



BANCO PATAGONIA

INFORMATION REVIEW AS OF DECEMBER 31, 2010

Buenos Aires, Argentina, February 17, 2011 – Banco Patagonia S.A. (BCBA: BPAT; BOVESPA: BPAT11) reports on the consolidated income of 4th quarter (4Q10) for financial year 2010.

SUMMARY

- Banco Patagonia closed 2010 financial year having ARS 14,222.6 million in Assets, ARS 7,235.0 million in Loans, ARS 10,298.7 million in Deposits, and ARS 2,111.0 million as Shareholders' Equity. Consolidated figures exhibit Assets for ARS 14,669.8 million, Loans for ARS 7,491.3 million and Deposits for ARS 10,507.6 million.
- Net income for the quarter amounted to ARS 156.7 million, which accounts for an 11.1% quarter-on-quarter increase (ARS 141.0 million) and a 17.8% year-over-year increase (ARS 133.0 million).
- Retained earnings for the year reached ARS 481.4 million, a 7.3% year-over-year increase (ARS 448.8 million), accounting for a 24.6% ROE (average return on equity) and a 4.2% ROA (average return on assets).
- Loans granted to the non-financial private sector amounted to ARS 7,323.4 million, representing a significant 19.1% quarter-on-quarter increase (ARS 6,150.5 million), above the financial system growth, which stood at 12.2%. Accumulated increase in the year amounts to 71.9%, higher than the 37.6% growth prevailing in the system.
- Total deposits amounted to ARS 10,507.6 million, which accounts for a 22.4% increase as compared to the previous quarter (ARS 8,585.8 million), while the system total growth was 8.6%. Accumulated increase for the year amounts to 54.2% (ARS 6,814.2 million), as compared to 38.6% prevailing in the financial system.
- The non-performing portfolio ratio on total loans is 1.1%, which means a 20.4% improvement as compared to the previous quarter (1.4%) and a 49.5% improvement as compared to FY09 end (2.2%). Furthermore, coverage of non-performing portfolio with provisions is 169.1%.
- Regarding liquidity, Banco Patagonia reached a 49.4% coverage on total deposits with liquid assets. In addition, the Company continues to record high capitalization indexes, with capital surplus of ARS 1,206.4 million over the Argentine Central Bank (BCRA) requirements.
- As of December 31, 2010, Banco Patagonia S.A. employs 2,929 people and has a wide network made up of 164 customer desks all over the country, distributed in the capital and major cities in each province.

Banco Patagonia Consolidated Figures

For the purposes of drafting this Report, Banco Patagonia S.A. has consolidated line by line its balance sheet and profit and loss statement with the financial statements of its subsidiaries, Patagonia Valores S.A. Sociedad de Bolsa, Patagonia Inversora S.A. Sociedad Gerente de Fondos Comunes de Inversión, Banco Patagonia (Uruguay) S.A. I.F.E. and GPAT Compañía Financiera S.A.

I. PROFIT (LOSS) OF THE YEAR

The 2010 financial year closed with a net income after taxes of ARS 481.4 million, a 7.3% year-over-year increase (ARS 448.8 million), accounting for a 24.6% ROE (average return on equity) and a 4.2% ROA (average return on assets).

Financial income for the 2010 financial year kept at similar levels as those recorded for FY2009 (ARS 1,594.4 million vs. ARS 1,580.9 million). Greater income for interest accrual on loans to the private sector, as a result of an increased portfolio (ARS 7,323.4 million vs. ARS 4,261.0 million) were set off by a poorer result with government securities, which had shown a significant performance in FY 2009.

As regards financial expenses, there was an increase in interest paid on term deposits, as a result of an increase in their volume (ARS 3,988.2 million vs. ARS 2,262.3 million), partly set off by a lower average rate paid during FY 2010 as compared to FY 2009.

As a consequence of the above, the intermediation spread increased by 3.3%, reaching ARS 1,184.1 million as compared to ARS 1,146.6 million in the previous year.

The uncollectibility charge on loans decreased by 16.8% as a result of the stability shown in delinquency ratios and an increase in total portfolio volume, giving rise to an improvement in the non-performing portfolio index over total financing, which dropped from 2.2% in FY 2009 to 1.1% in FY 2010.

Net fee income increased by 34.2% in FY 2010, reaching ARS 462.9 million as compared to ARS 334.9 million in the previous year. All items recorded increases both in price and volume; special attention deserves income related to deposit accounts and that regarding the extension of loans and debit and credit cards.

Administrative expenses rose by 32.1%, from ARS 664.2 million in 2009 to ARS 877.6 million in 2010, due to an increase in payroll expenses as a result of certain agreements made during the year and of an increase in the payroll itself, and also to a 11.1% increase in the Company's operating expenses, which rose from ARS 151.1 million in 2009 to ARS 167.9 million in 2010.

Various income (net profits from miscellaneous losses) increased by 94.5% during FY 2010, as a result of the proceeds from the sale of fixed assets and miscellaneous assets, bad debts recovery and amortization of the negative goodwill generated by the acquisition of GPAT Compañía Financiera S.A.

Summarized Statement of Retained Earnings In million pesos	Banco Patagonia Consolidated Figures		Change (%) as of 12/31/2009
	12/31/2010	12/31/2009	
Financial Income	1,594.4	1,580.9	0.9%
Financial Expenses	410.3	434.3	-5.5%
Gross Intermediation Spread	1,184.1	1,146.6	3.3%
Uncollectibility Charge	55.5	66.7	-16.8%
Net Revenue for Services	462.9	344.9	34.2%
Administrative Expenses	877.6	664.2	32.1%
Net Operative Income	713.9	760.6	-6.1%
Miscellaneous Income / Loss	31.9	16.4	94.5%
Income before Income Tax	745.8	777.0	-4.0%
Income Tax	264.4	328.2	-19.4%
Profit (Loss) of the Year	481.4	448.8	7.3%
Quarterly Average Number of Outstanding Shares	719.2	719.2	0.0%
Quarterly Average Number of Treasury Shares	-	28.9	-100.0%
Shares Issued at quarter end	719.2	748.1	-3.9%
Earnings per Share – Amounts in pesos	0.6694	0.6240	7.3%
Earnings per BDR (*) – Amounts in pesos	13.3871	12.4805	7.3%

(*) Each BDR is equivalent to 20 common shares.

