SARE

Galaxias
Tu casa con estrella

PRIVANZA
mi espacio, mi momento y mi vida

ALTITUDE

2007
Fourth Quarter and Annual Results

"SARE ACHIEVES ANNUAL REVENUE GROWTH GOAL AND IMPROVEMENT IN EBITDA MARGIN"

MONETARY FIGURES ARE EXPRESSED IN MILLIONS OF MEXICAN PESOS
WITH PURCHASING POWER AT DECEMBER 31, 2007

COMPARATIVE RESULTS BETWEEN THE FOURTH QUARTER PERIODS 2006 AND 2007

- ***REVENUES:*** *$ 1,159.8, 7.29% REAL INCREASE*
- ***EBITDA:*** *$ 254.4, 20.13% REAL INCREASE*
- ***EBITDA MARGIN:*** *21.94%, IMPROVEMENT OF 235 bps*
- ***NET INCOME:*** *$ 125.5, 19.69% REAL INCREASE*
- ***NET MARGIN:*** *10.82%, IMPROVEMENT OF 112 bps*

COMPARATIVE RESULTS FOR THE 2006 AND 2007 PERIODS

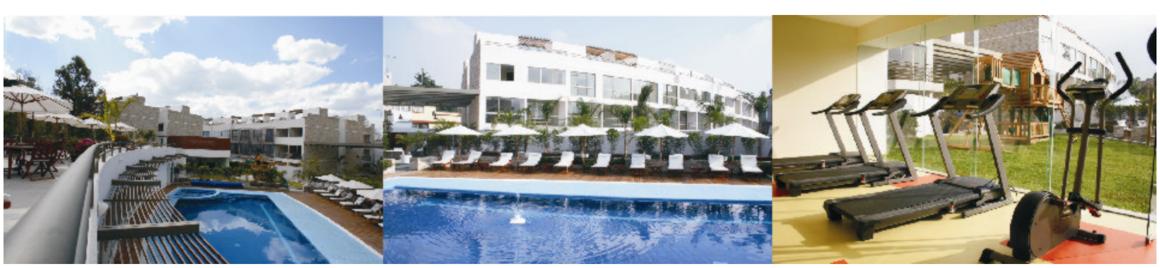
- ***REVENUES:*** *$ $4,899.2, 15.06% REAL INCREASE*
- ***EBITDA:*** *$ 988.9, 21.31% REAL INCREASE*
- ***EBITDA MARGIN:*** *20.18%, IMPROVEMENT OF 104 bps*
- ***NET INCOME:*** *$ 517.4, 24.95% REAL INCREASE*
- ***NET MARGIN:*** *10.6%, IMPROVEMENT OF 84 bps*

COTIZA EN BOLSA MEXICANA DE VALORES
SARE

COMPARATIVE RESULTS FOR 2007 AND 2006

Mexico City, February 27, 2007 - SARE Holding, S.A.B. de C.V. ("SARE" or "the Company") (BMV: SAREB). Monetary figures are expressed in thousands of Mexican pesos as of December 31, 2007.

HIGHLIGHTS FOR THE YEAR 2007 VS. YEAR 2006	
Total revenues	$4'899,215
Growth in revenues	15.06% ↑
EBITDA	$988,852
EBITDA margin	20.18%
EBITDA growth	21.31% ↑
Net income	$517,370
Net income margin	10.56%
Net income growth	24.95% ↑
Total volumes	11,443 units
Volume growth	3.01% ↑
Average sales price	$422
Average sales price increase	11.64% ↑
Landbank	38,732 units
Total assets	$8'035,186
Stockholder's equity	$4'143,523
Net debt	$1'361,120
Liquidity	4.54 times
Leverage	0.94 times
Total collections	$3'046,719
Receivables average turnover	344 days
Inventories average turnover	199 days
Suppliers average turnover	130 days
Working capital cycle	413 days



SARE Altitude "San Felipe" Coyoacan, D.F.

Income Statement:

The following table summarizes the main entries of the income statements for the full years of 2007 and 2006:

INCOME STATEMENT SUMMARY			
	2007	2006	Change
Total revenues	$4’899,215	$4’258,071	15.06%
EBITDA*	$988,852	$815,114	21.31%
Net income	$517,370	$414,055	24.95%

**EBITDA: Earnigns before interest, taxes, depreciation and amortization*

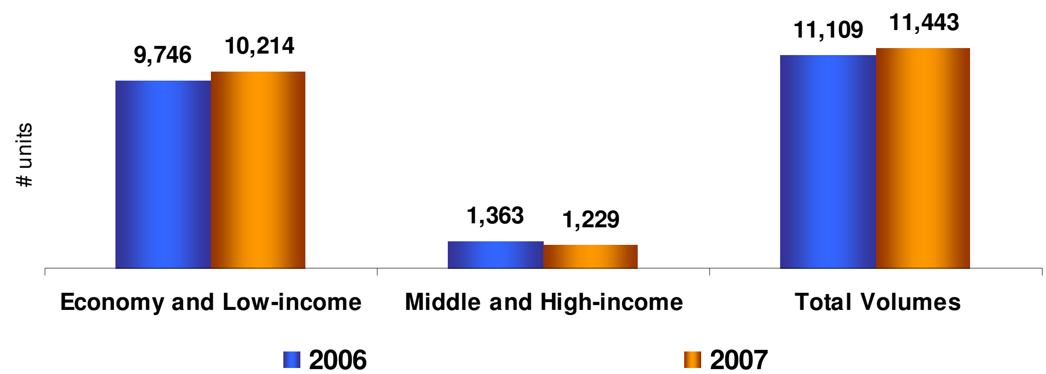
Total revenues for the full year increased 15.06%, from $ 4,258,071 in 2006 to $ 4,899,215 in 2007. This increase was due to a combination of a 3.01% increase in production volume and an 11.64% increase in the average sales price.

