit loss provisions / average earning assets)</i>	4.9	4.3	4.1	4.9	5.3
Operating efficiency <i>(Annualised quarterly operating expenses / average of total assets for the quarter)</i>	5.7	5.6	5.8	5.5	5.5
Delinquency index <i>(Balance of past due loans at quarter end / balance total loans)</i>	4.3	4.2	3.6	3.1	2.8
Reserve coverage of past due loans <i>(Allowance for credit losses at quarter end / balance of past due loans)</i>	96.8	104.6	108.1	105.1	117.7
Net capital / Credit risk adjustment assets	20.28	19.81	21.12	21.80	21.47
Net capital / Total risk adjustment assets <i>(credit, market and operational risk)</i>	15.98	14.96	15.50	16.55	17.51
Liquidity <i>(Liquid assets / liquid liabilities)</i>	52.5	59.1	62.5	58.4	65.8

Note: The 2009 figures include the netting of Restricted Investment related to Repos.

Scotiabank Mexico				
Performing Loan Portfolio; as at June 30, 2009				
	Pesos	USD	Udis	Total
<i>(P\$ millions)</i>				
Business loans	24,976	7,240	-	32,216
Loans to financial institutions	3,675	-	-	3,675
Loans to government entities	4,348	-	-	4,348
Consumer loans	17,971	-	-	17,971
Mortgages	34,345	156	510	35,011
Total	85,315	7,396	510	93,221

Scotiabank Mexico				
Past-due Loan Portfolio; as at June 30, 2009				
	Pesos	USD	Udis	Total
<i>(P\$ millions)</i>				
Business loans	440	42	-	482
Loans to financial institutions	4	-	-	4
Consumer loans	1,415	-	-	1,415
Mortgages	2,138	-	136	2,274
Total	3,997	42	136	4,175

Scotiabank Mexico Financial Information by product and region	June 30, 2009	March 31, 2009	June 30, 2008
Performing Loan Portfolio			
Metro Division	49.8%	49.8%	53.2%
Metro North	19.6%	19.8%	17.5%
Metro South	30.2%	30.0%	35.7%
West Division	24.2%	23.6%	22.2%
Metro East	12.6%	12.0%	11.2%
Mexico Central	11.6%	11.6%	11.0%
East Division	26.0%	26.6%	24.6%
Mexico North	14.4%	14.8%	13.8%
Mexico South	11.6%	11.8%	10.8%
Past-due Loan Portfolio			
Metro Division	50.1%	50.0%	48.4%
Metro North	23.7%	17.9%	19.0%
Metro South	26.4%	32.1%	29.4%
West Division	26.6%	27.1%	25.9%
Metro East	11.8%	12.2%	13.2%
Mexico Central	14.8%	14.9%	12.7%
East Division	23.3%	22.9%	25.7%
Mexico North	10.8%	10.7%	11.6%
Mexico South	12.5%	12.2%	14.1%

Scotiabank Mexico
Reconciliation of Past Due Loans
(P\$ millions)

Balance as at March 31, 2009	4,065
Transfers (to) / from current loans	1,015
Restructured loans	-
Loans recovered	(21)
Loans written off	(882)
Foreign exchange	(2)
Balance as at June 30, 2009	4,175

Scotiabank Mexico
Allowance for Credit Losses
(P\$ millions)

Balance as at March 31, 2009	4,252
Plus: Reserves created	687
Less: Reserves taken into income	-
Transfer from Trust to Bank	-
Adjudications	31
Charge-offs and applications relating to regular loans	851
Commercial	1
Mortgage	174
Consumer	676
Charge-offs and applications relating to debtor support programs	6
Foreign exchange	(12)
Balance as at June 30, 2009	4,039

Scotiabank Mexico
Authorized financing that exceeds 10% Basic Capital
(P\$ millions as at June 30, 2009)

No. of Credits	Amount	% Basic Capital
-	-	-
Financing to the 3 principal creditors		3,745

Capital management

The Bank has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. The objectives and practices of the Bank's capital management process are consistent with those in place as at June 30, 2009.

The two primary capital ratios used to assess capital adequacy are Tier 1 and total Tier 2 capital ratios, which are determined by dividing those capital components by risk-weighted assets. Risk-weighted assets represent the Bank's exposure to credit, market and operational risk and are computed by applying a combination of the Bank's internal credit risk parameters. On June 30, 2009 the Bank's Tier 1 capital ratio was 20.28% and total Tier 2 capital ratio was 15.98%.

Scotiabank Mexico – Capitalisation <i>(P\$ millions; Consolidated with subsidiaries and UDI trusts)</i>	June 30, 2009 (*)	March 31, 2009	June 30, 2008
Share capital and reserves	24,216	23,848	23,919
Less: Investment in financial companies	363	503	410
Investment in Non-financial companies	129	123	131
Other non-allowable assets and deferred expenses	1,850	1,787	1,409
Plus: Allowable deferred tax	-	-	-
Basic capital (tier 1)	21,874	21,435	21,969
Allowable reserves against credits	381	366	416
Complementary capital (tier 2)	381	366	416
Total net capital (tier 1 + 2)	22,255	21,801	22,385

(*) Preliminary figures pending Banco de Mexico approval.

Scotiabank Mexico – Risk Assets <i>(constant P\$ millions as at June 30, 2009)</i>		Risk asset equivalent (*)	Capital requirement (*)
Market Risk	Operation in MXN at nominal rates	18,981	1,519
	Debt Instrument operations with “sur-charge” and adjustable rate	171	14
	Operation in MXN at real rates or rates denominated in UDIS	1,761	141
	Positions in UDIS or with yields related to inflation accounting	9	1
	Operation in foreign currencies at nominal rates	251	20
	Foreign exchange positions	1	-
	Securities positions or with yields related to a group of securities	535	43
	Total market risk	21,709	1,738
Credit Risk	Group III (weighted at 20%)	2,523	202
	Group III (weighted at 23%)	207	17
	Group III (weighted at 50%)	1,685	135
	Group III (weighted at 57.5%)	5	-
	Group IV (weighted at 20%)	24	2
	Group V (weighted at 50%)	2,021	162
	Group VI (weighted at 50%)	8,447	676
	Group VI (weighted at 75%)	9,565	765
	Group VI (weighted at 100%)	26,204	2,096
	Group VII (weighted at 20%)	34	3
	Group VII (weighted at 100%)	31,714	2,537
	Group VII (weighted at 150%)	764	61
	Group VIII (weighted at 125%)	2,275	182
Group IX (weighted at 100%)	24,248	1,940	
	Total credit risk	109,716	8,778

Scotiabank Mexico – Risk Assets <i>(P\$ millions as at June 30, 2009)</i>		Risk asset equivalent (*)	Capital requirement (*)
	Total operational risk	7,880	630
	Total Risk Assets	139,305	11,146

(*) Preliminary figures pending Banco de Mexico approval.

Scotiabank Mexico Capital Ratios	June 30, 2009 (*)	March 31, 2009	June 30, 2008
(1) Capital to credit risk:			
Basic capital (tier 1)	19.94%	19.48%	21.07%
Complementary capital (tier 2)	0.35%	0.33%	0.40%
Total net capital (tier 1+ 2)	20.28%	19.81%	21.47%
(2) Capital total risk:			
Basic capital (tier 1)	15.70%	14.70%	17.18%
Complementary capital (tier 2)	0.27%	0.25%	0.33%
Total net capital (tier 1+ 2)	15.98%	14.96%	17.51%
Classification according to the general rules referred to in Article 134 of the Credit Institutions Law		I	I

(*) Preliminary figures pending Banco de Mexico approval.

Scotiabank Mexico Composition of Securities Portfolio <i>(P\$ millions as at June 30, 2009)</i>					
Category	Government Paper	Debt Securities	Bank Paper	Other	Total
Trading, without restriction	167	2,351	35		2,553
Trading restricted					-
Repurchase agreements	4,966	502		116	5,584
(Others):	387		4	4	395
Available for sale, without restriction	4,276	1,034	149	654	6,113
Held to maturity, without restriction	1,834		-		1,834
Total securities	11,630	3,887	188	774	16,479

Scotiabank Mexico Investments in non-Government Securities (In excess of 5% of net capital) <i>(P\$ millions as at June 30, 2009)</i>				
Issuer	Securities	Rate	Term	Value
Inbursa 9294	351	4.9%	23	350
Inbursa 9294	502	4.9%	23	500
Bansan 9263	1,500	4.8%	1	1,500
Total	2,353			2,350

Scotiabank Mexico			
Rates paid on core deposits			
<i>(as at June 30, 2009)</i>			
	Average rate paid		
	Pesos	USD	UDIs
Demand and savings	1.58%	0.25%	-
Term	5.22%	0.52%	0.45%

Scotiabank Mexico	June	March	June
Financial Information by product and region	30, 2009	31, 2009	30, 2008
Demand deposits	52.9%	50.0%	47.8%
Metro Division	23.4%	22.1%	20.8%
Metro North	8.9%	8.8%	7.6%
Metro South	14.5%	13.3%	13.2%
West Division	14.4%	13.1%	12.5%
Metro East	7.1%	6.8%	6.4%
Mexico North	7.3%	6.3%	6.1%
East Division	15.1%	14.8%	14.5%
Mexico Central	6.7%	6.5%	6.2%
Mexico South	8.4%	8.3%	8.3%
Ventanilla Deposits	47.0%	48.0%	52.1%
Metro Division	16.2%	16.9%	18.5%
Metro North	7.6%	7.9%	8.0%
Metro South	8.6%	9.0%	10.5%
West Division	13.5%	13.4%	13.3%
Metro East	6.1%	6.3%	6.2%
Mexico North	7.4%	7.1%	7.1%
East Division	17.3%	17.7%	20.3%
Mexico Central	5.8%	5.5%	5.3%
Mexico South	11.5%	12.2%	15.0%
Total funding from customers	99.9%	98.0%	99.9%
Professional Funding	0.1%	2.0%	0.1%

Scotiabank Mexico						
Funding from Banks and Other Organisations						
<i>(P\$ millions, as at June 30, 2009)</i>						
Term	Loans		Other funding			Total
	Commercial Banks	Banco de México	Development Bank	Development Funds	Other	
Pesos						
Short	430		-	-	-	430
Medium		1,230	1,035	1,002	-	3,267
Long			286	1,625	-	1,910
Total	430	1,230	1,321	2,627	-	5,607
Average Rate*	4.78%	5.17%	8.47%	4.77%	-	
Other						
Short	-	-	-	-	-	-
Medium	-	-	-	443	1	444
Long	-	-	-	-	1	1
Total	-	-	-	443	2	445
Average Rate*	-	-	-	.38%	1.66%	
Total Interbank and other funding	430	1,230	1,321	3,070	2	6,052

*Average rate of June 30, 2009

The bank does not have debt from any creditor that is greater than 10% of total liabilities as at June 30, 2009.

Scotiabank Mexico has 4 issuances (which include two tranches of the second issue) of Bank Certificates. The main features of the issuances are as follow:

Issuance number	First	Second – 1 st Tranches	Second – 2 nd Tranches	Third	Fifth
Trade Code	SCB0001 05	SCOTIAB 05	SCOTIAB 05	SCB0002 05	SCOTIAB 07
Amount issued	\$400 millions	\$700 millions	\$800 millions	\$300 millions	\$2,000 millions
Date	November 10, 2005	November 10, 2005	December 8, 2005	December 8, 2005	December 5, 2007
Term	3,652 days, aprox. 10 years	1,820 days, aprox. 5 years	1,792 days, aprox. 4 year 11 months	4,750 days, aprox. 13 years	1,820 days 65 periods 28 days, aprox. 5 years
Guarantees	“Unsecured”	“Unsecured”	“Unsecured”	“Unsecured”	“Unsecured”
Interest rate	9.89% Fixed	TIIE 28 + 0.11%	TIIE 28 + 0.11%	9.75% Fixed	TIIE 28 - 0.09%
Interest payment	May 10 and November 10 each year until maturity	Each 28 days	Each 28 days	December 8 and June 8 each year until maturity	Each 28 days
Principal payment	One payment at end of the tern	One payment at end of the tern	One payment at end of the tern	One payment at end of the tern	One payment at end of the tern

**Scotiabank Mexico –
Derivatives and hedging operations; as at June 30, 2009**
(P\$ millions, reasonable value)

	Forwards		Futures		Options		Swaps		Total Asset	Total Liability
	Position		Position		Position		Position			
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability		
Trading	91	47	3	2	-	1	1,963	2,104	2,057	2,154
Hedging	-	-	-	-	-	-	391	330	391	330

**Scotiabank Mexico
Notional amounts in derivative operations; as at June 30, 2009**
(P\$ millions, nominal values presented in currency origin)

	Forwards		Futures		Swaps	
	Position		Position		Position	
	Asset	Liability	Asset	Liability	Asset	Liability
Trading:						
USD positions	61	116				
Interest rate						
Pesos			11,432	17,028	50,749	50,947
USD					320	321
Hedging						
Interest rate						
Pesos					4,100	8,739
USD						208

**Scotiabank Mexico
Market Results for the six months ended June 30, 2009**
(P\$ millions)

	Mark to Market	Trading Results
Investment in securities	(44)	101
Derivative operations	(132)	98
Foreign exchange	(7)	465
Other	-	5
Total	(183)	669

**Scotiabank Mexico
Deferred Taxes**
(P\$ millions; as at June 30, 2009)

Assets	
Provisions for sundry obligations	232
Other timing difference	1,010
Subtotal	1,242
Liabilities	
Revaluation of real estate	260
Mark to market gain	289
Other timing differences	130
Subtotal	679
Net deferred taxes	563

Scotiabank Inverlat, S.A. Classification of the Loan Portfolio As at June 30, 2009 <i>(P\$ millions)</i>					
	Loan Portfolio	Allowance for Credit Losses Required			Total Allowance for Credit Losses
		Commercial Loans	Consumer Loans	Mortgages Loans	
Excepted portfolio	136	-	-	-	-
Classified:					
A1 / A	64,688	112	56	111	279
A2	10,515	103	-	-	103
B1 / B	18,212	372	253	137	762
B2	1,608	107	-	-	107
B3	704	92	-	-	92
C1 / C	1,201	83	261	126	470
C2	-	-	-	-	-
D	1,841	1	585	706	1,292
E	812	385	322	67	774
Total	99,717	1,255	1,477	1,147	3,879
Provisions Created					4,039
Deficit (other credit reserves)					(160)

NOTES:

- The figures for the classification of the portfolio and the creation of allowance for credit losses correspond to the balance on last day of the month and are reflected in the balance sheet of June 30, 2009.
- The Commercial credit portfolio is classified using an international borrower classification model that has been authorised by the National Banking and Securities Commissions (CNBV), and which conforms with the applicable general character provisions of the financial credit institutions credit portfolio methodology published in the Federation's Official Diary dated August 22, 2008 and for all the retail credit portfolio products the previously mentioned methodology rules are followed

- Other credit reserves are comprised of:

- Reverses against past due interest	\$	85
- Reverses – Credit Bureau	\$	69
- Excess of reserves	\$	6
- Total	\$	160

- The classifications A1, B1, and C2, correspond to the Commercial portfolio and the classifications A, B and C, correspond to the Personal and Mortgages portfolio.

