

Banco CMF S.A.

Update report

Ratings

National	
Long-term debt	A+(arg)
Short-term debt	A1(arg)
Class 10 Notes for up to \$ 500 million	A+(arg)
Class 12 Notes for up to \$400 million	A+(arg)
Class 13 Notes for up to \$400 million	A+(arg)

Outlook

Long Term National Rating: Stable

Financial Data:

Million	12/31/2018	12/31/2017
Assets (USD)	418.5	637.2
Assets (Pesos)	15,822.8	11,883.6
Equity (Pesos)	2,174.1	1,389.2
Net Income (Pesos)	316.3	125.4
Other Comprehensive Income (Pesos)	538.2	81.5
Fitch Comprehensive Income/Assets (%)	6.3	1.7
Fitch Comprehensive Income/Equity (%)	48.4	14.9
Equity/Assets (%)	13.7	11.7
BCRA reference exchange rate: 12/31/2018= 37.8083 and 12/31/2017=18.6490		

Related Criteria:

Methodology for rating financial institutions filed with the Argentine Securities & Exchange Commission (Comisión Nacional de Valores - CNV)

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Profile

Banco CMF S.A. (CMF) is a domestic bank, whose operations are focused on a specific market niche. The bank's strategy is rendering integrated high-quality financial assistance to a reduced customer base with a small and highly-rated structure, offering varied investment options for these companies and Private Banking customers. The bank's subsidiaries are Metrocorp Valores, Euro Bank Ltd. and CMF Asset Management SAU.

Key Rating Factors

Adequate performance: As of December 2018, the bank showed a y-o-y return increase in net income of 152.3% both due to the higher interest spread, which had a positive impact in interest income for the last quarter of 2018, and its operations with BCRA bills. CMF's ROA was 2.3% as of December 2018 (private banks 4.3%), whereas the Fitch ratio (including the exchange rate difference for financial statement conversion) reached 6.3%.

Loan book concentration: The bank's loan portfolio shows a certain degree of concentration as the ten major clients represent 23.4%, while the following fifty major clients account for 43.9% of the total loan portfolio.

Satisfactory asset quality: Non-performing loans remain low (Impaired Loans (NPLs) / Gross Loans: 0.9), standing below the domestic private banks' average (3.0%). Besides, the Bank's loan loss reserve over gross loans, given their concentration, is adequate (4.5 % as of December 2018) and sufficient in terms of its impaired loan portfolio (486.6%), which might allow to partially mitigate possible rises in non-performing loan ratios in the current adverse scenario.

Concentration of funding: CMF's funding derives largely from its deposits (mainly remunerated current accounts) and, to a lesser degree, from international entity loans, corporate notes, repos and interbank loans. Its concentration of funding (the ten major depositors representing about 40.8% of all deposits) is high, which, as in the rest of the financial system, is composed of short-term deposits. The rating agency evaluates that this concentration is typical of the bank's business model and it is therefore not expected to vary.

Adequate liquidity: The bank's individual immediate liquidity (Cash Assets + Leliqs [liquidity bills] + Calls + Repos / Total Deposits + Financial Liabilities due within one year) accounts for 42.5% of total deposits as of December 2018, and is considered adequate in terms of its funding concentration. Considering both the loans and financial liabilities maturing in 90 days, the bank's broad liquidity stands at 101.3%.

Adequate capitalization: The bank has maintained adequate capitalization ratios in recent years (Tier 1 capital ratio: 26.1 at December 2017 and tangible equity/tangible assets: 13.7%, in line with the system). FIX will monitor that the bank maintains sound solvency levels allowing it to face possible future stress scenarios that might affect the economy.

Rating sensitiveness

Capitalization and liquidity: A sharp impairment both in the bank's solvency and/or liquidity might lead to a downgrade in the Bank's rating.

Funding diversification and business. A significant and sustained improvement in the bank's funding diversification, whether in terms of concentration per creditor or a lower dependency on institutional funding, might lead to a rating upgrade.

