

**NOTES TO THE FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED
MARCH 31, 2015**

Presented for comparative purposes with the financial prior year

(Figures stated in Paraguayan guaranies)

**A. CONSIDERATION BY THE SHAREHOLDERS' MEETING AND PURPOSE OF
PREPARATION OF THESE FINANCIAL STATEMENTS**

The financial statements of Banco Regional SAECA (hereinafter referred as Banco Regional SAECA or "the Entity" or "the Bank") at December 31, 2014 were approved by the Annual General Meeting of Shareholders held on April 25, 2015.

These financial statements are for a three-month interim period ended March 31, 2015 that do not require the approval of the Shareholders.

B. BASIC INFORMATION ABOUT THE BANK

b.1 Legal status

Banco Regional Sociedad Anónima Emisora de Capital Abierto began doing business under the name of Banco Regional S.A. de Inversión y Fomento, authorized by Presidential Decree No. 4321 dated January 8, 1990, and by the Central Bank of Paraguay through Resolution No. 5, Record No. 11 dated February 13, 1991.

Through Resolution No. 3, Record No. 214, dated December 1, 1998, the Board of Directors of the Central Bank of Paraguay authorized Banco Regional S.A. de Inversión y Fomento to amend its Bylaws, as decided by Special Shareholders' Meeting held on April 24, 1998, to change its original name to Banco Regional S.A.

Through Resolution No. 1, Record No. 96, dated November 19, 2008, the Board of Directors of the Central Bank of Paraguay authorized Banco Regional S.A. to amend its Bylaws, as decided by Special Shareholders' Meeting held on September 30, 2008, to change its previous business name to Banco Regional S.A.E.C.A. The amendment was registered with the Public Registries on November 21, 2008, and with the CNV (Paraguayan securities commission) on December 4, 2008, through CNV Resolution No. 1156/08.

On April 22, 2009, the acquisition of 100% of the shares of Banco ABN AMRO Paraguay S.A. was completed, with the purpose of merging the latter with and into Banco Regional SAECA. This process was completed in late 2009.

On September 3, 2009, the final merger agreement involving Banco ABN AMRO Paraguay S.A. was executed. On September 4, 2009, the Special Shareholders' Meeting of Banco Regional S.A.E.C.A. was held, during which the merger agreement between both banks was officially approved. In view of this process, Banco Regional S.A.E.C.A., as the controlling Entity, assumes all rights and obligations of the acquired entity.

At March 31, 2015, the Bank had 35 branches and 4 customer service points within the Paraguayan territory (38 branches at March 31, 2014).

b.2 Basis of preparation of the financial statements

The financial statements are a free translation into English of those originally prepared in Spanish, expressed in local currency (Guaranies).

The financial statements have been prepared in accordance with accounting standards and specific instructions issued by the Central Bank of Paraguay and, on aspects not covered by them, in accordance with applicable financial reporting standards in the country, issued by the Public Accountants Council of Paraguay.

The model is based on a conventional basis of historical cost, except for property, plant and equipment that are exposed to their revalued amounts, as explained in note c.9 and the treatment assigned to monetary assets and liabilities in foreign currency, as explained in note c.1, not recognized in the overall effects of inflation on the financial position of the institution, or results of operations. According to the Consumer Price Index published by the Central Bank of Paraguay, inflation for the three months ended March 31, 2015 and 2014 was 1% and 2.6% respectively.

The rules set by the Central Bank of Paraguay differ from the existing standards of financial reporting in Paraguay, mainly in the following aspects:

- a. They do not require the issuance of the statement of cash flows and the comparative financial statements.
- b. The adjustments to accumulated results are recorded as income (expense) for the year without affecting the Bank's equity accounts.
- c. The accounting record of the deferred tax is not contemplated
- d. Earnings per share do not need to be calculated or disclosed.
- e. There are specific criteria for the classification and valuation of the loan portfolio, the accrual recognition of interest and gains from valuation is suspended, as mentioned in note c.6.
- f. Banks are required to set allowances for loan losses, allowances for contingent risks and assets in general based on the parameters set forth in Resolution 1, Record No. 60, of the Board of Directors of the Central Bank of Paraguay dated September 28, 2007 and subsequent amendments.
- g. No disclosure is required of PP&E movements.
- h. No disclosure is required of the concentration of liabilities by numbers of depositors.
- i. No disclosure is required of the average interest rates or of the average assets and liabilities that have accrued interest.
- j. No opening movement of deferred charges is required.
- k. No disclosure of the base is required to identify the general risks of the banking industry and the accounting treatment of such risks, and
- l. Permanent investments in shares of other companies are valued at cost.

Disclosure and / or quantification of these differences are not required by the Central Bank of Paraguay.

The preparation of these financial statements requires that the Board of Directors and Management of the Bank make certain estimates and assumptions that affect asset and liability balances, the disclosures of contingencies and the recognition of income and expenses. Assets and liabilities are recognized in the financial statements when it is likely that future economic benefits will flow to or from the Bank and the different items have a cost or value that can be reliably measured. If in the future these estimates and assumptions, which are based on Management's best judgment as of the date of these financial statements, change with regard to the current circumstances, the original estimates and assumptions will

be appropriately amended on the date on which those changes take place. The main estimates related to the financial statements refer to the allowances for doubtful accounts, PP&E depreciations, the amortization of deferred charges and allowances to cover other contingencies.

Comparative information:

The interim financial statements at March 31, 2015 are presented comparatively with the unaudited figures for the same period last year.

b.3 Foreign branches

The Bank has no foreign branches.

b.4 Shareholdings in other companies

Interest in capital stock in other companies at March 31, 2015 and 2014 is as follows:

Company name	Condition	Investment currency	Face value	% equity interest	Carrying value in PYG
March 31, 2015					
Bancard S.A. - Paraguay	Affiliate	PYG	5,121,000,000	6.67%	5,928,846,968
VISA INC – USA	Non-affiliate	USD	0.0001	Minority	5,279
SWIFT	Non-affiliate	EUR	19,800.0000	Minority	124,733,065
Total					6,053,585,312
March 31, 2014					
Bancard S.A. - Paraguay	Affiliate	PYG	1,923,000,000	7.69%	2,730,846,968
VISA INC - USA	Non-affiliate	USD	0.0001	Minority	4,883
SWIFT	Non-affiliate	EUR	19,800.0000	Minority	115,376,135
Total					2,846,227,986

The abovementioned investments are stated in the “Investments in securities issued by the private sector – variable income” assets account. See also note c.8.

b.5 Capital structure and characteristics of the shares

The paid in capital at March 31, 2015, and 2014, by type of share, is as follows:

At March 31, 2015

Common, subscribed and paid in shares		Votes per share	PYG
Type	Quantity		
Founders Class "A" common shares	135,809	5	13,580,900,000
Common Class "A" common shares	2,567,605	1	256,760,500,000
Multiple Class "B" common shares	90,539	5	9,053,900,000
Common Class "B" common shares	1,580,605	1	158,060,500,000
Preferred	2,500,000	0	250,000,000,000
6,874,558			687,455,800,000

At March 31, 2014

Common, subscribed and paid in shares		Votes per share	PYG
Type	Number		
Founders Class "A" common shares	135,809	5	13,580,900,000

Common Class "A" common shares	1,949,710	1	194,971,000,000
Multiple Class "B" common shares	90,539	5	9,053,900,000
Common Class "B" common shares	1,299,813	1	129,981,300,000
Preferred	2,500,000	0	250,000,000,000
	5,975,871		597,587,100,000

At March 31, 2015, the shareholding structure of the Institution was structured as follows:

Shareholders	Shares PYG.	% Share	% Of votes
Rabo Bank Financial Institutions Development B.V.	268,639,200,000	39.08%	39%
Other resident minority shareholders	418,816,600,000	60.92%	61%
Total	687,455,800,000	100.00%	100%

As mentioned in note c.12 d), Monetary correction of capital stock, the Bank's current level of paid in capital is above the legal minimum required by the Central Bank of Paraguay.

b.6 Board of Directors and Executive Officers

At March 31, 2015, the Board of Directors and the Executive Officers are as follows:

BOARD OF DIRECTORS		EXECUTIVE OFFICERS	
President	Raul Vera Bogado	General Manager	Eugenio Oze de Morvil
Vice-president	Cornelis J. Beijer	Deputy General Manager	Matheus den Exter
Directors	Alfredo Ricardo Raatz	Internal Audit Manager	Juan Carlos Meza
	Wolfgang Brönstrup	Compliance Manager	Erica Werner
Alternate Directors	Irene Memmel de Matiauda	Legal Affairs Manager	Marcos Dalla Fontana
	Erik Heyl	Corporate Risk Manager and Business	Jorge Sienkawiec
	Francisco Yanagida	People Risk Manager and Recovery Unit	Mats Hernegard
	Erik Peek	Finance Manager	Oscar Godoy S.
	Mirian Raatz de Soley	Human Resources Manager	María del Carmen Valenzuela
Syndic	Roland Wolff	Operations Manager	Isabel Galiano de Ayala
Alternate Syndic	Sandra Yshizuka	Technical Manager	Rodrigo Bauza
		Information Technology Manager	Mirta González
		Administrative Manager	Fabio Sitzmann Hein
		Corporate Banking Acting Manager	Walter Duarte Kallus
		Corporate Retail Banking Manager	Julio Vázquez Piatti
		Branch Manager	Justin Van Der Sluis
		Private Banking Manager	Anahi Heisecke
		Treasury Assistant Manager	Daniel Cibils
		Correspondent Assistant Manager	María Fernanda Carron
		Regular Notary	Leticia Perez Dominguez
		General Accountant	Francisco Furman S.

