Q3 2011 | *third* quarter results

THIRD QUARTER FINANCIAL HIGHLIGHTS
Compared to the same period a year ago:

TOTAL REVENUE AFTER PCLs OF P$3,569 MILLION, VERSUS P$3,183 MILLION	NET INCOME OF P$759 MILLION VERSUS P$545 MILLION	PRODUCTIVITY RATIO OF 65.8% VERSUS 65.3%	BANK'S CAPITAL RATIO OF 16.3% VERSUS 17.4%	PROVISIONS FOR CREDIT LOSSES OF P$512 MILLION, VERSUS P$644 MILLION

Grupo Scotiabank reports earnings of P$759 million for the third quarter

Mexico D.F., October 31, 2011 – Grupo Scotiabank today announced results for the third quarter of 2011. Consolidated net income was P$759 million in the quarter, an increase of P$214 million or 39% from the same period last year.

The increase for the quarter was a result of higher non-interest revenues and lower provisions for credit losses, partially offset by lower net interest income and higher operating expenses.

Total revenue for the quarter, after provisions for credit losses, increased P$386 million or 12% compared to the same period last year, reflecting higher non-interest revenues from trading activities and lower loan loss provisions, which were partially offset by lower net interest income. Total business, financial institution and government loans increased 30%, while mortgage volumes grew 4% compared to the same quarter last year. Total deposits grew 4% during the same period. The positive impact of growth in volumes was offset by tighter spreads and higher average interest paid on funding.

Loan loss provisions decreased P$132 million or 20% from the same quarter last year, due mainly to lower delinquencies in the retail and commercial portfolios. Operating expenses grew 7% or P$187 million due to higher salary costs related to the expansion of our customer call center.

The Bank's capital ratio decreased from 17.4% last year to 16.3% this quarter. Return on equity this quarter was 10%, compared to 8% during the same period last year.

"The results for the third quarter show an improvement over previous quarter results due to the strong performance of our portfolio and growth initiatives. We will continue to focus on our initiatives to promote the growth of our customer base", said Nicole Reich De Polignac, Grupo Scotiabank President and CEO.

Scotiabank Mexico
Financial and Operating Indicators:

1 CONTINUED GROWTH:

- Business loans up 20%
- Mortgages up 4%
- Demand and Savings account balances up 9%

2 CREDIT RISK MANAGEMENT:

- Past due portfolio at 2.6% of total loans compared to 3.9% in the prior year
- Allowance for credit losses coverage at 117% of past due portfolio compared to 102% in the prior year

3 EFFICIENCY:

- Productivity ratio of 65.8% versus 64.8% in the prior year

Grupo Scotiabank

Non-Financial Highlights:

For a fourth consecutive year, Scotiabank Mexico received recognition from the “Centro Mexicano para la Filantropia (CEMEFI)” and improved its ranking as a Socially Responsible Company with more than 5,000 employees.

Grupo Scotiabank Condensed Financial Information	Nine months ended		Three months ended		
	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Net Income (P$ millions):					
Scotiabank Mexico	2,117	1,813	689	588	513
Holding company and other subsidiaries	194	245	70	47	32
Total Group	**2,311**	**2,058**	**759**	**635**	**545**
ROE	10%	10%	10%	8%	8%

Grupo Scotiabank Condensed Statement of Income	Nine months ended		Three months ended		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Net Interest income	**7,601**	**7,935**	**2,428**	**2,568**	**2,766**
Other Income	4,732	3,888	1,653	1,335	1,061
Revenue	**12,333**	**11,823**	**4,081**	**3,903**	**3,827**
Provision for credit losses	(1,526)	(1,932)	(512)	(448)	(644)
Total Revenue after provisions for credit losses	**10,807**	**9,891**	**3,569**	**3,455**	**3,183**
Operating expenses	(7,670)	(7,086)	(2,686)	(2,497)	(2,499)
Operational Profit	**3,137**	**2,805**	**883**	**958**	**684**
Participation in results of non-consolidated subsidiaries and associated companies	1	-	-	1	-
Profit before income tax	**3,138**	**2,805**	**883**	**959**	**684**
Income tax	(827)	(747)	(124)	(324)	(139)
Profit after income tax	**2,311**	**2,058**	**759**	**635**	**545**

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 financial groups in Mexico, with 712 branches and 1,560 ATMs throughout the country. It employs approximately 10,859 people in its main subsidiaries: Scotiabank Mexico, Scotia Fondos, Scotia Casa de Bolsa and Servicios Corporativos Scotia. 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%
Servicios Corporativos Scotia	99.9999%

Grupo Scotiabank, Scotiabank, Scotia Casa de Bolsa, Scotia Fondos and Servicios Corporativos Scotia 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 Servicios Corporativos Scotia S.A. de C.V.

October 31, 2011

Scotiabank Mexico

Total revenue, after provision for credit losses, was P$3,326 million for the third quarter of 2011, a P$389 million or 13% increase from the same period last year. The year-over-year growth was due primarily to higher non-interest income and lower provisions for credit losses, partially offset by lower net interest income. The increase in non-interest revenues from last year was due mainly to increased trading revenues, higher recoveries and higher insurance and mutual fund fees. Partially offsetting were lower commissions and fees, higher write-offs and the effect last year of a write down of certain specialized mortgage entities (Sofoles) securities.

Compared to last quarter, total revenues, after provisions for credit losses, were higher by P$141 million or 4%. This increase was the result of higher non-interest revenues, partially offset by higher provisions for credit losses.

After-tax income was P$689 million this quarter compared to P$513 million in the same period last year. The increase was primarily the result of higher non-interest revenues, lower provisions for credit losses partially offset by higher operating expenses and lower net interest income. After-tax income increased P$101 million from last quarter due to higher non-interest revenue and lower taxes, partially offset by higher provisions for credit losses and higher expenses.

For the nine-month period ended September 30, 2011, after-tax income was P$2,117 million, compared to P$1,813 million in the same period last year. The increase was due largely to higher non-interest revenues and lower provisions for credit losses. This was partially offset by lower net interest income, higher expenses and a higher effective tax rate.

Scotiabank Mexico Condensed Statement of Income	**Nine months ended**		**Three months ended**		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Interest earned	10,953	10,282	3,729	3,637	3,561
Interest paid	(3,478)	(2,504)	(1,240)	(1,164)	(862)
Net interest income	**7,475**	**7,778**	**2,489**	**2,473**	**2,699**
Other income	4,079	3,185	1,349	1,160	882
Revenue	**11,554**	**10,963**	**3,838**	**3,633**	**3,581**
Provision for credit losses	(1,526)	(1,932)	(512)	(448)	(644)
Total Revenue after provision for credit losses	**10,028**	**9,031**	**3,326**	**3,185**	**2,937**
Operating expenses	(7,166)	(6,608)	(2,525)	(2,302)	(2,321)
Operational Profit	**2,862**	**2,423**	**801**	**883**	**616**
Participation in results of non-consolidated subsidiaries and associated companies	1	-	-	1	-
Profit before income tax	**2,863**	**2,423**	**801**	**884**	**616**
Income tax	(746)	(610)	(112)	(296)	(103)
Profit after income tax	**2,117**	**1,813**	**689**	**588**	**513**

Net Interest Income

Net interest income was P$2,489 million in the third quarter of 2011, P$210 million or 8% lower when compared to the same quarter last year, but relatively flat compared to last quarter. The reduction from the same period last year was driven by lower credit spreads and higher average interest paid on funding.

For the nine months ended September 30, 2011, net interest income was P$7,475 million, down P$303 million or 4% from the same period last year. This decrease was due primarily to lower credit spreads and higher than average interest paid on funding.

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

Scotiabank Mexico Analysis of Interest Income *(P$ millions, whole year average)*	**Nine months ended**			
	September 30, 2011		**September 30, 2010**	
	Volume	**Spread**	**Volume**	**Spread**
Deposits with banks	20,799	1.7%	21,890	1.5%
Securities	10,652	3.2%	12,810	3.0%
Loans	106,597	8.6%	96,796	9.4%

Other Income

Scotiabank Mexico Other Income	**Nine months ended**		**Three months ended**		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Commissions and fees (net)	1,365	1,430	493	426	487
Revenues from trading and intermediation	404	(149)	196	107	(286)
Other operational income (net)	2,310	1,904	660	627	681
Total Other Income	**4,079**	**3,185**	**1,349**	**1,160**	**882**

Other income for the quarter was P$1,349 million, up P$467 million or 53% from the same period last year. This was due to higher commissions, higher loan loss recoveries and higher revenues from insurance and mutual fund fees (in Other operational income (net)) and increased gains from sales of securities (including the effect last year of the write-down of certain specialized mortgage entities (Sofoles) securities). Partially offsetting were lower credit card fees and other commissions and higher write-offs.

Compared to last quarter, the P$189 million or 16% increase in Other income was due primarily to higher commissions and fees, higher recoveries and increased gains from intermediation, as well as lower write-offs.

For the nine-month period ended September 30, 2011, Other income was P$4,079 million, P$894 million or 28% higher than the same period last year. The increase resulted from higher revenues from trading activities, higher recoveries and higher gains on the sale of foreclosed assets, partially offset by lower commissions and higher write-offs.

Scotiabank Mexico Commissions and fees (net)	**Nine months ended**		**Three months ended**		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Loan commissions	157	104	48	55	55
Account handling commissions	165	195	56	56	64
Credit card commissions	426	493	160	135	175
Trust	203	182	74	52	61
Electronic banking	169	216	57	62	68
Other	245	240	98	66	64
Total commissions and fees (net)	**1,365**	**1,430**	**493**	**426**	**487**

Net commissions and fees were P$493 million this quarter, P$6 million or 1% higher than the same period last year and P$67 million or 16% higher than last quarter. The year-over-year increase was due mainly to higher trust fees and other commissions which were partially offset by lower loan, account handling and credit card commissions and electronic banking fees. The quarter-over-quarter growth was due to higher credit card and other commissions and trust fees, partially offset by lower loan commissions and electronic banking fees.

For the nine-month period ended September 30, 2011, net commissions and fees were P$1,365 million, P$65 million or 5% lower than the same period last year. This was due to lower account administration commissions, lower credit card and electronic banking fees. This was partially offset by higher loan commissions and trust fees.

Scotiabank Mexico **Other operational income (net)**	**Nine months ended**		**Three months ended**		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Loan loss recoveries	369	334	147	119	128
Other recoveries	694	390	137	116	124
Write-offs & other	(339)	(79)	(60)	(133)	46
Revenue from sale of foreclosed assets	268	109	10	49	25
Staff loan interest	56	54	18	19	18
Rental income	40	40	16	11	13
Other revenues and expenses (net)	1,163	1,032	394	388	342
Other	59	24	(2)	58	(15)
Total other operational income (net)	**2,310**	**1,904**	**660**	**627**	**681**

Other operational income (net) was P$660 million this quarter, a decline of P$21 million or 3% from the same quarter last year, but P$33 million or 5% higher than last quarter. The year-over-year decrease was driven by higher write-offs, lower revenues from the sale of foreclosed assets which were partially offset by higher recoveries, and higher insurance and mutual funds fees (in Other revenues and expenses (net)). The quarter-over-quarter increase was the result of higher recoveries and lower write-offs, partially offset by lower revenues from the sale of foreclosed assets and other items.

For the nine months ended September 30, 2011, other operational income (net) was P$2,310 million, P$406 million or 21% higher than the same period last year. This was due to higher recoveries, higher gains on the sale of foreclosed assets and higher revenues from insurance and mutual fund fees (in other revenues and expenses (net)), partially offset by higher write-offs.

Provision for credit losses

Scotiabank Mexico **Provision for credit losses (net)**	**Nine months ended**		**Three months ended**		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Provision for credit losses	(1,526)	(1,932)	(512)	(448)	(644)
Loan loss recoveries (reported in Other operational income, net)	369	334	147	119	128
Total provision for credit losses (net)	**(1,157)**	**(1,598)**	**(365)**	**(329)**	**(516)**

Provisions for credit losses, net of recoveries, were P$365 million this quarter, an improvement of P$151 million or 29% from the same quarter last year. Provisions for credit losses, excluding recoveries, were P$512 million, a decrease of P$132 million or 20% from the same quarter last year. The reduction was due to lower delinquencies and lower provisions in mortgages and personal loans. Commercial loan provisions were also lower due to an improvement in the credit quality of the portfolio.

Provisions for credit losses, net of recoveries, were up P$36 million or 11% from last quarter. Excluding recoveries, provisions for credit losses increased P$64 million or 14% from the previous quarter. This increase was due to higher provisions in credit cards and mortgages, partially offset by lower provisions in personal loans and the release of provisions in commercial loans.

On a year-to-date basis, net provisions for credit losses decreased P$441 million or 28% due to lower mortgage provisions (primarily as a result of new guidelines that took effect in the first quarter of the year), lower delinquencies in credit cards and the release of provisions no longer required in commercial loans. These were partially offset by higher provisions in personal loans (also due to the impact of the new guidelines).

Non-Interest Expenses

The Bank's productivity ratio[1] was 65.8% this quarter, up from 64.8% in the same quarter last year and from 63.4% last quarter.

Scotiabank Mexico Non-Interest Expenses	**Nine months ended**		**Three months ended**		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Personnel expenses	(3,148)	(2,840)	(1,051)	(1,061)	(917)
Other operating expenses	(4,018)	(3,768)	(1,474)	(1,241)	(1,404)
Total non-interest expenses	**(7,166)**	**(6,608)**	**(2,525)**	**(2,302)**	**(2,321)**

Non-interest expenses were P$2,525 million this quarter, up P$204 million from the same quarter last year and up P$223 million from last quarter. Personnel expenses were up P$134 million or 15% from the same quarter last year as a result of higher salary costs due to the expansion of our customer contact centre and additional staffing in branches, in line with the Bank's growth strategy. Compared to the same quarter last year, Other operating expenses increased P$70 million or 5% due primarily to an increase in professional fees and deposit insurance costs.

Personnel expenses of P$1,051 million this quarter were relatively flat when compared to the previous quarter. Other operating expenses were up P$233 million or 19% from the previous quarter, due primarily to higher marketing expenses and professional fees.

On a year-to-date basis, total expenses increased P$558 million or 8%, to P$7,166 million. The growth was equally divided between Other operating expenses due to higher lease costs, professional fees and insurance deposit costs, and Personnel expenses due to the hiring of personnel in our contact centre and branches.

Participation in results of non-consolidated subsidiaries and associated companies

There was no income recognized from the non-consolidated subsidiaries and associated companies this quarter.

Tax

Scotiabank Mexico Taxes	**Nine months ended**		**Three months ended**		
(P$ millions; Consolidated with subsidiaries)	September 30, 2011	September 30, 2010	September 30, 2011	June 30, 2011	September 30, 2010
Income tax current	(652)	(815)	(197)	(293)	(230)
Income tax deferred	(94)	205	85	(3)	127
Total Taxes	**(746)**	**(610)**	**(112)**	**(296)**	**(103)**

Total income tax expense was P$112 million this quarter, up P$9 million from the same quarter last year. The increase in total tax expense was due primarily to greater operating profit, offset by higher deductible loan loss provisions. The effective tax rate was lower than the same quarter last year, due mainly to higher deductible loan loss provisions.

Total income tax expense for the quarter was down P$184 million from last quarter. The decrease in total tax expense was due primarily to higher inflation and other items, offset by a reduction in the benefit from deductible loan loss provisions. The effective tax rate for the quarter was also lower than last quarter for the same reasons.

On a year-to-date basis, total income tax expense increased P$136 million. This increase in total tax expense was due to greater operating profit, lower inflation and other items, offset by higher deductible loan loss provisions. The effective tax rate for the year to date was slightly higher than the comparative period in 2010 for these same reasons.

