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

Generación Frías S.A.

Interim condensed financial statements

At June 30, 2016 and for the six and three-month period
ended June 30, 2016 and 2015,
presented in a comparative format

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Interim condensed financial statements
At June 30, 2016 and for the six month period
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Contents

Generación Frías S.A.

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 special financial statements of the Company.

Terms	Definitions
/day	Per day
AISA	Albanesi Inversora S.A.
AJSA	Alba Jet S.A.
ASA	Albanesi S.A.
AFIP	Federal Administration of Public Revenue
AFSA	Albanesi Fueguina S.A.
AISA	Albanesi Inversora 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
Dam3	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
the Group	Albanesi S.A. and its subsidiaries
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
GFSA	Generación Frías S.A.
GI	Generación Independencia located in San Miguel de Tucumán, Tucumán (merged with GMSA)
GISA	Generación Independencia S.A.
GLB	Generación La Banda located in La Banda, Santiago del Estero (merged with GMSA)

Generación Frías S.A.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GLBSA	Generación La Banda S.A.
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption unto: GUMAs, GUMEs, GUPAs and GUDIs
GR	Generación Riojana located in La Rioja, La Rioja (merged with GMSA)
GRISA	Generación Riojana S.A.
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
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
AR 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
GR	General Resolution
RGA	Rafael G. Albanesi S.A.
RT	Technical pronouncements
TRASNOA S.A.	An electric power carriage company by means of a trunk line in the Argentine Northwestern region
SADI	Argentine Interconnection System
ES	Energy Secretariat
CGU	Cash-Generating Unit

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Generación Frías S.A.

Composition of the Board of Directors and Syndics' Committee
as of June 30, 2016

President
Armando R. Losón

Vice-president 1°
Guillermo G. Brun

Vice-president 2°
Julián P. Sarti

Full Directors
Carlos A. Bauzas
Oscar C. De Luise
Sebastián A. Sánchez Ramos
Jorge H. Schneider
Juan Carlos Collin

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

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

Alternate Syndics
Carlos I. Vela
Augusto N. Arena
Santiago R. Yofre

Legal Information

Corporate Name:	**Generación Frías S.A.**
Legal domicile:	Av. L.N. Alem 855, floor 14, City of Buenos Aires
Main business activity:	Development of electric power projects, generation and sale of electricity

Registration with the Superintendency of Commercial Companies:

By-laws:	May 17, 2010
Last amendment:	January 29, 2016

Registration with the Superintendency of Commercial Companies:	No. 8929 of Book 49, Volume of Companies by shares
Tax ID: No.	30-71147036-7
Expiration date of Company By-laws:	May 17, 2109
Parent company:	**Albanesi S.A.**
Legal domicile of Parent Company:	Av. L.N. Alem 855, Floor 14, City of Buenos Aires.
Main line of business of Parent Company:	Investment and financial activities
Percentage of equity interest held by Parent Company:	95%
Percentage of voting rights of Parent Company:	95%

CAPITAL STATUS (Note 13)				
Shares				
Number	**Type**	**Number of votes per share**	**Subscribed and registered**	**Paid-in**
			$	
112,408,964	Ordinary FV $ 1	1	112,408,964	102,118,964

Generación Frías S.A.

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

Interim Condensed Statement of Financial Position
As of June 30, 2016 and December 31, 2015
Stated in pesos

	Note	06.30.16	12.31.15
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**11**	572,355,189	567,721,270
Other receivables		5,310,790	30,571,195
Total non-current assets		**577,665,979**	**598,292,465**
CURRENT ASSETS			
Inventories		581,328	-
Other receivables		79,962,788	36,008,169
Trade receivables		63,255,013	10,055,241
Cash and cash equivalents	**12**	27,715,252	11,686,369
Total current assets		**171,514,381**	**57,749,779**
Total Assets		**749,180,360**	**656,042,244**
SHAREHOLDERS' EQUITY			
Share Capital	**13**	112,408,964	112,408,964
Technical revaluation reserve		72,476,270	74,320,070
Retained earnings and accumulated losses		(55,294,499)	(35,084,388)
TOTAL EQUITY		**129,590,735**	**151,644,646**
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans	**15**	201,598,314	154,251,227
Deferred tax liabilities		10,457,906	22,333,091
Trade payables		182,782,705	156,482,739
Total non-current liabilities		**394,838,925**	**333,067,057**
CURRENT LIABILITIES			
Other liabilities		6,465,605	2,525,105
Tax payables		1,214,458	36,273
Salaries and social security charges		339,481	375,965
Loans	**15**	209,834,529	163,182,254
Trade payables		6,896,627	5,210,944
Total current liabilities		**224,750,700**	**171,330,541**
Total Liabilities		**619,589,625**	**504,397,598**
Total Liabilities and Shareholders' Equity		**749,180,360**	**656,042,244**

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

Generación Frías S.A.

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

Interim Condensed Statement of Comprehensive Income

For the six and three-month periods ended June 30, 2016 and 2015

Stated in pesos

		Six-month period at		Three-month period at	
	Note	06.30.16	06.30.15	06.30.16	06.30.15
Sales revenue	7	129,962,827	-	81,019,068	-
Cost of sales	8	(78,953,507)	-	(47,654,789)	-
Gross income		**51,009,320**	-	**33,364,279**	-
Other income	20	10,576,050	-	2,000	-
Administrative expenses	9	(1,218,158)	(2,465,961)	(268,519)	(1,572,821)
Operating income / (loss)		**60,367,212**	**(2,465,961)**	**33,097,760**	**(1,572,821)**
Financial expenses	10	(71,381,500)	(430,836)	(39,109,390)	(221,286)
Other financial results	10	(22,914,809)	125,218	(4,198,227)	619,453
Financial results, net		**(94,296,309)**	**(305,618)**	**(43,307,617)**	**398,167**
(Loss) before tax		**(33,929,097)**	**(2,771,579)**	**(10,209,857)**	**(1,174,654)**
Income tax		11,875,186	970,052	3,485,031	476,862
Comprehensive loss for the period		**(22,053,911)**	**(1,801,527)**	**(6,724,826)**	**(697,792)**
Earnings per share					
Basic and diluted loss per share	14	(0.1962)	(0.0160)		

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

Generación Frías S.A.

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Interim Condensed Statements of Changes in Equity
For the six-month periods ended June 30, 2016 and 2015
Stated in pesos

	Share Capital (Note 13)	Technical Revaluation reserve	Retained earnings and Accumulated losses	Total equity
Balances at December 31, 2014	**112,408,964**	**-**	**(4,831,496)**	**107,577,468**
Comprehensive loss for the six-month period	-	-	(1,801,527)	(1,801,527)
Balances at June 30, 2015	**112,408,964**	**-**	**(6,633,023)**	**105,775,941**
Other comprehensive income for the supplementary six-month period	-	74,320,070	-	74,320,070
Comprehensive loss of the six-month supplementary period	-	-	(28,451,365)	(28,451,365)
Balances at December 31, 2015	**112,408,964**	**74,320,070**	**(35,084,388)**	**151,644,646**
Reversal of technical revalutaion reserve	-	(1,843,800)	1,843,800	-
Comprehensive loss for the six-month period	-	-	(22,053,911)	(22,053,911)
Balances at June 30, 2016	**112,408,964**	**72,476,270**	**(55,294,499)**	**129,590,735**

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

Generación Frías S.A.

