FitchRatings

Banco BBVA Argentina S.A.

Key Rating Drivers

Issuer Default Ratings Driven by Support: Banco BBVA Argentina S.A.'s (BBVA Argentina) Issuer Default Ratings (IDRs) reflect expected support it would receive from its parent, Banco Bilbao Vizcaya Argentaria, S.A. (IDR: BBB+/Rating Watch Positive), if needed. Fitch Ratings believes the parent's propensity to support BBVA Argentina is high given its strategic role in the group's regional strategy, which underpins the assigned Shareholder Support Rating (SSR) of 'b–'. The SSR is capped by the country ceiling of 'B–'.

Operating Environment's High Influence: Fitch's Operating Environment (OE) score for Argentina is 'ccc+'/Stable, below its implied score of 'bbb'. Fitch adjusted the score based on negative deviation factors: the sovereign rating and macroeconomic stability. Fitch expects some pressure on the financial profile of banks after a rapid cycle of credit growth, relatively higher funding costs and rising delinquencies. However, the system's performance should remain stable despite the ongoing global macroeconomic volatility. The bank's sound earnings-generation capacity and good capitalization, even with sizable direct exposure to government and central bank securities, should absorb risks within the rating horizon.

Good Market Position: BBVA Argentina is a universal commercial bank that provides retail and corporate banking services to individuals, SMEs and large companies. The bank benefits from its strong market share by loans and deposits to the private sector, with market shares of approximately 11.3% and 9.2%, respectively, as of 1Q25. The bank's four-year average total operating income reached USD3,170 million and it has maintained a strong market share. However, Fitch has assigned a business profile score of 'ccc+', which is below the 'bb' implied score, due to the concentration of its operations in a still high-risk OE.

Good Risk Management: Fitch upgraded BBVA Argentina's risk profile score by one notch to 'b–' as the bank operates in a profitable, low-risk transactional business and is well prepared to face the ongoing OE challenges. The bank has strategically directed its investments toward low risk and secured credit lending in the private sector in a context of macroeconomic stabilization. As of 1Q25, YTD loan growth was 20.7% in nominal terms. The bank maintains other securities and earnings assets to manage liquidity, while its total exposure to public sector assets was 17.3% of total assets as of YE24.

Good Asset Quality: BBVA Argentina's asset quality was upgraded by one notch to 'b–', as the entity has maintained good asset quality indicators despite the challenging OE. Its NPL ratio was 1.8% as of 1Q25 (YE24: 1.5%; four-year average: 1.9%). Fitch expects the NPL ratio to deteriorate slightly toward YE25, in line with system trends and growth of the loan portfolio. The bank maintains an internal policy of exceeding regulatory loan loss reserve requirements and continues to have comfortable coverage levels, with a loan loss allowances-to-impaired loans ratio of 130%.

Profitability Affected by Lower NIM and High Cost of Risk: BBVA Argentina's earnings and profitability score was upgraded by one notch to 'b–' from 'ccc+', as the bank continues to have adequate profitability despite the downward trend observed since 2024. As of 1Q25, its operating profit-to-risk-weighted assets (RWAs) ratio was 4.6%, which is lower than the 2021–2024 average of 10.5%. Fitch expects profitability to decrease due to financial margin compression and an increase in cost of risk due to higher NPLs and organic loan portfolio growth.

Ratings

Foreign Currency

Long-Term Issuer Default Rating	B–
Short-Term Issuer Default Rating	B

Local Currency

Long-Term Issuer Default Rating	B–
Short-Term Issuer Default Rating	B
Viability Rating	ccc+
Shareholder Support Rating	b–

Sovereign Risk (Argentina)

Long-Term Foreign Currency Issuer Default Rating	CCC+
Long-Term Local Currency Issuer Default Rating	CCC+
Country Ceiling	B–

Rating Outlooks

Long-Term Foreign Currency Issuer Default Rating	Stable
Long-Term Local Currency Issuer Default Rating	Stable

Highest ESG Relevance Scores

Environmental	2
Social	3
Governance	4

Applicable Criteria

Bank Rating Criteria (March 2025)

Related Research

Fitch Affirms Banco BBVA Argentina's IDR at 'B–'; Outlook Stable (August 2025)

Frontier Markets Economic Monitor — 2Q25 (July 2025)

Fitch Upgrades Four Argentine Banks Following Sovereign Rating Action (May 2025)

Fitch Upgrades Argentina to 'CCC+' (May 2025)

Analysts

Larisa Arteaga
+57 601 241 3270
larisa.arteaga@fitchratings.com

Andrea Gutierrez
+56 2 3321 2905
andrea.gutierrez@fitchratings.com

Comfortable Capitalization: BBVA Argentina's capitalization remained at high levels, supported by strong earnings generation, low RWA growth and restrictions on dividend distributions. This trend shifted in fiscal 2024 following the relaxation of dividend payment restrictions and the organic growth of RWAs from expansion of the loan portfolio. As of 1Q25, the common equity Tier 1 ratio (CET1) was 21.2%, matching the implied score. Fitch expects the CET1 to fall by YE25, driven by loan growth and dividend payments to the parent, but it should remain adequate for the current rating.

