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## **Central Térmica Roca S.A.**

### **Interim Condensed Financial Statements**

At September 30, 2016 and for the nine and three-month periods  
ended September 30, 2016 and 2015  
presented in a comparative format

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## **Central Térmica Roca S.A.**

### **INTERIM CONDENSED FINANCIAL STATEMENTS**

At September 30, 2016 and for the nine and three-month periods  
ended September 30, 2016 and 2015  
presented in a comparative format

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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 financial statements of the Company.

<b>Terms</b>	<b>Definitions</b>
/day	Per day
AFIP	Federal Administration of Public Revenue
AFSA	Albanesi Fuegoína S.A.
AISA	Albanesi Inversora S.A.
AJSA	Alba Jet S.A.
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. / the Company
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	Independencia's power plant located in San Miguel de Tucumán, province of Tucumán (merged with GMSA)
GISA	Generación Independencia S.A.
GLB	La Banda's power plant located in La Banda, province of Santiago del Estero (merged with GMSA)
GLBSA	Generación La Banda S.A.

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**GLOSSARY OF TECHNICAL TERMS (Cont'd)**

<b>Terms</b>	<b>Definitions</b>
GM	Modesto Maranzana's power plant located in Río IV, province of Córdoba
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption into: GUMAs, GUMEs, GUPAs and GUDIs
GR	Riojana's power plant located in La Rioja, province of 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 Pronouncement
SADI	Argentine Interconnected 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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## **Central Térmica Roca S.A.**

Composition of the Board of Directors and Syndics' Committee  
At September 30, 2016

**President**

Armando R. Losón

**Full Directors**

Carlos A. Bauzas  
Guillermo G. Brun  
Julián P. Sarti  
Roberto F. Picone

**Full Syndics**

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

**Alternate Syndic**

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

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## Legal Information

Business name: **Central Térmica Roca S.A.**  
Legal domicile: Av. Leandro N. Alem 855, 14th floor, City of Buenos Aires  
Main business activity: Generation and sale of electric energy  
Tax ID: 33-71194489-9

### DATE OF REGISTRATION WITH THE PUBLIC REGISTRY OF COMMERCE

By-Laws: July 26, 2011  
Latest amendment: May 15, 2014  
Registration number with the Superintendency of Commercial Companies: No. 14,827 of Book 55, Volume of Companies by shares  
Expiration date of the Company: July 26, 2110  
Name of Parent Company: **Albanesi Inversora S.A.**  
Legal domicile of Parent Company: Av. Leandro N. Alem 855, 14th floor, City of Buenos Aires  
Main line of business of Parent Company: Investment on the entity's own behalf, or on behalf of or in association with third parties  
Percentage of participation of Parent Company in equity: 75%  
Percentage of voting rights of Parent Company: 75%

<b>CAPITAL STATUS (Note 14)</b>			
<b>Shares</b>			<b>Subscribed, paid-in and registered</b>
<b>Number</b>	<b>Type</b>	<b>Number of votes per share</b>	
73,070,470	Ordinary of face value \$ 1	1	<b>\$</b> 73,070,470

## Central Térmica Roca S.A.

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### Interim Condensed Statement of Financial Position

At September 30, 2016 and December 31, 2015

presented in a comparative format

Stated in pesos

	Notes	09.30.16	12.31.15
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	1,066,385,507	785,565,264
Other receivables		15,884,898	7,375,755
<b>Total non-current assets</b>		<b>1,082,270,405</b>	<b>792,941,019</b>
<b>CURRENT ASSETS</b>			
Other receivables		67,820,756	35,410,103
Other financial assets at fair value through profit and loss		144,063,798	193,786,870
Trade receivables		160,263,264	90,188,409
Cash and cash equivalents	13	571,218,051	24,408,866
<b>Total current assets</b>		<b>943,365,869</b>	<b>343,794,248</b>
<b>Total Assets</b>		<b>2,025,636,274</b>	<b>1,136,735,267</b>
<b>EQUITY</b>			
Share Capital	14	73,070,470	73,070,470
Legal reserve		62,505	62,505
Optional reserve		526,539	526,539
Technical revaluation reserve		256,008,113	265,425,008
Retained earnings and accumulated losses		(8,869,403)	(69,135,766)
<b>TOTAL EQUITY</b>		<b>320,798,224</b>	<b>269,948,756</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities, net		134,669,398	104,790,911
Loans	16	1,465,253,336	473,362,944
<b>Total non-current liabilities</b>		<b>1,599,922,734</b>	<b>578,153,855</b>
<b>CURRENT LIABILITIES</b>			
Other liabilities		6,698,820	9,400,000
Tax payables		7,954,934	4,980,871
Salaries and social security charges		1,183,436	1,188,501
Loans	16	18,863,255	200,789,997
Trade payables		70,214,871	72,273,287
<b>Total current liabilities</b>		<b>104,915,316</b>	<b>288,632,656</b>
<b>Total Liabilities</b>		<b>1,704,838,050</b>	<b>866,786,511</b>
<b>Total Liabilities and Equity</b>		<b>2,025,636,274</b>	<b>1,136,735,267</b>

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

## Central Térmica Roca S.A.

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### Interim Condensed Statement of Comprehensive Income

For the nine and three-month periods ended September 30, 2016 and 2015

Stated in pesos

	Notes	Nine-month period at		Three-month period at	
		09.30.16	09.30.15	09.30.16	09.30.15
Sales revenue	7	501,719,259	227,221,536	154,778,393	51,096,015
Cost of sales	8	(312,229,426)	(129,569,008)	(91,877,929)	(22,252,650)
<b>Gross income</b>		<b>189,489,833</b>	<b>97,652,528</b>	<b>62,900,464</b>	<b>28,843,365</b>
Selling expenses	9	(14,997,913)	(6,516,193)	(3,971,586)	(1,470,322)
Administrative expenses	10	(6,467,340)	(4,943,087)	(2,543,649)	(1,778,000)
<b>Operating income</b>		<b>168,024,580</b>	<b>86,193,248</b>	<b>56,385,229</b>	<b>25,595,043</b>
Financial income	11	10,452,322	1,694,503	5,921,567	319,959
Financial expenses	11	(80,978,042)	(41,405,888)	(31,702,349)	(13,601,795)
Other financial results	11	(16,770,906)	(31,967,183)	5,849,587	(9,419,550)
<b>Financial results, net</b>		<b>(87,296,626)</b>	<b>(71,678,568)</b>	<b>(19,931,195)</b>	<b>(22,701,386)</b>
<b>Income before tax</b>		<b>80,727,954</b>	<b>14,514,680</b>	<b>36,454,034</b>	<b>2,893,657</b>
Income tax		(29,878,486)	(5,299,312)	(12,959,215)	(1,031,915)
<b>Comprehensive income for the period</b>		<b>50,849,468</b>	<b>9,215,368</b>	<b>23,494,819</b>	<b>1,861,742</b>
<b>Earnings per share</b>					
Basic and diluted earnings per share	15	0.6959	0.1261		

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



## Central Térmica Roca S.A.

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### Interim Condensed Statements of Changes in Equity

For the nine-month periods ended September 30, 2016 and 2015

Stated in pesos

	Share capital (Note 14)	Legal reserve	Optional reserve	Technical revaluation reserve	Retained earnings and accumulated losses	Total equity
<b>Balances at December 31, 2014</b>	<b>73,070,470</b>	<b>62,505</b>	<b>526,539</b>	<b>136,844,866</b>	<b>(48,337,780)</b>	<b>162,166,600</b>
Reversal of technical revaluation reserve	-	-	-	(5,040,392)	5,040,392	-
Comprehensive income for the nine-month period	-	-	-	-	9,215,368	9,215,368
<b>Balances at September 30, 2015</b>	<b>73,070,470</b>	<b>62,505</b>	<b>526,539</b>	<b>131,804,474</b>	<b>(34,082,020)</b>	<b>171,381,968</b>
Other comprehensive income for the period	-	-	-	135,300,664	-	135,300,664
Reversal of technical revaluation reserve	-	-	-	(1,680,130)	1,680,130	-
Comprehensive loss of the three-month supplementary period	-	-	-	-	(36,733,876)	(36,733,876)
<b>Balances at December 31, 2015</b>	<b>73,070,470</b>	<b>62,505</b>	<b>526,539</b>	<b>265,425,008</b>	<b>(69,135,766)</b>	<b>269,948,756</b>
Reversal of technical revaluation reserve	-	-	-	(9,416,895)	9,416,895	-
Comprehensive income for the nine-month period	-	-	-	-	50,849,468	50,849,468
<b>Balances at September 30, 2016</b>	<b>73,070,470</b>	<b>62,505</b>	<b>526,539</b>	<b>256,008,113</b>	<b>(8,869,403)</b>	<b>320,798,224</b>