b.7 English translation of statutory financial statements

These financial statements have been translated into English for the convenience of English-speaking readers. The financial statements are the English translation of those originally prepared by the Entity in Spanish, expressed in local currency (Guaranies) and presented in accordance with financial standards established by the Central Bank of Paraguay and, in issues not covered by them, with the financial reporting standards in force in Paraguay. The effects of the differences between these standards and the financial reporting standards in force in the countries in which the financial statements are to be used have not been quantified. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations, shareholders' equity or cash flows in accordance with financial reporting standards in force in the countries of users of the financial statements, other than Paraguay

C. INFORMATION REGARDING MAIN ASSETS AND LIABILITIES

c.1 Valuation of foreign currency and foreign exchange position

The assets and liabilities stated in foreign currency are valued at the exchange rates prevailing as closing date of each year, provided by the Foreign Exchange Desk of the International Transactions Department at the Central Bank of Paraguay, and do not differ materially from the exchange rates in effect on the free foreign exchange market:

Currency	Exchange rate at March 31, 2015 (PYG per foreign currency unit)	Exchange rate at March 31, 2014 (PYG per foreign currency unit)
1 US dollar	4,799.00	4,439.00
1 Euro	5,151.25	6,113.83
1 Yen	39.99	43.04
1 Real	1,499.13	1,961.12
1 Argentine peso	544.11	554.90
1 pound sterling	7,125.56	7,403.36
1 Swiss franc	4,936.23	5,021.49
1 Swedish krona	556.13	685.75
1 Chinese yuan	774.13	714.06
1 Australian dollar	3,656.36	4,113.18
1 Canadian dollar	3,786.19	4,016.47

The foreign exchange differences resulting from fluctuations in the exchange rates between the date on which a transaction is closed and the date on which it is settled or valued at the end of each period, are recognized in the income (loss) for the period, with the exceptions indicated in note f.1.

c.2 Position in foreign currency

The foreign exchange position at March 31, 2015 and 2014 is as follows:

Item	March 31, 2015		March 31, 2014	
	Arbitrated amount to USD	Equivalent amount in PYG	Arbitrated amount to USD	Equivalent amount in PYG
Total assets in foreign currency	1,757,397,825	8,433,752,162,576	1,697,934,232	7,537,130,053,806
Total liabilities in foreign currency	(1,757,096,034)	(8,432,303,865,051)	(1,697,301,940)	(7,534,323,313,169)
Long position in foreign currency	301,792	1,448,297,524	632,291.20	2,806,740,637

At March 31, 2015 and 2014 the foreign currency position did not exceed the limit set by the Bank position paper presented to the Central Bank of Paraguay, on January 3, 2013, pursuant to Resolution No. 25 Act No. 77 dated December 28, 2011 which establishes the free choice of position range depending on the category established in the Resolution that financial institutions chosen for their net position for each year.

Market risk management: Market risk is the risk that the changes in market prices, for instance, interest rates, changes in foreign currency, etc., will affect the Bank's equity depending on the positions taken on the financial market. The Bank controls market risk by monitoring the limits established by the Assets and Liabilities Committee and/or by the Board of Directors.

c.3. Deposits in the Central Bank of Paraguay

The deposits in the Central Bank of Paraguay at March 31, 2015 and 2014 are as follows:

Item	March 31, 2015 PYG	March 31, 2014 PYG
Minimum cash requirement in PYG	465,960,491,057	423,900,637,099
Minimum cash requirements in USD	916,320,884,021	776,558,175,661
Minimum cash requirement in EUR	11,234,993,647	10,828,730,591
Special cash requirement in PYG	179,600,000	1,278,464,000
Special cash requirement in USD	473,598,145	1,404,372,822
Monetary Transactions Operations	434,108,000,000	537,088,000,000
Current accounts in PYG	5,799,422,882	11,892,899,011
Current accounts in USD	118,835,617,773	184,707,447,904
Current accounts EUR	1,734,646,812	2,734,455,343
Total	1,954,647,254,337	1,950,393,182,431

See additionally paragraph a, of note c.12

c.4 Government and private securities

The government and private securities acquired by Banco Regional S.A.E.C.A. involve Paraguayan Treasury Bonds, Bonds from the Development Finance Agency (AFD), Monetary Regulation Instruments and Private Bonds not listed on securities markets, and the securities of private companies in Paraguay listed on the stock exchange or secondary market. The government and private securities at cost value plus accrued interest to be collected at the end of each period, which does not exceed their estimated realizable value.

As of March 31, 2015

Government and private securities	Issuance currency	Amount in issuance currency	Amount in Paraguayan guaraníes	
			Face value	Carrying amount
Paraguayan Treasury Bonds (*)	PYG	442,268,690,000	411,435,720,663	348,472,013,733
Development Finance Agency Bonds	PYG	1,293,000,000	1,293,000,000	1,293,000,000
Monetary Regulation Instruments	PYG	554,230,000,000	554,230,000,000	519,396,967,319
Accrued interest			-	27,113,372,732
TOTAL			966,958,720,663	896,275,353,784

As of March 31, 2014

Government and private securities	Issuance currency	Amount in issuance currency	Amount in Paraguayan guaraníes	
			Face value	Carrying amount
Paraguayan Treasury Bonds (*)	PYG	360,512,612,903	360,512,612,903	297,484,200,756

Development Finance Agency Bonds	PYG	10,000,000,000	10,000,000,000	10,000,000,000
Monetary Regulation Instruments	PYG	1,025,360,000,000	971,328,458,811	971,328,458,811
Private Bonds	USD	171,928.53	763,190,745	763,190,745
Accrued interest		-	-	17,475,055,435
TOTAL			1,342,604,262,459	1,297,050,905,747

(*) As of March 31, 2015 and 2014 the Bank has granted as guarantee Paraguayan Treasury Bonds held in its portfolio at those dates, for a total amount of PYG 62.963.706.930 and PYG 63.028.412.147, respectively, therefore its availability is restricted, as mentioned in note c.12b).

c.5 Assets and liabilities with adjustment clauses

Except for the loans borrowed (liabilities) from the Development Finance Agency and the loans granted (assets) using the Development Finance Agency funds and certain loans granted using the Bank's own funds, which involve contractual clauses for potential adjustments to the annual interest rates, at March 31, 2015, and 2014, there were no assets or liabilities with adjustment clauses.

c.6 Loan portfolio

Management of credit risk:

Credit risk is controlled by the Bank's Board of Directors and Management, mainly through the evaluation and analysis of individual transactions, for which certain clearly-defined aspects in the Bank's credit policies are taken into consideration, such as: the proven payment ability and indebtedness of the debtors, the credit concentration of groups of companies, individual credit-granting limits, evaluation of economic sectors, preferred securities and the working capital requirement, depending on the market risks.

Criteria for classification and valuation:

The loan portfolio has been stated at face value plus accrued interest the end of each year, net of allowances, which were calculated according to the Bank's internal credit valuation policies and the allowances set forth by the Central Bank of Paraguay Board of Directors' in the Resolution No. 1, Record No. 60 dated September 28, 2007, and subsequent amendments; for which:

- a) Debtors have been classified into the following groups: i) Large debtors; ii) Medium and small debtors; iii) Personal debtors of consumer or mortgage loans and iv) Microcredits.
- b) The debtors have been classified into 6 categories of risk, based on the evaluation and qualification of the payment capacity of a debtor or group of related debtors, with respect to all of their obligations. A rule amending Resolution No. 1/2007 requires Category 1 disintegrates into three sub-categories for the purpose of determination of allowances;
- c) Accrued interest on balances of debtors performing loans classified in categories "1" and "2" subjectively are recognized as revenue in their entirety. Accrued interest receivable at the reporting date on nonperforming loans and / or performing loans ranked higher than "2" category and above, which have been recognized as income until its entry into arrears, have an allowances that covers the total amount of such accrued interest;
- d) The accrual of interest and the recognition of gains from the valuation of nonperforming loans and performing loans classified in categories "2" or higher from its entry into arrears, and are recognized as gains at the time the same are collected, as mentioned in note f.1.
- e) Amortized loans are considered nonperforming after 61 days of default on any of their installments, and fixed term loans or single maturity loans, on the day after maturity.