Good Liquidity and Funding Metrics: Customer deposits are BBVA Argentina's main source of funding, and the bank has a long track record of attracting and maintaining a stable customer base. As of 1Q25, customer deposits accounted for slightly over 80% of the bank's total liabilities. The loan-to-deposit ratio at the same date was 85.0%, higher than the 2021–2024 average of 61.4% due to organic growth, while recent customer demand for loans has outpaced deposit growth and some pressure on local currency funding given a restrictive monetary policy to control monetary aggregates and generate pressure on real interest rates. Liquidity is sound, with a liquidity coverage ratio (LCR) of 133% and a net stable funding ratio (NSFR) of 109% as of 1Q25. Short-term liquidity is mostly allocated in central bank instruments.

Shareholder Support Rating (SSR): BBVA Argentina's SSR is 'b–' and is capped by the sovereign country ceiling of 'B–'. Fitch believes the likelihood of ordinary shareholder support will be forthcoming, if needed, once most foreign exchange (FX) controls have been removed. Support will likely be manageable for its parent considering its relative size (1.8% of total assets/4.1% of total equity), while its contributions has been adequate in the recent past (2.4% of total net income as of 1Q25).

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

IDRs and SSR

- The IDRs and SSR would be downgraded if Fitch perceives a material weakening of the parent's ability or willingness to support these banks.
- The IDRs are sensitive to changes in the country ceiling, as banks' foreign currency IDRs are almost always capped at the country ceiling.

VR

- The Viability Rating (VR) is sensitive to changes in the sovereign rating or further deterioration in the OE beyond current expectations that leads to a significant deterioration in the bank's financial profile.
- Any policy announcements that would be detrimental to the bank's ability to service its obligations would be negative for creditworthiness.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

IDRs and SSR

- Rating actions on the bank's IDRs and SSR are sensitive to those of the sovereign and country ceiling.

VR

- The VRs would benefit from an upgrade of Argentina's sovereign rating or a change in Fitch's assessment of the industry OE.

Significant Changes from Last Review

Sector Level

Argentina 2025 Sector Outlook — Neutral: The neutral sector outlook reflects Fitch's expectations that financial performance will remain in line with the agency's forecasting despite moderate deterioration in the banks' financial profiles. In May 2025, Fitch upgraded its OE score for the Argentinean banking system by one notch to 'ccc+' with a stable outlook, following its upgrade of the sovereign rating. While Fitch expects some pressure on the banking system's financial profile after a rapid cycle of credit growth followed by relatively higher funding costs and delinquencies, the system's performance should remain stable despite the broad macroeconomic effects of ongoing global volatility and still relatively-sized direct exposure to government and central bank securities.

Fitch projects a 5.1% rebound in 2025, after a 1.3% contraction in 2024, with positive uplift dependent on the final impacts of overall stabilization. We also project real interest rates to stay relatively higher in 2025 as monetary demand recovers, while the central bank maintains its focus on inflation control and re-monetizing the economy, increasing the volume of pesos in response to rising credit demand and economic activity. Argentina's economy is achieving a swift recovery, supported by disinflation that is increasing real incomes, and reactivation in credit intermediation after a long period of crowding out by public borrowing.

The International Monetary Fund (IMF) program positions Argentina for continued macroeconomic stabilization, but successful reserve accumulation and adherence to the program's targets remain critical for sustained progress. Fitch expects a continued focus on reserve accumulation, country risk reduction, GDP growth consolidation, labor market dynamics and political developments leading up to the elections.

Recent Developments: The fiscal adjustment is progressing, with a primary surplus forecast at 2.0% of GDP for 2025, exceeding IMF targets. Spending is being reallocated toward pensions while subsidies are reduced, and revenue performance remains uneven.