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

## Central Térmica Roca S.A.

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### Interim Condensed Statement of Cash Flows

For the nine-month periods ended September 30, 2016 and 2015

Stated in pesos

	Notes	09.30.16	09.30.15
<b>Cash flow provided by operating activities:</b>			
Income for the period		50,849,468	9,215,368
<b>Adjustments to arrive at net cash flows provided by operating activities:</b>			
Income tax		29,878,486	5,299,312
Accrued interest	11	68,608,342	37,543,684
Depreciation of property, plant and equipment	8 and 12	24,187,739	19,594,243
Exchange differences	11	41,118,846	21,577,499
(Income)/Loss from changes in the fair value of financial instruments		(7,802,412)	1,645,556
<b>Changes in operating assets and liabilities:</b>			
(Increase) / Decrease in trade receivables		(57,302,549)	51,335,842
(Increase) in other receivables (1)		(40,294,942)	(15,463,250)
(Decrease) in trade payables		(12,306,253)	(35,486,288)
(Decrease) in other liabilities		(2,701,180)	-
(Decrease) / Increase in salaries and social security charges		(5,065)	1,052,971
Increase / (Decrease) in tax payables		2,945,491	(309,404)
<b>Net cash flows provided by operating activities</b>		<b>97,175,971</b>	<b>96,005,533</b>
<b>Cash flow provided by investing activities:</b>			
Acquisition of property, plant and equipment	12	(277,386,161)	(51,186,616)
Subscription and redemption of mutual funds		27,504,824	-
<b>Net cash flow (used in) investing activities</b>		<b>(249,881,337)</b>	<b>(51,186,616)</b>
<b>Cash flow provided by financing activities:</b>			
Payment of loans	16	(473,696,997)	(57,586,178)
Payment of interest	16	(114,015,346)	(42,859,366)
Loans taken	16	1,261,999,654	51,300,000
Payment of financial instruments		-	(5,627,043)
<b>Net cash flow provided by (used in) financing activities</b>		<b>674,287,311</b>	<b>(54,772,587)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>		<b>521,581,945</b>	<b>(9,953,670)</b>
Cash and cash equivalents at the beginning of the period		20,864,369	2,161,409
Financial results of cash and cash equivalents		28,771,737	(1,814,238)
Cash, cash equivalents at the end of the period	13	571,218,051	(9,606,499)
		<b>521,581,945</b>	<b>(9,953,670)</b>
<b>Material transactions not showing changes in cash</b>			
Acquisition of property, plant and equipment not yet paid	12	(6,257,406)	(46,858,783)
Acquisition of property, plant and equipment by capitalization of interest accrued and exchange differences	12	(21,364,415)	-
Disclosure changes		-	34,601,891

(1) Includes early payments to suppliers for the purchase of goods (see note 4.2).

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

## Central Térmica Roca S.A.

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### Notes to the Interim Condensed Financial Statements

For the nine-month periods ended September 30, 2016 and 2015

and the fiscal year ended December 31, 2015

Stated in pesos

#### **NOTE 1: GENERAL INFORMATION**

The interest in the capital stock of CTR is held in a 75% by AISA and 25% by Tefu S.A.

CTR was set up on July 8, 2011 and its main business is the generation and sale of electric energy.

In 2011 Group Albanesi, through CTR acquired a power plant (the "Plant") located in the outskirts of the city of General Roca, province of Río Negro, on Provincial Road No. 6, km 11.1, which was unavailable since 2009.

The Plant, built in 1995, is equipped with a generation unit with EGT technology (European Gas Turbines) and has a nominal power of 130 MW. In fiscal year 2012 the first stage of repair and reconditioning was completed, and the Plant was authorized for commercial operation by the end of June 2012. In late June 2013 the second stage was completed, which consisted in the conditioning and modification of facilities and infrastructure for the purposes of the conversion to dual fuel, permitting feed of the turbo generator with alternative fuel (gas oil).

The electricity generated by the Plant is supplied to CAMMESA under Resolution No. 220/07 of the Energy Secretariat. The Thermal Power Plant is electrically connected to the Argentine Grid (SADI) by means of a 132-kV transmission system.

The project for the closure of the Power Plant combined cycle is still in progress 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 account for an investment of approximately USD 94 million, USD 18 million of which has already been invested at the date of these interim condensed financial statements. The start-up is expected for the first quarter of 2018. Until that date, 40% of the contract for the steam turbine with General Electric has been paid for a total of USD 3.1 million as well as 25% of the boiler with supplier Daniel Ricca S.A. for a total of USD 5 million. The contracts also cover the control systems, the cooling tower, the water treatment plant with the respective building, and the power transformer, and construction of the base for the steam generator has started.

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

The electric energy generated by the Company is sold to CAMMESA according to Resolution 220/07.

##### **WEM Supply Contracts (Resolution 220/07)**

In January 2007, the Energy Secretariat adopted Resolution No. 220/07 authorizing the execution of Supply Contracts between the 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 generation and energy shall be established in each contract based on the costs accepted by the ES. 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.

## Central Térmica Roca S.A.

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**Notes to the Interim Condensed Financial Statements (Cont'd)**

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

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.

The Company and CAMMESA entered into a WEM supply contract for 116.7 MW, for a term of 10 years counted as from June 2012. 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 remuneration comprised of 5 components: i) a fixed charge for the average monthly availability of contracted power, for a price of 12.540 USD/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 10.28 USD/MWh – Fuel oil 14.18 USD/MWh); iv) a variable charge for repayment of fuel costs, all 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.

On October 14, 2015, the Company and CAMMESA entered into a new WEM supply contract for 55 MW, for a term of 10 years counted as from the date of commercial operation of the turbine at issue. This contract establishes a fixed rate remuneration of 31,916 USD/MW-month and a variable rate associated with the energy actually provided of 5.38 USD/MWh.

The contract will be supported by the conversion of the current thermal cycle into a combined cycle, as mentioned in Note 1. To this end, the equipment must be installed, so that the exhaust fume recovery of the present gas turbine generates an amount of steam such that when expanded through a steam turbine, a power of 60 MW may be generated. In addition to the heat recovery steam generator (HRSG), investments will include the purchase of a steam turbine and a cooling tower.

### **NOTE 3: BASES OF 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 nine and three-month period ended September 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.

## **Central Térmica Roca S.A.**

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**Notes to the Interim Condensed Financial Statements (Cont'd)**

### **NOTE 3: BASES OF PRESENTATION (Cont'd)**

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 flows 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, in proportion to the elapsed period.

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

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

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.

These interim condensed financial statements were approved for issuance by the Company's Board of Directors on November 11, 2016.

### **Comparative information**

Balances at December 31, 2015 and for the nine and three-month period ended September 30, 2015, disclosed in these interim condensed financial statements for comparative purposes, arise from financial statements at those dates. Certain reclassifications have been included in the financial statement figures presented for comparative purposes to conform them to the current period presentation.

### **Financial reporting in hyperinflationary economies**

IAS 29, Financial Reporting in Hyperinflationary Economies, requires that the financial statements of an entity whose functional currency is that of a hyperinflationary economy should be stated in terms of the current measuring unit at the end of reporting period, irrespective of whether they are based on a historical cost or current cost approach. 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%.

Company Management has evaluated whether the Argentine peso meets the characteristics to qualify as a currency of a hyperinflationary economy, following the guidelines set by IAS 29. For the evaluation of this quantitative factor, the variations in the domestic wholesale price index (WPI) published by INDEC were considered, as this is the index that better reflects the conditions required by IAS 29.

## Central Térmica Roca S.A.

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Notes to the Interim Condensed Financial Statements (Cont'd)

### **NOTE 3: BASES OF PRESENTATION (Cont'd)**

#### **Financial reporting in hyperinflationary economies (Cont'd)**

At the date these condensed interim financial statements were approved, the last WPI published by INDEC corresponds to September 2016, and the cumulative inflation rate for the period of three years ended in that month, measured on the basis of that index and without computing the missing inflation data as a result of the reorganization of that agency, for the months of November and December 2015, is approximately 94%. The expectations in the different government sectors, now without the effects of the public utility rate increases that took place during the first months of 2016, after the freeze imposed over the last few years, and which have been one of the main reasons for the increase in the cumulative inflation rate over three years, follow a downward trend in the level of inflation.

Although the objective conditions necessary to qualify the Argentine economy as a hyperinflationary economy for the purposes of the preparation of the financial statements at September 30, 2016 do not exist, certain macroeconomic variables affecting Company business, such as salary costs and prices of supplies, have varied significantly year on year, and this circumstance should be considered in the evaluation and interpretation of the Company's financial position and results disclosed in these condensed interim financial statements.

