

Grupo Supervielle

2Q18 Earnings Conference Call

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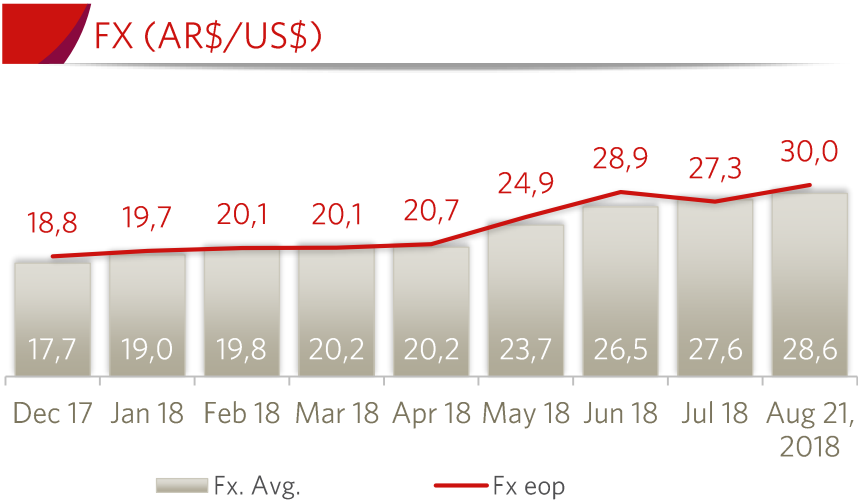
Second quarter 2018 highlights

Weaker than expected results in 2Q18 impacted by difficult macro dynamics.

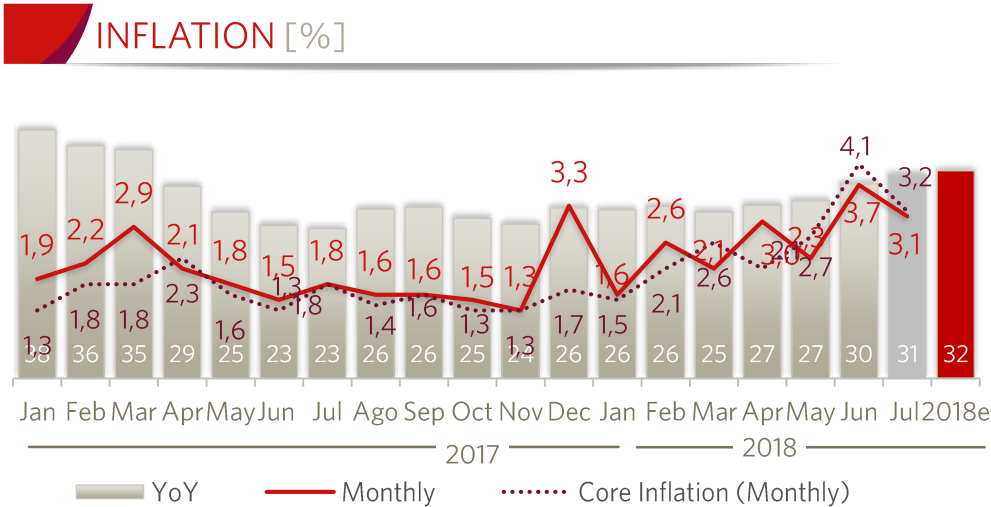
- 1 **Attributable Comprehensive Income** down 11%% YoY and 36% QoQ to AR\$475.3 million. ROAE of 12.6% in 2Q18 below 28.8% in 2Q17 and 20.6% in 1Q18. **Attributable Net Income** declined 46% YoY and 63% QoQ to AR\$270.7 million.
- 2 **Total Loan Book** up 70% YoY and 14% QoQ (+5% FX neutral). Lower exposure to consumer finance segment. Banking book highly atomized, diversified and collateralized.
- 3 **Deposit Base** posts accelerated growth, up 77% YoY and 36% QoQ (+24% FX neutral), with loan to deposit ratio of 102%.
- 4 **NPL ratio** up 60 bps YoY and 40 bps QoQ to 3.6% in 2Q18, while **Cost of Risk** increased to 5.6%. Consumer finance was the main contributor to higher cost of risk and NPL creation. Retail and Corporate loans NPLs increased 20 bps QoQ, but remain at historically low levels.
- 5 **NII, NIFFI & Exchange Rate Differences** flat QoQ as a result of lagged loan repricing, higher cost of funding in consumer finance and short position on FX.
- 6 **Efficiency Ratio** impacted by flat operating revenues in the quarter, while expenses increased slightly over inflation.

Macro overview

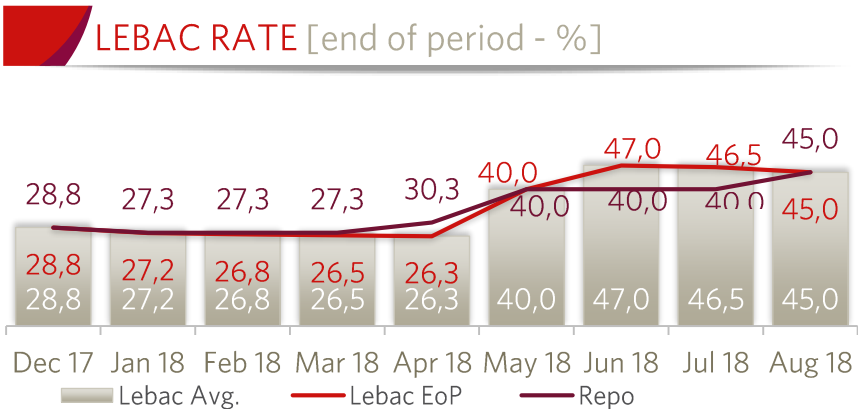
External and internal factors resulted in challenging macroeconomic dynamics...



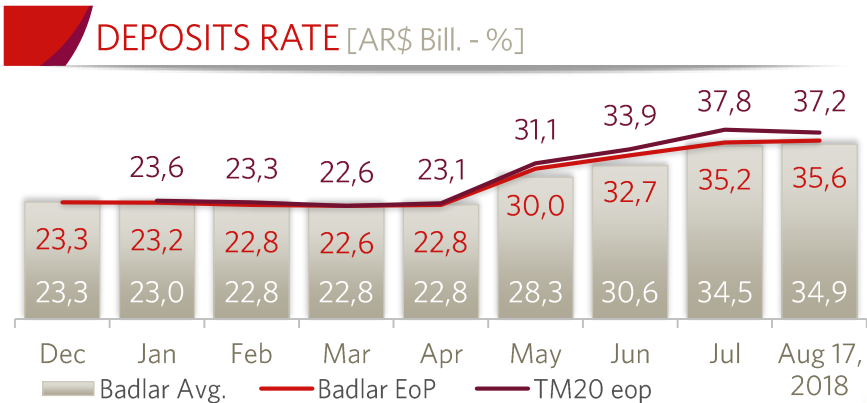
Source: Com "A" 3500, BCRA



Source: Inflation: City of Buenos Aires and Market Expectations Survey as of July 2018 (2018e).
Core Inflation: INDEC.



