

BBVA

Creando Oportunidades

BBVA Francés is now...

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1Q 19 Results

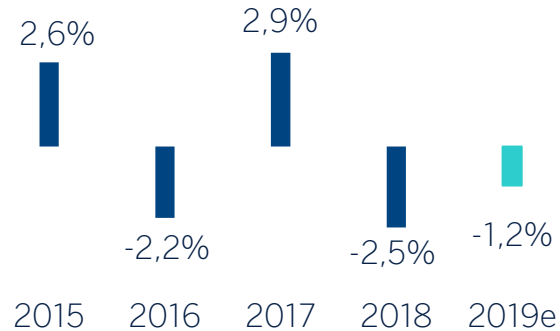
01

Macroeconomic Environment

GDP will contract by 1.2% in 2019 due to a weaker quarterly growth

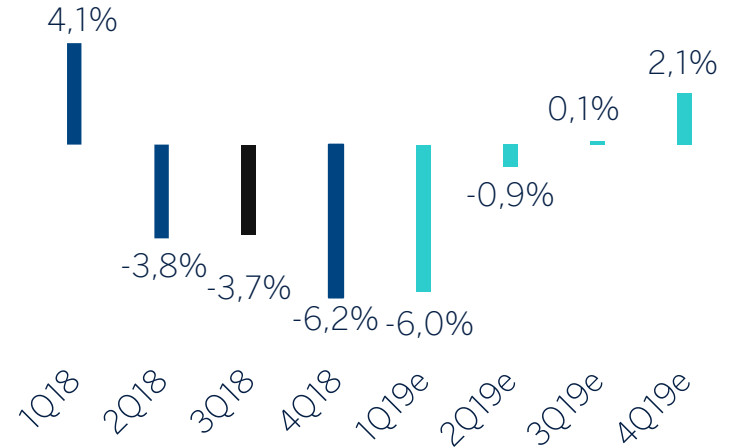
GDP GROWTH

% YOY (BASE 2004)



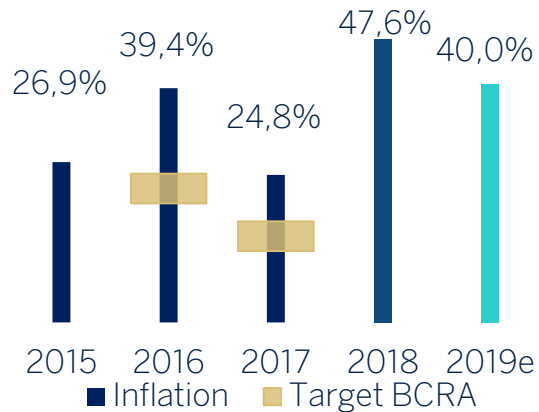
GDP: QUARTERLY GROWTH

% YOY



Inflation does not fall at the expected rate due to the volatility of the FX and the greater indexation of the economy

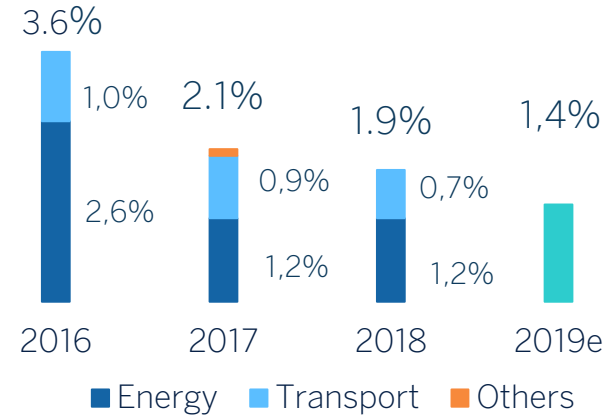
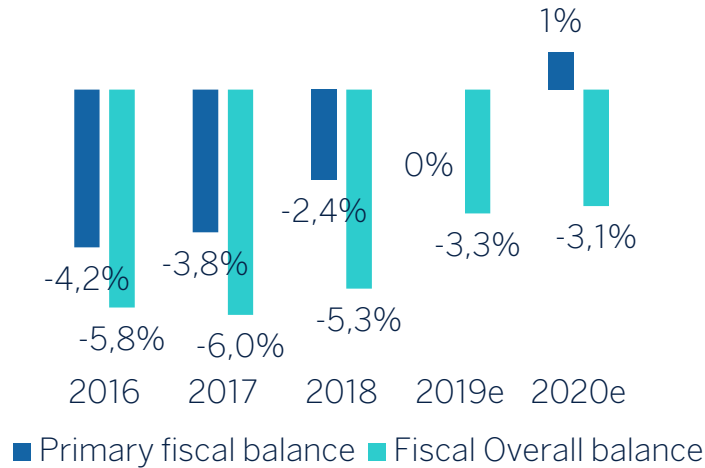
NATIONAL CPI % YOY



- Inflation expectations increased as the extremely tight monetary policy seems insufficient to reduce inertia quickly in a context of continuous adjustment of utility rates and greater indexation in the economy.
- Considering monetary policy lags and lower FX volatility, inflation is expected to fail to 2.4% monthly in the 2H19.

Despite the good fiscal result until April 2019, the goal of 0 fiscal deficit will request greater effort.