Annex I

Banco CMF S.A.- Income Statement

Accounting Standards	IFRS		IFRS		GAAP		GAAP		GAAP	
	31 Dec 2018		31 Dec 2017		31 Dec 2016		31 Dec 2015		31 Dec 2014	
	Year End AR\$M Original	As % of Earning Assets	Year End AR\$M Original	As % of Earning Assets	Year End AR\$M Original	As % of Earning Assets	Year End AR\$M Original	As % of Earning Assets	Year End AR\$M Original	As % of Earning Assets
1. Interest Income on Loans	1,927.8	19.29	942.3	11.32	1,027.7	18.27	674.5	15.88	461.4	14.50
2. Other Interest Income	780.1	7.81	137.8	1.66	1.9	0.03	1.2	0.03	2.1	0.07
3. Dividend Income	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Gross Interest and Dividend Income	2,707.9	27.09	1,080.1	12.98	1,029.6	18.31	675.7	15.91	463.5	14.56
5. Interest Expense on Customer Deposits	939.9	9.40	276.2	3.32	258.0	4.59	164.5	3.87	176.9	5.56
6. Other Interest Expense	517.3	5.18	281.3	3.38	174.9	3.11	109.2	2.57	92.1	2.89
7. Total Interest Expense	1,457.1	14.58	557.5	6.70	432.8	7.70	273.8	6.45	269.0	8.45
8. Net Interest Income	1,250.7	12.51	522.6	6.28	596.7	10.61	401.9	9.47	194.4	6.11
9. Net Gains (Losses) on Trading and Derivatives	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Net Gains (Losses) on other Securities	n.a.	-	n.a.	-	123.3	2.19	90.1	2.12	219.0	6.88
11. Net Gains (Losses) on Assets at FV through Income Statement	220.9	2.21	75.4	0.91	n.a.	-	n.a.	-	n.a.	-
12. Net Insurance Income	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Net Income from services	129.3	1.29	127.8	1.54	126.7	2.25	116.0	2.73	83.1	2.61
14. Other Operating Income/Expenses	-60.4	-0.60	61.1	0.73	-37.4	-0.67	171.7	4.04	80.1	2.52
15. Total Non-Interest Operating Income	289.8	2.90	264.3	3.18	212.5	3.78	377.8	8.90	382.2	12.01
16. Personnel Expenses	352.0	3.52	248.4	2.98	224.5	3.99	162.1	3.82	118.7	3.73
17. Other Administrative Expenses	524.9	5.25	332.7	4.00	205.2	3.65	140.1	3.30	96.7	3.04
18. Total Administrative Expenses	876.9	8.77	581.1	6.98	429.8	7.64	302.2	7.12	215.4	6.77
19. Equity-accounted Profit/ Loss - Operating	0.7	0.01	0.2	0.00	2.2	0.04	0.0	0.00	0.5	0.02
20. Pre-Impairment Operating Profit	664.3	6.65	206.0	2.47	381.7	6.79	477.5	11.24	361.8	11.37
21. Loan Impairment Charge	213.6	2.14	79.9	0.96	34.9	0.62	24.7	0.58	18.2	0.57
22. Securities and Other Credit Impairment Charges	n.a.	-	n.a.	-	-0.1	0.00	0.0	0.00	0.0	0.00
23. Operating Profit	450.7	4.51	126.1	1.51	346.9	6.17	452.8	10.66	343.6	10.80
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
25. Non-recurring Income	n.a.	-	n.a.	-	7.5	0.13	4.5	0.11	14.4	0.45
26. Non-recurring Expense	n.a.	-	n.a.	-	14.3	0.25	4.6	0.11	2.8	0.09
27. Change in Fair Value of Own Debt	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
28. Other Non-recurring Income/Expense	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
29. Pre-tax Profit	450.7	4.51	126.1	1.51	340.0	6.04	452.7	10.66	355.2	11.16
30. Income tax	134.4	1.34	0.7	0.01	66.0	1.17	134.3	3.16	105.2	3.30
31. Profit/Loss from Discontinued Operations	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
32. Net Income	316.3	3.17	125.4	1.51	274.0	4.87	318.4	7.50	250.0	7.86
33. Change in Value of AFS Investments	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
34. Revaluation of Fixed Assets	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
35. Currency Translation Differences	538.2	5.39	81.5.	0.98	n.a.	-	n.a.	-	n.a.	-
36. Remaining OCI Gains/(losses)	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
37. Fix Scr Comprehensive Income	854.6	8.55	206.9	2.49	274.0	4.87	318.4	7.50	250.0	7.86
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
39. Memo: Net Income after Allocation to Non-controlling Interests	316.3	3.17	125.4	1.51	274.0	4.87	318.4	7.50	250.0	7.86
40. Memo: Common Dividends Relating to the Period	n.a.	-	n.a.	-	150.0	2.67	80.0	1.88	130.0	4.08
41. Memo: Preferred Dividends Related to the Period	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-