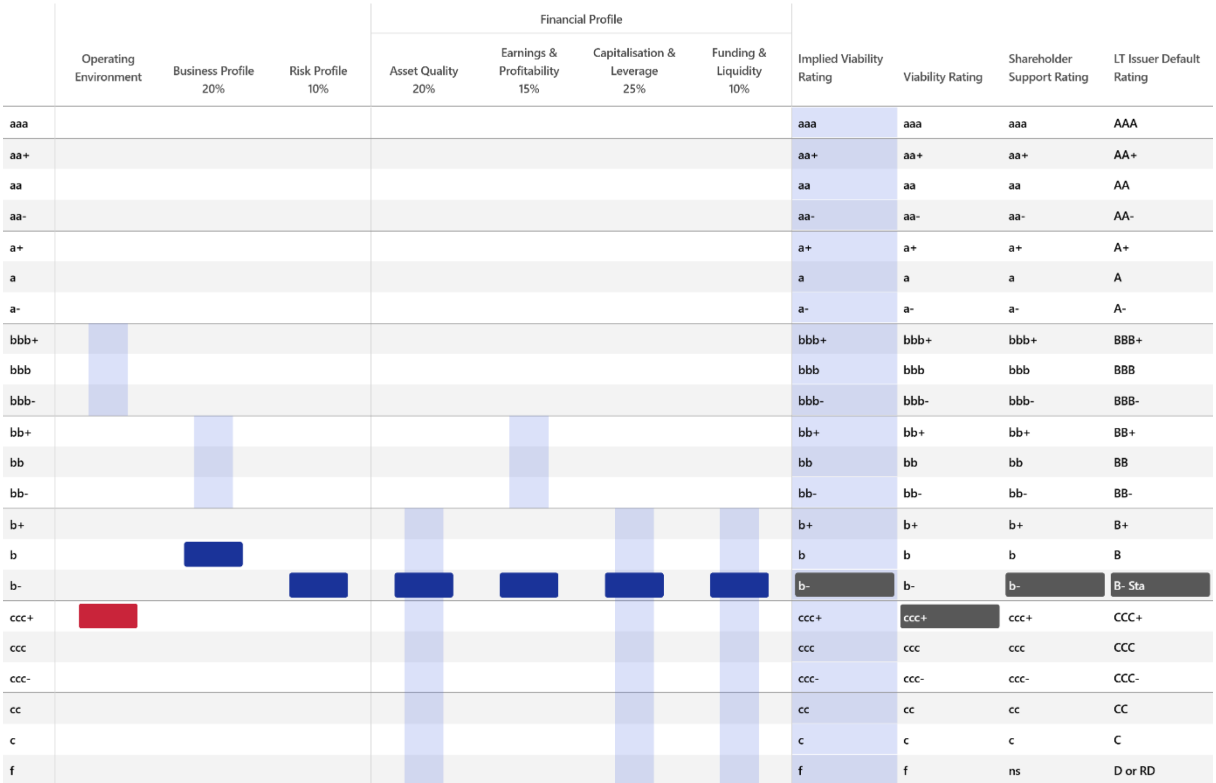
Monetary policy has shifted to target transactional M2 growth, supporting increased peso demand amid credit expansion. The government replaced LEFIs (*Letras Fiscales de Liquidez*) with LECAPs (*Letras del Tesoro Capitalizable en Pesos*) for liquidity management and is maintaining positive real interest rates. Exchange rate liberalization and the adoption of a crawling band have eliminated most restrictions, narrowed the FX gap and provided stability. Inflation has decelerated sharply, projected by Fitch at 43% yoy by YE25 and about 23% in 2026, although core inflation trends and FX volatility require monitoring.

The IMF program delivered USD 20 billion in support and set achievable fiscal and monetary targets, although reserve accumulation targets are demanding. The reserve buildup is supplemented by the World Bank, the Inter-American Development Bank (IDB) and market-based mechanisms such as repos and dollar-subscription peso bonds.

Economic growth is heterogeneous: hydrocarbons, mining, financial intermediation and agriculture are outperforming, while some industrial segments and construction are lagging. Labor market recovery has moderated, with the unemployment rate expected to top out at 7.5% for the year.

Externally, the trade surplus has narrowed due to rising imports, and current projections show a manageable deficit of 1.5% of GDP, supported by capital inflows. Eased restrictions on dividend repatriation may bolster foreign direct investment (FDI), particularly in RIGI-related projects.

Ratings Navigator



The Key Rating Driver (KRD) weightings used to determine the implied VR are shown as percentages at the top. In cases where the implied VR is adjusted upward or downward to arrive at the VR, the KRD associated with the adjustment reason is highlighted in red. The shaded areas indicate the benchmark-implied scores for each KRD.

Factor Outlook

Stable Evolving Positive Negative

VR - Adjustments to Key Rating Drivers

The VR of ‘ccc+’ has been assigned below the ‘b–’ implied VR due to the following adjustment reason: OE/Sovereign Rating Constraint (negative).

The OE score of ‘ccc+’ has been assigned below the ‘bbb’ implied score due to the following adjustment reasons: Sovereign Rating (negative) and Macroeconomic Stability (negative).

The Business Profile score of ‘b’ has been assigned below the ‘bb’ implied score due to the following adjustment reason: Business Model (negative).

The Earnings and Profitability score of ‘b–’ has been assigned below the ‘bb’ implied score due to the following adjustment reason: Historical and Future Metrics (negative).

Company Summary and Key Qualitative Factors

Operating Environment

Fitch's OE score for Argentinean banks' is 'ccc+'. The adjustment score is below the 'bbb' implied score due to negative adjustment factors: sovereign rating and macroeconomic stability. Fitch's assessment of a country's OE score is based on a two-factor matrix: GDP per capita and a ranking using Fitch Solutions' Operational Risk Index (ORI). Fitch believes these metrics are most closely correlated with a bank's ability to generate business volumes within acceptable risk levels in each jurisdiction. The latest ORI data available for Argentina indicate a 45.8% percentile ranking (May 2025), while GDP per capita was USD13,465 at YE24, commensurate with an implied 'bb' score.

A jurisdiction's ranking on Fitch Solutions' BMI ORI has explanatory power because it captures the challenges of operating a business in each jurisdiction, with a focus on four main risk areas: labor market, trade and investment, logistics, and crime and security. In the benchmarking matrix, we use the jurisdiction's percentile rank among the jurisdictions we track for the purposes of assigning bank ratings.

The sovereign rating is a constraint for Argentinean banks. The largest Argentinean banks rated by Fitch are constrained by the country's sovereign rating of 'CCC+' or the country ceiling of 'B–'.

Business Profile

Fitch's assessment of BBVA Argentina's implied business profile is 'bb', based on the bank's four-year average total operating income of USD3,170 million. However, according to the relevant criteria section, Fitch views the bank's business model as a negative deviation factor to arrive at a 'b' business profile score. This considers its focus on higher risk markets, as these are constrained by the weaker and still volatile OE, suggesting a high vulnerability to deterioration in the business and economic environment.

