

# POWER TO TRANSFORM

2018 ANNUAL REPORT



**UNIFIN**<sup>®</sup>  
PODER PARA TU NEGOCIO



Client centricity	2
Focus on profitability	8
UNIFIN at a glance	14
Message to shareholders	16
Key financial data	18
Management discussion and analysis	19
Board of Directors	22
Senior management	24
Commitment to social responsibility	26
Consolidated financial statements	30





## **POWER** TO TRANSFORM OUR CLIENTS' BUSINESS

**UNIFIN** once again proves its solidity as a company. Change is inevitable, and we want to keep ahead of the swift pace of business, transforming ourselves at a structural and organizational level. We want to remain at the forefront of our industry, comprehensively managing our clients' experience to maintain a strategic leadership that transforms their business and brings them success.

# CLIENT CENTRICITY





At UNIFIN, we have embarked on a decisive change of focus, an evolution at all levels of the company. We begin by placing the client at the center of our goals, offering comprehensive solutions that go well beyond financial services. *Power for your business* is more than a new slogan; it's a new strategy that embodies our commitment to share all of UNIFIN's power through advanced technology and expert advisors. It enables us to offer you simplified processes to support your decisions, with an added value proposal that will drive the growth of your business over the long term.

# 225,000

companies profiled and  
segmented in our database



# 3,309

appointments  
generated by the  
prospecting center

*Innovation and  
continuous  
improvement yield  
extraordinary results*

## A NEW SALES APPROACH

Through 26 years of service excellence, UNIFIN has developed methodologies and skills to generate value and business opportunities. During the year, through our Business Intelligence area, we conducted various in-depth market studies. These encompassed UNIFIN clients as well as our competitors' clients and prospects, to understand what our segment is looking for and truly values, our potential and opportunities. We found that they value three things above all: speed of response, simplicity of processes, and true consultancy.

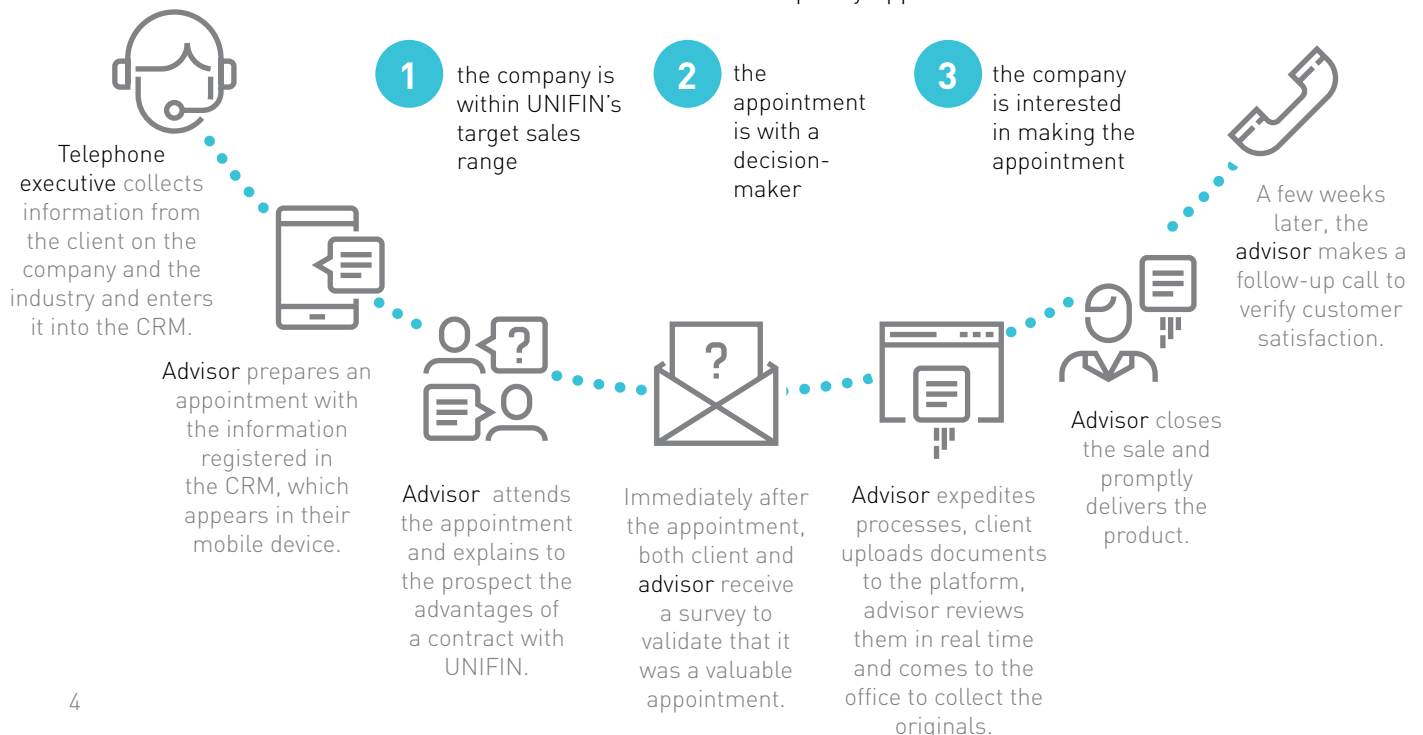
As a result of the above, we have now turned our sales force into a team of consultants. We want not only to gain more clients; we want to integrate our products into their needs, stay with them and be their allies. This means meeting their demands for speed, ease of use and assistance with innovative products, giving them quick access to our products and services, and staying right by their side in every phase of the process.

## FROM ORIGATION TO POST-SALE

### KEY ASPECTS

1. The prospect requests information on the website and receives a call from a telephone executive in five minutes to make appointment, or
2. The telephone executive calls the prospect to make an appointment.

In both cases, the appointment is entered into the CRM, and the executive makes sure this is a quality appointment:



On this basis, we decided to invest heavily in customer relationship management (CRM), developing various functions and tools that exactly fit our needs. For example, we have a prospecting center staffed by 80 telephone executives and 3 quality control managers, who contact prospects by phone and conduct preliminary research on the client, their company and their industry. The appointment and the information they collect is entered in the CRM system, accessible through the advisor's mobile device. With this system, our advisors have information that will allow them to provide true consultancy to the client, based on their specific needs.

All of our consultants are certified by the Tecnológico de Monterrey, an institution that trains them on how to advise clients on the economic, accounting and fiscal topics best suited to the client's needs.



# 50%

increase in prospect-to-client conversion with the new website

## *Client proximity: the new basis for profitability*

### CLIENT PROXIMITY

UNIFIN wants to create memorable experiences that differentiate us from the competition. We have a system for giving our advisors the information they need to provide comprehensive service—from promptly attending to the client to expediting their proposal and authorization, meeting delivery deadlines, offering assistance and advice during delivery of the leased item, following up frequently and quickly answering questions and solving problems, and being available to them whenever they need.

We have solutions that meet the demand for swift and simple processes, like the digital file folder, a platform where clients can upload their scanned documents. Advisors go over these in real time and when they determine that all is in order, they go in person to collect the originals. The process is also being further automated in order to make the platform even more agile.

Also based on the results of the Business Intelligence area, we have transformed our website. Because it is almost always the first point of contact, we want to make sure it offers visitors an easy, user-friendly experience. Today, it is a site strategically designed for turning prospects into clients, with clear and concise information, an easy way to input their information, and an online chat, among other functions. With this, we have doubled our retention rate and provided immediate response to requests for information. The moment the telephone service center receives the notification, the call is returned in less than five minutes.

