

Grupo Supervielle

3Q17 Earnings Conference Call

GRUPO
SUPERVIELLE


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Compañía Financiera

Tarjeta
Automática S.A.


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MANAGEMENT

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Third quarter 2017 highlights

Supervielle delivers solid results; well-positioned to continue leveraging attractive growth opportunities in Argentina

1

ROBUST PROFITABILITY with net income up 43% YoY and 7% QoQ. Excluding non-recurring items in 2Q17, net income rose 23% QoQ.

2

ACCELERATED LOAN GROWTH, with loan growth of 60% YoY and 20% QoQ; strong performance across all loan segments, particularly corporate loans as we maintain focus on becoming our customer's primary banking partner.

3

SLIGHT QoQ IMPROVEMENT IN NPL RATIO, BUT HIGHER COST OF RISK, reflecting higher NPLs in consumer finance loans (12% of total loan portfolio) priced in gross intermediation margin. Maintain close monitoring of asset quality.

4

GROSS FINANCIAL MARGIN UP 10% QoQ while AR\$ loan portfolio NIM remains high albeit on the low end of YTD range, mainly due to a higher share of corporate and US\$-denominated loans.

5

FOCUS ON PROFITABLE GROWTH DRIVES OPERATIONAL LEVERAGE with efficiency ratio improving 310 bps QoQ to 61.9%, and 60 bps from 62.5% in 3Q16.

6

COMPLETED SUCESSFUL EQUITY OFFERING raising US\$342 million to support strong loan growth underpinned by favorable economic dynamics.

7

REVISING GUIDANCE UPWARDS reflecting recent equity offering.

Successful equity offering on September 12, 2017, only 16 months after IPO

- Raises U\$S 342 mm including green shoe exercised 2 days after pricing
- Base Deal:
 - U\$S 280 mm Primary / U\$S 132 mm Secondary
 - U\$S 62 mm Green Shoe 100% primary
- Three times oversubscribed
- Increased float to 64% (current free float market cap U\$S1.5 bn)



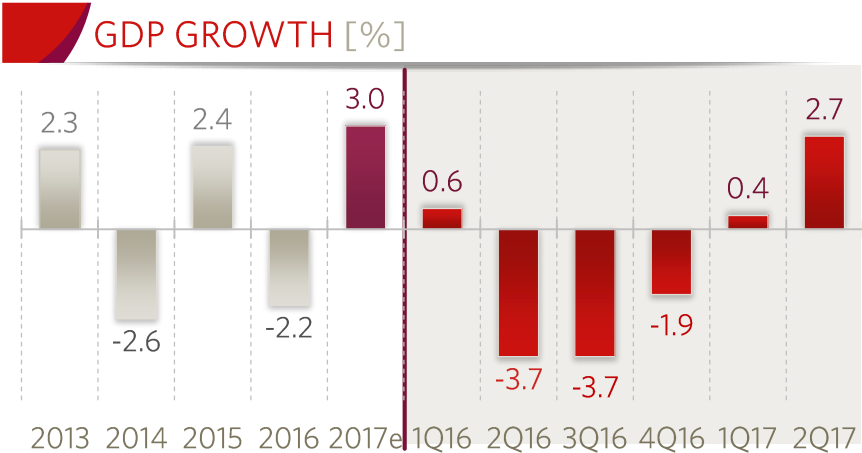
SUPV
LISTED
NYSE

Shares	Offering Price	Allocation	Float
17,672.732 Class B Shares	U\$S4	15%	64% Economic Interest
20,155,453 ADS's ¹ Class B Shares	U\$S20	85%	29.2% Voting rights

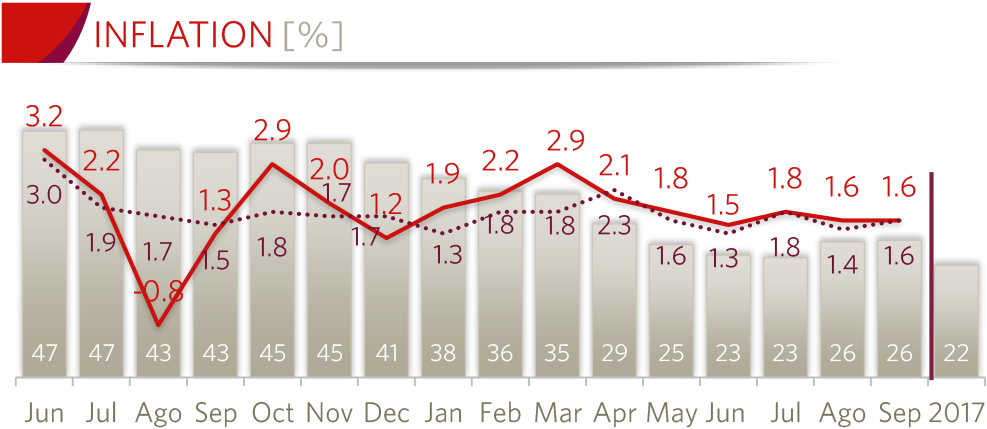
¹ 5 shares= 1 ADS

Macro overview

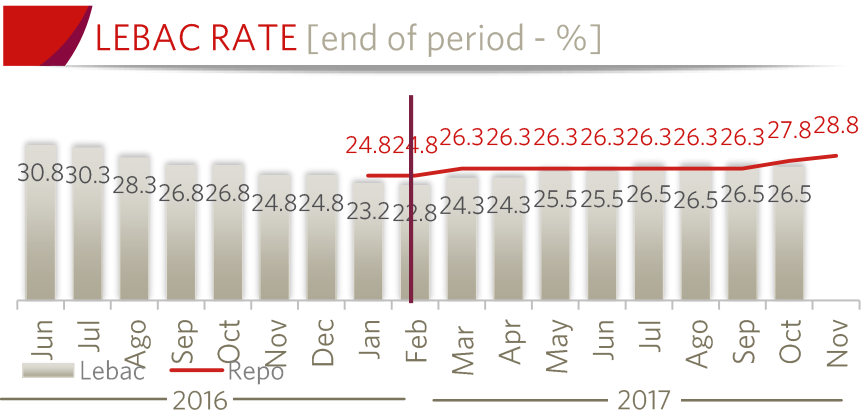
Strong pick-up in economic activity while consumption continues to lag behind;
Central Bank managing expectations through an inflationary targeting policy