[1] Productivity ratio is defined as Non-interest expenses as a percentage of the sum of net interest income and other income. A lower ratio indicates improved productivity.

Balance Sheet

As at September 30, 2011, the Bank's total assets were P$184.4 billion, comparable to a year ago and P$5.9 billion or 3% higher than last quarter. When compared with the previous year, there is a strong growth in mortgages, and loans to business, financial institutions and government entities, partially offset by a decrease in credit card and personal loans and lower securities investments.

Total liabilities (excluding capital) totalled P$156 billion, a decline of P$1.3 billion or 1% from a year ago, but P$5.2 billion or 3% higher than last quarter, mainly resulting from changes in demand and term deposits and loans from banks.

Scotiabank Mexico – Condensed Balance Sheet *(P$ millions; Consolidated with subsidiaries)*	**September 30, 2011**	**June 30, 2011**	**September 30, 2010**
Cash, banks, securities	51,416	52,226	67,120
Performing loans	112,562	108,160	98,970
Past due loans	2,993	3,256	3,982
Allowance for loan losses	(3,490)	(3,684)	(4,060)
Other assets	20,889	18,520	18,058
Total assets	**184,370**	**178,478**	**184,070**
Deposits	122,909	122,280	118,269
Loans from Banks	6,612	4,669	6,229
Other liabilities	26,503	23,848	32,818
Capital	28,346	27,681	26,754
Total liabilities and capital	**184,370**	**178,478**	**184,070**

Performing Loans

Scotiabank Mexico – Performing Loan Portfolio *(P$ millions; Consolidated with subsidiaries)*	**September 30, 2011**	**June 30, 2011**	**September 30, 2010**
Credit card and other personal loans	15,307	15,362	16,101
Mortgages	42,087	41,118	40,324
Total personal loans	**57,394**	**56,480**	**56,425**
Business loans	40,479	37,142	33,630
Loans to financial institutions	4,459	3,700	2,602
Loans to government entities	10,230	10,838	6,313
Total business, financial institution and government loans	**55,168**	**51,680**	**42,545**
Total performing loans	**112,562**	**108,160**	**98,970**

The Bank's retail lending portfolio grew by P$1 billion from last year. This growth was concentrated in the mortgage portfolio which increased by P$1.8 billion or 4% from the same period last year and P$1 billion or 2% from last quarter.

Total business, financial and government loans grew by P$12.6 billion or 30% from the same quarter last year and by P$3.5 billion or 7% from last quarter due to increased focus on this segment.

Past due loans

Scotiabank Mexico – Past Due Loan Portfolio *(P$ millions; Consolidated with subsidiaries)*	**September 30, 2011**	**June 30, 2011**	**September 30, 2010**
Past due loans	2,993	3,256	3,982
Allowance for credit losses	(3,490)	(3,684)	(4,060)
Net past due loans	**(497)**	**(428)**	**(78)**
Past due loans as a percent of total loans	2.6%	2.9%	3.9%
Allowance for credit losses as a percent of past due loans	117%	113%	102%

Gross past due loans totalled P$2,993 million this quarter, a reduction of P$989 million or 25% from the same period last year, and P$263 million or 8% lower than last quarter. The Bank's allowance for credit losses was lower both year-over-year and quarter-over-quarter due primarily to lower delinquencies in mortgages, credit cards, personal loans and commercial loans.

As a percentage of past due loans, allowance for credit losses was 117% as at September 30, 2011, up from 102% a year ago and from 113% last quarter.

At September 30, 2011, the Bank's past due loan portfolio was 2.6% of the total portfolio compared to 3.9% in the same quarter last year and 2.9% in the prior quarter. The reduction from the same period last year was due to lower retail, mortgage and commercial delinquencies.

Deposits

Scotiabank Mexico – Deposits *(P$ millions; Consolidated with subsidiaries)*	**September 30, 2011**	**June 30, 2011**	**September 30, 2010**
Total demand and saving	**62,385**	**59,233**	**57,199**
Term deposits from customers	47,385	47,841	50,493
Money market term deposits (Wholesale)	6,900	8,990	6,341
Total term deposits	**54,285**	**56,831**	**56,834**
Investment Certificates	**6,239**	**6,216**	**4,236**
Total deposits	**122,909**	**122,280**	**118,269**

Demand and saving deposits totalled P$62.4 billion as at September 30, 2011, an increase of P$5.2 billion or 9% over the same period last year, and P$3.1 billion or 5% from last quarter. The year-over-year and quarter-over-quarter increase reflects the Bank's continuing emphasis on growing its core deposit base.

Total term deposits decreased P$2.5 billion or 4% year-over-year and P$2.5 billion or 4% from last quarter. The year-over-year and quarter-over-quarter decrease was due to a lower interest rate environment and its impact on customers continuing with the term deposit product.

Investment certificates increased P$2 billion from the same quarter last year due to a placement of long term floating rate bonds as part of the existing bond issuance program.

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Attachment 2 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.

Special Accounting rules

Changes in accounting standards applicable to brokerage firms, issued by the National Banking and Securities Commission

On August 24, 2011 the General Provisions applicable to Brokerage Firms were published in the Federal Official Gazette, where modify the accounting standards and became effective August 25, 2011.

The applicable accounting changes are summarized below:

a) Criteria A-3 "Application of general accounting standards":

- Disclose securities as restricted when traded by not settled.

b) Criteria B-1 Cash and Cash Equivalents

- The accounting standards requires to present net negative balance of foreign currencies as other accounts payable.

c) Criteria B-5 "Derivatives and Hedging Activities" - Set the following

- Requires disclosure of terms and conditions for collateral and margin accounts.
- The OTC collaterals given-up or received are presented in Other Accounts Receivable and Payable respectively.

d) Criteria C-3 "Related Parties"

- Change the term "relationship" with the term "immediate family" in convergence with IFRS, adding that it must also address the applicable law.

e) Criteria D-1 "Balance Sheet"

- Changes the name of balance-sheet caption "Operations on behalf of clients" to the category of "Administrative Services or Management Operations¨
- Eliminates the heading "Unsettled transactions¨ The cash received as collateral are presented as part of "Other accounts payable¨

f) Criterion D-2 "Statement of income" – The statement of income is entirely restructured to converge with FRS and IFRS.

Reporting of minimum items related to the following is eliminated from the statement of income:

- Total operating income (expenses).
- Income before equity in results of operations of non-consolidated subsidiaries and Associated companies.

Item "Administrative and promotion expenses" is grouped after financial margin for intermediation with "Operating income (expenses)"

- Upon elimination of "other income (expenses), items making up this caption are regrouped under operating income (expenses).
- Equity in results of operations of non-consolidated subsidiaries and associated Companies is reported after "results of operations" and prior to "income before tax on earnings".

Changes to the accounting standards applicable to clearing house, issued by the National Banking and Securities Commission

On February 2, 2011 the General Provisions applicable to participants in the futures and options market to be quoted on the Stock Market, were published in the Federal Official Gazette, were modified the accounting standards and became effective on March 31, 2011.

a) B-5 Excess of minimum initial contribution

- The excess of minimum initial contributions which clearing house Trust is in charged are recognized as part of equity while interest generated by such contributions are recognized as other payables.
- The contributions received in cash are recognized as part of availabilities. Securities contributions received are reported in the line of Contribution in Securities. Both types of contributions are reported as Assets.

b) B-3 Repurchase agreements

- In an effort to eliminate accounting differences between Banks and Brokerage Firms. The standard now states that a repo transaction which does not fulfilled the true sale criteria will be reported as a financing activity with collateral. The accounting treatment is attending to reflect the economic substance of the transaction. The repo investment is reported as "Repurchase agreement debtor", and interest earned goes directly to statement of income utilizing the amortized cost method. The collateral received is recorded off-balance sheet account.
- The Clearing House Trust will adhere to the Mexican Financial Reporting Standards (before National Banking and Securities Commission's accounting criteria) effective March 2011.

Recently issued accounting standards

On October 5, 2011 the General Provisions applicable to Credit Institutions were published in the Federal Official Gazette, where modify the accounting standard B-6 "Credit Portfolio and its classification and provisioning method applicable to government entities¨.

a) Criterion B-6 "Credit Portfolio" – Establish as follows:

The effective date is March 1st, 2012, with the option to implement the changes on or after October 6, 2011. The amendments are exclusively for commercial credits provided to governments or commercial credits with guarantees.

- **Fees charged on credit granted**
  Enterprise engaged in lending activities frequently charge renewal fees such fees will need to deferred and amortized over the term of the renewal period.
- **Restructured and regarded**
  There are new criteria to consider a restructured or renewal loan as performing loan. In addition, there are new disclosure requirements.

b) Change in the rating methodology and provisioning applicable to all levels of government loans.

The current model of losses incurred was modified, for commercial loans to government entities into a new methodology based on the model of expected losses.

The Bank might take one of the following alternatives:

- Starts the application of the new methodology in the third quarter of 2011, since it became the effective date. If the Bank takes this option, the September 30, 2011figures will be used.

- Starts the application of the new methodology by December 31, 2011, using actual methodology before the effective date of the new resolution.

Attachment 3

GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
LORENZO BOTURINI No. 202, COL. TRANSITO, C.P. 06820, MEXICO, D.F.
CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2011

(EXPRESSED IN MILLION OF MEXICAN PESOS)

ASSETS			
FUNDS AVAILABLE			**20,392**
MARGIN ACCOUNTS			**83**
FINANCIAL INSTRUMENTS			
Securities – available for trading		36,075	
Securities – available for sale		4,059	
Securities – held to maturity		1,956	**42,090**
REPURCHASE AGREEMENTS (DEBTOR)			**858**
DERIVATIVES			
Trading		3,932	
Hedge		45	**3,977**
MARK TO MARKET ADJUSTMENT RELATED TO HEDGING OF FINANCIAL INSTRUMENTS			**195**
LOAN PORTFOLIO			
Business loans		55,158	
Commercial	40,479		
Financial intermediaries	4,449		
Government loans	10,230		
Consumer loans		15,307	
Mortgages loans		42,087	
TOTAL CURRENT LOAN PORTFOLIO		**112,552**	
PAST-DUE LOAN PORTFOLIO			
Business loans		262	
Commercial	225		
Financial intermediaries	37		
Consumer loans		611	
Mortgages loans		2,120	
TOTAL PAST-DUE PORTFOLIO		**2,993**	
LOAN PORTFOLIO		**115,545**	
(-) LESS:			
ALLOWANCE FOR LOAN LOSSES		**3,490**	
LOAN PORTFOLIO (NET)			**112,055**
SECURITIZATION RECEIVABLE			**211**
OTHER RECEIVABLES (NET)			**15,083**
FORECLOSED ASSETS (NET)			**11**
PROPERTY, FURNITURE AND EQUIPMENT (NET)			**3,964**
LONG-TERM INVESTMENT IN EQUITIES			**85**
DEFERRED TAXES AND EMPLOYEE PROFIT SHARING (NET)			**737**
OTHER ASSETS			
Deferred, advanced and intangibles charges		1,188	
Short and long term assets		669	**1,857**
TOTAL ASSETS			**201,598**

LIABILITIES AND STOCKHOLDERS' EQUITY			
FUNDING			
Demand and saving deposits		62,380	
Term deposits		54,155	
General public	47,255		
Money Market	6,900		
Issue credit certificates		6,239	**122,774**
BANK AND OTHER LOANS			
Demand		1,307	
Short term		2,923	
Long term		2,382	**6,612**
REPURCHASE AGREEMENTS			**19,337**
COLLATERAL SOLD OR GIVEN IN GUARANTEE			
Securities Receivable		101	**101**
LIABILITIES RELATED TO SECURITIES IN THE COURSE OF SETTLEMENT			**4,876**
DERIVATIVES			
Trading		5,778	
Hedge		431	**6,209**
OTHER PAYABLES			
Income taxes		81	
Employee profit sharing		250	
Creditors pending settlements		3,368	
Creditor by colateral received in cash		33	
Sundry creditors and other payables		6,129	**9,861**
DEFERRED CREDITS AND ADVANCED COLLECTIONS			**1,011**
TOTAL LIABILITIES			**170,781**
STOCKHOLDERS' EQUITY			
PAID-IN CAPITAL			
Capital stock		4,507	**4,507**
CAPITAL SURPLUS			
Capital reserves		901	
Results from previous years		22,798	
Effects from valuation of securities available for sale		336	
Effects from valuation of hedging instruments		(36)	
Net result		2,311	**26,310**
TOTAL STOCKHOLDERS' EQUITY			**30,817**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY			**201,598**

MEMORANDUM ACCOUNTS

Customer current accounts		
Cash Balances	20	
Transaction settlement	1,222	
Other	220	**1,462**
Custody operations		
Securities held in custody		**200,736**
Transactions on behalf of customers		
Securities operations	27,563	
Securities receivable operations	101	
Collaterals received in guarantee	53	
Collaterals given in guarantee	1,689	
Administrative trusts	166	**29,572**
Investment bank transaction on behalf of third parts (net)		**60,512**
TOTAL ON BEHALF OF THIRD PARTIES		**292,282**

Assets and liabilities contingent		**3,556**
Assets in trust s or mandate		
Trust	126,358	
Mandate	26,819	**153,177**
Assets in custody or under administration		**779,924**
Commitment loans		**332,488**
Collateral received for the entity		
Government paper	38,853	
Bank paper	800	
Investment in Financial Instruments	212	
Other	50,322	**90,187**
Collateral received and sold or delivered in guarantee for the entity		
Goverment paper	68,988	
Investment in Financial Instruments	101	**69,089**
Interest not collected from past due portfolio		**156**
Other control accounts		**556,617**
TOTAL OWN OPERATIONS		**1,985,194**

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

The historical capital stock amounts to $ 3,111 million as September 30, 2011".

