BBVA Francés
Corporate Presentation
1° Quarter 2015
Index

1. BBVA Group
2. Macroeconomic Outlook and Financial System
3. BBVA Francés
1. BBVA Group

2. Macroeconomic Outlook and Financial System

3. BBVA Francés
Business model based on

Diversification, Clients, Prudence and Principles

Europe
Belgium / France / Germany / Italy / Portugal / Russia / Spain / Switzerland / Turkey / U.K.

North America
Mexico / USA

South America
Argentina / Bolivia / Brazil / Chile / Colombia / Paraguay / Peru / Uruguay / Venezuela

Asia - Pacific
Australia / China / Hong Kong / India / Japan / Singapore / South Korea / Taiwan / UAE

€673 billion in total assets
51 million customers
31 countries
7,360 branches
22,595 ATM’s
108,844 employees

Representative Offices: Brasil, Russia, Turkey, Shangai, Beijing, Australia, India and United Arab Emirates
With leading franchises in all markets in which it operates:

- **Spain**: First bank in Spain overall business volume
- **USA**: Economic growth continues at a solid pace
  - Strong margins
- **Mexico**: Double-digit business activity
  - Stable risk indicators
  - Leader and bank of reference in Mexico
- **South America**: The area will continue to be a relevant contributor to the Group
  - The Andean region positioning itself as the main growth lever
- **Turkey**: Potential backed by attractive demographics & underpenetrated market
  - Successful customer spread management
1. BBVA Group

2. Macroeconomic Outlook and Financial System

3. BBVA Francrés
Slight improvement in GDP and prices losing momentum...

**Official GDP Growth (%)**
Base 2004

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>0.05%</td>
</tr>
<tr>
<td>2010</td>
<td>9.45%</td>
</tr>
<tr>
<td>2011</td>
<td>8.39%</td>
</tr>
<tr>
<td>2012</td>
<td>2.89%</td>
</tr>
<tr>
<td>2013</td>
<td>0.10%</td>
</tr>
<tr>
<td>2014</td>
<td>1.00%</td>
</tr>
<tr>
<td>2015e</td>
<td>2.00%</td>
</tr>
</tbody>
</table>

**Inflation (%)**

- CPI
- Monthly CPI.Nu

<table>
<thead>
<tr>
<th>Year</th>
<th>CPI</th>
<th>Monthly CPI.Nu</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>7.7</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>9.5</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>10.9</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>3.7</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.4</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>2.6</td>
<td></td>
</tr>
</tbody>
</table>

CPI-Nu: the new index launched in January 14’, with national coverage (87% of the country, 13.000 sales outlets), reflects a higher level of inflation.

Source: INDEC and own estimations.
And the main variables will erode in 2015

**Trade Balance**
(billion of USD)

- 2009: 6.7
- 2011: 5.0
- 2013: 5.5
- 2015e
- 2016e

Declining exports due to lower commodities prices and recession in Brazil, partially offset by a drop in oil prices and controlled imports.

**Unemployment (%)**

- 2009: 7.3
- 2011: 7.8
- 2013: 8.2
- 2015e
- 2016e

**Exchange Rate ($/U$S)**

- 2009: 8.5
- 2011: 12.4
- 2013: 16.1
- 2015e
- 2016e

**Badlar private banks (%)**

- 2009: 20.0
- 2011: 21.0
- 2013: 22.0
- 2015e
- 2016e

Source: BCRA, INDEC and own estimations.
Financial System, small but there is a growth opportunity.

Private deposits and loans in terms of GDP

Source: BCRA
Expansion of the retail loan portfolio

Loans performance in the financial system

Figures in millions of Pesos

Source: BCRA.
1. BBVA Group

2. Macroeconomic Outlook and Financial System

3. BBVA Francés
1886: Banco Francés del Río de la Plata

1980: Customer base expansion (adding S&Ms 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.

2014: BBVA GOING DIGITAL

BBVA Francés 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>Segment</th>
<th>Branches</th>
<th>Clients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>251</td>
<td>1,875,003 clients</td>
</tr>
<tr>
<td>VIP Segment</td>
<td></td>
<td>19 VIP spaces</td>
</tr>
<tr>
<td>Middle Market</td>
<td>31</td>
<td>22,664 companies</td>
</tr>
<tr>
<td>Corporate</td>
<td></td>
<td>810 large corporations</td>
</tr>
</tbody>
</table>

- ✔ 686 ATM’s
- ✔ 776 QDB’s

5,595 Employees
With a diversified business model...