PRIMARY AND FINANCIAL FISCAL RESULT % GDP

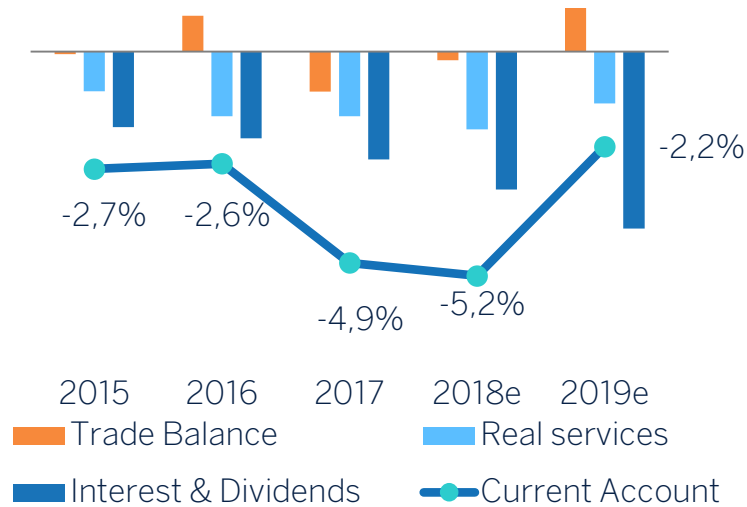


2019 estimated by BBVA Research

Sharp adjustment of current account due to sharp real depreciation

CURRENT ACCOUNT

% GDP



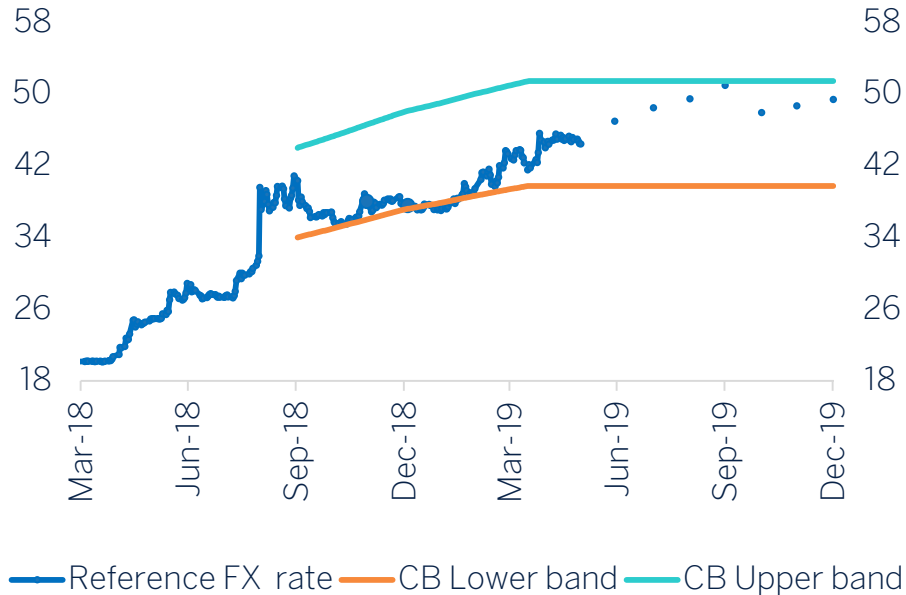
TRADE BALANCE

% GDP



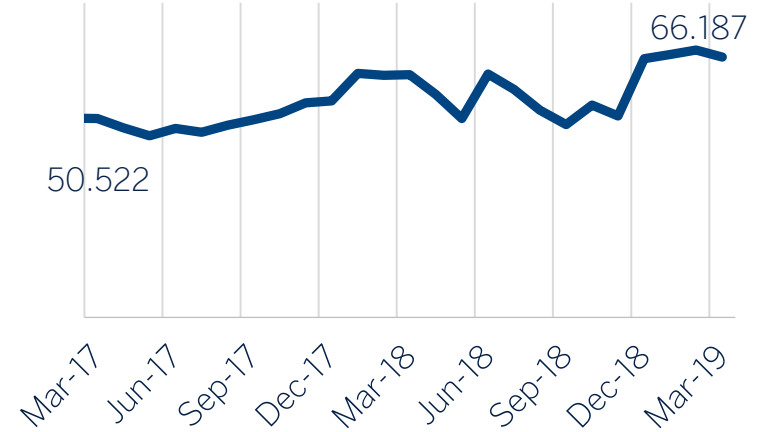
The BCRA will be able to intervene in the FX market even within the (former) non-intervention zone.

FX RATE
AR\$/USD



Source: BBVA Research

INTERNATIONAL RESERVES
MILLION USD



Source: BCRA

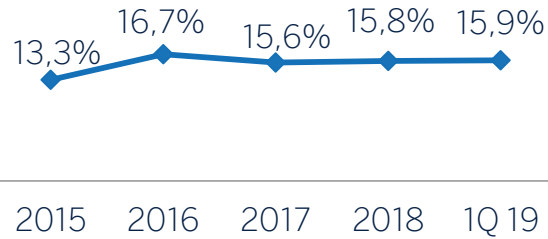
02

Financial System

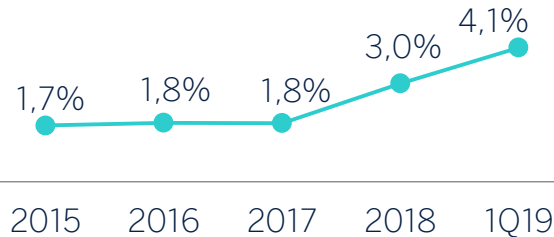
Adequate levels of liquidity and solvency. Asset quality indicators started to show some deterioration

CAPITAL

Capital/RWA according to BCRA regulation

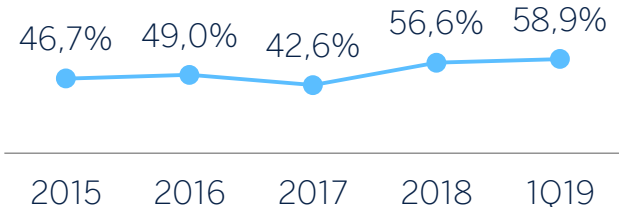


NPL

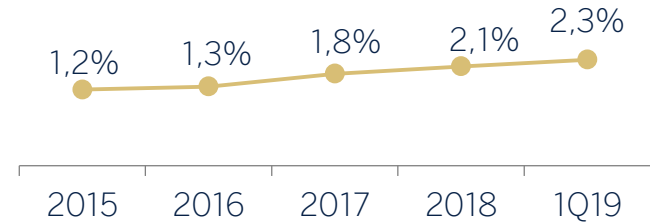


LIQUIDITY

Cash + net repos with BCRA+ BCRA bills/Total Deposits



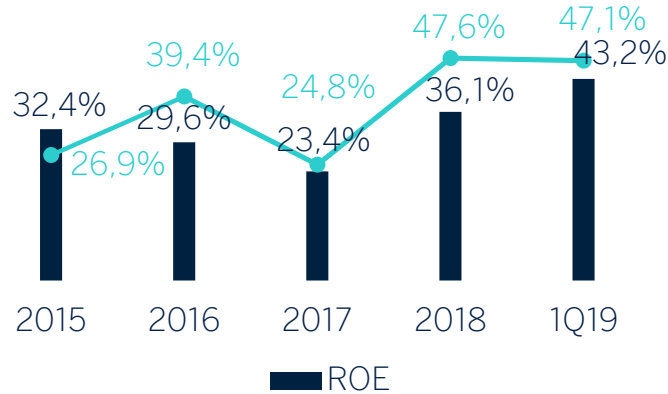
COST OF RISK



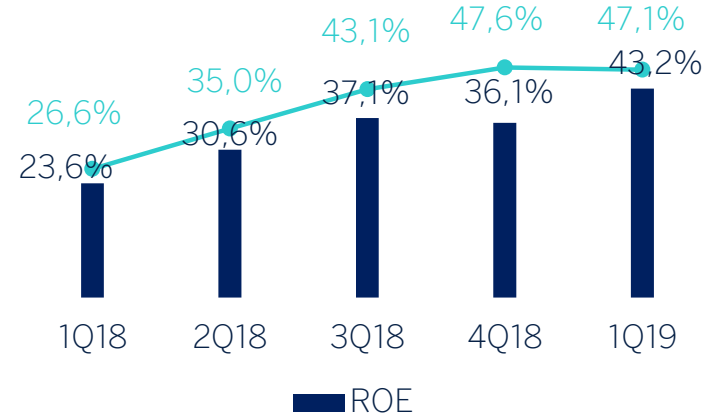
Source: BCRA

Higher profitability in nominal terms, but negative in real terms

ROE AND INFLATION



QUARTERLY FIGURES



ROE: Accumulated net income / monthly average equity.

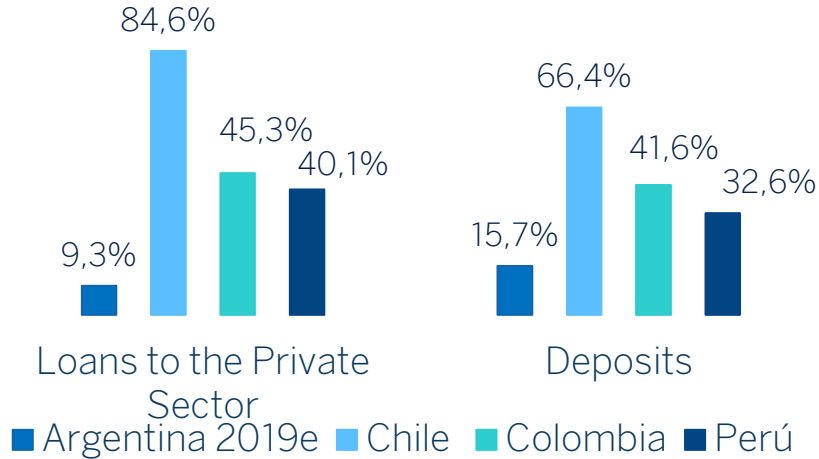
Inflation: Accumulated inflation annualized.

