



4Q18 and Full Year 2018 Earnings Release

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UNIFIN 4Q18 and Full Year 2018 Earnings Conference Call

Date: Friday, January 25, 2019
Time: 11:30 a.m. EST / 10:30 a.m. CST
Presenting for UNIFIN:
Mr. Sergio Camacho - Chief Executive Officer
Mr. Sergio Cancino – Chief Financial Officer
Mr. David Pernas – Director, IR & Corporate Finance

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+1-201-689-8573 (International participants)
Conference ID: UNIFIN

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UNIFIN reports 21.2% increase in Total Revenue, reaching Ps. 5,120 million in 4Q18; Total Portfolio rose 25.0% in 2018

Mexico City, January 24, 2019 - **UNIFIN Financiera S.A.B. de C.V. SOFOM, E.N.R. ("UNIFIN" or "the Company") (BMV: UNIFIN)**, announces its results for the fourth quarter ("4Q18") and full year 2018 ("2018") periods. Figures presented throughout this document are expressed in millions of Mexican pesos (Ps.). Financial information has been prepared in accordance with the accounting criteria of the Mexican National Banking and Securities Commission ("CNBV") and filed with the Mexican Stock Exchange ("BMV").

4Q18 and Full Year 2018 Highlights

- **Total Revenue** grew **21.2%** to **Ps. 5,120 million** in 4Q18. In 2018 **total revenue** increased **32.3%** to **Ps. 18,944 million**.
- Leasing yield improved to **38.0%**.
- **Nominal financial margin** increased by **14.7%** to Ps. 1,037 million. In 2018 **nominal financial margin** increased **19.6%** to **Ps. 3,805 million**. **Financial margin** improved to **20.3%** vs. 3Q18.
- **Opex** was **6.1%** of revenues in 4Q18, an improvement of **150 bps** compared to 4Q17.
- **Net income** reached **Ps. 502 million** in 4Q18. In 2018 **net income** rose **8.6%** to **Ps. 1,924 million**.
- As of December 31, 2018, **total loan portfolio** reached **Ps. 52,070 million**, up **25.0%** y-o-y.
- **NPL ratio** remained below **1.0%** of the total loan portfolio. The **coverage for loan losses** was **109.7%**.
- **Net fixed assets** and **total assets** increased by **24.3%** and **24.1%** respectively, at the end of 4Q18.
- **84.6%** of our **total debt** is on fixed rate.
- During 4Q18, the Company continued with its **share repurchase program** acquiring **7.0 million shares** in the period (Annex - 3 for full details).

Financial Overview

Financial metrics⁽¹⁾ Figures in Ps. million	4Q18	4Q17	Var.%	2018	2017	Var.%
Total revenue	5,120	4,224	21.2%	18,944	14,315	32.3%
Leasing Yield	38.0%	39.6%		38.0%	39.6%	
Interest, depreciation & other expenses	(4,083)	(3,320)	23.0%	(15,139)	(11,133)	36.0%
Nominal financial margin	1,037	904	14.7%	3,805	3,182	19.6%
Financial margin	20.3%	21.4%		20.1%	22.2%	
Net Interest Margin (NIM)	8.0%	8.8%				
Admin. Expenses	(315)	(323)	(2.6%)	(1,092)	(891)	22.6%
Opex	6.1%	7.7%		5.8%	6.2%	
Operating income	663	710	(6.6%)	2,446	2,300	6.3%
Net income	502	491	2.2%	1,924	1,771	8.6%
Net income margin	9.8%	11.6%		10.2%	12.4%	
Operating metrics⁽¹⁾						
Total portfolio				52,070	41,672	25.0%
Leasing portfolio				40,913	33,373	22.6%
Factoring portfolio				2,746	2,511	9.4%
Auto loans & others				8,410	5,788	45.3%
NPL ratio				0.99%	0.74%	
Adjusted NPL ratio				3.1%	3.3%	
Return/Leverage⁽¹⁾						
ROAA				3.0%	3.7%	
ROAE				15.8%	29.7%	
Adjusted ROAE (excl. Perpetual effect)				19.0%	29.7% ⁽²⁾	
Capitalization				19.2%	13.9%	
Capitalization (excl. MTM)				18.4%	12.5%	
Financial leverage (excl. ABS)				2.7x	3.3x	
Financial leverage (excl. ABS and MTM)				2.8x	3.7x	

Figures in Ps. million	4Q18	Var.%	3Q18	Var.%	2Q18	Var.%	1Q18	Var.%	4Q17
Total revenue	5,120	2.6%	4,988	12.1%	4,450	1.4%	4,387	3.9%	4,224
Leasing yield	38.0%		37.4%		37.1%		38.4%		39.6%
Depreciation	(2,200)	6.2%	(2,072)	7.1%	(1,936)	7.8%	(1,796)	(1.8%)	(1,829)
Interest expenses	(1,504)	3.9%	(1,447)	12.3%	(1,288)	5.9%	(1,217)	4.9%	(1,160)
Nominal Financial margin	1,037	3.1%	1,006	15.1%	873	(8.0%)	950	5.0%	904
Net Interest Margin (NIM)	8.0%		8.1%		8.3%		8.8%		8.8%
Admin. expenses	(315)	8.0%	(291)	4.2%	(280)	5.0%	(266)	(17.6%)	(323)
Opex	6.1%		5.8%		6.3%		6.1%		7.7%
Operating income	663	0.4%	660	32.3%	499	(19.9%)	623	(12.2%)	710
Income tax expense	(179)	44.3%	(124)	18.6%	(104)	(30.9%)	(151)	(35.3%)	(233)
Net income	502	(8.0%)	545	34.3%	406	(13.8%)	471	(4.0%)	491
Net income margin	9.8%		10.9%		9.1%		10.7%		11.6%

⁽¹⁾ Refer to Annex - 1 for glossary of metrics

⁽²⁾ The Perpetual bond was issued on January 2018.

