The Future Present

2009

Annual Report

FINANCIERA INDEPENDENCIA

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FINANCIERA INDEPENDENCIA

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13.82%

Increase in
number of clients

150,129
from 1,085,963 to 1,236,092

7.56%

Increase in
total loan portfolio

338.4 million pesos
from 4,473.8 to 4,812.3

3.65%

Expansion of
branch network

7
from 192 to 199

-4.75%

Number
of employees

-481
from 10,124 to 9,643

6.03%

Increase in
loan applications
submitted

104,237
from 1,728,684 to 1,832,921

11.27%

Increase in
number of payments
received in branches

2,073,333
from 18,393,397 to 20,466,730

Note: the above figures are based on comparative results between the 2008 and 2009 financial years.

The Future Present

2009

Annual Report

FINANCIERA INDEPENDENCIA

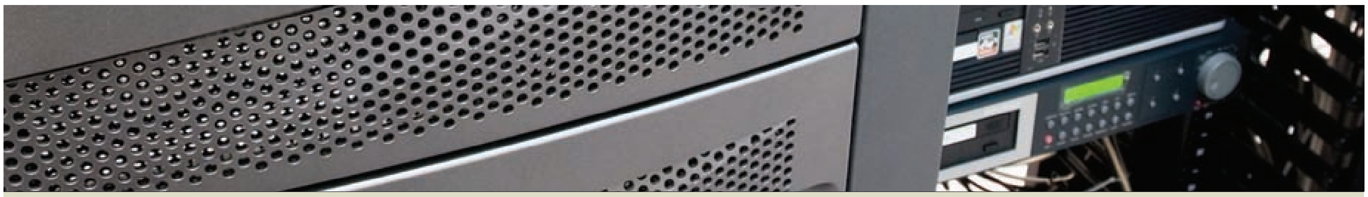
Selected Financial Information

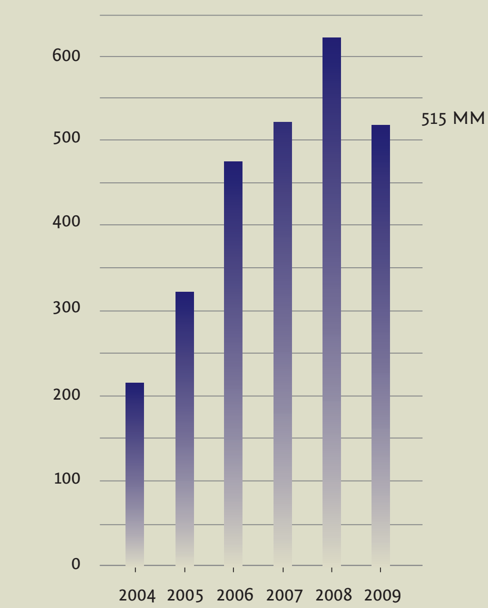
Selected Financial Information

In millions of pesos.

	2007	2008	2009
Balance Sheet			
Cash and investments	243	344	499
Total loans	3,351	4,474	4,812
Past due loans	236	561	576
Reserves	(295)	(351)	(423)
Other assets	433	920	1,062
Total assets	**3,732**	**5,387**	**5,950**
Total borrowings	1,336	3,614	3,866
Other liabilities	233	371	221
Total liabilities	1,569	3,985	4,087
Shareholders' equity	2,163	1,403	1,863
Total liabilities and shareholders' equity	**3,732**	**5,387**	**5,950**
Income Statement			
Net interest margin before provisions	1,856	2,484	2,783
Provisions	488	701	1,074
Net interest margin after provisions	**1,367**	**1,783**	**1,709**
Fee income	573	750	769
Operating income	1,940	2,534	2,478
Operating expenses	1,255	1,703	1,840
Net operating income	**685**	**830**	**638**
Other income (expenses)	56	14	18
Income before taxes	741	844	656
Taxes	225	221	141
Net income	**516**	**623**	**515**
Selected Ratios			
ROAA	16.4%	13.7%	9.1%
ROAE	32.2%	34.9%	31.5%
NIM before Provisions Excluding Fees	62.0%	59.1%	55.0%
NIM after provisions (excluding fees) (1)	45.7%	42.4%	33.7%
NIM after provisions (including fees) (2)	64.8%	60.2%	48.9%
Operating efficiency (3)	39.9%	37.4%	32.5%
Efficiency ratio (4)	64.7%	67.2%	74.3%
NPL ratio (5)	7.0%	12.5%	12.0%
Coverage ratio (6)	125.0%	62.5%	73.4%
Capital / Assets	58.0%	26.0%	31.3%

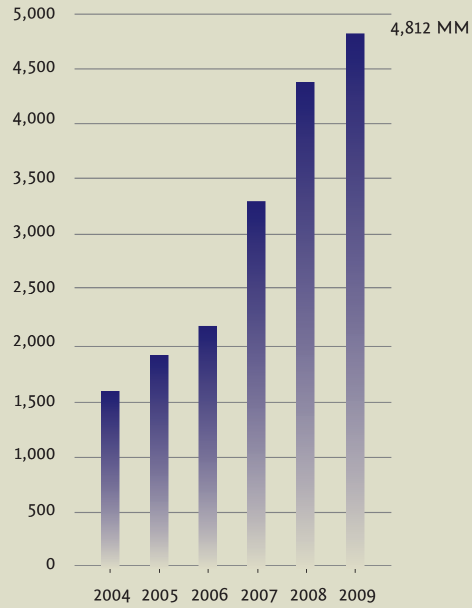
Source: Financiera Independencia.
Note: Financial information of 2009 and 2008 have been prepared using Mexican Banking Accounting Principles, and 2007 have been prepared using Mexican Financial Reporting Standars.
Selected ratios calculated in local currency.
(1) Net interest margin after provisions (excluding fees) = NIM after provisions for loan losses / average interest-earning assets
(2) Net interest margin after provisions (including fees) = NIM after provisions for loan losses + fees colected - fee paid / average interest-earning assets
(3) Operating efficiency = non interest expense / average assets.
(4) Efficiency ratio = non interest expense / net operating revenues
(5) NPL ratio = non-performing loans / total loan portfolio
(6) Coverage ratio = allowances for loan losses / non-performing loans.





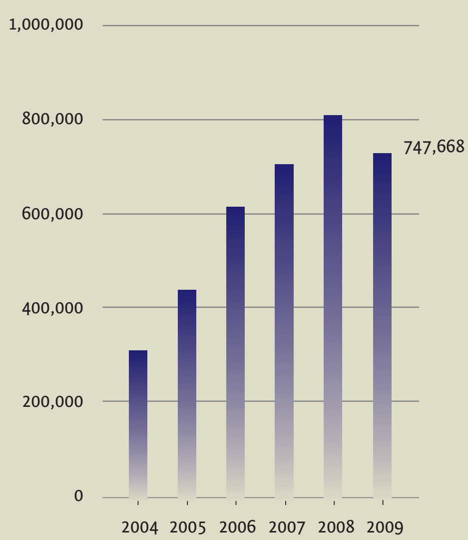
Net Profit

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

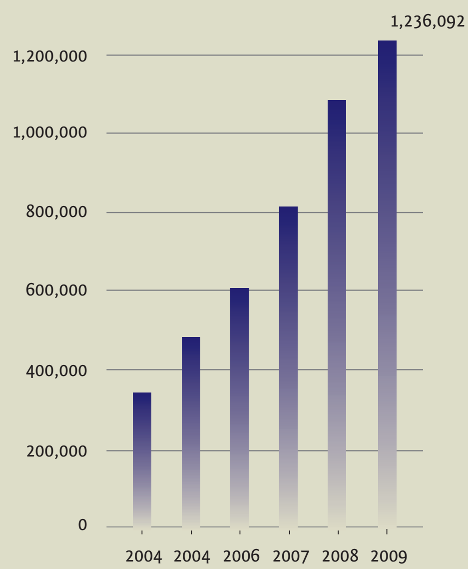


Total Loan Portfolio

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



Loans Granted



Number of Clients

Dear Shareholders

For Financiera Independencia, 2009 was a year of strengthening and consolidation. We have overcome unprecedented challenges and have analyzed ourselves deeply. The conditions for the period have allowed us to capitalize the know-how we have gained for sixteen years in the market and translate these into results. The new challenges we face both nationally and worldly demand a creative effort in optimizing all of the areas. This will lead to a detailed evaluation of our entire processes and operations. We must pinpoint opportunities for improvement and seize them. We improved our processes by making them more productive, using the same or fewer resources.

Today the strength of our company has become evident in a complicated context and we foresee it with clear and specific goals for the next five years. We completed an overall comprehensive strategic plan that is our launching platform for the future. We are aware of where we are headed; we have defined the actions to be taken to reach our goals and the manner of carrying them out. We also designed the instruments to examine the progress and check the achievement of the goals that were set.

Our portfolio grew by 7.6% and our return on capital was 31.5%. At the close of 2009, the number of customers had risen to 1,236,092; 150,000 more than what we had in 2008. The performance of Financiera Independencia during the year proves that a significant and growing part of our clientele (specifically CrediPopular for the self-employed sector) is resilient to negative macroeconomic environments. This sector, which we provide service to since five years ago, reported significant growth during 2009. With respect to CrediInmediato, our major product showed a slowdown in its growth rate. Currently, despite the signs of improvement in the macroeconomic condition of Mexico, we remain cautious, using promotional efforts to recover its growth.

Technology has always been a fundamental part of our success and this year was no exception. We applied technology to the maximum both to secure information as well as for operational efficiency. We created the Command Center to detect the possible system failure and to restore operations swiftly thereby saving time for the staff and providing better service to our customers. This new center also registers recurring failures to correct these definitively. Simultaneously, we developed a contingency plan based on testing redundancy to guarantee the permanent operation of the company in addition to safeguarding their assets and critical information.

Additionally, as a result of the technology, we had significant savings in operating and travel expenses as well as calls to cell phones. We balanced the workload between our two operational centers and increased the number of calls made by them by 14.68%, which represents 23,622,848 calls during the year.

We continue working on diversifying our mid-term funding sources so that none represents more than 25% of the liabilities with cost of the company. Presently, we have four different options that allow us to operate with sufficient flexibility during the next year and a half. Despite market complications, due to our proven strength, we extended the maturity dates for our loan facilities with HSBC; we increased our loan facility with Sociedad Hipotecaria Federal and obtained a new facility with Nacional Financiera, S.N.C.

Based on ethnographic studies conducted during the year, we have found a more demanding and better-informed consumer; therefore, customer services have become a priority in terms of achieving our goals during the next five years. This will be a decisive factor in maintaining the preference of our customers and distinguishing ourselves from the competition. We undertook specific actions to become closer to the customers throughout their entire productive life, thereby timely detecting their needs and promptly providing services. By instituting a training program, an examination system and close monitoring, we are making Service Culture a philosophy that must be reflected in every activity offered by the company. We have relaunched our 01-800 number to strengthen immediate contact with our customers and we have also become closer to them by our ATM network, which presently total 105. We have 199 offices and are present in 143 cities in Mexico.

During 2009, we increased the amount available on the loans we offer by 20%, we launched a variant to our CrediConstruye called CrediConstruye Plus, and we issued FISA Express cards to customers with good credit history so they could access a revolving loan. At the close of the year, we had delivered over 360 thousand of these cards.

Financiera Independencia is deeply committed to our society. As a result of its active participation together with the work of our staff, for the seventh consecutive year we were honored with the award for Socially Responsible Company granted by the Mexican Philanthropic Society (Centro Mexicano para la Filantropía) and for the eleventh time we successfully carried out the campaign TUCÁN (Tu Café Ayuda a la Niñez). We raised Ps. 3,626,450.56 pesos, which were used in benefit of 11,000 Mexican kids through 143 institutions.

On November 30th, we announced the agreement to acquire all of the shares of Financiera Finsol, S.A. de C.V., SOFOM., E.N.R., (Finsol), the second largest group lending microfinance institution in Mexico. By this acquisition, we increased our clientele to almost 1.3 million thereby operating a total of 348 branches in Mexico and our loan portfolio to Ps. 5,588 million. The acquisition of Finsol also provides us with the possibility of taking a first step towards the international expansion of Financiera Independencia, which will open the doors to the Brazilian markets with 17 branches operated by this company.

To finance this operation, the Ordinary Shareholders' Meeting held on December 17th authorized a capital increase of 85 million shares, of which the world renowned US investment fund, Eton Park, subscribed 66.5 million shares. The vote of confidence from an institution such as this makes us very proud and confirms the strength of our business.

Also on November 30th, Financiera Independencia announced the establishment of a Level I ADR Program (American Depositary Receipts), through the Bank of New York Mellon. This will facilitate the purchase and sale of our shares to foreign investors, who do not operate directly in the Mexican market.

Today we are much better prepared to continue to cover the potential needs of our customers in the future. Our products are solid and have the appropriate funding sources; we have made the company's operation more efficient and improved security of information. We continue to grow healthily and have a team committed to the company and its objectives. We have strengthened internally in order to take advantage of the improved economic environment. We continue to examine new options for consolidating the market. Everything is ready so that in 2010 we may project a strong and productive future. We are sure we will have important achievements that we will continue sharing with you.

José Luis Rión Santisteban
Chairman of the Board

Noel González Cawley
Chief Executive Officer

The Present

The present means the time it takes to find
what is best inside of us, which time,
if there is no ulterior motive, ends **soon**.

The Present

Financiera Independencia has over sixteen years in business, always aware of the surroundings and existing conditions and the challenges each moment presents. Our original intention and our goals continue and are renewed on a day-to-day basis.

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.

1,236,092
Active clients

Our customers

Financiera Independencia's products and services target customers between 18 and 68 years old, with income ranging from one to ten minimum wages.

We service men and women in the formal economic sector and self-employed. As of, December 31st, 2009, we had 1,236,092 active clients.

What we offer

Our goal is to offer unsecured loans and high-quality financial services to low-income individuals in urban areas.

How we do it

In over 16 years, based on the knowledge of our operations, we have been perfecting our methodology which provides us experience in the study of results and a deeper market analysis.

Our sales methodology is based on four main strategies:
Door-to-door sales. Our agents make direct contact with clients at their homes.
Kiosks. With agents operating within companies and at strategically chosen locations.
Branches. Sales executives who provide service to visitors at our offices.
Referrals. Our clients give us 2 or 3 referrals of potential customers.

Customers make payments at our offices. All processes, both the loan origination and the sales and collection processes are based on the intensive use of technology.

In over 16 years

Financiera Independencia was created in 1993 as the first financial limited purpose entity (SOFOL, for its initials in Spanish, Sociedad Financiera de Objeto Limitado) in Mexico and the only formal financial institution which provided services to low income individuals.

During 2007, we transformed into a financial multiple purpose entity (SOFOM, for its initials in Spanish, Sociedad Financiera de Objeto Múltiple), and on November 1st, 2007 we became a public company through the listing of our shares in the Mexican Stock Exchange.

For more than sixteen years we have always innovated in strategies and products, entering previously unknown markets, evolving with a business model which with the passing of time proves its strength.

Today, within the turbulence of the global macroeconomic environment, we stand as one of the major microcredit institutions in Latin America.

Where we are

By the end of the year we had a total of 199 offices in the country. We opened 11 new branches during the year; remodeled 26 and relocated 2, to provide better services in specific locations.

Today we are located in 143 cities that have over 50 thousand inhabitants.

Our products

CrediInmediato

Is a revolving line of credit for amounts ranging from Ps. 3,000 to Ps. 20,000 for employees who show proof of income.

With bi-weekly or monthly fixed payments, principal repayments and application of interests on outstanding balances, this product allows our customers to make withdrawals of their balances whenever they need to.

199

Offices in the country

With presence in

143

cities within Mexico

We have operations in every State in Mexico, except for Mexico City.

This loan has an annual fee and a withdrawal fee. It provides debt cancellation in case of death of borrower and protection against total or permanent disability and unemployment.

Additionally, the customer has the right to the CrediSeguro service and to use the FISA Express card. This card allows CrediInmediato customers to make withdrawals on their loans in our ATMs 24 hours a day.

CrediInmediato customers may also make balance and transfer inquiries, prepay cell phones, pay telephone bills and repay loans. In November, FISA Express was relaunched to the market and by the end of the year, 368,316 cards were delivered.

CrediInmediato, launched in October 2003, today accounts for 64.3% of our total loan portfolio.

CrediPopular

It is a personal loan with amounts ranging from Ps. 1,800 to Ps. 4,800.

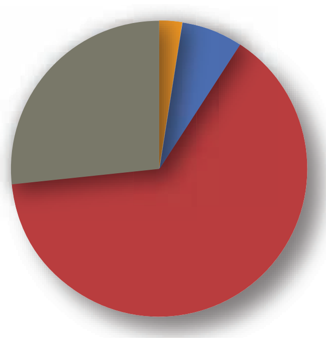
The CrediPopular loans have a term from 26 to 40 weeks in fixed installments. Launched five years ago, this product does not require proof of income because it was designed to target self-employed individuals.

After verification of the individual's economic activity as a source of income, this product offers customers financing for their working capital needs.