Source: BCRA and IPC CABA (from Jan-13 to Apr-16) – IPC GBA INDEC (from May -16 to May -17) – IPC Nacional INDEC (from June -17)

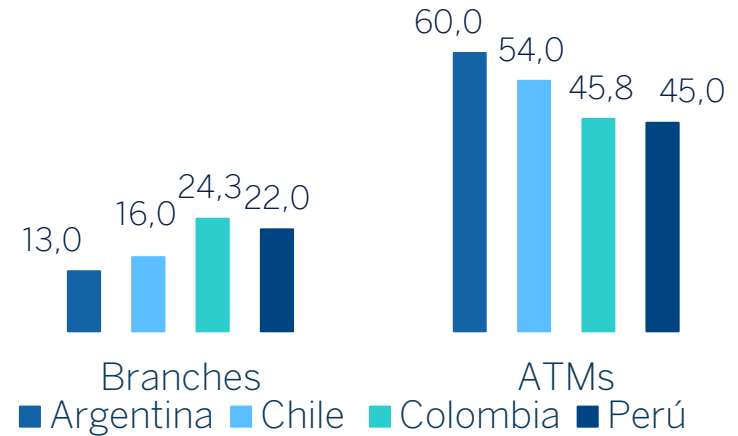
ROE: "Informe de bancos" BCRA

A small financial system, but with good infrastructure to face potential growth

LATAM PRIVATE LOANS AND TOTAL DEPOSITS

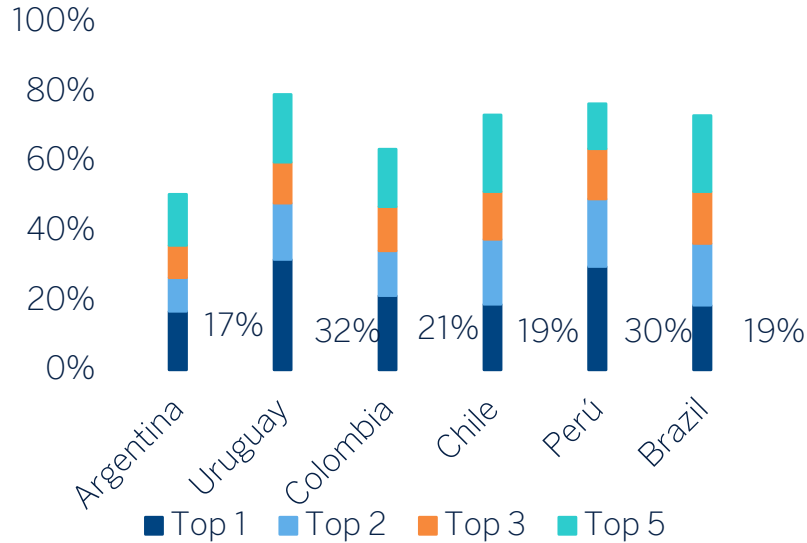


BRANCHES AND ATMS/100,000 ADULT POPULATION

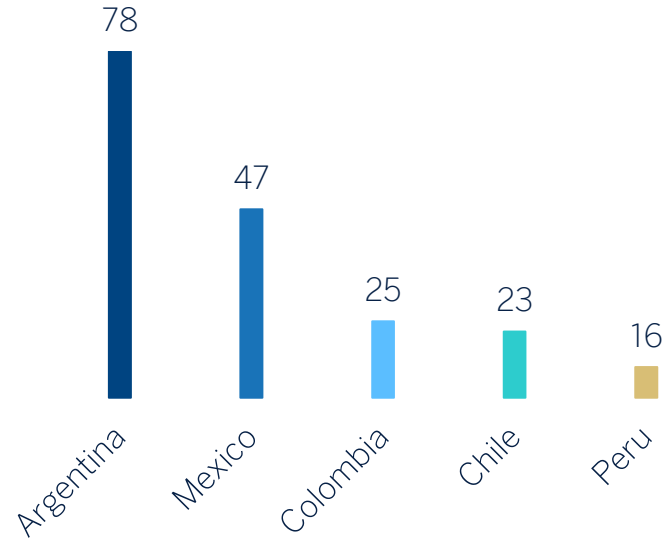


Argentina has the less concentrated financial system in the region

TOTAL LOANS MARKET SHARE



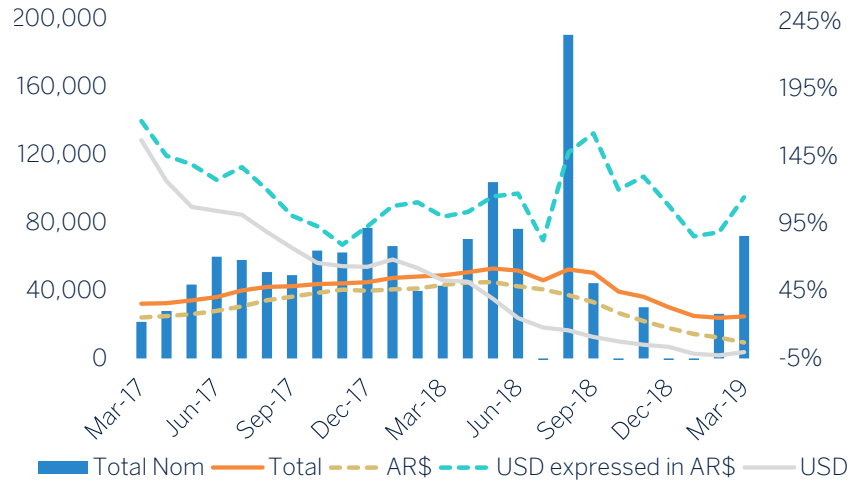
N° OF FINANCIAL INSTITUTIONS PER COUNTRY



Private loans trend

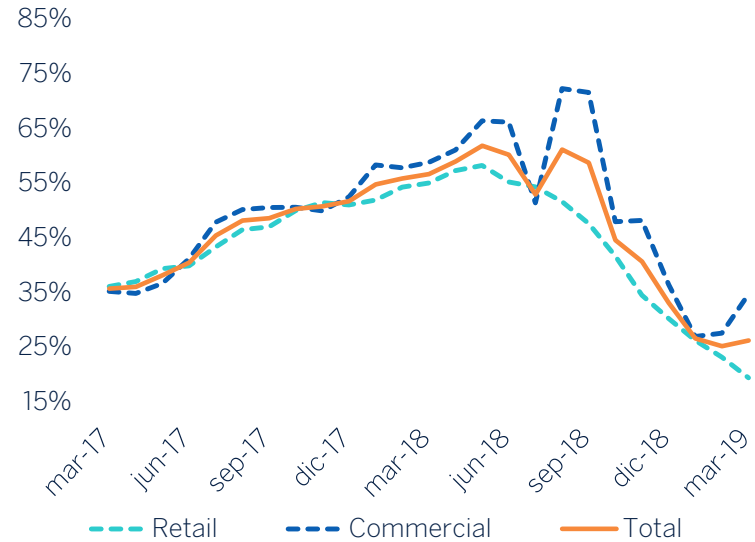
TOTAL PRIVATE LOANS GROWTH

YOY % - MILLIONS AR\$



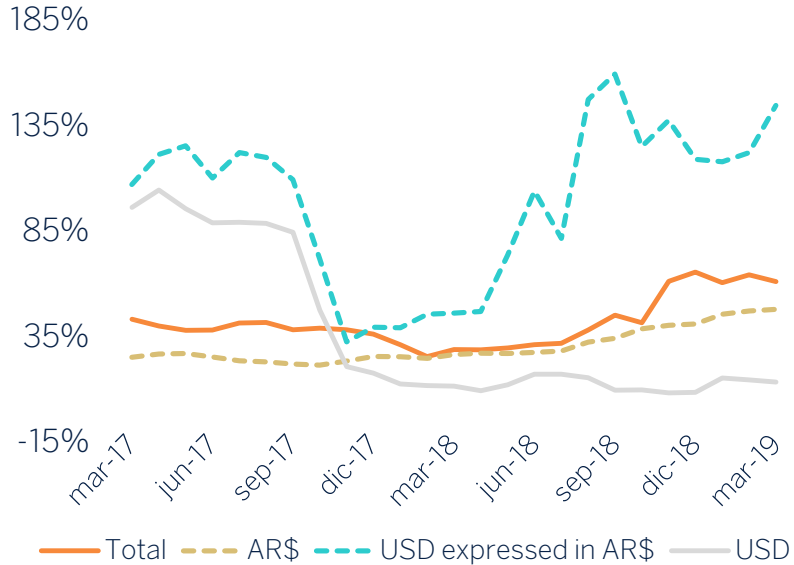
RETAIL AND COMERCIAL LOANS

AR\$+USD (YOY %)