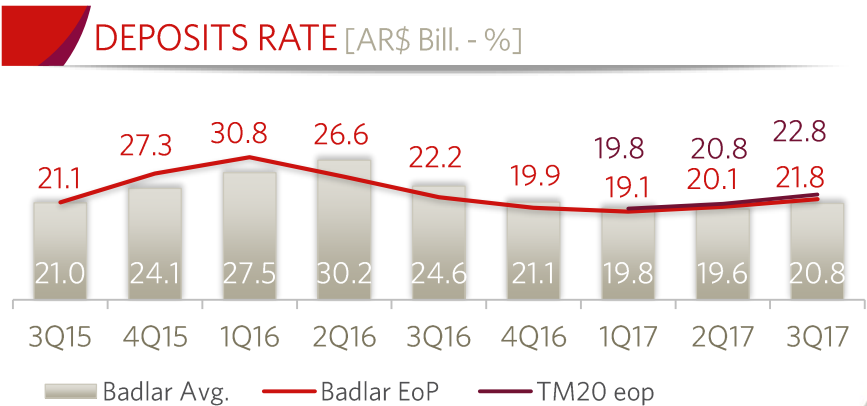
Source: INDEC and Market Expectations Survey as of November 2016.



Source: Inflation: City of Buenos Aires and Market Expectations Survey as of June 2017. Expected 2017 annual inflation at 21.5% in June, up from 19.6% in December. Core Inflation: INDEC.



Source: BCRA
Current LEBAC rate 26.5%

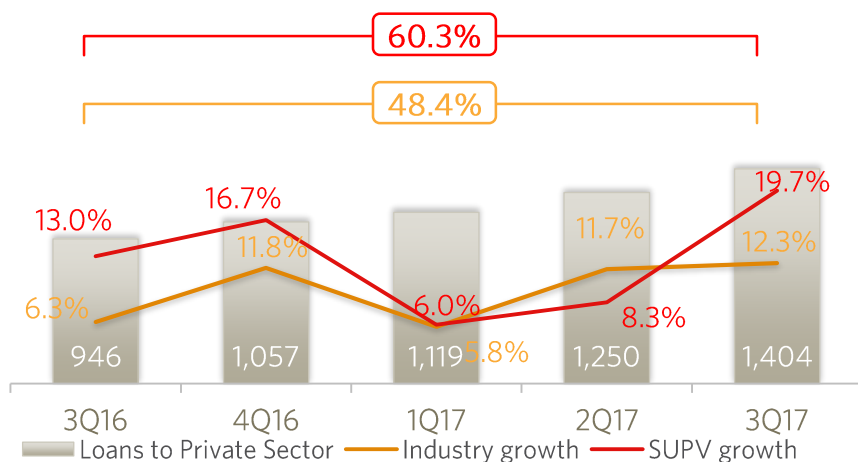


Source: Daily Report BCRA. BADLAR is Buenos Aires Deposits of Large Amount rate. TM20: Wholesale deposits rate above AR\$20 million

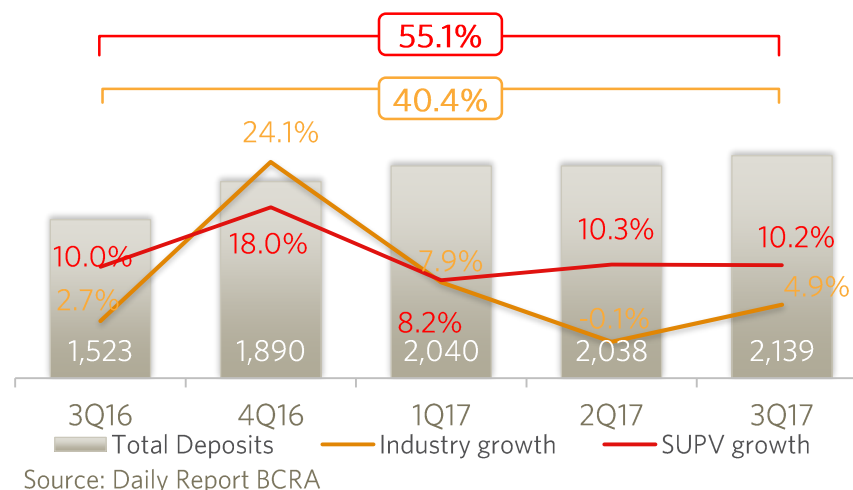
Financial sector

Market friendly regulations and sound fiscal and monetary policy support strong and healthy system loan and deposit growth; SUPV outperforms market

LOANS TO PRIVATE SECTOR [AR\$ Bill.]



TOTAL DEPOSITS [AR\$ Bill.]



➤ **Loans** up 48% YoY and 12% QoQ, while SUPV is up 60% YoY and 20% QoQ

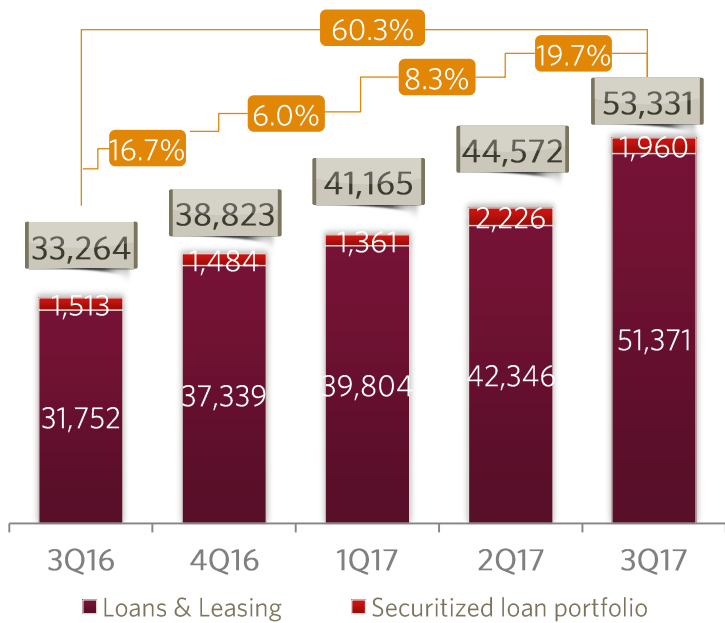
Acceleration continues in loan growth mainly driven by increases of 14% or AR\$82 billion in corporate loans (17% or AR\$35 bn in U.S. dollar denominated loans, 13% or AR\$ 47 bn in promissory notes) and 11% or AR\$72 bn, in retail loans (12%, or AR\$34 bn in personal loans; 15%, or AR\$11 bn in pledge loans, and 27%, or AR\$20 bn in mortgages).