- f) Specific allowances have been set which are required to cover potential losses that may arise if the portfolio is not recovered according to the criteria and parameters established by Resolution of the Board of the Central Bank of Paraguay No. 1, Act No. 60 of September 28, 2007, amendments and all supplemental;
- g) Have become generic provisions on the loan portfolio according to the criteria and parameters established by Resolution of the Board of the Central Bank of Paraguay No. 1, Act No. 60 of 28 September 2007. They have also made additional provisions defined by the Bank's Management ; and
- h) Bad debts that are written off, under the conditions established in the applicable regulation of the BCP, are recorded and reported in memorandum accounts.

c.6.1 Performing loans to the financial sector

According to the valuation standards for credit risks and assets set forth by the Banks Regulatory Authority of the Central Bank of Paraguay, the Bank's performing loan portfolio for the financial sector is classified by risk as follows:

As of March 31, 2015

Risk category	Carrying amount before allowances (a)	Guarantees computable for allowances	Allowances		Carrying amount after allowances
			Minimum % (b)	Booked (c)	
1	1,239,366,261,330	72,103,578,047	0%	-	1,239,366,261,330
2	27,042,762,069	25,838,687,930	5%	(689,269,092)	26,353,492,977
TOTAL	1,266,409,023,399	97,942,265,977		(689,269,092)	1,265,719,754,307

As of March 31, 2014

Risk category	Carrying amount before allowances (a)	Guarantees computable for allowances	Allowances		Carrying amount after allowances
			Minimum % (b)	Booked (c)	
1	705,309,427,860	62,033,977,700	0%	-	705,309,427,860
1a	7,772,273	-	0.50%	(38,861)	7,733,412
2	56,036,443,008	30,944,760,619	5%	(3,919,110,230)	52,117,332,778
3	153,999,874	85,937,975	25%	(25,351,473)	128,648,401
TOTAL	761,507,643,015	93,064,676,294		(3,944,500,564)	757,563,142,451

- (a) Includes principal and interest and forward contracts (net of unrealized valuation earnings);
- (b) The percentages of allowances and risk categories defined for classification and constitution of allowances in the loan portfolio at March 31, 2015 and 2014, are based on the criteria established for this purpose in Resolution No. 1, Act No. 60 BCP Board dated September 28, 2007 and subsequent amendments; and
- (c) Allowances are set considering additional risk contingent balances. For those borrowers who do not have computable guarantees, the allowance is calculated on the total risk (including contingent and monetary debt). For the rest of debtors, the allowance is calculated in two phases, computing guarantees only for the second one.

c.6.2 Performing loans to the nonfinancial sector

The performing loans portfolio of the nonfinancial sector is comprised as follows:

Item	March 31,	
	2015 PYG	2014 PYG
Term loans not subject to adjustment	360,808,383,262	251,562,749,462
Amortized loans not subject to adjustment	7,385,538,508,504	6,192,718,238,134
Checks acquired in Paraguay	1,394,504,198	1,377,530,812
Loans for overdrafts	207,527,295,471	200,072,353,900
Receivables from deferred credit documents	106,261,071,356	32,346,766,344
Receivables from use of credit cards	111,043,752,293	85,829,854,473
Loans with managed resources	336,023,539,395	196,062,635,008
Bills discounted	244,301,144,072	198,327,929,669
Deferred checks discounted	456,565,043,680	382,665,988,195
Portfolio Purchase	131,032,965,794	-
Transactions pending settlement	100,089,106,924	67,513,412,147
Loans to the government sector	7,545,738,630	5,089,391,365
Receivables from accrued financial products	203,169,303,325	161,043,890,593
(-) Valuation gains recognition suspended	(1,563,212,159)	(130,217,658)
(-) Allowances	(92,184,977,651)	(78,387,777,811)
TOTAL	9,557,552,167,094	7,696,092,744,633

According to the valuation standards for credit risks and assets set forth by the Banks Regulatory Authority of the Central Bank of Paraguay, the Bank's performing loan portfolio to the nonfinancial sector is classified by risk as follows:

As of March 31, 2015

Risk category	Carrying amount before allowances (a)	Guarantees computable for allowances	Allowances		Carrying amount after allowances
			Minimum % (b)	Booked (d)	
1	9,011,622,276,613	4,324,777,137,008	0%	-	9,011,622,276,613
1a	373,802,270,827	130,117,654,819	0.50%	(1,909,468,704)	371,892,802,123
1b	113,799,753,283	41,180,871,114	1.5%	(1,396,954,526)	112,402,798,757
2	88,310,530,572	50,696,359,365	5%	(3,142,632,779)	85,167,897,793
3	20,695,270,541	14,469,261,129	25%	(3,445,214,379)	17,250,056,162
4	33,198,263,292	9,509,913,189	50%	(13,509,537,407)	19,688,725,885
5	3,102,355,056	1,418,970,711	75%	(1,568,144,454)	1,534,210,602
6	5,206,424,561	1,940,529,348	100%	(3,421,954,284)	1,784,470,277
Generic allowances (c)				(46,246,270,555)	(46,246,270,555)
TOTAL	9,649,737,144,745	4,574,110,696,683		(92,184,977,651)	9,557,552,167,094

As of March 31, 2015

Risk category	Carrying amount before allowances (a)	Guarantees computable for allowances	Allowances		Carrying amount after allowances
			Minimum % (b)	Booked (d)	
1	7,334,839,899,480	2,959,087,112,926	0%	(141,639,560)	7,334,698,259,920
1a	189,058,639,094	72,632,046,395	0.50%	(1,333,716,983)	187,724,922,111
1b	57,865,363,355	26,530,229,197	1.5%	(846,051,797)	57,019,311,558
2	84,114,965,596	35,873,051,247	5%	(5,838,398,115)	78,276,567,481

3	81,424,177,106	38,232,960,489	25%	(15,699,525,728)	65,724,651,378
4	21,093,083,608	10,573,269,783	50%	(11,439,341,266)	9,653,742,342
5	3,491,496,988	1,708,222,149	75%	(2,473,168,406)	1,018,328,582
6	2,592,897,217	727,192,989	100%	(1,883,015,955)	709,881,262
Generic allowances (c)				(38,413,645,507)	(38,413,645,507)
TOTAL	7,774,480,522,444	3,145,364,085,175		(78,387,777,811)	7,696,092,744,633

- (a) Includes principal and interest and forward contracts (net of unrealized valuation earnings);
- (b) The percentages of allowances and risk categories defined for classification and constitution of allowances in the loan portfolio at March 31, 2015 and 2014, are based on the criteria established for this purpose in Resolution No. 1, Act No. 60 BCP Board dated September 28, 2007 and subsequent amendments; and
- (c) Generic allowances established by the Bank in accordance with the requirements of Resolution 1/2007 of the Central Bank of Paraguay; and additional provisions defined by the Board of the Bank; and
- (d) Allowances are set considering additional risk contingent balances. For those borrowers who do not have computable guarantees, the allowance is calculated on the total risk (including contingent and monetary debt). For the rest of debtors, the allowance is calculated in two phases, computing guarantees only for the second one.

c.6.3 Nonperforming loans

The nonperforming loans portfolio is comprised as follows:

Item	March 31,	
	2015 PYG	2014 PYG
Nonperforming loans. Status: past due.	18,254,660,225	16,052,504,847
Nonperforming loans. Status: undergoing proceedings	30,068,534,991	64,561,441,627
Nonperforming loans. Status: delinquent.	141,064,885,306	149,204,561,325
Nonperforming loans - Financial Sector	2,455,058,807	1,350,000,000
Accrued interests	9,402,884,776	9,555,680,273
(-) Unrealized valuation earnings	(1,271,291,288)	(521,536,279)
(-) Allowances	(124,917,830,113)	(158,513,718,587)
TOTAL	75,056,902,704	81,688,933,206

According to the valuation standards for credit risks and assets set forth by the Banks Regulatory Authority of the Central Bank of Paraguay, the Bank's nonperforming loan portfolio is classified by risk as follows:

As of March 31, 2015

Risk category	Carrying amount before allowances (a)	Guarantees computable for allowances	Allowances		Carrying amount after allowances
			Minimum % (b)	Booked (c)	
1a	750,237	-	0,5%	(3,751)	746,486
1b	3,193,703,811	2,027,761,846	1,5%	(176,329,190)	3,017,374,621
2	14,832,249,689	4,625,045,280	5%	(1,156,308,812)	13,675,940,877
3	9,348,027,928	3,611,586,142	25%	(1,972,781,651)	7,375,246,277
4	19,110,933,857	8,154,289,267	50%	(7,022,827,215)	12,088,106,642
5	29,798,205,355	12,617,731,880	75%	(15,250,445,243)	14,547,760,112
6	123,690,861,940	24,351,727,689	100%	(99,339,134,251)	24,351,727,689
TOTAL	199,974,732,817	55,388,142,104		(124,917,830,113)	75,056,902,704

As of March 31, 2014

Risk category	Carrying amount before allowances (a)	Guarantees computable for allowances	Allowances		Carrying amount after allowances
			Minimum % (b)	Booked (c)	
1a	822,554	-	0,5%	(4,113)	818,441
1b	4,611,339,049	1,646,830,875	1,5%	(65,193,048)	4,546,146,001
2	13,329,094,286	2,419,219,189	5%	(884,677,788)	12,444,416,498
3	48,519,102,503	24,694,287,971	25%	(10,509,225,262)	38,009,877,241
4	18,618,279,778	2,533,720,438	50%	(8,673,944,473)	9,944,335,305
5	20,272,675,110	4,447,529,224	75%	(12,555,290,630)	7,717,384,480
6	134,851,338,513	9,032,357,762	100%	(125,825,383,273)	9,025,955,240
TOTAL	240,202,651,793	44,773,945,459		(158,513,718,587)	81,688,933,206

