

(Free translation from the original issued in Spanish)

Banco Central de la República Argentina

Buenos Aires, April 22, 1999

*To the Board of Directors of
Banco Central de la República Argentina
To the National Executive Branch
To the National Congress*

In my capacity as Syndic of Banco Central de la República Argentina (B.C.R.A.), I have reviewed, with the scope mentioned in the next paragraph, the balance sheet at December 31, 1998, the statements of income, the statement of changes in stockholders' equity for the year then ended and the corresponding Notes 1 to 4 and Exhibits I to III to those financial statements, which were signed by me solely for identification purposes.

The review did not include the application of all auditing procedures necessary to issue an opinion on the financial statements taken as a whole, in accordance with current auditing standards. The review included the procedures described in the Exhibit to this report.

Based on the review carried out, I inform that I have no objections to make on the financial statements described in the first paragraph and, therefore, I recommend that they be approved by the Board of Directors of the B.C.R.A.

In addition, I inform that I have reviewed compliance by the B.C.R.A. with the provisions of its Charter (Law No 24,144) and other applicable regulations by controlling the decisions adopted in Board of Directors' meetings since the date of the Assistant Syndic's appointment, reviewing certain specific matters and other issues submitted to the consideration of the Board by the various areas of the B.C.R.A. and by third parties.

On the basis of the above, I consider I have complied with the provisions of section 36 of the Charter in accordance with Law No 24,144.

APPENDIX

Signed by
Raúl A. Menem

APPENDIX TO THE REPORT OF THE BCRA SYNDIC DATED APRIL 22, 1999

DESCRIPTION OF THE MAIN REVIEW PROCEDURES ON THE FINANCIAL STATEMENTS OF BCRA AT DECEMBER 31, 1998

1. Reading of the draft report issued by Price Waterhouse and the Auditoría General de la Nación (AGN).
2. Access to the working papers of Price Waterhouse and the Auditoría General de la Nación corresponding to the external audit of the financial statements.
3. Reading of the financial statements.
4. Verification for consistency of the amounts shown on the financial statements against the supporting documentation for the operations.
5. Access, in performing syndic's functions, to certain documentation, records and vouchers of operations.
6. Attendance at Board of Directors' meetings since the date of the Assistant Syndic's appointment.
7. Participation in working meetings with BCRA officers, Price Waterhouse and AGN to review progress of External Auditors' work.
8. Reading and review of work programs and reports of the General Audit division of the BCRA corresponding to financial statements accounts.
9. Reading and matching of condensed assets and liabilities statements, daily reports on Evolution of Reserves Law No 23,928, Monetary Liabilities and Convertibility Ratio and other accounting information.