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Interim Condensed Statement of Cash Flows

For the six-month periods ended June 30, 2016 and 2015

Stated in pesos

	Notes	06.30.16	06.30.15
Cash flows provided by operating activities:			
Comprehensive loss for the period		(22,053,911)	(1,801,527)
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax		(11,875,186)	(970,052)
Accrued interest	10	69,452,451	371,625
Changes in the fair value of financial instruments	10	(2,799,755)	(126,897)
Depreciation of Property, plant and equipment	8, 9 and 11	14,102,929	2,395
Exchange difference	10	24,740,407	1,679
Changes in operating assets and liabilities:			
(Increase) Trade receivables		(53,199,772)	-
(Increase)/Decrease in other receivables		(22,563,665)	522,009
(Increase) Inventories		(581,328)	-
(Decrease)/Increase in trade payables		(4,795,526)	19,954,774
(Decrease)/ Increase in social security liabilities		(36,484)	94,597
Increase/ (Decrease) in tax payables		1,060,779	(411,669)
Increase/ (Decrease) in other debts		3,940,500	(6,297)
Net cash flows (used in) provided by operating activities		**(4,608,561)**	**17,630,637**
Cash flows of investment activities:			
Acquisition of property, plant and equipment	11	(17,269,279)	(89,873,360)
Net cash flows (used in) investing activities		**(17,269,279)**	**(89,873,360)**
Cash flows provided by financing activities:			
Loans taken out	15	187,000,000	103,400,000
Payment of loans	15	(93,650,158)	(383,333)
Payment of interest	15	(58,242,875)	(18,816,983)
Subscribed capital paid in		-	27,970,000
Cash flows provided by financing activities:		**35,106,967**	**112,169,684**
NET INCREASE IN CASH		**13,229,128**	**39,926,961**
Cash and cash equivalents at the beginning of the period		11,686,369	50,885
Financial results generated by cash and cash equivalents		(2,799,755)	(416)
Cash, cash equivalents at the end of the period	12	27,715,252	39,978,262
		13,229,128	**39,926,961**
Material transactions not entailing changes in cash			
Interest capitalized in property, plant and equipment	11	(1,467,569)	(8,479,630)

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

NOTE 1: GENERAL INFORMATION

GFSA was set up on April 20, 2010 and its main business is the generation and sale of electricity.

The premises of the Power Plant are located next to the transformer substation belonging to TRANSNOA S.A., allowing for a strategic connection to the network with the possibility of injecting energy generated in the Argentine interconnection system. In addition, it has a gas pipeline that ensures the supply of natural gas for the generation of electricity.

The Plant has a 60MW thermal power generation capacity through a turbine with PWPS technology similar to that used in the related companies GMSA and Solalban Energía S.A.

On April 4, 2014, two purchase agreements were signed with PWPS.

The first is related to the purchase of the FT4000™ SwiftPac® 60 turbine, including whatever is necessary for its installation and start-up. The unit is composed of two gas turbines which transmit their mechanical power to only one generator of 60 MW. The functioning of this machine consists in transforming 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 performs a conversion into electricity.

The purchase agreement of the Turbine amounted to USD 26.87 million. At the date of issue of these interim condensed financial statements, all advances agreed upon with the supplier have been paid for USD 14.87 million which are disclosed within property, plant and equipment as turbine.

In addition, the purchase agreement provides for financing for a term of 4 years for USD 12 million by PWPS as from the preliminary acceptance by GFSA. This amount is disclosed in non-current trade payables for the equivalent to $ 180,480,000 million. Financing will accrue annual interest at a rate of 7.67% and will be calculated on a monthly basis of 30 days/360 days annual, with interest capitalized on a quarterly basis, that the date of these interim condensed financial statements amounted to $ 2.3 million.

Future contractual obligations of the contract with PWPS by calendar year is as follows:

	Total	2016	2017	2018	2019	2020	2021	2022	2023
Commitments (1)	USD								
PWPS for the purchase of the turbine FT4000™ SwiftPac®	17,975,401	750,000	750,000	750,000	750,000	3,743,495	3,743,495	3,743,495	3,744,916

(1) The commitment is expressed in dollars, on the basis of the time of payment according to the particular conditions of the contract.

NOTE 1: GENERAL INFORMATION (Cont'd)

On December 5, 2015, the Company was commercially authorized to operate in the WEM. GFSA entered into with CAMMESA a supply contract to the Wholesale Electric Market for 55.5 MW power. 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 the Company is equivalent to USD 55 million. By highlighting the installation of a turbine FT4000 capable of providing 60 MW, installation of main transformer of 75 MVA and two transformers for plant auxiliary services of 2 and 3 KVA, building of two storage tanks of diesel-oil, building of a water treatment plant, civil and electric works carried out for the correct start-up of the power plant.

At the date of these interim condensed financial statements, the stage II of the civil works are being executed, which comprises the construction of an unloading yard for trucks, scales area, office building and base for the gas oil treatment system, among others.

NOTE 2: REGULATORY ASPECTS RELATED TO THE COMPANY'S POWER GENERATION ACTIVITIES

The electricity generated by the Company is sold to CAMMESA under Resolution No. 220/07.

Supply Contracts with WEM (Resolution 220/07):

In January 2007, the Energy Secretariat adopted Resolution No. 220/07 authorizing the execution of Supply Contracts between WEM and additional offers of available generation and associated energy submitted by generating, co-generating or self-generating agents which, at the date of publication of the said resolution are not WEM agents or do not have the generation facilities to be agreed under these commercially authorized offers, or are not interconnected with WEM at that date. In this regard, the execution of Supply Contracts was foreseen as another way to generate incentives for the development of additional energy projects. These Supply Contracts are entered into between generating agents and CAMMESA, with a duration of 10 years or a shorter term that may exceptionally be established. The valuable consideration for availability of energy and generation shall be established in each contract based on the costs accepted by the Energy Secretariat. The contracts will also establish that the machines and power plants used to cover the Supply Contracts will generate energy as they are dispatched by CAMMESA.

Further, as envisaged with respect to the Supply Commitment Contracts and for the purpose of mitigating the collection risk of the generating agents, the payment obligations assumed by CAMMESA under those Supply Contracts will rank at least pari passu with the recognized operating costs of the thermal power generators.

NOTE 2: REGULATORY ASPECTS RELATED TO THE COMPANY'S POWER GENERATION ACTIVITIES (Cont'd)

On December 5, 2015, the Company was commercially authorized to operate in the WEM. GFSA entered into with CAMMESA a supply contract to the Wholesale Electric Market for 55.5 MW power. 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.

This contract sets a 5-component remuneration: i) a fixed charge for the average monthly availability of contracted power, for a price of USD 19,272/MW per month; ii) a fixed charge that recognizes the costs of transportation plus other costs of the generating agents; iii) a variable charge associated with the energy actually provided under the contract, the objective of which is to remunerate operation and maintenance of the power plant (Gas 10,83 USD/MWh – Fuel oil 11,63 USD/MWh); iv) a variable charge for repayment of fuel costs, all of them at reference price; and v) a discount for penalties. These penalties are applied to the hours in which 92% of the agreed upon power has not been reached and are valued on a daily basis and according to the operating condition of the machine and the market situation.

NOTE 3: BASIS FOR PRESENTATION

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

These interim condensed financial statements of the Company for the six and three-month period ended June 30, 2016 were prepared in accordance with IAS 34 "Interim Financial Reporting".

These interim condensed financial statements must be read jointly with the Company's financial statements at December 31, 2015.

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. 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, in proportion to the period elapsed.

These interim condensed 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 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 financial statements, as well as the income and expenses recorded in the period.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

These interim condensed financial statements were approved for issuance by the Company's Board of Directors on August 10, 2016.

Comparative information

Balances at December 31, 2015 and for the six and three-month period at June 30, 2015, disclosed in these interim condensed financial statements for comparative purposes, arise from financial statements at that dates. 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 financial statements are consistent with those used in the audited financial information corresponding to the last fiscal year, which ended on December 31, 2015.

