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ALBANESI

Albanesi S.A.

Interim Condensed Consolidated Financial Statements

At March 31, 2016 and for the three-month period ended March 31, 2016, presented in comparative format

Free translation from the original prepared in Spanish for publication in Argentina

Albanesi S.A.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
AT MARCH 31, 2016 AND 2015

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GLOSSARY OF TECHNICAL TERMS

The following are not technical definitions, but they are helpful for the reader's understanding of some terms used in the notes to the interim condensed consolidated financial statements of the Company.

Terms	Definitions
/day	Per day
AISA	Albanesi Inversora S.A.
AJSA	Alba Jet S.A.
AFSA	Albanesi Fueguina S.A.
AISA	Albanesi Inversora S.A.
AFIP	Federal Administration of Public Revenue
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
AVSA	Albanesi Venezuela S.A.
BADLAR	Interest rates paid by financial institutions on their time deposits for over one million pesos.
BADCOR	Adjusted BADLAR rate
BDD	Bodega del Desierto S.A.
BCRA	Argentine Central Bank
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CC	Combined cycle
IFRIC	International Financial Reporting Interpretations Committee
CNV	National Securities Commission
CTR	Central Térmica Roca S.A.
CVP	Variable Production Cost
Dam^3	Cubic decameter Volume equivalent to 1,000 (one thousand) cubic meters.
DH	Historical availability
Availability	Percentage of time in which the power plant or machinery, as applicable, is in operation (generating power) or available for power generation, but not called by CAMMESA
DMC	Minimum Availability Committed
DO	Target availability
DR	Registered availability
ENARSA	Energía Argentina S.A.
Energía Plus	Plan created under ES Resolution 1281/06
ENRE	National Electricity Regulatory Authority
EPEC	Empresa Provincial de Energía de Córdoba
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
FONINVEMEM	Fund for investments required to increase the electric power supply in the WEM
GE	General Electric
GMSA	Generación Mediterránea S.A.
GFSA	Generación Frías S.A.
GI	Generación Independencia located in San Miguel de Tucumán, province of Tucumán (merged with GMSA)
GISA	Generación Independencia S.A.
GLBSA	Generación La Banda S.A.
GLB	Generación La Banda located in La Banda, province of Santiago del Estero (merged with GMSA)

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GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GM	Generación Mediterránea located in Río IV, province of Córdoba
Large Users	WEM agents classified according to their consumption unto: GUMAs, GUMEs, GUPAs and GUDIs
GRISA	Generación Riojana S.A.
GR	Generación Riojana located in La Rioja, province of La Rioja (merged with GMSA)
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors, with declared or demanded supplies of over 300kW.
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Particular Large Users
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt hour Unit of energy equivalent to 1,000,000,000 watts hour
IASB	International Accounting Standards Board
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt hour Unit of energy equivalent to 1,000 watts hour
The Company/The Group	Albanesi S.A. and its subsidiaries
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAT	Futures market
MAPRO	Major Scheduled Maintenance
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 106
ARG GAAP	Argentine Generally Accepted Accounting Principles
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ON	Negotiable obligations
PWPS	Pratt & Whitney Power System Inc
Resolution 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07

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Albanesi S.A.

Composition of the Board of Directors and Syndics' Committee
as of March 31, 2016

President
Armando R. Losón

1st. Vice-president
Guillermo G. Brun

2nd. Vice-president
Julián P. Sarti

Full Directors
Carlos A. Bauzas
Sebastián A. Sánchez Ramos
Oscar C. De Luise

Alternate Directors
Armando Losón (h)
José L. Sarti
Juan G. Daly
María de los Milagros D. Grande
Ricardo M. Lopez
Romina S. Kelleyian

Full Syndics
Enrique O. Rucq
Francisco A. Landó
Marcelo P. Lerner

Alternate Syndics
Carlos I. Vela
Juan Cruz Nocciolino
Augusto N. Arena

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Albanesi S.A.

Interim Condensed Consolidated Financial Statements

For the three-month periods ended March 31, 2016
presented in a comparative format
Stated in pesos

Corporate name:	Albanesi S.A.
Legal domicile:	Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity:	Investing and financial activities
Tax Registration Number:	30-68250412-5

DATES OF REGISTRATION WITH THE PUBLIC REGISTRY OF COMMERCE:

Of by-laws or incorporation agreement:	June 28, 1994
Latest amendment:	March 22, 2016 (registration pending)
Registration number with the Superintendency of Commercial Companies:	6216 of Book 115, Volume A of Corporations
Expiration of By-laws or incorporation agreement:	June 28, 2093

CAPITAL STATUS (Note 10)			
Shares			
Number	**Type**	**Number of votes per share**	**Subscribed, paid in and registered**
			$
62,455,160	Ordinary, registered, non-endorsable shares of $ 1 par value each	1	62,455,160

Albanesi S.A.

Free translation from the original prepared in Spanish for publication in Argentina

Interim Condensed Consolidated Statement of Financial Position

At March 31, 2016 and December 31, 2015

Stated in pesos

	Note	03.31.16	12.31.15
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**7**	2,997,329,037	3,010,734,850
Investments in associates	**8**	240,782,888	243,127,929
Investments in other companies	**32**	129,861	129,861
Deferred tax assets		103,575	-
Other receivables		37,117,839	40,138,353
Trade receivables		6,431,343	3,886,527
Total non-current assets		**3,281,894,543**	**3,298,017,520**
CURRENT ASSETS			
Inventories		19,240,502	15,897,222
Income tax credit balance, net		4,495,752	2,020,791
Other receivables		511,712,600	221,597,328
Trade receivables		576,243,403	382,504,984
Other financial assets at fair value through profit and loss		2,438,885	1,210,961
Cash and cash equivalents	9	56,021,602	31,565,698
Total current assets		**1,170,152,744**	**654,796,984**
Total Assets		**4,452,047,287**	**3,952,814,504**

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

Albanesi S.A.

Free translation from the original prepared in Spanish for publication in Argentina
Interim Condensed Consolidated Statement of Financial Position (Cont'd)
At March 31, 2016 and December 31, 2015
Stated in pesos

	Note	03.31.16	12.31.15
EQUITY			
Share capital	10	62,455,160	4,455,160
Technical revaluation reserve		1,213,956,434	1,226,610,421
Translation reserve		(2,831,662)	(2,857,973)
Other comprehensive income		(1,599,122)	(1,594,964)
Unappropriated retained earnings		58,629,437	43,137,735
Equity attributable to the owners		**1,330,610,247**	**1,269,750,379**
Non-controlling interest		69,511,255	69,378,408
Total equity		**1,400,121,502**	**1,339,128,787**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	13	8,477,857	9,949,496
Deferred tax liabilities		555,806,045	548,354,489
Other liabilities		100,000,000	100,000,000
Defined benefit plans		5,475,273	4,819,097
Tax payables		3,529,374	-
Loans	12	1,272,864,576	780,887,813
Trade payables		177,102,734	157,068,465
Total non-current liabilities		**2,123,255,859**	**1,601,079,360**
CURRENT LIABILITIES			
Other liabilities		93,538,115	116,786,152
Social security debts		4,868,005	8,641,658
Defined benefit plan		857,422	857,422
Loans	12	452,646,170	583,831,816
Current income tax, net		653,057	729,121
Tax payables		28,073,633	11,737,109
Trade payables		348,033,524	290,023,079
Total current liabilities		**928,669,926**	**1,012,606,357**
Total Liabilities		**3,051,925,785**	**2,613,685,717**
Total Liabilities and Equity		**4,452,047,287**	**3,952,814,504**

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

Albanesi S.A.

Free translation from the original prepared in Spanish for publication in Argentina

Interim Condensed Consolidated Statement of Comprehensive Income

For the three-month periods ended March 31, 2016 and 2015

Stated in pesos

	Note	03.31.16	03.31.15
Sales revenue	14	583,994,794	341,302,425
Cost of sales	15	(393,294,502)	(249,453,383)
Gross income		**190,700,292**	**91,849,042**
Selling expenses	16	(895,693)	(2,718,012)
Administrative expenses	17	(14,709,304)	(7,988,541)
Income from interests in associates	8	(2,345,041)	628,948
Other operating income	18	3,426,714	-
Operating income		**176,176,968**	**81,771,437**
Financial income	19	1,642,719	2,153,715
Financial costs	19	(102,689,755)	(36,262,628)
Other financial results	19	(62,092,642)	(20,220,902)
Financial results, net		**(163,139,678)**	**(54,329,815)**
Income before tax		**13,037,290**	**27,441,622**
Income tax		(9,581,511)	(9,220,190)
Gain from continuing operations		**3,455,779**	**18,221,432**
Discontinued operations	24	-	(5,053,196)
Income for the period		**3,455,779**	**13,168,236**
Other Comprehensive Income			
Items to be reclassified into income/loss			
Translation difference		(44,465)	(2,536,730)
Effect of hyperinflation		70,777	33,310
Items not reclassified into income/loss			
Income related to defined benefit plans		(6,733)	(9,583)
Impact on income tax		2,357	3,354
Other comprehensive income for the period		**21,936**	**(2,509,649)**
Comprehensive income for the period		**3,477,715**	**10,658,587**
Income for the period attributable to:			
Owners of the company		2,837,715	12,561,234
Non-controlling interest		618,064	607,002

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

Albanesi S.A.

Free translation from the original prepared in Spanish for publication in Argentina

Interim Condensed Consolidated Statement of Comprehensive Income (Cont'd)

	Note	03.31.16	03.31.15
Income for the period attributable to the owners of the company:			
Continuing operations		2,837,715	17,336,348
Discontinued operations		-	(4,775,114)
		2,837,715	**12,561,234**
Comprehensive income for the period attributable to:			
Owners of the company		2,859,868	10,051,996
Non-controlling interest		617,847	606,591
Earnings (Loss) per share attributable to the owners of the company			
Basic and diluted earnings per share from continuing operations	**20**	0.12	3.89
Basic and diluted (loss) per share from discontinued operations	**20**	-	(1.07)

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

Albanesi S.A.

Free translation from the original prepared in Spanish for publication in Argentina

Interim Condensed Consolidated Statement of Changes in Equity

For the three-month periods ended March 31, 2016 and 2015

Stated in pesos

	Attributable to Shareholders							
	Shareholders' contributions	Retained earnings						
	Share Capital (Note 10)	Technical revaluation reserve	Translation reserve	Other comprehensive income	Unappropriated retained earnings	Sub-total	Non-controlling interest	Total equity
Balances at December 31, 2014	**4,455,160**	**672,789,351**	**(873,907)**	**(1,660,196)**	**(22,281,606)**	**652,428,802**	**49,976,782**	**702,405,584**
Reversal of technical revaluation reserve	-	(6,462,998)	-	-	6,462,998	-	-	-
Other comprehensive income for the period	-	-	(2,503,320)	(5,918)	-	(2,509,238)	(411)	(2,509,649)
Comprehensive income for the three-month period	-	-	-	-	12,561,234	12,561,234	607,002	13,168,236
Balances at March 31, 2015:	**4,455,160**	**666,326,353**	**(3,377,227)**	**(1,666,114)**	**(3,257,374)**	**662,480,798**	**50,583,373**	**713,064,171**
Dividends attributable to non-controlling interest	-	-	-	-	-	-	(3,308,817)	(3,308,817)
Reversal of technical revaluation reserve	-	(20,098,201)	-	-	20,098,201	-	-	-
Liquidation of the subsidiary	-	-	-	-	-	-	(150)	(150)
Sale of subsidiary	-	-	-	-	-	-	(2,107,208)	(2,107,208)
Other Comprehensive income of the nine-month supplementary period	-	580,382,269	519,254	71,150		580,972,673	27,017,343	607,990,016
Comprehensive income of the nine-month supplementary period	-	-	-	-	26,296,908	26,296,908	(2,806,133)	23,490,775
Balances at December 31, 2015	**4,455,160**	**1,226,610,421**	**(2,857,973)**	**(1,594,964)**	**43,137,735**	**1,269,750,379**	**69,378,408**	**1,339,128,787**
Capital increase as per Minutes of Shareholders' Meeting dated March 22, 2016	58,000,000	-	-	-	-	58,000,000	-	58,000,000
Dividends attributable to non-controlling interest	-	-	-	-	-	-	(485,000)	(485,000)
Reversal of technical revaluation reserve	-	(12,653,987)	-	-	12,653,987	-	-	-
Other comprehensive income for the period	-	-	26,311	(4,158)	-	22,153	(217)	21,936
Comprehensive income for the three-month period	-	-	-	-	2,837,715	2,837,715	618,064	3,455,779
Balances at March 31, 2016	**62,455,160**	**1,213,956,434**	**(2,831,662)**	**(1,599,122)**	**58,629,437**	**1,330,610,247**	**69,511,255**	**1,400,121,502**

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

Albanesi S.A.

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Interim Condensed Consolidated Statement of Cash Flows

For the three-month periods ended March 31, 2016 and 2015

Stated in pesos

	Notes	03.31.16	03.31.15
Cash flow provided by operating activities:			
Income for the period		3,455,779	13,168,236
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax on continuing operations and discontinued operations		9,581,511	9,186,152
Income from investments in associates	8	2,345,041	(628,948)
Depreciation of property, plant and equipment	7	43,284,824	25,212,946
Amortization of Intangible assets		-	1,188
Decrease in provisions	13	(1,471,639)	-
Benefit plans accrual	15	649,444	461,679
Interest, exchange differences and other financial results		102,009,300	30,995,414
Residual value of property, plant and equipment		2,000	-
Results from changes in the fair value of financial instruments	19	(7,960,199)	3,383,571
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(196,283,235)	(63,022,973)
(Increase) in other receivables		(229,094,758)	(48,961,953)
(Increase) in inventories		(3,343,280)	(4,244,246)
Increase in trade payables		78,044,714	10,219,670
(Decrease) Increase in other liabilities		(15,261,526)	94,704,914
Increase (Decrease) in social security charges and taxes		11,310,047	(8,696,685)
Cash flow (used in) generated by operating activities		**(202,731,977)**	**61,778,965**
Cash flow provided by investment activities			
Payments for the acquisition of property, plant and equipment	7	(22,015,817)	(33,769,541)
Payment of financial instruments		-	41,249
Subscription / redemption of mutual funds		(1,227,924)	(4,830,920)
Cash flow (applied to) investment activities		**(23,243,741)**	**(38,559,212)**
Cash flow provided by financing activities:			
Dividends paid to non-controlling interest by the subsidiaries		(485,000)	-
Repayment of loans and interest	12	(495,460,296)	(101,653,523)
Loans taken out		734,955,428	66,724,444
Cash flow generated by (applied to) financing activities		**239,010,132**	**(34,929,079)**
INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**13,034,414**	**(11,709,326)**
Cash and cash equivalents at the beginning of the period	9	(38,660,701)	11,157,579
Financial results of cash and cash equivalents		5,235,611	3,229,317
Cash and cash equivalents at the end of the period	9	(20,390,676)	2,677,570
		13,034,414	**(11,709,326)**

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

Albanesi S.A.

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Interim Condensed Consolidated Statement of Cash Flows (Cont'd)

Material transactions not showing changes in cash		**03.31.16**	**03.31.15**
Acquisition of property, plant and equipment not yet paid	**7**	(7,594,947)	(2,780,113)
Financial costs capitalized in property, plant and equipment	**7**	(270,247)	(12,795,878)
Other comprehensive income for the period		21,936	(2,509,649)
Unpaid allocated dividends		-	(2,520,000)

The accompanying notes form an integral part of these interim condensed consolidated financial statements.

NOTE 1: GENERAL INFORMATION

The Company was established in 1994 as investment and financing company. Through its subsidiaries and related entities, ASA has invested in the energy market, in the power generation and commercialization segment.

Albanesi Group through ASA and AISA is engaged in the power generation and selling meanwhile through RGA it is engaged in the gas selling and transportation business.

In recent years, the main strategy of Grupo Albanesi has been focused on achieving vertical integration, drawing on its vast experience and reputation in the natural gas sale market (through RGA), with the subsequent addition of the electric power generation business. This approach seeks to capitalize the value added from the purchase from large gas producers in all the oil basins in the country to its transformation and sale as electric power.

Below is a detail of the participation of ASA in each company.

Companies	Country of incorporation	Main business activity	% participation in decision-making	
			03.31.16	12.31.15
GMSA	Argentina	Generation of electric energy	95.00%	95.00%
GISA (1)	Argentina	Generation of electric energy	-	95.00%
GRISA (1)	Argentina	Generation of electric energy	-	95.00%
GLB (1)	Argentina	Generation of electric energy	-	95.00%
GFSA	Argentina	Generation of electric energy	95.00%	95.00%
GROSA	Argentina	Generation of electric energy	95.00%	95.00%
Solalban Energía S.A.	Argentina	Generation of electric energy	42.00%	42.00%
AVSA	Argentina	Hydrocarbon generation	99.99%	99.99%

(1) Companies merged with GMSA within the framework of the merger through absorption process as described in Note 28.

The generation segment of Albanesi Group has an installed capacity of approximately 892 MW, which accounts for 4% of the installed capacity of Argentina. In addition, considering the different projects underway, Albanesi Group will have an installed capacity of approximately 1102 MW.

On November 20, 2015, the Final Merger Agreement was signed, which establishes the merger through absorption of GISA, GLBSA and GRISA with GMSA (the continuing company) effective as from January 1, 2016. On March 18, 2016, the CNV through Resolution No. 18003 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and ordered that the file be sent to the IGJ for its registration, which is pending at the date of issue of these financial statements. (See Note 20)

On December 5, 2015 GFSA was authorized for commercial operation in the WEM. GFSA entered into with CAMMESA a WEM supply agreement for 55.5 MW. Sales under this modality are denominated in dollars and are paid by CAMMESA under a take or pay clause and the generated surplus is sold to the Spot Market, pursuant to regulations in effect in the WEM administered by CAMMESA.

The total investment made by GFSA is equivalent to USD 55 million. Most remarkable are the installation of a turbine FT4000 with a capacity to generate 60 MW; the installation of a main transformer of 75 MVA and two transformers for ancillary services at the power station, of 2 and 3 KVA; the construction of two storage tanks for diesel-oil; construction of a water treatment plant; and civil works and electric works performed for the proper start-up of the Power Plant.

NOTE 1: GENERAL INFORMATION

In 2015, ASA entered the capital markets. On November 20, 2015, it obtained the authorization to enter the public offering system and create a program of Simple Negotiable Obligations (not convertible into shares) of up to USD 100,000,000 or its equivalent in other currencies, in one or more classes or series. On December 29, the Company issued Class I Negotiable Obligations for $ 70 million.

RGA, in turn, is the leading company engaged in the sale of gas and the provision of energy supply services to industries and thermal power plants.

In the year 2015, the Company has sold its interest in BDD and AJSA to RGA. As a result, the interim condensed separate financial statements at March 31, 2016 do not include BDD and AJSA and the statements of income and cash flows include the Company only in the period in which ASA held its control. In view of the above, the comparability of these statements is affected.

New projects

The Albanesi Group announced a plan to increase generation of electricity in its installed plants in different locations in Argentina, which involves works for an investment of approximately USD 199.1 million and would contribute 210 MW new to the national system.

On September 7, 2015, Generación Riojana (GR) signed a contract with Siemens Industrial Turbomachinery AB in which it agreed the purchase of a SGT800 turbine of 50 MW for USD 18.2 million, which is expected to received in May 2016. At March 31, 2016, the payment of the turbine Siemens SGT-800 has been completed. The assembly of the turbine and auxiliary equipment has been contracted with Siemens. The power transformer has been bought and progress is being made with civil works as scheduled. Other necessary tasks for the assembly and start-up of the turbine have been also performed. Among the main investments we can mention the installation of a gas compression plant, a water treatment plant and a gasoil separation plant. In addition, connections to the high-voltage network will be built, the gas distribution system of ECOGAS will be adjusted and a cooling system to the incoming air of the turbine will be installed. The total investment of the project amounts to USD 41.8 million. We estimate the start-up of commercial operations in the fourth quarter of 2016.