# +500

interviews with SMEs  
during the year



## CLIENT EMPOWERMENT

Generally speaking, a client will seek out leasing services for the first time when they need solutions for their company, and the company that fills that need is in a position to form a strong alliance. The client wants to feel empowered, expects professional advice, knowledge of their industry and their business, and the specific benefits for the company but, above all, they want to feel accompanied during the entire process, from pre-sale to delivery of the property and post-sale.

Our main market are the small and medium-sized enterprises (SMEs), a sector that is poorly understood and under-served by traditional banks. To understand exactly what they expect of us, we designed formal analysis processes. We have a multi-disciplinary intelligence analysis team that gives us a thorough knowledge of our clients, how they see us, and what they expect.

We learned that what this sector most appreciates is service and knowledge of the company, its region and economic sector—none of which are supplied by the traditional banks. They may resort to using banks because it is the easiest way to get things done, because they already handle their payroll, and obtaining a line of credit in addition is considered a complementary service.

Our advisors make the pitch for leasing, clearly informing the client of all the advantages of a leasing with UNIFIN: the discount they obtain, fiscal and accounting support, and the medium- and long-term benefits for their business. In other words, we give them the tools they need to make well-informed decisions that can help them multiply their operation.

*Our consultancy gives  
clients the power to  
make things happen*



# +340,000

SMEs, UNIFIN's target,  
today only 2.2% are  
served (+8,000 clients)

## COMPREHENSIVE SOLUTIONS WITH A NEW TECHNOLOGICAL PLATFORM

In 2018, we invested a considerable amount of human and financial resources to build a digital platform that would impact all UNIFIN operations: business strategy, operating and financial processes, and others.

Having defined the size of UNIFIN's target market—which we estimate at some 340,000 companies with 10 to 500 employees, sales between Ps. 10 and Ps. 1 billion and a solid credit record—we created an institutional archive based on business questions asked to our directors.

This strategy of promoting technology to boost the productivity of both our clients and employees facilitates processes—the digital file, the new webpage and UNIFIN Digital, a platform that automatically approves lines of credit so that clients can obtain a leasing credit of up to Ps. 3 million in five minutes. It also expedites information: the client portal and reports to our advisors.

Other developments include two apps for mobile devices, one internal for advisors and another for clients. The client portal is a platform they can use 24/7, from anywhere in the world, to look up all the key information they need to manage their products, from the number of products acquired to information on assets and insurance, the name of their advisor, phone and e-mail, key contacts at UNIFIN, notifications and invoicing. This is a direct channel of communication with the client, which functions for all of our products, and will clearly empower our business by permitting crossed sales and even the offering of third-party products.



# +90%

client adoption  
rate for our portal



*UNIFIN Digital offers  
5-minute online leasing  
credit authorization*

# FOCUS ON **PROFITABILITY**

After years of exceptional growth, today we're concentrating on improving profitability. Based on a platform that offers various tools—data analytics, data warehouse, deep learning—we have the solidity and certainty to focus on operating more efficiently, better controlling risk, and remaining a solid company at the forefront of our market.







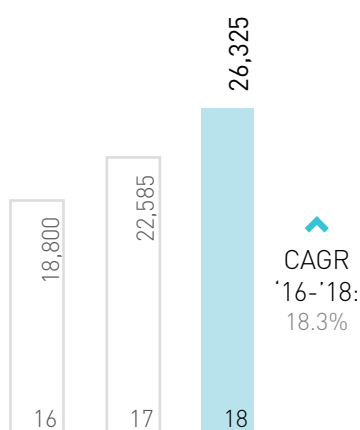
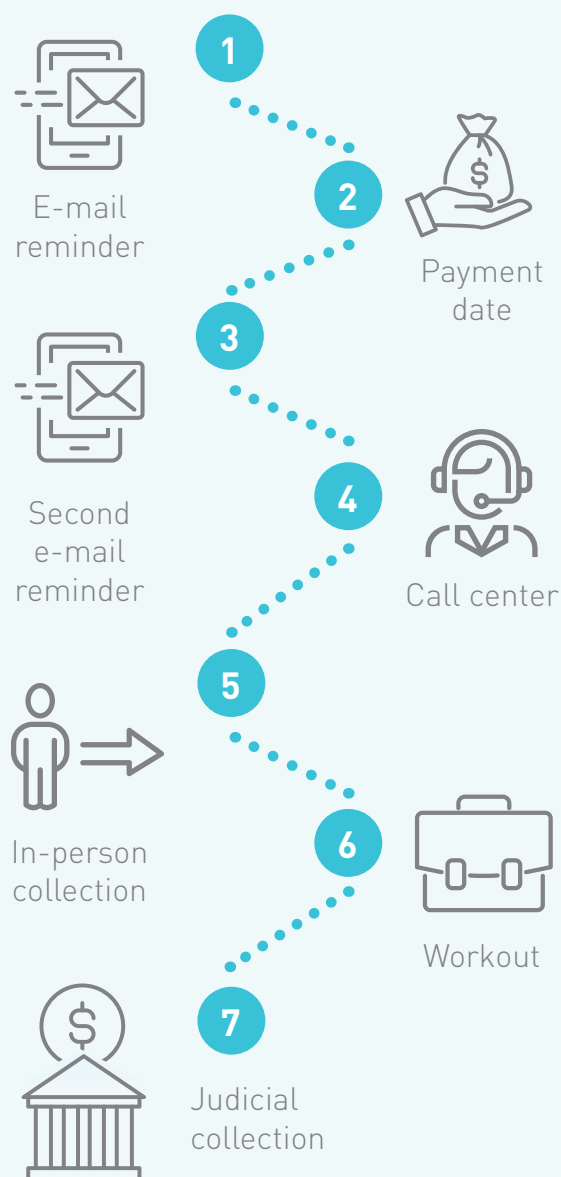
## OPERATING EFFICIENCY

UNIFIN has always been known for its constant pursuit of greater operating efficiency, through increasing professionalization of its human capital and investing in tools that drive a true evolution of the company while increasing value creation.

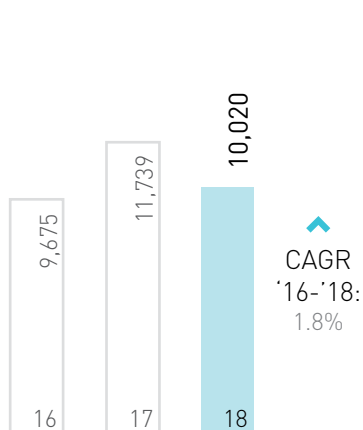
In 2018, the efforts that started in 2017 to have an institutional technological platform by which we can expedite and improve process efficiency in every area of the company began to take shape. The data compilation is 80% complete, and the digital platform is today a reality that impacts not only business areas—making the process of approaching clients more effective—but also the entire productive chain. Controlling the process from the first moment of contact and building a credit file more efficiently will be fundamental in subsequent phases for supporting administrative and financial processes—programming funding, comprehensive risk management—and collections, among others.

One development that supports our advisors is an app for mobile devices, which generates eight different in-depth indicators for decision-making—graphs, amount active per month, per client, advisors, average ticket, new clients, existing clients. This will give them not only day-by-day operating reports, as has been done up until now, but elements for medium and long-term planning.

