

Grupo Supervielle S.A. Reports 4Q19 Consolidated Results

4Q19 Net Income of AR\$1.5 billion and Comprehensive net income of AR\$1.6 billion.

Buenos Aires, February 19, 2020 - Grupo Supervielle S.A. (NYSE: SUPV; BYMA: SUPV), ("Supervielle" or the "Company") a universal financial services group headquartered in Argentina with a nationwide presence, today reported results for the three and twelve-month periods ended December 31, 2019. All figures presented throughout this document are expressed in nominal Argentine pesos (AR\$) and all financial information has been prepared in accordance with IFRS in compliance with the adoption ruled by the Argentine Central Bank.

Fourth Quarter 2019 Highlights

- Revenues up 39.0% year over year (YoY) and 30.6% QoQ. YoY performance supported by growth of 45.6% in Net Financial Income and 29.7% in Fee income. QoQ, driven by 45.1% increase in Net Financial Income while Net Service Fee Income was flat. 4Q19 revenues benefitted from a decrease in cost of funds following the reduction in interest rates, and from price improvements of reprofiled short term AR\$ and US\$ local treasury notes held by Supervielle. In the previous quarter short term treasury notes had been impacted by the debt reprofiling announced by the Argentine government in August 2019.
- Net Financial Income of AR\$7.7 billion, was up 45.6% YoY and 45.1% QoQ mainly reflects the above mentioned price improvements while NII benefitted from lower cost of funds following the decrease in market interest rates and Interest on loans benefitted from lagged repricing.
- Net Interest Margin (NIM) of 28.6%, up 840 basis points (bps) YoY and 1,130 bps QoQ mainly reflecting: i) price improvements of reprofiled sovereign securities held by Supervielle compared to a 3Q19 NIM highly impacted by the decline in those securities prices following the reprofiling decision, ii) a 170 bps decrease in cost of funds following the decline in market interest rates together with a 12.0% decrease in the average balance of high cost interest bearing liabilities as the Company deleveraged its balance sheet, sharply reducing institutional funding, and iii) also benefitted from lagged repricing in loans. AR\$ Loan portfolio NIM in the quarter was 28.3% compared to 24.2% in 3Q19. Excluding the price improvements in the quarter of reprofiled short term AR\$ and US\$ local treasury notes, NIM would have been 24.5%.
- Loan loss provisions (LLP) totaled AR\$1.4 billion in 4Q19, decreasing 1.1% YoY and 31.8% QoQ. During 4Q19, NPL increase was lower than in previous quarters, and well below the 3Q19 increase, explaining lower amount of provisioning. In 4Q19, a 100% collateralized commercial loan from the sugar cane sector became delinquent. The coverage ratio decreased to 83.0% from 86.1% in 3Q19. Current level of provisioning and Coverage converge to the level of provisioning and coverage required by the implementation of IFRS9 ruled by the Central Bank effective January 2020. As of December 31, 2019 collateralized non-performing commercial loans were 58% of total compared with 55% as of September 30, 2019 and 20% as of June 30, 2019. The Company expects to foreclose and divest those collaterals in the upcoming quarters.
- Efficiency ratio was 71.3% in 4Q19 increasing 940 bps from 4Q18 and 90 bps from 3Q19. The 30.6% increase in revenues in the quarter was partially offset by a 32.2% increase in personnel, administrative and D&A expenses mainly as a result of non recurring severance and early retirement charges of AR\$785 million. These non recurring charges impacted the 4Q19 Efficiency ratio by 940 bps. Since January 2019, the efficiency ratio includes the impact from IFRS16 adoption.
- Profit before income tax of AR\$1.0 billion in 4Q19 compared to a AR\$903.8 million profit in 4Q18 and a AR\$116.5 million loss in 3Q19. 4Q19 performance was explained by: i) higher Net Financial Income and ii) the abovementioned decrease in LLP. These were partially offset by AR\$ 785 million in non recurring severance and early retirement charges.
- Attributable Net income of AR\$1.5 billion in 4Q19, increasing from AR\$706.8 million in 4Q18 and AR\$301.0 million in 3Q19. Income tax recorded a benefit of AR\$ 437.5 million mainly from the inflation adjustment in the income tax provision.
- ROAE of 28.4% in 4Q19 compared to 17.1% in 4Q18 and 6.2% in 3Q19. ROAA of 3.7% in 4Q19, compared to 2.0% in 4Q18 and 0.7% in 3Q19.
- Loans to deposits ratio was 103.5% up from 84.5% as of December 31, 2018 and from 85.8% as of September 30, 2019. AR\$ loans to AR\$ deposits ratio was 107.6% compared to 92.9% on December 31, 2018 and 82.2% as of September 30, 2019. The ratio reflects the QoQ 13.9% increase in AR\$ loans, while AR\$ deposits decreased 13.0%, despite an 8.7% growth QoQ in core peso franchise deposits, following the Company's decision to deleverage its balance sheet and year end liquidity management. As of December 31, 2019, the Liquid US\$ Assets to US\$ deposits ratio was 60.2% increasing 270 bps from September 30, 2019

even after the 54% outflows in US\$ deposits since June 2019. As of December 31, 2019, proforma liquidity coverage ratio (LCR) was 150.3% compared to 141.7% as of September 30, 2019.

- Total Deposits decreased 6.2% YoY and 12.8% QoQ to AR\$89.0 billion due to the abovementioned deleveraging, despite growth in peso core franchise deposits. AR\$ deposits rose 3.2% YoY and decreased 13.0% QoQ, while foreign currency deposits (measured in US\$) decreased 52.9% YoY and 15.7% QoQ, following industry trends in the quarter.
- Loans up 14.9% YoY and 5.3% QoQ at AR\$92.2 billion. AR\$ Loan portfolio rose 19.7% YoY and 13.9% QoQ. FX loans, measured in US\$, declined 35.8% YoY and 19.0% QoQ. Measured in local currency FX loans up 1.7% YoY but down 15.8% QoQ. YoY and QoQ inflation was 53.8% and 11.7% respectively.
- Total Assets up 3.8% YoY but down 8.3% QoQ, to AR\$146.5 billion. QoQ performance reflects both the reduction in US\$ deposits at the Central Bank following US\$ deposits outflows, and the balance sheet deleverage decided in the quarter.
- The total NPL ratio increased by 330 bps YoY and 50 bps QoQ to 7.4% in 4Q19. QoQ performance was mainly impacted by delinquent commercial loans that resulted in a 150 bps increase in Corporate Segment NPL ratio and in a higher percentage of NPLs from this business segment over the total non-performing loan portfolio, more than offsetting the 310 bps decline in Consumer Finance NPL ratio.
- Common Equity Tier 1 Ratio (Consolidated Proforma) of 11.4% in 4Q19 compared to 11.8% as of September 30, 2019. On a proforma basis, if impacted as of December 31, 2019 by inflation adjustment to be applied effective January 1, 2020, Tier 1 ratio would have been 76 bps higher than the reported ratio, reaching 12.1%.

Commenting on fourth quarter 2019 results, Jorge Ramirez, Grupo Supervielle's CEO, noted: *"We delivered improved results during the quarter, reporting net financial income up 45% sequentially and a decline in cost of risk of 320 basis points. Importantly, we continue to see sustained asset quality improvements in our consumer finance portfolio. We are very pleased with these results given that we are operating amidst a volatile and challenging macro scenario.*

Looking ahead, while some of the uncertainty has been lifted since the Presidential inauguration, there are several issues that still remain open, the most important one being the sovereign debt restructuring. These open issues continue to weigh on the overall macroeconomic climate and therefore on the financial services industry where we are not seeing yet a pick-up in loan demand despite the decline in interest rates. On a more positive note, the inflation rate in January 2020 showed an improvement compared to prior months, providing leeway to the Central Bank to continue reducing interest rates.

In this context, we continue to focus on implementing several strategic initiatives including digital transformation, enhancing the value proposition for our target segments, increasing customer acquisition and cross selling, streamlining operations and developing new products and businesses to expand our franchise. To that end, we believe we are well positioned to capture business opportunities when consumption growth resumes.

I wish to thank our customers, employees, shareholders and all stakeholders for their continued support", concluded Mr. Ramirez."

Financial Highlights & Key Ratios

(In millions of Argentine Ps.)

(In millions of Argentine Ps.)						% Change				
INCOME STATEMENT	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY	FY19	FY18	% Chg.
Net Interest Income	4,412.3	1,523.8	1,370.7	1,218.3	2,023.2	189.6%	118.1%	8,525.0	10,462.4	-18.5%
NIFFI & Exchange Rate Differences	3,245.5	3,754.4	5,189.6	4,259.4	3,235.0	-13.6%	0.3%	16,448.9	6,420.6	156.2%
Net Financial Income	7,657.8	5,278.1	6,560.3	5,477.7	5,258.1	45.1%	45.6%	24,973.9	16,882.9	47.9%
Net Service Fee Income (excluding income from insurance activities)	1,348.7	1,348.5	1,241.7	1,227.8	1,065.1	0.0%	26.6%	5,166.6	3,981.5	29.8%
Income from Insurance activities	266.8	258.1	217.2	204.0	180.4	3.4%	47.9%	946.1	657.6	43.9%
Loan Loss Provisions	-1,368.1	-2,007.4	-1,210.8	-1,893.0	-1,382.8	-31.8%	-1.1%	(6,479.3)	(4,220.6)	53.5%
Personnel & Administrative Expenses	-5,690.4	-4,265.4	-4,395.8	-3,597.7	-3,591.2	33.4%	58.5%	(17,949.3)	(11,843.8)	51.6%
Profit before income tax	1,029.8	-116.5	1,566.1	748.7	903.8	-	13.9%	3,228.0	3,407.9	-5.3%
Attributable Net income	1,466.2	301.0	1,901.5	589.1	706.8	387.0%	107.4%	4,257.9	2,567.6	65.8%
Attributable Comprehensive income	1,570.3	732.1	1,909.3	615.4	935.3	114.5%	67.9%	4,827.1	3,030.0	59.3%
Earnings per Share (AR\$)	3.21	0.66	4.16	1.29	1.55					
Earnings per ADRs (AR\$)	16.05	3.30	20.82	6.45	7.75					
Average Outstanding Shares (in millions)	456.7	456.7	456.7	456.7	456.7					
BALANCE SHEET	dec 19	sep 19	jun 19	mar 19	dec 18	QoQ	YoY			
Total Assets	146,493.1	159,815.8	166,144.7	163,849.3	141,115.5	-8.3%	3.8%			
Average Assets ¹	156,563.6	165,375.6	162,952.7	156,054.4	143,525.2	-5.3%	9.1%			
Total Loans & Leasing	92,154.9	87,524.6	82,117.7	81,827.1	80,171.5	5.3%	14.9%			
Total Deposits	89,008.2	102,060.3	112,638.3	109,676.8	94,906.0	-12.8%	-6.2%			
Attributable Shareholders' Equity	21,680.0	20,109.7	19,377.6	17,771.0	17,155.6	7.8%	26.4%			
Average Attributable Shareholders' Equity ¹	20,638.5	19,347.7	18,015.9	17,361.2	16,547.0	6.7%	24.7%			
KEY INDICATORS	4Q19	3Q19	2Q19	1Q19	4Q18			FY19	FY18	
Profitability & Efficiency										
ROAE	28.4%	6.2%	42.2%	13.6%	17.1%			22.6%	16.5%	
ROAA	3.7%	0.7%	4.7%	1.5%	2.0%			2.7%	2.2%	
Net Interest Margin (NIM)	28.6%	17.4%	22.1%	19.1%	20.3%			21.6%	18.7%	
Net Fee Income Ratio	17.4%	23.3%	18.2%	20.7%	19.2%			19.7%	21.6%	
Cost / Assets	15.2%	10.9%	11.3%	9.7%	10.3%			11.8%	10.3%	
Efficiency Ratio	71.3%	70.4%	62.4%	59.0%	61.9%			66.0%	61.5%	
Liquidity & Capital										
Total Loans to Total Deposits	103.5%	85.8%	72.9%	74.6%	84.5%					
AR\$ Loans to AR\$ Deposits	107.6%	82.2%	78.5%	78.3%	92.9%					
US\$ Loans to US\$ Deposits	92.1%	95.9%	60.9%	66.8%	67.5%					
Liquidity Coverage Ratio (LCR) ³	150.3%	141.7%	164.5%	143.9%	173.4%					
Total Equity / Total Assets	14.8%	12.6%	11.7%	10.8%	12.2%					
Capital / Risk weighted assets (Proforma Consolidated) ⁴	12.2%	12.8%	12.9%	13.2%	14.0%					
Tier1 Capital / Risk weighted assets (Proforma Consolidated) ⁵	11.4%	11.8%	11.9%	12.1% ⁶	12.9%					
Risk Weighted Assets / Total Assets	89.2%	76.7%	68.5%	67.9%	73.0%					
Asset Quality										
NPL Ratio	7.4%	6.9%	5.1%	5.3%	4.1%					
Allowances as a % of Total Loans	6.3%	6.0%	5.5%	5.3%	4.1%					
Coverage Ratio	83.0%	86.1%	107.7%	100.0%	100.0%					
Cost of Risk ⁷	6.4%	9.6%	6.0%	9.9%	7.0%			7.9%	5.8%	
MACROECONOMIC RATIOS										
Retail Price Index (%) ⁸	11.7%	12.5%	9.5%	11.8%	11.5%					
Avg. Retail Price Index (%)	52.1%	54.1%	56.3%	51.2%	46.9%					
UVA (var)	14.3%	8.5%	12.0%	9.4%	16.2%					
Pesos/US\$ Exchange Rate	59.90	57.56	42.45	43.35	37.81					
Badlar Interest Rate (eop)	39.4%	58.9%	47.5%	45.7%	49.5%					
Badlar Interest Rate (avg)	48.1%	54.7%	50.9%	41.8%	50.2%					
Monetary Policy Rate (eop)	55.0%	78.4%	62.7%	68.2%	65.4%					
Monetary Policy Rate (avg)	65.3%	71.5%	66.8%	55.8%	59.3%					
OPERATING DATA										
Active Customers (in millions)	1.8	1.8	1.8	1.8	1.8					
Access Points	316	317	318	316	317					
Employees ⁹	5,019	5,134	5,135	5,203	5,253	-2.2%	-4.5%			

1. Average Assets and average Shareholder's Equity calculated on a daily basis
2. Total Portfolio: Loans and Leasing before Allowances. According to IFRS, this line item includes Securitized Loan Portfolio and loans transferred with recourse.
3. This ratio includes the liquidity held at the holding company level.
4. Regulatory capital divided by risk weighted assets taking into account operational and market risk. The regulatory capital ratio applies only to the Bank and CCF on a consolidated basis and does not include the liquidity held at the holding company level- The Proforma consolidated capital ratio, includes the liquidity retained at Grupo Supervielle level after the equity offering, which is available for growth. As of December 31, 2019, the liquidity amounted to AR\$ 645 million.
5. Tier 1 capital divided by risk weighted assets taking into account operational and market risk. The regulatory Tier 1 capital ratio applies only to the Bank and CCF on a consolidated basis and does not include the liquidity held at the holding company level. The Proforma Consolidated Tier 1 capital ratio includes AR\$645 million retained at the holding company which are available for growth.
6. During 2Q19 the Central Bank clarified an interpretation regarding deductions on Tier1 Capital related to deferred tax assets, requesting not to offset deferred tax assets and liabilities even when offsetting is required by IFRS (IAS 12) and Basel framework, hence increasing the deductions on Tier 1 Capital. If the Central Bank criteria would have been adopted in 1Q19, Common Equity Tier 1 Ratio (Consolidated Proforma) would have been 11.8%.
7. Excluding a voluntary AR\$462 million LLP in 1Q19, in excess of the 25% regulatory provisioning related to a delinquent commercial loan, Cost of risk would have been 7.5%. Cost of Risk in 4Q18, excluding the AR\$ 231 million additional voluntary loan loss provisions made to increase coverage, was 5.9%.
8. Source: INDEC
9. These figures do not include temporary employees

4Q19 Earnings Call Dial-In Information

Date: Thursday February 20, 2020
 Time: 12:00 PM (US ET); 2:00 PM (Buenos Aires Time)
 Dial-in Numbers: 1-877-407-0789 (U.S. and Canada), 1-201-689-8562 (International), 0-800-444-6247 (Argentina), or 0800-756-3429 (U.K.)
 Webcast: <http://public.viavid.com/index.php?id=137261>
 Replay: From Thursday February 20, 2020, 3:00 PM ET through Thursday March 5, 2020, 11:59 PM ET. Dial-in number: +1-844-512-2921 (U.S./Canada) or +1-412-317-6671 (international). Pin number: 13697302

REVIEW OF CONSOLIDATED RESULTS

Supervielle offers financial products and services mainly through Banco Supervielle (the "Bank"), a universal commercial bank, and Cordial Compañía Financiera ("CCF"), a consumer finance company which is consolidated with the Bank's operations. The Bank and CCF, Supervielle's main assets, comprised 91.1% and 5.3% respectively of total assets as of December 31, 2019. Supervielle also operates Tarjeta Automática, a consumer finance company with a distribution network mainly in southern Argentina; MILA, a car financing company; Espacio Cordial, a retail company cross-selling related non-financial products and services; Supervielle Seguros, an insurance company; Supervielle Productores Asesores de Seguros, an insurance broker company, Supervielle Asset Management; InvertirOnline.com, an online broker; and Supervielle Agente de Negociación (previously Futuros del Sur), a brokerage firm.

Comprehensive Income & Profitability

Income Statement (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Argentine Banking GAAP:							
Interest income	11,009.3	9,236.2	8,546.5	7,937.5	8,394.8	19.2%	31.1%
Interest expenses	(6,597.0)	(7,712.5)	(7,175.8)	(6,719.2)	(6,371.6)	-14.5%	3.5%
Net interest income	4,412.3	1,523.8	1,370.7	1,218.3	2,023.2	189.6%	118.1%
Net income from financial instruments at fair value through profit or loss	2,788.5	4,358.7	4,918.8	4,587.8	2,700.1	-36.0%	3.3%
Exchange rate differences on gold and foreign currency	457.1	(604.4)	270.8	(328.3)	534.8	-175.6%	-14.5%
NIFFI & Exchange Rate Differences	3,245.5	3,754.4	5,189.6	4,259.4	3,235.0	-13.6%	0.3%
Net Financial Income	7,657.8	5,278.1	6,560.3	5,477.7	5,258.1	45.1%	45.6%
Fee income	1,898.7	1,890.3	1,665.8	1,561.8	1,387.8	0.4%	36.8%
Fee expenses	(550.1)	(541.8)	(424.0)	(334.1)	(322.7)	1.5%	70.4%
Income from insurance activities	266.8	258.1	217.2	204.0	180.4	3.4%	47.9%
Net Service Fee Income	1,615.5	1,606.6	1,458.9	1,431.7	1,245.5	0.6%	29.7%
Other operating income	875.5	722.9	521.0	532.9	539.4	21.1%	62.3%
Loan loss provisions	(1,368.1)	(2,007.4)	(1,210.8)	(1,893.0)	(1,382.8)	-31.8%	-1.1%
Net Operating Revenue	8,780.7	5,600.3	7,329.4	5,549.3	5,660.2	56.8%	55.1%
Personnel expenses	(3,821.9)	(2,692.3)	(2,876.5)	(2,317.2)	(2,273.4)	42.0%	68.1%
Administrative expenses	(1,868.4)	(1,573.1)	(1,519.4)	(1,280.5)	(1,317.8)	18.8%	41.8%
Depreciation & Amortization	(253.8)	(231.2)	(208.8)	(200.4)	(122.0)	9.8%	108.0%
Other expenses	(1,806.7)	(1,220.2)	(1,158.7)	(1,002.5)	(1,043.2)	48.1%	73.2%
Operating income	1,029.8	(116.5)	1,566.1	748.7	903.8	-	13.9%
Profit before income tax	1,029.8	(116.5)	1,566.1	748.7	903.8	-	13.9%
Profit from continuing operations	1,029.8	(116.5)	1,566.1	748.7	903.8	-	13.9%
Income tax expense	437.5	417.8	337.1	(159.1)	(220.8)	4.7%	-298.2%
Net income	1,467.3	301.3	1,903.2	589.5	683.0	387.0%	114.8%
Attributable to owners of the parent company	1,466.2	301.0	1,901.5	589.1	706.8	387.0%	107.4%
Attributable to non-controlling interests	1.1	0.3	1.7	0.4	(23.8)	336.5%	-104.6%
Other comprehensive income, net of tax	104.2	431.0	7.7	26.3	228.7	-75.8%	-54.5%
Comprehensive income	1,571.5	732.7	1,911.0	615.8	911.7	114.5%	72.4%
Attributable to owners of the parent company	1,570.3	732.1	1,909.3	615.4	935.3	114.5%	67.9%
Attributable to non-controlling interests	1.2	0.6	1.7	0.4	(23.6)	81.1%	-105.0%
ROAE	28.4%	6.2%	42.2%	13.6%	17.1%		
ROAA	3.7%	0.7%	4.7%	1.5%	2.0%		

Profit before income tax of AR\$1.0 billion in 4Q19 compared to a AR\$903.8 million profit in 4Q18 and a AR\$116.5 million loss in 3Q19. 4Q19 performance was explained by: i) higher Net Financial Income and ii) the abovementioned decrease in LLP. These were partially offset by AR\$785 million in non recurring severance and early retirement charges.

Attributable Net income of AR\$1.5 billion in 4Q19, increased from AR\$706.8 million in 4Q18 and AR\$ 301.0 million in 3Q19. Income tax recorded a benefit of AR\$ 437.5 million mainly from the inflation adjustment in the income tax provision.

The income tax reform passed in December 2017 allowed the deduction of losses arising from exposures to changes in the purchasing power of the currency, only if inflation as measured by the Consumer Price Index (CPI) issued by the INDEC would exceed the following thresholds applicable for each fiscal year: 55% in 2018, 30% in 2019 and 15% in 2020. For 2021 and subsequent periods, inflation must exceed 100% in 3 years on a cumulative basis in order to deduct inflation losses.

In 2018, the 55% threshold was not met, but in 2019 inflation widely exceeded 30%. Therefore, the income tax provision for 2019 considers the losses arising from exposures to changes in the purchasing power of the currency, which lowered significantly the income tax expense for the current year. The impact of considering inflation adjustment for tax purposes in the income tax line item for 4Q19, 3Q19 and 2Q19 is AR\$ 620 million, AR\$376 million and AR\$664 million respectively.

Attributable Comprehensive Income in 4Q19 increased 67.9%, or AR\$635.0 million YoY, to AR\$1.6 billion, and 114.5% or AR\$838.2 million QoQ.

Other Comprehensive Income in 4Q19 was AR\$104.2 million compared to AR\$228.7 million in 4Q18 and AR\$431.0 million in 3Q19. These results mainly reflect the revaluation of properties in AR\$ to adjust to market value at each revaluation date.

ROAE of 28.4% in 4Q19 compares with 17.1% in 4Q18 and 6.2% in 3Q19. 3Q19 ROAE was impacted by a AR\$2.0 billion loss reflecting mark to market valuation of Argentine reprofiled treasury notes.

