

BUENOS AIRES, August 18, 2020

BOLSAS Y MERCADOS ARGENTINOS S.A.

**Re.: Information required under section 63 of the Listing Regulations of BYMA S.A.**

In order to comply with the requirements of section 63 of the Listing Regulations of Bolsas y Mercados Argentinos S.A., we report below our income, divided into ordinary and extraordinary income and our Shareholders' Equity broken down by items and amounts, as reflected in the Quarterly Financial Statements of Banco Hipotecario S.A. ended on June 30, 2020 (three-month fiscal period).

**RESULTS**

- Net income attributable to the parent's shareholders for the quarter was Ps. 596.3 million, compared to Ps. (525.2) million for the previous quarter and Ps. (27.2) million for the second quarter of 2019.
- Net operating income for the quarter was Ps. 4,599.8 million, compared to Ps. 4,039.4 million for the previous quarter and Ps. 6,788.5 million for the second quarter of 2019.
- Operating income for the quarter was Ps. 1,113.6 million, compared to Ps. 249.9 million for the previous quarter and Ps. 1,316.8 million for the second quarter of 2019.
- In the second quarter of 2020, the Liquidity Coverage Ratio (LCR) was 179.0%, the Net Stable Funding Ratio (NSFR) was 138.6% and the liquid assets to deposits ratio was 73.4%.
- Loans to the non-financial private sector decreased 3.9% compared to the previous quarter and 28.2% compared to the same quarter of the previous fiscal year.
- Deposits increased by 40.1% compared to the previous quarter and by 49.4% compared to the same quarter of the previous fiscal year, whereas financial debt decreased 6.4% compared to the previous quarter and 26.0% compared to the second quarter of 2019.
- Non-performing loans at a consolidated level increased from 12.5% in the first quarter of 2020 to 12.7% in the second quarter of 2020, while the coverage ratio was 93.6%. Moreover, non-performing loans in the consumer portfolio decreased from 4.6% in the first quarter of 2020 to 4.4% in the second quarter of 2020.
- The total capital to risk-weighted assets ratio as of June 30, 2020 was 16.9%, compared to 17.0% for the previous quarter and 12.9% for the same quarter of the previous fiscal year.

- The COVID-19 pandemic is adversely impacting on both the global economy and the Argentine economy and our business; yet, the full extent of such impact cannot be assessed as of to date.
- The Argentine Central Bank adopted various measures throughout the year that affect the results of our operations, including interest rate caps for credit card balances, minimum interest rates for time deposits, and freezing of fees and commissions.

The Bank started to report results adjusted by inflation in accordance with IAS 29 as of the first quarter of 2020. Therefore, all the amounts and variations described in this report are stated in constant currency as of June 30, 2020. Moreover, the provisioning model set forth in item 5.5. of IFRS 9 was applied, as required by the Argentine Central Bank.

Consolidated Quarterly Income Statement (in millions of Ps.)	Quarter ended			Variation (%)	
	06/30/20	03/31/20	06/30/19	Quarterly	Annual
Interest Income	3,393.2	4,254.6	6,273.5	(20.2)%	(45.9)%
Interest Expense	(3,090.4)	(3,952.1)	(6,008.2)	(21.8)%	(48.6)%
<b>Net interest income</b>	<b>302.8</b>	<b>302.6</b>	<b>265.3</b>	<b>0.1%</b>	14.1%
Fee and commission income	1,446.4	1,247.3	1,830.3	16.0%	(21.0)%
Fee and commission expense	(60.6)	(55.6)	(249.9)	9.1%	(75.7)%
<b>Net fee and commission income</b>	<b>1,385.8</b>	<b>1,191.7</b>	<b>1,580.4</b>	<b>16.3%</b>	(12.3)%
Net income from measurement of financial instruments at fair value through profit or loss	1,930.2	1,772.1	4,780.4	8.9%	(59.6)%
Gold and foreign currency quotation differences	(48.2)	(311.2)	(1,416.9)	(84.5)%	(96.6)%
Other operating income	1,353.8	1,469.8	1,808.6	(7.9)%	(25.1)%
Loan loss provision	(324.6)	(385.6)	(229.4)	(15.8)%	41.5%
<b>Net operating income</b>	<b>4,599.8</b>	<b>4,039.4</b>	<b>6,788.5</b>	<b>13.9%</b>	(32.2)%
Employee benefits	(1,372.9)	(1,378.6)	(2,003.1)	(0.4)%	(31.5)%
Administrative expenses	(853.8)	(914.1)	(1,278.9)	(6.6)%	(33.2)%
Depreciation and impairment of assets	(161.8)	(192.5)	(91.9)	(15.9)%	76.1%
Other operating expenses	(1,097.7)	(1,304.3)	(2,097.8)	(15.8)%	(47.7)%
<b>Operating income</b>	<b>1,113.6</b>	<b>249.9</b>	<b>1,316.8</b>	<b>N/A</b>	(15.4)%
Income from subsidiaries, associates and joint businesses	21.5	(21.5)	14.9	(200.0)%	44.0%
Income from net monetary position	(295.7)	(714.8)	(1,152.8)	(58.6)%	(74.3)%
Income tax from continuing activities	(201.9)	(31.4)	(215.3)	N/A	(6.2)%
<b>Net income (loss) for the period</b>	<b>637.5</b>	<b>(517.8)</b>	<b>(36.4)</b>	<b>(223.1)%</b>	N/A
Total comprehensive loss attributable to non-controlling interests	(41.1)	(7.4)	(9.1)	N/A	N/A
<b>Total comprehensive income (loss) attributable to the parent's shareholders</b>	<b>596.3</b>	<b>(525.2)</b>	<b>(27.2)</b>	<b>(213.5)%</b>	N/A

