

LETTER OF TRANSMITTAL
BANCO CONTINENTAL S.A.E.C.A.

With Respect to

Any and All of its 8.875% Senior Notes due 2017

(CUSIP Nos. 059490AA0/ P09110AA8 and ISIN Nos. US059490AA01/ USP09110AA82)

Pursuant to the Offer to Purchase
Dated July 8, 2016

THE OFFER WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON JULY 14, 2016, UNLESS EXTENDED OR EARLIER TERMINATED (SUCH TIME AND DATE, AS THE SAME MAY BE EXTENDED, THE "EXPIRATION TIME"). HOLDERS (AS DEFINED BELOW) THAT VALIDLY TENDER THEIR NOTES (AS DEFINED BELOW) PRIOR TO THE EXPIRATION TIME IN THE MANNER DESCRIBED HEREIN WILL BE ELIGIBLE TO RECEIVE THE TENDER CONSIDERATION (AS DEFINED BELOW), PLUS ANY ACCRUED AND UNPAID INTEREST TO, BUT EXCLUDING, THE SETTLEMENT DATE.

The Information Agent and Tender Agent for the Offer is:

Global Bondholder Services Corporation

By Mail, Hand or Overnight Delivery:

65 Broadway, Suite 404

New York, New York 10006

Attention: Corporate Actions

By Facsimile (for Eligible Institutions only):

(212) 430-3775/3779

For Confirmation by Telephone:

(212) 430-3774

Banks and Brokers Call: (212) 430-3774

Call Toll-Free: (866) 807-2200

DELIVERY OF THIS LETTER OF TRANSMITTAL TO AN ADDRESS, OR TRANSMISSION OF INSTRUCTIONS VIA FACSIMILE TO A NUMBER, OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE VALID DELIVERY TO GLOBAL BONDHOLDER SERVICES CORPORATION, WHO IS ACTING AS THE INFORMATION AGENT AND TENDER AGENT FOR THE OFFER (THE "INFORMATION AGENT AND TENDER AGENT"). THE INSTRUCTIONS CONTAINED HEREIN SHOULD BE READ CAREFULLY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

This Letter of Transmittal (as it may be amended or supplemented from time to time, the "Letter of Transmittal") should be used to tender Notes (as defined herein) pursuant to the offer to purchase for cash (the "Offer") by Banco Continental S.A.E.C.A., a sociedad anónima emisora de capital abierto, incorporated under the laws of the Republic of Paraguay ("we," "us" or the "Company"), any and all of the outstanding 8.875% Senior Notes due 2017 (the "Notes") of the Company pursuant to the Offer to Purchase dated July 8, 2016 (as the same may be amended or supplemented from time to time, the "Offer to Purchase"), this Letter of Transmittal and the related Notice of Guaranteed Delivery (as it may be amended or supplemented from time to time, the "Notice of Guaranteed Delivery") (together with the Offer to Purchase and this Letter of Transmittal, the "Offer Documents").

All capitalized terms used herein and not defined herein shall have the meanings ascribed to them in the Offer to Purchase.

THE INSTRUCTIONS CONTAINED HEREIN SHOULD BE READ CAREFULLY AND IN THEIR ENTIRETY BEFORE THIS LETTER OF TRANSMITTAL IS COMPLETED.

The Offer is made upon the terms and subject to the conditions set forth in the Offer to Purchase and in this Letter of Transmittal. Holders should carefully review the information set forth herein. By the execution of this Letter of Transmittal, the undersigned acknowledges receipt of the Offer to Purchase, this Letter of Transmittal and the Instructions hereto.

HOLDERS WHO WISH TO BE ELIGIBLE TO RECEIVE THE TENDER CONSIDERATION, AS SET FORTH IN THE OFFER TO PURCHASE, IN CONNECTION WITH THE OFFER MUST VALIDLY TENDER THEIR NOTES TO THE INFORMATION AGENT AND TENDER AGENT PRIOR TO THE EXPIRATION TIME. SEE “PROCEDURES FOR TENDERING NOTES” IN THE OFFER TO PURCHASE.

This Letter of Transmittal is to be used by Holders of Notes if:

- certificates representing Notes are to be physically delivered to the Information Agent and Tender Agent herewith by Holders;
- tenders of Notes are to be made by book-entry transfer to the Information Agent and Tender Agent’s account at The Depository Trust Company (“DTC”) pursuant to the procedures set forth in the Offer to Purchase under the caption “Procedures for Tendering Notes—Tender of Notes Held Through DTC” but instructions are NOT being transmitted through DTC’s Automated Tender Offer Program (“ATOP”); or
- you are going to deliver certificates in respect of Notes tendered under a Notice of Guaranteed Delivery previously sent to the Information Agent and Tender Agent.