➤ **Total Deposits** up 40% YoY and 5% QoQ, while SUPV is up 55% YoY and 10% QoQ

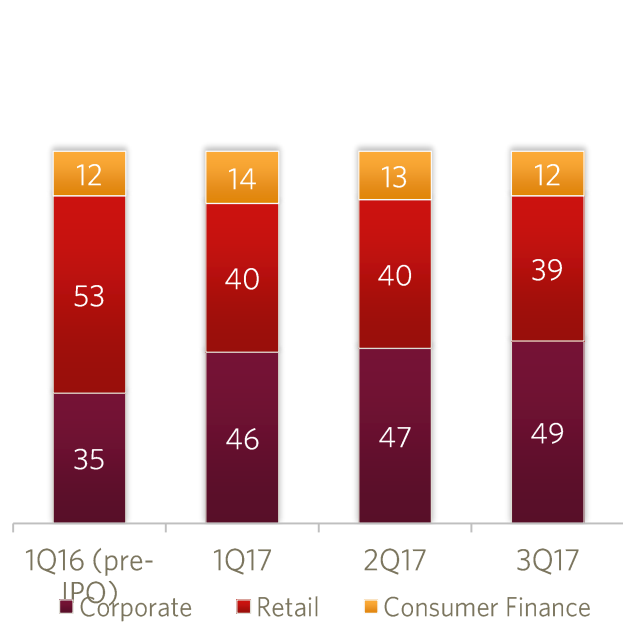
Supervielle loan performance

Strong pick-up in loan growth - up 60% YoY and 20% QoQ

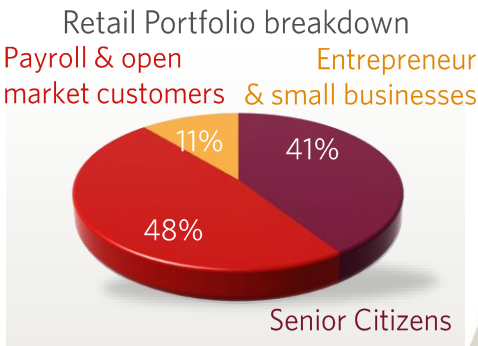
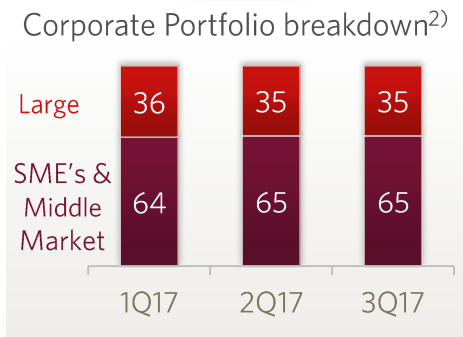
LOANS & LEASING, PLUS SECURITIZED PORTFOLIO [AR\$ Mill.]¹⁾



TOTAL LOANS BREAKDOWN [%]
Loans & Leasing, plus Securitized Portfolio



3Q17 BREAKDOWN [%]



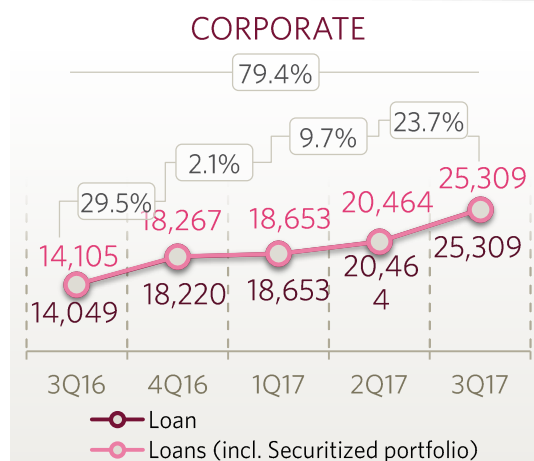
> Share of SMEs & Middle Market loans over total corporate loans remained stable at 65% in 3Q17, from 2Q17, aligned with our strategic focus.

1) Denotes loans and leases before allowances
2) SME's considers annual sales between AR\$ 40-200 million, Middle Market considers annual sales between AR\$ 200-1,000 million and Large considers annual sales over AR\$ 1,000 million.

Loan performance

Broad-based acceleration in loan growth; corporate loans remain particularly strong

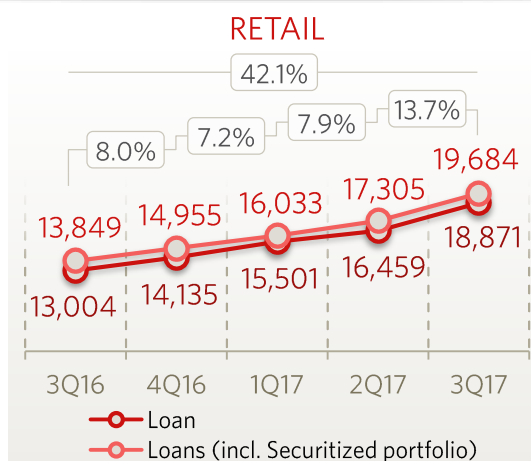
TOTAL LOAN PORTFOLIO BREAKDOWN BY SEGMENT Loans & Leasing, plus Securitized Portfolio [AR\$ Mill.]¹⁾



➤ Acceleration in loan growth driven mainly by factoring (promissory notes), the largest corporate loan product.