NICOLE REICH DE POLIGNAC PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
LORENZO BOTURINI No. 202, COL. TRANSITO, C.P. 06820, MEXICO, D.F.
CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

Total interest earned		11,924
Total interest paid		4,323
Net interest profit		**7,601**
Provision for credit losses		1,526
Net interest profit, after provision for credit losses		**6,075**
Commissions earned	2,430	
Commissions paid	327	
Revenues from intermediation	457	
Other operational net income	2,171	
Administrative and operating expenses	7,670	(2,939)
Total operating revenues		**3,136**
Participation in the results of subsidiaries unconsolidated and associated companies		**1**
Net income before income tax		**3,137**
Current income tax	746	
Deferred income tax (net)	(80)	826
Net Income before discontinued operations		**2,311**
Net Income		**2,311**
Net Income including Controller Partipation		**2,311**

"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	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
LORENZO BOTURINI No. 202 COL. TRANSITO, C.P. 06820, MEXICO, D.F.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE PERIOD DECEMBER 31, 2010 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLIONS OF MEXICAN PESOS)

CONCEPT	Paid-in Capital	Capital Surplus					
	Capital stock	Statutory reserves	Results from Previous years	Result from valuation of available-for-sale securities	Result from valuation of Hedging instruments	Net income	Total stockholders' equity
Balances as of December 31 , 2010	**4,507**	**901**	**21,162**	**332**	**50**	**2,936**	**29,888**
ITEMS RELATED TO STOCKHOLDERS DECISIONS							
Transfer of prior years results	-	-	2,936	-	-	(2,936)	**-**
Dividend payment			(1,300)				**(1,300)**
Total	-	-	**1,636**	**-**	**-**	**(2,936)**	**(1,300)**
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME							
Net income						2,311	**2,311**
Result from valuation of available-for-sale securities				4			**4**
Result from valuation of hedging instruments					(86)		**(86)**
		-					
Total	-	-	-	**4**	**(86)**	**2,311**	**2,229**
Balances as of September 30, 2011	**4,507**	**901**	**22,798**	**336**	**(36)**	**2,311**	**30,817**

"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	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H. VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
LORENZO BOTURINI No. 202 COL. TRANSITO, C.P. 06820, MEXICO, D.F.
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLIONS OF MEXICAN PESOS)

Net income		2,311
Adjustments for items that not imply cash flow:		
Losses for deterioration or cancel effect associated with investment and funding activities	(12)	
Depreciation of property plant and equipment	229	
Amortization of intangible assets	5	
Provisions	2,208	
Income tax (current and deferred)	829	
Participation in the results of subsidiaries unconsolidated	(1)	
Other	(364)	2,894
Operation activities:		
Change in margin accounts		175
Change in investment securities		(4,135)
Change in repurchase agreements (debtor)		13,853
Change in derivates (assets)		(1,704)
Change in loan portfolio (net)		(11,482)
Change in Securizatión receivable		10
Change in foreclosed assets (net)		11
Change in other operational assets (net)		(5,664)
Change in funding		(3,051)
Change in bank and other loans		2,008
Change in repurchase agreements (creditor)		(3,883)
Change in collateral sold or in guarantee		(25)
Change in derivates (liabilities)		2,018
Change in other operational liabilities		9,112
Change in hedging instruments (related to hedged operating activities)		(10)
Payments for income taxes		(850)
Operation activities cash flow		**(3,617)**
Investment activities:		
Payments for acquisition of property, furniture and equipment		(422)
Payments for acquisition of subsidiaries		(3)
Payments for acquisition of intangible assets		(96)
Investment activities cash flow		**(521)**
Financing activities:		
Payments in cash (dividends)		(1,374)
Financing activities cash flow		**(1,374)**
Net Increase or Decrease in net cash and cash equivalents		**(307)**
Cash and cash equivalent at the beginning of the period		**20,699**
Cash and cash equivalent at the final of the period		**20,392**

"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 reflect the cash entrance and cash outflow of funds 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	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H. VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
CONSOLIDATED BALANCE SHEET
(EXPRESSED IN MILLION OF MEXICAN PESOS)

ASSETS	SEPT- 11	JUN- 11	SEPT-10
Funds Available	**20,392**	**21,502**	**23,462**
Margin Accounts	**83**	**117**	**178**
Financial Instruments	**42,090**	**39,622**	**43,405**
Securities – available for trading	36,075	33,866	34,541
Securities – available for sale	4,059	3,820	7,006
Securities – held to maturity	1,956	1,936	1,858
Repurchase Agreements (Debtor**)**	**858**	**3,266**	**8,713**
Derivatives	**3,977**	**2,269**	**3,048**
Trading	3,932	2,224	2,965
Hedge	45	45	83
Mark to Market Adjustment Related to Heading of Financial Instruments	**195**	**203**	**361**
Current Loan Portfolio	**112,552**	**108,078**	**98,892**
Business loans	55,158	51,599	42,467
Consumer loans	15,307	15,362	16,101
Mortgage loans	42,087	41,117	40,324
Past Due Loan Portfolio	**2,993**	**3,256**	**3,981**
Business loans	262	252	434
Consumer loans	611	625	914
Mortgage loans	2,120	2,379	2,633
Loan Portfolio	**115,545**	**111,334**	**102,873**
(-) Less Allowance for Loan Losses	3,490	3,684	4,060
Loan Portfolio (Net)	**112,055**	**107,650**	**98,813**
Securitization Receivable	**211**	**215**	**219**
Other Receivable (Net)	**15,083**	**13,676**	**13,524**
Foreclosed Assets (Net)	**11**	**9**	**20**
Property, Furniture and Equipment (Net)	**3,964**	**3,753**	**3,600**
Long-term Investment in Equities	**85**	**85**	**77**
Deferred Taxes and Employee Profit Sharing (Net)	**737**	**595**	**875**
Other Assets	**1,857**	**1,957**	**1,721**
Total Assets	**201,598**	**194,919**	**198,016**
LIABILITIES AND STOCKHOLDERS EQUITY			
Funding	**122,774**	**122,241**	**118,224**
Demand and saving deposits	62,380	59,225	57,177
Term deposits	54,155	56,800	56,811
Issue credit certificates	6,239	6,216	4,236
Bank and Other Loans	**6,612**	**4,669**	**6,229**
Repurchase Agreements	**19,337**	**18,111**	**25,124**
Collateral Sold or Given in Guarantee	**101**	**109**	**157**
Liabilities Related to Securities in the Course of Settlement	**4,876**	**2,212**	**1,690**
Derivatives	**6,209**	**4,726**	**4,751**
Trading	5,778	4,356	4,156
Hedge	431	370	595
Other Payables	**9,861**	**11,762**	**11,946**
Income Taxes	81	90	269
Employee profit sharing	250	180	301
Creditors pending settlements	3,368	5,032	5,733
Creditors by colateral receivable in cash	33	33	65
Sundry creditors and other payables	6,129	6,427	5,578
Deferred Credits and Advanced Collections	**1,011**	**972**	**928**
Total Liabilities	**170,781**	**164,802**	**169,049**
STOCKHOLDER´S EQUITY			
Paid -In Capital	**4,507**	**4,507**	**4,507**
Capital Surplus	**26,310**	**25,610**	**24,460**
Capital reserves	901	901	901
Results from previous years	22,798	22,798	21,161
Effects from valuation of securities available for sale	336	352	328
Effects from valuation of hedging instruments	(36)	7	12
Net result	2,311	1,552	2,058
Total Stockholder´s Equity	**30,817**	**30,117**	**28,967**
Total Liabilities and Stockholder´s Equity	**201,598**	**194,919**	**198,016**

GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
CONSOLIDATED BALANCE SHEET
(EXPRESSED IN MILLION OF MEXICAN PESOS)

MEMORANDUM ACCOUNTS	SEPT- 11	JUN- 11	SEPT-10
OPERATIONS ON BEHALF THIRD PARTIES			
Customer current accounts	**1,462**	**261**	**5**
Cash Balances	20	16	2
Transaction settlement	1,222	102	(23)
Other	220	143	26
Custody Operations	**200,736**	**203,958**	**195,951**
Securities hed in custody	200,736	203,958	195,951
Transactions on Behalf of Customers	**29,572**	**31,133**	**32,630**
Securities operations	27,563	28,906	30,244
Securities receivable operations	101	96	134
Collateral received in guarantee	53	58	78
Colaterals given in guarantee	1,689	1,910	2,028
Administrative trusts	166	163	146
Investment bank transaction	**60,512**	**68,164**	**69,380**
Investment bank transaction on behalf of third parts (net)	60,512	68,164	69,380
TOTAL ON BEHALF OF THIRD PARTIES	**292,282**	**303,516**	**297,966**
OWN OPERATIONS			
Assets and liabilities contingent	**3,556**	**3,857**	**2,996**
Assets in trust or mandate	**153,177**	**152,807**	**142,077**
Trust	126,358	125,985	115,251
Mandate	26,819	26,822	26,826
Assets in custody o under administration	**779,924**	**756,538**	**588,075**
Commitment loans	**332,488**	**342,545**	**2,548**
Collateral received for the entity	**90,187**	**104,132**	**113,111**
Goverment paper	38,853	53,636	112,806
Bank paper	800	-	-
Investment in Financial Instruments	212	251	-
Other	50,322	50,245	305
Collateral received and sold or delivered in guarantee for the entity	**69,089**	**73,021**	**42,244**
Goverment paper	68,988	72,912	42,087
Investment in Financial Instruments	101	109	157
Interest not collected from past due portfolio	**156**	**207**	**186**
Other control accounts	**556,617**	**523,881**	**714,020**
TOTAL OWN OPERATIONS	**1,985,194**	**1,956,988**	**1,605,257**

GRUPO FINANCIERO SCOTIABANK INVERLAT, S.A. DE C.V.
CONSOLIDATED STATEMENT OF INCOME
(EXPRESSED IN MILLION OF MEXICAN PESOS)

	9 MONTHS		3 MONTHS		
	SEPT-11	**SEPT-10**	**SEPT-11**	**JUN-11**	**SEPT-10**
Total interest earned	11,924	11,306	3,954	4,020	3,921
Total interest paid	4,323	3,371	1,526	1,452	1,156
Net interest profit	**7,601**	**7,935**	**2,428**	**2,568**	**2,766**
Provision for credit losses	1,526	1,932	512	448	644
Net interest profit, after provision for credit losses	**6,075**	**6,003**	**1,916**	**2,120**	**2,122**
Commissions earned	2,430	2,407	857	757	802
Commissions paid	326	287	118	107	91
Revenues from intermediation	457	1	314	91	-281
Other operational net income	2,171	1,766	600	594	631
Administrative and operating expenses	7,670	7,085	2,686	2,497	2,499
Total operating revenues	**3,137**	**2,805**	**883**	**958**	**684**
Participation in the results of subsidiaries unconsolidated and asociated	1	-	-	1	-
Net income before income tax	**3,138**	**2,805**	**883**	**959**	**684**
Current income tax	747	923	200	316	257
Deferred income tax (net)	(80)	176	76	(8)	118
	827	**747**	**124**	**324**	**139**
Net Income before discontinued operations	**2,311**	**2,058**	**759**	**635**	**545**
Net Income	**2,311**	**2,058**	**759**	**635**	**545**
Net Income including Controller Participation	**2,311**	**2,058**	**759**	**635**	**545**

Attachment 4

SCOTIABANK INVERLAT, S.A.
INSTITUCION DE BANCA MULTIPLE
GRUPO FINANCIERO SCOTIABANK INVERLAT.
LORENZO BOTURINI 202 COL.TRÁNSITO, C.P. 06820, MEXICO D.F.
BALANCE SHEETS CONSOLIDATED WITH ITS SUBSIDIARIES AS AT SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

ASSETS

FUNDS AVAILABLE			20,292
MARGIN ACCOUNTS			80
FINANCIAL INSTRUMENTS			
Securities – available for trading		15,620	
Securities – available for sale		3,638	
Securities – held to maturity		1,956	21,214
REPURCHASE AGREEMENTS (DEBTOR)			5,562
DERIVATIVES			
Trading		4,028	
Hedge		45	4,073
MARK TO MARKET ADJUSTMENT RELATED TO HEDGING OF FINANCIAL INSTRUMENTS			195
LOAN PORTFOLIO			
Business loans		55,168	
Commercial	40,479		
Financial intermediaries	4,459		
Government loans	10,230		
Consumer loans		15,307	
Mortgages loans		42,087	
TOTAL CURRENT LOAN PORTFOLIO		112,562	
PAST-DUE LOAN PORTFOLIO			
Business loans		262	
Commercial	225		
Financial intermediaries	37		
Consumer loans		611	
Mortgages loans		2,120	
TOTAL PAST-DUE PORTFOLIO		2,993	
LOAN PORTFOLIO		115,555	
(-) LESS:			
ALLOWANCE FOR LOAN LOSSES		3,490	
LOAN PORTFOLIO (NET)			112,065
SECURITIZATION RECEIVABLE			211
OTHER RECEIVABLES (NET)			14,394
FORECLOSED ASSETS (NET)			11
PROPERTY, FURNITURE AND EQUIPMENT (NET)			3,757
LONG-TERM INVESTMENT IN EQUITIES			79
DEFERRED TAXES AND EMPLOYEE PROFIT SHARING (NET)			792
OTHER ASSETS			
Deferred, advanced and intangible charges		1,003	
Short and long term other assets		642	1,645
TOTAL ASSETS			**184,370**

LIABILITIES AND STOCKHOLDERS' EQUITY

FUNDING			
Demand and saving deposits		62,385	
Term deposits		54,285	
General public	47,385		
Money market	6,900		
Issue credit certificate		6,239	122,909
BANK AND OTHER LOANS			
Demand		1,307	
Short term		2,923	
Long term		2,382	6,612
LIABILITIES RELATED TO SECURITIES IN THE COURSE OF SETTLEMENT			4,394
REPURCHASE AGREEMENTS			7,535
DERIVATIVES			
Trading		3,970	
Hedge		431	4,401
OTHER PAYABLES			
Income Taxes		66	
Employee profit sharing		214	
Creditors pending settlements		2,857	
Creditors by collaterals received in cash		33	
Sundry creditors and other payables		5,992	9,162
DEFERRED CREDITS AND ADVANCED COLLETIONS			1,010
TOTAL LIABILITIES			**156,023**
STOCKHOLDERS' EQUITY			
PAID-IN CAPITAL			
Capital stock		7,451	
Premium from the sale of shares		473	7,924
CAPITAL SURPLUS			
Capital reserves		2,687	
Results from previous years		15,459	
Effects from valuation of securities available for sale		196	
Effects from valuation of hedging instruments		(36)	
Net result		2,117	20,423
TOTAL STOCKHOLDERS' EQUITY			**28,347**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY			**184,370**

MEMORANDUM ACCOUNTS

Assets and liabilities contingent		71
Commitment loans		332,488
Assets in trust or mandate		153,177
Trust	126,358	
Mandate	26,819	
Assets in custody or under administration		648,187
Collateral received for the entity		85,008
Collateral received and sold or delivered in guarantee for the entity		30,797
Investment bank transaction on behalf of third parts (net)		60,512
Interest not collected from past due portfolio		156
Other control accounts		546,792

"These balance sheets consolidated 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 transactions carried out by the Bank through the dates noted above. Furthermore, these transactions were carried out and valued in accordance with sound banking practices and the applicable legal and administrative provisions.

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

The Bank's historical capital stock amounts to $ 6,200 million of pesos as September 30, 2011.