Source: BCRA



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

Macro overview

... significantly changing our macro assumptions for the year and impacting overall results

REM/ Consensus

Metric	2018e (January's Survey1)	2018e (July's Survey)
GDP	3.0%	-0.3%
Inflation	19.4%	31.8%
Badlar Rate (eop)	21% ²	29% ³
Monetary policy Rate (eop)	21.75%	35%
FX Ar\$ (eop)	21.9	30

Source: Central Bank Market Expectation Survey ("REM")

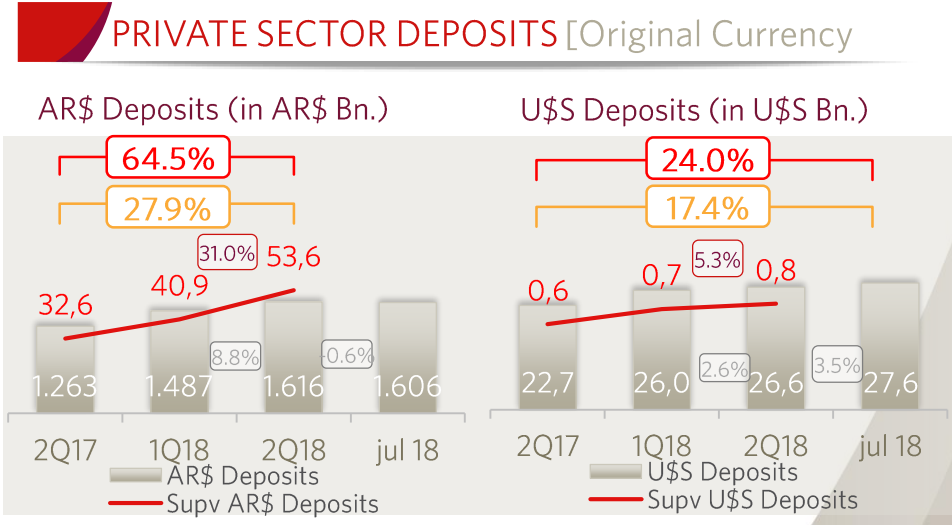
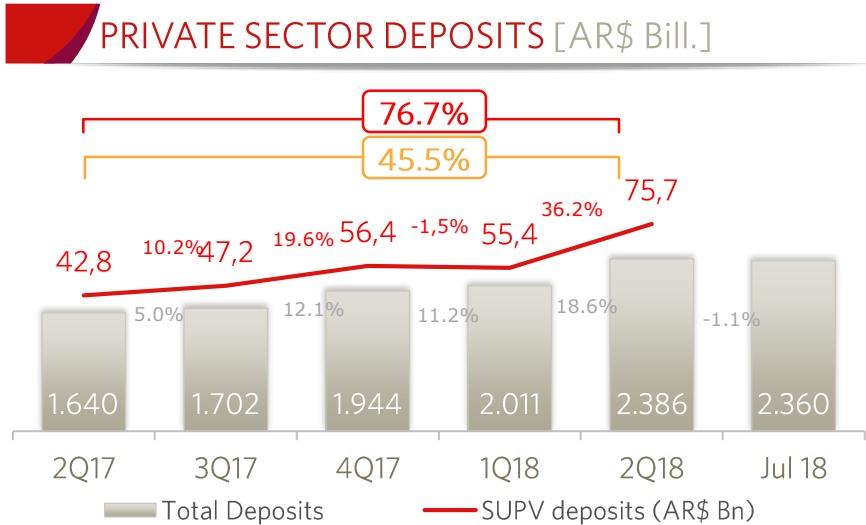
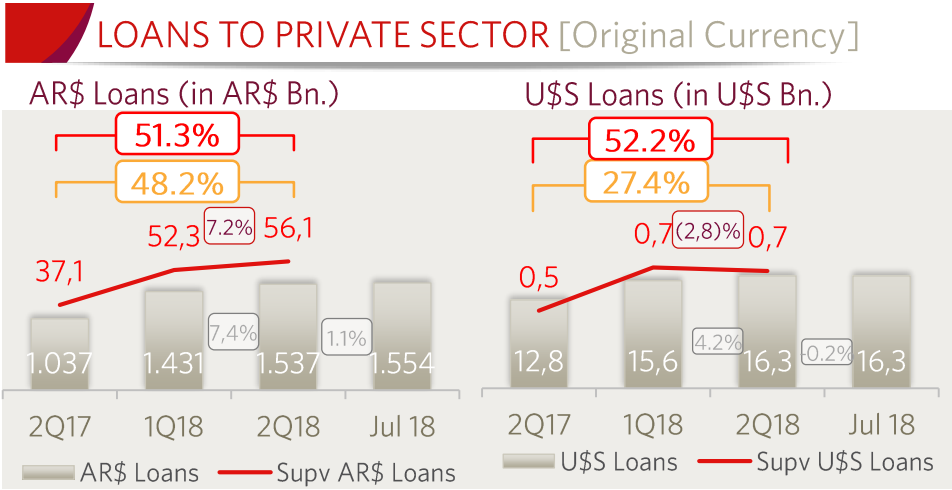
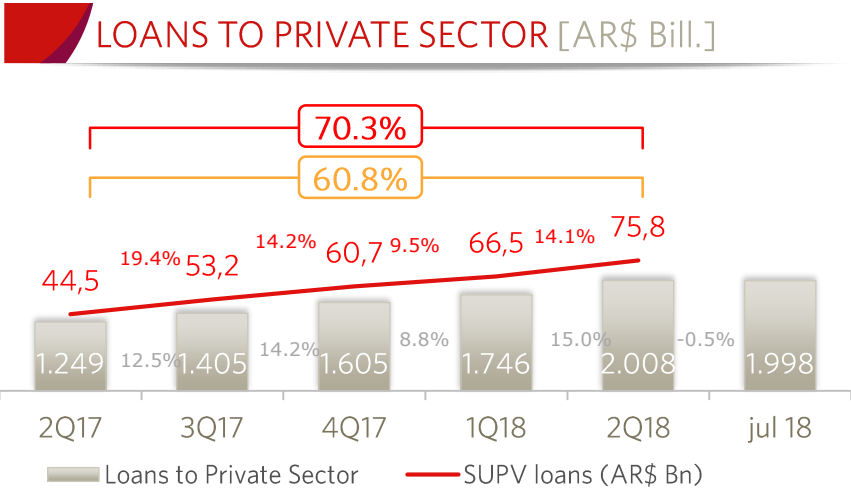
1 Macro assumptions included in the Company's 2018 Guidance released on February 22, 2018