### **NOTE 4: ACCOUNTING POLICIES**

The accounting policies adopted for these interim condensed financial statements are consistent with the accounting policies used in the preparation of the audited financial statements corresponding to the last fiscal year, which ended on December 31, 2015.

#### **4.1) 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.

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### **NOTE 4: ACCOUNTING POLICIES (Cont'd)**

#### **4.1) New standards, modifications and interpretations not yet effective and not early adopted by the Company (Cont'd)**

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.

#### **4.2) Advances to suppliers**

The Company has adopted as accounting policy to disclose advances to suppliers under other current receivables, until the assets are received. Advances to suppliers made in foreign currency are recorded under the cost model, and are not subject to revaluation or recognition of the effects of the exchange rate.

### **NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

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.

The preparation of the interim condensed financial statements require that the Company makes estimates and carries out evaluations relating to the future. 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.

### **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.

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 corresponding to the fiscal year ended December 31, 2015. No significant changes have been made to risk management policies since the annual closing.

### **NOTE 7: SALES REVENUE**

	<u>09.30.16</u>	<u>09.30.15</u>
Electric energy sales - Resolution No. 220	501,637,534	227,197,452
Electric energy sales - forward market	81,725	24,084
	<u>501,719,259</u>	<u>227,221,536</u>

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**NOTE 8: COST OF SALES**

	<u>09.30.16</u>	<u>09.30.15</u>
Cost of gas and gasoil consumption at the plant	(262,386,709)	(88,397,027)
Salaries and social security contributions	(9,344,144)	(8,103,070)
Professional fees	(275,557)	(53,404)
Maintenance services	(7,045,216)	(7,035,569)
Depreciation of property, plant and equipment	(24,187,739)	(19,594,243)
Security guard and porter	(1,358,362)	(997,703)
Travel and per diem	(453,632)	(381,702)
Leases	(26,490)	(10,470)
Insurance	(3,167,556)	(2,199,156)
Communication expenses	(288,582)	(155,621)
Snacks and cleaning	(848,499)	(469,172)
Taxes and rates	(1,705,599)	(979,327)
Sundry	(1,141,341)	(1,192,544)
	<u>(312,229,426)</u>	<u>(129,569,008)</u>

**NOTE 9: SELLING EXPENSES**

	<u>09.30.16</u>	<u>09.30.15</u>
Advertising	(67,000)	(56,564)
Taxes, rates and contributions	(14,930,913)	(6,459,629)
	<u>(14,997,913)</u>	<u>(6,516,193)</u>

**NOTE 10: ADMINISTRATIVE EXPENSES**

	<u>09.30.16</u>	<u>09.30.15</u>
Fees and compensation for services	(3,987,378)	(2,212,655)
Salaries and social security contributions	(1,416,803)	(2,230,417)
Taxes, rates and contributions	(132,177)	(6,946)
Leases	(18,000)	(18,000)
Per diem, travel and representation expenses	-	(24,285)
Communication expenses	(51,964)	(24,955)
Sundry	(861,018)	(425,829)
	<u>(6,467,340)</u>	<u>(4,943,087)</u>



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### NOTE 11: FINANCIAL RESULTS

	<u>09.30.16</u>	<u>09.30.15</u>
<u>Financial income</u>		
Commercial interest	10,452,322	1,694,503
<b>Total financial income</b>	<b>10,452,322</b>	<b>1,694,503</b>
<u>Financial expenses</u>		
Loan interest	(79,032,091)	(40,969,155)
Tax interest	(28,573)	(83,270)
Bank expenses and commissions	(1,917,378)	(353,463)
<b>Total financial expenses</b>	<b>(80,978,042)</b>	<b>(41,405,888)</b>
<u>Other financial results</u>		
Exchange difference, net	(41,118,846)	(21,577,499)
Changes in the fair value of financial instruments	37,198,217	(1,645,556)
Other financial results	(12,850,277)	(8,744,128)
<b>Total other financial results</b>	<b>(16,770,906)</b>	<b>(31,967,183)</b>
<b>Total financial results, net</b>	<b>(87,296,626)</b>	<b>(71,678,568)</b>

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### NOTE 12: PROPERTY, PLANT AND EQUIPMENT

Type of asset	Value at beginning of the period / year	Original value			Value at end of the period / year	Depreciation		Net amount at end of period / year				
		Increases	Withdrawals / Transfers	Technical revaluation		Accumulated at beginning of period / year	For the period / year (1)	Technical revaluation	Accumulated at end of period / year	09.30.2016	12.31.2015	
<b>Assets held in trust</b>												
Vehicles	410,172	1,138,860	-	-	1,549,032	-	254,583	61,526	-	316,109	1,232,923	155,589
Turbine, generator and accessories	484,484,700	-	-	-	484,484,700	-	-	18,875,161	-	18,875,161	465,609,539	484,484,700
Instruments and tools	749,197	376,341	-	-	1,125,538	-	149,282	60,887	-	210,169	915,369	599,915
Furniture and fixtures	210,821	86,096	-	-	296,917	-	46,014	39,529	-	85,543	211,374	164,807
Facilities – Plant	9,920,600	-	-	-	9,920,600	-	-	158,307	-	158,307	9,762,293	9,920,600
Water fire protection system	4,613,600	-	-	-	4,613,600	-	-	165,932	-	165,932	4,447,668	4,613,600
Fuel oil storage and treatment system	83,930,300	-	-	-	83,930,300	-	-	3,534,773	-	3,534,773	80,395,527	83,930,300
Demi water system	7,964,200	-	-	-	7,964,200	-	-	237,140	-	237,140	7,727,060	7,964,200
Gas reducing plant	2,942,632	-	-	-	2,942,632	-	-	176,484	-	176,484	2,766,148	2,942,632
Transformers and medium voltage cells	9,031,100	-	-	-	9,031,100	-	-	594,438	-	594,438	8,436,662	9,031,100
Land	5,889,400	-	-	-	5,889,400	-	-	-	-	-	5,889,400	5,889,400
Aqueduct	650,500	-	-	-	650,500	-	-	27,104	-	27,104	623,396	650,500
Building	15,600,300	-	-	-	15,600,300	-	-	256,458	-	256,458	15,343,842	15,600,300
Assets under construction	138,753,493	299,793,998	-	-	438,547,491	-	-	-	-	-	438,547,491	138,753,493
Spare parts and materials	20,864,128	3,612,687	-	-	24,476,815	-	-	-	-	-	24,476,815	20,864,128
<b>Total at 09.30.2016</b>	<b>786,015,143</b>	<b>305,007,982</b>	-	-	<b>1,091,023,125</b>	-	<b>449,879</b>	<b>24,187,739</b>	-	<b>24,637,618</b>	<b>1,066,385,507</b>	-
<b>Total at 12.31.2015</b>	<b>474,136,756</b>	<b>145,702,828</b>	<b>(4,593,872)</b>	<b>170,769,431</b>	<b>786,015,143</b>	-	<b>12,435,233</b>	<b>25,400,083</b>	<b>(37,385,437)</b>	<b>449,879</b>	-	<b>785,565,264</b>
<b>Total at 09.30.2015</b>	<b>603,005,696</b>	<b>98,045,399</b>	<b>(34,601,891)</b>	-	<b>666,449,204</b>	-	<b>141,304,173</b>	<b>19,594,243</b>	-	<b>160,898,416</b>	-	-

(1) Depreciation charges for the nine-month period ended September 30, 2016 and for the fiscal year ended December 31, 2015 were allocated to cost of sales, including \$14,487,530 and \$ 10,339,266, respectively, for higher value from the technical revaluation.

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### **NOTE 13: CASH AND CASH EQUIVALENTS**

	<b>09.30.16</b>	<b>12.31.15</b>
Cash	39,999	24,999
Banks in local currency	27,891,954	1,254,233
Banks in foreign currency	634,462	13,002,237
Mutual funds	542,651,636	-
Temporary investments	-	10,127,397
<b>Cash and cash equivalents (bank overdrafts excluded)</b>	<b>571,218,051</b>	<b>24,408,866</b>

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

	<b>09.30.16</b>	<b>09.30.15</b>
Cash and cash equivalents	571,218,051	11,143,454
Bank overdrafts (Note 16)	-	(20,749,953)
<b>Cash and cash equivalents (bank overdrafts included)</b>	<b>571,218,051</b>	<b>(9,606,499)</b>

### **NOTE 14: CAPITAL STATUS**

Subscribed Capital at September 30, 2016 amounts to \$ 73,070,470.

