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

Generación Mediterránea S.A.

Condensed Interim Financial Statements

at June 30, 2019 and for the six-month periods
ended June 30, 2019 and 2018,
presented in comparative format

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

Generación Mediterránea S.A.

Condensed Interim Financial Statements
at June 30, 2019 and for the six-month periods
ended June 30, 2019 and 2018,
presented in comparative format

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
AESA	Albanesi Energía S.A.
AFIP	Federal Administration of Public Revenue
AJSA	Alba Jet S.A.
ASA	Albanesi S.A.
AVRC	Alto Valle Río Colorado S.A.
BADCOR	Adjusted BADLAR rate
BADLAR	Average interest rate paid by financial institutions on time deposits for over one million pesos.
BCRA	Central Bank of Argentina
BDD	Bodega del Desierto S.A.
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
ENARSA	Energía Argentina S.A.
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
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	Legal Entities Regulator
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
MAPRO	Major Scheduled Maintenance
MAT	Futures market
WEM	Wholesale Electric Market
MMm3	Million cubic meters
MVA	Mega-volt ampere, unit of energy equivalent to 1 volt x 1 ampere x 106
MW	Megawatt Unit of power equivalent to 1,000,000 watts
MWh	Megawatt hour Unit of energy equivalent to 1,000,000 watts hour
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 (Purchasing Power Parity)	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
SADI	Argentine Interconnection System
ES	Energy Secretariat
SEK	Swedish Crown
TRASNOA S.A.	Empresa de Transporte de Energía Eléctrica por Distribución Troncal del Noroeste Argentino S.A.
CGU	Cash Generating Unit
USD	US Dollars

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

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
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
Last amendment:	March 17, 2017
Registration with the Legal Entities Regulator 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

Generación Mediterránea S.A.

Condensed Interim Statement of Financial Position

at June 30, 2019 and December 31, 2018

Stated in pesos

	Note	06/30/2019	12/31/2018
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	**12**	29,209,218,995	29,405,130,256
Investments in companies		93,442	158,956
Other receivables		62,800,688	76,870,985
Trade receivables		77,839,798	71,545,887
Total non-current assets		**29,349,952,923**	**29,553,706,084**
CURRENT ASSETS			
Inventories		273,289,557	131,776,104
Other receivables		2,230,393,071	1,920,865,798
Other financial assets at fair value through profit or loss		-	308,899,243
Trade receivables		1,462,579,724	1,962,407,058
Cash and cash equivalents	**13**	475,001,020	378,121,541
Total current assets		**4,441,263,372**	**4,702,069,744**
Total Assets		**33,791,216,295**	**34,255,775,828**
EQUITY			
Share capital	**14**	138,172,150	138,172,150
Capital adjustment		928,756,556	928,756,556
Additional paid-in capital		974,263,935	974,263,935
Legal reserve		44,182,555	44,182,555
Optional reserve		735,541,307	735,541,307
Technical revaluation reserve		2,391,833,893	4,208,520,234
Special reserve		-	2,876,997
Special reserve General Resolution No. 777/18		2,601,367,835	2,661,156,452
Other comprehensive income		(1,036,273)	(1,036,273)
Unappropriated retained earnings		196,471,670	(1,682,746,842)
TOTAL EQUITY		**8,009,553,628**	**8,009,687,071**
LIABILITIES			
NON-CURRENT LIABILITIES			
Provisions	**17**	1,846,958	5,489,386
Deferred tax liabilities, net		3,990,596,897	2,586,683,471
Defined benefit plan		14,653,544	14,047,650
Loans	**16**	12,945,613,503	15,953,195,788
Trade payables		1,415,360,290	1,426,729,857
Total non-current liabilities		**18,368,071,192**	**19,986,146,152**
CURRENT LIABILITIES			
Other liabilities		75,179	1,160,049
Tax payables		152,051,712	15,081,481
Salaries and social security liabilities		38,257,329	55,956,309
Defined benefit plan		1,902,905	2,329,245
Derivative financial instruments		76,375,000	-
Loans	**16**	3,595,099,050	3,172,370,916
Trade payables		3,549,830,300	3,013,044,605
Total current liabilities		**7,413,591,475**	**6,259,942,605**
Total liabilities		**25,781,662,667**	**26,246,088,757**
Total Liabilities and Equity		**33,791,216,295**	**34,255,775,828**

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 six-month periods ended June 30, 2019 and 2018
Stated in pesos

		Six months at		Three months at	
	Note	**06/30/2019**	**06/30/2018**	**06/30/2019**	**06/30/2018**
Sales revenue	**7**	4,236,252,262	3,672,111,858	2,114,260,507	2,062,281,117
Cost of sales	**8**	(1,724,014,405)	(1,709,022,050)	(926,321,587)	(952,133,572)
Gross income		**2,512,237,857**	**1,963,089,808**	**1,187,938,920**	**1,110,147,545**
Selling expenses	**9**	(1,976,803)	(1,396,744)	(780,306)	(758,674)
Administrative expenses	**10**	(85,052,488)	(92,377,783)	(49,132,014)	(54,733,588)
Other income		401,426	1,439,915	210,097	107,864
Other expenses		-	(352,181,372)	-	(352,181,372)
Operating income		**2,425,609,992**	**1,518,573,824**	**1,138,236,697**	**702,581,775**
Financial income	**11**	317,634,757	51,344,694	196,207,543	27,205,584
Financial expenses	**11**	(826,167,866)	(946,114,894)	(407,552,214)	(583,540,291)
Other financial results	**11**	1,777,765,934	(4,332,169,013)	2,497,051,844	(4,262,604,443)
Financial results, net		**1,269,232,825**	**(5,226,939,213)**	**2,285,707,173**	**(4,818,939,150)**
Income/(loss) before tax		**3,694,842,817**	**(3,708,365,389)**	**3,423,943,870**	**(4,116,357,375)**
Income tax		(1,972,843,399)	739,223,973	(1,949,611,295)	853,184,926
Net income/(loss) for the period		**1,721,999,418**	**(2,969,141,416)**	**1,474,332,575**	**(3,263,172,449)**
Revaluation of property, plant and equipment		(2,296,177,148)	3,728,749,902	(2,060,534,066)	3,728,749,902
Impact on income tax		574,044,287	(932,187,476)	515,133,516	(932,187,476)
Other comprehensive income/(loss) for the period		**(1,722,132,861)**	**2,796,562,426**	**(1,545,400,550)**	**2,796,562,426**
Total comprehensive income/(loss) for the period		**(133,443)**	**(172,578,990)**	**(71,067,975)**	**(466,610,023)**
Earnings per share					
Basic and diluted Earnings /(Losses) per share	**15**	12.4627	(21.4887)		

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

Generación Mediterránea S.A.