Furthermore, on March 28, 2016, GMSA signed an agreement with Siemens Industrial Turbomachinery AB to carry out the project to enlarge the Power Plant by 100 MW from the existent 250 MW with the installation of two Siemens SGT-800 turbines of 50MW nominal each. This enlargement agreement falls within the scope of ES Resolution 220/07. For this work, an investment exceeding USD 73 million is estimated, and it is expected to start its commercial operation in the first quarter of 2017. At the date of these interim condensed consolidated financial statements, the Company made an advance to Siemens Industrial Turbomachinery AB of USD 2.2 million for the purchase of the turbine and progress is made with the investment process.

In addition, Albanesi Group implemented the project for the closure of the Power Plant combined cycle of CTR in Río Negro, and this means that an additional power of 60 MW will be incorporated to the current 130 MW turbine operating with gas and gasoil. Not only will this work provide extra power but will also be significant in environmental terms as it will not require additional fuel. The works will require an investment of USD 84.3 million approximately. We estimate the start-up of commercial operations in the first quarter of 2018.

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION

The regulatory aspects about electricity generation applicable for these interim condensed consolidated financial statements are consistent with those used in the financial information used for the last fiscal year, which ended on December 31, 2015, except for certain changes mentioned below.

a) Sales to the Spot Market (ES Resolution 95/13 and amendments)

On March 22, 2013 the Energy Secretariat issued ES Resolution 95/13 that aims at adapting the system for the remuneration of the generation pool without affecting special regimes, such as Energía Plus and WEM Supply Contracts.

ES Resolution 529/14 was published on May 20, 2014, amending and extending application of ES Resolution 95/13. The main change is the increase in the remuneration payable to the generators, implemented through a price increase, as well as the creation of a new item, called "Remuneration for Non-recurring Maintenance".

ES Resolution 529/14 establishes that from February 2014, commercial management and fuel dispatch will be centralized in the Dispatch Management Agency (CAMMESA). Costs related to operation will cease to be recognized as the contractual relationships between WEM agents and their suppliers of fuel and inputs are terminated. ES Resolution 1281/06 (Energía Plus) is excluded from these regulations.

ES Resolution 482/15 was published on July 10, 2015, amending and extending application of ES Resolution 529/14. The main change is the increase in the remuneration payable to the generators, implemented through a price increase, as well as the creation of two new items, called "Resource for FONINVEMEM investments 2015-2018" and "Incentives for energy production and operational efficiency".

ES Resolution 22/16 was published on March 30, 2016, amending ES Resolution 482/15 already mentioned. The main change is the increase in the remuneration payable to the generators, implemented through a price increase.

The new resolution will allow increasing the operating results of the Company, generating an additional cash flow that will improve their working capital position. The resolution established its retrospective application as from February 2016. There is a 70% increase in the fixed charge paid for the available power and 40% increase in the variable cost for the power generated.

The remuneration system, updated by Res. 22/16, basically comprises the following items:

1) Fixed cost: this item adjusts the values recognized for Power Made Available. The price set as remuneration for the Power Made Available according to the technology used is presented below:

Power Plant	Classification	Fixed Cost as per Res. 22/16 $/MWhrp	Fixed Cost as per Res. 482/15 $/MWhrp
GLB/GR	TG Units with Power (P) < 50 MW (small)	152.3	89.60
GROSA	TV Units with Power (P) > 100 MW (large)	129.2	76.00
GM	CC Units with Power (P) < 150 MW (small)	101.20	59.50

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION (Cont'd)

a) Sales to the Spot Market (ES Resolution 95/13 and amendments) (Cont'd)

This price may be increased by a percentage established in Res. No. 22/16. It is established that this percentage will be determined on the basis of the monthly availability or the historical availability, according to the time of year and the technology for generation. The Resolution states that this seasonal percentage can reach up to 110% of the fixed cost determined according to the same Resolution.

2) Variable cost: this is paid based on the electricity generated and the fuel used, and the value is the same for the technologies used by all the Group. The prices recognized by new Res. No. 22 are 46.30 $/MWh for generation with natural gas, 81.10 $/MWh with gas oil and fuel oil; while the former resolution recognized 33.10 $ /MWh for generation with natural gas and 57.90 $ /MWh with gas oil.

3) Additional remuneration: this is determined based on total generation and includes two elements: a portion that is collected directly by the generating companies, and another that is allocated to a trust for new investments.

Power Plant	Classification	Additional remuneration $/MWh as per Res. 22		Additional remuneration $/MWh as per Res. 482	
		Directly	Trust Fund	Directly	Trust Fund
GLB/GR	TG Units with Power (P) < 50 MW (small)	13.70	5.90	13.70	5.90
GROSA	TV Units with Power (P) > 100 MW (large)	11.70	7.80	11.70	7.80
GM	CC Units with Power (P) < 150 MW (small)	13.70	5.90	13.70	5.90

4) Remuneration of non-recurring maintenance: this is determined monthly on the basis of the electricity generated. The accumulated funds can be used for performing non-recurring maintenance works.

Power Plant	Classification	Res. 22	Res. 482
		$/MWh	$/MWh
GLB/GR	TG Units with Power (P) < 50 MW (small)	45.10	28.20
GROSA	TV Units with Power (P) > 100 MW (large)	45.10	28.20
GMSA	CC Units with Power (P) < 150 MW (small)	39.50	24.70

5) Resource for FONINVEMEM investments 2015-2018: valued at $ 15.80 per MWh, this is determined monthly on the basis of the electricity generated. The accumulated funds will be used for new investments in electricity generation. The Company being a generating agent in the WEM and a party to the agreement to increase the availability of thermal power generation, this recognition will enable the Group to have a participation in the new investments made to diversify the pool of electricity generators in Argentina.

Power Plant	Classification	Res. 422 $/MWh
GLB/GR	TG Units with Power (P) < 50 MW (small)	15.80
GROSA	TV Units with Power (P) > 100 MW (large)	15.80
GMSA	CC Units with Power (P) < 150 MW (small)	15.80

The balance not recognized for this item amounts to $ 20,372,755.

NOTE 2: REGULATORY FRAMEWORKS APPLICABLE TO ELECTRICITY GENERATION (Cont'd)

a) Sales to the Spot Market (ES Resolution 95/13 and amendments) (Cont'd)

6) New system of "Incentives for energy production and operational efficiency applicable to thermal generation":

- Additional remuneration based on production: an additional remuneration can be received based on the volume of energy produced during the year, according to the type of fuel used. This increase to be applied to variable costs will be of 15% for liquid fuel and 10% for gas/coal, when they reach an accumulated value of 25% and 50% of 92% annual generation, respectively.

- Additional remuneration based on efficiency: an additional remuneration can be received based on the achievement of goals for fuel consumption. On a quarterly basis, actual consumption will be compared with reference consumption for each type of machine and fuel. The difference percentage will be valued at the variable cost of operation and maintenance associated to the pertinent fuel, and recognized as additional remuneration.

NOTE 3: BASIS FOR PRESENTATION

These interim condensed consolidated financial statements for the three-month periods ended March 31, 2016 and 2015 were prepared in accordance with IAS 34 "Interim Financial Reporting". These interim condensed consolidated financial information must be read jointly with the Company's financial information at December 31, 2015.

The presentation in the interim condensed consolidated statement of financial position segregates current and non-current assets and liabilities. Current assets and liabilities are those which are expected to be recovered or settled within the twelve months after the end of the reporting period, and those held for sale. In addition, the Company reports on the cash flow from operating activities using the indirect method. The fiscal year commences on January 1st and ends December 31 of each year. Economic and financial results are presented on the basis of the fiscal year.

These interim condensed consolidated financial statements are stated in pesos. They have been prepared under the historical cost convention, modified by the measurement of financial assets and liabilities at fair value through profit or loss.

The preparation of these interim condensed consolidated financial statements in accordance with IFRS requires making estimates and assessments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of issue of these interim condensed consolidated financial statements, as well as the income and expenses recorded in the period. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

The interim condensed consolidated financial statements for the three-month period ended March 31, 2016 and 2015 have not been audited. Company's management estimates that they include all adjustments necessary to reasonably present the results for each period.

The results for the three-month periods then ended do not necessarily reflect a proportionate percentage of the Company's results for the full year.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

These interim condensed consolidated financial statements for the three-month period ended March 31, 2016 and 2015 were approved for issuance by the Company's Board of Directors on May 10, 2016.

Comparative information

Balances at December 31, 2015 disclosed for comparative purposes arise from financial statements at that date. Certain reclassifications have been included in the financial statement figures presented for comparative purposes to conform them to the current period presentation.

NOTE 4: ACCOUNTING POLICIES

The accounting policies adopted for these interim condensed consolidated financial statements are consistent with those used in the financial information used for the last fiscal year, which ended on December 31, 2015.

4.1) New accounting standards, modifications and interpretations

The following standards, modifications and interpretations of standards were published by the IASB and the IFRIC. Those standards, modifications and interpretations that could have potential impact on the Group at the time of their application are described below.

4.1.1) New standards, modifications and interpretations not yet effective, but early adopted by the Company

IFRS 9 "Financial instruments": the amendment was issued in July 2014. It includes in a single document all phases of the IASB project to replace IAS 39 "Financial Instruments: Recognition and Measurement". These phases comprise classification and measurement, impairment and hedge accounting. This version adds a new model for expected loss impairment and some minor changes to the classification and measurement of financial assets. The new standard replaces all earlier versions of IFRS 9 and is effective for annual periods beginning on or after January 1, 2018. At the date of these consolidated financial statements, the Company has adopted the first phase of IFRS 9.

Measurement is made at initial recognition. This classification depends on the business model of the entity to manage its financial instruments and the characteristics of the instrument's contractual cash flows. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in Other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

- IFRS 15 "Revenue from Contracts with Customers": it was issued in May 2014 and applies to an annual reporting period beginning on or after 1 January 2017. IFRS 15 specifies how and when an IFRS reporter will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. The Company is analyzing the impact; however, it estimates that the application of the modifications will not have a significant impact on the results of operations or the financial position of the Company.

NOTE 4: ACCOUNTING POLICIES (Cont'd)

4.1.2) New standards, modifications and interpretations not yet effective and not early adopted by the Company

- IFRS 16 "Leases" was issued on January 13, 2016 by the IASB and supersedes the current guidelines of the IAS 17. This standard defines a lease as a contract, or part of a contract, that conveys the right to use an asset (underlying assets) for a period of time in exchange for consideration. Under this standard, a liability must be recognized for lease arrangements to show future lease payments and a right-of-use asset in almost all cases. This is a significant change compared with IAS 17, which required that lessee make a distinction between a financial lease (disclosed in the statement of financial position) and an operating lease (without impact on the statement of financial position). IFRS 16 contains an optional exception for some short-term leases and leases of low-value assets; however, this exception can only be applied by lessees. It is effective for fiscal years beginning on or after January 1, 2019.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim condensed financial statements requires Company Management to make estimates and assumptions concerning the future, apply critical judgments and establish premises that affect application of the accounting policies and the reported amounts of assets, liabilities, income and expenses.

These estimates and judgments are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual future results may differ from those estimates and assessments made at the date these interim condensed financial statements were prepared.

In preparing these interim condensed consolidated financial statements, the critical judgments delivered by the Management to apply the Company's accounting policies and the sources of information used for the related estimates are the same as those delivered in the consolidated financial statements for the fiscal year ended December 31, 2015.

NOTE 6: FINANCIAL RISK MANAGEMENT

The Company's activities are disclosed under sundry financial risks: market risk (including the foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

No changes have been made to risk management policies since the annual closing.

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

Captions	ORIGINAL VALUE				DEPRECIATION				Net value
	Value at beginning of the period	Increases/ Transfers (1)	Deletions	Value at end of the period	Accumulated at beginning of the period	For the period (2) and (3)	Decreases	Accumulated at end of the period	
Land	77,046,621	24,500	-	77,071,121	-	-	-	-	77,071,121
Real property	62,451,734	-	-	62,451,734	-	448,942	-	448,942	62,002,792
Computer and office equipment	5,714,885	42,891	-	5,757,776	2,861,148	264,981	-	3,126,129	2,631,647
Vehicles	2,579,121	496,055	-	3,075,176	807,535	125,439	-	932,974	2,142,202
Facilities	202,936,357	22,241	-	202,958,598	54,239	2,847,489	-	2,901,728	200,056,870
Electrical facilities	27,532,711	-	-	27,532,711	8,290,707	960,887	-	9,251,594	18,281,117
Tools	3,033,309	-	-	3,033,309	490,618	130,165	-	620,783	2,412,526
Tanks	13,026,620	-	-	13,026,620	4,231,755	439,784	-	4,671,539	8,355,081
Pressure-regulation station	264,888	-	-	264,888	132,443	6,847	-	139,290	125,598
Boiler	97,914,915	-	-	97,914,915	30,318,749	3,353,300	-	33,672,049	64,242,866
Civil works	15,086,573	-	-	15,086,573	6,303,358	433,987	-	6,737,345	8,349,228
Machinery	2,528,595,078	3,594,444		2,532,189,522	16,621,917	34,260,089	-	50,882,006	2,481,307,516
Furniture and fixtures	418,413	38,842	(1,800)	455,455	206,561	12,862	(1,800)	217,623	237,832
Filtering equipment	1,691	-	-	1,691	634	52	-	686	1,005
Works in progress	14,169,181	19,786,324	-	33,955,505	-	-	-	-	33,955,505
Leasehold improvements in progress	14,001,254	5,875,714	-	19,876,968	-	-	-	-	19,876,968
Inputs and spare parts	16,281,163	-	(2,000)	16,279,163	-	-	-	-	16,279,163
Total at 03.31.16	**3,081,054,514**	**29,881,011**	**(3,800)**	**3,110,931,725**	**70,319,664**	**43,284,824**	**(1,800)**	**113,602,688**	**2,997,329,037**
Total at 03.31.15	**2,089,488,947**	**49,345,532**	**-**	**2,138,834,479**	**59,993,689**	**25,212,946**	**-**	**85,206,635**	**2,053,627,844**

(1) Includes acquisition of assets for the project of start-up and extension of the electricity generation plant.
(2) Depreciation was allocated to cost of sales, administrative and selling expenses, except for the depreciation corresponding to discontinued operations for $ 1,540,151 in the period of 2015.
(3) Depreciation charges for the periods of 2016 and 2015 were allocated to cost of sales, including $ 17,253,630 and $ 8,487,587 for higher value from the technical revaluation.
Information required by Appendix A, in compliance with Section 1, Chapter III, Title IV of the restated text of the CNV.

NOTE 8: EQUITY INTEREST IN ASSOCIATE

At March 31, 2016 and December 31, 2015, the Group's associate is Solalban Energía S.A.

In the course of 2008, ASA associated with Solvay Indupa S.A.I.C., with an interest percentage of 42%, to establish Solalban Energía S.A., with the purpose of building a thermal power plant with a 165-MW generation capacity, located at the petrochemical complex of Bahía Blanca, province of Buenos Aires (see description of the associate in Note 1 to the consolidated financial statements).

Changes in the investments in the Group's associates for the three-month period ended March 31, 2016 and 2015:

	03.31.16	03.31.15
At the beginning of the period	243,127,929	183,358,371
Allocated dividends	-	(2,520,000)
Income from interest in associate	(2,345,041)	628,948
Period end	**240,782,888**	**181,467,319**

Below is a breakdown of the investments and the value of interests held by the Company in the associate at March 31, 2016 and December 31, 2015, as well as the Company's share in the income/loss of the associate for the periods ended on March 31, 2016 and 2015:

Name of issuing entity	Main business activity	% share interest		Equity value		Company's interest in gains and losses (Loss) / Income	
		03.31.16	12.31.15	03.31.16	12.31.15	03.31.16	03.31.15
Associates Solalbán Energía S.A.	Electricity	42%	42%	240,782,888	243,127,929	(2,345,041)	628,948
				240,782,888	**243,127,929**	**(2,345,041)**	**628,948**

Information required by Appendix C, in compliance with Section 1, Chapter III, Title IV of the restated text of the CNV.

Financial information corresponding to the associate Solalban Energía S.A. is summarized below.

Summarized statement of financial position:

	03.31.16	12.31.15
Total non-current assets	729,444,152	742,892,951
Total current assets	249,560,437	206,801,187
Total Assets	**979,004,589**	**949,694,138**
Total Equity	**573,292,591**	**578,876,022**
Total non-current liabilities	212,311,749	215,318,213
Total current liabilities	193,400,249	155,499,903
Total Liabilities	**405,711,998**	**370,818,116**
Total Liabilities and Equity	**979,004,589**	**949,694,138**

NOTE 8: EQUITY INTEREST IN ASSOCIATE (Cont'd)

Summarized statement of income and statement of comprehensive income:

	03.31.16	03.31.15
Sales revenue	198,042,655	135,943,637
Income for the period	(5,583,431)	1,502,004
Other comprehensive income	-	-
Total income for the period	**(5,583,431)**	**1,502,004**

Statement of cash flows:

	03.31.16	03.31.15
Funds generated by operating activities	(13,597,392)	6,357,894
Funds used in investment activities	(933,401)	(1,471,911)
Funds used in financing activities	(4,273,863)	(4,119,728)
Decrease in cash for the period	**(18,804,656)**	**766,255**

The information above shows the balances recorded in the financial statements of the associate (not the share of the Group in those amounts) adjusted by differences in accounting policies for valuation of property, plant and equipment under the revaluation model.

NOTE 9: CASH AND CASH EQUIVALENTS

	03.31.16	12.31.15
Cash	267,234	292,377
Checks to be deposited	379,423	2,675,095
Banks	39,444,152	17,591,637
Mutual funds	15,930,793	11,006,589
Cash and cash equivalents (bank overdrafts excluded)	**56,021,602**	**31,565,698**

For the purposes of the cash flow statement, cash, cash equivalents and bank overdraft facilities include:

	03.31.16	12.31.15
Cash and cash equivalents	56,021,602	31,565,698
Bank overdrafts (Note 12)	(76,412,278)	(70,226,399)
Cash and cash equivalents (bank overdrafts included)	**(20,390,676)**	**(38,660,701)**

NOTE 10: CHANGES IN CAPITAL

Share capital at March 31, 2016 is comprised of:

Capital	Amount $	Date	Approved by Body	Date of registration with the Public Registry of Commerce:
Total at 12.31.11	**30,100,000**			
Capitalization of debt	10,000,000	12/31/12	Extraordinary Shareholders' Meeting	09/16/13
Total at 12.31.12	**40,100,000**			
Capitalization of debt	20,000,000	12/30/13	Extraordinary Shareholders' Meeting	09/25/14
Total at 12.31.13	**60,100,000**			
Capital reduction	(55,644,840)	07/16/14	Ordinary Shareholders' Meeting	09/25/14
Total at 12.31.14	**4,455,160**			
Total at 12.31.15	**4,455,160**			
Capitalization of debt	58,000,000	03/22/16	Extraordinary Shareholders' Meeting	Pending
Total at 03.31.16	**62,455,160**			

On July 16, 2014, the Ordinary Meeting of Shareholders resolved to reduce capital in the amount of $ 55,644,840, with the share capital amounting to $ 4,445,160. On March 22, 2016, the Extraordinary Shareholders' Meeting decided to increase the capital in the amount of $ 58,000,000, with the share capital amounting to $ 62,455,160.

NOTE 11: DISTRIBUTION OF PROFITS

Dividends

In accordance with Law No. 25063, passed in December 1998, the dividends that are distributed or that the Company receives from its subsidiaries, in cash or in kind, in excess of the taxable profits accumulated at the end of the year immediately prior to the date of payment or distribution will be subject to 35% withholding for income tax, as single and final payment. For the purposes of this tax, accumulated taxable profits are the balances of taxable profits accumulated at December 31, 1997, less the dividends paid plus the taxable profits determined as from January 1, 1998.

