LIC. JOSEFINA VILLAFAN CARRASCO
CTP No. 0085
Licensed Translator
Spanish – English – German

CERTIFIED TRANSLATION

CT No. 0328-2013

FINANCIAL STATEMENTS AND NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2013 AND DECEMBER 31, 2012 OF FONDO MIVIVIENDA S.A.

COLEGIO DE TRADUCTORES DEL PERU CTP 1996

Josefina Villafán Carrasco
CTP N° 085

Nº 0067916

Valor 3 Nuevos Soles

Josefina Villafán Carrasco
CTP N° 085

Fondo MIVIVIENDA S.A.
Statement of the Financial Position
As of March 31st 2013 and December 31st 2012
(In thousands of Nuevos Soles)

	Note	As of March 31s 2013	As of December 2012
CASH AND DUE FROM BANKS	5	799,259	340,477
Cash		0	0
Peruvian Central Bank		20,204	2
Domestic banks		779,034	340,475
Foreign banks		0	0
Exchange		0	0
Other liquid assets		21	0
INTERBANK FUNDS		0	0
INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS		0	0
Equity instrument		0	0
Debt instrument		0	0
Investments in commodities			
AVAILABLE-FOR-SALE INVESTMENTS	6	298,462	0
Instruments representing the equity		0	0
Instruments representing the debt		298,462	0
HELD-TO-MATURITY INVESTMENTS	6	4,803	0
LOAN PORTFOLIO		0	0
Current Loan Portfolio		0	0
Restructured Loan Portfolio		0	0
Refinanced Loan Portfolio		0	0
Non-performing Loans Portfolio		0	0
Loan Portfolio in Judicial Collection		0	0
(-) Provisions for Loans		0	0
TRADING DERIVATIVE FINANCIAL INSTRUMENT		0	0
HEDGING DERIVATIVE FINANCIAL INSTRUMENT	7	0	5,753
ACCOUNTS RECEIVABLES		3,573,353	3,215,447
Accounts receivables for Sale of Goods and Services and trust (net)	8	3,490,278	3,212,232
Other account receivables (net)	9	83,075	3,215
REALIZABLE ASSETS RECEIVED IN PAYMENT, AWARDED		0	0
Realizable assets		0	0
Assets received in payment and awarded		0	0
SHARES		0	0
Branch companies		0	0
Affiliated and shares in joint ventures		0	0
Others		0	0
PROPERTY, FURNITURE AND EQUIPMENT (NET)	10	1,255	1,356
INTANGIBLE ASSET DIFFERENT THAN THE CAPITAL GAIN	11	386	326
CAPITAL GAIN		0	0
CURRENT INCOME TAXES		0	0
DEFERRED INCOME TAXES	17	7,816	7,210
NONCURRENT ASSETS KEPT FOR SALE		0	0
OTHER ASSETS	12	1,823	2,908
TOTAL ASSETS		4,687,157	3,573,477

	Note	As of March 31st 2013	As of December 2012
OBLIGATIONS WITH THE PUBLIC		269	109
Demand deposits		0	0
Saving Account Deposits		0	0
Long-term Saving Account Deposits		0	0
Other liabilities		269	109
INTERBANK FUNDS		0	0
DEPOSITS OF COMPANIES FROM THE FINANCIAL SYSTEM AND INTERNATIONAL FINANCIAL ORGANIZATIONS		0	0
Demand deposits		0	0
Saving deposits			
Time deposits		0	0
DUE TO BANKS AND FINANCIAL OBLIGATIONS	13	1,284,694	215,597
Dues and obligations with the Peruvian Central Bank		0	0
		0	0
Dues and obligations with domestic banks		0	215,597
Dues and obligations with foreign banks		0	0
Other dues and obligations of the country and abroad		0	0
Securities		1,284,694	0
TRADING DERIVATIVE FINANCIAL INSTRUMENT		0	0
HEDGING DERIVATIVE FINANCIAL INSTRUMENT		0	0
ACCOUNTS PAYABLES	14	266,374	241,710
PROVISIONS	14	9,813	2,009
Provision for Contingent Loans		0	0
Provision for lawsuits and disputes		886	826
Others		8,927	1,183
CURRENT INCOME TAXES		2,227	9,732
DEFERRED INCOME TAXES		0	0
OTHER LIABILITIES	14	8,641	9,382
TOTAL LIABILITIES		1,572,018	478,539
SHAREHOLDER'S EQUITY			
Capital stock		2,968,160	2,968,160
Additional capital		34	34
Treasury stocks in portfolio		0	0
Legal Reserve		34,117	34,117
Retained earnings		92,470	967
Net Income		21,837	91,660
Adjustments to Equity		-1,479	0
TOTAL SHAREHOLDER'S EQUITY	15	3,115,139	3,094,938
TOTAL LIABILITIES ANDSHAREHOLDER'S EQUITY		4,687,157	3,573,477

Fondo MIVIVIENDA S.A.
Income Statement
For the periods completed in March 31st 2013 and 2012
(in thousands of Nuevos Soles)

	Note	For the specific quarter from January 1st to March 31st 2013	For the specific quarter from January 1st to March 31st 2012	For the accumulated period from January 1st to March 31st 2013	For the accumulated period from January 1st to March 31st 2012
Interests Income					
Available		5,677	3,027	5,677	3,027
Interbank funds		0	0	0	0
Investments at fair value with changes in results		0	0	0	0
Available-for-sale investments		1,858	236	1,858	236
Held-to-maturity investments		22	1,362	22	1,362
Direct loans Portfolio		0	0	0	0
Hedging transactions income		0	0	0	0
Accounts receivables		48,086	40,737	48,086	40,737
Other financial Income		149	298	149	298
TOTAL INTEREST INCOME	18	**55,792**	**45,660**	**55,792**	**45,660**
INTEREST EXPENSES					
Obligations with the public		0	0	0	0
Interbank funds		0	0	0	0
Deposits of companies from the financial system and International financial organizations		-8,054	-746	-8,054	-746
Due to banks and financial obligations		0	0	0	0
Dues and obligations with the Peruvian Central Bank		-443	-746	-443	-746
Dues and obligations of domestic banks		0	0	0	0
Dues and obligations with foreign banks		0	0	0	0
Other dues and obligations of the country and abroad		0	0	0	0
Commissions and other charges of dues and financial obligations		-7,611	0	-7,611	0
Securities and outstanding liabilities		0	0	0	0
Interests of accounts payable		0	0	0	0
Hedging transaction Income		-8,800	-7,637	-8,800	-7,637
Other financial expenses	19	-16,854	-8,383	-16,854	-8,383
TOTAL INTEREST EXPENSES		**38,938**	**37,277**	**38,938**	**37,277**
GROSS FINANCIAL MARGIN		0	0	0	0
(-) Provisions for direct loans		**38,938**	**37,277**	**38,938**	**37,277**
NET FINANCIAL MARGIN	20	**1,616**	**2,126**	**1,616**	**2,125**
FINANCIAL SERVICE REVENUES		0	0	0	0
Indirect loans income		125	2,110	125	2,110
Trusts income		1,490	15	1,490	15
Miscellaneous income	21	-18	-23	-18	-23
FINANCIAL SERVICES EXPENSES		0	0	0	0
Indirect loans expenses		0	0	0	0
Trusts expenses		0	0	0	0
Premium for the deposit insurance fund		-18	-23	-18	-23
Miscellaneous expenses		**40,636**	**39,379**	**40,636**	**39,379**
NET FINANCIAL MARGIN OF FINANCIAL SERVICES REVENUES AND EXPENSES	22	**798**	**3,036**	**798**	**3,036**
FINANCIAL OPERATING INCOME					
Investments at fair value through profit and loss		0	0	0	0
Investments at fair value through profit and loss		0	0	0	0
Investments in commodities		0	-50	0	-50
Available-for-sale investments		0	0	0	0
Trading derivative instruments		-2,128	6,842	-2,128	6,842
Income of hedging derivative instruments		0	0	0	0
Profits (losses) in shares		1,938	-3,952	1,938	-3,952
Profit-loss of exchange rate difference		988	196	988	196
Others	23	**41,333**	**42,415**	**41,333**	**42,415**
OPERATING MARGIN					
ADMINISTRATIVE EXPENSES		-3,981	-3,917	-3,981	-3,917
Personnel and board of directors expenses		-4,489	-4,248	-4,489	-4,248
Services received from third parties		-54	-97	-54	-97
Taxes and contributions		-181	-148	-181	-148
DEPRECIATIONS AND AMORTIZATIONS NET	24	**32,648**	**34,005**	**32,648**	**34,005**
OPERATING MARGIN					
VALUATION OF ASSETS AND PROVISIONS		0	0	0	0
Provisions for indirect loans		-4,049	-4,186	-4,049	-4,186
		0	0	0	0
Provisions for uncollectibility of account receivables		0	0	0	0
Provision for realizable, received in payment, recovered, awarded and other assets		0	0	0	0
Provision for noncurrent assets kept for sale		0	0	0	0
		0	0	0	0
Investment impairment		-51	0	-51	0
Impairment of property, furniture and equipment		-62	-33	-62	-33
Impairment of intangible assets Provisions of		**28,486**	**29,786**	**28,486**	**29,786**
lawsuits and disputes Other provisions	25	353	16	353	16
OPERATING INCOME		**28,839**	**29,802**	**28,839**	**29,802**
Other Income and expenses		-7,002	-7,369	-7,002	-7,369
INCOME BEFORE INCOME TAX		**21,837**	**22,433**	**21,837**	**22,433**
INCOME TAX					
NET INCOME					

Basic earnings per share		0.007	0.008	0.007	0.008
Diluted earnings per share		0.007	0.008	0.007	0.008

Josefina Villafán Carrasco
CTP N° 085

Josefina Villafán Carrasco
CTP Nº 085

Fondo MIVIVIENDA S.A.
Statement of the Comprehensive Income
For the periods completed in March 31st 2013 and 2012
(in thousands of Nuevos Soles)

	Note	For the specific quarter from January 1st to March 31st 2013	For the specific quarter from January 1st to March 31st 2012	For the accumulated period from January 1st to March 31st 2013	For the accumulated period from January 1st to March 31st 2012
Net income		21,837	22,433	21,837	22,433
Another comprehensive income					
Exchange difference due to transactions abroad		0	0	0	0
Investment income in equity instruments at fair value		0	0	0	0
Hedging of cash flow		0	0	0	0
Hedging of net investment of business abroad		0	0	0	0
Share in another comprehensive income of affiliates, associates and joint ventures		0	0	0	0
Surplus of revaluation		0	0	0	0
Others		-1,529		-1,529	
Another comprehensive income before taxes		-1,529	0	-1,529	0
Income tax related to components of another comprehensive income					
Exchange difference due to transactions abroad		0	0	0	0
Investment income in equity instruments at fair value		0	0	0	0
Hedging of cash flow		0	0	0	0
Hedging of net investment of business abroad		0	0	0	0
Share in another comprehensive income of affiliates, associates and joint ventures		0	0	0	0
Surplus of revaluation		0	0	0	0
Others		0	0	0	0
Sum of income taxes related to components of another comprehensive income		0	0	0	0
Another comprehensive income		-1,529	0	-1,529	0
Total comprehensive income, net of the income tax		20,308	22,433	20,308	22,433

Josefina Villafán Carrasco
CTP Nº 085

Fondo MIVIVIENDA S.A.
Statement of Changes in the Shareholder's Equity
For the periods completed in March 31st 2013 and 2012
(in thousands of Nuevos Soles)

				Reserves				Adjustments to Equity								
	Capital Stock	Additional capital	Treasury Stock	Legal reserve	Voluntary reserves	Retained earnings	Net Income	Exchange differences on translation of foreign operations	Gains (losses) of investments in equity instruments at fair value	Cash flow hedging	Hedging of net investment of foreign business	Participation in another comprehensive income of affiliates, associates and joint ventures	Revaluation Surplus	Other adjustments	Total adjustments to Shareholder's equity	Total net Shareholder's equity
ce as of January 1st 2012	2,889,344	34	0	25,815	0	87,437	0	0	0	0	0	0	0	0	0	3,002,630
Adjustments due to changes in the accounting policy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments due to correction of errors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Initial balance after adjustments	2,889,344	34	0	25,815	0	87,437	0	0	0	0	0	0	0	0	0	3,002,630
Changes in the equity:																
Comprehensive income:																
Income							22,433									22,433
Other comprehensive income								0	0	0	0	0	0	0	0	0
Total comprehensive income								0	0	0	0	0	0	0	0	3,025,063
Changes in the net equity (not included in comprehensive income)																
Transference of the income to retained earnings and reserves				8,302	0	-8,302	0									0
Declared cash dividends						0										0
Issuance of capital stocks (different than business combination)	0	0	0	0	0	0										0
Reduction of capital (different than business combination)	0	0	0	0	0	0										0
Increase (decrease) of business combinations	0	0	0	0	0	0										0
Increase (decrease) due to trades of treasury stock	0	0	0	0	0	0										0
Increase (decrease) due to transference and other changes	0	0	0	0	0	1,279										1,279
changes in Equity	0	0	0	8,302	0	-7,023	0									1,279
ce as of March 31st 2012	2,889,344	34	0	34,117	0	80,414	22,433	0	0	0	0	0	0	0	0	3,026,342
ce as of January 1st 2013	2,968,160	34	0	34,117	0	92,627	0	0	0	0	0	0	0	0	0	3,094,938
Adjustments due to changes in the accounting policy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments due to correction of errors	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Initial balance after adjustments	2,968,160	34	0	34,117	0	92,627	0	0	0	0	0	0	0	0	0	3,094,938
Changes in the equity:																
Comprehensive Income:																
Income							21,837									21,837
Another comprehensive income								0	0	0	0	0	0	-1,479	-1,479	-1,479
Total comprehensive income								0	0	0	0	0	0	-1,479	-1,479	3,115,296
Changes in the net equity (not included in comprehensive income)																
Transference of the income to retained earnings and reserves				0	0	0	0									0
Declared cash dividends						0										0
Issuance of capital stocks (different than business combination)	0	0	0	0	0	0										0
Reduction of capital (different than business combination)	0	0	0	0	0	0										0
Increase (decrease) of business combinations	0	0	0	0	0	0										0
Increase (decrease) due to trades of treasury stock	0	0	0	0	0	0										0
Increase (decrease) due to transference and other changes	0	0	0	0	0	-157										-157
changes in Equity	0	0	0	0	0	-157	0									-157
ce as of March 31st 2013	2,968,160	34	0	34,117	0	92,470	21,837	0	0	0	0	0	0	-1,479	-1,479	3,115,139