Condensed Interim Statement of Changes in Equity

For the six-month periods ended June 30, 2019 and 2018
Stated in pesos

	Share capital (Note 14)	Capital Adjustment	Additional paid-in capital	Legal reserve	Optional reserve	Special reserve General Resolution No. 777/18	Special Reserve	Technical revaluation reserve	Other comprehensive income for the period	Unappropriated retained earnings	Total equity
Balances at 12.31.17	**138,172,150**	**928,756,556**	**974,263,935**	**11,610,601**	**116,674,185**	**2,661,156,452**	**2,876,997**	**-**	**-**	**(8,568,495)**	**4,824,942,381**
Shareholders' Meeting minutes of April 18, 2018: - Setting up of legal reserve				32,571,954						(32,571,954)	
- Setting up of optional reserve	-	-	-	-	618,867,122	-	-	-	-	(618,867,122)	-
Other comprehensive income for the six-month period	-	-	-	-	-	-	-	2,796,562,426	-	-	2,796,562,426
Loss for the six-month period	-	-	-	-	-	-	-	-	-	(2,969,141,416)	(2,969,141,416)
Balances at June 30, 2018	**138,172,150**	**928,756,556**	**974,263,935**	**44,182,555**	**735,541,307**	**2,661,156,452**	**2,876,997**	**2,796,562,426**	**-**	**(3,629,148,987)**	**4,652,363,391**
Other comprehensive income for the supplementary six-month period								1,411,957,808	(1,036,273)		1,410,921,535
Income for the supplementary six-month period	-	-	-	-	-	-	-	-	-	1,946,402,145	1,946,402,145
Balances at December 31, 2018	**138,172,150**	**928,756,556**	**974,263,935**	**44,182,555**	**735,541,307**	**2,661,156,452**	**2,876,997**	**4,208,520,234**	**(1,036,273)**	**(1,682,746,842)**	**8,009,687,071**
Shareholders' Meeting minutes of April 18, 2019:											
- Reversal of special reserve	-	-	-	-	-	-	(2,876,997)	-	-	2,876,997	-
Reversal of technical revaluation reserve	-	-	-	-	-	(59,788,617)	-	(94,553,480)	-	154,342,097	-
Other comprehensive income for the six-month period	-	-	-	-	-	-	-	(1,722,132,861)	-	-	(1,722,132,861)
Income for the six-month period	-	-	-	-	-	-	-	-	-	1,721,999,418	1,721,999,418
Balances at June 30, 2019	**138,172,150**	**928,756,556**	**974,263,935**	**44,182,555**	**735,541,307**	**2,601,367,835**	**-**	**2,391,833,893**	**(1,036,273)**	**196,471,670**	**8,009,553,628**

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 six-month periods ended June 30, 2019 and 2018
Stated in pesos

	Notes	06/30/2019	06/30/2018
Cash flow provided by operating activities:			
Net income/(loss) for the period		1,721,999,418	(2,969,141,416)
Adjustments to arrive at net cash flows provided by operating activities:			
Income tax		1,972,843,399	(739,223,973)
Accrued interest, net	**11**	507,337,286	892,590,924
Depreciation of property, plant and equipment	**8 and 12**	656,248,077	440,106,280
Income/(Loss) from changes in the fair value of financial instruments (1)	**11**	88,788,892	(681,732,646)
(Decrease) in provision for contingencies	**17**	(1,966,917)	(4,986,973)
(Decrease)/Increase in provision for bad debts	**17**	(64,903)	1,480,645
Present value		22,027,597	32,602,682
Exchange differences, net	**11**	1,773,141,800	7,181,366,996
Other financial results		2,364,845	-
Employee benefit plans	**8**	1,085,874	14,904,425
RECPAM (Purchasing Power Parity)	**11**	(3,720,627,300)	(2,295,880,636)
Changes in operating assets and liabilities:			
Decrease/(Increase) in trade receivables		731,940,039	663,431,885
Decrease in other receivables (2)		307,121,363	210,671,510
(Increase) in inventories		(367,403,287)	(38,491,196)
(Decrease) in trade payables (3)		(1,146,821,044)	(1,912,827,836)
(Decrease) in other liabilities		(1,084,870)	(62,631,446)
(Decrease) in salaries and social security contributions		(17,698,980)	(13,995,583)
Employee benefit plans		-	458,713
Increase/(decrease) in tax payables		102,780,082	(241,955,470)
Net cash flow provided by operating activities		**2,632,011,371**	**476,746,885**
Cash flow provided by investing activities:			
Acquisition of property, plant and equipment	**12**	(857,700,969)	(1,137,992,299)
Redemption/(Subscription) of mutual funds, net		281,890,581	(261,857,306)
Loans collected		293,041,565	-
Loans granted		(637,852,029)	(28,603,060)
Net cash flows (used in) investing activities		**(920,620,852)**	**(1,428,452,665)**
Cash flow from financing activities:			
Collection of financial instruments		266,975,032	284,670,617
Borrowings	**16**	566,343,192	4,025,369,761
Payment of loans	**16**	(1,584,721,279)	(1,918,393,310)
Payment of interest	**16**	(943,508,505)	(760,636,602)
Net cash flows (used in) provided by financing activities		**(1,694,911,560)**	**1,631,010,466**
INCREASE IN CASH, NET		**16,478,959**	**679,304,686**
Cash and cash equivalents at the beginning of the period		378,121,541	152,921,113
Financial results of cash and cash equivalents		44,016,441	6,838,894
RECPAM (PPP) of cash and cash equivalents		36,384,079	27,990,347
Cash and cash equivalents at the end of the period	**13**	475,001,020	867,055,040
		16,478,959	**679,304,686**

(1) Valuation difference corresponding to hedge contracts.
(2) Includes payments to suppliers for the purchase of property, plant and equipment for $ 365,690,968 and $ 212,800,169 at June 30, 2019 and June 30, 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 six-month periods ended June 30, 2019 and 2018
Stated in pesos

	Notes	06/30/2019	06/30/2018
Material transactions not entailing changes in cash			
Acquisition of property, plant and equipment not yet paid	**12**	(1,197,087,737)	-
(Decrease)/Increase resulting from technical revaluation	**12**	1,722,132,861	(2,796,562,426)
Interest and exchange difference capitalized in property, plant and equipment	**12**	(701,725,258)	(296,497,786)
Repaid loans to Directors		-	(23,726,773)
Advances to suppliers applied to the acquisition of property, plant and equipment	**12**	-	(39,998,425)

Generación Mediterránea S.A.

Notes to the Condensed Interim Financial Statements
For the six-month periods ended June 30, 2019 and 2018
and the fiscal year ended December 31, 2018
Stated in pesos

NOTE 1: GENERAL INFORMATION

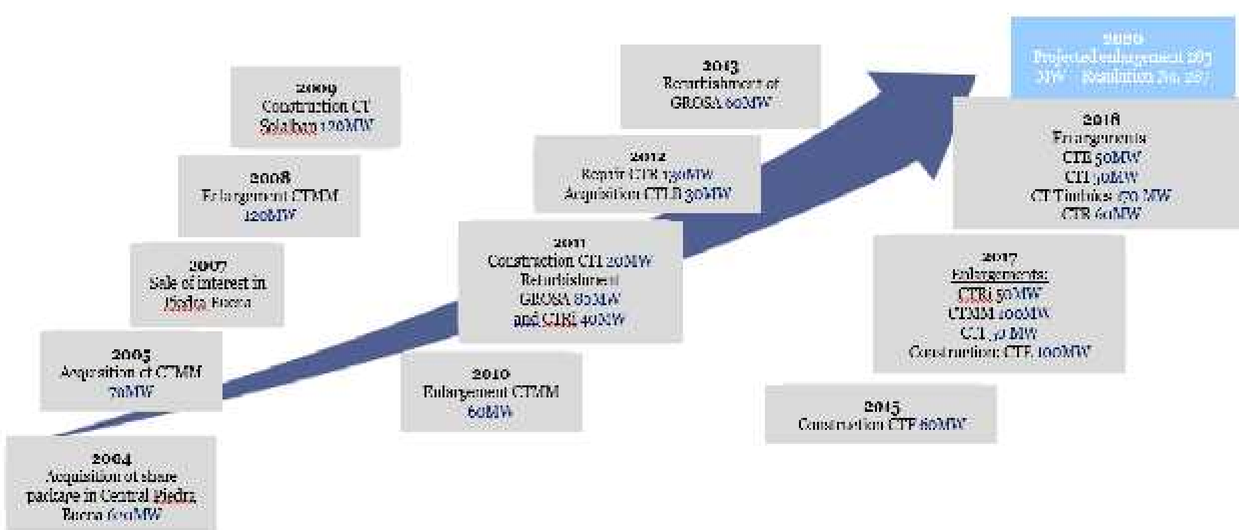
GMSA's main line of business is the conventional thermal power generation. It has six thermal power plants operating throughout the whole country fed with natural gas as well as diesel as alternative fuel. They sell the energy generated in accordance with different regulatory frameworks. GMSA's nominal installed capacity is 900 MW.