Between 2006 and 2007, EBITDA increased 21.31%, from $ 815,114 to $ 988,852. EBITDA grew at a superior rate than revenues due to a better product sales mix as well as an increase in operating efficiencies driven by greater economies of scale.

As a result of the aforementioned, as well as due to a decline in the integral cost of financing, net income increased 24.95% between both periods, from $ 414,055 to $ 517,370.

Sales Volumes:

The following graph illustrates the volume distribution for the full years 2007 and 2006:



Sales volumes increased 3.01%, from 11,109 units sold in 2006 to 11,443 units sold in 2007. Volume in the economy and low-income housing segment increased 4.8%, from 9,746 to 10,214 units sold. The volume growth for economy and low-income housing was due to the larger size of the overall operations and the higher production of economic and low-income homes under Infonavit, which have payment priority at Infonavit.

Middle-income and residential housing decreased 9.8%, from 1,363 to 1,229 units sold between these two periods. However, it is important to mention that the average sales price increased 66.8% compared to the previous year.

Sales Prices:

The following table summarizes the sales prices for the full years 2007 and 2006:

AVERAGE SALES PRICES			
Housing segment	2007	2006	Change
Economy and low-income	$281	$298	(5.70%)
Middle and residential	$1,590	$953	66.84%
Total sales mix	$422	$378	11.64%

Total Revenues:

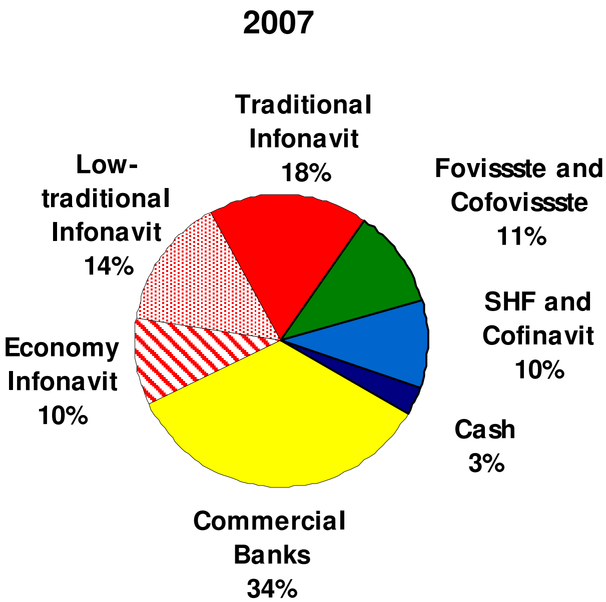
Between 2006 and 2007, total revenues increased 15.06%, from $ 4,258,071 to $ 4,899,215. The breakdown by segment is summarized in the following table:

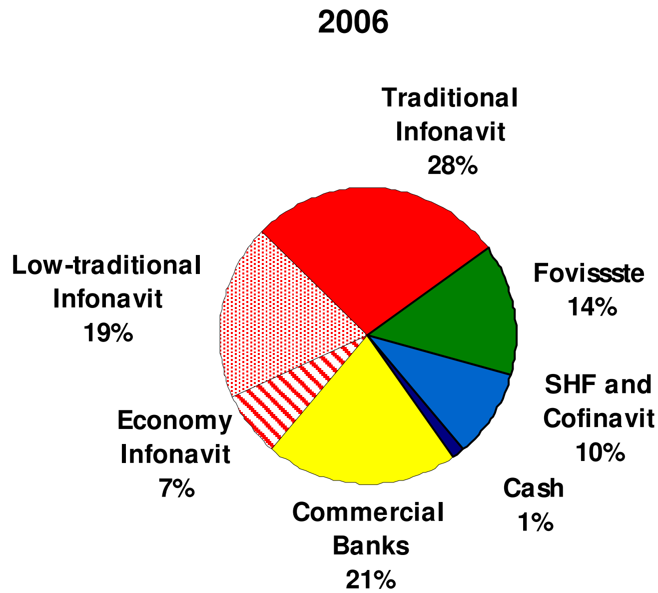
TOTAL REVENUES BREAKDOWN					
Housing segment	Año 2007	% part.	Año 2006	% part.	Variación
Economy and low-income	$2’873,277	58.65%	$2’902,139	68.16%	(0.99%)
Middle and high-income	$1’953,737	39.88%	$1’299,223	30.51%	50.38%
Subtotal housing	$4’827,014	98.53%	$4’201,362	98.67%	14.89%
Other income	$72,201	1.47%	$56,709	1.33%	27.32%
Total revenues	$4’899,215	100.0%	$4’258,071	100.0%	15.06%

Middle-income and residential sales revenues increased 50.38%, due to the incorporation of higher priced middle-income, residential and tourist housing into the sales mix.

In the previous table, “other income” is comprised of brokerage services, co-proprietor construction and administration, leasing and land sales. These figures are variable and do not follow a specific pattern along time and are presented in net value, without related cost of sales.

