

Buenos Aires, April 24, 2003.

Board of Directors of the Central Bank of the Argentine Republic
The National Executive Power
The Congress of the Nation

As regular Comptroller for the Central Bank of the Argentine Republic (hereinafter called “the Central Bank”) I have reviewed, as described below, the Balance Sheet of the Central Bank, the Income Statements, and the Net Worth Development as of December 31, 2002, and Notes 1 to 4 and Annexes I to V to such Statements. I have signed all such documents for identification purposes only.

On the one hand, this review has been carried out in accordance with the procedures described in the Annex attached hereto, which do not comprise all the tasks necessary to give an opinion on the financial statements as a whole pursuant to the auditing rules in force.

On the other hand, the said above review has been focused on the consistency of relevant information included in the documents described in the first paragraph with the steps adopted by the Board of Directors and management of the Central Bank, and the observance of the Central Bank Charter -Act No. 24,144, as amended- and other rules applicable as regards formal and documentary requirements by such officials.

The item “Public Securities” that appears in the audited financial statements comprises holdings of US Dollar-denominated public securities issued by the National Government. Such holdings are no longer part of international reserves as set forth in the Charter referred to in the foregoing paragraph which solely authorizes the Central Bank to keep a portion of its assets as deposits or other interest-bearing placements with banking entities abroad or in instruments of known creditworthiness and liquidity payable in gold or foreign currency.

The outstanding balance presented in the fiscal year under the item “Temporary Advances to the National Government” has been duly settled on the date of this opinion as required by the Central Bank Charter, which entitles the Central Bank to make temporary advances to the National Government for an amount of up to 10% of its resources in cash collected along the last twelve months, having such funds to be reimbursed in an identical period.

Even though this financial statements have been prepared according to the rules in force during 2002, which sets out inflation adjustment, after they were completed a number of rules have been issued, among which it is important to point out Decree No. 664 dated

March 20, 2003 that revoked the last paragraph of Article 10 of Convertibility Act No. 23928, previously introduced by Article 2 of Decree No. 1269 dated July 16, 2002, and replaced Article 4 of said Act, providing that those agencies reporting to the National Executive Power mentioned therein, including the Central Bank, shall provide, within their own jurisdictions, that balance sheets or financial statements submitted before them shall have to meet the requirements of Article 10 of the Act referred to above. The application of such decree has been issued by the General Bureau of Justice through the General Resolution No. 4 adopted on April 16, 2003.

Likewise, the financial statements under analysis include rediscounts and advances granted to financial entities on account of illiquidity at nominal value plus accrued interest. It is worth mentioning that Decree No. 739 dated March 28, 2003 set forth a procedure for the collection of such rediscounts and advances under special circumstances to be voluntarily followed by debtor financial entities.

Article 12 of Act No. 25,561 –Title V- laid out that the National Executive Power would take any necessary steps to exchange those national and provincial securities issued in lieu of our domestic currency. For that purpose, Decree No. 743 – issued on March 28, 2003 - provided for a “Monetary Unification Program” through which such securities will be redeemed and replaced for legal tender.

According to the decree mentioned hereinabove –as amended and further provided by Decree No. 957 issued on April 23, 2003- securities may be redeemed by two procedures (bid and direct redemption) and the Ministry of Economy is empowered to issue public bonds (“Bonos de Gobierno Nacional en Dólares Estadounidenses Libor 2012” or “Bonos del Gobierno Nacional en Pesos 2% 2007”), at nominal value of up to seven thousands and eight hundred million (\$7,800,000,000).

As a result of the circulation of such bonds in place for legal tender, the Central Bank was forced to file complaints before the competent authorities (first in 2001 and latter several times along 2002) in accordance with the provisions set forth under Article 32 of the Central Bank Charter.

The provisions referred to in the decrees stated above will allow to assure monetary reunification, the circulation of domestic currency on an exclusive basis, full exercise of the Central Bank authorities as exclusive issuer of banknotes and coins within the Argentine Republic, and, therefore, the fulfillment of the provisions of the National Constitution (Article 75, Subparagraphs 6 and 11) and the relevant legal provisions (Central Bank Charter, Articles 30 and 31).

Based on the review performed and the statements made in the foregoing subparagraphs, I have no objections to raise as far as the financial statements described above are concerned, and consequently I advise the Board of Directors for the Central Bank to approve them.

I further inform that I have overseen the observance of the Central Bank Charter and other applicable rules by the Central Bank, by monitoring the decisions adopted at the Board of Director's meetings I have regularly attended and where I have given my opinion and made recommendations when needed in line with the authorities and duties under Article 36 of said Charter.

Annex

ANNEX TO THE REPORT FROM THE CENTRAL BANK COMPTROLLER
DESCRIPTION OF THE MAIN PROCEDURES OF REVIEW
OF THE CENTRAL BANK FINANCIAL ESTATEMENTS
AS OF DECEMBER 31, 2002

1. Read draft opinions from KPMG Finsterbusch Pickenhayn Sibille and the General Audit of the Nation (A.G.N)
2. Have access to any papers from the KPMG Finsterbusch Pickenhayn Sibille and the General Audit of the Nation (A.G.N) corresponding to the External Audit of the referred to statements.
3. Read financial statements.
4. Verify the agreement between the figures appearing in the financial statements and those in the documents evidencing transactions.
5. Have access, as Regular Comptroller, to certain documents, books and evidences of transactions.
6. Attend Board of Director's meetings.
7. Participate in work force meetings between BCRA officials, KPMG Finsterbusch Pickenhayn Sibille and the General Audit Office of the Nation - AGN - on the progress of the work done by the external auditors.
8. Read and review the work programs and reports of the General Audit of BCRA area on financial statements accounts.
9. Read and compare Summary Statements for Assets and Liabilities, daily listings of Reserve and Monetary Liability developments and other accounting information.
10. Control files of debt consolidation under Acts No. 23,982 and 25,344 and take part in Payment Request Forms under Decrees No. 2140/91 and 1116/00, respectively.
11. Follow up and control the performance of the Monetary Program.