NOTE 12: LOANS

Non-Current	03.31.16	12.31.15
CAMMESA	205,665,967	207,353,297
Finance lease debts	1,064,642	1,206,711
Syndicated Loan	87,233,854	103,628,231
ICBC loan	49,905,000	63,495,000
Negotiable obligations	324,849,494	283,097,323
UBS loan - principal	-	90,857,513
Debt under BAF loan	580,739,310	-
Other bank debts	23,406,309	31,249,738
	1,272,864,576	**780,887,813**

NOTE 12: LOANS (Cont'd)

Current	03.31.16	12.31.15
Bank overdrafts	76,412,278	70,226,399
Finance lease debts	2,434,676	2,677,542
Other bank debts	80,330,348	112,459,425
UBS loans	-	170,172,470
ICBC loan	20,825,999	6,507,192
Debt under BAF loan	3,569,684	-
Syndicated Loans	72,398,301	61,094,287
Negotiable obligations	189,925,563	153,945,181
CAMMESA	6,749,321	6,749,320
	452,646,170	**583,831,816**

The due dates of Company loans and their exposure to interest rates are as follow:

	03.31.16	12.31.15
Fixed rate		
Less than 1 year	70,991,793	244,110,172
Between 1 and 2 years	580,739,310	90,857,513
	651,731,103	**334,967,685**
Floating rate		
Less than 1 year	381,654,377	339,721,644
Between 1 and 2 years	671,133,620	651,406,800
Between 2 and 3 years	19,304,321	34,654,912
After 3 years	1,687,325	3,968,588
	1,073,779,643	**1,029,751,944**
	1,725,510,746	**1,364,719,629**

Company loans are denominated in the following currencies:

	03.31.16	12.31.15
Argentine pesos	1,140,668,904	1,103,689,646
US dollars	584,841,842	261,029,983
	1,725,510,746	**1,364,719,629**

Changes in loans during the period were as follow:

	03.31.16	03.31.15
Loans at beginning of year	**1,364,719,629**	**957,825,947**
Loans received	742,550,375	69,504,557
Loans paid	(423,323,895)	(63,809,958)
Accrued interest	86,883,823	40,059,143
Interest paid	(72,136,401)	(37,843,565)
Exchange difference	27,995,125	6,656,990
Bank overdrafts	6,185,879	(2,419,438)
Capitalized expenses/present values	(7,363,789)	304,477
Loans at year end	**1,725,510,746**	**970,278,153**

NOTE 12: LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A.

A.1) Loan from BAF Latam Trade Finance Funds B.V.

On February 11, 2015, GMSA, on its own and as the continuing company of GISA and GRISA as a result of the merger through absorption duly informed on November 10, 2015 entered into a loan agreement with BAF Latam Trade Finance Funds B.V. which granted a credit line for a total amount of USD $ 40,000,000 to be used for (i) financing of the project for the installation of a new turbine of 50 MW in its power plant in La Rioja USD 19,867,305 including the cancellation of the price balance owed to Siemens Industrial Turbomachinery AB for the import of a gas turbine SGT800; (ii) the prepayment of the balance of USD 20,132,695 of the loan agreement entered into on May 4, 2011, between GISA (debtor), UBS Securities LLC (moneylender) and UBS AG Stamford Branch (administrative agent).

The most relevant provisions are the following:

Principal: nominal value: USD 40,000,000

Interest: annual fixed rate 10%.

Repayment: interest will be paid on a quarterly basis, as from the following date: May 15, 2016. The principal will be fully settled at the due date: February 15, 2019.

The balance of the loan at March 31, 2016 amounts to $ 584,308,994. The remaining balance of the loan principal at the date of issuance of the interim condensed financial statements amounts to USD 40,000,000.

In addition, the loan agreement establishes certain guidelines relating to compliance with covenants involving financial ratios (leverage, minimum equity and EBITDA on interest expenses) to be submitted on a quarterly basis.

At the date of these interim condensed consolidated financial statements, GMSA is complying with its covenants.

A.2) Loan with UBS AG (GISA)

On May 4, 2011, GISA (company merged with GMSA) signed a Loan Offer with UBS AG, Stamford Branch for USD 60,000,000. This amount was disbursed on May 13, 2011 and must be repaid in 17 quarterly consecutive installments beginning on May 15, 2012, accruing interest at a fixed rate of 13% yearly.

At March 31, 2016, GMSA has settled 100% of this loan, a balance of USD 20,132,695, with the funds obtained from the loan agreement with BAF Latam Trade Finance Funds B.V mentioned in paragraph 12.A.1).

<u>NOTE 12:</u> LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

A.3) Syndicated loan

On July 28, 2010, GMSA took out a syndicated loan through a Loan Offer sent to Standard Bank Argentina S.A., Banco Itaú Argentina S.A., Banco de Servicios y Transacciones S.A., Banco del Chubut S.A., Banco de la Nación Argentina S.A., Banco Hipotecario S.A. and Banco de la Ciudad de Buenos Aires S.A. to finance the extension of the plant so as to obtain extra 60 MW by installing a new gas turbine, and to partially pre-settle the debt with Credit Suisse bank.

On September 21, 2011, GMSA executed an amendment to the Loan Offer, including HSBC Bank Argentina S.A. and Banco de la Provincia de Córdoba S.A. as lenders, to pre-settle the totality of the debt with Credit Suisse bank.

On March 22, 2013 GMSA executed a second amendment to the Loan Offer to partially prepay the syndicated loan by means of a future issue of Negotiable Obligations, and to define new repayment periods in line with the issuance of the Negotiable Obligations.

On May 21, 2013 GMSA issued Negotiable Obligations and made a partial early repayment of the principal for $ 57,318,000 with funds from this issuance.

On May 8, 2014 GMSA made a third amendment to the Loan Offer by virtue of which, on May 9, 2014, a partial pre-settlement of the loan was made for $ 54,508,500 of the principal.

Additionally, new settlement terms were agreed and guarantees established were released under the loan. (See Note 25.A.1)

The most relevant provisions are the following:

Principal: the total principal due amounted to $ 90,000,000, after the pre-settlement mentioned above.

Interest: adjusted BADLAR rate plus margin of 6.25%.

Repayment: Interest is settled on a quarterly basis from the date the last amendment entered into force (May 9, 2014). Principal will be settled in 11 (eleven) quarterly installments from November 10, 2014, the last becoming due on May 9, 2017.

NOTE 12: LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

A.3) Syndicated loan (Cont'd)

Main contractual requirements: The Loan Offer establishes certain guidelines relating to compliance with covenants involving financial ratios (leverage, minimum equity and EBITDA on interest expenses) to be submitted on a quarterly basis.

The amendment also establishes the assignment of collection rights under energy sales contracts and the posting of a bond by ASA and making available the annual financial statements and quarterly reviews.

The balance of the loan at March 31, 2016 amounts to $ 49,939,345. The remaining balance of the loan principal at the date of issuance of the interim condensed financial statements amounts to $ 39,600,000.

GMSA obtained from Industrial and Commercial Bank of China (ICBC), as lead arranger, lender and administrative agent, a waiver of compliance with certain commitments assumed by GMSA. Specifically, it requested a waiver of compliance of the Leverage ratio under clause 8.21 of the loan agreement until June 30, 2016.

A.4) Negotiable obligations

With the purpose of improving the financial profile of the company, on October 17, 2012 GMSA, through CNV Resolution 16942, was granted authorization for: (i) incorporation of GMSA to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) negotiable obligations for a total nominal value outstanding of USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

At March 31, 2016 there are outstanding Class IV (GMSA) and III (GISA) Negotiable Obligations, issued in the amounts and under the conditions described below:

Class III Negotiable Obligations (GMSA):

Principal: Nominal value: $ 100,000,000 (one hundred million pesos)

Interest: Private banks BADLAR rate plus a 4.46% margin.

Repayment: interest of Class III Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: August 9, 2014; November 9, 2014; February 9, 2015; May 9, 2015; August 9, 2015; May 10, 2016; and February 9, 2016.

NOTE 12: LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

A.4) Negotiable obligations (Cont'd)

Principal on Class III Negotiable Obligations shall be amortized in 3 quarterly installments, the first two equivalent to 33% of nominal value of the negotiable obligations and the last installment to 34% of nominal value, payable on August 9, 2015, May 10, 2016 and February 9, 2016, respectively.

The funds obtained through the issuance of Class III Negotiable Obligations were allocated to working capital and the partial pre-settlement of the principal of the Syndicated Loan in the amount of $ 54,508,500.

On July 15, 2015, Class IV Negotiable Obligations were issued, a portion in cash and the remainder through a swap for 87% of the Class III Negotiable Obligations, improving the Group's indebtedness profile (term and rate) and working capital. The amount paid was $ 87,824,000.

Class III Negotiable Obligations were fully repaid on February 9, 2016.

Class IV Negotiable Obligations (GMSA):

Principal: Nominal value: $ 130,000,000 (one hundred and thirty million pesos)

Interest: (i) from the date of issuance and liquidation until nine (9) months have elapsed, counted as from the date of issuance and liquidation, inclusive, the loan will accrue interest at a fixed rate of 28%; (ii) from the beginning of the tenth (10) month, counted as from the date of issuance and liquidation, until the date on which the principal is fully settled (not inclusive), it will accrue interest at an annual floating rate equal to the sum of: (a) private banks BADLAR rate plus (b) 6.50%.

Repayment: interest of Class IV Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: October 15, 2015; January 15, 2016; April 15, 2016; July 15, 2016; October 17, 2016; January 16, 2017; April 17, 2017 and July 17, 2017.

Principal on Class IV Negotiable Obligations shall be amortized in 3 quarterly installments, the first two equivalent to 33% of nominal value of the negotiable obligations and the last installment to 34% of nominal value, payable on January 16, 2017, April 17, 2017 and July 17, 2017, respectively.

The funds obtained through the issuance of Class IV Negotiable Obligations were allocated to the partial pre-settlement of the principal of Class II Negotiable Obligations for an amount of $ 87,824,000. The remaining amount was allocated to investments and working capital. This allowed for improving the financial profile of GMSA.

The balance of the loan at March 31, 2016 amounts to $ 137,190,214. The remaining balance of the loan principal at the date of issuance of the interim condensed financial statements amounts to $ 130,000,000.

NOTE 12: LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

A.4) Negotiable obligations (Cont'd)

Class II Negotiable Obligations (GISA):

Principal: Nominal value: $ 35,000,000 (thirty five million pesos)

Interest: Private banks BADLAR rate plus a 4.1% margin.

Repayment: Interest of Class II Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) December 19, 2014; (ii) March 17, 2015; (iii) June 19, 2015; (iv) September 19, 2015; (v) December 19, 2015, and; (vi) March 19, 2016.

Class II Negotiable Obligations were fully repaid on March 19, 2016.

Class III Negotiable Obligations (GISA):

Principal: nominal value: $ 68.500.000 (sixty-five million and five hundred thousand pesos)

Interest: Private banks BADLAR rate plus a 6.5% margin

Repayment: Interest of Class III Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) May 6, 2015; (ii) August 6, 2015; (iii) November 6, 2015; (iv) February 6, 2016; (v) May 6, 2016; (vi) August 6, 2016; (vii) November 6, 2016; and (viii) February 6, 2017.

A.4) Negotiable obligations (Cont'd)

The principal of Class III Negotiable Obligations will be repaid in three quarterly installments: the first two equivalent to 30% of the nominal value of Class III Negotiable Obligations, and the third installment to 40% of the nominal value, on the following dates: (i) August 6, 2016; (ii) November 6, 2016; and (iii) February 6, 2017. Maturity date of Class III Negotiable Obligations: February 6, 2017

The funds were allocated to settle financial debt and to working capital.

The balance of the loan at March 31, 2016 amounts to $ 72,529,386. The remaining balance of the loan principal at the date of issuance of the interim condensed financial statements amounts to $ 65,000,000.

NOTE 12: LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

A.5) Loan with ICBC (GISA)

On July 2, 2015 a loan agreement was entered into between GISA (company merged with GMSA), Industrial and Commercial Bank of China (Argentina) S.A. and RGA, the latter as surety. The purpose of the loan is to apply the funds received to finance working capital. The loan amount was $ 70,000,000. The principal will be settled in 44 monthly installments, the first one of which must be paid on August 8, 2015; the loan accrues interest at Adjusted BADLAR rate plus a 3% annual nominal margin.

Furthermore, the loan agreement sets out certain contractual guidelines regarding compliance with the covenants related to financial indices (minimum equity requirements, EBITDA ratio on interest expenses and debt service coverage ratio) and indebtedness limits and EBITDA levels on a quarterly basis.

The balance of the loan at March 31, 2016 amounts to $ 70,731,000. The remaining balance of the loan principal at the date of issuance of the interim condensed financial statements amounts to $ 67,635,000.

At the date of these interim condensed consolidated financial statements, the loans covenants are being complied with.

A.6) Loan with CAMMESA (GRISA)

At March 31, 2016 GMSA holds financial debts with CAMMESA for $ 21,935,288, guaranteed by the assignment of 100% of the present and future credit rights for the sale of electricity in the Spot market of the WEM, from the implementation of a trust agreement in accordance with Law No. 24441.

This debt was incurred to finance the program for repairing the gas turbine, control system, adapting the natural gas feeding system and other ancillary works.

A.6) Loan with CAMMESA (GRISA) (Cont'd)

This loan has a repayment period set in 48 monthly and consecutive installments, to which interest must be added applying the rate equivalent to the average return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the WEM. At the closing date of these interim condensed consolidated financial statements, 9 installments have been paid, equivalent to $ 5,061,989.

NOTE 12: LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

A.7) Loan from Banco Hipotecario S.A.

On October 19, 2015, GMSA took out a new loan from Banco Hipotecario S.A. for a total of $ 8,200,000, to be repaid in 24 monthly installments; the first one was paid on November 16, 2015, accruing interest at BADCOR rate plus a 5.75% annual nominal margin. The remaining balance of principal corresponding to the loan at March 31, 2016 amounts to $ 6,491,667.

A.8) Loans from Banco de la Provincia de Córdoba S.A.

On January 09, 2014, GMSA took out a loan from Banco de la Provincia de Córdoba S.A. for a total of $ 7,000,000, to be repaid in 24 monthly installments. At March 31, 2016 the loan had been settled in its entirety.

On June 8, 2015, GMSA took out a new loan from Banco de la Provincia de Córdoba S.A. for a total of $ 5,000,000, to be repaid in 24 monthly installments. The remaining balance of principal corresponding to the loan at March 31, 2016 amounts to $ 3,125,030.

A.9) Loan from Banco Chubut S.A.

On October 20, 2015 GMSA took out a loan from Banco Chubut S.A. with the aim of applying the funds received to finance working capital. The loan amount was $ 5,000,000. At March 31, 2016 the loan had been settled in its entirety.

On December 16, 2015, GMSA took out a new loan from Banco Chubut S.A., with the same purpose of allocating the funds to working capital. The loan amount was $ 15,000,000. The principal will be settled in 1 payment, which must be made on May 20, 2016, and the loan accrues interest at a fixed rate of 29.98%.

On February 3, 2016, GMSA took out a loan from Banco Chubut S.A. The loan amount was $ 5,000,000. Principal will be repaid in 4 monthly installments, accruing interest at a fixed rate of 29.98%. The remaining balance of principal corresponding to the loan at March 31, 2016 amounts to $ 3,795,268.

A.10) Loan from Banco Ciudad

On October 8, 2015, GMSA took out a loan from Banco Ciudad, for a total amount of $ 20,000,000. The principal will be settled in 31 monthly installments (with a grace period of 5 months), the first one of which must be paid on April 8, 2016; the loan accrues interest at BADCOR rate plus a 3% annual nominal margin. The purpose of the loan is to allocate the funds received to working capital.

NOTE 12: LOANS (Cont'd)

A) LOAN AGREEMENT - GENERACION MEDITERRANEA S.A. (Cont'd)

A.11) Loan with Banco Macro

On January 21, 2016, GMSA took out a loan from Banco Macro. The loan amount was $ 10,000,000. Principal shall be amortized in 6 monthly installments, accruing interest at an annual nominal BADCOR rate, plus a margin of 2%. The remaining balance of principal corresponding to the loan at March 31, 2016 amounts to $ 7,000,000.

A.12) Loan with Banco Supervielle

On February 4, 2016, GMSA took out a loan from Banco Supervielle. The loan amount was $ 15,000,000. Principal will be repaid in 12 monthly installments, accruing interest at a nominal annual fixed rate of 35%. The remaining balance of principal corresponding to the loan at March 31, 2016 amounts to $ 13,905,730.

A.13) Loan with Nuevo Banco de La Rioja (GRISA)

On August 14, 2013 Nuevo Banco de La Rioja S.A. granted a loan to GRISA (company merged with GMSA), within the Credit Line for Productive Investment, Communication "A" 5380 BCRA, for $ 6,000,000.

This loan has a payment period of 36 monthly and consecutive installments, calculated applying the French system and accruing interest at a fixed rate of 15.25%.

The remaining balance of principal corresponding to the loan at March 31, 2016 amounts to $ 1,002,037.

B) LOAN AGREEMENT – GENERACIÓN FRÍAS S.A.

B.1) Loan from Banco de la Ciudad de Buenos Aires:

On July 8, 2014 a Loan Offer was signed with Banco de la Ciudad de Buenos Aires S.A., for $ 30,000,000. This amount was disbursed on August 1, 2014. The loan contemplates a 12-month grace period and it is payable in 25 monthly consecutive installments as from August 2015. It accrues interest at private banks BADLAR rate plus100 basis points.

The balance of the loan due at March 31, 2016 amounts to $ 22,518,670 including interest for $ 575,724, net of the transaction costs pending payment.

The objective was financing part of the works required for the installation of 60 MW of new generation capacity.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENT – GENERACIÓN FRÍAS S.A. (Cont'd)

B.2) Negotiable obligations:

With the purpose of financing the company's investment project, on March 10, 2014 Generación Frías S.A. requested the CNV's authorization for entry into the public offering system through a Program of simple Negotiable Obligations (non-convertible to shares) for up to USD 50,000,000 (fifty million US dollars) or its equivalent in other currencies. Approval was granted on July 10, 2014.

At March 31, 2016 there are outstanding Class I and II Negotiable Obligations issued by GFSA in the amounts and under the conditions described below:

Class I Negotiable Obligations:

Principal: nominal value: $ 120,000,000

Interest: Private banks BADLAR rate plus a 5.4% margin

Repayment: Interest of Class I Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) December 29, 2014; (ii) March 29, 2015; (iii) June 29, 2015; (iv) September 29, 2015; (v) December 29, 2015; (vi) March 29, 2016; (vii) June 29, 2016; (viii) September 29, 2016; (ix) December 29, 2016; (x) March 29, 2017; (xi) June 29, 2017 and (xii) September 29, 2017; if other than a business day, or if such day does not exist, the interest payment date will be the immediately following business day.

The principal of the Class I Negotiable Obligations will be repaid in 7 quarterly installments, the first two ones equivalent to 10% of the nominal value of the Class I Negotiable Obligations, the subsequent four equivalent to 15% and the last one equivalent to 20% of their nominal value, on the following dates: (i) March 29, 2016; (ii) June 29, 2016; (iii) September 29, 2016; (iv) December 29, 2016; (v) March 29, 2017; (vi) June 29, 2017; (vii) September 29, 2017; or, if other than a business day or if such day does not exist, the immediately following business day.

Maturity date of Class I Negotiable Obligations: September 29, 2017.

The net remaining balance of transaction costs pending amortization for that class at March 31, 2016 amounts to $ 106,772,414 including interest of $ 154,792.

Class II Negotiable Obligations:

Principal: nominal value: $ 130,000,000

Interest: Private banks BADLAR rate plus a 6.5% margin. The interest rate to be applied in the first 12 months cannot be lower than the minimum rate of 33%.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENT – GENERACIÓN FRÍAS S.A. (Cont'd)

B.2) Negotiable obligations (Cont'd) :

Class II Negotiable Obligations (Cont'd)

Repayment: Interest of Class II Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) June 8, 2016; (ii) September 8, 2016; (iii) December 8, 2016; (iv) March 8, 2017; (v) June 8, 2017; (vi) September 8, 2017; (vii) December 8, 2017, and (viii) March 8, 2018; if other than a business day, or if such day does not exist, the interest payment date will be the immediately following business day.