Good Market Position with Diverse Business Model

BBVA Argentina is a universal commercial bank that provides retail and corporate banking services to individuals, SMEs and large corporates. The bank benefits from its strong franchise, placing it among the top four private sector banks in Argentina in terms of loans and deposits, with market shares of about 11.3% and 9.2%, respectively, as of 1Q25. The Argentine subsidiary benefits from the ample expertise of its main shareholder (66.6%), Spain's Banco Bilbao Vizcaya Argentaria, S.A. (BBVA; BBB+/Rating Watch Positive). The other shareholder is Administracion Nacional de la Seguridad Social (ANSES) with 7%, while 26.4% is free float.

Serving all population segments, the bank and its subsidiaries offer retail and commercial banking services, insurance, asset management, securities brokerage, and investment banking products and services. The bank operates through 235 branches and has nearly 6,399 employees. The retail segment has nearly 3.6 million active customers, followed by the SME segment at roughly 180,000 and the corporate segment (CIB) at over 900. As of 1Q25, the bank's main assets consisted of 56% in gross loans, 17% in securities and 15% in cash and deposits in banks. As of the same date, retail loans accounted for 46.1% of the bank's net private loan portfolio, of which nearly 58% were credit card-related, followed by personal and pledge loans (34%) and mortgage loans (8%). Commercial loans accounted for 53% of the credit portfolio and mostly comprised SME lending.

Adequate Structure, Stable Management

BBVA Argentina's organizational structure is simple with good visibility into the major legal entities. BBVA Argentina's management is well-respected in the industry, considering the depth of experience at the bank, group and industry levels. Management has a good track record in terms of implementing and following strategy set by the board.

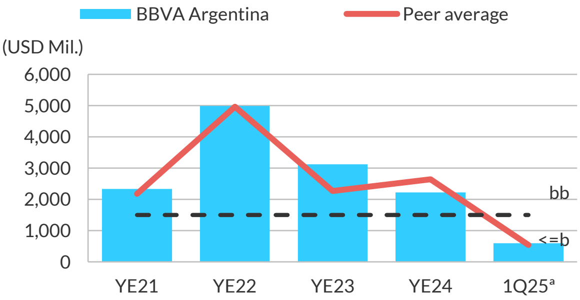
Fitch views BBVA Argentina's corporate governance practices as strong and in line with those of the group and local regulations. The bank's execution is considered effective and generally meets its business and financial objectives despite the volatile OE.

Clear Strategy with Effective Execution

The bank's current strategy follows that of the BBVA Group: improving clients' financial health, demonstrating operational excellence and reaching more clients, especially through digital channels, while continuing its focus on asset quality and liquidity over profitability. This includes increasing the level of digitalization to retain and grow its customer base and lowering operating costs to enhance profitability. The bank's focus on efficiency enables it to incorporate new clients without the need to establish new branches. However, the high inflationary OE hinders the bank's ability to improve its efficiency ratio.

BBVA Argentina's execution is effective and generally meets its business and financial objectives despite the volatile OE. The bank has consistently delivered sound results and good execution in different phases of the business cycle and compares positively to local peers. The bank represented 2.4% of the group's consolidated net income as of 1Q25, with about 4.1% of total capital contributing with paid-in dividends in 2024–2025, following recent years of stricter government controls on distributions.

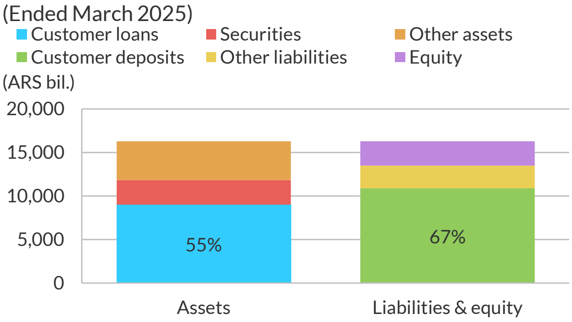
Total Operating Income



[a] Annualized.
Source: Fitch Ratings, Fitch Solutions

Balance Sheet

(Ended March 2025)



Source: Fitch Ratings, Fitch Solutions, BBVA Argentina

Risk Profile

Conversative Risk Appetite

BBVA Argentina has traditionally operated under a very conservative risk appetite, evidenced by its long track record of sound asset quality and conservative balance sheet management. Underwriting standards are usually aligned with those set by the parent, and BBVA employs a full arsenal of controls that follow best practices of the group, as well as local regulatory controls.

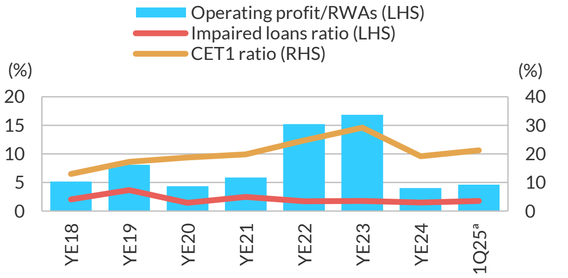
The bank's main risk exposures are credit risk associated with its loan portfolio and investment portfolio. Credit risk associated with the bank's securities portfolio is relatively low as it mainly comprises central bank securities, which are short-term and have reasonable liquidity in the local market. The bank does not engage in sophisticated financial derivative transactions.

