

**BANCO REGIONAL S.A.E.C.A.**  
**BALANCE SHEET AS OF JUNE 30, 2015**

Presented for comparative purposes with the financial statements at December 31, 2014

(Amounts expressed in Paraguayan guaraníes)

<b>ASSETS</b>	<b>Note</b>	<b>JUNE 30, 2015</b>	<b>DECEMBER 31, 2014</b>
<b>CASH AND DUE FROM BANKS</b>			
Cash		198.888.573.972	247.773.695.991
Central Bank of Paraguay	c.3	2.041.001.557.800	1.748.780.022.138
Other financial institutions		314.741.002.264	235.031.278.343
Checks and other documents to be offset		225.935.404.580	118.440.281.759
Accrued interests		763.452.266	825.474.163
Allowances	c.7	(4.639.246)	(2.223.073)
		<b>2.781.325.351.636</b>	<b>2.350.848.529.321</b>
<b>GOVERNMENT AND PRIVATE SECURITIES</b>			
	c.4	<b>1.123.571.706.396</b>	<b>1.047.045.119.630</b>
<b>PERFORMING LOANS</b>			
<b>FINANCIAL SECTOR</b>			
Other financial institutions		638.039.936.153	756.273.196.664
Transactions to be settled	c.18	20.042.672.379	87.459.878.258
Loans for overdrafts		728.981.131	4.251.611
Accrued interests		17.448.717.876	21.261.218.718
Unrealized valuation earnings		-	-
Allowances	c.7	(716.411.797)	(663.257.870)
	c.6.1	<b>675.543.895.742</b>	<b>864.335.287.381</b>
<b>PERFORMING LOANS</b>			
<b>NONFINANCIAL SECTOR</b>			
Loans to private sector		9.685.751.517.788	8.966.770.857.220
Receivables from deferred letters of credit		121.948.032.496	71.057.392.472
Transactions to be settled	c.18	70.620.414.805	75.089.889.573
Loans to government sector		4.990.959.012	6.499.011.725
Unrealized valuation earnings		(1.961.163.550)	(1.189.259.073)
Accrued interests		189.038.872.265	158.077.623.786
Allowances	c.7	(130.779.431.983)	(82.322.978.224)
	c.6.2	<b>9.939.609.200.833</b>	<b>9.193.982.537.479</b>
<b>OTHER RECEIVABLES</b>			
	c.6.4	<b>71.433.081.172</b>	<b>56.415.672.975</b>
<b>NONPERFORMING LOANS</b>			
Loans to nonfinancial sector		224.975.585.423	201.396.289.226
Loans to government sector		2.565.834.506	2.552.519.002
Unrealized valuation earnings		(2.546.008.060)	(1.075.890.197)
Accrued interests		10.613.537.985	9.606.545.640
Allowances	c.7	(126.086.805.457)	(130.582.961.979)
	c.6.3	<b>109.522.144.397</b>	<b>81.896.501.692</b>
<b>INVESTMENTS</b>			
Private securities	c.8	6.693.888.230	6.049.166.575
Foreclosed assets	c.8	16.450.566.719	36.228.811.836
Other investments		3.369.406	3.008.850
Income from investments in the private sector		1.152.461.797	-
Allowances	c.7	(4.988.083.763)	(10.127.753.563)
	c.8	<b>19.312.202.389</b>	<b>32.153.233.698</b>
<b>PROPERTY, PLANT AND EQUIPMENT</b>			
	c.9	<b>70.838.295.591</b>	<b>73.585.082.622</b>
<b>DEFERRED CHARGES</b>			
	c.10	<b>10.689.614.312</b>	<b>11.742.102.557</b>
<b>TOTAL ASSETS</b>			
		<b>14.801.845.492.468</b>	<b>13.712.004.067.355</b>

Attached notes from A to G, are part of the financial statements herein.

**BANCO REGIONAL S.A.E.C.A.**  
**BALANCE SHEET AS OF MARCH 31, 2015**

Presented for comparative purposes with the financial statements at December 31, 2014  
(Amounts expressed in Paraguayan guaraníes)