Global Risk Management

The Board of Directors is responsible for establishing standards and global risk limits within the Institution. It delegates the authorization, administration and monitoring of compliance to these limits to a Risk Committee.

In compliance with the risk management regulations issued by the banking authorities (CNBV), the Bank relies on a specialized risk administration area, which has responsibility over the Group, and which has adopted similar policies in risk management and control as those adopted by The Bank of Nova Scotia I.

Market Risk

The purpose of the market risk management function is to identify, measure, monitor and control risks arising from changes in interest rates, foreign exchange and equity market and other risk factors in the money, foreign exchange, equity and derivatives markets in which the Bank maintains positions for its own account

The risk positions in Scotiabank Mexico include fixed and floating rate assets in money market, equity portfolios, and derivative instruments such as interest rate futures, foreign exchange futures and foreign exchange options, interest rate swaps, as well as foreign exchange positions.

The Bank applies a series of techniques designed to evaluate and control market risks at which the Bank is exposed in the current course of its activities. The Board of Directors authorizes the risk limit structure at which the Institution is exposed.

The value at risk (VaR) is an estimate of the potential loss of value within a specific level of statistical confidence that might arise from maintaining a specific position during a determined period of time (the holding period) under normal market conditions. VaR is calculated daily on the entire Group’s risk-exposed financial instruments and portfolios using the Risk Watch methodology developed by Algorithmic.

The VaR is calculated using the historical simulation method, with a 300-working day time span. In order to fulfill the measurement methodologies used by BNS, the Group calculates VaR considering a 99% of confidence level and a one-day holding period.

During the annual review of limits, in May, 2009, the Board of Directors approved the change in the observation period, from 10 days to 1 day. The change was proposed by the Risk Management Committee and the Risk Administration area with the objective of representing, in a more efficient way, the Value at Risk over daily gains / losses and for non-linear financial assets, such as options, to avoid the appearance that the portfolio is maintained without rebalancing the hedge for 10 days.

Stress testing exercises are performed monthly on the portfolios, assuming extreme market conditions. “Backtesting” are realized at the same time with value risk observed to compare losses and earnings to calibrate the models that are used. The efficiency level of the model is based on criteria established by the Bank of International Settlements (BIS).

The average daily value at risk observed by Scotiabank Mexico during the quarter was the following:

Figures in Millions of Pesos

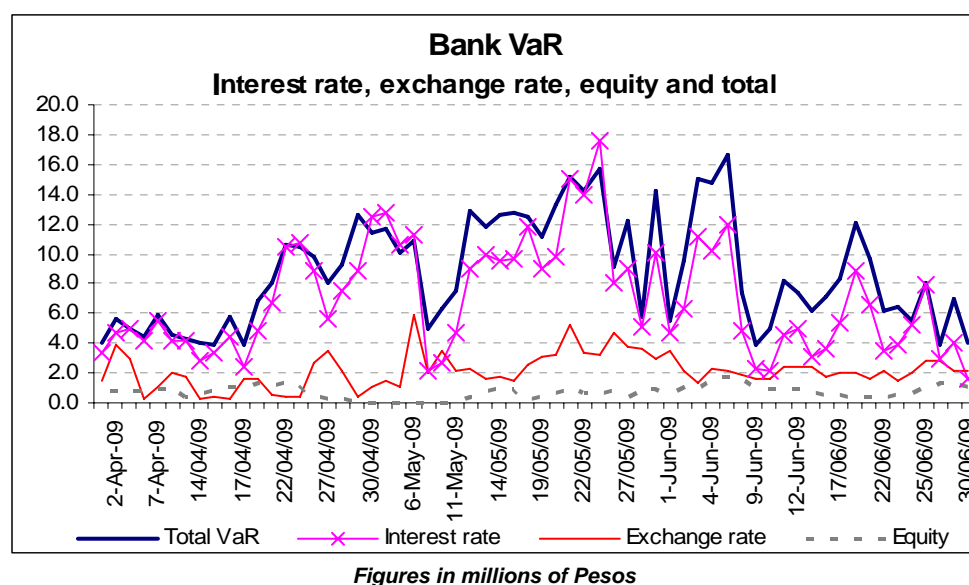
Trading Portfolio:	II-20	III-208	IV-28	2009	II-209
VaR (1 day); 99%	7.14	8.9	13.8	10.78	8.7

The Value at Risk by risk factor for Scotiabank Mexico at June 30, 2009 was the following:

Figures in Millions of Pesos

Risk Factor:	VaR: 1 day
Interest rate	6.96
Exchange rate	2.18
Equity	0.72
Total non-diversified	9.87
Effect of diversification	-1.15
Total	8.72

The following graph shows the daily movement of VaR for each risk factor: interest rate, exchange rate, equity and total from April to June 2009.



Figures in millions of Pesos

The global daily average VaR for the Bank during the second quarter of 2009 was P\$ 8.7 million and the global value at June 30, 2009 was P\$ 4.0 million.

The average values of market risk exposure of the trading portfolio during the period April - June were the following:

Scotiabank Mexico	Average Position	Maximum Position	Position Limit	VaR Average	VaR Limit
<i>Figures in millions of Pesos</i>					
BANK	163,626.4	173,320.3		8.7	52.5
Money Market	10,212.4	13,100.8	105,000.0	9.6	
Interest Rate Swaps	122,337.4	124,439.9	157,000.0	10.7	
Interest Rate Futures /3				15.2	
Market Rates for interest and interest derivatives	132,549.75	137,540.78	262,000.00	7.0	50.00
Equities	51.7	76.8	300.0	3.8	10.0
IPC Futures	-	-	2,880.0		
Equity Portfolio /4				3.8	10.0
Foreign exchange forwards /1,2	273.5	378.3	4,000.0	1.3	
Foreign exchange /1,2	0.9	10.5	55.0	0.5	
Foreign exchange options /2	5.15	6.32	800.0	0.6	
Dollar futures /3				0.3	
Foreign exchange swaps /2	291.3	298.6	1,500.0	0.1	
Foreign Exchange and FX derivatives /4	570.8	693.6	6,355.0	2.2	10.0

1/ The Forwards position is a gross position (longs and shorts) and the Foreign exchange position is net (longs less shorts)

2/ Figures expressed in millions of US Dollars.

3/ The position and the limit are based in the number of contracts in MexDer

4/ The observation period (holding period) of VaR for Foreign exchange, Equity and Interest rates and their limits are for 1 day.

To interpret the VaR with an example, the average 1-day value at risk of the Bank in the money market is P\$ 7 million. This means that under normal conditions, in 99 out of 100 days, the maximum potential loss is up to P\$ 7 million.

During the second quarter of 2009, the Bank executed transactions in the Mexican Derivative Market, called MexDer, for interest rate futures and US dollar futures contracts. The following chart shows the positions and the number of contracts traded.

Derivatives market, MexDer	Average Position	Maximum Position	Limit Position
<i>Figures in number of contracts</i>			
Interest rate futures - TIEE28	207,114.5	257,990	975,000
Interest rate futures - CE91	24,193.5	41,000	45,000
Futures - M Bonds	2,795.4	4,645	20,000
Interest rate futures /1	234,103.4	303,635	1,040,000
US Dollar futures /1	50	50	10,000

1/ The position and the limit are in number of contracts negotiated in MexDer.

During the quarter, the Bank received authorization from the Risk Committee, the Audit Committee and the Board of Directors to enter into IPC Futures contract transactions on the Mexican Derivatives Market, Mexder. The Audit Department developed a review to comply the official regulations for derivative products. The result of this review was positive. At the end of the quarter, the Bank had no positions in this product.

Because the VaR measurement serves to estimate potential losses in normal market conditions, monthly, stress testing is done under extreme conditions to determine the risk exposure, taking into consideration large abnormal variances in market prices. The Risk Committee has approved the stress limits.

The result of the “stress testing” at June 30, 2009, was P\$69.4 million, which compares with a limit of P\$ 1,500 million, and thus lying within the tolerable limits. The hypothetical scenarios that are used for this test are the crisis of 1994 and 1998.

In relation to the back-testing, the new high-volatility scenarios recorded during October, 2008 resulted in test exceptions. However, subsequent to October, the back-testing results were satisfactory. This period was temporary and therefore did not warrant to change the model because the exceptions have been explained by the high volatility.

This specific period of unusual volatility put a “yellow-light” warning (preventative level) on the global VaR of the Group. The cause was the global crisis that intensified in October, 2008.

Sensitivity

Scotiabank Mexico has a specialized Trading Risk Analysis area that methodically supervises and oversees the valuation process, risk measurement and sensitivity analysis. This area liaises continually with the management of the various trading desks.

The Risk area calculates, on a daily basis, market risk sensitivity for each portfolio with risk exposure. During the quarter, there were no changes to the assumptions, methods or parameters used for the analysis.

The following is a description of the methods, parameters and assumptions utilized for the equity, foreign exchange, interest rate and derivative product portfolios.

Interest Rate Portfolio

The sensitivity measurements that are used for the fixed rate instruments (bonds) are based on estimating the behavior of the portfolio value given a change in market interest rates. For this purpose, the benchmark is the interest rate curve (and not to the zero coupon curve) as these are the ones that are quoted in the market and better explain the gains and losses behavior.

The sensitivity of the fixed rate instrument portfolio is based on durations and convexities depending on the type of instrument. In all cases, two types of measurements are produced: i) the expected change in the value of the portfolio given a change of 1 basis point (0.01%) in the yield curve; and, ii) the expected change in the value of the portfolio given a change of 100 basis points (1.0%) in the yield curve. For the purposes of the sensitivity of the fixed rate instrument portfolio only the changes in 1 basis point methodology are used as the benchmark.

The estimated values, based on a methodology of duration and convexity, is a good approximation of the values obtained using the complete valuation methodology and known as “full valuation”.

In the case of the floating interest rate bonds, two types of sensitivities are calculated; one related to the free interest rate risk and the other to the spread.

For the zero coupon bonds, the sensitivity calculation is based as if they were instruments without coupons. Therefore the duration is the term to maturity, expressed in years.

Interest Rate Derivatives

The following is a brief explanation about the sensitivity model used for the interest rate derivatives of the Bank.

TIIIE and CETE interest rate futures: These types of derivative instruments are modeled to calculate their sensitivity, as a future of a zero coupon rate and therefore its duration is considered in the estimation of its sensitivity.

M Bond Futures: The sensitivity considers the duration and convexity over the bonds deliverable in these contracts.

Interest Rate Swaps: To determine the sensitivity to changes in the TIIIE swap yield curve, the change of 1 basis point in each one of the relevant points of the yield curve is effected, as well as a change of both 1 and 100 basis points, valuing the portfolio with different curves and calculating the change in value of the portfolio with each one of these changes. For interest rate swaps the change of 1 basis point benchmark is used.