II. INCOME OF THE QUARTER

The net result of 4QFY10 was ARS 156.7 million and shows a 11.1% growth as compared to 3QFY10 (ARS 141.0 million) and 17.8% with respect to 4QFY09 (ARS 133.0 million).

Gross interest income amounted to ARS 351.0 million and was mainly due to an increase in the volume of loans to the private sector during the quarter and the income resulting from revaluation of the Bank's foreign currency position.

In addition, the non-performing portfolio on total loans index improved by 20.4% as compared to the previous quarter, reaching 1.1%, and the uncollectibility charge was ARS 12.8 million in the period.

Net fee income increased by 5.6% as compared to the previous quarter, reaching ARS 134.0 million vs. ARS 126.9 million, and by 43.9% as compared to the previous financial year (ARS 93.1 million), as a result of GPAT Compañía Financiera S.A. incorporation in July 2010.

Administrative expenses increased by 6.5% as compared to the previous quarter (ARS 247.3 million vs. ARS 232.3 million), and by 46.6% as compared to 4QFY09 (ARS 168.7 million), mainly resulting from items related to payroll expenses.

Various income (net profits from miscellaneous losses) reached ARS 14.6 million and included mainly the proceeds from the sale of fixed assets and miscellaneous assets, and amortization of the negative goodwill generated by the acquisition of GPAT Compañía Financiera S.A.

Summarized Statement of Income In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Financial Income	485.5	451.8	363.4	7.5%	33.6%
Financial Expenses	134.5	100.8	126.1	33.4%	6.7%
Gross Intermediation Spread	351.0	351.0	237.3	0.0%	47.9%
Uncollectibility Charge	12.8	21.6	1.9	-40.7%	100.0%
Net Revenue for Services	134.0	126.9	93.1	5.6%	43.9%
Administrative Expenses	247.3	232.3	168.7	6.5%	46.6%
Net Operative Income	224.9	224.0	159.8	0.4%	40.7%
Miscellaneous Income / Loss	14.6	6.2	8.7	139.3%	67.8%
Income before Income Tax	239.5	230.2	168.5	4.1%	42.1%
Income Tax	82.8	89.2	35.5	-7.1%	133.2%
Net Income for the Quarter	156.7	141.0	133.0	11.1%	17.8%

a) EARNINGS PER SHARE

Earnings per Share In million pesos	Banco Patagonia Consolidated Figures		
	4Q10	3Q10	4Q09
Net Income for the Quarter	156.7	141.0	133.0
Quarterly Average Number of Outstanding Shares	719.2	719.2	719.2
Quarterly Average Number of Treasury Shares	-	-	28.9
Shares Issued at quarter end	719.2	719.2	748.1
Earnings per Share – Amounts in pesos	0.2179	0.1961	0.1849
Earnings per BDR (*) – Amounts in pesos	4.3576	3.9210	3.6986
Retained Earnings per Share – Amounts in pesos	0.6694	0.4515	0.6240

(*) Each BDR is equivalent to 20 common shares.

b) NET FINANCIAL INCOME

Gross interest income in 4QFY10 amounted to ARS 351.0 million, same as in the previous quarter, accounting for a 47.9% increase as compared to ARS 237.3 million in 4QFY09.

Financial income reached ARS 485.5 million, accounting for a 7.5% rise as compared to the previous quarter and a 33.6% increase as compared to 4QFY09 (ARS 363.4 million).

Furthermore, a greater volume of loans to the private sector in all their lines, both consumer and trade, accounted for an increase of 19,6% (ARS 36.6 million) and 53.9% (ARS 78.3 million) as compared to 3QFY10 and 4QFY09, respectively.

In addition, profits in the amount of ARS 17.3 million resulted from revaluation of the Bank's foreign currency asset position, with an increase of ARS 15.0 million as compared to 4QFY09, due to a rise in the exchange rate, which went from ARS 3.8763 as of December 31, 2009 up to ARS 3.9758 per USD as of December 31, 2010.

As regards financial expenses, there was an increase in interest paid for term deposits as a result of greater volumes (ARS 3,988.2 million vs. ARS 3,032.5 million in 3QFY10, and ARS 2,262.3 million in 4QFY09). Furthermore, the average rate on term deposits in pesos remained stable at 10.9%.

Lower losses in forward transactions recorded during 4QFY10 and 3QFY10 were due to lower expenses as a result of a decline in exposure on foreign currency forward transactions and a lower volatility shown by said quotations.