Power Plant	Nominal installed capacity	Resolution	Location
Central Térmica Modesto Maranzana (CTMM)	350 MW	ES 220/07, 1281/06 Plus and SRRyME 01/2019	Río Cuarto, Córdoba
Central Térmica Independencia	220 MW	ES 220/07, 1281/06 Plus, EES 21/16 and SRRyME 01/2019	San Miguel de Tucumán, Tucumán
Central Térmica Frías (CTF)	60 MW	ES 220/07 and SRRyME 01/2019	Frías, Santiago del Estero
Central Térmica Riojana (CTRi)	90 MW	ES 220/07 and SRRyME 01/2019	La Rioja, La Rioja
Central Térmica La Banda (CTLB)	30 MW	SRRyME 01/2019	Frías, Santiago del Estero
Central Térmica Ezeiza (CTE)	150 MW	EES 21/16	Ezeiza, Buenos Aires
Total nominal installed capacity	**900 MW**		

GMSA 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 283 MW with all the new projects awarded and currently under way.

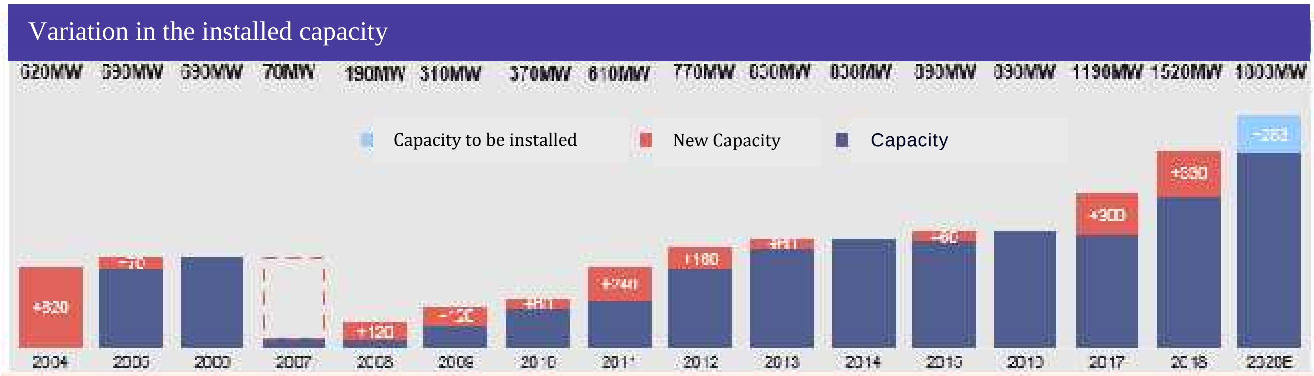
Albanesi Group entered the energy market in 2004 with the acquisition of Luis Piedra Buena S.A. thermal power plant. Consequently, the development of the electric market has become one of the main objectives of the Group.



Generación Mediterránea S.A.

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

<u>NOTE 1</u>: GENERAL INFORMATION (Cont'd)



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.

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.

Another awarded project was the closure of the 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.

Generación Mediterránea S.A.

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

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.

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.

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.

NOTE 1: GENERAL INFORMATION (Cont'd)

The environment (Cont'd)

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.

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.

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 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).

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≤150MW	3,400
TV large P >100 MW	4,350
TV small P ≤ 100MW	5,200
TG large P >50 MW	3,550
TG small P ≤ 50MW	4,600
Internal combustion engines	5,200

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

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

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 six-month periods ended June 30, 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.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

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 six-month period ended June 30, 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 six-month period ended June 30, 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 Friday, August 9, 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 six-month period ended June 30, 2018, disclosed for comparative purposes in these condensed interim financial statements, arise from financial statements at those dates, restated to constant currency at June 30, 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.

Tax inflation adjustment:

To determine the net taxable income, an adjustment for inflation computed according to Sections 95 to 98 of Income Tax Law must be deducted from or added to the tax result of the fiscal period being calculated. This will be applicable in the fiscal year in which the variation percentage of the General Consumer Price Index (CPI) accumulated over the 36 months prior to the year end is higher than 100%. These provisions are applicable for fiscal years commencing on or after January 1, 2018. For the first, second and third fiscal years following its effective date, it will be applicable when the index variation, calculated from the beginning to the end of each year, exceeds 55%, 30% and 15% in the first, second and third year of application, respectively. The inflation adjustment for the fiscal year under calculation will have effect either as a negative or positive adjustment; one third of it will be allocated in the relevant fiscal period and the remaining two thirds, in two equal parts, in the two immediately following fiscal years.

NOTE 3: BASIS FOR PRESENTATION (Cont'd)

The company estimated that by December 31, 2019, CPI variation will exceed the index mentioned in the paragraph above; accordingly, the Company included this adjustment in the determination of the taxable income for the current year.

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.

At March 31, 2019, the Company has not revalued land, buildings, facilities and machinery, for there have not 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.

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

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

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.

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 Sunday, 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.

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

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

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 $ 2.4 billion, if it were favorable; or
- To reduce the fair value of land, buildings, facilities and machinery by $ 2.4 billion, if it were not favorable.

At March 31, 2019, the fair values of revalued property, land and equipment amounted to $ 26,087,889,519, representing a $ 235,643,082 decrease in their values, which was recorded in Other comprehensive income.

The Company performed an analysis of the recoverable value of fixed assets at June 30, 2019 and concluded that due to the macroeconomic variations in inflation and the US dollar exchange rate, assets decreased by $ 2,060,534,066 and recognized its effect in Other comprehensive income.

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 Monday, December 31, 2018. No significant changes have been made to risk management policies since the last annual closing.

NOTE 7: SALES REVENUE

	06/30/2019	06/30/2018
Sale of electricity Res. No. No. 95, as amended, plus spot	171,922,826	276,920,924
Energía Plus sales	905,704,144	978,700,511
Sale of electricity Res. No. 220	1,348,432,545	1,531,535,671
Sale of electricity Res. No. 21	1,810,192,747	884,954,752
	4,236,252,262	**3,672,111,858**

Generación Mediterránea S.A.

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

NOTE 8: COST OF SALES

	06/30/2019	06/30/2018
Purchase of electric energy	(527,405,250)	(798,006,492)
Gas and diesel consumption at the plant	(27,266,469)	(28,171,372)
Fees and compensation for services	(5,461,096)	(5,336,602)
Salaries and social security contributions	(142,062,414)	(74,107,358)
Defined benefit plan	(1,085,874)	(14,904,425)
Other employee benefits	(7,731,261)	(8,314,359)
Taxes, rates and contributions	(16,862,432)	(12,799,945)
Maintenance services	(291,643,802)	(280,221,362)
Depreciation of property, plant and equipment	(656,248,077)	(440,106,280)
Per diem, travel and representation expenses	(9,539,229)	(4,444,184)
Insurance	(28,239,148)	(31,936,348)
Communication expenses	(6,714,427)	(5,099,401)
Sundry	(3,754,926)	(5,573,922)
	(1,724,014,405)	**(1,709,022,050)**

NOTE 9: SELLING EXPENSES

	06/30/2019	6/30/2018
Taxes, rates and contributions	(1,911,900)	(1,396,744)
Bad debts	(64,903)	-
	(1,976,803)	**(1,396,744)**

NOTE 10: ADMINISTRATIVE EXPENSES

	06/30/2019	06/30/2018
Fees and compensation for services	(79,645,306)	(83,257,234)
Directors’ fees	-	(385,611)
Other employee benefits	-	(249,425)
Taxes, rates and contributions	(587,750)	(453,355)
Per diem, travel and representation expenses	-	(1,305,632)
Insurance	-	(18,463)
Office expenses	(425,244)	(1,811,024)
Communication expenses	(327,722)	(204,699)
Rental	(3,039,589)	(3,982,397)
Donations	(246,188)	(31,000)
Sundry	(780,689)	(678,943)
	(85,052,488)	**(92,377,783)**

Generación Mediterránea S.A.