- **Auto Financing**
  - PSA Finance
  - Rombo

- **Broker**
  - BBVA Francés
  - Valores S.A.

- **Mutual Funds**
  - BBVA Francés Asset Management S.A.

- **Insurance**
  - BBVA Consolidar Insurance

And strategic alliances and sponsors...

- LAN.com
- T4F
- CABJ
- BOCA
- River Plate
An important player with capacity to increase its participation

Financial system as of January 2015
Private MS as of March 2015
Equity Ownership

Mkt Data

- Mkt Cap: $ 43,756 MM
  - US$: 4,961 MM
- Av. Volume (3 mths):
  - NYSE: US$ 4.0 MM
  - BCBA: $ 5.3 MM

2014 Ratios

- BV/ Share: $ 20.98
- P/E: $ 6.9

Mkt data as of March 31, 2015
## Ratings

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Instrument</th>
<th>Rating</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fix SCR</strong></td>
<td>Shares</td>
<td>1</td>
<td>Negative</td>
</tr>
<tr>
<td></td>
<td>Negotiable Obligations Global Program (U$S 750 million)</td>
<td>AA(arg)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subordinated Senior Debt</td>
<td>AA- (arg)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Senior Debt Short Term</td>
<td>A1+ (arg)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Senior Debt Long Term</td>
<td>AA (arg)</td>
<td></td>
</tr>
<tr>
<td><strong>S&amp;P</strong></td>
<td>Institutional Rating Long Term</td>
<td>raB+</td>
<td>Negative</td>
</tr>
<tr>
<td></td>
<td>Institutional Rating Short Term</td>
<td>raB</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Negotiable Obligations Global Program (U$S 750 million)</td>
<td>raB+</td>
<td></td>
</tr>
</tbody>
</table>

*In November 2013, Fitch Argentina sold 70% of its capital stock to a local investor group and changed its name to Fix Scr. This new group will be responsible for the local credit rating.*
## Strong fundamentals

<table>
<thead>
<tr>
<th>Income growth</th>
<th>Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mantaining upward trend</strong></td>
<td><strong>Best risk indicators in the system</strong></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liquidity</strong></td>
<td><strong>Profitability</strong></td>
</tr>
<tr>
<td><strong>Adequate funding structure</strong></td>
<td><strong>Strong regulatory ratios</strong></td>
</tr>
</tbody>
</table>

**Key lever:** Digital transformation

**Remarks:** 1Q-15
# Strong fundamentals

<table>
<thead>
<tr>
<th>Income growth</th>
<th>Liquidity</th>
<th>Profitability</th>
<th>Risks</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Income</strong></td>
<td><strong>Liquid Assets/Deposits</strong></td>
<td><strong>ROE</strong></td>
<td><strong>NPL</strong></td>
<td><strong>Coverage</strong></td>
</tr>
<tr>
<td>$ 930.9</td>
<td>44.9%</td>
<td>34.5%</td>
<td>0.92%</td>
<td>234.0%</td>
</tr>
<tr>
<td>+14.3% 1Q15 vs. 4Q14</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Digital transformation framework

- Customer Experience
- Distribution Model
- Digital Sales
- Digital Capabilities
- Infrastructure Development
- Organization & Culture
# P&L breakdown

<table>
<thead>
<tr>
<th>Figures in thousands of pesos</th>
<th>1°Q-15</th>
<th>4°Q-14</th>
<th>1°Q-14</th>
<th>△ Q/Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Financial Income</td>
<td>2,285,033</td>
<td>1,977,228</td>
<td>2,445,942</td>
<td>15.6%</td>
</tr>
<tr>
<td>Provision for Loan Losses</td>
<td>(143,097)</td>
<td>(152,323)</td>
<td>(118,744)</td>
<td>-6.1%</td>
</tr>
<tr>
<td>Net Income from Services</td>
<td>960,451</td>
<td>918,875</td>
<td>728,761</td>
<td>4.5%</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>(1,581,333)</td>
<td>(1,478,751)</td>
<td>(1,212,897)</td>
<td>6.9%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>1,521,054</td>
<td>1,265,029</td>
<td>1,843,062</td>
<td>20.2%</td>
</tr>
<tr>
<td>Income tax</td>
<td>(492,468)</td>
<td>(420,979)</td>
<td>(530,452)</td>
<td>17.0%</td>
</tr>
<tr>
<td>Net Income</td>
<td>930,946</td>
<td>814,357</td>
<td>1,362,118</td>
<td>14.3%</td>
</tr>
</tbody>
</table>
Good performance of the net interest margin