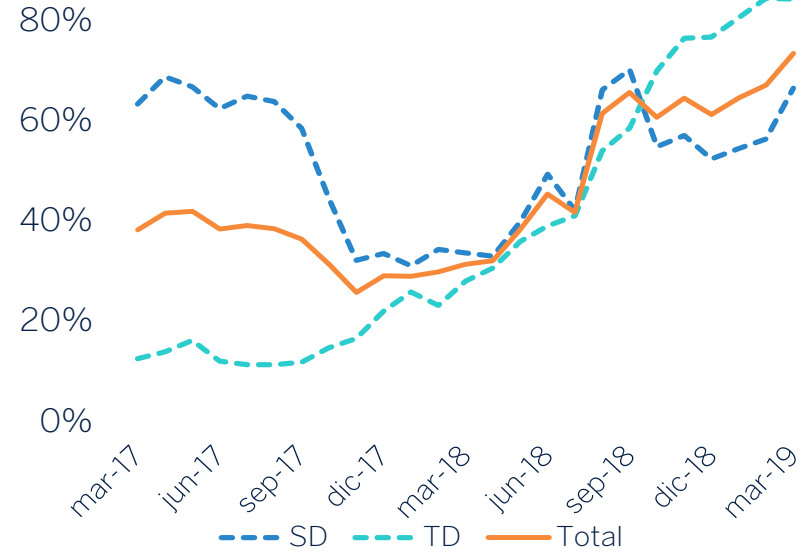


Total deposits trend

TOTAL PRIVATE DEPOSITS GROWTH
(YOY %)



SIGHT DEPOSITS AND TIME DEPOSITS
AR\$+USD (YOY %)



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03

BBVA

A universal bank with a countrywide presence



Branches
252

ATMs
856

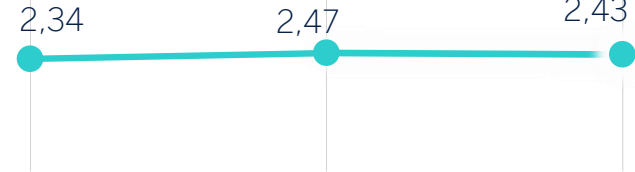
ATMs
844

Employees
6,153

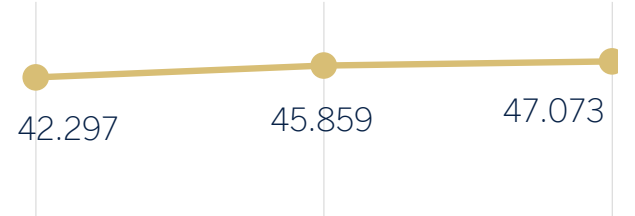
Clients

Retail

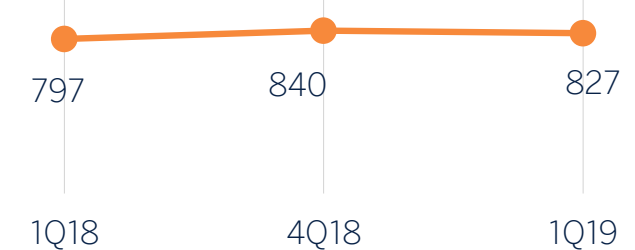
Active clients



SMEs

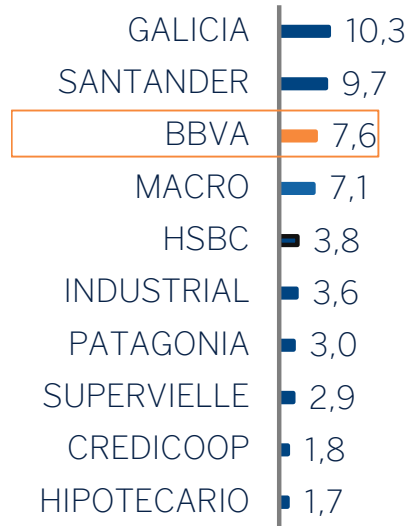


CIB



...leader among private banks

TOTAL LOANS



TOTAL DEPOSITS



Private Loans : 8.6%

Consolidated market share (BBVA+PSA Finance+Rombo+VW)

Private Deposits: 7.8%

... with a diversified business model

MULTICHANNEL STRUCTURE

Physical
Infrastructure

- ✓ BRANCHES
- ✓ ATM/ATS
- ✓ CALL CENTER

Digital
Channels

- ✓ WEB
- ✓ MOBILE

Exclusive
Partnerships

✓ JV'S



ROMBO
COMPANHIA FINANCEIRA

PSA
FINANCE

✓ ALLIANCES

LATAM
AIRLINES

MOVE
MUSIC

RGB
ENTERTAINMENT

POPART
MUSIC

and a growth strategy focused on two key goals

TRANSFORMATION

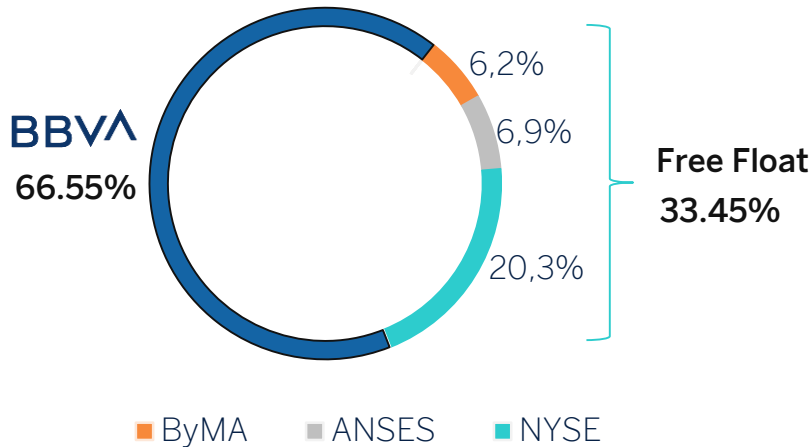
- Digitalización
- Servicing

OPEN MARKET

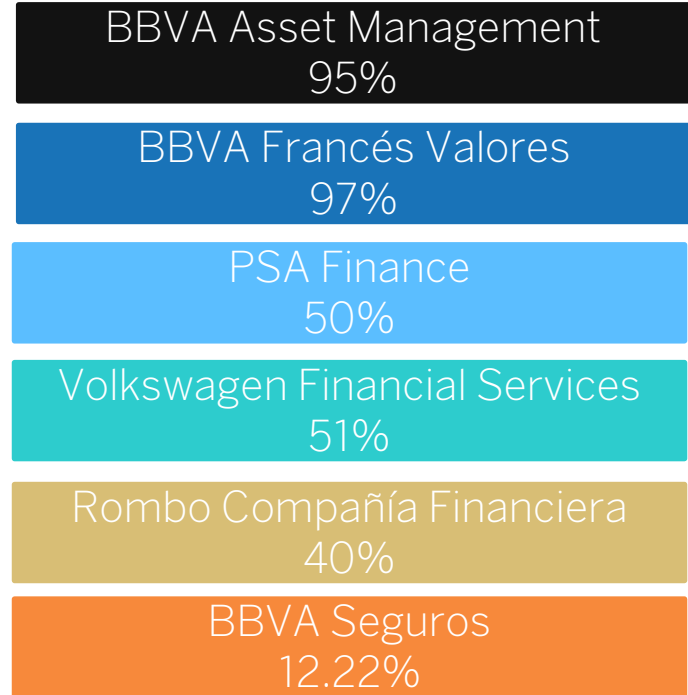
- Differentiated comercial offering
- Digital acquisition engines
- Development of key digital competences

