



TARJETA NARANJA REPORTS FINANCIAL RESULTS FOR THE PERIOD ENDED ON MARCH 31, 2018

Summary of Activity

As of March 31, 2018, we had 2,978 open accounts under the Naranja brand and 781 open accounts under the Nevada brand, out of which 143 accounts bear both brands.

Transactions for the quarter grew by 7% vis-a-vis the same quarter the previous year. In turn, average consumption per active account (purchases in stores, personal loans, cash advances and cash withdrawals from ATMs) during the period experienced a 39% increase in nominal terms, compared to the same quarter the previous year.

Profit before Income Tax as of March 31, 2018 was AR\$ 1,206,394, and Equity amounted to AR\$ 8,691,019.

Sources of Financing

During the first quarter of 2018, the Company entered into new Credit Line arrangements in the amount of AR\$ 950,000.

Within the framework of the Global Program for the Issuance of Notes (*"Obligaciones Negociables"*), on February 14, 2018 the Company issued Class XXXIX Notes (*"Obligaciones Negociables"*) for a total amount of AR\$ 754,539; while on April 10, 2018, the Company issued Class XL Notes (*"Obligaciones Negociables"*) for a total amount of AR\$ 2,000,000. This last issuance was carried out in two series: Series I for an aggregate principal amount of AR\$ 597,500 at 18 months with principal and interest payable upon maturity and 25.98% fixed rate; and Series II for an aggregate principal amount of AR\$ 1,402,500 at 30 months, with interest being payable on a quarterly basis and principal upon maturity. The interest rate is variable Badlar plus a 3.69% margin, with a minimum of 27% for two interest periods.

Additionally, during the first quarter of the year, the Company repaid principal and interest with regard to Notes (*"Obligaciones Negociables"*), Borrowings and Finance Leases for AR\$ 822,412.

Review of Operations as of March 31

Merger with Nevada

The Company initiated the deployment of a rollover strategy aimed at combining operations. Since December 2017 through January 2018, the sale of Nevada cards was discontinued in the Northeast, Northwest, Patagonia and Central regions of Argentina.

In March, 50,000 customers of Nevada from Resistencia, Corrientes, Formosa, Neuquén, Cipolletti, General Roca, Cutral Có, Zapala, General Pico and Santa Rosa, La Pampa received their Naranja card, which they will be able to use as from May 1, 2018.

Digital Evolution and Customer's Experience

Naranja already has a process in place for the addition of digital accounts, accounting for 18% of total origination.

The app now features a new button to apply for the HBO product, with a user-friendly format that engages users to play contents.

Together with a group of customers, the Company redesigned account statements, on the basis of the information and layout most appealing to users.

Promotions and Benefits

During the summer, customers were offered discounts of up to 15% and payment plans of up to 10 interest-free installments at restaurants, entertainment, transportation, hotels and travel agencies.

In the Travel category, customers enjoyed promotions with Aerolíneas Argentinas and GOL offering up to 25% discounts and payment plans of up to 6, 15 and 18 interest-free installments.

In late March and in anticipation of the 2018 World Cup, Naranja partnered with Nóblex to offer customers Smart TVs 4K and sound towers payable in up to 36 interest-free installments.

Casa Naranja Launched its 2018 Cultural Agenda

Casa Naranja's cultural agenda for 2018 was opened up in March with *Futuro Volátil* (Volatile Future), an exhibition that will feature site-specific projects, sculptures, videos and technological arts by 22 national and international artists. Guided tours and online audio guides will be offered until end of May. In addition, the Company has continued pursuing the Educational Visits Program, targeted at primary and secondary schools, and cycles of meetings for vocational music groups.

Awards and Distinctions

Once again, Naranja has ranked 1st in the Ranking of Corporate Governance and Accountability compiled by MERCO (Monitor Empresarial de Reputación Corporativa) in the Financial and Credit Card sector, and 21st in the overall ranking, developed on the basis of a survey among corporate directors, professionals and consumers.

The Company climbed to the 22nd position in the Ranking of the Best Argentine Companies in terms of Corporate Image published by Apertura magazine.

Outlook

Following the merger with Tarjetas Cuyanas S.A., since October 2017 Naranja has managed to achieve strong presence in the provinces of Mendoza and San Juan, with increased market share in 13 provinces.

Both brands are expected to be combined into the Naranja umbrella in three phases that will be completed at year-end. This action will streamline operations and result in efficiencies, improvements in customer's experience and brand strengthening.

Through the Digital Evolution program, the Company will continue digitalizing critical business processes, from an approach based on the use of mobile phones by customers. The introduction of new Advanced Analytics models and the ongoing improvement of our Digital Marketing division are facilitating product cross-selling to our existing customers and helping to capture new ones.

Financial income is expected to grow, as a result of the larger portfolio volume and also due to slower-paced growth in revenues from trade, taking into account the new voluntary reduction in the maximum fee applicable to merchants' sales effective since January 2018.

