Annual Report | 08

FINANCIERA INDEPENDENCIA

15 years

| 1993 - 2008

Over the past **fifteen years** we have proved the strength of our **business model**. Our flexible strategy and rapid response to new challenges has given us **strength** and **confidence** to continue growing.

Annual Report | 08

A solid business model

FINANCIERA INDEPENDENCIA

15 years

| 1993 - 2008

Annual Report | 08

index

FINANCIERA INDEPENDENCIA

15 years

| 1993 - 2008

30.2%

Increase in number of clients

252,061
from 833,902 to 1´085,963

33.5%

Increase in total loan portfolio

MXP 1,123.0 million
from 3,350.9 to 4,473.8

26.3%

Extension of branch network

40
from 152 to 192

45.1%

Increase in number of employees

3,014
from 6,681 to 9,695

66.4%

Increase in loan applications submitted

689,812
from 1´038,872 to 1´728,684

30.1%

Increase in customer visits at branch offices

4´595,514
from 15´235,870 to 19´831,384

NB: the above figures are based on comparative results between the 2007 and 2008 financial years

Annual Report | 08

Selected Financial Information

FINANCIERA INDEPENDENCIA

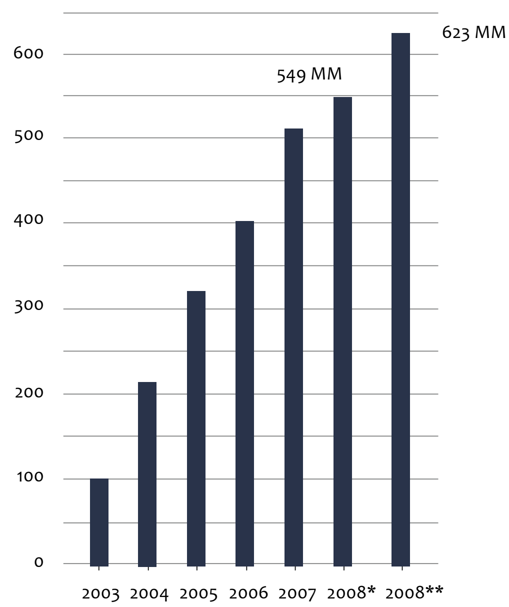
15 years

Selected Financial Information

In millions of pesos.

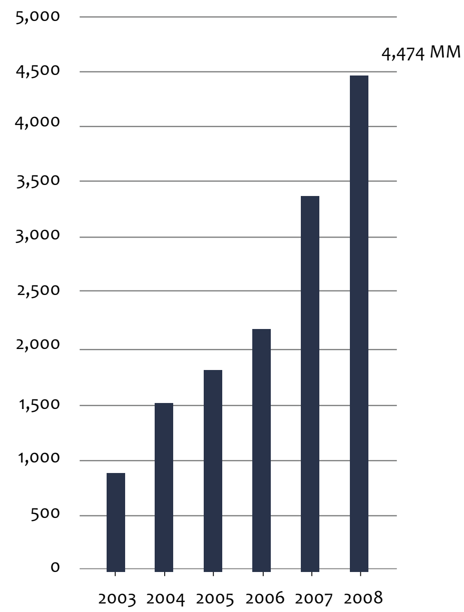
	Mexican Financial Reporting Standards		Mexican Banking Accounting Principles	
	2007	2008	2007	2008
Balance Sheet				
Cash and investments	243	344	243	344
Total loans	3,351	4,474	3,351	4,474
Past due loans	236	369	339	561
Allowances for loan losses	(295)	(461)	(214)	(351)
Other assets	433	949	410	920
Total assets	**3,732**	**5,305**	**3,790**	**5,387**
Total borrowings	1,336	3,614	1,336	3,614
Other liabilities	233	362	233	371
Total liabilities	1,569	3,976	1,569	3,985
Shareholders' equity	2,163	1,329	2,222	1,403
Total liabiliites and shareholders' equity	**3,732**	**5,305**	**3,790**	**5,387**
Income Statement				
Net interest margin before provisions	1,856	2,484	1,856	2,484
Provisions	488	812	408	701
Net interest margin after provisions	**1,367**	**1,673**	**1,448**	**1,783**
Fee income	573	741	573	741
Operating income	1,940	2,414	2,021	2,525
Operating expenses	1,255	1,695	1,255	1,703
Net operating income	**685**	**719**	**766**	**822**
Other income (expenses)	56	23	56	23
Income before taxes	741	742	822	844
Taxes	225	193	247	222
Net income	**516**	**549**	**574**	**623**
Selected Ratios (%)				
ROAA	16.4%	12.2%	17.9%	13.6%
ROAE	32.2%	31.5%	34.6%	34.4%
NIM before provisions excl. fees (1)	62.0%	59.1%	62.0%	59.1%
NIM after provisions (excluding fees) (2)	45.7%	39.8%	48.4%	42.4%
NIM after provisions (including fees) (3)	64.8%	57.4%	67.5%	60.0%
Operating efficiency (4)	39.9%	37.5%	39.2%	37.1%
Efficiency ratio (5)	64.7%	70.2%	62.1%	67.5%
NPL ratio (6)	7.0%	8.2%	10.1%	12.5%
Coverage ratio (7)	125.0%	125.0%	63.1%	62.5%
Capital / Assets	58.0%	25.1%	58.6%	26.0%

Source: Financiera Independencia.
Note: In constant pesos as of December 30, 2007. Selected ratios calculated in local currency.
(1) Net interest margin excluding fees = NIM / average interest-earning assets
(2) Net interest margin after provisions (excluding fees) = NIM after provisions for loan losses / average interest-earning assets
(3) Net interest margin after provisions (including fees) = NIM after provisions for loan losses + fees collected - fee paid / average interest-earning assets
(4) Operating efficiency = non interest expense / average assets
(5) Efficiency ratio = non interest expense / net operating revenues
(6) NPL ratio = non-performing loans / total loan portfolio
(7) Coverage ratio = allowances for loan losses / non-performing loans



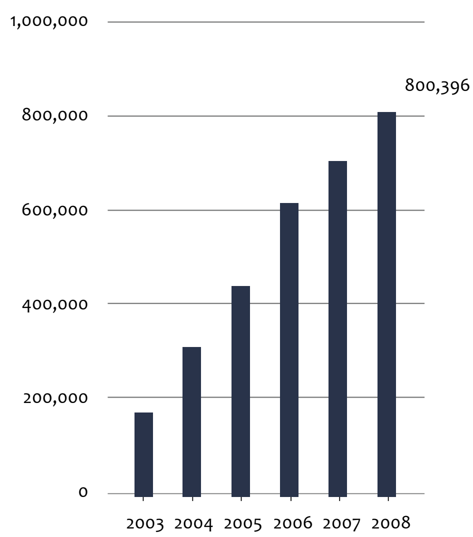
Net Profit

In millions of pesos.
* Mexican Financial Reporting Standards.
** Mexican Banking Accounting Principles.
Pre-2008 figures are expressed in terms of purchasing power pesos as of December 31, 2007.
2008 figures are expressed in nominal pesos.

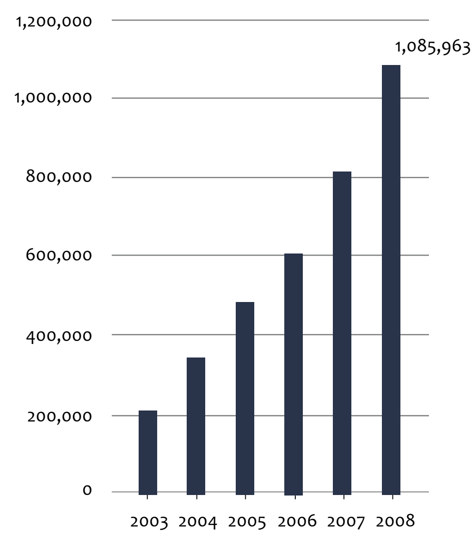


Total Loan Portfolio

In millions of pesos.
Pre-2008 figures are expressed in terms of purchasing power pesos as of December 31, 2007.
2008 figures are expressed in nominal pesos.



Loans Granted



Number of Clients

Dear Shareholders:

In 2008, Financiera Independencia successfully completed its first year as a public company and also celebrated its fifteenth anniversary. Over the years our work has evolved into the proven business model that can be witnessed today.

It has certainly been a complex period with turbulent conditions felt both internationally and in Mexico, yet we have still achieved remarkable successes.

This year saw our company's strongest ever growth in terms of clients served, with over one million active clients and almost 3.5 million loans granted. This reconfirms our position as a leading player in the unsecured microcredit market in Mexico. We now have over one million clients, and with efficiency standards capable of handling over 1.6 million visits to our branches every month.

Not only do we have many more clients, but we have also worked hard at developing an even closer relationship with them. This year we opened 40 new branches. We now operate in every Mexican state, except for the Federal District in Mexico City, with a total of 192 branches. Our network covers 142 cities with over 50 thousand inhabitants.

During this past year, our response capacity has matched our business growth: we can now process 144 thousand loan applications every month and we make over 1 million 750 thousand telephone calls.

We opened our Operations Center in Aguascalientes as scheduled, with an investment of approximately 6 million dollars. Using state-of-the-art technology, its system can handle over one million telephone calls a month. Financiera Independencia has since been able to double its operational capacity in terms of loan granting, collections, telemarketing, data storage and processing. We have therefore laid solid foundations to support our future growth.

This year we launched a new service – CrediSeguro – as part of our commitment to improve our clients' well-being. This micro life insurance, for total or permanent disability and family medical care, is tailor-made and priced to meet the needs of low income families.

We continue working hard motivated by our commitment to Mexico, our clients and shareholders. The departure of HSBC Overseas Holdings UK Limited (HOHU), due to a change in their global policy priorities, gave us the opportunity to reaffirm our belief in the company, and increase our own investment due to our confidence in its future development. Our investments in Financiera Independencia will continue over the coming years. We have reason to believe in the company´s results, based on the experience, market foresight and our flexible strategies.

We have consolidated our company's growth and redoubled efforts to make our processes more efficient. We are convinced that what we do well today, we can do it even better tomorrow.

For the sixth consecutive year, Financiera Independencia was certified as a Socially Responsible Company (*Empresa Socialmente Responsable*). This encourages us to make further progress in this direction, toward attaining higher goals and with an ever-greater commitment to Mexico. We continue working as agents of change in the communities where we operate. 2008 marked the tenth anniversary of our traditional and successful campaign called Your Coffee Helps Children (TUCÁN for its initials in Spanish, *Tu Café Ayuda a la Niñez*). Over this past decade, thanks to the personal contributions from Financiera Independencia employees and from the company itself, approximately 14 million pesos have been raised to support over 670 institutions for the benefit of children in Mexico.

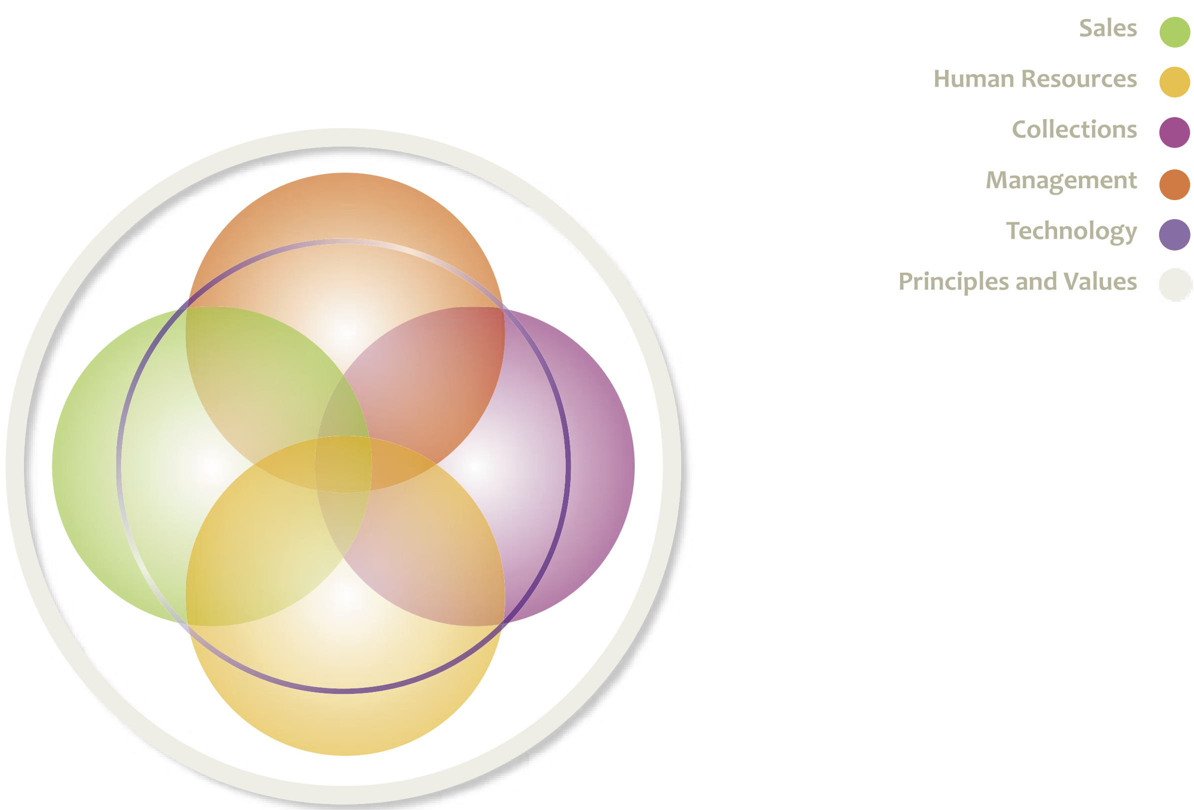
Under changing circumstances, our business model has proven to be efficient, resilient and flexible. We see a vast opportunity for microfinance in Mexico and we have the right experience to provide an efficient service to an ever-growing client base that is looking to access the financial system in 2009. We look forward to sharing our future achievements with you.

José Luis Rión Santisteban
Chairman

Noel González Cawley
Chief Executive Officer

Proven

Our model is supported by four solid pillars connected by technology.



Our model

Our business model is built on four pillars: Sales, Management, Collections and Human Resources. Each one is indispensable and all are interdependent. Technology brings them together and is the essential tool that keeps the model running. And our company's Principles and Values permeate and underlie all our activities. This model, both solid and flexible, has withstood the test of different economic cycles over the past fifteen years.

Our business

We specialize in offering high quality financial services to the low-income segment of the population. We grant unsecured loans to individuals who do not normally have formal access to the financial system. We are therefore offering people their first opportunity to get a credit history and become recipients of formal credit services.

Our mission statement is:

To support the working classes in Mexico
with a range of financial products to meet their needs
through a high quality and timely service,
offering them formal access to the financial system.

Our business strategy's success is reflected in over one million active clients and almost 3.5 million loans granted.

History and anniversary

Financiera Independencia was created in 1993 as the first regulated non-bank bank (SOFOL, for its initials in Spanish, *Sociedad Financiera de Objeto Limitado*) in Mexico. We started by offering microcredits to a segment of the population without access to formal financial institutions. 2008 marked our fifteenth anniversary, as one of the largest personal microfinance institutions in Latin America with a total loan portfolio of almost 4,500 million pesos.

Our steady growth has been fuelled by the enormous market potential, the development of a successful business model and our response capacity, enabling us to design new strategies that always comply with the strictest quality standards.

In 2004 we began offering our services to the informal economy, now known as self-employed sector, designing a specific product that would cater to this important -yet neglected- segment of the population for the first time.

Three years later, in 2007, we converted into a deregulated non-bank bank (SOFOM for its initials in Spanish, *Sociedad Financiera de Objeto Múltiple*), under a newly created legal structure, providing us greater flexibility to continue our steady pace of growth. That same year we became a public company through the listing of our shares in the Mexican Stock Exchange on November 1st, 2007.

2008 ended on a positive note after reaching over one million active clients. We will continue striving to achieve many more years' growth, always with a strong emphasis on rennovating ourselves through improvements to our processes.

Our clients

Financiera Independencia targets clients between 18 and 65 years old, with incomes that are ranging from one to ten minimum wages in urban areas with over 50 thousand inhabitants.

We have clients in the formal economy as well as self-employed, for whom we provide a dignified access to formal credit services.



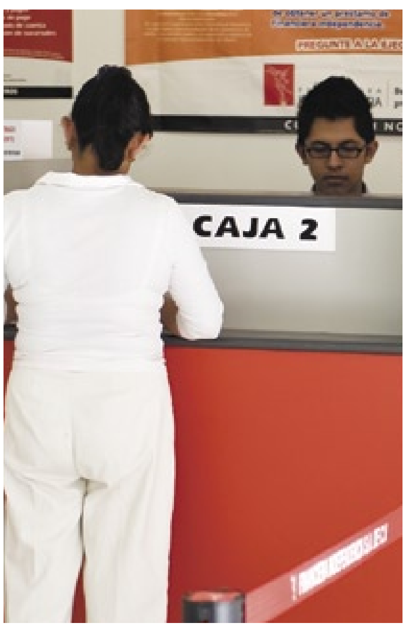


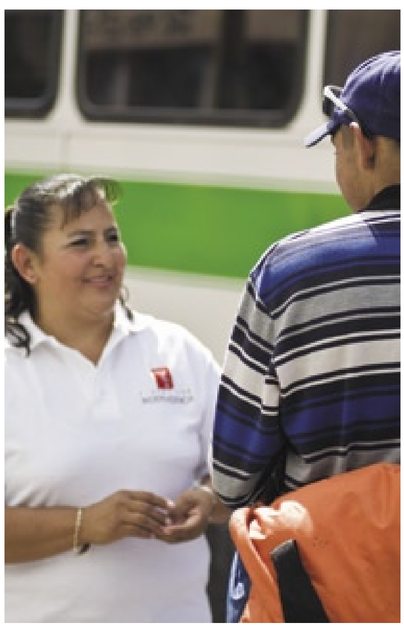


TRIPLAY

Geographical coverage

Ever since our operations began, we decided to work through our own distribution network. This meant that we could tailor it to our needs and make it grow in accordance with the company's strategic plans. This avoided third parties' involvement, giving us a direct relationship with our clients. So each time a loan is up for renewal, we take advantage of clients' visits to branches to offer them a renewal or extension of their loan. This has been one of our outstanding strengths that sets us apart in the market.