Market and interest rate risks are moderate due to the moderate size of the bank's investment portfolio and the short-term nature of most assets and liabilities of the Argentine financial sector. The banking book interest rate risk, as measured by a 100bps change (economic value of equity), had a maximum exposure of 5.6% of CET1 as of fiscal 2024, and it considers a parallel increase in interest rates.

FX risk is relatively low since assets denominated in foreign currency, mostly U.S. dollars, have decreased significantly in recent years and are roughly matched by the amount of liabilities in the same currency. Foreign currency assets mainly include cash, USD-denominated loans and central bank and sovereign securities, while liabilities mainly comprise deposits. Central bank regulations allow banks to grant foreign currency-denominated loans only to customers who generate foreign currency.

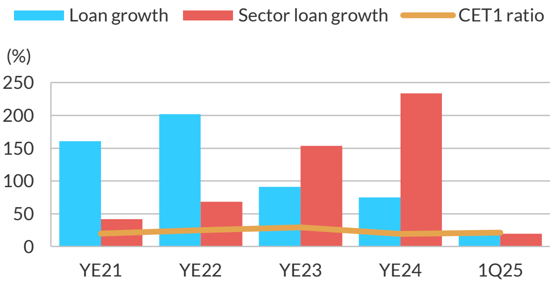
Operational risk management is structured around the three-lines-of-defense methodology. The internal control and compliance department implements criteria, policies and procedures defined by the board of directors, within the management framework for such risk, and monitors and supervises their correct application. This management process is consistent with the entity's risk profile, which must be comprehensive and proportional to the financial entity's size and economic importance. The operational risk and internal control model identify the operational processes and all operational risks to which the bank is exposed. Risks are assessed and prioritized based on internal methodology, and their criticality is established to be managed for mitigation, if applicable.

Performance Through the Cycle



[a] Annualized.
Source: Fitch Ratings, Fitch Solutions, BBVA Argentina

Loan Growth



Source: Fitch Ratings, Fitch Solutions, BBVA Argentina

Financial Profile

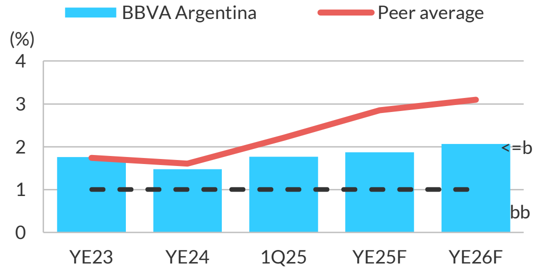
Asset Quality

BBVA Argentina's asset quality metrics remain solid, with indicators comparing favorably to close peers, despite the current OE and the bank's large retail and middle-market corporate portfolios. BBVA Argentina's credit portfolio is very diverse, helping to avoid concentration risk. The 10 largest debtors accounted for 13% of the gross loans portfolio or 0.4x equity as of 1Q25.

BBVA Argentina's NPLs ended 1Q25 at 1.8%, compared to 1.5% for fiscal 2024 and a four-year average of 1.9%. Fitch expects slight NPL deterioration toward YE25, in line with system trends and loan portfolio growth. The bank maintains an internal policy to exceed regulatory loan loss reserve requirements and continues to exhibit comfortable coverage levels, with a loan loss allowances-to-impaired loans ratio of 130%.

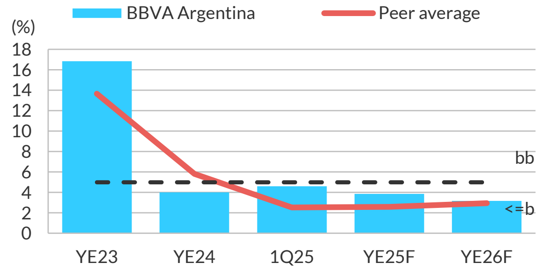
The securities portfolio accounted for nearly 17% of total assets as of 1Q25 (YE24: 17.7%), of which 98% were government securities. The held-to-maturity portion represented 0.8% of total assets, or 0.04x equity.

Impaired Loans/Gross Loans



Source: Fitch Ratings, Fitch Solutions

Operating Profit/Risk-Weighted Assets



Source: Fitch Ratings, Fitch Solutions

Earnings and Profitability

BBVA Argentina's profitability remains adequate despite a downward trend observed since 2024 and notwithstanding the heightened competitive pressures of the current environment. The bank maintains competitive advantages as a global bank, via its digital approach and global platform of financial products.

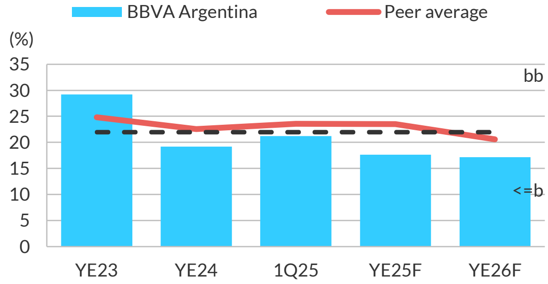
As of 1Q25, its operating profit-to-RWA ratio was 4.6%, below its 2021–2024 average of 10.5%. Fitch expects profitability to decrease due to financial margin compression and a heightened cost of risk due to higher NPLs and organic loan portfolio growth.