Gross Intermediation Spread	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
In million pesos					
Financial Income	485.5	451.8	363.4	7.5%	33.6%
Financial Expenses	134.5	100.8	126.1	33.4%	6.7%
Gross Intermediation Spread	351.0	351.0	237.3	0.0%	47.9%

Financial Income	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
In million pesos					
Interest on loans to the financial sector	7.9	6.8	10.7	16.2%	-36.4%
Interest on overdrafts	53.6	47.0	40.6	14.0%	15.8%
Interest on documentary credits	81.4	67.0	47.5	21.5%	41.1%
Interest on mortgage loans	2.4	2.5	3.3	-4.0%	-24.2%
Interest on pledged loans	5.7	3.7	1.7	54.1%	100.0%
Interest on credit card loans	32.5	27.1	23.9	19.9%	36.0%
Interest on financial leasing	9.1	7.4	6.5	23.0%	40.0%
Interest on other loans	109.8	93.0	74.0	18.1%	48.4%
Net income from government and private securities	154.6	170.4	144.1	-9.3%	7.3%
Interest on repurchase agreements	7.7	3.4	5.0	126.5%	54.0%
Difference in foreign currency quotation	17.3	18.7	2.3	-7.5%	100.0%
Other	3.5	4.8	3.8	-27.1%	-7.9%
Financial Income	485.5	451.8	363.4	7.5%	33.6%

Financial Expenses	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
In million pesos					
Interest on savings account deposits	1.4	1.3	1.3	7.7%	7.7%
Interest on term deposits	106.8	69.1	68.8	54.6%	55.2%
Interest on obtained interfinancial loans (call)	0.8	1.1	0.7	-27.3%	14.3%
Interest on financing to financial sector	0.1	0.3	0.1	-66.7%	0.0%
Other interest	0.1	0.1	0.1	0.0%	0.0%
Interest on other liabilities for financial intermediation	0.7	0.6	0.3	16.7%	133.3%
Interest on subordinated corporate bonds	-	0.4	0.4	-100.0%	-100.0%
Net income from government and corporate securities – contribution to guarantee fund	3.7	3.2	2.7	15.6%	37.0%
Income (loss) for forward transactions	0.6	4.5	40.5	-86.7%	-98.5%
Other	20.3	20.2	11.2	0.5%	81.3%
Financial Expenses	134.5	100.8	126.1	33.4%	6.7%

c) NET FEE INCOME

Net fee income of the quarter was ARS 134.0 million, with a quarter-on-quarter increase of 5.6% against ARS 126.9 million and a year-over-year increase of 43.9% from ARS 93.1million.

Main percentage increases as compared to 3QFY10 are the result of fees collected on trust structuring, safe boxes and transactions with debit and credit cards Furthermore, as regards 4QFY09 the main changes are related to an increase in deposit accounts, which went from ARS 50.5 million up to ARS 67.2 million over FY10 last quarter, and to fee-earning lending transactions originated in GPAT Compañía Financiera S.A. which was incorporated in 3QFY10.

Net Revenue for Services In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Deposits	67.2	67.2	50.5	0.0%	33.1%
Related to Loans	33.3	30.7	20.0	8.5%	66.5%
Safe boxes	6.1	5.3	4.7	15.1%	29.8%
Capital and Securities Market	4.5	2.9	3.3	55.2%	36.4%
Credit and Debit Cards	49.6	44.5	43.8	11.5%	13.2%
Foreign Trade	7.3	7.0	6.3	4.3%	15.9%
Other	16.0	15.6	5.8	2.6%	175.9%
Revenue for Services	183.9	173.2	134.4	6.2%	36.8%
Expenses for Services	-50.0	-46.3	-41.3	8.0%	21.1%
Net Revenue for Services	134.0	126.9	93.1	5.6%	43.9%

d) ADMINISTRATIVE EXPENSES

Administrative expenses in the quarter amounted to ARS 247.3 million, a 6.5% increase as compared to ARS 232.3 million in the previous quarter, and a 46.6% increase as compared to ARS 168.7 million in 4QFY09.

This change is mainly related to the increase in payroll expenses as a result of a larger payroll, the agreement on salaries signed with the union and operating expenses due to certain price adjustments agreed with our suppliers of goods and services.

Coverage of administrative expenses with net fee income amounts to 52.7%, keeping at the same level as in the previous quarter.

Administrative Expenses In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Payroll expenses	149.9	138.0	101.5	8.6%	47.7%
Fees to directors and statutory auditors	2.3	2.2	1.8	4.5%	27.8%
Other fees	8.8	7.5	6.0	17.3%	46.7%
Advertising and publicity	11.9	9.0	8.6	32.2%	38.4%
Taxes	9.7	11.3	0.6	-14.2%	100.0%
Depreciation of Fixed Assets	4.0	3.9	5.7	2.6%	-29.8%
Other operating expenses	49.2	45.1	37.5	9.1%	31.2%
Other	11.5	15.3	7.0	-24.8%	64.3%
Administrative Expenses	247.3	232.3	168.7	6.5%	46.6%

e) MISCELLANEOUS INCOME / LOSS

Miscellaneous net income and losses amounted to ARS 14.6 million in the quarter. This income is mainly related to the proceeds from the sale of fixed assets and miscellaneous assets, net of certain charges for setting up allowances and of the amortization of the negative goodwill generated by the acquisition of GPAT Compañía Financiera S.A.

III. RELEVANT FINANCIAL INFORMATION

a) LOAN PORTFOLIO

The non-financial private sector loan portfolio reached ARS 7,323.4 million, representing a 19.1% quarter-on-quarter increase (ARS 6,150.5 million), as compared to the 12.2% growth prevailing in the system. As compared to 4QFY09, there was a 71.9% change generated by a volume increase during the year and by the acquisition of GPAT Compañía Financiera S.A., as compared to the 37.6% prevailing in the financial system.

The quarter recorded an increase in consumer credit facilities, mainly overdrafts and documentary credits. As compared to 4QFY09, there was also an increase in consumer loans and credit cards, as well as in pledged loans, the main product traded by GPAT Compañía Financiera S.A.