Quantitative Information about Interest Rate Sensitivity (millions of pesos)

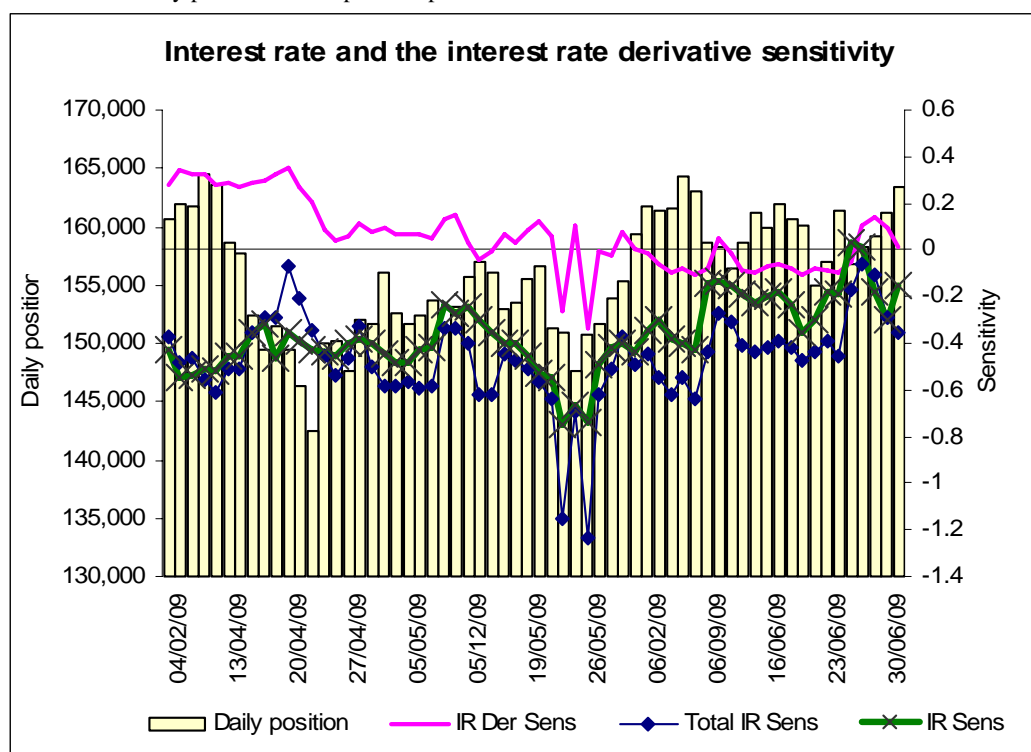
In the following table the sensitivity for March 31 and June 30, 2009 is presented.

	31/03/2009	30/06/2009
Fixed Rate	(0.342)	(0.135)
Floating Rate	(0.015)	(0.018)
Subtotal – Interest Rates	(0.358)	(0.153)
Futures	0.113	0.088
Swaps	0.216	(0.073)
Subtotal Interest rate derivatives	0.329	0.015
Total	(0.029)	(0.138)

At June 30, 2009 the Bank shows sensitivity in the interest rate portfolios of P\$ 0.153 million, which indicates that for each basis point that the interest rate falls, the Group generates a gain of P\$ 0.153 million. The decrease in sensitivity of P\$ 0.204 million from the previous month is due to the reduction of long positions, primarily M Bonds, due to the winding-up of positions and the recognition in results caused by the decrease in rates during this period. The sensitivity of the interest rate derivative portfolios decreased due primarily to the interest rate swaps, as a result of winding-up of positions which were recognized in results.

If the sensitivity scenario described in the table above occurred, the losses would directly impact the results of the Bank.

The following graphic shows the interest rate (IR) and the interest rate derivative sensitivity fluctuations, as well as the net effect of the portfolio and the total daily position for the period April to June 2009.



Figures in millions of Pesos

In the graphic, one can observe that at the end of the quarter, the daily sensitivity has been reduced due to the negative sensitivity of the interest rate portfolio while the sensitivity of the interest rate derivatives portfolio is marginally positive.

The following chart shows the second quarter statistics; maximum, minimum and average sensitivities at June 30, 2009. The average sensitivity was minus P\$ 0.302 million. During this period, the derivative portfolio primarily covered the M Bond long positions.

<i>Sensitivity 1 pb</i>	Avg	Max	Min
Interest rate	-0.365	0.035	0.744
Derivative Int Rate	0.063	0.356	0.333
Total	-0.302		

(Figures in millions of pesos)

Equity Portfolio and IPC Equity Derivatives

For the impact of the equity position, the sensitivity is obtained by calculating the change or delta, by issue, within the portfolio. The delta is defined as the change in the value of the portfolio as the result of a change of 1% in the value of the underlying asset.

Equity Derivatives

Currently, the Bank has opted to execute equity derivative transactions through IPC futures that are quoted on the Mexican Derivative Market, MexDer. Their sensitivity is calculated by the delta and this portfolio has limits expressed in notional amounts.

The delta is defined as the change in the value of the derivative with respect to the changes in the underlying asset. The delta risk is defined as the change in the value of the option as a result of the change in a predetermined magnitude in the value of the underlying (for example 1%). Its calculation is determined by valuating the option at different values of the underlying (one original and one with a “shock” of + 1%), while maintaining all the remaining parameters constant.

Sensitivity for the Equity portfolio and the IPC Derivatives (millions of pesos)

In the following table the sensitivity for March 31 and June 30, 2009 is shown:

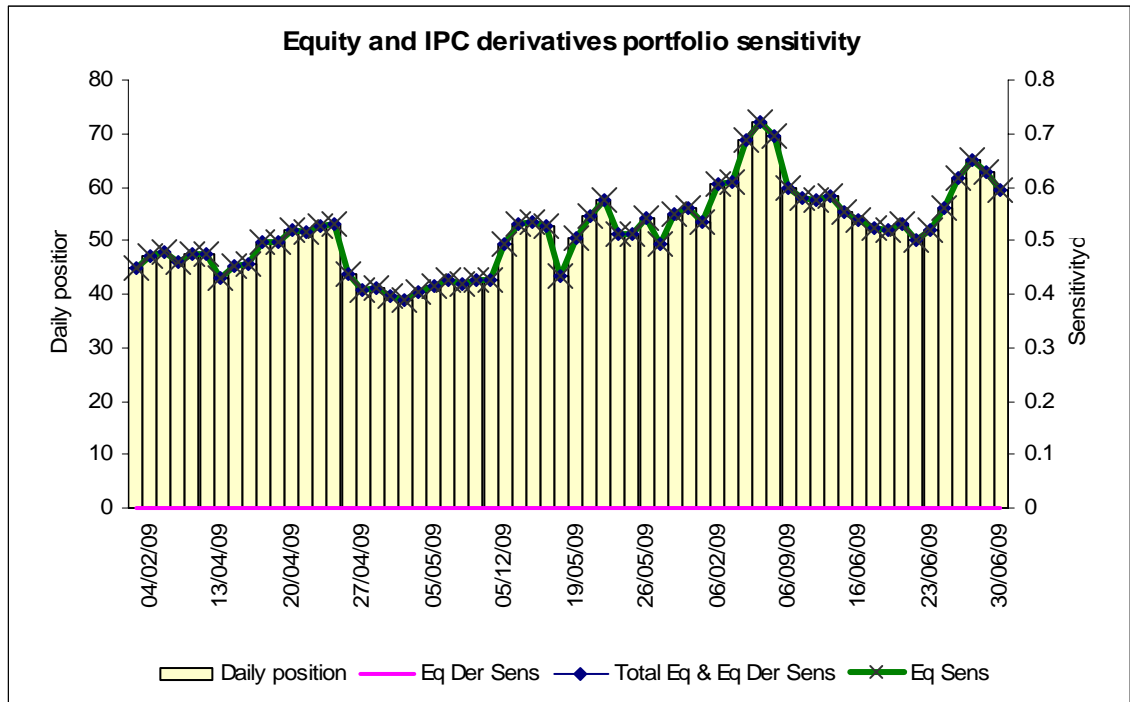
<i>Sensitivity</i>	31/03/09	30/06/09
Equities	0.105	0.596
Subtotal	0.105	0.596
IPC Futures	0.000	0.000
Subtotal	0.000	0.000
Total	0.105	0.596

(Figures in millions of pesos)

During the quarter, the Equity desk continued with the strategy to execute inter-day transactions. Compared with the previous quarter, an increase in the position was recorded, and the most relevant were FEMSA, UBD and GEO B.

If the sensitivity scenario described in the table above occurred, any losses would directly impact the results of the Bank.

The following graph shows the daily fluctuations of the sensitivity, as well as the daily position, of the equity portfolio.



Figures in millions of Pesos

The Equity portfolio of the Bank is comprised solely of shares, and does not include IPC derivative positions. The sensitivity is positive and during the second quarter of 2009 was P\$ 0.517 million.

Sensitivity	Average	Maximum	Minimum
Equities	0.517	0.722	0.389
IPC Derivatives	NP	NP	NP
Total	0.517	0.722	0.389

Note: NP refers to No Position (in millions of pesos)

Foreign Exchange and Foreign Exchange Derivatives

Foreign Exchange

The portfolio consists of different currencies managed by a foreign currency desk for trading purposes. The sensitivity is calculated by the delta by currency, which is the change in the value of the portfolio as a result of a change of 1% in the value of the underlying.

Foreign Exchange derivatives

Foreign exchange forwards and futures: For this portfolio, the sensitivity of each currency is calculated as a result of fluctuations in the interest rate, as well as the result in the present value due to a change of 1 basis point along the respective yield curves, while all the remaining factors stay constant. We also apply a non-parallel change along the yield curves through term gaps, while all the remaining factors stay constant.

Foreign Exchange Options: In the case of exchange rate options, the sensitivity is calculated by applying the known sensitivities of their Greek letters; delta, gamma, vega, theta and rho.

CCIRS (Cross Currency Interest Rate Swaps): To determine the sensitivity to changes in the yield curve, a 1 basis point change along the respective yield curve is made, valuing the portfolio with different curves and calculating the change in value of the portfolio with each one of these changes. Also, an analysis is done in parallel with a change of 100 basis points. In addition, a non-parallel 1 basis-point change is done to the yield curve through term gaps, while maintaining all other factors constant. For the purposes of this section only the 1 basis point sensitivity benchmark is used.

Sensitivity for the foreign exchange and foreign exchange derivatives (in millions of pesos)

In the following table, the sensitivity for March 31 and June 30, 2009 is shown:

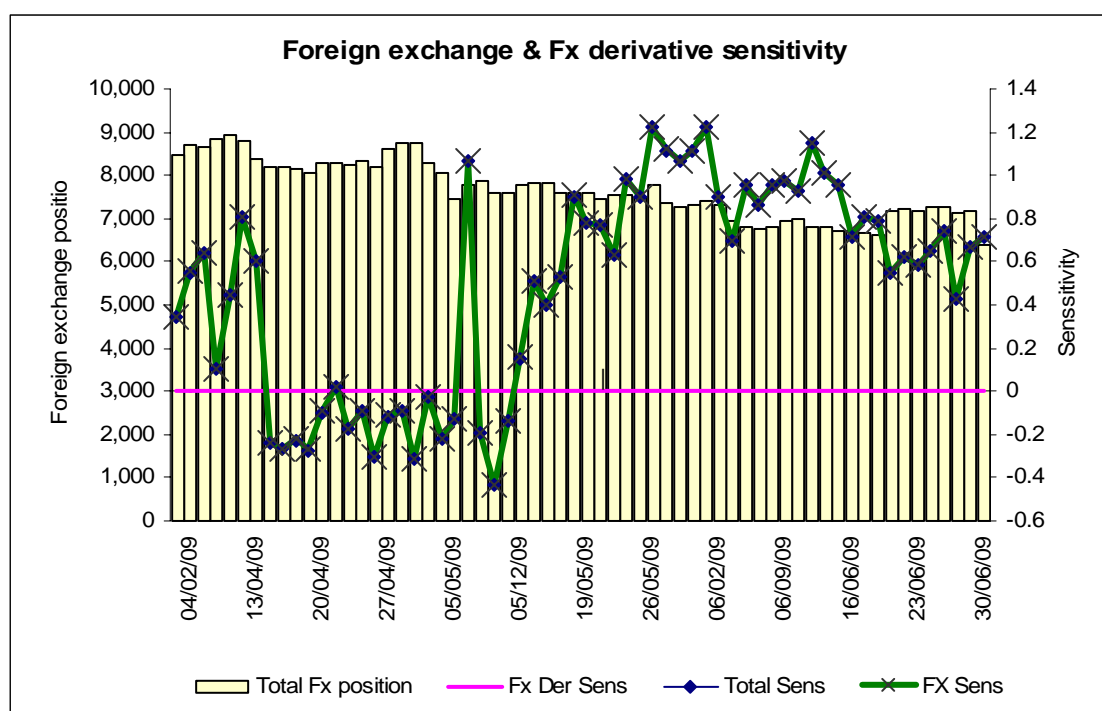
Currency	31/03/09	30/06/09
USD	0.447	0.623
CAD	0.004	0.060
EUR	(0.036)	(0.013)
Other	0.040	0.044
Subtotal	0.456	0.714
Forwards y Futures USD	0.000	0.000
OTC Options in MXN/USD	0.000	0.000
Swaps	(0.001)	(0.001)
Subtotal	(0.001)	(0.001)
Total	0.455	0.713

(Figures in millions of pesos)

During the second quarter of 2009, there was an increase in the exchange rate sensitivity of P\$ 0.258 million. The US dollar forwards and futures had a marginal positive sensitivity with a net long position. In the case of the cross currency interest rate swaps, the sensitivity is greatly reduced. Currently, the Bank executes transactions in the USD / Mexican Peso options OTC market in order to hedge and to provide a service to their clients. The foreign currency desk (spot / forward) does not have material risk exposure.

If the sensitivity scenario described in the table above occurred, any losses would directly impact the results of the Bank.

