

FOR IMMEDIATE RELEASE

**BANCO COMPARTAMOS REPORTS 3Q07 RESULTS**

**Mexico City, Mexico – October 25, 2007 – Banco Compartamos, S.A. (“Compartamos” or “the Bank”) (BMV:COMPART)**, the leading Mexican microfinance bank, today announced its financial results for the quarter and nine-month periods ended September 30, 2007. All figures are unaudited and were prepared according to financial reporting standards by the Mexican Banking, Securities and Exchange Commission (*Comisión Nacional Bancaria y de Valores – CNBV*) and are expressed in constant Mexican Pesos as of September 30, 2007; for this reason, some of the information for previous periods may vary slightly when compared with previously-released information.

In millions of Mx Ps (except per share amounts)	3Q07	3Q06	% Var	9M07	9M06	% Var
Nil after provisions	628.2	484.5	29.7%	1,814.0	1,274.7	42.3%
Net Operating Income	298.5	262.4	13.8%	904.0	672.7	34.4%
Net Income	208.6	172.3	21.1%	640.0	462.7	38.3%
Total Shares Outstanding	427,836,876	427,836,876	-	427,836,876	427,836,876	-
EPS	0.49	0.40	21.1%	1.50	1.08	38.3%
Net Interest Margin	67.7%	66.1%	1.7 pp	66.3%	60.2%	6.1 pp
ROE	43.5%	61.7%	-18.2 pp	47.0%	59.7%	-12.6 pp
Capital Ratio	50%	38%	11.5 pp	50%	38%	11.5 pp

**Quarterly Highlights:  
3Q07 vs. 3Q06**

- **Number of clients reached 765,362, a 35.2% net increase**
- **Total loan portfolio grew 38.2% to Ps. 3,460 million**
- **Net Income rose 21.1%, to Ps. 209 million**
- **22 service offices opened; the network now consists of 235 units, 65 more than the 170 in 3Q06**
- **Average balance per client was Ps. 4,521, an increase of 2.2%**
- **There are 169,438 outstanding voluntary life insurance policies in the current roll-out phase**
- **Home renovation loan pilot program now at 4,352 outstanding loans**
- **Launch of the first pilot program for savings; expected to run for several quarters**
- **Mexican Congress approved a package of fiscal reforms; we are not expecting a significant impact on Compartamos’ results**

**Comments from the Co-Chief Executive Officer**

Carlos Danel, one of the Bank’s Co-Chief Executive Officers, stated, “During the third quarter of 2007 we were able to add 60,126 new active credit clients. These are microentrepreneurs that now have the benefit of securing financing for their businesses and we are confident that the loan provided by Compartamos, together with their ideas, their vision and their hard work will mean a better life for them and their families.

Growth continues to be strong. We opened 48 new service offices in the year. Our network now consists of 235 units, which is in line with our growth plan. We reached 38.2% growth in our total loan portfolio in the past 12 months, and the number of clients for the same period has risen 35.2%.”

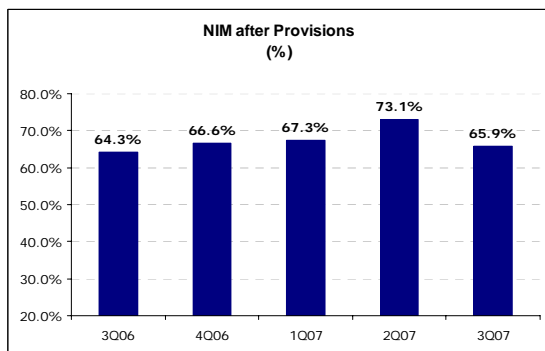
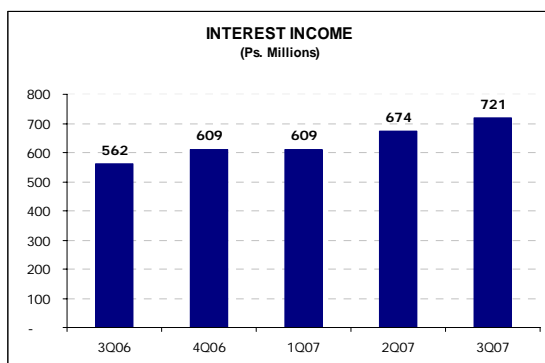
For more information, visit [www.compartamos.com.mx](http://www.compartamos.com.mx) or contact:

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## Results of Operations



## Net Interest Income after Provisions

The Bank reported a net interest income after provisions (NII), for 3Q07, of Ps. 628 million, 29.7% higher than the Ps. 485 million reported in 3Q06.