Figures in millions of pesos

Net financial income

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dic.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2.446</td>
<td>1.977</td>
<td>2.285</td>
</tr>
</tbody>
</table>

+16% q/q

Private Spread
Average spread ($)

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dic.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>14.50%</td>
<td>17.76%</td>
<td>16.60%</td>
</tr>
</tbody>
</table>

1Q15 vs 4Q14
- 116 pb

1Q15 vs 1Q14
+ 220 pb
Fees maintain the pace of growth.

**Net Income from Services**

Mar.14 | Dec.14 | Mar.15
---|---|---
729 | 919 | 960

1Q15 vs 4Q14: +5%
1Q15 vs 1Q14: +32%

**Personnel expenses**

Mar.14 | Dec.14 | Mar.15
---|---|---
680 | 813 | 905

Personnel expenses grew 33% compared to 1Q-14, reflecting mainly the salary increase, the payment of a fixed sum to employees agreed with the union and a higher number of employees.

**General expenses**

Mar.14 | Dec.14 | Mar.15
---|---|---
533 | 666 | 676

General expenses grew due to higher prices and our ATM renovation program.
Solid balance sheet structure

Figures in millions of pesos

- **Assets**
  - 16% Cash and Banks
  - 15% BCRA Notes
  - 4% Public sector assets
  - 53% Private Loans
  - 13% Others

- **Liabilities + Equity**
  - 68% Deposits
  - 18% Others
  - 14% Net Worth

**Leverage** 6.2x

**Loans/Deposits** 77.8%

**Liquid Assets/Deposits** 44.9%
Private loan portfolio with a diversified structure

Figures in millions of pesos

- Mar. 14: 36,658
- Dec. 14: 41,388
- Mar. 15: 43,084

+18% y/y

Average Lending Rate ($): 25.8%

Corporate: 18%
Retail: 56%
Middle-Market: 26%

Credit Cards: 33%
Personal Loans: 16%
Car Loans: 10%
Mortgages: 4%
Retail Banking

Figures in millions of pesos

Personal Loans

<table>
<thead>
<tr>
<th></th>
<th>1Q15 vs 4Q14</th>
<th>1Q15 vs 1Q14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+1%</td>
<td>+2%</td>
</tr>
</tbody>
</table>

Market Share (%)

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dec.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.95</td>
<td>6.047</td>
<td>6.092</td>
<td>6.182</td>
</tr>
</tbody>
</table>

Car Loans (*)

<table>
<thead>
<tr>
<th></th>
<th>1Q15 vs 4Q14</th>
<th>1Q15 vs 1Q14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-1%</td>
<td>-9%</td>
</tr>
</tbody>
</table>

Market Share (%)

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dec.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>19.42</td>
<td>6.320</td>
<td>5.811</td>
<td>5.764</td>
</tr>
</tbody>
</table>

(*) Car loans include joint ventures
Credit cards: the strategy is to gain market share, making the product more profitable.
Commercial loan portfolio

Figures in millions of pesos

**Middle-Market**

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dic.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Share (%)</td>
<td>9.59</td>
<td>9.58</td>
<td>9.79</td>
</tr>
</tbody>
</table>

1Q15 vs 4Q14: +2%
1Q15 vs 1Q14: +18%

**Corporate**

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dic.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Share (%)</td>
<td>16.03</td>
<td>14.64</td>
<td>14.30</td>
</tr>
</tbody>
</table>

1Q15 vs 4Q14: +7%
1Q15 vs 1Q14: +2%
Important participation of bills & notes issued by the Central Bank

Figures in millions of pesos

- Others
- BCRA Bills & Notes (own portfolio)
- Public bonds

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dec.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others</td>
<td>1.808</td>
<td>2.810</td>
<td>2.797</td>
</tr>
<tr>
<td>BCRA Bills &amp; Notes (own portfolio)</td>
<td>4.896</td>
<td>7.953</td>
<td>10.014</td>
</tr>
</tbody>
</table>

Total exposure to the Public Sector without repos

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dec.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total exposure to the Public Sector without repos</td>
<td>6,923</td>
<td>10,817</td>
<td>12,868</td>
</tr>
<tr>
<td>Public Sector National Government /Total Assets</td>
<td>3.1%</td>
<td>3.9%</td>
<td>3.5%</td>
</tr>
</tbody>
</table>

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 good levels, despite an environment that shows deterioration.