<b>LIABILITIES</b>	<b>Note</b>	<b>JUNE 30, 2015</b>	<b>DECEMBER 31, 2014</b>
<b>FINANCIAL LIABILITIES</b>			
<b>FINANCIAL SECTOR</b>			
Central Bank of Paraguay		14.078.461.571	11.440.533.475
Deposits from other banks	c.15.2	693.654.075.218	587.556.869.648
Correspondents - deferred letters of credit		120.955.677.980	70.450.292.410
Loans from financial institutions		1.338.061.611.421	1.257.078.113.626
Compensation ATM operations pending		37.434.529.854	8.039.608.417
Bonds issued abroad	c.19; c.11.b)	1.555.110.000.000	1.388.700.000.000
Transactions to be settled	c.18	20.030.443.649	86.973.115.207
Accrued interests		76.470.558.632	62.973.674.763
	c.14	<b>3.855.795.358.325</b>	<b>3.473.212.207.546</b>
<b>FINANCIAL LIABILITIES</b>			
<b>NONFINANCIAL SECTOR</b>			
Deposits - Private Sector		8.017.956.659.669	7.516.227.808.722
Deposits - Public Sector		1.168.217.431.121	1.235.309.087.437
Other obligations		273.036.197.951	70.349.188.754
Debentures and bonds issued in circulation	c.11	95.253.358.600	94.156.162.000
Transactions to be settled	c.18	72.516.803.719	75.849.654.796
Accrued interests		83.038.758.019	81.404.670.340
	c.14	<b>9.710.019.209.079</b>	<b>9.073.296.572.049</b>
<b>OTHER LIABILITIES</b>			
	c.17	<b>73.066.631.636</b>	<b>60.837.995.281</b>
<b>ACCRUALS</b>			
		<b>14.921.533.279</b>	<b>14.404.710.176</b>
<b>TOTAL LIABILITIES</b>			
		<b>13.653.802.732.319</b>	<b>12.621.751.485.052</b>
<b>EQUITY</b>			
Capital	b.5	771.540.700.000	687.455.800.000
Shares of common stock		521.540.700.000	437.455.800.000
Shares of preferred stock	c.12 f	250.000.000.000	250.000.000.000
Non-Capitalized Contributions		30.745.060.000	53.365.960.000
Revaluation reserve		33.019.386.131	31.376.860.951
Legal reserve		212.086.410.559	183.398.002.207
Retained Earnings		-	-
Profit for the year		100.651.203.459	134.655.959.145
<b>TOTAL EQUITY</b>	D	<b>1.148.042.760.149</b>	<b>1.090.252.582.303</b>
<b>TOTAL LIABILITIES AND EQUITY</b>			
		<b>14.801.845.492.468</b>	<b>13.712.004.067.355</b>
<b>CONTINGENCY AND MEMORANDUM ACCOUNTS</b>			
TOTAL CONTINGENCIES ACCOUNTS	E	<b>1.072.526.039.710</b>	<b>927.632.296.686</b>
TOTAL MEMORANDUM ACCOUNTS	E	<b>18.225.292.087.114</b>	<b>16.776.075.858.045</b>

Attached notes from A to G, are part of the financial statements herein.

**BANCO REGIONAL S.A.E.C.A.**  
**STATEMENT OF INCOME FOR THE PERIOD FOR SIX MONS ENDED JUNE 30, 2015**  
Presented for comparative purposes with the financial statements of prior period  
(Amounts expressed in Paraguayan guaraníes)