It includes the possibility to make prepayments and to refund initial expenses upon timely payment of their commitments. Depending on the performance of the borrower in terms of payment, once the loan has been fully repaid, it may be renewed at a higher or equal principal amount. The rate decreases as of the second renewal, maintaining the same payment amount. After two loan cycles, the loan becomes revolving.

Today CrediPopular represents 26.5% of our total loan portfolio.

Portfolio allocation by product



CrediInmediato	64.3%
CrediPopular	26.5%
CrediConstruye	6.7%
CrediMamá	2.5%

CrediConstruye

This product is a loan ranging between Ps. 3,000 and Ps. 20,000 and it is offered exclusively to our customers to renovate or make improvements to their homes. These loans are disbursed in the form of vouchers for construction materials.

CrediConstruye, launched in 2006, has a two-year term due on a weekly, bi-weekly or monthly basis. These loans carry a fee for loan disbursement, includes debt relief in case of death of borrower and protection against total or permanent disability. By the end of 2009 CrediConstruye accounted for 6.7% of our total loan portfolio.

In November we launched CrediConstruye Plus, a variation of CrediConstruye. Through this new variation, under the same conditions, amounts and terms, our customers receive 80% of the loan in vouchers for home construction materials and, once redeemed, they receive up to the 20% remaining in cash.

This alternative was introduced by identifying that a vast majority of the CrediConstruye borrowers not only need materials for construction but also cash to pay construction assistants or to purchase work tools. With this, Financiera Independencia seeks to better meet the needs of our customers.

CrediMamá

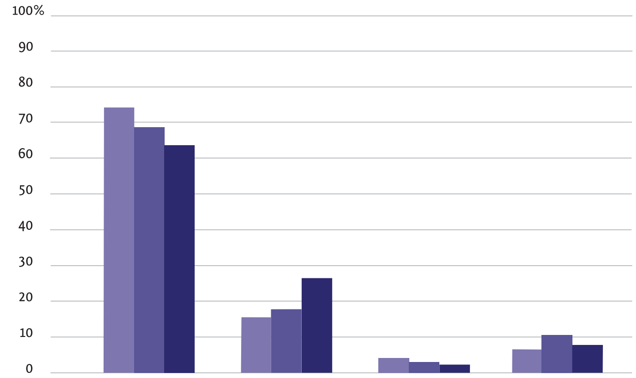
This product is a personal loan tailored to women proving to be mothers of at least one child under the age of 18.

Launched three years ago, these loans are initially granted in an amount from Ps. 1,800 to Ps. 2,400, with fixed payments for a term of 26 weeks.

Like in CrediPopular, customers receive a refund of the initial fees if the loan is timely repaid. Customers may also prepay the loan without penalty. After 18 weeks of timely payments, she may increase her loan at a lower rate paying the same amount in each installment. CrediMamá includes debt relief in case of death and offers renewals in an equal or higher amount.

Currently it accounts for 2.5% of the total loan portfolio of the company.

Contribution percentage to the total loan portfolio by type of product



	CrediInmediato	CrediPopular	CrediMamá	CrediConstruye
2007	74.1	15.6	4.0	6.3
2008	68.6	17.9	2.9	10.6
2009	64.3	26.5	2.5	6.7

CrediServicios

In addition to the loans, we offer to our clients the following services:

Dinero sin fronteras

In all our branch offices we offer the payment of remittances. Customers with family members living in the United States receive the funds sent by them in a secure and efficient manner.

CrediSeguro

A life, total or permanent disability and medical insurance launched in 2008.

It includes telephone assistance and urgent transportation, as well as access to preferential prices in medical consults, medicine and certain laboratory services. This insurance has no limit with respect to events, is accessible to our CrediInmediato customers throughout the country, payable with funds of their line of credit and has a term of one year, with automatic renewals.

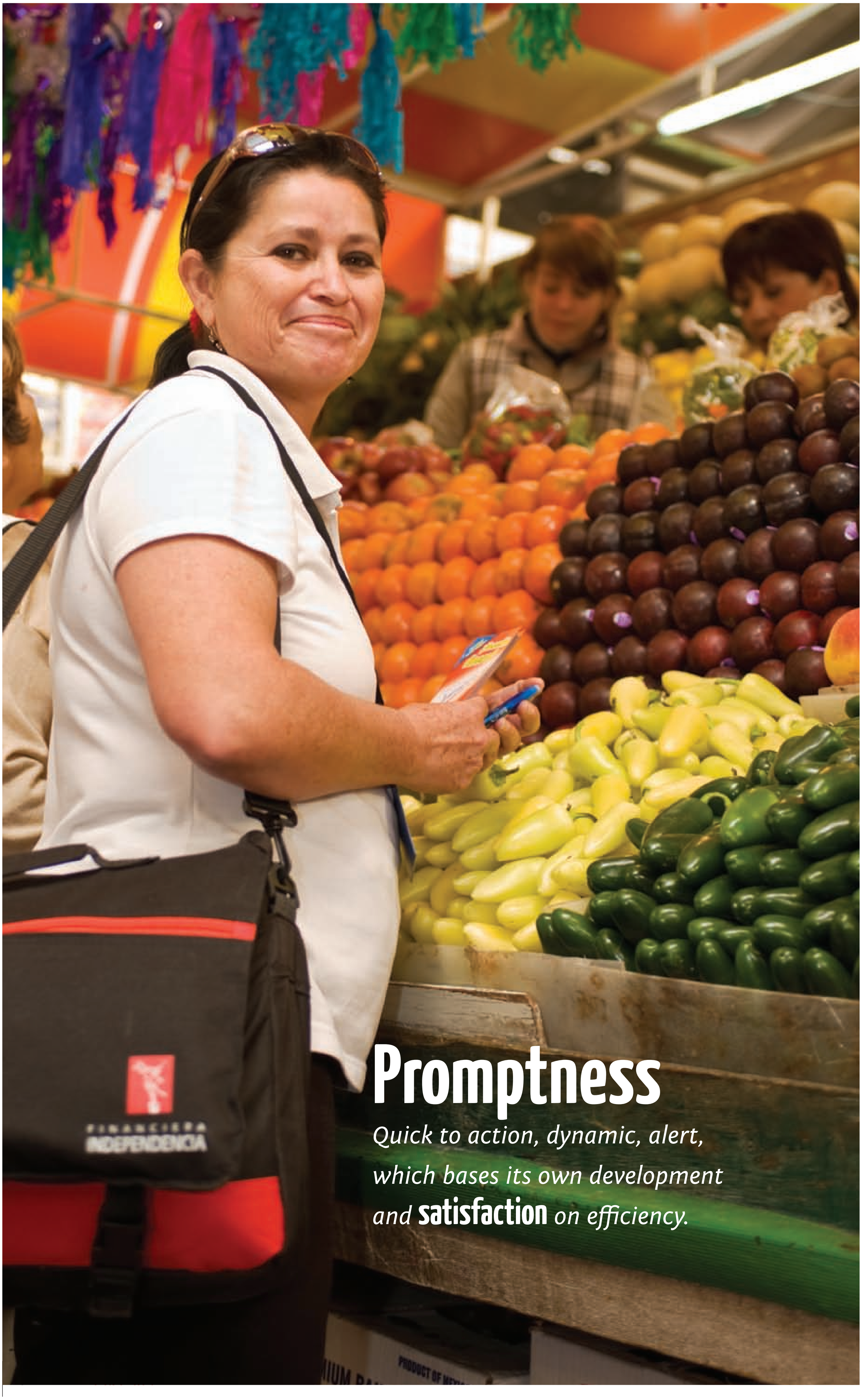
Telephone bill payments

Customers can pay their telephone bills in our offices or set up a direct debit from their CrediInmediato facility.

Cell phone prepayment

We offer the purchase of minutes for mobile phones in our tellers in all branches and ATMs.

All these additional services represent one more effort with which we seek for our customers to find in Financiera Independencia an institution addressing all their needs and an ally always acting with **promptness**.



Promptness

Quick to action, dynamic, alert, which bases its own development and **satisfaction** *on efficiency.*

Sales

Being consistent with our approach to face adverse circumstances with concrete actions, always towards obtaining sound results, during 2009, we intensified the sales activities by strengthening our personnel and processes.

2,809
Sales persons

We conducted a diligent internal study which led us to more accurate descriptions of the profiles we demand for every position. Training was deepened in a manner for the new sales force to see better results in a shorter term. Today we have people better focused towards the department's goals and we are reducing the turnover of personnel.

We increased the daily sales objective per agent, while expediting processes and adjusting fee structures accordingly. All of these in order to increase productivity and, at the same time, reward efforts.

Today our agents have established a bonus schemed for product sold, with a minimum fee and productivity ranges offering them important increases in fees; therefore, high productivity generates returns better than those generated in prior periods.

Today our sales force is comprised of 2,809 sales persons: 1,345 specialized in the formal market (CrediInmediato), 577 specialized in the self-employed sector (CrediPopular and CrediMamá), 411 branch executives, 283 agents responsible for selling CrediConstruye and CrediConstruye Plus, 128 independent agents and 65 sales assistants.

During 2009, we conducted a comprehensive analysis of the products together with a specific study to better understand our customers. We also examined marketing and sales processes with a view to optimize the allocation and use of proceeds. Additionally, we implemented a more accurate supervision with more strict standards to reduce the possibility of error in the filling out of applications and forms.

Growth dynamics

Financiera Independencia showed a heterogeneous performance during the year. We experienced growth of 13.8% on our client base, with a total of 747,668 loans originated. Our total loan portfolio grew by 7.56%.

This growth in the portfolio was mainly driven by the performance of CrediPopular, which recorded its highest growth rate since its launch in 2004.

From a total of 150,129 new customers during the year, 103,809 correspond to CrediPopular and 46,320 to the rest of our products. In other words, approximately 7 out of 10 new customers are attributed to this product, which contributed, during the year, 92% of our loan portfolio growth. As opposed to the prior year, the portfolio grew by 59.2%. This means that our customers in the self-employed segment resist an unfavorable macroeconomic environment.

150,129
New customers

This sector highly values access to financial products and services, and the funds thereto are used as working capital for their business and thus it represents an essential resource to make a living. The significance of CrediPopular and the growth potential offered by the self-employed sector are therefore evidenced.

CrediInmediato, our signature product, showed, on the other hand, a slowdown in its growth rate.

In 2008, it grew by 23.6% and in 2009 only 0.9%. The foregoing is a sample of the impact the economic crisis had in the demand of credit in part of our customers. However, the growth in CrediInmediato, which is a consumer loan, is contrasted with the deep contraction in this type of credit in the Mexican financial system. According to figures of the Banco de México, in 2009 consumer loans contracted in 19.1%. Our performance compared to the performance of the market reflects a strong business model.

Given the demand contraction of this product, we designed a differentiated communication of this line of credit, towards the upper socioeconomic segment of the target group, to increase origination amounts and promote credit for aspirational needs as opposed to basic needs.

One factor to be considered in the slowdown of this growth rate in our total loan portfolio is the contraction of CrediConstruye. This given that in 2009 we did not use the federal subsidy previously attached to this product. Such subsidy promoted not only new loans but also adequate behavior and timely payments. Therefore, the impact is twofold: contraction in the balance and deterioration in the asset quality of the portfolio.

Thus, we can conclude that, even in a complicated environment, as a result of all the actions taken and the knowledge developed through our past experience, we reached a loan growth of 7.6% and 13.8% in the client base.

Throughout the year we cautiously observed the market, showing at the same time an active and creative attitude towards opportunities the market itself presented.

New promotion strategies

In 2009 we searched new forms of promotion. On September 11th, the First FISA Sweepstakes was held after providing a ticket for each Ps. 500 in loan borrowings to all of our active customers.

The raffle of a car and more than 80 different prizes provided Financiera Independencia with an opportunity to strengthen its image with customers. These efforts were promoted with a radio campaign in six of the most important locations.

Later, we were able to confirm that better placement rates for new loans were achieved in the locations where these messages were promoted as opposed to the others in which only printed promotional material was used.

With this we learned that the use of local mass media served its purpose with **satisfaction**.

Satisfaction

Means the effect caused by receiving a meritorious service; the value gained by working towards wellbeing of another, which leads to one's own **strength**.

Customer Service

In Financiera Independencia we have always focused on offering quality services. As provided for in our mission statement from inception and today, in light of the increasing offer of financial services, the offer of quality services has become particularly significant.

It is absolutely necessary to distinguish ourselves from the competition and conquer the loyalty of our consumers.

Aware of it, throughout 2009 we proposed seriously to better understand our customers to be more accurate in meeting their needs.

With the help of researchers, an ethnographic study was conducted that showed customers were much more demanding and better informed than before. As a result, Customer Service has become a priority for the company in our strategic plan for the next five years.

As of 2008, we started to apply the Customer Service Program and during this year we strengthen it, outlining specific actions and forms to evaluate its results in the future.

One of the goals that we set for ourselves was to facilitate customers their loans repayments; therefore, we undertook strategic alliances with third parties whereby we could multiply points of payment beyond our branch network.

In 2009, we initiated a pilot program in four cities where the customers were offered an alternative to pay their loans at Oxxo stores.

During the next year, we will evaluate the results of this pilot program and will continue to provide our customers with more payment options, such as the possibility to offer direct debiting service (*domiciliación*) whereby our customers are charged through their credit or debit cards without needing to leave their homes.

Moreover, we implemented a service improvement program in 14 branches, which includes installing automatic turn system and other measures that, together with the training and monitoring plans, have made floor operations more efficient and reduced the waiting periods and clearly raised the productivity at the branches.

The Service Culture has become a basic philosophy that must govern the actions of each person that has contact with any of our customers.

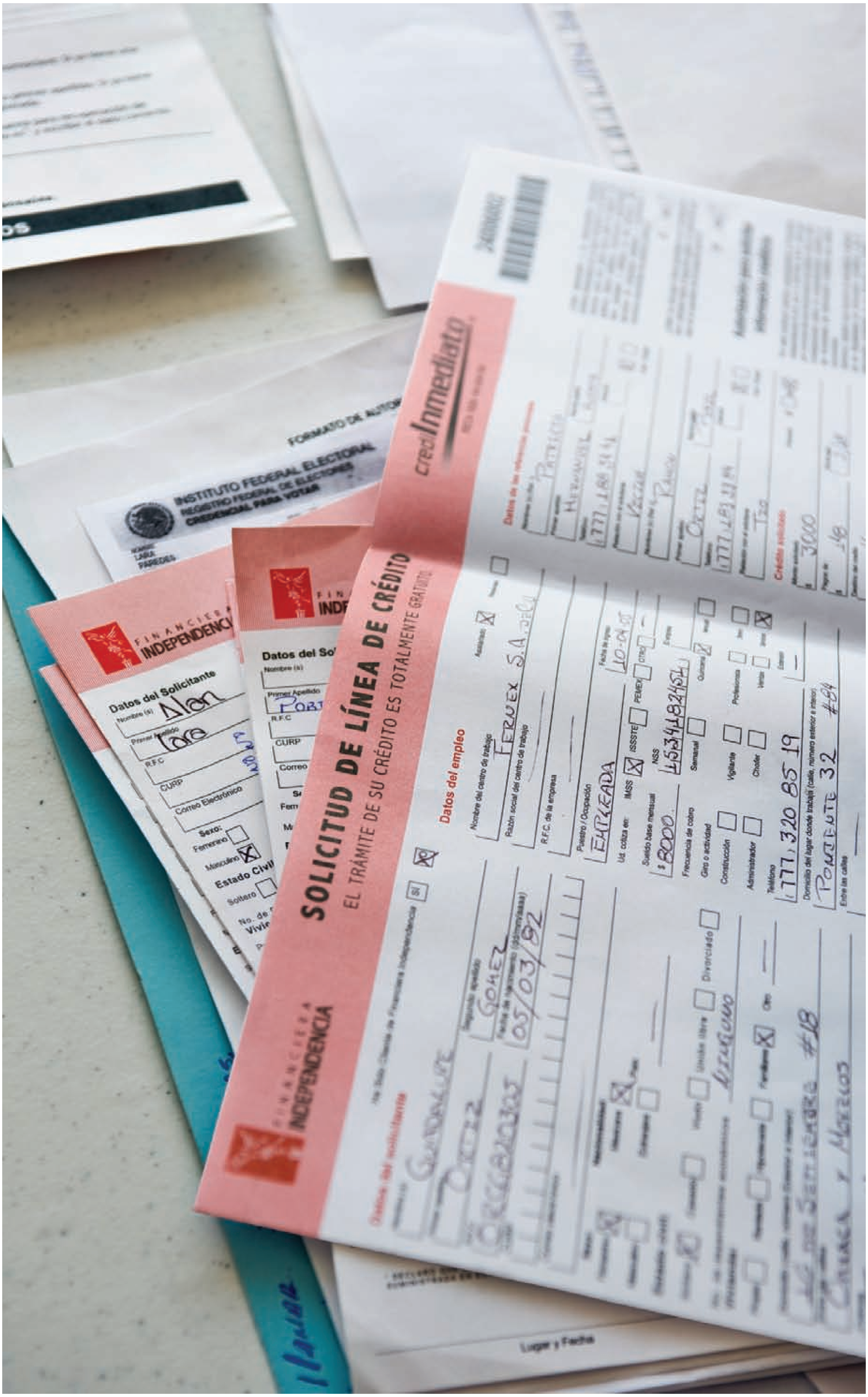
Another effort was the relaunching of our 01-800 number (CrediInforma) along with an e-mail sent to Customer Service where complaints may be sent and followed-up until their resolution within 48 hours.