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

NOTE 11: FINANCIAL RESULTS

	06/30/2019	06/30/2018
Financial income		
Commercial interest	44,843,336	25,394,802
Interest on loans granted	272,791,421	25,949,892
Total financial income	**317,634,757**	**51,344,694**
Financial expenses		
Interest on loans	(781,298,964)	(928,592,764)
Commercial and other interest	(43,673,079)	(15,342,854)
Bank expenses and commissions	(1,195,823)	(2,179,276)
Total financial expenses	**(826,167,866)**	**(946,114,894)**
Other financial results		
Exchange difference, net	(1,773,141,800)	(7,181,366,996)
Changes in the fair value of financial instruments	(88,788,892)	681,732,646
RECPAM (Purchasing Power Parity)	3,720,627,300	2,295,880,636
Other financial results	(80,930,674)	(128,415,299)
Total other financial results	**1,777,765,934**	**(4,332,169,013)**
Total financial results, net	**1,269,232,825**	**(5,226,939,213)**

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

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 (2)	Recovery / (Impairment)	Accumulated at the end of period/year	At 06/30/2019	At 12/31/2018
Land	733,552,614	4,395,234	-	-	-	737,947,848	-	-	-	-	-	737,947,848	733,552,614
Buildings	1,150,543,379	-	(252,573)	(12,570,285)	-	1,137,720,521	6,280,953	12,492,595	(12,570,285)	-	6,203,263	1,131,517,258	1,144,262,426
Facilities	3,068,513,125	5,298,486	687,022	(439,532,040)	-	2,634,966,593	41,434,228	89,402,121	(87,117,126)	-	43,719,223	2,591,247,370	3,027,078,898
Machinery	22,772,670,924	7,309,562	22,697,042	(2,521,598,780)	-	20,281,078,748	306,058,705	548,797,007	(577,836,546)	-	277,019,166	20,004,059,582	22,466,612,219
Works in progress- Power Plant enlargement	1,894,292,538	2,726,582,397	(23,269,321)	-	-	4,597,605,614	-	-	-	-	-	4,597,605,614	1,894,292,538
Computer and office equipment	41,891,688	1,219,292	137,830	-	-	43,248,810	28,322,967	3,380,053	-	-	31,703,020	11,545,790	13,568,722
Vehicles	27,174,318	-	-	-	-	27,174,318	12,533,093	2,176,301	-	-	14,709,394	12,464,924	14,641,225
Spare parts and materials	111,121,616	11,708,993	-	-	-	122,830,609	-	-	-	-	-	122,830,609	111,121,614
Total at 06/30/2019	**29,799,760,202**	**2,756,513,964**	**-**	**(2,973,701,105)**	**-**	**29,582,573,061**	**394,629,946**	**656,248,077**	**(677,523,957)**	**-**	**373,354,066**	**29,209,218,995**	**-**
Total at 12/31/2018	**19,544,876,873**	**2,752,950,084**	**-**	**4,342,100,612**	**3,159,832,633**	**29,799,760,202**	**26,635,721**	**1,103,215,396**	**(1,269,259,702)**	**534,038,531**	**394,629,946**	**-**	**29,405,130,256**
Total at 06/30/2018	**19,544,876,873**	**1,474,488,510**	**-**	**3,295,029,117**	**-**	**24,314,394,500**	**26,635,721**	**440,106,280**	**(433,720,785)**	**-**	**33,021,216**	**24,281,373,284**	**-**

(1) Depreciation charges for the six-month period ended June 30, 2019 and for the fiscal year ended December 31, 2018 were allocated to cost of sales.

(2) At June 30, 2019, Company Management assessed the recoverability of property, plant and equipment, in relation to the future estimated changes in cash flows, thus recording a depreciation of $ 2,296,177,148 as a result of revaluation.

Generación Mediterránea S.A.

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

NOTE 13: CASH AND CASH EQUIVALENTS

	06/30/2019	12/31/2018
Cash	519,456	598,619
Banks in local currency	30,799,928	110,087,619
Banks in foreign currency	222,886,417	75,366,597
Mutual funds	189,451,140	192,068,706
Checks to be deposited	31,344,079	-
	475,001,020	**378,121,541**

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

	06/30/2019	06/30/2018
Cash and cash equivalents	475,001,020	867,055,040
Cash and cash equivalents (bank overdraft included)	**475,001,020**	**867,055,040**

NOTE 14: CAPITAL STATUS

Share capital subscribed at June 30, 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.

	06/30/2019	06/30/2018
Net income/(loss) for the period	1,721,999,418	(2,969,141,416)
Weighted average of outstanding ordinary shares	138,172,150	138,172,150
Basic earnings (losses) per share	**12.4627**	**(21.4887)**

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.

Generación Mediterránea S.A.

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

NOTE 16: LOANS

Non-Current	06/30/2019	12/31/2018
International bond	11,303,089,778	12,286,270,055
Foreign loan debt	423,275,694	689,119,854
Negotiable obligations	1,158,935,388	2,900,545,392
Finance lease debts	60,312,643	77,260,487
	12,945,613,503	**15,953,195,788**
Current		
International bond	470,697,471	509,897,457
Related companies	162,741,498	-
Foreign loan debt	486,668,352	522,028,391
Syndicated loans	549,108,860	1,200,760,331
Negotiable obligations	1,547,789,771	419,798,814
CAMMESA	3,282,483	7,432,457
Other bank debts	346,512,732	475,531,613
Finance lease debts	28,297,883	36,921,853
	3,595,099,050	**3,172,370,916**

At June 30, 2019, total financial debt amounted to $ 16.5 billion. The following table shows the total debt at that date.

	Principal	Balances at June 30, 2019	Interest rate	Currency	Date of Issue	Maturity date
	(Pesos)	(%)				
Loan agreement						
Cargill	USD 20,000,000	909,944,046	LIBOR + 4.25%	USD	February 16, 2018	January 29, 2021
Subtotal		**909,944,046**				
Debt securities						
International Bond	USD 266,000,000	11,773,787,249	9.625%	USD	July 27, 2016	July 27, 2023
Class VI Negotiable Obligations	USD 34,696,397	1,480,910,376	8%	USD	February 16, 2017	February 16, 2020
Class VIII Negotiable Obligations	$ 312,884,660	364,985,008	BADLAR + 5%	ARS	August 28, 2017	August 28, 2021
Class I Negotiable Obligation co-issuance	USD 20,000,000	860,829,775	6.68%	USD	October 11, 2017	October 11, 2020
Subtotal		**14,480,512,408**				
Syndicated loan						
ICBC / Hipotecario / Citibank	USD 13,000,000	549,108,860	10.50%	USD	December 27, 2018	December 27, 2019
Subtotal		**549,108,860**				
Other liabilities						
CAMMESA		3,282,483				
Macro loan	USD 5,000,000	213,658,690	7.00%	USD	August 30, 2018	July 10, 2019
Chubut loan	USD 595,826	25,488,165	10.50%	USD	December 28, 2018	December 28, 2019
Chubut loan	USD 339,078	14,468,687	10.50%	USD	February 13, 2019	August 13, 2019
Supervielle loan	USD 505,685	21,495,246	10.50%	USD	March 29, 2019	July 26, 2019
Chubut loan	USD 672,379	28,657,987	10.50%	USD	April 17, 2019	October 17, 2019
Chubut loan	USD 1,000,000	42,743,957	10.50%	USD	June 7, 2019	December 7, 2019
Related companies (Note 18)	$ 162,741,498	162,741,498	35.00%	ARS	June 28, 2019	June 28, 2020
Financial lease		88,610,526				
Subtotal		**601,147,239**				
Total financial debt		**16,540,712,553**				

Generación Mediterránea S.A.
Notes to the Condensed Interim Financial Statements (Cont'd)

NOTE 16: LOANS (Cont'd)

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

	06/30/2019	12/31/2018
Fixed rate		
Less than 1 year	3,021,734,696	2,209,616,969
Between 1 and 2 years	851,638,485	2,526,103,064
Between 2 and 3 years	2,572,468	3,148,821
After 3 years	11,297,944,841	12,279,972,411
	15,173,890,490	**17,018,841,265**
Floating rate		
Less than 1 year	573,364,354	962,753,947
Between 1 and 2 years	442,941,816	480,480,354
Between 2 and 3 years	335,434,395	636,249,359
After 3 years	15,081,498	27,241,779
	1,366,822,063	**2,106,725,439**
	16,540,712,553	**19,125,566,704**

The fair value of Company's international bonds at June 30, 2019 and December 31, 2018 amounts to approximately $ 9,459 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:

	06/30/2019	12/31/2018
Argentine pesos	619,619,514	895,577,196
US dollars	15,921,093,039	18,229,989,508
	16,540,712,553	**19,125,566,704**

Generación Mediterránea S.A.