The following graph shows the daily fluctuations for this portfolio:



The foreign exchange position is reduced, being that this is a directional portfolio to cover the needs of the clients. The foreign exchange MXN / USD forward position is covered with DEUA futures in the MexDer. In May 2009, an increase in the USD position arose in an excess over the limit that was corrected the following day by reducing the position.

The quarterly sensitivity of the foreign exchange and foreign exchange derivatives portfolio was P\$ 0.487 million.

Sensitivity	Average	Maximum	Minimum
Foreign exchange	0.488	1.223	0.430
FX Derivatives	-0.001	-0.001	-0.002
Total	0.487		

(Figures in millions de pesos)

Sensitivity for MXN / USD foreign Exchange options, “Greeks” (in millions of pesos)

The following shows the position and the sensitivity of the foreign exchange options portfolio at June 30, 2009:

Greeks	Delta	Gamma	Vega	Theta	Rho
Foreign Exchange Options MXN/USD	(12.797)	(3.103)	(0.042)	0.010	0.001
Total	(12.797)	(3.103)	(0.042)	0.010	0.001

(Figures in millions de pesos)

The following table shows the average, maximum and minimum sensitivity for foreign exchange options from April to June, 2009. The average negative delta exposure was P\$ 0.44 million.

	DELTA	GAMMA	THETA	RHO	VEGA
Minimum	-1.14	-0.28	0.00	-0.09	-0.08
Maximum	-0.13	-0.01	0.01	-0.03	-0.03
Average	-0.44	-0.08	0.01	-0.06	-0.05

(Figures in millions of pesos)

Sensitivity for Available for Sale and Securities Held to Maturity

As of June 2009, the sensitivity of investments classified as Available for Sale and Held to Maturity represented 0.08% and 0.04%, respectively, of the total book value. The sensitivity was performed to affected securities, excepting the position belonging to the Sofoles mortgage refinancing program (P\$ 46,897,000) for which there is a 60% guarantee from the Federal Treasury.

000' MXN-JUNE 2009	Held to Maturity	Available for Sale
Total Investments	2,395,469	6,082,643
Sensitivity	1,961	2,159
% Sensitivity	0.08%	0.04%

For comparative purposes the sensitivity is shown for the end of March 2009:

000' MXN-MARCH 2009	Held to Maturity	Available for Sale
Total Investments	2,457,589	7,634,286
Sensitivity	1,994	2,402
% Sensitivity	0.08%	0.03%

Scotiabank Mexico faces the volatility in the markets by maintaining a trading model orientated to drive product origination and distribution for its clients. Moreover, the risk profile is conservative and consistent even in periods of low volatility. The equity portfolio is relatively small. Intraday trading in the currency markets is done without holding large risk positions.

In the current environment, Scotiabank has significantly reduced its investment debt portfolio. The risk of this portfolio has been reduced in terms of sensitivity in view of interest rate fluctuations. The equity portfolio remains relatively small. In the foreign exchange market the intraday trading remains without significant risk positions.

Market Risk Management for loan and funding activities

The Bank assumes intrinsic interest rate risks associated with the trading function.

The objective of the interest rate risk management process is to identify measure and manage the risk-yield relation within the established risk tolerance limits, ensuring that these activities are carried out in a prudent manner. The Bank manages its interest rate risk exposure in accordance with the applicable regulatory requirements and the industry best practices.

The balance position includes all the Bank's asset and liability activities that are not included in the trading activities. The derivative products are important management tools as much for the Bank as for its clients. The Bank uses the money market instruments and derivative products to control market risk due to its funding and investing activities and to reduce the funding costs. To control interest rate risk in its fixed-rate lending activities, interest rate swaps and interest rate forwards are traded. In its representative capacity, the Bank trades derivative products for its clients' accounts and takes positions for its own account.

The interest rate risk is monitored and controlled by currency (MXN, USD, UDIs) for the total portfolio. This monitoring includes the measurement of the economic value of the portfolio and sensitivity of the margin to interest rate changes, for the next 12 months, and re-pricing gap limits.

These models consider assumptions over the growth, the mix of new business, the changes in interest rates, maturities and other factors.

The Bank periodically monitors its exposure in light of extreme movements in the markets and considers these results for the establishment and review of policies and limits to take interest rate risk.

The change in the estimated economic value at the end of June was P\$ 649 million (impact over the parallel change in economic value of 100 basis points in rates) versus P\$ 642 million at the end of March 2009 and the estimated change in the financial revenues of P\$ 186 million (impact over the margin to parallel changes in 100 basis points in rates) with respect to P\$ 89 million at the end of March.

Market risk treatment on available for sale securities

As of the end of June, 2009, the Bank's available for sale securities position was P\$ 6,082.6 million.

Available for sale securities are part of the Bank's structural position and the tools used to measure their risk include re-pricing buckets, economic value sensitivity and margin sensitivity to interest rate changes. Only a small P\$ 511.5 million in government securities included in this portfolio is currently considered as part of the VaR measurement.

Liquidity risk

The Group, as part of its normal course of business, takes on liquidity risk. This risk results from cash flow gaps. The main objective of the liquidity risk management process is to guarantee that the Group can cover its obligations as they come due. In order to comply with this objective, the Group applies controls to the liquidity gaps, maintains diverse funding sources, establishes different limits and requires a minimum percentage of assets to be of a liquid nature. This liquidity risk exposure is managed following the existing regulations and best market practices.

Within the various elements that form part of the liquidity management process, the Group evaluates and forecasts the different cash commitments, controls the maturity gaps for assets and liabilities, diversifies its funding sources, establishes prudent limit structures and guarantees immediate access to liquid assets. In addition, the Group has established contingency plans.

Liquidity risk is monitored and controlled by the type of currency (MXN+UDI's, USD), through accumulated liquidity gaps and minimum core liquid assets. Liquidity gaps are defined as the difference in cash flows (assets minus liabilities) for a specific maturity. The accumulated gap is the total sum of the liquidity gaps for a specific term.

Limit	Use (MXN million)	Use (MXN million)
	March-2009	June-2009
a) Two week accumulated gap (MXP+UDIs)	(9,104)	(11,199)
b) Liquid Assets	6,276	5,746

The accumulated two-week gap shows the Bank's cash commitments for that specific period, while the Liquid Assets serve as resources for its commitments in the event that it does not have access to other funding sources.

Security Investment liquidity gaps

The liquidity risk in securities investments describes the level of difficulty or impossibility of unwinding the securities positions, resulting in unusual price discounts when they are sold.

The information for the first quarter of 2009 is presented in accordance with Article Six Transitory of the Resolution that modifies

Securities Investments By Maturity 000' MXN - MARCH 2009

Maturity (Years)	Held to Maturity	Available for Sale	Trading	Total by Maturity	%
0.5	\$99,525	\$1,666,480	\$3,063,183	\$4,829,189	36.6%
1			\$5,988	\$5,988	0.0%
2		\$1,592,221	\$9,977	\$1,602,197	12.1%
3		\$3,733,703		\$3,733,703	28.3%
4				\$0	0.0%
5				\$0	0.0%
+ 5	\$2,358,064	\$500,000		\$2,858,064	21.6%
Without Maturity		\$141,882	\$31,597	\$173,479	1.3%
Total	\$2,457,589	\$7,634,286	\$3,110,745	\$13,202,620	100.0%
%	18.6%	57.8%	23.6%	100.0%	0.0%

the general applicable rules for credit institutions (April 27, 2009).

The following table includes the securities investment maturities as at June 30, 2009:

Securities Investments
By Maturity
000` MXN - June 2009

Maturity (Years)	Held to Maturity	Available for Sale	Trading	Total by Maturity	%
0.5		\$47,340	\$2,570,433	\$2,617,772	23.6%
1			\$3,495	\$3,495	0.0%
2		\$1,511,523		\$1,511,523	13.6%
3		\$379,172		\$379,172	3.4%
4		\$3,454,117		\$3,454,117	31.1%
5		\$41,575		\$41,575	0.4%
+ 5	\$2,395,469	\$500,000		\$2,895,469	26.1%
Without Maturity		\$148,919	\$39,165	\$188,084	1.7%
Total	\$2,395,469	\$6,082,646	\$2,613,093	\$11,091,208	100.0%
%	21.6%	54.8%	23.6%	100.0%	

Information corresponding to Scotiabank on a non-consolidated basis.

Derivatives Cash Flows

Periods in which the expected cash flows occurred and may have impacted the Bank's income in the cash flow hedging operations as at June 30, 2009.

a) Cash Flow Hedges-Assets

Date	Amount
7-Jul-09	800,000
9-Jul-09	50,000
10-Jul-09	1,020,000
13-Jul-09	800,000
14-Jul-09	50,000
15-Jul-09	430,000
16-Jul-09	120,000
17-Jul-09	350,000
20-Jul-09	130,000
22-Jul-09	200,000
27-Jul-09	150,000
Total	4,100,000

b) Cash Flow Hedges-Liabilities

Date	Amount
1-Jul-09	80,000
3-Jul-09	200,000
7-Jul-09	50,000
8-Jul-09	50,000
9-Jul-09	100,000
10-Jul-09	150,000
15-Jul-09	50,000
17-Jul-09	100,000
20-Jul-09	370,000
22-Jul-09	250,000
23-Jul-09	280,000
24-Jul-09	150,000
27-Jul-09	1,440,000
29-Jul-09	500,000
30-Jul-09	50,000
Total	3,820,000

Credit Risk

Credit risk is defined as the potential loss coming from the lack of payment from a borrower or counterparty which the institution carries out business transactions. This risk is not only present in the loan portfolio, but also in the securities portfolio, derivative transaction and in the settlement of foreign exchange transactions.

Scotiabank's Management of credit risk is centered on applying well defined strategies to control these risks, including a centralized credit process, portfolio diversification, a good credit analysis, a close follow-up of loans and diverse credit risk rating models.

The Board of Directors establishes credit authorization limits, approves credit policies and procedures, and revises loans of important size and does a follow-up on the overall credit exposure and its management.

The credit policies are based on the prudential model set by the local regulator (Comision Nacional Bancaria y de Valores) and establishes risk concentration limits by industry groups and sectors, currencies and maturity term.

There are several credit approval levels: Board of Directors, Board's Credit Committee, Credit Policy Committee and combined authorization powers. The distinction between these levels is in accordance with the transaction size, type of borrower, use of the resources and credit rating.

The business lines prepare and structure the different credit proposals, which are then analyzed by the Credit area and approved by the appropriate authorization level, assuring an adequate separation between business originators and approval areas.

In addition, the different business lines perform, on a regular basis, a financial review for each borrower, performing, at least annually, an in-depth risk analysis for each loan, modifying, if needed, the approved rating. There is an additional quarterly review on obligor's risk and covenant compliance. With these activities, the Group determines any change in the risk profile of every borrower. During these revisions, the global credit risk, including derivative related transactions and industry group risk is considered. In case of risks that may be above the acceptable levels, more frequent reviews are performed.

The Group has established a risk rating system which is used to identify the risk level of proposed and existing loans and insures that the loan spreads are proportionate to the assumed risk. For this purpose the Group has, for the corporate and commercial segments, a profitability model that explicitly takes into account the expected and unexpected loss by type of transaction, as well as any other revenues or expenses associated with the customer.

In the commercial portfolio, the loan quality is rated in accordance with the risk levels established in the rules set out by the regulating bodies which include assumptions on the possible risks of recovery based on both, the borrower's characteristics, and by the quality and characteristics of the guarantee. On a monthly basis, the Risk Committee closely follows the main risk migrations.

Consumer loans and mortgage portfolios are also reviewed on a monthly basis with the objective of determining the possible trend in their credit quality. The potential losses are measured, considering past due payments and their age.

The credit risk determination is based on a model that includes Expected and Unexpected Loss (CreditMetrics), based on the changes in the credit situation observed for each borrower (transition matrix) and the loss severity by type of portfolio.

- The expected loss represents the estimated impact of default over a 12 month period.
- The unexpected loss is a dispersion measure on the expected loss. It is calculated with a one year horizon at a 99.75% confidence level.
- In addition, stress tests are performed in order to determine the impact on the portfolio's expected and unexpected losses.

As of the close of June, 2009, the expected loss on the Bank's total loan portfolio was P\$ 1,779 million, while the unexpected loss was P\$ 7,443 million. The total exposure of the loan portfolio was P\$ 264,165 million, while the average exposure for the April-June, 2009 period was P\$ 261,348 million.

Credit Risk in Securities Investments

The Bank is exposed to the non-payment, by the issuer, on any interest and/or principal on its investments in different securities.

A summary on the exposure, credit quality and risk level concentration in Securities Investments is included in the following tables:

The information for the first quarter of 2009 is presented in accordance to Article Six Transitory of the regulation modifying the general applicable rules for credit institutions (April 27, 2009).

Securities Investments By Credit Quality 000' MXN - MARCH 2009

S&P	Held to Maturity	Available for Sale	Trading	Total by Risk Category	%
mxAAA	\$2,457,589	\$6,729,840	\$278,619	\$9,466,048	71.7%
mxAA+		\$634,744		\$634,744	4.8%
mxAA			\$2,800,529	\$2,800,529	21.2%
mxA-		\$74,935		\$74,935	0.6%
mxBBB+		\$4,436		\$4,436	0.0%
mxBB+		\$48,449		\$48,449	0.4%
mxBB-				\$0	0.0%
Non-Rated		\$141,882	\$31,597	\$173,479	1.3%
Total	\$2,457,589	\$7,634,286	\$3,110,745	\$13,202,620	100.0%
%	18.6%	57.8%	23.6%	100.0%	

Summary on the exposure, credit quality and risk level concentration in Securities Investments as at June 30, 2009.

