



Banco Hipotecario S.A.

**Offer to Purchase for Cash
any and all of its**

**US\$211,071,000 outstanding 9.75% Notes due 2016, Series 5
(the “Eligible Notes”)
CUSIPs: 05961A AC 7 and P1330H BD 5
ISINs: US05961AAC71 and USP1330HBD54
at the price set forth below**

The Tender Offer will expire at 8:00 a.m. (New York City time) on November 24, 2015, unless extended or earlier terminated (such time and date, as the same may be extended, the “Expiration Time”). Holders of Eligible Notes who wish to be eligible to receive the Consideration must validly tender and not validly withdraw their Eligible Notes at or prior to the Expiration Time.

We are offering to purchase (the “Tender Offer”), for cash, any and all of the Eligible Notes, on the terms and subject to the conditions set forth in this offer to purchase (this “Offer to Purchase”), the related letter of transmittal (the “Letter of Transmittal”) and the notice of guaranteed delivery (the “Notice of Guaranteed Delivery”) and, together with this Offer to Purchase and the Letter of Transmittal, the “Offer Documents”).

Any questions or requests for assistance concerning the Tender Offer may be directed to Itau BBA USA Securities, Inc. or Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Dealer Managers”) at the addresses and telephone numbers set forth on the back cover of this Offer to Purchase. Beneficial owners may contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offer.

For Eligible Notes validly tendered and not validly withdrawn prior to the Expiration Time and accepted for purchase, the consideration per US\$1,000 principal amount of the Eligible Notes (the “Consideration”) will be US\$1,025.

Contemporaneously with the commencement of the Tender Offer, we intend to launch an offering of new senior notes that we currently expect will close promptly after the Expiration Date. Our obligation to consummate the Tender Offer is conditioned upon the consummation of the offering of our new senior notes, on terms that are satisfactory to us, in our sole discretion. If we are not able to consummate the offering of our new senior notes and raise the Consideration for the purchase of the Eligible Notes pursuant to the Tender Offer, we will not be required to consummate the Tender Offer, and your Eligible Notes will be returned to you without compensation of any sort.

In addition to the Consideration payable in respect of Eligible Notes purchased, each registered Holder of Eligible Notes (each, a “Holder” and, collectively, the “Holders”) whose Eligible Notes are accepted for purchase in the Tender Offer will also receive accrued and unpaid interest in respect of such purchased Eligible Notes from the last interest payment date for such Eligible Notes up to, but not including, the payment date for such Eligible Notes purchased in the Tender Offer (the “Payment Date”).

NONE OF THE BANK, THE DEALER MANAGERS, THE TRUSTEE, THE INFORMATION AGENT OR THE TENDER AGENT MAKES ANY RECOMMENDATION IN CONNECTION WITH THE TENDER OFFER.

The Dealer Managers for the Tender Offer are:

BOFA MERRILL LYNCH

ITAÚ BBA

November 9, 2015

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In this Offer to Purchase, “we,” “our,” “us” and the “Bank” refer collectively to Banco Hipotecario S.A., the issuer of the Eligible Notes. This Offer to Purchase may not contain all of the information that is important to you in making a decision to tender your Eligible Notes.

CERTAIN OFFER MATTERS

The Argentine *Comisión Nacional de Valores* (the “CNV”) has not rendered any opinion in respect of the information contained in this Offer to Purchase. The Tender Offer was approved by a resolution of our board of directors dated June 17, 2015. The accuracy of all information contained in this Offer to Purchase is our sole responsibility.

In making your decision whether to accept the Tender Offer, you must rely on your own examination of our business and the information contained in the Offer Documents, including your own determination of the merits and risks involved in participating in the Tender Offer. No U.S. federal or state securities commission or regulatory authority, nor any other authority of any other jurisdiction, has confirmed the accuracy or determined the adequacy of the Offer Documents. Any representation to the contrary is a criminal offense.

In the event that the Tender Offer is terminated, withdrawn or otherwise not consummated the Consideration will not become payable. In any such event, the Eligible Notes previously tendered pursuant to the Tender Offer will be promptly returned to the tendering Holders without compensation of any sort.

Tenders of Eligible Notes pursuant to the Tender Offer may be validly withdrawn at any time before the earlier of (i) the Expiration Time, and (ii) if the Tender Offer is extended, the 10th business day after commencement of the Tender Offer. Tendered Eligible Notes may also be validly withdrawn in the event the Tender Offer has not been consummated within 60 business days after commencement of the Tender Offer. Tendered Eligible Notes may be withdrawn by following the procedures described herein under the captions “Withdrawal of Tenders; No Appraisal Rights.”

Notwithstanding any other provision of the Tender Offer, our acceptance of validly executed, delivered and not validly withdrawn tendered Eligible Notes pursuant to the Tender Offer and payment of the consideration with respect thereto are subject to the satisfaction or waiver of a number of conditions. We reserve the right to waive and/or modify any and all conditions of the Tender Offer. See “Conditions of the Tender Offer.”

We expressly reserve the right, in our sole discretion, subject to applicable law, to (i) terminate prior to the Expiration Time the Tender Offer and not accept for purchase any Eligible Notes not theretofore accepted for purchase, (ii) waive and/or modify prior to the Expiration Time any and all of the conditions of the Tender Offer, (iii) extend the Expiration Time with respect to the Tender Offer and (iv) amend the other terms of the Tender Offer; provided that if we make a material change in the terms of the Tender Offer, including making a material change to the principal amount of Eligible Notes being sought, or make any change in the Consideration, we will, to the extent required by law, disseminate additional Tender Offer materials and/or extend the Tender Offer. The foregoing rights are in addition to our right to delay acceptance for purchase of Eligible Notes tendered under the Tender Offer or the payment for Eligible Notes accepted for purchase in order to comply with any applicable law, subject to Rule 14e-1(c) under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the Holders thereof promptly after the termination or withdrawal of a tender offer.

From time to time after the Expiration Time or termination of the Tender Offer, we or our affiliates may acquire any Eligible Notes that are not tendered pursuant to the Tender Offer through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as we may determine, which may be more or less than the prices to be paid pursuant to the Tender Offer and could be for cash or other consideration. There can be no assurance as to which, if any, of these alternatives or combinations thereof we or our affiliates may choose to pursue.

See “Certain Considerations” and “Taxation” for a discussion of certain factors that should be considered in evaluating the Tender Offer.

THIS OFFER TO PURCHASE DOES NOT CONSTITUTE AN OFFER TO PURCHASE ELIGIBLE NOTES IN ANY JURISDICTION IN WHICH, OR TO OR FROM ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER UNDER APPLICABLE SECURITIES OR “BLUE SKY” LAWS. THE DELIVERY OF THIS OFFER TO PURCHASE SHALL NOT UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF, OR THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION SET FORTH HEREIN OR IN ANY ATTACHMENTS HERETO OR IN THE AFFAIRS OF US OR ANY OF OUR AFFILIATES SINCE THE DATE HEREOF.

None of the Bank, the Dealer Managers, the Information Agent and/or the Tender Agent, has expressed any opinion as to whether the terms of the Tender Offer are fair. None of the Bank, the Dealer Managers, the Information Agent and/or the Tender Agent makes any recommendation that you accept the Tender Offer with respect to your Eligible Notes or refrain from doing so pursuant to this Offer to Purchase, and no one has been authorized by any of them to make any such recommendation. You must make your own decision as to whether to accept the Tender Offer or refrain from doing so and, if so, the principal amount of Eligible Notes to tender pursuant to the Tender Offer.

We will cancel any Eligible Notes acquired pursuant to the Tender Offer thereby reducing the aggregate principal amount of the Eligible Notes that otherwise might trade in the market. Therefore, this transaction could adversely affect the liquidity and market value of the Eligible Notes that remain outstanding after we consummate the Tender Offer.

You must comply with all applicable laws in any place in which you possess this Offer to Purchase. You must also obtain any consents or approvals that you need in order to accept the Tender Offer. Neither the Bank nor the Dealer Managers are responsible for your compliance with these legal requirements.

We have prepared this Offer to Purchase and we are solely responsible for its contents. You are responsible for making your own examination of us and your own assessment of the merits and risks of accepting the Tender Offer. By tendering your Eligible Notes, you will be deemed to have acknowledged:

- that you have reviewed the Offer Documents;
- that you have had an opportunity to request and review any additional information that you may need;
- that the Dealer Managers are not responsible for, and are not making any representation to you concerning, the accuracy or completeness of this Offer to Purchase; and
- the additional matters referred to under “Terms of the Offer—Deemed Representations, Warranties and Undertakings of Holders Tendering Eligible Notes.”

We are not providing you any legal, business, tax or other advice in this Offer to Purchase. You should consult your own advisors as needed to assist you in making your decision whether to accept the Tender Offer and to advise you whether you are legally permitted to accept the Tender Offer.

CERTAIN LEGAL RESTRICTIONS

The distribution of materials relating to this Offer to Purchase and the transactions contemplated hereby may be restricted by law in certain jurisdictions. We are making the Tender Offer only in those jurisdictions where it is legal to do so. The Tender Offer is void in all jurisdictions where it is prohibited. If materials relating to this Offer to Purchase come into your possession, you are required to inform yourself of and to observe all of these restrictions. The materials relating to this Offer to Purchase do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the Tender Offer be made by a licensed broker or dealer and the Dealer Managers or any affiliate of the Dealer Managers is a licensed broker or dealer in that jurisdiction, the Tender Offer shall be deemed to be made by the Dealer Managers or such affiliate on behalf of the Bank in that jurisdiction. See “Jurisdictional Restrictions.”

This Offer to Purchase may have been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither we nor the Dealer Managers nor any person who controls the Dealer Managers, or any director, officer, employee or agent of the Dealer Managers or any affiliate of such person, accepts any liability or responsibility whatsoever in respect of any difference between this Offer to Purchase distributed to you in electronic format and this Offer to Purchase in its original form.