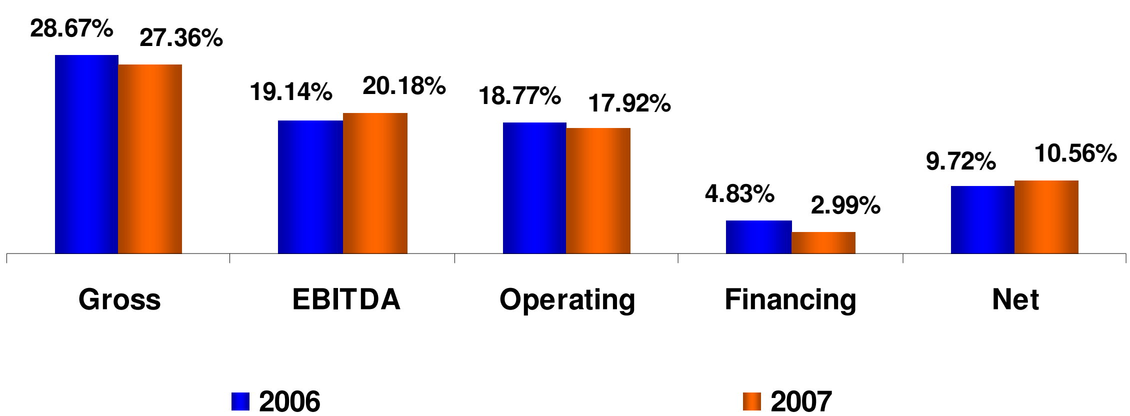
The following graphs illustrate the distribution of total revenues by mortgage financing sources for 2006 and 2007:





Margins:

The following graph sets forth the comparative income statement margins for the full years 2006 and 2007:



SARE's gross profit increased 9.81%, from $ 1,220,691 in 2006 to $ 1,340,395 in 2007. Between both periods, the gross margin declined from 28.67% to 27.36%, due to the application of the new accounting rule, *Norma de Información Financiera "NIF D-6",* which pertains to the capitalization of interest from financing operations related to the acquisition of operating assets, that require a prolonged period prior to its intended use.

Operating expenses declined 60 basis points in relative terms, from 9.52% over sales in 2006 to 8.92% in 2007. This improvement resulted from operating efficiencies and the larger size of the overall business.

EBITDA (earnings before interest, taxes, depreciation and amortization) increased 21.31% between 2006 and 2007. The EBITDA margin improved 104 basis points, from 19.14% in 2006 to 20.18% in 2007.

The following table illustrates EBITDA for the 2006 and 2007 periods:

EBITDA COMPONENTS MONETARY FIGURES EXPRESSED IN THOUSANDS OF MEXICAN PESOS AS OF DECEMBER 31, 2007					
		2007		2006	CHANGE (%)
Operating income	$	878,175	$	799,334	9.86%
Depreciation	$	25,440	$	15,780	61.22%
Capitalized interest	$	85,237	$	-	n.d.
EBITDA	$	988,852	$	815,114	21.31%

During 2007 we included in cost of sales, a portion of the financial expenses, due to the application of NIF D-6.

The integral result of financing decreased 28.78%, from $ 205,610 in 2006 to $ 146,441 in 2007. In relative terms, the integral cost of financing declined 184 basis points, from 4.83% in 2006 to 2.99% in 2007. In comparing these periods, it is important to note that the integral cost of financing for 2007 was also affected by the application of the rule NIF D-6, previously-mentioned.

As a result, net income increased 24.95% and the net income margin increased 84 basis points, from 9.72% to 10.56%, with respect to total sales. Minority net income reached $ 30,409, equivalent to 0.62% of total revenues.

Total Assets:

Total assets increased 22.7%, from $ 6,546,977 in 2006 to $ 8,035,186 in 2007. The following table breaks down the distribution of the Company’s main assets, as well as their relative growth between 2006 and 2007:

ASSETS BREAKDOWN MONETARY FIGURES EXPRESSED IN THOUSANDS OF MEXICAN PESOS AS OF DECEMBER 31, 2007							
	December 31, 2007		%	December 31, 2006		%	Change (%)
Cash	$	446,773	5.56%	$	644,832	9.85%	(30.7%)
Accounts receivable	$	5,304,215	66.01%	$	3,451,719	52.72%	53.67%
Inventories	$	1,935,742	24.09%	$	2,092,460	31.96%	(7.5%)
Other current assets	$	189,325	2.36%	$	212,450	3.25%	(10.9%)
Current Assets	$	7,876,055	98.02%	$	6,401,461	97.78%	23.04%
Fixed Assets	$	159,131	1.98%	$	145,516	2.22%	9.36%
Total Assets	$	8,035,186	100.00%	$	6,546,977	100.00%	22.73%

Accounts Receivables and Collections:

During the fourth quarter of 2007, the Company’s portfolio of clients and collections were affected by the following factors:

1. A higher participation of the middle-income, residential and tourism housing into the sales mix, which represented 30.9% in December 2006 and reached 40.4% in December 2007.

2. A delay in the connection of electricity, which drove the Company to re-schedule the titling date in 4 important developments: Popocatepetl, Laguna de Mayran, Morelos and Cumbres de Maltrata located in Mexico City.