### **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.

	<b>09.30.16</b>	<b>09.30.15</b>
Comprehensive income for the period	50,849,468	9,215,368
Weighted average of outstanding ordinary shares	73,070,470	73,070,470
<b>Basic and diluted earnings per share</b>	<b>0.6959</b>	<b>0.1261</b>

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

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### NOTE 16: LOANS

<u>Non-Current</u>	<u>09.30.16</u>	<u>12.31.15</u>
Finance lease debts	1,822,145	1,011,633
Syndicated loan - International tranche	-	204,745,488
International bond	1,029,293,185	-
Negotiable obligations	434,138,006	267,605,823
	<u>1,465,253,336</u>	<u>473,362,944</u>
	<u>09.30.16</u>	<u>12.31.15</u>
<u>Current</u>		
Finance lease debts	701,042	578,156
Syndicated loan - International tranche	-	49,479,738
Bank overdrafts	-	3,544,497
Banco Ciudad loan	-	3,983,265
BST loan	-	8,176,000
Banco Provincia loan	-	2,996,560
BICE/ Banco Hipotecario syndicated loan	-	36,853,085
Banco Industrial loan	-	305,880
Banco Chubut loan	-	3,690,884
International bond	14,663,877	-
Negotiable obligations	3,498,336	91,181,932
	<u>18,863,255</u>	<u>200,789,997</u>

The balance of the loan at September 30, 2016 amounts to \$1,484 million. The following table shows the Group's financial debt at that date:

	Principal	Balance as of September 30, 2016 ( Argentine Pesos)	Interest rate (%)	Currency	Issuance date	Maturity date
<b>Debt securities</b>						
International bond	USD 70,000,000	1,043,957,062	9.625%	US\$	07/27/2016	07/27/2023
Class II NO	\$ 270,000,000	270,062,693	BADLAR + 2%	ARS	11/17/2015	11/17/2020
Class III NO	\$ 170,262,333	167,573,649	BADLAR + 5.76%	ARS	06/10/2016	06/10/2018
<b>Subtotal</b>		<u>1,481,593,404</u>				
<b>Other loans</b>						
Finance leases		2,523,187				
<b>Subtotal</b>		<u>2,523,187</u>				
<b>Total</b>		<u>1,484,116,591</u>				

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**Notes to the Interim Condensed Financial Statements (Cont'd)**

### **NOTE 16: LOANS (Cont'd)**

#### **a) *Negotiable obligations***

To improve the financial profile of the company, on August 8, 2014 CTR obtained, through Resolution 17413 of the CNV, authorization for: (i) incorporation of CTR 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 50,000,000 (fifty million US dollars) or its equivalent in other currencies, in one or more classes or series.

At September 30, 2016 there are outstanding Class II and III Negotiable Obligations, issued in the amounts and under the conditions described below:

#### **Class II Negotiable Obligations:**

On November 17, 2015 the Company issued class II NO. Class II NO were considered a productive investment within the scope of subsection k) of section 35.8.1 of the General Rules of the Insurance Activity (SSN Resolution 21523/1992), pursuant to communication No. 4841 of the National Insurance Superintendency dated November 6, 2015.

**Principal:** nominal value: \$ 270,000,000 (two hundred and seventy million)

**Interest:** BADLAR rate plus 2%

#### **Repayment:**

Repayment: The principal of NO will be amortized in ten (10) consecutive instalments payable on a quarterly basis, equivalent to 10% of the nominal value of the negotiable obligations on August 17, 2018, November 17, 2018, February 17, 2019, May 17, 2019, August 17, 2019, November 17, 2019, February 17, 2020, May 17, 2020, August 17, 2020 and November 17, 2020. At the date of issue of these interim condensed financial statements, principal amount due under this class was \$ 270,000,000.

At September 30, 2016 the debt, including interest, amounts \$ 270,062,693.

#### **Class III Negotiable Obligations:**

The Company issued Class III Negotiable Obligations in the amount and under the conditions described below:

**Principal:** nominal value: \$170,262,333 (one hundred and seventy million two hundred and sixty-two thousand three hundred and thirty three pesos)

**Interest:** private banks BADLAR rate plus 5.76%. A minimum rate is fixed for the first quarter of 36% and the second quarter of 35%.

Interest of Class III Negotiable Obligations will be paid on a quarterly basis, on arrears, on the following dates: (i) September 10, 2016; (ii) December 10, 2016; (iii) March 10, 2017; (iv) June 10, 2017; (v) September 10, 2017; (vi) December 10, 2017; (vii) March 10, 2018, and; (viii) June 10, 2018.

**Repayment term and method:** The principal of Class III Negotiable Obligations will be repaid in three installments, equivalent to 30%, 30% and 40%, respectively, of the nominal value of Class III Negotiable Obligations, on the following dates: (i) December 10, 2017; (ii) March 10, 2018, and; (iii) June 10, 2018.

Maturity date of Class III Negotiable Obligations: June 10, 2018

At September 30, 2016 the debt held by third parties amounts \$ 167,573,649.

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### **NOTE 16: LOANS (Cont'd)**

#### **a) Negotiable obligations (Cont'd)**

##### **Class III Negotiable Obligations: (Cont'd)**

The amount was paid in cash and in kind, through the swap of Class I Negotiable Obligations of \$41,743,233. The proceeds from the issuance of Class III Negotiable Obligations were applied to the repurchase of the remaining balance of Class I Negotiable Obligations in the amount of \$11,856,767, investments and working capital. The swap and subsequent repurchase of Class I Negotiable Obligations improved the Company's financial profile.

#### **b) International Bond Issuance**

On July 7, 2016, GMSA, GFSA and CTR obtained under Resolution 18110 authorization from the CNV for the co-issuance of ordinary guaranteed unsubordinated bonds, not convertible into shares, in the local and international markets. Bonds for USD 250 million were issued on July 27, 2016, and will mature within 7 years. The Bonds are unconditionally and fully guaranteed by ASA.

The Bonds have a Fitch B+ rating and a Moody's B3 rating.

This issuance has permitted financing investments under the Company's expansion plans, by reason of the award by the Energy Secretariat of Wholesale Demand Contracts under Resolution 115/2016 dated June 14, 2016, as well as the Group's projects under way, totalizing works for the installation of a 460-MW nominal capacity. It has also enabled improving the Group's financial profile, by repaying existing loans in advance, achieving a financing term commensurate with the projects to be financed, and a considerable reduction in financing costs, conducive to a greater financial efficiency and to the release of the respective guarantees.

International bonds:

Principal: Total nominal value: USD 250,000,000 (two hundred and fifty million dollars); nominal value assigned to CTR: USD 70,000,000 (seventy million dollars).

Interest: Interest accrues at a fixed rate of 9.625%.

Payment term and method: Interest on the International Bonds 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 Bonds shall be amortized in a lump sum payment at maturity, that is, on July 27, 2023.

As a result of the Issue of the International Bond, Fix SCR S.A. has increased the rating of CTR from BBB- to BBB.

ROFEX contracts were made during the period as a hedge for January 2017 interest payments.

The balance of the loan at September 30, 2016 amounts to \$1,043,957,062.

By reason of the international Bond issuance, the Company has assumed certain standard commitments that are typical of this type of issuances, and the specific conditions are detailed in the respective prospectus.

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Notes to the Interim Condensed Financial Statements (Cont'd)

### NOTE 16: LOANS (Cont'd)

#### b) International Bond Issuance (Cont'd)

With the proceeds from the International Bond issuance described above, the following financial loans were repaid in advance and the pertinent guarantees were released:

- Syndicated loan - International tranche
- Loans from Banco Provincia de Buenos Aires
- Syndicated loan from Banco Hipotecario and Banco de Inversión y Comercio Exterior
- Loan from Banco Chubut
- Loan taken out from Banco Ciudad in 2016

With the extinction of the above-mentioned obligations, at the end of the period of these interim condensed financial statements all the necessary instruments had been subscribed for the release of the guarantees provided through a trust agreement on the rights to collect proceeds from the sale of electricity, own assets and the foreign reserve account for USD 1,000,000 as well as the restriction to distribute or pay dividends, arising from the syndicated borrowing – international tranche, as well as the sureties granted by RGA and ASA related to the syndicated borrowing from Banco Hipotecario and Banco de Inversión y Comercio Exterior.

