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

Generación Mediterránea S.A.

Condensed Interim Financial Statements

At March 31, 2019 and for the three-month periods
ended March 31, 2019 and 2018,
presented in comparative format

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Contents

Generación Mediterránea S.A.

GLOSSARY OF TECHNICAL TERMS

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

Terms	Definitions
/day	Per day
AISA	Albanesi Inversora S.A. (company absorbed by Albanesi S.A.)
AJSA	Alba Jet S.A.
ASA	Albanesi S.A.
AFIP	Federal Administration of Public Revenue
AVRC	Alto Valle Río Colorado S.A.
BADLAR	Average interest rate paid by financial institutions on time deposits for over one million pesos.
BADCOR	Adjusted BADLAR rate
BDD	Bodega del Desierto S.A.
BCRA	Central Bank of Argentina
CAMMESA	Compañía Administradora del Mercado Mayorista Eléctrico S.A. (Wholesale Electricity Market Management Company)
CC	Combined cycle
IFRIC	International Financial Reporting Interpretations Committee
CNV	National Securities Commission
CTE	Central Térmica Ezeiza (Ezeiza Thermal Power Plant) located in Ezeiza, Buenos Aires.
CTF	Central Térmica Frías (Frías Power Plant) located in Frías, Santiago del Estero
CTI	Central Térmica Independencia (Independencia Thermal Power Plant) located in San Miguel de Tucumán, Tucumán
CTLB	Central Térmica La Banda located in La Banda, Santiago del Estero.
CTMM	Central Térmica Modesto Maranzana (MM Power Plant) located in Río Cuarto, Córdoba
CTR	Central Térmica Roca S.A.
CTRi	Central Térmica Riojana located in La Rioja, province of La Rioja
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., jointly with its subsidiaries and other related companies
Energía Plus	Plan created under ES Resolution No. 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
GECEN	Generación Centro S.A.

Generación Mediterránea S.A.

GLOSSARY OF TECHNICAL TERMS (Cont'd)

Terms	Definitions
GFSA	Generación Frías S.A. (company merged into GMSA)
GISA	Generación Independencia S.A. (company merged into GMSA)
GLSA	Generación Litoral S.A.
GMSA	Generación Mediterránea S.A.
Large Users	WEM agents classified according to their consumption into: GUMAs, GUMEs, GUPAs and GUDIs
GROSA	Generación Rosario S.A.
GUDIs	Large Demand from Distributors' customers, with declared or demanded supply of over 300kW
GUMAs	Major Large Users
GUMEs	Minor Large Users
GUPAs	Large Users - Individuals
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 (one thousand) 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
ARG GAAP	Argentine Generally Accepted Accounting Principles
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ON	Negotiable Obligations
PWPS	Pratt & Whitney Power System Inc
RECPAM	Result of exposure to the change in the purchasing power of the currency.
Resolution No. 220/07	Regulatory framework for the sale of energy to CAMMESA through the "WEM Supply Contracts" under Energy Secretariat Resolution No. 220/07
GR	General Resolution
RGA	Rafael G. Albanesi S.A.
RT	Technical Pronouncements
TRASNOA S.A.	Empresa de Transporte de Energía Eléctrica por Distribución Troncal del Noroeste Argentino S.A.
SADI	Argentine Interconnection System
ES	Energy Secretariat
CGU	Cash Generating Unit
USD	US Dollars

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Generación Mediterránea S.A.

Composition of the Board of Directors and Syndics' Committee

Chairman
Armando Losón (Jr.)

1st Vice Chairman
Guillermo G. Brun

2nd Vice Chairman
Julián P. Sarti

Full Directors
Carlos A. Bauzas
Sebastián A. Sánchez Ramos
Oscar C. De Luise
Roberto J. Volonté
Juan Carlos Collin
Jorge Hilario Schneider

Alternate Directors
José Leonel Sarti
Juan G. Daly
Maria de los Milagros D. Grande
Ricardo M. López
Romina S. Kelleyian

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

Alternate Syndics
Juan Cruz Nocciolino
Carlos I. Vela
Marcelo C. Barattieri

Legal information

Company Name:	Generación Mediterránea S.A.
Legal address:	Av. L. N. Alem 855, Floor 14, City of Buenos Aires.
Main business activity:	Generation and sale of electric energy Development of energy projects, execution of projects, advisory services, provision of services, management, administration and performance of works of any kind. Investments and financial operations of any kind, except those established by Law No. 21526
Tax ID:	30-68243472-0

Date of registration with the Public Registry of Commerce:

By-laws:	January 28, 1993
Latest amendment:	March 17, 2017
Registration with the Superintendency of Commercial Companies under number:	644 of Book 112, Volume A of Corporations
Expiration date of Company By-laws:	January 28, 2092
Parent company:	Albanesi S.A.
Legal address:	Av. L. N. Alem 855, Floor 14, City of Buenos Aires.
Main line of business of Parent Company:	Investment and financial activities
Percentage of equity interest held by Parent Company:	95%
Percentage of voting rights of Parent Company:	95%

CAPITAL STATUS (Note 14)	
Class of shares	**Subscribed, paid-in and registered**
	$
Ordinary, registered, non-endorsable shares of $1 par value each and entitled to 1 vote per share.	138,172,150

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Generación Mediterránea S.A.

Condensed Interim Statement of Financial Position

at March 31, 2019 and December 31, 2018

Stated in pesos

	Note	03.31.2019	12.31.2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**12**	26,806,286,115	26,852,336,214
Investments in companies		129,861	145,156
Other receivables		62,800,688	70,197,463
Trade receivables		66,303,628	65,334,661
Total non-current assets		**26,935,520,292**	**26,988,013,494**
CURRENT ASSETS			
Inventories		138,140,975	120,336,017
Other receivables		2,047,684,786	1,754,106,640
Other financial assets at fair value through profit or loss		1,885,000	282,082,285
Trade receivables		1,987,462,215	1,792,041,513
Cash and cash equivalents	**13**	116,893,246	345,295,078
Total current assets		**4,292,066,222**	**4,293,861,533**
Total Assets		**31,227,586,514**	**31,281,875,027**
EQUITY			
Share capital	**14**	138,172,150	138,172,150
Capital adjustment		836,131,588	836,131,588
Additional paid-in capital		889,683,621	889,683,621
Legal reserve		40,346,865	40,346,865
Optional reserve		671,685,597	671,685,597
Technical revaluation reserve		3,640,793,802	3,843,159,316
Special reserve		2,627,232	2,627,232
Special reserve Res. No. 777/18		2,403,083,223	2,430,129,272
Other comprehensive income		(946,310)	(946,310)
Retained earnings		(1,242,471,940)	(1,536,659,881)
TOTAL EQUITY		**7,379,105,828**	**7,314,329,450**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	**17**	2,517,704	5,012,828
Deferred tax liabilities, net		2,329,540,393	2,362,121,631
Defined benefit plan		13,064,971	12,828,109
Loans	**16**	14,715,602,968	14,568,225,791
Trade payables		393,389,038	1,302,868,903
Total non-current liabilities		**17,454,115,074**	**18,251,057,262**
CURRENT LIABILITIES			
Other liabilities		-	1,059,340
Tax payables		176,087,331	13,772,189
Salaries and social security liabilities		30,175,125	51,098,485
Defined benefit plan		1,902,905	2,127,032
Loans	**16**	2,206,775,521	2,896,962,867
Trade payables		3,979,424,730	2,751,468,402
Total current liabilities		**6,394,365,612**	**5,716,488,315**
Total liabilities		**23,848,480,686**	**23,967,545,577**
Total liabilities and equity		**31,227,586,514**	**31,281,875,027**

The accompanying notes form an integral part of these Condensed Interim financial statements.

Generación Mediterránea S.A.

Condensed Interim Statement of Comprehensive Income

For the three-month periods ended March 31, 2019 and 2018

Stated in pesos

	Note	03.31.2019	03.31.2018
Sales revenue	7	1,937,771,931	1,470,073,961
Cost of sales	8	(728,441,451)	(691,179,522)
Gross income		**1,209,330,480**	**778,894,439**
Selling expenses	9	(1,092,624)	(582,676)
Administrative expenses	10	(32,802,053)	(34,376,130)
Other income		174,719	1,216,410
Operating income/(loss)		**1,175,610,522**	**745,152,043**
Financial income	11	110,885,561	22,043,483
Financial expenses	11	(382,273,710)	(331,097,841)
Other financial results	11	(656,841,406)	(63,525,351)
Financial results, net		**(928,229,555)**	**(372,579,709)**
Income before tax		**247,380,967**	**372,572,334**
Income tax		(21,215,219)	(104,067,481)
Income for the period		**226,165,748**	**268,504,853**
Revaluation of property, plant and equipment		(215,185,827)	-
Impact on income tax		53,796,457	-
Other comprehensive income for the period		**(161,389,370)**	**-**
Total comprehensive income for the period		**64,776,378**	**268,504,853**
Earnings per share			
Basic and diluted earnings per share	15	1.6368	1.9433

The accompanying notes form an integral part of these Condensed Interim financial statements.

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Generación Mediterránea S.A.

Condensed Interim Statement of Changes in Equity

For the three-month periods ended March 31, 2019 and 2018

Stated in pesos

	Share capital (Note 14)	Capital Adjustment	Additional paid-in capital	Legal reserve	Optional reserve	Special reserve Res. No. 777/18	Special Reserve	Technical revaluation reserve	Other comprehensive income for the period	Retained earnings	Total equity
Balances at December 31, 2017	**138,172,150**	**836,131,588**	**889,683,621**	**10,602,631**	**106,545,164**	**2,430,129,272**	**2,627,232**	**-**	**-**	**(7,824,622)**	**4,406,067,036**
Comprehensive income for the additional three-month period	-	-	-	-	-	-	-	-	-	268,504,853	268,504,853
Balances at March 31, 2018	**138,172,150**	**836,131,588**	**889,683,621**	**10,602,631**	**106,545,164**	**2,430,129,272**	**2,627,232**	**-**	**-**	**260,680,231**	**4,674,571,889**
Shareholders' Meeting minutes of April 18, 2018:											
- Setting up of legal reserve	-	-	-	29,744,234	-	-	-	-	-	(29,744,234)	-
- Setting up of optional reserve	-	-	-	-	565,140,433	-	-	-	-	(565,140,433)	-
Other comprehensive income for the supplementary nine-month period	-	-	-	-	-	-	-	3,843,159,316	(946,310)	-	3,842,213,006
Comprehensive loss for the additional nine-month period	-	-	-	-	-	-	-	-	-	(1,202,455,445)	(1,202,455,445)
Balances at December 31, 2018	**138,172,150**	**836,131,588**	**889,683,621**	**40,346,865**	**671,685,597**	**2,430,129,272**	**2,627,232**	**3,843,159,316**	**(946,310)**	**(1,536,659,881)**	**7,314,329,450**
Reversal of technical revaluation reserve	-	-	-	-	-	(27,046,049)		(40,976,144)		68,022,193	-
Other comprehensive income for the supplementary three-month period	-	-	-	-	-	-	-	(161,389,370)	-	-	(161,389,370)
Comprehensive income for the additional three-month period	-	-	-	-	-	-	-	-	-	226,165,748	226,165,748
Balances at March 31, 2019	**138,172,150**	**836,131,588**	**889,683,621**	**40,346,865**	**671,685,597**	**2,403,083,223**	**2,627,232**	**3,640,793,802**	**(946,310)**	**(1,242,471,940)**	**7,379,105,828**

The accompanying notes form an integral part of these Condensed Interim financial statements.

