

BUENOS AIRES, November 25, 2020

ARGENTINE SECURITIES COMMISSION

Re.: Information required under section 63 of the Listing Regulations of BYMA S.A.

In order to comply with the requirements of section 63 of the Listing Regulations of Bolsas y Mercados Argentinos S.A., we report below our income, divided into ordinary and extraordinary income and our Shareholders' Equity broken down by items and amounts, as reflected in the Quarterly Financial Statements of Banco Hipotecario S.A. ended on September 30, 2020 (nine-month fiscal period).

RESULTS

- Net income attributable to the parent's shareholders for the quarter was Ps. 163.9 million, compared to Ps. 642.0 million for the previous quarter and Ps. (401.9) million or the third quarter of 2019.
- Net operating income for the quarter was Ps. 4,817.1 million, compared to Ps. 4,952.0 million for the previous quarter and Ps. 6,568.3 million for the third quarter of 2019.
- Operating income for the quarter was Ps. 686.4 million, compared to Ps. 1,198.8 million for the previous quarter and Ps. 1,628.4 million for the third quarter of 2019.
- In the third quarter of 2020, the Liquidity Coverage Ratio (LCR) was 139.0%, the Net Stable Funding Ratio (NSFR) was 128.8% and the liquid assets to deposits ratio was 102.5%.
- Loans to the non-financial private sector and foreign residents decreased 4.9% compared to the previous quarter and 25.9% compared to the same quarter of the previous fiscal year.
- Deposits increased by 22.0% compared to the previous quarter and by 85.5% compared to the same quarter of the previous fiscal year, whereas financial debt increased 1.6% compared to the previous quarter and decreased 14.1% compared to the third quarter of 2019.
- Non-performing loans at a consolidated level increased from 12.7% in the second quarter of 2020 to 12.5% in the third quarter of 2020, while the coverage ratio was 90.6%. Moreover, non-performing loans in the consumer portfolio decreased from 4.4% in the second quarter of 2020 to 3.4% in the third quarter of 2020.

- The total capital to risk-weighted assets ratio as of September 30, 2020 was 17.9%, compared to 16.9% for the previous quarter and 13.5% for the same quarter of the previous fiscal year.
- The COVID-19 pandemic is adversely impacting on both the global economy and the Argentine economy and our business; yet, the full extent of such impact cannot be assessed as of to date.
- The Bank successfully exchanged its Class 29 Negotiable Obligations due November 2020. The impact of this transaction on our financial statements will be visible starting next quarter.
- The Argentine Central Bank adopted various measures throughout the year that affect the results of our operations, including interest rate caps for credit card balances, minimum interest rates for time deposits, and freezing of fees and commissions.
- The variation in the result compared to the previous quarter is due to an increase in interest expenses caused by an increase in minimum rates for time deposits, lower fee and commission income and higher employee benefits, as well as a higher negative result in net monetary position due to a higher inflation rate during the third quarter compared to the second quarter.

The Bank started to report results adjusted by inflation in accordance with IAS 29 as of the first quarter of 2020. Therefore, all the amounts and variations described in this report are stated in constant currency as of September 30, 2020. Moreover, the provisioning model set forth in item 5.5. of IFRS 9 was applied, as required by the Argentine Central Bank.

Consolidated Quarterly Income Statement (in millions of Ps.)	Quarter ended			Variation (%)	
	09/30/20	06/30/20	09/30/19	Quarterly	Annual
Interest and Adjustment Income	4,185.4	3,652.9	6,141.7	14.6%	(31.9)%
Interest and Adjustment Expense	(4,361.8)	(3,327.0)	(4,503.9)	31.1%	(3.2)%
Net interest income	(176.4)	325.9	1,637.8	(154.1)%	(110.8)%
Fee and commission income	1,427.0	1,557.2	1,810.0	(8.4)%	(21.2)%
Fee and commission expense	(63.1)	(65.3)	(249.6)	(3.3)%	(74.7)%
Net fee and commission income	1,363.8	1,491.9	1,560.4	(8.6)%	(12.6)%
Net income from measurement of financial instru at fair value through profit or loss	2,268.2	2,077.9	4,238.8	9.2%	(46.5)%
Gold and foreign currency quotation differences	(158.8)	(51.9)	(2,116.0)	206.2%	(92.5)%
Other operating income	1,406.6	1,457.5	2,460.0	(3.5)%	(42.8)%
Loan loss provision	113.7	(349.4)	(1,212.8)	(132.5)%	(109.4)%
Net operating income	4,817.1	4,952.0	6,568.3	(2.7)%	(26.7)%
Employee benefits	(1,682.8)	(1,478.0)	(1,940.2)	13.9%	(13.3)%
Administrative expenses	(910.7)	(919.2)	(1,276.4)	(0.9)%	(28.6)%
Depreciation and impairment of assets	(183.6)	(174.2)	(508.2)	5.4%	(63.9)%
Other operating expenses	(1,353.7)	(1,181.7)	(1,215.0)	14.5%	11.4%
Operating income	686.4	1,198.8	1,628.4	(42.7)%	(57.8)%
Income from subsidiaries, associates and joint	-	23.1	-	(100.0)%	N/A

businesses

Income from net monetary position	(420.3)	(318.4)	(1,902.2)	32.0%	(77.9)%
Income tax	(103.1)	(217.3)	(138.4)	(52.6)%	(25.5)%
Total comprehensive loss attributable to non-controlling interests	0.9	(44.3)	10.2	(102.0)%	(91.5)%
Total net income (loss) attributable to the parent's shareholders	163.9	642.0	(401.9)	(74.5)%	(140.8)%

Banco Hipotecario's accumulated income as of 09/30/2020 was as follows:

In thousands of Ps.