Capitalization and Leverage

BBVA Argentina's capitalization has remained high, supported by strong earnings generation, low RWA growth and restrictions on dividend distributions. This trend shifted in fiscal 2024, following the relaxation of dividend restrictions and organic growth in RWAs stemming from loan portfolio expansion. As of 1Q25, the CET1 was 21.2%, matching the implied score. Fitch expects the CET1 to fall by YE25, driven by loan growth and dividend payments to the parent, although it should remain adequate for the current rating.

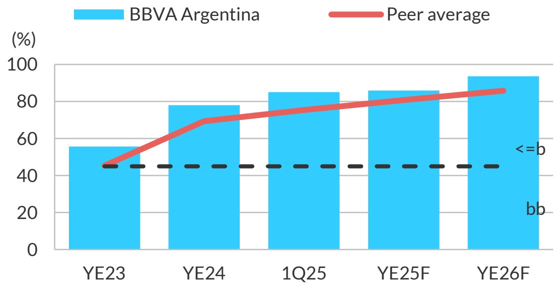
The regulator has enabled financial institutions to pay dividends of up to 60% of their distributable capacity until YE25. Dividend payments are made abroad via BOPREALs. In May 2025, the regulator approved an ARS89,413 million dividend payment (representing 25% of YE24 net income).

CET1 Ratio



Source: Fitch Ratings, Fitch Solutions

Gross Loans/Customer Deposits



Source: Fitch Ratings, Fitch Solutions

Funding and Liquidity

BBVA Argentina's main funding source is its customer deposit base. These deposits accounted for slightly over 80% of the bank's total liabilities as of 1Q25. The loan-to-deposit ratio as of the same date was 85.0%, higher than the 2021–2024 average of 61.4% due to organic growth. Meanwhile, recent customer demand for loans has outpaced deposit growth and some pressure on local currency funding given a restrictive monetary policy to control monetary aggregates and generate pressure on real interest rates.

The bank has some concentration in its deposit base; the top 10 depositors accounted for 21% of total deposits as of 1Q25, while the next 50 depositors represented 13.6% as of the same timeframe.

Although the bank has good liquidity, the acceleration of credit and reduction of liquid assets have generated a tighter LCR in recent months. These are in addition to the increase in wholesale funding and new instruments from BCRA for liquidity management, a function of the above-mentioned restrictive policy to control monetary aggregates and generate pressure on real interest rates. As of 1Q25, the LCR was 133% and the NSFR was 109%.

Additional Notes on Forecasts and Charts

Years denoted with a letter "F" in the preceding charts represent Fitch forecasts. The forecasts reflect Fitch's forward view on the bank's financial metrics per the agency's "Bank Rating Criteria." They are based on a combination of Fitch's macroeconomic forecasts, sector outlook and company-specific considerations. As a result, Fitch's forecasts may differ materially from guidance provided by the rated entity to the market. To the extent Fitch is aware of material nonpublic information with respect to future events, such as planned recapitalizations or M&A activity, Fitch will not reflect these nonpublic future events in its published forecasts. However, where relevant, Fitch considers such information to be part of the rating process.

The black dashed lines represent boundaries for indicative quantitative ranges and implied scores for Fitch's core financial metrics for banks operating in the environments Fitch scores in the 'b' and below category. The peer average includes Banco Santander Argentina S.A., Banco Macro S.A., Banco Supervielle S.A. and Banco de Galicia y Buenos Aires S.A. Unless otherwise stated, the financial year concludes Dec. 31 for all banks mentioned in this report.

Financials

Income Statement

	2022	2023	2024	1Q25[a]
(ARS Mil.; Years ended as of Dec. 31)	**(ARS Mil.)**	**(ARS Mil.)**	**(ARS Mil.)**	**(ARS Mil.)**
Gross interest and dividend income	1,961,325	6,939,070	4,703,547	921,675
Total interest expense	904,731	3,389,944	1,767,275	377,768
Net interest income	**1,056,594**	**3,549,126**	**2,936,271**	**543,907**
Net fees and commissions	140,157	293,888	277,415	95,225
Trading and investment income	96,416	122,334	448,381	131,441
Other noninterest operating income	–409,740	–1,443,922	–1,365,852	–125,610
Total noninterest operating income	–173,168	–1,027,699	–640,057	101,057
Total operating income	**883,426**	**2,521,427**	**2,296,215**	**644,964**
Personnel expenses	211,686	540,272	515,595	121,188
Other operating expenses	435,904	1,177,027	1,097,474	301,619
Total noninterest expenses	**647,590**	**1,717,299**	**1,613,070**	**422,807**
Equity-accounted profit/loss – operating	–1,453	2,519	51	740
Pre-impairment operating profit	**234,384**	**806,646**	**683,196**	**222,897**
Loan impairment charges	47,897	148,426	201,189	91,134
Securities and other credit impairment charges	—	—	–57	–81
Operating profit	**186,487**	**658,220**	**482,064**	**131,844**
Non-operating/nonrecurring income/expense	6,139	–519	–37,588	—
Pretax profit	192,626	657,701	444,476	131,844
Tax expense	12,215	298,525	86,823	50,236
Profit/loss from discontinued operations	—	—	—	—
Net income	**180,411**	**359,176**	**357,653**	**81,608**
Other comprehensive income	–27,578	430,348	–330,461	–109,844
Total comprehensive income	152,833	789,524	27,192	–28,236
Exchange rate	USD1= ARS177.0600	USD1= ARS806.9500	USD1= ARS1,030.5000	USD1= ARS1,072.5000