STRATEGY

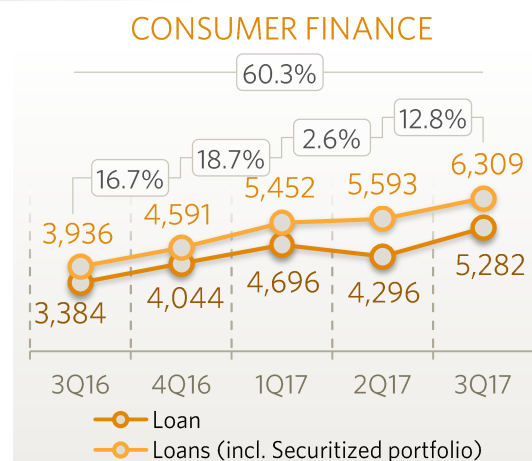
- Larger ticket per client
- Increase transactional services to become primary bank
- Focused on increasing business with strategic clients in growing industries i.e. agribusiness, infrastructure and energy



➤ Pick up in personal loans growth. Good dynamics in mortgage loans.

STRATEGY

- Consolidate atomized & stable funding base in senior citizens
- Leverage middle-market relationships to grow penetration in quality payroll clients
- Leverage retail client base to increase cross-selling capabilities in affluent and small business segments
- Achieve leading position in mortgages



➤ Loan growth bounced back mainly driven by personal loans. Gross intermediation mg. up 103% YoY and 19% QoQ pricing higher cost of risk in the segment

STRATEGY

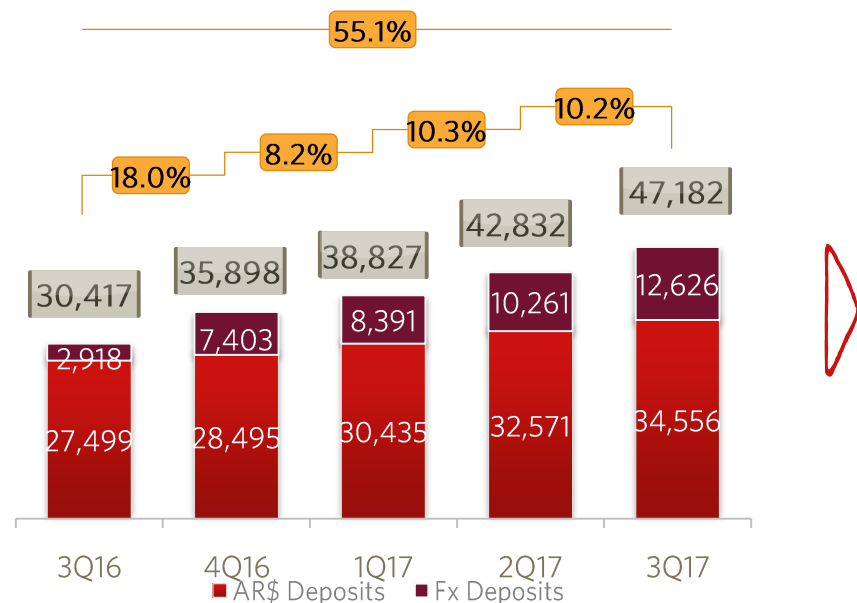
- Leverage Walmart's growth strategy to increase penetration of target customers
- Larger capital base provides opportunity to form alliances with medium retail chains

1) Denotes loans and leases before allowances

Funding

Sustained deposit growth and funds from equity offering support accelerated loan expansion - up AR\$8 bn.

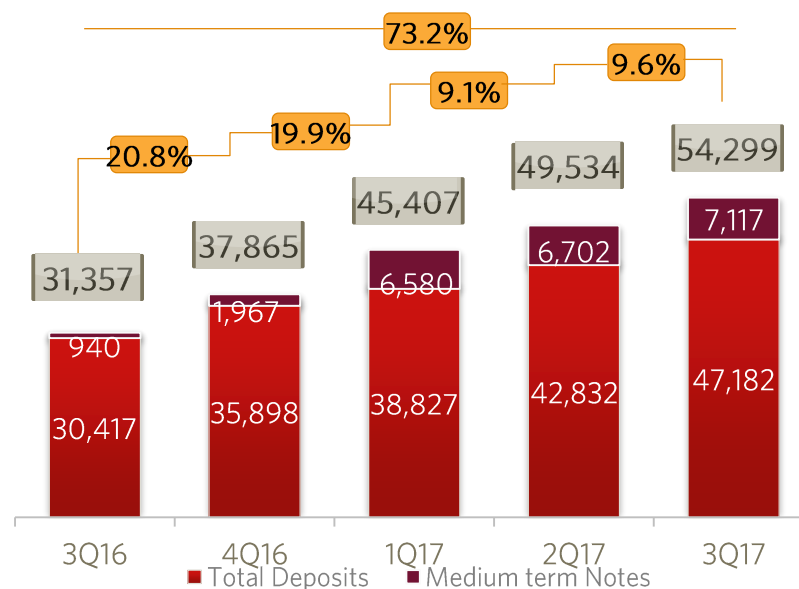
TOTAL DEPOSITS [AR\$ Mill.]



QoQ Variation

104.4%	104.0%	102.5%	98.9%	108.9%	Loans to total deposits
71.5%	70.2%	61.7%	63.0%	65.1%	Loans to assets
9.6%	20.6%	21.6%	24.0%	26.8%	Fx Deposits to total deposits

TOTAL DEPOSITS + MEDIUM TERM NOTES [AR\$ Mill.]