NICOLE REICH DE POLIGNAC PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H. VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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SCOTIABANK INVERLAT, S.A.
INSTITUCION DE BANCA MULTIPLE
GRUPO FINANCIERO SCOTIABANK INVERLAT.
LORENZO BOTURINI 202, COL TRANSITO, C.P. 06820, MEXICO D.F.
STATEMENT OF INCOME OF THE BANK CONSOLIDATED WITH ITS SUBSIDIARIES
FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

Total interest earned		10,953
Total interest paid		3,478
Net interest profit		**7,475**
Provision for credit losses		1,526
Net interest profit, after provision for credit losses		**5,949**
Commissions earned	1,649	
Commissions paid	284	
Revenues from intermediation	404	
Other operational net income	2,310	
Administrative and operating expenses	7,166	(3,087)
Total operating revenues		**2,862**
Participation in the results of subsidiaries unconsolidated and associated		1
Net income before income tax		**2,863**
Current income tax	652	
Deferred income tax (net)	(94)	746
Net Income before discontinued operations		**2,117**
Net Income		**2,117**

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

NICOLE REICH DE POLIGNAC PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H. VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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SCOTIABANK INVERLAT, S.A.
INSTITUCION DE BANCA MULTIPLE
GRUPO FINANCIERO SCOTIABANK INVERLAT
LORENZO BOTURINI 202, COL TRANSITO, C.P.06820, MEXICO D.F
CONSOLIDATED STATEMENT OF CHANGES IN THE CAPITAL OF THE BANK WITH ITS SUBSIDIARIES
FOR THE PERIOD DECEMBER 31, 2010 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

CONCEPT	Paid-in Capital				**Capital Surplus**								Total stockholders' equity
	Capital stock	Contributions for future increases by the Shareholders' assembly	Premium from the sale of shares	Subordinate debentures	Statutory reserves	Results from previous years	Result from valuation of available-for-sale securities	Results from valuation of hedging instruments	Cumulative effect of restatement	Result from holding non-monetary assets	Net income	Non-controller participation	
Balances as of December 31, 2010	**7,451**	**-**	**473**	**-**	**2,425**	**14,402**	**142**	**49**	**-**	**-**	**2,619**	-	**27,561**
ITEMS RELATED TO STOCKHOLDERS DECISIONS													
Creation of reserves					262	(262)							-
Transfer of prior year's results						2,619					(2,619)		-
Dividend payment						(1,300)							**(1,300)**
Total	**-**	**-**	**-**	**-**	**262**	**1,057**	**-**	**-**	**-**	**-**	**(2,619)**	-	**(1,300)**
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME													
Net income											2,117		**2,117**
Result from valuation of available-for-sale securities							54						**54**
Result from valuation of hedging instruments								(85)					**(85)**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**54**	**(85)**	**-**	**-**	**2,117**	-	**2,086**
Balances as of September 30, 2011	**7,451**	**-**	**473**	**-**	**2,687**	**15,459**	**196**	**(36)**	**-**	**-**	**2,117**	-	**28,347**

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

NICOLE REICH DE POLIGNAC PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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SCOTIABANK INVERLAT, S.A.
INSTITUCION DE BANCA MULTIPLE
GRUPO FINANCIERO SCOTIABANK INVERLAT
LORENZO BOTURINI 202, COL. TRANSITO C.P. 06820, MEXICO D.F.
CONSOLIDATED STATEMENT OF CASH FLOW OF THE BANK WITH ITS SUBSIDIARIES
FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

Net income	**2,117**
Losses for deterioration or cancel effect associated with investment and funding activities	(14)
Depreciation of property plant and equipment	216
Amortization of intangible assets	4
Provisions	2,171
Income tax (current and deferred)	746
Participation in the results of subsidiaries unconsolidated	(1)
Other	(317)
Adjustments for items that not imply cash flow	**2,805**
Operation activities	
Change in margin accounts	69
Change in investment securities	7,777
Change in repurchase agreements (debtor)	8,993
Change in derivates (assets)	(1,716)
Change in loan portfolio (net)	(11,481)
Change in securitization receivable	10
Change in foreclosed assets (net)	11
Change in other operational assets (net)	(5,303)
Change in funding	(2,944)
Change in bank and other loans	2,008
Change in repurchase agreements (creditor)	(6,010)
Change in derivates (liabilities)	1,751
Change in other operational liabilities	4,114
Change in hedging instruments (of hedged items related to operation activities)	(10)
Payments for income taxes	(723)
Operation activities cash flow	**(3,454)**
Investment activities	
Payments for acquisition of property, furniture and equipment	(394)
Payments for acquisition of intangible assets	(92)
Investment activities cash flow	**(486)**
Financing activities	
Dividends paid in cash	(1,374)
Financing activities cash flow	**(1,374)**
Net Increase or Decrease in net cash and cash equivalents	**(392)**
Cash and cash equivalent at the beginning of the period	20,684
Cash and cash equivalent at the final of the period	**20,292**

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

NICOLE REICH DE POLIGNAC PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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SCOTIABANK INVERLAT, S.A.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BALANCE SHEETS CONSOLIDATED WITH ITS SUBSIDIARIES
(EXPRESSED IN MILLION OF MEXICAN PESOS)

ASSETS	SEPT- 11	JUN- 11	SEPT-10
Funds Available	**20,292**	**21,375**	**23,461**
Margin Accounts	**80**	**106**	**138**
Financial Instruments	**21,214**	**21,608**	**31,599**
Securities – available for trading	15,620	16,333	23,170
Securities – available for sale	3,638	3,339	6,571
Securities – held to maturity	1,956	1,936	1,858
Repurchase Agreements (Debtor**)**	**5,562**	**6,615**	**8,533**
Derivatives	**4,073**	**2,320**	**3,029**
Trading	4,028	2,275	2,946
Hedge	45	45	83
Mark to Market Adjustment Related to Heading of Financial Instruments	**195**	**203**	**361**
Current Loan Portfolio	**112,562**	**108,160**	**98,970**
Business loans	55,168	51,681	42,545
Consumer loans	15,307	15,362	16,101
Mortgage loans	42,087	41,117	40,324
Past Due Loan Portfolio	**2,993**	**3,256**	**3,981**
Business loans	262	252	434
Consumer loans	611	625	914
Mortgage loans	2,120	2,379	2,633
Loan Portfolio	**115,555**	**111,416**	**102,951**
(-) Less Allowance for Loan Losses	**3,490**	**3,684**	**4,060**
Loan Portfolio (Net)	**112,065**	**107,732**	**98,891**
Securitization Receivable	**211**	**215**	**219**
Other Receivable (Net)	**14,394**	**12,192**	**11,786**
Foreclosed Assets (Net)	**11**	**9**	**20**
Property, Furniture and Equipment (Net)	**3,757**	**3,568**	**3,439**
Long-term Investment in Equities	**79**	**79**	**74**
Deferred Taxes and Employee Profit Sharing (Net)	**792**	**661**	**928**
Other Assets	**1,645**	**1,795**	**1,592**
Total Assets	**184,370**	**178,478**	**184,070**

LIABILITIES AND STOCKHOLDER´S EQUITY	SEPT- 11	JUN- 11	SEPT-10
Funding	**122,909**	**122,280**	**118,269**
Demand and saving deposits	62,385	59,233	57,199
Term deposits	54,285	56,831	56,834
Issue credit certificates	6,239	6,216	4,236
Bank and Other Loans	**6,612**	**4,669**	**6,229**
Liabilities Related to Securities in the Course of Settlement	**7,535**	**2,212**	**1,668**
Repurchase Agreements	**4,394**	**7,635**	**15,938**
Derivatives	**4,401**	**2,791**	**3,607**
Trading	3,970	2,421	3,011
Hedge	431	370	596
Other Payables	**9,162**	**10,238**	**10,677**
Income Taxes	66	74	226
Employee profit sharing	214	147	263
Creditors pending settlements	2,857	3,536	4,779
Creditors by collaterals received in cash	33	33	-
Sundry creditors and other payables	5,992	6,448	5,409
Deferred Credits and Advanced Collections	**1,010**	**972**	**928**
Total Liabilities	**156,023**	**150,797**	**157,316**
STOCKHOLDER´S EQUITY			
Paid -In Capital	**7,924**	**7,924**	**7,923**
Capital Surplus	**20,423**	**19,757**	**18,831**
Capital reserves	2,687	2,687	2,425
Results from previous years	15,459	15,459	14,402
Effects from valuation of securities available for sale	196	176	179
Effects from valuation of hedging instruments	(36)	7	12
Net result	2,117	1,428	1,813
Total Stockholder´s Equity	**28,347**	**27,681**	**26,754**
Total Liabilities and Stockholder´s Equity	**184,370**	**178,478**	**184,070**

SCOTIABANK INVERLAT, S.A.
GRUPO FINANCIERO SCOTIABANK INVERLAT
CONSOLIDATED BALANCE SHEET WITH SUBSIDIARIES
(EXPRESSED IN MILLION OF MEXICAN PESOS)

MEMORANDUM ACCOUNTS	SEPT- 11	JUN- 11	SEPT-10
OPERATIONS ON BEHALF THIRD PARTIES			
Assets and liabilities contingent	71	71	71
Commitment loans	332,488	342,545	2,548
Assets in trust s or mandate	153,177	152,807	142,075
Trust	126,358	125,985	115,249
Mandate	26,819	26,822	26,826
Assets in custody or under administration	648,187	630,401	463,148
Collaterals received for the entity	85,008	90,087	89,684
Collaterals received and sold or delivered in guarantee for the entity	30,797	34,942	18,966
Investment bank transaction on behalf of third parts (net)	60,512	68,163	69,380
Interest not collected from past due portfolio	156	207	187
Other control accounts	546,792	514,193	709,017

SCOTIABANK INVERLAT, S.A.
GRUPO FINANCIERO SCOTIABANK INVERLAT
CONSOLIDATED STATEMENT OF INCOME WITH ITS SUBSIDIARIES
(EXPRESSED IN MILLION OF MEXICAN PESOS)

	9 MONTHS		3 MONTHS		
	SEPT-11	SEPT-10	SEPT-11	JUN-11	SEPT-10
Total interest earned	10,953	10,282	3,729	3,637	3,561
Total interest paid	3,478	2,504	1,240	1,164	862
Net interest profit	**7,475**	**7,778**	**2,489**	**2,473**	**2,699**
Provision for credit losses	1,526	1,932	512	448	644
Net interest profit, after provision for credit losses	**5,949**	**5,846**	**1,977**	**2,025**	**2,055**
Commissions earned	1,649	1,670	596	518	563
Commissions paid	284	240	103	92	76
Revenues from intermediation	404	-149	196	107	-286
Other operational net income	2,310	1,904	660	627	681
Administrative and operating expenses	7,166	6,608	2,525	2,302	2,321
Total operating revenues	**2,862**	**2,423**	**801**	**883**	**616**
Participation in the results of subsidiaries unconsolidated and associated	1	-	-	1	-
Net income before income tax	**2,863**	**2,423**	**801**	**884**	**616**
Current income tax	652	815	197	293	230
Deferred income tax (net)	(94)	205	85	(3)	127
	746	**610**	**112**	**296**	**103**
Net Income before discontinued operations	**2,117**	**1,813**	**689**	**588**	**513**
Net Income	**2,117**	**1,813**	**689**	**588**	**513**

Attachment 5

SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT.
BOSQUE DE CIRUELOS No. 120, COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
BALANCE SHEETS AS AT SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

MEMORANDUM ACCOUNTS

OPERATIONS ON BEHALF THIRD PARTIES			**OWN OPERATIONS**		
CUSTOMER CURRENT ACCOUNTS			**ASSETS AND LIABILITIES CONTINGENT**		**3,482**
Cash balances	20				
Transaction settlement	1,222				
Other	220	**1,462**			
CUSTODY OPERATIONS			**COLLATERAL RECEIVED BY THE ENTITY**		
Securities held in custody		**200,736**	Government debt	21,579	
			Own instruments	212	**21,791**
MANAGEMENT OPERATIONS					
			COLLATERAL RECEIVED, SOLD OR DELIVERED IN GUARANTEE FOR THE ENTITY		
Securities operations	27,563				
Securities receivable operations	101		Government debt	21,579	
Collaterals received in guarantee	53		Own instruments	102	**21,681**
Collaterals given in guarantee	1,690				
Administrative trusts	165	**29,572**	**Other**		**4,965**
TOTAL ON BEHALF OF THIRD PARTIES		**231,770**	**TOTAL BROKERAGE FIRM**		**51,919**

ASSETS			**LIABILITIES AND STOCKHOLDERS' EQUITY**		
FUNDS AVAILABLE		**17**	**BANK AND OTHER LOANS**		
			Short term		**9**
MARGIN ACCOUNTS (DERIVATES)		**30**			
			LIABILITIES RELATED TO SECURITIES IN THE COURSE OF SETTLEMENT		**482**
FINANCIAL INSTRUMENTS					
Securities – available for trading	20,051				
Securities – available for sale	421	**20,472**	**REPURCHASE AGREEMENTS – CREDITORS**		**16,557**
REPURCHASE AGREEMENTS – DEBTORS		**1**	**COLLATERAL SOLD OR GIVEN IN GUARANTEE**		
			Securities receivable		**101**
DERIVATES					
Trading		**186**	**DERIVATES**		
			Trading		**2,090**
			OTHER PAYABLES		
			Income tax	9	
ACCOUNTS RECEIVABLE (NET)		**755**	Employee profit sharing	17	
			Creditors pending settlements	511	
PROPERTY, FURNITURE AND EQUIPMENT (NET)		**170**	Sundry creditors and other payables	232	**769**
LONG-TERM INVESTMENTS IN EQUITIES		**3**			
			DEFERRED TAXES AND EMPLOYEE PROFIT SHARING (NET)		**46**
			TOTAL LIABILITIES		**20,054**
OTHER ASSETS					
Deferred, advanced and intangible charges	158				
Short and long term other assets	27	**185**	**STOCKHOLDERS' EQUITY**		
			PAID-IN CAPITAL		
			Capital stock		**551**
			CAPITAL SURPLUS		
			Statutory reserves	58	
			Results from prior years	908	
			Results for valuation of securities available for sale	140	
			Net results	108	**1,214**
			TOTAL STOCKHOLDERS' EQUITY		**1,765**
TOTAL ASSETS		**21,819**	**EQUITY TOTAL LIABILITIES AND STOCKHOLDERS'**		**21,819**

"These balance sheets have been 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 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."

The historical capital stock amount is $386 million as at September 30, 2011.

GONZALO ROJAS RAMOS PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
STATEMENT OF INCOME FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

Commissions and fees collected		452
Commissions and fees paid		(33)
Financial advisory income		64
Service Income		**483**
Gain on purchase and sale of securities	728	
Loss on purchase and sale of securities	(727)	
Interest income	1,445	
Interest expense	(1,323)	
Valuation gain (loss) on securities	43	166
Net Interest Profit for Intermediation		**166**
Other operational net income	7	
Administrative and operating expenses	(505)	(498)
Operating income		**151**
Net income before income tax		**151**
Current income tax	52	
Deferred income tax (net)	(9)	43
Net income before discontinued operations		**108**
Net income		**108**

“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 statement of income were approved by the Board Directors under the responsibility of the following officers.”

GONZALO ROJAS RAMOS PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120, COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE PERIOD DECEMBER 31, 2010 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

CONCEPT	Paid-in Capital				Capital Surplus							
	Capital stock	Contributions for future increases by the Shareholders' assembly	Premium from the sale of shares	Subordinated debentures	Statutory reserves	Results from previous years	Result for valuation of securities available for sale	Result from valuation of hedging instruments	Cumulative effect of restatement	Result from holding non-monetary assets	Net income	Total stockholders' equity
Balances as of December 31, 2010	**551**	**-**	**-**	**-**	**46**	**872**	**191**	**-**	**-**	**-**	**248**	**1,908**
ITEMS RELATED TO STOCKHOLDERS DECISIONS												
Creation of reserves					12	(12)						
Transfer of prior year's results						248					(248)	
Dividend payment						(200)						**(200)**
Total	-	**-**	**-**	**-**	**12**	**36**	**-**	**-**	**-**	**-**	**(248)**	**(200)**
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME												
Net income											108	**108**
Result from valuation of available-for-sale securities							(51)					**(51)**
Total	**-**	**-**	**-**	**-**	**-**	**-**	**(51)**	**-**	**-**	**-**	**108**	**57**
Balances as of September 30 2011	**551**	**-**	**-**	**-**	**58**	**908**	**140**	**-**	**-**	**-**	**108**	**1,765**

"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

DIEGO M. PISINGER ALTER
DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE

AGUSTIN CORONA GAHBLER
EXECUTIVE DIRECTOR AUDIT GROUP

H.VALERIO BUSTOS QUIROZ
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SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120 COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
STATEMENT OF CASH FLOW, FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN MILLION OF MEXICAN PESOS)

Net income		**108**
Adjustments for items that do not imply flow of cash:		
Losses for deterioration or cancel effect associated with investment	2	
Depreciation and amortization	8	
Provisions	35	
Income tax (current and deferred)	57	
Other	(44)	**58**
Operation Activities:		
Change in margin accounts		79
Change in investment securities		(7,394)
Change in repurchase agreements (debtor)		69
Change in derivates (assets)		(263)
Change in other operational assets		(496)
Change in bank and other loans		(1)
Change in Liabilities related to securities in the course of settlement		482
Change in repurchase agreements (creditor)		6,882
Change in collateral sold or in guarantee		(25)
Change in derivates (liabilities)		542
Change in other operational liabilities		182
Operation activities cash flow		**57**
Investment Activities		
Payments for acquisition of property, furniture and equipment		(23)
Payments for acquisition of intangible assets		(3)
Investment activities cash flow		**(26)**
Financing activities		
Dividends paid in cash		(200)
Financing activities cash flow		**(200)**
Net Increase or Decrease in cash		**3**
Cash and cash equivalent at the beginning of the period		**20**
Cash and cash equivalent at the final of the period		**17**