This increase was due to a Ps. 159 million, or 28.2% increase in interest income, from Ps. 562 million for 3Q06 to Ps. 721 million in 3Q07; which was achieved due to a 35.2% increase in the number of net clients that resulted in a 38.2% growth of the portfolio.

The increase in interest income was slightly offset by a Ps 0.2 million, or 0.3% growth, in interest expense, from Ps. 50.9 million in 3Q06 to Ps. 51.1 million in 3Q07. In order to get a better perspective the reader should consider that in 3Q07, a restructuring of the Bank's financing was undertaken in order to improve its conditions. Some prepayment fees, totaling Ps. 8 million were a consequence of this restructuring, thus the normalized interest expense for the period was Ps. 43 million. We expect that as a result of this strategy, the average cost of funds will decrease approximately 70 basis points, from an average of TIIE + 190 bps to TIIE + 120 bps.

Net interest margin (NIM), which is NII after provisions for loan losses over average yielding assets, for 3Q07 was 65.9%, a slight improvement from the 64.3% reported in 3Q06.

Compartamos increased its provisions for loan losses to Ps. 18 million in 3Q07, which is 33.4% higher than the Ps. 13 million for 3Q06. This increase was partly due to the application of a Ps. 11 million write-off in 3Q07; a large portion of this (Ps. 5 million) was originally scheduled to take place in 2Q07.

## Net Operating Revenue

Net operating revenue for 3Q07 was Ps. 614 million, 29.6% higher than the Ps. 473 million reported in 3Q06. This is a result of the NII being offset by net commissions and fees, which reached a cost of Ps. 15 million for 3Q07, 114.3% higher than Ps. 7 million in 3Q06. The reader should take into account Ps. 7 million of fees related to the finance restructuring, thus the normalized net cost of commissions and fees for the period was Ps. 8 million.

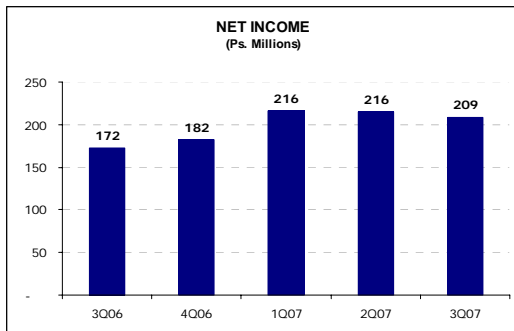
## Net Operating Income

During 3Q07, the Bank incurred total operating expenses of Ps. 315 million, 49.4% higher than the Ps. 211 million in 3Q06. This increase was in line with the Bank's expansion plans; year-to-date, the Bank has opened 48 offices, 22 of which were opened in 3Q07. The network now has 235 units, 65 more than in 3Q06. Of the 48 offices that were opened during this year, 36 were open through a Bipartition process and the remaining 12 were entirely new offices. Part of the expenses are also related to the design of new banking products, new technologies and the development of new distribution channels.



The Bank also increased its staff by 446 net employees during 3Q07 to reach a total of 4,090 employees company wide. As a result, the Bank reported net operating income of Ps. 299 million for 3Q07, 13.8% higher than the Ps. 262 million in 3Q06.

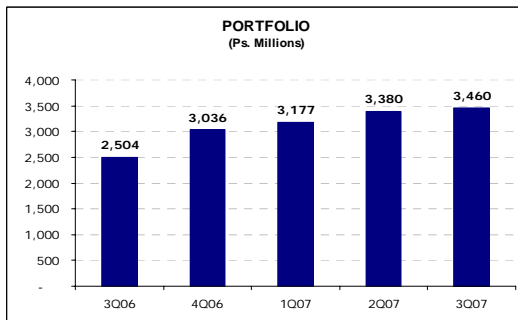
### Net Income



As a result of the above and after other income and expenses as well as taxes and employee profit sharing provisions, Compartamos reported a net income for the quarter of Ps. 209 million, 21.1% higher than the Ps. 172 million in 3Q06. The accumulated net income for 9M07 was Ps. 640 million, which is 38.3% higher than the Ps. 463 million accumulated net income of 9M06.