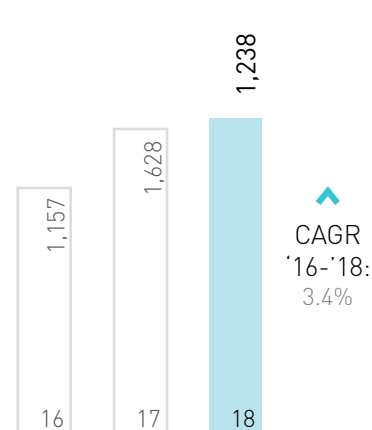
## COLLECTION PROCESS



**LEASING**  
Operating volume in Ps. million



**FACTORING**  
Operating volume in Ps. million

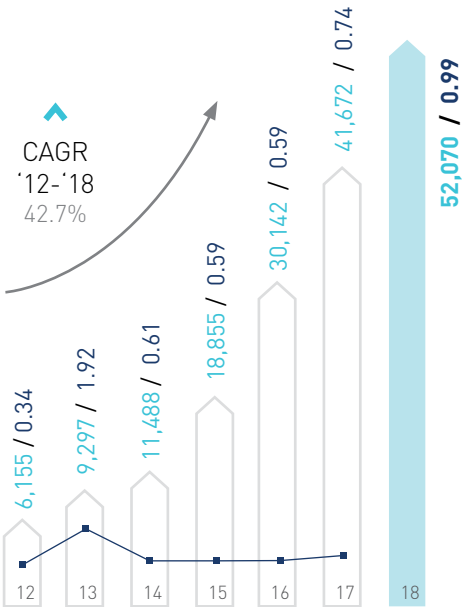


**AUTO LOANS**  
Operating volume in Ps. million

Higher operating efficiency indexes are reflected in our results: in 2018, we reported a 25% growth in our portfolio, and a 32% rise in total revenues.

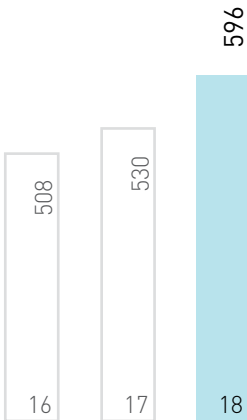
### NEW PERFORMANCE METRICS

Improving returns, rather than volume, is UNIFIN’s new focus. For a number of years, we achieved a brisk pace of growth, which undoubtedly fortified our position in the industry. Now we are turning our attention to improving quality, precisely identifying our market niche, and improving service. This will not only enable us to meet revenue targets but should improve our profitability as well.

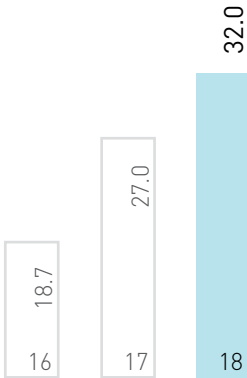


HISTORIC PORTFOLIO EVOLUTION AND NON-PERFORMING LOANS

■ Total portfolio in Ps. million ■ NPL: %



TOTAL PERSONNEL



COMPANY REVENUE PER EMPLOYEE  
Ps. million

## COMPREHENSIVE RISK MANAGEMENT MECHANISMS

1

**Solid origination process:**  
macroeconomic analysis of the domestic and global business environment to determine trends in various industries, adjusting parameters.

2

**Collegiate committees**  
for approving financing of above Ps. 7.5 million.

3

**Asset valuation:**  
area in charge of appraising new and used equipment, and analyzing the productive life of assets.

Over the course of the year, we developed various initiatives that have brought a profound change throughout the company. The new digital platform allows us to pinpoint where and how to introduce new, more institutional processes.

One example of this is the formulation of a general annual budget for the business, as well as individual budgets for each department and sub-department, which are monitored on a monthly basis. Monthly results are compared against budget, enabling us to measure people's performance and control expenses in a prudent, orderly manner. This constant monitoring of productivity contributes to our goal of improving business profitability.

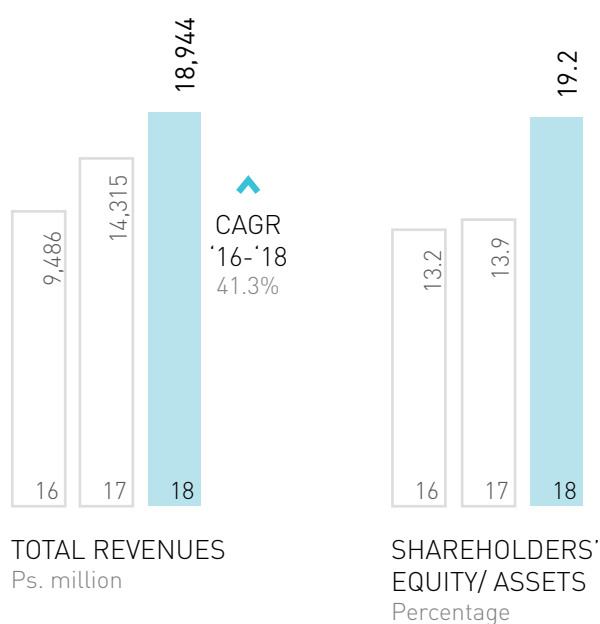


## FINANCIAL SOLIDITY AND CAPITAL STRUCTURE

At UNIFIN, we are known for our strategy of operating and financial prudence. During the early months of 2018, we locked in all our funding requirements in case of any future credit restriction. As a result, today we have the financial solidity needed to sustain and execute a commercial strategy that powers our business, and our clients' businesses.

We base our solidity on impeccable financial health, supported by a pulverization of risk across economic sectors and regions; on prudent risk management and precise management of our portfolio.

Despite an uncertain macroeconomic climate during the year, UNIFIN reported stronger results, which are proof of the solidity of our business model. Total revenues were up 32.3%, capitalization levels rose to 19.2% (after issuance of a perpetual bond), the net interest margin (NIM) was 8.0%, and non-performing loans remained at less than 1.0% of the total portfolio. Meanwhile, we have no major maturities coming up in the short term, and 84.6% of our total debt is set at fixed rates.





## CORPORATE GOVERNANCE

One of UNIFIN's undeniable strengths is the solidity of its corporate governance. Our Board is made up of members with proven know-how and experience in financial, legal and administrative matters, and 50% of them are independent. We also have control bodies and various committees, among them anti-money laundering and risk committees.

For fulfilling its responsibilities, the company's Board of Directors relies on the support of the Audit and Corporate Practices Committee, integrated in its entirety by independent members. It also has Credit, Finance and Planning, and Communication and Control committees, among others, which fully meet financial industry standards in Mexico. All of these committees meet regularly, with the frequency required to fulfill their duties—from quarterly to daily, as is the case of the Online Credit Committee.

Our corporate governance complies with all regulations on information disclosure and other laws governing corporations. We thus abide by best industry practices, respond to all our stakeholders, and foster the trust among our clients and investors.

UNIFIN also has a Code of Ethics, grounded in the corporate values of quality, service, commitment and honesty, and all of our employees must read and sign the code. It is also provided to clients, suppliers and other stakeholders. The Internal Control area is in charge of ensuring it is fully and comprehensively applied, and in the event of any violation of the code, this area is obliged to investigate it. The code encompasses matters such as professional ethics, dispute resolution, information handling, relationship with authorities and regulators, rules of conduct to combat coercion, prevention and detection of transactions with illicit resources, conflicts of interest and confidentiality.

We also have a Code of Best Corporate Practices, consistent with Mexican Stock Exchange requirements.

