MANAGEMENT REPORT
December 31th, 2011

STATEMENT OF LIABILITY

"This document contains accurate and sufficient information regarding business development at BBVA Continental as of the 4th quarter 2011. The undersigned are responsible for any damages which may be caused by a lack of accuracy or insufficient contents, within the scope of their competence, pursuant to the Civil Code's regulations."

LUIS IGNACIO DE LA LUZ DÁVALOS	CARLOS LOO PUN	MÓNICA NUREÑA GARCÍA
Chief Financial Officer Certified Public Accountant	General Accountant Regisrtation number 18579	Head of Financial Planning & Management Information

Lima, January 27th, 2012

CONTENTS

I. MACROECONOMIC ENVIRONMENT EVOLUTION

1. Economic activity

GDP experienced a 5.0% inter-annual growth in November. The pace of the GDP growth continued to moderate. During the month, the prominent sectors were the productive sectors associated with family consumption, particularly services. Trade grew by 7.0% and the remaining services did so by 7.3%, thus maintaining high growth rates. On the other hand, Manufacturing contracted for the second consecutive month, reflecting a lower external demand for textiles, footwear and clothing. With this result, the average monthly growth rate for economic activity in 2011, thus far, is 7.0%.

GDP by Sectors (YoY variation, %)

Sectors	Nov-11
Agriculture	**2.7**
Farming	0.8
Livestock	4.8
Fishing	**1.3**
Mining and Hydrocarbons	**-1.0**
Metal Mining	-1.7
Hydrocarbons	1.9
Manufacture	**-0.7**
Primary	-1.2
Non-Primary	-0.7
Electricity and Water	**6.9**
Construction	**3.2**
Trade	**7.0**
Transport and Communications	**9.3**
Financial and Insurance	**9.4**
Services provided to companies	**7.7**
Restaurants and Hotels	**10.2**
Government Services	**5.1**
Other Services	**5.9**
GPD	**5.0**

Source: Peruvian National Institute of Statistics (INEI) and BBVA

2. Inflation

The monthly inflation rate, for December, was 0.27%. More than two thirds of this result was explained by seasonal factors, such as increases in commodity prices of goods, for which demand usually rises in December, such as interprovincial fares, taxi fares, restaurants and clothing and footwear. It is noteworthy to point out, that unlike the case of recent months (0.69% m/m on average), food price rises were limited in December (0.12%). This would be an early sign of a reversal in these prices, following the weather problems experienced in the previous year. With December's result, the inflation rate in 2011 ended at 4.74%, which is higher than the Central Bank's target range (2% +/- 1pp).

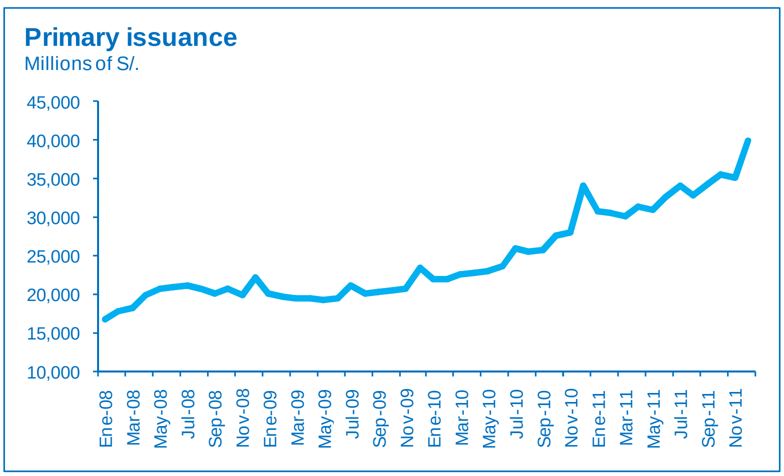
Consumer Price Index for Metropolitan Lima (% variation)

Consumption Groups	Current Weight	Dec-11 (m/m)	Dec-11 (a/a)
1. Food and Beverages	37.8	0.1	8.0
2. Clothing and Footwear	5.4	0.3	4.8
3. House Rentals, Fuel and Electricity	9.3	0.0	2.6
4. Furniture and Fixtures	5.8	0.1	0.4
5. Health Care	3.7	0.0	2.0
6. Transport and Communications	16.5	1.2	2.8
7. Education and Culture	14.9	-0.0	2.8
8. Other Goods and Services	6.7	0.3	3.6
General Index	**100.0**	**0.3**	**4.7**