Fifteen years ago we opened our first branch in the city of Toluca. Today we operate out of 192 offices throughout Mexico, except for the Federal District in Mexico City. We cover 142 cities in Mexico with over 50 thousand inhabitants.

By diversifying our regional coverage, we have minimized the possible risks of difficulties in local economies or the potential consequences of natural disasters affecting a particular region. Today, no single state represents over 10.1% of our total loan portfolio.

During 2008 we opened 40 new offices in different parts of Mexico. We are providing a service to almost 1,086,000 clients, with a high level of efficiency in order to handle a monthly average traffic of 1,652,615 visits to our branches and resolve 87% of loan applications in less than 48 hours.

[Financiera Independencia has operations in every state in Mexico, except for the Federal District in Mexico City. We cover 142 cities with 192 branches.]

Sales

In Financiera Independencia, quality leads to quantity. Our clients' loyalty and recommendations are a direct result of our approach; we go out in search of clients on an individual basis offering a personalized service. This explains how, over the past fifteen years, we have increased our number of clients, one by one, and granted a total of almost 3.5 million loans.

Methodology

Our sales methodology involves various tools:

• **Door-to-door sales.** Our agents make direct contact with clients at their homes.

• **Kiosks.** With agents operating within companies and at specially chosen locations.

• **Recommendations.** Our clients give us 2 or 3 referrals that we contact.

• **Branches.** Sales executives who provide information and loan applications to visitors at our offices.

One by one

Reaching out to the client, listening him, and devote ourselves to attract him. This is why we have serviced millions of them.

A product for every need

We have been market pioneers from the outset. Over time we have been firm to our strategy of designing new products to meet the evolving needs of the market and to penetrate different segments of the population. This process has led to our four products:

1.- CrediInmediato. For salaried employees, this product offers clients a revolving line of credit for amounts ranging from MXP1,500 to MXP16,500. CrediInmediato includes debt relief in case of death and protection against unemployment as well as total or permanent disability. Clients who have been granted this line of credit may also benefit from the micro life insurance and medical insurance policy that we now offer as CrediSeguro. CrediInmediato now represents 68.6% of our total loan portfolio.

2.- CrediPopular. For the self-employed who can prove their financial activity, this product offers clients a short-term personal loan. CrediPopular was such a success in 2008 that higher credit limits and longer repayment terms were established. This product now represents 17.9% of our total loan portfolio.

3.- CrediMamá. In order to gain acces to this product, women just need to prove that they are mothers of at least one child under 18 years. Launched in 2006, this personal loan granted first-time applicants MXP1,500 for a six-month term. CrediMamá now represents 2.9% of our total loan portfolio.

4.- CrediConstruye. This is a specialized product offering clients a real opportunity to improve the standard of their homes according to their needs. It is only available for home repairs and improvement, with vouchers that can be exchanged for building materials ranging in cost from MXP3,000 to MXP16,500. Clients taking out this loan can also request advice from a construction professional. It now represents 10.6% of our total loan portfolio.

Additional services

Over recent years we have implemented a strategy that seeks to give added value to our clients by offering them add-on services at our branches. These services are:

1.- Dinero Sin Fronteras. A system for our clients in Mexico to access money deposited in the United States. This extends our services across the border so that people living and working in the USA can send remittances to their families in Mexico both quickly and reliably.

2.- ATMs. We operate a network of 76 ATMs for our clients to make payments or withdrawals in or outside normal office hours.

3.- Telephone bill payments. Our clients can pay their telephone bill at any of our branches or, if they wish, they can set up a direct debit from their revolving line of credit.

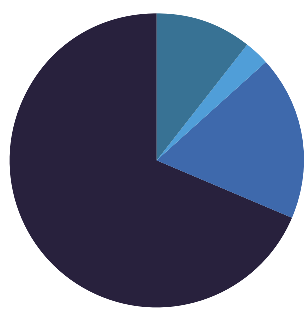
4.- Cell phones pre-payments. Our clients can pre-pay their cell phones at any of our branches.

5.- CrediSeguro. This new service was launched in 2008 to cover a different need and has proved to be highly valued by our clients. It is a micro life insurance that covers total or permanent disability and medical assistance. It was designed to meet the needs of low income families at a very reasonable cost. CrediSeguro includes a medical consultancy telephone service, urgent medical transfers, access to preferential doctors' fees, medication and some laboratory services, with no limit to the number of claim filings and nationwide coverage.

CrediSeguro is available for CrediInmediato clients and is valid for one year with automatic renewal. Policies can be taken out for different insurance amounts and charged to the line of credit.

Distribution of Loan Portfolio, by Product

68.6% CrediInmediato
17.9% CrediPopular
10.6% CrediConstruye
2.9% CrediMamá



Meta del Mes
ACIAS
EZ
ZA
ARA
RNANDEZ
YES
TINEZ
REYES
CEVEDO
RIVERA
CEDILLO
A CONTRERAS
Y GALVAN
ICIA MENDEZ
ORTIZ

Our sales force

We have a specialized sales force by product:

• **1,702 salespersons**, responsible for originating CrediInmediato contracts,

• **484 salespersons,** responsible for CrediMamá and CrediPopular products,

• **421 sales executives** at our branches, responsible for renewing and selling traditional as well as new products,

• **411 CrediConstruye experts**, specializing in sales of this product.

We have 429 additional agents who are not directly employed by Financiera Independencia, who provide special attention to the self-employed sector and for the CrediConstruye product.

Our sales personnel are highly motivated toward reaching their sales objectives. Over 70% of their income comes from sales commissions. This is a reflection of their hard work, assiduousness and perseverance.

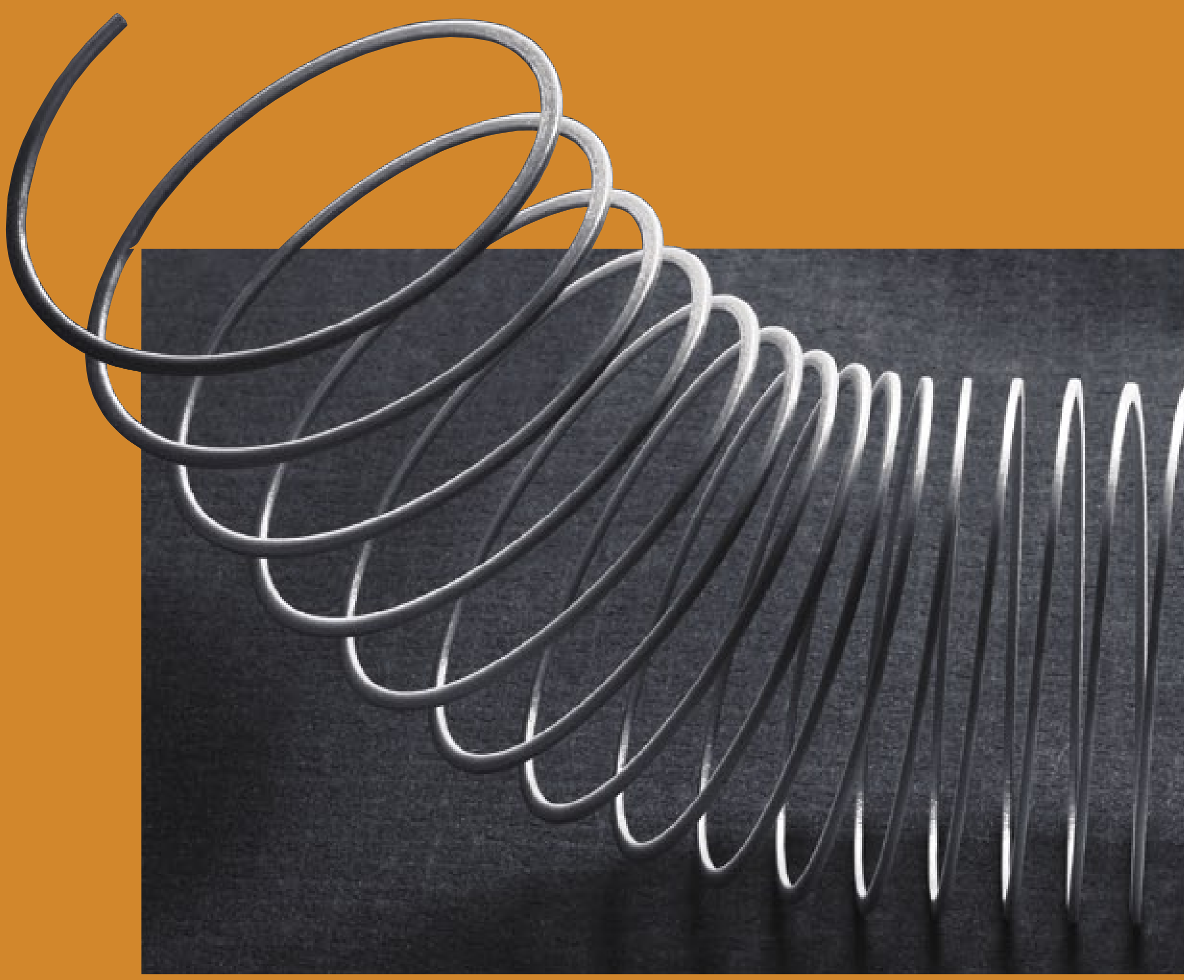
One million clients

On August 11th, 2008 Financiera Independencia reached one million active clients. This milestone is very encouraging because it shows the effectiveness of our business strategy, our promising nationwide growth, the efficiency of our origination processes and our company's ability to offer new products on the market.

We made the most of this achievement not only to motivate our sales force but also to draw attention to our work through a nationwide sales campaign to mark the event. During a whole month our salespersons made an intensive door-to-door sales drive, wearing specially designed t-shirts, backed up by strong visual communication and commemorative promotional materials. The campaign ended with a get-together at each branch, with activities and raffles for our potential clients taking place in open areas. In this way we turned this positive event into an integral part of the company's communication and promotional strategy.

Our sales force is highly motivated, with over 70% of their income derived from their own sales' commissions.

Starting with promotion,
ending at the same point
with collection…
and starting once again,
in a continuous spiral.



Cycle

A new cycle starts just when a credit operation reaches its successful conclusion. While it looks like starting afresh, in fact our experience of the process has taken us to a different starting point, from where we can continue with our commitment. We understand the importance of keeping clients' trust and providing them increasingly attractive services. Verification and collection processes demand strict vigilance and provide the constant reference points for our business to grow in this upward spiral.

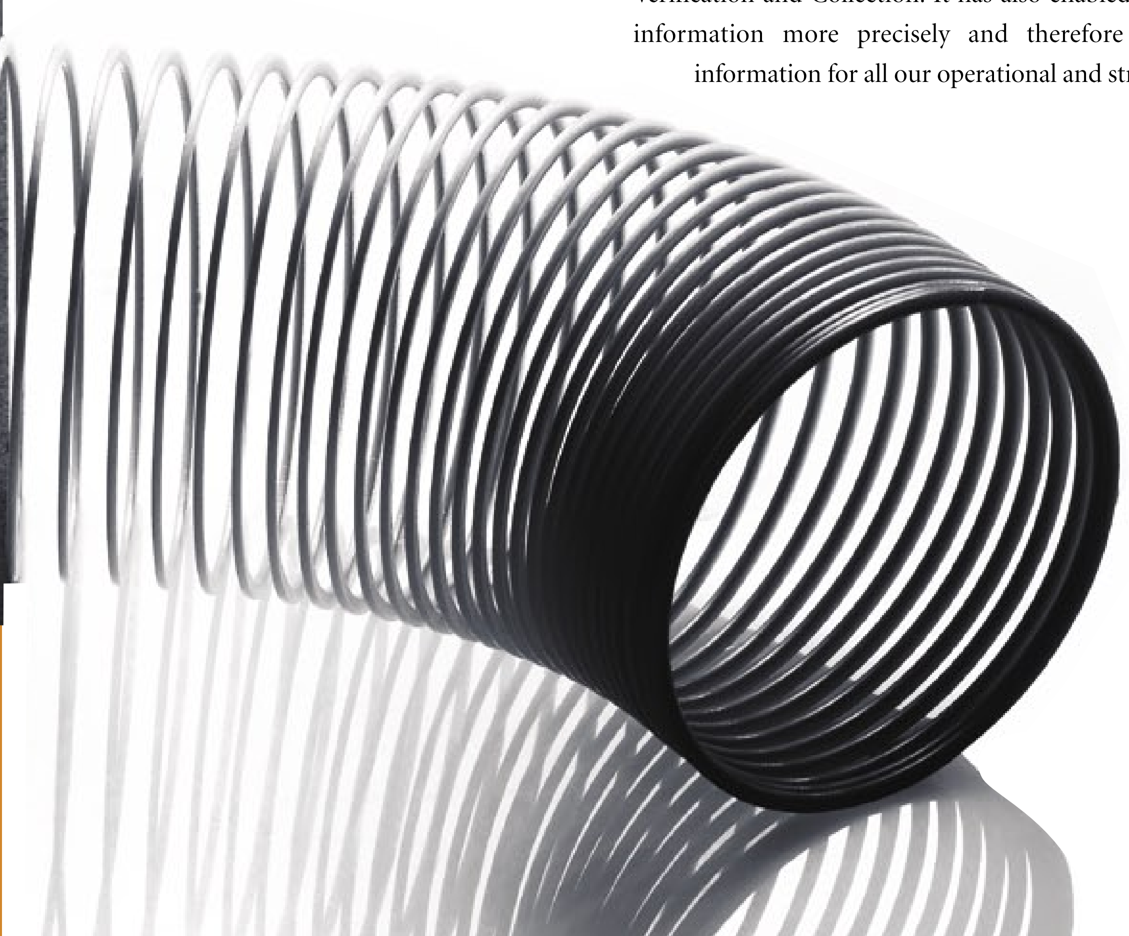
Collection technology

Our experience gained over the years has made our collection process more robust. We have implemented specific technologies for each part of the collection process achieving excellent results

Field work optimization

Financiera Independencia has branches that cover authorized zones that we have identified through experience and field studies. We have selected these geographical zones to place our products (and consequently for verification and collection purposes).

These zones were previously classified by zip codes. In 2008 we carried out a re-zoning project to pinpoint them more accurately at each branch, classifying them by specific neighborhoods or *colonias*. This project has improved the effectiveness and control of our field work in terms of Sales, Verification and Collection. It has also enabled us to make use of geographical information more precisely and therefore gather much more accurate information for all our operational and strategic activities.



Multiple operations

We have also been able to use our technology to implement a strategy to optimize and re-engineer our processes throughout the verification department, with a view to broaden our range of services. So we now undertake activities other than just verifying the loan granting process, such as managing the location process for hard-to-reach clients, validating payments made outside office hours or certifying the progress of construction work involving our CrediConstruye product.

This has helped us make the most of our human resources, infrastructure and technology, and extends our lead over all other competitors in the market in terms of logistics and operations' systems.

Stronger statistics

Our credit-scoring system assigns an objective and reliable risk rating to each client from the moment they apply for a loan. According to this segmentation we define 4 models, each of them with monitoring and collection actions tailored-made. During 2008, tests run on these models confirmed that the probability of an account's repayment or non-performance effectively corresponds to the assigned rating. In parallel we have developed a behavior-score loan model that will give us in 2009 a more accurate segmentation of our loan portfolio.

Innovation in collection strategies

All our collection strategies are run according to our loan portfolio segmentation. Our team's work is organized into two broad objective-related areas: preventing receivables from becoming past due and recoveries of past due accounts.

We manage these areas in two ways and have improved them both in 2008:

• **Remote management:** using 385 agents who make an average of 879,000 telephone calls per month from the Leon and Aguascalientes Operations Centers. During 2008, we strengthened our traditional campaigns based on outbounds with inbounds regarding customer service. Another noteworthy improvement was giving clients the chance to make their payments using credit or debit cards.

• **Insite management:** at client's homes and in the workplaces, with 2,895 agents equipped with portable GPS. During the year we added two new management levels: a "promotor" level to intensify activity at the early stage of past-dues (cases with a past due date falling within 30 days) and a "stopper" level with agents specializing in receivables that are at risk of becoming past due each month.

This means that Financiera Independencia has a 6-tier collections strategy: promotor, stopper, advisor, recovery, final and terminal.

This year we also used 22 third party collection agencies and made the certification procedure for difficult to locate clients more transparent. We therefore have a more solid strategy to continue progress toward our goals for 2009.