IMPORTANT INFORMATION

Any Holder wishing to tender Eligible Notes should either: (i) in the case of a beneficial owner whose Eligible Notes are held in book-entry form, request such beneficial owner’s custodian (a “Custodian”) to effect the transaction for such beneficial owner; or (ii) in the case of a registered Holder who holds physical certificates evidencing such Eligible Notes, complete and sign the Letter of Transmittal (or a facsimile thereof) in accordance with the instructions set forth therein, have the signature thereon guaranteed (if required by Instruction 3 of the Letter of Transmittal), and deliver that manually signed Letter of Transmittal (or a facsimile thereof), together with the certificates evidencing the Eligible Notes and any other required documents, to D.F. King & Co., Inc. (the “Tender Agent”). If any Holder wishes to tender such Holder’s Eligible Notes and (1) such Holder’s Note certificates are not immediately available or cannot be delivered to the Tender Agent by the Expiration Time, (2) such Holder cannot comply with the procedure for book-entry transfer by the Expiration Time, or (3) such Holder cannot deliver the other required documents to the Tender Agent by the Expiration Time, such Holder must tender his or her Eligible Notes according to the guaranteed delivery procedure described below. Only registered Holders of Eligible Notes are entitled to tender Eligible Notes. **A beneficial owner whose Eligible Notes are registered in the name of a Custodian must contact such Custodian if such beneficial owner desires to tender Eligible Notes with respect to Eligible Notes so registered. Beneficial owners should be aware that their Custodian may establish its own earlier deadline for participation in the Tender Offer. Accordingly, beneficial owners wishing to participate in the Tender Offer should contact their Custodians as soon as possible in order to determine the time by which such owner must take action in order to participate. If you hold your Eligible Notes through a Custodian, you should ask your Custodian if you will be charged a fee to tender your Eligible Notes through the Custodian. See “Procedures for Tendering Eligible Notes.”**

Our obligation to accept for purchase, and to pay for, Eligible Notes validly tendered and not validly withdrawn pursuant to the Tender Offer is conditioned upon the following having occurred or having been waived by us: (1) the satisfaction of the Financing Condition (as defined herein) and (2) the satisfaction of the General Conditions (as defined herein). We may, in our sole discretion, waive any of the conditions of the Tender Offer, in whole or in part, at any time and from time to time. See “Conditions of the Tender Offer.”

The Tender Offer is eligible for the Automated Tender Offer Program (“ATOP”) of The Depository Trust Company (“DTC”). Accordingly, DTC participants must electronically transmit their acceptance of the Tender Offer by causing DTC to transfer their Eligible Notes to the Tender Agent in accordance with DTC’s ATOP procedures. DTC will then send an Agent’s Message (as defined herein) to the Tender Agent. Holders desiring to tender their Eligible Notes prior to the Expiration Time should note that such Holders must allow sufficient time for completion of the ATOP procedures during normal business hours of DTC. See “Procedures for Tendering Eligible Notes.”

THIS OFFER TO PURCHASE (INCLUDING THE ANNEX HERETO), THE LETTER OF TRANSMITTAL AND THE NOTICE OF GUARANTEED DELIVERY CONTAIN IMPORTANT INFORMATION THAT SHOULD BE READ CAREFULLY AND IN THEIR ENTIRETY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE TENDER OFFER.

NO DEALER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS OFFER TO PURCHASE AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MAY NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY US, THE DEALER MANAGERS, THE INFORMATION AGENT OR THE TENDER AGENT.

SIGNIFICANT DATES AND TIMES

Date	Calendar Date	Event
Launch Date	November 9, 2015	Commencement of the Tender Offer.
Expiration Time	The Tender Offer will expire at 8:00 a.m. (New York City time) on November 24, 2015.	The last time and date for Eligible Notes to be tendered pursuant to the Tender Offer. Validly tendered Eligible Notes may be withdrawn prior to the Expiration Time but not thereafter.
Payment Date	We expect the Payment Date will occur on December 1, 2015, unless the Tender Offer is extended or earlier terminated.	We will deposit with the Tender Agent or, upon instructions from the Depository, DTC, an amount of cash sufficient to pay the aggregate of the Consideration for all Eligible Notes purchased in the Tender Offer that were validly tendered and not validly withdrawn and accrued and unpaid interest up to, but not including, the Payment Date.

SUMMARY

The following summarizes in a question-and-answer format certain material terms of the Tender Offer. You should carefully read this entire Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery, as well as the annex hereto, for more detailed information and instructions.

Who is offering to buy my Eligible Notes?

Banco Hipotecario S.A. (the “Bank,” “we,” “us” and “our”), the issuer of the Eligible Notes, is offering to purchase the Eligible Notes.

What securities are the subject of the Tender Offer?

We are offering to purchase for cash any and all of our outstanding 9.75% Notes due 2016, Series 5 (CUSIPs: 05961A AC 7 and P1330H BD 5; ISINs: US05961AAC71 and USP1330HBD54). The Eligible Notes were issued under, and are governed by, the indenture, dated as of January 14, 2004, as amended by the Agreement of Resignation, Appointment and Acceptance dated as of February 12, 2015 (the “Indenture”), among us, Deutsche Bank Trust Company Americas, as trustee (the “Trustee”), co-registrar, paying agent and transfer agent, and Deutsche Bank S.A., as representative of the Trustee in Argentina, registrar, local paying agent and local transfer agent. As of September 30, 2015, US\$211,071,000 aggregate principal amount of Eligible Notes was outstanding.

What is the purpose of the Tender Offer?

The principal purpose of the Tender Offer is to retire and cancel the Eligible Notes purchased in the Tender Offer. We plan to acquire the Eligible Notes with the proceeds of an offering of new senior notes in an aggregate principal amount of up to US\$500 million (the “New Notes Offering”). There can be no assurance that the New Notes Offering will be completed on a timely basis, if at all. See “Purpose and Background of the Tender Offer; Source of Funds” and “Conditions to the Tender Offer.” The Tender Offer is conditioned on the satisfaction (or waiver) of the Financing Condition (as defined herein), as well as the other conditions set forth in this Offer to Purchase.

What happens to my Eligible Notes if I do not validly tender my Eligible Notes?

Any Eligible Notes not purchased pursuant to the Tender Offer will remain outstanding immediately following the completion of the Tender Offer. As a result of the consummation of the Tender Offer and depending on the amount of Eligible Notes purchased pursuant to the Tender Offer, the aggregate principal amount of the Eligible Notes remaining outstanding after the Tender Offer may be significantly reduced, which may adversely affect the liquidity of and, consequently, the market price for the Eligible Notes that remain outstanding after consummation of the Tender Offer. See “Certain Considerations—Limited Trading Market.”

What price will I receive for my Eligible Notes if I validly tender them to you?

We are offering to pay you the Consideration for your Eligible Notes if you validly tender and do not validly withdraw your Eligible Notes before the Expiration Time. The Consideration for each Note, upon the terms and subject to the condition of the Tender Offer, is payable only to Holders who validly tender and do not validly withdraw their Eligible Notes prior to the Expiration Time and whose Eligible Notes are purchased in the Tender Offer.

If I validly tender and do not validly withdraw my Eligible Notes, will I be paid accrued and unpaid interest?

Yes, but only if the Tender Offer is consummated and your Eligible Notes are purchased in the Tender Offer. In addition to the Consideration, we will pay accrued and unpaid interest on all Eligible Notes validly tendered and accepted for purchase pursuant to the Tender Offer up to, but not including, the Payment Date. No interest will accrue on or be payable with respect to any Consideration paid or payable.

What amount of Eligible Notes are subject to purchase in the Tender Offer?

We are offering to purchase any and all of the Eligible Notes.

Do you have the resources to pay for validly tendered and accepted Eligible Notes?

We intend to finance the purchase of validly tendered and accepted Eligible Notes with proceeds from the New Notes Offering. There can be no assurance that the New Notes Offering will be completed on a timely basis, if at all. The Tender Offer is conditioned on the satisfaction (or waiver) of the Financing Condition (as defined herein), as well as the other conditions set forth in this Offer to Purchase.

What are the significant conditions of the Tender Offer?

The Tender Offer is conditioned on, among other things, the satisfaction of the General Conditions (as defined herein) and the Financing Condition (as defined herein). We reserve the right to waive any and all conditions of the Tender Offer prior to the Expiration Time. See “Conditions of the Tender Offer.”

When is the deadline to withdraw Eligible Notes previously tendered?

Tendered Eligible Notes may be withdrawn before the earlier of (i) the Expiration Time, and (ii) if the Tender Offer is extended, the 10th business day after commencement of the Tender Offer. Eligible Notes subject to the Tender Offer may also be validly withdrawn in the event the Tender Offer has not been consummated within 60 business days after commencement of the Tender Offer.

When does the Tender Offer expire?

The Tender Offer will expire at 8:00 a.m. (New York City time) on November 24, 2015, unless extended or earlier terminated by us in our sole discretion.

Can the Tender Offer be extended, and if so, how will I be notified?

Yes, we have the right to extend the Expiration Time at any time in our sole discretion by giving oral or written notice to the Tender Agent and making a public announcement by press release regarding the extension no later than 9:00 a.m. (New York City time) on the first business day after the previously scheduled date or deadline, as applicable. See “Expiration Time; Extension; Amendment; Termination.”

When will I receive payment for my validly tendered Eligible Notes?

Payment of the Consideration for Eligible Notes purchased in the Tender Offer, together with accrued and unpaid interest thereon, will be made on the Payment Date, which will promptly follow the Expiration Time, if we accept the Eligible Notes for purchase and assuming the conditions of the Tender

Offer are satisfied or waived. It is expected that payment will be made on the fourth business day following the Expiration Time. Assuming that the Tender Offer is not extended or earlier terminated, we expect that December 1, 2015 will be the Payment Date. See “Acceptance of Eligible Notes; Payment for Eligible Notes.”

May I withdraw my tendered Eligible Notes?

Tenders of Eligible Notes pursuant to the Tender Offer may be validly withdrawn at any time prior to the earlier of (i) the Expiration Time, and (ii) if the Tender Offer is extended, the 10th business day after commencement of the Tender Offer. Eligible Notes subject to the Tender Offer may also be validly withdrawn in the event the Tender Offer has not been consummated within 60 business days after commencement of the Tender Offer. To withdraw your tendered Eligible Notes, you must follow the instructions under “Withdrawal of Tenders; No Appraisal Rights.”

What are the tax consequences to me if I validly tender my Eligible Notes?

Please see “Taxation” for a summary of certain United States federal and Argentine income tax considerations applicable to the Tender Offer.

How should I validly tender my Eligible Notes?

The manner in which you may validly tender your Eligible Notes in the Tender Offer will depend on the manner in which you hold your Eligible Notes:

- if you hold your Eligible Notes in book-entry form, contact your Custodian if you desire to tender Eligible Notes;
- if you hold physical certificates evidencing the Eligible Notes, complete and sign the Letter of Transmittal (or a facsimile thereof) in accordance with the instructions set forth therein, have the signature thereon guaranteed (if required by Instruction 3 of the Letter of Transmittal), and deliver such manually signed Letter of Transmittal (or a facsimile thereof), together with the certificates evidencing the Eligible Notes being tendered and any other required documents, to the Tender Agent; or
- if you wish to tender your Eligible Notes and (1) your Note certificates are not immediately available or cannot be delivered to the Tender Agent by the Expiration Time, (2) you cannot comply with the procedure for book-entry transfer by the Expiration Time, or (3) you cannot deliver the other required documents to the Tender Agent by the Expiration Time, you must tender your Eligible Notes according to the guaranteed delivery procedure described below. See “Procedures for Tendering Eligible Notes.”