Loans In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
To the Non-Financial Public Sector	90.6	66.6	9.2	36.0%	884.8%
To the Financial Sector	237.9	191.5	294.8	24.2%	-19.3%
To the Non-Financial Private Sector	7,323.4	6,150.5	4,261.0	19.1%	71.9%
Overdrafts	1,078.2	1,048.5	701.0	2.8%	53.8%
Documentary credits	3,047.3	2,431.2	1,491.3	25.3%	104.3%
Mortgage loans	82.3	85.9	114.4	-4.2%	-28.1%
Auto loans	232.7	146.0	43.1	59.4%	100.0%
Consumer loans	1,188.6	1,068.7	880.8	11.2%	34.9%
Credit cards	814.7	707.9	534.1	15.1%	52.5%
Other	879.6	662.3	496.3	32.8%	77.2%
(Provisions)	-160.6	-158.5	-148.0	1.3%	8.5%
Net Loans	7,491.3	6,250.1	4,417.0	19.9%	69.6%

b) EXPOSURE TO THE PUBLIC SECTOR

As of December 31, 2010, exposure in assets to the public sector reached ARS 973.9 million, a quarter-on-quarter increase of 11.3% (ARS 874.7 million) and a year-over-year increase of 27.7% (ARS 762.6 million).

As compared to 3QFY10, the increase was originated in a revaluation of the Bank's position in government securities and the granting of an additional syndicated loan to the Province of Rio Negro.

The change as compared to 4QFY09 is mainly due to the assistance granted to the Provinces of Rio Negro and Buenos Aires, and to the amortization and partial sale of BODEN 2012.

Participation on total assets reached 6.6%, showing a 10.4% and 12.5% decrease as compared to 3QFY10 and 4QFY09, respectively.

Exposure to the Public Sector In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Boden 2012	125.4	121.6	250.5	3.1%	-49.9%
Other	757.9	686.5	502.9	10.4%	50.7%
Government Securities (*)	883.3	808.1	753.4	9.3%	17.2%
Secured Loans	0.7	0.7	1.0	0.0%	-30.0%
Other	89.9	65.9	8.2	36.4%	100.0%
Loans to the Public Sector	90.6	66.6	9.2	36.0%	100.0%
Exposure to the Public Sector	973.9	874.7	762.6	11.3%	27.7%
Share on Total Assets	6.6%	7.4%	7.6%	-10.4%	-12.5%

(*) Includes "Equity Interest" plus "Loans" and "Spot Purchases to be Settled and Forward Purchases" less "Deposits" and "Spot Sales to be Settled and Forward Sales".

c) DEPOSITS

Total deposits increased by 22.4% reaching ARS 10,507.6 million against ARS 8,585.8 million of the previous quarter, and 54.2% with respect to 4QFY09 (ARS 6,814.2 million), as compared to a 8.6% quarterly growth and a 38.6% annual growth prevailing in the financial system.

Non-financial private sector deposits recorded a 21.6% (ARS 1,583.2 million) quarter-on-quarter increase (ARS 8,900.6 million vs. ARS 7,317.4 million) and a 47.4% (ARS 2,860.3 million) year-over-year increase (ARS 6,040.3 million), mainly due to term deposits, which increased by 31.5% in the quarter, going from ARS 3,032.5 million up to ARS 3,988.2 million, and by 76.3% as compared to 4QFY09, when they reached ARS 2,262.3 million.

Total deposits accounted for 71.6% of the Company's total funding. The rate on term deposits in pesos remained stable (10.9% in 4QFY10 vs. 10.4% in the previous quarter, and 11.5% in 4QFY09).

Deposits In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	4Q10	4Q09
To the Non-Financial Public Sector	1,550.4	1,240.7	759.9	25.0%	104.0%
To the Financial Sector	56.6	27.7	14.0	104.3%	301.4%
To the Non-Financial Private Sector	8,900.6	7,317.4	6,040.3	21.6%	47.4%
Checking accounts	1,612.4	1,468.3	1,144.5	9.8%	40.9%
Savings accounts	2,741.3	2,241.8	1,986.0	22.3%	38.0%
Term deposits	3,988.2	3,032.5	2,262.3	31.5%	76.3%
Investment accounts	1.1	1.5	1.8	-26.7%	-38.9%
Other	557.6	573.3	645.7	-2.7%	-13.6%
Deposits	10,507.6	8,585.8	6,814.2	22.4%	54.2%

d) OTHER FUNDING SOURCES

During the quarter, the foreign bank and international bodies line increased by 104.4% as compared to the previous quarter (ARS 129.4 million vs. ARS 63.3 million), with a 171.3% year-over-year increase (ARS 47.7 million) as a result of the USD 15 million received by virtue of the agreement made on April 19, 2010 with the International Finance Corporation (IFC), an institution of the World Bank Group for the private sector, in the amount of USD 30 million intended to grant greater access to loans to farmers and small- and medium-sized companies in the agroindustrial sector.

Other Funding Sources In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Argentine Central Bank (BCRA)	1.0	0.8	0.8	25.0%	25.0%
Foreign banks and international organizations	129.4	63.3	47.7	104.4%	171.3%
Subordinated Corporate Bonds	0.0	0.0	61.2	0.0%	-100.0%
Other Funding Sources	130.4	112.3	91.6	16.1%	42.4%

e) LIQUIDITY

Banco Patagonia maintains liquid assets for ARS 5,193.8 million, which represents a quarter-on-quarter increase of 25.5% (ARS 4,140.1 million), and a 21.7% year-over-year increase (ARS 4,267.2 million). In addition, the liquid assets on total deposits ratio increased by 2.5% up to 49.4%, against 48.2% of the previous quarter, and decreased by 21.1% as compared to 4QFY09, due to an increase in the volume of deposits during the year, which were allocated to the placement of loans to the private sector. During 4Q10, the regular liquidity levels were kept following the policies set forth by the Bank's Board of Directors on this matter.