Otherwise, cases would continue escalating until reaching the Chief Executive Officer.

We also launched, with the help of external consultants, a half-yearly survey regarding customer satisfaction that provided data on the quality of the information, the treatment and efficiency of the service.

Finally, through CrediServicios, we seek to offer our clients added value by suggesting new consumer products and different ways of accompanying them throughout their financial lives.

Throughout the years, we want to provide support and **strength** in all of their goals.



SOLICITUD DE LÍNEA DE CRÉDITO
EL TRÁMITE DE SU CRÉDITO ES TOTALMENTE GRATUITO
FINANCIERA INDEPENDENCIA
credInmediato
INSTITUTO FEDERAL ELECTORAL
REGISTRO FEDERAL DE ELECTORES
CREDENCIAL PARA VOTAR
FORMATO DE AUTO
Datos del Solicitante
Datos del empleo
Lugar y Fecha

Strength

Optimizing efforts, recognizing weak links, applying the necessary energy to correct these and **learn** *from them.*

Infrastructure

Throughout its history, technological infrastructure has been an essential pillar of Financiera Independencia and this year was no exception.

23,622,848

Telephone calls made from our operations centers

661

Workstations

899

Telephone and collection agents

Our two operations centers, located in León, Guanajuato and Aguascalientes, Aguascalientes represent the technological grounds of the company. With a total operation area of 6,566 square meters, such centers are the operating headquarters of several critical processes: the National Center for Processing Information (*Centro Nacional de Captura* or CENCA), the Integral Credit Analysis System (*Sistema Integral de Análisis del Crédito* or SIAC), the Telephone Verification, Data Auditing and Localization, Collection by Telephone and Virtual Executives, Telemarketing and Payment Application (credit or debit card charge), as well as the internal service of the FISA Help Desk 911#.

The Operations Center in León (*Centro Operativo de León* or COL) has 457 active workstations (from a total of 557 possible) and generates, in average, 1,196,000 monthly calls.

The Operations Center in Aguascalientes (*Centro Operativo de Aguascalientes* or COA), inaugurated in April 2008, today has 204 active workstations, from a total of 700 workstations, representing a 29.1% of capacity utilization. This center generates an average of 773,000 monthly calls. The annual call volume for both centers in 2009 amounted to 23,622,848, 14.68% up the 20,598,472 of the previous year.

Financiera Independencia's operations centers are key to the activities of the company in all our loan origination, collection, telemarketing, customer service and FISA 911# processes.

Today we use 53% of their total installed capacity. This means that the remaining 47% is available to meet our needs in the next 4 or 5 years, for the benefit of our clients and users.

Last December, we proudly received, from the Governor of the state of Aguascalientes, Mr. Luis Armando Reynoso Femat, a recognition for the investment and employment generated by our company in Aguascalientes during 2008 and 2009.

Operating efficiency

During the first months of the year we conducted an expense and operating efficiency analysis in the loan origination, collection and other support processes.

Results allowed us to detect potential improvements with direct impact in the performance of the company and to make any necessary adjustments to achieve it.

48 hours

Maximum time to restore information in case of a contingency

We made changes in the predictive dialing system of the operations centers, adjustments in the electronic forms of the agents' screens and the configuration of outgoing calls.

Although the macroeconomic conditions demanded prudence in the engagement of new personnel, with these actions towards efficiency, we achieved between 15% and 20% more transactions with the same number of personnel.

We seized the opportunity to soften the systems towards a faster and easier functioning. We gained movement speed which allows us to achieve great agility in the implementation of new products or campaigns.

We installed in both operations centers, in our corporate offices and in 14 of our major branches, a specialized system capable of generating significant savings in the costs of calls to mobile phones. We also achieved, through technology, a considerable reduction in travel expenses.

Now, infrastructure has been a key element to lower administrative costs and make our work more efficient.

Backup and security

Backup functions are essential to safeguard Financiera Independencia's heritage and the sensitive information we handle.

During this period, we made an overall backup between the corporate offices and the León and Aguascalientes operations centers.

We initiated a recovery plan in case of disaster and conducted the necessary testing to ensure that we are able to face any unforeseen event without jeopardizing operability. Today we can assure that, in case of a contingency, we can fully restore the information within 48 hours, in any of these centers.

We also have taken relevant actions to level operating efficiency between the COL and the COA, and initiated the digitalization of all the documents of our branches (plans, permits, etc.).

The incorporation of our new Command Center at the COA's premises also constitutes an important step forward this year. It is a center monitoring the technology and operating infrastructure of the company, which started to developed in February in order to oversee the adequate progress of all the processes and provide us with the possibility to timely react in case of any incident.

Another goal is to reduce to a minimum the number and duration of downtime of our systems in order to improve availability of our services. The

105

ATMs

37,823

Payments to lines of credit

Command Center became operational in September and since then it oversees performance of the equipment and central servers of the branches, and the dialing systems and the loan origination process of the operations centers. The center offers support 24 hours a day, 7 days a week 365 days a year.

We also consolidated the FISA 911# Help Desk services to provide overall technical support to internal customers. During the year, FISA 911# received 121,460 reports, which represents 10,122 in average every month, and over 90% performance of the estimated response time, from both operations centers. This service provides a fundamental support to the business given that it allows us to offer prompt assistance which ultimately results in improved customer service.

ATMs

We installed 29 new ATMs in our branches which leads us to a total of 105. At our ATMs, our customers may make withdrawals, balance and recent activity inquiries, prepay cell phones or pay telephone bills. Throughout 2009 we received 37,823 payments to lines of credit through these ATMs, with an aggregate amount of Ps. 12,028,220. With this we are able to respond to the needs of our customers of settling obligations more easily and conveniently. This was other reality which we, as a result of the analysis conducted in 2009, were able to **learn**.

Learning

Acquiring knowledge of something through study, analysis and experience; to be able to apply the knowledge gained to **our** *affairs.*

Collection

Throughout the year we established new processes for loan origination based on the strength of the database we have collected in over fifteen years.

Upon the impairment of the credit quality of our customers and potential customers and based on our past experience, we adjusted our credit scoring categories in the origination process of all our products, by increasing our requirements to provide access to credit.

Therefore, we manage risk with more secure parameters, although this may carry rejection of a larger number of applications. With respect to customers requesting a loan from the self-employment sector, we adopted a two-tier risk rating strategy (high and low) to reduce exposure to higher levels.

However, those maintaining adequate behavior throughout the term of the loan may be subject to renewals without considering their initial risk level.

We have generated models for provisioning based on the historical performance of our loan portfolio. Also, each alternative of new product and each loan renewal or extension is now mathematically compared to with the risk adjustment margin analysis. Based on this methodology, we resolved to increase the amount of our loans by 20%.

With respect to collection decisions, it has become especially important to measure the borrower's likelihood of payment. Based on this factor, our system generates alters which help us make decisions on collection strategies.

To promote greater certainty in repayments, we have two types of collection: remote and in person. The first is conducted through telephone messages, remainder letters and telegrams and direct telephone collection. The second type consists of in person visits to the customer's home or place of employment. Moreover, we have several specific payment channels for delinquent customers. To those traditionally used by us, this year we added payment by debit and credit cards.

Non-performing loans

12.0%

of total loan portfolio

We also continued with street collection whereby visits are made to customers on their payment dates, persuading them to pay past-due loans and offering, simultaneously, the extension of working hours on specific dates to facilitate their payments.

During 2009 we also incorporated statistical methodologies to collection activities for the segmentation of the portfolio.

Additionally, since August we started offering past-due customers a plan to negotiate their loans and maturities, taking into consideration their effort in the first and each subsequent payment made on time.

After the pilot testing and the tuning of details through our own simulation instruments, in November we implemented this plan in all our offices in the country.

At the end of the year, we renegotiated 6,432 loans with this type of agreements, with an initial average downpayment of 29%, above the minimum percentage established in the policy.

The performance of the non-performing portfolio was favorable in 2009. This ratio was reduced from 12.5% by the end of 2008 to 12.0% by the end of 2009. The foregoing represents an important achievement given the reduction in the growth rate of the portfolio and the adverse environment of the year.

Verification

In order to improve performance of our verification agents, we included practices prior to their actions: telephone campaigns with prerecorded payment remainders, telegrams and pamphlets. This has optimized time for street agents and, consequently, improved efficiency of personnel.

We have also started to apply multi-functionality programs in verification agents in order for them to cover in the same route several tasks previously conducted by different persons.

We commenced telephone update efforts in order to assure a single database which may be translated in greater availability for the collection and portfolio sales activities.

Sale of portfolio

Throughout the year, the outstanding principal sold increased by 14% and the percentage of contracts sold increased by 11%. Similarly, we achieved a reasonable sale price during 2009 and the number of buyers in the total base grew by 63%, from 933 to 1,522 by the end of December.

In a year outlined by a fearful market, past knowledge, caution and experience have been **our** allies.

Ours

Persons who pursue the same objectives, that belong to the same team or that have the same nature as us. Those for which we are responsible for as a result of our hierarchy or **experience**.

Human Resources

In 2009, Financiera Independencia was given the opportunity to optimize the positions and duties of our team and increase their operational efficiency.

9,643
Employees

We aim at thoroughly reviewing all the processes involved in selecting, training and motivating our employees and structures.

We questioned the need for each step and task in order to adjust them to the absolute essential for optimum performance and achievement of business goals.

Today we have 9,643 employees who are involved in making the processes more efficient.

To maintain and develop the quality of our employees continues to be a top priority for Financiera Independencia.

This also means offering our employees opportunities for growth within the company and access to greater wellbeing. We have strengthened the training tools and are consolidating programs such as Talent Attraction and Regional Trainers that were launched in 2008.

Responsibility with the community

This year, for the seventh consecutive year, we were honored with the award for Socially Responsible Company granted by the Mexican Philanthropic Society (*Centro Mexicano para la Filantropía* or CEMEFI) for companies that promote actions in benefit of the different areas:

- Business ethics
- Quality of life
- Community ties
- Sustainable use of resources and environmental protection

Lately, CEMEFI established a process for quality assurance in terms of granting the award.

As a consequence of the work by certain members of its Board who visited us in September, the seven years of commitment of Financiera Independencia were evaluated. This advice has helped us to undertake improvements to our Social Responsibility programs, which will be reflected in the actions of the years to come.

In this sense, the magazine, Mundo Ejecutivo, recognized us as one of the 50 companies with the best Social Responsibility programs in Mexico throughout the year. This strengthens our commitment to continue moving forward with these topics.

EMPRESA SOCIALMENTE RESPONSABLE

TUCÁN campaign

11,000

benefited children

Through

143

Institutions

Eleven years after its creation, the campaign TUCÁN (*Tu Café Ayuda a la Niñez*) continues in effect. Our employees provide resources through the various fundraising methods such as raffles, food sales and participation in social events in benefit of the children living in situations of neglect, inequality or poverty.

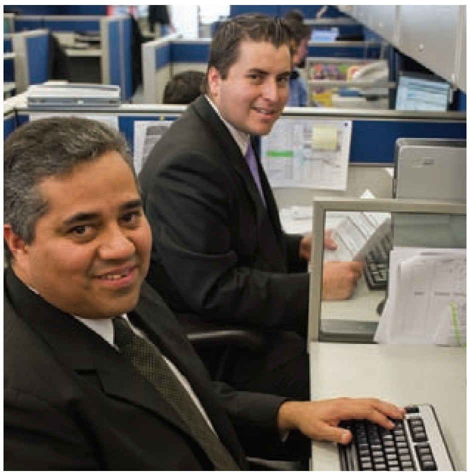
As a result of the efforts made by the employees, the company duplicated the amount raised and donated it to the local institutions that were chosen by each branch. During 2009, the funds raised by our employees reached Ps. 1,813,225.28 that, in addition to the same amount contributed by the company, totaled Ps. 3,626,450.56 in benefit of approximately 11,000 kids through 143 institutions in 126 cities were we are present.

Throughout 2009, like every year, we carried out, actions to preserve our environment as part of our program, Ecovivencia. The program focuses on activities such as cleaning and conservation of natural spaces undertaken by our employees and their families with the help of municipal governments and local environmental protection agencies.

During 2009, we registered 6,043 participants in this program in 134 cities with over 70,000 square meters of improved surface.

Since 2004, August has become the Month of Health for Financiera Independencia. It is dedicated to promoting preventive medicine that raises the quality of life among our employees and their families. This year, 6,325 medical exams were carried out as well as 4,067 cholesterol tests and 5,325 glucose tests in addition to applying 7,146 vaccines.

It is important to state that to obtain these results, we were once again helped by the Mexican Social Security Institute, through the program PREVENIMSS and other type of institutions (optical



and dentist offices, gyms, civil society organizations) that offered additional benefits such as ophthalmological exams and dental consultations.

This year we have optimized the duties of each position and reiterate that what we do well, we can always do better. We have found that the hard work of our employees is essential to the operation of the company. Our efforts are focused on having the best people and increasing their talent and **experience**.

Experience

*From living and having knowledge about something.
Long-standing practices providing knowledge or skills to
do something in the* **future***.*

Finance and Administration

We will service

129,600

additional clients

Adding almost

1.3 million

clients in total

Operating

348

branches

From the beginning of 2009 and with an outlook of a distressed economic environment, we decided to take a conservative approach, channeling our efforts to increase the efficiency levels of the company while consolidating the actions of our existing branch network. This resulted in a notably internal strengthening.

During the year we made the decision of deepening the financial services we offer to our customers of our target segment.

In addition, we were ready to increase our client base through acquisitions.

Therefore, in November 30th we announced the first acquisition in our history. On such date we informed that we reached an agreement to acquire Financiera Finsol, S.A. de C.V., SOFOM, E.N.R., ("Finsol"), the second largest group lending microfinance institution in Mexico, and a related group of entities: Financiera Popular Finsol, S.A. de C.V., S.F.P. (SOFIPO), Finsol Vida, S.A. de C.V. (a micro-insurance company), Finsol, S.A. de C.V. (a service company), and Instituto Finsol Brasil ("Finsol Brasil"), a group lending microfinance institution in Brazil.

This transaction will allow us to service 129,600 additional clients, adding to almost 1.3 million clients in total, operate 348 branches in Mexico, and increase our loan portfolio by Ps. 587 million.

This places us in a leading position in the consolidation of the Mexican microfinance market and reaffirms our position in the low-income segment.

On the other hand, this allows us to provide loans to clients located in the rural areas of Mexico through group loans methodologies that have proven to be a profitable niche in Mexico. This also will facilitate the emergence of synergies between customers who may migrate from Finsol group loans to personal loans with Financiera Independencia. Also with this acquisition, our profits will be less volatile because the Finsol model is not as sensitive to adverse economic cycles.

Lastly, the acquisition of Finsol means the first step of the international expansion of Financiera Independencia towards Brazil, the largest economy in Latin America, with a significant potential development in the microfinance industry.

Financing for the acquisition of Finsol was carried out prudently and conservatively. For this undertaking, the Ordinary Shareholders' Meeting held on December 17th approved a capital increase of 85 million shares (at

Ps. 10 per share). This capital increase covered the aggregate amount of the transaction, which totaled Ps. 530 million and the remaining proceeds will be use to strengthen the balance sheets of the acquired companies.

On the 18th of said month, we announced the investment by Eton Park, the world renowned US investment fund, which subscribed a significant portion of the capital increase.

Presently, Eton Park manages over US$12 billion in assets from its offices in New York, London and Hong Kong. The vote of confidence from an institution such as this makes us very proud and confirms the strength and recognition of our business.

Funding and Diversification

The prudency demonstrated on our initial steps and the recognized strength of Financiera Independencia over more than sixteen years led us to achieve significant progress in the extension of terms and in the increase in our credit facilities.

In May, Nacional Financiera, S.N.C., increased our credit facility from Ps. 140 million to Ps. 1 billion. In September, Sociedad Hipotecaria Federal (SHF) increased the credit facility from Ps. 600 million to Ps. 700 million.

The following month we reached an agreement with HSBC whereby our revolving credit facility of Ps. 2.5 billion changed to a term loan of Ps. 1.25 billion and a revolving loan of Ps. 1.25 billion. The term loan matures in December 2012 and the revolving facility in December 2013. Therefore, we extended by one and two years the previous terms maturing in September 2011.

Moreover, on November 30th, Financiera Independencia initiated a sponsored Level I ADR Program (American Depositary Receipts) in the US to facilitate the purchase and sale of our shares to foreign investors. Through the Bank of New York Mellon (BNYM) we will increase liquidity of our shares without incurring in any cost or additional covenants.

