Business model based on:

Diversification, Client, Prudence and Principles.

Emerging markets are driving growth
A balanced diversification, with leading franchises in all markets in which it operates:

- **Spain**: Management in a complex environment
- **USA**: Fast pace of new business in a low-interest rate environment
- **Mexico**: Income reflects buoyant activity
- **South América**: Buoyant business and strong income
- **Eurasia**: Area of future growth
Earnings: strength and recurrence of revenue despite environment

**Gross Income**
(million of €)

- **12M-12**: 21,892
- **12M-13**: 21,397

**Net interest income + fee income**
(million of €)

- **12M-12**: 19,476
- **12M-13**: 19,044

**Recurring revenue is growing**
**Risk:** Spain is still in the spotlight

**NPL and coverage ratios %**

- **Coverage:**
  - Dec. 12: 66%
  - Mar. 13: 68%
  - Jun. 13: 64%
  - Sep. 13: 58%
  - Dec. 13: 59%

- **NPL Rate:**
  - Dec. 12: 3.4%
  - Mar. 13: 3.6%
  - Jun. 13: 3.8%
  - Sep. 13: 4.6%
  - Dec. 13: 4.6%
Index

1. BBVA Group

2. Macroeconomic Outlook and Financial System

3. BBVA Francés
Deceleration of Argentine economy...

GDP Growth

- After the recovery of the 2002 crisis, Argentina has maintained high levels of growth, except in 2009, mainly consequence of the international turmoil.

- Since 2012 economy has shown a deceleration, mainly due to the impact of the international crisis and some domestic issues.

Trade Balance

(billion of USD)

Export Prices

base 2004=100

...export prices maintain the surplus in the trade balance, even though the deficit in the energy sector

Source: INDEC and own estimations.
Main figures show deterioration

**Exchange Rate ($/U$S)**
Source: BCRA

**Unemployment (%)**
Source: INDEC

**Inflation (%)**
Source: INDEC

**Badlar private banks (%)**
Source: BCRA
After the 2001 crisis the financial industry suffered an important reduction.

Private deposits and loans in terms of GDP

Private Sector Deposits/GDP

Private Sector Loans/GDP

Now, there is an opportunity to growth

Source: BCRA
Impressive expansion of the retail loan portfolio

Loans performance in the financial system

Source: BCRA.
Figures in Million of Pesos
Index

1. BBVA Group
2. Macroeconomic Outlook and Financial System
3. BBVA Francés
The history of BBVA Francés is marked by several key events:

- **1886**: Established as Banco Francés del Río de la Plata.
- **1980**: Customer base expansion (adding small & medium companies and individuals).
- **1990**: Incorporation of investment banking, capital markets and international banking, while expanding its branch network throughout the country.
- **1996**: BBVA GROUP BECOMES THE CONTROLLING SHAREHOLDER.
- **1997**: Merger with Banco de Crédito Argentino.
- **2013**: BBVA Francés acquired 23 floors of the building to be constructed by Consultatio, where the “Torre BBVA” will be established.

**Banco Frances was one of the first companies listed on the BCBA, quoting since 1888. Its shares are also listed on the New York Stock Exchange since November 1993 and LATIBEX since December 1999.**
Operative Structure: Wide Network

<table>
<thead>
<tr>
<th>Branches</th>
<th>Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>245</td>
</tr>
<tr>
<td>Middle Market</td>
<td>30</td>
</tr>
<tr>
<td>Corporate</td>
<td>7 business units</td>
</tr>
</tbody>
</table>

5,233 Employees

- Auto Financing: PSA Finance Rombo
- Broker: BBVA Francés Valores S.A.
- Mutual Funds: BBVA Francés Asset Management S.A.
- Insurance: BBVA Consolidar Insurance
An important player with capacity to increase its participation

**Market Share (%)**

**Total Deposits**

- **Nación**: 28.20%
- **Provincia**: 9.40%
- **Santander**: 6.90%
- **Galicia**: 6.70%
- **BBVA Francés**: 5.60%
- **Macro**: 5.30%
- **HSBC**: 3.80%
- **Credicoop**: 3.80%
- **Ciudad**: 3.50%
- **Patagonia**: 3.00%

77% of total

**Total Loans**

- **Nación**: 20.30%
- **Santander**: 8.30%
- **Provincia**: 7.70%
- **Galicia**: 7.50%
- **Macro**: 6.50%
- **BBVA Francés**: 6.50%
- **Ciudad**: 4.40%
- **HSBC**: 4.00%
- **Patagonia**: 3.50%
- **Credicoop**: 3.20%

72% of total

October 2013

Private Market Share, December 2013
Since 1996

Domestic Stocks
- Minority Shareholders: 24.07%
- ADRs (NYSE): 8.86%
- Market Capitalization: $10,952 million of pesos