This Letter of Transmittal, if being used, must be delivered to the Information Agent and Tender Agent. Delivery of this Letter of Transmittal, the Notice of Guaranteed Delivery and other documents to DTC does not constitute delivery to the Information Agent and Tender Agent.

The Offer will be eligible for ATOP. In lieu of completing and delivering this Letter of Transmittal, Holders of Notes who are tendering by book-entry transfer to the Information Agent and Tender Agent’s account at DTC can electronically transmit their acceptance of the Offer through ATOP (and thereby tender Notes). DTC participants that are accepting the Offer may transmit their acceptance to DTC, which will verify the acceptance and execute a book-entry delivery to the Information Agent and Tender Agent’s account at DTC. DTC will then edit and verify the acceptance and send an Agent’s Message to the Information Agent and Tender Agent for its acceptance. Delivery of the Agent’s Message by DTC will satisfy the terms of the Offer as to execution and delivery of a Letter of Transmittal by the participant identified in the Agent’s Message.

Questions about the Offer may be directed to Citigroup Global Markets Inc. who is serving as the dealer manager in connection with the Offer (the “Dealer Manager”), at its address and telephone numbers set forth on the back cover of this Letter of Transmittal.

Questions regarding procedures for tendering Notes and delivering requests for additional copies of the Offer to Purchase, this Letter of Transmittal, the Notice of Guaranteed Delivery, or any document incorporated herein or therein by reference may be directed to the Information Agent and Tender Agent, at the Internet address and its address and telephone numbers set forth on the back cover of this Letter of Transmittal. Requests for additional copies of the Offer to Purchase, this Letter of Transmittal, the Notice of Guaranteed Delivery and any of the accompanying ancillary documents also may be directed to your broker, dealer, commercial bank or trust company. Your broker, dealer, commercial bank or trust company also can help you complete this form.

Tendered Notes may be withdrawn at any time at or prior to the earlier of (i) the Expiration Time and (ii) if the Offer is extended, the 10th business day following commencement of the Offer. Tendered Notes may also be validly withdrawn in the event the Offer has not been consummated within 60 business days after commencement of the Offer. If the Offer is terminated or otherwise not completed, the Tender Consideration and any accrued and unpaid interest will not be paid or become payable pursuant to the Offer to the Holders of Notes who have tendered their Notes and such Notes shall be returned promptly to such Holders.

Tendered Notes may also be validly withdrawn in the event the Offer has not been consummated within 60 business days after commencement of the Offer. Interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer.

- CHECK HERE IF CERTIFICATES FOR TENDERED NOTES ARE ENCLOSED HEREWITH.

- CHECK HERE IF TENDERED NOTES ARE BEING DELIVERED BY BOOK ENTRY TRANSFER MADE TO THE ACCOUNT MAINTAINED BY THE INFORMATION AGENT AND TENDER AGENT WITH DTC AND COMPLETE THE FOLLOWING:
Name of Tendering Institution: _____
Account Number with DTC: _____
Transaction Code Number: _____

- CHECK HERE IF YOU ARE DELIVERING TENDERED NOTES PURSUANT TO A NOTICE OF GUARANTEED DELIVERY THAT YOU PREVIOUSLY SENT TO THE INFORMATION AGENT AND TENDER AGENT AND COMPLETE THE FOLLOWING:

Names(s) of Tendering holder(s): _____

Date of Execution of Notice of Guaranteed Delivery: _____

Name of Institution that Guaranteed Delivery: _____

The undersigned has completed, executed and delivered this Letter of Transmittal to indicate the action the undersigned desires to take with respect to the Offer.

The instructions included with this Letter of Transmittal must be followed. Questions and requests for assistance or for additional copies of the Offer to Purchase and this Letter of Transmittal must be directed to Citigroup Global Markets Inc., the Dealer Manager, or Global Bondholder Services Corporation, the Information Agent and Tender Agent, in each case, at their respective addresses and telephone numbers set forth on the back cover page of this Letter of Transmittal. See Instruction 10 below.

**NOTE: SIGNATURES MUST BE PROVIDED BELOW
PLEASE READ THE ACCOMPANYING INSTRUCTIONS CAREFULLY**

Ladies and Gentlemen:

By execution hereof, the undersigned acknowledges receipt of the Offer to Purchase, dated July 8, 2016 (as it may be amended or supplemented from time to time, the "Offer to Purchase"), of Banco Continental S.A.E.C.A., a sociedad anónima emisora de capital abierto, incorporated under the laws of the Republic of Paraguay ("we," "us" or the "Company"), relating to our offer to purchase for cash (the "Offer") from the registered holders (each, a "Holder," and, collectively, the "Holders") any and all of the outstanding 8.875% Senior Notes due 2017 (the "Notes") of the Company.