2 Company Estimates as of February 2018

3 Company Estimates as of July 2018

Financial sector

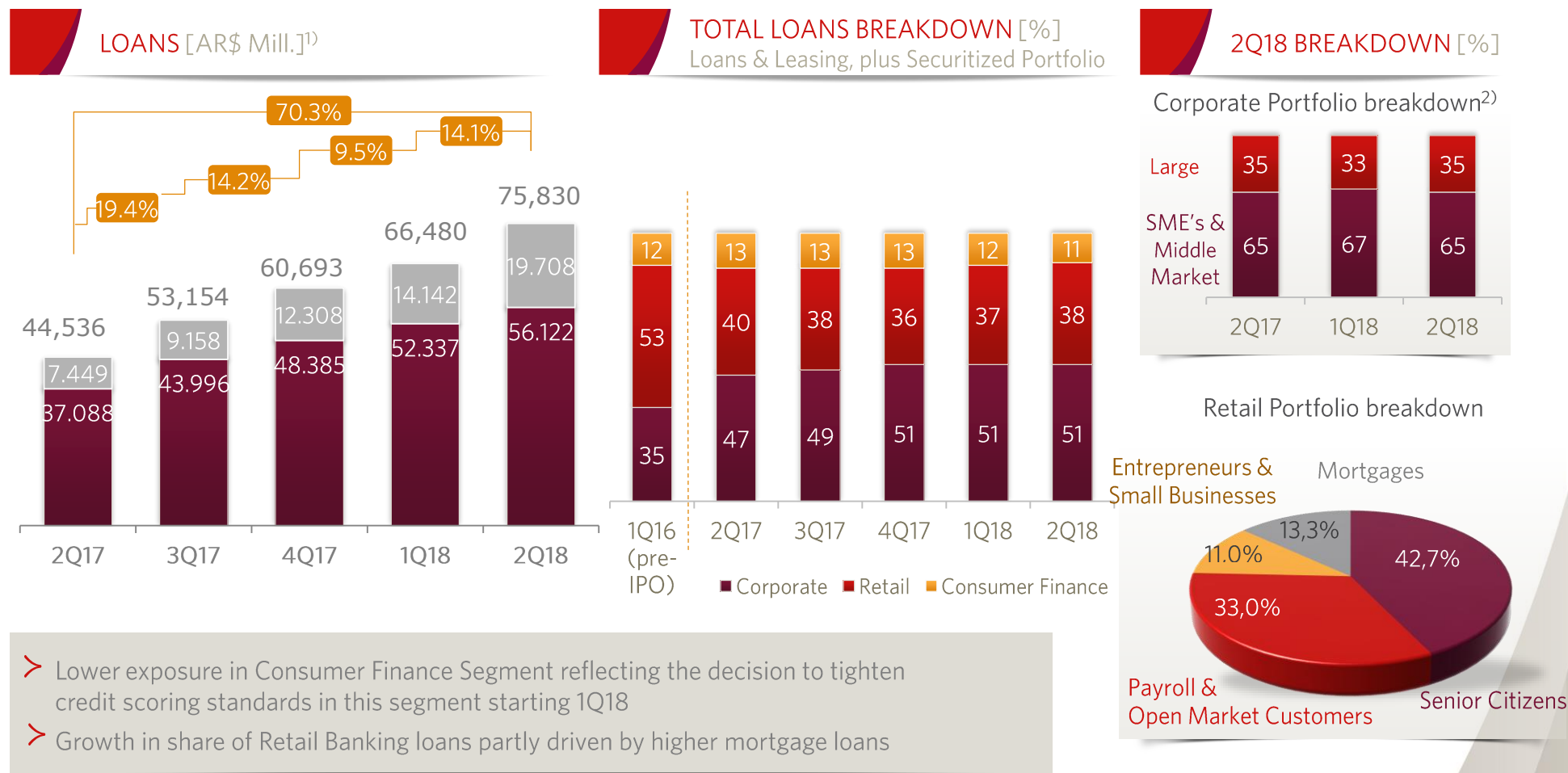
System loan growth decelerated QoQ on an FX neutral basis



1) Source: Daily Report BCRA

Supervielle loan performance

Loan book rose 14% QoQ, with AR\$ loans up 7% while US\$ loans fell 3%



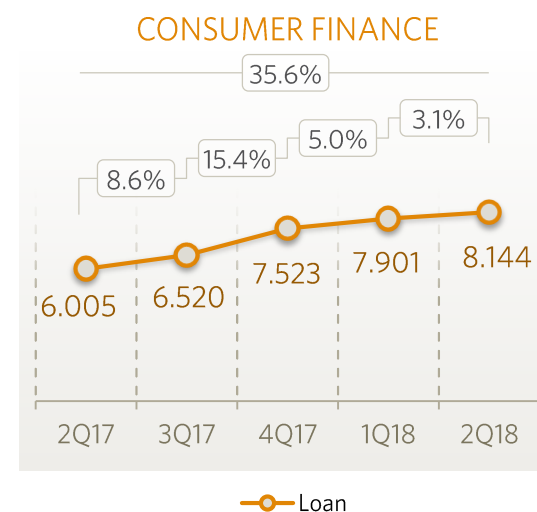
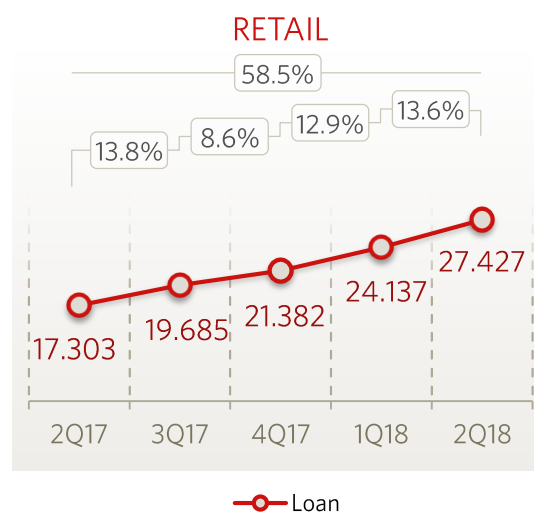
1) Denotes loans and leases before allowances

2) For information up to December 31, 2017 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. For information since January 1, 2018, the term "small businesses" refers to individuals and businesses with annual sales up to Ps.70.0 million, the term "SMEs" refers to individuals and businesses with annual sales over Ps.70.0 million and below Ps.550.0 million, the term "middle-market companies" refers to companies with annual sales over Ps.550.0 million and below Ps.2.0 billion and the term "large corporates" refers to companies with annual sales over Ps.2.0 billion.

