

ALLOWANCES AND PROVISIONS AS OF DECEMBER 31, 2006
(In thousands of Argentine pesos)

Breakdown	Balances at beginning of year	Increases	Decreases	Uses	Balances at end of year
ALLOWANCES					
. Allowance for gold in bars	5,339	66	0	0	5,405
. Allowance for impairment in value of government securities	911,347	0	(12,397)	0	898,950
. Allowance on loans to the Argentine financial system	2,769,159	279,904	(298,973)	(1,661,032)	1,089,058
. Allowance for NOLs due to financial institutions' liquidation	20,661,127	10,760	(10,500)	(20,661,387)	0
. Other allowances	213,967	1,954	(152)	(67,368)	148,401
TOTAL ALLOWANCES	24,560,939				2,141,814
PROVISIONS					
. Litigation reserve	1,221,684	65,638	0	(2,171)	1,285,151
. Guarantee fund - Law No. 22,510	6,112	0	0	3,129	9,241
. Provision for implementing the monetary consolidation program	19,405	0	(19,404)	(1)	0
. Provision for conversion into pesos – Communiqué "A" 4058	1,302	80	(416)	0	966
. Other provisions	53,306	650	0	0	53,956
TOTAL PROVISIONS	1,301,809				1,349,314

NOTE: Increases and decreases in allowances and provisions are disclosed in "Allowances and provisions net of recovery" of the statement of income.

Adriana M. Fischberg
MAIN GENERAL
ACCOUNTING MANAGER

Alejandra G. Naughton
CENTRAL SERVICES
GENERAL SUBMANAGER

Carlos A. Pérez
GENERAL MANAGER

Martín P. Redrado
CHAIRMAN

Hugo R. Medina
STATUTORY AUDITOR

Signed for identification purposes with the report dated 03/29/2007