The principal of the Class II Negotiable Obligations will be repaid in 3 (three) consecutive installments, payable on a quarterly basis, with the first two equivalent to 30% and the third one equivalent to 40% of the nominal value of the Class II Negotiable Obligations at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issuance and liquidation, (i) September 8, 2017; (ii) December 8, 2017; (iii) March 8, 2018; if other than a business day, or if such day does not exist, the interest payment date will be the immediately following business day.

Maturity date of Class II Negotiable Obligations: March 8, 2018.

The net remaining balance of transaction costs pending amortization for that class at March 31, 2016 amounts to $ 130,361,990 including interest of $ 2,702,468.

B.3) Syndicated loan

On March 31, 2015 a loan agreement was entered into between GFSA and Banco de Inversión y Comercio Exterior S.A. (BICE), Industrial and Commercial Bank of China Argentina S.A. (ICBC) and Banco Hipotecario S.A., jointly, for an amount of $ 100 million. The first disbursement of the loan, of $ 90 million was made on April 1, 2015; the second disbursement, of $ 10 million, on April 21, 2015.

The loan was structured in two tranches: (i) Tranche A, for $ 60 million, over a term of 48 months, accruing interest at a rate equivalent to adjusted BADCOR plus 625 basis points; (ii) Tranche B, for $ 40 million, over a term of 72 months and accruing interest at a rate equivalent to BADLAR plus 650 basis points.

Interest will be paid on a quarterly basis, as from the date of the first disbursement; the first payment of interest must be made on July 1, 2015.

The principal will be settled on a quarterly basis, with a 15-month grace period as from the date of the first disbursement. For Tranche A, principal will be paid in 12 quarterly installments from July 1, 2016, the last becoming due on April 1, 2019. For Tranche B, principal will be paid in 20 quarterly installments from July 1, 2016, the last becoming due on April 1, 2021.

NOTE 12: LOANS (Cont'd)

B) LOAN AGREEMENT – GENERACIÓN FRÍAS S.A. (Cont'd)

B.3) Syndicated loan (Cont'd)

The funds obtained through the loan were applied to the installation works for the new turbine.

The balance of the loan due at March 31, 2016, net of the transaction costs pending payment, amounts to $ 109,692,810 including interest for $ 8,980,589.

The loan agreement sets forth compliance with covenants related to financial ratios and limitations on indebtedness, as well as the provision of guarantees. At March 31, 2016, the debt to EBITDA ratios are being complied with, as well as the interest coverage ratio, as agreed in the covenants of the existing loan.

B.4) Loan from Banco de la Provincia de Buenos Aires

In the course of 2015, loan agreements were entered into with Banco de la Provincia de Buenos Aires S.A., for an amount of $ 11,300,000; interest is settled on a monthly basis, as from the date of the disbursement of each loan.

At the date of issue of these financial statements, the remaining net balance amounts to $ 8,368,225, including interest for $ 76,558. The last repayment installment falls due on June 10, 2016.

B.5) Loan from Puente Hnos. S.A.

The loan obtained on October 22, 2015, which at the end of fiscal year 2015 had an accumulated balance of $ 53,158,369, was fully repaid after the issuance of Class II Negotiable Obligations.

C) FINANCING BY CAMMESA – GENERACION ROSARIO S.A.

On September 28, 2010, through Note 6157/10 the Energy Secretariat (ES) instructed CAMMESA to summon the Generating Agents of the MEM with turbo-steam heat generation units to propose the works that are essential for increasing the generable power of their units, which must be available before winter 2011.

In November 2010, GROSA formally submitted to CAMMESA its proposal of the works to be performed for increasing the generable power capacity.

Through Note 7375 dated November 6, 2010, the ES informed on the approval of the project and directed CAMMESA to grant the financing required under the lines of Resolution SE 146/02 and Notes 6157/10 and 7375/10.

On February 3, 2011, GROSA entered into a loan agreement with CAMMESA, by means of which this financing was formalized, for an amount equivalent to $ 44,856,418 in accordance with Resolution SE 146/02 and Notes 6157/10 and 7375/10.

The sums received will be repaid in 48 equal consecutive monthly installments, to which interest must be added as results from applying the rate equivalent to the average return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the Wholesale Electricity Market; the first installment is due in the month immediately following conclusion of the works, estimated for June 2011. The Wholesale Electricity Market will be in charge of paying the installments, as established in Note SE 6157/10 and Note 7375/10, and distribution among the demanding agents will be according to the criteria to be informed by the ES.

NOTE 12: LOANS (Cont'd)

C) FINANCING BY CAMMESA – GENERACION ROSARIO S.A.

On August 12, 2011, the ES approved the request presented by GROSA to modify the original budget for the works in the amount of $ 11,797,019.

The funds obtained from this agreement are applied to funding part of the works and/or maintenance to increase the power available in GROSA's turbo-steam units, and they are disbursed under the advanced payment mode, with partial advances according to the degree of progress of works as per the documents issued by GROSA and subject to CAMMESA's availability of funds as instructed by the ES.

As from the conclusion of the works in each unit, GROSA must guarantee a minimum 80% availability in the unit TV13 for a three-year period.

As a guarantee for the fulfillment of the obligations assumed by GROSA under this contract, that company assigned to CAMMESA 100% of its present and future credit rights, accrued or to be accrued, for its transactions in the Wholesale Electricity Market, up to the amount of the financing.

In August 2011, GROSA concluded the works committed, and from the month of September the units were subject to a minimum availability control as established in the loan agreement entered into with CAMMESA. In the event that GROSA fails to comply with this availability, the agreement foresees a penalty.

As of April 16, 2012, GROSA received a total of $ 56,996,893 from CAMMESA.

From September 2011 through August 2015, the installments corresponding to principal were settled as established in the loan agreement described above, which was fully paid.

On March 13, 2012, GROSA executed a new loan agreement with CAMMESA, through which they formalized the financing of the second stage of the repair of the Sorrento Power Plant, with the purpose of extending the capacity for electricity generation to 130 MW, for an amount equivalent to $ 190,480,000, shown under the caption Financial debts - non-current.

As 18 months have passed since the start of commercial operation of the unit TV13 with 130 MW of available power, and considering the frequent dispatches the unit had during this period, mostly with fuel oil, delivering 65,000 MWh per month on the average, on June 19, 2015 GROSA submitted to CAMMESA a request for funding to make additional investments on the boiler, steam turbine, transformers and ancillary equipment, so as to continue having availability and dispatch as required by the WEM.

It is to note that in the operation period mentioned above there was a significant decrease in specific consumption, which resulted in 15% savings in fuel as compared with the situation at the moment when GROSA took over the Sorrento Power Plant, as a result of the maintenance works and improvements done in the last few years.

NOTE 12: LOANS (Cont'd)

C) FINANCING BY CAMMESA – GENERACION ROSARIO S.A. (Cont'd)

The amount of the financing requested through note to CAMMESA for the concept of third stage of the repair of the Unit TV13 is USD 11,749,652 (not including taxes).

On July 20 and August 24, 2015, at the request of CAMMESA, GROSA presented additional information in relation to the request for funds mentioned above, including a schedule of the disbursements and also a detailed description of the works to be performed. For each item (electricity, instruments, tanks, fuel oil, natural gas, river water and demi water system, thermal cycle, boiler, turbine and ancillary equipment), the technical reasons for the relevant investment requested were explained, with a brief description of the proposal for achieving the objective in each case.

On October 21, 2015 the ES partially accepted the request submitted by GROSA, through the Notes mentioned in the above paragraphs, and authorized financing for up to USD 10,406,077 plus VAT. The financing will be repaid by applying the accumulated credit rights, or those to be accrued, for the Remuneration of Non-Recurring Maintenance set forth by Section 2 of ES Resolution No. 529/2014.

On December 18, 2015, GROSA filed a note before CAMMESA accompanying all the supporting documentation of the payments to the suppliers of materials and services corresponding to the works performed until that date, under the concept of third stage of the repair of the Unit TV13. The total amount of the documentation submitted on expenses paid is $ 16,746,847 (including taxes).

At the date of these interim condensed consolidated financial statements, GROSA has complied with the commitments undertaken.

D) PROGRAM TO ISSUE NEGOTIABLE OBLIGATIONS OF ALBANESI S.A.

Class I Negotiable Obligations

With the purpose of improving the financial profile of the company, on November 17, 2015 ASA, through CNV Resolution 17,887, was granted authorization for: (i) incorporation of ASA to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) negotiable obligations for a total nominal value outstanding of USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

On December 29, 2015 ASA issued Class I Negotiable Obligations under the conditions described below:

Principal: Nominal value: $ 70,000,000

Interest: Private Banks BADLAR rate plus a 5.5% margin.

Repayment: interest of Class I Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: March 29, 2016; June 29, 2016; September 29, 2016; December 29, 2016; March 29, 2017; June 29, 2017; September 29, 2017; and December 29, 2017.

The principal of the Class I Negotiable Obligations will be repaid in three (3) consecutive installments, on a quarterly basis, the first two ones equivalent to 30% and the third one to 40% of the nominal value of the Negotiable Obligations, on the dates on which 18, 21 and 24 months are completed, respectively, counted as from the date of issuance; i.e., on June 29, 2017, September 29, 2017 and December 29, 2017.

The funds obtained through the issuance of Class I Negotiable Obligations were allocated to the partial settlement of the current liabilities held with the related company RGA.

NOTE 13: ALLOWANCES AND PROVISIONS

	For trade receivables	For tax credits	For impairment of inventories	For contingencies
Balance at December 31, 2014	**1,058,886**	**1,133,755**	**57,466**	**10,581,411**
Increases	-	-	-	718,037
Decreases	-	-	-	(1,349,952)
Deconsolidation due to sale of subsidiary	(219,634)	(1,133,755)	(57,466)	-
Balance at December 31, 2015	**839,252**	**-**	**-**	**9,949,496**
Decreases	-	-	-	(1,471,639)
Balance at March 31, 2016	**839,252**	**-**	**-**	**8,477,857**

Information required by Appendix e, in compliance with Section 1, Chapter III, Title IV of the restated text of the CNV.

Allowances and provisions include contingencies arising in the ordinary course of business and other sundry risks that could create obligations for the Company. In estimating the amounts, the likelihood of occurrence is considered, taking into account the opinion of the Company's legal advisors.

NOTE 14: SALES REVENUE

	03.31.16	03.31.15
Sale of electricity Res. 95/529/482/22	56,713,686	45,911,274
Sale of electricity in the spot market	69,802,733	35,766,265
Sale under Energía Plus	219,982,222	114,772,098
Sale of electricity Res. 220	237,496,153	144,852,788
	583,994,794	**341,302,425**

NOTE 15: COST OF SALES

	03.31.16	03.31.15
Cost of purchase of electric energy	(114,333,997)	(80,372,083)
Cost of gas and gas oil consumption at the plant	(159,231,231)	(94,819,091)
Salaries and social security charges	(23,901,787)	(16,250,761)
Defined benefit plan	(649,444)	(461,679)
Other employee benefits	(951,627)	(247,171)
Rental	(778,284)	(550,899)
Professional fees	(2,292,230)	-
Depreciation of property, plant and equipment	(43,284,824)	(23,671,553)
Insurance	(5,938,105)	(4,218,374)
Maintenance	(37,093,890)	(24,055,768)
Electricity, gas, telephone and postage	(853,520)	(210,607)
Duties and taxes	(1,710,983)	(2,717,092)
Travel and per diem	(278,982)	(493,047)
Security guard and cleaning service	(614,841)	(670,751)
Miscellaneous expenses	(1,380,757)	(714,507)
	(393,294,502)	**(249,453,383)**

NOTE 16: SELLING EXPENSES

	03.31.16	03.31.15
Salaries and social security charges	(362,658)	(196,538)
Duties and taxes	(533,035)	(2,521,474)
	(895,693)	**(2,718,012)**

NOTE 17: ADMINISTRATIVE EXPENSES

	03.31.16	03.31.15
Salaries and social security charges	(2,162,739)	(2,456,974)
Other employee benefits	(475,333)	(144,171)
Rental	(6,000)	(21,905)
Professional fees	(8,433,311)	(2,908,271)
Depreciation of property, plant and equipment	-	(1,242)
Insurance	(79,015)	(23,725)
Maintenance	-	(33,347)
Electricity, gas, telephone and postage	(2,513)	(138,522)
Duties and taxes	(991,179)	(480,813)
Travel and per diem	(1,366,974)	(458,157)
Miscellaneous expenses	(1,192,240)	(1,321,414)
	(14,709,304)	**(7,988,541)**

NOTE 18: OTHER OPERATING INCOME AND EXPENSES, NET

	03.31.16	03.31.15
Other operating income		
Sundry income	3,426,714	-
Total Other operating income	**3,426,714**	**-**

NOTE 19: FINANCIAL RESULTS

	03.31.16	03.31.15
Financial income		
Commercial interest	1,642,719	2,153,715
Total financial income	**1,642,719**	**2,153,715**
Financial costs		
Loan interest	(90,973,813)	(34,642,961)
Commercial interest and other	(7,856,368)	(43,316)
Bank expenses and commissions	(3,859,574)	(1,576,351)
Total financial expenses	**(102,689,755)**	**(36,262,628)**
Other financial results		
Exchange differences, net	(58,084,687)	(6,164,970)
Changes in the fair value of financial instruments	7,960,199	(3,383,571)
Loss from currency position, net	(70,777)	(33,310)
Other financial results	(11,897,377)	(10,639,051)
Total other financial results	**(62,092,642)**	**(20,220,902)**
Total financial results, net	**(163,139,678)**	**(54,329,815)**

NOTE 20: EARNINGS PER SHARE

Basic

The basic earnings per share are calculated by dividing the income attributable to the holders of the Company's equity instruments by the weighted average number of ordinary shares outstanding during the period.

Continuing operations	03.31.16	03.31.15
Income for the period attributable to the owners:	2,837,715	17,336,348
Weighted average of outstanding ordinary shares	22,938,676	4,455,160
Basic and diluted earnings per share	**0.12**	**3.89**

Discontinued operations	03.31.16	03.31.15
Loss for the period attributable to the owners	-	(4,775,114)
Weighted average of outstanding ordinary shares	22,938,676	4,455,160
Basic and diluted loss per share	**-**	**(1.07)**

There are no differences between the calculation of the basic earnings per share and the diluted earnings per share.

NOTE 21: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Transactions with related companies and affiliates

		03.31.16	03.31.15
		$	
		Profit / (Loss)	
Purchase of gas			
RGA [(1)]	Related company	(125,046,626)	(66,592,826)
Purchase of energy			
Solalban Energía S.A.	Affiliate company	-	(36,106)
Purchase of wines			
BDD	Related company	(2,142)	-
Purchase of flights			
AJSA	Related company	(1,668,900)	-
Sale of energy			
RGA	Related company	11,245,228	1,001,533
Solalban Energía S.A.	Affiliate company	30,480,433	2,303,529
Sale of components and spare parts			
CTR	Related company	1,227,987	-
Leases and services agreements			
RGA	Related company	(1,842,269)	(939,074)
Reimbursement of expenses			
CTR	Related company	7,720,288	1,921,382
RGA	Related company	(2,633,085)	(3,933)
Collection of dividends			
Solalban Energía S.A.	Affiliate company	-	2,520,000

(1) Corresponds to gas purchases, which are partly assigned to CAMMESA within the framework of the Natural Gas Dispatch Procedure for electricity generation.

NOTE 21: TRANSACTIONS AND BALANCES BETWEEN RELATED PARTIES (Cont'd)

b) Remuneration of key managerial staff

The senior management includes directors (executive and non-executive). Their remuneration at March 31, 2016 and 2015 amounted to $ 2,065,415 and $ 1,415,439, respectively.

	03.31.16	03.31.15
Salaries	2,065,415	1,415,439
	2,065,415	**1,415,439**

c) Balances at the date of the consolidated statements of financial position

Captions	Type	03.31.16	12.31.15
NON-CURRENT ASSETS			
Other receivables			
RGA	Related company	607	739
		607	**739**
CURRENT ASSETS			
Trade receivables			
CTR	Related company	-	1,500,000
Solalban Energía S.A.	Affiliate company	-	18,215
		-	**1,518,215**
Other receivables			
Contributions pending paying-in	Minority interest	-	525,000
Shareholders' private accounts	Minority interest	92,457,362	62,142,446
CTR	Related company	47,591,710	33,237,850
		140,049,072	**95,905,296**
NON-CURRENT LIABILITIES			
Other liabilities			
RGA	Related company	100,000,000	100,000,000
		100,000,000	**100,000,000**
CURRENT LIABILITIES			
Trade payables			
BDD	Related company	-	10,620
Solalban Energía S.A.	Affiliate company	251,596	215,538
AJSA	Related company	1,774,012	2,940,772
RGA	Related company	111,866,127	85,705,783
		113,891,735	**88,872,713**
Other liabilities			
AVRC	Related company		-
RGA	Related company	93,393,115	116,641,152
Shareholders' private accounts	Minority interest	145,000	145,000
		93,538,115	**116,786,152**

NOTE 22: WORKING CAPITAL

At March 31, 2016 the Company records a positive working capital of $ 241,482,818 (calculated as current assets less current liabilities), while at December 31, 2015 the deficit in working capital amounted to $ 357,809,373.

This improvement was mainly due to the following events mentioned below:

1. On February 11, 2016 GMSA received a bullet loan from BAF Latam Trade Finance Funds B.V, for an amount of USD 40 million, falling due three years as from the issuance date.

2. The start-up of the GFSA electricity generation plant, from which, based on the Company's projections, an annual income is estimated for an amount of USD 10.5 million (EBITDA), which will enable to decrease the deficit in working capital.

3. Obtaining additional cash flows due to the implementation of ES Resolution No. 22/2016, which allows increasing the operating results of certain subsidiaries, thus substantially increasing the working capital position.

In conclusion, we consider that the measures adopted contributed to substantially improving liquidity and the indebtedness profile of the company.

NOTE 23: SEGMENT REPORTING

The information on operating segments is presented in accordance with the internal information furnished to the chief operating decision maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's Board of Directors.

Management has determined the operating segment based on reports reviewed by the Board of Directors, and which are used for strategic decision making.

NOTE 23: SEGMENT REPORTING (Cont'd)

Albanesi S.A performs activities in business segments, mainly organized based on the line of products:

• The energy segment comprises the generation and sale of electricity and the development of energy projects, execution of projects, advisory, provision of services, construction management and building of any nature.

• The business of air transportation service.

• The wine segment, which consists in the operation of wineries through the production and subsequent sale of wines and other beverages.

During 2015, ASA sold to RGA its equity interests in BDD and AJSA, companies engaged in the wine and air transport segments. In this way, ASA is focused on its main business, the electric power generation and sale.

The information used by the Board of Directors for decision-making is based primarily on operating indicators of the business. Considering that the adjustments between the prior accounting standards and IFRS refer to non-operating items, such information is not substantially affected by the application of the new standards.