3. The deferring of collections in 926 units throughout Galaxia Toluca and Galaxia La Calera in Puebla, due to a delay in production as mentioned in the third quarter report and that we were unable to recover 100%.

It is important to note that these delays in collections are extraordinary and non-recurring, that we are looking into and that we expect to recover from by 2008.

While the turnover increased to 344 days, it is important to note that we were able to achieve significant improvements in the turnover of inventories and of providers that allowed us to maintain a stable working capital cycle, which went from 409 days in December 2006 to 413 days at December 2007.

Inventories:

The following table breaks down SARE inventories for 2006 and 2007:

TOTAL INVENTORY BREAKDOWN			
Inventory	Dec. 31, 2007	Dec. 31, 2006	Change (%)
Economy and low-income	$ 773,031	$ 747,214	3.5%
Middle and residential	$ 589,505	$ 765,595	(23.0%)
Total land inventories	$ 1,362,536	$ 1,512,809	(9.9%)
Constuction in progress	$ 573,206	$ 579,651	(1.1%)
Total inventories	$ 1,935,742	$ 2,092,460	(7.5%)
Inventory turnover (days)	199	251	-53
Suppliers turnover (days)	130	124	7

During the fourth quarter of the year, the Company postponed the purchase of a new land reserve so as not to be affected by the effects of IETU, and signed land options that will take effect in the first half of 2008.

As we mentioned previously, the turnover of inventory and providers improved significantly in the last year.

Land Reserve:

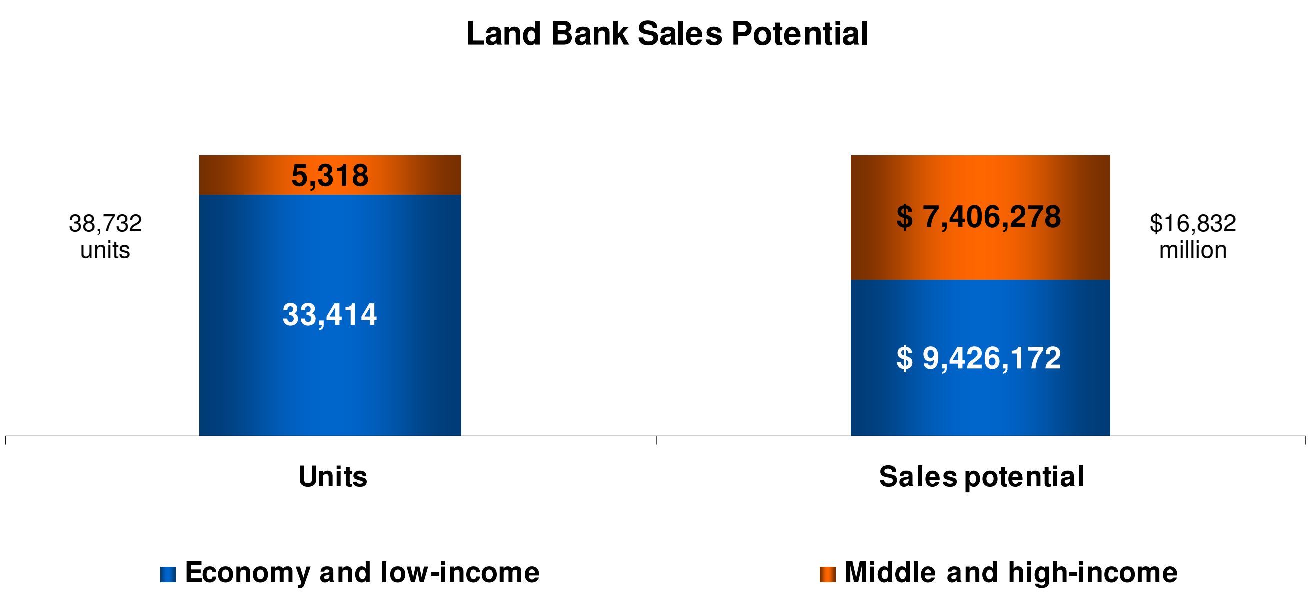
As of December 31, 2007, the Company's land bank consisted of 38,732 units, of which 33,414 units correspond to the economic and low-income-segment; and the remaining 5,318 correspond to the middle-income and residential segment. SARE's land inventory is also classified according to the acquisition method, as noted in the following table:

LAND RESERVE DISTRIBUTION PER ACQUISITION METHOD		
Method	**Number of units**	**% participation**
Direct purchase	9,029	23.3%
Deferred payments	13,834	35.7%
Association	15,869	41.0%
Total	**38,732**	**100.0%**

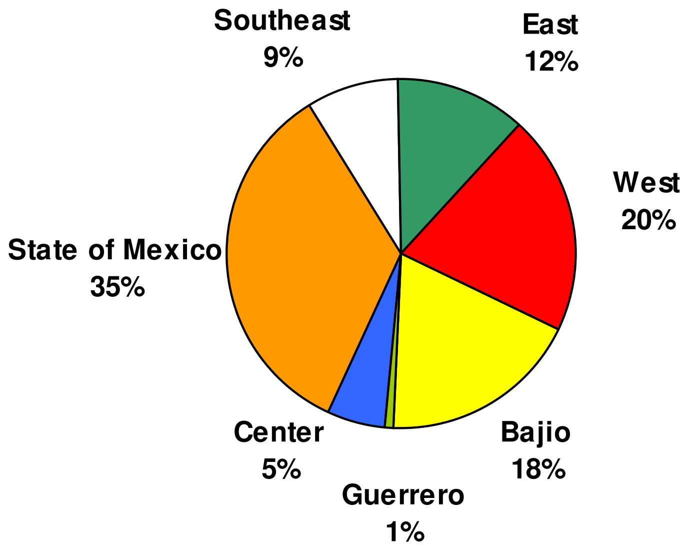
Acquisition methods in the previous table are explained briefly:

- *Direct purchase:* the total value of the land is paid out to the original owner.
- *Deferred payment:* the negotiation is defined by an initial down payment and the remaining balance is paid according to a predefined installment schedule.
- *Association:* land is contributed to a trust and is settled once the housing units are collected.