Each ADR equals 15 shares of Financiera Independencia and was offered in "over the counter" (OTC) markets that same November 30th. This program, we are sure, will help continue positioning our company in the global market in the **future**.

We are ready

The market shows signs of recovery. With all the internal improvements undertaken this year, we are prepared to take advantage of it. We are much stronger to seize the opportunities that continue to arise in the horizon.

The progress achieved in a complex macroeconomic environment indicates how solid the foundation of our business is and how defensive is our business model.

By launching our ADR program, we have broadened the base of potential investors. We have also diversified our funding sources, lowered operating costs and are more efficient in our processes. We will continue to innovate with fresh ideas and plans that efficiently respond to the market conditions.

The acquisition of Finsol strengthens our presence both in Mexico and abroad and opens the door to new markets through group loans. Additionally, we will begin to operate in international territories through our presence in Brazil.

We have developed a plan based on thorough and thoughtful analysis of the market and on our potential. We know that we are targeting a market that has considerable ground to break and that those wishing to conquer it require a solid model to do so effectively. Ours has proven to be successful.

We have defined the path to be followed for the next five years and the instruments to evaluate its success. In Financiera Independencia we continue to enthusiastically take advantage of new opportunities for **growth**.

Growth (in 2010).

Increase in size, quality, certainty and scope,

with a clear and present *goal always.*

Year

2009

Management's Discussion and Analysis of Results of Operations and Financial Condition of the Company

FINANCIERA INDEPENDENCIA

Introduction:

The following analysis should be read in conjunction with our Audited Consolidated Financial Statements for the years ended December 31, 2009 and 2008. The financial figures included in this report for 2009 and 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 expressed in nominal pesos. Tables in this report are in millions of Mexican pesos.

On September 19, 2008, the CNBV modified the general regulations applicable to issuers in the Mexican Stock Exchange (Bolsa Mexicana de Valores). Among other changes introduced, it made it mandatory for Non-Regulated SOFOMES that are issuers to report according to Mexican banking accounting principles. In subsequent changes enacted on January 27, 2009, an option was given to use this principles starting in 2008, 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 uses CNBV parameters and the other is based on parameters developed internally by the Company. Given the Company's 16-year experience in the sector and its extensive database built throughout its history, the Company decided to apply an internal methodology based on the probability of default and the severity of expected losses.

Balance Sheet:

• **Performing and non-performing loan portfolio**: Non-performing loans of the product with a revolving line of credit are recognized 60 days or more past due, instead of 90 days or more past due.

• **Provision for loan losses:** Under banking principles, we used internal methodology to determine our level of reserves.

2009 CONSOLIDATED RESULTS

Financial Margin after Provision for Loan Losses

Financial margin after provision for loan losses for 2009 decreased 4.2% year-on-year to Ps.1,709.1 million, from Ps.1,783.3 million in 2008. The decrease in the financial margin after provision for loan losses is explained by the following:

Interest Income

In 2009, interest income increased 14.5% to Ps.3,110.6 million, principally as a result of an increase of Ps.390.2 million, or 14.4% in interest on loans. This was driven by an increase of 13.8% in the number of clients and an increase of 7.6% in the total loan portfolio.

In 2009, the lending rate[1] decreased from 69.4% in 2008 to 67.0%. This decrease was mainly driven by a higher level of discounts offered to encourage immediate payment of past due loans. The foregoing more than offset the increase share of loans targeted to the informal sector, which carry higher interest rates. Discounts increased from Ps.243.5 million (9.0% of interest income as of December 31, 2008) to Ps.386.6 million (12.4% of interest income as of December 31, 2009).

Table 1: Financial Margin *

	2009	2008	% Change
Interest	3,110.6	2,715.8	14.5%
Interest on Loans	3,098.8	2,708.6	14.4%
Interest from Investment in Securities	11.7	7.2	62.9%
Interest Expense	327.3	231.4	41.4%
Financial Margin	**2,783.2**	**2,484.4**	**12.0%**
Provision for Loan Losses	1,074.2	701.1	53.2%
Financial Margin after Provision for Loans Losses	**1,709.1**	**1,783.3**	**-4.2%**

* Figures in millions of Mexican Pesos

(1) Lending rate: Interest income / average balance of the total loan portfolio.

Table 2: Loan Portfolio, Number of Clients and Average

	2009	2008	% Change
Loan Portfolio (million Ps.)	4,812.3	4,473.8	7.6%
Number of Clients	1,236,092	1,085,963	13.8%
Average Balance (Ps.)	3,893.2	4,119.7	-5.5%

Over the last twelve months, the informal sector loans grew by 22.1%, increasing their share of the total loan portfolio by 4.2 percentage points. By the end of 2009, these loans accounted for 35.7% of the total loan portfolio, compared to 31.4% in 2008. This performance was primarily due to an increase in CrediPopular loans. CrediPopular product reached 347,383 clients in 2009, representing an increase of 103,809 clients or 42.6% in 2008. CrediConstruye loans reached 88,459 clients in 2009, representing a decrease of 9,997 clients or 10.2% in 2008.

By the end of 2009, CrediInmediato loans represented 64.3% of the total loan portfolio, compared to 68.6% in 2008. The number of CrediInmediato clients in 2009 grew 9.2% year-on-year, to a total of 750,374, while the total loan portfolio increased by 0.9% reaching Ps.3,095.5 million.

Table 3: Number of Clients by Product

	2009	% of total	2008	% of total	% Change
Formal Sector Loans	**750,374**	**60.7%**	**687,464**	**63.3%**	**9.2%**
CrediInmediato	750,374	60.7%	687,464	63.3%	9.2%
Informal Sector Loans	**485,718**	**39.3%**	**398,499**	**36.7%**	**21.9%**
CrediPopular	347,383	28.1%	243,574	22.4%	42.6%
CrediMamá	49,876	4.0%	56,469	5.2%	-11.7%
CrediConstruye	88,459	7.2%	98,456	9.1%	-10.2%
Total Number of Loans	**1,236,092**	**100.0%**	**1,085,963**	**100.0%**	**13.8%**

Table 4: Total Loan Portfolio by Product Type *

	2009	% of total	2008	% of total	% Change
Formal Sector Loans	**3,095.5**	**64.3%**	**3,067.8**	**68.6%**	**0.9%**
CrediInmediato	3,095.5	64.3%	3,067.8	68.6%	0.9%
Informal Sector Loans	**1,716.8**	**35.7%**	**1,406.0**	**31.4%**	**22.1%**
CrediPopular	1,277.1	26.5%	801.9	17.9%	59.2%
CrediMamá	119.1	2.5%	131.8	2.9%	-9.6%
CrediConstruye	320.6	6.7%	472.2	10.6%	-32.1%
Total Number of Loans	**4,812.3**	**100.0%**	**4,473.8**	**100.0%**	**7.6%**

* Figures in millions of Pesos.

Interest Expense

Interest expense in 2009 increased by Ps.95.9 million, or 41.4%, to Ps.327.3 million, from Ps.231.4 million in 2008, primarily as a result of a 68.9% increase in the average balance of liabilities during the period. Interest-bearing liabilities increased by Ps.252.2 million, or 7.0% year-on-year. This increase in interest expense reflects additional funding incurred to finance Ps.68.5 million of the stock repurchase program during the year and mainly to fund the 7.6% growth in the Company's loan portfolio during the last twelve months and additional working capital needs.

In 2009, diversification of funding sources and better financing terms allowed the Company to reduce the interest rate [2] to 8.89% compared to 10.67% in 2008. The average TIIE rate was 5.91% and 8.28% in 2009 and 2008, respectively.

Provision for Loan Losses

Provisions for Loan Losses rose year-on-year by 53.2%, or Ps.373.1 million, to Ps.1,074.2 million in 2009. The non-performing loans ratio decreased to 12.0% from 12.5% in 2008.

The increase of the provision for loan losses was mainly driven by the increase of write-offs during the year. Write-offs increased by 55.3%, or Ps.356.6 million, reaching Ps.1,001.9 million, compared to Ps.645.3 million as of December 31, 2008. As of December 31, 2009, non-performing loans reached Ps.576.1 million, recording an increase of 2.7% from Ps.560.8 million at December 31, 2008.

Net Operating Revenue

Net operating revenue decreased year-on-year by Ps.55.5 million, or 2.2%, to Ps.2,478.1 million in 2009.

This was the result of the reasons stated above, as well as a reduction of 0.2% in non-interest income (net) which reached Ps.739.8 million in 2009 as compared to Ps.741.2 million in 2008.

Net Operating Income

In 2009, operating income decreased by Ps.192.6 million, or 23.2%, to Ps.637.7 million.

Over the last twelve months, the Company's workforce was reduced by 481 employees or 4.8%. Notwithstanding in 2009, salaries and employee benefits grew 9.5% as compared to the prior-year period, to Ps.1,308.0 million.

During 2009, the Company opened seven new branches, bringing the total network to 199 units.

Operating efficiency for 2009 was 32.5%, showing a decrease of 465 basis points with respect to 2008.

(2) Interest rate = interest expense / daily average balance of bank and other entities' loans in the period.

Table 5: Net Operating Income*

	12M09	12M08	% Change
Financial Margin	**2,783.2**	**2,484.4**	**12.0%**
Provision for Loan Losses	1,074.2	701.1	53.2%
Financial Margin after Provision for Loan Losses	**1,709.1**	**1,783.3**	**-4.2%**
Non Interest Income (Net)	739.8	741.2	-0.2%
- Commissions and Fees Collected	*752.6*	*751.4*	*0.2%*
- Commissions and Fees Paid	*12.7*	*10.1*	*25.9%*
Other Income (expenses) of the Operation	29.2	9.1	220.6%
Net Operating Revenue	**2,478.1**	**2,533.7**	**-2.2%**
Administrative and Operating Expenses	1,840.5	1,703.4	8.0%
- Other Administrative and Operating Expenses	*532.5*	*509.3*	*4.6%*
- Salaries and Employee Benefits	*1,308.0*	*1,194.2*	*9.5%*
Net Operating Income	**637.7**	**830.2**	**-23.2%**
Operational Data			
Number of Offices	199	192	3.6%
Total Labor Force	9,643	10,124	-4.8%
- Full Time Personnel	9,515	9,695	-1.9%
- Independent Sales Agents	128	429	-70.2%

* Figures in millions of Mexican Pesos.

Net Income

As a result of the items discussed above and after other income and expenses as well as income tax, net income for 2009 decreased by Ps.107.7 million, or 17.3%, to Ps.515.2 million.

Earnings per share (EPS) for 2009 was Ps.0.8495 compared to Ps.0.9499 for the same period last year.

FINANCIAL POSITION

Total Loan Portfolio

The total loan portfolio rose year-on-year by 7.6%, to Ps.4,812.3 million, reflecting a 13.8% increase in the number of clients during the period and a 5.5% decrease in the average outstanding balance per client. As of December 31, 2009, the Company had a total of 1,236,092 clients.

By the end of 2009, the total loan portfolio accounted for 80.9% of the Company's total assets, compared to 83.0% in the same period of the prior year. As of December 31, 2009, cash and investments represented 10.4% of the total loan portfolio, compared to 7.7% in 2008.

Non-Performing Loan Portfolio

Non-performing loans reached Ps.576.1 million, an increase of 2.7% compared to Ps.560.8 million in 2008.

In 2009 the NPL ratio decreased to 12.0% from 12.5% in 2008.

The NPL ratio for 2009 in the CrediInmediato product was 11.6%, compared to 14.4% in 2008. The NPL ratio for the informal sector was 12.7%, compared to 8.6% in 2008.

Coverage ratio was 73.4% compared to 62.5% in 2008. The increase in the coverage ratio reflects a higher probability of default in the total loan portfolio.

Liabilities

As of December 31, 2009, Independencia's total liabilities were Ps. 4,087.1 million, a 2.6% increase from Ps.3,984.6 million in December 31, 2008. This increase was the result of higher financing needs to fund the increase of our loan portfolio and overall working capital needs.

At the end of 2009, the Company's debt consisted of Ps.787.0 million in medium-term notes "Certificados Bursátiles" with a 3-year maturity (which are part of the Ps.1,500.0 million program already registered at the Mexican Stock Exchange), as well as Ps.3,079.3 million of bank and other entities' loans. Independencia's total available lines of credit amounts to Ps.4,200.0 million. Of the total lines of credit, Ps.700.0 million are due in March 2011, Ps.1,250 million in December 2012, Ps.1,250 million in December 2013 and the remaining Ps.1,000 million has an evergreen feature. All the Company's debt is denominated in Mexican pesos.

Shareholders' Equity

As of December 31, 2009, the Company's shareholders' equity was Ps.1,863.3 million, a 32.8% increase from Ps.1,402.8 million in 2008. This increase was driven by the net income generated during the period which more than offset the operations of the stock repurchase program of the Company.

PROFITABILITY AND EFFICIENCY RATIOS

ROAE/ROAA

ROAE in 2009 was 31.5%, compared to 34.9% in 2008. ROAE for 2009 and 2008 reflects the capital reduction as announced in September 18, 2008.

ROAA in 2009 was 9.1%, compared to 13.7% in 2008.

Efficiency Ratio & Operating Efficiency

Over the last twelve months, Financiera Independencia increased its loan portfolio by 7.6% and the number of clients by 13.8%. The Company also opened a total of seven branches and reduced its workforce by 4.8% to 9,643 employees.

The efficiency ratio (including provisions) in 2009 was 74.3% compared to 67.2% in 2008. Deterioration was principally due to the 53.2% increase in the provision for loan losses and a slowdown in interest income. As a result of the efficiency program implemented during the first half of 2009, total non-interest expense increased 8.0% year-on-year, well below the 12.0% increase in financial margin for the period.

In 2009, operating efficiency was 32.5%, down 465 basis points, with respect to 37.4% in 2008.

2009

Audited Consolidated Financial Statements

FINANCIERA INDEPENDENCIA

Audited Consolidated Financial Statements

2009

Financiera Independencia, S. A. B. De C. V.,
Sociedad Financiera de Objeto Múltiple,
Entidad No Regulada and its Subsidiary
December 31, 2009 and 2008

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Report of Independent Auditors

México City, March 17, 2010

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

Figures stated in thousands of Mexican pesos

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 and its subsidiary (Company) as of December 31, 2009 and 2008, and the consolidated statements of income and of changes in stockholders' equity for the years ended December 31, 2009 and 2008; we also audited the statements of cash flows and changes in financial position for the year ended on December 31, 2009 and 2008, respectively. 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 as describe in the following paragraph. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures contained in the consolidated financial statements also. An audit includes assessing the accounting principles 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, as from January 1, 2008, the Company adopted in advance the accounting rules and practices issued by the National Banking and Securities Commission (the Commission) applicable to Multiple Purpose Financial Entities regulated in Mexico, by recognizing the effects of adoption on income for the period, which differ with respect to Mexican Financial Reporting Standards (NIF by its initials in Spanish), as described in said Note.

3. As mentioned in Note 18 to the consolidated financial statements, on November 30, 2009, the Company signed a purchase agreement to acquire all outstanding shares of Financiera Finsol, S. A. C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada, and a group of related entities, with the goal to increase its loan portfolio and its clients. On February 19, 2010, the acquisition of the shares was completed. The amount of the transaction totalled Ps530 million.

4. As mentioned in Note 15 to the consolidated financial statements, the shareholders approved an increase in the Company's variable capital stock of up to Ps850,000, and consequently, the issuance of 85,000,000 ordinary nominative shares. On February 5, 2010 these shares (85,000,000) were fully subscribed and paid in.

5. As mentioned in Note 2 to the consolidated financial statements, the following new financial criteria, NIF and Interpretations of those NIF (INIF by its initials in Spanish) went into effect on January 1, 2009, whose rules and early adoption effects as from 2008 are described in said Note, being these: a) Criteria D-4 "Statement of cash flows"; b) NIF B-8 "Consolidated or combined financial statements", c) NIF C-8 "Intangible assets"; d) NIF D-8 "Share-based payments", and e) INIF-18 "Recognition of the effects of the 2010 tax amendments on taxes on profits", with the effects described in Note 2 to the consolidated financial statements. Despite the fact that the above pronouncements stem from the NIF, they have been adopted by the rules issued by the Commission.

6. In our opinion, the consolidated financial statements referred to above 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, 2009 and 2008, and the consolidated results of their operations and the changes in their stockholders' equity for the years then ended, and their cash flows and the changes in their financial position for the year ended, December 31, 2009 and 2008, respectively, in conformity with the accounting practices prescribed by the Commission.

PricewaterhouseCoopers, S. C.

Nicolás Germán Ramírez
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)

	As of December 31,	
Assets	**2009**	**2008**
CASH AND CASH EQUIVALENTS (Note 4)	Ps 498,891	Ps 343,862
DERIVATIVE FINANCIAL INSTRUMENTS (Note 5)		
Trading Instruments	793	793
PERFORMING LOANS (Note 6)		
Consumer	4,236,160	3,913,027
NON PERFORMING LOANS (Note 6)		
Consumer	576,132	560,821
TOTAL LOAN PORTFOLIO	4,812,292	4,473,848
LOAN LOSS ALLOWANCE (Note 7)	(422,966)	(350,639)
TOTAL LOAN PORTFOLIO - Net	4,389,326	4,123,209
OTHER ACCOUNTS RECEIVABLE - Net (Note 8)	111,584	282,607
PROPERTY, FURNITURE AND EQUIPMENT - Net (Note 9)	303,266	255,977
DEFERRED TAXES AND PROFIT SHARING - Net (Note 16)	572,628	321,291
OTHER ASSETS - Net	73,990	59,617
TOTAL ASSETS	**Ps 5,950,478**	**Ps 5,387,356**

The accompanying twenty two notes are an integral part of these consolidated financial statements.

