

**Financiera Independencia, S. A. B. de
C. V., Sociedad Financiera de Objeto
Múltiple, Entidad no Regulada**

Consolidated financial statements for
the years ended December 31, 2012 and
2011 and Independent Auditors' Report
dated February 15, 2013

Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada and Subsidiaries

Independent Auditors' Report and Consolidated Financial Statements 2012 and 2011

Table of Contents	Page
Independent auditors' report	1
Consolidated balance sheets	3
Consolidated statements of income	5
Consolidated statements of changes in stockholders' equity	6
Consolidated statements of cash flow	7
Notes to the consolidated financial statements	8

Independent Auditors' Report to the Board of Directors and Stockholders of Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada

We have audited the accompanying consolidated financial statements of Financiera Independencia, S. A. B. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada and Subsidiaries (the Company), which include the consolidated balance sheet as of December 31, 2012 and the consolidated statements of income, of changes in stockholders' equity and of cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's management is responsible for the preparation of these financial statements in conformity with the accounting criteria established by the Mexican National Banking and Securities Commission through the "General Provisions Applicable to Credit Institutions" (the Accounting Criteria), and for such internal control which the Company's management considers necessary to enable it to prepare financial statements that are free from material misstatement due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. These standards require that we comply with ethical requirements, and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant for the preparation of the Company's financial statements, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as evaluating the presentation of the financial statements.

Deloitte

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of Financiera Independencia, S. A. B. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada and Subsidiaries for the year ended December 31, 2012, are prepared, in all material respects, in accordance with the Accounting Criteria.

Other issues

The financial statements of Financiera Independencia, S. A. B. de C.V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada, and Subsidiaries for the year ended December 31, 2011, were audited by other auditors who expressed an unmodified opinion on those financial statements on March 5, 2012.

Galaz, Yamazaki, Ruiz Urquiza, S. C.
A Member of Deloitte Touche Tohmatsu Limited



CPC Jorge Tapia del Barrio

February 15, 2013

**Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada
and Subsidiaries**

Consolidated balance sheets

Of the Company with its Subsidiaries as of December 31, 2012 and 2011
(In thousands of Mexican pesos)

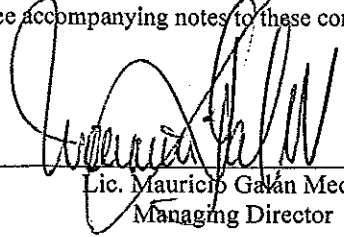
Assets	2012	2011
Funds available	\$ 382,471	\$ 641,242
Derivatives For hedging purposes	-	153,424
Performing loans:		
Consumer loans	4,977,794	5,138,166
Commercial loans	<u>1,375,014</u>	<u>1,515,428</u>
Total performing loans	6,352,808	6,653,594
Non-performing loans:		
Consumer loans	309,548	616,627
Commercial loans	<u>60,490</u>	<u>77,449</u>
Total non-performing loans	<u>370,038</u>	<u>694,076</u>
Total loans	6,722,846	7,347,670
Allowance for loan losses	<u>(434,769)</u>	<u>(530,475)</u>
Total loans – net	6,288,077	6,817,195
Other accounts receivable- net	249,967	344,001
Property, plant and equipment - net	393,582	437,814
Deferred taxes - net	960,710	814,674
Other assets:		
Goodwill	1,545,719	1,545,719
Intangibles	140,047	147,981
Deferred charges and prepaid expenses	<u>94,941</u>	<u>124,179</u>
Total assets	<u>\$ 10,055,514</u>	<u>\$ 11,026,229</u>

Liabilities and Stockholders' Equity	2012	2011
Securities liabilities	\$ 1,501,625	\$ 1,500,869
Borrowings from banks and from other entities		
Short-term	2,722,941	2,617,040
Long-term	<u>2,513,900</u>	<u>3,359,600</u>
	5,236,841	5,976,640
Derivatives For hedging purposes	94,023	-
Other accounts payable:		
Income taxes	16,008	113,784
Sundry creditors and other	<u>288,611</u>	<u>300,892</u>
	304,619	414,676
Deferred credits and advance collections	<u>59,519</u>	<u>81,095</u>
Total liabilities	7,196,627	7,973,280
Stockholders' equity		
Contributed capital:		
Common stock	157,191	157,191
Share premium	<u>1,579,175</u>	<u>1,579,175</u>
	1,736,366	1,736,366
Earned capital:		
Capital reserves	14,318	14,318
Result from prior years	1,266,637	1,121,149
Result from valuation of cash flow hedging instruments	(50,677)	(15,467)
Net result	<u>(116,463)</u>	<u>(185,841)</u>
	1,113,815	1,305,841
Noncontrolling interest	<u>8,706</u>	<u>10,742</u>
Total stockholders' equity	<u>2,858,887</u>	<u>3,052,949</u>
Total liabilities and stockholders' equity	<u>\$ 10,055,514</u>	<u>\$ 11,026,229</u>


Memoranda accounts

	2012	2011
Uncollected accrued interest on non-performing loans	\$ 99,469	\$ 85,209
Tax losses	\$ 915,909	\$ 563,949
Loan portfolio written off	\$ 1,000,549	\$ 529,243

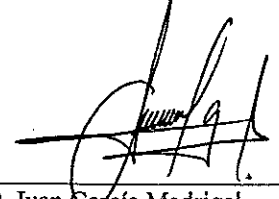
See accompanying notes to these consolidated financial statements.




Lic. Mauricio Galán Medina
Managing Director



Lic. Luis Miguel Díaz-Llaneza Langenscheidt
Director Of Administration and Finances



C.P. Juan García Madrigal
Deputy Director of Controllershship



C.P. Benito Pacheco Zavala
Audit Director

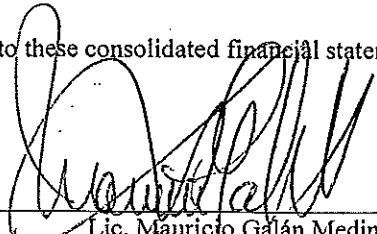
Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada and Subsidiaries


Consolidated statements of changes in stockholders' equity


Of the Company with its Subsidiaries for the years ended December 31, 2012 and 2011
(In thousands of Mexican pesos)

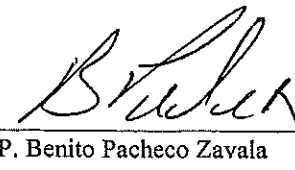
	Contributed capital		Earned capital				Noncontrolling interest	Total stockholders' equity
	Common stock	Share premium	Capital reserves	Result from prior years	Result from valuation of cash flow hedging instruments	Net result		
Balances, December 31, 2010	\$ 157,191	\$ 1,550,775	\$ 14,300	\$ 837,333	\$ (64,658)	\$ 451,665	\$ -	\$ 2,946,606
Movements inherent to the stockholders' decisions:								
Transfer of net result to result from prior years	-	-	-	451,665	-	(451,665)	-	-
Creation of reserves	-	-	18	(18)	-	-	-	-
Acquisition of proprietary shares and effect on re-placement of proprietary shares	-	28,400	-	(164,780)	-	-	-	(136,380)
Return of dividends on proprietary shares	-	-	-	1,694	-	-	-	1,694
	-	28,400	18	288,561	-	(451,665)	-	(134,686)
Movements inherent to the recognition of comprehensive income:								
Net result	-	-	-	-	-	185,841	-	185,841
Result from valuation of cash flow hedging instruments	-	-	-	-	49,191	-	-	49,191
Noncontrolling interest	-	-	-	-	-	-	10,742	10,742
Other items	-	-	-	(4,745)	-	-	-	(4,745)
	-	-	-	(4,745)	49,191	185,841	10,742	241,029
Balances, December 31, 2011	157,191	1,579,175	14,318	1,121,149	(15,467)	185,841	10,742	3,052,949
Retrospective adjustment for error correction	-	-	-	(6,354)	-	-	-	(6,354)
Balances adjusted to January 1, 2012	157,191	1,579,175	14,318	1,114,795	(15,467)	185,841	10,742	3,046,595
Movements inherent to the stockholders' decisions:								
Transfer of net result to result from prior years	-	-	-	185,841	-	(185,841)	-	-
Acquisition of proprietary shares and effect on re-placement of proprietary shares	-	-	-	(33,999)	-	-	-	(33,999)
	-	-	-	151,842	-	(185,841)	-	(33,999)
Movements inherent to the recognition of the comprehensive loss:								
Net result	-	-	-	-	-	(116,463)	-	(116,463)
Result from valuation of cash flow hedging instruments, net	-	-	-	-	(35,210)	-	-	(35,210)
Noncontrolling interest	-	-	-	-	-	-	(2,036)	(2,036)
	-	-	-	-	(35,210)	(116,463)	(2,036)	(153,709)
Balances, December 31, 2012	\$ 157,191	\$ 1,579,175	\$ 14,318	\$ 1,266,637	\$ (50,677)	\$ (116,463)	\$ 8,706	\$ 2,858,887

See accompanying notes to these consolidated financial statements.


Lic. Mauricio Galán Medina
Managing Director


Lic. Luis Miguel Díaz-Llaneza Langenscheidt
Director of Administration and Finances


C.P. Juan García Madrigal
Deputy Director of Controllershship


C.P. Benito Pacheco Zavala
Audit Director

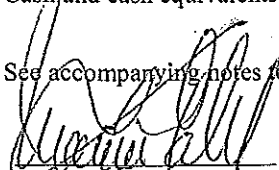
Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada and Subsidiaries

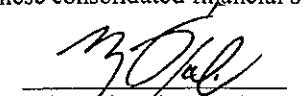
Consolidated statements of cash flows

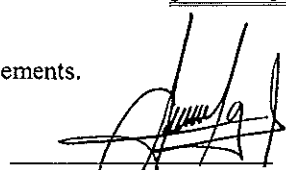
Of the Company with its Subsidiaries for the years ended December 31, 2012 and 2011
(In thousands of Mexican pesos)

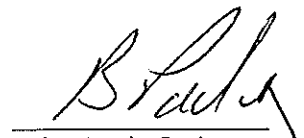
	2012	2011
Net result	\$ (116,463)	\$ 185,841
Adjustments for items not requiring cash flows:		
Depreciation and amortization	140,493	141,162
Current and deferred income taxes	<u>(46,331)</u>	<u>117,727</u>
	(22,301)	444,730
Operating activities:		
Loan portfolio	529,118	(1,419,617)
Bank loans and securities liabilities	(739,043)	2,347,899
Other accounts receivable and payable	<u>74,933</u>	<u>(368,902)</u>
Net cash flows from operating activities	(157,293)	1,004,110
Investing activities:		
Acquisitions of fixed assets	(88,327)	(167,726)
Goodwill	-	(930,569)
Deferred charges and prepaid expenses	<u>29,238</u>	<u>8,441</u>
Net cash flows from investing activities	(59,089)	(1,089,854)
Financing activities:		
Acquisition of proprietary shares	(33,999)	(136,380)
Reimbursement of dividends - net	-	1,694
Other items	(6,354)	(4,745)
Noncontrolling interest	<u>(2,036)</u>	<u>10,742</u>
Net cash flows from financing activities	(42,389)	(128,689)
Net (decrease) in cash	(258,771)	(214,433)
Cash and cash equivalents at the beginning of the period	<u>641,242</u>	<u>855,675</u>
Cash and cash equivalents at the end of the period	<u>\$ 382,471</u>	<u>\$ 641,242</u>

See accompanying notes to these consolidated financial statements.