Generación Mediterránea S.A.

Condensed Interim Statement of Cash Flows

For the three-month periods ended March 31, 2019 and 2018

Stated in pesos

	Notes	03.31.2019	03.31.2018
Cash flow provided by operating activities:			
Income for the period		226,165,748	268,504,853
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax		21,215,219	104,067,481
Accrued interest, net	**11**	270,796,404	308,000,574
Depreciation of property, plant and equipment	**8 and 12**	298,339,733	194,476,110
Income/(Loss) from changes in the fair value of financial instruments (1)	**11**	16,289,391	(29,191,124)
(Decrease) in provision for contingencies	**17**	(1,966,917)	(2,344,367)
(Decrease) in provision for bad debts	**17**	(59,268)	-
Present value		10,291,713	-
Exchange differences, net	**11**	2,428,699,235	808,802,820
Employee benefit plans	**8**	522,056	6,496,053
RECPAM	**11**	(1,827,287,638)	(770,240,825)
Changes in operating assets and liabilities:			
(Increase) in trade receivables		(133,872,425)	(154,489,540)
Decrease in other receivables (2)		137,656,387	78,486,836
(Increase)/Decrease in inventories		(17,804,958)	1,680,477
(Decrease) in trade payables (3)		(151,292,504)	(734,967,850)
(Decrease) in other liabilities		(1,059,340)	(15,313,170)
(Decrease) in salaries and social security contributions		(20,923,360)	(882,330)
Increase/(decrease) in tax payables		146,327,000	(15,214,149)
Net cash flow provided by operating activities		**1,402,036,476**	**47,871,849**
Cash flow provided by investing activities:			
Acquisition of property, plant and equipment	**12**	(320,573,558)	(546,192,264)
(Subscription) of mutual funds, net		(13,648,622)	(91,703,531)
Loans collected		25,260,675	-
Loans granted		(354,782,121)	(16,452,873)
Net cash flows (used in) investing activities		**(663,743,626)**	**(654,348,668)**
Cash flow from financing activities:			
Collection of financial instruments		243,797,707	34,421,459
Borrowings	**16**	279,455,000	2,360,660,149
Payment of loans	**16**	(705,537,589)	(901,760,622)
Payment of interest	**16**	(842,988,646)	(544,041,006)
Net cash flows (applied to) provided by financing activities		**(1,025,273,528)**	**949,279,980**
(DECREASE) / INCREASE IN CASH, NET		**(286,980,678)**	**342,803,161**
Cash and cash equivalents at the beginning of the period		345,295,078	139,645,330
Financial results of cash and cash equivalents		22,194,769	1,197,075
RECPAM of cash and cash equivalents		36,384,078	46,077
Cash and cash equivalents at the end of the period	**13**	116,893,246	483,691,643
		(286,980,679)	**342,803,161**

(1) Valuation difference corresponding to hedge contracts.

(2) Includes payments to suppliers for the purchase of property, plant and equipment for $ 419,471,704 and $ 232,685,782 at March 31, 2019 and March 31, 2018, respectively.

(3) Includes commercial payments for works financing. See Note 23.

The accompanying notes form an integral part of these Condensed Interim financial statements.

Generación Mediterránea S.A.

Condensed Interim Statement of Cash Flows (Cont'd)

For the three-month periods ended March 31, 2019 and 2018

Stated in pesos

	Notes	03.31.2019	03.31.2018
Material transactions not entailing changes in cash			
Decrease resulting from technical revaluation	**13**	215,185,827	-
Interest and exchange difference capitalized in property, plant and equipment	**12**	(146,901,903)	(226,525,803)
Loans granted		-	-
Advances to suppliers applied to the acquisition of property, plant and equipment	**12**	-	(15,648,908)

The accompanying notes form an integral part of these Condensed Interim financial statements.

NOTE 1: GENERAL INFORMATION

GMSA is a company engaged in the conventional thermal power generation and is controlled by Albanesi S.A., an investing and financing company, which holds 95% of its capital and votes.

ASA was established in 1994. Through its subsidiaries and related entities, the Company has invested in the energy market, in the power generation and commercialization segment, its main line of business to date.

Albanesi Group had at the date these condensed interim financial statements were signed a total installed capacity of 1,520 MW, representing 6.1% of the total installed Plant capacity in Argentina, it being expanded with additional 375 MW with all the new projects awarded and currently under way.

Central Térmica Modesto Maranzana

GMSA is the owner of Central Térmica Modesto Maranzana (“CTMM”), located in Río Cuarto, Province of Córdoba. The Power Plant originally had a combined cycle in operation with a capacity of 70 MW, in two blocks of 35 MW each, and each block with a Frame Gas Turbine 5, a Generator and a Steam Turbine in a single axis system.

In October 2008, GMSA completed the first stage of the project to extend the Power Plant. To this end, two new aero-derivative gas turbines FT8-3 SwiftPac 60 PWPS of 60 MW were installed and started up. Each has two aero-derivative gas turbines of 30MW that transmit their power to a single generator thus offering great flexibility in the operation.

Continuing with its expansion process, CTMM installed a third PWPS FT8-3 SwiftPac 60 turbine of 60 MW in 2010, which became operative in September of that year, thus reaching an installed capacity of 250 MW at the Power Plant.

On March 28, 2016, GMSA signed an agreement with Siemens Industrial Turbomachinery AB for CTMM for the provision and assembly of two Siemens SGT-800 turbines of 50MW nominal each. This enlargement was made under an agreement signed pursuant to Resolution No. 220/07 of the Energy Secretariat. On July 6, 2017, the two Siemens SGT-800 turbines were put into commercial operation in the WEM. Thus, the installed capacity of the Power Plant increased from 250 MW to 350 MW.

Through EES Resolution No. 287 - E/2017 of May 10, 2017, the EES instructed CAMMESA to call for those interested parties to offer new thermal generation focused on closure of combined cycles and co-generation technology, with the commitment to be available to meet the demand in the WEM.

GMSA participated in that call for bids and was awarded two projects for closure of combined cycles through EES Resolution No. 926 – E/2017.

NOTE 1: GENERAL INFORMATION (Cont'd)

Central Térmica Modesto Maranzana (Cont'd)

One of those projects is the closure of the combined cycle of the TG06 and TG07 units at CTMM, located in Río Cuarto, Province of Córdoba. The project consists in the installation of a new 54 MW Siemens SGT800 gas turbine (with a guaranteed power of 47.5 MW) and the conversion into combined cycle of the three gas turbines (3x1 configuration). For such conversion, a heat recovery steam generator that will generate steam at two pressures will be installed at the outflow of the gas turbines to feed a steam turbine SST-600 that will supply an additional 65 MW to the network, as well as the necessary infrastructure for its operation and maintenance. The project for the closure of CTMM combined cycle will enable contributing a further 112.5 MW to SADI. The addition of the new gas turbine will demand more fuel for the system. The addition of the turbo steam machine will contribute 65 MW, without additional consumption of fuel, with the complete cycle recording a specific consumption of 1,590 kcal/kWh in the closure of the combined cycle.

This project was awarded under EES Resolution No. 926 – E/2017 on 17 October, 2017, and it is expected to become operative by mid-2020.

The Contract for Wholesale Demand between GMSA and CAMMESA for closure of the combined cycle of the Central Térmica Modesto Maranzana was signed on December 14, 2017.

Central Térmica Independencia

The power plant Central Térmica Independencia (CTI) is located in the city of San Miguel de Tucumán, Province of Tucumán. CTI was out of service, and in 2011 Albanesi Group executed all the works necessary to install 120 MW with PWPS technology, and to refurbish the existing ancillary facilities. It obtained authorization for commercial operation on November 17, 2011.

On June 30, 2016, within the framework of the bidding process called for by the Energy Secretariat through Resolution ES No. 21, GMSA signed a Contract for Wholesale Demand for CTI for the installation of the new thermal generation capacity. The project consists of the installation of 100 MW (92 MW undertaken) in two stages.

To that end, on April 30, 2016, a contract was executed with Siemens Industrial Turbomachinery AB for the purchase of the first SGT-800 turbine of 50 MW, paying on December 2016 50% and financing the remaining 50% in 24 installments as from September 2017. On August 10, 2017, in compliance with the Contract for Wholesale Demand, authorization for commercial operation was obtained for the first stage, for a maximum power of 49.6 MW while operated with natural gas, and 46.5 MW while operated with diesel. It is connected to SADI at the transformer station (ET for its acronym in Spanish) INDEPENDENCIA 132 KV of TRANSNOA, province of Tucumán.

For this purpose, on August 9, 2016, a contract was executed with Siemens Industrial Turbomachinery AB for the purchase of a second SGT-800 turbine of 50 MW, paying on March 2017 50% and financing the remaining 50% in installments as from April 2018.

On February 1, 2018, authorization for commercial operation was obtained for the second stage, for a maximum power of 49 MW while operated with NATURAL GAS and 47 MW while operated with DIESEL.

NOTE 1: GENERAL INFORMATION (Cont'd)

Central Térmica Riojana

Central Térmica Riojana (CTRi) is located in the Province of La Rioja and has 4 power generation units: Fiat TG21 12MW Turbomachinery, John Brown TG22 16MW Turbomachinery, Fiat TG23 12MW Turbomachinery and a Siemens SGT800 TG24 50 MW Turbomachinery, for which a contract was signed with CAMMESA for the increase of the installed capacity by 50 MW under the agreement pursuant to ES Resolution No. 220/07.

The Turbomachinery Siemens was acquired through a contract with Siemens Industrial Turbomachinery AB signed on September 7, 2015. On May 20, 2017, the authorization for commercial operation was obtained for a maximum power of 46.68 MW while operated with natural gas and 45 MW while operated with diesel. It is connected to SADI at the ET La Rioja.

Central Térmica La Banda

Central Térmica La Banda (CTLB) is located in the province of Santiago del Estero and currently has two power generation units Fiat TG21 of 16 MW Turbomachinery and Fiat TG22 of 16 MW Turbomachinery.

Central Térmica Frías

Central Térmica Frias (CTF) is located in the province of Santiago del Estero and has currently 60 MW of nominal thermal power generation capacity through one turbine with PWPS technology which consist of two gas turbines which transmit their mechanical power to only one generator of 60 MW. The machine transforms the chemical energy of the fuel (either liquid or gas, injected into the combustion chambers) into mechanical energy; this is transmitted to the generator, which in turn converts the energy into electricity.

The agreement for the purchase of the turbine established a 4-year financing for USD 12 million by PWPS, upon provisional acceptance. At March 31, 2019, the balance is disclosed under current trade payables for the equivalent to $ 520,200,000.

Central Térmica Ezeiza

Central Térmica Ezeiza (CTE) is situated in the province of Buenos Aires, and has 3 Siemens SGT-800 turbines of 50 MW each. This plant is built within the framework of EES Resolution No. 21/2016.

The commercial operation of the TG02 and TG03 units was authorized on September 29, 2017 to operate for a total of 93 MW, with tariffs denominated in US dollars, for a term of 10 years. They are connected to SADI at the ET TORRES 132 kV in the province of Buenos Aires. Both turbines form part of the first stage of a total project for 150 MW.

For the execution of the first stage, on April 30, 2016, a contract was executed with Siemens Industrial Turbomachinery AB for the purchase of the mentioned turbines, paying 50% of the total amount in September 2016 and financing the remaining 50% in installments as from September 2017.