Liquid Assets In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Cash and cash equivalents	1,583.7	1,934.7	1,635.6	-18.1%	-3.2%
Lebac / Nobac	2,710.1	1,420.3	1,835.1	90.8%	47.7%
Other Government and Corporate Securities	900.0	785.1	796.5	14.6%	13.0%
Liquid Assets	5,193.8	4,140.1	4,267.2	25.5%	21.7%
Deposits	10,507.6	8,585.8	6,814.2	22.4%	54.2%
Liquid Assets on Total Deposits	49.4%	48.2%	62.6%	2.5%	-21.1%

f) PORTFOLIO QUALITY

As of December 31, 2010 the non-performing portfolio index over total financing was 1.1%, and coverage with provisions on the non-performing loan portfolio was 169.1%, both exhibiting an improvement as compared to the previous quarter as a result of an increased volume of financing and declining portfolio delinquency. In turn, 93.8% of the total loan portfolio remains at normal levels, with a 2.2% improved performance as compared to the previous quarter.

Variation of indexes related to the portfolio is monitored on a permanent basis by the Bank Management in order to take the corresponding steps in each scenario.

Loan Portfolio In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Total loans	7,652.0	6,409.0	4,565.0	19.4%	67.6%
Private sector loans	7,323.4	6,150.5	4,261.0	19.1%	71.9%
Portfolio in good standing	7,179.0	6,145.0	4,104.0	16.8%	74.9%
Non-performing portfolio	95.0	99.0	115.0	-4.0%	-17.4%
Provisions	160.6	158.5	148.0	1.3%	8.5%
Portfolio in good standing as a % of total loans	93.8%	95.9%	89.9%	-2.2%	4.4%
Non-performing portfolio as a % of total loans	1.3%	1.6%	2.7%	-19.4%	-51.9%
Non-performing portfolio as a % of loans to private sector	1.2%	1.5%	2.5%	-19.6%	-50.7%
Non-performing portfolio as a % of total financing	1.1%	1.4%	2.2%	-20.4%	-49.5%
Provisions as a % of total loans	2.1%	2.5%	3.2%	-15.1%	-35.3%
Provisions as a % of loans to private sector	2.2%	2.6%	3.5%	-14.9%	-36.9%
Provisions as a % of non-performing loan portfolio	169.1%	160.1%	128.7%	5.6%	31.4%
Provisions as a % of non-performing financing portfolio	174.7%	165.2%	131.5%	5.7%	32.8%

g) CAPITALIZATION

As of December 31 2010, Banco Patagonia's capitalization index showed excess cash of ARS 1,206.4 million as compared to the requirements established in BCRA regulations, meaning a 9.7% increase as compared to the excess cash of the previous quarter (ARS 1,099.8 million), mainly resulting from an increase in supplementary capital due to income for the quarter.

In this regard, the capitalization ratio that relates RPC (accountable corporate liability) to risk-weighted assets reached 24.0% against 24.6% of the previous quarter, and 36.0% for the same quarter of the previous fiscal year.

Capitalization In million pesos	Banco Patagonia Consolidated Figures			Change (%) as of	
	4Q10	3Q10	4Q09	3Q10	4Q09
Minimum Capital Requirement (A)	861.0	813.0	548.0	5.9%	57.1%
Risk Assets Value	570.0	519.0	336.0	9.8%	69.6%
Fixed Assets Value	69.0	60.0	46.0	15.0%	50.0%
Market Risk Value	93.0	86.0	64.0	8.1%	45.3%
Interest Rate Risk Value	118.0	138.0	85.0	-14.5%	38.8%
Public Sector Financing	11.0	10.0	17.0	10.0%	-35.3%
Composition (B)	2,067.4	1,912.8	1,769.0	8.1%	16.9%
Basic capital	1,629.0	1,629.0	1,405.0	0.0%	15.9%
Supplementary capital	439.7	285.0	405.0	54.3%	8.6%
Deductions	-1.3	-1.2	-41.0	8.3%	-96.8%
Difference (B) - (A)	1,206.4	1,099.8	1,221.0	9.7%	-1.2%

IV. SUBSEQUENT EVENTS

- 1) Under the agreement made with Banco do Brasil on February 03, 2011, the Board of Directors of the Argentine Central Bank issued Resolution # 16, which approved the transaction and any eventual acquisitions resulting from the Obligatory PTO, thus complying with one of the conditions precedent to which closing of the transaction is subject.
- 2) The proposal for profit distribution included in the Financial Statements provides for payment of cash dividends in the amount of ARS 240,702 thousand, subject to approval by the Shareholders' Meeting and the relevant authorization by the Argentine Central Bank, and will be considered by the next Shareholders' Meeting.

Distribution will be carried out in proportion to each shareholder's nominal holdings, equivalent to ARS 0.3347 per outstanding share as of December 31, 2010, and the equivalent to ARS 6.6930 per BDR as of the same date.

V. OUTLOOK

The Bank goals for next financial year include continuation of services to individuals, micro- and small companies, taking advantage of the opportunities provided by in the market to expand the client base; and the development of a strategy to increase product offering, enlarge the Bank national network and distribution channels and improve service quality in order to build up loyalty of existing customers.

Likewise, the agreement made between Banco do Brasil and Banco Patagonia intends to expand Banco do Brasil activities in the Argentine market and contribute to the development of bilateral trade, thus supporting the efforts of both countries to consolidate regional integration and leverage the marketing of financial goods and services with Brazilian companies doing business in this country, and of multinational and Argentine companies that have trade relationships in Brazil.

Upon closing of this transaction, growth is expected in the Agro-Business segment, with focus on producers and export and import companies, and also in the offering of goods and services to the public sector, as well as in the development of consumer products, with emphasis on the card market (credit, debit and payment systems).

