

A photograph of a sailboat on the water at sunset. The sun is low on the horizon, creating a bright lens flare and reflecting on the water. The sky is a mix of blue and orange. The sailboat's mast and rigging are visible in the foreground.

Annual Report

2014

ARGENTINA

SEDESA  
SEGURO DE DEPÓSITOS S.A.

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## COMPOSITION OF THE BOARD OF DIRECTORS AND INTERNAL COMPTROLLERS COMMITTEE

### **BOARD OF DIRECTORS**

Chairman

Mr. Enrique O. Arceo

Vice Chairman

Mr. Norberto C. Peruzzotti

Director

Mr. Claudio A. Cesario

#### ***Alternate Directors***

*Mrs. María C. Ehbrecht*

*Mr. María E. Deligiannis*

*Mr. Daniel Tillard*

### **INTERNAL COMPTROLLERS COMMITTEE**

#### **Auditors**

Mr. Alejandro Almarza

Mr. Walter Miner

Mr. Domingo Alberto Romano

#### ***Alternate Auditors***

*Mr. Hugo N. Bruzone*

*Mrs. Juana Griselda Fernández*

*Mr. Eduardo Daniel Prina*

# Introduction

**SEDESA**  
SEGURO DE DEPÓSITOS S.A.

## MESSAGE FROM THE CHAIRMAN

It is our pleasure to submit the Annual Report and Financial Statements of Seguro de Depósitos S.A. (SEDESA) and the Deposit Guarantee Fund (DGF) that describe a summary of the activities developed, the improvements obtained and the aims reached by the Company during the fiscal year ended on December 31, 2014.

On the basis of the results obtained, we can state that the set goals have been achieved.

The Net Worth of the Deposit Guarantee Fund has been strengthened and there has been a significant increase on the Available Balance; therefore placing on a better position our role as part of the financial safety net.

The actions to maintain the certification of the Quality Management System under ISO 9001:2008, of the certified processes, have been conducted.

We have successfully passed through the year, adopting management standards that allowed the capital's preservation together with an adequate profitability of the investments that strengthened DEPOSIT GUARANTEE FUND's net worth.

We have continued with the optimization of the company's internal organization processes as a result of a continual improvement policy applied upon the grounds originated by the certified processes.

SEDESA remains being well known and it actively participates in the activities developed by the International Association of Deposit Insurers (IADI) undertaking the adoption of the best practices for the deposit insurer's activity.

In view of the above, we consider that we have responded to the importance and liability that constitute our role as part of the financial safety net aiming at reaffirming our commitment.

Finally, on behalf of the Board of Directors, I would like to thank the Central Bank of Argentina, Caja de Valores S.A. and the Financial Institutions of our system for all the support provided and I am especially grateful to all of our

collaborators, engaged in every activity of this Company, for their commitments and professionalism that helped us in achieving the goals established for the ended fiscal year.

Dr. Enrique Osvaldo Arceo

Chairman

SEDESA

March 2015

# Annual Report

SEDESA

SEGURO DE DEPÓSITOS S.A.

## SEDESA – Annual Report 2014

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## 1. International Context

The global economic growth during 2014 was lower than the one initially expected, keeping the disappointing standards of the last years. The economic expansion rhythm only increased marginally in 2014 from 2.5% in 2013 to 2.6% during last year.

Despite these general numbers, there is a more divergent tendency in developed economies. While the activity gained impulse in the United States and the United Kingdom, the recovery has been unstable in the Eurozone and Japan due to the persistent financial crisis.

In turn, China is undergoing a slowdown within what seems to be an intent of “soft landing”. The slow growth in other developing countries during 2014 shows the weak external demand and the contraction generated as from the political economy, the political uncertainty and the restrictions by the demands in the different economies.

On the last part of the year, there appeared several strengths that would have a distinguishing impact on the global economic outlooks stated a time before: low prices on raw materials, continuing moderated interest rates, divergent increasing monetary policies in the main economies and a global trade that remains depressed.

However, the noticeable fall in the petroleum prices as from mid-2014 may be an improving factor of the global economic activity and would help to compensate some stocks that are negative for the growth of the emerging economies that are net importers of petroleum.

In particular, it is expected that the growth in crude exporting countries will be deteriorated; causing relevant consequences differentiated by regions.

Table 1 – Main Macroeconomic Indexes

	2013	2014	2015	2016
Actual GDP (according to PPP)				
<b>Global Conditions</b>	<b>3.0</b>	<b>3.1</b>	<b>3.7</b>	<b>3.7</b>
OECD	1.4	1.9	2.5	2.4
No-OECD	4.8	4.6	4.7	5.2
Actual GDPI (Market Exchange Rate)				
<b>Global Conditions</b>	<b>2.1</b>	<b>2.3</b>	<b>2.8</b>	<b>2.8</b>
North America	2.2	2.4	3.4	2.5
Western Europe	0.2	1.2	1.7	1.9
Economies under transition	1.5	1.4	-0.2	2.1
Asia and Australasia (including Japan)	3.9	3.3	3.9	4.1
Latin America	2.7	1.4	1.5	2.4
North Africa and Middle East	2.3	3.0	2.7	3.6
Sub-Saharan Africa	3.6	3.6	3.7	4.7
Inflation (annual average)				
<b>Global Conditions</b>	<b>3.2</b>	<b>3.0</b>	<b>2.5</b>	<b>3.1</b>
OECD	1.6	1.6	1.5	1.9
International Trade				
<b>Global Condition</b>	<b>2.7</b>	<b>3.4</b>	<b>5.1</b>	<b>5.3</b>
OECD	1.6	2.6	4.0	4.2
No-OECD	4.5	5.3	6.9	7.2

Source: The Economist Intelligence Unit

Table 2 – Financial and Activity Indexes

	2013	2014	2015	2016
Actual GDP				
<b>Global Conditions (Market Exchange Rate)</b>	<b>2.1</b>	<b>2.3</b>	<b>2.8</b>	<b>2.8</b>
US	2.2	2.4	3.4	2.5
Japan	1.6	-	1.3	2.0
EuroArea	-0.4	0.9	1.4	1.6
China	7.7	7.4	7.2	6.8
Consumer Price Inflation (%; av)				
<b>Global Conditions</b>	<b>3.2</b>	<b>3.0</b>	<b>2.5</b>	<b>3.1</b>
US	1.5	1.6	0.4	2.2
Japan	0.4	2.7	1.0	1.6
EuroArea	1.4	0.4	0.2	0.9
China	7.7	7.4	7.2	6.8
OECD <sup>b</sup>	1.6	1.6	1.5	1.9
Export Prices				
Manufactures (US\$, var %)	-3.2	-0.3	0.4	1.5
Raw Material Prices				
Petroleum (US\$/barrel; Brent)	108.90	98.90	54.40	71.40
var %	-2.80	-9.10	-45.00	31.30
Unenergetic Raw Material Prices (US\$, var %)	-6.80	-5.40	-7.10	6.20
Food and Beverage	-7.40	-5.30	-11.40	4.20
Industrial Raw Material	5.90	-5.50	-0.40	9.00
Monetary Policy Interest Rate				
Federal Reserve	0.10	0.10	0.75	1.75
Bank of Japan	0.10	0.10	0.10	0.50
European Central Bank	0.25	0.05	0.05	0.05
Bank of England	0.50	0.50	0.75	1.25
Exchange rate (average)				
US\$ cash (2005=100)	91.10	93.00	94.00	93.70
¥:US\$	98	106	124	127
US\$:€	1.33	1.33	1.08	1.03
Rmb:US\$	6.20	6.14	6.18	6.14
US\$:£	1.56	1.65	1.49	1.46
C\$:US\$	1.03	1.10	1.28	1.32
¥:€	130	141	134	131
£:€	0.85	0.81	0.73	0.71
Exchange Rate (period end)				
¥:US\$	102	117	126	124
Rmb:US\$	6.10	6.13	6.17	6.11
US\$:€	1.38	1.21	1.03	1.07

Source: The Economist Intelligence Unit

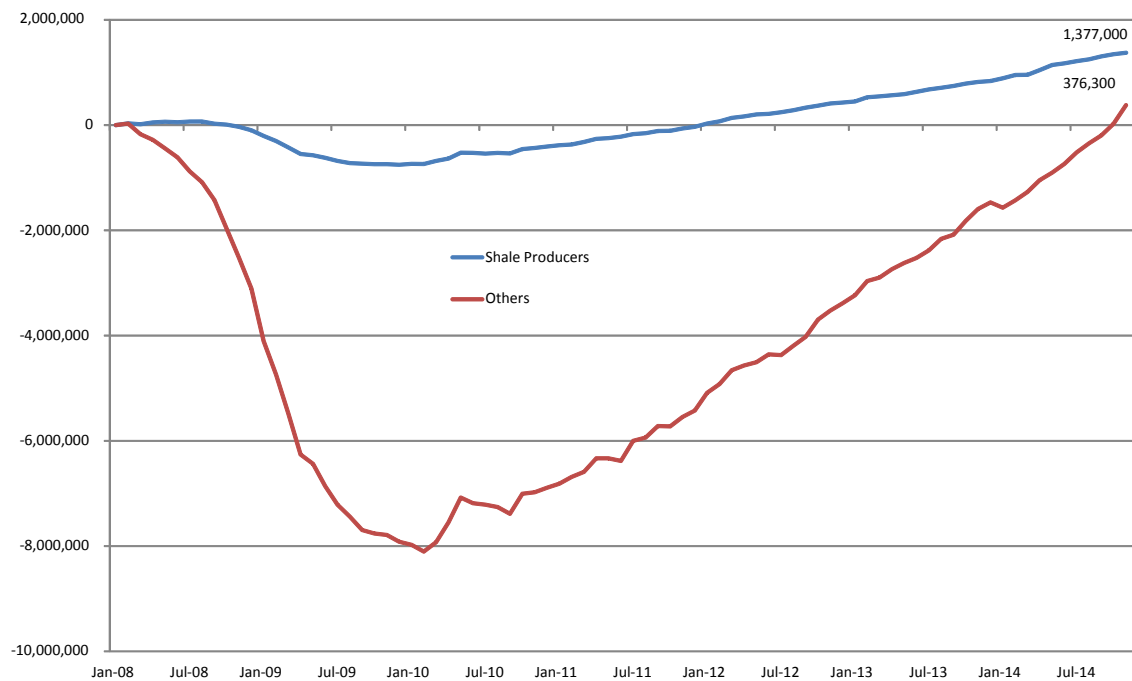
### 1.1. Developed Economies

Among the three main developed economies (the United States, the Eurozone and Japan), the economic activity only remained steady in the United States, where the GDP has increased during the last year above its long-term tendency.