Source: INEI

3. Liquidity

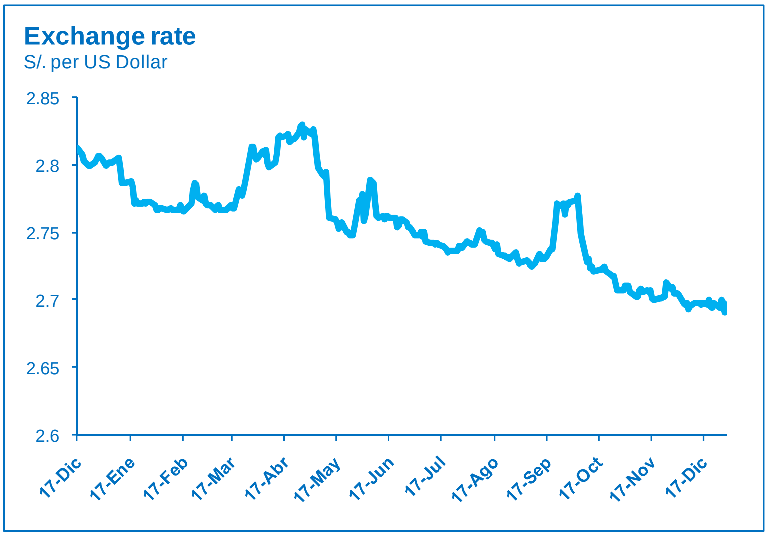
The balance of the primary issuance, as of the closing of 2011, was S/.39,967 million, an increase of S/.5,652 compare to the third quarter. This result mainly includes transactions involving foreign currency purchases performed by the Central Bank and maturities of securities titles, partly offset by larger deposits by financial institutions and the public sector in the Central Bank.



Source: BCRP

4. Exchange rate

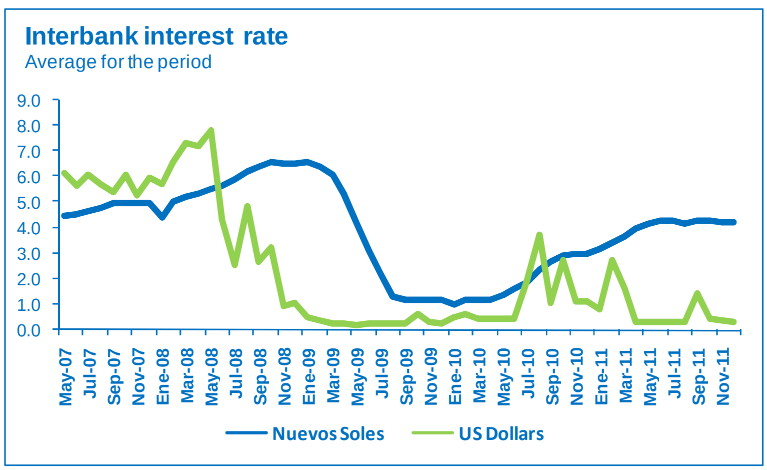
With the weakening of local currency, induced by the deterioration of the external environment, in fourth quarter, the Peruvian Nuevo Sol regained its tendency to strengthen. To mitigate this behavior, the BCR intervened the exchange market with net foreign currency purchases of USD 2,006 million, mainly on December. As a result, the exchange rate closed the year at S/. 2.695 per USD.



Source: Bloomberg

5. Interest rates

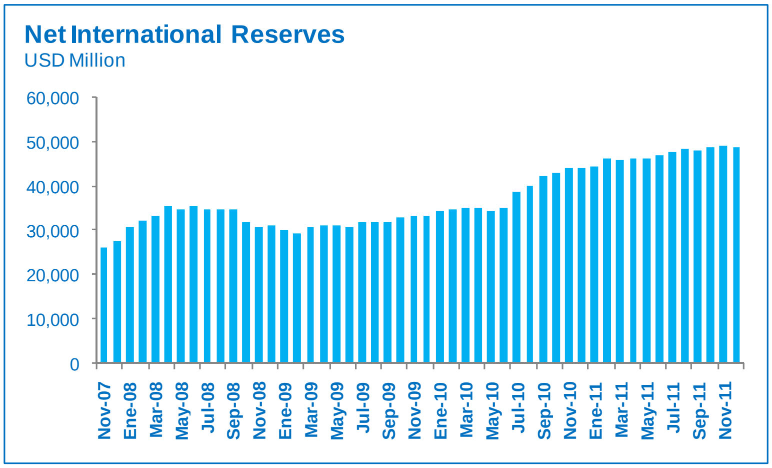
In December, the interbank interest rate in domestic currency remained at around 4.2%, level maintained since May 2011. This behavior reflects a pause in the adjustment of the monetary policy's position. Meanwhile, the interbank interest rate in foreign currency took a downward adjustment following the temporary increase in September, closing 2011 at a level of 0.3%.