- (a) Includes principal and interest and forward contracts (net of unrealized valuation earnings);
- (b) The percentages of allowances and risk categories defined for classification and constitution of allowances in the loan portfolio at March 31, 2015 and 2014, are based on the criteria established for this purpose in Resolution No. 1, Act No. 60 BCP Board dated September 28, 2007 and subsequent amendments; and
- (c) Allowances are set considering additional risk contingent balances. For those borrowers who do not have computable guarantees, the allowance is calculated on the total risk (including contingent and monetary debt). For the rest of debtors, the allowance is calculated in two phases, computing guarantees only for the second one.

c.6.4 Other receivables

As of March 31, 2015 and 2014, breaks down as follows:

Item	March 31, 2015	March 31, 2014
Prepayment of goods and services purchases	3,829,968,574	4,110,500,724
Special Awards	-	3,315,721,042
Prepaid expenses	13,157,511,581	6,381,131,060
Deferred expenses (a)	23,160,858,983	25,891,836,310
Prepaid income tax (b)	17,371,809,511	17,129,126,412
Value-added tax deductible	1,510,139,476	1,332,364,966
Advance staff	64,212,146	78,373,463
Receivables from forward sale of goods	2,259,857,459	1,121,427,550
Expenses to be recovered	803,429,777	603,488,121
Compensation claimed for losses	960,038,900	-
Other	5,292,615,980	13,338,463,618
Lawsuit expenses recoverable	2,779,842,651	9,189,192,573
Valuation gains to be realized	(16,340,000)	(15,530,000)
Uncollected accrued interest	2,422,684,036	924,945,552
Allowances set (Note c.7)	(2,659,258,214)	(6,787,374,632)
Total	70,937,370,860	76,613,666,759

- a) Mainly related to borrowing costs, which are accrued under the term of such funding.

- b) The accrual for income tax liabilities included in the "Accruals" as of March 31, 2015 and 2014 was approximately PYG. 2,845,486,013 and PYG. 1,989,272,808, respectively.

c.7 Allowances for direct and contingent risks

Allowances for loan losses and other assets are determined at the end of each period based on the examination of the portfolio to determine the portion of those portfolios that are not recoverable and considering the a, for each type of credit risk, laid down in Central Bank of Paraguay Board of Directors' Resolution No. 1, Record No. 60 dated September 28, 2007, and its amendments and / or further extensions.

On a regular basis, Bank Management reviews and analyzes the loan portfolio pursuant to credit valuation standards established by the Banks Regulatory Authority of the Central Bank of Paraguay so as to adjust the allowances for loan losses. All allowances necessary to cover potential losses on direct and contingent risks have been set, pursuant to the criteria of Bank Management and the requirements of Central Bank of Paraguay Board of Directors' Resolution No. 1, Record No. 60, dated September 28, 2007, and Resolution No. 37, Record No. 72, dated November 29, 2011.

The movement recorded during the years ended March 31, 2015, and 2014, in the allowance accounts is summarized as follows:

As of March 31, 2015

Item	Balance at beginning of the year	Additions	Reclassifications and adjustments to allowances for the year	Reversal of allowances for the year	Changes from valuation in foreign currency	Balance at the end of the year
Cash and Bank	(2,223,073)	(245,200,763)	-	225,558,376	4,601,935	(17,263,525)
Performing loans – financial sector	(663,257,870)	(250,958,433)	-	249,531,146	(24,583,935)	(689,269,092)
Performing loans – nonfinancial sector	(82,322,978,224)	(70,520,138,584)	29,526,215	62,269,362,440	(1,640,749,498)	(92,184,977,651)
Other receivables	(2,727,641,002)	(172,114,883)	113,712,352	147,125,133	(20,339,814)	(2,659,258,214)
Nonperforming loans	(130,582,961,979)	(44,595,533,625)	27,379,117,106	23,336,760,056	(455,211,677)	(124,917,830,119)
Investments	(10,127,753,563)	(861,594,588)	10,064,202,986	300,844,232	(237,293,655)	(861,594,588)
TOTAL	(226,426,815,711)	(116,645,540,876)	37,586,558,659	86,529,181,383	(2,373,576,644)	(221,330,193,189)

As of March 31, 2015

Item	Balance at beginning of the year	Additions	Reclassifications and adjustments to allowances for the year	Reversal of allowances for the year	Changes from valuation in foreign currency	Balance at the end of the year
Cash and Bank	(58,392,957)	(382,914,909)	-	391,771,214	1,996,925	(47,539,727)
Performing loans – financial sector	(1,582,655,576)	(3,948,085,331)	-	1,502,918,198	83,322,145	(3,944,500,564)
Performing loans – nonfinancial sector	(83,844,677,085)	(60,311,030,881)	-	64,627,428,997	1,140,501,158	(78,387,777,811)
Other receivables	(6,348,467,936)	(531,193,145)	-	81,321,983	10,964,466	(6,787,374,632)
Nonperforming loans	(152,849,684,472)	(14,644,379,002)	7,638,988,684	879,657,004	461,699,199	(158,513,718,587)
Investments	(1,323,071,374)	(340,685,300)	-	-	-	(1,663,756,674)
TOTAL	(246,006,949,400)	(80,158,288,568)	7,638,988,684	67,483,097,396	1,698,483,893	(249,344,667,995)

c.8 Investments

The investments account includes:

c.9. Property, plant and equipment

The original values of property, plant and equipment and their accumulated depreciations at the beginning of the period are revalued up to March 31, 2015, and 2014, pursuant to the change in the Consumer Price Index published by the Central Bank of Paraguay. According to this index, accumulated inflation from January 1, through March, 2015, and 2014, was 1% and 2.6%, respectively. The net increase of the revaluation reserve for the year ended on March 31, 2015, and 2014, was PYG 762,678,849 and 1,351,614,724, respectively, and are disclosed in the “Revaluation reserve” account of the Bank’s shareholders’ equity.

The cost of improvements or additions are capitalized, while maintenance and repairs that do not increase the value of the goods or their useful life are expensed in the year they occur.

Depreciations are computed as from the month after their addition to the Bank’s assets, through monthly charges to the results based on a straight-line basis, in the estimated years of useful life, except for the assets acquired in the merger process of Banco ABN AMRO Paraguay S.A., which continue with their original method and are computed as from the year after their addition. The residual value of revalued assets, taken as a whole, does not exceed the recoverable value thereof as of March 31, 2015, and 2014.

The breakdown of property, plant and equipment as of March 31, 2015, and 2014 is as follows:

Item	ORIGINAL VALUE				
	Balance at the beginning of year	Additions	Disposals	Revaluation	Balance at end of year
Bank Owned:					
Real property - Land	9,995,083,180	-	-	77,568,912	10,072,652,092
Real property - Buildings	40,138,733,472	-	-	430,832,150	40,569,565,622
Furniture and office supplies	43,018,515,082	40,587,729	(27,289,684)	369,648,561	43,401,461,688
Computer hardware	46,846,384,445	1,052,204,367	(59,525,258)	337,530,208	48,176,593,762
Bank safe-deposit boxes	1,998,824,599	-	-	17,498,130	2,016,322,729
Transport materials	1,923,198,666	-	-	20,826,318	1,944,024,984
Taken leasing:					
Computer hardware	1,878,368,600	-	-	-	1,878,368,600
TOTAL 2015	145,799,108,044	1,092,792,096	(86,814,942)	1,253,904,279	148,058,989,477
TOTAL 2014	143,870,443,576	2,410,687,997	(89,755,168)	2,106,433,839	148,297,810,244

Item	Percentage of anual depreciation %	DEPRECIATIONS					Net amount at the end of the year
		Balance at the beginning of year	Additions	Disposals	Revaluation	Balance at end of year	
Bank Owned:							
Real property - Land	0%	-	-	-	-	-	10,072,652,092
Real property - Buildings	2.50%	(14,445,169,657)	(292,466,106)	-	(153,084,221)	(14,890,719,984)	25,678,845,638
Furniture and office supplies	10%	(22,656,373,748)	(1,204,640,469)	27,289,676	(150,473,472)	(23,984,198,013)	19,417,263,675
Computer hardware	25%	(31,597,109,827)	(1,867,731,198)	59,525,237	(164,310,490)	(33,569,626,278)	14,606,967,484
Bank safe-deposit boxes	10%	(1,278,315,375)	(47,104,561)	-	(9,688,785)	(1,335,108,721)	681,214,008

Transport materials	20%	(1,247,324,421)	(94,639,639)	-	(13,668,462)	(1,355,632,522)	588,392,462
Taken leasing:							
Computer hardware	25%	(989,732,394)	(117,398,037)	-	-	(1,107,130,431)	771,238,169
Total 2015		(72,214,025,422)	(3,623,980,010)	86,814,913	(491,225,430)	(76,242,415,949)	71,816,573,528
Total 2014		(73,070,575,051)	(3,149,712,683)	89,755,168	(754,819,115)	(76,885,351,681)	71,412,458,563

According to banking legislation, financial institutions operating in Paraguay are forbidden to pledge of PP&E, except for those affected to support of financial leasing operations and to the Central Bank of Paraguay.

