

# **BBVA** Francés

**FINANCIAL STATEMENTS AS OF  
JUNE 30, 2015 TOGETHER WITH  
INDEPENDENT AUDITORS' REVIEW  
REPORT.**

## BALANCE SHEETS AS OF JUNE 30, 2015 AND DECEMBER 31, 2014

(Translation of financial statements originally issued in Spanish - See note 21)  
-Stated in thousands of pesos-

ASSETS:	06-30-2015	12-31-2014
<b>A. CASH AND DUE FROM BANKS:</b>		
Cash	2,565,031	2,857,658
Due from banks and correspondents	11,032,816	9,668,573
	-----	-----
Argentine Central Bank (BCRA)	9,758,663	9,325,330
Other local	1,993	1,094
Foreign	1,272,160	342,149
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	13,597,847	12,526,231
	-----	-----
<b>B. GOVERNMENT AND PRIVATE SECURITIES:</b>		
Holdings booked at fair value (Exhibit A)	2,628,091	2,941,865
Holdings booked at amortized cost (Exhibit A)	164	164
Instruments issued by the BCRA (Exhibit A)	11,513,524	8,630,056
Investments in listed private securities (Exhibit A)	173	178
Less: Allowances (Exhibit J)	201	201
	-----	-----
	14,141,751	11,572,062
	-----	-----
<b>C. LOANS:</b>		
To government sector (Exhibits B, C and D)	60,473	54,459
To financial sector (Exhibits B, C and D)	1,749,780	2,216,310
	-----	-----
Interfinancial – (Call granted)	23,000	30,000
Other financing to local financial institutions	1,284,168	1,691,857
Interest and listed-price differences accrued and pending collection	442,612	494,453
	-----	-----
	45,049,474	39,045,753
	-----	-----
Overdraft	8,349,886	6,861,786
Discounted instruments	6,552,563	6,035,048
Real estate mortgage	1,696,271	1,466,346
Collateral Loans	1,887,992	1,651,228
Consumer	6,353,803	6,091,935
Credit cards	13,342,004	11,465,609
Other	6,303,411	4,953,604
Interest and listed-price differences accrued and pending collection	697,924	654,109
Less: Interest documented together with main obligation	134,380	133,912
	-----	-----
Less: Allowances (Exhibit J)	974,874	905,336
	-----	-----
	45,884,853	40,411,186
	-----	-----
<b>D. OTHER RECEIVABLES FROM FINANCIAL TRANSACTIONS:</b>		
Argentine Central Bank (BCRA)	647,182	384,930
Amounts receivable for spot and forward sales to be settled	2,476,294	1,405,562
Instruments to be received for spot and forward purchases to be settled	2,522,519	312,684
Unlisted corporate bonds (Exhibits B, C and D)	12,813	48,653
Non-deliverable forward transactions balances to be settled	40,400	140,326
Other receivables not covered by debtor classification regulations	6,720	14,873
Other receivables covered by debtor classification regulations (Exhibits B, C and D)	257,914	257,778
Less: Allowances (Exhibit J)	1,715	2,139
	-----	-----
	5,962,127	2,562,667
	-----	-----
<b>E. RECEIVABLES FROM FINANCIAL LEASES:</b>		
Receivables from financial leases (Exhibits B, C and D)	2,079,552	1,995,716
Interest accrued pending collection (Exhibits B, C and D)	26,416	25,961
	-----	-----
Less: Allowances (Exhibit J)	29,347	28,808
	-----	-----
	2,076,621	1,992,869
	-----	-----
<b>F. INVESTMENTS IN OTHER COMPANIES:</b>		
In financial institutions (Exhibit E)	468,384	527,403
Other (Note 5.a.) (Exhibit E)	217,242	164,615
	-----	-----
	685,626	692,018
	-----	-----
<b>G. OTHER RECEIVABLES:</b>		
Other (Note 5.b.)	1,987,393	1,595,869
Other interest accrued and pending collection	601	744
Less: Allowances (Exhibit J)	349,510	291,237
	-----	-----
	1,638,484	1,305,376
	-----	-----
<b>H. PREMISES AND EQUIPMENT (Exhibit F):</b>	993,209	924,237
	-----	-----
<b>I. OTHER ASSETS (Exhibit F):</b>	1,331,853	1,144,815
	-----	-----
<b>J. INTANGIBLE ASSETS (Exhibit G):</b>		
Organization and development expenses	175,867	144,357
	-----	-----
	175,867	144,357
	-----	-----
<b>K. SUSPENSE ITEMS:</b>	6,011	8,542
	-----	-----
<b>TOTAL ASSETS:</b>	<b>86,494,249</b>	<b>73,284,360</b>
	=====	=====

## BALANCE SHEETS AS OF JUNE 30, 2015 AND DECEMBER 31, 2014

(Translation of financial statements originally issued in Spanish - See note 21)  
-Stated in thousands of pesos-

LIABILITIES:	06-30-2015	12-31-2014
<b>L. DEPOSITS (Exhibits H and I):</b>		
Government sector	1,590,906	1,017,837
Financial sector	77,168	77,482
Non financial private sector and residents abroad	58,326,573	50,340,332
	-----	-----
Checking accounts	15,435,058	14,622,588
Savings deposits	17,589,254	15,005,261
Time deposits	23,610,325	19,279,641
Investments accounts	14,959	483
Other	1,328,884	1,129,571
Interest and listed-price differences accrued payable	348,093	302,788
	-----	-----
	59,994,647	51,435,651
	-----	-----
<b>M. OTHER LIABILITIES FROM FINANCIAL TRANSACTIONS:</b>		
Argentine Central Bank (Exhibit I)	61,437	73,110
	-----	-----
Other	61,437	73,110
	-----	-----
Banks and International Institutions (Exhibit I)	361,145	406,031
Unsubordinated corporate bonds (Exhibit I)	1,570,607	1,662,789
Amounts payable for spot and forward purchases to be settled	2,405,053	312,751
Instruments to be delivered for spot and forward sales to be settled (Exhibit O)	2,517,799	1,457,098
Financing received from Argentine financial institutions (Exhibit I)	196,086	--,-
	-----	-----
Other financing from local financial institutions	196,000	--,-
Interest accrued payable	86	--,-
Non-deliverable forward transactions balances to be settled	16	54
Other (Note 5.c.) (Exhibit I)	3,929,227	4,091,393
Interest and listed-price differences accrued payable (Exhibit I)	62,997	66,653
	-----	-----
	11,104,367	8,069,879
	-----	-----
<b>N. OTHER LIABILITIES:</b>		
Dividends payable	400,000	--,-
Other (Note 5.d.)	2,536,888	2,645,736
	-----	-----
	2,936,888	2,645,736
	-----	-----
<b>O. ALLOWANCES (Exhibit J):</b>	901,257	771,073
	-----	-----
<b>P. SUSPENSE ITEMS:</b>	27,058	30,145
	-----	-----
<b>TOTAL LIABILITIES:</b>	<b>74,964,217</b>	<b>62,952,484</b>
	=====	=====
<b>STOCKHOLDERS' EQUITY:</b> (as per the related statements of changes in stockholders' equity)	11,530,032	10,331,876
	-----	-----
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY:</b>	<b>86,494,249</b>	<b>73,284,360</b>
	=====	=====

## MEMORANDUM ACCOUNTS

(Translation of financial statements originally issued in Spanish - See note 21)  
-Stated in thousands of pesos-

	<u>06-30-2015</u>	<u>12-31-2014</u>
<b>DEBIT ACCOUNTS</b>		
Contingent		
- Guaranties received	16,071,886	11,585,575
- Contra contingent debit accounts	2,260,274	1,750,341
	-----	-----
	18,332,160	13,335,916
	-----	-----
Control		
- Receivables classified as irrecoverable	652,758	517,974
- Other (Note 5.e.)	146,734,653	120,090,317
- Contra control debit accounts	1,619,053	1,217,512
	-----	-----
	149,006,464	121,825,803
	-----	-----
Derivatives (Exhibit O)		
- "Notional" amount of non-deliverable forward transactions	2,140,619	2,984,388
- Interest rate swap	745,968	1,097,965
- Contra derivatives debit accounts	2,631,574	2,915,793
	-----	-----
	5,518,161	6,998,146
	-----	-----
For trustee activities		
- Funds in trust	--	6,605
	-----	-----
	--	6,605
	-----	-----
<b>TOTAL</b>	<b><u>172,856,785</u></b>	<b><u>142,166,470</u></b>
<b>CREDIT ACCOUNTS</b>		
Contingent		
- Credit lines granted (unused portion) covered by debtor classification regulations (Exhibits B, C and D)	1,015,985	640,198
- Guaranties provided to the BCRA	194,413	223,973
- Other guaranties given covered by debtor classification regulations (Exhibits B, C and D)	446,080	384,982
- Other guaranties given non covered by debtor classification regulations	210,876	210,453
- Other covered by debtor classification regulations (Exhibits B, C and D)	392,920	290,735
- Contra contingent credit accounts	16,071,886	11,585,575
	-----	-----
	18,332,160	13,335,916
	-----	-----
Control		
- Items to be credited	1,339,632	965,725
- Other	279,421	251,787
- Contra control credit accounts	147,387,411	120,608,291
	-----	-----
	149,006,464	121,825,803
	-----	-----
Derivatives (Exhibit O)		
- "Notional" amount of non-deliverable forward transactions	2,631,574	2,915,793
- Contra derivatives credit accounts	2,886,587	4,082,353
	-----	-----
	5,518,161	6,998,146
	-----	-----
For trustee activities		
- Contra credit accounts for trustee activities	--	6,605
	-----	-----
	--	6,605
	-----	-----
<b>TOTAL</b>	<b><u>172,856,785</u></b>	<b><u>142,166,470</u></b>

The accompanying notes 1 through 21 and exhibits A through L, N and O and the consolidated financial statements with its notes and exhibits are an integral part of these statements.

**STATEMENTS OF INCOME FOR THE SIX MONTH PERIODS  
ENDED JUNE 30, 2015 AND 2014**

(Translation of financial statements originally issued in Spanish – See note 21)

- Stated in thousands of pesos -

	<b>06-30-2015</b>	<b>06-30-2014</b>
<b>A. FINANCIAL INCOME</b>		
Interest on loans to the financial sector	272,744	325,049
Interest on overdraft	980,104	993,728
Interest on discounted instruments	626,084	589,557
Interest on real estate mortgage	141,885	109,602
Interest on collateral loans	206,779	144,115
Interest on credit card loans	1,326,418	879,363
Interest on other loans	1,520,042	1,301,054
Interest on other receivables from financial transactions	108	3,770
Interest on financial leases	181,397	148,912
Income from secured loans - Decree 1387/01	7,509	8,988
Net income from government and private securities	1,514,235	726,780
Indexation by benchmark stabilization coefficient (CER)	97,529	193,151
Gold and foreign currency exchange difference	225,971	646,876
Other	159,265	503,148
	-----	-----
	7,260,070	6,574,093
	-----	-----
<b>B. FINANCIAL EXPENSE</b>		
Interest on savings deposits	9,692	9,243
Interest on time deposits	2,261,254	2,141,736
Interest on interfinancial financing (call borrowed)	7,198	5,195
Interest on other financing from financial institutions	2	---
Interest on other liabilities from financial transactions	215,201	139,983
Other interest	3,259	4,304
Indexation by CER	27	119
Contribution to the deposit guarantee fund	182,565	38,520
Other	401,547	407,283
	-----	-----
	3,080,745	2,746,383
	-----	-----
<b>GROSS INTERMEDIATION MARGIN – GAIN</b>	4,179,325	3,827,710
	-----	-----
<b>C. ALLOWANCES FOR LOAN LOSSES</b>	320,443	263,400
	-----	-----
<b>D. SERVICE CHARGE INCOME</b>		
Related to lending transactions	1,000,801	718,019
Related to liability transactions	908,168	693,170
Other commissions	86,653	69,226
Other (Note 5.f.)	536,827	432,486
	-----	-----
	2,532,449	1,912,901
	-----	-----
<b>E. SERVICE CHARGE EXPENSE</b>		
Commissions	726,666	365,967
Other (Note 5.g.)	257,675	193,431
	-----	-----
	984,341	559,398
	-----	-----

**STATEMENTS OF INCOME FOR THE SIX MONTH PERIODS  
ENDED JUNE 30, 2015 AND 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

	<u>06-30-2015</u>	<u>06-30-2014</u>
<b>F. ADMINISTRATIVE EXPENSES</b>		
Payroll expenses	1,753,177	1,416,024
Fees to Bank Directors and Supervisory Committee	2,816	2,606
Other professional fees	35,251	27,390
Advertising and publicity	104,672	101,810
Taxes	306,581	222,652
Fixed assets depreciation	101,140	62,406
Organizational expenses amortization	30,659	27,524
Other operating expenses	425,504	359,976
Other	267,999	287,763
	-----	-----
	3,027,799	2,508,151
	-----	-----
<b>NET GAIN FROM FINANCIAL TRANSACTIONS</b>	<b>2,379,191</b>	<b>2,409,662</b>
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<b>G. OTHER INCOME</b>		
Income from long-term investments	186,911	159,385
Punitive interests	13,989	10,525
Loans recovered and reversals of allowances	60,818	64,906
Other (Note 5.h.)	122,857	109,758
	-----	-----
	384,575	344,574
	-----	-----
<b>H. OTHER EXPENSE</b>		
Punitive interests and charges paid to BCRA	4	12
Charge for uncollectibility of other receivables and other allowances	212,576	109,641
Amortization of difference arising from judicial resolutions	4,074	7,641
Depreciation and losses from miscellaneous assets	180	169
Other (Note 5.i)	89,776	40,804
	-----	-----
	306,610	158,267
	-----	-----
<b>NET GAIN BEFORE INCOME TAX</b>	<b>2,457,156</b>	<b>2,595,969</b>
	-----	-----
<b>I. INCOME TAX (Note 4.1)</b>	<b>859,000</b>	<b>834,800</b>
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<b>NET INCOME FOR THE PERIOD</b>	<b>1,598,156</b>	<b>1,761,169</b>
	=====	=====

The accompanying notes 1 through 21 and exhibits A through L, N and O and the consolidated financial statements with its notes and exhibits are an integral part of these statements.

## STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2015 AND 2014

(Translation of financial statements originally issued in Spanish – See note 21)

- Stated in thousands of pesos -

Movements	2015						2014	
	Capital Stock	Non capitalized contributions		Adjustments to stockholders' equity (1)	Retained earnings		Total	Total
		Issuance premiums			Legal	Other		
1. Balance at beginning of fiscal year	536,878	182,511	312,979	1,900,721	4,194,291	3,204,496	10,331,876	7,156,180
2. Stockholders' Meeting held on April 7, 2015								
- Dividends paid in cash	--,--	--,--	--,--	--,--	--,--	(400,000)	(400,000)	(28,800)
- Legal reserve	--,--	--,--	--,--	640,899	--,--	(640,899)	--,--	--,--
- Voluntary reserve for future distributions of income	--,--	--,--	--,--	--,--	2,163,597	(2,163,597)	--,--	--,--
3. Net income for the period	--,--	--,--	--,--	--,--	--,--	1,598,156	1,598,156	1,761,169
4. Balance at the end of the fiscal year	536,878	182,511	312,979	2,541,620	6,357,888	1,598,156	11,530,032	8,888,549

(1) Adjustments to stockholders' equity refer to Adjustment to Capital Stock.

The accompanying notes 1 through 21 and exhibits A through L, N and O and the consolidated financial statements with its notes and exhibits are an integral part of these statements.

**STATEMENTS OF CASH AND CASH EQUIVALENTS FLOW FOR THE  
SIX MONTH PERIODS ENDED JUNE 30, 2015 AND 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

-Stated in thousands of pesos-

	<u>06-30-2015</u>		<u>06-30-2014</u>	
<b>CHANGES IN CASH AND CASH EQUIVALENTS</b>				
Cash and cash equivalents at the beginning of the fiscal year	13,051,491	(1)	13,604,191	(1)
Cash and cash equivalents at the end of the period	13,976,457	(1)	12,177,562	(1)
	-----		-----	
Net increase / (decrease) in cash and cash equivalents	924,966		(1,426,629)	
	-----		-----	
<b>REASONS FOR CHANGES IN CASH AND CASH EQUIVALENTS</b>				
<b>Operating activities</b>				
Net payments from:				
-Government and private securities	(1,055,454)		(5,794,412)	
- Loans	(195,723)		3,714,328	
	-----		-----	
to financial sector	267,349		314,323	
to non-financial public sector	(156)		(477)	
to non-financial private sector and residents abroad	(462,916)		3,400,482	
- Other receivables from financial transactions	(124,770)		72,502	
- Receivables from financial leases	(83,752)		(163,460)	
- Deposits	5,689,778		1,627,801	
	-----		-----	
to financial sector	(314)		(18,711)	
to non-financial public sector	574,374		1,118,815	
to non-financial private sector and residents abroad	5,115,718		527,697	
- Other liabilities from financial transactions	(89,822)		502,696	
	-----		-----	
Financing from financial or interfinancial sector (call borrowed)	196,000		15	
Others (except liabilities included in Financing Activities)	(285,822)		502,681	
Collections related to service charge income	2,538,434		1,889,441	
Payments related to service charge expense	(988,287)		(558,013)	
Administrative expenses paid	(2,929,650)		(2,467,638)	
Organizational and development expenses paid	(26,362)		(10,642)	
Net collections from punitive interest	13,985		10,513	
Differences from judicial resolutions paid	(4,074)		(7,641)	
Collections of dividends from other companies	18,654		20,070	
Other collections related to other income and expenses	93,522		130,445	
	-----		-----	
<b>Net cash flows provided by / (used in) operating activities</b>	<b>2,856,479</b>		<b>(1,034,010)</b>	
	=====		=====	
<b>Investment activities</b>				
Net payments from premises and equipment	(115,413)		(82,875)	
Net collections from other assets	(274,406)		(315,264)	
Other collections / (payments) from investment activities	(222,278)		(116,471)	
	-----		-----	
<b>Net cash flows used in investment activities</b>	<b>(612,097)</b>		<b>(514,610)</b>	
	=====		=====	
<b>Financing activities</b>				
Net (payments) / collections from:				
-Unsubordinated corporate bonds	(92,182)		403,996	
- Argentine Central Bank	(11,569)		(9,759)	
	-----		-----	
Other	(11,569)		(9,759)	
- Banks and international agencies	(44,886)		315,146	
Other collections / (payments) related to financing activities	(1,170,779)		(587,392)	
	-----		-----	
<b>Net cash flows (used in) / provided by financing activities</b>	<b>(1,319,416)</b>		<b>121,991</b>	
	=====		=====	
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>924,966</b>		<b>(1,426,629)</b>	
	=====		=====	

(1) See note 16 "Statements of cash and cash equivalents flow".

The accompanying notes 1 through 21 and exhibits A through L, N and O and the consolidated financial statements with its notes and exhibits are an integral part of these statements.

**NOTES TO THE FINANCIAL STATEMENTS AS OF JUNE 30, 2015, PRESENTED IN COMPARATIVE FORM WITH THE BALANCE SHEET AS OF DECEMBER 31, 2014, AND THE STATEMENTS OF INCOME, CHANGES IN STOCKHOLDERS' EQUITY AND CASH AND CASH EQUIVALENTS FLOW AS OF JUNE 30, 2014**

(Translation of financial statements originally issued in Spanish - See note 20)

(Stated in thousands of pesos)

## **1. CORPORATE SITUATION AND BANK'S ACTIVITIES**

### **1.1 Corporate situation**

BBVA Banco Francés S.A. (hereinafter indistinctly referred to as either "BBVA Francés" or the "Bank") has its headquarter in Buenos Aires, Argentina, and operates a 251-branch network.

As from December, 1996, BBVA Francés is part of Banco Bilbao Vizcaya Argentaria S.A.'s (BBVA) global strategy, which controls the Bank, direct and indirectly, with 75.95% of the corporate stock as of June 30, 2015.

Part of the Bank's corporate stock is publicly traded and has been registered with the Buenos Aires Stock Exchange, New York Stock Exchange and Madrid Stock Exchange.

### **1.2 Capital stock**

Changes in the Bank's capital stock during the last five fiscal years are as follows:

<b>Date of</b>				
<b>Stockholders' Meeting deciding on the issuance</b>	<b>Registration with the Public Registry of Commerce (RPC)</b>	<b>Form of placement</b>	<b>Amount</b>	<b>Total</b>
Capital Stock as of December 31, 2010:				536,361
03-30-2011	09-14-2011	(1)	517	536,878
03-26-2012	03-27-2014	(2)	50,410	
03-26-2012	03-27-2014	(2)	(50,410)	536,878 (3)

(1) Due to the merger of Consolidar Comercializadora S.A. into BBVA Francés.

(2) Due to the merger of Inversora Otar S.A. into BBVA Francés.

(3) The amount of Capital Stock is fully paid in and authorized for public offering by National Securities Commission (CNV).

### **1.3 Registration with CNV as Settlement and Clearing Agent - Comprehensive**

The Capital Markets Law Nr. 26,831, enacted on December 28, 2012 and then regulated by CNV's General Resolution Nr. 622/13 on September 5, 2013 sets forth, in its Section 47 that agents are under a duty to register with the CNV for interacting with the market in any of the modalities established in CNV's General Resolution Nr. 622/13. The filing to register the Bank as a Settlement and Clearing Agent – Comprehensive started on December 17, 2013 and was completed on September 19, 2014 when the Bank was registered under Number 42.