NOTE 1: GENERAL INFORMATION (Cont'd)

Central Térmica Ezeiza (Cont'd)

As regards the second stage of the project, on August 9, 2016, a contract was executed with Siemens Industrial Turbomachinery AB for the purchase of a third SGT-800 turbine of 50 MW, paying 50% of the total in March 2017 and financing the remaining 50% in installments as from April 2018. Authorization for commercial operation of the second stage was obtained on February 3, 2018.

Through EES Resolution No. 287 - E/2017 of May 10, 2017, the EES instructed CAMMESA to call for those interested parties to offer new thermal generation focused on closure of combined cycles and co-generation technology, with the commitment to be available to meet the demand in the WEM.

GMSA participated as bidder and was awarded two projects for the closure phase in combined cycle power plants under EES Resolution 926 - E/2017.

One of the awarded projects was the closure of combined cycle of CTE TG01, TG02 and TG03 units. The project related to this bidding process consists in i) the installation of a fourth Siemens SGT-800 gas turbine of 54 MW and ii) the conversion into combined cycle of the four gas turbines. For the conversion into combined cycle, a steam recovery boiler will be installed at the gas exhaust of each of the gas turbines, which will produce steam in two pressures to feed two steam turbines (2x1 configuration) that will deliver 44 MW each to the network.

The project for the closure of CTE combined cycle will enable contributing a further 138 MW to SADI. Although the new gas turbine to be installed will consume additional fuel, the inclusion of two steam turbines will contribute a further 88 MW without additional fuel consumption, and the two full cycles will have a specific consumption of 1,590 Kcal/KWh.

This project was awarded under EES Resolution No. 926 - E/2017 on October 17, 2017 and its placing into service is planned for 2020.

The Contract for Wholesale Demand between GMSA and CAMMESA for the closure of the combined cycle of the Central Térmica Ezeiza was signed on December 14, 2017.

NOTE 1: GENERAL INFORMATION (Cont’d)

Maintenance contract

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

In addition, GMSA signed with Siemens S.A. and Siemens Industrial Turbomachinery AB a global service and spare part agreement for the power plants CTRi, CTMM, CTI and CTE. As set forth in the agreements, Siemens must provide on-site technical assistance on a permanent basis, a remote monitoring system to follow up on the performance of the turbines, 24-hour assistance from the engineering department, original spare parts in a timely manner and repairs for planned and corrective maintenance. In addition, the agreement establishes that Siemens will make available to GMSA replacement equipment (engine gas generator), if necessary, for CTRi, CTMM, CTI and CTE. Siemens thus guarantees an average availability of not less than ninety six percent (96%) to the above mentioned power plants for each biannual measurement period. In addition, the power plants have their own repair shop with tools and spare parts in stock to make on-site repairs. Compliance with the energy sale agreement with CAMMESA under Resolution No. 220/07 (for power plants CTRi and CTMM) and Resolution No. 21/16 (for power plants CTI and CTE) is thus guaranteed.

The environment

CTMM has maintained certification of an Integrated Management System under ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007. The pertinent documentation has been updated in compliance with the new management requirements, as a result of the enlargement of its electric power generation process.

The staff has been trained according to the training needs identified for a correct performance of duties, and the controls and preventative follow-ups undertaken have been performed as planned.

In July 2017, the Environmental and Quality Management Systems were migrated to the new 2015 version and placed in production, upon completion of the respective in-house training and distance learning.

During the period from October to November 2017, a new external audit on maintenance control of the Integrated Management System was conducted by IRAM as the certification agency, with a positive outcome.

NOTE 1: GENERAL INFORMATION (Cont'd)

The environment (Cont'd)

CTI, CTLB, CTRi and CTF have maintained certification of an Environmental Management System under ISO 14001:2015, developed and implemented within the corporation. The pertinent documentation has been updated in compliance with the new management requirements of the organization, as a result of the changes introduced with the updated version of the Standard and the field realities in view of the project development related to the expansion of the existing processes and the installation of new generation sites.

The staff has been trained according to the training needs identified for a correct performance of duties, and the controls and preventative follow-ups undertaken have been performed according to planning.

In July 2017, the Environmental Management System was migrated to the new 2015 version and placed in production, upon completion of the respective in-house training and distance learning.

During the period from October to November 2017, a new external audit on maintenance control of the Management System was conducted by the IRAM as certification agency, with a positive outcome.

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

Sales under SRRyME Resolution No. 1/2019

SRRyME Resolution 1/2019 was published on February 28, 2019, replacing ES Resolution No. 19/2017. This resolution establishes new remuneration mechanisms for the generators, co-generators and self-generators in the WEM which do not have WEM Supply Contracts.

First, it establishes the Guaranteed Power Availability system to report on power availability on a quarterly basis.

Second, the resolution establishes a remuneration mechanism for power and energy.

The remuneration for power availability consists of a minimum price associated with the Real Power Availability (DRP, its Spanish acronym) and a price for guaranteed power, as per compliance with a Guaranteed Power Supply (DIGO, its Spanish acronym).

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

Sales under SRRyME Resolution No. 1/2019 (Cont'd)

Remuneration for power is affected depending on the use factor of the power generation equipment. The following table shows the Base Price for the Power, according to the technology and scale (PrecBasePot):

TECHNOLOGY/SCALE	PrecBasePot [USD/MW-month]
CC large P > 150 MW	3,050
CC small P≤150 MW	3,400
TV large P >100 MW	4,350
TV small P ≤ 100 MW	5,200
TG large P >50 MW	3,550
TG small P ≤ 50 MW	4,600
Internal combustion engines	5,200

The following table shows the Price for Availability (DIGO):

Period	PrecPotDIGO [USD/MW-month]
Summer: December - January - February	7,000
Winter: June - July - August	7,000
Rest of the year: March - April - May - September - October - November	5,500

These two prices will be affected by the Use Factor, which is the relation between the energy actually generated each year and the actual energy available at the power plant (without forced unavailability or maintenance).

Variable costs of non-fuels of 4 USD/MWh for natural gas and 7 USD/MWh for diesel or fuel oil -at the most- are recognized per type of fuel consumed by the power plant for the energy actually generated for conventional thermal power generation. Only 50% of non-fuel variable costs will be remunerated for the Energy Generated in case a power plant that has opted to get its own fuel for power generation does not have the fuel required for such generation when called for dispatch. Lastly, generators receive a monthly remuneration for the Energy Operated, represented by the integration of hourly powers in the period, valued at 1.4 USD/MWh for any type of fuel.

Section 8 of SRRyME Resolution provides that CAMMESA will convert the dollar-denominated prices into Argentine pesos, applying the “A” 3500 (Wholesale) Exchange Rate in effect on the day preceding the due date of the economic transactions.

The resolution was effective as from March 1, 2019.

NOTE 3: BASIS FOR PRESENTATION

The Condensed Interim financial statements for the three-month periods ended March 31, 2019 and 2018 have been prepared in accordance with IAS 34. This Condensed Interim financial information must be read jointly with the Company's financial statements for the year ended December 31, 2018.

The presentation in the Condensed Interim 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 twelve months following 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 1 and ends December 31 of each year.

Economic and financial results are presented on the basis of the fiscal year, in proportion to the elapsed period.

The Condensed Interim financial statements for the three-month period ended March 31, 2019 and 2018 have not been audited. Company's management estimates that they include all adjustments necessary to reasonably present the results for each period. The results for the three-month period ended March 31, 2019 and 2018 do not necessarily reflect a proportionate percentage of the Company's results for full years.

These Condensed Interim financial statements are stated in pesos, without cents, the same as the notes, except for the net earnings per share.

These Condensed Interim financial statements were approved for issuance by the Company's Board of Directors on May 10, 2019.

Going concern principle

At the date of these Condensed Interim financial statements, there is no uncertainty as to events or conditions that could raise doubt about the Company's ability to continue operating normally as a going concern.

Comparative information

Balances at December 31, 2018 and for the three-month period ended March 31, 2018, disclosed for comparative purposes in these Condensed Interim financial statements, arise from financial statements at those dates, restated to constant currency at March 31, 2019. 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

These Condensed Interim financial statements are stated in constant currency as established by IAS 29. See a description of the procedure for the adjustment for inflation in Note 3 to the December 31, 2018 financial statements.

NOTE 4: ACCOUNTING POLICIES

The accounting policies adopted for these Condensed Interim financial statements are consistent with those used in the audited financial information corresponding to the last fiscal year, which ended on December 31, 2018, except for those mentioned below.

There are no new IFRS or IFRIC applicable as from the current period which have a material impact on the Condensed Interim financial statements of the Company.

These Condensed Interim financial statements must be read together with the audited financial statements at December 31, 2018 prepared under IFRS.

The Company measures facilities, machinery and buildings at fair value less accumulated depreciation and impairment losses recognized at the date of revaluation, if any. Land is measured at fair value and is not depreciated. (See accounting policy of property, plant and equipment in Note 4 to the Financial Statements at December 31, 2018). Revaluations are made frequently enough to make sure that the fair value of a revalued asset does not differ significantly from its carrying amount.

On March 31, 2019, the Company revalued land, buildings, facilities and machinery, for there have been important changes in the fair values of those assets caused by macroeconomic fluctuations.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

In preparing these Condensed Interim 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, 2018.

5.1) Fair value of property, plant and equipment

The Company has opted to value land, buildings, facilities and machinery at fair value applying discounted cash flows or comparables techniques.

For the determination of the fair value of land and buildings, market quotations have been used requested from expert external appraisers. The values obtained, in the case of property, include the current status of assets.

The fair value calculated by means of the discounted cash flow was used to value facilities and machinery. This cash flow was prepared on the basis of estimates with an approach to consider different scenarios according to their probability of occurrence.

NOTE 5: CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (Cont’d)

5.1) Fair value of property, plant and equipment (Cont’d)

The following variables have been taken into account in relation to the estimates made: (i) exchange rate fluctuations; (ii) availability and dispatch of turbines associated with demand projections according to vegetative growth; (iii) operating and maintenance cost; (iv) number of employees; (v) discount rate used, among others. Each of these scenarios contemplate different assumptions regarding the critical variables used.

The discounted cash flow at March 31, 2019 considers two scenarios (pessimistic and basic scenarios) with different probabilities of occurrence. The two scenarios arise from current rate schedules and are combined with different turbine dispatch alternatives.

The criteria considered in each scenario are the following:

1. Base scenario: in this case the Company considers a historical average availability and an expected dispatch according to projections of the demand for energy with a vegetative growth. Probability of occurrence assigned: 70%.

2. Pessimistic scenario: in this case the Company considers a historical average availability and a dispatch of less than expected of the demand for energy. Probability of occurrence: 30%.

In all scenarios a discount rate in dollars of approximately 10.86% was used, which contemplates the future scenarios.

The percentages of probability of occurrence assigned are mainly based on the occurrence of different past events (experience).

Actual results could differ from the estimates, so the projected cash flows might be badly affected if any of the above-mentioned factors changes in the near future.

The Company cannot assure that the future behavior of those variables will be in line with projections, and differences might arise between the estimated cash flows and the ones really obtained.

The fair value determination of property, plant and equipment is significantly affected by the dollar exchange rate. This situation, valuation processes and results are discussed and approved by the Board of the Companies at least once a year.

However, if the discounted cash flow differs by 10% from Management estimates, the Company will need:

- To increase the fair value of land, buildings, facilities and machinery by $ 2,263 million, if it were favorable; or
- To reduce the fair value of land, buildings, facilities and machinery by $ 2,263 million, if it were not favorable.

NOTE 6: FINANCIAL RISK MANAGEMENT

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

These Condensed Interim financial statements do not include all the information required for the annual financial statements regarding risk management. They must be read jointly with the financial statements for the year ended December 31, 2018. No significant changes have been made to risk management policies since the last annual closing.