Source: BCRP

6. International reserves

As of the closing of 2011, the NIR totaled USD 48.816 billion, representing a USD 748 million increase compared to the end of the third quarter. This was mainly affected by US Dollar purchases made by the BCR, which were offset by a decrease in deposits from financial institutions at the Central Bank.


Net International Reserves
USD Million
60,000
50,000
40,000
30,000
20,000
10,000
0
Nov-07
Ene-08
Mar-08
May-08
Jul-08
Sep-08
Nov-08
Ene-09
Mar-09
May-09
Jul-09
Sep-09
Nov-09
Ene-10
Mar-10
May-10
Jul-10
Sep-10
Nov-10
Ene-11
Mar-11
May-11
Jul-11
Sep-11
Nov-11

Source: BCRP

II. BANKING SYSTEM EVOLUTION

In 2011, the performance of the Peruvian Banking System was positive, as they operated in a stable and solvent way. This reflected on the results obtained this year.

As of November 2011, the Peruvian Banking System reported total assets of S/.190,119 million, a 5.8% increase compare to December 2010.

Gross loans represented 66.0% of total assets and they had an increase of 14.3% compare to December 2010. In terms of asset quality, as of November 2011, the Peruvian Banking System's past due loan ratio[1] was 1.52%, while the non performing loan ratio[2] was 2.52% (1.49% and 2.58%, for past due loan ratio and non performing loan ratio, respectively, as of December 2010).

Meanwhile, the Peruvian Banking System's liabilities amounted S/.171,188 million, a 5.4% increase compared to December 2010. The financial institutions' main source of resources was the deposits from the public, which represented 66.5% of total assets, with a 7.1% increase compared to December 2010.

In terms of results, the gross financial margin experienced a growing trend compared to November 2010, with an 11.9% inter-annual increase, mainly due to the 18.7% rise in financial income. Provisions for loan losses reported a 7.9% inter-annual increase.

Thus, as of November 2011, the Peruvian Banking System's net profit was S/.3,942 million, with profitability ratios of 24.44% for ROE and 2.30% for ROA and an efficiency ratio of 46.82%.

As of December 2011, the Peruvian Banking System consisted of 15 commercial banks. Methodologically, for the calculation of comparative quotes and ratios, the data used was obtained from the financial system with branches abroad, as per the latest information available from the Superintendency of Banking, Insurance and AFP, as well as current value figures (November 2011).

[1] Past due loans / gross loans
[2] (Past due loans + refinanced loans + restructured loans) / gross loans

III. BBVA CONTINENTAL

Financial results – 4th Quarter 2011

As of December 2011, net loans amounted S/.28,922 million, 20.5% more than the balance reported as of December 2010.

The past due loan ratio was 0.92% (1.04% as of December 2010). In addition, the non performing loan ratio, for the same period, decreased from 2.27% to 2.12%. BBVA Continental maintains its portfolio quality indicators below the Peruvian Banking System's average (1.52% for the past due loan ratio and 2.52% for the non performing loan ratio, as of November 2011), thanks to a risk management, performed under international standards and corporate guidelines implemented by the BBVA Group, which allow for constant and dynamic monitoring and control of credit risk.

The Bank's liabilities amounted S/.38,550 million as of December 2011, with deposits from the public as the main source of funding, representing 71.4% of total assets (net of expenses payable for the deposits), an 18.1% increase compared to December 2010. Thanks to the excellent risk ratings earned by the Bank locally and abroad, it is possible to maintain a diversified funding through other sources, such as the issuing of debt instruments or financing with multilateral organizations and other financial institutions abroad.

In terms of results, as of December 2011, BBVA Continental obtained anet income of S/.1,129 million, 12.1% higher than the results achieved in December 2010.

As a consequence of a strategy focused on continuous improvement of processes and leadership in efficiency, as of December 2011, the Bank reported remarkable liquidity, efficiency, profitability, solvency and management ratios. In terms of profitability the results were a ROA of 2.76% and a ROE of 34.31%, while the efficiency ratio as of November 2011, was 36.65%.