Under IAS 29 Financial Reporting in Hyperinflationary Economies, an entity's functional currency is that of a hyperinflationary economy, irrespective of whether the financial statements are based on a historical cost or current cost approach. Financial statements of an entity that reports in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current at the balance sheet date. To this end, in general terms, non-monetary items include inflation from the acquisition date of the item or the restatement date, as applicable. To determine whether there is a hyperinflationary economy, the standard provides a series of factors to be taken into account, among others, a cumulative inflation rate over three years that is approaching, or exceeds, 100%.

The interim condensed financial statements for the six-month periods ended June 30, 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 six and three-month periods ended June 30, 2016 and 2015 do not necessarily reflect a proportionate percentage of the Company's results for the full year.

At June 30, 2016 it is not possible to calculate the cumulative inflation rate over three years ended as of that date based on the official information published by INDEC (National Institute of Statistics and Census) since in October 2015 the Institute discontinued the calculation of the Wholesale Consumer Price Index ("IPIM", for its acronym in Spanish) and resumed calculation in January 2016.

At the end of the reporting period, the Board of Directors considers that the Argentine peso is not a currency of a hyperinflationary economy based on the guidelines set in IAS 29 and the government expectation that inflation levels will fall, and therefore these interim condensed financial statements have not been restated in constant currency.

However, over the last years, some macroeconomic variables affecting the Company's business, like salaries and input prices, have changed significantly. This situation must be considered when assessing and interpreting the Company's financial situation and results disclosed in these interim condensed financial statements.

NOTE 4: ACCOUNTING POLICIES (Cont'd)

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

IFRS 9 - Financial instruments: the modification was issued in July 2014. This modification includes in only one place all the stages of the project of IASB to replace IAS 39 Financial instruments: recognition and measurement. Those stages are the classification and measurement of instruments, impairment and hedge accounting. This version includes a new impairment model based on expected losses and certain minor amendments to the classification and measurement of financial assets. The new standard replaces all previous versions of IFRS 9 and is effective for periods beginning on or after January 1, 2018. The Company has adopted the first phase of IFRS 9 at the date of these financial statements.

4.2 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.

-IAS 7 "Statement of cash flows": In February 2016, IASB published an amendment whereby an entity is required to disclose information for users to understand the changes in liabilities generated by financing activities. This includes the changes in cash flows, such as the uses of funds and loan amortization; and the changes not involving cash outflows, such as acquisitions, sales and unrealized exchange differences. It applies for annual periods beginning on or after January 1, 2017.

-IAS 12 "Income tax": In February 2016, IASB published certain amendments to clarify the requirements on recognition of deferred tax assets for unrealized losses. The amendments explain how to recognize deferred tax when an asset is measured at fair value and that fair value is below the tax base of the asset. The amendments also explain other issues related to the recognition of deferred tax assets. The amendments will be effective as from January 1, 2017.

- IFRS 2 Share-based payments: In June 2016, an amendment was published which clarifies the measurement basis for cash-settled share-based payments and the accounting for amendments that change a compensation from cash-settled to equity-settled. It sets forth an exception for IFRS 2 as to requiring that the compensation be treated as fully settled with equity instruments when the employer is compelled to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authorities. It is applicable for all annual periods commencing on or after January 1, 2018.

The Company is assessing the impact of these new standards and amendments.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim condensed 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 financial statements were prepared.

In preparing these interim condensed 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 financial statements for the fiscal year ended December 31, 2015, except for changes in estimates required when determining the income tax provision.

NOTE 6: 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 financial statements do not include the information required for the annual financial statements regarding risk management. They must be read jointly with the financial statements for the year ended December 31, 2015. No changes have been made to risk management policies since the annual closing.

NOTE 7: SALES REVENUE

	06.30.16	06.30.15
	$	$
Electricity sales - Resolution No. 220	129,962,827	-
	129,962,827	-

NOTE 8: COST OF SALES

	06.30.16	06.30.15
	$	$
Cost of purchase of electric energy	(384,642)	-
Cost of gas and gasoil consumption	(57,843,814)	-
Salaries and wages and social security charges	(2,845,521)	-
Traveling and per diem	(24,969)	-
Insurance	(1,568,788)	-
Electricity Utilities	(97,040)	-
Security and surveillance	(193,213)	-
Maintenance services	(13,511)	-
Inputs for maintenance	(210,116)	-
Third-party services	(922,566)	-
Cleaning	(235,129)	-
Miscellaneous expenses	(111,460)	-
Taxes and rates	(228,774)	-
Communication expenses	(171,035)	-
Depreciation of Property, plant and equipment	(14,102,929)	-
	(78,953,507)	-

NOTE 9: ADMINISTRATIVE EXPENSES

	06.30.16	06.30.15
	$	$
Professional fees	(551,536)	(296,654)
Connection	-	(30,668)
Taxes and rates	(550,061)	(114,048)
Security and surveillance	-	(425,803)
Leases	(5,000)	(6,000)
Salaries and wages and social security charges	-	(1,132,664)
Third-party services	-	(2,670)
Depreciation of Property, plant and equipment	-	(2,395)
Traveling and per diem	-	(140,888)
Insurance	-	(4,773)
Certifications	(91,652)	(42,587)
Miscellaneous expenses	(19,909)	(266,811)
	(1,218,158)	**(2,465,961)**

NOTE 10: FINANCIAL RESULTS

	06.30.16	06.30.15
	$	$
Financial expenses		
Interest on loan and others	(61,294,276)	(371,419)
Fiscal interest	(117,406)	(206)
Commercial interest	(8,040,769)	-
Bank expenses and commissions	(1,929,049)	(59,211)
Total financial expenses	**(71,381,500)**	**(430,836)**
Other financial results		
Exchange difference, net	(24,740,407)	(1,679)
Changes in the fair value of financial instruments	2,799,755	126,897
Other financial results	(974,157)	-
Total other financial results	**(22,914,809)**	**125,218**
Total financial results, net	**(94,296,309)**	**(305,618)**

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

	Original values				Depreciation				Net book value at end of year/period	
Type of asset	At beginning of year/period	Increases	Technical Revaluation	At the end of year/period	Accumulated at beginning of year/period	For the year/period (2)	Technical Revaluation reserve	Accumulated at the end of year/period	At 06.30.16	At 12.31.15
Land	280,000	-	-	280,000	-	-	-	-	280,000	280,000
Works in progress (1)	-	16,034,291	-	16,034,291	-	-	-	-	16,034,291	-
Computer equipment	23,949	-	-	23,949	9,579	2,395	-	11,974	11,975	14,370
Buildings	6,449,500	-	-	6,449,500	-	64,495	-	64,495	6,385,005	6,449,500
Facilities	38,172,100	16,527	-	38,188,627	-	954,716	-	954,716	37,233,911	38,172,100
Machinery	61,541,300	-	-	61,541,300	-	1,538,532	-	1,538,532	60,002,768	61,541,300
Turbines	461,264,000	2,686,030	-	463,950,030	-	11,542,791	-	11,542,791	452,407,239	461,264,000
Total at 06.30.16	**567,730,849**	**18,736,848**	**-**	**586,467,697**	**9,579**	**14,102,929**	**-**	**14,112,508**	**572,355,189**	**-**
Total at 12.31.15	**202,330,350**	**252,879,428**	**112,521,071**	**567,730,849**	**4,790**	**1,822,288**	**(1,817,499)**	**9,579**	**-**	**567,721,270**
Total at 06.30.15	**202,330,350**	**98,352,990**	**-**	**300,683,340**	**4,790**	**2,395**	**-**	**7,185**	**-**	**-**

(1) It includes the acquisition of the assets of the project for the enlargement of the electric power plant mentioned in Note 1.

(2) Depreciation charges for the six-month period ended June 30, 2016 were allocated to cost of sales, including $ 2,836,615 for higher value from the technical revaluation.