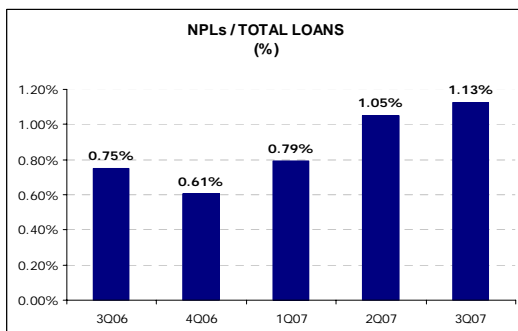
This resulted in earnings per share (EPS) for 3Q07 of Ps. 0.49, an increase of 22.5% compared with Ps. 0.40 for 3Q06.

### Balance Sheet



### Total Loan Portfolio

Total loan portfolio reached Ps. 3,460 million in 3Q07, 38.2% higher than the Ps. 2,504 million for 3Q06. This growth was achieved due to a 35.2% growth in net clients for the last twelve months for a total of 765,362 active clients as of September 30, 2007. The average outstanding balance per client for 3Q07 was Ps. 4,521, which is 2.2% higher than Ps. 4,425 in 3Q06.



### Asset Quality (NPL/Total Loan Portfolio)

Non-performing loans (NPL) for 3Q07 were Ps. 39 million, an increase of Ps. 20 million, or 108.4%, from the Ps. 19 million reported in 3Q06. This increase was due to Compartamos' larger loan portfolio. It is important to note that Compartamos' reserve requirement is 4% of the total loan portfolio. The NPL ratio represents 1.13% of the total loan portfolio for 3Q07, compared to 0.76% for 3Q06. This increase is in-line with a larger share of products with a higher rate of non-performing loans such as the Individual Credit and Solidarity Group loans.

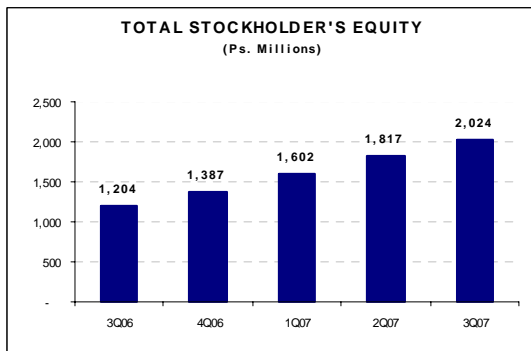
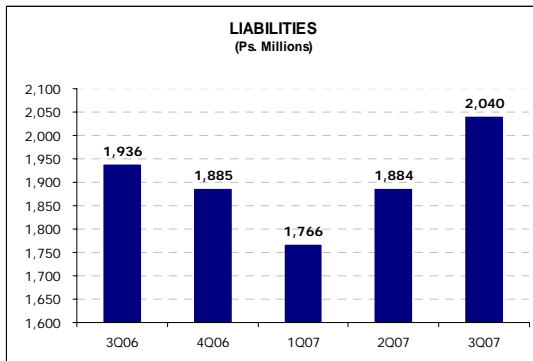
As of September 30, 2007, Solidarity Group loans made up 5.2% of the total portfolio with an NPL ratio of 3.9%; and individual loans were 8.4% of the total portfolio with an NPL ratio of 6.8%. The remaining 86.1% of the portfolio was GDI, Parallel and House Renovation loans, which have an NPL ratio of 0.4%.



Compartamos considers that larger NPL ratios are acceptable since the company has a comfortable coverage ratio of 354% for 3Q07; notably, this coverage level did not increase as was expected last quarter, however, it remains at conservative levels. Additionally, Compartamos' current NPL ratio is still among the lowest in the Mexican banking industry (please refer to [www.cnbv.org](http://www.cnbv.org) for comparisons).