Securities Investments
By Credit Quality
000' MXN - June 2009

S&P	Held to Maturity	Available for Sale	Trading	Total by Risk Category	%
mxAAA	\$2,395,469	\$5,886,387	\$222,866	\$8,504,722	76.7%
mxAA+			\$2,351,061	\$2,351,061	21.2%
mxAA				\$0	0.0%
mxA-		\$46,897		\$46,897	0.4%
mxBBB+				\$0	0.0%
mxBB+				\$0	0.0%
CC		\$442		\$442	0.0%
Non-Rated		\$148,919	\$39,165	\$188,084	1.7%
Total	\$2,395,469	\$6,082,646	\$2,613,093	\$11,091,208	100.0%
%	21.6%	54.8%	23.6%	100.0%	

Scotiabank non-consolidated information.

As part of the Sofoles mortgage refinancing program, as at June 30, 2009, there is an exposure of P\$ 46.9 million. This position has a 60% guarantee from the Sociedad Hipotecaria Federal.

During the quarter, the investment in Crédito y Casa (Creyca) deteriorated due to the non-payment from the issuer. The current book value is P\$ 0.44 million which represents 1% of Face Value.

Derivatives Transactions Credit Risk

The Credit Risk in Derivative transactions results from the lack of payment by the counterparty.

In addition to the risk measures mentioned in previous sections, in the case of derivative transactions the potential risk is also measured. This type of risk measures the replacement cost along the remaining term of the position.

The counterparty exposure limits consider both the, current market value (only the positive side which bears the exposure for the Bank) and the replacement cost (or potential exposure) without netting out the positions; in other words, opposite transactions with the same counterparty are not off-set for information purposes (so that the exposure is over-estimated).

The information for the first quarter of 2009 is presented in accordance to Article Six Transitory of the regulation modifying the general applicable rules for credit institutions (April 27, 2009).

Maximum Derivatives Exposure

By Counterparty Type (March 2009)

000' MXN

Counterparty Type	Maximum Exposure	%
Financial Institutions	25,160,375	95.08%
Corporates	1,300,787	4.92%
Non Financial/Non Corporate	428	0.00%
Total	26,461,591	100.00%

The following table includes the maximum exposure and concentration by counterparty type as at June 30, 2009:

Maximum Derivatives Exposure

By Counterparty Type (June 2009)

000' MXN

Counterparty Type	Maximum Exposure	%
Financial Institutions	26,042,985	92.91%
Corporates	1,988,727	7.09%
Non Financial/Non Corporate	-	0.00%
Total	28,031,712	100.00%

Within the financial assets, there are some fixed rate loans that are specifically linked to certain derivative transactions. These are considered under the fair value hedging methodology and their credit quality, using the CNBV scale, is as follows:

SCOTIABANK**Loans Hedged with Derivatives (MARCH 2009)**

By CNBV Credit Quality

000' MXN

Amount		
CNBV	000' MXN	%
A1	2,913,631	40%
A2	1,856,282	25%
B1	2,426,390	33%
C1	90,172	1%
Grand Total	7,286,476	100%

Loans Hedged with Derivatives (JUNE 2009)

By CNBV Credit Quality

000' MXN

MONTO		
CNBV	Grand Total	%
A1	2,777,092	37%
A2	1,719,166	23%
B1	2,973,648	39%
C1	86,380	1%
Grand Total	7,556,286	100%

In addition, other assets related to floating rates loans have been hedged through the cash flow methodology. As of the end of June, 2009 there is a P\$ 4,100 million position. The hedged portfolio is a portion of the total commercial portfolio with a risk level equivalent to A2 under the CNBV risk scale (as of March, 2009), and as at June 30, 2009 has the following rating:

Loans with Cash Flow Hedges (JUNE 2009)

By CNBV Credit Quality

000' MXN

CNBV Grade	Amount	% Total
A1	1,882,070	46%
A2	1,048,239	26%
B1	1,090,694	27%
B2	78,997	2%
Grand Total	4,100,000	100%

Operational Risk:

During the January-March 2009 period, the Bank had operational risk losses of P\$ 13 million. In addition, other operational risks that correspond to legal risks, could impact P\$ 286 million, in case they should materialize. These have been fully provisioned and represent 1% of the institution's Capital.

During the April-June 2009 period, the Bank recognized operational risk losses totaling P\$ 91 million: In addition, other operational risks, corresponding to legal risks, could impact P\$ 291 million, in case they should materialize. These have been fully provisioned and represent 1% of the institution's Capital.

Debt Rating Agencies

Scotiabank Domestic Debt Rating	Long Term	Short Term	Perspective
Fitch Rating	AAA(mex)	F1+(mex)	Stable
Moody's	Aaa.mx	MX-1	Stable
Standard & Poor's	mxAAA	mxA-1+	Stable

The information above is presented by Scotiabank Mexico with the sole purpose of informing its customers of the Bank's domestic credit ratings as defined by Debt Rating Agencies (Fitch Ratings, Moody's and Standard & Poor's). These ratings could be modified without prior advice.

Dividend

A dividend payment was presented and approved at the Annual General Shareholder's meeting held on April 27, 2007. It was agreed that a dividend, up to the amount of P\$1,700'000,000.00, would be charged to the Group's retained earnings and the Assembly authorized the Board of Directors to approve the payment program.

The Board of Directors, in accordance with this Program, approved that the dividend would be paid quarterly, within a range of between 20 % and 45 % of the quarterly net income.

The Board approved, in its meetings held on April 24, May 29, July 23, October 23, 2007, February 26, April 29 and July 29, 2008, as well as February 24, 2009, the first, second, third, fourth, fifth, sixth, seventh and eighth partial payment to be paid on May 9, June 11, August 31, November 30, 2007, March 28, May 30, August 29, 2008, and March 31, 2009 respectively through the "S.D. Indeval, Institución para el Depósito de Valores, S.A. de C.V.", (the institution responsible for securities clearing and depository services).

The Board of Directors, on October 30, 2008, approved to modify the dividend payment program, prior to the November, 2008 dividend, in order to postpone the payment that was scheduled for that quarter, until the year 2009.

The Board, in their meetings of February 24, 2009 and April 28, 2009, approved the eighth, as well as the ninth and final partial dividend, respectively, which were paid on March 31 and May 29, 2009, through the "S.D. Indeval, Institución para el Depósito de Valores, S.A. de C.V.", having covered the total amount of the P\$1,700,000,000.00 declared in the aforesaid Annual General Shareholders' meeting.

At the Annual General Shareholder's meeting held on March 27, 2009 it was agreed to declare a new dividend up to an amount of P\$2,000,000,000.00 to be charged to retained earnings and the Assembly authorized the Board to approve the payment program.

The Shareholder's meeting approved that the aforementioned dividend would be paid quarterly, within a range of between 0% and 45% of the quarterly net income, which is also approved by the Board.

Finally, it was approved that the dividend payments would be made through "S.D. Indeval, Institución para el Depósito de Valores, S.A. de C.V.".

Attachment 9 Scotia Casa de Bolsa

As at the close of June 2009, Total Assets were P\$ 15,349 million, an increase of P\$ 8,468 million from the previous year. This increase was due primarily to an increase of P\$ 8,354 million in investments due to the aforementioned new accounting criteria, as well as an increase of P\$ 770 million in Funds Available due to the release of funds from hedging warrants, partially offset by a decrease of P\$ 702 million in Accounts Receivable as a result of transaction settlements.

On the other hand, the Total Liabilities were P\$ 13,912 million, an increase of P\$ 8,496 million from the prior year. This increase is due primarily to the increase in Repurchase Agreements of P\$ 10,365 million due to the previously mentioned new changes in accounting criteria. In addition, there was a decrease in the derivative trading position due to warrant maturities.

The client investments in custody were P\$ 155,479 million, a year-over-year decrease of 4% as a result of the volatility of the financial markets.

As at June 30, 2009, the net income was P\$74 million, a year-over-year decrease of P\$ 41 million or 36% . The decrease was due primarily to a decrease in the financial intermediary margin of P\$ 46 million and lower taxes of P\$ 50 million, that were more than offset by a decrease in Commercial paper origination fees of P\$ 47 million, lower foreign exchange revenues of P\$ 47 million, as well as a non-recurring gain on the BMV IPO for P40 million recorded in the same period last year.

The expenses showed a slight increase of P\$ 2 million as a result of the continuing focus on cost controls.

Note: In accordance with the new accounting criteria, which were implemented this quarter, not all the figures presented in 2008 are comparable, primarily with respect to the investments and repos.

Scotia Casa de Bolsa					
Financial Indicators					
	2009		2008		
	Q2	Q1	Q4	Q3	Q2
Solvency <i>(Total assets / Total liabilities)</i>	1.4	1.4	1.6	1.3	1.3
Liquidity <i>(Liquid assets / liquid liabilities)</i>	1.6	1.4	1.5	1.7	1.3
Financial leverage <i>(Total liabilities less trading settlement accounts / Capital)</i>	101.3	158.5	171.8	150.8	220.4
ROE <i>(Net income / Capital)</i>	4.9	16.7	-23.0	-0.3	7.6
ROA <i>(Net income / earning assets)</i>	1.9	6.6	-8.1	-0.1	2.5
Capital requirements / Total Capital	21.84	21.88	20.55	25.88	23.40
Financing margin / Total operating income	37.7	43.1	31.6	26.6	21.6
Operating income / Total operating income	16.6	34.1	-17.8	15.0	28.5
Total operating income / Administration expenses	119.9	151.8	84.9	117.7	139.8
Administration expenses / Total operating income	83.4	65.9	117.8	84.9	71.5
Net income / Administrative expenses	10.4	41.0	-44.2	-0.6	18.4
Personnel expenses / Operating income	55.7	44.1	79.8	60.4	49.2

Note: The 2009 figures include the netting of Restricted Investment related to Repos.

Scotia Casa de Bolsa		June 30,
Other revenues and expenses (net)		2009
<i>(P\$ millions)</i>		
Reserve Fund interest		1
Taxes		4
Leasing revenues		4
Other		11
Other revenues and expenses (net)		20

Capitalisation

At June 30, 2009 Brokerage Firm's common shareholders equity was strong, at P\$1,438 million. The total capital ratio for credit, market and operational risk was 38.01%.

The global capital needed by risk of credit, market and operational was of P\$291 million that represent a consumption of the capital of 21.84 %.

Scotia Casa de Bolsa		June 30,
Capitalisation		2009
<i>(P\$ millions)</i>		
Share capital and reserves		1,438
Less: Investments in financial		-
Other assets		-
Basic capital		1,438
Complementary capital		-
Total capital		1,438

Scotia Casa de Bolsa – Risk Assets		Assets	Capital requirement	Risk assets
<i>(P\$ millions as at June 30, 2009)</i>				
Market Risk	Operations in MXN at nominal rates	80,523	61	758
	Operations in MXN with floating rate premium or yield referred to this	28,993	36	455
	Operations in MXN at real rates or rates denominated in UDIs	15	-	-
	Operations in foreign currencies at nominal rate	86	-	-
	Positions in UDIs or with yields related to inflation accounting	15	-	-
	Foreign exchange positions	26	3	39
	Securities positions or with yields related to a group of securities	149	46	581
	Total market risk	109,807	146	1,833
Credit Risk	Counter –party in repurchase agreements and derivatives	122	3	37
	Issuer of debt instruments related to repurchase agreements	11,946	89	1,111
	Due to deposits, loans, other assets and contingencies	1,276	41	519
	Total credit risk	13,344	133	1,667
	Total market and credit risk	123,151	279	3,500
Operational Risk	Total operational risk	-	11	132

Scotia Casa de Bolsa		June 30,
Capital Ratios		2009
(2) Capital to credit and market risk:		
Basic capital (tier 1)		38.01%
Complementary capital (tier 2)		
Total capital (tier 1 + 2)		38.01%

Scotiabank Casa de Bolsa
Composition of Securities Portfolio
(P\$ millions as at June 30, 2009)

Category	Government Paper	Debt Securities	Bank Paper	Others	Total
Trading, without restriction			177		177
Trading restricted					-
<i>Repurchase agreements</i>	7,638	2,209		563	10,410
<i>Securities Receivable</i>			166		166
<i>(Others):</i>	1,261	763	189		2,213
Available for sale restricted					-
<i>(Others):</i>			171		171
Total securities	8,899	2,972	703	563	13,137

Scotiabank Casa de Bolsa
Derivatives and hedging operations; as at June 30, 2009
(P\$ millions, nominal values presented in currency of origin)

	Forwards		Futures		Options		Options (others)		Total Asset	Total Liability
	Position		Position		Position		Position			
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability		
Trading	-	-	-	-	1	583	2	396	4	979

Scotiabank Casa de Bolsa
Notional amounts in derivative operations; as at June 30, 2009
(P\$ millions, nominal values presented in currency origin)

	Forwards		Options		Forwards	
	Position		Position		Position	
	Asset	Liability	Asset	Liability	Asset	Liability
Trading:						
Foreign exchange					3	1
Index	34	172	9	2		
Others			47	47		

Scotia Casa de Bolsa
Market Results for the six month ended June 30, 2009
(P\$ millions)

	Mark to Market	Trading results
Investment in securities	74	18
Derivative operations	(40)	(28)
Other	-	3
Total	34	(7)

Scotia Casa de Bolsa
Deferred taxes
(P\$ millions as at June 30, 2009)

Mark-to-market of investment	(11)
Prepayment	(13)
Fixed assets	(55)
Expense provisions	68
Imputed Interest	2
Warrants	35
Employee Profit Sharing Expenses (PTU)	7
Shares appraisal	(44)
Net deferred taxes	(11)

Global Risk Management

The Board of Directors is responsible for establishing standards and global risk limits within the Institution. It delegates the authorization, administration and monitoring of compliance of these limits to a Risk Committee.