Equity Ownership

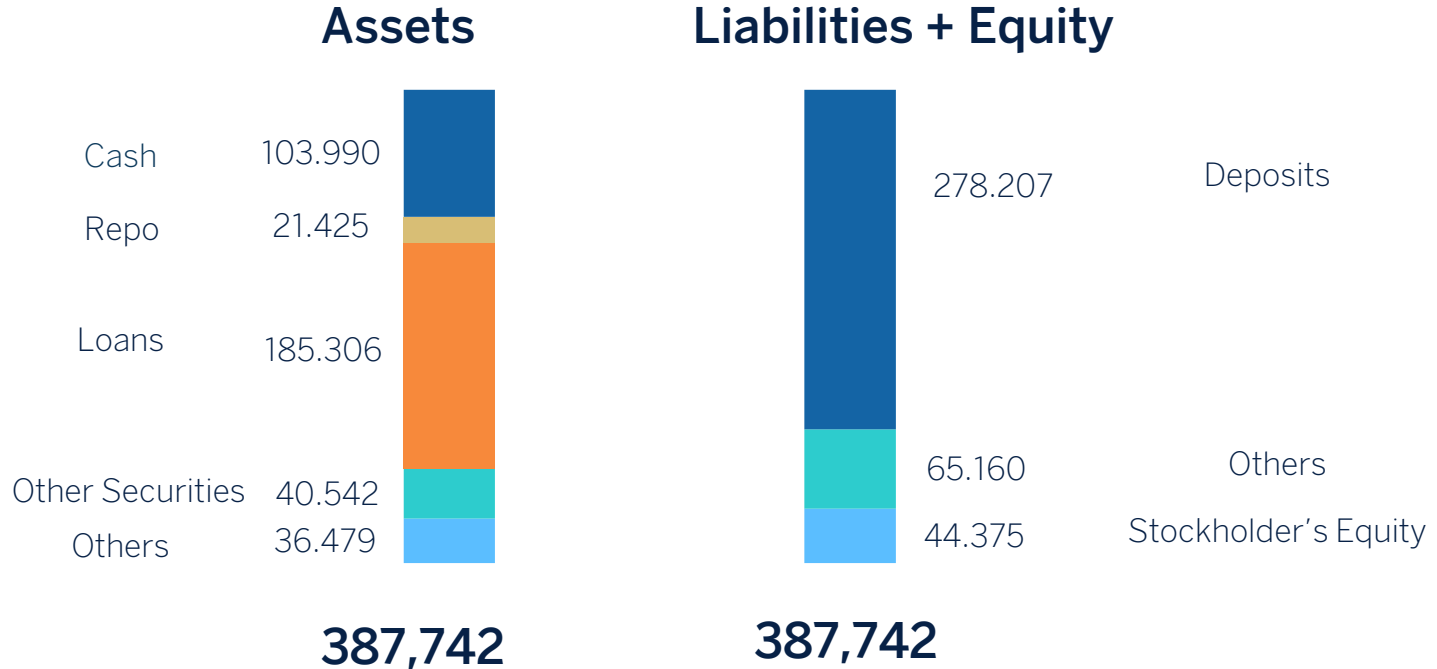
OWNERSHIP STRUCTURE



SUBSIDIARIES AND EQUITY PARTICIPATIONS



Solid Balance Sheet Structure



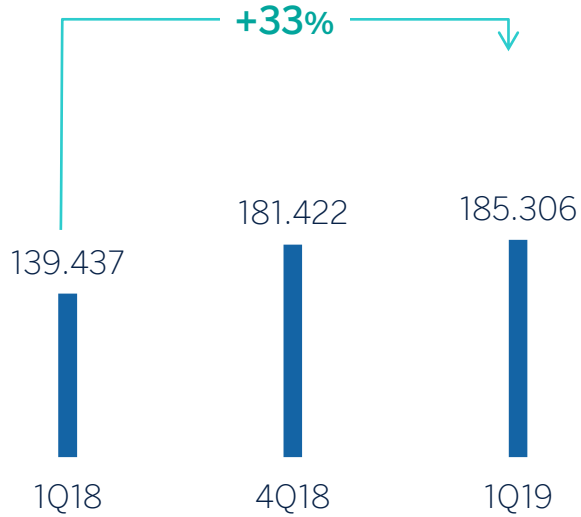
Leverage 7.7x

LtD ratio 67%

Liquid assets/deposits 60.3%

Loans

PRIVATE LOANS (MILLION AR\$)

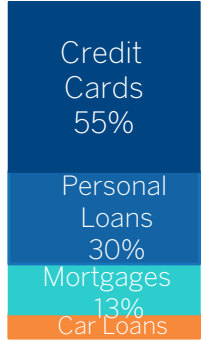
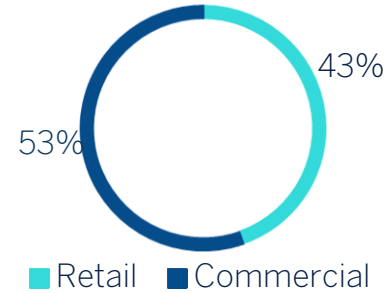


MARKET SHARE

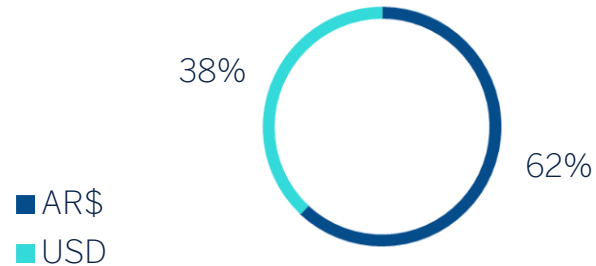


PRIVATE LOANS STRUCTURE

Private loans includes loans of BBVA + VW



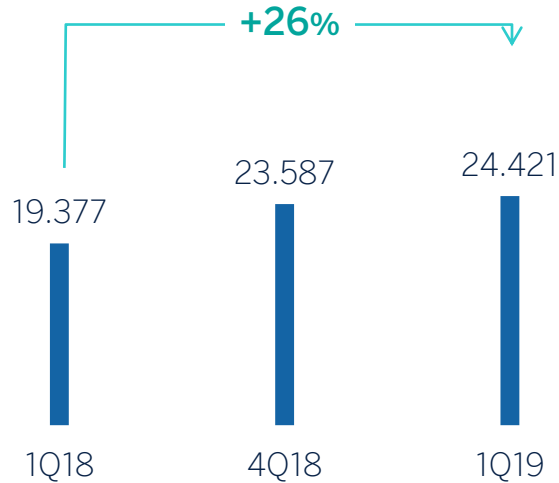
PRIVATE LOANS BY CURRENCY



Retail Banking

PERSONAL LOANS

(MILLION AR\$)



4.92%

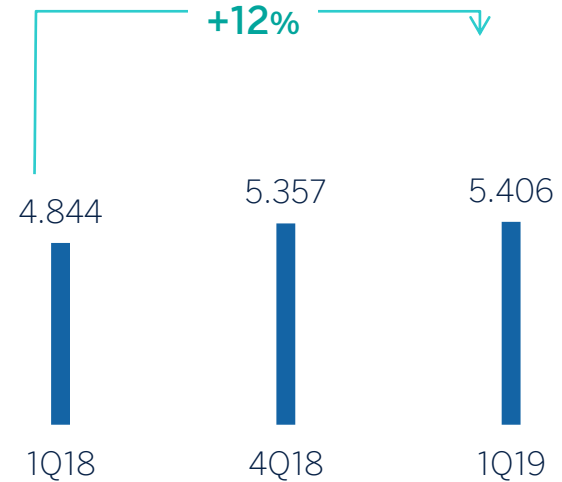
5.29%

5.30%

CAR LOANS

(MILLION AR\$)

4Q18 + 1Q19 includes VW portfolio



17.77%

15.65%

15.57%

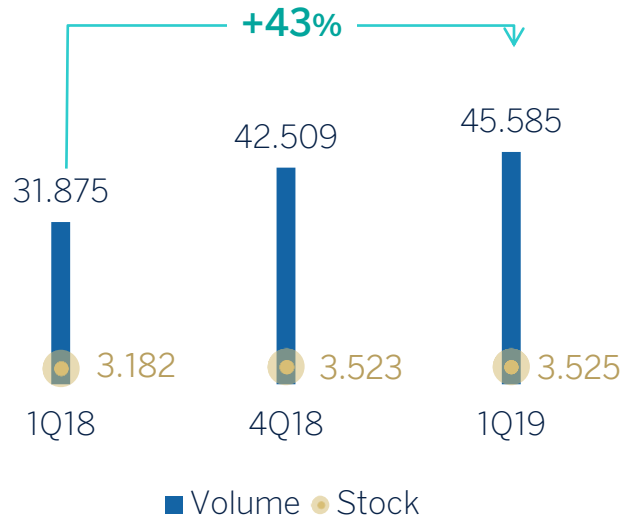
MARKET SHARE

Consolidated market share

Retail Banking

CREDIT CARDS

(MILLION AR\$)