Only registered Holders of Eligible Notes are entitled to tender Eligible Notes. As noted above, a beneficial owner whose Eligible Notes are registered in the name of a Custodian must contact the Custodian if such beneficial owner desires to tender Eligible Notes with respect to such registered Eligible Notes. If you hold your Eligible Notes through a Custodian, you should ask your Custodian if you will be charged a fee to tender your Eligible Notes through the Custodian.

For further information, contact the Information Agent or the Dealer Managers at their respective addresses and telephone numbers set forth on the back cover of this Offer to Purchase.

Are you making any recommendation about the Tender Offer?

No. We are not expressing any opinion and remain neutral with respect to whether Holders should tender Eligible Notes in response to the Tender Offer. The Trustee, the Dealer Managers, the Information Agent and the Tender Agent likewise make no recommendation. Holders should determine whether to tender Eligible Notes based upon their own assessment of market value, liquidity needs and investment objectives.

Whom can I contact if I want more information?

Any questions or requests for assistance concerning the Tender Offer should be directed to the Dealer Managers at their respective addresses and telephone numbers set forth on the back cover of this Offer to Purchase. Requests for additional copies of the Offer Documents should be directed to the Information Agent at its address and telephone numbers set forth on the back cover of this Offer to Purchase. Beneficial owners may also contact their Custodian for assistance concerning the Tender Offer.

PURPOSE AND BACKGROUND OF THE TENDER OFFER; SOURCE OF FUNDS

Purpose of the Tender Offer

The principal purpose of the Tender Offer is to retire and cancel the Eligible Notes purchased in the Tender Offer.

Financing of the Offer

We expect to obtain the total amount of funds required to purchase all of the Eligible Notes sought pursuant to the Tender Offer, and to pay all accrued and unpaid interest on the Eligible Notes and all fees and expenses in connection therewith from the New Notes Offering. Consummation of the Tender Offer is conditioned upon the following having occurred or having been waived by us: (1) the satisfaction of the Financing Condition and (2) the satisfaction of the General Conditions. There can be no assurance that the New Notes Offering will be completed on a timely basis, if at all. See “Conditions of the Tender Offer.”

THE BANK

Established in 1886 by the Argentine government and privatized in 1999, we are a full-service, inclusive commercial bank, offering a wide range of banking products and activities and related financial services to individuals, small and medium-sized companies and large corporations. All of our operations are located in Argentina, where we operate through a nationwide network of branches in all provinces and the City of Buenos Aires, with additional points of sale across Argentina. Our principal shareholders are the Argentine government and IRSA Inversiones y Representaciones Sociedad Anónima, a leading real estate company in Argentina listed on the Mercado de Valores de Buenos Aires S.A. and on the New York Stock Exchange.

CERTAIN CONSIDERATIONS

In deciding whether to participate in the Tender Offer, in addition to the other information contained in the Offer Documents, each Holder should consider carefully and in its entirety the following:

Limited Trading Market

To the extent that Eligible Notes are traded, prices for the Eligible Notes may fluctuate greatly depending on the trading volume and the balance between buy and sell orders. To the extent that Eligible Notes are tendered and accepted for purchase in the Tender Offer, the trading market for such Eligible Notes would become more limited. A debt security with a smaller outstanding principal amount available for trading (a smaller “float”) may command a lower price than would a comparable debt security with a greater float. Therefore, the market price for Eligible Notes not tendered or not purchased may be affected adversely to the extent that the principal amount of Eligible Notes tendered pursuant to the Tender Offer reduces the float. The reduced float also may tend to make the trading price more volatile. Holders of Eligible Notes not tendered or not purchased may attempt to obtain quotations for their Eligible Notes from their brokers; however, there can be no assurance that any trading market will exist for the Eligible Notes following consummation of the Tender Offer. The extent of the public market for the Eligible Notes following consummation of the Tender Offer will depend upon, among other things, the remaining outstanding principal amount of such Eligible Notes after the Tender Offer, the number of Holders of such Eligible Notes remaining at such time and the interest in maintaining a market in such Eligible Notes on the part of securities firms and other factors. We do not intend to create or sustain a market for any Eligible Notes that remain outstanding following consummation of the Tender Offer.

Conditions to the Consummation of the Tender Offer

The consummation of the Tender Offer is subject to satisfaction (or waiver) of the General Conditions and the Financing Condition. These conditions are described in more detail in this Offer to Purchase under “Conditions of the Tender Offer.” There can be no assurance that such conditions will be met or that, in the event the Tender Offer is not consummated, the market value and liquidity of the Eligible Notes will not be materially adversely affected.

Subsequent Repurchases of Eligible Notes

From time to time after the Expiration Time or termination of the Tender Offer, we or our affiliates may acquire any Eligible Notes that are not tendered pursuant to the Tender Offer through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as we may determine, which may be more or less than the price to be paid pursuant to the Tender Offer and could be for cash or other consideration. There can be no assurance as to which, if any, of these alternatives or combinations thereof we or our affiliates may choose to pursue.

No Recommendation

None of the Bank, the Dealer Managers, the Information Agent, the Tender Agent or the Trustee makes any recommendation in connection with the Tender Offer, and neither we nor any of our affiliates has authorized any person to make any such recommendation. Holders are urged to evaluate carefully all information in the Offer Documents, consult their investment and tax advisors and make their own decisions about whether to tender Eligible Notes, and, if they wish to tender Eligible Notes, the principal amount of Eligible Notes to tender.

The consideration for the Tender Offer does not reflect any independent valuation of the Eligible Notes.

We have not obtained or requested a fairness opinion from any financial advisor as to the fairness of the consideration received by holders of Eligible Notes in the Tender Offer or the relative value of Eligible Notes. If you tender your Eligible Notes, you may or may not receive more or as much value as you would if you choose to keep them, and there may be a reduction in the aggregate principal amount of debt owed to you.

Tax Matters

See “Taxation” for a discussion of certain United States federal and Argentine income tax consequences of the Tender Offer.

Available Information

The Information Agent will provide without charge to each person to whom this Offer to Purchase is delivered, upon the request of such person, a copy of the Indenture. Requests for such documents should be directed to the Information Agent at its address set forth on the back cover page of this Offer to Purchase.

THE TENDER OFFER

The Offer Documents contain important information that should be read carefully and in their entirety prior to making any decision with respect to the Tender Offer.

Introduction

We hereby offer, upon the terms and subject to the conditions set forth in the Offer Documents, to purchase for cash any and all Eligible Notes that are validly tendered and not validly withdrawn prior to the Expiration Time for the consideration described below. Eligible Notes may be tendered and will be accepted for purchase in minimum denominations of US\$35,000 and integral multiples of US\$1,000 in excess thereof. No alternative, conditional or contingent tenders of Notes are permitted in connection with the Tender Offer. Holders who tender less than all of their Notes must continue to hold Notes in minimum denominations of US\$35,000.

A Holder who wishes to tender Notes but who cannot comply with the procedures set forth herein for a tender on a timely basis or whose Notes are not immediately available, may tender such Notes by following the procedures for guaranteed delivery set forth below under “—Procedures for Tendering Eligible Notes—Guaranteed Delivery,” including physical delivery of the Notice of Guaranteed Delivery to the Tender Agent.

Consideration

We are offering to purchase for cash, on the terms and subject to the conditions described in the Offer Documents, any and all Eligible Notes for the Consideration.

In addition to payment of the Consideration, each Holder whose Eligible Notes are accepted for purchase will receive any and all accrued and unpaid interest on such purchased Eligible Notes from the last interest payment date for such Eligible Notes preceding the Payment Date up to, but not including, the Payment Date.

Payment of the Consideration for Eligible Notes purchased in the Tender Offer, together with accrued and unpaid interest thereon, will be made on the Payment Date, which will promptly follow the Expiration Time, if we accept the Eligible Notes for purchase and assuming the conditions of the Tender Offer are satisfied or waived. Assuming that the Tender Offer is not extended or earlier terminated, it is expected that December 1, 2015 will be the Payment Date.

Payment of the Consideration for Eligible Notes validly tendered and not validly withdrawn and accepted for purchase will be made by the deposit of immediately available funds by us with the Tender Agent or, upon the Tender Agent’s instructions, DTC. The Tender Agent will act as agent for the tendering Holders for the purpose of receiving payment from us (or providing payment instructions to us) and transmitting (or arranging for the transmission of) such payment to Holders. Payment shall be deemed to have been made by us upon our transfer of the Consideration plus accrued and unpaid interest payable up to, but not including, the Payment Date, to the Tender Agent or, if so directed by the Tender Agent, to DTC or such other person or persons. Under no circumstances will interest on the Consideration be paid by us by reason of any delay on the part of the Tender Agent in making payment to the Holders entitled thereto or any delay in the allocation or crediting of monies received by DTC to participants in DTC or in the allocation or crediting of monies received by participants to beneficial owners. The payment made by us to the Tender Agent or, if so directed by the Tender Agent, to DTC, shall fully discharge our obligations to make payment in relation to the Tender Offer.

EXPIRATION TIME; EXTENSION; AMENDMENT; TERMINATION

The Tender Offer will expire at 8:00 a.m. (New York City time) on November 24, 2015, unless extended or earlier terminated by us in our sole discretion. In the event the Tender Offer is extended, the term “Expiration Time” with respect to such extended Tender Offer shall mean the time and date on which the Tender Offer as so extended, shall expire. We reserve the right to extend the Tender Offer from time to time or for such period or periods as we may determine in our sole discretion by giving oral (to be confirmed in writing) or written notice of such extension to the Tender Agent and by making a public announcement by press release to the *Dow Jones News Service*, *Business Wire* or another similar service, at or prior to 9:00 a.m. (New York City time) on the next business day following the previously scheduled Expiration Time. During any extension of the Tender Offer, all Eligible Notes previously tendered and not accepted for purchase will remain subject to the Tender Offer and, subject to the terms and conditions of the Tender Offer, may be accepted for purchase by us.