This is an analysis of the Group's business lines for the period ended March 31, 2016:

Information on consolidated income for the period ended March 31, 2016:

	Electricity	Wines	Air transportation service	Deletions	03.31.16
Operating income	583,994,794	-	-	-	583,994,794
Cost of sales and services	(393,294,502)	-	-	-	(393,294,502)
Gross income	190,700,292	-	-	-	190,700,292
Selling expenses	(895,693)	-	-	-	(895,693)
Administrative expenses	(14,709,304)	-	-	-	(14,709,304)
Income from interests in associates	(2,345,041)	-	-	-	(2,345,041)
Other operating income	3,426,714	-	-	-	3,426,714
Operating income	**176,176,968**	-	-	-	**176,176,968**
Financial results	(163,139,678)	-	-	-	(163,139,678)
Income/Loss before income tax	**13,037,290**	-	-	-	**13,037,290**
Income tax and minimum notional income tax	(9,581,511)	-	-	-	(9,581,511)
Income/Loss from continuing operations	**3,455,779**	-	-	-	**3,455,779**
Income/Loss from discontinued operations	-	-	-	-	-
Income for the period	**3,455,779**	-	-	-	**3,455,779**

Consolidated information on financial position at March 31, 2016

	Electricity	Wines	Air transportation service	Deletions	03.31.16
Assets	4,452,047,287	-	-	-	4,452,047,287
Liabilities	3,051,925,785	-	-	-	3,051,925,785
Investments in associates	240,782,888	-	-	-	240,782,888
Additions and transfers of property, plant and equipment	29,881,011	-	-	-	29,881,011
Depreciation of property, plant and equipment	43,284,824	-	-	-	43,284,824

NOTE 23: SEGMENT REPORTING (Cont'd)

This is an analysis of the Group's business lines for the period ended March 31, 2015:

Information on consolidated income for the period ended March 31, 2015:

	Electricity	Wines	Air transportation service	Deletions	**03.31.15**
Operating income	341,719,160	-	-	(416,735)	341,302,425
Cost of sales and services	(249,870,118)	-	-	416,735	(249,453,383)
Gross income	91,849,042	-	-	-	91,849,042
Selling expenses	(2,718,012)	-	-	-	(2,718,012)
Administrative expenses	(7,988,541)	-	-	-	(7,988,541)
Income from interests in associates	628,948	-	-	-	628,948
Operating income	81,771,437	-	-	-	81,771,437
Financial results	(54,329,815)	-	-	-	(54,329,815)
Income/Loss before income tax	27,441,622	-	-	-	27,441,622
Income tax and minimum notional income tax	(9,220,190)	-	-	-	(9,220,190)
Total continuing operations	18,221,432	-	-	-	18,221,432
Discontinued operations	-	(508,441)	(4,544,755)	-	(5,053,196)
Total income for the period	18,221,432	(508,441)	(4,544,755)	-	13,168,236

Consolidated information on financial position at December 31, 2015

	Electricity	Wines	Air transportation service	Deletions	03.31.15
Assets	3,952,814,504	-	-	-	3,952,814,504
Liabilities	2,613,685,717	-	-	-	2,613,685,717
Investments in associates	243,127,929	-	-	-	243,127,929
Additions and transfers of property, plant and equipment	348,406,368	1,098,761	158,599	-	349,663,728
Depreciation of property, plant and equipment	108,067,088	459,494	2,985,598	-	111,512,180

NOTE 24: DISCONTINUED OPERATIONS

In the course of 2015, ASA sold its interests in BDD and AJSA to RGA. At March 31, 2015, these segments were not discontinued operations nor were they classified as held for sale; accordingly, the statement of comprehensive income in comparative format was modified, so as to disclose discontinued operations separate from continuing operations. Management has sold these segments as a result of the strategic decision of focusing especially on the generation and sale of electric power.

Sale of shares in Bodega del Desierto S.A.

On June 29, 2015, RGA accepted the offer for the sale of shares made by ASA on June 26, 2015. Through this offer, the Company sold to RGA for $ 28,000,000 (pesos twenty-eight million) 29,205,494 shares in BDD of face value $ 1 each and entitled to one vote per share, accounting for 90% of the share capital of Bodega del Desierto S.A. The result for the sale was $ 17,085,139.

On June 30, 2015, RGA settled the debt for the purchase of 90% of the share capital in BDD from ASA.

Sale of shares in Alba Jet S.A.

On October 27, 2015, RGA accepted the offer for the sale of shares made by ASA on October 26, 2015. Through this offer, the Company sold to RGA for $ 80,750,000 (pesos eighty million seven hundred and fifty thousand) 42,610,681 shares in Alba Jet S.A. of face value $ 1 each and entitled to one vote per share, accounting for 95% of the share capital of Alba Jet S.A. The result for the sale was approximately $ 59,556,530.

Below we present the summarized statement of comprehensive income of BDD and AJSA discontinued operations:

	03.31.16	03.31.15
Sales revenue	-	4,093,832
Cost of sales	-	(5,659,921)
Gross income	-	**(1,566,089)**
Selling expenses	-	(1,301,186)
Administrative expenses	-	(581,505)
Other operating income and expenses	-	19,769
Operating income	-	**(3,429,011)**
Financial results, net	-	**(1,658,223)**
Income before tax	-	**(5,087,234)**
Income tax	-	34,038
Loss from discontinued operations	-	**(5,053,196)**

Below is the summarized statement of cash flow of discontinued operations:

Statement of cash flows:

	03.31.16	03.31.15
Funds (used in) operating activities	-	(2,723,729)
Funds (used in) investment activities	-	(586,888)
Funds generated by financing activities	-	2,895,690
(Decrease) in cash for the period	-	(414,927)

NOTE 25: RESTRICTED ASSETS AND OTHER COMMITMENTS

A. GMSA

A.1 Syndicated loan

To secure due and timely compliance with all of the payment obligations assumed and/or to be assumed by GMSA under the Syndicated Loan, ASA posted a suretyship on GMSA's obligations thereunder and an assignment in guarantee was agreed in favor of the administrative agent under the syndicated loan, of the rights to collect sums of money under certain Energia Plus sale transactions (conducted or to be conducted); 21 contracts of the Company were pledged as collateral for that assignment of rights.

At the date of these interim condensed consolidated financial statements, the Power Plant released the contracts assigned as collateral, corresponding to Vidriería Argentina S.A., Pilkington S.A., Arcor SAIC, Vicentin S.A., Holcim S.A., Chevron S.R.L., Axion Energy S.A., Coca Cola Femsa de Buenos Aires S.A. (City of Buenos Aires Plant), Coca Cola Femsa de Buenos Aires S.A. (Planta Monte Grande) and Rayen Cura SAIC.

The balance of the debt under the syndicated loan for that period is $ 49 million, which shows an improvement in the Company's financial structure.

A.2 Other commitments

Certain contractual obligations in connection with the supply of electricity to great customers of the Forward Market at March 31, 2016 and the periods to fulfill those obligations are detailed below. These commitments arise from supply contracts (energy and power) entered into between the Company and large customers of the Forward Market under the ES regulations according to Resolution No. 1281/06 (Energía Plus) . They are contracts denominated in United States dollars, entered into with private customers.

	Total	Up to 1 year	From 1 to 3 years
Sale commitments(1)			
Electric energy and power - Plus	745,298,921	711,348,357	33,950,564

(1) Commitments are denominated in pesos and have been valued considering estimated market prices, based on the particular conditions of each contract. They reflect the valuation of the contracts with private customers in force at March 31, 2016, under ES Resolution 1281/06.

B. GFSA

B.1 Other commitments - Contract with PWPS

On April 4, 2014 GFSA entered into a contract with PWPS for the purchase of a turbine FT4000™ SwiftPac® 60, including all the elements necessary for its installation and placement into service. The unit is composed of two gas turbines which transmit their mechanical power to only one generator of 60 MW. The machine transforms the chemical energy of the fuel (either liquid or gas, injected into the combustion chambers) into mechanical energy; this is transmitted to the generator, which in turn converts the energy into electricity.

NOTE 25: RESTRICTED ASSETS AND OTHER COMMITMENTS (Cont'd)

B. GFSA (Cont'd)

B.1 Other commitments - Contract with PWPS

The purchase contract for the turbine amounts to a total of USD 26.97 million. At the date of issue of these financial statements, the advances amounting to USD 14.87 million agreed upon with the vendor have been fully paid and are disclosed as turbine under Property, plant and equipment.

Further, the purchase contract contemplates financing by PWPS of USD 12 million over a 4-year term, as from the provisional acceptance by GFSA. This amount is disclosed within non-current trade payables, for an amount equivalent to $ 117.1 million. This financing will accrue interest at an annual rate of 7.67%, to be calculated on a 30-day month/360-day year basis, capitalized quarterly.

Future contractual obligations related to the contract with PWPS are shown below by calendar year:

	Total	2016	2017	2018	2019	2020	2021	2022	2023
Commitments [(1)]	USD								
PWPS for the purchase of a turbine FT4000™ SwiftPac®	22,088,151	961,620	961,620	961,620	961,620	961,620	961,620	961,620	15,356,811

(1) The commitment is denominated in US dollars and considering the time of payment according to the particular conditions of the contract.

NOTE 26: GASNOR S.A. FRAMEWORK OFFER

On February 24, 2011, GMSA entered into a Framework Agreement with Gasnor S.A. (the distributor) whereby GMSA undertakes to perform the works necessary for adapting the natural gas distribution system owned by Gasnor S.A. for it to be able to deliver gas in the supply pressure conditions required by the Company.

The parties agreed that the Company will bill the distributor for an amount of $ 4,654,236 (plus value added tax), the resulting total of all the works. The balance of these invoices will be offset against the gas carriage charges recorded subsequent to the performance and authorization of the works.

NOTE 27: LONG-TERM MAINTENANCE CONTRACT – GM AND GI POWER PLANTS

GMSA signed with the company PWPS a global service agreement (Long Term Service Agreement), for the GM and GI power plants.

As established in the contract, PWPS must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the efficient performance of the turbines, 24-hour assistance from the engineering department in USA, original spare parts in a timely manner and repairs for planned and unplanned maintenance. In turn, GMSA entered into an equipment lease agreement whereby PWPS must make available to GMSA under EXW conditions replacement equipment (Gas Generator/Power Turbine) for 72 hours, in case of unplanned placing of equipment out of service. PWPS thus guarantees availability of not less than ninety five percent (95%) to the Power Plants for a contractual year. In addition, the Power Plants have their own repair shop with tools and stocks of spare parts to perform on-site repairs without having to send the equipment to the shop in the USA. The gas turbine equipment can be sent by plane, thus reducing the transportation time.

NOTE 28: GMSA – PRESENTATION TO CAMMESA

On June 19, 2015 GMSA submitted to CAMMESA a request for recognition of the remuneration for maintenance and investments, as set forth by Resolution 529/14. Since the effective date of that Resolution, in February 2014 and until June 2015, GMSA has generated a total of 540,614 MWh, equivalent to the amount of $ 14,268,553.

On August 26, 2015, GMSA made a new presentation to CAMMESA updating the amount in the request mentioned in the preceding paragraph under Resolution 529/14.

On September 7, 2015, GMSA provided, at the request of CAMMESA, further information and an update of the amounts to be invested, including a brief description of the work to be performed to accomplish the objectives in each case and a work schedule.

GMSA reports an accumulated balance for "Non-Recurring Maintenance" of $ 28,754,752 at March 31, 2016.

On January 27, 2016 the ES partially accepted the request submitted by GMSA, through the Notes mentioned in the above paragraphs, and authorized financing for up to USD 6,888,920 plus VAT. This financing will be repaid applying the accumulated receivables in favor of GMSA and the receivables to which it is entitled by application of the Remuneration for Non-Recurring Maintenance..

NOTE 29: MERGER THROUGH ABSORPTION

On August 31, 2015, GMSA entered into a merger agreement (the "Merger Agreement") whereby it started the merger through absorption process of the companies GISA, GLBSA and GRISA (the "corporate reorganization").

The corporate reorganization allows to enhance and optimize the performance of the economic activities and the operating, administrative and technical structures of the Participating Companies to achieve synergies and operating efficiency through only one operating unit. Considering that the participating companies are electric power generating agents in the WEM and that their main line of business is the generation and sale of electric power, the Merger will be beneficial for the following reasons: a) the type of business activity of the Participating Companies, which enables integration and complementation for greater operating efficiencies; b) a simplification of the participating companies' corporate structure by consolidating the companies' activities in only one entity; c) the synergy of the union of the different Group companies will make the exercise of control, management and administration of the energy business more effective; d) the obtainment of a larger scale, permitting to increase the financial ability to develop new projects; e) a better allocation of existing resources; f) benefiting from a centralized administration, unifying the political and strategic decision-making processes in relation to the business, thus eliminating multiple costs (legal, accounting, administrative, financial and other costs); and g) the creation of more career opportunities for the employees of the participating companies. Furthermore, the above-mentioned benefits will be obtained without incurring tax costs, as the Corporate Reorganization will be tax free under the terms of Section 77 and following provisions of the Income Tax Law No. 26839.

On September 25, 2015, the CNV authorized the publication of the merger prospectus which details the Corporate Reorganization (the "Merger Prospectus"), published in the AIF (Financial Information Highway) and in the Daily Bulletin of the BCBA (Buenos Aires Stock Exchange) -as per the power delegated by MVBA (Mercado de Valores de Buenos Aires S.A.) to BCBA, under Resolution No. 17501 of the CNV- to make it known to the investing public.

On November 10, 2015, GMSA reported that, as there was no opposition from creditors under the terms of Section 83 subsection 3) of the LGS, it signed the Final Merger Agreement through Absorption (the "Final Merger Agreement"), with the effective merger date being January 1, 2016, for accounting and tax effects.

NOTE 29: MERGER THROUGH ABSORPTION (Cont'd)

As a result of the merger and as approved in the Merger Agreement and Final Merger Agreement, as from the Effective Date of Merger: (a) the equities of all merged companies (Generación Independencia S.A., Generación La Banda S.A., and Generación Riojana S.A.) were fully transferred to GMSA, thus acquiring the ownership of all rights and obligations of GISA, GLBSA and GRISA, subject to the registration of the final merger agreement in the Public Registry under the Superintendency of Commercial Companies (IGJ); (b) GISA, GLBSA and GRISA were dissolved without liquidation, being absorbed by GMSA; (c) GMSA capital stock increased from $ 76,200,073 to $ 125,654,080, amending the by-laws of the continuing company.

On March 18, 2016, the CNV through Resolution No. 18003 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and ordered that the file be sent to the IGJ for its registration, which is pending at the date of issue of these financial statements.

NOTE 30: STORAGE OF DOCUMENTATION

On August 14, 2014, the CNV issued General Resolution No. 629 that introduces amendments to its regulations involving storage and preservation of corporate books, accounting records and business documents. To this end, it is informed that the Company stores its work papers and information at its principal place of business, located at Av. L.N. Alem 855, 14th floor - City of Buenos Aires.

NOTE 31: INVESTMENTS IN COMPANIES

To increase the thermal power generation capacity, the Argentine Government created in 2004 the FONINVEMEM, a fund administered by CAMMESA to make investments in thermal power generation. To finance the FONINVEMEM, the Energy Secretariat invited all WEM agents that held LVFVD due by the WEM, to express their decision to invest (or not) in the FONINVEMEM 65% of their receivables generated between January 2004 and December 2006.

The Company holds an equity interest of 0.0282% equivalent to 141 shares in Termoeléctrica José de San Martín S.A. and Termoeléctrica Manuel Belgrano S.A., which engage in equipment purchases, construction, operation and maintenance of the respective power plants. The fair value of the unlisted ordinary shares in Termoeléctrica José de San Martín S.A. and Termoeléctrica Manuel Belgrano S.A. has been estimated using a model of discounted cash flows based on dividends at March 31, 2016.

NOTE 32: SUBSEQUENT EVENTS

a) SHAREHOLDERS' MEETING OF GMSA

The general shareholders' meeting held on April 20, 2016 approved, among other items, the following:

- Allocation of $ 2,072,397 (two million, seventy-two thousand, three hundred and ninety-seven pesos) to the Legal Reserve.
- Allocation of $ 31,414,777 to the Optional Reserve
- Distribution of dividends to shareholders in proportion to their shares in the amount of $ 21,000,000 (twenty-one million pesos), which had already been approved by Minutes of Directors' Meeting dated September 7, 2015.

b) SHAREHOLDERS' MEETING OF ASA

The general shareholders' meeting held on April 20, 2016 approved, among other items, the following:
Allocation of $ 1,942,908 to the Legal Reserve in full
Distribution of dividends to shareholders in proportion to their shares in the amount of $ 41,194,827.

NOTE 32: SUBSEQUENT EVENTS (Cont'd)

c) BANCO CMF S.A. LOAN

On May 03, 2016, GMSA took out a new loan from Banco CMF S.A. for a total of $ 30,000,000, to be repaid in 1 installment. It will be paid on May 23, 2016 and accrue interest at a fixed rate of 45% on the daily debit balance.

d) LOAN FROM NUEVO BANCO DE LA RIOJA

On April 11, 2016, GMSA borrowed $ 10,000,000 from Banco de La Rioja S.A. Principal will be repaid in 36 monthly installments, with BADLAR rate plus 6 with a minimum of 35%.

NOTE 33: FINANCIAL STATEMENTS TRANSLATION INTO ENGLISH LANGUAGE

These financial statements are the English translation of those originally prepared by the Company in Spanish and presented in accordance with accounting principles generally accepted in Argentina. The effects of the differences between the accounting principles generally accepted in Argentina and the accounting principles generally accepted in the countries in which the financial statements are to be used have not been quantified. Accordingly, the accompanying financial statements are not intended to present the financial position, statements of comprehensive income, changes in equity or cash flows in accordance with accounting principles generally accepted in the countries of users of the financial statements, other than Argentina.

Free translation from the original prepared in Spanish for publication in Argentina

Summary of Activity at March 31, 2016 and 2015

1. Brief comment on the activities carried out by the issuer, including references to relevant events subsequent to the fiscal closing date.

Pursuant to the provisions of General Resolution N° 368/01 and subsequent modifications of the National Securities Commission (CNV), we present below an analysis of the results of the operations of Albanesi S.A.(the Company) and its equity and financial position, which should be read alongside the corresponding interim condensed financial statements.

	Three-month period ended March 31,			
	2016	2015	Var.	Var. %
	GWh			
Sales per type of market				
Sale of electricity Res. 95/529/482/22	479.1	465.4	13.7	2.9%
Sale of electricity Plus.	205.0	190.8	14.2	7%
Sales CAMMESA 220	171.0	193.1	(22.1)	(11%)
	855.1	**849.3**	**5.8**	**1%**

The sales to each market are presented below (in millions of pesos):

	Three-month period ended March 31,			
	2016	2015	Var.	Var. %
	(in millions of pesos)			
Sales per type of market				
Sales Spot Market 95 /529/482/22 and spot	126.5	81.7	44.8	55%
Sale of electricity Plus.	220.0	114.8	105.2	92%
Sales CAMMESA 220	237.5	144.8	92.7	64%
Total Sales	**584.0**	**341.3**	**242.7**	**71%**

Free translation from the original prepared in Spanish for publication in Argentina

Summary of Activity at March 31, 2016 and 2015

Results for the three-month period ended March 31 2016 and 2015 (in millions of pesos)

	2016	2015	Var.	Var. %
Sale of energy	584.0	341.0	242.7	71%
Net sales	**584.0**	**341.0**	**242.7**	**71%**
Cost of purchase of electric energy	(114.3)	(80.4)	(33.9)	42%
Cost of gas and gasoil consumption	(159.2)	(94.8)	(64.4)	68%
Salaries, wages and social sec. Contrib.	(23.9)	(16.3)	(7.6)	47%
Pension Plan	(0.6)	(0.5)	(0.1)	20%
Maintenance services	(37.1)	(24.1)	(13.0)	54%
Depreciation of property, plant and equipment	(43.3)	(23.7)	(19.6)	83%
Insurance	(5.9)	(4.2)	(1.7)	40%
Sundry	(9.0)	(5.5)	(3.5)	64%
Cost of sales	**(393.3)**	**(249.5)**	**(143.8)**	**58%**
Gross profit	**(190.7)**	**91.8**	**98.9**	**108%**
Salaries, wages and social sec. Contrib.	(0.4)	(0.2)	(0.2)	100%
Taxes, rates and contributions	(0.5)	(2.5)	2.0	(80%)
Selling expenses	**(0.9)**	**(2.7)**	**1.8**	**(67%)**
Salaries, wages and social sec. Contrib.	(2.2)	(2.5)	0.3	(12%)
Service Fees and retributions	(8.4)	(2.9)	(5.5)	190%
Travel & mobility and entertainment expense	(1.4)	(0.5)	(0.9)	180%
Taxes, rates and contributions	(1.0)	(0.5)	(0.5)	100%
Sundry	(1.8)	(1.6)	(0.2)	13%
Administrative expenses	**(14.8)**	**(8.0)**	**(6.8)**	**85%**
Gain/(loss) on investments in related companies	(2.3)	0.6	(2.9)	(483%)
Other operating income	3.4	-	3.4)	100%
Resultado operativo	**176.1**	**81.7**	**94.4**	**116%**
Commercial interest	1.6	2.2	(0.6)	(27%)
Interest paid on loans	(91.0)	(34.6)	(56.4)	163%
Exchange difference	(58.1)	(6.2)	(51.9)	837%
Bank expense	(3.9)	(1.6)	(2.3)	144%
Sundry	(11.9)	(14.1)	2.2	(16%)
Financial loss	**(163.3)**	**(54.3)**	**(109.0)**	**201%**
Result before tax	**12.8**	**27.4**	**(14.6)**	**(53%)**
Income tax	(9.6)	(9.2)	(0.4)	4%
Result from continuing operations	**3.2**	**18.2**	**(15.0)**	**(82%)**
Discontinued operations	-	(5.1)	5.1	(100%)
Result for the period	**3.2**	**13.1**	**(9.9)**	**(76%)**
Other Comprehensive Income / (loss)	0.1	(2.5)	2.6	(104%)
Total Other Comprehensive Income	**3.3**	**10.6**	**(7.3)**	**(69%)**

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Summary of Activity at March 31, 2016 and 2015

Sales:

Net sales for the period ended March 31, 2016, reached $ 584.0 million, an increase of $242.7 million or 71% from the $ 341.3 million for the same period in 2015.