Fondo MIVIVIENDA S.A.
Statement of Cash Flows
For the periods completed in March 31st 2013 and 2012
(in thousands of Nuevos Soles)

	Note	From January 1st 2013 until March 2013	From January 1st 2012 until March 31st 2012
CASH FLOW FROM OPERATING ACTIVITIES			
NET INCOME		21,837	22,433
ADJUSTMENTS		0	0
Depreciation and amortization		161	148
Provisions		15,628	9,514
Impairment		0	0
Other Adjustments		-391	0
NET CHANGES IN ASSETS AND LIABILITIES		0	0
(Net increase) decrease in assets		0	0
Loans		0	0
Investments at fair value through profit and loss		0	0
Available-for-sale investments		-298,953	-28
Account receivables and others		-348,227	-212,010
Net increase (decrease) in liabilities		0	0
Financial liabilities, non-subordinated liabilities		0	0
Accounts payables and others		4,564	12,029
Cash flow and equivalent to cash after adjustments and net change in assets and liabilities		**-605,381**	**-167,914**
Cash Collected (paid) from income taxes		0	0
NET CASH FLOW FROM OPERATING ACTIVITIES		**-605,381**	**-167,914**
CASH FLOW FROM INVESTMENTING ACTIVITIES			
Cash from the sale of shares		0	0
Cash paid to purchase shares		0	0
Sale proceeds from intangibles and property, furniture and equipment		0	0
Acquisition of intangibles and property, furniture and equipment		-25	-10
Sales proceeds from held-to-maturity investments		0	0
Acquisition of held-to-maturity investments		0	0
Other inflows related to investment activities		-96	30
Other outflows related to investment activities		0	0
NET CASH FLOW FROM INVESTMENTING ACTIVITIES		**-121**	**20**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issuing subordinated financing liabilities		0	0
Outflow from recovery subordinated financial liabilities		0	0
Proceeds from issuing stock		0	0
Dividends paid to shareholders		0	0
Other inflows related to financing activities		1,069,098	267,445
Other outflows related to financing activities		-4,814	-33,009
NET CASH FLOW FINANCING ACTIVITIES		**1,064,284**	**234,436**
Net increase (decrease) in cash and cash equivalent before changes on the exchange rate		**458,782**	**66,542**
Effects of the changes on the cash and cash equivalent exchange rate		0	0
Net increase (decrease) of cash and cash equivalents		458,782	66,542
Cash and cash equivalent at the beginning of the period		340,476	157,229
Cash and cash equivalent at the end of the period		**799,258**	**223,771**

Josefina Villafán Carrasco
CTP Nº 085

NOTES TO THE FINANCIAL STATEMENTS
As of March 31, 2013 and December 31, 2012
In Thousands of Nuevos Soles

1. **Identification and economic activity**

Fondo MIVIVIENDA S.A. (hereafter "FMV" or "Fondo MIVIVIENDA") is a state-owned company under private law and is governed by Law N°28579 and its by-laws. The Fund falls under the purview of the Peruvian National Fund for the Financing of Business Activities of the State (Fondo Nacional de Financiamiento de la Actividad Empresarial del Estado or "FONAFE" by its acronym in Spanish) under the Ministry of Housing, Construction and Sanitation – "MVCS", by its acronym in Spanish. The aforementioned Law N°28579 provided for the conversion of the former Mortgage Fund for the Promotion of Housing (*Fondo Hipotecario de Promoción de la Vivienda – Fondo MIVIVIENDA*)– into a corporation called Fondo MIVIVIENDA S.A.

The Fund's objectives are the promotion and financing for the acquisition, improvement and construction of homes, especially those of social interest, promotion of activities to invest into the home lending market, schedule in the primary and secondary market of mortgage loans, and contributing to the development of the Peruvian capital market. All the Fund's activities are regulated by the Superintendency of Banking, Insurance and Pension Funds Administrators (*Superintendencia de Banca, Seguros y AFP* or "SBS" by its acronym in Spanish), SBS Resolution N°980-2006 Regulations for Fondo MIVIVIENDA S.A.

The legal address of the Fund is Avenida Paseo de la República N°3121, San Isidro, Lima, Peru.

As of the date of these financial statements, the Fund manages the following programs and financial resources:

(i) MIVIVIENDA Program
(ii) Techo Propio Program – Management of the Household Housing Bonus (Bono Familiar Habitacional, or "BFH" by its acronym Spanish) as commissioned by the Ministry of Housing, Construction and Sanitation – MVCS.
(iii) Resources of the Fund, Law N°27677, as commissioned by the Ministry of Economy and Finance (hereafter "MEF" by its acronym in Spanish).

The characteristics of each program are the following:

(i) MIVIVIENDA Program

The Fund, through a Trust Agreement with COFIDE, channels resources to the Peruvian financial system to grant mortgage loans, Among its characteristics are the Good Payer Award (*Premio al Buen Pagador* or "PBP" by its acronym in Spanish) and the Credit Risk Coverage (*Cobertura de Riesgo Crediticio* or "CRC" by its acronym in Spanish), see note 2.

This program includes the following products:

- Nuevo Crédito MIVIVIENDA
- Crédito MICONSTRUCCIÓN)
- Crédito MIVIVIENDA Estandarizado (*)
- Crédito MIHOGAR (*)
- Crédito MIVIVIENDA Tradicional (*)
- Crédito Complementario Techo Propio (Complementary financing to the Household Housing Bonus – BFH)
- Servicio de Cobertura de Riesgo Crediticio y Premio al Buen Pagador (fondeo de las Instituciones Financieras Intermediarias) - *Service of Credit Risk Coverage and Good Payer Award (Funding to Intermediary Financial Institutions, hereafter "IFI") (*)*

Josefina Villafán Carrasco
CTP N° 085

(*) As of March 31, 2013, these loans have been discontinued and outstanding receivable balances remain, note 7. CRC-PBP services and Crédito MIVIVIENDA Estandarizado were discontinued in November 2009, Crédito MIHOGAR was discontinued in August 2009, as well as Crédito MIVIVIENDA Tradicional in May 2006.

(ii) Techo Propio Program – Management of the Household Housing Bonus (BFH)
These loans are granted in three modalities, (i) acquisition of a new home (AVN); (ii) construction on owned lot (CSP); and (iii) house renovations (MV). In all modalities, mortgage loan financing within this program comprises the schedule of up to three components: (i) a subsidiary channeled by the Fund with resources from the government– the aforementioned Household Housing Bonus (BFH); (ii) household savings and; (iii) when necessary, the Complementary Financing to BFH (Techo Propio Program) which must be granted by an IFI.

According to the Third Transitional Provision of Law N°28579, upon ending the year 2005, the Fund was engaged by the Government to manage the BFH and the Techo Propio Program resources, by signing an agreement with the MVCS.

On April 28, 2006, the Fund, MVCS and FONAFE signed the "Agreement on Management of the Household Housing Bonus and the Funds of the Techo Propio Program", under which the Fund is responsible for managing both the BFH and the Techo Propio Program resources, including the promotion, registration, recording and verification of information, the qualification of applications, allocation and transfer of the BFH funds to the developer, seller-builder or the respective technical unit. This agreement establishes that FONAFE shall allocate to the Fund the resources to meet the costs and expenses of managing the Program.

(iii) Fund Law N°27677
Additionally, the Fund is the administrator of the fund created by Law N° 27677, established with proceeds from the liquidation of the National Housing Fund (*Fondo Nacional de la Vivienda, or* "FONAVI" by its acronym in Spanish). Said Law provides that these funds shall be used to finance the construction of affordable housing, house renovation and loans for the expansion of single-family houses, and that the Fund should be in charge of the management, collection and channeling of said resources.

Likewise, the FMV constituted the CRC – PBP trusts, both in nuevos soles and in US dollars, to cover the Fund's obligations to provide PBP payments and CRC in an amount equivalent to one third (1/3) of the total registered by each intermediary financial institution that contracts such service. It should be noted that these trusts are governed by SBS Resolution N°980-2006 "Regulations for Fondo MIVIVIENDA S.A.".

Under the service contracts with the CRC–PBP trusts, the FMV provides the intermediary financial institutions with the following services:

- Credit Risk Coverage (CRC service), as defined by Article 21° of the CRC and PBP Regulation, is a guarantee the FMV grants to the intermediary financial institution for either up to one third of the unpaid balance of the covered loan or one-third of the loss, whichever

Josefina Villafán Carrasco
CTP N° 085

the lower. Said amount shall be duly notified by the IFI to the FMV, on terms and conditions provided for in the Regulation.

- Good Payer Award (PBP service), as defined in article 24° of the CRC and PBP Regulation, is the service to the IFI, for which the FMV assumes payment of the installments corresponding to the concessional schedule (the amount of the Good Payer Award) for covered loans whose beneficiaries have promptly paid the installments corresponding to the non-concessional schedule of the loan. This award is aimed to settle – every six months – the amount of the installment payable in the corresponding period concessional schedule of the MIVIVIENDA loans.

The financial statements as of March 31, 2013 were approved by the FMV's management on April 22, 2013. The financial statements for the year ended on December 31, 2012 were approved by the Board of Director's meeting on February 04, 2013 and by the General Shareholders' Meeting held on April 12, 2013.

2. Trust Agreement – Corporación Financiera de Desarrollo (COFIDE)

On March 25, 1999, the Trust Agreement was entered into by and between the Mortgage Fund for the Promotion of Housing (*Fondo Hipotecario de Promoción de la Vivienda – Fondo MIVIVIENDA S.A.*) and Corporación Financiera de Desarrollo S.A. – COFIDE. The objective was to create a legal trust relationship, by which COFIDE receives FMV's resources and acts as an organization enforcing them, in order to channel them to the final beneficiaries through the IFI that wish to use them for the acquisition or improvement of homes, in accordance with the provisions set forth in Article 12° of Supreme Executive Order 001-99-MTC, "Regulation for the Mortgage Fund for the Promotion of Housing – Fondo MIVIVIENDA".

The main COFIDE's obligations include the following:

- Compliance with articles 241° to 274° of the General Law of the Financial and Insurance System and Institutional Law of the Superintendency of Banking and Insurance – Law N° 26702 and its amendments.
- Verify compliance with requirements and conditions of the IFI in accordance with Supreme Executive Order 001-99- MTC.
- Enter into with the IFI having met the requirements and conditions to act as intermediate in the agreement for the channeling of resources.
- Supervise the use of resources in accordance with the provisions set forth in the FMV's regulations and the agreement for the channeling of resources.
- Collect the loans granted to the IFI.
- Engage audits being necessary to be assumed by FMV.
- Periodically forward the reports in relation to the Trust development, as well as recommendations on the exposure of the IFI. (*)
- Establish operating procedures being necessary for the adequate FMV's management.
- Other deemed necessary to ensure the normal development of the objectives and functions of the trust and of FMV.

(*) On May 18, 2012, Addendum N°01 to the Trust Agreement was signed by which COFIDE's obligations to issue recommendations on the exposure limits of the IFI with FMV became void, since FMV is a corporation supervised by the SBS.

The main FMV's obligations include the following:

Josefina Villafán Carrasco
CTP N° 085

- Establish policies for the handling, management and destination of the FMV's resources.
- Approve the IFI eligibility criteria that will receive FMV's resources for use thereof, in financing the acquisition of homes, as well as indebtedness limits of each one of them.
- Establish terms and conditions under which FMV's resources will be made available to the IFI, and the manner of placing them.

COFIDE's powers are the following:

- Channel and supervise FMV's resources, being able to enter into and sign all public and private documents and acts being necessary to such purpose.
- Demand that the IFI require the establishment of guarantees on the schedule of the beneficiaries.
- Exercise all powers contained in articles 74 and 75 of the Code of Civil Procedure being necessary for the execution of the task entrusted. Consequently, COFIDE may file claims and counterclaims, answer claims and counterclaims, abandon the process or the cause of action, admit the cause of action, conciliate, reach a settlement and submit disputes in the proceeding to arbitration.
- It is placed on record that COFIDE is not responsible for the IFI financial standing.

With respect to the fees arising from the services provided by COFIDE, COFIDE was authorized to deduct from the amount disbursed by the IFI a fee of 0.25 percent once over the amount of each loan, as well as an annual fee of 0.25 percent rebate over the outstanding balances of the loans, which shall be paid by the IFI and shall be preferably collected on the collection dates of installments of the loans granted to the IFI. These accounts are recorded as income by COFIDE.

The duration of this Agreement is 5 years, being automatically renewed if none of the schedules expresses its intention to terminate it.

3. Main accounting principles and practices

The main accounting principles and practices applied in the preparation of the financial statements have been applied uniformly in all the years presented, unless otherwise stated; and are detailed hereinbelow:

(a) Basis of presentation and changes in accounting policies

(i) Basis of presentation:

The accompanying financial statements have been prepared based on the FMV accounting records, which are kept in nominal monetary terms in Nuevos Soles, in accordance with the standards issued by the SBS which affect FMV in force as of March 31, 2013 and as of December 31, 2012 and, in a supplementary way, where there are no standards of the SBS, the International Financial Reporting Standards (IFRS), were made official in Peru through resolutions issued by the Accounting Standards Committee (ASC).

Certain accounting principles applied by FMV, which are in accordance with the SBS accounting principles differ from the accounting principles of other countries.

The preparation of the financial statements requires the FMV's Management to carry out estimates affecting the figures of assets and liabilities reported; the disclosure of active and passive contingencies on the date of the financial statements, as well as the figures of revenues and expenses reported during the current period. Final results

Josefina Villafán Carrasco
CTP Nº 085

may differ from such estimates. The most significant estimates in relation to the financial statements of FMV correspond to the provision for accounts receivable, the valuation of investments, the valuation of derivative financial instruments and the estimate of the current and deferred income tax, which accounting criteria are described in this note.