Message to Investors:

During 2018, UNIFIN was able to navigate successfully an uncertain macroeconomic outlook, reporting growth in its annual results that demonstrate the resilience of its business model. **Total revenue** increased by **32.3%** during the year, the level of **capitalization** reached **19.2%** (after the perpetual bond issuance), the **net interest margin** ("NIM") was at a healthy and stable **8.0%**, and we continued with **NPL** levels below **1.0%**.

2018 was a year of uncertainty and volatility in Mexico, mainly due to the presidential elections that took place last July and the renegotiation of NAFTA. Additionally, during the fourth quarter of the year, the new government decided to cancel the Texcoco project of the New Mexico City airport (NAICM), which along with volatile global markets, contributed to a loss of confidence in the financial local markets, a weaker currency and higher bond yields. In response to this, the Bank of Mexico played a decisive role in counteracting inflationary pressures and strengthening the macroeconomic fundamentals by adopting a restrictive monetary policy and increasing the interest rate four times over the year (**100 bps**), culminating with the last hike in December 2018. In addition, a more conciliatory approach from the new government by approving a fiscally responsible 2019 Federal Budget, provided certainty to market participants.

At UNIFIN, we are recognized for our conservative risk management strategy, and during the first months of 2018, we anticipated all our financial requirements and thus were protected from the impact of any potential credit crunch. These measures give us the necessary financial strength to support and execute our commercial strategy.

"Power for your business". This strategy is based on two pillars: data management and advisory to our clients, which allows us to offer our clients informed financial guidance and provide the value-added advice they require to boost the long-term growth of their businesses. This is supported by new technological platforms that will enable us to have continuous monitoring of productivity of our commercial, operational and financial strategy, improving the profitability of the business.

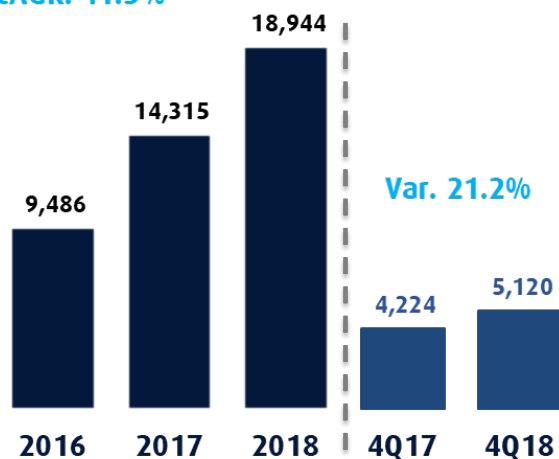
Although 2019 will be a challenging year, we are convinced that the business fundamentals are solid, and we are prepared to generate value in the opportunities to come. UNIFIN is confident in Mexico's positive long-term outlook and will continue investing in the country, thereby helping small and medium entrepreneurs to grow their businesses. We also reaffirm our commitment with our share and bond holders to continue our efforts to improve the profitability of the Company, while preserving financial strength at all times.

Sergio Camacho
Chief Executive Officer

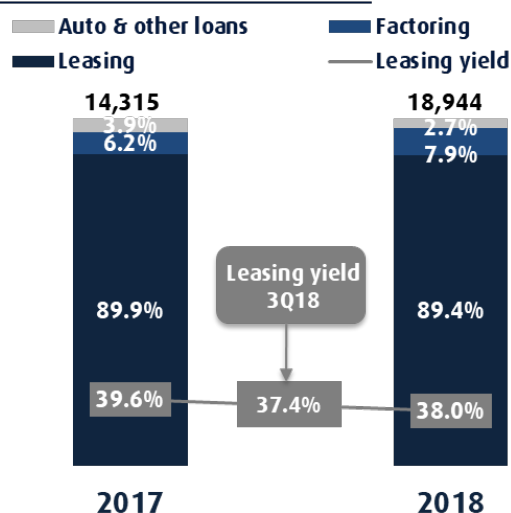
Income Statement

Total Revenue

CAGR: 41.3%



Revenue Distribution



Total revenue consists of i) operating lease income, ii) interest income, primarily derived from factoring and auto loans, and iii) other lease benefits, mainly generated from asset sales at the end of each leasing contract.

Total revenue increased 21.2% in 4Q18 to Ps. 5,120 million compared to Ps. 4,224 million in 4Q17. During 4Q18, **operating lease income** reached Ps. 4,094 million, a 30.2% increase versus 4Q17 due to an increase in our originations, in addition to the Company's capabilities of repricing our implicit yields. **Interest income** reached Ps. 770 million. **Other lease benefits** during 4Q18 were Ps. 255 million.