 Lic. Mauricio Galán
 Medina
 Managing Director


 Lic. Luis Miguel Díaz-
 Llaneza Langenscheidt
 Director of Administration
 and Finances


 C.P. Juan García
 Madrigal
 Deputy Director of
 Controllership


 C.P. Benito Pacheco
 Zavala
 Audit Director

Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada and Subsidiaries

Notes to the consolidated financial statements

Of the Company with its Subsidiaries for the years ended December 31, 2012 and 2011
(In thousands of Mexican pesos)

1. Explanation added for translation into English

The accompanying consolidated financial statements have been translated from the original statements prepared in Spanish into English for use outside of Mexico. The accounting criteria to prepare the accompanying financial statements used by of Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad no Regulada and Subsidiaries (the "Company") conform with the financial reporting requirements prescribed by the Mexican National Banking and Securities Commission (the "Commission") but do not conform with Mexican Financial Reporting Standards ("MFRS"), and may differ in certain significant respects from the financial reporting standards accepted in the country of use.

2. Operations

Financiera Independencia, S. A. B. de C. V., Sociedad Financiera de Objeto Múltiple, Entidad No Regulada (the "Company") was established and began operations in accordance with Mexican laws on July 22, 1993, for an indefinite period, and with headquarters in Mexico City. It has authorization from the Mexican Treasury Department ("SHCP") to operate as a multiple purpose financial institution, unregulated entity, in accordance with the Mexican Credit Institutions Law ("LIC").

Its primary activity is to grant credits to individuals for the consumption of goods and services. The necessary resources to fund its operation have been obtained from the stockholders and through market operations and contracting liabilities from domestic financial institutions.

The General Law on Credit Organizations and Auxiliary Activities ("LGOAAC"), applicable to Multiple Purpose Financial Institutions ("Sofom/Sofomes"), allows such entities to grant credits, factoring services and capital leases. The Sofomes may or may not be regulated by the Mexican National Banking and Securities Commission (the "Commission"). The unregulated entities ("E. N. R.") are entities which do not have equity relationships with credit institutions or holding companies of financial groups of which credit institutions form part, for which reason they are not subject to oversight by the Commission.

On October 18, 2007 the stockholders approved the adoption of the regime of Sociedad Anónima Bursátil (S.A.B.), for which reason, as of November 1, 2007 the Company was registered as a public stock corporation on the Mexican Stock Market (the "BMV"), and listed with the ticker symbol "FINDEP".

During the process of listing its shares on the BMV, the Company carried out a public share offering in Mexico and abroad. The foreign public offering was performed under Rule 144-A and regulation "S" of the US Securities Act of 1933 and the regulations applicable to countries in which such offering was performed.

The Company, in its capacity as an S. A. B., applies the provisions of the General Companies Law and, if applicable, the relevant provisions of the Stock Market Law, as well as general provisions applicable to issuers of securities and other stock market participants.

3. Basis for presentation

Monetary unit of the financial statements- The financial statements and notes as of December 31, 2012 and 2011 and for the years ended include balances and transactions of different purchasing power.

Consolidation of financial statements - The accompanying consolidated financial statements include the financial statements of the Company and those of its subsidiaries in which control is exercised. All significant intercompany balances and transactions have been eliminated.

The subsidiaries consolidated with the Company as of December 31, 2012 and 2011 are detailed below:

Subsidiaries	Holding		Activities
	2012	2011	
Serfincor, S. A. de C. V. ("Serfincor")	99.99%	99.99%	Service provider
Conexia, S.A. de C.V. ("Conexia")	99.99%	-	Call center, promotional and marketing services
Fisofo, S. A. de C. V., SOFOM, E. N. R. ("Fisofo")	99.00%	99.00%	Granting consumer loans
Findependencia, S. A. de C. V., SOFOM, E.N.R.	99.00%	99.00%	Granting consumer loans
Financiera Finsol, S. A. de C. V., SOFOM, E.N.R. ("Financiera Finsol")	99.99%	99.99%	Granting consumer loans
Finsol, S. A. de C. V. ("Finsol")	99.99%	99.99%	Service provider
Finsol Vida, S. A. de C. V.	99.99%	99.99%	Service provider
Instituto Finsol, IF	99.99%	99.99%	Granting commercial loans
Independencia Participações, S. A.	99.99%	99.99%	Granting commercial loans
Apoyo Económico Familiar, S.A. de C.V., SOFOM, E.N.R. ("AEF")	99.00%	99.00%	Granting consumer loans
Servicios Corporativos AEF, S.A. de C.V. ("SCAEF")	99.00%	99.00%	Service provider
Apoyo Financiero Inc. ("AFI")	77.00%	77.00%	Granting consumer loans

On February 28, 2011 the Company acquired 77% of the shares outstanding of AFI, and on March 15, 2011 acquired the totality of the shares of AEF.

On December 6, 2012, Serfincor endorsed title to the Company of all its 43,549,999 common stock shares of Conexia, at par value of \$1.00 each share, of both Class I, Series A and Class II, Series A shares, which resulted in a shareholding of 99.99%.

Conversion of financial statements of subsidiaries in foreign currency- The operations of the foreign subsidiaries are modified in the recording currency to be presented in accordance with the accounting criteria of the Commission. The financial statements are converted to Mexican pesos and the effects of conversion are recorded in results based on the following methodologies:

The foreign operations whose recording and functional currencies are the same convert their financial statements by using the following exchange rates: 1) closing rate for assets and liabilities and 2) historical rate for stockholders' equity and 3) the accrual date for revenues, costs and expenses. The effects of conversion are recorded in results.

4. Significant accounting policies

The accounting policies followed by the Company are in accordance with the accounting criteria established by the Commission in the "General Provisions Applicable to Multiple Purpose Financial Institutions, Regulated Entities (the "Provisions") and are considered a general framework for financial information, which require management to make certain estimates and use assumptions to determine the valuation of some of the items included in the financial statements and make the disclosures required therein. While they may differ from their final result, management believes that the estimates and assumptions used were adequate under the circumstances.

On September 19, 2008, the Commission issued an amendment to the General Provisions for Issuers, whereby Sofomes, E. N. R. that are public stock corporations must prepare their financial statements in conformity with the accounting criteria which, pursuant to article 87-D of the LGOAAC, are applicable to regulated Sofomes. This article states that regulated Sofomes are subject to the provisions established for credit institutions and finance entities, as the case may be, in the LIC, and in the Commission's Law.

In accordance with accounting criterion A-1 of the Commission, the accounting of companies will be adjusted to reflect the applicable financial reporting standards, defined by the Mexican Board for the Research and Development of Financial Reporting Standards (CINIF), except when in the Commission's judgment a specific accounting provision or standard must be applied, bearing in mind that the companies perform specialized operations.

Below we describe the significant accounting policies applied by the Company:

Recognition of the effects of inflation in the financial information- As of January 1, 2008, the Company suspended recognition of the effects of inflation, in accordance with the provisions of NIF B-10. Up to December 31, 2007, such recognition mainly resulted in gains or losses for inflation on nonmonetary items which are presented in the financial statements as an increase or decrease in the headings of stockholders' equity, and in nonmonetary items.

The accumulated inflation for the three years prior to December 31, 2012 and 2011 is 12.26% and 15.19%, respectively. Therefore, the economic environment qualifies as noninflationary in both years and as a result the effects of inflation are not recognized in the accompanying consolidated financial statements. The inflation percentages for the years ended December 31, 2012 and 2011 were 3.57% and 3.82%, respectively.

Funds available-Are recorded at face value. Funds available in foreign currency are valued at the exchange rate issued by the Mexican Central Bank at the close of the year.

Financial derivatives- All the financial derivatives contracted are included on the balance sheet as assets and/or liabilities at fair value. The accounting for changes in the fair value of a derivative depends on its intended use and the risk management strategy adopted. In fair value hedges the fluctuations in valuation are recorded in results in the same line item for the position hedged; in cash flow hedges, the effective portion is temporarily kept in comprehensive income as part of stockholders' equity and is reclassified to results when the position it covers affects results. The ineffective portion is recognized in the results. While certain financial derivatives are contracted to obtain a hedge from an economic standpoint, these are not considered as hedge instruments because they do not comply with all requirements. Such instruments are classified as trading instruments for accounting purposes.

Fair value is determined based on market prices and, when involving instruments not listed on an active market, fair value is determined based on valuation techniques accepted by market practices.

The Company has the following transactions with financial derivatives:

Options - Options are contracts which establish the right, but not the obligation, for the buyer to purchase or sell the underlying asset at a determined price, known as the exercise price, on an established date or within a given period. Options contracts involve two parties: the purchaser of the option pays a premium at the time it is acquired and at the same time obtains a right, but not an obligation, and the party issuing or selling the option receives the premium and, in turn, acquires an obligation, but not a right.

The buyer of the option records the premium paid on the transaction. Subsequently, the premium is valued according to the fair value of the option, and changes in the fair value are recorded in the statement of income.

Swaps - Foreign currency swaps are contracts which establish the bilateral obligation to exchange, over a given period, a series of flows based on a notional amount denominated in different currencies for each of the parties, which are in turn referenced to different interest rates. In some cases, apart from interchanging exchange rate flows in different currencies, it may be agreed to exchange flows based on the notional amount over the effective term of the contract.

The rights and obligations of the contract are valued at the fair value determined based on a mathematical model which estimates the net present value of the cash flows of the positions to be received and delivered.