Continuous motivation

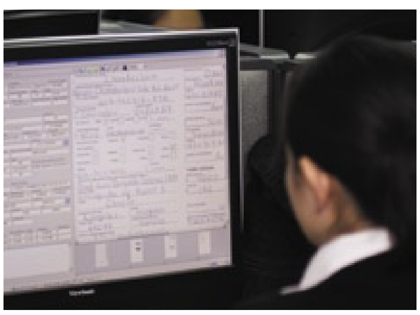
Our collections results improve when our collections team is properly incentivized. So we run incentive programs during the high and low collection cycles that we have identified over time. This year, as well as our usual incentives, we added competitions for our entire collections team, making it the company's most ambitious year ever in this regard.

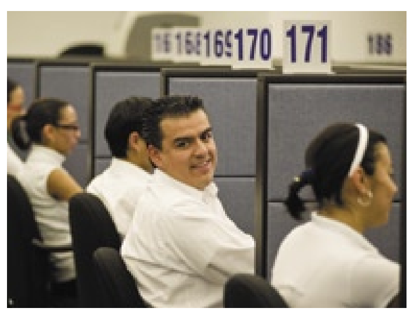
Loan portfolio sales

2008 saw our Loan Portfolio Sales strategy become stronger and more flexible. After 7 years of continuous operation we have learn to adapt our approach depending on each city in which we operate.

Our average sales price over the year was MXP0.16 per peso of capital. This means that Financiera Independencia's strategy is one of the strongest, with higher prices in relation to other financial institutions offering products in the same market. This price has enabled us to increase the average amount of principal sold between January-December 2008, totaling almost 24 million pesos per month: an increase of 16% compared to the same period in 2007.

As a consequence of a higher volume of portfolio sales, we have increased by 68% the number of buyers of loan portfolios (from 556 to 933).





Technology has become increasingly important to our business. State-of-the-art technology is used every step of the way, from the moment the sales force goes into action until the collection target is reached. Technology is the silent force behind our growth. Although it is constantly used in every part of the process, it operates so accurately that those who benefit from it are hardly aware of its existence. The results it gives, however, are easily identified by our various internal and external clients: efficiency, speed and reliability.

We now have two Operations Centers: one in Leon (in the state of Guanajuato) with 645 employees and the recently inaugurated center in Aguascalientes (in the state of Aguascalientes), with a team of 238 employees. Our Back Office handles an average of 144,000 loan applications per month, 86.8% of which are resolved in less than 48 hours. Our credit scoring model uses a totally objective and reliable process that turns down 39% of applications. There can be a variety of reasons for rejections, such as low scores and inconsistent or unverifiable data. Our Call Centers jointly make over 1 million 750 thousand telephone calls each month, with a capacity for up to 3 million calls. Financiera Independencia's Operations Centers are key to the company's work. They bring a very high level of efficiency to our loan operations, verification, collections, promotion and telemarketing procesess, as well as providing a more dynamic and professional customer service.

[Each step follows the one before.
Technology simplifies, resolves, optimizes.
It is so efficient that its simplicity
is taken for granted.]

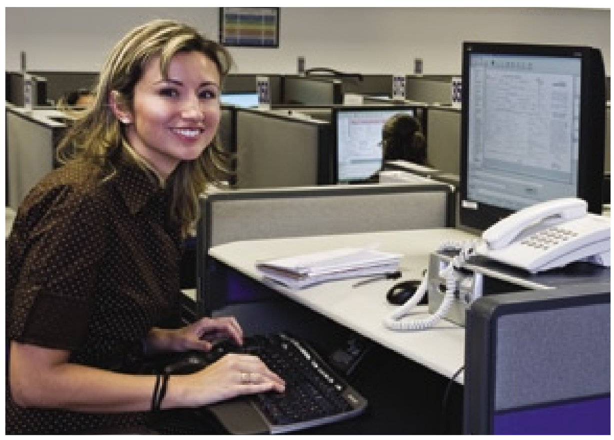
Link

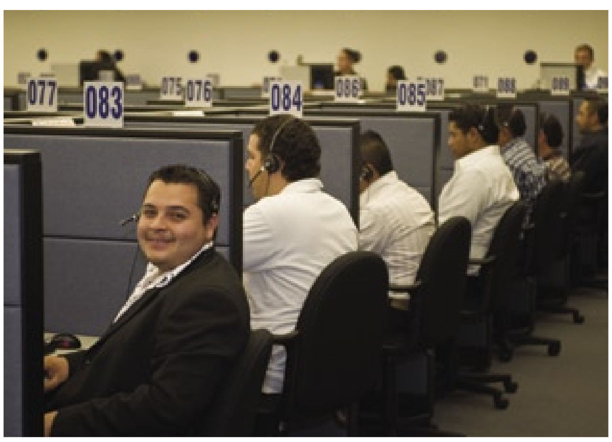
Aguascalientes Operations Center

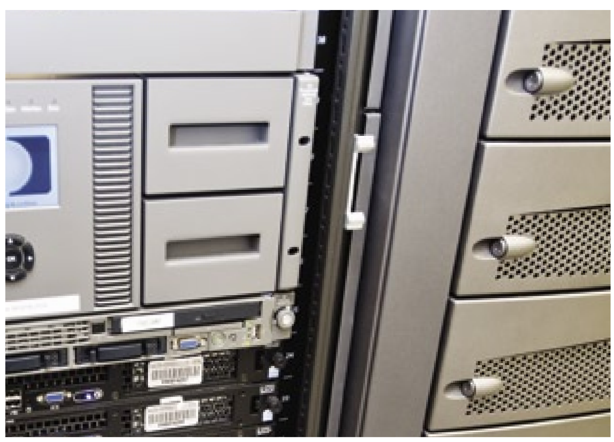
In April 2008 we opened our Aguascalientes Operations Center with state-of-the-art technology infrastructure to complement the invaluable work that the Leon Operations Center carried out over so many years. This new center required an investment of approximately 6 million dollars. Its system can link 588 workstations and can handle over 1 million telephone calls a month. It also operates as a mirror location for the company's operations creating the necessary redundancy to back up information in case of a contingency.

As part of our commitment towards the communities in which we operate, the Aguascalientes Operations Center not only helps by creating 1,200 jobs in different shifts, it has also been built according to green building standards: taking advantage of natural light, minimum energy consumption, optimized acoustics and a waste water treatment plant.

The center's inauguration, in addition to the Leon Operations Center, has enabled us to increase by 115% our idle capacity in our network and process optimization. We have now covered our expansion needs for the next 4 or 5 years, for the benefit of our clients and users.








CONEXIA

Each person contributes their unique talent to the common strategy.
Our values unite us;
training ensures our success.

Our people

If human capital is important for the successful operation of any business, then we would venture to add that it is especially important for ours. The personal contact with clients is our first tool, our calling card. All team members therefore need to be continuously motivated. This is a challenge that we always need to keep at the forefront of our minds.

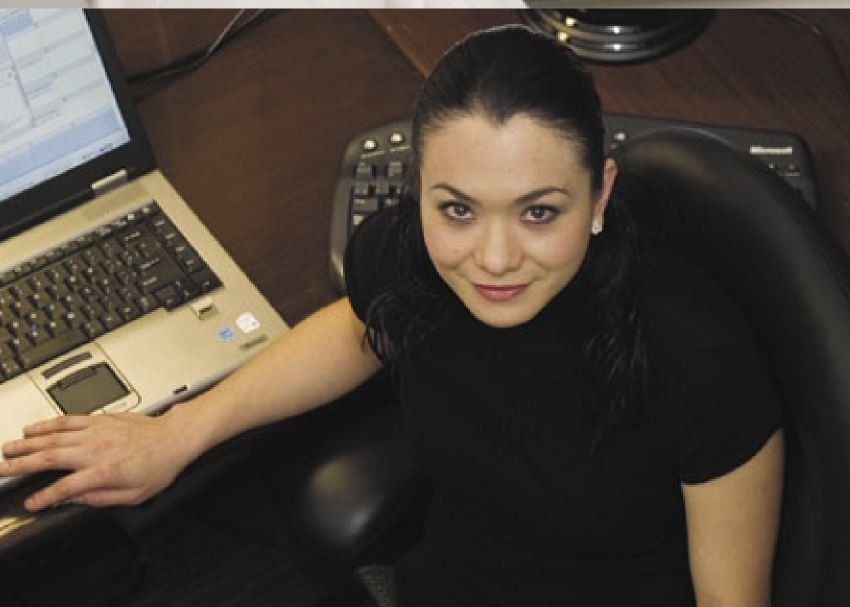
Our employees are fully aware that their own success and the company's success go hand in hand. This is the only way to form a genuine team.

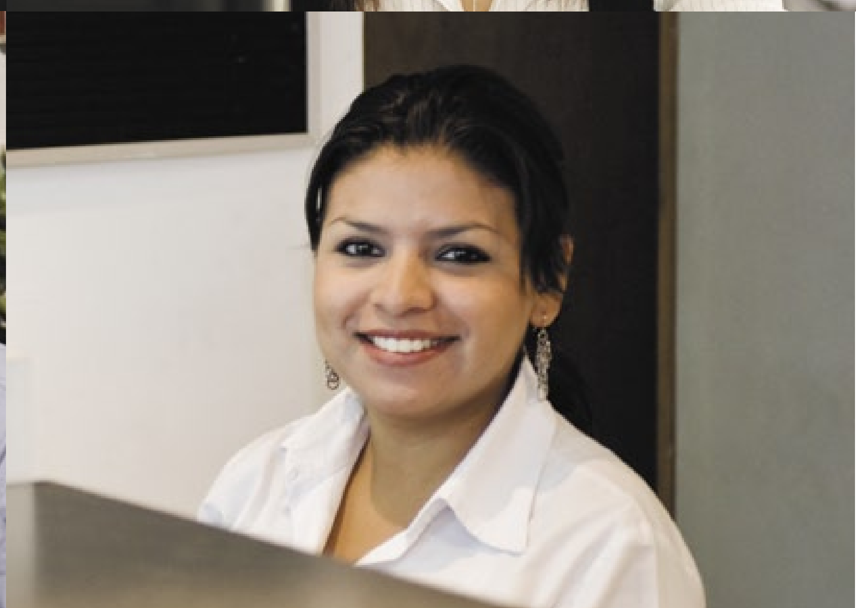
During 2008, Financiera Independencia increased its work force considerably. We started January with a team of 7,463 employees and by December 31st, 2008 this number had grown to 10,124. We are proud that we are creating new jobs, with good development opportunities for our Mexican citizens.

In 2008 we focused on developing strategies to attract the best talent available. Part of this strategy has included reinforcing our outsourced recruitment structure, freeing up our operational departments from this task. Both the Guadalajara and the Aguascalientes Operations Center now have their own Human Resources departments, following in the steps of the Leon Operations Center which has had this organizational structure in place since 2004.

Team





Training

Our flexible and innovative business model requires a permanent training process. And with our people, a vital element for our company's success, our results are directly related to their high-level performance and training. We always work particularly hard in this area, and 2008 has been no exception.

The company's man-hours spent on training increased considerably over the course of 2008, with a total of 380 thousand hours of training given across Mexico, divided between face-to-face training and remote learning using our virtual classroom which has now become an everyday work tool. Our virtual knowledge site has now been up and running for two years, with a 100% increase in hits relative to its first year.

We began a pilot program for permanent Regional Trainers at 10 branches who are in charge of inducting new personnel as well as giving a minimum of 8 hours training a month to sales and collection teams. The first phase of the program gave very positive results.

Socially Responsible Company

For the 6th consecutive year, Financiera Independencia was certified as a Socially Responsible Company by the Mexican Center for Philanthropy (*Centro Mexicano para la Filantropía*). This is a reflection of our commitment to work for the benefit of a society in which we play a role. Although taking measures to improve quality of life in our company is a fundamental part of our policy, we are still proud that our approach to ethics, community links and environmental preservation is recognized. And this recognition each year gives us a very important motivation to redouble our community-related campaigns.

Our traditional Your Coffee Helps Children (TUCÁN for its initials in Spanish, *Tu Café Ayuda a la Niñez*) campaign brought us the certification as a Socially Responsible Company in previous years. In 2008, we raised MXN3,768,347.86, an increase of 44.83%, for the benefit of children in Mexico. This is how TUCÁN celebrated 10 years of operation and continuous improvement. Over this decade, we have raised a total of MXN13,713,148.43, thanks to donations and efforts made by Financiera Independencia employees and the company itself. This money has benefitted 670 institutions to help children wherever we have operations in Mexico.

Keeping a close eye
on the horizon,
helps us anticipate changes,
react in time and continue
delivering outstanding results.

Focus

Experience and strategy

At Financiera Independencia we value our experience gained over time. Our careful observation of the environment has been key to our business model's success. By always paying close attention to the market and looking beyond the immediate horizon, we have been able to change strategy swiftly and give the company the necessary flexibility to handle the different economic cycles.

In the second half of 2008, Financiera Independencia announced that HSBC Overseas Holdings UK Limited (HOHU) wanted to sell its entire stake in the company (18.68% stake) due to its global policy to focus on its banking business. The controlling shareholders of Financiera Independencia then decided to increase their investment and acquire 76,999,000 of the 126,999,000 shares owned by HOHU. This operation was completed through a private contract signed in September 2008. The remaining shares of HOHU were sold through a capital reduction approved by an Extraordinary Shareholders' Meeting held on October 8th, 2008 and through an additional acquisition by the controlling shareholders.

At the same time, HSBC Mexico showed its continued recognition of the strength of Financiera Independencia's business model, market position and profitability by increasing its existing line of credit from 2,000 to 2,500 million pesos. Grupo HSBC will remain on the company's Board of Management.

Issuance of Certificados Bursátiles

In the second quarter of 2008, we successfully placed the first tranche of *Certificados Bursátiles* ("the Notes") program for up to MXP1,500 million, with a 5-year term. We made a successful medium-term issue of Notes for a total of 784 million pesos with a 3-year term and a coupon of 28-day Interbank Equilibrium Interest Rate (TIIE for its initials in Spanish, *Tasa de Interés Interbancaria de Equilibrio*) plus 190 base points. Standard & Poor's and Fitch Ratings rate them mxA and A+(mex), respectively. This issue has given us the opportunity to diversify our funding sources as well as reducing funding costs.

Appointment of Market Maker

At the end of last October, Financiera Independencia entered into a contract with Casa de Bolsa Credit Suisse (Mexico), S.A. de C.V., Grupo Financiero, as its Market Maker for its shares on the Mexican Stock Exchange (BMV for its initials in Spanish, *Bolsa Mexicana de Valores*). This appointment makes it easier for investors to buy and sell shares, adding transparency to the market and reducing the gap between "selling" and "buying" positions of the company's shares. This underlines our commitment to increase liquidity of our shares.

Customer Service Program

Our company always has the client in mind. We also believe that what we do well today we can do even better tomorrow.

This year we implemented a new Customer Service Program since customer satisfaction has been key to our growth and will be decisive for our successful future progress. This program aims to focus our minds on our clients; in guiding our systems, processes and services to guarantee their satisfaction and loyalty.

Based on surveys carried out with internal and external clients, we defined priorities for improving our service, designed specific strategies and made evaluations to measure their impact once implemented. This work was carried out in conjunction with internal communication and training campaigns, process redesigns and the inclusion of specific customer service objectives at every level. We also decided to add value by introducing new products and systems. For example, we have complaint handling facilities, additional services and reduced waiting times at our branches.


TIROS
SALDO$


104
103


Precise bearings

We have travelled this route many times under different conditions, helped by our accumulated experience, our tried-and-tested instruments and our passion for what we do every day. We know that we can beat our own records and that we are heading in the right direction with a sense of purpose.

There are a number of reasons for us to be confident in our future. Penetration of financial services in Mexico is still low: there are only a few financial institutions catering to the segment of population that we serve. A special business model is needed to service this segment, in order to keep costs down and non-performing loans under control. We have developed this model over the course of a decade with excellent results. Another reason for our optimism is that there is a potential market of 30 million people, 75% of whom do not have access to the banking system. Today we provide service to just over one million clients, representing just 7% of the potential population in the cities where we have operations, and 3% of the entire market.

The development of Mexico's population pyramid is also likely to work in our favor, with its marked increase in the proportion of youngsters that will increase the number of people of working age joining our market of potential clients.

We hope to continue growing, both in terms of quality and profitability. Our aim is to help people improve their standard of living through our business model, that we will continue to improve day by day, giving them a chance to seize future possibilities and respond creatively to future challenges.

Route

The map shows enormous possibilities and challenges ahead of us. We use our instruments to plan the best route and reach our future goals.

Management Discussion and Analysis of
Operating Results and Financial Position
of the Company

Year | 2008

Introduction

This analysis should be read in conjunction with the Audited Consolidated Financial Statements for the years ending December 31, 2008 and 2007 (page 53). The financial figures included in this report for 2008 were prepared in accordance and comply fully with the Mexican Banking Accounting Principles (banking principles) issued by the Mexican Securities and Exchange Commission (CNBV) and are in nominal pesos. Figures for 2007 were prepared in accordance with Mexican Financial Reporting Standards (NIFs) and are in constant pesos as of December 31, 2007. Tables in this report are in millions of Mexican pesos.