### Total Liabilities

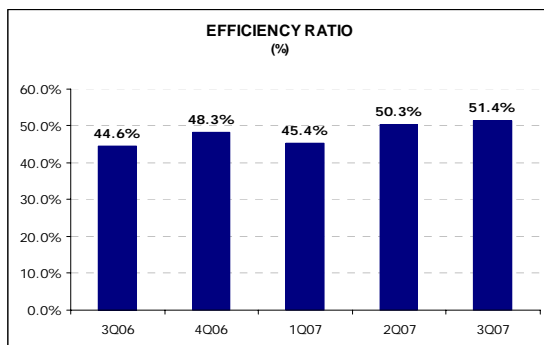
Compartamos' total liabilities for 3Q07 reached Ps. 2,040 million, 5.4% higher compared with Ps. 1,936 in 3Q06. The structure of the liabilities underwent significant shifts in 3Q07, resulting in an improved balance sheet, lower cost of funding, and the full use of our banking license. Furthermore, all bonds classified under notes payable as well as interbank loans have been pre-paid and funding is now fully derived from deposits. As of 3Q07, there was a total of Ps. 1,807 million in Interbank Deposits (deposit accounts where a Bank is the depositor) and deposits from our new client savings pilot program. There were a total of 2,749 deposit accounts as of 3Q07.



### Total Stockholders' Equity

Total stockholders' equity increased by Ps. 820 million, or 68%, reaching Ps. 2,024 million in 3Q07 compared to Ps. 1,204 million in 3Q06. This growth was the result of the accumulated earnings of Ps. 640 million as of September 30, 2007 and Ps. 180 million as of December 31, 2006.

### Performance Ratios and Metrics

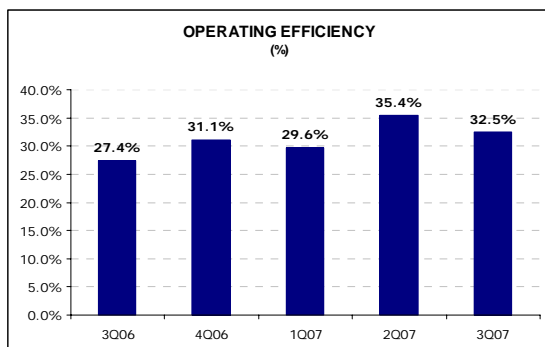


### ROE/ROA

ROE for 3Q07 was 43.5% compared to 61.7% in 3Q06, which was the result of lower earnings for 3Q06 divided by a much smaller average equity during that period. ROA for 3Q07 was 21.5%, compared to 22.4% for 3Q06, in-line with the Bank's historic trend.

### Efficiency

The Bank continued its expansion plan, while successfully maintaining the existing service office operations. It has been able to achieve this growth while controlling operating expenses.



The efficiency ratio (operating expenses/net operating revenue) for 3Q07 was 51.4%, which was higher than the 44.6% reported in 3Q06. Operating efficiency (operating expenses/average total assets) for 3Q07 was 32.5%, higher than the 27.4% in 3Q06. Both ratios are within the Bank's expectations; the increases were due to higher expenses that were partly related to the design of new banking products, new technologies and the development of new distribution channels.

### **Company Description**

Banco Compartamos, S.A., a Mexican bank specialized in microfinance, is the largest lender to microbusiness owners in Latin America. Established in 1990 and headquartered in Mexico City, Compartamos provides small loans to low-income Mexican individuals and business owners, such as craft manufacturers, food vendors and other small businesses. With coverage in over 90% of Mexico, Compartamos works with local and international lenders to secure financing to these market segments, which are currently underserved.

Banco Compartamos shares began trading on the Mexican Stock Exchange on April 25, 2007 under the ticker symbol "COMPART".

### **Note on Forward-Looking Statements**

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, company performance and financial results. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.