## 1.4 Responsibility of stockholders

BBVA Francés is a corporation established under the laws of the Argentine Republic, and the responsibility of its stockholders is limited to the value of the paid - in shares, in accordance with Law Nr. 19,550. As a result, in compliance with Law Nr. 25,738, it is hereby informed that neither the foreign capital majority stockholders nor the local or foreign stockholders will respond, in excess of the mentioned paid-in stockholding, for the liabilities arising out of the transactions performed by the financial institution.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Restatement of the financial statements in equivalent purchasing power

The financial statements have been taken from the Bank's books of account in conformity with the standards of the BCRA.

By Communication "A" 3921 of the BCRA and General Resolution Nr. 441/03 of the CNV, in compliance with Decree 664/03 of the Federal Executive, application of the restatement method on financial statements in equivalent purchasing power has been suspended as from March 1, 2003.

Argentina's professional accounting standards require applying Technical Pronouncement Nr. 6 of the Argentine Federation of Professional Councils in Economic Sciences (F.A.C.P.C.E.) (as amended by Technical Resolution Nr. 19) which sets forth that financial statements are to be restated in constant currency when the country's economic environment exhibits certain characteristics. A prerequisite for the application of this pronouncement is that inflation as accumulated throughout a 3-year period, measured by the so-called Domestic Wholesale Price Index (IPIM) published by Argentina's Official Statistics Bureau –the National Statistics and Censuses Institute- attains or exceeds 100%. Inflation accumulated in the period December 31, 2011 to December 31, 2014, measured by the above-mentioned index was 67%. Therefore, the prerequisite for restatement into constant currency of the information contained in the financial statements is not satisfied. The above notwithstanding, it should be noted that if this prerequisite were satisfied, the restatement will be mandatory. At the date of issuance of these financial statements, the considerations discussed above still hold valid.

### 2.2 Comparative information

In accordance with BCRA Communication "A" 4667, the Balance Sheet and the Exhibits that so specify include the comparative information as of December 31, 2014, while the Statements of Income, Changes in Stockholders' Equity and Cash and cash equivalents flow show comparative information as of June 30, 2014.

### 2.3 Valuation methods

The main valuation methods used in the preparation of the financial statements have been as follows:

a) Foreign currency assets and liabilities:

As of June 30, 2015 and the end of the previous fiscal year, such amounts were translated into pesos at the benchmark exchange rate of the BCRA as of the closing date of transactions on the last business day of the period or fiscal year. The exchange differences were charged to income (loss) for the period or fiscal year.

b) Government and private securities:

- Holdings booked at fair value and instruments issued by the BCRA at fair value: they were valued based on current listed prices or the prevailing present value for each security as of June 30, 2015 and the end of the previous fiscal year. Differences in listed prices were credited/charged to income for the period or fiscal year.
- Holdings booked at amortized cost and instruments issued by the BCRA at amortized cost: as of June 30, 2015 and the end of the previous fiscal year, these were valued using the amount of initial recognition, rose on the basis of the interest accrued as per the internal rate of return.

- Investments in listed private securities, equity and debt instruments: they were valued based on current listed prices as of June 30, 2015 and the end of the previous fiscal year. Differences in listed prices were charged to income for the period or fiscal year.

c) Loans to Government Sector:

Federal Government secured loans – Decree Nr. 1387/2001:

As of June 30, 2015 and the end of the previous fiscal year, the secured loans were valued at the highest amount resulting from a comparison between the present value as estimated by BCRA and the book value in accordance with the provisions under BCRA's Communication "A" 5180. In addition, the amount required to take their book values to their fair realizable values is recorded in a balancing account.

d) Interest accrual:

Interest has been accrued according to a compound interest formula in the periods in which it was generated, except interest on transactions in foreign currency, those whose maturity does not exceed 92 days, and adjustable assets and liabilities which were recognized on a linear basis.

e) Benchmark stabilization coefficient (CER):

As of June 30, 2015 and the end of the previous fiscal year, receivables and payables have been adjusted to the CER as follows:

- Federal government secured loans have been adjusted under Resolution Nr. 50/2002 of the Ministry of Economy, which resolved that the CER business 10 (ten) days prior to the maturity date of the related service will be considered for yield and repayments of the loans.
- Federal Government Secured Bonds due in 2020: have been adjusted under Resolution Nr. 539/2002 of the Ministry of Economy, which resolved that the CER business 5 (five) days prior to the maturity date of the related service will be considered for yield and repayment of the bonds.
- Deposits and other assets and liabilities: have been adjusted considering the CER prevailing as of June 30, 2015 and the end of the previous fiscal year.

f) Allowance for loan losses and contingent commitments:

For loans, other receivables from financial transactions, receivables from financial leases, receivables from sale of property assets and contingent commitments: the allowances have been calculated based on the Bank's estimated loan loss risk in light of debtor compliance and the collaterals supporting the respective transactions, as provided by Communication "A" 2950 and supplemented of the BCRA.

g) Instruments to be received and to be delivered for spot and forward transactions pending settlement:

- In foreign currency: they were valued according to the benchmark exchange rate of the BCRA for each currency determined on the last business day of the end of the period or fiscal year.
- Securities: with Holdings of government and private securities and Instruments issued by BCRA at fair value and at amortized cost: as of June 30, 2015 and the end of the previous fiscal year, they were valued according to the method described in 2.3.b).

h) Amounts receivable and payable for spot and forward transactions pending settlement:

They were valued based on the prices agreed upon for each transaction, plus related premiums accrued as of June 30, 2015 and the end of the previous fiscal year.

i) Unlisted Corporate Bonds:

They were valued at acquisition cost plus income accrued but not collected as of June 30, 2015 and the end of the previous fiscal year.

j) Receivables from financial leases:

As of June 30, 2015 and the end of the previous fiscal year, they were valued at the present value of the sum of the periodical instalments and the unguaranteed residual value, calculated as per the conditions agreed upon in the respective leases, applying the implicit interest rate thereto.

k) Investments in other companies:

- Investments in controlled financial institutions, supplementary activities and authorized were valued based on the following methods:

- BBVA Francés Valores S.A., Consolidar Administradora de Fondos de Jubilaciones y Pensiones S.A. (undergoing liquidation proceedings), PSA Finance Argentina Compañía Financiera S.A., BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión and Rombo Cía. Financiera S.A.: were valued by applying the equity method at the end of the period or fiscal year.

Although the Bank has a 40% interest ownership in the capital stock and votes of Rombo Cía. Financiera S.A., operational and financial decisions at Rombo Cía. Financiera S.A. are taken together with this company's majority shareholder on a joint control basis.

- Investments in non controlled financial institutions, supplementary activities and authorized were valued according to the following methods:

- Prisma Medios de Pago S.A. (formerly Visa Argentina S.A.) and Interbanking S.A.: were valued by applying the equity method at the end of the period or fiscal year.
- Bladex S.A.: was valued at acquisition cost in foreign currency plus the nominal value of stock dividends received, converted into pesos based on the method described in 2.3.a).
- Other: valued at acquisition cost, without exceeding their recoverable value.

- Other non controlled affiliates were valued based on the following methods:

- BBVA Consolidar Seguros S.A.: was valued by applying the equity method at the end of the period or fiscal year.
- S.W.I.F.T. S.C.R.L.: was valued at acquisition cost in foreign currency plus the nominal value of stock dividends received, converted into pesos based on the method described in 2.3.a).

l) Premises and equipment and Other assets:

They have been valued at acquisition cost plus increases from prior-year appraisal revaluations, restated as explained in note 2.1, less related accumulated depreciation calculated in proportion to the months of estimated useful life of items concerned (see Exhibit F), without exceeding their recoverable value.

m) Intangible assets:

They have been valued at acquisition cost less related accumulated amortization calculated in proportion to the months of estimated useful life of the items concerned (see useful life assigned in Exhibit G).

This caption included the differences arising from compliance with court-ordered measures arising from cases challenging the current rules and regulations applicable to deposits with the financial system in the framework of the provisions of Law Nr. 25,561, Decree Nr. 214/02 and supplementary provisions. The assets mentioned (calculated on the basis of the nominal difference between the exchange rate freely determined in the market and applied to the value of the deposit recorded in the books at that date) was amortized within the 60 monthly instalments starting in April 2003 in accordance with Communication "A" 3916 of the BCRA.

As of June 30, 2015 and the end of the previous fiscal, these assets have been fully amortized, with the total accumulated amortization as of those dates amounting to 1,438,553 and 1,434,479, respectively.

The Bank, however, notifies that such amortization was solely calculated to comply with the regulations of the BCRA and that by no means does it imply a waiver to possible compensation or recovery of the exchange difference resulting from compliance with court orders corresponding to petitions for protection of civil rights or other court action derived from the mandatory conversion of bank deposits into pesos.

Pursuant to the decisions handed down by Argentina's Supreme Court of Justice ("Massa, Juan Agustín v. Argentine Executive Branch – Executive Order 1570/ et al over action for the protection of constitutional rights (*amparo*) Law Nr. 16,986" and "Kujarchuk v. Argentine Executive Branch"), a calculation method was established for the payment of bank deposits that was different from the one that had been instituted by the Argentine Executive Branch.

As of June 30, 2015 and the end of the previous fiscal year, the Bank has estimated this contingency and it has recorded allowances for the total amount.

The Bank expects that the Argentine State remedies the significant damage resulting from compliance with court-ordered measures on petitions for protection of civil rights and actions for relief, particularly due to the impact of differences in compensation or recovery as per the rulings in the above-mentioned actions and according to the law in relation to the "pesification" of the underlying deposits. In this regard, the Bank has informed of such financial damages to the relevant authorities, with reservation of rights.

n) Derivative transactions (see note 12):

- Interest rate swaps and Forward transactions:

1. Interest rate swaps are recorded at the value resulting from the application of rates differences to residual notional amounts at the end of the period or fiscal year.
2. Forward transactions receivable/payable in pesos without delivery of the underlying asset are recorded for the amount receivable or payable, as appropriate, arising from the difference between the agreed exchange rate and the exchange rate at the end of the period or fiscal year as applied to stated notional amounts.

- Repo and Reverse Repo transactions

As of June 30, 2015 and the end of the previous fiscal year, the repos whose underlying assets are not subject to the volatilities published by BCRA were valued as per the cost of each transaction and the repos whose underlying assets are subject to volatility were recorded at their quoted value. Accrued premiums were charged to income (loss) for the period or fiscal year.

o) Employee termination pay:

The Bank expenses employee termination pay as disbursed.

p) Other liabilities:

They include the debit balances non arising out of transactions relating to the supply and demand of financial resources, plus the adjustments and interest payable accrued as of June 30, 2015 and the end of the previous fiscal year.

q) Allowance for other contingencies:

It includes the estimated amounts to meet contingencies of probable occurrence that, if occurred, would give rise to a loss for the Bank.

r) Stockholders' equity accounts:

They are restated as explained in note 2.1, except for the "Capital Stock" and "Non capitalized contributions" accounts which have been kept at cost. The adjustment resulting from the restatement is included in the "Adjustment to Stockholders' Equity – Adjustment to Capital Stock" account.

s) Statement of Income Accounts:

- As of June 30, 2015 and 2014, accounts accruing monetary transactions [(financial income (expense), service charge income (expense), provision for loan losses, administrative expenses, etc.)] were computed on the basis of their monthly accrual at historical rates.
- Accounts reflecting the effect on income resulting from the sale, write-off, or use of non-monetary assets were computed based on the value of such assets, as mentioned in note 2.1.
- Income from investments in subsidiaries was computed based on such companies' income adjusted as explained in note 2.1.

t) Earning per share:

As of June 30, 2015 and 2014, the Bank calculated the earning per share on the basis of 536,877,850 ordinary shares of \$1 par value each. The net income for each period on those dates is as follows:

	06-30-2015	06-30-2014
Net income for the period	1,598,156	1,761,169
Earning per share for the period – (stated in pesos)	2.98	3.28

u) Use of accounting estimates:

The preparation of the financial statements in accordance with the standards set forth by the BCRA require the Bank to use assumptions and estimates that affect certain assets such as allowances for doubtful loan and certain liabilities such as provisions for other contingencies as well as the reported amounts of income/loss during the periods. Actual income/loss may differ from such estimates.

### 3. DIFFERENCES BETWEEN BCRA ACCOUNTING STANDARDS AND ARGENTINE PROFESSIONAL ACCOUNTING STANDARDS

The Bank has prepared these financial statements by applying the regulations of the BCRA, which do not contemplate some of the valuation criteria established by the Argentine professional accounting standards.

The main differences between the regulations of the BCRA and the Argentine professional accounting standards are detailed below:

a) Tax effects

As already indicated hereinbelow, in note 4.1., the Bank has received various communications from the BCRA pursuant to which that BCRA indicates that the capitalization of items arising from the application of the deferred tax method is not allowed. In accordance with Argentine professional accounting standards, a deferred tax asset should be recognized to the extent the reversal of temporary differences generates a future decrease in the tax effectively determined. As a result, the allowances set up by the Bank in this respect, for 279,400 and 239,500 as of June 30, 2015 and the end of the previous fiscal year, respectively, should be reversed.

b) Derivative financial instruments

As explained in notes 2.3.n) and 12, as of June 30, 2015 and the end of the previous fiscal year, the Bank recorded the effects of interest rate swap agreements as established by the BCRA. Should the Bank had applied the Argentine professional accounting standards, the stockholders' equity would have increased in 7,359 and 7,351, respectively. By contrast, the effect of the application of the professional accounting standards on the income statement for the periods ended June 30, 2015 and 2014 would have been 8 (income) and 39,755 (income), respectively.

## 4. TAX MATTERS

### 4.1. Income tax

The Bank determined the charge for income tax by applying the statutory 35% rate to taxable income estimated for fiscal year considering the effect of temporary differences between valuation of assets and liabilities for accounting purposes and their taxable bases. The Bank considered as temporary differences those that have a definitive reversal date in subsequent years.

As of June 30, 2015 and 2014, the Bank recorded 859,000 and 834,800, respectively, in the Income tax caption as the estimate of the income tax charge payable to the tax authorities for these fiscal years.

As of June 30, 2015 and the end of the previous fiscal year, the Bank has booked 479,390 and 758,681, respectively, in the caption Other liabilities – Other – Accrued Taxes as a result of having netted the income tax withholdings and other withholdings applied to the Bank until such dates.

Besides, on June 19, 2003, the Bank received a note from the BCRA indicating that the capitalization of items arising from the application of the deferred tax method is not allowed.

On June 26, 2003, the Bank, based on the opinion of its legal counsel, responded the above mentioned note, indicating that in their opinion the rules of the BCRA do not prohibit the application of the deferred tax method generated by the recognition of temporary differences between the accounting and tax result. Subsequently, Resolution 118/03 of the Superintendent of Financial and Exchange Institutions received on October 7, 2003 confirmed the terms of the note dated June 19, 2003. Consequently, as from that date the Bank set up an allowance for the net balance between the deferred tax assets and liabilities.

As of June 30, 2015 and the end of the previous fiscal year, the Bank recorded under Other Receivables (in the line Tax Prepayments) a taxable deferred asset amounting 279,400 and 239,500, respectively. Such amounts are made up as follows:

	<u>06-30-2015</u>	<u>12-31-2014</u>
Deferred tax assets	595,000	532,000
Deferred tax liabilities	<u>(315,600)</u>	<u>(292,500)</u>
Net deferred assets	279,400	239,500
Allowance	(279,400)	(239,500)

### 4.2. Tax on minimum presumed income

Tax on minimum presumed income (TOMPI) was established by Law Nr. 25,063 in the year ended December 31, 1998, for a ten-year term. On December 19, 2008 Law Nr. 26,426 established a one-year extension in TOMPI until December 30, 2009. In turn, Law Nr. 26,545, published in the Official Gazette on December 2, 2009 extended TOMPI for an additional ten-year period. This tax is supplementary to income tax: while the latter is levied on the taxable income for the year, TOMPI is a minimum levy determined by applying the current 1% rate on the potential income of certain productive assets. Therefore, the Bank's tax obligation for each year will coincide with the highest of these taxes. The above Law provides that institutions governed by Financial Institutions Law must consider as a tax base 20% of their taxable assets, after deducting non-computable ones. However, if TOMPI exceeds income tax in a given year, the excess thereof may be computed as a payment on account of any income tax in excess of TOMPI that may occur in any of the following ten years.

In every year that net operating losses are offset, the tax benefit (the benefit of the effective rate on the net operating loss used) will be realized to the extent that income tax (net of the offsetting) equals or exceeds tax on minimum presumed income, but will be reduced by any excess of the latter over former.

On February 11, 2005, the Argentine Central Bank issued Communication "A" 4295 whereby it enabled, under certain rules, the accounting record of credits on Tax on Minimum Presumed Income.

As of June 30, 2015 and 2014, the Income tax assessed was higher than the TOMPI. Therefore, a provision was raised for Income tax.

### 4.3. Other tax issues

- a) On October 24, 2007, the Bank was notified by the Tax Bureau of the City of Buenos Aires of the commencement of a *sua sponte* tax assessment on a certain basis and partial in nature of the taxable income as regards turnover tax for the fiscal years 2002 and 2003. On November 14, 2007, the Bank filed its defenses to the notice mentioned.

Then, on October 6, 2008, the Bank was given notice of Resolution Nr. 3631-DGR 2008 containing the *sua sponte* tax assessment for the fiscal years 2002 and 2003. On October 28, 2008, the Bank filed an appeal for review against this resolution, which was rejected on November 7, 2008.

In response to said rejection, on November 28, 2008 an appeal was filed with a higher administrative authority by the Ministry of Economy of the Government of the City of Buenos Aires, which was also dismissed on April 24, 2009.

On April 28, 2009, the Court of Appeals with Federal Jurisdiction over Contentious Administrative Matters, Panel 3 handed down a judgment favourable to a petition filed by the Bank for the judge to suspend the effect of the decision made by administrative authorities until the appeal is decided. The judgment thus ordered that "...subject to a sworn promise to comply ... a) the Tax Bureau of the City of Buenos Aires must suspend the *sua sponte* assessment that has objected to the treatment afforded by BBVA Francés to the bonds received from the National Government in the terms of Decree Nr. 905-02 and the related foreign exchange gains/losses in all matters related to taxation for turnover tax purposes for the fiscal period 2002; b) therefore, the Tax Bureau of the City of Buenos Aires must abstain from demanding that the Bank should pay any amount due that may have arisen from the items above detailed".

Also in this respect, on May 13, 2009, an action for a declaratory judgment was commenced by the Bank against the Tax Bureau of the City of Buenos Aires, currently being heard by the court with original Federal Jurisdiction over Contentious Administrative Matters Nr. 1, to procure a judgment ascertaining that a) the bonds received by the Bank from the National Government as compensation for the asymmetric conversion into pesos of assets and liabilities imposed by the Executive Order Nr. 905/2002 may not be levied with Turnover Tax in the Autonomous City of Buenos Aires; b) the foreign exchange gains/losses are a direct effect of the modification of the monetary system and therefore should not be levied with Turnover Tax in the Autonomous City of Buenos Aires.

On December 29, 2010, the Judge presiding over the court with original Federal Jurisdiction over Contentious Administrative Matters Nr. 1 handed down a new precautionary measure ordering the Tax Bureau of the City of Buenos Aires to refrain from demanding that BBVA Francés should pay any debt originating in the tax treatment that should be afforded to the bonds received from the National Government as compensation for the asymmetric re-denomination into Pesos under Executive Order Nr. 905/02 and the foreign exchange gains/losses for purposes of Turnover Tax for the fiscal period 2002 in issue until a final judgment has been rendered on the proceedings whereby the action for a declaratory judgment is still pending.

The Bank as well as its legal and tax advisors estimate that the Bank has made a reasonable interpretation of currently applicable rules and regulations concerning the fiscal periods objected to by the Tax Bureau of the City of Buenos Aires and do not expect an adverse financial impact in these respects.

As regards the remaining balance of the amount claimed, the Bank adhered to a scheme of payment in instalments that was settled on October 4, 2010.

- b) On December 23, 2011, the Tax Bureau of the City of Buenos Aires (AGIP) passed its Resolution Nr. 3088-DGR-2011 and notified the Bank of the commencement of a *sua sponte* tax assessment thereunder alleging presumptive differences owed to the Tax Bureau in the payment of turnover tax for the fiscal years 2004 through 2010. On January 27, 2012, BBVA Francés filed its defense with the Tax Bureau.

Afterwards, on December 28, 2012, the Bank was notified of Resolution Nr. 3253-DRG-2012 whereby the Tax Bureau of the City of Buenos Aires proceeded with a *sua sponte* assessment based on facts concerning the taxable basis for purposes of turnover tax for the fiscal years 2004 through 2010.

On February 4, 2013, the Bank filed an appeal for reconsideration against Resolution Nr. 3253-DRG-2012 moving for the annulment of the tax adjustments contained in the *sua sponte* tax assessment and for an immediate order to archive the case file.

On February 3, 2015, the Bank was notified of the passage of Resolution Nr. 2014-3711-DGR, which conceded the appeal in part.

