Annual Report

2007

FINANCIERA
INDEPENDENCIA

Our roots are deep,
the bole is strong
and the foliage is dense.

FINANCIERA
INDEPENDENCIA

We have grown ceaselessly...
the land is still vast and fertile.

Development

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& Potential

FINANCIERA INDEPENDENCIA

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FINANCIERA INDEPENDENCIA

Financial Highlights

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Financial Highlights*

Balance Sheet	2005	2006	2007
Cash and investments	213	144	243
Total loans	1,928	2,246	3,351
Past due loans	142	129	236
Reserves	(177)	(161)	(295)
Other assets	303	329	433
Total assets	**2,267**	**2,558**	**3,732**
Total borrowings	1,092	1,353	1,336
Other liabilities	389	167	233
Total liabilities	**1,482**	**1,519**	**1,569**
Shareholders' equity	786	1,038	2,163
Total liabilites and shareholders' equity	**2,267**	**2,558**	**3,732**

Income Statement

Net interest margin before provisions	1,054	1,323	1,856
Provisions	266	194	488
Net interest margin after provisions	788	1,129	1,367
Fee income -net	374	392	573
Operating income	1,162	1,521	1,940
Operating expenses	807	987	1,255
Net operating Income	355	535	685
Other income (expenses) -net	128	68	56
Income before taxes	483	603	741
Taxes	154	188	225
Net income	**329**	**415**	**516**

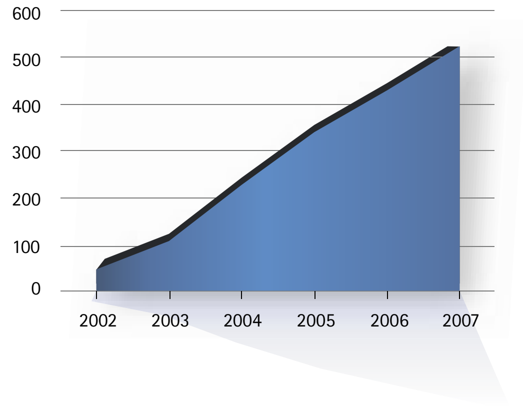
Selected Ratios

ROAA	16.1%	17.2%	16.4%
ROAE	50.7%	45.5%	32.2%
NIM after provisions (excluding fees) (1)	40.7%	49.8%	45.7%
NIM after provisions (including fees) (2)	60.1%	67.2%	64.8%
Operating efficiency (3)	39.6%	40.9%	39.9%
Efficiency ratio (4)	69.4%	64.8%	64.7%
NPL ratio (5)	7.3%	5.7%	7.0%
Coverage ratio(6)	125.0%	125.0%	125.0%
Capital / Assets	34.7%	40.6%	58.0%

* Note: In million constant pesos as of December 31, 2007.
(1) Net interest margin after provisions (excluding fees) = NIM after provisions for loan losses / Average interest-earning assets
(2) Net interest margin after provisions (excluding fees) = NIM after provisions for loan losses + Fees colected - Fee paid / Average interest-earning assets
(3) Operating efficiency = Non interest expense / average assets.
(4) Efficiency ratio = Non interest expense / Net operating revenues
(5) NPL ratio = Non-performing loans / Total loan portfolio
(6) Coverage ratio = Allowances for loan losses / Non-performing loans.

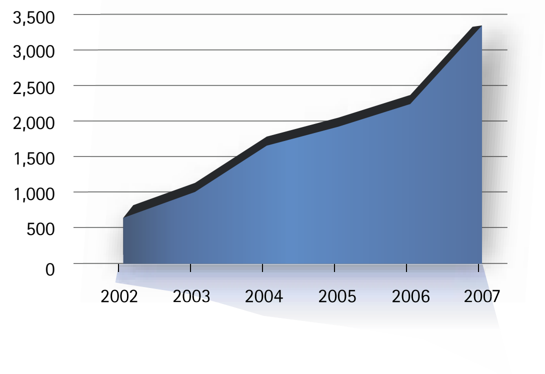
Net Income

In millions
Constant Pesos
as of December 31, 2007.

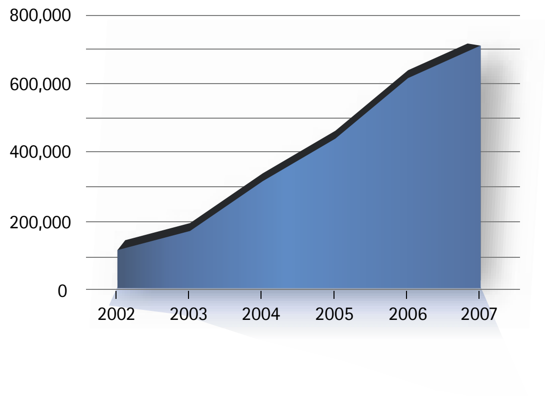


Total Loan Portfolio

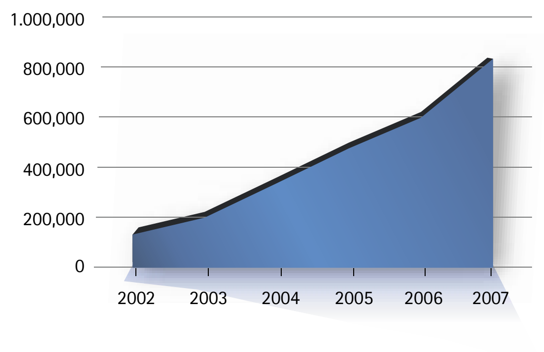
In millions
Constant Pesos
as of December 31, 2007.



Loans Granted



Number of Clients



2007

We have grown rapidly,
always remaining in control.

2007

Development
& Potential

Dear Shareholders:

2007 was an important year for Financiera Independencia, one full of significant accomplishments.

The successful Initial Public Offering and listing of our shares on the *Bolsa Mexicana de Valores* on November 1, 2007 was a significant milestone. This was another step forward in becoming a major player within the Mexican business and social environment. International investors purchased approximately 65% of the offering while those in Mexico accounted for 35%.

The year 2007 also marked Financiera Independencia's 14th anniversary as an innovative player in the Mexican microfinance market. As of October 2007, we issued 2,500,000 loans consolidating our market leadership in the Mexican unsecured personal microlending sector.

Becoming a deregulated SOFOM, earlier in the year, was also an important achievement and one that provided the flexibility to broaden our operations and to offer a service that has important economic and social attributes.

Our goal is to improve people's lives by providing access to affordable unsecured credit to those in the fast-growing, under-served low income urban segment of the economy, particularly the informal market. This is a segment of the population where the need is the greatest and access to credit has only recently become available. Expanding our reach to service this segment of the population is a key element of our strategy.

Our growth reflects this need as we respond to opportunities in the Mexican micro lending market. We opened 35 new branches during the year, bringing our network to a total of 152 branches in 105 cities, exceeding our original expectation of operating 148 branches at year end. This allowed us to expand our base by 39% to approximately 834,000 clients.

Our strategy also calls for innovation in increasing our range of products and services to develop new ways to reach customers. We are particularly pleased with the agreement reached in September with the Federal Government through the *Sociedad Hipotecaria Federal* to offer 40% subsidized CrediConstruye construction loans to the informal sector. With this new product, we once again have demonstrated our strong commitment to the workers in Mexico. We are also pleased that the government has chosen us as the best alternative to reinforce its housing programs for this important and needy economic sector.

At the same time, we maintained a strong foothold in the formal segment of the low income segment of the economy through our revolving line of credit. The number of clients rose about 22%, while the loan portfolio for this product increased by approximately 27%. This has allowed us to extend the life and size of the portfolio as clients exchanged their old short-term loans for a more effective revolving line of credit.

During the year we also continued to focus on the fourth element of our strategy, cross-selling. This allows us to improve the quality of service provided to our clients, and contributes to increased usage of the credit lines while bringing traffic into our branches.

As a result of these initiatives, during 2007 we grew our total loan portfolio by 49% to Ps. 3.4 billion.

Most importantly, this strong growth was achieved while continuing to enhance efficiency levels. This was a direct result of our focused business strategy, diversified nationwide presence, and expertise in Mexican microfinance targeting the low income segment of the population. Our efficient origination and monitoring processes and state of the art technology were also important in achieving these results.

The wellbeing of the people in the communities where we operate is also of key importance to us. And in 2007, for the fifth consecutive year we were recognized as a Socially Responsible Company by the *Centro Mexicano para la Filantropia*.

Looking into the future, we expect to further consolidate our leadership position in the Mexican personal microlending market by continuing to expand our operations. During 2008 we expect to add 40 new branches, bringing our network to 192 branches in 145 cities. We will also strive to develop new products that respond to the needs of our clients while maintaining a strong focus on efficiencies and profitability.

In terms of the overall economic environment in Mexico, we expect consumer spending and employment to continue to grow, although at a lower rate than last year. Overall, we believe that the domestic market is in excellent shape, particularly in the low income microfinance market, to buffer the deceleration in the US. We base this on a number of factors. The nature of our business model, is not dependent on money flows from the US. The investment in infrastructure for 2008 announced by the Federal Government, which will exceed 3% of GDP for the first time in 10 years, will provide an additional engine to drive domestic growth. This is further supported by the expected surplus in oil resources for 2008 and additional revenue from the recent tax reform.

These positive developments have set the stage for a strong 2008 and bode well for the medium-term outlook.

Financiera Independencia will strive to offer superior returns to our shareholders, while focusing on providing valuable services to our clients long into the future. As we grow our organization, our aim is to afford positive social and economic impact for our clients and the communities in which we operate.

We would like to take this opportunity to thank our employees for their dedication and commitment to the success of Financiera Independencia's, past, present and future. We also want to thank you, the shareholder, for your interest in the company. Finally, we express our gratitude to the Board of Directors for the guidance and support this past year.

We strongly believe in the opportunities presented by Mexico, Financiera Independencia and all of us who are part of this company. As we look toward 2008, we believe our operations are in a unique position to benefit from the strong microfinance market in Mexico and look forward to sharing our results with you at this time next year.

Our feet are firmly on the ground, and commitment deep rooted, while our hands and minds diligently work, toward a clear and focused vision.

José Luis Rión Santisteban
Chairman

Noel González Cawley
Chief Executive Officer

Some tiny beginnings

are mighty generators of evolution.

Origin and Evolution

Financiera Independencia was created in 1993 as a SOFOL (regulated non-bank bank) in Mexico.

We were also one of the pioneers in offering microcredits to a business sector to which no other institution of this kind had paid attention to: individuals from low-income segments of the population. Our institution was then the foundation in a wide, novel and productive terrain full of challenges. At the same time, our clients had the chance to develop their own credit profile and therefore, to formally join the financial system.

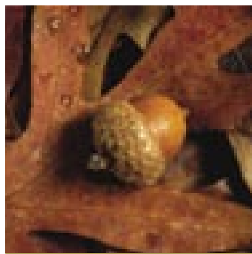
For more than fourteen years, Financiera Independencia has been known for its continuous growth, which has led us to be one of the largest financial institutions in Mexico and Latin America in the field of microfinances. This solid development is based, greatly, in our clear view of the potential markets and the creativity of our people, always striving to craft original strategies to cater these markets with efficiency, profitability and quality.