[a] First three months of 2025 only (1Q25), ended March 31. ARS – Argentine Peso
Source: Fitch Ratings, Fitch Solutions

Balance Sheet

(ARS Mil.; Years ended as of Dec. 31)	2022	2023	2024	1Q25[a]
Assets				
Loans				
Gross loans	**2,284,200**	**4,365,026**	**7,637,179**	**9,221,221**
Less: loan loss allowances	64,326	96,776	156,876	213,183
Net loans	**2,219,874**	**4,268,250**	**7,480,303**	**9,008,038**
Memo: impaired loans included in gross loans above	39,177	76,665	112,815	163,592
Memo: specific loan loss allowances	31,658	55,298	82,869	116,054
Memo: gross retail loans	1,273,897	2,130,193	3,279,230	3,890,825
Other earning assets				
Loans and advances to banks	13,206	33,648	58,268	70,723
Reverse repos and securities borrowing	307,544	3,188,170	462,968	320,208
Derivatives	7,063	21,780	9,864	6,679
Securities	2,103,510	2,155,433	2,601,789	2,813,438
Other earning assets	72,262	157,920	157,081	170,493
Total earning assets	**4,723,459**	**9,825,200**	**10,770,274**	**12,389,578**
Non-earning assets				
Cash and due from banks	922,672	2,488,919	2,823,884	2,450,906
Foreclosed assets	2,887	14,550	17,499	15,122
Goodwill and other intangibles	29,950	72,161	69,229	77,790
Other assets	420,964	936,071	1,044,113	1,355,061
Total assets	**6,099,932**	**13,336,901**	**14,724,999**	**16,288,456**
Liabilities and equity				
Interest-bearing liabilities				
Total customer deposits	**4,060,109**	**7,845,339**	**9,804,738**	**10,855,321**
Deposits from banks	62,671	5,603	4,327	7,044
Repos and securities lending	—	—	—	—
CP and short-term borrowings	287,317	686,475	1,028,047	1,091,701
Total long-term funding	869	111,793	316,829	541,001
Trading liabilities	—	—	—	—
Total funding	**4,410,966**	**8,649,210**	**11,153,941**	**12,495,067**
Derivatives	1,041	4,672	3,859	12,641
Total funding and derivatives	4,412,008	8,653,882	11,157,800	12,507,708
Noninterest-bearing liabilities				
Other liabilities	548,541	1,581,778	946,267	963,464
Total liabilities	**4,960,548**	**10,235,660**	**12,104,067**	**13,471,172**
Hybrid capital				
Preference shares and hybrid capital	—	—	—	—
Equity				
Total equity	1,139,384	3,101,241	2,620,932	2,817,284
Total liabilities and equity	**6,099,932**	**13,336,901**	**14,724,999**	**16,288,456**
Memo: published equity including preference shares and hybrid capital accounted for as equity	1,139,384	3,101,241	2,620,932	2,817,284
Memo: Fitch Core Capital	—	—	—	—
Exchange rate	USD1=ARS177.0600	USD1=ARS806.9500	USD1=ARS1,030.5000	USD1=ARS1,072.5000

[a] First three months of 2025 only (1Q25), ended March 31. ARS – Argentine Peso
Source: Fitch Ratings, Fitch Solutions

Summary Analytics

(Years ended as of Dec. 31)	2022	2023	2024	1Q25[a]
Interest ratios				
Interest income/average earning assets	103.99	158.57	55.38	32.28
Interest expense/average interest-bearing liabilities	51.11	86.02	21.52	12.95
Net interest income/average earning assets	56.02	81.11	34.57	19.05
Net interest income less loan impairment charges/average earning assets	53.48	77.71	32.20	15.86
Other operating profitability ratios				
Operating profit/risk-weighted assets	15.21	16.84	4.02	4.60
Noninterest expense/gross revenue	73.30	68.11	70.25	65.56
Loans and securities impairment charges/pre-impairment operating profit	20.44	18.40	29.44	40.85
Operating profit/average total assets	7.59	11.42	4.14	3.45
Operating profit/average equity	42.65	54.56	19.52	19.66
Noninterest income/gross revenue	−19.60	−40.76	−27.87	15.67
Noninterest expense/average total assets	26.36	29.80	13.84	11.06
Pre-impairment operating profit/average equity	53.60	66.86	27.67	33.25
Pre-impairment operating profit/average total assets	9.54	14.00	5.86	5.83
Other profitability ratios				
Net income/average total equity	41.26	29.77	14.48	12.17
Net income/average total assets	7.34	6.23	3.07	2.13
Net income/risk-weighted assets	14.71	9.19	2.98	2.85
Capitalization				
Common equity Tier 1 capital ratio	24.69	29.18	19.16	21.18
Fully loaded common equity Tier 1 capital ratio	—	—	—	—
FCC/FCC-adjusted risk-weighted assets	—	—	—	—
Tangible common equity/tangible assets	18.28	22.84	17.27	16.65
Equity/total assets	18.68	23.25	17.80	17.30
Impaired loans less loan loss allowances/common equity Tier 1 capital	−8.31	−1.76	−1.92	−2.02
Impaired loans less loan loss allowances/FCC	—	—	—	—
Risk-weighted assets/total assets	20.10	29.30	81.50	71.29
Growth of risk-weighted assets	75.01	218.70	207.05	120.44
Loan quality				
Impaired loans/gross loans	1.72	1.76	1.48	1.77
Growth of gross loans	201.88	91.10	74.96	20.74
Loan loss allowances/impaired loans	164.19	126.23	139.06	130.31
Loan impairment charges/average gross loans	5.26	7.43	4.19	4.38
Net charge-offs/average gross loans	—	—	−0.25	−0.15
Funding and liquidity				
Gross loans/customer deposits	56.26	55.64	77.89	84.95
Gross loans/customer deposits + covered bonds	—	—	—	—
Liquidity coverage ratio	317.00	206.00	154.00	133.00
Customer deposits/total non-equity funding	92.05	90.71	87.90	86.88
Net stable funding ratio	207.00	202.00	122.00	109.00
Growth of total customer deposits	199.97	93.23	24.98	10.72
Fitch qualifying junior debt/risk-weighted assets	0.00	0.00	0.00	0.00
Net loans/customer deposits	54.68	54.40	76.29	82.98