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

	<u>09.30.16</u>	<u>12.31.15</u>
<b>Fixed rate</b>		
Less than 1 year	14,663,877	7,527,762
More than 3 years	1,029,293,185	-
	<u>1,043,957,062</u>	<u>7,527,762</u>
<b>Floating rate</b>		
Less than 1 year	4,199,378	193,262,235
Between 1 and 2 years	194,851,769	96,500,790
Between 2 and 3 years	108,632,324	132,577,521
After 3 years	132,476,058	244,284,633
	<u>440,159,529</u>	<u>666,625,179</u>
	<u>1,484,116,591</u>	<u>674,152,941</u>

Company loans are denominated in the following currencies:

	<u>09.30.16</u>	<u>12.31.15</u>
Argentine pesos	440,159,529	419,927,714
US dollars	1,043,957,062	254,225,227
	<u>1,484,116,591</u>	<u>674,152,941</u>

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Notes to the Interim Condensed Financial Statements (Cont'd)

### NOTE 16: LOANS (Cont'd)

Changes in loans during the nine-month period ended September 30, 2016 and 2015 were as follow:

	09.30.16	09.30.15
Loans at beginning	674,152,941	329,720,398
Loans received	1,261,999,654	51,300,000
Loans paid	(473,696,997)	(57,586,178)
Accrued interest	118,092,285	40,969,155
Interest paid	(114,015,346)	(42,859,366)
Exchange difference	62,426,048	18,767,830
Bank overdrafts	(3,544,497)	14,343,155
Capitalized expenses/present values	(41,297,497)	(3,628,476)
<b>Loans at closing</b>	<b>1,484,116,591</b>	<b>351,026,518</b>

### NOTE 17: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

#### a) Purchase of gas

<b>Other related parties:</b>	09.30.16	09.30.15
RGA (*)	(270,203,142)	(98,355,800)
	<b>(270,203,142)</b>	<b>(98,355,800)</b>

(\*) It corresponds to the purchase of gas, part of which are assigned to CAMMESA, in the framework of the Procedure for the Dispatch of Natural Gas for electricity generation.

#### b) Services received

##### **Other related parties:**

RGA – Leases	(18,000)	(18,000)
RGA - Administrative services	(22,039,677)	(1,134,570)
RGA - Expense reimbursement	-	(4,960)
RGA – Financial cost recovery	(3,828,766)	(290,795)
GMSA - Expense reimbursement	(12,086,016)	(1,977,937)
GMSA - Administrative services	(1,852,469)	-
BDD - Purchase of wines	(20,381)	(1,964)
AJSA - Purchase of flights	(2,881,200)	(1,015,200)
	<b>(42,726,509)</b>	<b>(4,443,426)</b>

#### c) Services rendered

##### **Other related parties:**

BDD – Expense reimbursement	-	16,745
	-	<b>16,745</b>



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### NOTE 17: TRANSACTIONS AND BALANCES BETWEEN RELATED PARTIES (Cont'd)

*d) Assets purchased*

<u>Other related parties:</u>	<u>09.30.16</u>	<u>09.30.15</u>
GRISA (1)	-	(87,833,874)
GROSA	(1,227,987)	-
	<u>(1,227,987)</u>	<u>(87,833,874)</u>

(1) Company merged through absorption with GMSA effective January 1, 2016.

*e) Remuneration of key managerial staff.*

The senior management includes directors (executive and non-executive). Their fees at September 30, 2016 and 2015 amounted to \$ 2,429,915 and \$ 1,373,760, respectively.

	<u>09.30.16</u>	<u>09.30.15</u>
Salaries	2,429,915	1,373,760
	<u>2,429,915</u>	<u>1,373,760</u>

*f) Balances at the date of the interim condensed financial statements*

<u>Other current receivables with other related parties</u>	<u>09.30.16</u>	<u>12.31.15</u>
AISA (Note 22)	4,593,872	4,593,872
	<u>4,593,872</u>	<u>4,593,872</u>

<u>Current trade payables with other related parties</u>	<u>09.30.16</u>	<u>12.31.15</u>
RGA	22,295,319	23,569,071
GMSA	19,673,903	1,500,000
GRISA (1)	-	33,237,849
AJSA	-	687,982
	<u>41,969,222</u>	<u>58,994,902</u>

<u>Other current debts with other related parties</u>	<u>09.30.16</u>	<u>12.31.15</u>
RGA	760,389	9,400,000
GMSA	5,938,431	-
	<u>6,698,820</u>	<u>9,400,000</u>

(1) Company merged through absorption with GMSA effective January 1, 2016.

## Central Térmica Roca S.A.

Free translation from the original prepared in Spanish for publication in Argentina  
Notes to the Interim Condensed Financial Statements (Cont'd)

### **NOTE 18: WORKING CAPITAL**

At September 30, 2016 the Company records a positive working capital of \$ 838,450,553 (calculated as current assets less current liabilities), which means an improvement of \$ 55,161,592, compared to the working capital at the annual closing 2015.

It should be noted that EBITDA at September 30, 2016 amounted to \$ 192,212,319, 82% above the value that the Company reached in September 30, 2015, which shows compliance with the objectives and efficiency of the transactions carried out by the Company.

### **NOTE 19: RESTRICTED ASSETS AND OTHER COMMITMENTS**

As provided for in the loan offers of Syndicated loan - International tranche, on January 13, 2012 a trust agreement was entered into between CTR, AISA, Tefu S.A., Credit Suisse A.G. London Branch and Banco de Servicios y Transacciones S.A., and the latter bank was appointed as Trustee.

Under the trust agreement, CTR assigned the ownership rights over its assets and the assets that will be added to the power plant in the future. The parties leave evidence that the assigned assets exclusively and specifically include all the assets that in view of their nature qualify as property, plant and equipment. Additionally, the ownership rights over the real property and all its appurtenances at the contract date have been assigned, including those that will be replaced or added to the real property in the future.

Further, to secure compliance with all of the obligations assumed under the loan agreements, CTR has assigned to the Trustee, and to the benefit of the Creditors-Beneficiaries, all the rights to collect and receive the sums of money or payments in kind for any guarantee, indemnification, insurance, lien, bond insurance, suretyship, repair fund, security interest or any fine, interest, compensation, or right to collect for the sale of energy.

The purpose of the trust agreement is to secure proper compliance with the obligations, it being understood as such the obligations assumed by CTR with the Creditors-Beneficiaries under the loan agreements, the Trustee under the trust agreement, the sureties under the suretyships released in favor of CTR and with AISA and Tefu S.A. under the Share Pledge Offer.

The credits and assets held in trust at September 30, 2016 and December 31, 2015 are the following:

	<u>09.30.16</u>	<u>12.31.15</u>
<b>Assets held in trust</b>		
Property, plant and equipment	1,066,385,507	785,565,264
<b>Total</b>	<u>1,066,385,507</u>	<u>785,565,264</u>

If the Company does not fulfill its obligations, the trustee will withhold in the guarantee accounts the amount that needs to be paid to the beneficiaries on the following settlement day, which includes the principal installment and/or compensatory interest applicable under the relevant contract.

At the date of signing of these interim condensed financial statements, the debt with Credit Suisse A.G. London Banch was repaid in full with the proceeds from the issuance of the International Bond, disbursed on July 27, 2016. With the extinction of the above-mentioned obligations, the agreement for the termination of the aforementioned trust was already signed and settled in liquidation at the date of issuance of these condensed interim financial statements.

## **Central Térmica Roca S.A.**

Free translation from the original prepared in Spanish for publication in Argentina  
**Notes to the Interim Condensed Financial Statements (Cont'd)**

### **NOTE 20: 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 Board of Directors considers the business as having a single segment, the generation and sale of electricity.

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 21: STORAGE OF DOCUMENTATION**

In 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. The Company keeps and preserves its corporate books, accounting records and relevant business documents at its principal place of business located at Av. L.N. Alem 855, piso 14, Ciudad Autónoma de Buenos Aires.

Furthermore, it is informed that the Company sent its working papers and non-sensitive information for fiscal years not yet statute-barred to its storage services supplier:

#### **Company - Location**

Iron Mountain Argentina S.A. - Av. Amancio Alcorta 2482, City of Buenos Aires

Iron Mountain Argentina S.A. San Miguel de Tucumán 601, Spegazzini, Ezeiza, Province of Buenos Aires

In addition, it is hereby stated that a detail of the documents stored and the documents referred to in article 5 a.3) of Section I, Chapter V, Title II of the RULES (NT 2013 as amended).

### **NOTE 22: ASSIGNMENT OF IMPORT DUTIES**

On January 23, 2012, CTR requested that the Undersecretariat for Coordination and Management Control, under the authority of the Ministry of Federal Planning, Public Investment and Services, exempt it from payment of the import duties, statistical charge and destination verification rate for the import from GE of the compressor and turbine rotor and the nozzles used in the completion of the project for the repair and commissioning of the power plant.

For these items, the Company paid to the Customs Service the amount of \$ 4,593,872, equivalent to USD 1,035,837, at the exchange rate in effect at the moment of the registration of the goods with the Argentine Customs (April and May 2012).

On January 16, 2015, the Company was notified of Resolution No. 1718 dated December 30, 2014, adopted by the Ministry of Federal Planning, Public Investment and Services, which sustained the request for this benefit.