The Company's land bank sales potential is $ 16,832 million, measured in current prices. This value is the estimated sales price at which homes will be sold once they are built on the land reserve. SARE considers that its land bank is of good quality, as 44% of its potential sales correspond to middle-income and residential homes, as illustrated in the following graph:



The regional distribution of the land bank is shown in the following graph:



This land reserve represents a balance in terms of the absorption capacity for each region and is equivalent to 3.4 years of future sales. Based on current prices, these represent revenue potential for 3.5 years. Both conditions comply with the Company's policy of maintaining a land reserve of 3 to 4 years in terms of production and potential revenues.

It is important to note that as part of its land acquisition strategy, SARE will seek to increase its land reserves in Mexico City during 2008.

Liquidity and Debt Profile:

As of December 31, 2007 SARE had cash and cash equivalents of $ 446,773. Working capital, defined as the difference between current assets and current liabilities was equivalent to $ 6,142,177. SARE's liquidity and debt profile are highlighted in the following table:

LIQUIDITY AND TOTAL LEVERAGE			
Ratio	Definition	December 31, 2007	December 31, 2006
Liquidity	Current assets / current liabilities	4.54 times	4.59 times
Leverage	Total liabilities/stockholders' equity	0.94 times	0.92 times

The following table illustrates the Company's net leverage at the close of 2007, calculated as net interest-bearing debt to shareholders' equity:

NET LEVERAGE:			
	December 31, 2007	December 31, 2006	Change (%)
Net debt	$1,361,120	$939,821	44.8%
Stockholder's equity	$4'143,523	$3'409,059	21.5%
Net debt to stockholder's equity	0.33 times	0.28 times	n. a.

Financial Statements:

SARE HOLDING, S.A.B. DE C.V.
ACCUMULATED INCOME STATEMENTS (JANUARY - SEPTEMBER)
Thousands of constant Pesos as of December 31, 2007

	2007	%	2006	%	Var. %
Sales	**$ 4,899,215**	**100.0%**	**$ 4,258,071**	**100.0%**	**15.06%**
Cost of sales	$ 3,558,820	72.64%	$ 3,037,380	71.33%	17.17%
Gross profit	**$ 1,340,395**	**27.36%**	**$ 1,220,691**	**28.67%**	**9.81%**
Operating expenses	$ 436,780	8.92%	$ 405,577	9.52%	7.69%
Depreciation and amortization	$ 25,440	0.52%	$ 15,780	0.37%	61.22%
Operating income	**$ 878,175**	**17.92%**	**$ 799,334**	**18.77%**	**9.86%**
Integral cost of financing	$ 146,441	2.99%	$ 205,610	4.83%	-28.78%
Other expenses	$ 12,778	0.26%	$ 8,554	0.20%	49.38%
Income before taxes	**$ 718,956**	**14.67%**	**$ 585,170**	**13.74%**	**22.86%**
Taxes and provisions	$ 201,586	4.11%	$ 171,115	4.02%	17.81%
Net income	**$ 517,370**	**10.56%**	**$ 414,055**	**9.72%**	**24.95%**
Majority net income	$ 486,961	9.94%	$ 402,286	9.45%	21.05%
Minority net income	$ 30,409	0.62%	$ 11,769	0.28%	158.38%
EBITDA	**$ 988,852**	**20.18%**	**$ 815,114**	**19.14%**	**21.31%**

SARE HOLDING, S.A.B. DE C.V.
CONSOLIDATED BALANCE SHEETS
Thousands of constant Pesos as of December 31, 2007

	2007	%	2006	%	Var. %
Cash	$ 446,773	5.56%	$ 644,832	9.85%	-30.7%
Accounts receivable	$ 5,304,215	65.96%	$ 3,451,719	52.72%	53.7%
Inventories	$ 1,935,742	24.07%	$ 2,092,460	31.96%	-7.5%
Others	$ 189,325	2.35%	$ 212,450	3.25%	-10.9%
Current assets	**$ 7,876,055**	**97.94%**	**$ 6,401,461**	**97.78%**	**23.0%**
Fixed assets	$ 165,531	2.06%	$ 145,516	2.22%	13.8%
Total assets	**$ 8,041,586**	**100.0%**	**$ 6,546,977**	**100.0%**	**22.8%**
			$ -		
Short-term loans	$ 207,927	2.59%	$ 277,558	4.24%	-25.1%
Land suppliers and others	$ 1,270,059	15.79%	$ 1,027,932	15.70%	23.6%
Other short-term liabilities	$ 262,292	3.26%	$ 90,661	1.38%	189.3%
Current liabilities	**$ 1,740,278**	**21.64%**	**$ 1,396,151**	**21.33%**	**24.6%**
Long-term loans	$ 596,942	7.42%	$ 269,595	4.12%	121.4%
Long-term bonds	$ 1,003,024	12.47%	$ 1,037,500	15.85%	-3.3%
Deferred taxes	$ 557,819	6.94%	$ 434,672	6.64%	28.3%
Total liabilities	**$ 3,898,063**	**48.47%**	**$ 3,137,918**	**47.93%**	**24.2%**
Majority stockholder's equity	$ 3,367,826	41.88%	$ 2,919,506	44.59%	15.4%
Minority stockholder's equity	$ 775,697	9.65%	$ 489,553	7.48%	58.5%
Stockholders Equity	**$ 4,143,523**	**51.53%**	**$ 3,409,059**	**52.07%**	**21.5%**
Total liabilities & Equity	**$ 8,041,586**	**100.0%**	**$ 6,546,977**	**100.0%**	**22.8%**