Liabilities and Stockholder's Equity	As of December 31, 2009	2008
LIABILITIES:		
DEBT INSTRUMENTS (Note 10)	Ps 786,970	Ps 787,718
BANK AND OTHER ENTITIES LOANS (Note 11)		
Short Term	3,054,492	2,458,878
Long Term	24,778	367,481
	3,079,270	2,826,359
OTHER ACOUNTS PAYABLE:		
Income Tax (Note 16)	37,427	38,503
Accrued liabilities and other accounts payable (Notes 12 and 16)	132,959	276,988
	170,386	315,491
DEFERRED COMMISSIONS AND OTHER DEFERRED CREDITS	50,508	55,016
TOTAL LIABILITIES	4,087,134	3,984,584
STOCKHOLDERS' EQUITY (Note 15):		
Paid-in capital:		
Capital stock	148,603	148,603
Share premiums	726,428	813,855
	875,031	962,458
EARNED CAPITAL:		
Legal reserves	12,600	13,600
Retained earnings / accumulated deficit	460,490	(196,211)
Net income	515,223	622,925
TOTAL STOCKHOLDERS' EQUITY	1,863,344	1,402,772
Commitments and contingencies (Note 19)		
Subsequent events (Note 20)		
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**Ps 5,950,478**	**Ps 5,387,356**

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 except earnings per share (Note 2)

	Year ended December 31, 2009	Year ended December 31, 2008
Interest income (Note 17)	Ps 3,110,555	Ps 2,715,829
Interest expense (Note 17)	(327,310)	(231,406)
Financial margin	2,783,245	2,484,423
Provision for loan losses (Note 7)	1,074,186	701,117
Financial margin for after provision for loan losses	1,709,059	1,783,306
Commissions and fees collected	752,563	751,357
Commissions and fees paid	(12,726)	(10,109)
Other operating income (expenses)	29,233	9,118
	769,070	750,366
Net operating revenue	2,478,129	2,533,672
Non-interest expense	(1,840,458)	(1,703,444)
Operating income	637,671	830,228
Other income (Note 17)	18,274	13,856
Other expenses (Note 17)	-	-
	18,274	13,856
Income before income taxes	655,945	844,084
Current income tax (Note 16)	(392,791)	(360,957)
Deferred income tax (Note 16)	252,069	139,798
	(140,722)	(221,159)
Income before equity of non consolidated subsidiaries and associated companies	515,223	622,925
Minority interest	-	-
Income before discontinous operations	515,223	622,925
Discontinous operations	-	-
Net income for the year	Ps 515,223	Ps 622,925
Earnings per share (pesos)	Ps 0.8495	Ps 0.9499

The accompanying twenty two 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 Stockholders' Equity
for the years ended December 31, 2009 and 2008 (Notes 1 and 15)

Thousands of Mexican pesos (Note 2)

	Paid-in capital		Earned capital			
	Capital stock	Share premium	Legal reserves	Retained Earnings/ accumulated deficit	Net income	Total stockholders' equity
Balances as of January 1, 2008	Ps 153,603	Ps 1,640,074	Ps 71,797	(Ps 218,085)	Ps 516,014	Ps 2,163,403
TRANSACTIONS APPROVED BY STOCKHOLDERS:						
Transfer of share premium to retained earnings		(182,585)		182,585		
Transfer of the legal reserve to retained earnings			(58,197)	58,197		
Dividend payment and refund of dividend on own shares				(499,662)		(499,662)
Capital reductions	(5,000)	(612,500)				(617,500)
Repurchase of capital stock				(268,773)		(268,773)
Effect on replacement of own shares		(31,134)		31,134		
Transfer ot net income of the year to retained earnings				516,014	(516,014)	
	(5,000)	(826,219)	(58,197)	19,495	(516,014)	(1,385,935)
CHANGES RELATED TO THE 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	148,603	813,855	13,600	(196,211)	622,925	1,402,772
TRANSACTIONS APPROVED BY STOCKHOLDERS:						
Transfer of net income of the year to retained earnings				622,925	(622,925)	
Transfer of the legal reserve to retained earnings			(1,000)	1,000		
Repurchase of capital stock				27,011		27,011
Refund of dividends on own shares				5,765		5,765
Effect on replacement of own shares		(87,427)				(87,427)
		(87,427)	(1,000)	656,701	(622,925)	(54,651)
CHANGES RELATED TO RECOGNITION OF THE COMPREHENSIVE INCOME:						
Net income					515,223	515,223
					515,223	515,223
Balances as of December 31, 2009	**Ps 148,603**	**Ps 726,428**	**Ps 12,600**	**Ps 460,490**	**Ps 515,223**	**Ps 1,863,344**

The accompanying twenty two 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 Statement of Cash Flows
for the Year ended December 31, 2009

Thousands of Mexican pesos (Note 2)

Operating activities:	
Net income	Ps 515,223
Provision for loan losses	1,074,186
Depreciation and amortization	70,445
Income taxes (current and deferred)	140,722
	1,800,576
Loan portfolio - Net	(1,340,302)
Bank and other entities loans - Net	252,163
Other accounts receivable and payable - Net	(370,650)
Cash flows provided by operating activities	341,787
Investing activities:	
Purchases of fixed assets	(117,734)
Other assets	(14,373)
Cash flows used in investing activities	(132,107)
Flows net of cash from investment activities	209,680
Financing activities:	
Purchase of own shares	(54,651)
Net cash flows used in financing activities	(54,651)
Net increase in cash and cash equivalents	155,029
Cash and cash equivalents at the beginning of the year	343,862
Cash and cash equivalents at the end of the year	**Ps 498,891**

The accompanying twenty two 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 Statement of Changes in Financial Position
for the Year ended in December 31, 2008

Thousands of Mexican pesos (Note 2)

Operating activities:	
Net income	Ps 622,925
Items not generating (requiring) resources:	
Provision for loan losses	701,117
Depreciation and amortization	51,608
Software costs	10,921
Employee benefits	3,255
Deferred tax	(139,798)
Deferred employees' statutory profit-sharing	(1,849)
	1,248,179
Changes in operating assets and liabilities:	
Increase in loan portfolio	(1,768,260)
Other accounts receivable, other accounts payable and others - Net	(104,124)
Resources used in operating activities	(624,205)
Financing activities:	
Debt issuance	787,718
Dividend payment and collected on own shares	(499,662)
Increase (decrease) in bank and other entities loans	1,490,396
Repurchase of capital stock	(268,773)
Capital reduction	(617,500)
Resources provided by financing activities	892,179
Investing activities:	
Property, furniture and equipment - Net	(135,531)
Other assets	(31,711)
Resources used in investing activities	(167,242)
Increase in cash and due from banks for the year	100,732
Cash and due from banks at the beginning of the year	243,130
Cash and due from banks at the end of the year	**Ps 343,862**

The accompanying twenty two 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 exchange rate, nominal values and number of shares

NOTE 1 - NATURE OF THE COMPANY AND ITS ACTIVITIES:

Constitution and authorization

Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (Company) was incorporated under the laws of Mexico and began operations on July 22, 1993 for an indefinite period. The Company is located in Mexico City and is authorized by the Ministry of Finance (SHCP) to operate as an unregulated multiple banking institution, as per the provisions of the Mexican Banking Law.

Business Purpose

The Company is mainly engaged in granting consumer loans to low income individuals. The resources required to fund their operation have been obtained from stockholders and through market operations and contracting of liabilities with domestic financial institutions.

Operating guidelines

The General Law on Ancillary Activities and Organizations of Credit (Ley General de Organizaciones y Actividades Auxiliares del Crédito or LGOAAC, for its initials in Spanish), authorizes Multiple Purpose Financial Entities (Sociedades Financieras de Objeto Múltiple or Sofom) to engage in activities such as granting loans, factoring and financial lease transactions. A 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 associated with credit institutions or with holding companies of financial institutions, therefore those are not subject to the Commission's oversight.

On October 18, 2007, Shareholders approved the adoption of the legal regime for listed companies in Mexico. Therefore effective November 1, 2007, the Company was registered as a listed issuer in the Mexican Stock Exchange (BMV, for its initials in Spanish), under the ticker symbol “FINDEP”.

During the listing process with BMV, the Company conducted an initial public offering in Mexico and overseas. The public offering overseas was conducted under Rule 144-A and Regulation S of the 1933 US Securities Act, as amended, as well as regulations applicable to countries in which such offering was conducted.

As a listed entity, the Company is subject to the provisions of the Mexican General Corporate Law (Ley General de Sociedades Mercantiles) and the Mexican Securities Markets Law, as well as to the general provisions applicable to issuers of securities and other participants in the securities market.

The accompanying consolidated financial statements as of and for the year ended December 31, 2009, 2008 and 2007 include the Company and the subsidiary mentioned below:

Subsidiary	% of ownership	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:

The accompanying consolidated financial statements have been prepared and are presented fairly in accordance with the accounting criteria issued by the Commission applicable to credit institutions (Banking Criteria), which differ from Mexican Financial Reporting Standards (NIF, for its acronym in Spanish) issued by the Mexican Financial Reporting Standards Board (CINIF, for its acronym in Spanish), as concerns the matters mentioned in points d., e., f., m., and v. of Note 3 to the consolidated financial statements.

On February 27, 2008, through official statement number 113-1/27511/2008 issued by the Commission for Sofoms, E.N.R., with securities listed in the Mexican Stock Exchange, said entities are required follow NIF issued by the CINIF; however, based on the above-mentioned statement, Sofoms, E.N.R. may also prepare their financial statements in accordance with the accounting criteria applicable to credit institutions.

On September 19, 2008 the Commission amended the accounting criteria for listed companies (Circular Única de Emisoras), which requires that Sofom, E. N. R., that had issued debt or equity in the Mexican Stock Exchange, 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 Mexican Law of Credit Institutions (LIC) and the Law of the Commission. On January 27, 2009, the Commission stated that the aforementioned provisions are effective starting from the period beginning on January 1, 2008, however, early adoption was permitted.

The main effects of adoption of these new criteria refer to the determination of the loan loss reserves and classification of non-performing loan portfolio, set forth in Notes 3e. and 3f., respectively.

The Company has prepared its consolidated statement of income as the presentation require by the Commission, wich differ from MFRS to classified the statement of income in terms of the function of nature of the items there of.

Effective January 1, 2008, the Company discontinued recognition of the effects of inflation on its financial information in accordance with NIF B-10. This NIF requires that a company discontinue recognition of the effects of inflation on financial information when cumulative inflation over a three-year period is below 26% (the cap for defining an economy as non inflationary). Consequently, the figures at December 31, 2009 and 2008 shown in the accompanying consolidated financial statements are presented in thousands of historical pesos, modified by the effects of inflation on the financial information recognized through December 31, 2007.

Inflation rates, based on the Mexican Investment Unit (Unit of Investment or UDI by its initials in Spanish), are as follows:

	December 31,	
	2009	**2008**
For the year	3.72%	6.40%
Accumulated over the past three years	14.55%	15.03%

New MFRS effective as of January 1, 2009:

Beginning on January 1, 2009 the following MFRS issued by the Mexican Financial Reporting Standards Board (CINIF by its Spanish acronym), have been adopted by the Company for the preparation of these financial statements. The new accounting policies for each case as well as the adoption effects are disclosed in the Note 17.

MFRS B-7 "Business acquisitions". The main changes and features of this MFRS are, among other: a) confirms the purchase method in order to recognize the business acquisitions, b) recognizes that the non-controlling participation is presented at its fair value, c) establishes that the purchase and restructure expenses are not part of the counterparty, and d) establishes the standards for the recognition of reacquired assets, contingent liabilities, contingent counterparty and assets for compensation generated in the purchase.

MFRS B-8 "Consolidated and combined financial statements". The main changes in connection with the provisions above are, among other: a) establishes that in the cases where an entity controls a specific purpose entity (SPE) this should be considered as a subsidiary and its financial statements should be consolidated, b) allows that subholding companies no to present consolidated financial statements under certain requirements, c) considers the existence of potential voting rights for the control assessment, and d) requires that the participation in the non-controlling entity remains valued, in its case, based on the fair value of the subsidiaries net assets and the goodwill determined with the purchase method at the acquisition of such subsidiary.

MFRS C-7 "Investment in associates and other permanent investments", the main changes in the previous provisions are, among other, a) the inclusion of the SPE concept in the significant influence assessment, b) the settlement of a procedure and a limit for the recognition of losses in associates and c) the potential voting rights existence analysis is required for the significant influence assessment.

MFRS C-8 "Intangible assets", the main changes in connection with the previous pronouncements are, among other: a) explains the procedures in the determination of the amortization period and the residual value, b) mandates the annual impairment tests in the events of increasing amortization, and c) requires the balance to be amortized of preoperative expenses coming from 2002 and before to be cancelled against cumulative profit.

MFRS D-8 "Shared-based payments", this MFRS establishes guidelines for the recognition of the transactions related with shared-based payments produced by purchases of goods and services received.

IMFRS-18 "Recognition of the Tax Reform 2010 in the income tax". This Interpretation specifically deals with the recognition of some topics included in the Act for which they are reformed add and abrogate diverse tax provisions such as: a) Income tax derived from changes in the tax consolidation regime, b) changes in income tax, and c) flat tax credits for tax losses.

The accompanying consolidated financial statements and their notes were authorized for its issuance on February 24, 2010, by the undersigned officers.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Significant accounting policies are summarized below and have been consistently applied in the reporting years, unless otherwise indicated.

In accordance with Mexican Banking GAAP, when no specific accounting criteria has been issued by the Commission, the following must be applied on a supplementary basis in the order shown: a) MFRS, b) International Accounting Standards approved and issued by the International Accounting Standards Board (IASB), c) Accounting Principles Generally Accepted in the United States (US GAAP) issued by the Financial Accounting Standards Board or, if applicable, d) any set of formal and recognized accounting standards. Application of this criteria is subject to the provisions of MFRS A-8 "Use of supplementary reporting standards".

MFRS requires the use of certain critical accounting estimates in preparing the consolidated financial statements. MFRS also require that management exercise its judgement in determining the Company's accounting policies.

a. Consolidation

All intercompany balances and transactions have been eliminated in the consolidation process. The consolidation was carried out on the basis of audited financial statements of the subsidiary.

b. Cash and cash equivalents

Cash and cash equivalents are recorded at their nominal value and cash equivalents in foreign currencies are valued at the exchange rate published by Mexican Central Bank as of the date of the financial statements. Interest income generated by these investments is recognized in the income statement as it accrues.

c. Derivative financial instruments:

All derivative financial instruments entered into and identified and classified as held for trading or as hedge instruments are included in the balance sheet as assets and/or liabilities at fair value. The accounting for changes in the fair value of a derivative depends on the intended use of the derivative and the resulting designation.

While certain derivative financial instruments are contracted for hedging from an economic point of view, they are not designated as hedges because they do not meet all of the requirements and are instead classified as held-for-trading for accounting purposes.

For derivatives designated as a cash flows hedge, the effective portion of the derivative's gain or loss is reported as a component of accumulated other comprehensive income and subsequently reclassified into income when the hedged commitment or forecast transaction is realized. The ineffective portion of the gain or loss is reported in income immediately.

For derivative instruments that are not designated as accounting hedges, changes in fair value are recognized in income.

Fair value is determined based on market prices when the instruments in question are not quoted in an asset market, their fair value is determined based on valuation techniques accepted by market practices.

Options

The Company transactions with derivative financial instruments are mainly related to Options.

Options are agreements establishing the right, but not the obligation, for the acquirer to purchase or sell the underlying asset at a determined price, named exercise price, on an established date or at determined period.

Option agreements involve two parties, the buyer of the option pays a premium on the acquisition thereof, and in turn, obtains a right to buy or sell an underlying, and the party issuing or selling the option receives the premium and in turn, acquires an obligation to buy or sell such underlying.

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, and changes in fair value are recorded in the income statement.

d. Loan portfolio

The loan portfolio represents the amounts actually delivered to borrowers plus the interest accrued as per the loan agreement.

Loans are granted based on a credit analysis conducted in accordance with the Company's internal policies and operating manuals.

As required by Mexican Banking GAAP, the outstanding balances of loans granted (principal plus any accrued interest not yet collected) are recorded as past-due portfolio when payments thereon have not been settled in their entirety in the terms originally agreed upon, considering the following:

- If payments on installments regarding term loans are 90 or more days past due.

- If payments on revolving loans are two months or 60 calendar days past due.

Interest income is recorded in the statement of income as it is earned, based on outstanding balances and agreed interest rates per contractual terms of the loan agreements.