On July 24, 2015 a petition for refund was filed seeking the reimbursement of the amounts timely paid.

On October 28, 2015 the Company's Board approved the assignment of import duties for \$ 4,593,872 in favor of AISA.

## **Central Térmica Roca S.A.**

Free translation from the original prepared in Spanish for publication in Argentina  
**Notes to the Interim Condensed Financial Statements (Cont'd)**

### **NOTE 23: PENALTY IMPOSED BY CAMMESA**

In January 2014, the Company received a penalty from CAMMESA (Compañía Administradora del Mercado Mayorista Eléctrico S.A.) for approximately \$ 10 million, for not having available power, under the commitment assumed by the Company.

On February 27, 2014, the Company submitted to CAMMESA a note making reference to the application of penalties as stipulated in the Offer for the Commitment to Power Availability and Supply in the WEM, pursuant to Energy Secretariat Resolution 220/2007, as a result of the malfunction on January 13, 2014 of a transformer in one of the phases of the ROCATG1 machine generation system.

The Company has requested a forgiveness of those penalties, inasmuch as the incident that caused the malfunction was clearly due to a totally unexpected act of God (Section 514 of the Civil Code), the effects of which could not be avoided in spite of the efforts made to solve it.

The general norm (Section 513 of the Civil Code) is applicable in these circumstances, which releases from liability for noncompliance with obligations, when such noncompliance is caused by an act of God or force majeure event, the malfunction of the transformer in this case.

In relation to the presentation made by the Company, CAMMESA sent on May 26, 2014 to the Undersecretariat of Energy a note requesting that the service outage associated with the event described above be considered as a force majeure event or an act of God, so as not to impose the penalties stipulated in the respective Offer for the Commitment to Power Availability and Supply in the WEM, accepted by Energy Secretariat Note No. 316/2012.

The legal counsel for the Company have reported that there are sufficient legal arguments to consider that the request for a forgiveness of the penalties filed by the Company to CAMMESA will be sustained. At the date of issue of these interim condensed financial statements, the Company has not set up any provisions for this item.

### **NOTE 24: LONG TERM MAINTENANCE SERVICE AGREEMENT**

CTR, GE International INC and GE Energy Parts International, LLC, entered into a global service agreement (Long Term Service Agreement), for the power plant. As set forth in the agreement, GE must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the operation of the turbines, 24-hour assistance from the engineering department, original spare parts in a timely manner and repairs for planned and corrective maintenance. GE thus guarantees availability of not less than ninety five percent (95%) to the Power Plant per contractual year. Also, the Power Plant has its own repair shop with tools and stocks of spare parts to perform on-site repairs. Compliance with the power sale agreement with CAMMESA under Resolution 220/07 is thus guaranteed.

### **NOTE 25: 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.

### Summary of Activity at September 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 CTR (the Company) and its equity and financial position, which should be read alongside the corresponding interim condensed financial statements.

#### Nine-month period ended September 30.

	2016	2015	Var.	Var. %
<b>Sales per type of market</b>				
	MW			
Sales CAMMESA 220	274,861	226,269	48,592	21%
Electric energy sales - spot market	673	5	668	13,368%
	<u>275,534</u>	<u>226,274</u>	<u>49,260</u>	<u>22%</u>

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

#### Nine-month period ended September 30.

	2016	2015	Var.	Var. %
<b>Sales revenue</b>	(in millions of pesos)			
Electric energy sales - Resolution No. 220	501.6	227.2	274.4	121%
Electric energy sales - spot market	0.1	0.0	0.1	0%
	<u>501.7</u>	<u>227.2</u>	<u>274.5</u>	<u>121%</u>

### Summary of Activity at September 30, 2016 and 2015

Results for the nine-month period ended September 30, 2016 and 2015 (in millions of pesos)

	Nine-month period ended September 30.			
	2016	2015	Var.	Var. %
Sale of energy	501.7	227.2	274.5	121%
<b>Net sales</b>	<b>501.7</b>	<b>227.2</b>	<b>274.5</b>	<b>121%</b>
Cost of gas and gasoil consumption at the plant	(262.4)	(88.4)	(174.0)	(197%)
Salaries and social security contributions	(9.3)	(8.1)	(1.2)	(15%)
Professional fees	(0.3)	(0.1)	(0.2)	(416%)
Maintenance services	(7.0)	(7.0)	(0.0)	(1%)
Depreciation of Property, plant and equipment	(24.2)	(19.6)	(4.6)	(23%)
Security guard and porter	(1.4)	(1.0)	(0.4)	(36%)
Travel and per diem	(0.5)	(0.4)	(0.1)	(19%)
Insurance	(3.2)	(2.2)	(1.0)	(44%)
Communication expenses	(0.3)	(0.2)	(0.1)	(85%)
Snacks and cleaning	(0.8)	(0.5)	(0.4)	(81%)
Taxes and rates	(1.7)	(1.0)	(0.7)	(74%)
Miscellaneous expenses	(1.2)	(1.2)	(0.0)	(2%)
<b>Cost of sales</b>	<b>(312.2)</b>	<b>(129.6)</b>	<b>(182.7)</b>	<b>(141%)</b>
<b>Gross income</b>	<b>189.5</b>	<b>97.6</b>	<b>91.8</b>	<b>94%</b>
Advertising	(0.1)	(0.1)	(0.0)	18%
Taxes, rates and contributions	(14.9)	(6.5)	(8.5)	(131%)
<b>Selling expenses</b>	<b>(15.0)</b>	<b>(6.5)</b>	<b>(8.5)</b>	<b>(130%)</b>
Fees and compensation for services	(4.0)	(2.2)	(1.8)	(80%)
Salaries and wages	(1.4)	(2.2)	0.8	36%
Taxes, rates and contributions	(0.1)	(0.0)	(0.1)	(1,803%)
Communication expenses	(0.1)	(0.0)	(0.1)	(88%)
Miscellaneous expenses	(0.9)	(0.5)	(0.4)	(102%)
<b>Administrative expenses</b>	<b>(6.5)</b>	<b>(4.9)</b>	<b>(1.5)</b>	<b>(31%)</b>
<b>Operating income</b>	<b>168.0</b>	<b>86.2</b>	<b>81.8</b>	<b>95%</b>
Commercial interest	10.5	1.7	8.8	(517%)
Loan interest	(79.0)	(41.0)	(38.1)	(93%)
Tax interest	(0.0)	(0.1)	0.1	66%
Bank expenses and commissions	(1.9)	(0.4)	(1.6)	(442%)
Exchange difference, net	(41.1)	(21.6)	(19.5)	(91%)
Changes in the fair value of financial instruments	37.2	(1.6)	38.8	2,361%
Other financial results	(12.9)	(8.7)	(4.1)	(47%)
<b>Total financial results, net</b>	<b>(87.3)</b>	<b>(71.7)</b>	<b>(15.6)</b>	<b>(22%)</b>
<b>Income before tax</b>	<b>80.7</b>	<b>14.5</b>	<b>66.2</b>	<b>(456%)</b>

**Summary of Activity at September 30, 2016 and 2015**

Results for the nine-month period ended September 30, 2016 and 2015 (in millions of pesos)

(Cont'd):

	Nine-month period ended September 30.			
	2016	2015	Var.	Var. %
<b>Income before tax</b>	<b>80.7</b>	<b>14.5</b>	<b>66.2</b>	<b>(456%)</b>
Income tax	(29.9)	(5.3)	(24.6)	(464%)
<b>Comprehensive income for the period</b>	<b>50.8</b>	<b>9.2</b>	<b>41.6</b>	<b>(452%)</b>

Sales:

Net sales for the nine-month period ended September 30, 2016 reached \$ 501.7 million an increase of \$ 274.5 million or 121% from the \$ 227.2 million for the previous period in 2015.

During the first nine months of 2016 energy sales reached 275,534 MWh, having increased 22% from the 226,274 MWh sold in 2015.

The main sources of income of the Company and their behavior during the nine-month period ended September 30, 2016, compared with the previous year are described below:

- (i) \$ 501.6 million from sales of energy and power on the spot market to CAMMESA under the framework of Resolution 220/07, up 121% from the \$ 227.2 million sold for the same period of 2015. This variation is explained mainly by an increase in dispatches of energy and a rise in the exchange rate.

Cost of sales

Cost of sales for the nine-month period ended September 30, 2016, reached \$ 312.2 million, an increase of \$182.7 million or 141% from the \$ 129.6 million for the same period of 2015.