Banco CMF S.A. - Balance Sheet

ACCOUNTING STANDARDS

	IFRS		IFRS		GAAP		GAAP		GAAP	
	31 Dec 2018		31 Dec 2017		31 Dec 2016		31 Dec 2015		31 Dec 2014	
	Year End ARSm Original	As % of Assets	Year End ARSm Original	As % of Assets	Year End ARSm Original	As % of Assets	Year End ARSm Original	As % of Assets	Year End ARSm Original	As % of Assets
Assets										
A. Loans										
1. Residential Mortgage Loans	107.6	0.68	39.0	0.33	177.5	2.06	124.8	1.93	23.4	0.53
2. Other Mortgage Loans	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other Consumer / Retail Loans	473.9	2.99	929.5	7.82	1,165.3	13.50	618.9	9.55	147.3	3.31
4. Corporate & Commercial Loans	3,084.1	19.49	2,573.3	21.65	1,157.9	13.41	1,472.3	22.73	1,298.3	29.16
5. Other Loans	1,893.1	11.96	1,408.2	11.85	869.4	10.07	396.3	6.12	309.6	6.95
6. Less: Reserves for Impaired Loans/ NPLs	259.0	1.64	153.6	1.29	110.2	1.28	84.2	1.30	59.8	1.34
7. Net Loans	5,299.8	33.49	4,796.4	40.36	3,259.9	37.76	2,528.0	39.03	1,718.8	38.60
8. Gross Loans	5,558.7	35.13	4,950.0	41.65	3,370.0	39.63	2,612.3	40.33	1,778.6	39.94
9. Memo: Impaired Loans included above	53.2	0.34	61.3	0.52	58.2	0.67	21.1	0.33	10.0	0.22
10. Memo: Loans at Fair Value included above	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
B. Other Earning Assets										
1. Loans and Advances to Banks	130.7	0.83	89.0	0.75	150.5	1.74	63.4	0.98	73.2	1.64
2. Reverse Repos and Cash Collateral	410.1	2.59	332.3	2.80	n.a.	-	336.2	5.19	217.6	4.89
3. Trading Securities and at FV through Income	644.0	4.07	657.6	5.53	109.4	1.27	171.4	2.65	165.2	3.71
4. Derivatives	196.9	1.24	77.3	0.65	n.a.	-	n.a.	-	n.a.	-
5. Available for Sale Securities	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Held to Maturity Securities	2,742.1	17.33	915.4	7.70	199.3	2.31	0.4	0.01	97.4	2.19
7. At-equity Investments in Associates	5.7	0.04	4.3	0.04	100.7	1.17	4.4	0.07	4.2	0.09
8. Other Investments	564.7	3.57	1,451.5	12.21	228.3	2.64	40.4	0.62	108.7	2.44
9. Total Securities	4,563.7	28.84	3,438.4	28.93	637.7	7.39	552.8	8.53	593.1	13.32
10. Memo: Government Securities included Above	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Memo: Total Securities Pledged	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Investments in Property	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
13. Insurance Assets	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
14. Other Earning Assets	n.a.	-	n.a.	-	1,576.4	18.26	1,102.1	17.01	797.3	17.91
15. Total Earning Assets	9,994.1	63.16	8,323.7	70.04	5,624.4	65.14	4,246.3	65.55	3,182.4	71.47
C. Non-Earning Assets										
1. Cash and Due From Banks	5,383.1	34.02	3,098.0	26.07	2,854.9	33.07	2,090.2	32.27	1,225.1	27.51
2. Memo: Mandatory Reserves included above	n.a.	-	n.a.	-	n.a.	-	n.a.	-	317.6	7.13
3. Foreclosed Real Estate	n.a.	-	n.a.	-	89.7	1.04	24.2	0.37	25.2	0.57
4. Fixed Assets	329.4	2.08	327.2	2.75	26.1	0.30	15.0	0.23	14.8	0.33
5. Goodwill	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Other Intangibles	0.7	0.00	1.2	0.01	1.9	0.02	n.a.	-	n.a.	-
7. Current Tax Assets	0.5	0.00	32.6	0.27	n.a.	-	n.a.	-	n.a.	-
8. Deferred Tax Assets	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Discontinued Operations	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