“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 PRESIDENT	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLIGENCE	AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE

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SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BALANCE SHEETS
(EXPRESSED IN MILLION OF MEXICAN PESOS)

ASSETS	SEPT-11	JUN-11	SEPT-10
Funds Available	**17**	**146**	**21**
Margin Accounts (Derivatives)	**30**	**25**	**40**
Financial Instruments	**20,472**	**17,738**	**11,593**
Securities – available for trading	20,051	17,257	11,158
Securities – available for sale	421	481	435
Repurchase Agreements (Debtor**)**	**1**	**1**	**1**
Derivatives	**186**	**185**	**25**
Trading	186	185	25
Accounts Receivable (Net)	**755**	**1,721**	**1,763**
Property, Furniture and Equipment (Net)	**170**	**151**	**154**
Long-term Investment in Equities	**3**	**3**	**3**
Other Assets	**185**	**146**	**117**
Total Assets	**21,819**	**20,116**	**13,717**

LIABILITIES AND STOCKHOLDER´S EQUITY	SEPT-11	JUN-11	SEPT-10
Bank and Other Loans	**9**	**81**	**78**
Liabilities Related to Securities in the Course of Settlement	**482**	**-**	**22**
Repurchase Agreements	**16,557**	**13,981**	**9,186**
Collateral Sold or Given in Guarantee	**101**	**109**	**157**
Derivatives	**2,090**	**2,172**	**1,151**
Trading	2,090	2,172	1,151
Other Payables	**769**	**1,752**	**1,242**
Income Taxes	9	9	30
Employee profit sharing	17	14	21
Creditors pending settlements	511	1,495	954
Sundry creditors and other payables	232	234	237
Deferred Taxes and Employee Profit Sharing (Net)	**46**	**58**	**57**
Total Liabilities	**20,054**	**18,153**	**11,893**

STOCKHOLDER´S EQUITY	SEPT-11	JUN-11	SEPT-10
Paid -In Capital	**551**	**551**	**551**
Capital Surplus	**1,214**	**1,412**	**1,273**
Capital reserves	58	58	46
Results from previous years	908	1,108	872
Effects from valuation of securities available for sale	140	176	149
Net Income	108	70	206
Total Stockholder´s Equity	**1,765**	**1,963**	**1,824**
Total Liabilities and Stockholder´s Equity	**21,819**	**20,116**	**13,717**

SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
BALANCE SHEET
(EXPRESSED IN MILLION OF MEXICAN PESOS)

MEMORANDUM ACCOUNTS	SEPT-11	JUN-11	SEPT-10
OPERATIONS ON BEHALF THIRD PARTIES			
Customer Current Accounts	**1,462**	**262**	**5**
Cash Balances	20	16	2
Transaction settlement	1,222	103	(23)
Other	220	143	26
Custody Operations	**200,736**	**203,958**	**195,951**
Securities held in custody	200,736	203,958	195,951
Managemente Operations	**29,572**	**31,133**	**32,630**
Securities operations	27,563	28,906	30,244
Securities receivable operations	101	96	134
Collaterals received in guarantee	53	58	78
Collaterals given in guarantee	1,690	1,910	2,028
Administrative trusts	165	163	146
TOTAL ON BEHALF THIRD PARTIES	**231,770**	**235,353**	**228,586**
OWN OPERATIONS			
Assets and liabilities contigent	**3,482**	**3,783**	**2,923**
Collaterals received for the entity	**21,791**	**26,133**	**23,426**
Goverment paper	21,579	25,882	23,121
Investment in Financial Instruments	212	251	305
Collaterals received and sold or delivered in guarantee for the entity	**21,681**	**25,990**	**23,278**
Goverment paper	21,579	25,882	23,121
Investment in Financial Instruments	102	108	157
Other control accounts	**4,965**	**4,829**	**144**
TOTALES OWN OPERATIONS	**51,919**	**60,735**	**49,771**

SCOTIA INVERLAT CASA DE BOLSA, S.A. DE C.V.
GRUPO FINANCIERO SCOTIABANK INVERLAT
STATEMENT OF INCOME
(EXPRESSED IN MILLION OF MEXICAN PESOS)

	9 MONTHS		3 MONTHS		
	SEPT-11	**SEPT-10**	**SEPT-11**	**JUN-11**	**SEPT-10**
Commissions and fees collected	452	429	146	131	136
Commissions and fess paid	(33)	(28)	(12)	(12)	(9)
Financial advisory Income	64	60	22	19	21
Service Income	**483**	**461**	**156**	**138**	**148**
Gain on purchase and sale of securities	728	335	285	112	69
Loss on purchase and sale of securities	(727)	(183)	(189)	(161)	(60)
Interest income	1,445	1,382	368	541	475
Interest expense	(1,323)	(1,232)	(430)	(447)	(411)
Valuation gain (loss) on securities	43	(7)	18	30	(7)
Net Interest Profit for Intermediation	**166**	**295**	**52**	**75**	**66**
Other operational net income	7	35	(2)	1	7
Administrative and operating expenses	(505)	471	169	177	167
Operating income	**151**	**320**	**37**	**37**	**54**
Net income before income tax	**151**	**320**	**37**	**37**	**54**
Current income tax	52	64	8	10	19
Deferred income tax (net)	(9)	50	(7)	5	9
	43	114	**2**	**15**	**26**
Net income before discontinued operations	**108**	**206**	**38**	**22**	**26**
Net income	**108**	**206**	**38**	**22**	**26**

Attachment 6

SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSION
GRUPO FINANCIERO SCOTIABANK INVERLAT
BOSQUE DE CIRUELOS No. 120, COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
BALANCE SHEET AS AT SEPTEMBER 30, 2011
(EXPRESSED IN THOUSANDS OF MEXICAN PESOS)

ASSETS			LIABILITIES AND STOCKHOLDERS' EQUITY		
FUNDS AVAILABLE		**14**	**OTHER PAYABLES**		
			Income tax	6,709	
			Sundry creditors and other payables	66,587	**73,296**
SECURITIES INVESTMENT					
Securities – available for trading		**303,013**			
			TOTAL LIABILITIES		**73,296**
OTHER ACCOUNTS RECEIVABLE (NET)		**78,253**			
LONG-TERM INVESTMENT IN EQUITIES		**3,248**	**STOCKHOLDERS' EQUITY**		
			PAID-IN CAPITAL		
			Capital stock		**2,586**
DEFERRED TAXES AND EMPLOYEE PROFIT SHARING (NET)		**657**			
			CAPITAL SURPLUS		
			Statutory reserves	517	
OTHER ASSETS			Results from prior years	231,574	
Deferred, advanced and intangible charges	200		Net results	77,432	**309,523**
Short and Long term assets	20	**220**			
			TOTAL STOCKHOLDERS' EQUITY		**312,109**
TOTAL ASSETS		**385,405**	**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY**		**385,405**

MEMORANDUM ACCOUNTS

Assets and Liabilities contingent	2,880
Assets in custody or under administration	121,966,243

"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 of pesos as at September 30, 2011.

ERNESTO DIEZ SANCHEZ
PRESIDENT

H.VALERIO BUSTOS QUIROZ
DEPUTY DIRECTOR FINANCE

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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, COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
STATEMENT OF INCOME FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN THOUSANDS OF MEXICAN PESOS)

Commissions and fees collected		585,094
Commissions and fees paid		474,676
Service Income		**110,418**
Valuation gain (loss) on securities	828	
Gain and loss on purchase and sale of securities	7,213	8,041
Net Interest Profit		**8,041**
Total Other Operating Net Income		**118,459**
Administrative expenses		7,506
Operating income		**110,953**
Other income	24	
Other expenses	1,696	(1,672)
Net income before income tax		**109,281**
Current income tax	32,168	
Deferred income tax (net)	(301)	31,867
Results before subsidiaries unconsolidated and associated companies		**77,414**
Participation in the results of subsidiaries unconsolidated and associated		18
Results before discontinued operations		**77,432**
Net income		**77,432**

"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

H.VALERIO BUSTOS QUIROZ
DEPUTY DIRECTOR FINANCE

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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, COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE PERIOD DECEMBER 31, 2010 TO SEPTEMBER 30, 2011
(EXPRESSED IN THOUSANDS OF MEXICAN PESOS)

CONCEPT	Paid-in Capital			Capital Surplus					
	Capital stock	Contributions for future increases by the Shareholders' assembly	Premium from the sale of shares	Statutory reserves	Results from previous years	Result from valuation of available for sale securities	Result form holding non-monetary assets	Net income	Total stockholders' equity
Balances as of December 31, 2010	**2,586**	-	-	**517**	**135,421**	-	-	**96,153**	**234,677**
ITEMS RELATED TO STOCKHOLDERS DECISIONS									
Transfer of prior year's results					96,153			(96,153)	**-**
									-
									-
Total	**-**	**-**	**-**	**-**	**96,153**	**-**	**-**	**(96,153)**	**-**
ITEMS RELATED TO RECOGNITION OF COMPREHENSIVE INCOME									
Comprehensive Income									
Net income								77,432	**77,432**
Total	**-**	**-**	**-**	**-**	**-**	**-**	-	**77,432**	**77,432**
Balances as of September 30, 2011	**2,586**	**-**	**-**	**517**	**231,574**	**-**	**-**	**77,432**	**312,109**

"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

H.VALERIO BUSTOS QUIROZ
DEPUTY DIRECTOR FINANCE

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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, COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
STATEMENT OF CASH FLOW, FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2011
(EXPRESSED IN THOUSANDS OF MEXICAN PESOS)

Net income		**77,432**
Adjustments for items that not imply cash flow		
Provisions	1,484	
Income tax (current and deferred)	31,867	
Participation in the result of subsidiaries non consolidated and associated	(18)	
Other	(828)	**32,505**
Operation activities		
Change in investment securities		(63,637)
Change in other operational assets		(5,278)
Change in other operational liabilities		(39,360)
Operation activities cash flow		**(108,275)**
Investment activities		
Payments for acquisition of subsidiaries and associated		(2,229)
Payments for acquisition of otrher long-term investment in equities		(1,000)
Financing activities cash flow		**(3,229)**
Net Increase or Decrease in cash		**(1,567)**
Cash and cash equivalent at the beginning of the period		**1,581**
Cash and cash equivalent at the final of the period		**14**

"This statement of cash flow has 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 cash entrance and cash outflow 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.

This statement of cash flow was approved by the Board Directors under the responsibility of the following officers".

ERNESTO DIEZ SANCHEZ
PRESIDENT

H.VALERIO BUSTOS QUIROZ
DEPUTY DIRECTOR FINANCE

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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, COL. BOSQUES DE LAS LOMAS, C.P. 11700, MEXICO D.F.
STATEMENT OF INVESTMENT LOAN VALUATION, AS AT SEPTEMBER 30, 2011
(EXPRESSED IN THOUSANDS OF MEXICAN PESOS)

REFERENCE NUMBER	INVESTMENT TYPE	ISSUER	SERIES	SECURITY TYPE	MARKET RATE	RATE TYPE	CREDIT RATING	No. OF SECURITIES MANAGEMENT	No. OF SECURITIES SETTLEMENTS	No. OF SECURITIES ISSUED	AVERAGE ACQUISITION COST / UNIT	TOTAL ACQUISITION COST	MARKET PRICE	TOTAL MARKET VALUE	DAYS TO MATURITY
201	**D**	**SCOTIAG**	**M6**	**51**	**0**	**TR**	**AAA/2F**	**116,326,544**	**2,671,157**	**3,320,000,011**	**2.605073**	**303,039**	**2.604849**	**303,013**	**0**
		TOTALS:										**303,039**		**303,013**	

"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 operations of investment assests 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

H.VALERIO BUSTOS QUIROZ
DEPUTY DIRECTOR FINANCE

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SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSION
GRUPO FINANCIERO SCOTIABANK INVERLAT
BALANCE SHEET
(EXPRESSED IN THOUSANDS OF MEXICAN PESOS)

ASSETS	SEPT 11	JUN 11	SEPT-10
FUNDS AVAILABLE	**14**	**14**	**15**
SECURITIES INVESTMENT	**303,013**	**275,899**	**213,400**
Securities – available for trading	303,013	275,899	213,400
OTHER ACCOUNTS RECEIVABLE (NET)	**78,253**	**74,512**	**69,354**
LONG – TERM INVESTMENT IN EQUITIES	**3,248**	**3,225**	**-**
DEFERRED TAXES AND EMPLOYEE PROFIT SHARING (NET)	**657**	**432**	**493**
OTHER ASSETS	**220**	**215**	**186**
Deferred, advanced and intangible charges	200	193	157
Short and long term assets	20	22	29
TOTAL ASSETS	**385,405**	**354,297**	**283,448**
LIABILITIES AND STOCKHOLDER´S EQUITY			
OTHER PAYABLES	**73,296**	**69,554**	**73,752**
Income tax	6,709	5,712	13,124
Sundry creditors and other payables	66,587	63,842	60,628
TOTAL LIABILITIES	**73,296**	**69,554**	**73,752**
STOCKHOLDER´S EQUITY			
PAID IN CAPITAL	**2,586**	**2,586**	**2,586**
CAPITAL SURPLUS	**309,523**	**282,157**	**207,110**
Statutory reserves	517	517	517
Results from prior years	231,574	231,574	135,421
Net results	77,432	50,066	71,172
TOTAL STOCKHOLDER´S EQUITY	**312,109**	**284,743**	**209,696**
TOTAL LIABILITIES AND STOCKHOLDER´S EQUITY	**385,405**	**354,297**	**283,448**
MEMORANDUM ACCOUNTS			
Assets and Liabilities contingent	2,880	2,809	2,227
Assets in custody or under administration	121,966,243	116,440,606	114,967,963

SCOTIA FONDOS, S.A. DE C.V.
SOCIEDAD OPERADORA DE SOCIEDADES DE INVERSIÓN
GRUPO FINANCIERO SCOTIABANK INVERLAT
STATEMENT OF INCOME
(EXPRESSED IN THOUSAND OF MEXICAN PESOS)

	9 MONTHS		3 MONTHS		
	SEPT-11	**SEPT-10**	**SEPT-11**	**JUN-11**	**SEPT-10**
Commissions and fees collected	585,094	530,792	202,823	193,727	184,090
Commissions and fees paid	474,676	430,549	164,098	157,367	149,343
Service Income	**110,418**	**100,243**	**38,725**	**36,360**	**34,747**
Valuation gain (loss) on securities	828	378	84	157	127
Gain and loss on purchased and sale of securities	7,213	4,960	2,845	2,528	1,933
Net Interes Profit	**8,041**	**5,338**	**2,929**	**2,685**	**2,060**
Total Other Operating Income	**118,459**	**105,581**	**41,654**	**39,045**	**36,807**
Administrative expenses	7,506	7,897	3,058	2,640	1,443
Operating income	**110,953**	**97,684**	**38,596**	**36,405**	**35,364**
Other income	24	3,678	-	12	2,985
Other expenses	1,696	1,287	629	509	432
Net income before income tax	**109,281**	**100,075**	**37,967**	**35,908**	**37,917**
Current income tax	32,168	28,141	10,849	11,400	9,728
Deferred income tax(net)	(301)	762	-226	24	1,041
	31,867	28,903	10,623	11,424	10,769
Results before subsidiaries uncosolidated and associated companies	**77,414**	**71,172**	**27,344**	**24,484**	**27,148**
Participation in the results of subsidiaries unconsolidated and associated	18	-	18	10	-
Results before discontinued operations	**77,432**	**71,172**	**27,362**	**24,494**	**27,148**
Net income	**77,432**	**71,172**	**27,362**	**24,494**	**27,148**

Attachment 7 Grupo Scotiabank

Grupo Scotiabank Financial Indicators					
	2011			2010	
	Q3	Q2	Q1	Q4	Q3
ROE *(Annualised quarterly net income / average capital for the quarter)*	10.0	8.3	12.1	11.9	7.6
ROA *(Annualised quarterly net income / average of total assets for the quarter)*	1.5	1.3	1.8	1.8	1.1
Net Interest margin *(Net interest margin including credit loss provisions / average earning assets)*	4.3	4.9	4.7	4.6	5.0
Operating efficiency *(Annualised quarterly operating expenses / average of total assets for the quarter)*	5.4	5.0	4.9	5.3	5.2
Delinquency index *(Balance of past due loans at quarter end / balance total loans)*	2.6	2.9	3.3	3.6	3.9
Reserve coverage of past due loans *(Allowance for credit losses at quarter end / balance of past due loans)*	116.6	113.2	105.6	103.3	102.0
Net capital / Credit risk adjustment assets	21.70	22.51	23.71	23.66	22.94
Net capital / Total risk adjustment assets *(credit, market and operational risk)*	16.30	16.86	17.44	17.81	17.35
Liquidity *(Liquid assets / liquid liabilities)*	103.7	95.2	84.9	87.8	105.4

Grupo Scotiabank Segments; *(P$ millions; as at September 30, 2011)*				
	Credit & Services	**Trading & Treasury**	**Other**	**Total Group**
Net interest income	6,986	360	255	7,601
Other income	3,400	427	905	4,732
Revenue	**10,386**	**787**	**1,160**	**12,333**
Provision for credit losses	(1,526)	-	-	(1,526)
Total revenue	**8,860**	**787**	**1,160**	**10,807**
Operating expenses	(6,584)	(378)	(708)	(7,670)
Participation in results of subsidiaries and associated companies	-	1	-	1
Operational profit	**2,276**	**410**	**452**	**3,138**
Income tax	-	-	-	(827)
Profit after income tax				**2,311**

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 September 30, 2011 principal balances with related parties are for bank loans granted of P$3,530 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 Comision 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 635 million reported by SBM for the quarter ending June 30, 2011 is different from the MXN 629 million (CAD 52 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 June 30 th 2011.