Supervielle loan performance

Continued growth in retail supported by corporates; sustained slow down in origination for consumer finance following risk management initiatives

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

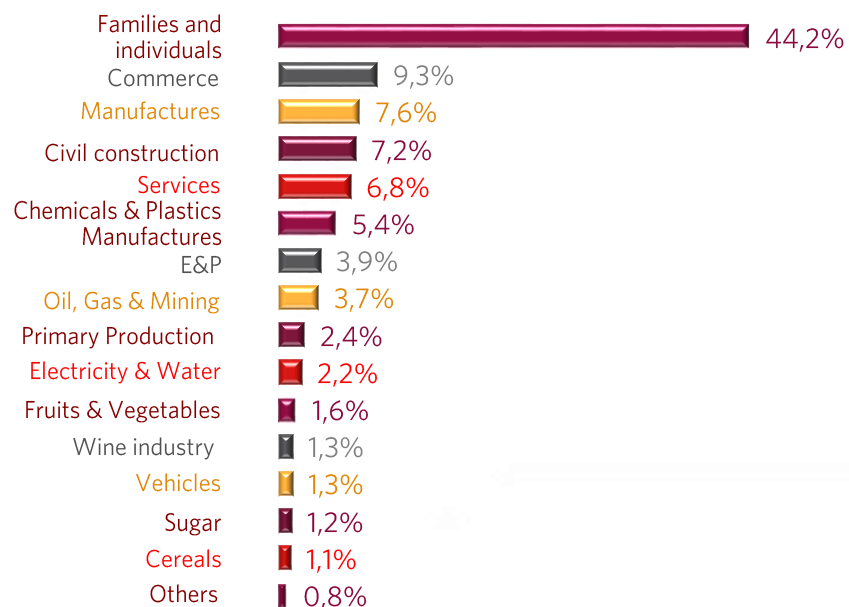


- > AR\$-denominated Corporate loan book declined 4.1% QoQ, while US\$-denominated loans measured in AR\$ increased 39.3% in the period, reflecting the impact of FX devaluation
- > Retail banking book continues to show resilient growth
- > Continued deceleration in consumer finance loans in line with strategy of tightening credit scoring standards in current economic scenario

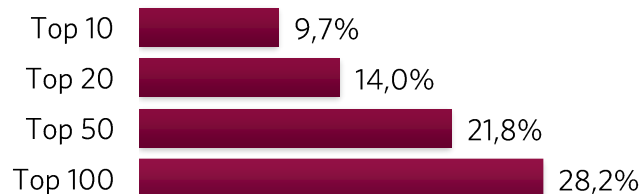
Supervielle loan portfolio

Highly atomized, diversified and collateralized loan book

Breakdown by Economic Activity



Portfolio Atomization



Collaterals of the Corporate Portfolio

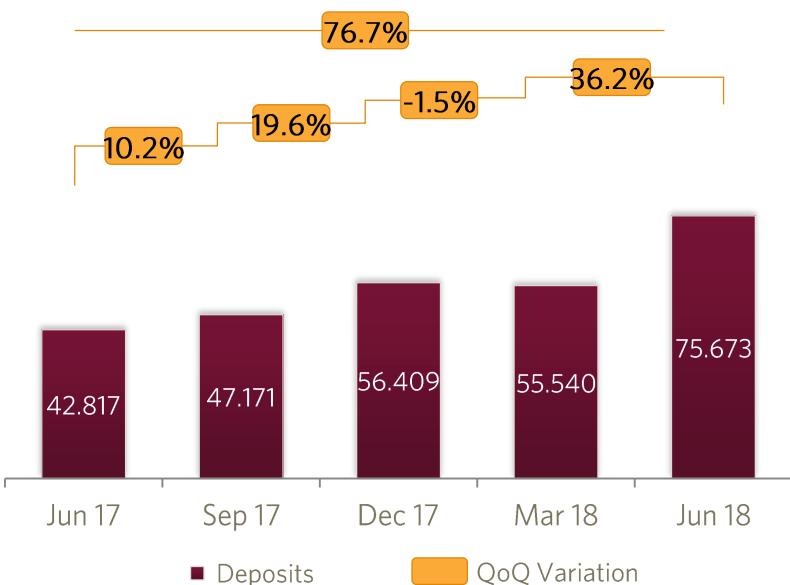
	SMEs	Middle Markets	Large	Total
Third party guarantees (SBLC)	11%	5%	2%	7%
Preferred	19%	24%	6%	16%
Public Work Certificates	3%	4%	0%	3%
Leasing	0%	3%	1%	1%
Factoring w/ recourse	14%	9%	3%	9%
Others	1%	4%	2%	2%
Unsecured	51%	51%	86%	62%
TOTAL	100%	100%	100%	100%
Share of Loan Portfolio	40%	27%	30%	100%
Collateralized	49%	49%	14%	38%
Unsecured	51%	51%	86%	62%

> Loans to payroll and pension clients represent 67.5% of total retail portfolio

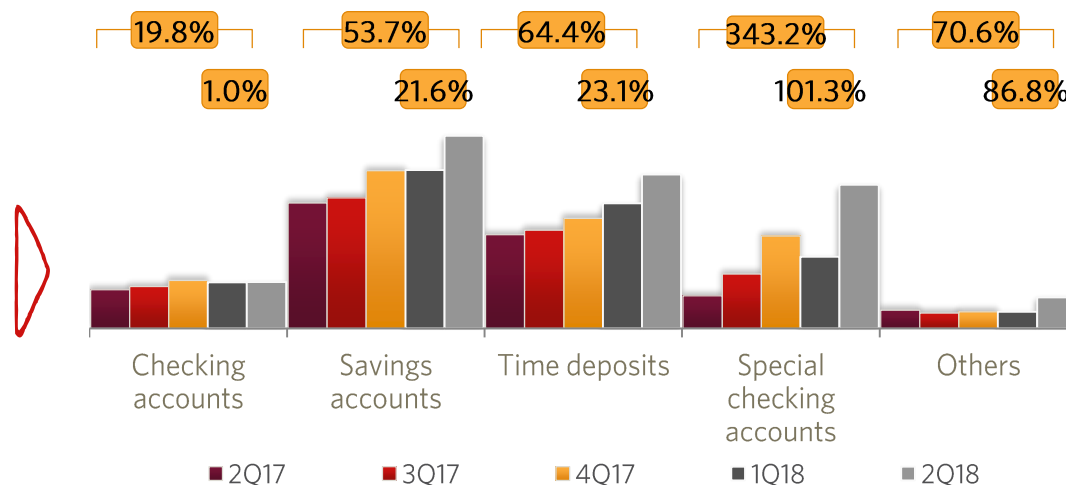
Supervielle Deposits

Accelerated growth in deposit base, up 36% sequentially or 24% FX neutral

DEPOSITS [AR\$ Mill.]