10. Other Assets	115.0	0.73	100.9	0.85	36.8	0.43	101.8	1.57	5.2	0.12
11. Total Assets	15,822.8	100.0	11,883.6	100.00	8,633.9	100.00	6,477.5	100.0	4,452.7	100.0
Liabilities and Equity										
D. Interest-Bearing Liabilities										
1. Customer Deposits - Current	1,554.3	9.82	497.9	4.19	266.7	3.09	223.7	3.45	352.9	7.92
2. Customer Deposits - Savings	6,013.4	38.00	3,562.6	29.98	2,690.8	31.17	1,787.6	27.60	936.4	21.03
3. Customer Deposits - Term	2,607.3	16.48	1,791.5	15.08	1,766.2	20.46	1,367.1	21.10	1,013.6	22.76
4. Total Customer Deposits	10,175.1	64.31	5,852.0	49.24	4,732.7	54.71	3,378.3	52.15	2,302.9	51.72
5. Deposits from Banks	1,534.9	9.70	1,141.2	9.60	129.5	1.50	137.2	2.12	100.1	2.25
6. Repos and Cash Collateral	n.a.	-	370.5	3.12	n.a.	-	303.6	4.69	196.3	4.41
7. Other Deposits and Short-term Borrowings	0.3	0.00	362.8	3.05	64.7	0.75	195.6	3.02	300.7	6.75
8. Total Deposits, Money Market and Short-term Funding	11,710.3	74.01	7,726.7	65.02	4,917.8	56.96	4,014.7	61.98	2,699.2	65.13
9. Senior Debt Maturing after 1 Year	602.8	3.81	757.0	6.37	1,258.2	14.57	299.1	4.62	250.7	5.63
10. Subordinated Borrowing	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
11. Other Funding	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
12. Total Long Term Funding	602.8	3.81	757.0	6.37	1,258.2	14.57	299.1	4.62	250.7	5.63
13. Derivatives	37.1	0.23	8.3	0.07	n.a.	-	n.a.	-	n.a.	-
14. Trading Liabilities	809.3	5.12	1,358.8	11.43	1,245.6	14.43	970.2	14.98	478.4	10.74
15. Total Funding	13,159.6	83.17	9,850.6	82.89	7,421.6	85.96	5,284.0	81.57	3,629.0	81.50
E. Non-Interest Bearing Liabilities										
1. Fair Value Portion of Debt	115.6	0.73	453.00	3.81	n.a.	-	n.a.	-	n.a.	-
2. Credit impairment reserves	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Other reserves	n.a.	-	n.a.	-	n.a.	-	16.3	0.25	n.a.	-
4. Current Tax Liabilities	116.5	0.74	15.1	0.13	n.a.	-	n.a.	-	n.a.	-
5. Deferred Tax Liabilities	20.7	-	37.0	0.31	n.a.	-	n.a.	-	n.a.	-
6. Other Deferred Liabilities	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
7. Discontinued Operations	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Insurance Liabilities	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
9. Other Liabilities	236.4	1.49	138.7	1.17	115.2	1.33	145.1	2.24	112.2	2.52
10. Total Liabilities	13,648.7	86.26	10,494.4	88.31	7,536.6	87.29	5,445.4	84.07	3,741.2	84.02
F. Hybrid Capital										
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
G. Equity										
1. Common Equity	2,162.2	13.67	1,382.6	11.63	1,091.8	12.65	1,027.9	15.87	709.5	15.93
2. Non-controlling Interest	11.9	0.08	6.6	0.06	5.3	0.06	4.3	0.07	2.5	0.06
3. Securities Revaluation Reserves	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Foreign Exchange Revaluation Reserves	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	-	n.a.	-	n.a.	-	n.a.	-	n.a.	-
6. Total Equity	2,174.1	13.74	1,389.2	11.69	1,097.1	12.71	1,032.2	15.93	712.0	15.99
7. Total Liabilities and Equity	15,822.8	100.00	11,883.6	100.00	8,633.9	100.00	6,477.5	100.00	4,452.7	100.01
8. Memo: Fitch Core Capital	2,173.4	13.74	1,388.0	11.68	1,095.1	12.68	1,027.8	15.87	707.9	15.90
9. Memo: Fitch Core Eligible Capital	2,173.4	13.74	1,388.0	11.68	1,095.1	12.68	1,027.8	15.87	707.9	15.90

Banco CMF S.A.