Since 1996

December 31, 2013
## Solid balance sheet structure

**Figures in million of pesos**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td></td>
<td>58,458</td>
</tr>
<tr>
<td>Cash and Banks</td>
<td>22%</td>
<td>12,882</td>
</tr>
<tr>
<td>BCRA Notes</td>
<td>2%</td>
<td>2,244</td>
</tr>
<tr>
<td>Public sector assets</td>
<td>4%</td>
<td>36,427</td>
</tr>
<tr>
<td>Private Loans</td>
<td>62%</td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>9%</td>
<td>5,497</td>
</tr>
</tbody>
</table>

| Liabilities           |            | 58,458   |
| Deposits              | 75%        | 43,784   |
| Others                | 13%        | 7,518    |
| Net Worth             | 12%        | 7,156    |

| Leverage               |            | 8.2 x    |
| Private Loans to Total Deposits |          | 83.2%    |
| Liquid Assets to Total Deposits      |          | 32.6%    |
Growth in the private loan portfolio with a diversified structure.

Figures in million of pesos

- Dec.11: 22,830
- Dec.12: 28,432
- Dec-13: 36,427

21.67% Lending Rate ($)

Corporate
- 27%

Retail
- 51%
  - Credit Cards: 20%
  - Personal Loans: 16%
  - Car Loans: 10%
  - Mortgages: 3%

Middle-Market
- 22%
Retail: maintaining the leadership in car loans

Figures in million of pesos

**Personal Loans**

<table>
<thead>
<tr>
<th></th>
<th>Dec.11</th>
<th>Dec.12</th>
<th>Dec.13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Share (%)</td>
<td>6.43</td>
<td>6.35</td>
<td>6.05</td>
</tr>
</tbody>
</table>

YoY chg.

12 vs 11: + 27 %
13 vs 12: + 26 %

**Car Loans (*)**

<table>
<thead>
<tr>
<th></th>
<th>Dec.11</th>
<th>Dec.12</th>
<th>Dec.13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Share (%)</td>
<td>18.61</td>
<td>20.07</td>
<td>19.82</td>
</tr>
</tbody>
</table>

YoY chg.

12 vs 11: + 46 %
13 vs 12: + 39 %

(*) Car loans include joint ventures
Credit cards: the strategy is gain market share and make the product more profitable

**Advertising + Promotions**

- Income
- Dec.11: 75%
- Dec.12: 67%
- Dec.13: 52%

**Market Share**

- Dec.11: 10.99%
- Dec.12: 11.10%
- Dec.13: 11.36%
Commercial loans with a good performance

Figures in million of pesos

**Middle-Market**

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Dec. 12</th>
<th>Dec. 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Share (%)</td>
<td>9.65</td>
<td>9.83</td>
<td>9.48</td>
</tr>
</tbody>
</table>

Focused on the most profitable products: Overdraft, financial loans and leasing.

**Corporate**

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Dec. 12</th>
<th>Dec. 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Share (%)</td>
<td>19.39</td>
<td>17.98</td>
<td>17.42</td>
</tr>
</tbody>
</table>

Maintaining the leadership
Reducing the exposure to public sector

Figures in million of pesos

- Others
- Bills and Notes from Central Bank
- Public bonds

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Dec. 12</th>
<th>Dec. 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others</td>
<td>2,113</td>
<td>2,111</td>
<td>2,116</td>
</tr>
<tr>
<td>Bills and Notes from Central Bank</td>
<td>2,258</td>
<td>2,202</td>
<td>1,233</td>
</tr>
<tr>
<td>Public bonds</td>
<td>2,213</td>
<td>1,871</td>
<td>2,023</td>
</tr>
</tbody>
</table>

| Total exposure to the Public Sector without repos | 4,586 | 4,284 | 3,472 |
| Public Sector National Government /Total Assets | 5.8%  | 4.9%  | 2.1%  |

The bank complies with Rule 3991 from the Central Bank, which restricts public sector exposure to 35% of total assets as of July ‘07.
Asset quality remains at great levels, despite a slight deterioration in the ratios.

NPL by business areas

- **Retail**: 1.33%
- **Middle-Market**: 0.23%
- **Corporate**: 0.00%
Deposits: growing at a faster pace...

Figures in million of pesos
Negotiable Obligations

Global Program for the issuance of N.O. of up to US$ 750,000,000.