DEPOSIT BREAKDOWN [%]



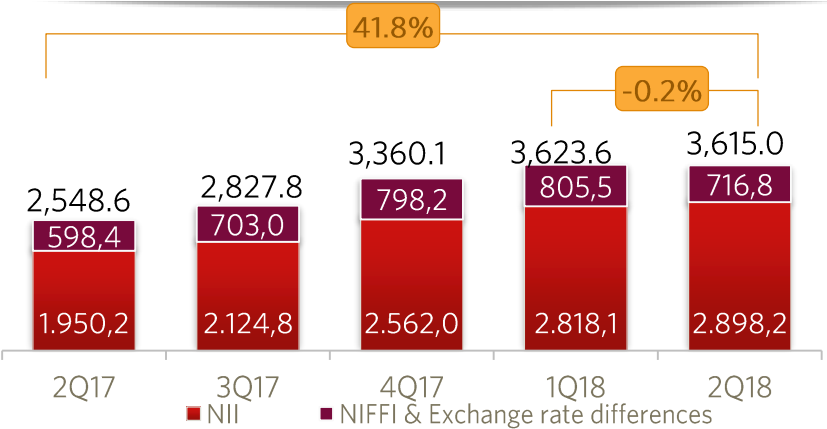
104.0%	112.7%	107.6%	119.7%	101.8%	Loans to total deposits
63.9%	65.2%	65.8%	68.8%	62.8%	Loans to assets
24.0%	26.8%	25.0%	26.4%	29.2%	Fx Deposits to total deposits

- > Loans to deposits ratio closer to 100%, reflecting strong deposit growth
- > Non-interest bearing deposits accounted for 48% of total deposits
- > Retail deposits up 18% QoQ, while lower relative share explained by growth in wholesale deposits
- > Corporate deposits up 24% QoQ

NII, NIFFI & Exchange rate differences, NIM & NFM

NII, NIFFI & Exchange rate differences flat sequentially impacting NFM and to a lesser extent NIM

NII, NIFFI & Exchange rate differences [AR\$ Mill.]



- > NII, NIFFI & Exchange Rate Differences flat QoQ reflecting:
- Lagged loan repricing at the Bank given sudden & sustained interest rate hikes, a temporary effect
 - Higher cost of funding in Consumer Finance Segment
 - Short position on FX at onset of AR\$ devaluation and lower trading results

NIM

	2Q17	3Q17	4Q17	1Q18	2Q18
TOTAL	21.5%	19.6%	20.0%	19.6%	19.2%
AR\$	25.6%	22.3%	22.9%	22.7%	20.4%
US\$	2.2%	7.6%	7.1%	8.4%	14.9%
Loan Portfolio	22.1%	20.8%	21.0%	19.8%	18.2%
AR\$	27.5%	24.7%	25.3%	24.3%	22.3%
US\$	-4.7%	3.2%	3.5%	3.9%	4.4%
Investment Portfolio	19.1%	14.6%	15.3%	18.4%	25.1%
AR\$	17.5%	12.2%	12.6%	13.5%	10.1%
US\$	25.1%	24.9%	28.0%	35.9%	116.5%

NFM

	2Q17	3Q17	4Q17	1Q18	2Q18
TOTAL	20.6%	19.8%	20.0%	19.9%	17.4%
AR\$	25.3%	22.0%	21.0%	22.6%	19.3%
US\$	-1.7%	10.3%	15.2%	10.3%	10.8%

¹ NII: Net Interest Income, NIFFI: Net income from financial instruments at fair value through profit or loss.

Assets & liabilities repricing dynamics

While AR\$ liabilities reprice in an average of 45 days, AR\$ loans are fully repriced in an average term of 247 days

AR\$	Assets	Avg. Repricing (days)	% of AR\$ Assets
	AR\$ Loans	247	59%
	Personal loans	538	21%
	Promissory Notes	50	10%
	Credit Cards	86	10%
	Corporate Unsec. Loans	135	8%
	Mortgage	31	5%
	Overdraft	142	5%
	Leasing	565	3%
	Automobile & Other Secured Loans	454	1%

Liabilities	Avg. Repricing (days)	% of AR\$ Liabilities
Total Deposits	27	75%
Sight Deposits		31%
Time Deposits	45	24%
Other Sources of Funding	112	20%
Special Checking Accounts	2	17%
Total Liabilities	45	

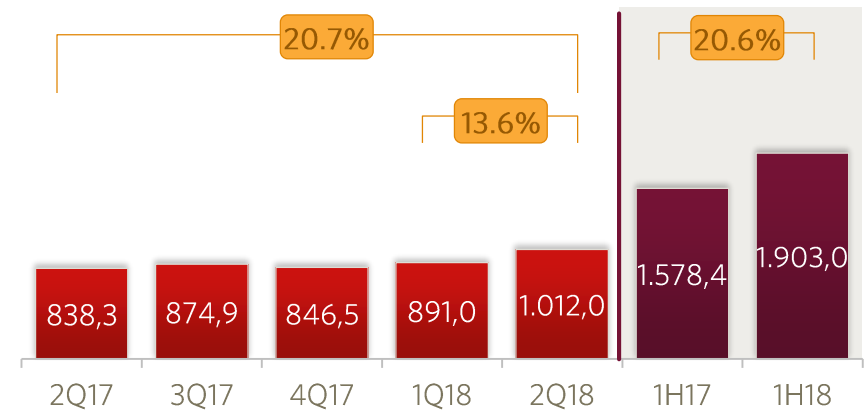
US\$	Assets	Avg. Repricing (days)	% of U\$S Assets
	Foreign Trade & U\$S Loans	342	59%

Liabilities	Avg. Repricing (days)	% of U\$S Liabilities
Total Deposits	32	73%
Other Source of Funding	87	23%
Subordinated Negotiable Obligations	952	4%
Total Liabilities	143	