In this context, the creation of employment that was the weakest point in the crisis-recovery stage, finally reached a substantial improvement during 2014 leading to the beginning of the retirement of part of the monetary encouragement generated as an anticrisis measure. In fact, the employment figures showed a level higher than the precrisis one for the first time as from the beginning of the crisis.

However, the concentration of an important part of these employments was created in the new petroleum states. In such states the exploitation of nonconventional hydrocarbons is being developed; and, that with the fall of international prices on the second semester of 2014, the sustainability under a cone of uncertainty before such recovery was placed.

**Chart X: United States Employment Evolution**



Source: Bureau of Labor Statistics

In the Eurozone, the overview as a whole continues being positive as from the second trimester of 2013. However, the general growth diminishes during the third trimester and there may be a similar instability on the next periods before the recovery's consolidation.

In general, the economic indexes and the results of the most recent surveys continues being compatible with a moderate short-term economic expansion in the Eurozone, while the recent decrease of the petroleum prices should maintain the long-term growth. Furthermore, even though the labor markets have shown certain additional indications of improvement, the level of unemployment remains being high and it is foreseen only a gradual decrease of the unused productive capacity.

The inflation of the Eurozone measured by the Harmonized Index of Consumer Prices (HICP) was significantly reduced in December, up to being at -0.2%, and the perspectives of the short-term inflation remained being weak and it is probable that the interannual inflation measured by the HICP shall remain at very reduced or negative levels in the next months.

In turn, the Japanese economy could not gain the steady growth rhythm after the VAT increase in April 2014; leading the Government to announce new tax incentive measures. However, the most recent information shows a regression of the actual Japanese GDP of 0.5%, trimester by trimester on the third three-month period of 2014. The high-frequency indexes aimed at a positive growth, though less dynamic, on the fourth trimester. Thus, by the end of 2014, the Government announced a new set of incentive measures and a reduction of taxes on companies to encourage the growth.

Moreover, the interannual rate of change of consumer prices continued decreasing, up to being at 2.4% in November, greatly as a consequence of low energy prices.

### *1.2. Emerging Economies*

During 2014, the growth in the emerging economies was lower than the one initially foreseen. A set of factors, whether endogenous or exogenous, were present so that the economy of these countries cause disappointment.

On the one hand, the weakness in the international trade, aggravated by the slowdown on the exchange terms, added pressure over the external accounts up to leading many countries to a new decline on the payment balance current account.

On the internal aspect, a set of political factors were combined, mainly due to the electoral processes with very adjusted income margins or aiming at governmental changes, entailing the need to make some economic policy changes, under certain circumstances, as a way of recovering the initiative and keeping the best electoral perspectives.

Upon examining the regional tendencies, the growth in East Asia and the Pacific remained relatively solid despite the slowdown in China. In turn, the product in the developing economies of Central Asia and Europe was affected by the continuance of the economic weakness in the Eurozone plus a significant economic and financial decline in Russia. In Latin America and the Caribbean, there was a strong slowdown due to the decrease in the activities of many important economies.

In the Middle East and North Africa the product started being recovered as from the impact of the decrease of the petroleum process over import countries, even though the asymmetries are every time clearer among countries. On the other hand, the activity in South Asia registered a good performance, led by India, where it is expected that the economy resumes the high growth observed during the precrisis.

However, the trade bias towards primary products, under a context of dollar-strengthening against the main cross currencies, states a set of important risks. On the one hand, the decline in the current account that may lead to depreciations in some countries, causing a second risk

stage for the impact on indebtedness that was an important financing source in the low-rate world; and that, upon an exchange shock, the corporate and public finances may be affected.

## 2. National Context

### 2.1. Macroeconomics

During 2014, the Argentine economy showed a slowdown in its growth, after the recovery observed the year before. The weakest development of the largest commercial partners, the price of some main export products and the persistence of legal differences regarding the public indebtedness caused that the external restriction constitutes a limitation to the internal dynamism. In this sense, at the commencement of the year, modifications to the exchange and financial policy have influenced, mainly during the first semester, in the evolution of several macroeconomic variables. There was a tendency to revert this situation as from the last trimester of the year.

The product level, considering the first three trimesters and the indexes, could account for a slightly positive value, though being at high levels as to historical terms. In this regard, the Economic Activity Monthly Estimator (EMAE, as per its acronym in Spanish) of the first eleven month of the year showed an increase of 0.2% i.a.<sup>1</sup> of the demand's different components. In this case, for the first three trimesters, there were reductions in the private consumption of 1.4% i.a. and in the gross investment, while the public consumption remained at a positive level, with an increase of nearly 1% i.a. and the net exportations, at constant values of 2004, offered a positive contribution as a consequence of the exports retractions, of 9.9% i.a., lower than the ones verified in the imports of 10.5% i.a..

Regarding the different elements of the offer, for the first three trimesters, there were positive results in the agricultural and services sectors of 2% i.a. and 0.8% i.a. while there was a decrease in the construction and industry sector of -1.4% i.a. and -1% i.a., respectively. The decrease in the industry may be explained by the performance of the automotive complex that was affected by a lower local and external demand. The Industrial Monthly Estimation Index (EMI, as per its acronym in Spanish) and the Synthetic Indicator of the Construction Activity (ISAC, as per its acronym in Spanish) as of December showed accumulated reductions of -2.5% and -0.4%.

As of December, the indexes of private and public salaries showed a nominal growth higher than 33% approximately while the Unemployment Rate of the fourth trimester reached 6.9% of the Economically Active Population (EAP) entailing an increase of 0.5 percentage points (p.p.) as to the same period of the previous year. After the leap of the first trimester, the annual National Urban Consumer Price Index (NUCPI) showed a slowdown throughout the year being at about 25%.

The financial sector continued showing a positive performance during 2014, although the main variables indicated a growth rate more moderate than the one achieved in previous periods. In this sense, during 2014 the credit to the private sector that, in relation to the GDP, is at about 13% grew 20% by increases over such rate in cards and advance payments. It was worth mentioning that during the year, the public sector policies aimed

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<sup>1</sup> i.a.: year-on-year basis/ interannual

at financing the private sector remained active (Credit Line for Productive Investment) and were added to the policies oriented to the finance of some elements of consumption (PROCREAUTO –program created by the Government to incentive the automotive industry). The deposits, with an annual growth above 25% i.a. approximately as of December, remained being the main funding source. Such growth was based on the increase of the current accounts and fixed-term deposit of amounts lower than ARS1 million with a growth rate of 43% and 29% respectively.

In order to compensate the less external demand, the public expenditure aimed at sustaining the demand. Thus, while in 2014 there was a 41.2%-increase of the total income, the total expenditures increased 43.4%; and therefore, the primary income was slightly negative, being at about -0,9% of the GDP. If we considered the influence of the payments of interests, the financial deficit had increased to -2.5%. Such results of the Treasury were financed mainly with the use of sources from the public sector. It is important to state that, despite the continuance of judicial conflicts in international jurisdictions, the country could allocate debt to finance payments of compensations (51%-expropriation of YPF shares) and debt agreements (Paris Club).