This Resolution was appealed by lodging a so-called “hierarchical appeal” with the head of the governmental agency in charge of raising public revenue.

The Bank as well as its legal and tax advisors estimate that the Bank has made a reasonable interpretation of currently applicable rules and regulations concerning the fiscal periods objected to by the Tax Bureau of the City of Buenos Aires and do not expect an adverse financial impact in these respects.

- c) On December 20, 2013, the Bank was notified of the Administrative Proceeding Tax Assessment Decision Nr. 4705 handed down by the Tax Bureau of the Province of Buenos Aires, whereby this tax bureau made a sua sponte determination of taxable income associated to turnover tax for the fiscal periods 01/2008 to 12/2008.

Against this Decision, the Bank filed on January 14, 2014 an appeal for the tax bureau to reverse its own decision and requested that the tax adjustments inserted in the sua sponte tax assessment be rendered ineffectual and that in due time these proceedings be archived.

The Bank as well as its legal and tax advisors estimate that the Bank has made a reasonable interpretation of currently applicable rules and regulations concerning the fiscal periods objected to by the Tax Bureau of the Province of Buenos Aires and do not expect an adverse financial impact in these respects.

## 5. BREAKDOWN OF MAIN ITEMS AND ACCOUNTS

The breakdown of the items included under Other accounts which exceed 20% of the total amount of each item is as follows:

	<u>06-30-2015</u>	<u>12-31-2014</u>
<b>a) INVESTMENTS IN OTHER COMPANIES</b>		
In controlled companies -supplementary activities	147,628	108,366
In other non-controlled companies- unlisted	55,634	44,460
In non-controlled companies-supplementary activities	13,980	11,789
	-----	-----
<b>Total</b>	<b>217,242</b>	<b>164,615</b>
	=====	=====
<b>b) OTHER RECEIVABLES</b>		
Miscellaneous receivables	675,171	386,476
Guarantee deposits	479,121	377,029
Prepayments	340,909	279,376
Tax prepayments (1)	302,066	277,218
Loans to personnel	174,641	181,620
Advances to personnel	15,329	93,065
Other	156	1,085
	-----	-----
<b>Total</b>	<b>1,987,393</b>	<b>1,595,869</b>
	=====	=====

- (1) As of June 30, 2015 and the end of the previous fiscal year, it includes the deferred tax asset for 279,400 and 239,500, respectively (see note 4.1.)

	<b>06-30-2015</b>	<b>12-31-2014</b>
<b>c) OTHER LIABILITIES FROM FINANCIAL TRANSACTIONS</b>		
Accounts payable for consumption	2,312,430	2,482,573
Other withholdings and collections at source	774,935	687,723
Collections and other operations for the account of third parties	437,971	419,185
Money orders payable	159,735	338,117
Social security payment orders pending settlement	105,541	18,816
Pending Banelco debit transactions	52,585	73,651
Loans received from Fondo Tecnológico Argentina (FONTAR) and Banco de Inversión y Comercio Exterior (BICE)	52,262	32,488
Funds raised from third parties	16,213	18,941
Loans received from Interamerican Development Bank (IDB)	8,046	6,485
Accrued commissions payable	3,390	7,336
Other	6,119	6,078
	-----	-----
<b>Total</b>	<b>3,929,227</b>	<b>4,091,393</b>
	=====	=====
<b>d) OTHER LIABILITIES</b>		
Miscellaneous payables	781,430	678,461
Accrued taxes	712,667	991,889
Amounts collected in advance	536,523	434,830
Accrued salaries and payroll taxes	502,903	536,553
Other	3,365	4,003
	-----	-----
<b>Total</b>	<b>2,536,888</b>	<b>2,645,736</b>
	=====	=====
<b>e) MEMORANDUM ACCOUNTS – DEBIT – CONTROL</b>		
Securities representative of investments in custody safekeeping on behalf of the Guarantee Fund for the Sustainability of the Pay-as-you-go System managed by the Argentine Republic	71,394,991	61,071,633
Items in safekeeping	68,856,766	53,384,165
Checks not yet credited	4,600,346	3,694,973
Checks drawn on the Bank pending clearing	753,770	564,348
Collections items	722,269	573,483
Cash in custody on behalf of the BCRA	--,-	287,347
Other	406,511	514,368
	-----	-----
<b>Total</b>	<b>146,734,653</b>	<b>120,090,317</b>
	=====	=====

	<u>06-30-2015</u>	<u>06-30-2014</u>
<b>f) SERVICE CHARGE INCOME</b>		
Commissions for hiring of insurances	293,750	244,692
Rental of safe-deposit boxes	85,732	69,118
Commissions on debit and credit cards	42,126	23,000
Commissions for transportations of values	20,301	12,740
Commissions for loans and guaranties	17,315	23,221
Commissions for capital market transactions	13,782	6,561
Commissions for escrow	10,251	10,404
Commissions for salary payment	4,898	4,681
Commissions for trust management	1,009	888
Other	47,663	37,181
	-----	-----
<b>Total</b>	<b>536,827</b>	<b>432,486</b>
	=====	=====
<b>g) SERVICE CHARGE EXPENSE</b>		
Turn-over tax	173,637	134,491
Insurance paid on lease transactions	71,284	52,534
Other	12,754	6,406
	-----	-----
<b>Total</b>	<b>257,675</b>	<b>193,431</b>
	=====	=====
<b>h) OTHER INCOME</b>		
Deferred income tax (1)	39,900	2,600
Related parties expenses recovery	30,174	26,507
Income from the Credit Card Guarantee Fund	26,714	32,352
Interest on loans to personnel	14,603	15,483
Other	11,466	32,816
	-----	-----
<b>Total</b>	<b>122,857</b>	<b>109,758</b>
	=====	=====
(1) Offset with a charge for the same amount in "Charge for uncollectibility of other receivables and other allowances" account, under Other expense item.		
<b>i) OTHER EXPENSE</b>		
Charges for administrative, disciplinary and criminal penalties (2)	48,817	--,--
Donations	7,593	6,138
Private health insurance for former employees	7,285	4,853
Insurance losses	4,679	5,255
Turn-over tax	4,491	6,681
Other	16,911	17,877
	-----	-----
<b>Total</b>	<b>89,776</b>	<b>40,804</b>
	=====	=====

(2) See note 6.1.

## 6. PENALTIES IMPOSED ON THE BANK AND ADMINISTRATIVE PROCEEDINGS INSTITUTED BY THE BCRA.

In compliance with the requirement imposed by the Argentine Central Bank's Communication "A" 5689, issued on January 8, 2015, the following is a detail of the administrative and/or disciplinary penalties as well as the

sentences imposed by criminal trial courts, enforced or brought by the Argentine Central Bank, the Financial Information Unit (UIF) and the Argentine Securities Commission (CNV) of which the Bank has been notified:

### 6.1. Penalties enforced against the Bank

- On April 21 and 29, 2010, by virtue of Resolutions Nr. 43/10 and 44/10 the Bank was notified of the commencement of two enforcement action proceedings instituted by the Financial Information Unit (UIF) against BBVA Francés arising from two wire transfers received by two customers in their respective sight accounts on November 22, 2007.

It has been the UIF's understanding that the profile of the customers, as defined, and the supporting documentation submitted by the Bank do not coincide with the possibility of receiving such wire transfers.

In due time, the Bank filed its defenses, offered evidence and petitioned for an acquittal. In addition, the Bank called for the enforcement in this case of the same guarantees available in court proceedings, argued that the statute of limitations applicable to punishable offenses had run out and further claimed that Law Nr. 25,246 is unconstitutional when it comes to the scale of penalties imposed.

On October, 13 and September, 14 2010, the Bank was served with the Resolutions Nr. 181/10 and 169/10 adopted by the UIF whereby BBVA Francés was ordered to pay a fine for an amount equivalent to one time the transactions objected for the amounts of 39,393 and 9,174, respectively.

On the basis of its legal advisors' opinion, on October 28 and November 25, 2010, the Bank lodged with the Court of Appeals with Federal Jurisdiction over Contentious Administrative Matters a direct appeal against the UIF's Resolutions in connection with the wire transfers for 9,174 and 39,393, respectively, in accordance with the provisions under Section 25 of Law Nr. 25,246.

The Bank and its legal advisors have concluded that the analysis of the transactions involved has been made in compliance with applicable legal regulations and that no Suspicious Transaction Report ("ROS", for its Spanish acronym) has proven necessary. For such reason, the Bank does not expect any adverse financial impacts in this respect. The above notwithstanding, as from January 2015 and to comply with the provisions under Communication "A" 5689 of the Argentine Central Bank, the Bank has raised a provision for 48,567.

It must be mentioned that the Regulatory Compliance Officer designated as of that date was also sentenced in both cases.

On July 16, 2015, the Court of Appeals with Federal Jurisdiction over Contentious Administrative Matters, Panel IV repealed UIF's Resolution No. 181/10, and thus the fine previously imposed was rendered ineffective. Such decision has not yet become irrevocable.

- **"BBVA Banco Francés S.A. – FCI Acciones Globales over complaint File 1196/2008".**  
Summary proceedings instituted by the Argentine Securities Commission (CNV) notified on January 6, 2009. The subject matter of the complaint is alleged breach of the CNV Rules and Law 24,083. The cause of action underlying the complaint is the presumed non-compliance with the conditions for the subscription of a mutual fund (FCI Acciones Globales) as there was a failure to have them embodied and published in the fund's Management Rules. The complaint points out that the subscription could only be conducted in USD "currency" rather than in USD "notes". This notwithstanding, the Rules set forth that subscription is in US Dollars and does not distinguish between currency or note USDs, therefore, there was no need for amending the Rules. Pursuant to Resolution Nr. 16,821 notified on May 31, 2012, a decision was made to impose on the Bank a 250 fine. The seven regular members of the Board of Directors as of the date of these events were also sanctioned. An appeal has been lodged against the Resolution that imposes the fine with the Appellate Court in Commercial Matters in and for the City of Buenos Aires. Pursuant to Law Nr. 26,831, a jurisdictional issue has emerged between the Appellate Court in Commercial Matters and the Argentine Administrative and Contentious Appellate Court. The file has been sent to the Supreme Court of Justice which in December 2014 decided that the Appellate Court with jurisdiction in commercial matters is the court that must hear in the case.

The Bank and its legal advisors estimate that the applicable rules and regulations have been reasonably interpreted and that no adverse financial impact is expected in this respect. This notwithstanding, as from January 2015 and to comply with the provisions under Communication "A" 5689 of the Argentine Central Bank, the Bank has raised a provision for 250.

## 6.2. Administrative Proceedings commenced by the BCRA

- **“Banco Francés S.A. over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on February 22, 2008 and identified under Nr. 3511, File 100.194/05, on grounds of a breach of the Criminal Foreign Exchange Regime of foreign currency by reason of purchases and sales of US Dollars through BCRA in excess of the authorized amounts. These total 44 transactions involving the branches 099, 342, 999 and 320. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) two Territory Managers, (ii) four Branch Managers, (iii) four Heads of Back-Office Management and (iv) twelve cashiers. On August 21, 2014, the trial court acquitted all the accused from all charges. The State Attorney’s Office filed an appeal and the case is now pending resolution from Panel A of the Appellate Court with jurisdiction over criminal and economic matters.
- **“Banco Francés S.A. over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank, notified on December 28, 2007, identified under Nr. 3531, File Nr. 100.345/06 and Nr. 101.581/07. The summary proceedings focus on considering that some purchases and sales of USD-denominated Government securities through Mercado Abierto Electrónico were in fact foreign exchange transactions and should, instead, have been channeled through So-called “MULC” (initials standing for Single and Free-Floating Foreign Exchange Market). Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Wholesale Banking Director, (ii) the Treasury Manager, (iii) the person responsible for Trading and (iv) the Head of the Back Office. A judgment was passed that acquitted BBVA Banco Francés S.A. and all the accused officers. The State Attorney’s Office filed an appeal against this judgment. An appellate brief was filed in support of the acquittal. On March 13, 2015, the Appellate Court with jurisdiction over criminal and economic matters, confirmed the judgment acquitting the Company and the officers involved. The State Attorney’s Office filed an extraordinary and cassation appeal, which were dismissed by the appellate court. In addition, appeals were lodged with the Supreme Court of Justice following a refusal by the lower court judge to permit the appeal, which were dismissed on July 14, 2015. This proceeding was thus brought to an end and the judgment in favor of the Bank was affirmed.
- **“Banco Francés S.A. over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank, notified on October 9, 2009 and identified under Nr. 4157, File 100.778/05 objecting certain transactions channeled through the so-called “MULC” (initials standing for Single and Free-Floating Foreign Exchange Market) with individuals and legal entities that were not allowed to operate in the MULC. The period observed is January through April 2004. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) two Foreign Trade area employees. The case is in the sentencing stage.
- **“BBVA Banco Francés S.A. over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank, notified on November 30, 2009 and identified under Nr. 4181, File N° 100.309/06 which alleges a departure from currently applicable foreign exchange regulations in connection with foreign trade transactions conducted by SULFACID S.A.C.I.F.y C., on charges of failure to comply with currently applicable rules and regulations when the company paid 4 pre-financing installments directly abroad without passing through the channels in the Argentine Republic. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) three Foreign Trade area employees. This is being heard by the Court with Jurisdiction over Financial Crimes Nr. 3, Clerk of Court's Office Nr. 6 and it is presently in the sentencing stage.
- **“Banco Francés S.A. over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on December 1, 2010 and identified under Nr. 4517, File N° 40.536/05 where charges focus on simulated foreign exchange transactions through false statements in their processing incurred by personnel in Branch 097- Comodoro Rivadavia -, which would entail failure to comply with the client identification requirements imposed by foreign exchange rules and regulations through Communication “A” 3471, Paragraph 6. Accused of these breaches stand BBVA Banco Francés S.A., the five regular members of the Board of Directors and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Retail Banking Manager, (ii) the Territory Manager, (iii) the Zone Manager, (iv) the Branch Manager, (v) the Back Office Management Head and (vi) one cashier.

The period for proffering and producing evidence came to a close and it is about to be sent to the Court with jurisdiction over financial crimes.

- **“Banco Francés S.A. over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on December 1, 2010 and identified under Nr. 4539, File N° 18.398/05 where charges focus on simulated foreign exchange transactions through false statements in their processing incurred by personnel from five branches in Mar del Plata, which would entail failure to comply with the client identification requirements imposed by foreign exchange rules and regulations through Communication “A” 3471, Paragraph 6. Accused of these breaches stand BBVA Banco Francés S.A., the five regular members of the Board of Directors and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Retail Bank Manager, (ii) the Territorial Manager, (iii) the Zone Manager, (iv) a Commercial Aide to the Zone Manager, (v) five Branch Managers, (vi) four Back-Office Branch Managers, (vii) five Main Cashiers and (viii) one cashier. The procedural stage in which evidence is produced has commenced.
- **"BBVA Banco Francés S.A. over breach of Law Nr. 19,359"**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on December 1, 2010 and identified under Nr. 4524, File N° 3.406/06 where charges focus on simulated foreign exchange transactions, conducted in the name of a deceased, perpetrated by personnel from the Branch 240 - Mendoza -, which would entail failure to comply with the client identification requirements imposed by foreign exchange rules and regulations through Communication “A” 3471, Paragraph 6. Accused of these breaches stand BBVA Banco Francés S.A., five regular members of the Board of Directors and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Retail Bank Manager, (ii) the Territorial Manager, (iii) the Zone Manager, (iv) the Branch Manager, (v) the Back Office Branch Manager and (vi) the Main Cashier. The period for proffering and producing evidence came to a close and it is about to be sent to the Court with jurisdiction over financial crimes.
- **"Banco Francés S.A. over breach of Law Nr. 19,359"**. Administrative Proceedings for Foreign Exchange Offense brought against BBVA Francés notified on July 12, 2011 and identified under Nr. 4693, File N° 101.415/10 on grounds of a breach of the Criminal Foreign Exchange Regime –foreign currency- by reason of "Investments made by Non-Residents Applied to the Purchase of Real Estate" in breach of the provisions under Communication "A" 4359. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) a Foreign Trade Area officer. This is being heard by the Court with Jurisdiction over Financial Crimes Nr. 7, Clerk of Court's Office Nr. 13 and it is presently in the sentencing stage.
- **“Banco Francés S.A. over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense brought against BBVA Francés notified on July 6, 2012 and identified under Nr. 5019, File 100.865/06, on grounds of a breach of the Criminal Foreign Exchange Regime due to sales of bank notes in the possession of residents and repatriation of investments by residents associated to the customer Líneas de Transmisión del Litoral S.A., violating the provisions under the Argentine Central Bank’s Communications “A” 4359 and 4377. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) a Foreign Trade Area officer. This is being heard by the Court with Jurisdiction over Financial Crimes Nr. 6, Clerk of Court's Office Nr. 11.
- **"BBVA Banco Francés S.A. over breach of Law Nr. 19,359"**. Administrative Proceedings for Foreign Exchange Offense brought against BBVA Francés notified on August 29, 2012 and identified under Nr. 5079, File 101.575/07, on grounds of a breach of the Criminal Foreign Exchange Regime by reason of having settled new transactions as pre-financing for exports for the benefit of Esso Petrolera Argentina S.R.L., without previously regularizing the pending overdue shipments according to the type of export which breaches Paragraph 8 of Communication “A” 4443 of the Argentine Central Bank. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) a Foreign Trade Area officer. This is being heard by the Court with Jurisdiction over Financial Crimes Nr. 6, Clerk of Court's Office Nr. 11.
- **“BBVA Banco Francés SA Over breach of Law Nr. 19,359”**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on July 26, 2013 and identified under Nr. 5406, File N° 100.443/12 where charges focus on simulated foreign exchange transactions through false statements in their processing incurred by personnel in Branch 087 - Salta -, which would entail failure to comply with the client identification requirements imposed by foreign exchange rules and regulations through Communication “A” 3471, Paragraph 6. Accused of these breaches stand BBVA Banco Francés S.A. and the

following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Branch Manager (ii) the Back Office Management Head, (iii) the Main Cashier and (iv) two cashiers. The period for proffering and producing evidence came to a close and the Argentine Central Bank must send it to Salta's Federal Court.

- **"BBVA Banco Francés S.A. over breach of Law Nr. 19,359"**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on September 20, 2013 and identified under Nr. 5472, File N° 100.969/09 where the charges consist in allegedly having channeled foreign exchange transactions with "Compañía de Seguros La Mercantil Andina S.A." in September 2007, that allegedly exceed the monthly limit imposed by Communication "A" 4128, without the Argentine Central Bank's previous consent. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) a Foreign Trade Area officer. It awaits a resolution from the Argentine Central Bank.
- **"BBVA Banco Francés S.A. over breach of Law Nr. 19,359"**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on February 21, 2014 and identified under Nr. 5706, File N° 100.134/11. The charges consist in having presumably operated with foreign exchange on January 18, 2010 despite failing to make available to the Argentine Central Bank the excess in its General Foreign Exchange Position incurred on January 15, 2010, allegedly breaching Communications "A" 4646, "A" 4814 and "C" 37587. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Director of Global Markets, (ii) the Head of the Market Management Area and (iii) the Head of the Trading Area. Evidence is being proffered and produced before the Argentine Central Bank.
- **"BBVA Banco Francés S.A. over breach of Law Nr. 19,359"**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on April 11, 2014 and identified under Nr. 5719, File N° 100.078/14. The charges consist in allegedly failing to comply with the duty to report two transactions conducted by H.C.I. S.A., which would entail failure to comply with Decree 616/05 and the Argentine Central Bank's Communications "A" 4359, "A" 4377 and "A" 4762 which mandate a mandatory deposit of 30% of all foreign currency inflows from abroad for application to the acquisition of fixed assets. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) a Foreign Trade Area officer. This is being heard by the Court with Jurisdiction over Financial Crimes Nr. 3, Clerk of Court's Office Nr. 5 and it presently awaits the court's first ruling.
- **"BBVA Banco Francés S.A. over breach of Law Nr. 19,359"**. Administrative Proceedings for Foreign Exchange Offense investigated by the Argentine Central Bank notified on March 3, 2015 and identified under Nr. 6082, File Nr. 100.091/12. The charge consists in having presumably conducted transactions that exceeded the US\$ 2,000,000 limit in the course of the calendar month on behalf of the firm LUFKIN ARGENTINA S.A., plus the allegation of an excess of USD three hundred thousand. Accused of these breaches stand BBVA Banco Francés S.A. and the following Bank officers who served in the capacities described below at the date when the breaches were perpetrated: (i) the Foreign Trade Manager and (ii) three Foreign Trade Area officers. On April 24, 2015, a defense was raised and evidence was offered.

The Bank and its legal advisors estimate that the applicable rules and regulations have been reasonably interpreted and that no adverse financial impacts are expected in these respects.

## 7. RESTRICTIONS ON ASSETS

As of June 30, 2015 and the end of the previous fiscal year, there are Bank's assets, which are restricted as follows:

- a) The Government and Private Securities account includes 194,400 in bonds issued by the Argentine Government in pesos maturing in 2016 as of June 30, 2015 and 223,960 in peso-denominated Discount Bonds due 2033 as of December 31, 2014, allocated to the guarantee required to act as custodian of investment securities related to Guarantee Fund for the Sustainability of the Pay-as-you-go System managed by the Argentine Republic.
- b) The Bank appropriated 15,389 and 15,358, respectively, in Guaranteed Bonds maturing in 2020, to secure loans arranged under the Credit Global Program to micro, small and medium businesses given by the Interamerican Development Bank (IDB).