NOTE 7: SALES REVENUE

	03.31.2019	03.31.2018
Sale of electricity Res. No. No. 95, as amended, plus spot	69,694,024	105,050,733
Energía Plus sales	396,522,453	400,243,333
Sale of electricity Res. No. 220	607,078,684	552,249,778
Sale of electricity Res. No. 21	864,476,770	412,530,117
	1,937,771,931	**1,470,073,961**

NOTE 8: COST OF SALES

	03.31.2019	03.31.2018
Purchase of electric energy	(165,905,847)	(326,629,425)
Gas and diesel consumption at the plant	-	(4,958,555)
Fees and compensation for services	(3,075,849)	(2,408,270)
Salaries and social security contributions	(66,442,578)	(28,469,655)
Defined benefit plan	(522,056)	(6,496,053)
Other employee benefits	(3,975,764)	(3,222,015)
Taxes, rates and contributions	(10,371,307)	(6,225,071)
Maintenance services	(157,228,851)	(98,686,155)
Depreciation of property, plant and equipment	(298,339,733)	(194,476,110)
Per diem, travel and representation expenses	(7,735,418)	(1,644,983)
Insurance	(10,104,475)	(14,090,694)
Communication expenses	(2,990,538)	(2,207,582)
Sundry	(1,749,035)	(1,664,954)
	(728,441,451)	**(691,179,522)**

NOTE 9: SELLING EXPENSES

	03.31.2019	03.31.2018
Taxes, rates and contributions	(1,033,356)	(582,676)
Bad debts	(59,268)	-
	(1,092,624)	**(582,676)**

NOTE 10: ADMINISTRATIVE EXPENSES

	03.31.2019	03.31.2018
Fees and compensation for services	(30,137,536)	(28,818,149)
Taxes, rates and contributions	(448,999)	(871,851)
Per diem, travel and representation expenses	-	(1,304,833)
Insurance	-	(11,531)
Office expenses	(272,458)	(366,321)
Communication expenses	(39,086)	(153,461)
Rental	(1,475,271)	(1,908,604)
Donations	(76,800)	(919)
Sundry	(351,903)	(940,461)
	(32,802,053)	**(34,376,130)**

NOTE 11: FINANCIAL RESULTS

	03.31.2019	03.31.2018
Financial income		
Commercial interest	9,355,407	10,135,808
Interest on loans granted	101,530,154	11,907,675
Total financial income	**110,885,561**	**22,043,483**
Financial expenses		
Interest on loans	(368,383,391)	(322,782,580)
Commercial and other interest	(13,298,574)	(7,261,477)
Bank expenses and commissions	(591,745)	(1,053,784)
Total financial expenses	**(382,273,710)**	**(331,097,841)**
Other financial results		
Exchange differences, net	(2,428,699,235)	(808,802,820)
Changes in the fair value of financial instruments	(16,289,391)	29,191,125
RECPAM	1,827,287,638	770,240,825
Other financial results	(39,140,418)	(54,154,481)
Total other financial results	**(656,841,406)**	**(63,525,351)**
Total financial results, net	**(928,229,555)**	**(372,579,709)**

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	Original values						Depreciation					Net amount at end of period/year	
Type of asset	**At beginning of period/year**	**Increases**	**Transfers/ withdrawals**	**Technical revaluation (2)**	**Recovery / (Impairment)**	**At the end of period/year**	**Accumulated at beginning of period/year**	**For the period/year (1)**	**Technical revaluation**	**Recovery / (Impairment)**	**Accumulated at the end of period/year**	**At 03.31.2019**	**At 12.31.2018**
Land	669,869,551	553,507	-	-	-	670,423,058	-	-	-	-	-	670,423,058	669,869,551
Buildings	1,050,659,438	-	-	(11,479,001)	-	1,039,180,437	5,735,675	5,743,326	(11,479,001)	-	-	1,039,180,437	1,044,923,764
Facilities	2,802,121,447	147,237	1,039,187	(130,585,986)	-	2,672,721,885	37,837,132	41,716,957	(79,554,089)	-	-	2,672,721,885	2,764,284,313
Machinery	20,795,671,055	226,823	7,105,978	(691,825,839)	-	20,111,178,017	279,488,347	248,183,562	(527,671,909)	-	-	20,111,178,017	20,516,182,708
Works in progress - Extension of Plant	1,729,840,326	466,137,480	(8,145,165)	-	-	2,187,832,641	-	-	-	-	-	2,187,832,641	1,729,840,326
Computer and office equipment	38,254,877	410,414	-	-	-	38,665,291	25,864,118	1,560,807	-	-	27,424,925	11,240,366	12,390,759
Vehicles	24,815,194	-	-	-	-	24,815,194	11,445,041	1,135,081	-	-	12,580,122	12,235,072	13,370,153
Spare parts and materials	101,474,639	-	-	-	-	101,474,639	-	-	-	-	-	101,474,639	101,474,639
Total at 03.31.2019	**27,212,706,527**	**467,475,461**	**-**	**(833,890,826)**	**-**	**26,846,291,162**	**360,370,313**	**298,339,733**	**(618,704,999)**	**-**	**40,005,047**	**26,806,286,115**	
Total at 12.31.2018	**17,848,096,590**	**2,513,953,878**	**-**	**3,965,142,969**	**2,885,513,090**	**27,212,706,527**	**24,323,352**	**1,007,440,215**	**(1,159,069,454)**	**487,676,200**	**360,370,313**		**26,852,336,214**
Total at 03.31.2018	**17,848,096,588**	**788,366,975**	**-**	**-**	**-**	**18,636,463,563**	**24,323,352**	**194,476,110**	**-**	**-**	**218,799,462**	**18,417,664,101**	

(1) Depreciation charges for the three-month period ended March 31, 2019 and for the fiscal year ended December 31, 2018 were allocated to cost of sales.

(2) At March 31, 2019, impairment of $ 215,185,827 was recorded as a result of revaluation, offset by the accumulated depreciation of $ 618,704,999 at the time of the revaluation.

NOTE 13: CASH AND CASH EQUIVALENTS

	03.31.2019	12.31.2018
Cash	520,699	546,650
Banks in local currency	8,806,540	100,530,409
Banks in foreign currency	4,209,669	68,823,678
Mutual funds	75,040,563	175,394,341
Checks to be deposited	28,315,776	-
	116,893,247	**345,295,078**

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

	03.31.2019	03.31.2018
Cash and cash equivalents	116,893,247	483,691,643
Cash and cash equivalents (bank overdraft included)	**116,893,247**	**483,691,643**

NOTE 14: CAPITAL STATUS

Share capital subscribed at March 31, 2019 amounted to $ 138,172,150.

NOTE 15: EARNINGS (LOSSES) 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.

	03.31.2019	03.31.2018
Income for the period	226,165,748	268,504,853
Weighted average outstanding ordinary shares	138,172,150	138,172,150
Basic earnings per share	**1.6368**	**1.9433**

There are no differences in the calculation of the basic earnings per share and the diluted earnings per share, as there are no preferred shares or negotiable obligations convertible into ordinary shares.

NOTE 16: LOANS

Non-Current	03.31.2019	12.31.2018
International bond	11,539,674,895	11,219,642,676
Foreign loan debt	431,565,278	629,294,203
Negotiable obligations	2,679,874,380	2,648,735,762
Finance lease debts	64,488,415	70,553,150
	14,715,602,968	**14,568,225,791**
Current		
International bond	199,758,817	465,630,923
Foreign loan debt	479,731,741	476,708,715
Syndicated loans	840,827,527	1,096,516,827
Negotiable obligations	84,011,346	383,354,155
CAMMESA	4,969,812	6,787,209
Other bank debts	564,245,395	434,248,536
Finance lease debts	33,230,883	33,716,502
	2,206,775,521	**2,896,962,867**

At March 31, 2019, total financial debt amounted to $ 16,922 million. The following table shows the total debt at that date.

	Principal	Balances at March 31, 2019	Interest rate	Currency	Date of Issue	Maturity date
		(Pesos)	(%)			
Loan agreement						
Cargill	USD 20,000,000	911,297,019	LIBOR + 4.25%	USD	February 16, 2018	January 29, 2021
Subtotal		**911,297,019**				
Debt securities						
International Bond	USD 266,000,000	11,739,433,712	9.625%	USD	July 27, 2016	July 27, 2023
Class VI Negotiable Obligations	USD 34,696,397	1,514,020,212	8%	USD	February 16, 2017	February 16, 2020
Class VIII Negotiable Obligations	$ 312,884,660	371,450,888	BADLAR + 5%	ARS	August 28, 2017	August 28, 2021
Class I Negotiable Obligation co-issuance	USD 20,000,000	878,414,626	6.68%	USD	October 11, 2017	October 11, 2020
Subtotal		**14,503,319,438**				
Syndicated loan						
ICBC / Hipotecario / Citibank	USD 19,500,000	840,827,527	10.50%	USD	December 27, 2018	December 27, 2019
Subtotal		**840,827,527**				
Other liabilities						
CAMMESA		4,969,812				
Supervielle loan	USD 1,015,246	44,147,241	9.50%	USD	November 13, 2018	May 9, 2019
Macro loan	USD 5,000,000	218,080,192	7.00%	USD	August 30, 2018	July 10, 2019
Chubut loan	USD 759,582	32,877,442	10.50%	USD	December 28, 2018	December 28, 2019
Chubut loan	USD 678,156	29,607,263	10.50%	USD	October 30, 2018	May 1, 2019
Chubut loan	USD 836,893	36,467,174	10.50%	USD	February 13, 2019	August 13, 2019
Supervielle loan	USD 668,683	29,166,084	9.00%	USD	February 6, 2019	May 6, 2019
Supervielle loan	USD 2,007,523	87,154,867	9.00%	USD	February 21, 2019	May 22, 2019
Supervielle loan	USD 2,000,000	86,745,132	9.50%	USD	March 29, 2019	July 26, 2019
Financial lease		97,719,298				
Subtotal		**666,934,505**				
Total loans		**16,922,378,489**				

NOTE 16: LOANS (Cont'd)

a) Issuance of international bonds

On July 7, 2016, under CNV Resolution No. 18110, GMSA, GFSA and CTR obtained authorization for the co-issuance in the domestic and international markets of simple guaranteed unsubordinated negotiable obligations, not convertible for shares. On July 27, 2016, Negotiable Obligations were issued for USD 250 million, maturing in 7 years. The Negotiable Obligations are unconditionally and fully guaranteed by ASA.

The Negotiable Obligations have a Moody's B2 rating.

This issuance allowed financing investments under the Company's expansion plans, as a result of the award by the ES of Wholesale Demand Contracts through Resolution No. 115/2016 dated June 14, 2016, and also the Co-issuers' projects under development, which in the aggregate represent works for installing 460 nominal MW. In addition, it allowed for improving the Co-issuers' financial profile with the early repayment of existing loans at the date of issue, obtaining a term for financing in accordance with the projects under financing and also a considerable decrease in financing costs, thus achieving greater financial efficiency and release of guarantees.

On November 8, 2017, under RESFC-2017-19033-APN-DIR#CNV Resolution, GMSA and CTR obtained authorization from the CNV for the International Bond reopening. On December 5, 2017, Negotiable Obligations were issued for USD 86 million, with a nominal value of USD 336 million. The negotiable obligations have the same conditions as the originally issued ones.

International Bond:

Principal: Nominal value: USD 336,000,000; amount assigned to GMSA: USD 266,000,000 (Considering GFSA merger effect).