ROAA of 3.7% in 4Q19 versus 2.0% in 4Q18 and 0.7% in 3Q19.

The table below shows managerial restatement of Income Tax, Net Income, Attributable Net Income, and ROAE, as if inflation adjustment in the income tax provision would have been reported since 1Q19.

(AR\$ million)	4Q19	3Q19	2Q19	1Q19
Profit before Income tax	1,029.8	-116.5	1,566.1	748.7
Income Tax, net	437.5	417.8	3.6	174.4
Income Tax Before Inflation adjustment in Income Tax provision	(182.5)	42.2	(327.0)	(159.2)
Inflation adjustment in income tax provision	620	376	331	334
Net Income	1,467.3	301.3	1,569.7	923.1
Attributable Net Income	1,466.2	301.0	1,567.9	922.7
ROAE	28.4%	6.2%	34.6%	21.1%

Comprehensive Income & Profitability Breakdown

Excluding the Consumer Finance lending business, 4Q19 ROAE reached 31.3%, above the reported consolidated ROAE of 28.4%.

Consumer Finance lending business showed positive results for the second consecutive quarter reflecting a continued improvement in asset quality after the tightening of its underwriting policies and reducing exposure.

	4Q19			3Q19			2Q19			1Q19		
	GS	Consumer Finance Lending*	GS excl. Consumer Finance Lending	GS	Consumer Finance Lending*	GS excl. Consumer Finance Lending	GS	Consumer Finance Lending*	GS excl. Consumer Finance Lending	GS	Consumer Finance Lending*	GS excl. Consumer Finance Lending
Net Financial Income / Avg. Assets**	19.6%	18.0%	19.7%	12.8%	23.7%	12.2%	16.1%	12.1%	16.4%	14.0%	16.0%	13.9%
LLP / Avg. Assets**	3.5%	9.2%	3.2%	4.9%	11.0%	4.5%	3.0%	15.9%	2.2%	4.9%	19.9%	3.9%
Operating Expenses / Avg. Assets**	15.2%	19.0%	15.0%	10.9%	18.3%	10.5%	11.3%	19.1%	10.8%	9.7%	17.7%	9.2%
ROAA Reported**	3.7%	3.2%	3.8%	0.7%	7.6%	0.3%	4.7%	-14.5%	5.8%	1.5%	-14.0%	2.5%
ROAA Restated (incl. inflation adjustment in the income tax provision in each Q)	3.7%	3.2%	3.8%	0.7%	7.6%	0.3%	3.8%	-14.5%	5.0%	2.4%	-14.0%	3.4%
ROAE**	28.4%	10.1%	31.3%	6.2%	25.3%	3.3%	42.2%	-55.0%	57.4%	13.6%	-61.6%	24.2%
ROAE Restated (incl. inflation adjustment in the income tax provision in each Q)	28.4%	10.1%	31.3%	6.2%	25.3%	3.3%	34.6%	-55.0%	48.5%	21.1%	-61.6%	32.8%
Total Assets / Shareholder Equity	7.59	3.18	8.28	8.55	3.32	9.36	9.04	3.79	9.86	8.99	4.41	9.64

*Includes CCF / MILA and TA

**Annualized

2Q19 included inflation adjustment for tax purposes in the income tax line item of AR\$664 million that corresponded to 1H19. If inflation adjustment in the income tax provision would have been accounted for as of March 31, 2019, 2Q19 ROAE would have been 34.6% and 2Q19 ROAE excluding the Consumer Finance lending business, would have been 48.5%.

Net Financial Income (Net Interest Income -NII-, Net Income from Financial Instruments - NIFFI- & Exchange Rate Differences on Gold and Foreign Currency)

Net Financial Income of AR\$7.7 billion, was up 45.6% YoY and 45.1% QoQ mainly reflecting both lower cost of funds following the decrease in market interest rates while Interest on loans benefitted from lagged repricing, and price improvements of reprofiled short term AR\$ and US\$ treasury notes held by Supervielle. In the previous quarter, fixed income instruments had been impacted by the debt reprofiling announced by the Argentine government in August 2019.

Net Financial Income	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Net Interest Income	4,412.3	1,523.8	1,370.7	1,218.3	2,023.2	189.6%	118.1%
NIFFI & Exchange rate differences	3,245.5	3,754.4	5,189.6	4,259.4	3,235.0	-13.6%	0.3%
Net Financial Income	7,657.8	5,278.1	6,560.3	5,477.7	5,258.1	45.1%	45.6%

Net Interest Income was AR\$4.4 billion, compared to AR\$2.0 billion in 4Q18 and AR\$1.5 billion in 3Q19. In the quarter, NII benefitted from the 170 bps decrease in Cost of Funds following the decrease in market interest rates, the 12.0% decrease in the average balance of high cost interest bearing liabilities as the Company decided to deleverage its balance sheet sharply reducing institutional funding, and due to the lagged repricing of the AR\$ portfolio.

Moreover, QoQ and YoY comparisons were impacted by the change in the classification and therefore accounting methodology for all new Central Bank Securities and sovereign bonds acquired by the Company since October 2019. In the quarter, AR\$ 1.1 billion yield from investments in high margin 7-day Central Bank securities has been recorded in NII following the Fair value through other comprehensive income methodology since 4Q19. In previous quarters, when those securities were classified as Held for trading securities, yields from those investments were recorded in NIFFI following the Fair value through profit or loss accounting methodology while deposits to fund those marginal investments were reflected in Net Interest Income.

As of December 31, 2019, AR\$ 7.2 billion of short-term securities issued by the Central Bank -7 day high-yield Leliqs- were classified in the available for sale category, and accordingly valued at fair value through other comprehensive income methodology together with the cost of the higher balance of interest-bearing liabilities raised to fund those investments, both reflected in Net Interest Income. As of September 2019, AR\$29.9 billion balance of this instrument were classified as held for trading and accordingly valued at market price recording profits in NIFFI while the cost of the higher balance of interest-bearing liabilities raised to fund those investments, were recorded as interest expenses within Net Interest Income.

Below is a breakdown of the securities portfolio held as of December 31, 2019, between securities held for trading purposes, securities held to maturity, and securities available for sale. The accounting methodology is different for each security class.

- a) Amortized cost ("Held to maturity"): Assets measured at amortized cost are those held for the purpose of collecting contractual cash flows. Interest income is recognized in net interest margin. Assets in this category include the Company's loan portfolio and certain government (mainly holdings of Bote) and corporate securities. Since January 1, 2020, the reprofiled Letes held by the Company were changed from Held for trading to this security class, as allowed by the Central Bank through Communication A 6847. The Letes were recorded when changed to this category, at its market price as of December 31, 2019, and since then will accrue its implicit yield, unless market price decreases below the recorded value. If market value is lower than book value, accrual of interests and exchange rate difference must be suspended until market price reaches the prior level. No negative impact will be reflected in interest income nor in other comprehensive impact if prices decrease below the December 31, 2019 level.
- b) Fair value through other comprehensive income ("Available for sale"): Assets measured at fair value through other comprehensive income are those held for the purpose of both collecting contractual cash flows and selling financial assets. Interest income is recognized in net interest margin in the income statement, while changes in fair value are recognized in other comprehensive income.
- c) Fair value through profit or loss ("Held for trading"): Assets measured at fair value through profit or loss are those held for the purpose of trading financial assets. Changes in fair value are recognized in the "Net income from financial instruments" line item of the income statement. Assets in this category include most government securities (including Letes and Lecaps that were reprofiled) and securities issued by the Central Bank, other than those classified as amortized cost. As mentioned above, since January 1, 2020, all reprofiled Letes held by the Company, were classified as "Held to maturity", changing category from "Held for trading". Additionally, on January 20, 2020, the Company entered into the exchange offered by the Argentine government for some of the reprofiled Lecaps held, and received Lebads payable at 6 and 9 months term, which were classified as "Available for sale". Any further price changes in these Lebads will be therefore recognized at fair value through other comprehensive income.

Securities Breakdown¹ (AR\$ MM)	dec 19	sep 19	jun 19	mar 19	dec 18
Held for trading	568.5	31,555.0	41,912.5	35,258.0	15,130.2
Government Securities ²	472.1	1,544.7	2,608.1	3,048.7	3,762.4
Securities Issued by the Central Bank	-	29,853.1	39,237.1	32,205.8	11,305.3
Corporate Securities	96.4	157.3	67.3	3.6	62.4
Held to maturity	3,500.4	3,829.9	3,168.8	3,323.4	4,173.4
Government Securities ³	3,494.9	3,811.6	3,142.0	3,282.9	4,130.7
Securities Issued by the Central Bank	-	-	-	-	-
Corporate Securities	5.5	18.3	26.8	40.4	42.7
Available for sale	7,185.7	8.8	9.1	14.5	130.1
Government Securities	-	-	-	4.4	119.6
Securities Issued by the Central Bank	7,171.1	-	-	-	-
Corporate Securities	14.6	8.8	9.1	10.1	10.4
Total	11,254.6	35,393.6	45,090.4	38,595.9	19,433.6
US\$ Government Securities in Guarantee (Held for trading) ⁴	1,234.1	812.5	1,840.0	1,634.2	364.0
AR\$ Government Securities in Time Deposits (Held to maturity)	58.0	-	-	-	450.0
Total (incl. US\$ Government Securities in Guarantee)	12,546.7	36,206.1	46,930.4	40,230.1	20,247.6

1. Includes securities denominated in AR\$ and US\$

2. Includes AR\$308 million of AR\$ (Lecaps) and US\$ (LETES) Ar Treasury Notes, AR\$72.3 million of Argentinean Sovereign Bonds and AR\$ 83.1 million of USA Treasury Bill. On January 20, 2020, the Company entered into the exchange offered by the Government regarding the AR\$ (Lecaps) reprofiled notes, receiving Lebads, and classified the Lebads as Available for Sale. On January 1, 2020, the Company changed the Letes held, from the category Held for Trading to Held to maturity.

3. Includes AR\$3.1 billion BOTE 2020 and AR\$ 404 million of AR\$ Treasury Notes (Lecaps)

4. Includes US\$ Ar Treasury Notes (LETES). On January 1, 2020, the Company changed the Letes held, from the category Held for Trading to Held to maturity.

Net Income from financial instruments and Exchange rate differences of AR\$3.2 billion compared to AR\$3.2 billion in 4Q18 and AR\$3.8 billion in 3Q19. Comparisons were impacted by the abovementioned changes in the classification of Central Bank Securities to the Available for Sale category, from the Held for Trading security class. In 4Q19, AR\$ 1.1 billion yield from investments in high margin 7-day Central Bank securities was recorded in NII while in previous quarter yields from those investments were registered in NIFFI.

NIFFI & Exchange rate differences on gold and foreign currency						% Change	
(In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Income from:							
- Government and corporate securities	1,372.8	(970.8)	171.3	594.5	318.5	-	-
- Term Operations	51.1	556.5	(53.3)	59.2	(20.5)	-	-
- Securities issued by the Central Bank	1,364.7	4,773.0	4,800.8	3,934.0	2,402.1	-71.4%	-43.2%
Subtotal	2,788.5	4,358.7	4,918.8	4,587.8	2,700.1	-36.0%	3.3%
Exchange rate differences on gold and foreign currency	457.1	(604.4)	270.8	(328.3)	534.8	-	-
Total	3,245.5	3,754.4	5,189.6	4,259.4	3,235.0	-13.6%	0.3%

In 4Q19, government and corporate securities reflects the AR\$0.60 billion gain on the U\$S short term treasury notes -Letes-, and the AR\$ 0.52 billion gain on the AR\$ short term treasury notes -Lecaps- due to price improvements of reprofiled short term AR\$ and U\$S local treasury notes held by Supervielle. The 3Q19 loss from government and corporate securities reflects the AR\$1.5 billion loss on the U\$S short term treasury notes -Letes- and the AR\$ 0.56 billion loss on the AR\$ short term treasury notes -Lecaps-.

Net Income from US\$ denominated operations and securities was AR\$1.6 billion mainly explained by the better performance of the US\$ fixed income instruments and also due to higher income on foreign currency trading with retail and institutional customers.

Net Income from US\$ denominated operations and Securities (In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ
Financial Income from U\$S Operations	1,138.6	144.4	(13.2)	540.3	(204.2)	6.9
NIFFI	653.2	146.4	(15.2)	451.8	(97.1)	3.5
US\$ Government Securities ³	602.2	(410.1)	38.0	392.6	(76.5)	(2.5)
Term Operations	51.1	556.5	(53.3)	59.2	(20.5)	(0.9)
Interest Income	485.3	(2.0)	2.0	88.5	(107.1)	(240.9)
US\$ Government Securities ²	485.3	(2.0)	2.0	88.5	(107.1)	(240.9)
Exchange rate differences on gold and foreign currency	457.1	(604.4)	270.8	(328.3)	534.8	(1.8)
Total Income from U\$S Operations¹	1,595.6	-460.0	257.6	211.9	330.6	-

1. Includes gains on trading from retail Fx operations

2. Securities held to maturity

3. Securities held for trading

Net Interest Margin (NIM) of 28.6%, up 840 basis points (bps) YoY and 1,130 bps QoQ mainly reflecting: i) price improvements of reprofiled short term Argentine treasury notes held by Supervielle compared to a 3Q19 NIM highly impacted by the decline in those securities prices following the reprofiling decision, ii) a 170 bps decrease in cost of funds following the decline in market interest rates together with a 12.0% decrease in the average balance of high cost interest bearing liabilities as the Company deleveraged its balance sheet, sharply reducing institutional funding, and iii) also benefitted from lagged repricing in loans. AR\$ Loan portfolio NIM in the quarter was 28.3% compared to 24.2% in 3Q19. Excluding the prices improvement in the quarter of reprofiled short term AR\$ and U\$S local treasury notes, NIM would have been 24.5%.

The Tables below provide further information about NIM breakdown corresponding to Loan Portfolio and Investment Portfolio, Average Assets and Average Liabilities, as well as interest rates both on assets and liabilities and market rates.

NIM Analysis	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ (bps)	YoY (bps)
Total NIM	28.6%	17.4%	22.1%	19.1%	20.3%	1,126	836
AR\$ NIM	36.2%	27.9%	26.2%	22.5%	23.9%	830	1,230
U\$S NIM	3.7%	-17.2%	8.4%	6.9%	9.1%	2,091	(538)
Loan Portfolio	21.7%	18.6%	18.5%	18.2%	17.8%	311	394
AR\$ NIM	28.3%	24.2%	23.8%	23.2%	22.5%	403	572
U\$S NIM	3.9%	5.4%	5.3%	4.7%	4.9%	(150)	(100)
Investment Portfolio	49.0%	18.1%	29.3%	20.1%	23.4%	3,096	2,564
AR\$ NIM	40.5%	26.0%	32.2%	23.3%	28.2%	1,453	1,228
U\$S NIM	139.3%	-57.0%	8.7%	-4.2%	-2.2%	19,626	14,145

Average Assets	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ (bps)	YoY (bps)
Total Interest Earning Assets (IEA)	100.0%	100.0%	100.0%	100.0%	100.0%		
AR\$ (as % of IEA)	76.8%	76.7%	76.6%	77.9%	75.7%	9	110
US\$ (as % of IEA)	23.2%	23.3%	23.4%	22.1%	24.3%	(9)	(110)
Loan Portfolio (as % of IEA)	80.1%	68.8%	68.1%	66.6%	75.7%	1,136	446
AR\$ (as % of Loan Portfolio)	73.2%	70.2%	71.5%	72.7%	73.0%	299	17
US\$ (as % of Loan Portfolio)	26.8%	29.8%	28.5%	27.3%	27.0%	(299)	(17)
Investment Portfolio (as % of IEA)	19.9%	31.2%	31.9%	33.3%	24.3%	(1,135)	(441)
AR\$ (as % of Investment Portfolio)	91.5%	91.1%	87.5%	88.4%	84.1%	37	737
US\$ (as % of Investment Portfolio)	8.5%	8.9%	12.5%	11.6%	15.9%	(37)	(737)
Average Liabilities	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ (bps)	YoY (bps)
Total Interest Bearing Deposits & Low & Non-Interest Bearing Deposits	100.0%	100.0%	100.0%	100.0%	100.0%		
AR\$	68.1%	65.8%	64.9%	66.9%	66.0%	229	215
US\$	31.9%	34.2%	35.1%	33.1%	34.0%	(229)	(215)
Total Interest-Bearing Liabilities	61.5%	63.9%	63.9%	65.8%	66.1%	(239)	(458)
AR\$	67.4%	72.7%	72.8%	75.0%	73.5%	(534)	(608)
US\$	32.6%	27.3%	27.2%	25.0%	26.5%	534	608
Low & Non Interest Bearing Deposits	38.5%	36.1%	36.1%	34.2%	33.9%	239	458
AR\$	69.3%	53.7%	51.0%	51.3%	51.4%	1,566	1,791
US\$	30.7%	46.3%	49.0%	48.7%	48.6%	(1,566)	(1,791)

Interest Rates	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ (bps)	YoY (bps)
Interest earned on Loans	45.1%	41.8%	41.0%	39.7%	42.1%	324	300
AR\$	59.2%	56.5%	54.6%	52.1%	55.0%	262	418
US\$	6.7%	7.2%	7.1%	6.8%	7.2%	(57)	(53)
Yield on Investment Portfolio	76.1%	35.8%	56.0%	51.2%	48.2%	4,029	2,795
AR\$	71.4%	58.3%	63.0%	52.2%	60.6%	1,312	1,075
US\$	126.2%	-177.1%	7.1%	43.4%	-17.8%	-	-
Cost of Funds	22.6%	24.3%	22.6%	21.6%	22.8%	(167)	(19)
AR\$	32.3%	36.2%	34.1%	31.7%	33.8%	(393)	(148)
US\$	1.9%	1.2%	1.1%	1.3%	1.5%	66	38
Market Interest Rates	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ (bps)	YoY (bps)
Monetary Policy Rate (eop)	55.0%	78.4%	62.7%	68.2%	65.4%	(2,337)	(1,043)
Monetary Policy Rate (avg)	65.3%	71.5%	66.8%	55.8%	59.3%	(619)	602
Badlar Interest Rate (eop)	39.4%	58.9%	47.5%	45.7%	49.5%	(1,944)	(1,006)
Badlar Interest Rate (avg)	48.1%	54.7%	50.9%	41.8%	50.2%	(661)	(214)
TM20 (eop)	40.5%	60.9%	48.6%	48.9%	51.7%	(2,044)	(1,120)
TM20 (avg)	49.2%	57.0%	53.4%	43.5%	53.4%	(782)	(421)

The Table below provides further information about Interest-Earning Assets and Interest-Bearing Liabilities. Sequentially, assets repriced faster than cost of funds.

Interest Earning Assets		4Q19		3Q19		2Q19		1Q19		4Q18	
(In millions of Argentine Ps.)		Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate
Investment Portfolio											
Government and Corporate Securities		6,757.2	91.7%	8,955.1	-72.0%	10,557.4	18.4%	9,984.9	38.4%	10,113.1	21.6%
Securities Issued by the Central Bank		14,241.1	68.7%	26,341.9	72.5%	27,268.3	70.5%	28,242.3	55.7%	15,062.3	66.0%
Total Investment Portfolio		20,998.3	76.1%	35,296.9	35.8%	37,825.8	56.0%	38,227.3	51.2%	25,175.4	48.2%
Loans											
Loans to the Financial Sector		351.3	49.7%	634.6	39.3%	737.2	12.3%	101.0	33.4%	619.8	91.8%
Overdrafts		6,260.7	61.5%	6,343.9	70.8%	5,156.0	67.0%	4,484.2	70.0%	5,677.0	76.2%
Promissory Notes		7,838.4	68.8%	7,817.3	68.4%	7,426.6	63.0%	6,585.3	59.5%	7,365.6	62.6%
Mortgage loans		7,469.6	59.3%	6,790.3	38.9%	6,232.1	50.6%	5,597.9	42.1%	4,961.1	65.1%
Automobile and Other Secured Loans		1,315.0	52.1%	1,488.5	50.4%	1,477.5	42.6%	1,581.7	34.0%	1,637.4	22.7%
Retail Banking Personal Loans		13,723.0	61.9%	13,981.1	61.2%	14,282.3	52.5%	13,994.0	50.0%	13,733.9	46.8%
Consumer Finance Personal Loans		3,325.3	73.2%	3,858.0	65.2%	4,676.0	61.3%	5,148.5	56.8%	5,585.2	55.9%
Corporate Unsecured Loans		10,927.2	64.7%	7,771.6	54.7%	7,836.1	57.3%	7,932.8	55.6%	7,463.2	56.4%
Retail Banking Credit Card Loans		8,894.6	34.5%	7,292.1	40.8%	6,661.4	44.3%	6,408.7	41.9%	6,184.0	42.8%
Consumer Finance Credit Card Loans		2,364.5	39.5%	2,352.5	31.5%	2,393.9	43.3%	2,498.3	46.9%	2,510.5	44.2%
Receivables from Financial Leases		3,448.1	23.1%	3,571.9	24.7%	3,643.4	26.2%	3,432.3	28.8%	3,481.2	28.5%
Total Loans excl. Foreign trade and US\$ loans¹		65,917.6	56.6%	61,901.8	54.0%	60,522.5	52.5%	57,764.8	50.5%	59,218.9	53.4%
Foreign Trade Loans & US\$ loans		19,819.7	6.6%	21,692.7	7.2%	20,562.8	7.1%	18,848.8	6.7%	19,305.2	7.3%
Total Loans		85,737.3	45.1%	83,594.5	41.8%	81,085.3	41.0%	76,613.5	39.7%	78,524.2	42.1%
Securities Issued by the Central Bank in Repo Transaction		238.0	58.1%	2,631.6	70.4%	86.7	62.7%	101.8	37.8%	48.4	62.8%
Total Interest-Earning Assets		106,973.6	51.2%	121,523.0	40.7%	118,997.8	45.8%	114,942.6	43.5%	103,748.0	43.6%

1. In 4Q19, 3Q19, 2Q19, 1Q19 and 4Q18 include AR\$ 3.2 billion, AR\$3.3 billion, AR\$2.6 billion, AR\$ 2.1 billion, and AR\$ 1.9 billion respectively of US\$ loans, mainly credit cards US\$ balances.