- c) The Bank appropriated 195,426 and 195,033, respectively, in Guaranteed Bonds maturing in 2020, to secure loans granted by the so-called “Bicentennial Fund”.
- d) The Bank has also appropriated accounts, deposits and trusts for 1,136,108 and 762,650, respectively, as security for activities related to credit card operations, automated clearing houses, non-deliverable forwards and lawsuits.

## 8. TRANSACTIONS WITH SUBSIDIARIES AND PARENT COMPANIES (ART. 33 OF LAW Nr. 19,550)

The balances as of June 30, 2015 and the end of the previous fiscal year, for transactions performed with subsidiaries and parent companies are as follows:

Company	Balance Sheet				Memorandum Accounts (1)	
	Assets		Liabilities		2015	2014
	2015	2014	2015	2014		
BBVA	26,051	94,403	287,618	87,622	78,998	43,591
BBV América S.L.	--,--	--,--	119,253	--,--	10,998,187	8,406,791
BBVA Francés Valores S.A	12	58	205	805	13,052	13,403
Consolidar Administradora de Fondos de Jubilaciones y Pensiones S.A. (undergoing liquidation proceedings)	1	1	792	421	3,047	6,975
BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión	825	780	13,311	12,970	55,535	44,352
BBVA Consolidar Seguros S.A.	17,786	24,074	22,862	23,560	36,239	18,311
PSA Finance Argentina Cía. Financiera S.A.	891,832	1,098,745	2,621	5,371	64,169	150,172
Rombo Cía. Financiera S.A.	714,903	685,446	4,978	9,653	243,446	334,653

- (1) Includes Items in safekeeping, Credit lines granted (unused portion) covered by debtor classification regulations, Guaranties given covered by debtor classification regulations and Derivatives.

## 9. BANK DEPOSITS GUARANTEE INSURANCE SYSTEM

The Bank is included in the Deposit Guarantee System established by Law 24,485, Regulatory Decrees Nr. 540/95, Nr. 1,292/96 and 1,127/98 and BCRA’s Communication “A” 5659.

Such law provided for the creation of the Company Seguros de Depósitos Sociedad Anónima (SEDESA) for purposes of managing the Deposit Guarantee Fund (DGF), whose shareholders, in accordance with the changes introduced by Decree Nr. 1,292/96, shall be the BCRA with one share as a minimum and the trustees of the trust created by the financial institutions in the proportion to be determined for each by the BCRA according to their contributions to the DGF.

That Company was incorporated in August 1995 and the Bank holds a 9.2771% interest in its capital stock.

The Deposit Guarantee System, which is limited, compulsory and onerous, has been created for purposes of covering the bank deposit risks subsidiarily and complementarily to the deposit protection and privilege system established by the Financial Institutions Law.

The guarantee shall cover the repayment of principal disbursed plus interest accrued through the date of revoking of the authorization to operate or through the date of suspension of the institution through application of section 49 of the BCRA’s Charter provided that the latter had been adopted earlier than the former without exceeding the amount of pesos a three hundred and fifty thousand. Regarding operations in the name of two or more people, the guarantee shall be prorated between the holders. In no event shall the total guarantee per person exceed the above-mentioned amount, whatever the number of accounts and/or deposits.

## 10. TRUST ACTIVITIES

On January 5, 2001, the BCRA’s Board of Directors issued Resolution Nr. 19/01, providing for the exclusion of Mercobank S.A.’s senior liabilities under the terms of section 35 bis of the Financial Institutions Law, the

authorization to transfer the excluded assets to the Bank as trustee of the Diagonal Trust, and the authorization to transfer the excluded liabilities to beneficiary banks. Also, on the mentioned date, the agreement to set up the Diagonal Trust was subscribed by Mercobank S.A. as settle and the Bank as trustee in relation to the exclusion of assets as provided in the resolution above-mentioned. As of June 30, 2015 and the end of the previous fiscal year, the assets of Diagonal Trust amount to 2,428, considering its recoverable value.

Besides, the Bank in its capacity as Trustee in the Corp Banca Trust recorded the selected assets on account of the redemption in kind of participation certificates for 4,177 as of June 30, 2015 and the end of the previous fiscal year.

Besides, the Bank acts as trustee in 13 non-financial trusts, and in no case being personally liable for the liabilities assumed in the performance of the contract obligations; such liabilities will be settled with and up to the full amount of the corpus assets and the proceeds therefrom. The non financial trusts concerned were set up to secure the receivables of several creditors (beneficiaries) and the trustee was entrusted the management, care, preservation and custody of the corpus assets until (i) the requirements to show the noncompliance with the obligations by the debtor (settler) vis-à-vis the creditors (beneficiaries) are met, moment at which such assets will be sold and the proceeds therefrom will be distributed (net of expenses) among all beneficiaries, the remainder (if any) being delivered to the settler, or (ii) all contract terms and conditions are complied with, in which case all the corpus assets will be returned to the settler or to whom it may indicate. The trust assets represent about 145,075 and 155,354 as of June 30, 2015 and the end of the previous fiscal year, respectively, consist of cash, creditors' rights, real estate and shares.

## 11. CORPORATE BONDS

On July 15, 2003, an Extraordinary Stockholders' Meeting approved the setting up of a Program for the issuance and re-issuance of ordinary Corporate Bonds (non-convertible into shares) with ordinary guarantee, or such guarantees as may be decided by the Bank, and unsecured Subordinated Corporate Bonds, convertible or not into shares. During the life of the Program, which was 5 (five) years, it was possible to issue and re-issue any number of series and/or classes of Corporate Bonds as long as at all times the maximum amount in circulation after adding together all series and/or classes outstanding under the Program pending redemption does not exceed at any time US\$ 300,000,000 (or the equivalent thereof in other currencies). The Program was approved by CNV Resolution Nr. 14,967 dated November 29, 2004.

The Global Program was amended according to the resolutions adopted by the Ordinary and Extraordinary Stockholders' Meeting held on April 26, 2007; extended for 5 (five) years by resolution adopted by the Ordinary and Extraordinary Stockholders' Meetings held on March 28, 2008 and on April 9, 2013 (approved by the CNV by Resolutions Nr. 16,010 and Nr. 17,127 dated November 6, 2008 and July 11, 2013, respectively); and the maximum amount of the issuance was successively increased from US\$ 300,000,000 to US\$ 500,000,000 and from US\$ 500,000,000 to US\$ 750,000,000 by resolution adopted by the Ordinary and Extraordinary Stockholders' Meetings held on March 30, 2011 and March 26, 2012, respectively.

The following is a detail of the Corporate Bonds outstanding as of June 30, 2015 and the end of the previous fiscal year:

Detail	Date of issuance	Nominal Value (in thousands of pesos)	Due date	Rate	Interest payments
Class 4	07/31/2013	250,000	01/31/2015	Private Badlar + nominal 3.69% per annum	Quarterly
Class 6	11/08/2013	121,357	05/08/2015	Private Badlar + nominal 3.25% per annum	Quarterly
Class 7	11/08/2013	250,000	11/08/2016	Private Badlar + nominal 4.24% per annum	Quarterly
Class 8	02/11/2014	258,880	08/11/2015	Private Badlar + nominal 3.80% per annum	Quarterly
Class 9	02/11/2014	145,116	02/11/2017	Private Badlar + nominal 4.70% per annum	Quarterly

Class 10	07/18/2014	233,750	01/18/2016	Private Badlar + nominal 2.50% per annum	Quarterly
Class 11	07/18/2014	165,900	07/18/2017	Private Badlar + nominal 3.75% per annum	Quarterly
Class 12	11/13/2014	130,286	05/13/2016	Private Badlar + nominal 2.53% per annum	Quarterly
Class 13	11/13/2014	107,500	11/13/2017	Private Badlar + nominal 3.75% per annum	Quarterly
Class 14	02/13/2015	134,300	11/13/2015	25.75% Fix rate	Quarterly
Class 15	02/13/2015	144,875	11/13/2016	Private Badlar + nominal 4% per annum	Quarterly

The issued Corporate Bonds were fully subscribed and paid in and they will be fully amortized at maturity.

As provided for in the Corporate Bonds Law and the BCRA regulations, the proceeds obtained from the issuance of Classes 4, 6, 7, 8, 9, 10, 11, 12 and 13 were applied to the reimbursement of time deposits, whilst the proceeds from the issuance of Classes 14 and 15 were applied to the grant of working capital loans.

On May 28, 2015, the Bank approved the issuance of Class 16 of its Corporate Bonds under the Program for a joint principal amount of up to \$ 500,000,000. On July 30, 2015, the Bank issued Class 16 of its Corporate Bonds, which were fully subscribed and paid in for 204,375 for a term of 24 months, to be fully amortized at maturity and subject to a variable interest rate equivalent to the private Badlar rate plus a spread of a nominal 3.75% per annum, with quarterly interest payments.

As of June 30, 2015 and the end of the previous fiscal year, the outstanding principal and accrued interest amounts to 1,629,508 (in connection with Class 7, 8, 9, 10, 11, 12, 13, 14 and 15 of the Corporate Bonds) and 1,725,644 (in connection with Class 4, 6, 7, 8, 9, 10, 11, 12 and 13 of the Corporate Bonds), respectively.

## 12. DERIVATIVE FINANCIAL INSTRUMENTS

### I. Transactions as of June 30, 2015:

- a) Interest rate swaps for 699,538 (Fixed Rate versus Badlar), maturing within a period not exceeding 2 years for which the Bank pays a variable amount in accordance with changes in the Badlar, Encuesta rate, and receives a fixed amount based on stated notional amounts and interest rate swaps for 13,000 (Badlar versus Taxed Rate), maturing within a period not exceeding 1 year for which the Bank pays a fixed amount in accordance with changes in the Badlar, Encuesta rate, and receives a variable amount in accordance with changes in the Badlar, Encuesta rate.

These transactions have been valued in accordance with the criteria described in note 2.3.n.1.) recognizing the amount of 26,850 as income for the period.

The estimated fair value of said instruments amounts to 13,759 (Asset). For fair value estimation purposes, the variable and fixed as yet not matured future flows are discounted, with the swap value being the difference between the current value of the future flows receivable and the current value of the future flows payable.

As of the end of the period, the above transactions were recorded under “Memorandum Accounts - Debit Accounts – Derivatives – Interest rate swap” for 712,538.

- b) Interest rate swap for 33,430 (Fixed Rate versus Badlar), with final maturity in September 2019, for which the Bank pays a variable amount in accordance with changes in the Badlar, Encuesta rate, and receives a fixed amount based on stated notional amounts.

Said transaction was consummated as hedge for potential volatility in the cash flows arising from certain financing deals attributable to changes in the designated benchmark interest rates and it has proven to be effective hedge for the risk mentioned.

The aim pursued by risk management consists in reducing exposure to changes in cash flows arising from financing deals. Thanks to the hedge established, changes in the cash flows arising from the underlying instrument caused by changes in the benchmark interest rate would decrease as a result of having been offset with the changes in the cash flows arising from the hedge instrument.

As of the end of the period the above transaction was recorded under “Memorandum Accounts - Debit Accounts – Derivatives – Interest rate swap” for 33,430.

- c) Non-deliverable forward purchase and sale transactions in foreign currency payable in Pesos, maturing within a period not exceeding 1 year, for 2,140,619 and 2,631,574, which are recorded under “Memorandum Accounts - Debit Accounts - Derivatives – “Notional” amount of non-deliverable forward transactions”, and “Memorandum Accounts - Credit Accounts - Derivatives – “Notional” amount of non-deliverable forward transactions”, respectively.

These transactions have been valued in accordance with the criteria described in note 2.3.n.2.), recognizing the amount of 48,486 as income for the period.

- d) Forward sales of BCRA Bills under reverse repurchase agreements for 1,160,686 and of Government securities for 44,161, which are recorded under “Other liabilities from financial transactions – Instruments to be delivered for spot and forward sales to be settled”.

These transactions have been valued in accordance with the description in note 2.3.g) recognizing the amount of 44,880 as income for the period.

- e) Forward purchases of BCRA Bills under repurchase agreements for 1,201,083, which are recorded under “Other receivables from financial transactions – Instruments to be received for spot and forward purchases to be settled”.

These transactions have been valued in accordance with the description in note 2.3.g) recognizing the amount of 3,025 as loss for the period.

## II. Transactions as of December 31, 2014:

- a) Interest rate swaps for 1,061,420 (Fixed Rate versus Badlar), maturing within a period not exceeding 2 years for which the Bank pays a variable amount in accordance with changes in the Badlar, Encuesta rate, and receives a fixed amount based on stated notional amounts.

These transactions have been valued in accordance with the criteria described in note 2.3.n.1.) recognizing the amount of 12,492 as income for the fiscal year.

The estimated fair value of said instruments amounts to 17,218 (Asset). For fair value estimation purposes, the variable and fixed as yet not matured future flows are discounted, with the swap value being the difference between the current value of the future flows receivable and the current value of the future flows payable.

As of the end of the fiscal year, the above transactions were recorded under “Memorandum Accounts - Debit Accounts – Derivatives – Interest rate swap” for 1,061,420.

- b) Interest rate swap for 36,545 (Fixed Rate versus Badlar), with final maturity in September 2019, for which the Bank pays a variable amount in accordance with changes in the Badlar, Encuesta rate, and receives a fixed amount based on stated notional amounts.

Said transaction was consummated as hedge for potential volatility in the cash flows arising from certain financing deals attributable to changes in the designated benchmark interest rates and it has proven to be effective hedge for the risk mentioned.

The aim pursued by risk management consists in reducing exposure to changes in cash flows arising from financing deals. Thanks to the hedge established, changes in the cash flows arising from the underlying instrument caused by changes in the benchmark interest rate would decrease as a result of having been offset with the changes in the cash flows arising from the hedge instrument.

As of the end of the fiscal year the above transaction was recorded under “Memorandum Accounts - Debit Accounts –Derivatives – Interest rate swap” for 36,545.

- c) Non-deliverable forward purchase and sale transactions in foreign currency payable in Pesos, maturing within a period not exceeding 1 year, for 2,984,388 and 2,915,793, which are recorded under “Memorandum Accounts - Debit Accounts - Derivatives – “Notional” amount of non-deliverable forward transactions”, and “Memorandum Accounts - Credit Accounts - Derivatives – “Notional” amount of non-deliverable forward transactions”, respectively.

These transactions have been valued in accordance with the criteria described in note 2.3.n.2.), recognizing the amount of 485,423 as income for the fiscal year.

- d) Forward sales of BCRA Bills under reverse repurchase agreements for 676,995 and of Government securities for 234,986, which are recorded under “Other liabilities from financial transactions – Instruments to be delivered for spot and forward sales to be settled”.

These transactions have been valued in accordance with the description in note 2.3.g) recognizing the amount of 43,423 as income for the fiscal year.

- e) The Bank does not carry any pending balances associated to repos in force at December 31, 2014. However, the transactions conducted at December 31, 2014 have yielded a 7,888 loss at the end of the fiscal year.

### 13. COMPLIANCE WITH CNV REQUIREMENTS

#### 13.1 Minimum Stockholders’ Equity and Minimum of liquid assets:

According to CNV’s General Resolution Nr. 622/13, the minimum Stockholders’ Equity required to operate as “Settlement and Clearing Agent – Comprehensive” would amount to 15,000 and the minimum of liquid assets required by those rules would be 7,500. This amount comprises Federal Government Bonds in Pesos Badlar + 200 bp maturing in 2016 and deposited with the account opened at Caja de Valores S.A. entitled “Depositor 1647 Brokerage Account 5446483 BBVA Banco Francés Minimum Counterbalancing Entry”. As of June 30, 2015 and the end of the previous fiscal year, the Bank’s Stockholders’ Equity exceeds the minimum amount imposed by CNV.

#### 13.2 The Bank’s operations as Mutual Funds’ Custodian Agent

As of June 30, 2015 and the end of the previous fiscal year, in its capacity as Custodian Agent of “FBA Ahorro Pesos”, “FBA Renta Pesos”, “FBA Calificado”, “FBA Horizonte”, “FBA Acciones Latinoamericanas”, “FBA Bonos Argentina”, “FBA Acciones Argentinas”, “FBA Bonos Globales” managed by BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión, the Bank holds certificates of deposits, repos, shares, corporate bonds, government securities, indexes, deferred payment checks, securities issued by the BCRA, Cedears, ADRS, shares in mutual funds and financial trusts in safekeeping in the amount of 8,687,308 and 5,917,790, respectively, all of which making up the Fund’s portfolio and booked in “Memorandum Accounts - Debit Accounts -Control - Other”.

The Investment Funds’ equities are as follows:

<u>INVESTMENT FUND</u>	<b>EQUITIES AS OF</b>	
	<u>06-30-2015</u>	<u>12-31-2014</u>
FBA Ahorro Pesos	6,843,526	3,692,738
FBA Renta Pesos	2,128,156	2,515,529
FBA Calificado	290,586	223,763
FBA Bonos Argentina	94,510	23,179
FBA Horizonte	83,682	68,071
FBA Acciones Latinoamericanas	57,281	47,804
FBA Acciones Argentinas	961	793
FBA Bonos Globales	182	164
<b>Total</b>	<b>9,498,884</b>	<b>6,572,041</b>

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**14. EARNINGS DISTRIBUTIONS**

The Bank has in place an earnings distribution policy in line with the Bank's vocation for sustained stockholder value, that at the same time allows the Bank's financial condition to perform favourably so as to strive for business growth and the maintenance of consistently high liquidity and solvency standards in compliance with currently applicable rules and regulations.

Restriction on earnings distributions:

- a) On April 7, 2015, the Ordinary and Extraordinary Shareholders' Meeting was held, approving the allocation of earnings as follows:
- To Legal Reserve: 640,899
  - To Cash dividend: 400,000 (\*)
  - To Voluntary reserve for future distributions of income: 2,163,597 (\*\*)

(\*) Subject to BCRA's approval. See paragraph b) below.

(\*\*) Depending on the amount eventually authorized by BCRA, 400,000 may be added to this amount.

- a) In accordance with the dispositions of point 2.1 of Communication "A" 5273 of "Distribution of Income" of the BCRA issued on January 27, 2012 and of Communication "A" 5689 issued on January 8, 2015, for purposes of calculating the earnings subject to distribution, off-balance sheet deductions must be performed from the sum of the balances recorded in the account Unappropriated retained earnings and in the Voluntary reserve for future distributions of income. In addition, the authorization of the Superintendent of Financial and Exchange Institutions shall be required in order to verify that the procedure established in said resolution for earnings distribution has been properly applied. At the date of issuance of these financial statements, the above-mentioned distribution of dividends is pending approval by the BCRA.

**15. ACCOUNTS IDENTIFYING COMPLIANCE WITH MINIMUM CASH**

The following are the items computed for Compliance with Minimum Cash Requirements according to the regulations of the BCRA, with their corresponding balances as of June 30, 2015 and the end of the previous fiscal year:

	<u>06-30-15</u>	<u>12-31-14</u>
<b>COMPUTABLE COMPLIANCE IN PESOS</b>		
Special Guarantee Accounts	510,341	277,841
BCRA Checking Account	6,457,000	4,323,948
Special social security accounts	90,221	5,673
<b>TOTAL</b>	<b><u>7,057,562</u></b>	<b><u>4,607,462</u></b>

**COMPUTABLE COMPLIANCE IN US DOLLARS (Stated in thousands of pesos)**

Special Guarantee Accounts	36,819	34,653
BCRA Checking Account	3,135,111	4,926,882
<b>TOTAL</b>	<b><u>3,171,930</u></b>	<b><u>4,961,535</u></b>

**COMPUTABLE COMPLIANCE IN EUROS (Stated in thousands of pesos)**

BCRA Checking Account	<u>66,526</u>	<u>68,137</u>
<b>TOTAL</b>	<b><u>66,526</u></b>	<b><u>68,137</u></b>

**16. STATEMENTS OF CASH AND CASH EQUIVALENTS FLOW**

The Statements of Cash and cash equivalents flow explain the changes in cash and cash equivalents. For such purpose, a detail is supplied of the items that the Bank considers to be cash and cash equivalents:

	<u>06-30-15</u>	<u>12-31-14</u>	<u>06-30-14</u>	<u>12-31-13</u>
a) Cash and due from banks	13,597,847	12,525,541	11,430,853	12,844,259
b) Government securities	--	--	259,229	88,812
c) Loans to financial sector, call granted maturity date less than three months as from the end of each period or fiscal year	378,610	525,950	487,480	671,120
<b>CASH AND CASH EQUIVALENTS</b>	<b><u>13,976,457</u></b>	<b><u>13,051,491</u></b>	<b><u>12,177,562</u></b>	<b><u>13,604,191</u></b>

Items b) and c) are considered to be cash equivalents because they are held in order to meet short-term commitments, they are readily convertible in known cash amounts, they are subject to insignificant risk of changes in value and their maturity is less than three months as from the period or fiscal year date.