#### Argentina. Main Macroeconomic Indexes

<b>Activity</b>	
EMI December	-2.5%
ISAC December	-0.4%
Unemployment, %EAP	6.9
<b>External Sector</b> –Thousand million USD -	
Exports	71,936
Imports	65,249
Trade Balance	6,687
International Reserves	31,443
<b>Financial Sector</b>	
Total Deposits, % growth i.a.	31.3
Private Sector Financing, % growth i.a.	20.2
<b>Tax Sector</b> (Non financial National Public Sector, en % GDP)	
Primary Income	-0.9
Financial Income	-2.5



### 2.1.1. Economic Activity

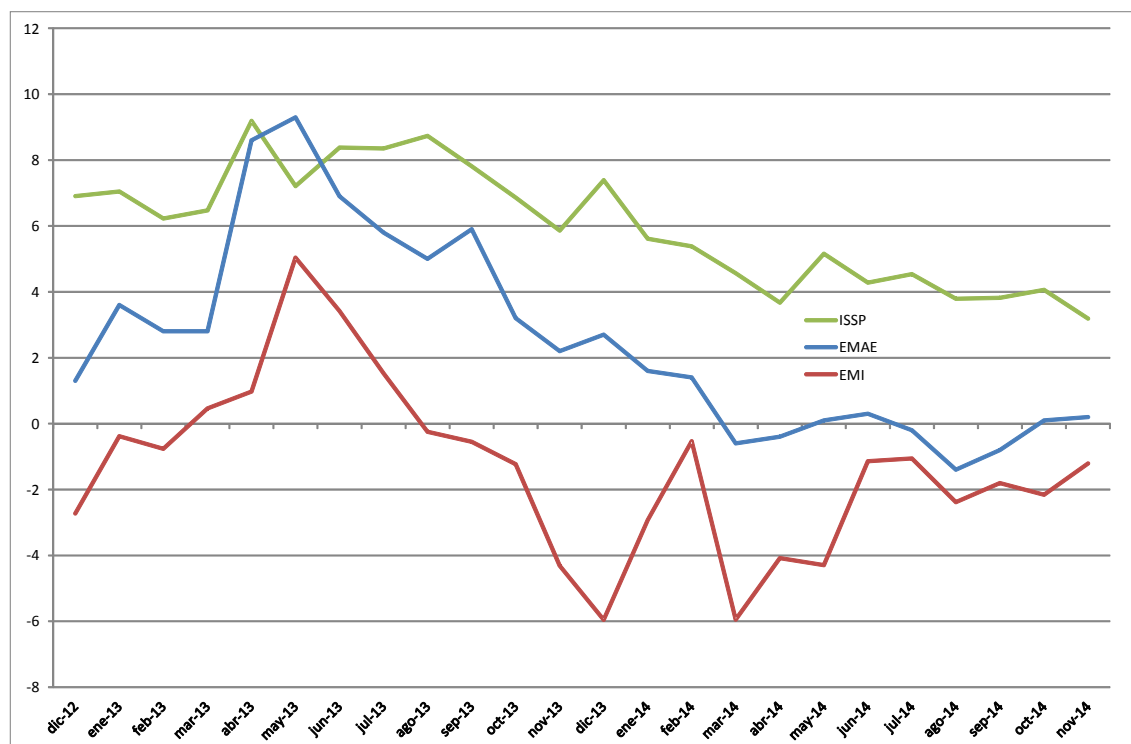
In the last months of 2014, the economic activity showed a slight bounce of the activity level. However, as from the beginning of the year, it maintained at levels lower than the ones achieved in the previous year and without exhibiting an actual increase of the activity level as from the end of 2011.

Pursuant to the different estimations, the fourth trimester of 2014 might end with a positive variation after three consecutive trimesters of declines. However, the accumulated recovery would not be enough to return the activity to the levels existing prior to devaluation as of the commencement of the year, accumulating a decrease in the production of goods and services calculated in 1.6% as to the values of the previous year.

The decrease in the activity level during the year is based on the 2.8%-contraction of the productions of goods. In this area, the decline in the manufacturing industry is outlined and it was affected by the low automotive demand in Brazil and the decrease in the internal consumption.

Furthermore, the construction performance had not been favorable, showing a contraction of about 3.5% i.a. approximately. However, slight improvements were registered in mines and quarries (mainly due to the largest petroleum investment) and in the fishing activity and electricity and gas supplies. On the other hand, no improvements were registered on the agricultural sector, where the decline of the meat and milk production was compensated by a better harvest.

Chart X+1: Economic Activity –% Interannual Changes



Source: Bloomberg

To compensate the performance of the goods, the development of services also showed a contraction in the year but only of 0.7% in the total amount. The activity's setback is mainly led by the trade decline and the financial intermediation that reflects a greater deterioration in the margin due to the setback in the prices of the national assets once the inflation is discounted.

Within the other services, there continued being an increase in the public employment, health and education and there was a setback in the community services and in the domestic staff service.

Finally, communications and transportations showed interannual increases, encouraged mainly by the mobile phones communications.

To sum up, 2014 was a year of a relative standstill of the economic activity, although a collapsed scenario is not expected after the bridges created by the Government to improve the local offer of currency. Therefore, it is expected a GDP decline of about 1.5% on an annual basis by the end of the year.

### ***2.1.2. External Sector***

The relative weak point showed by our commercial partners (mainly Brazil) and by the international trade and a reduction in the prices of the commodities during the second six-month period, including our main export items, implied a slight decline as to exchange terms together with a lower local growth, caused a reduction of our international trade flows.

In this sense, during 2014 imports and exports showed declines of 11.9% and 11.4% in relation to the previous year totaling USD 71.9 thousand million and USD 65.5 thousand million, respectively. In exports, the products related to soya showed a minor increase of 1.3% i.a. amounting to USD 20.1 thousand million, while the rest of the sector's traditional products and the industrial manufacturing showed a decrease of 33.2% i.a. and 15% i.a., respectively, totaling USD 24.3 thousand million. In the latter case, it is worth noticing the negative effect verified in the dispatches of automotive sector mainly addressed to Brazil.

Regarding imports, its decline up to USD 65.2 thousand million was partly related to the lowest level of the local activity since the final income arises from the reduction in quantity of -12% i.a. and the price increase by 1% i.a. Similarly to the exports, it is worth mentioning the reduction of almost 22% i.a. in the section of accessories and spare parts of capital goods and of almost 50% i.a. in the section of passengers' motor vehicles.

In view of the above, the income of the commercial account was reduced to USD 6.6 thousand million from USD 9 thousand million of the former year. We can point out that the deficit in items related to fuel and energy reached USD 6.5 thousand million, being a value similar to the total income of the commercial balance.

In turn, with the information gathered up to the third trimester, a deficit in the current account of a bit more than USD 3.2 thousand million, almost 1% of the GDP, was verified. This value is basically explained by the deficit in the Income account of USD 8.4 thousand million as from the accrual of profits and dividends of non-residents. On the other hand, the tourism item, that had shown a strong increase of expenses, reduced its deficit from 20% to 35% as from the change in relative prices of the beginning of the year and the rates of the retention by purchases related to the sector as tickets, tour packages, and expenses incurred abroad.

### ***2.1.3. Public Sector***

In 2014 the National Treasury showed a low primary deficit of ARS 38.7 thousand million, equivalent to a -0.9% of the GDP. This led to an increase of 41.2% i.a. and 43.4% in the total income and in expenses, respectively. If to these elements we add those corresponding to the payment of debt interests, which grew 69% in the year, the deficit increased by -2.6% of the GDP.

Regarding incomes, the tax revenues increased 36.5% i.a. and the profits stood out with a 45% i.a.-increase. Other income items showed slightly low growth rate such as Value Added Tax (34% i.a.), Credits and Debits (36% i.a.) and those items related to social security (something less than 30% i.a.). On the other hand, non-tax recourses showed an annual increase of 89% as explained by the transfers of funds made by the Guarantee Fund of Sustainability, ANSES (Argentine Social Security Administration) and the BCRA (Central Bank of Argentina).

The primary expenditure of the Non Financial National Public Sector (NFPS), increased 43% with growths of 34%i.a. related to Retirement Provisions and of 59% in items of Transfers to the Private Sector. Such transfers added expenses related to the compensation of public services, energy and transport consumption and increases in the retirement coverage and family allowance. The capital expenditures and the total compensations to employees of the public sector increased 45%i.a. and 41%i.a. respectively.

As in previous years, the financing needs during 2014 were met by funds from the own public sector, as may be those from the BCRA, by the use of temporary advance payments and several funds to pay the public debt in foreign currencies and from Banco Nación, among other bodies. Furthermore, it is important to mention that during 2014 underwritings of public securities were performed in the local market by ARS 36 thousand million. In the different underwritings, bonds in pesos at local rates, adjusted by the official exchange rate and in US Dollars, were offered. In May the compensation to REPSOL was instrumented in furtherance of the expropriation of 51% of YPF shares, by the delivery of BONAR USD 2024, by USD 5,200 million approximately, that were rapidly exchanged in the market by the company. Moreover, the undertaken payment was fulfilled in the restructure agreed by the eligible debt in the Paris Club context by about USD 650 million.

## 2.2. Financial Sector

Showing a better performance than the one experienced during the second part of the year, the financial system remained reflecting an increase in the intermediation activity with the private sector. A series of situations framed the sector's performance in the year. On the one hand, the exchange amendment in January 2014 together with the increase in the level of the interest rate had an undesired effect in the sector's short-term performance. Furthermore, active regulatory policies remained being applied promoting the financing to the private sector. Those policies related to the financing of certain assets such as the PROCREAUTO program and those related to the setting of limits to the cost of credit lines of individuals differentiating the kind of entities (Communication "A" 5590).

Likewise, with the purpose of promoting the saving in local currency, lower limits were determined for the compensation of term underwritings of individuals with deposit insurance coverage (Communication "A" 5640). Next, pursuant to Communication "A" 5641 dated October 6, the regulations on the "Application of the deposit insurance guarantee system" were adapted increasing the monthly usual contribution payable by the participating financial institutions to the Deposit Guarantee Fund of Seguro de Depósitos S.A., from 0.015% to 0.06% of the monthly average of daily balances of the items under coverage offered by the system. Additionally, the maximum amount of the deposit guarantee was increased from 120,000 to ARS 350,000 as from November 1, 2014.