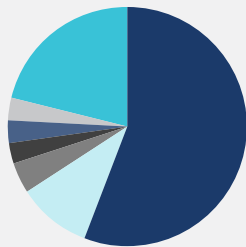


Committee	Meets
Board of Directors	Quarterly
Audit and Corporate Practices	Quarterly
Finance and Planning	Monthly
Systems (IT)	Quarterly
Communication and Control (PLD)	Monthly
Online Credit	24 hours
Credit	Twice weekly
Corporate Credit	Monthly
Collections	Weekly

# UNIFIN AT A GLANCE

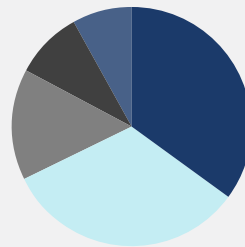
## PORTFOLIO BY BUSINESS AREA

### LEASING



#### GEOGRAPHIC DISTRIBUTION (%)

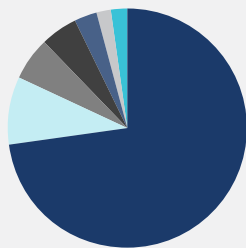
56	Mexico City and Metropolitan Area
10	Nuevo Leon
4	Queretaro
3	Jalisco
3	Veracruz
3	Tamaulipas
21	Others



#### ECONOMIC SECTOR (%)

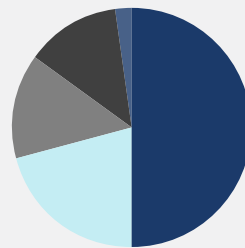
35	Industry and manufacturing
33	Services
15	Retail
9	Construction
8	Transportation

### FACTORING



#### GEOGRAPHIC DISTRIBUTION (%)

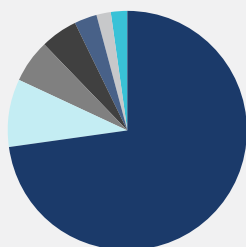
73	Mexico City and Metropolitan Area
9	Puebla
6	Others
5	Jalisco
3	Nuevo Leon
2	Veracruz
2	Tabasco



#### ECONOMIC SECTOR (%)

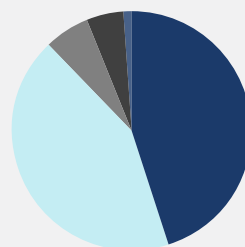
50	Services
21	Retail
14	Industry
13	Construction
2	Transportation

### AUTO LOANS



#### GEOGRAPHIC DISTRIBUTION (%)

52	Mexico City and Metropolitan Area
38	Others
4	Guanajuato
2	Queretaro
2	Coahuila
1	Hidalgo
1	Puebla



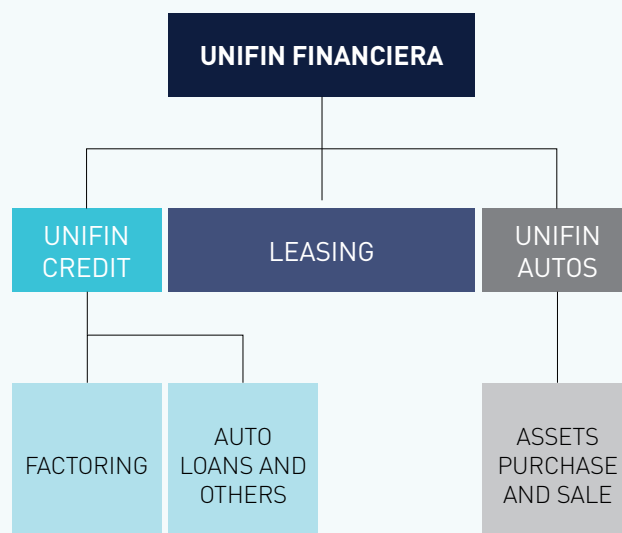
#### ECONOMIC SECTOR (%)

45	Services
43	Transportation
6	Retail
5	Industry and manufacturing
1	Construction

## GEOGRAPHIC FOOTPRINT



## CORPORATE STRUCTURE



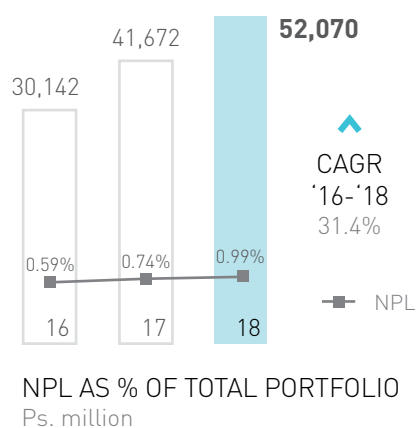
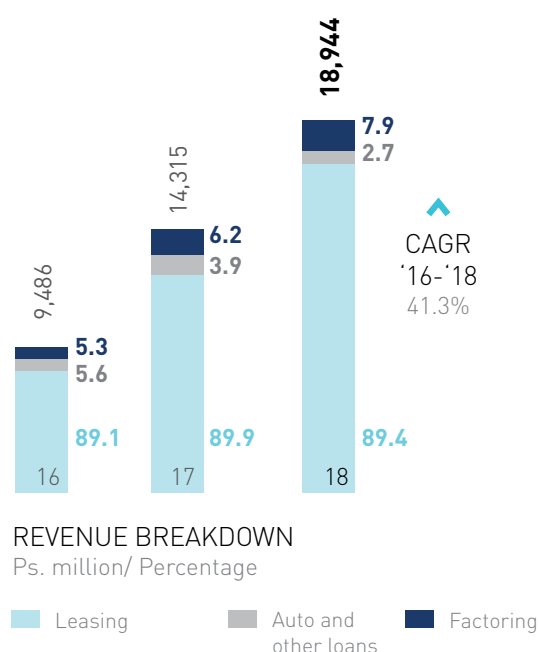
## BUSINESS LINES

		2018	2017	VAR. %
LEASING	Operating volume (Ps. million)	26,325	22,585	16.6
	Total portfolio (Ps. million)	40,913	33,373	22.6
	Weighted average (months)	41		
FACTORING	Operating volume (Ps. million)	10,020	11,739	(14.6)
	Total portfolio (Ps. million)	2,746	2,511	9.4
	Weighted average (months)	100		
AUTO LOANS	Operating volume (Ps. million)	1,238	1,628	(24.0)
	Total portfolio (Ps. million)	1,867	1,801	3.7
	Weighted average (months)	34		



# MESSAGE TO SHAREHOLDERS

*2018 was a watershed year in UNIFIN's history. After a number of years of exceptional growth, this year we focused on continuing to grow, but more profitably, which required significant changes in the organization.*



These changes, both at the structural and organizational levels, enable us to generate increasing value and business opportunities. One of the most important changes has been turning our salespeople into advisors, in order to adapt our products to our clients' needs and to be their allies, empowering them through a versatile service and well-informed staff who can accompany them closely at every stage of the process.

This required a tremendous investment in customer relationship management—from a specialized prospecting center that will provide quality information to our advisors on every possible customer, so they can offer true consultancy with an in-depth knowledge of their industry, their business and their needs—to a digital platform that rounds out our capability to provide them comprehensive, full-service support.

In addition, we have redirected our marketing efforts with a new website, designed according to the findings of the Business Intelligence area, through which we can offer users an easy, friendly solution and respond to requests and inquiries almost immediately. This has doubled our retention rate.