Interest: Fixed rate of 9.625%

Amortization term and method: Interest on the International Bond shall be paid semi-annually in arrears, on the following dates: January 27 and July 27 of each year, commencing on January 27, 2017 to maturity.

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

Principal balance on the International Bond outstanding at March 31, 2019 is USD 266,000,000.

As a result of the issue of International Bonds, the Company has undertaken standard commitments for this type of issue, whose specific conditions are detailed in the pertinent public prospectus. At the date of these Condensed Interim financial statements, the Company is in compliance with all commitments undertaken.

NOTE 16: LOANS (Cont'd)

a) Issuance of international bonds (Cont'd)

On October 23, 2018, the Company arranged for hedging on the US dollar exchange rate, which gave it certainty as to the dollar exchange rate applicable to the interest on the international bond to be paid on July 22, 2019.

b) Negotiable obligations:

On October 17, 2012, GMSA obtained, under Resolution 16942 of the CNV, authorization for: (i) incorporation of GMSA to the public offering system; and (ii) creation of a global program to issue simple negotiable obligations (non-convertible into shares), for a total outstanding nominal value of up to USD 100,000,000 (one hundred million US dollars) or its equivalent in other currencies, in one or more classes or series.

In line with the preceding paragraph, on September 26, 2017, GMSA and CTR obtained under RESFC-2017-18947-APN-DIR#CNV Resolution authorization from the CNV for the creation of a program for the co-issuance in the local market of simple negotiable obligations, not convertible into shares, for a total outstanding nominal value of up to USD 100 million (one hundred million United States dollars) or its equivalent in other currencies.

On February 4, 2019, the Board of Directors approved an increase to USD 300,000,000 in the maximum amount under the Program for the co-issuance of simple negotiable obligations (not convertible into shares) for up to USD 100,000,000 (or its equivalent in other currencies), as approved by Resolution No. RESFC-2017-18947-APN-DIR#CNV dated September 26, 2017 of the National Securities Commission (the “Program”), jointly with CTR/GMSA.

The proceeds from the placement shall be applied to (i) investments in physical assets and capital goods, mainly for the development of cycle closure projects for CTMM and CTE; (ii) working capital; (iii) financing of business activity; and (iv) for corporate purposes in general.

At March 31, 2019 there are outstanding Class VI and Class VIII Negotiable Obligations (GMSA) and Class I Negotiable Obligations (GMSA-CTR Co-issuance), issued by the Company for the amounts and under the following conditions: In addition, Class VII (GMSA) negotiable obligations were redeemed during the current period.

Class VI Negotiable Obligations:

Principal: Nominal value: USD 34,696,397

Interest: 8% annual nominal, paid quarterly as from May 16, 2017 to maturity.

Amortization term and method: one-off payment once 36 months have elapsed from disbursement of funds.

The negotiable obligations were paid up in cash and in kind, in the latter case through a swap of Class V Negotiable Obligations for USD 448,262.

<u>NOTE 16</u>: LOANS (Cont'd)

b) Negotiable obligations (Cont'd)

Class VI Negotiable Obligations (Cont'd)

The proceeds from the issue of Class VI Negotiable Obligations were applied to investments in property, plant and equipment on various extension projects of GMSA and refinancing of liabilities, improving the Company's indebtedness profile.

Principal balance on those negotiable obligations outstanding at March 31, 2019 is USD 34,696,397.

Class VIII Negotiable Obligations:

Class VIII negotiable obligations were issued on August 28, 2017 and were fully subscribed in kind.

Principal: Nominal value: $ 312,884,660

Interest: Private Banks BADLAR rate plus a 5% margin. Payable quarterly as from November 29, 2017 to maturity.

Amortization term and method: one-off payment once 48 months have elapsed from disbursement of funds.

The proceeds from the issue of Class VIII negotiable obligations were fully applied to the refinancing of liabilities, improving the Company's indebtedness profile.

Principal balance on that Negotiable Obligation amounted to $312,884,660 at March 31, 2019.

Class I Negotiable Obligation (GMSA and CTR co-issuance)

Co-issuance of Class I negotiable obligations took place on October 11, 2017 and were fully subscribed in cash.

Principal: total nominal value USD 30,000,000; amount assigned to GMSA: USD 20,000,000

Interest: 6.68% annual nominal rate, payable quarterly as from January 11, 2018 to maturity.

Amortization term and method: one-off payment 36 months following disbursement of funds.

The Negotiable Obligations were paid up in cash.

The proceeds from the issue of the Class I Negotiable Obligations will be destined mainly to investments in property, plant and equipment on the various expansion projects at GMSA and CTR and, to a lesser extent, to working capital and refinancing liabilities.

Principal balance on those negotiable obligations outstanding at March 31, 2019 is USD 20,000,000.

NOTE 16: LOANS (Cont'd)

c) Loan from CAMMESA

At March 31, 2019, the Company holds financial debts with CAMMESA for $ 4,969,812, guaranteed by the assignment of 100% of the present and future credit rights for the sale of electricity in the Spot Market of the WEM, from the implementation of a trust agreement in accordance with Law No. 24441.

This debt was incurred to finance the program for repairing the gas turbines, and for the control systems of turbines and generators, improving the protection system, adapting the natural gas feeding system and other ancillary works in CTRi.

This loan has a repayment period set in 48 monthly and consecutive installments, to which interest must be added applying the rate equivalent to the return obtained by the Dispatch Management Agency (CAMMESA) on financial placements in the WEM. At the closing date of these Condensed Interim financial statements 44 installments had been paid, equivalent to $ 24,747,502.

Principal balance on that debt at March 31, 2019 is $4,969,812.

d) Cargill Loan

On February 16, 2018, the Company obtained a loan from Cargill Limited for USD 25,000,000 repayable in 36 installments, with a grace period of 12 months. Amortization will be in half-yearly installments of principal and interest at LIBOR 360 plus 4.25%.

Principal balance on that debt at March 31, 2019 is USD 20,000,000.

e) Syndicated loan

On December 27, 2018, GMSA obtained a 12-month loan from Banco ICBC Argentina S.A. for USD 26,000,000, with quarterly amortization of principal and accruing interest at a fixed rate of 10.50%.

Principal balance on that debt at March 31, 2019 is USD 19,500,000.

NOTE 16: LOANS (Cont'd)

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

	03.31.2019	12.31.2018
Fixed rate		
Less than 1 year	1,626,565,732	2,017,790,001
Between 1 and 2 years	2,373,273,316	2,306,800,480
Between 2 and 3 years	2,572,468	2,875,458
After 3 years	11,534,529,958	11,213,891,760
	15,536,941,474	**15,541,357,699**
Floating rate		
Less than 1 year	580,209,789	879,172,866
Between 1 and 2 years	450,775,431	438,767,660
Between 2 and 3 years	332,272,077	581,013,638
After 3 years	22,179,718	24,876,795
	1,385,437,015	**1,923,830,959**
	16,922,378,489	**17,465,188,658**

The fair value of Company's international bonds at March 31, 2019 and December 31, 2018 amounts to approximately $ 10,030 million and $ 8,917 million, respectively. Fair value was calculated based on the estimated market price of the Company's international bonds at the end of each fiscal year/period. The applicable fair value category would be Level 1.

The other loans at variable rates have been stated at fair value. Given the proximity of their issuance, fixed-rate loans do not differ significantly from their fair value.

Fair values are based on the present value of contractual cash flows, applying a discount rate derived from observable market prices of other similar debt instruments, plus the respective credit risk.

Company loans are denominated in the following currencies:

	03.31.2019	12.31.2018
Argentine pesos	474,139,997	817,828,038
US dollars	16,448,238,492	16,647,360,620
	16,922,378,489	**17,465,188,658**

NOTE 16: LOANS (Cont'd)

Changes in Company loans were as follows:

	03.31.2019	03.31.2018
Loans at beginning of the period	17,465,188,656	11,989,273,041
Loans received	279,455,000	2,360,660,149
Loans paid	(705,537,589)	(901,760,622)
Accrued interest	441,268,241	425,573,617
Interest paid	(842,988,646)	(544,041,006)
Exchange difference	2,154,452,715	891,136,013
Capitalized expenses	(6,801,111)	(32,967,588)
RECPAM	(1,862,658,777)	(748,423,197)
Loans at period end	**16,922,378,489**	**13,439,450,407**

NOTE 17: ALLOWANCES AND PROVISIONS

	For trade receivables	For contingencies
Balances at December 31, 2018	2,968,565	5,012,828
Decreases	(59,268)	(1,966,917)
RECPAM	(253,533)	(528,207)
Balances at March 31, 2019	**2,655,764**	**2,517,704**

Provisions cover contingencies arising in the ordinary course of business and other sundry risks that could create obligations for the Company. In estimating the amounts and probabilities of occurrence, the opinion of the Company's legal advisors has been considered.

NOTE 18: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

	Gain / (loss) $	
a) Sales of energy	**03.31.2019**	**03.31.2018**
Other related parties:		
Solalban Energía S.A.	175,158	8,531,112
RGA	26,276,891	24,325,113
	26,452,049	**32,856,225**
b) Purchase of gas and energy		
Other related parties:		
Solalban Energía S.A.	24,568	(123,261)
RGA	(1,036,941,927)	(896,277,208)
	(1,036,917,359)	**(896,400,469)**
c) Administrative services and management		
Other related parties:		
RGA	(72,930,102)	(30,511,191)
	(72,930,102)	**(30,511,191)**
d) Rental		
Other related parties:		
RGA	(1,475,271)	(1,864,967)
	(1,475,271)	**(1,864,967)**
e) Other purchases and services received		
Other related parties:		
BDD – Purchase of wines	-	(442,904)
AJSA - Flights made	(32,018,070)	-
ASA - guarantee	(1,012,053)	(1,535,266)
	(33,030,122)	**(1,978,170)**
f) Recovery of expenses		
Other related parties:		
RGA	423,893	16,092,144
GROSA	233,498	9,405,574
CTR	3,616,421	11,442,073
GECE	-	7,939,012
AESA	22,363	-
	4,296,175	**44,878,803**

NOTE 18: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

	Gain / (loss)	
	$	
	03.31.2019	**03.31.2018**
g) Interest generated due to loans granted		
Other related parties:		
CTR	22,991,447	-
GROSA	-	4,672,480
Directors	1,380,762	1,349,354
ASA	77,157,945	6,206,704
	101,530,154	**12,228,538**
h) Pipeline works		
Other related parties:		
RGA	(880,491)	(50,127,935)
	(880,491)	**(50,127,935)**
i) Construction work management service		
Other related parties:		
RGA	(20,304,952)	-
	(20,304,952)	**-**

j) Remuneration of key managerial staff

The senior management includes directors (executive and non-executive). Managerial staff's fees at March 31, 2019 and 2018 amounted to $ 11,991,957 and $ 10,480,016, respectively.