The total credit to the private sector increased 20.2% i.a., showing a significant acceleration during the last trimester of the year with rates similar to the ones of prior years. While the credits to Companies grew 18.8% i.a. with a strong influence of the increase in advanced payments, the financing to families showed a growth of 22.2% i.a., and the credit cards sector stood out. For both sectors, there was a progress in the incentive programs since the companies were benefited by two new tranches of the Credit Line for Productive Investment that, as from its first tranche granted more than ARS 116,000 million and the families were benefited from the programs PROCREAUTO and PROCREAR (in this last case its registration is out of the bank financing). Towards the end of 2014 the credit granted to families and companies did not show significant changes on its ratios of delays in payment with a percentage of the irregular portfolio over the total portfolio of 3% and 1.2%, respectively. Thus, the bank financing to the private sector was at about 13% of the GDP (ratio that considered the GDP reestimation based on 2004).

The balance of total deposits grew 25.7% i.a. during 2014, explained by the performance of the underwriting of the private and public sector with an increase of 29% i.a and 16%, respectively. The performance of deposits in current accounts stood out with an increase of 43% i.a where the public sector element showed an increase of 60% i.a.-increase. The growth of term deposits was at about 15% i.a. for the total system, gaining importance in those of the tranche up to ARS 1 million that reflected an

increase of 29.5% i.a. supported by those deposits created in the private sector. Part of this growth may be explained by the stated regulation that set forth a minimum limit to the individuals' passive interest rate by an amount up to ARS 350 thousand, related to the performance of the BCRA Bills.

#### Deposits. Monthly Average Balance in million of Pesos.

	Private Sector				Total
	Saving Account	Current Account	Fixed Term Deposits 1 million and more	less than 1 million	
Dec-10	53,351	60,047	35,258	46,235	194,891
Dec-11	69,604	74,337	51,408	55,949	251,299
Dec-12	96,188	99,962	85,361	77,415	358,927
Dec-13	126,469	120,247	119,790	100,489	466,995
Dec-14	161,339	160,352	148,296	132,991	602,978

% i.a.	27.6%	33.4%	23.8%	32.3%	29.1%
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	Public Sector				Total
	Saving Account	Current Account	Fixed Term Deposits 1 million and more	less than 1 million	
Dec-10	3,274	28,256	45,187	11,650	88,367
Dec-11	4,069	32,557	61,533	16,653	114,811
Dec-12	8,542	50,997	69,287	16,745	145,571
Dec-13	13,837	70,707	80,401	8,981	173,927
Dec-14	14,401	113,327	66,299	8,727	202,754

% i.a.	4.1%	60.3%	-17.5%	-2.8%	16.6%
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	Total System				Total
	Saving Account	Current Account	Fixed Term Deposits 1 million and more	less than 1 million	
Dec-10	56,626	88,303	80,444	57,885	283,257
Dec-11	73,673	106,893	112,941	72,603	366,110
Dec-12	104,730	150,959	154,648	94,161	504,498
Dec-13	140,307	190,954	200,191	109,470	640,922
Dec-14	175,740	273,679	214,594	141,719	805,732

% i.a.	25.3%	43.3%	7.2%	29.5%	25.7%
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The solvency of the financial system remained solid with a regulatory paid up of capital that placed at 14.7% the total risk-weighted assets (RWA), including 1.1 p.p. over the value reached by the end of 2013. This implied that the surplus of the paid-up of capital –paid-up capital minus requirement - was at 90% in the total regulatory demand for the financial system, over the value of the same period of the previous year that was of 72.7%. Moreover, the indexes of broad liquidity were at 45% of the total deposits being composed of liquidity (26%) and holding of Lebac and Nobac (19%) while the risk currency mismatch, factor of uncertainty in prior situations, was at moderated levels (21% of the RPC).

### ***2.3. Outlook***

It is foreseen that the Argentine economy shall remain at a marked evolution due to the international context, mainly as to the prices of exportable products and levels of activities of the main commercial partners, while experiencing, without significant difficulties, the usual tensions that may arise from the political cycles due to the future voting rounds. In general terms, it is expected that the relative incipient recovery observed as from the fourth trimester of 2013 shall be maintained.

In the international context the development of the petroleum prices constituted a relevant unknown due to our negative disequilibrium in the fuel and energy item and due to its influence on an important set of costs. On the other hand, it is expected that the heterogeneous behavior among regions with certain level in the development, in Asiatic economies and of development in the United States and lower decline in Europe, shall be maintained. In the regional field, the perspective of Brazil's slow recovery, the main commercial partner, is maintained.

It is expected that the economic policy continues privileging the maintenance of the conditions of the favorable labor market, as to quantities and retributions, looking for an increase of the actual salaries. Apart from maintaining the income, it is expected that the financial policies aimed at financing companies and families under favorable conditions continue. In this sense, it is more probable that the private consumption, main element of the domestic demand, may take the growth path after the decline observed in 2013.

In relation to the financing of the public sector and the external restriction, considering the recent experiences as to public debt placement and the obtaining of alternative sources, it is probable that such restriction may be considered without inconveniences; thus the exchange policy oriented to having a delimited level of volatility may continue.

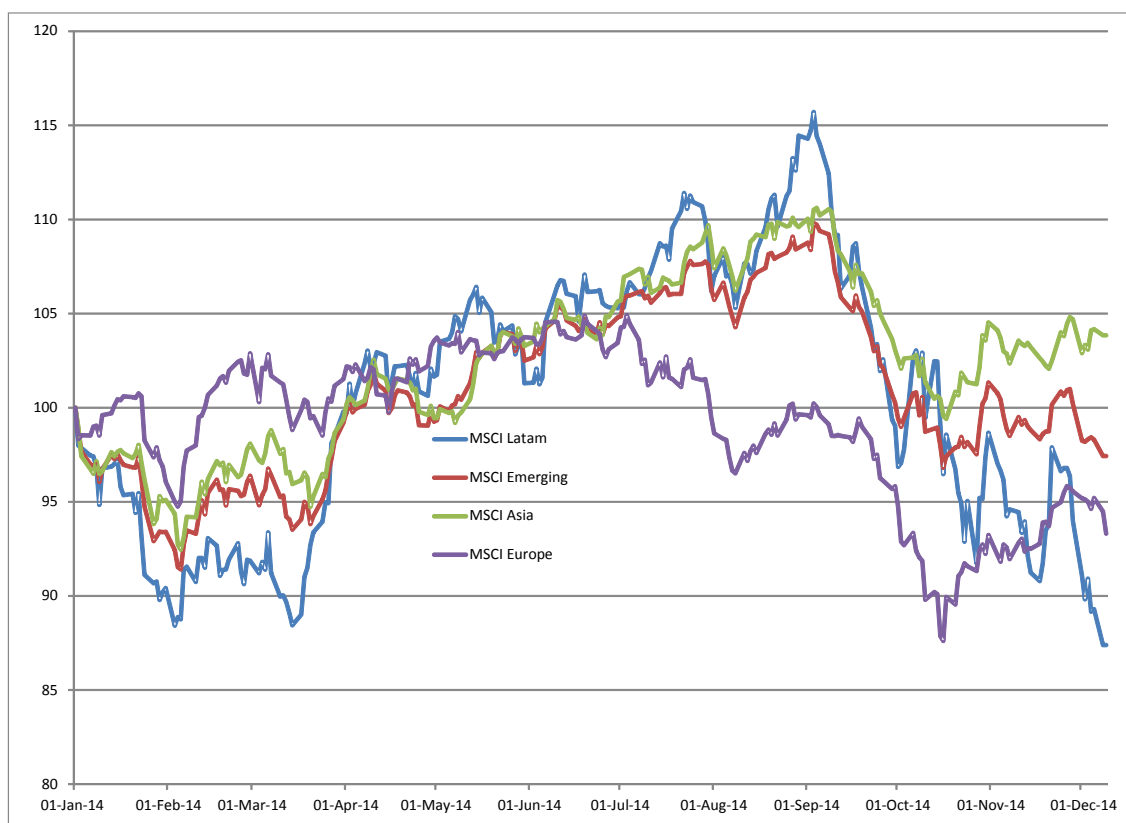
In view of the above, it is to be expected that the financial system presents again a positive development as to solvency and performance indexes, with a strong growth of the several monetary aggregates, basically in the pesos segment and without the existence of insuperable strains.

### 3. Evolution of International Financial Markets

The international financial markets showed two phases: on the one hand, an improvement of almost the first trimesters; and on the other hand, a year-end with a loss nearly complete of all the improvements previously achieved during the year. Moreover, it was again clear the reminder towards the emerging countries indicating that they should not consider the foreign financing as something safe.

The year 2014 started with a confirmation of the commencement of the end of the assets massive purchase by the Federal Reserve of the United States. This situation generated uncertainty over the financial situation of some emerging countries. The fact that Brazil was one of the most affected countries on the year's commencement was especially relevant to the Argentine perspective. In this case in particular, with an interval due to the football world cup that allowed not be focused on the voting process in Argentina for a couple of months, the attention was put on the Presidential election and the arising of new problems of such economy, mainly by an iconic company such as Petrobras.

Chart X+2: Evolution of Emerging Stock Markets – Indexes 01/01/2014 = 100



Source: Bloomberg

A new stage arises as from the third trimester where the situation in the petroleum market started controlling the financial evolution and, in some way, also the economy in general.

Therefore, among the difficulties that the Eurozone and Japan continue experiencing, in contrast with the soundness showed by the United States in the last years, the financial markets reflected this situation, and it was translated also in a strong revaluation of the US Dollar as to the other currencies.

**Chart X+3: Evolution of the developed stock markets – Indexes 01/01/2014 = 100**



Source: Bloomberg

### 3.1. Fixed Profit

The quotation of public bonds at an international level showed several distinctive features in the year. Even when few analysts saw it as a possibility, the prices continued increasing after a progressive decrease in the purchase program of the Fed (Federal Reserve System). Thus, sovereign bonds of developed and developing countries reached new historic maximum values towards mid-year.