During the first three months of 2016, energy sales reached 855.1 MWh, having increased 1% from the 849.3 MWh sold in 2015.

The main sources of income of the Company and their behavior during the three-month period ended March 31, 2016, compared with the previous year are described below:

(i) $220.0 million from sales under "Energía plus", up 92% from $114.8 million in period 2015. This variation is attributed to the effect on prices of the higher exchange rate and higher volume of sales.

(ii) $237.5 million from sales of electricity on the spot market to CAMMESA under the framework of Resolution 220/07, representing a 64% increase from the $114.8 million in period 2015. This variation is explained by the start up of GFSA and a rise in prices of electricity due to the higher exchange rate. The rise was offset by a decrease of the sales volume.

(iii) $126.5 million from sales of electricity under Resolution 95/529/482/22 and on the spot market, showing a 55% increase from the sales of $ 81.7 million for the same period 2015. This variation is explained by an increase in the price paid for electricity by enforcement of Res. 482/15, and a favorable effect on the sales volume.

Cost of sales

Cost of sales for the three-month period ended March 31, 2016, reached $ 393.3 million, an increase of $143.8. million or 58% from the $ 249.5 million for the same period in 2015.

The main costs of sales of the Company and their behavior during for this period, compared with the previous year are described below:

(i) $114.3 million for purchases of electricity, which increased 42% compared with $80.4 million for same peiord 2015, as a result of higher costs required to supply "Energía Plus" spot market due to the variation in the exchange rate.

(ii) $ 159.2 million incurred in purchases of gas and gasoil consumed by the plant, reflecting an increase of 68% from the $ 94.8 million for the same period 2015. This variation is due to the price of gas explained by the increase in the exchange rate.

(iii) $23.9 million in salaries and social security contributions, reflecting a 47% increase from $16.3 million for the same period 2015, which is mainly attributed to wage increases granted and increase of staff recruited.

(iv) $ 37.1 million in maintenance services. This caption increased 54% from the $24.1 million for the same period in 2015. This increase is explained by the rise in the exchange rate and longer operating hours, which have an impact on the cost of the maintenance contract with PWPS at certain controlled companies. . It is worth noting that the cost of this contract is recognized by CAMMESA in the remuneration paid for operating and maintenance costs for sales under Res 220/07 Contract.

(v) A charge of $43.3.7 for depreciation of PP&E, up 83% from the $23.7 million for the same period 2015. This variation is mainly due to the higher depreciation value PP&E as a result of their revaluation at December 31, 2015 and for the start up of GFSA power plant.

(vi) $5.9 million paid for insurance, up 40% from the $4.2 million for same period 2015 as a result of the variation in the exchange rate.

Gross income

The gross result for the period ended March 31, 2016 was a profit of $190.7 million, showing a 108% increase compared with a profit of $91.8 million for same period 2015. This increase is mainly attributed to the increase of the exchange rate on the operating activity of the subsidiaries, the high availability at the power plants throughout the year, the start up of GFSA power plant and greater volumes of energy dispatched to market under Res. 95/529/482/22. Additionally, wages were increased due to the enforcement of Res. SE 22 which modified and expanded Resolution SE 482. This resolution allowed increasing the operating results of the Company, generating an additional cash flow that improved their working capital position.

Selling expenses:

Selling expenses for the three-month period ended March 31, 2016 amounted to $ 0.9 million, down 67% from same period 2015..

Administrative expenses

Total administrative expenses for the three-month period ended March 31, 2016, reached $ 14,8 million, an increase of $6.8 million or 85% from the $ 8.0 million for the same period in 2015.

(i) 8.4 million in Service Fees and retributions, which grew 190%, from $2.9 million from same period 2015. This variation stems from an increase in tariffs for existing services and the hiring of new services.

Other income and expenses

Other operating income for the period ended March 31, 2016 reached $3.4 million. Other income mainly include the result for the sale of spares and parts.

Summary of Activity at March 31, 2016 and 2015

Operating income

The operating result for the period ended March 31, 2016 was a profit of $176.1 million, up 116% compared to the profit of $81.7 million for the same period in 2015. This increase is mainly attributed to the increase of the exchange rate on the operating activity of the subsidiaries, the high availability at the power plants throughout the year, the start up of GFSA power plant and greater volumes of energy dispatched to market under Res. 95/529/482/22. Additionally, wages were increased due to the enforcement of Res. SE 22 which modified and expanded Resolution SE 482. This resolution allowed increasing the operating results of the Company, generating an additional cash flow that improved their working capital position.

Financial results:

The financial results for the three month period March 31, 2016 was a loss of $ 163.3 million, compared with a loss of $ 54.3 million in the same period 2015, showing an 201% increase.

The most salient aspects of this variation are described below:

(i) A loss of $91.0 million due to interest paid on loans, up 163% from the loss of $34.6 million in the same period 2015 due to an increase in the financial debt aimed at the development of new projects.

(ii) A loss of $ 58.1 million as a result of the net exchange difference. This caption was 837% higher than the prior year loss of $ 6.2 million. The increase is due to a higher exposure in foreign currency for the financing of new projects and a higher increase of the average exchange rate for the period. It should be noted that the average exchange rate increased 12% during the first three months of 2016 to a 3% for the same period in 2015.

Income before tax

The Company reported a profit before tax of $12.8 million for the fiscal period ended March 31, 2016, which compares with a profit of $27.4 million in the previous fiscal period.

The result under the income tax was a loss of $9.6 million for the fiscal period ended March 31, 2016, which compares with a loss of $9.2 million in the previous fiscal period.

Net Profit from continuing operations:

The net result from continuing operations for the period ended March 31, 2016 was a gain of $3.2 million, compared with the loss of $13.1 million for the same period in 2015.

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Summary of Activity at March 31, 2016 and 2015

Net Result from discontinued operations:

The results from discontinued operations correspond to the sale of the interest held by BDD in the wine business, and the sale of the share in the air transport business held by AJSA. ASA sold its 90% and 95% interest to RGA on June 29 and October 27, 2015, respectively. The net result from discontinued operations for the period ended March 31, 2015, was a loss of $5.1 million.

Net income:

The net result for the period ended March 31, 2015, was a gain of $3.2 million, which compared with $13.1 million for the same period in 2015 reflecting a decrease of 76%.

2. Equity structure presented comparatively with the previous period:
(in millions of pesos)

	3.31.16	3.31.15
Non-Current Assets	3,274.2	2,276.2
Current Assets	1,177.9	756.0
Total Assets	**4,452.1**	**3,032.2**
Equity attributable to the owners	1,330.6	662.5
Equity not attributable to the parent	69.5	50.5
Total assets	**1,400.1**	**713.0**
Non-Current Liabilities	2,123.3	1,091.4
Current Liabilities	928.7	1227.8
Total Liabilities	**3,052.0**	**2,319.2**
Total shareholders´ equity and liabilities	**4,452.1**	**3,032.2**

3. Breakdown of results presented comparatively with the previous period:
(in millions of pesos)

	3.31.16	3.31.15
Operating income	176.2	81.8
Financial results	(163.1)	(54.2)
Operating income	**13.1**	**27.6**
Income tax	(9.6)	(9.2)
Income from continuing operations	**3.5**	**18.4**
Discontinued operations	-	(5.2)
Income for the period	**3.5**	**13.2**
Other comprehensive income/ (loss)	-	(2.5)
Statement of comprehensive income	**3.5**	**10.7**

Summary of Activity at March 31, 2016 and 2015

4. Cash flow structure presented comparatively with the previous period:
(in millions of pesos)

	3.31.16	3.31.15
Funds (applied to)/ generated by operating activities	(210.5)	61.8
Funds (applied to) investment activities	(15.5)	(38.6)
Funds generated by/ (applied to) financing activities	239.0	(34.9)
INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	**13.0**	**(11.7)**

5. Ratios presented comparatively with the previous period:

	3.31.16	3.31.15
Liquidity (1)	1.27	0.62
Credit standing (2)	0.44	0.29
Locked-up capital (3)	0.74	0.75
Indebtedness ratio (4)	2.64	1.91
Indebtedness ratio (5)	3.03	2.51
Interest coverage ratio (6)	2.34	2.71

(1) Current assets / Current liabilities
(2) Equity / Total liabilities
(3) Non-current assets / Total Assets
(4) Financial debt / annualized EBITDA
(5) Financial debt / annualized EBITDA
(6) Annualized EBITDA / Interest accrued

6. Brief comment regarding the Outlook for Fiscal year 2016:

Company outlook for fiscal year 2016

Commercial and operating sector

The Company expects the various generating units to continue operating normally in line with dispatches and fuel allocations defined by CAMMESA. The Company plans to execute the maintenance plan envisaged for fiscal year 2016 to guarantee the high availability of its units.

Summary of Activity at March 31, 2016 and 2015

It is worth mentioning that the Company is conducting two projects that will allow for the extension (150 MW) of the current generating capacity.

Both fall within agreements with CAMMESA under Resolution 220/07 S.E.

As regards the first one, a 50 MW Siemens SGT800 turbine will be installed in the Power Plant of La Rioja. It is expected to be operative in the fourth quarter of 2016. This will require an investment of USD 41,8 million.

The second project will include the installation of two 50MW Siemens SGT800 turbines, each of them in the Power Plant of Rio Cuarto, Córdoba. It is expected to be operative in the first quarter of 2017. This will require an investment of USD 73 million.

Financial Position

During the next fiscal year the Company will continue to optimize the structure of its financing to keep its level of indebtedness in line with its operating needs.

The main objectives of the Company are to reduce the cost of financing, improve the profile of maturities to adjust it more accurately to the Group´s cash flows, and finance in an efficiently manner the generating capacity extension as per projects in the power plant of La Rioja and Rio Cuarto

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REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Albanesi S.A.
Legal address: Av. L.N. Alem 855, 14th Floor
Autonomous City of Buenos Aires
Tax Code No. 30-68250412-5

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Albanesi S.A. and its subsidiaries (hereinafter, "the Company") which comprise the consolidated statement of financial position at March 31, 2016 and the consolidated statement of comprehensive income for the three-month period ended March 31, 2016, the consolidated statements of changes in equity and of consolidated cash flows for the three-month period then ended, and the selected explanatory notes.

The balances and other information corresponding to the fiscal year 2015 and its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

Board's responsibility

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the interim condensed consolidated financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 "Interim Financial Information" (IAS 34).

Scope of our review

Our review was limited to the application of the procedures established by International Standards on Review Engagements (ISRE) 2410 "Review of the interim financial information performed by the independent auditor of the entity", adopted as a review standard in Argentina through Technical Pronouncement No. 33 of the FACPCE, as approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries of the Company's personnel responsible for preparing the information included in the interim condensed consolidated financial statements and performing analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated financial position, the consolidated comprehensive income and the consolidated cash flows of the Company.

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Conclusion

On the basis of our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements mentioned in the first paragraph of this report have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on compliance with regulations in force

In accordance with current regulations, we report that:

a) the interim condensed consolidated financial statements of the Company are transcribed into the "Inventory and Balance Sheet" book and as regards those matters that are within our competence, they comply with the provisions of the General Companies Law and pertinent resolutions of the National Securities Commission;

b) the interim condensed consolidated financial statements of the Company stem from accounting records kept in all formal respects in conformity with legal regulations;

c) we have read the summary of activity, on which we have no observation to make insofar as concerns matters within our field of competence;

d) as of March 31, 2016, there is no debt accrued in favor of the Argentine Integrated Social Security System;

Autonomous City of Buenos Aires, May 10, 2016

PRICE WATERHOUSE & CO. S.R.L.

Dr. Raúl Leonardo Viglione (Partner)

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Report of the Syndics' Committee

To the Shareholders of
Albanesi S.A.

1. Pursuant to the provisions of section 294 of the Law 19550 and National Securities Commission regulations, we have reviewed the accompanying interim condensed consolidated financial statements of Albanesi S.A. which comprise the statement of financial position at March 31, 2016, the statement of comprehensive income for the three-month period ended March 31, 2016, the statements of changes in equity and of cash flows for the three-month period then ended, and the selected explanatory notes. The balances and other information corresponding to the fiscal year 2015 are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.
2. The Board of Directors of the Company is responsible for the preparation and presentation of the interim condensed consolidated financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the interim condensed financial statements mentioned in paragraph 1, in accordance with International Accounting Standard 34 "Interim Financial Information" (IAS 34). Our responsibility is to express a conclusion based on the review performed with the scope detailed in paragraph 3.
3. Our review was carried out in accordance with standards applicable to syndics. Those standards require that the procedures established in Technical Pronouncement No. 33 of the Argentina Federation of Professional Councils in Economic Sciences for limited reviews of interim financial statements be performed, and include verifying the consistency of the documents reviewed with the information on corporate decisions disclosed in minutes and the conformity of those decisions to the law and by-laws insofar as concerns formal and documentary aspects. To fulfill our professional duties, we have reviewed the work done by the external auditors, Price Waterhouse & Co. S.R.L., who issued their unqualified review report on the interim condensed consolidated financial statements on May 10, 2016. A review of interim financial information consists of making inquiries of the Company's personnel responsible for preparing the information included in the interim condensed financial statements and performing analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the financial position, the comprehensive income and the cash flows of the Company. We have not assessed the administrative, financing, marketing or operating business criteria as these matters fall within the exclusive competence of the Board of Directors and Shareholders' meeting.
4. As indicated in Note 3, the interim condensed consolidated financial statements mentioned in paragraph 1 have been prepared in accordance with International Accounting Standard 34.
5. Based on our review, we are not aware of any significant modification to be introduced to the interim condensed consolidated financial statements mentioned in paragraph 1, for their presentation in accordance with the pertinent regulations of Law No. 19550, the National Securities Commission and standards mentioned in paragraph 2.
6. The provisions of Section 294 of the Law No. 19550 have been duly fulfilled.

Autonomous City of Buenos Aires, May 10, 2016

Marcelo P. Lerner
Full Syndic
For the Syndics' Committee

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ALBANESI

Albanesi S.A.

Interim condensed separate financial statements

At March 31, 2016 and for the three-month periods
ended March 31, 2016 and 2015

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Albanesi S.A.

INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS
AT MARCH 31, 2016 AND 2015

CONTENTS

GLOSSARY OF TECHNICAL TERMS

The following are not technical definitions, but they are helpful for the reader's understanding of some terms used in the notes to the interim condensed separate financial statements of the Company.

Terms	Definitions
/day	Per day
AISA	Albanesi Inversora S.A.
AJSA	Alba Jet S.A.
AFSA	Albanesi Fueguina S.A.
AISA	Albanesi Inversora S.A.
AFIP	Federal Administration of Public Revenue
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
AVSA	Albanesi Venezuela S.A.
BADLAR	Interest rates paid by financial institutions on their time deposits for over one million pesos.
BADCOR	Adjusted BADLAR rate
BDD	Bodega del Desierto S.A.
BCRA	Argentine Central Bank
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A.
CC	Combined cycle
IFRIC	International Financial Reporting Interpretations Committee
CNV	National Securities Commission
CTR	Central Térmica Roca S.A.
CVP	Variable Production Cost
Dam^3	Cubic decameter Volume equivalent to 1,000 (one thousand) cubic meters.
DH	Historical availability
Availability	Percentage of time in which the power plant or machinery, as applicable, is in operation (generating power) or available for power generation, but not called by CAMMESA
DMC	Minimum Availability Committed
DO	Target availability
DR	Registered availability
ENARSA	Energía Argentina S.A.
Energía Plus	Plan created under ES Resolution 1281/06
ENRE	National Electricity Regulatory Authority
EPEC	Empresa Provincial de Energía de Córdoba
FACPCE	Argentine Federation of Professional Councils in Economic Sciences
FONINVEMEM	Fund for investments required to increase the electric power supply in the WEM
GE	General Electric
GMSA	Generación Mediterránea S.A.
GFSA	Generación Frías S.A.
GI	Generación Independencia located in San Miguel de Tucumán, province of Tucumán (merged with GMSA)
GISA	Generación Independencia S.A.
GLBSA	Generación La Banda S.A.
GLB	Generación La Banda located in La Banda, province of Santiago del Estero (merged with GMSA)

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GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GM	Generación Mediterránea located in Río IV, province of Córdoba
Large Users	WEM agents classified according to their consumption unto: GUMAs, GUMEs, GUPAs and GUDIs
GRISA	Generación Riojana S.A.
GR	Generación Riojana located in La Rioja, province of La Rioja (merged with GMSA)
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors, with declared or demanded supplies of over 300kW.
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Particular Large Users
GW	Gigawatt Unit of power equivalent to 1,000,000,000 watts
GWh	Gigawatt hour Unit of energy equivalent to 1,000,000,000 watts hour
IASB	International Accounting Standards Board
IGJ	Superintendency of Commercial Companies
kV	Kilovolt Unit of electromotive force which is equal to 1,000 volts
kW	Kilowatt Unit of power equivalent to 1,000 watts
kWh	Kilowatt hour Unit of energy equivalent to 1,000 watts hour
The Company/The Group	Albanesi S.A. and its subsidiaries
LGS	General Companies Law
LVFVD	Sales liquidations with maturity date to be defined
MAT	Futures market
MAPRO	Major Scheduled Maintenance
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 106
ARG GAAP	Argentine GAAP
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ON	Negotiable obligations
PWPS	Pratt & Whitney Power System Inc
Resolution 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contract" under Energy Secretariat Resolution No. 220/07
GR	General Resolution
RGA	Rafael G. Albanesi S.A.
SADI	Argentine Interconnection System
ES	Energy Secretariat
TRASNOA S.A.	An electric power carriage company by means of a trunk line in the Argentine Northwestern region
CGU	Cash-Generating Unit

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Albanesi S.A.

Composition of the Board of Directors and Syndics' Committee
as of March 31, 2016

President
Armando R. Losón

Vice-president 1°
Guillermo G. Brun

Vice-president 2°
Julián P. Sarti

Full Directors
Carlos A. Bauzas
Sebastián A. Sánchez Ramos
Oscar C. De Luise

Alternate Directors
Armando Losón (h)
José L. Sarti
Juan G. Daly
María de los Milagros D. Grande
Ricardo M. Lopez
Romina S. Kelleyian

Full Syndics
Enrique O. Rucq
Francisco A. Landó
Marcelo P. Lerner

Alternate Syndics
Carlos I. Vela
Juan Cruz Nocciolino
Augusto N. Arena

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Albanesi S.A.