On September 19, 2009 the CNBV modified the general regulations applicable to issuers in the Mexican Stock Exchange. Among the changes introduced, it made it mandatory for unregulated SOFOMs that are issuers to report according to Mexican Banking Accounting Principles. Subsequently, in accordance with changes enacted on January 27, 2009, an option was given to use these principles starting in 2008, and therefore the company decided to implement them for its 2008 financial reports. The key items impacted when applying these changes in accounting principles are:

Income Statement:

Provision for loan losses:

Banking principles have two different methodologies to estimate loan loss reserves. One using CNBV parameters and the other one based on parameters developed internally by the Company. Given the Company's 15-year experience in the sector and its extensive database built throughout our history, the Company decided to apply estimate internally both the probability of default and the expected losses. Under the new banking principles, lower reserves are required to provide for loan losses.

Balance Sheet:

Performing and non-performing loan portfolio:

Non-performing loans of the revolving line of credit product are recognized at 60 days or more past due, instead of 90 days or more past due. As a result of this change, under banking accounting principles, our performing loan portfolio decreases and our non-performing loan portfolio increases.

Provision for loan losses:

Previously, we kept a policy of maintaining reserve levels of 125% of past due loans. Under banking principles, we use the internal methodology to determine our level of reserves. Under these principles, there has been a decrease in reserve levels.

It is worth mentioning that trends observed under NIFs are in line with the trends observed using banking principles.

It is also important to note that the following analysis explains the variations between 2008 results using banking principles and 2007 results using NIFs, as well as 2007 results considering the impact of adopting banking principles. This explanation is intended to assist readers by providing them a proper basis to analyze and compare the figures.

2008 Consolidated Financial Results

Financial Margin after Provision for Loan Losses

The financial margin after provision for loan losses increased by 30.4% to Ps.1,783.3 million for 2008, compared to Ps.1,367.1 million for 2007. Under banking accountancy principles for 2007, the increase would have been 23.2%, compared with Ps.1,448.0 million.

The difference in 2007 figures is explained by the loan loss reserve. Under NIFs, the charge to the income statement was Ps.488.5 million and under banking principles it would have been Ps.407.6 million, which is 16.6% less. The increase in the financial margin after provision for loan losses is explained by the following:

Interest Income

Interest income increased 31.7% to Ps.2,715.8 million for 2008, principally as a result of the Ps.650.1million, or 31.6%, increase in interest on loans. This was driven by the 30.2% rise in the number of clients and an increase of the average balance per client, which resulted in a 33.5% growth in the total loan portfolio.

In 2008, the lending rate[1] decreased to 69.4% from 73.7% in 2007. This year-on-year decline was mainly driven by:

- Increased contribution of CrediConstruye loans, as well as premium products geared towards clients that have established a solid credit history with the Company, all of which carry lower interest rates; and
- Higher level of discounts offered to encourage immediate payment of past due loans.

Table 1: Financial Margin (1)

	2008**	2007*	YoY%*	2007**	YoY%**
Interest Income	**2,715.8**	**2,061.7**	**31.7%**	**2,061.7**	**31.7%**
Interest on Loans	2,708.6	2,058.6	31.6%	2,058.6	31.6%
Interest from Investment in Securities	7.2	3.1	129.8%	3.1	129.8%
Interest Expense	231.4	168.5	37.3%	168.5	37.3%
Inflationary Accounting (net)	0.0	-37.6	-100.0%	-37.6	-100.0%
Financial Margin	**2,484.4**	**1,855.6**	**33.9%**	**1,855.6**	**33.9%**
Provision for Loan Losses	701.1	488.5	43.5%	407.6	72.0%
Financial Margin after Provision for Loan Losses	**1,783.3**	**1,367.1**	**30.4%**	**1,448.0**	**23.2%**

1 Figures in millions of Mexican Pesos.
* Figures calculated under NIFs.
** Figures calculated under banking principles.

Interest Expense

Interest expense during 2008 increased by Ps.62.9 million, or 37.3%, to Ps.231.4 million from Ps.168.5 million in 2007, mainly due to the 37.5% increase in the average balance of liabilities during the period. This reflects the Ps.617.5 million increase in debt to fund the capital reduction announced on September 18, 2008 and enacted on the following October 23. The increase in interest expense also reflects additional funding incurred to repurchase Financiera Independencia shares for a total of Ps.385.2 million during 2008, and to fund dividend payments of Ps.382.5 million during the same period.

The diversification of funding sources, along with better financing terms, allowed Financiera Independencia to reduce the average interest rate paid[2] to 10.67% compared with 11.02% in 2007. This was achieved despite the increase in the average TIIE for the period, a benchmark 28-day interbank lending rate, which rose to 8.28% in 2008 from 7.66% in 2007.

(1) Lending rate: interest income / average balance of the total loan portfolio.
(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 as we were using end of period average balances.

Provision for Loan Losses

Provisions for loan losses rose by Ps.212.6 million during 2008 to Ps.701.1 million, a 43.5% increase relative to 2007. However, this variation would have been greater if compared under banking principles, in which case the increase would have been by 72.0% or Ps.293.5 million. Similarly, non performing loans reached 12.5% from 10.1% and 7.0% in 2007, under banking principles and NIFs, respectively.

The deterioration in the asset quality was principally the result of:

- Client's lower credit scoring as a result of the current economic environment.
- Higher deterioration in two cities in the northern part of the country.
- Lower effectiveness of the incentive programs designed for our collections force.

Net Operating Revenue

Net operating revenue for 2008 rose by Ps.584.6 million, or 30.1%, to Ps.2,524.6 million. Under banking principles, net operating revenue for 2007 would have been Ps.2,020.8 million, in which case there would have been a 24.9% increase in 2008.

This was a result of the reasons stated above as well as the 29.4% increase in non-interest income (net) to Ps.741.2 million in 2008, from Ps.572.8 million in 2007 derived from the 33.5% growth in the total loan portfolio.

Net Operating Income

Net operating income for 2008 increased by Ps.136.6 million, or 19.9%, to Ps.821.5 million. However, this increase would have been lower under banking principles, in which case there would have been a 7.3% increase or Ps.55.7 million.

Over the last twelve months, the Company's labor force increased by 3,014 people, or 45.1%, resulting in a 34.1% increase in salaries and employee benefits to Ps.1,194.2 million, compared to the same period of the previous year.

During 2008, Financiera Independencia opened 40 new branches, bringing the total network to 192 units.

Operating efficiency for 2008 was 37.1%, showing a decrease of 280 and 210 basis points, relative to the 39.9% and 39.5% figures for 2007 under NIFs and banking principles, respectively.

Table 2: Net Operating Income [1]

	2008**	2007*	YoY%*	2007**	YoY%**
Financial Margin	**2,484.4**	**1,855.6**	**33.9%**	**1,855.6**	**33.9%**
Provision for Loan Losses	701.1	488.5	43.5%	407.6	72.0%
Financial Margin after Provision for Loan Losses	**1,783.3**	**1,367.1**	**30.4%**	**1,448.0**	**23.2%**
Commissions Charged - net	741.2	572.8	29.4%	572.8	29.4%
- Commissions and Fees Collected	*751.4*	*574.4*	*30.8%*	*574.4*	*30.8%*
- Commissions and Fees Paid	*10.1*	*1.6*	*540.7%*	*1.6*	*540.7%*
Net Operating Revenue	**2,524.6**	**1,939.9**	**30.1%**	**2,020.8**	**24.9%**
Administrative and Operational Expenses	1,703.0	1,255.0	35.7%	1,255.0	35.7%
- Salaries and Employee Benefits	*1,194.2*	*890.8*	*34.1%*	*890.8*	*34.1%*
- Other Administrative and Operational Expenses	*508.9*	*364.2*	*39.7%*	*364.2*	*39.7%*
Net Operating Income	**821.5**	**685.0**	**19.9%**	**765.9**	**7.3%**
Other Products (Expenses) - net	23.0	55.8	-58.8%	55.8	-58.8%
Income before Income Tax (ISR) and Employees' Profit Sharing (PTU)	**844.5**	**740.7**	**14.0%**	**821.6**	**2.8%**
ISR and PTU					
Incurred	*363.2*	*280.8*	*29.3%*	*280.8*	*29.3%*
Deferred	*-141.6*	*-56.1*	*152.4%*	*-33.5*	*323.4%*
Income before Minority Interest	**622.9**	**516.0**	**20.7%**	**574.3**	**8.5%**
Minority Interest	0.0	0.0	0.0%	0.0	0.0%
Net Income	**623**	**516**	**20.7%**	**574**	**8.5%**
Operational Data					
Number of Offices	192	152	26.3%	152	26.3%
Total Labor Force	10,124	7,463	35.7%	7,463	35.7%
- Full time personnel	9,695	6,681	45.1%	6,681	45.1%
- Independent sales agents	429	782	-45.1%	782	-45.1%

[1] Figures in millions of Mexican Pesos.
* Figures under NIFs.
** Figures under banking principles.

Net Income

As a result of the factors discussed above, and after other income and expenses in 2008, as well as income tax, net income for 2008 increased by Ps.106.9 million, or 20.7%, to Ps.622.9 million. This increase would have been 8.5% or Ps.48.7 million under banking principles.

Earnings per share (EPS) for 2008 was Ps.0.9888 compared to Ps.0.7588 and Ps.0.8445 for the same period last year, both calculated under NIFs and banking principles, respectively.

Balance Sheet

Total Loan Portfolio

In 2008, the total loan portfolio rose year-on-year by 33.5% to Ps.4,473.8 million, as a result of the 30.2% increase in the number of clients during the period and a 2.5% increase in the average outstanding balance per client. As of December 31, 2008 Financiera Independencia had 1,085,963 clients.

Table 3: Loan Portfolio, Number of Clients and Average Balance

	2008	2007	YoY%
Loan Portfolio (million Ps.)	4,473.8	3,350.9	33.5%
Number of Clients	1,085,963	833,902	30.2%
Average Balance (Ps.)	4,119.7	4,018.3	2.5%

The total loan portfolio represented 83.0% of Financiera Independencia's total assets as of December 31, 2008, compared to 89.8% and 88.4% of total assets in the same period in the prior year, both calculated under NIFs and banking principles, respectively.

Loans to the informal sector rose 61.7% over the past year, increasing its share of the total loan portfolio by 5.5 percentage points to 31.4% of total loans, up from 25.9% in 2007. This growth was largely driven by CrediPopular and CrediConstruye products. In fact, CrediConstruye loans, a product intended to finance home improvements for the informal sector reached 98,456 clients in 2008, up 58,985 or 149.4% compared to 2007.

At the end of 2008, the CredInmediato loan product accounted for 68.6% of total loans, down from 74.1% in 2007. The number of CredInmediato clients in 2008 grew by 23.2% year-on-year, while the total loan portfolio of this product rose by 23.6%, to Ps.3,067.8 million.

Table 4: Number of Clients by Product Type

	2008	% of total	2007	% of total	YoY%
Formal Sector Loans	**687,464**	**63.3%**	**557,907**	**66.9%**	**23.2%**
- CredInmediato	687,464	63.3%	557,907	66.9%	23.2%
Informal Sector Loans	**398,499**	**36.7%**	**275,995**	**33.1%**	**44.4%**
- CrediPopular	243,574	22.4%	174,440	20.9%	39.6%
- CrediMamá	56,469	5.2%	62,084	7.4%	-9.0%
- CrediConstruye	98,456	9.1%	39,471	4.7%	149.4%
Total Number of Loans	**1,085,963**	**100.0%**	**833,902**	**100.0%**	**30.2%**

Table 5: Total Loan Portfolio by Product Type*

	2008	% of total	2007	% of total	YoY%
Formal Sector Loan Portfolio	**3,067.8**	**68.6%**	**2,481.4**	**74.1%**	**23.6%**
- CrediInmediato	3,067.8	68.6%	2,481.4	74.1%	23.6%
Informal Sector Loan Portfolio	**1,406.0**	**31.4%**	**869.5**	**25.9%**	**61.7%**
- CrediPopular	801.9	17.9%	524.3	15.6%	53.0%
- CrediMamá	131.8	2.9%	133.2	4.0%	-1.0%
- CrediConstruye	472.2	10.6%	212.0	6.3%	122.8%
Total Loan Portfolio	**4,473.8**	**100.0%**	**3,350.9**	**100.0%**	**33.5%**

* Figures in Millions of Pesos.

Non-Performing Loan Portfolio

Non-performing loans reached Ps.560.8 million, up 137.8% compared to Ps.235.8 million in 2007. However, this increase would have been 65.5% or Ps.222.1 million compared with non-performing loans in 2007 under banking principles.

In 2008 the NPL ratio rose to 12.5% from 10.1% and from 7.0% in 2007 under banking principles and NIFs, respectively.

The NPL ratio in the CredInmediato product for 2008 was 14.4%, compared to 6.7% and 10.7% for 2007 under NIFs and banking principles, respectively.

The NPL ratio for the informal segment was 8.6% for 2008, compared to 7.9% and 8.5% for 2007 under NIFs and banking principles, respectively.

The coverage ratio was 62.5% compared with 125% and 63.1% for 2007, under NIFs and banking principles, respectively.

Liabilities

As of December 31, 2008 total liabilities were Ps.3,984.6 million, a 154% increase from Ps.1,568.5 million as of December 31, 2007. This increase was the result of financing needs to fund the capital reduction as announced on September 18, 2008 and enacted on the following October 23, the 33.5% growth in the Company's loan portfolio during the period, overall working capital, dividend payments and the repurchase of Financiera Independencia shares.

At the end of 2008, Financiera Independencia's debt consisted of Ps.784.0 million in medium-term notes "Certificados Bursatiles" with a 3-year maturity (which are part of the Ps.1,500.0 million program already registered at the Bolsa Mexicana de Valores), as well as Ps.2,811.6 million of bank and other entities' loans. It should be stated that the total committed lines of credit amount to Ps.3,250.0 million, of which 86.5% are currently used by the Company. Of the total committed lines of credit, Ps.600.0 million are due September 2009, Ps.150.0 million are due February 2010 and the remaining Ps.2,500.0 million are due September 2011. All of the Company's debt is denominated in Mexican Pesos.

Shareholders' Equity

As of December 31, 2008 shareholders' equity was Ps.1,402.8 million, a 35.2% decrease from Ps.2,163.4 on December 31, 2007, and a reduction of 36.9% under NIFs. This decline was attributable to the previously announced capital reduction, a total of Ps.510 million dividends for the year and the stock repurchased by the Company. These impacts were partially compensated by net income generated during the period.

As previously stated, our dividend policy considers to payout as dividends all capital exceeding a 25% shareholders' equity to assets ratio. Taking into account the amortization of shares, in 2008 Financiera Independencia paid to its shareholders Ps.1,127.5 million, representing more than two times 2007 net income and more than 50% of shareholders' equity as of December 31, 2007.

Profitability and Efficiency Ratios

ROAE/ROAA

ROAE for 2008 was 34.4% compared with 32.2% in 2007 under NIFs and 35.2% under banking principles. ROAE for 2008 reflects the capital reduction as announced on September 18, 2008.

ROAA for 2008 was 13.6% compared with 16.4% in 2007 under NIFs and 18.1% under banking principles.

Efficiency Ratio & Operating Efficiency

During 2008 the Company's efficiency ratio was 67.5%, compared with 64.7% under NIFs and 62.1% under banking principles, in 2007. This was principally due to the increase in provisions for loan losses and higher personnel costs as a result of the increase in the workforce during the period.

Operating efficiency was 37.1% in 2008, a 280 and 210 basis points decline when compared with 39.9% and 39.5% for 2007 under NIFs and banking principles, respectively.

Audited Consolidated

Financial Statements

December 31st, 2008 and 2007

FINANCIERA INDEPENDENCIA 15 years

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

Audited Consolidated
Financial Statements

December 31st, 2008 and 2007

index

Contents	Page

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers, S.C.
Mariano Escobedo 573
Col. Rincón del Bosque
11580 México D.F.
Teléfono: 5263 6000
Fax: 5263 6010
www.pwc.com

Report of Independent Accountants

Mexico City, March 26, 2009

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

1. We have audited the consolidated balance sheets of Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (Company) and its subsidiary as of December 31, 2008 and 2007, and the related consolidated statements of income, of stockholders' equity and of changes in financial position for the years then ended. These consolidated 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 accounting practices applicable to the Company, described in the following paragraph. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures contained in the consolidated financial statements. An audit also includes assessing the accounting criteria 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

2. As mentioned in Note 2 to the consolidated financial statements, in the year ended December 31, 2008, the Company adopted earlier than required the accounting criteria issued by the National Banking and Securities Commission (Criteria) applicable to Regulated Multiple Purpose Financial Entities in accordance with the provisions of the Sole Circular for Issuers, which are mandatory starting on January 1, 2009. Up until December 31, 2007, the Company prepared its consolidated financial statements in accordance with Mexican Financial Reporting Standards (MFRS). Consequently, the financial statements of the two years are not comparable.

The main differences between the Criteria and MFRS, as well as the effects of adoption in 2008 of said criteria, particularly the determination of the loan loss reserves are described in said note.

3. As explained in Note 2, as of January 1, 2008 five new MFRS became effective, which particularities and prospective adoption effects as of 2008 are described in that note, being these: a) B-10 “Inflation effects”; b) B-2 “Cash flows statements”; c) B-15 “Foreign currency translation”; d) D-3 “Employees’ benefits”, and e) D-4 “Income tax”.

4. In our opinion, the aforementioned consolidated 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 and its subsidiary at December 31, 2008 and 2007 and the consolidated results of their operations, the changes in their stockholders’ equity and the changes in their financial position for the years then ended, in conformity with the Criteria in 2008 and in conformity with MFRS in 2007.