Then, different events were particularly impacting some countries, determining that in general there is a return to the performance levels of the commencement of the year.

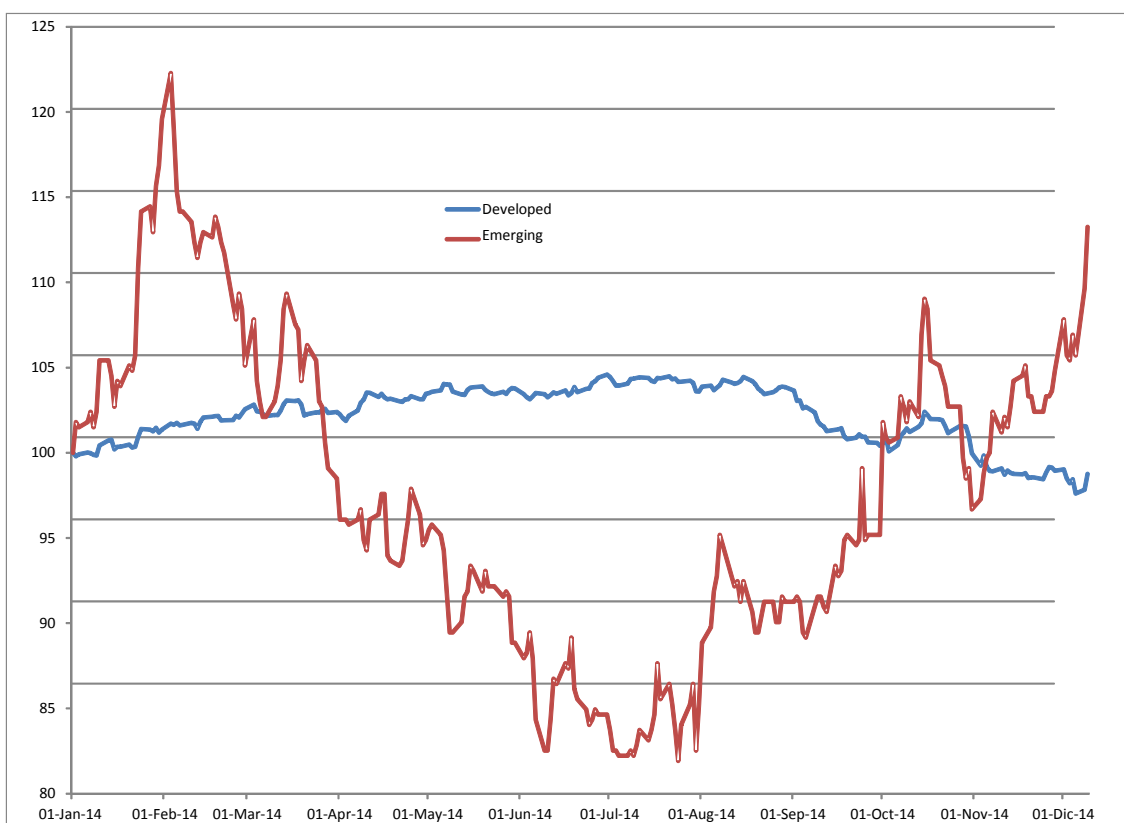
In the case of emerging countries, the uncertainty started causing a strong dollar-evaluation that may place at risk the ability of payment of the debt issued in foreign currency, in addition to the internal economic weakness in some countries (mainly Brazil, Russia and China), were the keys of the decline in the quotation of bonds.



In relation to developed countries, the persistent weakness of Eurozone members, and the difficulties of the Japanese economy to sustain over the time activities' positive levels, was added to the US soundness to generate a new process towards quality, encouraging the increase of US bonds in detriment of the bonds of other developed countries.

When developed countries are compared with developing countries, the negative relation between both is clear. This shows a movement of the international investors from one kind of assets to other. In particular, during 2014 there is a new stage where developed countries were relatively benefited; and this situation was modified during the second part of the year. Another significant event is the relative volatility in both cases, as described in Chart X+4.

**Chart X+4: Evolution of Sovereign bonds – Indexes 01-01-2014 = 100**



Source: Bloomberg

### **3.2. Credit Sector**

Pursuant to the Bank for International Settlements (BIS), the banking activity showed a recovery in 2014 when credits resumed their role as liquidity providers at an international level, in a context where bonds issuance remained being historically high. Additionally, the context of low volatility that used to be associated with a fast growth in the cross-border bank financing has started being formed during this year.

The total activity showed an increase around 5%, encouraged by the financing in dollars and yens. The credits in dollars to non-banking debtors out of the United States increased about 9% in the year; and therefore, the volume of credits in dollars increased 50% as from the international financial crisis.

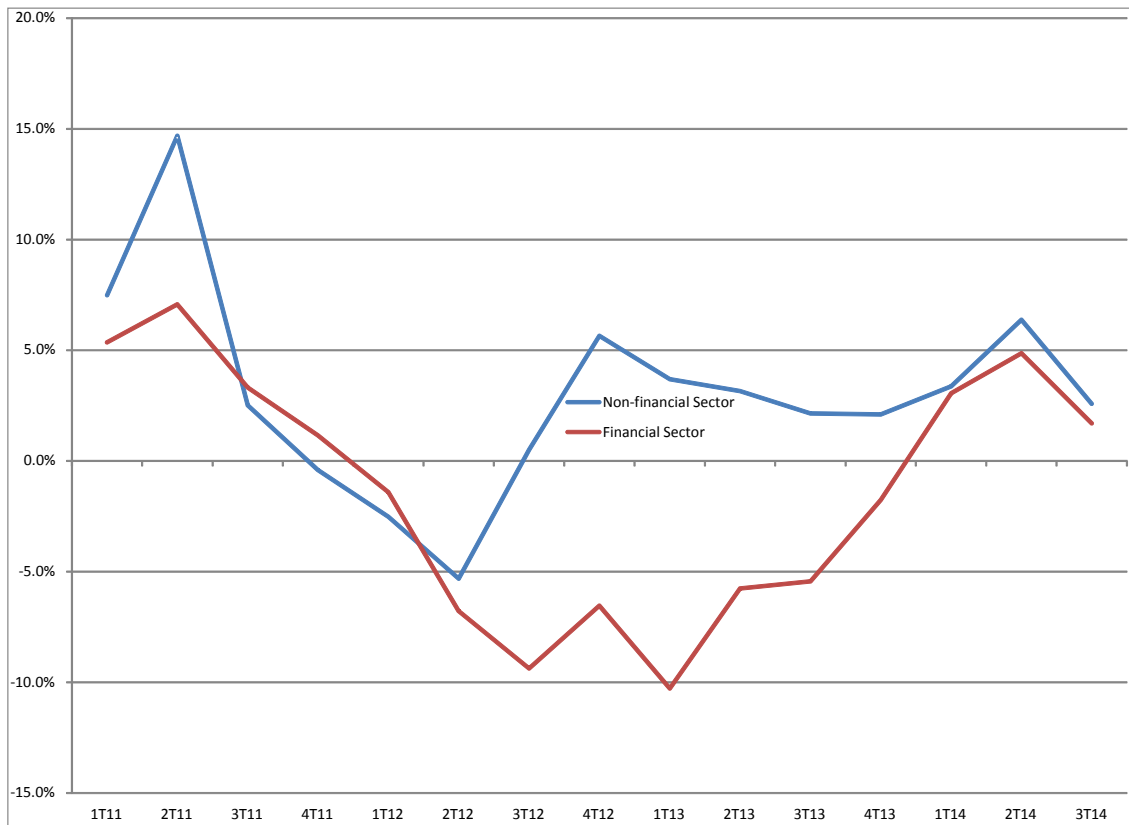
The major increase of the cross-border bank credit was registered in Asia, even when in China there was a slight decline in the second part of the year. In this sense, the emerging countries as a whole registered a slowdown, where the impact of the difficulties experienced by the Russian economy was added to what had occurred in China. In the Russian economy the bank credit from abroad was reduced by 15% on an annual basis.

In developed countries, the bank credit continued increasing at a good rhythm, especially in non-banking sectors that experienced an annual increase of 6%, as to the 4% observed for the financial sector.

In the Eurozone, there was a slight increase in the operations that would indicate a slow recovery in the banking activity after the crisis, achieving a positive annual rate of change for the first time as from 2012.

**Chart X+5: Evolution of the banking activity**

Interannual change in the bank financing



Source: BIS

#### 4. SEDESA in 2014

Seguro de Depósitos S.A. (SEDESA) is a corporation (Sociedad Anónima) organized in 1995 with the purpose of acting as trustee of the Deposit Guarantee Fund (DGF). The Executive Order 540/95 created the Deposit Guarantee Fund to guarantee bank deposits with the scope of action set forth in such order and its subsequent amendments.