**Income Statement**  
**for the period ended September 30, 2007**  
(in millions of Mexican pesos)

	3Q07	3Q06	% Change 3Q06	2Q07	% Change 2Q07	9M07	9M06	% Change
Interest income	721.0	562.2	28.2%	673.9	7.0%	2,004.0	1,468.1	36.5%
Interest expense	51.1	50.9	0.3%	38.6	32.2%	125.0	139.3	-10.3%
Monetary gain (loss)	(23.9)	(13.4)	78.9%	9.0	-364.3%	(31.0)	(26.0)	19.3%
<b>Net Interest Income</b>	<b>646.0</b>	<b>497.9</b>	<b>29.8%</b>	<b>644.3</b>	<b>0.3%</b>	<b>1,848.0</b>	<b>1,302.8</b>	<b>41.9%</b>
Provision for loan losses	17.8	13.3	33.4%	9.1	94.7%	34.0	28.1	21.1%
<b>Net interest income after provisions</b>	<b>628.2</b>	<b>484.5</b>	<b>29.7%</b>	<b>635.1</b>	<b>-1.1%</b>	<b>1,814.0</b>	<b>1,274.7</b>	<b>42.3%</b>
Commissions and fee income	7.8	4.1	93.0%	7.1	10.2%	21.0	12.5	68.3%
Commissions and fee expense	22.6	11.2	102.2%	17.3	30.8%	55.0	33.3	65.3%
Trading gains (losses)	0.0	(4.2)	-100.6%	-3.0	-100.8%	(2.0)	2.1	-196.2%
<b>Net operating revenue</b>	<b>613.5</b>	<b>473.2</b>	<b>29.6%</b>	<b>621.9</b>	<b>-1.4%</b>	<b>1,778.0</b>	<b>1,256.0</b>	<b>41.6%</b>
Operating Expenses	315.0	210.8	49.4%	312.9	0.7%	874.0	583.3	49.8%
<b>Net operating income</b>	<b>298.5</b>	<b>262.4</b>	<b>13.8%</b>	<b>309.0</b>	<b>-3.4%</b>	<b>904.0</b>	<b>672.7</b>	<b>34.4%</b>
Other income (expense) - Net	10.7	(8.5)	-226.0%	8.1	32.1%	27.0	9.4	188.5%
<b>Total income before income tax</b>	<b>309.2</b>	<b>253.8</b>	<b>21.8%</b>	<b>317.2</b>	<b>-2.5%</b>	<b>931.0</b>	<b>682.0</b>	<b>36.5%</b>
Income tax and employees profit - sharing								
Current	96.6	83.6	15.5%	100.6	-4.0%	288.0	222.5	29.4%
Deferred	4.0	(2.1)	-294.1%	1.0	299.5%	3.0	(3.1)	-196.2%
<b>Net income</b>	<b>208.6</b>	<b>172.3</b>	<b>21.1%</b>	<b>215.6</b>	<b>-3.2%</b>	<b>640.0</b>	<b>462.7</b>	<b>38.3%</b>



**Balance Sheet**  
**for the period ended September 30, 2007**  
(in millions of Mexican pesos)

	3Q07	3Q06	% Change 3Q06	2Q07	% Change 2Q07
Cash and cash equivalents	111.0	151.8	-26.9%	172.1	-35.5%
Investment in securities	466.0	441.9	5.5%	116.5	300.2%
Total performing loans	3,421.0	2,484.9	37.7%	3,344.7	2.3%
Non-performing loans	39.0	18.7	108.4%	35.4	10.0%
<b>Total loan portfolio</b>	<b>3,460.0</b>	<b>2,503.6</b>	<b>38.2%</b>	<b>3,380.1</b>	<b>2.4%</b>
Allowance for loan losses	138.0	110.2	25.2%	135.7	1.7%
<b>Loan portfolio, net</b>	<b>3,322.0</b>	<b>2,393.4</b>	<b>38.8%</b>	<b>3,244.4</b>	<b>2.4%</b>
Other accounts receivable	17.0	12.5	36.3%	17.2	-1.2%
Fixed assets	132.0	97.7	35.1%	126.6	4.3%
Deferred income tax	4.0	23.9	-83.3%	7.1	-43.6%
Other assets	12.0	18.7	-35.9%	17.2	-30.3%
<b>Total assets</b>	<b>4,064.0</b>	<b>3,139.9</b>	<b>29.4%</b>	<b>3,701.1</b>	<b>9.8%</b>
Deposits	1,807.0	0.0	100.0%	0.0	100.0%
Notes payable	0.0	521.9	-100.0%	508.3	-100.0%
Interbank loans and other - short term	0.0	721.6	-100.0%	604.5	-100.0%
Interbank loans and other - long term	0.0	542.7	-100.0%	600.5	-100.0%
Total Interbank loans and other	0.0	1,264.3	-100.0%	1,205.0	-100.0%
Derivates financial instruments	2.0	7.3	200.0%	2.0	-1.2%
Other accounts payable	231.0	142.4	62.2%	169.1	36.6%
<b>Total liabilities</b>	<b>2,040.0</b>	<b>1,935.9</b>	<b>5.4%</b>	<b>1,884.5</b>	<b>8.3%</b>
Capital stock	479.0	479.3	-0.1%	479.0	0.0%
Capital reserves	99.0	35.4	180.1%	99.2	-0.2%
Retained earnings	807.0	226.7	256.0%	807.1	0.0%
Valuation results from hedge flow instruments	-1.0	0.0	-100.0%	0.0	-100.0%
Net income for the year	640.0	462.7	38.3%	431.4	48.4%
<b>Total stockholder's equity</b>	<b>2,024.0</b>	<b>1,204.0</b>	<b>68.1%</b>	<b>1,816.6</b>	<b>11.4%</b>
<b>Total liabilities and stockholder's equity</b>	<b>4,064.0</b>	<b>3,139.9</b>	<b>29.4%</b>	<b>3,701.1</b>	<b>9.8%</b>