To comply with the risk management regulations issued by the banking authorities (CNBV), Casa de Bolsa relies on a specialized risk administration area, which has responsibility over the Group, and which has adopted similar policies in risk management and control as those adopted by The Bank of Nova Scotia.

Market Risk

The purpose of the risk market management function is to identify, measure, monitor and control risks arising from changes in interest rates, foreign exchange and equity market and other risk factors in the money, foreign exchange, capital and derivative markets, in which Scotia Casa de Bolsa maintains positions for its own account

The risk positions in Scotia Casa de Bolsa included fixed and floating rate assets in money market, equities, and derivative instruments such as interest rate futures, warrants, IPC equity futures and equity options.

Scotia Casa de Bolsa applies a series of techniques designed to evaluate and control market risks at which Casa de Bolsa is exposed in the current course of its activities. The Board of Directors authorizes the risk limit structure at which Casa de Bolsa is exposed.

The Value at Risk (VaR) is an estimate of the potential loss of value within a specific level of statistical confidence that might arise from maintaining a specific position during a determined period of time (the holding period) under normal market conditions. VaR is calculated daily on the entire Group's risk-exposed financial instruments and portfolios using the Risk Watch methodology developed by Algorithmic.

The VaR is calculated using the historical simulation method, with a 300-working day time span. In order to fulfill the measurement methodologies used by BNS, the Group calculates VaR considering a 99% confidence level and a one-day holding period.

During the annual review of limits, in May, 2009, the Board of Directors approved the change in the observation period, from 10 days to 1 day. The change was proposed by the Risk Management Committee and the Risk Administration area to represent, in a more efficient way, the Value at Risk over daily gains / losses and for non-linear financial assets, such as options, to avoid the appearance that the portfolio is maintained without rebalancing the hedge for 10 days.

Stress testing exercises are performed monthly on the portfolios, assuming extreme market conditions. "Backtesting" are realized at the same time with value risk observed to compare losses and earnings to calibrate the models that are used. The efficiency level of the model is based on criteria established by the Bank of International Settlements (BIS).

The average daily value at risk observed by Scotia Casa de Bolsa during the quarter was the following:

Millions of pesos.

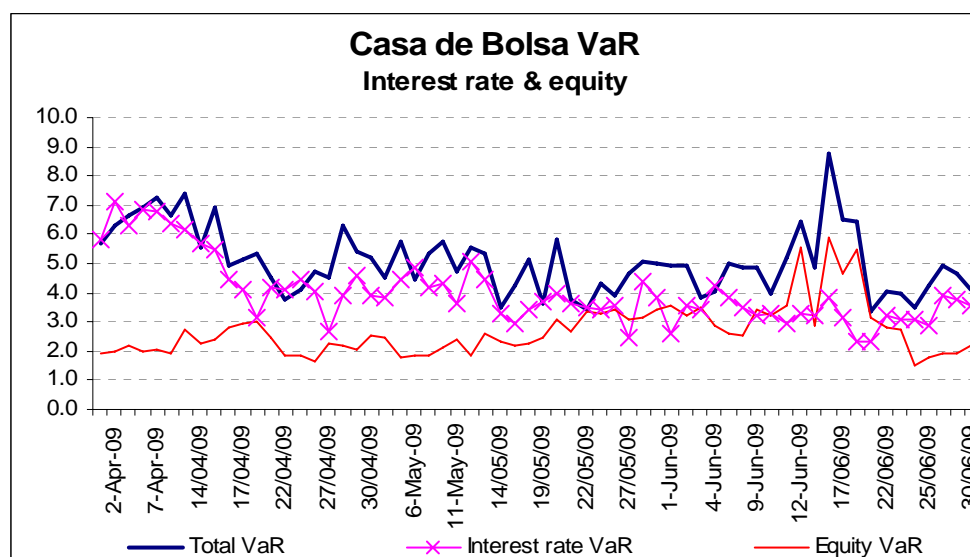
Trading Portfolio:	II-2008	III-2008	IV-2008	I-2009	II-2009
VaR (1 day); 99%	3.68	3.45	5.2	5.08	5.06

The Value at Risk by risk factor, for Scotia Casa de Bolsa as at June 30, 2009 was the following:

Millions of pesos.

Risk Factor:	VaR of 1day
Interest Rates	4.04
Equities	2.70
Total – not diversified	6.74
Effect of diversification	-1.68
Total	5.06

The following graph shows the daily movement of VaR for each risk factor: interest rate, exchange rate, equity and total from April to June 2009.



Figures in millions of Pesos

The global daily average VaR for Casa de Bolsa during the second quarter of 2009 was P\$ 5.06 million and the global value at June 30, 2009 was P\$ 4.1 million.

The average values of market risk exposure of the trading portfolio during the April-June period were the following:

	Average Position	Maximum Position	Position Limit	VaR Average	VaR Limit
<i>Millions of Pesos</i>					
Casa de Bolsa	15,962.1	21,362.2		5.1	25.0
Total Money Market	15,867.3	21,309.2		4.1	25.0
Equity position	94.7	270.2	200	2.1	10.0
IPC Derivatives /1	345.0	568.9	2,880.0		
Total Equity and IPC Derivatives	439.8	829.2		2.7	10

The average 1-day value at risk of Casa de Bolsa for interest rate and interest rate derivatives is P\$ 4.1 million. This means that under normal conditions and for a holding period of one day there is a probability of 1% to loss more than this amount, considering that the behavior of the last 300 days of trading are representative in estimating the loss.

During the second quarter in 2009, Casa de Bolsa executed transactions in Mexican Derivatives Market, called MexDer, for IPC futures and IPC future option contracts. The following chart shows the positions and the number of contracts traded.

Derivatives market, MexDer	Average Position	Maximum Position	Position Limit
<i>Figures in number of contracts</i>			
Interest rate futures - THIE28			775,000
Interest rate futures - CE91			45,000
Futures - M Bonds			20,000
IPC futures	198	584	750

1/ includes IPC futures and options of the equity derivatives desk, the VaR includes the warrants portfolio. The average 1 day VaR of warrants is P\$ 2.07 millions.

The total average position for the quarter for IPC futures of Mexder for Equities and Equity derivatives was P\$ 184 million. Only the Equity derivatives area can enter into options on IPC futures transactions of Mexder in which their quarterly average position was P\$ 209 million.

It is important to highlight that IPC Futures and options on futures are fundamentally used to hedge the market risk of the embedded options in the securities or warrants that are issued to clients. Casa de Bolsa issued on average warrants indexed to IPC and baskets of equities for 1,043.4 millions and the maximum was 1,583.71 millions.

Because the VaR measurement serves to estimate potential losses in normal market conditions, monthly, stress testing is done under extreme conditions to determine the risk exposure, taking into consideration large abnormal variances in market prices. The Risk Committee has approved the stress limits.

The result of the “stress testing” at June 30, 2009, was P\$140 million, which compares with a limit of P\$800 million, and thus lying within the tolerable limits. The hypothetical scenarios that are used for this test are the crisis of 1994 and 1998.

During the annual limit review in May 2009, the Board of Directors approved the change in the stress test limit for P\$ 800 million instead of 60%. This change was proposed by the Risk Committee and the Risk Management area to fix the limit in pesos and no longer as a function of the Accounting Capital of Casa de Bolsa.

In relation to the back-testing, the new high-volatility scenarios recorded during October, 2008 resulted in test exceptions. However, subsequent to October, the back-testing results were satisfactory. This period was temporary and therefore did not warrant to change the model because the exceptions have been explained by the high volatility.

This specific period of unusual volatility put a “yellow-light” warning (preventative level) on the global VaR of the Group. The Basel regulations dictate that an explanation must be found and in this case it was explained by the global credit crisis that intensified during October 2008.

Sensitivity

Scotia Casa de Bolsa has a specialized Trading Risk Analysis area that methodically supervises and oversees the valuation process, risk measurement and sensitivity analysis. This area liaises continually with the management of the various trading desks.

The Risk area calculates, on a daily basis, market risk sensitivity for each portfolio with risk exposure. During the quarter, there were no changes to the assumptions, methods or parameters used for the analysis.

The following is a description of the methods, parameters and assumptions utilized for the equity, interest rate and derivative product portfolios.

Interest Rate Portfolio

The sensitivity measurements that are used for the fixed rate instruments (bonds) are based on estimating the behavior of the portfolio value given a change in market interest rates. For this purpose, the benchmark is the interest rate curve (and not the zero coupon curve) as these are the ones that are quoted in the market and better explain the gains and losses behavior.

The sensitivity of the fixed rate instrument portfolio is based on durations and convexities depending on the type of instrument. In all cases, two types of measurements are produced: i) the expected change in the value of the portfolio given a change of 1 basis point (0.01%) in the yield curve; and, ii) the expected change in the value of the portfolio given a change of 100 basis points (1.0%) in the yield curve. For the purposes of the sensitivity of the fixed rate instrument portfolio only the changes in 1 basis point methodology are used as the benchmark.

The estimated values, based on a methodology of duration and convexity, is a good approximation of the values obtained using the complete valuation methodology and known as “full valuation”.

In the case of floating interest rate bonds, two types of sensitivities are calculated; one related to the free interest rate risk and the other to the spread.

For zero coupon bonds, the sensitivity calculation is based as if they were instruments without coupons. Therefore the duration is the term to maturity, expressed in years.

Interest Rate Derivatives

The following is a brief explanation about the sensitivity model used for the interest rate derivatives of Casa de Bolsa.

TIIE and CETE interest rate futures: These types of derivative instruments are modeled to calculate their sensitivity, as a future of a zero coupon rate and therefore its duration is considered in the estimation of its sensitivity

M Bond Futures: The sensitivity considers the duration and convexity over the bond deliverable in these contracts.

Quantitative Information about Interest Rate Sensitivity (millions of pesos)

In the following table the sensitivity for March 31 and June 30, 2009 is presented.

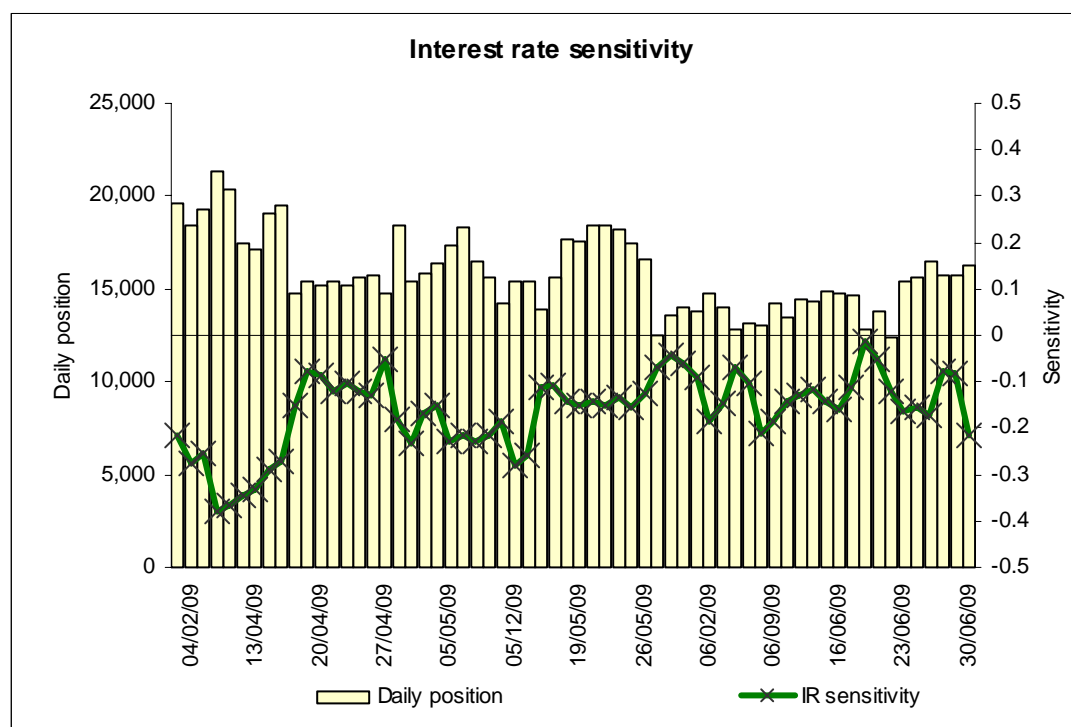
<i>Sensitivity Ipb</i>	31/03/09	30/06/09
Fixed Rate	(0.200)	(0.191)
Variable Rate	(0.033)	(0.024)
Subtotal – Interest Rates	(0.233)	(0.215)
Futures	0.000	0.000
Swaps	(0.233)	(0.215)

(Figures in millions of pesos)

For June 30, 2009, Casa de Bolsa shows a sensitivity in the interest rate portfolios of P\$ (0.215) millions. It indicates that for each basis point that the interest rate falls, the Group generates a gain of P\$ (0.215) million. The position did not change significantly compared with the previous quarter.