The banking law sets a limit for investment in PP&E, which is 50% of effective equity. The book value of fixed assets of the Company at March 31, 2015 and 2014 is within such limit.

c.10. Deferred charges

As of March 31, 2015 and 2014, this account is as follows:

Item	Net amount at beginning of year	Increases	Amortization for the year	Net amount at end of year
As of March 31, 2015				
Improvements and facilities in leased real property (*)	9,467,415,650	-	(816,268,281)	8,651,147,369
Office supplies and others	2,274,686,907	629,881,131	(799,368,951)	2,105,199,087
Total	11,742,102,557	629,881,131	(1,615,637,232)	10,756,346,456
As of March 31, 2014				
Improvements and facilities in leased real property (*)	8,530,998,995	-	(797,913,747)	7,733,085,248
Office supplies and others	2,444,688,234	97,888,917	(28,953,190)	2,513,623,961
Total	10,975,687,229	97,888,917	(826,866,937)	10,246,709,209

(*) The Bank amortizes improvements and facilities in leased real property on a straight-line basis considering a useful life of 5 years.

c.11 Bonds, debentures and bonds in circulation

a) Loans in local market

The chapter "Bonds, debentures and bonds issued into circulation" included in the items "Liabilities from financial transactions - not financial sector" of the balance sheet include subordinated bonds whose balance and detail of emissions to March 31, 2015 and 2014 is as follows:

Authorization Resolution issued by the Central Bank of Paraguay	Issuance currency	Issuance amount (*)	Maturity	Amount in issuance currency	Accounting balance at March 31, 2015	Accounting balance at March 31, 2014
00196/2010	PYG	25,000,000,000	1463 days	25,000,000,000	-	25,000,000,000
00196/2010	PYG	25,000,000,000	1827 days	25,000,000,000	25,000,000,000	25,000,000,000
00196/2010	PYG	20,000,000,000	1827 days	20,000,000,000	20,000,000,000	20,000,000,000

00196/2010	PYG	20,000,000,000	1820 days	20,000,000,000	20,000,000,000	20,000,000,000
00196/2010	PYG	20,000,000,000	2002 days	20,000,000,000	20,000,000,000	20,000,000,000
PYG TOTAL		110,000,000,000		110,000,000,000		
00196/2010	USD	5,000,000.00	1820 days	1,550,000.00	7,438,450,000	6,880,450,000
00196/2010	USD	5,000,000.00	2184 days	428,000.00	2,053,972,000	1,899,892,000
USD TOTAL		10,000,000.00		1,978,000.00		
TOTAL					94,156,162,000	119,069,130,000

(*) The Central Bank of Paraguay has authorized, and the Bank has issued subordinated bonds in foreign currency up to an amount of USD 10,000,000, and in local currency up to an amount of PYG. 110,000,000,000.

Subordinated bonds will be convertible into shares, upon operation of law, in the event the Bank needs to cover the minimum capital requirements set forth by law or to replace capital losses (Law 861/96). The subordinated bonds do not have the deposit guarantee protection provided in Law No. 2334/03.

b) Loans abroad

The Extraordinary General Meeting N° 39 dated April 26, 2013 approved the issue of bonds abroad for up to USD 300,000,000 (three hundred million US dollars). On January 16, 2014, the Regional Bank SAECA issued bonds for an amount of USD 300 million. The titles were listed in Luxembourg and have a term of five years and an interest rate of 8.125% per annum (interest payable semiannually).

As of March 31, 2015 and 2014 the principal was included in the chapter of outstanding bonds, in the items "Bonds issued abroad - Financial Sector" for an amount of PYG. 1,439,700,000,000 and PYG. 1,331,700,000,000 , respectively

Additionally, the Bank is committed to comply with certain positive and negative covenants according to the prospectus, which are monitored by the Board and management of the Bank. At March 31, 2015 and 2014, no breaches these covenants are presented.

c.12 Limitations on available Assets or Equity and any other restrictions on property rights

As of March 31, 2015 and 2014, the limitations were as follows:

a) Minimum cash requirement:

The Central Bank of Paraguay account as of March 31, 2015 and 2014, includes PYG 1,393,516,368,725 and PYG 1,211,287,543,351, respectively, which are restricted accounts held by the Bank as the minimum cash legal requirements. (see note c.3)

b) Government securities:

As of March 31, 2015 and 2014, the balance in "Government securities" (see note c.4) included Paraguayan Treasury Bonds for a total of PYG 62,963,706,930 and PYG 63,028,412,147, respectively, which grants repo transactions.

c) Legal reserve:

According to Article 27 of Law 861/96, financial institutions must have a reserve of not less than the equivalent of one hundred percent (100%) of its capital, which will be transferred annually not less than twenty percent (20%) of the net profits of each financial year.

Article 28 of the said Act provides that the legal reserve resources are automatically applied to cover losses in the financial year. In the following years, the total profits must be allocated to the legal reserve until the minimum amount thereof, or the highest that has been obtained in the process of its formation is reached again.

At any time, the amount of the reserve could be further increased with cash contributions.

d) Monetary correction of capital stock:

According to Article 11 of Law No. 861/96, financial institutions must update their capital annually according to Consumer Price Index (CPI) calculated by the Central Bank of Paraguay. The present value of the minimum capital requirement for the year 2015 and 2014 is PYG. 43,296,000,000 and PYG. 39,711,000,000 respectively, according to Circular SB SG No. 001/2015 and Circular SB SG No. 012/2014 respectively.

The Integrated Capital (common and preferred shares) of the Bank as of March 31, 2015 and 2014 amounted to PYG 687,455,800,000 and PYG 597,587,100,000 respectively (see note b.5), which exceeds the minimum capital requirement.

e) Distribution of earnings:

According to provisions of Law No. 861/96 “General Law on Banks, Financial and Other Credit Institutions”, financial institutions may distribute their earnings after first obtaining approval of their respective audited annual financial statements by the Banks Regulatory Authority, provided it grants its approval within a period of one hundred and twenty days after year-end. After this term has elapsed without any findings by the Banks Regulatory Authority, earnings may be distributed.

The Regular Shareholders’ Meeting held on April 25, 2014 approved the distribution of earnings of 2013 fiscal year as follows:

Item	Currency	Amounts
Booking of legal reserve	PYG	31,668,929,740
Capitalization of earnings	PYG	70,198,300,000
Cash dividends - preferred shares	PYG	45,000,000,000
Cash dividends - common shares	PYG	3,811,591,713
Total		150,678,821,453

The Regular Shareholders’ Meeting held on April 25, 2015 approved the distribution of dividends of 2014 fiscal year as follows:

Item	Currency	Amounts
Booking of legal reserve	PYG	28,688,408,351
Capitalization of earnings	PYG	61,464,000,000
Cash dividends - preferred shares	PYG	40,000,000,000
Cash dividends - common shares	PYG	4,503,550,794
Total		134,655,959,145

f) Preferred share dividends

According to the terms of the issuance of preferred shares, the shareholders will grant them a preferred dividend of 18% of the net profits for the year. The rate of preference dividend was reviewed by the Ordinary Shareholders in the fifth year of the issuance (2013), enhancing the assembly to modify this percentage for the following five years, according to market conditions, with a minimum of at least 6 points above the average inflation of the previous 10 years. Elapsed the first 10 years, and in subsequent meetings every five years, the respective assemblies must establish new conditions for the following periods of five years.

The Ordinary General Meeting of Shareholders held on October 18, 2013 resolved to set the preferred dividend rate of 16% for the following five years (2014 to 2018).

g) Additional income tax for dividend distribution:

According to the provisions of Law 125/91, as amended by Law 2421/04, the distribution of cash earnings are taxed at the rate of 5%. The Bank records the additional charge of income tax in the year in which the Shareholders decides the distribution.

Moreover, according to the tax regime established by those laws, profits remitted to foreign beneficiaries are subject to a withholding tax of 15% for income tax.

h) Guarantees given in favor of Bancard S.A.:

As of March 31, 2015, the Bank granted in favor of Bancard S.A. a stand by guarantee in the amount of USD 2,385,000.00 issued by the Rabobank Netherland to guarantee the balances resulting from user transactions at automatic teller machines (ATMs) or points of sale (POS) of the Infonet network, as well as obligations that may arise from MasterCard, VISA and BancardCheck credit card transactions.

As of March 31, 2014, the Bank granted in favor of Bancard S.A. a stand by guarantee in the amount of USD 2,319,000.00 issued by the Rabobank Netherland to guarantee the balances resulting from user transactions at automatic teller machines (ATMs) or points of sale (POS) of the Infonet network, as well as obligations that may arise from MasterCard, VISA and BancardCheck credit card transactions.

c.13 Guarantees granted with respect to liabilities

As of March 31, 2015, the following guarantees had been granted with regard to liabilities:

The loans borrowed from GOVCO LLC, under an agreement with Citibank N.A. New York and secured by the Overseas Private Investment Corporation (OPIC), for a total of USD 33,750,000 with maturity dates on March 1, 2018, and March 1, 2020; are guaranteed through customer promissory notes pledged for a total value of USD 37,041,930.00.