To the extent we are legally permitted to do so, we reserve the right, in our sole discretion, at any time prior to the Expiration Time, to waive any condition of the Tender Offer, to amend any of the terms of the Tender Offer, and to modify the Consideration for the Eligible Notes. If we make a material change in the terms of the Tender Offer or waive a material condition of the Tender Offer, we will give written notice thereof to the Tender Agent and will make a public announcement thereof as promptly as practicable. The minimum period during which the Tender Offer will remain open following material changes in the terms of the Tender Offer or in the information concerning the Tender Offer will depend upon the facts and circumstances of such change, including the relative materiality of the changes. With respect to any change in the consideration offered in the Tender Offer, we will disclose any such amendment in a press release at or prior to 10:00 a.m. (New York City time) on the day of such amendment and we will extend the Expiration Time by at least five business days, if the Tender Offer would otherwise expire during such period. If any of the terms of the Tender Offer are amended in a manner determined by us to constitute a material change adversely affecting any Holder, we will disclose any such amendment in a press release at or prior to 10:00 a.m. (New York City time) on the day of such amendment, and we will extend the Tender Offer for at least three business days, if the Tender Offer would otherwise expire during such time period. If we make a material change in the terms of the Tender Offer, including making a material change to the principal amount of Eligible Notes being sought, or make any change in the Consideration, we will, to the extent required by law, disseminate additional Tender Offer materials and/or extend the Tender Offer.

We reserve the right to amend, at any time prior to the Expiration Time, the terms of the Tender Offer, subject to the disclosure requirements described above. We will give Holders notice of such amendments as set forth herein and as may be required by law.

We reserve the right, in our sole discretion, subject to applicable law, to terminate the Tender Offer. Any such termination will be followed promptly by public announcement thereof. In the event we terminate the Tender Offer, we shall give immediate notice thereof to the Tender Agent. Eligible Notes theretofore tendered and not accepted for purchase will be returned promptly to the tendering Holders thereof. In the event that the Tender Offer is terminated, withdrawn or otherwise not consummated prior to the Expiration Time, the Consideration will not become payable pursuant thereto. See “Withdrawal of Tenders; No Appraisal Rights” and “Conditions of the Tender Offer.”

ACCEPTANCE OF ELIGIBLE NOTES; PAYMENT FOR ELIGIBLE NOTES

Upon the terms and subject to the conditions of the Tender Offer, we will accept for purchase any and all Eligible Notes validly tendered pursuant to the Tender Offer (or defectively tendered, if such defect has been waived by us) and not validly withdrawn, upon the satisfaction or waiver of the conditions of the Tender Offer specified herein under “Conditions of the Tender Offer.”

We reserve the right, in our sole discretion, to delay acceptance for purchase of Eligible Notes tendered under the Tender Offer or the payment for Eligible Notes accepted for purchase (subject to Rule 14e-1 under the Exchange Act, which requires that an offeror pay the consideration offered or return the securities deposited by or on behalf of the Holders thereof promptly after the termination or withdrawal of a tender offer), or to terminate the Tender Offer as set forth herein or in order to comply with any applicable law and not accept for purchase any Eligible Notes not theretofore accepted for purchase. In all cases, payment for Eligible Notes accepted for purchase pursuant to the Tender Offer will be made only after timely receipt by the Tender Agent of certificates representing the Eligible Notes (or confirmation of book-entry transfer thereof), a properly completed and duly executed Letter of Transmittal (or a facsimile thereof or satisfaction of DTC’s ATOP procedures) and any other documents required thereby.

We will be deemed to have accepted for purchase validly tendered Eligible Notes (or defectively tendered Eligible Notes, if such defect has been waived by us) when we give oral (confirmed in writing) or written notice thereof to the Tender Agent. Payment for Eligible Notes accepted for purchase in the Tender Offer will be made by us by depositing such payment with the Tender Agent, or, upon the Tender Agent’s instructions, DTC. DTC will act as agent for the tendering Holders for the purpose of receiving the Consideration and transmitting the Consideration (and any accrued and unpaid interest payable) to such Holders. Upon the terms and subject to the conditions of the Tender Offer, delivery of the Consideration (and any accrued and unpaid interest payable) will be made on the Payment Date for Eligible Notes accepted for purchase that have been validly tendered and not validly withdrawn at or prior to the Expiration Time (or, with respect to defectively tendered Eligible Notes, if we have waived such defect).

Tenders of Eligible Notes pursuant to the Tender Offer, as well as withdrawal of previously tendered Eligible Notes, will be accepted only in principal amounts equal to US\$35,000 and integral multiples of US\$1,000 in excess thereof.

If, for any reason, acceptance for purchase of, or payment for, validly tendered Eligible Notes pursuant to the Tender Offer is delayed or we are unable to accept for purchase, or to pay for, validly tendered Eligible Notes pursuant to the Tender Offer, then the Tender Agent, nevertheless, on our behalf, may retain tendered Eligible Notes, without prejudice to our rights described under “Expiration Time; Extension; Amendment; Termination,” “Conditions of the Tender Offer” and “Withdrawal of Tenders; No Appraisal Rights” (subject to Rule 14e-1 under the Exchange Act).

If any tendered Eligible Notes are not accepted for purchase for any reason pursuant to the terms and conditions of the Tender Offer, certificates evidencing unpurchased Eligible Notes will be returned, without expense, to the tendering Holder, unless otherwise requested by such Holder under “Special Delivery Instructions” in the Letter of Transmittal (or, in the case of any Eligible Notes tendered by book-entry transfer into the Tender Agent’s account at DTC pursuant to the procedures set forth under the caption “Procedures for Tendering Eligible Notes—Book-Entry Transfer,” such Eligible Notes will be credited to the account maintained at DTC from which such Eligible Notes were delivered), promptly following the Expiration Time or the termination of the Tender Offer.

Holders whose Eligible Notes are tendered and accepted for purchase pursuant to the Tender Offer will be entitled to any and all accrued and unpaid interest on their Eligible Notes from the last interest payment date for such Eligible Notes preceding the Payment Date up to, but not including, the Payment Date. **Under no circumstances will any additional interest be payable because of any delay in the transmission of funds to the Holders of purchased Eligible Notes or otherwise.**

Holders will not be obligated to pay fees or transfer taxes in the Tender Offer unless the box entitled “Special Issuance Instructions” or the box entitled “Special Delivery Instructions” on a Letter of Transmittal has been completed, as described in the Instructions thereto. Tendering Holders will not be obligated to pay brokerage fees or commissions to any of the Dealer Managers, the Tender Agent, the Information Agent or us. Holders whose Eligible Notes are held by a broker, dealer, commercial bank, trust company or other nominee should contact such nominee to determine whether a fee will be charged for tendering Eligible Notes pursuant to the Tender Offer.

PROCEDURES FOR TENDERING ELIGIBLE NOTES

Any beneficial owner whose Eligible Notes are registered in the name of a Custodian or held through DTC and who wishes to tender its Eligible Notes should contact such Custodian promptly and instruct such Custodian to tender its Eligible Notes on such beneficial owner's behalf.

Tender of Eligible Notes Held through DTC

The Tender Offer is eligible for ATOP. Accordingly, DTC participants must electronically transmit their acceptance of the Tender Offer without tendering the global notes representing the related Eligible Notes by causing DTC to transfer their Eligible Notes to the Tender Agent in accordance with DTC's ATOP procedures. DTC will then send an Agent's Message to the Tender Agent.

The term "Agent's Message" means a message transmitted by DTC, received by the Tender Agent and forming part of the Book-Entry Confirmation (as defined herein), which states that DTC has received an express acknowledgment from the DTC participant tendering Eligible Notes that are the subject of such Book-Entry Confirmation that such DTC participant has received and agrees to be bound by the terms of the Tender Offer as set forth in this Offer to Purchase and the Letter of Transmittal, and, to the extent applicable, the Notice of Guaranteed Delivery, and that we may enforce such agreement against such participant. **Holders desiring to tender their Eligible Notes prior to the Expiration Time should note that they must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC on such date. Beneficial owners should be aware that their Custodian may establish its own earlier deadline for participation in the Tender Offer. Accordingly, beneficial owners wishing to participate in the Tender Offer should contact their Custodians as soon as possible in order to determine the time by which such owner must take action in order to participate. If you hold your Eligible Notes through a Custodian, you should ask your Custodian if you will be charged a fee to tender your Eligible Notes through the Custodian.**

Tender of Eligible Notes Held in Physical Form

For a Holder to validly tender its Eligible Notes held in physical form pursuant to the Tender Offer, the certificates for the tendered Eligible Notes, a properly completed and validly executed Letter of Transmittal (or a facsimile thereof), together with any signature guarantees and any other documents required by the instructions to the Letter of Transmittal, must be received by the Tender Agent at its address set forth on the back cover of this Offer to Purchase prior to the Expiration Time, unless such Holder properly follows the guaranteed delivery procedures described below.

The Letter of Transmittal and Eligible Notes should be sent only to the Tender Agent, and not to us, the Dealer Managers, the Information Agent, the Trustee or DTC. **Unless you properly follow the guaranteed delivery procedures described below, tenders not received by the Tender Agent prior to the Expiration Time will be disregarded and of no effect.**

The method of delivery of Eligible Notes, the Letter of Transmittal, the Notice of Guaranteed Delivery and all other required documents to the Tender Agent is at the election and risk of the Holder tendering Eligible Notes. Delivery of such documents will be deemed made only when actually received by the Tender Agent. If such delivery is by mail, it is suggested that the Holder use properly insured, registered mail with return receipt requested, and that the mailing be made sufficiently in advance of the Expiration Time to permit delivery to the Tender Agent on or prior to such respective date. No alternative, conditional or contingent tenders of Eligible Notes will be accepted.

Signature Guarantees

Signatures on the Letter of Transmittal must be guaranteed by a firm that is a participant in the Security Transfer Agents Medallion Program or the Stock Exchange Medallion Program or is otherwise an “eligible guarantor institution” as that term is defined in Rule 17Ad-15 under the Exchange Act (generally a member of a registered national securities exchange, or a commercial bank or trust company having an office in the United States) (an “Eligible Institution”), unless (i) the Letter of Transmittal is signed by the registered Holder of the Eligible Notes tendered therewith and payment of the Consideration is to be made, or if any Eligible Notes for principal amounts not tendered or not accepted for purchase are to be issued, directly to such Holder and neither the “Special Issuance Instructions” box nor the “Special Delivery Instructions” box on the Letter of Transmittal has been completed, or (ii) such Eligible Notes are tendered for the account of an Eligible Institution.