After having concentrated our attention on workers of the formal employment market for ten years, in 2004 we ventured into the informal market, facing a sector with huge potential and very particular challenges.

In 2006, HSBC Overseas, a direct subsidiary of HSBC Holdings, Plc., became an investor in Financiera Independencia through the acquisition of a 19.99% equity interest.

That same year we launched a couple of new products, one —which would prove its success in a short time— it focused on financial support for home improvement and therefore ameliorating urban landscape. With this product called CrediConstruye, we are again pioneers, becoming the first company chosen in September of 2007 by the Federal Government as a trustworthy means to channel housing subsidies.

Around that same time in 2006, with some changes to the regulatory regime in the country, a new category of financial institutions was created: deregulated non-bank banks (SOFOM, for its initials in Spanish, *Sociedades Financieras de Objeto Múltiple*) without the limitations of the SOFOL and not regulated by the Mexican National Banking and Securities Commission (CNBV, for its initials in Spanish, *Comisión Nacional Bancaria y de Valores*) and still authorized to grant credits and take part in other kind of operations. During the first months of 2007 we transformed into this new legal structure, to focus more precisely in our goal to strive for constant growth.



By year-end 2007 we had 833,902 clients.

2007

Opening new paths
has been our way of creating
our own track and evolve.

Purpose.

At Financiera Independencia, fourteen years after our birth, our mission is still the same:

To support the working classes in our country with several financial products that cover their needs, with a service that stands out for its quality and timeliness, offering formal access to the financial system.

Our purpose is to grant unsecured microcredits to individuals who earn between one and ten minimum wages and that have limited or no access to the financial system. We offer several credit products to our clients, either those who have a formal employment or those with informal economic activities, in amounts ranging from Ps.1,500 to Ps.16,500, always supported by efficient risk management. Emphasis is placed on the quality of our service, characteristic that has distinguished us from other providers of similar products throughout time.

Coverage, current strength and future challenge.

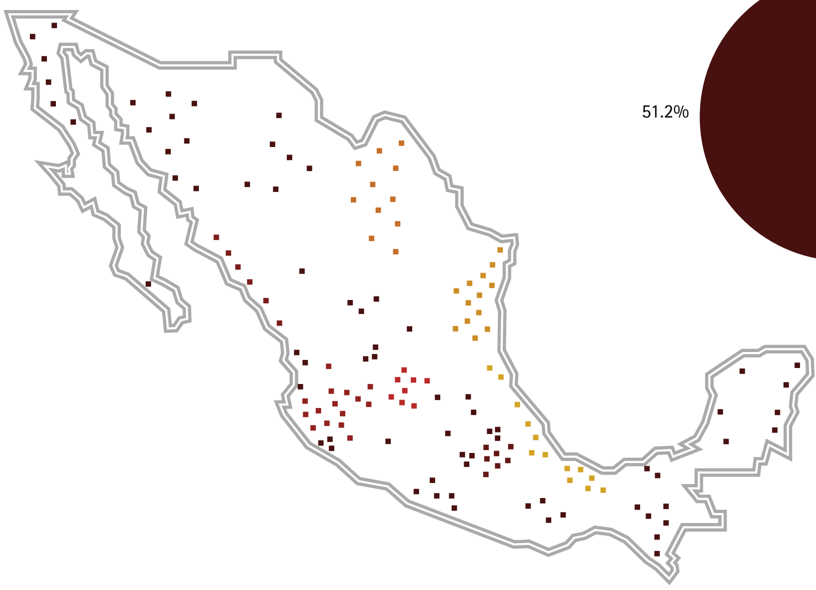
We have one of the most efficient and widely spread microfinancing distribution networks in Mexico. Today, in our 152 offices, we provide services in 105 of the 205 cities in the Mexican Republic that have more than 50,000 inhabitants. This coverage diversification reduces the possible risk of any regional economic slowdown, any eventual consequences of a natural disaster in any zone or similar factors. (No single state in the Mexican Republic represents more than 10.7% of our total loan portfolio.)

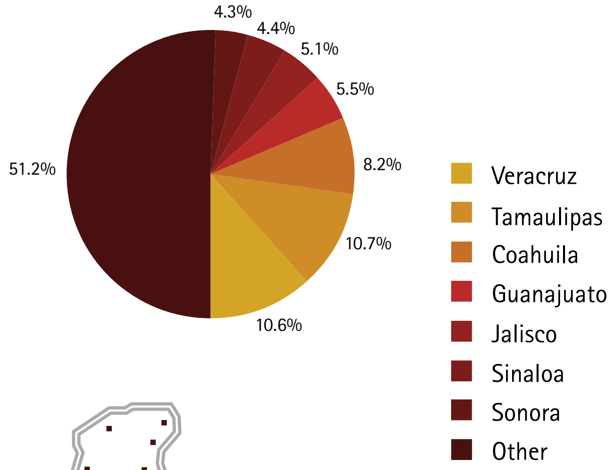
The distribution network has been ours since the beginning and therefore has been trained considering our plans, values and goals. This represents a huge advantage vis-à-vis our competitors.

The capability of our offices, constantly strengthened by staff incentives and technological updates, is reflected in facts such as: traffic in our branches exceeds 2 million visits per month; average waiting time in line is always less than fifteen minutes per client.

2007

We offer people the capacity to achieve their aspirations for higher life standards.





Coverage diversification reduces the possible risk of any regional economic slowdown.

2007

We are present in 105 of the 205 cities in the Mexican Republic that have more than 50,000 inhabitants. The challenge is to be in all of them. In 2007 alone, we opened 35 new offices.

A vigorous growth

requires firm and deep roots.

Development

We have been in continuous growth for fourteen years, with an outstanding performance during the last five years.

We believe this success is due to several factors: wide geographic coverage based on our own distribution network, a profound understanding of the market that we serve and the operational know-how that we have developed throughout the years; effective management policies for risk and collection, a solid technical support that serves quality, loyalty to clients—as a result of personalized service— and prime leadership based on the experience of our management team.

	2002	2007	% 5 Year CAGR
Clients	132,617	833,902	44.4%
Total Loan Portfolio	646 Ps.MM	3,351 Ps.MM	39.0%
Net Income	44 Ps.MM	516 Ps.MM	63.8%

Annual growth of 39.3% in the number of our clients.

Throughout our history, Financiera Independencia has had a low index of non-performing loans: 7% by the end of 2007 disregarding the solid growth of our total portfolio. We believe this low rate is due to the effort of our risk management team and standardization of our policies focused on loss prevention and efficiency in our collection efforts.

This growth is also undoubtedly supported our access to several financing sources and high credit qualifications during these fourteen years.

We operate in a market segment that has not been properly attended by any financial institution. This represents an important opportunity for us to grow.

To yield fruit, we must change,

widely extending in flexibility and maturity.

Sales

Our sales force has also grown with us.

We know that the sales team is one of the most important parts of the business and we place special interest in its constant motivation. This is why in Financiera Independencia, everyone in its sales force is compensated based on new credit production.

Today, we have more than 1,500 promoters, 780 commission agents and 280 floor executives, as well as more than 380 experts in CrediConstruye. Our sales are made through door-to-door sales efforts, in strategic routes, in kiosks located within companies or previously selected areas, as well as direct customer person to person recommendation from other clients.

This sales team specializes in the sale of specific products, customer service, credit renewal and specific geographic area coverage. We have developed strategic business plans for each of our products, including focused marketing campaigns and permanent sales agents training. Our sales process has been standardized, with one same methodology nation-wide. We have learned that in order to retain customer loyalty, service quality and personalized attention is crucial. We also know that a satisfied customer is an irreplaceable asset to extend our client base. Therefore we specially focus on training our sales force to strive for permanent perfection in their everyday tasks.

On the other hand, as part of our customer service, in 2007 we implemented a pilot program to install an automated teller machine (ATM), where clients could make direct withdrawals and payments out of business hours. This program worked with such great acceptance that by year-end we had installed 46 of these ATM's machines in different branches throughout the country turning Financiera Independencia into the first microcredit company in the country to do so. This growing ATM network has been completely installed, controlled and operated by Financiera Independencia.

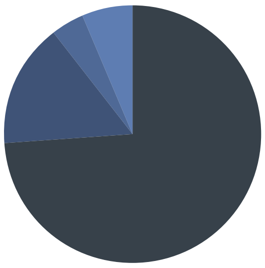
We granted an average of 2,285 credits every day.

2007

Our work force is constantly motivated through adecuate incentive programs and focused in the establishment of solid client relationships and personalized attention geared towards high quality, profitability and efficiency.

Products

Since 1993 we have participated with innovative products in the microfinancing market in Mexico. In 2004 we extended our operations to create new credit products, specially designed for individuals that have no formal employment or no proper documents to prove their income. This new market opened the doors to obtaining more attractive returns on our accounts receivables. Today, the informal market segment represents 25.9% of our total loan portfolio.



We are currently offering four standardized and segmented products. They all offer fixed interest rates in loans that range from Ps.1,500 and Ps.16,500, payable in fixed weekly, bi-weekly or monthly installments. The average amount per loan during 2007 was Ps.4,018.

CrediInmediato.

It is a revolving credit line, with no guarantee or prepayment, ranging from Ps.1,500 until Ps.16,500. With this product, we offer the client additional protection in case of death, employment loss, total or permanent disability. It is available for individuals, and today represents 74.1% of our total loan portfolio. During 2007, it grew 27.5% as a reflection of the increasing use of revolving lines.

With CrediInmediato we also provide access to CrediServicios, which offers our clients the possibility to pay the phone bill or pre-pay their mobile phone by automatic charges to their credit line.

CrediPopular.

It consists of individual loans to people who have no proof of their income. They range from Ps.1,500 up to Ps.3,000 and have a maximum term of 6 months. Loans may be renewed based on the client's credit behavior, up to a maximum of Ps.4,000. This product was launched in 2004 and, by year end 2007 represented 15.6% of our total loan portfolio, with a growth of 180.2%.

2007

As part of our strategy,
we will underline the relevance
of the informal sector in our total loan portfolio.

CrediConstruye.

It is a specialty product to offer a credit alternative for home improvement and, therefore, urban landscape betterment.

Thanks to the efficiency and volume of our operation, to our distribution system and to our processes' transparency, in 2007 we were appointed by the Federal Mortgage Company (SHF, for its initials in Spanish, *Sociedad Hipotecaria Federal*) and the National Housing Board (CONAVI, for its initials in Spanish, *Consejo Nacional de la Vivienda*), as the first trustworthy company to channel federal subsidy, which translates directly in 40% of the credit value at no cost for our clients.

This way, CrediConstruye offers funds for the benefit of low-income families who extend or remodel their home on their own. We additionally offer the client protection in case of death, employment loss or total or permanent disability.

This product operates through coupons exchangeable for construction materials in amounts between Ps.6,000 and Ps.23,000, including subsidy and specialized consulting by a construction expert. CrediConstruye has a maximum term of two years. It was launched in 2006 and represented 6.3% of the total loan portfolio in 2007, with a growth of 789.7% and 39,471 clients by the end of the year. During 2007, 34,638 credits were assigned, of which 17,888 (51.6%) were granted during the fourth quarter of the year, reflecting the positive impact of the federal subsidy introduction.