Interim condensed separate financial statements
For the three-month period ended March 31, 2016
presented in a comparative format
Stated in pesos

Corporate name:	Albanesi S.A
Legal address:	Av. L.N. Alem 855, 14th floor - City of Buenos Aires
Main business activity:	Investing and financial activities
Tax ID:	30-68250412-5

DATES OF REGISTRATION WITH THE PUBLIC REGISTRY OF COMMERCE:

Of by-laws or incorporation agreement:	June 28, 1994
Last amendment:	March 22, 2016 (registration pending)
Registration number with the Superintendency of Commercial Companies:	6216 of Book 115, Volume A of Corporations
Expiration of By-laws or incorporation agreement:	June 28, 2093

CAPITAL STATUS (See Note 14)			
Shares			
Number	**Type**	**Number of votes per share**	**Subscribed, paid-in and registered**
			$
62,455,160	Ordinary, registered, non-endorsable FV $1	1	62,455,160

Albanesi S.A.

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Interim Condensed Separate Statement of Financial Position
At March 31, 2016 and December 31, 2015
Stated in pesos

	Note	31.03.16	12.31.15
ASSETS			
NON-CURRENT ASSETS			
Investments in subsidiaries and associates	6	1,561,701,175	1,561,566,568
Deferred tax assets		103,575	-
Other receivables	7	904,085	673,181
Total non-current assets		**1,562,708,835**	**1,562,239,749**
CURRENT ASSETS			
Other receivables	7	96,765,690	67,304,797
Cash and cash equivalents	8	86,101	163,233
Total current assets		**96,851,791**	**67,468,030**
Total Assets		**1,659,560,626**	**1,629,707,779**
SHAREHOLDERS' EQUITY			
Share Capital	14	62,455,160	4,455,160
Technical revaluation reserve		1,213,956,434	1,226,610,421
Currency translation reserve		(2,831,662)	(2,857,973)
Other comprehensive income		(1,599,122)	(1,594,964)
Unappropriated retained earnings		58,629,437	43,137,735
TOTAL SHAREHOLDERS' EQUITY		**1,330,610,247**	**1,269,750,379**
LIABILITIES			
NON-CURRENT LIABILITIES			
Tax payables		230,905	-
Loans	11	67,695,031	67,365,750
Other liabilities	10	100,210,228	100,255,918
Total non-current liabilities		**168,136,164**	**167,621,668**
CURRENT LIABILITIES			
Loans	11	226,022	212,877
Other liabilities	10	142,891,240	174,501,494
Income tax, net		653,057	729,121
Tax payables		4,229	259
Trade payables	9	17,039,667	16,891,981
Total current liabilities		**160,814,215**	**192,335,732**
Total Liabilities		**328,950,379**	**359,957,400**
Total Liabilities and Shareholders' Equity		**1,659,560,626**	**1,629,707,779**

The accompanying notes form an integral part of these interim condensed separate financial statements.

Albanesi S.A.

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Interim Condensed Separate Statement of Comprehensive Income
For the three-month periods ended March 31, 2016 and 2015
Stated in pesos

	Note	31.03.16	31.03.15
Gain/Loss on investment in subsidiaries and associates	6	9,327,454	12,637,147
Administrative expenses	12	(488,054)	(40,859)
Operating income		**8,839,400**	**12,596,288**
Financial costs	13	(6,172,581)	(37,587)
Other financial results	13	67,321	2,533
Financial results, net		**(6,105,260)**	**(35,054)**
Income before tax		**2,734,140**	**12,561,234**
Income tax		103,575	-
Net income for the period		**2,837,715**	**12,561,234**
Other Comprehensive Income			
Items not reclassified into income/loss			
Other comprehensive income on investment in subsidiaries and associates		22,153	(2,509,238)
Other comprehensive income for the period		22,153	**(2,509,238)**
Comprehensive income for the period		**2,859,868**	**10,051,996**
Basic and diluted earnings per share	15	**0.12**	**2.82**

The accompanying notes form an integral part of these interim condensed separate financial statements.

Albanesi S.A.

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Interim Condensed Separate Statement of Changes in Equity

For the three-month periods ended March 31, 2016 and 2015

Stated in pesos

	Attributable to Shareholders					
	Shareholders' contributions	**Retained earnings/accumulated losses**				
	Share Capital (Note 14)	**Technical revaluation reserve**	**Currency translation reserve**	**Other comprehensive income**	**Unappropriated retained earnings**	**Total**
Balances at December 31, 2014:	**4,455,160**	**672,789,351**	**(873,907)**	**(1,660,196)**	**(22,281,606)**	**652,428,802**
Reversal of technical revaluation reserve	-	(6,462,998)	-	-	6,462,998	-
Other comprehensive income for the period	-	-	(2,503,320)	(5,918)		(2,509,238)
Comprehensive income for the three-month period	-	-	-	-	12,561,234	12,561,234
Balances at March 31, 2015	**4,455,160**	**666,326,353**	**(3,377,227)**	**(1,666,114)**	**(3,257,374)**	**662,480,798**
Reversal of technical revaluation reserve	-	(20,098,201)	-	-	20,098,201	-
Other Comprehensive income of the nine-month supplementary period	-	580,382,269	519,254	71,150	-	580,972,673
Comprehensive income of the nine-month supplementary period	-	-	-	-	26,296,908	26,296,908
Balances at December 31, 2015	**4,455,160**	**1,226,610,421**	**(2,857,973)**	**(1,594,964)**	**43,137,735.00**	**1,269,750,379**
Capital increase as per Minutes of Shareholders' Meeting dated March 22, 2016	58,000,000	-	-	-	-	58,000,000
Reversal of technical revaluation reserve	-	(12,653,987)	-	-	12,653,987	-
Other comprehensive income for the period	-	-	26,311	(4,158)	-	22,153
Comprehensive income for the three-month period	-	-	-	-	2,837,715	2,837,715
Balances at March 31, 2016	**62,455,160**	**1,213,956,434**	**(2,831,662)**	**(1,599,122)**	**58,629,437**	**1,330,610,247**

The accompanying notes form an integral part of these interim condensed separate financial statements.

Albanesi S.A.

Free translation from the original prepared in Spanish for publication in Argentina

Interim Condensed Separate Statement of Cash Flows
For the three-month periods ended March 31, 2016 and 2015
Stated in pesos

	Notes	31.03.16	31.03.15
Cash flow provided by operating activities:			
Income for the period		2,837,715	12,561,234
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax		(103,575)	-
Interest, exchange differences and other financial results		6,112,556	37,489
Gain/Loss on investment in subsidiaries and associates	6	(9,327,454)	(12,637,147)
Changes in operating assets and liabilities:			
Decrease/ (Increase) in other receivables		37,523,203	(34,751,298)
Increase / (Decrease) in trade payables		147,686	(163,270)
Increase in tax payables		158,811	719
Net cash flow provided by (used in) operating activities		**37,348,942**	**(34,952,273)**
Cash flow of investment activities:			
Net decrease in other receivables with related parties		(3,863,149)	(11,350,357)
Net cash flow provided by (used in) investment activities		**(3,863,149)**	**(11,350,357)**
Cash flow of financing activities:			
Payment of interest	11	(5,745,545)	-
(Decrease) increase net in other liabilities with related parties		(27,810,084)	46,229,033
Cash flows (used in) provided by financing activities		**(33,555,629)**	**46,229,033**
DECREASE IN CASH AND CASH EQUIVALENTS		**(69,836)**	**(73,597)**
Cash and cash equivalents at the beginning of the period	8	163,233	185,683
Exchange difference of cash and cash equivalents		7,296	2435
Cash, cash equivalents at the end of the period	8	86,101	109,651
		(69,836)	**(73,597)**
Significant transactions not entailing funds			
Compensation for dividends allocated		(9,215,000)	-
Capitalization of other debts		(58,000,000)	-
Other comprehensive income on investment in subsidiaries and associates		22,153	-
Allocated dividends not yet collected		-	(2,520,000)

The accompanying notes form an integral part of these interim condensed separate financial statements.

Stated in pesos

NOTE 1: GENERAL INFORMATION

The Company was established in 1994 as investment and financing company. Through its subsidiaries and related entities, ASA has invested in the energy market, in the electric power generation and selling segment.

Albanesi Group through ASA and AISA is engaged in the power generation and selling meanwhile through RGA it is engaged in the gas selling and transportation business.

The main strategy of Albanesi Group over the last years has been focused on achieving vertical integration, drawing on its vast experience and reputation in the natural gas sale market (through RGA), with the subsequent addition of the electric power generation business. This approach seeks to capitalize the value added from the purchase from large gas producers in all the basins in the country to its transformation and sale as electric power.

Below is a detail of the participation of ASA in each company.

Companies	Country of creation	Main business activity	% of interest	
			31.03.16	12.31.15
GMSA	Argentina	Generation of electric energy	95.00%	95.00%
GISA (1)	Argentina	Generation of electric energy	-	95.00%
GRISA (1)	Argentina	Generation of electric energy	-	95.00%
GLB (1)	Argentina	Generation of electric energy	-	95.00%
GFSA	Argentina	Generation of electric energy	95.00%	95.00%
GROSA	Argentina	Generation of electric energy	95.00%	95.00%
Solalban Energía S.A.	Argentina	Generation of electric energy	42.00%	42.00%
AVSA	Venezuela	Oil company	99.99%	99.99%

(1) Companies merged with GMSA within the framework of the merger through absorption process as described in Note 20.

The generation segment of Albanesi Group has an installed capacity of approximately 892 MW, which accounts for 4% of the installed capacity of Argentina. Furthermore, considering the different projects underway, Albanesi Group will have an installed capacity of approximately 1102 MW.

On November 20, 2015, the Final Merger Agreement was signed, which establishes the merger through absorption of GISA, GLBSA and GRISA with GMSA (the continuing company) effective as from January 1, 2016. On March 18, 2016, the CNV through Resolution No. 18003 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and ordered that the file be sent to the IGJ for its registration, which is pending at the date of issue of these financial statements. (See Note 20)

In December 2015, GFSA completed all the works necessary for the installation of a new turbine of 60 MW with PWPS technology to be set-up in the power plant.

In 2015, ASA entered the capital markets. On November 20, 2015, it obtained the authorization to enter the public offering system and create a program of Negotiable Obligations (not convertible into shares) of up to USD 100,000,000 or its equivalent in other currencies, in one or more classes or series. On December 29, the Company issued Class I Negotiable Obligations for $ 70 million.

In turn, RGA is a leading company engaged in the sale of gas and the provision of energy supply services to industries and thermal power plants.

NOTE 1: GENERAL INFORMATION

In the year 2015, the Company has sold its interest in BDD and AJSA to RGA. As a result, the interim condensed separate financial statements at March 31, 2016 do not include BDD and AJSA and the statements of income and cash flows include the Company only in the period in which ASA held its control. In view of the above, the comparability of these statements is affected.

New projects

The Albanesi Group announced a plan to increase generation of electricity in its installed plants in different locations in Argentina, which involves works for an investment of approximately USD 199.9 million and would contribute 210 MW new to the national system.

On September 7, 2015, GRISA signed a contract with Siemens Industrial Turbomachinery AB in which it agreed the purchase of a SGT800 turbine of 50 MW for USD 18.2 million, which is expected to receive in May 2016. At March 31, 2016, the payment of the turbine Siemens SGT-800 has been completed. The assembly of the turbine and auxiliary equipment has been contracted with Siemens. The power transformer has been bought and progress is being made with civil works as scheduled. Other necessary tasks for the assembly and set-up of the turbine have been also performed. Among the main investments, we can mention the installation of a gas compression plant, a water treatment plant and a gasoil separation plant. In addition, connections to the high-voltage network will be built, the gas distribution system of ECOGAS will be adjusted and a cooling system will be installed for the incoming air of the turbine. The total investment of the project amounts to USD 41.8 million. We estimate the start-up of commercial operations in the fourth quarter of 2016.

Furthermore, on March 28, 2016, GMSA signed an agreement with Siemens Industrial Turbomachinery AB to carry out the project to enlarge the Power Plant by 100 MW from the existent 250 MW with the installation of two Siemens SGT-800 turbines of 50MW nominal each. This enlargement agreement falls within the scope of ES Resolution 220/07. For this work, an investment exceeding USD 73 million is estimated, and it would start its commercial operation in the first quarter of 2017. At the date of these interim condensed financial statements, the Company made an advance to Siemens Industrial Turbomachinery AB of USD 2.2 million for the purchase of the turbine and progress is being made with the investment process.

In addition, Albanesi Group implemented the project for the closure of the Power Plant combined cycle of CTR in Río Negro, and this means that an additional power of 60 MW will be incorporated to the current 130 MW turbine operating with gas and gasoil. Not only will this work provide extra power but will also be significant in environmental terms as it will not require additional fuel. The works will require an investment of USD 84.3 million approximately. We estimate the start-up of commercial operations in the first quarter of 2018.

NOTE 2: BASIS FOR PRESENTATION

These interim condensed separate financial statements were prepared in accordance with IFRS issued by the IASB.

The CNV, through GR No. 622/13 has established the application of Technical Pronouncements No. 26 and 29 of the FACPCE which adopt IFRS issued by the IASB for entities included in the public offering system under Law No. 17811, either for its capital or negotiable obligations, or which have requested authorization to be included in the mentioned system.

NOTE 2: BASES OF PRESENTATION (Cont'd)

The Company has adopted Technical Pronouncement No. 43 for the year ending December 31, 2016. Therefore, these interim condensed separate financial statements are the first issued in accordance with IFRS, with their transition date being January 1, 2015. The provisions of IFRS 1 "First-time adoption of International Financial Reporting Standards" have been applied at that date.

IFRS1 requires that a parent company adopting IFRS for the first time for its separate financial statements subsequently to the adoption in its consolidated financial statements is to value, at the transition period, assets and liabilities (including investments in subsidiaries, associates and joint ventures) at the same amount in both financial statements, except for consolidation adjustments. Due to the exemption set forth in IFRS 1, there are no differences at the transition date; therefore, no opening balances or reconciliations as required by IFRS 1 have been included at the transition date.

These interim condensed separate financial statements of the Company for the three-month period ended March 31, 2016 were prepared in accordance with IAS 34 "Interim Financial Reporting".

The presentation in the interim condensed statement of financial position segregates current and non-current assets and liabilities. Current assets and liabilities are those which are expected to be recovered or settled within the twelve months after the end of the reporting period, and those held for sale. In addition, the Company reports on the cash flow from operating activities using the indirect method. The fiscal year commences on January 1 and ends December 31 of each year. Economic and financial results are presented on the basis of the fiscal year.

These interim condensed separate financial statements are stated in pesos. They have been prepared under the historical cost convention, modified by the measurement of financial assets and liabilities at fair value through profit or loss.

The preparation of these financial statements in accordance with IFRS requires making estimates and assessments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of issue of these financial statements, as well as the income and expenses recorded in the fiscal year. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

The interim condensed separate financial statements for the three-month period ended March 31, 2016 and 2015 have not been audited. Company's management estimates that they include all adjustments necessary to reasonably present the results for each period.

The results for the three-month periods ended March 31, 2016 and 2015 do not necessarily reflect a proportionate percentage of the Company's results for the full year.

These interim condensed separate financial statements for the three-month periods ended March 31, 2016 and 2015 were approved for issuance by the Company's Board of Directors on May 10, 2016.

NOTE 2: BASES OF PRESENTATION (Cont'd)

Comparative information

Balances at December 31, 2015 disclosed in these interim condensed separate financial statements for comparative purposes arise from financial statements at that date. Certain reclassifications have been included in the financial statement figures presented for comparative purposes to conform them to the current period presentation.

NOTE 3: ACCOUNTING POLICIES

The accounting policies adopted for these interim condensed separate financial statements are consistent with those used in the separate financial information used for the last fiscal year, which ended on December 31, 2015.

NOTE 4: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim condensed separate financial statements requires Company Management to make estimates and assessments concerning the future, apply critical judgments and establish premises that affect application of the accounting policies and the reported amounts of assets, liabilities, income and expenses.

These estimates and judgments are continually evaluated and are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual future results may differ from those estimates and assessments made at the date these interim condensed separate financial statements were prepared.

In preparing these interim condensed separate financial statements, the critical judgments delivered by the Management to apply the Company's accounting policies and the sources of information used for the related estimates are the same as those delivered in the separate financial statements for the fiscal year ended December 31, 2015.

NOTE 5: FINANCIAL RISK MANAGEMENT

The Company's activities are disclosed under sundry financial risks: market risk (including the foreign exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

These interim condensed separate financial statements do not include the information required for the annual separate financial statements regarding risk management. They must be read jointly with the financial statements corresponding to the fiscal year ended December 31, 2015. No significant changes have been made to risk management policies since the annual closing.

NOTE 6: INFORMATION ON SUBSIDIARIES AND ASSOCIATES

The Company carries its businesses through various subsidiaries and associates.

Below, the development of investments in subsidiaries and associates is disclosed for the three-month periods ended March 31, 2016 and 2015:

	31.03.16	31.03.15
At the beginning of the period	**1,561,566,568**	**1,120,910,262**
Dividends	(9,215,000)	(2,520,000)
Other comprehensive income	22,153	(2,509,238)
Gain/Loss on investment in subsidiaries and associates	9,327,454	12,637,147
Period end	**1,561,701,175**	**1,128,518,171**

NOTE 6: INFORMATION ON SUBSIDIARIES AND ASSOCIATES (CONT'D)

Below is a detail of investments and values of interest held by the Company in subsidiaries and associates for the three-month period ended March 31, 2016 and for the year ended December 31, 2015, as well as participation of the Company in the results of these companies at March 31, 2016 and 2015.

				Value of the Group interest on net equity		Participation of the Group in the results		% of interest in		Latest financial statement (1)		
Name of the entity	Registered office of the entity	Main Activity	Ordinary Shares 1 vote	31.03.16	12.31.15	31.03.16	31.03.15	31.03.16	12.31.15	Share Capital (face value)	Result for the year	Shareholders' Equity
Subsidiaries												
GMSA	Argentina	Electricity	119,371,376	1,170,235,697	664,381,926	31,303,063	11,006,692	95%	95%	125,654,080	32,964,593	1,231,827,049
GISA [2]	Argentina	Electricity	-	-	405,196,483	-	696,132	-	95%	-	-	-
GRISA [2]	Argentina	Electricity	-	-	38,925,772	-	793,305	-	95%	-	-	-
GLBSA [2]	Argentina	Electricity	-	-	39,643,454	-	1,458,494	-	95%	-	-	-
GFSA	Argentina	Electricity	106,788,522	122,970,311	144,062,417	(21,092,107)	(1,048,548)	95%	95%	112,408,964	(15,329,085)	136,315,561
GROSA	Argentina	Electricity	16,473,625	27,507,696	25,979,540	1,532,313	3,912,658	95%	95%	17,340,658	1,612,967	28,955,468
AFSA	Argentina	Hydrocarbon Generation	-	-	-	-	(2,111)	-	-	-	-	-
BDD	Argentina	Wine company	-	-	-	-	(457,597)	-	-	-	-	-
AJSA	Argentina	Airline company	-	-	-	-	(4,317,517)	-	-	-	-	-
AVSA	Venezuela	Oil Company	24,999	204,583	249,047	(70,774)	(33,309)	99.99%	99.99%	85,983	(70,777)	204,593
Associates												
Solalban Energía S.A.	Argentina	Electricity	73,184,160	240,782,888	243,127,929	(2,345,041)	628,948	42%	42%	174,248,000	(5,583,432)	573,292,591
				1,561,701,175	1,561,566,568	9,327,454	12,637,147					

(1) Information of the financial statements at March 31, 2016 converted to IFRS.

(2) Companies merged with GMSA within the framework of the merger through absorption process as described in Note 20.

Information required by Exhibit C, in compliance with Section 1, Chapter III, Title IV of the restated text by the CNV.

NOTE 7: OTHER RECEIVABLES

	31.03.16	12.31.15
Non-Current		
Minimum notional income tax	904,085	673,181
	904,085	**673,181**
Current		
Tax Law 25413	37,679	100,983
Related parties (Note 16)	91,932,362	62,577,384
Value added tax	4,691,790	4,537,593
Other tax credits	103,859	88,837
	96,765,690	**67,304,797**

The carrying amount of other current receivables approximates their fair value due to their short-term maturity.