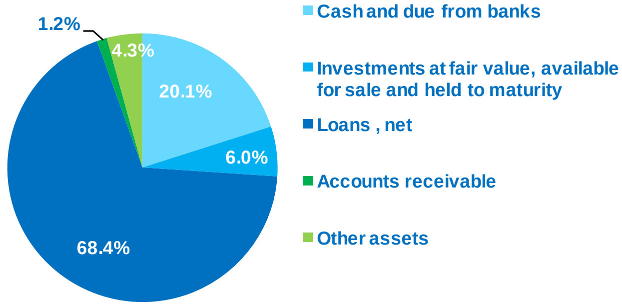
In order to provide quality service to customers and as a result of an ambitious expansion plan deployed in recent months, BBVA Continental has a commercial network consisting of 264 branches as of November 2011, plus 980 ATMs as of September 2011.

IV. BALANCE SHEET

Assets management

As of December 31th, 2011, BBVA Continental assets totaled S/.42,254 million, an increase of 11.8% compare to December 2010.

Assets structure
December 2011



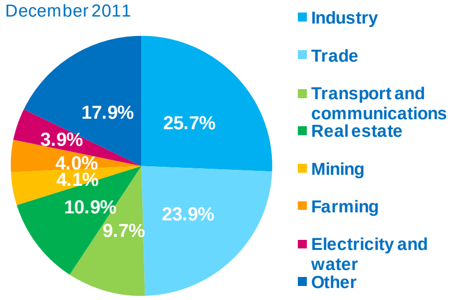
Total assets are mainly comprised of net loans, with a 68.4% weight (concentrated in performing loans), 49% of which are in Nuevos Soles and 51% in US Dollars.
Cash and due from banks represented 20.1% of assets as of the same period.

The net loan portfolio, at the end of the fourth quarter 2011, was comprised of the structure detailed in the table below, amounting S/.28,922 million, a 20.5% increase compared to 2010. In terms of performing loans, the annual variation was S/.4,987 million (a 20.5% growth).

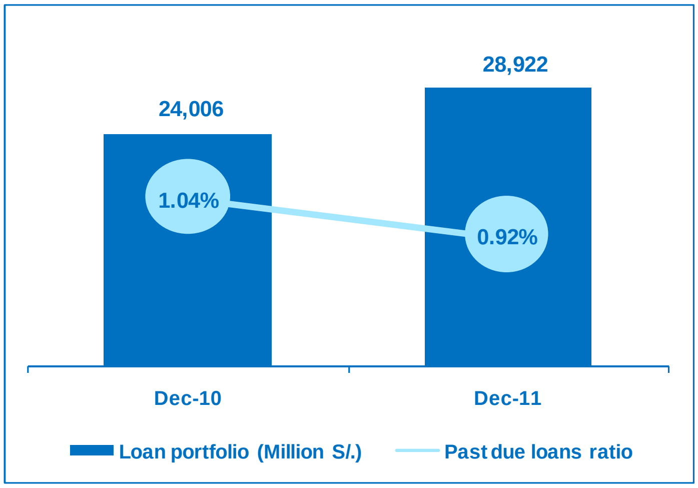
Net loan portfolio	Dec-11		Dec-10	
	Million S/.	Structure	Million S/.	Structure
Performing loans	29,329	101.4%	24,342	101.4%
Restructured loans	3	0.0%	4	0.0%
Refinanced loans	339	1.2%	288	1.2%
Past due loans	39	0.1%	44	0.2%
Loans in legal collection process	235	0.8%	216	0.9%
Allowances for loan losses	-1,250	-4.3%	-1,049	-4.4%
Accrued interest	226	0.8%	161	0.7%
Total net loan portfolio	**28,922**	**100.0%**	**24,006**	**100.0%**

Thus, BBVA Continental's commercial loans, represent 71.2% of total loans. These are concentrated as follows: 25.7% in the industrial sector, followed by the trade sector with 23.9%; while sectors such as transportation and communications, real estate and mining and agriculture activities, account for 28.6%. The remaining 21.8% is distributed among the other sectors.

Commercial loans by economic sector
December 2011



The past due loan ratio was 0.92%, 13bps lower compared to December 2010.



In addition, as of December 2011, non performing loan (past due loans, refinanced loans, restructured loans and loans in legal collection process) totaled S/.646 million, increasing by 12.1% since December 2010. Despite this rise, the non performing loan ratio was 2.12%, 15bps less than in December 2010.

Allowances for loan losses amounted S/.1,250 million, S/.201 million higher than the one amounted in December 2010, making it possible to maintain optimal coverage ratios as of December 2011, both for past due loans coverage (446.87%), as well as for non performing loans coverage (193.37%). Both ratios have kept above the Peruvian Banking System's average.