	03.31.2019	**03.31.2018**
Salaries	(11,991,957)	(10,480,016)
	(11,991,957)	**(10,480,016)**

NOTE 18: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

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

	03.31.2019	12.31.2018
Current trade receivables with other related parties related parties		
Solalban Energía S.A.	211,739	-
	211,739	**-**
Other current receivables with other related parties		
AESA	11,044,731	12,316,107
ASA	1,207,593,859	894,683,584
CTR	282,882,251	313,627,656
GROSA	156,931	26,510,596
Directors	17,792,473	16,940,978
	1,519,470,245	**1,264,078,921**
Current trade payables with other related parties		
RGA	703,615,872	526,436,828
AJSA	-	5,351,333
Solalban Energía S.A.	-	345,882
	703,615,872	**532,134,043**
Other current debts with other related parties		
BDD	-	1,059,340
	-	**1,059,340**

l) Loans granted to related parties

	03.31.2019	03.31.2018
Loans to Albanesi S.A.		
Balances at beginning	894,683,584	133,450,619
Loans granted	344,860,971	-
Accrued interest	77,157,945	6,206,704
RECPAM	(109,108,641)	(8,519,331)
Balance at period end	**1,207,593,859**	**131,137,992**

Entity	Amount	Interest rate	Conditions
At 03.31.2019			
ASA	998,270,483	35%	Maturity date: 1 year, renewable automatically for up to 5 years
Total in pesos	**998,270,483**		

NOTE 18: TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Cont'd)

	03.31.2019	03.31.2018
Loans to Directors		
Balances at beginning	16,940,978	21,606,436
Loans granted	1,230,354	4,883,995
Accrued interest	1,380,762	1,349,354
RECPAM	(1,759,620)	(638,624)
Balance at period end	**17,792,474**	**27,201,161**

Entity	Amount	Interest rate	Conditions
At 03.31.2019			
Directors	13,646,448	BADLAR + 3%	Maturity date: 1 year
Total in pesos	**13,646,448**		

	03.31.2019	03.31.2018
Loans to Generación Rosario S.A.		
Balances at beginning	26,416,704	65,970,962
Loans granted	-	11,568,878
Loans collected	(25,260,675)	-
Accrued interest	-	4,672,480
RECPAM	(1,156,029)	(4,246,947)
Balance at period end	**-**	**77,965,373**

	03.31.2019	03.31.2018
Loans to Central Térmica Roca S.A.		
Balances at beginning of year	313,598,250	-
Loans granted	8,690,796	-
Loans collected	(28,374,363)	-
Accrued interest	22,991,447	-
RECPAM	(34,368,690)	-
Balance at period end	**282,537,440**	**-**

Entity	Amount	Interest rate	Conditions
At 03.31.2019			
CTR	238,849,369	35%	Maturity date: 1 year
Total in pesos	**238,849,369**		

Receivables from related parties arise mainly from transactions of services provided and fall due in the month following the transaction date. No provisions have been recorded for these receivables from related parties in any of the periods covered by these Condensed Interim financial statements. Trade payables with related parties arise mainly from gas purchase transactions and fall due in the month following the transaction date. Transactions with related parties are performed under similar conditions to those carried out with independent parties.

NOTE 19: RESTRICTED ASSETS AND OTHER COMMITMENTS

Other commitments

Some of the contractual obligations relating to the supply of electric energy to large customers of the MAT at March 31, 2019 and periods in which those obligations must be fulfilled are detailed below. These commitments are originated in supply contracts (energy and power) entered into between the Company and large users on the Forward Market in accordance with regulations set forth by the Energy Secretariat under Resolution 1281/06 (Energía Plus). They are contracts denominated in United States dollars, entered into with private customers.

	Total	Up to 1 year	From 1 to 3 years
Sale Commitments [(1)]			
Electric energy and power - Plus	1,875,057,059	690,984,410	1,184,072,649

(1) Commitments are denominated in pesos and have been valued considering estimated market prices, based on the particular conditions of each contract. They reflect the valuation of the contracts with private customers in force at March 31, 2019, under ES Resolution No. 1281/06.

NOTE 20: WORKING CAPITAL

The Company reports at March 31, 2019 a deficit of $ 2,102,299,390 in its working capital (calculated as current assets less current liabilities), which means an increase of $ 679,672,608, compared to the deficit in working capital at December 31, 2018 ($ 1,422,626,782). The variation is mainly due to the application of funds due to the progress of investment projects developed by the Company.

With the aim of reversing the current deficit in its working capital, GMSA and its shareholders are expecting to execute a plan for refinancing liabilities in the short term.

NOTE 21: STORAGE OF DOCUMENTATION

On August 14, 2014, the CNV adopted General Resolution No. 629 introducing amendments to its regulations on storage and preservation of corporate books, accounting records and business documents. It is informed that the Company has sent for storage its work papers and non-sensitive information for the not yet statute-barred fiscal years to the following supplier:

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

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

<u>NOTE 22</u>: SEGMENT REPORTING

The information on exploitation segments is presented in accordance with the interim 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.

<u>NOTE 23</u>: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY

BLC Asset Solutions B.V.

On February 21, 2018, GMSA signed an agreement with BLC Asset Solutions B.V. (BLC) for the purchase of 2 (two) gas turbines, 3 (three) steam turbines and 7 (seven) steam recovery boilers. Such equipment will be installed at the electric power generation plants located in Río Cuarto, Province of Córdoba, and in Ezeiza, Province of Buenos Aires, for expansion through cycle closures at the two power plants. The purchase agreement sets forth financing by BLC of the total price of the equipment agreed at USD 150,671,217, for a term of 5 years and 5 months.

Siemens Industrial Turbomachinery AB

On June 14, 2016 a Deferred Payment Agreement was entered into with Siemens Industrial Turbomachinery AB, by means of which, upon compliance of the preceding conditions set forth in the agreement, the Company obtained commercial financing for 50% of the amount of the contract signed for the CTMM plant enlargement, equivalent to SEK 177,000,000.

The commercial financing granted will be repaid in installments, with the first installment being payable in August 2017. Payments shall be made in SEK (Swedish Crown).

On September 13, 2016, four Deferred Payment Agreements were executed with Siemens Industrial Turbomachinery AB for the turbines to be installed in CTE and CTI whereby, once fulfilled the preceding conditions fixed in the agreements, the Company will be granted a commercial financing of 50% of the amount of the agreement signed for the enlargement of CTI and the work of Ezeiza, equivalent to SEK 438,960,000.

The commercial financing to be granted will be repaid in installments, with the first installment of two agreements being payable in September 2017 and the rest in April 2018. Payments shall be made in SEK (Swedish Crown).

NOTE 23: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY (Cont'd)

Siemens Industrial Turbomachinery AB (Cont'd)

Future contractual obligations related to the contract with Siemens Industrial Turbomachinery AB are shown below by calendar year:

Commitments (1)		SEK Total financing	**Total**	**2019**	**2020**
			USD		
Siemens Industrial Turbomachinery AB for the acquisition of two Siemens SGT 800 turbines	CTMM	*177,000,000*	**3,198,845**	3,198,845	-
Siemens Industrial Turbomachinery AB for the acquisition of three Siemens SGT 800 turbines	CTE	*263,730,000*	**18,710,042**	13,639,801	5,070,241
Siemens Industrial Turbomachinery AB for the acquisition of two Siemens SGT 800 turbines	CTI	*175,230,000*	**13,351,977**	9,732,121	3,619,856

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

Pratt & Whitney Power System Inc

GFSA signed an agreement with Pratt & Whitney Power System Inc. for the purchase of the FT4000™ SwiftPac® 60 turbine, including whatever is necessary for its installation and start-up. The purchase agreement sets out 4-year financing for USD 12 million by PWPS, upon provisional acceptance by GFSA. This amount is disclosed under current trade payables for the equivalent to $ 520,200,000.

Financing will accrue interest at a rate of 7.67% per annum and will be calculated on a monthly basis of 30 days/360 days annual, with interest capitalized on a quarterly basis.

NOTE 23: EXECUTION OF CONTRACTS TO PURCHASE MACHINERY (Cont’d)

Pratt & Whitney Power System Inc (Cont’d)

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

	Total	2019
Commitments (1)	USD	
PWPS for the purchase of the FT4000™ SwiftPac® turbine	**15,536,480**	15,536,480

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

NOTE 24: COMMITMENTS UNDER FINANCIAL TRANSACTIONS WITH RELATED PARTIES

On March 7, 2019, GECEN reached an agreement with its creditors for the partial repayment of its debt for USD 12,800,000, which was signed jointly by ASA and GMSA, as co-debtors. This debt will accrue interest on a quarterly basis at an annual rate of 13.09%, and will mature on March 20, 2023.

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 March 31, 2019 and 2018

1. A brief description of the activities of the issuing company, including reference to relevant circumstances subsequent to the fiscal closing date.

In accordance with the provisions of CNV General Resolution No. 368/01, and subsequent amendments, we present below an analysis of the results of the operations of GMSA and its net worth and financial position, which must be read together with the interim condensed financial statements attached.

	Three-month period ended March 31:			
	2019	**2018**	**Variation**	**Variation %**
	GWh			
Sales by type of market				
Sales to CAMMESA Res. No. 220	137	168	(31)	(18%)
Sales under Energía Plus	135	132	3	2%
Sale of electricity Res. No. 95, plus spot	110	84	26	31%
Sales of Electricity Res. 21	176	62	114	184%
	558	**446**	**112**	**25%**

Sales by type of market (in millions of pesos):

	Three-month period ended March 31:			
	2019	**2018**	**Variation**	**Variation %**
	(in millions of pesos)			
Sales by type of market				
Sales to CAMMESA Res. No. 220	607.1	552.2	54.9	10%
Sales under Energía Plus	396.5	400.2	(3.7)	(1%)
Sale of electricity Res. No. 95, plus spot	69.7	105.1	(35.4)	(34%)
Sales of Electricity Res. 21	864.5	412.5	452.0	110%
	1,937.8	**1,470.0**	**467.8**	**32%**

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

Summary of Activity at March 31, 2019 and 2018

Results for the three-month periods ended March 31, 2019 and 2019 (in millions of pesos)

	Three-month period ended March 31:			
	2019	**2018**	**Variation**	**Variation %**
Sale of energy	1,937.8	1,470.0	467.8	32%
Net sales	**1,937.8**	**1,470.0**	**467.8**	**32%**
Purchase of electricity	(165.9)	(326.6)	160.7	(49%)
Gas and diesel consumption by the plant	-	(5.0)	5.0	(100%)
Salaries, social security charges and employee benefits	(70.4)	(31.7)	(38.7)	122%
Defined benefit plan	(0.5)	(6.5)	6.0	(92%)
Maintenance services	(157.2)	(98.7)	(58.5)	59%
Depreciation of property, plant and equipment	(298.3)	(194.5)	(103.8)	53%
Insurance	(10.1)	(14.1)	4.0	(28%)
Taxes, rates and contributions	(10.4)	(6.2)	(4.2)	68%
Others	(15.6)	(7.9)	(7.7)	97%
Cost of sales	**(728.4)**	**(691.2)**	**(37.2)**	**5%**
Gross income/(loss)	**1,209.4**	**778.8**	**430.6**	**55%**
Taxes, rates and contributions	(1.1)	(0.6)	(0.5)	85%
Selling expenses	**(1.1)**	**(0.6)**	**(0.5)**	**85%**
Fees and compensation for services	(30.1)	(28.8)	(1.3)	5%
Per diem, travel and representation expenses	-	(1.3)	1.3	(100%)
Leases	(1.5)	(1.9)	0.4	(21%)
Office expenses	(0.3)	(0.4)	0.1	(25%)
Donation	(0.1)	0.0	(0.1)	100%
Others	(0.8)	(2.0)	1.2	(60%)
Administrative expenses	**(32.8)**	**(34.4)**	**1.6**	**(5%)**
Other income	0.2	1.2	(1.0)	(86%)
Operating income/(loss)	**1,175.6**	**745.2**	**430.4**	**58%**
Commercial interest earned	9.4	10.1	(0.7)	(7%)
Interest on loans	(266.9)	(310.9)	44.0	(14%)
Tax and commercial interest paid	(13.3)	(7.3)	(6.0)	82%
Bank expenses and commissions	(0.6)	(1.1)	0.5	(45%)
Exchange differences, net	(2,428.7)	(808.8)	(1,619.9)	200%
RECPAM	1,827.3	770.2	1,057.1	137%
Other financial results	(55.4)	(25.0)	(30.4)	122%
Financial and holding results, net	**(928.2)**	**(372.8)**	**(555.4)**	**149%**
Income/loss before tax	**247.4**	**372.6**	**(125.2)**	**(34%)**
Income tax	(21.2)	(104.1)	82.9	(80%)
Income/(loss) for the period	**226.2**	**268.5**	**(42.3)**	**(16%)**

Summary of Activity at March 31, 2019 and 2018

	Three-month period ended March 31: 2019	2018	Variation	Variation %
Other comprehensive income for the period				
Revaluation of property, plant and equipment	(215.2)	-	(215.2)	100%
Impact on income tax	53.80	-	53.8	100%
Other comprehensive income for the period	**(161.4)**	**-**	**(161.4)**	**100%**
Total comprehensive income/(loss) for the period	**64.8**	**268.5**	**(203.7)**	**(76%)**

Sales:

Net sales for the three-month period ended March 31, 2019 amounted to $ 1,937.8 million, compared with $ 1,470 million for the same period in 2018, showing an increase of $ 467.8 million (or 32%).