Once a loan is classified as non-performing, interest accrual thereon is suspended. When loans are past-due, interest accrued is recorded in memorandum accounts. Regarding accrued interest receivable, related to the past-due portfolio, the Company records an allowance equal to their outstanding balance prior to their classification as non-performing portfolio. If the past-due interest is collected, it is directly recognized in the income statement for the period.

Non-performing loans could be reclassified back to the performing loan portfolio, only after the outstanding balances of past-due loans (principal and interest) are fully settled.

Starting September 2009, the Company performs restructures for certain loans whenever it is considered otherwise not to be recovered in accordance with its contractual terms (before that date no loans were restructured). Restructured loans are classified as part of the non-performing loan portfolio. In addition, the Company considers the probability of default of restructured loans to be 100%.

Annual commissions charged to customers are deferred and amortized on a straight-line basis during one year or for the duration of the loan. Loan origination fees and costs are not deferred over the term of loans since Management considers such financial effect not to be significant due to the short-term maturity of related loans. All other commissions (withdrawal fee or late-payment fees) are recorded as income upon collection.

MFRS requires the recognition of interest accrued and, if applicable, the creation of an allowance for doubtful accounts based on a study of recoverability.

e. Loan loss reserves and portfolio rating

The Mexican Banking GAAP require the loan portfolio to be rated based on a general methodology established by the Commission or through the use of an internal methodology. In case of use of internal methodologies the Commission's approval is not required, as per official letter number 310-85406/2009 dated March 2, 2009 issued by the Commission.

The Company rates its loan portfolio using an internal method based on the likelihood of non-compliance by borrowers and the severity of credit losses, in accordance with the procedures specified in article 93 of the general provisions applicable to credit institutions.

At December 31, 2008, the effect of determining the loan loss reserve for credit risk based on the internal methodology resulted in a Ps110,526, decrease in said loan loss reserve.

Probability of default (PD) is the likelihood of a borrower becoming non-performing within the next six months. The Company determines PD by applying roll rate calculations. Roll rates considers the existing probability of a loan to migrate from its current category (based on days past due) to write off. The Company uses as PD an average of roll rate calculations for the past twelve-month period.

Loss given default (LGD) is an estimate of the amount that the Company would expect to lose in the event of a borrower default. Since all of the Company's loans are unsecured, no collateral exists, therefore, the Company determines it's LGD as the average of net losses after considering the present value of recoveries for the past twelve-month period.

In accordance with MFRS, an analysis should be conducted in order to assess the amount of allowance for accounts receivable.

Loans are written off, based on management assessment, when are 180 or more calendar days overdue. Write offs are recorded to the allowance for loan losses.

Recoveries related to loans previously written off are applied to income for the period, as collected.

f. Other accounts receivable

Accounts receivable other than the Company's loan portfolio represent, among others, tax balances.

For other accounts receivable with more than 90 calendar days past due, a reserve is set up reflecting the likelihood of not recovering such accounts. 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 mentioned above, 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 in the total amount of the debt. MFRS require, when applicable, setting up an allowance for doubtful accounts, after conducting an analysis and evaluation of the real possibilities of recovering such accounts.

The Company has no items in the above-mentioned categories more than 90 or 60 days past due, as a result of which, no such reserve has been set up.

g. Property, furniture and equipment

Property, furniture and equipment, are stated as follows: i) items acquired on or after January 1, 2008 at historical cost, and ii) items acquired up to December 31, 2007 at restated value determined by UDI factors.

Consequently, as of December 31, 2009 and 2008, properties, furniture and equipment are expressed at modified historical costs.

Property, furniture and equipment are subject to annual impairment tests only when there is evidence of impairment. Accordingly, they are expressed at their modified historical cost, less the accumulated depreciation and, in its case, the impairment losses.

Depreciation is calculated by applying the straight line method at the annual rates estimated by Company management.

h. Intangible assets

Intangible assets are recognized in the balance sheet when they meet the following conditions: are identifiable, provide future economic benefits and the Company has control over such benefits. In addition, intangible assets are classified: i) with an indefinite useful life, which are not amortized but subject to annual impairment tests, and ii) intangible assets with a definite life, which are amortized by applying the straight-line method during their useful life determined in accordance with the expected future economic benefits and are subject to impairment tests when evidence of impairment is identified. Intangible assets acquired or developed are stated as follows: i) items acquired or developed on or after January 1, 2008, at historical cost, and ii) items acquired or developed up to December 31, 2007, at restated values determined by UDI factors. Consequently, as of December 31, 2009 and 2008, the intangible assets are expressed at modified historical cost, reduced from the corresponding cumulative amortization and, if applicable, impairment losses.

The Company has conducted a study to determine the effects of Statement C-15 (impairment in the value of long-lived assets and their disposal), with no signs of impairment encountered.

i. Debt instruments

This item is represented by the issuance of debt instruments (Certificados Bursátiles) and it is accounted for based on the principal amount plus any unpaid accrued interest as of the date of the financial statements.

Debt issuance costs are initially recorded as deferred charges and amortized during the term of such debt instruments.

j. Loans from banks and other entities

Loans from banks and other entities are comprised by lines of credit and loans from other entities, which are recorded at the contractual value of the obligation. Interest expense is recorded in the income statement for the year as it is accrued.

k. Provisions

Provisions represent present obligations for past events where the outflow of economic resources is probable. These provisions have been recorded based on management's best estimate. Actual results could differ from estimates.

l. Deferred income tax and deferred flat tax

Deferred income tax and deferred flat tax are 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, to the rates enacted in the effective tax provisions at financial statements dates.

The Company recognized deferred income tax and deferred flat tax whenever the financial and tax projections prepared by the company show that they will essentially pay income tax and flat tax in the future.

m. Deferred employees' statutory profit sharing

The deferred employees' statutory profit sharing is recorded under the comprehensive asset-and-liability method, which consists in recognizing a deferred ESPS for all differences between the book and ESPS value of the assets and liabilities in which is likely its payment or recovery.

Employees' statutory profit sharing current and deferred is presented in the income statements under non interest expenses.

The debtor balance corresponding to deferred ESPS must be maintained only when estimates indicate they will be recovered in future periods.

MFRS require this item to be presented under other income and expenses

n. Employee benefits

The Company does not provide employees benefit plans, other than required by the corresponding laws.

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

ii. Termination benefits due to reasons different from restructure (severance compensation, seniority premium), as well as retirement benefits (seniority premium), are recognized based on actuarial studies carried out by independent actuaries through the projected unit credit method.

The net cost of the period is recognized as an operating expense in the year it is accrued which includes, among other, the amortization of the labor cost of the past services and the actuarial profit (loss) of previous periods.

Starting January 1, 2008 MFRS B-10 became effective and requires the unamortized pending items as of December 31, 2007, referred as transitional liability, which includes the labor cost of the past services and the unamortized pending actuarial gain, to be amortized in a five year term instead of the estimated employees working live (11 years for termination benefits and 15 years for seniority premium). This change in accounting principle originated an additional charge to the 2008 net income in the amount of Ps358.

As of December 31, 2009 and 2008, the Company's employee benefit plans are described as follows:

i. Post-employment benefits

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.

ii. 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 twelve days salary for each year of service.

3. Salary 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 1, 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.

o. Capital stock

The capital stock, legal reserves, the share premium and the retained earnings, are expressed as follows: i) transactions performed as of January 1, 2008 at historical cost, and ii) transactions performed before January 1, 2008 at indexed values determined by applying UDI factors to their original values up to December 31, 2007. Accordingly, the different shareholders equity concepts are expressed at modified historical cost.

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

p. Comprehensive income

The comprehensive income comprises the net income, which is reflected in the capital stock and do not constitutes equity payments, reductions and distributions. The comprehensive income amounts of 2009 and 2008 are expressed at modified historical pesos.

q. Revenue recognition

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

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. Interest stemming from the non-performing portfolio is not applied to income until actually collected.

Annual commissions charged to customers are deferred and amortized on a straight-line basis during one year or for the duration of the loan. Loan origination fees and costs are not deferred over the term of loans since Management considers such financial effect not to be significant due to the short-term maturity of related loans. All other commissions (withdrawal fee or late-payment fees) are applied to income upon collection thereof.

r. Treasury stock

Own shares acquired are shown as a decrease in the fund for repurchase of own shares included in the consolidated financial statements under retained earnings. Dividends received are recognized by reducing their cost.

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

s. Earnings per share

Earning per basic ordinary share is the result of dividing the net earning of the year by the weighted average number of outstanding shares during 2009 and 2008.

Diluted earnings per share is the result of dividing the net income for the year by the weighted average number of outstanding shares during 2009 and 2008 increased by any financial instrument potentially dilutive.

t. Foreign exchange gain or loss

According with the provisions of the MFRS B-15, the Company has identified the Mexican Peso to be its local, functional and reporting currency, therefore no foreign currency translation was required.

Transactions in foreign currencies are initially recorded at local currency applying the exchange rates prevailing on the dates they are entered into and/or settled. Assets and liabilities denominated in such currencies are translated at the exchange rate prevailing on the balance sheet date. Exchange gain or loss arising from fluctuations in the exchange rates between the transaction and settlement dates, or valuation are recognized in the income statement.

As of December 31, 2009 and 2008, the Company had assets denominated in U.S. dollars amounting to 77 thousands and 65 thousands, respectively. In addition, the Company had no liabilities denominated in foreign currency at the closing of said periods.

As of December 31, 2009, the exchange rate used by the Company in valuing its assets in foreign currency was Ps13.0437 per U.S. dollar (Ps13.5383 in 2008). At the date of the report of independent accountants, the exchange rate was Ps12.4892 per U.S. dollar.

u. Stock option plan

We have a Stock Option Plan (SOP) for certain employees and members of management. The stock option plan is implemented through a SOP trust, or the SOP Trust, managed as trustee by a Mexican bank pursuant to Mexican law. This plan enables eligible employees to acquire, through the SOP Trust, shares of our capital stock. We fund the SOP Trust through contributions so that in turn the SOP Trust acquires shares of our capital stock in open market purchases through the Mexican Stock Exchange. Stock options granted under the plan generally vest in equal installments over a five-year period. The SOP Trust purchases sufficient shares in the open market to satisfy all grants when the options are granted, as opposed to when they vest. If an employee forfeits any stock options prior to vesting, the shares representing such options remain with the SOP Trust and are eligible for assignment to another grantee.

The SOP Trust currently holds 9,440,690 shares of our common stock. We historically have not made contributions of shares to the SOP Trust through the issuance of new shares, and we currently do not have any plans to do so. The strike price ranges from Ps.6 pesos to Ps.17 pesos. The Company had not accounted for the financial effects of this plan due to the fact that management considers those not to be significant.

v. Segment reporting

The Mexican Banking GAAP establishes that in order to identify the different operating segments that comprise multiple banking institutions, the 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, when considered relevant, additional operating segments and sub-segments can be identified. MFRS does not require this predetermined desegregation.

Due to the nature of the Company's business, which is mainly engaged in granting consumer loans to low income individuals, segment reporting is focused on the loan operations segment, since Management considers the treasury and investment operation as well as the operations conducted on behalf of third parties not to be relevant for the Company.

NOTE 4 - CASH AND CASH EQUIVALENTS:

Cash and cash equivalents caption is comprised mainly of cash on hand, bank deposits and short-term investments, all highly liquid and subject to low market risk, as shown below:

	Local currency		Foreign currency		Total	
	December 31,		December 31,		December 31,	
	2009	2008	2009	2008	2009	2008
Cash	Ps 38,977	Ps 51,729	Ps -	Ps -	Ps 38,977	Ps 51,729
Deposits in Mexican banks	89,360	81,662	988	944	90,348	82,606
Short-term investments *	369,566	209,527	-	-	369,566	209,527
	Ps 497,903	Ps 342,918	Ps 988	Ps 944	Ps 498,891	Ps 343,862

* Represent investments of cash surpluses, in order to obtain a better short term return. These investments are made through brokerage firms and investment companies operating in the Mexican financial market.

At December 31, 2009 and 2008, the average yield on investments was 4.6% and 8.3%, respectively. In addition, for the years ended December 31, 2009 and 2008, interest income from investments totaled Ps11,722 and Ps7,195, respectively. Average maturity of investments during 2009 and 2008 ranged from one to three days.

NOTE 5 - DERIVATIVE FINANCIAL INSTRUMENTS:

The Company's funding is at floating rate (TIIE plus certain basis points) and loans granted to customers are at fixed rate, therefore, there is the risk that interest rates increase and financial margin decreases.

The purpose of this type of derivative financial instruments known as interest rate cap is to set a maximum interest rate related to certain lines of credit with floating interest rates (see Notes 10 and 11). These instruments consider a maximum level or cap for the Interbank Interest Rate (TIIE). 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 notional amount in each period.

During the year 2009 and 2008, the Company measures at fair value the premium paid for this instrument, and records changes in fair value in the income statement of the year.

Interest rate caps are comprised as follows:

2009

Counterparty	Exercise price (%)	Notional amount	Purchase / Sale	Charged to income statement	Fair value	Maturity
Morgan Stanley	7.0000	Ps 3,600,000	Purchase	Ps 2,157	Ps 793	8-oct-10

2008

BBVA Bancomer	8.4275	Ps 150,000	Purchase	Ps 321	Ps 107	26-feb-09
HSBC	9.5000	784,000	Purchase	960	686	30-jun-09
		Ps 934,000		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 from valuation 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:

	2009		
Performing loans:	**Principal**	**Accrued interest**	**Total**
Consumer	Ps 3,991,786	Ps 244,374	Ps 4,236,160
Non-performing loans:			
Consumer	484,547	91,585	576,132
Total loan portfolio	**Ps 4,476,333**	**Ps 335,959**	**Ps 4,812,292**

	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**

Loans granted, segmented by product, were as follows:

	2009		2008	
Type	**Amount**	**%**	**Amount**	**%**
Performing loans:				
CrediInmediato	Ps 2,736,959	65	Ps 2,627,261	67
CrediPopular	1,089,654	26	709,629	18
CrediMamá	105,419	2	114,655	3
CrediConstruye	304,128	7	461,482	12
	4,236,160	100	3,913,027	100
Non-performing loans:				
CrediInmediato	358,515	62	440,571	79
CrediPopular	187,413	33	92,317	16
CrediMamá	13,710	2	17,195	3
CrediConstruye	16,494	3	10,738	2
	576,132	100	560,821	100
Total loan portfolio	**Ps 4,812,292**	**100**	**Ps 4,473,848**	**100**

CredInmediato: is a revolving line of credit from Ps3 to Ps20. It is available to individuals earning at least the minimum monthly wage in Mexico. As of December 31, 2009 and 2008, the unused amount of line of credit was Ps1,324 million and Ps1,064 million, respectively.

CrediPopular: is a personal loan targeted to the informal sector of the Mexican economy initially from Ps1.8 to Ps6. This product has an average term of 36 weeks and is renewed based on the client's credit behavior.

CrediMamá: this product is granted to mothers who have at least one child under the age of 18. These loans are initially granted in an amount from Ps1.8 to Ps6.0 and have an average term of 36 weeks and is renewed based on the client'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 Ps20. This loan product has a maximum term of two years.

As of December 31, 2009 and 2008, aging of the loan portfolio according to the number of days the loan is past due is as shown below:

	2009							
	0 days	**01-30 days**	**31-60 days**	**61-89 days**	**90-120 days**	**121-150 days**	**151-180 days**	**Total**
Performing loans	Ps2,865,645	Ps850,458	Ps434,848	Ps 85,209	Ps -	Ps -	Ps -	Ps4,236,160
Non performing loans	-	-	-	166,958	162,293	146,636	100,245	576,132
Total	**Ps2,865,645**	**Ps850,458**	**Ps434,848**	**Ps252,167**	**Ps162,293**	**Ps146,636**	**Ps100,245**	**Ps4,812,292**

	2008							
	0 days	**01-30 days**	**31-60 days**	**61-89 days**	**90-120 days**	**121-150 days**	**151-180 days**	**Total**
Performing loans	Ps2,681,496	Ps860,860	Ps318,874	Ps 51,797	Ps -	Ps -	Ps -	Ps3,913,027
Non performing loans	-	-	-	191,887	174,501	108,020	86,413	560,821
Total	**Ps2,681,496**	**Ps860,860**	**Ps318,874**	**Ps243,684**	**Ps174,501**	**Ps108,020**	**Ps 86,413**	**Ps4,473,848**

Interest income per product arising from ordinary and late-payment interest pertaining to the 2009 and 2008 loan portfolio, segmented by product, is comprised as follows:

	2009		**2008**	
Product	**Amount**	**%**	**Amount**	**%**
CrediInmediato	Ps 1,850,313	61	Ps 1,762,331	65
CrediPopular	971,570	31	633,100	23
CrediMamá	106,610	3	126,203	5
CrediConstruye	170,340	5	187,000	7
	Ps 3,098,833	100	Ps 2,708,634	100

NOTE 7 - LOAN LOSS ALLOWANCE:

In accordance with Mexican Banking GAAP, the Company classifies its loan portfolio using an internal methodology based on the probability of borrowers' default and the loss given default.

