

CONSOLIDATED STATEMENT OF CASH FLOWS AND EQUIVALENTS (LAW No. 19550 - SECTION 33)

At December 31, 2016 and 2015

(In thousands of pesos)

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	12.31.16	12.31.15
<u>Statement of Cash Flows and Equivalents</u>		
Cash at Beginning of Year	20,118,793	14,637,134
Cash at End of Year	36,981,207	20,005,409
Net Increase in Cash (in uniform currency)	<u>16,862,414</u>	<u>5,368,275</u>
<u>Reasons for Changes in Cash (in uniform currency)</u>		
<u>Operating Activities</u>		
Net Collections / (Payments) for:		
- Government and Corporate Securities	(16,410,779)	(1,120,491)
- Loans	(13,538,369)	(23,860,834)
- To the Financial Sector	(270,276)	(6,972)
- To the Non-Financial Public Sector	5,534,503	(1,042,852)
- To the Non-Financial Private Sector and Residents Abroad	(18,802,596)	(22,811,010)
- Other Receivables from Financial Brokerage	(7,187,157)	3,227,381
- Receivables from Financial Leases	(250,386)	(403,421)
- Deposits	52,600,115	25,025,182
- To the Financial Sector	22,545	24,360
- To the Non-Financial Public Sector	26,014,645	(2,103,077)
- To the Non-Financial Private Sector and Residents Abroad	26,562,925	27,103,899
- Other Liabilities from Financial Brokerage	(212,804)	388,572
- Other (except for liabilities included in Financing Activities)	(212,804)	388,572
- Collections related to Income from Services	27,345,971	20,001,991
- Payments related to Expenditure for Services	(13,041,374)	(8,506,851)
- Administrative Expenses Paid	(19,938,872)	(14,907,623)
- Payments of Organization and Development Expenses	(122,088)	(100,117)
- Net Collections for Penalty Interest	52,593	48,104
- Differences from Court Orders Paid	(20,602)	(49,869)
- Collections of Dividends from Other Companies	63,135	36,347
- Other Payments related to Miscellaneous Income and Losses	(5,447,561)	(326,103)
- Net Collections for other Operating Activities	12,556,279	6,640,929
. Net (Increase) / Decrease in Other Assets	(6,391)	44,490
. Net Increase / (Decrease) in Other Liabilities	377,128	(155,086)
. Financial Income Collected	28,898,087	18,002,410
. Financial Expenditure Paid	(16,471,181)	(11,177,220)
. Other Payments	(241,364)	(73,665)
Payment of Income Tax / Notional Minimum Income Tax	(14,280)	(10,170)
<u>Net Cash Flows resulting from Operating Activities</u>	<u>16,433,821</u>	<u>6,083,027</u>

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

Dr. Fernando L. Arriola
General Accountant

Dr. Daniel H. Alonso
General Manager

Dr. Juan E. Curutchet
President

(Partner)
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Folder No. 40.051/3
Tax Payer Registration Code
20 - 13565011 – 1

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At December 31, 2016 and 2015

(In thousands of pesos)

	12.31.16	12.31.15
<u>Investment Activities</u>		
- Net Payments for Bank Premises and Equipment	(416,612)	(559,587)
- Net Collections / (Payments) for Miscellaneous Assets	44,373	(5,829)
- Other Payments for Investment Activities	(167,743)	(42,657)
. Other Payments	(167,743)	(42,657)
<u>Net Cash Flows used in Investment Activities</u>	<u>(539,982)</u>	<u>(608,073)</u>
 <u>Financing Activities</u>		
Net Collections / (Payments) for:		
- Argentine Central Bank	(81,064)	16,527
. Other	(81,064)	16,527
- International Banks and Agencies	(69,434)	(138,662)
- Financing from Domestic Financial Institutions	(67,930)	148,350
- Payments of Dividends	(23,055)	(5,758)
- Other Payments for Financing Activities	(3,024,744)	(3,443,458)
. Net Increase in Miscellaneous Receivables	(3,072,033)	(3,392,385)
. Net (Decrease) / Increase in Miscellaneous Liabilities	(159,790)	35,602
. Other Collections / (Payments)	207,079	(86,675)
<u>Net Cash Flows used in Financing Activities</u>	<u>(3,266,227)</u>	<u>(3,423,001)</u>
 <u>Income from Cash Holdings and Equivalents (Including Interest and Monetary Income)</u>	<u>4,234,802</u>	<u>3,316,322</u>
 <u>Net Increase in Cash</u>	<u>16,862,414</u>	<u>5,368,275</u>

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