Interest Bearing Liabilities & Low & Non-Interest Bearing Deposits		4Q19		3Q19		2Q19		1Q19		4Q18	
(In millions of Argentine Ps.)		Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate		
Time Deposits		34,331.5	47.4%	40,554.5	46.6%	35,666.3	41.3%	38,735.1	37.9%	26,774.1	37.3%
AR\$ Time Deposits		30,929.0	52.4%	35,905.2	52.4%	30,557.6	48.0%	33,508.8	43.6%	22,043.6	44.9%
FX Time Deposits		3,402.6	1.8%	4,649.2	1.1%	5,108.7	1.1%	5,226.3	1.4%	4,730.6	1.7%
Special Checking Accounts		16,108.6	20.3%	21,013.0	23.6%	23,238.4	26.0%	21,606.4	25.0%	27,849.8	32.7%
AR\$ Special Checking Accounts		7,076.9	45.6%	10,881.8	45.4%	13,214.6	45.5%	14,287.4	37.6%	21,567.1	42.1%
FX Special Checking Accounts		9,031.7	0.4%	10,131.2	0.2%	10,023.8	0.3%	7,319.0	0.4%	6,282.6	0.4%
Borrowings from Other Fin. Inst. & Medium Term Notes		18,385.0	33.2%	17,266.6	36.1%	20,369.4	35.8%	18,680.0	33.1%	19,560.6	34.8%
Subordinated Loans and Negotiable Obligations		2,131.1	4.8%	1,840.9	7.3%	1,601.0	6.9%	1,425.0	6.8%	1,355.5	7.0%
Total Interest-Bearing Liabilities		70,956.3	36.3%	80,675.0	37.5%	80,875.2	34.8%	80,446.5	32.8%	75,540.1	34.4%
Low & Non-Interest Bearing Deposits											
Savings Accounts		25,086.6	1.3%	26,535.3	1.6%	26,360.2	1.4%	23,193.6	0.3%	21,340.8	0.3%
AR\$ Savings Accounts		15,463.4	2.1%	12,654.6	3.3%	12,505.9	2.9%	11,312.4	0.5%	10,564.5	0.5%
FX Savings Accounts		9,623.2	0.0%	13,880.7	0.0%	13,854.3	0.0%	11,881.2	0.0%	10,776.3	0.0%
Checking Accounts		19,303.4		19,039.0		19,284.7		18,564.4		17,406.5	
AR\$ Checking Accounts		15,318.1		11,809.5		10,781.9		10,094.8		9,362.9	
FX Checking Accounts		3,985.3		7,229.5		8,502.9		8,469.6		8,043.7	
Total Low & Non-Interest Bearing Deposits		44,390.0		45,574.2		45,645.0		41,758.1		38,747.4	
Total Interest-Bearing Liabilities & Low & Non-Interest Bearing Deposits		115,346.3	22.6%	126,249.2	24.3%	126,520.2	22.6%	122,204.5	21.6%	114,287.4	22.8%
AR\$		78,593.6	32.3%	83,133.5	36.2%	82,141.4	34.1%	81,754.1	31.7%	75,417.7	33.8%
FX		36,752.6	1.9%	43,115.7	1.2%	44,378.7	1.1%	40,450.5	1.3%	38,869.7	1.5%

AR\$ Liabilities. Avg. Balance	4Q19		3Q19		4Q18	
(In millions of Argentine Ps.)	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate
Interest-Bearing Liabilities						
Time Deposits	30,929.0	52.4%	35,905.2	52.4%	22,043.6	44.9%
Special Checking Accounts	7,076.9	45.6%	10,881.8	45.4%	21,567.1	42.1%
Borrowings from Other Fin. Inst. & Medium Term Notes	9,806.3	57.4%	11,882.5	50.0%	11,879.7	54.1%
Subordinated Loans and Negotiable Obligations	-	-	-	-	-	-
Total Interest-Bearing Liabilities	47,812.2	52.4%	58,669.5	50.6%	55,490.4	45.8%
Low & Non-Interest Bearing Deposits						
Savings Accounts	15,463.4	2.1%	12,654.6	3.3%	10,564.5	0.5%
Checking Accounts	15,318.1		11,809.5		9,362.9	
Total Low & Non-Interest Bearing Deposits	30,781.5		24,464.1		19,927.4	
Total Interest-Bearing Liabilities & Low & Non-Interest Bearing Deposits	78,593.6	32.3%	83,133.5	36.2%	75,417.7	33.8%

US\$ Liabilities. Average Balance	4Q19		3Q19		4Q18	
(In millions of Argentine Ps.)	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate
Interest-Bearing Liabilities						
Time Deposits	3,402.6	1.8%	4,649.2	1.1%	4,730.6	1.7%
Special Checking Accounts	9,031.7	0.4%	10,131.2	0.2%	6,282.6	0.4%
Borrowings from Other Fin. Inst. & Medium Term Notes	8,578.7	5.6%	5,384.2	5.6%	7,680.9	4.9%
Subordinated Loans and Negotiable Obligations	2,131.1	4.8%	1,840.9	7.3%	1,355.5	7.0%
Total Interest-Bearing Liabilities	23,144.1	2.9%	22,005.5	2.3%	20,049.7	2.8%
Low & Non-Interest Bearing Deposits						
Savings Accounts	9,623.2	0.0%	13,880.7	0.0%	10,776.3	0.0%
Checking Accounts	3,985.3		7,229.5		8,043.7	
Total Low & Non-Interest Bearing Deposits	13,608.5		21,110.2		18,820.0	
Total Interest-Bearing Liabilities & Low & Non-Interest Bearing Deposits	36,752.6	1.9%	43,115.7	1.2%	38,869.7	1.5%

In 4Q19, AR\$ and US\$ yield on investment portfolio benefitted from price improvements of reprofiled short term AR\$ and US\$ treasury notes. In 3Q19 fixed income instruments were impacted by the debt reprofiling announced by the Argentine government in August 2019.

In the quarter, AR\$ loans benefitted from continuing repricing.

AR\$ cost of funds decreased 390 bps QoQ reflecting the decrease in market interest rates together with 25.8% increase in AR\$ Low & Non-Interest Bearing Deposits average volumes, while AR\$ Interest Bearing Liabilities average volumes decreased 18.5%.

US\$ cost of funds increased 70 bps in the quarter but US\$ Deposits decreased following industry trends. Average US\$ deposits measured in AR\$ were down 35.5% following US\$ deposits outflows throughout the financial system.

Yield on interest-earning assets includes interest income on loans as well as results from the Company's AR\$ and dollar denominated investment portfolio. Yield on interest-bearing liabilities includes interest expenses but it does not include the exchange rate differences and net gains or losses from currency derivatives or from the adjustment to FX fluctuation of the FX liabilities. The yield on interest-bearing liabilities shown on this table for 4Q19 lacks the negative impact of the 4% increase of the FX rate as of December 31, 2019 compared to the FX rate as of September 30, 2019, thus presenting an inaccurate rate. The full impact is seen when also taking into account the Exchange rate differences on gold and foreign currency line in the income statement.

Assets & Liabilities. Repricing dynamics.

ASSETS										
AR\$	dic-19		sep-19		jun-19		mar-19		dic-18	
	Avg. Repricing (days)	% of total AR\$ Assets	Avg. Repricing (days)	% of total AR\$ Assets	Avg. Repricing (days)	% of total AR\$ Assets	Avg. Repricing (days)	% of total AR\$ Assets	Avg. Repricing (days)	% of total AR\$ Assets
Total AR\$ Assets	167		150		158		154		185	
Cash	3		1		3		3		5	
Cash (without interest rate risk)		16%		8%		12%		2%		7%
Government & Corporate Securities	104	11%	57	31%	44	38%	72	31%	154	15%
Total AR\$ Loans	184	59%	217	47%	249	44%	257	44%	247	54%
Promissory Notes	50	9%	70	6%	93	6%	49	6%	60	7%
Corporate Unsecured Loans	100	10%	135	6%	158	5%	154	6%	128	7%
Mortgage	30	8%	30	6%	28	6%	28	5%	28	5%
Personal Loans	475	15%	516	14%	541	15%	524	16%	524	19%
Auto Loans	245	1%	260	1%	300	1%	424	1%	444	1%
Credit Cards	110	12%	98	9%	103	8%	104	8%	107	9%
Overdraft	18	5%	21	5%	15	4%	21	3%	16	5%
Other Loans	58	2%	67	2%	48	2%	59	2%	99	1%
Receivable From Financial Leases	371	1%	405	2%	402	2%	425	2%	438	2%
Other Assets (without interest rate risk)		12%		9%		5%		5%		6%
US\$	dic-19		sep-19		jun-19		mar-19		dic-18	
	Avg. Repricing (days)	% of total U\$S Assets	Avg. Repricing (days)	% of total U\$S Assets	Avg. Repricing (days)	% of total U\$S Assets	Avg. Repricing (days)	% of total U\$S Assets	Avg. Repricing (days)	% of total U\$S Assets
Total U\$S Assets	278		254		216		244		273	
Cash	3	16%	1	17%	3	17%	3	16%	5	15%
Cash (without interest rate risk)		21%		17%		25%		21%		22%
Government & Corporate Securities	28	1%	44	2%	101	3%	178	5%	161	9%
Total U\$S Loans	343	50%	306	55%	280	44%	316	47%	364	46%
Receivable From Financial Leases	599	5%	657	5%	654	3%	639	3%	662	3%
Other Assets (without interest rate risk)		5%		3%		5%		5%		3%
LIABILITIES										
AR\$	dic-19		sep-19		jun-19		mar-19		dic-18	
	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities
Total AR\$ Liabilities	67		49		54		35		43	
Deposits	42	78%	34	79%	43	77%	20	76%	25	75%
Private Sector Deposits	42	74%	32	75%	43	74%	20	73%	25	72%
Checking Accounts (without interest rate risk)		43%		32%		29%		24%		29%
Special Checking Accounts	2	1%	1	10%	3	12%	3	20%	5	17%
Time Deposits	31	25%	25	31%	32	28%	31	30%	37	28%
Public Sector Deposits	42	4%	78	4%	34	3%	24	2%	18	4%
Other Sources of funding	187	9%	175	7%	185	6%	72	18%	81	20%
Other Liabilities (without interest rate risk)		6%		4%		5%		5%		4%
US\$	dic-19		sep-19		jun-19		mar-19		dic-18	
	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities	Avg. Repricing (days)	% of total u\$s Liabilities
Total U\$S Liabilities	75		81		96		206		113	
Deposits	13	67%	12	68%	25	82%	37	77%	29	76%
Private Sector Deposits	13	61%	12	58%	25	66%	37	58%	29	57%
Checking Accounts (without interest rate risk)		29%		26%		47%		42%		38%
Special Checking Accounts	3	23%	1	23%	3	8%	3	4%	5	7%
Time Deposits	38	9%	39	9%	43	10%	47	12%	43	12%
Public Sector Deposits	22	6%	21	10%	21	16%	21	19%	21	19%
Other Sources of funding		2%		2%		2%		2%		0%
Subordinated Negotiable Obligations	404	6%	495	5%	589	3%	680	3%	771	3%

As of December 31, 2019, AR\$ liabilities repriced in an average of 67 days compared to 49 days as of the close of the previous quarter. This reflects the Company's decision to deleverage its balance sheet, sharply reducing institutional sight deposits. Portfolio repricing dynamics as of December 31, 2019 show that AR\$ total Assets are fully repriced in 167 days, and AR\$ loans are fully repriced in an average term of approximately 184 days.

Interest Income

Interest income rose by 31.1% YoY to AR\$11.0 billion in 4Q19 and 19.2% QoQ. 4Q19 includes a AR\$1.1 billion yield from investments in high margin 7-day Central Bank securities following the classification since 4Q19 of these securities in the category Available for Sale from the Held for Trading security class, and accordingly valued at fair value through other comprehensive income methodology while in previous quarters yields from those investments were recorded in NIFFI following the Fair value through profit or loss accounting methodology.

Interest Income (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Interest on/from:							
- Cash and Due from banks	2.5	0.2	0.6	2.4	1.9	-	33.4%
- Loans to the financial sector	38.6	62.4	22.6	8.4	30.7	-38.1%	25.7%
- Overdrafts	963.3	1,123.0	863.2	785.0	1,082.1	-14.2%	-11.0%
- Promissory notes	1,348.0	1,336.1	1,170.2	979.9	1,152.9	0.9%	16.9%
- Mortgage loans	1,108.1	660.1	789.1	588.7	807.1	67.9%	37.3%
- Automobile and other secured loans	171.3	116.3	157.5	134.5	93.1	47.3%	84.0%
- Personal loans	2,731.7	2,672.1	2,577.4	2,480.0	2,387.3	2.2%	14.4%
- Corporate unsecured loans	1,766.4	1,062.1	1,122.0	1,103.4	1,052.9	66.3%	67.8%
- Credit cards loans	1,001.5	929.6	996.8	964.8	939.2	7.7%	6.6%
- Foreign trade loans & US loans	326.5	391.0	365.5	318.0	353.9	-16.5%	-7.8%
- Leases	199.4	221.0	238.5	247.3	247.7	-9.8%	-19.5%
- Other receivables from financial transactions	-	-	-	-	-		
- Other (1)	1,352.2	662.4	243.0	325.1	246.0	104.1%	449.7%
Total	11,009.3	9,236.2	8,546.5	7,937.5	8,394.8	19.2%	31.1%

1. Includes results from securities issued by the Central Bank, results from other Securities recorded as available for sale since 4Q19 and results from Repo Transactions

The YoY increase in interest income mainly reflected the following increases:

- AR\$1.1 billion yield from investments in high margin 7-day Central Bank securities following the classification since 4Q19 of these securities in the category Available for Sale from the Held for Trading security class. Yields from these holdings, were recorded in NIFFI in previous quarters,
- 11.3% in average loan volumes excluding Foreign trade and US\$ loans,
- 2.7% in average Foreign trade and US\$ loans (measured in AR\$), reflecting the combination of the decrease in volumes and the impact of devaluation, and
- 320 bps in the average interest rate on total loans, excluding foreign trade and US dollar denominated loans, while the average interest rate on foreign trade and US dollar denominated loans decreased 70 bps.

Yo Y main changes		4Q19	4Q18	Change	
				AR\$ - bps	%
Overdrafts	Avg. Balance	6,261	5,677	584	10.3%
	Yield	61.5%	76.2%	(1,470)	
Promissory Notes	Avg. Balance	7,838	7,366	473	6.4%
	Yield	68.8%	62.6%	618	
Mortgage loans	Avg. Balance	7,470	4,961	2,508	50.6%
	Yield	59.3%	65.1%	(574)	
Retail Banking Personal Loans	Avg. Balance	13,723	13,734	(11)	-0.1%
	Yield	61.9%	46.8%	1,510	
Consumer Finance Personal Loans	Avg. Balance	3,325	5,585	(2,260)	-40.5%
	Yield	73.2%	55.9%	1,729	
Corporate Unsecured Loans	Avg. Balance	10,927	7,463	3,464	46.4%
	Yield	64.7%	56.4%	823	
Retail Banking Credit Card Loans	Avg. Balance	8,895	6,184	2,711	43.8%
	Yield	34.5%	42.8%	(827)	
Consumer Finance Credit Card Loans	Avg. Balance	2,365	2,510	(146)	-5.8%
	Yield	39.5%	44.2%	(470)	
Receivables from Financial Leases	Avg. Balance	3,448	3,481	(33)	-1.0%
	Yield	23.1%	28.5%	(533)	
Foreign Trade Loans & US\$ loans	Avg. Balance	19,820	19,305	514	2.7%
	Yield	6.6%	7.3%	(74)	
Securities Issued by the Central Bank ¹	Avg. Balance	14,241	15,062	(821)	-5.5%
	Yield	68.7%	66.0%	272	
Other (mainly Repo transactions)	Avg. Balance	238	48	190	-
	Yield	58.1%	62.8%	(471)	

1. In the quarter investments in high margin 7-day Central Bank securities has been recorded in NII following the Fair value through other comprehensive income methodology since 4Q19. In previous quarters, when those securities were classified as Held for trading securities, yields from those investments were recorded in NIFFI following the Fair value through profit or loss accounting methodology.

The QoQ increase in interest income was mainly due to the following:

- AR\$1.1 billion yield from investments in high margin 7-day Central Bank securities following the classification since 4Q19 of these securities in the category Available for Sale from the Held for Trading security class. Yields from these holdings, were recorded in NIFFI in previous quarter,
- 6.5% increase in average loan volumes, excluding Foreign trade and US\$ loans, and
- 270 bps increase in the average interest rate on total loans, excluding foreign trade and US dollar denominated loans, following the increase in average market interest rates rate, while the average interest rate on foreign trade and US dollar denominated loans decreased 60 bps.

QoQ main changes		4Q19	3Q19	Change	
				AR\$ - bps	%
Overdrafts	Avg. Balance	6,261	6,344	(83)	-1.3%
	Yield	61.5%	70.8%	(926)	
Promissory Notes	Avg. Balance	7,838	7,817	21	0.3%
	Yield	68.8%	68.4%	42	
Mortgage loans	Avg. Balance	7,470	6,790	679	10.0%
	Yield	59.3%	38.9%	2,045	
Retail Banking Personal Loans	Avg. Balance	13,723	13,981	(258)	-1.8%
	Yield	61.9%	61.2%	65	
Consumer Finance Personal Loans	Avg. Balance	3,325	3,858	(533)	-13.8%
	Yield	73.2%	65.2%	805	
Corporate Unsecured Loans	Avg. Balance	10,927	7,772	3,156	40.6%
	Yield	64.7%	54.7%	1,000	
Retail Banking Credit Card Loans	Avg. Balance	8,895	7,292	1,602	22.0%
	Yield	34.5%	40.8%	(628)	
Consumer Finance Credit Card Loans	Avg. Balance	2,365	2,353	12	0.5%
	Yield	39.5%	31.5%	795	
Receivables from Financial Leases	Avg. Balance	3,448	3,572	(124)	-3.5%
	Yield	23.1%	24.7%	(162)	
Foreign Trade Loans & US\$ loans	Avg. Balance	19,820	21,693	(1,873)	-8.6%
	Yield	6.6%	7.2%	(62)	
Securities Issued by the Central Bank ¹	Avg. Balance	14,241	26,342	(12,101)	-45.9%
	Yield	68.7%	72.5%	(375)	
Other (mainly Repo transactions)	Avg. Balance	238	2,632	(2,394)	-
	Yield	58.1%	70.4%	(1,231)	

1. In the quarter investments in high margin 7-day Central Bank securities has been recorded in NII following the Fair value through other comprehensive income methodology since 4Q19. In previous quarters, when those securities were classified as Held for trading securities, yields from those investments were recorded in NIFFI following the Fair value through profit or loss accounting methodology.

Interest Expenses

Interest expenses increased 3.5% YoY to AR\$6.6 billion in 4Q19, and decreased 14.5% QoQ.

Interest Expenses (In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	% Change	
						QoQ	YoY
Interest on:							
- Checking and Savings Accounts	19.2	104.3	92.6	15.7	15.1	-81.6%	27.1%
- Special Checking Accounts	848.7	1,203.7	1,447.7	1,349.1	2,277.7	-29.5%	-62.7%
- Time Deposits	4,064.3	4,720.0	3,681.9	3,670.6	2,493.3	-13.9%	63.0%
- Other Liabilities from Financial Transactions	1,342.5	1,491.9	1,604.9	1,317.6	1,227.9	-10.0%	9.3%
- Financing from the Financial Sector	143.7	111.1	182.5	201.9	295.0	29.4%	-51.3%
- Subordinated Loans and Negotiable Obligations	25.7	33.8	27.6	24.1	23.7	-23.9%	8.7%
- Other	152.9	47.8	138.5	140.3	39.0	220.2%	291.9%
Total	6,597.0	7,712.5	7,175.8	6,719.2	6,371.6	-14.5%	3.5%

The YoY performance in interest expenses mainly reflected a 660 bps increase in the AR\$ interest rate of AR\$ interest bearing liabilities, and a 10 bps increase in the US\$ interest rate of US\$ interest bearing liabilities. These were partially offset by a 54.5% increase in average balance of AR\$ low-non interest-bearing deposits, while average balance of US\$ low-non interest-bearing deposits decreased 27.7%

YoY main changes			4Q19	4Q18	Change	
					AR\$ - bps	%
AR\$ Time Deposits	Avg. Balance	↑	30,929	22,044	8,885	40.3%
	% of Total Liabilities		26.8%	19.3%		
	Interest paid	↑	52.4%	44.9%	748	
FX Time Deposits	Avg. Balance	↓	3,403	4,731	(1,328)	-28.1%
	% of Total Liabilities		2.9%	4.1%		
	Interest paid	↑	1.8%	1.7%	9	
AR\$ Special Checking Accounts	Avg. Balance	↓	7,077	21,567	(14,490)	-67.2%
	% of Total Liabilities		6.1%	18.9%		
	Interest paid	↑	45.6%	42.1%	343	
FX Special Checking Accounts	Avg. Balance	↑	9,032	6,283	2,749	-
	% of Total Liabilities		7.8%	5.5%		
	Interest paid	-	0.4%	0.4%	-	-
Borrowings from Other Fin. Inst. & Medium Term Notes	Avg. Balance	↓	18,385	19,561	(1,176)	-6.0%
	% of Total Liabilities		15.9%	17.1%		
	Interest paid	↓	33.2%	34.8%	(156)	
Savings Accounts	Avg. Balance	↑	25,087	21,341	3,746	17.6%
	% of Total Liabilities		21.7%	18.7%		
	Interest paid	↑	1.3%	0.3%	104	
Checking Accounts	Avg. Balance	↑	19,303	17,407	1,897	10.9%
	% of Total Liabilities		16.7%	15.2%		
	Interest paid				-	-
Total Interest-Bearing Liabilities & Low & Non-Interest Bearing Deposits	Avg. Balance	↑	115,346	114,287	1,059	0.9%
Cost of Funds	Interest paid	↓	22.6%	22.8%	(19)	

The QoQ decrease in interest expenses mainly reflected 390 bps decrease in the AR\$ average rate following market interest rate trend, a 5.5% decrease in total AR\$ average balance mainly due to the Company's decision to deleverage its balance sheet sharply reducing institutional funding, and a 14.8% decrease in US\$ denominated deposits average balance also following US\$ system outflows.

QoQ main changes			4Q19	3Q19	Change	
					AR\$ - bps	%
AR\$ Time Deposits	Avg. Balance	↓	30,929	35,905	(4,976)	-13.9%
	% of Total Liabilities		26.8%	28.4%		
	Interest paid	↓	52.4%	52.4%	(7)	
FX Time Deposits	Avg. Balance	↓	3,403	4,649	(1,247)	-26.8%
	% of Total Liabilities		2.9%	3.7%		
	Interest paid	↑	1.8%	1.1%	63	
AR\$ Special Checking Accounts	Avg. Balance	↓	7,077	10,882	(3,805)	-35.0%
	% of Total Liabilities		6.1%	8.6%		
	Interest paid	↑	45.6%	45.4%	19	
FX Special Checking Accounts	Avg. Balance	↓	9,032	10,131	(1,100)	-
	% of Total Liabilities		7.8%	8.0%		
	Interest paid	-	0.4%	0.2%	-	-
Borrowings from Other Fin. Inst. & Medium Term Notes	Avg. Balance	↑	18,385	17,267	1,118	6.5%
	% of Total Liabilities		15.9%	13.7%		
	Interest paid	↓	33.2%	36.1%	(292)	
Savings Accounts	Avg. Balance	↓	25,087	26,535	(1,449)	-5.5%
	% of Total Liabilities		21.7%	21.0%		
	Interest paid	↓	1.3%	1.6%	(25)	
Checking Accounts	Avg. Balance	↑	19,303	19,039	264	1.4%
	% of Total Liabilities		16.7%	15.1%		
	Interest paid				-	-
Total Interest-Bearing Liabilities & Low & Non-Interest Bearing Deposits						
	Avg. Balance	↓	115,346	126,249	(10,903)	-8.6%
Cost of Funds						
	Interest paid	↓	22.6%	24.3%	(167)	

Net Service Fee Income

Net service fee income (excluding Income from Insurance Activities) for 4Q19 totaled AR\$1.3 billion, increasing 26.6% YoY and unchanged from 3Q19.