Book-Entry Transfer

The Tender Agent will establish and maintain one or more accounts with respect to the Eligible Notes at DTC promptly after the date of this Offer to Purchase (to the extent such arrangements have not been made previously by the Tender Agent), and any financial institution that is a participant in DTC and whose name appears on a security position listing as the owner of the Eligible Notes may make book-entry delivery of Eligible Notes by causing DTC to transfer such Eligible Notes into the Tender Agent’s account in accordance with DTC’s procedures for such transfer. The confirmation of a book-entry transfer of Eligible Notes into the Tender Agent’s account at DTC as described above is referred to herein as a “Book-Entry Confirmation.” Delivery of documents to DTC in accordance with such DTC procedures does not constitute delivery to the Tender Agent.

Guaranteed Delivery

If a Holder desires to tender Eligible Notes pursuant to the Tender Offer and (1) such Holder’s Note certificates are not immediately available or cannot be delivered to the Tender Agent by the Expiration Time, (2) such Holder cannot comply with the procedure for book-entry transfer by the Expiration Time, or (3) such Holder cannot deliver the other required documents to the Tender Agent by the Expiration Time, such Holder may effect a tender of Eligible Notes if all of the following are complied with:

- such tender is made by or through an Eligible Institution;
- prior to the Expiration Time, the Tender Agent has received from such Eligible Institution, at the address of the Tender Agent set forth on the back cover of this Offer to Purchase, a properly completed and duly executed Notice of Guaranteed Delivery (delivered by facsimile transmission, mail or hand) in substantially the form provided by us setting forth the name and address of the DTC participant tendering Eligible Notes of behalf of the Holder(s) and the principal amount of Eligible Notes being tendered, and representing that the Holder(s) own such Eligible Notes, and the tender is being made thereby and guaranteeing that, no later than the close of business on the second business day after the Expiration Time, a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile thereof) or a properly transmitted Agent’s Message, together with confirmation of book-entry transfer thereof pursuant to the procedures set forth under the caption “Procedures for Tendering Eligible Notes—Book-Entry Transfer,” and any other documents required by the Letter of Transmittal, will be deposited by such Eligible Institution with the Tender Agent; and

- a properly completed and duly executed Letter of Transmittal (or a manually signed facsimile thereof), together with certificates representing the Eligible Notes tendered, or a properly transmitted Agent's Message, together with confirmation of book-entry transfer of such Eligible Notes pursuant to the procedures set forth under the caption "Procedures for Tendering Eligible Notes—Book-Entry Transfer," and all other required documents are received by the Tender Agent no later than the close of business on the second business day after the Expiration Time.

In addition to delivery of the Notice of Guaranteed Delivery, the DTC participant executing the Notice of Guaranteed Delivery must also comply with ATOP's procedures applicable to guaranteed delivery. Interest will cease to accrue on the Payment Date for all Eligible Notes accepted in the Tender Offer, including those tendered through the guaranteed delivery procedures.

The Eligible Institution that completes the Notice of Guaranteed Delivery must (i) deliver a Notice of Guaranteed Delivery to the Tender Agent and comply with ATOP's procedures applicable to guaranteed delivery and (ii) must deliver the Letter of Transmittal or Agent's Message, together with confirmation of book-entry transfer thereof, to the Tender Agent, in each case, within the time period stated above. Failure to do so could result in a financial loss to such Eligible Institution.

Lost or Missing Certificates

If a Holder desires to tender Eligible Notes pursuant to the Tender Offer, but the certificates representing such Eligible Notes have been mutilated, lost, stolen or destroyed, such Holder should write to or telephone the Trustee at the address or telephone number listed below, about procedures for obtaining replacement certificates for such Eligible Notes or arranging for indemnification or any other matters that require handling by the Trustee:

Deutsche Bank Trust Company Americas
Trust and Agency Services
60 Wall Street, 16th Floor
Mailstop: NYC 60-1630
New York, New York 10005
United States of America
Attn: Corporate Team, Banco Hipotecario
F: +1-732-578-4635

Other Matters

Notwithstanding any other provision hereof, payment for Eligible Notes accepted for purchase pursuant to the Tender Offer will in all cases be made only after timely receipt by the Tender Agent of (i) certificates for, or a timely Book-Entry Confirmation with respect to, such Eligible Notes, (ii) a properly completed and validly executed Letter of Transmittal (or a facsimile thereof), with any required signature guarantees, or, in the case of a tender through ATOP, an Agent's Message, and (iii) any other documents required by the Letter of Transmittal (including, when applicable, a properly completed Notice of Guaranteed Delivery). Under no circumstances will interest be paid on the Consideration as a result of any delay in making such payment, although we will pay accrued and unpaid interest on the Eligible Notes to, but excluding, the Payment Date.

Tenders of Eligible Notes pursuant to any of the procedures described above, and acceptance thereof by us, will constitute a binding agreement between us and the tendering Holder of such Eligible Notes, upon the terms and subject to the conditions of the Tender Offer, which agreement will be governed by, and construed in accordance with, the laws of the State of New York.

By executing a Letter of Transmittal as set forth above (or by tendering Eligible Notes through book-entry transfer or by delivery of a Notice of Guaranteed Delivery), and subject to and effective upon acceptance for purchase of, and payment for, the Eligible Notes tendered therewith, a tendering Holder: (i) irrevocably sells, assigns and transfers to us, or upon our order, all right, title and interest in and to all the Eligible Notes tendered thereby pursuant to the Tender Offer; (ii) waives any and all other rights with respect to the Eligible Notes tendered pursuant to the Tender Offer (including the tendering Holder's waiver of any existing or past defaults and their consequences in respect of the Eligible Notes and the Indenture under which the Eligible Notes were issued); (iii) releases and discharges us from any and all claims such Holder may have now, or may have in the future, arising out of, or related to, the Eligible Notes tendered pursuant to the Tender Offer, including any claims that such Holder is entitled to receive additional principal or interest payments with respect to the Eligible Notes or to participate in any redemption or defeasance of the Eligible Notes; and (iv) irrevocably constitutes and appoints the Tender Agent as the true and lawful agent and attorney-in-fact of such Holder with respect to any such tendered Eligible Notes (understanding that the Tender Agent is also acting as our agent), with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (a) deliver certificates representing such Eligible Notes, or transfer ownership of such Eligible Notes on the account books maintained by DTC, together, in any such case, with all accompanying evidences of transfer and authenticity, to us, (b) present such Eligible Notes for transfer on the relevant security register, and (c) receive all benefits or otherwise exercise all rights of beneficial ownership of such Eligible Notes (except that the Tender Agent will have no rights to, or control over, funds from us, except as agent for the tendering Holders, for the Consideration and accrued and unpaid interest for any Eligible Notes tendered pursuant to the Tender Offer that are purchased by us), all in accordance with the terms of the Tender Offer.

The Holder, by tendering its Eligible Notes, represents and warrants that the Holder (i) owns the Eligible Notes tendered and is entitled to tender such Eligible Notes and (ii) has full power and authority to tender, sell, assign and transfer the Eligible Notes tendered and that, when the same are accepted for purchase by us, we will acquire good, marketable and unencumbered title thereon, free and clear of all liens, restrictions, charges and encumbrances, and the same will not be subject to any adverse claims.

The Holder will, upon request, execute and deliver any additional documents deemed by the Tender Agent or us to be necessary or desirable to complete the sale, assignment and transfer of the Eligible Notes tendered pursuant to the Tender Offer.

All questions as to the form of all documents and the validity (including time of receipt) and acceptance or withdrawal of all tenders of Eligible Notes will be determined by us, in our sole discretion, the determination of which shall be final and binding. We reserve the absolute right, in our sole discretion, to reject any or all tenders of Eligible Notes that are not in proper form or the acceptance or withdrawal of which, in our opinion, may be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular Eligible Notes whether or not similar defects or irregularities are waived in the case of other Holders. A waiver of any defect or irregularity with respect to the tender of one Note shall not constitute a waiver of the same or any other defect or irregularity with respect to the tender of any other Note.

Our interpretation of the terms and conditions of the Tender Offer (including the instructions in the Letter of Transmittal) will be final and binding.

Any defect or irregularity in connection with tenders of Eligible Notes must be cured within such time as we determine, unless waived by us. Tenders of Eligible Notes shall not be deemed to have been made until all defects and irregularities have been waived by us or cured. A defective tender of Eligible Notes (which defect is not waived by us) will not constitute a valid tender of Eligible Notes. None of the

Bank, the Tender Agent, the Trustee, the Information Agent, the Dealer Managers or any other person will be under any duty to give notice of any defects or irregularities in tenders of Eligible Notes, or will incur any liability to Holders for failure to give any such notice.

WITHDRAWAL OF TENDERS; NO APPRAISAL RIGHTS

Eligible Notes tendered prior to the Expiration Time may be validly withdrawn at any time before the earlier of (i) the Expiration Time, and (ii) if the Tender Offer is extended, the 10th business day after commencement of the Tender Offer. Eligible Notes subject to the Tender Offer may also be validly withdrawn in the event the Tender Offer has not been consummated within 60 business days after commencement of the Tender Offer. To withdraw tendered Eligible Notes, a Holder must follow the procedures set forth below.

Holders who wish to exercise their right of withdrawal with respect to the Tender Offer must give written notice of withdrawal by mail, hand delivery or manually signed facsimile transmission, or a properly transmitted “Request Message” through ATOP, which notice must be received by the Tender Agent at one of its addresses set forth on the back cover of this Offer to Purchase (or, in the case of Eligible Notes tendered by book-entry transfer, through ATOP). In order to be valid, a notice of withdrawal must specify the name of the person who deposited the Eligible Notes to be withdrawn (the “Depositor”), the name in which the Eligible Notes are registered (or, if tendered by book-entry transfer, the name of the participant in DTC whose name appears on the security position listing as the owner of such Eligible Notes), if different from that of the Depositor, and a description of the Eligible Notes to be withdrawn (including the principal amount of Eligible Notes to be withdrawn). If certificates have been delivered or otherwise identified (through confirmation of book-entry transfer of such Eligible Notes) to the Tender Agent, the name of the Holder and the certificate number or numbers relating to such Eligible Notes withdrawn must also be furnished to the Tender Agent as aforesaid prior to the physical release of the certificates for the withdrawn Eligible Notes (or, in the case of Eligible Notes transferred by book-entry transfer, the name and number of the account at DTC to be credited with withdrawn Eligible Notes). The notice of withdrawal (other than a notice transmitted through ATOP) must be signed by the Holder in the same manner as the Letter of Transmittal (including, in any case, any required signature guarantees) or Notice of Guaranteed Delivery, as applicable, or be accompanied by evidence satisfactory to us that the person withdrawing the tender has the legal authority to withdraw such tender on behalf of the Holder. Holders may not rescind withdrawals of tendered Eligible Notes. However, validly withdrawn Eligible Notes may be retendered by following the procedures therefor described elsewhere in this Offer to Purchase at any time prior to the Expiration Time.