PricewaterhouseCoopers, S. C.

Javier Flores
Audit Partner

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

Consolidated Balance Sheets (Notes 1 and 2)

Thousands of Mexican pesos (Note 2)

	December 31,			
Assets		**2008**		**2007**
Cash and due from banks (Note 4)	Ps	343,862	Ps	243,130
Securities and derivatives transactions		-		-
Performing loans (Note 6):				
Consumer		3,913,027		3,115,025
Non-performing loans (Note 6):				
Consumer		560,821		235,834
Total loan portfolio		4,473,848		3,350,859
Loan loss reserves (Note 7)		(350,639)		(294,793)
Total loan portfolio - Net		4,123,209		3,056,066
Other accounts receivable - Net (Note 8)		282,607		43,779
Foreclosed assets - Net		-		-
Property, furniture and equipment - Net (Note 9)		255,977		172,054
Equity investments		-		-
Deferred taxes - Net (Note 15)		321,291		177,266
Other assets - Net		60,410		39,620
Total assets	**Ps**	**5,387,356**	**Ps**	**3,731,915**

Liabilities and Stockholders' Equity	December 31, 2008	2007
Liabilities:		
Debt issuance (Note 10)	Ps 787,718	Ps -
Bank and other entities loans (Note 11)		
Short - term	2,458,878	1,300,395
Long - term	367,481	35,568
	2,826,359	1,335,963
Securities and derivatives transactions	-	-
Other accounts payable:		
Income tax and employees' statutory profit sharing (Notes 12 and 15)	38,503	72,994
Accrued liabilities and other accounts payable (Note 12)	276,988	121,442
	315,491	194,436
Deferred commissions	55,016	38,113
Total liabilities	3,984,584	1,568,512
Stockholders' equity (Note 14):		
Paid-in capital:		
Capital stock	148,603	153,603
Share premiums	813,855	1,640,074
	962,458	1,793,677
Earned Capital:		
Legal reserves	13,600	71,797
Retained earnings	(196,211)	(218,085)
Net income	622,925	516,014
	440,314	369,726
Total majority interest	1,402,772	2,163,403
Minority interest	-	-
Total stockholders' equity	1,402,772	2,163,403
Commitments and contingencies (Note 19)		
Subsequent events (Note 20)		
Total liabilities and stockholders' equity	**Ps 5,387,356**	**Ps 3,731,915**

The historical balance of the capital stock to December 31, 2008 is Ps63,000.
The above balance sheet of 2008 was formulated in conformity with the Accounting Criteria issued for Banks by the National Banking and Securities Commission as per the provisions of articles 99, 101 and 102 of the Banks Law, applied on a consistent basis, thus reflecting the operations conducted by the Company up to the above-mentioned dates, which were realized and valued in adherence with sound banking practices and the applicable legal and administrative provisions.
These balance sheets were prepared under the responsibility of the undersigned officers and were approved by the Board of Directors.
The accompanying twenty one notes are an integral part of these consolidated financial statements.

Ing. Noel González Cawley
Chief Executive Officer

Lic. Didier Mena Campos
Chief Financial Officer

Lic. Adeodato Carbajal Orozco
Controller

C.P. Benito Pacheco Zavala
Auditing Director

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

Consolidated Statements of Income (Notes 1 and 2)

Thousands of Mexican pesos (Note 2), except earnings per share

	Year ended December 31, 2008		Year ended December 31, 2007	
Interest income (Note 16)	Ps	2,715,829	Ps	2,061,699
Interest expense		(231,406)		(168,502)
Monetary loss - Net (financial margin) (Note 16)		-		(37,606)
Financial margin		2,484,423		1,855,591
Provision for loan losses (Note 7)		(701,117)		(488,478)
Financial margin after provision for loan losses		1,783,306		1,367,113
Commissions and fees collected		751,357		574,372
Commissions and fees paid		(10,109)		(1,578)
		741,248		572,794
Net operating revenue		2,524,554		1,939,907
Non-interest expense		(1,703,048)		(1,254,955)
Operating income		821,506		684,952
Other income (Note 16)		22,974		57,800
Other expenses (Note 16)		-		(2,011)
		22,974		55,789
Income before income tax		844,480		740,741
Current income tax (Note 15)		(363,202)		(280,836)
Deferred income tax (Note 15)		141,647		56,109
		(221,555)		(224,727)
Net income for the year	Ps	622,925	Ps	516,014
Earning per share	Ps	0.9499	Ps	0.8033

The above statement of income of 2008 was formulated in conformity with the Accounting Criteria issued for Banks by the National Banking and Securities Commission as per the provisions of articles 99, 101 and 102 of the Banks Law, applied on a consistent basis, thus reflecting the operations conducted by the Company up to the above-mentioned dates, which were realized and valued in adherence with sound banking practices and the applicable legal and administrative provisions.
These statements of income were prepared under the responsibility of the undersigned officers and were approved by the Board of Directors.
The accompanying twenty one notes are an integral part of these consolidated financial statements.

Ing. Noel González Cawley
Chief Executive Officer

Lic. Didier Mena Campos
Chief Financial Officer

Lic. Adeodato Carbajal Orozco
Controller

C.P. Benito Pacheco Zavala
Auditing Director

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

Consolidated Statements of Stockholders’ Equity for the Years Ended December 31, 2008 and 2007 (Notes 1 and 14)

Thousands of Mexican pesos (Note 2)

	Paid-in capital		Earned capital				
	Capital stock	Share premium	Legal reserves	Retained earnings	Net income	Minority interest	Total stockholders´ equity
Balances as of January 1, 2007	Ps 149,799	Ps 643,898	Ps 58,897	(Ps 229,297)	Ps 414,998	Ps 1	Ps 1,038,296
Elimination of the stockholders’ equity of Serfincor for the combination in 2006	(723)	(36,791)	(126)	(25,951)		(1)	(63,592)
CHANGES RELATED TO STOCKHOLDERS’ DECISIONS:							
Application of 2006 net income to capital reserves			13,026	(13,026)			
Dividend payment				(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)
Transfer of net income to prior years’ income				414,998	(414,998)		
	4,527	1,032,967	13,026	37,163	(414,998)		672,685
CHANGES RELATED TO RECOGNITION OF THE COMPREHENSIVE INCOME:							
Net income					516,014		516,014
Balances as of December 31, 2007	153,603	1,640,074	71,797	(218,085)	516,014	-	2,163,403
CHANGES RELATED TO STOCKHOLDERS’ DECISIONS:							
Transfer of premium on the sale of shares to prior years’ income		(182,585)		182,585			
Transfer of the legal reserve to prior years’ income			(58,197)	58,197			
Dividends payment				(510,012)			(510,012)
Share amortization	(5,000)	(612,500)					(617,500)
Repurchase capital stock				(268,773)			(268,773)
Refund of dividends on own shares				10,350			10,350
Effect on replacement of own shares		(31,134)		31,134			
Transfer of net income to prior years’ income				516,014	(516,014)		
	(5,000)	(826,219)	(58,197)	19,495	(516,014)		(1,385,935)
CHANGES RELATED TO RECOGNITION OF THE COMPREHENSIVE INCOME:							
Net income					622,925		622,925
Deferred employees’ statutory profit sharing, initial recognition				2,379			2,379
				2,379	622,925		625,304
Balances as of December 31, 2008	**Ps 148,603**	**Ps 813,855**	**Ps 13,600**	**(Ps 196,211)**	**Ps 622,925**	**Ps -**	**Ps 1,402,772**

The above statement of stockholders’ equity of 2008 was formulated in conformity with the Accounting Criteria issued for Banks by the National Banking and Securities Commission as per the provisions of articles 99, 101 and 102 of the Banks Law, applied on a consistent basis, thus reflecting the operations conducted by the Company up to the above-mentioned dates, which were realized and valued in adherence with sound banking practices and the applicable legal and administrative provisions. These statements of stockholders’ equity were prepared under the responsibility of the undersigned officers and were approved by the Board of Directors. The accompanying twenty one notes are an integral part of these consolidated financial statements.

Ing. Noel González Cawley	**Lic. Didier Mena Campos**	**Lic. Adeodato Carbajal Orozco**	**C.P. Benito Pacheco Zavala**
Chief Executive Officer	Chief Financial Officer	Controller	Auditing Director

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

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

Thousands of Mexican pesos (Note 2)

	Year ended December 31, 2008	2007
Operating activities:		
Net income	Ps 622,925	Ps 516,014
Items not generating (requiring) resources:		
Provision for loan losses	701,117	488,478
Depreciation and amortization	51,608	42,589
Software costs	10,921	7,036
Employee retirement benefits	3,255	3,320
Deferred taxes	(141,647)	(56,109)
	1,248,179	1,001,328
Changes in operating assets and liabilities:		
Increase in loan portfolio	(1,768,260)	(1,459,760)
Other accounts receivable and other accounts payable and others - Net	(104,124)	93,454
Resources used in operating activities	(624,205)	(364,978)
Financing activities:		
Debt issuance	787,718	-
Increase in capital stock	-	4,527
Share premium received	-	1,032,967
Dividend payment	(510,012)	(178,786)
Increase in bank and other entities loans	1,490,396	(16,935)
Repurchase capital stock	(268,773)	(116,976)
Dividends collected on own shares	10,350	-
Share amortization	(617,500)	-
Resources provided by financing activities	892,179	724,797
Investing activities:		
Excess of the cost paid Serfincor	-	(132,639)
Property, plant and equipment - Net	(135,531)	(122,559)
Other assets	(31,711)	(5,153)
Resources used in investing activities	(167,242)	(260,351)
Increase in cash and due from banks for the year	100,732	99,468
Cash and due from banks at the beginning of the year	243,130	143,662
Cash and due from banks at the end of the year	**Ps 343,862**	**Ps 243,130**

The above statement of changes in financial position of 2008 was formulated in conformity with the Accounting Criteria issued for Banks by the National Banking and Securities Commission as per the provisions of articles 99, 101 and 102 of the Banks Law, applied on a consistent basis, thus reflecting the operations conducted by the Company up to the above-mentioned dates, which were realized and valued in adherence with sound banking practices and the applicable legal and administrative provisions. These statements of changes in financial position were prepared under the responsibility of the undersigned officers and were approved by the Board of Directors. The accompanying twenty one notes are an integral part of these consolidated financial statements.

Ing. Noel González Cawley	**Lic. Didier Mena Campos**	**Lic. Adeodato Carbajal Orozco**	**C.P. Benito Pacheco Zavala**
Chief Executive Officer	Chief Financial Officer	Controller	Auditing Director

Thousands of Mexican pesos (Note 2), 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 (Company) was incorporated on July 22nd, 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.

On July 18th, 2006, certain amendments were made to the Ley General de Organizaciones y Actividades Auxiliares del Crédito or LGOAAC, for its initials 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. The Sofom 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 companies of financial institutions, therefore are not subject to the Commission's oversight.

On November 30th, 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 31st, 2007, where Company became legally Sofom, E. N. R.

On November 1st, 2007, the Company conducted an initial public offering in Mexico and abroad, as a result of which, as from that date, its shares are traded in the Mexican stock exchange (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 18th, 2007, as a result of the resolutions approved by the stockholders' meeting, it was agreed to adopt the Sociedad Anónima Bursátil (S. A. B., Public Stock Company) regime. As from November 1st, 2007, the Company was registered as a company listed in the Mexican Stock Exchange, under code "FINDEP".

As a listed company, the Company is subject to the provisions of the Corporation Law and, if applicable, the Securities Market Law, as well as to the general provisions applicable to issuers of securities and other participants of the securities market.

The accompanying consolidated financial statements at December 31st, 2008 and 2007 include the Company and the subsidiary mentioned below:

Subsidiary	Holding in share	Activity
Serfincor, S. A. de C. V. and its subsidiaries (Serfincor)	99.99%	Call center services, administrative, courier, promotion and marketing.

NOTE 2 - Basis of Preparation:

In the regulation 113-1/27511/2008 dated February 27th, 2008 the Commission said that the Sofom, E. N. R. with securities Registered at the National Securities Registry should observe the Mexican Financial Reporting Standards (MFRS) issued by the Mexican Financial Reporting Standards Board (CINIF by its Spanish acronym). However, these Sofom, E. N. R. so choose, may prepare their financial statements as per the accounting criteria applicable to credit institutions, if so desired. Management decided to formulate and present the consolidated financial statements as of December 31st, 2007 in accordance with MFRS.

On September 19th, 2008 the Commission issued a resolution amending the Sole Circular for Issuers (Circular Única de Emisoras). Among other aspects, said amendment requires that Sofom, E. N. R. that are listed in stock market, should prepare their financial statements in accordance with the accounting criteria applicable to Regulated Sofoms in the terms of Article 87-D of the LGOAAC. Under this article, Regulated Sofoms are subject to the provisions of the Banking Law and the Commission Law for credit institutions and financial entities, as applicable. On January 27th, 2009, the Commission added that the aforementioned provisions are applicable as from preparation of the financial statements corresponding to the period beginning on January 1st, 2009, regardless of the fact that the Sofom, E. N. R. can prepare their financial statements as per the accounting criteria issued for the period beginning on January 1st, 2008.

Therefore, the accompanying consolidated financial statements as of December 31st, 2008 have been prepared in accordance with the accounting standards and practices established by the Commission through the "Accounting criteria for credit institutions" contained in the "General provision applicable to credit institutions" (Accounting Criteria), which differ from MFRS issued by the CINIF, as concerns the matters mentioned in points e., f., and w. of Note 3 to the consolidated financial statements.

The main effects of adoption of these new criteria refer to the determination of the loan loss reserves set forth in Note 3e.

As a result of adoption of the Accounting Criteria as of December 31st, 2008, certain reclassifications were made in the consolidated financial statements presented for comparative purposes as of December 31st, 2007 to correspond to the current presentation.

The Company has prepared its consolidated statement of income, classified in terms of the nature of the items thereof, as required under the Accounting Criteria.

The following MFRS issued by the CINIF, in effect as from January 1st, 2008, are incorporated in the Accounting Criteria and have been adopted by the Company in preparing its consolidated financial statements, except as concerns MFRS B-2 "Statement of cash flows", as Accounting Criteria require the use of the statement of changes in financial position referred to in Accounting Criteria D-4 "Statement of changes in financial position".

MFRS B-10 "Inflation effects"

The new provisions of the MFRS B-10 define that as of 2008, the Mexican economy is not an inflationary environment, since there has been a cumulative inflation below 26% in the last three years (limit to define that an economy should be considered as inflationary). Therefore, as of January 1st, 2008 it is required to discontinue the recognition of the inflation effects in the financial information (disconnection from inflationary accounting). Consequently, the figures of the consolidated financial statements as of December 31st, 2008 are stated in nominal thousand of Mexican pesos (pesos) modified by the cumulative inflation effects on the financial information recognized up to December 31st, 2007. The figures as of December 31st, 2007, are stated in pesos of the purchasing power of that date.

The inflation rates are indicated as follows based on the Investment Unit (UDI by its initials in Spanish), as follows:

	December 31,	
	2008	**2007**
Year inflation	6.40%	3.80%
Cumulative inflation in the last three years	15.03%	11.27%

MFRS D-3 "Employee benefits"

The new MFRS D-3 provisions are applicable as of January 1st, 2008. The new main provisions, among others are (see Note 13):

i. The reduction in the amortization periods or the unamortized items corresponding to past services over a period of five years. The effect of adoption is presented in Note 13. Up to December 31st, 2007, the past services were amortized according to the estimated working life of the employees, which was of 11 years for legal retirement and 15 years for seniority premium.

ii. The cancellation of the additional liability and its intangible assets counterparts and, in its case, the separate component in stockholders' equity (see Note 13). As of December 31, 2007, these concepts were presented separately in the balance sheet at that date.

iii. Recognition of deferred employees' statutory profit sharing by the comprehensive assets and liability method, whereby payment or application through recovery of these benefits granted to employees rendering future services is likely.

MFRS B-15 "Foreign currency conversion" and D-4 "Taxes on profit" had no impact on preparation of the Company's consolidated financial statements.

The accompanying consolidated financial statements and notes thereto were authorized for issuance on March 26th, 2009 by the undersigned officers.

NOTE 3 - Summary of Significant Accounting Policies:

The most significant accounting policies are summarized as follows, which have been consistently applied in the reporting years, unless otherwise indicated. As explained in Note 2, the accompanying consolidated financial statements as of December 31st, 2008 are stated in nominal thousand pesos. The figures as of December 31st, 2007, are expressed in pesos at the purchasing power of that date.

As mentioned in Note 2, the accompanying consolidated financial statements have been prepared and presented as of December 31st, 2008 as per the Accounting Criteria established by the Commission, which differ from MFRS with respect to the matters mentioned in points e., f. and w. below.

In accordance with the Accounting Criteria, given the lack of a specific accounting criterion issued by the Commission, the following must be applied on a supplementary basis in said order: International Accounting Standards approved and issued by the International Accounting Standards Board (IASB), as well as Accounting Principles Generally Accepted in the U.S. (US GAAP) issued by the Financial Accounting Standards Board or, if applicable, any accounting standard forming part of a set of formal and recognized. Application of this criterion is subject to the provisions of MFRS A-8 "Supplementation".