Net Service Fee Income (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Income from:							
Deposit Accounts	765.8	750.3	673.7	650.1	541.2	2.1%	41.5%
Loan Related	44.1	65.7	59.0	65.2	70.0	-32.9%	-37.1%
Comissions for foreign trade transactions	80.6	78.3	69.1	55.2	33.9	2.9%	137.6%
Credit cards commissions	703.3	625.7	507.6	481.7	485.5	12.4%	44.9%
Leasing commissions	25.5	20.4	22.4	19.6	31.3	25.3%	-18.4%
Other	279.4	349.9	334.1	290.1	225.8	-20.2%	23.7%
Total Fee Income	1,898.7	1,890.3	1,665.8	1,561.8	1,387.8	0.4%	36.8%
Expenses:							
Commissions paid	-543.2	-530.0	-418.1	-320.8	-312.4	2.5%	73.9%
Exports and foreign currency transactions	-6.9	-11.8	-5.9	-13.3	-10.3	-41.5%	-33.5%
Total Fee Expenses	-550.1	-541.8	-424.0	-334.1	-322.7	1.5%	70.4%
Net Services Fee Income	1,348.7	1,348.5	1,241.7	1,227.8	1,065.1	0.0%	26.6%

The main contributors to service fee income in 4Q19 were deposit accounts and credit cards commissions and non-credit related insurance, representing 40%, 37% and 15% respectively of the total.

The 36.8% YoY rise in service fee income was driven mainly by the following increases:

- 41.5%, or AR\$ 224.6 million, in deposit account fees, reflecting the fee repricing along the year in product bundles,

- 44.9%, or AR\$ 217.8 million, in credit cards, reflecting higher business volume partially offset by the reduction in credit card and debit card merchant discount rates ("MDR"). The maximum MDR for 2018 was 1.85%, while in 2019 it was 1.65%, and will be 1.50% effective January 1, 2020. The maximum debit card sales commissions for 2018 was 1.0% while for 2019 was 0.80%, and will be 0.7% effective January 1, 2020,
- 23.7%, or AR\$53.6 million, in other fees, mainly from the sale of non-financial services and repricing of non-credit related insurance premiums, and
- 137.6% or AR\$46.7 million in Comissions for foreign trade transactions.

The QoQ performance is explained by a 12.4%, or AR\$ 77.6 million increase, in credit cards commissions, that was offset by a decline in revenues from asset management business, non-financial services and non-credit related insurance products.

Service fee expenses increased 70.4% YoY and 1.5% QoQ to AR\$550.1 million in 4Q19. YoY primarily explained by the increase in Commissions paid reflecting higher costs paid to the credit and debit cards' processors on higher volumes and higher prices.

Income from Insurance Activities

Income from insurance activities includes insurance premiums, net of insurance reserves and production costs.

Income from insurance activities for 4Q19 amounted to AR\$266.8 million, increasing 47.9% YoY and 3.4% QoQ. Gross written premiums were up 1.9% QoQ, with non-credit related policies increasing AR\$8.5 million, or 2.1%. Claims paid decreased 7.8%.

Loan Loss Provisions

Loan loss provisions (LLP) totaled AR\$1.4 billion in 4Q19, decreasing 1.1% YoY and 31.8% QoQ. During 4Q19, the NPL increase was lower than in previous quarters, and well below the 3Q19 increase, explaining a lower amount of provisioning. In 4Q19, a 100% collateralized commercial loan to a company in the sugar cane sector became delinquent. The coverage ratio decreased to 83.0% from 86.1% in 3Q19. Current level of provisioning and Coverage converges to the level of provisioning and coverage to be required by the implementation of IFRS9 ruled by the Central Bank effective January 2020. As of December 31, 2019 collateralized non-performing commercial loans were 58% of total, compared with 55% as of September 30, 2019 and 20% as of June 30, 2019. The Company expects to foreclose and divest those collaterals in the upcoming quarters.

On a yearly basis, LLP provision decreased 1.1% in 4Q19. This reflects the improvement in consumer finance segment asset quality, offset by higher LLP on the corporate segment which showed deterioration throughout the year following weak activity levels and high interest rates, and to a lesser extent an increase in the retail segment LLPs.

The 31.8% QoQ decrease in loan loss provisions reflects the abovementioned lower amount of provisioning in 4Q19 mainly in the corporate segment and to a lesser extent in consumer finance segment, while retail segment LLPs showed a slightly increase.

Cost of Risk improved 60 bps to 6.4% in 4Q19 compared to 7.0% in 4Q18 and 320 bps from 9.6% in 3Q19, mainly due to the abovementioned LLP performance.

Consumer finance segment LLPs to AR\$205.7 million in 4Q19, down 63.2% from AR\$559.5 million in 4Q18, and 14.8% from AR\$241.5 million in 3Q19, following the decline in NPL creation for the fourth consecutive quarter. Cost of Risk was 12.8% in 4Q19 compared to 14.5% in previous quarter, improving 170 bps QoQ.

Retail segment LLPs amounted to AR\$600.7 million in 4Q19, up 9.7% from 4Q18 and 6.5% from 3Q19. Cost of Risk was 6.6% in 4Q19 compared to 7.0% in 4Q18 and unchanged from previous quarter.

Corporate segment LLPs amounted to AR\$579.9 million in 4Q19, up from AR\$311.5 million in 4Q18 and down from AR\$1.2 billion in 3Q19. Cost of Risk was 5.1% in 4Q19 compared to 3.1% in 4Q18 and 10.6% in the previous quarter. 4Q19 and 3Q19 were impacted by certain delinquent loans.

The total NPL ratio increased by 330 bps YoY and 50 bps QoQ to 7.4% in 4Q19. QoQ performance was mainly impacted by a delinquent commercial loan that resulted in a 150 bps increase in Corporate Segment NPL ratio and in a higher percentage of NPLs from this business segment over the total non-performing loan portfolio,

more than offsetting the 310 bps decline in the Consumer Finance NPL ratio. The non performing corporate loan portfolio share on NPL total portfolio increased from 13% as of December 31, 2018, 51% as of September 30, 2019 and 59% as of December 31, 2019, while the non performing consumer finance loan portfolio share on total NPL portfolio decreased from 51% as of the close of 4Q18, to 22% as of 3Q19 and 16% as of 4Q19.

The Corporate banking segment NPL portfolio was 8.7% in 4Q19 up from 7.2% in 3Q19. This was mainly impacted by the abovementioned delinquent commercial loan in the quarter.

The Retail banking segment registered a 90-day delinquency ratio of 2.5% in 4Q19, well below its NPL ratio of 4.1% as a high percentage of customers are payroll or pension customers, who maintain a better performance with the Bank than with the rest of the system. The difference between the 90-day delinquency and NPL ratios is explained by Central Bank regulations, which rules that customers who are performing with a bank, must be considered non-performing, if they are delinquent with other banks or financial institutions.

The Consumer Finance NPL ratio was 17.2% in 4Q19, declining from 20.3% in 3Q19 and 19.4% in 4Q18. NPL creation improved for the fourth consecutive quarter in 4Q19 despite the challenging environment, reflecting the measures taken by the Company since 1Q18 to enhance asset quality following the peaks observed in 2Q18. These measures included tightening of credit scoring standards, slower origination and changes in the collection process in the consumer finance segment.

Efficiency, Personnel, Administrative & Other Expenses

Personnel, Administrative Expenses & D&A (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Personnel Expenses	3,821.9	2,692.3	2,876.5	2,317.2	2,273.4	42.0%	68.1%
Administrative expenses	1,868.4	1,573.1	1,519.4	1,280.5	1,317.8	18.8%	41.8%
Directors' and Statutory Auditors' Fees	62.0	53.4	72.1	41.8	36.9	16.0%	67.9%
Other Professional Fees	250.1	185.7	233.0	169.0	244.4	34.7%	2.3%
Advertising and Publicity	120.6	116.2	113.1	92.7	68.8	3.8%	75.3%
Taxes	355.3	281.7	296.1	270.8	254.7	26.1%	39.5%
Other	1,080.4	936.1	805.1	706.2	713.0	15.4%	51.5%
Total Personnel & Administrative Expenses ("P&A")	5,690.4	4,265.4	4,395.8	3,597.7	3,591.2	33.4%	58.5%
D&A	253.8	231.2	208.8	200.4	122.0	9.8%	108.0%
Total P&A and D&A	5,944.2	4,496.6	4,604.6	3,798.1	3,713.2	32.2%	60.1%
Total Employees ¹	5,019	5,134	5,135	5,203	5,253	-2.2%	-4.5%
Branches & Sales Points	316	317	318	316	317		
Efficiency Ratio	71.3%	70.4%	62.4%	59.0%	61.9%		

1. These figures do not include temporary employees

The **Efficiency ratio was 71.3%** in 4Q19 increasing 940 bps from 4Q18 and 90 bps from 3Q19. The 30.6% increase in revenues in the quarter was partially offset by a 32.2% increase in personnel, administrative and D&A expenses mainly as a result of non recurring severance and early retirement charges of AR\$785 million. These non recurring charges impacted the 4Q19 Efficiency ratio by 940 bps. Since January 2019, the efficiency ratio includes the impact from IFRS16 adoption.

The 68.1% YoY increase in **personnel expenses** was mainly explained by salary increases both at the bank level and other subsidiaries and the abovementioned non recurring charges. Excluding these non recurring charges, personnel expenses would have increased 33.6%. Salary increases following union agreements, were partially offset by an approximate 4% reduction in the employee base resulting from the reorganization processes implemented along the year. The employee base at the close of 4Q19 was 5,019, decreasing 4.5% YoY, or by 234 employees.

The past eighteen months wage increases resulting from the bargaining agreement between Argentine banks and the labor union were as follows:

Month since increase applies	Salary Increase
May- 2018	5.0%
July- 2018	5.0%
August-2018	4.0%
September-2018	4.0%
October-2018	12.0%
November-2018	3.9%
December-2018	3.7%
January-2019	10.0%
June-2019	9.5%
September-2019	10.0%
October-2019	5.0%
November-2019	5.0%
December-2019	3.8%

Sequentially, personnel expenses increased 42.0% in 4Q19. During the period, personnel expenses included the abovementioned salary increases in the quarter agreed with the unions together with the full impact in 4Q19 of the salary increases agreed upon in previous three quarters, but the increase was mainly explained by the abovementioned non recurring severance and early retirement costs. Excluding these non recurring charges, personnel expenses would have increased 12.8%. The employee base decreased 2.2%, or 115 employees, QoQ.

Administrative expenses increased 41.8% YoY to AR\$1.9 billion and 18.8% QoQ.

The YoY increase was mainly driven by the following increases:

- 51.5%, or AR\$344.1 million, in other expenses mainly due to maintenance and repair expenses and armored transportation services costs, and
- 39.5% or AR\$100.6 million, in taxes.

The QoQ increase was mainly driven by 15.4% increase, or AR\$144.3 million, in other expenses mainly due to maintenance and repair expenses and armored transportation services costs, a 26.1% or AR\$73.6 million increase in taxes and 34.7% or AR\$64.5 million in other professional fees.

D&A amounted to AR\$253.8 million in 4Q19 increasing 108.0% YoY and 9.8% QoQ. The YoY increase is explained both by the adoption of IFRS 16 effective January 2019 and higher amortizations as a result of properties revaluation and intangible assets from the two company acquisitions completed in 2018. QoQ increase is mainly explained by higher amortizations as a result of properties revaluation.

Other Operating Income (expenses), net

During 4Q19, **Other Operating Expenses, net** was AR\$ 931.2 million increasing 87.2% QoQ and 84.8% YoY.

Other Income, Net (In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	% Change	
						QoQ	YoY
Other Operating Income	875.5	722.9	521.0	532.9	539.4	21.1%	62.3%
Other Expenses	-1,806.7	-1,220.2	-1,158.7	-1,002.5	-1,043.2	48.1%	73.2%
Total	(931.2)	(497.3)	(637.7)	(469.6)	(503.8)	87.2%	84.8%

Other Expenses includes both turnover tax on all interest income, financial income and fees, and in 4Q19 includes a AR\$500 million provision to execute several strategic initiatives in different business segments.

Other Comprehensive Income, net of tax

During 4Q19, **Other Comprehensive Income, net of tax** was AR\$104.2 million mainly reflecting the revaluation of properties and also the difference between the amortized cost and the market value of financial instruments held for investments.

Income Tax

As per the tax reform passed by Congress in December 2017 and the amendment passed in December 2019, the corporate tax rate declined to 30% from 35% starting in fiscal year 2018, and will further decline to 25% in fiscal year 2022, while a withholding tax on dividends was created with a rate of 7% since 2018 and 13% commencing

2022. In addition, through the adoption of International Financial Reporting Standards effective January 1, 2018, the Company began to recognize deferred tax assets and liabilities.

Additionally, as income tax is paid by each subsidiary on an individual basis, tax losses in one legal entity cannot be offset by tax gains in another legal entity. Income from liquidity retained at the holding company, allowed Supervielle to more than offset financial expenses paid through this vehicle and use tax credits existing from previous years, which in turn explained until 2018, a lower effective tax rate.

The above mentioned tax reform allowed the deduction of losses arising from exposures to changes in the purchasing power of the currency, only if inflation as measured by the Consumer Price Index (CPI) issued by the INDEC would exceed the following thresholds applicable for each fiscal year: 55% in 2018, 30% in 2019 and 15% in 2020. For 2021 and subsequent periods, inflation must exceed 100% in 3 years on a cumulative basis in order to deduct inflation losses. In 2018 the 55% threshold was not met, but in 2019 inflation widely exceeded 30%. Therefore, the income tax provision for 2019 considers the losses arising from exposures to changes in the purchasing power of the currency, which lower significantly the income tax expense for the current year.

For income tax return purposes, 1/6 of the inflation losses arising in the 2019 fiscal year will be deductible in 2019, while the remaining 5/6 will be deductible in each of the subsequent 5 years. Accordingly, 1/6 of the inflation losses reduce the current income tax provision, while the other 5/6 create a deferred tax asset.

The impact of considering inflation adjustment for tax purposes in the income tax line item for 4Q19 was AR\$620 million, while in 3Q19 it amounted to AR\$376 million.

REVIEW OF CONSOLIDATED BALANCE SHEET

Key Drivers

						% Change	
LOANS (in AR\$ millions)	dec 19	sep 19	jun 19	mar 19	dec 18	QoQ	YoY
Currency							
AR\$ Loans (in AR\$)	70,672	62,023	60,315	58,209	59,041	13.9%	19.7%
as % of Total Loans	76.7%	70.9%	73.4%	71.1%	73.6%		
Foreign Currency Loans (in U\$S)	359	443	514	545	559	-19.0%	-35.8%
Atomization							
Top 10	13.1%	12.8%	14.0%	14.0%	12.9%		
Top 20	19.9%	19.0%	19.7%	19.3%	17.9%		
Top 50	29.6%	28.5%	34.2%	27.6%	26.3%		
Average Interest on loans							
AR\$ Loans	56.6%	54.0%	52.5%	50.5%	53.4%		
Foreign Trade & FX	6.6%	7.2%	7.1%	6.7%	7.3%		
INVESTMENT PORTFOLIO	dec 19	sep 19	jun 19	mar 19	dec 18	QoQ	YoY
Securities Issued by the Central Bank	7,171.1	29,853.1	39,237.1	32,205.8	11,305.3		
Government Securities AR\$	4,025.0	5,356.3	5,750.1	6,336.0	8,012.8		
Corporate Securities (in AR\$)	116.5	184.3	103.2	54.1	115.5		
Funding	dec 19	sep 19	jun 19	mar 19	dec 18		
Deposits							
AR\$ Deposits (in AR\$)	65,670	75,464	76,832	74,507	63,614	-13.0%	3.2%
as % of Total Deposits	73.8%	73.9%	68.2%	67.9%	67.0%		
Foreign Currency Deposits (in u\$S)	389.7	462.1	843.5	811.2	827.6	-15.7%	-52.9%
Cost of Funds							
	22.6%	24.3%	22.6%	21.6%	22.8%		
AR\$	32.3%	36.2%	34.1%	31.7%	33.8%		
U\$S	1.9%	1.2%	1.1%	1.3%	1.5%		
Assets & Liabilities Repricing	dec 19	sep 19	jun 19	mar 19	dec 18		
Loans							
AR\$ Loans. Avg. Repricing (Days)	184	217	249	257	247		
% of AR\$ Assets	59.1%	47.1%	44.0%	44.0%	54.0%		
US\$ Loans. Avg. Repricing (Days)	343	306	280	316	364		
% of U\$S Assets	50.4%	55.3%	44.0%	47.0%	46.0%		
Total AR\$ Assets. Avg. Repricing (Days)	167	150	158	154	185		
% of Total Assets	71.4%	73.3%	72.9%	71.9%	70.0%		
Total U\$S Assets. Avg. Repricing (Days)	278	254	216	244	273		
% of Total Assets	28.6%	26.7%	27.1%	28.1%	30.0%		
Deposits							
AR\$ Deposits. Avg. Repricing (Days)	42	34	43	20	25		
% of AR\$ Liabilities	77.9%	78.8%	77.0%	76.0%	75.0%		
US\$ Deposits. Avg. Repricing (Days)	13	12	25	37	29		
% of U\$S Liabilities	66.8%	68.1%	82.0%	77.0%	76.0%		
Total AR\$ Liabilities. Avg. Repricing (Days)	67	49	54	35	43		
% of Total Liabilities	69.6%	69.4%	69.7%	67.9%	67.2%		
Total U\$S Liabilities. Avg. Repricing (Days)	75	81	96	206	113		
% of Total Liabilities	30.4%	30.6%	30.3%	32.1%	32.8%		

Total Assets and Investment Portfolio

Total Assets up 3.8% YoY but down 8.3% QoQ, to AR\$146.5 billion. QoQ performance reflects both the reduction in US\$ deposits at the Central Bank following US\$ deposits outflows, and the balance sheet deleverage the Company decided to undertake in the quarter.

Assets Evolution	dec 19	sep 19	jun 19	mar 19	dec 18	% Change	
						QoQ	YoY
Cash and due from banks	26,403.1	18,857.4	26,481.5	31,051.5	33,687.6	40.0%	-21.6%
Securities Issued by the Central Bank	7,171.1	29,853.1	39,237.1	32,205.8	11,305.3	-76.0%	-36.6%
Government Securities	3,967.0	5,356.3	5,750.1	6,336.0	8,012.8	-25.9%	-50.5%
Loans & Leasing	92,154.9	87,524.6	82,117.7	81,827.1	80,171.5	5.3%	14.9%
Property, Plant & Equipments	3,074.8	2,300.0	1,752.2	1,770.6	1,777.4	33.7%	73.0%
Other & Intangible ¹	13,722.2	15,924.5	10,806.0	10,658.3	6,161.0	-13.8%	122.7%
Total Assets	146,493.1	159,815.8	166,144.7	163,849.3	141,115.5	-8.3%	3.8%

1. Other & Intangible, includes Central Bank Repo

Investment Portfolio (AR\$. MM)	dec 19	sep 19	jun 19	mar 19	dec 18
Securities Issued by the Central Bank	7,171.1	29,853.1	39,237.1	32,205.8	11,305.3
AR\$ Leliq	7,171.1	29,853.1	39,237.1	32,205.8	11,305.3
AR\$ Lebac	-	-	-	-	-
Government Securities	3,967.0	5,356.3	5,750.1	6,336.0	8,012.8
AR\$	3,582.9	4,348.8	4,333.0	3,657.3	4,217.5
U\$S	384.1	1,007.5	1,417.1	2,678.7	3,795.2
Corporate Securities	116.5	184.3	103.2	54.1	115.5
AR\$	116.5	183.0	102.2	54.1	115.5
U\$S	-	1.3	1.0	-	-
US\$ Government Securities in Guarantee (Held for trading)	1,234.1	812.5	1,840.0	1,634.2	364.0
US\$	1,234.1	812.5	1,840.0	1,634.2	364.0
AR\$ Government Securities in Time Deposits (Held to maturity)	58.0	-	-	-	450.0
AR\$	58.0	-	-	-	450.0
Total	12,488.7	36,206.1	46,930.4	40,230.1	20,247.6
AR\$	11,056.9	34,384.8	43,672.3	35,917.2	16,088.4
U\$S	1,489.8	1,821.3	3,258.1	4,312.9	4,159.2

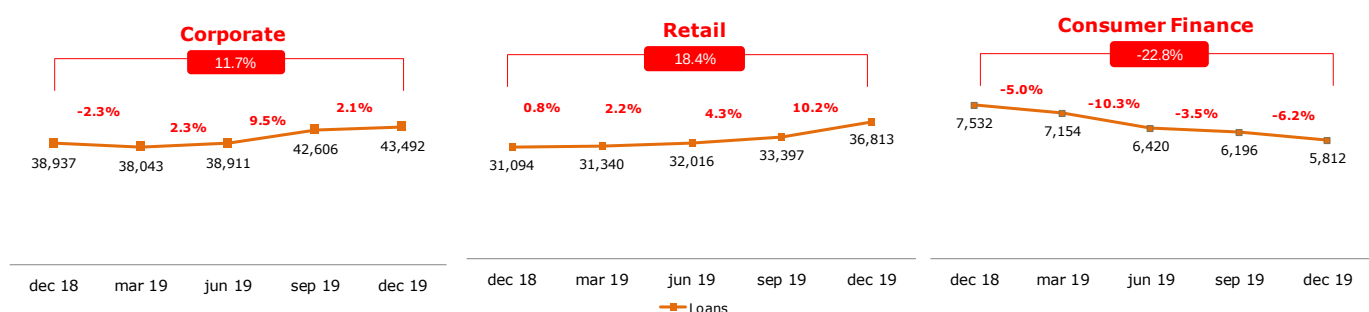
Loan Portfolio

The **gross loan portfolio**, including loans and financial leases, amounted to AR\$92.2 billion, increasing 14.9% YoY, and 5.3% QoQ. AR\$ Loans amounted to AR\$ 70.7 billion increasing 19.7% YoY and 13.9% QoQ, while US\$ loans, measured in US\$, amounted to US\$358.7 million decreasing 35.8% YoY and 19.0% QoQ. Measured in local currency FX loans increased 1.7% YoY and decreased 15.8% QoQ. YoY and QoQ inflation was 53.8% and 11.7% respectively.