For 2018, total revenue increased 32.3% to Ps. 18,944 million vs. 2017. The increase is explained by the constant repricing efforts and the growth of our originations. Leasing income reached Ps. 14,761 million, interest income was Ps. 2,588 million and other lease benefits were Ps. 1,596 million.

Leasing yield had decreased in previous years. Explained by the extension of the average maturity of our leasing portfolio in new originations, thus impacting the nominal rent amount registered as revenue from the lease portfolio. However, given the constant repricing efforts in the implicit rates of the new contracts, as previously mentioned, the Company's yields continued to improve through the second half of 2018, as shown in this quarter when compared to 3Q and 2Q 2018 (38.0% in 4Q18 vs. 37.4% in 3Q18 & 37.1% in 2Q18).

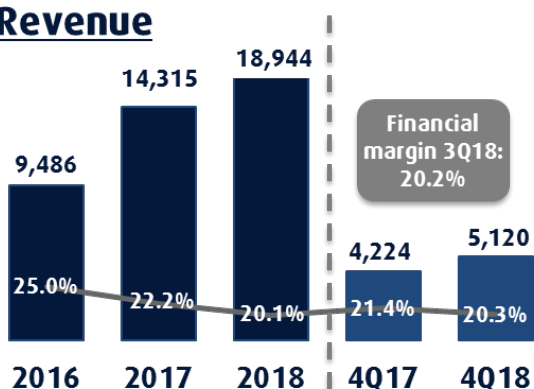
Depreciation of assets under lease during 4Q18 was Ps. 2,200 million, a 20.3% increase compared to 4Q17. This increase was mainly related to the leasing portfolio growth during the quarter. Depreciation for 2018 was Ps. 8,005 million, a 25.9% increase vs. 2017, and explained by the expanding base of our net-fixed assets, related to the operating lease portfolio.

Interest expense rose 29.7% during 4Q18 to Ps. 1,504 million, explained by higher base of financial liabilities related to the growth of our operations and an increase in the cost of funding. For 2018, interest expense increased 43.4%, due to the conservative drawing of credit facilities to avoid any liquidity stress throughout the year. At the end of 2018, 84.6% of the total debt is denominated at a compounded fixed rate of 10.1%.

Cost of Funding and Interest Expense

	2018	2017	Var. %
Cost of funding	10.10%	9.76%	34bps
Breakdown:			
Interest rate growth			12bps
Increase due to increase in our debt			22bps
Interest expense	5,515	3,845	1,669
Breakdown:			
Interest rate increase			294
Increase due to incremental debt			1,375

Financial Margin as % of Total Revenue

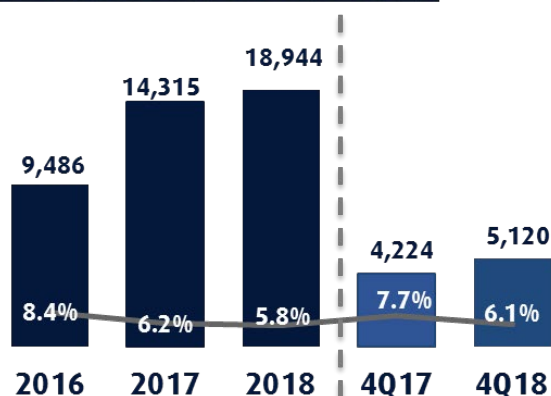


Nominal Financial Margin and NIM

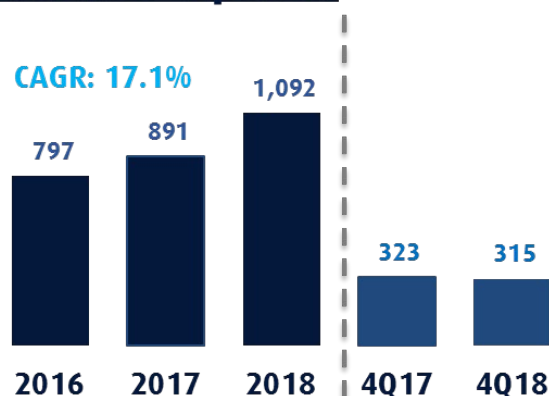


Nominal financial margin increased 14.7% y-o-y to reach Ps. 1,037 million. During 4Q18 the **financial margin** as a percentage of total revenues declined y-o-y but improved q-o-q (20.3% in 4Q18 vs. 20.2% in 3Q18). The y-o-y decrease is primarily due to the growth of the Company's interest expense resulting from our conservative drawing down of banking facilities. Our average interest rate (cost of debt) is now 10.1% vs 9.8% in 4Q17. The **NIM** contracted 80 bps y-o-y due to a larger base of debt, to 8.0% for 4Q18 (vs. 8.1% in 3Q18).

Total Revenue and OPEX



Admin. & Expenses

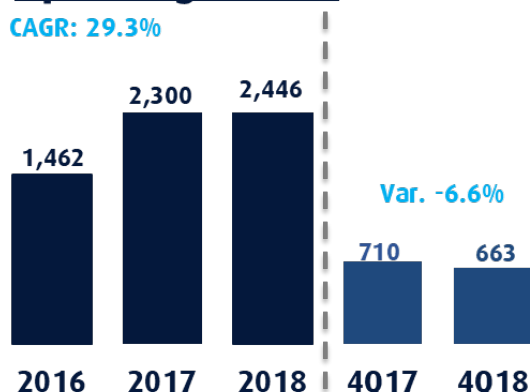


Administrative expenses were Ps. 315 million in 4Q18, compared to Ps. 323 million in 4Q17, a 2.6% decrease y-o-y. This decrease is explained by tightened expense control, and continuous gains in operating efficiencies. For 2018, administration expenses increased 22.6%. **OPEX** as a percentage of total revenue ended at 6.1% in 4Q18 vs 7.7% in 4Q17, and 5.8% in 2018 vs. 6.2% in 2017 for full year results.