According to the regulations in force, SEDESA's obligations as trustee of the DGF are:

1. To pay the guaranteed amount to depositors, where applicable.
2. To make capital contributions and non-reimbursable contributions or grant loans to financial institutions that:
  - are under a regularization and reorganization plan to support the compliance thereof;
  - have acquired assets and undertaken to pay the deposits of another institution that is subject to the system set forth in Section 35 bis of the Argentine Financial Institutions Law (*Ley de Entidades Financieras*) where applicable to compensate insufficiency of such assets regarding the transferred deposits;
  - have taken over or acquired financial institutions under a regularization and reorganization plan.
3. To execute a put option agreement with financial institutions that acquire assets and undertake to pay the deposits of an institution subject to the provisions set forth in Section 35 bis of the Argentine Financial Institutions Law for the benefit of the acquiring institution over all or part of the transferred assets. This arrangement may consist in the creation of a trust.
4. To acquire deposits from suspended banks up to the amount of the guarantee, subrogating to the rights of the depositors (including the reimbursement of the amounts deposited in wages and salaries crediting accounts to the holders).
5. To undertake obligations chargeable to the DGF within the limitations timely established.
6. To carry out, maintain or finance REPO programs with foreign banks for the stability of the Argentine financial system, with the prior consent of the Central Bank of Argentina and chargeable to the DGF.

#### **4.1. DGF in 2014**

In 2014 it was showed that the structure of the corporation was consolidated. The financial activities and those related to the recovery of assets including the trust management where the DGF is the beneficiary, property sale and loan collection, were efficiently conducted and with the pertinent dual control.

This control is consolidated by the area of Management Control and Internal Auditing, generating an environment that guarantees the due performance of the corporate activities as trustee of the DGF

In 2014, the performance of activities related to money laundering and terrorism financing continued enhancing as regards SEDESA's obligation pursuant to Law No. 25245 and its amendments, and Resolution (FIU) No. 140/12 governing the mentioned rule in relation to Trusts and as liable parties.

During the year, the certificate timely obtained of the Quality Management System under ISO 9001:2008 whose scopes are a) the "Realization and sale of real state to integrate the available balance of the Deposit Guarantee Fund" and b) the "Management of the Deposit Guarantee Fund".

Pursuant to the provisions set forth in Section 1, Executive Order No. 540/95, the purpose of the DGF is to guarantee bank deposits with the scope of action set forth therein. Moreover, the DGF may provide the financial recourses established in Section 10 bis of Executive Order No. 540/95 and its amendments.

To accomplish its purpose, the DGF obtained its recourses from the monthly contributions made in cash by the financial institutions under the terms, limits and conditions set forth in Executive Order No. 540/95 and its amendments and in accordance with the supplementary regulations issued by the BCRA (Central Bank of Argentina).

Pursuant to Communication "A" 4271 issued by the BCRA on December 30, 2004, the monthly regular contribution made by the financial institutions has been established in 0.015% of the daily balance average of the deposits made in each institution, plus a contribution differentiated per institution that may reach a maximum of an additional 0.015%.

According to Communication "A" 5641, dated October 6, 2014, there was an increase in the contributions of the financial institutions reaching the 0.60% of its monthly average of the daily balances.

#### 4.2. Actions Undertaken

The main guidelines of corporate organization and management process that have been applied over the last years were also applied in 2014.

Regarding the computing update, SEDESA is evaluating the implementation of a new comprehensive computing system for all the corporate activities.

At an international level, SEDESA is a full member of IADI (International Association of Deposit Insurers). In 2014, it maintained its active participation in the Association and several forums and activities organized by it. In current discussions thereon related to the implementation of the Core Principles for Effective Deposit Insurance Systems, while improving on a homogenization of rules, it has sustained the need of considering special characteristics of each financial system and, in particular, regarding the analysis and application of such principles at a regional level.

On such forums, Dr. Alejandro López, SEDESA's General Manager, is a member of the Executive Council (EXCO) of IADI and Chairman of the Latin-American Regional Committee (LARC).

#### 4.3. Financial Statements of SEDESA

According to Section 1, subsection 3 of Resolution No. 6/2006 of the Argentine Companies' Registration and Control Office (IGJ) and its amendments, a summary of the balance sheet, income statements and the sources and application of SEDESA's funds is described hereinafter:

	12/31/2014	12/31/2013
CURRENT ASSET	30,926,786	25,909,414
NON-CURRENT ASSETS	736,524	784,624
TOTAL ASSETS	31,663,310	26,694,038
CURRENT LIABILITIES	3,724,487	4,961,097
TOTAL LIABILITIES	3,724,487	4,961,097
NET WORTH	27,938,823	21,732,941
TOTAL LIABILITIES PLUS NET WORTH	31,663,310	26,694,038

	12/31/2014	12/31/2013
ORDINARY OPERATING INCOME	-959,887	-1,716,168
FINANCING AND HOLDING INCOME	10,946,020	6,419,630
OTHER INCOME AND EXPENSES	3,911	0
ORDINARY NET INCOME	9,986,133	5,580,560
EXTRAORDINARY INCOME	0	877,098
SUBTOTAL	9,990,044	5,580,560
INCOME TAX	-3,784,162	-1,953,424
NET INCOME	6,205,882	3,627,136

	12/31/2014	12/31/2013
Funds arising from (applicable to) operating activities	-3,158,254	-2,674,270
Funds arising from (applicable to) investment activities	-198,210	-454,517
Funds arising from (applicable to) financing activities	10,907,582	6,410,948
Total funds generated or applied during the fiscal year	7,551,118	3,282,161

Moreover, pursuant to Section 1, subsection 4 of the abovementioned resolution, please find below the following indexes:

	Year 2014	Year 2013
CURRENT LIQUIDITY (CURRENT ASSETS / CURRENT LIABILITIES)	8.3	5.2
SOLVENCY (NET WORTH / TOTAL LIABILITIES)	7.5	4.4
FIXED CAPITAL STOCK (NON-CURRENT ASSETS / TOTAL ASSETS)	2.3%	2.9%
RETURN (INCOME FOR THE FISCAL YEAR / NET WORTH)	22.2%	16.7%

Regarding the analysis of the main items of SEDESA's Financial Statements, an increase in the assets has been registered, mainly in current assets generated by investments in short-term assets. In relation to current liabilities, the decline is caused by the cancellation of a SEDESA's debt with the DGF registered in 2013.

SEDESA's income for the fiscal year ended on December 31, 2014 showed a significant improvement in comparison with 2013, due to the financing and holding income within a framework of a positive year as to the yield of sovereign bonds in the market and the depreciation of the Argentine Peso against the US Dollar, as described in Section 3 herein.

In relation to the operating income, the improvement registered as to 2013 derived from the exceptional expenses incurred during such period due to the organization of the 12<sup>th</sup> annual conference of IADI in Argentina hosted by SEDESA.

The Net Worth as of December 31, 2014 amounted to ARS 27,938,823 and included the following items:

Capital	ARS	1,000,000
Capital Adjustment	ARS	1,197,266
Legal Reserve	ARS	439,454
Optional Reserve	ARS	19.096.221
Income for the fiscal year	ARS	6.205.882
<b>Total</b>	<b>ARS</b>	<b>27.938.823</b>

#### **4.4. Financial Statements of the DGF**

The following comments on the Financial Statements are made in order to provide a framework for the understanding thereof in view of the domestic and foreign economic and financial situation.

The national and international context in 2014 continued going through different ways: while the global economy kept similar growth rates, and even in some developed countries there were rates higher to the ones of the prior year, in Argentina the situation showed a level of actual activity lower than the one in 2013, except for some specific positive statistical impact as the case of the agro sector.

Despite the above, the administration of the Deposit Guarantee Fund is still focused on the improvement of its balance sheet, reducing illiquid assets (mainly loan portfolio) and performing financial transactions compatible with the positive returns, at minimum risk, in order to comply with the DGF's initial mandate, pursuant to the current regulations.

##### **4.4.1. Assets**

In 2014 the total assets of the DGF increased by ARS 6,235 million as compared to the end of the previous fiscal year (an increase of 37%), explained by rises of ARS 6,232.1 million in current assets (equivalent to an increase of 37.6%) and ARS 3.5 million in non-current assets (1.4% over the year). It is worth mentioning that the increase mainly derived from a change in the information methodology since, as from year 2014, the REPOs performed by the DGF are registered in the assets as well as in the liabilities.

The main increases were those registered under current assets, particularly Investments with a rise of ARS3,508 million (33% i.a.) and Cash and Banks with ARS 2,726.5 million (an increase of 46.1% i.a.).

In Cash and Banks, the main increase as of prior-year end was focused on the item foreign currency involved in REPOs (ARS 1,435 million more) related to the operations that the DGF usually conducts with the BCRA. It is worth mentioning that under the provisions established in the letters of agreement thereof, the income obtained from such operations and recorded in the Financial Statements of the Fund derived from the assets delivered by the DGF as underlying assets of the abovementioned operations. In addition, the assets involved in the operations stated before will be returned to their original holders, in this case the DGF, upon their expiration.

As of the issuance date of the financial statements commented on this report, the REPOs amounted to USD 848,462,381.

In Investments, the increase of ARS 2,542 million during the year in the holding of national public securities stood out as well as of foreign currency securities

allocated to REPOs that due to the effect of the devaluation contributed with an increase of ARS 1,430 million during the year.

Furthermore, in the analysis of cash generation from the DGF's operating activities, we can observe an increase of ARS1,337 million in comparison with 2013, where the main sources were the financial institutions' contributions (ARS 944 million) and it is worth mentioning the impact generated during the last part of the year from the regulatory changes set forth by the BCRA enhancing the coverage limit of the deposit insurance and establishing an increase in the percentage payable by the banks to the DGF for such purpose. Additionally, there was a very significant improvement on the financial income (ARS 389 million).

#### ***4.4.2. Liabilities***

The DGF's Liabilities increased in 2014 (ARS 1,435 million), mainly due to a change in the accounting procedures. As from the fiscal year ended as of last December, the REPO transactions are registered on gross terms; thus there is one record in the assets and other in the liabilities unlike the prior procedure by which the net of such transactions was only recorded.