The financial statements have been prepared by using uniform accounting principles for the first quarter 2013 and for the 2012 period; taking into account the provisions set forth in item (ii) below.

(ii) Changes in accounting policies:

Applicable as from the 2013 period . .

The financial statements as of March 31, 2013 have been prepared in accordance with the Accounting Manual for companies of the financial system in force as from January 01, 2013.

The main changes that have affected the presentation of the financial statements of FMV are as follows:

1. The name of the Form "A" is "Statement of Financial Position" rather than Balance Sheet
2. Accrued revenues and expenses from the different asset and liability accounts are included in the same general ledger account that is generated.
3. Asset and liability accounts of the hedging derivatives have been separated from the accounts receivable and payable, respectively.
4. The provisions for accounts receivable are presented by decreasing each type of accounts receivable
5. Taxes payable are no longer presented in "other obligations", being currently present the Value Added Tax payable and the Third Category Income Tax payable in the Current Taxes item and other taxes payable, as accounts payable.
6. The name of the Form "B" of the previous accounting manual (Profit and Loss Statement) has been divided into two: the first named Form "B-1" as "Income Statement"; and the second named Form "B-2" as "Income Statements and Other Comprehensive Income"
7. In the Income Statement, the name Financial Income and Financial Expenses has been replaced by Interest Income and Interest Expenses, these items only showing general ledger accounts related to interest income and expenses.
8. The aforementioned accounts as financial expenses and income are presented as from January 01, 2013 in the "Gains on Financial Transactions (ROF, by its acronym in Spanish)" item
9. The provisions for accounts receivable are presented on net basis from its reversals of provisions from previous periods.
10. Depreciation and amortization are presented separately from Asset valuation and provisions item.
11. General ledger accounts have been deleted from accrued gains on available-for-sale and held-to-maturity investments, being recorded in this period in analytical accounts of the same investments' accounts. Also, the accounts of other amortizable expenses have been deleted, which balances were transferred to other deferred charges.

Josefina Villafán Carrasco
CTP Nº 085

12. When replacing the accounts of income and expenses by exchange difference of derivative financial products in foreign currency held for trading, they are recorded in other several financial income and charges. Likewise, the deletion of accounts of extraordinary income and expenses and income and expenses from previous periods, in order to record income and expenses of this type of items in accounts created to such purpose or in accordance with the already existing accounts of the period.

(b) Financial instruments

Financial instruments are classified as assets, liabilities or equity, according to the substance of the contractual agreement giving rise to them. Interest, dividends, gains and losses arising from a financial instrument classified as asset or liability, are recorded as income or expenses. Financial instruments are offset when the Fund has the legal right to do so and the Management has the intention of settling them on a net basis, or to liquidate the asset and pay the liability simultaneously. Moreover, see note 3(e) related to criteria for the accounting record of the accounts receivable to the CRC-PBP Trusts.

The financial assets and liabilities presented in the Statement of the Financial Position correspond to the balance available, accounts receivable, other accounts receivable, available-for-sale and held-to-maturity investments, obligations with the public, other accounts payable and other liabilities in general. Furthermore, all derivative products are considered as financial instruments.

The accounting policies on recognition and valuation of these items are described hereinbelow in this note.

(c) Recognition of income and expenses

(c.1) Interest income and expenses

Interest income and expenses are recorded in the income statement of the period when they are accrued, according to the duration of the operations giving rise to them and the established interest rates. As FMV extends credit facilities to the IFI for channeling resources, which loan disbursements are carried out through the COFIDE-Trust, and not as placements to the final borrower according to the Accounting Manual for companies of the Financial System of SBS; which gains thereof are recorded on the accrual basis and suspended interest is not recognized pursuant to the accounting treatment established by SBS.

(c.2) Good Payer Bonus and Award

In accordance with the accounting treatment accepted by SBS for Fondo MIVIVIENDA S.A., the Good Payer Bonus and Award, including interest thereof, are recognized as follows:

(i) The Good Payer Bonus (hereinafter "BBP, by its acronym in Spanish") was created pursuant to Law N° 29033 dated June 7, 2007, as a direct, non-reimbursable aid to the eligible final beneficiaries, for a maximum amount of S/.12,500 as from April 22, 2010 (S/.10,000 before April 22, 2010), which is granted to the persons which have complied with punctually paying six consecutive monthly installments corresponding to the non-concessional schedule of Crédito MIVIVIENDA. To such purposes, FMV divides the total

Josefina Villafán Carrasco
CTP N° 085

disbursed amount of Crédito MIVIVIENDA plus interests in 2 schedules:

- A six-month schedule named "concessional schedule", corresponding to the amount of the Good Payer Bonus (capital and interest), and
- A monthly schedule named "non-concessional schedule", corresponding to the loan amount less the concessional schedule (capital and interest).

In these cases, the BBP is received by MVCS (to the extent that MVCS has available funds) at FMV's request and is recorded for financial report and control purposes in the liabilities in the general ledger account "Good Payer Bonus-received",

When disbursing a Crédito MIVIVIENDA through the COFIDE-Trust, the FMV records in the "Accounts receivable, net item (Trust Agreement COFIDE)" the full disbursed amount and generates the 2 mentioned schedules.

Interests of both schedules are recognized on accrual basis, according to the preferential rates agreed with the financial entities with which the agreements were entered into, recognizing such interests as financial income.

Later, MVCS is provided with the list of the BBP beneficiaries, being such bonus of eligible beneficiaries reclassified from the "Good Payer Bonus-received" liability account to the "Good Payer Bonus–assigned" liability account,

(ii) In cases in which the Good Payer Bonus is directly assumed by FMV (when they do not comply with the requirements of Law N°29033 and amendments thereof; for example, when the value of the home to be acquired is higher than 25 tax units (UIT, by its acronym in Spanish) or when the bonus is granted with own resources, among others), it is named "Good Payer Award".

(iii) In both cases the award or bonus is granted for timely payment of six installments of the non-concessional schedule, an amount that varies according to the type of loan granted.

(iv) When the Good Payer Bonus becomes effective, when the final beneficiary has complied with the timely payment of six consecutive monthly installments, FMV accredits the accounts receivable (capital) of the installments of the concessional schedule under the liability account for the "Good Payer Bonus-assigned". Interest corresponding to such installments of the concessional schedule are recognized as FMV's expense and are stated net of the account "Accounts receivable (Trust Agreement COFIDE)" included in the "Financial income" item of the Income Statement.

(v) When the Good Payer Bonus becomes effective (see item (ii), for example, when the BBP is directly assumed by FMV) upon compliance with the conditions by the final beneficiary, FMV records such amount as expense; consequently, accounts receivable (capital) decreased from

Josefina Villafán Carrasco
CTP N° 085

the installments of the concessional schedule from the "Financial expenses" account, while interests, as in the previous case, are recognized as expenses and are stated net of the account "Accounts receivable" (Trust Agreement COFIDE) included in "Financial income" item of the Income Statement.

(c.3) Comissions for management services of the CRC-PBP Trusts are recognized as income when received.

(c.4) Other income and expenses are recognized in the period in which they accrue.

(d) Accounts receivable (Trust Agreement– COFIDE) and provision for accounts receivable.
Accounts receivable are recorded when funds are disbursed through the Trust -COFIDE in favor of the intermediate financial institutions (IFI) channeling FMV's resources for the loan placement of the MIVIVIENDA products.

In accordance with the Regulation for Fondo MIVIVENDA S.A, enacted by SBS Resolution N° 980-2006 dated August 14, 2006, the provision is estimated based on the criteria established by SBS in the Regulation for Debtor Evaluation and Classification and Provisioning Requirements, Resolution N°11356-2008, according to the following methodology approved by SBS:

- Each account receivable is divided into 2 types of risk, with credit risk coverage (hereinafter "with CRC") and without credit risk coverage (hereinafter "without CRC"):

  (i) With CRC – They are those accounts having mortgage guarantees set up in favor of the IFI, and which have been timely informed and supported to FMV. On average, the CRC amount is 1/3 of the total account receivable by each final borrower during the first 8 years and 1/6 of the outstanding balance of the loan during the subsequent years (except for the Techo Propio Program and Mihogar Project, which have CRC rates, depending on the term of the loans and of the amount granted).

  (ii) Without CRC- They are those accounts receivable that FMV has with the IFI through the COFIDE Trust and that do not have the previously mentioned Credit Risk Coverage, or mortgage guarantees established.

  Once FMV divides accounts receivable by risk category, the provisions are estimated in accordance with the parameters established by SBS, which are:

- With CRC. For the purposes of estimating provisions, the loan is subdivided into two:
  (i) Portion covered with CRC: The provision is determined according to the risk category of the final beneficiary informed in the consolidated credit report (RCC, by its acronym in Spanish) and the outstanding balance of the debt reported by COFIDE, for which purpose, table 1 of SBS Resolution N° 11356-2008 is applied:

Josefina Villafán Carrasco
CTP N° 085

Risk category	**Table 1** %
Normal	0.70
With potential problem	5.00
Substandard	25.00
Doubtful	60.00
Loss	100.00

(ii) Portion not covered with CRC: The provision is determined according to the classification granted by FMV to the IFI, based on the risk categories established by SBS and described in the following paragraph.

The amount of the provision corresponds to the sum of both concepts.

- Without CRC. FMV has determined that the type of loan corresponding to the IFI is similar to the corporate and large company loans and as the IFI are under "Normal" and "With Potential Problem (CPP)" categories, a provision has been established as 0.70 percent and 5.00 percent, respectively, in accordance with Table 1 above.

In order for the IFI to determine the risk classification, FMV has established within its internal regulations a table of provisions equivalent to the risk category established by SBS, as follows:

Risk classification by financial entity

Table 1		**Table 2**	
Risk	**Equivalence**	**Risk**	**Equivalence**
A +	Normal	B-	CPP
A	Normal	C+	CPP
A-	Normal	C	CPP
B +	Normal	C-	CPP
B	Normal	N.C.	CPP

The provisions for accounts receivable are presented reducing the balance thereof in the assets.

(e) Accounts receivable by CRC – PBP Trusts
Includes assets of CRC and PBP trusts, which correspond to assets (available, investments and accrued gains) and FMV's liabilities, but according to the SBS regulation (SBS Resolution N° 980-2006 Regulation for Fondo MIVIVIENDA S.A.) must be recorded as net balance in the "Other accounts receivable, net" item, since FMV acts as trustee and trustor.

Furthermore, the surplus (deficit) of such trusts is stated in the "Financial income" item of the Income Statement as "Assignment of trust income".

CRC-PBP trusts were created in 2007 and were aimed at allowing resources' availability for compliance with FMV's obligations arising from the CRC and PBP service contract, entered

Josefina Villafán Carrasco
CTP N° 085

into with certain IFI; and allowing said resources to be managed more efficiently.

(f) Other accounts receivable, net
Includes assets received as payment in kind of banks in liquidation, as well as other accounts receivable, which due to the fact that they are in proceedings of liquidation or legal proceedings which do not accrue interest. Any recovery is recorded based on the evidence.

For the determination of the provisions for accounts receivable of these accounts, FMV carries out an appraisal in accordance with SBS Resolution N° 11356-2008.

The provision for the portfolio classification is carried out according to the review performed from time to time by the FMV's Management, classifying it in one of the following categories: normal, with potential problem, substandard, doubtful or loss; depending on the risk of payment default of each debtor. Guarantees received are considered by FMV only if they are filed with the public records office without remarks or annotations.

The provision of clients classified in the categories of doubtful or loss for more than 36 and 24 months, respectively, is determined without considering the value of guarantees.

The details of the rates by risk category are stated in note 3(d) item (i), corresponding to accounts receivable with CRC.

(g) Foreign currency transactions
In accordance with the SBS regulation, the Nuevo Sol is the functional and presentation currency of FMV. Assets and liabilities in foreign currency are recorded at the exchange rate of the transaction date. Monetary assets and liabilities denominated in foreign currency are converted into Nuevos Soles at the end of each month using the exchange rate –set by SBS, note 4. Gains or losses resulting from adjusting the monetary assets and liabilities in foreign currency at the exchange rates in force as of the date of the Statement of the Financial Position are recorded in the income statement of the period.

The exchange rate difference corresponding to the CRC-PBP Trusts in foreign currency is included as schedule of the "Earnings per interests in trusts" subaccount of "Financial income" item of the Income Statement.

Non-monetary assets and liabilities that are acquired in foreign currency are recorded in nuevos soles at the exchange rate of the date of its acquisition.

(h) Derivative financial instruments
All derivative financial instruments are classified as held for trading, are initially recognized in the Statement of the Financial Position of FMV at its expense and, subsequently, are recorded at fair value. Derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. The notional amount (nominal) of the operation is recorded in memorandum accounts for the notional amount in the committed currency, note 16.

Fair values are estimated based on exchange rates and market interest rates. Gains and losses for changes in fair value of derivatives are recorded in the income statement of the period.

Josefina Villafán Carrasco
CTP N° 085

As of March 31, 2013 and December 31, 2012, the Management considers that for management purposes, FMV has economic coverage derivatives; however, these derivatives are recorded according to the SBS regulations, recognizing valuation gains and losses at market value in the income statement of the period. Likewise, as of these dates, FMV does not present embedded derivatives.

(i) Available-for-sale and held-to-maturity investments
The initial record and the subsequent measurement of available-for-sale and held-to-maturity investments are carried out in accordance with SBS Resolution N°7033 -2012 "Guidelines for Classification and Valuation of Investments of Financial System Enterprises".

Classification
(i.1) Available-for-sale investments
Available-for-sale investments are those designated as such since they are kept for an indefinite period of time and may be sold due to cash requirements or interest rate changes, exchange rates or capital price; or do not qualify to be recorded at fair value with effect on the income statement or held-to-maturity.

The estimated market value of available-for-sale investments is mainly determined on the basis of market quotations or, in their absence, on the basis of discounted cash flows using market rates in accordance with the credit quality and the investment maturity term.

(i.2) Held-to-maturity investments
Investment instruments that are classified within this category must comply with the following requirements:

- They must have been acquired or reclassified with the intention of holding them to maturity, unless the cases in which the sale, assignment or reclassification are allowed by SBS.

- Companies must have the financial standing and the intention of holding investment instruments to maturity.