The main costs of sales of the Company and their behavior during the nine-month period ended September 30, 2016, compared with the previous year are described below:

- (i) \$ 262.4 million incurred in purchases of gas and gasoil consumed by the plant, reflecting an increase of 197% from the \$ 88.4 million for the same period of 2015. This variation is explained mainly by an increase in dispatches of energy and a rise in the exchange rate during the second six months of fiscal year 2016.
- (ii) \$ 9.3 million in salaries and social security contributions, reflecting a 15% increase from the \$ 8.1 million for the same period of 2015, mainly attributed to wage increases granted net of the capitalized salaries whose tasks were affected at the end of the cycle.
- (iii) a depreciation charge of \$ 24.2 million in property, plant and equipment, which represents a 23% increase compared to the \$ 19.6 million for the same period of 2015. This variation stems mainly from the depreciation of property, plant and equipment added during the year, and the impact of the corresponding depreciation on the Technical Revaluation carried out in December 2015. This caption does not imply cash outflows.
- (iv) \$ 1.4 million for security and janitorial services, up 36% from the \$ 1.0 million for the same period of 2015. This variation was due to the cost increase of the related service.

### Summary of Activity at September 30, 2016 and 2015

- (v) \$ 3.2 million in insurance, up 44% from the \$ 2.2 million for the same period of 2015, as a result of an increase in the exchange rate.

#### Gross income

Gross sales for the nine-month period ended September 30, 2016 reached \$ 189.5 million, an increase of \$ 91.8 million or 94% from the \$ 97.6 million for the same period of 2015. This variation is explained mainly by an increase in energy dispatches and in the exchange rate.

#### Selling expenses

Total selling expenses for the nine-month period ended September 30, 2016, reached \$ 15.0 million, an increase of \$ 8.5 million or 130% from the \$ 6.5 million for the same period of 2015.

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

- (i) \$ 14.9 million in taxes rates and contributions, reflecting an increase of 131% from \$ 6.5 million for the same period of 2015. This increase was driven by higher sales during the fiscal year compared with the previous year.

#### Administrative expenses

Total administrative expenses for the nine-month period ended September 30, 2016 amounted to \$ 6.5 million, up 31% from the \$ 4.9 million for the same period of 2015.

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

- (i) \$ 4.0 million in service fees, reflecting an increase of 80 % from the \$ 2.2 million for the same period of 2015. This variation stems from an increase in tariffs for existing services.

#### Operating income

Operating income for the nine-month period ended September 30, 2016, reached \$ 168.0 million, an increase of \$ 81.8 million or 95% from the \$ 86.2 million for the same period in 2015. This variation is explained mainly by an increase in energy availability and dispatches and the exchange rate.

#### Financial result, net:

The net result from financing and holding activities for the nine-month period ended September 30, 2016 was a loss of \$ 87.3 million compared with a loss of \$ 71.7 million for the same period in 2015, showing a 22% increase. This variation is mainly attributed to the devaluation of the Argentinean peso in December 2015. This result was partially offset with a positive result due to the efficient management of financial instruments in this period.



### Summary of Activity at September 30, 2016 and 2015

The most salient aspects of this variation are described below:

- (i) A loss of \$ 79.0 million due to interest paid on loans. This caption was 93% higher compared with the loss of \$ 41.0 million for the same period in 2015, and stems from the new bank debt taken on and the issue of a new Class II NO for \$ 270 million in November 2015 and an international bond for US\$ 70 million in July 2016.
- (ii) A loss of \$ 1.9 million due to bank expenses and commissions paid. This caption was 442% higher compared with the loss of \$ 0.4 million for the same period in 2015.
- (iii) A loss of \$ 41.1 million as a result of the net exchange difference. This caption was 91% higher than the prior year same period loss of \$ 21.6 million. This variation was attributed to the Argentinean peso devaluation at the end of 2015, and its impact on foreign currency Syndicated loan - International tranche and International bond taken on.
- (iv) A profit of \$ 37.2 million generated by changes in the fair value of financial instruments. Reflecting a 2,361% increase from the loss of \$ 1.6 million for the same period in 2015. This is due to efficient transactions with financial instruments during this period.

#### Net Result:

The net result reported by the Company for the nine-month period ended September 30, 2016 is an income before tax of \$ 80.7 million compared with an income of \$ 14.5 million for the same period in 2015, reflecting a 456% increase. This is mainly explained by the increase in availability and exchange rate.

The negative result of income tax was \$ 29.9 million for the nine-month period ended September 30, 2016 compared with \$ 5.3 million for the same period in 2015. Thus obtaining an income before tax of \$ 50.8 million compared with \$ 9.2 million for the same period in 2015.

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

	<b>09.30.16</b>	<b>09.30.15</b>	<b>09.30.14</b>
Non-Current Assets	1,082.3	510.8	470.2
Current Assets	943.4	150.5	104.7
<b>Total Assets</b>	<b>2,025.6</b>	<b>661.4</b>	<b>574.9</b>
Shareholders' Equity	320.8	171.4	163.6
<b>Total Shareholders' Equity</b>	<b>320.8</b>	<b>171.4</b>	<b>163.6</b>
Non-Current Liabilities	1,599.9	300.4	267.1
Current Liabilities	104.9	189.6	144.1
<b>Total Liabilities</b>	<b>1,704.8</b>	<b>490.0</b>	<b>411.3</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>2,025.6</b>	<b>661.4</b>	<b>574.9</b>

### Summary of Activity at September 30, 2016 and 2015

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

	09.30.16	09.30.15	09.30.14
Operating income	168.0	86.2	74.6
Financial results	(87.3)	(71.7)	(117.9)
Income/(Loss) before tax	<u>80.7</u>	<u>14.5</u>	<u>(43.3)</u>
Income tax	(29.9)	(5.3)	16.0
<b>Net income</b>	<u><b>50.8</b></u>	<u><b>9.2</b></u>	<u><b>(27.3)</b></u>
Other comprehensive income for the period	-	-	<b>140.2</b>
<b>Total comprehensive income for the period</b>	<u><b>50.8</b></u>	<u><b>9.2</b></u>	<u><b>112.9</b></u>

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

	09.30.16	09.30.15	09.30.14
Cash flows provided by operating activities	97.2	96.0	70.7
Net cash flow (used in) investment activities	(249.9)	(51.2)	(14.9)
Net cash flow provided by (used in) financing activities	674.3	(54.8)	(63.7)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u><b>521.6</b></u>	<u><b>(10.0)</b></u>	<u><b>(7.9)</b></u>

5. Ratios presented comparatively with the previous period:

	09.30.16	09.30.15	09.30.14
Liquidity (1)	8.99	0.79	0.73
Credit standing (2)	0.19	0.35	0.40
Locked-up capital (3)	0.53	0.77	0.82
Indebtedness ratio (4) (*)	6.55	2.60	2.87
Interest coverage ratio (5)	2.26	2.44	2.20

(1) Current assets / Current liabilities

(2) Equity / Total liabilities

(3) Non-current assets / Total Assets

(4) Financial debt / annualized EBITDA

(5) Annualized EBITDA / Interest accrued

(\*) In accordance with the guidelines of the International Bond Prospectus for the calculation of the indebtedness ratio, such ratio is 5.96 at September 30, 2016.

## Summary of Activity at September 30, 2016 and 2015

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

#### Electricity

The Company expects that the various generating units will continue to operate normally in line with dispatches defined by CAMMESA. The main objective is to maintain the high level of availability of the Power Plant, which will ensure the profitability of the Company. To this end, it carries out an exhaustive preventive maintenance plan on power generating units that will guarantee the high availability of the Power Plant's turbo generators.

The project for the closure of the Power Plant combined cycle is still in progress 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 work will require an investment of 94 million dollars approximately. The start-up is expected in the first quarter of 2018.

#### Financial Position

The Company's objective for this year is to continue with the optimization of the financial structure for the execution of the project for closing the cycle. The process was initiated with the issue of Class II Negotiable Obligations for 270 million pesos on November 2015.

On June 10, 2016, CTR issued Class III by 170.3 million pesos within 24 months. They proceeded to cancel the balance of the Class I Notes for 53.6 million pesos, through a swap and repurchase.

On July 27, 2016, GMSA, CTR and GFSA co-issued an international bond for USD 250 million, falling due within 7 years. The international bond is guaranteed by ASA. CTR was entitled to receive USD 70 million of the total amount issued, and applied those funds to the prepayment of financial debt and to investment project financing for closing cycle.

These actions have enabled the Company to improve its working capital and the profile of the financial debt extending maturity terms and reducing the Company's financial cost, while assuring investment project financing.

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

General matters referred to the activity of Central Térmica Roca (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 years corresponding to the financial statements, that affect their comparability with those presented in previous years, or that could affect comparability with those to be presented in future years.

There are none.