NOTE 12: CASH AND CASH EQUIVALENTS

	06.30.16	12.31.15
Cash	30,000	48,000
Banks	21,359,739	631,780
Mutual funds	6,325,513	11,006,589
Cash and cash equivalents	**27,715,252**	**11,686,369**

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

	06.30.16	06.30.15
Cash and cash equivalents	27,715,252	39,978,262
Cash and cash equivalents (bank overdrafts included)	**27,715,252**	**39,978,262**

NOTE 13: CAPITAL STATUS

The capital stock subscribed at June 30, 2016 is made up of 112,408,964 ordinary shares of face value $1 each and entitled to one vote per share. These shares represent $ 112,408,964, $ 10,290,000 of which have not yet been paid in by the shareholders at the closing date of these interim condensed financial statements.

NOTE 14: 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.

	06.30.16	06.30.15
(Loss) for the period	(22,053,911)	(1,801,527)
Weighted average of ordinary shares outstanding	112,408,964	112,408,964
Basic and diluted (loss) per share	**(0.1962)**	**(0.0160)**

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

NOTE 15: LOANS

	06.30.16	12.31.15
Non-Current		
Loan from Banco Ciudad	1,845,490	10,864,542
Syndicated Loan	70,567,516	84,372,153
Negotiable obligations	129,140,090	58,837,061
Leasing	45,218	177,471
	201,598,314	**154,251,227**
Current		
Loan from Banco Ciudad	17,289,829	14,861,833
Loan from Banco Provincia	7,284,140	9,872,293
Syndicated Loan	38,644,831	22,749,994
Negotiable obligations	96,687,340	62,275,259
Loan from Puente Hnos. S.A.	49,663,883	53,158,369
Leasing	264,506	264,506
	209,834,529	**163,182,254**

Loans

a) 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. The amount was disbursed on August 1, 2014. The loan offer provided for a grace period of 12 months and repayment in 25 monthly consecutive installments beginning in August 2015. The loan accrues interest at BADLAR private banks rate + 100 basic points.

The outstanding balance at June 30, 2016 amounts to $ 19,135,319, including interest of $ 429,274, net of transaction costs pending amortization.

The objective was to finance the works required for the installation of 60 MW of generation capacity (see Note 1).

b) Negotiable obligations:

For the purpose of financing investment projects, on March 10, 2014 Generación Frías S.A. requested the authorization from CNV to enter the public offering system through a program of Negotiable Obligations (not convertible into shares) of up to USD 50,000,000 (US dollars fifty million) or its equivalent in other currencies. This request was approved on July 10, 2014.

NOTE 15: LOANS (Cont'd)

Loans (Cont'd)

b) Negotiable obligations (Cont'd)

At June 30, 2016 there are Class I and Class II negotiable obligations outstanding, issued by the Company for the amounts and under the following conditions:

Class I Negotiable Obligations:

Principal: nominal value: $ 120,000,000 (Pesos one hundred and twenty million)

Interest: private banks BADLAR rate plus 5.4 %

Repayment: Interest of Class I Negotiable Obligations will be paid on a quarterly basis, in 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; or if that date was not a business day, the date for interest payment to be considered shall be the first immediate following business day.

Principal on Class I Negotiable Obligations shall be amortized in 7 quarterly installments, the first two equivalent to 10% of nominal value of Class I negotiable obligations, the following four installments to 15% and the last installment to 20% of their nominal value, payable on: (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 that date was not a business day, on the first following business day.

Maturity date of Class I NO: September 29, 2017

The remaining balance net of transaction costs pending amortization of that Class at June 30, 2016 amounted to $ 95,222,116 including interest of $ 206,450.

At the date of signing of these interim condensed financial statements, the balance of Class I Negotiable Obligations has been fully paid, through the partial prepayment on July 6, 2016, with the issue of Class III Negotiable Obligations (see Note 21.a) and subsequent repurchase of the remaining balance. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed financial statements, the Company is in the process of documenting the necessary formalities for such purpose.

Class II Negotiable Obligations:

Principal: nominal value: $ 130,000,000 (Pesos one hundred and thirty million)

Interest: private banks BADLAR rate plus 6.5 %. The interest rate applicable during the first 12 months may never be lower than the minimum rate of 33%.

NOTE 15: LOANS (Cont'd)

Loans (Cont'd)

b) 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 08, 2016; (ii) September 08, 2016; (iii) December 08, 2016; (iv) March 08, 2017; (v) June 08, 2017; (vi) September 08, 2017; (vii) December 08, 2017 and (viii) March 08, 2018; or if that date was not a business day, the date for interest payment to be considered shall be the first immediate following business day.

Principal on Class II Negotiable Obligations shall be amortized in 3 (three) quarterly and consecutive installments, the first two equivalent to 30% of nominal value of Class II negotiable obligations and the remaining equivalent to 40% of nominal value of Class II negotiable obligations, at the dates in which 18, 21 and 24 months have elapsed counted as from the issue and settlement, (i) September 8, 2017; (ii) December 8, 2017; (iii) March 8, 2018, or if that date was not a business day, on the first following business day.

Maturity date of Class I NO: March 08, 2018

The remaining balance net of transaction costs pending amortization of that Class at June 30, 2016 amounted to $130,605,314 including interest of $2,611,993.

c) Syndicated loan

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

The loan had two tranches: (i) Tranche A for $ 60 million, repayment term of 48 months and interest equivalent to adjusted BADCOR rate + 625 basic points; (ii) Tranche B for $ 40 million, repayment term of 72 months and interest equivalent to BADLAR rate + 650 basic points.

Interest will be repaid on a quarterly basis from the first disbursement rate; the first date for payment of interest is July 1, 2015.

Principal will be repaid on a quarterly basis, with a grace period of 15 months as from the date of the first disbursement. For Tranche A, principal will be settled in 12 quarterly installments, the first one due on July 1, 2016 and the last one on April 1, 2019. For Tranche B, principal will be settled in 20 quarterly installments, the first one due on July 1, 2016 and the last one on April 1, 2021.

NOTE 15: LOANS (Cont'd)

Loans (Cont'd)

c) Syndicated loan (Cont'd)

Funds obtained from the loan have been allocated to the works for the installation of the new turbine.

The outstanding balance of the loan net of transaction costs pending amortization at June 30, 2016 amounted to $ 109,212,347 including interest of $ 10,324,391.

The loan agreement has provisions relating to compliance with the covenants involving financial ratios and limits are set in relation to indebtedness, as well as the granting of guarantees. At June 30, 2016, debt ratios on EBITDA were complied with as well as the interest coverage ratio, agreed upon in the covenants of the loan in effect.

At the date of these interim condensed financial statements, the debt has been fully repaid with the proceeds from the issuance of the International Bond disbursed on July 27, 2016 (see note 21.b). With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed financial statements, the Company is in the process of documenting the necessary formalities for such purpose.

d) Loan from Banco Provincia de Buenos Aires

On April 20 a loan agreement was signed with Banco de la Provincia de Buenos Aires S.A. for $7,000,000. Interest is paid on a monthly basis and principal upon maturity on October 20, 2016.

The outstanding balance at June 30, 2016 amounts to $7,284,140, including interest of $284,140, net of transaction costs pending amortization.

At the date of signing of these interim condensed financial statements, the debt was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016 (see Note 21.b).

e) Loan from Puente Hnos. S.A.

The loan obtained on October 22, 2015 which at the closing of the year 2015 recorded a balance of $ 53,158,369 was fully repaid with the issue of Class II NO.

On May 20, 2016 a new loan for $50,000,000 was granted and at June 30, 2016 the balance outstanding amounted to $49,663,883.

The Company repaid this loan with the proceeds from the issuance of Class III Negotiable Obligations of July 6, 2016 (see Note 21.a).