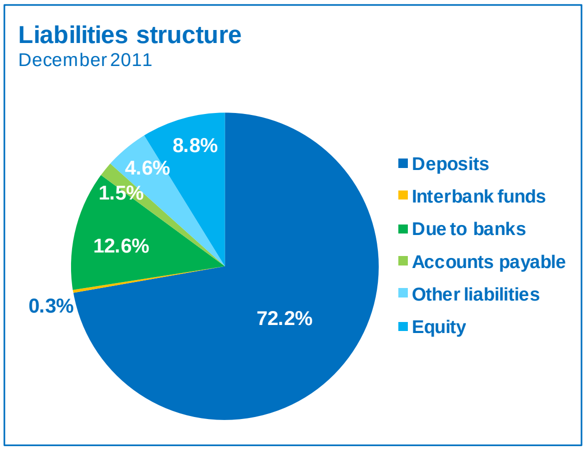
Below is a comparative summary of the main asset quality ratios:

Ratios	BBVA Continental		Banking System	
	Dec-11	Dec-10	Nov-11	Dec-10
Past due loans / Total loans	0.92%	1.04%	1.52%	1.49%
Provisions / Past due loans	446.87%	396.54%	245.90%	245.62%
Provisions / Non performing loans	193.37%	182.04%	148.58%	141.95%

* Banking system ratios according to SBS data. These are the most recent figures available as of the date of submission of this report

Liabilities management

As of the end of the fourth quarter of 2011, BBVA Continental's liabilities represent 91.2% of total assets, with its main component being total deposits, which comprise 72.2% of total assets, distributed in obligations to the public, representing 71.4% of assets, while deposits from financial institutions account for 0.8% of assets. Meanwhile interbank funds only stand for 0.3%.



Below is the structure of deposits and obligations:

Deposits	Dec-11		Dec-10	
	Million S/.	Structure	Million S/.	Structure
Demand deposits	8,889	29.2%	7,963	30.7%
Saving deposits	7,115	23.3%	5,941	22.9%
Time deposits	13,999	45.9%	11,554	44.6%
Other obligations	145	0.5%	83	0.3%
Obligations to the public	**30,148**	**98.9%**	**25,541**	**98.6%**
Deposits from financial institutions	**339**	**1.1%**	**373**	**1.4%**
Total deposits	**30,488**	**100.0%**	**25,914**	**100.0%**

Deposits and obligations net of expenses payable for obligations with the public and the financial system.

Due to banks is a significant portion of the Bank's funding, representing 12.6% of total assets as at December 2011, amounted S/.5,310 million.

In addition to the mentioned sources of funding, BBVA Continental has issued debt instruments, which represented 3.4% of total assets. An example, are the First and Second issues of the Fifth Corporate Bonds Program, during this quarter, in the amount of S/.200 million. The First Issue amounted S/.50 million, for a 5-year term, at an annual nominal rate of 6.0%, while the Second Issue amounted S/.150 million, for a 15-year term, at an annual nominal rate of 7.46875%.

First Issue	Amount claimed	Structure	Adjudicated amount	Structure
AFPs	52,500,000	37%	-	-
Mutual Funds	23,500,000	17%	15,500,000	31%
Government Funds	12,500,000	9%	730,000	1%
Banks	-	-	-	-
Insurance Companies	19,000,000	13%	10,525,000	21%
Other	34,070,000	24%	23,245,000	46%
	141,570,000	**100%**	**50,000,000**	**100%**

Second Issue	Amount claimed	Structure	Adjudicated amount	Structure
AFPs	90,000,000	36%	6,935,000	5%
Mutual Funds	-	-	-	-
Government Funds	37,500,000	15%	33,655,000	22%
Banks	-	-	-	-
Insurance Companies	118,500,000	48%	107,000,000	71%
Other	3,410,000	1%	2,410,000	2%
	249,410,000	**100%**	**150,000,000**	**100%**

BBVA Continental's risk profile as well as the investment grade rating it enjoys, allows it to obtain diversified financing at highly competitive conditions with regard to cost, which fit the funding requirements in terms of time, permitting a proper equilibrium in the balance sheet structure and an excellent level of enhancement of the Bank's profitability.

V. RESULTS[3]

As of December 31th, 2011, as a result of the increase of the business activity aimed at profitable customers, along with an efficient control over risks and expenses, BBVA Continental achieved excellent results, with an accumulated net income of S/.1,129 million, 12.1% than higher than the one obtained as of December 2010.