**17. THE BANK'S DOCUMENTATION AND RECORDS – CNV RESOLUTION Nr. 629/14**

CNV issued its General Resolution Nr. 629 on August 14, 2014 to introduce changes in its own rules governing the maintenance and safekeeping of corporate books, accounting records and business documentation. In this respect, it is reported that the Bank has sent the documentation that supports its operations for the periods still open to audit for safekeeping to Administradora de Archivos S.A. (AdeA), domiciled at Ruta 36 Km. 31.5 of Florencio Varela, Province of Buenos Aires.

In addition, it is put on record that a detail of the documentation delivered for safekeeping, as well as the documentation referred to in Article 5, Sub-article a.3), Section I of Chapter V of Title II of the CNV rules is available at the Bank's registered office (Technical Rules 2013 as modified).

**18. IFRS CONVERGENCE IMPLEMENTATION PLAN.**

As of the date of issuance of these financial statements, the Bank was in the process of implementing the plan geared to convergence with the International Financial Reporting Standards (IFRS) as set forth in the Argentine Central Bank's Communication "A" 5541 and supplementary rules in this respect, which will be effective as from the financial statements for the fiscal years beginning on January 1, 2018. On March 17, 2015, the Entity's Board of Directors approved the above-mentioned Plan, which was filed with the Argentine Central Bank on March 30, 2015.

**19. PURCHASE OF STOCK IN VOLKSWAGEN CREDIT COMPAÑÍA FINANCIERA S.A.**

On May 20, 2015, the Bank executed a Stock Purchase Agreement with Grupo Volkswagen. Pursuant to this Stock Purchase Agreement, the Bank will acquire 51% of the capital stock of Volkswagen Credit Compañía Financiera S.A., equivalent to 23,970,000 non-endorsable, registered, ordinary shares with par value \$ 1 and the right to one vote per share. The transaction will be consummated after the consent by the Argentine Central Bank is received.

For the acquisition of these shares, a maximum price has been established at 53,040 which must be paid by the Bank at the closing of the transaction.

## **20. PUBLICATION OF THE FINANCIAL STATEMENTS**

As provided by Communication “A” 760, the previous intervention of the BCRA is not required for the publication of these financial statements.

## **21. ACCOUNTING PRINCIPLES – EXPLANATION ADDED FOR TRANSLATION INTO ENGLISH**

These financial statements are presented on the basis of the accounting standards of the BCRA and, except for the effect of the matters mentioned in note 3 to the stand – alone financial statements and note 2 to the consolidated financial statements, in accordance with the Argentine professional accounting standards. Certain accounting practices applied by the Bank that conform with the standards of the BCRA and with the Argentine professional accounting standards may not conform with the generally accepted accounting principles in other countries.

The effects of the differences, if any, between Argentine professional accounting standards and the generally accepted accounting principles in the countries in which the financial statements are to be used have not been quantified. Accordingly, they are not intended to present financial position, results of operations and cash flows in accordance with generally accepted accounting principles in the countries of the users of the financial statements, other than Argentina.

**DETAIL OF GOVERNMENT AND PRIVATE SECURITIES**
**AS OF JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	ID Caja de Valores	Market value or present value	Holding		Position without options	Final position
			Book balance as of 06-30-2015	Book balance as of 12-31-2014		
<b>GOVERNMENT SECURITIES</b>						
<b>Government securities at fair value</b>						
Local						
In pesos						
Secured Bonds maturing in 2020	2423		1,186,287		1,186,287	1,186,287
Federal Government Bonds in Pesos Badlar + 200 bp maturing in 2016	5460		320,891		316,031	316,031
Federal Government Bonds in Pesos Badlar + 200 bp maturing in 2017	5459		292,571		292,571	292,571
Peso-denominated Discount governed by Argentine Law maturing in 2033	45696		270,455		270,455	270,455
Argentine Treasury Bonds 18 months maturing 09-30-16	5313		99,000		99,000	99,000
Argentine Treasury Bonds maturing 05-09-16	5314		77,603		77,603	77,603
Other			66,619		66,619	66,619
Subtotal in pesos			2,313,426	2,526,105	2,308,566	2,308,566
In foreign currency						
Argentine Bond of Saving towards economic development	5456		192,283		192,283	192,283
Federal Government Bonds in US Dollars 1.75% maturing in 2016	5461		55,665		27,832	27,832
Federal Government Bonds in US Dollars 7% maturing in 2015	5433		39,427		--	--
Federal Government Bonds in US Dollars 2.4% maturing in 2018	5462		25,137		25,137	25,137
Federal Government Bonds in US Dollars 8.75% maturing in 2024	5458		757		(2,204)	(2,204)
Other			1,383		--	--
Subtotal in foreign currency			314,652	415,760	243,048	243,048
From abroad						
Other						
			13		8	8
			13	--	8	8
Subtotal Government securities at fair value			2,628,091	2,941,865	2,551,622	2,551,622
<b>Government securities at amortized cost</b>						
Local						
In pesos						
Other			164		164	164
Subtotal in pesos			164	164	164	164
Subtotal Government securities at amortized cost			164	164	164	164

DETAIL OF GOVERNMENT AND PRIVATE SECURITIES

AS OF JUNE 30, 2015 AND DECEMBER 31, 2014

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	ID Caja de Valores	Market value or present value	Holding		Position without options	Final position
			Book balance as of 06-30-2015	Book balance as of 12-31-2014		
<b>Instruments issued by the BCRA</b>						
BCRA Bills						
At fair value						
Argentine Central Bank Internal Bills due 07-15-15	46604		286,978		633,787	633,787
Argentine Central Bank Internal Bills due 07-08-15	46605		282,320		282,320	282,320
Argentine Central Bank Internal Bills due 09-16-15	46615		264,611		264,611	264,611
Argentine Central Bank Internal Bills due 08-26-15	46611		158,304		158,304	158,304
Argentine Central Bank Internal Bills due 07-29-15	46618		123,801		123,801	123,801
Argentine Central Bank Internal Bills due 07-22-15	46614		109,572		257,542	257,542
Argentine Central Bank Internal Bills due 11-04-15	46625		91,558		412,011	412,011
Argentine Central Bank Internal Bills due 08-05-15	46607		69,615		121,370	121,370
Argentine Central Bank Internal Bills due 08-12-15	46608		63,765		170,689	170,689
Other			25,601		25,601	25,601
Subtotal at fair value			1,476,125	1,415,875	2,450,036	2,450,036
Repurchase transactions						
Argentine Central Bank Internal Bills due 09-30-15	46620		1,160,686		--	--
Subtotal repurchase transactions			1,160,686	676,994	--	--
At amortized cost						
Argentine Central Bank Internal Bills due 03-02-16	46645		874,466		874,466	874,466
Argentine Central Bank Internal Bills due 02-24-16	46644		773,169		773,169	773,169
Argentine Central Bank Internal Bills due 12-16-15	46632		736,450		976,274	976,274
Argentine Central Bank Internal Bills due 01-13-16	46637		609,960		609,960	609,960
Argentine Central Bank Internal Bills due 02-17-16	46643		594,563		594,563	594,563
Argentine Central Bank Internal Bills due 10-21-15	46623		530,830		530,830	530,830
Argentine Central Bank Internal Bills due 01-20-16	46638		530,441		530,441	530,441
Argentine Central Bank Internal Bills due 10-28-15	46624		459,594		456,092	456,092
Argentine Central Bank Internal Bills due 11-11-15	46627		457,955		457,955	457,955
Argentine Central Bank Internal Bills due 12-09-15	46631		402,025		402,025	402,025
Argentine Central Bank Internal Bills due 02-03-16	46640		386,734		386,734	386,734
Argentine Central Bank Internal Bills due 09-30-15	46620		378,200		378,200	378,200
Argentine Central Bank Internal Bills due 12-30-15	46635		367,930		367,930	367,930
Argentine Central Bank Internal Bills due 08-19-15	46609		338,163		347,835	347,835
Argentine Central Bank Internal Bills due 01-27-16	46639		199,371		199,371	199,371
Argentine Central Bank Internal Bills due 09-02-15	46647		192,487		192,487	192,487
Argentine Central Bank Internal Bills in US dollars due 07-29-15	12093		159,824		159,824	159,824
Argentine Central Bank Internal Bills in US dollars due 07-08-15	12089		96,463		96,463	96,463
Argentine Central Bank Internal Bills due 12-02-15	46630		89,809		89,809	89,809
Argentine Central Bank Internal Bills in US dollars due 07-01-15	12045		80,958		80,958	80,958
Argentine Central Bank Internal Bills in US dollars due 08-12-15	12096		77,639		77,639	77,639
Argentine Central Bank Internal Bills in US dollars due 09-09-15	13014		76,590		76,590	76,590
Argentine Central Bank Internal Bills in US dollars due 07-22-15	12051		55,147		55,147	55,147
Argentine Central Bank Internal Bills in US dollars due 08-19-15	13002		43,785		43,785	43,785
Argentine Central Bank Internal Bills in US dollars due 08-12-15	13044		42,484		42,484	42,484
Argentine Central Bank Internal Bills in US dollars due 09-23-15	12105		40,165		40,165	40,165
Other			281,511		387,479	387,479
Subtotal at amortized cost			8,876,713	6,537,187	9,228,675	9,228,675
Subtotal instruments issued by the BCRA			11,513,524	8,630,056	11,678,711	11,678,711
<b>TOTAL GOVERNMENT SECURITIES</b>			14,141,779	11,572,085	14,230,497	14,230,497

DETAIL OF GOVERNMENT AND PRIVATE SECURITIES

AS OF JUNE 30, 2015 AND DECEMBER 31, 2014

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	ID Caja de Valores	Market value	Holding		Position without options	Final position
			Book balance as of 06-30-2015	Book balance as of 12-31-2014		
<b>INVESTMENTS IN LISTED PRIVATE SECURITIES</b>						
<b>Other Equity instruments</b>						
Local						
In pesos						
Tenaris S.A.	40115	136	136		136	136
Subtotal in pesos			136	141	136	136
From abroad						
In foreign currency						
Other			37		37	37
Subtotal in foreign currency			37	37	37	37
Subtotal Equity instruments			173	178	173	173
<b>TOTAL INVESTMENTS IN LISTED PRIVATE SECURITIES</b>						
			173	178	173	173
<b>TOTAL GOVERNMENT AND PRIVATE SECURITIES</b>						
			14,141,952	11,572,263	14,230,670	14,230,670

**CLASSIFICATION OF FINANCING FACILITIES BY CATEGORIES  
AND GUARANTIES RECEIVED AS OF JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

-Stated in thousands of pesos-

	06-30-2015	12-31-2014
<b>COMMERCIAL PORTFOLIO</b>		
Normal performance	25,584,134	22,084,118
Preferred collaterals and counter guaranties "A"	1,564,329	1,215,074
Preferred collaterals and counter guaranties "B"	965,030	770,416
Without senior security or counter guaranties	23,054,775	20,098,628
With special follow-up	6,310	7,022
Under observation	6,310	7,022
Preferred collaterals and counter guaranties "B"	6,309	540
Without senior security or counter guaranties	1	6,482
Non-performing	--,-	5,048
Without senior security or counter guaranties	--,-	5,048
With high risk of uncollectibility	17,065	--,-
Preferred collaterals and counter guaranties "A"	6,827	--,-
Preferred collaterals and counter guaranties "B"	592	--,-
Without senior security or counter guaranties	9,646	--,-
Uncollectible	5,501	27,508
Preferred collaterals and counter guaranties "B"	5,000	3,750
Without senior security or counter guaranties	501	23,758
<b>Total</b>	<b>25,613,010</b>	<b>22,123,696</b>

**CLASSIFICATION OF FINANCING FACILITIES BY CATEGORIES  
AND GUARANTIES RECEIVED AS OF JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

-Stated in thousands of pesos-

	<b>06-30-2015</b>	<b>12-31-2014</b>
<b>CONSUMER AND HOUSING PORTFOLIO</b>		
Normal performance	24,906,566	22,255,710
Preferred collaterals and counter guaranties "A"	35,383	41,185
Preferred collaterals and counter guaranties "B"	2,097,900	1,890,172
Without senior security or counter guaranties	22,773,283	20,324,353
Low risk	196,049	221,648
Preferred collaterals and counter guaranties "A"	--	68
Preferred collaterals and counter guaranties "B"	16,308	23,400
Without senior security or counter guaranties	179,741	198,180
Medium risk	222,855	196,426
Preferred collaterals and counter guaranties "B"	6,210	10,359
Without senior security or counter guaranties	216,645	186,067
High risk	127,459	129,534
Preferred collaterals and counter guaranties "B"	18,333	16,183
Without senior security or counter guaranties	109,126	113,351
Uncollectible	25,400	33,395
Preferred collaterals and counter guaranties "B"	10,319	9,674
Without senior security or counter guaranties	15,081	23,721
Uncollectible, classified as such under regulatory requirements	68	136
Without senior security or counter guaranties	68	136
<b>Total</b>	<b>25,478,397</b>	<b>22,836,849</b>
<b>General Total (1)</b>	<b>51,091,407</b>	<b>44,960,545</b>

(1) Items included: Loans (before allowances); Other receivables from financial transactions: Unlisted corporate bonds and Other receivables covered by debtor classification regulations; Receivables from financial leases (before allowances); Memorandum accounts - Credit - Contingent: Credit lines granted (unused portion) covered by debtor classification regulations, Other guaranties given covered by debtor classification regulations and Other covered by debtor classification regulations.

**FINANCING FACILITIES CONCENTRATION**

**AS OF JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

<b>Number of clients</b>	<b>06-30-2015</b>		<b>12-31-2014</b>	
	<b>Outstanding balance</b>	<b>% of total portfolio</b>	<b>Outstanding balance</b>	<b>% of total portfolio</b>
10 largest clients	5,652,564	11.06%	5,084,274	11.31%
50 next largest clients	7,008,226	13.72%	6,428,811	14.30%
100 following clients	4,374,922	8.56%	3,771,556	8.39%
Remaining clients	34,055,695	66.66%	29,675,904	66.00%
<b>Total (1)</b>	<b>51,091,407</b>	<b>100.00%</b>	<b>44,960,545</b>	<b>100.00%</b>

(1) See (1) in Exhibit B.

**BREAKDOWN BY FINANCING TERMS AS OF JUNE 30, 2015**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	Past-due portfolio	Term remaining to maturity					More than 24 months	Total
		1 month	3 months	6 months	12 months	24 months		
Government sector	--,--	198	--,--	--,--	--,--	60,275	--,--	60,473
Financial sector	--,--	562,248	259,885	300,983	519,342	111,878	--,--	1,754,336
Non financial private sector and residents abroad	186,667	25,677,939	4,162,018	4,326,990	3,663,910	5,234,835	6,024,239	49,276,598
<b>TOTAL</b>	<b>186,667</b>	<b>26,240,385</b>	<b>4,421,903</b>	<b>4,627,973</b>	<b>4,183,252</b>	<b>5,406,988</b>	<b>6,024,239</b>	<b>51,091,407</b> (1)

(1) See (1) in Exhibit B.

**DETAIL OF INVESTMENTS IN OTHER COMPANIES**
**AS OF JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish – See note 21)

- Stated in thousands of pesos -

Identification	Concept Description	Shares			Amount		Information about the issuer Data from last published financial statements					
		Class	Unit face value	Votes per share	Number	06-30-2015	12-31-2014	Main business	Period / Fiscal year end	Capital stock	Stockholders' equity	Income/ (Loss) for the period / fiscal year
<b>FINANCIAL INSTITUTIONS, SUPPLEMENTARY AND AUTHORIZED</b>												
Controlled												
Local												
											thousands of pesos	
33642192049	BBVA Francés Valores S.A.	Common	500\$	1	12,396	34,341	25,208	Stockbroker	06-30-2015	6,390	35,404	9,415
30663323926	Consolidar Administradora de Fondos de Jubilaciones y Pensiones S.A. (undergoing liquidation proceedings)	Common	1\$	1	35,425,947	4,819	4,591	Pensions fund manager	06-30-2015	65,739	8,943	1,201
30707847367	PSA Finance Arg. Cia Financiera S.A.	Common	1,000\$	1	26,089	262,831	271,156	Financial institution	06-30-2015	52,178	525,662	131,334
30548590163	BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión	Common	1\$	1	230,398	108,468	78,567	Investment Fund Manager	06-30-2015	243	160,398	31,475
33707124909	Rombo Cia. Financiera S.A.	Common	1,000\$	1	24,000	203,266	254,095	Financial Institution	06-30-2015	60,000	508,165	124,927
					Subtotal controlled	613,725	633,617					
Non controlled												
Local												
30598910045	Prisma Medios de Pago S.A. (ex Visa Argentina S.A.)	Common	1\$	1	1,571,996	6,428	6,428	Services to companies	05-31-2014	15,000	356,378	295,046
30690783521	Interbanking S.A. Other	Common	1\$	1	149,556	7,304	5,111	Services	12-31-2014	1,346	232,398	186,398
						248	250					
Foreign												
30710156561	Banco Lat. de Comercio Exterior S.A.	Common B	57\$	1	20,221	2,287	2,152	Banking institution	12-31-2014	2,394,389	7,791,411	914,551
					Subtotal noncontrolled	16,267	13,941					
					Total in financial institutions, supplementary and authorized	629,992	647,558					
<b>IN OTHER COMPANIES</b>												
Non controlled												
Local												
30500064230	BBVA Consolidar Seguros S.A.	Common	1\$	1	1,301,847	55,520	44,353	Insurance	06-30-2015	10,651	454,337	151,240
Foreign												
17BE1002	S.W.I.F.T. S.C.R.L.	Common	1,283\$	1	4	114	107	Financial services messenger	12-31-2014	141,590	3,342,790	297,550
					Subtotal non controlled	55,634	44,460					
					Total in other companies	55,634	44,460					
					Total investments in other companies	685,626	692,018					

**MOVEMENT OF PREMISES AND EQUIPMENT AND OTHER ASSETS**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2015 AND**  
**THE FISCAL YEAR ENDED DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	Net book value at beginning of fiscal year	Additions	Transfers	Decreases	Depreciation for the period		Net book value at 06-30-2015	Net book value at 12-31-2014
					Years of useful life	Amount		
<b>PREMISES AND EQUIPMENT</b>								
Real Estate	389,249	21	48,416	--	50	24,150	413,536	389,249
Furniture and Facilities	349,477	54,836	6,987	--	10	25,642	385,658	349,477
Machinery and Equipment	180,517	41,735	18,604	30	3 & 5	50,573	190,253	180,517
Automobiles	4,994	--	--	457	5	775	3,762	4,994
<b>Total</b>	<b>924,237</b>	<b>96,592</b>	<b>74,007</b>	<b>487</b>		<b>101,140</b>	<b>993,209</b>	<b>924,237</b>
<b>OTHER ASSETS</b>								
Construction in progress	139,639	38,833	(54,700)	32,523	--	--	91,249	139,639
Advances to suppliers of goods	940,218	287,705	--	33,903	--	--	1,194,020	940,218
Works of Art	992	--	--	--	--	--	992	992
Leased assets	2,247	--	--	--	50	24	2,223	2,247
Property taken as security for loans	2,424	519	--	79	50	57	2,807	2,424
Stationery and office supplies	24,165	11,906	--	11,239	--	--	24,832	24,165
Other	35,130	--	(19,307)	--	50	93	15,730	35,130
<b>Total</b>	<b>1,144,815</b>	<b>338,963</b>	<b>(74,007)</b>	<b>77,744</b>		<b>174</b>	<b>1,331,853</b>	<b>1,144,815</b>

**MOVEMENT OF INTANGIBLE ASSETS  
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2015 AND  
THE FISCAL YEAR ENDED DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	Net book value at beginning of fiscal year	Additions	Amortization for the period		Net book value at 06-30-2015	Net book value at 12-31-2014
			Years of useful life	Amount		
Organization and development expenses (1)	144,357	62,169	1 & 5	30,659	175,867	144,357
Organization and development non-deductible expenses	--,--	4,074	--,--	4,074	--,--	--,--
<b>Total</b>	<u>144,357</u>	<u>66,243</u>		<u>34,733</u>	<u>175,867</u>	<u>144,357</u>

(1) This caption mainly includes costs from information technology projects and leasehold improvements.