NOTE 15: LOANS (Cont'd)

Loans (Cont'd)

f) Additional information

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

	06.30.16	12.31.15
Floating rate		
Less than 1 year	209,834,529	163,182,254
Between 1 and 2 years	201,598,314	154,251,227
	411,432,843	**317,433,481**

Company loans are denominated in the following currencies:

	06.30.16	12.31.15
Argentine Pesos	411,432,843	317,433,481
	411,432,843	**317,433,481**

Changes in Company loans for the six-month period ended June 30, 2016 and 2015 were as follows:

	06.30.16	06.30.15
Loans at beginning	317,433,481	146,650,436
Loans received	187,000,000	103,400,000
Repayment of principal	(93,650,158)	(383,333)
Accrued interest	63,806,233	27,296,613
Interest paid	(58,242,875)	(18,816,983)
Capitalized expenses/present values	(4,913,838)	(2,406,427)
Loans at closing	**411,432,843**	**255,740,306**

NOTE 15: LOANS (Cont'd)

Loans (Cont'd)

At June 30, 2016, total debt is $ 411 million. The following table shows our total debt at that date.

	Original principal	Balance as of June 30, 2016 (Pesos)	Interest rate (%)	Currency	Date of issuance	Maturity date
Loan agreement						
ICBC/ BST/ Hipotecario syndicated loan	$100,000,000	109,212,347	BADLAR + 6,25%	ARS	3/31/2015	3/31/2021
Subtotal		**109,212,347**				
Debt securities						
Class II NO	$120,000,000	95,222,116	BADLAR + 5,4%	ARS	9/29/2014	9/29/2017
Class III NO	$130,000,000	130,605,314	BADLAR + 6,5%	ARS	3/08/2016	3/08/2018
Subtotal		**225,827,430**				
Other liabilities						
Other bank debts		76,083,342				
Finance lease		309,724				
Subtotal		**76,393,066**				
Total		**411,432,843**				

NOTE 16: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

a) Balances at the date of the interim condensed statements of financial position

	06.30.16	12.31.15
Other receivables		
Related party – ASA - Capital pending integration	9,765,000	9,765,000
Minority shareholders - Capital pending integration	525,000	525,000
Related party - GMSA (Note 20)	12,791,616	-
	23,081,616	**10,290,000**
Trade payables		
Related party - BDD	-	10,620
Related party - GMSA	1,210,000	1,000,000
Related party - AJSA	-	991,504
	1,210,000	**2,002,124**
Other current debts		
Related party - GMSA	6,465,605	2,525,105
	6,465,605	**2,525,105**

NOTE 16: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

b) Transactions at the date of the interim condensed statements of financial position

	06.30.16	06.30.15
	Income / (Loss)	
Leases		
RGA	(5,000)	(6,000)
	(5,000)	**(6,000)**
Reimbursement of expenses		
RGA	-	(3,061)
GMSA	(3,569,426)	(176,843)
GISA (1)	-	(5,112)
	(3,569,426)	**(185,016)**
Sale of spare parts		
GMSA	10,572,050	-
	10,572,050	**-**

(1) Companies merged with GMSA as from January 1, 2016.

NOTE 17: WORKING CAPITAL

The Company reports at June 30, 2016 a deficit in working capital of $ 53,236,319 (calculated as current assets less current liabilities), which means an improvement of $ 60,344,443, compared to the working capital at the annual closing 2015 ($ 113,580,762 at 12/31/2015).

The Company's management has taken measures to improve the working capital position. One of them is the new financial loan taken detailed below:

On March 8, 2016, the Company issued Class II Negotiable Obligations for $ 130 million, payable in 3 quarterly installments as from September 8, 2017, they correspond to non-current liabilities (see Note 15).

After the commercial authorization of December 5, 2015, the EBITDA at June 30, 2016 amounted to $ 74,470,141, which shows compliance with objectives and efficiency of the Company's operations.

After the closing and to improve the working capital, Class III Negotiable Obligations were issued for $ 160 million, which will be applied mainly to refinance financial liabilities, thus improving working capital. See Note 21.a.

An International Bond for USD 250 million was issued on July 27, 2016, with GMSA, GFSA and CTR having co-issued 69%, 3% and 28%, respectively; this represents an improvement in Company's working capital of approximately $32 million at that date. See Note 21.b.

In conclusion, we consider that the measures adopted have contributed to improving the deficit in working capital, substantially increasing liquidity as well as improving the indebtedness profile of the company.

NOTE 18: SEGMENT REPORTING

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

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

The Company's Board of Directors considers the business -the generation activity and sales of electricity- as a single segment.

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.

NOTE 19: 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 that end, it is informed that the Company stores and preserves its corporate books, accounting books and business documents at its principal place of business, located at Av. L.N. Alem 855, floor 14, City of Buenos Aires.

It is informed that the Company has sent for storage its working papers and non-sensitive information for the not yet statute-barred fiscal years to the following supplier:

Entity responsible for warehousing of information - Domicile
Iron Mountain Argentina S.A. – Av. Amancio Alcorta 2482, C.A.B.A.
Iron Mountain Argentina S.A. – San Miguel de Tucumán 601, Spegazzini, Ezeiza.

A detail of the documentation sent for preservation is available at the registered office of that entity, as well as the documentation referred to by article 5, clause a.3), Section I of Chapter V of Title II of the REGULATIONS (N.T. 2013 and their amendments).

NOTE 20: PURCHASE OFFER - SALE OF SPARE PARTS WITH GENERACIÓN MEDITERRANEA S.A.

On February 18, 2016, the Company accepted the purchase offer with GMSA whereby the sale of spare parts and components acquired from the PWPS supplier is confirmed. The result of the transaction is disclosed in "Other income" in the condensed statement of comprehensive income for $ 10,572,050, which is considered exceptional income, unique and unrelated to the Company's main activity.

NOTE 21: SUBSEQUENT EVENTS

a) Class III Negotiable Obligations

On July 6, 2016 the Company issued Class III Negotiable Obligations for $160 million.

Interest: private banks BADLAR rate plus 5.6 %

Repayment: Interest of Class III Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) October 6, 2016; (ii) January 6, 2017; (iii) April 6, 2017; (iv) July 6, 2017; (v) October 6, 2017; (vi) January 6, 2018; (vii) April 6, 2018, and (viii) July 6, 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 III 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 III Negotiable Obligations at the dates in which 18, 21 and 24 months respectively have elapsed, counted as from the date of issuance and settlement, (i) January 6, 2018; (ii) April 6, 2018; (iii) July 6, 2018; if other than a business day, or if such day does not exist, on the first following business day.

Maturity date of Class III Negotiable Obligations: July 6, 2018

The amount was paid in in cash and in kind, through the swap of Class I Negotiable Obligations of $79,600,000. The proceeds from the issuance of Class III Negotiable Obligations were applied to the repayment of the loan from Puente Hnos S.A., the repurchase of the remaining balance of Class I Negotiable Obligations, working capital and investments in fixed assets. The swap and subsequent repurchase of Class I Negotiable Obligations improved the Company's financial profile and created the conditions to release the guarantees granted and at the date of issue of these interim condensed financial statements, the Company is formalizing this process.

b) International issuance of negotiable obligations

On July 7, 2016, GMSA, GFSA and CTR got authorization from the CNV, under Resolution No. 18110, for the co-issuance in the domestic and international markets of guaranteed and unsubordinated ordinary Negotiable Obligations, not convertible into shares. Negotiable Obligations were issued on July 27, 2016 for USD 250 million, falling due within 7 years. All of the Negotiable Obligations are unconditionally guaranteed by ASA.

The Negotiable Obligations are rated B+ (Fitch ratings) / B3 (Moody's).