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

NOTE 16: LOANS (Cont'd)

Changes in Company loans were as follows:

	06/30/2019	06/30/2018
Loans at beginning of the period	19,125,566,704	13,129,067,529
Loans received	566,343,192	4,025,369,761
Loans paid	(1,584,721,279)	(1,918,393,310)
Accrued interest	912,931,337	1,071,850,989
Interest paid	(943,508,505)	(760,636,602)
Exchange difference	2,079,926,572	6,405,609,825
Capitalized expenses	(7,509,814)	(17,057,939)
RECPAM (Purchasing Power Parity)	(3,608,315,654)	(2,008,691,888)
Loans at period end	**16,540,712,553**	**19,927,118,365**

NOTE 17: ALLOWANCES AND PROVISIONS

	For trade receivables	For contingencies
Balances at December 31, 2018	3,250,780	5,489,386
Decreases	(64,903)	(1,966,917)
RECPAM (Purchasing Power Parity)	(530,113)	(1,675,511)
Balances at June 30, 2019	**2,655,764**	**1,846,958**

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.

Generación Mediterránea S.A.

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

NOTE 18: TRANSACTIONS AND BALANCES WITH RELATED PARTIES

	Profit / (loss)	
	$	
a) Sales of energy	**06/30/2019**	**06/30/2018**
Other related parties:		
Solalban Energía S.A.	413,167	9,342,146
RGA	46,813,403	54,982,441
	47,226,570	**64,324,587**
b) Purchase of gas and energy		
Other related parties:		
Solalban Energía S.A.	26,904	(134,979)
RGA	(546,890,529)	(1,911,504,671)
	(546,863,625)	**(1,911,639,650)**
c) Administrative services and management		
Other related parties:		
RGA	(159,433,025)	(137,687,107)
	(159,433,025)	**(137,687,107)**
d) Rental		
Other related parties:		
RGA	(3,068,555)	(3,934,614)
	(3,068,555)	**(3,934,614)**
e) Other purchases and services received		
Other related parties:		
BDD – Purchase of wines	(106,609)	(774,887)
AJSA - Flights made	(34,846,542)	(25,898,895)
GECE - Acquisition of property, plant and equipment	(31,692,133)	-
ASA – guarantee	(2,105,065)	(3,239,029)
	(68,750,349)	**(29,912,811)**
f) Recovery of expenses		
Other related parties:		
RGA	910,303	659,774
GROSA	9,577,731	10,729,066
CTR	44,854,500	27,745,388
GECE	-	16,649,999
AESA	32,607,375	13,674,927
	87,949,909	**69,459,154**

Generación Mediterránea S.A.

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

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

	Profit / (loss)	
	$	
	06/30/2019	**6/30/2018**
g) Interest generated due to loans granted		
Other related parties:		
CTR	32,949,218	-
GROSA	-	10,553,446
Directors	3,295,538	1,443,738
ASA	236,546,665	13,952,708
	272,791,421	**25,949,892**
h) Pipeline works		
Other related parties:		
RGA	(964,197)	(77,986,369)
	(964,197)	**(77,986,369)**
i) Construction work management service		
Other related parties:		
RGA	(66,454,053)	-
	(66,454,053)	**-**

j) Remuneration of key managerial staff

The senior management includes directors (executive and non-executive). Managerial staff's fees at June 30, 2019 and 2018 amounted to $ 21,280,641 and $ 18,643,822, respectively.

	06/30/2019	**06/30/2018**
Salaries	(21,280,641)	(18,643,822)
	(21,280,641)	**(18,643,822)**

Generación Mediterránea S.A.

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

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

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

	06/30/2019	12/31/2018
Current trade receivables with other related parties related parties		
Solalban Energía S.A.	463,799	-
	463,799	-
Other current receivables with other related parties		
AESA	43,632,785	13,486,973
ASA	1,570,181,751	979,739,234
CTR	30,288,016	343,443,565
GROSA	9,540,589	29,030,902
Directors	23,527,597	18,551,521
	1,677,170,738	**1,384,252,195**
Current trade payables with other related parties		
RGA	537,842,657	576,484,048
AJSA	-	5,860,073
Solalban Energía S.A.	-	378,765
	537,842,657	**582,722,886**
Other current debts with other related parties		
BDD	75,179	1,160,049
	75,179	**1,160,049**
Current loans with other related parties		
CTR	162,741,498	-
	162,741,498	-

l) Loans granted to related parties

Loans to Albanesi S.A.	**06/30/2019**	**06/30/2018**
Balances at beginning of year	979,739,234	146,137,484
Loans granted	622,908,930	-
Accrued interest	236,546,665	13,952,708
RECPAM (Purchasing Power Parity)	(269,013,078)	(21,138,969)
Balance at period end	**1,570,181,751**	**138,951,223**

Entity	Amount	Interest rate	Conditions
At 06/30/2019			
ASA	1,212,555,314	45%	Maturity date: 1 year, renewable automatically for up to 5 years
	1,212,555,314		

Generación Mediterránea S.A.

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

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

l) Loans granted to related parties (Cont'd)

Loans to Directors	**06/30/2019**	**06/30/2018**
Balances at beginning of year	18,551,521	24,656,954
Loans granted	5,426,087	15,418,641
Repaid loans	-	(23,726,773)
Accrued interest	3,295,538	1,443,738
RECPAM (Purchasing Power Parity)	(3,745,549)	(3,945,945)
Balance at period end	**23,527,597**	**13,846,615**

Entity	**Amount**	**Interest rate**	**Conditions**
At 06/30/2019			
Directors	17,652,418	BADLAR + 3%	Maturity date: 1 year
Total in pesos	**17,652,418**		

Loans to Generación Rosario S.A.	**06/30/2019**	**06/30/2018**
Balances at beginning of year	28,928,083	72,242,680
Loans granted	-	13,184,419
Loans collected	(25,260,675)	-
Accrued interest	-	10,553,446
RECPAM (Purchasing Power Parity)	(3,667,408)	(11,743,849)
Balance at period end	-	**84,236,696**

Loans to Central Térmica Roca S.A.	**06/30/2019**	**06/30/2018**
Balances at beginning of year	343,411,363	-
Loans granted	9,517,012	-
Loans received	(222,196,000)	-
Loans collected	(267,780,890)	-
Accrued interest	32,949,218	-
RECPAM (Purchasing Power Parity)	(58,642,201)	-
Balance at year end	**(162,741,498)**	-

Entity	**Amount**	**Interest rate**	**Conditions**
At 06/30/2019			
CTR	(162,741,498)	35%	Maturity date: 1 year
Total in pesos	**(162,741,498)**		

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: OTHER COMMITMENTS

Other commitments

Some of the contractual obligations relating to the supply of electric energy to large customers of the MAT at June 30, 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	1,611,798,206	1,240,854,955	370,943,251

(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 June 30, 2019, under ES Resolution No. 1281/06.

NOTE 20: WORKING CAPITAL

The Company reports at June 30, 2019 a deficit of $ 2,972,328,103 in its working capital (calculated as current assets less current liabilities), which means an increase of $ 1,414,455,242, compared to the deficit in working capital at December 31, 2018 ($ 1,557,872,861). 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).

NOTE 22: 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.

NOTE 23: 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 equipment to 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 for USD 61.200.000, according to the irrevocable commitment signed on July 22, 2019.

BLC Asset Solutions BV (BLC) expresses its will to amend the documents so as to reschedule the payments related to the Contracts for the Purchase of Equipment. Under such commitment, an additional year will be added for the payment of the mentioned equipment, with the expiration date being March 2023, which significantly reduces the payments for 2020.

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.

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

Siemens Industrial Turbomachinery AB (Cont'd)

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 last in March 2020. Payments shall be made in SEK.