RESULTS FOR THE YEAR ENDED DECEMBER31, 2011

Millions of S/.

Item	Dec-11	Dec-10	Variation
Gross financial margin	2,293	2,082	10.1%
Net financial margin	2,016	1,805	11.7%
Operating margin	2,613	2,331	12.1%
Net operating margin	1,649	1,496	10.2%
Income before taxes	1,495	1,355	10.3%
Net income	**1,129**	**1,007**	**12.1%**

These results are mainly explained by the 22.5% increase in financial income, the 15.1% increase in income from financial services and an adequate control over administration expenses.

QUARTERLY RESULTS FROM OCTOBER 1 TO DECEMBER 31, 2011

Millions of S/.

Item	Dec-11	Dec-10	Variation
Gross financial margin	627	576	8.8%
Net financial margin	558	499	11.9%
Operating margin	715	641	11.5%
Net operating margin	451	401	12.4%
Income before taxes	411	348	18.2%
Net income	**315**	**258**	**21.9%**

Regarding the quarterly results, all margins have increased mainly due to the 15.4% growth in financial income and 15.9% increase in income from financial services.

With these results, BBVA Continental maintains its highly profitable position reporting a ROE of 34.31% and a ROA of 2.76%, both above the Peruvian Banking System's average.

Ratios	BBVA Continental	Banking System
	Dec-11	Nov-11
ROE *	34.31%	24.44%
ROA **	2.76%	2.30%

* Annualized net income / 12 month equity average
** Annualized net income / 12 month equity average

[3] For comparison purposes for 2010, employee profit sharing has been included in administrative expenses (under employee expense) according to the latest regulations that took effect as of January 2011.

All of this, without neglecting the required and voluntary levels of allowances the Bank, which are far above the SBS requirements, adapting them ahead of time to the regulatory amendments for Basel II implementation.

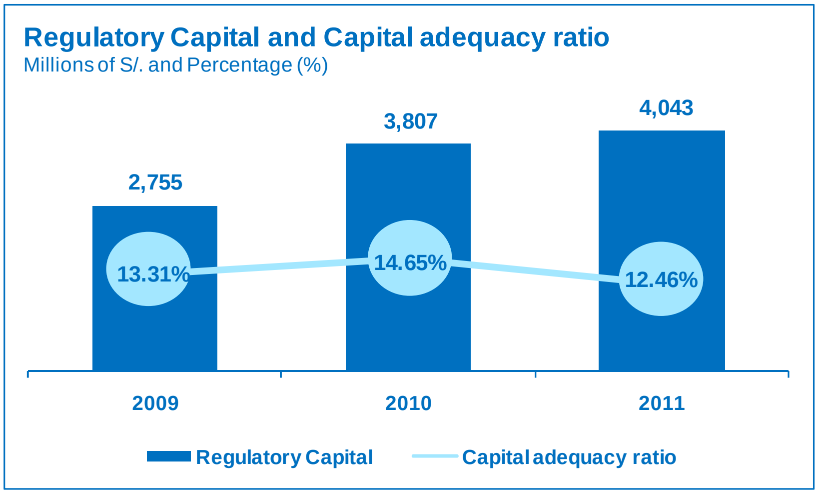
The proper use and application of available resources has rewarded BBVA Continental with leadership in management issues, showing indicators above the Peruvian Banking System's average, with regard to efficiency, 36.65% as of November 2011; and recurrence, 61.96% as of the offend of the fourth quarter of 2011.

Ratios	BBVA Continental	Banking System
	Dec-11	Nov-11
Efficiency *	36.65%	46.82%
Recurrence **	61.96%	45.93%

* Operating expense / Total financial margin. As of November 2011
** Income from financial services Income / Administrative expenses

VI. EQUITY

The capital adequacy ratio for credit, market, and operational risks, for the fourth quarter of 2011, was 12.46%. This is within the limit set forth by the local regulatory authority and within the international standards required for companies enjoying investment grade rating.



In Millions of Nuevos Soles	Dec-11	Dic-10
Allocated to cover credit risk	3,877	3,661
Allocated to cover market risk	55	64
Allocated to cover operational risk	111	83
Total Regulatory Capital	**4,043**	**3,807**
Risk-Weighted Assets	**32,455**	**25,985**
Capital adequacy ratio	**12.46%**	**14.65%**

VII. RISK RATING

BBVA Continental being a subject to credit rating by rating agencies Apoyo & Asoc. Internacionales, Equilibrium and Pacific Credit Rating (PCR), maintains the highest local ratings currently existing.