In accordance with MFRS A-8 "Supplementary", use of a supplementary standard must be disclosed in the notes to the consolidated financial statements, along with information such as a brief description of the transaction, internal transformation or event that gave rise to the use of the supplementary standard, identification of the supplementary standard, the entity issuing said standard, and the date as from which the standard has been in effect, the date on which said supplementation began, and the period during which the standard initially used as supplementary was replaced with another supplementary standard.

The MFRS require the use of some critical accounting estimates in the preparation of the consolidated financial statements. Also, Management judgment is required in the process of defining the Company's accounting policies.

Following is a summary of significant accounting practices:

a. Consolidation

All significant balances and transactions among the consolidated companies have been eliminated. The consolidation was carried out on the basis of audited financial statements of the subsidiary.

b. Cash and due from banks

This item is recorded at nominal value. Yields generated are applied to income as they arise (see Note 4).

c. Derivative financial instruments:

All the derivative financial instruments, classified as trading purposes or market risk hedging, are recognized in the balance sheet as assets and/or liabilities at their fair value.

The fair value is determined with base on the recognized market prices and, when are not listed in a market is determined with base in valuation techniques accepted by market practice.

Derivative financial instruments that from an economic perspective are used for hedging purposes are not classified as such from an accounting perspective and are therefore considered as trading derivative financial instruments.

As of December 31st, 2008, the fair value of these derivative financial instruments is not material (see Note 5).

d. Loan portfolio

The loan portfolio represents the amounts actually delivered to borrowers and the net value thereof is presented considering loan loss reserves, plus interest earned not collected (see Note 6).

The loan portfolio is classified as past-due when it is 90 or more calendar days overdue, and is recognized up to the amount of the capital and interest due at that date.

The loan portfolio with a revolving line of credit is classified as past-due when it is 60 or more calendar days overdue, and is recognized up to the amount of the capital and interest due at that date.

As of December 31st, 2007, the total loan portfolio was classified as past-due when 90 or more calendar days overdue.

Interest income accrued is recorded in the statement of income as it is accrued by the unpaid balance method, on the basis of the terms established in agreements signed with the borrowers.

Once a loan is considered to be past due, interest accrual thereon is suspended. If the past-due interest is collected, it is directly applied to income for the period.

Annual commissions charged to customers are deferred and amortized by the straight-line method during one year or for the duration of the loan. All other commissions (withdrawal fee or collections-related expenses) are applied to income upon collection thereof.

Once the outstanding balances of past-due loans (principal and interest, among others) are settled, those loans are once again considered as current portfolio.

e. Loan loss reserves and portfolio rating

The Accounting Criteria require that the loan portfolio be rated based on the different methodologies established by the Commission, as per the general methodology or through the use of an internal methodology.

Through a letter No. 310-85406/2009 dated March 2nd, 2009, the Commission mentioned to the Company of the requirement to calculate and set up loan reserves based on the different methodologies established by the Commission for credit institutions, as per the general methodology or internal methodologies set forth in the Sole Circular applicable to Banks, with the latter case not requiring the Commission's approval.

In light of the above, the Company rates its loan portfolio using an internal methodology based on the likelihood of borrowers' default and on the loss given default, as per the provisions of article 93 of the general provisions applicable to credit institutions.

Up until December 31st, 2007, a policy was applied requiring that a level of reserves of 125% of the past due portfolio be maintained. Had the Company continued to apply during 2008, the procedure to determine the loan loss reserve based on the 2007 policy, the resulting effect at December 31st, 2008, would have been Ps110,526 more.

In accordance with MFRS, a study should be conducted to serve as the basis for the determination of the values of balances to be deducted or cancelled in providing for the different quantifiable future events that could affect the amount of accounts receivable.

The loans are written off according to Management best estimate, when said loans are 180 or more calendar days overdue.

f. Other accounts receivable

Accounts receivable other than the Company's loan portfolio represent, among others, loans made to officers and employees and favorable tax balances (see Note 8).

For loans granted to officers and employees and other accounts receivable related to debts whose maturity is more than 90 calendar days, a reserve is set up reflecting the related level of irrecoverability. No such reserve has been set up for favorable tax balances. The allowances for doubtful accounts referred to above are determined through a study that serves as the basis for the determination of future events that could affect the amount of accounts receivable, showing the related estimated recovery value.

With respect to items different from those prior, whose maturity is agreed at a term of 90 calendar days for identified debtors and 60 days for unidentified debtors, an allowance is set up for irrecoverability or doubtful accounts in the total amount of the debt. MFRS require, when applicable, setting up an allowance for doubtful account, after conducting an analysis and evaluation of the real possibilities of recovering said accounts receivable.

The Company has no items more than 90 days past due, as a result of which, no such reserve has been set up.

g. Property, furniture and equipment

As of December 31st, 2008, property, furniture and equipment, are expressed as follows: i) acquisition subsequent to January 1st, 2008 at their historical cost, and ii) acquisitions at their restated value determined by UDI factors to their acquisition cost up to December 31st, 2007. Consequently, as of December 31st, 2008, the properties, furniture and equipment are expressed at their modified historical costs.

As of December 31st, 2007, the property, furniture and equipment, are expressed at their restated value, determined as indicated in ii) of the paragraph above.

Depreciation is calculated by the straight line method based on the estimated useful lives, of the assets applied to the property, furniture and equipment values (see Note 9).

h. Intangible assets

The intangible assets are recognized in the balance sheet since they meet the following conditions: are identifiable, provide future economic benefits and the Company has control over such benefits. Also, intangible assets are classified: i) with an indefinite useful life, which are not amortized but subject to annual impairment assessment, and ii) intangible assets with a definite life, which are amortized systematically, based on the best estimate of their useful life determined in accordance with the expected future economic benefits and are subject to impairment tests as this one is identified.

As of December 31st, 2008, the intangible assets acquired or developed are expressed as follows: i) acquisitions or developments subsequent to January 1st, 2008, at its historical cost and ii) acquisitions or developments up to December 31st, 2007, at their restated value determined through the application to their acquisition or development costs, factors derived from the UDI up to December 31st, 2007. Consequently, as of December 31st, 2008, the intangible assets are expressed at their modified historical cost.

i. Long lived assets

Long-lived assets, tangible and intangible, including goodwill, are subject to annual impairment assessment; in the case of the indefinite life assets the tests are performed annually and for the definite life assets they are performed where there is indication of impairment.

In the event of signs of impairment in the value of long-lived assets in use, entities are required to determine a possible impairment loss, unless there is evidence showing that said signs are temporary. For these purposes, the recovery value of the cash-generating unit is to be determined.

The Company shows no signs of impairment in the value of its long-lived assets in use, and has thus determined no possible impairment loss.

j. Debt issuance

Debt issuance is represented by issuance of a debt financial instrument (Programa de Certificados Bursátiles in Spanish), which was recorded based on the value of the obligation it represents, plus interest accrued during the days elapsed in the month. Said interest is charged to income for the period (see Note 10).

Issue expenses are initially recognized as deferred charges and amortized against income for the period, according to the term of the securities from which they arose.

k. Loans from banks and other entities

Loans from banks and other entities refer to credit lines and other loans from other entities, which are recorded at the contractual value of the obligation. Interest is recorded in income as it is accrued (see Note 11).

l. Provisions

The liabilities' provisions represent present obligations for past events where the outflow of economic resources is possible. These provisions have been recorded based on management's best estimation.

m. Deferred income tax and deferred flat tax:

The deferred income tax and flat tax is recorded based on 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 to be materialized in the future. The Company recognized the deferred on income tax and flat tax and recognized the effects in the statement of income (see Note 15).

n. Deferred employees' statutory profit sharing

As from January 1st, 2008, the deferred employees' statutory profit sharing is recorded based on the method previously described in paragraph above, when it is feasible the payment or application for recuperation of such benefits to employees rendering future services.

In accordance with the provisions of this statement, the initial effect arising from the new MFRS shall be considered as an accounting change at January 1st, 2008, recognizing said effect in retained earnings (see Note 13).

o. Employees benefits

The employees' benefits granted by the Company, including the defined benefit plans are described as follows:

The Company has no employees' benefit plan of defined contribution plans, except as required by the corresponding laws.

i. The direct benefits (salaries, holiday bonus, and paid absence, among others) are recognized in the statement of income incurred and liabilities are expressed at face value given its short term nature. In the case of paid absence under law or contract, they are not cumulative.

ii. The termination benefits due to reasons different from restructure (severance compensation or indemnities, aging bonus, special compensations or voluntary separation, etc.), as well as the retirement benefits (pension, aging bonus, and other retirement benefits), are recognized based on actuarial studies carried out by independent actuaries through the projected unitary credit method.

The net cost of the period of each employees benefit plan is recognized as an operating expense in the year it is accrued, which includes, among others, the amortization of the labor cost of the past services and the actuarial gains (losses) of the previous years (see Note 13).

The unamortized pending items as of December 31st, 2007, referred as transitional liability, which includes the labor cost of the past services and the unamortized pending actuarial gain, will be amortized starting January 1st, 2008, in a five year term instead of the estimated working live of the employee's up to 2007, which was 11 years for termination benefits and 15 years for aging bonus. This change originated the net income of 2008 to have an additional charge of Ps358.

As from January 1st, 2008, actuarial studies of employee benefits incorporate the hypothesis of expected career salary increase. The effect of considering this item in the actuarial calculations was an additional charge of Ps111 to net income in 2008. In addition, as from that date, the Company adopted the elimination of the additional liability and its corresponding counter entries such as intangible assets and, if applicable, the components in stockholders' equity recognized up to December 31st, 2007, which are shown separately in the 2007 balance sheet; consequently, intangible assets and additional liabilities were reduced by Ps1,690, respectively.

As of December 31st, 2008, the details of the employees' benefit plans are described as follows:

a. Pre-retirement compensation

For employees to receive retirement compensation, the Company is required to apply retirement policies or pay the employee severance in accordance with the provisions of articles 48 and 50 of the Federal Labor Law (LFT).

Article 50 of the LFT. Severance consists of the following: if the work relationship was for an indefinite period of time, severance consists of twenty days salary for each year of services rendered, plus the amount corresponding to three months salary.

b. Seniority premiums

Following is a summary of the bases for calculation of the seniority premium, based on the provisions of article 162 of the LFT.

1. A seniority premium is paid in the event of death, disability, dismissal and voluntary resignation.

2. The amount of the seniority premium consists of the twelve days salary for each year of service.

3. The salary to be considered in calculating the seniority premium must not be lower than the minimum wage prevailing in the economic zone where the services were rendered and may not exceed twice the amount of said wage.

4. The seniority to be considered for payment is the total thereof except in the event of dismissal, in which case it will be considered the employees' seniority as from May 1st, 1970 or the hiring date, if subsequent.

5. In order for payment of the seniority premium to be applicable in the case of resignation, the employee must have reached at least fifteen years of service.

p. Capital stock

The capital stock, the net premium in shares issuance, legal reserves and the retained earnings, shown at December 31st, 2007, are expressed at their restated historical cost, determined through the application to their originally determined values of factors derive from the UDI. The movements of these accounts made during 2008, are expressed at its historical cost.

The premium in shares issuance represents the difference in surplus between the payment for subscribed shares and their nominal value.

q. Comprehensive income

Comprehensive income is represented by net income, as well as by items required by specific provisions to be reflected in stockholders' equity, but which do not constitute capital contributions, reductions or distributions.

At amounts of the comprehensive income from 2008 and 2007 are expressed at their modified historical pesos and pesos of purchasing power of December 31st, 2007, respectively.

r. Revenue recognition

Interest income from cash and due from banks and investments in securities is recognized in the statement of income as it arises.

Interest income from loans granted is recorded in the statement of income as it is earned by the unpaid balance method, on the basis of the terms established in agreements signed with the borrowers.

Annual commissions charged to customers are deferred and amortized by the straight-line method during one year or for the duration of the loan. All other commissions (withdrawal fee or collections-related expenses) are applied to income upon collection thereof.

s. Repurchase of own shares

Own shares acquired are shown as a decrease in the fund for repurchase of own shares included in the consolidated financial statements under prior years' income. Dividends received are recognized by decreasing their cost.

With respect to the sale of shares, the amount obtained in excess or deficit of their restated cost is recognized in the premium on the sale of shares.

t. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average outstanding number of ordinary shares during the years 2008 and 2007, excluding ordinary shares purchased by the Company and held as treasury shares.

u. Foreign currency transactions

These are recorded at the applicable exchange rate in effect at the transaction date. Monetary assets and liabilities dominated in foreign currency are translated into Mexican pesos at the applicable exchange rate published by Central Bank in effect at the balance sheet date. Exchange fluctuations are recorded in the results on operations.

As of December 31st, 2008 and 2007, the Company had assets denominated in dollars amounting to 65 thousands, in both cases. In addition, the Company had no liabilities denominated in foreign currency at the closing of said periods.

As of December 31st, 2008 and 2007, the exchange rate used by the Company in valuing its assets in foreign currency (converted to dollars) was Ps13.5383 to the U.S. dollar (Ps10.9043 in 2007). At the date of the independent accountants' report, the exchange rate was Ps14.2358 per dollar.

v. Stock option plan

On October 18th, 2007, by unanimous vote, the stockholders approved the creation of a stock option plan for Company employees and officers. In order to manage said plan, two trusts were set up by two of Serfincor subsidiaries: Ejecutivos Santa Fe, S. A. de C. V. and Prosefindep, S. A. de C. V.

The guidelines of International Financial Reporting Standard (IFRS) No. 2 "Share-based payments" require recognition, valuation and recording of the cost of these plans. IFRS-2, in effect as from 2005, in applicable on a supplementary basis to the Company, as per the Accounting Criteria with respect to MFRS A-8 "Supplementary".

IFRS-2 requires that valuation of the cost of the stock option plan granted to employees be calculated through application of the fair value method. As a result, the Company must reflect in the statement of income for the period and in its financial position, the effects of the transactions with share-based payments, including expenses related to transactions in which employees are granted stock options.

Due to the fact that the effect of this provision is not material in the Company's operating results and on the financial position as of December 31st, 2008, the Company did not recognize the impact of this provision. However, as from the 2009 period, the Company intends to determine the fair value of the stock option plan, to be reflected in the consolidated financial statements.

w. Statement of cash flows

In late 2007, the CINIF issued a series of MFRS in effect as from January 1st, 2008, such as MFRS B-2 "Statement of cash flows", establishing the general rules for presentation, structure and preparation of the statement of cash flows. The Accounting Criteria applicable at the date of the independent accountants' report do not recognize this financial statement, as the statement of changes in financial position is still applied.

x. Information per segment

The Accounting Criteria establish that in order to identify the different operating segments that comprise multiple banking institutions, said institutions must segregate their activities according to the following segments: i) loan operations; ii) treasury and investment banking operations, and iii) operations conducted on behalf of third parties. In addition, due to the importance of the matter in question, additional operating segments and sub-segments can be identified (see Note 21).

NOTE 4 - Cash and due From Banks:

This item is composed as follows:

	Local currency		Foreign currency translated		December 31,	
	2008	**2007**	**2008**	**2007**	**2008**	**2007**
Cash	Ps 51,729	Ps 54,869	-	-	Ps 51,729	Ps 54,869
Mexican banks	81,662	44,290	Ps 944	Ps 706	82,606	44,996
Investments *	209,527	143,265	-	-	209,527	143,265
	Ps342,918	Ps 242,424	Ps 944	Ps 706	Ps 343,862	Ps 243,130

*These are fixed income and money market investments, where treasury surpluses are invested, to obtain a better return in the short term. These investments are made through stock brokerage firms and mutual funds that operate in the Mexican financial market.

At December 31st, 2008 and 2007, the average yield on investments was 8.3% and 7.7%, respectively. In addition, for the years ended December 31st, 2008 and 2007, interest income from investments totaled Ps7,195 and Ps3,131, respectively. The maturity of financial instruments during 2008 and 2007 was on average from one to three days.

NOTE 5 - Operations with Derivative Financial Instruments:

Options are agreements establishing the right, but not obligation, for the acquirer to purchase or sell the underlying asset (average interbank interest rate or TIIE, by its initials in Spanish) at a determined price, called an exercise price, on an established date or at a determined period. The option agreements involved two parties, the one acquiring the option pays a premium, thus acquiring a right, but not an obligation. The buyer of the option records the premium paid in the operation. The premium is subsequently valued according to the fair value of the option.

The Company applies to the statement of income the monthly amortization of the premium paid upon contracting said hedge instruments, on a linear basis, for the duration of said instrument.

The purpose of derivative financial instruments is to set a maximum interest rate related to certain lines of credit with variable rates (see Notes 10 and 11). The instruments consider a maximum level for the TIIE (also known as CAPs). In the event the TIIE exceeds the levels agreed in said agreements, the counterparty is to pay the Company the excess rate level multiplied by the contracted amount.

CAP type options are comprised as follows:

Counterparty	Exercise price (%)	Notional amount	Premium paid	Charged to income	Pre-paid expenses	Maturity
BBVA Bancomer	8.4275	Ps 150,000	Ps 428	Ps 321	Ps 107	26-Feb-2009
HSBC	9.5000	784,000	1,646	960	686	30-June-2009
		Ps 934,000	Ps 2,074	Ps 1,281	Ps 793	

The notional amounts related to derivative financial instruments reflect the volume of activity but not the amounts at risk. Amounts at risk are generally limited to the unrealized profit or loss in from valuation to market of those instruments, which can vary depending on changes in the market value of the underlying item, its volatility and the credit rating of the counterparties.

