

## ALLOWANCES AND PROVISIONS

**At December 31, 2016 and 2015**

(In thousands of pesos)

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DESCRIPTION	BALANCES AT THE BEGINNING OF THE YEAR RESTATED	INCREASES IN UNIFORM CURRENCY	REASONS FOR INCREASES	DECREASES IN UNIFORM CURRENCY		CLOSING BALANCES AT 12.31.16	CLOSING BALANCES AT 12.31.15
				REVERSALS	APPLICATIONS		
<b>Deducted from Assets</b>							
. Securities - For Loss of Value Risk	179	1,422	( I )	-	-	1,601	179
. Loans - For Uncollectibility and Loss of Value Risks	1,776,106	1,323,392	( II )	(54,912)	(409,709)	2,634,877	1,776,106
. Other Receivables from Financial Brokerage - For Uncollectibility and Loss of Value Risks	13,646	4,514		(7,574)	-	10,586	13,646
. Receivables from Financial Leases - For Uncollectibility and Loss of Value Risks	2,426	146		(126)	-	2,446	2,426
. Interests in Other Companies - For Loss of Value Risk	117	8	( III )	-	-	125	117
. Miscellaneous Receivables - For Uncollectibility Risk	131,040	182,708		(33,762)	(2,489)	277,497	131,040
<b><u>TOTAL</u></b>	<b><u>1,923,514</u></b>	<b><u>1,512,190</u></b>		<b><u>(96,374)</u></b>	<b><u>(412,198)</u></b>	<b><u>2,927,132</u></b>	<b><u>1,923,514</u></b>
<b>Carried under Liabilities</b>							
. Contingent Liabilities	211	5		-	-	216	211
. Other Contingencies	650,720	225,504		(54,830)	(53,396)	767,998	650,720
. Differences from the Conversion into US Dollars of Court-Ordered Deposits	34,891	-		-	(3,791)	31,100	34,891
. For Administrative, Disciplinary and Criminal Penalties	640	-		(640)	-	-	640
<b><u>TOTAL</u></b>	<b><u>686,462</u></b>	<b><u>225,509</u></b>		<b><u>(55,470)</u></b>	<b><u>(57,187)</u></b>	<b><u>799,314</u></b>	<b><u>686,462</u></b>
( I ) It includes thousands of \$86 due to the increase in the Brazilian real exchange rate (Sao Paulo Branch)							
( II ) It includes thousands of \$7,894 due to the increase in the Uruguayan peso and Brazilian real exchange rates (Montevideo and Sao Paulo Branches)							
( III ) It includes thousands of \$8 due to the increase in the Brazilian real exchange rate (Sao Paulo Branch)							

See our report dated  
February 16, 2017  
PRICE WATERHOUSE & CO. S.R.L.

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General Accountant

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