Below are the percentages used to create provisions as of December 31, 2009 and 2008, which were determined based on the probability of borrowers' default and the loss given default:

Loans with weekly installments

	2009			2008		
Periods	Amount	Provision (%)	Amount	Amount	Provision (%)	Amount
0	Ps 447,487	0.4	Ps 1,732	Ps 522,125	0.2	Ps 1,063
1	118,465	1.1	1,288	122,653	1.0	1,193
2	61,525	3.1	1,882	56,199	2.6	1,456
3	41,573	7.3	3,022	29,126	6.0	1,741
4	38,649	9.9	3,811	30,330	7.9	2,391
5	26,232	10.0	2,616	23,064	9.1	2,090
6	22,046	12.0	2,653	12,913	11.2	1,446
7	25,108	19.2	4,810	14,121	17.0	2,406
8	30,206	21.3	6,418	17,416	18.3	3,191
9	26,765	21.8	5,825	17,049	19.4	3,303
10	12,931	25.6	3,311	7,250	21.9	1,586
11	15,944	34.4	5,487	9,329	29.3	2,730
12	17,476	36.0	6,284	9,730	29.7	2,889
13	34,429	34.4	11,709	18,788	30.3	5,696
14	7,150	42.6	3,048	3,904	36.8	1,438
15	11,321	52.2	5,913	6,147	45.6	2,803
16	13,831	52.3	7,238	7,270	45.6	3,313
17	23,958	51.5	12,348	12,821	46.0	5,901
18 or more	96,834	85.4	82,650	43,339	81.7	35,425
Total	**Ps 1,071,930**	**16.1**	**Ps 172,045**	**Ps 963,574**	**8.5**	**Ps 82,061**

Loans with biweekly installments

	2009			2008		
Periods	Amount	Provision (%)	Amount	Amount	Provision (%)	Amount
0	Ps 2,201,077	0.4	Ps 8,358	Ps 1,973,064	0.4	Ps 8,209
1	276,366	2.0	5,646	281,020	2.3	6,453
2	240,040	4.5	10,671	238,570	5.0	12,029
3	177,489	7.1	12,549	167,370	8.5	14,269
4	143,705	10.9	15,696	117,388	13.1	15,405
5	33,823	19.0	6,439	53,319	20.0	10,646
6	104,151	23.7	24,647	134,333	25.2	33,822
7	30,918	38.5	11,903	40,180	40.6	16,323
8	54,799	43.0	23,539	77,509	45.5	35,260
9	30,759	52.1	16,038	39,907	54.1	21,609
10	45,173	58.6	26,448	61,450	60.6	37,230
11	39,054	65.6	25,622	22,225	67.1	14,918
12	42,677	72.8	31,080	42,456	73.4	31,176
13 or more	-	-	-	-	-	-
Total	**Ps 3,420,031**	**6.4**	**Ps 218,636**	**Ps 3,248,791**	**7.9**	**Ps 257,349**

Loans with monthly installments

Periods	2009 Amount	2009 Provision (%)	2009 Amount	2008 Amount	2008 Provision (%)	2008 Amount
0	Ps 217,080	0.3	Ps 614	Ps 186,307	0.3	Ps 529
1	39,434	2.6	1,035	39,025	2.7	1,039
2	18,950	8.7	1,652	15,316	9.7	1,492
3	8,386	21.4	1,795	9,109	21.7	1,973
4	5,445	41.6	2,263	5,424	42.3	2,293
5	3,544	57.1	2,033	3,963	57.2	2,268
6	3,711	70.3	2,595	2,339	69.9	1,635
7	-	-	-	-	-	-
8	-	-	-	-	-	-
9 or more	-	-	-	-	-	-
Total	**Ps 296,550**	**4.0**	**Ps 11,987**	**Ps 261,483**	**4.3**	**Ps 11,229**
Restructured loan portfolio (Note 3d)						
	Ps 23,781	85.4	Ps 20,298	Ps -		Ps -
Total loan Portfolio	**Ps 4,812,292**		**Ps 422,966**	**Ps 4,473,848**		**Ps 350,639**

Changes in loan loss allowance during the periods ended December 31, 2009 and 2008 are shown below:

	December 31, 2009	December 31, 2008
Balance at beginning of the year	**Ps 350,639**	**Ps 294,793**
Plus:		
Increase to the provision for loan losses	1,074,186	701,117
Less:		
Loans written-off during the year	1,001,859	645,271
Balance at end of the year	**Ps 422,966**	**Ps 350,639**

Since September 2009, the Company performs restructures for certain loans whenever it is considered otherwise not to be recovered in accordance with its contractual terms (before that date no loans were restructured). As of December 31, 2009 the restructured loan portfolio amounted to Ps.23,781. The Company classifies and shows its restructured portfolio as non-performing. In addition, the Company considers that the probability of default of this portfolio in the Company's internal methodology is 100%. As of December 31, 2008, the Company had not restructured loans. As of December 31, 2009 and 2008 the Company had not foreclosed assets.

NOTE 8 - OTHER ACCOUNTS RECEIVABLE - NET:

At December 31, 2009 and 2008, other accounts receivable are comprised as follows:

	December 31, 2009	December 31, 2008
Income tax balance	Ps 44,768	Ps 192,775
Value added tax receivable	58,729	47,962
Subsidy receivable from Sociedad Hipotecaria Federal, S. N. C. (SHF)	-	37,921
Sundry debtors	3,934	2,043
Debtors from loan portfolio sales	4,153	1,906
	Ps 111,584	Ps 282,607

NOTE 9 - PROPERTY, FURNITURE AND EQUIPMENT:

At December 31, 2009 and 2008, this item is comprised as follows:

Asset	2009	2008	Depreciation rate (%)
Building	Ps 47,643	Ps 47,643	5
Computer equipment	169,937	152,647	25
Office furniture and equipment	89,700	77,149	10
ATM's	14,099	6,900	15.4
Transportation equipment	24,446	23,439	25
Leasehold improvements	208,056	149,525	20
	553,881	457,303	
Less: Accumulated depreciation	(251,480)	(202,191)	
	302,401	255,112	
Land	865	865	
Total	Ps 303,266	Ps 255,977	

For the period ended December 31, 2009 and 2008, depreciation and amortization recognized in the income statement amounted to Ps70,445 and Ps51,608, respectively.

As of December 31, 2009 and 2008 there are fully depreciated assets by Ps64,058 and Ps71,792, respectively.

NOTE 10 - DEBT INSTRUMENTS:

As of December 31, 2009 and 2008, the Company's debt instruments were as shown below:

	Authorized amount	Amount first issuance	Date first issuance	Maturity	Interest	2009	2008
Unsecured notes	Ps 1,500,000	Ps 784,000	Jun 2008	Jun 2013	TIIE + 190 bps	Ps 784,000	Ps 784,000
			Accrued interest			2,970	3,718
			Total			**Ps 786,970**	**Ps 787,718**

Maturity of these unsecured notes is in 2013 and coupons are paid based on the 28-day TIIE, plus 190 basis points (bps). The notes were rated as mxA- and A(mex) by Standard & Poor's and Fitch Ratings, respectively.

The interest expense recorded during 2009 on the debt instruments issued was of Ps63,600 (Ps42,695 in 2008).

NOTE 11 - BANK AND OTHER ENTITIES LOANS:

As of December 31, 2009 and 2008 were as follows:

Institution:	Amount	Maturity	Collateral	Interest rate	2009	2008
HSBC México, S. A. Institución de Banca Múltiple, Grupo Financiero HSBC (1)	Ps 2,500,000	Sep-2013	1.3 to 1.0	TIIE + 300 bp	Ps2,020,000	Ps2,230,833
SHF (2)	700,000	Mar-2011	1.087 to 1.0	TIIE + 200 bp	203,532	430,812
Nacional Financiera, S. A. Institución de Banca de Desarrollo (3)	1,000,000	Indetermined	None	TIIE + 300 bp	842,500	-
BBVA Bancomer, S. A., Institución de Banca Múltiple, Grupo Financiero BBVA	150,000	Feb-2009	None	TIIE + 190 bp	-	150,000
					3,066,032	2,811,645
		Accrued interest			13,238	14,714
		Total			**Ps 3,079,270**	**Ps 2,826,359**

(1) On December 11, 2009, an agreement was reached to modify the terms and conditions of the credit line with HSBC. Under the new conditions, the structure was changed from a revolving line of Ps.2,500 million maturing on September 2011 to a term loan of Ps.1,250 million and a revolving line of Ps.1,250 million. The term loan expires in December 2012 and the revolving line in December 2013. Under the new agreements, the interest rate was increased from TIIE plus 300 basis points to TIIE plus 385 basis points (such spread will vary in accordance to the Company's credit rating). The new conditions became effective in January 2010.

(2) On September 18, 2009, SHF increased the Company's credit line from Ps.600 million to Ps.700 million. This credit line expires in March 2011.

(3) On February 18, 2009, the Company contracted a revolving credit line with Nacional Financiera of Ps.140 million to finance micro-loans granted to the informal market through products known as CrediPopular and CrediMamá. On May 28, 2009 Nacional Financiera increased the credit line to Ps.1,000 million. This line of credit bears interest at the TIIE, plus 300 basis points.

NOTE 12 - SUNDRY CREDITORS AND OTHER ACCOUNTS PAYABLE:

As of December 31, 2009 and 2008, the balance pertaining to this item is comprised as follows:

	December 31,	
	2009	2008
Dividends payable	Ps -	Ps 127,500 *
Income tax	37,427	38,503
Other dues	86,991	68,724
Sundry creditors	10,338	30,372
Annual performance bonus	-	27,442
Other provisions	13,813	5,129
Labor provisions	10,618	8,727
Loan opening commission (cash back)	7,894	6,378
Employees' statutory profit sharing payable	3,305	2,716
	Ps 170,386	Ps 315,491

* Payment was made in February 2009.

NOTE 13 - EMPLOYEE BENEFITS:

a. Reconciliation between the initial and final balances of the defined benefit obligations (DBO) for the periods 2009 and 2008 is as follows:

	2009			2008		
	Legal retirement compensation	Seniority premium prior to retirement	Seniority premium at retirement	Legal retirement compensation	Seniority premium prior to retirement	Seniority premium at retirement
DBO at January 1,	Ps 9,180	Ps 1,870	Ps 638	Ps 6,845	Ps 1,542	Ps 436
Plus (less):						
Labor cost of the current service	6,428	1,091	259	2,646	777	145
Payments made by the participant employees	554	149	54	428	106	38
Actuarial losses (earnings) generated in the period	(6,624)	123	68	(739)	(450)	18
Paid benefits	(81)	(797)	(1)	-	(105)	-
DBO at December 31,	Ps 9,457	Ps 2,436	Ps 1,018	Ps 9,180	Ps 1,870	Ps 637

b. The value of the acquired benefits obligations at December 31, 2009 and 2008 amounted to Ps53.3 y Ps49.7, respectively.

c. Reconciliation of DBO, Plan Assets (PA) and the Net Projected Liability (NPL).

Reconciliation between the DBO, fair value of PA and the NPL is as follows:

	Legal retirement compensation		Seniority premium prior to retirement		Seniority premium at retirement	
	December 31,		December 31,		December 31,	
	2009	2008	2009	2008	2009	2008
Labor liabilities:						
DBO	Ps 9,457	Ps 9,180	Ps 2,436	Ps 1,870	Ps 1,018	Ps 637
PA	-	-	-	-	-	-
Unfunded status	9,457	9,180	2,436	1,870	1,018	637
Less:						
Unamortized items	168	225	67	89	28	28
Actuarial gains	-	-	-	-	66	(3)
Transition liability	1,864	2,486	73	97	27	38
NPL in balance sheet	Ps 7,425	Ps 6,469	Ps 2,296	Ps 1,684	Ps 897	Ps 574

d. Net cost for the period (NPC):

	Legal retirement compensation		Seniority premium prior to retirement		Seniority premium at retirement	
	December 31,		December 31,		December 31,	
NPC:	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Labor cost	Ps 6,428	Ps 2,646	Ps 1,090	Ps 777	Ps 259	Ps 145
Financial cost	554	428	150	106	54	38
Net actuarial gains	(6,624)	(1,198)	123	(523)	(1)	(1)
Labor cost of past services	56	58	22	22	1	1
Amortization (transition liability)	622	622	24	24	12	11
Changes in methodology	-	94	-	17	-	-
Plan modifications or settlements	-	-	-	-	-	(12)
Total	**Ps 1,036**	**Ps 2,650**	**Ps 1,409**	**Ps 423**	**Ps 325**	**Ps 182**

e. Main actuarial assumptions:

Main actuarial assumptions used, denominated 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, 2009, are as follows:

Seniority Premium plan

Age	Death (%)	Invalidity (%)	Voluntary separation (%)	Dismissal (%)
15	0.045	0.075	36.73	3.84
25	0.06	0.08	19.28	2.015
35	0.11	0.1	9.735	1.02
45	0.275	0.25	3.82	0.4
55	0.805	1.38	1.415	0.145
60	1.455	1.83	0.91	0.095

Benefit plan upon termination of employment

Age	Death (%)	Invalidity (%)	Voluntary separation (%)	Dismissal (%)
15	0.05	0.09	14.73	6.31
25	0.06	0.09	9.24	3.96
35	0.11	0.11	7.96	3.41
45	0.26	0.25	7.37	3.16
55	0.77	1.33	6.94	2.97
64	1.39	1.76	6.9	2.96

	2009	2008
Discount rate:	8.00%	8.50%
Salary increase rate:	5.79%	5.67%
Minimum salary increase rate:	4.52%	4.52%

f. Value of DBO, PA and plan status over the last four years:

The value of the DBO, the fair value of PA, the plan status, as well as the experience adjustments for the last four years are as shown below:

Seniority Premium plan

	Nominal values			Experience adjustments	
Year	DBO	PA	Plan status	DBO	PA
2009	Ps 3,454.0	Ps -	Ps 3,454.0	11.6%	Ps -
2008	2,507.0	-	2,507.0	16.8%	-
2007	989.0	-	989.0	4.0%	-
2006	521.0	-	521.0	19.0%	-

Benefit plan upon termination of employment

	Nominal values			Experience adjustments	
Year	DBO	PA	Plan status	DBO	PA
2009	Ps 9,457.0	Ps -	Ps 9,457.0	0%	Ps -
2008	9,180.0	-	9,180.0	0%	-
2007	3,421.5	-	3,421.5	12.7%	-
2006	2,124.0	-	2,124.0	30.0%	-

g. Employees' statutory profit-sharing:

Employees' statutory profit-sharing in 2009 and 2008 are analyzed as follows:

	Year ended December 31,	
	2009	2008
Current employees' statutory profit-sharing	Ps 2,545	Ps 2,245
Deferred employees' statutory profit-sharing	733	(1,849)
	Ps 3,278	Ps 396

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

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

	December 31,	
	2009	2008
Prepaid expenses	(Ps 3,594)	(Ps 3,809)
Sundry provisions	-	10
Salaries payable	430	821
Reserve for bonuses	-	27,442
Provision statement D-3	10,619	8,727
Tax loss carryforwards	27,196	-
Provision employees statutory profit-sharing	288	-
Advances from customers	-	9,080
	34,939	42,271
Employees' statutory profit-sharing rate applicable	10%	10%
Deferred employees' statutory profit-sharing asset	Ps 3,494	Ps 4,227

NOTE 14 - BALANCES AND TRANSACTIONS WITH RELATED PARTIES:

The main balances with unconsolidated related parties are shown below:

	December 31,	
Receivable:	2009	2008
Loans to key officers *	Ps 7,535	Ps 19,417

* These loans mature on September 2011 and bear an interest rate of 10.56%.

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

	Year ended December 31,	
Income:	**2009**	**2008**
Interest on loans (officers)	Ps 1,296	Ps 664
Administrative services (Grupo Jorisa, S. A. de C. V.)	67	1,516
Total	**Ps 1,363**	**Ps 2,180**
Expenses:		
Interest expense (HSBC México, S. A., Institución de Banca Múltiple, Grupo Financiero HSBC)	Ps -	Ps116,671
Administrative fees (José Luis Rión Santisteban)	35,204	30,692
Leases (Grupo Jorisa, S. A. de C. V.)	17,790	9,541
Total	**Ps 52,994**	**Ps156,904**

NOTE 15 - STOCKHOLDERS' EQUITY:

At the December 17, 2009 General Ordinary Meeting, the sharehlders approved an increase in the Company's variable capital stock of up to Ps850,000 (eight hundred fifty million Mexican pesos), and consequently, the issuance of 85,000,000 (eight five million) ordinary nominative shares, with no par value, to be subscribed and paid in by the shareholders at the price of Ps10 (ten Mexican pesos) per share Outstanding shares increased from 630 to 715 million. On February 5, 2010 these shares issued associated to the capital stock increase, were fully subscribed and paid in.

At the October 8, 2008 Extraordinary General Meeting, the shareholders approved a capital reduction of up to 50 million shares, as a result of which, total outstanding shares were reduced fron 680 t0 630 million. In this process, all of the Company's shareholders 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 (theoretical value of Ps0.10 cents per share) and on the share premium of Ps612,500.