- They must have risk classifications as required by SBS.

- In order for the companies to classify their investments in this category, they must assess if they have the financial standing for holding investments instruments to maturity whenever they decide to classify an instrument and at the end of each period.

Transaction record date
Transactions of available-for-sale and held-to-maturity investments are recorded using the trade date, in other words, the date on which reciprocal obligations are assumed, which must be completed within the term established by the regulations and market uses in which the operation is carried out.

Josefina Villafán Carrasco
CTP N° 085

Initial recognition -
The initial recognition of available-for-sale and held-to-maturity investments is carried out at fair value plus transaction costs that are directly attributable to the acquisition of such investments.

Amortized cost -
Any premium or discount is considered when determining the amortized cost by applying the effective interest rate methodology, recognizing the accrued interest in the "Interest for available-for-sale and held-to-maturity investments" account of "Financial income" item of the profit and loss statement.

Valuation -

(i.1) Available-for-sale investments

Valuation is carried out at fair value and unrealized gains and losses in relation to the amortized cost are recognized in equity.

When the instrument is sold or gains or losses previously recognized as part of equity are carried, such gains or losses are transferred to the income statement of the period. Moreover, when the FMV's Management considers that decrease in the market value is permanent or is due to credit impairment, it makes the respective provisions, transferring the estimated loss from equity to the result of the period.

In any of the aforementioned cases, if SBS deems it necessary to make any additional provision for any type of investment, such provision shall be determined by SBS on the basis of each individual security and informed to FMV to be recorded in the result of the period.

(i.2) Held-to-maturity investments

These investments are recorded at their amortized cost and are not updated at fair value.

Impairments are recorded by negative changes in the credit capacity of the issuer individually, similarly to the treatment of direct placements, directly affecting the result of the period.

When these investments are sold without fulfilling the provisions set forth in the regulation, and similar financial instruments of the same issuer are repurchased, these may not be recorded in this category unless there is an express authorization of SBS.

(j) Property, furniture and equipment

Assets in the property, furniture and equipment item are recorded at acquisition cost less accumulated depreciation.

Depreciation is computed based on the straight-line method and using the following estimated useful lives:

Josefina Villafán Carrasco
CTP N° 085

	As of March 31, 2013	December 31, 2012
Premises	10	10
Buildings	25	25
Several equipment	10	10
Computer equipment	4	4
Furniture and fixtures	10	10
Vehicles	5	5

Maintenance and repair expenses are charged to the income statement; any renewal and improvement are solely capitalized when disbursements improve the status of the assets and increase their useful life beyond the originally estimated time. The cost and accumulated depreciation of assets disposed of or sold are eliminated from their respective accounts, and any resulting gain or loss is included in the income statement of the period.

(k) Intangible assets
Intangibles included in the "Other assets" item of the Statement of the Financial Position, comprise developments and acquisitions of computing software licenses used in the FMV own operations. Software licenses acquired by FMV are capitalized on the basis of costs incurred for acquiring or putting in use the specific program. These intangible assets are amortized using the straight-line method following the estimated useful life in a maximum period of 4 years.

Useful life and amortization method are periodically reviewed to ensure that they are consistent accordance with the foreseen pattern of economic benefits of the intangible items.

As of March 31, 2013 and December 31, 2012, FMV does not maintain intangibles with unlimited useful life.

(l) Impairment of long-lived assets
When events or circumstantial economic changes indicate that the value of a long-lived asset might not be recoverable, the FMV's management reviews the value of its property, furniture and equipment and intangible assets to verify if there is no permanent impairment in value. When the book value exceeds its recoverable amount, the entity recognizes an impairment loss in the profit and loss statement for the property, furniture and equipment and intangibles held at cost items. The recoverable amount is the higher of its net selling price and its value in use. Net selling price is the amount obtainable from the asset sale in a free market while value in use is the present value of estimated future cash flows expected to arise from the continued use of an asset and from its subsequent disposal at the end of its useful life. The Management considers that there is no impairment evidence in the value of such assets as to March 31, 2013 and December 31, 2012.

(m) Assets received as payment and repossessed
Assets received as payment, repossessed and recovered assets are initially recorded at the lower of the value determined by the court, arbitrator, recovery value, estimated market value and the value of the unpaid amount of debt; recognizing in turn a provision equivalent to 20 percent of the value upon repossession or recovery of the asset, being able to keep to such purpose the provision that was recorded by the related credit.

Josefina Villafán Carrasco
CTP N° 085

Additional provisions are recorded based on the following criteria:

- Personal property. A uniform monthly provision shall be recorded as from the first month of repossession or recovery, for a period of twelve months until completing one hundred percent of the net value upon repossession or recovery.

- Real estate. Uniform monthly provisions shall be recorded on the net book value as from the twelfth month. In addition, SBS Resolution N°1535-2005 allows the granting of an extension of six months, in which case, uniform monthly provisions shall be recorded on the net book value as from the eighteenth month. In both cases, provisions shall be recorded until completing one hundred percent of the net book value over a term of three and a half years, counted as from the date on which monthly provisions started to be recorded.

The annual updating of valuations of such goods determined by an independent expert implies, if necessary, the recording of provisions for impairment.

(n) Current income tax and employees' profit sharing

Current income tax and employees' profit sharing are determined based on the taxable income determined for tax purposes.

Deferred income tax
Deferred income tax is computed and reflects the effects of temporary differences derived from balances of assets and liabilities for accounting purposes and those determined for tax purposes. Deferred assets and liabilities are measured by using tax rates expected to apply to the taxable income in the years in which these differences are recovered or disappear. The measurement of deferred assets and liabilities reflects tax consequences arising from the way in which FMV expects to recover or settle the value of its assets and liabilities, on the date of the Statement of Financial Position.

Deferred assets and liabilities are recognized without considering the estimated time when the temporary differences will disappear. Deferred assets are recognized when there are likely to be sufficient future tax benefits for the deferred asset to be applied. On the date of the Statement of the Financial Position, the FMV's Management evaluates the unrecognized assets and the balance of those that have been recognized; recognizing a deferred asset that was previously unrecognized when it is likely that future tax benefits allow it to be recovered or reducing a deferred asset when it is unlikely that sufficient future tax benefits will be available to use schedule or all of the deferred asset that has been recognized in the accounts.

According to the accounting principles, FMV calculates its deferred income tax based on the tax rate applicable to its undistributed profits; recognizing any additional tax on distribution of dividends on the date the liability is recognized.

Josefina Villafán Carrasco
CTP N° 085

o) Provisions
Provisions are only recognized when FMV has a present obligation (either legal or implicit) as a result of past events, it is likely that resources will be required to settle the obligation and it is possible to reliably estimate its amount. Provisions are reviewed and adjust in each period to reflect the best estimate as of the date of the Statement of the Financial Position. When the effect of the time value of money is material, the amount of provision is the present value provisions of the expenses expected to be incurred to settle it.

(p) Deferred income
Deferred income is mainly originated by the difference between the book value and the market value of the financial instruments assigned for the establishment of CRC-PBP Trusts in domestic and foreign currency when transferred (2007).

In accordance with the provisions set forth in SBS Resolution N°0084-2000 in relation to the Rules for the Trust Accounting Treatment and Trust Fees, in which case the rights generated in favor of the trustor by virtue of the trust are higher than the goods transferred to the trust, a deferred profit shall be recognized, which accrues according to the amortization, realization and/or maturity of such rights.

(q) Contingencies
Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes to the financial statements, unless the possibility of an outflow of economic resources is remote.

Contingent assets are not recognized in the financial statements, and they are disclosed when its degree of contingency is probable.

(r) Cash and cash equivalents
Cash presented in the cash flow statement is composed of the available balance, excluding the available balance included in trusts, see note 8(b).

s) Subsequent events
Subsequent events at the closing of the period providing additional information on the financial -position of the Company on the date of the statement of financial position (adjustment events) are included in the financial statements. Important subsequent events that are different from adjustment events are exposed in the notes to the financial statements.

4. Foreign currency transactions and foreign exchange risk exposure

Following is the detail of assets and liabilities of FMV in foreign currency, stated in thousands of US dollars:

	As of March 31, 2013 US$ (000)	**As of December 31, 2012** US$ (000)
Assets		
Cash and due from banks	218,057	3,712
Trading and held-to-maturity investments	9,643	0
Accounts receivable (Trust Agreement – COFIDE)	160,791	163,612
Others accounts receivable	295	265
Other assets	7	216

Josefina Villafán Carrasco
CTP N° 085

	388,792	167,805
Liabilities		
Accounts payable	926	413
Borrowings and financial obligations	496,213	84,548
Provisions	3,231	237
Other liabilities	470	470
	500,840	85,668
Net sale position in derivatives - Forwards	0	(72,500)
Asset position, net	(112,048)	9,637

During the first quarter of 2013, FMV has recorded foreign exchange gains in the amount of S/.1,938 while foreign exchange loss was S/.13,881 as of December 31, 2012, which is presented in the "Gains on financial transactions (ROF)" of the Income Statement. Likewise, a loss on derivative transactions was recorded in the amount of S/.2'128,000 during the first quarter of the 2013 period (gains in the amount of S/.18'852,000 during the 2012 period), which is also stated in the "Gains on financial transactions (ROF)" of the Income Statement.

5. Available balance

The available balance as of March 31 and December 31, 2012 is detailed hereinbelow:

	March 2,013 S/. (000)	**December 2,012** S/. (000)
Peruvian Central Bank (a)	20,204	2
Demand and saving accounts (b)	360,297	194,767
Time deposits (c)	418,250	145,000
Accrued profits on available funds	487	709
Fixed fund	21	0
Total cash and due from banks	**799,259**	**340,477**

(a) These accounts in nuevos soles and US dollars are mainly used for transactions carried out with COFIDE by virtue of the Trust Agreement signed.

(b) Corresponds to accounts in Nuevos Soles and US dollars generating interest at market rates and are unrestricted.

(c) Corresponds to time deposits in domestic banks in nuevos soles, unrestricted and generating interest at market rates.

Josefina Villafán Carrasco
CTP N° 085

6. Available-for-sale and held-to-maturity investments, net

(a) The composition of this item is presented hereinbelow:

March 2013	Amortized Cost S/. (000)	Unrealized result Losses S/. (000)	Unrealized result Profits S/. (000)	Book value (*) S/. (000)
Available-for-sale Investments				
Peruvian sovereign bonds(b)	185,040	50	(1,017)	184,073
Corporate bonds (c)	20,509		(477)	20,032
Negotiable Certificates of Deposit (d)	93,147		(35)	93,112
	298,696	50	(1,529)	297,217
Plus				
Accrued gains on available-for-sale investments				1,245
Available-for-sale investments		**Sub-Total**		**298,462**
Held-to-maturity Investments				
Certificates of the Peruvian Central Bank				
Short-term papers (e)	4,782			4,782
Plus				
Accrued gains from held-to-maturity investments				21
Held-to-maturity investments		**Sub-total**		**4,803**
Total				303,265

December 2012	Amortized Cost S/. (000)	Unrealized result Profits S/. (000)	Unrealized result Losses S/. (000)	Book value (*) S/. (000)
available-for-sale Investments				
Peruvian sovereign bonds (b)				-
Corporate bonds (c)				-
Negotiable Certificates of Deposit (d)	-	-	-	-
	-	-	-	-
Plus				
Accrued gains on available-for-sale investments				-
Available-for-sale investments		**Sub-Total**		-
Held-to-maturity investments				
Certificates of the Peruvian Central Bank				
Short-term papers (e)	-			-
Plus				
Accrued gains from held-to-maturity investments				-
Held-to-maturity investments		**Sub-total**		-
Total				-

Josefina Villafán Carrasco
CTP N° 085

(*) The book value corresponds to fair value of available-for-sale investments and amortized cost of held-to-maturity investments, as established by IAS 39.

(b) The Peruvian Sovereign Bonds are denominated in nuevos soles and as of March 31, 2013, they are composed by bonds, maturing between August 12, 2020 and February 12, 2042 and accrue an annual interest rate between 3.70 and 5.16 annual percent as of March 31, 2013.

(c) As of March 31, 2013 it corresponds to a corporate bond with BB+ risk rating, issued by Cementos Pacasmayo S.A.A., which fair value approximately amounts to S/. 20,163, such bond is denominated in US dollars with a face value of U.S.$ 8,000, maturing on February 8, 2023, and accruing at an annual interest rate of 4.625 percent. FMV has recognized on the date revenue from interest in the amount of S/.133,000, included in the "Interest on trading, available-for-sale investments" of the Income Statement.

As of March 31, 2013, such financial entities and/or local companies are under the risk rating range granted by the main risk rating agencies of the country authorized by SBS:

	March 2013 S/. (000)	**December 2012 S/. (000)**
AAA	184,761	
BB+	20,163	
CP-1+	93,538	
CP-2	4,803	
Total:	**303,265**	-

The estimated fair value of the corporate bond as of March 31, 2013 is as follows:

	March 2013 S/. (000)	**December 2012 S/. (000)**
Cementos Pacasmayo S.A.A	20,163	
Total:	**20,163**	-

(d) As of March 31, 2013, it corresponds to Certificates of the Peruvian Central Bank (CDN-BCRP), denominated in nuevos soles, maturing between August 2013 and February 2014, which earned an annual effective interest rate between 3.6499 and 3.81 percent. During 2013, FMV has recognized to date a revenue from interest in the amount of S/.425,000 included in the "Interest on trading, available-for-sale investments" of the Income Statement.

Josefina Villafán Carrasco
CTP N° 085

(e) The balance of available-for-sale and held-to-maturity investments as of March 31, 2013 is shown hereinbelow, which has been classified according to their maturity dates:

	March 2013 S/. (000)	**December 2012 S/. (000)**
Up to 1 month		
From 1 to 3 months	88,630	
From 3 months to 1 year	9,711	
From 1 to 5 years		
From 5 to 10 years	53,446	
From 10 to 30 years	151,478	
Total:	**303,265**	-

(f) As of March 31, 2013, the FMV's Management has estimated the market value of the available-for-sale investments based on the available market prices or, in their absence, discounting expected cash flows at an interest rate reflecting the risk rating of the security.