COMPARATIVE RESULTS FOR THE FOURTH QUARTERS OF 2007 VS. 2006

Mexico City, February 27, 2007 - SARE Holding, S.A.B. de C.V. ("SARE" or "the Company") (BMV: SAREB). Monetary figures are expressed in thousands of Mexican pesos as of December 31, 2007.

HIGHLIGHTS FOR THE FOURTH QUARTER 2007 VS THE FOURTH QUARTER 2006	
Total revenues	$1'159,751
Growth in revenues	7.29% ↑
EBITDA	$254,423
EBITDA margin	21.94%
EBITDA growth	20.13% ↑
Net income	$125,538
Net income margin	10.82%
Net income growth	19.69% ↑
Total volumes	2,487 units
Volume growth	(1.15%)
Average sales price	$453
Average sales price increase	8.63%

Privanza San Felipe in Mexico City

Income Statement:

The following table summarizes the main entries of the income statements for the fourth quarters of 2006 and 2007, as well as the variation observed between both periods:

INCOME STATEMENT SUMMARY MONETARY FIGURES EXPRESSED IN THOUSANDS OF MEXICAN PESOS AS OF DECEMBER 31, 2007	4° QTR 2007	4° QTR 2006	VARIACIÓN (%)
Ventas totales	$ 1,159,751	$ 1,080,984	7.29%
Utilidad bruta	$ 349,083	$ 318,459	9.62%
UAFIDA *	$ 254,423	$ 211,784	20.13%
Utilidad neta	$ 125,538	$ 104,887	19.69%

**EBITDA: Earnings before interest, taxes, depreciation and amortization*

During the fourth quarter of 2007, total revenues increased 7.29% from $ 1,080.9 million in 4Q06 to $ 1,159.7 million in 4Q07. This increase was due to the combination of the following factors: 19.45% increase in the sales volume of economy and low-income segments, and 8.63% increased in the average sale price mix, mainly due to a higher participation of the middle-income, residential and tourism segments in the sales mix.

Gross profit increased 9.62% between fourth quarters 2006 and 2007, from $ 318.4 million to $ 349.1 million, respectively. Between both periods, gross margin remained stable, and in 2007 was affected by the new accounting rule, Financial Information Rule NIF-6, which refers to the financing of interest capitalization related to the purchase of assets for the Company's operation and which represented an increase in the cost of sales of approximately $ 19.4 million.

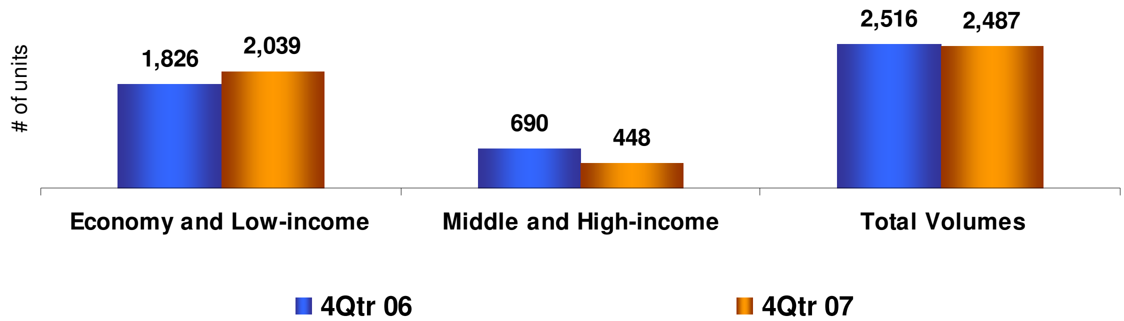
EBITDA increased 20.13%, from $ 211.7 million in 4Q06 to $ 254.4 million in 4Q07. This improvement was possible due to a combination of the following factors: a better sales mix, as well as an increase in operating efficiency driven by greater economies of scale.

Net income for the fourth quarter increased 19.69% between both periods, from $ 104.9 million to $125.5 million.