As always, all our actions will continue to be based on our strategic pillars: Organization Culture and Customer's Experience.

TARJETA NARANJA S.A.'S COMPARATIVE STATISTICAL DATA FOR CURRENT AND PREVIOUS PERIODS

(This information is not within the scope of the Independent Auditors' Report)

TARJETA NARANJA S.A.'S USERS

Naranja	03.31.18	03.31.17	03.31.16	03.31.15	03.31.14
Open Accounts (in Thousands)	2,978	2,909	2,829	2,576	2,480
Monthly Average Consumption per Active Account (in Thousands of AR\$) (1)	4.54	3.27	2.46	1.83	1.30

Nevada	03.31.18
Open Accounts (in Thousands) (2)	781
Monthly Average Consumption per Active Account for the Quarter (in Thousands of AR\$) (3)	3.19

(1) It includes the managed brands Naranja Visa, Naranja Mastercard, Naranja Amex.

(2) It includes 143,000 accounts held by customers who also have Naranja.

(3) It includes the managed brand Nevada Visa.

OPERATIONS (purchases in stores, personal loans, cash advances and cash withdrawals from ATMs)

Transactions with Naranja	03.31.18	03.31.17	03.31.16	03.31.15	03.31.14
Amounts in Thousands (for the Quarter) (1)	39,770	37,067	34,152	31,379	29,767
Monthly Average Amount (in Thousands of AR\$) (1)	12,833,249	9,488,729	6,782,170	4,568,809	3,132,598
Merchants' Average Fee	2.15%	2.69%	2.77%	2.78%	2.70%

Transactions with Nevada	03.31.18
Amounts in Thousands (for the Quarter) (2)	7,668
Monthly Average Amount for the Quarter (in Thousands of AR\$) (2)	1,787,578

(1) It includes the managed brands Naranja Visa, Naranja Mastercard, Naranja Amex.

(2) It includes the managed brand Nevada Visa.

NUMBER OF TARJETA NARANJA S.A.'S AUTHORIZED CREDIT CARDS (in Thousands)

	03.31.18	03.31.17	03.31.16	03.31.15	03.31.14
Tarjeta Naranja Clásica and Oro	4,263	4,180	4,083	3,757	3,629
Tarjeta Naranja Visa	2,993	3,563	3,718	3,214	2,769
Tarjeta Naranja Mastercard	523	659	673	582	522
Tarjeta Naranja Amex	42	51	49	43	34
Tarjeta Nevada	957	-	-	-	-
Tarjeta Nevada Visa	549	-	-	-	-
Total	9,327	8,453	8,523	7,596	6,954

COMPARATIVE CHART OF BALANCE SHEET (in Thousands of AR\$)

	03.31.18	03.31.17	03.31.16	03.31.15	03.31.14
Current Assets	36,387,247	22,375,658	17,442,560	12,723,734	10,515,553
Non-current Assets	2,842,091	1,666,435	1,266,248	954,030	728,322
Assets	39,229,338	24,042,093	18,708,808	13,677,764	11,243,875
Current Liabilities	20,796,440	16,221,369	12,868,438	9,517,895	7,406,933
Non-current Liabilities	9,741,879	2,892,998	1,931,195	1,605,022	1,807,949
Liabilities	30,538,319	19,114,367	14,799,633	11,122,917	9,214,882
Equity	8,691,019	4,927,726	3,909,175	2,554,847	2,028,993

COMPARATIVE CHART OF STATEMENTS OF PROFIT OR LOSS (in Thousands of AR\$)

	03.31.18	03.31.17	03.31.16	03.31.15	03.31.14
Operating Revenue	4,016,708	2,562,322	1,680,581	1,256,520	843,925
Operating Revenue, Net of Provision for Loan Losses	3,375,522	2,275,804	1,543,379	1,132,477	669,489
Total Operating Expenses	(2,169,137)	(1,350,780)	(974,529)	(716,132)	(536,777)
Income from Investments Accounted for Using the Equity Method	9	919	831	707	(4,718)
Profit before Income Tax	1,206,394	925,943	569,681	417,052	127,994
Income Tax Expense	(366,186)	(319,648)	(196,851)	(142,964)	(44,856)
Profit for the Period	840,208	606,295	372,830	274,088	83,138
Profit Attributable to the Company's Shareholders	840,208	606,295	372,830	274,088	83,138
Reserve for Translation Differences Related to Foreign Operations	-	-	-	-	3,771
Comprehensive Income for the Year	840,208	606,295	372,830	274,088	86,909

COMPARATIVE STRUCTURE OF THE STATEMENT OF CASH FLOWS (in Thousands of AR\$)