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	**769,203**	769,203	-
Siemens Industrial Turbomachinery AB for the acquisition of three Siemens SGT 800 turbines	CTE	263,730,000	**16,449,481**	11,379,239	5,070,241
Siemens Industrial Turbomachinery AB for the acquisition of two Siemens SGT 800 turbines	CTI	175,230,000	**11,743,968**	8,124,112	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.

In July 2019, the last installment of the deferred payment agreement signed for CTMM was paid. Additionally, with the proceeds from the issuance of Negotiable Obligations that took place on August 5, 2019, the deferred payment agreements signed for CTI and CTE, Stage II, were prepaid for a total of SEK 142,370,364. The payment of such agreements imply the release of the guarantees associated with those agreements.

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

Pratt & Whitney Power System Inc

Generación Frías S.A. 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 Generación Frías S.A. This amount is disclosed under current trade payables for the equivalent to $ 509,556,000.

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.

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

Commitments (1)	**Total**	2019
	USD	
PWPS for the purchase of the FT4000™ SwiftPac® turbine	**12,977,500**	12,977,500

(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 creditors for the 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.

The balance at June 30, 2019 is USD 11,550,000.

NOTE 25: SUBSEQUENT EVENTS

Issuance of international bonds

Under Resolution No. RESFC-2019-20111-APN-DIR#CNV dated March 8, 2019, GMSA and CTR obtained authorization from the CNV to increase the International Bond co-issuance program by an amount of up to USD 300,000,000.

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

Co-issuance of Class II negotiable obligations took place on August 5, 2019 and were fully subscribed in cash.
Principal: total nominal value USD 80 million; amount assigned to GMSA: USD 72 million
Interest: 15% nominal annual rate, payable quarterly as from November 5, 2019 to maturity.
Maturity date: May 5, 2023
Amortization method: ten equal and consecutive payments on a quarterly basis from February 5, 2021 to their maturity.

Generación Mediterránea S.A.

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

NOTE 25: SUBSEQUENT EVENTS (Cont'd)

Issuance of international bonds (Cont'd)

The proceeds from the issuance of the Class II Negotiable Obligations will be destined mainly to the refinancing of liabilities and investments in property, plant and equipment and, to a lesser extent, to the financing of working capital.

Class II Negotiable Obligations will be: (i) secured by Albanesi S.A. with suretyships; and (ii) guaranteed with pledges on operating turbines, a mortgage on the Power Plant Central Térmica Independencia (Tucumán), a reserve account with funds from two interest periods and an assignment of rights to collect debts on contracts with CAMMESA under ES Resolutions Nos. 220/07 and 21/17. 220/07 and 21/17.

Banco Macro

On July 10, 2019, the Company obtained from Banco Macro a repayment rescheduling of the 30-day loan for USD 5,000,000, with bullet amortization of principal and interest (maturity date: 08/09/2019) at a fixed rate of 7.25%

Banco Supervielle

On August 5, 2019, the Company obtained from Banco Supervielle a 180-day loan for USD 3,000,000, at a fixed rate of 9.90%

NOTE 26: FINANCIAL STATEMENTS TRANSLATION INTO ENGLISH LANGUAGE

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

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

Summary of activity at June 30, 2019 and 2018

1. A brief description of the activities of the issuing company, including reference to relevant circumstances subsequent to the period 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 financial position, which must be read together with the interim condensed financial statements attached.

Six-month period ended June 30:

	2019	2018	Variation	Variation %
	GW			
Sales by type of market				
Sale of electricity Res. No. 220	181	346	(165)	(48%)
Energía Plus sales	285	352	(67)	(19%)
Sale of electricity Res. No. No. 95, as amended, plus spot	117	84	33	39%
Sale of electricity Res. No. 21	317	118	199	169%
	900	**900**	**-**	**-**

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

Six-month period ended June 30:

	2019	2018	Variation	Variation %
	(in millions of pesos)			
Sales by type of market				
Sale of electricity Res. No. 220	1,348.4	1,531.5	(183.1)	(12%)
Energía Plus sales	905.7	978.7	(73.0)	(7%)
Sale of electricity Res. No. No. 95, as amended, plus spot	172.0	276.9	(104.9)	(38%)
Sale of electricity Res. No. 21	1,810.2	885.0	925.2	105%
	4,236.3	**3,672.1**	**564.2**	**15%**

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

Summary of activity at June 30, 2019 and 2018

Income/Loss for the six-month period ended June 30, 2019 and 2018 (in millions of pesos):

	Six-month period ended June 30:			
	2019	**2018**	**Variation**	**Variation %**
Sales of energy	4,236.3	3,672.1	564.2	15%
Net sales	**4,236.3**	**3,672.1**	**564.2**	**15%**
Purchase of electric energy	(527.4)	(798.0)	270.6	(34%)
Gas and diesel consumption by the plant	(27.3)	(28.2)	0.9	(3%)
Salaries, social security charges and fringe benefits	(149.8)	(82.4)	(67.4)	82%
Defined benefit plan	(1.1)	(14.9)	13.8	(93%)
Maintenance services	(291.6)	(280.2)	(11.4)	4%
Depreciation of property, plant and equipment	(656.2)	(440.1)	(216.1)	49%
Insurance	(28.2)	(31.9)	3.7	(12%)
Taxes, rates and contributions	(16.9)	(12.8)	(4.1)	32%
Other	(25.5)	(20.5)	(5.0)	24%
Cost of sales	**(1,724.0)**	**(1,709.0)**	**(15.0)**	**1%**
Gross income	**2,512.2**	**1,963.1**	**549.1**	**28%**
Taxes, rates and contributions	(2.0)	(1.4)	(0.6)	43%
Selling expenses	**(2.0)**	**(1.4)**	**(0.6)**	**43%**
Fees and compensation for services	(79.6)	(83.3)	3.7	(4%)
Directors' fees	-	(0.4)	0.4	(100%)
Per diem, travel and entertainment expenses	-	(1.3)	1.3	(100%)
Rental	(3.0)	(4.0)	1.0	(25%)
Office expenses	(0.4)	(1.8)	1.4	(78%)
Donations	(0.2)	0.0	(0.2)	100%
Other	(1.7)	(1.4)	(0.3)	21%
Administrative expenses	**(85.1)**	**(92.4)**	**7.3**	**(8%)**
Other income	0.4	1.4	(1.0)	(72%)
Other expenses	-	(352.2)	352.2	(100%)
Operating income/(loss)	**2,425.6**	**1,518.6**	**907.0**	**60%**
Commercial interest earned	44.8	25.4	19.4	76%
Interest on loans	(508.5)	(902.6)	394.1	(44%)
Tax and commercial interest paid	(43.7)	(15.3)	(28.4)	186%
Bank expenses and commissions	(1.2)	(2.2)	1.0	(45%)
Exchange differences, net	(1,773.1)	(7,181.4)	5,408.3	(75%)
Gain/loss on purchasing power parity (RECPAM)	3,720.6	2,295.9	1,424.7	62%
Other financial results	(169.7)	553.3	(723.0)	(131%)
Financial and holding results, net	**1,269.2**	**(5,226.9)**	**6,496.1**	**(124%)**
Income/(loss) before taxes	**3,694.8**	**(3,708.4)**	**7,403.2**	**(200%)**
Income tax	(1,972.8)	739.2	(2,712.0)	(367%)
Income/(loss) for the period:	**1,722.0**	**(2,969.1)**	**4,691.1**	**(158%)**

Summary of activity at June 30, 2019 and 2018

	Six-month period ended June 30: 2019	2018	Variation	Variation %
Other comprehensive income for the period				
Revaluation of property, plant and equipment	(2,296.2)	3,728.7	(6,024.9)	(162%)
Impact on income tax	574.0	(932.2)	1,506.2	(162%)
Other comprehensive income/(loss) for the period	**(1,722.2)**	**2,796.6**	**(4,518.8)**	**(162%)**
Total comprehensive income/(loss) for the period	**(0.1)**	**(172.6)**	**172.5**	**(100%)**

Sales:

Net sales for the six-month period ended June 30, 2019 amounted to $ 4,236.3 million, compared to $ 3,672.1 million for the same period in 2018, showing an increase of $ 564.2 million (or 15%).

During the first three months of 2019, the sale of electricity was 900 GWh, the same as in 2018.