VI. MAIN INDICATORS

Breakdown	Banco Patagonia Consolidated Figures			
	4Q10	3Q10	4Q09	4Q08
Profitability Indexes				
Return on average assets (1)	4.2%	4.1%	5.0%	3.5%
Return on average assets before income tax (2)	6.5%	6.4%	8.7%	5.0%
Return on average shareholders' equity (3)	24.6%	22.7%	26.5%	18.2%
Return on shareholders' equity before income tax (4)	38.1%	35.4%	45.9%	25.8%
Indexes on Financial Margin and by Service				
Total financial margin (net financial income / Average Assets)	10.4%	10.5%	12.8%	8.5%
Margin on net services (net fee income / Average Assets)	4.0%	4.2%	3.9%	4.0%
Total margin (net total income / average assets) (5)	14.4%	14.7%	16.7%	12.4%
Net fee income on net total income (5)	28.1%	28.3%	23.1%	32.0%
Shareholders' Equity Indexes				
Shareholders' equity on total assets	14.4%	16.5%	18.4%	16.8%
Financial standing (shareholders' equity on total liabilities)	16.8%	19.8%	22.6%	20.2%
Total liabilities as a multiple of shareholders' equity	5.9	5.0	4.4	4.9
RPC on risk-weighted assets (6)	24.0%	24.6%	36.0%	31.8%
Portfolio quality ratio				
Provisions on total loans (before provisions)	2.1%	2.5%	3.2%	2.8%
Non-performing portfolio on financing (before provisions) (7)	1.1%	1.4%	2.2%	1.8%
Provisions on non-performing financing portfolio (7)	169.1%	160.1%	128.7%	138.8%
Efficiency Index				
Administrative expenses on total net income (5)	53.3%	54.2%	44.5%	61.1%
Net fee income on administrative expenses	52.7%	52.2%	51.9%	52.3%
Administrative expenses on average assets (8)	7.7%	8.0%	7.4%	7.6%
Liquidity Ratios				
Liquid Assets on deposits (9)	49.4%	48.2%	62.6%	60.4%
Loans (net of provisions) on assets	51.1%	52.9%	43.9%	40.4%
Deposits on liabilities	83.7%	87.1%	83.1%	72.2%
Loans on deposits	71.3%	72.8%	64.8%	67.3%
Fixed assets (10)	12.0%	12.5%	11.5%	8.9%

(1) defined as the quotient between income for the year / annualized period and average assets calculated according to monthly balances.

(2) defined as the quotient between income for the year before income tax / annualized period and average assets calculated according to monthly balances.

(3) defined as the quotient between income for the year / annualized period and average shareholders' equity calculated according to monthly balances.

(4) defined as the quotient between income for the year before income tax / annualized period and average shareholders' equity calculated according to monthly balances.

(5) total net income defined as the sum total of financial income and net fee income

(6) RPC means accountable corporate liability

(7) non-performing portfolio is defined as loans classified as 3 – 4 – 5 and 6 condition.

(8) average assets calculated according to monthly balances.

(9) defined as the quotient between the sum total of cash and cash equivalents and government and corporate securities and total deposits.

(10) defined as the quotient between the sum total of fixed, sundry and intangible assets and shareholders' equity.

VII. SUMMARIZED ACCOUNTING INFORMATION

a) COMPARATIVE CONSOLIDATED FINANCIAL STRUCTURE

STATEMENT OF FINANCIAL POSITION In million pesos	Banco Patagonia Consolidated Figures									
	4Q10	%	3Q10	%	4Q09	%	4Q08	%	4Q07	%
Cash and cash equivalents	1,583.7	10.8%	1,934.7	16.4%	1,635.6	16.3%	1,445.1	15.6%	1,083.4	15.1%
Government and Private Securities	3,610.1	24.6%	2,205.4	18.7%	2,631.5	26.2%	1,906.4	20.6%	1,694.4	23.7%
Loans	7,491.3	51.1%	6,250.1	52.9%	4,417.0	43.9%	3,735.7	40.4%	3,328.7	46.5%
To the Non-Financial Public Sector	90.6	0.6%	66.6	0.6%	9.2	0.1%	29.5	0.3%	207.3	2.9%
To the Financial Sector	237.9	1.6%	191.5	1.6%	294.8	2.9%	299.0	3.2%	188.0	2.6%
To the Non-Financial Private Sector	7,323.4	49.9%	6,150.5	52.1%	4,261.0	42.4%	3,513.8	38.0%	3,029.6	42.3%
(Provisions)	-160.6	-1.1%	-158.5	-1.3%	-148.0	-1.5%	-106.6	-1.1%	-96.2	-1.3%
Other Receivables from Financial Intermediation	1,057.4	7.2%	640.3	5.4%	809.9	8.1%	1,679.3	18.2%	689.8	9.6%
Receivables for financial leasing	233.3	1.6%	186.5	1.6%	137.1	1.4%	184.0	2.0%	152.6	2.1%
Other Assets	694.0	4.7%	594.1	5.0%	422.5	4.2%	297.7	3.2%	214.2	3.0%
Assets	14,669.8	100.0%	11,811.1	100.0%	10,053.6	100.0%	9,248.2	100.0%	7,163.1	100.0%

STATEMENT OF FINANCIAL POSITION In million pesos	Banco Patagonia Consolidated Figures									
	4Q10	%	3Q10	%	4Q09	%	4Q08	%	4Q07	%
Deposits	10,507.6	71.6%	8,585.8	72.7%	6,814.2	67.8%	5,552.7	60.0%	4,734.6	66.1%
To the Non-Financial Public Sector	1,550.4	10.6%	1,240.7	10.5%	759.9	7.6%	706.5	7.6%	329.3	4.6%
To the Financial Sector	56.6	0.4%	27.7	0.2%	14.0	0.1%	38.3	0.4%	9.8	0.1%
To the Non-Financial Private Sector	8,900.6	60.6%	7,317.4	62.0%	6,040.3	60.1%	4,807.9	52.0%	4,395.5	61.4%
Other liabilities for financial intermediation	1,433.3	9.8%	761.8	6.4%	788.2	7.8%	1,745.4	18.9%	689.7	9.6%
Subordinated Corporate Bonds	-	0.0%	-	0.0%	61.2	0.6%	112.3	1.3%	154.1	2.2%
Other Liabilities	617.9	4.2%	509.2	4.3%	536.0	5.3%	281.7	3.0%	207.5	2.9%
Liabilities	12,558.8	85.6%	9,856.8	83.5%	8,199.6	81.6%	7,692.1	83.2%	5,785.9	80.8%
Shareholders' Equity	2,111.0	14.4%	1,954.3	16.5%	1,854.0	18.4%	1,556.1	16.8%	1,377.2	19.2%
Total Liabilities + Shareholders' Equity	14,669.8	100.0%	11,811.1	100.0%	10,053.6	100.0%	9,248.2	100.0%	7,163.1	100.0%