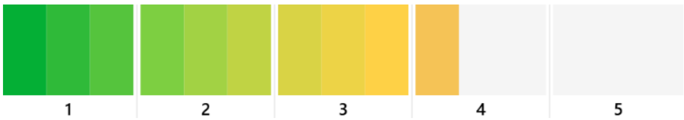
[a] First three months of 2025 only (1Q25), ended March 31. FCC – Fitch Core Capital
Source: Fitch Ratings, Fitch Solutions

Support Assessment

Shareholder support		
Shareholder		Banco Bilbao Vizcaya Argentaria, S.A.
Shareholder Long-Term Issuer Default Rating		BBB+/Rating Watch Positive
Total adjustment (notches)		−8
Shareholder Support Rating		b−/—
Shareholder ability to support		
Shareholder regulation		1 notch
Relative size		Equalized
Country risks		2+ notches
Shareholder propensity to support		
Role in group		1 notch
Reputational risk		1 notch
Integration		1 notch
Support record		1 notch
Subsidiary performance and prospects		2+ notches
Legal commitments		2+ notches

The colors below indicate the influence of each support factor in our assessment.
Influence: Lower Moderate Higher

Environmental, Social and Governance Considerations

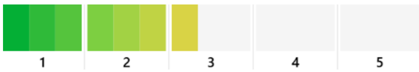


Environmental Relevance Scores

General issues	Score	Sector-specific issues	Reference
GHG Emissions & Air Quality	1	N.A.	N.A.
Energy Management	1	N.A.	N.A.
Water & Wastewater Management	1	N.A.	N.A.
Waste & Hazardous Materials Management; Ecological Impacts	1	N.A.	N.A.
Exposure to Environmental Impacts	2	Impact of extreme weather events on assets and/or operations and corresponding risk appetite & management; catastrophe risk; credit concentrations	Business Profile (incl. Management & governance); Risk Profile; Asset Quality

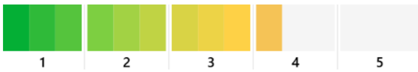
Social Relevance Scores

General issues	Score	Sector-specific issues	Reference
Human Rights, Community Relations, Access & Affordability	2	Services for underbanked and underserved communities: SME and community development programs; financial literacy programs	Business Profile (incl. Management & governance); Risk Profile
Customer Welfare — Fair Messaging, Privacy & Data Security	3	Compliance risks incl. fair lending practices, mis-selling, repossession/foreclosure practices, consumer data protection (data security)	Operating Environment; Business Profile (incl. Management & governance); Risk Profile
Labor Relations & Practices	2	Impact of labor negotiations, including board/employee compensation and composition	Business Profile (incl. Management & governance)
Employee Well-being	1	N.A.	N.A.
Exposure to Social Impacts	2	Shift in social or consumer preferences as a result of an institution's social positions, or social and/or political disapproval of core banking practices	Business Profile (incl. Management & governance); Financial Profile



Governance Relevance Scores

General issues	Score	Sector-specific issues	Reference
Management Strategy	4	Operational implementation of strategy	Business Profile (incl. Management & governance)
Governance Structure	3	Board independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal/compliance risks; business continuity; key person risk; related party transactions	Business Profile (incl. Management & governance); Earnings & Profitability; Capitalization & Leverage
Group Structure	3	Organizational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership	Business Profile (incl. Management & governance)
Financial Transparency	3	Quality and frequency of financial reporting and auditing processes	Business Profile (incl. Management & governance)



ESG Scoring

ESG relevance scores range from '1' to '5' based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the general and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit relevance of the sector-specific issues to an issuer's overall credit rating. The reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.

The panels underneath the relevance score tables are visualizations of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The score columns summarize rating relevance and impact to credit from ESG issues. The column on the far left identifies any ESG relevance sub-factor issues that are drivers or potential drivers of an issuer's credit rating (corresponding with scores of '3', '4' or '5'). All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The general and sector-specific issues draw on the classification standards published by the UN Principles for Responsible Investing, the Sustainability Accounting Standards Board and the World Bank.

Credit-Relevant ESG Scale

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to 'Higher' relative importance within the Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to 'Moderate' relative importance within the Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to 'Lower' relative importance within the Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

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