NOTE 6 - Loan Portfolio:

Performing and non-performing loans were as follows:

	2008		
Performing loans:	**Principal**	**Accrued interest**	**Total**
Consumer	Ps 3,712,850	Ps 200,177	Ps 3,913,027
Non-performing loans:			
Consumer	461,999	98,822	560,821
Total loan portfolio	**Ps 4,174,849**	**Ps 298,999**	**Ps 4,473,848**

	2007		
Performing loans:	**Principal**	**Accrued interest**	**Total**
Consumer	Ps 2,959,120	Ps 155,905	Ps 3,115,025
Non-performing loans:			
Consumer	197,043	38,791	235,834
Total loan portfolio	**Ps 3,156,163**	**Ps 194,696**	**Ps 3,350,859**

The loan portfolio according to maturity was as follows:

	2008	2007
Short term	Ps 4,317,673	Ps 3,261,219
Long term	156,175	89,640
Total loan portfolio	**Ps 4,473,848**	**Ps 3,350,859**

Loans granted, segmented by type, were as follows:

Type of credit	2008 Amount	%	2007 Amount	%
Performing loans:				
CrediInmediato	Ps 2,627,262	67	Ps 2,314,089	74
CrediPopular	709,629	18	472,288	15
CrediMamá	114,654	3	122,966	4
CrediConstruye	461,482	12	205,682	7
	3,913,027	100	3,115,025	100
Non performing loans:				
CrediInmediato	440,571	79	167,293	71
CrediPopular	92,317	16	52,010	22
CrediMamá	17,195	3	10,258	4
CrediConstruye	10,738	2	6,273	3
	560,821	100	235,834	100
Total loan portfolio	**Ps 4,473,848**	**100**	**Ps 3,350,859**	**100**

CrediInmediato: is a revolving line of credit from Ps1.5 to Ps16.5 and is available to individuals earning at least the minimum monthly wage in Mexico. As of December 31st, 2008 and 2007, the unused amount of line of credit was Ps1,064 million and Ps751 million, respectively.

CrediPopular: is a personal loan targeted to the informal sector of the Mexican economy initially from Ps1.5 to Ps5.1. This product has an average term of 26 weeks and is renewed based on the debtor's credit behavior.

CrediMamá: this product is focused to the informal sector of the Mexican economy. The credits are granted to mothers who have at least one child under the age of 18. These loans are initially granted in an amount of Ps1.5 and it has an average term of 26 weeks and is renewed 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 Ps3.0 to Ps16.5, including a subsidy granted by the Federal Government and the specialized advisory of a professional of the construction. This loan product has a maximum term of two years.

Interest income per product arising from ordinary and late-payment interest pertaining to the 2008 and 2007 loan portfolio according to the type of loan is comprised as follows (see Note 16):

Type of loan	2008 Amount	%	2007 Amount	%
CrediInmediato	Ps 1,762,331	65	Ps 1,466,429	71
CrediPopular	633,100	23	441,641	22
CrediMamá	126,203	5	110,347	5
CrediConstruye	187,000	7	40,151	2
	Ps 2,708,634	**100**	**Ps 2,058,568**	**100**

NOTE 7 - Portfolio Rating:

Based on the Accounting Criteria as from December 31st, 2008, the Company rates its loan portfolio using an internal methodology based on the likelihood of borrowers' default and the loss given default.

As of December 31st, 2008, aging of the loan portfolio according to the number of days the loan is past due is as shown below:

	0-30	31-60	60-90	90-120	120-150	150-180	Total
Performing loans	Ps 3,542,356	Ps 331,873	Ps 38,798	Ps -	Ps -	Ps -	Ps 3,913,027
Non-performing loans	-	-	191,887	174,501	108,020	86,413	560,821
Total	**Ps 3,542,356**	**Ps 331,873**	**Ps 230,685**	**Ps 174,501**	**Ps 108,020**	**Ps 86,413**	**Ps 4,473,848**

The changes in loan loss reserves during the periods ended December 31st, 2008 and 2007 are shown below:

	December 31, 2008	December 31, 2007
Balance at beginning of year	Ps 294,793	Ps 160,926
Less:		
Effect of restatement at beginning of year	-	5,893
Nominal balance at beginning of year	294,793	155,033
Plus:		
Increase to the provision for loan losses	701,117	488,478
Less:		
Effect of inflation	-	8,474
Loans written-off during the year	645,271	340,244
Balance at end of the year	**Ps 350,639**	**Ps 294,793**

Following are the percentages used to rate the portfolio as of December 31, 2008, which were determined based on the likelihood of borrowers' default and the loss given default:

Weekly

	Period	Amount	Provision (%)	Amount
	0	Ps 522,125	0.2	Ps 1,063
	1	122,653	1.0	1,193
	2	56,199	2.6	1,456
	3	29,126	6.0	1,741
	4	30,330	7.9	2,391
	5	23,064	9.1	2,090
	6	12,913	11.2	1,446
	7	14,121	17.0	2,406
	8	17,416	18.3	3,191
	9	17,049	19.4	3,303
	10	7,250	21.9	1,586
	11	9,329	29.3	2,730
	12	9,730	29.7	2,889
	13	18,788	30.3	5,696
	14	3,904	36.8	1,438
	15	6,147	45.6	2,803
	16	7,270	45.6	3,313
	17	12,821	46.0	5,901
	18 or more	43,339	81.7	35,425
Total		**Ps 963,574**	**8.5**	**Ps 82,061**

Biweekly

Period	Amount	Provision (%)	Amount
0	Ps 1,973,064	0.4	Ps 8,209
1	281,020	2.3	6,453
2	238,570	5.0	12,029
3	167,370	8.5	14,269
4	117,388	13.1	15,405
5	53,319	20.0	10,646
6	134,333	25.2	33,822
7	40,180	40.6	16,323
8	77,509	45.5	35,260
9	39,907	54.1	21,609
10	61,450	60.6	37,230
11	22,225	67.1	14,918
12	42,456	73.4	31,176
13 or more	-	-	-
Total	**3,248,791**	**7.9**	**257,349**

Monthly

Period	Amount	Provision (%)	Amount
0	186,307	0.3	529
1	39,025	2.7	1,039
2	15,316	9.7	1,492
3	9,109	21.7	1,973
4	5,424	42.3	2,293
5	3,963	57.2	2,268
6	2,339	69.9	1,635
7	-	-	-
8	-	-	-
9 or more	-	-	-
Total	**261,483**	**4.3**	**11,229**
Total loan portfolio	**Ps 4,473,848**	**Provision**	**Ps 350,639**

As of December 31st, 2007, the loan loss reserves represented at least 125% of the past-due loan portfolio.

Changes in the coverage ratio are shown below:

	December 31,	
	2008	**2007**
Required loan loss reserves	Ps 350,639	Ps 294,793
Recorded loan loss reserves	350,639	294,793
Excess over loan loss reserves	-	-
Coverage ratio	62.5%	125.0%

During 2008 and 2007, the Company restructured no loans and had no repossessed assets.

NOTE 8 - Other Accounts Receivable - Net:

At December 31st, 2008 and 2007, the other accounts receivable are comprised as follows:

	December 31, 2008	December 31, 2007
Favorable income tax balance	Ps 192,775	Ps 5,101
Value added tax receivable	47,962	7,352
Subsidy receivable from Sociedad Hipotecaria Federal, S. N. C. (SHF)	37,921	17,897
Sundry debtors	2,043	8,086
Debtors from loan portfolio sales	1,906	5,343
	Ps 282,607	Ps 43,779

NOTE 9 - Property, Furniture and Equipment:

This item is comprised as follows:

Asset	2008	2007	Depreciation rate (%)
Building	Ps 47,643	Ps -	5
Computer equipment	152,647	128,144	25
Office furniture and equipment	77,149	55,262	10
ATMs	6,900	8,006	15.4
Transportation equipment	23,439	18,176	25
Leasehold improvements	149,525	99,624	20
	457,303	309,212	
Less - Accumulated depreciation	(202,191)	(169,442)	
	255,112	139,770	
Land	865	865	
Constructions in process*	-	31,419	
Total	**Ps 255,977**	**Ps 172,054**	

*Corresponds to construction of the Operations Center in Aguascalientes, which started operations in 2008.

For the period ended December 31st, 2008, depreciation and amortization applied to the statement of income amounted to Ps51,608 (Ps42,589 in 2007).

For the years 2008 and 2007 there are fully depreciated assets by Ps71,792 and Ps62,473, respectively.

NOTE 10 - Debt Issuance:

As of December 31, 2008, the Company's debt issuance is as shown below:

	Amount of program	Amount first issue	Date first issue	Maturity	Interest rate	Amount
Debt issuance	Ps 1,500,000	Ps 784,000	Jun - 08	Jun - 13	TIIE + 190 bps	Ps 784,000
						784,000
				Accrued interest		3,718
				Total		**Ps 787,718**

The maturity of these unsecured notes is three years and pay interest equivalent to the 28-day TIIE, plus 190 base points (bps). The notes were rated as mxA and A+(mex) by Standard & Poor's and Fitch Ratings, respectively.

NOTE 11 - Bank and Other Entities Loans:

As of December 31, 2008 and 2007, the balance of bank and other entities loans were as follows:

				December 31,	
				2008	2007
Institution:	**Credit line**	**Maturity**	**Interest rate**	**Amount**	**Amount**
HSBC México, S. A. Institución de Banca Múltiple, Grupo Financiero HSBC	Ps 2,500,000	Sep-2011	TIIE + 300 bps	Ps 2,230,833	Ps 1,204,093
S. H. F.	600,000	Sep-2009	TIIE + 200 bps	430,812	123,485
BBVA Bancomer, S. A., Institución de Banca Múltiple, Grupo Financiero BBVA	150,000	Feb-2010	TIIE + 190 bps	150,000	-
				2,811,645	1,327,578
		Accrued interest		14,714	8,385
		Total		**Ps 2,826,359**	**Ps 1,335,963**

NOTE 12 - Sundry Creditors and other Accounts Payable:

As of December 31, 2008 and 2007, the balance pertaining to this item is comprised as follows:

	December 31,	
	2008	2007
Dividends payable*	Ps 127,500	Ps -
Income tax	38,503	72,994
Other dues	68,724	61,018
Sundry creditors	30,372	15,354
Annual performance bonus	27,442	24,308
Other provisions	5,129	6,037
Provision for labor obligations	8,727	7,306
Loan opening commission (cash back)	6,378	5,017
Employees' statutory profit sharing payable	2,716	2,402
	Ps 315,491	Ps 194,436

* The payment was made in February 2009.

NOTE 13 - Employee Benefits:

a. Reconciliation between the initial and final balances of the defined benefit obligations (OBD by its initials in Spanish) present value for the period 2008:

	Legal retirement compensation	Seniority premium prior to retirement	Seniority premium at retirement
OBD at January 1, 2008	Ps 6,845	Ps 1,542	Ps 436
Plus (less):			
Labor cost of the current service	2,646	777	145
Financial cost			
Payments made by the participant employees	428	106	38
Actuarial losses (earnings) generated in the period	(739)	(450)	18
Paid benefits	-	(105)	-
OBD at December 31, 2008	Ps 9,180	Ps 1,870	Ps 637

b. The value of the acquired benefits obligations at December 31st, 2008 and 2007 amounted Ps49.7 y Ps28.9, respectively.

c. Reconciliation of OBD, Plan Assets and the Net Projected Liability (AP and PNP by their initials in Spanish).

Reconciliation between the OBD present value and the AP fair value and the PNP recognized in the balance sheet:

	IL before retirement December 31,		PA after retirement December 31,		PA retirement December 31,	
	2008	2007	2008	2007	2008	2007
Labor liabilities						
OBD	Ps 9,180	Ps 6,750	Ps 1,870	Ps 1,534	Ps 637	Ps 436
AP	-	-	-	-	-	-
Financing situation	9,180	6,750	1,870	1,534	637	436
Less: amortization						
Pending items	225	281	89	112	28	30
Actuarial gains	-	(444)	-	(59)	(3)	(18)
Transition liability	2,486	1,380	97	104	38	28
Career salary	-	-	-	-	-	-
PNP	Ps 6,469	Ps 5,533	Ps 1,684	Ps 1,377	Ps 574	Ps 396

d. Period Net Cost (CNP by its initials in Spanish):

An analysis of the CNP by plan type is presented as follows:

	IL before retirement December 31,		PA after retirement December 31,		PA retirement December 31,	
CNP	**2008**	**2007**	**2008**	**2007**	**2008**	**2007**
Labor cost of the current service	Ps 2,646	Ps 2,284	Ps 777	Ps 652	Ps 145	Ps -
Financial cost	428	164	106	37	38	
Net actuarial earning or loss	(1,198)	(120)	(523)	(20)	(1)	
Labor cost of past service	58	26	22	14	1	
Amortization (liability of transition)	622	265	24	29	11	
Labor cost of past service (changes in methodology)	94	-	17	-	-	
Anticipated reductions or liquidations					(12)	
Total	**Ps 2,650**	**Ps 2,619**	**Ps 423**	**Ps 712**	**Ps 182**	**Ps -**

e. Main actuarial assumptions:

The key actuarial assumptions used, expressed in absolute terms, as well as the discount rates, plan assets yields, salaries increases and changes in the indexes or other changes, referred at December 31, 2008, are as follows:

Age	Death (%)	Invalidity (%)	Voluntary separation (%)	Dismissal (%)
15	0.03	0.02	31.89	12.07
25	0.08	0.04	17.34	7.01
35	0.18	0.07	9.04	3.77
45	0.34	0.12	3.96	1.68
55	0.70	0.20	1.38	0.59
64	1.55	0.27	0.63	0.27

Discount rate: 8.50%.
Rate of salary increases: 5.67%.
Minimum wage increase rate: 4.52%.

f. Value of OBD, AP and plan position over the last four years:

The value of the OBD, the fair value of AP, the plan position, as well as the experience adjustments for the last four years are as shown below:

Seniority premium plan

	Historical values			Adjustments by experience	
Year	**OBD**	**AP**	**Plan situation**	**OBD**	**AP**
2008	Ps 2,507	Ps -	Ps 2,507	0.5%	Ps -
2007	1,922	-	1,922	3.9%	-
2006	1,001	-	1,001	38%	-
2005	880	-	880	7%	-

Benefit plan upon termination of employment

	Historical values			Adjustments by experience	
Year	**OBD**	**AP**	**Plan situation**	**OBD**	**AP**
2008	Ps 9,180	Ps -	Ps 9,180	0%	Ps -
2007	6,776	-	6,776	6.3%	-
2006	4,198	-	4,198	40%	-
2005	4,453	-	4,453	3.3%	-

g. Employees' statutory profit-sharing:

The provisions for employees' statutory profit-sharing in 2008 and 2007 are analyzed as follows:

	December 31,	
	2008	**2007**
Current employees' statutory profit-sharing	Ps 2,245	Ps 2,402
Deferred employees' statutory profit-sharing	(1,849)	(2,379)
	Ps 396	**Ps 23**

The Company is subject to payment of employees' statutory profit-sharing, which is calculated applying the procedures established in the Income Tax Law.

The main temporary differences for which deferred employees' statutory profit-sharing was recorded are analyzed as follows:

	December 31,	
	2008	**2007**
Prepaid expenses	(Ps 3,809)	(Ps 686)
Sundry provisions	10	35
Salaries payable	821	-
Reserve for bonuses	27,442	24,308
Provision Statement D-3	8,727	133
Advances from customers	9,080	-
	42,271	23,790
Employees' statutory profit-sharing rate applicable	10%	10%
Deferred employees' statutory profit-sharing asset	Ps 4,227	Ps 2,379

NOTE 14 - Stockholders' Equity:

At the October 8th, 2008 Extraordinary General Stockholders' Meeting, it was approved, among other matters, a reduction of up to 50 million shares, as a result of which, total outstanding shares were reduced from 680 to 630 million. In this process, all of the Company's stockholders had the option to participate in the capital reduction in proportion to their stockholding percentage. The capital reduction had an effect on capital stock of Ps5,000 and on the share premium of Ps612,500.

On October 18th, 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), 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.

After this increase, the capital stock at December 31st, 2008 was composed as follows:

Shares *	Description	Amount
200,000,000	Series "A" (Class I)	Ps 20,000
430,000,000	Series "A" (Class II)	43,000
630,000,000		63,000
	Cumulative increase for the update December 31st, 2007	85,603
	Capital stock as of December 31st, 2008	Ps 148,603

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

The Series "A", Class I, shares represent the fixed portion of the capital stock, without withdrawal rights, while Series "A", Class II, shares represent the variable portion of the capital stock.

At the April 29th, 2008 Extraordinary and Ordinary General Stockholders' Meetings, it was agreed, among other matters, to transfer the premium on the sale of shares of Ps182,585 and the legal reserve of Ps58,197 to the prior years' income account.

The Company pays dividends on a regular basis and there are no restrictions to declare dividends. The General Shareholders' Meeting of April 29th, 2008, declared a dividend in the amount of Ps510,012, which would be paid in four exhibitions, three were paid in 2008 and a fourth in February 2009. The General Shareholders' Meeting of March 20th, 2007 declared a dividend in the amount of Ps178,786.