The Offer is made upon the terms and subject to the conditions set forth in the Offer to Purchase and this Letter of Transmittal. Upon the terms and subject to the conditions of the Offer, the undersigned hereby tenders to us the principal amount of Notes indicated above.

Subject to, and effective upon, the acceptance for purchase of, and payment for, the principal amount of Notes tendered with this Letter of Transmittal, in accordance with the terms and subject to the conditions of the Offer, the undersigned hereby irrevocably sells, assigns and transfers to, or upon the order of, the Company all right, title and interest in and to all of the Notes that are being tendered hereby, waives any and all other rights with respect to such Notes (including, without limitation, any existing or past defaults and their consequences in respect of such Notes and the Indenture under which such Notes were issued) and releases and discharges the Company from any and all claims such Holder may have now, or may have in the future, arising out of, or related to, such Notes, including, without limitation, any claims that such Holder is entitled to receive additional principal or interest payments with respect to such Notes or to participate in any redemption or defeasance of such Notes. The undersigned hereby irrevocably constitutes and appoints the Information Agent and Tender Agent the true and lawful agent and attorney-in-fact of the undersigned (with full knowledge that the Information Agent and Tender Agent also acts as our agent) with respect to such Notes, with full power of substitution and revocation (such power-of-attorney being deemed to be an irrevocable power coupled with an interest) to (1) present such Notes and all evidences of transfer and authenticity to, or transfer ownership of, such Notes on the account books maintained by the book-entry transfer facility to, or upon the order of, the Company, (2) present such Notes for transfer of ownership on the books of the relevant security register and (3) receive all benefits and otherwise exercise all rights of beneficial ownership of such Notes (except that the Information Agent and Tender Agent will have no rights to, or control over, funds from us, except as agent for the tendering Holders for the Tender Consideration and accrued and unpaid interest for any tendered Notes that are accepted for payment by us), all in accordance with the terms of and conditions to the Offer as described in the Offer Documents.

The undersigned understands and acknowledges that the Offer will expire at 5:00 P.M., New York City time, on July 14, 2016, unless extended or earlier terminated.

Notes tendered may be withdrawn at any time at or prior to the earlier of (i) the Expiration Time and (ii) if the Offer is extended, the 10th business day following commencement of the Offer. Tendered Notes may also be validly withdrawn in the event the Offer has not been consummated within 60 business days after commencement of the Offer.

In the event that the Offer is terminated, withdrawn or otherwise not completed without any Notes being purchased thereunder, Notes tendered pursuant to the Offer will be returned to the tendering Holder promptly (or, in the case of Notes tendered by book-entry transfer, such Notes will be credited to the account maintained at DTC from which such Notes were delivered).

The undersigned understands that tenders of Notes pursuant to any of the procedures described in the Offer to Purchase and in the instructions hereto and acceptance thereof by us will constitute a binding agreement between the undersigned and us upon the terms and subject to the conditions of the Offer, which agreement will be governed by, and construed in accordance with, the laws of the State of New York.

The undersigned hereby represents and warrants that the undersigned has full power and authority to tender, sell, assign and transfer the Notes tendered hereby, and that when such Notes are accepted for purchase and payment by us, we will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claim or right. The undersigned will, upon

request by the Company, the Information Agent and Tender Agent or the Trustee, execute and deliver any additional documents deemed by the Company, the Information Agent and Tender Agent or the Trustee to be necessary or desirable to complete the sale, assignment and transfer of the Notes tendered hereby.

For purposes of the Offer, we will have accepted for purchase validly tendered Notes if, as and when we give verbal or written notice to the Information Agent and Tender Agent of our acceptance of the Notes for purchase pursuant to the Offer. In all cases, payment for Notes purchased pursuant to the Offer will be made by deposit of the Tender Consideration and accrued and unpaid interest from the last date on which interest has been paid on the Notes to, but excluding, the Settlement Date in immediately available funds with the Information Agent and Tender Agent, or upon the instructions of the Information Agent and Tender Agent, DTC, which will act as your agent for the purpose of receiving payments from us and transmitting payments to you. Interest will cease to accrue on the Settlement Date for all Notes accepted in the Offer.