Ratios

Accounting Standards	IFRS	IFRS	GAAP	GAAP	GAAP
	31 Dec 2018	31 Dec 2017	31 Dec 2016	31 Dec 2015	31 Dec 2014
	YearEnd	YearEnd	YearEnd	YearEnd	YearEnd
A. Interest Ratios					
1. Interest Income on Loans/ Average Gross Loans	35.88	19.04	35.17	30.85	29.46
2. Interest Expense on Customer Deposits/ Average Customer Deposits	12.64	4.72	6.60	6.02	7.50
3. Interest Income/ Average Earning Assets	30.40	12.98	21.49	20.18	14.93
4. Interest Expense/ Average Interest-bearing Liabilities	13.19	5.66	7.17	6.55	7.05
5. Net Interest Income/ Average Earning Assets	14.04	6.28	12.46	11.99	6.26
6. Net Interest Inc. Less Loan Impairment Charges/ Average Earning Assets	11.64	15.32	11.73	11.26	5.68
7. Net Interest Inc. Less Preferred Stock Dividend/ Average Earning Assets	14.04	6.28	12.46	11.99	6.26
B. Other Operating Profitability Ratios					
1. Non-Interest Income/ Gross Revenues	18.81	33.59	26.26	48.45	66.28
2. Non-Interest Expense/ Gross Revenues	56.92	73.85	53.11	38.76	37.35
3. Non-Interest Expense/ Average Assets	6.47	4.89	5.97	5.91	4.74
4. Pre-impairment Operating Profit/ Average Equity	37.62	14.83	36.71	58.28	56.99
5. Pre-impairment Operating Profit/ Average Total Assets	4.90	1.73	5.30	9.34	7.96
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	32.15	38.80	9.13	5.17	5.02
7. Operating Profit/ Average Equity	25.53	9.07	33.36	55.27	54.13
8. Operating Profit/ Average Total Assets	3.33	1.06	4.82	8.86	7.56
9. Taxes/ Pre-tax Profit	29.82	0.52	19.40	29.66	29.61
10. Pre-Impairment Operating Profit / Risk Weighted Assets	8.02	3.22	6.75	10.38	11.79
11. Operating Profit / Risk Weighted Assets	5.44	1.97	6.13	9.84	11.20
C. Other Profitability Ratios					
1. Net Income/ Average Total Equity	17.92	9.03	26.35	38.86	39.39
2. Net Income/ Average Total Assets	2.33	1.06	3.81	6.23	5.50
3. Fitch Comprehensive Income/ Average Total Equity	48.40	14.90	26.35	38.86	39.39
4. Fitch Comprehensive Income/ Average Total Assets	6.30	1.74	3.81	6.23	5.50
5. Net Income/ Av. Total Assets plus Av. Managed Assets	n.a.	n.a.	n.a.	n.a.	n.a.
6. Net Income/ Risk Weighted Assets	3.82	1.96	4.84	6.92	8.15
7. Fitch Comprehensive Income/ Risk Weighted Assets	10.32	3.24	4.84	6.92	8.15
D. Capitalization					
1. Fitch Core Capital/Weighted Risks	26.25	21.71	19.35	22.34	23.07
3. Tangible Common Equity/ Tangible Assets	13.74	11.68	12.69	15.93	15.99
4. Tier 1 Regulatory Capital Ratio	26.12	17.60	18.73	22.28	23.16
5. Total Regulatory Capital Ratio	25.34	18.31	19.32	22.85	23.75
7. Equity/ Total Assets	13.74	11.69	12.71	15.93	15.99
8. Cash Dividends Paid & Declared/ Net Income	n.a.	n.a.	54.7	25.1	52.0
9. Cash Dividend Paid & Declared/ Fitch Comprehensive Income	n.a.	n.a.	54.7	25.1	52.0
10. Cash Dividends & Share Repurchase/Net Income	n.a.	n.a.	n.a.	n.a.	n.a.
11. Net Income - Cash Dividends/ Total Equity	14.55	9.03	11.30	23.10	16.86
E. Loan Quality					
1. Growth of Total Assets	33.15	37.64	33.29	45.47	17.15
2. Growth of Gross Loans	12.30	46.88	29.01	46.87	35.18
3. Impaired Loans(NPLs)/ Gross Loans	0.93	1.13	1.40	0.66	0.45
4. Reserves for Impaired Loans/ Gross loans	4.52	2.83	2.65	2.64	2.72
5. Reserves for Impaired Loans/ Impaired Loans	486.57	250.73	189.24	400.06	598.14
6. Impaired Loans less Reserves for Impaired Loans/ Equity	(9.46)	(6.65)	(4.74)	(6.12)	(6.99)
7. Loan Impairment Charges/ Average Gross Loans	3.97	1.61	1.19	1.13	1.16
8. Net Charge-offs/ Average Gross Loans	n.a.	0.33	0.23	(0.03)	(0.15)
9. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	0.93	1.13	3.49	1.41	1.58
F. Funding					
1. Loans/ Customer Deposits	54.63	84.59	71.34	77.32	77.24
2. Interbank Assets/ Interbank Liabilities	8.52	7.80	116.23	46.21	73.15
3. Customer Deposits/ Total Funding excl Derivatives	77.54	59.46	63.65	63.94	63.46