This issuance makes it possible to finance investments under the Company's expansion plans, with the award by the Energy Secretariat of Wholesale Demand Contracts under Resolution 115/2016 dated June 14, 2016, and the Group's projects under way to complete works for the installation of a nominal capacity of 460 MW. It will also improve the Group's financial profile, permitting it to repay existing loans before maturity within a financing term commensurate with the projects to be financed, as well as a considerable reduction of financing costs which involves a greater financial efficiency.

NOTE 29: SUBSEQUENT EVENTS (Cont'd)

b) International issuance of negotiable obligations (Cont'd.)

International Negotiable Obligation:

Principal: Nominal value: USD 250,000,000

Interest: Accrues interest at a fixed rate of 9.625%

Payment term and method: Interest on the International Negotiable Obligation shall be paid semi-annually in arrears, on the following dates: January 27 and July 27 of each year, commencing on January 27, 2017 and ending on the due date.

Principal on the Negotiable Obligations shall be amortized in a lump sum payment at maturity, that is, on July 27, 2023.

Prepayments of debt and release of guarantees under the syndicated loan

With the proceeds from the issuance of the International Bond described above, the following financial loans were repaid in advance:

- Syndicated loan
- Loans from Banco de la Provincia de Buenos Aires

With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed financial statements, the Company is in the process of documenting the necessary formalities for such purpose.

NOTE 22: FINANCIAL STATEMENTS TRASLATION 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.

Summary of Activity at June 30, 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 Generación Frías S.A.(the Company) and its equity and financial position, which should be read alongside the corresponding interim condensed financial statements.

Six-month period ended June 30,

	2016	2015	Var.	Var. %
	MWh			
Sales per type of market				
Sales CAMMESA 220	105,108	-	105,108	100%
	105,108	-	**105,108**	**100%**

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

Six-month period ended June 30,

	2016	2015	Var.	Var. %
	(in thousands of pesos)			
Sales per type of market				
Sales CAMMESA 220	129,962.8	-	129,962.8	100%
	129,962.8	-	**129,962.8**	**100%**

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

Summary of Activity at June 30, 2016 and 2015

Results for the period ended June 30 2016 and 2015 (in thousands of pesos)

	2016	2015	Var.	Var. %
Sale of energy	129,962.8	-	129,962.8	100%
Net sales	**129,962.8**	**-**	**129,962.8**	**100%**
Cost of purchase of electric energy	(384.6)	-	(384.6)	100%
Cost of gas and gasoil consumption	(57,843.8)	-	(57,843.8)	100%
Salaries and social security contributions	(2,845.5)	-	(2,845.5)	100%
Travel and per diem	(25.0)	-	(25.0)	100%
Insurance	(1,568.8)	-	(1,568.8)	100%
Electricity Service	(97.0)	-	(97.0)	100%
Security and vigilance	(193.2)	-	(193.2)	100%
Maintenance services	(13.5)	-	(13.5)	100%
Maintenance supplies	(210.1)	-	(210.1)	100%
Third party services	(922.6)	-	(922.6)	100%
Cleaning	(235.1)	-	(235.1)	100%
Miscellaneous expenses	(111.5)	-	(111.5)	100%
Taxes and rates	(228.8)	-	(228.8)	100%
Communication expenses	(171.0)	-	(171.0)	100%
Depreciation of property, plant and equipment	(14,102.9)	-	(14,102.9)	100%
Cost of sales	**(78,953.4)**	**-**	**(78,953.4)**	**100%**
Gross profit	**51,009.4**	**-**	**51,009.4**	**100%**
Other income	10,576.1		10,576.1	100%
Other income	**10,576.1**	**-**	**10,576.1**	**100%**
Professional fees	(551.5)	(296.7)	(254.8)	86%
Connection	-	(30.7)	30.7	(100%)
Taxes and rates	(550.1)	(114.0)	(436.1)	383%
Security and vigilance	-	(425.8)	425.8	(100%)
Leases	(5.0)	(6.0)	1.00	(17%)
Salaries and social security contributions	-	(1,132.7)	1,132.7	(100%)
Third party services	-	(2.7)	2.7	(100%)
Depreciation of property, plant and equipment	-	(2.4)	2.4	(100%)
Travel and per diem	-	(140.9)	140.9	(100%)
Insurance	-	(4.8)	4.8	(100%)
Certifications	(91.7)	(42.6)	(49.1)	115%
Miscellaneous expenses	(19.9)	(266.8)	246.9	(93%)
Administrative expenses	**(1,218.2)**	**(2,466.1)**	**1,247.9**	**(51%)**
Income/Loss before tax	**60,367.3**	**(2,466.1)**	**62,833.4**	**(2548%)**

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Summary of Activity at June 30, 2016 and 2015

Results for the period ended June 30 2016 and 2015 (in thousands of pesos) (Cont'd)

	2016	2015	Var.	Var. %
Income/Loss before tax	**60,367.3**	**(2,466.1)**	**62,833.4**	**(2548%)**
Financial costs	(71,381.5)	(430.8)	(70,950.7)	16470%
Other financial results	(22,914.8)	125.2	(23,040.0)	(18403%)
Financial result, net:	**(94,296.3)**	**(305.6)**	**(93,990.7)**	**30756%**
(Loss) before tax	**(33,929.0)**	**(2,771.7)**	**(31,157.3)**	**1124%**
Income tax	11,875.1	970.1	10,905.0	1124%
(Loss) for the year	**(22,053.9)**	**(1,801.6)**	**(20,252.3)**	**1124%**

Sales:

Net sales for the fiscal year ended June 30, 2016 reached $ 129,962.8 thousand, a 100% increase compared with 2015.

On December 5, 2015, the Company obtained authorization to sell on the WEM. The Company entered into an agreement with CAMMESA to supply the WEM with 55.5 MW power. 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.

Cost of sales

The total cost of sales for the fiscal year ended June 30, 2016 reached $ 78,953.4 thousand, reflecting a 100% increase of the negative result due to the start-up of the Power plant.

Gross profit:

The gross profit for the fiscal year ended June 30, 2016 reached $51,009.4 thousand, reflecting a 100% increase due to the start-up of the Power plant.

Other income

Corresponds to the sale of spare parts during this period. It should be noted that such result is of exceptional and unique nature and is not relevant for the Company's main business.

Administrative expenses

Total administrative expenses for the period ended June 30, 2016 amounted to $ 1,218.2 thousand, down 51% from the $ 2,466.1 thousand for previous period 2015.

The main components of the Company's administrative expenses are as follows:

(i) $551.5 thousand in service fees and retributions, representing a $254.8 thousand increase compared with $296.7 thousand in the previous period 2015. This increase is attributed to the new services hired under the project.

(ii) $ 550.1 thousand of taxes and rates, which represented a $ 436.1 increase in comparison with the previous period 2015. This increase is attributed to the payment of rates related to the operations of the business.

(iii) Expenses relating to connection, security and vigilance, salaries and social security contributions, mobility and travel, third party services, insurance, and depreciation of property, plant and equipment for period 2015 were disclosed as administrative expenses because the Power Plant was not operative. The results for the period June 30, 2016, under these captions were allocated to the corresponding cost of sales.

Financial results

The total financial result for the period ended June 30, 2016 reflected a loss of $ 94,296.3 thousand, which represents an increase of $93,990.7 compared to the $305.6 thousand in the previous period 2015.

The most salient aspects of this variation are described below:

(i) A loss of $71,381.5 thousand due to financial expenses, which reflects an increase of $ 70,952.7 thousand compared with the loss of $430.8 thousand in fiscal year, as a result of the new bank loans taken out.

(ii) A loss of $ 22,914.8 thousand under other financial results, up $ 23,040.0 thousand compared to the loss of $ 125.2 thousand in the previous period. This variation is mainly attributed to the devaluation of the peso in December 2015, and its impact on the foreign currency debt.