The undersigned hereby represents and warrants that the undersigned has read and agrees to all of the terms of the Offer. All authority conferred or agreed to be conferred by this Letter of Transmittal shall not be affected by, and shall survive, the death, disability, incapacity, liquidation or dissolution of the undersigned, and every obligation of the undersigned under this Letter of Transmittal shall be binding upon the undersigned's heirs, personal representatives, executors, administrators, successors, assigns, trustees in bankruptcy and other legal representatives. The undersigned understands that the delivery and surrender of the Notes is not effective, and the risk of loss of the Notes does not pass to the Information Agent and Tender Agent, until timely receipt by the Information Agent and Tender Agent of (1) certificates representing the Notes, or timely confirmation of a book-entry transfer of the Notes into the Information Agent and Tender Agent's account at DTC, (2) the validly completed and duly executed Letter of Transmittal (or a facsimile thereof) or an Agent's Message in lieu thereof and (3) all necessary signature guarantees and any other documents required by this Letter of Transmittal.

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any Notes tendered delivered pursuant to any of the procedures described above and the form and validity of all documents will be determined by us, in our sole discretion, which determination shall be final and binding. We reserve the absolute right, in our sole discretion, to reject any and all tenders of any Notes determined by us not to be in proper form or if the acceptance of or payment for such Notes may, in the opinion of our counsel, be unlawful.

We also reserve the absolute right, subject to applicable law, to waive or amend any condition to the Offer that we are legally permitted to waive or amend and waive any defect or irregularity in any tender with respect to Notes of any particular Holder, whether or not similar defects or irregularities are waived in the case of other Holders.

We expressly reserve the right, subject to applicable law, to (1) terminate prior to the Expiration Time the Offer and not accept for payment any Notes, (2) waive before the Expiration Time any and all of the conditions of the Offer, (3) extend the Expiration Time and (4) otherwise amend the terms of the Offer in any respect. The foregoing rights are in addition to the right to delay acceptance for payment of Notes tendered pursuant to the Offer or the payment of Notes accepted for payment pursuant to the Offer in order to comply with any applicable law, subject to Rule 14e-1(c) under the Securities Exchange Act of 1934, as amended, which requires that we pay the consideration offered or return the Notes deposited by or on behalf of the Holders thereof promptly after the termination or withdrawal of the Offer, as applicable.

If we make a material change in the terms of the Offer or the information concerning the Offer or waive a material condition of the Offer, we will, to the extent required by law, disseminate additional Offer materials and extend the Offer. In addition, we may, if we deem appropriate, extend the Offer for any other reason. Without limiting the manner in which we may choose to make such announcement, we will not, unless otherwise required by law, have any obligation to advertise or otherwise communicate any such announcement other than by issuing a press release or by such other means of announcement as we deem appropriate.

The undersigned understands that our obligation to accept for payment, and to pay for, Notes validly tendered pursuant to the Offer is subject to the conditions set forth in the Offer to Purchase.

Unless otherwise indicated herein under “Special Payment Instructions,” the undersigned hereby requests that the Information Agent and Tender Agent mail the check for the Tender Consideration and accrued and unpaid interest to, but excluding, the Settlement Date to the address(es) of the Holder(s) appearing under “Description of Notes Tendered.” Similarly, unless otherwise indicated herein under “Special Delivery Instructions,” the undersigned hereby requests that any Notes representing principal amounts not tendered or not accepted for purchase (and accompanying documents, as appropriate) be delivered to the person(s) so indicated. In the case of a book-entry delivery of Notes, the undersigned hereby requests that the Information Agent and Tender Agent credit the account maintained at DTC with any Notes not tendered or not accepted for purchase. The undersigned recognizes that we have no obligation pursuant to the “Special Payment Instructions” box or “Special Delivery Instructions” box to transfer any Notes from the name of the Holder(s) thereof if we do not accept for purchase any of the principal amount of such Notes so tendered.

**TENDER OF NOTES HOLDER(S)
PLEASE SIGN THIS PAGE**

This Letter of Transmittal must be signed by the registered Holder(s) of the Notes exactly as their name(s) appear(s) on certificate(s) for Notes or by person(s) authorized to become registered Holder(s) by endorsement on certificates for Notes or by bond powers transmitted with this Letter of Transmittal. Endorsements on Notes and signatures on bond powers by registered Holders not executing this Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 1 below. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer or other person acting in a fiduciary or representative capacity, such person must set forth his or her full title below under "Capacity" and submit evidence satisfactory to us of such person's authority to so act. See Instruction 1 below.