	Note	JUNE 30, 2015	JUNE 30, 2014
<b>FINANCIAL INCOME</b>			
From performing loans - Financial sector		64.239.443.598	73.947.854.005
From performing loans - Nonfinancial sector		488.540.593.559	405.446.238.258
From nonperforming loans		7.096.841.853	7.579.045.623
From income and listed price differences of government securities		20.612.103.902	17.325.999.052
From valuation of financial assets and liabilities in foreign currency - net	f.2	9.341.173.649	-
		<u><b>589.830.156.561</b></u>	<u><b>504.299.136.938</b></u>
<b>FINANCIAL EXPENSES</b>			
From financial liabilities - Financial sector		(42.534.253.369)	(39.379.789.719)
From financial liabilities - Nonfinancial sector		(233.075.600.194)	(246.334.853.662)
From valuation of financial assets and liabilities in foreign currency	f.2	-	(2.313.420.074)
		<u><b>(275.609.853.563)</b></u>	<u><b>(288.028.063.455)</b></u>
		<u><b>314.220.302.998</b></u>	<u><b>216.271.073.483</b></u>
<b>FINANCIAL INCOME BEFORE ALLOWANCES</b>			
<b>ALLOWANCES</b>			
Additions	c.7	(286.601.528.980)	(238.002.233.855)
Reversals	c.7	205.822.546.068	187.736.922.920
		<u><b>(80.778.982.912)</b></u>	<u><b>(50.265.310.935)</b></u>
		<u><b>233.441.320.086</b></u>	<u><b>166.005.762.548</b></u>
<b>FINANCIAL PROFIT AFTER ALLOWANCES</b>			
<b>NET INCOME FROM SERVICES</b>			
Income from services		62.273.486.259	54.836.406.500
Expenses from services		(10.180.117.913)	(8.089.913.239)
		<u><b>52.093.368.346</b></u>	<u><b>46.746.493.261</b></u>
		<u><b>285.534.688.432</b></u>	<u><b>212.752.255.809</b></u>
<b>GROSS PROFIT</b>			
<b>OTHER OPERATING INCOME</b>			
Gain for exchange and arbitrage operation		18.276.984.484	10.710.325.411
Gain from other receivables		54.413	369.974.846
Income from operating leasing		-	52.380.952
Other income		945.985.855	889.737.586
From valuation of financial assets and liabilities in foreign currency	f.2	-	848.181.181
		<u><b>19.223.024.752</b></u>	<u><b>12.870.599.976</b></u>
<b>OTHER OPERATING EXPENSES</b>			
Salaries and social securities		(88.173.466.198)	(82.477.709.837)
General expenses		(73.920.582.677)	(67.021.996.006)
Depreciation of property, plant and equipment	c.9	(7.286.354.738)	(6.405.975.900)
Amortization of deferred charges		(1.741.737.288)	(1.595.827.477)
Others		(13.070.024.808)	(11.466.762.354)
Valuation of other assets and liabilities in foreign currency - net	f.2	(13.588.257.785)	-
		<u><b>(197.780.423.494)</b></u>	<u><b>(168.968.271.574)</b></u>
		<u><b>106.977.289.690</b></u>	<u><b>56.654.584.211</b></u>
<b>NET OPERATING PROFIT</b>			
<b>EXTRAORDINARY GAINS AND LOSSES</b>			
Extraordinary gains		3.836.932.400	4.240.741.153
Extraordinary losses		(1.410.739.780)	(568.037.203)
		<u><b>2.426.192.620</b></u>	<u><b>3.672.703.950</b></u>
<b>PRIOR YEAR ADJUSTMENTS</b>			
Gains		127.006.424	662.661.999
Losses		(140.872.379)	(1.733.452.957)
	d.3	<u><b>(13.865.955)</b></u>	<u><b>(1.070.790.958)</b></u>
		<u><b>109.389.616.355</b></u>	<u><b>59.256.497.203</b></u>
<b>PROFIT FOR THE YEAR BEFORE INCOME TAX</b>			
Income Tax	f.4	(8.738.412.896)	(2.917.139.586)
		<u><b>100.651.203.459</b></u>	<u><b>56.339.357.617</b></u>

Attached notes from A to G, are part of the financial statements herein.



**BANCO REGIONAL S.A.E.C.A.**

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FOR SIX MONS ENDED JUNE 30, 2015**

Presented for comparative purposes whit the financial statements of prior period  
 (Amounts expressed in Paraguayan guaraníes)

Concepto	Capital		Non-capitalized contributions	Revaluation reserve	Legal reserve	Retained earnings (accumulated losses)	Profit (Loss) for the year	Total
	Shares of common stock	Shares of preferred stock						
<b>Balance as of December 31, 2013</b>	<b>347.587.100.000</b>	<b>250.000.000.000</b>	<b>0</b>	<b>28.465.474.948</b>	<b>151.729.072.467</b>	<b>-</b>	<b>150.678.821.453</b>	<b>928.460.468.868</b>
<b>plus (minus):</b>								
Transfer of prior year results	-	-	-	-	-	150.678.821.453	-150.678.821.453	-
Capitalization of earnings	70.198.300.000	-	-	-	-	-70.198.300.000	-	-
Irrevocable contributions for future integrations of share	-	-	6.374.510.000	-	-	-	-	6.374.510.000
Irrevocable contribution to share premium	-	-	6.462.525.700	-	-	-	-	6.462.525.700
Additions to legal reserve	-	-	-	-	31.668.929.740	-31.668.929.740	-	-
Cash dividends - preferred shares	-	-	-	-	-	-45.000.000.000	-	-45.000.000.000
Cash dividends - common shares	-	-	-	-	-	-3.811.591.713	-	-3.811.591.713
Revaluation of property, plant and equipment	-	-	-	2.204.656.042	-	-	-	2.204.656.042
Profit for the period	-	-	-	-	-	-	56.339.357.617	56.339.357.617
<b>Balance as of June 30, 2014</b>	<b>417.785.400.000</b>	<b>250.000.000.000</b>	<b>12.837.035.700</b>	<b>30.670.130.990</b>	<b>183.398.002.207</b>	<b>-</b>	<b>56.339.357.617</b>	<b>951.029.926.514</b>
<b>Balance as of December 31, 2014</b>	<b>437.455.800.000</b>	<b>250.000.000.000</b>	<b>53.365.960.000</b>	<b>31.376.860.951</b>	<b>183.398.002.207</b>	<b>-</b>	<b>134.655.959.145</b>	<b>1.090.252.582.303</b>
<b>plus (minus):</b>								
Transfer of prior year results	-	-	-	-	-	134.655.959.145	(134.655.959.145)	-
Capitalization of earnings	61.464.000.000	-	-	-	-	-61.464.000.000	-	-
Capitalization of Contributions	22.620.900.000	-	-22.620.900.000	-	-	-	-	-
Additions to legal reserve	-	-	-	-	28.688.408.352	-28.688.408.352	-	-
Cash dividends - preferred shares	-	-	-	-	-	-40.000.000.000	-	-40.000.000.000
Cash dividends - common shares	-	-	-	-	-	-4.503.550.793	-	-4.503.550.793
Revaluation of property, plant and equipment	-	-	-	1.642.525.180	-	-	-	1.642.525.180
Profit for the year	-	-	-	-	-	-	100.651.203.459	100.651.203.459
<b>Balance as of June 30, 2015</b>	<b>521.540.700.000</b>	<b>250.000.000.000</b>	<b>30.745.060.000</b>	<b>33.019.386.131</b>	<b>212.086.410.559</b>	<b>0</b>	<b>100.651.203.459</b>	<b>1.148.042.760.149</b>