Net income:

The Company's net result for the period ended June 30, 2016, was a loss before tax of $ 33,929.0 thousand, which compares with a loss of $ 2,771.7 thousand in the previous period 2015...

The income tax result was a gain of $ 11,875.1 thousand for the period year ended June 30, 2016, which compares with a gain of $ 970.1 thousand in the previous period.

The net result for the period ended June 30, 2016, was a loss of $ 22,053.9 thousand, which compared with $ 1,801.6 thousand for the previous period in 2015.

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Summary of Activity at June 30, 2016 and 2015

2. Equity structure presented comparatively with the previous fiscal year:
(in thousands of pesos)

	06.30.2016	06.30.2015	06.30.2014
Non-current assets	577,665.9	598,292.4	36,579.4
Current Assets	171,514.4	57,749.8	64,030.5
Total Assets	**749,180.3**	**656,042.2**	**100,609.9**
Shareholders' Equity	129,590.7	151,644.6	95,782.6
Total shareholders' equity	**129,590.7**	**151,644.6**	**95,782.6**
Non-Current Liabilities	394,838.9	333,067.1	-
Current Liabilities	224,750.7	171,330.5	4,827.3
Total Liabilities	**619,589.6**	**504,397.6**	**4,827.3**
Total Liabilities and Shareholders' Equity	**749,180.3**	**656,042.2**	**100,609.9**

3. Breakdown of results presented comparatively with the previous fiscal year:
(in thousands of pesos)

	06.30.2016	06.30.2015	06.30.2014
Operating income	60,367.3	(2,466.1)	(585.3)
Financial results	(94,296.3)	(305.6)	(6.9)
Net ordinary Result	**(33,929.0)**	**(2,771.7)**	**(592.2)**
Income tax	11,875.1	970.1	74.6
Net (loss):	**(22,053.9)**	**(1,801.6)**	**(517.6)**

4. Cash flow structure presented comparatively with the previous fiscal year:
(in thousands of pesos)

	06.30.2016	06.30.2015	06.30.2014
Funds (used to) / provided by operating activities	(4,608.6)	17,630.6	(1,089.2)
Funds (used to) investment activities	(17,269.4)	(89,873.4)	(18,447.8)
Funds provided by financing activities	35,107.0	112,169.7	20,300.0
NET INCREASE IN CASH	**13,229.0**	**39,926.9**	**763.0**

Summary of Activity at June 30, 2016 and 2015

5. Ratios presented comparatively with the previous period:

	06.30.2016	06.30.2015	06.30.2014
Liquidity (1)	0.76	0.34	13.26
Credit standing (2)	0.21	0.30	19.84
Locked-up capital (3)	0.77	0.91	0.36

(1) Current assets / Current liabilities
(2) Equity / Total liabilities
(3) Non-current assets / Total Assets

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

Operating Sector:

The Company started commercial operations on December 5, 2015. We expect the power generation unit to continue operating under normal conditions according to the dispatch defined by CAMMESA. The main objective is to maintain the high level of plant availability, a fact that ensures the level of profitability of the company. For this purpose, it carried out a plan of comprehensive preventive maintenance of the generating unit which ensures high availability of turbogroup Central.

At the date of these interim condensed financial statements the civil work-stage II is in progress, which includes the construction of an area to unload trucks, office building and a basis for the treatment of gasoil, among others.

Financial Sector:

After the commencement of its commercial operations on December 5, 2015, the Company aims at guaranteeing compliance with operating and financial commitments.

It should be noted the placement of Class II Negotiable Obligations for 130 million pesos performed at the beginning of March 2016, within 24 months.

At the date of signing of these interim condensed financial statements, the balance of Class I Negotiable Obligations has been fully paid, through the partial prepayment on July 6, 2016, with the issue of new Class III Negotiable Obligations and subsequent repurchase of the remaining balance. The new issue will be for $ 160 million for a term of 24 months. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed financial statements, the Company is in the process of documenting the necessary formalities for such purpose.

On July 27, 2016, GMSA, CTR and the Company co-issued an international bond for USD 250 million, maturing in 7 years. The international bond is guaranteed by ASA. From the amount issued, USD 7 million correspond to GFSA, which prepaid the Syndicated Loan and the loan granted by Banco de la Provincia de Buenos Aires. With the extinction of the above-mentioned obligations, the conditions have been met for the release of the guarantees provided thereunder and, at the date of issue of these interim condensed financial statements, the Company is in the process of documenting the necessary formalities for such purpose.

Debt securities issued in this period allowed for a significant improvement in the Company's working capital, reducing the financial cost and extending the average maturity of the financial debt.

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ADDITIONAL INFORMATION REQUIRED BY SECTION 12, CHAPTER III, TITLE IV, OF THE NATIONAL SECURITIES COMMISSION REGULATIONS, FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2016

General matters referred to the activity of Generación Frías S.A. (the Company)

1. Significant and specific legal regimes implying contingent decline or renewal of benefits comprised in these legal provisions.

   There are none.

2. Significant changes in the company activities or similar circumstances that took place during the fiscal periods corresponding to the financial statements, that affect their comparability with those presented in previous periods, or that could affect comparability with those to be presented in future periods.

   There are none.

3. Breakdown of receivables and liabilities balances according to their age and due date

	Trade receivables	Other receivables	Trade payables	Loans	Salaries and social security charges	Tax payables and deferred tax liability	Other liabilities
	$						
To be due							
First quarter	63,255,013	37,997,778	6,896,627	176,593,898	339,481	121,776	6,465,605
Second quarter	-	17,549,979	-	10,985,330	-	1,092,682	-
Third quarter	-	12,207,516	-	11,107,761	-	-	-
Fourth quarter	-	12,207,515	-	11,147,540	-	-	-
More than one year	-	5,310,790	182,782,705	201,598,314	-	10,457,906	-
Subtotal	63,255,013	85,273,578	189,679,332	411,432,843	339,481	11,672,364	6,465,605
Past due	-	-	-	-	-	-	-
Without stated term	-	-	-	-	-	-	-
Total at 06.30.16	**63,255,013**	**85,273,578**	**189,679,332**	**411,432,843**	**339,481**	**11,672,364**	**6,465,605**
Non-interest bearing	63,255,013	85,273,578	6,896,627	-	339,481	11,672,364	6,465,605
At fixed rate	-	-	-	-	-	-	-
At floating rate	-	-	182,782,705	(1) 411,432,843	-	-	-
Total at 06.30.16	**63,255,013**	**85,273,578**	**189,679,332**	**411,432,843**	**339,481**	**11,672,364**	**6,465,605**

(1) See Note 15 of the interim condensed financial statements at, June 30, 2016.

4. Breakdown of receivables and liabilities according to the financial impact of maintaining the balances.

Captions	Type and amount of foreign currency	Exchange rate at closing (1)	Amount recorded at 06.30.16	Amount recorded at 12.31.15
ASSETS				
CURRENT ASSETS				
Trade receivables				
Trade payables - Resolution 220/07	U$S 4,233,937	14.94	63,255,013	10,055,241
Total Current Assets			**63,255,013**	**10,055,241**
Total Assets			**63,255,013**	**10,055,241**
LIABILITIES				
NON-CURRENT LIABILITIES				
Trade payables				
Suppliers	U$S 12,153,105	15.04	182,782,705	156,482,739
Total non-current liabilities			**182,782,705**	**156,482,739**
Total Liabilities			**182,782,705**	**156,482,739**

(1) The exchange rate used is that prevailing at 06.30.16 of Banco Nación for US dollars (USD)

5. General Companies Law

Percentage of participation in intercompany:

There are no participations in intercompany.

Accounts payable and receivable with intercompany

See Note 17 to the interim condensed financial statements at, June 30, 2016.