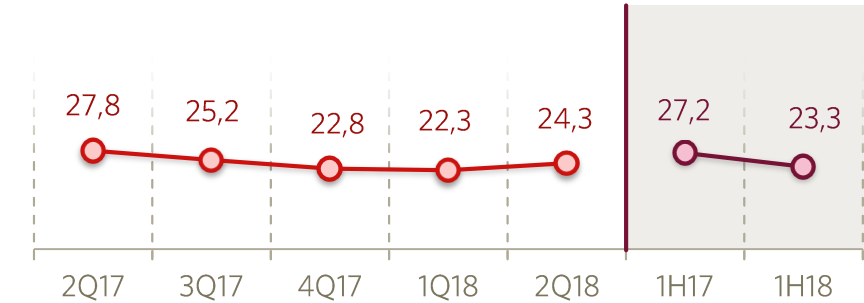
Service fee income & income from insurance activities

Net Service fee income up 14% QoQ driven by higher credit card and loan related fees, along with lower commissions paid

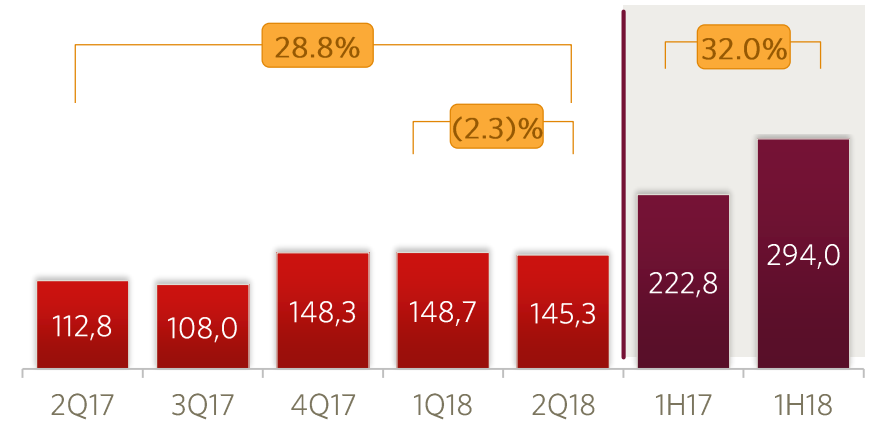
NET SERVICE FEE INCOME¹⁾ [AR\$ Mill.]



NET SERVICE FEE INCOME RATIO [%]*



INCOME FROM INSURANCE ACTIVITIES [AR\$ Mill.]



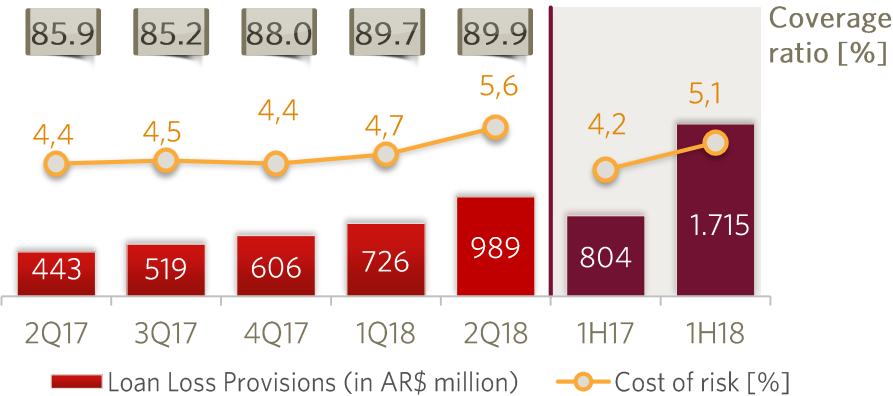
- > Net Service Fee Income up 13.6% QoQ reflecting:
 - 10.2% increase in credit cards commissions,
 - 36.4% increase in loan related fees, and
 - 4.1% decrease in commissions paid
- > Income from insurance activities fell 2.3% QoQ, while gross written premiums increased 5.2%. This increase was more than offset by higher claims.

1) Excludes income from insurance activities
* Net services fee income + Income from insurance activities divided by the sum of Net interest income + Net income from financial instruments at fair value through profit or loss + Exchange rate differences on gold and foreign currency, net services fee income, income from insurance activities and other net operating income.

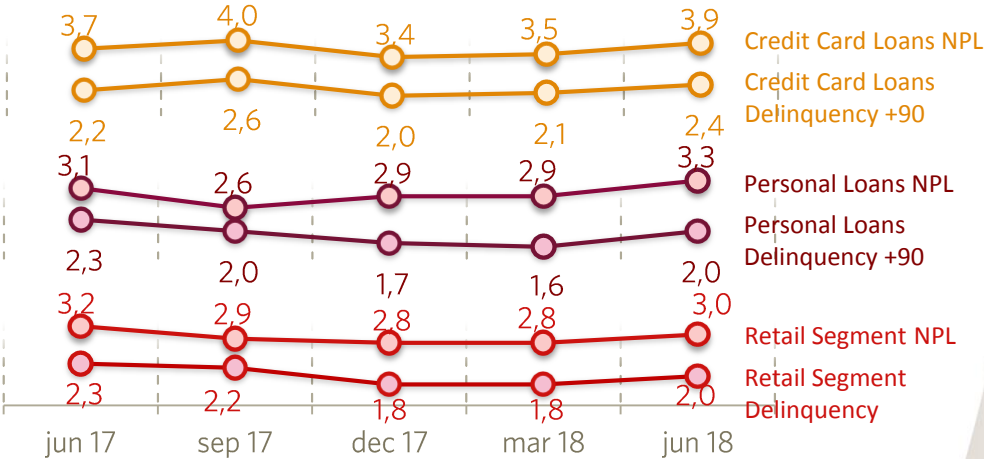
Asset quality

Consumer Finance was the main contributor to higher cost of risk and NPL creation; Retail and Corporate NPLs each rose 20 bps QoQ remaining at historically low levels