Instrument	Apoyo & Asociados	Equilibrium	Pacific Credit Rating PCR	Maximum Local Level
Time deposits < 1 year	CP - 1 + (pe) Rating	EQL 1 + pe	Rating I	1 Rating
Time deposits > 1 year	AAA (pe) Rating	AAA.pe	pAAA	AAA Rating
Corporate bonds	AAA (pe) Rating	AAA.pe	pAAA	AAA Rating
Subordinated bonds	AA+ (pe) Rating	AA+.pe	pAA+	AA+ Rating
Leasing bonds	AAA (pe) Rating	AAA.pe	pAAA	AAA Rating
Common stock	1st (pe) Rating	1st Class.pe	PC N1	1 Rating
Entity's rating	A+ Rating	A+	A+	A

Note: Rating prepared based on information as of September 2011.

Additionally, BBVA Continental maintains the investment grade rating awarded by prestigious international rating agencies, Fitch Ratings and Standard & Poors. In addition, in November 2011, Fitch Ratings upgraded the rating for “Long term Issues in Foreign Currency”, from BBB to BBB+; and for “Long Term Issues in Domestic Currency”, from A- to A.

Instrument	Fitch Ratings	Standard & Poors
Long term issues in foreign currency	BBB+	BBB
Short term issues in foreign currency	F2	A3
Long term issues in local currency	A	BBB-
Short term issues in local currency	F1	A3
Individual rating	B/C	-
Outlook	Positive	Stable

Source: http://www.fitchatings.com/
http://standardandpoors.com/

APOYO Y ASOCIADOS INTERNACIONALES S.A.C. – RISK RATING AGENCY

APOYO	RATING	RATING DEFINITION
Institution (Financial Strength)	A+ Rating	This is for institutions with a high capacity to pay its obligations under agreed upon terms and conditions, which would be significantly affected in case of possible changes in the institution, in the industry to which they belong, or in the economy.
Short Term Deposits	CP-1+ (pe) Rating	This relates to a higher capacity to make timely payment of financial commitments reflecting the lowest credit risk.
Long Term Deposits	AAA (pe) Rating	This relates to a higher capacity to make timely payment of financial commitments, reflecting the lowest credit risk. This capacity is highly unlikely to be adversely affected by unforeseen events.
Corporate Bonds	AAA (pe) Rating	
Leasing Bonds	AAA (pe) Rating	This relates to a higher capacity to make timely payment of financial commitments, reflecting the lowest credit risk. This capacity is highly unlikely to be adversely affected by unforeseen events.
Subordinated Bonds	AA+ (pe) Rating	This relates to a very high capacity to make timely payment of financial commitments, reflecting the lowest credit risk. This capacity is not significantly vulnerable to unforeseen events.
Common Shares	1st. (pe) Rating	Shares with an excellent combination of solvency, stability in issuer profitability and volatility in the returns.

Note: Rating prepared based on information as of September 2011.

EQUILIBRIUM - RISK RATING AGENCY

EQUILIBRIUM	RATING	RATING DEFINITION
Institution (Financial Strength)	A+	The institution has a solid economic and financial structure and it has the highest capacity to pay its obligations under agreed upon terms and conditions, which would not be affected in case of possible changes in the institution, in the industry to which they belong, or in the economy.
Short Term Deposits	EQL 1+.pe	Highest degree of quality. There is certainty about interest and principal payments within agreed upon terms and conditions.
Long Term Deposits	AAA.pe	This reflects the highest capacity about interest and principal payments within agreed upon terms and conditions.
Corporate Bonds	AAA.pe	This reflects the highest capacity about interest and principal payments within agreed upon terms and conditions.
Leasing Bonds	AAA.pe	This reflects the highest capacity about interest and principal payments within agreed upon terms and conditions.
Subordinated Bonds	AA+.pe	This reflects a very high capacity about interest and principal payments within agreed upon terms and conditions. Differences between this rating and the immediately higher rating are minimal.
Common Shares	1st Class.pe	The highest level of solvency and greater stability in the issuer's economic results.

Note: Rating prepared based on information as of September 2011.