Operating income reached Ps. 663 million during 4Q18, compared to Ps. 710 million in 4Q17. During 4Q17, the Company reported Ps. 146 million of additional operating income related to the insurance facility rebate due to lower claims, hence the apparent contraction versus a year ago. At the start of 2018, the Company start registering such income on a monthly basis under other lease benefits, which for the full year represented Ps. 170 million. Operating income for 2018 increased 6.3% to Ps. 2,446 million vs. operating income of Ps. 2,300 million at the end of 2017.

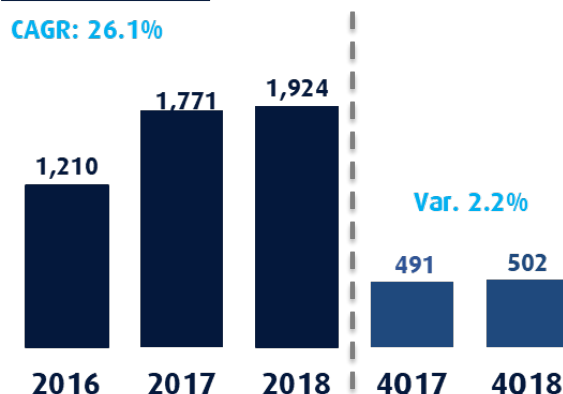
Operating Income

CAGR: 29.3%



Net Income

CAGR: 26.1%

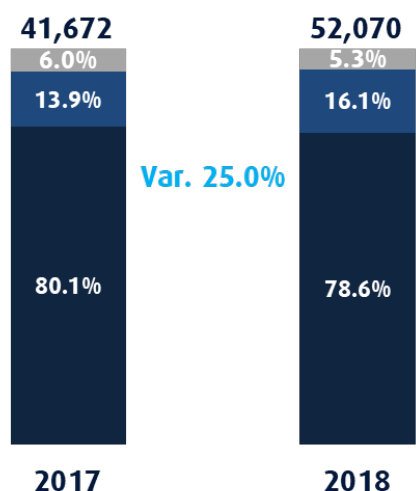


Consolidated net income reached Ps. 502 million during 4Q18, a 2.2% increase vs. Ps. 491 million in 4Q17. As mentioned before, during 4Q17, the Company reported an additional income of Ps.102 million net of income tax related to the rebate on insurance facility claims, which positively impacted our results. For 2018, net income increased 8.6%, reaching Ps. 1,924 million, vs. Ps. 1,771 million in 2017.

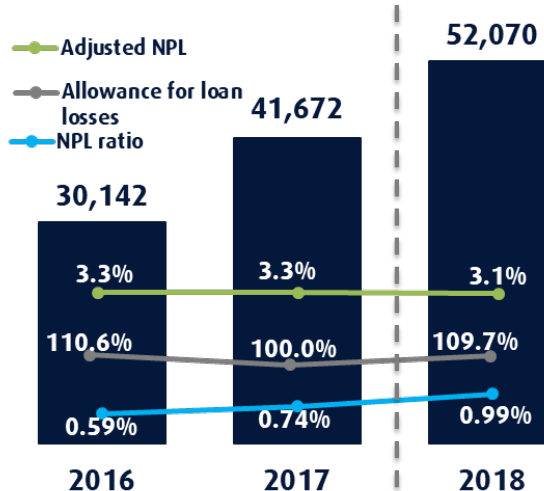
Balance Sheet

Portfolio Composition

■ Factoring ■ Auto & other loans ■ Leasing



NPL as % of Total Portfolio



Total loan portfolio is comprised of: i) the **Factoring and auto loan portfolio** (Ps. 7,430 million), plus ii) leasing accounts receivable and other loans (Ps. 5,857 million) reported under **other accounts receivable**, and iii) **memorandum accounts** (Ps. 38,782 million), which are comprised of future rentals of the operating lease portfolio. As a result, **total loan portfolio** was Ps. 52,070 million in 4Q18, a 25.0% increase y-o-y.

Portfolio Composition	2018	2017	Var. %
Factoring & auto loans - performing portfolio	7,230	5,443	32.8%
Factoring & auto loans - NPL	200	39	416.0%
Factoring & auto loans - allowance for loan losses	(252)	(39)	550.5%
Loan Portfolio - Net	7,178	5,443	31.9%
Other Accounts Receivable			
Leasing - performing portfolio	1,815	1,299	39.8%
Leasing - NPL	316	269	17.6%
Leasing - allowance for loan losses	(366)	(269)	36.2%
Other loans	3,726	2,817	32.3%
Leasing Portfolio - Net	5,492	4,116	33.4%
Memorandum Accounts			
Lease rentals to be accrued held in trust	23,617	25,687	(8.1%)
Lease rentals to be accrued	15,165	6,118	147.9%
Total Memorandum Accounts	38,782	31,805	21.9%
Portfolio Composition			
Leasing	40,913	33,373	22.6%
Factoring	2,746	2,511	9.4%
Auto & other loans	8,410	5,788	45.3%
Total Portfolio	52,070	41,672	25.0%

Past due loan portfolio was Ps. 516 million of which Ps. 200 million were related to the factoring and auto loans business, plus Ps. 316 million from the operating lease portfolio (registered in **other accounts receivable**). The **non-performing loan ratio** ("NPL") (calculated as **past due loan portfolio/total loan portfolio**) slightly rose q-o-q to 0.99% at the end of 4Q18 from 0.95% end-3Q18.