**CONCENTRATION OF DEPOSITS**
**AS JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

<b>Number of clients</b>	<b>06-30-2015</b>		<b>12-31-2014</b>	
	<b>Outstanding balance</b>	<b>% of total portfolio</b>	<b>Outstanding balance</b>	<b>% of total portfolio</b>
10 largest clients	4,396,252	7.33%	4,410,087	8.57%
50 next largest clients	5,318,686	8.87%	4,770,509	9.27%
100 following clients	2,865,625	4.78%	2,909,097	5.66%
Remaining clients	47,414,084	79.02%	39,345,958	76.50%
<b>TOTAL</b>	<b>59,994,647</b>	<b>100.00%</b>	<b>51,435,651</b>	<b>100.00%</b>

**BREAKDOWN OF MATURITY TERMS OF DEPOSITS AND  
OTHER LIABILITIES FROM FINANCIAL TRANSACTIONS**

**AS OF JUNE 30, 2015**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	Terms remaining to maturity						Total
	1 month	3 months	6 months	12 months	24 months	More than 24 months	
<b>Deposits</b>	53,665,757	5,543,986	580,782	200,272	3,850	--,-	59,994,647
<b>Other liabilities from financial transactions</b>							
Argentine Central Bank	4,756	4,099	6,307	13,078	23,913	9,284	61,437
Banks and International Institutions	112,536	137,700	113,200	--,-	--,-	--,-	363,436
Unsubordinated corporate bonds	19,069	298,712	134,300	364,036	539,991	273,400	1,629,508
Financing received from local financial institutions	196,086	--,-	--,-	--,-	--,-	--,-	196,086
Other	3,873,388	3,942	5,990	12,957	23,089	11,666	3,931,032
<b>Total Other liabilities from financial transactions</b>	4,205,835	444,453	259,797	390,071	586,993	294,350	6,181,499
<b>TOTAL</b>	57,871,592	5,988,439	840,579	590,3443	590,843	294,350	66,176,146

**MOVEMENT OF ALLOWANCES**  
**FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2015**  
**AND THE FISCAL YEAR ENDED DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Description	Book value at beginning of fiscal year	Increases (4)	Decreases		Book value		
			Reversals	Applications	06-30-2015	12-31-2014	
<b>DEDUCTED FROM ASSETS</b>							
Government securities							
- For impairment value	201	--,-	--,-	--,-	201	201	
Loans							
- Allowance for doubtful loans	905,336	322,173 (1)	--,-	252,635	974,874	905,336	
Other receivables from financial transactions							
- Allowance for doubtful receivables and impairment	2,139	--,- (1)	423	1	1,715	2,139	
Receivables from financial leases							
- Allowance for doubtful receivables and impairment	28,808	6,384 (1)	--,-	5,845	29,347	28,808	
Other receivables							
- Allowance for doubtful receivables (2)	291,237	58,407	23	111	349,510	291,237	
Total	1,227,721	386,964	446	258,592	1,355,647	1,227,721	
<b>LIABILITIES-ALLOWANCES</b>							
- Contingents commitments (1)	577	17	--,-	--,-	594	577	
- Other contingencies	770,496	148,980 (3)	74	67,556	851,846	770,496	
- For administrative, disciplinary and criminal penalties	--,-	48,817 (5)	--,-	--,-	48,817	--,-	
Total	771,073	197,814	74	67,556	901,257	771,073	

- (1) Recorded in compliance with the provisions of Communication "A" 3918, as supplemented, of the BCRA, taking into account note 2.3.f).
- (2) Includes mainly the potential loan loss risk arising from the amounts booked as Miscellaneous receivables relating to the petitions for the protection of constitutional rights (Amparos) paid and the deferred tax asset (See note 4.1).
- (3) Recorded to cover possible contingencies that were not considered in other accounts (court orders corresponding to petitions for protection of civil rights, labor, commercial and other lawsuits). (See note 2.3.p).
- (4) Includes exchange differences generated as allowances in foreign currency, booked in the "Financial income - Gold and foreign currency exchange difference" account, as follow:
- |                     |       |
|---------------------|-------|
| - Loans             | 1,730 |
| - Other receivables | 1,212 |
- (5) See note 6.1.

**CAPITAL STRUCTURE AS OF JUNE 30, 2015**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

<b>SHARES</b>			<b>CAPITAL STOCK</b>				
<b>Class</b>	<b>Quantity</b>	<b>Votes per share</b>	<b>Issued</b>		<b>Pending issuance or distribution</b>		<b>Paid in</b>
			<b>Outstanding</b>	<b>In portfolio</b>			
Common	536,877,850	1	536,833	--,--	45	(1)	536,878 (2)

(1) Shares issued and available to stockholders but not as yet withdrawn.

(2) Fully registered with the Public Registry of Commerce (See note 1.2.).

**FOREIGN CURRENCY BALANCES AS OF  
JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21)

-Stated in thousands of pesos-

Accounts	06-30-2015							12-31-2014
	Total of the period	Total of the period (per type of currency)						Total of the fiscal year
		Euro	US Dollars	Pounds Sterling	Swiss Franc	Yen	Other	
<b>ASSETS</b>								
Cash and due from banks	5,177,936	160,774	4,996,205	4,689	2,895	1,335	12,038	6,065,743
Government and private securities	1,240,896	--	1,240,859	--	--	--	37	415,797
Loans	2,614,656	2,786	2,611,870	--	--	--	--	2,070,525
Other receivables from financial transactions	1,047,560	20,288	1,027,272	--	--	--	--	324,144
Investments in other companies	2,401	114	2,287	--	--	--	--	2,259
Other receivables	176,015	149	175,866	--	--	--	--	154,616
Suspense items	428	--	428	--	--	--	--	378
<b>TOTAL</b>	<b>10,259,892</b>	<b>184,111</b>	<b>10,054,787</b>	<b>4,689</b>	<b>2,895</b>	<b>1,335</b>	<b>12,075</b>	<b>9,033,462</b>
<b>LIABILITIES</b>								
Deposits	6,425,328	91,455	6,333,873	--	--	--	--	5,488,117
Other liabilities from financial transactions	2,095,300	72,019	2,016,248	1,341	2,681	590	2,421	1,725,670
Other liabilities	55,349	6,707	48,642	--	--	--	--	55,840
Suspense items	1,564	--	1,564	--	--	--	--	1,016
<b>TOTAL</b>	<b>8,577,541</b>	<b>170,181</b>	<b>8,400,327</b>	<b>1,341</b>	<b>2,681</b>	<b>590</b>	<b>2,421</b>	<b>7,270,643</b>
<b>MEMORANDUM ACCOUNTS</b>								
<b>Debit accounts (except contra debit accounts)</b>								
Contingent	3,504,059	218,498	3,285,561	--	--	--	--	2,927,981
Control	49,130,550	268,865	48,860,141	--	336	478	730	39,540,975
<b>TOTAL</b>	<b>52,634,609</b>	<b>487,363</b>	<b>52,145,702</b>	<b>--</b>	<b>336</b>	<b>478</b>	<b>730</b>	<b>42,468,956</b>
<b>Credit accounts (except contra credit accounts)</b>								
Contingent	734,566	84,110	649,088	--	--	1,368	--	603,372
Control	67,065	8,838	58,227	--	--	--	--	122,585
<b>TOTAL</b>	<b>801,631</b>	<b>92,948</b>	<b>707,315</b>	<b>--</b>	<b>--</b>	<b>1,368</b>	<b>--</b>	<b>725,957</b>

ASSISTANCE TO RELATED CLIENTS AND AFFILIATES

AS OF JUNE 30, 2015 AND DECEMBER 31, 2014

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Concept	Status								Total (1)	
	Normal	With special follow-up / Low risk	With problems / Medium risk		With high risk of uncollectibility / High risk		Uncollectible	Classified uncollectible as such under regulatory requirements	06-30-2015	12-31-2014
			Not yet matured	Past-due	Not yet matured	Past-due				
<b>1. Loans</b>	1,639,283	--	--	--	--	--	--	--	1,639,283	1,824,455
- Overdraft	5,066	--	--	--	--	--	--	--	5,066	572
Without senior security or counter guaranty	5,066	--	--	--	--	--	--	--	5,066	572
- Discounted Instruments	148,717	--	--	--	--	--	--	--	148,717	2,818
Without senior security or counter guaranty	148,717	--	--	--	--	--	--	--	148,717	2,818
- Real Estate Mortgage and Collateral Loans	3,563	--	--	--	--	--	--	--	3,563	3,777
Other collaterals and counter guaranty "B"	3,563	--	--	--	--	--	--	--	3,563	3,777
- Consumer	4,416	--	--	--	--	--	--	--	4,416	4,889
Without senior security or counter guaranty	4,416	--	--	--	--	--	--	--	4,416	4,889
- Credit Cards	6,079	--	--	--	--	--	--	--	6,079	5,137
Without senior security or counter guaranty	6,079	--	--	--	--	--	--	--	6,079	5,137
- Other	1,471,442	--	--	--	--	--	--	--	1,471,442	1,807,262
Without senior security or counter guaranty	1,471,442	--	--	--	--	--	--	--	1,471,442	1,807,262
<b>2. Other receivables from financial transactions</b>	38,570	--	--	--	--	--	--	--	38,570	43,699
<b>3. Receivables from financial leases and other</b>	700	--	--	--	--	--	--	--	700	402
<b>4. Contingent commitments</b>	36,440	--	--	--	--	--	--	--	36,440	57,932
<b>5. Investments in other companies and private securities</b>	666,011	--	--	--	--	--	--	--	666,011	665,247
<b>Total</b>	2,381,004	--	--	--	--	--	--	--	2,381,004	2,591,735
<b>Total Allowances</b>	16,555	--	--	--	--	--	--	--	16,555	18,686

(1) Maximum amount granted to related clients during June 2015 and December 2014, respectively, according to BCRA rules.

**FINANCIAL DERIVATIVES INSTRUMENTS**
**AS OF JUNE 30, 2015**

(Translation of financial statements originally issued in Spanish - See note 21)

- Stated in thousands of pesos -

Type of contract	Purpose of transactions	Underlying asset	Type of Settlement	Traded at / Counterparty	Weighted average term as originally agreed (months)	Weighted average residual term (months)	Weighted average term for difference settlements (days)	Amount
Swaps	Financial transactions – own account	-	Upon expiration of differences	Residents in Argentina – Financial sector	23	10	47	686,538
Swaps	Financial transactions – own account	-	Upon expiration of differences	Residents in Argentina – Non- financial sector	12	9	4	13,000
Swaps	Financial transactions – own account	-	Daily of differences	MAE	13	9	1	13,000
Swaps	Interest rate hedge	-	Upon expiration of differences	Residents in Argentina – Non - financial sector	122	51	6	33,430
Futures	Financial transactions – own account	Foreign currency	Daily of differences	MAE	5	4	1	2,439,851
Futures	Financial transactions – own account	Foreign currency	Daily of differences	ROFEX	5	5	1	219,382
Futures	Financial transactions – own account	Foreign currency	Upon expiration of differences	Residents in Argentina – Non - financial sector	5	4	150	2,112,960
Repo transactions	Financial transactions – own account	Federal Government Bonds	Upon expiration of differences	Residents in Argentina – Financial sector	1	1	1	44,161
Repo transactions	Financial transactions – own account	Other	Upon expiration of differences	Residents in Argentina – Financial sector	1	1	1	2,361,769
<b>TOTAL</b>								<b>7,924,091</b>

**CONSOLIDATED BALANCE SHEETS AS OF  
JUNE 30, 2015 AND DECEMBER 31, 2014**

(Art. 33 of Law Nr. 19,550)

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

-Stated in thousands of pesos-

ASSETS:	06-30-2015	12-31-2014
<b>A. CASH AND DUE FROM BANKS:</b>		
Cash	2,565,049	2,857,676
Due from banks and correspondents	11,081,528	9,702,478
	-----	-----
Argentine Central Bank (BCRA)	9,806,664	9,350,350
Other local	2,030	1,196
Foreign	1,272,834	350,932
	-----	-----
	13,646,577	12,560,154
	-----	-----
<b>B. GOVERNMENT AND PRIVATE SECURITIES (Note 7.a):</b>		
Holdings booked at fair value	2,628,788	2,942,473
Holdings booked at amortized cost	164	164
Instruments issued by the BCRA	11,513,524	8,630,056
Investments in listed private securities	67,896	60,997
	-----	-----
Less: Allowances	201	201
	-----	-----
	14,210,171	11,633,489
	-----	-----
<b>C. LOANS:</b>		
To government sector (Exhibit 1)	60,473	54,459
To financial sector (Exhibit 1)	938,373	1,127,116
	-----	-----
Interfinancial – (Call granted)	23,000	30,000
Other financing to local financial institutions	733,088	880,437
Interest and listed-price differences accrued and pending collection	182,285	216,679
	-----	-----
To non financial private sector and residents abroad (Exhibit 1)	47,083,230	41,199,059
	-----	-----
Overdraft	8,349,886	6,861,786
Discounted instruments	6,552,563	6,035,048
Real estate mortgage	1,696,271	1,466,346
Collateral Loans	3,751,333	3,695,487
Consumer	6,353,804	6,091,937
Credit cards	13,342,004	11,465,609
Other	6,437,059	5,025,304
Interest and listed-price differences accrued and pending collection	734,690	691,454
Less: Interest documented together with main obligation	134,380	133,912
	-----	-----
Less: Allowances	1,007,891	937,794
	-----	-----
	47,074,185	41,442,840
	-----	-----
<b>D. OTHER RECEIVABLES FROM FINANCIAL TRANSACTIONS:</b>		
Argentine Central Bank (BCRA)	647,182	384,930
Amounts receivable for spot and forward sales to be settled	2,476,294	1,405,562
Instruments to be received for spot and forward purchases to be settled	2,522,519	312,684
Unlisted corporate bonds (Exhibit 1)	12,813	48,653
Non-deliverable forward transactions balances to be settled	39,895	139,149
Other receivables not covered by debtor classification regulations	6,720	14,873
Other receivables covered by debtor classification regulations (Exhibit 1)	305,727	311,787
	-----	-----
Less: Allowances	5,516	5,267
	-----	-----
	6,005,634	2,612,371
	-----	-----
<b>E. RECEIVABLES FROM FINANCIAL LEASES:</b>		
Receivables from financial leases (Exhibit 1)	2,158,444	2,075,497
Interest accrued pending collection (Exhibit 1)	28,288	27,585
	-----	-----
Less: Allowances	30,667	29,840
	-----	-----
	2,156,065	2,073,242
	-----	-----
<b>F. INVESTMENTS IN OTHER COMPANIES:</b>		
In financial institutions	205,553	256,247
Other (Note 7.b)	87,455	66,743
	-----	-----
	293,008	322,990
	-----	-----
<b>G. OTHER RECEIVABLES:</b>		
Other (Note 7.c)	2,022,964	1,696,426
Other interest accrued and pending collection	601	744
	-----	-----
Less: Allowances	383,809	324,756
	-----	-----
	1,639,756	1,372,414
	-----	-----
<b>H. PREMISES AND EQUIPMENT:</b>		
	998,641	929,760
	-----	-----
<b>I. OTHER ASSETS:</b>		
	1,364,826	1,187,961
	-----	-----
<b>J. INTANGIBLE ASSETS:</b>		
Organization and development expenses	176,176	144,672
	-----	-----
	176,176	144,672
	-----	-----
<b>K. SUSPENSE ITEMS:</b>		
	6,061	8,563
	-----	-----
<b>L. OTHER SUBSIDIARIES' ASSETS (Note 7.d):</b>		
	--	450
	-----	-----
<b>TOTAL ASSETS:</b>	<b>87,571,100</b>	<b>74,288,906</b>
	=====	=====

**CONSOLIDATED BALANCE SHEETS AS OF  
JUNE 30, 2015 AND DECEMBER 31, 2014**

(Art. 33 of Law Nr. 19,550)

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

	-Stated in thousands of pesos-	
<b>LIABILITIES:</b>	<u>06-30-2015</u>	<u>12-31-2014</u>
<b>M. DEPOSITS:</b>		
Government sector	1,590,906	1,017,837
Financial sector	77,168	77,482
Non financial private sector and residents abroad	58,347,529	50,347,558
	-----	-----
Checking accounts	15,429,188	14,614,559
Savings deposits	17,578,703	14,995,902
Time deposits	23,646,972	19,303,430
Investments accounts	14,959	483
Other	1,328,884	1,129,571
Interest and listed-price differences accrued payable	348,823	303,613
	-----	-----
	60,015,603	51,442,877
	-----	-----
<b>N. OTHER LIABILITIES FROM FINANCIAL TRANSACTIONS:</b>		
Argentine Central Bank	61,437	73,110
	-----	-----
Other	61,437	73,110
	-----	-----
Banks and International Institutions	361,145	406,031
Unsubordinated corporate bonds	1,750,633	1,868,434
Amounts payable for spot and forward purchases to be settled	2,405,053	312,751
Instruments to be delivered for spot and forward sales to be settled	2,517,799	1,457,098
Financing received from Argentine financial institutions	383,399	124,424
	-----	-----
Interfinancial (call borrowed)	260,900	49
Other financings from local financial institutions	122,382	124,375
Interest accrued payable	117	--
Non-deliverable forward transactions balances to be settled	130	408
Other (Note 7.e)	4,099,313	4,278,335
Interest and listed-price differences accrued payable	93,905	96,942
	-----	-----
	11,672,814	8,617,533
	-----	-----
<b>O. OTHER LIABILITIES:</b>		
Dividends payable	473,991	--
Fees payable	794	122
Other (Note 7.f)	2,633,001	2,771,721
	-----	-----
	3,107,786	2,771,843
	-----	-----
<b>P. ALLOWANCES:</b>	949,493	818,092
	-----	-----
<b>Q. SUSPENSE ITEMS:</b>	27,113	30,290
	-----	-----
<b>R. OTHER SUBSIDIARIES' LIABILITIES (Note 7.g):</b>	--	337
	-----	-----
<b>TOTAL LIABILITIES:</b>	<b>75,772,809</b>	<b>63,680,972</b>
	=====	=====
<b>S. MINORITY INTEREST IN SUBSIDIARIES (Note 4):</b>	268,259	276,058
	-----	-----
<b>STOCKHOLDERS' EQUITY:</b>	11,530,032	10,331,876
	-----	-----
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY:</b>	<b>87,571,100</b>	<b>74,288,906</b>
	=====	=====

## MEMORANDUM ACCOUNTS

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

- Stated in thousands of pesos -

	<u>06-30-2015</u>	<u>12-31-2014</u>
<b>DEBIT ACCOUNTS</b>		
Contingent		
- Guaranties received	18,030,936	13,726,776
- Contra contingent debit accounts	2,260,274	1,750,341
	-----	-----
	20,291,210	15,477,117
Control		
- Receivables classified as irrecoverable	670,293	539,719
- Other (Note 7.h)	146,734,660	120,436,826
- Contra control debit accounts	1,619,053	1,363,258
	-----	-----
	149,024,006	122,339,803
Derivatives		
- "Notional" amount of non-deliverable forward transactions	2,140,619	2,984,388
- Interest rate swap	697,656	1,003,244
- Contra debit derivatives accounts	2,631,574	2,915,793
	-----	-----
	5,469,849	6,903,425
For trustee activities		
- Funds in trust	--,-	6,605
	-----	-----
	--,-	6,605
	-----	-----
TOTAL	<b>174,785,065</b>	<b>144,726,950</b>
	=====	=====
<b>CREDIT ACCOUNTS</b>		
Contingent		
- Credit lines granted (unused portion) covered by debtor classification regulations (Exhibit 1)	1,015,985	640,198
- Guaranties provided to the BCRA	194,413	223,973
- Other guaranties given covered by debtor classification regulations (Exhibit 1)	446,080	384,982
- Other guaranties given non covered by debtor classification regulations	210,876	210,453
- Other covered by debtor classification regulations (Exhibit 1)	392,920	290,735
- Contra contingent credit accounts	18,030,936	13,726,776
	-----	-----
	20,291,210	15,477,117
Control		
- Items to be credited	1,339,632	965,725
- Other	279,421	397,533
- Contra control credit accounts	147,404,953	120,976,545
	-----	-----
	149,024,006	122,339,803
Derivatives		
- "Notional" amount of non-deliverable forward transactions	2,631,574	2,915,793
- Contra credit derivatives accounts	2,838,275	3,987,632
	-----	-----
	5,469,849	6,903,425
For trustee activities		
- Contra credit accounts for trustee activities	--,-	6,605
	-----	-----
	--,-	6,605
	-----	-----
TOTAL	<b>174,785,065</b>	<b>144,726,950</b>
	=====	=====

The accompanying notes 1 through to 7 to the consolidated financial statements with subsidiaries and the Exhibit 1 are an integral part of these statements, which in turn are part of the stand-alone Financial Statements of BBVA Banco Francés S.A. and are to be read in conjunction therewith.