Forwards - Forwards are contracts which establish an obligation to buy or sell an underlying asset at a future date for an amount, quality and prices pre-established in the contract. In these contracts it is understood that the party undertaking to buy assumes a long position on the underlying asset, and the party undertaking to sell assumes a short position on the same underlying asset.

Loan portfolio- Represents the amounts actually disbursed to borrowers, plus the uncollected, accrued interest. The "allowance for loan losses" is presented as a deduction from the portfolio's balances.

Credit is granted based on a credit analysis which uses the internal policies and operating manuals established by the Company.

The unpaid balance of the loans is recorded as non-performing portfolio when the respective installments have not been fully paid under the terms originally established, as follows:

- If the debts consists of credits with partial periodic payments of principal and interest and present 90 or more calendar days in arrears.
- If the debts consist of revolving credits and present two monthly billing periods overdue or, if the billing period is not monthly, that applicable to 60 or more calendar days in arrears.

When a credit is considered non-performing, the related interest accrual is suspended. As long as the credit is kept in non-performing portfolio, the control of the uncollected accrued interest or accrued financial revenue is kept in memoranda accounts. With regard to uncollected accrued interest on the non-performing portfolio, an estimate is recorded for an amount equivalent to the total of such interest at the time it is transferred as non-performing portfolio. If overdue interest is collected, it is recognized directly in results for the year.

Non-performing credits in which the unpaid balances (principal and interest, among others) are fully settled are returned to performing portfolio, in accordance with the Accounting Criteria.

As long as the loan portfolio is kept in restructured form, it is classified and presented as non-performing portfolio. Furthermore, the probability of default of this portfolio in the reserve model is 100%.

The annual fee commissions collected from the customers are recognized as revenues on a deferred basis and are amortized by the straight-line method over a year or the credit term. The commissions collected for the initial granting of the credit and its associated costs are not deferred over the term of the credit, because management believes that their effect is not material or significant inasmuch as the credits mature in the short term. Commissions for dispositions of the credit line and collection expenses are recognized in results at the time they are collected.

Allowance for loan losses-In official notice 310-85406/2009 dated March 2, 2009, the Commission informed the Company that it must calculate the establishment of credit reserves based on the different methodologies established by the Commission for credit institutions, using the general methodology or the internal methodologies established in the General Provisions applicable to Credit Institutions, which in the last-mentioned case does not require approval by the Commission.

The Company classifies its portfolio using an internal methodology based on the probability of default by the borrowers and on the severity of the credit loss, as established in article 93 of the General provisions applicable to credit institutions.

The Probability of Default (PI) is the probability that a debtor will fall into arrears within the next six months. The Company determines the PI by applying calculations of credit exposure rotating indexes. The credit exposure rotating indexes consider the possibility that a loan may go from its current category to one of cancellation in books (based on the days that it has been overdue). The Company uses the average of the calculations of the credit exposure rotating indexes for the last 12 month period as its PI.

The Loss Derived from Default (PPI) is an estimate of the amount that the Company would expect to lose in the event of nonperformance by a debtor. Given that all the Company's loans are unsecured, there is no collateral; consequently, the Company determines its PPI as the average of the net losses after considering the present value of the amounts recovered over the last 12 month period.

For group credits, the allowance is determined monthly with adjustments to the results of the year, based on studies which determine the feasibility of payment by the debtor, prepared by the Company's management. Such studies are determined using the overdue portfolio.

Loans are written off in books when they present 180 or more calendar days in arrears. This write-off is performed by canceling the unpaid balance of the loan against the allowance for loan losses. Due to the type of credit, AEF performs the write-off in books when they present 120 or more calendar days in arrears and while AFI does so only when all collection efforts have been exhausted, because the legal collection process is quite effective.

Recoveries associated with loans written off or eliminated from the balance sheet are recognized in results of the year when realized.

Other accounts receivable-Accounts receivable different from the Company's loan portfolio represent recoverable tax balances, among others. The accounts receivable related to identified debtors with more than 90 calendar days in arrears create an allowance that reflects the degree of noncollectibility. This allowance is not created for recoverable tax balances. The allowances for bad debts or doubtful accounts described above are obtained by preparing a study that is used as the basis to determine future events which might affect the amount of the accounts receivable, and reflect the estimated recovery value of the credit rights.

In the case of items different from the above in which their maturity is agreed for a term in excess of 90 calendar days for identified debtors and 60 days for unidentified debtors, an allowance for bad debts or doubtful accounts is created for the total amount of the debt.

Property, plant and equipment-Are recorded at acquisition cost. The assets derived from acquisitions up to December 31, 2007 were restated by applying factors derived from the Investment Unit (UDI) up to that date. The related depreciation and amortization is recorded by applying a percentage determined based on the estimated useful life of the assets to the cost restated up to that date.

Depreciation is determined on the cost or restated cost up to 2007 by using the straight-line method; as of the month following that of the respective purchase, applying the rates detailed below:

	Rate
Real property	5%
Computers	25%
Automatic cash dispensers	15%
Furniture and fixtures	10%
Vehicles	25%

Impairment of long-lived assets in use-The Company revises the book value of long-lived assets in use, in the presence of any indicator of impairment that might show that the book value may not be recoverable, considering the higher of the present value of the future net cash flows or the net selling price in the case of their eventual disposal. Impairment is recorded if the book value exceeds the higher of the aforementioned values. The indicators of impairment considered for these purposes are, among others, operating losses or negative cash flows in the period if they are combined with a history or projection of losses, depreciation and amortization charged to results which, in percentage terms, in relation to revenues, are substantially superior to those from previous years, services rendered, competition and other economic and legal factors. The Company has prepared the study to determine the effects of NIF C-15 (Impairment in the value of long-lived assets and their disposal), and no impairment was detected in the value of long-lived assets.

Permanent investments in shares-The Company recognizes its investments in associated companies where it has significant control and influence, by using the equity method based on their book value according to the last available financial statements of such entities.

Other assets-Computer developments and intangible assets are recorded originally at the nominal value paid and or restated from the date of acquisition or disbursement up to December 31, 2007 using the factor derived from the UDI. The amortization of computer developments and intangible assets with a definite life are calculated by the straight-line method, applying the respective rates to the restated expense.

Income taxes-Income tax (ISR) and business flat tax (IETU) are recorded in results of the year in which they are incurred. To recognize the deferred tax it is determined, based on financial projections, whether the Company will incur ISR or IETU, and it recognizes the deferred tax applicable to the tax that it will essentially pay. The deferred tax is recognized by applying the respective rate to the temporary differences resulting from a comparison of the accounting and tax values of the assets and liabilities and, as the case may be, the benefits of tax loss carryforwards and certain tax credits are included. The deferred tax asset is recorded only when its recovery is highly likely.

Securities liabilities- Are represented by the issuance of a debt instrument known as a Securitized Certificate (Cebures), which is recorded by taking as the basis the value of the obligation it represents, and recognizing the unpaid accrued interest for the days elapsed to the date of preparation of the financial statements in results of the year.

Issuance expenses are recognized initially as deferred charges and are amortized against results for the year, taking the term of their underlying instruments as their basis.

Borrowings from banks and from other entities-Refer to credit lines and other loans obtained from other entities, which are recorded at the contractual value of the obligation, with interest recognized in results as it is accrued.

Provisions- Are recognized when there is a present obligation derived from a past event which will probably result in the outlay of economic resources and can be reasonably estimated.

Transactions in foreign currency-Transactions denominated in foreign currency are recorded at the exchange rate in effect on the transaction date. Monetary assets and liabilities denominated in foreign currency are valued in Mexican pesos at the exchange rate of the close of each period, issued by the Mexican Central Bank. Exchange differences incurred in relation to assets or liabilities contracted in foreign currency are recorded in results.

Financial margin-The Company's financial margin is composed of the difference between total interest income and total interest expense.

The interest income on the credits granted is recognized in the income statement as it is accrued, using the unpaid balances method, based on the terms and interest rates established in the contracts signed with the borrowers. The interest on overdue portfolio is recognized in results only when it is actually collected.

Interest expense refers to bank loans, as well as issuance expenses and the discount on debt placement. The amortization of the costs and expenses associated with the initial credit granted forms part of the interest expense.

Memoranda accounts

Memoranda accounts record assets or commitments which do not form part of the Company's balance sheet because the related rights are not acquired or such commitments are not recognized as a liability of the entities until such eventualities materialize, respectively. The accumulated amounts in the memoranda accounts have only been subject to audit testing when an accounting record derives from their information.

Direct employee benefits- Are valued in proportion to the services rendered based on current wages and the liability is recognized on an accrual basis. It includes mainly PTU payable, paid leave, as well as vacations and vacation premium, and incentives.

Labor obligations-Under the Federal Labor Law, the Company has obligations for severance and seniority premium payable to employees who cease rendering their services under certain circumstances.

The Company has no employee benefit plans in place, except for the benefits established in the respective laws.

Benefits for termination of the employment relationship for reasons other than restructuring (legal severance for dismissal or seniority premium), as well as retirement benefits (seniority premium), are recorded based on actuarial studies prepared by independent experts using the projected unit credit method.

The Net Periodic Cost (CNP) of each employee benefits plan is recognized as an operating expense in the year in which it is accrued, and includes, among others, the amortization of the labor cost for past services and the actuarial gains (losses) from previous years, as established in NIF D-3 "Employee benefits".

Unamortized items, known as transition liabilities and the labor cost of past services, are being amortized as of January 1, 2008 over a period of five years instead of the estimated working life of the employees (11 years for termination benefits and 15 years for seniority premium).

As of December 31, 2012 and 2011, the detail of the employee benefit plans is described below:

i. Severance before retirement age

To retire an employee the Company must adopt retirement policies or pay off the employee in accordance with articles 48 to 50 of the Federal Labor Law (LFT).

Article 50 of the LFT. Severance pay depends on whether the working relationship was for an indefinite period; if so, severance will consist of 20 days' wages for each year of service rendered, plus an amount equal to three months' wages.

ii. Seniority premium

Below we summarize the bases used to calculate seniority premium, as established in article 162 of the LFT.

1. Seniority premium is payable in the event of death, infirmity or disability, dismissal and voluntary separation of a worker.
2. The amount of the seniority premium consists of 12 days of the worker's last wage for each year of services rendered.
3. The wage taken into account for the calculation of seniority premium is not less than the minimum wage in effect in the economic zone where the worker renders his services, without exceeding twice the amount of such wage.
4. The seniority considered for the payment is the total amount thereof, except in the case of dismissal, in which only the seniority of the worker is taken into account as of May 1, 1970 or his date of entry, if the latter is after such date.
5. In order for the payment of seniority premium to apply in the case of voluntary separation, the requirement is established that the employee must have completed 15 years of service.