If the sensitivity scenario described in the table above occurred, any loss would directly impact the results of the portfolio.

The following graph shows the interest rate (IR) and the interest rate derivative sensitivity fluctuations, as well as the net effect of the portfolio.



Figures in millions of Pesos

As it can be seen in the graph, the sensitivity does not change significantly during the quarter.

For Casa de Bolsa, only the long positions in the money market are considered since the sensitivity is always negative. It means that for a 1 basis point increase in interest rates, this position would lose an amount equal to the sensitivity amount.

If the sensitivity scenario described in the table above occurred, any loss would directly impact the results of the portfolio.

The following chart shows the second quarter of 2009 statistics for a change of 1 basis point; maximum, minimum and average sensitivities. The average sensitivity was minus P\$ (0.16) million.

	Avg	Max	Min
Interest rate	-0.16	-0.01	-0.38
Derivative Int Rate	NP	NP	NP
Total	-0.16		

Sensitivity 1 basis point (*Figures in millions of pesos*)

Note: NP means that the Casa de Bolsa did not have a position in this market

Equity Portfolio and IPC Equity Derivatives

Equity

For the equity position, the sensitivity is obtained by calculating the change or delta, by issue, within the portfolio. The delta is defined as the change in the value of the portfolio as the result of a change of 1% in the value of the underlying asset.

Equity Derivatives

Currently, Casa de Bolsa enters into equity derivative transactions through IPC futures, IPC Future Options that are quoted on the Mexican Derivative Exchange, MexDer. Their sensitivity is calculated by Delta and this portfolio has limits expressed in notional amounts. For market transactions not quoted, or OTC (over the counter) transactions, Casa de Bolsa enters into IPC Warrants and IPC Options transactions.

For futures, the sensitivity calculation is delta, defined as the change in the value of the derivative with regard to changes in the underlying asset. Likewise, Rho is defined as the sensitivity as changes in interest rates. In the case of futures contracts, this sensitivity can be estimated, based on information available in the market. Casa de Bolsa defines Rho as the change in the value of the portfolio in view of a change of 100 basis points (parallel) in the benchmark interest rate.

The sensitivity measures considered for non-linear products, like warrants and options, are Delta and Greeks. The sensitivity calculation is based on an options valuation model on futures, known as Black 1976.

The risk delta is defined as the change in the value of an option with regard to a change in the predetermined magnitude in the value of the underlying asset (for example 1%). Its calculation is done by valuing the option with various values of the underlying asset (one original and other with a “shock” of +1%) while maintaining all other parameters constant.

Gamma, is the complement to delta risk, and is another measure of sensitivity in the value of an option with regard to the underlying asset value. Gamma measures the rate of change of Delta with regard to a change in the value of the underlying asset and, similar to Delta calculation. It can be interpreted in an analytic manner, as the partial second derivative of the Black & Scholes function with regard to the underlying asset.

Rho is the sensitivity measure of an option portfolio with regard to changes in interest rates. Mathematically, Rho is the partial first derivative of the Black & Scholes function with regard to interest rates. Rho is defined as the change in the value of an options portfolio regarding an increase of 100 basis points (+1%) in interest rates. Generally, the sensitivity of an option portfolio of interest rates is minor compared with the sensitivity at the price of the underlying (delta) or the implicit volatility (vega).

Theta is the sensitivity measure of an option portfolio that indicates the change in the value of the portfolio before the passage of time. Theta is defined as the change in the value of the derivative product before the passage of time. Theta is only calculated for guidance purposes and for the analysis of profit and loss, given that it does not represent a real market risk, but a hard fact, predictable and quantifiable.

Vega is the name that is given to the sensitivity measurement of the value of an option portfolio with regard to changes in the market volatility of the underlying asset. Generally, long positions in options will benefit from the volatility increase of the underlying asset, while short positions will have the opposite impact, with some exceptions such as binary options.

Dividend Risk. The valuation of options on indexes or equities assumes a continuous compounded dividend rate. The dividends, however, are estimates and therefore an unknown variable, representing a risk factor for the valuation and the resulting profit and loss of option transactions.

The dividend risk does not have a “Greek” letter associated with its sensitivity, and in the case of index and equity options in Scotiabank Mexico the measurement is done by means of increasing the dividend rate 1% (ie. from 1% to 1.01%).

Sensitivity for the Equity portfolio and the IPC Derivatives (millions of pesos)

In the following chart, the sensitivity for March 31 and June 30, 2009 is shown:

	31/03/09	30/06/09
Equities	0.107	0.206
Subtotal	0.107	0.206
IPC Futures	0.000	(0.000)
IPC Future options	0.000	0.000
Warrants	0.035	0.022
Subtotal	0.035	0.022
Total	0.142	0.228

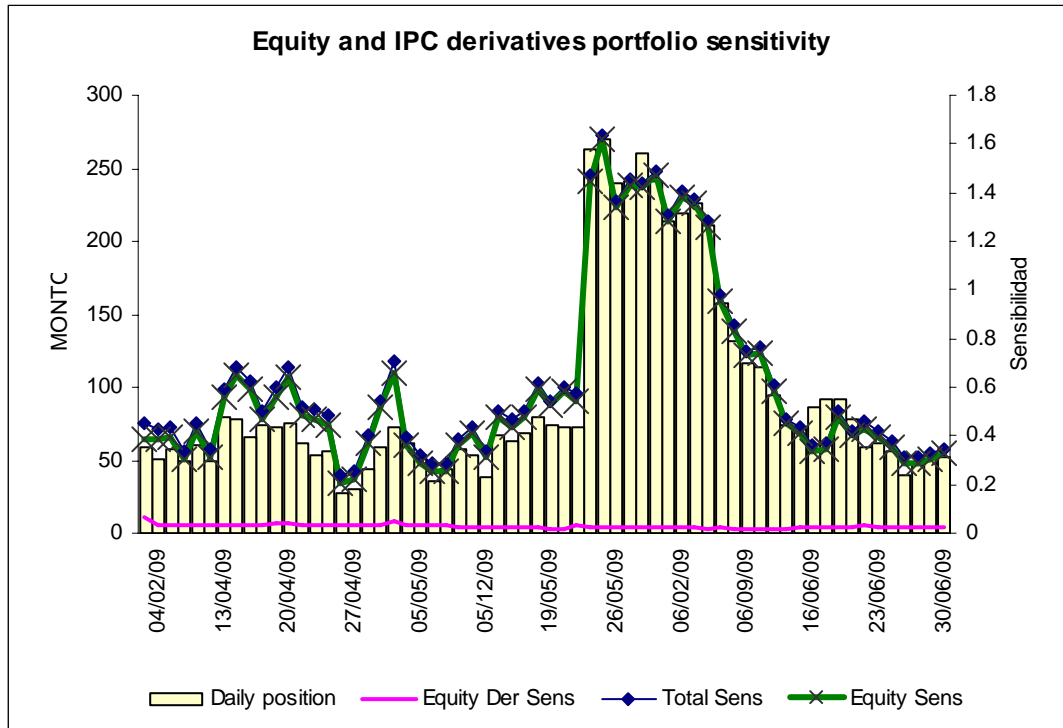
(Figures in millions of pesos)

During the quarter, the Equity desk continued to focus in executing intra-day transactions. By the end of the quarter, it had registered an increase in the position, and as a result there was an increase in the sensitivity. The most relevant shares were SHY* and NAFTRAC.

With regards to the IPC position, it continues to be focused on a hedging strategy with new warrant issues and arbitrages between equity markets and IPC futures.

If the sensitivity scenario described in the table above occurred, any gains or losses would directly impact the results of Casa de Bolsa

The following graph shows the daily fluctuations of the sensitivity and the daily position for the equity portfolio.



Figures in millions of Pesos

The Equity portfolio of Casa de Bolsa is comprised solely of equities and IPC derivatives. The following chart shows that the quarterly average was P\$ 0.62 millions.

Sensitivity 1% delta	Average	Maximum	Minimum
Equities	0.61	1.62	0.20
IPC Derivatives	0.03	0.06	0.02
Total	0.63		

(Figures in millions of pesos)

The following table shows the sensitivity measures for non-linear instruments as at June 30, 2009.

Sensitivity of warrants and IPC Options (“Greeks”) (Figures in millions of pesos)

GREEKS	Delta	Gamma	Vega	Theta	Rho	Dividend Risk
Warrants	90.183	(4.205)	(0.468)	0.030	0.446	(0.005)
IPC future options / OTC options	(11.497)	0.953	0.178	(0.023)	(0.028)	0.000
IPC Futures	(125.804)	0.000	0.000	0.013	(0.203)	0.000
Naftacs / equities	32.246	0.000	0.000	0.000	0.000	0.000
Total	(14.872)	(3.252)	(0.290)	0.020	0.215	(0.005)

The following chart shows the average, maximum and minimum observed sensitivity for warrants and IPC options.

	Delta	Gamma	Theta	Rho	Vega
Minimum	-40.94	-4.02	-0.07	-0.29	-0.33
Maximum	53.63	3.12	0.08	0.29	0.38
Average	-8.76	-0.05	0.00	0.00	0.03

(Figures in millions of pesos)

Sensitivity for Available for Sale and Securities Held to Maturity

To June 2009, the sensitivity of investments classified as Available for Sale represented 1.0% of the total book value.

000 MXN JUNE 2009	Available for sale
Total Investment	170,830
Sensitivity	1,708
% Sensitivity	1.0%

For comparative purposes the sensitivity at March 31, 2009 is shown.

000 MXN MARCH 2009	Available for sale
Total Investment	111,287
Sensitivity	1,113
% Sensitivity	1.0%

Scotiabank Mexico manages volatility in the markets by maintaining a trading model orientated to drive product origination and distribution for its clients. At the same time, the risk profile is conservative and consistent even in periods of low volatility.

In the current environment, Scotiabank has significantly reduced its debt portfolio. The risk of this portfolio has been reduced in terms of the aforementioned portfolio in view of rate fluctuations. The share portfolio is relatively small.

Liquidity Risk:

The Group, as part of its normal course of business, takes on liquidity risks. This risk results from cash flow gaps. The main objective of the liquidity risk management process is to guarantee that the Group can cover its obligations as they come due. In order to complete this objective, the Group applies controls to the liquidity gaps, keeps diverse funding sources, establishes different limits

Credit Risk

Credit risk is defined as the potential loss coming from the non-payment from a borrower or a counterparty with which the institution makes its transactions. This risk is not only present in the loan portfolio, but also in the securities portfolio, derivative transaction and in the settlement of foreign exchange transactions.

Scotia Inverlat Casa de Bolsa's management of credit risk is centered on applying well defined strategies to control these risks, including a centralized credit process, portfolio diversification, a good credit analysis, a close follow-up of loans and diverse credit risk rating models.

The Board of Directors establishes credit authorization limits, approves credit policies and procedures, and revises loans of material size and does a follow-up on the overall credit exposure and its management.

The credit policies are based on the prudential model set by the local regulator (Comision Nacional Bancaria y de Valores) and establishes risk concentration limits by industry and sectors, currencies and maturity term.

There are several credit approval levels: Board of Directors, Board's Credit Committee, Credit Policy Committee and combined authorization powers. The distinction between these levels is in accordance with the transaction size, type of borrower, use of the resources and credit rating.

The business lines prepare and structure the different credit proposals, which are then analyzed by the Credit area and approved by the appropriate authorization level, assuring an adequate separation between business originators and approval areas.

In addition, the different business lines perform, on a regular basis, a financial review for each borrower, performing, at least annually, an in-depth risk analysis for each loan, modifying, if needed, the approved rating. There is an additional quarterly review on obligor's risk and covenant compliance. With these activities, the Group determines any change in the risk profile of every borrower. During these revisions, the global credit risk, including derivative related transactions and industry risk is considered. In case of risks that may be above the acceptable levels, more frequent reviews are performed.

The Group has established a risk rating system which is used to identify the risk level of proposed and existing loans and insures that the loan spreads are proportionate to the assumed risk. For this purpose the Casa de Bolsa has, for the corporate and commercial segments, a profitability model that explicitly takes into account the expected and unexpected loss by type of transaction, as well as any other revenues or expenses associated with the customer.

In the commercial portfolio, the loan quality is rated in accordance with the risk levels established in the rules set by the regulating bodies which include assumptions on the possible risks of recovery based on both, the borrower's characteristics, as by the quality and characteristics of the guarantee. On a monthly basis, the Risk Committee closely follows the main risk migrations.

The credit risk determination is based on a model that includes Expected and Unexpected Loss (CreditMetrics), based in the changes on the credit situation observed for each borrower (transition matrix) and the loss severity by type of portfolio.

- The expected loss represents the estimated impact of default over a 12 month period.
- The unexpected loss is a dispersion measure on the expected loss. It is calculated with a one year horizon at a 99.75% confidence level.
- In addition, stress tests are performed in order to determine the impact on the portfolio's expected and unexpected losses.

As of the close of June, 2009, the expected loss on the Casa de Bolsa's total portfolio was P\$ 0 million, while the unexpected loss was P\$ 96 million. The total exposure of the portfolio, at the close of June, 2009, was P\$ 75,681 million, while the average exposure for the April-June, 2009 period was P\$ 82,483 million.