Signature(s) of Holder(s) or Authorized Signatory

Dated: _____, 2016

Name(s): _____
(Please Print)

Capacity: _____

Address: _____
(Including Zip Code)

Area Code and Telephone No.: _____

Taxpayer Identification or Social Security No.: _____

**PLEASE COMPLETE INTERNAL REVENUE SERVICE ("IRS") FORM W-9 OR OTHER APPLICABLE
IRS FORM W-8 AND THE SIGNATURE GUARANTEE HEREIN, IF REQUIRED
(See Instructions 1 and 9 below)
Certain Signatures Must Be Guaranteed by an Eligible Institution**

(Name of Eligible Institution Guaranteeing Signatures)

(Address (including zip code) and Telephone Number (including area code) of Eligible Institution)

(Authorized Signature)

(Print Name)

(Title)

Dated: _____, 2016

SPECIAL PAYMENT INSTRUCTIONS

(See Instructions 1, 4, 5, 6 and 9)

To be completed ONLY if checks constituting payments for Notes to be purchased in connection with the Offer are to be issued to the order of someone other than the person(s) whose signature(s) appear(s) within this Letter of Transmittal.

Name: _____
(Please Print)

Address: _____
(Please Print)

Zip Code

Taxpayer Identification or Social Security Number
(See IRS Form W-9)

SPECIAL DELIVERY INSTRUCTIONS

(See Instructions 1, 4, 5, 6 and 9)

To be completed ONLY if certificates for Notes in a principal amount not tendered or not accepted for purchase are to be issued or sent to someone other than the person(s) whose signature(s) appear(s) within this Letter of Transmittal or to an address different from that shown in the box entitled "Description of Notes Tendered" within this Letter of Transmittal, or if Notes tendered by book-entry transfer that are not accepted for purchase are to be credited to an account maintained at DTC other than the one designated above.

Issue certificate(s) to:

Name: _____
(Please Print)

Address: _____
(Please Print)

Zip Code

Credit unpurchased Notes by book-entry transfer to the DTC account set forth below:

(DTC Account Number)

Name of Account Party

Taxpayer Identification or Social Security Number
(See IRS Form W-9)

INSTRUCTIONS

(Forming Part of the Terms and Conditions of the Offer)

1. Signature Guarantees; Signatures on this Letter of Transmittal

Signatures on this Letter of Transmittal must be guaranteed by a recognized participant in the Securities Transfer Agent's Medallion Program (a "Medallion Signature Guarantor"), unless the Notes tendered hereby are tendered and delivered (a) by the registered Holder of such Notes (or by a participant in DTC whose name appears on a security position listing as the owner thereof) and that Holder has not completed either of the boxes entitled "Special Payment Instructions" or "Special Delivery Instructions" on this Letter of Transmittal or (b) for the account of a firm that is a member of a registered national securities exchange or the Financial Industry Regulatory Authority, Inc., a commercial bank or trust company having an office or correspondent in the United States, or an "eligible guarantor institution," within the meaning of Rule 17Ad-15 under the Exchange Act, (each, an "Eligible Institution"). See Instruction 6.

2. Delivery of Letter of Transmittal and Notes

This Letter of Transmittal is to be completed by Holders if:

- certificates representing Notes are to be physically delivered to the Information Agent and Tender Agent herewith by Holders;
- tenders of Notes are to be made by book-entry transfer to the Information Agent and Tender Agent's account at DTC pursuant to the procedures set forth in the Offer to Purchase in "Procedures for Tendering Notes—Tender of Notes Held Through DTC" but instructions are NOT being transmitted through DTC's Automated Tender Offer Program ("ATOP") for which this Offer and the Notes will be eligible; or
- you are going to deliver certificates in respect of Notes tendered under a Notice of Guaranteed Delivery previously sent to the Information Agent and Tender Agent.

All physically delivered Notes, or a confirmation of a book-entry transfer into the Information Agent and Tender Agent's account at DTC of all Notes delivered electronically, as well as a properly completed and duly executed Letter of Transmittal (or a copy thereof) or Agent's Message and any other documents required by this Letter of Transmittal, must be received by the Information Agent and Tender Agent at its address set forth herein prior to the Expiration Time. **Delivery of documents to DTC does not constitute delivery to the Information Agent and Tender Agent.**