Below we discuss the major income sources of the Company and their performance in the six-month period ended June 30, 2019 as compared with the same period of the prior year:

(i) $ 905.7 million from sales under Energía Plus, a 7% decrease from the $ 978.7 million sold in the same period of 2018.

(ii) $ 1,348.4 million from sales under Resolution No. 220/07, a decrease of 12% from the $ 1,531.5 million sold in the same period of 2018.

(iii) $ 171.9 million for sale of electricity under Resolution No. 95 as amended plus Spot, accounting for a 38% decrease with regard to the $ 276.9 million for the same period of 2018, as a result of the application of SRRyME Resolution No. 01/2019 which established new remuneration mechanisms.

(iv) $ 1,810.2 million from sales under Resolution No. 21, up 105% from the $ 885.0 million sold in the same period of 2018.

Cost of sales:

The total cost of sales for the six-month period ended June 30, 2018 reached $ 1,724.0 million, compared with $ 1,709 million for the same period in 2018, reflecting a $ 15.0 million (1%) decrease.

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) $ 527.4 million from purchases of electric energy, a decrease of 34% from the $ 798.0 million sold in the same period of 2018.

Summary of activity at June 30, 2019 and 2018

(ii) $ 27.3 million for gas and diesel consumption at the plant, representing a decrease of 3% as against $ 28.2 million for the same period of 2018.

(iii) $ 291.6 million in maintenance services, up 4% from the $ 280.2 million for the same period of 2018. This variation was due to the variation in the dollar exchange rate and the start-up of new turbines.

(iv) $ 656.2 million for depreciation of PP&E, up 49% from the $ 440.1 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 and the start-up of new projects.

(v) $ 149.8 million for salaries and social security contributions, which represented a 82% increase compared to $ 82.4 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) Insurance for $ 28.2 million, accounting for a 12% decrease from the $ 31.9 million recorded in the same period of 2018.

Gross income/(loss):

Gross profit recorded for the six-month period ended June 30, 2018 was $ 2,515.2 million, compared with a profit of $ 1,963.1 million for the same period in 2018, accounting for a 28% increase. This is due to the variation in the exchange rate and the commercial authorization of the new turbines.

Selling expenses:

Selling expenses for the six-month period ended June 30, 2018 amounted $ 2 million, compared with $ 1.4 million for the same period of 2018, reflecting an increase of $ 0.6 million (or 36%).

Administrative expenses:

The administrative expenses for the six-month period ended June 30, 2018 amounted to $ 85.1 million, compared with $ 92.4 million for the same period of 2018, reflecting an increase of $ 7.3 million (or 8%).

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

(i) $ 79.6 million in fees and compensation for services, a decrease of 4% from the $ 83.3 million for the same period of the previous year.

(ii) $ 3.0 million in rental costs, which accounted for a decrease of 25% compared with $ 4.0 million in the same period of the previous year.

Summary of activity at June 30, 2019 and 2018

Other income and expenses:

Other operating expenses for the six-month period ended June 30, 2018 amounted to $ 352.2, corresponding to a penalty from CAMMESA.

Operating income/(loss):

Operating income for the nine-month period ended June 30, 2018 was a profit of $ 2,425.6 million, compared to a profit of $ 1,518.6 million for the same period in 2018, accounting for a 60% increase.

Financial results:

Financial results for the six-month period ended June 30, 2018 amounted to a total income of $ 1,269.2 million, compared with a loss of $ 5,226.9 million for the same period in 2018, which accounted for an increase of 124%.

The most noticeable aspects of the variation are:

(i) $ 508.5 million loss for financial interest, a 44% decrease from the $ 902.6 million loss for the same period in 2018.

(ii) $ 169.7 million loss for other financial results, a 131% decrease from the $ 553.3 million income for the same period in 2018.

(iii) $ 1,773.1 million loss due to net exchange differences, reflecting an increase of 75% compared to $ 7,181.4 million loss for the same period in the previous year.

Income/(loss) for the period:

The Company reported income before tax for $ 3,694.8 million for the six-month period ended June 30, 2018, as against $ 3,708.4 million loss for the same period of the previous year, which accounted for a decrease of 200%. This variation is mainly due to the changes in the exchange rate, changes in loan interest and increment in the gross profit/(loss).

Income tax for the current period amounted to $ 1,972.8 million, compared to $ 739.2 million profit for the same period in the previous year. Thus obtaining income after income tax of $ 1,722.0 million compared with $ 2,969.1 million of loss for the same period of 2018.

Summary of activity at June 30, 2019 and 2018

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

	06.30.2019	12.31.2018
Non-current assets	29,350.0	29,553.7
Current assets	4,441.3	4,702.1
Total Assets	**33,791.2**	**34,255.8**
Equity	8,009.6	8,009.7
Total equity	**8,009.6**	**8,009.7**
Non-current liabilities	18,368.1	19,986.1
Current liabilities	7,413.6	6,260.0
Total liabilities	**25,781.7**	**26,246.1**
Total liabilities and equity	**33,791.2**	**34,255.8**

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

	06.30.2019	12.31.2018
Ordinary operating income/(loss)	2,425.6	1,518.6
Financial and holding results	1,269.2	(5,226.9)
Ordinary net profit/(loss)	**3,694.8**	**(3,708.4)**
Income tax	(1,972.8)	739.2
Net income/(loss)	**1,722.0**	**(2,969.2)**
Other comprehensive income (loss)	(1,722.1)	2,796.6
Total comprehensive income/(loss)	**(0.1)**	**(172.6)**

Summary of activity at June 30, 2019 and 2018

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

	06.30.2019	12.31.2018
Funds generated by operating activities	2,632.0	476.7
Funds (applied to) investment activities	(920.6)	(1,428.5)
Funds (applied to) generated by operating activities	(1,694.9)	1,631.0
Increase in cash and cash equivalents	**16.5**	**679.3**

5. Ratios presented comparatively with the previous period:

	06.30.2019	12.31.2018
Liquidity (1)	0.60	0.75
Creditworthiness (2)	0.31	0.31
Tied-up capital (3)	0.87	0.86
Indebtedness ratio (4)	2.67	3.93
Interest coverage ratio (5)	4.07	2.64
Return on equity (6)	0.21	(0.48)

(1) Current Assets / Current Liabilities
(2) Equity / Total liabilities
(3) Non-current Assets / Total Assets
(4) Financial debt / annual EBITDA (*)
(5) Annual EBITDA (*) / annual accrued financial interests (*)
(6) Net Income/(loss) for the period (without OCI) / Total average Shareholders' Equity

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

Summary of activity at June 30, 2019 and 2018

6. Brief remarks on the outlook for fiscal year 2019

Commercial and operating sectors

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 condition

In the current period, 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 SIX-MONTH PERIOD ENDED JUNE 30, 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.

   There are 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.

   There are none.

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

	Trade receivables	Other receivables	Trade payables		Loans	Salaries and social security liabilities	Tax payables and deferred tax liability	Defined benefit plan
	$							
To be due								
1st quarter	1,423,649,466	487,635,181	2,433,613,551		1,172,369,448	33,157,866	152,051,712	475,727
2nd quarter	-	21,862,384	743,232,223		87,741,686	1,699,821	-	475,726
3rd quarter	-	21,862,384	372,984,526		816,568,579	1,699,821	-	475,726
4th quarter	-	1,699,033,122	-		1,518,419,337	1,699,821	-	475,726
After 1 year	-	62,800,688	1,415,360,290		12,945,613,503	-	3,990,596,897	14,653,544
Subtotal	**1,423,649,466**	**2,293,193,759**	**4,965,190,590**		**16,540,712,553**	**38,257,329**	**4,142,648,609**	**16,556,449**
Past due	-	-	-		-	-	-	-
Without stated term	116,770,056	-	-		-	-	-	-
Total at 06/30/2019	**1,540,419,522**	**2,293,193,759**	**4,965,190,590**		**16,540,712,553**	**38,257,329**	**4,142,648,609**	**16,556,449**
Non-interest bearing	1,423,649,466	699,484,411	4,473,997,543		-	38,257,329	4,034,956,700	16,556,449
At fixed rate	-	1,570,181,751	491,193,047	(1)	15,173,890,490	-	107,691,909	-
At floating rate	116,770,056	23,527,597	-	(1)	1,366,822,063	-	-	-
Total at 06/30/2019	**1,540,419,522**	**2,293,193,759**	**4,965,190,590**		**16,540,712,553**	**38,257,329**	**4,142,648,609**	**16,556,449**

(1) See Note 16 to the interim condensed financial statements at June 30, 2019.