The FMV's Management has determined that unrealized losses as of March 31, 2013 are not the result of credit impairment of the users but they are mainly due to variations in the free risk rates that were incorporated to its valuations. Consequently, there is no impairment of available-for-sale investments in accordance with accounting standards which must be recorded on the date of each balance sheet.

7. Hedging Derivatives

(a) The following table shows the fair value of the derivative financial instruments, recorded as assets or liabilities, along with their notional amounts (nominal). The notional amount is the face amount of the derivative underlying asset and is the basis on which changes in the value of derivatives are measured. The notional amounts state the volume of outstanding transactions at the end of the year and are not an indicator of the market risk or of the credit risk, note 22.

	March 2013		
	Fair value		
	Assets S/. (000)	**Liabilities** S/. (000)	**Notional amount** S/. (000)
Financial derivatives (b)	0	0	0

	December 2012		
	Fair value		
	Assets S/. (000)	**Liabilities** S/. (000)	**Notional amount** S/. (000)
Financial derivatives (b)	5,753	0	184,875

Josefina Villafán Carrasco
CTP N° 085

(b) The financial derivatives correspond to "forward" contracts in foreign currency which were paid during the first quarter of 2013 (in the first quarter of 2012, net profits for forward contracts amounted to S/. 6,842, and were recorded in the "Gains on Financial Transactions" of the Income Statement), see note 22.

8. Accounts Receivable for Sale of Goods and Services and Trust (Net)

	March 2013 S/. (000)	December 2012 S/. (000)
Trust agreement-COFIDE	3,422,274	3,144,929
CRC PBP Trust in Soles	31,914	31,396
CRC PBP Trust in Dollars	36,090	35,907
	3,490,278	3,212,232

8a. Accounts receivable, net (Trust Agreement - COFIDE)

This item is composed as follows:

	2013 S/. (000)	2012 S/. (000)
Nuevo Crédito MIVIVIENDA	2,678,051	2,398,983
Crédito MIVIVIENDA Tradicional	464,609	475,378
Crédito MIHOGAR	150,625	152,523
Crédito Complementario Techo Propio	132,466	130,550
Crédito MIVIVIENDA Estandarizado	17,328	17,820
Crédito MICONSTRUCCION	10,624	5,752
	3,453,702	3,181,006
Plus (less)		
Accrued gains from accounts receivable	14,144	11,775
Provision for doubtful accounts receivable (f)	(45,572)	(47,852)
Total	3,422,274	3,144,929

Josefina Villafán Carrasco
CTP N° 085

As of March 31, 2013 and at December 31, 2012, the number of transactions in force is 68,437 and 66,106, respectively. There is no significant credit risk due to the type of credit transactions carried out by FMV.

All these resources have been channeled through COFIDE by virtue of the legal relationship of the Trust Agreement that FMV has with it. COFIDE receives FMV resources for channeling the same through intermediate financial institutions, named IFI, which desire to use them for the granting of credits for the purchase of homes, pursuant to the provisions set forth in Article 12° of Supreme Executive Order N° 001-99-MTC.

(b) Accounts receivable according to the characteristics of the credits promoted by FMV are as follows:

	As of March 31, 2013		
Products	With credit risk coverage S/. (000)	Without credit risk coverage S/. (000)	Total S/. (000)
Nuevo crédito MIVIVIENDA	433	2,677,617	2,678,050
Crédito MIVIVIENDA Tradicional	5,072	459,537	464,609
Crédito Proyecto MIHOGAR	459	150,165	150,625
Programa Techo Propio	187	132,280	132,466
Crédito MIVIVIENDA Estandarizado		17,328	17,328
Crédito MICONSTRUCCION		10,624	10,624
	6,151	3,447,551	3,453,702

	As of December 31, 2012		
Products	With credit risk coverage S/.	Without credit risk coverage S/.	Total S/.
Nuevo crédito MIVIVIENDA	437	2,398,545	2,398,983
Crédito MIVIVIENDA Tradicional	5,114	470,264	475,378
Crédito Proyecto MIHOGAR	401	152,123	152,523
Programa Techo Propio	32	130,518	130,550
Crédito MIVIVIENDA Estandarizado	-	17,820	17,820
Crédito MICONSTRUCCION	-	5,752	5,752
	5,984	3,175,022	3,181,006

Josefina Villafán Carrasco CTP Nº 085

(c) Accounts receivable are classified by risk according to the SBS regulation in force as of 2013 and 2012. As stated in note 3(d), the provision for accounts receivable is determined based on the final borrower and IFI classification. The classification of accounts receivable according to final borrowers based on the consolidated credit report (RCC by its acronym in Spanish):

	As of March 31, 2013		As of December 31, 2012	
Risk category	Total S/. (000)	%	Total S/. (000)	%

Normal	3,292,611	95.34	3,031,890	95.29
With potential problem	50,423	1.46	43,200	1.36
Substandard	28,860	0.84	31,259	0.99
Doubtful	37,939	1.10	35,360	1.12
Loss	43,870	1.27	39,297	1.24
Total	3,453,702	100.00	3,181,006	100.00

Following is the classification of accounts receivable from IFI which grants MIVIVIENDA credits:

	As of March 31, 2013		As of December 31, 2012	
Risk category	**Total** S/. (000)	**%**	**Total** S/. (000)	**%**
Normal	3,183,830	92.19	2,981,354,592	93.72
With potential problem	269,872	7.81	199,651,263	6.28
Total	3,453,702	100.00	3,181,005,855	100.00

(d) Interest rates applied to the products' account correspond to fixed rates that were established for promoting the granting of each type of credit:

	2013 %	**2012** %
Nuevo Crédito MIVIVIENDA	6.60	6.60
Crédito MIVIVIENDA Tradicional	7.75	7.75
Crédito MIHOGAR	7.60	7.60
Crédito Complementario Techo Propio	6.00	6.00
Crédito MIVIVIENDA Estandarizado	6.90 y 7.30	6.90 y 7.30
Crédito MI CONSTRUCCION	7.50 y 9.00	7.50 y 9.00

(e) Following is the portfolio of accounts receivable as of March 31, 2013 and December 31, 2012 which is classified according to maturity dates:

	2013 S/. (000)	**2012** S/. (000)
To become due		
Up to 1 month	15,063	12,385
From 1 to 3 months	39,512	28,427
From 3 months to 1 year	111,687	119,751
From 1 to 3 years	363,892	344,277
From 3 years to more	2,923,548	2,676,166
	3,453,702	3,181,006

Josefina Villafán Carrasco
CTP N° 085

(f) The movement of the provision for doubtful accounts receivable, which is determined according the classification and percentages indicated in note 3 (d), is shown below:

	2013	2012
	S/. (000)	S/. (000)
Balance at the beginning of the period	47,852	34,222
Plus (less)		
Provision recognized as expense of the period	8,662	22,137
Reversals, note 21(a)	(3,436)	(7,587)
Exchange difference	236	(920)
Reclassification of provisions	(7,742)	
Balance at the end of the period	45,572	47,852

The Management considers that the provision for accounts receivable recorded as of March 31, 2013 and as of December 31, 2012, is in accordance with the standards established by SBS for Fondo MIVIVIENDA S.A. in force at such dates.

(g) On August 20, 2012, FMV received a prepayment of 36 installments of accounts receivable from a banking institution; FMV maintaining the credit risk coverage over such installments. The sum received from the bank amounted to S/.188,037, corresponding to the fair value of the 36 installments as of August 20, 2012.

As established by SBS, this transaction was recorded as a sale; therefore, FMV determined that the paid up capital which decreased from accounts receivable for this transaction amounted to S/.179,797. FMV decreased its accounts receivable in this amount. Consequently, FMV recorded a gain on sale of approximately S/.8,240, as established by SBS, was recognized as a deferred income in the "Provisions and other liabilities" item and shall accrue in the profit and loss statement on a linear basis during 36 months. As of December 31, 2012, the deferred income of this transaction amounts to S/.7,934. Furthermore, as stated by SBS, FMV has recorded a provision for the credit risk coverage applicable to credits related to this transaction on one third of the outstanding capital amounting to S/.53,792 as of December 31, 2012, see note 16(l). As of December 31, 2012, the provision amounts to S/.738,000.

8b. Accounts receivable, net (Trust Agreement – CRC PBP)

CRC and PBP Trust	March 2013	December 2012
	S/. (000)	S/. (000)
CRC PBP Trust in Soles	31,913	31,396
CRC PBP Trust in Dollars	36,090	35,907
Total CRC PBP Trust:	**68,003**	**67,303**

(a) As of March 31, 2013, it comprises balances of the total net assets from liabilities of Trusts under administration (total equity and surplus (deficit) net): CRC and PBP in domestic currency in the amount of S/. 31,913 and CRC and PBP in foreign currency in the amount of S/.36,090 (S/.31,396 and S/.35,907, respectively, as of December 31, 2012).

Josefina Villafán Carrasco
CTP N° 085

By agreements entered into in June 2007 by Fondo MIVIVIENDA S.A., in its capacity as trustee and trustor simultaneously, both Trusts in effect were established for allowing the availability of resources for the fulfillment of obligations assumed by FMV arising from the CRC and PBP service agreements (credit risk coverage - CRC and the payment of the good payer award - PBP) entered into with certain financial entities - EF, as well as for allowing that such resources are administered more efficiently, in compliance to such purpose with the provisions set forth in the Regulations and Manual of CRC and PBP policies and processes; as well as the Manual of investment policies and procedures forming schedule of the exhibits of the agreement.

These trusts are recorded in an account in accordance with the provisions set forth by SBS Resolution N°980-2006 "Regulation for Fondo MIVIVIENDA S.A."; in other words, in a single account in the balance sheet (see note 3 (e)) and a separate accounting is kept for control purposes showing the following balances as of March 31, 2013 and December 31, 2012:

Josefina Villafán Carrasco
CTP N° 085

CRC and PBP Trust	**March 2013**	**December 2012**
Nuevos Soles	**S/. (000)**	**S/. (000)**
Balance sheet		
Assets		
Cash and due from banks	1,307	3,338
Available-for-sale financial investments, net (*)	25,753	23,324
Held-to-maturity financial investments (**)	4,853	4,734
Total assets	**31,913**	**31,396**
Current liabilities		
Accounts payable	0	0
Total liabilities	0	0
Equity and net surplus		
Collection surplus, net	1,778	1,707
Adjustment to equity	437	427
Retained earnings	29,698	29,262
Total net equity and surplus	31,913	31,396
Total liabilities and equity	**31,913**	**31,396**

(*) Increase–of available-for-sale investments as of March 31, 2013 is explained by the acquisition of sovereign bonds with the denomination of SB12AGO31 acquired in February 2013, in an amount of approximately S/.2,000, (face value) thereby maintaining sovereign bonds with a market value of S/. 2,510 and corporate bonds with a market value of S/. 23,242. As of December 31, 2012, available-for-sale investment were composed of corporate bonds with a market value of S/. 23,323.

(**) Increase of held-to-maturity investments is explained by accrued interests and the best valuation at amortized cost of held-to-maturity bonds, which amounts are S/. 116,000 and 776,000, respectively. As of December 31, 2012, the CRC and PBP Trust in Nuevos Soles showed a balance on accrued interests and valuation at amortized costs in the amount of S/. 24,000 and S/. 804,000, respectively.

Josefina Villafán Carrasco
CTP N° 085

CRC and PBP Trust	**March 2013**	**March 2012**
Nuevos Soles	**S/. (000)**	**S/. (000)**
Income statement		
Income		
Interest Income	486	3,856
Valuation of investments, net	0	40
Other financial income	0	489
Total income	486	4,385
Expenses		
Management fee	(48)	(472)
Tax on financial transactions	0	(10)
Miscellaneous expenses for financial services	(1)	(2)
Other financial expenses	0	(69)
Total expenses	(49)	(553)
Net surplus	**437**	**3,832**

CRC and PBP Trust	**March 2013 S/. (000)**	**December 2012 S/. (000)**
US Dollars		
Balance sheet		
Assets		
Cash and due from banks	12,672	9,883
Available-for-sale financial investments, net (*)	10,105	5,691
Held-to-maturity financial investments (**)	13,591	19,711
Derivative financial instruments, net		616
Accounts receivable		6
Total assets	36,368	35,907
Non-current liabilities		
Accounts payable	277	0
Total liabilities	277	0
Equity and net surplus		
Initial equity	21,013	21,013
Collection surplus, net	6,102	5,969
Unrealized results	373	540
Retained earnings	8,603	8,385
Total equity and net surplus	36,091	35,907
Total liabilities, equity and net surplus	36,368	35,907

Josefina Villafán Carrasco
CTP Nº 085

CRC and PBP Trust	March 2013	March 2012
US dollars	**S/. (000)**	**S/. (000)**
Income statement		
Income		
Interest income	377	778
Valuation of investments, net (***)	219	
Net foreign currency derivatives	0	818
Exchange difference, net	18	
Other operating income	16	
Total income	630	1,596
Expenses		
Exchange difference, net	0	(372)
Net foreign currency derivatives	(355)	0
Valuation of investments, net (***)	0	(389)
Management fee	(54)	(126)
Tax on financial transactions	(1)	(1)
Miscellaneous expenses for financial services	(1)	(1)
Other financial expenses	0	0
Total expenses	(411)	(889)
Net surplus	219	707

(*) Available-for-sale investments as of March 31, 2013 have increased due to the acquisition of sovereign bonds with the denomination of SB12AGO31 acquired in February 2013, in an amount of approximately S/.4,000 (face value) with a market value of S/.5,020 and corporate bonds in dollars of U.S.$ 1,761 (face value) with a market value of S/.5,084. As of December 31, 2012, a corporate bond issued by Red de Energía Perú, maturing in June 2016, in an amount of approximately US$1,761 (face value) with a market value of S/. 5,045, was maintained.

(**) Decrease of held-to-maturity investments is mainly explained by the payment of S/. 5,630 with a face value in held-to-maturity investments in bonds in soles. As of December 31, 2012, the CRC and PBP Trust in US dollars maintains certificates of deposits from Peruvian Central Bank in an amount of S/.19,710.

(***) It mainly corresponds to the gain on exchange difference in investments in the amount of S/. 219,000. (loss from exchange difference in investments in the amount of S/.175,000 and loss from valuation of investments in the amount of S/.213,000 as of March 31, 2012).