## Additional Information

STOCK INFORMATION	3Q07	2Q07	3Q06
EPS (PS\$) (1)	\$0.49	\$0.50	\$0.40
STOCK PRICE (PS\$) (2)	59.17	67.49	NA
STOCK PRICE (US\$) (3)	5.41	6.17	NA
MARKET CAPITALIZATION (US\$ MILLIONS) (4)	\$2,316	\$2,641	NA

Note: Stock price as of September 28, 2007.

All conversions were made with the rate published by Banco de México for October 01, 2007 which is 10.9315

(1) Earnings per share: Net income / Number of shares

(2) Stock price in Pesos: Market price per share in pesos

(3) Stock price in dollars: Market price per share in pesos/ US-MXP Exchange Rate

(4) Market capitalization: Market price per share multiplied by number of shares

KEY RATIOS	3Q07	2Q07	1Q07	4Q06	3Q06
<b>Profitability</b>					
NIM before Inflation Accounting (1)	70.2%	73.1%	70.1%	72.1%	67.8%
NIM after Inflation Accounting (2)	67.7%	74.1%	68.2%	69.0%	66.1%
NIM after Provisions for Loan Losses (3)	65.9%	73.1%	67.3%	66.6%	64.3%
ROA (4)	21.5%	24.4%	26.0%	22.8%	22.4%
ROE (5)	43.5%	50.4%	57.8%	56.3%	61.7%
<b>Operating</b>					
Efficiency Ratio (6)	51.4%	50.3%	45.4%	48.3%	44.6%
Operating Efficiency (7)	32.5%	35.4%	29.6%	31.1%	27.4%
<b>Asset Quality</b>					
Non Performing Loans to total loans	1.13%	1.05%	0.79%	0.61%	0.75%
Coverage Ratio (8)	353.8%	382.9%	504.0%	661.1%	588.9%

(1) Net income margin: Net interest income before result monetary losses / average yield assets

(2) Net income margin: Net interest income after result monetary losses / average yield assets

(3) Net income margin: Net interest income after provisions for loan losses / average yield assets

(4) Return on Average Assets: Net Income / Average Assets

(5) Return on Average Equity: Net Income / Average Equity

(6) Efficiency ratio: Administrative expenses / Gross Operating Income

(7) Operating Efficiency: Administrative expenses / Total Assets

(8) Coverage ratio: Allowance for loan losses / Non-performing loans

Mix Employees	3Q07	2Q07	1Q07	4Q06	3Q06
Loan Officers	2,491	2,148	2,042	1,967	1,793
Other administrative	1,225	1,137	1,015	931	853
Central Office	374	359	343	305	273
<b>TOTAL</b>	<b>4,090</b>	<b>3,644</b>	<b>3,400</b>	<b>3,203</b>	<b>2,919</b>

SERVICE OFFICES	3Q07	2Q07	1Q07	4Q06	3Q06
	235	213	202	187	170