Attached notes from A to G, are part of the financial statements herein.

**BANCO REGIONAL S.A.E.C.A.**  
**CASH FLOWS FOR THE PERIOD FOR SIX MONS ENDED JUNE 30, 2015**  
 Presented for comparative purposes with the financial statements of prior period  
 (Amounts expressed in Paraguayan guaraníes)

	Note	JUNE 30, 2015	JUNE 30, 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
PROFIT FOR THE YEAR		<b>100.651.203.459</b>	<b>56.339.357.617</b>
<b>PLUS EXPENSES NOT INVOLVING USE OF CASH</b>			
Depreciation of property, plant and equipment		7.286.354.738	6.405.975.900
Amortization of deferred charges		1.741.737.288	1.595.827.477
Increase in allowances	c.7	286.601.528.980	238.002.233.855
Accrual for income taxes	f.4	8.738.412.896	2.917.139.586
Accrued interests unpaid		159.509.316.651	142.276.471.356
Valuation of foreign currency accounts		4.247.084.136	1.465.238.892
Residual value of assets written off		391.405.733	-
		<b>468.515.840.422</b>	<b>392.662.887.066</b>
<b>LESS INCOME NOT INVOLVING CASH INFLOW</b>			
Reversal of allowances	c.6	(205.822.546.068)	(187.736.922.920)
Accrued interests not collected		(254.559.217.857)	(189.182.751.339)
		<b>(460.381.763.925)</b>	<b>(376.919.674.259)</b>
Net decrease in loans		499.499.635.269	170.923.673.516
Net increase in other receivables		(10.806.114.225)	(65.321.118.647)
(Decrease) increase in liabilities from financial intermediation		(78.500.888.783)	2.187.241.620
(Decrease) increase in sundry obligations		(6.999.012.272)	28.066.478.981
Net decrease in provisions		(3.335.412.959)	(7.006.625.083)
Income tax paid		(2.196.520.653)	-
		<b>397.661.686.377</b>	<b>128.849.650.387</b>
<b>Net cash flows (used in) generated by operating activities</b>		<b>506.446.966.333</b>	<b>200.932.220.811</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Net increase in government securities		(40.427.540.029)	(317.487.709.746)
Net increase in investments		12.938.644.107	(25.932.769.349)
Acquisition of property, plant and equipment		(3.288.448.260)	(7.453.276.206)
Net increase of deferred charges		(689.249.043)	77.708.428
<b>Cash used in investing activities</b>		<b>(31.466.593.225)</b>	<b>(350.796.046.873)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payment of dividends		(44.503.550.793)	(48.811.591.713)
Additional paid-in capital		-	12.837.035.700
Cash from issuance of bonds		-	1.315.200.000.000
<b>Net cash flows generated by (used in) financing activities</b>		<b>(44.503.550.793)</b>	<b>1.279.225.443.987</b>
<b>NET INCREASE IN CASH</b>		<b>430.476.822.315</b>	<b>1.129.361.617.925</b>
Cash and cash equivalents at beginning of year		2.350.848.529.321	2.293.312.325.883
Cash and cash equivalents at end of year		<b>2.781.325.351.636</b>	<b>3.422.673.943.808</b>

Attached notes from A to G, are part of the financial statements herein.