A Holder who validly withdraws previously tendered Eligible Notes will not receive the Consideration unless such Eligible Notes are retendered by the Expiration Time in accordance with the procedures and deadlines described in this Offer to Purchase. All questions as to the form and validity (including time of receipt) of any tender of a Note or withdrawal of a tender of a Note, will be determined by us, in our sole discretion, which determination shall be final and binding.

If we are delayed in our acceptance for purchase of, or payment for, the Eligible Notes or is unable to accept for purchase or pay for Eligible Notes pursuant to the Tender Offer for any reason, then, without prejudice to our rights hereunder, tendered Eligible Notes may be retained by the Tender Agent on our behalf (subject to Rule 14e-1 under the Exchange Act).

Appraisal Rights

The Eligible Notes are our debt obligations and are governed by the Indenture. There are no appraisal or other similar statutory rights available to Holders in connection with the Tender Offer.

CONDITIONS OF THE TENDER OFFER

Notwithstanding any other provision of the Tender Offer, we will not be required to accept for purchase, or to pay for, Eligible Notes tendered pursuant to the Tender Offer and may terminate, extend or amend the Tender Offer and may (subject to Rule 14e-1 under the Exchange Act) postpone the acceptance for purchase of, and payment for, Eligible Notes so tendered, if, prior to the Expiration Time, the satisfaction of the Financing Condition and the General Conditions set forth in the following paragraphs has not occurred. We reserve the right to waive any and all conditions of the Tender Offer.

For purposes of the foregoing provision, the “Financing Condition” shall be deemed to be satisfied if the proposed New Notes Offering of US\$500 million aggregate principal amount of new senior notes shall be consummated on terms and conditions satisfactory to us in our sole discretion.

For purposes of the foregoing provision, all of the “General Conditions” shall be deemed to be satisfied, unless any of the following conditions shall occur and not be waived:

1. there shall have been instituted, threatened or be pending any action or proceeding before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the Tender Offer, that is, or might be, in our judgment, materially adverse to the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of us, our subsidiaries or our affiliates taken as a whole, or that would or might, in our judgment, prohibit, prevent, restrict or delay consummation of the Tender Offer;
2. an order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in our judgment, would or might prohibit, prevent, restrict or delay consummation of the Tender Offer, or which is or might be materially adverse to the business, operations, properties, condition (financial or otherwise) assets, liabilities or prospects of us, our subsidiaries or our affiliates taken as a whole;
3. there shall have occurred or be likely to occur any other event or development which would or might, in our judgment, (i) materially adversely affect the business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects of us, our subsidiaries or our affiliates or (ii) prohibit, prevent, restrict or delay consummation of the Tender Offer or impair the contemplated benefits to us of the Tender Offer;
4. the Trustee under the Indenture shall have objected in any respect to or taken any action that could, in our judgment, adversely affect the consummation of the Tender Offer or shall have taken any action that challenges the validity or effectiveness of the procedures used by us in the making of the Tender Offer or the acceptance of, or payment for, the Eligible Notes;
5. there shall exist, in our judgment, any actual or threatened legal impediment (including a default under an agreement, indenture or other instrument or obligation to which we or any of our subsidiaries is a party, or by which we or they are bound) to the acceptance for purchase of, or payment for, any of the Eligible Notes; or

6. there shall have occurred (a) any general suspension of shortening of hours for, or limitation on prices for, trading in securities in Argentina, the United States or any member country of the European Union, (b) any significant adverse change in the price of any of the Eligible Notes which impairs the contemplated benefits to us of the Tender Offer, (c) a material impairment in the trading market for debt securities, (d) a declaration of a banking moratorium or any suspension of payments in respect of banks (whether or not mandatory), or any suspension of or default in payments by any government or governmental, administrative or regulatory authority or agency, in currency exchange rates for Argentina, the United States or any member country of the European Union, (e) any change in currency exchange rates for Argentina, the United States or any member country of the European Union or a suspension of, or material limitation on, the markets therefor, (f) any other limitation or action by any government or governmental, administrative or regulatory authority or agency, domestic or foreign, or other event that, in our judgment, might affect the extension of credit by banks or other lending institutions, (g) any (i) outbreak or escalation of hostilities or acts of terrorism or declaration of a national emergency or war or (ii) other calamity or crisis or any change in political, financial or economic conditions or (h) in the case of any of the foregoing existing on the date hereof, a material acceleration or worsening thereof.

The Financing Condition and the General Conditions are for our sole benefit, and the failure of any such condition to be satisfied may be asserted by us regardless of the circumstances, including any action or inaction by us, giving rise to any such failure, and any such failure may be waived by us in whole or in part at any time and from time to time in our sole discretion. Any determination made by us concerning any event, development or circumstance described or referred to above will be conclusive and binding. There can be no assurance that the New Notes Offering will be completed on a timely basis, if at all.

If any of such conditions shall not have been satisfied, subject to the termination rights as described above, we may (1) return Eligible Notes tendered thereunder to the Holders who tendered them, (2) extend the Tender Offer and retain all Eligible Notes tendered thereunder until the expiration of such extended Tender Offer, or (3) amend the Tender Offer in any respect by giving written notice of such amendment to the Information Agent and as otherwise required by applicable law. If we make a material change in the terms of the Tender Offer, including making a material change to the principal amount of Eligible Notes being sought, or make any change in the Consideration, we will, to the extent required by law, disseminate additional Tender Offer materials and/or extend the Tender Offer. We may extend the Tender Offer at any time for any reason. We also reserve the right at any time to waive satisfaction of any and all conditions to the Tender Offer. Our failure at any time to exercise any of the foregoing rights will not be deemed a waiver of any other right, and each right will be deemed an ongoing right which may be asserted at any time and from time to time. See “Expiration Time; Extension; Amendment; Termination.”

DEALER MANAGERS; INFORMATION AGENT; TENDER AGENT

We have retained Merrill Lynch, Pierce, Fenner & Smith Incorporated and Itau BBA USA Securities, Inc. to act as Dealer Managers for the Tender Offer. In their capacities as Dealer Managers, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Itau BBA USA Securities, Inc. may contact Holders regarding the Tender Offer and may request Custodians to forward this Offer to Purchase and related materials to beneficial owners of Eligible Notes.

We have agreed to reimburse the Dealer Managers for their reasonable out-of-pocket expenses for their services in connection with the Tender Offer. We have also agreed to indemnify the Dealer Managers and their respective affiliates against certain liabilities under federal or state law or otherwise caused by, relating to or arising out of the Tender Offer.

The Dealer Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Dealer Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the Dealer Managers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Dealer Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including the Eligible Notes. Any such short positions could adversely affect trading prices of the Eligible Notes. The Dealer Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. The Dealer Managers are also acting as initial purchasers with the proposed New Notes Offering.

D.F. King & Co., Inc. has been appointed the Information Agent with respect to the Tender Offer. We will pay the Information Agent customary fees for its services and reimburse the Information Agent for its reasonable out-of-pocket expenses in connection therewith. We have also agreed to indemnify the Information Agent for certain liabilities. Requests for additional copies of documentation may be directed to the Information Agent at the address and telephone number set forth on the back cover of this Offer to Purchase.

D.F. King & Co., Inc. has been appointed the Tender Agent for the Tender Offer. All deliveries and correspondence sent to the Tender Agent should be directed to the Tender Agent's address set forth on the back cover of this Offer to Purchase. We will pay the Tender Agent customary fees for its services and reimburse the Tender Agent for its reasonable out-of-pocket expenses in connection therewith. We have also agreed to indemnify the Tender Agent for certain liabilities.

We will pay brokerage houses and other Custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of the Offer Documents and related documents to the beneficial owners of Eligible Notes.

None of the Dealer Managers, the Information Agent or the Tender Agent assumes any responsibility for the accuracy or completeness of the information concerning us or our affiliates contained in this Offer to Purchase or related documents or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information.

NONE OF THE BANK, THE TRUSTEE, THE DEALER MANAGERS, THE INFORMATION AGENT OR THE TENDER AGENT MAKES ANY RECOMMENDATION TO YOU AS TO WHETHER OR NOT YOU SHOULD TENDER YOUR ELIGIBLE NOTES UNDER THE TENDER OFFER, AND NO ONE HAS BEEN AUTHORIZED BY ANY OF THEM TO MAKE ANY SUCH RECOMMENDATION. HOLDERS SHOULD MAKE THEIR OWN DECISION AS TO WHETHER TO TENDER ELIGIBLE NOTES.

MISCELLANEOUS

The Tender Offer is not being made to (nor will tenders of Eligible Notes be accepted from or on behalf of) Holders of Eligible Notes in any jurisdiction in which the making or acceptance of the Tender Offer would not be in compliance with the laws of such jurisdiction. See “Jurisdictional Restrictions.” However, we, in our sole discretion, may take such action as it may deem necessary to make or extend the Tender Offer in any such jurisdiction.

No person has been authorized to give any information or make any representation on our behalf that is not contained in the Offer Documents and, if given or made, such information or representation should not be relied upon.

Capitalized terms defined herein shall have the meanings set forth herein, as such terms may be amended or modified.

THE ELIGIBLE NOTES

The following chart sets forth certain summary information with respect to the Eligible Notes:

Certain Features of the Eligible Notes

Title	Annual Interest Rate	Interest Payment Dates	Maturity Date
9.75% Notes due 2016, Series 5.....	9.75% per annum	Semi-annually, on April 27 and October 27 of each year	The notes will be repaid in full on April 27, 2016.

Principal Amounts of Eligible Notes

Title	Original Principal Amount	Principal Amount Outstanding (as of September 30, 2015)
9.75% Notes due 2016, Series 5.....	US\$250,000,000	US\$211,071,000

We may at any time repurchase any Eligible Notes in any manner and for any consideration.

The Eligible Notes are listed on the Euro MTF Market of the Luxembourg Stock Exchange, the Mercado de Valores de Buenos Aires S.A. (Buenos Aires Stock Exchange) and the Mercado Abierto Electrónico S.A.

The foregoing is qualified in its entirety by the forms of Eligible Notes and the related indenture, copies of which are on file and available for inspection at the offices of the Information Agent.