LOAN LOSS PROVISIONS EVOLUTION



RETAIL NPLs vs +90 DAYS DELINQUENCY



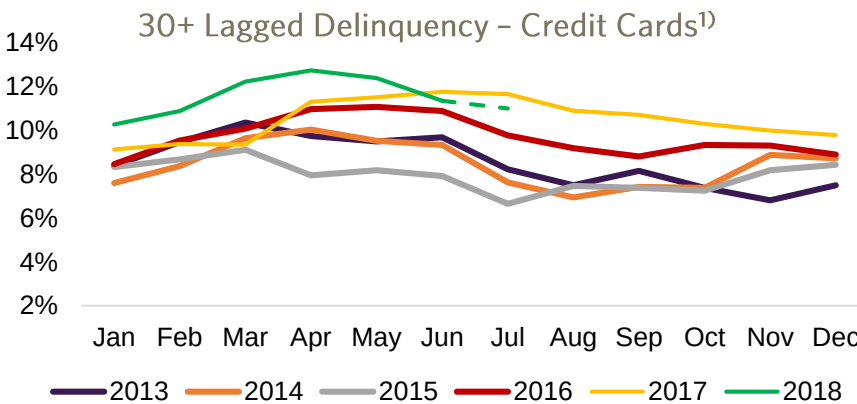
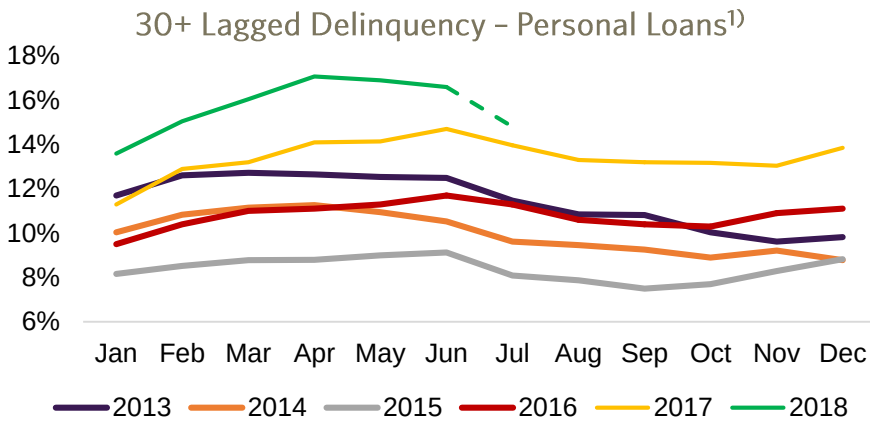
NPLs RATIO

	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
Corporate	0.2%	0.2%	0.2%	0.3%	0.5%
Retail	3.2%	2.9%	2.8%	2.8%	3.0%
Personal Loans	3.1%	2.6%	2.9%	2.9%	3.3%
Credit Cards	3.7%	4.0%	3.4%	3.5%	3.9%
Consumer finance	11.4%	13.8%	14.7%	15.7%	18.0%
Personal Loans	13.3%	16.3%	18.7%	19.9%	23.1%
Credit Cards	8.9%	10.1%	9.1%	9.8%	10.9%
Auto Loans					12.2%
TOTAL	3.0%	3.1%	3.1%	3.2%	3.6%

Asset quality Consumer Finance

Closely monitoring asset quality in Consumer Finance following tightening of credit scoring standards which are resulting in early signs of improvement

CONSUMER FINANCE - LAGGED DELINQUENCY



+30 DAYS DELINQUENCY, 3 MONTH VINTAGE

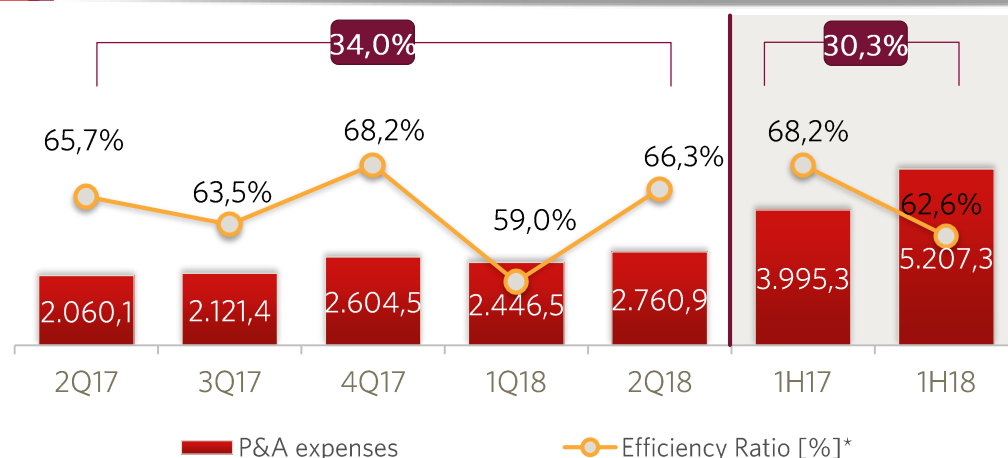
Month of Disbursement	Total Loans	Loans to Open Market Customers	Loans to Existing Customers
Jan 17	4.3%	4.8%	4.0%
Feb 17	5.5%	5.3%	5.6%
Mar 17	4.3%	5.3%	3.8%
Apr 17	3.8%	4.7%	3.2%
May 17	3.0%	4.1%	2.4%
Jun 17	3.2%	4.1%	2.7%
Jul 17	3.8%	5.9%	2.7%
Aug 17	3.5%	4.8%	2.8%
Sep 17	4.1%	5.6%	3.3%
Oct 17	5.0%	5.8%	4.7%
Nov 17	4.0%	4.8%	3.5%
Dec 17	4.7%	6.4%	3.7%
Jan 18	4.4%	6.2%	3.7%
Feb 18	5.0%	6.5%	4.1%
Mar 18	3.9%	5.2%	3.2%
Apr 18	3.2%	4.6%	2.5%

1) Managerial analysis

Administrative expenses & efficiency ratio

While expenses increased slightly above inflation, efficiency was impacted by flat operating revenues in the quarter

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



*Efficiency: Personnel, Administrative expenses and Depreciation & Amortization divided by the sum of Net interest income + Net income from financial instruments at fair value through profit or loss + Exchange rate differences on gold and foreign currency, net services fee income, income from insurance activities and other net operating income.