CrediMamá.

Tailored to women who can prove being mothers of at least one child under the age of 18. They are initially granted an amount of Ps.1,500, with a maximum term of 6 months. These can be renewed based on the credit behavior in up to Ps.4,000. Launched in 2006, this innovative product represented 4.0% of our total loan portfolio during 2007, and meant our strategy consolidation by strengthening our penetration into the informal sector.

Services.

Dinero sin Fronteras: We offer a batch remittance system to receive money from the United States. It allows for a deposit made in the US to be instantly withdrawn in Mexico. With this product we extended our frontiers, seeking to benefit families that need to receive money from their relatives working in the U.S.A.

2007

We are proud of being trustworthy distributors of the federal subsidy through CrediConstruye and are pleased to provide the opportunity of better housing for Mexicans.

Not only does a living support sustain,

it also impels an invisible flow that connects everything.

Technology at the service of our clients: credit approval in less than 48 hours.

Our business model is heavily sustained by technology.

Throughout the years, we have sought to use state of the art systems in our operational platforms.

Technology is the tool responsible for huge advantages in all of our processes.

All of the Financiera Independencia's branches are equipped with high-end technology, allowing a prompt scanning and transmission to the Data Center (CENCA, for its initials in Spanish, *Central de Captura*) of the clients' documents and data gathered by the sales force.

Therefore, our Integral Credit Analysis System (SIAC, for its initials in Spanish, *Sistema Integral de Análisis de Crédito*) verifies the information and determines, according to a statistical score system, both the risk qualification and the payment capacity of the applicant. Based on this, the credit is granted or rejected automatically. It is important to note that determination of whether the credit is granted or not, falls entirely in the system by means of a transparent, secure and objective process. Based on the risk qualification of the client, any future actions such as telephone or physical verification that may be required later in the process are also determined. For a better performance of this verification, our staff is equipped with Pockets PC´s with integrated GPS and digital camera.

If the process develops normally, the system automatically creates the contract and check in favor of the client. These documents are printed directly at each branch for their personal delivery, so that the client may access the credit; cash flow thus becomes fast and transparent.

Investment in technology is totally justified by enabling us to offer a high quality service to our clients: 82% of the credit applications are answered in less than 48 hours.

The collection process, both by telephone and in person, is also supported by state of the art technology that allows us to assign accounts receivables by management level. To fulfill this task, our staff has 1,800 PDA (Personal Digital Assistants).

82% of the applications are solved in less than 48 hrs.

2007

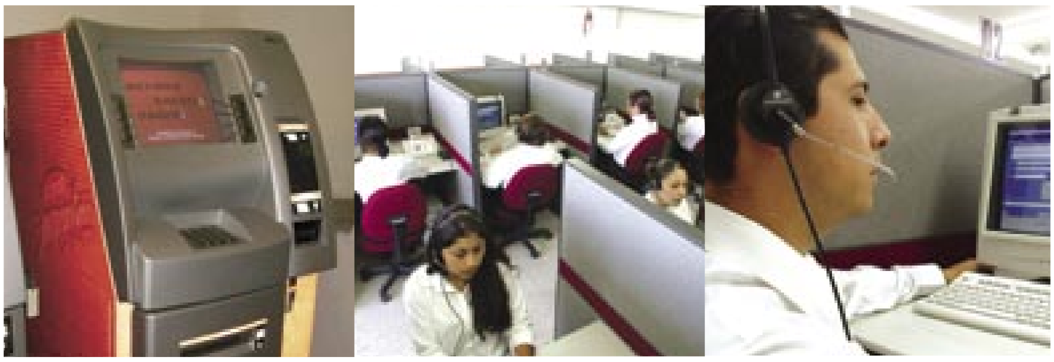
14 millions cashier transactions throughout the year; a growth of 104.1% in comparison with the previous year.

Collection and telephone verification is done through our own Call Center located within the Operations Center in the city of León (COL, for its initials in Spanish, Centro de Operaciones de la ciudad de León) equipped with more than 282 workstations for 616 operators, that make more than 13 million calls each year, considering all campaigns.

Our technological platform allows us to use several systems that enable our more than 4000 users, to take assertive decisions and make their work more efficient. Technology offers them updated online financial, statistical and operational information, as well as the possibility of making punctual follow-ups of each account. This implies excellent portfolio control and management.

Thanks to the technological contribution and the centralization of our processes, we have significantly improved our business model in many aspects:

- adjusted credit policies
- credit behavior analysis of our clients
- access to new markets
- new product development
- optimization of credit approval and collection processes
- new project analysis



2007

Determination of whether the credit is granted or not relies entirely in the system. The process thus becomes transparent, secure and objective.

Collections

Through Conexia, our brand, we have capitalized fourteen-year expertise in the internal process implementation for portfolio efficient recovery .

Due to this fact, collection fee contributed 9.8% of the operational profits in the year. By December, 2007, Financiera Independencia recovered 21 cents from every Peso of sold portfolio.

Sophisticated software has been developed internally to monitor payments and customers behind in payments. From the moment the credit is authorized, the collection system assigns a risk qualification for each client. Based on this, the intensity and manner in which collections are managed are defined. This can be: at a distance, by telephone calls geared to prevent, inform or correct, as the case may be; or with presence, paying direct visit at the clients' address. Different forms of management are applied: informative, geared towards convincing the client of the advantages of paying the debt; recovery, with actions that pursue the urgent payment of the credit; final, in which immediate payment of the amounts due is demanded; and terminal, which consists in the sale of non performing loans, legal actions and remittance to order accounts.

By December, 2007,
Financiera Independencia recovered 21 cents
from every Peso of sold portfolio.

The more the depth the bigger the confidence in a right ascent

and the certainty of an adequate support.

Values

We are committed to keep the essence of our values: honesty, justice, confidence, respect to human dignity, teamwork spirit, executives' leadership —based on direct contact with their staff—, efficient management of resources and continuous staff development. Throughout the years it has been proven that these principles are fruit-bearing. That is why in Financiera Independencia our values are a way of life.

Our people: In Financiera Independencia, people are the strength that sets us apart from our competition, due to their ongoing commitment, enthusiasm and creativity.

We are proud to importantly contribute in the creation of new employment opportunities in our country. During the past fourteen years, we have created 1.3 new jobs every day. During the last five, our staff grew from 1,850 employees to 6,681, in addition to the 782 commission agents. But it is also our responsibility to foster a favorable, stimulating and partaking work environment for our employees. We carry on constant and intense training with clear compensation packages for personnel and an effective Career Plan. We believe in the importance of a healthy communication process. We seek to improve internal communication so we all know what we do and why we do it. We want our people to find open channels to contribute with new ideas for doing even better every day. We value communication with our clients and shareholders, who are the foundation of our work. It is one of our main objectives in this field to convey the same image within the company and towards the outside.

A great team of 7,463 highly motivated individuals.

Socially Responsible Company Company (ESR for its initials in Spanish, *Empresa Socialmente Responsable*): As part of society, it is our responsibility to contribute to its improvement. Year after year we carry on with actions focused on different form of social benefit. Since 2001, we organize Environment Integration and Protection activities in all the branches with employees and their families. Additionally, we have implemented a water savings and reuse program in all our facilities.

Through the TUCAN program, (for its initials in Spanish, *Tu Café Ayuda a la Niñez*, Your Coffee Helps Childhood) where Financiera Independencia doubles the amount of donations collected by the staff, we have supported more than 430 institutions dedicated to childhood help since 1998. During the Health Month we offer medical services, campaigns and orientation workshops in all our offices. The above-mentioned programs are the most relevant from amongst the ones we are implementing.

ESR EMPRESA SOCIALMENTE RESPONSABLE

Since 2003 we have been recognized by the CEMEFI (for its initials in Spanish, *Centro Mexicano para la Filantropía*, Mexican Center for Philanthropy) as a Socially Responsible Company, a distinction that commits us to keep on seeking achievements in this field.

The Future

After fourteen years of experience and solid growth, there is still huge potential for Financiera Independencia.

A significant segment of the Mexican population has no access to financial services yet. We estimate that it comprises more than 30 million people representing 28% of the country's population, 75% of which are not yet properly served by any financial institution.

This perspective, together with our indisputable market leadership, inspires us to keep on improving and extending our service offerings, always renewing strategies and products. We wish to be a greater and better company, still based in our three main strongholds: our people, our working style and our clients.

Our target market is comprised by more than 30 million people.

We shall extend our geographic coverage and office network. Thanks to the centralization of our processes, today we can open a branch and be assigning credit agreements in the following days. We also focus in extending our product offer to best satisfy our clients' needs. In the near future we expect to offer insurance services and products through alliances with companies in this field.

We shall be actively seeking business opportunities for cross-selling, capitalizing our client base and implementing cost reducing actions and operational efficiency improvement. During 2008, our new Operation Center, in Aguascalientes City will open. Equipped with 650 workstations and with a capacity for 1,400 employees, it will increase the capabilities of our current Operations Center in León, Guanajuato. We estimate, for example, that the current capacity of our Call Center will be doubled.

The perspective that we envision and the soundness of what we have achieved, reaffirm our conviction: if we focus precisely on what we want, we recognize that lying ahead are lessons to be learned, if we acknowledge that what we do today can be improved tomorrow, we will continue to succeed.

2007

Our strategic goal is to maintain our position as leaders in personal microfinancing services in Mexico with a high level of profitability and efficiency.

As we grow higher

we can better appreciate the vastness of the horizon.

Management's Discussion & Analysis of Operations and Financial Condition

Introduction

The following report should be read in conjunction with the Audited Combined and Consolidated Financial Statements for Fiscal Year ended December 31, 2007 and 2006 (page 37). Unless otherwise stated, all financial figures discussed in this annual report are prepared in accordance with Mexican Financial Information Standars (NIF), expressed in constant Mexican pesos as of December 31, 2007.

Consolidated Results

Financial Margin after Provision for Loan Losses

For FY07 the financial margin after provision for loan losses rose by 21.1% to Ps.1,367.1 million from Ps.1,128.9 million for FY06, as a result of the 49.2% growth in the total loan portfolio.

Interest Income

Interest income rose 40.0% to Ps.2,061.7 million for FY07, compared to Ps. 1,472.7 million for FY06, mainly as a result on the 40.2% increase in interest on loans. This was driven by the 39.3% rise in the number of clients and the increase in the average outstanding loan due to the introduction of the revolving line of credit as well as an increase of the average balance per client in the informal sector which resulted in the 49.2% growth in the total loan portfolio.

The average lending rate[1] of the total loan portfolio increased from 70.6% in FY06 to 73.7% in FY07. This increase was a result of a larger contribution of higher-interest rate loan products such as CrediPopular and CrediMamá targeted to the informal sector of the Mexican economy.

CrediConstruye loans, a product intended to finance home improvements for the informal sector of the economy, reached 39,471 clients as of December 31, 2007 from 4,004 as of December 31, 2006. This represents an 885.8% year-on-year increase and reflects the positive impact of the agreement reached in September 2007 with the Federal Government through the Sociedad Hipotecaria Federal by which Independencia began offering 40% subsidized CrediConstruye construction loans to its clients.