MORTGAGES

(MILLION AR\$)



MARKET SHARE

13.03%

13.97%

14.77%

3.22%

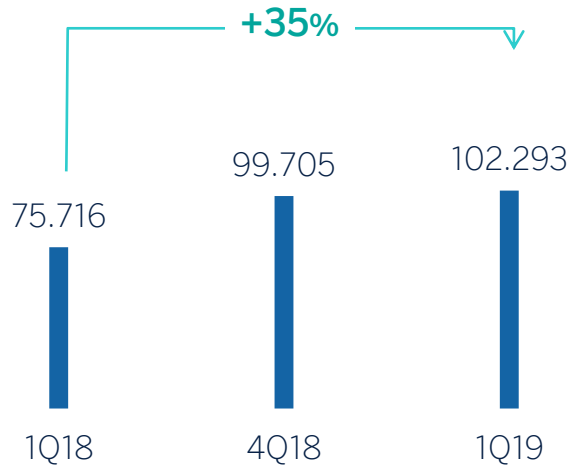
3.36%

3.39%

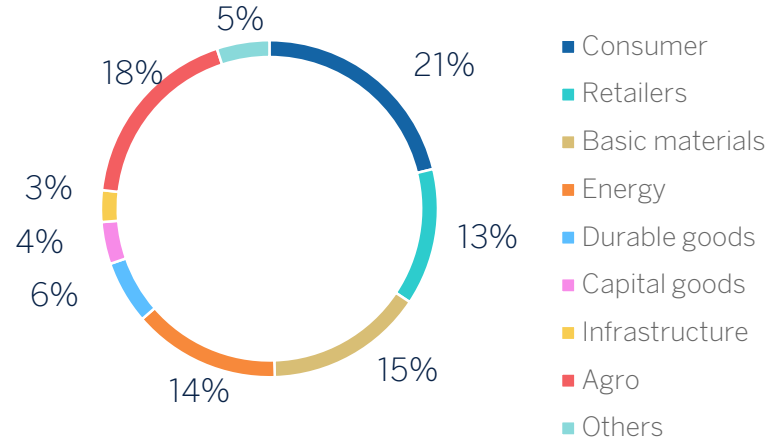
Comercial Banking

COMMERCIAL LOANS

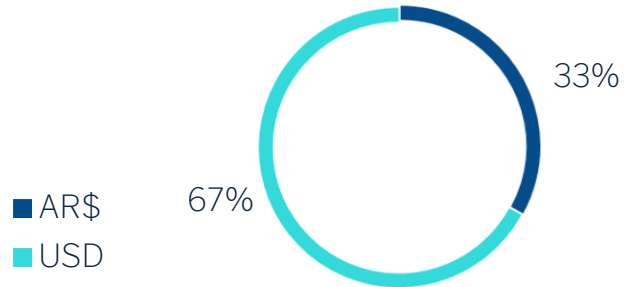
(MILLION AR\$)



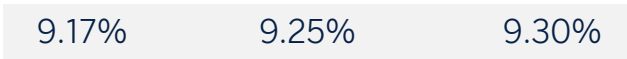
DISTRIBUTION BY INDUSTRY



COMMERCIAL LOANS BY CURRENCY



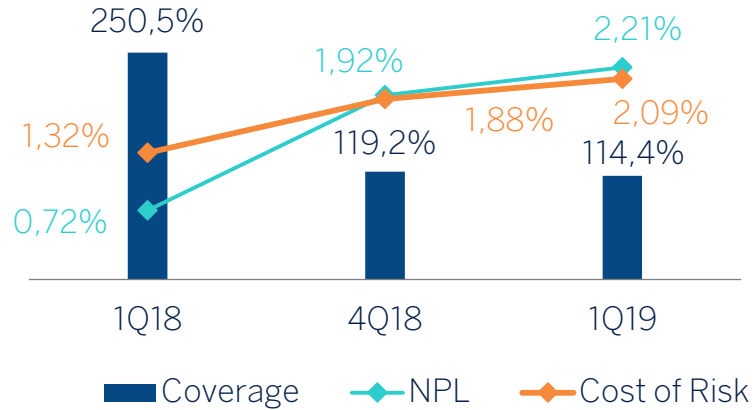
MARKET SHARE



Sound risk indicators

NPL, COVERAGE AND COST OF RISK

(%)



NPL BY SEGMENT

(%)

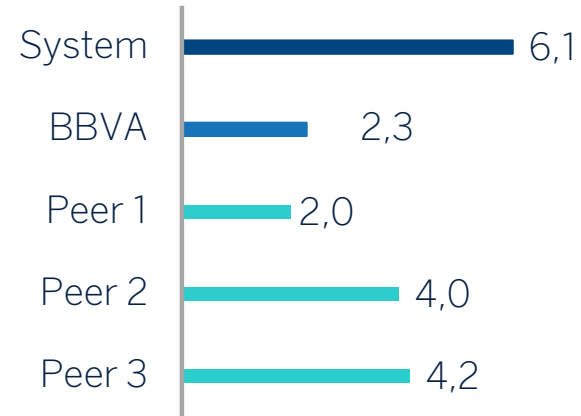
Retail 2.32%

SMEs 4.33%

CIB 0%

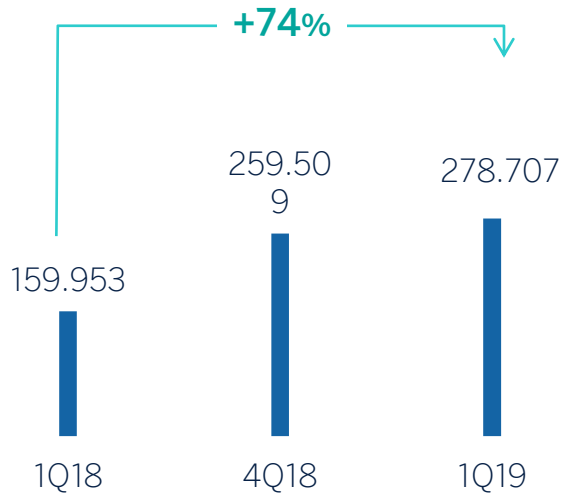
NPL PEER GROUP AND FINANCIAL SYSTEM

(%)

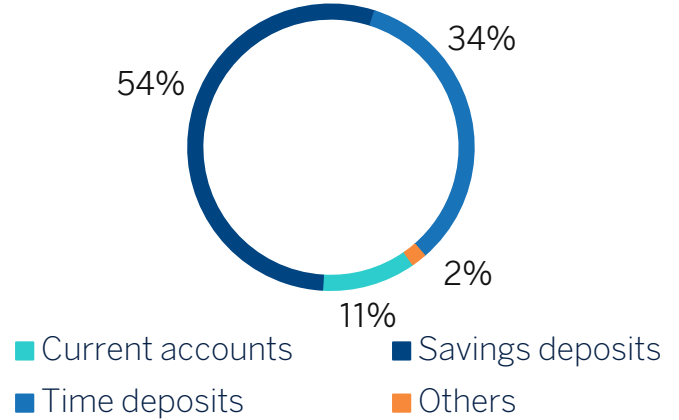


Deposits

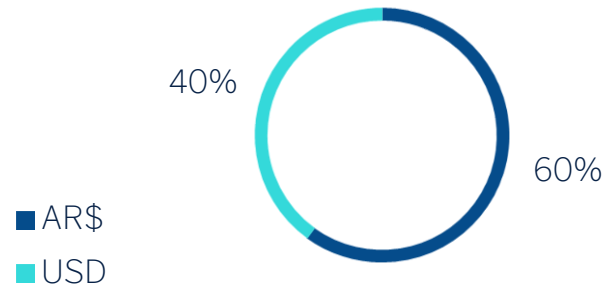
TOTAL DEPOSITS (MILLION AR\$)