The **adjusted NPL ratio** (counting the **full amount of the future lease receivables**) for the 4Q18 ended at 3.1%. It is important to highlight that **UNIFIN maintains ownership of the assets** under operating lease. Book value for these leased assets represents ~60% of their market value, which is not considered in the allowance for loan losses, therefore our provisioning is even more conservative.

To adhere towards the best practices in the industry and in full compliance with the CNBV, our methodology for provisioning expected losses changed during the second quarter of 2018. The **allowance for loan losses** coverage for the Company's NPL's was 109.7% as of 4Q18.

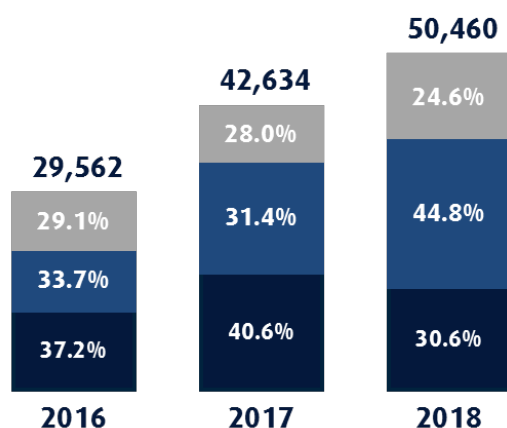
Total assets as of December 31, 2018, were Ps. 67,790 million, a 24.1% increase compared to the end of December 2017, mainly attributed to the growth of the total portfolio and net-fixed assets during the year.

Financial liabilities rose 17.7% to Ps. 50,819 million (including Ps. 359 million of accrued interest) at the end of the period. This increase was explained by the additional debt UNIFIN acquired to finance the business operations.

Debt Profile as of 2018

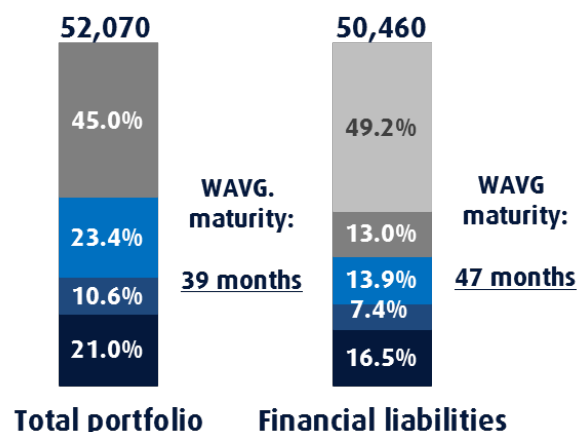
Financial Liabilities Breakdown

■ Banks ■ International notes ■ Securitizations



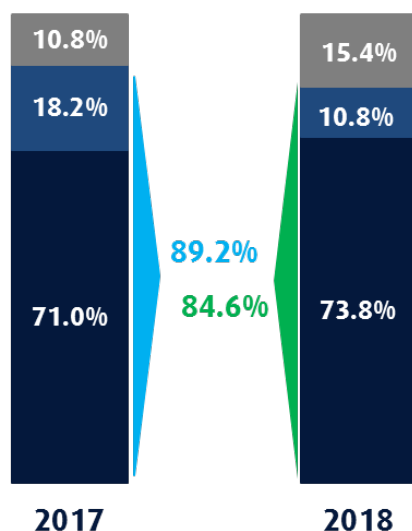
Portfolio vs. Financial Liabilities

■ 0-12 months ■ 13-24 months ■ 25-36 months
■ 37-48 months ■ 49-80 months



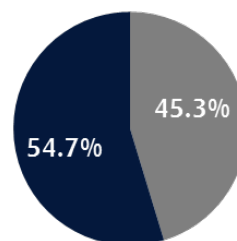
Rates

■ Variable ■ Cap @ 7.34 ■ Fixed



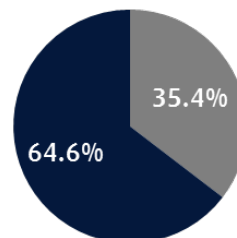
MXN vs. USD

■ \$MXN ■ Hedged \$USD



Secured vs Unsecured

■ Secured ■ Unsecured

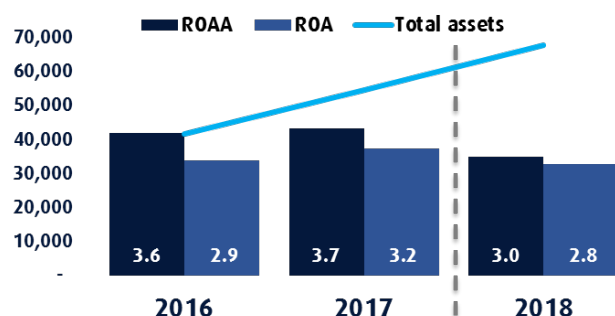


Total liabilities reached Ps. 54,799 million at the end of 4Q18, a 16.5% increase compared to 4Q17.