At the April 29, 2008 Extraordinary and Ordinary General Shareholders' 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 retained earnings.

The Company pays dividends on a regular basis. A restriction for payment of dividends exist if it reduces the Company's level of capitalization below 25% (capitalization is defined as the ratio of stockholders equity to total assets). The General Shareholders' Meeting of April 29, 2008, declared a dividend in the amount of Ps510,012, which would be paid in four installments, three were paid in 2008 and a fourth in February 2009.

After this increase, the capital stock at December 31, 2009 was comprised as follows:

Shares	Description	Amount
200,000,000	Series “A” (Class I)	Ps 20,000
515,000,000	Series “A” (Class II)	51,500
(85,000,000)	Series “A” (Class II) [shares subscribed non paid]	(8,500)
630,000,000 *		63,000
	Cumulative increase for the inflation effect as of December 31, 2007	85,603
	Capital stock as of December 31, 2009	Ps 148,603

* Common shares fully 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.

In accordance with the Company’s bylaws and the Mexican Stock Markets Law, the Company is empowered to repurchase its own shares, 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 shareholders’ meeting or otherwise.

At December 31, 2009, the total number of shares held in treasury was 35,744,054 (26,173,954 in 2008), of which 26,303,364 shares or 4.2% of total outstanding shares (23,891,764 shares or 3.8% of total outstanding shares in 2008) correspond to the repurchase fund and 9,440,690 shares or 1.5 % of total outstanding shares (2,282,190 shares or 0.4% of total outstanding shares in 2008) correspond to the trust related to the stock option plan. As of December 31, 2009 and 2008, the net acquisition and sales of own shares (fund for repurchase of shares and stock option plan) totaled Ps27,011 and Ps268,773, respectively. Dividends paid corresponding to shares held in treasury for the repurchase shares program and stock option plan were received by the Company and totaled Ps5,765 (Ps10,350 in 2008).

As of December 31, 2009 and 2008, the Company sold treasury shares, giving rise to an effect of Ps87,427 and Ps31,134, respectively, which was applied to the share premium in stockholders equity.

Market value of the Company’s shares at December 31, 2009 and 2008 was Ps13.86 and Ps6.98 per share, respectively, and were verified with a price vendor.

At the January 2009 and 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 should be set aside to increase the legal reserve until it reaches an amount equivalent to 20% of the capital stock. The amount transferred of the legal reserve to the retained earnings at December 31, 2009 and 2008 was Ps1,000 and Ps58,197, respectively.

Dividends paid are not subject to income tax if paid from the net tax profit account. Any dividends paid in excess of this account are subject to a tax rate equivalent to 42.86% in 2010. 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.

Based on MFRS B-14, the earnings per share is calculated by dividing net income for the year by the weighted average of shares outstanding during the same period, as shown below:

Earning per share (EPS):	**2009**	**2008**
Net income	Ps 515,223	Ps 622,925
divided by:		
Weighted average shares	606,496,071	655,810,912
EPS (Mexican pesos)	Ps 0.8495	Ps 0.9499

NOTE 16 - INCOME AND FLAT TAXES:

a. Income tax

Income tax is calculated based on the taxable income of each subsidiary and not on a consolidated basis. In 2009, the Company determined a tax profit of Ps.1,368,812 (tax profit of Ps.1,238,216 in 2008) and its subsidiary determined a tax loss of Ps. 548 (tax profit/tax loss of Ps.318 in 2008) The tax result differs from the accounting result, mainly in such items cumulative by the time and deducted differently for accounting and tax purposes, by the recognition of the inflation effects for tax purposes, as well as such items only affecting either the accounting or tax result.

Based on its financial and tax projections, the Company's management determined that the tax to be paid in the future will be the Income tax (except for one of the Company's subsidiaries), therefore it has recognized the deferred Income Tax.

On December 7, 2009 certain provisions of the Mexican Income Tax Law (Income Tax Law) were amended, added and derogated for 2010, which establishes, among other, that the Income Tax rate applicable from 2010 to 2012 will be 30%, for 2013 will be 29% and as of 2014 will be 28%. At December 31, 2009, the rate change previously described produced an increase in the deferred income tax balance of Ps.37,435, with its corresponding effect in the income statement of the year, which was determined based on the expected temporary reversion at the effective rates.

The consolidated income tax provision is analyzed as follows:

	December 31,	
	2009	**2008**
Current:		
Income tax	Ps 384,277	(Ps 354,164)
Flat tax	(8,514)	(6,793)
	(392,791)	(360,957)
Deferred:		
Income tax	250,017	138,078
Flat tax	(2,052)	1,720
	252,069	139,798
	(Ps 140,722)	(Ps 221,159)

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

	December 31,	
	2009	2008
Income before income tax	Ps 655,944	Ps 844,480
Statutory income tax rate	28%	28%
Statutory income tax	183,664	236,454
Plus (less) the tax effect of the following permanent differences:		
Nondeductible expenses	5,193	3,544
Annual inflation adjustment	10,119	28,033
Tax write offs	(163,967)	(83,368)
Accrued interests	78,974	-
Other outstanding items	13,620	36,496
Effect for changes in the deffered income tax rate	13,119	-
Actual income tax	Ps 140,722	Ps 221,159
Effective income tax rate	21%	26%

As of December 31, 2009 and 2008, the main temporary differences on which the deferred income tax was recognized are analyzed as follows:

	December 31,	
	2009	2008
Allowance for loan losses and write-offs	Ps 1,049,020	Ps 739,753
Provisions	17,871	34,193
Furniture and equipment and intangible assets	(31,695)	(44,501)
Tax loss carryforwards	58,498	29,473
Accrued interest income on past due accounts	734,724	282,049
Deferred commissions	45,677	55,016
Others	(2,370)	16,518
	1,871,725	1,112,501
Income tax rate	30%	28%
	561,518	311,500
Deferred flat tax (see paragraph c. below)	7,616	5,564
Deferred employees' statutory profit sharing	3,494	4,227
	Ps 572,628	Ps 321,291

As of December 31,2009 and 2008, the subsidiary had tax loss carry forwards of Ps31,302 and Ps29,924, respectively, whose right to be amortized against future taxable income expires in 2018.

b. Flat tax

Flat Tax of the period is calculated at the 17% rate (16.5% for 2008) on the profit determined 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 this law. As of 2010 the Flat tax rate will be 17.5% and the effect of the change in the temporary differences rate has been recognized in previous periods.

According with the effective tax law, the Company must pay annually the higher tax between Income tax and Flat tax.

As of December 31, 2009 and 2008, the principal timing differences on which deferred flat tax was recognized are as shown below:

	December 31,	
	2009	**2008**
Accounts receivable	Ps 4,942	(Ps 10,511)
Accounts payable	3,191	4,368
Prepaid expenses	(4,210)	(3,590)
Social security provisions	26,357	26,292
Labor obligations	10,063	8,242
Others	3,178	7,929
	43,521	32,730
Flat tax applicable rate	17.5%	17.0%
Deferred flat tax	Ps 7,616	Ps 5,564

NOTE 17 - 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	**2009**	**2008**
CrediInmediato	Ps 1,850,313	Ps 1,762,331
CrediPopular	971,570	633,100
CrediMamá	106,610	126,203
CrediConstruye	170,340	187,000
	3,098,833	2,708,634
Investment in securities	11,722	7,195
Total interest income	**Ps 3,110,555**	**Ps 2,715,829**

b. Interest expenses generated per concept are shown below:

Items	Year ended December 31, 2009	2008
Sociedad Hipotecaria Federal, S. N. C.	Ps 35,075	Ps 34,345
HSBC México, S. A., Institución de Banca Múltiple, Grupo Financiero HSBC	197,440	141,516
BBVA Bancomer, S. A., Institución de Banca Múltiple, Grupo Financiero BBVA	-	12,600
Nacional Financiera, S. N. C.	26,385	-
Subtotal	258,900	188,461
Debt issued	63,600	42,696
Other	4,810	249
Total	**Ps 327,310**	**Ps 231,406**

c. Commissions and fees collected and paid are as shown below:

Commissions and fees collected	December 31, 2009	2008
Withdrawal fees	Ps 550,830	Ps 527,520
Late-payment fees	201,733	223,837
	Ps 752,563	Ps 751,357
Commissions and fees payed		
Banking fees	Ps 8,925	Ps 7,913
Credit line fees	3,801	2,196
	Ps 12,726	Ps 10,109

d. Other operating income (expenses)

	Year ended December 31, 2009	2008
Recoveries of loans written-off	Ps 29,233	Ps 9,118

e. Other income

Following is a breakdown of other income and expenses for 2009 and 2008:

Other income	Year ended December 31, 2009	2008
Sales of fixed assets	Ps 2,345	Ps 2,020
Administrative services	3,678	6,808
Commissions on services and insurance	8,679	1,276
Other items	3,572	3,752
	Ps 18,274	Ps 13,856

NOTE 18 - RELEVANT EVENTS:

On November 30,2009 the Company signed a purchase agreement to acquire all outstanding shares of Financiera Finsol, S. A. C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada, the second largest company in the market for group microfinance loans in Mexico and a group of related entities, comprising: Financiera Popular Finsol, S. A. de C. V., Sociedad Financiera Popular, Finsol Vida, S. A. de C. V. (micro-insurance company), Finsol S. A. de C. V. (services provider), and Instituto Finsol, I.F., an institution that provides collective microcredits in Brazil. On February 19, 2010, the acquisition of the shares was completed, except for Financiera Popular Finsol, S.A. de C.V., Sociedad Financiera Popular, which is subject to the authorization of the Commission. The total amount of the transaction amounts to Ps530 million. With this transaction the Company will increase its loan portfolio by approximately Ps794.6 million and will incorporate 173,179 new customers.

On February 19, 2010, the Company finalized the acquisition of all the current shares of Financiera Finsol, S. A. de C. V., SOFOM, E. N. R. (Finsol), the second largest player of the group micro-financing loan market in Mexico, and of a group of related entities.

On November 30, 2009, the Company started a sponsored level I ADR (American Depositary Receipts) program in the United Sates of America in order to facilitate trading of its shares to international investors.

NOTE 19 - COMMITMENTS AND CONTINGENCIES:

As of December 31, 2009, legal proceedings against the Company consisted of labor, civil and penal suits. The Company is subject to legal claims arising in the ordinary course of business. The Company's management and legal advisers believe that the final resolution thereof will not have a significant adverse effect on its operating results, financial position or cash flows.

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 Ps63,388 in 2010, Ps57,859 in 2011, Ps46,932 in 2012, Ps31,464 in 2013, Ps7,567 in 2014 and thereafter Ps4,728.

NOTE 20 - SUBSEQUENT EVENTS:

The Company repurchased shares (related to repurchase share program and stock option plans) after the 2009 year-end and at the date of issuance of these consolidated financial statements in the amount of Ps98,705.

In January 2010, certain affiliates of Eton Park Capital Management, L.P., or Eton Park, became holders of 66.5 million shares, or approximately 9.3% of the Company's shares following a rights offering of 85.0 million shares, which was undertaken to finance the acquisition of Financiera Finsol and its related companies. Eton Park also received warrants to subscribe and pay for up to approximately 43.9 million additional shares of the Company's capital stock under certain conditions and strike prices.

On January 15, 2010, the Company concluded the initial stage of the equity offering of 85 million ordinary shares, approved on the general shareholders' meeting held on December 17, 2009, which contemplated subscription preference rights to its existing shareholders. During this first stage, 79,904,401 shares were subscribed at Ps10 per share. The remaining 5,095,599 shares were offered to all of the Company's shareholders in a second stage that was completed on February 5, 2010.

The net proceeds, obtained from the abovementioned capital increase, were used in an amount of Ps530 million, to finance the acquisition of Financiera Finsol, S.A. de C.V., SOFOM, E.N.R., (Finsol) closed on February 19, 2010. Remaining funds will be used to capitalize the acquired group through capital contributions around Ps300 million.

On February 24, 2010, the Company received board approval and announced the Company's intention to apply for a license to operate as a bank under Mexican law. Registering to operate as a bank will allow the Company to accept deposits from our customers, as well as borrow on an interbank, overnight basis, which should diversify the Company's funding sources and reduce its cost of funding. The Company's conversion into a bank is dependent upon receiving approvals from the requisite Mexican government authorities.

NOTE 21 - FINANCIAL INFORMATION BY SEGMENT:

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

	December 31,			
	2009		2008	
State:	Total loan portfolio	Interest income	Total loan portfolio	Interest income
Aguascalientes	Ps 100,881	Ps 66,102	Ps 104,253	Ps 58,431
Baja California	257,279	153,102	219,557	107,859
Baja California Sur	69,492	43,909	55,417	32,088
Campeche	74,456	54,034	76,602	47,152
Chiapas	150,093	101,993	141,503	92,237
Chihuahua	86,276	57,307	103,052	62,792
Coahuila	307,525	192,965	317,516	197,243
Colima	50,686	33,487	48,579	29,156
Durango	29,203	29,235	58,305	41,626
Estado de México	81,657	52,302	76,830	46,741
Guanajuato	250,618	175,337	231,656	158,276
Guerrero	159,200	112,687	145,108	92,306
Hidalgo	64,252	36,255	45,686	27,181
Jalisco	387,926	226,957	299,798	155,283
Michoacán	150,958	104,313	133,549	83,910
Morelos	128,423	87,388	119,142	78,881
Nayarit	42,482	27,706	38,019	24,199
Nuevo León	10,557	5,439	5,195	1,461
Oaxaca	76,460	52,985	79,516	54,882
Puebla	154,636	104,608	154,265	94,528
Querétaro	118,752	80,126	110,497	75,173
Quintana Roo	180,213	109,544	127,323	74,046
San Luis Potosí	166,079	107,103	153,611	95,686
Sinaloa	175,331	112,387	179,307	111,885
Sonora	273,980	161,100	225,772	125,770
Tabasco	61,776	37,038	56,261	31,428
Tamaulipas	452,037	286,578	450,285	274,693
Tlaxcala	103,143	70,423	91,587	55,392
Veracruz	455,145	299,446	432,177	277,179
Yucatán	105,612	72,319	97,500	60,001
Zacatecas	59,455	40,546	60,123	38,400
Head office - México, D. F.	27,709	4,112	35,857	2,749
Total	**Ps4,812,292**	**Ps3,098,833**	**Ps4,473,848**	**Ps2,708,634**

NOTE 22 - NEW ACCOUNTING PRONOUNCEMENTS:

CINIF issued during December 2009, a series of MFRS and Interpretations (IMFRS) which are effective starting January 1, 2010, with exception of the IMFRS 18 which became effective as of December 7, 2009 and the MFRS B-5 and MFRS B-9 which will become effective as of January 1, 2011.

MFRS B-5 “Financial Information by Segments”: it establishes the general standards to disclose financial information by segments, additionally it allows the user or such information analyze the entity from the same vision as the management and allows to present information by segment more consistent with its financial statements. This standard will replace Bulletin B-5 Financial Information by Segment and will be effective up to December 31, 2010.

MFRS B-9 “Financial Information at Interim Dates”: it establishes standards for the determination and presentation of financial information at interim dates for external use where it is required, among other, the presentation of the statement of changes in stockholders’ equity and of cash flows, such statements were not required by Bulletin B-9 Financial Information at interim dates, which will be effective up to December 31, 2010.

MFRS C-1 “Cash and cash equivalents”: it establishes standards on the accounting treatment and disclosure of cash, restricted cash and available for sale investments, it also introduces new terminology to make it consistent with other MFRS previously issued. This standard leaves Bulletin C-1, Cash without effect, which was effective up to December 31, 2009.

IMFRS 18 “Recognition of effects of the Tax Reform 2010 in the Income tax”: the IMFRS 18, was issued to give response to diverse questions of the issuers of financial information related with the Tax Reform 2010 effects, specially for the changes established in the tax consolidation regime and modifications to the income tax rate.

Such MFRS and interpretations are not expected to have a significant impact in the financial information presented by the Company.

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

2009

Board of Directors

José Luis Rión Santisteban	Chairman of the Board
Noel González Cawley	Director
Ana Paula Rión Cantú	Director
José Rión Cantú	Director
Guillermo Barroso Montull	Director
Carlos Morodo Santisteban	Director
Roberto Alfredo Cantú López	Director
Horacio Altamirano González	Director
Rafael Arana de la Garza	Director
Leonardo Arana de la Garza	Alternate Director
Héctor Ángel Rodríguez Acosta	Non-Executive Director
José Ramón Elizondo Anaya	Non-Executive Director
Roberto Servitje Achútegui	Non-Executive Director
Carlos Javier de la Paz Mena	Non-Executive Director
Iker Ignacio Arriola Peñalosa	Secretary (non-member)
Laura Mariscal Higareda	Undersecretary (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 and Administration Officer
Héctor Eguiarte Sakar	Collections Officer
Fabián Arturo Cameras Álvarez	Operations and Systems Officer
Luis Miguel Fernández Guevara	Infrastructure and Customer Service Officer

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