Net Income as of 09-30-20:	291,808
Net income for the year attributable to non-controlling interests:	51,334
Net income for the year attributable to the parent's shareholders:	240,474

SHAREHOLDERS' EQUITY

In thousands of Ps.

Capital Stock:	1,500,000
Non-capitalized contributions:	86,557
Adjustments to Shareholders' Equity:	44,902,148
Reserves	
- Legal:	3,799,363
- Others:	12,017,740
Unappropriated retained earnings:	(47,407,213)
Income for the year/period	240,474

Shareholders' Equity attributable to the parent's shareholders	15,139,069
Shareholders' Equity attributable to non-controlling interests	402,383

OTHER INFORMATION REQUIRED

- Adjustments to prior years' results:

No adjustments to prior years' results.

- Proposals have (not) been made regarding:

No proposals have been made regarding the distribution of dividends or capitalization of profits.

-Capital Stock

The capital stock is divided into 1,500,000,000 shares of a par value of one peso each, divided into Class A, B, C and D shares according to the percentages set forth in the following table. Class A, B and C shares carry the right to one vote per share, Class "D" shares, which are owned by the private sector, carry the right to three votes per share so long as the Argentine Government owns more than 42% of the capital stock.

Pursuant to the provisions of the Privatization Law and the Bank’s bylaws, the majority Class “D” shareholders are entitled to elect nine of the thirteen members of our board of directors.

As of September 30, 2020, the principal Class “D” shareholders were holders of an aggregate of 448,689,072 shares representing 29.91% of the Capital Stock.

Shareholders as of 09/30/2020

Shareholder	Class	Amount of Shares	Percentage of Shares
Argentine Government/Banco de la Nación Argentina as Trustee of the <i>Fondo Federal de Infraestructura Regional</i> Assistance Trust	A	664,489,424	44.30%
Banco de la Nación Argentina as Trustee of the <i>Programa de Propiedad Participada</i>	B	57,009,279	3.80%
Banco de la Nación Argentina as Trustee of the <i>Fondo Federal de Infraestructura Regional</i> Assistance Trust	C	75,000,000	5.00%
Option Trustee ⁽¹⁾	D	90,905,000	6.06%
Principal Shareholders ⁽²⁾	D	448,689,072	29.91%
ANSES (Social Security Office)	D	74,037,265	4.94%
Banco Hipotecario S.A.	D	29,491,148	1.97%
Directors’ holdings	D	32,720	0.00%
Others	D	60,346,092	4.02%
Total		1,500,000,000	100.00%

⁽¹⁾ Class “D” Shares relating to outstanding options, which amount to 90,905,000, shall be held in the Trust until disposal thereof pursuant to the instructions received from the Selling Shareholder (National Government). During such period, the voting rights attaching thereto shall be exercised by the Trustee of the *Fondo Federal de Infraestructura Regional* Assistance Trust (Banco de la Nación Argentina).

⁽²⁾ As of March 31, 2020, Tyrus S.A., Ritelco S.A., E-Commerce Latina S.A., Palermo Invest S.A., IRSA Inversiones y Representaciones S.A., and Inversora Bolívar S.A. held 75,000,000, 75,000,000, 75,000,000, 74,804,237, 73,939,835, and 74,945,000 Class D Shares, respectively, representing interests in Class D Shares of 10.66%, 10.66%, 10.63%, 10.51%, and 10.65%, respectively.

- Number of shares resulting from conversion of debt securities into stock.
- Shares that entitle to securities convertible into stock and/or warrants in the company, held by the controlling shareholder or group: **None.**
- Identification of the controlling shareholders of the Company, stating their names and domiciles:

The principal Class “D” shareholders of the company and their domiciles are as follows:

- IRSA Inversiones y Representaciones S.A., Bolívar 108 – Autonomous City of Buenos Aires, Argentina.
- Inversora Bolívar S.A., Moreno 877 – 22nd Floor – Autonomous City of Buenos Aires, Argentina.
- Ritelco S.A., Perú 529 – Ground Floor – Mendoza, Province of Mendoza, Argentina.
- E-Commerce Latina S.A., Moreno 877 – 21st Floor – Autonomous City of Buenos Aires, Argentina.
- Tyrus S.A., Profesor Mariño 459, Temperley, Province of Buenos Aires, Argentina.
- Palermo Invest S.A., Bolívar 108 – 1st Floor – Autonomous City of Buenos Aires, Argentina.

Yours sincerely,

/Sgd./
Ernesto Viñes
Attorney-in-fact