Privanza "Las Palomas" en Cuernavaca, Morelos

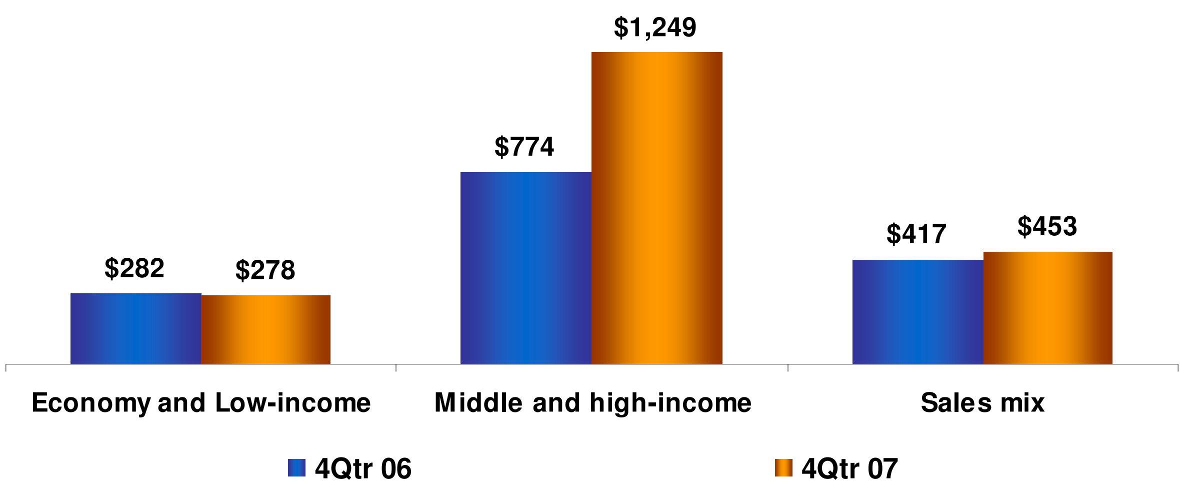
Sales Volumes:

The following graph illustrates the volume distribution for the fourth quarters of 2006 and 2007:



Sales Price:

The following graph illustrates comparative sales prices for the fourth quarters of 2006 and 2007, per SARE's new price classification.



Total Revenues:

Total revenues increased 7.29%, from $ 1,080.9 million in 4Q06 to $ 1,159.7 million in 4Q07. Following is the comparative breakdown of total revenues:

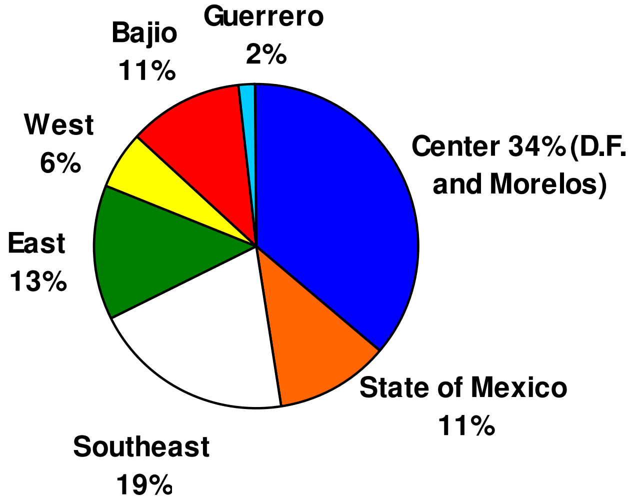
TOTAL REVENUES BREAKDOWN MONETARY FIGURES EXPRESSED IN THOUSANDS OF MEXICAN PESOS AS OF DECEMBER 31, 2007							
		4° QTR 2007	%		4° QTR 2006	%	CHANGE (%)
Economy and low-income	$	567,674	48.95%	$	473,097	43.77%	19.99%
Middle and residential	$	559,639	48.26%	$	576,409	53.32%	-2.91%
Subtotal housing	$	1,127,313	97.20%	$	1,049,506	97.09%	7.41%
Other income	$	32,438	2.80%	$	31,478	2.91%	3.05%
Total revenues	**$**	**1,159,751**	**100.00%**	**$**	**1,080,984**	**100.00%**	**7.29%**

The following table shows the distribution of income per loan financing source and includes all of the sales segments:

FINANCING SOURCES	%
INFONAVIT	35%
COMMERCIAL BANKS	42%
FOVISSSTE	4%
OTHERS (Cofinancing/Sofoles/Cash)	19%

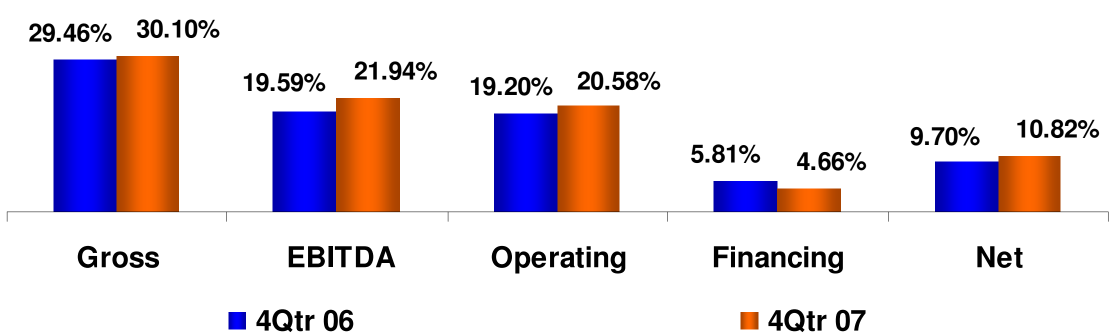
Please note that until now the U.S. mortgage crisis has not affected the amount, nor the number of loans granted in Mexico at this point in time either by federal funds or commercial banks.