In total, the informal sector loan portfolio rose 190.7% year-on-year. As of December 31, 2007 these loans accounted for 25.9% of total loans up from 13.3% in December 31, 2006.

At the same time, the CrediInmediato loan product, which is a revolving line of credit that targets the formal sector of the economy, accounted for 74.1% of total loans down from 86.7% in as of December 31, 2006. CrediInmediato clients grew by 21.8% year-on-year, while the total loan portfolio of this product rose by 27.5%, to Ps. 2,481.4 million from Ps.1,946.6 million, reflecting a higher utilization of the revolving line of credit.

Table 1: Loan Portfolio, Number of Clients & Average Loan

	As of December 31, 2007	As of December 31, 2006	YoY%
Loan Portfolio (million Ps.)	3,350.9	2,245.7	49.2%
Number of Clients	833,902	598,831	39.3%
Average Balance (Ps.)	4,018.3	3,750.2	7.1%

Table 2: Number of Clients by Product Type

	As of December 31, 2007	% of Total	As of December 31, 2006	% of Total	YoY% Change
Formal Sector Loans	557,907	66.9%	458,215	76.5%	21.8%
- CrediInmediato	557,907	66.9%	458,215	76.5%	21.8%
Informal Sector Loans	275,995	33.1%	140,616	23.5%	96.3%
- CrediPopular	174,440	20.9%	84,309	14.1%	106.9%
- CrediMama	62,084	7.4%	52,303	8.7%	18.7%
- CrediConstruye	39,471	4.7%	4,004	0.7%	885.8%
Total Number of Loans	833,902	100.0%	598,831	100.0%	39.3%

1) Average lending rate: interest income / average balance of the total loan portfolio

Table 3: Total Loan Portfolio by Product Type*					
	As of December 31, 2007	% of Total	As of December 31, 2006	% of Total	YoY% Change
Formal Sector Loan Portfolio	**2,481.4**	**74.1%**	**1,946.6**	**86.7%**	**27.5%**
- CrediInmediato	2,481.4	74.1%	1,946.6	86.7%	27.5%
Informal Sector Loan Portfolio	**869.5**	**25.9%**	**299.1**	**13.3%**	**190.7%**
- CrediPopular	524.3	15.6%	187.1	8.3%	180.2%
- CrediMama	133.2	4.0%	88.2	3.9%	51.0%
- CrediConstruye	212.0	6.3%	23.8	1.1%	789.7%
Total Loan Portfolio	**3,350.9**	**100.0%**	**2,245.7**	**100.0%**	**49.2%**

* Figures in millions of constant Pesos as of December 31, 2007.

Interest Expense

For FY07, interest expense rose by Ps.44.8 million, or 36.2%, to Ps.168.5 million from Ps.123.7 million on FY06. For FY07, the average interest rate paid(2) on interest bearing liabilities decreased by 50 bps to 11.02% from 11.52% in FY06.

Interest bearing liabilities as of December 31, 2006 were Ps.1,352.9 million and rose to Ps.2,007.8 million as of September 30, 2007. In November 2007, Independencia applied Ps.849.5 million from funds raised during its IPO to reduce the outstanding balance of its revolving line of credit with HSBC, bringing its interest bearing liabilities down to Ps.1,336.0 at December 31, 2007.

Independencia cannot accept deposits and therefore has no interest expense associated therewith.

Provision for Loan Losses

During FY07, Independencia recorded provisions for loan losses of Ps.488.5 million compared with Ps.194.5 million in FY06, representing an increase of Ps.294.0 million. This increase in provision for loan losses was the result of the following:

- A 49.2% growth in the total loan portfolio to Ps.3,350.9 million;
- An 83.2% increase in non-performing loans, from Ps.128.7 million in FY06 to Ps.235.8 million in FY07; and
- An increase in the NPL ratio from 5.7% in FY06 to 7.0% in FY07.

The increased provision for loan losses was the result of the company´s strategy to rapidly expand its client base. Looking ahead, management believes that the company´s sophisticated technology and collection processes provide the necessary flexibility to consistently fine-tune operations, and over time seek the right balance between growth, risk and profitability and thus successfully pursue its growth strategy.

Net Operating Revenue

During FY07, net operating revenue rose by Ps.418.5 million, or 27.5%, to Ps.1,939.9 million, from Ps.1,521.4 million in FY06 and was a result of the reasons stated above as well as the 46.0% increase in non-interest income (net) to Ps.572.8 million in FY07, from Ps.392.4 million in FY06 derived from the 49.2% growth in the total loan portfolio.

Net Operating Income

During FY07, net operating income increased by Ps.150.1 million, or 28.1%, to Ps.685.0 million. The 27.5% increase in net operating revenue for the period more than offset the 27.2% rise in non-interest expenses.

2) average interest rate paid = interest expense / daily average balance of interest bearing liabilities for the period. Some of this information may vary when compared with previously-released information were we used periodical average balances.

During FY07, the company's labor force increased by 1,738 people, or 30.4%, to a total of 7,463 people. As a result, salaries and employee benefits increased year-on-year by Ps.203.6 million, or 29.6% to Ps.890.8 million in FY07. During FY07 Independencia opened 35 offices, which brings the total network to 152 units; 16 of which were opened in 4Q07.

Net Income

Net income for FY07 rose by Ps.101.0 million, or 24.3%, to Ps.516.0 million. Earnings per share (EPS) for the year were Ps.0.8033 compared with Ps.0.7207 for FY06.

Financial Position

Total Loan Portfolio

The total loan portfolio rose year-on-year by 49.2% to Ps.3,350.9 million, reflecting the 39.3% increase in the number of clients during the period and a 7.1% increase in the average outstanding balance. As of December 31, 2007 Independencia had 833,902 active clients.

The total loan portfolio represented 89.8% of Independencia's total assets as of December 31, 2007, compared to 87.8% of total assets in the prior year.

Non-Performing Loan Portfolio

Total non-performing loans reached Ps.235.8 million, up 83.2% from December 31, 2006. The NPL ratio was 7.0% for FY07, compared to 5.7% for FY06. NPL ratios were in line with Independencia's trend over the past five years, which is within the range of 3% to 10%, measured on a monthly basis.

The NPL ratio in the CrediInmediato product for FY07 was 6.7% compared to 5.5% for FY06. The NPL ratio for the informal segment was 7.9% for FY07 compared to 7.2% for FY06. The coverage ratio remained unchanged year-on-year at 125%.

Although the informal sector loan portfolio presents a higher risk than that of the formal sector, profitability in this segment is much higher. While the growth rate of this loan portfolio is high, Independencia expects non-performing loans in this segment to increase as the portfolio matures. However, the Company has adopted a sophisticated collection process that is designed to control and reduce risk and expects the overall net interest margin after provisions to continue to increase following the anticipated rise in the share of loans to the informal sector over total loans.

Liabilities

As of December 31, 2007, total liabilities were Ps.1,568.5 million, a 3.2% increase from Ps.1,519.5 million in December 31, 2006. Total liabilities for 2007 reflect the Ps.849.5 million reduction in the HSBC revolving line of credit following the company´s IPO.

Stockholders' Equity

As of December 31, 2007, stockholder's equity was Ps.2,163.4 million, a 108.4% increase from Ps.1,038.3 million in December 31, 2006. This increase was attributable to net income generated during FY07, minus dividends paid, which amounted to Ps.178.8 million, plus a Ps.1,033.00 million capital increase following the company's IPO.

Profitaility ande Efficiency Ratios

ROAE/ROAA

ROAE in FY07 declined to 32.2% from 45.5% in FY06, while ROAA fell to 16.4% from 17.2% in FY06. ROAE for FY07 reflects the impact from the Ps.1,033.0 million increase in capital following the IPO which took place in November 2007.

Efficiency Ratio & Operating Efficiency

During the year, Independencia increased the size of its loan portfolio by 49.2% and the number of clients by 39.3%. It also added 35 offices and 1,738 people. This growth was achieved while improving efficiency.

Operating efficiency for FY07 was 39.9%, an improvement of 1.0 percentage points from 40.9% in FY06. Total average assets rose by 3.1 percentage points more than non-interest expense, driving the improvement in operating efficiency. The efficiency ratio of 64.7% for FY07 improved slightly from the 64.8% recorded in FY06.

Key Events

Share Repurchase Program

Pursuant to the Mexican Securities Market Law and its By-laws, Independencia is entitled to temporarily repurchase shares representing its capital stock, provided that while it owns such shares, no voting or other related rights may be exercised at a shareholders' meeting or otherwise.

Accordingly, on October 18, 2007 Independencia's shareholders approved the application of a maximum amount equivalent to its net earnings as of December 31, 2007 to repurchase from time to time its shares in accordance with the applicable rules.

During the year, the Company began trading its Treasury stock within all current applicable regulations. These transactions are undertaken with the objective of providing liquidity to the stock. The company has entered into agreements with several brokerage houses to conduct these transactions, which in turn were conducted by previously-authorized company representatives. Each transaction was duly reported to the Mexican Stock Exchange.

As of December 31, 2007, the number of shares held by the company's treasury totaled 4,258,700, or 0.6% of total outstanding shares.

Mexican Tax Reform

On October 2007, the Ministry of Finance announced two new federal taxes applicable to all Mexican corporations which became effective January 1, 2008 and July 1, 2008; respectively. This tax change however, does not have a material impact on the company's results.

These taxes consist of a business flat rate tax ("Impuesto Empresarial a Tasa Unica", or "IETU") and a tax on cash deposits. The IETU is an alternative minimum tax which replaces the current asset tax on corporations and other tax payers in Mexico. The IETU is imposed only on revenues derived from sales, services and leases at the rate of 16.5% in 2008, 17.0% in 2009 and 17.5% in 2010 and thereafter. Mexican corporations are required to pay IETU if, as a result of the calculation of the IETU, the amount payable under the IETU exceeds the income tax payable by the corporation pursuant to Mexican income tax law.

2006
2007

Audited Consolidated and Combined Financial Statements

December 31, 2007 and 2006

Financiera Independencia, S.A.B. de C.V.,
Sociedad Financiera de Objeto Múltiple,
Entidad No Regulada
(formerly Sociedad Financiera de Objeto Limitado)
and its Subsidiary.

Audited Consolidated and Combined Financial Statements

December 31, 2007 and 2006

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PRICEWATERHOUSECOOPERS

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Independent Auditors' Report

México City, March 27, 2008

To the Stockholders of:
Financiera Independencia, S.A.B. de C.V.,
Sociedad Financiera de Objeto Múltiple,
Entidad No Regulada

We have audited the consolidated balance sheet of Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (formerly Sociedad Financiera de Objeto Limitado "Sofol") and its subsidiary as of December 31 2007; and the combined balance sheet of Financiera Independencia, S. A. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada and Serfincor, S. A. de C. V. and its subsidiaries as of December 31, 2006, and the related consolidated and combined statements of income, of changes in stockholders' equity and of changes in financial position for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in Mexico. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and that they were prepared in accordance with the Mexican Financial Reporting Standards. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated and combined financial statements. An audit also includes assessing the standards of financial information used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

PRICEWATERHOUSECOOPERS

In our opinion, the aforementioned consolidated and combined financial statements present fairly, in all material respects, the consolidated financial position of Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada, (formerly Sociedad Financiera de Objeto Limitado) and its subsidiary at December 31, 2007, and the consolidated and combined results of their operations, the changes in their stockholders' equity and the changes in their financial position for the year then ended, and the combined financial position of Financiera Independencia, S. A. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada and Serfincor, S. A. de C. V. and its subsidiaries at December 31, 2006, the combined results of their operations, the changes in their stockholders' equity and the changes in their financial position for the year then ended, in conformity with Mexican Financial Reporting Standards.