Loan portfolio Breakdown by currency	dec 19	sep 19	jun 19	mar 19	dec 18	% Change	
						QoQ	YoY
AR\$ Loans (in AR\$ millions)	70,672.0	62,023.1	60,314.8	58,208.9	59,040.9	13.9%	19.7%
US\$ loans (in AR\$ millions)	21,482.9	25,501.4	21,802.9	23,618.2	21,130.6	-15.8%	1.7%
US\$ loans (in US\$ millions)	358.7	443.1	513.6	544.8	558.9	-19.0%	-35.8%

Loan & Financial Leases Portfolio	dec 19	sep 19	jun 19	mar 19	dec 18	% Change	
						QoQ	YoY
To the non-financial public sector	28.9	29.6	31.5	30.1	32.8	-2.3%	-12.0%
To the financial sector	76.6	542.1	671.5	230.5	428.4	-85.9%	-82.1%
To the non-financial private sector and foreign residents (before allowances):	88,780.7	83,312.4	77,937.4	77,815.6	76,309.8	6.6%	16.3%
Overdrafts	5,403.1	5,989.9	4,963.2	3,551.0	4,740.5	-9.8%	14.0%
Promissory notes	21,785.3	16,209.6	15,422.1	14,688.2	15,671.1	34.4%	39.0%
Mortgage loans	7,895.9	6,991.8	6,586.8	5,867.7	5,343.8	12.9%	47.8%
Automobile and other secured loans	1,217.4	1,372.0	1,460.0	1,642.7	1,540.3	-11.3%	-21.0%
Personal loans	16,870.5	17,330.0	18,334.1	19,157.1	19,024.8	-2.7%	-11.3%
Credit card loans	13,082.3	10,726.3	9,537.6	9,261.2	9,210.2	22.0%	42.0%
Foreing trade loans & U\$S loans	18,150.7	21,901.0	18,436.0	20,510.3	18,896.9	-17.1%	-3.9%
Others	4,375.4	2,791.8	3,197.6	3,137.4	1,882.1	56.7%	132.5%
Less: allowances for loan losses	(5,706.0)	(5,306.9)	(4,558.9)	(4,354.6)	(3,272.3)	7.5%	74.4%
Total Loans, net	83,180.2	78,577.1	74,081.5	73,721.7	73,498.6	5.9%	13.2%
Receivables from financial leases	3,261.0	3,609.8	3,451.4	3,724.0	3,382.8	-9.7%	-3.6%
Accrued interest and adjustments	7.8	30.7	25.9	26.8	17.8	-74.6%	-56.1%
Less: allowance s	(82.1)	(86.8)	(67.7)	(65.5)	(54.9)	-5.5%	49.5%
Total Loan & Financial Leases, net	86,366.9	82,130.8	77,491.2	77,407.0	76,844.3	5.2%	12.4%
Total Loan & Financial Leases (before allowances)	92,154.9	87,524.6	82,117.7	81,827.1	80,171.5	5.3%	14.9%

The charts below show the evolution of the loan book over the past five quarters broken down by segment.



The Corporate loan portfolio increased 2.1% sequentially. QoQ reflects the 25% increase in AR\$ loans driven by short term loans, partly offsetting the 21% decline in US\$ denominated loans measured in original currency.

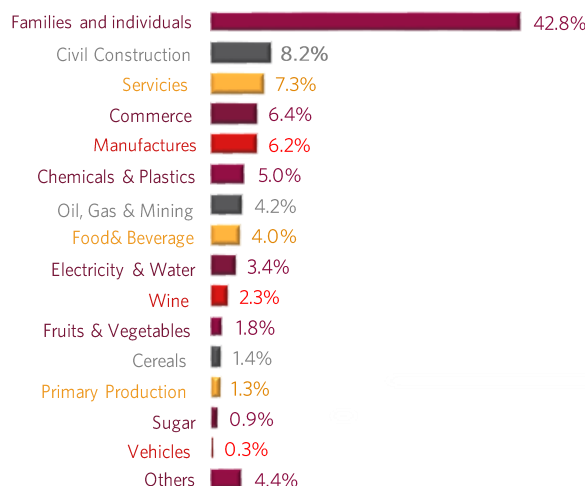
The Retail banking loan portfolio increased 10.2% in the quarter mainly due to higher credit cards volumes explained by Ahora 12 and Ahora 18 non interest bearing installments government plans, implemented to drive consumption.

The 6.2% contraction in the Consumer Finance loan portfolio continues to reflect the Company's decision to tighten credit scoring standards in the segment as well as weak consumer credit demand and still high interest rates.

Risk management

Atomization of the loan portfolio. As a result of its risk management policies, the Company continues to show an atomized portfolio, where the top 10, 20 and 100 borrowers represent 13%, 20% and 37%, respectively of the Loan portfolio.

Loan portfolio atomization	4Q19	3Q19	2Q19	1Q19	4Q18
%Top10	13.1%	12.8%	14.0%	14.0%	12.9%
%Top20	19.9%	19.0%	19.7%	19.3%	17.9%
%Top50	29.6%	28.5%	28.0%	27.6%	26.3%
%Top100	36.7%	35.5%	34.2%	33.7%	32.3%



Collateralized Loan Portfolio

As of December 31, 2019, 44% of the total Commercial loan portfolio was collateralized, while 58% of the commercial non-performing loans was collateralized (compared to 55% as of September 30, 2019 and 20% as of June 30, 2019).

Loan Portfolio. Collateral	SMEs & Middle Market	Large	Total
Collateralized Portfolio	45%	44%	44%
Unsecured Portfolio	55%	56%	56%

Regarding Retail Portfolio, loans to payroll and pension clients as of December 31, 2019, represented 67.2% of the total segment loan portfolio.

Asset Quality

During 4Q19, NPL increase was lower than in previous quarters, and well below the 3Q19 increase, explaining lower amount of provisioning. In 4Q19, a 100% collateralized commercial loan coming from the sugar cane sector became delinquent. The **coverage ratio** decreased to 83.0% from 86.1% in 3Q19. Current level of provisioning and Coverage converges to the level of provisioning and coverage required by the implementation of IFRS9 ruled by the Central Bank effective January 2020. As of December 31, 2019 collateralized non-performing commercial loans were 58% of total compared with 55% as of September 30, 2019 and 20% as of June 30, 2019. The Company expects to foreclose and divest those collaterals in the upcoming quarters.

Cost of Risk decreased 320 bps to 6.4% in 4Q19 compared to 7.0% in 4Q18 and 9.6% in 3Q19. 4Q19 CoR improved from 3Q19 due to the abovementioned lower provisioning requirements in the quarter compared to 3Q19.

Reflecting the Company's decision to tighten credit scoring standards in the Consumer Finance Segment in 1Q18, the share of Consumer Finance loans continued to decrease reaching 6.7% down from 7.5% in 3Q19 and 12% in 1Q18.

Cost of risk, net, which is equivalent to loan loss provisions net of recovered charged-off loans and reversed allowances, was 5.8% in 4Q19, compared to 6.8% in 4Q18 and 9.1% in 3Q19.

The total NPL ratio increased by 330 bps YoY and 50 bps QoQ to 7.4% in 4Q19. QoQ performance was mainly impacted by a delinquent commercial loan that resulted in a 150 bps increase in Corporate Segment NPL ratio and in a higher percentage of NPLs from this business segment over the total non-performing loan portfolio, partially offset by the 310 bps decline in the Consumer Finance NPL ratio.

The non performing corporate loan portfolio share on NPL total portfolio increased from 13% as of December 31, 2018, 51% as of September 30, 2019 and 59% as of December 31, 2019, while the non performing consumer finance loan portfolio share on total NPL portfolio decreased from 51% as of the close of 4Q18, to 22% as of 3Q19 and 16% as of 4Q19.

The Corporate banking segment NPL portfolio was 8.7% in 4Q19 up from 7.2% in 3Q19. This was mainly

impacted by the abovementioned delinquent commercial loan coming from the sugar cane sector.

The Retail banking segment registered a 90-day delinquency ratio of 2.5% in 4Q19, well below its NPL ratio of 4.1% as a high percentage of customers are payroll or pension customers, who maintain a better performance with the Bank than with the rest of the system. The difference between the 90-day delinquency and NPL ratios is explained by Central Bank regulations, which rule that customers who are performing with a bank, must be considered non-performing, if they are delinquent with other banks or financial institutions.

The Consumer Finance NPL ratio was 17.2% in 4Q19, declining from 20.3% in 3Q19 and 19.4% in 4Q18. NPL creation improved for the fourth consecutive quarter in 4Q19 despite the challenging environment, reflecting the measures taken by the Company since 1Q18 to enhance asset quality following the peaks observed in 2Q18. These measures included tightening of credit scoring standards, slower origination and changes in the collection process in the consumer finance segment.

The table below shows a +30 days delinquency 3-month vintage of the month over month origination in Consumer Finance:

Month of disbursement	Month of Measure	Total Loans	Loans to Open Market Customers	Loans to Existing Customers
Dec 17	Feb 18	4.7%	6.4%	3.7%
Jan 18	Mar 18	4.4%	6.2%	3.7%
Feb 18	Apr 18	5.0%	6.5%	4.1%
Mar 18	May 18	3.9%	5.2%	3.2%
Apr 18	Jun 18	3.2%	4.6%	2.5%
May 18	Jul 18	2.8%	4.9%	1.8%
Jun 18	Aug 18	1.4%	2.0%	1.3%
Jul 18	Sep 18	2.4%	3.0%	2.2%
Aug 18	Oct 18	2.0%	3.6%	1.8%
Sep 18	Nov 18	3.5%	3.8%	3.4%
Oct 18	Dec 18	2.7%	4.1%	2.2%
Nov 18	Jan 19	3.3%	4.7%	2.8%
Dec 18	Feb 19	3.6%	7.0%	2.5%
Jan 19	Mar 19	2.8%	5.4%	2.1%
Feb 19	Apr 19	2.3%	4.6%	1.5%
Mar 19	May 19	2.6%	4.3%	2.3%
Apr 19	Jun 19	2.6%	5.0%	1.8%
May 19	Jul 19	2.4%	5.0%	1.5%
Jun 19	Aug 19	4.0%	6.5%	3.2%
Jul 19	Sep 19	3.3%	4.5%	2.9%
Aug 19	Oct 19	3.2%	5.9%	2.4%
Sep 19	Nov 19	3.9%	4.9%	3.4%
Oct 19	Dec 19	3.9%	4.2%	4.0%

Consumer Finance Loans disbursed since March 2018, showed lower delinquency than loans disbursed in previous months, reflecting the tightening of credit scoring standards in place since 1Q18. Since January 2019 there was an improvement in origination delinquency levels when compared with the September and December 2018 time period which had been impacted by high levels of inflation. Delinquency levels remained well below the levels registered as of February 2018 before changes in credit standards and collection processes began to be implemented.

NPL Ratio and Delinquency by Product & Segment		dec 19	sep 19	jun 19	mar 19	dic-18		
Corporate Segment NPL		8.7%	7.2%	3.0%	3.0%	1.1%		
Retail Segment NPL		4.1%	4.0%	3.9%	3.8%	3.3%		
Retail Segment Delinquency		2.5%	2.6%	2.6%	2.3%	2.0%		
	Personal Loans NPL	4.2%	4.1%	3.7%	4.1%	3.5%		
	Personal Loans Delinquency +90	2.8%	2.6%	2.5%	2.2%	1.9%		
	Credit Card Loans NPL	3.8%	4.5%	4.5%	4.6%	3.8%		
	Credit Card Loans Delinquency +90	2.6%	3.2%	3.2%	2.9%	2.2%		
	Mortgages NPL	1.3%	0.8%	0.4%	0.2%	0.2%		
Consumer Finance Segment NPL		17.2%	20.3%	21.4%	21.0%	19.4%		
	Personal Loans NPL	25.1%	27.1%	28.7%	27.9%	26.0%		
	Credit Card Loans NPL	12.3%	15.2%	16.9%	15.4%	13.2%		
	Car Loans NPL	15.9%	13.4%	10.8%	6.2%	2.5%		
Residual Car Loans Mila Portfolio NPL		36.4%	39.6%	28.3%	27.4%	22.3%		
Total NPL		7.4%	6.9%	5.1%	5.3%	4.1%		
NPL Creation		dec 19	sep 19	jun 19	mar-19	dic-18	% Change	
							QoQ	YoY
Retail Segment ¹		664.9	625.4	481.7	547.1	505.8	6.3%	31.4%
Consumer Finance Segment		128.1	138.2	323.9	479.3	537.9	-7.3%	-76.2%

1. NPL creation is calculated for retail segment non performing loans according to the Central Bank definition, where customers that are performing with the bank, but are delinquent with other banks or financial institutions, need to be considered as non-performing along the whole system. If considered bad loan formation only with actual retail segment delinquent loans with Supervielle, it remains stable QoQ.

Asset Quality (In millions of Argentine Ps.)		dec 19	sep 19	jun 19	mar 19	dec 18	% Change	
							QoQ	YoY
Commercial Portfolio		41,036.2	43,164.2	39,102.4	39,206.3	40,021.2	-5%	3%
Non-Performing		3,720.9	3,273.3	1,158.4	1,220.5	425.6	14%	774%
Consumer Lending Portfolio ¹		47,122.3	41,779.4	41,669.8	40,501.7	39,045.4	13%	21%
Non-Performing		3,313.6	3,047.3	3,179.5	3,233.2	2,928.4	9%	13%
Total Portfolio ²		88,158.5	84,943.6	80,772.2	79,707.9	79,066.5	4%	11%
Non-Performing		7,034.4	6,320.6	4,337.9	4,453.7	3,354.0	11%	110%
Total Non-Performing / Total Portfolio		7.4%	6.9%	5.1%	5.3%	4.1%		
Total Allowances		5,841.2	5,440.7	4,671.0	4,455.7	3,354.0	7%	74%
Coverage Ratio		83.0%	86.1%	107.7%	100.0%	100.0%		

1-includes Retail, Consumer Finance and Residual Car Loans Mila portfolios

2- Total portfolio includes total loans before allowances, Unlisted corporate bonds & others and Receivables from financial leases before allowances

Analysis of the Allowance for Loan Losses (In millions of Argentine Ps.)		FY19	9M19	6M19	3M19	FY18
Balance at the beginning of the year		3,354.0	3,354.0	3,354.0	3,354.0	1,698.2
Provisions charged to income		6,479.3	5,111.1	3,103.8	1,893.0	4,220.6
Write-offs and reversals		-3,992.1	-3,024.5	-1,786.2	-791.3	-2,611.8
Other adjustments		-	-	-	-	47.0
Balance at the end of period		5,841.2	5,440.7	4,671.6	4,455.7	3,354.0
Provisions charged to income						
Promissory notes		255.0	171.4	133.4	55.0	126.5
Unsecured corporate loans		515.1	354.7	78.4	32.3	74.3
Overdrafts		617.2	348.3	75.1	17.1	78.3
Mortgage loans		369.4	207.7	49.7	21.4	42.3
Automobile and other secured loans		98.3	79.0	40.7	14.0	31.5
Personal loans		1,884.9	1,445.6	1,046.9	580.3	2,016.6
Credit cards loans		834.5	586.0	389.4	181.5	846.0
Foreign Trade Loans		630.8	419.1	202.5	216.6	150.5
Other financings		1,068.4	1,328.9	1,004.6	733.9	712.4
Other receivables from financial transactions		148.5	109.8	66.5	29.0	109.7
Receivables from financial leases		57.1	60.7	16.6	11.9	32.5
Total		6,479.3	5,111.1	3,103.8	1,893.0	4,220.6
Write-offs and reversals						
Promissory notes		-123.1	-105.8	-54.3	-10.2	-37.6
Unsecured corporate loans		-132.4	-94.9	-38.2	-13.2	-26.0
Overdrafts		-89.3	-69.0	-35.6	-9.3	-27.8
Mortgage loans		-	-	-	-	-
Automobile and other secured loans		-168.2	-126.8	-55.5	-9.0	7.6
Personal loans		-2,044.3	-1,550.2	-1,043.5	-493.1	-1,787.0
Credit cards loans		-719.2	-491.0	-316.3	-127.9	-564.2
Foreign Trade Loans		-283.7	-273.2	-37.4	-30.3	-
Other financings		-281.9	-198.5	-151.3	-75.6	-56.2
Other receivables from financial transactions		-121.8	-88.0	-48.9	-20.5	-110.1
Receivables from financial leases		-28.2	-27.0	-5.2	-2.1	-10.5
Total		-3,992.1	-3,024.5	-1,786.2	-791.3	-2,611.8

Funding

Total funding, including deposits, other sources of funding such as financing from other financial institutions and negotiable obligations, as well as shareholders' equity, increased 3.8% YoY and decreased 8.3% QoQ. In 4Q19 the Company deleveraged its balance sheet, sharply reducing institutional funding in the quarter while core franchise deposits in pesos grew by 8.7% QoQ. Other sources of funding and shareholder's equity were flat QoQ.

AR\$ denominated funding increased 4.3% YoY and decreased 10.7% QoQ, reflecting the deleverage in the Company's balance sheet. Foreign currency denominated funding (in US\$) decreased 41.1% YoY and 14.5% QoQ, reflecting US\$ deposits outflows occurred since August 2019 following industry trends.

Funding & Other Liabilities (In millions of Argentine Ps.)						% Change	
	dec 19	sep 19	jun 19	mar 19	dec 18	QoQ	YoY
Deposits							
Non-Financial Public Sector	5,470.2	7,603.2	10,059.2	11,204.8	11,105.5	-28.1%	-50.7%
Financial Sector	28.1	27.1	26.6	20.3	25.2	3.8%	11.3%
Non-Financial Private Sector and Foreign Residents	83,509.9	94,430.0	102,552.6	98,451.6	83,775.3	-11.6%	-0.3%
Checking Accounts	12,119.6	11,150.9	8,134.0	7,070.5	6,687.2	8.7%	81.2%
Savings Accounts	29,388.3	25,693.3	31,954.1	27,176.3	25,607.6	14.4%	14.8%
Special Checking Accounts	9,342.7	18,368.7	23,028.7	27,106.6	21,252.0	-49.1%	-56.0%
Time Deposits	23,860.3	33,184.0	30,291.9	29,205.5	25,794.3	-28.1%	-7.5%
Others	8,799.0	6,033.2	9,143.9	7,892.7	4,434.2	45.8%	98.4%
Total Deposits	89,008.2	102,060.3	112,638.3	109,676.8	94,906.0	-12.8%	-6.2%
AR\$ Deposits	65,669.9	75,463.5	76,831.9	74,506.6	63,614.2	-13.0%	3.2%
US\$ Deposits	23,338.3	26,596.8	35,806.5	35,170.2	31,291.8	-12.3%	-25.4%
Other Source of Funding							
Liabilities at a fair value through profit or loss	189.6	-	1,774.3	1,367.2	268.1		-29.3%
Derivatives	-	-	-	-	94.2		
Repo Transactions	319.8	318.3	431.8	1,497.2	-	0.5%	
Other financial liabilities	9,171.2	7,343.9	7,034.9	6,521.6	4,268.4	24.9%	114.9%
Financing received from Central Bank and others	9,017.6	10,193.5	4,693.7	7,021.3	8,033.2	-11.5%	12.3%
Medium Term Notes	6,086.5	10,172.1	11,625.8	11,990.4	9,307.2	-40.2%	-34.6%
Current Income tax liabilities	-	209.1	499.5	504.3	193.0		
Subordinated Loan and Negotiable Obligations	2,119.9	2,098.6	1,553.6	1,579.6	1,383.8	1.0%	53.2%
Provisions	677.0	154.8	119.0	93.4	86.9	337.5%	678.9%
Deferred tax liabilities	2.0	17.7	39.0	10.6	0.2	-88.5%	-
Other non-financial liabilities	8,202.7	7,120.4	6,340.3	5,801.0	5,404.3	15.2%	51.8%
Total Other Source of Funding	35,786.3	37,628.4	34,112.0	36,386.5	29,039.4	-4.9%	23.2%
Attributable Shareholders' Equity	21,680.0	20,109.7	19,377.6	17,771.0	17,155.6	7.8%	26.4%
Total Funding	146,474.5	159,798.4	166,127.9	163,834.3	141,100.9	-8.3%	3.8%

Deposits

Total deposits amounted to AR\$89.0 billion in 4Q19, decreasing 6.2% YoY and 12.8%. The Company deleveraged its balance sheet, sharply reducing institutional funding in the quarter, despite 8.7% growth on AR\$ core franchise deposits. Total deposits represent 60.8% of Supervielle's total funding sources compared to 67.3% in 4Q18 and 63.9% in 3Q19.

Foreign currency denominated deposits (in US\$) decreased 52.9% YoY while industry deposits in foreign

currency decreased 33.9%.

AR\$ denominated deposits increased 3.2% YoY reflecting the Company's decision to deleverage its balance sheet in the quarter, compared with industry growth of 23.1%, and accounted for 73.8% of total deposits as of December 31, 2019. AR\$ average deposits increased 8.3% YoY, compared with industry growth of 19.1%.

On a QoQ basis, foreign currency denominated deposits decreased 15.7% while Industry US dollar denominated deposits decreased 8.1%.

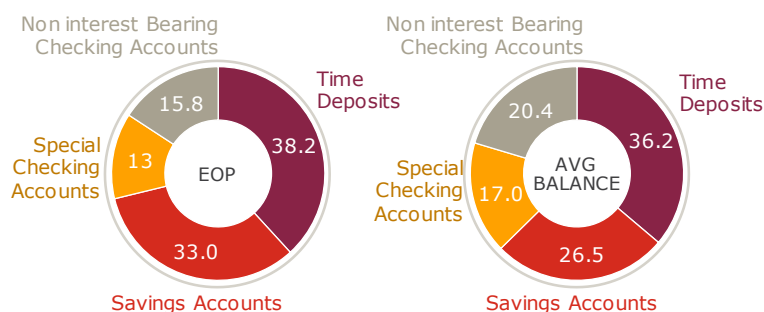
AR\$ denominated deposits decreased 13.0% QoQ reflecting the Company's decision to deleverage its balance sheet in the quarter, compared to an 11.3% industry growth, and accounted for 73.8% of total deposits as of December 31, 2019. AR\$ average deposits decreased 3.5% QoQ while deposits at the industry level increased 2.8%.

AR\$ Deposits						% Change	
(In millions of Argentine Ps.)	dec 19	sep 19	jun 19	mar 19	dec 18	QoQ	YoY
Non-Financial Public Sector	3,298.8	3,451.8	3,001.2	2,134.0	3,205.7	-4.4%	2.9%
Financial Sector	19.0	26.8	26.0	20.2	22.3	-29.0%	-14.5%
Non-Financial Private Sector and Foreign Residents	62,352.1	71,984.9	73,804.6	72,352.4	60,386.2	-13.4%	3.3%
Checking Accounts	12,119.6	11,150.9	8,134.0	7,070.5	6,687.2	8.7%	81.2%
Savings Accounts	19,245.6	15,110.6	17,955.3	13,758.4	14,040.8	27.4%	37.1%
Special Checking Accounts	2,227.8	10,759.7	13,172.8	20,359.1	14,639.1	-79.3%	-84.8%
Time Deposits	20,419.2	29,395.2	25,794.4	23,663.7	20,891.3	-30.5%	-2.3%
Others	8,339.8	5,568.5	8,748.2	7,500.6	4,127.9	49.8%	102.0%
Total AR\$ Deposits	65,669.9	75,463.5	76,831.9	74,506.6	63,614.2	-13.0%	3.2%

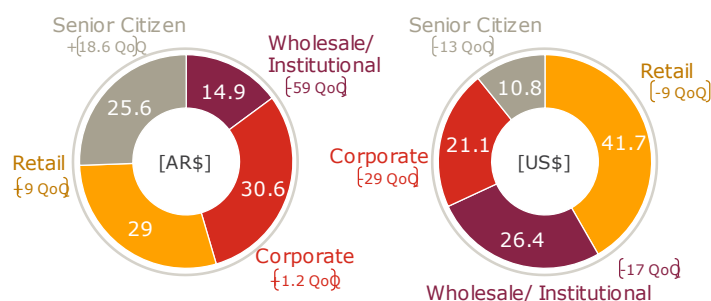
US\$ Deposits						% Change	
(In millions of US\$)	dec 19	sep 19	jun 19	mar 19	dec 18	QoQ	YoY
Total US\$ Deposits	389.7	462.1	843.5	811.2	827.6	-15.7%	-52.9%

The charts below show the breakdown of deposits as of December 31, 2019, and 4Q19 average balances.