As of March 31, 2014, the following guarantees had been granted with regard to liabilities:

The loans borrowed from GOVCO LLC, under an agreement with Citibank N.A. New York and secured by the Overseas Private Investment Corporation (OPIC), for a total of USD 33,750,000 with maturity dates on March 1, 2018, and March 1, 2020; are guaranteed through customer promissory notes pledged for a total value of USD 49,715,364.03.

Additionally, the Bank is committed to comply with certain financial, positive and negative covenants according to the contracts and agreements with multilateral credit institutions, and according to the prospectus of securities abroad, which are monitored by the Board and Management of the Bank. At March 31, 2015, no breaches of those clauses are presented.

There are no other limitations to the free disposal of assets or equity nor other restrictions on property rights.

c.14 Distribution of financial intermediation receivables and obligations according to maturity dates

Below are the placements and deposits as of March 31, 2015 and 2014, classified according to remaining maturity.

Balances include interest accrued until the end of each year, forward contracts / repo and loans before allowances.

As of March 31, 2015

Item	Terms remaining to maturity					
	Up to 30 days	From 31 up to 180 days	From 181 days up to 1 year	Over 1 year up to 3 years	Over 3 years	TOTAL
Performing loans financial sector	746,397,852,471	321,495,123,226	87,692,340,244	65,434,726,625	44,699,711,741	1,265,719,754,307
Performing loans nonfinancial sector	1,711,553,996,266	3,370,678,050,854	1,185,162,051,513	1,501,836,591,067	1,788,321,477,394	9,557,552,167,094
Total Performing loans	2,457,951,848,737	3,692,173,174,080	1,272,854,391,757	1,567,271,317,692	1,833,021,189,135	10,823,271,921,401
Obligations financial sector	704,979,684,291	358,742,564,396	279,909,375,178	376,116,684,620	1,819,791,531,004	3,539,539,839,489
Obligations nonfinancial sector	5,663,527,875,000	1,262,373,762,830	1,489,634,043,851	1,160,242,673,227	296,736,153,256	9,872,514,508,164
Total Obligations	6,368,507,559,291	1,621,116,327,226	1,769,543,419,029	1,536,359,357,847	2,116,527,684,260	13,412,054,347,653

As of March 31, 2014

Item	Terms remaining to maturity					
	Up to 30 days	From 31 up to 180 days	From 181 days up to 1 year	Over 1 year up to 3 years	Over 3 years	TOTAL
Performing loans financial sector	109,424,047,543	317,011,628,275	130,023,471,242	150,909,568,327	50,194,427,064	757,563,142,451
Performing loans nonfinancial sector	1,485,932,236,818	2,982,226,358,251	1,072,912,188,891	1,042,168,823,913	1,112,853,136,760	7,696,092,744,633
Total Performing loans	1,595,356,284,361	3,299,237,986,526	1,202,935,660,133	1,193,078,392,240	1,163,047,563,824	8,453,655,887,084
Obligations financial sector	738,653,425,062	290,507,002,261	242,751,382,216	291,460,021,731	1,629,707,916,943	3,193,079,748,213
Obligations nonfinancial sector	5,793,078,249,436	1,396,738,366,765	1,151,611,863,005	866,755,045,449	210,120,919,280	9,418,304,443,935
Total Obligations	6,531,731,674,498	1,687,245,369,026	1,394,363,245,221	1,158,215,067,180	1,839,828,836,223	12,611,384,192,148

Liquidity risk management: Liquidity risk is the risk that a bank may encounter difficulties in meeting its obligations related to financial liabilities that are settled with a delivery of cash or other financial asset. The Bank's Board of Directors and Management control its liquidity mainly by matching the maturities of its assets and liabilities, pursuant to the short, medium and long term strategies in place and monitored (Treasured, ALM and Market Risk) on ongoing basis, for both assets and liabilities.

Additionally, the Bank has defined contingency plans for situations requiring temporary liquidity. The liquidity position is monitored and the liquidity stress tests are conducted on a regular basis in a variety of different scenarios that cover both normal market conditions and more severe ones. All liquidity policies and procedures are subject to the review and approval of the Assets and liabilities Committee and Board of Directors.

c. 15 Concentration of the loans and deposits portfolio
c.15.1 Concentration of the financial intermediation portfolio by number of customers

The concentration of portfolio held by the Bank as of March 31, 2015 and 2014 respectively with the financial sector (SF) and nonfinancial (SNF) is exposed both in its portfolio of performing loans and nonperforming loans as on its obligations intermediation financial.

a. Credits

Number of customers	Amount and percentage of the Financial Sector loan portfolio				Amount and percentage of the Nonfinancial Sector loan portfolio			
	Performing	%	Nonperforming	%	Performing	%	Nonperforming	%
	PYG (*)		PYG (*)		PYG (*)		PYG (*)	
As of March 31, 2015								
10 largest borrowers	649,354,870,412	51%	2,455,058,807	100%	835,298,741,801	9%	94,590,122,281	48%
50 next largest borrowers	275,056,710,748	22%	-	0%	2,069,244,350,927	21%	53,701,040,743	27%

100 next largest borrowers	341,997,442,239	27%	-	0%	1,567,370,144,369	16%	28,773,943,105	15%
Other	-	0%	-	0%	5,177,823,907,648	54%	20,454,567,881	10%
TOTAL	1,266,409,023,399	100%	2,455,058,807	100%	9,649,737,144,745	100%	197,519,674,010	100%
As of March 31, 2014								
10 largest borrowers	503,160,132,894	66%	1,350,000,000	100%	764,595,265,801	10%	60,320,043,872	25%
50 next largest borrowers	258,347,510,121	34%	-	0%	1,921,553,176,590	25%	85,890,466,258	36%
100 next largest borrowers	-	0%	-	0%	1,578,926,475,470	20%	56,343,052,061	24%
Other	-	0%	-	0%	3,509,405,604,583	45%	36,299,089,602	15%
TOTAL	761,507,643,015	100%	1,350,000,000	100%	7,774,480,522,444	100%	238,852,651,793	100%

(*) Include interest income, unrealized valuation earnings and forward contracts / repo, before allowances.

b. Deposits

Number of customers	Amount and percentage of deposit portfolio					
	Financial Sector	%	Non-Financial Sector	%	Government Sector	%
	PYG (*)		PYG (*)		PYG (*)	
As of March 31, 2015						
10 largest depositors	414,903,367,815	64%	723,381,290,649	9%	1,338,386,567,753	97%
50 next largest depositors	208,224,772,289	32%	1,109,950,108,832	14%	40,559,784,799	3%
100 next largest depositors	21,678,954,750	3%	942,740,800,561	12%	-	0%
Others depositors	-	0%	5,170,604,706,657	65%	-	0%
TOTAL	644,807,094,854	100%	7,946,676,906,699	100%	1,378,946,352,552	100%
As of March 31, 2014						
10 largest depositors	373,730,827,115	58%	674,575,921,139	9%	1,011,328,359,141	96%
50 next largest depositors	251,113,058,560	39%	1,001,612,611,085	13%	44,697,913,141	4%
100 next largest depositors	20,779,962,110	3%	949,185,381,164	12%	-	0%
Others depositors	-	0%	5,167,639,376,920	66%	-	0%
TOTAL	645,623,847,785	100%	7,793,013,290,308	100%	1,056,026,272,282	100%

(*) Include amounts of deposits and / forward without interest payable at the close of each year.

c.15.2 Concentration by geographic area and currency
a. Credits

Item	Loans to Financial Sector PYG (*)	%	Loans to Nonfinancial Sector PYG (*)	%
As of March 31, 2015				
Residents in Paraguay	1,266,409,023,399	100%	9,649,737,144,745	100%
Nonresidents in Paraguay	-	0%	-	0%
Sub-Total	1,266,409,023,399	100%	9,649,737,144,745	100%
Allowances	(689,269,092)		(92,184,977,651)	
TOTAL	1,265,719,754,307		9,557,552,167,094	
In local currency	828,185,862,642	65%	3,180,671,691,789	33%
In foreign currency	438,223,160,757	35%	6,469,065,452,956	67%
Sub-Total	1,266,409,023,399	100%	9,649,737,144,745	100%
Allowances	(689,269,092)		(92,184,977,651)	
TOTAL	1,265,719,754,307		9,557,552,167,094	
As of March 31, 2014				
Residents in Paraguay	716,821,737,544	94%	7,774,480,522,444	100%
Nonresidents in Paraguay	44,685,905,471	6%	-	0%
Sub-Total	761,507,643,015	100%	7,774,480,522,444	100%
Allowances	(3,944,500,564)		(78,387,777,811)	
TOTAL	757,563,142,451		7,696,092,744,633	
In local currency	410,988,567,844	54%	2,982,310,756,570	38%
In foreign currency	350,519,075,171	46%	4,792,169,765,874	62%
Sub-Total	761,507,643,015	100%	7,774,480,522,444	100%
Allowances	(3,944,500,564)		(78,387,777,811)	
TOTAL	757,563,142,451		7,696,092,744,633	

(*) Include amounts of loans, credits, forward contracts and interest income.