b) COMPARATIVE CONSOLIDATED PROFIT AND LOSS STRUCTURE

Statement of Income In million pesos	Banco Patagonia Consolidated Figures									
	4Q10	%	3Q10	%	4Q09	%	4Q08	%	4Q07	%
Financial Income	485.5	100.0%	451.8	100.0%	363.4	100.0%	336.7	100.0%	177.5	100.0%
Financial Expenses	134.5	27.7%	100.8	22.3%	126.1	34.7%	104.4	31.0%	64.1	36.1%
Gross Intermediation Spread	351.0	72.3%	351.0	77.7%	237.3	65.3%	232.3	69.0%	113.4	63.9%
Uncollectibility Charge	12.8	2.6%	21.6	4.8%	1.9	0.5%	9.2	2.7%	6.0	3.4%
Net Revenue for Services	134.0	27.6%	126.9	28.1%	93.1	25.6%	84.0	24.9%	68.0	38.3%
Administrative Expenses	247.3	50.9%	232.3	51.4%	168.7	46.4%	150.9	44.8%	128.5	72.4%
Net Operative Income	224.9	46.3%	224.0	49.6%	159.8	44.0%	156.2	46.4%	46.9	26.4%
Miscellaneous Income / Loss	14.6	3.0%	6.2	1.4%	8.7	2.4%	-14.4	-4.3%	17.4	9.8%
Income before Income Tax	239.5	49.3%	230.2	51.0%	168.5	46.4%	141.8	42.1%	64.3	36.2%
Income Tax	82.8	17.1%	89.2	19.7%	35.5	9.8%	34.2	10.2%	23.4	13.2%
Net Income for the Quarter	156.7	32.3%	141.0	31.2%	133.0	36.6%	107.6	32.0%	40.9	23.0%

c) CONSOLIDATED FOREIGN CURRENCY POSITION

Foreign Currency Position In million pesos	Banco Patagonia Consolidated Figures				
	4Q10	3Q10	4Q09	4Q08	4Q07
Cash and cash equivalents	971.7	1,051.4	913.7	825.8	478.5
Government and corporate securities	256.6	241.2	391.3	202.3	312.3
Loans	1,108.0	939.9	761.8	894.2	755.9
Other Receivables from Financial Intermediation	170.4	195.4	241.2	353.5	103.1
Receivables for financial leasing	29.3	33.5	47.1	57.1	44.3
Other Assets	41.0	40.7	46.6	53.7	13.3
Assets	2,577.0	2,502.1	2,401.7	2,386.6	1,707.4
Deposits	1,668.0	1,600.0	1,425.0	1,210.2	688.8
Other liabilities for financial intermediation	312.2	252.7	249.5	301.4	126.0
Subordinated Corporate Bonds	-	-	61.2	112.3	154.1
Other Liabilities	2.5	1.2	0.8	2.7	2.7
Liabilities	1,982.7	1,853.9	1,736.5	1,626.6	971.6
Foreign Currency Position in Pesos	594.3	648.2	665.2	760.0	735.8
Benchmark Exchange Rate	3.9758	3.9607	3.7967	3.4537	3.1510
Foreign Currency Position in US Dollars	149.5	163.7	175.2	220.1	233.5

d) **COMPARATIVE INDIVIDUAL FINANCIAL STRUCTURE**

Statement of Financial Position In million pesos	Banco Patagonia Alone									
	4Q10	%	3Q10	%	4Q09	%	4Q08	%	4Q07	%
Cash and cash equivalents	1,481.0	10.4%	1,836.3	16.1%	1,510.0	15.5%	1,431.0	16.0%	1,069.4	15.0%
Government and Corporate Securities	3,560.3	25.0%	2,139.7	18.7%	2,617.3	26.8%	1,892.7	21.2%	1,682.2	23.6%
Loans	7,235.0	50.9%	6,103.8	53.4%	4,417.0	45.3%	3,735.7	41.8%	3,328.7	46.7%
To the Non-Financial Public Sector	90.6	0.6%	66.6	0.6%	9.2	0.1%	29.5	0.3%	207.3	2.9%
To the Financial Sector	241.1	1.7%	192.5	1.7%	294.8	3.0%	299.0	3.3%	188.0	2.6%
To the Non-Financial Private Sector	7,060.8	49.7%	6,001.4	52.5%	4,261.0	43.7%	3,513.9	39.3%	3,029.5	42.5%
(Provisions)	-157.5	-1.1%	-156.7	-1.4%	-148.0	-1.5%	-106.7	-1.2%	-96.1	-1.3%
Other Receivables from Financial Intermediation	840.0	5.9%	400.9	3.5%	586.3	6.0%	1,338.3	15.0%	620.7	8.7%
Receivables for financial leasing	233.3	1.6%	186.5	1.6%	137.1	1.4%	184.0	2.1%	152.6	2.1%
Other Assets	873.0	6.2%	759.4	6.6%	491.5	5.0%	356.8	4.0%	270.8	3.8%
Assets	14,222.6	100.0%	11,426.6	100.0%	9,759.2	100.0%	8,938.5	100.0%	7,124.4	100.0%