Annex II

OPINION

The Rating Committee of FIX SCR S.A. AGENTE DE CALIFICACIÓN DE RIESGO (an affiliate of Fitch Ratings) – CNV Reg. No. 9, at a meeting held on March 10, 2019, **confirmed*** the following ratings on Banco CMF S.A.:

-Long Term Debt: **A+(arg)**, **Stable** outlook.

-Short Term Debt: **A1(arg)**.

- Class 10 Notes for up to \$50 million (which may be increased to 500 million): **A+(arg)**, with **Stable** outlook

- Class 12 Notes for up to \$50 million (which may be increased to 400 million): **A+(arg)**, with **Stable** outlook

- Class 13 Notes for up to \$50 million (which may be increased to 400 million): **A+(arg)**, with **Stable** outlook

The rating on Banco CMF S.A. (CMF) reflects the adequate historical performance and franchise in the segment it specializes in (medium-sized companies), its adequate credit quality, its concentration of funding, its tight liquidity base considering its funding structure and its robust capitalization in relation to the type of business it develops.

Category A(arg): Indicates a sound credit quality compared to other issuers or issues in the same country. However, changes in economic scenarios or conditions could affect the timely repayment capacity of financial commitments in this category to a larger extent than those with higher ratings.

Suffixes "+" or "-" may be appended to a rating to denote a higher or lower relative status within the relevant rating category and do not alter the definition of the Category to which they are added.

Category A1(arg): Indicates a very strong capacity for timely payment of financial commitments compared to other issuers or issues in the same country. When the characteristics of the issuer or issue are particularly robust the suffix "+" is added to the category.

CMF's financial statements are prepared in compliance with the accounting standards established by the Banco Central de la República Argentina (BCRA). Our analysis of the bank's condition is based on the consolidated financial statements as of December 31, 2018, audited by Pistrelli, Henry Martin y Asociados S.R.L, a member firm of Ernst & Young Global, who issued an unqualified auditor's report, even though it mentions differences between the professional accounting standards and those established by the BCRA.

This abridged report is complementary to the full rating report dated January 22, 2018, available at www.fixscr.com, and contemplates the major changes occurred over the period under analysis. The following chapters are not included in this report since no material changes have taken place since the last full report: Profile, Performance, Risks and Sources of Funds and Capital.

* When a rating is confirmed, the previous rating is the same as the one published in this report.

Information Sources

The data obtained for the analysis are considered adequate and sufficient.

This rating was based both on the following private and public information:

- Audited General Balance Sheet (latest dated December 31, 2018), available at www.cnv.gob.ar
- Audited Quarterly Financial Statements (latest dated September 30, 2018), available at www.cnv.gob.ar
- Notes pricing supplement, available at www.cnv.gob.ar

Annex III

Debt Issuance Data

Class 10 Notes for up to \$ 500 million

These are Notes that jointly with Class 11 Notes may not exceed \$500 million, at a floating interest rate maturing in 18 months. Class 10 Notes bear interest on the outstanding principal amount at an annual floating nominal rate resulting from the sum of (i) the Reference Rate (TM20) applicable to the respective period; plus (ii) an annual nominal spread margin to be determined according to the result of the Notes offering process and reported in the Notice of Results (the "Applicable Margin"), provided, however, that in the First Interest Accrual Period, the interest rate payable on the Notes may not be lower than the Minimum Interest Rate (as defined below). This means that if the applicable interest rate is lower than the minimum interest rate, the Notes in the first interest accrual period will bear interest according to the latter rate. The "Minimum Interest Rate" is the interest that the Notes will bear from the Issuance Date until the expiration of the third (3rd) month (included) based on the interest rate to be informed to investors in the supplementary Subscription Notice. The notes will bear Interest on a quarterly basis and the principal amount will be repaid in a single payment upon maturity.