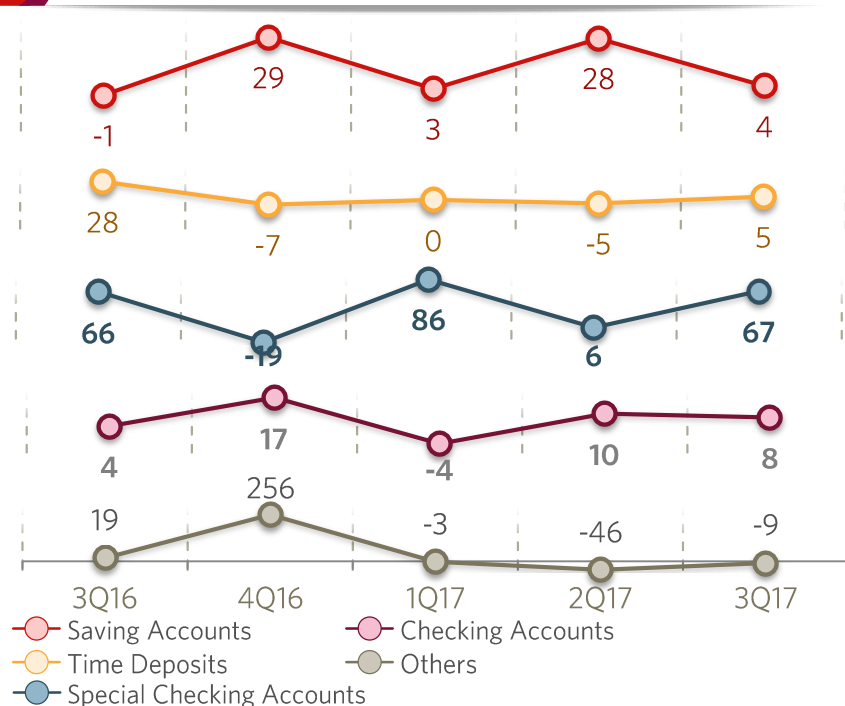


- > Total deposits up 10% QoQ and 55% YoY to AR\$47.2 Bn in 3Q17.
- > MTN amounted to AR\$ 7.1 Bn in 3Q17, up AR\$ 415 Million QoQ and AR\$ 6.2 Bn YoY.
- > Loan to deposit ratio of 108.9% reflects offering proceeds to fund loan growth together with higher deposits and lower investment portfolio.

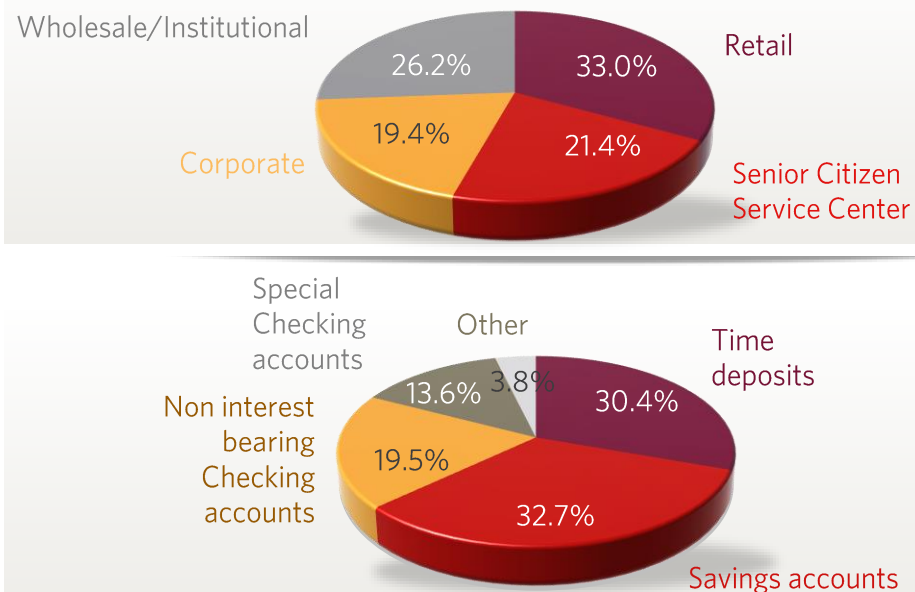
Funding

Highly atomized deposit base expanding above market growth rates

DEPOSITS Q-Q VARIATION [%]



DEPOSIT BREAKDOWN [%]

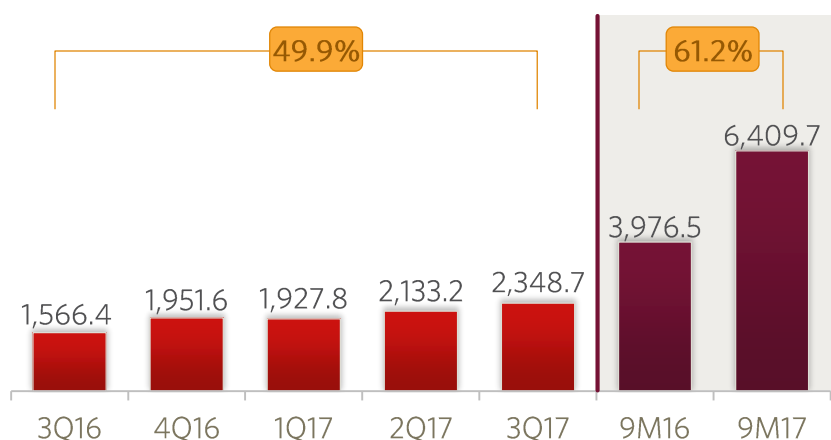


- Progress on cash management strategy in the corporate segment drives continued QoQ growth in checking account deposits.
- Savings up 4% QoQ after the strong seasonal increase in the previous quarter.
- Non or low interest bearing deposits (non interest bearing checking accounts, saving accounts and other accounts) represented 56% of total deposits. Retail + Senior Citizens Deposits were 54% of total deposits as of Sept'17.
- Further supporting funding base through special checking accounts

Gross financial margin & NIM

Gross financial margin up 10% QoQ while AR\$ loan portfolio NIM remains high albeit on the low end of YTD range

GROSS FINANCIAL MARGIN [AR\$ Mill.]