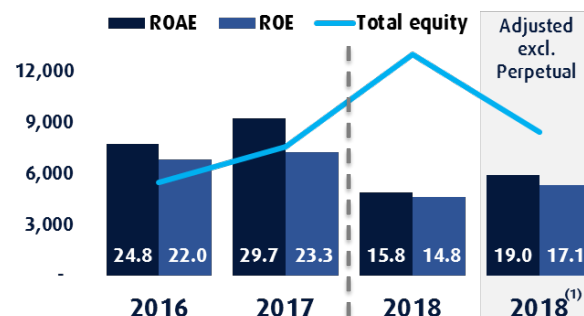
Stockholders' equity increased by 71.3% to Ps. 12,991 million in 4Q18, explained by the capital infusion related to the Subordinated Perpetual Notes, classified and treated as equity, in addition to retained earnings. Excluding the MTM, UNIFIN's **capitalization ratio** remains at a solid 18.4%.

Financial Ratios

ROAA/ROA



ROAE/ROE

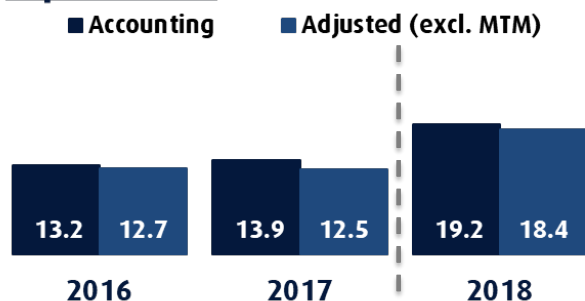


⁽¹⁾ Adjusting for the effects of the Subordinated perpetual notes.

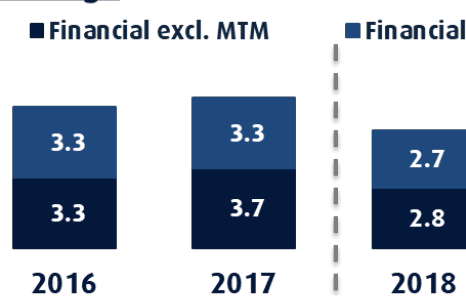
Return on average assets ("ROAA") at the end of 4Q18 was 3.0% vs 3.7% reported in 4Q17, while the **Return on assets ("ROA")** was 2.8%.

Return on average equity ("ROAE") was 15.8% for 4Q18, with the ratio negatively affected by the injection of equity related to the Perpetual Bond. **Return on equity ("ROE")**, was 14.8% at the end of 2018.

Capitalization






Leverage



UNIFIN's financial leverage ratio (**financial liabilities excluding securitizations/stockholders' equity**) was 2.7x at the end of 4Q18 vs. 3.3x compared to 4Q17. The Company's total leverage ratio (**total liabilities excluding securitizations/stockholders' equity**) at the end of 4Q18 was 3.0x compared to 3.8x during the same period of 2017.

Summary by Business Line

Leasing		4Q18	4Q17	Var.%	2018	2017	Var.%
Origination volume		6,550	6,463	1.3%	26,325	22,585	16.6%
Portfolio balance					40,913	33,373	22.6%
WAVG (months)					41		
Number of clients					4,714		
Factoring							
Origination volume		2,905	3,196	(9.1%)	10,020	11,739	(14.6%)
Portfolio balance					2,746	2,511	9.4%
WAVG (days)					100		
Number of clients					1,195		
Auto loans							
Origination volume		334	458	(27.1%)	1,238	1,628	(24.0%)
Portfolio balance					1,867	1,801	3.7%
WAVG (months)					34		
Number of clients					2,298		

Leasing

Factoring

Auto loans

Geographic zone

Mexico City & metro	55.6%	Mexico City & metro	72.5%	Mexico City & metro	46.9%
Nuevo Leon	10.2%	Jalisco	9.3%	Guanajuato	3.5%
Queretaro	4.2%	Tabasco	5.2%	Queretaro	1.6%
Jalisco	3.3%	Nuevo Leon	3.1%	Coahuila	1.4%
Veracruz	3.2%	Puebla	2.2%	Hidalgo	1.2%
Tamaulipas	2.9%	Veracruz	1.4%	Puebla	0.5%
Others	20.5%	Others	6.3%	Others	44.9%
	100.0%		100.0%		100.0%

Economic sector

Industry & mfg.	34.8%	Services	50.3%	Services	45.3%
Services	33.3%	Commerce	20.4%	Transportation	42.4%
Commerce	14.5%	Industry & mfg.	13.9%	Commerce	6.3%
Construction	9.4%	Construction	13.2%	Industry & mfg.	4.8%
Transportation	8.0%	Transportation	2.2%	Construction	1.2%
	100.0%		100.0%		100.0%

Type of asset

Machinery	34.6%
Transportation	23.8%
Others	41.6%
	100.0%

Other Corporate Events

November 26, 2018 – UNIFIN entered into an agreement with UBS to act as market maker for the Company's stock.