Josefina Villafán Carrasco
CTP N° 085

9. Other accounts receivable, net

(a) The item is composed as follows:

	March 2013 S/. (000)	December 2012 S/. (000)
Accounts receivable from Banks in liquidation (a)	108,217	109,238
Accounts receivable from Ex-CONEMINSA portfolio (b)	15,310	15,501
Recoveries from COFIDE-pending distribution (c)	1,690	1,443
Accounts receivable from outstanding investments	79,548	0
Other accounts receivable	622	443
	205,387	126,626
Less – Provision for accounts receivable (f)		
Banks in liquidation (a)	(108,217)	(109,238)
Ex-CONEMINSA portfolio (b)	(13,682)	(13,890)
Other accounts receivable	(413)	(282)
	(122,312)	(123,411)
Total	**83,075**	**3,215**

(a) It corresponds to accounts receivable generated by time deposits, certificates of deposit, among others, which maintained the prior Fondo MIVIVIENDA in certain financial institutions that then started a process of liquidation.

Balances and provision thereof as of March 31, 2013 and December 2012 are as follows:

	March 2013 S/. (000)	December 2012 S/. (000)
Capital		
Banco Nuevo Mundo , in liquidation (i)	58,070	59,164
Banco República, in liquidation (i)	39,993	39,993
Banco Banex, in liquidation – in lieu payment	8,094	8,037
Banco República, in liquidation – in lieu payment (i)	2,061	2,044
	108,217	109,238
Less – Provision for doubtful accounts		
Banco Nuevo Mundo , in liquidation (i)	-58,070	-59,164
Banco República, in liquidation (i)	-39,993	-39,993
Banco Banex, in liquidation – in lieu payment	-8,094	-8,037
Banco República, in liquidation – in lieu payment (i)	-2,061	-2,044
	-108,217	-109,238
Net	0	0

(i) During the liquidation process, carried out under the supervision and intervention of the Superintendency of Banking, Insurance and AFP (SBS), FMV is receiving personal property, real estate and credit collection as part of the payment of these debts.

The FMV's Management provided for the 100 percent of the portfolio of Banco Nuevo Mundo, Banco República and Banco Banex, all of them in process of liquidation, and recognizes recoveries received based on its execution. During 2012, FMV has received from Banco Nuevo Mundo in liquidation and Banco República in liquidation cash in the amount of S/.9'797,000 and S/. 8,000, respectively, as part of recoveries from outstanding accounts receivable fully provided.

Josefina Villafán Carrasco
CTP N° 085

The FMV's Management considers that the provision for accounts receivable as of March 31, 2013 and December 2012 sufficiently covers the collectability risk of other accounts receivable.

(b) It corresponds to accounts receivable from portfolio of mortgage credits granted by Compañía de Negociaciones Mobiliarias e Inmobiliarias S.A.- CONEMINSA, which was received by FMV in the framework of the Payment in Kind Agreement dated December 30, 2003 for their management and recovery.

(c) As of March 31, 2013 and December 2012, it corresponds to the net effect of adjustments and rebates of monthly conciliations between COFIDE balances, which are regularized in the next months.

(f) The movement of the provision for other accounts receivable, which is determined according to the criteria indicated in note 3(f), is shown below:

	March 2013 S/. (000)	**December 2012** S/. (000)
Balance at the beginning of the period	123,411	133,747
Plus (less)		
Provision of the period	131	317
Write-offs	0	0
Reversals,	(1,229)	(10,654)
Balance at the end of the period	**122,312**	**123,411**

The Management believes that the provision for other doubtful accounts recorded as of March 31, 2013 and December 31, 2012, is in accordance with the standards established by SBS in force on such dates.

Josefina Villafán Carrasco
CTP N° 085

Josefina Villafán Carrasco
CTP N° 085

10. Property, furniture and equipment, net

(a) The movement of the item as of March 31, 2013 and December 31, 2012 is shown below:

	Lands S/. (000)	Buildings S/. (000)	Premises S/. (000)	Furniture and appliances S/. (000)	Computing equipment S/. (000)	Several equipment S/. (000)	Vehicles S/. (000)	March 2013 Total S/. (000)	December 2012 Total S/. (000)
Cost									
Balance as of January 1	103	36	68	727	1,935	957	647	**4,473**	**4,887**
Additions	0	0	0	0	0	0	0	**25**	**113**
Withdrawals and other adjustments	0	0	0	0	0	0	0	**0**	**(527)**
Others	0	0	0	0	0	0	0	**0**	**0**
Balance as of March 31	103	36	68	727	1,935	982	647	**4,498**	**4,473**
Accumulated depreciation									
Balance as of January 1	0	5	43	586	1,594	554	336	**3,117**	**3,052**
Depreciation of the year	0	0	2	13	56	22	32	**125**	**527**
Withdrawals and other adjustments	0	0	0	0	0	0	0	**0**	**(462)**
Balance as of March 31	0	6	45	598	1,650	576	368	**3,242**	**3,117**
Net book value	**103**	**30**	**24**	**129**	**285**	**406**	**279**	**1,255**	**1,356**

(b) The financial entities established in Peru are prohibited from pledging its fixed assets.

(c) The FMV's Management considers that there is no evidence of impairment of fixed assets kept by FMV as of March 31, 2013 and December 31, 2012. As of March 31, 2013, FMV maintains fully depreciated assets in the amount of S/.1'488,000 (S/.1,329,000 as of December 31, 2012); however, some assets are still in use.

(d) FMV has insurance coverage on its main assets in accordance with the policies established by the Management. In this regard, as of March 31, 2013 and December 31, 2012, FMV has taken out an insurance policy against all risk, which covers the value of FMV net assets. According to the FMV's Management , its insurance policies are consistent with the industry practice.

11. Intangible assets

The item is composed as follows:

	Software S/. (000)	Licenses S/. (000)	March 2013 Total S/. (000)	December 2012 Total S/. (000)
Cost				
Balance as of January 1	2.053	1,481	**3,535**	**3,482**
Additions	96	0	**96**	**53**
Withdrawals and other adjustments	0	0	**0**	**0**
Others	0	0	**0**	**0**
Balance as of March 31	2,149	1,481	**3,631**	**3,535**
Accumulated depreciation				
Balance as of January 1	1,930	1,279	**3,209**	**3,059**
Depreciation of the year	11	25	**36**	**150**
Withdrawals and other adjustments	0	0	**0**	**0**
Balance as of March 31	1941.5453	1,303	**3,245**	**3,209**
Net book value	**208**	**178**	386	326

The intangible assets item is composed of software and licenses for use of computing equipment, which total cost as of March 31, 2013 is approximately S/. 3'631,000 and its accumulated amortization is approximately S/. 3'245,000 (cost of approximately S/.3'535,000 and accumulated amortization of approximately S/.3'209,000 as of December 31, 2012). Such intangible assets are amortized based on the straight-line method in accordance with their useful lives estimated by the Management, note 3(k).

12. Other assets

This item is composed as follows:

	March 2013 S/. (000)	December 2012 S/. (000)
Repossessed assets, net	611	673
Others (a)	1,212	2,235
Total	**1,823**	**2,908**

(a) By Executive Management Resolution N°046-2009/DE-FONAFE, the "ITC corporate management plan for the companies under the scope of FONAFE" was approved, which defines the implementation of the shared service center of Information Technologies and Communications of FONAFE. As of March 31, 2013, this balance is mainly composed of the advance payment of such service and monthly accrual; as of March 31, 2013 the balance amounts to S/.897,000.

Josefina Villarán Carrasco
CTP N° 085

13. Debts and Financial Obligations

This item is composed as follows:

	March 2013 S/. (000)	December 2012 S/. (000)
- Debts and obligations with companies and financial entities of the country (a)	0	215,597
- Securities (b)	1,284,694	0
Total	**1,284,694**	**215,597**

(a) On February 15, 2012, FMV received a financing from Banco de la Nación in the amount of US$100,000 (which is equivalent to approximately S/.268,500 on the transaction date) at an annual effective interest rate of 2.31 percent maturing on February 15, 2015.
As of December 31, 2012, FMV maintained an outstanding capital of US$83,805 (which is equivalent to approximately S/.213,704) and interests in the amount of US$742 (which is equivalent to approximately S/.1,893). Such loan was paid on February 1, 2013.

(b) On January 24, 2013, FMV issued bonds under Rule 144 or regulation S of the Securities Act in the international market.
The issuance had a face amount of US$500,000 which maturity term is 10 years; it was placed below its face value at a price of 99.15 percent, at a coupon rate of 3.50 percent with semi-annual interest payment and amortization at maturity.
Furthermore, as of March 31, 2013, FMV has incurred issuance costs in the amount of US.$ 4,192; transaction costs in the amount of US.$ 2,448 and accrued interests of US.$ 2,852, resulting in a net total of U$ 496,213 equivalent to S/.1'284,684.

Josefina Villafán Carrasco
CTP N° 085

14. Other accounts payable

(a) These items are composed as follows:

	March 2013 S/. (000)	December 2012 S/. (000)
Other accounts payable		
FONAVI contributions (b)	138,223	132,811
Good Payer Bonus (capital) assigned to COFIDE (c)	80,445	77,728
Family Housing Bond to be transferred to technical entities (d)	551	10,540
Employees' profit sharing payable	1,336	7,400
Good Payer Bonus (capital) received from MVCS (e)	2,858	6,638
Savings of the eligible family group to be transferred to technical entities (f)	5,399	3,808
Accounts payable to suppliers	2,964	781
Resources to be transferred by means of letters of guarantee enforced	965	950
Vacations and payment of fringe benefits payable	1,015	720
Taxes withheld (i)	1,485	243
Others	31,135	92
Total	**166,374**	**241,710**

Provisions and other liabilities		
Deferred income from BCP flow advance, (g)	7,934	7,934
Deferred income (g)	1,440	1,440
Provisions for contingencies (h)	1,272	1,272
Provision for credit risk hedging of BCP flow advance	738	738
Transactions in process	17	9
Total	**11,400**	**11,392**

b) The item balance as of March 31, 2013 and December 31, 2012 is as follows:

	March 2013 S/. (000)	December 2012 S/. (000)
FONAVI collections pursuant to Act No. 26969 (i)	99,751	125,539
FONAVI contributions to be transferred to MEF (i)	38,188	6,989
Return of uncollected FONAVI checks (ii)	284	284
Total	**138,223**	**132,811**

Josefina Villafán Carrasco
CTP N° 085

(i) It mainly corresponds to balances assigned to FMV as a result of collections received from the National Superintendency of Tax Administration – SUNAT, in respect of FONAVI contributions made by taxpayers by virtue of Act N°26969 in the amount of approximately S/.99,751 as of March 31, 2013 (S/.125,539 as of December 31, 2013). Moreover, it includes an amount of S/.38,188 as of March 31, 2013 (S/.6,989 as of December 31, 2012), in respect of outstanding FONAVI contributions to be transferred to the Ministry of Economy and Finance in the collections received by the National Superintendency of Tax Administration - SUNAT, in respect of FONAVI contributions made by taxpayers having tax stability by virtue of Act N° 27071.

The balance movement by Act N°26969 is shown below:

	March 2013 S/. (000)	December 2012 S/. (000)
Balance at the beginning of the period	125,539	96,754
Plus (less)	1,212	2,235
Collections of the year	5,414	30,017
Contributions to be transferred to MEF	-31,199	0
Return of FONAVI contributions	-3	-1,232
Balance at the end of the period	**99,751**	**125,539**

(ii) It corresponds to checks drawn from 1999 to 2012 pending collection on the part of the beneficiary. These checks were issued in respect of return of FONAVI contributions in accordance with communications by the National Superintendency of Tax Administration – SUNAT, in charge of collecting these resources.

(c) It corresponds to fund disbursed to COFIDE to be allocated to the credits authorized to IFIS (by Mihogar Project credit and new MIVIVIENDA credits), prior verification of compliance with the requirements established in the pertinent regulations. Then, COFIDE reports six-month installments which have been applied to the final beneficiary for the timely payment of its installments according to the program schedule.

	March 2013 S/. (000)	December 2012 S/. (000)
Balance at the beginning of the period		
Plus (less)	77,728	64,143
BBP allocation to trust accounts receivable	2,860	17,770
Adjustment to the BBP allocation of previous periods	900	-900
Adjustment to the BBP application of previous periods	20	13,576
Application of BBP installments of Credito Mi Hogar	-361	-1,271
Application of BBP installments of Credito MIVIVIENDA	-702	-2,215
Final balance	**80,445**	**77,728**

Josefina Villafán Carrasco
CTP N° 085

(d) It corresponds to accounts receivable from the portfolio of mortgage credits granted by Compañía de Negociaciones Mobiliarias e Inmobiliarias S.A.- CONEMINSA, which was received by FMV in the framework of the Payment in Kind Agreement dated December 30, 2003 for management and recovery thereof.

(e) It corresponds to the balance of cash funds received from the Ministry of Housing, Construction and Sanitation, not yet allocated to the beneficiaries applying for FMV products. FMV allocates these resources through COFIDE when disbursements to IFIS are authorized for the credits approved.

The balance movement is shown below:

	March 2013 S/. (000)	**December 2012** S/. (000)
Balance at the beginning of the period	6,638	9,932
Plus (less)		
Regularization of previous periods	(20)	
Resources received by MVCS during the year	0	13,576
BBP disbursement to COFIDE for credit allocation	(3,760)	(16,870)
Balance at the end of the period	2,858	6,638

(f) It corresponds to balances payable to technical entities by eligible family groups which had access to the Techo Propio Program, for the total amount of savings deposited by the family group in FMV accounts and the savings of the Police Housing Fund "FOVIPOL" as of March 31, 2013 and December 31, 2012.

(g) As of March 31, 2013 and December 2012, it mainly corresponds to S/.1,428 and S/.1,409, respectively, for the difference between the book value and the market value of the financial instruments (bonds) assigned for the establishment of CRC and PBP trusts in effect in domestic currency and foreign currency when transferred (year 2007), recognized as deferred gain until the maturity or realization of such financial instruments as stated by SBS. During the years 2013 and 2012, FMV did not recognize income as of March 2013 or December 2012.