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

	Trade receivables	Other receivables	Financial assets at fair value through profit or loss	Trade payables	Other liabilities	Loans	Salaries and social security charges	Tax payables and deferred tax liability
	\$							
To be due								
First quarter	93,060,683	55,003,305	144,063,798	58,949,799	6,698,820	4,116,340	1,183,436	2,451,081
Second quarter	56,842,216	7,335,065	-	11,265,073	-	17,331,978	-	-
Third quarter	-	2,741,193	-	-	-	(1,292,531)	-	5,503,853
Fourth quarter	-	2,741,193	-	-	-	(1,292,532)	-	-
More than one year	-	15,884,898	-	-	-	1,465,253,336	-	134,669,398
Subtotal	149,902,899	83,705,654	144,063,798	70,214,871	6,698,820	1,484,116,591	1,183,436	142,624,332
Past due	10,360,365	-	-	-	-	-	-	-
Without stated term	-	-	-	-	-	-	-	-
<b>Total at 09.30.16</b>	<b>160,263,264</b>	<b>83,705,654</b>	<b>144,063,798</b>	<b>70,214,871</b>	<b>6,698,820</b>	<b>1,484,116,591</b>	<b>1,183,436</b>	<b>142,624,332</b>
Non-interest bearing	160,263,264	75,933,789	-	70,214,871	6,698,820	-	1,183,436	142,537,752
At fixed rate	-	-	-	-	-	1,043,957,062	-	86,580
At floating rate	-	7,771,865	144,063,798	-	-	440,159,529	-	-
<b>Total at 09.30.16</b>	<b>160,263,264</b>	<b>83,705,654</b>	<b>144,063,798</b>	<b>70,214,871</b>	<b>6,698,820</b>	<b>1,484,116,591</b>	<b>1,183,436</b>	<b>142,624,332</b>

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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 09.30.16	Amount recorded at 12.31.15
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents			\$	
Banks	USD 41,713	15.210	634,462	13,002,237
Trade receivables				
Trade receivables - Resolution 220/07	USD 5,139,907	15.210	78,177,985	21,618,910
Other receivables				
Customs advances	USD -	15.210	-	847,216
Advances to suppliers	USD -	15.210	-	1,629,361
<b>Total current assets</b>			<b>78,812,447</b>	<b>37,097,724</b>
<b>Total Assets</b>			<b>78,812,447</b>	<b>37,097,724</b>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Trade payables				
Provision invoices to be received	USD 616,874	15.310	9,444,342	3,541,146
Related parties	USD 1,491,098	15.260	22,754,159	39,146,019
Loans				
International bond	USD 957,797	15.310	14,663,877	-
Syndicated Loan - International tranche	USD -	15.310	-	49,479,738
<b>Total current liabilities</b>			<b>46,862,378</b>	<b>92,166,903</b>
<b>NON-CURRENT LIABILITIES</b>				
Loans				
International bond	USD 67,230,123	15.310	1,029,293,185	-
Syndicated Loan - International tranche	USD -	15.310	-	204,745,488
<b>Total current liabilities</b>			<b>1,029,293,185</b>	<b>204,745,488</b>
<b>Total Liabilities</b>			<b>1,076,155,563</b>	<b>296,912,391</b>

(1) Banco Nación exchange rates prevailing at year end. An average exchange rate is applied to intercompany balances.

5. General Companies Law:

Percentage of participation in intercompany:

There are no participations in intercompany.

Accounts payable and receivable with intercompany

See Note 17.f) to the interim condensed financial statements at September 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.

There is no physical inventory of materials and spare parts.

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 5 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 5 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	U\$S 67,000,000	U\$S 67,000,000
Operational all risks - Loss of profit	U\$S 30,611,577	U\$S 30,611,577
All construction risk - Material damage	U\$S 66,417,555	-
All construction risk - Alop	U\$S 22,410,917	-
All construction risk - Damage aqueduct	-	U\$S 11,004,852
Construction risks - RC aqueduct	-	U\$S 10,000,000
Civil Liability - primary	U\$S 1,000,000	U\$S 1,000,000
Civil Liability - excess coverage	U\$S 9,000,000	U\$S 9,000,000
Civil liability of Directors and Executives	U\$S 15,000,000	U\$S 15,000,000
Automobile	\$ 2,682,482	\$ 933,000
Customs warranties	-	\$ 3,155
Siemens Transport STG-800	U\$S 8,870,000	-
Transport insurance, Argentine and international market	U\$S 10,000,000	U\$S 10,000,000
Directors' bond	\$ 200,000	\$ 200,000
Environmental bond	\$ 3,928,224	\$ 3,772,666
Technical equipment insurance	\$ 7,138,349	\$ 5,472,000
Technical equipment insurance	U\$S 21,933	-
Life insurance - mandatory life insurance	\$ 33,330	\$ 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

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had not occurred. In October 2015, the insurance policy has been renewed, under better coverage conditions and by reducing 10% the premium rate.

### **Contractors' All-risk and Advance Loss of Profit (ALOP) or Delay in Start-up Insurance**

Contractors' all-risk insurance covers all accidental or unforeseeable damages occurred during the execution of a civil work, including damages caused by acts of God, except for exclusions.

Delay in start-up (DSU) or advance loss of profit (ALOP) insurance provides coverage for the expected commercial profit margin for sales of energy and power, discounting the variable costs during the period of repair or replacement of the damaged equipment.

### **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.

### **Civil liability of Directors and Executives (D&O)**

This policy covers all actions or decision making of directors and/or executives as such, outside the professional service or company where they work; for example, dismissal of employees, hirings, financial decisions, advertising and marketing, merger or acquisitions, shareholders' statements, accounting records, which may be performed with negligence or fault, error or imprudence and cause an economic damage to an employee, shareholder or third party. It does not cover malicious intent.

It covers the company in case of stock-exchange claims or from holders of bonds or securities.

It covers the personal equity of the present, past or future directors and/or executives, and to the company for capital market issues.



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**Automobile insurance:**

This insurance covers the damage to own vehicles as well as extra-contractual civil liability of the owner, user or driver of the automobile involved in an accident where third parties are injured or die.

**Transport insurance:**

The Company has an insurance policy that covers transportation of all generators of the 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 \$ 33,330, 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 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.

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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 15 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  
Central Térmica Roca S.A.  
Legal address: Leandro N. Alem 855 - 14th Floor  
Autonomous City of Buenos Aires  
Tax Code No. 33-71194489-9

### **Introduction**

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

*Price Waterhouse & Co. S.R.L., Bouchard 557, piso 8°, C1106ABG - Ciudad de Buenos Aires  
T: +(54.11) 4850.0000, F: +(54.11) 4850.1800, www.pwc.com/ar*



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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 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.

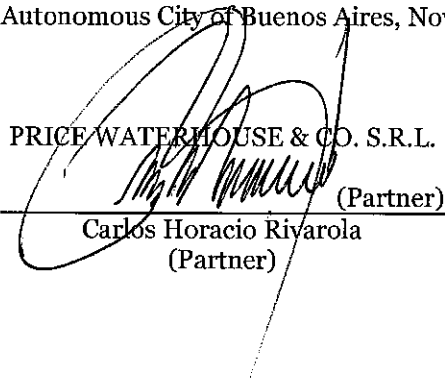
**Report on compliance with regulations in force**

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 September 30, 2016, the debt accrued by Central Térmica Roca S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to \$ 394,867, none of which was claimable at that date.

Autonomous City of Buenos Aires, November 11, 2016

PRICE WATERHOUSE & CO. S.R.L.

  
(Partner)

Carlos Horacio Rivarola  
(Partner)

## **Report of the Syndics' Committee**

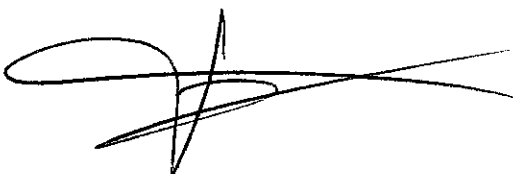
To the Shareholders of  
Central Térmica Roca S.A.

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 Central Térmica Roca S.A. (hereinafter, "the Company") which comprise the statement of financial position at September 30, 2016, the statement of comprehensive income for the nine-month period ended September 30, 2016, the statements of changes in equity and of cash flows for the nine-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 November 11, 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 2 have been prepared in accordance with International Accounting Standard 34.

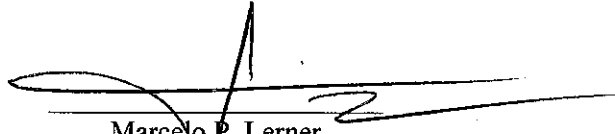
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5. Based on our review, we are not aware of any significant modification to be introduced to the interim condensed financial statements mentioned in paragraph 1, for their presentation in accordance with the pertinent regulations of Law No. 19550, 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, November 11, 2016



Marcelo P. Lerner  
Full Syndic  
For the Syndics' Committee