4. Classification of receivables and liabilities as per the financial effects produced by their maintenance.

Headings	Type and amount of foreign currency		Closing exchange rate (1)	Amount recorded at 06/30/2019	Amount recorded at 12/31/2018
				$	
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents					
Cash	USD	1,400	42.26	59,168	64,262
Banks	USD	5,273,795	42.26	222,886,417	75,366,597
Trade receivables					
Trade receivables - Energía Plus	USD	7,306,836	42.26	308,808,823	289,323,301
Trade receivables - Res. 220/07 - Res. 19/17 - Res. 21/17	USD	25,752,369	42.26	1,088,372,392	1,432,792,719
Trade receivables - Rental of tanks	USD	641,404	42.26	27,107,639	29,441,551
Total current assets				**1,647,234,439**	**1,826,988,430**
Total Assets				**1,647,234,439**	**1,826,988,430**
LIABILITIES					
CURRENT LIABILITIES					
Trade payables					
Related parties	USD	12,696,047	42.36	537,842,657	582,344,121
Suppliers	USD	15,693,170	42.46	666,379,062	190,796,731
Suppliers	SEK	331,956,142	4.60	1,528,558,445	1,412,357,922
Financial debts					
Loan	USD	78,790,042	42.46	3,345,661,549	2,731,645,363
Total current liabilities				**6,078,441,713**	**4,917,144,137**
NON-CURRENT LIABILITIES					
Trade payables					
Suppliers	USD	8,212,063	42.46	348,708,843	1,011,591,149
Suppliers	SEK	-	4.60	-	415,138,708
Financial debts					
Loan	USD	296,150,331	42.46	12,575,431,490	15,498,344,145
Total non-current liabilities				**12,924,140,333**	**16,925,074,002**
Total liabilities				**19,002,582,046**	**21,842,218,139**

5. Intercompany:

Participation percentage in intercompany

There are no interests in intercompany.

Accounts payable and receivable with intercompany

See Note 18 to the interim condensed financial statements at June 30, 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 interim condensed financial statements at June 30, 2019.

7. Regularity 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.

<u>Current values</u>

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 interim condensed financial statements at June 30, 2019.

<u>Property, plant and equipment</u>

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

   There are none.

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

    There are none.

<u>Interests in other companies</u>

11. Interests in other companies in excess of the limit authorized by Section 31 of Law No. 19550.

    There are none.

<u>Recoverable values</u>

12. Criteria followed to determine significant recoverable values of Property, plant and equipment and Material and spare parts, applied as a 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-risk - material damages	USD 539,980,000	USD 643,345,092
Operational all-risk - loss of profit	USD 137,179,863	USD 160,919,240
Contractors' all-risk - enlargement of power plants - material damages	USD 337,000,000	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 liability insurance	USD 15,000,000	USD 15,000,000
Automobile	$ 5,899,000	$ 4,315,940
Transportation insurance, Argentine and international market	USD 10,000,000	USD 10,000,000
Transportation insurance for turbines	USD 133,000,000	133,000,000.00
Directors' bond	$ 450,000	$ 450,000
Customs bond	$ 150,346,919	$ 327,515,905
Financial bond	-	-
Environmental bond	$ 74,655,231	$ 68,539,821
Contract execution bond	$ 450,000	$ 400,000
ENES Bond	$ 263,931,188	$ 377,863,470
Bond for commercial authorization of projects	$ 1,409,456,286	$ 414,485,316
Bond to secure offer maintenance	-	-
Judicial bond	$ 5,000,000	$ 5,000,000
Equipment technical insurance	USD 305,234	USD 256,205
Personal accidents	$ 750,000	$ 750,000
Personal accidents	USD 1,000,000	USD 1,000,000
Life - Mandatory life insurance	$ 68,750	$ 55,000
Life - mandatory group life insurance (LCT, employment contract law)	Disability: 1 salary per year	Disability: 1 salary per year
	Death: 1/2 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.

Contractors' 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.

Regarding coverage for delay in start-up (Alop), the expected margin of the business for the sale of energy and 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 decisions, advertising and marketing, merger or acquisitions, shareholders' statements, accounting records, which may be performed with negligence or fault, error or imprudence and cause an economic damage to an employee, shareholder or third party. It does not cover malicious intent.

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

It covers the personal equity of 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' 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 bond protects the Company against non-compliance with obligations by Directors or Managing partners while performing their duties.

Customs Bonds:

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 exports: 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 shipping: Import or export of goods by means of the staggered shipping system. This bond covers eventual differences arising from the tax treatment of partial shipments as compared to one global shipment.

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 Environmental Law No. 25675, Section 22, as required by the enforcement authorities.

Technical insurance for contractors' equipment:

It covers the damage that machinery and equipment might suffer from the moment they enter into use for their specific function and/or are placed in storage, including any transportation by land.

Mandatory life insurance:

The employer must take out mandatory life insurance coverage for 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 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 Bonds:

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

Directors' bond:

It is the guarantee required by the General Companies Law (Law No. 19550, Section 256, paragraph 2) from directors of corporations and members of the administrative bodies of other companies (LLC, joint stock company). This bond protects the Company against 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 Environmental Law No. 25675, Section 22, as required by the 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 included in 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, the likelihood of occurrence is considered, taking into account the opinion of the Company's legal advisors.

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

    See Note 28 to the financial statements at December 31, 2018.

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 removal of restrictions on the distribution of unappropriated earnings.

    See Note 14 to the financial statements at December 31, 2018. There are no changes as to the information timely provided.

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

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 ID: 30-68243472-0

Introduction

We have reviewed the accompanying condensed interim financial statements of Generación Mediterránea S.A. ("the Company"), including the statement of financial position at June 30, 2019, the statement of comprehensive income for the six-month periods ended June 30, 2019, the Statements of changes in equity and of cash flows for the six-month period then ended, and the selected explanatory notes.

The balances and other information corresponding to the fiscal year 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).

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

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 make 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 International Accounting Standard 34.

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;

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 June 30, 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 $ 6,949,695, none of which was claimable at that date.

City of Buenos Aires, August 9, 2019

PRICE WATERHOUSE & CO. S.R.L.

(Partner)
Raúl Leonardo Viglione

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

Report of the Syndics' Committee

To the Shareholders of
Generación Mediterránea S.A.

1. In accordance with Section 294 of Law No. 19550 and the standards issued by the National Securities Commission (CNV), we have examined the attached condensed interim financial statements of Generación Mediterránea S.A. (the "Company") which comprise the statement of financial position at June 30, 2019, the statement of comprehensive income for the six-month period ended June 30, 2019, statement of changes in equity and of cash flows for the six-month period then ended, and the selected explanatory notes. The balances and other information corresponding to the fiscal year 2018 are an integral part of the financial statements mentioned above; therefore, they must be considered in connection with these financial statements.

2. The Board of Directors of the Company is responsible for the preparation and presentation of the financial statements in accordance with International Financial Reporting Standards, adopted by the Argentine Federation of Professional Councils in Economic Sciences (FACPCE) as professional accounting standards and included by the National Securities Commission (CNV) in its regulations, as approved by the International Accounting Standards Board (IASB), and is therefore responsible for the preparation and presentation of the 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 an opinion based on the review that 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 unqualified opinion on the Condensed Interim Financial Statements on the same date of this report. 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 stated 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 changes that should be made to the condensed interim financial statements mentioned in paragraph 1. for their presentation in accordance with the relevant provisions of Law No. 19550, the rules of the National Securities Commission and 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, August 9, 2019

For the Syndics' Committee
Marcelo P. Lerner
Full Syndic