Employee statutory profit-sharing (PTU) - PTU is recorded in results of the year in which it is incurred and is presented under the heading of other revenue and expense in the income statement. Deferred PTU is determined for temporary differences resulting from a comparison of the accounting and tax values of the assets and liabilities and is recognized only when it is probable that an asset will be liquidated or a benefit generated, and there is no indication that this situation will change so that such liability or benefit will not be realized.

Income per share- Income per basic, ordinary share is the result of dividing net income for the year by the weighted average of shares outstanding during 2012 and 2011.

Income per diluted share is the result of dividing net income for the year by the weighted average of shares outstanding during 2012 and 2011, and deducting the shares which might potentially dilute such average.

Stock Option Plan (OCA)-The Company has an OCA plan for certain eligible employees and officers. The OCA plan was implemented through a trust administered by a Mexican bank as trustee, in accordance with Mexican laws. This plan allows for qualifying employees to acquire common stock shares through the trust. The Company finances the trust through contributions, so that the trust in turn acquires common stock shares by means of purchases on the open market through the BMV. The options awarded under the plan are generally acquired in equivalent partial distributions over a five-year period. The trust purchases sufficient shares on the stock market to handle all the awards of shares at the time they are granted, not when they are acquired. If an employee forfeits the right to an option before it is acquired, the shares represented by such options will be held in the trust until the requirements are fulfilled for their allocation to another beneficiary. The trust currently has 19,236,886 (13,681,616 in 2011) ordinary common stock shares. Historically, no share contributions have ever been made to the trust through the issuance of new shares and currently there are no plans to do so. The share price during the year was \$4.10.

5. Funds available

The heading of funds available is composed mainly of excess cash, bank deposits and immediately realizable investments, which are highly liquid and with little risk of changes in their value, as shown below:

	2012	2011
Cash on hand	\$ 57,767	\$ 62,517
Mexican banks	84,559	139,599
Immediately realizable investments	<u>240,145</u>	<u>439,126</u>
	<u>\$ 382,471</u>	<u>\$ 641,242</u>

Immediately realizable investments refer to the investment of treasury surpluses, so as to obtain a better short-term return. These investments are made through securities firms and investment funds which trade on the Mexican market.

As of December 31, 2012 and 2011, the average rates of the investments were 5.1% and 4.5%, respectively. Furthermore, for the years ended December 31, 2012 and 2011, interest income on the investments was \$18,607 and \$20,284, respectively. In 2012 and 2011 the maturities of these investments were between one and three days.

6. Transactions with financial derivatives

The Company's activities expose it to a wide range of financial risks: market risks (including exchange risk and interest rate risk, principally), credit risk and liquidity risk. The risk management practice take into account the unpredictable nature of the financial markets and seeks to minimize the potential negative effects in the Company's financial performance. Based on the guidelines issued by the Board of Directors, the Company has been implementing the use of financial derivatives to hedge certain exposures to market risks. The Company's policy is not to carry out speculative transactions with financial derivatives. Below is a summary of the transactions performed with financial derivatives:

2012

Type of instrument	Notional amount hedged					Annual interest rate		
	Receives	Pays	Starting date	Maturity	Exchange rate agreed	Receives	Pays	Fair value
Swap								
Currency and interest rate hedge	US\$143,887	MXN\$1,880,603	2-Sep-10	30-Mar-15		10.00%	14.67%	\$ (57,057)
Currency and interest rate hedge	US\$50,000	MXN\$653,500	2-Sep-10	30-Mar-15	13.07	10.00%	14.64%	(19,406)
Interest rate hedge	MXN\$1,500,000	MXN\$1,500,000	7-Sep-11	14-May-14	N/A	TIE + 2.65	6.95% up to Aug 8, 12 and 7.80% from Aug 8, 12 to May 14, 14	(4,358)
Currency and interest rate hedge	MXN\$89,409	US\$6,878	7-Mar-12	1-Jul-13	13.00	13.95%	10.75%	1,598
Currency and interest rate hedge	MXN\$35,576	US\$2,650	13-Jul-12	13-Jul-13	13.4250	13.75%	10.75%	1,446
Currency and interest rate hedge	US\$8,212	R\$16,367	2-Jul-12	4-Jan-13	1.9930	10.75%	20.84%	(2,693)
								(80,470)
Notional amount hedged								
Forward								
Currency hedge		MXN\$18,227	US\$1,335	12-Jul-12	2-Jan-13	13.653	-	918
Currency hedge		MXN\$35,235	US\$2,700	27-Dec-12	31-Jan-13	13.05	-	144
Currency hedge		MXN\$13,036	US\$1,000	27-Dec-12	31-Jan-13	13.0357	-	44
								1,106
							Subtotal	(79,364)
							Provision for ineffectiveness of the hedge	(14,659)
								\$ (94,023)

2011

Type of instrument	Notional amount hedged					Annual interest rate		
	Receives	Pays	Starting date	Maturity	Exchange rate agreed	Receives	Pays	Fair value
Swap								
Currency and interest rate hedge	US\$150	MXN\$1,961	2-Sep-10	30-Mar-15	13.07	10.00%	14.67%	\$ 106,776
Currency and interest rate hedge	US\$50,000	MXN\$653,500	2-Sep-10	30-Mar-15	13.07	10.00%	14.64%	36,184
Interest rate hedge	MXN\$1,500,000	MXN\$1,500,000	7-Sep-11	14-May-14	N/A	TIE + 2.65	6.95% up to Aug 8, 12 and 7.80% from Aug 8, 12 to May 14, 14	10,464
								\$ 153,424

Swaps

Foreign Currency Bond

As part of the strategy implemented by the Company to mitigate the exchange risk derived from a bond issuance of US\$ 200 million, with maturity on March 30, 2015, on March 30, 2010, it contracted two exchange rate swaps with HSBC and Morgan Stanley (the counterparts). Through these instruments, the Company receives half-yearly cash flows at the 10% fixed rate based on a notional amount of US\$ 150,000 and US\$ 50,000, respectively, while paying monthly cash flows at a fixed rate of 14.67% and 14.64%, respectively, on the same notional amounts denominated in Mexican pesos, with maturity on March 30, 2015. Furthermore, contracted values will be exchanged when the bond issuance matures for the sole purpose of setting an exchange rate of \$13.07 Mexican pesos for one US dollar at March 30, 2015.

This transaction is intended to set the cost in Mexican pesos of the bond funds received in US dollars at an annual rate of 14.67% and 14.64%, while also establishing the bond payment at \$2,614,000 Mexican pesos to eliminate the exchange risk.

During 2012, the Company repurchased a total of US\$ 6,113 US dollars on the open market pertaining to the international bond issued in March 2010; these instruments were subsequently canceled. As a result and to maintain the parity of the underlying, the Company decided to remove the amount of US\$ 6,113 from the original swap of US\$ 150,000 to leave a balance of US\$ 143,887.

Hedge of interest rate in securitized bank certificates (Cebures)

On August 30, 2011, in order to set the maximum interest rate of Cebures for the amount of \$1,500,000, the Company contracted an interest rate SWAP in equal portions with Morgan Stanley and Deutsche Bank México, S. A.

This transaction was structured through a step-up whereby, during the first year, the Company pays a fixed annual interest rate of 6.95% on the notional value of \$1,500,000, with maturity on August 8, 2012. As of that date and until the SWAP matures on May 14, 2014, the annual interest rate is increased to 7.80%. In exchange, the Company receives a variable interest rate equal to the 28-day TIEE rate plus 265 basis points (2.65%) on the notional amount which was initially contracted in Cebures; i.e., the Company pays a fixed rate on the issuance of these instruments until their maturity.

While the above transactions are not of a speculative nature, to ensure compliance with accounting standards, they are valued at their fair value. Accordingly, the Company periodically applies effectiveness tests based on the hypothetical derivative method, which involves measuring the change in fair value of a hypothetical derivative reflecting the primary position and comparing it with the change in fair value of the hedge SWAPS. These tests showed that the hedge ratio is highly effective at December 31, 2012 and 2011.

The result of these fair value valuations is recognized in comprehensive income under the Company's stockholders' equity. However, these valuations may change due to market conditions during the SWAP period. At its maturity, the gain or loss derived from valuing the primary position based on the hedged risk is recognized in the results of the period.

At December 31, 2012 and 2011, the amount recognized in the results of the year and which reflects hedge effectiveness or (ineffectiveness) was \$14,659 and \$3,432, respectively.

As SWAPS are negotiated with financial institutions with good credit ratings, the Company considers that the risk of counterpart noncompliance with acquired obligations and rights is low.

Options

On March 27, 2012, the Company contracted a hedge to cap the TIE rate at an annual 6.5%, with a notional value of \$3,000,000. A premium of \$1,350 was paid for this hedge.

During 2010 and until October 7, 2011, the Company contracted a hedge with Morgan Stanley to cap the TIE rate at an annual 7%, with a notional value of \$5,500,000; a premium of \$300 was paid for this hedge.

Forwards contracts

During 2012, the Company contracted several forwards to primarily cover its treasury investments denominated in US dollars. At December 31, 2012, the notional amount of these forwards was US\$ 5,035, with a fair value of \$1,106.