<table>
<thead>
<tr>
<th>Class</th>
<th>Issuance</th>
<th>Maturity</th>
<th>Cupon</th>
<th>F.V.</th>
</tr>
</thead>
<tbody>
<tr>
<td>IV</td>
<td>07-31-13</td>
<td>18 months (2015)</td>
<td>BADLAR + 3.69%</td>
<td>$ 250 MM</td>
</tr>
<tr>
<td>VI</td>
<td>08-11-13</td>
<td>18 months (2015)</td>
<td>BADLAR + 3.25%</td>
<td>$ 121.4 MM</td>
</tr>
<tr>
<td>VII</td>
<td>08-11-13</td>
<td>36 months (2016)</td>
<td>BADLAR + 4.24%</td>
<td>$ 250 MM</td>
</tr>
<tr>
<td>VIII</td>
<td>02-11-14</td>
<td>18 months (2016)</td>
<td>BADLAR + 3.80%</td>
<td>$ 258.8 MM</td>
</tr>
<tr>
<td>IX</td>
<td>02-11-14</td>
<td>36 months (2018)</td>
<td>BADLAR + 4.70%</td>
<td>$ 145.1 MM</td>
</tr>
</tbody>
</table>
Steady growth of gains

<table>
<thead>
<tr>
<th>Figures in million of pesos</th>
<th>Recurring</th>
<th>Non Recurring</th>
<th>Total</th>
<th>Recurring</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Financial Income</td>
<td>5,064.6</td>
<td>(86.1)</td>
<td>4,978.4</td>
<td>3,603.9</td>
</tr>
<tr>
<td>Provision for Loan losses</td>
<td>(453.3)</td>
<td>(453.3)</td>
<td></td>
<td>(256.3)</td>
</tr>
<tr>
<td>Net Income from Services</td>
<td>2,498.5</td>
<td></td>
<td>2,498.5</td>
<td>1,846.5</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>(3,881.9)</td>
<td>(3,881.9)</td>
<td>(3,881.9)</td>
<td>(3,039.7)</td>
</tr>
<tr>
<td>Operating Income</td>
<td>3,227.8</td>
<td>(86.1)</td>
<td>3,141.7</td>
<td>2,154.4</td>
</tr>
<tr>
<td>Income before tax</td>
<td>3,230.8</td>
<td></td>
<td>3,144.6</td>
<td>2,048.7</td>
</tr>
<tr>
<td>Income Tax</td>
<td>(1,056.7)</td>
<td>(63.7)</td>
<td>(1,120.4)</td>
<td>(793.9)</td>
</tr>
<tr>
<td>Net Income</td>
<td>2,174.1</td>
<td>(149.8)</td>
<td>2,024.2</td>
<td>1,254.8</td>
</tr>
</tbody>
</table>

+ 73 %
Good performance of the Net interest margin

**Recurring net financial income**

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Dec. 12</th>
<th>Dec. 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>745</td>
<td>968</td>
<td>1,662</td>
</tr>
<tr>
<td>% y-o-y</td>
<td>+ 30%</td>
<td>+ 72%</td>
<td></td>
</tr>
</tbody>
</table>

**Private Spread**

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Dec. 12</th>
<th>Dec. 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spread</td>
<td>11.78%</td>
<td>13.97%</td>
<td>13.34%</td>
</tr>
<tr>
<td>bp</td>
<td>+219</td>
<td>-63bp</td>
<td></td>
</tr>
</tbody>
</table>

Figures in million of pesos
Good performance in fees and high control in expenses

Net Income from Services

<table>
<thead>
<tr>
<th></th>
<th>Dec. 11</th>
<th>Dec. 12</th>
<th>Dec. 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>4T12</td>
<td>402</td>
<td>517</td>
<td>668</td>
</tr>
</tbody>
</table>

Y-o-Y chg

4T12 vs 4T11: + 28%
4T13 vs 4T12: + 29%

Personnel expenses
grew 15% compared to 4Q12, reflecting mainly the salary increase and a higher number of employees.

General expenses
grew due to tax charges as a consequence of the initial payment of the purchase of the new building, an increase in the activity volume, all charges related directly to the business activity level and to price adjustments related to structural fixed costs, partially offset by lower charges on advertisement and promotions.

Figures in million of pesos
Improving efficiency and coverage

**Efficiency Ratio (1)**

- **YoY chg.**
  - 12 vs 11: +119 bp
  - 13 vs 12: -1,540 bp

- Dec.11: 56.8%
- Dec.12: 58.0%
- Dec.13: 42.6%

**Coverage ratio (2)**

- **YoY chg.**
  - 12 vs 11: -172 bp
  - 13 vs 12: +720 bp

- Dec.11: 61.7%
- Dec.12: 60.0%
- Dec.13: 67.20%

---

(1) Adm. Expenses / (Net financial income + Net income from services) Removing the non-recurring effects deriving from the variation in public bonds valuations.

(2) Net fee Income as a % of Administrative Expenses
High level of profits

ROE*

<table>
<thead>
<tr>
<th>Year</th>
<th>ROE</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>26.4%</td>
</tr>
<tr>
<td>2012</td>
<td>28.1%</td>
</tr>
<tr>
<td>2013</td>
<td>33.0%</td>
</tr>
</tbody>
</table>

- Increasing intermediation with the private sector
- Superior asset quality
- Efficient operating structure
- Balance sheet strength (Capital & Liquidity)
BBVA Francés

December 2013