b. Deposits

Item	Financial Sector PYG	%	Nonfinancial Sector PYG	%
As of March 31, 2015				
Residents in Paraguay	1,027,494,230,580	30%	9,686,326,948,055	100%
Nonresidents in Paraguay	2,384,684,167,969	70%	-	0%
Sub-Total (*)	3,412,185,199,947	100%	9,686,327,519,136	100%
Other liabilities (**)	127,361,440,940		186,187,560,109	
TOTAL	3,539,539,839,489		9,872,514,508,164	
In local currency	527,088,797,679	15%	4,342,712,416,063	45%
In foreign currency	2,885,089,600,870	85%	5,343,614,531,992	55%
Sub-Total (*)	3,412,185,199,947	100%	9,686,327,519,136	100%
Other liabilities (**)	127,361,440,940		186,187,560,109	
TOTAL	3,539,539,839,489		9,872,514,508,164	
As of March 31, 2014				
Residents in Paraguay	947,478,518,331	30%	9,255,436,857,038	100%
Nonresidents in Paraguay	2,182,633,980,542	70%	-	0%
Sub-Total (*)	3,130,112,498,873	100%	9,255,436,857,038	100%
Other liabilities (**)	62,967,249,340		162,867,586,897	
TOTAL	3,193,079,748,213		9,418,304,443,935	
In local currency	557,466,684,130	18%	4,440,532,504,264	48%
In foreign currency	2,572,645,814,743	82%	4,814,904,352,774	52%
Sub-Total (*)	3,130,112,498,873	100%	9,255,436,857,038	100%
Other liabilities (**)	62,967,249,340		162,867,586,897	
TOTAL	3,193,079,748,213		9,418,304,443,935	

(*) Include amounts of demand deposits and time deposits without interest accrued to the closing date, direct loans from financial institutions, bonds outstanding and deferred documentary credits.

(**) Other liabilities include accrued interest not considered deposits and ATM transactions pending transactions to be settled.

C 15.3 Loan portfolio non-financial sector distributed by economic sector

Economic Sector	Risk (*)			
	As of March 31, 2015		As of March 31, 2014	
	PYG	%	PYG	%
Agriculture	3,795,598,936,258	39%	3,682,508,733,908	47%
Livestock activities	668,386,495,259	7%	808,131,097,903	10%
Industry	960,180,433,470	10%	741,289,273,156	10%
Retail trade	1,300,817,075,711	13%	1,109,868,817,819	14%
Wholesale business	877,154,577,565	9%	321,747,232,339	4%
Services	860,740,491,442	9%	589,541,283,537	8%
Consumer	361,433,407,838	4%	321,916,501,643	4%
Exports	569,083,330,007	6%	2,582,504,287	0%
Consumption - housing	148,864,737,167	2%	122,953,135,093	2%
Government sector	7,817,150,357	0%	5,181,217,480	0%
Others	99,660,509,671	1%	68,760,725,279	1%
Total	9,649,737,144,745	100%	7,774,480,522,444	100%

(*) Includes interest income, unrealized valuations earnings and forward contracts / repo, before allowances.

c.16 Credits and contingencies involving related parties

The balances with related parties each year end are as follows:

As of March 31, 2015

Item	Carrying amount before allowances (c)	Allowances	Carrying amount net of allowances
Assets			
Deposits in financial institutions	254,391,787	-	254,391,787
Performing loans (a)	185,874,949,597	(2,806,195)	185,872,143,402
Credit-related contingencies	4,803,132,160	-	4,803,132,160
TOTAL	190,932,473,544	(2,806,195)	190,929,667,349
Liabilities			
Deposits	44,393,345,247	-	44,393,345,247
TOTAL	44,393,345,247		44,393,345,247

As of March 31, 2014

Item	Carrying amount before allowances (c)	Allowances	Carrying amount net of allowances
Assets			
Deposits in financial institutions	7,207,279,257	-	7,207,279,257
Performing loans (a)	150,091,678,736	(4,734,863)	150,086,943,873
Credit-related contingencies	4,608,421,249	-	4,608,421,249
TOTAL	161,907,379,242	(4,734,863)	161,902,644,379
Liabilities			
Deposits	18,553,096,514	-	18,553,096,514
TOTAL	18,553,096,514		18,553,096,514

(a) Does not include accrued interest.

(b) Law 861/96 establishes limits for lending to related parties, which may not exceed an amount equivalent to 20% of the effective equity of the Bank.

c.17 Other liabilities

This account as of March 31, 2015 and 2014 is as follows:

Item	March 31, 2015 PYG	March 31, 2014 PYG
Taxes payable	10,277,926,866	5,108,754,285
Social security payables	393,280,812	296,634,778
Dividends payable	90,952,285	37,016,053
Financial lease payables	1,019,692,096	1,488,877,266
Accounts payable	9,205,831,052	6,973,833,945
Cashier's check issued	55,347,119,870	68,923,155,758
Other liabilities	4,513,362,853	10,823,969,012
Total	80,848,165,834	93,652,241,097

c.18 Transactions to be settled

This chapter records the balances of the following transactions:

a) Forward Operations:

Contracts are compulsory exchange of currencies in the future at a rate previously agreed between the parties ("Forwards" coin) that are initially recognized at fair value conclusion. Thereafter, any change in that amount is credited to income, valuing at nominal value converted at spot prices start; and all contracts denominated in foreign currency are updated at the spot rate on the closing date of the financial statements.

b) Repo operations

A repo operation occurs when the Bank acquires or transfers securities in exchange for the delivery of an amount of cash, assuming in the act and time commitment to transfer or acquire back the property of such securities to its "counterpart" values of the same species and Features the same day or at a later date at a specified price.

c) Operations window interbank liquidity (VLI)

The Interbank Liquidity Window (VLI), is a means by which banks and finance can demand and offer liquidity to the BCP, by: i) a transaction by which a bank or financial company offers and BCP liquidity; ii) another transaction by a bank or financial company requested liquidity to BCP, to which must hold Letters of Monetary Regulation at the Central Bank of Paraguay. The legal relationship, in both contracts will be between the Central Bank of Paraguay and the bank or financial in his capacity as liquidity provider or claimant. No legal relationship exists between the suppliers and demanders financial institutions, for carrying out the operations described herein.

The deadline to stop operations at the interbank liquidity from a minimum of one (1) day to a maximum of five (5) days. The Central Bank of Paraguay will act as liquidator entity, acting as a counterparty of the operations under the contract concluded between the Bank and the Regulator.

Under regulations of the Central Bank of Paraguay repo transactions are recorded as part of "Transactions to be settled" in the areas Appropriations current financial brokerage and financial intermediation obligations.

FINANCIAL SECTOR

Stop operations in interbank liquidity

Stop operations in interbank liquidity – offer:	March 31, 2015	March 31, 2014
Liquidity supply operations - Financial Sector	294,060,505,995	-
Stop operations in interbank liquidity – demand:	March 31, 2015	March 31, 2014
Liquidity supply operations - Financial Sector	(13,775,037,448)	-

Forward Operations

Forward sales of foreign currency - Financial Sector:	March 31, 2015	March 31, 2014
Receivables from sales transactions forward foreign currency	29,681,954,778	20,754,000,000
Creditors for operations through forward foreign currency	(30,233,700,000)	(22,268,000,000)

Forward purchases of foreign currency - Financial Sector:	March 31, 2015	March 31, 2014
Debtors for purchase transactions forward foreign currency	18,635,859,503	-
Payable for purchase transactions forward foreign currency	(18,356,763,821)	(372,414,123)
Total Forward contracts - Assets	342,378,320,276	20,754,000,000
Total Forward contracts - Liabilities	(62,365,501,269)	(22,640,414,123)

NO FINANCIAL SECTOR

Repo

Forward purchases of securities sold - Non-financial Sector:	March 31, 2015	March 31, 2014
Debtors for future purchase transactions of sold securities (repo)	62,963,706,930	63,028,412,147
Creditors for future purchase transactions of sold securities (repo)	(62,963,706,930)	(63,028,412,147)

Forward Operations

Forward sales of foreign currency - nonfinancial sector:	March 31, 2015	March 31, 2014
Receivables from sales transactions forward foreign currency	32,316,000,000	4,485,000,000
Creditors for operations through forward foreign currency	(33,842,489,218)	(4,498,939,441)

Forward purchases of foreign currency - Non-financial sector:	March 31, 2015	March 31, 2014
Debtors for purchase transactions Forward foreign currency	4,809,399,994	-
Payable for purchase transactions Forward foreign currency	(4,790,000,000)	-

Total Forward contracts - Assets	100,089,106,924	67,513,412,147
Total Forward contracts - Liabilities	(101,596,196,148)	(67,527,351,588)

c.19 Relevant information for the period

Issuance of shares

On April 25, 2014, the Ordinary Shareholders Assembly authorized the Board to issue Ordinary Simple A and B Shares, with the right to one vote per share with the following values:

Type of shares	%	Number of shares	Par value	Total value
Simple Group A	60	300,000	100,000	30,000,000,000
Simple Group B	40	200,000	100,000	20,000,000,000
Total		500,000	100,000	50,000,000,000

The board of directors decided, according to meeting minute N° 4/2014 dated April 25, 2014 the timing and conditions for the issuance of shares, with a deadline for integrating on October 30, 2014 to those shareholders who have opted for preemptive rights. In the context of this issuance, the shareholders of the Company have integrated shares, amount to PYG. 19,670,400,000, with a issuance premium of PYG. 22,620,960,000.