In MXN$ million (except as indicated)	Q2/11
SBM consolidated net income under Mexican GAAP – per the June 2011 Press Release	635
Non-controlling interest – 2.7%	(17)
Acquisition accounting and other Canadian GAAP adjustments	11
SBM consolidated net income under Canadian GAAP as reported by BNS	629
SBM consolidated net income under Canadian GAAP reported by BNS in Canadian dollars	**CAD $52**

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 quarterly 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 additional for compliance and internal control 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 2010, 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 Board of Directors and the Risk Committee have delegated to the Assets and Liabilities 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 Assets and Liabilities 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.

Remuneration System

Ordinary Compensation

- Ordinary compensation is based on an Organizational Structure that distributes the functions. After this distribution is done, job levels are determined according to the duties assigned and using technical methods of job evaluation.

- To determine the salary ranges for each job level, pay scales are built according to compensation surveys and market information.

- In order to keep motivation and productivity among employees, compensation is linked to individual results measured through Performance Evaluations.

Extraordinary Compensation

- The purpose of variable or extraordinary compensation is to reward our staff according to their individual, department and the whole organization scores.

- The different Variable Compensation schemes are primarily based on market competitive research and the corresponding regulation.

- There are 2 basic Variable Compensation plans according to job profile that are applicable to employees under the Remuneration System:

    - Variable Compensation Plans for Bank and Brokerage House are divided as follows:

        - Staff / Administrative Positions

        - Commercial / Business Positions

    - Variable Compensation Plan for Scotia Capital

Adjustment Methodology

- Approved risk measurement models for each type of risk, are used depending on the type of risks that the employees generate in performing their duties.

- Variable Compensation can be adjusted and/or deferred if risk measurements for the different job positions are materialized.

Attachment 8 Scotiabank Mexico

Scotiabank Mexico **Financial Indicators**					
	2011			**2010**	
	Q2	**Q2**	**Q1**	**Q4**	**Q3**
ROE *(Annualised quarterly net income / average capital for the quarter)*	9.8	8.4	12.0	11.9	7.7
ROA *(Annualised quarterly net income / average of total assets for the quarter)*	1.5	1.3	1.8	1.8	1.2
Net Interest margin *(Net interest margin including credit loss provisions / average earning assets)*	4.9	5.1	4.9	4.9	5.2
Operating efficiency *(Annualised quarterly operating expenses / average of total assets for the quarter)*	5.6	5.0	5.1	5.3	5.3
Delinquency index *(Balance of past due loans at quarter end / balance total loans)*	2.6	2.9	3.3	3.6	3.9
Reserve coverage of past due loans *(Allowance for credit losses at quarter end / balance of past due loans)*	116.6	113.2	105.6	103.3	102.0
Net capital / Credit risk adjustment assets	21.70	22.51	23.71	23.66	22.94
Net capital / Total risk adjustment assets *(credit, market and operational risk)*	16.30	16.86	17.44	17.81	17.35
Liquidity *(Liquid assets / liquid liabilities)*	59.4	66.0	59.9	67.0	86.2

Scotiabank Mexico **Performing Loan Portfolio;** *(P$ millions, as at September 30, 2011)*	**MX Pesos**	**USD**	**Total**
Business loans	30,923	9,556	40,479
Loans to financial institutions	4,195	264	4,459
Loans to government entities	8,158	2,072	10,230
Consumer loans	15,307	-	15,307
Mortgages	41,887	200	42,087
Total	**100,470**	**12,092**	**112,562**

Scotiabank Mexico **Past-due Loan Portfolio;** *(P$ millions, as at September 30, 2011)*	**MX Pesos**	**USD**	**Total**
Business loans	202	23	225
Loans to financial institutions	37	-	37
Consumer loans	611	-	611
Mortgages	2,088	32	2,120
Total	**2,938**	**55**	**2,993**

Scotiabank Mexico Financial Information by product and region	Sept 30, 2011	June 30, 2011	Sept 30, 2010
Performing Loan Portfolio			
Metro-Center Division	**64.5%**	**62.8%**	**59.8%**
South Central	10.9%	11.2%	11.3%
Federal District	42.1%	40.0%	35.8%
Pacific Center	11.5%	11.6%	12.7%
North-South Division	**35.5%**	**37.2%**	**40.2%**
Northwest	11.8%	12.3%	13.9%
North	12.3%	13.4%	14.7%
South	11.4%	11.5%	11.6%
Past-due Loan Portfolio			
Metro-Center Division	**55.0%**	**55.2%**	**59.2%**
South Central	13.8%	13.3%	19.7%
Federal District	25.8%	26.7%	24.6%
Pacific Center	15.4%	15.2%	14.9%
North-South Division	**45.0%**	**44.8%**	**40.8%**
Northwest	14.4%	14.7%	14.3%
North	13.1%	13.8%	12.9%
South	17.5%	16.3%	13.6%

Scotiabank Mexico Reconciliation of Past Due Loans *(P$ millions)*	
Balance as at June 30, 2011	**3,256**
Transfers (to) / from current loans	471
Restructured loans	-
Loans recovered	-
Loans written off	(737)
Foreign exchange	3
Balance as at September 30, 2011	**2,993**

Scotiabank Mexico Allowance for Credit Losses *(P$ millions)*		
Balance as at June 30, 2011		**3,684**
Plus: Reserves created		512
Less: Reserves taken into income		-
Transfer from Trust to Bank		-
Adjudications		15
Charge-offs and applications relating to regular loans		723
Commercial	-	
Mortgage	479	
Consumer	244	
Charge-offs and applications relating to debtor support programs		-
Foreign exchange		32
Balance as at September 30, 2011		**3,490**

Scotiabank Mexico Authorized financing that exceeds 10% Basic Capital *(P$ millions as at September 30, 2011)*		
No. of Credits	Amount	% Basic Capital
-	-	-
Financing to the 3 principal creditors		6,456

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 September 30, 2011.

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 September 30, 2011 the Bank's Tier 1 capital ratio was 21.70% and total Tier 2 capital ratio was 16.30%.

Scotiabank Mexico – Capitalisation *(P$ millions; Consolidated with subsidiaries)*	**Sept 30, 2011***	**June 30, 2011**	**Sept 30, 2010**
Share capital	28,346	27,681	26,754
Less: Investment in financial companies	585	564	376
Investment in Non-financial companies	65	54	51
PTU & Income tax, deferred assets	-	201	201
Other non-allowable assets and deferred expenses	2,228	2,171	2,171
Plus: Allowable deferred tax	-	201	201
Basic capital (tier 1)	**25,468**	**24,892**	**24,156**
Allowable reserves against credits	422	383	425
Complementary capital (tier 2)	**422**	**383**	**425**
Total net capital (tier 1 + 2)	**25,890**	**25,275**	**24,581**

Scotiabank Mexico – Risk Assets *(P$ millions as at September 30, 2011)*		**Risk asset equivalent ***	**Capital requirement**
Market Risk	Operation in MXN at nominal rates	17,102	1,368
	Debt Instrument operations with "sur-charge" and adjustable rate	555	44
	Operation in MXN at real rates or rates denominated in UDIS	1,288	103
	Positions in UDIS or with yields related to inflation accounting	5	-
	Operation in foreign currencies at nominal rates	358	29
	Foreign exchange positions	77	6
	Securities positions or with yields related to a group of securities	543	44
	Total market risk	**19,928**	**1,594**
Credit Risk	Group III (weighted at 20%)	1,955	157
	Group III (weighted at 23%)	3	-
	Group III (weighted at 50%)	201	16
	Group III (weighted at 57.5%)	494	40
	Group III (weighted at 100%)	1	-
	Group IV (weighted at 20%)	1,512	121
	Group V (weighted at 20%)	1,058	85
	Group V (weighted at 50%)	341	27
	Group V (weighted at 115%)	575	46
	Group V (weighted at 150%)	1,124	90
	Group VI (weighted at 50%)	11,863	949
	Group VI (weighted at 75%)	11,515	921
	Group VI (weighted at 100%)	17,264	1,381
	Group VII – A (weighted at 20%)	531	43
	Group VII – A (weighted at 100%)	38,865	3,109
	Group VII – A (weighted at 115%)	2,989	239
	Group VII – A (weighted at 138%)	1	-
	Group VIII (weighted at 125%)	2,110	169
	Group IX (weighted at 100%)	26,917	2,153
	Total credit risk	**119,319**	**9,546**
	Total operational risk	**19,588**	**1,567**
	Total Risk Assets	**158,835**	**12,707**

**Preliminary figures pending Banco de México approval*

Scotiabank Mexico Capital Ratios	Sept 30, 2011*	June 30, 2011	Sept 30, 2010
(1) Capital to credit risk:			
Basic capital (tier 1)	21.34%	22.17%	22.54%
Complementary capital (tier 2)	0.36%	0.34%	0.40%
Total net capital (tier 1+ 2)	**21.70%**	**22.51%**	**22.94%**
(2) Capital total risk *(credit, market and operational risk)*:			
Basic capital (tier 1)	16.03%	16.61%	17.05%
Complementary capital (tier 2)	0.27%	0.25%	0.30%
Total net capital (tier 1+ 2)	**16.30%**	**16.86%**	**17.35%**
Classification according to the general rules referred to in Article 134 bis of the Credit Institutions Law	**I**	**I**	**I**

** Preliminar figures pending Banco de Mexico approval*

Scotiabank Mexico
Composition of Securities Portfolio *(reasonable value)*
(P$ million as at September 30, 2011)

Category	Government Paper	Debt Securities	Investments in Financial Instruments	Other	Total
Trading	**11,491**	**4,067**	**20**	**42**	**15,620**
Without restriction	-	4,008	19	-	4,027
Restricted	11,491	59	1	42	11,593
Repurchase agreements	*9,039*	*59*	-	*20*	*9,118*
Others	*2,452*	-	*1*	*22*	*2,475*
Available for sale	**1,577**	**609**	**67**	**1,385**	**3,638**
Without restriction	1,577	609	67	763	3,016
Restricted	-	-	-	622	622
Held to maturity	**1,956**	-	-	-	**1,956**
Without restriction	1,956	-	-	-	1,956
Total securities	**15,024**	**4,676**	**87**	**1,427**	**21,214**

Scotiabank Mexico
Investments in non-Government Securities (In excess of 5% of net capital)
(P$ million as at September 30, 2011)

Issuer	Securities	Rate	Term	Value
BANORTE 11461	1,516,950,004	4.52%	90	1,508
BANSAN 11401	2,500,916,660	4.40%	3	2,500
Total	**4,017,866,664**			**4,008**

Scotiabank Mexico
Rates paid on core deposits
(as at September 30, 2011)

	Average rate paid		
	Pesos	Usd	Udis
Demand and savings	0.97%	0.04%	-
Term Deposits	3.73%	0.46%	0.01%

Scotiabank Mexico Financial Information by product and region	Sept 30, 2011	June 30, 2011	Sept 30, 2010
Demand deposits	**53.5%**	**48.4%**	**50.2%**
Metro-Center Division	**29.2%**	**27.0%**	**27.8%**
South Central	6.4%	6.1%	5.5%
Federal District	15.4%	14.3%	14.6%
Pacific Center	7.4%	6.6%	7.7%
North-South Division	**24.3%**	**21.4%**	**22.4%**
Northwest	7.5%	6.8%	6.7%
North	7.2%	6.4%	6.9%
South	9.6%	8.2%	8.8%
Fixed Term Deposits	**40.6%**	**39.2%**	**44.3%**
Metro-Center Division	**23.7%**	**22.6%**	**24.8%**
South Central	6.7%	6.3%	7.7%
Federal District	9.8%	9.5%	9.9%
Pacific Center	7.2%	6.8%	7.2%
North-South Division	**16.9%**	**16.6%**	**19.5%**
Northwest	4.4%	4.2%	4.8%
North	4.4%	4.3%	5.3%
South	8.1%	8.1%	9.4%
Total funding from customers	**94.1%**	**87.6%**	**94.5%**
Professional Funding	5.9%	12.4%	5.5%

Scotiabank Mexico
Funding from Banks and Other Organisations
(P$ million as at September 30, 2011)

Term	Loans		Other funding			Total
	Commercial Banks	Banco de México	Development Bank	Development Funds	Other	
Pesos						
Short	1,307	-	-	-	-	1,307
Medium	-	-	1,796	984	-	2,780
Long	-	-	10	1,820	-	1,830
Total	**1,307**	-	**1,806**	**2,804**	-	**5,917**
Average Rate*	4.03%	-	6.30%	4.76%	-	-
Other						
Short	-	-	-	-	-	-
Medium	-	-	-	143	-	143
Long	-	-	-	552	-	552
Total	-	-	-	**695**	-	**695**
Average Rate*	-	-	-	**1.72%**	-	-
Total Interbank and other funding	**1,307**	-	**1,806**	**3,499**	-	**6,612**

**Average rate of September 30, 2011*

The bank does not have debt from any creditor that is greater than 10% of total liabilities as at September 30, 2011.