Moreover, an increase of S/.7,934 corresponding to the flow advance transaction of the BCP agreement is observed..

(h) It corresponds to provisions recorded by legal proceedings related to claims and probable labor disputes. According to the Management and its legal advisors, the provisions recorded for hedging the risk of loss for such contingencies as of March 31, 2013 and December 31, 2012, is sufficient.

Josefina Villafán Carrasco
CTP N° 085

(i) The balance of the item as of March 31, 2013 is as follows:

	March 2013 S/. (000)	December 2012 S/. (000)
ESSALUD	49	47
ESSALUD Vida	0	1
Private Pension Fund Management Companies	79	77
Taxes withheld – Fourth category income	9	12
Taxes withheld – Fifth category income	1346	105
Withholdings payable to ONP	1	1
	1,485	**243**

(j) As of March 31, 2013, a main increase of S/.31,073 is observed for the investment acquisition commitments, which were traded in the month and will be paid the next month.

15. Net Equity

(a) Share capital -
Up to March 31st 2013 and December 31st 2012, the FMV's (Fondo MIVIVIENDA) share capital up to both dates is represented by 2,968,159,573 common stock completely subscribed and paid, whose face value is of S/. 1.00 per share. Its shareholder is the National Fund for the Financing of the Public Sector Companies - FONAFE (according to its Spanish acronym).

The General Shareholders Meeting of the FMV, from March 26th 2012, agreed to capitalize S/. 78,816,000, corresponding to the 2011 results.

(b) Legal reserve -
Pursuant the current legal regulations, the FMV shall have a legal reserve no less than 35 percent of its paid capital. This reserve is formed though an annual transference of no less than 10 percent of its net profit and can be used only to cover the accrued losses.

(c) Adjustment to the Equity -
The unrealized results, which include the unrealized profit (loss), created by the valuation of the FMV's available investments for sale, is detailed next:

Josefina Villafán Carrasco
CTP N° 085

Unrealized results	**March 2013 S/. (000)**	**December 2012 S/. (000)**
Fondo MIVIVIENDA S.A., note 6 (a)	(1,479)	
	(1,479)	0

(d) Effective equity -
In June 2008, through Legislative Decree No. 1028, the Law of Banking, Insurance and Private Pension Funds was modified, establishing that the effective equity must be equal or over 10 percent of the total risk-weighted contingent assets and credits corresponding to the sum of: (i) the request of the market risk-weighted effective equity multiplied by 10, (ii) the request of the operational risk-weighted effective equity multiplied by 10, and (iii) the credit risk-weighted contingent assets and credits. Such calculation shall include all the exposures or assets in national or foreign currency. This ration was gradually implemented until the month of July 2011, according to the percentages and dates established in Legislative Decree No. 1028. The minimum requirement for 2013 and 2012 is of 10 and 10 percent, respectively. Legislative Decree No. 1028 also distinguishes since the 2009 fiscal year, between basic equity (Level 1) and complementary equity (Level 2), according to the established definitions and limits. In the opinion of the Management of FMV, these modifications are being applied and don't have a significant impact on their transactions.

Up to March 2013 and December 31st 2012, pursuant the enforcement of Legislative Decree No. 1028, the FMV maintains the following amounts in relation to the risk-weighted contingent assets and credits and the effective equity (basic and complementary), expressed in soles:

	March 2013 S/. (000)	**December 2012** S/. (000)
Total risks-weighted assets and credits	3,706,874	3,239,913
Total effective equity	3,000,782	3,002,311
Basic effective equity (Level 1)	3,000,782	3,002,311
Complementary effective equity (Level 2)	-	-
Aggregate capital ratio on the effective equity (%)	70.65	88.35

On the other hand, during 2009, the SBS (Superintendence of Banks, Insurance Companies and Private Pension Funds) issued Resolutions SBS No. 2115-2009, No. 6328-2009, No. 14354-2009, Regulations for the Requirement of Effective Equity by Operational Risk, Mark Risk and Credit Risk, respectively, and modifications; which became effective on July 2009, with the exception of the Credit Risk Resolution, which had an adjustment period until June 30th 2010. These resolutions mainly establish the methodologies to be used by the financial entities to calculate weighted assets

Josefina Villafán Carrasco
CTP N° 085

and credits for each type of risk. Until to March 31st 2013 and December 31st 2012, the FMV has been complying with the requirements of such resolutions.

On July 20th 2011, the SBS issued Resolution No. 8425-2011, which establishes that in order to determine the level of additional effective equity, the financial institutions are required to have a process to evaluate its effective equity adequacy in relation to its risk profile, which shall follow the methodology described in such resolution. The requirement of additional effective equity shall be equal to the sum of the effective equity requirements calculated for each one of the following components: economic cycle, concentration risk, market concentration risk, interest rate risk and other risks. The financial entities will have a period of five years since July 2012 to adapt the total of its effective equity to the requested level.

Josefina Villafán Carrasco
CTP Nº 085

16. Tax Situation

(a) The FMV is subject to the Peruvian tax regime. The income tax rate up to March 31st 2013 and March 31st 2012 is 30 percent on the taxable profit after calculating the shares of the workers, which, pursuant the current regulations, are calculated with a rate of 5 percent on the taxable income.

(b) Starting from the 2011 fiscal year, due to the modification introduced by Law No. 29645 to the Income Tax Law, the interests coming from loans awarded directly or through financial providers or intermediates by international organisms or foreign government agencies, is also included as one of the circumstances exempted of Income Tax. Also, in relation to the exemption of the interests by development credits, these shall be understood as the debt transactions destined to finance projects or programs for the development of the country in public infrastructure works and provision of public services, as well as those destined to finance the loans to microbusinesses, pursuant Resolution SBS no. 11356-2008 or the regulation replacing it.

(c) It was established that starting from the August 2012 tax exercise, the tax payers shall the highest sum resulting from the comparison of the ratio system - System a) and System b) - to apply to the net income obtained in the month, pursuant article No. 85 of the Homologized Text of the Income Tax Law (modified by article 3 of Legislative Decree No. 1120) and article 54 of the Income Tax Law Regulation (modified by Supreme Decree No. 155-2012-EF). The modification of this article brings the reduction of the percentage from 2% to 1.5% from the percentage system; the decrease of the percentage of this payment on account system can favor, one way or another, the tax payers covered under this system when starting activities or obtaining a tax loss from previous exercises.

(d) By means of the modifications introduced to subsection ll) of article 37 of the Income Tax Law, the limits to the training expenditures are eliminated and the application of general criteria is modified. Furthermore, by means of the modification executed by Legislative Decree No. 1120, the 5% of the total deducted expenses of the fiscal year introduced for the training expenses by means of Law No. 29498, human capital investment promotion law, is eliminated.

(e) The modifications of the expenses pertaining to costs to the Income Tax Law with Legislative Decree No. 1120 are related to the new type of vehicles in the calculation of the limit of vehicles whose expenses are deductible for the companies. Two new rules will be valid from 2013: i) the limit shall include, besides of cars, the vehicles of the B1.3 and B1.4 categories, meaning 4x2 and 4x4 trucks; ii) independently of their category, the expenses corresponding to the vehicles destined to direction, representation and management activities, whose price exceeds the amount to be established by the Income Tax Law Regulation, shall not be deductible.

Josefina Villafán Carrasco
CTP N° 085

(f) The payment receipt has as its purpose to certify the execution of a transaction (property transference, commodatum or the provision of a service) and works as a compliance support of the formal obligations imposed by the tax legislator; it was agreed to modify article No. 20 "Gross Income" of the Income Tax Law, in relation to the support of the Property Transference, by means of Legislative Decree No. 1112, indicating that: The claimable cost supported with payment receipts issued by tax payers that at the date of issue are undomiciled for tax purposes, according to the Revenue Service, except if the tax payer has corrected such situation by December 31st of the fiscal year in which the payment receipt was issued.
The obligation to support the claimable cost with payment receipts shall not be applicable in the following cases:
(i) when the transferor receives category 2 income for the transfer of the property;
(ii) when according to the Payment Receipts Regulation their issuance is not mandatory; or,
(iii) when, pursuant with the article
37 of this Income Tax Law, the support of the expense with other documents is allowed, in which case the cost can be supported with such documents.

(g) The Tax Authority has the power to review and, if applicable, to correct the income tax calculated by the FMV within the four years after the year of the presentation of the corresponding tax return. The income and general sales tax return from 2008 to 2012 are subject to inspection by the Tax Authority Due to the possible interpretations of the current legal regulations by the Tax Authority, to date it is not possible to establish if the revisions to be carried out will result or not in liabilities for the FMV, therefore any important tax or surcharge resulting from the possible tax revisions would be applied to the results of the fiscal year in which it is finally established.

(h) Up to March 2013, the FMV has an income tax balance to pay of S/. 2,148 000 New Soles (S/. 9,572,000 Nuevos Soles up to December 31st 2012), included in the "Current Tax" category of the statement of financial position.

- In relation to the Income Tax up to December 32st 2012:

  It does not consider the payment on account of the month of December 2012 until its payment in full, which was executed on January 14th 2013. This credit is included in the 2012 Annual Income Tax Assessment, which was paid March 26th 2013, according to the schedule of the SUNAT.

- In relation to the Income Tax up to March 31st 2013:

  What is shown is the Provision of the Income Tax up to March 2013, deducting only the payments on accounts fully paid before the end of the month, January and February, as shown in the following chart:

Josefina Villafán Carrasco
CTP N° 085

	March 2013
	S/. (000)
Provision of the Income Tax up to March 2013	7,608
Payment on account - January 2013	(2,713)
Payment on account - February 2013	(2,747)
Tax payable up to March 2013	2,148

17. Deferred Income Tax

(a) The details of the components originating the deferred income tax up to March 31st 2013 and December 31st 2012 are next:

Deferred asset	**March 2013 S/. (000)**	**December 2012 S/. (000)**
Generic provision for Doubtful Collection Account	4,201	3,513
Deferred Income due to Anticipated Cash Flows of the BCP (Banco de Crédito del Perú)	2,150	2,380
Others	1,562	1,621
	7,913	7,514
Deferred Liability		
Other minors	(97)	(304)
	(97)	(304)
Net Deferred asset	7,816	7,210

18. Interests Income

A breakdown of this category is presented next:

	March 2013 S/. (000)	**March 2012** S/. (000)
Available (a)	5,677	3,027
Investments available-for-sale (b)	1,858	236
Held-to-maturity investments	22	1,362
Account receivables (d)	48,086	49,737
Other financial income	149	298
Total	**55,792**	**45,660**

a) It corresponds to the interests generated by the interest bearing bank accounts and the accrued interests of the time deposits.

b) It corresponds to the investments available-for-sale, which are formed mainly by sovereign bonds interests.

Josefina Villafán Carrasco
CTP N° 085

c) It corresponds to the held-to-maturity investments, which are mainly formed by the interests of short-term bills.

d) It corresponds to the interests generated by the account receivables from the financial entities, which are placed through the COFIDE trust; it also corresponds to the statement of results of the CRC-PBP Trusts.

19. Interests Expenditures

A breakdown of this category is presented next:

	March 2013 S/. (000)	March 2012 S/. (000)
Debits and obligations of the Peruvian financial system	(443)	(746)
Debits and obligations of the Peruvian financial system (a)	(7,611)	-
Outstanding securities an obligations (b)	(8,054)	(746)
Other financial expenses (c)	(8,800)	(7,637)
Total interest expenses	**(16,854)**	**(8,383)**

(a) It corresponds to the accrued interests generated by loans of the Banco de la Nación.

(b) It corresponds to the accrued interests generated by the Issuances of Bonds, which were issued in 2013.

(c) This category shows the Good Payer Award, awarded through the COFIDE Trust.

20. Financial Service Revenues

They correspond, mainly, to the commissions perceived for the trust management service, especially from the CRC-PBP Trust management, for which the FMV receives from the IFIS a monthly commission equivalent to 0.05 percent of the net equity of CRC and PBP at the end of each month, charged against CRC and PBP.

	March 2013 S/. (000)	March 2012 S/. (000)
Trust Income and Trust Commission	125	2,110
Miscellaneous income	1,490	15
Total	**1,615**	**2,125**

21. Financial Service Expenditures

	March 2013 S/. (000)	March 2012 S/. (000)
Miscellaneous Expenditures	(18)	(23)
Total	**(18)**	**(23)**

22. Trading Results

Josefina Villafán Carrasco
CTP N° 085

	March 2013 S/. (000)	March 2012 S/. (000)
Investments available-for-sale	-	(50)
Results of the Coverage Transactions (a)	(2,128)	6,842
Profit – Loss in Exchange Rate	1,938	(3,952)
others	988	196

(a) It corresponds to the loss generated by our coverage forwards, which up to 03.31.2013 provides a loss of S/.2,128 and up to 03.31.2012, a profit of S/.6,842, due to the increased exchange rate in March 2013.

23. Administrative Expenses

(a) A breakdown of this category is presented next:

	March 2013 S/. (000)	March 2012 S/. (000)
Personnel and board of directors expenditures (b)	3,981	3,917
Services received from third parties (c)	4,489	4,248
Duties and taxes	54	97
Total	**8,524**	**8,262**

Josefina Villafán Carrasco
CTP Nº 085

(b) The composition of the "personnel and board of directors" account expenses is presented next:

	March 13 S/. (000)	March 12 S/. (000)
Compensations	1,764.37	1740,18
Workers' shares	1,334.68	1,309.21
Bonus	292.42	282.61
Compensation for time of service	171.20	167.58
Social security and welfare	163.92	163.54
Holidays	154.21	145.01
Training	7.22	10.93
Others	92.88	98.27

FMV distributes 5 percent of the taxable subject-matter as schedule of the workers in the profits, pursuant the current legal provisions.