Class 10 Notes were issued on Dec. 22, 2017 for an aggregate amount of \$ 316,500,000,000. These Notes will bear interest on a quarterly basis at floating rate of TM20 plus 350 basis points. The principal amount will be fully repaid in a single payment upon maturity, i.e., on June 24, 2019.

Class 12 Notes for up to \$ 400 million

These are Notes that jointly with Class 13 Notes may not exceed \$400 million, at a floating interest rate and minimum interest rate for the first three months, maturing in 18 months. Class 12 Notes bear interest on the outstanding principal amount at an annual floating nominal rate resulting from the sum of (i) the Reference Rate (TM20) applicable to the respective period; plus (ii) an annual nominal spread margin to be determined based on the result of the Notes offering process and reported in the Notice of Results; provided, however, that in the First Interest Accrual Period, the interest rate payable on the Notes may not be lower than the minimum interest rate. This means that if the applicable interest rate is lower than the minimum interest rate, the Notes in the first interest accrual period will bear interest according to the latter rate. The "Minimum Interest Rate" is the interest that the Notes will bear from the Issuance Date until the expiration of the third (3rd) month (included) based on the interest rate to be informed to investors in the supplementary Subscription Notice. The notes will bear Interest on a quarterly basis and the principal amount will be repaid in a single payment upon maturity.

Class 12 Notes were issued on Feb. 19, 2018 for an aggregate amount of \$ 250,000,000,000. These Notes will bear interest on a quarterly basis at a floating rate of TM20 plus 300 basis points. The principal amount will be fully repaid in a single payment upon maturity, i.e., on Aug. 19, 2019.

Class 13 Notes for up to \$ 400 million

These are Notes that jointly with Class 12 Notes may not exceed \$400 million, at a floating interest rate and a minimum interest rate for the first three months, maturing in 36 months. Class 13 Notes bear interest on the outstanding principal amount at an annual floating nominal rate resulting from the sum of (i) the Reference Rate (TM20) applicable to the respective period; plus (ii) an annual nominal spread margin to be determined based on the result of the Notes offering process and reported in the Notice of Results; provided, however, that in the First Interest Accrual Period, the interest rate payable on the Notes may not be lower than the minimum interest rate. This means that if the applicable interest rate is

lower than the minimum interest rate, the Notes in the first interest accrual period will bear interest according to the latter rate. The “Minimum Interest Rate” is the interest that the Notes will bear from the Issuance Date until the expiration of the third (3rd) month (included) based on the interest rate to be informed to investors in the supplementary Subscription Notice. The notes will bear Interest on a quarterly basis and the principal amount will be repaid in a single payment upon maturity.

Class 13 Notes were issued on February 19, 2018 for an aggregate amount of \$ 150,000,000,000. These Notes will bear interest on a quarterly basis at a floating rate composed of the Private Banks Dablar rate plus 350 basis points. The principal amount will be fully repaid in a single payment upon maturity, i.e., on February 19, 2021.

Annex IV

Glossary:

ROE: Return on Equity.

ROA: Return on Assets.

Fitch Core Capital (FCC): The Bank's equity (including third parties' holdings in subsidiaries) less intangible assets, deferred taxes, net assets in insurance companies and trust certificates.

Regulatory Tier 1 Capital Ratio: Ordinary Tier 1 Capital / Total Risk-Weighted Assets

BCRA: Banco Central de la República Argentina.

The aforementioned ratings were requested by the issuer, or in its behalf. Therefore, FIX SCR S.A. AGENTE DE CALIFICACIÓN DE RIESGO (affiliate of Fitch Ratings)", hereinafter FIX SCR S.A. or the risk rating agency, has received the fees for the provision of the rating services.

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