7. Loan portfolio

The classification of the performing and non-performing loan portfolio is composed as follows:

	2012	2011
Performing loans		
Consumer loans	\$ 4,977,794	\$ 5,138,166
Commercial loans	<u>1,375,014</u>	<u>1,515,428</u>
Total performing loans	6,352,808	6,653,594
Non-performing loans		
Consumer loans	309,548	616,627
Commercial loans	<u>60,490</u>	<u>77,449</u>
Total non-performing loans	<u>370,038</u>	<u>694,076</u>
	<u>\$ 6,722,846</u>	<u>\$ 7,347,670</u>

Loan portfolio, net

Consumer loans:

	2012	2011
Current principal	\$ 4,693,201	\$ 4,866,096
Accrued interest	<u>284,593</u>	<u>272,070</u>
Performing consumer loans	4,977,794	5,138,166
Overdue principal	259,060	531,127
Overdue interest	<u>50,488</u>	<u>85,500</u>
Non-performing consumer loans	309,548	616,627
Allowance for loan losses	<u>(374,279)</u>	<u>(453,026)</u>
Total consumer loans, net	<u>\$ 4,913,063</u>	<u>\$ 5,301,767</u>

Commercial loans:

	2012	2011
Current principal	\$ 1,353,592	\$ 1,503,525
Accrued interest	<u>21,422</u>	<u>11,903</u>
Performing commercial loans	1,375,014	1,515,428
Overdue principal	53,694	74,505
Overdue interest	<u>6,796</u>	<u>2,944</u>
Non-performing commercial loans	60,490	77,449
Allowance for loan losses	<u>(60,490)</u>	<u>(77,449)</u>
Total commercial loans, net	<u>\$ 1,375,014</u>	<u>\$ 1,515,428</u>
Total loans, net	<u>\$ 6,288,077</u>	<u>\$ 6,817,195</u>

At December 31, 2012, the restructured and renewed portfolio is as follows:

Restructured portfolio	Current	Overdue	Total
Consumer loans	<u>\$ 31,550</u>	<u>\$ 19,764</u>	<u>\$ 51,314</u>

The credit portfolio segmented by credit type is detailed below:

Credit type	2012		2011	
	Amount	%	Amount	%
Performing portfolio:				
Credilnmediato	\$ 2,403,810	38	\$ 2,619,763	39
Grupal	1,375,014	22	1,515,428	23
CrediPopular	1,079,271	17	1,254,546	19
Tradicional	1,053,948	17	913,054	14
CrediMamá	107,628	2	144,736	2
CrediConstruye	101,717	2	115,506	2
AFI	121,677	2	51,701	1
Más Nómina	53,592	1	20,666	-
Preferencial	<u>56,151</u>	<u>1</u>	<u>18,194</u>	<u>0</u>
	6,352,808	100	6,653,594	100
Non-performing portfolio:				
Credilnmediato	162,415	44	367,030	53
CrediPopular	112,822	30	199,685	29
Grupal	60,490	16	77,449	11
CrediMamá	10,709	3	24,404	3
Tradicional	13,851	4	11,584	2
CrediConstruye	6,559	2	11,434	2
AFI	3,120	1	2,222	-
Preferencial	59	-	194	-
Más Nómina	<u>13</u>	<u>-</u>	<u>74</u>	<u>-</u>
	<u>370,038</u>	<u>100</u>	<u>694,076</u>	<u>100</u>
Total loan portfolio	<u>\$ 6,722,846</u>	<u>100</u>	<u>\$ 7,347,670</u>	<u>100</u>

Financiera Independencia Loans

CrediInmediato: is a revolving credit line of between \$3 and \$20, which is available to individuals earning at least the minimum wage in effect in the Federal District. At December 31, 2012 and 2011, the amount of unused credit lines was \$585 million and \$1,124 million, respectively.

CrediPopular: is a credit focused on the informal sector of the Mexican economy. Credits are granted for amounts ranging from \$1.8 to \$4.8, for an average 26-week period, which can be renewed based on credit customer behavior.

CrediMamá: is a credit intended for mothers with at least one child under the age of 18. These credits are initially granted for amounts ranging from \$1.8 to \$2.4, for an average 26-week period, which can be renewed based on credit customer behavior.

CrediConstruye: is a credit available to individuals earning at least the monthly minimum wage in effect in the Federal District, which is intended to finance housing improvements. These credits are initially granted for amounts ranging from \$3 to \$20, for a maximum two-year period.

MásNómina: is a credit which is discounted via the payroll and is intended for the employees of public or private institutions affiliated with the Company. These credits are granted for amounts ranging from \$3 to \$80, for a maximum three-year period.

Finsol Loans

Grupal: is a credit offered to micro-entrepreneurs with their own independent productive, commercial or services activity. This product is granted to groups of between 4 and 60 members for amounts ranging from \$0.5 to \$24, for an average 16-week period. Based on each group's credit behavior, the credit amount can be increased at the end of each cycle.

AEF Loans

Tradicional: is a credit intended for individuals who can certify their income as employees or based on their own businesses. This product involves a credit of between \$6 and \$15. The average credit period is 18 months, which can be renewed based on the credit behavior of each customer.

Preferencial: is a credit intended for individuals who can certify their income through payroll receipts or a micro-enterprise; they must also demonstrate an excellent credit history as a credit amount of up to \$35 can be granted for a maximum 24-month period.

AFI Loans

These credits are granted for amounts ranging from US\$ 3,000 and US\$ 10,000 to individuals who can certify their income as employees. In this case, the average credit period is 15 months.

At December 31, 2011 and 2012, loan portfolio aging based on the number of days of maturity is as follows:

	2012							
	0 days	01-30 days	31-60 days	61-89 days	90-120 days	121-150 days	151-180 days	Total
Current	\$ 4,511,200	\$ 1,334,656	\$ 343,288	\$ 163,664	\$ -	\$ -	\$ -	\$ 6,352,808
Overdue	-	-	-	73,932	257,583	20,011	18,512	370,038
Total	<u>\$ 4,511,200</u>	<u>\$ 1,334,656</u>	<u>\$ 343,288</u>	<u>\$ 237,596</u>	<u>\$ 257,583</u>	<u>\$ 20,011</u>	<u>\$ 18,512</u>	<u>\$ 6,722,846</u>

	2011							Total
	0 days	01-30 days	31-60 days	61-89 days	90-120 days	121-150 days	151-180 days	
Current	\$ 4,888,589	\$ 1,227,124	\$ 383,981	\$ 153,900	\$ -	\$ -	\$ -	\$ 6,653,594
Overdue	-	-	-	160,256	220,607	162,040	151,173	694,076
Total	<u>\$ 4,888,589</u>	<u>\$ 1,227,124</u>	<u>\$ 383,981</u>	<u>\$ 314,156</u>	<u>\$ 220,607</u>	<u>\$ 162,040</u>	<u>\$ 151,173</u>	<u>\$ 7,347,670</u>

Ordinary and penalty interest income associated with the loan portfolio and detailed by product is composed as follows:

Credit type	2012		2011	
	Amount	%	Amount	%
Credilnmediato	\$ 1,732,191	35	\$ 1,654,653	38
Grupal	1,022,243	20	952,163	22
CrediPopular	1,155,926	23	938,968	22
Tradicional	851,785	17	601,249	14
CrediMamá	113,507	2	111,176	2
CrediConstruye	72,775	1	82,126	2
AFI	25,447	1	12,650	-
Preferencial	23,238	1	2,577	-
MásNómina	16,325	-	2,255	-
	<u>\$ 5,013,437</u>	<u>100</u>	<u>\$ 4,357,817</u>	<u>100</u>

8. Allowance for loan losses

The Company classifies its credit portfolio by using an internal methodology based on the probability of borrower noncompliance and the severity of the loss associated with the credit.

The following table indicates the percentages used to generate the allowance for loan losses at December 31, 2012 and 2011, which were determined according to the probability of noncompliance and severity of the credit portfolio loss.

Weekly Period	2012			2011		
	Amount	Provision (%)	Amount	Amount	Provision (%)	Amount
0	\$ 206,933	1.1	\$ 2,206	\$ 335,967	0.8	\$ 2,672
1	29,302	3.7	1,080	55,956	2.3	1,260
2	34,136	6.9	2,347	33,738	5.4	1,832
3	19,653	13.8	2,717	24,187	12.3	2,983
4	18,749	18.5	3,466	29,028	16.2	4,695
5	18,847	19.3	3,640	15,302	17.7	2,702
6	13,178	22.3	2,937	14,537	19.2	2,792
7	4,200	30.2	1,267	15,149	27.9	4,227
8	11,869	32.7	3,878	26,966	30.4	8,208
9	19,978	31.7	6,338	10,867	30.2	3,285
10	5,027	35.9	1,804	10,400	34.0	3,540
11	6,842	43.6	2,983	11,818	43.0	5,078
12	9,945	45.1	4,481	12,515	44.8	5,608
13	22,066	42.3	9,328	21,970	40.9	8,987
14	6,106	47.0	2,868	5,282	46.4	2,451

Weekly	Period	2012			2011		
		Amount	Provision (%)	Amount	Amount	Provision (%)	Amount
	15	9,202	55.5	5,111	7,068	55.8	3,943
	16	10,327	57.1	5,892	8,637	57.9	5,002
	17	15,018	55.1	8,271	15,846	54.9	8,697
	18 or more	<u>12,434</u>	<u>87.8</u>	<u>10,914</u>	<u>52,118</u>	<u>87.3</u>	<u>45,525</u>
		473,812	17.2	81,528	707,351	17.5	123,487
Biweekly	0	\$ 2,156,356	0.3	\$ 6,874	\$ 2,411,472	0.3	\$ 6,934
	1	338,136	1.9	6,593	267,905	1.7	4,568
	2	238,866	5.1	12,217	264,367	4.4	11,553
	3	58,123	8.8	5,135	89,607	7.8	6,967
	4	140,264	13.3	18,611	164,679	11.1	18,328
	5	35,997	20.2	7,280	51,298	18.6	9,554
	6	85,313	25.6	21,874	133,436	23.1	30,827
	7	53,496	34.7	18,562	30,308	34.4	10,413
	8	94,240	39.6	37,325	86,740	38.3	33,223
	9	362	48.0	174	42,194	49.6	20,920
	10	-	-	-	67,889	52.8	35,860
	11	-	-	-	46,328	66.1	30,645
	12	-	-	-	65,938	70.3	46,353
	13 or more	-	-	-	-	-	-
		3,201,153	4.2	134,645	3,722,161	7.2	266,145
Monthly	Period	2012			2011		
		Amount	Provision (%)	Amount	Amount	Provision (%)	Amount
	0	\$ 238,455	0.3	\$ 602	\$ 233,752	0.2	\$ 448
	1	44,010	2.8	1,225	41,247	2.1	868
	2	13,904	9.9	1,380	15,931	8.0	1,280
	3	7,239	21.3	1,545	9,370	18.9	1,768
	4	8,635	35.2	3,041	5,568	35.1	1,955
	5	15	49.8	7	4,312	49.8	2,149
	6	-	-	-	4,227	66.4	2,809
	7	-	-	-	-	-	-
	8	-	-	-	-	-	-
	9 or more	-	-	-	-	-	-
	Total	312,258	2.5	7,800	314,407	3.6	11,277
Restructured portfolio		51,314	87.8	45,043	13,926	87.3	12,164
Group portfolio		1,435,504	4.2	60,490	1,592,876	4.9	77,449
AEF portfolio		1,124,009	2.5	28,071	943,026	4.0	38,089
AFI portfolio		<u>124,796</u>	2.5	<u>3,120</u>	<u>53,923</u>	3.4	<u>1,864</u>
Total		\$ 6,722,846		\$ 360,697	\$ 7,347,670		\$ 530,475
Additional reserves				<u>74,072</u>			-
Total reserves				<u>\$ 434,769</u>			<u>\$ 530,475</u>
Hedge ratio				<u>117.5%</u>			<u>76.4%</u>

The movements of the allowance for loan losses during the years ended December 31, 2011 and 2012 were as follows:

	2012	2011
Opening balance of the year	\$ 530,475	\$ 375,470
Add:		
Opening balance of Grupo AEF	-	35,718
Allowance for loan losses increase charged to income statement	1,952,361	1,367,979
Less:		
Loans written-off during the period	<u>(2,048,067)</u>	<u>(1,248,692)</u>
Closing balance of the year	<u>\$ 434,769</u>	<u>\$ 530,475</u>

At December 31, 2011 and 2012, the restructured portfolio was \$51,314 and \$13,926, respectively. While the credit portfolio remains restructured, the Company classifies and presents it as the overdue portfolio. Likewise, the Company considers a 100% noncompliance probability for this portfolio in the reserve model.