PCR - PACIFIC CREDIT RATING - RISK RATING AGENCY

PACIFIC CREDIT RATING - PCR	RATING	RATING DEFINITION
Institution (Financial Strength)	A+	Solvent company with an exceptional intrinsic financial strength, well positioned in the system, full coverage of risks involved and able to manage future risks
Short Term Deposits	Rating I	Higher degree of quality. Low probability of default under agreed upon terms. Excellent capacity to make payments even under the most adverse economic scenario predictable
Long Term Deposits	pAAA	Issues with the highest credit quality. Risk factors are virtually non-existent.
Corporate Bonds	pAAA	Issues with the highest credit quality. Risk factors are virtually non-existent.
Subordinated Bonds	pAA+	This rating groups issues of a high credit quality. Protection factors are strong. Risk is modest and may vary occasionally due to economic conditions.
Leasing Bonds	pAAA	Issues with the highest credit quality. Risk factors are virtually non-existent.
Common Shares	PC N1 (First Class Level 1)	The stock shares in this rating category are probably the safest, most stable and least risky in the market. They show a great capacity to generate profits and liquidity in the market.

Note: Rating prepared based on information as of September 2011.

VIII. ANNEX: Summary Information

BBVA Continental:

- ✓ Balance Sheet
- ✓ Profit and Loss Statement

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NOTE:

"This report has been prepared based on unaudited financial information, under the principles of good faith and in accordance with legal regulations in force; thus, any deficiency or omission would be of an involuntary nature. The information contained in this report should not be used by itself for investment decisions."

BBVA Continental

Summary Balance Sheet

In millions of Nuevos Soles as of December 31, 2011

Assets	Dec-11	Dec-10
Cash and due from banks	**8,483**	**9,999**
Interbank funds	**241**	**40**
Investments at fair value through profit and loss, available for sale and held to maturity	**2,523**	**2,200**
Loans, net	**28,922**	**24,006**
Performing loans	29,329	24,342
Past due loans	274	260
Refinanced and restructured loans	342	292
Allowances for loan losses	-1,250	-1,049
Accrued interests	226	161
Accounts receivable	**516**	**362**
Assets seized and recovered through legal actions	**4**	**9**
Investments in associated companies	**90**	**81**
Property, furniture and equipment	**604**	**447**
Other assets	**871**	**639**
Total assets	**42,254**	**37,785**

Liabilities and equity	Dec-11	Dec-10
Obligations to the public	**30,185**	**25,558**
Interbank funds	**126**	**480**
Deposits from financial institutions	**339**	**373**
Short term debt due to banks and correspondents	**461**	**800**
Accounts payable	**651**	**591**
Long term debt due to banks and correspondents	**4,849**	**4,916**
Provisions	**455**	**458**
Securities, bonds and outstanding obligations	**1,446**	**1,167**
Other liabilities	**37**	**58**
Total liabilities	**38,550**	**34,401**
Equity	**3,705**	**3,384**
Total liabilities and equity	**42,254**	**37,785**

BBVA Continental

Profit and Loss Statement

In millions of Nuevos Soles and for the year ended,

	December 31, 2011	December 31, 2010
Financial income	**3,155**	**2,576**
Financial expense	**-862**	**-494**
Gross financial margin	**2,293**	**2,082**
Net provision for loan losses	**-277**	**-278**
Net financial margin	**2,016**	**1,805**
Income from financial services	**663**	**576**
Expense from financial services	**-66**	**-50**
Operating margin	**2,613**	**2,331**
Administrative expenses	**-964**	**-835**
Personnel and board of director expenses	-500	-432
Expenses for services provided by third parties	-433	-377
Taxes and contributions	-31	-26
Net operating margin	**1,649**	**1,496**
Other provisions, depreciation and amortization	**-151**	**-147**
Other income and expenses	**-3**	**6**
Income before taxes	**1,495**	**1,355**
Income tax	**-366**	**-348**
Net Income	**1,129**	**1,007**

BBVA Banco Continental

Profit and Loss Statement

In millions of Nuevos Soles from October 1 to December 31, 2011

		4Q2011		4Q2010
Financial income		**776**		**673**
Financial expense	**-**	**149**	**-**	**97**
Gross financial margin		**627**		**576**
Net provision for loan losses	**-**	**69**	**-**	**77**
Net financial margin		**558**		**499**
Income from financial services		**179**		**154**
Expense from financial services	**-**	**22**	**-**	**12**
Operating margin		**715**		**641**
Administrative expenses	**-**	**264**	**-**	**240**
Personnel and board of director expenses	-	140	-	110
Expenses for services provided by third parties	-	116	-	123
Taxes and contributions	-	8	-	7
Net operating margin		**451**		**401**
Other provisions, depreciation and amortization	**-**	**38**	**-**	**57**
Other income and expenses	**-**	**2**		**3**
Income before taxes		**411**		**348**
Income tax	**-**	**96**	**-**	**89**
Net Income		**315**		**258**