Notwithstanding this effect, the liabilities were reduced to ARS 953,294.

#### ***4.4.3. Balance Sheet***

As of the end of 2014, the Net Worth of the DGF amounted to ARS 15,723,472,464, representing an increase of ARS 4,801,131,208. This increase in the Net Worth was composed of ARS2,887,198,794 (income generated by the DGF during the fiscal year) and ARS 1,913,932,414 (contributions made by financial institutions). It is worth mentioning that, for the third consecutive year, the increase in the Net Worth is mainly caused by the income generated by the Fund, over the contributions of the institutions.

In this sense, the Net Worth managed by the DGF increased 44%, exceeding again the average increase recorded in the previous fiscal year (38.8%).

#### ***4.4.4. Income***

The national and international financial context allowed that the fiscal year's income amounted to ARS 2.887 million, with an increase of ARS 803 million in comparison with the income of the previous year; and therefore, the income was 38.6% higher than the one of the previous year. This result was reached by the financial investments that generated profits of ARS 2,911 million showing an increase of ARS809 million as to the former period (38.5% i.a. increase).



The continuity in the policy to improve the DGF's assets management, under a conservative framework, was showed in the income statement of 2014. During the year, this item amounted to ARS 19.4 million, more than doubling the amounts reached in 2013.

On the other hand, administrative expenses amounted to ARS51.4 million. The annual increase was mainly based on Remunerations, Social Security Contributions and Expenses of Employees, Fees of Directors and Statutory Auditors and Professional Fees.

#### ***4.5. Organization***

In 2014 the reorganization process of SEDESA's management continued. The aim of such process is to increase the integral efficiency of the Corporation's undertakings. This process has been consolidated and it started showing the benefits of the different implemented changes. This is evidenced by the income obtained in the Financial Statements previously described.

In December, IRAM conducted a follow-up audit of the certification of the QUALITY MANAGEMENT SYSTEM (QMS) under ISO 9001:2008. The scopes thereof are a) the "Realization and sale of real state to integrate the available balance of the Deposit Guarantee Fund" and b) the "Administration of the Available Balances of the Deposit Guarantee Fund".

The audit finished successfully and the auditors recommended the General Committee of Certifications of IRAM to maintain the certification of the Quality Management System of Seguro de Depósitos S.A. – for all the mentioned scopes.

#### ***4.6. Operations***

In 2014 the new drafting of REPOs with the BCRA was documented, as suggested by the law firms that advise SEDESA in connection therewith in order to protect the DGF's net worth from any contingency. The terms and conditions were modified, the term was extended and the remunerative feature was added to the transaction.

This led to a modification in the submittal of the Financial Statements that increase the assets and liabilities with the same magnitude, without generating modifications to the net worth.

In connection with the real property management, all the necessary measures for the promotion and the recovery and transfer in favor of SEDESA of the properties held under the portfolios known as BEO and BALCA as well as the corresponding sale process, have been taken.

Despite the seniority of the portfolio, the collection management (Judicial and Extrajudicial) has remained stable.

Furthermore, as to technology, the policy implemented by the General Management on the renewal of the computing system and the updated maintenance of the software licenses continues being applied.



**Financial Statements  
and  
Report from the Internal Comptrollers**

**SEDESA**  
SEGURO DE DEPÓSITOS S.A.

**SEGURO DE DEPOSITOS SOCIEDAD ANONIMA**

Financial statements for the fiscal years ended as of December 31,  
2014 and 2013.

## SEGURO DE DEPOSITOS SOCIEDAD ANONIMA

### BALANCE SHEET as of December 31, 2014 and 2013 (in Argentine Pesos)

ASSETS	<u>12/31/2014</u>	<u>12/31/2013</u>
<b>CURRENT ASSETS</b>		
Cash and Banks	5,054,384	23,296,445
Investments	25,793,179	-
Other Receivables	<u>79,223</u>	<u>2,612,969</u>
<b>Total current assets</b>	<b><u>30,926,786</u></b>	<b><u>25,909,414</u></b>
<b>NON-CURRENT ASSETS</b>		
Other Receivables	160,527	284,699
Fixed Assets	134,798	212,793
Intangible Assets	<u>441,199</u>	<u>287,132</u>
<b>Total Non-Current Assets</b>	<b><u>736,524</u></b>	<b><u>784,624</u></b>
<b>Total Assets</b>	<b><u><u>31,663,310</u></u></b>	<b><u><u>26,694,038</u></u></b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	-	2,607,931
Taxes Payable	2,718,406	1,602,555
Corporate Debts	<u>1,006,081</u>	<u>750,611</u>
<b>Total current liabilities</b>	<b><u>3,724,487</u></b>	<b><u>4,961,097</u></b>
<b>Total liabilities</b>	<b><u><u>3,724,487</u></u></b>	<b><u><u>4,961,097</u></u></b>
<b>NET WORTH (according to related statements)</b>	<b><u>27,938,823</u></b>	<b><u>21,732,941</u></b>
<b>Total Liabilities and Net Worth</b>	<b><u><u>31,663,310</u></u></b>	<b><u><u>26,694,038</u></u></b>

## SEGURO DE DEPOSITOS SOCIEDAD ANONIMA

### INCOME STATEMENT

for the fiscal years ended December 31, 2014 and 2013

(in Argentine pesos)

	12/31/2014	12/31/2013
Income IADI 12 <sup>th</sup> Annual Conference	-	877,098
Administrative Expenses	(1,082,025)	(1,833,685)
Plus:		
Recovery of Expenses	122,138	117,517
Financial and Holding Results from Assets	10,946,020	6,419,630
Subtotal	9,986,133	5,580,560
Other Net Income and Accounts Payable	3,911	-
Net Income (before Income Tax)	9,990,044	5,580,560
Charge from Income Tax	(3,784,162)	(1,953,424)
<b>Net Income for the Fiscal Year</b>	<b>6,205,882</b>	<b>3,627,136</b>

## INDEPENDENT AUDITORS' REPORT

To the Directors of  
**SEGURO DE DEPÓSITOS S.A.**  
<sup>1</sup>C.U.I.T. N° 30-68241551-3  
Legal domicile: San Martín 344, 12<sup>th</sup> floor  
City of Buenos Aires

1. We have audited the attached balance sheet of SEGURO DE DEPÓSITOS S.A. as of December 31, 2014, and the pertinent income statement, statement of changes in net worth and statement of cash flow for the fiscal year then ended

2. The Board of Directors of the Company is responsible for the reasonable drafting and filing of the financial statements pursuant to the professional accounting regulations applicable in the city of Buenos Aires, Republic of Argentina. This undertaking includes the design, implementation and maintenance of an adequate internal control system, so that such financial statements do not include significant misrepresentations based on mistakes or irregularities, the selection and application of pertinent accounting policies and the rendering of suitable opinions in view of the circumstances. Our obligation is to draft a report on the abovementioned financial statements based on the audit conducted.

3. Our examination was performed pursuant to the auditing regulations currently in force in the Republic of Argentina. Such regulations establish that auditors must comply with ethical requirements and that they have to plan and perform their obligations with the purpose of obtaining a reasonable degree of certainty regarding the lack of significant misrepresentations in the financial statements

An audit implies the application of procedures, on a selective basis, to obtain items of evidence that support the information described in the financial statements. The selected procedures depend on the professional opinion of the auditor, who evaluates the possibility of relevant misrepresentations in the financial statements based on mistakes or irregularities. To conduct this risk examination, the auditor considers the internal control of the Company regarding the relevant aspects for a reasonable drafting and submittal of the financial statements, in order to select the auditing procedures that are deemed suitable according to the circumstances but not with the purpose of rendering an opinion on the effectiveness of the Company's current internal control system. An audit further includes an

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<sup>1</sup> Tax Payer Identification Number (C.U.I.T., as per its acronym in Spanish)

evaluation of the applied accounting policies and of the reasonability of the accounting estimations made by the Company's Board of Directors, as well as an evaluation of the submittal of the financial statements as a whole.

We consider that the conducted examination is a sufficient and reasonable ground to support this report.

4. In our opinion, the financial statements mentioned on paragraph 1 reasonably reflect, in all significant aspects, the economic and financial position of SEGURO DE DEPÓSITOS S.A. as of December 31, 2014, as well as the results of its transactions and its cash flow for the fiscal year then ended in accordance with the professional accounting regulations in force in the City of Buenos Aires.

5. As regards the balance sheet of SEGURO DE DEPÓSITOS S.A. as of December 31, 2013 and the statements of income, the changes in net worth for the fiscal year then ended submitted for comparative purposes, we rendered an unqualified auditor's report on such financial statements we state that on February 20, 2014.

6. In compliance with the current provisions, we hereby state that:

- a) The financial statements mentioned on paragraph 1 are kept on the Inventory and Balance Sheet book and are based on the accounting records kept in all formal aspects pursuant to the current legal regulations.
- b) We have applied the procedures to prevent asset laundering and terrorism financing as set forth in the pertinent professional regulations issued by the Professional Council of Economic Sciences of the City of Buenos Aires.



- c) As of December 31, 2014, the accrued debt of social security contributions for the benefit of the Argentine Integrated Retirement System, as evidenced in the Company's accounting records, amounts to AR\$799,418 and is not due and payable as of such date.