9. Other accounts receivable - net

At December 31, 2012 and 2011, the other accounts receivable heading is composed as follows:

	2012	2011
Recoverable ISR	\$ 98,617	\$ 119,219
Receivable and creditable Value Added Tax (IVA)	101,757	106,538
Recoverable IETU	7,206	90,200
Debtors from portfolio sales	16,279	8,635
Debtors from fixed assets sales	-	6,615
Sundry debtors	12,920	5,813
Other recoverable taxes	2,507	4,266
OxxO collection	3,224	1,604
Más Nómina correspondents	5,742	1,111
SWAP Instituto Finsol Brasil and AFI	<u>1,715</u>	<u>-</u>
	<u>\$ 249,967</u>	<u>\$ 344,001</u>

10. Property, plant and equipment

At December 31, 2012 and 2011, property, plant and equipment are composed as follows:

	2012	2011
Assets:		
Leasehold adaptations and improvements	\$ 521,906	\$ 471,838
Computer equipment	297,315	284,536
Office furniture and fixtures	164,966	161,063
Building	47,644	47,643
Vehicles	26,536	26,715
ATMs	<u>14,304</u>	<u>14,202</u>
	1,072,671	1,005,997

Less: accumulated depreciation	2012 <u>(679,954)</u>	2011 <u>(569,048)</u>
	392,717	436,949
Land	<u>865</u>	<u>865</u>
	<u>\$ 393,582</u>	<u>\$ 437,814</u>

For the years ended December 31, 2012 and 2011, the depreciation and amortization charged to the results of those years was \$ 132,559 and \$133,229, respectively.

At December 31, 2011 and 2012, certain assets have been totally depreciated for the amount of \$290,659 and \$154,956, respectively.

11. Intangible assets

This heading is composed as follows:

	2012	2011	Annual amortization rate (%)
With a defined life:			
Customer relations	\$ 95,200	\$ 103,134	7
With an indefinite life:			
Trademarks	44,847	44,847	
Goodwill	<u>1,545,719</u>	<u>1,545,719</u>	
	<u>\$ 1,685,766</u>	<u>\$ 1,693,700</u>	

During 2011, the Company acquired the business of AEF and AFI, which generated goodwill of \$930,569.

The Company has performed a study to detect the impairment of its long-lived assets, as required by NIF C-15 (Impairment of long-lived assets in use and their disposal), although no effects requiring recognition were determined in this regard.

12. Securitized liabilities

At December 31, 2012 and 2011, securitized liabilities are composed as follows:

	Program amount	Issuance amount	Date of issuance	Period	Interest rate	2012	2011
Cebures'11	\$2,000,000	\$1,500,000	May-2011	May-2014	THE + 265 bp	\$ 1,500,000	\$ 1,500,000
					Accrued interest	<u>1,625</u>	<u>869</u>
					Total	<u>\$ 1,501,625</u>	<u>\$ 1,500,869</u>

Cebures'11 certificates are three-year, unsecured debt securities which pay an interest rate equal to the 28-day TIEE rate plus 265 basis points (bp). These certificates have HR A and A(mex) ratings from HR Ratings de México and Fitch Ratings, respectively.

In 2012, these certificates generated interest of \$111,110 (\$94,046 in 2011).

13. Interbank loans and loans from other entities

At December 31, 2011 and 2012, this heading is composed as follows:

Entity	Credit line amount	Maturity date	Guarantee	Interest rate	2012	2011
International Bond ¹	USD 193,887	Mar-2015	No guarantee	10.0%	\$ 2,513,900	\$ -
	USD 200,000	Mar-2015	No guarantee	10.0%	-	2,789,520
HSBC México, S. A. Institución de Banca Múltiple, Grupo Financiero (HSBC) ²						
Unsecured loan	1,250,000	Dic-2012	1.3 to 1.0	TIEE + 385 bp	-	625,000
Revolving credit line	900,000	Dic-2013	1.3 to 1.0	TIEE + 325 bp	305,000	-
	Reales 45,000	Ene-2012	Not applicable	3.844%+CDI-OVER-CETIP	-	335,871
	Reales 45,000	Dic-2013	1.3 to 1.0	3.908%+CDI-OVER-CETIP	450,129	238,842
Nacional Financiera, S. N. C. (NAFINSA) ³ :						
	1,000,000	Indefinite period	No guarantee	TIEE + 300 bp	693,939	809,343
	500,000	Indefinite period	10% settlement	TIEE + 450 bp	205,000	377,500
	200,000	Indefinite period	20% settlement	TIEE + 400 bp	190,617	162,792
Fideicomisos Instituidos en relación con la Agricultura (FIRA)	600,000	Dec-2013	10% settlement	TIEE FIRA	403,300	410,000
Banco Monex, S. A.	50,000	May-2012	1.5 to 1.0	TIEE + 350 pts.	-	50,000
Banco Monex, S. A.	50,000	Jan-2013	1.5 to 1.0	TIEE + 350 pts.	50,000	-
Fideicomiso Nacional de Financiamiento al Microempresario (FINAFIM)	30,000	Dic-2012	1.5 to 1.0	CETES + 625 bp	-	20,000
Fideicomiso Nacional de Financiamiento al Microempresario (FINAFIM)	70,000	Jul-2014	1.0 to 1.0	CETES + 550 bp	55,417	70,000
Fideicomiso Nacional de Financiamiento al Microempresario (FINAFIM)	60,000	Dic-2015	1.0 to 1.0	CETES + 550 bp	38,333	-
BBVA Bancomer	260,000	Abr-2015	No guarantee	TIEE + 295 pts.	260,000	-
Bridge Bank N.A.	USD 5,000	Nov-2013	Standby Letter of Credit	4.5%	19,561	-
Ixe Banco, S. A.	50,000	Dic-2012	1.4 a 1.0	TIEE + 600 bp	-	25,000
					5,185,196	5,913,868
			Accrued interest		51,645	62,772
					\$ 5,236,841	\$ 5,976,640
			Total			

1. In March 2010, bonds with a value of US\$ 200 million were placed on the international market. These instruments were issued under rule 144A/Reg S., for a five-year period and with a 10% annual interest rate, which received BB- credit ratings from Standard and Poor's and Fitch Ratings.
2. Unsecured loan for the amount of \$1,250 million and a revolving credit line for the amount of \$1,250 million, with maturity in December 2012 and December 2013, respectively. These loans accrue interest ranging from the TIIE rate + 3% to the TIIE rate + 3.85%; the TIIE rate difference depends on the Company's credit rating.

This credit establishes that the Company must constantly maintain certain financial ratios including the "Interest rate hedge" which, from the second quarter of 2012 until the yearend close was not fulfilled. However, at December 31, 2012, the Company received a waiver from the Financial Institution as regards to this noncompliance.

3. Three revolving credit lines for the amount of \$1,000,000, \$500,000 and \$200,000, respectively. The first of these was used to finance informal market micro-credits through the CrediPopular and CrediMamá products, the second was utilized to finance the group product, while the third credit line was contracted to fund the operations of AEF.

14. Sundry creditors and other accounts payable

At December 31, 2011 and 2012, this heading balance is composed as follows:

	2012	2011
Other taxes	\$ 148,546	\$ 151,976
Payable ISR	16,008	112,578
Sundry creditors	27,482	40,716
Other provisions	44,551	39,386
Provision for labor obligations	36,342	31,023
Mapfre insurance	12,340	16,811
Reimbursement commission (cash back)	13,459	9,969
Annual performance bonus	-	7,324
Payable PTU	5,891	3,687
Payable IETU	-	1,206
	<u>\$ 304,619</u>	<u>\$ 414,676</u>

15. Employee benefits

- a. Reconciliation of opening and closing balances of the current value of Defined Benefit Obligations (OBD) for 2012 and 2011:

	2012			2011		
	Legal retirement compensation (IL)	Seniority premium (PA) before retirement	PA at retirement	Retirement IL	PA before retirement	PA at retirement
OBD at January 1	\$ 25,955	\$ 4,805	\$ 934	\$ 21,758	\$ 4,772	\$ 1,711
Add (less):						
Labor cost of current service	5,034	1,076	300	7,595	1,850	722
Financial cost	1,551	323	71	-	-	-
Contributions made by participant employees	-	-	-	1,514	372	127
Actuarial gains (losses) generated during the period and paid benefits	-	-	-	-	-	-
- Net	<u>(3,155)</u>	<u>(245)</u>	<u>(414)</u>	<u>(4,912)</u>	<u>(2,189)</u>	<u>(1,626)</u>
OBD at December 31	<u>\$ 29,385</u>	<u>\$ 5,959</u>	<u>\$ 891</u>	<u>\$ 25,955</u>	<u>\$ 4,805</u>	<u>\$ 934</u>

- b. At December 31, 2011 and 2012, the value of acquired benefit obligations related to seniority premiums was \$269.9 and \$143.9 respectively.
- c. Reconciliation of OBD, Plan Assets (AP) and the Net Projected Liability (PNP).

