

BUENOS AIRES, March 6, 2019

BOLSAS Y MERCADOS ARGENTINOS S.A.

**Re.: Information required under section 62 of the Listing Regulations of BYMA S.A.**

In order to comply with the requirements of section 62 of the Listing Regulations of Bolsas y Mercados Argentinos S.A., we report below our results, as reflected in the Financial Statements of Banco Hipotecario S.A. for the year ended on December 31, 2019.

**RESULTS**

- Net income for the year was Ps. 2,051.4 million, 81.5% higher than Ps. 1,130.5 million for 2017. Net income for the fourth quarter was Ps. 508.2 million, compared to Ps. 542.2 million for the previous quarter and Ps. 64.4 million for the same quarter of the previous fiscal year.
- Net operating income for the year was Ps. 13,373.0 million, 18.9% higher than Ps. 11,248.7 million for 2017. Net operating income for the fourth quarter was Ps. 3,697.4 million, 9.4% higher than Ps. 3,379.2 million for the previous quarter and 6.3% higher than Ps. 3,479.5 million for the same quarter of the previous fiscal year.
- Operating income for the year was Ps. 2,812.4 million, 70.8% higher than Ps. 1,646.1 million for 2017. Operating income for the quarter was Ps. 645.1 million, 6.8% lower than Ps. 692.3 million for the previous quarter and 193.5% higher than Ps. 219.8 million for the same quarter of 2017.
- Loans to the non-financial private sector decreased 7.7% compared to the previous quarter and increased 12.5% compared to the same quarter of the previous fiscal year.
- Deposits increased by 16.7% compared to the previous quarter and 40.9% compared to the same quarter of the previous fiscal year, whereas the financial debt decreased 6.2% in the quarter and increased 19.1% in the year.
- Non-performing loans at an individual level increased from 1.7% at the end of fiscal year 2017 to 3.8% at the end of fiscal year 2018, while the coverage ratio was 74.9%. At a consolidated level, non-performing loans increased from 3.8% at the end of fiscal year 2017 to 6.0% at the end of fiscal year 2018, while the coverage ratio was 70.6%.
- The total capital to risk-weighted assets ratio as of December 31, 2018 was 12.71%, compared to 13.14% as of the end of the previous fiscal year.
- Subsequently to the fiscal year-end, the Bank acquired the equity interest held by IRSA Propiedades Comerciales S.A. in Tarshop S.A. and became the holder of 100% of

the capital stock of such company. In addition, and for the purpose of improving the operations of Tarshop and cause it to focus on the grant of personal loans to improve its profitability, the Bank acquired the contractual position in the contracts for the issuance of credit cards and the contracts related to such transaction.

<b>Annual Consolidated Income Statement</b>	<b>For the year ended</b>		<b>Annual Variation</b>	
	<b>(in millions of Ps.)</b>	<b>12/31/2018</b>	<b>12/31/2017</b>	<b>(%)</b>
Interest Income		14,897.2	10,250.7	45.3%
Interest Expense		(12,733.0)	(6,252.4)	103.6%
<b>Net interest income</b>		<b>2,164.2</b>	<b>3,998.3</b>	<b>(45.9)%</b>
Fee and commission income		4,152.6	3,599.4	15.4%
Fee and commission expense		(684.9)	(599.5)	14.2%
<b>Net fee and commission income</b>		<b>3,467.8</b>	<b>2,999.9</b>	<b>15.6%</b>
Net income from measurement of financial instruments at fair value through profit or loss		5,930.0	1,800.3	229.4%
Gold and foreign currency quotation differences		(710.9)	(96.1)	N/A
Other operating income		4,350.7	3,708.9	17.3%
Loan loss provision		(1,828.9)	(1,162.6)	57.3%
<b>Net operating income</b>		<b>13,373.0</b>	<b>11,248.7</b>	<b>18.9%</b>
Employee benefits		(3,800.4)	(3,838.0)	(1.0)%
Administrative expenses		(3,050.6)	(2,611.7)	16.8%
Depreciation and impairment of assets		(444.2)	(145.0)	206.4%
Other operating expenses		(3,265.4)	(3,007.9)	8.6%
<b>Operating income</b>		<b>2,812.4</b>	<b>1,646.1</b>	<b>70.8%</b>
Income tax from continuing activities		(754.3)	(518.2)	45.5%
Total comprehensive income (loss) attributable to the owners of non-controlling interests		(6.7)	2.6	N/A
<b>Net income for the period</b>		<b>2,051.4</b>	<b>1,130.5</b>	<b>81.5%</b>

Banco Hipotecario's income for the fiscal year ended on 12/31/2018 was as follows:

	<b>In thousands of Ps.</b>
<b>Net income as of 12-31-18</b>	<b>2,058,095</b>
Total comprehensive income attributable to the owners of non-controlling interests:	6,683
<b>Total comprehensive income attributable to parent's owners:</b>	<b>2,051,412</b>

## SHAREHOLDERS' EQUITY

In thousands of Ps.

<b>Total Shareholders' Equity:</b>	<b>9,798,800</b>
Capital Stock:	1,500,000
Non-capitalized contributions:	28,381
Adjustments to Shareholders' Equity:	717,115
Reserves	
- Legal:	1,448,649
- Others:	4,195,363
Unappropriated retained earnings:	1,909,292

## OTHER REQUESTED INFORMATION

- Adjustment of previous years' income:

See breakdown of adjustments resulting from the retroactive application of the change in the valuation policy of Investment Properties in note 2.14 of the Financial Statements.

- No proposals have been made with regard to:

1. Distribution of dividends in cash and/or in kind.
2. Capitalization of profits, capital monetary adjustments and other items.

In furtherance of the provisions of section 62, please note that the Board of Directors has not made any proposals on the issues mentioned above.

In addition, according to the Plan for the Distribution of Profits, Ps. 381,858,000 have been assigned to the Statutory Reserve and Ps. 1,527,434,000 have been assigned to the Voluntary Reserve for Future Distributions of Dividends.

- 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 December 31, 2018, 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 12/31/2018

Shareholder	Class	Amount of Shares	Percentage of Shares
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Argentine Government/Banco de la Nación Argentina as Trustee of the <i>Fondo Federal de Infraestructura Regional</i> Assistance Trust	A	664,489,424	44.30%
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</i> Assistance Trust	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	34,339,154	2.29%
Directors' holdings	D	24,470	0.00%
Others	D	55,506,336	3.70%
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 December 31, 2018, 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%, 10.66%, 10.63%, 10.51%, and 10.65%, respectively.

- Number of shares resulting from conversion of debt securities convertible 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 principal 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.

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./  
Ernersto Viñes  
Attorney-in-fact