City of Buenos Aires,  
March 4, 2015

PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.  
C.P.C.E.C.A.B.A. Volume 1 – Folio 13

NORBERTO M. NACUZZI  
Partner  
Public Accountant U.B.A.  
C.P.C.E.C.A.B.A. [Professional Board of Economic Sciences  
of the City of Buenos Aires] Volume 196 – Folio 142

## **FONDO DE GARANTIA DE LOS DEPOSITOS**

Fideicomiso resultante del Contrato de Fideicomiso celebrado el 7 de marzo de 1997 entre Banco Central de la República Argentina, como fiduciante, y Seguro de Depósitos S.A., como fiduciaria.

Estados contables fiduciarios por los ejercicios económicos finalizados el 31 de diciembre de 2014 y 2013.

# FONDO DE GARANTIA DE LOS DEPOSITOS

## ESTADOS FIDUCIARIOS DE SITUACION PATRIMONIAL al 31 de diciembre de 2014 y 2013 (en pesos)

	<u>31/12/2014</u>	<u>31/12/2013</u>
<b>ACTIVO</b>		
<b>ACTIVO CORRIENTE</b>		
Caja y Bancos	8.645.808.732	5.919.300.162
Inversiones	14.150.099.260	10.642.069.450
Créditos	1.741.955	1.467.549
Bienes dados en Locación Financiera	274.393	74.316
Otros Créditos	125.707	2.762.158
Otros Activos	<u>1.100.166</u>	<u>1.154.480</u>
<b>Total del Activo Corriente</b>	<u>22.799.150.213</u>	<u>16.566.828.115</u>
<b>ACTIVO NO CORRIENTE</b>		
Inversiones	150.349.663	148.780.092
Créditos	101.724.708	99.135.147
Bienes dados en Locación Financiera	-	276.689
Otros Créditos	206.060	206.280
Otros Activos	<u>1.887.921</u>	<u>2.251.336</u>
<b>Total del Activo No Corriente</b>	<u>254.168.352</u>	<u>250.649.544</u>
<b>Total del Activo</b>	<u><u>23.053.318.565</u></u>	<u><u>16.817.477.659</u></u>
<b>PASIVO</b>		
<b>PASIVO CORRIENTE</b>		
Cuentas por pagar	7.508.495	7.223.558
Pasivos por operaciones de pases	7.319.950.483	5.884.287.491
Otros pasivos	<u>2.387.123</u>	<u>3.625.354</u>
<b>Total del Pasivo Corriente</b>	<u>7.329.846.101</u>	<u>5.895.136.403</u>
<b>Total del Pasivo</b>	<u>7.329.846.101</u>	<u>5.895.136.403</u>
<b>PATRIMONIO NETO (según estado correspondiente)</b>	<u>15.723.472.464</u>	<u>10.922.341.256</u>
<b>TOTAL PASIVO MAS PATRIMONIO NETO</b>	<u><u>23.053.318.565</u></u>	<u><u>16.817.477.659</u></u>

# FONDO DE GARANTIA DE LOS DEPOSITOS

## ESTADOS FIDUCIARIOS DE RESULTADOS

correspondientes a los ejercicios económicos finalizados el 31 de diciembre de 2014 y 2013  
(en pesos)

	<u>31/12/2014</u>	<u>31/12/2013</u>
<b>RESULTADOS POR INVERSIONES FINANCIERAS</b>		
Resultados financieros por colocaciones	940.976.097	504.051.222
Diferencia de cotización	1.971.945.163	1.599.668.133
Sub-Total de resultados por inversiones financieras	<u>2.912.921.260</u>	<u>2.103.719.355</u>
Menos:		
Intereses por operaciones de pase	( 254.141)	-
Comisión por administración y custodia de inversiones	( 1.997.017)	( 1.732.013)
Total resultados por inversiones financieras	<u>2.910.670.102</u>	<u>2.101.987.342</u>
<b>RESULTADOS POR APLICACIÓN DE LAS GARANTIAS DE LOS DEPOSITOS</b>		
Resultados por garantías de depósitos pagados	-	218.944
Total resultados por garantías de depósitos pagados	<u>-</u>	<u>218.944</u>
<b>RESULTADOS POR ASISTENCIAS A ENTIDADES FINANCIERAS</b>		
Intereses por préstamos otorgados	3.542.071	3.419.024
Dividendos	950.000	1.900.000
Resultado por opción de venta de acciones preferidas	3.800.000	3.800.000
Total resultados por asistencias a entidades financieras	<u>8.292.071</u>	<u>9.119.024</u>
<b>RESULTADOS POR LA GESTION DE ACTIVOS</b>		
Ingresos por cobranzas-recuperos de créditos cedidos neto de gastos relacionados (nota 4.4)	13.067.574	4.503.973
Aumento neto de provisiones sobre cartera de créditos, bienes dados en locación financiera y otros créditos	( 1.491.805)	( 1.045.221)
Ingresos por recuperos de fideicomisos financieros y por compra de carteras, neto de gastos relacionados (nota 4.5)	5.625.676	2.360.420
Recupero de previsión sobre activos crediticios	-	701.423
Diferencia de cotización de créditos y otros créditos	119.931	1.013.927
Resultados netos de activos fijos	2.135.634	2.134.524
Resultados netos de otros activos	( 57.793)	( 219.483)
Total resultados por la gestión de activos	<u>19.399.217</u>	<u>9.449.563</u>
<b>GASTOS DE ADMINISTRACION</b>	( 51.412.035)	( 37.282.924)
<b>OTROS INGRESOS</b>	249.439	885
Ganancia del ejercicio	<u>2.887.198.794</u>	<u>2.083.492.834</u>

## **INDEPENDENT AUDITORS' REPORT**

To the Directors of  
**SEGURO DE DEPÓSITOS S.A.**  
**TRUSTEE OF THE DEPOSIT GUARANTEE FUND**

<sup>1</sup>CUIT: 30-70812286-2

Legal domicile: San Martin 344, 12<sup>th</sup> floor  
City of Buenos Aires

1. We have audited the trust balance sheet of DEPOSIT GUARANTEE FUND (the Fund) as of December 31, 2014, and the pertinent trust income statement, statement of changes in net worth and statement of cash flow for the fiscal year then ended.

2. The Board of Directors of Seguro de Depósitos S.A., in its capacity as Trustee of the Fund, is responsible for the reasonable drafting and filing of the financial statements pursuant to the professional accounting regulations applicable in the City of Buenos Aires, Republic of Argentina. This undertaking includes the design, implementation and maintenance of an adequate internal control system, so that such financial statements do not include significant misrepresentations based on mistakes or irregularities, the selection and application of pertinent accounting policies and the rendering of suitable opinions in view of the circumstances. Our obligation is to draft a report on the abovementioned financial statements based on the audit conducted.

3. Our examination was performed pursuant to the auditing regulations currently in force in the Republic of Argentina. Such regulations establish that auditors must comply with ethical requirements and that they have to plan and perform their obligations with the purpose of obtaining a reasonable degree of certainty regarding the lack of significant misrepresentations in the financial statements.

An audit implies the application of procedures, on a selective ground, to obtain items of evidence that support the information described in the financial statements. The selected procedures depend on the professional opinion of the auditor, who evaluates the possibility of relevant misrepresentations in the financial statements based on mistakes or irregularities. To conduct this risk examination, the auditor considers the internal control of the Trust Company regarding the relevant aspects for the reasonable drafting and submittal of the Fund's financial statements, in order to select the auditing procedures that are deemed suitable according to the circumstances but not with the purpose of rendering an

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<sup>1</sup> Tax Payer Identification Number (C.U.I.T., as per its acronym in Spanish)

opinion on the effectiveness of the current internal control system. An audit further includes an evaluation of the applied accounting policies and of the reasonability of the accounting estimations made by the Trust Company's Board of Directors, as well as an evaluation of the submittal of the financial statements as a whole.

We consider that the conducted examination is a sufficient and reasonable ground to support this report.

4. In our opinion, the trust financial statements mentioned on paragraph 1 reasonably reflect, in all significant aspects, the economic and financial position of the DEPOSIT GUARANTEE FUND as of December 31, 2014, as well as the results of its transactions, and its cash flows for the fiscal year then ended in accordance with the professional accounting regulations in force in the City of Buenos Aires.

5. As regards the trust balance sheet of the DEPOSIT GUARANTEE FUND as of December 31, 2013 and the trust statements of income, of changes in net worth and of cash flow for the fiscal year then ended submitted for comparative purposes, we state that we rendered an unqualified auditor's report on such trust financial statements on February 20, 2014.

6. In compliance with the current provisions, we hereby state that:

- a) The trust financial statements mentioned on paragraph 1 are kept on the Inventory and Balance Sheet book and are based on the accounting records kept in all formal aspects pursuant to the current legal regulations.
- b) We have applied the procedures to prevent asset laundering and terrorism financing as set forth in the pertinent professional regulations issued by the Professional Council of Economic Sciences of the City of Buenos Aires.

- c) As of December 31, 2014, there is no accrued debt as social security contributions for the benefit of the Argentine Integrated Retirement System, as evidenced on the Fund's accounting records.

City of Buenos Aires,  
March 4, 2015

PISTRELLI, HENRY MARTIN Y ASOCIADOS S.R.L.  
C.P.C.E.C.A.B.A. Volume 1 – Folio 13

NORBERTO M. NACUZZI  
Partner  
Public Accountant (U.B.A.)  
Volume 196 – Folio 142  
C.P.C.E.C.A.B.A. [Professional Board of Economic Sciences  
of the City of Buenos Aires]