Banco Hipotecario's accumulated income as of 06/30/2020 was as follows:

**In thousands of Ps.**

<b>Net Income as of 06-30-20:</b>	<b>119,652</b>
Net income for the year attributable to non-controlling interests:	48,495
<b>Net income for the year attributable to the parent's shareholders:</b>	<b>71,157</b>

## SHAREHOLDERS' EQUITY

**In thousands of Ps.**

Capital Stock:	1,500,000
Non-capitalized contributions:	85,787
Adjustments to Shareholders' Equity:	41,596,536
Reserves	
- Legal:	3,529,204
- Others:	11,163,949
Unappropriated retained earnings:	(44,036,263)
Income for the year/period	71,157

Shareholders' Equity attributable to the parent's shareholders	13,910,370
Shareholders' Equity attributable to non-controlling interests	374,599

## OTHER INFORMATION REQUIRED

### - Capital Stock

The capital stock is divided into 1,500,000,000 shares of a par value of one peso each, divided into Class A, B, C and D shares according to the percentages set forth in the following table. Class A, B and C shares carry the right to one vote per share, Class "D" shares, which are owned by the private sector, carry the right to three votes per share so long as the Argentine Government owns more than 42% of the capital stock.

Pursuant to the provisions of the Privatization Law and the Bank's bylaws, the majority Class "D" shareholders are entitled to elect nine of the thirteen members of our board of directors.

As of June 30, 2020, the principal Class "D" shareholders were holders of an aggregate of 448,689,072 shares representing 29.91% of the Capital Stock.

### Shareholders as of 06/30/2020

Shareholder	Class	Amount of Shares	Percentage of Shares
Argentine Government/Banco de la Nación Argentina as Trustee of the <i>Fondo Federal de</i>	A	664,489,424	44.30%

<i>Infraestructura Regional Assistance Trust</i>			
Banco de la Nación Argentina as Trustee of the <i>Programa de Propiedad Participada</i>	B	57,009,279	3.80%
Banco de la Nación Argentina as Trustee of the <i>Fondo Federal de Infraestructura Regional Assistance Trust</i>	C	75,000,000	5.00%
Option Trustee <sup>(1)</sup>	D	90,905,000	6.06%
Principal Shareholders <sup>(2)</sup>	D	448,689,072	29.91%
ANSES (Social Security Office)	D	74,037,265	4.94%
Banco Hipotecario S.A.	D	29,555,360	1.97%
Directors' holdings	D	32,720	0.00%
Others	D	60,281,880	4.02%
Total		1,500,000,000	100.00%

<sup>(1)</sup> Class "D" Shares relating to outstanding options, which amount to 90,905,000, shall be held in the Trust until disposal thereof pursuant to the instructions received from the Selling Shareholder (National Government). During such period, the voting rights attaching thereto shall be exercised by the Trustee of the *Fondo Federal de Infraestructura Regional Assistance Trust* (Banco de la Nación Argentina).

<sup>(2)</sup> As of March 31, 2020, Tyrus S.A., Ritelco S.A., E-Commerce Latina S.A., Palermo Invest S.A., IRSA Inversiones y Representaciones S.A., and Inversora Bolívar S.A. held 75,000,000, 75,000,000, 75,000,000, 74,804,237, 73,939,835, and 74,945,000 Class D Shares, respectively, representing interests in Class D Shares of 10.66%, 10.66%, 10.63%, 10.51%, and 10.65%, respectively.

- Number of shares resulting from conversion of debt securities into stock.

- Shares that entitle to securities convertible into stock and/or warrants in the company, held by the controlling shareholder or group: **None**.

- Identification of the controlling shareholders of the Company, stating their names and domiciles:

The principal Class "D" shareholders of the company and their domiciles are as follows:

- IRSA Inversiones y Representaciones S.A., Bolívar 108 – Autonomous City of Buenos Aires, Argentina.
- Inversora Bolívar S.A., Moreno 877 – 22<sup>nd</sup> Floor – Autonomous City of Buenos Aires, Argentina.
- Ritelco S.A., Perú 529 – Ground Floor – Mendoza, Province of Mendoza, Argentina.
- E-Commerce Latina S.A., Moreno 877 – 21<sup>st</sup> Floor – Autonomous City of Buenos Aires, Argentina.
- Tyrus S.A., Profesor Mariño 459, Temperley, Province of Buenos Aires, Argentina.

- Palermo Invest S.A., Bolívar 108 – 1<sup>st</sup> Floor – Autonomous City of Buenos Aires, Argentina.

Yours sincerely,

/Sgd./  
Ernesto Viñes  
Attorney-in-fact