**CONSOLIDATED STATEMENTS OF INCOME  
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2015 AND 2014**

**(Art. 33 of Law Nr. 19,550)**

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

- Stated in thousands of pesos -

	06-30-2015	06-30-2014
<b>A. FINANCIAL INCOME</b>		
Interest on loans to the financial sector	137,450	191,373
Interest on overdraft	980,104	993,712
Interest on discounted instruments	626,084	589,557
Interest on real estate mortgage	141,885	109,602
Interest on collateral loans	445,563	385,949
Interest on credit card loans	1,326,418	879,363
Interest on other loans	1,530,945	1,317,025
Interest from other receivables from financial transactions	108	3,770
Interest on financial leases	193,364	160,020
Income from secured loans - Decree 1387/01	7,509	8,988
Net income from government and private securities	1,529,187	735,273
Indexation by CER	97,529	193,151
Gold and foreign currency exchange difference	227,651	650,461
Other	158,943	553,194
	7,402,740	6,771,438
<b>B. FINANCIAL EXPENSE</b>		
Interest on savings deposits	9,692	9,243
Interest on time deposits	2,264,591	2,141,823
Interest on interfinancial financing (call borrowed)	9,667	11,108
Interest on other financing from financial institutions	15,451	46,865
Interest on other liabilities from financial transactions	238,614	210,733
Other interest	3,259	4,304
Indexation by CER	27	119
Contribution to the deposit guaranty fund	182,700	38,556
Other	419,779	421,296
	3,143,780	2,884,047
<b>GROSS INTERMEDIATION MARGIN – GAIN</b>	4,258,960	3,887,391
<b>C. ALLOWANCES FOR LOAN LOSSES</b>	324,275	270,473
<b>D. SERVICE CHARGE INCOME</b>		
Related to lending transactions	1,187,213	918,314
Related to liability transactions	908,168	693,170
Other commissions	135,057	83,479
Other (Note 7.i)	536,822	432,482
	2,767,260	2,127,445
<b>E. SERVICE CHARGE EXPENSE</b>		
Commissions	731,907	373,497
Other (Note 7.j)	274,295	211,297
	1,006,202	584,794

**CONSOLIDATED STATEMENTS OF INCOME  
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2015 AND 2014**

**(Art. 33 of Law Nr. 19,550)**

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

- Stated in thousands of pesos -

	06-30-2015	06-30-2014
<b>F. ADMINISTRATIVE EXPENSES</b>		
Payroll expenses	1,767,910	1,436,151
Fees to Bank Directors and Supervisory Committee	2,988	2,705
Other professional fees	42,600	33,701
Advertising and publicity	105,195	102,931
Taxes	311,202	227,116
Fixed assets depreciation	101,238	62,459
Organizational expenses amortization	30,705	27,542
Other operating expenses	424,295	361,772
Other	271,264	293,701
	3,057,397	2,548,078
<b>NET GAIN FROM FINANCIAL TRANSACTIONS</b>	2,638,346	2,611,491
<b>RESULTS OF MINORITY INTEREST IN SUBSIDIARIES</b>	(66,193)	(44,498)
<b>G. OTHER INCOME</b>		
Income from long-term investments	82,030	75,798
Punitive interests	15,267	11,656
Loans recovered and reversals of allowances	65,801	68,504
Other (Note 7.k)	119,085	103,529
	282,183	259,487
<b>H. OTHER EXPENSE</b>		
Punitive interests and charges paid to BCRA	4	12
Charge for uncollectibility of other receivables and other allowances	214,229	110,825
Amortization of difference arising from judicial resolutions	4,074	7,641
Depreciation and losses from miscellaneous assets	780	169
Other (Note 7.l)	91,385	42,345
	310,472	160,992
<b>NET GAIN BEFORE INCOME TAX AND TAX ON MINIMUM PRESUMED INCOME</b>	2,543,864	2,665,488
<b>I. INCOME TAX AND TAX ON MINIMUM PRESUMED INCOME</b>	945,708	904,319
<b>NET INCOME FOR THE PERIOD</b>	<b>1,598,156</b>	<b>1,761,169</b>

The accompanying notes 1 through 7 to the consolidated financial statements with subsidiaries and the Exhibit 1 are an integral part of these statements, which in turn are part of the stand-alone Financial Statements of BBVA Banco Francés S.A. and are to be read in conjunction therewith.

**CONSOLIDATED STATEMENTS OF CASH AND CASH EQUIVALENTS FLOW  
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2015 AND 2014  
(ART. 33 OF LAW Nr. 19,550)**

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

-Stated in thousands of pesos-

	<b>06-30-2015</b>		<b>06-30-2014</b>	
<b>CHANGES IN CASH AND CASH EQUIVALENTS</b>				
Cash and cash equivalents at the beginning of the fiscal year	12,951,964	(1)	13,603,620	(1)
Cash and cash equivalents at the end of the period	13,819,577	(1)	12,189,554	(1)
	<b>867,613</b>		<b>(1,414,066)</b>	
<b>REASONS FOR CHANGES IN CASH AND CASH EQUIVALENTS</b>				
<b>Operating activities</b>				
Net payments from:				
-Government and private securities	(1,047,495)		(5,857,571)	
- Loans	(301,675)		4,072,003	
	(65,151)		328,283	
to financial sector	(65,151)		328,283	
to non-financial public sector	(156)		(477)	
to non-financial private sector and residents abroad	(236,368)		3,744,197	
- Other receivables from financial transactions	(126,249)		63,896	
- Receivables from financial leases	(82,823)		(171,046)	
- Deposits	5,664,536		1,630,159	
	(314)		(18,711)	
to financial sector	(314)		(18,711)	
to non-financial public sector	574,374		1,118,815	
to non-financial private sector and residents abroad	5,090,476		530,055	
- Other liabilities from financial transactions	(42,067)		553,721	
	260,851		55,015	
Financing from financial or interfinancial sector (call borrowed)	260,851		55,015	
Others (except liabilities included in Financing Activities)	(302,918)		498,706	
Collections related to service charge income	2,780,921		2,093,942	
Payments related to service charge expense	(1,010,148)		(583,409)	
Administrative expenses paid	(2,960,671)		(2,503,072)	
Organizational and development expenses paid	(26,362)		(10,642)	
Net collections from punitive interest	13,985		10,513	
Differences from judicial resolutions paid	(4,074)		(7,641)	
Collections of dividends from other companies	18,654		20,070	
Other collections / (payments) related to other income and expenses	171,449		199,604	
	<b>3,047,981</b>		<b>(489,473)</b>	
<b>Net cash flows provided by/(used in) operating activities</b>	<b>3,047,981</b>		<b>(489,473)</b>	
<b>Investment activities</b>				
Net payments from premises and equipment	(115,420)		(82,943)	
Net payments from other assets	(264,833)		(306,361)	
Other payments from investment activities	(319,452)		(195,566)	
	<b>(699,705)</b>		<b>(584,870)</b>	
<b>Net cash flows used in investment activities</b>	<b>(699,705)</b>		<b>(584,870)</b>	
<b>Financing activities</b>				
Net (payments) / collections from:				
- Unsubordinated corporate bonds	(117,801)		270,888	
- Argentine Central Bank	(11,569)		(9,759)	
	(11,569)		(9,759)	
Other	(11,569)		(9,759)	
- Banks and international agencies	(44,886)		315,146	
- Financing received from local financial institutions	(1,993)		(183,643)	
Other payments from financing activities	(1,304,414)		(732,355)	
	<b>(1,480,663)</b>		<b>(339,723)</b>	
<b>Net cash flows used in financing activities</b>	<b>(1,480,663)</b>		<b>(339,723)</b>	
	<b>867,613</b>		<b>(1,414,066)</b>	
<b>Net increase /(decrease) in cash and cash equivalents</b>	<b>867,613</b>		<b>(1,414,066)</b>	

(1) See note 6 "Statement of cash and cash equivalents flow".

The accompanying notes 1 through to 7 to the consolidated financial statements with subsidiaries and the Exhibit 1 are an integral part of these statements, which in turn are part of the stand-alone Financial Statements of BBVA Banco Francés S.A. and are to be read in conjunction therewith.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
WITH SUBSIDIARIES AS OF JUNE 30, 2015, PRESENTED IN COMPARATIVE FORM WITH  
THE BALANCE SHEET AS OF DECEMBER 31, 2014, AND THE STATEMENTS OF INCOME  
AND CASH AND CASH EQUIVALENTS FLOW AS OF JUNE 30, 2014  
(Art. 33 of Law Nr. 19,550)**

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

-Stated in thousands of pesos-

## 1. SIGNIFICANT ACCOUNTING POLICIES AND SUBSIDIARIES

### General rule

In accordance with the procedures set forth in BCRA's regulations and Technical Pronouncement Nr. 21 of the Argentine Federation of Professional Councils in Economic Sciences, BBVA Banco Francés S.A. (hereinafter indistinctly referred to as either "BBVA Francés" or the "Bank") has consolidated - line by line – its balance sheets as of June 30, 2015 and the end of the previous fiscal year, and the statements of income and cash and cash equivalents flow for the six month periods ended June 30, 2015 and 2014, as per the following detail:

- As of June 30, 2015:
  - a) With the financial statements of BBVA Francés Valores S.A., PSA Finance Argentina Cía. Financiera S.A. and BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión for the six month periods ended June 30, 2015 and 2014.
  - b) With the financial statements of Consolidar Administradora de Fondos de Jubilaciones y Pensiones S.A. (undergoing liquidation proceedings) for the fiscal years ended June 30, 2015 and 2014.
- As of December 31, 2014:
  - a) With the financial statements of BBVA Francés Valores S.A., PSA Finance Argentina Cía. Financiera S.A. and BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión for the fiscal year ended December 31, 2014.
  - b) With the financial statements of Consolidar Administradora de Fondos de Jubilaciones y Pensiones S.A. (undergoing liquidation proceedings) for the six month period ended December 31, 2014.

The results and cash and cash equivalents flow of Consolidar Administradora de Fondos de Jubilaciones y Pensiones S.A. (undergoing liquidation proceedings) have been adjusted for purposes of comparison of the fiscal years of companies consolidating on the basis of a six month period ended on June 30, 2015 and 2014.

Interests in subsidiaries as of June 30, 2015 and the end of the previous fiscal year are listed below:

Companies	Type	Shares		Interest percentage in			
		Quantity		Total Capital		Possible Votes	
		06-30-2015	12-31-2014	06-30-2015	12-31-2014	06-30-2015	12-31-2014
BBVA Francés Valores S.A.	Common	12,396	12,396	96.9953	96.9953	96.9953	96.9953
Consolidar A.F.J.P. S.A. (undergoing liquidation proceedings)	Common	35,425,947	35,425,947	53.8892	53.8892	53.8892	53.8892
PSA Finance Argentina Cía Financiera S.A.	Common	26,089	26,089	50.0000	50.0000	50.0000	50.0000
BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión (1)	Common	230,398	230,398	95.0000	95.0000	95.0000	95.0000

- (1) The Entity has a direct ownership interest equivalent to 95% of the Company's capital stock and an indirect ownership interest equivalent to 4.8498% through BBVA Francés Valores S.A.

Total assets, liabilities and stockholders' equity in accordance with the criteria defined in note 2 below, as of June 30, 2015 and the end of the previous fiscal year and net income balances for the six month periods ended June 30, 2015 and 2014, are listed below:

Companies	Assets		Liabilities		Stockholders' Equity		Net income/ gain-(loss)	
	06-30-2015	12-31-2014	06-30-2015	12-31-2014	06-30-2015	12-31-2014	06-30-2015	06-30-2014
BBVA Francés Valores S.A.	36,475	36,176	1,071	10,187	35,404	25,989	9,415	3,903
Consolidar A.F.J.P. S.A. (undergoing liquidation proceedings)	50,189	50,012	41,246	41,493	8,943	8,519	424	(7,608)
PSA Finance Argentina Cía Financiera S.A.	2,185,316	2,304,138	1,659,654	1,761,827	525,662	542,311	131,334	95,663
BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión	173,940	158,905	13,542	29,982	160,398	128,923	31,475	38,028

## 2. VALUATION METHODS

The financial statements of the subsidiaries have been prepared based on similar methods to those applied by the Bank for preparing its own financial statements, in connection with assets and liabilities valuation, income measurement and restatement procedure as explained in note 2 to the stand-alone financial statements of the Bank. The following are the main differences with the Argentine professional accounting standards:

Arising from the application of the accounting standards laid down by BCRA and the Argentine professional accounting standards:

- The commissions paid by PSA Finance Argentina Cía. Financiera S.A. to dealers for granting financing to companies and to the public in general in connection with purchases and sales of automobiles, which in accordance with the rules established by the BCRA are charged up front to the Income Statement, should be accrued throughout the duration of the loans generated by said dealers in accordance with Argentine professional accounting standards. Had this criterion been applied, shareholders' equity would have been increased by 5,010 and 7,414 as of June 30, 2015 and the end of the previous fiscal year, respectively.
- The Bank has not made disclosures required by Argentine professional accounting standards on discontinued operations or discontinuation in relation to the process of liquidating its subsidiary Consolidar A.F.J.P. S.A. (undergoing liquidation proceedings)

## 3. REFORM OF THE INTEGRATED RETIREMENT AND PENSION SYSTEM

### Law Nr. 26,425- Dissolution and liquidation of Consolidar A.F.J.P. S.A.:

Law Nr. 26,425, which came into force on December 4, 2008, mandated that the capitalization system that used to be an integral part of the Integrated Retirement and Pension System was to be suppressed and replaced by a single pay-as-you-go system that is now known as the Argentine Integrated Social Security System (SIPA). As a consequence, Consolidar A.F.J.P. S.A. ceased to manage the funds held in the individual capitalization accounts opened by the members and beneficiaries of the Integrated Retirement and Pension System. Said funds were transferred to the Fund to Guarantee the Sustainability of the State-run Social Security System exactly as they had been invested and it is now the Argentine Social Security Authority (ANSES) the only and sole holder of said assets and funds.

Besides, on October 29, 2009, ANSES issued its Resolution Nr. 290/2009 whereby it granted a term of 30 working days to the pension fund managers that could be interested in re-converting their corporate purpose in order to manage the funds held as voluntary term deposits and as agreed-upon deposits in capitalization accounts for them to express their decision to do so.

Given the above situation and the inability of Consolidar A.F.J.P. S.A. to attain the corporate purpose and conduct the business for which it had been formed, on December 28, 2009, its Extraordinary General Unanimous Shareholders' Meeting adopted the resolution to dissolve and subsequently liquidate Consolidar A.F.J.P. S.A. effective as of December 31, 2009 on the understanding that such will be the best alternative to safeguard the interests of both the creditors and the shareholders of the Company. In addition, as set forth in the Argentine Companies Law, the Shareholders' Meeting decided to appoint Accountant Mr. Gabriel Orden and Mr. Rubén Lamandía to act as liquidators of Consolidar A.F.J.P. S.A. As of December 31, 2009 these gentlemen have been designated as the Company's legal representatives. As of the date of issuance of these financial statements, they are moving forward with all the actions necessary to proceed with the liquidation of Consolidar A.F.J.P. S.A.

On January 28, 2010, the dissolution of Consolidar A.F.J.P. S.A. as well as the list of designated liquidators were registered with the Supervisory Board of Companies (IGJ)

In addition, the Extraordinary General Shareholders' Meeting of Consolidar A.F.J.P. S.A. approved a voluntary reduction in capital stock for 75,000 on October 19, 2009. In turn, the IGJ conferred its approval to the capital reduction mentioned on January 11, 2010. In this respect, on January 19, 2010 the shareholders were transferred their capital contributions in conformity with the above-mentioned reduction.

BBVA Francés, in its capacity as shareholder requested that Consolidar A.F.J.P. S.A. (undergoing liquidation proceedings) should file a note with the Argentine Ministry of Economy and Public Finance and with the Argentine Social Security Authority to commence discussions within the framework of Law Nr. 26,425 in order to identify one or more resolution alternatives in connection with the consequences resulting from the events caused by the enactment of that Law. This note was filed by Consolidar A.F.J.P. S.A. (undergoing liquidation proceedings) on June 11, 2010.

On December 7, 2010, Consolidar A.F.J.P. S.A. (undergoing liquidation proceedings) filed an action for damages against the National State and the Ministry of Labor, Employment and Social Security with the court of original Federal Jurisdiction over Contentious Administrative Matters Nr. 4, Clerk of Court's Office Nr. 7, case file Nr. 40,437/2010. The complaint was ratified by BBVA Francés in its capacity as majority shareholder in that Company. On July 15, 2011, Consolidar A.F.J.P. S.A. (undergoing liquidation proceedings) and BBVA Francés filed with the same court an enhanced complaint for determining the amounts claimed as damages. On March 9, 2012, the Court ordered the service of process on the National State. On November 23, 2012, the Court handed down a resolution demanding the production of evidence within a term of forty days. On May 13, 2013, the Court hearing in the case ordered that evidence be produced. The Company is providing depositions, documentary evidence and expert witnesses' reports. On May 28, 2013, the Company accompanied the statements and the testimony of witnesses, as the case is currently at the evidence production stage.

#### 4. MINORITY INTEREST IN SUBSIDIARIES

The breakdown of balances in the "Minority interest in subsidiaries" account is as follows:

	<u>06-30-2015</u>	<u>12-31-2014</u>
Consolidar Administradora de Fondos de Jubilaciones y Pensiones S.A. (undergoing liquidation proceedings)	4,124	3,928
BBVA Francés Valores S.A.	1,063	781
PSA Finance Argentina Cía Financiera S.A.	262,831	271,155
BBVA Francés Asset Management S.A. Sociedad Gerente de Fondos Comunes de Inversión	241	194
	-----	-----
<b>Total</b>	<b>268,259</b>	<b>276,058</b>
	=====	=====

**5. RESTRICTIONS ON ASSETS**

- a) BBVA Francés Valores S.A. holds two shares of Mercado de Valores de Buenos Aires S.A, booked in the amount of 17,600 and 10,300, respectively, as of June 30, 2015 and the end of the previous fiscal year. These shares have been pledged in favor of “CHUBB Argentina de Seguros S.A.” in security of the contract this insurance company executed with Mercado de Valores de Buenos Aires S.A. to cover the latter’s guaranteeing any noncompliance of the company with their obligations.
- b) See note 7 to the stand-alone financial statements of the Bank.

**6. STATEMENT OF CASH AND CASH EQUIVALENTS FLOW**

The Statements of Cash and cash equivalents flow explains the changes in cash and cash equivalents. For such purpose, a detail is supplied of the items that the Bank considers to be cash and cash equivalents:

	<u>06-30-15</u>	<u>12-31-2014</u>	<u>06-30-2014</u>	<u>12-31-2013</u>
a) Cash and due from banks	13,646,577	12,559,464	11,486,925	12,880,744
b) Government securities	--,-	--,-	294,629	115,876
c) Loans to financial sectors, call granted maturity date less than three months as from the end of each period or fiscal year	173,000	392,500	408,000	607,000
<b>CASH AND CASH EQUIVALENTS</b>	<b><u>13,819,577</u></b>	<b><u>12,951,964</u></b>	<b><u>12,189,554</u></b>	<b><u>13,603,620</u></b>

Items b) and c) are considered to be cash equivalents because they are held in order to meet short-term commitments, they are readily convertible in known cash amounts, they are subject to insignificant risk of changes in value and their maturity is less than three months as from the end of each period or fiscal year date.

**7. BREAKDOWN OF MAIN ITEMS**

The detail of the main items included in financial statements is as follows:

	<u>06-30-2015</u>	<u>12-31-2014</u>
<b>a) GOVERNMENT AND PRIVATE SECURITIES</b>		
<b>* Holdings at fair value</b>		
Secured Bonds due in 2020	1,186,287	1,183,905
Federal Government Bonds in Pesos Badlar + 200 bp due 2016	320,891	374,000
Federal Government Bonds in Pesos Badlar + 200 bp due 2017	292,571	279,178
Peso-denominated Discount governed by Argentine Law maturing in 2033	270,455	467,472
Argentine Bond of Saving towards economic development	192,283	152,447
Argentine Treasury Bonds 18 months maturing 09-30-16	99,000	--,-
Argentine Treasury Bonds maturing 05-09-16	77,603	--,-
Federal Government Bonds in US Dollars 1.75% due 2016	55,665	--,-
Secured Bonds due in 2018	44,520	74,875
Federal Government Bonds in US Dollars 7% due 2015	39,427	104,850
US Dollar-linked Argentine Government Bond at 2.40% maturing in 2018	25,137	66,080
Federal Government Bonds in US Dollars 8.75% due 2024	757	43,384
Federal Government Bonds in Pesos Badlar + 250 bp due 2019	--,-	42,679
Par Securities denominated in Pesos	--,-	38,319
Consolidation Bonds – sixth series	--,-	37,716
Other	24,192	77,568
<b>Total</b>	<b><u>2,628,788</u></b>	<b><u>2,942,473</u></b>

	<u>06-30-2015</u>	<u>12-31-2014</u>
<b>* Holdings booked at amortized cost</b>		
Other	164	164
	-----	-----
<b>Total</b>	<b>164</b>	<b>164</b>
	=====	=====
 <b>* Instruments issued by the BCRA</b>		
BCRA Bills (LEBAC)	11,513,524	8,630,056
	-----	-----
<b>Total</b>	<b>11,513,524</b>	<b>8,630,056</b>
	=====	=====
 <b>* Investments in listed private securities</b>		
FBA Ahorro Pesos Investment Fund	54,987	49,652
FBA Bonos Argentina Investment Fund	11,593	10,210
Other	1,316	1,135
	-----	-----
<b>Total</b>	<b>67,896</b>	<b>60,997</b>
	-----	-----
<b>- Allowances</b>	(201)	(201)
	-----	-----
<b>Total</b>	<b>14,210,171</b>	<b>11,633,489</b>
	=====	=====
 <b>b) INVESTMENTS IN OTHER COMPANIES – Other</b>		
In other companies - unlisted	55,634	44,460
In companies-supplementary activities	31,821	22,283
	-----	-----
<b>Total</b>	<b>87,455</b>	<b>66,743</b>
	=====	=====
 <b>c) OTHER RECEIVABLES – Other</b>		
Miscellaneous receivables	696,001	475,180
Guarantee deposits	479,121	377,029
Prepayments	340,960	279,381
Tax prepayments	307,771	281,535
Loans to personnel	174,641	181,975
Advances to personnel	15,329	93,065
Other	9,141	8,261
	-----	-----
<b>Total</b>	<b>2,022,964</b>	<b>1,696,426</b>
	=====	=====