Other long-term receivables are measured at present value applying a market rate. The amount thus obtained does not differ from its fair value.

NOTE 8: CASH AND CASH EQUIVALENTS

	31.03.16	12.31.15
Cash	-	2,478
Banks in local currency	21,929	60,427
Banks in foreign currency (Note 21)	64,172	100,328
Cash and cash equivalents (bank overdrafts excluded)	**86,101**	**163,233**

NOTE 9: TRADE PAYABLES

	31.03.16	12.31.15
Suppliers	867,337	719,651
Related parties (Note 16)	16,172,330	16,172,330
	17,039,667	**16,891,981**

NOTE 10: OTHER LIABILITIES

	31.03.16	12.31.15
Non-Current		
Related parties (Note 16)	100,210,228	100,255,918
	100,210,228	**100,255,918**
Current		
Related parties (Note 16)	142,891,240	174,501,494
	142,891,240	**174,501,494**

NOTE 11: LOANS

	31.03.16	12.31.15
Non-Current		
Negotiable obligations	67,695,031	67,365,750
	67,695,031	**67,365,750**
Current		
Negotiable obligations	226,022	212,877
	226,022	**212,877**

With the purpose of improving the financial profile of the company, on November 20, 2015 ASA, through Resolution 17,887, was granted authorization from the CNV for: (i) incorporation of ASA to the public offering system; and (ii) creation of a global program to issue simple (non-convertible) negotiable obligations for a total nominal value outstanding of up to USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

Class I Negotiable Obligations:

On December 29, 2015, the Company issued Class I Negotiable Obligations under the following conditions:

Principal: Nominal value: $ 70,000,000

Interest: Private Banks BADLAR rate plus 5.5%

Term and repayment: interest on Class I NO will be paid on a quarterly basis, past due, in the following dates: March 29, 2916; June 29, 2016; September 29, 2016; December 29, 2016; March 29, 2017; June 29, 2017; September 29, 2017, and December 29, 2017.

The principal of the Class I NO will be amortized in three (3) consecutive installments, payable on a quarterly basis, with the first two equivalent to 30% and the third one equivalent to 40% of the nominal value of NO at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issue, that is June 29, 2017; September 29, 2017 and December 29, 2017.

Funds obtained with the issue of the NO Class I were destined in full to the partial repayment of current liabilities that ASA holds with the related company RGA.

The due dates of Company loans and their exposure to interest rates are as follow:

NOTE 11: LOANS (Cont'd)

	31.03.16	12.31.15
Floating rate		
Less than 1 year	226,022	212,877
Between 1 and 2 years	67,695,031	67,365,750
	67,921,053	**67,578,627**

Company loans are denominated in the following currencies:

	03.31.16	12.31.15
Argentine Pesos	67,921,053	67,578,627
	67,921,053	**67,578,627**

Changes in Company loans during the fiscal year were as follows:

	31.03.16	31.03.15
Loans at beginning of year	67,578,627	-
Interest paid	(5,745,545)	-
Accrued interest	6,087,971	-
Loans at year end	**67,921,053**	-

NOTE 12: ADMINISTRATIVE EXPENSES

	31.03.16	31.03.15
Fees	(480,845)	(37,103)
Sundry	(7,209)	(3,756)
	(488,054)	**(40,859)**

NOTE 13: FINANCIAL RESULTS

	31.03.16	31.03.15
Financial costs		
Loan interest	(6,087,971)	-
Tax interest and others	(484)	(32,366)
Bank expenses and commissions	(84,126)	(5,221)
Total financial expenses	**(6,172,581)**	**(37,587)**
Other financial results		
Exchange differences, net	67,321	2,533
Total other financial results	**67,321**	**2,533**
Total financial results, net	**(6,105,260)**	**(35,054)**

NOTE 14: CAPITAL STATUS

Capital Status at March 31, 2016 is as follows:

Share Capital	Amount $	Approved by: Date	Approved by: Body	Date of registration with the Public Registry of Commerce
Total as of December 31, 2011	**30,100,000**			
Capitalization of debt	10,000,000	12/31/2012	Extraordinary Shareholders' Meeting	9/16/2013
Capitalization of debt	20,000,000	12/30/2013	Extraordinary Shareholders' Meeting	9/25/2014
Capital reduction	(55,644,840)	7/16/2014	Ordinary Shareholders' Meeting	9/25/2014
Capitalization of debt	58,000,000	3/22/2016	Extraordinary Shareholders' Meeting	Pending
Total as of March 31, 2016	**62,455,160**			

On July 16, 2014, the Ordinary Meeting of Shareholders resolved to reduce capital in the amount of $ 55,644,840, with the share capital amounting to $ 4,445,160. On March 22, 2016, the Extraordinary Shareholders' Meeting decided to increase the capital in the amount of $ 58,000,000; therefore, the share capital amounted to $ 62,455,160.

NOTE 15: EARNINGS PER SHARE

Basic

The basic earnings per share are calculated by dividing the income attributable to the holders of the Company's equity instruments by the weighted average number of ordinary shares outstanding during the period.

	31.03.16	31.03.15
Income for the period attributable to the owners:	2,837,715	12,561,234
Weighted average of outstanding ordinary shares	22,938,676	4,455,160
Basic and diluted earnings per share	**0.12**	**2.82**

There are no differences between the calculation of the basic earnings per share and the diluted earnings per share.

NOTE 16: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Operations for the period

	Relationship nature	03.31.16	03.31.15
Dividends earned			
GMSA	Subsidiary	9,215,000	-
Solalban Energía S.A.	Related company	-	2,520,000
		9,215,000	**2,520,000**
Interest paid			
GLBSA	Subsidiary	-	(32,366)
		-	**(32,366)**

b) Balances at the date of the statements of financial position

	Relationship nature	03.31.16	12.31.15
Other receivables			
Current			
Shareholders' accounts	Other related parties	91,932,362	62,142,446
GRISA [(1)]	Subsidiaries	-	434,938
		91,932,362	**62,577,384**
Trade payables			
Current			
RGA	Other related parties	16,172,330	16,172,330
		16,172,330	**16,172,330**
Other liabilities			
Non-current			
AVSA (Note 21)	Subsidiaries	210,228	255,918
RGA (Note 19)	Other related parties	100,000,000	100,000,000
		100,210,228	**100,255,918**
Current			
AVSA - Capital to be paid-in (Note 21)	Subsidiaries	1,070	1,302
GMSA	Subsidiaries	44,294,102	48,094,040
GFSA - Capital to be paid-in	Subsidiaries	9,765,000	9,765,000
RGA (Note 19)	Other related parties	88,831,068	116,641,152
		142,891,240	**174,501,494**

(1) Companies merged with GMSA within the framework of the merger through absorption process as described in Note 20.

NOTE 17: GUARANTEES GRANTED FOR FINANCIAL OPERATIONS WITH SUBSIDIARIES AND RELATED PARTIES

Below is a detail of guarantees granted by ASA for financial transactions of subsidiaries and related parties:

In favor of	Type of guarantee	Entity	Asset/destination	From	Until	Amount secured	Balances at March 31, 2016
AJSA	Surety bond	SFG Equipment Leasing Corporation	Leasing aircraft Jet Lear 45XR	11/14/2008	1/21/2019	USD 7,330,000	USD 2,802,998
CTR	Guarantor	Credit Suisse Securities	Repair and dual conversion of the power plant	1/20/2012	1/20/2019	USD 30,000,000	USD 18.643.915
CTR	Surety bond	Banco Ciudad de Bs As	Fire system / Electromechanic-civil works and tanks	9/17/2013	9/22/2016	$ 10,000,000	$ 2,695,347
CTR	Surety bond	Banco de Inversión y Comercio Exterior (Syndicated)	Working capital	9/29/2015	9/29/2019	$ 20,000,000	$ 17,500,000
CTR	Surety bond	Banco Hipotecario (Syndicated)	Working capital	9/29/2015	9/29/2019	$ 20,000,000	$ 17,500,000
GMSA	Surety bond	BAF	Project financing	2/11/2016	2/15/2019	USD 40,000,000	USD 40,000,000
GMSA	Guarantor	Syndicated Loan	Purchase of turbine	5/8/2014	5/8/2017	$ 90,000,000	$ 39,150,000
GMSA	Guarantor	Banco de la Provincia de Córdoba S.A	Working capital	6/8/2015	6/8/2017	$ 5,000,000	$ 3,125,030
GMSA	Guarantor	Nuevo Banco de La Rioja S.A	Working capital	3/31/2016	4/11/2019	$ 10,000,000	$ 10,000,000
GMSA	Guarantee	Negotiable obligations	Class III	5/9/2014	2/9/2016	$ 100,000,000	$ 68,500,000
GMSA	Guarantee	Negotiable obligations	Class VI	7/15/2015	7/15/2017	$ 130,000,000	$ 130,000,000
GFSA	Guarantee	Negotiable obligations	Class I	9/29/2014	9/29/2017	$ 120,000,000	$ 108,000,000
GFSA	Guarantee	Negotiable obligations	Class II	3/8/2016	3/8/2018	$ 130,000,000	$ 130,000,000
GFSA	Guarantor	Banco de la Ciudad de Buenos Aires S.A.	Investment	7/8/2014	8/1/2017	$ 30,000,000	$ 22,518,670
GFSA	Guarantor	Syndicated Loan	Investment	4/1/2015	4/1/2019	$ 60,000,000	$ 60,000,000
GFSA	Guarantor	Syndicated Loan	Investment	4/1/2015	4/1/2019	$ 30,000,000	$ 30,000,000
GFSA	Guarantor	PW Power Systems, Inc.	Turbine financing	3/30/2016	Completion of contract	USD 12,000,000	USD 12,000,000
BDD	Surety bond	Banco Comafi S.A.	Leasing of bin and belt	2/1/2012	6/1/2017	EUR 39,007	EUR 7,032
GMSA	Surety bond	CAMMESA	Repair of machinery	12/31/2012	5/30/2019	$ 26,997,275	$ 21,935,286
GROSA	Surety bond	Banco Coinag S.A.	Working capital	9/30/2015	3/31/2016	$ 500,000	$ 846
GROSA	Surety bond	Banco Coinag S.A.	Working capital	12/11/2015	6/11/2016	$ 560,000	$ 291,745

NOTE 18: WORKING CAPITAL

ASA has reduced in the current period the working capital (understood as current assets less current liabilities) held at the closing of the prior year. At March 31, 2016, the deficit in working capital amounted to $ 63,962,424 while at December 31, 2015, it amounted to $ 124,867,702, thus improving it by $ 60,905,278, accounting for 49%.

With the aim of reducing the current deficit in working capital, ASA and its shareholders expect to execute the following action plan to continue paying the debt held by the Company with RGA, according to the following detail:

i) $150 million resulting from the cash flows obtained from the issue of Class II Negotiable Obligations.

ii) $40 million approximately corresponding to dividends expected to be received from subsidiaries and associates for the year 2016.

NOTE 19: BALANCE OF DEBT WITH RAFAEL G. ALBANESI S.A.

ASA has reduced in the current period the debt balance with the related party RGA held at the closing of the prior year. At March 31, 2016, the balance of trade payables and other debt with RGA amounted to $ 205,003,398 while at December 31, 2015, it amounted to $ 232,813,482, thus reducing it in the period by $ 27,810,084, accounting for 12%.

To continue reducing the debt with the related party RGA, the Board of Directors and shareholders expect to execute the action plan detailed in Note 18 with the aim of partially settling it.

NOTE 20: MERGER THROUGH ABSORPTION GMSA - GISA - GLBSA - GRISA

On August 31, 2015, GMSA entered into a merger agreement (the "Merger Agreement") whereby it started the merger through absorption process with the companies GISA, GLBSA and GRISA (the "Corporate Reorganization").

The Corporate Reorganization allows to enhance and optimize the performance of the economic activities and the operating, administrative and technical structures of the Participating Companies to achieve synergies and operating efficiency through only one operating unit. Considering that the participating companies are electric power generating agents in the WEM and that their main line of business is the generation and sale of electric power, the Merger will be beneficial for the following reasons: a) the type of business activity of the Participating Companies, which enables integration and complementation for greater operating efficiencies; b) a simplification of the participating companies' corporate structure by consolidating the companies' activities in only one entity; c) the synergy of the union of the different Group companies will make the exercise of control, management and administration of the energy business more effective; d) the obtainment of a larger scale, permitting to increase the financial ability to develop new projects; e) a better allocation of existing resources; f) benefiting from a centralized administration, unifying the political and strategic decision-making processes in relation to the business, thus eliminating multiple costs (legal, accounting, administrative, financial and other costs); and g) the creation of more career opportunities for the employees of the participating companies. Furthermore, the above-mentioned benefits will be obtained without incurring tax costs, as the Corporate Reorganization will be tax free under the terms of Section 77 and following provisions of the Income Tax Law No. 26839.

NOTE 20: MERGER THROUGH ABSORPTION GMSA - GISA - GLBSA – GRISA (Cont´d)

On September 25, 2015, the CNV authorized the publication of the merger prospectus which details the Corporate Reorganization (the "Merger Prospectus"), published in the AIF (Financial Information Highway) and in the Daily Bulletin of the BCBA (Buenos Aires Stock Exchange) -as per the power delegated by MVBA (Mercado de Valores de Buenos Aires S.A.) to BCBA, under Resolution No. 17501 of the CNV- to make it known to the investing public.

On November 10, 2015, GMSA reported that, as there was no opposition from creditors under the terms of Section 83 subsection 3) of the LGS, it signed the Final Merger Agreement through Absorption (the "Final Merger Agreement"), with the effective merger date being January 1, 2016, for accounting and tax effects.

As a result of the merger and as approved in the Merger Agreement and Final Merger Agreement, as from the Effective Date of Merger: (a) the equities of all merged companies (GISA, GLBSA and GRISA) were fully transferred to GMSA, thus acquiring the ownership of all rights and obligations of GISA, GLBSA and GRISA, subject to the registration of the final merger agreement in the Public Registry under the Superintendency of Commercial Companies (IGJ); (b) GISA, GLBSA and GRISA were dissolved without liquidation, being absorbed by GMSA; (c) GMSA capital stock increased from $ 76,200,073 to $ 125,654,080, with the by-laws of the continuing company being amended.

On March 18, 2016, the CNV through Resolution No. 18003 approved the described merger through absorption within the terms of Section 82 of the General Companies Law No. 19550 and ordered that the file be sent to the IGJ for its registration, which is pending at the date of issue of these financial statements.

NOTE 21: FOREIGN CURRENCY ASSETS AND LIABILITIES

Breakdown of balances in foreign currency of monetary assets and liabilities is as follows:

	31.03.16				12.31.15
	$				
Captions	Class	Amount	Exchange rate at closing (1)	Amount recorded in pesos	Amount recorded in pesos
ASSETS					
Current Assets					
Banks	USD	4,395	14.60	64,172	100,328
Total Assets				**64,172**	**100,328**
LIABILITIES					
Non-Current Liabilities					
Other liabilities	Venezuelan Bolivares	3,929,718	0.05	210,228	255,918
Current Liabilities					
Other liabilities	Venezuelan Bolivares	20,000	0.05	1,070	1,302
Total Liabilities				**211,298**	**257,220**

(1) Prevailing exchange rate at closing
Information required by Exhibit G, in compliance with Section 1, Chapter III, Title IV of the restated text by the CNV.

NOTE 22: CLASSIFICATION OF RECEIVABLES AND DEBTS BY DUE DATES AND INTEREST ACCRUAL

The breakdown of the receivables and debts at March 31, 2016, according to collection or payment term and restatement clauses is detailed in the table below:

	Other Receivables	Trade payables	Income Tax, net	Tax payables	Other liabilities	Loans
			$			
To be due						
First quarter	91,762,162	867,337	653,057	4,229	2,441,250	226,022
Second quarter	-	-	-	-	2,441,250	-
Third quarter	-	-	-	-	2,441,250	-
Fourth quarter	-	16,172,330	-	-	2,441,250	-
More than one year	904,085	-	-	230,905	100,210,228	67,695,031
Subtotal	92,666,247	17,039,667	653,057	235,134	109,975,228	67,921,053
Past due						
Without stated term	5,003,528	-	-	-	133,126,240	-
Total	97,669,775	17,039,667	653,057	235,134	243,101,468	67,921,053
Non-interest bearing	97,669,775	17,039,667	653,057	235,134	243,101,468	-
At fixed rate	-	-	-	-	-	-
At floating rate	-	-	-	-	-	67,921,053
Total at 3.31.2016	**97,669,775**	**17,039,667**	**653,057**	**235,134**	**243,101,468**	**67,921,053**

NOTE 23: SUBSEQUENT EVENTS

a) Shareholders' Meeting

The general shareholders' meeting held on April 20, 2016 approved, among other items, the following:

- The allocation of $ 1,942,908 in full to the Legal Reserve.
- Distribution of dividends to shareholders in proportion to their shares for $ 41,194,827.

NOTE 24: FINANCIAL STATEMENTS TRANSLATION INTO ENGLISH LANGUAGE

These financial statements are the English translation of those originally prepared by the Company in Spanish and presented in accordance with accounting principles generally accepted in Argentina. The effects of the differences between the accounting principles generally accepted in Argentina and the accounting principles generally accepted in the countries in which the financial statements are to be used have not been quantified. Accordingly, the accompanying financial statements are not intended to present the financial position, statements of comprehensive income, changes in equity or cash flows in accordance with accounting principles generally accepted in the countries of users of the financial statements, other than Argentina.

pwc

Free translation from the original prepared in Spanish for publication in Argentina

REVIEW REPORT ON THE INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Albanesi S.A.
Legal address: Av. L.N. Alem 855, 14th Floor
Autonomous City of Buenos Aires
Tax Code No. 30-68250412-5

Introduction

We have reviewed the accompanying interim condensed separate financial statements of Albanesi S.A. which comprise the separate statement of financial position at March 31, 2016, the separate statement of comprehensive income for the three-month period ended March 31, 2016, the separate statements of changes in equity and of cash flows for the three-month period then ended, and the selected explanatory notes.

The balances and other information corresponding to the fiscal year 2015 and its interim periods are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

Board's responsibility

The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the interim condensed separate financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 "Interim Financial Information" (IAS 34).

Scope of our review

Our review was limited to the application of the procedures established by International Standards on Review Engagements (ISRE) 2410 "Review of the interim financial information performed by the independent auditor of the entity", adopted as a review standard in Argentina through Technical Pronouncement No. 33 of the FACPCE, as approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of making inquiries of the Company's personnel responsible for preparing the information included in the interim condensed separate financial statements and performing analytical and other review procedures. This review is substantially less in scope than an audit examination conducted in accordance with international standards on auditing and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the separate financial position, the separate comprehensive income and the separate cash flows of the Company.

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Conclusion

On the basis of our review, nothing has come to our attention that causes us to believe that the interim condensed separate financial statements mentioned in the first paragraph of this report have not been prepared, in all material respects, in accordance with International Accounting Standard 34.

Report on compliance with regulations in force

In accordance with current regulations, we report that:

a) the interim condensed separate financial statements of the Company are transcribed into the "Inventory and Balance Sheet" book and as regards those matters that are within our competence, they comply with the provisions of the General Companies Law and pertinent resolutions of the National Securities Commission;

b) the interim condensed separate financial statements of the Company stem from accounting records kept in all formal respects in conformity with legal regulations;

c) we have read the additional information to the notes to the interim condensed separate financial statements required by Section 12, Chapter III, Title IV, of the National Securities Commission regulations, on which we have no observation to make insofar as concerns matters within our field of competence;

d) as of March 31, 2016, there is no debt accrued in favor of the Argentine Integrated Social Security System;

Autonomous City of Buenos Aires, May 10, 2016

PRICE WATERHOUSE & CO. S.R.L.

Dr. Raúl Leonardo Viglione (Partner)