Other major developments over the course of the year include two apps for mobile devices, one internal and one for clients. The client website is a platform on which they can look up key information on their products, right from their smartphone, at any time of day or night they need it.

# 32.3%

in total revenues  
growth vs. 2017

At the same time, the new digital platform impacts all of UNIFIN's operations, not only making the process of approaching clients more efficient, but streamlining the entire productive chain of our business—administrative, financial and collection processes, among others. Furthermore, UNIFIN's widely recognized operating and financial prudence led us early in 2018 to lock in all our funding requirements for the year in case of any future credit restriction. As a result, today we have the financial solidity needed to sustain and execute a commercial strategy that powers our business, and our clients' businesses.

Because of this, despite an uncertain macroeconomic climate during the year, UNIFIN reported stronger results, which are proof of the solidity of our business model. Total revenues were up 32.3%, capitalization rose to 19.2% (after issuance of a perpetual bond), the net interest margin (NIM) was 8.0%, and non-performing loans remained at less than 1.0% of the total portfolio. Meanwhile, we have no major maturities coming up in the short term, and 84.6% of our total debt is set at fixed rates.

In the area of social responsibility, we continue to focus on offering more than financial solutions. With our solid business model, we create jobs and maintain internal programs that make us stronger as a team and connect the needs of this business with

those of society, through Fundación UNIFIN and volunteer programs.

Our social responsibility is sustained by four strategic pillars: i) Quality of life in the company, through which we channel professional and economic efforts to give our 596 employees the tools they need to advance and become more productive; ii) Business ethics; iii) Community engagement, through two programs led by Fundación UNIFIN —UNIFIN For a Smile and activities defined by the foundation's board; and iv) Environmental care and preservation, basically through the Green Initiatives and Technological Recycling programs.

UNIFIN remains an industry leader, continuing its ongoing evolution, always with a client-centric approach that builds increasingly long-term relations. Our solidity as a company, our unique approach to the market and to profitability, and our constant value creation, are the basis for the strategy behind our slogan: *Power for your business.*

**Rodrigo Lebois Mateos**

*Chairman of the Board of Directors*

**Sergio Camacho Carmona**

*Chief Executive Officer*

# KEY FINANCIAL DATA

<b>FINANCIAL METRICS</b> (PS. MILLION)	<b>2018</b>	<b>2017</b>	<b>VAR.%</b>
Total revenues	18,944	14,315	32.3
Operating lease income	14,761	11,217	31.6
Interest income	2,588	2,088	23.9
Other lease benefits	1,596	1,011	57.9
Leasing yield <sup>1</sup>	38.0%	39.6%	
Interest expense, depreciation and other expenses	(15,139)	(11,133)	36.0
Nominal financial margin	3,805	3,182	19.6
Net interest margin (NIM) <sup>2</sup>	8.0%	8.8%	
Administrative and promotional expenses	(1,092)	(891)	22.6
Operating expense (% of total revenues)	5.8%	6.2%	
Operating income	2,446	2,300	6.3
Net income	1,924	1,771	8.6
Net income margin	10.2%	12.4%	
<b>OPERATING METRICS</b> (PS. MILLION)	<b>2018</b>	<b>2017</b>	<b>VAR.%</b>
Cash and derivatives	9,010	7,033	28.1
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 & other loans portfolio	8,410	5,788	45.3
Total assets	67,790	54,615	24.1
Financial liabilities	50,460	42,634	18.4
Short term interest	289	504	(42.6)
International notes	22,605	16,775	34.8
Securitizations (ABS)	15,452	17,750	(12.9)
Bank debt	12,473	8,139	53.3
Total liabilities	54,799	47,031	16.5
Shareholders' equity	12,991	7,584	71.3
Non-performing loan ratio	0.99%	0.74%	
Adjusted non-performing loan ratio	3.1%	3.3%	
<b>RETURN / LEVERAGE</b>	<b>2018</b>	<b>2017</b>	
ROAA	3.0%	3.7%	
ROAE	15.8%	29.7%	
Adjusted ROAE (excluding perpetuity bond) <sup>3</sup>	19.0%	29.7%	
Capitalization (equity / assets)	19.2%	13.9%	
Capitalization (equity / assets) excluding MTM	18.4%	12.5%	
Financial leverage (excluding ABS)	2.7x	3.3x	
Financial leverage (excluding ABS and MTM)	2.8x	3.7x	

(1) Calculated as the leasing revenues for the past 12 months divided by the average leasing portfolio.

(2) Calculated as the financial margin for the past 12 months divided by the average total portfolio.

(3) The perpetuity bond was issued in January 2018.



# MANAGEMENT

## DISCUSSION AND ANALYSIS

### INCOME STATEMENT

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.

For 2018, total revenue increased 32.3% to Ps. 18,944 million vs. 2017. The increase is explained by the constant reprising 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.

Depreciation of assets under lease 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.

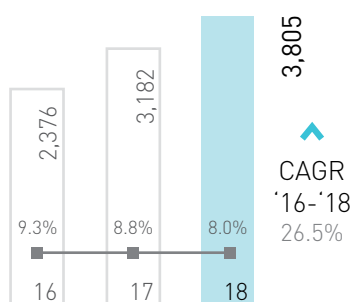
Interest expense increased 43.4%, due to the conservative drawing of credit facilities to avoid any liquidity stress throughout the year. At the end of 2018, 84.6% of the total debt is denominated at a compounded fixed rate of 10.1%.

Nominal financial margin—calculated as total revenues less depreciation on leased assets, interest expense and other leasing expenses—rose 19.6% year-over-year. The increase was primarily the result of the growth in total revenues. For 2018, Nominal financial margin was Ps. 3,805 million, compared to Ps. 3,182 million in 2017.

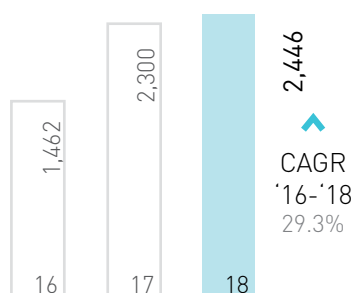
Administrative and promotional expenses totaled Ps. 1,092 million in 2018, improving from 6.2% of total revenues in 2017 to 5.8% in 2018. This decrease is explained by tightened expense control, and continuous gains in operating efficiencies.

Operating income for 2018 grew 6.3%, to Ps. 2,446 million, compared to an operating income of Ps. 2,300 million at the close of 2017. These results are due to a growth in total revenues and improvement in operating efficiency.

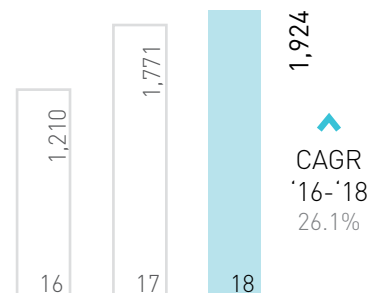
For 2018, consolidated net income rose 8.6%, closing at Ps. 1,924 million, vs. Ps. 1,771 million in 2017.