DEPOSITS Breakdown [%]



EOP By Customer



Non- or low-cost demand total deposits (including private and public-sector deposits) comprised 49% of the Company's total deposits base (33.0% of savings accounts and 15.8% of checking accounts) as of December 31, 2019. Non or low-cost demand deposits represented 37% of total deposits (25.2% of savings accounts and 12.3% of checking accounts) as of September 30, 2019 and 35% as of December 31, 2018.

AR\$ Retail plus Senior Citizens customer deposits represented 55% of total deposits as of December 31, 2019, compared with 42% of total deposits as of September 30, 2019. AR\$ Wholesale and institutional deposits declined to 15% of total AR\$ deposits from 32% as of September 30, 2019, reflecting the Company's decision to

deleverage its balance sheet in 4Q19.

AR\$ Wholesale/Institutional deposits declined 59% QoQ and AR\$ Senior Citizens deposits showed a 19% QoQ seasonal increase, which are higher at the end of June and December when they collect half of the 13th salary by the end of both months.

Other Sources of Funding and Shareholder's Equity

As of December 31, 2019, other sources of funding and shareholder's equity amounted to AR\$57.5 billion increasing 24.4% YoY and remaining flat QoQ.

The YoY growth in other sources of funding was explained by the following increases:

- 26.4%, or AR\$4.5 billion, in Attributable Shareholders' Equity,
- 114.9%, or AR\$4.9 billion, in Other Financial Liabilities mainly explained by an increase in third party collections together with the non-financial liabilities which resulted from the adoption of IFRS 16 effective January 2019, and
- 51.8%, or AR\$2.8 billion, in Other non Financial Liabilities.

These were partially offset by 34.6%, or AR\$3.2 billion, decrease due to the cancellation in the quarter of AR\$ 2,885 million medium term notes issued by the Bank and to a lesser extent by CCF.

The QoQ performance was explained by the AR\$5,885 million cancellation in the quarter of medium term notes issued by the Bank and by CCF, partially offset by the 24.9%, or AR\$1.8 billion, increase in Other Financing reflecting new foreign trade lines.

Foreign Currency Exposure

The table below show the foreign currency exposure since December 2018.

Consolidated Balance Sheet Data	dec 19	nov 19	oct 19	sep 19	jun 19	mar 19	dec 18
(In thousands of US\$)							
Assets							
Cash and due from banks	235,077	209,133	231,131	248,202	450,562	393,171	432,668
Securities at fair value through profit or loss	13,121	8,727	14,113	17,723	36,404	64,231	102,321
Loans	316,093	339,185	363,183	386,488	469,108	496,663	521,106
Other Receivables from Financial Intermediation	9,176	7,512	7,396	6,652	4,446	9,686	3,565
Other Receivable from Financial Leases	29,252	29,987	30,753	31,726	33,946	36,127	30,339
Other Assets	37,215	34,515	34,385	26,534	55,744	53,264	29,482
Other non-financial assets	107	67	20	47	64	201	37
Total assets	640,042	629,126	680,982	717,372	1,050,274	1,053,344	1,119,518
Liabilities and shareholders' equity							
Deposits	389,627	373,553	402,558	461,955	842,882	815,630	844,996
Other financial liabilities	191,229	197,013	215,065	222,702	146,117	203,528	215,011
Other Liabilities	17,670	17,743	18,840	19,354	23,118	24,967	13,616
Subordinated Notes	35,393	35,186	36,676	36,461	36,599	36,438	36,601
Total liabilities	633,920	623,495	673,138	740,472	1,048,716	1,080,562	1,110,223
Net Position on Balance	6,123	5,631	7,843	-23,100	1,558	-27,218	9,295
Net Derivatives Position	1,631	-3,000	-1,000	1,000	2,822	-	-19,239
Global Net Position	7,754	2,631	6,843	-22,100	4,380	-27,218	-9,944

According to Central Bank regulations, non-financial liabilities resulting from the adoption of IFRS 16 since January 2019, is not considered within the Global Net Position, and this mainly explains the short position to the Fx in some months of the year 2019. Global Net Position is limited to a 4% maximum long position.

Liquidity & Capitalization

Loans to deposits ratio was 103.5% up from 84.5% as of December 31, 2018 and up from 85.8% as of September 30, 2019. **AR\$ loans to AR\$ deposits ratio** was 107.6% compared to 92.9% on December 31, 2018 and 82.2% as of September 30, 2019. The ratio reflects the QoQ 13.9% increase in AR\$ loans, while AR\$

deposits decreased 13.0%, despite an 8.7% growth QoQ in core peso franchise deposits following the Company's decision to deleverage its balance sheet and year end liquidity management. Liquid AR\$ Assets to AR\$ deposits ratio as of December 31, 2019 was 34.7% compared to 55.3% as of September 30, 2019, reflecting an occasionally lower level of actual reserve requirements as banks are allowed to comply with them on a 2-months average basis between December 2019 and January 2020.

US\$ loans to US\$ deposits ratio was 92.1% compared to 67.5% as of December 31, 2018 and 95.9% as of September, 2019. In 4Q19, US\$ deposits outflows were 15.7% while US\$ loans declined 19.0%. As of December 31, 2019, the Liquid US\$ Assets to US\$ deposits ratio was 60.2% increasing 270 bps from September 30, 2019 even after the 54% outflows in US\$ deposits since June 2019.

As of December 31, 2019, **proforma liquidity coverage ratio (LCR)** was 150.3% compared to 141.7% as of September 31, 2019. This ratio continued to reflect high liquidity levels.

Net Stable funding ratio ("NSFR") as of December 31, 2019 was 142.3%.

Tables below present information about liquidity in AR\$ and US\$:

AR\$ Liquidity (In millions of Argentine Ps.)	dec 19	sep 19	jun 19
Cash and due from banks	12,506.2	4,571.2	7,365.0
Securities Issued by the Central Bank (Leliq)	7,171.1	29,853.1	39,237.1
Treasury Bonds (Botes)	3,090.2	3,283.5	2,923.3
Repo	-	3,996.5	
Liquid AR\$ Assets	22,767.5	41,704.2	49,525.4
Total AR\$ Deposits	65,669.9	75,463.5	76,831.9
Liquid AR\$ Assets / Total AR\$ Deposits	34.7%	55.3%	64.5%

US\$ Liquidity (In millions of Argentine Ps.)	dec 19	sep 19	jun 19
Cash and due from banks	13,896.9	14,286.2	19,116.6
U\$S Treasury Bonds	150.3	994.7	1,365.9
Liquid US\$ Assets	14,047.3	15,280.9	20,482.5
Total US\$ Deposits	23,338.3	26,596.8	35,806.5
Liquid US\$ Assets / Total US\$ Deposits	60.2%	57.5%	57.2%

As of December 31, 2019, **equity to total assets** was 14.8%, compared to 12.2% at December 31, 2018 and 12.6% as of September 30, 2019.

Consolidated Capital (In millions of Argentine Ps.)	dec 19	sep 19	jun 19	mar 19	dec 18	% Change QoQ	YoY
Attributable Shareholders' Equity	21,680.0	20,109.7	19,377.6	17,771.0	17,155.6	7.8%	26.4%
Average Shareholders' Equity	18,853.9	18,250.7	17,693.3	17,361.2	15,530.0	3.3%	21.4%
Shareholders' Equity as a % of Total Assets	14.8%	12.6%	11.7%	10.8%	12.2%		
Avg. Shareholders' Equity as a % of Avg. Total Assets	11.8%	11.3%	11.1%	11.1%	13.2%		
Tang. Shareholders' Equity as a % of T. Tang. Assets	13.4%	11.4%	10.6%	9.8%	10.9%		

Capital injections made by the Company in its subsidiaries during 2019 were as follows:

- In February 2019, CCF received total net capital injections of AR\$1 Billion; and
- In June 2019, CCF received total net capital injections of AR\$500 Million.

The Common Equity Tier 1 Ratio (Consolidated Proforma) as of December 31, 2019, was 11.4%, compared to the 11.8% reported as of September 30, 2019 and 12.9% reported as of December 31, 2018.

On a proforma basis, if impacted by December 31, 2019, inflation adjustment to be applied effective January 1, 2020, Tier 1 ratio would have been 76 bps higher than the reported ratio, reaching 12.1%

During 2Q19 the Central Bank clarified an interpretation regarding deductions on Tier1 Capital related to deferred tax assets. Until 1Q19 the Company deducted deferred tax assets net of deferred tax liabilities, as they are shown in the balance sheet according to IFRS, and following the Basel framework. Commencing 2Q19, the Company deducts deferred tax assets without offsetting deferred tax liabilities. This means the deduction to Tier 1 capital in accordance to the Central Bank interpretation is higher than the deferred tax asset shown in the

balance sheet. Had this criteria been adopted in 1Q19, Common Equity Tier 1 Ratio (Consolidated Proforma) as of March 31, 2019 would have been 11.8%.

Total Capital Ratio (consolidated pro-forma) and Tier 1 Capital ratio (consolidated pro-forma) includes AR\$645 million retained at the holding company level available for growth. Supervielle's Tier1 ratio coincides with CET1 ratio.

As of December 31, 2019, Banco Supervielle's consolidated financial position showed a solvency level with an integrated capital of AR\$15.0 billion, exceeding total capital requirements by AR\$4.4 billion.

The table below presents information about the Bank and CCF's consolidated regulatory capital and minimum capital requirement as of the dates indicated:

Calculation of Excess Capital (In millions of Argentine Ps.)	dec 19	sep 19	jun 19	mar 19	dec 18
Allocated to Assets at Risk	7,164.8	6,827.8	6,377.2	6,384.6	6,090.3
Allocated to Bank Premises and Equipment, Intangible Assets and Equity Investment Assets	826.1	731.6	425.1	516.9	370.2
Market Risk	251.7	282.6	468.4	461.2	301.7
Public Sector and Securities in Investment Account	11.5	14.0	8.8	7.9	96.9
Operational Risk	2,350.0	2,083.5	1,934.3	1,644.5	1,486.5
Required Minimum Capital Under Central Bank Regulations	10,604.1	9,939.6	9,213.8	9,015.0	8,345.7
Basic Net Worth	16,991.1	16,098.6	14,961.0	13,474.2	11,847.9
Complementary Net Worth	1,033.7	1,159.1	1,206.8	1,220.8	1,163.9
Deductions	-2,999.7	-2,485.2	-2,169.7	-1,191.4	-867.8
Total Capital Under Central Bank Regulations	15,025.1	14,772.4	13,998.1	13,503.6	12,144.0
Excess Capital	4,421.0	4,832.8	4,784.2	4,488.6	3,798.3
Credit Risk Weighted Assets	96,585.7	91,375.6	82,531.4	83,851.4	79,580.8
Risk Weighted Assets	129,638.2	121,488.1	112,693.1	110,171.9	101,933.8

Total Capital (In millions of Argentine Ps.)	dec 19	sep 19	jun 19	mar 19	dec 18
Tier 1 Capital					
Paid in share capital common stock	829.6	829.6	808.9	808.9	772.0
Irrevocable capital contributions	-	-	475.0	-	-
Share premiums	6,898.6	6,898.6	6,444.3	6,444.3	5,481.2
Disclosed reserves and retained earnings	5,351.4	5,351.4	5,342.8	6,273.0	4,602.5
Non-controlling interests	126.0	121.7	111.5	99.9	63.0
IFRS Adjustments	1,001.8	773.6	589.3	-341.0	-472.8
100% of results	2,247.1	2,000.3	378.3	-	1,133.4
50% of positive results	536.6	123.4	811.0	189.2	268.6
Sub-Total: Gross Tier I Capital	16,991.1	16,098.6	14,961.0	13,474.2	11,847.9
Deduct:					
All Intangibles	754.2	526.5	472.9	390.3	406.5
Pending items	25.6	19.5	92.0	72.6	96.5
Other deductions	2,219.9	1,939.3	1,604.9	728.5	364.9
Total Deductions	2,999.7	2,485.2	2,169.7	1,191.4	867.8
Sub-Total: Tier I Capital	13,991.4	13,613.3	12,791.3	12,282.8	10,980.1
Tier 2 Capital					
General provisions/general loan-loss reserves 50%	871.4	841.6	781.0	785.4	784.7
Subordinated term debt	162.3	317.5	425.8	435.4	379.2
Sub-Total: Tier 2 Capital	1,033.7	1,159.1	1,206.8	1,220.8	1,163.9
Total Capital	15,025.1	14,772.4	13,998.1	13,503.6	12,144.0
Credit Risk weighted assets	96,585.7	91,375.6	82,531.4	83,851.4	79,580.8
Risk weighted assets	129,638.2	121,488.1	112,693.1	110,171.9	101,933.8
Tier 1 Capital / Risk weighted assets¹	10.8%	11.2%	11.4%	11.1%	10.8%
Regulatory Capital / Risk weighted assets¹	11.6%	12.2%	12.4%	12.3%	11.9%
Funds retained at the Holding company level	645	654	442	913	927
Tier1 Capital ratio (Consolidated pro-forma)²	11.4%	11.8%	11.9%	12.1%	12.9%
Total Capital ratio (Consolidated pro-forma)²	12.2%	12.8%	12.9%	13.2%	14.0%

1. Tier1 Capital / Risk weighted assets does not include AR\$645 million tier1 capital retained at the holding company level, that is available for growth. 3Q19 assets does not include AR\$654 million tier1 capital retained at the holding company level, that is available for growth. 2Q19 does not include AR\$442 million tier1 capital retained at the holding company level, that is available for growth. 1Q19 Tier1 Capital / Risk weighted assets does not include \$913 million tier1 capital that were retained as of March 2019. 4Q18 Tier1 Capital / Risk weighted assets does not include \$929 million tier1 capital that were retained as of December 2018 at the holding company level, available for growth and AR\$ 1 billion of capital contribution made to the Bank in November but approved by the BCRA on January 24, 2019.
2. 4Q19, 3Q19 and 2Q19 were calculated according to the new Central Bank methodology which modified the criteria of calculation deductions on Capital and excludes deferral tax on liabilities.

The QoQ performance reflects capital consumption as a result of 4.9% or AR\$337 million of capital allocated to assets at risk, 12.8% or AR\$266.4 million increase in operational risk, with a 21% or AR\$514 million increase in the amount of deductions to the Tier 1 capital, while market risk decreased 11%.

The YoY performance reflects capital consumption as a result of 17.6% or AR\$1.1 billion of capital allocated to assets at risk, of a 58% or AR\$863 million increase in operational risk due to higher financial margin and 245.7% or AR\$2.1 billion increase in the amount of deductions to the tier 1 capital.

Minimum Cash Reserve Requirements.

Since June 20, 2018, the Central Bank has been increasing minimum cash reserve requirements on AR\$ Deposits. According to the last update (July 22, 2019), Financial institutions belonging to Group "A" (group of systemic importance) have the following minimum reserve requirement: sight deposits reserve requirements amount to 45%, of which 30% should be set up in cash, 5% in BOTES 2020 and 10% in LELIQs (until November 1, 2019). For time deposits of up to 29 days of residual term, minimum reserve requirements amount to 32%, where 11% should be set up in cash, 5% in Botes 2020 and 16% in Leliq. These requirements are reduced as the term of deposits increases. For deposits with a residual tenor between 30 and 59 days, the requirements are 22%, 4% set up in cash, 5% in BOTES 2020 and 13% in LELIQs, reducing to 0%, 2% and 2%, respectively, for the residual term from 60 to 89 days. Deposits of more than 90 days of residual term have no minimum reserve requirement.

Moreover, through a regulation issued on June 19, 2019, it was also determined that from July 1, 2019, the minimum cash reserve requirements in pesos shall be calculated by the average of daily balances of the liabilities registered at the close of each day during the period prior to its integration and established the unified computation of the minimum cash requirement in pesos for the periods July / August and December of a year / January of the following year.

Related to US\$ Deposits, minimum cash reserve requirements is 25% for Demand Deposits and 23% for time deposits of up to 29 days of residual term. This requirement is reduced as the term of deposits increases. For deposits with a residual term of between 30 and 59 days, the requirement is 17%, reduced to 11% for deposits with a residual term ranging from 60 to 89 days, to 5% for deposits with a residual term between 90 to 179 days, and to 2% for residual terms between 180 to 365 days. Deposits with a residual term exceeding 365 days will have no minimum cash requirement.

By the end of December 31, 2019, reserve requirements reflected an occasionally lower level as banks were allowed to comply with them on average levels between December and January.

The table below shows the composition of the reserve requirements as of each reported date. The basis on which minimum cash reserve requirement is computed is the monthly average of the daily balances of the liabilities at the end of each day during each calendar month, with the exception of what was recently regulated through Communication "A" 6719, and is applicable for the months of July and August, and December and January.

Minimum Cash Reserve Requirements on AR\$ Deposits (Avg. Balance. AR\$ Bn.)	dec 19	sep 19	jun 19	mar 19	dec 18
Cash	13,830.7	10,533.7	11,729.8	14,400.8	15,330.3
Treasury Bond (BOTE 2020)	3,090.2	3,089.2	2,923.3	3,092.8	3,032.5
Leliq	4,320.9	8,539.3	6,238.0	7,111.2	7,728.3
Special Deduction ¹	2,695.1	2,628.1	2,205.6	2,461.3	2,043.3
Total Cash Reserve Requirements	23,936.9	24,790.2	23,096.7	27,066.0	28,134.5

1. SMEs loans deduction

US\$ Deposits (Avg. Balance. US\$ MM.)	dec 19	sep 19	jun 19	mar 19	dec 18
Cash	127.4	149.8	361.6	362.9	332.9
Total Cash Reserve Requirements	127.4	149.8	361.6	362.9	332.9

RESULTS BY SEGMENT

Overview

Supervielle conducts its business through the following operating segments: Retail Banking, Corporate Banking, Treasury, Consumer Finance, Insurance, and Asset Management & Other Services.

Net Operating Revenue Mix

In 4Q19, the Retail Segment represented 54% of net operating revenues, compared to 53% in 4Q18 and 65% in 3Q19.

The Corporate Segment represented 15% of net operating revenues in 4Q19 compared to 23% in 4Q18 and 18% in 3Q19, while the Consumer Finance Segment represented 7% of net operating revenues in 4Q19 compared to 8% in 4Q18 and 13% in 3Q19.

Net Operating Revenue, before Loan Loss Provisions						% Change	
(In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Retail Banking	5,443.8	4,908.6	4,768.5	3,991.5	3,652.1	10.9%	49.1%
Corporate Banking	1,463.8	1,389.7	1,697.5	1,577.6	1,597.9	5.3%	-8.4%
Treasury	1,835.3	-44.7	907.9	622.6	731.5	-	150.9%
Consumer Finance	722.9	974.7	600.1	696.4	570.1	-25.8%	26.8%
Insurance	374.5	205.1	292.2	236.9	229.5	82.6%	63.2%
Asset Management & Other Services	238.5	114.3	209.1	227.6	105.3	108.7%	126.4%
Total Allocated to Segments	10,078.8	7,547.7	8,475.4	7,352.7	6,886.4	33.5%	46.4%
Adjustments	70.0	60.0	64.8	89.6	156.6	16.7%	-55.3%
Total Consolidated	10,148.8	7,607.6	8,540.2	7,442.3	7,043.0	33.4%	44.1%

Attributable Comprehensive Income Mix

The table below presents information about the Attributable Comprehensive Income by segment:

Attributable Net Income						% Change	
(In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Retail Banking	-338.7	938.2	503.0	326.8	182.2	-	-
Corporate Banking	-370.0	-586.7	642.5	21.3	412.3	-	-
Treasury	1,701.3	-299.0	732.8	283.2	347.9	-	389.0%
Consumer Finance	92.4	206.6	-264.2	-253.3	-414.6	-55.3%	-
Insurance	177.9	75.6	169.4	119.7	113.3	135.4%	57.0%
Asset Management & Other Services	91.4	-21.6	64.8	57.3	-11.7	-	-
Total Allocated to Segments	1,354.4	313.1	1,848.3	555.1	629.4	332.5%	115.2%
Adjustments	111.9	-12.1	53.2	34.0	77.9	-	43.5%
Total Consolidated	1,466.2	301.0	1,901.5	589.1	707.3	387.0%	107.3%

Retail Banking Segment

Through the Bank, Supervielle offers its retail customers a full range of financial products and services, including personal loans, credit cards, mortgages, car loans, deposit accounts, purchase and sale of foreign exchange, among others.

Retail Segment – Highlights (In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	% Change	
						QoQ	YoY
Income Statement							
Net Interest Income	3,828.8	3,398.8	3,565.2	2,801.6	2,539.6	12.7%	50.8%
NIIFI & Exchange rate differences	317.7	409.1	221.0	200.2	216.1	-22.3%	47.0%
Net Financial Income	4,146.5	3,807.9	3,786.3	3,001.9	2,755.7	8.9%	50.5%
Net Service Fee Income	909.5	788.2	761.4	781.8	664.5	15.4%	36.9%
Net Operating Revenue, before Loan Loss Provisions	5,443.8	4,908.6	4,768.5	3,991.5	3,652.1	10.9%	49.1%
Loan Loss Provisions	-600.7	-564.1	-660.2	-513.9	-547.6	6.5%	9.7%
Profit before Income Tax	-267.3	695.6	396.1	412.4	192.3	-	-
Attributable Net Income	-338.7	938.2	503.0	326.8	182.2	-	-
Balance Sheet							
Loans (Net of LLP)	36,443.2	32,995.9	31,574.9	30,867.7	30,571.5	10.4%	19.2%
Receivables from Financial Leases (Net of LLP)	370.0	400.7	440.7	472.2	522.4	-7.7%	-29.2%
Total Loan Portfolio (Net of LLP)	36,813.1	33,396.6	32,015.6	31,339.9	31,093.9	10.2%	18.4%
Deposits	59,571.8	55,907.3	62,190.0	55,781.5	51,679.0	6.6%	15.3%

During 4Q19, **Loss before Income tax** of AR\$267.3 million compared to a gain before income tax of AR\$192.3 million in 4Q18 and AR\$695.6 million in 3Q19.