Statement of Financial Position In million pesos	Banco Patagonia Alone									
	4Q10	%	3Q10	%	4Q09	%	4Q08	%	4Q07	%
Deposits	10,298.7	72.4%	8,365.9	73.2%	6,522.3	66.8%	5,245.9	58.7%	4,697.8	65.9%
To the Non-Financial Public Sector	1,550.4	10.9%	1,240.7	10.9%	759.9	7.8%	706.5	7.9%	329.2	4.6%
To the Financial Sector	56.6	0.4%	27.7	0.2%	14.0	0.1%	38.3	0.4%	9.8	0.1%
To the Non-Financial Private Sector	8,691.7	61.1%	7,097.5	62.1%	5,748.4	58.9%	4,501.1	50.4%	4,358.8	61.2%
Other liabilities for financial intermediation	1,295.7	9.1%	690.8	6.0%	788.0	8.1%	1,745.1	19.5%	689.8	9.7%
Subordinated Corporate Bonds	-	0.0%	-	0.0%	61.2	0.6%	112.3	1.3%	154.1	2.2%
Other Liabilities	517.2	3.7%	415.6	3.6%	533.7	5.5%	279.1	3.1%	205.5	2.9%
Liabilities	12,111.6	85.2%	9,472.3	82.9%	7,905.2	81.0%	7,382.4	82.6%	5,747.2	80.7%
Shareholders' Equity	2,111.0	14.8%	1,954.3	17.1%	1,854.0	19.0%	1,556.1	17.4%	1,377.2	19.3%
Total Liabilities + Shareholders' Equity	14,222.6	100.0%	11,426.6	100.0%	9,759.2	100.0%	8,938.5	100.0%	7,124.4	100.0%

e) **COMPARATIVE INDIVIDUAL INCOME AND LOSS STRUCTURE**

Statement of Income In million pesos	Banco Patagonia Alone									
	4Q10	%	3Q10	%	4Q09	%	4Q08	%	4Q07	%
Financial Income	471.8	100.0%	442.0	100.0%	362.2	100.0%	337.3	100.0%	176.5	100.0%
Financial Expenses	133.2	28.2%	100.2	22.7%	126.1	34.8%	104.4	31.0%	64.2	36.4%
Gross Intermediation Spread	338.6	71.8%	341.8	77.3%	236.1	65.2%	232.9	69.0%	112.3	63.6%
Uncollectibility Charge	11.5	2.4%	21.3	4.8%	2.0	0.6%	9.1	2.7%	6.0	3.4%
Net Revenue for Services	120.7	25.6%	114.1	25.8%	91.4	25.2%	82.6	24.5%	66.5	37.7%
Administrative Expenses	239.1	50.7%	227.2	51.4%	167.7	46.3%	149.8	44.4%	127.3	72.1%
Net Operative Income	208.7	44.2%	207.4	46.9%	157.8	43.6%	156.6	46.4%	45.5	25.8%
Miscellaneous Income / Loss	26.9	5.7%	18.4	4.2%	10.2	2.8%	-15.6	-4.6%	18.8	10.7%
Income before Income Tax	235.6	49.9%	225.8	51.1%	168.0	46.4%	141.0	41.8%	64.3	36.5%
Income Tax	78.9	16.7%	84.8	19.2%	35.0	9.7%	33.4	9.9%	23.4	13.3%
Net Income for the Quarter	156.7	33.2%	141.0	31.9%	133.0	36.7%	107.6	31.9%	40.9	23.2%

Jorge G. Stuart Milne
President

CONFERENCE CALL

Banco Patagonia S.A. will hold a conference call to discuss the profit/loss arising from 4QFY10 on February 18, 2011 at 01:00 p.m. (Buenos Aires time), 11:00 p.m. (New York time). To participate, please dial:
Number: 001 (973) 9358 893
Code: 43548977

DISCLAIMER

This report might include forward-looking statements. If included, these statements are mainly based on the current opinions, expectations and projections by the Bank and its management about future events and operating and financial trends that will affect the Bank's business. There are many important factors that could cause the Bank's actual results to differ substantially from those results anticipated in our forward-looking statements, such as, but not limited to: inflation; changes in interest rates and the costs of deposits; Argentine government regulations affecting the Bank's operations; adverse judicial or administrative decisions; general credit risks, such as increases in defaults by borrowers; unexpected increases in financing or other costs; fluctuation or depreciation of the value of the Argentine public debt held in treasury by the Bank; competition in the banking or financial market or in other related Argentine markets; withdrawal of deposits by Bank's clients; deterioration in the regional, national and international business and economic conditions; and fluctuations in the Argentine peso exchange rate.

The words "it is considered", "might", "would", "estimate", "continue", "anticipate", "intend", "expect", "forecast" and similar terms are intended to identify forward-looking statements. Such statements include information concerning results of operations, business strategies, financing plans, competitive position, industry environment, potential growth opportunities, effects of future regulations and effects of competition that possibly or supposedly may happen in the future. These statements are valid only as of the date they were made, and the Bank assumes no obligation to publicly update or to revise any of the forward-looking statements after the distribution of this report as a result of new information, future events or other factors. These expectations and projections are subject to material risks and uncertainties and may not be accurate or may change significantly. In light of these risks and uncertainties, the future events and circumstances discussed in this report are not to be taken as guarantees of future performance.

This report is a summary analysis of the results of Banco Patagonia and its subsidiaries. For a proper interpretation, this report must be read in conjunction with any other material periodically filed with the Comisión Nacional de Valores (www.cnv.gov.ar), Comissão de Valores Mobiliários (www.cvm.gov.br), Bolsa de Comercio de Buenos Aires (www.bolsar.com.ar), and Bolsa de Valores de São Paulo (www.bovespa.com.br). In addition, the Argentine Central Bank (www.bcra.gov.ar) may publish information related to Banco Patagonia as of a date subsequent to the last date for which the Bank has published information.

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