NOMINAL FINANCIAL MARGIN AND NIM  
Ps. million



OPERATING INCOME  
Ps. million



NET INCOME  
Ps. million

## BALANCE SHEET

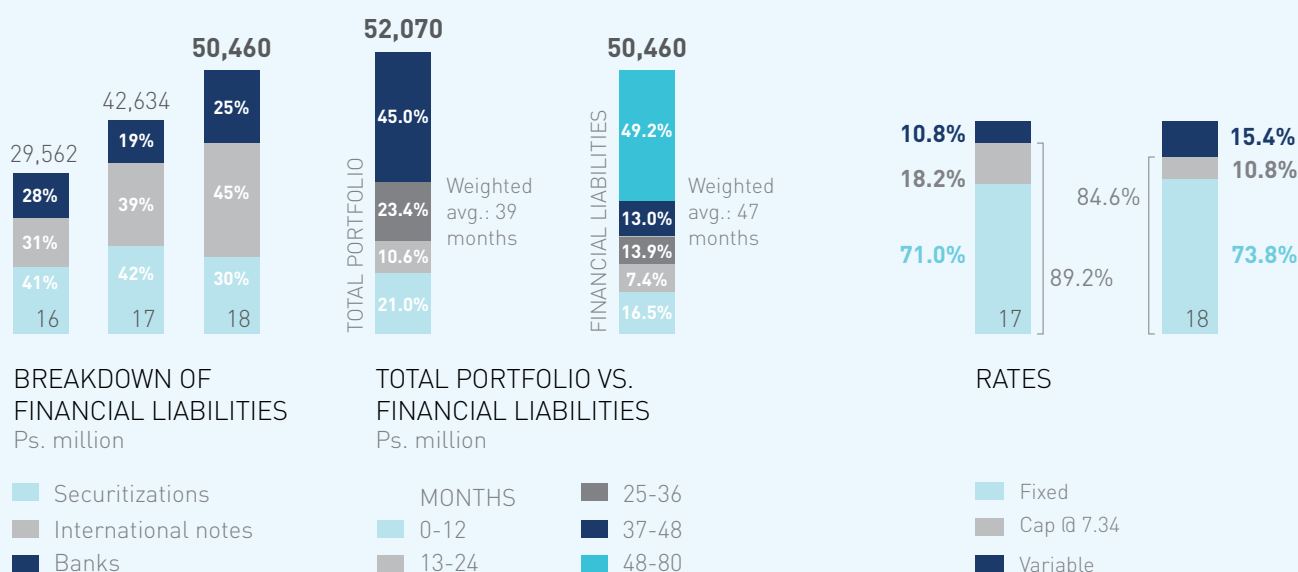
Total loan portfolio is comprised of: i) the Factoring and auto loan portfolio (Ps. 7,430 million), plus ii) leasing accounts receivable and other loans (Ps. 5,857 million) reported under other accounts receivable, and iii) memorandum accounts (Ps. 38,782 million), which are comprised of future rentals of the operating lease portfolio. As a result, total loan portfolio was Ps. 52,070 million in 2018, a 25.0% increase y-o-y.

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 rate (calculated as non-performing loans/total portfolio) closed 2018 at 0.99%.

The adjusted NPL ratio (counting the full amount of the future lease receivables) for the 2018 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 2018.

## 2018 DEBT PROFILE



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.

Total liabilities reached Ps. 54,799 million at the end of 2018, a 16.5% increase compared to 2017..

Stockholders' equity increased by 71.3% to Ps. 12,991 million in 2018, 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

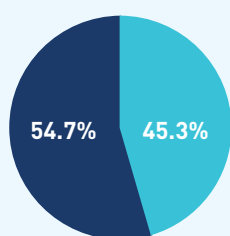
Return on average assets (ROAA) was 3.0% at the close of 2018.

Return on average equity (ROAE) was 15.8%, affected by the capital injection (perpetual bond).

Capitalization (capital/assets) for UNIFIN was 19.2% at the close of 2019.

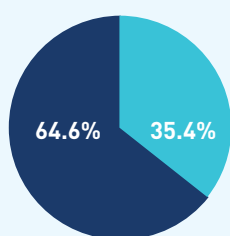
The financial leverage ratio (financial liabilities excluding securitizations/stockholders' equity) was 2.7x at the end of 2018.

The Company's total leverage ratio (total liabilities excluding securitizations/stockholders' equity) at the end of 2018 was 3.0x compared to 3.8x in 2017.



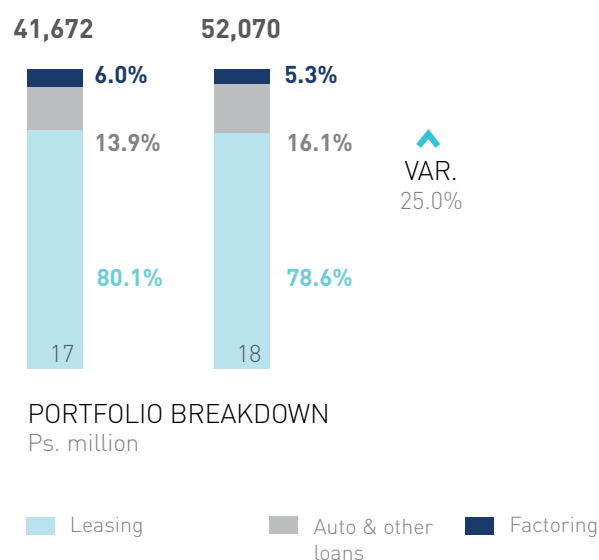
MXN VS. USD

■ HEDGED USD\$  
■ Ps.\$



SECURED VS. UNSECURED

■ Unsecured  
■ Secured



PORTFOLIO BREAKDOWN  
Ps. million

# BOARD OF DIRECTORS

## RODRIGO LEBOIS MATEOS

Chairman of the Board of Directors, Chairman of the Executive Committee and one of the Company's main shareholders. Prior to the creation of UNIFIN in 1993, Mr. Lebois Mateos held several positions with car dealers, including as General Manager and member of the Board of Directors of Grupo Ford Satélite. He also served as President of the National Association of Nissan Car Dealers and a board member of Sistema de Crédito Automotriz, S.A. de C.V. (SICREA) and Arrendadora Nimex. He is the President of Fundación UNIFIN, A.C. and Chairman of the board of UNIFIN Credit, S.A. de C.V., UNIFIN Autos, S.A. de C.V., UNIFIN Agente de Seguros y Fianzas, S.A. de C.V. and Aralpa Capital, S.A. de C.V. and is a member of the Board of Directors of Maxcom Telecomunicaciones, S.A.B. de C.V., Organización Sahuayo, S.A. de C.V., Grupo Terraforma, Fracsa Alloys and Grupo INTERprotección. Mr. Lebois has a degree in Business Administration from Universidad Anáhuac and has completed several executive programs.

## LUIS BARROSO GONZALEZ

Chairman of the Executive Committee of UNIFIN Financiera since 2018. Formerly CEO of the Company and member of its Board of Directors since 2001. Prior to joining UNIFIN, Mr. Barroso held several positions at Arrendadora Somex, S.A. de C.V., including Executive Director of Management and New Products, as well as several executive positions at Multivalores Arrendadora, S.A. de C.V.; where he was a member of the Board of Directors until 2001. He was also a member of the Board of Directors of the Mexican Financial Leasing Companies Association (Asociación Mexicana de Arrendadoras Financieras, A.C.) and Multicapitales. He has a degree in Business Administration from Universidad Anáhuac and a diploma in Finance from the Instituto Mexicano de Valores.

## RODRIGO BALLI THIELE

Mr. Balli is currently the New Business Director. Prior to joining UNIFIN, he held several positions in the administrative and sales areas of Bryco Control de Plagas, S.A. de C.V. He acted as the General Evaluation Director of Risk Projects at Home Care, and was the Derivative Deputy Director and Promoter of Debt Securities at Enlace Int. S.A. de C.V. and Prebon y Amane Inc. He has also collaborated with the Fairmont Hotels in the development of a series of tourist projects. Mr. Balli holds a degree in Economics from the Instituto Tecnológico Autónomo de México (ITAM).