Bank Certificates Issuance

The main features of the Bank Certificates issuances of Scotiabank Mexico are as follow:

Issuance number	First	Third	Fifth	First *	First * - 1st Tranches	Second *
Trade Code	SCB0001 05	SCB0002 05	SCOTIAB 07	SCOTIAB 10	SCOTIAB 10	SCOTIAB 10-2
Amount issued	$400 million	$300 million	$2,000 million	$2,312 million	$830 million	$358 million
Date	November 10, 2005	December 8, 2005	December 6, 2007	October 14, 2010	November 11, 2010	October 14, 2010
Term	3,652 days, aprox. 10 years	4,750 days, aprox. 13 years	1,820 days 65 periods 28 days, aprox. 5 years	1,820 days, aprox. 5 years	1,792 days aprox. 4 years and 11 months	2,548 days, aprox. 7 years
Guarantees	“Unsecured”	“Unsecured”	“Unsecured”	“Unsecured”	“Unsecured”	“Unsecured”
Interest rate	9.89% Fixed	9.75% Fixed	TIIE 28 - 0.09%	TIIE 28 + 0.40%	TIIE 28 + 0.40%	TIIE 28 + 0.49%
Interest payment	May 10 and November 10 each year until maturity	December 8 and June 8 each year until maturity	Each 28 days	Each 28 days	Each 28 días	Each 28 days
Principal payment	One payment at end of the term	One payment at end of the term	One payment at end of the term	One payment at end of the term	One payment at end of the term	One payment at end of the term

**Program authorized by “CNBV” in October, 2010.*

Scotiabank Mexico
Derivatives and hedging operations; as at September 30, 2011
(P$ million, reasonable value)

	Forwards		Futures		Options		Structure operations		Swaps			
	Position		Position		Position		Position		Position		Total Assets	Total Liability
	Assets	Liability	Assets	Liability	Assets	Liability	Assets	Liability	Assets	Liability		
Trading	616	329	7	8	297	297	-	-	3,108	3,336	4,028	3,970
Hedging	-	-	-	-	-	-	-	-	45	431	45	431

Scotiabank Mexico
Notional amounts in derivative operations; as at September 30, 2011
(P$ million; nominal values presented in currency origin)

	Forwards		Futures		Options		Swaps	
	Position		Position		Position		Position	
	Asset	Liability	Asset	Liability	Asset	Liability	Asset	Liability
Trading								
USD positions	896	296	-	-	-	-	-	-
EUR positions	-	-	-	-	-	-	-	-
CAD Positions	-	-	-	-	-	-	-	-
USD Currency	-	-	-	-	24	24	-	-
EUR Currency	-	-	-	-	-	-	-	-
Stocks	-	-	-	-	815	815	-	-
Index	-	-	-	-	1,984	1,984	-	-
Interest rate	-	-	-	-	-	-	-	-
Pesos	9,800	-	20,746	13,222	-	-	79,675	80,793
USD	-	-	-	-	-	-	129	258
Hedging								
Interest rate	-	-	-	-	-	-	-	-
Pesos	-	-	-	-	-	-	8,424	6,500
USD	-	-	-	-	-	-	173	-

Scotiabank Mexico **Market Results for the nine months ended September 30, 2011** *(P$ million)*		
	Mark to Market	Trading Results
Investment in securities	5	328
Derivative trading transactions & hedge	344	(360)
Foreign exchange & other	(300)	387
Total	**49**	**355**

Scotiabank Mexico **Deferred Taxes** *(P$ million as at September 30, 2011)*	
Assets	
Provisions for sundry obligations	407
Other timing difference	911
Subtotal	**1,318**
Liabilities	
Revaluation of real estate	259
Mark to market gain	46
Other timing differences	221
Subtotal	**526**
Net deferred taxes	**792**

As at September 30, 2011 Scotiabank Mexico does not have tax liabilities.

Scotiabank Inverlat, S.A. Clasification of the Loan Portfolio As at September 30, 2011 *(P$ million)*					
	Loan Portfolio	Allowance for Credit Losses Required			
		Commercial Loans	Consumer Loans	Mortgages Loans	Total Allowance for Credit Losses
Excepted portfolio	2,847	-	-	-	-
Classified:					
A1 / A	74,470	164	15	85	264
A2	16,156	158	0	0	159
B1 / B	18,948	288	383	170	841
B2	3,985	33	291	0	324
B3	114	18	0	0	18
C1 / C	1,917	126	219	302	647
C2	1	0	0	0	0
D	447	24	289	4	317
E	859	410	80	96	586
Total	**119,744**	**1,222**	**1,277**	**657**	**3,155**
Provisions Created					3,490
Overage (other credit reserves)					(335)

NOTES:

1. 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 September 30, 2011.

2. 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 in agreement to the published in the Federation's Official Diary dated October 25, 2010.

3. Other credit reserves are comprised of:

- Reserves on past due mortgages	$	280
- Reserves – Credit Bureau	$	23
- Reserves for accrued interest on past due loans	$	32
Total	$	335

4. The classifications A1, B1, and C2, correspond to the Commercial portfolio and the classifications A, B, B2 and C, correspond to the Personal and Mortgages portfolio.

Credit Risk

At the close of September, 2011, the expected loss on the Bank's total loan portfolio was P$3,171 million, while the unexpected loss was P$12,671 million. The total exposure of the loan portfolio was P$162,217 million, while the average exposure for the July - September, 2011 period was P$163,436 million.

Market Risk

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

Scotiabank **Average DailyVar** *(P$ million)*	**Q3 11**
VaR 1 day; 99%	5.39

The global daily average VaR for the Bank (P$5.39 million) as a percentage of total capital (P$25,890 millon) at the end of the period equal to 0.02%

The Value at Risk by risk factor for Scotiabank Mexico during the third quarter of 2011 was the following:

Scotiabank **Var by Risk Factor** *(P$ million)*	**VaR** **1 day**
Risk Factor	
Interest rate	5.35
Exchange rate	0.40
Equity	1.05
Total non diversified	**6.80**
Efect of diversification	-1.41
Total	**5.39**

The global daily average VaR for the Bank during the third quarter of 2011 was P$5.39 million and the global value at September 30, 2011 was P$3.20 million. The average values of market risk exposure of the trading portfolio during the period July - September 11 were the following:

Scotiabank *(P$ million)*	**Average Position**	**Maxium Position**	**Position Limit**	**VaR Average / 1**	**VaR Limit**
Bank	**243,395**	**265,115**	**-**	**5.39**	**52.5**
Money Market	28,812	43,310	105,000	9.23	50
Interest Rate Swaps	161,953	175,692	207,000	1.58	50
Interest Rate Futures / 4	-	-	-	8.14	-
Market Rate for interest and interest derivatives / 5	**190,765**	**219,002**	**312,000**	**5.35**	**50**
Equities	**34**	**55**	**206**	**1.05**	**10**
IPC Futures	**-**	**-**	**2,880**	**-**	**-**
Equity Portfolio /5	**-**	**-**	**-**	**1.05**	**10**
Foreign exchange forwards / 2,3	1,623	2,977	4,000	0.35	-
Foreign exchange/ 2,3	1	10	55	0.12	-
Foreign exchange options / 3	155	226	800	0.02	-
Dollar futures / 4	-	-	-	-	-
Foreign exchange swaps / 3	214	229	1,500	0.01	-
Metal forwards / 3	2	2	100	0.63	-
Metal options / 3	2	2	200	1.39	-
Metal spot / 3	-	-	-	0.51	-
Foreign Exchange, FX derivatives and Metals / 5	**1,997**	**3,446**	**6,655**	**0.4**	**10**

1/The VaR is expressed in million pesos
2/ The forwards position is a gross position (longs more shorts) and the foreign exchange position is net (longs less shorts)
3/ Figures expressed in million of US Dollars.
4/ The position and the limit are based in number of contracts in MexDer.
5/ The observed period (holding period) of the Var of currencies, capitals, interest rates and their limits are 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$9.23 million. This means that under normal conditions, in 99 out of 100 days, the maximum potential loss is up to P$9.23 million.

During the third quarter of 2011, the Bank executed transactions in the Mexican Derivative Market, called MexDer, for interest rate futures. However, there were any transactions in US dollar futures contracts neither IPC future contracts. The following chart shows the positions and the number of contracts traded:

Scotiabank Derivatives Market, Mexder *(In number of contracts)*	**Average Position**	**Maximum Position**	**Límit Position**
Futures			
Interest rate futures - TIIE28	320,892	357,608	945,000
Interest rate futures - CE91	26,880	45,000	90,000
Futures M Bonds /2	8,454	11,930	37,550
Futuros de Swaps	115	250	1,000
Interest rate futures /1	**356,341**	**414,788**	**1,073,550**
IPC Futures / 1	**-**	**-**	**750**
US Dollar futures /1	**-**	**-**	**10,000**

1/ The position and the limit are in number of contracts negotiated in MexDer
2/ The limit M Bond futures contracts include futures 15,000 Bonds; M20; 20,000 Bond futures M1 contracts; 300 Bond futures M3 contracts 750 futures M5 contracts and 1500 M30 contracts.

Due to the fact that the VaR measure serves to estimate potential losses in normal conditions of market, daily testes are made under extreme conditions “stress testing” with the purpose to determine the risk exhibition considering big fluctuations in the market prices. The risk committee has approved limit stress.

The result of the “stress testing” at September 30, 2011 was P$217 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.

The Back Testing tests from July to September 2011 period shows the level of efficiency of yellow based on criteria established by the Bank of International Settlements (BIS), such as VaR global interest rates, currencies and capital due to the high volatility in the markets came last in the third quarter 2011.

The variance in the estimated economic value is P$705 million (impact over the parallel change in economic value of 100 bp in rates) and the estimated variance in financial revenues of P$256 million (impact over the margin to parallel changes of 100 bp in rates)

Market risk treatment on available for sale securities

At the end of September, 2011, the Bank’s available for sale securities position was P$3,638 million.

Available for sale securities are considered on the Bank’s structural position and for its risk medition are considered the reprice gap, economic value sensitivity and margin sensitivity versus interest rate exchange.

Liquidity Risk

Límit	**Use** *(MXN million)* **September 30, 2011**
Two week accumulated gap (MXP + UDIs)	(7,798)
Liquid Assets	3,724

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**.**

Operational and Legal Risk

During the period July to September 2011 the Bank recognized operational risk losses of P$41 million, also the operational risks at the end of September that if realized would cause a negative impact totalling P$317 million of which have already been accrued, with regard to legal risk contingencies totalling P$326 million which are reserved at 100%

Debt Rating Agencies

Scotiabank Domestic Debt Rating	Long Term	Short Term	Perspective
Fitch Ratings	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.

Dividends

At the Annual General Shareholder's meeting held on March 27, 2009 it was agreed to declare a dividend up to an amount of P$2,000,000,000.00 to be charged to retained earnings. 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 was also approved by the Board. 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.".

At the General Shareholder's meeting held on October 8, 2010, approved the extension of the range for the dividend payment from 0% to 100% of net income to report the Company at the close of each quarter.

Payment date	Amount
August 28, 2009	P$111
November 30, 2009	P$178
March 5, 2010	P$260
May 28, 2010	P$299
August 31, 2010	P$243
November 26, 2010	P$299
March 11, 2011	P$439
May 27, 2011	P$171
	P$2,000

At the annual General Shareholder´s meeting held on April 28 2011, it was agreed to declare a dividend up to an amount of P$1,300,000,000

Payment date	**Amount**
May 27, 2011	P$288
August 26, 2011	P$477

Internal & External liquidity sources

As at September 30, 2011 the Bank has the following liquidity sources:

- Securitization (Highway loans) for P$1,062 million.
- Securities Investment Portfolio for P$1,192 million.
- Two credit lines of USD $300 million (USD $50 million and USD $250 million).

Attachment 9 Scotia Casa de Bolsa

As at September 30, 2011, Total Assets were P$21,819 million, an annual increase of P$8,102 million or 59%, mainly du to an increase in Securities of P$8,879 millions, due to higher repo transactions; as well as an increase of P$161 millions in derivatives, partially offset with a decrease in Other accounts receivable of P$1,008 million as a result of pending settlement transactions.

Total Liabilities were P$20,054 million, up P$8,161 million or 69% from the previous year. This increase was due to an increase in repurchase agreements of P$7,371 million, as well as an increase in derivatives trading of P$939 million, partially offset by lower other accounts payable of P$473 million.

Securities held in Custody were P$201 billion, a year-over-year increase of 2% due to higher other debt securities, partially offset with a decrease in bank and government debt.

For the nine months ended September 30, 2011, net income was P$108 million, a decrease of P$98 million over the same period last year. The year-over-year decrease was due mainly to lower intermediation revenues as the result of lower one-time gains related to an exchange of securities last year, as well as higher frauds and provisions partially offset with higher revenues from mutual funds and lower taxes.

Scotia Casa de Bolsa Financial Indicators					
	2011			2010	
	Q3	Q2	Q1	Q4	Q3
Solvency *(Total assets / Total liabilities)*	1.1	1.1	1.1	1.2	1.2
Liquidity *(Liquid assets / liquid liabilities)*	1.1	1.1	1.1	1.1	1.1
Financial leverage *(Total liabilities less trading settlement accounts / Capital)*	10.5	8.5	7.1	6.2	6.0
ROE *(Net income / Capital)*	8.1	4.4	10.0	8.9	5.8
ROA *(Net income / earning assets)*	0.8	0.5	1.4	1.3	0.8
Capital requirements / Total Capital	35.09	28.85	27.83	27.55	28.93
Financing margin / Total operating income	25.3	34.9	16.6	18.6	30.2
Operating income / Total operating income	17.6	17.3	32.8	26.1	24.2
Total operating income / Administration expenses	121.4	120.9	148.8	135.3	131.9
Administration expenses / Total operating income	82.4	82.7	67.2	73.9	75.8
Net income / Administrative expenses	22.4	12.1	30.4	22.9	15.7
Personnel expenses / Operating income	50.2	56.2	50.8	44.8	51.7

Scota Casa de Bolsa Other operational net income *(P$ million)*	September 30, 2011
Reversal provision	4
Commission to refer customer	7
Income for leasing	6
Account handling commissions	3
Other	7
Write offs	(20)
Other revenues and expenses (net)	**7**

Capitalisation

At September 30, 2011 Brokerage Firm's common shareholders equity was of P$1.7 billion. The total capital ratio for credit, market and operational risk was of P$587 million that represent a consumption of capital of the 35.09%

Scotia Casa de Bolsa Capitalisation *(P$ million)*	Sept 30, 2011
Share capital and reserves	1,765
Less: Investments in financial	-
Other assets	91
Basic capital	1,674
Complementary capital	-
Total capital	1,674

Scotia Casa de Bolsa – Risk Assets *(P$ million as at September 30, 2011)*		Assets	Risk assets	Capital requirement
Market Risk	Operations in MXN at nominal rates referred to this	65,384	1,209	96
	Operations in MXN with floating rate premium or yield referred to this	23,550	760	61
	Operations in MXN at real rates or rates denominated in UDIs	130	12	1
	Operations in foreign currencies with nominal rate	123	1	-
	Positions in UDIs or with yields related to inflation accounting	130	1	-
	Foreign exchange positions	17	25	2
	Securities positions or with yields related to a group of securities	828	2,884	231
	Total market risk	**90,162**	**4,892**	**391**
Credit Risk	Counter –party in repurchase agreements, hedges and derivatives	65	22	2
	Issuer of debt instruments related to repurchase agreements	18,738	1,358	109
	Due to deposits, loans, other assets and contingencies	481	389	31
	Total credit risk	**19,284**	**1,769**	**142**
	Total credit and market risk	**109,446**	**6,661**	**533**
Operational Risk	**Total operational risk**	-	682	55
	Total market, credit and operational risk	**109,446**	**7,343**	**588**

Scotia Casa de Bolsa Capital Ratios	Sept 30, 2011
Global Equity / Assets under credit, market and operational risk	22.80%
Basic Capital (tier 1)	1,674
Complementary capital (tier 2)	-
Global Equity (tier 1 + tier 2)	1,674

Scota Casa de Bolsa **Composition of Securities Portfolio** *(P$ million as at September 30, 2011)*					
Category	Government Paper	Debt Securities	Others	Investments in Financial Instruments	Total
Trading	**14,308**	**4,442**	**321**	**980**	**20,051**
Without restriction	-	1,326	-	409	1,735
Restricted	14,308	3,116	321	571	18,316
Repurchase agreements	*13,145*	*3,094*	*321*	-	*16,560*
Securities Receivable	-	-	-	*110*	*110*
Others	*1,163*	*22*	-	*461*	*1,646*
Available for sale	**-**	**-**	**149**	**272**	**421**
Without Restricte:	-	-	149	272	421
Total securities	**14,308**	**4,442**	**470**	**1,252**	**20,472**