During the first three months of 2019 energy dispatch reached 558 GWh, 25% lower than the 446 GWh for the same period in 2018.

The main sources of income of the Company and their performance during the three-month period ended March 31, 2019 compared with the same period of the prior year are described below:

(i) $ 396.5 million from sales under Energía Plus, down 1% from the $ 400.2 million sold in the same period of 2018.

(ii) $ 607.1 million for sales of electricity in the forward market to CAMMESA under the framework of Resolution No. No. 220/07, which accounted for a decrease of 10% from the $ 552.2 million for the same period in 2018. This variation is explained by the higher exchange rate.

(iii) $ 69.7 million for sales of energy under Resolutions Nos. 95/529/482/22/19 and spot market, accounting for a 34% drop with regard to the $ 105.1 million for the same period in 2018.

(iv) $ 864.5 million from sales under Energía Plus, up 110% from the $ 412.5 million sold in the same period of 2018. That variation is due to the putting into operation of the new turbines during the third quarter of 2018.

Cost of sales:

The total cost of sales for the three-month period ended March 31, 2019 reached $ 728.4 million, compared with $ 691.2 million for the same period of 2018, reflecting an increase of $ 37.2 million (or 5%).

Below is a description of the main costs of sales of the Company, in millions of pesos, and their performance during the current period, compared with the same period of the previous fiscal year:

(i) $ 165.9 million from sales under generation plant Plus, accounting for a 49% drop from the $ 326.6 million sold in the same period of 2018.

Summary of Activity at March 31, 2019 and 2018

(ii) There was no cost of consumption of gas and gas oil at the plant, which accounted for a decrease of 100% compared to $ 5.0 million recorded for the same period of 2018. This variation was attributed to a change in the calculation of gas consumption by CAMMESA.

(iii) $ 157.2 million in maintenance services, up 59% from the $ 98.7 million for the same period of 2018. This increase is explained by the higher dollar exchange rate and the start-up of the new turbines.

(iv) $ 298.3 million for depreciation of PP&E, up 53% from the $ 194.5 million for the same period of 2018. This variation was mainly due to the higher depreciation value of buildings, installations and machinery as a result of their revaluation at December 31, 2018, and the start-up of new projects.

(v) $ 70.4 million for salaries and social security contributions, which represented a 122% increase compared to $ 31.7 million for the same period in 2018, mainly attributable to the fact that part of the staff was not directly devoted to new projects as they were completed and finished.

(vi) $ 10.1 million in insurance accounting for a 28% decrease from the $ 14.1 million in the same period of 2018.

<u>Gross income/(loss):</u>

Gross income/(loss) recorded for the three-month period ended March 31, 2019 was $ 1,209.6 million, compared with a profit of $ 778.8 million for the same period in 2018, accounting for a 55% increase. This was attributable to the exchange rate variation and the start-up of the new turbines.

<u>Selling expenses:</u>

Selling expenses for the three-month period ended March 31, 2019 amounted $ 1.0 million loss, compared with $ 0.6 million profit for the same period of 2018, reflecting an increase of $ 0.4 million (or 67%).

<u>Administrative expenses:</u>

Administrative expenses for the three-month period ended March 31, 2019 amounted to $ 32.8 million, compared with $ 34.4 million for the same period of 2018, reflecting a decrease of $ 1.6 million (or 5%).

The main components of the Company's administrative expenses are listed below:

(i) $ 30.1 million in fees and compensation for services, up 5% from the $ 28.8 million for the same period of 2017.

(ii) $ 1.5 million in Leases, down 21% from the $ 1.9 million for the same period in the previous year.

Summary of Activity at March 31, 2019 and 2018

Other income:

Other operating revenue for the period ended March 31, 2019 was worth $ 0.2 million, which accounted for a 86% decrease, compared to the same period of 2018.

Operating profit:

Operating profit for the three-month period ended March 31, 2019 was $ 1,175.6 million, compared with a profit of $ 745.2 million in the same period of 2018, accounting for a 58% increase.

Financial results:

Financial results for the three-month period ended March 31, 2019 amounted to a total loss of $ 928.2 million, compared with a loss of $ 372.8 million for the same period in 2018, which accounted for an increase of 149%.

The most salient aspects of this variation are as follows:

(i) A $ 266.9 million loss from financial interest, a 14% decrease from the $ 310.9 million loss reported in the same period of 2018.

(ii) $ 55.4 for other financial results, up 122% from the $ 25.0 million losses for the same period in 2018.

(iii) Net exchange losses for $ 2,248.7 million, reflecting an increase of 200%, compared to losses for $ 808.8 million in the same period of the previous year.

Income for the period:

The Company reported income before tax of $ 247.4 million for the three-month period ended March 31, 2019, as against $ 372.4 million income in the same period of the previous year, which accounted for a decrease of 34%. This variation is mainly due to the exchange rate fluctuations, changes in interest on loans and an increase in the gross profit.

Income tax for the current period amounted to $ 21.2 million profit, compared with $ 104.1 million loss for the same period in the previous year. Thus obtaining income before income tax for $ 226.2 million compared with $ 268.3 million of income for the year 2018.

Summary of Activity at March 31, 2019 and 2018

2. Balance sheet figures presented comparatively with the previous period:
(in millions of pesos)

	03.31.2019	03.31.2018
Non-current assets	26,935.5	26,988.0
Current Assets	4,292.1	4,293.9
Total Assets	**31,227.6**	**31,281.9**
Equity	7,379.1	7,314.3
Total equity	**7,379.1**	**7,314.3**
Non-Current Liabilities	17,454.1	18,251.1
Current liabilities	6,394.4	5,716.5
Total liabilities	**23,848.5**	**23,967.6**
Total Liabilities and equity	**31,227.6**	**31,281.9**

3. Income statement figures presented comparatively with the previous period:
(in millions of pesos)

	03.31.2019	03.31.2018
Ordinary operating income	1,175.6	745.3
Financial and holding results	(928.2)	(372.8)
Ordinary net income/(loss)	**247.4**	**372.6**
Income tax	(21.2)	(104.1)
Net income/(loss)	**226.2**	**268.5**
Other comprehensive income	(161.4)	-
Total comprehensive income	**64.8**	**268.5**

Summary of Activity at March 31, 2019 and 2018

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

	03.31.2019	03.31.2018
Cash provided by operating activities	1,402.0	47.9
Cash (used in) investment activities	(663.7)	(654.3)
Cash (used in) / provided by financing activities	(1,025.3)	949.3
Increase/(decrease) in cash and cash equivalents	**(286.9)**	**342.9**

5. Ratios presented comparatively with the previous period:

	03.31.2019	03.31.2018
Liquidity (1)	0.67	0.75
Solvency (2)	0.31	0.31
Tied-up capital (3)	0.86	0.86
Indebtedness ratio (4)	3.03	2.32
Interest coverage ratio (5)	3.03	2.64
Profitability (6)	0.03	0.05

(1) Current assets / Current Liabilities
(2) Equity / Total liabilities
(3) Non-current assets / Total assets
(4) Financial debt / Annualized EBITDA (*)
(5) Annualized EBITDA (*) / Annualized accrued interest
(6) Net income for the year/ Total average shareholders' equity

(*) Amount not covered in the Limited Review Report.

Summary of Activity at March 31, 2019 and 2018

6. Brief comment on the 2019 outlook

Commercial and operating sector

Company's management expects to continue operating and normally maintaining the various generating units to maintain high levels of availability in 2019. The fact of introducing more efficient group machines to the Electricity System would imply obtaining higher levels of dispatch, and thus, increasing the generation of electricity with fuel provided by CAMMESA, and in some cases with its own fuel.

Financial situation

In the current year, the Company has the objective of improving the financing structure to complete the projects described, as well as enhancing the financing structure and ensuring the progress of investment works according to the budgeted schedules.

ADDITIONAL INFORMATION REQUIRED BY SECTION 12, CHAPTER III, TITLE IV, OF THE NATIONAL SECURITIES COMMISSION REGULATIONS, FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019

General matters referred to the activity of GMSA

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

   None.

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

   None.

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

	Trade receivables	**Other financial assets at fair value through profit or loss**	**Other receivables**	**Trade payables**	**Loans**	**Salaries and social security liabilities**	**Tax payables and deferred tax liability**	**Defined benefit plan**
	$							
To be due								
First quarter	1,948,531,958	-	524,924,786	2,641,730,096	714,998,027	27,900,168	176,087,331	475,727
Second quarter	-	1,885,000	1,096,585	584,263,180	400,946,354	758,319	-	475,726
Third quarter	-	-	1,096,585	376,715,727	14,378,070	758,319	-	475,726
Fourth quarter	-	-	1,520,566,830	376,715,727	1,076,453,070	758,319	-	475,726
More than 1 year	-	-	62,800,688	393,389,038	14,715,602,968	-	2,329,540,393	13,064,971
Subtotal	**1,948,531,958**	**1,885,000**	**2,110,485,474**	**4,372,813,768**	**16,922,378,489**	**30,175,125**	**2,505,627,724**	**14,967,876**
Past due	-	-	-	-	-	-	-	-
Without any stated term	105,233,885	-	-	-	-	-	-	-
Total at 3/31/2019	**2,053,765,843**	**1,885,000**	**2,110,485,474**	**4,372,813,768**	**16,922,378,489**	**30,175,125**	**2,505,627,724**	**14,967,876**
Non-interest bearing	1,948,531,958	1,885,000	602,561,702	3,836,659,620	-	30,175,125	2,455,875,745	14,967,876
At fixed rate	-	-	1,490,131,299	536,154,148	(1) 15,536,941,474	-	49,751,979	-
At floating rate	105,233,885	-	17,792,473	-	(1) 1,385,437,015	-	-	-
Total at 3/31/2019	**2,053,765,843**	**1,885,000**	**2,110,485,474**	**4,372,813,768**	**16,922,378,489**	**30,175,125**	**2,505,627,724**	**14,967,876**

‘(1) See Note 17 to the condensed interim financial statements at March 31, 2019.