NET INTEREST MARGIN [NIM - %]

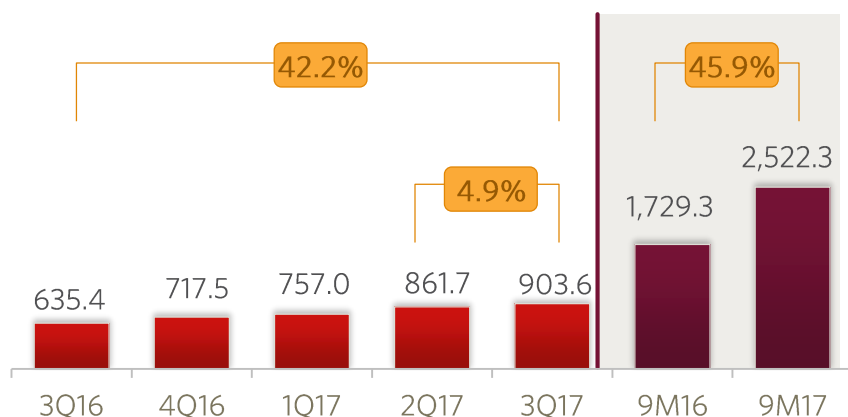
	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
TOTAL	20.5%	20.8%	18.7%	19.8%	18.5%
AR\$	23.0%	24.1%	22.1%	21.9%	21.0%
US\$	4.1%	2.1%	1.0%	10.1%	7.6%
Loan Portfolio	21.5%	20.9%	20.0%	20.6%	19.5%
AR\$	23.9%	24.2%	23.4%	24.3%	23.4%
US\$	1.8%	2.2%	2.6%	3.0%	3.2%
Loan Portfolio exc. Foreign trade & U\$S loans	24.9%	25.2%	24.5%	25.4%	24.5%
AR\$	23.9%	24.2%	23.4%	24.3%	23.4%
US\$	-2.7%	-1.6%	-0.4%	1.0%	2.0%
Investment Portfolio	13.7%	22.0%	10.3%	17.1%	15.0%
AR\$	17.1%	26.8%	15.8%	12.9%	12.5%
US\$	11.3%	1.1%	-8.7%	34.9%	25.1%

- While the Badlar rate increased 120 basis points, cost of funds remained stable. Loans typically reprice on a lagged basis.
- Average AR\$ loan portfolio, which represents over 82% of average loans, posted a 90 bps QoQ decrease in NIM, reflecting a higher share of corporate loans. This, along with increased share of US\$ denominated loan impacted total loan portfolio NIM.
- Average yield on the investment portfolio decreased to 24.2% in 3Q17, from 26.3% in 2Q17 due to lower trading gains .

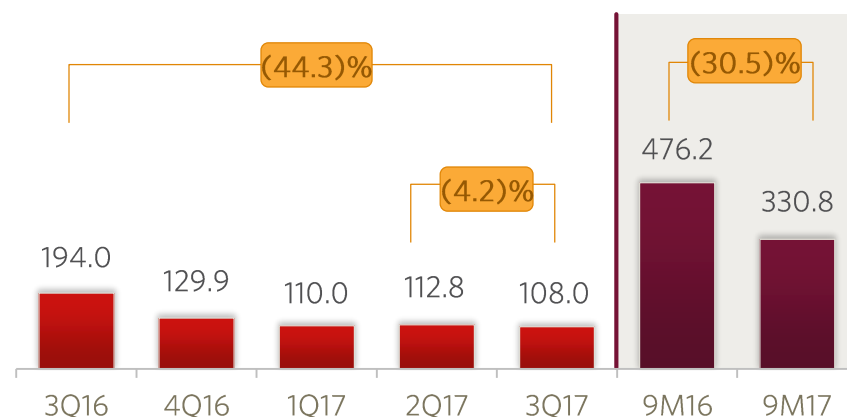
Service fee income & income from insurance activities

Net service fee income grows above inflation YoY, supported by fees repricing & cross-selling

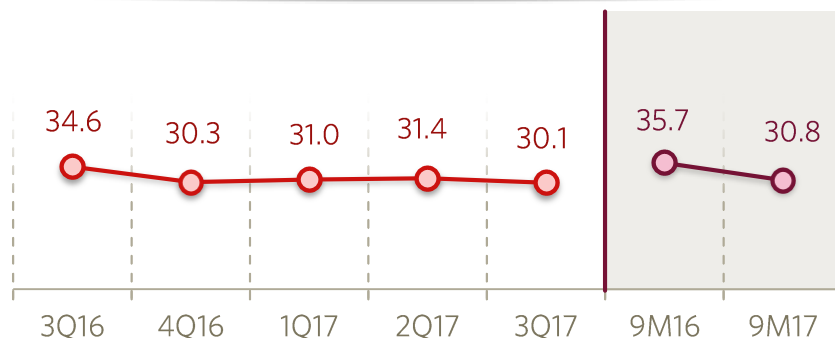
NET SERVICE FEE INCOME [AR\$ Mill.]



INCOME FROM INSURANCE ACTIVITIES [AR\$ Mill.]



NET SERVICE FEE INCOME RATIO¹⁾ [%]



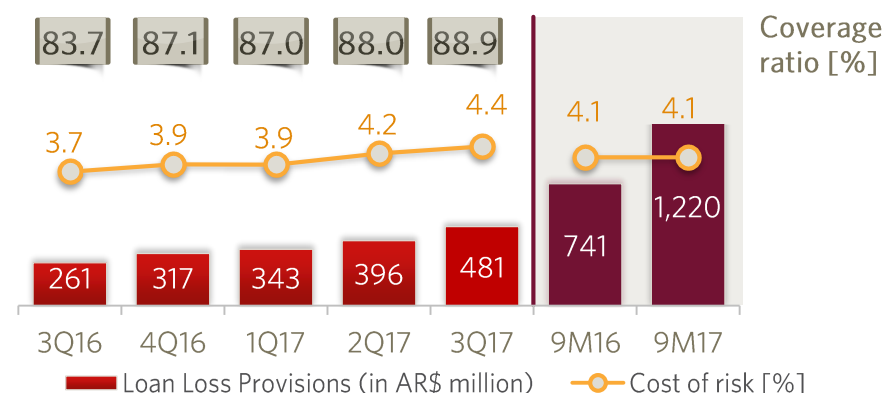
- > Net Service Fee Income grew above inflation YoY, reflecting repricing and continued solid business dynamics in deposits, checking and savings accounts, as well as in credit and debit cards. Progress on cross-selling strategy continued to deliver results.
- > Income from insurance activities decreased 4.2% QoQ impacted by regulatory changes in connection with credit related insurance. Launched new non-credit related products, including home insurance and technology insurance.