PricewaterhouseCoopers, S. C.

José Antonio Quesada Palacios
Audit Partner

Financiera Independencia, S.A.B. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (formerly Sociedad Financiera de Objeto Limitado), and its Subsidiary

Consolidated and Combined Balance Sheets (Notes 1 and 2)

Thousands of Mexican pesos as of December 31, 2007 purchasing power

	December 31,	
Assets	2007	2006
Cash and cash equivalents	Ps 243,130	Ps 143,662
Performing loans (Note 3):		
Consumer	3,115,025	2,116,970
Non-performing loans (Note 3):		
Consumer	235,834	128,740
Total loan portfolio	3,350,859	2,245,710
Allowance for loan losses (Note 3)	(294,793)	(160,926)
Total loan portfolio - Net	3,056,066	2,084,784
Other accounts receivable - Net	43,779	74,579
Property, plant and equipment - Net (Note 4)	172,054	92,088
Deferred income tax - Net (Note 9)	177,266	121,157
Other assets - Net	39,620	41,500
Total assets	Ps3,731,915	Ps2,557,770

	December 31,	
Liabilities and Stockholders' Equity	2007	2006
Liabilities		
Bank and other entities loans (Note 5)	Ps1,335,963	Ps1,352,898
Accounts payable:		
Income tax and employees' statutory		
Profit sharing (Note 9)	72,994	22,217
Other accounts payable	121,442	112,244
Deferred commissions	38,113	32,115
	232,549	166,576
Total liabilities	1,568,512	1,519,474
Stockholders' Equity (Note 7):		
Paid-in capital:		
Capital stock	153,603	149,799
Share premiums, net	1,640,074	643,898
	1,793,677	793,697
Earned Capital:		
Legal reserves	71,797	58,897
Retained earnings	297,929	185,701
	369,726	244,598
Total majority interest	2,163,403	1,038,295
Minority interest	-	1
Total stockholders' equity	2,163,403	1,038,296
Commitments and contingencies (Note 12)		
Subsequent events (Note 13)		
Total liabilities and stockholders' equity	Ps3,731,915	Ps2,557,770

The accompanying fourteen notes are an integral part of these consolidated and combined financial statements.

Ing. Noel González Cawley
Chief Executive Officer

C.P. Juan García Madrigal
Chief Financial Officer

Lic. Adeodato Carbajal Orozco
Comptroller

C.P. Benito Pacheco Zavala
Auditing Director

Financiera Independencia, S.A.B. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (formerly Sociedad Financiera de Objeto Limitado), and its Subsidiary

Consolidated and Combined Statements of Income (Notes 1 and 2)

Thousands of Mexican pesos as of December 31, 2007 purchasing power

	Year ended December 31, 2007	Year ended December 31, 2006
Interest Income (Note 8)	Ps 2,061,699	Ps 1,472,726
Interest expense	(168,502)	(123,706)
Monetary Loss - Net (financial margin)	(37,606)	(25,598)
Financial margin	1,855,591	1,323,422
Provision for loan losses (Note 3)	(488,478)	(194,476)
Financial margin after provision for loan losses	1,367,113	1,128,946
Commissions and fees collected	574,372	394,994
Commissions and fees paid	(1,578)	(2,547)
	572,794	392,447
Net operating revenue	1,939,907	1,521,393
Non-interesting expense	(1,254,955)	(986,556)
Net operating income	684,952	534,837
Other income	57,800	82,077
Other expenses	(2,011)	(13,873)
	55,789	68,204
Total income before income tax and employees' statutory profit sharing (Note 9)	740,741	603,041
Current income tax and employees' statutory profit sharing	(280,836)	(172,945)
Deferred income tax and employees' statutory profit sharing	56,109	(15,098)
	(224,727)	(188,043)
Net income for the year	Ps 516,014	Ps 414,998
Earning per share	Ps 0.8033	Ps 0.7207

The accompanying fourteen notes are an integral part of these consolidated and combined financial statements.

Ing. Noel González Cawley Chief Executive Officer	C.P. Juan García Madrigal Chief Financial Officer	Lic. Adeodato Carbajal Orozco Comptroller	C.P. Benito Pacheco Zavala Auditing Director

Financiera Independencia, S.A.B. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (formerly Sociedad Financiera de Objeto Limitado), and its Subsidiary

Consolidated and Combined Statements of Changes in Stockholders' Equity for the years ended December 31, 2007 and 2006 (Notes 1 and 7)

Thousands of Mexican pesos as of December 31, 2007 purchasing power

	Paid-in capital		Earned capital				
	Capital stock	Share premiums, net	Legal reserves	Retained earnings	Initial effect of deferred income tax	Minority interest	Stockholders' equity
Balances as of January 1, 2006	Ps136,107	Ps 6,302	Ps 47,948	Ps580,376	Ps 15,027	14	Ps785,774
TRANSACTIONS APPROVED BY STOCKHOLDERS:							
Application of 2005 net income to capital reserves			10,949	(10,949)			
Cash dividends declared in March, 2006				(73,265)			(73,265)
Capital stock increase	13,692	733,663					747,355
Transfer to the additional paid-in capital to retained earnings		(96,067)		96,067			
Cash dividends declared in June, 2006				(836,553)			(836,553)
Transfer to the initial effect of deferred income tax to retained earnings				15,027	(15,027)		
Minority interest						(13)	(13)
	13,692	637,596	10,949	(809,673)	(15,027)	(13)	(162,476)
COMPREHENSIVE INCOME ENTRIES:							
Net income				414,998			414,998
Balance as of December 31, 2006	149,799	643,898	58,897	185,701	-	1	1,038,296
Elimination of the Stockholders' equity of Serfincor for the combination in 2006	(723)	(36,791)	(126)	(25,951)		(1)	(63,592)
TRANSACTIONS APPROVED BY STOCKHOLDERS:							
Application of 2006 net income to capital reserves			13,026	(13,026)			
Cash dividends declared in March 2007				(178,786)			(178,786)
Capital stock increase	4,527	1,032,967					1,037,494
Repurchase capital stock				(116,976)			(116,976)
Excess of the cost paid for the shares of Serfincor over the net book value				(69,047)			(69,047)
	4,527	1,032,967	13,026	(377,835)			672,685
COMPREHENSIVE INCOME ENTRIES:							
Net Income				516,014			516,014
Balances as of December 31, 2007	Ps153,603	Ps1,640,074	Ps 71,797	Ps 297,929	Ps -	Ps -	Ps2,163,403

The accompanying fourteen notes are an integral part of these consolidated and combined financial statements.

Ing. Noel González Cawley
Chief Executive Officer

C.P. Juan García Madrigal
Chief Financial Officer

Lic. Adeodato Carbajal Orozco
Comptroller

C.P. Benito Pacheco Zavala
Auditing Director

Financiera Independencia, S.A.B. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (formerly Sociedad Financiera de Objeto Limitado), and its Subsidiary

Consolidated and Combined Statements of Changes in the Financial Position (Note 1)

Thousands of Mexican pesos as of December 31, 2007 purchasing power

	December 31,	
Operating activities:	2007	2006
Net income for the year	Ps 516,014	Ps 414,998
Items not generating (requiring) resources:		
Provision for loan losses	488,478	194,476
Depreciation and amortization	42,589	33,162
Software costs	7,036	5,868
Employee retirement benefits	3,320	2,236
Deferred taxes	(56,109)	15,098
	1,001,328	665,838
Changes in operating assets and liabilities:		
Increase in loan portfolio	(1,459,760)	(527,714)
Other accounts receivable and other accounts payable and others- Net	93,454	(19,211)
Resources (used in) provided by operating activities	(364,978)	118,913
Financing activities:		
Increase in capital stock	4,527	13,692
Share premium received	1,032,967	733,663
Dividend payment	(178,786)	(909,818)
Increase in bank and other entities loans	(16,935)	261,164
Commercial paper		(217,716)
Minority interest		(13)
Repurchase capital stock	(116,976)	
Resources provided by (used in) financing activities	724,797	(119,028)
Investing activities:		
Excess of the cost paid	(132,639)	
Property, plant and equipment - Net	(122,559)	(45,239)
Other assets	(5,153)	(23,678)
Resources used in investing activities	(260,351)	(68,917)
Increase (decrease) in cash and cash equivalents for the year	99,468	(69,032)
Cash and cash equivalents at the beginning of the year	143,662	212,694
Cash and cash equivalents at the end of the year	Ps 243,130	Ps 143,662

The accompanying fourteen notes are an integral part of these consolidated and combined financial statements.

Ing. Noel González Cawley	C.P. Juan García Madrigal	Lic. Adeodato Carbajal Orozco	C.P. Benito Pacheco Zavala
Chief Executive Officer	Chief Financial Officer	Comptroller	Auditing Director

NOTES TO THE CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2007 and 2006

Amounts stated in thousands of Mexican pesos as of December 31, 2007 purchasing power, except for numbers of shares and exchange rates

NOTE 1 - NATURE OF THE COMPANY AND ITS ACTIVITIES:

Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (FISA or Company) was incorporated on July 22, 1993, as a Special Purpose Entity (Sociedad Financiera de Objeto Limitado or Sofol) and is mainly engaged in making personal loans to low income individuals. The resources required to conduct operations have been obtained from its stockholders and from operations and liabilities with Mexican and foreign financial institutions.

The combined financial statements as of December 31, 2006 present here consist of the accounts of FISA, as well as those of Serfincor, S. A. de C. V. (Serfincor) and its subsidiaries. Effective July 1, 2007, FISA acquired substantially all of the outstanding common stock of Serfincor (99.99%) held by FISA's Shareholders for a total amount of Ps152,868. As a result of that purchase, the excess of the cost over the book value of Serfincor totaling Ps69,047 was recorded in Retained Earnings. On the basis of the foregoing, consolidated financial statements are shown as from July 1, 2007, and therefore, as from December 31, 2007, the elimination of the effects of the combination with Serfincor in 2006 of Ps63,592 appears in the Statements of Changes in Stockholders' equity.

Serfincor was incorporated on March 31, 2003 and is a holding company of the following subsidiaries:

Subsidiary	Stock Holding	Activity
Conexia Servicios, S. A. de C. V.*	99.99%	Verification and collection services
Conexia, S. A. de C. V.	99.99%	Call center services
Prosefindep, S. A. de C. V. (Prosefindep)	99.99%	Administrative services
SF Independencia, S. A. de C. V.*	99.99%	Administrative services
Servicios de Cambaceo, S. A. de C. V.	99.99%	Promotion and marketing services
Santa Fe Post, S. A. de C. V.	99.99%	Messaging service
Ejecutivos Santa Fe, S. A. de C. V. (Ejecutivos)**	99.99%	Administrative services

* These entities were merged with Serfincor as of June 30, 2007.
** Was incorporated on July 1, 2007.