	<u>06-30-2015</u>	<u>12-31-2014</u>
<b>d) OTHER SUBSIDIARIES' ASSETS</b>		
Other related to pension fund management business	--,--	450
<b>Total</b>	<b>--,--</b>	<b>450</b>
<b>e) OTHER LIABILITIES FROM FINANCIAL TRANSACTIONS - Other</b>		
Accounts payable for consumption	2,312,430	2,482,573
Other withholdings and collections at source	775,058	687,838
Collections and other operations for the account of third parties	437,971	419,185
Money orders payable	159,735	338,117
Fees collected in advance	112,030	121,831
Social security payment orders pending settlement	105,541	18,816
Pending Banelco debit transactions	52,585	73,651
Loans received from Fondo Tecnológico Argentina (FONTAR) and Banco de Inversión y Comercio Exterior (BICE)	52,262	32,488
Funds raised from third parties	16,213	18,941
Loans received from Interamerican Development Bank (IDB)	8,046	6,485
Accrued commissions payable	3,390	7,336
Other	64,052	71,074
<b>Total</b>	<b>4,099,313</b>	<b>4,278,335</b>
<b>f) OTHER LIABILITIES – Other</b>		
Miscellaneous payables	798,458	697,722
Accrued taxes	787,488	1,093,119
Amounts collected in advance	536,523	434,830
Accrued salaries and payroll taxes	506,028	541,245
Other	4,504	4,805
<b>Total</b>	<b>2,633,001</b>	<b>2,771,721</b>
<b>g) OTHER SUBSIDIARIES' LIABILITIES</b>		
Other related pension fund management business	--,--	337
<b>Total</b>	<b>--,--</b>	<b>337</b>
<b>h) MEMORANDUM ACCOUNTS – DEBIT – CONTROL – Other</b>		
Securities representative of investment in custody safekeeping on behalf of the Guarantee Fund for the Sustainability of the Pay-as-you-go System managed by the Argentine Republic	71,394,991	61,071,633
Items in safekeeping	68,856,773	53,730,674
Checks not yet credited	4,600,346	3,694,973
Checks drawn on the Bank pending clearing	753,770	564,348
Collections items	722,269	573,483
Cash in custody on behalf of the BCRA	--,--	287,347
Other	406,511	514,368
<b>Total</b>	<b>146,734,660</b>	<b>120,436,826</b>

	<u>06-30-2015</u>	<u>06-30-2014</u>
<b>i) SERVICE CHARGE INCOME - Other</b>		
Commissions for hiring of insurances	293,750	244,692
Rental of safe-deposit boxes	85,727	69,114
Commissions on debit and credit cards	42,126	23,000
Commissions for transportations of values	20,301	12,740
Commissions for loans and guaranties	17,315	23,221
Commissions for capital market transactions	13,782	6,561
Commissions for escrow	10,251	10,404
Commissions for salary payment	4,898	4,681
Commissions for trust management	1,009	888
Other	47,663	37,181
	-----	-----
<b>Total</b>	<b>536,822</b>	<b>432,482</b>
	=====	=====
<b>j) SERVICE CHARGE EXPENSE - Other</b>		
Turn-over tax	190,208	152,308
Insurance paid on lease transactions	71,284	52,534
Other	12,803	6,455
	-----	-----
<b>Total</b>	<b>274,295</b>	<b>211,297</b>
	=====	=====
<b>k) OTHER INCOME – Other</b>		
Deferred income tax (1)	39,900	2,600
Income from the Credit Card Guarantee Fund	26,714	32,352
Related parties expenses recovery	17,534	14,524
Interest on loans to personnel	14,603	15,483
Other	20,334	38,570
	-----	-----
<b>Total</b>	<b>119,085</b>	<b>103,529</b>
	=====	=====
(1) Offset with a charge for the same amount in “Charge for uncollectibility of other receivables and other allowances” account, under Other expense item.		
<b>l) OTHER EXPENSE – Other</b>		
Charges for administrative, disciplinary and criminal penalties (2)	48,817	--,-
Donations	7,593	6,138
Private health insurance for former employees	7,285	4,853
Insurance losses	4,679	5,255
Turn-over tax	4,491	6,681
Other	18,520	19,418
	-----	-----
<b>Total</b>	<b>91,385</b>	<b>42,345</b>
	=====	=====

(2) See note 6.1. to the stand-alone financial statements

**CONSOLIDATED CLASSIFICATION OF FINANCING FACILITIES BY  
CATEGORIES AND GUARANTIES RECEIVED  
AS OF JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

-Stated in thousands of pesos-

	<b>06-30-2015</b>	<b>12-31-2014</b>
<b>COMMERCIAL PORTFOLIO</b>		
Normal performance	24,836,838	21,065,160
Preferred collaterals and counter guaranties "A"	1,564,329	1,215,074
Other collaterals and counter guaranties "B"	987,127	790,615
Without senior security or counter guaranties	22,285,382	19,059,471
With special follow-up	6,310	7,022
Under observation	6,310	7,022
Other collaterals and counter guaranties "B"	6,309	540
Without senior security or counter guaranties	1	6,482
Non-performing	1,015	5,048
Other collaterals and counter guaranties "B"	683	--,-
Without senior security or counter guaranties	332	5,048
With high risk of uncollectibility	17,065	--,-
Preferred collaterals and counter guaranties "A"	6,827	--,-
Other collaterals and counter guaranties "B"	592	--,-
Without senior security or counter guaranties	9,646	--,-
Uncollectible	5,501	27,508
Other collaterals and counter guaranties "B"	5,000	3,750
Without senior security or counter guaranties	501	23,758
<b>Total</b>	<b>24,866,729</b>	<b>21,104,738</b>

**CONSOLIDATED CLASSIFICATION OF FINANCING FACILITIES BY  
CATEGORIES AND GUARANTIES RECEIVED  
AS OF JUNE 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Spanish - See note 21 to the stand-alone Financial Statements)

-Stated in thousands of pesos-

	<b>06-30-2015</b>	<b>12-31-2014</b>
<b>CONSUMER AND HOUSING PORTFOLIO</b>		
Normal performance	26,912,690	24,380,887
Preferred collaterals and counter guaranties "A"	35,383	41,185
Other collaterals and counter guaranties "B"	3,953,078	3,926,860
Without senior security or counter guaranties	22,924,229	20,412,842
Low risk	242,223	273,475
Preferred collaterals and counter guaranties "A"	--,-	68
Other collaterals and counter guaranties "B"	58,438	71,350
Without senior security or counter guaranties	183,785	202,057
Medium risk	236,026	211,868
Other collaterals and counter guaranties "B"	17,795	24,017
Without senior security or counter guaranties	218,231	187,851
High risk	143,117	145,310
Other collaterals and counter guaranties "B"	31,676	29,952
Without senior security or counter guaranties	111,441	115,358
Uncollectible	41,400	43,657
Other collaterals and counter guaranties "B"	24,344	18,572
Without senior security or counter guaranties	17,056	25,085
Uncollectible, classified as such under regulatory requirements	148	136
Other collaterals and counter guaranties "B"	80	--,-
Without senior security or counter guaranties	68	136
<b>Total</b>	<b>27,575,604</b>	<b>25,055,333</b>
<b>General Total (1)</b>	<b>52,442,333</b>	<b>46,160,071</b>

(1) Items included: Loans (before allowances); Other receivables from financial transactions: Unlisted corporate bonds and Other receivables covered by debtor classification regulations; Receivables from financial leases (before allowances); Memorandum accounts – Credit – Contingent: Credit lines granted (unused portion) covered by debtor classification regulations, Other guaranties given covered by debtor classification regulations and Other covered by debtor classification regulations.

**INFORMATIVE SUMMARY OF ACTIVITY FOR THE SIX MONTH PERIOD  
ENDED ON JUNE 30, 2015  
(Consolidated amounts – Stated in thousand Pesos)**

BBVA Francés has been working on a customer-centric business model and has been adding technology as a key element to deal with the transformation process that the financial sector is going through. Therefore, in order to provide its major portfolio of customers with the service that the Bank traditionally renders, the Bank has a broad distribution network: it is present throughout the country with a network that 282 customer service points, 251 of which are retail branches and 31 are devoted to small and medium enterprises and institutions. Corporate Banking is divided by industry sectors: Retail, Heavy Industries and Energy that provide personalized service to large companies. Besides, the Bank's distribution network is further supplemented by 13 in-store banks, 2 points of sales, 691 ATMs and 796 self-service terminals. Besides, the Bank renewed its web page in order to afford more agility, ease and safety to the transactions made through digital channels.

Regarding the performance of the Bank in terms of activity, the Bank's portfolio of loans to the private sector totaled 48,021,603 as of June 30, 2015, which points to a 24% growth rate in the last twelve months of the year and 9.1% in the quarter, indicative of a certain acceleration in the growth rate.

The increase has been mainly driven by the retail segment. The portfolio of credit cards experienced a 54.2% year-on-year increase and a 7.6% increase in the quarter whilst consumer loans grew though to a lesser extent. As concerns the commercial portfolio, it grew by 22.2% in the past year and 14.3% in the quarter.

It should be noted that as of June 30, 2015, the Entity satisfied in full the requirement to grant 100% of the credit facilities for productive investment (3,100,000) as required under Communication "A" 5681 of the Argentine Central Bank

As to portfolio quality, the Bank has been able to maintain the best risk indicators in the Argentine financial system even within an environment that has shown signs of deterioration. The portfolio quality ratio (Non-performing loans/Total loans) was 0.85% with a level of coverage (Total loan loss provisions/Non-performing loans) of 235.14% at the end of the period.

As of June 30, 2015, the portfolio of Government securities, net of repurchase agreements, totaled 2,584,627 and represented 3% of the Bank's Total assets. Besides, the instruments issued by the Argentine Central Bank, net of repurchase agreements, totaled 11,552,922 as of that date and since they are short-term, they are used in order to allocate liquidity.

As to liabilities, total clients' resources totaled 60,015,603, indicative of 24.9% growth in the last twelve months. By kind of product, in the same period, sight deposits grew by 39.3% and term deposits grew by 23.7%. Whilst total deposits in the quarter grew by 8.4% with sight balances increasing by 11.7% and term deposits increasing by 7%.

BBVA Francés maintains sufficient levels of liquidity and solvency. As of June 30, 2015, liquid assets (Cash and cash equivalents plus Government and Private securities) represented 46.4% of the Bank's deposits. Besides, the capital ratio was at 16.6% of risk-weighted assets. The Bank surpassed capital minimum requirements by 5,889,038.

BBVA Francés has accumulated net income for the year ended on June 30, 2015 in the amount of 1,598,156. Income for the second quarter was, in turn, 667,210, which points to a 67.2% increase compared to the same quarter of 2014. When compared to the previous quarter, income shrank by 28.3%.

On a line to line analysis, the Financial income - net totaled 4,258,960 at the end of June, 2015, which points to 37.2% increase in comparison with the same quarter of the previous year, mainly due to an increase in the volume of intermediation with the private sector plus higher income from Government securities whilst there was a 13.6% decrease in the quarter due, above all, to the decrease in income experienced by the portfolio of Government securities.

Income from services – net totaled 1,761,058, remaining at a level similar to the same period of the previous fiscal year, whilst, compared to the first quarter, the decrease was 16.6%.

Administrative expenses, again, recorded a balance of 3,057,397 at the end of June 2015, growing by 10.9% compared to the same period of the prior year whilst in the course of the quarter there was a 7% decrease.

The personnel expenses registers the increase of salaries derived from the agreements with the working union and the increase of the staff, whilst overhead reflects the impact of the growth in the level of activity as well as in the level of prices.

## **Outlook**

In the course of 2015, BBVA Francés will continue to invest in the main strategic projects already underway reinforcing what is at stake and standing by the commitment assumed to customers and society at large in order to:

- Be a leader in customer satisfaction
- Lead by example in Digital Banking
- Position BBVA as the most competitive and profitable franchise

In terms of quality, the challenge proposed for this year is to maintain a leadership position. To that end, the levers with the highest impact on customer recommendation have been identified and they serve as the basis for the quality plans that are being boosted.

As to digital transactionality, an aggressive plan for the development of infrastructure, both on-line and mobile, is being implemented in order to attain the objectives planned both in terms of digital customers and of those who operate through their mobile phones: the ratio of out-of-office transactions has been significant. As regards products acquired on line, the penetration of this channel continues to grow in investment products and insurance. In the second half of the year, progress will be made in the developments associated to the sale of credit cards and consumer loans.

The commercial strategy reinforces customer-centric actions and policies and keeps in place differential alliances such as the LAN kilometers program, the joint ventures with Rombo and Peugeot, the new agreement with Volkswagen and the sponsorship agreements with Boca and River, to name but a few, thanks to which the Bank has grown in terms of market share and core products.

CONSOLIDATED BALANCE SHEET STRUCTURE COMPARED TO THE SAME PERIODS EN PRIOR FISCAL YEARS  
 (Stated in thousands of pesos)

	<u>06-30-2015</u>	<u>06-30-2014</u>	<u>06-30-2013</u>	<u>06-30-2012</u>	<u>06-30-2011</u>
Total Assets	87,571,100	68,366,053	49,308,628	39,592,599	33,042,764
Total Liabilities	75,772,809	59,271,631	43,433,980	35,053,001	29,720,241
Minority Interest in subsidiaries	268,259	205,873	143,097	99,970	75,253
Stockholders' Equity	11,530,032	8,888,549	5,731,551	4,439,628	3,247,270
Total Liabilities + Minority Interest in subsidiaries + Stockholders' Equity	87,571,100	68,366,053	49,308,628	39,592,599	33,042,764

CONSOLIDATED STATEMENT OF INCOME STRUCTURE COMPARED TO THE SAME PERIODS IN PRIOR FISCAL YEARS  
(Stated in thousands of pesos)

	<u>06-30-2015</u>	<u>06-30-2014</u>	<u>06-30-2013</u>	<u>06-30-2012</u>	<u>06-30-2011</u>
Financial income	4,258,960	3,887,391	2,066,838	1,701,900	1,031,793
Allowances for loan losses	(324,275)	(270,473)	(208,633)	(77,315)	(32,955)
Income from services	1,761,058	1,542,651	1,152,442	855,160	646,987
Administrative expenses	<u>(3,057,397)</u>	<u>(2,548,078)</u>	<u>(1,861,877)</u>	<u>(1,419,060)</u>	<u>(1,095,678)</u>
Net gain from financial transactions	<b>2,638,346</b>	<b>2,611,491</b>	<b>1,148,770</b>	<b>1,060,685</b>	<b>550,147</b>
Miscellaneous income and expenses – net	(28,289)	98,495	24,399	(7,877)	124,992
Results of minority interest in subsidiaries	(66,193)	(44,498)	(25,116)	(16,230)	(1,606)
Income tax	<u>(945,708)</u>	<u>(904,319)</u>	<u>(548,438)</u>	<u>(465,207)</u>	<u>(281,047)</u>
<b>Net income for the period</b>	<b><u>1,598,156</u></b>	<b><u>1,761,169</u></b>	<b><u>599,615</u></b>	<b><u>571,371</u></b>	<b><u>392,486</u></b>

CONSOLIDATED CASH FLOWS STRUCTURE COMPARED TO THE SAME PERIODS IN PRIOR FISCAL YEARS  
(Stated in thousands of pesos)

	<u>06-30-2015</u>	<u>06-30-2014</u>	<u>06-30-2013</u>	<u>06-30-2012</u>	<u>06-30-2011</u>
Net cash flow provided by / (used in) operating activities	3,047,981	(489,473)	699,341	633,174	5,378,421
Net cash flow used in investment activities	(699,705)	(584,870)	(419,763)	(359,235)	(191,841)
Net cash flow used in financing activities	(1,480,663)	(339,723)	(680,033)	(276,489)	(4,106,283)
Financial results and results from holdings of cash and cash equivalents (including interest)	--,--	--,--	54	--,--	1
<b>Total cash provided / (used) during the period</b>	<b><u>867,613</u></b>	<b><u>(1,414,066)</u></b>	<b><u>(400,401)</u></b>	<b><u>(2,550)</u></b>	<b><u>1,080,298</u></b>

STATISTICAL RATIOS COMPARED TO THE SAME PERIODS IN PRIOR FISCAL YEARS  
(year-over-year variations in balances)

	<u>06-30-2015/14</u>	<u>06-30-2014/13</u>	<u>06-30-2013/12</u>	<u>06-30-2012/11</u>	<u>06-30-2011/10</u>
<b>Total Loans</b>	23.98%	20.41%	32.68%	28.45%	40.64%
<b>Total Deposits</b>	24.90%	30.30%	22.72%	15.28%	29.72%
<b>Net Income</b>	(9.26%)	193.72%	4.94%	45.58%	8.11%
<b>Stockholders' Equity</b>	29.72%	55.08%	29.10%	36.72%	16.74%

RATIOS COMPARED TO THE SAME PERIODS IN PRIOR FISCAL YEARS

	06-30-2015	06-30-2014	06-30-2013	06-30-2012	06-30-2011
<b>Solvency (1)</b>	15.16%	14.94%	13.15%	12.63%	10.90%
<b>Liquidity (2)</b>	46.42%	45.20%	33.95%	40.48%	45.25%
<b>Tied-up capital (3)</b>	2.90%	2.64%	1.64%	1.74%	1.97%
<b>Indebtedness (4)</b>	6.60	6.69	7.60	7.92	9.18

(1) Total Shareholders' equity/Liabilities (including minority interests in subsidiaries)

(2) Sum of Cash and cash equivalents and Government and Private securities/Deposits

(3) Sum of Premises and equipment, other assets and Intangible assets/Assets

(4) Total Liabilities (including minority interests in subsidiaries)/Shareholders' equity

## **INDEPENDENT AUDITORS' REVIEW REPORT**

(Interim financial statements)

To the President and the Board of Directors of  
**BBVA BANCO FRANCÉS S.A.**  
Reconquista 199  
City of Buenos Aires

### **Report on interim financial statements**

#### **1. Identification of the interim financial statements subject to review**

We have reviewed:

- a) the accompanying interim financial statements of BBVA BANCO FRANCÉS S.A. ("BBVA Francés" or the "Bank"), which comprise the balance sheet as of June 30, 2015 and the statement of income, statement of changes in stockholders' equity and cash and cash equivalents flow for the six-month period then ended and the supplemental information included in their notes 1 to 20, and the Exhibits "A" through "L", "N" and "O"; and
- b) the accompanying interim consolidated financial statements of BBVA Francés and its subsidiaries (listed in note 1 to the consolidated financial statements), which comprise the consolidated balance sheet as of June 30, 2015 and the consolidated statement of income and the consolidated cash and cash equivalents flow for the six-month period then ended, and the supplemental information included in their notes 1 to 7 and the Exhibit 1.

The figures and other information for the year ended December 31, 2014 and for the six-month period ended June 30, 2014 are an integral part of these interim financial statements and are intended to be read only in relation to those financial statements.

#### **2. Bank responsibility for the interim Financial Statements**

The Bank is responsible for the preparation and fair presentation of such accompanying interim financial statements in conformity with accounting standards established by the Argentine Central Bank (B.C.R.A.) applicable to financial institutions, as well as responsible of internal control considered necessary to enable the presentation of financial statements free from material misstatement.

#### **3. Auditors' Responsibility**

Our responsibility is to issue a conclusion on the accompanying interim financial statements based on our review. We conducted our review in accordance with standards for review of interim financial statements for interim periods set forth in section IV of the Technical Pronouncement N° 37 of the Argentine Federation of Professional Councils in Economic Sciences and the "Minimum Standards applicable for External Audits" established by the Argentine Central Bank (B.C.R.A.) for the limited reviews of interim financial statements. Those standards require that we comply with ethical requirements.

A review of interim financial statements is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that

might be identified in an audit. Accordingly, we do not express an opinion on the financial position of the Bank as of June 30, 2015, on the results of its operations, the changes in its stockholders' equity and its cash and cash equivalents flow for the six-month period then ended.

#### **4. Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements of BBVA Francés both stand alone and consolidated with its subsidiaries companies corresponding to the six-month period ended on June 30, 2015, are not presented in all material respects, in accordance with accounting standards established by B.C.R.A.

#### **5. Emphasis on certain issues disclosed in the financial statements**

The interim stand-alone and consolidated financial statements referred to in paragraphs a) and b) of caption 1 of this report have been prepared by the Bank in accordance with the accounting standards established by the B.C.R.A., which differ from the Argentine professional accounting standards concerning the matters indicated in note 3 to the stand-alone financial statements and in note 2 to the consolidated financial statements. This issue does not modify the conclusion expressed in caption 4.

#### **6. English translation of statutory financial statements**

This report and the financial statements referred to in caption 1 have been translated into English for the convenience of English-speaking readers. As further explained in note 21 to the accompanying stand-alone financial statements, the financial statements (both the stand-alone and the consolidated financial statements) are the English translation of those originally prepared by the Bank in Spanish and presented in accordance with the accounting standards of B.C.R.A. and except for the matters described in caption 5, with the Argentine professional accounting standards. The effects of the differences between the accounting standards of B.C.R.A. and the Argentine professional accounting standards, and the accounting principles generally accepted in the countries in which the financial statements are to be used have not been quantified. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations, stockholders' equity or cash and cash equivalents flow in accordance with accounting principles generally accepted in the countries of users of the financial statements, other than Argentina.

City of Buenos Aires, August 10, 2015.

MARCELO BASTANTE  
Partner

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