As the deadline for existing shareholders exercising their right of first refusal expired, issuance of such shares will be channeled through public offering on the stock exchange through prospectus of shares submitted to the National Securities Commission of Paraguay on December 11, 2014. In this regard, the Bank received as irrevocable contributions of future shareholders the amount of PYG. 14,300,000,000 as premium contributions from the amount of PYG. 16,445,000,000.

D. EQUITY

d.1 Effective Equity

The effective equity is used for determining limits and operational restrictions imposed on financial institutions operating in Paraguay by the Superintendence of Banks of the Central Bank of Paraguay.

The Bank's shareholders' equity as of March 31, 2015 and 2014, totaled PYG 1,130,866,000,000 and PYG 1,014,647,000,000, respectively.

According to the Resolution of the Board of the Central Bank of Paraguay No. 1, Act No. 44 dated July 21, 2011, as amended by Resolution No. 3, Act No. 4 dated February 2, 2012, the minimum percentage of effective equity should keep financial institutions of the country is a) Tier 1 - Main Capital 8%, b) Tier 2 - Main Capital plus supplementary capital of 12%.

As of March 31, 2015 and 2014 the Bank maintained this relationship:

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Tier 1 - Principal Capital	10.87%	10.08%
Tier 2 - Principal Capital + Supplementary Capital	13.30%	13.65%

d.2 Minimum capital

The minimum capital adjusted for inflation in 2014 according to Central Bank of Paraguay provisions on this matter, is mandatory for banks operating in the Paraguayan financial system to hold as paid in capital at least an amount of PYG 43,296,000,000 as of December 31, 2015, (PYG 39,711,000,000 as of December 31, 2014). The potential capital deficit of a bank with regard to the minimum capital required annually to financial institutions must be covered prior to the end of the first six months of each year.

As of March 31, 2015, and 2014, the Bank had a paid in capital in common and preferred shares of PYG 687,455,800,000 and PYG 597,587,100,000, respectively, which exceeded the minimum amount required by Central Bank of Paraguay regulations as of those dates.

d.3 Adjustments to accumulated results

The Plan and Manual states that BCP accounts settings prior year's results are recorded in the income statement for the year without affecting the equity accounts of the Bank. At March 31, 2015 the net adjustment is an expense of PYG. 9,397,818 included in the chapter "Prior year adjustments" (gain PYG. 1,405,168,583 at March 31, 2014).

d.4 Earnings (loss) per share

The Bank calculates the net earnings (loss) per share based on the following criteria:

Preferred shares: Preferred yearly dividend to be paid on the face value of the shares. The annual preferred dividend shall be paid from the liquid profits of each year, so that if there are no profits in a year there will be no amount due whatsoever to preferred shareholders nor an obligation against the following year's profit. They shall have preference over common shares in collecting dividends. Preferred shares will have preference in the collection of dividends over common shares that may be issued subsequently by the Bank.

Common shares: Based on the income of the year to be distributed to common shareholders (less the amounts to be allocated to the legal reserve, capital adjustment, compensation to directors and syndics chargeable to profits, as decided by the Shareholders' Meeting pursuant to the bylaws and preferred share dividends) divided by the number of common shares. As set forth in the bylaws, holders of common shares are entitled to receive at least 10% of net profit for the year on account of dividends, if there is any such profit.

E. CONCERNING THE CONTINGENCIES AND MEMORANDUM ACCOUNTS

a) Contingency accounts

The balance of contingency accounts as of March 31, 2015 and 2014 corresponds to credit lines granted to debtors for credit card transactions, loans granted in current accounts, and other agreed pending utilization lines. These lines as a whole do not exceed 10% of total assets.

The Bank has recorded in contingency accounts the following balances related to commitments or responsibilities:

Items	March 31, 2015	March 31, 2014
	PYG	PYG
Guarantees provided	214,789,008,256	105,780,171,522
Documentary letters of credit to be negotiated	79,048,632,663	92,270,696,876
Credit to be used in current accounts (overdraft lines)	411,210,303,605	398,056,882,924
Credit to be used through credit cards	229,046,865,234	168,588,113,324
Other	2	2
TOTAL CONTINGENCIES ACCOUNTS	934,094,809,760	764,695,864,648

b) Memorandum accounts

The accounts are comprised as follows:

Concept	March 31, 2015	March 31, 2014
Guarantees received	10,988,475,593,473	8,920,186,226,326
Administration of securities and deposits	5,670,944,135,536	1,089,932,581,892
Business abroad and collections	105,109,488,649	145,840,660,350
Other memorandum accounts	684,689,342,171	670,741,032,252
Total	17,449,218,559,829	10,826,700,500,820

F. INFORMATION REGARDING INCOME (LOSS)

f.1 Recognition of income and loss

The Bank applied the accrual method in recognizing income and allocating expenses and costs incurred, with the following exceptions referred to the fact that income is recognized as profit upon collection, as set forth by Resolution No. 1, Record No. 60 issued by the Central Bank of Paraguay on September 28, 1007, and Resolution No. 37, Record No. 72, dated November 29, 2011:

- a) Interest accrued and not collected from borrowers with nonperforming loans and unrealized valuation earnings;
- b) Financial products accrued and not collected related to borrowers and credits classified in categories 2 (not by subjective criteria), 3, 4, 5 and 6. The same are recognized as profit upon collection.
- c) Unrealized valuation earnings of borrowers with nonperforming loans, which are classified in categories 2 (not by subjective criteria), 3, 4, 5 and 6. The same are recognized as profit upon collection.
- d) Income to be realized through the sale of assets in installments, which are recognized as revenue as the loans are collected;
- e) Unrealized valuation of earnings of the above mentioned transactions.
- f) Certain fees for bank services.

f.2 Foreign exchange difference

Foreign exchange differences related to assets and liabilities in foreign currency are shown as net amounts in the "Valuation of assets and liabilities in foreign currency" line of the statement of income, and their breakdown is as follows:

Item	March 31, 2015	March 31, 2014
Income from valuation of financial assets and liabilities in foreign currency	1,953,635,009,495	1,124,777,355,487
Loss from valuation of financial assets and liabilities in foreign currency	(1,949,305,106,209)	(1,125,802,674,084)
Net foreign exchange differences on financial assets and liabilities in foreign currency	4,329,903,286	(1,025,318,597)
Income from valuation of other assets and liabilities in foreign currency	278,756,175,311	8,962,334,618
Loss from valuation of other assets and liabilities in foreign currency	(285,140,511,277)	(9,077,912,558)
Net foreign exchange differences on other assets and liabilities in foreign currency	(6,384,335,966)	(115,577,940)
Net foreign exchange differences on total assets and liabilities in foreign currency	(2,054,432,680)	(1,140,896,537)

As described in point (c) of note f.1 above, the foreign exchange differences related to loans in foreign currency that are nonperforming and/or performing and classified in categories "3", "4", "5" and "6", are recognized as income as they are collected.

The net foreign exchange differences from foreign exchange and arbitrage transactions are disclosed in the lines of the statement of income called "Other operating income - Gains for exchange and arbitrage operations".

f.3 Contributions to the Deposit Guarantee Fund (FGD)

Under the provisions of Law No. 2334 dated December 12, 2003, financial institutions provide mandatory funds to the FGD administered by the Central Bank of Paraguay an amount equivalent to the 0.12% of the average quarterly balances of its portfolio of deposits domestic and foreign, on a quarterly basis.

The amount contributed by the company to FGD for the years ended March 31, 2015 and 2014 amounted to PYG. 12,335,417,024 and PYG. 10,849,973,533 respectively. The amounts contributed by the Bank to

the DGF, are not recoverable and are included in the line "General Expenses" of the chapter "Other operating expenses".

f.4 Income tax

Income tax which is charged to the results for the year at a rate of 10% is based on book income before tax, adjusted by the items that the law and its regulations include or exclude for the determination of net taxable income.

The income tax charger to results of the years ended March 31, 2015 and 2014, amounts to total PYG 2,845,486,013 and PYG 1,989,272,808 respectively. This amount does not include the accrual of the additional 5% rate related to the distribution of earnings mentioned in note c.12e), as the Bank books this additional income tax charge in the year in which the Shareholders' Meeting decides the distribution, this charge is recorded in the line "Ohers" included in the chapter "Other operating expenses".

f5. EFFECTS OF INFLATION

No adjustment for inflation procedures have been applied, except as mentioned in note c.9.

G. adjustments made to the financial statements presented

In this statement at March 31, 2015, the following reclassification adjustment does not affect net income for the period was performed. This adjustment was not included in the financial statements submitted to the Central Bank of Paraguay at the end of three months ended March 31, 2015.

Code	Account	Debit	Credit
630408200400199	Valuation gain - Other receivables	268,146,900,000	
710407390200199	Valuation losses - Availability		268,146,900,000

H. EVENTS SUBSEQUENT TO PERIOD

There are no events that took place after March 31, 2015, that involved significant changes in equity and income for the year.