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

Captions	Type and amount of foreign currency		Closing exchange rate (1)	Amount recorded at 03.31.2019	Amount recorded at 12.31.2018
				$	
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents					
Cash	USD	1,400	43.15	60,410	58,684
Banks	USD	97,559	43.15	4,209,669	68,823,678
Trade receivables					
Trade payables - Energía Plus	USD	5,138,762	43.15	221,737,572	264,205,820
Trade receivables - Res. 220/07 - Res. 19/17 - Res. 21/17	USD	38,129,297	43.15	1,645,279,150	1,308,405,420
Trade payables - Rental of tanks	USD	641,404	43.15	27,676,564	26,885,595
Total Current Assets				**1,898,963,365**	**1,668,379,197**
Total Assets				**1,898,963,365**	**1,668,379,197**
LIABILITIES					
CURRENT LIABILITIES					
Trade payables					
Related parties	USD	16,268,575	43.25	703,615,872	531,788,161
Suppliers	USD	14,264,114	43.35	618,349,324	174,232,793
Suppliers	SEK	325,178,500	4.70	1,528,558,445	1,289,744,662
Loans					
Loans	USD	48,588,177	43.35	2,106,297,472	2,494,498,717
Total Current Liabilities				**4,956,821,113**	**4,490,264,333**
NON-CURRENT LIABILITIES					
Trade payables					
Suppliers	USD	9,074,718	43.35	393,389,038	923,770,288
Suppliers	SEK	-	4.70	-	379,098,615
Loans					
Loans	USD	330,840,623	43.35	14,341,941,020	14,152,861,903
Total non-current liabilities				**14,735,330,058**	**15,455,730,806**
Total Liabilities				**19,692,151,171**	**19,945,995,139**

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

5. Intercompany

Percentage of intercompany equity interest:

There are no intercompany equity interests.

Intercompany accounts payable and receivable:

See Note 18 to the condensed interim financial statements at March 31, 2019.

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

   See Note 18 to the condensed interim financial statements at March 31, 2019.

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

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

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

Current values

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

   See Note 5 to the financial statements at December 31, 2018 and Note 4 to the condensed interim financial statements at March 31, 2019.

Property, plant and equipment

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

   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 the limit authorized by Section 31 of Law No. 19550.

   None.

Recoverable values

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

   See Note 4 to the financial statements at December 31, 2018.

Insurance

Kind of Risk	Insured amount 2019	Insured amount 2018
Operational all risks - Material damage	USD 643,345,092	USD 643,345,092
Operational all-risk - Loss of profit	USD 160,919,240	USD 160,919,240
Contractors' all-risk - enlargement of power plants - material damages	USD 341,000,000	USD 341,000,000
Contractors' all-risk - enlargement of power plants - advance loss of profit (alop)	USD 116,986,000	USD 116,986,000
Civil Liability (excess coverage)	USD 9,000,000	USD 9,000,000
Civil Liability (primary)	USD 6,000,000	USD 6,000,000
Directors and Officers (D&O) liability insurance	USD 15,000,000	USD 15,000,000
Automobile	$ 4,315,940	$ 4,315,940
Transport insurance, Argentine and international market	USD 10,000,000	USD 10,000,000
Turbines transport insurance	USD 133,000,000	133,000,000
Directors' bond	$ 450,000	$ 450,000
Customs bond	$ 327,515,905	$ 327,515,905
Financial bond	-	-
Environmental insurance	$ 68,539,821	$ 68,539,821
Contract performance bond	$ 400,000	$ 400,000
ENES Bond	$ 377,863,470	$ 377,863,470
Authorization for project commercial operation bond	$ 414,485,316	$ 414,485,316
Bond to secure offer maintenance	-	-
Judicial bond	$ 5,000,000	$ 5,000,000
Equipment technical insurance	USD 256,205	USD 256,205
Personal accidents	$ 750,000	$ 750,000
Personal accidents	USD 1,000,000	USD 1,000,000
Life insurance - mandatory life insurance	$ 55,000	$ 55,000
Life - mandatory 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

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

Operational all-risk:

All-risk insurance covers 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 for loss of profit, with the aim of covering the losses caused by the interruption of the activities as a result of the accident, both as regards the profit that is no longer obtained and the expenses the Company continues to bear despite its inactivity, such that the insured may be in the same financial situation as if the accident had not occurred.

Construction all-risk and ALOP:

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, provided they are not expressly excluded in the policy.

As for the coverage for the delay in the start-up (Alop) the expected margin of the business for the sale of energy an power is insured, discounting variable costs during the period of repair or replacement of the event occurred.

Civil liability:

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

They are structured as follows:

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

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

Directors and Officers (D&O) liability insurance

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, advertising and marketing decisions, mergers 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 fraudulent activities.

The policy also provides coverage to the company against claims related to stocks or securities or claims filed by the holders of its shares or bonds.

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

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

Personal accidents insurance:

Covers death and disability risks and medical attention and pharmaceutical expenses resulting from work-related accidents.

Transport insurance:

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

Directors' qualification bond:

This guarantee is 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.

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 duties are guaranteed for the export of those exported goods which will be re-imported.

Financial bond:

It guarantees that the money received by the customer on account of advance, will be applied to the effective compliance with the contract agreed upon .

Contract execution bond:

It guarantees the compliance with all the obligations established in the contract and in the specifications of the call for bids. This policy has unlimited duration; it is released when returned or upon the provisional reception of the work without observations.

ENES Bond:

Staggered shipments: Import or export of merchandise through the staggered shipments system. Any difference that arises from the tax treatment of the parties in relation to the total is guaranteed.

Judicial bond:

Insurance bond for judicial guarantees provides litigants with an appropriate means to guarantee their procedural obligations when the respective Code so requires.

These coverages apply both in cases in which the judge hearing the case has ordered the lock of a provisional remedy, and in those in which the constitution of a counterbond has been arranged. Replacement of provisional remedies: the provisional remedy can be substituted by the defendant in a lawsuit through this policy, thereby releasing the equity affected by such measure.

Counterbond: it is the guarantee that must be provided by the person who has requested the lock of a provisional remedy to guarantee the damages that may arise in case of having requested it without right.

Environmental bond:

The environmental bond for damage with group incidence covers the environmental bond established by the General Law on Environment No. 25675, Section 22 in agreement with the provisions of enforcement authorities.

Technical insurance for contractor teams:

Covers damages suffered by machinery and equipment from the moment they are performing their specific function and / or in land storage, including their eventual transit and ground transportation.

Mandatory life insurance:

Mandatory life insurance is a coverage that the employer is obliged to take out on behalf of its employees. It covers the risk of death of worker in an employment relationship, for any cause, without limitations of any kind, 24 hours a day, in or outside the country.

The insured amount is $ 55,000, as established by the National Insurance Superintendency.

Life insurance (LCT, employment contract Law):

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

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 the employee's death.

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.

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 duties are guaranteed for the export of those exported goods which will be re-imported.

Directors' bond:

This guarantee is 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.

Environmental bond:

The environmental bond for damage with group incidence covers the environmental bond established by the General Law on Environment No. 25675, Section 22 in agreement with the provisions of enforcement authorities.

Financial bond:

It guarantees that the money received by the customer on account of advance, will be applied to the effective compliance with the contract agreed upon .

Positive and negative contingencies

13. 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 on 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 allowances and provisions have been set up:

    a. Allowances 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 receivables portfolio.

    b. Provisions carried under liabilities:

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

14. Contingent situations not accounted for at the date of the financial statements.

    See Note 28 to the condensed interim financial statements at March 31, 2019.

Irrevocable advances on account of future subscriptions

15. Status of the capitalization procedure.
    There are none.

16. Unpaid cumulative dividends on preferred shares
    There are none.

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

    See Note 14 to the financial statements at December 31, 2018. There have been no changes in the issues previously reported.

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REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders, President and Directors of
Generación Mediterránea S.A.
Legal address: Leandro N. Alem 855 - 14th Floor
City of Buenos Aires
Tax Registration Number: 33-71194489-9

Introduction

We have reviewed the accompanying condensed interim financial statements of Generación Mediterránea S.A. ("the Company"), including the statement of financial position at March 31, 2019, the statement of comprehensive income for the three-month periods ended March 31, 2019, the Statements of changes in equity and of cash flows for the three-month period then ended, and the selected explanatory notes.

The balances and other information corresponding to the fiscal year 2018 and to 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 condensed interim financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 *Interim Financial Information* (IAS 34).

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Scope of our review

Our review was limited to the application of the procedures established under International Standards on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, adopted as a review standard in Argentina by Technical Pronouncement No. 33 of the FACPCE and approved by the International Auditing and Assurance Standards Board (IAASB). A review of interim financial information consists of inquiries of Company staff responsible for preparing the information included in the condensed interim financial statements and of 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, or the cash flows of the Company.

Conclusion

On the basis of our review, nothing has come to our attention that makes us think that the condensed interim financial statements mentioned in the first paragraph of this report have not been prepared, in all material respects, in accordance with the accounting standards set forth by the CNV.

Report on compliance with current regulations

In accordance with current regulations, we report, in connection with Generación Mediterránea S.A., that:

a) the condensed interim financial statements of Generación Mediterránea S.A. have been transcribed into the Inventory and Balance Sheet book and as regards those matters that are within our field of competence, they are in compliance with the provisions of the General Companies Law and pertinent resolutions of the National Securities Commission;

b) the condensed interim financial statements of Generación Mediterránea S.A. arise from accounting records carried in all formal aspects in accordance with legal requirements;

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c) we have read the summary of activity and the additional information to the notes to the condensed interim financial statements required by Section 12, Chapter III, Title IV of the National Securities Commission regulations, on which, as regards those matters that are within our field of competence, we have no observations to make;

d) at March 31, 2019 the debt accrued by Generación Mediterránea S.A. in favor of the Argentine Integrated Social Security System according to the Company's accounting records amounted to $ 7,359,314 , none of which was claimable at that date.

City of Buenos Aires, May 10, 2019

PRICE WATERHOUSE & CO. S.R.L.

(Partner)

Raúl Leonardo Viglione

Report of the Syndics' Committee

To the Shareholders of
Generación Mediterránea S.A.

1. In accordance with Section 294 of Law No. 19550, the standards issued by the National Securities Commission (CNV), we have reviewed the accompanying condensed interim financial statements of Generación Mediterránea S.A. ("the Company"), including the statement of financial position at March 31, 2019, the statement of comprehensive income for the three-month periods ended March 31, 2019, the Statements of changes in equity and of cash flows for the three-month period then ended, and the selected explanatory notes. The balances and other information corresponding to the fiscal year 2018 are an integral part of the audited 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 condensed interim financial statements mentioned in the first paragraph, in accordance with International Accounting Standard 34 *Interim Financial Information* (IAS 34). Our responsibility is to express a conclusion based on the review we have performed with the scope detailed in paragraph 3.

3. Our review was carried out in accordance with standards applicable to syndics. Those standards require the application of the procedures established by Technical Pronouncement No. 33 of the Argentine Federation of Professional Councils in Economic Sciences for limited reviews of interim financial statements, and include verifying the consistency of the documents reviewed with the information on corporate decisions, as 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 report on the condensed interim financial statements on the same date as this report without qualifications. A review of interim financial information consists of inquiries of Company staff responsible for preparing the information included in the condensed interim financial statements and of 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, or the cash flows of the Company. We have not assessed the administrative, financing, marketing and 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 condensed interim financial statements mentioned in paragraph 1 have been prepared in accordance with International Accounting Standard 34.

5. Based on our review, we are not aware of any significant change that must be made to the condensed interim financial statements mentioned in paragraph 1, so that they are submitted in accordance with the relevant regulations of Law No. 19550 of the National Securities Commission and with the standards mentioned in paragraph 2.

6. The provisions of Section 294 of the Law No. 19550 have been duly fulfilled.

City of Buenos Aires, May 10, 2019

For the Syndics' Committee
Marcelo P. Lerner
Full Syndic