DEPOSITS STRUCTURE



DEPOSITS BY CURRENCY

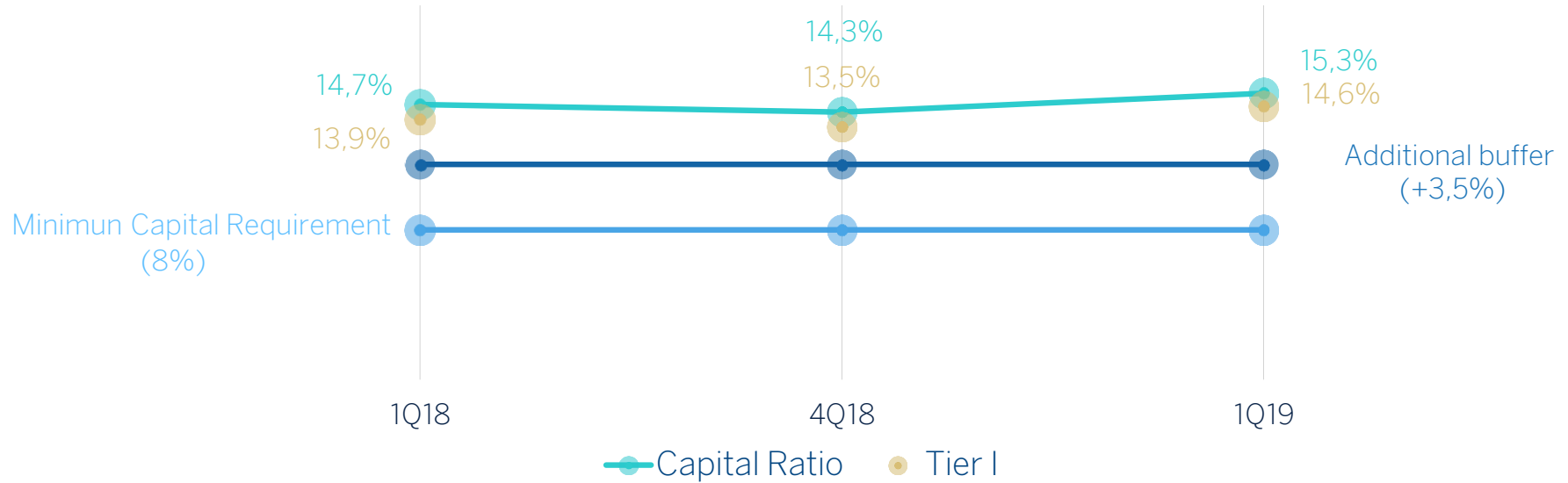


MARKET SHARE

7.39%	7.62%	7.61%
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Strong capital position

CAPITAL RATIO



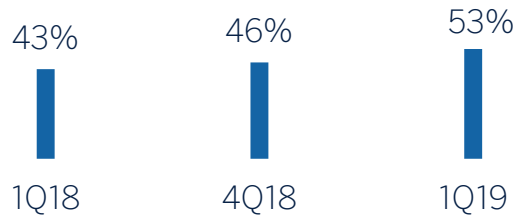
1Q9 Highlights

01	Net Income	AR\$ 6,008	+288.8% vs. 1Q18
02	Net Interest Income	AR\$ 9,751	+91.8% vs. 1Q18
03	Net Fee Income	AR\$ 1,495	+119.9% vs. 1Q18
04	Administrative Expenses	AR\$ 4,757	+37.1% vs. 1Q18
05	Sound risk indicators	NPL ratio 2.21%	Coverage ratio 114.4%
06	Strong capital position	Capital Ratio 15.3%	TIER I 14.6%
07	Focus on shareholder value	ROE * 58.8% (38.1%)	ROA * 6.6% (4.3%)

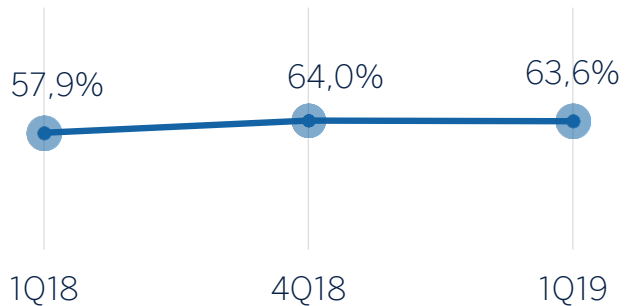
* Excluding Prisma results

Digital performance

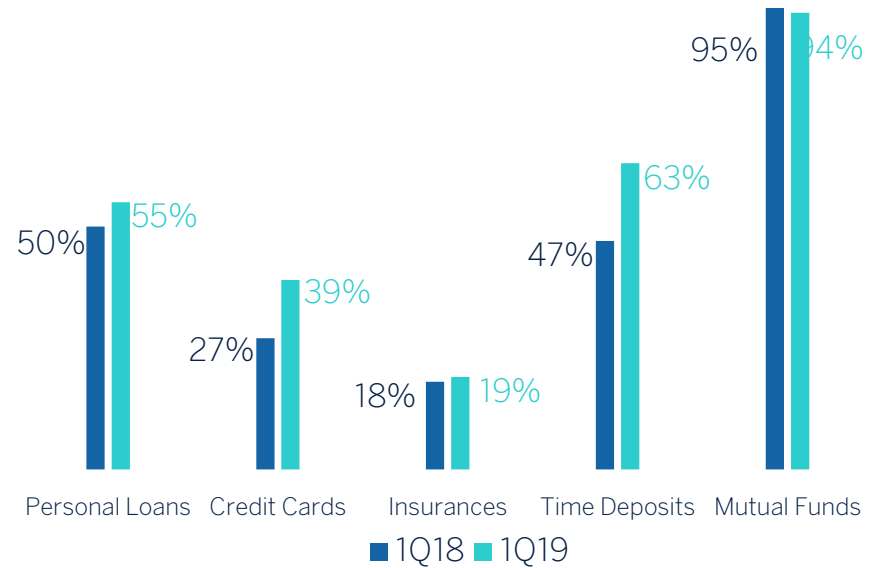
% DIGITAL SALES (DIGITAL SALES/TOTAL SALES)



% DIGITAL CLIENTS (DIGITAL CLIENTS/RETAIL ACTIVE CLIENTS)



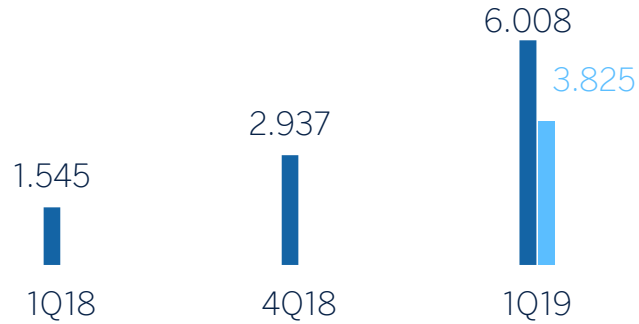
% DIGITAL SALES BY PRODUCT



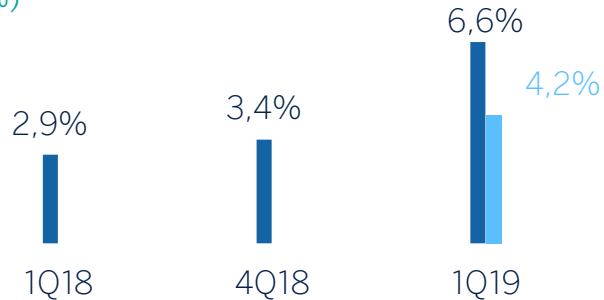
Net income and main indicators

■ Excluding Prisma results

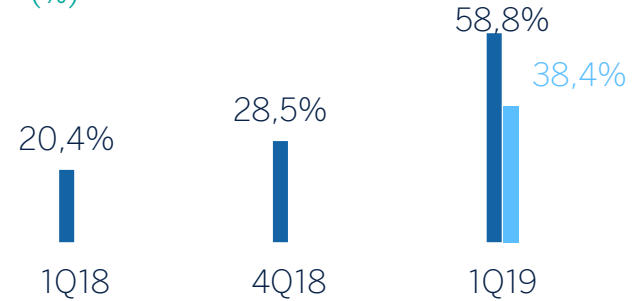
NET INCOME (MILLION AR\$)