Credit Risk in Securities Investments

The Casa de Bolsa is exposed to the non-payment, by the issuer, on any interest and/or principal on its investments in different securities.

A summary on the exposure, credit quality and risk level concentration in Securities Investments is included in the following table:

Rating Agencies

Scotia Casa de Bolsa			
Counterpart credit	Long Term	Short Term	Perspective
Ratings			
Moody's	Aaa.mx	MX-1	Stable
Standard & Poor's	mxAAA	mxA-1+	Stable

The information above is presented by Scotia Casa de Bolsa with the sole purpose of informing its customers of the Brokerage house's counterpart credit ratings as defined by Rating Agencies (Moody's and Standard & Poor's). This rating could be modified without prior advice.

Attachment 10

Credit and Operation Risk

Concentration of credit risk:

The Group has implemented policies and procedures to maintain a sound credit portfolio, diversified, controlled and with prudent risk. These policies and procedures emphasize the establishment of credit risk limits considering business units, currency, term, sector, etc. These limits are submitted annually to the Board of Directors for their approval and compliance with these limits is monitored and reported monthly to the Risk Committee.

Methodology to determine credit risk:

In order to identify the amount of risk inherent in credits and, on the other hand, ensuring that the yield from each credit is proportional to its risk, the Group uses a system for the classification of credit risk which is based on the methodology used by BNS, which also includes system and strategies for the granting and monitoring of the credit portfolio. As such, the Group has taken advantage of BNS' extensive experience in the areas of loan classification and estimation of reserves and losses and has adapted this experience to conform with the laws and requirements of the Mexican market.

This model considers the following risk factors: country risk, financial performance, debt coverage, management strength, overall strength (the relation among the economic environment, the competition, strengths and weaknesses of the borrower), and administration of the account, state of the industry and payment history.

Such factors give an appraisal of the risk profile of the borrower and the results are entered into an algorithm which weights the various elements. This algorithm is based on the experience and statistical analysis of BNS, adapted to the requirements of the Mexican market.

The system of internal classification (classified by "IG Codes"), has 8 classifications that are considered acceptable (IG 98 to IG 77), 5 classifications to reflect an above average (IG 75 to IG 60) and 4 considered not acceptable (IG 40 to IG 20). In accordance with applicable official regulations, a correlation has been established between the internal risk classification and the risk ranking.

By way of *oficio* no. 141-4/31395/2008 dated November 11, 2008, the CNBV authorized to Scotiabank to classify the Commercial Credit Portfolio using its internal methodology, according with the "Probability of Default" applicable to the totalize commercial portfolio, except for the following segments: the special program "Scotia Empresarial" which is classified by the application of its own internal model based in the methodology to determine credit risk; as well as the credits granted to Federal Entities and Municipalities, Investment projects with their own payment sources, Trustees that act upon the protection of Trusts and re-structured credits that rely on capital appropriation that permits the individual evaluation of the associated risk, as those granted to financial institutions; those that are classified individually conform to the appointed methodologies in these articles 112, 114 and 115 of General Character Dispositions applicable to the Credit Institutions. The credit classification and their provisioning are carried out respectively in compliance with articles 126, 127 130 and 131 of the referenced dispositions.

The following table presents a scheme of the risk levels for internal model of qualification for the loan portfolio applicable to the commercial portfolio.

Classification	IG Code
Excellent risk	98
Very good risk	95
Good risk	90
Satisfactory risk	87
Adequate risk (high)	85
Adequate risk (med)	83
Adequate risk (low)	80
Medium risk	77
Moderate risk (high)	75
Moderate risk (med.)	73
Moderate risk (low)	70
Watch list	65
Special supervision	60
Sub-standard	40
Deteriorated (high)	22
Recovery in doubt	21
Problem loan	20

Description of each risk level:

Excellent risk: Borrowers that represent minimal credit risk for the bank. Possess an excellent financial structure along with consistent and earnings; debt service capacity is extremely strong, as evidenced by solid access to money and capital markets and to alternate sources of funding. The management team has broad experience with track record of producing optimum results. They are not vulnerable to the economy of the country or to the economic sector in which they operate.

Very good risk: Borrowers with a solid financial structure that generate sufficient funds and liquidity to cover short and long term debts. However, they depend on the Bank to a greater extent than excellent risk borrowers. The management team is competent, with the capacity to easily overcome moderate setbacks. They operate in a stable or growing economic sector.

Good risk: Borrowers with a good financial structure, with consistent income and reliable cash flow. Their capacity to cover and service the debt is good. The management team has shown itself to be good, with adequate capabilities in critical area. The characteristics of the economic sector and the country's economy are good, without indications that may adversely affect negatively them.

Satisfactory risk: Borrowers whose financial structure is solid and have capacity to effectively cover payment obligations, whose profits are in-line with industry average; however, are a little more susceptible to adverse economic conditions than borrowers with superior classification.

Adequate risk (high): Borrowers still have a high ability to cover their payment obligations, have an adequate financial structure and have consistent earnings which, however, are slightly less than the industry average. These borrowers have an administrative team which has the ability to obtain very satisfactory, efficient and profitable results. The industry in which they operate can have cyclical trends.

Adequate risk (medium): Borrowers who have the ability to meet principal and interest payments, however, their current profits are below

the industry average, suggesting that the borrower may have difficulty sustaining its financial strength. Management may be family-owned or professional and its results are relatively satisfactory. The industry in which they operate may have cyclical tendencies.

Adequate risk (low): Borrowers whose financial structure, profitability and financing stream are generally adequate, its operating cash-flow is at the breakeven point but is adequate to cover their debt requirements, however, its profits are below the industry average. Management may have certain weaknesses which are offset by other strengths. The industry in which they operate may have cyclical tendencies or be affected somewhat by changes in the regulations to which it is subject.

Medium risk: Borrowers who have capacity to cover short-term obligations but for which there is potential uncertainty in the long term, the leverage levels are growing and its indebtedness capacity is modest. Management meets only the minimum criteria for negotiated risk. The industry in which they operate may have cyclical tendencies or be susceptible to macroeconomic changes.

Moderate risk (high): Borrowers that face a slight reduction in profits; however with good potential to successfully overcome these problems. Operating cash flow is at break-even and is sufficient to cover debt service requirements in a timely manner, but with a certain downward trend. Management presents mixed operating results and outlook for the longer term. The industry environment reflects growth weakness.

Moderate risk (medium): Borrowers that face growth problems or weak capitalisation but regularly demonstrate the ability to overcome their financial weaknesses and at this moment are punctually paying their obligations. However, these funds come from secondary sources and therefore their ability to sustain payments is dubious. Management demonstrates certain weaknesses and shareholders exhibit some scepticism of management's ability.

Moderate risk (low): Borrowers whose financial structure exhibits a clear weakening trend which could damage its capacity or ability to cover its long-term obligations. This trend of going to secondary funding sources is recurrent and its repayment is consistently overdue. The management team shows notable weaknesses and there may be a concentration of shareholder reliance on one single person. The economic sector in which the company operates is very vulnerable to macroeconomic conditions.

Watch list: Borrowers with a weak financial structure and whose debt position is unbalanced and over-extended, and require the constant help of non-routine funding sources whose repayment is weak, covering the minimum acceptable bank payment. The management team is performing poorly. They are vulnerable to any setbacks in their specific business and in their business.

Special supervision: Borrowers who exhibit cash flow and liquidity problems that could require them to look for secondary funding sources to avoid default. Urgently require changes to management and the business plan to stop the deterioration; with this it is considered probable that a correction can occur over the medium term. The industry and country environment are of concern. Definitely an unacceptable risk.

Sub-standard: Borrowers whose future viability is in doubt without changes to business activities, market conditions, and/or the management team and where a general reorganisation is required. The repayment history is unsatisfactory and at the moment payments are past due. The

industry in which the company operates is experiencing a temporary deterioration.

Deteriorated (high): Borrowers with clearly identified financial deterioration and who are at risk of not complying with debt obligations. Currently have payments in arrears and have a high dependence on secondary sources of funding to meet their obligations. The problems in the direction of management put at risk the viability of the company as a going concern, because of which the deterioration is considered permanent. The viability of the industrial sector depends on structural changes.

Recovery in doubt: Borrowers with permanent financial deterioration. It is probable that the business has ceased to function and as a result the payment performance is nil. Payments are up to one year past due, which in general implies difficulty in recovery. Management is weak or unreliable and the industry in which the company operates is facing a permanent decline.

Problem loan: Borrowers who have ceased paying and whose situation does not appear to have any possibility of restructuring. Management is unsuitable or has demonstrated a lack of honesty. The industry in which the company operates is facing a permanent decline, for which reason keeping the loan as an asset of the bank is unjustifiable.

There exist loans that are exempt from classification because they represent sovereign debt of the Federal Government, and loans that did not arise from the sale of loans. These credits do not require reserves.

Operational Risk

Operational risk is a non-discretionary risk, which is defined as the potential loss resulting from internal control failures of deficiencies, errors in transaction processing or storage on in data transmission, as well as adverse administrative or legal resolutions, frauds or theft and includes, among other things, technological risk legal risk.

For compliance with the rules on operational risk established by the aforementioned Provisions, the Group has put in place policies and procedures, enabling it to implement an appropriate operational risk management process, which is described below:

Policies for Operational Risk Management

These policies primarily promote the risk management culture, particularly as to operational risk, so that the Group can measure, identify, monitor, limit control and disseminate the operational risk inherent in the day-to-day activities.

Manual for Operational Risk Data Gathering and Classification

These policies define the requirements for reporting the information that supports the measuring processes, including the information, as well as its classification and specific characteristics.

Operational Risk of tolerance's level

Is a tool to issue operational losses, let each department of the Group know the levels of tolerance of applicable losses to each event of loss assumed, as well as incentive improvements in the process of Operational Risk issue and adopted as possible the necessary actions to reduce the risk for future losses.

Key Risk Indicators

This process let the Group establish indicators, since variables obtained of the processes which conduct is related with the level of risk assumed, by the follow-up of each indicator that identify the tendency and let issue in the time the indicators value. There are maximum values established or less admissible for each one of the selected indicators.

Legal Risk model for provision of losses

The Group has methodology of provision for expected and non-expected losses for legal risk, through the one it can be the expect losses as a result of judgments in process, this methodology is based in the experience from various years and through an statistic of severity and occurrence it is determine the probably loss of legal business ongoing.

The Group also has an structure methodology of auto-evaluation of operational risk, that its apply through their own structure and identify the operational risk inherent to their process with the following objectives:

- Evaluate the potential impact of significant Operational Risks identified in the competitive objectives, profitability, productivity and recuperation's Group.
- Analyze the priority according with the impact an importance of the moderate measure of operational risk.
- To guide each unit of the Group into a process of negotiation of operational risk.
- Have a systematic procedure, in order that the Group keeps conscience of its operational risk.
- Complying with the requirements established under Risk management rules by the CNBV.

Attachment 11

**Consejo de Administración
Grupo Financiero Scotiabank Inverlat, S.A. de C.V.**

Presidente
Peter Christopher Cardinal

Vicepresidente
Carlos Muriel Vázquez

**Representantes de la Serie "F" en el Consejo de Administración de la
Sociedad**

Miembros Propietarios	Miembros Suplentes
<u>Consejeros Independientes</u> Thomas Heather Rodríguez Carlos Muriel Vázquez	Javier Pérez Rocha Federico Santacruz González
<u>Consejeros</u> Pedro Sáez Pueyo Peter Christopher Cardinal Anatol von Hahn	Raúl Fernández-Briseño Gonzalo Rojas Ramos Pablo Aspe Poniatowski
<u>Consejero Funcionarios</u> Nicole Reich De Polignac	José Del Águila Ferrer

**Representantes de la Serie "B" en el Consejo de Administración de la
Sociedad**

<u>Consejeros Independientes</u> Patricio Treviño Westendarp Roberto Hemuda Debs Juan Manuel Gómez Chávez	Pablo Pérezalonso Eguía Eduardo Trigueros y Gaisman Sergio Eduardo Contreras Pérez
<u>Consejeros Funcionarios</u> Felipe De Yturbe Bernal Jorge Mauricio Di Sciullo Ursini	Alberto Miranda Mijares Jean-Luc Rich

**Representantes de la Serie "F" en el Órgano de Vigilancia de la
Sociedad**

<u>Comisarios</u> Guillermo García-Naranjo Álvarez	Mauricio Villanueva Cruz
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**Representantes de la Serie "B" en el Órgano de Vigilancia de la
Sociedad**

George Macrae Scanlan	Alejandro De Alba Mora
Secretario Jorge Mauricio Di Sciullo Ursini	Prosecretario Mónica Cardoso Velázquez

The amount paid to Board Members to attend board meetings and committee meetings totalled P\$1.2 million for the six months ended June 30, 2009.

“We the undersigned declare under oath, of telling the truth that, in the scope of our respective functions, we prepared the information relative to the financial group contained in the current report, that which, to our trustworthy knowledge and understanding, reasonably reflects its current financial position”

NICOLE REICH DE POLIGNAC
PRESIDENT

JEAN-LUC RICH
DIRECTOR GENERAL
FINANCE AND
ADMINISTRATION

KEN PLUGFELDER
DIVISIONAL DIRECTOR
AUDIT

GORDON MACRAE
DIRECTOR GROUP
ACCOUNTING