In accordance with the Company's bylaws and the Stock Market Law, 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 31st, 2008, the total number of repurchased shares was 26,173,954, of which 23,891,764 or 3.8% correspond to the repurchase fund and 2,282,190 shares or 0.4% corresponds to the trust pertaining to the stock option plan of the total number of shares in circulation. As of December 31, 2008 and 2007, the acquisition of own shares (fund for repurchase of shares and stock option plan) totaled Ps268,773 and Ps116,976, respectively. Dividends paid corresponding to shares held in treasury for repurchased shares were returned and totaled Ps10,350.

The stock price of the Company's shares at December 31, 2008 and 2007 was Ps6.98 and Ps 18.74 per share, respectively, and were verified with a price vendor.

As of December 31st, 2008, the Company conducted a replacement of shares, giving rise to an effect of Ps31,134, which was applied to the premium on the sale of shares.

On October 18th, 2007, by unanimous vote, the stockholders approved the creation of a stock option plan for Company employees and officers. This structure consists of two trusts set up by two subsidiaries of Serfincor: Ejecutivos Santa Fe, S. A. de C. V., and Prosefindep, S. A. de C. V., with a Mexican financial institution, as per the provisions of the Mexican legislation.

At the January 23rd, 2008 Board Meeting, the Directors determined the officers chosen as beneficiaries of the stock option plan, as well as the number of shares pertaining to each.

Net income for the period is subject to the legal provision requiring that at least 5% of the profit for each year to be set aside to increase the legal reserve until it reaches an amount equivalent to 20% of the capital stock. The amount transferred to the legal reserve at December 31, 2007 was Ps13,026.

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 2009. 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 or against flat tax for the period. 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.

The earnings per share is arrived at by dividing net income for the year by the weighted average of shares outstanding during the same period, as shown below:

Earnings per share (UPA by its initials in Spanish):	**2008**	**2007**
Net income	Ps 622,925	Ps 516,014
Divided by weighted average of shares	655,810,912	642,332,113
EPS (pesos)	Ps 0.9499	Ps 0.8033

NOTE 15 - Income, Asset and Flat Taxes:

a. Income tax

Income tax is determined on the basis of each company's individual tax results and not on a consolidated basis. On the basis of financial and tax projections, the companies determined that tax to be paid in the future would be essentially income tax, and has therefore recorded deferred income tax. Book and tax results differ mainly due to temporary differences, arising from the comparison of the accounting balances and tax values of each of the asset and liability accounts of the balance sheet, as well as those items only affecting the book or tax result for the year.

The deferred income tax and deferred flat tax is recorded based on the assets and liabilities with comprehensive approach method, which consists in recognizing the deferred tax for all the temporary differences between the accounting and tax values of the assets and liabilities expected to be materialized in the future.

On 2008 and 2007, the income tax provision was composed as follows:

	December 31, 2008	December 31, 2007
Current:		
Income tax	(Ps 354,164)	(Ps 278,434)
Flat tax	(6,793)	-
Employees' statutory profit-sharing	(2,245)	(2,402)
	(363,202)	(280,836)
Deferred:		
Income tax	138,078	56,109
Flat tax	1,720	-
Employees' statutory profit-sharing	1,849	-
	141,647	56,109
	(Ps 221,555)	(Ps 224,727)

The reconciliation between the statutory and effective tax rates is shown below:

	December 31, 2008	December 31, 2007
Income before legal income tax	Ps 844,480	Ps 740,741
Statutory income tax rate	28%	28%
Statutory income tax	236,454	207,407
Plus (less) the tax effect of the following Outstanding items:		
Nondeductible expenses	3,544	1,409
Annual inflation adjustement	(28,033)	(1,658)
Other outstanding items	9,590	17,569
Actual income tax	Ps 221,555	Ps 224,727
Effective income tax rate	26%	30%

As of December 31st, 2008 and 2007, the principal temporary differences on which deferred income tax was recognized were are shown below:

	December 31, 2008	December 31, 2007
Allowance for loan losses and write-offs	Ps 739,753	Ps 532,129
Provisions	34,193	39,345
Furniture and equipment and intangible assets	(44,501)	(18,978)
Tax loss carryforwards	29,473	28,755
Accrued interest income on past due accounts	282,049	-
Deferred commissions	55,016	38,113
Others	16,518	-
	1,112,501	619,364
Income tax rate	28%	28%
	311,500	173,422
Deferred flat tax (see paragraph c. below)	5,564	3,844
Deferred employees' statutory profit-sharing (see Note 13, paragraph g.)	4,227	-
	Ps 321,291	Ps 177,266

As of December 31st, 2008, the subsidiary had tax loss carry forwards of Ps29,473, whose right to be amortized against future taxable income expires in 2018.

b. Asset tax

Up to December 31st, 2007 (date when this tax was abrogated) asset tax was calculated at 1.25% of the net value of certain assets and was payable only when it exceeded the income tax payable.

The asset tax effectively paid can be refunded according to the established mechanics in the Flat Tax Law, which will be gradually recovered each year up to a maximum amount of 10% out of the total asset tax paid in the 10 years previous to 2008.

c. Flat tax

On October 1st, 2007, the Flat Tax Law was issued, which became effective as of January 1st, 2008. This law requires individuals and corporations residing in Mexico, as well as those residing abroad with permanent establishment in Mexico.

Flat tax of the period is calculated by applying the 17.5% rate (17.0% for 2009) to a net income based on cash flows. Such net income represents the difference between the total income collected by taxable activities, less the authorized tax deduction paid. In addition, it is also allowed to reduce this amount with the flat tax credits, based on the procedures established in the law.

As of December 31st, 2008 and 2007, the principal timing differences on which deferred flat tax was recognized are as shown below:

	December 31,	
	2008	**2007**
Accounts receivable	(Ps 10,511)	Ps -
Accounts payable	30,660	17,814
Others	12,581	5,483
	32,730	23,297
Flat tax applicable rate	17%	16.5%
Deferred flat tax	Ps 5,564	Ps 3,844

NOTE 16 - Additional Information on the Statement of Income:

a. Interest income per product, as well as interest income on investments for the periods are as shown below:

	Year ended December 31,	
Interest income	**2008**	**2007**
CrediInmediato	Ps1,762,331	Ps1,466,429
CrediPopular	633,100	441,641
CrediMamá	126,203	110,347
CrediConstruye	187,000	40,151
	2,708,634	2,058,568
Investments in securities	7,195	3,131
Total interest income	**Ps2,715,829**	**Ps 2,061,699**

b. Other products and expenses

Following is a breakdown of other products and expenses for 2008 and 2007:

	Year ended December 31,	
Other products	**2008**	**2007**
Sales of fixed assets	Ps 2,020	Ps 801
Sales of loan portfolio	9,118	18,972
Administrative services	6,808	27,872
Commissions on services and insurance	1,276	4,185
Other items including restatement	3,752	5,970
	Ps 22,974	Ps 57,800

Other expenses	**2008**	**2007**
Loss on monetary position (Repomo, by its Spanish acronym)	Ps -	Ps 2,011

c. Repomo

In 2007, the Repomo arising from items comprising the financial margin generated a loss of Ps37,606. The average balance of monetary assets and liabilities comprising this result is as follows:

Repomo (financial margin)	**2007**
Assets:	
Cash and due from banks	Ps 262
Investments in securities	1,194
Loan portfolio	106,902
Allowance for loan losses	(8,104)
Total	100,254
Liabilities:	
Loans from banks and other entities	62,648
	Ps 37,606

In 2007, the Repomo arising from items not comprising the financial margin generated a loss of Ps2,011. The average balance of monetary assets and liabilities comprising this result is as follows:

Repomo (off financial margin)	**2007**
Assets	
Cash	Ps 913
Creditable value added taxes	301
Sundry debtors	507
Prepaid expenses	1,188
Estimated income tax payments	4,048
Deferred income tax asset	4,666
Total	11,623
Liabilities	
Sundry creditors	3,676
Accounting provisions	341
Taxes payable	5,418
“Cash back” provision	177
Total	9,612
	Ps 2,011

NOTE 17 - Balances and Transactions with Related Parties:

The main balances with unconsolidated related parties are shown below:

	December 31,	
Receivable:	**2008**	**2007**
HSBC	Ps -	Ps 4,950
Impulsora Corporativa de Inmuebles, S. A. de C. V.	-	367
ADEF, S. A. de C. V.	-	92
Operadora Deportiva Cancún, S. A. de C. V.	1	244
Asociación de Condominios Vasco de Quiroga No. 2121, A. C.	-	10
Asociación de Condominios Plaza Reforma, A. C.	-	31
Grupo Jorisa, S. A. de C. V.	8	-
Loan to key officers*	19,408	-
Others	-	142
Total	**Ps 19,417**	**Ps 5,836**

* The term of these loans is three years at a rate of 10.56%.

The annual amounts of the main transactions with unconsolidated related parties are shown below:

	Year ended December 31,	
Income:	**2008**	**2007**
Interest on loans	Ps 664	Ps -
Administrative services	1,516	30,733
Total	**Ps 2,180**	**Ps 30,733**
Expenses:		
Interest expense	Ps 116,257	Ps 155,487
Commissions	414	1,584
Administrative fees	30,692	29,325
Leases	9,541	9,775
	Ps 156,904	**Ps 196,171**

NOTE 18 - New Accounting Pronouncements:

Modifications to accounting criteria

On September 19th, 2008 the Official Gazette published the Twelfth Resolution Modifying the Sole Circular, updating the accounting criteria applicable to credit institutions, to ensure consistency with international accounting regulations. Said resolution developed three accounting criteria addressed the matters of recognition and disposal of financial assets, securitization operations and consolidation of special purpose entities.

Said standard, in effect starting on January 1st, 2009, is to be applied on a prospective basis, in the terms of the provisions of MFRS. Said changes are not expected to have a substantial effect on the consolidated financial information presented by the Company.

Accounting Criteria C-1 “Recognition and disposal of financial assets”: recognition and disposal of financial assets incorporates an approach to the transfer of risk and benefits of disposal of financial assets from the balance sheet of institutions, thus allowing for better convergence with international standards.

Accounting Criteria C-2 “Securitization operations”: standards are added for recognition and valuation, among other aspects, of the benefits that represent the holder’s rights over the remaining or surplus balance in the securitization vehicle, valued at their fair value, and for recognition of assets or liabilities from management of financial assets transferred.

Accounting Criteria C-5 “Consolidation of special purpose entities”: lastly, accounting guidelines are established pertaining to the determination, conceptualization and possible consolidation or recognition under the equity method of investments in special purpose entities. The process for consolidation of these entities uses MFRS B-8 “Consolidated and combined financial statements”.

During the last months of 2008, the CINIF issued a series of MFRS and two of their interpretations (INIF by its initials in Spanish), which will come into effect starting January 1st, 2009, and January 1, 2010 for INIF 14. It is considered that such MFRS and their interpretations will not have a significant impact in the consolidated financial information to be presented by the Company.

MFRS B-7 “Business acquisitions”: establishes the general standards for valuation and disclosure in the initial recognition of the net assets acquired in a business acquisition at acquisition date, as well as the non controlling involvement and other items that may arise in them, such as goodwill and purchase gain. This standard replaces the Statement B-7 “Business acquisitions”, effective up to December 31st, 2008.

MFRS B-8 “Consolidated and combined financial statements”: establishes the general standards for preparing and presenting consolidated and combined financial statements; as well as for the disclosures accompanying such financial statements. This MFRS replaces the Statement B-8 “Consolidated and combined financial statements and valuation of permanent share investments”, effective up to December 31st, 2008.

MFRS C-7 “Investment in associates and other permanent investments”: establishes the standards for the accounting recognition of the investments in associates, as well as other permanent investments on which there are no control, joint control or significant influence.

MFRS C-8 “Intangible assets”: establishes the valuation, presentation and disclosure rules for the recognition both initial and subsequent of the intangible assets acquired individually or through a business acquisition, or internally generated during the normal course of the entity’s operations. This MFRS replaces the Statement C-8 “Intangible assets” effective up to December 31st, 2008.

MFRS D-8 “Shared based payments”: establishes the standards that should be observed in the recognition of the shared based payments in the financial information. This MFRS replaces the supplemental application in Mexico of the IFRS 2 “Shared based payments” issued by the International Financial Reporting Standards Board.

INIF 14 “Contracts on construction, sale and rendering of services related to real estate” which contemplates the regulation in the Statement D-7 “Contracts on construction and manufacturing of some capital goods”. This interpretation will become effective starting January 1st, 2010 for all the entities signing contracts on construction, sale and rendering of services related to real estate. Its early adoption is allowed.

The purpose of INIF 15 "Financial statements whose reporting currency is the same as their recording currency, but different from their functional currency" is to address those cases in which financial statements can be issued using a reporting currency equivalent to the book keeping currency, without converting to the functional currency, when the latter differs from the first two.

NOTE 19 - Commitments and Contingencies:

As of December 31st, 2008, legal proceedings against the Company consisted of labor suits. In Management's opinion and the Company's legal counsel, such suits are considered as ordinary course of business and in the event of an unfavorable outcome, the results of these proceedings would not have a material impact on the overall financial position or results of operations of the Company.

To conduct its operations, the Company entered into certain lease contracts related to offices, ATMs and branches. The period of these leases is between three and five years. The total lease payments for the next five years amount to Ps47,777 in 2009, Ps34,425 in 2010, Ps29,576 in 2011, Ps18,862 in 2012 and thereafter Ps11,791.

NOTE 20 - Subsequent Events:

At the January 21st, 2009 Board of Directors' Meeting, the Directors approved the 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.

On February 18th, 2009, the Company signed an agreement with Nacional Financiera, a revolving line of credit of Ps140 million to finance the micro loans granted to the informal market through the products known as CrediPopular and CrediMamá. This line of credit has an interest rate of TIIE plus 200 base points.

The Company repurchased shares after the 2008 year-end close and at the date of issuance of these consolidated financial statements in the amount of Ps26,183.

NOTE 21 - Financial Information by Segment:

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

State	December 31, 2008 Total loan portfolio	2008 Interest income	2007 Total loan portfolio	2007 Interest income
Aguascalientes	Ps 104,253	Ps 58,431	Ps 78,750	Ps 45,078
Baja California	219,557	107,859	93,522	43,769
Baja California Sur	55,417	32,088	38,345	26,724
Campeche	76,602	47,152	45,911	27,226
Chiapas	141,503	92,237	112,805	73,410
Chihuahua	103,052	62,792	93,828	57,732
Coahuila	317,516	197,243	274,872	168,316
Colima	48,579	29,156	37,796	24,333
Durango	58,305	41,626	57,770	35,746
Estado de México	76,830	46,741	61,304	35,147
Guanajuato	231,656	158,276	183,528	114,683
Guerrero	145,108	92,306	97,709	53,896
Hidalgo	45,686	27,181	30,867	17,870
Jalisco	299,798	155,283	169,756	91,704
Michoacán	133,549	83,910	97,816	59,241
Morelos	119,142	78,881	95,249	59,805
Nayarit	38,019	24,199	31,250	20,244
Nuevo León	5,195	1,461	-	-
Oaxaca	79,516	54,882	69,830	37,432
Puebla	154,265	94,528	120,784	75,256
Querétaro	110,497	75,173	90,548	55,703
Quintana Roo	127,323	74,046	92,600	62,026
San Luis Potosí	153,611	95,686	119,127	73,151
Sinaloa	179,307	111,885	146,265	87,025
Sonora	225,772	125,770	143,583	73,866
Tabasco	56,261	31,428	69,885	39,103
Tamaulipas	450,285	274,693	359,638	220,553
Tlaxcala	91,587	55,392	58,422	38,756
Veracruz	432,177	277,179	356,342	230,190
Yucatán	97,500	60,001	73,829	49,549
Zacatecas	60,123	38,400	39,077	19,394
Head office (México, D. F.)	35,857	2,749	9,851	1,872
	4,473,848	2,708,634	3,350,859	2,018,800
Restatement effect	-	-	-	39,768
Total	**Ps 4,473,848**	**Ps 2,708,634**	**Ps 3,350,859**	**Ps 2,058,568**

Ing. Noel González Cawley
Chief Executive Officer

Lic. Didier Mena Campos
Chief Financial Officer

Lic. Adeodato Carbajal Orozco
Controller

C.P. Benito Pacheco Zavala
Auditing Director

Disclaimers:

This report is not, and under no circumstances is to be construed to be a prospectus, offering memorandum, advertisement or public offering of any securities of the Company. This information is provided for informational purposes only and is not intended to be a comprehensive description of the Company and its subsidiaries and should not be treated as giving investment advice. Nothing contained herein should be relied upon as a promise or representation as to the past or future performance.

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.

Board of Directors

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

Principal Officers

Noel González Cawley	Chief Executive Officer
Benito E. Pacheco Zavala	Internal Audit Officer
Mónica Patricia Aznar Pérez	Human Resources Officer
Jorge González Estrada	Commercial Officer
Didier Mena Campos	Chief Financial Officer
Héctor Eguiarte Sakar	Collections Officer
José Alberto Pérez de Acha	Chief Information Officer
Luis Miguel Fernández Guevara	Infrastructure and Client Service Officer

Contact:

Vicente Gutiérrez Mayo Investor Relations
Tel.: + 52 (55) 5229 0291
e mail: vgutierrez@independencia.com.mx

FINANCIERA INDEPENDENCIA

15 years

Prolongación Paseo de la Reforma 600-301
Col. Santa Fe Peña Blanca
C.P. 01210 México, D.F.
Tel. +52 (55) 5229 0200
www.independencia.com.mx