**NPL by business areas**

- **Retail**: 1.75%
- **Middle-Market**: 0.43%
- **Corporate**: 0.00%
Deposits: improving the funding mix in the annual comparison.

Figures in millions of pesos

<table>
<thead>
<tr>
<th></th>
<th>Mar.14</th>
<th>Dec.14</th>
<th>Mar.15</th>
</tr>
</thead>
<tbody>
<tr>
<td>44.903</td>
<td>51.443</td>
<td>55.358</td>
<td></td>
</tr>
</tbody>
</table>

Average cost of funds ($): 9.1%

+23% y/y

Sight accounts 57%

Saving accounts 27%

Current accounts 29%

Time deposits 41%

Others 3%

TD > 1MM

39%

61%

TD < 1MM
Negotiable Obligations

Global Program for the issuance of notes 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>7</td>
<td>08-11-13</td>
<td>36 months (2016)</td>
<td>BADLAR + 4.24%</td>
<td>$ 250.0 MM</td>
</tr>
<tr>
<td>8</td>
<td>02-11-14</td>
<td>18 months (2015)</td>
<td>BADLAR + 3.80%</td>
<td>$ 258.8 MM</td>
</tr>
<tr>
<td>9</td>
<td>02-11-14</td>
<td>36 months (2017)</td>
<td>BADLAR + 4.70%</td>
<td>$ 145.1 MM</td>
</tr>
<tr>
<td>10</td>
<td>07-18-14</td>
<td>18 months (2016)</td>
<td>BADLAR + 2.50%</td>
<td>$ 233.8 MM</td>
</tr>
<tr>
<td>11</td>
<td>07-18-14</td>
<td>36 months (2017)</td>
<td>BADLAR + 3.75%</td>
<td>$ 165.9 MM</td>
</tr>
<tr>
<td>12</td>
<td>11-13-14</td>
<td>18 months (2016)</td>
<td>BADLAR +2.53%</td>
<td>$ 130.3 MM</td>
</tr>
<tr>
<td>13</td>
<td>11-13-14</td>
<td>36 months (2017)</td>
<td>BADLAR +3.75%</td>
<td>$ 107.5 MM</td>
</tr>
<tr>
<td>14</td>
<td>02-13-15</td>
<td>9 months (2015)</td>
<td>25.75%</td>
<td>$ 134.3 MM</td>
</tr>
<tr>
<td>15</td>
<td>02-13-15</td>
<td>21 months (2016)</td>
<td>BADLAR + 4.00%</td>
<td>$ 144.9 MM</td>
</tr>
</tbody>
</table>
Efficiency and coverage ratios

**Efficiency Ratio**

<table>
<thead>
<tr>
<th>Period</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q15 vs 4Q14</td>
<td>40.70%</td>
</tr>
<tr>
<td>1Q15 vs 1Q14</td>
<td>51.1%</td>
</tr>
<tr>
<td>1Q15 vs 1Q14</td>
<td>53.10%</td>
</tr>
</tbody>
</table>

- Mar.14
- Dec.14
- Mar.15

**Coverage Ratio**

<table>
<thead>
<tr>
<th>Period</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q15 vs 4Q14</td>
<td>60.10%</td>
</tr>
<tr>
<td>1Q15 vs 1Q14</td>
<td>62.10%</td>
</tr>
<tr>
<td>1Q15 vs 1Q14</td>
<td>60.70%</td>
</tr>
</tbody>
</table>

- Mar.14
- Dec.14
- Mar.15

(1) Adm. Expenses / (Net financial income + Net income from services) Removing the non-recurring effects.

(2) Net fee Income as a % of Administrative Expenses
Profitability indicators

**ROE**

- 1Q14: 69.50%
- 4Q14: 32.80%
- 1Q15: 34.50%

**ROA**

- 1Q14: 8.80%
- 4Q14: 4.40%
- 1Q15: 4.80%

*Accumulated ratios

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Intermediation with the private sector

Good asset quality

Efficient operating structure

Balance sheet strength (Capital & Liquidity)