6. Trade receivables or loans against directors, syndics, members of the surveillance committee or their relatives in the second degree inclusive.

There are none.

7. Frequency and scope of the physical inventory of materials and spare parts.

The Company keeps a permanent record of its inventories, verifying it on a yearly basis.

There are no impaired, damaged, out of service or idle assets.

Current values

8. Source of the data used in calculating the current values for the valuation of inventories, property, plant and equipment, and other significant assets.

See Note 4 to the financial statements at December 31, 2015.

Property, plant and equipment

9. Release of the Reserve for technical revaluation when part of it had been previously reduced to absorb losses.

There are none.

10. Value of unused Property, plant and equipment due to obsolescence.

There are none.

Equity interest in other companies

11. Interests in other companies in excess of what is authorized by Sect. 31 of Law No. 19550.

There are none.

Recoverable values

12. Criteria followed to determine significant recoverable values of the items Property, plant and equipment and Material and spare parts, applied as the limit to their accounting valuation.

See Note 4 to the financial statements at December 31, 2015.

Insurance

13. Insured items:

Kind of risk	Insured amount 2016	Insured amount 2015
Operational all risks - Material damage	USD 39,607,776	USD 39,607,776
Operational all risks - Loss of profit	USD 18,746,292	USD 18,746,292
Civil Liability (primary)	USD 1,000,000	USD 1,000,000
Civil Liability (excess coverage)	USD 9,000,000	USD 10,000,000
Civil liability of Directors and Executives (D&O)	USD 15,000,000	USD 15,000,000
Transport insurance, Argentine and international market	USD 10,000,000	USD 10,000,000
Directors' bond	$ 450,000	$ 450,000
Customs bond	$ 60,727,558	$ 73,570,298
Technical equipment insurance	USD 64,804	-
Life insurance - mandatory life insurance	$ 33,300	$ 20,000
Life - group life insurance (LCT, employment contract law)	Disability 1 salary per year Death 1/2 salary per year	Disability 1 salary per year Death 1/2 salary per year
Life - Additional group life insurance	24 salaries	24 salaries

Operational all risk:

The all-risk insurance covers for all the risks of loss or physical damage caused to property owned by or under the charge of the insured while situated in the place(s) described in the policy, provided that such damage occurs accidentally, suddenly or unexpectedly, and makes it necessary to repair and/or replace such property as a direct consequence of any of the risks covered by the policy. This policy includes coverage of loss of profits, with the aim of covering the losses caused by the interruption of the activities as a result of the accident, both as regards the profit that is no longer obtained and the expenses the Company continues to bear despite its inactivity, such that the insured may be in the same financial situation as if the accident had not occurred.

Civil liability:

These policies cover underlying civil liability of the insured, as a result of injuries and/or death of third parties and/or damages to property of third parties, caused and /or derived from the development of the insured activity and product liability, subject to the terms, conditions, limitations and exclusions contained in the policy.

They are structured as follows:

An individual policy for each of the Group companies was taken out, with a compensation limit of USD 1,000,000 - per event and two reinstatements during the effective term of the policy.

In addition, an insurance policy common to all companies has been taken out with a compensation limit of USD 9,000,000- per event and during the effective term of the policy in excess of USD 1,000,000 - (individual policies), with two reinstatements exclusively for operations liability and without reinstatement for product liability.

Transport insurance:

The Company has an insurance policy that covers transportation of all generators of Albanesi Group under the modality of sworn statement to be presented monthly in arrears. It covers losses or damages of goods of the insured as a result of its mobilization during transportation, which may be international, national or urban, either by land, air or sea.

Customs Guarantees:

Temporary imports: this guarantee avoids the payment of pertinent duties for the entry of goods into the country, provided that they are exported in a term determined, at which time the guarantee is released.

Temporary export: the amount of pertinent export duties are guaranteed of those exported goods which will be re-imported.

Directors' bond:

It is the guarantee required by the General Companies Law (Law 19550, section 256, paragraph 2) from directors of corporations and members of the administrative bodies of other companies (LLC, joint stock company). This guarantee covers the Company in case of non-compliance with obligations by Directors or Managing partners while performing their duties.

Mandatory life insurance:

Mandatory life insurance is a coverage that the employer has mandatorily to take out on behalf of its employees. It covers the risk of death of worker on an employment relationship, for any cause, without limitations of any kind, 24 hours a day, in or outside the country.
The insured amount is $ 33,300, as established by the National Insurance Superintendency.

Life insurance (LCT, employment contract Law):

This insurance covers underlying obligations from the Employment Contract Law, in case the company has to pay compensation in case of a total and permanent disability or death of the employee, whichever the case.

Group Life insurance:

The Company has taken out a group life insurance policy, on behalf of all Group employees. It grants compensation in case of death, double severance pay in case of accidental death, partial losses due to accident, advances for terminal diseases, organ transplant and birth of child after death.

Insurance is bought at market values, which widely cover accounting values.

Positive and negative contingencies

14. Elements considered to calculate provisions whose balances, considered individually or in the aggregate, exceed 2% of the equity.

    Allowances and provisions were recognized in the cases in which, considering a present obligation in charge of the Company, whether legal or constructive, arising from a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate could be made of its amount.

    The amount recorded as allowances and provisions was the best estimate of the resource outflow necessary to settle the present obligation, at the end of the reporting period, considering the pertinent risks and uncertainties. When a provision is measured using the estimated cash outflow for settling the present obligation, the amount recorded represents the present value of that cash flow.

    The following have been set up:

    a) Allowances deducted from assets:

    The allowance for bad debts has been set up based on a historical analysis of accounts receivable to assess the recoverability of the credit portfolio.

    b) Provisions carried under liabilities:

    These provisions have been set up to cover potential contingent situations that could give rise to future payment obligations. In estimating the amounts and probabilities of occurrence, the opinion of the Company's legal advisors has been considered.

15. Contingent situations not accounted for at the date of the interim condensed financial statements.

    There are none.

Irrevocable contributions on account of the future subscription of shares

16. Status of the procedure for its capitalization.

    There are none.

17. Unpaid cumulative dividends on preferred shares.

    There are none.

18. Conditions, circumstances or terms for the cease of restrictions on the distribution of unappropriated earnings.

    See Note 13 to the financial statements at December 31, 2015.

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REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

To the President and Directors of
Generación Frías S.A.
Legal address: Leandro N. Alem 855 - 14th Floor
Autonomous City of Buenos Aires
Tax Code No. 30-71147036-7

Introduction

We have reviewed the accompanying interim condensed financial statements of Generación Frías S.A. (hereinafter, "the Company") which comprise the statement of financial position at June 30, 2016, the statement of comprehensive income for the six and three-month period ended June 30, 2016, the statements of changes in equity and of cash flows for the six-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 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 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.

Conclusion

On the basis of our review, nothing has come to our attention that causes us to believe that the interim condensed 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 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 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 and the additional information to the notes to the interim condensed financial statements required by Section 12, Chapter III, Title IV, of the National Securities Commission regulations, on which we have no observations to make insofar as concerns matters within our field of competence;

d) at 30 June, 2016 the debt accrued by Generación Frías S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to $ 94,878, none of which was claimable at that date

Autonomous City of Buenos Aires, August 10, 2016

PRICE WATERHOUSE & CO. S.R.L.

Carlos Horacio Rivarola
(Partner)

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Report of the Syndics' Committee

To the Shareholders of
Generación Frías 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 financial statements of Generación Frías S.A. (hereinafter, "the Company") which comprise the statement of financial position at June 30, 2016, the statement of comprehensive income for the six-month period ended June 30, 2016, the statements of changes in equity and of cash flows for the six-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 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 financial statements on August 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 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 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, August 10, 2016

Marcelo P. Lerner
Full Syndic
For the Syndics' Committee