Guaranteed Delivery. If you cannot deliver your Notes and all other required documents to the Information Agent and Tender Agent, or if your Notes are not immediately available, by the Expiration Time, or the procedure for book-entry transfer cannot be completed before the Expiration Time, you may tender your Notes pursuant to the guaranteed delivery procedure described in the Offer to Purchase by or through any Eligible Institution. To comply with the guaranteed delivery procedure, you must ensure that: (1) the tender is made by or through an Eligible Institution; (2) guaranteed deliveries are submitted only in principal amounts equal to minimum denominations of \$150,000 and integral multiples of \$1,000 in excess thereof; (3) the Information Agent and Tender Agent receives by mail, overnight courier or facsimile transmission, before the Expiration Time, a properly completed and duly executed Notice of Guaranteed Delivery in the form we have provided, including (where required) a signature guarantee by an Eligible Institution in the form set forth in such Notice of Guaranteed Delivery; and (4) the Information Agent and Tender Agent receives the Notes, in proper form for transfer, or confirmation of book-entry transfer of the Notes into the Information Agent and Tender Agent's account at the book-entry transfer facility, together with a properly completed and duly executed Letter of Transmittal, or a manually signed facsimile thereof, and including any required signature guarantees, or an Agent's Message, and any other documents required by the Letter of Transmittal, no later than 5:00 p.m., New York City time, on the second business day after the Expiration Time.

FOR THE AVOIDANCE OF DOUBT, THE DELIVERY OF SUCH NOTES TENDERED BY GUARANTEED DELIVERY PROCEDURES WILL BE MADE NO LATER THAN 5:00 P.M., NEW YORK CITY TIME, ON THE SECOND BUSINESS DAY AFTER THE EXPIRATION TIME (WHICH, UNLESS THE OFFER IS EXTENDED, WILL BE JULY 18, 2016); PROVIDED, THAT INTEREST WILL CEASE TO ACCRUE ON THE SETTLEMENT DATE FOR ALL NOTES ACCEPTED IN THE OFFER, INCLUDING THOSE TENDERED BY THE GUARANTEED DELIVERY PROCEDURES SET FORTH ABOVE AND UNDER NO CIRCUMSTANCES WILL ADDITIONAL INTEREST ON THE TENDER CONSIDERATION BE PAID BY THE OFFEROR AFTER THE SETTLEMENT DATE BY REASON OF ANY DELAY ON THE PART OF THE GUARANTEED DELIVERY PROCEDURES.

The Offer will be eligible for ATOP. In lieu of completing and delivering this Letter of Transmittal, Holders of Notes who are tendering by book-entry transfer to the Information Agent and Tender Agent's account at DTC can electronically transmit their acceptance of the Offer (and thereby tender Notes) by causing DTC to transfer their Notes to the Information Agent and Tender Agent in accordance with DTC's ATOP procedures for such a transfer. DTC will then send an Agent's Message to the Information Agent and Tender Agent. The Agent's Message shall state that DTC has received an express acknowledgement from the DTC participant tendering Notes on behalf of the Holder, that such DTC participant has the Letter of Transmittal and agrees to be bound by the terms of the Letter of Transmittal, and that we may enforce such agreement against such participant. Delivery of the Agent's Message by DTC will satisfy the terms of the Offer as to execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message. If the ATOP procedures are used, the DTC participant need not complete and physically deliver the Notice of Guaranteed Delivery. However, such participant will be bound by the terms of the Offer. **Holders desiring to tender Notes before the Expiration Time through ATOP should note that such Holders must allow sufficient time for completion of the ATOP procedures during the normal business hours of DTC.**

The method of delivery of this Letter of Transmittal, the Notes, the Notice of Guaranteed Delivery and all other required documents, including delivery through DTC is at the option and risk of the tendering Holder. If delivery is by mail, it is suggested that the Holder use properly insured, registered mail with return receipt requested. In all cases, sufficient time should be allowed for such documents to reach the Information Agent and Tender Agent. Except as otherwise provided in this Instruction 2, delivery will be deemed made only when actually received by the Information Agent and Tender Agent.

No alternative, conditional or contingent tenders will be accepted. All tendering Holders, by execution of this Letter of Transmittal (or manually signed facsimile), waive any right to receive any notice of the acceptance of their Notes for purchase.

3. Withdrawal of Tender

Notes tendered before the Expiration Time may be withdrawn at any time at or prior to the earlier of (i) the Expiration Time and (ii) if the Offer is extended, the 10th business day following commencement of the Offer. Tendered Notes may also be validly withdrawn in the event the Offer has not been consummated within 60 business days after commencement of the Offer.

In the event that the Offer is terminated, withdrawn or otherwise not completed without any Notes being purchased thereunder, Notes tendered pursuant to the Offer will be returned to the tendering Holder promptly (or, in the case of Notes tendered by book-entry transfer, such Notes will be credited to the account maintained at DTC from which such Notes were delivered).