The following graph shows the regional distribution of total revenues:



Margins:

The following chart sets forth the comparative income statement margins for the fourth quarters of 2006 and 2007:



SARE'S gross margin increased 64 basis points, from 29.46% in 4Q06 to 30.10% in 4Q07, via the improvement of negotiations with vendors as a result of greater economies of scale.

In relative terms, operating expenses declined 105 basis points, from 9.87% of total revenues in the 4Q06, to 8.82% in 4Q07. This improvement was due to greater operating efficiency, as well as higher production levels, which favored the decrease in fixed costs in relative terms. In absolute terms, these expenses decreased 4.14%, from $ 106.6 million in 4Q06 to $ 102.2 million in 4Q07.

EBITDA (earnings before interest, taxes, depreciation and amortization) increased 20.13%, from $211.7 million in 4Q06 to $ 254.4 million in 4Q07.

EBITDA margin improved 235 basis points, from 19.59% to 21.94% in the same periods, due to a stricter control of operating expenses.

Integral Result of Financing remained stable between the fourth quarter 2006 and 2007, reporting a marginal decrease of 1.29 percentage points, including the application of the Financial Information Rule "NIFD-6".

Finally, net income increased 19.69% from $ 104.8 million in 4Q06 to $ 125.5 million in 4Q07, while the net margin increased 112 basis points from 9.70% to 10.82%. Net minority income reached $ 4.0 million, equivalent to 0.35% of total sales.

SARE Galaxia "La Calera." Puebla

Quarterly Income Statements:

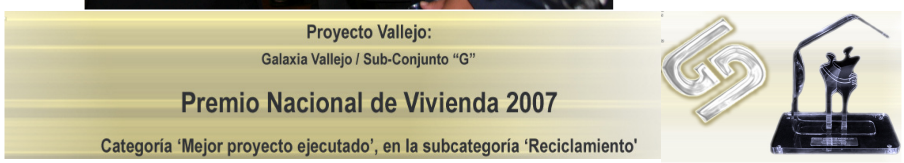
The following are the financial results for the fourth quarters of 2007 and 2006:

SARE HOLDING, S.A.B. DE C.V.
QUARTERLY INCOME STATEMENTS 4Q 2007
Thousands of constant Pesos as of December 31, 2007

	2007	%	2006	%	Var. %
Sales	**$ 1,159,751**	**100.0%**	**$ 1,080,984**	**100.0%**	**7.29%**
Cost of sales	$ 810,668	69.90%	$ 762,525	70.54%	6.31%
Gross profit	**$ 349,083**	**30.10%**	**$ 318,459**	**29.46%**	**9.62%**
Operating expenses	$ 102,260	8.82%	$ 106,675	9.87%	-4.14%
Depreciation and amortization	$ 8,189	0.71%	$ 4,237	0.39%	93.27%
Operating income	**$ 238,634**	**20.58%**	**$ 207,547**	**19.20%**	**14.98%**
Integral cost of financing	$ 53,993	4.66%	$ 62,805	5.81%	-14.03%
Other expenses	$ 4,564	0.39%	$ 136	0.01%	3255.88%
Income before taxes	**$ 180,077**	**15.53%**	**$ 144,606**	**13.38%**	**24.53%**
Taxes and provisions	$ 54,539	4.70%	$ 39,719	3.67%	37.31%
Net income	**$ 125,538**	**10.82%**	**$ 104,887**	**9.70%**	**19.69%**
Majority net income	$ 121,493	2.48%	$ 113,918	2.68%	6.65%
Minority net income	$ 4,045	0.08%	-$ 9,031	-0.21%	-144.79%
EBITDA	**$ 254,423**	**21.94%**	**$ 211,784**	**19.59%**	**20.13%**

Recent Events

National Housing Prize 2007



SARE was awarded the National Housing Prize for 2007 in the category of "Best Completed Project" under the "Recycling" category for its development "Galaxia Joyas de Vallejo".

This prize was presented by President Felipe Calderon to Dionisio Sánchez and Arturo Sánchez, Executive President and Chief Executive Officer of SARE, respectively.

Changes to Financial Reporting Rules

Financial Reporting Rule NIF B-10
Inflation effects on financial reporting

Beginning January 1, 2008, financial reporting rule B-10, related to the inflationary effects on financial reporting, took effect. This rule will allow for the non-recognition of the true inflationary effects of the low inflation scenario each year, throughout the last 7 years.

NIF D-6 Financial Accounting Rule
Capitalization of the Integral Cost of Financing.

The application of this rule, reflects the cost of the acquisition of assets that require a prolonged period prior to its intended use, or the integral cost of financing. It allows the establishment of an adequate relationship between costs and expenses incurred and the revenue or benefits that these may generate at that time.

About the Company:

SARE is a leading housing developer with over 40 years of experience and geographic presence in 7 areas, throughout 10 states and 12 cities in Mexico, mainly Mexico City, the most important market in Mexico. The Company's business model is characterized for its low level of risk due to its diversification among all market segments: Galaxia in the low-income and economy markets; Privanza in the middle-income market and Altitude in the high-income and tourism markets.

Legal Disclaimer:

The information presented by SARE Holding, S.A.B. de C.V. may contain forward-looking statements regarding future events and financial results, which are subject to risks and uncertainties, and may be affected by direct or indirect external factors such as the economic conditions of Mexico and other countries.

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