For your convenience, the clearing numbers for the Eligible Notes are listed in the table below:

CUSIPs	ISINs	Common Codes
05961A AC 7	US05961AAC71	025281411
P1330H BD 5	USP1330HBD54	025275098

TAXATION

The following discussion summarizes certain Argentine income tax considerations and United States federal income tax considerations that may be relevant to you if you accept the Tender Offer for your Eligible Notes. This summary is based on laws, regulations, rulings and decisions now in effect in Argentina and in the United States and such laws, regulations, rulings and decisions may change. Any change could apply retroactively and could affect the continued validity of this summary.

This summary does not describe all of the tax considerations that may be relevant to you or your situation, particularly if you are subject to special tax rules. You should consult your tax adviser about the tax consequences of accepting the Tender Offer for your Eligible Notes, including the relevance to your particular situation of the considerations discussed below, as well as of state, local or other tax laws.

Argentine Taxation

The following discussion describes certain Argentine income tax considerations that may be relevant to you if you accept the Tender Offer. The discussion is based upon the tax laws, decrees, regulations, rulings and judicial and administrative interpretations as in effect on the date of this Offer to Purchase, all of which are subject to change, possibly with retroactive effect. The discussion is not a comprehensive description of all of the tax considerations that may be relevant to any particular investor.

Income Tax

Capital Gains

Under Section 36 and 36 bis of the Argentine Negotiable Obligations Law No 23,576 (the “Negotiable Obligations Law”), the results obtained by individuals and foreign entities that do not have a permanent establishment in Argentina from the disposal of negotiable obligations that comply with certain conditions are exempt from Argentine income tax (“IT”). Such required conditions (the “Requirements”) are:

(a) the notes must be placed through a public offering authorized by the CNV in compliance with Resolution No. 1738/2004 issued by the Argentine tax authority (the “AFIP”), as amended and supplemented (the “AFIP Resolution”);

(b) the proceeds of the placement must be used by the Bank for (i) working capital in Argentina, (ii) investments in tangible assets located in Argentina, (iii) refinancing of debts, (iv) contributions to the capital of a controlled or related corporation, provided the latter uses the proceeds of such contribution for the purposes specified in this section (b), or (v) making loans for any of the purposes described in this section (b); and

(c) the Bank must provide evidence to the CNV, in the time and manner prescribed by regulation, as to the use of the proceeds of the offering for any of the purposes described in paragraph (b) above.

The Bank believes it has complied with the Requirements of the Negotiable Obligations Law, described above, in all material respects and therefore all principal and payments made by the Bank in connection with the Eligible Notes will not be subject to the IT.

If the Argentine tax authorities find that the Bank did not comply with the Requirements of the Negotiable Obligations Law, notwithstanding the penalties applicable under the Procedural Tax Law, the holders of Eligible Notes that are individuals or foreign entities will not be subject to any withholding by the Bank, as Section 38 of the Negotiable Obligations Law provides that the Bank shall be solely responsible for payment of any amounts that should have been withheld in connection with any interest payments made by the Bank to individuals or foreign entities on the Eligible Notes. The Argentine tax authorities would apply the 35% maximum rate established by Section 90 of the Income Tax Law.

The AFIP through General Resolution No. 1516/2003, as amended by General Resolution No. 1578/2003, regulates the payment of income tax by the Bank in the event any of the Requirements is considered not to have been fulfilled.

Argentine law provides that, in general, tax exemptions do not apply when, as a result of the application of an exemption, funds may be transferred to foreign tax authorities (Sections 21 of the Income Tax Law and 106 of the Argentine Tax Procedure Law). This principle, however, does not apply to holders of Eligible Notes who are foreign beneficiaries.

Therefore, the exemption established under Section 36 and Section 36 bis of the Negotiable Obligations Law is applicable only to: (i) Argentine resident and non-Argentine resident individuals (including undivided estates) and (ii) foreign beneficiaries (either individuals or legal entities). The exemption is not applicable to Argentine companies subject to the tax adjustment for inflation rules of the Argentine Income Tax Law (“Excluded Holders”) pursuant to Section 4 of Decree No. 1076/1992.

However, Excluded Holders are subject to IT on the capital gains derived from the sale or other disposition of the Eligible Notes, as prescribed by Argentine tax regulations, at the rate of 35%.

To the extent the Eligible Notes have complied with the Requirements, the results derived from the tender of the Eligible Notes pursuant to the Tender Offer should be treated as capital gains and therefore, exempt or, as provided for in the preceding paragraph, subject to tax.

Interest

Accrued and unpaid interest on the Eligible Notes paid by the Bank to Argentine resident and non-Argentine resident individuals and foreign entities that do not have a permanent establishment in Argentina will be exempt from IT, provided the Bank has complied with the Requirements.

The Bank believes it has complied with the Requirements of the Negotiable Obligations Law, described above, in all material respects and therefore interest payments made by the Bank in connection with the Eligible Notes will not be subject to IT.

However, Excluded Holders are subject to IT on interest derived from the Eligible Notes, as prescribed by Argentine tax regulations, at the rate of 35%.

Value Added Tax

To the extent the Eligible Notes satisfy the Requirements, the transfer thereof is exempted from value added tax (“VAT”) in Argentina.

Tax on Debits and Credits on Bank Accounts

Law No. 25,413, as amended and regulated, establishes, with certain exceptions, a tax levied on debits from and credits to bank accounts maintained at financial institutions located in Argentina and on other transactions that are used as a substitute for the use of bank checking accounts. The general tax rate is 0.6% for each debit and credit; however, an increased rate of 1.2% and a reduced rate of 0.075% may apply in certain cases. To the extent that holders of the Eligible Notes receive payments by utilizing local bank checking accounts, such tax may apply.

Decree No. 534/2004 established that 34% of the amounts paid on account of this tax for taxable events covered by Section 1 a) of the above-mentioned Law (only credits) at the 0.6% general rate, and 17% of the tax paid on transactions levied at the 1.2% rate under paragraphs b) and c) of such Law, will be considered as a payment on account of IT, the Presumed Minimum Income Tax (the “PMIT”) or the special contribution on cooperatives capital by the bank account holders. Debits and credits in banking accounts opened by foreign entities in accordance with Communication “A” 3250 of the Central Bank and used for conducting financial investments in Argentina are exempt from this tax in accordance with Section 10, paragraph s) of Decree No. 380/2001.

Gross Turnover Tax

Holders who perform activities on a regular basis in any local jurisdiction, and obtain revenues derived from the disposal of notes such as the Eligible Notes or from interest accrued in relation to such notes, could be subject to gross turnover tax in the relevant local jurisdiction, unless an exemption applies.

Pursuant to the provisions of the Tax Code applicable in the City of Buenos Aires and the Province of Buenos Aires (Section 179.1 second paragraph of the City of Buenos Aires Tax Code, and Section 207.C second paragraph of the Province of Buenos Aires Tax Code), collection of interest and currency updates and profits derived from the sale of notes issued in accordance with Law No. 23,576 and Law No. 23,962 would be exempt from gross turnover tax to the extent such transactions are also exempted from IT. The exemption does not apply to brokers and financial intermediaries.

Provincial Collection Regimes Upon Credits on Bank Accounts

Different tax authorities (i.e., City of Buenos Aires, Corrientes, Córdoba, Tucumán, Province of Buenos Aires, Salta, etc.) have established collection regimes for turnover tax purposes applicable to those credits verified in accounts opened at financial entities, from whatever type and/or nature, including all branch offices, irrespective of their territorial location. These regimes apply to those taxpayers included in the lists provided monthly by the tax authorities of each jurisdiction. The applicable rates may vary depending on the jurisdiction involved. Collections made under these regimes shall be considered as a payment on account of the turnover tax. Note that certain jurisdictions have excluded the application of these regimes on certain financial transactions. Holders should corroborate the existence of any exclusion to these regimes in accordance with the jurisdiction involved.

Stamp Tax

The stamp tax is a local tax that is generally levied on instruments documenting onerous transactions executed within a certain provincial jurisdiction or within the City of Buenos Aires or outside such jurisdictions but with effects therein.

However, under the Tax Codes of main provinces, any actions, contracts, transactions, including money delivery or receipt transactions, related to the issuance, subscription, placement and transfer of notes issued pursuant to the Negotiable Obligations Law regime are exempted from application of stamp tax.

In general, the exemption include capital increases made for the issuance of shares to be delivered, conversion of notes and creation of any real or personal guarantees in favor of investors or third parties guaranteeing the issuance, either prior to, simultaneous with or subsequently to such issuance. Any instruments, actions and transactions related to the issuance of securities representing debt of their issuers and any other securities for public offering under the Capital Markets Law by companies authorized by the CNV for public offering purposes are also exempted from this tax.

However, for some jurisdictions this exemption is forfeited if, within a 90 calendar days' term, the relevant authorization is not requested for the public offering of such securities before the CNV and/or if placement of the securities is not made within 180 calendar days counted as from granting of such authorization.

Considering the autonomous authority vested in each provincial jurisdiction in connection with tax matters, any potential effects derived from the Tender Offer must be analyzed, in addition to the tax treatment established by the other provincial jurisdictions.

Court Taxes

Should it become necessary to institute legal actions in relation to the Eligible Notes in Argentina, a court tax will be imposed on the amount of any claim brought before the Argentine courts sitting in the City of Buenos Aires (currently at a rate of 3.0%).

United States Federal Income Taxation

The following is a general discussion of certain U.S. federal income tax considerations relating to the sale of Eligible Notes by U.S. Holders (as defined below) pursuant to the Tender Offer. This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), final, temporary and proposed Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, all as in effect or proposed on the date hereof and all of which are subject to change or different interpretations, possibly with retroactive effect. This discussion is limited to U.S. Holders who hold the Eligible Notes as capital assets within the meaning of Section 1221 of the Code. Moreover, this discussion is general in nature and does not address all of the U.S. federal income tax consequences that may be relevant to particular investors in light of their personal circumstances or to certain types of investors subject to special treatment under U.S. federal income tax laws (such as U.S. Holders having a functional currency other than the U.S. dollar, certain expatriates or former long-term residents of the United States, financial institutions, persons subject to the alternative minimum tax, grantor trusts, partnerships or other pass-through entities, regulated investment companies, real estate investment trusts, insurance companies, tax-exempt entities, dealers in securities or currencies, traders in securities who elect to apply a mark-to-market method of accounting, persons holding the Eligible Notes in connection with a hedging transaction, straddle, conversion transaction or other integrated transaction or corporations treated as personal holding companies).

As used herein, the term "U.S. Holder" means a beneficial owner of an Eligible Note that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;

- a corporation (or any other entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is includible in gross income for U.S. federal income tax purposes, regardless of its source; or
- a trust (1) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust, or (2) that has a valid election in effect under Treasury regulations to be treated as a U.S. person.