The YoY performance is explained by the 63.7% or AR\$1.5 billion, YoY in expenses as a result of non recurring severance and early retirement charges, partially offset by i) a 50.5% growth in **net financial income** which benefitted from a decrease in cost of funds following the reduction in interest rates and the continuing repricing of retail loans portfolio, together with higher income on foreign currency trading with retail customers, and ii) a 36.9%, or AR\$245.0 million, increase in net service fee income due to higher credit cards commissions and repricing of bundled products.

The QoQ performance is explained by a 36.4% or AR\$1.0 billion, in expenses as a result of non recurring severance and early retirement charges, partially offset by a 8.9% increase in Net Financial Income explained by the decrease in cost of funds in the quarter, while loans continued repricing and 15.4% or AR\$ 121 million in service fee income due to higher credit cards commissions.

Loan loss provisions amounted to AR\$600.7 million in 4Q19, up 9.7% from 4Q18 and 6.5% from 3Q19. The Retail banking segment registered a 90-day delinquency ratio of 2.5% in 4Q19, well below its NPL ratio of 4.1% as a high percentage of customers are payroll or pension customers, who maintain a better performance with the Bank than with the rest of the system.

Attributable Net Income at the Retail Banking Segment was a loss of AR\$338.7 million in 4Q19 compared with a net gain of AR\$182.2 million in 4Q18 and AR\$938.2 million in 3Q19. This resulted mainly from higher expenses as abovementioned, AR\$71.4 million of Income tax in the quarter, while in the previous quarter recorded a positive result from the inflation adjustment in income tax provision. These were partially offset by the increase in Revenues.

Retail banking loans (including receivables from financial leases) reached AR\$36.8 billion at December 31, 2019 increasing 18.4% YoY and 10.2% QoQ. Retail banking loan portfolio performance is explained by Ahora 12 and Ahora 18 government plans for purchases with credit cards in non interest bearing installments

Retail banking **deposits** rose 15.3% on annual basis and 6.6% sequentially.

Corporate Banking Segment

Through the Bank, Supervielle offers large corporations, middle market companies and small businesses a full range of products, services and financing options including factoring, leasing, foreign trade finance and cash management, although with a focus on middle market and SMEs.

Corporate Segment – Highlights						% Change	
(In millions of Argentine Ps.)						QoQ	YoY
4Q19	3Q19	2Q19	1Q19	4Q18			
Income Statement							
Net Interest Income	1,071.9	1,043.1	1,300.9	1,192.5	1,178.0	2.8%	-9.0%
NIIFI & Exchange rate differences	25.3	22.0	53.9	22.3	30.3	15.1%	-16.4%
Net Financial Income	1,097.3	1,065.1	1,354.8	1,214.7	1,208.3	3.0%	-9.2%
Net Service Fee Income	166.8	171.3	164.5	152.8	111.3	-2.6%	49.9%
Net Operating Revenue, before Loan Loss Provisions	1,463.8	1,389.7	1,697.5	1,577.6	1,597.9	5.3%	-8.4%
Loan Loss Provisions	-579.9	-1,190.8	-191.8	-913.7	-311.5	-	-
Profit before Income Tax	-329.1	-644.3	656.9	-4.5	521.5	-	-
Attributable Net Income	-370.0	-586.7	642.5	21.3	412.3	-	-
Balance Sheet							
Loans (Net of LLP)	40,684.3	39,473.9	35,960.0	34,850.4	36,121.8	3.1%	12.6%
Receivables from Financial Leases (Net of LLP)	2,807.8	3,132.4	2,950.7	3,192.4	2,815.1	-10.4%	-0.3%
Total Loan Portfolio (Net of LLP)	43,492.1	42,606.3	38,910.7	38,042.8	38,936.9	2.1%	11.7%
Deposits	14,479.6	16,538.6	12,043.2	10,611.7	9,420.9	-12.5%	53.7%

During 4Q19, **Loss before Income tax** of AR\$329.1 million compared to a profit of AR\$521.5 million in 4Q18 and a loss of AR\$644.3 million in 3Q19.

The YoY performance is explained by the 59.5% or AR\$242 million, in expenses due to non recurring severance and early retirement charges, the increase in LLP that reflects in the quarter the provisioning of a 100% collateralized commercial loan coming from the sugar cane sector that became delinquent and 9.2% decrease in Net Financial Income mainly due to higher expenses for treasury funds. These were partially offset the 49.9% increase in Net Service Fee Income

The QoQ performance is mainly explained by i) the AR\$579.9 million amount of LLP, although NPL increase required lower amount of provisioning compared to previous quarter, ii) 33% increase in expenses due to non recurring severance and early retirement charges, and iii) 2.6% decrease in Net Service Fee Income. These were partially offset by 3.0% increase in Net Financial Income.

As of December 31, 2019 collateralized non-performing commercial loans were 58% of total compared with 55% as of September 30, 2019 and 20% as of June 30, 2019. The Company expects to foreclose and divest those collaterals in the upcoming quarters.

Attributable Net Income at the Corporate Banking Segment was a loss of AR\$370.0 million in 4Q19, compared to a AR\$412.3 million profit in 4Q18 and a net loss of AR\$586.7 million in 3Q19.

Loan loss provisions was AR\$579.9 million in 4Q19 compared to AR\$311.5 million in 4Q18 and AR\$1.2 billion in 3Q19.

The **corporate loan portfolio** increased 11.7% YoY and 2.1% QoQ to AR\$43.55 billion. QoQ performance reflects the increase in AR\$ loans following the increase in new AR\$ loans granted to customers who paid down their US\$ loans.

Total **deposits** from corporate customers amounted to AR\$14.5 billion, up 53.7% YoY, but down 12.5% QoQ.

Treasury Segment

The Treasury Segment is primarily responsible for the allocation of the Bank's liquidity according to the needs and opportunities of the Retail and Corporate Banking segments as well as its own needs and opportunities. The Treasury Segment implements the Bank's financial risk management policies, manages the Bank's trading desk, distributes treasury products such as debt securities, and develops businesses with wholesale financial and non-financial clients.

Treasury Segment – Highlights (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Income Statement							
Net Interest Income	-1,008.8	-3,289.5	-3,887.6	-3,267.0	-2,348.5	-	-
NIIFI & Exchange rate differences	2,659.6	3,140.8	4,767.8	3,869.8	3,065.0	-15.3%	-13.2%
Net Financial Income	1,650.8	-148.7	880.2	602.9	716.5	-	130.4%
Net Operating Revenue, before Loan Loss Provisions	1,835.3	-44.7	907.9	622.6	731.5	-	150.9%
Profit before Income Tax	1,485.0	-379.9	632.3	357.7	480.3	-	209.2%
Attributable Net Income	1,701.3	-299.0	732.8	283.2	347.9	-	389.0%

Profit before Income tax of AR\$1.5 billion compared to a profit of AR\$480 million in 4Q18 and a loss of AR\$380 million in 3Q19. In the quarter, the Treasury business benefitted from a decrease in cost of funds following the reduction in interest rates, and from price improvements of reprofiled short term AR\$ and US\$ local treasury notes held by Supervielle. In the previous quarter short term treasury notes had been impacted by the debt reprofiling announced by the Argentine government in August 2019.

During 4Q19, the Treasury Segment reported an **Attributable Net Income** of AR\$1.7 billion, compared to a net gain of AR\$347.9 million in 4Q18 and a net loss of AR\$299.0 million in 3Q19.

Net Financial Income, is mainly explained by price improvements of reprofiled short term AR\$ and US\$ local treasury notes.

Consumer Finance Segment

Through Cordial Compañía Financiera and Tarjeta Automática, Supervielle offers credit card services and loans to the middle and lower-middle-income sectors. Product offerings also include consumer loans, credit cards and insurance products through an exclusive agreement with Walmart Argentina, as well as with other agreements with retailers such as Hiper Tehuelche and through Tarjeta Automática branch network. Moreover, through Espacio Cordial, Supervielle offers non-financial products and services. Since the MILA acquisition, the new portfolio of used car loans and its respective results are recorded under Consumer Finance Segment.

Consumer Finance Segment – Highlights (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Income Statement							
Net Interest Income	411.7	362.9	321.4	422.2	425.5	13.4%	-3.3%
NIIFI & Exchange rate differences	27.5	222.5	-12.5	-14.9	-146.2	-87.6%	-
Net Financial Income	439.2	585.5	308.9	407.3	279.3	-25.0%	57.3%
Net Service Fee Income	205.0	297.2	242.6	208.1	209.2	-31.0%	-2.0%
Net Operating Revenue, before Loan Loss Provisions	722.9	974.7	600.1	696.4	570.1	-25.8%	26.8%
Loan Loss Provisions	-205.7	-241.5	-361.6	-466.9	-559.5	-14.8%	-63.2%
Profit before Income Tax	-187.0	72.5	-378.7	-337.7	-563.2	-	-
Attributable Net Income	92.4	206.6	-264.2	-253.3	-414.6	-	-
Balance Sheet							
Loan Portfolio (Net of LLP)	5,812.0	6,195.7	6,419.8	7,153.9	7,531.7	-6.2%	-22.8%

Attributable Net Income at the Consumer Finance Segment registered a net gain of AR\$92.4 million compared to a net loss of AR\$414.6 million in 4Q18 and a net gain of AR\$206.6 million in 3Q19.

QoQ results mainly explained by lower loan loss provisions partially offset by a 25% decrease in Net Financial Income and 31% decrease in Net Fee Income.

YoY results showed a strong decrease in LLP from AR\$559.5 million to AR\$205.7 million in 4Q19, while Net Financial Income increased 57.3% or AR\$160 million in the quarter benefitting from a decrease in cost of funds following the reduction in interest rates.

Interest Earning Assets	4Q19		3Q19		2Q19		1Q19		4Q18	
(In millions of Argentine Ps.)	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate	Avg. Balance	Avg. Rate
Investment Portfolio										
Government and Corporate Securities	134.8	60.0%	331.0	25.4%	69.7	29.6%	-		15	149.8%
Securities Issued by the Central Bank	-		552	84.4%	-		-		-	
Total Investment Portfolio	134.8	60.0%	882.9	62.3%	69.7	29.6%	-	-	15	149.8%
Loans										
Loans to the Financial Sector	166	58.4%	60	35.7%	-	-	-	-		
Automobile and Other Secured Loans	492	62.1%	411	61.6%	390	60.7%	354	60.9%	280	58.2%
Consumer Finance Personal Loans	3,325	73.2%	3,858	65.2%	4,676	61.3%	5,149	56.8%	5,585	55.9%
Credit Card Loans	2,365	39.5%	2,353	31.5%	2,394	43.3%	2,498	46.9%	2,510	44.2%
Total Loans	6,347.6	59.4%	6,680.9	52.9%	7,459.8	53.9%	8,001.3	53.9%	8,376.0	52.5%
Total Interest-Earning Assets	6,482.4	59.4%	7,563.8	54.0%	7,529.5	55.2%	8,001.3	53.9%	8,391.0	
Interest Bearing Liabilities										
Time Deposits	751	57.5%	1,012	57.4%	1,070	51.1%	2,037	47.4%	920	48.6%
Borrowings from Other Fin. Inst. & Unsub Negotiable Obligations	3,044	49.2%	3,477	28.6%	3,544	60.8%	3,620	50.0%	4,983	60.7%
Total Interest-Bearing Liabilities	3,795	50.9%	4,489	35.1%	4,615	58.5%	5,658	49.1%	5,904	58.8%

Consumer finance lending business showed positive results for the second consecutive quarter reflecting continued improvement in asset quality after the tightening of its underwriting policies and reducing exposure, together with the decline in cost of funds in the quarter.

Consumer Finance Lending*	4Q19	3Q19	2Q19	1Q19
Average Assets	8,957.2	8,627.2	9,239.0	9,505.9
Net Financial Income	402.8	512.0	279.0	380.3
Loan loss provisions	(205.7)	(236.8)	(368.2)	(473.2)
Personnel & Administrative Expenses	(426.1)	(395.7)	(441.7)	(421.6)
Attributable Net Income	70.9	164.5	(335.1)	(331.8)
Net Financial Income / Avg. Assets**	18.0%	23.7%	12.1%	16.0%
LLP / Avg. Assets**	9.2%	11.0%	15.9%	19.9%
Operating Expenses / Avg. Assets**	19.0%	18.3%	19.1%	17.7%
ROAA**	3.2%	7.6%	-14.5%	-14.0%
ROAE**	10.1%	25.3%	-55.0%	-61.6%
Total Assets / Shareholder Equity	3.18	3.32	3.79	4.41

*Includes CCF / MILA and TA results and assets

**Annualized ratios

Loan loss provisions amounted to AR\$205.7 million in 4Q19, down 63.2% from 4Q18 and 14.8% from 3Q19. Cost of Risk was 12.8% in 4Q19 compared to 14.5% in the previous quarter, improving 170 bps QoQ and 1,390 bps YoY.

The **NPL ratio** was 17.2% in 4Q19, declining from 20.3% in 3Q19 and 19.4% in 4Q18. NPL creation improved for the fourth consecutive quarter in 4Q19 despite the challenging environment, reflecting the measures taken by the Company since 1Q18 to enhance asset quality following the peaks observed in 2Q18. These measures included tightening of credit scoring standards, slower origination and changes in the collection process in the consumer finance segment.

Loans (net of Provisions for loan losses) totaled AR\$5.8 billion as of December 31, 2019 decreasing 6.2% QoQ and 22.8% YoY. The contraction in the Consumer Finance loan portfolio continues to reflect the Company's decision to tighten credit scoring standards in the segment as well as lower consumer credit demand.

Insurance Segment

Through Supervielle Seguros, Supervielle offers insurance products, primarily personal accidents insurance, protected bag and life insurance. All insurance products are offered to its customers. Supervielle Seguros offers credit related and others insurance to satisfy the needs of customers as well.

The Insurance Broker began operations in late August, with the launch of an integral insurance product offering to its customers, with initial focus on Entrepreneurs & Small Businesses and SMEs.

Insurance Segment – Highlights (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Net Financial Income	135.8	7.2	90.2	87.8	86.3	1792.6%	57.3%
Net Service Fee Income	237.1	196.4	200.4	147.9	142.3	20.8%	66.6%
Net Operating Revenue, before Loan Loss Provisions	374.5	205.1	292.2	236.9	229.5	82.6%	63.2%
Profit before Income Tax	230.1	117.1	201.8	171.6	154.6	96.5%	48.8%
Attributable Net Income	177.9	75.6	169.4	119.7	113.3	135.4%	57.0%
Gross written premiums	406.5	399.5	323.4	280.2	273.9	1.8%	48.4%
Claims Paid	67.1	72.8	15.4	39.9	40.8	-7.8%	64.6%
Combined Ratio	61.6%	57.9%	50.6%	68.8%	71.3%	6.5%	-13.6%

Attributable Net income of the Insurance Segment in 4Q19 was AR\$177.9 million, compared to AR\$113.3 million in 4Q18 and AR\$75.6 million in the previous quarter.

Following the Central Bank Regulation issued in 2016, since September 1, 2016 both Banco Supervielle and Cordial Compañía Financiera are self-insuring against credit related risks and Banco Supervielle is only contracting new credit related insurances for mortgages loans and some bigger loans which may exceed certain amount. The Company expects to continue expanding this business and launching new insurance products previously offered to its customers by other Insurance Companies. As part of this strategy, Supervielle Seguros launched new products including; Home Insurance, Technology Insurance and ATMs insurance and an Integral Insurance product for Entrepreneurs and SMEs.

Gross written premiums were up 1.8% QoQ, with non-credit related policies increasing AR\$8.5 million, or 2.1%. Claims paid decreased 7.8%.

Profit before Income tax to Supervielle Seguros in 4Q19 were AR\$230.1 million, increasing 48.8% YoY and 96.5% QoQ.

Claims Paid amounted to AR\$67.1 million in 4Q19, increasing 64.6% YoY and but decreasing 7.8% QoQ. The **Combined ratio** improved to 61.6% in 4Q19 from 71.3% in 4Q18 but increased from 57.9% in 3Q19. In the quarter, the increase in the combined ratio is explained by higher general expenses, while GWP and Claims paid showed better performance than in 3Q19.

Gross written premiums by product (in million)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Life insurance and total and permanent disability insurance for debit balances	0.9	2.4	5.2	4.8	8.2	-63.0%	-89.4%
Personal Accident Insurance	25.0	23.4	21.0	19.9	18.9	6.8%	31.8%
Protected Bag Insurance	45.6	48.5	45.3	41.2	38.7	-5.9%	17.7%
Broken Bones	14.8	15.2	12.3	10.7	9.9	-2.3%	49.9%
Others	8.7	6.3	6.6	7.7	7.2	38.5%	20.5%
Home Insurance	48.2	48.5	53.4	39.3	36.6	-0.6%	31.7%
Tecnology Insurance	16.6	18.2	17.4	12.8	11.6	-8.8%	42.4%
ATM Insurance	22.4	11.0	11.3	11.2	7.7	103.0%	190.7%
Mortgage Insurance	26.4	24.0	28.6	20.6	25.8	10.1%	2.2%
Life insurance.	197.9	202.2	122.2	112.1	109.2	-2.1%	81.3%
Total	406.5	399.5	323.4	280.2	273.9	1.7%	48.4%

Asset Management & Others Segment

Supervielle offers a variety of other services to its customers, including mutual fund products through Supervielle Asset Management. Since May 2018, Supervielle also offers products and services through InvertirOnline S.A. Since the MILA acquisition, the new portfolio of used car loans and its respective results are recorded under Consumer Finance Segment. MILA portfolio outstanding at the moment of the acquisition and its respective results are recorded under Asset Management & Others Segment.

Asset Management & Others Segment Highlights (In millions of Argentine Ps.)						% Change	
	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Net Interest Income	30.8	-37.2	33.0	29.6	-32.8	-	-
NIIFI & Exchange rate differences	75.7	-43.4	21.3	47.0	14.7	-	-
Net Financial Income	106.6	-80.6	54.3	76.7	-18.1	-	-
Net Service Fee Income	100.9	141.9	120.2	115.8	87.6	-28.9%	15.2%
Net Operating Revenue, before Loan Loss Provisions	238.5	114.3	209.1	227.6	105.3	108.7%	126.4%
Profit before Income Tax	87.9	-3.0	33.7	85.6	0.9	-	-
Attributable Net Income	91.4	-21.6	64.8	57.3	-11.7	-	-
Assets Under Management	16,802	11,181	16,158	17,143	13,648	50.3%	23.1%
Market Share	2.1%	1.9%	2.1%	2.3%	2.3%	14.6%	-6.2%

During 4Q19, **Profit before Income tax**, was AR\$87.9 compared with a gain of AR\$0.9 million in 4Q18 and a loss of AR\$3.0 million in 3Q19. This gain reflects both higher activity level in the asset management industry together with price improvements of reprofiled short term AR\$ and US\$ local treasury notes held by the Company.

Net Income of the Asset Management Segment & Other Segments of AR\$91.4 million compared to a Net Loss of of AR\$11.7 million in 4Q18 and AR\$21.6 million in 3Q19. The QoQ and YoY performance mainly explained by the abovementioned price improvements. In the quarter Net Service Fee Income decreased 28.9%, while YoY, it increased 15.2%.

Assets under management amounted to AR\$16.8 billion as of December 31, 2019, up from AR\$11.2 billion as of September 2019 and AR\$13.6 billion as of December 2018.

RELEVANT EVENTS

Financial Agency Agreement of the Province of San Luis

In January 2019, the government of the Province of San Luis released the terms and conditions of the auction to be held by the Province for the new financial agency agreement. Only two proposals were presented on March 15, 2019. On December 6, 2019, the provincial government issued the Decree No. 8,589 that resolved to close the auction process without awarding the financial agency agreement. Supervielle will continue to render services as Financial Agent until the Province of San Luis names a new Financial Agent.

Grupo Supervielle entered the Bolsas y Mercados Argentinos Corporate Governance Panel

On October 15, 2019, Supervielle entered the GC Level of the Corporate Governance Panel (the "GC Panel") of Bolsas y Mercados Argentinos S.A. ("ByMA").

The Corporate Governance Panel includes those companies already listed on the ByMA that qualify to enter this special trading panel by voluntarily incorporating corporate governance practices in line with the best international standards in addition to those required by Argentine legislation in this area, by adopting a set of rules that further protect the rights of all shareholders and that promote improvement in the disclosure of information and in monitoring and control structures.

Supervielle S.A. appointed Mr. Sergio Mazzitello as Chief Technology Officer

On November 15, 2019, Supervielle announced that it has appointed Sergio Mazzitello as the Company's Chief Technology Officer, effective December 16, 2019. Mr. Mazzitello brings to Supervielle over 25 years' experience in the payments industry and in financial services. He has served since 2014 as Chief Information Officer in Naranja, from Grupo Galicia. Previously, he held several executive level positions leading cross-functional international teams, in the areas of Business, Operations, and IT. Last September, Mr. Mazzitello was recognized as CIO of the Year as awarded by Infotechnology Magazine and El Cronista. He holds a degree in Information Systems from the University of Buenos Aires and a Master in Business Administration from IDEA.

Banco Supervielle - Voted Best Financial Institution of Mendoza 2019

On November 22, 2019 Banco Supervielle, was chosen as "Best Financial Institution of Mendoza 2019" competing with other leading financial institutions in the Province. This is the second time that Banco Supervielle was recognized with this award.

Grupo Supervielle acquired Futuros del Sur S.A.

On December 18, 2019, Supervielle acquired 100% of the share ownership of brokerage firm Futuros del Sur S.A.

With this acquisition, Grupo Supervielle seeks to broaden the investment and financial services it provides to its institutional and corporate customers and also drive efficient and profitable cross selling.

Supervielle is part of the BYMA Sustainability Stock Index for the second consecutive year since its launch

On December 18, 2019, BYMA (Bolsas y Mercados Argentinos), together with the IDB (Inter-American Development Bank) and with the academic endorsement of the Earth Institute of Columbia University, presented the rebalancing of the Sustainability Stock Index. Following this rebalancing, Grupo Supervielle remains in the BYMA Sustainability Stock Index and has been so since the Index launched on December 2018.

The Index is non-commercial and evaluates the performance of the most liquid issuers listed in BYMA (Merval index members for recent years), in the four ESG-D pillars, based on the information reported and available to the general public. The methodology is based on the IndexAmericas, and the data collection is undertaken by Refinitiv.

The index identifies and highlights the leading companies in Environmental, Social, Sustainable Development and Corporate Governance (ESG-D).

CREDIT RATINGS

Banco Supervielle Credit Rating

Fitch has reviewed the ratings of Argentine financial institutions (FIs) following the downgrade of the sovereign's long-term following the government's unilateral extension of repayment on certain debt obligations. As a result,

on October 1, 2019 Fitch Ratings reviewed Banco Supervielle S.A.'s (Supervielle) Long-Term Foreign and Local Currency Issuer Default Ratings (IDRs) at 'CC'. On February 5, 2020, Fitch has maintained this rating.

Banco Supervielle Credit Rating

On September 4, 2019, Moodys placed under review for downgrade all long-term ratings, in line with the review for downgrade of the sovereign rating. As a result, the ratings and assessments assigned to Supervielle were downgraded following the three-notch downgrade of Argentina's government bond rating to Caa2 from B2. Supervielle's Baseline Credit Assessment (BCA) was downgraded to caa2 from b2, and its deposit and debt ratings were downgraded to Caa2 from B2, while its national scale deposit ratings were downgraded to B2.ar from A2.ar. On January 14, 2020, Moodys confirmed this ratings.