Scotia Casa de Bolsa **Investments in non-Government Securities** (In excess of 5% of net capital) *(P$ million as at September 30, 2011)*				
Issuer	**Securities**	**Rate**	**Term**	**Amount**
BANOBRA 11401	98,466,546	4.32%	3	98,431
BANOBRA 11401	348,457	4.32%	3	348
BANOBRA 11401	105,978,562	4.32%	3	105,940
BANOBRA 11424	209,484,222	4.67%	20	208,963
BANOBRA 11435	125,678,400	4.66%	28	125,239
BANOBRA 11522	202,000,000	4.82%	88	199,788
BANOBRA 12031	219,905,700	4.73%	108	216,953
BANOBRA 12032	11,560,867	4.55%	109	11,404
BANOBRA 12032	53,211,917	4.61%	109	52,491
BANOBRA 12084	746,456	4.80%	146	733
BANOBRA 12084	174,000,000	4.74%	146	170,844
BANOBRA 12254	753,044	4.50%	265	728
BANOBRA 12254	740,596	4.40%	265	716
BANOBRA 12254	1,539,021	4.65%	265	1,489
BANOBRA 12254	729,290	4.55%	265	705
BANOBRA 12254	157,260,000	4.80%	265	152,119
Total	**1,362,403,078**			**1,346,891**

Scotia Casa de Bolsa **Funding from Banks and Other Organizations** *(P$ million as at September 30, 2011)*				
Term	Loans	Other funding		Total
	Commercial Bank	Development Bank	Other	
Pesos				
Short	9	-	-	9
Medium	-	-	-	-
Long	-	-	-	-
Total	**9**	**-**	**-**	**9**
Average Rate*	5.96%	-	-	5.96%
Total Interbank and other funding	**9**	**-**	**-**	**9**

**Average rate of September 30, 2011*

Scota Casa de Bolsa **Derivatives and hedging operations; as at September 30, 2011** *(P$ million, reasonable value)*								
	Forwards		**Futures**		**Options**			
	Position		Position		Position		Total Asset	Total Liability
	Asset	Liability	Asset	Liability	Asset	Liability		
Trading	1	1	1	-	184	2,089	186	2,090

Scotia Casa de Bolsa **Notional amounts in derivative operations; as at September 30, 2011** *(P$ million, nominal values presented in currency origin)*						
	Futures		**Options**		**Forwards**	
	Position		Position		Position	
	Asset	Liability	Asset	Liability	Asset	Liability
Trading:						
Currency	-	-	-	-	46	51
Index	-	-	763	1,757	-	-
Stocks	-	-	288	2,060	-	-

Scotia Casa de Bolsa **Market Results for the nine months ended September 30, 2011** *(P$ million)*		
	Mark to Market	Trading results
Securities	(45)	5
Derivate trading transaction	89	(15)
Foreign exchange & other	-	10
Total	**44**	-

Scotia Casa de Bolsa **Deferred taxes** *(P$ million as at September 30, 2011)*	
Mark-to-market of investment	(15)
Prepayment	(15)
Fixed assets	(50)
Expense provisions	53
Imputed Interest	(6)
Warrants	73
Employee Profit Sharing Expenses (PTU)	7
Shares appraisal	(93)
Net deferred taxes	**(46)**

As at September 30, 2011 Scotia Casa de Bolsa does not have tax liabilities.

Credit Risk

At the close of September, 2011, the expected loss on total credit portfolio of Brokerage Firm's was P$3 million, while the unexpected loss was P$493 million. The total exposure of the credit portfolio, was P$17,324 million as at September 30, 2011 and the average exposure for July - September 2011 period, was P$19,671 million.

Market Risk

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

Scotia Casa de Bolsa Average DailyVar *(P$ million)*	**Q3 11**
VaR 1 day; 99%	4.46

The global daily average VaR for the Brokerage firm during the third quarter of 2011 was P$4.46 million and the global value at September 30, 2011 was P$5.56 million.

The global daily average VaR for the Brokerage firm (P$4.46 millon) as a percentage of total capital (P$1,674 million) at end of period equal to 0.27%

The Value at Risk by risk factor, for Scotia Casa de Bolsa during the third quarter was the following:

Scotia Casa de Bolsa Risk Factor *(P$ million as at September 30, 2011)*	**VaR of 1 day**
Risk Factor	
Interest Rates	3.20
Equities	2.61
Total no diversified	**5.81**
Efect of diversification	-1.35
Total	**4.46**

The averages values of market risk exposure of the trading portfolio during the July - September 2011, period were the following:

Scotia Casa de Bolsa *(P$ million as at September 30, 2011)*	**Average Position**	**Maxium Position**	**Position Limit**	**VaR Average**	**VaR Limit**
Casa de Bolsa	23,130	39,612	-	4.46	25.0
Total Money Market	22,932	39,345	-	3.20	25.0
Equity position	97	128	200	1.47	10.0
IPC Derivatives/ [1]	99	192	2,880	-	-
Total Equity and IPC Derivatives	198	295	-	2.61	10.0

1/ includes futures and IPC futures of the equity derivatives desk. The VaR include the warrants portfolio. The average 1 day VaR for warrants is P$2.35 million both are calculated with Equitiy VaR.

To interpret the VaR with an example, the average 1-day value at risk of the Casa de Bolsa in the money market is P$3.20 million. This means that under normal conditions, in 99 out of 100 days, the maximum potential loss is up to P$3.20 million.

During the third quarter of 2011, the Casa de Bolsa executed transactions in the Mexican Derivative Market, called MexDer, celebrating operations of IPC futures contracts. During this quarter, the Casa de Bolsa chose not to participate in interest rate futures contracts. The following chart shows the positions and the number of contracts traded.

Scotia Casa de Bolsa Derivatives Market, Mexder *(In number of contracts)*	**Average Position**	**Maximum Position**	**Límit Position**
Futures			
Interest rate futures - TIIE28	-	-	945,000
Interest rate futures - CE91	-	-	90,000
Futures M Bonds	-	-	35,300
IPC Futures /2	276	579	750

2/ includes investment securities of the equity trading desk.
The average 1-day IPC futures VaR is P$ 0.93 million and includes total capital VaR.

The total average position for the quarter for Equity derivatives and IPC futures of Mexder for Equities was P$198 million. Only the Equity derivatives area can enter into options on IPC futures transactions of Mexder. During the quarter, this area did not have any such operations.

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. The Casa de Bolsa issued on average warrants indexed to IPC and baskets of equities for P$7,415 million and the maximum was P$7,778 million.

Due to the fact that the VaR measure serves to estimate potential losses in normal conditions of maket, daily tests are made under extreme conditions”stress testing” with the purpose to determine the risk exhibition considering big fluctuations in the market prices. The risk committe has approved limit stress.

At the end of September 30, 2011 the test of extreme conditions “stress testing” was P$218 million compared to P$800 million are consider favourable. The scenes that are in use for this test are the crisis of 1994 and 1998 as hypothetical.

The Back-testing tests form July to September 2011 shows the level of efficiency of yellow based on criteria establisher by the Bank of International Settlements (BIS), such as VaR global interest rates, currencies and capital due to the high volatility in the markets came last in the third quarter 2011.

Market risk treatment for available for sale securities

At the end of September 30, 2011 the Brokerage Firm´s total amount of available for sale securities was P$421 million.

The available for sale securities have been included in the Brokerage Firm position and have been considered in its measurement of sentivity of risk analysis.

Liquidity Risk:

Límit	Use *(MXN millon)* September 2011
Two week accumulated gap (MXP + UDIs)	-
Liquid Assets	1,527

The accumulated two week gap indicate the Casa de Bolsa's cash commitments for that specific period, while the Liquid Assets could act as substitutes to cover these commitments in case of a lack of access to other funding sources.

Operational Risk:

During July - September 2011 period the Casa de Bolsa recognized operational risk losses totalling P$18 million comprised of 82 different events. With regard to legal risk, operational risks identified if realized, would cause a negative impact on the results of the Casa de Bolsa for P$46 million, which are reserved at 100%.

Rating Agencies

Scotia Casa de Bolsa Domestic Debt Ratings	Long Term	Short Term	Perspective
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 domestic credit ratings as defined by Rating Agencies (Moody´s and Standard & Poor´s). These ratings could be modified without prior advice.

Dividends

There is no policy to dividends payment established, however the Annual General Shareholder's are authorized for it.

On the Board meeting held on July 26, 2011 it was agreed announce the Annual General Shareholder's to declare a dividend up to an amount of $200,000,000.00 to $9,081.8272636454 per share.

By August 19, 2011 the Ordinary Annual General Stockholder's approve to declare and pay a dividend in cash for $200,000,000.00 to $9,081.8272636454 per share; to be distribute among the 22,022 "F" and "B" serial which incorporate Capital Stock and Earned Capital.

It was approved that the dividend payments would be made through "S.D. Indeval, Institucion para el Deposito de Valores, S.A. de C.V. on August 26, 2011.

Internal & External liquidity sources

Scotia Casa de Bolsa has two liquidity sources; internal and external, whose refers to working capital and a credit line for P$95 million respectively.

Attachment 10

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 and Brokerage House 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 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 Group maintains positions for its own account.

The risk positions in the Group 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 Group 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.

Stress testing exercises are performed daily on the portfolios, assuming extreme market conditions. "Backtesting" are realized monthly 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).

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

Sensitivity

The Group 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 Group.

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 bonds deliverable in these contracts.

Interest Rate Swaps: To determine the sensitivity to changes in the TIIE 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.

Equity Portfolio and IPC Equity Derivatives

Stocks

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 Group 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. In the market for operations not listed or OTC "Over the counter" the brokerage firm participates with warrants on the IPC and IPC options

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.

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.

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 the Group the measurement is done by means of increasing the dividend rate 1% (ie. from 1% to 1.01%).

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.

Portfolio of metals and metals derivatives

The Group´s foreign exchange desk sells commodities (futures and options) only on gold and silver.

This business is fully hedge with Scotia Mocatta so SBI takes no position on market risk, just play an intermediary role with the client. It has notional limits for both products (futures and options).

Sensitivity for Available for Sale and Securities Held to Maturity

The Group 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.

In the current environment, the Group 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 Group 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 Group manages its interest rate risk exposure in accordance with the applicable regulatory requirements and the industry best practices.

The balance position includes all the Group's asset and liability activities that are not included in the trading activities. The derivative products are important management tools as much for the Group as for its clients. The Group 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 Group 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 Group 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.

Market risk treatment on available for sale securities

Available for sale securities are part of the Bank´s structural position and the tools used to measure their risk include reprice buckets, economic value sensitivity and margin sensitivity to interest rate changes.

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.

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 Group 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.

Credit Process

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

The business lines prepare and structure the different credit proposals, which are analyzed and authorized 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. With these activities, the Financial Group determines any change in the risk profile of every borrower. During these revisions, the global credit risk, including derivative related transactions and forex. In case of risks that may be above the acceptable levels, more frequent reviews are performed, at least quarterly.

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.

For monitoring and monthly analysis of the retail portfolio, internal probability models of default, loss severity and exposure at default were used. The analysis was performed by product; including credit cards, Scotialine, car loans, personal loans and mortgage portfolios.

Additionally, a segmentation, default versus non-default, was performed on the portfolio status.

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.

Credit culture

To create and promote a credit culture, the Group has permanent training programs for personnel involved in the loan origination and authorisation processes. Among such programs is required advanced training in commercial banking practices that provides support tools for the analysis and evaluation of credit risk, as well as decision-making workshops.

Implementation of prudent credit criteria

In accordance with the General Character Dispositions applicable to credit institutions the Group has established control measures to identify, measure and limit the risk positions from credit activity, on a timely and in its different phases. There are documented in the Credit Policies and Procedures Manual and are constantly reviewed and updated, as well as being submitted for approval annually by the Board Directors.

Concentration of credit risk

The Financial Group has implement policies and procedures to maintain a sound credit portfolio, diversified, controlled and with prudent risk. These policies and procedures emphasise 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 nor 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 published on 5 December 2005, article 126 and 127 of the general accounting guidelines.

The commercial loan portfolio specifically the portion related to sole proprietary and corporate is rated utilizing Scotiabank Inverlat credit rating methodology approved by the CNBV and it is based on the credit default probability. However, Scotiabank Inverlat does not apply such methodology to the following loan products. Scotia Empresarial uses a credit rating methodology based on the credit worthiness of the debtor. In addition, Scotiabank Inverlat applies the credit rating methodology as described by the general accounting guidelines article 112, appendix 17 for loans not exceeding two million UDIS. These two methodologies previously mentioned are properly authorized by the CNBV.

The loan portfolio with governments, Specific Purpose Entities (SPEs) and financial institutions are credit rated individually in accordance with the credit methodology stipulated by the general accounting guidelines article 112, 114 and 115.

"According to the second transitory article of the resolution that changed the rules, published on October 5, 2011 in the Federal Official Gazette, SBI chose to start from December 31, 2011 the implementation of the new methodology for rating and calculate reserves for States and Municipalities loans, therefore, until September 30, 2011, to this portfolio it was applied the rules contained in the General Rules applicable to the Mexican Banks, prior to the entry in force of the rules issued on October 5, 2011"

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 squeme 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 shot-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. Definitively 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.

Credit Risk in Securities Investments

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

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 Group) 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).

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.

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, in addition to promoting a culture of risk management.

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.

Technological Risk

Technological risk is defined as the potencial risk derived from the software failure, damaged hardware, application malfunctioning, network interruptions and any other type of systems errors impacting the Bank´s services to clients.

The Bank has implemented specific policies and procedures in order to mitigate technoological risk to an acceptable level. Market Risk has developed methodology to evaluate such risks. In addition, Information Tecnology has policies and procedures to complement the methodology developed by Market Risk.

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**
Consejeros Independientes	
Thomas Heather Rodríguez	Javier Pérez Rocha
Carlos Muriel Vázquez	Federico Santacruz González
Consejeros	
Pedro Saez Pueyo	Pablo Pérezalonso Eguía
Peter Christopher Cardinal	Gonzalo Rojas Ramos
Timothy Paul Hayward	José del Águila Ferrer
Consejero Funcionarios	
Nicole Reich De Polignac	Pablo Aspe Poniatowski

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

Consejeros Independientes	
Patricio Treviño Westendarp	Jorge Francisco Sánchez Ángeles
Roberto Hemuda Debs	Eduardo Trigueros Gaissman
Vacante	Arturo D´Acosta Ruiz
Consejeros Funcionarios	
Felipe De Yturbe Bernal	Alberto Miranda Mijares
Jorge Mauricio Di Sciullo Ursini	Diego Pisinger Alter

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

Comisarios

Guillermo García-Naranjo Álvarez	Ricardo Delfín Quinzaños

Representantes de la Serie "B" en el Órgano de Vigilancia de la Sociedad

Jorge Evaristo Peña Tapia	Jorge Oredain Villacampa

Secretario	**Prosecretario**
Jorge Mauricio Di Sciullo Ursini	Mónica Cardoso Velázquez

The amount paid to Board Members to attend board meetings and committee meetings totaled P$2 million for the nine months ended September 30, 2011.

“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	DIEGO M. PISINGER ALTER DIRECTOR GENERAL FINANCE AND BUSINESS INTELLINGENCE
AGUSTIN CORONA GAHBLER EXECUTIVE DIRECTOR AUDIT GROUP	H.VALERIO BUSTOS QUIROZ DEPUTY DIRECTOR FINANCE