In 2007, the balance sheet is presented on a consolidated basis, and the statements of income, of changes in stockholders' equity and of changes in financial position were combined in the first semester and consolidated for the second semester, while in 2006 all the financial statements were combined.

The accompanying consolidated financial statements include those of the FISA and the Serfincor and its subsidiaries.

On July 18, 2006, certain amendments were made to the Ley General de Organizaciones y Actividades Auxiliares del Crédito or LGOAAC, for its innitial in Spanish, pursuant which Multiple Purpose Financial Entities (Sociedades Financieras de Objeto Múltiple or Sofom) can engage in activities such as granting loans, factoring and financial leasing operations , which may or may not be regulated by the National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores also referred as the Commission or CNBV). Non-Regulated Multiple Purpose Financial Entities (Sociedad Financiera de Objeto Múltiple, Entidad No Regulada or Sofom, E N R) are not related to credit institutions or to holding entities of financial institutions. Sofoms, E N R. are not subject to the Commission's oversight.

On November 30, 2006, an Extraordinary Stockholders' Meeting approved the modification of the Company's by-laws, to transform the Company into a Sofom, E N R. in accordance to the provisions of the LGOAAC, as amended. This modification was registered in the Public Commerce Registry and became effective on January 31, 2007, where society becomes legally Sofom, E N R.

On November 1, 2007, the Company conducted a public offering in Mexico and abroad, as a result of which, as from that date, its shares were traded in the Mexican stock market (BMV from its initials in Spanish). The public offering abroad was conducted under Rule 144-A and regulation "S" of the 1933 US Securities Law and standards applicable to the countries in which said offering was conducted.

On October 18, 2007, as a result of the unanimous approval of the stockholders outside the environment of a formal stockholders' meeting, it was agreed to adopt the Socidedad Anónima Bursátil (S.A.B., Public Stock Company) regime. As from November 1, 2007, the Company was registered as a company Quoting on the Mexican Stock Exchange, under code "FINDEP".

As a Public Stock Company, the company is subject to the provisions of the Corporations Law, and if applicable, the stock Market Law, as well as to the general provisions applicable to issuers of securities and other participants of the stock market.

FISA has no employees and all legal, accounting and administrative services are provided by Serfincor's subsidiaries.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying consolidated and combined financial statements as of December 31, 2007 and 2006, have been prepared and precisely comply to achieve a reasonable presentation in accordance with the Mexican Financial Reporting Standards (MFRS) and are expressed in Mexican pesos of the last year-end purchasing power.

The accompanying consolidated and combined financial statements were authorized for issuance on March 27, 2008, by Juan García Madrigal - Chief Financial Officer.

The Company is aware of statement 113-1/27511/2008 dated February 27, 2008 issued by the Commission in response to the statement filed with said Commission by the Mexican Association of Specialized Financial Entities (AMFE from Sp.) dated February 22, 2008. In said statement, the Commission mentions having no objection for Sofom's, E.N.R. with securities registered at the National Securities Registry to prepare their financial statements as per the accounting criteria applicable to credit institutions, if so desired.

Based on the above, the accompanying consolidated and combined financial statements at December 31, 2007 and 2006 have been formulated and presented as per Mexican Financial Reporting Standards.

Application of these provisions allows for proper comparability between the financial information issued by the Company in both years, for which the proper adjustments were made to the accounting standards described below, including the concepts, methods and criteria relative to recognition of the accounting estimations determined by Management, for presentation of the balance sheet and the statement of income according to the industry and sector in which the entity operates (and not according to availability and due dates for payment in the balance sheet, or to its function in the statement of income, also, employees' statutory profit sharing is not shown under the "Other expenses") and the effects of inflation on the financial information:

a. All balances and transactions between the consolidated companies the December 31, 2007 have been eliminated. The consolidation was carried out on the basis of audited financial statements of the subsidiaries. See Note 1.

b. All balances and transactions between the combined companies the December 31, 2006 have been eliminated.

c. Cash and cash equivalents are recorded at nominal value and include investments in securities in financial institutions with average maturities of one day.

d. The loan portfolio represents amounts effectively granted to borrowers and is presented net of the allowance for loan losses, plus interest earned but not yet collected. See Note 3.

   The unpaid loan balance comprising principal and accrued interest is recorded in the past-due portfolio, when payment is overdue for 90 or more calendar days.

   Generally, interest income is recognized on an accrual basis, using the unpaid balances method.

   Loans are charged off in the accounting records as per Management's best estimate, when they are 180 or more natural days past due.

e. The allowance for loan losses represents the Company's best evaluation of the amount necessary to cover probable future losses inherent in the loan portfolio, which would correspond at least to 125% of the total past due portfolio. See Note 3.

f. Property, machinery and equipment are expressed at their restated value determined by applying to their acquisition of factors derived from the Investment Units (UDI)

Depreciation and administration are calculated by the straight-line method based on the estimated useful lives of the assets, estimated by the Company's management, on both acquisition cost and restatement increases. See Note 4.

g. Income tax is recorded by the comprehensive asset-and-liability method, which consists of recognizing deferred tax on all temporary differences between the book and tax values of assets and liabilities.

   Beginning on October 1, 2007 one of the subsidiary of the company recognized the deferred tax provision on IETU (Impuesto Empresarial a la Tasa Única by its Spanish acronym) whenever the financial and tax projections prepared by the entity show that they will essentially pay IETU in the future, instead of income tax, therefore the cumulative deferred income tax was cancelled up with the purposes described in Note 9.

h. Long-lived assets are subject to impairment testing, tangible and intangible, are subject to an annual study to determine their value of use and of defining if it exists or non deterioration.

i. The bank loans and of other organizations mainly represent the cash dispositions destined contracts of opening of credits, which are registered to the contractual value of the loan plus the accrual interests, determined in line straight for the days passed to the closing of every month, which they are loaded in the results of the exercise as are happened. See Note 5.

j. The Company's liabilities represent present obligations and the accrual provisions recognized in the balance sheet represent present obligations whose settlement will probably require the use of economic resources to liquidate the liability. These accrual provisions have been recorded based on management's best estimate of the amount needed to liquidate the present liability; however, actual results could differ from the accrual provisions recognized.

k. Seniority premium to which employees are entitled upon termination of employment after 15 years of service, are recorded as a cost of the years in which the respective services are rendered, based on actuarial studies carried out using the projected unit credit method. See Note 6.

l. Capital stock, legal reserves and retained earnings represent the value of these items stated in purchasing power as of the most recent balance sheet date, and are determined by applying factors derived from the UDI to the historical amounts. See Note 7.

m. The share premiums represent the difference between the payment for the paid-in shares and the nominal value of those shares, and are restated by applying UDI factors.

n. Comprehensive income is represented by the net income and items required by specific accounting standards to be reflected in stockholders' equity but which do not constitute capital contributions, reductions or distributions. It is restated on the basis of UDI factors.

o. The loss on monetary represents the inflation loss measured in terms of the UDI, on net monthly monetary assets and liabilities for the year, expressed in pesos of purchasing power as of the most recent balance sheet date. The inflation rates were 3.80% in 2007 and 4.16% in 2006.

p. Earnings per share are computed by dividing the net income by the weighted average number of shares outstanding during the respective years, these shares were 642,332,113 in 2007 and 575,849,315 in 2006.

q. Revenue consisting of interest income from loans granted is recorded in earnings as it accrues, based on the contractual terms and interest rates of the loans.

r. The commissions for annuities collected to the borrowers, are deferred and recognized over the contractual life of the loan, using the straight-line method. Other commissions are recorded in earnings when collected.

NOTE 3 - LOAN PORTFOLIO:

Performing and non-performing loans were as follows:

	2007		
Performing loans:	**Principal**	**Accrued interest**	**Total**
Consumer	Ps2,959,120	Ps155,905	Ps3,115,025
Non-performing loans:			
Consumer	197,043	38,791	235,834
Total loan portfolio	Ps3,156,163	Ps194,696	Ps3,350,859

	2006		
Performing loans:	**Principal**	**Accrued interest**	**Total**
Consumer	Ps2,004,374	Ps 112,596	Ps2,116,970
Non-performing loans:			
Consumer	108,027	20,713	128,740
Total loan portfolio	Ps2,112,401	Ps 133,309	Ps2,245,710

The loan portfolio according to availability was as follows:

	2007	2006
Short term	Ps3,261,219	Ps2,235,237
Long term	89,640	10,473
Total loan portfolio	Ps3,350,859	Ps2,245,710

Loans granted, segmented by type, were as follows:

	2007		2006	
	Amount	%	Amount	%
Performing loans:				
CrediInmediato	Ps2,314,089	74	Ps1,839,340	87
CrediPopular	472,288	15	173,934	8
CrediMamá	122,966	4	80,223	4
CrediConstruye	205,682	7	23,473	1
	3,115,025	100	2,116,970	100
Non performing loans:				
CrediInmediato	167,293	71	107,254	83
CrediPopular	52,010	22	13,151	10
CrediMamá	10,258	4	7,984	6
CrediConstruye	6,273	3	351	1
	235,834	100	128,740	100
Total loan portfolio	Ps3,350,859	100	Ps2,245,710	100

CrediInmediato - This product is a revolving line of credit available to individuals earning at least the minimum monthly wage in Mexico. Loans granted under this program range from Ps1.500 to Ps16.500. As of December 31, 2007 and 2006, the unused amount of line of credit was Ps751,000, and Ps420,000, respectively.

Credipopular - This product is a personal loan ranging initially from Ps1.500 to Ps 3.000, and is available to the adult working population in Mexico. This product has an average term of 26 weeks and is renewable based on the debtor's credit behavior.

CrediMamá - This product is tailored to mothers who have at least one child under the age of 18. These loans are initially granted in an amount of Ps1.500. This product has an average term of 26 weeks and is renewable based on the debtor's credit behavior.

CrediConstruye - This product is available to individuals earning at least the minimum monthly wage in Mexico City and is intended to finance home improvements. These loans initially range from Ps6.000 to Ps23.000, including the subsidy and the specialized advisory of a professional of the construction. This loan product has a maximum term of two years.

The changes in the allowance for loan losses for the years ended December 31, 2007 and 2006 and were as follows:

	2007	2006
Balance at the beginning of the year	Ps 160,926	Ps 176,949
Less:		
Effect of inflation at the beginning of the year	5,893	8,404
Nominal balance at the beginning of the year	155,033	168,545
Plus:		
Increase to the allowance for loan losses	488,478	194,476
Less:		
Effect of inflation	8,474	4,991
Loans written-off during the year	340,244	197,104
Balance at the end of the year	Ps 294,793	Ps 160,926

NOTE 4 – PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment were as follows:

	December 31, 2007	2006	Depreciation rate %
Computer equipment	Ps131,327	Ps102,080	25
Office furniture and equipment	60,085	42,328	10
Transportation equipment	18,176	19,020	25
Leasehold improvements	99,624	71,502	20
	309,212	234,930	
Less – Accumulated depreciation	(169,442)	(143,707)	
	139,770	91,223	
Plus – Land	865	865	
Constructions process*	31,419	–	
Total	Ps172,054	Ps 92,088	

* Corresponds to construction of the Operations Center in Aguascalientes, which will start operating in 2008.