4. Partial Tenders

Notes may be tendered and accepted for payment only in principal amounts equal to minimum denominations of \$150,000 and integral multiples of \$1,000 in excess thereof. No alternative, conditional or contingent tenders will be accepted. Holders who tender less than all of their Notes must continue to hold Notes in the minimum authorized denomination of \$150,000 principal amount. If a Holder wishes to tender less than the entire principal amount evidenced by any Notes submitted, the tendering Holder must fill in the principal amount tendered in the last column of the box entitled "Description of Notes Tendered" herein. The entire principal amount

represented by the certificates for all Notes delivered to the Information Agent and Tender Agent will be deemed to have been tendered unless otherwise indicated. If the entire principal amount of all Notes is not tendered or not accepted for purchase as soon as practicable after the Expiration Time, the Notes representing such untendered amount will be sent (or, if tendered by book-entry transfer, returned by credit to the applicable account at DTC) to the registered Holder unless otherwise provided herein in the box entitled "Special Delivery Instructions." See Instruction 6.

5. Signature on Letter of Transmittal, Instruments of Transfer and Endorsements

If this Letter of Transmittal is signed by the registered Holder(s) of the Notes tendered hereby, the signature(s) must correspond with the name(s) as written on the face of the certificate(s) without alteration, enlargement or any change whatsoever. If this Letter of Transmittal is signed by a participant in DTC whose name is shown as the owner of the Notes tendered hereby, the signature must correspond with the name shown on the security position listing as the owner of the Notes.

If any of the Notes tendered hereby are registered in the name of two or more Holders, all such Holders must sign this Letter of Transmittal. If any of the Notes tendered hereby are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal or any Notes or instrument of transfer is signed by a trustee, executor, administrator, guardian, attorney-in-fact, agent, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing, and proper evidence satisfactory to us of such person's authority to so act must be submitted.

If this Letter of Transmittal is signed other than by the registered Holder(s) of the Notes listed, the Notes must be endorsed or accompanied by appropriate instruments of transfer, in any case signed exactly as the name or names of the registered Holder(s) appear on the Notes, and signatures on such Notes or instruments of transfer and proxy are required and must be guaranteed by a Medallion Signature Guarantor, unless the signature is that of an Eligible Institution. If this Letter of Transmittal is signed by the Holder, the certificates for any principal amount of Notes not tendered or accepted for purchase are to be issued (or if any principal amount of Notes that is not tendered or not accepted for purchase is to be reissued or returned) to such Holder, or if tendered by book-entry transfer, credited to the account at DTC of such Holder, and checks constituting payment for Notes to be purchased in connection with the Offer are to be issued to the order of the Holder, then the Holder need not endorse any certificates for tendered Notes nor provide any other instruments of transfer.

6. Special Payment and Delivery Instructions

Tendering Holders should indicate in the applicable box or boxes the name and address to which Notes for principal amounts not tendered or not accepted for purchase or checks for payment of the Tender Consideration and accrued and unpaid interest to be made in connection with the Offer are to be issued or sent, if different from the name and address of the registered Holder signing this Letter of Transmittal. In the case of issuance in a different name, the taxpayer identification or social security number of the person named must also be indicated. If no instructions are given, any Notes not tendered or not accepted for purchase will be returned to the registered Holder of the Notes tendered. For Holders of Notes tendering by book-entry transfer, Notes not tendered or not accepted for purchase will be returned by crediting the account at DTC designated above.

7. Transfer Taxes

Except as set forth in this Instruction 7, we will pay or cause to be paid any transfer taxes with respect to the transfer and sale of Notes to us, or to our order, pursuant to the Offer. If however, payment of the Tender Consideration and accrued and unpaid interest is to be made to, or if Notes not tendered or accepted for payment are to be registered in the name of, any persons other than the registered owner(s), or if tendered Notes are registered in the name of any person(s) other than the person(s) signing this Letter of Transmittal, the amount of any transfer taxes (whether imposed on the registered Holder(s) or such other person(s)) payable on account of the transfer to such other

person will be deducted from the Tender Consideration and accrued and unpaid interest unless satisfactory evidence of the payment of such taxes or exemption therefrom is submitted.

8. Conditions to the Offer; Waiver of Conditions

Notwithstanding any other provisions of the Offer, we will not be required to accept for purchase or to pay for Notes validly tendered pursuant to the Offer, and may terminate, amend or extend the Offer or delay or refrain from accepting for purchase, or paying for, the Notes if any of the conditions set forth in the Offer to Purchase have not been satisfied and have not been waived by us.

9. IRS Form W-9 and W-8

A tendering Holder whose tendered Notes are accepted for purchase must provide the Information Agent and Tender Agent (as payor) with such Holder's correct Taxpayer Identification Number (a "TIN") or otherwise establish an exemption. A tendering U.S. Holder (defined in the Offer to Purchase) should provide its TIN and/or establish an exemption by providing a properly completed IRS Form W-9. Such form may be obtained from the Information Agent and Tender Agent or from the IRS website (www.irs.gov).