The reconciliation of the current value of the OBD and fair value of the AP and PNP recognized in the balance sheet is detailed below:

	IL before retirement		PA before retirement		PA at retirement	
	2012	2011	2012	2011	2012	2011
Labor liabilities:						
OBD	\$ 29,385	\$ 25,955	\$ 5,959	\$ 4,805	\$ 891	\$ 934
Financing situation	29,385	25,955	5,959	4,805	891	934
Less:						
Unapplied items	-	(63)	-	(23)	(12)	(56)
Actuarial losses	-	-	-	-	119	197
Transition liability	-	(680)	-	(46)	-	-
PNP	<u>\$ 29,385</u>	<u>\$ 25,212</u>	<u>\$ 5,959</u>	<u>\$ 4,736</u>	<u>\$ 998</u>	<u>\$ 1,075</u>

- d. CNP

An analysis of the Net Projected Cost (CNP) by plan type is presented below:

	IL before retirement		PA before retirement		PA at retirement	
	2012	2011	2012	2011	2012	2011
CNP:						
Labor cost of current service	\$ 5,034	\$ 7,595	\$ 1,076	\$ 1,850	\$ 300	\$ 722
Financial cost	1,551	1,514	323	372	71	127
Actuarial gain or loss, net	44,064	51,097	2,026	(356)	(414)	-
Labor cost of past service	64	257	23	20	14	19
Amortization (transition liability)	680	709	46	49	107	1
Reductions or prepayments	-	585	-	-	-	(1,328)
Total	<u>\$ 51,393</u>	<u>\$ 61,757</u>	<u>\$ 3,494</u>	<u>\$ 1,935</u>	<u>\$ 78</u>	<u>\$ (459)</u>

- e. Main actuarial hypotheses

SERFINCOR

Expressed in absolute terms, the main actuarial hypotheses, discount rates, AP returns, salary increases and changes to ratios or other variables at December 31, 2012, are as follows:

Seniority premium plan and benefit plan at the end of the work relationship

Age	Death (%)	Disability (%)	Voluntary Separation (%)	Dismissal (%)
15	0.023	0.044	77.115	8.206
25	0.047	0.073	41.506	6.793
35	0.089	0.094	21.668	4.017
45	0.186	0.143	32.801	5.699
55	0.576	0.928	11.534	2.248
60	1.148	1.769	7.468	1.482
			2012 (%)	2011 (%)
Discount rate:			6.00	7.50
Salary increase rate:			5.42	5.42
Minimum wage increase rate:			4.27	4.27

SCAEF

Expressed in absolute terms, the main actuarial hypotheses, discount rates, AP returns, salary increases and changes to ratios or other variables at December 31, 2012, are as follows:

Biometric:

Mortality Table (active):	Experience EMSSAH
Disability Table:	Experience EISS-97
Turnover Table:	Experience Boke 87-89 + 150%

Financial:

Discount rate used to reflect the current value of obligations	6%
Future salary level increase rate	6%
Workers' average remaining working life (applicable to retirement benefits)	14 years

- f. Value of the OBD, AP and plan situation of the last five annual periods of Serfincor:

The value of the OBD, the fair value of the AP, the plan situation and experience adjustments of the last four years are detailed below:

Seniority premium plan

Year	Historical values and OBD plan situation
2012	\$ 4,926
2011	4,239
2010	4,815
2009	3,454
2008	2,507

Benefit plan at the end of the work relationship

Year	Historical values and OBD plan situation
2012	\$ 16,269
2011	14,183
2010	11,568
2009	9,457
2008	9,180

The value of the OBD, AP and plan situation of the last five annual periods of SCAEF:

Seniority premium plan

Year	Historical values and OBD plan situation OBD
2012	\$ 1,924
2011	1,499
2010	1,667
2009	971
2008	765

Benefit plan at the end of the work relationship

Year	Historical values and OBD plan situation OBD
2012	\$ 13,116
2011	11,770
2010	10,189
2009	6,176
2008	4,315

g. PTU

The PTU provisions created for 2012 and 2011 are analyzed below:

	2012	2011
Deferred PTU	\$ (903)	\$ 4,425
Current PTU	4,416	526
	<u>\$ 3,513</u>	<u>\$ 4,951</u>

The Company is subject to the payment of PTU, which is calculated by applying the procedures contained in the Income Tax Law (LISR).

The main temporary differences for which deferred PTU was recognized are analyzed below:

	2012	2011
Provision for labor obligations	\$ 21,613	\$ 12,559
Sundry provisions	526	706
Prepaid expenses	<u>(1,544)</u>	<u>(1,706)</u>
	20,595	11,559
Applicable PTU rate	<u>10%</u>	<u>10%</u>
Deferred PTU asset	<u>\$ 2,059</u>	<u>\$ 1,156</u>

16. Balances and transactions with related parties

The transactions performed with related parties during the normal course of business primarily involve the rentals and administrative services paid to related companies for the amount of \$24,555, together with wages and benefits of \$65,889 paid to the Company's main officers. According to NIF C-3, Related parties, issued by the Commission, other balances and transactions were insignificant.

17. Income taxes

The Company is subject to the payment of Income Tax (ISR) and Business Flat Tax (IETU).

ISR - Through the 2013 Federal Incomes Law, the income tax rate applicable to companies was modified with a transition period in 2013 and 2014. Tax rates were 30% in 2012 and 2011; will be 30% in 2013; 29% in 2014 and 28% in 2015 and subsequent years.

IETU - Income, deductions and certain tax credits are determined according to the cash flows of each year; the tax rate is 17.5%. Furthermore, the enactment of this law led to the elimination of the Asset Tax Law (LIMPAC) and, under certain circumstances, allows the recovery of the tax paid during the 10 years immediately preceding that in which ISR is paid for the first time according to applicable tax provisions.

The incurred tax is the higher of ISR and IETU.

Based on the financial projections prepared according to INIF 8, "Business Flat Tax Effects", the Company determined that it will essentially pay ISR and therefore recognized deferred ISR. However, Serfincor, SCAEF and Conexia will essentially pay IETU and recognized deferred IETU.

Reconciliation of the accounting and tax result – The main items which contributed to the determination of the Company's tax result were the effects of allowances for loan losses and financial instrument valuations.

The consolidated tax provision is analyzed below:

	Year ended December 31,	
	2012 –	2011
Current:		
ISR	\$ (84,319)	\$ (190,454)
IETU	<u>(1,435)</u>	<u>(6,370)</u>
	<u>(85,754)</u>	<u>(196,824)</u>
Deferred:		
ISR	(139,376)	81,197
IETU	<u>7,291</u>	<u>(2,100)</u>
	<u>132,085</u>	<u>79,097</u>
	<u>\$ 46,331</u>	<u>\$ (117,727)</u>

The ISR incurred for the year ended December 31, 2012 was essentially derived from the tax results of \$66,295 of AEF, \$10,890 of Serfincor and \$7,134 of Fisofo. The IETU incurred for the year ended December 31, 2012 refers to the tax result of \$1,435 of Conexia.

At December 31, 2011 and 2012, the main temporary differences for which consolidated deferred ISR was recognized are analyzed below:

	December 31,	
	2012	2011
Allowance for loan losses	\$ 1,383,254	\$ 1,198,436
Incurred penalty interest	1,047,365	909,682
Tax loss carryforwards	364,014	240,164
Valuation of derivative financial instruments	72,396	22,096
Adaptations and leasehold improvements	252,189	113,564
Liability provisions	33,172	42,243
International bond	0	71,288
Furniture, fixtures and intangible assets	0	36,045
Prepaid expenses	(60,010)	(64,456)
Unaccrued commissions	43,149	30,391
Others	<u>50,139</u>	<u>74,580</u>
	3,185,668	2,674,033
Applicable ISR rate	<u>30%</u>	<u>30%</u>
Deferred ISR asset	955,701	802,210
Deferred ISR AFI	1,556	733
Deferred IETU	1,394	10,575
Deferred PTU	<u>2,059</u>	<u>1,156</u>
Total	<u>\$ 960,710</u>	<u>\$ 814,674</u>

Deferred ISR of \$15,090 was recorded in stockholders' equity for the valuation of hedge instruments.

At December 31, 2012, deferred ISR and IETU include the effect recorded in results of the prior year for the amount of \$152 and \$1,890, respectively.

At December 31, 2012, the Company has accrued tax losses of \$364,014, which can be applied to future profits within the deadlines detailed below:

Year of loss	Restated Amount	Year of expiration
2007	\$ 9,390	2017
2008	15,585	2018
2009	141,059	2019
2010	77,077	2020
2011	1,521	2021
2012	<u>119,382</u>	2022
	<u>\$ 364,014</u>	

The reconciliation of the legal and effective ISR rates expressed as a percentage of profit before income tax, which is the tax incurred by the Company, is as follows:

	2012	2011
Legal rate	30%	30%
Add (less) -		
Effect of nondeductible differences	3%	5%
Annual adjustment for inflation	(1)%	(3)%
Other effects	(4)%	4%
Effective rate	<u>28%</u>	<u>36%</u>

Under current tax laws, the Company must pay annual tax based on the higher of ISR and IETU. At December 31, 2011, the Company did not incur IETU; however, Conexia, Serfincor and Financiera Finsol paid this tax.

The reconciliation of the incurred and effective consolidated IETU rates is detailed below:

	Year ended December 31,	
	2012	2011
Profit before provisions	\$ 3,022	\$ 26,252
Incurring IETU rate	<u>17.5%</u>	<u>17.5%</u>
IETU at the legal rate	529	4,594
Add (less) the IETU effect of the following permanent items:		
Cancellation of deferred ISR	-	12,762
Accounting depreciation	826	1,135
Others	(55)	(1,199)
Accounts receivable from prior years	135	-
Provision according to NIF D-3	-	(3,120)
IMSS provisions	-	(5,703)
IETU at the actual rate	<u>\$ 1,435</u>	<u>\$ 8,469</u>
Effective IETU rate	<u>47%</u>	<u>32%</u>

At December 31, 2011 and 2012, the main temporary differences for which deferred IETU was recognized are analyzed below:

	December 31,	
	2012	2011
IMSS provisions	\$ -	\$ 32,586
Labor obligations	21,613	17,829
Others	(204)	8,380
Accounts receivable	(53,764)	-
Accounts payable	41,867	4,118
Prepaid expenses	(1,544)	(2,485)
Applicable IETU rate	<u>7,968</u>	<u>60,428</u>
	<u>17.5%</u>	<u>17.5%</u>
Deferred IETU asset	<u>\$ 1,394</u>	<u>\$ 10,575</u>

Recoverable IMPAC – At December 31, 2012, the Company has no recoverable IMPAC.

Employee statutory profit-sharing - The Company determined employee statutory profit-sharing by applying the criterion detailed in the guidelines of the Income Tax Law.