	03.31.18	03.31.17	03.31.16	03.31.15	03.31.14
Net Cash (Outflow) from Operating Activities	(938,525)	880,983	(296,503)	86,268	198,633
Net Cash Inflow / (Outflow) from Investing Activities	(108,106)	(59,959)	568,428	6,309	(104,981)
Net Cash Inflow from Financing Activities	983,858	(2,039,955)	(381,748)	(841,544)	28,263
Total Net Cash (Outflow) / Inflow during the Year	(62,773)	(1,218,931)	(109,823)	(748,967)	121,915
Increase due to Effects of Exchange Rate Changes on Cash and Cash Equivalents	(186)	(2,545)	7,237	(122)	2,301

RATIOS

	03.31.18	03.31.17	03.31.16	03.31.15	03.31.14
Liquidity	1.750	1.379	1.355	1.337	1.420
Indebtedness	3.514	3.879	3.786	4.354	4.542
Solvency	0.285	0.258	0.264	0.230	0.220
Tied-up Capital	0.072	0.069	0.068	0.070	0.065
ROE for the Period	10.16%	12.62%	10.01%	11.00%	4.38%
ROA for the Period	2.23%	2.47%	2.02%	1.99%	0.78%

Statement of Profit or Loss

For the three-month periods ended March 31, 2018 and 2017
Expressed in thousands of Argentine Pesos

	Quarter	
	01.01.2018	01.01.2017
	03.31.2018	03.31.2017
	AR\$	
Revenues from Services	2,235,002	1,565,782
Costs of Services	(308,851)	(200,543)
Net Revenues from Services	1,926,151	1,365,239
Revenues from Financing	2,683,184	1,601,347
Costs of Financing	(682,841)	(434,934)
Net Revenues from Financing	2,000,343	1,166,413
Net Income from Short-term Investments	90,214	30,670
Operating Revenue	4,016,708	2,562,322
Provision for Loan Losses	(641,186)	(286,518)
Operating Revenue, Net of Provision for Loan Losses	3,375,522	2,275,804
Employee Benefits Expenses	(830,611)	(543,033)
Taxes and Charges	(583,819)	(358,885)
Marketing Expenses	(73,595)	(61,595)
Depreciation and Amortization	(59,126)	(28,060)
Other Operating Expenses	(621,986)	(359,207)
Total Operating Expenses	(2,169,137)	(1,350,780)
Net Profit before Income from Investments Accounted for Using the Equity Method	1,206,385	925,024
Income from Investments Accounted for Using the Equity Method	9	919
Profit before Income Tax	1,206,394	925,943
Income Tax Expense	(366,186)	(319,648)
Profit for the Period	840,208	606,295
Earnings per Share		
Basic and Diluted Earnings per Share	297.52	252.62

Statement of Other Comprehensive Income

For the three-month periods ended March 31, 2018 and 2017
Expressed in thousands of Argentine Pesos

	Quarter	
	01.01.2018 03.31.2018	01.01.2017 03.31.2017
	AR\$	
Profit for the Period	840,208	606,295
Other Comprehensive Income	-	-
Total Comprehensive Income for the Period	840,208	606,295
Earnings per Share		
Basic and Diluted Earnings per Share	297.52	252.62

Balance Sheet

As of March 31, 2018 and December 31, 2017
Expressed in thousands of Argentine Pesos

	03.31.2018	12.31.2017		03.31.2018	12.31.2017
	In Thousands of AR\$			In Thousands of AR\$	
ASSETS			LIABILITIES		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and Cash Equivalents	2,083,716	2,146,675	Trade and Other Payables	17,054,931	16,373,115
Investments	221,867	207,294	Borrowings	1,870,975	1,084,051
Receivables from Trade	33,849,846	30,932,400	Employee Benefit Obligations	484,846	563,886
Other Receivables	231,818	228,644	Current Tax Liabilities	759,744	655,969
			Other Liabilities	15,718	29,707
			Income Tax Provision	610,226	694,774
Total Current Assets	36,387,247	33,515,013	Total Current Liabilities	20,796,440	19,401,502
NON-CURRENT ASSETS			NON-CURRENT LIABILITIES		
Receivables from Trade	1,266,703	1,020,292	Borrowings	9,479,441	8,724,269
Other Receivables	6,406	6,333	Employee Benefit Obligations	28,642	-
Deferred Tax Assets	612,667	575,779	Other Liabilities	6,619	-
Investments Accounted for Using the Equity Method	1,783	1,774	Income Tax Provision	173,152	-
Property, Plant and Equipment	677,263	668,428	Provisions	54,025	48,487
Intangible Assets	277,269	237,450			
Total Non-current Assets	2,842,091	2,510,056	Total Non-current Liabilities	9,741,879	8,772,756
			Total Liabilities	30,538,319	28,174,258
			EQUITY	8,691,019	7,850,811
Total Assets	39,229,338	36,025,069	Total Liabilities and Equity	39,229,338	36,025,069