If the Information Agent and Tender Agent is not provided with the correct TIN or an adequate basis for an exemption, such Holder may be subject to backup withholding at a rate of 28% on the amount of the gross proceeds received pursuant to the Offer and IRS penalties in certain cases. Backup withholding is not an additional tax. If backup withholding results in an overpayment of taxes, a refund may be obtained, provided that the required information is timely furnished to the IRS.

The foregoing discussion is not intended to be a complete analysis or description of all potential U.S. federal income tax considerations of the sale of Notes pursuant to the Offer. Holders are urged to consult their tax advisors as to the specific tax consequences of the Offer to them, including tax reporting and backup withholding requirements.

10. Requests for Assistance or Additional Copies

Questions about the Offer may be directed to Citigroup Global Markets Inc., who is serving as the Dealer Manager in connection with the Offer, at its address and telephone numbers set forth on the back cover of this Letter of Transmittal.

Questions regarding procedure for tendering Notes and delivering requests for additional copies of the Offer to Purchase, this Letter of Transmittal or the Notice of Guaranteed Delivery, any of the accompanying ancillary documents or any document incorporated herein by reference may be directed to Global Bondholder Services Corporation, who is acting as the information agent, tender agent and depositary in connection with the Offer, at the web address and its address and telephone numbers set forth on the back cover of this Letter of Transmittal. Requests for additional copies of the Offer to Purchase, this Letter of Transmittal or the Notice of Guaranteed Delivery and any of the accompanying ancillary documents may also be directed to your broker, dealer, commercial bank or trust company. Your broker, dealer, commercial bank or trust company also can help you complete this form.

11. Mutilated, Lost, Stolen or Destroyed Certificates

If a Holder desires to tender Notes but the certificates evidencing such Notes have been mutilated, lost, stolen or destroyed, such Holder should contact Deutsche Bank Trust Company Americas, the Trustee for the Notes, to receive information about the procedures for obtaining replacement certificates for Notes.

12. Irregularities

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any Notes tendered pursuant to any of the procedures described above and the form and validity of all documents

will be determined by us, in our sole discretion, which determination shall be final and binding. We reserve the absolute right, in our sole discretion, to reject any and all tenders of any Notes determined by us not to be in proper form, or if the acceptance of, or payment for, such Notes may, in the opinion of our counsel, be unlawful. We also reserve the absolute right to waive or amend any condition to the Offer that we are legally permitted to waive or amend and waive any defect or irregularity in any tender with respect to Notes of any particular Holder, whether or not similar defects or irregularities are waived in the case of other Holders.

Our interpretation of the terms and conditions of the Offer (including this Letter of Transmittal and the instructions hereto) will be final and binding. Any defect or irregularity in connection with tenders of Notes must be cured within such time as we determine, unless waived by us. Tenders of Notes shall not be deemed to have been made until all defects and irregularities have been waived by us or cured. None of the Company, the Dealer Manager, the Information Agent and Tender Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or will incur any liability for failure to give any such notification. If we waive our right to reject a defective tender of Notes, the Holder will be entitled to the applicable consideration unless the Offer is terminated or withdrawn.

This Letter of Transmittal (or a manually signed facsimile), or an Agent's Message delivered through ATOP, together with Notes (or confirmation of a book-entry transfer thereof) and all other required documents, must be received by the Information Agent and Tender Agent before the Expiration Time for the tendering Holder to be eligible to receive the Tender Consideration and accrued and unpaid interest pursuant to the Offer.

Any questions regarding procedures for tendering Notes or requests for additional copies of the Offer to Purchase, this Letter of Transmittal and the Notice of Guaranteed Delivery should be directed to the Information Agent and Tender Agent.

The Information Agent and Tender Agent for the Offer is:

GLOBAL BONDHOLDER SERVICES CORPORATION

By Mail, Hand or Overnight Delivery:
65 Broadway, Suite 404
New York, New York 10006

Banks and Brokers Call: (212) 430-3774
Call Toll-Free: (866) 807-2200
Fax: +1 (212) 430-3775 or +1 (212) 430-3779

Copies of this Letter of Transmittal, the related Offer to Purchase and the Notice of Guaranteed Delivery are also available at the following Internet address: <http://www.gbsc-usa.com/Banco>

Any questions regarding the terms of the Offer should be directed to the Dealer Manager.

The Dealer Manager for the Offer is:

CITIGROUP GLOBAL MARKETS INC.

390 Greenwich Street, 1st Floor
New York, New York 10013
Attention: Liability Management Group
Toll-Free: (800) 558-3745
Collect: (212) 723-6106