## ALMUDENA LEBOIS OCEJO

Ms. Almudena Lebois Ocejo is Managing Director of Aralpa Capital, S.A. de C.V., a private investment fund. Prior to joining Aralpa Capital, S.A. de C.V. she was Deputy Credit Manager at UNIFIN. In 2012 she worked as Treasury Analyst of Navix de México, S.A. de C.V., SOFOM E.N.R. and in the consulting area of Deloitte. She is a member of the Board of Directors and the Investment Committee at Anteris Capital, S.A.P.I. de C.V. Ms. Lebois holds a degree in Finance and Accounting from Universidad Anáhuac and a master's degree in Banking and Financial Markets from the same university. She has a variety of credit and risk analysis certifications offered by Moody's Analytics New York.

## RODRIGO LEBOIS OCEJO

Mr. Lebois Ocejo is founder and General Director of EQ Credit, S.A. de C.V. and of ROMU Promotores, S.A. de C.V. Prior to this he held different positions at UNIFIN Financiera, including head of the strategic alliance with Ford Motor Company and sales manager in the leasing department. He collaborated with Banorte-Ixe, S.A., Institución de Banca Múltiple, as a corporate banking analyst. Mr. Lebois Ocejo holds a B.A. in Administration from Universidad del Valle de México and various courses in Administration from West London College.

## FEDERICO CHAVEZ PEON MIJARES

Mr. Chavez Peón has been a member of our Board of Directors since 2003. Currently he is a partner and the General Manager of Promecap, S.A. de C.V. He is or has been member of the Board of Directors of several companies, including Carrix, Inc., Grupo Aeroportuario del Sureste, S.A.B. de C.V., Inversiones y Técnicas Aeroportuarias, S.A.P.I. de C.V., Grupo Famsa, S.A.B. de C.V., Industrias Innopack, S.A. de C.V., Maxcom Telecomunicaciones, S.A.B. de C.V. and Organización Cultiba, S.A.B. de C.V.

## JOSE LUIS LLAMAS FIGUEROA

Mr. Llamas has been a member of our Board of Directors since 2007. Currently he is the General Manager of Verax Wealth Management. He was Co-Head of Asset and Wealth Management for Latin America at Deutsche Bank New York and a member of the Executive Committee of the Americas in the same institution. Previously, he was a representative of Deutsche Bank AG Mexico. He was also a founding partner of Fortum in Mexico City. Mr. Llamas has a degree and MBA in Business Administration and a Diploma in Economics from Universidad Anáhuac.



## MEMBERS OF THE BOARD OF DIRECTORS

RODRIGO LEBOIS MATEOS Chairman of the Board								
EXECUTIVE MEMBERS		PATRIMONIAL MEMBERS		INDEPENDENT MEMBERS				RELATED MEMBER
LUIS BARROSO	RODRIGO BALLI	ALMUDENA LEBOIS	RODRIGO LEBOIS	FEDERICO CHAVEZ PEON	JOSE LUIS LLAMAS	JOSE LUIS FERNANDEZ	JUAN MARCO GUTIERREZ	ENRIQUE CASTILLO
Chairman of the Executive Committee	New Business Director	Director, Aralpa Capital	Founder and Director of EQ Credit	Partner and CEO of Promecap	CEO, Verax Wealth Management	Partner, Chevez, Ruiz, Zamarripa	Founder and Director of Anteris Capital	Chairman of the Board of Citibanamex

### JOSE LUIS FERNANDEZ FERNANDEZ

Mr. Fernández has been a member of our Board of Directors since 2012. He has been a partner at the tax and accounting firm Chevez Ruiz Zamarripa y Cía, S.C. since 1989 and a member of the Colegio de Contadores Públicos de México, A.C., of the Instituto Mexicano de Contadores Públicos, A.C., and the Instituto Mexicano de Ejecutivos de Finanzas. He has given conferences regarding tax matters in national forums, and has written several articles on taxation and accounting. He participates as Board Member of the audit committees of several companies, including Grupo Televisa, S.A.B., Controladora Vuela Compañía de Aviación, S.A.B. de C.V., Grupo Financiero Banamex, S.A. de C.V., and Arca Continental, S.A.B. de C.V.

### JUAN MARCO GUTIERREZ WANLESS

Mr. Gutiérrez has been a member of our Board of Directors since 2015. He has held several executive positions, including CEO of Grupo KUO, S.A.B. de C.V., Desc Corporativo, S.A. de C.V. and Pegaso, S.A. de C.V., as well as Deputy General Manager of Promecap, S.A. de C.V. and Telefónica Móviles, S.A. de C.V. Currently he is a member of the Board of Directors of Quálitas Controladora, S.A.B. de C.V. and of Quálitas Compañía de Seguros, S.A.B. de C.V., and member of the Investment Committee of Quálitas Compañía de Seguros, S.A.B. de C.V., and member of the Board to the School of Engineering of Universidad Anáhuac. He holds an Industrial Engineering degree from Universidad Anáhuac and an MBA from the Instituto Tecnológico Autónomo de México (ITAM).

### ENRIQUE CASTILLO SANCHEZ MEJORADA

Mr. Castillo has been a member of our Board of Directors since 2015. He holds a Business Administration degree from Universidad Anáhuac and, in his more than 34 years of experience in the financial sector, has held several executive positions in the financial sector, such as Casa de Bolsa Inverlat, Seguros América, Grupo Financiero InverMéxico, Ixe Grupo Financiero S.A.B. de C.V. and Banco Mercantil del Norte, S.A. His experience at the international level includes being head of the Credit Suisse First Boston Bank office in Mexico. He is a member of several boards, including Grupo Financiero Banamex, S.A. Grupo Aeroportuario del Pacífico, S.A.B. de C.V., Alfa, S.A.B. de C.V., Grupo Herdez, S.A.B. de C.V. and Médica Sur, S.A.B. de C.V., among others.

### SECRETARY AND PRO-SECRETARY

(non Board members)

### JUAN JOSE TREVILLA RIVADENEYRA

Since 2012, Mr. Trevilla has been non-member Secretary to the Board of Directors. He is the Board Secretary for several public and private companies, as well as founding member of Larena, Trevilla, Fernández y Fábregas, and legal consultant to companies in the tourism, construction, infrastructure development, service provision, public service and subcontracting concessionaires, among others. Mr. Trevilla holds a Law degree from Universidad Nacional Autónoma de México.

### GUILLERMO GARCIA SAN PEDRO

Mr. Garcia San Pedro is a Chief Legal Officer and has been Secretary Pro Tem to the Board since 2017. Prior to joining UNIFIN, he was Legal Director of Corporate and Investment Banking, Treasury and Capital Markets at Banco Nacional de México, S.A., a member of Grupo Financiero Banamex. Mr. García holds a Law degree from Universidad Anáhuac and a Master of Law (LL.M.) from Georgetown University.

# SENIOR MANAGEMENT

## SERGIO CAMACHO CARMONA

### *Chief Executive Officer*

Mr. Camacho has more than 20 years of experience in various companies such as Kimberly Clark de México S.A.B. de C.V. and Fermaca Global. He holds a degree in Economics and a Master's in Business Administration with a specialization in Finance from the Instituto Tecnológico Autónomo de México (ITAM), as well as a degree in Global Management Program from Harvard Business School. He is certified by the Stanford Graduate School of Business Emerging CFO: Strategic Financial Leadership Program.