1) Includes income from insurance activities

Asset quality

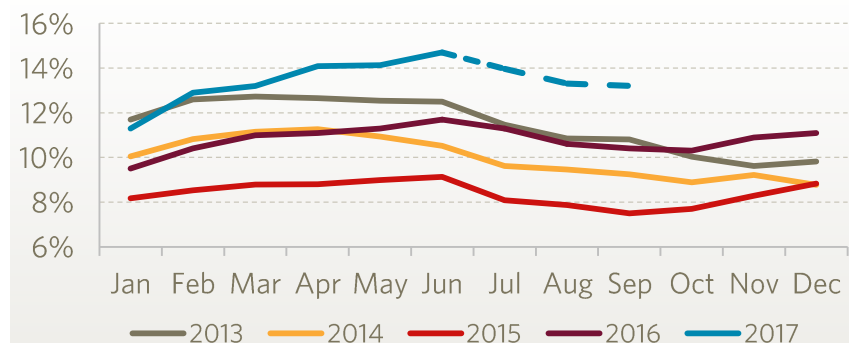
Maintain focus on credit risk with NPLs decreasing QoQ; consumer finance NPLs ratio reflects consumer behavior lagging the economic recovery impacting Cost of Risk

LOAN LOSS PROVISIONS EVOLUTION



CONSUMER FINANCE - LAGGED DELINQUENCY

30+ Lagged Delinquency - Personal Loans¹⁾

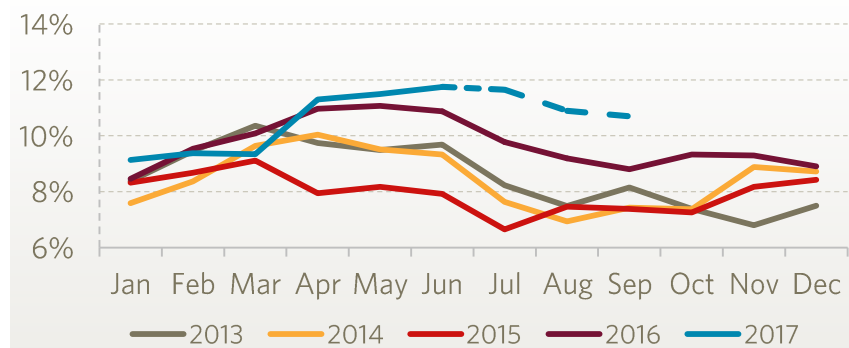


NPLs RATIO

	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17
Corporate	0.2%	0.2%	0.2%	0.2%	0.2%
Retail	3.8%	3.7%	3.5%	3.2%	2.9%
Personal Loans	3.7%	3.7%	3.5%	3.1%	2.6%
Credit Cards	4.1%	3.7%	3.6%	3.7%	4.0%
Consumer finance	11.4%	10.7%	11.3%	13.9%	14.4%
Personal Loans	15.2%	14.6%	15.0%	18.4%	18.1%
Credit Cards	7.1%	6.3%	6.8%	8.9%	10.1%
TOTAL	3.0%	2.8%	2.9%	2.9%	2.8%

1) Managerial an

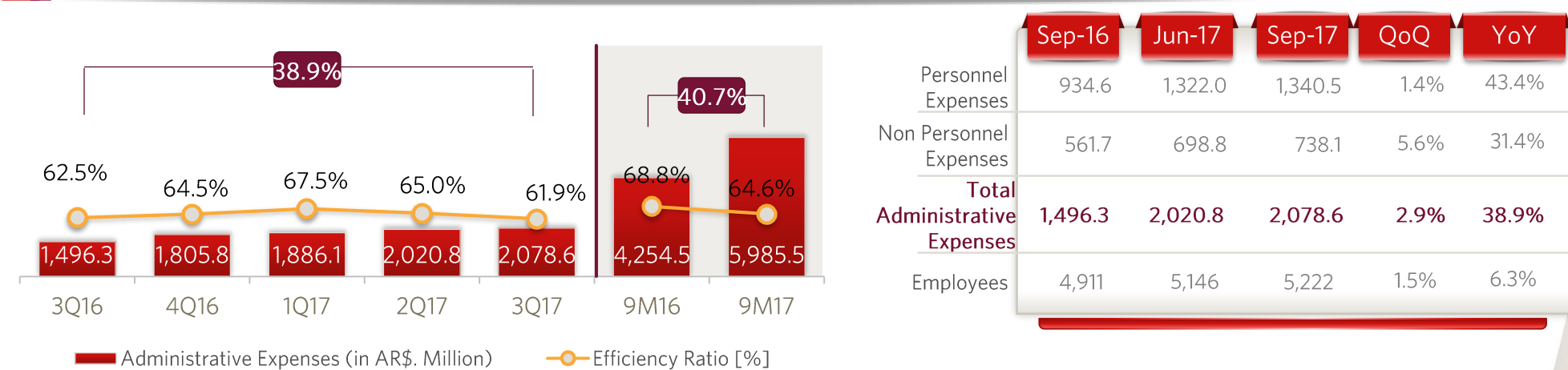
30+ Lagged Delinquency - Credit Cards¹⁾



Administrative expenses & efficiency ratio

Efficiency improvements drives growing profitability

ADMINISTRATIVE EXPENSES & EFFICIENCY RATIO [AR\$ Mill.]