October 1, 2018 – UNIFIN announced the appointment of Mr. Sergio Cancino as CFO, effective on this same date. Mr. Sergio Cancino joined UNIFIN in 2014 and formerly held the position of Corporate Controller.

Analyst Coverage

Equity

Institution	Analyst	e-mail
Actinver	Enrique Mendoza	emendoza@actinver.com.mx
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Fixed Income

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Credit Suisse	Jaime Nicholson	jaime.nicholson@credit-suisse.com
Morgan Stanley	John Haugh	john.haugh@morganstanley.com
JP Morgan	Natalia Corfield	natalia.corfield@jpmorgan.com

About UNIFIN

UNIFIN is the leading independent Mexican leasing company, operating as a non-banking financial services company, specializing in three main business lines: operating leasing, factoring and auto and other lending. Through UNIFIN's leasing business line, its core business line, the Company offers operating leases for all types of equipment and machinery, various types of transportation vehicles (including cars, trucks, helicopters, airplanes and other vessels) and other assets in a variety of industries. Through its factoring business line, UNIFIN provides liquidity and financing solutions to its customers by purchasing or discounting accounts receivable and by providing vendor financing. UNIFIN's auto loans business line is focused on financing the acquisition of new and used vehicles.

This document may contain certain forward-looking statements. These statements are non-historical facts, and they are based on the current vision of the Management of UNIFIN Financiera, S.A.B. de C.V., SOFOM, ENR for future economic circumstances, the conditions of the industry, the performance of the Company and its financial results. The terms "anticipated", "believe", "estimate", "expect", "plan" and other similar terms related to the Company, are solely intended to identify estimates or predictions. The statements relating to the declaration or the payment of dividends, the implementation of the main operational and financial strategies and plans of investment of equity, the direction of future operations and the factors or trends that affect the financial condition, the liquidity or the operating results of the Company are examples of such statements. Such statements reflect the current expectations of the management and are subject to various risks and uncertainties. There is no guarantee that the expected events, trends or results will occur. The statements are based on several suppositions and factors, including economic general conditions and market conditions, industry conditions and various factors of operation. Any change in such suppositions or factors may cause the actual results to differ from expectations.

Income Statement

Figures in Ps. million	4Q18	4Q17	Var. %	2018	2017	Var. %
Operating lease income	4,094	3,144	30.2%	14,761	11,217	31.6%
Interest income	770	523	47.3%	2,588	2,088	23.9%
Other lease benefits	255	557	(54.2%)	1,596	1,011	57.9%
Total revenue	5,120	4,224	21.2%	18,944	14,315	32.3%
Depreciation of assets under lease	(2,200)	(1,829)	20.3%	(8,005)	(6,357)	25.9%
Interest expense	(1,504)	(1,160)	29.7%	(5,515)	(3,845)	43.4%
Other lease expenses	(378)	(332)	14.2%	(1,619)	(931)	74.0%
Total expenses	(4,083)	(3,320)	23.0%	(15,139)	(11,133)	36.0%
Nominal financial margin	1,037	904	14.7%	3,805	3,182	19.6%
Allowance for loan losses	(60)	(30)	100.0%	(251)	(115)	117.9%
Financial margin adjusted for credit risk	977	874	11.8%	3,555	3,067	15.9%
Commissions and fees (paid) - Net	(8)	(18)	(53.2%)	(43)	(69)	(37.3%)
Other operating income - Net	9	176	(95.0%)	26	192	(86.5%)
Admin. expenses	(315)	(323)	(2.6%)	(1,092)	(891)	22.6%
Operating income	663	710	(6.6%)	2,446	2,300	6.3%
Current income tax	(199)	(450)	(55.9%)	(754)	(1,097)	(31.3%)
Deferred income tax	20	217	(90.8%)	196	536	(63.5%)
Income tax expense	(179)	(233)	(23.4%)	(558)	(561)	(0.5%)
Equity methods/subsidiaries	18	14	(100.0%)	(36)	32	(100.0%)
Net income	502	491	2.2%	1,924	1,771	8.6%

Balance Sheet

Figures in Ps. million	2018	2017	Var. %
Assets			
Cash & cash equivalents	3,907	2,435	60.4%
Derivatives with hedging purposes	5,103	4,598	11.0%
Performing loan portfolio	7,230	5,443	32.8%
Past due loan portfolio	200	39	415.9%
Loan portfolio	7,430	5,482	35.5%
Allowance for loan losses	(200)	(39)	415.9%
Loan portfolio – Net	7,230	5,443	32.8%
Other accounts receivables	5,542	4,117	34.6%
Past due leasing portfolio	316	269	17.6%
Allowance for loan losses from leasing	(366)	(269)	36.2%
Other accounts receivables- Net	5,492	4,117	33.4%
Property, machinery & equipment – Net	40,680	32,729	24.3%
Advanced payments	435	453	(4.0%)
Favorable tax balance	332	487	(31.9%)
Foreclosed assets	692	510	35.6%
Other permanent investments	75	50	52.3%
Deferred charges & advanced payments	1,924	2,067	(6.9%)
Other long-term assets	6	7	(22.2%)
Deferred income taxes	1,914	1,719	11.4%
Total other assets	5,378	5,293	1.6%
Total assets	67,790	54,615	24.1%
Liabilities and stockholders' equity			
Short term interest	289	504	(42.6%)
Securitizations	15,452	17,750	(12.9%)
International notes	22,605	16,775	34.8%
Total debt securities	38,346	35,029	9.5%
Short term bank borrowings & loans	8,392	4,258	97.1%
Long term bank borrowings & loans	4,081	3,881	5.2%
Total bank borrowings & loans	12,473	8,139	53.3%
Income tax payable	108	252	(57.1%)
Sundry creditors	2,678	2,544	5.3%
Other accounts payable	502	370	35.7%
Deferred credits	692	697	(0.7%)
Total other accounts payable	3,980	3,863	3.0%
Total liabilities	54,799	47,031	16.5%
Stockholders' equity			
Capital stock	2,894	2,894	0.0%
Capital reserves	274	186	47.7%
Valuation of hedging derivatives	670	881	(23.9%)
Retained earnings	2,697	1,853	45.5%
Net income for the year	1,924	1,771	8.6%
Subordinated obligations	4,531	0	100.0%
Total stockholders' equity	12,991	7,584	71.3%
Total liabilities & stockholders' equity	67,790	54,615	24.1%
Memorandum accounts			
Contractual lease rentals to be accrued held in trust	23,617	25,687	(8.1%)
Contractual lease rentals to be accrued	15,165	6,118	147.9%
Total memorandum accounts	38,782	31,805	21.9%