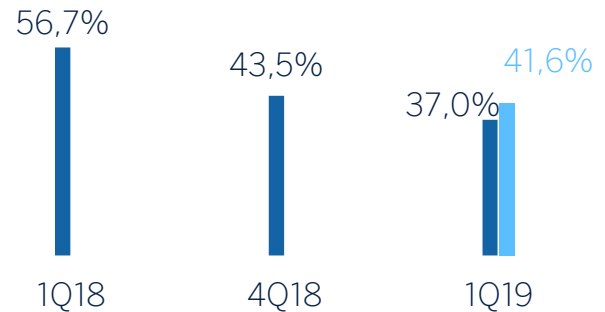
ROA (%)



ROE (%)

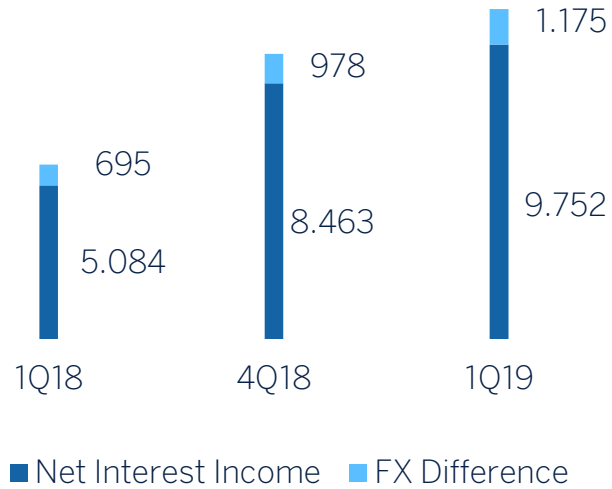


EFFICIENCY (%)

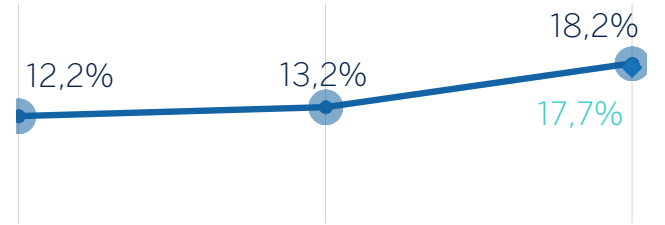


Net interest income and NIM

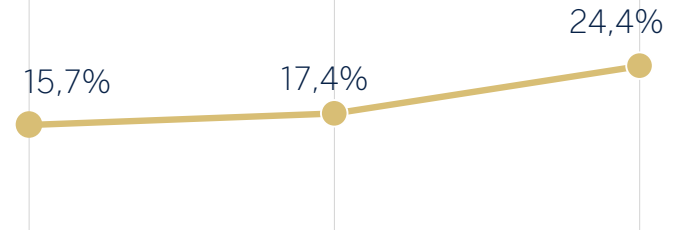
NET INTEREST INCOME
(MILLION AR\$)



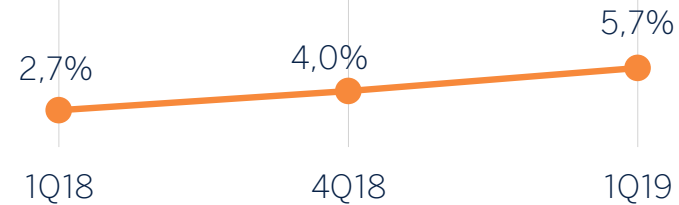
TOTAL NIM
(AR\$ + USD)



NIM AR\$

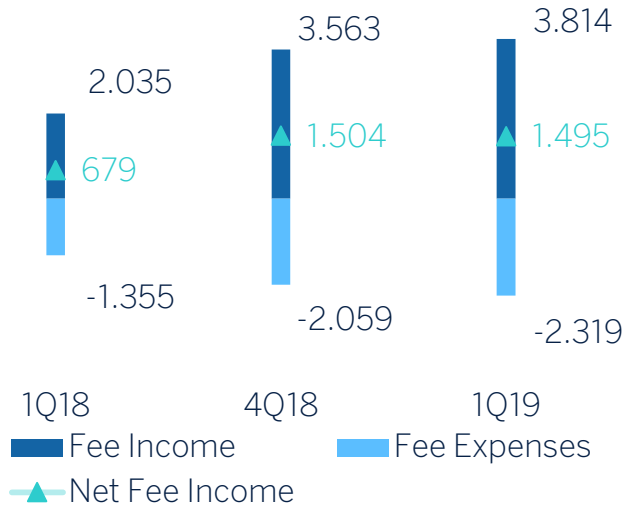


NIM USD

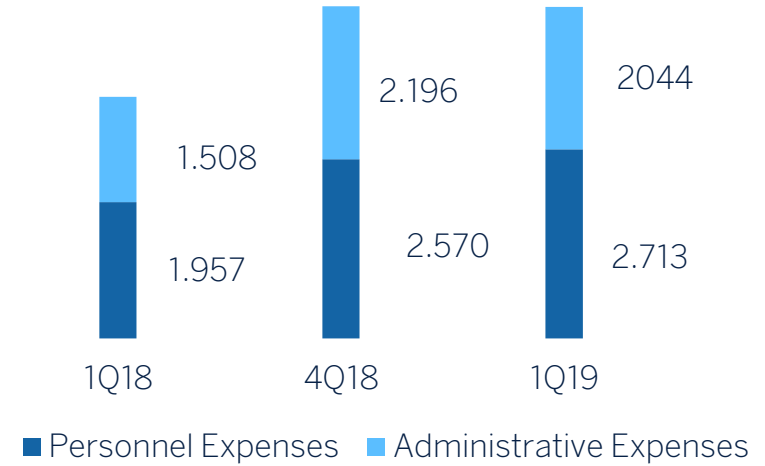


Fees and Expenses

NET FEE INCOME (MILLION AR\$)



ADMINISTRATIVE EXPENSES (MILLION AR\$)



BBVA P&L Breakdown

million \$	1Q19	4Q18	1Q18	Δ Q/Q	Δ Y/Y	Prisma	1Q 19 Ex-Prisma
Net Interest Income	9,751	8,463	5,084	15%	91.8%		9,751
Net Fee Income	1,495	1,504	680	(1%)	120%		1,495
Net Income of Financial Instruments	2,460	129	332	1,057%	240%	1,553	907
Foreign Exchange difference	1,175	978	695	20%	69%	39	1,272
Other Operating income	3,391	1,207	1,743	181%	95%	2,736	655
Provision for loan losses	(2,358)	(1,098)	(526)	115%	348%	(1,266)	(1,092)
Net Operating Income	15,913	11,183	8,007	42%	99%	3,061	12,989
Adm and Personnel Exp	(4,757)	(4,766)	(3,465)	(1.4%)	37%		(4,757)
Amortizations	(358)	(250)	(199)	43.5%	80%		(358)
Other operating expenses	(2,538)	(2,434)	(2,154)	4.3%	18%		(2,538)
Operating Income	(7,653)	(7,450)	(5,818)	121%	277%		(7,653)
Income from associates	117	570	40	(79%)	193%		117
Income Tax	(2,366)	(1,366)	(663)	73%	257%	(879)	(1,499)
Net income attributable to non-controlling shareholders	3	1	21	240%	(83%)		
Net Income	6,008	2,938	1,545	105%	289%	2,183	3,825

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1Q 19 Results