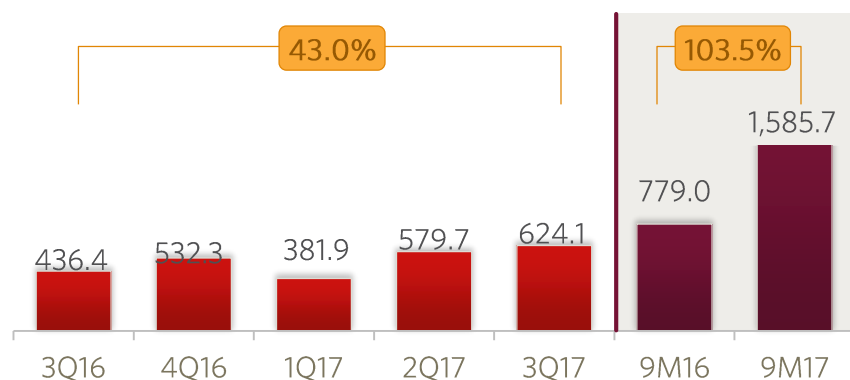
	Sep-16	Jun-17	Sep-17	QoQ	YoY
Personnel Expenses	934.6	1,322.0	1,340.5	1.4%	43.4%
Non Personnel Expenses	561.7	698.8	738.1	5.6%	31.4%
Total Administrative Expenses	1,496.3	2,020.8	2,078.6	2.9%	38.9%
Employees	4,911	5,146	5,222	1.5%	6.3%

- > Efficiency ratio improved 310 bps QoQ to 61.9%, and 60 bps from 62.5% in 3Q16.
- > Personnel expenses up 1.4% QoQ impacted by: i) wage increases from collective agreement implemented at the Company's non banking subsidiaries since April 2017, and ii) higher headcount to strengthen indirect commercial channels to support growth. 43% YoY growth also reflects wage increases from the Bank collective agreement in February'17.
- > Non-personal expenses up 6% QoQ and 31% YoY impacted by higher security service expenses, and maintenance expenses, among others.

Profitability

Solid performance with net income growth of 43% YoY; up 7% and 23% sequentially when excluding one-time gains in 2Q17

NET INCOME [AR\$ Mill.]



> Capital raised in the recent equity offering resulted in an almost 70% increase in equity, or AR\$5.6 billion and explains the temporary dilution in ROAE in 3Q17.

> Net income is seasonally higher in 2H than in 1H

ROAE [%]



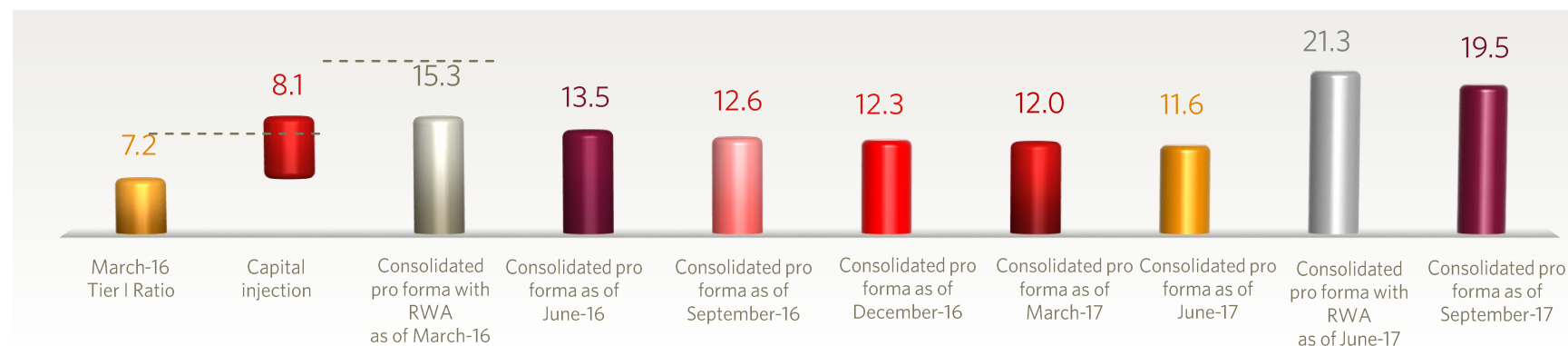
ROAA [%]



Capitalization

Successfully executed capital deployment plan since 2016 IPO; in process of deploying funds raised in recent equity offering

CAPITAL DEPLOYMENT [Tier I ratio %] ⁽¹⁾



FUNDS AT THE HOLDCO: ~AR\$6.5 BN AS OF SEPTEMBER 30, 2017

- > Funds invested in mutual funds and Central Bank Notes
- > Projected further Capital Injections in Banco Supervielle in 4Q17. Additional capital injections planned for 1H18

1) Tier 1 Ratio coincides with CET1 Ratio

Supervielle revises 2017 guidance

2017 MACRO ASSUMPTIONS

- > **GDP⁽¹⁾** expected to expand by 3.0% in 2017
- > **Inflation⁽¹⁾** Previous guidance considered a 20.0% for full year 2017. Updated guidance considers 23% inflation in 2017
- > **Average Deposit rate⁽²⁾ (BADLAR)** expected originally to reach 19% in December 2017, while the current deposits rates are Badlar 22.6% and TM20 23.8%

FY 2017 EXPECTATIONS ⁽⁶⁾

	Original	2Q17 Update	3Q17 Update
Total Loan Growth ⁽³⁾	38 - 45 %	43 - 50 %	=
Cost of Risk	3.2 - 3.6%	=	3.9 - 4.2%
NIM	17 - 20%	=	18 - 20%
Efficiency Ratio	63 - 67%	=	63 - 66%
Net Income	AR\$ 2.1 - 2.3 Bill.	AR\$ 2.2 - 2.4 Bill.	AR\$ 2.4 - 2.6 Bill.
Tier 1 Ratio ⁽⁵⁾	10.5 - 11.2%	=	18 - 19%

1 Source: Market Expectations Survey as of January 2017The initial guidance assumed, expected inflation for full year 2017 of 20% (Source: Market Expectations Survey). Based on the most recent Market Expectations Survey, the inflation consensus for full year 2017 stands at 23%.

2 Company estimate. Badlar: Average rate for large deposits above AR\$1 million. TM20: Wholesale deposits rate on time deposits above AR\$20 million (rate released since September 20, 2017).

3 Including leases and securitized portfolio

4 This represents an increase of between 60% and 75% in the year

5 The TIER 1 ratio guidance includes net funds held at the holding company. Tier 1 ratio coincides with CET1 ratio

6 The Company currently believes that its economic, financial and asset conditions will not be materially affected by the termination of the financial agency agreement entered into by the Province of San Luis and Banco Supervielle.