Annex 1 – Glossary of Metrics

1. **Leasing yield** - Calculated as LTM of lease income / average lease portfolio
2. **Net interest margin (NIM)** - Calculated as LTM of financial margin / average total portfolio
3. **Opex ratio** - Calculated as operating expenses / total revenues
4. **NPL ratio** - Calculated as total past-due loan portfolio (leasing, factoring & auto) / total portfolio
5. **Coverage ratio** - Calculated as total past-due loan portfolio / total allowance for loan losses
6. **Adjusted NPL ratio** - Calculated as adjusted NPL (rating agency methodology) / total portfolio
7. **ROAA** - Calculated as LTM net income / average LTM total assets
8. **ROA** - Calculated as net income / total assets
9. **ROAE** - Calculated as LTM net income / average LTM equity
10. **ROE** - Calculated as net income / total equity
11. **Capitalization** - Calculated as equity / total assets
12. **Financial leverage** - Calculated as financial liabilities (excl. securitizations) / equity
13. **Total leverage** - Calculated as total liabilities (excl. securitizations) / equity

Annex 2 – Financial Liabilities (Ps. million)

International notes	Outstanding ⁽¹⁾	Maturity	Rate	Currency	Rating ⁽²⁾ S&P/Fitch/HR
UNIFIN 2023	400	Sep-23	Fixed	USD ⁽³⁾	BB / BB / BBB-
UNIFIN 2025	450	Jan-25	Fixed	USD ⁽³⁾	BB / BB / BBB-
UNIFIN 2026	300	Feb-26	Fixed	USD ⁽³⁾	BB / BB / BBB-
Total	1,150				

Securitization	Outstanding ⁽¹⁾	Maturity	Rate	Currency	Rating ⁽⁴⁾ S&P/HR
Private securitization	2,250	Mar-23	Variable ⁽³⁾	MXN	mxAAA&P / HRAAA
UFINCB15	1,702	Sep-20	Variable ⁽³⁾	MXN	mxAAA&P / HRAAA
UFINCB16	2,500	Feb-21	Variable ⁽³⁾	MXN	mxAAA&P / HRAAA
UNFINCB16	1,250	Sep-21	Variable ⁽³⁾	MXN	mxAAA&P / HRAAA
UNFINCB16-2	1,250	Sep-21	Fixed	MXN	mxAAA&P / HRAAA
UNFINCB17	1,500	Mar-22	Variable ⁽³⁾	MXN	mxAAA&P / HRAAA
UNFINCB17-2	1,500	Mar-22	Fixed	MXN	mxAAA&P / HRAAA
UNFINCB17-3	2,500	Sep-22	Variable ⁽³⁾	MXN	mxAAA&P / HRAAA
UNFINCB17-4	1,000	Sep-22	Fixed	MXN	mxAAA&P / HRAAA
Total	15,452				

Bank Credit Lines	Outstanding ⁽¹⁾	Available
Total	12,403	2,524

⁽¹⁾ Excludes accrued interest

⁽²⁾ International rating

⁽³⁾ Hedged to FX & floating rates

⁽⁴⁾ Local rating

Annex 3 – Share Repurchase Program

Share repurchase program	Shares
Initial balance of the repurchase program as of 01/01/2018	2,940,880
Total acquired shares 2018	16,376,358
1Q18	95,941
2Q18	1,327,306
3Q18	7,921,865
4Q18	7,031,246
Total sold shares 2018	-
Shares assigned to the employee stock option plan	500,000
Canceled shares	2,500,000
Final balance of the repurchase program as of 31/12/2018	16,317,238

Annex 4 – Company Capital Structure and EPS

Number of Shares	Shares As of Dec 31, 2018
Current float	131,529,534
Repurchased shares held in Treasury	18,817,238
Cancelled shares	2,500,000
Number of total shares held in Treasury	16,317,238
Total Outstanding Shares	352,800,000
Cancelled Shares	2,500,000
Net Outstanding shares	350,300,000

Earnings per Share (EPS)	4Q18	4Q17
EPS last 12 months	5.49	5.05
EPS (annualized 4Q18)	5.73	