For the year ended December 31, 2007, the depreciation expense amounted to Ps 42,589 (Ps33,162 in 2006).

NOTE 5 – BANK AND OTHER ENTITIES LOANS:

As of December 31, 2007 and 2006, the balance of bank and other entities loans were as follows:

Entity	Credit line	Maturity	Interest rate	December 31, 2007 Amount	2006 Amount
HSBC México, S. A., Institución de Banca Múltiple, Grupo Financiero HSBC (HSBC)	Ps2,000,000	December 2007 to December 2008	TIIE + 2.75	Ps1,204,093	Ps1,329,521
Sociedad Hipotecaria Federal, S. N. C.	Ps 210,000	May 2007 to May 2009	between 9.37% and 10.98%	123,485	15,706
				1,327,578	1,345,227
Accrued interest				8,385	7,671
				Ps1,335,963	Ps1,352,898

The bank and other entities loans according due dates for payment were as follows:

	2007	2006
Short term	Ps1,300,395	Ps1,346,307
Long term	35,568	6,591
Total	Ps1,335,963	Ps1,352,898

NOTE 6 - LABOR LIABILITIES:

The liabilities and costs related to these plans, as well as those related to the seniority premiums to which employees are entitled after 15 years of service, are recognized on the basis of actuarial studies of independent experts.

The Company has also established plans to cover dismissal indemnities, on the basis of actuarial studies made by independent experts.

Follows is a summary of the principal consolidated financial data relative to these plans:

Assets and liabilities relating to the seniority premium plan.

	2007	2006
Projected benefit obligation	(Ps1,961)	(Ps1,082)
Plan assets	-	-
	(1,961)	(1,082)
Transition liability	176	158
Plan modifications	142	159
Actuarial gains	(77)	(400)
Projected net liability	(Ps1,720)	(Ps1,165)
Actual benefit obligation	(Ps1,859)	(Ps1,033)
Plan assets	-	-
	(1,859)	(1,033)
Projected net liability	1,720	(1,165)
Liability additional	(Ps 139)	Ps -
Intangible asset	Ps 139	Ps -

The net cost for the years ended December 31, 2007 and 2006 was Ps712, and Ps560, respectively.

Assets and liabilities relating to the dismissal indemnities:

	December 31, 2007	2006
Projected benefit obligation	(Ps6,749)	(Ps4,407)
Plan assets	-	-
	(6,749)	(4,407)
Transition liability	3,053	3,302
Plan modifications	280	305
Actuarial gains	(443)	(1,767)
Projected net liability	(Ps3,859)	(Ps2,567)
Actual benefit obligation	(Ps6,598)	(Ps4,308)
Plan assets	-	-
	(6,598)	(4,308)
Projected net liability	(3,843)	(2,567)
Additional liability	(Ps2,755)	(Ps1,741)
Intangible asset	Ps2,755	Ps1,741

The net cost for the years ended December 31, 2007 and 2006 was Ps2,608 and Ps1,676, respectively.

The cost of the above services and of modifications to the plans, the variation in assumptions and adjustments for experience, and the transition liability are amortized on the basis of the average remaining labor life of employees expected to receive the plan benefits, which is approximately 15 years.

The weighted average assumptions (net of expected inflation) used to determine, under both plans, the net periodic benefit cost for the years ended December 31, 2007 and 2006, were as follows:

Discount rate	4.50%
Salary increase rate	1.00%

NOTE 7 – STOCKHOLDERS' EQUITY:

On October 18, 2007, in the unanimous resolutions arrived at in the Stockholders' Meeting, the following agreements reached: i) eliminate the par value of the shares; ii) eliminate the series of shares to create a single series; iii) split the company shares, exchanging one thousand shares for one former share, without modifying the capital stock amount, and iv) increasing the variable capital stock in the amount of Ps4,527 (Ps4,500 nominal pesos), by means of cash contributions through a public offering in Mexico and abroad, generating a net premium on the placement of shares of Ps1,032,967. Said premium consider a decrease corresponding to expenses related to the public offering of Ps49,044. See Note 1.

As recorded in the minutes of the Ordinary Stockholders Meeting of June 20, 2006, HSBC Overseas Holdings (UK) Limited (HSBC) subscribed a Ps13,556 (Ps12,699 nominal pesos) increase in FISA's capital stock equivalent to one Series "A" share and 126,999 Series "B" shares, and recognized a share premium in an amount of Ps5.18004 (nominal amount per share) recorded in the line item additional paid-in capital for a total amount of Ps702,214 (Ps657,860 nominal pesos). In addition, HSBC subscribed a Ps136 (Ps127 nominal pesos) increase in Serfincor's capital stock equivalent to one Series "A" share and 126,999 Series "B" shares and recognized a share premium for an amount of Ps0.23081 (nominal amount per share) recorded in the line item additional paid-in capital for a total amount of Ps31,449 (Ps29,313 nominal pesos).

After this increase, the capital stock at December 31, 2007 was composed as follows:

Shares *	Description	Amount
200,000,000	Series "A" (Class I)	Ps 20,000
480,000,000	Series "A" (Class II)	48,000
680,000,000		68,000
	Restated effect	85,603
	Capital stock in pesos of December 31, 2007 purchasing power	Ps 153,603

The series "A" Class I representing the fixed portion of the capital stock, without withdrawal rights. The series "A" Class II representing the variable portion of the capital stock.

* Ordinary nominative shares, respectively, totally subscribed and paid in.

The Company pays dividends on a regular basis and there are no restrictions to decree dividends. At December 31, 2007, the Company paid dividends in the amount of Ps178,786, approved at the March 20, 2007 General Stockholders' Meeting. During 2006, the Company paid dividends in the amount of Ps73,265 and Ps 836,553, approved at the March 27 and June 20, 2006 General Stockholders Meetings, respectively. In addition, at the August 22, 2007 General Stockholders' Meeting, the stockholders approved the transfer of the premium on the sale of shares to retained earnings in the amount of Ps96,067.

On October 18, 2007, through unanimous resolutions reached outside the setting of a stockholders' meeting, the stockholders approved the creation of a compensation plan for company employees and officers. This structure consists of two trusts set up by two of Serfincor subsidiaries, Ejecutivos Santa Fe and Prosefindep, with a financial institution, in accordance with the Mexican legislation.

In accordance with the Stock Market Law and the Company's bylaws, the company is empowered to repurchase its own shares on a temporary basis, in the understanding that during the time said shares are held by the Company, no voting or other related rights can be exercised at a stockholders' meeting or otherwise.

At December 31, 2007, the total number of repurchased shares was 5,716,700, of which 4,258,700 or 0.6% correspond to the repurchase fund and 1,458,000 shares or 0.2% correspond to the trust pertaining to the stock option plan of the total number of shares in circulation. The market value of the Company's shares at December 31, 2007 was Ps18.74.

In accordance with Circular 38 "Temporary acquisition of own shares" of FRS, the maximum term for replacing the shares among the investing public must not exceed one year as from the acquisition date, subject to an additional three-month extension, provided prior authorization is obtained from the Commission. In the event the shares are not again placed among the investing public, the capital stock must be reduced.

In accordance with Mexican law, the legal reserve must be increased by 5% of the annual profits until it reaches 20% of the capital stock amount. The amounts transferred to legal reserves as of December 31, 2007 and 2006 were Ps13,026 and Ps10,949, respectively.

Dividends paid are not subject to income tax if paid from the Net Tax Profit Account. Any dividends paid in excess of this account are subject to a tax rate equivalent to 38.91% in 2008. The tax is payable by the Company and may be credited against its income tax in the same year or in the following two years. Dividends paid from previously taxed profits are not subject to tax withholding or additional tax payment.

In the event of a capital reduction, the excess of stockholders' equity over capital contributions is accorded the same tax treatment as dividends, in accordance with the procedures established under the Mexican Income Tax Law.

NOTE 8 - INTEREST INCOME:

Interest income for the year were comprised as follows:

	2007	2006
Loan portfolio (see Note 14)	Ps2,058,568	Ps1,468,196
Short term investments in securities	3,131	4,530
Total interest income	Ps2,061,699	Ps1,472,726

NOTE 9 - INCOME TAX (IT), ASSET TAX (AT), EMPLOYEES' STATUTORY PROFIT-SHARING (ESPS) AND IETU TAX (IETU):

a. IT:

In 2007 and 2006 the Company determined the taxable income. Based on its financial and tax projections, the company's management determined that the tax to be paid in the future will be the Income tax, therefore it has been recognized the deferred income tax. Taxable income differs from the net income due to timing and permanent differences arising basically from the different basis for the recognition of the effects of inflation and for the effects of the non-deductible expenses.

On 2007 and 2006, the income tax provision was composed as follows:

	2007	2006
Effective IT:		
IT	(Ps278,434)	(Ps169,968)
ESPS	(2,402)	(2,977)
	(280,836)	(172,945)
Deferred IT:		
IT	56,109	(15,098)
	(Ps224,747)	(Ps188,043)

As of December 31, 2007 and 2006, the difference between the statutory and effective tax rates was 2.1 and 3.1 base points, respectively.

At December 31, 2007 and 2006, the principal timing differences on which deferred income tax was recognized were are shown on the next page:

	December 31, 2007	December 31, 2006
Loans written-off	Ps 237,337	Ps 204,430
Allowance for loan losses	294,792	160,926
Provisions *	39,345	55,789
Commisions collected in advance	38,113	32,114
Tax loss carry forwards	28,755	1,865
Fixed assets	7,507	11,172
Prepaid expenses	(18,747)	(21,854)
Software costs	(7,738)	(6,726)
Prepaid commissions	-	(5,014)
	619,364	432,702
Income tax rate	28%	28%
Deferred income tax	173,422	121,157
IETU deferred income tax (see letter c. below)	3,844	-
Deferred income tax	Ps 177,266	Ps121,157

* Provisions include the employees annual work performance and accruals for amounts committed with respect to refunds to clients, among other concepts.

At December 31, 2007, a subsidiary of the Company had accumulated tax loss carry forwards amounting to Ps28,755, whose right to be amortized against future taxable income expires as 2017.

b. AT:

Asset tax was calculated at 1.25% of the net value of certain assets and is payable only when it exceeds the income tax payable.

c. IETU:

On October 1, 2007, was published the Law of the IETU; in effect since January 1, 2008. The law is obligatory to physical and moral people with permanent establishment in Mexico. The IETU of the period calculates applying the rate of the 16,5% in 2008 (17% in 2009 and 17.5% in 2010), to a utility determined with base in cash flow, according to establishes the effective legislation.