18. Stockholders' equity

At December 31, 2012 and 2011, stockholders' equity is composed as follows:

Number of Shares	Description	Amount
200,000,000	Series "A" (Class I)	\$ 20,000
560,884,712	Series "A" (Class II)	56,088
<u>(45,000,000)</u>	Series "A" (Class II) [unpaid, subscribed shares]	<u>(4,500)</u>
<u>715,884,712*</u>		71,588
	Accrued increase due to restatement	<u>85,603</u>
	Common stock at December 31, 2012	<u>\$ 157,191</u>

* Ordinary, nominative shares at no par value, fully subscribed and paid-in.

Series "A", Class I shares represent fixed capital without withdrawal rights. Series "A", Class II shares represent the Company's variable capital.

A restriction is applicable to the declaration of dividends whenever this payment reduces the Company's capitalization level (defined as the ratio of stockholders' equity to total assets) to less than 25%.

According to the Stock Market Law and the Company's corporate bylaws, the latter is able to repurchase shares representing its common stock in the understanding that, while these shares are held by the Company, the respective voting or other related rights cannot be exercised at a Stockholders' Meeting or in any other way.

The Company has maintained a fund for repurchasing shares. During 2012, the total number of repurchased shares was 54,832,780 (48,168,480 in 2011), of which 35,595,894 (34,486,864 in 2011) shares or 5.0% (4.8% in 2011) of total outstanding shares refers to the repurchase fund, while 19,236,886 (13,681,616 in 2011) shares or 2.7% (1.9% in 2011) of total outstanding shares refers to the trust created for the employee stock option plan.

During 2012 and 2011, the net amount of acquisitions and replacements involving the Company's own shares (repurchase fund and stock option plan) was \$33,999 and \$164,780, respectively. The dividends of \$1,694 paid in 2011 on the shares held in the repurchase fund and stock option trusts were returned to the Company.

At December 31, 2011, the Company replaced certain shares, thereby generating an effect of \$28,400, which was applied to the share sale premium.

At December 31, 2011 and 2012, the market price of the Company's shares reported by the BMV was \$4.10 and \$7.22 per share, respectively.

The Board of Directors' meetings of January 2012 and 2011 selected the Company officers eligible for the stock option plan and determined the number of shares to be assigned to each.

Paid dividends are exempt from the payment of ISR when taken from the Net Tax Income Account (CUFIN). Dividends which exceed the CUFIN incur tax at the current rate when paid. Incurred tax is payable by the Company and can be credited against ISR of the year or the immediately following two years or, if applicable, against IETU of the year. Paid dividends taken from profits on which ISR has already been paid are not subject to a tax withholding or additional tax payment.

In the case of a capital reduction, the procedures detailed in the LISR establish that the tax treatment given to dividends must also be applied to any amount by which stockholders' equity exceeds the balances of contributed capital accounts.

According to NIF B-14, the profit per share is the result of dividing the net profit of the year by the weighted average of outstanding shares during the same period, as detailed below:

<u>(Loss) Profit per Share (UPA):</u>	2012	2011
Net (Loss) profit	\$ (116,463)	\$ 185,841
Divided by:		
Average weighted number of shares	<u>594,599,317</u>	<u>600,511,678</u>
UPA (pesos)	<u>\$ (0.1958)</u>	<u>\$ 0.3095</u>

19. Foreign currency position

At December 31, 2012 and 2011, the Company has assets and liabilities denominated in foreign currency, primarily US dollars, which are converted based on the exchange rate issued by the Bank of Mexico of \$12.9658 and \$13.9476 for one US dollar, respectively, as follows:

	<u>Thousands of US dollars</u>	
	2012	2011
Assets	11	21
Liabilities	<u>(201)</u>	<u>(201)</u>
Liability position in US dollars, net	<u>(190)</u>	<u>(180)</u>
Liability position in Mexican pesos, net (face value)	<u>\$ (2,463)</u>	<u>\$ (2,511)</u>

At February 15, 2013, the Company's foreign currency position (unaudited) is similar to its position at the yearend close; the exchange rate in effect at that date is \$12.6866 pesos for one US dollar.

20. Financial margin

At December 31, 2012 and 2011, the main items composing the Company's financial margin are as follows:

The interest income generated by the credit portfolio by product and investment income are detailed below:

	Year ended December 31,	
	2012	2011
Credilmediato	\$ 1,732,191	\$ 1,654,653
Grupal	1,022,243	952,163
CrediPopular	1,155,926	938,968
Tradicional	851,785	601,249
CrediMamá	113,507	111,176
CrediConstruye	72,775	82,126
AFI	25,447	12,650
Preferencial	23,238	2,577
MásNómina	<u>16,325</u>	<u>2,255</u>
	5,013,437	4,357,817
Securities investments	<u>18,607</u>	<u>20,284</u>
Total income	<u>\$ 5,032,044</u>	<u>\$ 4,378,101</u>

Interest expenses are as follows:

Interest expenses	Year ended December 31,	
	2012	2011
HSBC	\$ 104,297	\$ 156,661
NAFINSA	102,623	48,017
FIRA	18,980	15,936
FINAFIM	8,207	5,681
Morgan Stanley	-	3,901
IXE Banco, S. A.	833	3,358
SHF	-	684
BBVA Bancomer	12,343	-
Monex	4,133	-
Bridge Bank	241	-
Subtotal	<u>251,657</u>	<u>234,238</u>
International bond	395,618	402,104
Securitization certificates	111,110	94,046
Others	<u>5,510</u>	<u>4,540</u>
Total	<u>\$ 763,895</u>	<u>\$ 734,928</u>
Financial margin	<u>\$ 4,268,149</u>	<u>\$ 3,643,173</u>

21. Collected and paid commissions and fees

At December 31, 2012 and 2011, the main items for which the Company recorded collected and paid commissions in the statement of income are as follows:

Collected and paid commissions and tariffs

Commissions and fee income	Year ended December 31,	
	2012	2011
Disposal commissions	\$ 584,521	\$ 576,264
Collection expense commission	<u>227,699</u>	<u>247,635</u>
	<u>\$ 812,220</u>	<u>\$ 823,899</u>
Commissions and fee expense		
Bank commissions	\$ 34,723	\$ 29,824
Credit line commissions	22,274	18,925
Service commissions	<u>15,727</u>	<u>12,314</u>
	<u>\$ 72,724</u>	<u>\$ 61,063</u>

22. Trading income

At December 31, 2012 and 2011, the main items composing the Company's trading income are as follows:

Exchange rate fluctuation	Year ended December 31,	
	2012	2011
Result from the valuation of transactions with derivative financial instruments	\$ 7,876	\$ 29,361
	<u>2,537</u>	<u>(5,224)</u>
	<u>\$ 10,413</u>	<u>\$ 24,137</u>

23. Other operating income

Other operating income is as follows:

	Year ended December 31,	
	2012	2011
Recovery of written-off credits	\$ 102,581	\$ 58,722
Other items	18,189	49,669
Service and insurance commissions	69,565	47,652
Sale of fixed assets	-	12,893
	<u>\$ 190,335</u>	<u>\$ 168,936</u>

24. Information by segments

The total credit portfolio and interest income by geographical region is detailed below:

Entity:	December 31,			
	2012		2011	
	Total Portfolio	Interest Income	Total Portfolio	Interest Income
Aguascalientes	\$ 59,886	\$ 43,545	\$ 68,971	\$ 42,353
Baja California	199,870	145,204	232,831	133,554
Baja California Sur	73,824	54,781	81,756	48,679
Campeche	142,207	107,965	145,963	89,942
Chiapas	197,324	143,509	194,713	117,138
Chihuahua	60,207	45,249	80,371	49,326
Coahuila	266,294	202,397	333,038	191,335
Colima	67,934	53,424	75,183	42,312
Federal District	355,090	245,755	307,792	179,924
Durango	66,266	47,887	61,390	31,731
Mexico State	588,094	464,904	545,923	344,930
Guanajuato	270,007	216,169	307,300	177,944
Guerrero	230,095	184,811	254,940	178,308
Hidalgo	93,438	69,998	94,073	64,648
Jalisco	363,613	271,123	401,731	227,510
Michoacán	192,733	157,724	223,196	144,875
Morelos	147,569	114,476	152,148	93,583
Nayarit	54,212	41,567	54,186	33,509
Nuevo León	31,735	23,430	33,848	21,757
Oaxaca	137,311	96,826	127,991	85,293
Puebla	198,391	151,546	228,762	144,849
Querétaro	136,576	104,348	134,335	84,086
Quintana Roo	227,421	173,531	240,053	143,821
San Luis Potosí	166,093	127,882	184,946	110,877
Sinaloa	144,577	109,614	191,598	107,934
Sonora	245,933	182,637	311,651	171,729
Tabasco	104,036	81,370	127,368	73,361
Tamaulipas	481,059	363,911	541,690	320,770
Tlaxcala	70,570	57,486	83,385	54,767
Veracruz	550,478	425,438	664,773	409,781
Yucatán	197,942	154,375	199,244	125,513
Zacatecas	57,723	44,156	64,871	38,240
Subtotal Mexico	6,178,508	4,707,038	6,750,020	4,084,379
Brazil	419,542	280,952	543,727	260,788
United States	124,796	25,447	53,923	12,650
Total	<u>\$ 6,722,846</u>	<u>\$ 5,013,437</u>	<u>\$ 7,347,670</u>	<u>\$ 4,357,817</u>

25. Commitments and contingencies

At December 31, 2012, the Company is subject to certain labor, civil and criminal lawsuits. However, Company's management and its attorneys consider that these lawsuits arose during the normal course of business and that unfavorable verdicts would not significantly affect the Company's financial position and results. At December 31, 2012, the provision for lawsuits is \$8,456.

The Company has executed a series of lease contracts for the rental of the offices, ATMs and branches used for its operations. These contracts have terms of between 3 to 5 years. The total amount payable for rentals over the following five years is \$155,077 in 2013, \$120,280 in 2014, \$88,621 in 2015 \$65,232 in 2016 and \$34,328 in subsequent years.

26. Authorization to issue the financial statements

As the issuance of the accompanying consolidated financial statements was authorized on February 15, 2013 by Mr. Mauricio Galán Medina, the Company's General Director, they do not reflect any event arising after that date. Furthermore, the consolidated financial statements are subject to the approval of the ordinary meeting of the Company's stockholders, which may request their modification according to the General Corporate Law.

* * * * *