Banco Supervielle Credit Rating

Fix Scr (Argentine affiliate of Fitch Group) reviewed a local long term national scale rating for Banco Supervielle as AA- (Arg), with a negative outlook in line with the outlook of the Argentine Financial System. This rating was reviewed on October 11, 2019 and confirmed on December 19, 2019.

REGULATORY CHANGES

Short-term Argentine Treasury Notes Reprofiting

On August 28, 2019, the Central Government announced the reprofiling of sovereign debt through the Decree 596/2019. This included the extension of maturities for the LECAPs (capitalizing notes in pesos), LETEs (US dollar-denominated notes), LECER (inflation-linked notes) and LELINK (US dollar linked notes). The aim was to cancel 15% of face value on the original maturity date, 25% in three months since maturity and the remaining 60% six months since maturity.

On December 20, 2019, the government decided through Decree 49/2019 that all payments of US dollar denominated Treasury notes (LETES) will be postponed to August 31, 2020, revoking the payment schedule decided in the debt reprofiling of August 28th, 2019.

Voluntary Bond Swap of Lecaps

On January 20, 2020, the Ministry of Economy and the Secretary of Finance offered a voluntary bond swap of the Treasury capitalizing notes in pesos (LECAPs) with original maturity on August 30th 2019, September 13th 2019, October 11th 2019, November 25th 2019 and February 28th 2020, which had been reprofiled through Decree 596 in August 2019. This swap included the exchange of these notes for BADLAR adjusted notes (LEBADs), with maturities on September 18, 2020 and December 22, 2020.

Financing line in Pesos to SMEs exporters

On December 19, 2019, the BCRA announced through Communication "A" 6846 that it authorized a new US dollar linked financing instrument denominated in pesos, through which banks will be able to finance small and medium size companies' exports. Banks will be able to hedge the Fx risk. The exporter will return these financing with pesos resulting from the liquidation of its exports. The amount of US dollar linked loans exceeding the US dollar linked deposits will not be taken into account for the bank FX Position ("PGNME")

Special treatment for debt instruments of the Non-Financial Public Sector

On December 31, 2019, the Central Bank, through Communication "A" 6847 provided a special treatment for debt instruments of the Non-Financial Public Sector, which will be effective January 1, 2020. The aforementioned special treatment implies temporarily excluding the scope of application of IFRS 9 to non-financial public sector debt instruments.

Also effective January 1, 2020, financial institutions are allowed to re-categorize the instruments corresponding to the non-financial public sector that are measured at Fair value through profit or loss and at Fair value through other comprehensive income to the Amortized cost criteria, using as incorporation value the book value at that date. With respect to the instruments for which this option has been exercised, in case the book value is above its fair value, the accrual of interest will be interrupted.

Credit Lines for SMEs & Reserve Requirements

On January 9, 2020, the Central Bank modified the minimum reserve requirements, enabling financial institutions to reduce their reserve requirements for an amount of 30% of peso financing granted to SMEs at an annual interest rate below 40%. At the same time, this deduction cannot exceed the 2% of concepts in pesos subject to reserve requirements on average in the previous month.

On February 13, 2020, the Central Bank decided the reduction on regulatory reserve requirements for SMEs financing at rates of 35% or lower, effective February 17, 2020.

Mutual Fund Repo transactions

On January 10, 2020, the Central Bank announced through Communication "A" 6861 that the operation of passive repo transactions to one day with Mutual Funds will be cancelled on January 31, 2020.

UVA Time Deposits

On January 16, 2020, the Central Bank created through Communication "A" 6871, a UVA denominated time deposit, adjustable to prices evolution, at a real positive rate with an early cancellation option. All banks must offer this product through both face-to-face and electronic channels, effective February 1, 2020.

This deposit will pay an interest rate not lower than 1% nominal annual, and will have a minimum maturity period 90-days. Cancellation option is after 30 days. The early cancellation interest rate will remain fixed at the time of contracting the term deposit. This rate will be published daily on the Main Variables section of the BCRA website.

Changes to LELIQ auctions

Since January 21, 2020, the Central Bank will offer to the market LELIQ at 7 and 14 days.

LELIQ auctions will be held on Tuesdays and Thursdays with a single daily call, therefore ending the two calls per business day mode.

Treatment for UVA financing

On January 30, 2020, the Central Bank through Communication "A" 6884, decided effective February to December 2020, a special treatment for UVA financing. Financial institutions will have to deduct from the contract installment, the 11/12 part of the increase that it would have had between August 2019 and January 2020. This deduction will decrease in 1/12s per month until it converges to the value of the contractual instalment for January 2021. Additionally, reserve requirements are reduced for financing that institutions decide to give special treatment to, requiring 0.8% of the contractual amount as of the end of November 2019.

Minimum Cash Reserve Requirements

Through Communication "A" 6719 issued on June 19, 2019 the Central Bank announced that from June 1, 2019, obligations with retail stores for sales made through the use of credit cards and / or purchase cards are excluded from the minimum cash reserve requirements.

Moreover, through this communication it was also determined that from July 1, 2019, the minimum cash reserve requirements in pesos shall be calculated by the average of daily balances of the liabilities registered at the close of each day during the period prior to its integration and established the unified computation of the minimum cash requirement in pesos for the periods July / August and December of a year / January of the following year.

The Central Bank also announced that financial entities may choose to integrate, in the months of July and December of each year, the non-integrated pesos requirements of the previous month, maintaining the computation method in force for the requirement of each period (monthly average or bimonthly - depending on the case - balances of the liabilities included in the previous period).

Later on, on July 1, 2019, through Communication "A" 6728, the Central Bank announced a decrease in minimum cash reserve requirements by 3 percentage points in pesos for all financial institutions time deposits.

On July 22, 2019, through Communication "A" 6738, the Central Bank announced that an additional 3 percentage points of the total reserve requirements could be set up with leliqs. Previously this 3% was set up with cash.

On October 28, 2019, through Communication "A" 6817, the Central Bank announced that starting November 1, 2019, reserve requirements on sight deposits will no longer be allowed to be set up with leliqs.

Financial institutions belonging to Group "A" (group of systemic importance) now have the following minimum reserve requirement: sight deposits reserve requirements amount to 45%, of which 40% should be set up in cash and 5% in BOTES 2020. For time deposits of up to 29 days of residual term, minimum reserve requirements amount to 32%, where 11% should be set up in cash, 5% in Botes 2020 and 16% in Leliq. These requirements are reduced as the term of deposits increases. For deposits with a residual tenor between 30 and 59 days, the requirements are 22%, 4% set up in cash, 5% in BOTES 2020 and 13% in LELIQs, reducing to 0%, 2% and 2%, respectively, for the residual term from 60 to 89 days. Deposits of more than 90 days of residual term have no minimum reserve requirement.

On January 2, 2020, through Communication "A" 6857 the Central Bank announced that the deduction from the minimum requirements of the financing granted under the Ahora 12 program may not exceed 1.5% of the total concepts in pesos of the previous month. So far, that limit was 1%. In turn, such limit may be increased (with a cap of 1%) depending on the increase in financing granted in the program in relation to the total requirement compared to the same proportion as of December 2019.

On January 9, 2020 through Communication "A" 6858 Central Bank increase deduction on minimum reserve requirements to the amount of financings to SMEs granted at a maximum rate of 40%. The total amount to be deducted from minimum requirements may not exceed 30% of the sum of the financing in pesos to SMEs and it should not exceed 2% of the concepts in pesos subject to requirement.

According to the abovementioned Communication "A" 6871, Central Bank enables financial institutions to exclude the withdrawal optionality in UVA adjusted time deposits from the reserve requirement count.

On February 13, 2020, through Communication "A" 6901, the Central Bank established the reduction on regulatory reserve requirements for SMEs financing at 35% or lower, in effect as of February 17, 2020. Financing at 40% agreed before February 16th can still be deducted from reserve requirements until maturity.

Financial Reporting in Hyperinflationary Economies

IAS 29 "Financial Reporting in hyperinflationary economies", requires that financial statements of an entity whose functional currency is the currency of a hyperinflationary economy, whether they are based on a historical cost approach or a current cost approach, shall be stated in terms of the measuring unit current at the end of the reporting period. In doing so, non-monetary items are restated by applying to its historical cost and accumulated depreciation the change in a general price index from the date of acquisition or last revaluation, until the end of the reporting period. Such restatement is also applied to figures of previous periods included in the financial statements.

In order to determine if an economy is hyperinflationary in accordance with IAS 29, the Standard sets a number of factors to be considered, including a cumulative inflation rate over three years that approaches or exceeds 100%.

Accumulated inflation in the last three years has exceeded 100%. For this reason, in accordance with IAS 29, the Argentine economy must be considered as hyper-inflationary as of July 1, 2018.

In a hyper-inflationary environment, any entity that maintains an excess of monetary assets over monetary liabilities, will lose purchasing power, and any entity that maintains an excess of monetary liabilities over monetary assets, will gain purchasing power, provided that such items are not subject to an adjustment mechanism.

Briefly, the restatement mechanism of IAS 29 establishes that monetary assets and liabilities will not be restated since they are already expressed in the current measurement unit at the end of the reporting period. Assets and liabilities subject to adjustments based on specific agreements will be adjusted in accordance with such agreements. The non-monetary items measured at their current values at the end of the reporting period, such as the net realization value or others, do not need to be restated. The remaining non-monetary assets and liabilities will be restated by a general price index. The loss or gain from the net monetary position will be included in the net result of the reporting period, disclosing this information in a separate line item.

By issuing the Communication "A" 6651 in February 2019, the Central Bank adopted IAS 29 and the inflation adjustments provisions stated therein for fiscal years starting January 1, 2020. Therefore, IAS 29 was not applied to financial statements for the fiscal years ended on December 31, 2018 and 2017.

The application of IAS 29 "Financial Reporting in Hyperinflationary Economies" has overall effects on these consolidated condensed interim financial statements. Accordingly, the reported amounts would be significantly affected. The Group's shareholders' equity as of December 31, 2019 and its comprehensive 12 months results of operations would amount to approximately AR\$ 24.2 billion and AR\$1.4 billion loss, respectively.

Adoption of IFRS 9 – Impairment of financial assets

Through Communications A 6778 and 6847 issued on September 5 and December 27, 2019, respectively, the Central Bank introduced a progressive adoption of the impairment model for IFRS 9 in a 5-year period for Group B entities, where Cordial Compañía Financiera (CCF), Supervielle's consumer finance company, is included. According to this model, the impact on the balance sheet for adopting IFRS 9 (i.e. the difference between loan loss reserves recorded as of December 31, 2019 and those required by the expected losses model) will be recognized in 5 years, recording 5% of such difference in each quarter on a cumulative basis starting March 31, 2020.

In addition, the Central Bank established a temporary exclusion from the impairment model of IFRS 9 for government-issued debt securities.

The Company's level of Loan Loss Reserves as of December 31, 2019 converges to the level of reserves required by the implementation of IFRS9 ruled by the Central Bank effective January 2020.

Appendix II: Definition of ratios

Net Interest Margin Since 2019: Net interest income + Net income from financial instruments at fair value through profit or loss + Exchange rate differences on gold and foreign currency, divided by average interest-earning assets.

Net Fee Income Ratio: Net services fee income + Income from insurance activities divided by the sum of Net interest income + Net income from financial instruments at fair value through profit or loss + Exchange rate differences on gold and foreign currency, net services fee income, income from insurance activities and other net operating income.

Net Fee Income as a % of Administrative Expenses: Net services fee income + Income from insurance activities divided by Personnel, Administrative Expenses and D&A.

ROAE: Attributable Net Income divided by average shareholders' equity, calculated on a daily basis and measured in local currency⁽¹⁾.

ROAA: Attributable Net Income divided by average assets, calculated on a daily basis and measured in local currency⁽²⁾.

Efficiency Ratio: Personnel, Administrative expenses and Depreciation & Amortization divided by the sum of Net interest income + Net income from financial instruments at fair value through profit or loss + Exchange rate differences on gold and foreign currency, net services fee income, income from insurance activities and other net operating income.

Loans to Total Deposits: Loans and Leasing before allowances divided by total deposits.

Regulatory Capital/ Risk Weighted Assets: Regulatory capital divided by risk weighted assets. This ratio applies only to the Bank and CCF on a consolidated basis.

Cost of Risk: Annualized loan loss provisions divided by average loans, calculated on a daily basis.

NPL Creation: NPL loans created in the quarter, which is equivalent to the net increase in NPL on our balance sheet plus portfolio written off in the quarter.

⁽¹⁾Until December 31, 2018, ROAE was calculated as Attributable Comprehensive Income divided by average shareholders' equity, calculated on a daily basis and measured in local currency. Following the change in Guidance from Comprehensive Income until 2018, to Net Income since 2019, for comparison reasons we restated previous quarters' ROAE following the current definition.

⁽²⁾Until December 31, 2018, ROAA was calculated as Attributable Comprehensive Income divided by average assets, calculated on a daily basis and measured in local currency. Following the change in Guidance from Comprehensive Income until 2018, to Net Income since 2019, for comparison reasons we restated previous quarters' ROAA following the current definition.

GRUPO SUPERVIELLE FINANCIAL STATEMENTS

Consolidated Balance Sheet Data (In millions of Argentine Ps.)	dec 19	sep 19	jun 19	mar 19	dec 18
Assets					
Cash and due from banks	26,403.1	18,857.4	26,481.5	31,051.5	33,687.6
Securities at fair value through profit or loss	568.5	31,555.0	41,912.5	35,216.4	15,112.1
Derivatives	257.6	210.2	96.7	181.4	15.9
Repo transactions	-	3,996.5	35.7	-	-
Other financial assets	2,092.8	1,701.2	2,951.3	2,699.7	1,715.5
Loans and other financings	88,922.2	84,919.4	80,026.8	79,458.7	78,791.9
Other securities	10,671.6	3,829.5	3,168.8	3,369.4	4,311.1
Financial assets in guarantee	5,333.7	3,773.7	4,146.0	4,894.7	2,007.2
Current Income tax assets	120.7	-	-	-	-
Investments in equity instruments	14.6	8.8	9.1	10.1	10.4
Investments in subsidiaries, associates and joint ventures	-	-	-	-	-
Property, plant and equipment	3,074.8	2,300.0	1,752.2	1,770.6	1,777.4
Intangible assets	2,308.4	2,083.3	2,036.3	1,942.1	1,961.8
Deferred tax assets	1,841.1	1,574.4	1,401.8	935.1	519.2
Other non-financial assets	4,884.1	5,006.5	2,126.1	2,319.8	1,205.3
Total assets	146,493.1	159,815.8	166,144.7	163,849.3	141,115.5
Liabilities and shareholders' equity					
Deposits:	89,008.2	102,060.3	112,638.3	109,676.8	94,906.0
Non-financial public sector	5,470.2	7,603.2	10,059.2	11,204.8	11,105.5
Financial sector	28.1	27.1	26.6	20.3	25.2
Non-financial private sector and foreign residents	83,509.9	94,430.0	102,552.6	98,451.6	83,775.3
Liabilities at a fair value through profit or loss	189.6	-	1,774.3	1,367.2	268.1
Derivatives	-	-	-	-	94.2
Repo transactions	319.8	318.3	431.8	1,497.2	-
Other financial liabilities	9,171.2	7,343.9	7,034.9	6,521.6	4,268.4
Financing received from Central Bank and others	9,017.6	10,193.5	4,693.7	7,021.3	8,033.2
Medium Term Notes	6,086.5	10,172.1	11,625.8	11,990.4	9,307.2
Current Income tax liabilities	-	209.1	499.5	504.3	193.0
Subordinated Loan and Negotiable Obligations	2,119.9	2,098.6	1,553.6	1,579.6	1,383.8
Provisions	677.0	154.8	119.0	93.4	86.9
Deferred tax liabilities	2.0	17.7	39.0	10.6	0.2
Other non-financial liabilities	8,202.7	7,120.4	6,340.3	5,801.0	5,404.3
Total liabilities	124,794.5	139,688.7	146,750.3	146,063.3	123,945.4
Attributable Shareholders' equity	21,698.6	20,109.7	19,377.6	17,771.0	17,155.6
Non Controlling Interest	18.6	17.4	16.8	15.0	14.6
Total liabilities and shareholders' equity	146,493.1	159,815.8	166,144.7	163,849.3	141,115.5

Income Statement						% Change	
(In millions of Argentine Ps.)	4Q19	3Q19	2Q19	1Q19	4Q18	QoQ	YoY
Argentine Banking GAAP:							
Interest income	11,009.3	9,236.2	8,546.5	7,937.5	8,394.8	19.2%	31.1%
Interest expenses	(6,597.0)	(7,712.5)	(7,175.8)	(6,719.2)	(6,371.6)	-14.5%	3.5%
Net interest income	4,412.3	1,523.8	1,370.7	1,218.3	2,023.2	189.6%	118.1%
Net income from financial instruments at fair value through profit or loss	2,788.5	4,358.7	4,918.8	4,587.8	2,700.1	-36.0%	3.3%
Exchange rate differences on gold and foreign currency	457.1	(604.4)	270.8	(328.3)	534.8	-175.6%	-14.5%
NIFFI & Exchange Rate Differences	3,245.5	3,754.4	5,189.6	4,259.4	3,235.0	-13.6%	0.3%
Net Financial Income	7,657.8	5,278.1	6,560.3	5,477.7	5,258.1	45.1%	45.6%
Fee income	1,898.7	1,890.3	1,665.8	1,561.8	1,387.8	0.4%	36.8%
Fee expenses	(550.1)	(541.8)	(424.0)	(334.1)	(322.7)	1.5%	70.4%
Income from insurance activities	266.8	258.1	217.2	204.0	180.4	3.4%	47.9%
Net Service Fee Income	1,615.5	1,606.6	1,458.9	1,431.7	1,245.5	0.6%	29.7%
Other operating income	875.5	722.9	521.0	532.9	539.4	21.1%	62.3%
Loan loss provisions	(1,368.1)	(2,007.4)	(1,210.8)	(1,893.0)	(1,382.8)	-31.8%	-1.1%
Net Operating Revenue	8,780.7	5,600.3	7,329.4	5,549.3	5,660.2	56.8%	55.1%
Personnel expenses	(3,821.9)	(2,692.3)	(2,876.5)	(2,317.2)	(2,273.4)	42.0%	68.1%
Administrative expenses	(1,868.4)	(1,573.1)	(1,519.4)	(1,280.5)	(1,317.8)	18.8%	41.8%
Depreciation & Amortization	(253.8)	(231.2)	(208.8)	(200.4)	(122.0)	9.8%	108.0%
Other expenses	(1,806.7)	(1,220.2)	(1,158.7)	(1,002.5)	(1,043.2)	48.1%	73.2%
Operating income	1,029.8	(116.5)	1,566.1	748.7	903.8	-	13.9%
Profit before income tax	1,029.8	(116.5)	1,566.1	748.7	903.8	-	13.9%
Profit from continuing operations	1,029.8	(116.5)	1,566.1	748.7	903.8	-	13.9%
Income tax expense	437.5	417.8	337.1	(159.1)	(220.8)	4.7%	-298.2%
Net income	1,467.3	301.3	1,903.2	589.5	683.0	387.0%	114.8%
Attributable to owners of the parent company	1,466.2	301.0	1,901.5	589.1	706.8	387.0%	107.4%
Attributable to non-controlling interests	1.1	0.3	1.7	0.4	(23.8)	336.5%	-104.6%
Other comprehensive income, net of tax	104.2	431.0	7.7	26.3	228.7	-75.8%	-54.5%
Comprehensive income	1,571.5	732.7	1,911.0	615.8	911.7	114.5%	72.4%
Attributable to owners of the parent company	1,570.3	732.1	1,909.3	615.4	935.3	114.5%	67.9%
Attributable to non-controlling interests	1.2	0.6	1.7	0.4	(23.6)	81.1%	-105.0%
ROAE	28.4%	6.2%	42.2%	13.6%	17.1%		
ROAA	3.7%	0.7%	4.7%	1.5%	2.0%		

About Grupo Supervielle S.A. (NYSE: SUPV; BYMA: SUPV)

Grupo Supervielle S.A. ("Supervielle") is a universal financial services group located in Argentina that owns the eleventh largest bank in terms of loans. Headquartered in Buenos Aires, Supervielle offers retail and corporate banking, treasury, consumer finance, insurance, asset management and other products and services nationwide to a broad customer base including: individuals, small and medium-sized enterprises and medium to large-sized companies. With origins dating back to 1887, Supervielle operates through a multi-brand and multi-channel platform with a strategic national footprint. As of December 31, 2019, Supervielle had total assets of AR\$146.5 billion under Argentine Banking GAAP. As of the date of this report Supervielle had 316 access points and 1.8 million active customers. As of December 31, 2019, Grupo Supervielle had 456,722,322 shares outstanding and a free float of 64.9%. For information about Grupo Supervielle, visit www.gruposupervielle.com.

Investor Relations Contacts:

Ana Bartesaghi

Treasurer and Investor Relations Officer
5411-4324-8132
Ana.BARTESAGHI@supervielle.com.ar

Gustavo Tewel

5411-4324-8158
Gustavo.TEWEL@supervielle.com.ar

Nahila Schianmarella

5411-4324-8135
Nahila.SCHIANMARELLA@supervielle.com.ar

Valeria Kohan

5411-4340-3013
Valeria.KOHAN@supervielle.com.ar

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This press release contains certain forward-looking statements that reflect the current views and/or expectations of Grupo Supervielle and its management with respect to its performance, business and future events. We use words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "seek," "future," "should" and other similar expressions to identify forward-looking statements, but they are not the only way we identify such statements. Such statements are subject to a number of risks, uncertainties and assumptions. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this release. Actual results, performance or events may differ materially from those in such statements due to, without limitation, (i) changes in general economic, financial, business, political, legal, social or other conditions in Argentina or elsewhere in Latin America or changes in either developed or emerging markets, (ii) changes in regional, national and international business and economic conditions, including inflation, (iii) changes in interest rates and the cost of deposits, which may, among other things, affect margins, (iv) unanticipated increases in financing or other costs or the inability to obtain additional debt or equity financing on attractive terms, which may limit our ability to fund existing operations and to finance new activities, (v) changes in government regulation, including tax and banking regulations, (vi) changes in the policies of Argentine authorities, (vii) adverse legal or regulatory disputes or proceedings, (viii) competition in banking and financial services, (ix) changes in the financial condition, creditworthiness or solvency of the customers, debtors or counterparties of Grupo Supervielle, (x) increase in the allowances for loan losses, (xi) technological changes or an inability to implement new technologies, (xii) changes in consumer spending and saving habits, (xiii) the ability to implement our business strategy and (xiv) fluctuations in the exchange rate of the Peso. The matters discussed herein may also be affected by risks and uncertainties described from time to time in Grupo Supervielle's filings with the U.S. Securities and Exchange Commission (SEC) and Comision Nacional de Valores (CNV). Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as the date of this document. Grupo Supervielle is under no obligation and expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.