If any entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Eligible Notes, the tax treatment of a partner will generally depend upon the status of the partner and upon the activities of the partnership. We suggest that partners of a partnership holding Eligible Notes consult their own tax advisors.

This discussion is only a general summary and is not a substitute for an individual analysis of the tax consequences relating to tenders of the Eligible Notes pursuant to the Tender Offer. Holders should consult their own tax advisors as to the particular tax consequences to them of tendering Eligible Notes pursuant to the Tender Offer, including the applicability of any U.S. federal income and other tax laws (such as the Medicare tax on net investment income), any state, local or foreign tax laws or any treaty, and any changes (or proposed changes) in tax laws or interpretations thereof.

Tenders of Eligible Notes Pursuant to the Tender Offer

Generally, a U.S. Holder who receives cash in exchange for Eligible Notes pursuant to the Tender Offer will recognize gain or loss for U.S. federal income tax purposes equal to the difference between (1) the amount of cash received in exchange for those Eligible Notes, except to the extent that such cash is attributable to accrued but unpaid interest (as discussed below under “—Accrued Interest”) and (2) the U.S. Holder’s adjusted tax basis in those Eligible Notes at the time of the exchange.

Generally, a U.S. Holder’s adjusted tax basis for an Eligible Note will be equal to the cost of the Eligible Note to the U.S. Holder. If applicable, a U.S. Holder’s tax basis in an Eligible Note also generally will be (1) increased by any market discount previously included in income by the U.S. Holder, and (2) decreased (but not below zero) by any amortizable bond premium that the U.S. Holder has previously amortized. Amortizable bond premium generally is the excess of a U.S. Holder’s tax basis in the Eligible Note immediately after its acquisition over the stated principal amount of the Eligible Note.

Subject to the market discount rules described below, any gain or loss recognized on disposition of the Eligible Notes pursuant to the Tender Offer generally will be capital gain or loss from U.S. sources and will be long-term capital gain or loss if, at the time of the disposition, the U.S. Holder’s holding period for the Eligible Notes is more than one year. A reduced tax rate on long-term capital gain is generally available to individual and other non-corporate U.S. Holders. The deductibility of capital losses by a U.S. Holder is subject to limitations. Gain or loss will be computed separately for each Eligible Note sold by a tendering U.S. Holder.

Market Discount

A U.S. Holder that purchased an Eligible Note at a “market discount” generally will be required to treat any gain on the sale of that Eligible Note as ordinary income from foreign sources to the extent of

the market discount accrued to the date of the disposition (on a straight line basis or, if elected, on a constant yield basis), less any portion of such accrued market discount previously included in the U.S. Holder's income pursuant to an election. Subject to a statutory de minimis exception, market discount is the excess of the Eligible Note's stated principal amount over the U.S. Holder's tax basis in the Eligible Note immediately after its acquisition by such U.S. Holder.

Accrued Interest

Any cash received by a U.S. Holder in exchange for Eligible Notes pursuant to the Tender Offer that is attributable to accrued but unpaid interest on the Eligible Notes will be taxable as ordinary income from foreign sources to the extent such interest has not previously been included in the U.S. Holder's gross income.

Backup Withholding and Information Reporting

In general, information reporting will apply to all payments made to a U.S. Holder pursuant to the Tender Offer. Backup withholding (at a current rate of 28%) may apply to such payments if the U.S. Holder fails to:

- furnish his, her or its taxpayer identification number (social security or employer identification number);
- certify that his, her or its number is correct;
- certify that he, she, or it is not subject to backup withholding; or
- otherwise comply with the requirements of the backup withholding rules.

A U.S. Holder generally can satisfy these certification and other requirements by completing the Internal Revenue Service ("IRS") Form W-9 included in the Letter of Transmittal. Certain U.S. Holders (including corporations) are not subject to backup withholding and information reporting requirements. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a U.S. Holder will be allowed as a credit against such U.S. Holder's U.S. federal income tax liability and may entitle the holder to a refund, so long as the required information is timely furnished to the IRS.

JURISDICTIONAL RESTRICTIONS

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the offer to purchase and you are therefore advised to read this disclaimer page carefully before reading or making any other use of the offer to purchase. In reading the offer to purchase, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from the Dealer Managers, the Information Agent or the Tender Agent.

Confirmation of your representation: You have been sent the offer to purchase at your request and on the basis that:

- (i) you are not resident or located in Italy and the electronic mail address that you gave us and to which this email has been delivered is not located in Italy,
- (ii) you are a holder or a beneficial owner of the Eligible Notes;
- (iii) you are a person to whom it is lawful to send the attached offer to purchase or to make an invitation pursuant to the offer under applicable laws and regulations; and
- (iv) you consent to delivery of the offer to purchase by electronic transmission to you.

The offer to purchase has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Bank, the Dealer Managers, the Information Agent, the Tender Agent or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the offer to purchase distributed to you in electronic format and the hard copy version available to you on request from the Dealer Managers, the Information Agent or the Tender Agent.

If you have sold or otherwise transferred all of your Notes, please forward the offer to purchase to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee, provided (a) the offer to purchase may be lawfully delivered to such person in accordance with the laws and regulations of the jurisdiction where such person is located and resident, and (b) such person gives the representations set out in (i) to (iii) above.

You are otherwise reminded that the offer to purchase has been sent to you on the basis that you are a person into whose possession the offer to purchase may be lawfully delivered in accordance with the laws and regulations of the jurisdiction in which you are located and resident and, except as specified above, you may not nor are you authorized to deliver the offer to purchase to any other person.

Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell securities in the Republic of Italy or any other jurisdiction in which such offer or solicitation would be unlawful. The distribution of the offer to purchase in certain jurisdictions may be restricted by laws and regulations. Persons who receive the offer to purchase are required by us, the Dealer Managers, the Information Agent and the Tender Agent to inform themselves of, and to observe, any such restrictions.

Argentina

This offer will be made to investors in Argentina using a separate Spanish-language offer to purchase. The CNV will not issue an opinion with regard to the information contained in this Offer to Purchase nor in the Spanish language Offer to Purchase.

Belgium

This offer is not a public offer as defined under Article 2 of the Belgian Royal Decree of 7 July 1999 on the public character of financial transactions. This document has not been and will not be notified to the Belgian Banking, Finance and Insurance Commission (*Commissie voor het Bank-, Financie- en Assurantiewezen/Commission bancaire, financière et des assurances*) nor has this document been nor will it be approved by the Belgian Banking, Finance and Insurance Commission. The offer is limited, in Belgium, to certain professional investors as defined under Article 3 of the Belgian Royal Decree of 7 July 1999 on the public character of financial transactions, to which this document is specifically addressed. Only such professional investors are entitled to accept the offer. Dissemination of this document in Belgium is prohibited. This document is for the confidential use of the intended recipient only, and may not be reproduced, sent or used for any other purpose.

France

The offer is not being made and will not be made, directly or indirectly, to the public in the Republic of France. Only (i) qualified investors (*investisseurs qualifiés*) and/or (ii) a restricted group of investors on the condition that they will invest for their own account (*cercle restreint d'investisseurs*) all as defined and in accordance with Article L. 4111-2 of the French *Code Monétaire et Financier* and decree no. 98-880 dated 1 October 1998 are eligible to accept the Offer in France.

Germany

No sales prospectus has been published according to the German Securities Sales Prospectus Act (*Wertpapier-Verkaufsprospektgesetz*). Accordingly, this offer is only made to persons who purchase and/or sell securities (as principal or agent) as part of their profession or business. Recipients of this offer confirm that they purchase and/or sell securities (as principal or agent) as part of their profession or business and agree that they have not and will not pass on the invitation to persons in Germany except to persons who purchase and/or sell securities (as principal or agent) as part of their profession or business.

Italy

This offer is not being made in the Republic of Italy. This Offer to Purchase has not been submitted to the clearance procedure of the *Commissione Nazionale per la Società e la Borsa* (CONSOB) pursuant to Italian laws and regulations. Holders of Eligible Notes are hereby notified that, if they are Italian residents, the Tender Offer is not available to them; no tenders of Eligible Notes will be accepted from them; and any such tenders shall be ineffective and void. Neither this Offer to Purchase nor any other offering material relating to the Tender Offer may be distributed or made available in the Republic of Italy.

Jersey

No advice on the merits of the purchase, sale, subscription for or underwriting of any investment referred to or described in this Offer to Purchase or the exercise of any rights conferred by any such investment is being given by us, the Dealer Managers or the Information Agent. This offer is personal to the person to whom this Offer to Purchase is being delivered and must not be acted on or relied on by any other person.

United Kingdom

This communication is directed only at persons who (a) have professional experience in matters relating to investments who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (b) are holders of Notes to whom this communication may lawfully be communicated or caused to be communicated pursuant to Article 43 of the Order or (c) are outside of the United Kingdom. Any investment or investment activity to which this communication relates is available to and will only be engaged in with such persons. Persons within the United Kingdom who receive this communication (other than persons falling within (ii) and (iii) above) should not rely on or act upon this communication.

Uruguay

This offer is made to, and directed at, only those persons who are current holders of the Eligible Notes. For the purposes of Uruguayan laws, this offer is not registered with the Central Bank of Uruguay and shall constitute a private offer (“*oferta privada*”) under section 2 in fine of Uruguayan law 16,749.

The Information Agent for the Tender Offer is:

D.F. King & Co., Inc.

London

1 Ropemaker Street, 11th Floor
London EC2Y 9AW
United Kingdom
T: +44 (0)207 920 9700

New York

48 Wall Street, 22nd Floor
New York, NY 10005
United States of America
T: +1 (212) 269-5550
Toll Free: + (877) 283-0317
E: bhip@dfking.com

The Tender Agent for the Tender Offer is:

D.F. King & Co., Inc.

48 Wall Street, 22nd Floor
New York, NY 10005
United States of America

By Facsimile:
(For Eligible Institutions only)
(212) 709-3328

Confirmation:
(212) 493-6940
Attn: Krystal Scrudato

Any questions or requests for assistance may be directed to the Dealer Managers. A Holder may also contact such holder's broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Tender Offer.

The Dealer Managers for the Tender Offer are:

Itau BBA USA Securities, Inc.
767 5th Ave, 50th Floor
New York, New York 10153
Attention: Syndicate Desk
Telephone: +1 (212) 710-6749
US toll-free: +1 (888) 770-4828

Merrill Lynch, Pierce, Fenner & Smith
Incorporated
One Bryant Park
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