At the beginning of October 1, 2007, the Company management, in accomplishment with the Mexican Financial Reporting Standards, recognized the deferred asset (liability) income tax corresponding to the timing differences generated in the calculation of the IETU taxable base, which are expected to be materialize in future periods. The above is based on the financial and tax projections of the next years, which estimate that the tax that will be paid is the IETU; therefore at December 31, 2007, the subsidiary has recognized deferred asset IETU tax for an amount of Ps3,844.

At December 31, 2007, the principal timing differences on which deferred IETU Tax was recognized are as shown below:

	December 31, 2007
Labor liabilities	Ps5,483
Provisions	17,814
	23,297
IETU tax applicable rate	16.5%
Deferred IETU tax asset (see letter a. above)	Ps3,844

NOTE 10 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES:

The main balances as of December 31,2007 and 2006 were as follows:

Receivable:	2007	2006
HSBC	Ps 4,950	
Impulsora Corporativa de Inmuebles, S. A. de C. V.	367	Ps 655
ADEF, S. A. de C. V.	92	210
Operadora Deportiva Cancún, S. A. de C. V.	244	132
Asociación de Condóminos Vasco de Quiroga No. 2121, A. C.	10	14
Asociación de Condóminos Plaza Reforma, A. C.	31	73
Other	142	122
	Ps 5,836	Ps 1,206

These balances are included under the caption “Other accounts receivable - Net”.

Payable:

	2007	2006
HSBC	Ps1,212,416	Ps1,337,167

The main transactions with related parties were as follows:

	Year ended December 31,	
Income:	2007	2006
Administrative services	Ps 30,733	Ps 9,030
Expenses:		
Interest expense	Ps 155,487	Ps 110,783
Leases	1,584	-
Administrative fees	29,325	25,924
Rent	9,775	4,851
	Ps 196,171	Ps 141,558

NOTE 11 - NEW ACCOUNTING STANDARDS:

During the last quarter of 2007, the Mexican Financial Reporting Standards Board issued some Financial Reporting Standards (NIF, for its initials in Spanish) and some Interpretations to the Financial Reporting Standards (INIF, for its initials in Spanish), which became effective on January 1, 2008. It is estimated that these NIF and INIF will not have a significant effect in the Company's financial information.

NIF B-2 "Cash flows statement": this NIF provides the provisions for the presentation, structure and preparation of the cash flows statements to be in accordance with the provisions of the NIF B-10. The NIF B-2 supersedes the Statement B-12, "Statement of changes in the financial position", and also requires to show gross amount of collections and payments; in very specific cases, it is allowed to show net cash flows movements. It is also required to show how the cash balance is obtained.

NIF B-10 "Inflation effects": this NIF provides the provisions for the recognition of the inflation effects under an inflationary environment in the country. This NIF incorporates, among other, the following changes: i) the option to choose the use of the National Consumer Price Index or the value of the Investment Unit (UDI, a Mexican index based on inflation), ii) eliminates the use of the method of valuation for foreign origin assets, and iii) the initial accumulated gain or loss from withholding of non monetary assets and the initial accumulated gain or loss from monetary position, be reclassified to the retained earnings or maintained in the equity such affects derived from items which have not been charged or credited to the income statement.

NIF B-15 "Translation of foreign currency": this NIF supersedes current Statement B-15 and establishes, among other, the elimination of the classification of foreign integrated operation and foreign entity. It also establishes the procedures to translate financial information from a foreign operation as: i) from the posted currency to the functional currency, and ii) from the functional currency to the posted currency. It also allows an entity to express its financial statements in a currency different from its functional currency.

NIF D-3 "Employee benefits": this NIF supersedes current Standard D-3. The most important changes are the reduction to a maximum of five-year period to amortize the prior year items, the effects of the salary growth in the calculation of the Obligation for Defined Benefits (formerly known as Obligations for Projected Benefits), the elimination of the accounting treatment for the additional liability and its corresponding intangible asset and separate equity component.

NIF D-4 "Income tax": this NIF requires to recognize assets tax as a tax credit and therefore, as a deferred income tax asset. The term of permanent difference is eliminated and it also requires to reclassify to the retained earnings the initial effects of the deferred income tax recorded in the equity, unless the timing difference which gave rise to them have not been realized.

INIF 6 "Option to chose the form of hedges": this INIF indicates that a derivative financial instrument may be considered as such since the date of its acquisition or in a subsequent date, only if it fulfills with the new requirements established in the paragraph 51 a) from the Statement C-10.

INIF 7 "Accounting treatment of the comprehensive income or loss derived from a cash flows hedge over a projected transaction of purchasing a non financial asset": this INIF amends the following paragraphs of the Statement C-10:

- Paragraph 105, to clarify that the effects of a hedge recorded in the comprehensive gain or loss derived from transactions of purchasing a non financial asset can be capitalized in the cost of the non financial asset, whose price is fixed by the hedge.

- Paragraph 106, to indicate that in the case of all cash flows hedges, the amounts recorded in the equity as a part of the comprehensive gain or loss of the year, must be reclassified to the statement of income in the same period or periods in which the hedge contract is signed or the projected transaction is affected, except for the cases indicated in paragraph 105.

- Paragraph 110, to indicate that in the case of the cash flows hedges effects, their accumulated gain or loss, which had been recognized in the equity as a part of the comprehensive income or loss, must be recognized as indicated in the paragraph 105, since they are non financial assets.

NOTE 12 - COMMITMENTS AND CONTINGENCIES:

As of December 31, 2007, legal proceedings against the Company consisted of labor suits. In the opinion of Management and the Company's legal counsel, the likelihood of an unfavorable outcome in these proceeding is considered unlikely. In the event of an unfavorable outcome, the results of these proceeding would not have a material impact on the overall financial position or results of operations of the Company.

The Company entered into certain lease contracts related to offices and branches where the Company performs its activities. The period of these leases is between three and five years. The total lease payments for the next five years amount to Ps114,059 (Ps39,346 in 2008, Ps31,298 in 2009, Ps20,673 in 2010, Ps16,291 in 2011 and thereafter Ps6,451).

NOTE 13 - SUBSEQUENT EVENTS:

At the January 23, 2008 Board of Directors' Meeting, the Directors approved the first list of officers pertaining to the Company's subsidiaries for assignment of stock option, as well as the number of shares subject to their respective options.

The Company conducted share repurchases subsequent to the closing of the 2007 period and at the date of the independent auditors' report in the amount of Ps179,041.

On February 26, 2008, the Company signed an agreement with BBVA Bancomer, S. A. Institución de Banca Múltiple, Grupo Financiero BBVA Bancomer for authorization of a revolving line of credit of Ps150,000. The resources from said credit line are to be used as working capital and periodic treasury requirements, and will be effective for 2 years. The interest rate agreed is the Interbank Interest Compensation Rate, plus 1.90 base points. In March 10, 2008, of the present year a disposition by the total amount of the line of credit took place.

NOTE 14 - FINANCIAL INFORMATION BY SEGMENT:

The total loan portfolio and the interest income by geographical area were as shown below:

	December 31,			
	2007		2006	
	Total loan portfolio	Interest income	Total loan portfolio	Interest income
Aguascalientes	Ps 78,750	Ps 45,078	Ps 46,369	Ps 29,753
Baja California Norte	93,522	43,769	49,600	34,733
Baja California Sur	38,345	26,724	32,083	24,227
Campeche	45,911	27,226	31,456	21,563
Chiapas	112,805	73,410	77,246	52,884
Chihuahua	93,828	57,732	84,239	53,795
Coahuila	274,872	168,316	200,668	124,697
Colima	37,796	24,333	30,376	19,802
Durango	57,770	35,746	31,666	18,810
Estado de México	61,304	35,147	39,569	24,459
Guanajuato	183,528	114,683	113,620	69,582
Guerrero	97,709	53,896	46,349	25,422
Hidalgo	30,867	17,870	20,029	12,516
Jalisco	169,756	91,704	99,800	61,555
Michoacán	97,816	59,241	56,599	35,703
Morelos	95,249	59,805	55,536	32,606
Nayarit	31,250	20,244	24,162	17,875
Oaxaca	69,830	37,432	39,873	26,925
Puebla	120,784	75,256	79,635	46,737
Querétaro	90,548	55,703	58,393	36,717
Quintana Roo	92,600	62,026	72,206	46,277
San Luis Potosí	119,127	73,151	84,062	53,360
Sinaloa	146,265	87,025	93,022	59,584
Sonora	143,583	73,866	81,198	51,040
Tabasco	69,885	39,103	45,743	30,290
Tamaulipas	359,638	220,553	263,366	177,553
Tlaxcala	58,422	38,756	43,689	29,140
Veracruz	356,342	230,190	257,627	167,053
Yucatán	73,829	49,549	61,398	39,931
Zacatecas	39,077	19,394	18,922	11,617
Oficina Central - Mexico City	9,851	1,872	7,209	931
	3,350,859	2,018,800	2,245,710	1,437,137
Restatement effect	-	39,768	-	31,059
Total (see note 8)	Ps3,350,859	Ps2,058,568	Ps2,245,710	Ps1,468,196

Ing. Noel González Cawley Director General	C.P. Juan García Madrigal Director de Finanzas	Lic. Adeodato Carbajal Orozco Contralor	C.P. Benito Pacheco Zavala Director de Auditoría Interna

Board of Directors

José Luis Rión Santisteban	Chairman
Roberto Cantú López	Director
Horacio Altamirano González	Director
Carlos Morodo Santisteban	Director
Guillermo Barroso Montull	Director
Noel González Cawley	Director
Héctor Ángel Rodríguez Acosta	Director
Rafael Arana de la Garza	Director
Roberto Servitje Achútegui	Director
Ana Paula Rión Cantú	Director
José Ramón Elizondo Anaya	Director
Carlos Javier de la Paz Mena	Director
Iker Ignacio Arriola Peñalosa	Secretary - Non Member

Principal Officers

Noel González Cawley	Chief Executive Officer
Benito E. Pacheco Zavala	Internal Auditing Officer
Mónica Patricia Aznar Pérez	Human Resources Officer
Gerardo Chávez Cervantes	Commercial Officer
Juan García Madrigal	Chief Financial Officer
Fernando Esteban Lavín	Strategic Planning Officer
Héctor Eguiarte Sakar	Credit and Collection Officer
José Alberto Pérez de Acha	Chief Information Officer
Luis Miguel Fernández Guevara	Operations Center Officer
Adeodato Carbajal Orozco	Comptroller
Vicente Gutiérrez Mayo	Investor Relations

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This material contains forward-looking statements and information subject to risks and uncertainties, which are based on current expectations and projections about future events and trends that may affect Company's business. These statements may be identified by words such as "may," "plans," "expects," "believes" and similar expressions, or by their context. These statements are made on the basis of current knowledge and assumptions. By their nature, these forward-looking statements involve numerous assumptions, uncertainties and opportunities, both general and specific. Various factors could cause actual future results, performance or events to differ materially from those described in these statements. No obligation is assumed to update any forward-looking statements. Given these factors, you should not place undue reliance on the forward-looking statements.

The Company has not registered (and has no current intention to register) its securities under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities or "blue sky" laws and the Company is not registered under the United States Investment Act of 1940, as amended. The securities of the Company may not be offered or sold in the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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