## SERGIO CANCINO RODRIGUEZ

### *Administration and Finance*

Mr. Cancino has more than 30 years of financial experience in various industries, including telecommunications, finance, infrastructure and consumer goods. He has extensive experience in financial planning, accounting and taxes and has been leader of various ERP implementation projects. For 14 years he served as Corporate Director of Administration and Finance for companies like CMR, S.A.B. de C.V. and Grupo Mexicano de Desarrollo, S.A.B. He has a degree in Public Accountancy from the Escuela Bancaria y Comercial, with a specialization in Finance and Auditing from the same institution.

## JUAN JOSE DEL CUETO MARTINEZ

### *Asset Management*

More than 30 years of experience in directing, developing and implementing new businesses, as well as in internal and administrative control processes. Founder and Chief Financial Officer of Grupo Barca, S.A. de C.V., where he participated actively in developing various real estate projects. He has an undergraduate degree in Economics from the Instituto Tecnológico Autónomo de México (ITAM).



#### **EDUARDO CASTILLO SANCHEZ MEJORADA**

##### *Operations*

More than 30 years of experience in the financial industry. Before joining UNIFIN in 2014, he held a number of executive positions between 1983 and 1991 including Executive Director at Casa de Bolsa Inverlat. He was a partner at Impulsora Dinámica de Empresas, where he participated actively in the bank privatization process. In 1992, he was part of the buying group of Bursamex Casa de Bolsa and a founder of Grupo Financiero del Sureste, where he was member of the Board and also Deputy CEO of Promotion up until 1994. He was founding partner of Castillo Consultores e Intrasesores, an equity consulting firm. He holds an undergraduate degree in Business Administration from Universidad Anáhuac.

#### **MICHAEL GOETERS ARBIDE**

##### *Leasing*

More than 30 years of experience in finance, banking and leasing. Before joining UNIFIN, he was Division Director of Leasing and Factoring and Director of Commercial Banking for the Business Segment at Banco Santander Mexicano. He has an undergraduate degree in Business Administration from Universidad Intercontinental and has completed various specialization courses at the Escuela Bancaria y Comercial and Wharton Business School.

#### **GUILLERMO GARCIA SAN PEDRO**

##### *Legal and Collections*

20 years of experience in the financial industry, including 14 years at Banco Nacional de México, S.A., a member of Grupo Financiero Citibanamex, and international experience with the law firm White & Case LLP in New York. He holds an undergraduate Law degree from Universidad Anáhuac del Norte and a Master's in Financial Law (LL.M) from Georgetown University Law Center.

#### **RAFAEL CABALLERO FERNANDEZ**

##### *Human Resources*

Has 40 years of experience in Human Resources, 15 of them specifically for companies in the financial industry like GBM and Grupo Financiero Santander. He has an undergraduate degree in Business Administration from the Instituto Tecnológico Autónomo de México (ITAM) and a diploma in Business Law from the same university.

**26** years,  
average experience of our  
senior management group

# COMMITMENT TO SOCIAL RESPONSIBILITY

Since its inception, UNIFIN has always been concerned with being a company that goes beyond offering financial solutions. Through our solid business model, we have focused efforts on giving back to the community a little of what we have received: generating jobs, creating internal programs that strengthen us as a team, and relating the needs of our business with those of society through Fundación UNIFIN, volunteer programs, and our internal program UNIFIN for a Smile.





## S O C I A L   R E S P O N S I B I L I T Y



Our attitude toward corporate responsibility represents a commitment to completely fulfill our corporate purpose, both inside and outside of the company, meeting the economic, social and environmental expectations of all our stakeholders, demonstrating respect for the individual, ethical values, community and the environment, and thus contributing to the common good.

We understand and exercise social responsibility according to four strategic lines or spheres of action.

### QUALITY OF LIFE IN THE COMPANY

The development of our 596 employees is indispensable for UNIFIN; accordingly, we focus our human and economic resources on offering them tools that promote their professional advancement and their productivity. During the year, we offered 149 courses and training programs, including onboarding, management and leadership courses, sales training, technical skills and money-laundering prevention: a total of 17,703 hours of training in all.

Furthermore, UNIFIN is interested in the well-being of its employees in order to develop their full potential. For this reason, we implemented various initiatives that promote a healthy balance between professional and personal life.

### BUSINESS ETHICS

In order to propitiate ethical business practices, prevent illegal transactions and promote respect for human dignity, we implement tools through which we impact each of our stakeholder groups.

We have an annual money-laundering and terrorist financing prevention assessment, and a campaign called Sign your Commitment for new hires, asking them to commit to UNIFIN's mission, vision and values, as well as the guidelines of our Code of Ethics.

Furthermore, we conduct internal communication campaigns that promote ethical, transparent conduct within the UNIFIN family.

### COMMUNITY ENGAGEMENT

UNIFIN channels its social efforts through two programs, both headed by Fundación UNIFIN:

**1) UNIFIN for a Smile**, a voluntary donation program for employees which, through a committee, evaluates causes presented by various institutions, primarily those involving support for disadvantaged children. The amount of funding donated will depend on the impact of the project presented and the institutionalism of the foundation. The resources come from the employees, which are matched two-for-one by UNIFIN.



Employees have two options for contributing: occasionally, or regularly through payroll discounts. In order to provide the greatest possible transparency on the use of the funds, which are disbursed monthly, the supported associations present regular reports.

In 2018 funding went to the following programs:

- *Andale para Oír*  
children with hearing disabilities
- *Angelitos de Cristal*  
children with developmental disorders
- *La Casa de la Amistad*  
children with cancer
- *Saber para Crecer*  
children with disabilities

**2)** The second channel is Fundación UNIFIN, through which the company donates its own resources to various foundations, either through a lump-sum payment or monthly contributions. These activities are defined by the Fundación UNIFIN endowment.

Since 2009, Fundación UNIFIN has supported 165,000 children and helped 180,000 families. In 2018, it supported a number of organizations working in areas like childhood health, education, marginalization and

extreme poverty, like *Aquí Nadie se Rinde*, *Iluminemos de Azul por el Autismo*, *Fundacion Michou y Mau*, *Kardias*, *Ayuda y Solidaridad con las Niñas* and *Tele-ton*, among others.

We know there's still a lot to be done, but we have the power to help within us. That's why we need to continue joining efforts, donating and participating in more activities, reaching more children and touching even more families.

#### ENVIRONMENTAL CARE AND PRESERVATION

The fourth line of action in our social responsibility strategy is environmental care and preservation. Our efforts in this area take the form of two main programs:

- Green Initiatives, through which we promote and support actions to preserve and restore environmental balance.
- Technological Recycling, through which we encourage the recycling and reuse of technological equipment. In 2018, we recycled 420 pieces of equipment.

Other programs include waste separation, for which we have installed special containers at our offices, and responsible resource use, an internal campaign to build awareness in the UNIFIN Family about our shared responsibility to care for and preserve the environment.





# CONSOLIDATED FINANCIAL STATEMENTS

## CONTENT

- 31 | Report of independent auditors
- 34 | Consolidated balance sheets
- 36 | Consolidated statements of income
- 38 | Consolidated statements of change in stockholders' equity
- 40 | Consolidated statements of cash flows
- 41 | Notes to consolidated financial statements





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Corporate Financing Director*

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