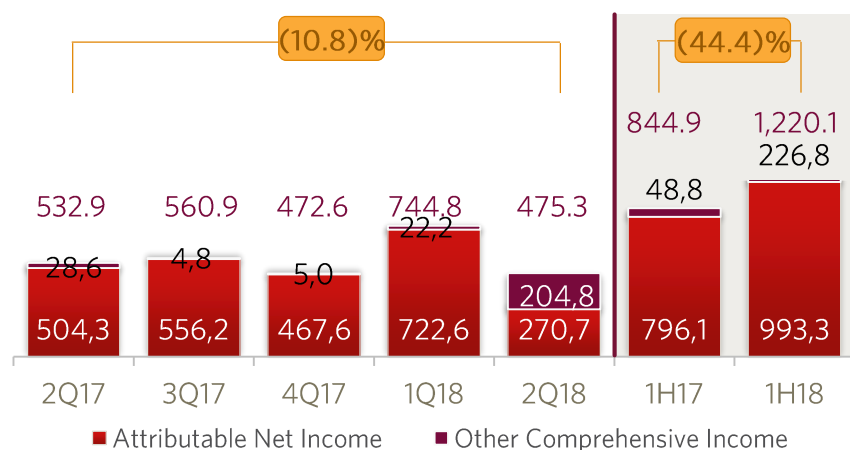
	2Q17	1Q18	2Q18	QoQ	YoY
Personnel Expenses	1,240.0	1,520.3	1,585.2	4.3%	27.8%
Administrative	820.1	926.2	1,175.6	26.9%	43.3%
Total Personnel & Administrative Expenses	2,060.1	2,446.5	2,760.9	12.9%	34.0%
Employees	5,146	5,406	5,418	0.2%	5.3%

- > 2Q18 Efficiency ratio increased 730 bps QoQ to 66.3%, and 60 bps YoY
- > Personnel expenses rose 4.3% QoQ reflecting wage increases from collective agreements in 1Q18
- > Administrative expenses rose 26.9% QoQ driven by increases in advertising and publicity expenses, other expenses including leases, security service expenses, maintenance, insurance and electricity

Profitability

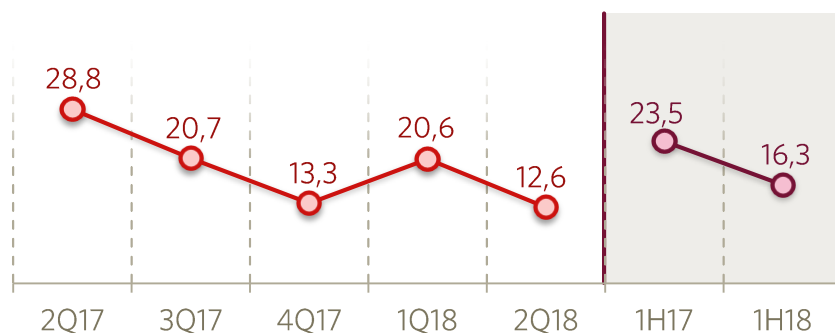
Attributable comprehensive income down 11% YoY and 36% QoQ

ATTRIBUTABLE COMPREHENSIVE INCOME [AR\$ Mill.]



- Lower margins in consumer finance from sharp rise in cost of funds along with higher LLPs as disposable income in lower income segments deteriorated further
- Lagged repricing in NII in our banking business, a temporary effect
- Short position on FX at the onset of the AR\$ devaluation in addition to lower than anticipated trading results

ROAE [%]



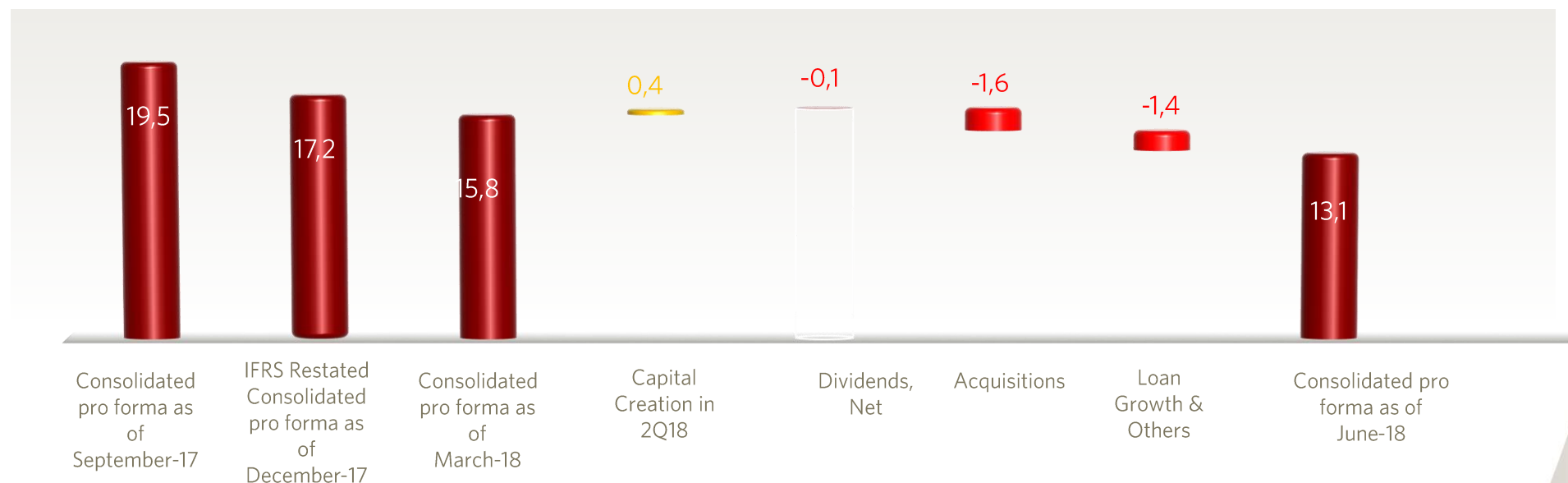
ROAA [%]



Capitalization

Execution of capital deployment through loan growth and selective acquisitions to complement our product offering and digitalization strategy

CAPITAL DEPLOYMENT [Tier I ratio %] ⁽¹⁾



- > Capital injection of AR\$861 million at Banco Supervielle in May 2018
- > AR\$ 2.0 billion remain at the holding company, following the acquisitions of MILA and Invertir Online, available for future capital injections

Supervielle revises 2018 guidance

FY 2018 EXPECTATIONS

	Original	Revised
Total Loan Growth ³	45 – 50 %	40 - 50%
Cost of Risk	4.1 – 4.5%	4.6 – 5.1%
NIM	18 – 20%	=
Efficiency Ratio	55 – 59%	59 – 63%
Attributable Comprehensive Income	AR\$ 4.0– 4.3 Bill.	AR\$ 2.9 – 3.3 Bill.
Tier 1 Ratio ⁴	14 – 15%	12 – 13%

Significant Change in Macro Assumptions¹

Metric	Original Assumptions	Current Assumptions
GDP	3.0%	-0.3%
Inflation	19.4%	31.8%
Badlar Rate (eop)	21% ²	29% ²
Monetary policy Rate (eop)	21.75%	35%
FX Ar\$ (eop)	21.9	30

1 Source: Market Expectations Survey (Central Bank), unless otherwise noted. Original assumptions as of January 2018 and current assumptions as of July 2018.

2 Company estimate

3 Loans including leases

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