(c) The detail of the "services received from third schedule" account is presented next:

	March 2013 S/. (000)	March 2012 S/. (000)
Consultancy services	1,514	1,636
Advertising	1,020	852
Lease of goods and real estate	457	346
ITC project expenses	250	0
Surveillance and protection	156	171
Repair and maintenance	139	190
Mobility	102	99
Communications	95	91
Insurances	88	34
Travel expenses	73	61
Courier service	63	33
Cleaning services	60	28
Office supplies	47	53
Public services	45	47
Telemarketing service	28	16
Other expenses	350	591
	4,489	**4,248**

Josefina Villafán Carrasco
CTP N° 085

24. Valuation of Assets and Provisions

The detail of this category is presented next:

	March 2013 S/. (000)	December 2012 S/. (000)
Provisions for Uncollectability of Account Receivables		
COFIDE Trust Provision	8,662	6,190
EXONEMINSA Provision	3	247
Provision of Portfolio received as payment	100	0
Provision of Receivable Invoice	27	28
Reversal of Provision - COFIDE	-3,437	-2,160
Reversal of Provision - EXConeminsa	-212	-108
Reversal of Provision – IFIS in Settlement	-1,094	-2
Reversal of Provision – Other Account Receivables	0	-10
	4,049	**4,186**
Provisions for Lawsuits	**51**	**0**
Other Provisions	**62**	**33**

25. Other Income, net

The detail of this category is presented next:

Other Income	March 2013 S/. (000)	March 2012 S/. (000)
Other minor income	236	40
Income for miscellaneous account receivables	168	79
	404	119
Other Expenditures		
Other minor expenditures	(51)	(104)
	(51)	(104)
Total other income, net	**353**	**16**

Josefina Villafán Carrasco
CTP N° 085

26. Risk Assessment

The activities of FMV are related mainly to the loan volumes of its resources through the country's financial institutions for the acquisition of houses by individuals. The financial institutions are evaluated and are assigned to long-term credit lines; also, it participates in construction and housing promotion activities, and it manages resources received from the State and its own (such as the Residential Family Bond), mainly investing these funds in fixed income investments with investment grade, for the purpose of ensuring some return in time and the liquidity necessary to comply with its liabilities and credit activities.

This way, the FMV is exposed to different risks, such as credit, liquidity, interest rate, exchange rate, investment, operational, among others, which are managed by the Risk Office through an identification, measurement, control, report and continuous monitoring process, following the risk limits, tolerances and controls established by the Board of Directors. This risk management process is critical for the sustainability of the Institution and its profitability, therefore, each collaborator (Directors included) within FMV is responsible for the risk exposures related to the activities and responsibilities.

Market Risks -
The FMV is exposed to market risks, which are the risks the fair value or the future cash flows of a financial instrument fluctuate negatively due to changes in the market prices. The market risks arise from the balance sheet items subject to the interest rates risk and exchange rate risk. This last risk is maintained when the FMV no longer executes loans in a foreign currency (for example, in American Dollars), because it still have a remaining balance of loans in such currency in the traditional MIVIVIENDA product.

The FMV applies the "Value at Risk - VaR" methodology to calculate the maximum expected loss that could be generated in the items subject to the interest rate risk and exchange rate risk. The Board of Directors of FMV establishes the value at risk limits that are acceptable, which are monitored daily by the Risk Office.

The FMV establishes the policies and procedures for the control of market and liquidity risks, as well as the limits for specific credit, investment and hedging with derivatives in order to improve its profitability / risk balance process.

Liquidity Risks -
The FMV is exposed to liquidity risk, derived from the opportunity to have available resources for loans placement, payment of payroll, taxes, suppliers and settlement of hedging derivatives, and service obligations due to amounts owed and other liabilities that could be taken, even though it is true such risks are minimal. The FMV does not have cash resources to comply with all these needs; the FMV's experience shows that a minimum level of reinvestment of the held-to-maturity funds can be predicted with a high level of accuracy. The FMV established limits on the minimum amounts of available funds to cover the payment of obligations necessary to cover the liquidity requirement levels, and monitors daily the liquidity requirements based on these limits and the cash flow prepared by the Treasury area.

The procedure of settling and controlling the maturity mismatches and of the interest rates of the assets and liability is essential for the administration of the FMV management. It is not usual for the financial institutions to be completely settled, due to the uncertain terms and several types of transactions they execute. An uncovered item in a period can potentially increase the profitability, but it also increases the loss risk.

FMV's liquidity ratio is an operative indicator because the average of the loan volume is considered obligations channeled to the country's financial institutions through the Development Finance Corporation. Up to March 31st 2013 and 2012, the FMV has liabilities or financial obligations; however, the liquidity ratio control is implemented under the capacity considerations, especially to be able to deal with the credit placement demands, besides of the payments of payroll, suppliers, taxes and settlements of hedging derivatives.

Josefina Villafán Carrasco
CTP N° 085

An analysis of FMV's relevant assets and liabilities grouped according to their contractual maturity is included in the notes to the financial statements.

Cash flow and fair value risks by the interest rates -
The cash flow risk by interest rates is the risk that the cash flows of a financial interest fluctuate due to the changes in the market's exchange rates. The fair value risk by interest rates is the risk that the cash flows of a financial instrument fluctuate due to the changes in the market's exchange rates.

The control and monitoring of the investment portfolio's exchange rates in fixed income that the FMV maintains is executed through the calculation of the value at risk VaR and making sure that the value at risk does not exceed the established internal limit, a limit established as percentage of the effective equity of the FMV. Also, the Risk Office makes sure that the "Stop Loss" and "Take Profit" indicators of the fixed income instruments being settled are complied with. These instruments are valuated daily and informed to FMV's competent areas.

The Risk Office measures the sensitivity of FMV balance sheet with the risk of the interest rates through the regulatory annexes required monthly by the SBS, such as the calculation of gaps and analysis of sensitivity in case of changes of the interest rates. The distribution of the balance sheet accounts to execute the annexes is carried out under distribution assumptions according to maturity deadlines; these assumptions are part of an internal methodology approved by the Risk Committee of the FMV. On the other hand, the FMV has internal limits for the equity value at risk, which looks to enclose the balance sheet interest rates.

The FMV has items that are subjected to, due to the fluctuations in the levels of the market's interest rates, on their financial situation and cash flow. The interest margins can increase as a result of such changes, but at the same time they can decrease or generate losses in case on unexpected or negative movements. The FMV establishes limits on the mismatch level to the changes to the interest rates to be assumed, which are monitored monthly by the Risk Office through the regulatory annexes reported to the SBS. It is worth mentioning that at the closing of the first quarter of 2013, the FMV maintains liability operations or financial outstanding debts for the international issuance of bonds executed in January 2013.

It is also worth mentioning that the FMV manages the MVCS (Ministry of Housing, Construction and Sanitation) destined to the subsidies for the families that apply for a house of the Techo Propio program. The account receivables and other accounts payable are subject to the risk originated by the fluctuations in the interest rates. The relevant maturity characteristics and contractual interest rates of the main financial instruments are indicated in the corresponding notes to the financial statements.

Exchange risk rate -
The FMV is exposed to the effects of the fluctuations in the changes of the foreign currency prevailing in its financial position and cash flow. The FMV sets limits for the exposure levels per currency and the total of the daily transactions, which are daily monitored by the Risk Office.

Josefina Villafán Carrasco
CTP N° 085

The active operations of the current products and liabilities(sic) (the latter according to situation and availability of the market), are executed preferably in the domestic currency. FMV's exchange rate risk comes mainly from the international issuance of the bonds that are greater than the balances of the credit assets in American Dollars of credit placements of the traditional MIVIVIENDA product; a product that is no longer placed but has balance receivables according to their original schedules. With the purpose of mitigating the exposure to the exchange rate risk, the FMV executes transactions of coverage derivatives for the balance sheet exchange rate risk management. The Risk Office daily valuates and monitors the derivatives operations.

FMV's assets and liabilities in a foreign currency up to March 2013 and 2012 are presented in note 4.

Operational risk -
FMV's operational risk is created by the known aspects of the management related to people, processes and procedures, information technology and external aspects.

The operational risk is managed by each one of the Managements and/or Offices of the institution, in coordination with the Risk Office, which supports them in application of the operational risk methodologies used; establishing a qualitative and quantitative valuation of its risks and controls. Also, the Risk Committee is periodically informed of the main risks and their mitigation. A loss database per Operational Risk is designed and in operation for the organized registration and analysis of incidents of the entity.

Finally, the FMV administrates the Information Security Management System, for which there are policies and the permanently updated Information Security Plan; it also has a Business Continuity Management System, executing every year Business Continuity Plan Tests, so it allows us to guarantee the operation of our alternative computer center and for the Institution not to interrupt (beyond a sensible amount of time) its activities due to some disaster.

Credit risk -
The FMV channels its resources for credit loans destined to housing through COFIDE, with the placement of credit lines to financial institutions; which are evaluated by the Commercial Department and are reviewed by the Risk Office and exposed before the Risk Committee for their approval.

The individual exposure and by unique risk for each financial institution, which includes credit placements and investments, is established through sub-limits per product; in order properly control the credit risk exposure, which is monitored and reviewed periodically.

The credit lines awarded by FMV are managed through the analysis of certain criteria, mainly related to the liquidity, solvency, quality of the assets, profitability and payment capacity of the financial institutions, among others.

Also, the Risk Offices carries out a follow-up of indicators and the permanent financial and economic situation of the financial institutions, in order to monitor its performance and take sensible measures in case of deterioration. Additionally, credit portfolio revision visits are executed every year to such IFIs with the purpose of securing the proper creation of finalist credits, carried out with the FMV resources.

Josefina Villafán Carrasco
CTP N° 085

FMV's management has estimated that up to March 31st 2013, the maximum amount of credit risk to which the FMV is exposed, represents the value in the books of the bank deposits that accrue interests, the accounts payable (COFIDE Trust Agreement) and other monetary assets.

27. Contingencies

The FMV has the following contentious proceedings up to March 31st 2013:

(a) Several work proceedings related to its operations in relation to lawsuits by way of the payment of profits and refund of social benefits, registering a provision of S/.255,000 Nuevos Soles up to March 31st 2013 (S/. 186,000 Nuevos Soles up to March 31st 2012).

(b) Several constitutional processes (relief action) related to the restitution of labor rights to former FMV workers. Also, proceedings due to discrimination in the right of participation in processes of awarding and contracting, payment of the registration of technical entities due to committed infractions.

(c) Administrative contentious proceeding by Consorcio DHMONT & CG&M S.A.C. through the contesting of the administrative resolution, in which the plaintiff requests the decree of annulment of FMV's letter in which the refund of the bid bond that worked as guarantee and requirement to present its appeal in the public bidding (Collique) called by FMV, in which such company participated, was denied. The demanded amount amounts to S/. 4,870,000 Nuevos Soles; The Judge ordered the refund of S/. 624,000 Nuevos Soles (US 241,000 American Dollars).

The administrative process by Eduardo Humberto Poletti Gaitan and Maria del Carmen Ponciano; lawsuit by unilateral modification of the purchase and sale contract and the collection of additional insurance; Indecopi declared justified part of the appeal, ordering to the FMV the payment of 2 tax units, due to the infraction of the Consumer's Code, up to 12.31.2012, in the provisioned amount of S/. 7,000 Nuevos Soles.

In the opinion of the Management and its legal advisors, these processes shall not result in significant additional liabilities to the ones registered in the attached financial statements.

Josefina Villafán Carrasco
CTP Nº 085

28. Fair Value

The fair value or estimated market value is the sum for which an asset could be exchanged or a liability agreed between the knowing and ready parties, under the assumption that the entity is a going concern.

When a financial instrument is traded in an active and liquid market, its price stipulated in the market in a real transaction provides the best evidence of its fair value. When there is no price stipulated in the market or it may not be an indication of the instrument's fair value, in order to determine such fair value, the market value of another instrument, the analysis of deducted flows or other applicable techniques, which are significantly affected by the assumptions used, can be used. Even though the Management has used its best judgment in the estimation of the fair values of its financial instruments, any technique to execute such estimate entails certain inherent fragility level. As a result, the fair value cannot be an indicator of net fair value or the settlement of such instruments.

A significant portion of the assets and liabilities of the FMV corresponds to short-term financial instruments, with maturity deadlines of less than a year; therefore it is considered that the fair values of such financial instruments are equivalent to their corresponding value in the books at the end of the fiscal year, with exception of those for which there is an active market.

The methodologies and assumptions used depend on the risk terms and characteristics of the different financial instruments such as it is shown next:

- The available funds represent cash and short-term deposits which do not represent significant credit risks, for which it is considered that their book value is equivalent to their estimated market value.

- The investments available for sale are registered to their estimated market values, therefore their book value is equal to such value.

- The held-to-maturity investments have a current nature, because their deadline is in August 2013, therefore it is estimated that their value in books does not alter significantly from its estimated fair value.

- The account receivables have a long-term nature and produce an interest rate according to the range of products that the Fondo MIVIVIENDA has, through which the credit lines with the IFIS channeled. In the Management's opinion, the market value of the account receivables is similar with their corresponding book value.

- The obligations with the public; this book account has been reclassified to accounts payable since 01.01.13 according to the communications of the SBS. The market value is similar to its corresponding book value; this is due mainly to its current nature because this account mostly includes the payable income tax.

- The outstanding market value and financial obligations is similar to their corresponding book value due to its current nature, because they were paid during the first quarter of the next year.

- The other accounts payable and other liabilities do not create interests. As a result, it is estimated that their book values are significantly different from their corresponding market values.

- The FMV registers the operations with derivative financial instruments to their estimated market value; therefore there are no differences with their book value.

Based on the aforementioned analysis, the FMV Management estimates that, up to March 31st 2013 and December 2012, the estimated market values of the FMV financial instruments are not significantly different of their book values.

Josefina Villafán Carrasco
CTP N° 085

29. Later events

There is no knowledge of important events that happened between the closing date of these financial statements and the date of this report, which could affect them significantly. Even the FMV received the Resolution of Determination for the closing of the inspection of 2010 Income Tax by the Tax Administration, whose debt determination amount by such inspection process was zero

----

I, the undersigned Certified Translator, Member of the Peruvian Association of Professional Licensed Translators (CTP), do hereby certify that this Certified Translation, consisting of 57 pages, is a true and correct translation into English of the original document in Spanish enclosed herewith, which has been produced before me.
This certification shall be considered an acknowledgment of the accuracy of the translation but not of the authenticity or contents of the document in source language attached hereto.
Signed in Lima, this 14 day of Jun, 2013

COLEGIO DE TRADUCTORES DEL PERU • 1996 • CTP

Josefina Villafán Carrasco
CTP Nº 085